

# Managing tomorrow's people

Millennials at work:  
Perspectives from a new generation



# Contents





## Managing tomorrow's people

In late 2007 PricewaterhouseCoopers<sup>1</sup> (PwC) released a report on the future of people management: *Managing tomorrow's people – the future of work to 2020*, which outlined a series of possible scenarios, depicting how businesses would operate in tomorrow's world. The report specifically focused on the people impact of new business models, and the ramifications for people management and the HR function. We identified three scenarios defined as blue, green and orange worlds which we believe will co-exist in 2020.

- The blue world – the big company model rules as organisations continue to grow bigger and the divide between work and home begins to blur.
- The green world – social responsibility dominates the corporate agenda with concerns about demographic changes, climate and sustainability becoming the main business drivers.
- The orange world – companies begin to break down into collaborative networks of smaller organisations; specialisation is key.

Our follow-up report looks at real options for business in light of tomorrow's trends and challenges. What do businesses need to do now in order to be successful in 2020? The first part of this analysis has been to examine a new generation of workers, the millennials, which is explored in this publication.

For more information about our 2020 worlds and to view all our latest analysis and reports on this theme, please visit our website: [www.pwc.com/managingpeople2020](http://www.pwc.com/managingpeople2020)

### Millennials

Wikipedia says 'the millennials' are also known as: 'Generation Y – a term used to describe someone born immediately after Generation X... one of several terms (also including The Internet Generation) used to identify the same group. There is much dispute as to the exact range of birth years that constitute Generation Y and The Millennials and whether these terms are specific to North America, the Anglophone world or people worldwide.'

For the purposes of our Managing tomorrow's people series, we refer to millennials as those who entered the workforce after 1 July 2000.

The results of this survey (conducted during September 2008) are the views of recent university graduates who were due to begin working for or were already working for PwC. Of the 4,271 graduates we surveyed, a small proportion were non-PwC graduates. Although the results give us a good insight into the views of new graduates from around the world, they are clearly not a proxy for the entire millennial group.

We also conducted a similar survey on a smaller scale in 2007 with new graduates from the US, China and the UK.



<sup>1</sup> 'PricewaterhouseCoopers' refers to the network of member firms of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity.

# Introduction

**“Future generations will continue to be significantly different and firms and institutions who adapt fastest will capture the highest quality employees.”**

Quotes from millennials who participated in the survey are included throughout this publication

Much has been written about millennials, but how much do we really understand about their expectations of work? Demographic shifts show the steady creep upwards of life expectancy in many parts of the world, whilst at the same time birth-rates are in rapid decline in most of the old economies. Even Latin America, the US and Asia are heading towards a ‘greying’ of the population. These dramatic shifts will lead to an unprecedented shortage of younger workers and the need to keep employees working until well past current retirement ages. The idea that companies would source talent needs from an unlimited supply of workers from emerging markets has not materialised. Talent shortages are just as critical in China, India, Eastern Europe and parts of South America.

As a consequence of these factors, fewer younger people will be working to support a significantly larger older generation in the future. Even if we assume that older generations stay in work for longer, it is clear that the millennials will have a significant role to play in driving businesses forward. The race to capture the best has always been challenging, but with even less talent available in tomorrow’s world, we can expect a talent crunch which will have a significant impact on the world of work. Business success is driven by having the right people to deliver the strategy and create growth. By 2020 we believe people supply will be the most critical driving factor for business success. Companies may go to extreme lengths in their search for talent, and once they have it, they will take measures to keep people ‘locked in’ to their organisations. Without this talent, they will be unable to compete.

## Talent crunch

The consequences of these changes could mean that millennials will be a powerful generation of workers. It is likely that those with the right skills and abilities will be in high demand. They may be able to command not only creative reward packages by today’s standards, but also influence the way they work and where and how they operate in the workplace. The employer brand and the ability to engage will be key as employees identify by their own measures which organisations are desirable and which are not. The internet generation with their social networking sites and technological savvy will lead to companies using technology innovatively to attract and engage with employees. We could see the employer/employee dynamic shift dramatically – the employee may call the shots in tomorrow’s world.

But do we understand what drives this new generation, their priorities and expectations of employers and the world of work? Are they really so different from previous generations? By better understanding what motivates employees and potential recruits, organisations will be in the best position to develop strategies to attract and keep young talent and nurture tomorrow’s leaders.

Our survey aims to provide some insight into the minds of new graduates from around the world entering the workforce for the first time. As they begin their working lives, what are the hopes and expectations of these millennials? And most importantly do business leaders and HR teams need to revise their current strategies to accommodate these factors?

## Report highlights

Many of the key findings reflect the changing mindset of the new generation. We noticed only nominal differences between this survey and our previous study in 2007<sup>2</sup>, suggesting a consistency of views both pre and post-credit crunch. Although we do not have comparative generational data to examine trends, we think many of these issues would have been viewed very differently even a decade ago:

- Millennials expect job mobility and want the opportunity to experience overseas assignments – 80% would like to work abroad and 70% expect to use other languages during their career.
- Corporate responsibility is critical – 88% of millennials said they will choose employers who have corporate social responsibility (CSR) values that reflect their own and 86% would consider leaving an employer if CSR values no longer matched their expectations.
- The theory that future generations will reject traditional work practices is debunked. The majority expect some element of office based work and only 3% expect to work mainly at home/ other locations. Most expect to be working mainly regular office hours with only 18% expecting mainly flexible hours.
- The notion of portfolio careers is not likely to become a reality for this group – 75% of whom believe they will have between two and five employers in a lifetime.
- Training and development is the most highly valued employee benefit. The number choosing training and development as their first choice of benefit is three times higher than those who chose cash bonuses. 98% believe working with strong coaches and mentors is an important part of their development.
- Only 7% of the sample said time off to do community/charity work would be one of the top three benefits they would value over the next five years.
- Over half the sample believes they will personally fund their retirement with only 5% believing their retirement would be funded by the government/ state and 17% by their employer.
- Our millennials envision a 2020 world where China, India and Russia will have more economic influence than the US and Europe (47%). Only 30% of US respondents disagreed. And over a third of respondents believe that companies will be more influential than governments by 2020.



<sup>2</sup> Managing tomorrow's people – the future of work to 2020 (published by PwC in October 2007)





As we endure the ramifications of a global economic downturn, some might ask why we need to be concerned about what millennials think. Many companies are looking to cut back the workforce and reduce people spend to cut cost. Some may be reducing their graduate intake or introducing a total hiring freeze. But in order to achieve long-term growth objectives, it is critical that organisations have the right talent to help them navigate the challenges of a downturn and see them through to the other side. Businesses which cut back now might find that when the economic environment rebounds, they do not have enough of the right people to be in the best position for the upturn and to remain competitive.

Balancing short-term pressures with long-term business objectives is not easy. The businesses which get the balance right and invest in understanding and nurturing the millennial generation will be best positioned in the future. The success stories of tomorrow are companies that address their long-term skills needs both creatively and holistically, today.

### About the survey

PricewaterhouseCoopers surveyed a total of 4,271 graduates about their expectations of work.

