

A study of millennials' preferred work-related attributes and retention

Work-related
attributes

Raymond Pasko, Rosemary Maellaro and Michael Stodnick
Management, University of Dallas, Irving, Texas, USA

Received 18 May 2020
Revised 31 October 2020
18 November 2020
Accepted 18 November 2020

Abstract

Purpose – The purpose of this study is to examine the differences in preferred work-related attributes across generational cohorts. Specific focus is given to investigating whether millennials have different preferences than previous generations.

Design/methodology/approach – This study uses cross-sectional survey data of 300 employees of a large firm in the southwest USA. Conjoint analysis is used to collect employee responses that are then subjected to analysis of variance (ANOVA).

Findings – The results of this study demonstrate that employees from different generations have significantly different preferences on four work-related attributes: job security, potential for advancement, work/life balance and company leadership.

Research limitations/implications – This study extends the generational cohort theory by employing psychological contract theory to discover and explain significant differences in preferences for varying work-related attributes for different generations. Like much cross-sectional research, these findings have to be validated and generalized.

Practical implications – Firms can use the results of this study to help understand how different generations value different work-related attributes, thus helping improve employee satisfaction and retention.

Originality/value – The originality of this research lies in its very unique approach, conjoint analysis, to be one of the first studies to test empirically the preferences for work-related attributes across generational cohorts. It lays the foundation for future research to expand upon while also giving practicing managers a useful tool to understand the needs of their employees.

Keywords Millennials, Generational cohort theory, Psychological contract theory, Work-related attributes, Employee retention

Paper type Research paper

1. Introduction

The generational composition of the American workforce is rapidly changing. Many traditionalists (born between 1900 and 1945) have already exited the workforce, and large numbers of baby boomers (born between 1946 and 1965) are in the process of leaving. This change is creating an employee shortage in the USA that is expected to continue for at least the next 15 years (Hartman, 2016). To close this gap, employers must look to subsequent generations. While workers from Generation X (those born between 1965 and 1979) would be the logical source of replacement employees, the number of millennials (people born between 1980 and 1996) has surpassed Generation X to become the largest generational segment available in the American workforce (Fry, 2015) and is, therefore, more likely to fill this employee gap. The subsequent generation of post-millennials provides little help as it has not yet fully entered the workforce. The situation becomes even more urgent because millennials change jobs more frequently than previous generations (Lyons *et al.*, 2012). Therefore, the ability to retain millennials in the organization has presented a critical need for employers today.

The millennial generation has been described as radically different than previous generations entering the workforce (García *et al.*, 2019; Solnet and Hood, 2008). According to Brack (2012), millennials are unlike preceding generations in the way they view the world and define professional success. They define success according to the quality and level of their



experiences, the connectivity of their relationships and the organization for which they work, all with the goal of having a job they love (Landrum, 2016). In addition, millennials desire and expect a communal approach to management, which requires that organizations develop new ways to engage millennials. Organizations need to better understand millennials' preferences to help them retain this large and expanding segment of the workforce; otherwise, they risk losing billions of dollars to unwanted turnover (Erickson, 2016). Toward that end, this study focuses on determining which work-related attributes are more likely to result in the retention of millennials. This research aims to synthesize previous research about attracting and retaining millennials and employs a unique methodology, conjoint analysis, to be the first to look holistically at millennials' preferences for work-related attributes and to contrast them with previous generations. This methodology adds uniqueness and value to extant literature because it allows for respondents to select from bundles of work attributes simultaneously just as they would in real-world work environments rather than focusing on attributes one at a time in silos as is often done in research.

The rest of this study is organized as follows: the next section provides a literature review of the theories used and states the hypotheses. This is followed by a description of the sample and methodology; a description of the statistical results and findings follows that. The study ends with a discussion and ideas for future research.

2. Theory and hypotheses

Three theoretical lenses guide this study and, therefore, are the focus of this literature review: generational cohort theory, psychological contract theory and intention to stay theory. Figure 1 illustrates the most salient areas that each of these three theories applies in the study's overall structured framework.

2.1 Generational cohort theory

The task of trying to understand, motivate and design human resource (HR) policies to address the preferences of individual employees is daunting, if not impossible, for employers. Large organizations can employ tens of thousands of workers; with the growing diversity of their workforce, companies must constantly adjust benefits (White, 2009) in an attempt to address their employees' preferences. However, satisfying every one of them individually is not feasible or practical. Therefore, the idea of grouping them together based on some

