



THE MILLENNIAL MISMATCH:  
WHY IT MATTERS

# OVERVIEW

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The global conversation among HR leaders of Millennials in the workforce is not new. Yet are we at risk of reinforcing the negative stereotypes this generation are often associated with? Or do we appreciate the wealth of possibility unique to this talent pool and acknowledge the ongoing responsibility we hold towards helping them recognise their potential? Can a greater understanding of viewpoints from both sides help to bridge the mismatch that often exists between employers' expectations and that of Millennials?

The need for organisations to understand and invest in talent strategies tailored to the next generation has never been more critical

As talent overtakes capital as a key economic differentiator and the pace of change in business environments accelerates, the need for organisations to understand and invest in talent strategies tailored to the next generation has never been more critical.

To enhance our perspective of the reality of Millennials entering the world of work, ManpowerGroup surveyed a number of senior HR professionals in the UK. Respondents were asked their opinions on the readiness of Millennials for the world of

work, the development initiatives that are currently in place, and how best to engage and retain this generation. Recognising the valuable viewpoints of Millennials themselves on some of the main themes addressed, we compared responses with results from a ManpowerGroup Global Millennials Study (MGMS)\*.

Our whitepaper summarises the key findings and explores some potential recommendations for bridging the divide between employers and Millennials.

*\*See 'About ManpowerGroup's Global Millennial's Study (MGMS)' on page 10*

# PREPARATION AND READINESS FOR THE WORLD OF WORK

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In today's competitive environment, one of the significant challenges facing organisations in relation to the next generation is a mismatch in the skills required by businesses, and how prepared Millennials are to fulfil this demand.

88% of senior HR professionals surveyed confirmed that having the right skills is key to getting ahead in a career today. At the same time however, 80% felt that Millennials are not adequately prepared by the education system with the skills required to successfully enter the world of work. In contrast, according to the MGMS, just over half (51%) of Millennials felt their education adequately prepared them for work, pointing to a significant mismatch in perception between each of these groups.


Rather than relying on the education system alone, organisations must take an increasingly collaborative approach with educators to help prepare the next generation

When asked which skills are often under developed, 90% of senior HR professionals specified soft skills. Respondents expressed a need for more developed "life skills", "communication skills to be able to confidently liaise at all levels", and "[a positive] attitude and work ethic." Many HR leaders also noted that the expectations of Millennials entering the workforce were not always realistic.

Worryingly, 66% believed that traditional learning models are falling behind in teaching today's skills. One Head of Learning & Development suggested "the current approach is piecemeal, short term and disjointed...not meeting the needs to sustain this and future generations transitioning from education into work," and stressed the need for integrated long-term strategies "across education, training and employment."

Another Head of Learning & Development summarised it this way: "Educational institutions, schools and colleges could benefit from being aware of actual needs in industry, soft skills and hard skills, and introduce these to students at leaving age, thereby preparing them for the real world."

Rather than relying on the education system alone, the need for organisations to take an increasingly collaborative approach with educators to help prepare the next generation is a high priority. Suggestions were made on how both parties could work together to ensure Millennials are work ready.

Senior HR professionals agreed that exposure to the real working world would better equip individuals with the skills required for the workplace. One CEO noted: "The lack of opportunity for work experience results in a complete 

# PREPARATION AND READINESS FOR THE WORLD OF WORK

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Immersing students in a work environment before entering the workforce could help them begin developing essential skills required and shape expectations in a more realistic way

lack of confidence amongst young people and a poor understanding of the skills required for the world of work.” Interestingly, according to the MPGMS, 53% of Millennials agreed that learning the skills they need on-the-job is the best way to develop.

Work experience enables individuals to build the necessary skills for their career. In countries such as the US, it's commonplace for students to be contractually signed up to internships with employers. Such programmes help to smooth the transition between formal education and practical work experience.

Could the UK learn from such initiatives to ensure the next generation have more opportunities for exposure to the reality of the workplace? Immersing students in a work environment for longer periods of time before they officially enter the workforce could do much to provide more visibility to working life; helping students to begin developing the essential skills required and shape expectations in a more realistic way.

# RESPONSIBILITY FOR KEEPING SKILLS UP-TO-DATE

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When asked who was primarily responsible for keeping the skills of Millennials up-to-date, almost half of senior HR professionals surveyed (49%) said it was the responsibility of Millennials themselves. However, many others put forward the notion of a “joint responsibility” between employers and the individual. Significantly, the MGMS revealed that the majority of Millennials (73%) believed that they themselves had the most responsibility for developing and upgrading their job skills.

