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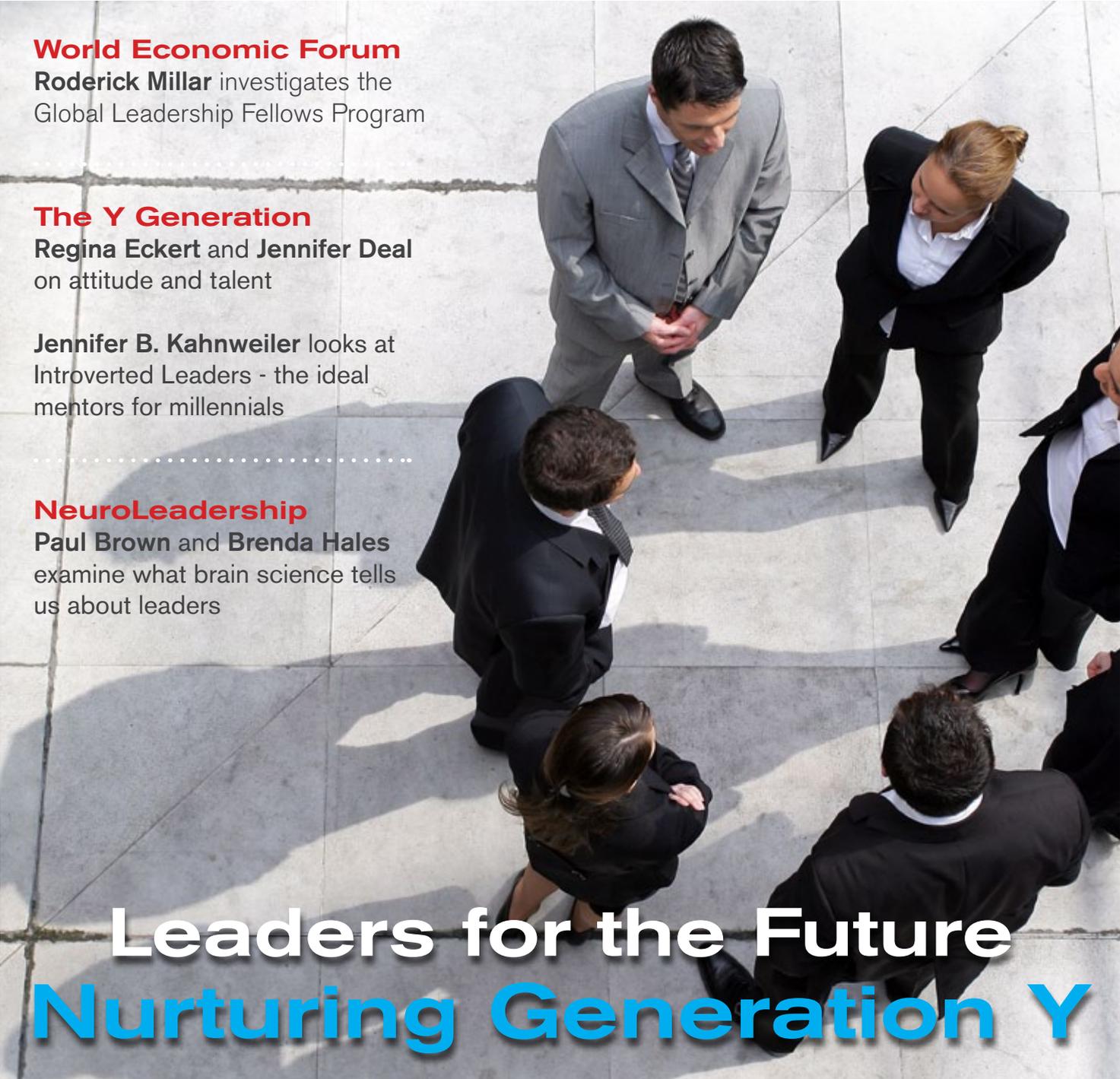
The Y Generation

Regina Eckert and Jennifer Deal on attitude and talent

Jennifer B. Kahnweiler looks at Introverted Leaders - the ideal mentors for millennials

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Generation Y

Attitude and Talent at Work

Companies face a struggle finding the balance between offering an environment suitable to younger employees and engaging the older generation to retain their skills, experience and knowledge. Generation-specific human resource, management and leadership strategies are now at the fore of developing and retaining a qualified and flexible modern workforce.