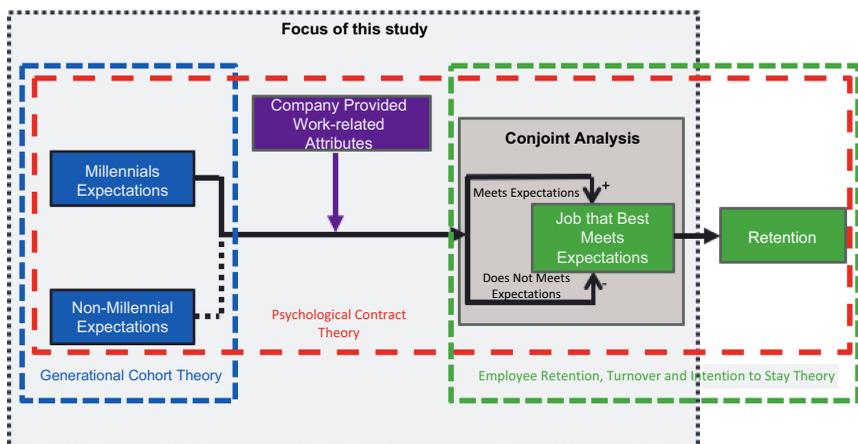


Figure 1.
Theoretical framework

common attributes, needs or expectations is appealing. Previous studies have demonstrated that various traits, such as loyalty to organizations, work values, work motivators and the type of desired relationship with a boss, diverge across the generations, and for this reason, the generational cohort theory is often used to explain these differences (D'Amato and Herzfeldt, 2008; Naim and Lenka, 2018). A generational cohort is a group of individuals similar in age who have experienced the same historical events within the same period. According to the generational cohort theory, important events and social changes in society affect the values, attitudes, beliefs and preferences of individuals (Ryder, 1965; Sessa *et al.*, 2007). Therefore, individuals born during a particular time, who belong to the same cohort, will often share specific tendencies and cognitive styles.

Within the generational literature, the precise demarcation of each generation varies depending on the author, but usually these variations are only a few years. This study will focus on three generations: baby boomers, Generation X and millennials. These three generations comprise over 97% of the US labor force. The 44.6 million working members of the baby boomer cohort – people born between 1946 and 1964 – account for 29% of US workers. The 52.7 million employees born between 1965 and 1979 belong to Generation X and comprise 34% of the US workforce. Finally, employees born between 1980 and 2000 are considered millennials. There are 53.5 million working millennials, and they account for 34% of all US workers (Fry, 2015).

2.2 Psychological contract theory

Psychological contracts are an important consideration in the employee–employer relationship and have been described as individual beliefs in a reciprocal obligation between the individual and the organization (Rousseau, 1989). From the employee perspective, a psychological contract describes what the employee expects to receive from the employer in return for their work output. Psychological contracts are made up of transactional obligations and relational obligations, both of which are important to employees (Estreder *et al.*, 2020; Obushenkova *et al.*, 2018). The transactional expectations that employees typically hold are for adequate compensation, safe working conditions and a guarantee of short-term employment in exchange for proper fulfillment of their work responsibilities (Rousseau, 1995). The relational expectations involve training, development, fair treatment and long-term job security, again in exchange for the employee satisfactorily fulfilling their job duties. The psychological contract that an employee forms with supervisors has a direct impact on the commitment they feel toward the organization.

2.3 Intention to stay and employee turnover

Intention to stay, employee turnover and retention continue to be important concepts for US companies and now command global attention as well. Employee turnover occurs when employees leave their jobs and must be replaced (Goud, 2014), which results in costs to the employer from lost productivity, job advertising costs, training new employees, etc. Proactively monitoring potential turnover is an important activity for organizations, and increasing employees' intention to stay is one of the many quantitative ways to positively impact an organization's bottom line. With respect to the cost associated with turnover, both Gilbert (2011) and Erickson (2016) estimate it to be as high as 150% of the lost employee's annual salary.

Understanding turnover and retention of millennials is particularly important for firms because millennials are significantly different from previous generations in regard to these concepts. An employee leaving a company is not unusual nor unexpected; during their 20–30-year working career, workers will typically change jobs several times. For example, baby boomers change jobs approximately twice during the first ten years of employment out of

college. Millennials, on the other hand, change jobs four times in their first decade out of college (Long, 2016). Therefore, to meet their HR needs, companies must determine how to retain their millennial employees longer.

2.4 Work-related attributes

The literature streams of the theories mentioned above are filled with studies that examine in one way or another important work-related attributes for employees. Indeed, these research studies mention more than 30 different work-related attributes. A comprehensive process that included selecting the most powerful and/or important attributes from previous studies and then subjecting them to a pilot test yielded a more manageable set of attributes. The following six work-related attributes were thus identified for this study:

- (1) Advancement – One job expectation of millennials that is frequently mentioned in the literature is the opportunity for career advancement (Bell and Griffin, 2013; Suleman and Nelson, 2011). Millennials desire and expect to be promoted quickly within their organizations (Erickson, 2009; Ng *et al.*, 2010). Pooley (2006) reiterated this assertion, suggesting that millennials are so impatient for advancement that they are not willing to wait more than two years to get promoted. If this desire for fast advancement is not fulfilled, it could lead to dissatisfaction and an increased intention to leave the organization.
- (2) Company leadership – According to their study on millennials, Gallup (2016) found that 58% of millennials said that the quality of a company's management/leadership is extremely important to them, and that they wanted to work for a company where they can be proud of their company's leaders. Millennials want to be able to trust company leadership and have confidence in the direction in which it is steering the company. This dimension of quality of leadership is tied closely to the overall reputation of the company. Millennials also expect access to senior leadership (Hershatler and Epstein, 2010).
- (3) Role clarity – Role clarity (as well as role ambiguity, which is the lack of role clarity) has been one of the most well-studied aspects of job design. The concept of role clarity has been discussed under various labels by many organizational theorists (Hickson, 1966). It is defined as the degree to which employees have a clear understanding of their tasks, responsibilities and processes. Role clarity is important to millennials because they want to succeed and advance and, in their minds, the only way to do this is to know what is expected of them and to exceed it.
- (4) Work/life balance – Work/life balance is extremely important to millennials. Rainer and Rainer (2011) found that having good work/life balance was the number one factor in job selection for them, perhaps due to the fact that they saw their parents working long hours, prioritizing work over family and being extremely loyal to their employers, yet still getting laid off during workforce reductions (Ng *et al.*, 2010). The millennial generation values spending time with their family and friends and having leisure time to enjoy interests outside of their job (Bell and Griffin, 2013; Twenge *et al.*, 2010).
- (5) Job Security – Millennials want stable jobs and paychecks; Gallup (2016) found that over half of the millennials (53%) identified job security as very important to them. Similarly, Guillot-Soulez and Soulez (2014) confirmed in their study that millennials graduating college and entering the workforce, on the whole, had a strong preference for job security. According to Hershatler and Epstein (2010), millennials value job security highly and believe employers should provide it, even though millennials

