

## Contributed Article

# Millennial Generation in the Era of the Fourth Industrial Revolution

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Nowadays, the main keyword in the global HR market is “Millennial Generation.” The term Millennial Generation generally refers to the generation of people born between the early 1980s to 2000s, recently being composed of the most important part of consumer group abroad. On the one hand, the millennial generation in the U.S. and China is the consumer with desire to consumption with new styles and the influencer of the world economy. On the other hand, the millennial generation in Japan represents “Satori generation,” a term used to describe young generation with social deprivation, a sense of alienation and valuing individualism.

The GDP growth rate in Korea last year was 3.1%, which consequently led to the economic growth recession. Because of the government's labor policies, the labor cost is increasing and companies are hesitant to hire new employees for current stage. Unemployment among young people has come to the fore again all over the nation. The corporate structure has been changed from the existing organizational structure called the “Pyramid Structure” (in which a few senior employees are at the top of the pyramid; middle level follows; and the majority of junior employees are at the bottom). The recent changes in the organizational structure show that as the hiring new employees continues to deteriorate, juniors in the organization accordingly have become the minority. As a result, the older generation's criticism of the younger generation has been at issue as the majority-minority relations not as the existing generation gap.

The generation gap between the representative millennial generation and the older generation is said to be the dedication or loyalty to the organization. Millennials do not want their private time or space interfered with by the company, and there are many cases in which increased company interference leads to them becoming discouraged and even deciding to leave the

organization. Such an attitude may be the reason millennials are told that the younger generation has “no patience” or is “too focused on the personal at the expense of the organization.” But are all millennials like that? If so, we can't explain the millennials of start-up corporations who are willing to work day and night. Taking charge of the hiring and human resources consulting functions for various corporations revealed that millennials' level of dedication to the organization gets higher the more the organization's members' values and ages are similar.

An organization comprised of many similar members as considered the “in-group.” Unlike the past, when the majority of new employees who entered the company got OJT together and established a sense of belonging in group, the current corporate hiring culture has changed to hire only one or a few employees according to their career. In this situation, the junior employees do not consider the organization as the in-group but rather just another part of life. In fact, the older generation's criticism of the younger generation has not changed. Such a critical mindset may be dismissed if one senior requires several juniors to follow such values. However, when several seniors force one junior to obey such values, this is an act of coercion of the majority against the minority. The millennials do not have a sense of belonging and think that work occupies only a small part of life like hobbies, so on the occasion their organization demands more sacrifice or devotion, they give up being part of the organization.

The fact that the resignation rate of new employees amounts to more than 30% shows mistakes in human resources management. Furthermore, one must consider the opportunity cost from the standpoint of business including training cost and time. The opportunity cost of the corporation that did not succeed in employing or managing the millennials increases, and they are at the risk



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of losing core talented persons who could lead the future of the organization. Recently, with starting 52 hours in a work week, growing efficiency and productivity are key interests for each corporate. To reduce losing the human resources cost and maintain productivity, companies have to think different way to apply the 52 working hours to their junior employees. They should not only cut work hours but also provide a different working environment to engage the employees and exercise their potential.

When we examine rapidly-expanding corporations such as Facebook, WeWork, Netflix and Google, we notice that they have commonalities. The keywords are “Millennials” and “New technology.” Also, such companies have their own “Human Resources Management Culture,” which is representative of their unique identities. We can see that such corporations owe their growth to the main role of millennials, where their contribution comes

together with the innovation of new technology like digital and IT. It is believed that it is characteristic of millennials to avoid devotion to an organization when defining the meaning of work, but in the actual human resources market, they are more practical than the baby boomer. They decide the meaning of work according to the potential of an organization. They prefer innovative corporate culture, so they do not hesitate to devote themselves to innovative work. They have been exposed to technology or IT from a young age, and they are accustomed to a way of thinking in which they connect life with technology or IT and solving problems. If corporations make the best of millennials' abilities, they can access a new growth engine. In conclusion, the next generation's corporate competency will be determined by the successful management of “Minority Millennials,” who will be the core engine of company growth. ■



**YouMe Jeon** heads Kelly Services in Korea after successfully launching it in 2008. With more than 15 years of experience in the business of executive search industry in Korea and Singapore, she has counseled a wide range of senior executives of multinational corporations, providing them with strategies for a broad array of initiatives including market entry, recruiting, retention, corporate restructuring related to human resources.

Especially sought after by clients from the Asia financial service industry to consult on high-level management and human resources issues as well as to recruit executive management talent for their operations, YouMe's strong track record works predominantly with CEOs and board members in multi-cultural projects, especially for Hong Kong, Singapore, China, India, UK, US and Korea.

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