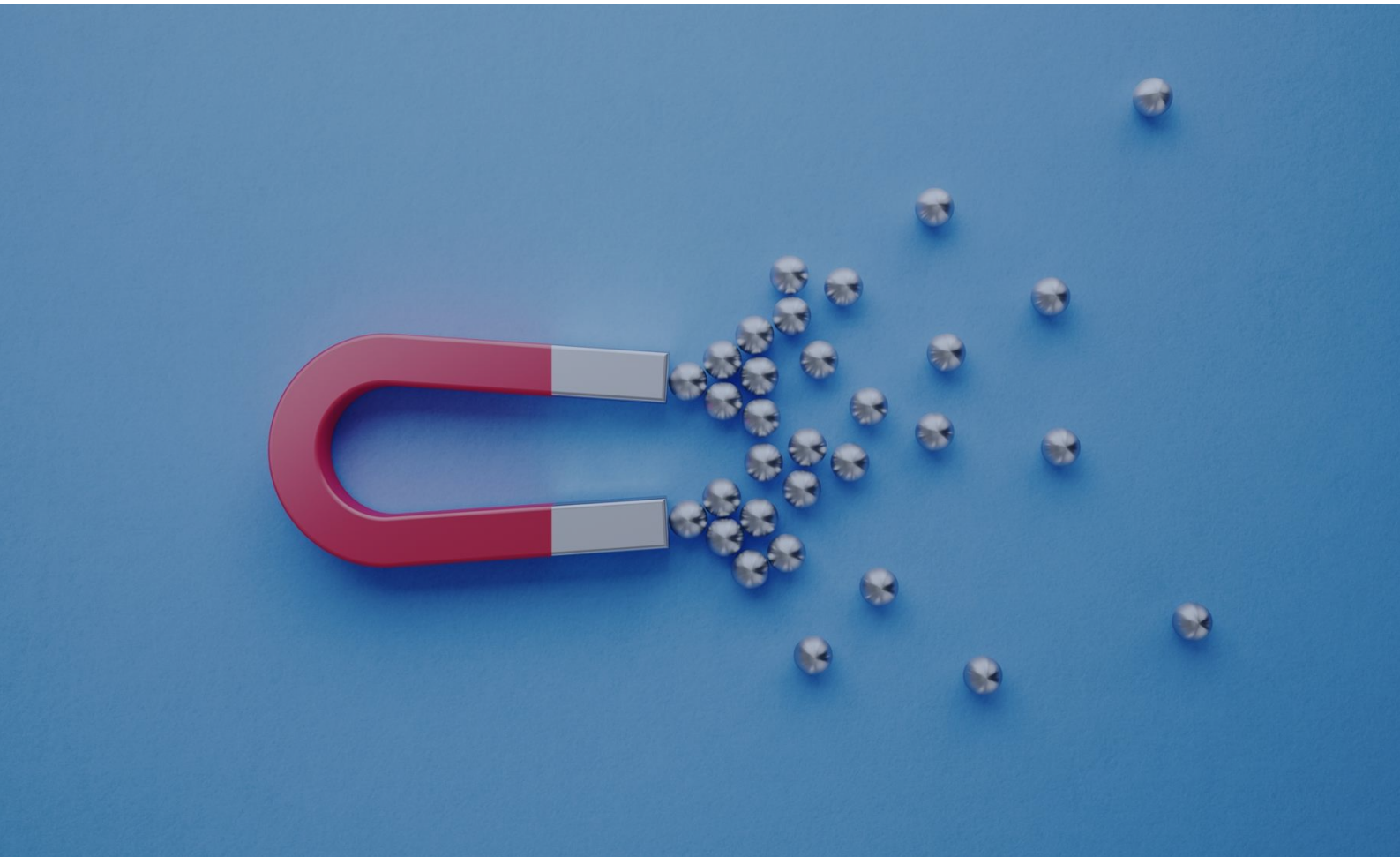


Retaining Career Nomads

RESEARCH PAPER

By **Mainak Maheshwari**, **Premraj Pillai** and **Sweta Miglani**



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Retaining today's job-hopping workforce is plagued by both “turnover intention” and consequent turnover.

Introduction

Regardless of the generation they belong to, today's workforce prioritizes working with autonomy and expressing their needs. While this may not be a new trend, it has only grown stronger in the backdrop of the pandemic which led to the rise of remote and hybrid working, changes in technology to support virtual work, and a renewed focus on mental and emotional well-being.

