

# Millennial Employees: Motivational Factors and Recommended HR Practices for Millennial at Working place

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**Abstract :** Today's workforce is a multigenerational workplace combining baby boomers, Generation X, Millennial (Generation Y) and the upcoming Generation Z. Millennial represents the workforce of the future. Generation Y known as the Millennial, are the employees who were born between 1980-2000. Millennial are educated, overconfident and more tech savvy than previous generations, but managing them in the workplace poses real challenges to the Managers and Organizations. Millennials employees has certain expectations at workplace like fun at work, flexible work schedules, faster progression However they also face lot of challenges at workplace like current established processes, transparency etc. With the shift of the Millennial employees at workplace, companies are changing their policies, finding new strategies, work habits and a different attitude that need to be incorporated into the existing culture to tap their strengths and manage the new challenges ahead.

This paper focuses the motivational factors for Millennial employees and recommend key HR practices for them at workplace. This paper is based on the survey conducted with Millennial employees, Managers and Human Resource Representative including previous researches carried out to know the motivational factors and recommended HR practices for Millennial employees at workplace. This will help to get insight into the need of motivational factors and innovative HR practices that would influence to a tremendous change in organization productivity.

**IndexTerms - Millennial Employees, Human Resource Management, HR Practices, Work Life Balance, Motivational Factors**

## I. INTRODUCTION

Generation theory explains that the era in which a person was born affects the development of their view of the world. Each generation is influenced by external forces (i.e., parents, peers, technology, social events, social media etc.) that create common value systems distinguishing them from people who grew up at different times. The youngest generation in today's workforce is Generation Y aka Millennial. The group of young individuals born between the years of 1980 and 1999 is commonly known as Millennial (Generation Y). This large pool of new workers comes with a mindset that is very different from that of the earlier generations. According to the Economic Survey (2013-14), India will become the youngest country by 2025, with 64% of its population in the working age group of 20-35. Leaders are finding it challenging to manage the Millennial effectively (Sharkawi, Mohamad, Roslin & others, 2016) and if they lack interest or are not maturing in their job, they will change organizations (Dulin, 2008). Thus, Motivating, Engaging and Retaining of "Millennial" or "Generation Y" employees will be a vital factor of the staffing policies and strategies in the forthcoming years (Mitsakis & Talampekos, 2014).

The significance of this study is to understand Motivational Factors for Millennial at the workplace and what organizations can do to effectively keep them engaged & motivated. Year on Year, more Millennials are going to join workforce, it is essential to study the main challenges and expectations of Millennial at workplace.

## II. REVIEW OF LITERATURE

Honoriam Samson & Prof. Dr. Vinitaa Agrawal (2017) researched on topic "Role of innovative HR practices for effective organizational performance" and concluded that HR practices have the vital importance in relation to organizational performance. The study states that without responding to the change and innovation organization can't survive and can't be able to face the competition. To sustain in the competitive environment and to have the leading edge over competitors' organizations must improving its working and make rapid changes as per the need. Thus, an organization should attempt to create such innovative HR practices such that it attracts and retain talent, provides a pleasant environment to work and motivate them to bring commitment towards the organization if it is practice in the organization it will lead to increase in productivity as well as the efficiency of an organization.

Jyoti Joshi Pant and V. Vijaya (2015) researched on topic "Management of Gen Y Employees through Psychological Contract - 'An Exploratory Study in IT/ITES Companies'" and research findings indicate that Compensation and remuneration, Career growth and Opportunities at work have emerged the top three important expectations of Millennial employees. The organizations can make attempts to understand the unique needs of women, men and differently abled employees under each of these three categories and make best efforts to fulfill them. By doing so, the organization will fulfill its obligations and all employees will be happier and more satisfied with their job. This will not only lead to increased motivation among the existing employees, but also help in attracting young talent through word of mouth publicity and retain them.

