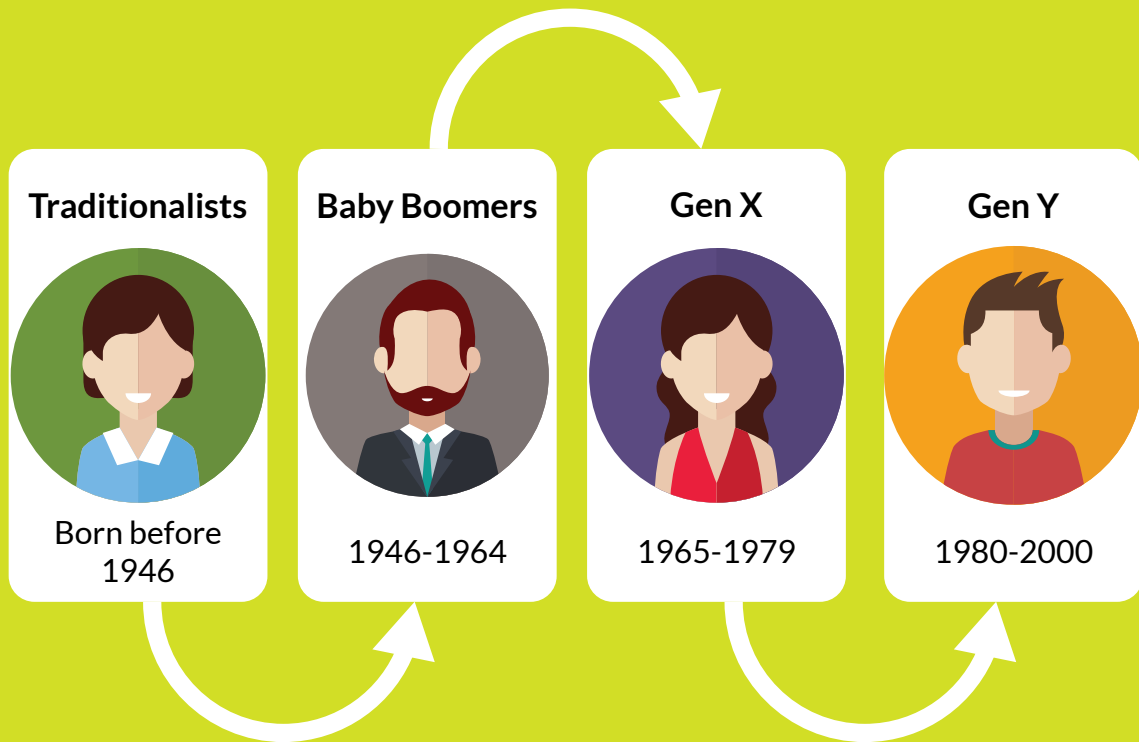


Engaging Indian Millennial @Workplace

A Report by Reetu Raina,
Organization Development and Learning Partner, Amdocs (India)



Studies indicate that by 2020, Millennial or Gen Y are projected to be 50% of the workforce and by 2025 this number is expected to reach 75%.



Millennial is a group of people born between 1980-2000 and grew up with access to social networks, smartphones, tablets, and all the other digital technology in use today. The term Millennial or Gen Y describes someone born immediately after 'Gen X'. The exact range of birth years that constitute the millennial generation is not known; however it is accepted as those born in and after 1980. For purposes of this study, we refer to the Millennial as those born from 1980 onwards.

This paper aims to give clarity to key characteristics of Indian Gen Y and identifies a set of engagement fundamentals that can be applied to engage the Indian Gen Y for greater connect, better performance and higher retention rates.

While working on this paper, I came to realize that characteristics in individuals develop by way of experiences. So the influencing factors that nurture these characteristics become crucial in deciphering the behavior and bring to light the various motivations that help employees connect with their work and be more driven to do better.

The most important insight while structuring the principal construct of this paper was that

Gen Y cannot be generalized as a homogeneous stratum across globe, as the influencing factors in each country and culture differs hugely. For the purpose of this study, the focus is on Indian Gen Y, the influencing factors in India vis-a-vis developed nations like US. This paper

1. Identifies the critical factors driving Indian Gen Y, their behavior, motivation, and possible barriers to productivity
2. Highlights responsibilities in workplaces for promoting employee engagement of this group and suggests what employers should do to create an engaged workforce

I would like to thank Anshoo Gaur, Amdocs India Head, whose insights and guidance helped shape the structure of the paper.