By Regina Eckert
and Jennifer Deal

Generational theory plays out differently in different parts of the world. In Europe the Generation Y (also commonly called 'Millennials', the youngest generation currently in the workplace) are generally thought of as those born after 1980. Though they share a common range of birth years, there are important differences among Millennials within Europe. For example, in Russia, Millennials entered the workforce at a time when society was just emerging from apparent freefall. After the collapse of communism, oligarchs had carved up the industrial spoils of the former Soviet Union and amassed incredible wealth. The country had just come out of a hyperinflation fuelled debt-spiral. In contrast with the environment in Russia, Millennials in Germany and the UK entered the workforce shortly after the dot-com bubble burst, and amid fear of a European equivalent of 9/11, making political as well as financial security highly salient concerns that were also reflected in the labour market at the time. Despite such national differences in economic and political climate, more substantive issues help to define Millennials in Europe, many of which are grounded in the common experience of increasing technological, societal and economic development of Europe overall. When researchers studied Generation X (those born in the 1960s and 1970s) about 15 years ago, this generation was already recognized as more highly educated, technologically literate, and mobile than were previous generations. We find a similar pattern with Millennials: they are more highly educated, technologically savvy, and mobile than other generations currently in the workforce.

Busting the Myths of Millennials

Researchers are engaged in an on-going debate whether many of the differences that we think we see between Millennials and Generation X are real generational differences or simple age differences. Will these differences persist even if Millennials grows older, or will a Millennial in 10 or 15 years' time show similar values and characteristics as Generation X shows today? The verdict on this argument is still outstanding, yet our own research in the Center for Creative Leadership shows that many of the characteristics that are currently attributed to Millennials might simply be age or life stage characteristics. Specifically, our research at the Center for Creative Leadership, and work done by researchers in Europe shows that many of the beliefs people have about Millennials are inaccurate.

Over the past 10 years, the Center for Creative Leadership has launched two research studies both in North America and in Europe to look at the myths and realities of generational differences. These studies (one of which is currently on-going) include respondents born after 1925. In both North America and Europe, we found that generational differences were largely myths, and there was general agreement across all respondents, regardless of their age, about what was important to them in their working life and careers. Among the areas we have investigated are the importance of compensation, authority, loyalty, and the importance of supervisor support and development.



Millennials care more (or less) about compensation than do other generations. Actually, they don't. We found that Millennials have attitudes that are remarkably similar to older respondents. Specifically, they want to be paid well and work in a supportive environment. Thus, one of the myths that the study debunked was that Millennials were more interested in monetary gain from their job than were older generations.

Millennials are disrespectful of authority. Millennials are commonly portrayed as having a different (less deferential) attitude towards authority than previous generations. Millennials may (or may not) have a different view of how authority should work, but our data show that Millennials are as likely to believe that employees should comply with authority as are older generations. If this is true, why do people believe that Millennials have a different view of authority? This is possibly because Millennials appear to think about authority in terms of productivity (what their leaders and managers produce) rather than on position (what authority the company has given the leader or manager).

There is a perception that Millennials ask more questions than (currently) older people did at the same age, which many (especially older people) perceive as demonstrating a lack of respect. Just a few years ago people had many similar beliefs about Generation X (and Generation X has about Millennials now). Our data shows that Millennials are as likely as other generations to believe that employees should do what they are told at work – but that doesn't mean that they won't question what they are told to do.

Millennials aren't loyal. The cliché that older employees are more loyal is another myth that our research debunked. We did not find that younger employees were more self-interested, nor were they less interested in the organization than older employees. In fact, Millennials were just as committed to their organizations as were older employees at the same level of the organization. However, because of having less tenure with their organization, Millennials may feel their jobs are less secure than do older employees. This perception isn't unreasonable, and is likely to be a result of the economic volatility they



have seen in their short careers. This difference in beliefs could explain why they are more vigilant about their job alternatives: the concept of job security no longer applies to the same extent to both generations.

Importantly, the concept of organizational loyalty needs to be put into context of other workplace attitudes. We found that employees of all ages who feel supported by their organization and their supervisor are also more likely to feel committed to their organization. Another measure of loyalty is number of hours worked. We find that Millennials work roughly as many hours as their older peers at the same level in the organization do.

Millennials (and older employees) seek employers that have a strong commitment to training and development. Millennials like organizations that present clear opportunities and illustrate pathways for long term progression. As we found with Generation X, Millennials are particularly focused on development opportunities because they are concerned about their long-term careers, and understand that they must be proactive and make sure that they have access to the development they need to progress. Therefore they are likely to prefer organizations which make the development they need available.

Confronting the Reality about Millennials

So if these myths aren't actually true, what *should* organizations be paying attention to with regard to Millennials?

Technology: It is true that younger people are quite proficient with computers and new technology. That has an upside and a downside. The upside is that their interface with technology is relatively smooth and comfortable, and they may be early adopters of technology and can help their employer to keep abreast of consumer and client shifts in interests.