Dr Subhasree Kar (2018) stated in their research topic "Managing Generation Y Employees- HR Challenges and Opportunities" that a generation has the capability to influences the trends in the business while learning from the mistakes and success stories of the previous generation. Millennial expects challenging work assignments, accelerated career growth, socially responsible workplaces, flexible work environments, freedom, work with fun, immediate reward and recognition. However, Millennial must need to understand that the

organizations will try their best to provide all that they want and meet their career expectations. The HR manager must play a critical role to understand and respect the different expectations each generation brings to professional life.

Chip Espinoza (2012) has mentioned in his study on topic “Millennial Integration: Challenges Millennials Face in the Workplace and What They Can Do About Them” that Millennials find integrating into the workplace to be a challenging proposition. These challenges can produce anxiety, self-doubt, frustration, impatience, and despair. Organizations need to be focused on the relationship between Millennials and other generations in the workforce for the purpose of knowledge transfer. As the Baby Boomer generation continues to retire, it is important that their knowledge gets transferred to younger generations.

Gaye Özçelik1 (2015) researched on topic “Engagement and Retention of the Millennial Generation in the Workplace through Internal Branding” and concluded that how HR functions can be modified to enhance employee engagement and effective internal branding. In addition, the paper also focuses on the Millennials, a new generation of workers who have brought their own values and preferences, which thus represent new challenges to the human resources management of organizations and their internal branding strategies. Those that manage to understand and accommodate the shifting values and expectations of this recently arrived workforce will be able to win “the war for talent”.

Poonam Arora (2017), Dr. Kavita P. Kshatriya (2017) researched on topic “Millennials: The New Generation with High Employment Expectations” and concluded that Millennial are found to have high expectations concerning the choice of their employer. The parameters which they evaluate before accepting an employment offer are job security, employment prestige and reputation, challenging job profile, starting salary and employer values; in the order written. The generation is found to weigh job security as the most important consideration. Unless and until they can evidently see the stability in the job, they are not going to affirm it.

Nidhi Bansal (2017), mentioned in her research article “Motivation & Attitude of Generation Y in India: An Exploratory Study” that a better understanding of the generation Y’s attitude, expectations and preferences will be helpful for the employers to create job offerings and work environments that are more likely to engage and retain the workforce. It is suggested that organizations can change their human resource policies to adapt to the new workforce in order to draw in and retain the most talented people.

Mr. Karimulla Shaik, Prof. G.V Chalam, (2016) published paper on topic “Impact of Job Satisfaction on Employee Performance in Information Technology Industry – A Statistical Analysis” and concluded from the study that facets of job satisfaction significantly affect the level of employee performance among IT employees. The organization should consider all the intrinsic and extrinsic rewards systems, which have a significant impact on the job satisfaction and job performance. It is therefore suggested that in order to enhance the employee job performance in the Information Technology Industry, the organization should focus on all facets of job satisfaction and not only on any one of these factors of reward systems.

Divya Choudhary (2014) stated in her research paper “Drivers of Emerging HR Practices: Gen Y and its impact on HR Practices” that the Generation Y has appeared at the workplace at a very opportune moment in time in terms of technology at hand. The sheer ease with which they handle this technology and the amount information at their disposal, combined with them out of the box ideas, creativity and fearlessness enables them to operate in a world with no boundaries. Thus, they have a lot to contribute to the organization they are a part of. Having seen this potential of the Gen Y, even organizations are doing everything to adapt and make themselves desirable to the Gen Y. Organizations are evolving their policies and practices to accommodate the ways of Gen Y. Considering everything, both sides have a lot to gain as long as their goals are in sync.

Dr. S. Balasubramanian , Mr. V. Antony Joe Raja (2010) published research paper on topic “Innovative HR Practices in Software Organization” and stated that In the present competitive world, the companies are facing lot of skill shortage, talent crunch and attrition those reached historically height ever, that made the companies feel the internal customer also more important equally with external customers, so every company try to devise innovative HR practices to attract best talent , giving them nice environment to work with, that enables the company to retain talents, the above said practices are conceived and implemented and found successful by the leading companies in India. It is found that convergence of practices of different companies in different HR areas, if any company wants to apply those practices that will benefit for the company to become more competitive in the global market.

