



A STUDY OF MILLENNIAL WORKFORCE- APPROACHES TO ATTRACT, MOTIVATE AND RETAIN IN IT SECTOR

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ABSTRACT

The rapidly changing demographics of the workforce include retiring baby boomers and generation X moving into senior management positions, leaving a large proportion of millennials in the workforce. Millennials account for 34% of the country's population. They are ambitious, entrepreneurial, and looking for a strong purpose at work. They are highly individualistic confident and independent. The millennials contribute hugely to the country's economy, being the primary breadwinners for their families today. This demographic is expected to dominate the workforce in coming years. As a result of the changes in the workforce, the human resource department is compelled to change the existing approach and adapt a new strategy that can help attract, motivate, retain and effectively manage millennials. This study is a descriptive study. The present paper aims to understand the term millennial and study various human resource practices employed by different IT companies. This paper brings together the approaches that the human resource department shall adopt for attracting, retaining and motivating millennials. The paper recommends the key areas where organizations must start reworking to facilitate career progression options to attract, motivate and retain the millennial workforce.

Keywords: Millennial workforce, Human resource practices, Attracting and Retaining

INTRODUCTION

In light of the growing global competition, organizations can achieve a sustainable competitive advantage by attracting, motivating, and retaining talented employees. The major challenge that



the organizations are facing today is how to transform their culture to integrate new business realities and employees with changing values. Businesses that can best leverage the employee's knowledge and skills to make the cultural transformation will have an advantage over their competitors. The key question businesses face today is how to develop a highly effective organisational culture that blends the strengths of all generations and gives them a chance to utilise their diverse set of abilities. In order to achieve the elusive but highly desired work-life balance, organisations are now working to build a flexible and collaborative physical and digital work environment.

Millennials

People born between 1981 to 1996 are called millenials. They are also known as echo boomers as they are the off springs of baby boomers and are also called Generation Y as they are born after Generation X and before Generation Z. The generational theory also known as Fourth Turning theory was created by authors William Strauss and Neil Howe, describes a theorized recurring generation cycle in American history. The characteristics of the Generation Y or millennial workforce differ from their predecessors, characterized as confident, independent, curious, questioning authority and goal-oriented. Generation Y are also the first generation to be digital natives. Due to their independent nature this generation is impatient and when it comes to career growth they are likely to leave an organization if they feel their skills are not developed. To train and motivate these employees, and use their strengths for the benefit of the business is a tough challenge to the managers.

Millennials in IT companies

Millennials are the first generation of digital natives and as such they are incredibly important to the tech sector from a talent perspective. The average employee age at India's top technology companies is between 28 and 31 years and the millennials new ideas, approach and ethos are increasingly emerging as the drivers of innovation in the technology industry.

With the development of digital technology, the IT sector is anticipated to continue to grow as one of the key job creator in the country. The millennial workforce, in contrast to previous generations, expects to progress more quickly and values tangible results over tenure. Tech companies can address and engage with their employees more by providing them technological tools at work and developing a tech ecosystem with greater opportunities to move up the ladder.



LITERATURE REVIEW

Nolan, L. S. (2015) concluded that whether positive or negative stereotypes are attached to millennial employees, the reality is that this generation will comprise half of the workforce in upcoming years. Organizations must compete with one another to attract top talent by providing incentives that will retain key individuals. Businesses can create work-life balance by promoting flexible work schedules. Employers of millennials should encourage their growth as leaders by utilising specialised leadership techniques. Reverse mentorship and training programmes with an emphasis on addressing individual difficulties and building working connections can help with this. The roar of the Millennials getting louder and innovative organizations know that they must be ready to respond.

Rao, M. C. S. (2016) This research paper examines the need of creatively redefining human resource policy to accommodate millennial employees. The study makes a few recommendations for employee benefit programmes that can effectively motivate millennials, inspire them to perform at higher levels, and help employers attract, manage, and keep skilled workers.

