

# Millennials in Charge

**They're widely viewed as tech-savvy and impatient. So how do you help turn millennials into effective managers?**

BY ANDREW R. McILVAINE

When asked to describe her global company's approach to preparing millennials for management roles, Julie D. Grzeda makes an ironic observation: General Electric, as an organization, is starting to take on a few of the traits widely ascribed to this generation.

"As a company, we've become less patient and hungrier to move fast—we no longer have product-development cycles that take 10 or 15 years," says Grzeda, GE's director of global leadership-development programs and university relations. "We, as a company, have taken on some of the characteristics of the 'impatient millennials.'"

Generation Yers, or millennials—generally, those born between 1980 and 1999—may be one of the most-studied generations in history. In the United States, they're 80-million strong and will soon represent the majority of the active workforce. This is not a cause for celebration among all, however: A 2013 survey by New York-based consulting giant EY found 36 percent of managers from multiple generations described millennials as difficult to work with.

The good news is many of those survey respondents perceive Gen Yers as tech-savvy and smart about ways to leverage social media. They're also seen as inclusive leaders who can build "culturally competent" teams. And they're seen as enthusiastic, adaptable and interested in knowing just how well they're performing.

"Millennials are used to getting lots of feedback and tend to want lots of it—lots of positive, constant feedback," says Ilene Siscovick, a partner and

human capital consultant at New York-based Mercer.

Interestingly, they can also be a bit old-fashioned in some respects: They tend to view an organization's leaders with more respect than do other generations, according to the *Global Leadership Forecast* study by Bridgeville, Pa.-based Development Dimensions International. The study also found millennials wanting more formal leadership-development opportunities than their older colleagues. And they want things clearly explained to them—despite their vaunted independence, Gen Y wants to see a clear road map for moving up within the organization.

Making sure the right talent is in place for future success requires creating an environment that's attractive to members of every generation, of course. But considering the dominant role millennials will soon play, HR leaders at the nation's largest companies (see chart, pages 16 and 18) would be wise to ensure their organizations are well-positioned to develop and retain these future managers—and that they morph into leaders who will, in turn, guide the subsequent generation.

## Big Potential

Interestingly, those very HR leaders tend to have high praise for their Gen Y employees.

At Round Rock, Texas-based Dell Inc., named by *CNN/Money* as one of the Top 50 best employers for new college grads, the technology company has found common cause with millennials as it grooms future leaders and plans its

long-term business strategy, says Steve Price, Dell's senior vice president of HR.

"I do think many of the characteristics attributed to this generation are valid, and we do take them into consideration," he says. "Millennials have highlighted some of the important aspects of the human condition, [which include] connectivity and caring about things on a global stage—being connected to the world, not just one's family or small inner circle."

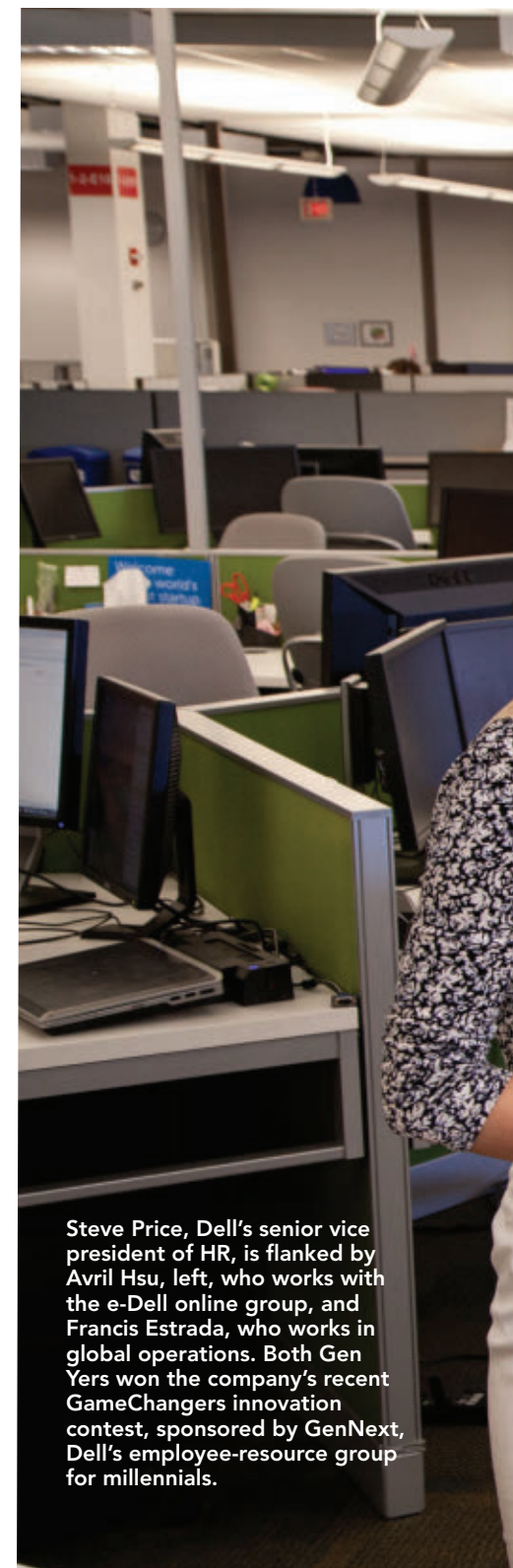
Dow Chemical's Frank Burroughs describes himself as "not really excited about broadly categorizing groups," yet acknowledges there are certain characteristics that distinguish millennials from other generations.

