IS THERE REALLY A GENERATIONAL DIVIDE AT WORK?

Surprising Research on Millennials and Emerging Trends in the U.S. Workforce

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By

Ultimate Software and The Center for Generational Kinetics
“Millennials and technology are transforming the workplace. The results are never-before-seen challenges and opportunities facing even the most experienced executive, HR practitioner, and manager.

Our research team’s mission was to separate the truth from fiction about Millennials and emerging technology at work—so you can unlock the potential of both.”

- Adam Rogers and Jason Dorsey
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Welcome! We’re glad you’re here.

Ultimate Software and The Center for Generational Kinetics are excited to share our latest national research study with you. The surprising findings shed light on the transforming workplace we’re facing today.

Our research team is passionate about helping employers understand and solve emerging generational and technology challenges in the workplace.

In this national research study, we looked at Millennials within the context of two other generations at work: Generation X and Baby Boomers. The reason for this vantage point is simple: Millennials are the fastest-growing generation in the workforce today. The emergence of Millennials at work creates a new dynamic with three and sometimes even four generations working side by side.

The resulting convergence of different generations and new technology within a single workplace leads to an urgent need for national research. This study seeks to understand the generational differences and similarities across generations when it comes to attitudes and technologies so you can take action.

We hope that you are as intrigued by the research findings as we were!

But we wanted to give you more than just great research.

We wanted to give you specific ways to apply the findings and create a better workplace for you and your employees. In the closing section, we’ve included step-by-step Take-Action Suggestions—these will jumpstart your progress today.
Intro to Our Research Team

Ultimate Software is a leading cloud provider of human capital management solutions. With the suite of HCM features in UltiPro, companies of all sizes and across all industries can easily manage global people data and processes as well as help ensure that their people are engaged and productive from day one. In 2014, Ultimate Software was ranked #20 on FORTUNE magazine’s annual list of the 100 Best Companies to Work as well as recognized as a “Leader” in Nucleus Research’s HCM Technology Value Matrix. Learn more about our unique solutions at www.ultimatesoftware.com.

The Center for Generational Kinetics uncovers new generational trends and truths through original research. We apply our deep expertise to the research findings to devise new solutions to generational challenges with customers and employees. Our clients range from industry leaders such as Mercedes-Benz and Four Seasons to venture-backed startups. Our passion is solving tough generational challenges. Learn more about our generational research, speaking and strategy at www.genhq.com.

Contact Us to Schedule an Interview

There are many points in this research that can inform the national conversation about Millennials, generations, technology, the workplace, and more.

Contact us to schedule a media interview with the authors:

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Great question.

The answer is simple: generational differences are a growing and costly challenge for many employers. You’ve probably seen these challenges firsthand.

Employers report that the generational divide is most apparent in the following areas among employees:

• Communication
• Technology usage
• Recruiting
• Training
• Work style
• Motivation and retention

Millennials, also known as Generation Y, are the fastest-growing generation in the U.S. workforce. Numbering approximately 79.8 million, Millennials are frequently talked about in the media for bringing a different attitude and expectations to work than previous generations.

Born from approximately 1977 to 1995, Millennials grew up in the heart of a burgeoning Internet and mobile age. As a result, Millennials bring a different relationship with technology directly into the workplace. Incorporating and leveraging Millennials’ relationship with technology is critical, as technology is increasingly viewed as the number-one element that divides or bridges generations.

The combination of these generational differences and emerging technology trends creates a situation where employers urgently need national research and best practices to adapt and successfully move forward. If not, the generational divide and subsequent challenges are only going to get bigger.
Here are a few sample questions we are often asked:

• How different are generations within the workplace?
• What are the technology expectations among generations?
• What actions can I take to bridge generations now?

In this nationwide research study, we sought to uncover the true attitudes, expectations, and beliefs around technology and generations within the workplace.

We analyzed the results by looking at Millennials within the context of the other generations. This approach is ideal because it’s the same way that most employers look at the generations they employ—by viewing Millennials through the lens of their own, usually different, generation.

The findings are surprising and actionable.

Our timing could not be better.

Millennials make up an increasingly large share of the workforce—and most of them have 40 or 50 more years of work ahead of them!