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Impact of Indian Gen Y on the global employee market

One of the most important reasons that make Indian Gen Y a focal point of this study with global relevance is the notion of the 'demographic dividend'. India is now at an inflection point with a population of 1.2 billion, of which about 0.8 billion is in the working age. By the year 2026, 64.8% of India's population would be in the working age of 15-64 years. The strength of this large pool of employable talent will not only power India's economic progress, but it should be able to supply enough human capital to the developed nations.

Therefore irrespective of the location where this generation will be working in, their characteristics would be common since the place of origin that helped in developing these traits were the same. The study on Indian Gen Y thus becomes more relevant, becoming an important guideline across functions, units, and organizations across the globe.

To further elaborate on this, the study uses two data points: the sheer Gen Y population in India, US and China and the Boston Consulting Group Report (Source: Boston consulting Group Labor Market 2025) which talks about employability challenges and talent shortage in the labor market by 2020.

Who is Gen Y?

By definition, a Generation is a group of people who, based on age, share

- A chronological location in history
- The experiences that accompany it
- And shared beliefs and behaviors based on the experiences

Even though there is no direct similarity to shared beliefs, India and US have similar generational titles and timeframes.

"Gen Y is going to be major player in determining the impact of human capital in the growing knowledge economy. As per BCG report on labor markets, India is going to be major contributor to global employee base. Thus it is imperative to have a study on Indian Gen Y, as the characteristics this group will display, will be different from their global cohorts because of different influencing factors".

Anshoo Gaur

President & Head, Amdocs India

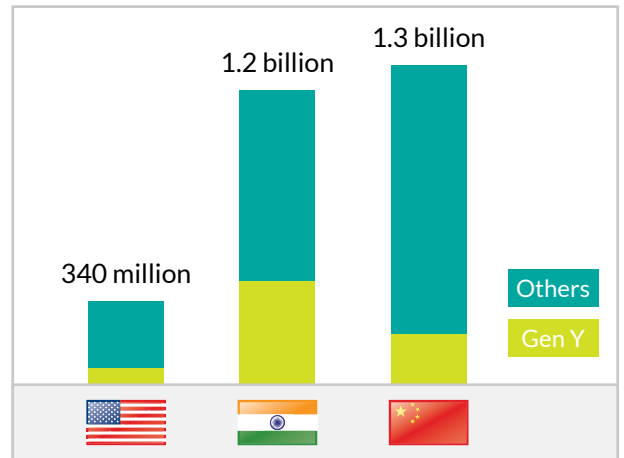


Population distribution of Gen Y globally

The graph shows the Gen Y population for each country measured against the total population of that country. Developed nations like USA has a large aging population and will need younger talent to take the place of the retiring population. This leads us to probe into another dimension, that of understanding employee mobility, which is all set to impact the global workforce. Let us have a look at BCG report on the labor market.

What does this population distribution mean to the global market?

As per BCG report, the talent trends show that while India will have employability challenges there is going to be an abundance of talent. What does it mean to the global market? People from India will move to the regions of talent shortage. So irrespective of the location that India Gen Y works in, they will show the same characteristics as the influencing factors from place of origin will continue to be the same.



Country	Gen Y * in million	Total in million	%
US	70	340	21%
India	426	1200	36%
China	218	1300	17%