Dr.Neeta Sinha & Dr.Neelam Kshatriya (2016) researched on topic “Gen Y’s Workplace Expectations on Employment Terms and Conditions: Comparative Analysis of Collegians and Office Goers” and concluded that in today times, it’s the employee, who is defining the workplace and not the employer; their liking, and inclinations are being accounted for in designing the workplace of the future. Employee engagement is given due importance and the rewards and recognition programs are helping the employer in the same. It reinforces positive behavior which assists the firms in the achievement of its goals. A motivated workforce certainly will impact the bottom line positively. The importance of non-monetary rewards has increased multifold, rewards need not be expensive and in cash. A pat on the back, a certificate, a trophy, or a hall full of the audience cheering you on your achievements, all works wonders.

### III. OBJECTIVES OF STUDY

Below are the main objectives of the study :

- To analyze the motivational factors for Millennial employees at workplace
- To examine the need of different HR practices for different generations within organization
- To recommend preferred HR practices for Millennial employees at workplace

### IV. RESEARCH METHODOLOGY

This section refers to the methods and data sources used to carry out this study and evaluate the research objectives

#### 4.1 Techniques of Data Collection

The present research study involves both primary and secondary data. The primary data is collected through a field survey by the help of a structured questionnaire with multiple choice answer options. The questionnaire consists of definite, concrete and pre-ordered questions. The scaling technique installed in the questionnaire is 5-point Likert-scale. The secondary data is also collected by referring to the Journals, research magazines and published data of varied in nature.

#### 4.2 Type of Research

For the purpose of the present study, descriptive research design methodology has been adopted.

#### 4.3 Sample Design, Sample Size and Sampling Method

The sample selected for the study is an Indian industry. The nature of the sample is restricted to Millennial Workforce, Managers and HR Representatives, in order to maintain the consistency of responses basing on isometric psychological revelations.

#### 4.4 Limitations of the Study

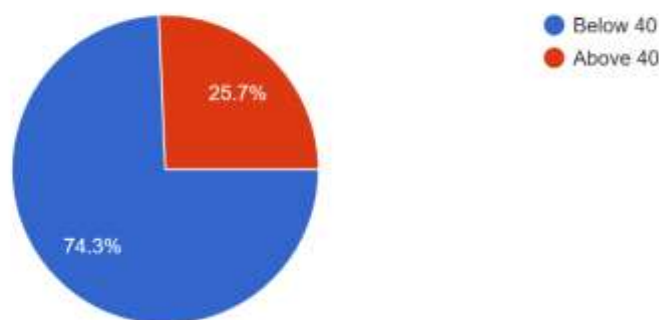
The research survey completely based on the opinions of the responded Millennial, Managers and HR Representatives. Due to the fear of superiors they might have given biased information. There may be limitations to generalize the findings of the survey completely.

### V. DATA ANALYSIS & FINDINGS

Below is summary of analysis on survey respondents:

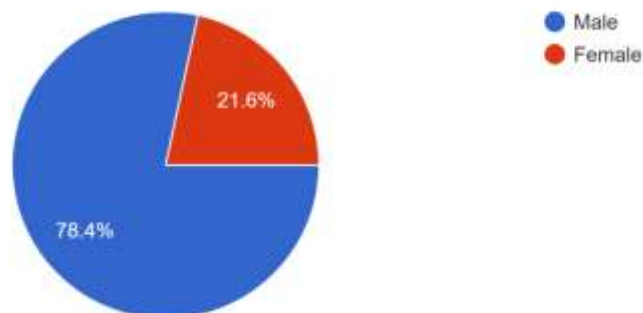
#### Age

74 responses



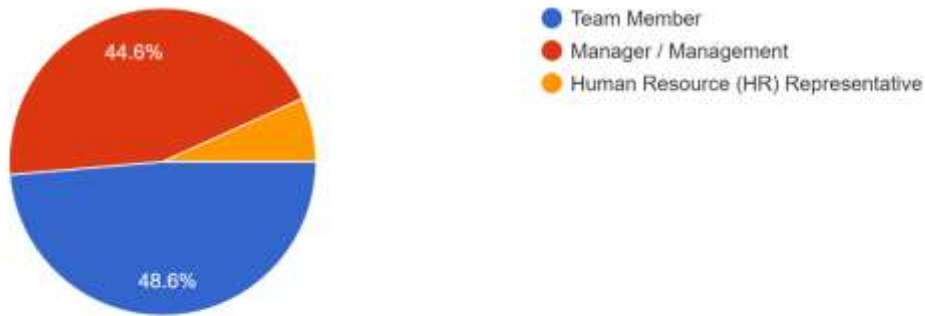
#### Gender

74 responses



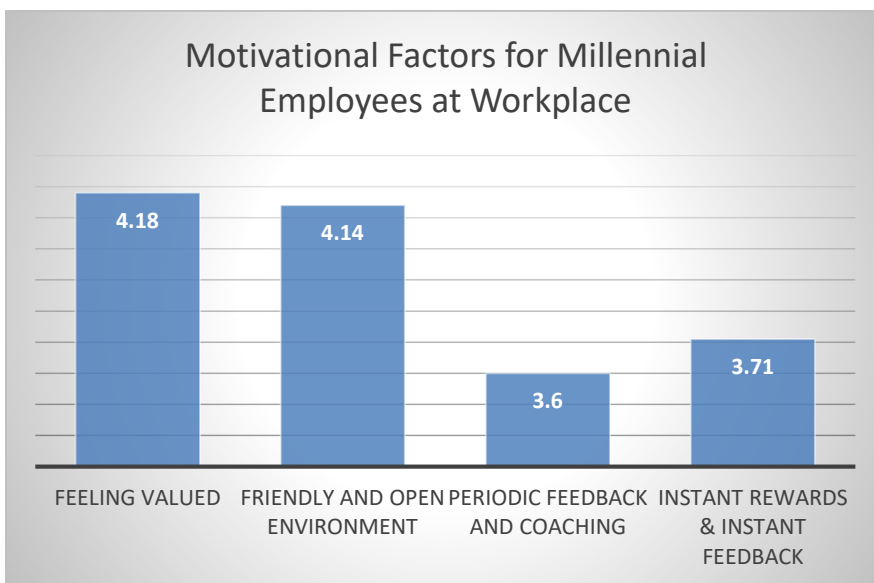
Your Current Role / Designation

74 responses



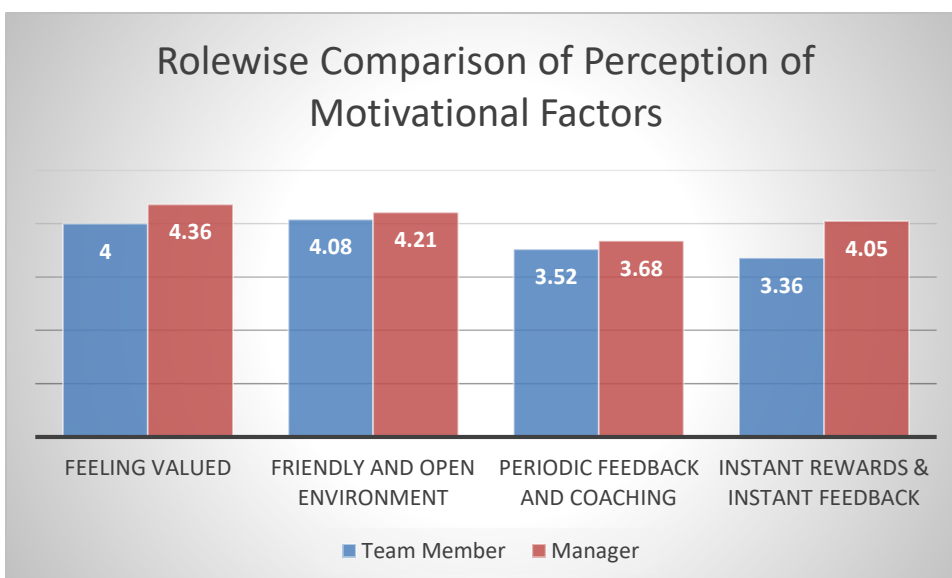
5.1 Motivational Factors for Millennial Employees at Workplace:

