



Millennials in Construction:
**LEARNING TO
ENGAGE**
A NEW WORKFORCE

The 2015 FMI Industry Survey

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Looking Ahead



EMPLOYEE ENGAGEMENT

RELATED CONCEPTS INCLUDE...

HOW WE DEFINE IT:

Employee engagement is the **emotional connection** employees feel toward their employer, which influences their **commitment** to the company and **level of effort** put forth toward work-related activities. Engaged employees are motivated to contribute to the **overall organizational success** while also enhancing their **sense of well-being**.



loyalty



emotional
investment



commitment

ACCORDING TO THE EXPERTS...

"I think the model for starting employee engagement activities has to be **embedded in everything you do.**"

– Richard Branson, Founder of the Virgin Group

"To win in the marketplace you must first **win in the workplace.**" – Doug Conant, former CEO of Campbell's Soup

"When people are financially invested, they want a return. When people are emotionally invested, they want to contribute." – Simon Sinek, Author

SO WHAT?

70%

of U.S. workers are not engaged at work.

(Source: Gallup)

28%

of millennials feel that their current organizations are making "full use" of the skills they currently have to offer.

(Source: Deloitte)

26% to 50%

Between 2014 and 2015, the proportion of respondents citing culture and engagement as a "very important" issue almost doubled.

(Source: Deloitte's 2015 Global Human Capital Trends Report)

66%

of HR respondents reported that they are updating their engagement and retention strategies.

(Source: Deloitte's 2015 Global Human Capital Trends Report)



Executive Summary

“ When young people challenge the standard way of doing things, you have to encourage them to do so. This positive encouragement fosters greater creative thinking and allows the younger generation to provide input into decisions. ”

–Millennial Survey Participant

2015 represents a milestone in the U.S. labor market. **For the first time, millennials (individuals born between 1980 and 2000) will surpass the outsized baby-boom generation as the nation's largest living generation.** According to the Bureau of Labor Statistics (BLS), millennials now make up 34% of the nation's workforce – a number that's expected to grow to 50% by 2020.

This is a significant shift for companies that now have to figure out how to most effectively attract, retain and develop these younger workers – not all of whom are following their parents' example when it comes to job selection, company loyalty and career pathing. The construction industry in particular faces an even bigger challenge when it comes to attracting and retaining new workers, given the drastic ebbs and flows the industry has suffered for decades.

Numerous studies have been conducted on millennials and how they differ from previous generations in their approach to work – and careers in general. Indeed, millennials are often unfairly saddled with the dubious reputation for being entitled, disloyal, self-centered or optimistic go-getters, but **it turns**

out that they're actually not that different from their older work colleagues. In fact, a recent study conducted by the IBM Institute for Business Value showed that the **differences among millennial, Gen X and baby boomer employees have been grossly exaggerated.**

FMI has uncovered similar misconceptions about millennials in the construction industry. In spring 2015, FMI surveyed more than 200 millennials (ages 18-34) currently employed in the industry to measure their level of engagement and to explore what this generation of workers is truly looking for in an employer. **Findings show that millennials are indeed very dedicated and loyal to their companies and that they share similar values as baby boomers and Gen Xers when it comes down to career aspirations, attitudes and goals.** Furthermore, millennials are ambitious and eager to make big impacts early on in their careers – a goal that's sometimes misconstrued as “entitlement.”

This report presents key research findings and debunks some common myths around generational stereotypes. The report also provides recommendations for companies on how to build comprehensive human capital

programs that engage workers across all generations. **Now is the time to capitalize on each other's strengths instead of focusing on deep-rooted stigmas.**



Key Findings

“ When trying to engage millennials, it is important to emphasize the appealing aspects of the industry. In construction, projects are always different. By showing millennials the challenges each project offers, it provides them a sense of purpose and greater determination. The constantly changing work environment offers a more exciting route compared with the monotony of replicated day-to-day activities. ”

–Millennial Survey Participant

During our research, we identified the following top key findings, which dispel several widespread myths about the attitudes and characteristics of millennials. These findings are a first attempt at better understanding the millennial generation's mindset in construction and serve as a basis for further industry discussions.

Finding 1. Having a defined and well-communicated vision is critical to engaging millennials long term.

Millennials surveyed are more likely to stay longer with their employer when that company's vision and direction are clear and when they inspire enthusiasm for work. Millennials who lack a clear understanding of their company's vision or direction are 25% less likely to stick around long term. This noticeable difference underscores how important it is for employees to understand key elements of their organization's vision and strategy, and to recognize what leadership expects from them.

Not surprisingly, non-millennial survey respondents replied similarly, confirming that cultures of employee engagement require a defined and well-communicated vision. A confused or muddled picture of

Figure 1. There is a strong correlation between inspirational vision and millennials' loyalty to their company.



Source: FMI 2015 Millennials Survey.

where employees want to go or what they want to become can present challenges, both for the individual and the company. "If you can explain the whole picture, it connects the

meaning to the person," says Jeremy Kingsley, leadership expert and author of "Inspired People Produce Results."¹

¹ Jenna Goudreau. 7 Surprising Ways To Motivate Millennial Workers. Forbes/Leadership. Mar 7, 2013.