Graduates from 44 countries took part in the research in September 2008. The regional breakdown included: 1,004 in North America and the Caribbean, 943 in Asia, 759 in Western Europe, 481 in Central and Eastern Europe, 215 in South and Central America, 139 in Australasia and the Pacific Islands, 67 in Middle East and Africa.

The majority of respondents were new graduates who were due to start work for PwC. Respondents were encouraged to forward the survey on to their graduating peers and we received 144 completed responses from non-PwC graduates. Respondents from Ireland (38) had been working with PwC for the longest period (one year) and this should be considered when interpreting the results.

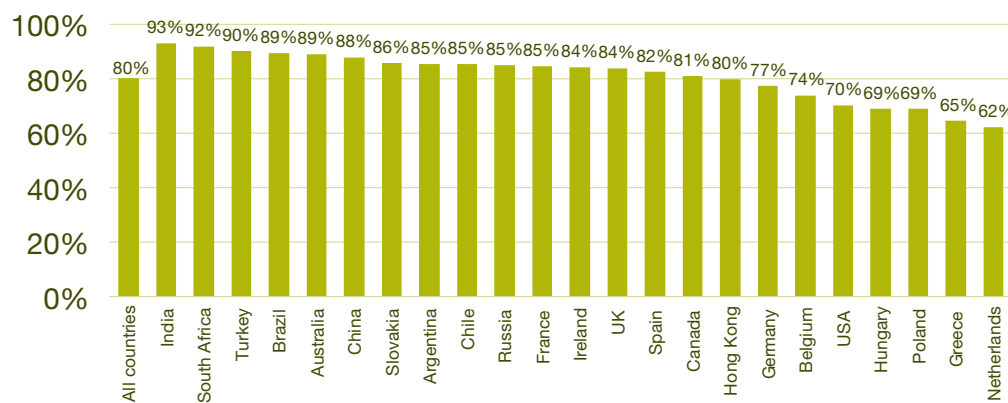
Direct quotes from the graduates on how they view the world of work changing between now and 2020 have also been used throughout this report.

The findings and conclusions from this survey are combined with insights from our previous analysis on the future of work and other data sources.

## Key findings

### We expect global mobility in our jobs, and we want to experience opportunities to work overseas

Almost everyone believes they will work across geographic borders more than their parents did with 94% of the sample agreeing. The graduates seem very open to the idea of an overseas assignment with 80% wanting to work overseas during their career. The country difference is interesting with 93% of Indian millennials wishing to work overseas compared to 62% of those from the Netherlands (see figure 1).

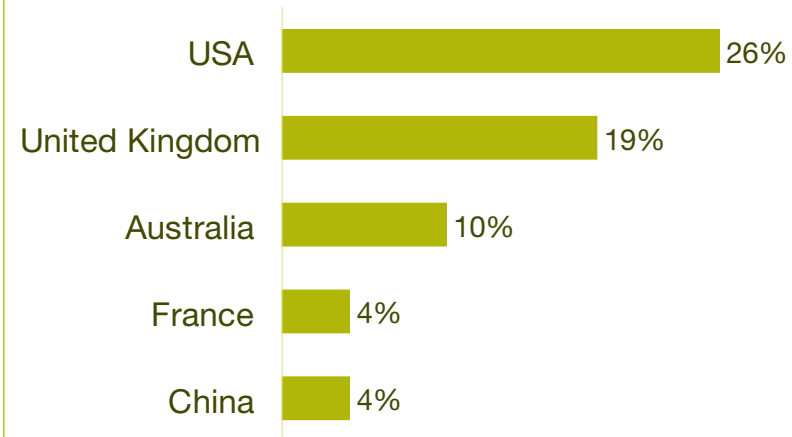


Q: Would you like to work outside your home country in your career?  
(% who agreed)

Base: 4140 global respondents

Figure 1

The most desired location is the US, followed by the UK and Australia, (see figure 2) but overall Western Europe was the most desired with 31%.



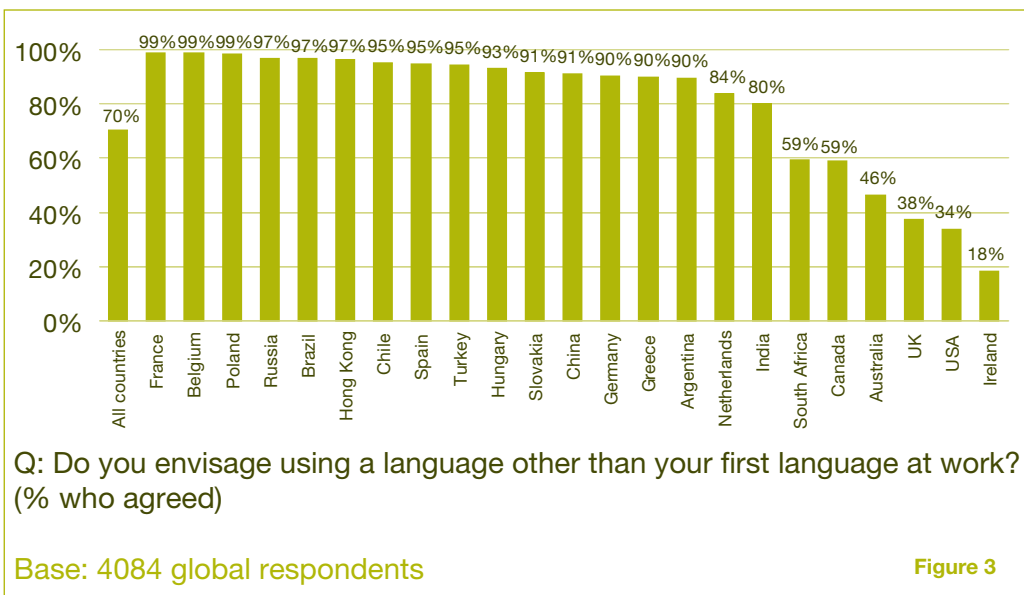
Q: Would you like to work outside your home country in your career?  
If yes, where would be your preferred destination?

Base: 3043 global graduates

Figure 2

“International experience is an essential requirement for future leaders and as such should be cultivated from the very beginning of a graduate’s career.”

70% of our millennials expect to use another language at work. This is higher understandably in countries where English is not the main language. But even in countries where English is the main language, there is an expectation that another language will be needed at work, for example in the US 34% agreed (see figure 3).



