



Talent Retention of Millennials – An Overview

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ABSTRACT

“To win in the market place you must first win in the workplace”

- Doug Conant, CEO of Campbell's Soup

In today's changing business environment, attracting the best of the millennial workers is critical to the future of the business. Securing top-quality talent is essential and it is a nightmare for every manager to recruit and retain the millennials. In this case, companies need to know what motivating factors the Millennials truly appreciate the way that they want to work. Hence, organizations are striving to work to understand those changes that they can make to attract and retain employees, particularly millennials. This paper highlights on diverse sources of literature from organizational and generational studies to illustrate on the practices and policies followed by the company retention of the talented millennials.

Keywords: Millennials, Talent Management, Retention, Retention Strategies.

I. INTRODUCTION

Today's workplace represents the major blend of workforce than any other time in the past. With this blend, companies face a new challenge. The challenge is to stay forefront of the curve. Organizations once used to enjoy the advantage of clasping the top talented candidate by offering an attractive compensation and designation. But then today, the concerns of the top talents have changed and the organizations are focusing more on development, transparency and work-life balance.

Today is the millennial moment, long expected and feared by companies that built their brands for baby boomers. Pew Research Center, the US research group, defines millennials as the 73m Americans

aged between 22 and 37, who will next year overtake boomers in number. They are born between 1980 and 2000 entering employment and help in shaping the world of work. Attracting the best of these millennials is critical to the future of the business.

Deloitte Global Millennial Survey 2019, there is always an interruption for opportunities and growth of the economy as millennials is increasingly becoming pessimistic and doubtful of their career and the people around them. It reveals the millennials as generation disturbers. Many companies are struggling to adapt and are facing a loss in top talent. Hence the organizations are focusing on to millennial's desires, while fostering productivity, efficiency, connectivity and community.

In a press release held on 21st March, 2019, Erwin Van Der Vlist, co-founder and CEP of Speak up stated that Companies should tap into millennial's essential desire for personal achievement and a sense of purpose. Attrition has become expensive for companies. Gallup polls states that about 21% of millennials have changed their jobs in the past year which is nearly 3 times more than other generations. Hence, measuring employee turnover and knowing motivational factors is more important for employers in order to retain millennial professionals.

According to a study conducted in Robert Walters, "75% of millennials want an engaging and fun workplace with 'work perks'." Organizations have to ensure their workforce are engaged and satisfied at work. This is possible through a commitment that to help their workforces grow and develop, providing structured training and opportunities and a modern workplace that embraces new developments in technology are all high priorities for millennial workers to achieve their career goals.

II. REVIEW OF LITERATURE

A. Talent Retention of Millennials

The millennial generation is the largest age group to emerge than the baby boom generation. They act as a demographic bridge in reshaping the nation's future. As a bridge to the future, they will face both opportunities and challenges.

John Hester (2013)¹, in his article, "The High Cost of Employee Turnover," says that the cost of attrition in a company is very high as 250% of an employee's annual salary. This can even be worse in later years as millennials will comprise the largest part of work force. In the Gall-Up report (2016)², Millennials: The Job-Hopping Generation reveals that 21% of millennials have changed their jobs within the past year which actually is 3 times more than the other generation.

Lindsay S. Nolan (2015)³, Apart from providing benefits and perquisites, Organizations should also have to focus on addressing the needs of millennials generation employees. A customized leadership styles can be followed in order to encourage leadership skills. Organizations have to focus individual concerns and the formation of working relationships through reverse mentoring and training programs so that millennial generation can be retained.

Gaye Özçelik (2015)⁴, in his paper highlights on the challenges posed by millennials in the workforce and highlights on the workforce demographics impacts on the characteristics and work orientations that changes in the rules of engagement. In his articles, the author also specifies on the need for new practices and policies that helps in attracting, developing and retaining the millennial group. HR department has to modify its functions to enhance employee engagement. It also emphasizes millennial's values and preferences represents as a new challenge to HRM of organizations and understanding and accommodating these values and preferences of the group will help to win the "war of talent".

