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# *Millennials in Manufacturing*

## Building the Next Generation Workforce

### Machine Tools Africa May 2017

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# *Agenda*

Introduction

Part One - Understanding Millennials

Part Two - Preparing the workplace for Millennials

Part Three - Preparing your Multi-generational Manufacturing Workforce

Concluding Remarks

Questions, Answers and Comments

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Our Brief:  
Building the Next Generation  
Workforce – Millennials in  
Manufacturing

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## *the two-fold dilemma*

*Manufacturing sector is between a rock and hard place*

- “ On the one hand, many of them face an ageing workforce that may retire without transferring/redepositing their explicit and tacit knowledge (and skills)*
- “ A growing part of their workforce have no real interest in working for one employer for longer than 3 years.*

*How is this explicit and tacit knowledge (and skills) transferred to a Millennial-rich workforce and Why is it important to do so?*

## Setting the scene: The multi-generational workforce

Many converging trends have created today's up-to-five-generation workforce. These trends include:

• People living longer, more active lives so they're able to work longer;

• Traditionalists and Baby Boomers not being in a financial position to retire;

• Traditionalists and Baby Boomers *wanting* to work until an older age, as work has helped define them for decades;

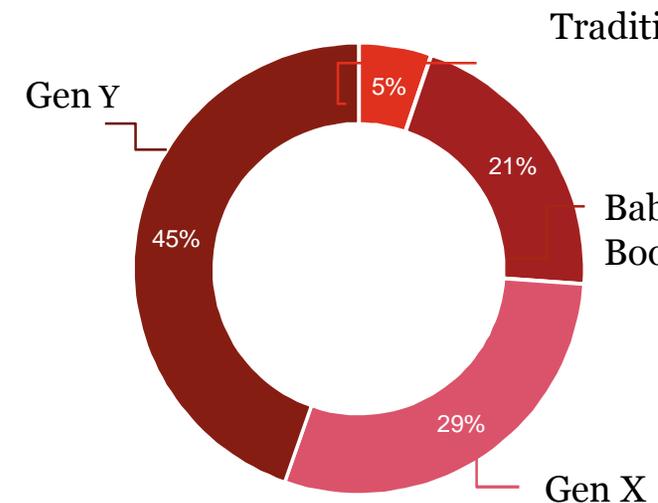
• Baby Boomers financially supporting their "adult" Millennial children into their late 20s and even 30s;

• Generations potentially becoming shorter in duration as the rate of change increases in areas such as communication, tech use, etc.

All of this leads to more generations in a single workforce

Source: The Center for Generational Kinetics, 2015. *Five generations of employees in today's workforce.*