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The view of senior HR professionals on whether their organisation was doing enough to up-skill Millennials varied – the largest proportion somewhat agreed, but a significant amount (26%) disagreed. Interestingly, 67% said employers would prefer to recruit people with the skills they need, rather than invest in training.

Organisations can at times overlook the significance of providing training and development opportunities to employees. However, a combination of utilising external talent sources alongside providing ongoing training and development for existing talent is essential to ensuring a business’s workforce is adequately skilled.

# BUILDING FOR THE FUTURE

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As the most valuable assets within an organisation, employees have the power to either enhance or detract from the brand's value. Employers who actively invest in their employees help their 'assets' to appreciate, ultimately impacting an organisation's bottom line. And it's never too soon to start. Forward-thinking employers recognise the importance of investing in young people to enhance their future talent pool and create a leadership pipeline.

When considering future skills and business requirements, are we also recognising the considerable value Millennials can offer their employers and what we can learn from them right now?

While building future leadership is a shared HR concern across most organisations today, it is worrying that the majority of senior HR professionals surveyed (65%) admitted their organisation doesn't have initiatives in place to prepare future leaders. While tackling this complex challenge cannot be met with a one-size-fits-all approach, it is clear that developing a robust talent strategy and actively creating a leadership pipeline is becoming more critical than ever, and will likely become even more important, as the world of work continues to evolve.

When considering future skills and business requirements, we must be careful not to be one-sided in our outlook. In addition to investing in future talent to prepare them for leadership roles, are we also recognising the considerable

value Millennials can offer their employers and what we can learn from them right now? One HR Director noted: "The importance placed on traditional knowledge and experience will need to be replaced by the ability to bring new and much needed skills to the workforce in relation to digital expertise."

It's widely recognised that Millennials often excel at technology-related skills and are socially savvy. Yet, when asked if their organisations leverage the social networking and online knowledge of Millennials in any way, a staggering 70% of senior HR professionals said no. As technological revolutions continue to transform our working landscape, could many of us be missing an obvious opportunity for advancement and competitive advantage in this regard?

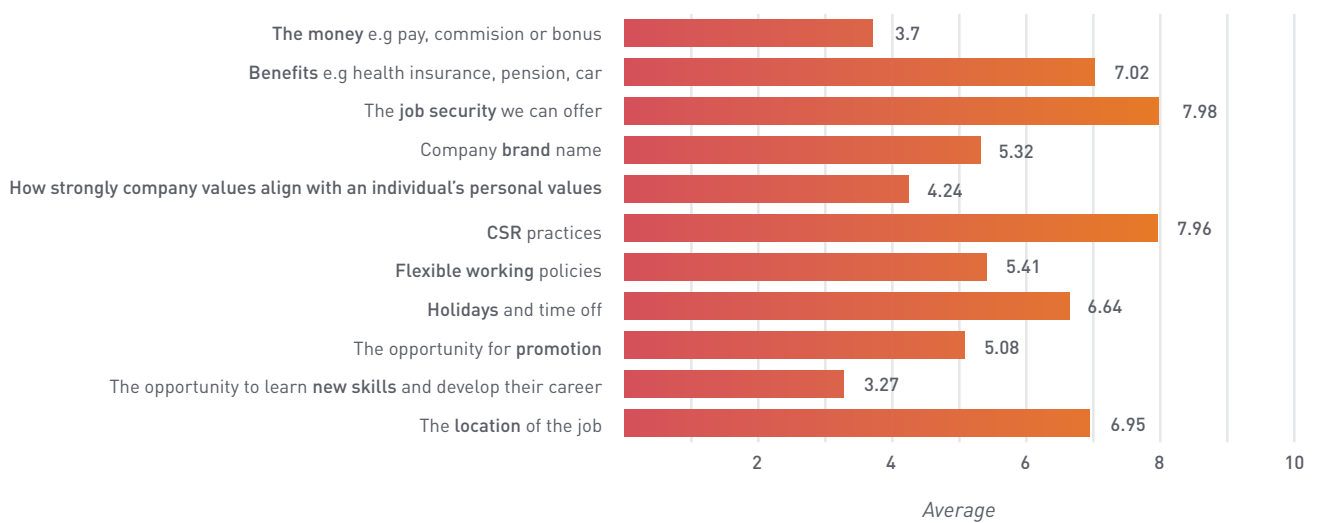
# MILLENNIAL MOTIVATIONS

Talented Millennials are looking for a different kind of work future. Forward-thinking organisations are reconsidering their approach to attraction and retention, and rightly so – the world of work continues to advance, increasing the significance of understanding what motivates the next generation.