enter the workforce wary that employers might not provide it. Millennials often view job security as feeling confident that they will be able to keep their positions during tough economic times, rather than retiring with a company-paid pension after 25 years (Kowske *et al.*, 2010). Still other studies found millennials more in need of job security than previous generations (Smola and Sutton, 2002; Twenge *et al.*, 2010).

- (6) Having a say – Millennials expect to have more involvement in decision-making, a flat hierarchy, a lack of formality regarding status and structure and access to senior leadership (Hershatler and Epstein, 2010). Unlike their older colleagues, who may have been expected to hold their tongues and do what was asked of them, millennials not only want to be heard, but they expect that their ideas will be taken seriously (Hartman and McCambridge, 2011). They also expect open communication from their supervisors and managers, even about matters normally reserved for more senior employees (Martin, 2005).

Millennials have a higher likelihood of changing jobs, making it vital for organizations to understand them and provide the work-related attributes that millennials expect. By offering these attributes, companies can increase the probability of keeping millennials and keeping them longer. On the flip side, millennials' enthusiasm to look for better opportunities means organizations that understand what is important to millennials can be more successful in attracting them (Gallup, 2016). As the shortage of talent increases, millennials will continue to be a key to filling this gap for workers in the US companies that know what millennials are seeking at work and in their careers will have a competitive advantage in acquiring them.

The main goal of this study was to determine whether the value that millennials place on the six work-related attributes noted above differs from previous generations. To date, most of the work in this area has either been theoretical in focus or singular in approach. This study aimed to look at all six of these attributes simultaneously. With this in mind, the null (H_0) and alternative (H_a) hypotheses are proposed.

H₀. There is no significant difference in the value millennials place on work-related attributes compared to the value that workers from other generations place on these attributes.

H_a. Millennials place significantly different values on work-related attributes than workers from other generations.

3. Sample and methodology

3.1 Data collection and sample description

The sample for this research was comprised of employees from one division of a 20,000-employee health-care company operating in the medical device field, located in the Southwest USA of the division's 510 people invited to participate in the survey, 300 completed the entire survey, resulting in a participation rate of 59.0%. Out of the total 300 respondents, 58 (19%) were from the baby boomer generation, 149 (50%) from Generation X and 93 (31%) were millennials. Other demographic information of the sample includes: 46.4% of the respondents were female and 53.6% were male; 21% held a position of supervisor and above, while 79% held non-supervisory positions; and 75% had a bachelor's degree and 24% had a graduate degree.

Data were collected via a conjoint analysis survey executed using Sawtooth Software's Lighthouse Studio package. The communication and permission to participate in the survey were emailed to the members of the participating organization from the organization's general manager. Subsequently, the researchers followed up twice during the four-week data collection period to remind participants to complete the survey, as well as to reiterate the procedures being used, to ensure their anonymity and the confidentiality of their individual responses.

3.2 Methodology – conjoint analysis and hypotheses testing

Conjoint analysis was used to determine the relative importance of the six work-related attributes examined. Conjoint analysis is a popular marketing research method primarily used to analyze the trade-offs a consumer is willing to make when deciding among multi-attributed products or services (Green *et al.*, 2001; Green and Srinivasan, 1978). It presents combinations of attributes that respondents are asked to evaluate according to their preference. From these evaluations, the relative importance of each attribute can be determined based on posterior probabilities (Gilbride *et al.*, 2008).

The generally accepted protocol for designing conjoint analysis research projects consists of these steps: (1) select attributes, (2) determine attribute levels and (3) determine attribute combinations to create profile options (Hair *et al.*, 1998; North and De Vos, 2010). For this study, the Sawtooth Software Lighthouse Studio program was used to collect participants' data and analyze the results. As discussed earlier, the six attributes used in this study were based on a review of the literature and pilot testing. Determining attribute levels requires the researcher to associate specific meaningful, informative and realistic quantities or qualities with each attribute in the study. When possible, quantitative attribute levels were utilized in this study; for example, for work/life balance, the three levels were 40 to 45 h work week, 46 to 50 h work week and a work week greater than 50 h. For other non-numeric-based attributes, like having a say, qualitative levels were used, i.e. having a high level of say, an average level of say and having no say.

