Strategizing to Attract and Engage the Millennial Worker

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Executive Summary

For a business to properly approach the concept of attracting and engaging millennial employees for their organization, they will have to stand out from other companies. According to Hernandez, Pole, & Grys (2018), millennials want to be involved with something greater that has individuality, and a competitive advantage will be the strongest route to succeed in setting a business apart from others. A strategic leader helps create a competitive advantage and they have to possess emotional intelligence, a willingness to delegate and empower, and be well informed in order to engage and retain the millennial employees (Pignatelli, 2016). A type of strategic formulation known as a “SWOT analysis” is a great tool to compare the internal and external factors of strengths, opportunities, threats, and weaknesses of millennials (Hill, Schilling, & Jones, 2016).

Millennials’ strengths are being tech-savvy and achievement motivated, meaning the workplace has to have the most up-to-date technology along with an environment that supports meaningful work that provides an opportunity for constant learning and growth (Auerbach, Buerhaus, & Staiger, 2017). Boosting the generation’s strengths can help develop the opportunities of innovation in the company, and them becoming brand ambassadors with their large connection to social technology networks. Being self-centered and needing constant feedback is seen as weaknesses of millennials. Having open communication in the workplace and good strategic leaders can help meet their needs to counteract what was seen as a weakness of this generation. If you focus to attract their strengths and meet the needs of their weaknesses, the threats of a competitive job market and loss of skilled workers will not have to be a threat anymore. Millennials have a lot to offer and whether people like it or not this era of workers will be making up more than half the workforce by 2025 (McCarty, 2017).
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Introduction/Background

The researcher's concentration is in health care service and connects to this problem because many millennials are being hired into the workforce, and strategizing is needed to attract this generation of employees. As of 2015, according to the U.S. Census Bureau and Pew Research Center, millennials became the largest generation in the U.S. labor force (Stewart, Oliver, Cravens, & Oishi, 2017). By 2025, it is estimated that 50 million more millennials will be hired into the workforce (McCarty, 2017). Even with this number of people coming into the workforce, it does not mean it will be easy to attract and retain them. This generation has specific wants and needs that differ vastly from previous generations.

For a business to properly approach the concept of attracting and engaging millennial employees for their organization, a strategy has to be put in place. According to Hill et al. (2016), a “strategy” is a set of related actions that managers take to increase their company’s performance. One of the biggest challenges for companies is having superior performance compared to their competition (Hill et al., 2016). A business has to be able to stand out and give an employee a reason to choose their company over others in the industry.

A competitive advantage will be the strongest route to succeed in setting a business apart from others. Millennials want to be apart of something greater and something that has individuality. Having a competitive advantage starts from the inside, and having effective, unique management will play a huge role. These leaders are whom the workers deal with every day, and millennials have been known to leave a job if they feel they are not receiving proper leadership (Hernandez et al., 2018).

Another great way to help design a strategy is going to be a strategy formulation. This formulation will help the company organize information to assist in developing their competitive
advantage. Assessing strategic leadership and strategy formulation in the companies strategy-making process will help immensely to find their niche that will attract the up and coming millennial workforce. Before answering the “why” and “how”, the “what” has to be answered for what is strategic leadership and strategy formulation.

**Strategic Leadership**

The purpose of strategic leadership is to efficiently manage a business's strategy-making process to create the competitive advantage for the company. The leaders responsible for the strategic leadership are usually the general managers and functional managers (supervisors) in the company. There are seven characteristics that have been identified as crucial for a strategic leader to have a strong, high performance, which is the following:

- Vision, eloquence, and consistency
- Articulation of the business model
- The perceptive use of power
- Emotional intelligence
- Commitment
- Being well informed
- Willingness to delegate and empower

(Hill et al., 2016)

Managers that lack these characteristics are less likely to be able to move people in the desired direction they want. Management’s main goal is to be able to increase performance so that it will increase the value of the organization to the owners and shareholders. To ensure profit growth, the business has to be able to outdo their competition, and they do this by having a competitive advantage (Hill et al., 2016).
Competitive Advantage

“Competitive advantage” is when a company’s profitability is greater than other companies in their industry. It is what sets a company apart from the others in the trade, and makes an organization superior to them. When a business outperforms another, it contributes to maximizing long-run shareholder value (Hill et al., 2016). One big contributing factor to profitability is the employees. Happier employees that want to stay in the company lead to higher retention and maximum production.