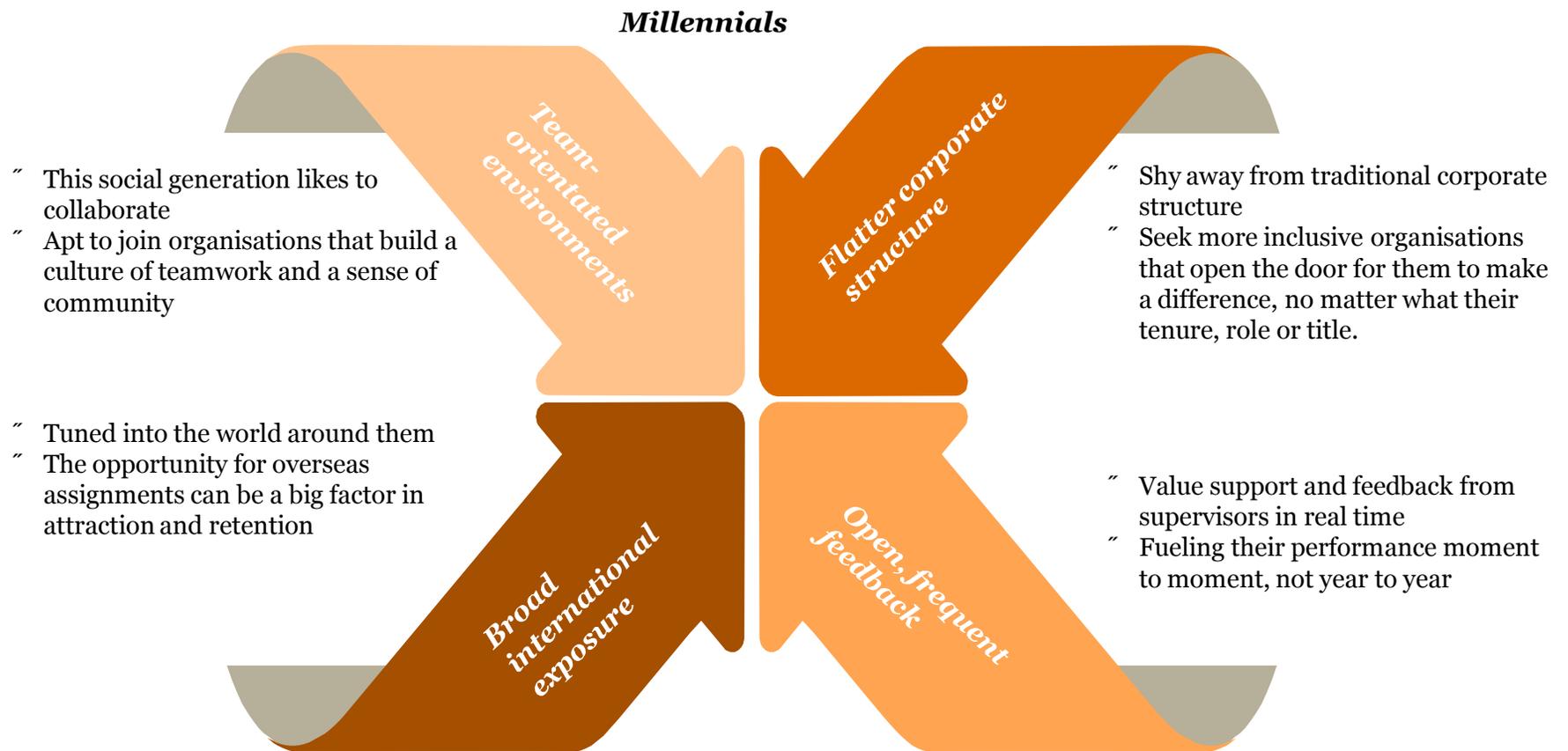
### South Africa's Generational Melting Pot (SA Workforce)



Source: Statistics South Africa, 2015.

# Millennials will soon take over as the largest generation in the workplace

This is especially important as baby boomers – a significant portion of manufacturing workers – start retiring.



Source: PwC NextGen. (2013). *A Global Generational Study*.

