

NEW RESEARCH POINTS TO TRADITIONAL ATTITUDES OF MILLENNIALS

In its 2017 Global Consumer Trends Survey, Euromonitor paints a familiar picture of Millennial behaviour.

Some of the sound bites include the generation born between 1982 and 1999's tendency for 'flexible, adaptable and personalised experiences,' its denial of brand loyalty and an unwillingness to start a family or buy a home until much later in life. It also points towards an intuitive grasp of technology as a factor which makes Millennials natural or 'adaptive' entrepreneurs – selling, communicating, networking and crowdfunding their way to success.

Fundamentally, it claims, they 'reject traditional jobs' and 9-5 lifestyles, instead seeking out roles 'they can build themselves and align with their personal interests and passions.' All the while, they enact these plans without a need for a reliable income, downplaying too, any incentives for potential financial gain. From the statistics which accompany the report, the message from Millennials seems very clear – 59% expect to be self-employed during their career, with only 11% stating financial security is important.

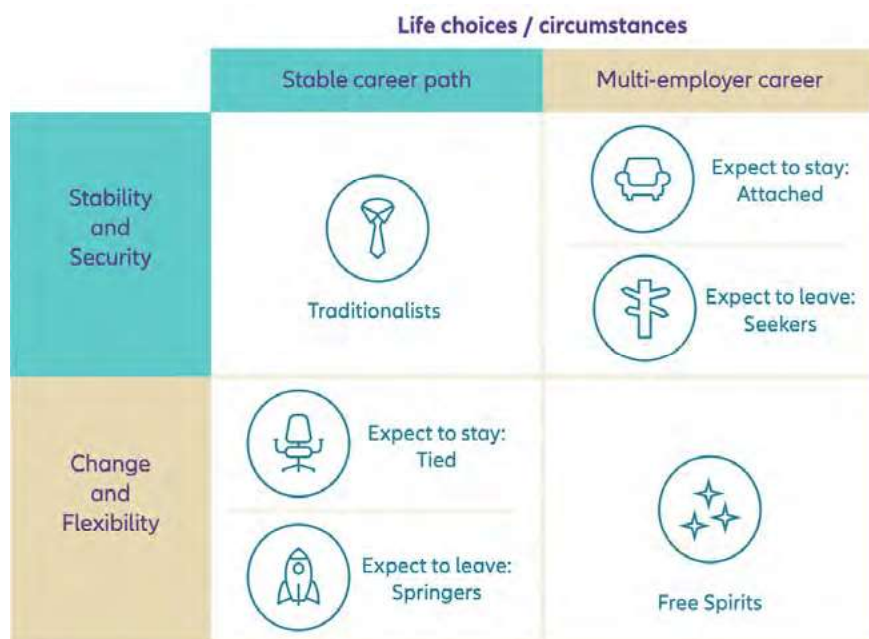
Is this an accurate portrayal of an entire generation, though? Certainly, some of these findings do match with the attitudes shared by large numbers of Millennials across Europe. But, even on an anecdotal level, we recognise that many of these pronouncements may seem a little overstated or even untrue

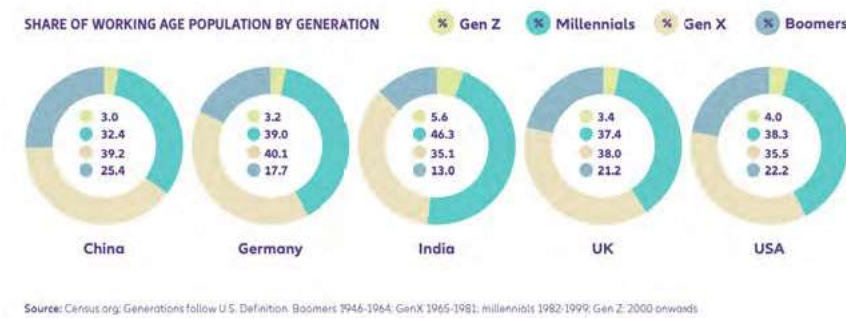
when overlaid on Millennial friends and colleagues.