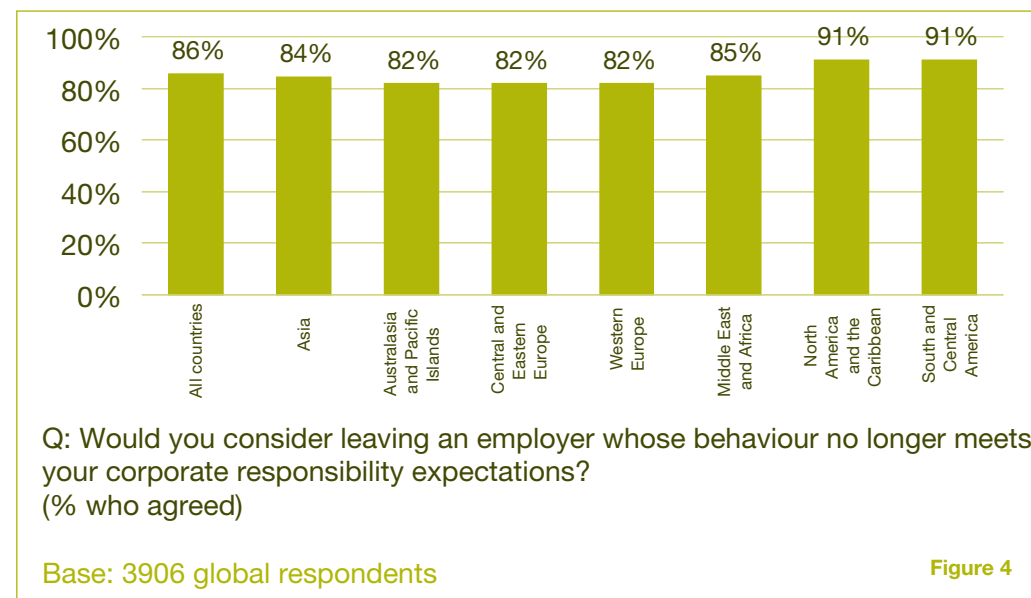
Whilst only 38% of the sample cited English as their first language, 83% expect to use English at work. French and Spanish were the next most likely with 19% and 14% respectively.

The apparent willingness of this generation to travel should be a positive message to businesses. Globalisation has led to an increase in demand for more mobile workers<sup>3</sup>, yet companies often struggle to incentivise more senior workers to take on overseas assignments. Might there be a case for encouraging more global mobility at junior levels? This would give employees valuable experience early in their careers and potentially alleviate the financial burden of many costly overseas assignments for businesses.

## Our employer must have a strong stance on sustainability and climate change

Corporate social responsibility (CSR) is very important to millennials with 88% stating that they seek employers with social responsibility values that reflect their own, suggesting perhaps the growing importance of the issue. What is interesting, is the very high number (86%) who say they would consider leaving an employer whose social responsibility values no longer reflected their own (see figure 4).

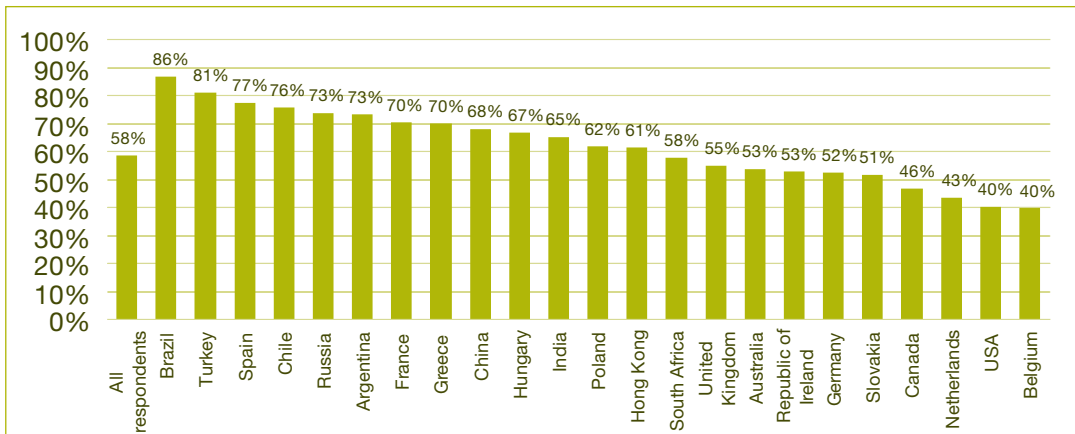
Respondents from Argentina (94%), the US and Brazil (both at 92%) were the most likely to leave whilst Indian respondents were the least (66%).



<sup>3</sup> Managing Mobility Matters: A European Perspective (PwC published December 2006)



An employer's policy on climate change is also seen as important to 58% of respondents. The contrasting views between countries is interesting as those in Brazil (86%) felt this was an important issue compared to only 40% of US and Belgian respondents (see figure 5).



Q: How important is an employer's policy on climate change and the environment in deciding whether or not you should work for them?

Base: 3924 global respondents

Figure 5

This may reflect the higher profile of environmental issues in certain parts of the world – the concerns over the Brazilian rainforest being a good example.

CSR and climate change are clearly topics of the moment and there may be a degree to which millennials want to be seen to be saying the right things about these issues. Instinctively they feel it is an issue they should be supporting. Nevertheless the high response rate coupled with the verbatim comments we received on this topic support the idea that corporate responsibility and climate change are important issues for millennials and employers need to take note.

“I hope that people are more aware of the environmental and social impact of companies. I do not think people should work for a company with whom their values do not align.”

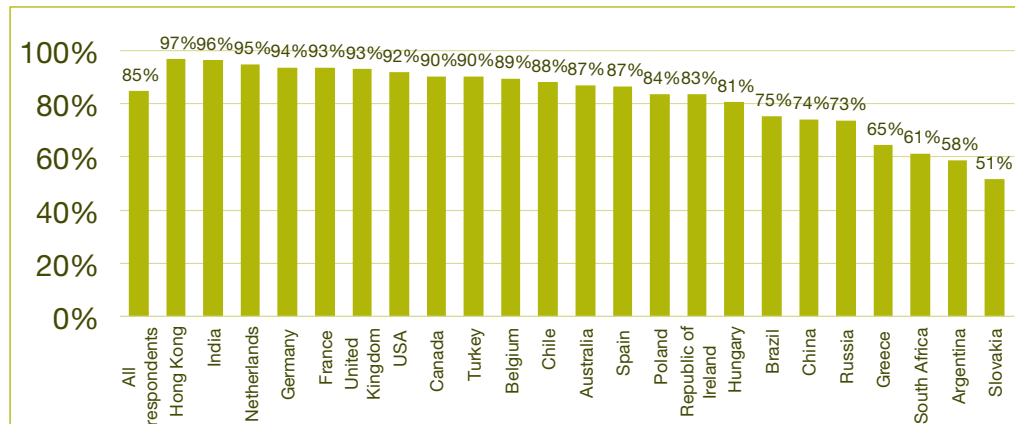
“Sustainability in the workplace will be key as this is how a company's image will be seen in an ever increasing view of the current climate changes and their impact.”

“Technology will be at the centre of everything we do, in ways that may now be unimaginable.”

“Technology advances will change the way we work. All peripherals used now would probably no longer be used in the future. Everyone has to keep up the pace with the change in modern technology.”

### We use technology to enhance our ability to network

Much has been written about the technical savvy of the internet generation. Our survey findings confirm that millennials see technology as a key device for social and networking purposes. 85% of respondents belong to a social networking site such as Facebook (see figure 6).



Q: Are you a member of an on-line social network (e.g. Facebook, Bebo, MySpace etc)?