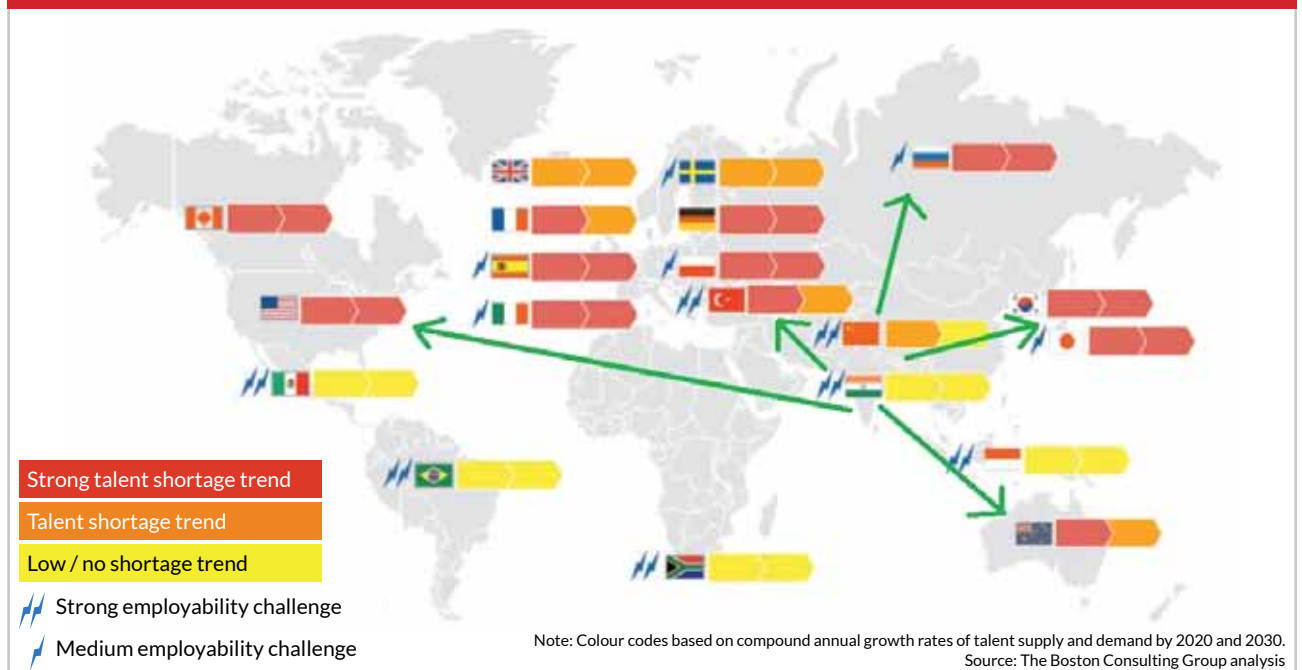
Steelcase Research on Gen Y in Asia (India and China)

*Numbers indicate people in age group of 10 to 30.

**India has a large population even younger than Gen Y.

Significant talent gaps expected by 2020 and beyond

In countries with no talent shortage trend, employability is the challenge

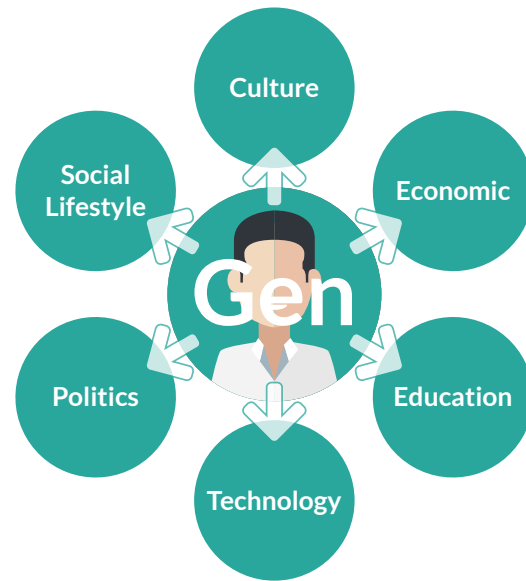


Influencing Factors of a Generation

What determines a dominant characteristic in individuals? While some traits are inherent, a real majority is formed by experiences each has undergone during their formative years.

