



MILLENNIALS

The Takeaway

New research from Deloitte Greenhouse™ Business Chemistry® reveals potentially noteworthy differences between millennials, Gen X, and baby boomers in their preferred work styles. Our study reveals that roughly 60 percent of millennials are characterized by two particular work styles that are in contrast to the work styles of other generations. Improving generational intelligence by understanding the work preferences of millennials—the largest share of the labor force today—may be the key to unlocking their commitment and engagement.

The Challenge That Won't Go Away

In 1987 the world was introduced to the term millennial,¹ named for the high school class that would graduate in 2000. Commonly portrayed as idealistic and overzealous, the story² we often heard over the years was that millennials were more likely to be talking about their passions than doing their day jobs. For the youngest members of our workforce, the things that typically mattered most at work were happiness and fulfillment.

As time progressed, many millennials had to face the general realities of the workplace—one in which no one is special and you must put in time in order to advance. Many millennials confronted a common unhappiness at work, while older colleagues could be seen scratching their heads wondering, “What happened to an honest day’s work?”

It’s been three decades since the millennial entered the stage as often the most evocative character of the generational narrative. And while many millennial stereotypes still prevail, how much data actually exists to support them? Do millennials really see the world through the lens of endless optimism, or are their views more jaded? Are they stereotypically overenthusiastic and extroverted, or are they more reserved? Lastly, do millennials want longevity and stability in their jobs, or do they prefer to be free agents?

