

RELOCATION

Millennials on the move

Flexibility, technology important for relocations

By Stephen Cryne

Recent studies continue to show that for millennial workers (those born after 1980), career progression is a top priority — but not just in any old career.

The careers must provide the right amount of work-life balance and make a meaningful difference while offering a quick path for advancement. One in two respondents said career progression was the main attraction to an employer, according to a 2011 study by PricewaterhouseCoopers called *Millennials at Work*. In that same report, 95 per cent of respondents identified work-life balance as being important to them.

In Canada, there are about nine million people in this demographic group, according to a 2015 survey of Canadian millennials by Abacus Data — and it's estimated roughly one-half of them still live with their parents, found Statistics Canada. The Abacus survey also found one in two respondents reported they feel older generations do not understand how difficult things are for the millennial generation. Even within the generation, there are different categories, ranging from "achievers" who are predominantly female and account for about 20 per cent of the cohort, to "fireflies" who struggle to make a life outside of the nest, found the report, *Life, Work and the Emerging Workforce*.

In the United States, millennials

will comprise nearly one-half (46 per cent) of the labour force by 2022, according to the Society for Human Resource Management (SHRM) in a 2014 report.

"For HR professionals, these changes mean balancing the varying desires of two sizable demographics that will dominate the labour force's makeup for the foreseeable future," says Ed Marshall of the St. Louis-based Impact Group.

Some researchers have concluded this generation of workers is the most civic-minded since the traditional generation (born between the 1920s and early 1940s), with a strong sense of community on a local and global scale. Others label millennials as spoiled, with a strong sense of entitlement and narcissistic characteristics. One thing researchers do agree on is this is the most technologically savvy generation in history, describing them as "digital natives."

Because of the sheer number of millennials, employers must understand their needs when it comes to relocation and international assignment support — and one size doesn't fit all.

The number of people being assigned by their employers to roles outside their home country has increased by 25 per cent over the past decade — with a further 50 per cent rise expected by 2020, according to Pew Research.

Younger workers are eager to work abroad — almost two in three (64 per cent) employees under age

35 are likely to accept work-related relocation; this compares to the 46 per cent of employees in the 50 to 64 age group, according to a 2012 global survey of workers released by the Canadian Employee Relocation Council (CERC). Almost 90 per cent of workers under age 35 feel an international assignment would benefit their career.

When it comes to location, the destinations of choice are not necessarily in new and emerging markets. It's estimated about 75,000 Canadians of working age move to the United States each year, according to Statistics Canada. Top locations in our research show the U.S., the United Kingdom, Australia and Canada are preferred destinations for assignments. Destinations such as India (11 per cent) and mainland China (two per cent) are well down the list of the most desired locations for workers under age 35, according to PwC's *Millennials at Work* study.

If we look at the main differences between the traditional type of assignment supports provided to boomers and the support provided to millennials, one has to consider the varying employment needs and expectations.

For millennials, international experience is a must-have, according to Joanne Danehl of Crown Worldwide Group.

"These assignments are often shorter and involve some form of virtual or online component, which

appeals to the technology-based learning style of millennial employees. Organizations are capitalizing on this by offering low-support assignments."

Older workers require more family and lifestyle-related supports to replicate their home country lifestyle while "younger employees are focused on the expectation of opportunity rather than how that happens," says Danehl.

Millennials don't want structured hierarchies so mobility policies and assignment agreements need to be flexible and recognize one size doesn't fit all. This is where flexibility in policies is needed, for example, by allowing younger employees to switch entitlement credits from schooling supports to things like extended vacation or travel credits. Solutions that satisfy the fundamental need for work-life balance will bring the most return.

"Millennials are really coming into the workforce 'expecting' some sort of global work experience offered to them. They are even choosing where to work based on the possibility of a rotation or short-term assignment of some sort," says Mark Frederick, director of global talent management at Chicago-based IOR Global Services. "If they don't get it, that directly contributes to lower engagement and, ultimately, turnover."

As employers train younger employees in global skills, it will be-

come critical that their direct managers, and the leadership in general, are also globally competent, says Danehl.

“Broader enterprise-wide skill building should be on every company’s radar.”

From an industry perspective, the transition to adapt to new policy approaches is expected to be slow.

“(With) the constant pressure of cost reduction associated with relocating employees, we will need to realize why employees are declining the opportunities,” says Marshall.

“Many of the policies today are focused on recovering cost. In the future, the pressure for retain-

ing employees and recruiting the talent will happen much faster than we are willing to update policies.”

If international business is important to an organization, at some point it will need boots on the ground to forge and maintain those business relationships. The mobile workforce will increasingly rely on millennials and it will be important to attract and retain the best.

“Millennials are regarded as the first global generation, with more overlapping values and shared experiences than any before them, which is ideal for international assignments,” says Marshall.

At the same time, they are more likely to job-hop than previous gen-

erations, with some estimates at twice the rate of turnover of older workers, he says.

“For an organization with 1,000 employees, the additional cost of replacing millennials is over \$300,000 annually.”

One way of achieving retention and engagement is through well-thought-out policy supports. Once employers have a deeper understanding of the needs and expectations of the different generations, it is important for business leaders and mobility professionals to find creative and flexible solutions, and then customize the benefits within an overall envelope.

Recognizing the younger genera-

tion’s reliance on technology should prompt companies to conduct regular reviews and updates to improve modes of service access and communications.

Leaders with international savvy and experience will be in high demand. Now is the time to help millennials grow into those roles by offering meaningful assignment opportunities that strike the right work-life balance and have the right supports in place to develop an organization’s talent pipeline.

Stephen Cryne is the Toronto-based president and CEO of the Canadian Employee Relocation Council (CERC). Visit www.cerc.ca for more information.