5 keys to manage millennial talent

Based on surveys of international executives, these are the keys for attracting, developing and retaining millennial workers.



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Executives have a love-hate relationship with the annual performance review. On the one hand, there needs to be some means of evaluating employees on a consistent basis. But on

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the other, is the widespread practice of assigning a numerical value to a person once a year the best way of inspiring performance, especially for today's younger generations of workers?

General Electric (GE) is among a growing number of companies saying no. This summer, the Senior Vice President of Human Resources, Susan Peters, made this announcement: "After running pilots with 30,000 employees and getting tons of helpful, detailed input from employees around the world, we are adopting GE's performance development approach — without an annual static individual rating — as our company standard."

The company implemented a specially developed app called Performance Development at GE, or PD@GE for short, which enables managers to have frequent, ongoing contact with their employees using tools such as instant messaging, photo-sharing and voice recordings to offer personalized feedback and pointers on near-term goals.

According to Peters, "The world isn't really on an annual cycle anymore for anything. I think some of it, to be really honest, is millennial based. It's the way millennials are used to working and getting feedback, which is more frequent, faster, mobile-enabled. So, there were multiple drivers that said it's time to make this big change."

Certainly, the workplace preferences and expectations of the generation born between 1980 and 2000 are different from those of senior managers in their 50s or 60s. Given the fact that millennials will represent an estimated 75% of the world's working population by 2025, companies would do well to think about how to adjust their people management policies and leadership styles to take account of new ways of working — ways which, as millennials come into their own, soon won't be new but the norm.

To discover more, we surveyed 22,000 international executives, hundreds of participants of IESE Executive MBA programs and their managers, as well as a group of final-year students from the University of Navarre's School of Economics and Business Administration. Their responses confirm that a shift is indeed taking place in professional aspirations, the priorities people weigh when choosing a job, and the type of leadership expected from managers. Based on our research, we suggest some of the keys for attracting, developing and retaining these new types of workers.

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