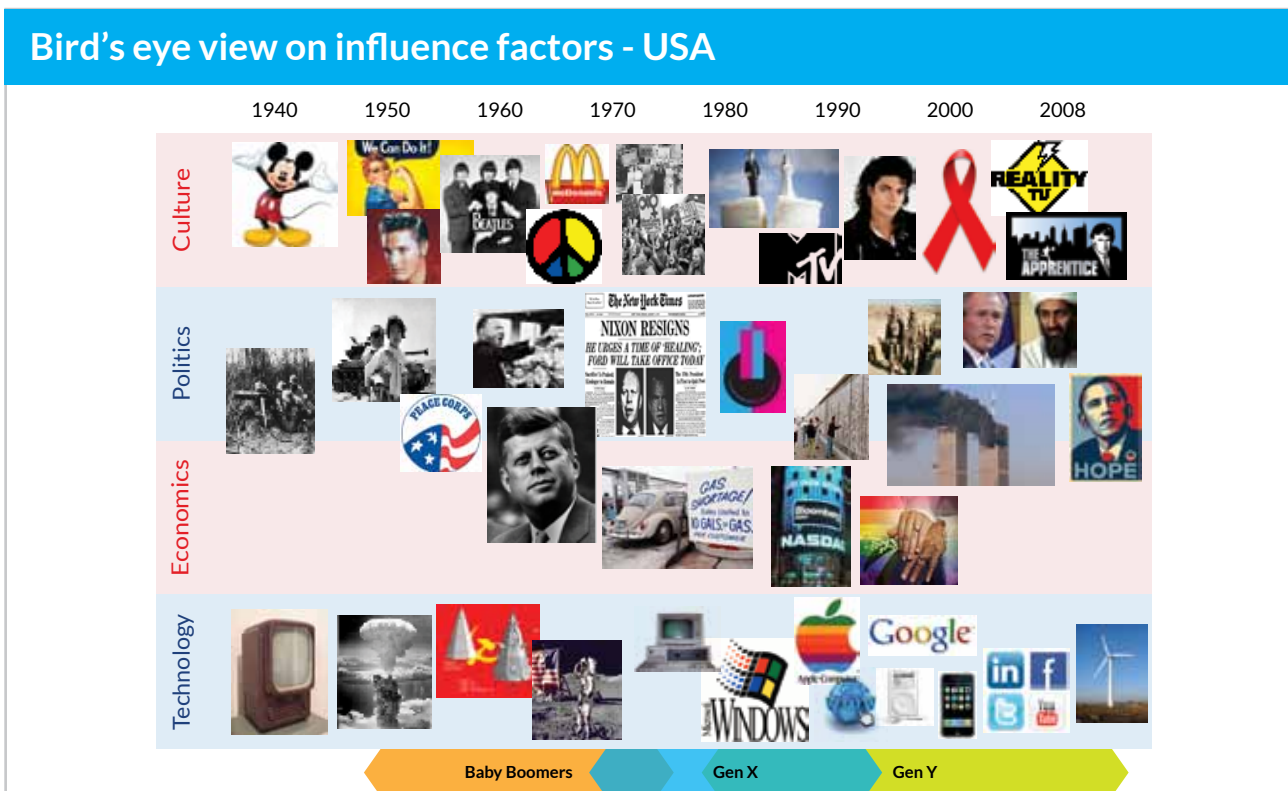
The same holds true for generations as well. At the end of the day, a generation is also a set of individuals who chronologically share a same location in the history.

The key influencing factors in any generation are : Culture, Economics, Education, Technology, Social Lifestyle and Politics.



If we have a close look at the events which unfolded in the US from 1980 onwards, it will appear fundamentally different from the years preceding it. Rapid adoption of technology in everyday life changed not only the way people interacted with each other but altered the construct of life itself.

The economy grew and provided ample opportunities for people. Reality shows became a part of life and reinforced the belief that everybody had a chance at being prosperous and famous. All these factors cumulatively created a generation who had not seen any scarcity, who was competitive, ambitious and wanted results instantly.



Source : Steelcase Research on influencing factors for Gen Y in US.

