Millennial 4.0: Gearing up for retention

Millennials are the “exponential professionals”—a rapidly changing breed of professionals—who are disrupting much of what the Baby Boomers have established and the first step in understanding why they are leaving is by asking the right questions.
Digitalization and globalization have definitely increased the role of the entrepreneurial talent that has shifted the demand and supply paradigms. Only the organizations that are able to reflect these shifting paradigms and are agile enough to cater for this new breed of professional are gaining ground.

The context
New business models are emerging within the context of Industry 4.0 that are greatly impacting how organizations model their environments and strategies to better tailor for millennials.¹ Companies continue to struggle with finding full-time employees while millennial turnover rises.

According to Deloitte’s seventh Millennial Survey, 43 percent of millennials surveyed envision leaving their jobs within two years with only 28 percent seeking to stay beyond five years.² The percentages are even more striking with Gen Z (those born between 1995 and 1999) of whom an even higher 61 percent envision leaving within two years.

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The action/reaction formula is simple. If organizations criticize millennials for being so impatient and always moving to another job, they will simply lose the largest part of their workforce as they just watch them leave.

The questions
“Why is the gig economy so inviting?”
If we take a closer look at the frontiers that millennials are moving towards, we

In an uncertain environment, turnover will likely remain high

If you had a choice, how long would you stay with your current employer before leaving to join a new organization or do something different?
Base: 2018 all millennials (10,455), 2017 all millennials (7,900), 2016 all millennials (7,867), 2018 all Gen Z in work (684).
find that they are either seeking to become entrepreneurs or to work in an entrepreneurial environment that is less rigid in its organizational hierarchies and structures.

Research shows that the Middle East is among the highest regions—along with China and Hong Kong—where more than 60 percent of the business owners are aged 35 or under. The Middle East has the youngest average age for entrepreneurs (26 years old) according to the World Economic Forum.3

Though not all millennials are the same, it is important to make an effort early on to understand millennials’ characteristics and to create an entrepreneurial ecosystem in the employer experience. Then, as the organization develops the human capital talent pool, it should provide millennials with education and training by offering a unique experience that challenges their mental abilities and gives them fast access to knowledge.

The gig economy is attracting millennials because it offers them alternative work arrangements.4 It provides millennials with much of what they value such as flexible working hours, the ability to work from home, a variety of experiences, and a sense of meaning. As the freelance workforce grows faster than the total workforce, organizations are now seeking to become best employers not only for their new talent pools of employees and contractors but also for their freelancers and gig workers. It is essential that gig/freelance style opportunities are made available for their employees.

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Instead of fighting against the tide, an organization can benefit from the start-up, entrepreneurial and gig talent wave by establishing a bespoke talent model.

“What is your workforce experience like?”

Just like an omnichannel customer experience is the ultimate goal of any business, so it is for any millennial.5 Millennials expect a personalized employment experience that offers them the opportunity to use their skills and strengths in alignment with their values. Millennials are known for being notoriously experience-obsessed. They look for a workforce experience that keeps all possible listening channels open, that empowers them by anchoring their sentiments and weaving their perceptions in the business strategy. Still, the organization needs to design a culture that revolves around: »
Millennials want to feel valued and if they see their leaders and role models not serving a meaningful purpose they will lose the motivation to do their best at work. Every job they do has to have a sense of importance.

**Engagement**
When millennials are happy, they become inspired and engaged. Hence, anything becomes possible. A simple question, such as: “How happy are you?”, via a 30-minute stay interview enquiring about their feelings towards their job can deal with their concerns before these turn into a reason for a millennial’s resignation. A stay interview is an inexpensive method that engages a millennial through an individualized approach. Working their way up the ladder is not the sole interest of millennials. They can easily make lateral career moves in pursuit of their happiness, which is why an organization should provide a strong mix of flex-fit benefits that are communicated in a smart way. While organizations nurture millennials’ interests outside the workplace, they should watch for burnout and invest in the latter’s health (physical and psychological) and wellbeing. Encourage a healthy work/life balance by shifting away from conventional work requirements (8-hr work shifts, monitoring attendance, dress code, leaves, etc.) to focusing on achievements and the use of their strengths.

**Leadership**
Millennials get traits from their leaders and because the former hold their values and standards high, their leaders should model, encourage and praise these values. Millennials trust their leaders when they provide them with opportunities and recognition. They also respond better to communicative leadership. They expect transparency and want to know how good or bad the organization is performing, which can be done through weekly/monthly meetings. Interaction with millennials is as important as the strategic discussions taking place behind the boardroom doors discussing those millennials’ needs.

Providing frequent and immediate feedback is another way with which leadership can show that an organization cares about the millennials’ development. Asking for feedback equally gives them a high sense of value as it makes them feel their opinions and ideas are heard. When organizations survey millennials, those surveys should be flexible in a way that allows millennials to provide feedback on topics that are of most concern to them. Surveys should always be coupled with a smart communicative strategy to inform employees about the changes and improvements that affect their work experience.
In a circular economy where the ATAWAD (any time anywhere any device) millennials prevail, organizations should be wary of ready-to-made solutions.

• **Purpose**
  Millennials want to feel valued and if they see their leaders and role models not serving a meaningful purpose they will lose the motivation to do their best at work. Every job they do has to have a sense of importance. Offer millennials meaningful work through leaders who actively foster and build a sense of purpose and ownership. Meaningful work means driving change, getting helpful feedback from their leaders and being rewarded for not just achieving goals but also for trying something new that might not succeed as long as the work serves a higher purpose. This fosters an innovative working environment. Encourage the year-round concept of creating a meaningful impact in communities, which will make millennials feel part of something bigger.

• **Growth, learning and development**
  Millennials expect accelerated professional, career and personal development. An organization can facilitate and encourage that by combining self-learning, technology and social learning with on-the-go coaching. An organization should also offer careers where people can continuously reskill and gain new experiences. Also investing in training and providing resources for development go a long way in engaging millennials and creating an environment in which everyone will love to work and stay. Because a successful relationship the millennial has with one’s supervisor is quite connected to how much the millennial is learning, leadership development programs for supervisors and mentoring programs for millennials must become a priority.

In a circular economy where the ATAWAD (any time anywhere any device) millennials prevail, organizations should be wary of ready-to-made solutions. The human resource management’s approach should be based on differentiation, diversification and integration as there is no single solution that fits all the workforce. Keeping millennials at the heart of the value zone will allow them to thrive and give optimal results, the benefit of which might surpass the cost of their short tenure. When millennials leave an organization that is unable to cater to their needs they are most likely going to become its brand ambassadors. If they do stay, that proves that the organization’s retention strategy is used, usable and useful.

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Endnotes
1. Industry 4.0 is a name given to the current trend of automation and data exchange in manufacturing technologies. It includes cyber-physical systems, the Internet of things, cloud computing and cognitive computing. Industry 4.0 is commonly referred to as the fourth industrial revolution.
3. “Entrepreneurial, creative, skeptical. The truth about MENA millennials” by Chaymae Samir, August 2, 2017 –World Economic Forum
4. A gig economy is a free market system in which temporary positions are common and organizations contract with independent workers for short-term engagements. The term “gig” is a slang word meaning “a job for a specified period of time” and is typically used in referring to musicians.
5. Omnichannel—also spelled omni-channel—is a multichannel approach to sales that seeks to provide customers with a seamless shopping experience, whether they are shopping online from a desktop or mobile device, by telephone, or in a brick-and-mortar store.

Resources
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