Base: 3822 global respondents

Figure 6

Almost everyone owns a mobile phone and 86% own an iPod or MP3 player. A lesser number have access to handheld computers, but we would expect this number to increase over the next few years as technological advances make these items more accessible to all.

The millennials seem to believe very strongly that technology will play a critical role in tomorrow's workplace and emphasised the need for companies to keep apace with technology advancements.

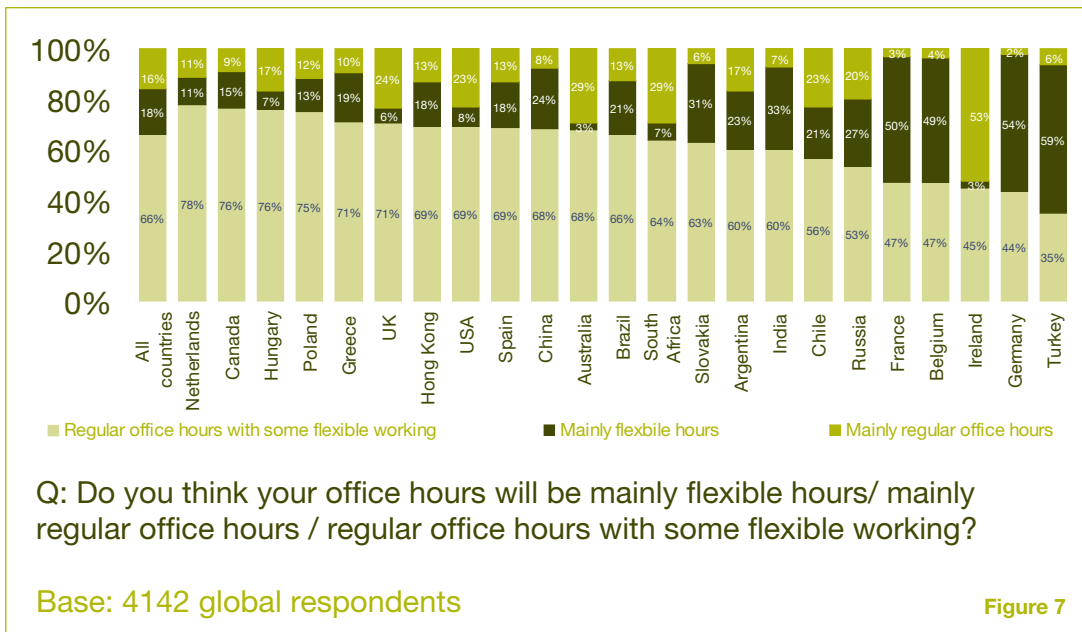
The desire of millennials to want to share knowledge can bring benefits to a business in terms of sharing best practice and for employee engagement. But this open and instant style of knowledge share could also present significant risk. Companies who may have rejected a candidate, or created delays during the recruitment process for example, could find a disgruntled candidate making public criticisms on the internet which could be viewed by thousands of people across the world instantaneously. This could have damaging consequences for the employer brand.

### We do not expect work flexibility

The theory that future generations will reject traditional work practices is debunked. The majority expect some element of office based working and only 3% expect to work mainly at home/other locations. Australasia and the Pacific Islands had the highest percentage who thought they would be working mainly in an office (41%) compared with only 9% in the Middle East and Africa.

Respondents also expect to be working regular office hours with some flexible working (66%). There are some exceptions however, in Germany (54%), Turkey (59%) and France (50%) the majority expect to be working mainly flexible hours. This is contrasted with Ireland where 53% expect to be working mainly regular office hours (see figure 7).

Although the millennials seem to indicate flexibility is not expected, we did however receive many comments about wanting more flexibility. Perhaps the millennials do not feel that total flexibility is a realistic possibility, even though it is something they might desire. We also believe that their expectations may change as they get older and the need for greater flexibility for example to look after family members may become more of a priority.



“Employees may have more flexibility in choosing where to work, when to work, how to work.”

“I think that people will be able to work more from their homes, but I wouldn’t like that there would not be interaction with team mates.”



“It is very likely that the employer will intervene more directly in the personal life of the employee.”

### We are open to sharing personal information with employers – the lines between work and home are blurring

Millennials have split views about giving employers greater access to their personal information in the interests of personal and business security. 40% were comfortable with the idea, while 36% were unwilling and 24% did not know (see figure 8).

Certain parts of the world seem more inclined to share personal information than others with the Netherlands and Slovakia being the most willing (49%). We wonder if it might be the case that millennials, more used to posting personal information on social networking sites, are becoming far more relaxed about giving access to employers than previous generations may have done. Perhaps they have faith in data protection legislation to safeguard their personal data. But given the number of high profile accidental losses/leakages of personal data by governments and companies in recent years, millennials may need to be more cautious.

Two thirds of the sample are comfortable with the idea of employers providing more personal services to workers such as housing, food, regular doctor and dentist appointments. Most of our verbatim comments seemed to support the idea of the employer having more influence over employees' lives in this way. These views might be at odds with older workers who could be less comfortable about opening up access to their home/personal lives.



Q: In the interests of personal and business security would you be prepared to give your employer greater access to personal information?