Given this context, it is not surprising that we hear stories of people resigning from their jobs when asked to report to the office for work (recently, [800 people at WhiteHat Jr.](#) chose to leave their jobs when asked to return to their office), attrition rates reaching unprecedented levels, and a growing number of people moonlighting frequently to build an alternate source of income. The impact of these post-pandemic trends on organizational performance, values, and culture will admittedly be dramatic.

Having been exposed to different life-shaping contexts in their prime, the current workforce has a radically different perception of the organizational climate and culture, and what it means to them, which in turn alters the way they define work values. As a result, they have a new set of priorities: autonomy, validation, work-life balance, continuous skill development, mentor support, career advancement, fair and equal compensation, and role clarity. For employers, this translates into building a work environment that helps employees perceive a better person-organization fit and drives down their turnover rates.

In this thought paper, we look at some steps that employers can take to address this new challenge and build a high-performing organization while cultivating the right culture with multi-generation cohabitation.

Career nomads: Understanding the challenge and its impact on businesses

To understand the depth of this workforce challenge, it is important to understand the mindset of the employees in question. For our discussion, we would focus on employees born after 1980—the millennials (born between 1980 – 1996) who make up the largest segment of the current workforce.

WHAT DOES THE NEW WORK LANDSCAPE LOOK LIKE?



By 2025 millennials will make up 75% of the global workforce

In the coming years, millennials are expected to account for a substantial share of the global workforce. A survey by Deloitte highlighted that by 2025 millennials will constitute [75% of the global workforce](#), and Generation Z (people born between 1997 - 2012) will be about [27% of the workforce](#).

In India especially, millennials already comprise [46% of the workforce](#), contributing to [70% of the total household income](#).

This cohort is on its way to spearheading major economic transformation, rapidly taking on positions of greater responsibility and power.

What are the challenges faced by businesses today and why?

Two key challenges burdening corporates today are the rising employee **“turnover intention”** and the consequent attrition.

Apart from reduced productivity and effectiveness, research has highlighted that “turnover intention”, in most cases leads to actual attrition. Although it can give employers important insights on employees’ perception of the current job and organization, the problem of intent to attrite tends to get overlooked due to narrowed focus on employee turnover replacement, without understanding what influences the actual turnover.

[60% of the millennial workforce has switched jobs at least once in their professional journey.](#)

Recent statistics show that millennial employees have a higher voluntary turnover rate. They are also quicker in leaving their jobs when discontented as compared to the previous generation. Another survey by Deloitte indicated that more than [70% of this cohort \(with this figure shooting up to more than 82 % in emerging markets\)](#) would choose to work autonomously at some time in their lives, rather than working for an orthodox organization in a conventional setup.

What is it costing the employers?

Other than the loss of productivity, the business costs of this challenge include sourcing, training, onboarding, and replacing employees. Apart from this, there are opportunity costs from not hiring other candidates, rewards that have already been distributed, and the company’s ‘brain drain’ to its competitors. In addition, employees who are leaving, discourage colleagues and potential employees, thereby promoting a negative sentiment around their former employer and disrupting the overall workplace engagement.

Therefore, it becomes paramount for organizations to focus on decreasing the turnover among millennials in an attempt to reduce these costs and maintain competitive advantage.

Multigenerational Sensemaking: How are younger generations different?

While the career stage theory developed by Donald Super, argues that millennials simply being in their youth are not generally very devoted to their current job and are open to exploring other options, burnout could easily perpetuate extreme dissatisfaction and eventually, turnover intention.

However, scholars also argue that the varied foundational experiences faced by millennials have made them value their work and workplace differently. The challenge arises when these differences are not recognized and understood by employers, making this generation more misunderstood, dissatisfied, and vulnerable to burnout in the present work climate than ever before.

Millennials are often described as being more independent, less loyal to the management, and compared to the previous generations, less work-oriented. They are more inclined to value work-life balance and freedom over the conventional value of job security. They also have higher expectations when it comes to quick promotions and frequent pay raises, and seek constant validation from authority.

One research by Schweitzer and Lyons states seven work values that comprehensively capture what millennials value, and accordingly, what organizations should strive to incorporate into their culture.

SEVEN VALUES THAT MILLENNIALS HOLD CLOSE TO THEIR HEART

- 01 Autonomy
- 02 Validation
- 03 Continuous Skill Development
- 04 Career Advancement
- 05 Work-life Balance
- 06 Compensation
- 07 Mentor Support

Source: <https://onlinelibrary.wiley.com/doi/10.1002/job.1913>

MEANING MATTERS TO EMPLOYEES

Most important factors when considering a change in work environment, % of respondents*



* Respondents who selected extremely or very important.