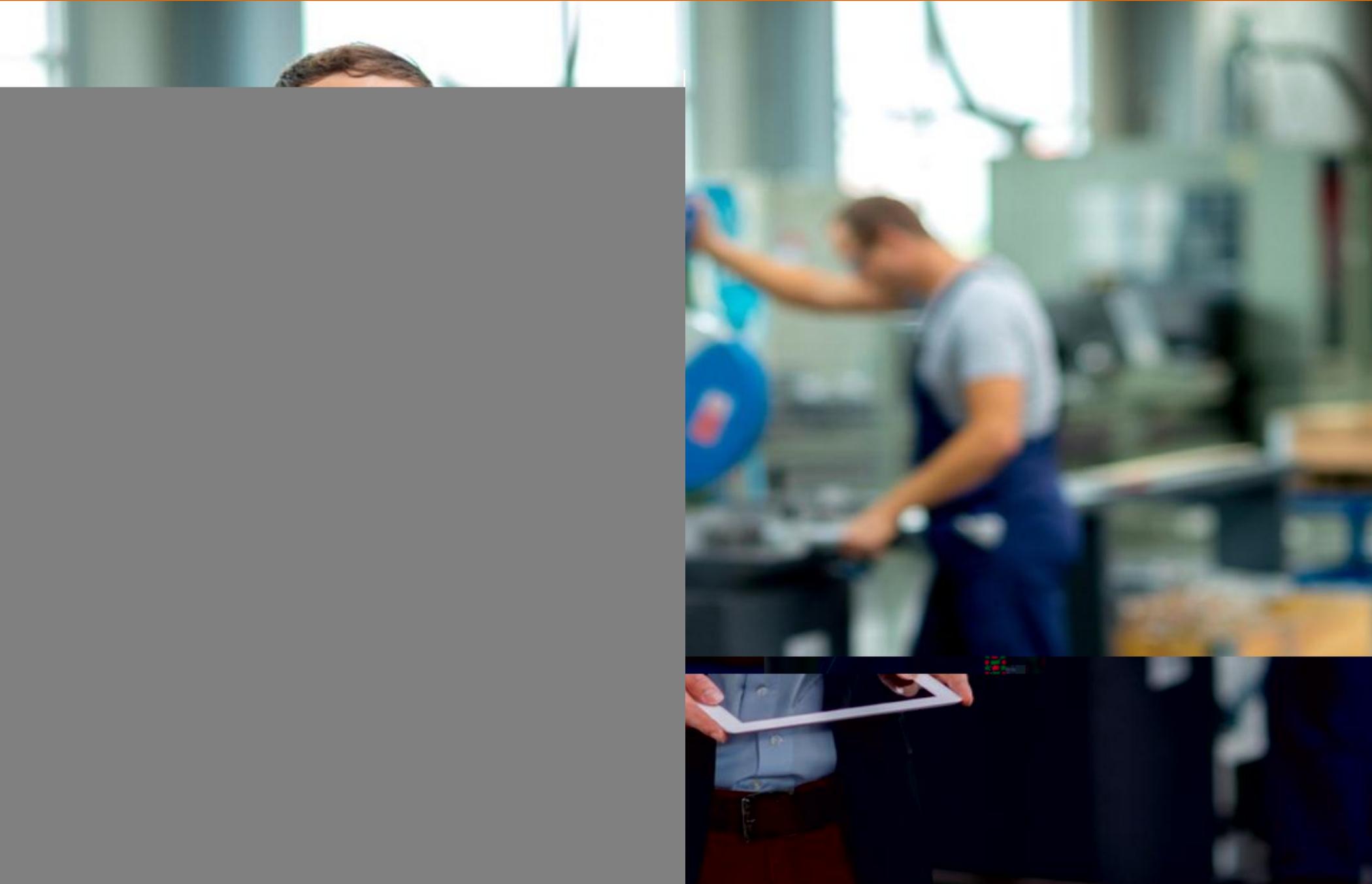


Image courtesy of [http://info.thors.com/hubfs/Blog/millennials\\_manufacturing.jpg](http://info.thors.com/hubfs/Blog/millennials_manufacturing.jpg)

# Part One

## Understanding Millennials

Some key questions:

*What must we understand about Millennials – and other generations: contrasting the differences?*

*What makes them different from other generations in the workplace?*

*What is important to them in the workplace?*

*Who are they?*

Millennials - Those born  
**1980 and 1995**

*They are also known as*

**Gen Y**

***PwC Millennials Study (NextGen)***

In 2013, PwC conducted the NextGen Survey to understand Millennials. The survey was conducted by the **University of Southern California** and **London Business School**. (44,000 PwC people participated)

We also conducted live interviews, focus groups and social media events around the world to round-out the research.