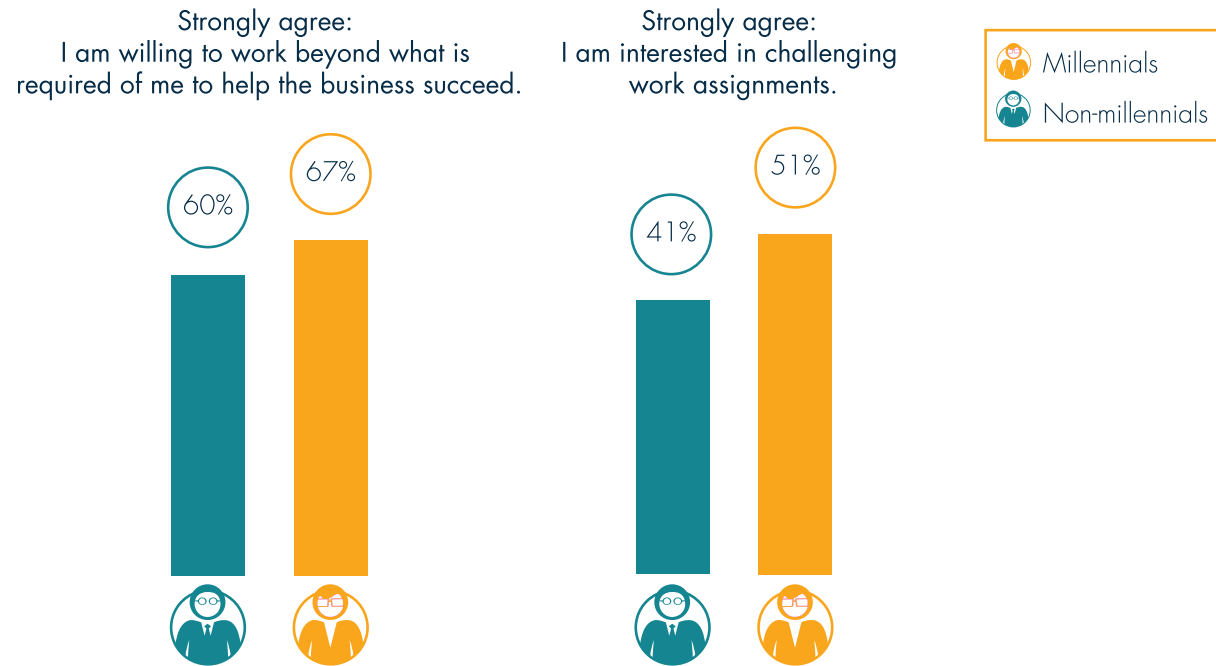
When it comes to their jobs, millennials want to do more than just punch a clock and take home a paycheck. They're looking to add value, make an impact and find meaning in what they're doing. Construction firms can leverage these realities by ensuring that millennials have a clear sense of purpose and an understanding of their roles within the larger plan.

Finding 2. Millennials are eager to be challenged and ready to go above and beyond to make their companies succeed.

For years, pundits and contemporary publications have criticized millennials for being lazy and entitled. It turns out, however, that this might be one of the greatest misunderstandings about this generation. In a recent survey² published by the HR Policy Foundation, over two-thirds of companies surveyed said that their own millennial workforce was above-average or even exceptional. These younger individuals are making significant contributions in the workplace, where their technological skills, inquisitive nature, knowledge of the market and drive have pushed 85% of firms to change their policies in order to be more appealing to millennials.

² Talent Sustainability Report. The CHRO View From the Front Lines of the War on Talent. HR Policy Foundation. April 24, 2015.

Figure 2. Millennials are eager to be challenged and ready to go above and beyond to make their companies succeed.



Source: FMI 2015 Millennials Survey.

Responses from millennials in the construction industry confirm this position: Almost 70% of participants expressed their willingness to work beyond what is required of them to help the business succeed. More

than 50% of millennials stated their interest in accepting challenging work assignments. In both cases, these numbers are almost 10% higher compared to the non-millennial responses (Figure 2).

Interviews with more than 20 millennials in construction further confirmed that these young people are eager to learn. Ideally, they want a varied and interesting career that provides well-defined advancement opportunities. Furthermore, many of these millennials are deeply committed to helping their companies succeed, and they take pride in being able to contribute to success as part of a larger team.

On the other side, “older” millennials (those aged 26-35) mentioned that their younger peers (“young” millennials – ages 18-25) do not always appear to have the same level of commitment and dedication to work compared to their older colleagues. As one interviewee stated, “I’m in my early 30s and I’m seeing a big difference in the people we’re hiring who are coming straight out of college. They have a different approach to work – they want instant results, often lack attention to detail and just don’t seem to want to work as hard. They just want an eight-hour job. They think this is all fun and fireworks, and then when they realize what the job entails and the stress that goes with it, it seems that this younger generation is just not that interested compared to people who’ve worked in the industry for several years.”

Better understanding the nuances among millennials – specifically, what their viewpoints are on life and work in the construction industry – will require more research. In 2013, MTV conducted a study³ on the differences between millennials and found distinct dissimilarities between young and old millennials among their audience, some of which may or may not apply to the construction industry as well. All told, it appears that millennials cannot be lumped into a monolithic group, and employers need to be sensitive to this topic in the future.

Finding 3. Having clear career advancement opportunities in place is key to engaging people long term across all generations.

The numbers confirm what we have felt all along: If employees feel like they’re making progress and advancing in their careers, then they are more likely to remain with their companies long term (Figure 3). This isn’t a generational or age phenomenon. Rather, it seems that aspirations – more than age – determine why people remain with their companies or move on. From our research, it is evident that millennials care as much as older workers about understanding their career opportunities and getting ahead.

³ The New Millennials Will Keep Calm and Carry On. MTV Insights. 2013.

Researchers at Harvard Business School studying this phenomenon in-depth a few years ago found that the top motivator for performance is progress.⁴ When someone feels like they’re making headway on a job, for example, or when they get the support they need to overcome obstacles, the positive emotions take over and the drive to succeed kicks into gear. On the other hand, those left to spin their wheels and overcome roadblocks on their own experience the lowest moods and motivations. The point is, leaders and managers are in the prime position to either help employees gain traction or backpedal. By providing meaningful benchmarks and goals, offering encouragement and making available the right resources, these individuals can literally make or break a workforce.

This is particularly relevant for companies in the construction industry, where many firms still do not have well-defined (or modernized!) career tracks, comprehensive talent development programs or effective leadership platforms in place. With young, ambitious millennials wanting to learn, improve and advance quickly through an organization, employers will need to develop

⁴ Teresa M. Amabile and Steven J. Kramer. What Really Motivates Workers. The HBR List: Breakthrough Ideas for 2010.

focused solutions and challenge the old ways of “how things used to be done” – starting with the ways people interact and collaborate.

Barbara Jackson, director at the Franklin L. Burns School of Real Estate & Construction Management at the University of Denver, pointed out that, “The young people in this industry are eager to contribute and participate. Oftentimes, standard job descriptions and policies stand in the way of them contributing at a level that would bring real value to the companies that they work for. This can result in frustrations, and ultimately people move on to more progressive firms and industries.”