The Center for American Progress reported that it costs around one-fifth of an employee's salary to replace them. Millennials are labeled as "job hoppers", and had a 39% turnover rate in the service industry between 2014 and 2015. Since this generation has an urge to experience new cultures and the idea that starting a new job is an easier salary boost, a good competitive advantage is highly needed (Maechler, 2016). It is agreed by many scholars that good quality management is a vast foundation of a company’s competitive advantage (Elshaer and Augustyn, 2016).

Strategy Formulation

The idea or concept of the strategy formulation is to select strategies based on the analysis of an organization’s external and internal environment. The external examinations purpose is to try and identify the company’s opportunities and threats that are within their operating environment to see how they will pursue their mission. For the internal examination, its concentration is reviewing the resources, capabilities, and competencies of the company to identify their strengths and weaknesses. The best way to visually compare these opportunities, threats, strengths, and weaknesses is with a SWOT analysis (Hill et al., 2016). Table 1 shows a SWOT analysis that is not focused on an organization itself but is focused on the millennial
employee in the workforce. This analysis can help guide in understanding what is involved when trying to engage and attract this generation of workers.

Table 1

Millennials in the workforce

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
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<tbody>
<tr>
<td>Tech-savvy</td>
<td>Self-centered</td>
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<tr>
<td>Achievement motivated</td>
<td>Need for consistent recognition and reward</td>
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<table>
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<tr>
<th>Opportunities</th>
<th>Threats</th>
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<tr>
<td>Innovation</td>
<td>Competitive job market</td>
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<tr>
<td>Brand Ambassadors</td>
<td>Loss of experienced workers</td>
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**Literature Review**

Strategic leaders must be able to think outside the box and be able to develop good insight and wisdom. They also need to know how to identify an opportunity that will benefit and increase performance for their organization (Norzailan, Othman, & Shizaki, 2016). Even though many people stereotype the millennial generation as lazy, entitled, and difficult to manage, companies see the opportunity to engage the millennial employee to gain a competitive edge (McCarty, 2017). From the seven characteristics listed prior that a strategic leader needs to possess, the main ones that need to be intertwined to engage this generation are a willingness to delegate and empower, being well informed, and emotional intelligence (Pignatelli, 2016).

Millennials want to have a voice in the company and be able to level the hierarchy. Any chance you get, try and assign them leadership positions on project teams to develop that feeling of empowerment in them (McDonald, 2014). A choice is power as well, so allow them freedom
and encourage self-expression. A manager is stifling their creativity doing the same thing every day, and more millennials are loyal and productive in a workplace environment that supports individualism (Pignatelli, 2016).

Managers need to be kept well informed of what is going on with the company to strategize and maintain their workforce (Hill et al., 2016). Millennials also enjoy staying well informed and prefer to work in a transparent organization. This means that the company’s mission, values, operations, problems, and conflict are all shared with every employee. They have a need to want to understand the "whys" and reasons behind their organization's information and decision-making processes (Ferri-Reed, 2014).

According to Bennett, Beehr, and Ivanitskaya (2016), millennial’s place work/life balance as a higher importance than the generations before them. A study was done on what nursing students entering the workforce and professionals in health care valued the most. The findings showed that the millennial group valued social relations, familism, and personal health the highest (Jimenez-Lopez, Roales-nieto, Seco, & Preciado, 2016). Managers need to connect with their employees and pay attention to what is important to them. Getting to know the workers personally and seeing what they enjoy outside of work is imperative, because one out of two millennials will leave their job if they feel they have a lousy boss with no connection to them (Pignatelli, 2016).