Bird's Eye View on Influencing Factor-India

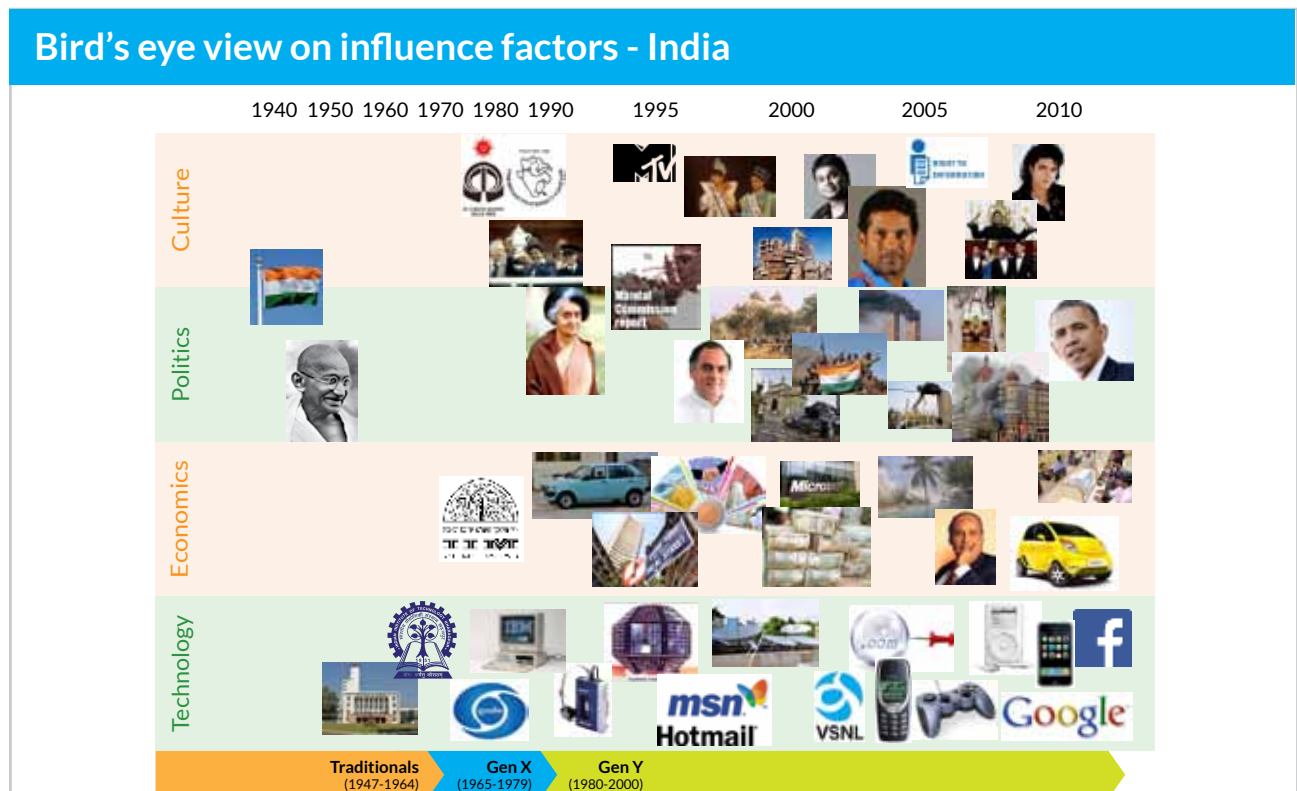
This view of influencing factors in India quoted in this study, from the research which was conducted by Steelcase. People from an enormous economic cross-sections and locations in India were identified to determine factors that have influenced their lives. Cumulatively, factors that seemed to have affected India most intensely was opening up of markets post liberalization in the 1990s and coming of MNCs and BPOs. The sudden westernization of lifestyles and values with the IT boom propelled India towards a path of more aggressive financial growth and homogeneity of culture. This subsequently led to more jobs and more economic independence, and there was exposure to global culture, in a way, not seen after independence of the nation. However, this new found abundance was not comparable to the ones seen in US, and only a small percentage of the population enjoyed this affluence. There was still a large population living in villages and Tier II

and Tier III cities where a large segment belonged to the lower income group and was not able to afford a good education. Bringing us to delve deeper into perhaps the most important influencing factor which is Economic growth.

If we look at World Wealth Report of 2012, the Indian per adult wealth is less than 5,000 USD and in the USA it is more than 1,00,000 USD.



Source: James Davis, Rodrigo Liuberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2012.