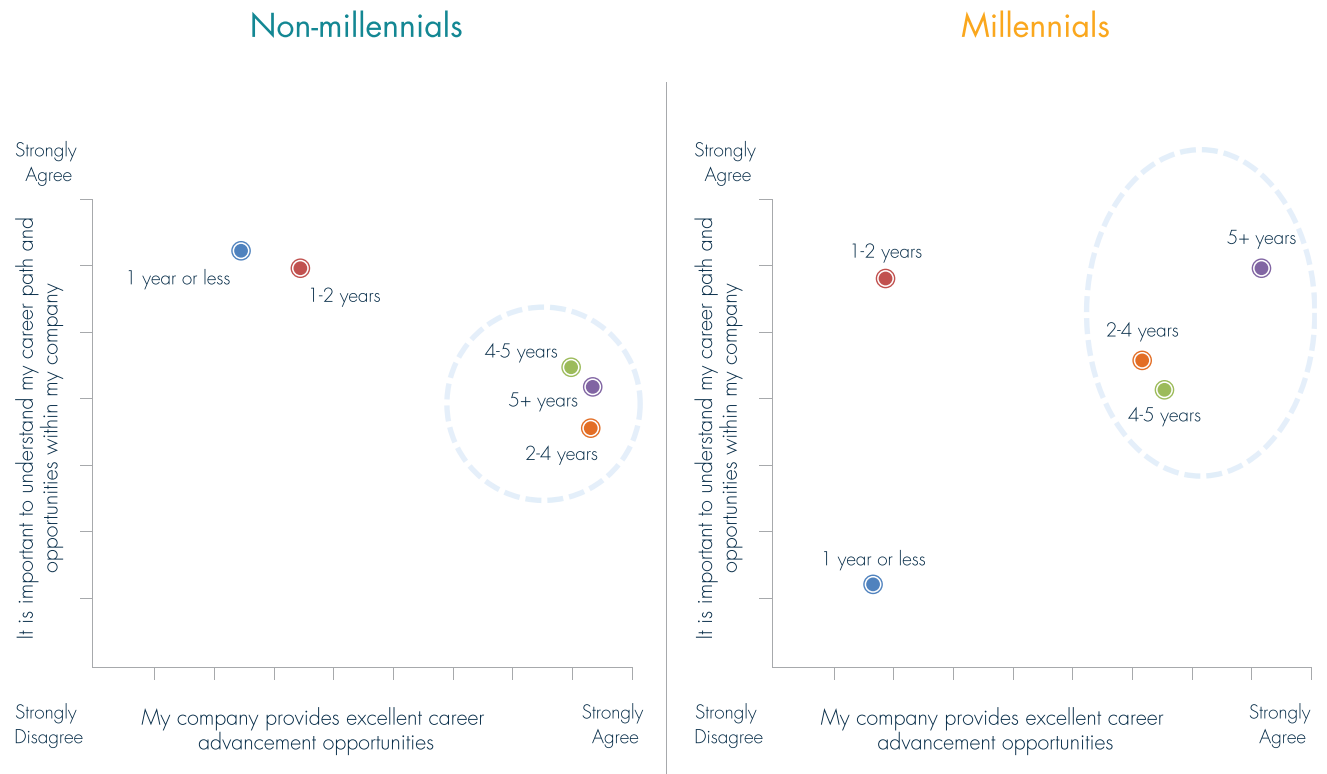
Finding 4. Engagement starts at the top.

Culture and engagement have become strategic company priorities in today’s competitive business landscape. According to a recent global Deloitte study,⁵ 87% of organizations cited culture and engagement as one of their top challenges.

Leaders set the tone for engagement in the workplace. As one human capital expert explained, “The decisions, attitudes and

⁵ Global Human Capital Trends 2015. Leading in the new world of work. Deloitte University Press. 2015.

Figure 3. Having clear career advancement opportunities in place is key to engaging people long-term across all generations.



Source: FMI 2015 Millennials Survey.

behaviors of leaders shape an organization's culture. When an organization's values and business goals are aligned, its culture tends to drive better employee engagement, customer experience and financial performance."⁶

Our research findings indicate that employees (both millennials and non-millennials) who perceive senior management's commitment to their well-being are engaged and plan to remain long term with their companies compared to those who don't feel appreciated or valued (Figure 4).