These were some of the doubts raised by researchers at global financial services firm Allianz when they sought to offer a critical eye to the Millennial debate, peering a little closer at the trend and unearthing some surprising – though perhaps more agreeable insights – in their Millennials: Work, Life And Satisfaction 2017 report. Based on interviews with over 5,000 currently employed 18-35-year olds across Germany, the UK, the US, China and India, rather than a generation

made up of free spirits who embrace flexibility and freedom, with a desire to create their own ultimately 'self-employed' futures, the Millennials in Allianz's study are more complex. The report, in fact, finds six distinct categories highlighting a broad spectrum of attitudes and desires.

While there are 'Free Spirits', as described above, Allianz also points toward young workers who have restlessly changed employers during their careers, but who do so in the hope they will eventually find a job that satisfies them, and a company





that will offer long term security. Termed Seekers, they share a platform with the Attached group who have gone through a similar experience but who now believe they've resolved their search and found a degree of contentment at work.

On the other hand, there are Millennials who have defied the stereotypical 'flighty' label and instead worked for the same business for several years. These workers are not happy, though, and intend to one day leave their employer for another, better suited company. While some are Tied to their employer through necessity, with no clear plan of escape, others are described as Springers who are confident their existing employment predicament is just a stepping stone to a happier scenario soon. A final category is the Traditionalists, who, like their name suggests, chose a deliberate career path with one employer, with whom they intend to develop and 'climb the ladder' over a long period of time.

What the research reveals is that the two largest categories by a significant margin are Traditionalists (35%) followed by Seekers (27%). And across all categories, the overall conclusion is that, first and foremost, Millennials favour the stability and security offered by permanent positions over the

flexibility and freedom associated with self-employment. Only 16%, overall, matched the Free Spirit category.

The research should give businesses food for thought when developing strategies which seek to introduce Millennial talent into the workforce. But before we consider the nuances of Allianz's findings, let's first look at some of the broad conclusions reported about this emerging generation.

According to Allianz, there are two billion Millennials (119 million in Europe) in the world today and by 2020 one third of the global workforce will consist of those born after 1982. Furthermore, despite the perception that those within the 18-35 age bracket are largely worried about their future, the report confirms that when it comes to careers, most are optimistic about their prospects. Generally, too, they envisage a better future for themselves, with over 80% expecting their lives to improve, despite an overwhelming acceptance that they will work far longer than previous generations.

While the Allianz report reveals a yearning for stability and security at work, it does undoubtedly confirm a restlessness amongst Millennials who seem happy to move around in their search for 'the right thing', even if that right thing is another permanent job.

Over 40% indicated that their current employment situation wasn't ideal. It seems that what Millennials demand from a state of permanence in their employment is a sense of purpose associated with acquiring (80%) and using skills (82%), doing work which is linked to socially responsible activities, as well as enough time outside of work to do other things (82%).

Even so, and again in contrast to the widely accepted view of Millennials' attitudes to work, there is a consistent desire across different countries for a job which offers opportunities for advancement (74%) and is challenging (66%), as well as for gaining high status at work and an income which matches it (69%). These factors increase again, of course, when associated with respondents who match the Traditionalist category. When it comes to excelling through doing occasional overtime, though, the willingness is comparatively low (61%) and fits with the fact that only 57% of Millennials in the study consider work a central part of their life.

Although seemingly shunning the Free Spirit ethos of self-employment, Millennials in the Allianz study are mainly supportive of remote working (64%) saying it allows for greater flexibility in their working lives. Furthermore, while usually considered a collaborative and social bunch, when it comes to working in an open plan office – which is favoured by most modern organisations today – only 48% believe those environments are good for communication, while 52% state the open plan model is bad for concentration. And though Millennials are prone to travelling the world, moving abroad to boost their careers only appealed to half of the respondents.

Finally, when asked about how the world of work will change and evolve, there was a high level of agreement from respondents that the pressure to

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perform at work would increase (70%), and that roles would become more demanding (71%). Machines and computers too, Millennials expect, would play a greater role in working life (73%). Where Millennials were more sceptical about the future was with regards to flexibility and pay. Only 57% believe the hours of work will become more flexible, while as few as 48% see overall remuneration and earning power improving.