Senior HR professionals were also asked about the importance they would place on various factors when attracting Millennials to a job opportunity, and ranked job security as a key factor. An organisation’s corporate social responsibility practices, benefits and the location of the job were also deemed as valuable. When Millennials in the MGMS were asked to rank the most important aspects of a job that would make them want to apply for their next role, the top factors cited were pay and job security. This was followed by holidays, the opportunity for promotion, working with great people and learning new skills. While both groups of respondents rate job security as an important attraction factor – UK Millennials confirmed they would also be tempted by roles that offered opportunities for growth and development in their careers. 📌

## ATTRACTING MILLENNIALS

*Attracting Millennials: On a scale of 1-10, (where 10 = extremely significant and 1 = extremely insignificant), please rank the level of importance you would place on these factors when attracting Millennials to a job opportunity*

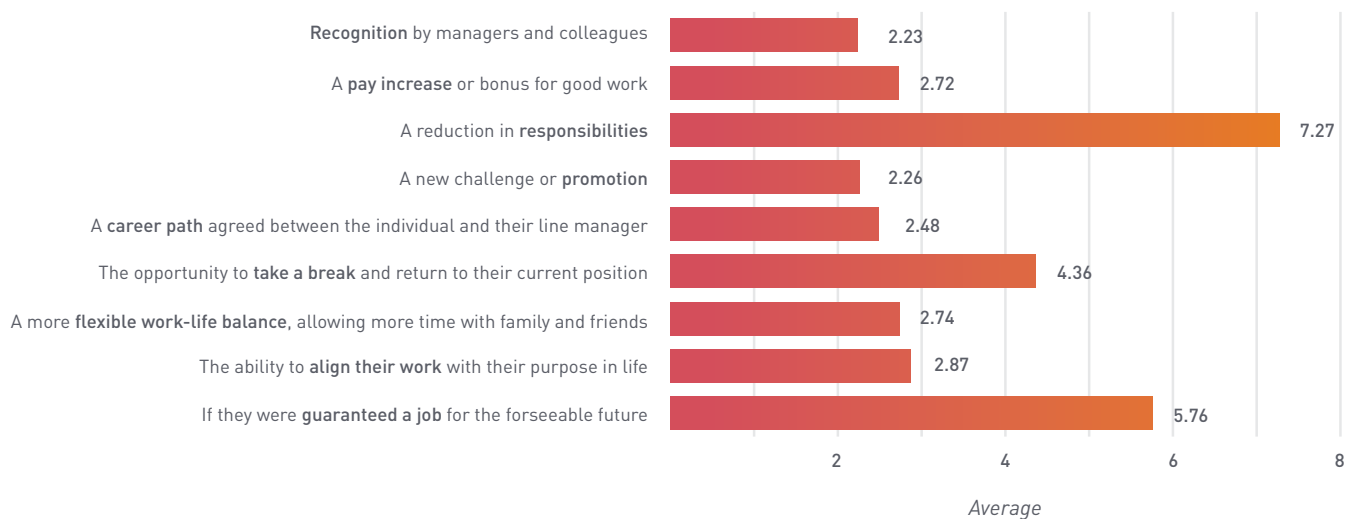


# MILLENNIAL MOTIVATIONS

Our senior HR audience were also asked to rank the factors they felt could positively influence a Millennial to remain at an organisation. A reduction in responsibilities, job security and the opportunity to take a break and return to their current position were identified as the top three factors respectively. According to the MGMS, Millennials also ranked job security as a key factor that would encourage them to stay at their current job, alongside being paid fairly for the work they do, feeling happy working with the same group of people and being appreciated by managers and colleagues. While security was again jointly recognised by both groups of respondents, it's also important for Millennials to be given recognition for their work and possess a sense of belonging. ➔

## RETAINING MILLENNIALS

*Retaining Millennials: On a scale of 1-10, (where 10 = extremely significant and 1 = extremely insignificant), please select the top three factors that could positively influence a Millennial to remain at an organisation*





# MILLENNIAL MOTIVATIONS

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Senior HR professionals commented on a potential gap between what employers *think* motivates Millennials and what is *actually* important to the next generation. One noted the importance of “being very careful about making ... generalisations” when it comes to addressing issues relating to Millennials and the world of work. Another commented on the “disconnect between expectations of organisations and those of Millennials” noting that “organisations cannot expect to retain their employees if they don’t...understand them.”

