Millennials metamorphosing Human Resources

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Abstract - **People are considered as the greatest asset for an organization. An organization cannot be a standalone entity with all the technology in place. It requires manpower (people) to drive businesses and to achieve business goals. Hence, it is necessary for organizations to cater to the needs and wants of its employees. In this modern technological age, the definition of an employee's needs and wants is broadened to include Autonomy, Work-Life Balance, self development, sense of purpose and Recognition. This category or the new generation of employees is the 'Millennials'. This communication will highlight the role played by Millennials in revamping human resources. It is a literature review on the topic with some recommendations for the Human Resource function to manage them efficiently.**

*Key words***: Millennials, Human Resources, Autonomy, Work-Life Balance**

I. INTRODUCTION

Two great Authors William Strauss and Neil Howe first coined the term 'Millennials' in 1987 for people who were born in the period 1982 to 1996 [9] . They are also referred to as 'Generation Y'. This generation is more in number in comparison to the earlier generations due to the increase in birth date in 1980s and 1990s. As mentioned in the PWC report, it is expected that by 2020, 50% of the global workforce will be Millennials as their predecessors (Generation X) is due retirement [7]. Millennials are unique in many aspects and the corporates perceive this as a major challenge to cater to them. This communication will highlight the role played by Millennials in transforming the Human Resource Industry and the impact of Millennials on the Gig economy.

II. SOURCES OF DATA

For this study secondary data has been collected. From the Deloitte website the 2018 Millennial survey report is obtained and from the PWC website the Millennials at work survey report is retrieved.

III. THEORITICAL FRAMEWORK

The characteristics of every generation are influenced by the region, social and economic conditions prevalent in the region. Millennials too have some characteristics. Some very vivid and predominant ones are highlighted in this paper.

- **Media and Digital Technology**

Millennials is the first generation to grow up with computers, smartphones and laptops. As per the survey conducted by Junco and Mastrodicasa; 97% of students (Millennials) owned a computer, 94% owned a mobile phone, and 56% owned an MP3 player [3]. Other findings in the survey revealed 76% of students used instant messaging. According to Gallup, 91% of Millennials own a Smartphone, and 71% of Millennials say the Internet is their main source for news and information [1]. Thus, it can be very clearly said that Millennials have a very high affinity towards Media and Digital Technology. This has also been manifested by the PWC survey[7].