At the same time, the technology trends carried by Millennials into the workplace are steadily being adopted by older generations. This transforms the implications of the study from being about Millennials to a glimpse at what a much larger portion of the workplace will expect in years to come.

Whether you are an executive, manager, human resources professional, entrepreneur, or researcher, you’ll find that the insights we uncovered apply to your industry and position. That is the power of taking a generational approach. The insights apply to each of us.

Ultimate Software and The Center for Generational Kinetics are excited to share the findings from our national research study.

We see this as a first step in a journey of exploration and connection for the benefit of every generation.
Our national research study looked at three generations and their attitudes, expectations, behaviors, and beliefs around the workplace and workplace technology. We looked at the following:

- Millennials, also known as Generation Y, born approximately 1977 to 1995
- Generation X, born approximately 1965 to 1976
- Baby Boomers, born approximately 1946 to 1964

We focused on these generations because they constitute the vast majority of most U.S. workplaces—often more than 90% of all workers. Our study involved 1,005 Americans age 18 and older. Each participant was employed or currently looking for work. The studied participants mirrored the U.S. census with a margin of error of +/-3.1. This allows us to view the findings as a cross-section of workers in the entire U.S. age 18 to 65.

The approach we took is ideal for leaders seeking to understand generational differences in the context of their own generation.

This type of national data has been sorely missing from the pop culture conversation around generations and emerging trends in the workforce.

We divided the white paper into three sections.

We believe that these sections are most interesting—and valuable—for best employing multiple generations in the workplace:

**Section 1: Generational Differences at Work—Real or Not?**

**Section 2: Millennials Are Leading Powerful New Trends in the Workplace**

**Section 3: Shocking New Workforce Realities Across Generations**
Section 1: Generational Differences—Real or Not?

Most of us have seen generational differences at work or in daily life. One generation leaves a detailed voicemail, and another generation replies by sending a text message—with no vowels. Generational differences are seemingly a fact of life, but are generational differences in the workplace real or simply perception?

In the study, we asked each generation to answer questions about specific workplace situations and what they think is acceptable and not acceptable. We also asked about their expectations and what would make them quit a job on the spot.

The generational differences we found were shocking.

When it comes to expectations during a job interview we found the following:

- 33% of Millennials think it is acceptable to text during a job interview.
- In fact, 30% of ALL Millennials think it is acceptable to arrive at a job interview late by five minutes or more. This is more than any other generation surveyed.

When it comes to demonstrating workplace loyalty,

- A full 25% of Millennials think that working somewhere for as little as seven months shows that you are a loyal employee.
- Interestingly, 14% of Baby Boomers said you’d have to work somewhere more than five years to be a loyal employee. It’s important to recognize that differences between loyalty can have a big impact—even if it’s just the extremes of each generation.

Millennials are exhibiting surprising new workplace habits:

- Over 83% of Millennials did not send a hand-written thank-you note to the person who interviewed them for their jobs.
- 45% of Millennials would quit a job if they didn’t see a career path they wanted at the company (among those who would quit a job).
- Over one-third (34%) of ALL Millennials would quit a job on the spot if their employer asked them to delete their Facebook page.
Generational differences turn out to be very real, and these undeniable differences increase the gap between employees of different ages.

Many employers would consider job candidates rude or unprofessional if they sent text messages during a job interview. This feeling would be amplified if the interviewees showed up five minutes late. This is in direct contrast with the response of many Millennials.

At the same time, believing that loyalty is demonstrated in as little as seven months of employment—or as many as five years—would divide generations in a hurry.

These findings show us that generational differences are real and that the gap between employees of different ages will continue to grow unless you take action now.

Section 2: Millennials Are Leading Powerful New Trends in the Workplace

Millennials are more than just a large, fast-growing workforce generation.

In The Center’s qualitative research, we find that Millennials are leading indicators of future trends that eventually span all generations. For example, Millennials adopted social media faster than other generations. However, social media outlets like Facebook are now as relevant to Baby Boomers as they are to Millennials (maybe even more so).

Taking this leading indicator viewpoint, it would be wise to look at the workplace trends that Millennials bring to the entire employee experience—especially recruiting and communication. Recruiting determines the talent pool that a company will have in the future. Communication is the linchpin of business operations.