Respondents commented on a potential gap between what employers *think* motivates Millennials and what is *actually* important to the next generation

The significance of seeking to understand and cater to all generations in the workplace was also raised. A Head of Learning & Development commented: “Some of the ideas associated with Millennials are most likely to appeal to others in the workplace too. It’s critical to find out their needs, so we can appeal to the whole business rather than making sweeping generalisations based on stereotypes.”

To build and maintain an engaged workforce, employers must continue to seek awareness of both the unique and shared motivators from each generation. They should also be responsive in developing diverse attraction and retention strategies that cater to the complex compositions that make up their organisation.

## CONCLUSION

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The issues facing Millennials and the employers who seek to attract them are both complex and diverse. Effectively meeting these challenges requires an acknowledgement and openness for change, as well as balance from both sides.

Some of the viewpoints expressed by HR leaders have not come as a surprise in relation to the readiness of Millennials for the world of work and the skills that are often under-developed. However, what has emerged is evidence of a level of awareness among Millennials of their areas of inadequacy and of their personal responsibility to take the lead in their development.

To ensure future generations are better equipped for the realities of the workplace, it's vital that employers recognise the crucial role they play in educating and preparing youth. Organisations must continue to seek ways they can actively engage and more closely align with government, schools and higher educational institutes. Educators and policymakers will also need to keep pace with the changing demands of modern economies and a more globalised labour force.

Being adequately prepared to meet future needs and challenges requires responsibility from both sides. Although it is crucial that Millennials continue to demonstrate their ability to up-skill throughout their working lives, forward-thinking employers also recognise the importance of supporting Millennials in their training and development by investing in their 'assets'. In particular, having initiatives in place to build future leadership pipelines will be essential. To remain competitive, they

should also seek to actively tap into the digital know-how of this group of talent.

The need for employers to take the time to truly understand what motivates and drives Millennials as well as other generations is crucial to building and maintaining an engaged and productive workforce. While we must be careful not to make generalisations, we may also find that on closer inspection, their needs may not necessarily conflict with those of other generations in the workplace. The CEO of a management consultancy suggested: "The values, drivers and needs of Millennials are not much different to the boomers and traditionalists. They have just been brought up in a different world - a digital world. Organisations have to realise the potential opportunities this new generation brings and have an open mind-set to give them an opportunity to realise their potential. Listen and learn! Share knowledge for future success."

An approach that is open, collaborative and agile is easier said than done. Yet despite the numerous challenges involved, organisations who embrace the opportunity to truly understand, develop and engage with the next generation are the ones who will not only remain competitive and innovative, but who will truly benefit from the passion, creativity and unique capabilities that Millennials hold.

## ABOUT THE RESEARCH

*In February/March 2016, ManpowerGroup UK surveyed a selection of HR professionals who attended Changeboard's 2016 Future Talent conference, along with subscribers to Changeboard's quarterly print magazine. Our findings are based on 248 responses from HR professionals who hold positions of seniority within their organisations, including: HR Directors, Heads of HR, Heads of Learning and Development and Heads of Talent.*

### ABOUT MANPOWERGROUP'S GLOBAL MILLENNIALS STUDY (MGMS)

*In March 2016, ManpowerGroup surveyed working Millennials both internally (our own temporary workers from 25 countries) and externally (11,000 working Millennials across 18 countries) and will release four studies about how Millennials are shaping the world of work. Each study will explore a different aspect of Millennials in today's workforce including: long-term career planning; training for tomorrow's skills; management practices; and recommendations for attracting, retaining and developing Millennials.*

*The first report can be downloaded from 24 May 2016 from [www.manpowergroup.co.uk/millennials](http://www.manpowergroup.co.uk/millennials)*

*The results we have shared in this whitepaper are based on the specific responses of the 1,000 Millennials surveyed in the UK.*

*Note: For the purpose of both surveys, we defined 'Millennials' as individuals born after 1980 and the first generation to come of age in the new millennium.*

### ABOUT MANPOWERGROUP

ManpowerGroup® (NYSE: MAN) is the world's workforce expert, creating innovative workforce solutions for nearly 70 years. As workforce experts, we connect more than 600,000 people to meaningful work across a wide range of skills and industries every day. Through our ManpowerGroup family of brands – Manpower®, Experis®, Right Management® and ManpowerGroup® Solutions – we help more than 400,000 clients in 80 countries and territories address their critical talent needs, providing comprehensive solutions to resource, manage and develop talent. In 2016, ManpowerGroup was named one of the World's Most Ethical Companies for the sixth consecutive year and one of Fortune's Most Admired Companies, confirming our position as the most trusted and admired brand in the industry.

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