Engaging Millennial Employees
Recruit and Retain Top Talent with Cause

by Allison McGuire
Millennials, also known as Generation Y, grew up being told that they could do anything.

Members of this generation believed they could be the president, astronauts, doctors, and even YouTube stars. They have grown up with incredibly individualized, hyperpersonalized experiences, which ultimately means they’re interested in niche subjects.

**Enter charity.** Each Millennial—and this is also true of the general population—has an affinity for one cause or another. Whether it’s preserving the environment or improving education, they’re interested in changing the world—and they don’t distinguish that from pursuing a career. Millennials seek opportunities to do well by doing good.

To this generation, being engaged means being appreciated at work, feeling like they’re contributing to the greater good, and having opportunities to give back. Gen Y employees appreciate—nay, expect—employers to support, and even facilitate, their social impact work.

**Why should employers take note of this trend?** Engaged employees perform better that those who are disengaged. Why? In short, because they’re happier, and happiness has a ripple effect. Charitable corporate programs are a key strategy to engagement with employees, especially with Millennials.

This eGuide provides the evidence and advice to help your company better engage all employees, especially younger ones, through cause programs that foster both business and social impact returns.

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*I am lucky to work for a company that values and rewards its employees and is also active in the community and contributes toward charities in need."

—A Millennial employee

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Rejecting Business as Usual

Generation Y has been imbued with a sense of responsibility. Millennials feel responsible for themselves, their neighbors (both virtual and physical), their communities, and their planet. They grew up learning the importance of recycling and using less water, and that their actions directly affect their communities. In return, they believe that companies—their employers—have a responsibility to them, their society, and the world.

Although they acknowledge the bottom line, they also believe that companies need to give back some of what they’ve earned to contribute to the greater good. They see smart ways for companies to do this, too, such as transparency in reporting, sustainable business practices, and using company products and services for good.

According to Jay Gilbert in the *Ivey Business Journal*, the single biggest threat to Millennial employee retention is a company’s reputation.

Why is this so important?

This learning suggests that highly engaged employees are proud of the organizations they work for. When perceptions of employer reputations decrease, a similar decrease in engagement spreads throughout the workforce. This finding is profound; engaged employees are emotionally attached to their organizations, and when employer reputation changes, so do relationships of employees with employers.”

—Jay Gilbert

Millennials are changing the dialogue around responsible business practices. They support businesses that develop and execute robust corporate social responsibility (CSR) strategies, but they can also identify when they’re just empty PR stunts. This generation wants to work for organizations they believe in—a job isn’t just a job anymore.
The Implications

The modern workplace is changing. Companies and employees that remain rigid and uncompromising will not succeed. A Fast Company article titled “Generation Flux” explored the seismic shifts occurring in the business landscape:

“Any business that ignores these transformations does so at its own peril. Despite recession, currency crises, and tremors of financial instability, the pace of disruption is roaring ahead.

The frictionless spread of information and the expansion of personal, corporate, and global networks have plenty of room to run. And here’s the conundrum: When businesspeople search for the right forecast—the road map and model that will define the next era—no credible long-term picture emerges. There is one certainty, however. The next decade or two will be defined more by fluidity than by any new, settled paradigm; if there is a pattern to all this, it is that there is no pattern. The most valuable insight is that we are, in a critical sense, in a time of chaos.”

—Robert Safian

Companies can, however, adapt to these changes and employ a Millennial attitude to guide the way.

What’s at Stake

Retaining Millennial employees is serious business. While job-hopping Millennials may seem flaky or disloyal, they often change jobs because they aren’t given a clear path for advancement or consistent feedback on their work.

The cost of turnovers is high. For example, the cost of replacing a Millennial is an average of $24,000 per employee. This generation will comprise the majority of the world’s workforce in just 10 years. If there was ever a time to pay attention to engaging Millennial employees, that time is now.

“When looking at what drives [M]illennials to be engaged, the most interesting finding is that professional growth and career development comes in at number one. This supports much of what is out there about why [M]illennials job hop.”

—Quantum Workplace
Myths and Facts

As with all generations at some point in time, Millennials have been pegged as narcissists. Joel Stein’s popular article “The Me, Me, Me Generation” calls them “lazy, entitled, selfish, and shallow.”

Whatever the label, Millennials are a growing part of the workforce and will continue to make their mark on companies. Let’s dispel some of the myths and stereotypes so your company can effectively integrate Gen Y employees into its culture and business.