- **Autonomy and Flexibility**

Millennials dislike being in a traditional office set-up the whole day. They feel their productive levels will be more given the freedom to choose the work location and number of hours of work. They seem to be more comfortable with flexible working hours working either in an office or at the comfort of their home or a centralized city hub/mall. They want to decide for themselves 'where' and 'when' to work.
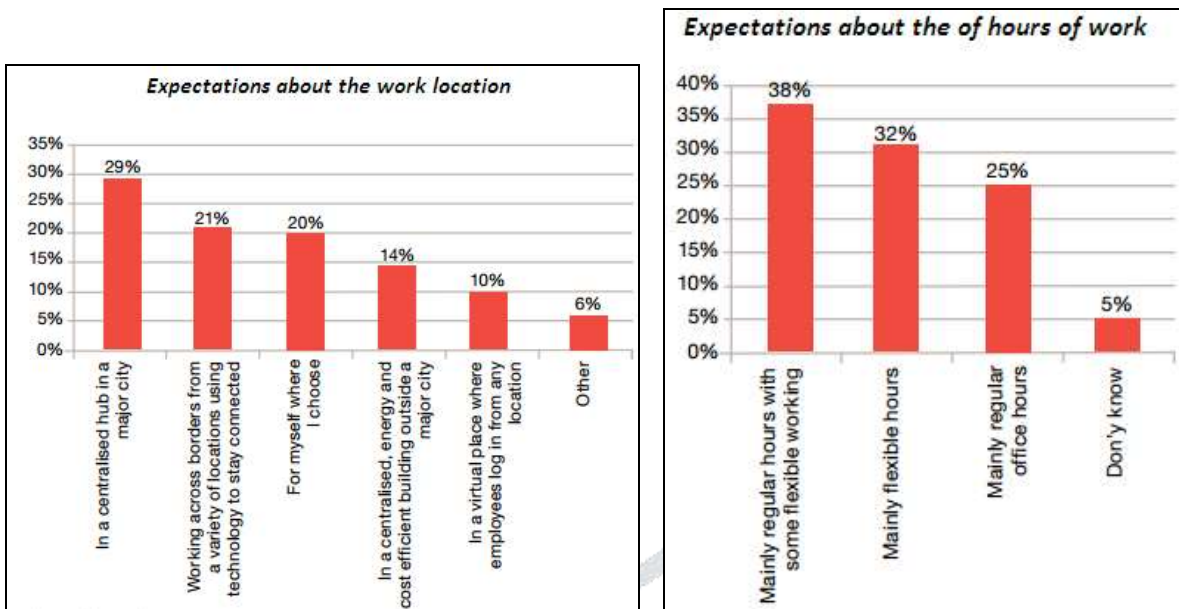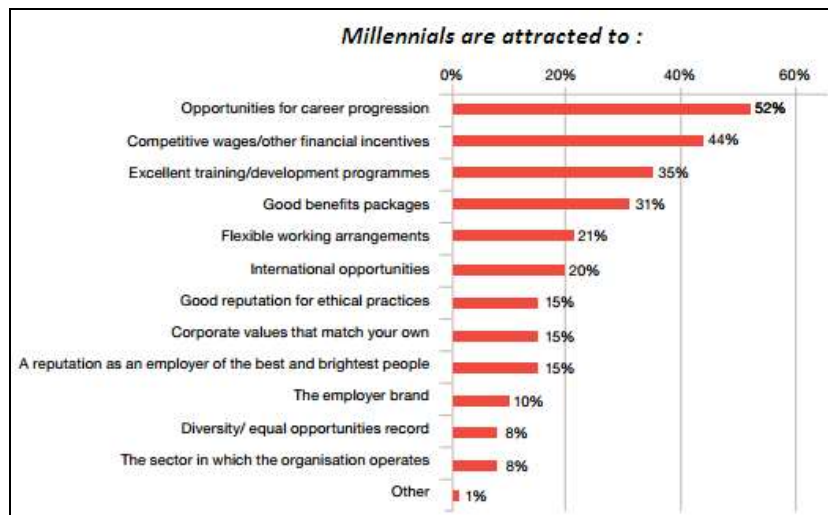
Source: PWC survey [7]
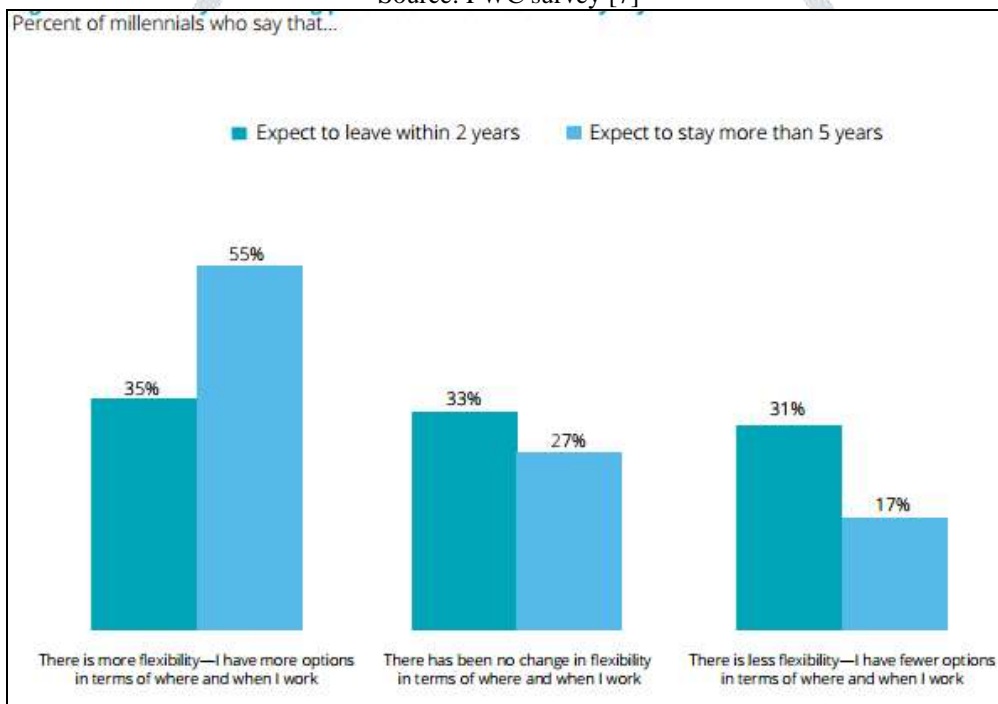
Source: 2018 Deloitte Millennial Survey [2]