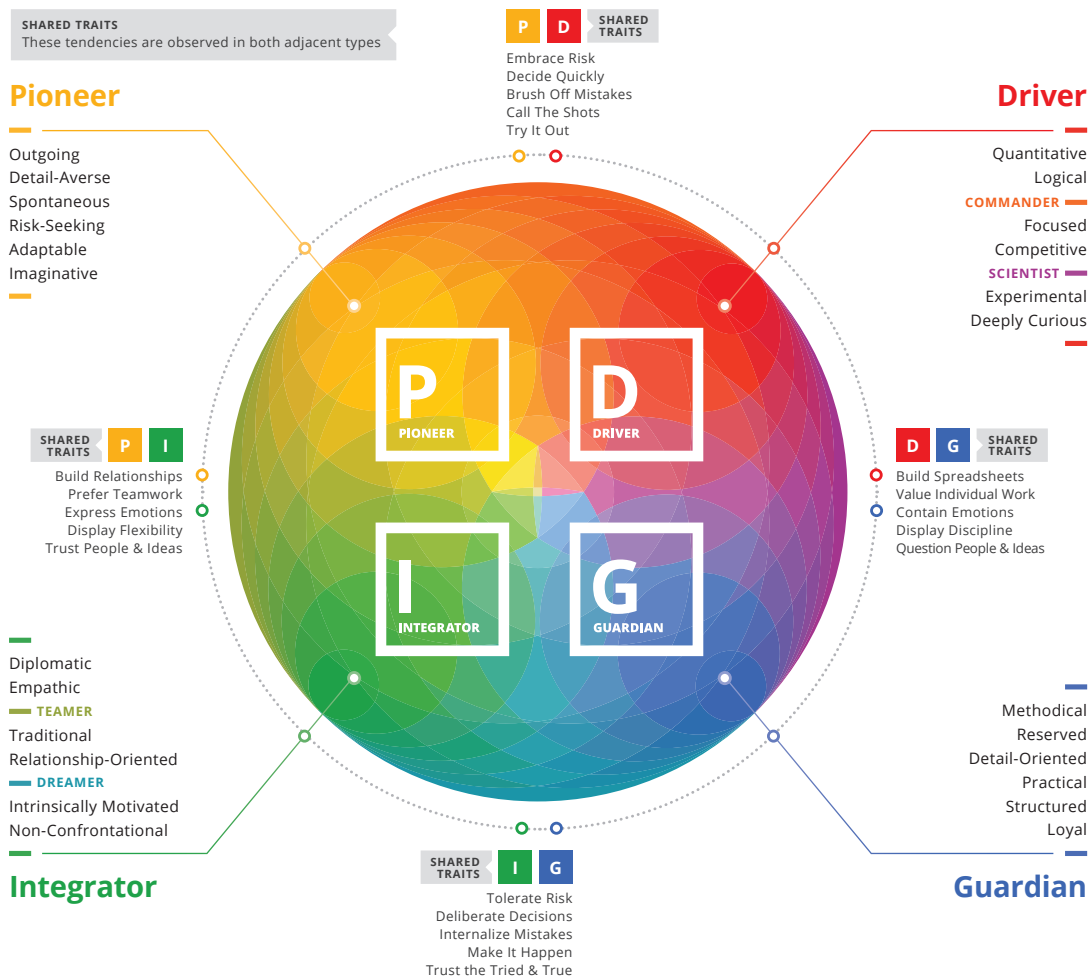


Our Study: In search of the real story

We set out to answer some of these questions in a study of generations based on Business Chemistry, a data-driven approach to understanding different work styles. Business Chemistry is comprised of four patterns of work preferences (see graphic). **Pioneers** are outgoing risk-takers, while their opposites, **Guardians**, are detail-oriented pragmatists. **Drivers** are experimental competitors, while their opposites, **Integrators**, are empathic diplomats.

To explore various Business Chemistry types across generations, we studied thousands of professionals from a wide variety of companies and industries. We conduct three online surveys:

1. Between 2013 and 2016, 2,958 US-based participants took our online Business Chemistry assessment.
2. We also asked a second sample of 13,885 to answer questions about career aspirations and priorities—and the conditions that help them thrive at work.
3. In a third sample of 2,725, we inquired about stress levels and coping strategies. Samples two and three also completed the Business Chemistry assessment.



The data reveals different versions of reality

Based on the abundance of research and writing on millennials over the last decade, we expected a dominant work style to emerge. And while our research confirms some of the common stereotypes, to our fascination, there are many ways it does not.

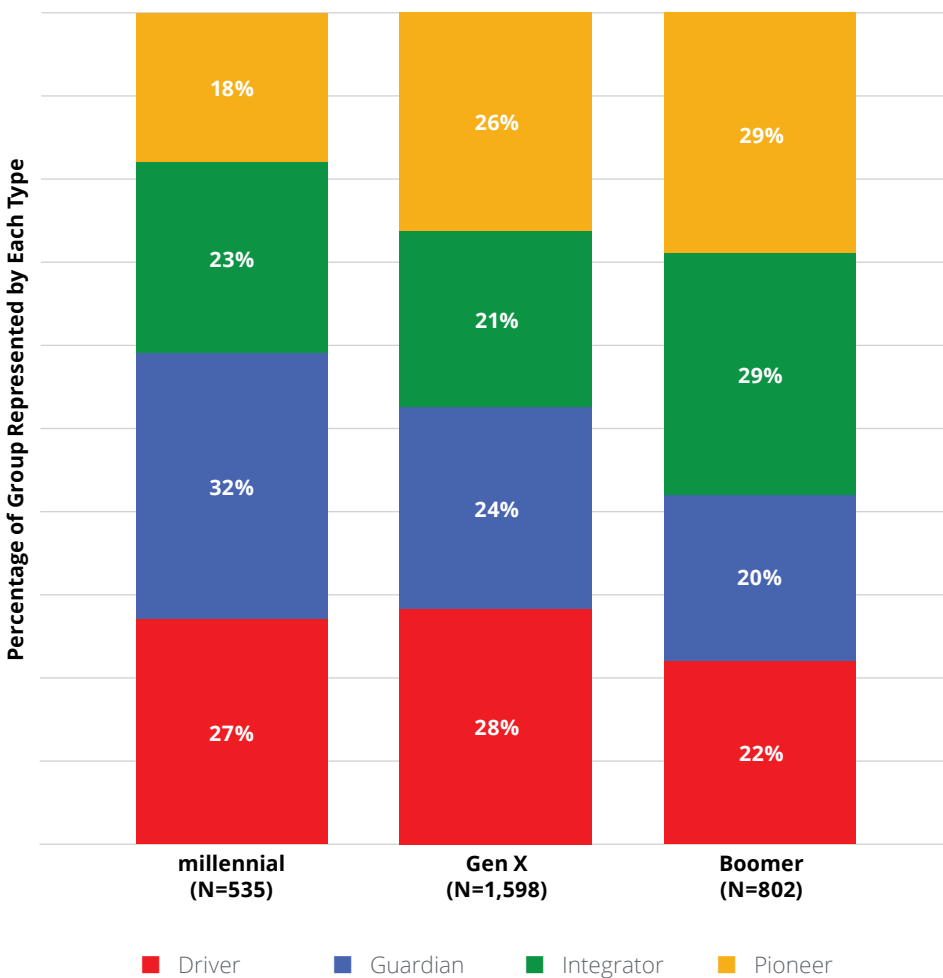
We were surprised to learn that millennials, the cohort commonly referred to as “generation me,” are most likely to identify with the methodical, risk-averse Guardian.