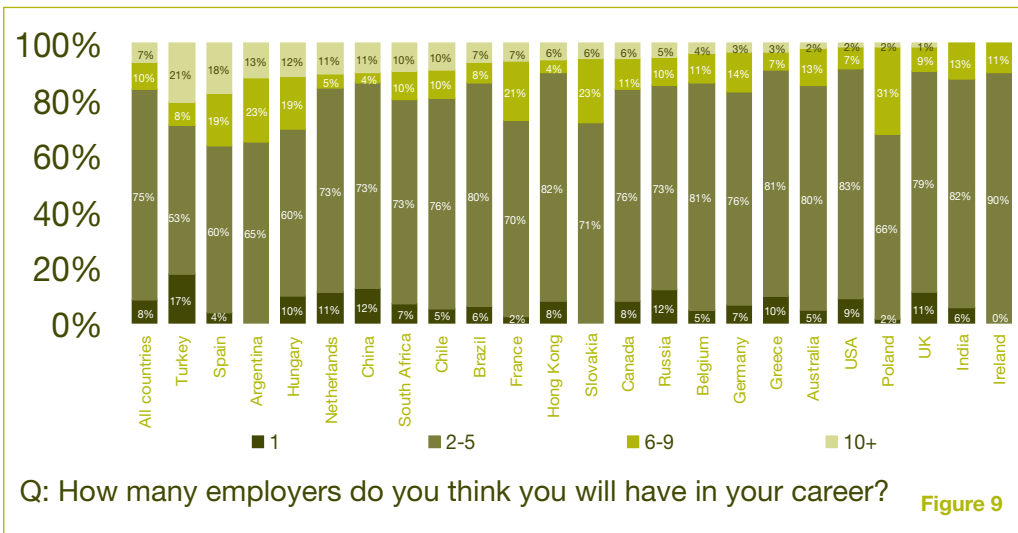
Base: 3884 global respondents

Figure 8

### The concept of portfolio careers in the future is not a reality for us

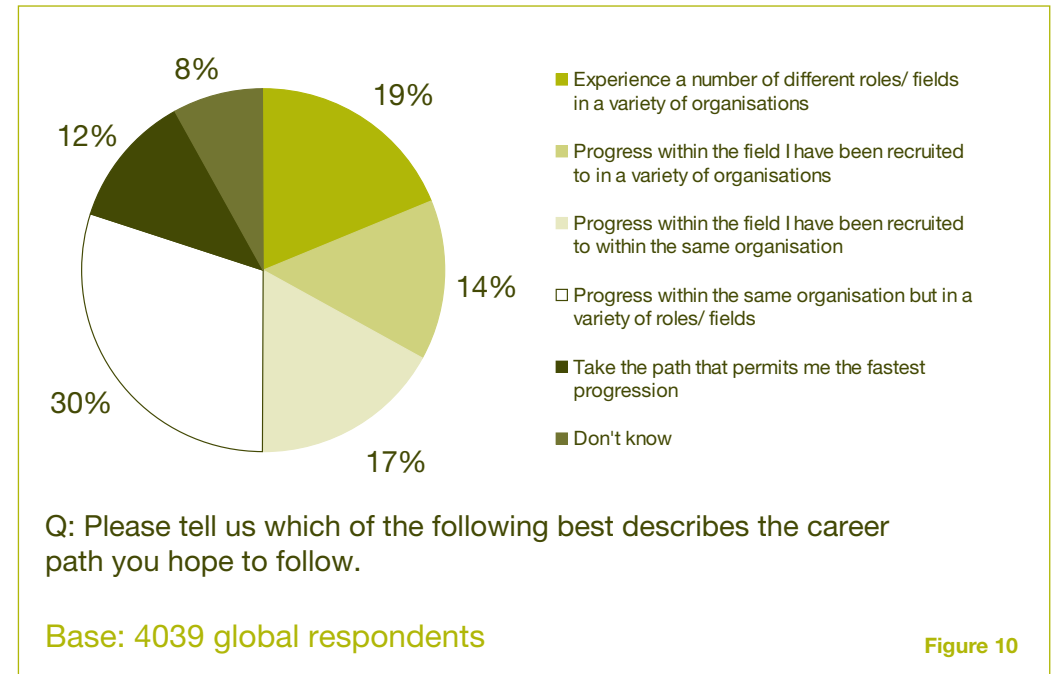
Another theory apparently turned on its head is the idea of working for multiple employers over a career lifetime. The vast majority of respondents believe they will have between two and five employers (75%). Only 7% believe they will have ten or more employers. By region, Middle East and Africa respondents were the most likely to think they would have more than ten employers (11%). Only 10% of North Americans think they will have more than six employers. By country, Spain and Turkey seem the most inclined to portfolio working (see figure 9).

But millennials do expect a certain degree of job mobility with 30% saying they would like to stay within the same organisation, but in a variety of different roles and fields. Only 17% of the sample expected to remain within the same organisation and in the same field (see figure 10).



Almost half of the respondents in South Africa (48%) expect to have multiple roles in multiple organisations. Brazilian respondents seem the most committed to the employer with almost one third expecting to stay in the same field in the same organisation.

These findings seem to dispel the idea of employees job hopping in a portfolio working arrangement. This was an idea much touted in the early 1990s as the future of work. But clearly this audience does not think it will happen, and may therefore not be attuned to cope if it does.

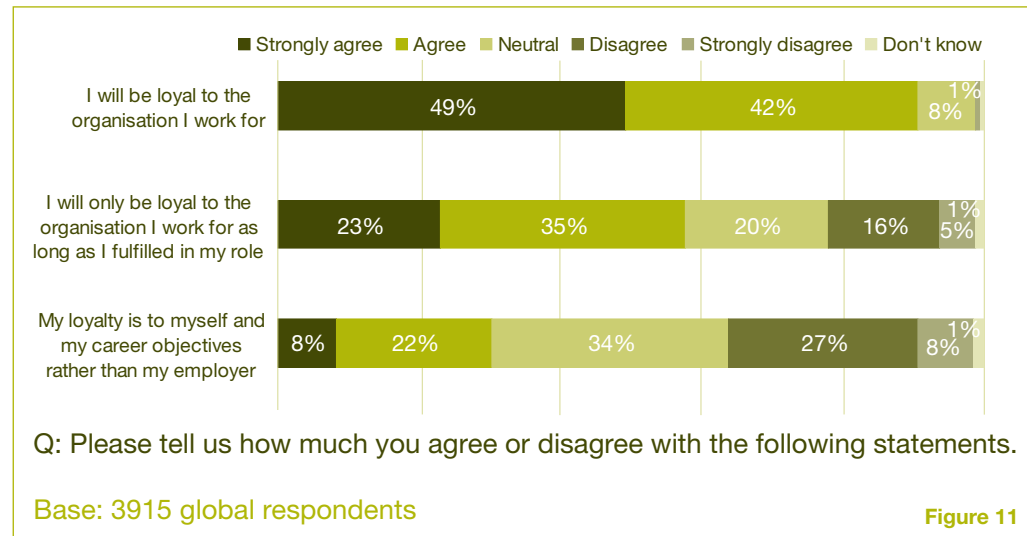


### We are loyal to our employers... for as long as it suits us

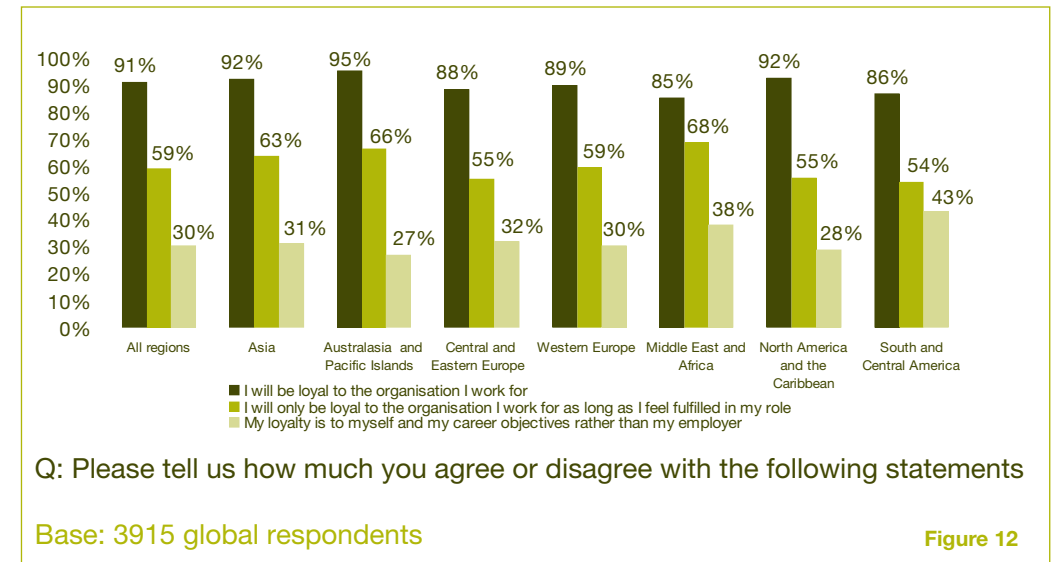
Over 90% of respondents expressed loyalty to the organisation they worked for. We varied the loyalty statements (see figure 11) to ascertain exactly how deep the loyalty was. Australia, Germany and Turkey had the highest agreement that they are loyal to the organisation they work for. Regionally, Australasia showed the highest degree of loyalty, whereas respondents in the Middle East and Africa (38%) and South and Central America (43%) were the most likely to put self-interest first (see figure 12).