Myth #1: Millennials Don’t Care About Communities

A recent American Psychological Association (APA) study purports that Millennials are in fact selfish, close-minded, and greedy. Somewhat unsurprisingly, MTV—arguably a Millennial-made network—came to their defense by rebutting some of these claims about “Generation Me.”

For example, the idea of community now means more than just down-the-street neighbors and local organizations. Modern communities now include global social networks and causes with international implications. A recent Cone study found that “[in] addition to supporting local causes, Millennials also rally around causes that have a global impact. ... [T]op cause interests include education, poverty, the environment, and health and disease.”

In the APA study, only 36% of Millennials supported “participating in a community action program.” MTV posed the same question in different words. When asked the importance of “helping those who are less fortunate in your community,” 66% of Millennials responded affirmatively.

Fact #1: Transparency Rules

The “MTV Generation” (Gen X and Gen Y) believes in companies that are aligned with charity. A full 83% of Millennials trust socially responsible companies, and 74% are more likely to pay attention to that company’s message because of its deep cause commitment.

If your company shows a strategic alignment with cause, demonstrates a commitment, and exhibits the impact that promise makes, you’ll attract Millennials who are passionate about working for a company that cares as much as they do.
**Myth #2: Gen Ys Don’t Think About Having a Meaningful Life**

The APA study also notes a generational decrease in “developing a meaningful philosophy of life” (Baby Boomers, 73%; Gen X, 47%; Millennials, 45%). When MTV flipped the question on its head to ask, “[How important is] developing something meaningful with my life,” Millennial agreement spiked to 86%!

**Fact #2: Social Networks Are Powerful**

Not only will Millennials punish companies that aren’t socially and environmentally aware by refusing employment opportunities, but they’re also happy to spread the word to their communities.

Do your part. When your company commits to a cause, ensure it’s a proper fit (for example, the outdoor company Patagonia supports the environment), and make sure to publicize your efforts widely. This generation wants to hear and share when you’re doing good!

**Myth #3: Millennials Are Greedy**

Millennials are frequently cited as avaricious. When the APA study asked the life-goals question, “How important is it to you to be ‘very well-off financially,’ ” 74% of Millennials said yes versus 45% of Baby Boomers. How greedy!

To the contrary, Net Impact found that most workers would take a 15% pay cut if it meant doing purposeful work. An even larger proportion of Millennials care about working in jobs deemed impactful, as well as for companies committed to CSR and within organizations with shared values. Fully 80% of this generation wants to work for a company that takes care of how it affects society.

**Fact #3: Communication Is Key**

When seeking out Millennials, look no further than your corporate social responsibility portfolio.

Explain how every part of your company relates to social good. What about employees’ jobs contributes to making a difference? If Millennials already view your brand as responsible, you’ll have a much easier time recruiting top talent.
A healthy dose of competition never hurt anyone. Here’s a company that used communication and cause in a way that resonated with all generations.

Aveda’s desire to engage employees arose through a cause that hit the core of the company’s mission. By creating a crowdfunded microsite on CrowdRise’s platform, Aveda gave employees the opportunity to raise money for local water projects. Aveda Earth Month 2013 empowered employees, reinforced the company’s commitment to cause, and enabled social spread.

Here’s how Aveda did it:

- Identified a cause core to Aveda’s mission: clean water
- Provided employees the opportunity to participate via teaming up in salons
- Injected a dose of competition: Salons competed to see which could raise the most money for their local water project
- Kept projects local, which engaged employees on a personal level
- Created a closed-loop process that showcased the impact of crowdfunded initiatives

Here’s how your company can use this idea:

- Home in on what’s important. Pinpoint the type of campaign on which your company would like to embark.
- Make it personal. Give employees opportunities to interact with the cause in ways that speak to them. Let them fundraise for a cause of their choice.
- Show results. Use graphics or intranet communications to reward employee participants and demonstrate key milestones.
Employee Engagement

On the whole, Millennials are ambitious, tech-savvy, team-oriented, and creative. Look no further than Mashable founder and CEO Pete Cashmore (or Facebook’s Mark Zuckerberg, or Girls creator Lena Dunham, or … ), who started the company at age 19.

To recruit, foster, and retain Gen Y employees, keep these three lessons in mind: 1) acknowledge and appreciate their work; 2) ensure that your company’s values are intact and deeply embedded within overall operations; and 3) provide myriad opportunities for all employees to give back.

