

News release



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Managing tomorrow's people – global survey reveals what the millennial generation want from work

- Training and development is the benefit the millennials value most highly - particularly coaching and mentoring
- Millennials do not expect to reject traditional working practices
- Robust corporate responsibility is critical to attracting and keeping the new generation of workers
- 61% of CEOs say they have difficulty attracting and integrating younger workers

The perception that the new generation of workers, the 'millennials', are disloyal and will reject traditional work practices is a myth, according to a new global report published by PricewaterhouseCoopers today.

The 'Millennials at work' research is part of PwC's ongoing 'Managing tomorrow's people' series and is based on survey responses from over 4,200 graduates. Individuals in 44 countries were asked to respond anonymously about their expectations of work and careers.

The findings show that - while global opportunities and robust corporate responsibility are critical to the millennials - they expect to be predominantly office-based, work regular office hours and have a small number of future employers. The research therefore suggests that some companies should re-assess their efforts to attract and retain younger workers to ensure they are channelling their investment effectively, particularly in light of current cost pressures.

The importance of this is reinforced by findings from the 12th annual PwC CEO Survey, to be published next year, which show 61% of CEOs say they have challenges recruiting and integrating younger employees.

Michael Rendell, partner and global head of human resource services, PricewaterhouseCoopers, commented:

"With the global economic downturn presenting organisations with serious immediate challenges, businesses need to work even harder to balance short-term pressures with long-term objectives. This means acting now to manage the demographic changes that will impact their ability to compete effectively.

“Eventually, in many parts of the world, fewer younger people will be working to support a significantly larger older population, making people supply a critical factor for business success and potentially changing the power dynamic between employer and employees.”

Global mobility and working practices

Respondents were very open to overseas assignments, with Indian graduates showing the greatest appetite for working overseas (93%) compared with 62% of those from the Netherlands. 80% of all respondents want to work internationally.

70% of respondents expect to use another language at work. While only 38% cited English as their first language, 83% expect to use English at work. French and Spanish follow with 19% and 14%, respectively.

Michael Rendell, partner and global head of human resource services, PricewaterhouseCoopers, commented:

“Globalisation and opportunities in emerging markets mean mobile workers are an increasingly valuable asset to organisations. The millennials’ desire to work overseas and use other languages could mean greater movement between countries at more junior employee levels, which would decrease some of the cost burden associated with incentivising senior executives to work abroad.”

Interestingly, while international travel is high on the agenda, home working and flexible hours are not. Just 3% of respondents expect to work mainly at home and only 18% expect to work mainly outside regular office hours. Three-quarters of respondents believe they will have between two and five employers in their lifetime. These findings appear to debunk the image of the millennial characterised by lack of loyalty and avoidance of traditional working practices.

Technology and information sharing

The research confirmed that millennials view technology as key to socialising and networking, with 85% as members of a social networking site such as Facebook.

Michael Rendell, partner and global head of human resource services, PricewaterhouseCoopers, commented:

“The millennials’ adeptness with technology brings benefits in terms of knowledge sharing, and savvy companies are already taking advantage of this by replicating Facebook-style sites in-house. But companies need to manage the reputational risks associated with this open and instant style of communication.”

40% of respondents are comfortable about giving employers greater access to their personal information in the interests of personal and business security. Additionally, two-thirds of millennials would embrace the provision of personal services - such as housing, food and regular health appointments - by their employer. This raises interesting questions about whether the lines between work and home will blur in future.

CSR expectations

Tomorrow’s workers expect their employers to behave responsibly, with 88% stating they will seek employers with corporate social responsibility (CSR) values that reflect their own.

Additionally, 86% would consider leaving an employer who’s CSR values no longer reflected theirs – Argentina (94%), the US and Brazil (both 92%) are home to the most idealistic graduates in that respect. Indian respondents were least likely to leave (66%). An employer’s policy on climate change is seen as important or very important by the majority of graduates globally (58%).

Reward and personal development

Training and development is the most highly valued benefit for millennials in the first five years of their career – with one third of respondents electing this as their first choice benefit (aside from salary). This is three times higher than the proportion that chose cash bonuses. Almost all respondents (98%) stated that working with strong coaches and mentors is important to personal development.

Michael Rendell, partner and global head of human resource services, PricewaterhouseCoopers, said:

“Most businesses only provide coaches and mentors to senior employees, but providing this kind of one-to-one development to new graduates could help ease the sometimes bumpy transition from university to the workplace, while breeding goodwill and engagement at a relatively low cost. Instead of reacting to cost pressures by cutting training budgets, organisations should ask if they are spending where it will be most appreciated and bring the greatest benefit to long-term business health.”

Despite their CSR expectations, only 7% cited time off for charity or community work as a top three benefit. Over half of the sample (57%) believes they would personally fund their retirement, with only 5% stating the Government/ state would fulfil this role and 17% nominating their employer.

Michael Rendell, partner and global head of human resource services, PricewaterhouseCoopers, concluded:

“The millennials want many of the same things from work as the generations before them so companies do not need to tear up their people strategies to manage the new generation of workers. What is new is younger people’s ability to mobilise into another job if their expectations and ideals are not met. To manage this difference, companies need to think creatively about reward strategies, using metrics and benchmarking to segment their workforce in a similar way to how many companies segment their customer base.

“We think CEOs are struggling with millennials because they need more information about what drives them, and because they need to adapt their traditional approaches to attracting and integrating employees. This means focusing on the things that millennials really want, such as training and development. Articulating employer brand and clearly stating corporate responsibility values will also be critical.

“The millennials’ expectations bring opportunities as well as challenges - those organisations that adapt fastest will be best placed to succeed in good times and bad.”

Analysis of the ‘Millennials at work’ research will inform the PwC ‘Real options for business’ report due to be published in 2009.

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Notes to editor

1. For further information, materials or to download the full ‘Millennials at work – perspectives of a new generation’ report, please visit www.pwc.com/managingpeople2020
2. Millennials refer to individuals who entered the workforce after 1 July 2000.

3. 'Millennials at work – perspectives of a new generation' is based on 4,271 survey respondents in 44 countries. The research was conducted in September 2008. The majority of respondents were new graduates who were due to start work for PwC.

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