One of the most important decisions in designing a conjoint analysis survey is the selection of profiles or concepts – i.e. the combination of attributes and levels for the respondent to evaluate (Hair *et al.*, 1998). Because this study examined a relatively small number of attributes, it was possible to present full profiles of all six attributes, which is the preferred method, in that it yields more complete response data. Following Orme's (2014) recommendation, each task consisted of three profiles. The application of Orme's (2014) suggested approach for calculating the minimum number of tasks to be presented to each respondent determined that a minimum of 7.5 tasks was needed. To increase the power of the test, 12 random tasks for each respondent were entered into the Sawtooth software program that would create the survey. In addition to the 12 random tasks, each respondent was given two fixed tasks, known as hold-out samples, to check the validity of the design (Orme, 2014). The responses to these hold-out tasks are not included in estimating the part-worth utilities and importance ratings of respondents' choices; they are excluded from the calculations. For an example of a choice task complete with attribute levels and choices, see Figure 2.

In using the hierarchical Bayes (HB) method to estimate the part-worth utilities of the data, disaggregated (individual) data were obtained, which were then aggregated for the entire sample. Based on the concept of posterior probability, and using the actual choice data obtained from the respondents, the HB method of estimation captured the unique preferences of individual respondents, as well as segmented groups of respondents, without having to present all 729 (six attributes, three level possibilities = 3^6) possible combinations to each respondent. The relative importance of attributes was analyzed to determine how much impact each attribute had on the total utility, or desirability, of the hypothetical work-related attributes. To determine whether there were statistical differences between the generations, the importance ratings for each attribute were subjected to ANOVA testing.

4. Results and findings

Using the hold-out sample method described in the methodology section, the part-worth utilities calculated for each individual respondent predicted which job option the respondent would select; this was then compared to the actual job option selected. The determination of the quality or validity of the model is through this hold-out validation, calculated by

Work-related attributes

If you had a choice between jobs with the following sets of attributes, which one would have the most influence on you continuing to work at your current employer?

Choose by clicking the radio button under the most desirable option.

(1 of 14)

Attribute	Option 1	Option 2	Option 3
Career advancement	Advancement within 2 years	Advancement in 4+ years	Advancement in 2 - 4 years
Company leadership	Moderately skilled & effective	Extremely skilled & effective	Moderately skilled & effective
Role clarity	Completely clear	Frequently unclear	Somewhat clear
Work/Life Balance	Work 46-50 hours/week	Work 50+ hours/week	Work 40-45 hours/week
Job security	Position is not secure	Position is secure	Position is secure
Having a say	Average level of input	High level of input	Little to no input
	<input type="radio"/> Select	<input type="radio"/> Select	<input type="radio"/> Select

◀ ▶

0% 100%

Figure 2.
Example of choice task

measuring the “hit rate” of the model’s predictive ability. According to [Orme et al. \(1997\)](#), hit rates for alternatives usually range from 55 to 75%. In this research, the hit rate for the two hold-out tasks were 75.7 and 84.4%, respectively, which exceeded the hit rate range normally seen in hold-out choice tasks involving three or four products ([Orme et al., 1997](#)). This validated the choices of attribute levels, tasks and methodological parameters used in the study.

Sawtooth Software’s choice-based conjoint (CBC) approach provided a systematic way to calculate the average importance that respondents placed on an attribute when making their selection among work-related attribute combinations. Importance can also be interpreted as a weight assigned to each attribute, and in this study, it shows the extent to which employees were willing to tradeoff one work-related attribute for another. Importance ratings are calculated by subtracting the lowest utility value from the highest utility value within each attribute and then calculating the percentage weight across attributes; the importance ratings for all attributes add to 100%. Because these data are ratio-scaled, an attribute with 20% importance can be considered twice as important in the choice process as an attribute with 10% importance ([Orme, 2014](#)). The attribute average importance ratings across all generations along with their standard deviation are displayed in [Table 1](#). An ordinal ranking of the work attributes for each generation is given in [Table 2](#).

Looking at [Table 1](#), the work-related attribute that had the highest average importance was job security, with an average importance score of 28.85, followed by having a say at 21.79. [Table 2](#) shows that these attributes were #1 and #2 in an ordinal ranking for each of the three generations. The remainder of the work-related attributes and their average importance

ER

scores are work/life balance (15.06), role clarity (12.07), senior leadership (11.13) and advancement (11.10).

Statistical analysis methods can be used to determine if the difference in average importance for an attribute is statistically significant relative to the average attribute score for another group. In this study, the researchers used ANOVA tests to compare scores between the three generational groups. For any attribute that was found to be statistically significant, a Tukey test determined which groups differed from the others. The results of the ANOVA tests confirm that there are statistical differences in four work-related attributes – advancement ($p = 0.0000$), company leadership ($p = 0.0001$), work/life balance ($p = 0.0025$) and job security ($p = 0.0179$). The importance ratings on two attributes, role clarity ($p = 0.2100$) and having a say (0.9442), are not significantly different across generations. The average utilities and the resulting p -values from the ANOVA test are shown in [Table 3](#).

