

17 best retention strategies for millennial employees

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Retention is considered as the means through which an organisation ensures that its employees do not quit their jobs. Therefore, employee retention refers to the ability of an organization to retain its employees. *Employee retention* can also be defined as a practice in which employees choose to stay with their current employer and are not actively searching for other job opportunities.

According to a Gallup study, millennials have the second-highest level of full-time employment (54%) behind Gen Xers (63%) “How Millennials Want to Work and Live 2019.” Millennials also change jobs more often than do those of any older generation, and six in 10 say they are currently looking for new employment opportunities.

Retention strategies refer to policies adopted by businesses to retain employees and minimize turnover and attrition, and to improve employee engagement. 55% of millennials are not engaged at work according to a Gallup study “How Millennials Want to Work and Live 2019.” The key priority is to fulfil employee standards without losing sight of the company's priorities to ensure optimum return on investment.

The millennial generation is the driving force behind workplace change. In their relatively short tenure as employees, millennials have led the charge to break down traditional organizational structures and policies and have pushed companies to rethink their work environments. According to Gallup, Millennials’ lack of engagement costs the U.S. economy \$284 to \$469 billion annually in lost productivity “How Millennials Want to Work and Live 2019.”

A Gallup study found that 60% of millennials say they are open to a different job opportunity. This willingness to leave their current job presents a substantial amount of opportunity for organizations to attract the best millennial candidates. But that opportunity will only manifest itself to organizations that meet a defined set of criteria.

Several *retention strategies* surround millennial employees. Below are some of the best retention strategies that organisations need to understand and implement.

1. Encourage and support innovation

Millennials value entrepreneurship. A survey by EY and Economic Innovation Group found that 67% have considered running their own startup, but finances and the economy have made many hesitant “Millennials Want To Be Entrepreneurs, But A Tough Economy Stands In Their Way 2016.” Cultivating entrepreneurship can benefit your business. Based on a survey by Deloitte, 78% of Millennials say they factor a company’s innovation in their decision to work there “The Deloitte Millennial Survey 2014.”

1. Invest in Training and Personal Development

Research in a PwC study revealed that Millennials prefer personal learning and development benefits over financial rewards “Workforce of the future: The competing forces shaping 2030.” They consider a job as more than just a way to make a paycheck. They want to develop skills and learn new ones. According to a Gallup study, 59% of millennials report that opportunities to learn and grow are extremely important to them when applying for a job “How Millennials Want to Work and Live 2019.”

1. Offer flexibility and work-life balance

In a FlexJobs survey, 84% of Millennials cited work-life balance as the number one factor that they consider in a job “FlexJobs Survey: Millennials More Interested in Travel, Work Flexibility Than Gen X, Baby Boomers, 2016.” According to a Gallup study, nearly 6 in 10 (57%) millennials say that work-life balance and personal well-being in a job is very important to them “How Millennials Want to Work and Live 2019.”

1. Flexible organizational structure

Millennials find rigid organizational hierarchies as stifling and outdated. Thus why many young people are drawn to more close-knit startup environments. In a startup, they may see and chat with their CEO every day, as opposed to corporations where they might never meet him or her in-person. In a survey by Intelligence Group, 79% of Millennials said they prefer a boss that acts as a coach or mentor “Want to Keep Your Millennials — Mentor Them 2016.”

1. Value technology

In a Microsoft survey, 93% of workers said technology helps them thrive at work and that having modern and up-to-date technology in the office is important “Millennials and the Workplace 2016.”

1. Create community and foster teamwork

Build collaboration into your culture with team building games. 88% of Millennials would rather work in a collaborative culture than a competitive one “Want to Keep Your Millennials — Mentor Them 2016.”

1. Show your appreciation

In a study by PwC, more than any other generation, Millennials wanted to feel appreciated for their contributions to the team and company “PwC’s NextGen: A global Generational study 2013.”

1. Be charitable

Millennials are connected to social causes and want to make an impact both in and outside of the workplace. Deloitte Millennial Global survey found that companies that are involved in and show their

support for local charitable causes also give employees the feeling of making a difference “What Millennial Employees Really Want 2015.”

1. Compensation

Pay matters to all employees, and millennials are no exception. According to a Gallup study, nearly half (48%) of millennials say that overall compensation is extremely important to them when seeking new job opportunities.

1. Hire for your culture

Employee retention starts before someone is hired. A common misconception is that employee retention starts after someone is hired. However, it starts before. During the hiring process, it is critical to recruiting the right people for the right positions.

1. Opportunities for Advancement

As millennials expand their abilities, they want to be rewarded with meaningful opportunities to advance in the workplace. In a study by Gallup, half of the millennial job seekers state that advancement opportunities are extremely important to them “What Millennial Employees Really Want 2015.”

1. Quality of Management

It is prudent for organisations in investing in management development. Quality of management is closely tied to a company’s overall reputation or culture. Through their attraction strategies and materials, companies must demonstrate that their leadership team has a clear sense of direction and purpose. In a Gallup study, 58% of millennials say “quality of manager” and “quality of management” are extremely important to them when applying for a new job “What Millennial Employees Really Want 2015.”

1. Offer Incentives

Millennials appreciate incentives, but many are simply uninterested in the traditional options that companies have relied upon for decades. They don’t want participation trophies or ribbons—or for that matter, anything they’re limited to displaying on a shelf. Millennials also enjoy building national and international connections via incentive business travel, which many see as an opportunity or outright reward, rather than as a chore. In a 2016 survey from MMGY Global, millennial respondents admitted to taking an average of 7.7 business trips per year, compared to an average of 6.4 trips for Gen X employees and 6.3 for baby boomers.

1. Provide Opportunities to Work Remotely

Millennials regard the ability to work from home as a sign of success. According to the 2016 Deloitte Millennial Survey, 75% of millennial employees would like to “work from home or from other locations

where they feel they can be most productive.”

1. Build a Diverse and Inclusive Workplace

Millennials employees should feel valued and accepted by their peers. According to Deloitte’s report The Radical Transformation of Diversity and Inclusion, 83% of millennials feel actively engaged when their company takes great lengths to foster an inclusive environment. These strong engagement rates suggest that retention can best be achieved in diverse and welcoming work environments.

1. Acknowledge milestones large and small

If the team has just completed a big project under budget or an employee is celebrating a 10-year anniversary of work, take the opportunity to celebrate with a joint meal or group excursion together.

1. Mentorship programs

Pairing a new employee with a mentor is a great component to add to your continuing onboarding process. Mentors can offer guidance and be a sounding board for newcomers, welcoming them into the company.

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