Thirty-two percent of millennial survey participants identify with the style that is most likely to appreciate what’s tried and true and be averse to change. Given millennials’ reputations for “thinking big” about their career aspirations and impact, this may seem counterintuitive. One possible explanation may be that early in their careers, employees are often relied upon—and rewarded for—their attention to detail and their ability to follow a structured,

methodical approach. Your parents and teachers might have called this “make a plan and stick to it.”

The second most prevalent type among millennials, Drivers, are characterized by their focus on outcomes and goals. And while many professionals report disliking slowness and bureaucracy, broader research shows that millennials like it least.³ Taken together, this data suggests millennials’ preference for practicality and action over talk and theory.

Business Chemistry and Generation



Notably, less than a quarter of the millennials in our sample are Integrators—the type known for their people focus. This is a fascinating discovery given that social media and other vehicles for connection are generally the hallmarks of the millennial lifestyle. After all, this is the generation that was raised with more parental involvement than any other and a heavy focus on team collaboration in school.⁴ What’s more, the smallest proportion of millennials in our sample emerge as Pioneers, the blue-sky thinking, networked, and spontaneous type. It’s interesting that the most common stereotypes about millennials cluster around the type that least represents them.

How do millennials stack up against other generations?

For perspective, our research on baby boomers shows a concomitant, and equally heavy, Business Chemistry inclination toward Pioneer and Integrator types, both of which are the most nonlinear, ambiguity-tolerant, and networked types. We speculate a sizeable number of baby boomers are more expansive thinkers with a transformational approach (Pioneer traits). Adding to this picture are baby boomers' overall preferences to be involved and their focus on self-actualization,⁵ which align with Integrator leanings. Is it conceivable that millennials will become more like baby boomers with life and work experience? It's possible. One limitation of our study is that we can't yet determine if over time millennials' Business Chemistry patterns will stay the same, or if they'll change.

Not to be forgotten, Gen Xers' preferences registered in our study as well. Just as research by the Pew Research Center⁶ has demonstrated, their survey responses tend to fall in the middle of baby boomers and millennials. These middling scores may be the very reason why media attention has focused so much on baby boomers and millennials, largely leaving Gen Xers aside. Interestingly, Gen X represents the most evenly proportioned distribution of Business Chemistry types across any of the generations in our sample.

Digging deeper reveals a different narrative

While an understanding of general work style preferences sheds some light on this often misunderstood millennial worker, we dove deeper into the data to understand what many millennials seek out and value in the workplace day to day. By examining the most significant differences between them and their older counterparts, we suggest a new narrative for the millennial worker—one that is marked by an inward focus, an overall reticence toward “gray area,” and a doubtful, rather than trusting, inclination towards others. These nuanced insights may underscore why a truly reciprocal understanding has been hard to come by for many employers and millennials. It may also suggest that the workplace could be adding to the experience of stress for the average worker.



An outward appearance, but an inward focus

Is there such a thing as a secret introvert? While plenty of research contends that many millennials are the ultimate social butterflies,⁷ our data suggests that, compared to older generations, many are inclined to be more restrained, quieter thinkers. This becomes obvious when we break down the Business Chemistry types into introverted and extroverted types. Guardians are joined in the introverted category by Dreamers (a subtype of Integrator) and Scientists (a subtype of Driver). Pioneers are joined in the extroverted category by Teamers (a subtype of Integrator) and Commanders (a subtype of Driver). While the extroverted types are generally more take-charge, networked, and energetic, introverted types are more emotionally contained, likely to be quieter around people they don't know, and less inclined to thrive on competition. When we segment our data by these introverted vs. extroverted patterns, millennials are significantly more likely to be introverted types (59%) than either Gen X (46%) or baby boomers (43%).

A factor further complicating this issue is the evolution of what interaction actually means today. After all, we take plenty of cues from these every day, interpersonal “collisions.”

