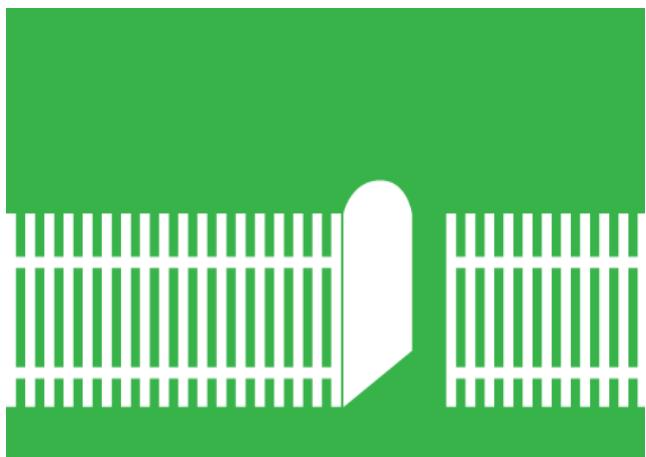




Hey, Kids! Get Into My Workforce!

Millennials, Career Development and the Construction Industry

By Justin Gress and Dan McCarthy, CRIS, North America Construction, XL Catlin



Gen Y. Millennials. Whatever you call them, everyone's talking about them. A recent survey by Pew Research shows for the first time this group has surpassed Generation X in the US workforce, at 53.5 million members.

This is a big deal for every industry. How do you attract & hire millennials, keep them engaged, and then most importantly, retain these employees you've invested in? And despite the huge amount of attention the subject is getting, there's no clear answer to our need for new talent. The millennial generation is one we must first understand in order to mold its members into a knowledgeable, committed workforce.

What is a Millennial?

According to the Pew Research Center, a Millennial is a person born between 1981 – 1996, with a population estimated to be about 83.1 million in the US alone—almost equivalent to the population of California, Texas and New York, combined! This next group of leaders has a slightly different outlook, having an average of \$45,000 of student loan debt, non-committal towards purchasing housing, and with a strong desire to stay flexible with their careers and personal lives. As a group, Millennials are very different than previous generations who committed themselves to a company for life. In fact, according to Pew, while more than 80% are happy with their jobs, more than 50% are either actively looking or would be open to changing jobs. Let that sink in for a moment. More than half of those who say they're happy with what they do and where they work would up and leave.

The implications are pretty clear.

It's not just the year a Millennial was born that defines him or her; it's really the key traits that Millennials portray that are important. By definition, I am a Millennial. Stereotypes would suggest that we are good with technology, efficient, ask a lot of questions, entitled and are not as committed to organizations as our older workforce is or once was. I think it's more nuanced. We are a group that quickly consumes and processes information, has a undying urge to be a contributing part of the team and really wants to have a positive impact on an organization both internally and externally. This a large part of our population who soon will be running organizations and large scale projects, if they have not done so already.

Construction is not the only industry where growth in retirees is outpacing the hiring of Generation Y. In fact, it's probably worse. Construction work takes its toll on the human body, which can force people out of the workforce sooner than they might otherwise in a less physically demanding line of work. We're seeing the same trend in the insurance world, as more retirements outpace rate of Gen Y joining our workforce. That talent gap is hindering our ability to share industry knowledge and experience, too. It's one that needs to be addressed and filled quickly in order for our industries to profitably grow and flourish.

A More Diverse Workforce

Another important characteristic of the Millennial workforce is its diversity; it is the most racially diverse generation in US history. Hispanics make up the largest single segment of the adult Millennial population (21%), with black and Asian populations comprise 13% and 6%, respectively. And research indicates those percentages will continue to grow. So not only are their generational trends to address, there are also cultural and linguistic considerations. In fact, XL Catlin is helping construction firms address the need for jobsite bilingualism by teaming up with Red Angle to provide construction-specific Spanish language resources.