German respondents were the least likely to agree with the third statement regarding career objectives taking priority over the employer – only 15% of them agreed with this statement.

We feel that graduates are more likely to aspire to being loyal employees at the start of their careers, so in that sense the findings are not a surprise. However there is clearly an element of self-preservation in the findings, by hinting that they were not willing to commit to blind loyalty. We mentioned at the start of this report our belief that millennials will be a generation in high demand. We feel that this group will put more pressure on employers to have clear employer brand values against which they can be evaluated. If employers do not live up to employee expectations, millennials may be more likely to look elsewhere.



**“I believe that employees who are not happy with their employers will be more inclined to look for another job with another employer.”**



**“Gen Y will continue to look for employers who embrace their desire for challenging work, amazing development and training opportunities, and travel possibilities.”**



## We prefer development opportunities to cash bonuses

We were surprised by the results of this part of the survey. When we asked what benefits they would value most over the next five years, the most important benefits for our millennials are related to training and development activity (see figure 13).

Almost one third of respondents chose training and development as their first choice benefit other than salary. This was three times higher than those who chose cash bonuses as their first choice benefit.

Only 7% cited time off for doing charity or community work as a top three benefit. Yet we saw how important corporate responsibility values were to millennials in our earlier questions on the subject. Perhaps they see this as more of the employer's responsibility than a personal one?

In terms of development 98% of the sample stated working with strong coaches and mentors was important to their personal development. All aspects of personal development scored very highly in the survey (see figure 14).

The least important was e-learning, but even e-learning was cited to be very important or quite important by 62% of the sample.

We would challenge whether business leaders are attuned to the importance of development opportunities to this group. In fact, our experience is that in many sectors training and development budgets are usually the first to be hit when the business or market is doing badly.

The very high results for advocating coaches and mentors are also a key issue for businesses to take away from this study. Most employers only provide coaches and mentors to more senior individuals in the organisation. Younger workers are usually given more vocational/educational training opportunities. The context of the question asked for views on their preferences over the next five years. So we feel there is a gap between the personal development aspirations of millennials and where companies typically invest their training and development budgets particularly in a one-to-one coaching context.

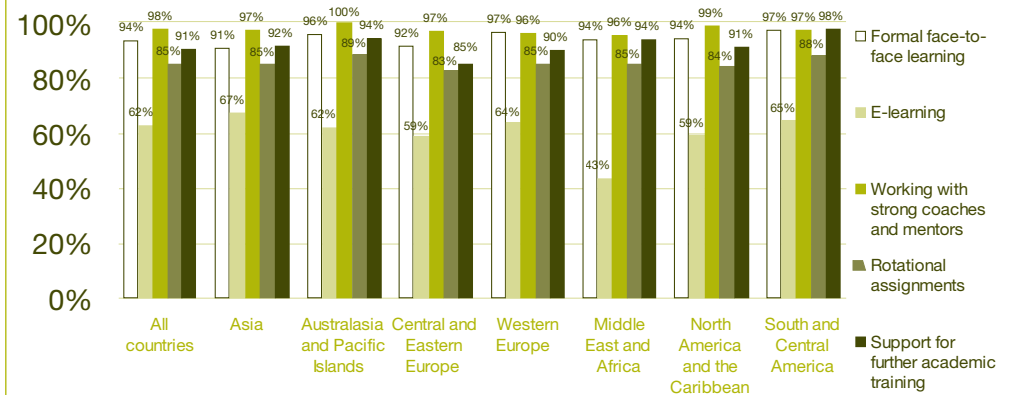
**“Personally I find it very important that personal coaching is present.”**

	1st choice	2nd choice	3rd choice
All respondents	Training and Development (53%)	Cash bonuses (41%)	Flexible working hours (41%)
Asia	Training and Development (64%)	Financial assistance with housing (46%)	Cash bonuses (39%)
Australasia and Pacific Islands	Training and development (58%)	Flexible working hours (45%)	Cash bonuses (42%)
Central and Eastern Europe	Training and development (61%)	Cash bonuses (40%)	Flexible working hours (32%)
Western Europe	Training and development (57%)	Flexible working hours (38%)	Cash bonuses (36%)
Middle East and Africa	Flexible working hours (55%)	Training and development (46%)	Cash bonuses (42%)
North America and the Caribbean	Flexible working hours (53%)	Cash bonuses (43%)	Free private healthcare (38%)
South and Central America	Training and development (73%)	Cash bonuses (45%)	Flexible working hours (41%)

Q: Please select the benefits you would value most over the next 5 years other than your salary?

Base: 3953 global respondents

Figure 13



Q: Please tell us how much you value the following development opportunities.