Three key features that will help retain your Millennial workforce:

1. Engaging Workplace

Ted Coiné, a business and social media thought leader, believes that “culture trumps strategy.” While that statement is certainly arguable, corporate culture matters. A lot.

A company’s values and principles are of paramount importance to Millennials. They need to feel like they’re a part of a team and be continually recognized for a job well done.

This generation isn’t just about praise, though; constructive criticism is also welcome. The key is this: Clearly communicate when the company makes a decision. If Millennials feel consistently appreciated, engaged, and heard, they feel valued and become happier, more productive, and stimulated.

What to Do:

- Annually survey staff on the company’s culture and values. Ask your team how they’d like to be engaged.
- Communicate survey results to your employees as well as your intended plans for what you’ll do with their feedback.
- Identify engagement drivers and opportunities to improve engagement.

Engaged Millennials will enhance your bottom line. A study found that companies with high employee engagement programs and activities see a 16% increase in profitability over those that don’t.

Revenue Growth Over 3 Years

companies with lowest engagement

companies with highest engagement

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2. Purposeful Work

Net Impact recently surveyed Millennial, Gen X, and Baby Boomer employees. They found that employees of all generations who felt they held “impact” jobs were more satisfied at work. In fact, they were two times more satisfied!

What to Do:

• Embed cause into your company’s DNA by demonstrating how employees’ work relates to the company’s overall CSR mission.

• Give employees the flexibility to give back in the way they’d like, whether through volunteering during work or through donation campaigns.

3. Giving Back

All employees benefit from giving back.

Waggener Edstrom and Georgetown University’s Center for Social Impact Communication commissioned a study on active cause supporters and active social media participants.

When asked, “Which of the following do you feel is the most important resource you can give to charity or cause?” respondents split their primary focus between

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Credit: Realized Worth

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Sue Tsokris, PepsiCo’s vice president of global citizenship and sustainability, recently said the company believes it’s a myth that making a difference is in conflict with doing business. They continually ask the question, “How can we make our purpose real and personal?” The answer: By making sure the company’s cause affects everyone in the company, not just upper management.

The Nonnegotiables: What Is Most Important to Millennials?

- Flexibility: 15%
- Corporate citizen: 30%
- Corporate culture: 26%
- Good salary: 29%

Credit: Realized Worth

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The tools the company provides the team cover far more than the basics and provide their employees with endless opportunities to expand their personal development and therefore their career.”

—A Millennial employee

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volunteering (“my time,” 37%) and donations (“my money,” 36%). Millennials are community oriented, which means they like team building in many forms, such as skills-based volunteering and pro bono work. Millennials develop a sense of pride and loyalty and gain critical-thinking skills when participating in these activities.

Volunteering can be a simple—and cost-effective—act that pays high returns. For example, as a result of their volunteering experience, 66% of employees experienced an increase in brand loyalty.59

Following a volunteering experience, companies such as Hewlett-Packard (HP) reward employees with charity. HP give employees who volunteer more than 10 hours per quarter a prepaid donation in the form of a charity gift card. Why? “The reward fits the deed,” says Valerie Lane, site program manager of HP’s Enterprise Group.

Studies have shown that employees are more motivated by a bonus they can spend on someone else versus one they can spend on themselves.20 According to Ceridian’s Pulse of Talent report, 74% of Millennials prefer nonmonetary performance awards.21

What to Do:

- Organize one-off and recurring volunteering projects. Give employees half or full days to participate in hands-on projects at the charity of their choice. Require participating employees to answer a few questions about their involvement and post them on your company’s intranet or corporate blog.

- Reward all-star employees with charity. Your workforce will feel more incentive to do top-notch work, and they'll feel good about paying it forward.

The Charity Rewards Process

| COMPANY BUYS | GIVES TO EMPLOYEE | EMPLOYEE CHOOSES CHARITY | EMPLOYEE AND COMPANY FEEL GOOD | REPEAT |

Several times throughout the year, the company reaches out to employees to help with charitable causes through donations. The company often matches employee donations. Everyone here has a voice.”

—A Millennial employee

“Millennials increasingly tend toward employment opportunities that maximize social as well as economic value. As a result, companies with the highest-impact pro bono engagement programs can often take their pick of the generation’s top talent.”

—Emmett Mehan, Taproot Foundation
Whining Millennials and What You Can Do About It

If you work in human resources, you may already know that many Millennials are dissatisfied in, unhappy with, or underwhelmed by their jobs. What you may not know is where this stems from (spoiler: It’s not an early overload on TV show *Dawson’s Creek*) and, more important, how you can turn your unmotivated Millennial employees into champions for your company (and your cause).