John Jerjie C. Reyes and Marvin I. Norona (2019)⁵, research aims at identifying the factors affecting job satisfaction and retention of millennials in the telecommunication industry, Philippines. The study determines policies, practices and measures for the telecommunication industry that helps in assessing the gap of job satisfaction and employee turnover through formulating employee retention model. Through the developed millennial retention model, organizations can bring into line their current programs and activities to the recommended programs of the retention model.

Ong Choon Hee and Loh Xin Rhung (2019)⁶, this study investigates the factors that motivate millennials at their workplace. It tries to establish

relationship between intrinsic and extrinsic motivational factors influencing employee retention among millennials and also different methods to retain them in the organization. It also serves as a guide to understand those motivational factors that leads to employee retention especially for millennials which may help in identifying changes that needs to be done for managers and organizations in the near future.

Candace A. Ruiz & Anne Davis (2017)⁷, the study explores effective strategies to retain culinary-educated millennial employees in a restaurant. The study confined to nine millennial generation employees and three supervisors of a single restaurant corporation participating in semi structured interviews. The study reveals that multiple methods are followed to retain employees in their restaurant. Creating a positive work conditions is very important strategy and supervisors show empathy and care to their employees in order to sustain them in the organization.

MD Mahamudul Hassan, Manimekalai Jambulingam, Mohammad Nurul Alam & MD Shamirul Islam (2019)⁸ contribute in formulating integrated HRM strategies to retain the Generation Y employees so that they remain fully productive for enhancing the effective outcomes. Active friendly involvement by the Leadership and management should be inculcated along with fulfillment of Generation Y specific requirements like soft HRM, work life balances and ensuring ethical climates. For understanding mediating and moderating effects comprehensive quantitative analysis can be carried out in relation to integrated HRM factors, Job satisfaction and Generation Y retention. Integrated retention approach should include all precursors of turn over related to Generation Y employees and job satisfaction. We need to focus on Servant leadership, management initiatives as innovation led policies and strategies, soft HRM, work life balance, ethical climate and

other specific demands of Generation Y by future researchers.

John S. Buzza(2017)⁹, This study will help in finding whether millennials are concerned with job advancement and work-life balance in organizations. It hypothesizes that candidates will prefer high work-life balance opportunities than low work-life balance that offers high job advancement with high job growth opportunities. The result of the study reveals millennials are significantly more attracted to a job when there are high levels of work-life balance, but were not significantly more attracted to the job when it came to job advancement.

Haserot (2013)¹⁰, highlights that managers has to pay personal attention to each employees as they become a social group and more importantly know each employee's names personally. These group of employees prefer regular feedbacks about their performances rather than reviews taken every six months or yearly basis. According to research done by the University of North Carolina in 2013, nearly 65% of millennials said personal development was the most influential factor in choosing their current job (Kratz, 2013)¹¹.

Gallicano (2015)¹², found that six fundamental factors play a vital role in retaining millennial employees in the organization. The six fundamental factors comprise of personality grooming, continuous learning, commitment, interpersonal relationships, prioritizing interests and preferences and strong work environment. Apart from the above said six factors, Thompson & Gregory (2012)¹³ emphasizes on the need for a genuine, meaningful, individual and trusting relationship with millennials will also contribute for the retention strategy for the organizations.

III. DISCUSSION & CONCLUSION

The above review of literatures highlights on the importance of minimizing the millennial employee

turnover in the organizations. Organizations are striving to understand the necessary changes that have to be made to attract and retain millennials. No matter whatever the size or the stage the business is currently at, organizations requires to retain the millennials. An effective employee retention program has to be designed by the organizations. The retentions strategy will focus on the factors. The factors may be intrinsic and extrinsic in nature that leads personal satisfaction of the millennials. This in turn enhances high productivity at workplace. Though all employees are different, but each has unique desires and goals. An organization accommodating these desires and goals of the millennials by supporting their leadership initiatives and offering extensive training through an effective career pathing program helps in attracting and retaining the era's best and brightest talents.

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