A millennial active on social media, for example, may appear stereotypically extroverted to the outside world. Yet offline they may strongly prefer solitude to socializing. Similarly, someone who's outgoing and extroverted in-person, may avoid social media interactions or prefer to engage in them solely on a superficial level or occasional basis. One research study from the American Psychological Association reported that millennials often feel disconnected from others—including their family—and blame their over-connected digital lives.⁸ According to millennials, the digital world may actually be hindering their in-person social interactions.

How we pick up on someone's introverted or extroverted proclivities now can require factoring in many levels of interaction—those that we observe professionally, personally, in-person, and virtually. And still, a person could be wrong in their assessment of someone else.

Millennials’ superpowers and kryptonite

Examining Business Chemistry types is one way to better understand millennials. For an even deeper understanding, we explored whether there are pronounced behavioral traits that are shared among millennials—regardless of Business Chemistry type—that inform their approach to work. To achieve this, we compared millennials’ scores on the 68 traits that make up Business Chemistry to the scores of the older generations. One of the most notable areas we pinpointed involves one’s tolerance for ambiguity. In our sample, millennials are significantly less likely than their older counterparts to be comfortable not knowing all the answers. This may be one potential root cause behind millennials’ oft-mentioned desire for frequent, ongoing feedback from managers.⁹

Tolerating ambiguity can require living with a problem. It can also include making decisions with imperfect or partial information. Perhaps because they’ve grown up with nearly instant access to masses of relevant information, ambiguity can be seen by millennials as a failing;¹⁰ something that in the best circumstances can be eradicated, not “lived with.”¹¹

Just consider the scenario of planning for a new job interview. A baby Boomer may have approached this exercise by getting out a paper map to plan the trip to the interview. They may have asked friends or neighbors for referrals to company insiders and used a book or magazine article to prepare for common interview questions. Contrast that with a millennial’s approach today. Now it’s possible to immerse yourself in company data, scouring an organization’s 10-K to learn about its performance. You can optimize travel to the interview using apps that provide near-perfect commuting routes. You can consult your online networks for company connections and connections to those connections. You can sort through ranked results of sample interview questions and responses written by experts. And you can read a bevy of anonymous reviews about what it’s really like to work at the company.