What Makes Millennials Tick?

Pew and others have done a lot of research on this. As a Millennial, I have my own viewpoint and how it ties into our workforce.

Efficiency: For many, technology was introduced early in school at a time when cognitive skills are being developed. The internet is really the Millennial's library. The millennial generation's ability to quickly find and share information is not like anything ever seen before. It is evident across the aging of millennials as well. For instance, I'm savvy with LinkedIn, Google, and Facebook while those closer to the turn of the century are even savvier with posting, scanning, and processing information; providing real time feedback on employers, goods, and services. It's worth noting that a Pew Research 2010 study of Millennials found that technology use was seen as a characteristic that makes the generation unique.

Self-Education: Due to our efficiency with technology, self-training comes more easily outside of a traditional classroom/workplace in certain circumstances. Much like insurance, a portion of training in the Construction industry may be directed this way as well. This training method can also give the employee a feeling of empowerment and direction over his or her career. Providing these learning resources are key to the growth of our latest employee base. Furthermore, Gen Y is on track to be the best-educated generation in US history.

Empowerment: A fair assumption with Millennials is a need to make an impact and feel like we are part of an organization. Empowering us as leaders for tasks, projects, and upcoming opportunities is the key toward inclusion and not feeling isolated from those with more years of experience. Millennials are hungry for positively contributing to their employer's bottom line. Addressing this trait can make the difference in retaining or losing a great employee. Having said that, according to Pew, having a high-paying career is not at the top of Millennials' priorities.

Engagement: How do you keep someone new to your industry engaged? Do it early and do it often. Sending a quick note on how things are going, a lunch invitation with superiors in the office, and a mentor/mentee program are all ways for us to feel engaged. Linking your new employee with others in the industry, is also a great way of expanding their network. We need to know our new found career is one that will be fun, challenging, and the right one for us. It's worth noting that Millennials also didn't cite "work ethic" as being a distinguishing characteristic of this generation. So engagement can be an important means to off-set that self-perception.

Communication: As I said, Millennials possess the ability to easily consume information and a lot of it. Constantly! The attachment to smartphones has impeded communication in the workplace through email, texts, and social media—83% of Millennials sleep with or next to their smart phones. Communication is crucial in any organization. Face-to-face and even over the phone may not come as natural for some. And while that kind of communication should be the expectation for millennials, communicating via email or text is okay too. It's the new norm. Making use of a variety of communication channels is a way to engage the millennial generation and sharing the power of a traditional face-to-face conversation is key.

How as a Contractor can you engage and support your Millennial Workforce?	
Trait	Harnessing the Trait
Efficiency	Hold an Innovation Day focused on finding new/improved ways to handle current tasks on the job site or in the office. Challenge teams to apply technology. Use reverse mentoring to increase the tech skills of older workers.
Self-Education	In your next training update, start to build virtually (web, video, I-Pad), let your latest workforce show you the way. Put younger workers in charge of growing your bilingual jobsite capabilities.
Empowerment	Show Trust. Jointly build out a development plan that gives plenty of opportunities to lead projects and offers key learnings that will lead to a knowledgeable employee.
Engagement	Don't wait for the 1:1 Monthly Meeting, reach out and assist your latest associate in building a network inside and outside of your company. Invite them to industry events, client meetings and when you are busy send a simple e-mail. You're not checking on them, you're showing that you're thinking of them.
Communication	Ask how communication could be improved; introduce your Millennials to the power of face-to-face meetings and conversations. Give them pointers on how to effectively engage in those situations. Allow your latest workforce introduce you to new technology that offers a quicker response than traditional forms. Harness their ability consume information by assigning research projects.

"How do you keep someone new to your industry engaged? Do it early and do it often."