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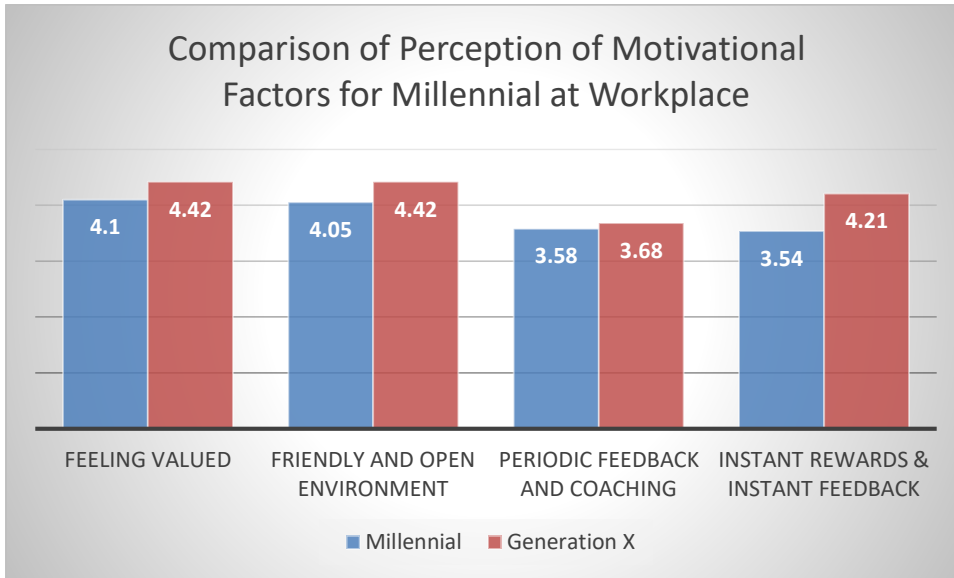
- **Feeling Valued & Friendly and Open Environment** are most motivational factor for Millennial employees
- **Periodic Feedback & Coaching** and **Instant Reward and Instant Feedback** are reported as least motivational factor.

5.1.2 Role wise Comparison of perception of Motivational Factors of Team Member and Manager:



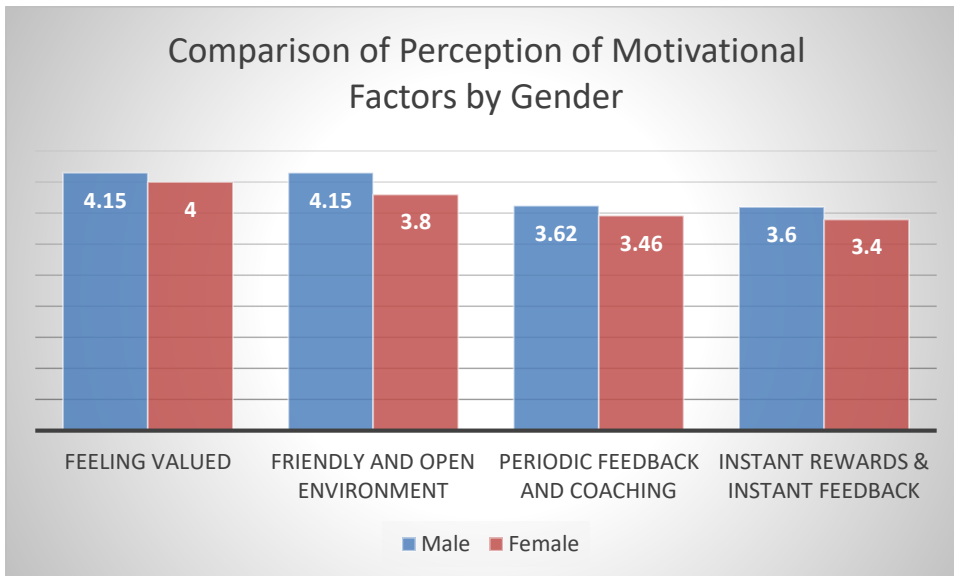
- **Feeling Valued** and **Friendly and Open Environment** are the most motivational factors reported by Team Member and Manager. However, as per manager, **Instant Reward & Instant Feedback** is the motivational factor but Team Member doesn't feel that as motivational factor for Millennial.