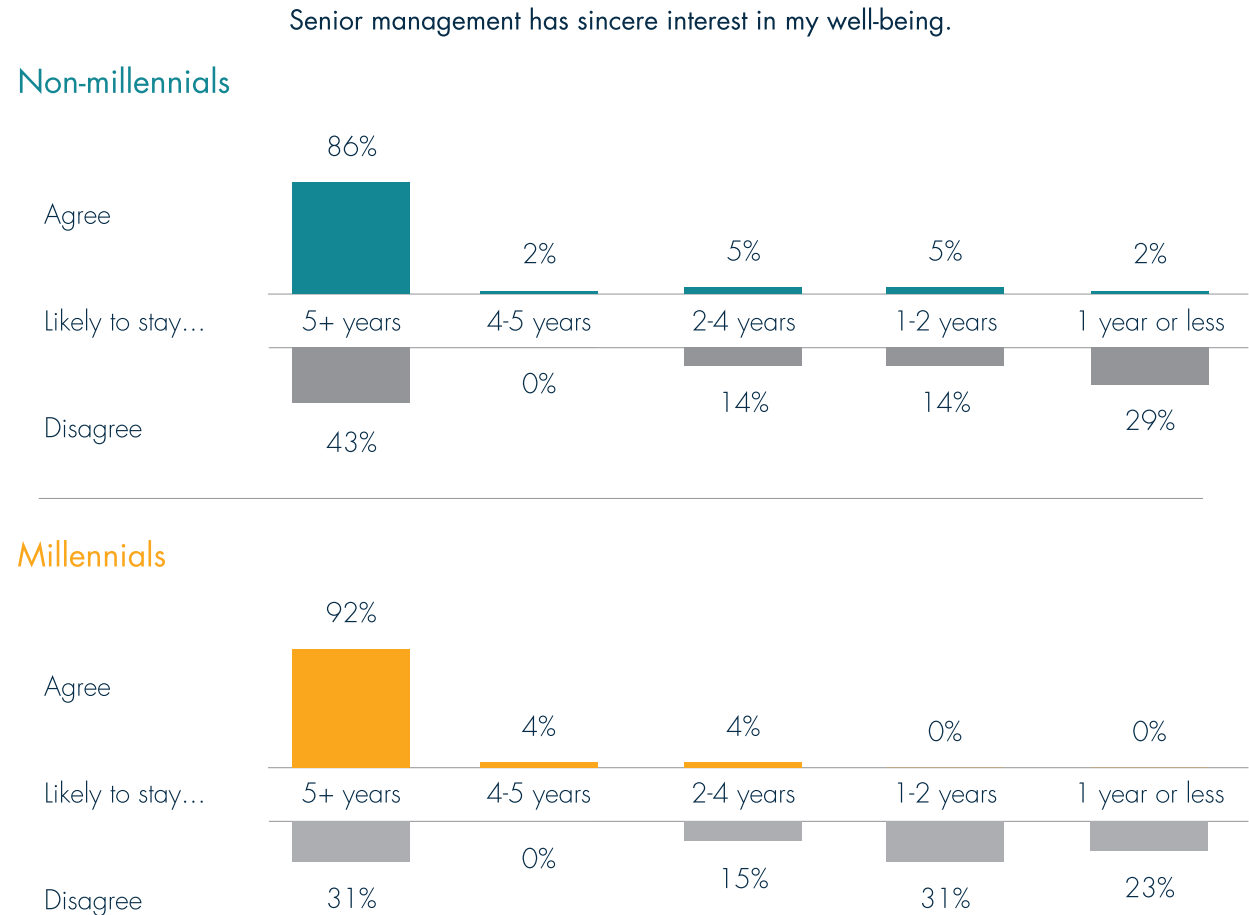
In the construction industry, where employee turnover is notoriously high and cyclical due to economic fluctuations and local market conditions, company leaders must build corporate communities that truly inspire and engage employees long term and across all generations.

According to a recent IBM study,⁷ much like their predecessors, millennials are interested in job security and stability. And despite popular belief, they aren't poised to switch jobs as soon as another opportunity presents

⁶ The 5 Leadership Behaviors You Need to Boost Employee Engagement. Andre Lavoie. Entrepreneur. June 09, 2015.

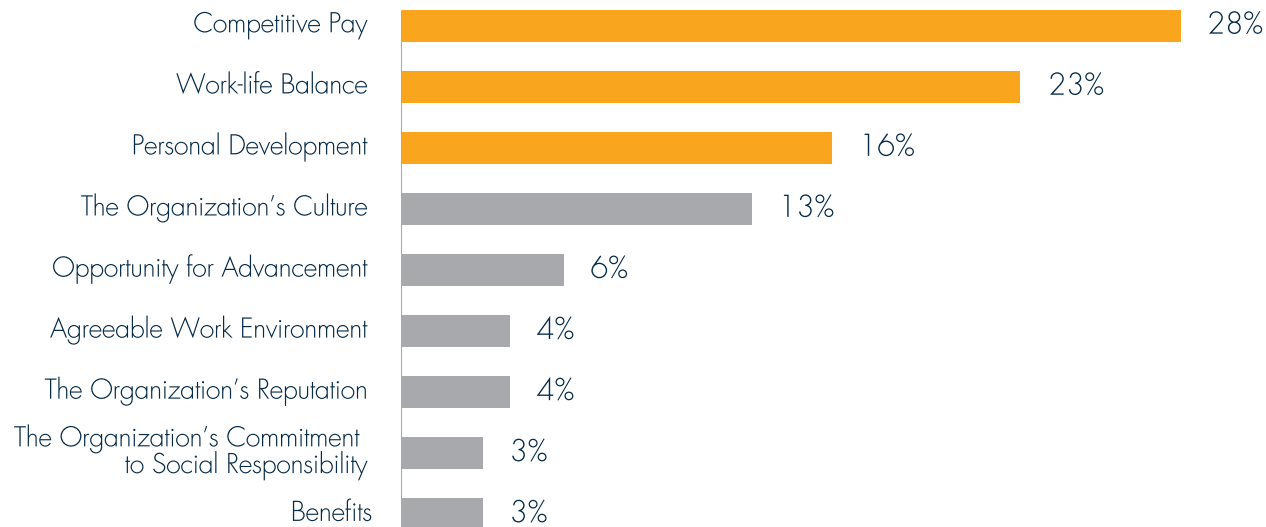
⁷ Myths, exaggerations and uncomfortable truths. The real story behind Millennials in the workplace. IBM Institute for Business Value. January 2015.

Figure 4. Senior management's commitment to people is reflected in people's level of engagement and loyalty to the company.



Source: FMI 2015 Millennials Survey.

Figure 5. Millennials in construction rank competitive pay, work-life balance and personal development highest.



Source: FMI 2015 Millennials Survey.

itself. However, these younger workers come from a “connected” generation that truly values collaboration, teamwork and social opportunities. The question is, how can company leaders create a culture that leverages these strengths while also engaging older workers and stay true to the company’s core missions and aspirations.

The answer to that question lies in the development of sustainable cultural structures that enable organizational connectedness and strong employee engagement. It’s not enough to simply purchase a high-end espresso machine for the break room or host a weekly happy hour on Friday evening. The work environment as a whole must embody daily

collaboration that lets millennials tap into their connectedness, share new ideas and offer up solutions to client problems.

Senior leaders must also evoke an established commitment to the well-being of the workforce by creating a culture of ongoing learning and feedback. Millennials indicated benefiting from receiving feedback on a constant basis because it enables them to understand how their contributions are affecting the organization. It was noted that, “Being noticed for the hard work you are doing is a big deal in the construction industry. When an executive tells you they appreciate your hard work, it really goes a long way in the industry.”

Indeed, the timing is perfect, with new virtual design and construction tools and integrated project delivery methods requiring higher levels of collaboration within and among project teams. Having new, young people focused on a common purpose, effective processes, excellent communication and solid relationships will help engage workers of all ages and transform the industry over time.

Finding 5. For millennials, money counts.