When it comes to recruiting, Millennials exhibit a different approach, yet other generations are already adopting this new approach, too.

47% more Millennials than non-Millennials found their current positions through an online job search. This trend is likely to continue across all generations. Proof
in point: only 9% of respondents of all generations found their jobs through newspaper classified ads. A decade or two ago, the number of people finding jobs through newspaper ads would have been significantly higher.

How do job seekers of all generations now look for jobs? The research study shows that 46% of all job seekers go directly to a company’s website to apply for a job versus other sources.

When looking for a job, what is the most important element to get applicants to actually apply? The answer: a quick, uncomplicated, and fast application process trumps everything else—including employee reviews.

Where is this quick, uncomplicated, and fast application process headed?

We can look to Millennials for the answer: 43% of Millennials think that they should be able to apply for a job on a tablet, and 39% expect to be able to apply for a job on a smartphone.

How short is America’s attention span when it comes to reviewing and considering a job description posted online? Very short. Almost 40% of all applicants are not willing to spend a full minute reviewing a job description online.

Business leaders know that communication is the heartbeat of a company. The effectiveness of communication throughout a company affects everything from recruiting, retention, and motivation to teamwork, talent development, and innovation.

At The Center for Generational Kinetics, differing communication preferences and norms are one of the biggest challenges that we hear about from clients. But are Millennials really different from other generations when it comes to communication at work?

The pop culture belief that Millennials need more communication holds true. In fact, 42% of Millennials want feedback every week. This is over twice the percentage of every other generation.

The social pressure that every generation faces at work is also expanding because of communication changes via technology. There is no better example of this than social media creating entirely new social pressure in the office.
The study found that 58% of all Americans would feel awkward if their bosses sent them a Facebook friend request. Still, a majority of all Americans (58%) admit that they’d accept their boss’ friend request rather than ignore it. This creates new and complex situations for human resources professionals to solve.

How fast is the workforce changing when it comes to communication preferences? The research revealed that 80% of all Americans believe that employees should be able to give their bosses performance reviews. This is particularly interesting because the research also found that over 20% of all Americans think it’s important to have at least one mentor at their company.

On one hand, employees want to give their bosses performance reviews. On the other hand, more than 20% of employees are also looking for someone in their company to mentor them. It will be interesting to see whether employees one day expect to review their mentors, too.

**Section 3: Shocking New Workforce Realities**

But what does all this mean for business leaders like you and me?

The research indicates that a new workplace reality is taking shape across the U.S.

The window for employers to build employee loyalty is shorter than ever before. In fact, one-third (33%) of employees of all ages knew whether they would stay at their company long-term after being on the job for one week or less. That number skyrockets to 63% within the first month.

Compensation still matters—but it’s not the only priority to employees. The combination of company culture and company reputation is the second most important factor when accepting a job. This makes sense, as the research also found that a majority (58%) of working Americans claim that their coworkers are more productive at work when they’re happy—and not the other way around.

As a nation, we also expect more transparency in the workplace. 73% percent of all employees want to know why they were hired over other candidates. Going further, the research found that 32% of all employees want to see and understand the progress they’ve made toward goals set by their manager. This
WHAT WE DISCOVERED

has implications for everything from performance reviews to talent development and retention.

So what can you do now to benefit from this research?

Read on to the next section for specific actions that you can implement right away.
The research findings reveal that a new workplace reality is taking hold. The new reality is increasingly driven by Millennials, generational differences in the workplace, and emerging technology trends that cut across industries.

How can you use these surprising research findings and personally take action?

Below are four ways to start unlocking the potential of Millennials and your multigenerational workforce based on the research.

1. Reposition Recruiting: The research revealed that employers have an incredibly short period of time to win the attention of job seekers—with almost 40% of job seekers saying that they are not willing to spend a full minute reviewing a job description online. To make the most of this new norm, consider repositioning your recruiting.

Here are two specific tactics:

- Enhance a typical ho-hum job description by adding an interesting, fun, or unexpected sentence or paragraph at the very beginning. This increases the likelihood that job seekers will read further into the description. Be sure the recruiting technology you use allows for quick scanning of open jobs so that candidates can get a good sense of the position immediately. Better yet, leverage recruiting tools that match candidates with the best opportunities for them, cutting down on time spent searching.

