

MILLENNIALS AND CORPORATE CULTURE IN MULTINATIONAL COMPANIES

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Abstract

Globalization is not what it was a decade ago. What links the world together has changed fundamentally. For many companies, succeeding in this new operating environment will require rethinking many past decisions and assumptions. Multinational companies hire Millennials because they appreciate their energy and initiative. On the other hand, Millennials greatly value the personal time and are not willing to provide the tray dedication and energy. When organizational structures expect these things to come by itself, may be disappointed. Millennials are carefully selected and their involvement. Millennials have to be earned, not to be taken for granted.

Keywords

Globalization, Millennials, multinational companies, corporate culture

Millennials generation and their benefit from the economic recovery

Strauss & Howe's book titled *Millennials Rising: The Next Great Generation* describes the Millennial generation as "civic-minded", rejecting the attitudes of the Baby Boomers and Generation X.²

Generally speaking, Millennials are the children of Baby Boomers or Generation Xers, while some older members may have parents from the Silent Generation. A 2013 poll in the United Kingdom found that Generation Y was more "open-minded than their parents on controversial topics".³

In 2015, the Pew Research Center also conducted research regarding generational identity.⁴ It was discovered that Millennials, or members of Generation Y, are less likely to strongly identify with the generational term when compared to Generation X or to the baby boomers, with only 40% of those born between 1981-1997 identifying as part of the Millennial Generation. Among older Millennials, those born 1981-1988, Pew Research found 43% personally identified as members of the older demographic cohort, Generation X, while only 35% identified as Millennials. Among younger Millennials (born 1989-1997), generational identity was not much stronger, with only 45% personally identifying as Millennials. It was also found that Millennials chose most often to define itself with more negative terms such as self-absorbed, wasteful or greedy. In this 2015 report, Pew defined Millennials with birth years ranging from 1981 onwards.⁵

Economic prospects for some Millennials have declined largely due to the Great Recession in the late 2000s.⁶ Several governments have instituted major youth employment schemes out of fear of social unrest due to the dramatically increased rates of youth unemployment. In Europe, youth unemployment levels were very high (56% in Spain, 44% in Italy, 35% in the Baltic states, 19.1% in Britain and more than 20% in many more

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² Howe, Neil, Strauss, William *Millennials Rising: The Next Great Generation*, A Vintage Original, 2000, p. 352

³ Phillips, Martin. *Future's bright: Young Brits upbeat over working lives*. The Sun. London. Retrieved 26 July 2013

⁴ *Most Millennials Resist the Millennial Label*. Pew Research Center for the People and the Press. Retrieved 13 October 2015.

⁵ Anderson, Kurt, *Pop Culture in the Age of Obama*. New York Times. (5 August 2009). Retrieved 29 November 2012

⁶ Yen, Hope, *Census: Recession Turning Young Adults Into Lost Generation*, (22 September 2011), *Huffington Post*. Retrieved 22 September 2011

countries). In 2009, leading commentators began to worry about the long-term social and economic effects of the unemployment.⁷

Millennials are the most highly educated and culturally diverse group of all generations, and have been regarded as hard to please when it comes to employers.⁸ To address these new challenges, many large firms are currently studying the social and behavioral patterns of Millennials and are trying to devise programs that decrease intergenerational estrangement, and increase relationships of reciprocal understanding between older employees and Millennials. The UK's Institute of Leadership & Management⁹ researched the gap in understanding between Millennial recruits and their managers in collaboration with Ashridge Business School.¹⁰ The findings included high expectations for advancement, salary and for a coaching relationship with their manager, and suggested that organizations will need to adapt to accommodate and make the best use of Millennials.

Millennials have benefited the least from the economic recovery following the Great Recession, as average incomes for this generation have fallen at twice the general adult population's total drop and are likely to be on a path toward lower incomes for at least another decade.

In 2014, Millennials were entering an increasingly multi-generational workplace.¹¹ Even though research has shown that Millennials are joining the workforce during a tough economic time they still have remained optimistic.

Globalization and this new generation

Globalization is not what it was a decade ago. What links the world together has changed fundamentally. For many companies, succeeding in this new operating environment will require rethinking many past decisions and assumptions. The 20th-century version of globalization was defined by rapidly growing trade in goods, as major multinationals created supply chains that spanned the world. Globalization turned out to be digital. Cross-border data flows have grown by a factor of 45 over the past decade, and they're projected to post another ninefold increase by 2020.

According to a study research of McKinsey Global Institute we find that over the last decade, global flows of goods, services, finance, people, and data have contributed at least 10% of world GDP, adding \$7.8 trillion in 2014 alone. Perhaps most striking is the fact that data flows already accounted for \$2.8 trillion of this value exerting a larger economic impact than the global trade in physical goods. This is a watershed moment, given that the world's trade networks formed over the course of centuries, while cross-border digital flows barely registered just 15 years ago.¹²

Already 12% of the global goods trade is cross-border e-commerce, and half of the world's traded services are delivered digitally. These transformations enable small and medium-sized enterprises around the world to compete head to head with larger industry incumbents. Companies now have unprecedented opportunities to achieve both global scale and efficiency. But to realize them, many will have to shed old assumptions, particularly in the five areas outlined below.

Globalization has removed many of the barriers to social and cultural work, and companies that offer employees the opportunity to interact with people around the world are more highly regarded, especially in the eyes of young people.