Base: 3907 global respondents

Figure 14

## I will have to take personal responsibility for funding my retirement

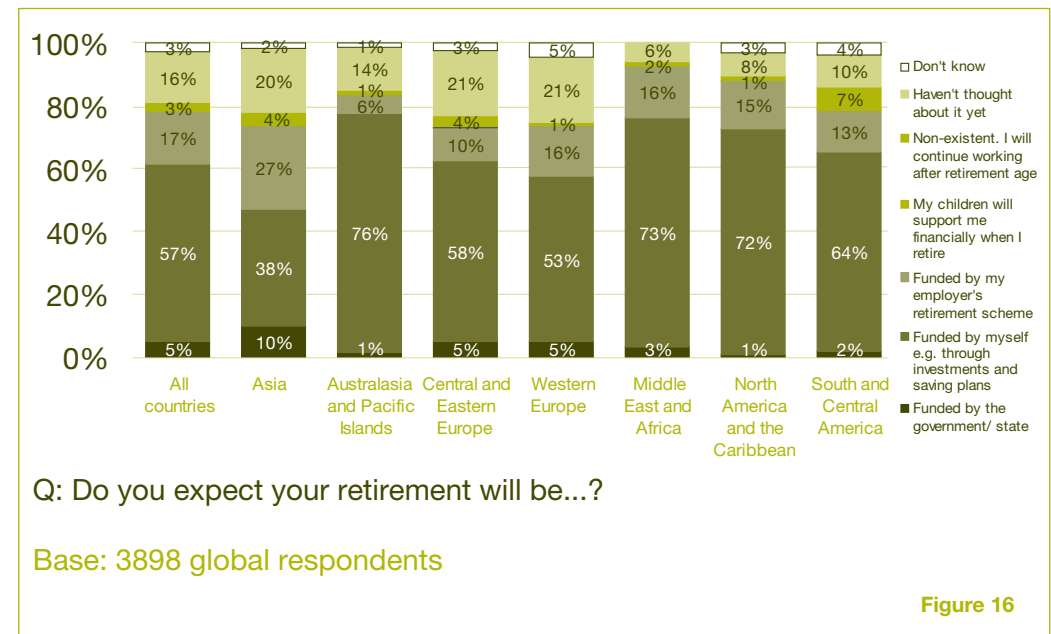
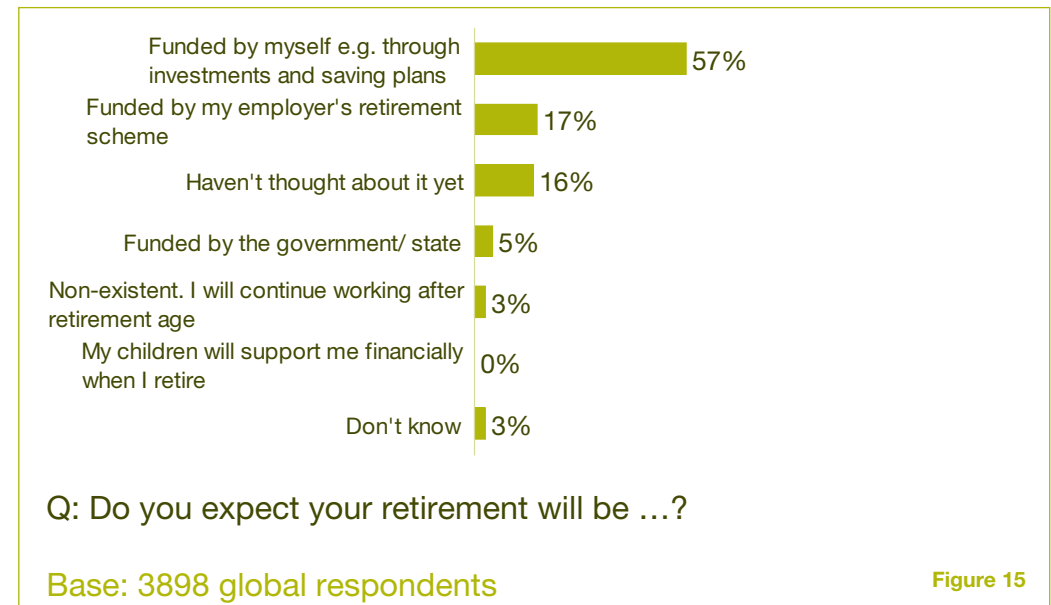
Millennials have accepted the idea that neither the state nor their employer will fund their retirement, with over half (57%) saying they expected to fund their own retirement through personal investments and saving plans (see figure 15).

Australasia has the highest percentage which expect their retirement to be funded personally (76%), Asia has the lowest (38%) with over a quarter of Asian respondents expecting their employer's retirement scheme to meet their needs. Germans have the highest percentage who expect their retirement to be funded personally (90%), the Netherlands had the lowest (27%). 41% of respondents from the Netherlands expect their retirement to be funded by their employer's retirement scheme (highest percentage across all the countries), compared with 0% of those in Germany (see figure 16).

The high profile in recent years of company pension deficits in defined benefit schemes, may have led our millennials to conclude that they need to fund their own retirement. This may be particularly true of Germany for example where companies have suffered crippling pension deficits for the last decade. And in the US, until recent events, there was a belief that very low (or negative) savings rates would not ultimately affect the economy, as Baby Boomers could retire on their asset price and housing price growth without saving out of earnings. During the 2000s, Americans have reduced the amount of disposable income being saved to just about 0%.<sup>4</sup> We believe that these factors compounded by the global financial crisis may have influenced the millennials' resignation to self-funding their retirement.

**"I think that it is extremely important to have a good pension scheme, as the governments scheme fails to keep up with the cost of living. Therefore, as I get older, this will be one of my main criteria when picking who to work for."**

<sup>4</sup> Bureau of Economic Analysis, Economic Intelligence Unit, PwC Analysis



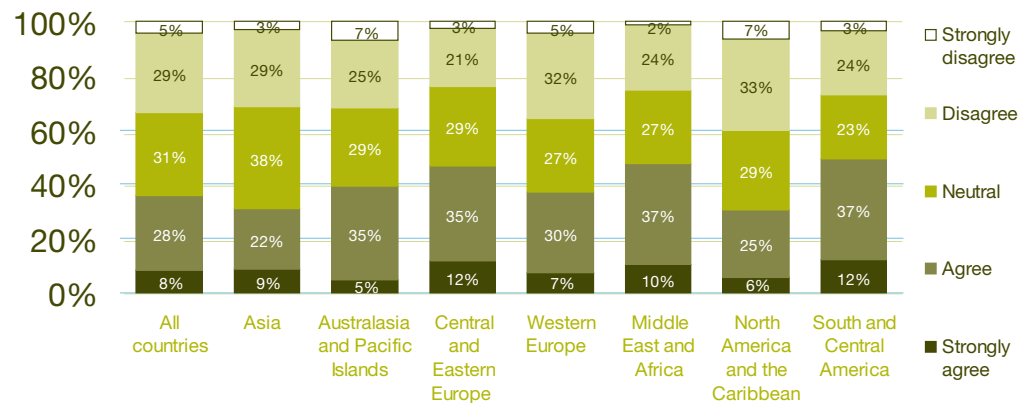
## Thoughts on 2020

**“China will be more and more influential in the following years, and will be one of the most important markets of all enterprises from many countries.”**

We presented a series of statements to the sample relating to the world in 2020.

By 2020 some believe that companies will run their own universities to have the right skills to fulfil their needs (30%). Response was highest in Asia 44% and Central and Eastern Europe (40%). This reinforces again the point that millennials believe development is important, so much so that some companies will even have their own universities in tomorrow's world.

Over one third of the sample believes that companies will be more influential than governments by 2020 (36%). Almost half of South and Central Americans agreed (see figure 17).



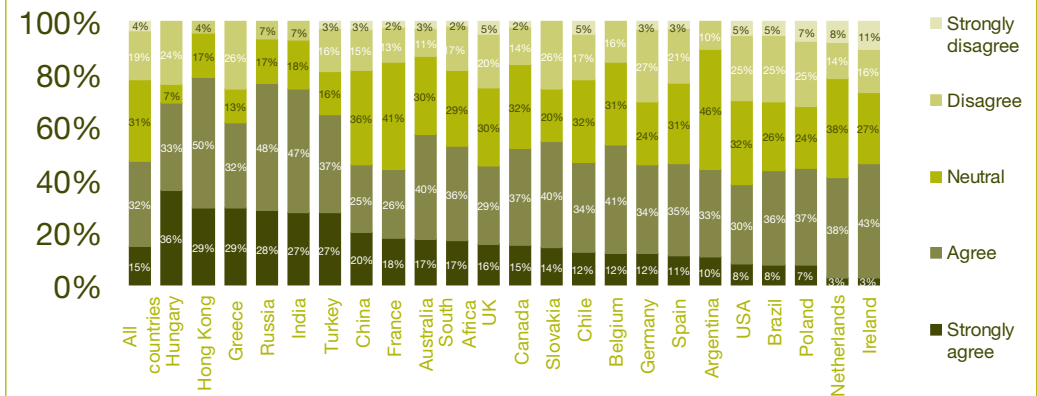
Q: By 2020 companies will be more influential than governments

Base: 3862 global respondents

Figure 17

57% of respondents do not believe that DNA profiling will be part of the graduate recruitment process. Only 15% felt that DNA profiling would be a feature, although this rises to 30% of Middle Eastern and African respondents.

