Financially Privileged Millennials Likely to Leave Current Employer Within a Year

NEW YORK, July 21, 2016—Ninety-nine percent of human resources professionals believe that millennials are a “flighty bunch” with one foot out the door, according to a recent Beyond.com study. Yet, a study published today by the Center for Talent Innovation (CTI) finds that this is only true of the nine percent of financially privileged millennials – those whose families could support them indefinitely were they to quit or lose their jobs, or who receive financial gifts from family members totaling at least $5,000 per year. Ninety-one percent of millennials are not financially privileged, and the vast majority of this group do not plan to leave their jobs within a year. The study, published as a book entitled *Misunderstood Millennial Talent: The Other Ninety-One Percent*, explores the needs and wants of the financially unprivileged millennials, addressing stereotypes and the investment opportunity they represent for employers.

The findings were culled from a nationally representative survey of 765 college-educated, white-collar professionals born between 1982 and 1994. Though financially unprivileged millennials are unlikely immediate flight risks, their employers are not investing in them. As result, they lack the intellectual growth and rewarding relationships they need to become effective leaders.

A closer look at the 91 percent:

- Seventy-three percent say that learning new professional skills is an aspect of intellectual growth that’s important to them in their careers. Yet 45 percent say they do not have this aspect of intellectual growth in their careers.
- Sixty-seven percent say that inspiration and motivation are important aspects of the rewarding relationships they want in their careers but 70 percent say they do not find that inspiration and motivation in their current workplace relationships.
- Sixty-four percent acknowledge the importance of relationships that allow colleagues to learn from those with expertise they lack. But 53 percent do not have them.

“Millennials are poised to comprise 75 percent of the workforce by the year 2025 and nearly half are already in managerial positions, yet employers continue to underinvest in this critical talent cohort,” says Joan Snyder Kuhl, co-author and fellow at CTI. “Millennials are the bench strength for leadership and, as such, are the candidates whom talent specialists and succession planners must prepare.”

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Additionally, six percent of black, nine percent of Hispanic, and 13 percent of Asian millennials without financial privilege say they have rewarding relationships and intellectual growth and challenge at work, compared to 25 percent of white millennials without financial privilege. The investment deficit is also particularly pronounced for millennials who are 30 years of age or older, a cohort often confused with 20-something millennials. Fifty-four percent of these millennials (without financial privilege) recognize that it is important to have relationships with colleagues who can help them advance in their careers. However, less than one-quarter (21 percent) have this critical aspect of rewarding relationships on the job (compared to 37 percent of financially unprivileged millennials who are under 30 years of age).

“The underinvestment in this cohort undermines the long-term strategic goal of making leadership representative of the workforce and the marketplace it serves,” says Jennifer Zephirin, co-author and senior vice president of strategic outreach at CTI. “Millennials are the most diverse talent cohort, to date, and employers that successfully tap into this cohort will enjoy a competitive edge.”

The book showcases best practices from companies like Baxalta and Ernst & Young LLP which can be used as guides for other organizations working to better leverage their millennial talent.

The book also spotlights how millennial professionals in Brazil, China, Hong Kong, India, the Philippines, Singapore, and the UK differ from those in the US.

For more information on Misunderstood Millennial Talent: The Other Ninety-One Percent, please visit www.talentinnovation.org.

Research Sponsors:
American Express, Baxalta, Ernst & Young LLP, The Moody’s Foundation, Novo Nordisk, and S&P Global

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Joan Snyder Kuhl is a fellow for CTI and principal of Hewlett Consulting Partners. Kuhl has thirteen years of corporate management experience working at Eli Lilly, Forest Laboratories, and Actavis in sales, marketing, organizational effectiveness, training and development. She is an international speaker and founder of Why Millennials Matter, a research and consulting agency. She is coauthor of two books: The First Globals: Understanding, Managing and Unleashing the Potential of our Millennial Generation; and Peter Drucker’s Five Most Important Questions: Enduring Wisdom for Today’s Leaders. She serves on the Cosmopolitan Magazine Millennial Advisory Board and at The Frances Hesselbein Leadership Institute. As the career expert for Barnes & Noble College (BNC), Kuhl speaks on campus and at conferences and provides live and digital content for the 5.2 million students associated with their 725+ stores. She shares research and advice on success strategies for transitioning from college to a career. She earned her BS/BA from The University of Pittsburgh and an MBA from Rutgers University.

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Jennifer Zephirin is senior vice president of strategic outreach at CTI. Prior to joining CTI, Zephirin was a diversity and inclusion manager for Morgan Stanley where she specialized in organizational culture change management, pipeline development, employee resource group management, and retention of high-potential mid- to senior-level employees, with a focus on women in both wealth management and institution securities. Previously, she held positions as a compensation and recruiting associate for NERA Economic Consulting and as a consultant with FactSet Research in the investment management division. Zephirin received a BA in Economics from Fairfield University.

About the Research:
The research consists of a survey, Insights in-Depth® sessions (a proprietary web-based tool used to conduct voice-facilitated virtual focus groups) involving more than 100 people from our Task Force organizations, and one-on-one interviews with 57 men and women in the US, Brazil, China, Hong Kong, India, the Philippines, Singapore, and the UK.

The US survey was conducted online from June 2014 through August 2014 among 3,298 respondents between the ages of 21 and 64 currently employed in certain white-collar occupations, with at least a bachelor’s degree. Of these respondents 765 are millennials, born in 1982 or later. A follow up survey was conducted online in January 2016 among 291 millennial respondents from the first survey. Data in the US were weighted to be representative of the US population on key demographics (age, gender, race/ethnicity, region, education, and income). The base used for statistical testing was the effective base.

Global spotlights were derived from a multi-market survey that comes from three large-scale samples of 11,936 respondents over the age of 21 currently employed full-time, with at least a bachelor’s degree. Survey 1, conducted online between November 2014 and April 2015, includes 5,018 respondents (1,005 in Brazil; 1,005 in China; 1,001 in Hong Kong; 1,004 in India; and 1,003 in the UK), of which 2,006 are millennials. Survey 2, conducted online in May 2015, includes 5,013 respondents (1,007 in Brazil, 1,001 in China, 1,001 in Hong Kong, 1,000 in India, and 1,004 in the UK), of which 1,790 are millennials. Survey 3, conducted between February 2016 and March 2016, includes 947 respondents in the Philippines (including 440 millennials) and 958 in Singapore (including 410 millennials). Data in all surveys were weighted on age and gender. The base used for statistical testing was the effective base.

About the Center for Talent Innovation:
The Center for Talent Innovation (CTI) is an NYC-based think tank that focuses on global talent strategies and the retention and acceleration of well-qualified labor across the divides of demographic difference including gender, generation, geography, sexual orientation, and culture. CTI’s research partners now number more than 90 multinational corporations and organizations.

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