



Recruiting and Retaining Millennials

Office of the City Auditor

Executive Summary

Why we did this project:

By 2030, it is predicted that Millennials will make up 75% of the American workforce. One-third of Millennials change jobs every one to three years, which costs employers an estimated \$15,000 - \$25,000 per employee. To ensure the City of Tulsa continues to hire and maintain an exceptional workforce, the Human Resources Director asked the City Auditor to gather feedback from City of Tulsa employees (ages 18-35) regarding the best ways to recruit and retain Millennials in the future.

What the Project addresses:

- What motivated Millennials to seek and retain employment with the City of Tulsa?
- What do Millennials think about the City of Tulsa's current methods for recruiting and retaining employees?
 - What helps recruitment and retention?
 - What hurts recruitment and retention?
- What can Human Resources do to improve recruitment and retention of Millennials in the future?

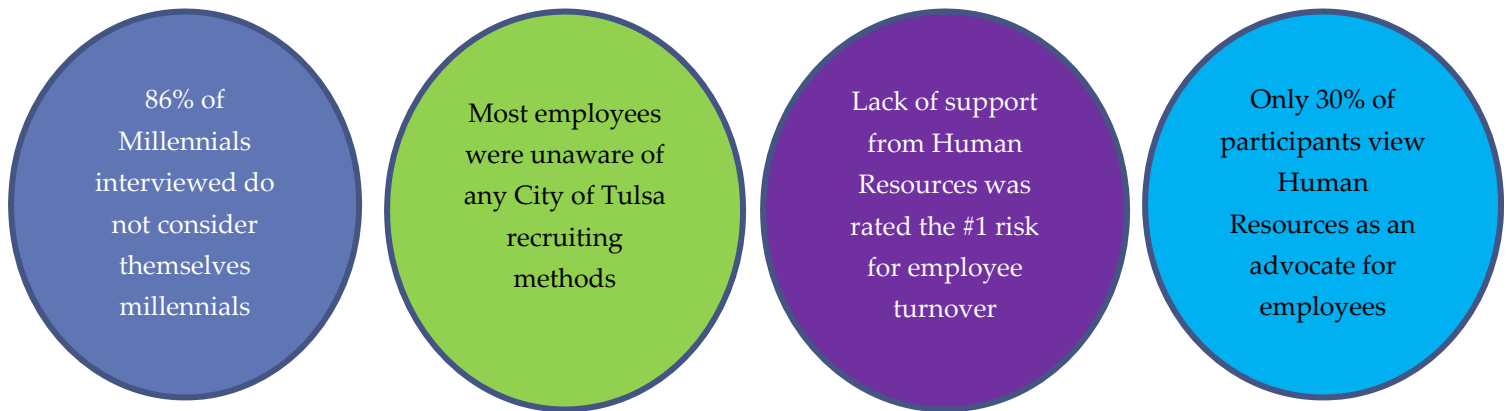
Audit Methodology:

- Randomly select City of Tulsa employees, born 1981-1998, from each major labor group within the City. (Exception: TPD participants were provided by the police department, based on availability, following several failed attempts to schedule randomly selected participants).
- Lead five focus groups through a guided discussion regarding current City of Tulsa recruitment, retention and human resources practices and a brainstorming session to prioritize recommendations for improvement
- Consolidate findings from each focus group to identify top values, issues and recommendations
- Prepare report of Focus Group findings including opportunities for improvement

Significant Results

- 86% of millennial-aged participants said they do not identify with the Millennial label.
- Participants rated flexibility, meaningful work and advancement opportunities as their highest values.
- Most participants did not know what methods the City of Tulsa uses to recruit employees.
- Inadequate pay and benefits were considered the top hindrances to recruiting new employees.
- Lack of Support from Human Resources was rated the number one risk for losing employees.
- There are opportunities for Human Resources to make improvements in training, customer service, communication, accountability and engagement.

Recruiting and Retaining Millennials



In 2015, Millennials surpassed Generation X to become the largest percentage of wage earners in America. By 2030, it is estimated that Millennials will make up 75% of the American workforce. Close to 25% of City of Tulsa employees are millennials. Many studies indicate that Millennials have different priorities than previous generations when making decisions regarding employment. According to a study by the O.C. Tanner Institute, more than one-third of Millennials change jobs every 1-3 years; the estimated cost for replacing these employees is \$15,000-\$25,000.

To ensure the City of Tulsa continues to employ and maintain an exceptional workforce, the Human Resources Director asked the City Auditor to gather feedback from City of Tulsa employees regarding the best ways to recruit and retain Millennials in the future.