Arora, P., & Kshatriya, D. K. (2017) According to this study, millennials are found to have high expectations when it comes to the choice of their workplace. Before accepting a job offer, they consider factors including job security, employment prestige and reputation, challenging job profile, starting pay and employer values. It has been discovered that this generation values job stability as the most crucial factor. The market reputation of the employer is another important consideration. According to millennials, the fourth-ranked component in career decisions is starting pay, which, while important, is not the deciding factor. And the last factor, ranked is the values and the ethics on which the organization runs. The study finds that there is no significant difference between the employment expectations of millennial male and female as both the groups are found to be equally selective about their first job. Millennials are discovered to have precise terms and conditions about the presence of parameters in accepting a job offer, proving that they are ready to drastically raise the bar for themselves in the workplace.

Naim, M. F., & Lenka, U. (2017) The study investigated the impact of mentoring on Gen Y employees intention to stay via the mediating effects of perceived organizational support and affective commitment. The results show that the mentorship and intention to stay relationship was successively mediated by affective commitment and perceived organisational support. The underlying process of how mentorship might affect an employee's intention to stay, particularly for young employees, has been highlighted by this study. The paper offers organisations recommendations on how mentoring might affect workers' productive workplace behaviour.

Talwar, S., & Mahajan. (2019) Different generations of employees need different approach to be motivated and engaged with the organization. The personality qualities of millennials differ from those of their predecessors. Management needs to adapt ways to attract, hire, retain, and motivate millennials because the "one size fits all" method does not work. Organizations that



provide millennial employees challenging work, a pleasant workplace, supportive leadership, and a healthy work-life balance are likely to gain from their skills

Chillakuri, B. K. (2020) concluded that successful organizations offer a friendly environment for workers to develop and contribute. Organizations must evaluate their current models in light of the needs and desires of the millennial generation and Generation Z, who are entering the workforce. Some of the leading IT service organizations are working on their own models to enhance staff productivity. Organizations should realize that one size does not fit everyone, as every organization will have high performers, low performers and average performers. As a result, frequent and real-time feedback, personal coaching, and immediate supervisor investment in the team members all assume importance.

Kaul, A. (2021) explained that those who unlearn, learn, and relearn will be the leaders of tomorrow. Therefore, corporations must recognise that millennials will be the next generation to rule, regardless of how difficult it may be to manage them. However, if organisations do not unlearn the HR practises that were used with Baby Boomers and Gen X and instead learn new HR practices to attract, retain, and motivate Gen Y, they will eventually go out of business. Thus, it is important to stay updated in order to progress.

RESEARCH OBJECTIVES

- 1) To get a deeper understanding about millennials
- 2) To identify important parameters considered by millennials at workplace
- 3) To study and identify the Human Resource practices of selected IT companies to attract, retain and motivate millennial workforce

RESEARCH METHODOLOGY

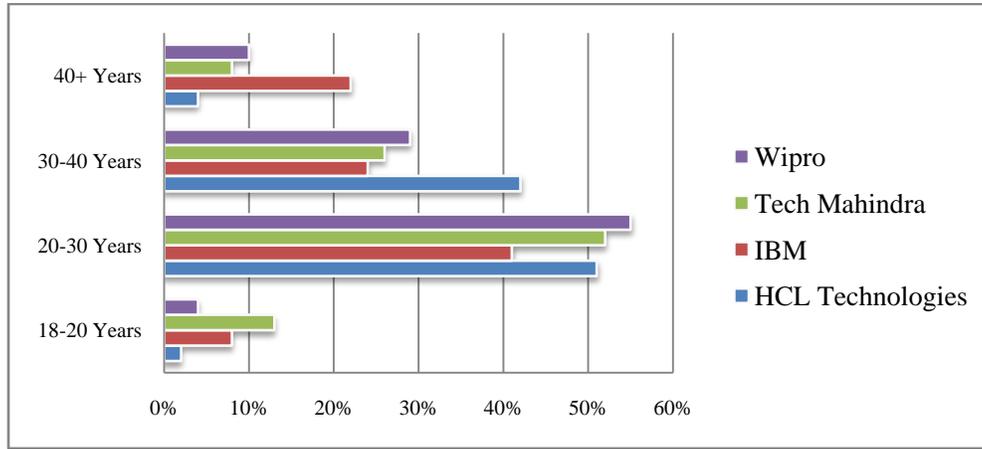
The study is descriptive as it is based on literature review and secondary data. The information from secondary sources such as books, articles, and surveys conducted, research articles published in journals and articles published in newspapers, were used for the purpose of research. For the study four IT companies have been selected i.e. Wipro, IBM, HCL Technologies and Tech Mahindra.