- **Work-Life Balance**

Apart from the time spent in a workplace, Millennials value the time they spend pursuing their interests, hobbies, with family and friends. The PWC survey has highlighted that 95% of the surveyed Millennials said that Work life balance is an important aspect to them [7].

- **Self development**

As seen in the survey results by PWC, the top most aspect of an organization that attracts the Millennials is the opportunities or the focus on career development [7].   Millennials seek for continuous skill development. Gallup survey has found that 87% of Millennials say professional development or career growth opportunities are important to them [1]. Employees feel stagnated and start exploring other employment prospects when they feel there are no career development opportunities in the current organization.

Millennials are attracted to :

Opportunities for career progression	52%
Competitive wages/other financial incentives	44%
Excellent training/development programmes	35%
Good benefits packages	31%
Flexible working arrangements	21%
International opportunities	20%
Good reputation for ethical practices	15%
Corporate values that match your own	15%
A reputation as an employer of the best and brightest people	15%
The employer brand	10%
Diversity/ equal opportunities record	8%
The sector in which the organisation operates	8%
Other	1%

Source: PWC survey [7]

- **Sense of purpose and Recognition**

Millennials look out for a meaning in what they do. They do things which will give them a sense of satisfaction. According to LinkedIn's latest Workplace Culture report, 86 percent, of Millennials (those between the ages of 22 and 37) would consider taking a pay cut to work at a company whose mission and values align with their own [5]. Millennials also want timely recognition for their efforts. 'According to the 2015 Blackhawk Engagement Solutions' Employee Research, 85 percent of Millennials want to be rewarded for exceeding personal performance levels, followed by receiving a promotion and exceeding team performance levels [8].'

- **Loyalty**

Millennials are frequent job hoppers. This is seen in the survey conducted by both Deloitte and PWC. Looking at the statistics, Millennials will have 2-5 organizations in their entire career. Penn Schoen Berland reports that 42% of Millennials stated they would leave a company due to "substandard technology" [6]. Millennials will look out for new employment opportunities when they feel their values and expectations are not fulfilled by the current employer. Hence, the loyalty towards an employer will be lower.
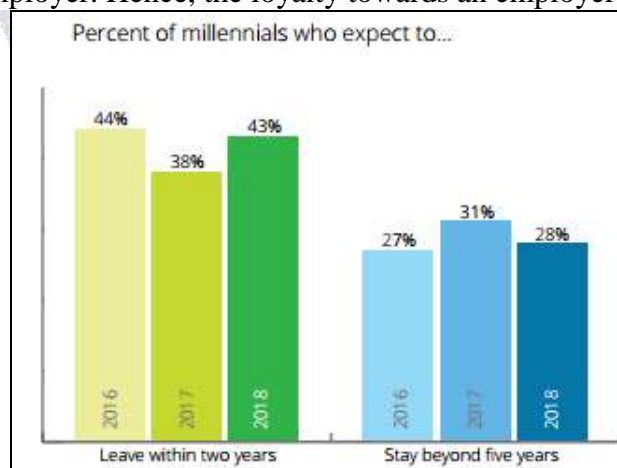
Source: 2018 Deloitte Millennial Survey [2]
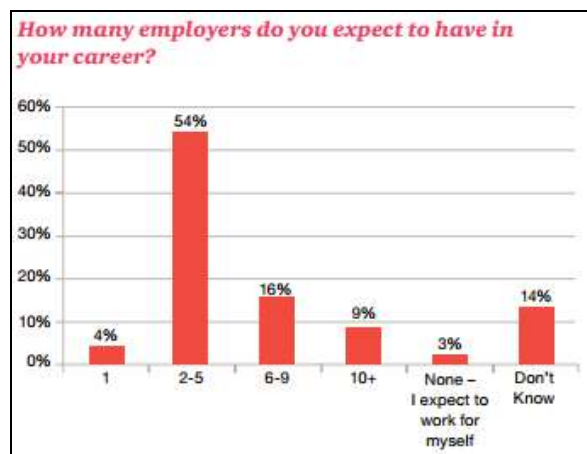
Source: PWC survey [7]