**5.1.3 Comparison of Perception of Motivational Factors for Millennial at Workplace:**



- **Feeling Valued, Friendly and Open Environment and Instant Reward & Instant Feedback** are the motivational factors for Millennial.
- **Periodic Feedback and Coaching** is least motivational factor reported by Millennial and Generation X.

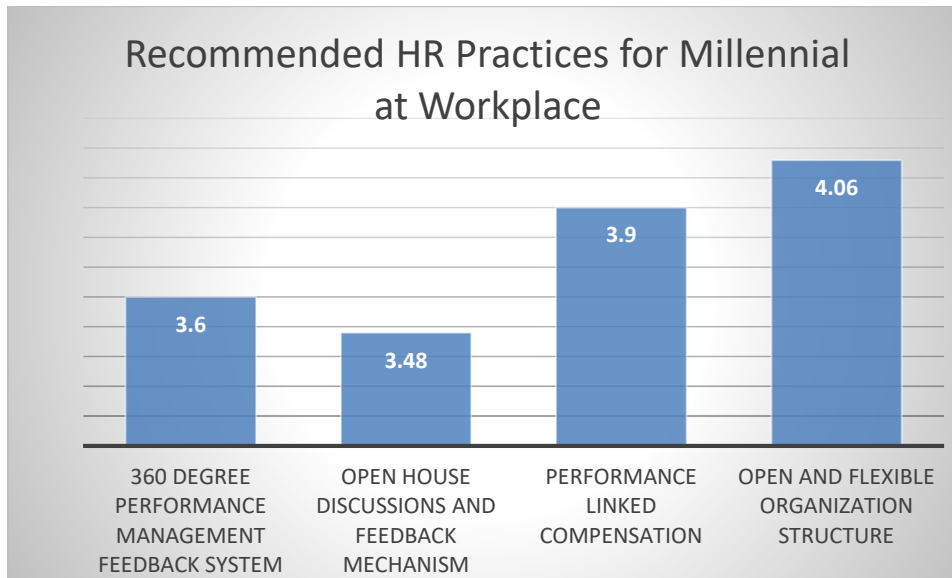
**5.1.4 Comparison of Perception of Motivational Factors by Gender:**



- **Friendly and Open Environment** has reported a difference of opinion between male and female employees.
- There is an alignment reported on **Feeling Valued, Periodic Feedback and Coaching & Instant Rewards & Instant Feedback**.

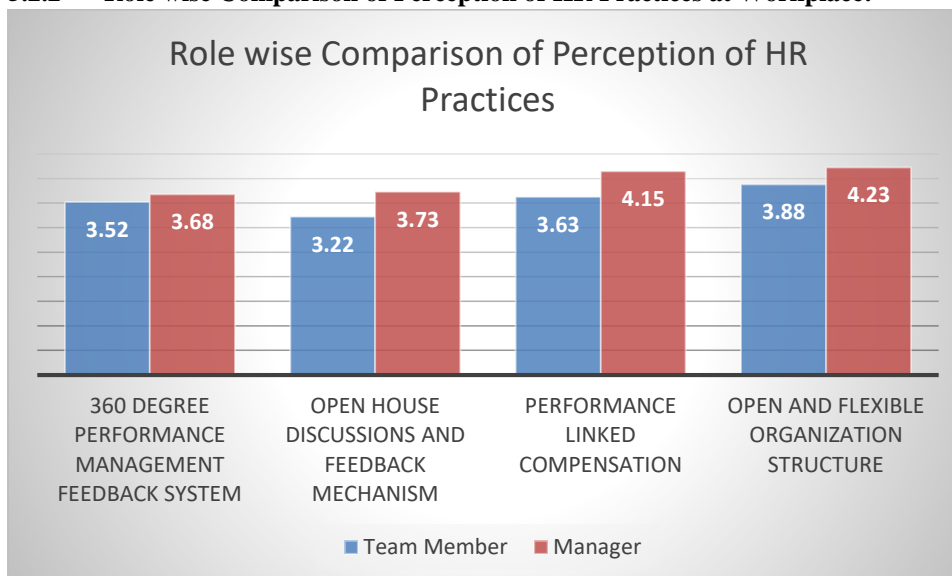
## 5.2 Recommended HR Practices for Millennial Employees at Workplace