"They are aggressive seekers of feedback—they thrive on it and are not at all afraid of feedback that is disappointing," says Burroughs, the Midland, Mich.-based company's global talent management director. "They tend to say, 'Please be as honest and as blunt as you can; that's the only way I'll get better.'"

Sherwin-Williams' Rick Ouellette says some of the stereotypes about Gen Y are true—particularly their desire to move up quickly—and he doesn't think that's a bad thing.

"Our generation created the need for them to want that," says Ouellette, the Cleveland-based company's vice president of HR for its Southwestern division and a self-described baby boomer. "We encouraged them to go after what they want and to ask for opportunities. They're very eager to show off their skill sets."

Gen Yers want to move up—and faster—than other employees. According to a survey by Chicago-based staffing firm Addison Group, more than four out of five (82 percent) are apt to display some level of interest or excitement in being a manager, versus 57 percent of other age groups, according to a recent



Steve Price, Dell's senior vice president of HR, is flanked by Avril Hsu, left, who works with the e-Dell online group, and Francis Estrada, who works in global operations. Both Gen Yers won the company's recent GameChangers innovation contest, sponsored by GenNext, Dell's employee-resource group for millennials.

survey by Chicago-based staffing firm Addison Group.

"A lot of organizations need to be prepared for this: If millennials don't see an opportunity or a path to becoming a manager, they'll move to another organization they see as having greener pastures," says Addison CEO Thomas Moran.

Whether they're ready for those roles, however, is another question. DDI research shows "millennials are a bit behind the prior generation in competencies such as work standards, and planning and organizing," says Evan Sinar, the company's chief scientist and director of its Center for Analytics and Behavioral Research. At the same time, he adds, they're slightly ahead in areas such as adaptability and customer focus.

"Their overall performance is similar to the prior generation's;





GEORGE BRAINARD

they're just getting there in a slightly different way," says Sinar.

DDI's *Leaders in Transition* survey finds millennials are significantly more likely to want formal leadership-development opportunities than the next-highest generation, Generation X (43 percent to 31 percent). While it may seem troubling that only 17 percent of the companies surveyed by DDI have development programs oriented specifically to millennials, other companies have leadership-development programs for emerging leaders that simply may not be labeled as such in order to avoid offending other generations, says Sinar.

### Inspirational Abilities

Indeed, HR must not let a focus on Gen Yers distract it from the needs of other generations in the workplace.

Dell is focusing on making its workplaces attractive to all generations, not just millennials, says Price.

"We're not taking one single approach to millennials—it's more of an ecosystem that incorporates the needs, desires and wishes of that generation and all the [others] in this company," says Price. "When you're as large as we are, you tend to be a microcosm of society."

All new leaders at Dell—whether they're new to the company or have been promoted from within—take a course called Foundations of Leadership, in which they learn "what inspirational leadership looks like," says Price. It also covers areas such as leading multigenerational teams and connecting with the people who report to you, he says.