For years, thought leaders have been talking about how millennials are just out for a purpose crusade and how they are more interested in meaning than they are in money. Our research paints a much different picture. When asked what's most important to them, millennials rank competitive pay the highest. Personal development and work-life balance are in second and third place, respectively, not too far behind competitive pay (Figure 5).

Interestingly, when we broke down the data to compare differences for the various age groups, we didn't find any standouts or trends that would signify any big generational predilections (Figure 6).

Haydn Shaw, popular business speaker and generational expert, points out in his book, "Sticking Points"⁸ (Chapter 14, p. 175): "The vast majority of surveys show that millennials rank base pay as the most important factor in selecting and staying in a job, just as the other three generations do. They want meaningful work and a supportive culture to work in, but they want a well-paying job and career advancement more."

⁸ Haydn Shaw. *Sticking Points: How to Get 4 Generations Working Together in the 12 Places They Come Apart*. July 22, 2013.

For millennials in construction, this rings very true. When it comes to choosing where to work, millennials look at money and opportunity. Given the challenging work conditions and often very long work hours, work-life balance is also very important, and especially for young people who are starting new families. By offering flexible schedules, days off and other initiatives that help employees maintain a healthy work-life balance, construction firms are more likely to retain their employees long term compared to those firms who ignore this key issue.

That said, in follow-up conversations with millennial survey respondents, the topic of money didn't really stand out as a top priority. Interviewees talked much more about the importance of their company culture, advancement opportunities and peer-to-peer interactions. This all points to the fact that millennials are looking for balance – both at work and in their personal lives – as a prerequisite for long-term success. By keeping these key points in mind, construction firms can develop corporate cultures that go beyond the "norm" and that truly resonate with employees across all generations.

List one of the top reasons why you stay at your current place of employment:

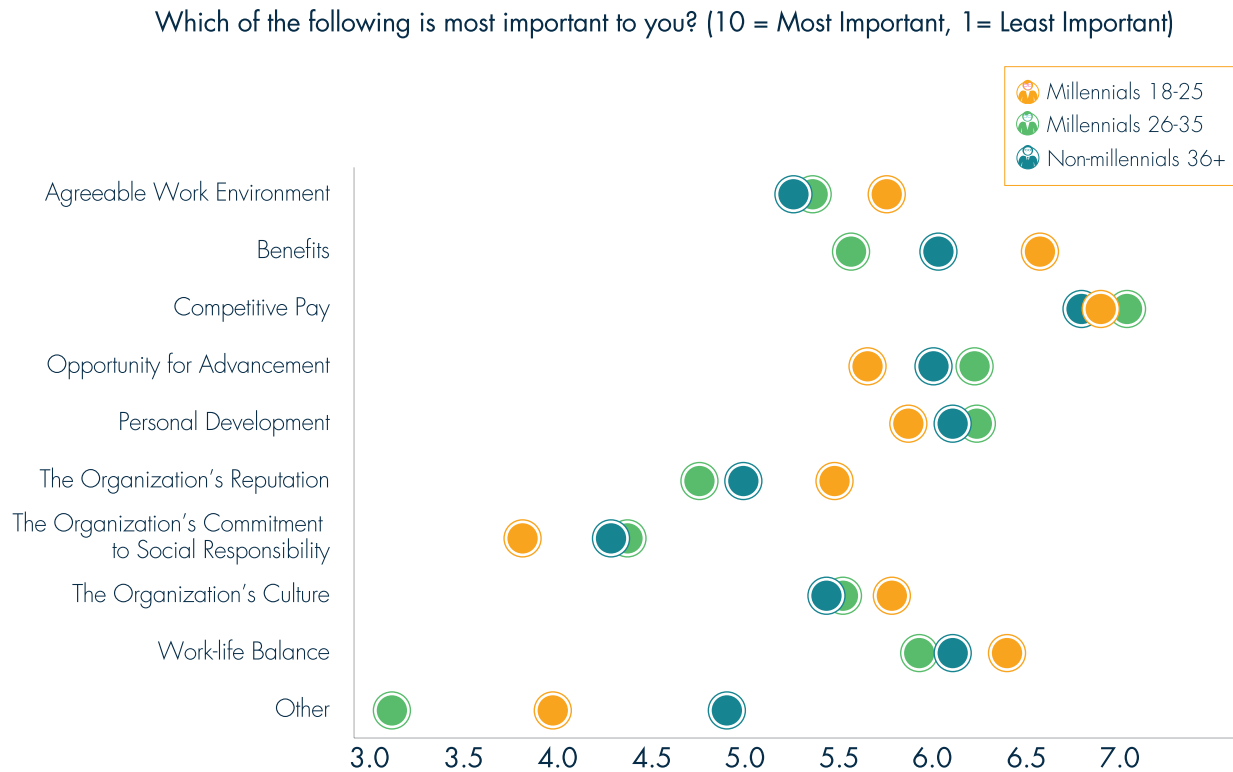
“ It's a positive work environment, and I'm challenged on a daily basis with complex problems. ”

–Millennial Survey Participant

“ The opportunity to learn on the job is huge. It's a good work environment and challenging work. ”

–Millennial Survey Participant

Figure 6. Criteria ranked by employees across all survey age groups. (10 Most Important, 1 Least Important)