How Millennials Differ from Non-millennials

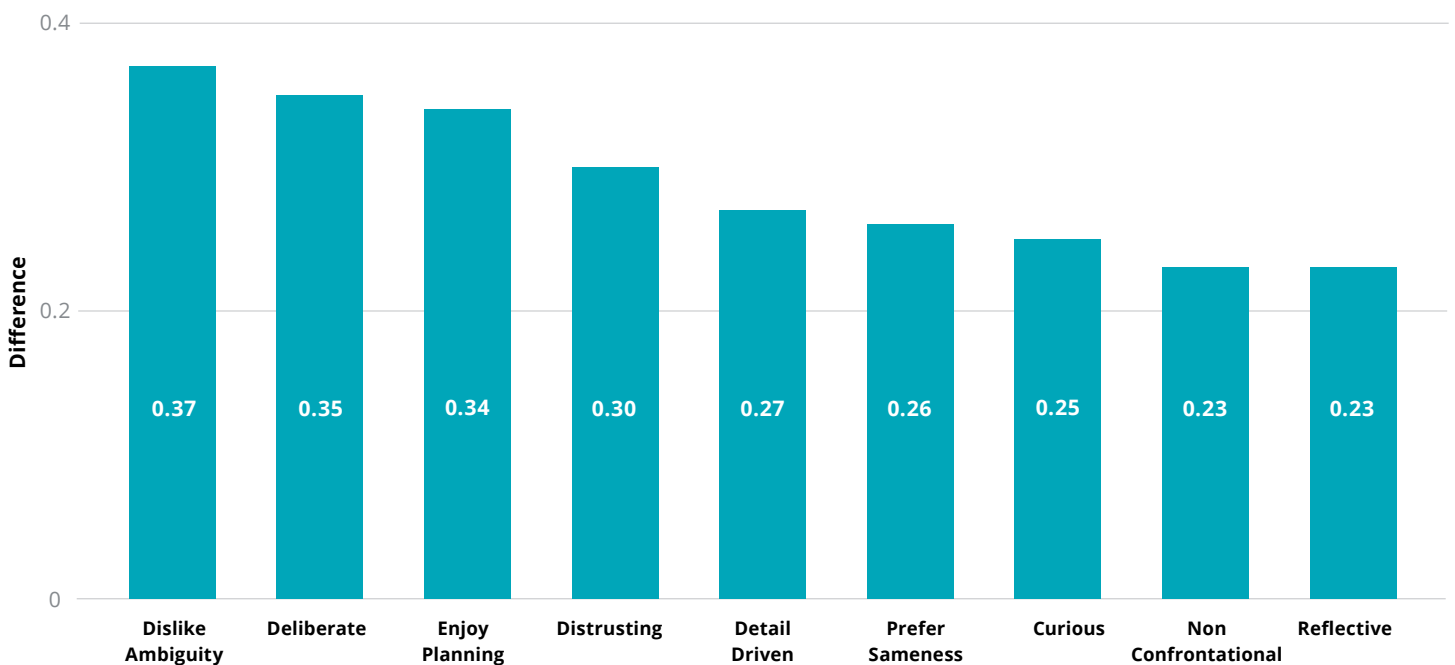


Figure Note: average scores for each trait are generally between -1 and +1 across generations

No wonder millennials may find ambiguity intolerable.

With today's access to information, there's a lot more to deliberate. And millennials in our sample are more likely to take time with decisions, enjoy planning every detail of a project, and prefer to have all of the relevant information (vs. just an idea of the end goal) when kicking off a project. They're also more likely than older generations to indulge their curiosity deeply.

This focus on the finer matters may also inform the kind of reflection in which many millennials are known to engage. Our analysis shows that millennials are more likely than other generations to read more deeply into issues and situations, versus simply taking them at face value. One only needs to imagine a common workplace occurrence—the dreaded misinterpreted email—to imagine why. Perhaps millennials, digital natives that they are, understand that there are limits to what you can glean in tone or intent merely from the surface.

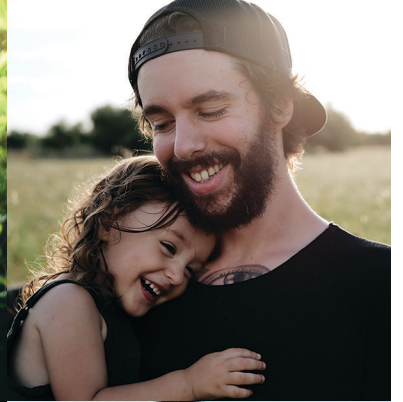
Research has documented that millennials are often less trusting than other generations.¹² Our study corroborates this finding and shows that millennials are also less comfortable tolerating conflict than older professionals. What's also provocative is our finding that many millennials prefer to work with colleagues who have strengths similar to their own rather than those with diverse strengths. For a generation lauded as civic-minded, socially conscious, and particularly diversity-tolerant,¹³ this news is unexpected. It's entirely possible that for millennials tolerating confrontation or difference of opinion creates more of the very thing they want to avoid: uncertainty and ambiguity.

Generation stressed

In analyzing stress levels among the generations, we found that millennials experience the highest levels of stress overall—though not by a large margin—followed by Gen Xers, then baby boomers. Across the Business Chemistry spectrum, millennial Integrators (40%) and Guardians (38%)—the types most likely to tolerate risk rather than embrace it—report the highest stress. And, millennial Drivers (28%) and Pioneers (26%)—the most take-charge types—report less overall stress. They are also the types most likely to report being effective under moderate- to-high stress levels.

We hazard that there are real reasons for many millennials to be the most stressed generation. Conflict, economic downturn, and terrorism on a worldwide scale have marked millennials' formative years. But so have many ongoing daily threats: the dark sides of technology; a country struggling with brittle race relations; political polarization; and a lengthy recession.

Add to this what's been called an "opportunity drought" and the millennial lens may come into focus.



Writing the next chapter: Strategies to maximize millennial talent

If leaders and talent managers are going to meet millennials where they are, they're likely going to have to do it in a new way. For pensionless millennials, gone is the "I'll take care of you, if you take care of me" contract between employers and employees. And where there's less commitment, there's often less attachment—a dynamic most companies observe in the form of disengagement and job hopping.