As he terms it, "inspirational leadership"—the ability to relate to and inspire a multigenerational workforce—is considered to be a must-have quality for successful managers at Dell (regardless of which generation they're members of), along with the ability to motivate teams around the themes "winning together" and "entrepreneurial spirit."

All employees are measured for these qualities via Dell's standardized performance plan. Specifically, managers at Dell are measured on their ability to motivate their people around these themes, says Price.

"It's how you go about rallying people to be 'winning together,' " he says. "It's not just about what you deliver, but how you do it. The people who can do both very well are going to be recognized as role models."

Millennials, in particular, tend to respond well to managers who can connect the work they do to the greater good, says Price.

"We found that millennials value connectivity to a very high degree," he says. "The meaning they get from work is very important to them, and if they don't feel they're getting meaning from their work, then they tend to job-hop. They don't want to have to change who they are or be told, 'That's not the way things are done around here.' "

A millennial-friendly workplace "does not have to be like 'Disneyland for adults,' " says Price. "But they do want access to great technology, they want a space where people can socialize and collaborate on the fly, while also having some private spaces where they can be alone."



# Millennials in Charge



**“One of the key things that describes millennials is ‘connected yet independent’—they actually have a lower trust in leaning on their peers than other generations.”**

Dell’s “Connected Workplace” initiative encourages employees to participate in discussions with leaders about “new ways to think about where and how work gets done,” including opportunities to work remotely and telecommute, says Price. About 20,000 Dell employees currently work in such arrangements, and the company expects 50 percent of its workforce will do so within five years. “Our millennial employees really embrace this,” he says.

Price also points to Dell’s employee-resource groups as a key component for helping millennial managers develop themselves.

“We have around 10 ERGs, including one for millennials called GenNext,” he says. “These are venues for people to connect, build relationships and build networks for collaboration inside the company.”

Dell’s research shows that employees who participate in ERGs “have a much better attitude and belief about their ability to be successful within the company and tend to have a better understanding of the company’s goals and strategy,” says Price. “They tend to feel better about their careers and their ability to innovate.”

## ‘Experience-Hopping’

At Fairfield, Conn.-based GE, the company tries to put millennials’ widely noted preference for job hopping to its advantage via job rotations that expose them to different aspects of its varied businesses.

“I would say that what we found was not so much job-hopping, but ‘experience-hopping,’” says Grzeda. “Millennials are looking for things that can help them grow—they have an insatiable appetite for this.”

GE addresses this need via its job-rotation programs for young managers, which let them move among different senior managers and organizations within the company’s vast portfolio of businesses and establish their own networks and mentoring relationships.

“It opens them up to a peer network around the world, [and] exposes them to a variety of customer challenges and work-content challenges,” she says.

The rotational-leadership programs span various functions within GE, such as finance, sales, manufacturing and engineering. GE’s finance rotational program recently celebrated its 100th year, says Grzeda. Participants not only learn about their respective functions, but also learn to network and to collaborate with peers within and outside different functions and geographies, she says.

The rotational experiences address a common trait among Gen Y, she adds.

“One of the key things that describes millennials is ‘connected yet independent’—they actually have a lower trust in leaning on their peers than other generations,” says Grzeda. “They’re more connected than average, but we take into account that they need help learning how to use those networks more effectively to achieve success.”

## One Culture

At Dow, approximately one in five of the global chemical company’s managers are members of Gen Y, says Burroughs.

Millennials have been a positive influence on the company in a number of ways, he says. “They probably drive our corporate-social-responsibility program more than being driven by it. Their tech-savviness has helped us in a lot of areas.”

In helping millennials become effective managers, Dow enrolls them in its Leading with Purpose program, in which high-potentials learn about the company’s eight “leadership-development” themes and complete a series of online courses from Harvard ManageMentor, from Cambridge, Mass.-based Harvard Business Publishing. The short video segments offered as part of ManageMentor are especially attractive to millennials, says Burroughs.

“The attention span for millennials to watch a video is fairly defined, so a program that lets you watch a two- or three-minute video and then move on and take action—rather than sitting through a two-hour course—is a plus for all, but especially this generation,” says Burroughs.

That said, the company stresses that all new managers—not just millennials—will be held to the same standard, regardless of which generation they belong to, he says.