City auditors facilitated five guided discussions with 28 randomly selected employees born between 1981 and 1998 (ages 18-35). * Participants included sworn and non-sworn employees from each major labor group within the city.

Participants voiced opinions and prioritized recommendations for improvement in the following areas:

- Recruiting Employees
- Retaining Employees
- Providing Human Resources Support

The following is a consolidation of the key findings and recommendations from each focus group.

*TPD participants were selected based on availability at the time Focus Groups were scheduled.

What City of Tulsa Millennials Value:

(In order of priority)

Flexibility: A flexible work environment was the most agreed upon priority by participants. Employees want flexibility to balance work with personal responsibilities. This includes: ability to make up time and/or adjust work schedules to accommodate personal appointments without having to take leave; work-from home and telecommuting options. Many believe the implementation of Kronos and changes to leave policies have resulted in less flexible options for employees.

Meaningful Work: 100% of participants agreed that working for the City of Tulsa gives them an opportunity to “make a difference” and placed “meaningful work” as one of their highest priorities when seeking employment.

Advancement Opportunities: City of Tulsa Millennials are interested in upward mobility. Most want to continue learning and taking on new responsibilities throughout their career. Many are hoping to promote within the City of Tulsa in the next 1-3 years. Lack of advancement opportunities is considered a main reason to seek employment elsewhere.

Ongoing Feedback: Participants prefer ongoing feedback on performance to formal annual reviews.

Recognition for Great Work: Most participants want employees to be recognized for going “above and beyond”. Suggestions for recognition include merit pay, formal awards and informal “shout-outs”.

Strengths, Challenges and Recommendations

RECRUITING AND RETENTION STRENGTHS
Pension
Meaningful Work
Friendly Employment Staff
Wide range of opportunities for experience
Paid Training for Licensing and Certifications

CHALLENGES	(Top 3 issues in order of agreement)
RECRUITING	Inadequate Pay and Benefits
	Lack of Employee Awareness of Recruiting Efforts
	Starting pay too low for hiring requirements
RETENTION	Lack of Support for employees from Human Resources
	Time Card System
	Lack of Raises; Rising cost of benefits
HUMAN RESOURCES SUPPORT	Lack of advocacy and career guidance for employees
	Lack of interaction with employees beyond policy enforcement
	Slow response time to employees' requests for information

TOP RECOMMENDATIONS FOR IMPROVEMENT
Competitive Pay and Benefits
Consistent Raises
Better Customer Service to Employees from Human Resources

Insights:

Recruiting:

- Most non-sworn employees were unaware of any City of Tulsa recruiting efforts (beyond job postings on City website)
- Inadequate pay and benefits was considered the number one hindrance to recruiting new employees
- Most participants believe education and experience requirements are too high for starting pay of many positions
 - Some believe work experience and/or military experience should be given equal consideration to education – especially in labor/trade and public safety fields

Retention:

- Lack of support from Human Resources was considered the number one risk for losing employees.
- Most participants believe the implementation of the Kronos timecard system has negatively affected retention.
 - Reasons include:
 - Loss of schedule flexibility
 - Degrading to punch a time clock
 - Unfair/punitive enforcement by Supervisors (example: punishment for being one minute late)
- Supervisors are a major influence on employee satisfaction and retention
 - Some employees are leaving due to their supervisors – and some say their supervisors are the main reason they stay
- Despite low pay, many accepted positions with the City for the “good” benefits and have been discouraged by the rising costs of health benefits and reduction of other benefits, such as funeral leave

Insights:

Human Resources Support:

- 30% of participants view Human Resources as an advocate for employees
 - Most stated they have had little or no contact with Human Resources since being employed
- Many would like more support in career development and job placement
- Many would like to see improvement in communication between H.R. and employees. Including:
 - Knowing who to contact for issues
 - Faster response time to employee requests
 - Better communication regarding status of job interviews
- Some would like to see a more employee-friendly workers' compensations claim process – the current process feels “adversarial”

Millennials:

- 86% of Focus Group participants do not associate themselves with the Millennial label
 - Some believe they have traits more like Generation X
 - Others believe negative connotations are associated with the Millennial label, such as immaturity and entitlement

Tulsa Police Department:

- Many TPD employees feel siloed from City Hall. Many expressed hope for more inclusion with the current Mayor.
- Most TPD employees believe the lay-offs of police officers during the previous administration still has a negative effect on both recruiting and retention.
- Work/Life balance can be an issue for police officers. Many millennial employees work the night shift. Participants say it can take 25 years to get a schedule with weekends off.