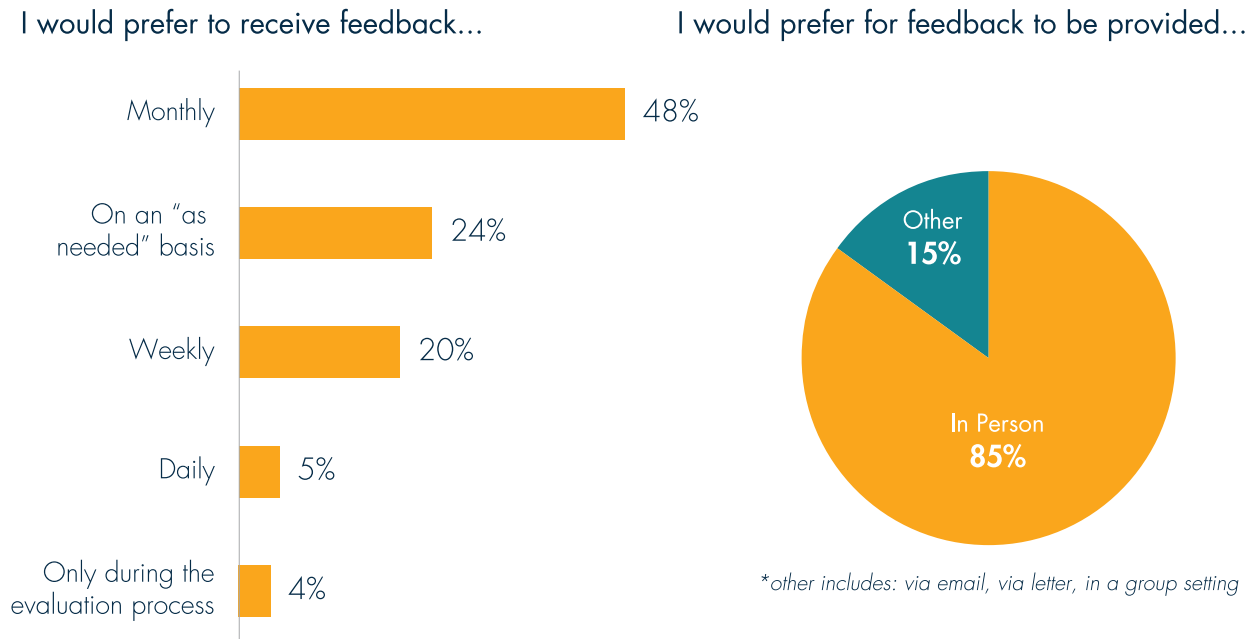
Source: FMI 2015 Millennials Survey.

Finding 6. Millennials in construction want to push the envelope and drive innovation.

Not unlike other generations that enter the workplace, millennials have new perspectives to share, new ideas about getting things done and new ways of tackling problems. They were born with technology at their fingertips and see it as a critical part of the workplace and their interactions with others. Long thought to be “behind the curve” when it comes to technology adoption, the construction industry desperately needs this new perspective.

This new perspective is critical because it can push all of us forward (whether we want to be pushed or not). Progressive companies like DPR Construction, for example, encourage employees to use a special website to submit ideas for improvements, which can be related to software, tools or company protocols, among other things. This kind of platform for generating ideas and challenging old business models is key to engaging and motivating young employees in construction. As one millennial survey participant stated, “One of the main reasons why I’m with my current company is because I’m free to be creative and try new things.”

Figure 7. Millennials prefer face-to-face interaction.



Source: FMI 2015 Millennials Survey.

Interestingly, even though millennials are considered digital natives and gravitate toward digital media more easily compared to their older colleagues, they still prioritize personal interaction over digital settings when it comes to learning and providing feedback. In our survey, 86% of respondents favored face-to-face feedback rather than a digital venue (Figure 7).

“Throughout the year, I am able to sit down with my senior manager and discuss my performance. I am able to outline how my individual goals tie in with the mission and vision of the company.”

–Millennial Survey Participant



Furthermore, millennials want to know how they're doing and where they're moving in their careers. Almost 50% of our millennial survey participants responded that they wanted feedback on a monthly basis – a key indicator of how this young generation is driving change in performance management.

“Millennials benefit from real-time feedback and a program that has the infrastructure for goals that can change,” confirmed Joe Hill, training and development specialist at SanDisk Corporation.⁹ For evaluations to be most effective, for example, they should be ongoing in real time and coaching-oriented (unlike assessments that are often ranking-based and thought of as unfair or political in nature).

The bottom line is that the notion that individuals need to spend their waking hours in the office or out in the field to maximize productivity is something of the past. Working on the go or off-site has become commonplace for most industries. Millennials, especially, are connected to work through email, smartphones and tablets. They are less willing to accept the “old-school” methods of completing work, and they are always searching for new ways to streamline processes and increase efficiency. This new-age approach is something the

⁹ Molly Page. *How Millennials Are Changing the Way We Work*. Thin Difference. June 20, 2015

construction industry specifically is not well-served in. Suppressing the innovative nature of this generation will create disengagement among employees and lead to a less productive workforce. Learning to foster the innovation and creative thought leadership of the millennial generation will be paramount for continued employee engagement and company success.

Finding 7. What older and younger workers can learn from each other:

Our research shows that viewpoints and lifestyles of younger and older workers can differ quite dramatically, but there is a huge opportunity for all generations to build on each other's strengths and find some common ground. Following are a few areas where both older and younger workers can teach one another some fundamental wisdom that can help bridge the generational gap:

What older workers can teach millennials:

- **Loyalty.** Older workers know the value of staying with one employer over time and how this type of win-win relationship can benefit everyone involved.

- **Experience.** Older workers know the ropes, and most are more than happy to share their knowledge and experiences with their younger cohorts.
- **Interpersonal skills.** All the technology in the world can't make up for a lack of interpersonal skills in the workplace. Let the generations figure out the best ways to approach common courtesies, team play and other activities.

What millennials can teach older workers:

- **Technology.** This is a big one. Millennials are digital natives. Put them in positions where that technological knowledge can rub off on their older counterparts.
- **Diversity.** Younger generations come from a wide variety of households and backgrounds. This can help open older workers' minds regarding the changing workforce and world.
- **Risk-taking.** Millennials are entrepreneurial and likely more willing to take risks and test out new things than their

older, more conservative co-workers. By mixing up the two groups, you'll be able to maximize this strength and get everyone thinking about new opportunities and ideas.

- **Work-life balance.** This is a biggie for millennials, who can share their sentiments around maintaining a healthy, balanced lifestyle while having a successful career in the construction industry.

“ What motivates me is being able to move into a more important role and run a larger portion of the business while contributing to achieve the company goals. ”

–Millennial Survey Participant

“ I feel there is opportunity for advancement and I learn at an advanced rate compared to our competitors. ”

–Millennial Survey Participant

“ The social environment and culture at my company are very close if not exactly what I was looking for after leaving college. A teamwork-heavy, collaborative group with not just the desire to succeed, but with an obligation to grow the company with respect to the family that owns it. ”

–Millennial Survey Participant



Working With

BABY BOOMERS



As Told by Millennials

Most Challenging Aspects

- "Reluctance to change and adapt."
- "Lack of respect."
- "Their way is the correct way and my way is wrong."
- "Unwillingness to learn new ways of doing business."
- "Inability to relate to the younger generation."
- "Inflexibility."