Almost half of the respondents believe that China, Russia and India will have more economic influence than the US and Europe by 2020. Perhaps unsurprisingly the highest rate of agreement to this question came from the emerging markets cited in the statement. However only 30% of US respondents disagreed with the statement (see figure 18).



Q: By 2020 China, Russia and India will have more economic influence than the US and Europe

Base: 3866 global respondents

Figure 18



# So what do these findings mean for companies in their search for talent?



Although the PwC survey does not claim to represent the entire millennial generation, we do believe a number of indicative themes have emerged. We were struck by the similarity of responses across the globe to a number of these issues. Should organisations tear up their people strategy and start again? Not necessarily. But do companies need to review what they are doing in light of some of these findings? Almost certainly. We believe that many organisations are not fully tuned into the millennial mindset.

## Message to the CEO

In the PwC 12th annual CEO survey<sup>5</sup>, 61% of CEOs say they have challenges recruiting and integrating younger employees. When we asked CEOs what are the key components of their talent strategy, the majority sampled believe that flexible working arrangements are one of the most critical components to their ability to attract and retain talent. Yet it seems, the millennials do not expect flexibility and value other benefits more highly. Perhaps their views will change as their life priorities change. 62% of CEOs say providing opportunities for employees to get involved in socially responsible activities is key. Yet only 7% of our millennials would choose to have time off for doing social or charity work as one of their top three benefits.

Perhaps CEOs and business leaders need to consider whether their strategies are valid for all generations of workers. For example, do they need greater flexibility in terms of how they incentivise different segments of the workforce? Could we see more emphasis on worker profiling in the future to help companies better understand their staff diversity and what drives employee loyalty and behaviours? If CEOs really want to get better at attracting and integrating younger workers as the CEO survey suggests, then they need

to place more emphasis on what millennials value most e.g. personal development opportunities, and working with coaches and mentors.

## Market challenges

The pressures of economic downturn are likely to remain a global issue affecting businesses for some time. We may see higher unemployment affecting many parts of the world, and it is likely that business leaders will find it difficult to justify investing in people programmes, while they work through these challenging conditions. But investing in talent is exactly what organisations need to do, to be certain of having a strong footing when the market recovers.

Employers must look for ways to manage costs whilst remaining focused on long-term strategy. Past recessions have seen companies use innovative ideas to meet short-term challenges. One organisation deferred its graduate intake for 12 months and offered said graduates a lump sum to spend on travelling during the enforced gap year. The uptake for the scheme was very high – the graduates were grateful for the opportunity to explore the world and return when things had picked up. The employer was able to reduce the cost burden of a large number of graduates which it had no work for, whilst retaining their loyalty and commitment to start the following year.

As many parts of the world grapple with uncertainty, companies need to explore innovative ways to meet both short and long-term demands.

## A connected world

The demand for global worker mobility has increased dramatically in the last decade with the emergence of new markets and the globalisation of many industries.

<sup>5</sup> PwC 12th annual CEO survey published January 2009

Companies struggle to get people to work overseas and the average cost of an assignee can be three to four times higher than a local hire. The return on investment of international assignments is often very poor, with up to 40% of assignees leaving the organisation within 12 months of returning to their host country.<sup>6</sup> Our millennials survey suggests we have a generation who are enthusiastic about working overseas. How can companies capitalise on this to meet their needs?

Our millennials are at ease with technology which permeates many facets of their lives, but are companies keeping up? There will likely be an expectation that companies are at least apace with technological advancements. For example, we are all used to using search engines to find exactly what we need on the internet, but is it as easy to find knowledge and connect people in large companies? Today, some large companies do not even know on a given day, their total number of employees.

Smart companies are already ahead of the game, replicating the likes of Facebook networking sites internally. Other organisations are making foreign assignments part of the promotion criteria. Many organisations are taking people metrics to a highly sophisticated level, way beyond the staff satisfaction survey which has become the norm.

### And what about Generation X and the Baby Boomers?

Our survey suggests a number of similarities between millennials and previous generations. The new generation want stability, security and variety in their working environment. They want to be loyal to an organisation that they are proud to work for and reflects their own values. Are these aspirations so

different to what previous generations have wanted? We do not think so. But it is the greater ability of this new generation to mobilise themselves quickly and easily into employment elsewhere that CEOs need to worry about. The survey responses to the CSR issues and the questions on loyalty indicated that if millennials do not get what they want with their current employer, they will go elsewhere.

Companies in 2020 will find that they are dealing with a complex workforce of different generational expectations and needs. At one end of the spectrum workers could continue working until well past retirement age – what impact will this have on pension planning, health and wellness and how they interact with younger workers in the organisation? The millennials will be in their 30s and 40s by then. How will they have shaped the workplace of tomorrow with their advanced technological savvy, social responsibility values and global outlook? Organisations need to work through the complexity of having such diversity in the workforce. Many organisations today use customer segmentation strategies to understand the orientations of their customer base. We believe companies need to look at using similar methodologies to understand the segmentation and orientation of their workforce. Having the flexibility to provide tiered offerings to suit employees at different stages of their life-cycle as well as from different generations will be key to drive maximum value and loyalty from employees.

All organisations and their Human Resource teams need to look seriously at the millennial generation if they want to be able to compete in tomorrow's world. One thing we can be absolutely certain of – good people will continue to be incredibly hard to find and difficult to keep.

“Employers need to recognise that young joiners today and in the future will have different demands and aspirations to those generations that have preceded us.”

## Managing millennials

1. Use metrics and benchmarking to segment your workforce in order to understand what millennials want and how these desires might differ from older workers.
2. Think creatively about reward strategies and what motivates millennials? For example, is it time to shift focus from cash bonuses and company cars to other things?
3. Consider global working opportunities – how might this enthusiastic generation support your global mobility needs?
4. Continue to invest in personal development and training – explore expanding coaching/mentoring programmes to younger workers.
5. Articulate your employer brand – communicate internally and externally what it means to work for your organisation.
6. Have a clear statement about corporate responsibility – make this part of your employer brand and be committed to deliver the promise.
7. Think creatively about how technology can be used to engage this audience e.g. avatars, internal networking sites etc.
8. Provide variety and fresh challenges – consider promoting cycles of experience in other parts of the organisation.

Our thanks to all the graduates who participated in this survey, and to the PricewaterhouseCoopers human capital teams around the world.



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