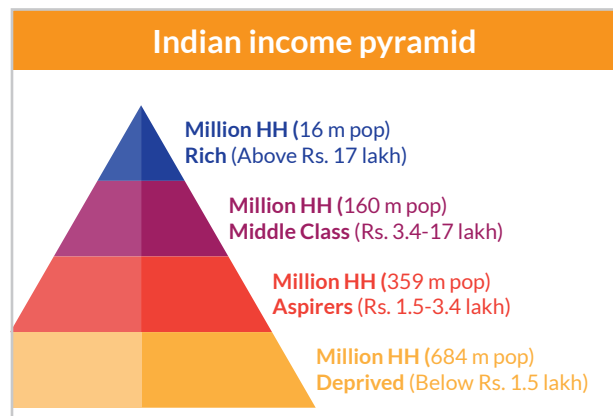
Source: Steelcase Research on influencing factors for Gen Y in India.

What does this economic difference mean if we look at a level classification of Indian population? The National Council of Applied Economic Research (NCAER) report 2012 describes this as the stratification of the population into deprived, aspirer, middle and upper-middle and high-income household in India.

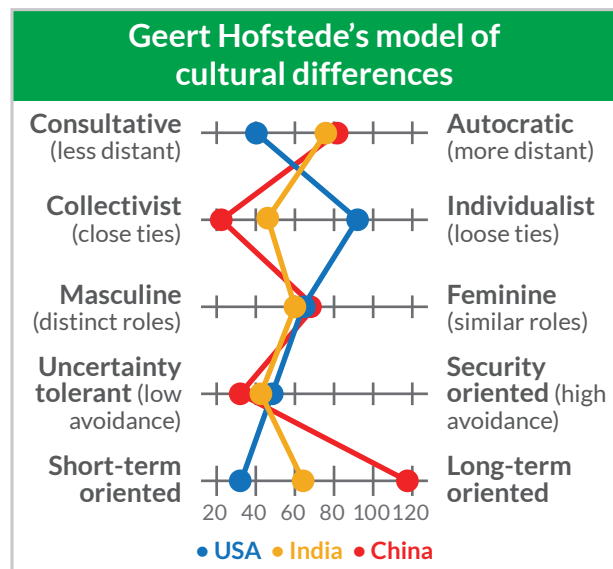
The report highlights only 31 million homes which you can compare to US. The larger population is still in Aspirer and Deprived class. While with economic development, the population in Aspirer category is moving to Middle Class. However, the fundamental experience of this Aspirer class cannot compare to Gen Y of developed nations by way of their access to disposable income. But it can be compared to Gen X of developed nations because of critical experience encountered by the Gen X of developed nations and Gen Y of developing countries like India is usually the same.

Cultural Differences

Essential experiences also stem from the cultural background. Now if we look at Geert Hofstede's Model. In India the high level of inequality of power and wealth within society it is not imposed but accepted as a cultural norm. Communication is very guarded between the two classes, and people are



Entire country stratified by NCAER-CMCR 2010 annual income data
 HH: Household; POP: Population; Figures: In million except annual income; Starta (In Rs. Lakh); Total households: 240 million; Source: NCAER-CMCR Door-to-door survey



"In terms of absolute numbers, at 426 million, India today has one of the largest Gen Y work forces in the world. While much research has been done on Gen Y in the US, Canada and UK, comparatively little is available on the Indian Cohort of Gen Y."

Anjali Raina

Executive Director, Harvard Business School, India Research Center



careful about what they say to people of higher status. People of this generational stratum are collectivist in nature with strong ties with the larger society.

In developed countries like US, social status does not influence work situation, and people are very open about their opinions regardless of hierarchy. People are highly individualists and have loose ties with society.

Economical Differences

The economic reforms in the 1990s led to changes that impacted the nation in many different ways. India today is Asia's largest outsourcing industry, and the business outlook continues to be buoyant despite growing competition. Reduced political interventions, use of technology, is giving rise to a generation that feels that businesses have a positive impact on the wider society in which they operate.

In the US, GenY have witnessed instability in the workplace, recessionary trends and layoffs. An effect of this condition can be seen in the growing unemployment rates. This trend coupled with stars of the generation like Mark Zuckerberg of Facebook or Andrew Mason of Groupon is leading many to turn to entrepreneurship as a career.

Educational Differences

The Education System in India has a high focus on academics with a standardized syllabus and curriculum prescribed by a few boards or regulatory bodies.

