

Three Strategies for Managing Generation Y

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We know what you're thinking: These millennial kids really need mentors, flextime, and the reassurances of Mom and Dad? Why not dissipate their demands with the swift crack of a whip?

Veteran leaders, however, will tell you that old-school management techniques only serve to drive young recruits elsewhere. Getting the most from millennial employees requires a new approach — and that means *you* may be the one who needs to change. Here's how three high-profile employers — Deloitte, Merrill Lynch, and the U.S. Army — have learned to handle the needs of a new generation.

U.S. Army

The Challenge:

Command-and-control management is a non-starter with Gen Y

The Solution:

Lead by example

Five years ago, U.S. Army drill sergeants won respect the old-fashioned way: through fear and intimidation. When a bus of newbie “future soldiers” pulled up, the waiting drill sergeant immediately screamed orders, created chaos, and instilled fear. Problem was, the rate of recruits leaving during basic training had ballooned to 10 percent. “We might have gotten away with more of that negative atmosphere with previous generations,” says Jim Schwitters, the commanding general at the U.S. Army Training Center in Fort Jackson, S.C. “Now we know that’s generally not the best starting point.”

Schwitters slowed the hemorrhaging of new recruits by instilling a management method that millennials understand: lead by example. Helping to rewrite Army training regulation 350-6, which embodies the military division’s training doctrine, Schwitters wanted drill sergeants behaving more like mentors and less like, well, drill sergeants. He says the time was ripe to make some of the military’s newest soldiers, whom nowadays can see action in Iraq just six months after enlisting, feel empowered from the get-go.

Today the first challenge that new recruits face is a “confidence obstacle course” that’s tough but empowering because it’s not overwhelming in its difficulty. The drill sergeants then do virtually everything they ask their soldiers to do — from navigating obstacle courses to marching with heavy backpacks to properly handling a rifle. The mentoring has worked, and attrition among new recruits has dropped nearly 50 percent. “When I ask a new soldier what has motivated his accomplishments,

he'll frequently say, 'I've been inspired by the drill sergeants that lead me,'" Schwitters says. "He'll say, 'The drill sergeant cared about me and did everything that I was asked to do.'"

Deloitte

The Challenge:

Hiring managers can be clueless about what makes millennials tick

The Solution:

Invest in a management-training regimen

In 2004, Deloitte's Stan Smith, a national director specializing in human resources issues, got a call from a partner who was furious at some of his young associates. He'd assigned them some work over the weekend, and they'd asked him to reschedule it because they already had other plans. Smith ultimately heard more such complaints, and the friction helped push Deloitte off *Fortune* magazine's "100 Best Companies to Work For" list in both 2004 and 2006 — tough setbacks for a top company's HR director.

Smith fought back by educating the managers instead of trying to change the young staff. "I wanted to help our leaders understand that the world they grew up in doesn't exist anymore," he says. "They were going to have to deal with these young people's needs." In early 2006, Smith produced and printed the first in a series of in-house educational brochures about generational changes in the workplace, filling it with think-tank research. (Example: both Gen X and Gen Y employees grew up in a consumer economy and see themselves as customers, which means they expect to influence the terms and conditions of their jobs.) Deloitte's brass not only read the brochure, some took it home to their kids, who said the information was spot-on.

Now, change is in the air. Deloitte has begun overhauling its orientation process to make it millennial-friendly, and the company has retrained its management to adjust to millennials' desire for flextime. As for Smith's latest projects, he's produced three additional brochures on the subject. His new book, *Decoding Generational Differences*, was distributed in-house earlier this year, and it obviously reads like a success story. Deloitte now is enjoying its second consecutive appearance on the "100 Best Companies to Work For" list.

Merrill Lynch

The Challenge:

Mom and Dad often come with the package

The Solution:

Market your company to parents, too

Many millennials were raised by hyper-involved soccer moms and dads. Now, in a number of industries, HR managers report that these hovering “helicopter parents” are helping their adult children negotiate pay and benefits, angle for promotions, and decide which job offers to accept. Though many HR reps initially were shocked by it, the phenomenon is now so widespread that companies are shifting gears and marketing themselves to parents as well as potential recruits. For example, when Office Depot launches its new website this summer, it will include a reassuring message to parents, an attempt to convince Mom and Dad that the company is an opportunity worthy of their progeny.

The phenomenon caught the attention of Merrill Lynch’s Elton Ndoma-Ogar in 2006. A diversity recruiter for the company’s global markets and investment banking division, Ndoma-Ogar realized that the applicants *and* their parents were reviewing Merrill’s job offers. For those parents who haven’t worked in the industry, he says, “They only see and hear all these horror stories” about long hours and tough demands. His efforts at recruiting diversity candidates were hurt, he says, because he wasn’t sufficiently reducing parents’ fears and concerns.

Ndoma-Ogar responded by launching Parents’ Day in 2006 for a select group of summer analysts working in his division. The company flies caretakers to Manhattan (parents have come from as far as Nigeria), teaches them about the business, provides a tour of the Big Apple, and emphasizes company support and benefits, such as free meals and transportation for employees working overtime.

“The day provides a sense of comfort that sons and daughters are being taken care of,” he says. Still in its nascent stages (Merrill has limited the program to a small number of diversity candidates), the company is considering expanding Parents’ Day. Last year, only one student whose parents attended the event didn’t accept the firm’s subsequent job offer.