- Show off your culture and company reputation by integrating candid videos on your recruiting page. The videos must feel candid and authentic and show employees of all ages answering a question such as “Why do you love working here?” The key is that the videos must not feel “fake” or like a commercial but more like a personal video uploaded to YouTube. Then promote links to those videos within your job descriptions, recruiting page, and social media outlets.

2. Quick Hit Communication: Millennials want communication more often than other generations—in fact, they want it way more often, as the research showed. Remember, 42% of Millennials want feedback every week. This is over twice the percentage of every other generation! We suggest that managers consider a “quick hit” feedback approach. Rather than setting aside 15 or 20 minutes to meet with Millennials—which can be a cumbersome
time commitment for the manager and the Millennial—consider integrating 30 seconds of engagement weekly.

This could be as informal as the following:

- Sending a “Good job!” IM when they did a good job on a project
- Asking them in person how their week is going
- Simply saying, “Thanks for stepping up when we needed you.”

The idea is to quickly and easily engage Millennials so that they get more frequent interaction and the manager ends up with more time.

You may also consider performance management technologies that track and send instant feedback and observations so you have that information recorded for future use in performance reviews or succession planning.

3. **New Hire Fast Five:** The research found that new employees decide very quickly whether they can stay long-term. Many decide within one week (33%), and a majority of all new hires (63%) decide whether they can stay long-term within their first month.

The “New Hire Fast Five” is a five-day launch period where employees receive welcome emails, text messages, and other fast engagement from their boss and co-workers. An email, text, or IM per day makes new employees feel welcome and creates an easy opportunity for them to reach out to other employees—and vice versa.

Here are three more ways to increase employee engagement from day one:

- Schedule a peer tour. Our work shows that employees prefer to have a company tour with someone of their own age and gender. This creates a situation where they can not only ask more meaningful questions but also quickly make a friend at a similar life stage.
- Start new hires with a scavenger hunt. This scavenger hunt helps them find their way around the new building. It can also showcase the company’s history through physical markers. For example, the scavenger hunt might include the coffee shop where the company idea was hatched or the first small office where it all started.
TAKE-ACTION EMPLOYER STRATEGIES BASED ON THE RESEARCH

• Leverage onboarding tools that instantly connect new hires with other employees — identifying existing LinkedIn connections, for example.

4. **Show the Way:** The research found that 32% of all employees want to see and understand the progress they’ve made toward goals set by their managers. This continues the shift away from traditional performance reviews, which were largely text based or verbal. Now, almost one-third of all employees want to visually see and understand their progress.

Here are two ways to respond to that need:

• Bring a screen. Showing employees their performance via visual metrics on a screen is an effective way to communicate key points across generations. The performance metrics can be presented as charts or graphs as well as more creative reporting for maximum impact and clarity.

• Lay out the plan. Visually connect the dots to show employees where they started and where they’re going with the career and learning options. This illustration could take on many different visual forms, but the fundamental component is a connection between the past, present, and future—with clear options for success. Many talent management solutions provide visual representations of the progress an individual has made towards personal or team goals.

In conclusion, the research found that generational and technology differences are transforming today’s workplace. The differences will be a growing challenge depending entirely how leaders choose to respond. We hope the insights in this white paper enable you to respond faster and more effectively so your organization and every generation you employ benefits.
This research study was led by Ultimate Software and The Center for Generational Kinetics in partnership with Kelton, a leading global insights firm. Our goal was to conduct a national survey that explored the attitudes and beliefs of different generations in the workforce with an emphasis on technology.

The survey was conducted between November 12, 2014 and November 21, 2014 among 1,005 Americans age 18 and over who are employed or currently looking for work.

In this particular study, the chances are 95 in 100 that a survey result does not vary by plus or minus 3.1 percent from the result that would be obtained if interviews had been conducted with all personas in the universe comprising the sample. The margin of error for any subgroup will be slightly higher.

We chose a national, cross-generation approach because we wanted an accurate snapshot of attitudes and perceptions to identify exactly what Americans think about work today.
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