Source: PwC's 2022 Global Workforce Hopes and Fears Survey of 52,195 workers across 44 countries and territories

This is also validated by a recent PwC research (refer to the image above), where 'meaning' is one of the top three factors employees consider when looking for a job change, along with competitive compensation.

It is apparent that millennials do not properly fit into the old patterns and this generational shift demands a focus on the role that culture and values have to play in the evolution of the millennial workforce and their engagement with their workplace.

Integrating Millennials – An Organizational Culture Perspective

The first challenge for organizations is to attract potential employees and then integrate them with the firm's existing culture. This challenge has been compounded by virtual working and the rapid growth that organizations have been going through in the recent past. The question that organizations are struggling to answer today is *'how do we integrate the new hires with the organization's culture given that nearly all of them have never been to their office or met another employee in person?'*

In order to interpret how their different values, hold up in which culture, we use the framework developed by Cameron & Quinn (refer to the following page).

Each quadrant represents a unique set of organizational and personal factors.

- **Collaborative**

The collaborative quadrant recognizes values that emphasize an internal, organic focus on better work-life balance, career growth, and mentor support

- **Competing**

This quadrant identifies values that focus on external factors and ties them into internal growth values to drive performance

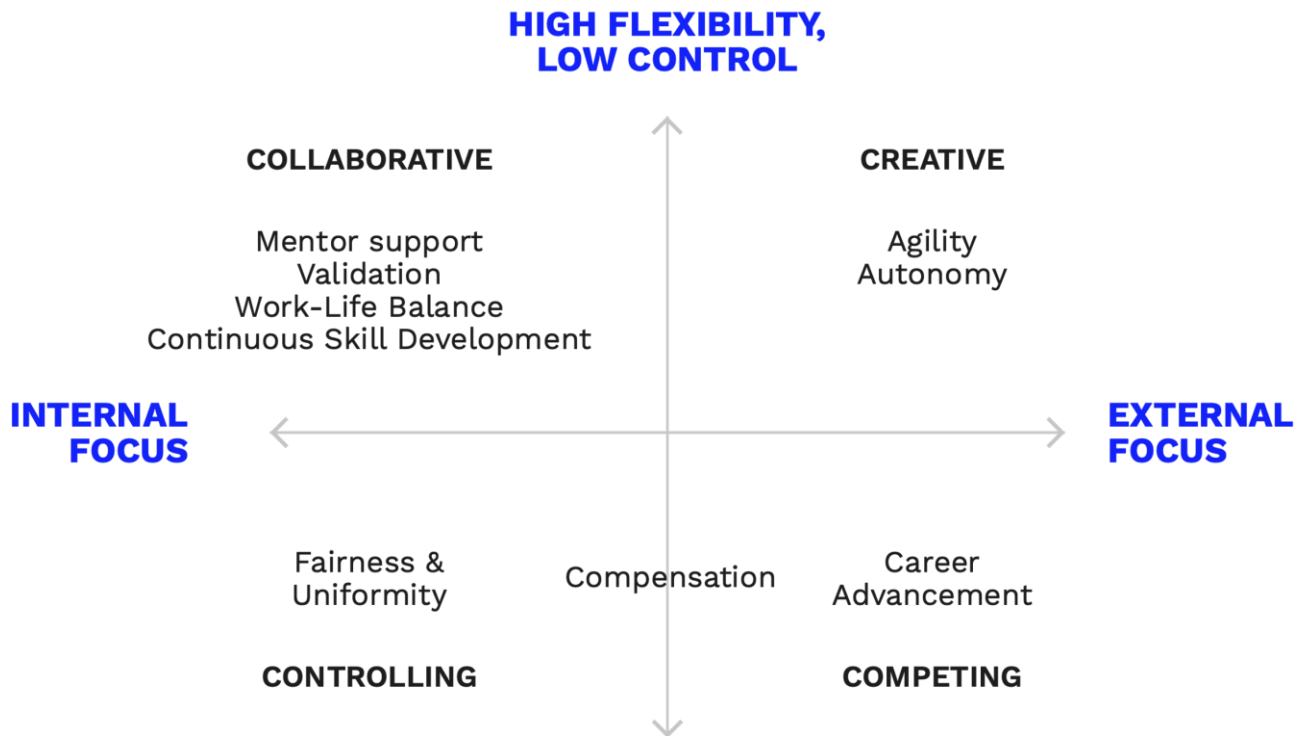
- **Creative**

The creative quadrant recognizes autonomy and agility as prime values. This quadrant enables more flexibility in approach with minimal oversight to ensure a better response to the external market

- **Controlling**

This quadrant sees a predominant focus on compliance and certainty with an aim to drive equality and equity

Interpreting employee values using this framework leads us to believe that millennials prefer internally structured environments i.e. an employee-centric environment, with clearly laid out goals, while also seeking more opportunities for innovation supported by an externally centred culture.