Becoming a student of millennials' value systems may be one way leaders stand a chance to engage them. Here are five additional ways you can captivate that something extra: their discretionary effort:

- 1. Be a coach first, manager second:** For many millennials, ongoing consultation is not a sign of weakness, but rather a real-time feedback loop used to self-correct. Managers should be willing to grant millennials this informal access, serving as regular sounding boards and providing younger colleagues with valuable perspective. This is especially important because, in our study, millennials are the least likely of the generations to use stress coping strategies of a cognitive nature, such as taking a step back to consider the big picture, thinking through possibilities and alternatives, and trying to look on the bright side. Compellingly, the use of one cognitive coping strategy can lift others. For example, research shows¹⁴ that looking on the bright side broadens one's sense of possibilities and expands thinking, which in turn has a positive effect on building new skills. Negative emotions tend to do the opposite, narrowing our view of what's possible. Managers who can coach their millennial workers toward these cognitive coping strategies, are likely to benefit from less stressed and more productive team members.
- 2. Hail the Passion Project:** There is a joke that "20 percent projects"—those personally satisfying, pet initiatives you're allowed to tinker with at work—are really "120 percent projects" because the weekend or your personal time is your only opportunity to pursue them. Even so, giving millennials protected, dedicated time to customize an actual part of their

job can make them more than employees in their eyes; it can make them designers. Allowing them to job-craft their projects and job titles can deliver some independence, allows them to convey their learning to others, and fosters a deeper sense of job satisfaction.¹⁵ This can be particularly important to millennials who, according to our study, are the likeliest of our respondents to thrive when they have work they enjoy and can make a difference. Why not let millennials define, at least in part, what that difference is?

- 3. Recalibrate leadership development programs:** Often too many corporate leadership programs are predicated on the idea that everyone advances by leading. Findings from our study show that while a significant number of all generations have aspirations to be a leader, leadership is not millennials' only brass ring. millennial respondents are more likely than other generations to aspire to be a top performer, expert, or innovator. millennials' bent toward becoming experts and innovators may allow them more career mobility, so they can more easily transition from gig to gig. Consider shifting traditional leadership development programs toward a career or intra-preneur center approach.
- 4. Communicate, and then communicate some more:** One of the quickest ways to engage millennial workers is through the use of concise and clear micro messages about company direction and progress. Don't shy away from direct and transparent communications that drive away ambiguity, but remember to keep it baloney-free. One millennial we interviewed worked for a large company where the CEO announced a new initiative via memo, signing off with "Let me know if you have questions." When the millennial took the CEO up on his offer, coming directly to this office, he was swiftly rebuked by the chief of staff that his actions were out of line. Remember that no news is not better than bad news with many in the millennial generation. And disingenuous or hypocritical communication will likely not go unnoticed.

5. **Loosen the tether:** More than any other generation we surveyed, millennials are likely to cope with stress using strategies outside of the office. Build in some latitude for them to do just that and don't assume their absence is a productivity killer. Allow more of a fluid, revolving door between work and play. What may look like procrastination to you might actually be high-value time that refreshes their energy levels, enabling them to attack their work with gusto.

These strategies—along with a little empathy—can forge a better bond between employers and millennials. Engaging in inquiry with millennials via straightforward, open-ended questioning can help activate their commitment and integrate them with other generations at work. This approach guards against assumptions and is likely to prove more effective than contrivances like pingpong tables and bullpen seating. As the workplace evolves into one that is more transient, flat, and virtual, creating a sense of affiliation without job permanence will likely be a looming challenge for employers. Amidst a changing work landscape, perhaps a focus on perspective-taking can give everyone more of a voice— and potentially more opportunity. Academic research certainly suggests so: Perspective-taking has been shown to simultaneously improve creativity¹⁶ and reduce favoritism within a team.¹⁷ And beyond fostering more cooperative workplace behaviors,¹⁸ taking others' perspectives into account has been linked to better team coordination¹⁹ and improved conflict management.²⁰

Paying it forward

One seemingly universal feature of human nature is the desire for older generations to give their progeny better opportunities than they themselves had. The definition of better varies from person to person, but the hope of offering younger generations improved conditions doesn't really. Despite this, it can be easier—and more reflexive—to discredit what we don't understand in younger people than to abide it.

The act of integrating “generation next,” whoever they may be, is not going to go away. In this intergenerational party called work, baby boomers and GenXers often bring experiences and authority. millennials commonly bring drive²¹ and new tools.²²

Now how about giving them some latitude?

Said Archimedes,

“Give me a lever and a place to stand, and I can move the earth.”

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