The US Education System focuses on the overall development with a critical focus on extra-curricular activities. While there is a standardization of the curriculum, it is specific to the state Education system in US. Specific behavioral traits in students like curiosity, ability to think differently are nurtured. In comparison, Indian Education system is focused more on rigor of learning and academic proficiency. The literacy rate in US is much higher

than in India, but owing to a broad base of the population, India produces more educated people per year.

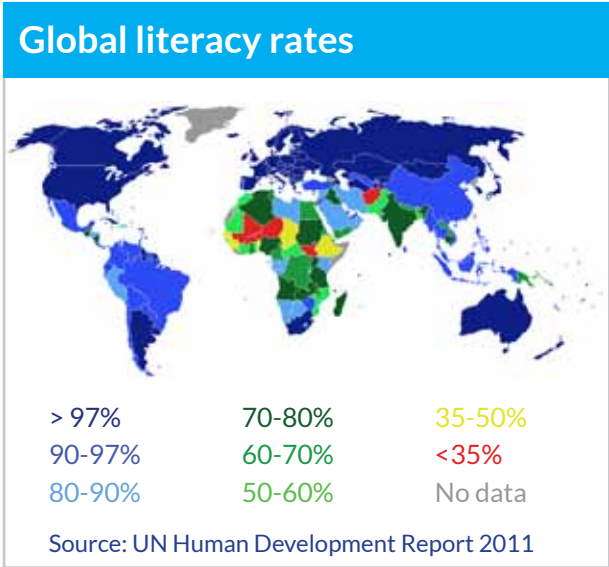
Socio-Lifestyle Differences

In India, women who are working and actively pursuing a career has increased significantly. This shift in social trend began as a result of high influx of population from rural to urban cities which led to nuclear families. The need to support increasing household expenditure and a new sense of freedom and identity, previously uncommon in the social structure led to a number of women joining the workforce in new cities.

In US, the nuclear structure had always placed women in the workforce to support an acquisitive lifestyle. For Gen Y now an active consumer of existential content, through channels like MTV, the concept of Single Parenting/Motherhood and Same-Sex Marriage has become common place. School Violence, frequent breaking down of family structures and growing stress on individual freedom and expression also became dominant trends in the social system.

Political Differences

In India, for the first time in decades, there is a high public demand for accountability in the running of



the government. Aggressive and persistent demand for more safety and empowerment of women, reforms in education across primary, secondary and higher education, and enhancement of supplementary skills development seems to be the immediate demand in Indian Politics.

In the US, there is a strong push to make healthcare and education more affordable for everyone. The impact of disasters like 9/11 has prompted a demand for more a progressive mandate oriented towards a cooperative foreign policy. An open social agenda on issues such as abortion, gay marriage, and LGBT rights is becoming a unified aspiration of every state. Conservation of the environment and natural resources, next generation of clean-energy solutions to meet energy needs are also active on the millennial agenda.

Synthesis

In a sense, the millennial have always known economic growth and prosperity, but will these expectations and behavior change in the face of the unprecedented changes as talent become increasingly mobile? We are yet to see the impact of these changes the full force of this global event. What becomes clear is that without a fundamental understanding of Gen Y and what matters most

to this group, it will be difficult to develop high-performance work systems and processes. These functions together create environments that energize workforce competencies.

Strategic HR is now delving deeper into these complex social interactions that are fast replacing routine work and how social aspects of the working environment are becoming a significant influencer of productivity. Gen Y, therefore, will increasingly demand conditions created by organizations that prevent silo-ed thinking, support continuous learning, provide challenging and meaningful work, and reward fairly.

Key Characteristics of Indian Gen Y

- Still early years
- Lower in emotional maturity
- Hard Working and work focused
- Strong in academic and technical know-how

Key Similarities of Indian Gen Y with Developed Nations

- Technological Savvy
- Work-Life Balance
- Ambitious

“Employee engagement is going to have significant impact on the growth of organizations and the global economy. Factors of engagement are changing with change in generations. How are we focusing on determining the characteristics which will enhance employee engagement of the current generation specific to developing economies like India?”