IV. DISCUSSION

After having known the main characteristics of Millennials; it would be clearly stated that Millennials have laid the foundation for the 'Gig Economy'. There are various reasons to manifest this. Margaret Rouse defines Gig Economy as 'an environment in which temporary positions are common and organizations contract with independent workers for short-term engagements' [4].

In order to cater to the varied needs and wants of the employees, many organizations are adopting the new trend of 'Gig Economy'. Employers adopting the Gig economy have a win-win situation for themselves as well as their employees. Employers are at an advantage as they can hire temporary contractual workers based on the task at hand and do not have to invest in office infrastructure and benefits. Thus it is a **cost saving measure**. Contractual workers on the other hand have an advantage of working in their comfort zone and at their convenience. So, they get increased **flexibility and autonomy** in their work with increase in levels of **work life balance**. In addition, they do not feel stagnated as they get a variety of jobs to choose from and that too periodically. This gives the Millennials a **sense of purpose and job satisfaction** and thereby increasing the **motivation** level of the employees. Furthermore, due to flexible working options, Millennials use **digital tools** and instant messengers to communicate with their subordinates and superiors. This form of communication is embraced by the generation. Also, in a Gig economy, **Career progression** will be a sole responsibility of the individual. This can be perceived as both an advantage and a disadvantage. It will be advantageous for an individual as he knows (assuming that self awareness is high) his own developmental needs and thus he can cater to his needs as per his priorities. Disadvantage here would be to Millennials working in this type of employment might not have full access to the periodic training programs conducted and sponsored by an organization.

V. RECOMMENDATIONS

Human Resource Function can adopt the following ways to transform itself in order to cater to the needs of the Millennials.

- **Attracting the prospective employees** – Use social media to not just broadcast the roles and responsibilities of the vacant positions but also include the career progression opportunities or the career path.
- **Recruitment** - Recruit people with the potential to learn and adapt to the changing environment.
- **Work Culture** – Adopting the 'Gig economy' for certain jobs to start with and then gradually adopting the same for all the jobs. This needs further research to know 'Gig economy' can be successfully adapted to which jobs and which should follow the traditional In-house approach.
- **Training** – Content based training programs can be completely hosted online while contextual trainings programs can be gradually delivered using IoT (Internet of Things) and other digital

technologies. Training programs to develop skills like critical thinking, empathy and emotional intelligence.

- **Performance Review** – Millennials need to get continuous feedback about their work. They don't seem to like waiting for quarterly or yearly reviews.
- **Rewards** – Human Resource function needs to identify and reward the deserving employees more often and the rewards need to be personalized as the 'one size suits all' approach is not suitable to this generation.
- **Employee engagement** – Employee engagement initiatives like CSR need to be planned and executed to empower and engage the workforce.
- **Decision making** – With the onset of gig economy, Employees need to be empowered to take decisions in their area of work. Decision making needs to be decentralized so that employees get more autonomy in their role and thus achieve higher satisfaction and derive more meaning from their work.

Further research is required to gauge the impact of the recommendations mentioned above and also to know the attitudes with which the Millennials approach the job market.

VI. CONCLUSION

It will be pertinent to say that the very existence and the characteristics of Millennials have given rise to the new trend of 'Gig Economy'. Human Resource arm of an organization needs to understand the perceptions and expectations of this new generation and thereby formulate recruitment and retention strategies to cater to them.

VII.   REFERENCES

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