A Tukey test was performed on the four attributes that were found to have significant differences to determine which group differed from the other group(s). The results are summarized in [Table 4](#). This table shows the mean difference on importance ratings between two groups as well as the significance level of that difference. There are essentially three

Table 1.
Average importance scores across all generations

Attribute	Average importance	Standard deviation
Job security	28.85	14.21
Having a say	21.79	10.70
Work/life balance	15.06	11.40
Role clarity	12.07	5.48
Company leadership	11.13	6.37
Advancement	11.10	8.19

Table 2.
Ordinal ranking of work-related attributes by generation

	Millennials	Generation X	Baby boomers
#1 Importance	Job security	Job security	Job security
#2 Importance	Having a say	Having a say	Having a say
#3 Importance	Advancement	Work/life balance	Company leadership
#4 Importance	Work/life balance	Role clarity	Role clarity
#5 Importance	Role clarity	Company leadership	Advancement
#6 Importance	Company leadership	Advancement	Work/life balance

Table 3.
ANOVA results

	Millennials		Generation X		Baby boomers		F -value	p -value
	Mean	Standard error	Mean	Standard error	Mean	Standard error		
Job security	25.16	1.31	29.82	1.06	30.29	2.10	4.08	0.0179
Having a say	21.48	1.14	21.63	0.87	22.06	1.20	0.06	0.9442
Advancement	16.49	1.06	8.34	0.45	11.11	0.77	35.43	0.0000
Work/life balance	16.37	1.16	15.58	0.93	10.48	0.99	6.12	0.0025
Role clarity	11.25	0.60	12.51	0.46	12.46	0.68	1.57	0.2100
Company leadership	9.24	0.58	12.13	0.54	13.60	0.92	9.70	0.0001

comparisons for each attribute: millennial scores vs Generation X scores, millennial scores vs baby boomer scores and Generation X scores against baby boomer scores.

The results on the first work-related attribute, job security, seem fairly intuitive. While job security is extremely important across all groups – it is after all the highest rated attribute for each of the three generations – it is most important for Generation X’ers and baby boomers. Millennials are significantly different from Generation X’ers at the 0.0253 *p*-value level and from the baby boomers at the 0.0609 *p*-value level. Generation X’ers and baby boomers are not significantly different from one another. Millennials may place relatively less importance on job security because they feel it will be easier for them to find equivalent jobs if necessary when they leave the company, whether voluntarily or involuntarily.

For the advancement work-related attribute, the study showed significant differences across all three comparisons. Millennials place significantly more importance on the potential for advancement than do both Generation X’ers and baby boomers. This result seems fairly intuitive, as it is likely that millennials are in the most entry-level jobs and have the most potential for upward advancement.

For the company leadership attribute, millennials place less emphasis on this than Generation X’ers and baby boomers. However, there is no significant difference between the importance ratings of Generation X’ers and baby boomers. This result likely stems from the less frequent interactions that millennials have with executive-level leaders than the other two generations do as a result of their position within the organization hierarchy.

Analysis of the work/life balance attribute yielded interesting results. While there is no significant difference between the importance ratings by millennials and Generation X’ers, there is a significant difference between the mean differences of millennials and baby boomers and Generation X’ers and baby boomers, and these differences are quite marked (5.89 and 5.10, respectively). This finding seems to suggest that both millennials and Generation X’ers are more concerned with finding free time than baby boomers. This seems fairly intuitive as both generations have a much longer expected remaining work life.

5. Discussion

As baby boomers retire and leave the workforce, millennials will be counted on to fill the resultant worker gap. To close this gap, company managers must focus on providing millennials with their preferred work-related attributes in an effort to retain them. This key business challenge of retaining millennials was investigated through the lenses of generational cohort, psychological contract and intention to stay theories.

There are many important findings relevant to organizations that can be derived from this study. First, job security was found to be the most highly valued work-related attribute across all generations. It is interesting that when studying work-related motivation factors, job security has consistently been identified as important to employees over the past 40 years, but typically it is not identified as the *most important* attribute (Wiley, 1997). Millennials also highly valued having a say. It was the work-related attribute that had the second highest

	Millennials vs Gen X		Millennials vs BB		Gen X vs BB	
	Mean difference	<i>p</i> -value	Mean difference	<i>p</i> -value	Mean difference	<i>p</i> -value
Job security	-4.65	0.0253	-5.12	0.0609	-0.47	0.9721
Advancement	8.16	0.0000	5.38	0.0000	-2.78	0.0397
Work/life balance	0.79	0.8408	5.89	0.0032	5.10	0.0064
Company leadership	-2.89	0.0020	-4.36	0.0020	-1.47	0.2998

Table 4.
Tukey results

importance score behind job security. This is likely important to millennials as a result of their upbringing wherein family members, teachers, coaches and other adult role models encouraged them to be bold and share their thoughts and opinions (Caraher, 2014).

With regard to career advancement, the findings of this study provide further evidence that millennials place a high value on this work-related attribute and seek recognition through title, praise, promotion and pay. The level that was chosen most frequently in the survey was advancement in less than two years, indicating that millennials preferred jobs where they would advance at a very quick pace. The last of the work-related attributes that were found to be very important to millennials was work/life balance. This desire for greater equity between the time they spend at work and their personal time likely comes from their desire to enjoy activities and experiences as they spend quality time with friends and family.