Thus a percentage of 41 of those between 18-25 prefer to work in multinational companies, while the younger generation Millennials 26-34 years have already worked in multinational companies and want to use their experience to launch their own business (50%), according to a study made by iSense Solutions for Lowe Group.¹³

⁷ Travis, Alan, *Youth unemployment figures raise spectre of Thatcher's Britain*, (12 August 2009), The Guardian, London, Retrieved 3 May 2010

⁸ <http://www.forbes.com/sites/jennagoudreau/2013/03/07/7-surprising-ways-to-motivate-millennial-workers/#27d2e85b4ed9> visited in 30th October 2016

⁹ <https://www.i-l-m.com> visited in 1st November 2016

¹⁰ *Great Expectations: Managing Generation Y, 2011*, I-l-m.com. 8 July 2011, Retrieved 2 November 2011

¹¹ Armour, Stephanie, *Generation Y: They've arrived at work with a new attitude*. (8 November 2005), USA Today. Retrieved 8 May 2014

¹² <http://www.mckinsey.com/business-functions/digital-mckinsey/our-insights/digital-globalization-the-new-era-of-global-flows> visited in 2nd of November 2016

¹³ <http://www.isensesolutions.ro/category/communicate-isense-solutions/> visited in 2nd November 2016

According to the study mentioned before those seeking to engage in a multinational company have clear objectives and relate to work here as an opportunity for development, they expect to learn from the best, to promote rapid and earn a wage that allows them to live good.

At the same time, they want to experience and interact with other cultures and people from different countries and are willing to travel frequently on business.

On the following lines will be presented some of the main reasons why young people are so attracted to multinational companies and what expectations they have from.

They want to experience other countries lifestyle

Many young people want to travel often for work, but also be given the chance to work at the headquarters in another country. Most young people want jobs in countries of Western Europe especially if they have a significant salary compensation and are offered an attractive package of benefits. In addition, they know that such a move gives credibility and weight to their resume so that would be most attractive in the eyes of other employers.

Young people want more opportunities for development and a rapid career advancement

Young people have become more interested in management positions and wish to occupy such a position in about three years after they are hired. They are no longer content with a job but they will work for a career full of successes and if they don't get it they will not hesitate to go elsewhere. The same study shows that their loyalty to the workplace decreased. Thus, those aged 18-25 are already in the second job or third job, for those aged 26-34 years. Young people believe that leaving a better position in another company is the best way to advance faster and increase their salary, especially if they feel that the current job prospects for career advancement are removed or uncertain.

They want a lasting job

Even if changes more often than their predecessors jobs, young Millennials want a permanent job and believe that multinationals with at least 1,000 employees offered more stability. They want to escape the stress that might be dismissed or that the company might go through restructuring, so that they look more confidently to large corporations, where the flow of people is more dynamic.

They want an innovative and prestigious working environment

The giants have the resources to invest in the latest technology and to equip offices so as to facilitate the work of employees and to increase productivity. Young people want to work in an attractive environment, with modern desks, new computers have easy access to public transportation and to be surrounded by people with the same perspective.

The workplace and the Millennials¹⁴

The statistics prove that the majority of Millennials want to be their own bosses, and that they value meaningful work. Besides that, millennials place high value on the following:

- Open Communication. Millennials want to be heard. They believe in honesty and truth, regardless of seniority or level of authority within a business.
- Witnessing leaders in action. Millennial workplace culture places a high value on action. They want to see their bosses in action and learn from what they see.
- Progressiveness. Millennials crave the ability to work in a progressive environment where they can collaborate with their colleagues and complete meaningful work

Generational diversity in the workplace has created a unique set of conflicts that arise. While generational conflict has always been present in the workplace, it has become increasingly apparent as the youngest generation has settled – and become comfortable – in the workforce. Some of the few common conflicts are as follows:

¹⁴ <http://www.aperianglobal.com/attracting-retaining-millennials-global-workplace/> visited in 3rd November 2016

- Different values. Baby Boomers tend to seek money and status through a suitable career, while millennials aren't looking for a lifelong job. The statistics show that millennials believe happiness is more important than wealth.
- Opposing views about schedules. Boomers are statistically known for being workaholics, but millennials want work to be fun – and they subsequently place a higher value on their free time away from traditional work.
- Differing views on teamwork. Baby boomers and members of Generation X tend to value autonomy while millennials typically want to brainstorm and work collaboratively.
- Opposing views on the role of the boss. There's an idea that the older generations tend to micromanage younger employees, but millennials want to be trusted to do their jobs without micromanagement.
- Varying levels of comfort with technology. Baby boomers did not grow up with smartphones. The idea of work-life integration is strange to them. Millennials, though, embrace the idea of working from their phones.

Young people in this generation are not very willing to work overtime. They want time to enjoy their families and hobbies. Not much gets along with no fixed schedule, 9.00 - 18.00, preferring, instead, a flexible schedule that you and him alone conceive. That does not mean that there will be nowhere to work. Moreover, an analysis cited by TIME magazine¹⁵ shows that they work more than the representatives of X generation. When it comes to salaries will be paid so that they can enjoy life. Because they like so much to spend, they need and rarely accept wages as minimum wage.

Conclusions

For the multinational companies hiring new, young talent just out of college may be challenging some established practices of management and changing today's corporate culture. With the shift of the younger employment force from Generation X to Generation Millennials companies are finding that there are different attitudes and work habits that need to be incorporated into the existing culture. With companies now having different generational mentalities and priorities, the corporate melting pot has new challenges ahead. New college graduates are entering the workforce, having never known a world without computers, cell phones, email, or instant messaging. They have been brought up in a fast-paced, instant world that is always moving and changing.

While the times and your company's employees are changing, it is important that not only the younger employees need to be understood, but also the more senior employees need help understanding and embracing the change. It is important to consider how your company will embrace, manage, promote, and retain, these new, highly technical workers because Millennials are not going away, they will only grow in the work force.

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