So, what about when we look at specific countries? Across several factors, Millennials from across the world showed differing and, in some cases, more extreme variations of the trends unearthed by Allianz.

Firstly, the Millennial workforce is currently more dominant in India (46%) than elsewhere. Only a third (32%) of Chinese workers represent the 18-35-year old generation, with the number slightly higher in Germany (39%), the USA (38%) and the UK (37%). There are also more Indian Millennials who fall into the Seeker category (40%) than there are in other countries, with those in Traditional careers most likely found in China (45%) and Germany (34%).

While most Millennials prefer the security and stability of permanent employment, respondents in the USA (78%) and India (75%) were generally more in favour of this career path compared to the those from China (68%), the UK (68%) and Germany (65%). Within Europe, although there are considerably more Traditionalists in Germany than in the UK (27%), the number of Free Spirits in those countries was largely the same (16%; 17%).

Opportunities to progress in their careers tend to be more important to Millennials outside of Europe, particularly for those in the USA (79%); with China (76%) and India (76%) close behind. Percentages then fall marginally in Germany (72%) and the UK (69%). When it comes to finding challenging work, however, Germans (76%) are way ahead. And apart from Indian Millennials (73%), the need for challenge is much reduced elsewhere: USA (65%), UK (60%)

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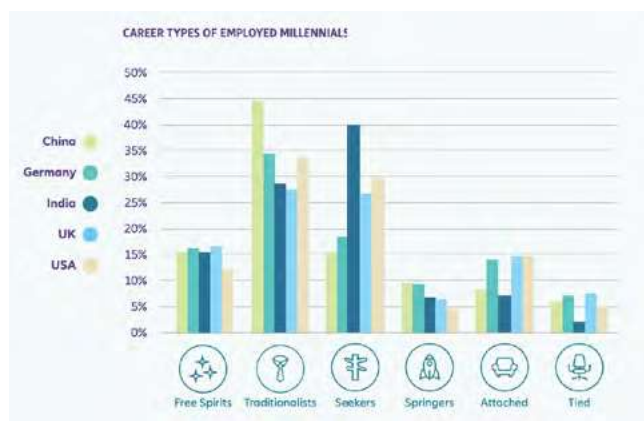
and China (55%). Work also plays a far more central role in the lives of Millennials in India (65%), the USA (62%) and Germany (60%) than it does for those in the UK (49%) and China (47%).

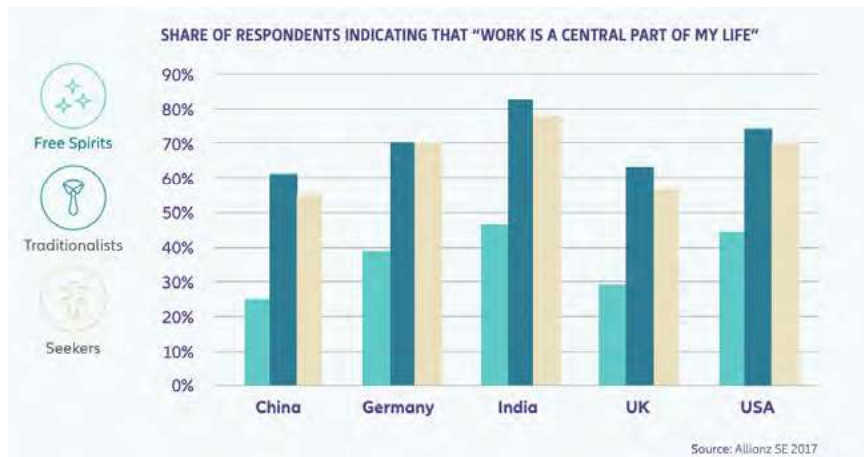
Finding meaning at work through acquiring new skills is a lower concern for Chinese (75%) and UK (74%) Millennials than it is for those in Germany (85%), India (83%) and the USA (82%). Respondents in China are also less motivated by the chance to utilise specific skills and expertise in their jobs (74%) unlike their peers in Germany 90%; USA 88% and India (83%). Regarding gaining employment that leaves time for other things outside of work, Millennials in Germany (90%) and the USA (90%) consider this a deal breaker, as opposed to in China (69%) where the separation of work and life is less prominent. However, the Chinese are more confident that flexible hours will become more prevalent during the next 10 years (66%) compared to respondents in Germany (52%), the USA (57%) and the UK (48%).