Since millennials are driven by achievements, independence, strong relationships, and a desire to be treated with respect, mentor support is of great value to them.

What can employers offer the new generation entering the workforce?

To stop or at least, slow down the job-hopping path that the current workforce is on, organizations need to relook at their work culture. The focus should be

on building an organizational culture that supports employees and aids them in coping with emotional exhaustion, and burnout, in an era marked by hyper-competition. How? Organizations can achieve this by aligning organizational values with the value system and expectations of their employees and translating them to the workplace.

Nurturing, mentoring, developing, and rewarding career nomads can power a sense of belonging and loyalty. However, it is important to keep in mind that this holds true for every generation of the workforce.

Value	Culture Orientation	Workplace Requirement	Actions To Be Taken
Autonomy	CREATIVE	Decentralized environment with more decision-making power and freedom	Remove bureaucracy, loosen up the hierarchy and be agile.
Validation	COLLABORATIVE	Healthy work environment fostering mutual trust between members of generations, where work is valued and appreciated	Be transparent and proactively communicate. Recognize their growth, and ask and give consistent feedback.

Continuous skill development	COLLABORATIVE	A culture of learning and skills development and opportunities for meaningful growth	Provide opportunities and skill-building to grow professionally and personally.
Career advancement	COMPETING	A culture of open communication about the future of the employees & that of the organization	Invest in their professional development and give them the right to build their own path.
Work-life balance	COLLABORATIVE	Workplace which contributes to holistic wellness	Give them the flexibility to choose what version of the hybrid model they want to go for.
Compensation	COMPETING CONTROLLING	Benefits-based compensation, paychecks with a purpose	Fair compensation, equal pay irrespective of the location of work, prioritizing paid time offs.
Mentor support	COLLABORATIVE	A workplace where they can grow and connect with the leadership. Driving focus on mentoring rather than coaching	Setting SMART goals with their mentees and holding employees accountable for achieving these goals, connecting with them often, & adopting an experiment and fail forward approach.

To summarize

Being burdened by the expectations to meet conventional work standards, millennials today are realizing that they have all the right to put their physical and mental wellbeing first. They don't want to give in to the never-ending demands of their employers, leaving them with an infinite burnout.

Even though it may be a challenge to predict the perfect organizational culture that might best fit this generation, **what we have talked about above can help establish a relationship between employees and the organization, striking a balance between individual and organizational values.**

About the Authors



Mainak brings over 24 years of experience spanning business and HR roles across geographies. This has given him a unique understanding of the link between HR and business strategy. He also holds a patent for HR

capability development.

Mainak's experience includes human capital strategy, culture, talent development (performance, leadership development, career pathing, competency, learning, engagement, diversity) and talent acquisition (including on-boarding and background check). He has also implemented HRIS platform and HR metrics to improve performance.

Recently he has been helping start-ups set up efficient and effective HR teams and processes. In addition, Mainak is a recognized Executive Coach and Leadership Development expert.

Mainak's previous work experience includes stints/projects with Accenture (Consulting and HR), Hewitt Associates, AbsolutData, Heidrick & Struggles, Evalueserve, Sterlite Technologies and Upstox.

Mainak holds an MBA from the Indian Institute of Management, Calcutta, and is a certified executive coach.



Premraj brings over 22 years of experience spanning business and consulting roles across geographies.

His leadership experience spans diverse verticals and functions with some of the biggest names in business. He

has led over 3,000 leadership coaching and over 15,000 talent assessment interventions both nationally as well as internationally, for some of the largest Indian and Multinational companies.

Recently he has been helping start-ups align their operational structure and capability to the growth vision and set up efficient and effective teams and processes.

Premraj holds an Engineering degree from National Institute of Technology, Karnataka and an MBA from the Indian Institute of Management, Lucknow. His previous work experience includes stints with Citigroup, DXC, PwC, EY and Right Management.



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Sweta did her summer internship at PeopleAsset and this thought paper is an outcome of one of the projects that she worked on. Before joining IIM Indore, she had done an internship with Bajaj Capital during her graduation.

Her areas of interests also include Leadership Development, People Analytics, Organizational Culture & Evolution.

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