By 2015  
almost

**80%**

the PwC  
workforce  
will be  
millennials

# WC NextGen Survey Findings: Some Key Differences in the Different Generations

Generations	Traditionalists (1927 - 1945)
Age	70s and 80s
% population	3% ★
Origin	A dream
Values	Family/ Community
Work ethic	Dedicated, willing to pay dues ★
Work environment	Conservative, hierarchical, top-down management ★
Management style	Authoritarian, inaccessible
Feedback	" Your experience is respected+
Training	<ul style="list-style-type: none"> <li>" Provide feedback in person.</li> <li>" Support long term commitment.</li> <li>" Training should contribute to the organization's goals.</li> <li>" Demonstrate respect for their experience and knowledge of the past.</li> </ul>
Acknowledgment & Reward	" Want subtle, private recognition on an individual level without fanfare.
Retirement	<ul style="list-style-type: none"> <li>" Put in 30 years, retire and live off of pension/savings.</li> <li>" Invite older staff to mentor younger staff, especially Gen Y staff.</li> </ul>

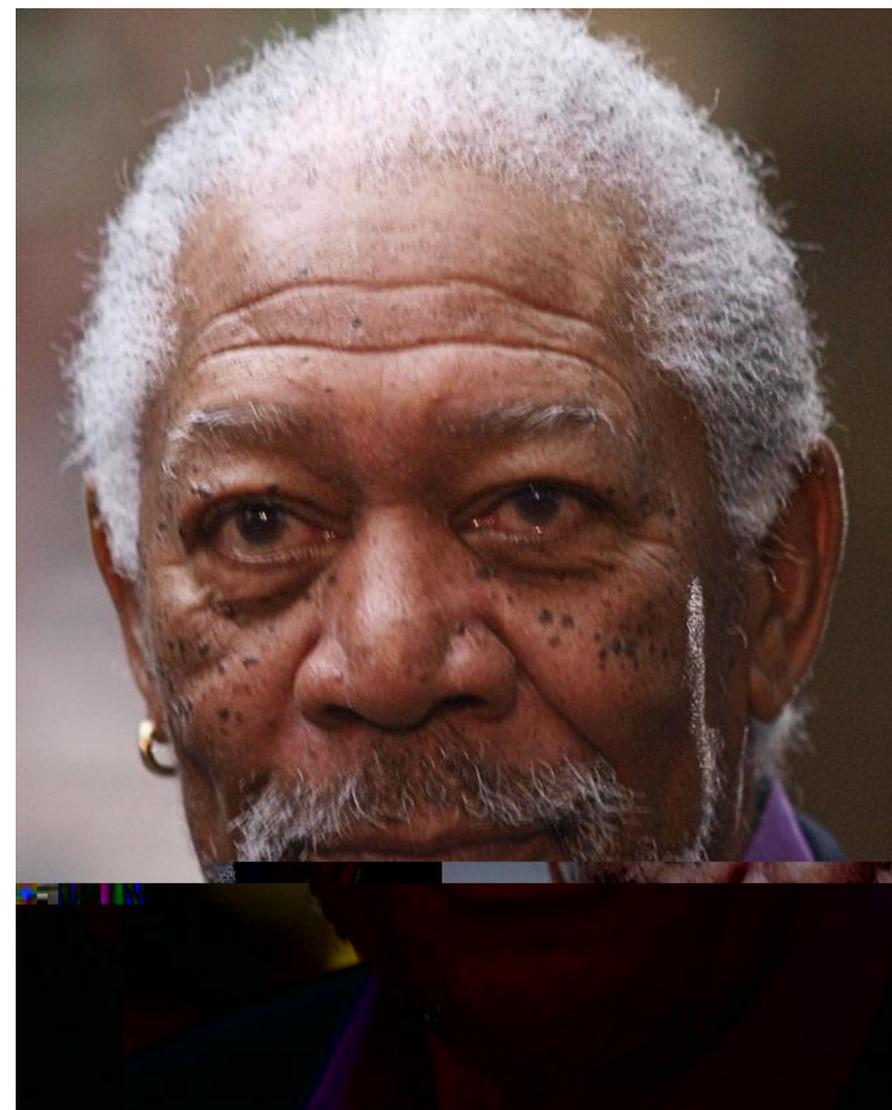


Image courtesy of  
<http://cdn.thedailybeast.com/content/dailybeast/articles/2014/01/28/morgan-freeman-on-god-satan-and-how-the-human-race-has-become-a-parasite/jcr:content/image.img.2000.jpg/1390908043923.cached.jpg>