“It’s interesting, because our millennial managers may have members of Gen X and baby boomers reporting to them, not just other millennials,” says Burroughs. “That can be challenging for someone who’s 30 years old with not a lot of experience under their belts. It’s why they have to be very flexible in their communication style, because they’re working with people who are quite different from them.”

“Our leadership expectations are not different for this generation than for any other generation,” he says. “We have to acknowledge differences but not accentuate them, because, in the end, we want one culture. And that’s why we keep coming back to emphasizing what you have in common—that’s what great leaders do.”

Like Dell, Benton Harbor, Mich.-based Whirlpool Corp. (named to the 2014

Aon Hewitt Top Companies for Leaders list) looks to its ERGs to help millennials develop as managers, including one specifically for young professionals.

“The focus is helping them connect to the community to grow and achieve,” says Tammy Bohen, Whirlpool’s senior manager for global talent management.

Whirlpool has also invested heavily in career-development tools to make it easier for young employees to map out their potential careers at the company and determine what they need to do to get where they’d like to be.

The company’s Leadership Model, developed with the assistance of DDI, lays out the roles and expectations for managers at each level of the organization, so those aspiring to such roles will have a clear idea of where to start and what will be expected of them, including the values they’re expected to demonstrate—values that include respect, integrity and inclusion, says Bohen.

Whirlpool also provides quarterly workshops—open to anyone in the company who’s interested in advancement—in which participants receive a workbook designed to help them reflect on their current roles and goals, and assess themselves against the Leadership Model.

“The workbook is a way to get them to think through their personal career aspirations and identify their developmental needs [so they can] start to map out a path, whether it’s a lateral move or an upward move,” she says.

Bohen points to Whirlpool’s emphasis on managerial development, in addition to its collaborative work environment (it recently replaced many of the individual offices at its headquarters with open-floor plans) and its commitment to social responsibility as selling points for millennials interested in starting management careers. “The millennials at our company are very driven, very smart and want to do great work,” she says.

## Minding the Store

Ouellette’s duties at Sherwin-Williams include recruiting and developing managers who will directly oversee 950 of the paint company’s retail stores. “This year, my team will

hire about 400 manager trainees,” he says, adding that approximately 95 percent of those hires are millennials.

The new hires undergo extensive training before being placed in assistant-manager positions at the stores. From there, the new managers are assessed for high-potential status, he says.

Millennials tend to desire a strong relationship with their bosses, yet are much more willing to leave if they lack a connection with that person, says Ouellette.

“It wasn’t this way 20 or so years ago; you tended to just trudge through a situation like that, but no longer,” he says. “We, as a company, have to design programs centered around these millennial truths.”

It hasn’t been all smooth sailing for Sherwin-Williams regarding millennial retention. The company had been losing its manager trainees at a higher rate than it was comfortable with, and recently conducted surveys and interviews to uncover the reasons why. Trainees responded that they didn’t feel as engaged and included as they’d wished.

This year, the company plans to roll out a new career-progression model for its manager trainees that will include pay raises every six months, rather than once a year at their annual performance reviews.

“This is important to millennials—they want to make more money and they want to make it quicker,” says Ouellette.

District managers will also conduct regular “career conferences” with the trainees at six-month intervals to discuss long-term goals and “anything else the trainee wants to talk about” with district leadership, says Ouellette.

Sherwin-Williams is also giving its millennial trainees more opportunities to sample different roles within the company during their initial 24-month training period, he says. This will include stints with the company’s sales reps and the chance to work in different locations, such as Sherwin-Williams’ floor-coverings stores and commercial-service locations for contractors.

Assistant managers who complete the training period and become store managers or sales reps tend to stick around, says Ouellette.

“Once [they’re finished], our turnover rate goes from the low teens down to the low single digits,” he says. “If we can just get them over that hump, we have an incredible chance of keeping them for their entire careers.”

The Gen Yers at Sherwin-Williams are worth the enhanced efforts being made in support of their development, says Ouellette.

“There are a lot of incredible things about these individuals—many are already in leadership positions at our company, and we’re putting them there because they’re ready, not because they’re hollering at us to do that,” he says.

Send questions or comments about this story to [hreletters@lrp.com](mailto:hreletters@lrp.com).