RESEARCH GAP

The above literature review gives an overview about millennial workforce. However this study is an attempt to study about different factors that affects millennial employees at workplace and approaches adopted by selected IT companies to attract, retain and motivate the millennial workforce.

DATA ANALYSIS

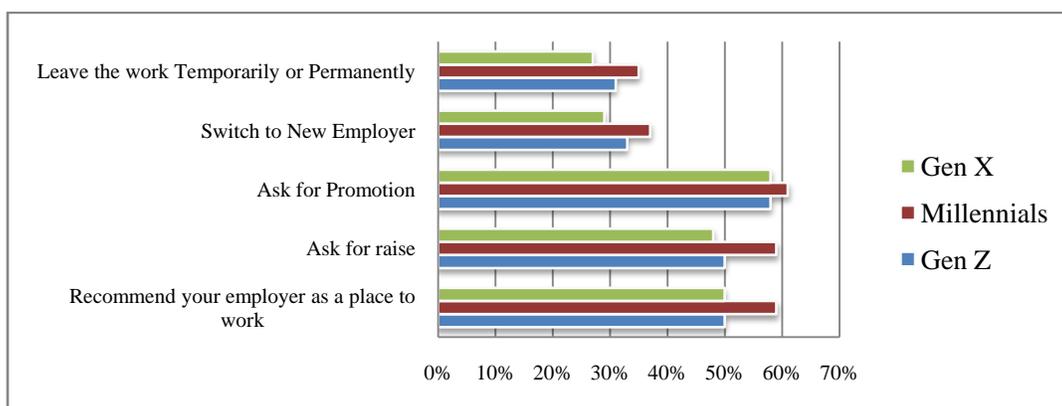
Employees age breakdown at selected IT Companies



Source: Zippia (2021)

Employees age breakdown clearly shows there are very less percentage of employees in the workforce from the age group of 18-20 years and 40+ years whereas the majority share of workforce in selected IT companies i.e. Wipro, Tech Mahindra, IBM, HCL technologies are from the age group of 20-30 years and 30-40 years which represents millennials. Thus, it indicates that millennial employees hold a significant share in workforce in information technology companies.

Comparative actions of Millennials with Gen X and Gen Z



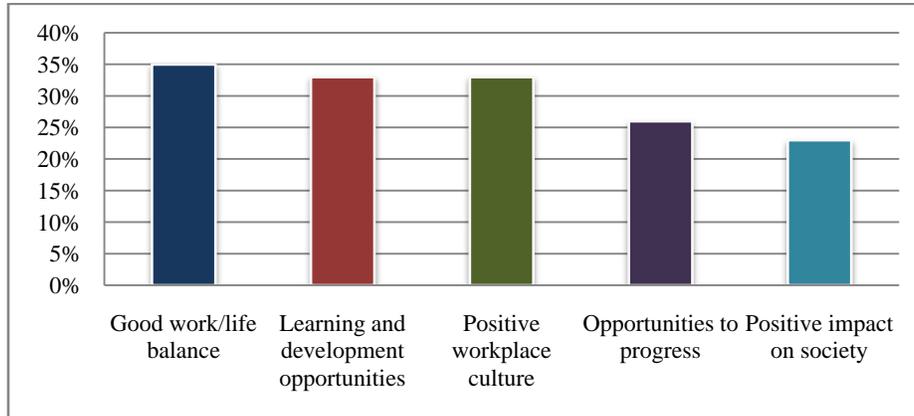
Source: PwC's Global Workforce Hopes and Fears Survey 2021

Millennials are the most likely to look for new employment, with 37% as compared to 33% of Gen Z and 31% of Gen X indicating that they are likely to switch employers in the next 12



months. 35% of Millennials are expected to leave the job temporarily or permanently which is highest in comparison to 31% for Gen Z and 27% for Gen X. 61% of millennial employees will ask for promotion and 59% will ask for raise and recommend their employer as a place to work. Therefore, it is imperative for organisations to think creatively about career paths that provide new advancement opportunities for millennials within organisational constraints.