Bimal Rath

Founder and MD, Think Talent Services



Recommendations to Engage and Unleash the potential of Indian Gen Y

Title conscious and peer pressure – Creating a role-based organization structure with quick progression

Indian Gen Y employees are aware of their designation and prefer to have elaborate designations for an enhanced identity. Partly peer pressure and partly ambitions, these designations are important to them and define who they want to be. Hence, organizations should clearly define role and designation and state the path to a rewarding role for quick progression. In dealing with Gen Y, legacy and tenure are quickly being replaced by clear performance metrics. The winning combination lies in developing processes that start the fresher-ers on career path earlier and equip them to move to the next level quickly, allowing them to experience multiple roles across the organization.

Create a platform for high awareness and give priority to ethics and moral value system

Gen Y is particularly resolute on the need for various platforms that promote awareness about systems, structure, and processes. They need platform to be interactive and diverse that promotes debates and discussions around topics of importance and criticality. Gen Y has consistently moved from closed traditional structures and expects greater openness in policies centering on the belief that sound ethics and a high moral value code makes good business case.

Establish mentor programs with senior staff

Robust mentoring and succession planning helps Gen Y employees understand that they are cared for by the organization. There has been a huge

population influx to urban cities and nuclear families are fast replacing the traditional family systems. The desire of belonging to a larger institution is prompting a need to identify socially with work and organization. Mentors from the extended family is now missing and employees are now looking for mentors within organizations to fulfill their need for recognition and development and help them navigate the corporate structure deftly with refinement, often helping in softer issues of grooming and coaching. In the long run, this helps Gen Y develop a stronger connect with the organization.

Build managerial capability for continuous feedback

Gen Y wants constant challenge and recognition, and most often they want this to be seamless, continuous and immediate. Managers will have to adopt this as a fundamental practice and frequently take the lead in using a different prism to tackle everyday problems.

Equality is paramount – ability & performance are only acceptable measures so create transparent policies

Perhaps no single value exemplifies Gen Y's expectation from an organization than the persistent and universal demand for equality. They are resolute in their support for equal opportunities and practices and want bold and transparent policies that complement this ethos. While Gen Y accepts that organizations are not biased against any particular generation, group or gender, there need to be demonstrable evidences in the system that promotes this belief. Having transparent policies help in strengthening these principles, and clear benchmarks in performance metrics allow businesses to tap into the powerhouse of the Gen Y energy, knowledge and potential.

Constant skill development is essential to provide opportunities for role rotation and multi-tasking

The constant need to stay relevant will compel Gen Y to experiment with different roles and opportunities. Most of them are keen to be mobile not just across geographical borders, but across various functional corporate structures as well. Organizations will need to provide for comprehensive training and development programs that advance and drive specialist skills. These programs will benefit an organization in the long run as they will have access to a pool of talent consisting of multi-skilled and highly experienced and dynamic group of individuals.

Be sensitive to the potential for inter-generational conflict and review policies to be responsive to individual needs and aspirations

Lack of sensitivity and respect will undermine engagement at all levels. Hence, it is important to have documented policies on diversity and conflict resolution. The most essential in preventing conflict management is in encouraging managers to spot conflict immediately and then equipping them to have 'positive dialog' by mediating quickly and assertively. Empowering line managers with these skills can help in reducing conflict and contributing toward building respectful relationships across the organization.



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About the author



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A dynamic and visionary HR professional Reetu is best known for driving change by connecting business realities to strategic HR initiatives. She has worked in various functions within HR – from a generalist to Learning and Development head, leading organization development and talent management. Her expertise spans various industries

ranging from Telecom, Banking and Financial Services to IT. This varied industry exposure is the bedrock of her skills as an HR professional with a well-rounded approach to business and human capital management.

A passionate facilitator and an enthusiastic coach Reetu loves human psychology and organizational sociology and is keenly interested in the unique connection that the two disciplines throw to create a plethora of behavioral patterns in the corporate world. She often uses this perspective in creating an employee-oriented, high-performance culture that results in the development of a new breed of dynamic, multi skilled and motivated workforce.

Reetu currently leads the leadership development, talent management and learning at Amdocs (India).

An MBA in Human Resource Management, with Distinction from University of Pune, Reetu is also the recipient of Women Super Achiever Award by World HRD Congress in 2012 and is a frequent speaker at various global HR forums.