The downside of this technology-focus is that they may be under the impression that it is acceptable to be engaged with technology every minute of every waking hour - regardless of who they are interacting with face to face (e.g. customers, their boss, their work team). Though many people laud multitasking, reality is that the brain can only focus on one thing at a time that requires any real thought. There are actually significant process losses if

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people are trying to multi-task complex tasks, both in terms of work quality as well as in the overall time it takes to get a complex task accomplished. Constant multitasking also means less practice in deep concentration, which can become a real issue for people who are constantly tweeting or Facebooking alongside their work. Younger people who have spent much of their lives multitasking with technology may believe that they are better at this than older people are, but the reality is that nearly everyone suffers substantial process losses when they multitask.

The economy, unemployment, and morale: Demographic analyses show that there are fewer Millennials in Europe than there are members of Generation X, which results in issues for organizations. Despite the poor economy, for some industries and careers there is a war for talent because there are few Millennials with the appropriate skills, largely because there are just few Millennials and therefore they are a comparatively scarce resource. This is already visible in the scarcity of engineering talent across various European countries. At the same time, the unemployment rate for unskilled members of this generation is very high – higher than it is for older workers. A high-quality university degree is a much more important factor for Millennial careers than for careers of any prior generation. Especially now, in the economic crisis environment, the impact of education is undeniable. Millennials are the best educated generation so far, but many of them are still struggling in this poor economic environment.

Even though this generation has grown up during positive economic times that resulted from the European economic and monetary union, we have seen that they are the most vulnerable generation in the current economic downturn. Youth unemployment is generally higher than unemployment in older generations; and about 5 million young EU citizens, approximately a fifth of the under-25 population, is currently unemployed. Close to 40% of Millennials in Spain are unemployed, and almost 25% in France. To put it in context, that figure is about 17% in the United States.

For example, Russian Millennials have recognized a need for creating their own security, financially and socially, and are willing to work very hard early in their career in order to achieve this. Many members of this generation are interested in starting their career in Western multinationals, which have sophisticated development paths and secure fast career growth. After reaching a certain career and salary level, this generation then hopes to change into senior positions in Russian companies, where development opportunities are limited but work-life balance is easier to achieve.

Development through blended learning: Development opportunities really matter to young employees and next generation managers, as described above. They also matter to companies, who keep reporting an increasing need for soft skills training such as in the areas of communication, negotiation, leadership. In order to retain leadership talent in Generation X and create sustainable leadership pipelines of Millennials, companies need to find cost-effective ways to offer interesting development and training prospects.



So how to go about that? It is often argued that, due to their technological savvy and constant use of social media, Generation X and Millennials would learn best through technology-driven training, such as online learning on the internet, virtual corporate university courses, and distance-learning at higher education institutions. The belief is that because these generations are constantly connected to others through Facebook and Twitter, they wouldn't need face to face contact for their development.

However, after investing in costly e-learning platforms, practitioners are often surprised that these technology-based development offerings are not taken up to the envisaged extent. Why? Looking at trainees' motivation to learn and engage in professional development, we found that this motivation is also influenced by pedagogy and content. In our research, all generations, including Generation X and Millennials, preferred learning soft skills on the job, rather than in a classroom, and certainly not in solitary confinement in front of their computer.

Younger managers value individual coaching more than older managers, but all generations are less motivated to learn through technology-based methods like online learning, simulations and distance learning. Blended learning solutions were slightly more accepted by Generation X and Millennials, yet these participants stipulated that the online education should complement more contact-intense methods of learning, but not play a prominent role. Thus, Human Resource managers should not substitute face-to-face learning and other interactional methods of teaching job skills for more technology-based methods – rather, these can be offered in addition and be integrated with existing training offerings.

Outlook

Millennials, while showing many characteristics typically associated with young age and little employment experience, are overall not very different from other generations of employees. They have similar hopes and fears, hope for development and career, and fear job loss and economic turmoil. This holds true for professionals and managers



alike. However, organizations that look at the sustainability of their leadership pipeline can increase their attractiveness to Millennial talent by offering a variety of learning opportunities, and offering them in attractive formats: On-the-job learning, individualized coaching, and feedback-intense trainings are the most motivating methods of development, even for younger generations.

In times of increasing complexity, mobility, and speed of change, organizations cannot afford to rely on the mechanisms of selection for their leadership talent but need to put additional efforts into developing these skills. Given the impending retirement of the large cohort of Early Baby Boomers in Europe (born 1946 to 1951) and the low birth rates for younger cohorts, an organization is well advised to focus on developing internal talent rather than importing and buying such talent, only to lose it a few years later. The provision of development opportunities is likely to increase organizational commitment of Millennial managerial employees, especially in younger generations. Organizations that create an active learning culture will benefit from increased loyalty and commitment of their younger workers, and therefore have the advantage of higher retention and talent sustainability, which is as crucial a success factor in Europe as it is in other parts of the world.

A fully referenced version of this article is available at iedp.me/7V2nl



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Despite much discussion about the need for leadership development in corporate and public organizations, and the considerable industry that surrounds it, this is the first authoritative periodical focused entirely on this area.

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