### 5.2.1 Recommended HR Practices for Millennial Employees at Workplace:



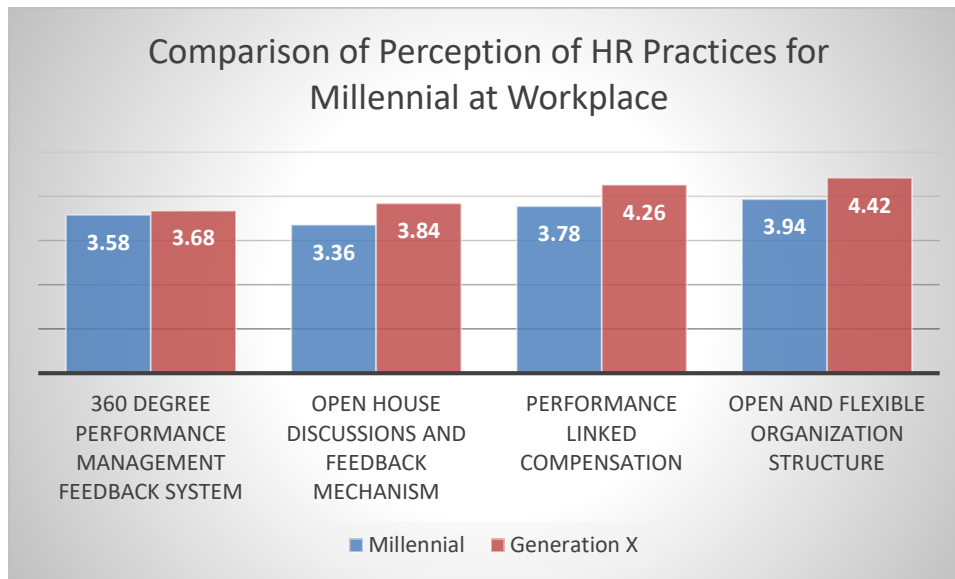
- **Open and Flexible Organization Structure** and **Performance Linked Compensation** are the most recommended HR Practices.
- **Open House Discussion** and **Feedback Mechanism** are the least recommended HR practices.

### 5.2.2 Role wise Comparison of Perception of HR Practices at Workplace:



- The major difference in perception of opinion between Team Member and Manager is on **Open House Discussions and Feedback Mechanism** and **Performance Linked Compensation** while **360 Degree Performance Management Feedback System** is having least difference of opinion.

### 5.2.3 Comparison of Perception of HR Practices for Millennial at Workplace:



- There is an alignment on implementation of 360 Degree Performance Management Feedback System.

## VI. SUGGESTIONS & RECOMMENDATIONS

Based on the research conducted, Millennial need be kept engaged and motivated. at workplace. The parameters which they highly motivated are Feeling Valued and Friendly and open Environment.

Below are some recommendations based on outcome of the study:

- **Feeling Valued** : Respect Millennial views and recognize their contribution.
- **Friendly and Open Environment** : Improve Connect with employees on a personal level and promote the formation of friendly relationships outside of the workplace. Use team building initiatives and celebrate success stories.
- **Open and Flexible Organization Structure** : Focus to have flat organization structure with less management and departmental layer.
- **Performance Linked Compensation** : Link compensation with employee performance.

## VII. CONCLUSION

In today times, it's the employee, who is defining the workplace and not the employer. It is important for organizations to understand Millennial's professional expectations as well as challenges they are facing at workplace and create work environments that are more likely to engage and retain the workforce. An organization should attempt to create innovative HR practices in such a way that it attracts and retain talent, provides a pleasant environment to work and motivate them to bring commitment towards the organization. This will lead to increase in productivity as well as the efficiency of an organization.

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