- "Not understanding that construction has been evolving and continues to do so."
- "They don't want to take us seriously or don't agree with the ideas our generation has."
- "They are so slow and bureaucratic."
- "Less accepting of female workers, especially those without college degrees."

Most Appreciated Aspects

- "They are honest and you know what is expected."
- "Ability to teach."
- "Detail-oriented mentoring and involvement."
- "Their attitude towards hard work."
- "Experience and ability to filter critiques."
- "Their perspective, knowledge and experience."
- "The stories."



Business Implications

As millennials become the dominant generation in today's workforce, companies must be cognizant of the actions they take to engage these employees. Aligning each individual's development plan with the company's goals is essential in ensuring improved engagement. Millennials especially are eager to contribute and want to know they are adding value to the company. Never before have the company's mission and vision been so important to a workforce.

Engagement, like a company's vision, starts at the top and requires leaders to continuously challenge team members and consciously demonstrate a focused effort to engage their employees. Now, more than ever, executives must bring alive the company's mission and vision to drive a culture of engagement. The following business implications can help organizations make sure they have the basis for engaging and aligning their millennial workforce with the bigger picture.

	STRATEGIC LEVEL	OPERATIONAL LEVEL	TACTICAL LEVEL
VISION	<p>Start by identifying an inspiring vision and communicate that vision clearly to the company.</p> <p>Define a focused and strategic talent development program for all employees.</p>	<p>Develop processes for building corporate communities that truly inspire and engage employees long term.</p> <p>Promote a collaborative and transparent work culture.</p> <p>Attract and retain key employees for continued company growth.</p> <p>Develop the necessary framework to effectively communicate the company's vision across the organization.</p>	<p>Develop specific interview questions for hiring new candidates to make sure they are a good cultural match.</p> <p>Leaders need to stay in touch with their workforce and remain "approachable."</p> <p>Employees need to understand what their career can look like long term with your company.</p> <p>The organization's culture needs to be healthy and productive.</p>
CULTURE OF ENGAGEMENT	<p>Use the vision to drive a culture of engagement by aligning the organization around the vision.</p> <p>Emphasize quality training and continuous employee development. Training should be seen as a continual process, not a one-time "event."</p>	<p>Develop and implement performance management processes that factor in ongoing training, coaching, development and associated performance metrics.</p> <p>Develop systems and tools for diagnosing corporate culture.</p> <p>By implementing an effective performance management process, companies can identify employees that are poised for high performance.</p> <p>A culture of engagement starts at the top and requires leaders to continuously challenge team members and consciously demonstrate a focused effort to engage employees. Vision requires near constant communication, so leaders must recognize it is an essential aspect of their responsibilities.</p>	<p>Redesign the hiring process to place an emphasis on cultural fit first and role fit second.</p> <p>Develop formal learning and engagement plans that leverage new technologies, methodologies and outcomes. Leverage senior leaders in mentorship roles for younger employees.</p> <p>Develop individualized career plans and adjust on a continuous basis.</p> <p>Conduct culture surveys and employee engagement assessments to review the current state of the organization and track progress as it improves.</p>

TALENT STRATEGY

STRATEGIC LEVEL

Develop a talent strategy that aligns with the corporate vision and culture.

Reinvent your human resources business and corporate policies to develop employees at all levels with the skills they will need to help the organization realize its vision.

OPERATIONAL LEVEL

Build a focused and strategic talent development program that is closely aligned with other core operational functions (e.g., estimating, project management, project controls, accounting, etc.) and that aligns with the overall corporate strategic goals.

Develop a communication platform where all employees can provide ideas and suggestions around strategic business issues as well as concerns they may have about less effective characteristics of the corporate culture.

Effective performance management processes correlate directly to sustainable company growth. Leaders must leverage this advantage with merit-based systems by defining expectations and standards for the team and individuals, and talking openly about shared objectives and goals.

By encouraging collaboration and implementing programs to solicit suggestions and feedback, companies can better engage their employees and provide the opportunity to connect with the company's larger strategic picture. Leaders need to be open to employees asking questions about the vision and raising any concerns they have. Open communication about the vision is critical to ensure the workforce understands and supports it.

TACTICAL LEVEL

When hiring new employees, alignment with the organization's vision and culture should be the priority. Candidates with great knowledge and experience but whom do not fit the vision or the culture will eventually leave due to that misalignment. It is easier to teach a new hire a specific skill and much harder to encourage him or her to change to fit the culture.

Incorporate innovation within talent development programs. Leverage innovation to connect older and younger employees.

Clearly defined career plans allow employees to understand the knowledge and skills they will need to progress through the organization. Without clear career plans, millennials may feel like they have plateaued or are stuck and look for their next opportunity outside of your company.

Anticipate potential feedback and be prepared to make substantive changes based on input from millennials as well as other constituencies. Even great cultures have aspects that frustrate employees. Great organizations want to understand where they are weakest so they can chart a path for improvement.

IMPLICATIONS FOR MILLENNIALS

STRATEGIC LEVEL

Millennials don't just want to know what the vision is but also how they can help achieve that vision. They want to know how their specific tasks and responsibilities help contribute to the overall vision.

Old policies and job descriptions may stand in the way of millennials contributing at a level that would bring real value to their companies. To further drive the culture of engagement, encourage millennials to participate in the process of rewriting old policies and job descriptions. Seek feedback on the effectiveness of the strategic talent development program and adjust accordingly. The program needs to continually evolve to meet the changing demands of your workforce.

OPERATIONAL LEVEL

Millennials are still early in their careers, so they are looking for personal and professional developmental opportunities. They want to learn and grow in their roles and know they are working for an organization focused on their continual development, rather than treating them like cogs in a machine. Upgrading their skills is a major motivator for many millennials.

Millennial employees that feel motivated and free to provide input on strategic company objectives (and know their opinions will be heard) are more likely to feel they are making an impact at the company. Many millennials express a desire for more communication from their leaders—they want to be actively involved in their workplaces, and the more they understand, the more connected they will feel. Many millennials believe it's impossible to over-communicate with them.