While everyone may have their share of boring day-to-day work, menial tasks, and tedious reporting, most Millennials have the following aspirations:

1. Have careers, not jobs
2. Search for constant stimulation
3. Desire to derive meaning from their work

Killer facts for your back pocket:

- Millennials gain satisfaction from engagement and purposeful work.
- Engagement and purposeful work make employees two times more satisfied in their jobs.
- High satisfaction numbers increase retention.
- Companies that have employee engagement programs see 16% more profitability than those that don’t.
- Volunteering gives Millennials a sense of community and increases team-building skills.
- Employees value a bonus they can spend on someone else more than a bonus they can spend on themselves.

—A Millennial employee

Every year, 60% of Millennials donate an average of $481 across 3.3 charities.

—Blackbaud

The lack of career advancement opportunities keeps me from wanting a long-term future with this organization.”
The Unfortunate Reality: Careers

While Millennials recognize that it has become increasingly important to get a job—any job—that will pay the bills and get them out of their families’ homes, expectations can fall flat upon landing that gig.

Why? Is the oft-mentioned Millennial trait of entitlement at play here? Do they think they’re better than any old job that falls upon them? No, it’s room for growth.

The first few months of a job are always exciting. Meeting new people, learning the ropes, getting acclimated with the team—it’s like a new car, all shiny and nice smelling. However, 6 months to a year later, Millennials do a little calculation. It looks something like this:

\[
\text{Skillset-Building Opportunities} + \text{Career Builders: Upward or Lateral Movement} = \text{Room for Growth}
\]

If the room for growth equals a low value, chances are your Millennials have their eyes peeled for their next job. Gone are the days of slogging through, working at one place for 10 years without question. Millennials want to work hard, be challenged, and have the ability to grow. Anything short of this goal and they’re happy to job-hop until they find the right fit.

What You Can Do: Help Make a Career Out of a Job

Give Millennials examples of room for growth and provide them with opportunities to hone and expand their skillsets. Understand that giving Millennials agency will yield your company high returns in the form of retention, brand advocates, and motivation.

I am proud of the work that I’m doing and the experience that I am gaining, but work-life balance, recognition, and rewards are important to me, too.”

—A Millennial employee
The Unfortunate Reality: Engagement

When Millennials land a job, they frequently experience a lack of motivation. Why? Is it because they’re lazy, text-obsessed youngsters?

No, it’s that if Gen Y isn’t engaged in their daily work, within their department, and/or with their employer at large, they don’t feel appreciated or acknowledged.

Think about it. Through their tech savvy, Millennials are able to engage with people all over the world on any topic one can imagine. They feel connected to a global community. If they go to work and feel no connection with real people in an office environment, they’re unhappy.

What You Can Do: Engage with Feedback

Whether they’re receiving accolades or constructive criticism, Millennials are seeking to do better at their jobs—so help them help you. Engagement is a key factor in turning an apathetic Millennial employee into an active, excited one. Bonus: An increased level of happiness for everyone involved.

The Unfortunate Reality: Cause

Here’s where the rubber meets the road. If Millennials have a career that provides them with an image of the places they can go and makes them feel engaged in their day-to-day work, then the secret sauce to their happiness lies in connecting their work to cause. Why? Are they all eco-warriors?

Not necessarily, but Millennials do want to make a difference through their work. In fact, 80% of them want to work for a company that takes care of how it affects society.23

What You Can Do: Connect Their Work to a Cause

Explain how their job relates to your larger corporate social responsibility goals. Give them opportunities to connect to their own cause through peer-to-peer fundraising, volunteering, or matching grants. Extra credit if your company is already perceived as responsible—Millennials will be much more likely to join your team.
Winning with Millennials

What Do You Want from Your Millennial Employees?

While you wrestle with that question, check out how some Millennial attributes can directly relate to your company’s cause portfolio, allowing your brand to capitalize on their passion and get them engaged.

Cause Affinity = Loyalty to Responsible Brands

When fashion designer Tory Burch’s company interviewed potential employees, they realized a funny thing: Interviewees were drawn to the company’s cause work.

“Our philanthropic work is attracting amazing talent. When we interview people, one of the first things they bring up is the [Tory Burch] Foundation. They bring it up. We don’t. And that’s really exciting.”

