

# Millennials at Work:

**THE PURPOSE-DRIVEN GENERATION**



**In partnership with:**



United Way  
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## I. Executive Summary

According to the Chamber's [May 2019 Business Forecast](#), nearly two thirds (64%) of San Diego businesses think it is important to consider the priorities and desires of millennials when it comes to employee attraction, retention, and productivity. This report examines the trends of the millennial generation in the workforce and provides San Diego employers best practices for engaging this generation of employees.

The greatest demographic distinctions of the millennial generation nationwide are that they are better educated and more racially/ethnically diverse than previous generations. Higher levels of education paired with increased tuition have resulted in a generation with substantially higher student debt. As a result, millennials are making different personal life decisions, such as living with roommates for longer, delaying buying a home, and postponing marriage. Particularly in San Diego, with a nearly 34 percent Hispanic millennial population, diversity is a major identifying feature of this generation.

The millennial generation perspective is shaped by economic, political, and social events that occurred when they were growing up and entering the workforce. These events partially explain higher propensities of particular attributes and characteristics. Resulting perceived strengths and weaknesses as a generation include:

### **Perceived Strengths:**

- Purpose-driven
- Development seeking
- Direct
- Redefined work/life integration
- Collaborative

### **Perceived Weaknesses:**

- Disengaged
- Willing to job hop
- Putting in fewer hours
- Reliance on technology
- Lack of attachment

From April 17<sup>th</sup>, 2019 to April 30<sup>th</sup>, 2019, we surveyed a diverse sample of 397 San Diego County's millennials on their values in the workplace. Over 65 percent of millennials in the workplace were satisfied with their current job. When asked about what was driving their satisfaction at their current job, the top responses were work hours/schedule flexibility (57%), wages/salary/incentive pay (41%), interest in the field of work (27%), and commute (26%). These factors driving satisfaction are similar to those of other generations during the early days of their careers.

As millennials enter and advance to leadership positions within the workforce, employers must understand the realities and myths about millennials, and they must ensure their workplace culture is deliberately designed to attract and retain these younger workers: strengths, weaknesses, and all.

## Recommendations for Employers:

**Create a purpose-driven organizational culture.** A purpose-driven organizational culture is one in which employees understand how an organization is making a difference, giving employees a sense of meaning. People who find meaning in their work redirect their energy and dedication to the employers' goals. When goals align, both the employer and the employee are more productive.

***In San Diego:*** Just over 90 percent (90.5%) of San Diego millennials find their job at least "somewhat" meaningful, with 46.4 percent finding their job "very" meaningful. Despite the vast majority of San Diego millennials finding meaning in work, over half (51.9%) are considering leaving their current employer within the next six months. Of the millennials that are not considering a job change, meaning is not an often cited factor when asked about what is driving their level of workplace satisfaction (15.6%). However, it appears lack of meaningfulness is a primary reason for considering leaving a job (30.6%) suggesting that millennials themselves may not understand how much they value meaning until they don't feel they have it. The only more commonly cited factors are schedule flexibility (51.0%) and wages (38.3%).

**Encourage quality and frequent communication.** Millennials want to talk with their managers often. They seek ongoing feedback, clear goals, transparency and collaborative goal setting. Frequent and informal check-ins with managers help employees to better see how their day-to-day work is linked to the organization's goals.

***In San Diego:*** Nearly 78 percent of San Diego millennials describe themselves as engaged either "most of the time" or "always" at work. San Diego millennials whose supervisors regularly communicate the reasons for the tasks and responsibilities assigned are 36.8 percent more likely to be engaged. The millennials whose supervisor often communicates the reason for their tasks and responsibilities are over 61 percent more satisfied with their jobs than millennials whose supervisors never communicates the reason.

**Recognize the importance and changing understanding of work/life balance to be more of a work/life integration.** Millennials are entering a workforce in which expectations have dramatically shifted as technology has allowed for employees to always be connected. Millennials, more than other generations, have embraced the no-bounds nature of the new workplace, and find balance through integration. Work can be done at work or on the go at any hour, and there is no longer the same value in being physically at a desk for eight hours, five days a week.

***In San Diego:*** Over 77.7 percent of San Diego millennials identify as "somewhat" engaged. Over 65 percent are satisfied with their job. While it wasn't even a question we would have posed decades ago, only 71 percent of

San Diego millennials think it is reasonable to be expected to log eight hours per day in the office. Over 53 percent of working millennials think it is “fairly” or “very” reasonable to be expected to regularly check and respond to emails, phone calls, and/or text messages outside of regular business hours. This shift towards integrating work and life is incredibly important for employers to understand as “work hours / schedule flexibility” is cited more than anything else as the top factor driving workplace satisfaction (30.0%) and more than twice as often as pay (13.2%). When supervisors regularly communicate the reasons for tasks and responsibilities, millennials are 36.8 percent more likely to be engaged and 61.9 percent more satisfied with their jobs.

**Support with coaching and professional development.** More than previous generations, millennials grew up being told they were capable of achieving anything. The confidence that instilled has resulted in an emboldened generation seeking responsibility early in their career. They believe they can succeed, but with limited experience they crave guidance to better understand how they can advance professionally. Although the stereotype of millennials is that office perks like stocked snack cabinets and kombucha on tap are important to them, they actually value a supportive supervisor much more. They appreciate bosses that coach and access to professional development programs to help build on their strengths. A supportive culture is a key driver for engaging this generation.

***In San Diego:*** For the most part, San Diego millennials feel supported at work. Nearly 89 percent feel their immediate supervisor is at least “somewhat” supportive. When an immediate supervisor is “very supportive,” millennials are nearly 30 percent more likely to be engaged on a typical work day compared to when they are not supportive. Only 5.8 percent of millennials cite perks as a top driver of satisfaction, compared to 22.1 percent who cite professional development opportunities.

### Public Policy Recommendation

**Incentivize more housing.** Millennials are and have been facing a number of economic pressures such as high student loans and underwhelming wage growth over the past decade. The ever-increasing cost of housing is the major driver of affordability that many large cities in California and throughout the nation are struggling with. As population grows faster than housing stock each year, particularly urban areas are falling farther and farther behind as the housing shortage and resulting affordability crisis worsens.

***In San Diego:*** Forty-four percent of San Diego millennials are considering leaving San Diego County in the next two years. Of those who were “very likely” to leave, the most cited reason was lack of affordable housing options. Over two-thirds (68.3%) identify affordable housing options as one of the top three reasons they were considering a move. Other top reasons for considering a move included higher pay, limited career advancement opportunities, and state taxes.

## Conclusion

Talent attraction and retention efforts, now more than ever, hinge on our employers' relationship with millennials as will employee morale, culture and productivity. Our regional economic success will be determined by our ability as employers to understand, respect, and engage this generation.

At 39.6 percent of San Diego's workforce, and with more millennials in the workforce than any of our competitor metropolitan areas, San Diego is currently facing an unprecedented opportunity to redefine the region as a world-class place to work.

Fortunately, the best practices of improving attraction, retention, and productivity among a millennial workforce are the same techniques that prove effective to accomplish these goals for employees of all generations. Become a great place to work for millennials, is becoming a great place to work period.