This study provides several managerial implications, including insights and understanding about millennials and how to manage them. It also contributes to management practice by identifying the impact that company-provided work-related attributes have on millennials, Generation X'ers and baby boomers. These findings provide direction to companies with respect to the work-related attributes that should be incorporated into differentiated retention strategies so that companies can, when feasible, accommodate the preferences of the various generations.

5.1 Implications for practice

Based on the conjoint methodology used in this study, the results indicate which tradeoffs millennials are willing to make when it comes to job-related attributes. Organizations can use this information to tailor the package of job-related attributes they offer to the millennial workforce. The result would be a maximization of the firm's resources by dedicating them to the job attributes that are of value to millennials while minimizing expense wasted on attributes that are less desirable to them. Offering job attributes that are more valuable to millennials will likely increase their satisfaction and ultimately extend their tenure with the organization, resulting in a subsequent cost savings for the organization in terms of lower turnover expenses that include separation pay and benefits, lost productivity, recruitment and training new employees. Further, decreased turnover can positively impact the overall performance of an organization (Hancock *et al.*, 2013; Hausknecht and Trevor, 2011).

A related implication for practice is that millennial job seekers are likely to be motivated by the same work-related attributes that influence their intention to stay with a company. Job seekers will consider companies that they believe can offer the most appealing combination of work-related attributes and will look for such information when searching for a new job. The findings from this study offer information and insights companies can use to craft a recruitment strategy that will allow them to attract and hire a greater number of more qualified millennial employees, which would create an economic competitive advantage, while also reducing recruitment costs for the organization.

Another practice area that can benefit from the findings of this study is leadership development. Companies can add or enhance leadership training programs to emphasize building meaningful relationships with millennials and engaging in more collaborative problem-solving. Relationship-building skills can be improved with emotional intelligence training to result in closer relationships between millennials and their bosses, which is important to this generation. Actively participating in collaborative problem-solving would allow millennials to have a say, which, as this study found, they value highly.

This study makes an overarching contribution to practice, which in turn can make a valuable contribution to society as a whole. As the available workforce continues to shrink and organizations rely on millennials to fill the majority of jobs, it will be critical for employers to attract and retain qualified employees with the combination of work attributes they desire,

not only in an effort to keep their organizations viable, but also to ensure that a healthy economy survives.

Work-related
attributes

5.2 Links to literature

This study offers several findings that also carry implications for management theory. The academic contributions of this study include the discovery of generational differences at work, specifically the understanding that employees from different generations have different expectations from their employers. This study contributes academically to the relevance of generational segmentation with regard to employee retention. A final academic contribution of the study involves the significance of using conjoint analysis to help organizations solve real business problems. This methodology allows for a more realistic modeling of real-world employment choices.

This study sheds further light on the psychological contract theory, which describes what employers and employees expect from their reciprocal relationship (Rousseau, 1989; Turnley and Feldman, 2000). The results specifically clarify what millennials want from their employers in return for effort they expend in doing their job, thus informing employers how to better fulfill their end of the contract. These findings also corroborate what is found in the turnover literature with respect to which work-related attributes millennials are seeking. Several studies indicate that millennials prefer a flat hierarchy, lack of formality regarding status and structure, easy and open access to senior leadership and a desire to have a say, with their ideas taken seriously (Caraher, 2014; Hartman and McCambridge, 2011; Hershatter and Epstein, 2010).

The findings of this study also are aligned with the literature that addresses the work-related attribute of job security. Respondents placed the highest importance on job security, which is consistent with several studies that found millennials to have a strong desire for job security, as well as a greater need for it than previous generations (Gallup, 2016; Guillot-Soulez and Soulez, 2014; Hershatter and Epstein, 2010; Kowske *et al.*, 2010; Smola and Sutton, 2002; Twenge *et al.*, 2010).

6. Limitations and future research

Like all research, this study has its limitations. First, a single company was used to collect data, and this could result in company-specific confounding issues that impact the generalizability of the research. Second, like all conjoint analysis research, the strength of the research results is strongly influenced by attribute choice and levels therein. While this study included exhaustive steps to ensure the best choices were made, it is possible other choices could have been relevant as well.

It is hoped that this study can lay the foundation for future research in the area of retaining millennials. Because limited empirical research has been conducted to study millennials' preferences regarding work-related attributes (Kowske *et al.*, 2010), it would be valuable for others to test whether the attributes found to be significant in this study can be repeated in future studies. Future research can also address workers in different industries and in different countries and regions. Additionally, future research executed using companies with a different gender composition than is found in this study could provide additional insights and context, thus determining whether these findings are generalizable. Another suggestion for future research would be to conduct a longitudinal study to assess whether millennials change their preferences for work-related attributes as they age and gain more experience. With a longitudinal study, workers could be queried as they progress through their career, thereby allowing researchers to further verify whether generations are truly different and have different expectations with regard to work-related attributes, or if these differences are

just a phenomenon of age and life experience. Only longitudinal research with multiple generational cohorts will allow future researchers to know for certain whether the career patterns of different generations vary significantly (Lyons *et al.*, 2012), and only a few longitudinal studies detangle the effects of aging from the effects of generational differences (Pilcher, 1994).