Preferences	Baby Boomers(1946 - 1964)
Preferent age	50s and 60s
Percentage of population	13% ★
Education	A birth right
Values	Success
Work Ethic	Driven, workaholic ★
Preferred work environment	Flat hierarchy, democratic, warm & friendly ★
Leadership style	Participative, accessible
Management style	<ul style="list-style-type: none"> <li>" You are valued; you are needed"</li> </ul>
Development	<ul style="list-style-type: none"> <li>" Follow up, check in, and ask how the individual is doing on a regular basis, but DO NOT micro-manage.</li> <li>" Training is a contribution to the organisation's goals, but is also a path to promotion and additional compensation.</li> <li>" Identify ways in which the individual is a unique contributor.</li> </ul>
Pay & Reward	<ul style="list-style-type: none"> <li>" Feel rewarded by money.</li> <li>" Will often display awards, certificates and letters of appreciation for public view.</li> <li>" Enjoy public praise.</li> <li>" Title recognition.</li> <li>" Appreciate awards for their hard work &amp; the long hours they work.</li> <li>" Need to know they are valued.</li> </ul>
Employment	<ul style="list-style-type: none"> <li>" Developing their careers through opportunities within one organization or at least one industry.</li> <li>" "If I retire, who am I? I haven't saved any money so I need to work, at least part time"</li> </ul>



Image courtesy of <http://cimg.tvgcdn.net/i/r/2015/12/03/f3c54f8c-9a83-743993e0b901/thumbnail/1300x867/8fc26b4b4d08c814f1a6/151203-news-oprah-winfrey.jpg>



s	<b>Gen Y/ Millennials (1980 -1995)</b>
e	Early 20s to mid 30s
	27% ★
	An incredible expense
	Individuality, flexibility
	Ambitious, entrepreneurial, done at 5pm. ★
ork t	Collaborative, creative, diverse. Want to work where and when they like. ★
style	Cooperative, collaborative, inclusive
	<ul style="list-style-type: none"> <li>" You will work with other bright, creative people"</li> <li>" A culture of teamwork and a sense of community</li> </ul>
	<ul style="list-style-type: none"> <li>" Frequent, real-time feedback.</li> <li>" Willing and eager to take risks; don't mind making mistakes-they consider this a learning opportunity.</li> <li>" Make sure these employees have the training they need and feel comfortable asking questions. They are less likely to ask for fear of appearing incompetent, but they want to do a good job.</li> <li>" Encouragement to explore new avenues through breaking the rules.</li> <li>" Less likely to seek managerial or team leadership positions.</li> </ul>
eward	<ul style="list-style-type: none"> <li>" Want recognition from their heroes, peers and bosses.</li> <li>" Time off.</li> <li>" Establish mentoring programs to allow them to learn from the best.</li> </ul>
	<ul style="list-style-type: none"> <li>" Seek global experiences and opportunities. If they don't get it at their work, they will seek it elsewhere.</li> <li>" Committed and loyal when dedicated to an idea, cause or project.</li> </ul>



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## ***What Matters to Millennials***

Other salient findings of the study

**Unconvinced that excessive work demands are worth the sacrifices to their personal life**

**Greater flexibility at work**

**Team-oriented culture at work and providing opportunities for interesting work**

**International assignments**

## *Part Two*

# Preparing your Workplace for Millennials

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## *attracting Millennials*

### *What to consider if you want to attract Millennials*

#### *Think about your reward offering*

The millennials' desire to learn and progress is apparent in their view of the benefits offered by employers. When asked which benefits they would most value from an employer, respondents named **training and development and flexible working opportunities** over financial benefits.

#### *Consider narrowing the gender gap*

While millennials value diversity and tend to seek out employers with a strong record on **quality and diversity**, their expectations are not always met in practice. **55%** of respondents agreed with the statement that “**organisations talk about diversity but I don't feel opportunities are really equal for all**”.