Opportunities:

Training	Social Media Marketing training for recruiting staff
	Training for Supervisors in the following areas: <ul style="list-style-type: none"> • Consistent and appropriate enforcement of Kronos • Management Skills/Employee Relations • Constructive Feedback
Customer Service	Create a position in HR dedicated to Employee Relations and to act as a resource for: <ul style="list-style-type: none"> • Career planning/Training Plans • Benefits Counseling • Recognition and Appreciation Events
	Create and maintain database of Employee skills/experience; notify employees when openings matching skills are available
Communication	Share recruiting efforts with employees and encourage employees to refer candidates
	Market the City of Tulsa as a great place to work; highlight the way employees “make a difference”
	Share job openings on social media such as Facebook, Instagram and Twitter; include quick easy-to-read summary of job position – ask employees to share
	Keep employees updated on Human Resources efforts to make improvements and increase employee engagement in finding solutions
Accountability	Create KPIs for internal customer service; and publicize on a regular basis
Engagement	Engage City of Tulsa employees in working groups and employee forums hosted by Human Resources to unite Human Resources and employees in identifying solutions to recognized issues.
	Implement Employee Referral Program

Conclusion:

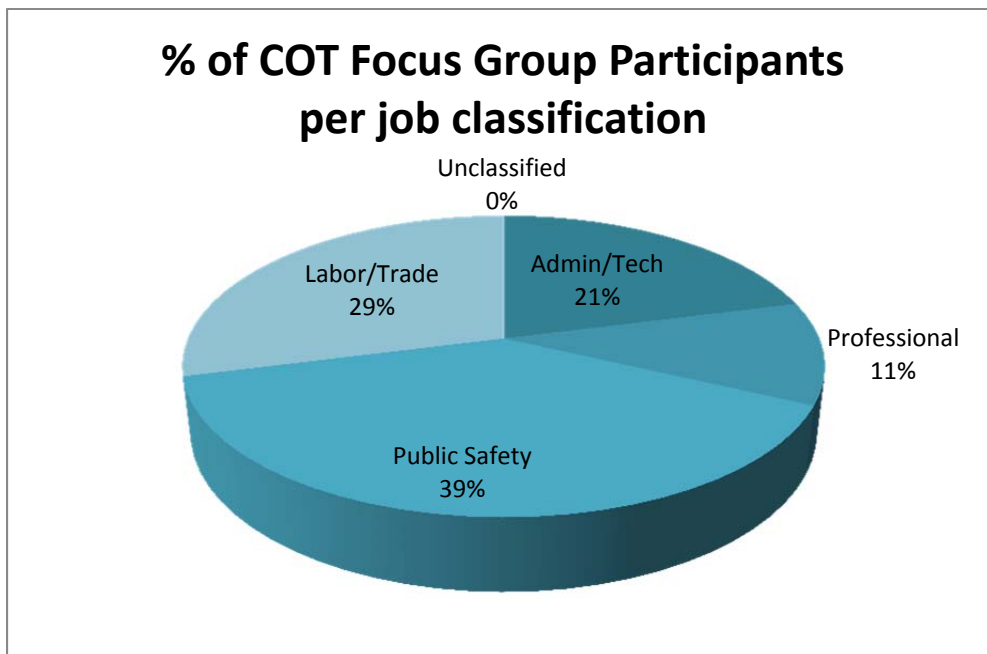
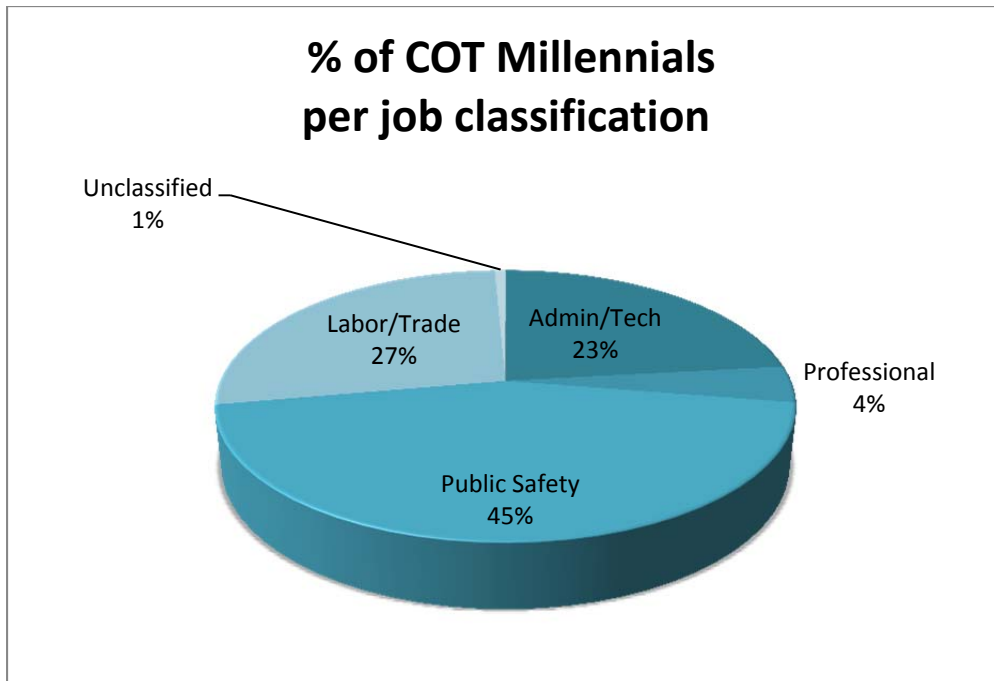
The three top recommendations from focus group participants for improving recruitment and retention of millennials were: competitive pay and benefits, consistent raises and better customer service from Human Resources. Support from Human Resources rated higher in importance than pay and benefits for affecting retention. We recommend that Human Resources become more transparent with employees regarding its efforts to recruit, retain and support employees, and hold itself accountable for improvement through publicized reports regarding achievement toward customer service goals.