The results of this study provide new insights for employers of millennials in the form of the most desirable *combination* of work-related attributes (rather than simple ratings of individual attributes). The focus, however, was limited to an American workforce. While the respondents to this study may have been diverse, it would be valuable for future researchers to determine whether national culture impacts the desirability of the work-related attributes, by conducting a replication study in organizations in other countries. Future studies may include additional work-related attributes from which respondents can choose, as well as more finely tuned levels of attribute choices.

References

- Bell, S. and Griffin, H.F. (2013), "Recruiting college graduates: results of a survey on upperclassmen's life and workplace priorities", *Conflict Resolution and Negotiation Journal*, Vol. 1, pp. 129-139.
- Brack, J. (2012), "Maximizing millennials in the workplace", *UNC Executive Development*, Vol. 22 No. 1, pp. 2-14.
- Caraher, L. (2014), *Millennials and Management: The Essential Guide to Making it Work at Work*, Bibliomotion, Brookline, MA.
- D'Amato, A. and Herzfeldt, R. (2008), "Learning orientation, organizational commitment and talent retention across generations: a study of European managers", *Journal of Management Psychology*, Vol. 23, pp. 929-953.
- Erickson, T.J. (2009), "Gen Y in the workforce: how I learned to love millennials and stop worrying about what they are doing with their iPhones", *Harvard Business Review*, Vol. 87, pp. 43-49.
- Erickson, R. (2016), "Calculating the true cost of voluntary turnover: the surprising ROI of retention", *Bersin by Deloitte*, available at: <https://login.bersin.com/uploadedFiles/021517-calculating> (accessed 4 January 2019).
- Estreder, Y., Rigotti, T., Tomás, I. and Ramos, J. (2020), "Psychological contract and organizational justice: the role of normative contract", *Employee Relations*, Vol. 42, pp. 17-34.
- Fry, R. (2015), "Millennials surpass Gen Xers as the largest generation in U.S. labor force", available at: <https://www.pewresearch.org/fact-tank/2018/04/11/millennials-largest-generation-us-labor-force/> (accessed 8 April 2016).
- Gallup (2016), *How millennials Want to Work and Live*, Nebraska, Omaha.
- García, G.A., Gonzales-Miranda, D.R., Gallo, O. and Roman-Calderon, J.P. (2019), "Employee involvement and job satisfaction: a tale of the millennial generation", *Employee Relations*, Vol. 41, pp. 374-388.
- Gilbert, J. (2011), "The millennials: a new generation of employees, a new set of engagement policies", *Ivey Business Journal*, Vol. 75 No. 5, pp. 26-28.
- Gilbride, T.J., Lenk, P.J. and Brazell, J.D. (2008), "Market share constraints and the loss function in choice-based conjoint analysis", *Marketing Science*, Vol. 27 No. 6, pp. 995-1011.
- Goud, P.V. (2014), "Employee retention for sustainable development", *International Journal of Innovative Technology and Adaptive Management*, Vol. 1 No. 5, pp. 10-16.
- Green, P.E. and Srinivasan, V. (1978), "Conjoint analysis in consumer research: issues and outlook", *Journal of Consumer Research*, Vol. 5 No. 2, pp. 103-123.
- Green, P.E., Krieger, A.M. and Wind, Y. (2001), "Thirty years of conjoint analysis: reflections and prospects", *Interfaces*, Vol. 31 No. 3, pp. 56-73.