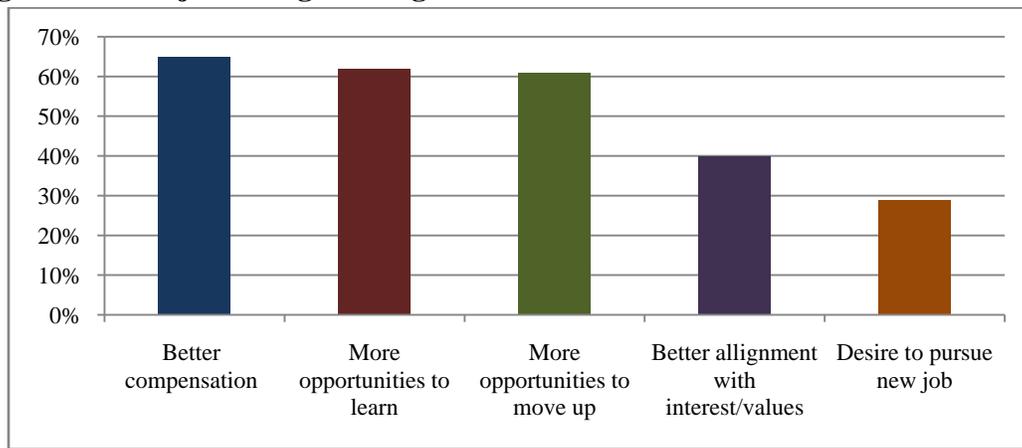
Top reasons millennials choose to work for an organization



Source: Deloitte (2021)

As per the data 35% millennials prioritize good work-life balance followed by 33% preferring learning and development and positive workplace culture, 26% choose opportunities to progress and 23% positive impact on society as a deciding factor while choosing an organization to work.

Leading reasons for job change among Millennials



Source: statista (2021)



Better compensation is the leading reason for job change for 65% of millennials followed by more opportunities to learn with 62%, more opportunities to move up with 61%. It can be seen that better compensation do positively impacts employees at work. Employees perform better when they are content with their wages but millennials do not only get attracted by better pay, they prefer career advancement and don't want to continue a job where they feel like their skills are not being fully developed by current employer.

Approaches to attract retain and motivate the millennial employees:

Name of the Company	Approaches
HCL Technologies	<ul style="list-style-type: none"> • Talent development initiatives using classroom instruction, workshops, interactive learning opportunities, and online learning options. • work-life integration initiatives. • Building hybrid organizational structure that puts its employees needs first with establishing an equitable and flexible workplace. • Rewarding and recognizing with wages, perks, and incentive programmes recognizing the passion of its employees. • Non-cash incentives such as the Red Ladder Awards, Achievers League, O-Infinity, Hall of Fame, and other platforms for performance recognition.
IBM	<ul style="list-style-type: none"> • IBM attracts, develops, engages and retains talent in a ever changing and competitive environment. • Employees are encouraged and enabled to learn and grow their careers, with employees using their learning platform. • Digital learning and career platform focus on building a diverse and inclusive workplace.
Tech Mahindra	<ul style="list-style-type: none"> • CONNECT: Give individuals early leadership chances and educational paths that link their goals and accomplishments. • CO-CREATE: Encourage associates to do new things and new methods of doing old things to promote a co-creative culture. • CELEBRATE: To smoothly blend life and work. • TechM CARES an employee engagement framework to tracks progress across five key facets of associate