Attracting and Keeping a Millennial Workforce

In order to work harmoniously with millennials, it is important for our mature workforce not to label or treat Millennials differently than anyone else. In fact, Millennials tend to regard older generations with respect, especially with regard to their work ethic and values. At the same time, Millennials should avoid generational stereotypes in the workforce. We must also be aware of our actions speaking louder than words and having an open mind to others' opinions. Gen Y is generally more liberal and tolerant than other generations, so that's important to bear in mind.

How do you attract and retain this talented group?

Activities	
Attract	Show a sense of team, culture, and purpose in your organization.
	Highlight things that will appeal to Millennials' sense of values, including inclusive workforce, social efforts, environmental issue (LEED construction)
	Showcase work-life balance
	Show innovation and how change agents are rewarded in the Construction Industry.
	Clear career pathing that will continue to challenge, empower, and engage your future workforce.
	Find ways to reward your employee outside of traditional compensation (flex scheduling, communication for a job well done, attend a client meeting).
Retain	Ensure that the purpose of tasks or teamwork is clear, concise, and valuable to the organization. Menial, repetitive tasks aren't great motivators for any employees to go the extra mile.
	Engage them in the Construction community, this could be via networking, volunteer work, do something to make a difference and show the impact they are making in the community.
When working on a project, show how they are making a contribution to the end goal, bottom line, and what your company is striving to accomplish.	

Having a sense of future, innovation and community at your organization will help attract Millennial workers. An entrepreneurial and innovative culture is powerful; it helps empower colleagues' need to grow and think "out-of-the-box." Offer non-linear, interactive training to help engage them. Set the expectation that training and development on a self-driven schedule is needed for high performers to stand out and participate in more tasks and take on greater responsibility. Also, expedite your new hire on-boarding process to help them become engaged in projects and interact with members of the team at various levels more quickly.

Tell us about your experiences. XL Catlin would love to know how we can work together on discovering new ways to share the knowledge and experience to the newest workforce, build a stronger network, and thus, prepare the Millennial generation for what lies ahead. While building a stronger, safer construction industry.

What is XL Catlin's Construction team doing about the potential for attrition?

As corporate rotational training programs are becoming extinct, we are revamping our Associate Underwriter positions. Companies are looking to hire more strategically, both in smaller numbers and in diverse locations. We're doing the same.

We're in the process of developing a new training framework that mixes on-the-job experiences, self-study, mentoring relationships and specific goal setting over an 18-month span as an Associate Underwriter. Every colleague is given his or her own development plan and mentor. The goal is for the individual to take control of his or her career and become a true stakeholder in the organization.

Additional Resources on Millennials

- Pew Research Center – pewresearch.org
- U.S. Census – census.gov
- Bureau of Labor Statistics – bls.gov
- U.S. Department of Labor – dol.gov

This article originally appeared in XL Catlin's North America Construction team publication, *Construction Insider*.

XL Catlin's e-newsletter, Construction Insider, is provided for information only and does not constitute legal advice. For legal advice, seek the services of a competent attorney. Any descriptions of insurance provisions are general overviews only. XL Catlin, the XL Catlin logo and MAKE YOUR WORLD GO are trademarks of the XL Group Ltd companies. XL Catlin is the global brand used by XL Group Ltd's insurance subsidiaries. In the US, the insurance companies of XL Group Ltd are: Catlin Indemnity Company, Catlin Insurance Company, Inc., Catlin Specialty Insurance Company, Greenwich Insurance Company, Indian Harbor Insurance Company, XL Insurance America, Inc., XL Insurance Company of New York, Inc., and XL Specialty Insurance Company. In Canada, coverages are underwritten by XL Specialty Insurance Company—Canadian Branch. Coverages may also be underwritten by Lloyd's Syndicate #2003. Coverages underwritten by Lloyd's Syndicate #2003 are placed on behalf of the member of Syndicate #2003 by Catlin Canada Inc. Lloyd's ratings are independent of XL Catlin. Not all of the insurers do business in all jurisdictions nor is coverage available in all jurisdictions. Information accurate as of September, 2016.