-
- Guillot-Soulez, C. and Soulez, S. (2014), "On the heterogeneity of Generation Y job preferences", *Employee Relations*, Vol. 36 No. 4, pp. 319-332.
- Hair, J.F., Black, W.C., Babin, B., Anderson, R.E. and Tatham, R.L. (1998), *Multivariate Data Analysis*, 7th ed., Pearson Prentice Hall, Upper Saddle River, NJ.
- Hancock, J.I., Allen, D.G., Bosco, F.A., McDaniel, K.R. and Pierce, C.A. (2013), "Meta-analytic review of employee turnover as a predictor of firm performance", *Journal of Management*, Vol. 39, pp. 573-603.
- Hartman, M. (2016), "15 years of labor shortages predicted for the U.S. economy", available at: <https://www.marketplace.org/2016/04/19/world/15-years-labor-shortages-predicted-us-economy/> (accessed 12 January 2017).
- Hartman, J.L. and McCambridge, J. (2011), "Optimizing millennials' communication styles", *Business Communications Quarterly*, Vol. 74 No. 1, pp. 22-44.
- Hausknecht, J.P. and Trevor, C.O. (2011), "Collective turnover at the group, unit, and organizational levels: evidence, issues, and implications", *Journal of Management*, Vol. 37, pp. 352-388.
- Hershatter, A. and Epstein, M. (2010), "Millennials and the world of work: an organization and management perspective", *Journal of Business and Psychology*, Vol. 25 No. 2, pp. 211-223.
- Hickson, D.J. (1966), "A convergence in organization theory", *Administrative Science Quarterly*, Vol. 11 No. 2, pp. 224-237.
- Kowske, B.J., Rasch, R.L. and Wiley, J.W. (2010), "Millennials'(lack of) attitude problem: an empirical examination of generational effects on work attitudes", *Journal of Business and Psychology*, Vol. 25 No. 2, pp. 265-279.
- Landrum, S. (2016), "How millennials are changing the workplace", available at: <https://www.forbes.com/sites/sarahlandrum/2016/12/30/how-millennials-are-changing-how-we-view-success/#6b8ddfdc3b94> (accessed 9 March 2017).
- Long, H. (2016), "The new normal: 4 job changes by the time you're 32", available at: <https://money.cnn.com/2016/04/12/news/economy/millennials-change-jobs-frequently/> (accessed 7 November 2016).
- Lyons, S.T., Schweitzer, L., Ng, E.S.W. and Kuron, L.K.J. (2012), "Comparing apples to apples: a qualitative investigation of career mobility patterns across four generations", *Career Development International*, Vol. 17 No. 4, pp. 333-357.
- Martin, C.A. (2005), "From high maintenance to high productivity: what managers need to know about Generation Y", *Industrial and Commercial Training*, Vol. 37 No. 1, pp. 39-44.
- Naim, M.F. and Lenka, U. (2018), "Development and retention of Generation Y employees: a conceptual framework", *Employee Relations*, Vol. 40 No. 2, pp. 433-455.
- Ng, E.S.W., Schweitzer, L. and Lyons, S.T. (2010), "New generation, great expectations: a field study of the millennial generation", *Journal of Business and Psychology*, Vol. 25 No. 2, pp. 281-292.
- North, E. and De Vos, R. (2010), "The use of conjoint analysis to determine consumer buying preferences: a literature review", *Journal of Consumer Sciences*, Vol. 30 No. 1, pp. 32-39.
- Obushenkova, E., Plester, B. and Haworth, N. (2018), "Manager-employee psychological contracts: enter the smartphone", *Employee Relations*, Vol. 40 No. 3, pp. 193-207.
- Orme, B. (2014), *Software for Web Interviewing and Conjoint Analysis. SSI Web v7.0*, Sawtooth Software, Sequim, WA.
- Orme, B., Alpert, M. and Christensen, E. (1997), "Assessing the validity of conjoint analysis—continued", *Sawtooth Software Conference Proceedings*, pp. 209-226.
- Pilcher, J. (1994), "Mannheim's sociology of generations: an undervalued legacy", *British Journal of Sociology*, Vol. 45 No. 3, pp. 481-495.

-
- Pooley, E. (2006), "Generation Y: how twenty somethings are changing the workplace", available at: <http://www.canadianbusiness.com/business-strategy/generation-y-how-twentysomethings-are-changing-the-workplace/> (accessed 31 December 2016).
- Rainer, T.S. and Rainer, J. (2011), *The Millennials: Connecting to America's Largest Generation*, B&H Publishing Group, Nashville, TN.
- Rousseau, D.M. (1989), "Psychological and implicit contracts in organizations", *Employee Responsibilities and Rights Journal*, Vol. 2 No. 2, pp. 121-139.
- Rousseau, D.M. (1995), *Psychological Contracts in Organizations: Understanding Written and Unwritten Agreements*, Sage Publications, Thousand Oaks, CA.
- Ryder, N.B. (1965), "The cohort as a concept in the study of social change", *American Sociological Review*, Vol. 30 No. 6, pp. 843-861.
- Sessa, V.I., Kabacoff, R.I., Deal, J. and Brown, H. (2007), "Generational differences in leader values and leadership behaviors", *The Psychologist-Manager Journal*, Vol. 10 No. 1, pp. 47-74.
- Smola, K.W. and Sutton, C.D. (2002), "Generational differences: revisiting generational work values for the new millennium", *Journal of Organizational Behavior*, Vol. 23 No. 4, pp. 363-382.
- Solnet, D. and Hood, A. (2008), "Generation Y as hospitality employees: framing a research agenda", *Journal of Hospitality and Tourism Management*, Vol. 15 No. 1, pp. 59-68.
- Suleman, R. and Nelson, B. (2011), "Motivating the millennials: tapping into the potential of the youngest generation", *Leader to Leader*, Vol. 2011 No. 62, pp. 39-44.
- Turnley, W.H. and Feldman, D.C. (2000), "Re-examining the effects of psychological contract violations: unmet expectations and job dissatisfaction as mediators", *Journal of Organizational Behavior*, Vol. 21, pp. 25-42.
- Twenge, J.M., Campbell, S.M., Hoffman, B.J. and Lance, C.E. (2010), "Generational differences in work values: leisure and extrinsic values increasing, social and intrinsic values decreasing", *Journal of Management*, Vol. 36 No. 5, pp. 1117-1142.
- White, G. (2009), "Diversity in workplace causes rise in unique employee benefits and changes in cafeteria plans", *Journal Management and Marketing Research*, Vol. 3, pp. 14-20.
- Wiley, C. (1997), "What motivates employees according to over 40 years of motivation surveys", *International Journal of Manpower*, Vol. 18 No. 3, pp. 263-280.

Further reading

- Deloitte (2017), "The 2016 Deloitte millennial survey: winning over the next generation of leaders", available at: <https://www2.deloitte.com/content/dam/Deloitte/global/Documents/AboutDeloitte/gx-millennial-survey-2016-exec-summary.pdf> (accessed 1 June 2016).

Corresponding author

Raymond Pasko can be contacted at: rpasko@udallas.edu