Gaining status and an income which matches it is important to a clear majority of Indian Millennials (80%). Germans too (76%) aim for a degree of prestige in their working lives. This appears much less relevant, though, for those in the UK (60%); with Chinese (65%) and US (66%) Millennials also showing lower scores. Yet, if these are the things Germans and Indians crave, they also demonstrate better awareness through their expectations that work will become more demanding (76%; 72%) and that there'll be more pressure to perform (72%; 72%).

A message which may prove challenging for businesses trying to capitalise on Millennial talent is that, bar India, across each of the other countries, Millennials appear to have a low work ethic. In the report, this is measured by a willingness to do overtime if it means excelling in your role. While Indian Millennials (72%), in the main, are willing to commit to overtime, this attitude is much less prominent elsewhere, with only half of Chinese 18-35-year olds, 56% of Germans and 59% of those in the UK saying the same. The picture is slightly better for those in Traditionalist careers with 89% of Indian Traditionalists, 76% of those in the US and 70% in the UK considering overtime a prerequisite to doing your best. The number, however, falls to 64% in Germany.

Perhaps linked to this is expectations concerning pay. While 61% of Indian Millennials expect earnings to go up over the next 10 years, just over half of US Millennials, 40% of





UK Millennials and as little as 24% of German Millennials believe wages will rise.

Other differences between German Millennials and their Western peers emerge when analysing data concerning the work environment. While the jury tends to be out on whether open plan offices are good for productivity and communication, Germans seem adamant that the open plan model is a bad idea. Only 24% support it compared to 48% in the UK and the USA. German 18-35-year olds are also more sceptical about remote working, generally seeing it as leading to increased working hours (54%) rather than providing flexibility (46%). In the UK (62%) and the USA (74%) on the other hand, the association of remote work and flexibility is strong.

In Asia, remote working as being indicative of greater flexibility is generally agreed across China (67%) and India (70%). Open plan offices too tend to gain more favour with Chinese (62%) and Indian (57%) Millennials compared to their peers in the West. Perhaps as expected, the prospect of moving abroad to boost their careers seems more popular with Indian (61%) and to a lesser extent Chinese (54%) respondents than it did to 18-35-year olds in the USA (51%), the UK (49%) and Germany (30%).

The Allianz report's main take-away message for businesses is to avoid automatically assuming all Millennials are the same, especially playing-down perceptions that they're a generation of Free Spirits uninterested in stability, structure, security and status, and instead focusing on exploring needs on an individual basis. While Millennials do change jobs more frequently, their needs aren't too dissimilar to the generations before them, and their flightiness when it comes to employment is likely facilitated by broader volatile social and economic conditions, as much as a need to find an environment that meets their wishes.

But the power is in the hands of Millennials, who aren't afraid to move

around until they find the perfect employer, with the onus on businesses to offer environments and incentives that will make them stay – be it money, security, opportunities to learn, etc. The 59% who expect to be self-employed in Euromonitor's study may allude to this through a belief that self-employment means taking control and creating their own futures, versus being subject to an employer's whims or fluctuating fortunes, which never quite live up to expectations.

For employers, there's lots to digest here, but some quick conclusions could be as follows: Millennials want stable and secure careers, they're ambitious and keen to learn, they want opportunities to progress, do challenging work and, in the main, be rewarded with status and a salary which matches it. Yes, they may shun overtime to enjoy life outside of work, but what sort of culture do you want to create anyway? And could you create compromise by surprising your Millennials with unexpected financial gains?

We'll leave the rest of the thinking up to you...