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## *attracting Millennials*

*What to consider if you want to attract Millennials Cont.*

*Powered by technology*

The millennial generation's world is **digital** and this has an inevitable effect on the way they communicate; 41% of those questioned said they would rather communicate electronically than face-to-face or over the telephone – snapchat, twitter, Instagram

*Reputation and “meaning” (The Why of Work) matters*

The employers that appeal the most to this generation are those that successfully answer the key question: ‘Why do I want to work here?’ Millennials want their **work to have a purpose, to contribute something to the world** and they want to be proud of their employer.

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## *Retaining Millennials*

### *Create a more flexible environment*

Millennials are willing to give up some of their pay and slow the pace of promotion in their careers in exchange for working fewer hours.

### *Fully leverage technology*

Accelerate the integration of technology into the workplace. **This is an absolute must for Millennials**; they expect to have access to the best tools for collaboration and execution at all times.

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## *Retaining Millennials*

*Create innovative programmes around compensation, rewards and career decisions*

Millennials tend to **look for recognition** rather than, or in addition to, money; rewards that benefit them in life or in career-enhancing ways. Millennials value recognition and appreciation

Think about having more **real-time appreciation**, feedback and development in your business, and focusing on having more face-to-face coaching conversations **rather than sending out performance feedback forms.**

*Build a sense of community*

Millennials say that creating a **strong cohesive, team-oriented culture at work** is important to their workplace happiness.

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## *Retaining Millennials*

*Consider introducing or accelerating your global mobility programme*

Millennials are much **more globally aware and oriented**. They are much more likely to say they would like global career opportunities – and they don't expect to wait to earn that option

*Evaluate the contingent workforce strategy of your organisation*

Unlike previous generations, Millennials are **less likely to work at one place for nine years or more**. This means they are more open-minded to finding new ways of working, whether full-time or part-time, and how it suits them.

*Invest time, resources and energy to listen and stay connected with your people*

Millennials want every action the firm takes to represent their values and are more eager than previous generations **to be asked for input** on important issues

## *Part Three*

# Millennials in the Manufacturing Sector

In this section, we will share insights on trends identified about Millennials specifically in the manufacturing sector

Millennials represent the greatest opportunity – and the greatest challenge – to our workforce needs.”

Manufacturer Feedback, Tooling U-SME's Millennial Survey

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## *Millennials in Manufacturing*

**Some Millennials have a negative perception of the Manufacturing Sector” –Tooling U-SME’s Millennial Survey**

**to combat this:**

*Understanding their Motivation*

and targeted training and development programmes that appeal to their desire for experiences and connections – **“big picture AND small picture” of the value chain.**

*Integrating best practices and approaches*

Creating a strong onboarding process

Demonstrating **how each job supports a company’s mission and purpose** – can help manufacturers attract and retain this significant pool of millennial employees

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# ***Millennials in Manufacturing – enabling environmental factors***

*Embrace the strengths of Gen Y – eg. technology savvy*

*Emphasise Long-term career development and multiple experiences within a single organization*

*Create a sense of purpose and meaning in work*

*Ensure the availability and access to mentors across the company*

*Ensure Work-life flexibility*

*Enable a Tech-savvy work environment*

*Create an environment of open social networks that embrace open and honest communication – “guilt-free conversations”*

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## ***ossible solutions***

Create a Multi skilling framework

Automotive manufacturing environment example

Customised Knowledge Management solution (SOP)

Culture of continuous improvement (Kaizen)

Change must encouraged

Incentivise improvements that genuinely enhance processes / products

Improvements **must** be incorporated into the operations

Closer partnerships with TVETs and SETAs

Improving physical work environment/ergonomics/aesthetics

GenY Data Analytics Model

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## ***Gen Y Data Analytics Model – typically includes***

How many members from each of the generations are currently in your employ?

What percentage are millennials?

Where were they recruited from?

How were they recruited?

What jobs are they performing?

How long, on average, do they remain in your employ?

What are your unique selling points to millennials?

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# *Concluding Remarks...*

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*Thank you!*