	<p>experience – Career, Alignment, Recognition, Empowerment and Strive.</p> <ul style="list-style-type: none"> • Wealth of Wellness (WoW) programme to ensures preventive, personalised, and proactive holistic wellness including physical, mental, emotional, and financial. • Career Acceleration Policy • ‘Kudos’ is Tech Mahindra’s social portal to acknowledge individual/team contributions, congratulate each other, and thank peers. This one-stop platform brings recognition to the “Desk of every Associate”.
Wipro	<ul style="list-style-type: none"> • Focus on employee experience, upskilling/re-skilling, and diversity & inclusion. • Multi-channel recruitment strategy that careers website, social media, employee referral programmes, job postings, recruitment agencies, and walk-ins. • Presenting alluring and equitable offers to re-hire top people while maintaining a disciplined approach to pay, taking into account their experience at Wipro, prior performance, and experience obtained outside Wipro. • It conducts a biannual exercise in succession planning. Talent is categorised according to performance and potential; successors are found for key positions; and development initiatives are outlined. • Executive coaching for senior leaders to facilitate their all-round development. • Strengthening career building and promotion and rotation policies. • Creating a diverse portfolio of services through Virtual Instructor-Led Trainings (VILTs), self-paced modules, virtual learning journeys, social learning, gamified interventions and e-summits to meet various learning demands. • Long-term incentive (LTI) plans are designed to encourage and keep key executives in their positions.

Source: Annual reports (2021)



SUGGESTIONS AND FINDINGS

For companies to attract, manage and retain talented millennial would have to start reworking in these below-mentioned key areas as they are considered to be more important and valuable by the millennial employees.

- **Employer Branding:** Compared to previous generations, millennials are more reliant on social media to explore job prospects. Due of this, conventional hiring practices like job postings or exposure through marketing efforts are less efficient at luring people in. Talented young workers rely on additional sources, such as the views of coworkers or reviews posted by employees on employer review websites. They view them as more reliable resources for learning about a company. In order to establish an environment where employees are motivated, engaged, and loyal and who in turn serve as their new brand ambassadors for luring in potential talent, management must concentrate more on internal branding initiatives.
- **Learning and Professional Development:** Millennials have a strong desire to boost their market value from their present employment experience and are passionate about learning, getting new experiences. Therefore, organisations need to be careful while structuring millennial training programmes using the appropriate channel. Their interest in technology necessitates the use of online learning modules, webinars, and interactive game play as learning styles. Additionally, as millennials value on-the-job learning and are naturally collaborative and comfortable learning in groups, consideration should be paid to their preferences while developing their training programmes.
- Millennials have a great desire to travel and work abroad since these opportunities provide them with rich knowledge and experience that helps them advance. Indian businesses with a global presence should make sure that every employee receives a fair amount of exposure to the outside world in order to boost their attractiveness and loyalty.
- Compared to their predecessors, millennials are more focused on and actively seek out professional development options from an employer. Strategies for career development must be successful in fostering a feeling of purpose.
- **Feedback:** Millennials appreciate review and demand honest feedback from their superiors on a regular basis. Management need to revise their policies to supplement annual reviews with more frequent formal feedbacks as well as encourage informal feedbacks.
- **Flexibility:** Millennials value employment in passionate and shared groups. They want more flexibility because they find rigid corporate hierarchies unsettling. Millennials respect independence and autonomy and desire the freedom to organise their job in a way that works best for them. A millennial-friendly atmosphere must be technologically advanced, welcoming, and imaginative. Businesses need to put more effort into creating



an environment that prioritizes their employees and offers a challenging and engaging workplace.

- The importance of work-life balance has always been highlighted by millennials.
- **Recognition:** Millennials desire for immediate acknowledgement of a job well done. Millennials are motivated by handwritten messages and "thank you" from peers, bosses, and senior executives.

CONCLUSION

Millennials are more focused on their individual demands than the needs of the company, and if their expectations are not met, they will leave without hesitation. Millennials are regarded as being self-centered and have the opportunity to seek information and expertise. They see technology as a tool for improving the workplace. They embrace diversity at work, recognise its value, and respect it. They are always eager to learn. They are not intimidated by seniority and hierarchies. In reality, they observe mentors at work. They desire a manager who can serve as both a coach and a facilitator. They favour consultative leadership and enjoy being a part of empowered cultures. Employers must recognise that the attrition rate of millennials will be higher than that of prior generations and must be ready with a suitable plan as part of their human resource strategy.

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