Intertwining the previous characteristics with the employees is not all that makes up a good strategic leader. They also have to be able to respond and handle the company’s external environment, which are opportunities and threats (Norzailan et al., 2016). Opportunities and threats make up part of the SWOT analysis that helps get a better look at the competition (Hill et
Since millennials have a unique set of attributes compared to previous generations, companies are competing to recruit and retain them (McDonald, 2014).

One opportunity for engaging/attracting millennial workers is “innovation”, which is defined as the creation of new knowledge, or the transformation of new combinations of existing knowledge within the organization. It is said that this generation’s natural mindset has led them to both value and willingly initiate innovation. For example, with millennials being “digital natives”, they are more likely than previous generations to apply their technology-based communication style to their position. Their strong need for growth and desires for achievement makes them integrate non-traditional methods at work on a daily basis (Gong, Ramkissoon, Greenwood, & Hoyte, 2018).

Another opportunity with millennials is the use of them as a brand ambassador for the company. Employee branding can convey the corporate’s promise to stakeholders and future potential hires. When workers use social media to share links, comment, post, and pass on information to their contacts, they are explicitly endorsing and spreading a positive image of the company. With over two billion people worldwide being social media users and millennials making up a large portion, it is a winning situation for the business (Cevellon and Lirio, 2017).

With opportunities, there always comes threats, and with millennials invading the workforce, it can make for a competitive job market. This generation is known to move around a lot and spends on average two years at a job. A study done on 1,000 millennials showed that 86% of them would job hop to pursue their ideal work environment and position, even though it could negatively affect their career prospect. If they feel another company is an easier salary boost and meets their leadership needs, they have no problem leaving the company. Millennials
want to experience new cultures and seek a workplace that is up to date with the newest trends (Maechler, 2016).

As the millennials are moving into the workforce, the baby boomers are all starting to exit the workforce. With this older generation retiring in large numbers, it is creating a shortage of skilled workers. The impact of aging employees has a wide range of inferences in policy setting, human resource planning, and successful transferring of knowledge to the next generation of workers (Ng, Gossett, & Winter, 2016). According to Gong et al. (2018), millennials are by far the best-educated generation, but with their age and time spent on schooling, are still not as skilled in the workforce as previous generations.

Leading into the other part of the SWOT analysis, strengths, and weaknesses, a high education can lead to being self-centered, and that is a weakness to many employers. Most millennials were raised by baby boomers that had child-centric parenting and educating philosophies. These philosophies encouraged children to develop and protect their self-image. This approach is said to be the reasoning behind a high rise in self-centered attitudes since it emphasized encouragement of self-confidence. Millennials grew up in a “trophy for all” era, and it made many of them have a difficult time understanding their efforts could end with failure (Laird, Harvey, & Lancaster, 2015).

Having a self-centered attitude can also result in another weakness, which is a need for consistent recognition and reward. A sense of entitlement comes along with being self-centered, and that makes someone feel they deserve top praise and reward regardless of their actual performance. Research has shown that increased entitlement has been connected with low job satisfaction, conflict, job frustration, and abusive behavior. Accountability is good for people who feel entitled; they feel they get positive evaluations and their need for rewards are met. As
their time at the company increases though and they start receiving fewer rewards and negative feedback, accountability can now seem as a stress factor to the employee (Laird et al., 2015).

According to Bean (2018), Millennials see feedback as a useful source to be able to do better and help them grow because a strength known to this generation is that they are achievement motivated. They want to do meaningful work that gives them the opportunities to be able to grow and learn. These motivators are why data is showing that millennials are going into nursing at double the rate the baby boomers did when they were first going into the workforce (Auerbach et al., 2017). People from this era find purpose to be very important and want to know that their work is making a difference, not only for the world, but for themselves as well (Pignatelli, 2016).