—Tory Burch

The reputation of your brand is of utmost importance. A study on Millennials and the workplace found that when a company’s reputation suffers, so does employee morale. In fact, it found that “employer reputation is the most frequent engagement threat.” A reputable brand, however, gives employees bragging rights and increases loyalty. If you want employees to be your ardent supporters, keep up the good work.

Tech Savvy = Brand Co-Creation

Your brand’s involvement in the digital sphere is important, and your “Facebook Generation” employees can help you navigate the ins and outs of social media.

When Millennials feel passionately about their work, their company, and their brand, they want to share that sentiment with their social circles. Whether or not you allow your employees to access social sharing sites during the workday is not the point. With a few guidelines, enabling all employees (especially Millennials) to use digital devices and social-sharing sites lends leadership credibility and can enhance the trust between employees and employer, thus increasing overall retention.

By engaging online with your employees, you allow space for them to feel proud of the work they do, and you equip them with the authority to share it with the world!
Want to make Millennial employees proud to work for you? Here are three ways to get started:

- **Give them work that matters.**
  Show how their day-to-day work relates to overarching corporate social responsibility ideals. Illustrate how you need them to make your cause goals a reality.

- **Be responsible.**
  Explain how company values tie in with your cause, and encourage employees to discover their own causes. Showcase your responsible commitments, and be sure to share key accomplishments in bite-sized pieces.

- **Offer a whole host of cause options.**
  Everyone has their own cause—give employees the tools to support their passions through matching grants, giving campaigns, donation contests, and volunteering opportunities. Employees value a bonus they can spend on someone else more than a bonus they can spend on themselves.

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**A Thought for the Road**

If you remember one thing, remember this:

*Through Millennial social networks and employment decisions, this generation can make or break your brand.* They are supportive of and engaged with companies that care about more than a high profit margin.

When your company incorporates cause throughout its DNA, you increase your chances of gaining loyal brand advocates and committed employees.
How Network for Good Can Help

Rewards and Loyalty:
While receiving a mug with the company's logo affixed to the side might seem like a good idea, the gift is more about the company than the employee. By providing employees with a more meaningful gift, your company can show genuine appreciation for a job well done.

Use charity rewards as a thank you token for stellar volunteers, employees of the month, end-of-year staff gifts, or a job well done.

Network for Good’s Good Card® gives employees the experience of making a donation to a cause they care deeply about on behalf of the company. Companies purchase the charity cards, employees feel good about paying it forward, and causes receive earmarked funds. It's a win for everyone.

www.networkforgood.org/customgoodcard

Crowdsourced Employee Giving:
Democracy rules. Democratic cause marketing campaigns show your employees that your company cares about their favorite causes.

Provide your company with a platform to raise money for the cause of their choice. We'll work with you to provide a solution that’s suited to your needs and fits within your company’s social good mission.

www.networkforgood.org/employeegiving

Disaster Relief Giving:
Growing up in times of disasters—coming of age during 9/11, witnessing natural disasters such as Hurricane Katrina—has shaped this generation to respond to tragic events in real time.

Empower your employees and consumers by providing ways for them to help. Set up a disaster relief giving page that features charities responding on the ground.

www.networkforgood.org/disaster

Donation Processing:
Whether you’re looking to start a cause marketing campaign or provide matching grants for employees, we can help you process and distribute donations to any of more than 1.4 million charities.

www.networkforgood.org/donationprocessing
About Network for Good

Network for Good is a social enterprise that empowers corporate partners and nonprofits to unleash generosity and advance good causes. Network for Good works with companies to help refine a cause strategy perfectly suited to business and philanthropic goals and implement effective cause initiatives powered by our proven donation platform. We also help nonprofits raise funds for their missions through simple, affordable, and effective online fundraising services and offer free training through our online learning center, interactive online community, and Nonprofit911 webinar series.

Network for Good has processed nearly $1 billion in donations for more than 80,000 nonprofits since our 2001 founding by AOL, Cisco, and Yahoo!.

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About Quantum Workplace

Quantum Workplace delivers smart tools for achieving and recognizing workplace awesomeness. When work is awesome, employees are engaged, clients are loyal, and business is good. Quantum Workplace serves more than 5,000 organizations annually through employee engagement surveys, action-planning tools, leadership assessment, and its employer of choice recognition program, Best Places to Work. Founded in 2002, Quantum Workplace makes complex data understandable, so it’s easy for organizations to take action.

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1. All comments from “a Millennial employee” are from Quantum Workplace’s 2013 Best Places to Work surveys.