High performers who are challenged at work and feel they are aiding in the success of the business are more likely to be promoters of engagement. Millennials are the most connected generation in the workforce, so they will actively communicate with others outside the organization. If you can inspire millennials to be vocal supporters of your culture, they can be a great source for referring other millennials.

Millennials welcome the opportunity to provide input and new ideas that promote innovation. They want to see a direct connection between their work and the company's vision. Millennials are content to work hard, but they want to know their efforts will have a meaningful impact. Leverage their perspectives and ideas to engage them, while also benefiting from their innovative insights.

TACTICAL LEVEL

Millennials want to work with people who share similar values and objectives as they do. If they see employees who don't fit the vision or culture and yet go unchecked, it can be discouraging and create skepticism about the company's vision.

Millennials benefit from real-time feedback and a program that has the infrastructure for goals that can change. Millennials are comfortable with changing technology and want to work for organizations that stay up to date with the latest technologies.

Millennials want to understand their career opportunities and how they can move from A to B. Most millennials are willing to "pay their dues," but want to understand the general time frame and path before them. They want to know opportunities are available to them, and if they work hard, they will be rewarded with career progression.

Millennials want to know that the company has an accurate view of itself. Leaders should both communicate the positives of the organization as well as acknowledge the areas they are working to improve. Many millennials get frustrated when they believe an organization is plagued by blind spots or maintains an inaccurate view of its strengths and weaknesses.



Looking Ahead

Millennials:
Change Agents for the
Construction Industry

By 2020, the U.S. Bureau of Labor Statistics predicts that nearly 50% of the U.S. workforce will consist of millennials. By 2030, millennials are expected to make up 75% of the global workforce. As the catalyst for a changing workplace – the construction industry included – these individuals want to learn and contribute in a meaningful way. As such, hiring, training and developing employees at all levels should become strategic company priorities, and outdated policies will need to be reframed and adjusted to accommodate a more holistic human capital program.

While managers often perceive millennials to be entitled, disloyal and lazy, it appears this stigma is highly untrue. As shown in our construction industry survey, millennials are ambitious and eager to make a big impact in their careers early on, which sometimes can be misread as entitlement or even arrogance. In fact, millennials strive to have a clear understanding of how they can advance from point A to point B – something the industry has historically neglected (i.e., career pathing and professional development). Alongside their baby boomer and Gen X counterparts, millennials are keen to help their firms create innovative business models, utilize emerging technologies and improve their bottom lines.

Not unlike other generations that enter the workplace, millennials have new perspectives to share, new ideas about getting things done, and new ways of tackling problems. Born with technology at their fingertips, millennials see technology as a critical part of the workplace and their interactions with others. This key distinguishing factor places millennials in a different league than their older colleagues. The construction industry, long thought to be a laggard in technology adoption, desperately needs this new perspective and understanding of technological competitiveness that millennials possess.

This new mindset is critical in pushing the industry forward. **So, rather than focusing on outdated stereotypes, employers in the construction industry should take the opportunity to develop workplaces where top talent across all generations can shine and thrive.** Starting with a clear and inspiring vision, leaders can pave the way for long-term employee engagement and weave both multicultural and multigenerational human capital strategies into the construction industry workforce. Now is the time to capitalize on each other's strengths instead of focusing on obsolete stigmas.

Survey Methodology

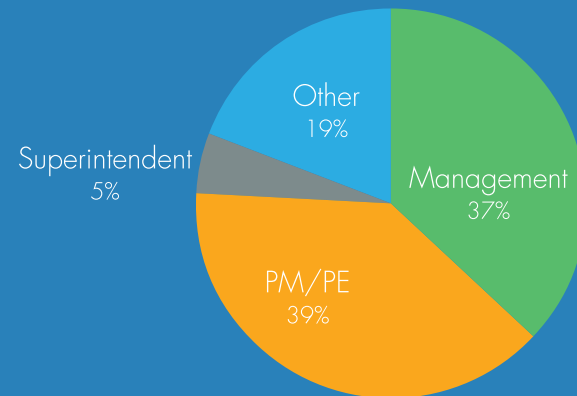
The FMI Construction Industry Employee Engagement survey was conducted online from mid-March through early April 2015. During that time, FMI collected online responses from a total of 369 individuals who work in the construction industry nationwide. Of the 369 participants, 201 represent millennials (individuals born between 1980 and 2000). The remaining 168 participants are 35 years or older.

Participants work in a broad range of positions, including project managers, project engineers, estimators, field engineers, superintendents, virtual construction coordinators, project administrators, general foreman, HR representatives, controllers and preconstruction team members, to name a few.

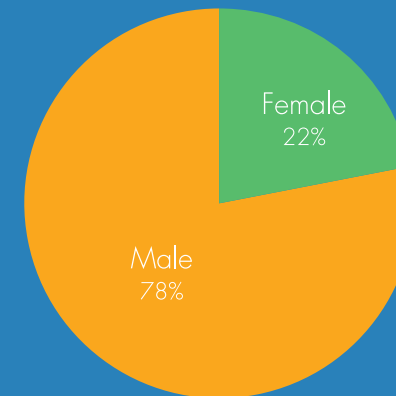
Finally, many of the employees who participated in this study work for leading construction firms in the industry. As such, the responses may not be representative for the entire industry, but they do indicate patterns and trends, which may require further in-depth research.

Survey Demographics

Current Role



Gender



Management: CEO, COO, CFO, President, Vice President, Managing Director, Director

Other: Business development, Marketing, H/R, Accounting, Finance, Administration, IT

About the Authors



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About FMI

Founded in 1953 by Dr. Emol A. Fails, FMI is the leading management consulting, investment banking[†] and people development firm dedicated exclusively to the engineering and construction industry. FMI professionals serve all sectors of the industry and combine more than 60-plus years of industry context and leading insights to achieve transformational outcomes for our clients. We have subject matter experts in the following practice areas and serve clients throughout the U.S., Canada and internationally:

Management Consulting

- Strategy
- Market Research
- Business Development
- Operations and Project Execution
- Risk Management
- Compensation
- Peer Groups
- Performance Management

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- Ownership Transfer Planning

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- Training and Talent Development

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