Another great strength of millennials is that they are very tech-savvy and understand the power of technology (McDonald, 2014). This generation grew up not knowing a world without the internet (Stewart et al., 2017). Millennials are very comfortable with digital equipment and social media, and will use them as a first choice to solve problems since they believe in the proficiency of these tools (Gong et al., 2018). Their comfort with technology also makes them skilled in multitasking and clarifying data, which is highly useful in today’s workforce (Bodenhausen and Curtis, 2016).

**Conclusion**

Millennials have much to offer and companies need to start changing their work environments to this generation wants and needs. Whether people like it or not this era of workers will be making up more than half the workforce by 2025 (McCarty, 2017). Their unique strengths and the opportunities they can bring to a business makes them offer a competitive edge
for the organization (McDonald, 2014). Many of the scholarly findings talked about the two weaknesses that were listed for millennials in the SWOT analysis.

It is unethical to assume that all workers from this era are self-centered and need consistent feedback and reward. Many of the surveys and data gathered that formed these characteristic conclusions were done on study groups of up to 2,000 millennials at most. According to Lair et al. (2015), this generation is the way they are because they were raised by baby boomer parents who used a child-centric parenting style. Not all parents use this style though and there are many millennials who were not raised by their parents. There are many situations were millennials were raised by grandparents, and they fall into the silent generation. The silent generation has different views, morals, and parenting styles than the baby boomer generation. This can cause a millennial to grow up with different views and morals than other millennials who were raised by the baby boomers.

The threats, competitive job market and loss of skilled workers, make it harder to engage and attract millennial workers, but that is where a strategic leader has to play a big role. Like Pignatelli (2016) mentioned, management has to be connected, communicating, and adhering to the specific needs millennials feel they require to succeed in their role. He also mentioned that one out of two workers from this generation would leave their job if they feel they have no connection or good communication with management. A good competitive advantage is the uniqueness that millennials bring to the table; so strategic leaders have to be properly equipped to meet their needs.

**Recommendation**

Develop an open communication work environment that also lets workers be involved in decision and change exertions. This environment will make millennials feel empowered and secure
knowing they have an understanding of everything going on in the company (Ferri-Reed, 2014). Businesses need to establish a good learning environment too so that millennials can feel they are developing personal growth, and are being well prepared for when the skilled baby boomer workers start retiring (Bean, 2018). Management needs to make sure they check in on their millennial employees once a day, and give some type of feedback while also getting to know the employee more personally. This generation wants to connect with their authority and feel like they can trust their leaders to mentor them to achieve more success (Pignatelli, 2016).

Be ethical when interviewing potential millennial employees, and do not judge them by the negative profile they have been labeled with. Not everyone in this generation will be self-centered and if you come across some, the strong communication environment in the workplace should meet their needs. Also, like Pignatelli (2016) mentioned, allow this generation freedom to be creative in their position. Innovation can come from creativity and makes employees productively happy knowing there individualism is supported (Pignatelli, 2016). When a millennial employee is happy with their job they want to socially spread the word, and makes them a great brand ambassador that helps send a positive message to shareholders.

Since this generation is known for being technologically savvy, make sure the business has the most up-to-date technology. The ability to work with the latest tools in technology can influence their choice to join or stay with a company (McDonald, 2014). The ability to work where they have an opportunity to give back can be an influence too, since this era feels a need to work with a purpose (McCarty, 2017). Engaging with charities and philanthropic causes is not only good public relation to attract millennial workers, but to also attract various stakeholders as well (Ferri-Reed, 2014). Using these recommendations when strategizing will ensure the business to have a
competitive advantage to attract and engage millennials against other organizations in the competitive job market.
References

Auerbach, D., Buerhaus, P., & Straiger, D. (2017). Millennials almost twice as likely to be registered nurses as baby boomer were. *Health Affairs, 36* (10), 1804-1807.