Management Response

By Erica Felix-Warwick, CCP, SPHR, SHRM-SCP
Personnel Director

1. Competitive Pay and Benefits – I agree this is a top concern and improvements made in this area will have the most impact. This recommendation will be reviewed during the budget process and should be made a priority by the administration to fund raises.
2. A recommendation has been sent to the Mayor's office and Budget team related to a strategy to provide raises in a more consistent manner. This has to be a priority of the organization in order for this to happen so resources are not shifted to other initiatives
3. We will step up efforts to measure and improve upon the service levels in HR. However, like most departments, we are stretched thin and doing more with less resources.

Appendix 1: Demographics



Appendix 2: Discussion Guide

Recruiting and Retaining Millennials Focus Groups – Discussion Guide

Review summary of research regarding millennials:

- Majority of Millennials change jobs every 1-3 years
- 75% leave their jobs due to lack of advancement opportunities
- 1.5 x more likely to focus on short-term opportunities; 43% plan to actively look for a new job in current year
- 81% believe they should be able to make their own hours; 45% would choose work flexibility over higher pay
- 49% would like a better onboarding process for new hires
- 65% think rigid hierarchies squander their potential; want consistent feedback on performance instead of annual reviews
- Nearly 3 out of 4 don't feel recognized for doing great work
- #1 factor impacting employee happiness is transparency
- 72% want work that is meaningful and “makes an impact”

Millennial Characteristics: True or False (10 minutes)

1. Do you identify yourself as a millennial? Why or why not?
2. Do you believe your age group as a whole is being adequately represented in these studies and reports? Which characteristics are accurate; which are not?
3. Why do you think millennials are portrayed this way?

Recruiting: (10 minutes)

- Are you satisfied with the City of Tulsa's current recruitment efforts? What are we doing right? What should we improve?
- Do we have sufficient pay and benefits to attract employees? What other benefits could we offer?
- What attracts you to employers? How could we spark more interest in working for the City of Tulsa?
- Where should we focus our recruiting efforts? What methods should we use to reach potential applicants?
- Would re-naming entry-level positions help attract more applicants?

Retention: (15 minutes)

- Onboarding is the mechanism through which new employees acquire the necessary knowledge, skills and behaviors to become effective members of organization. Do you believe the City of Tulsa does a good job with onboarding new employees? If not, what areas need improvement?
- Why do you believe we are having difficulty retaining employees?
- Has the City of Tulsa done a good job of encouraging you to retain employment? Explain why or why not.
- How important is flexibility and work/life balance to you in determining whether to retain employment? Are you happy with the flexibility you have with your current position?

Human Resources Support: (10 minutes)

- How supported do you feel by Human Resources? Do you view Human Resources as an advocate?
- How helpful is Human Resources in helping you to structure your career path? What can be improved?
- What method of communication would you prefer Human Resources to utilize for policy changes? For direct communication?

Brainstorming and Improvement Ideas (45 Minutes)

- Briefly explain how brainstorming is done
- Brainstorm improvement ideas in all three areas
- Ask participants to list top priority in each area
- Verbally summarize each priority idea in each topic (note verbal summarization)