A Review of Millennial Generation Characteristics and Military Workforce Implications

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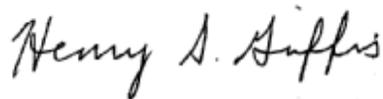
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It does not necessarily represent the opinion of the Department of the Navy.

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Background

As military missions increase in frequency, variety, and complexity, the need for quality, skilled, and deployable members to fulfill missions becomes more critical. Active enlisted recruitment targets in 2007 surpassed 180,000; however, there are growing difficulties in meeting recruiting goals. To complicate matters, the retirement of Baby Boomers over the next decade has the potential to leave huge gaps in the workforce. These gaps must be filled by a new generation known as the *Millennials* (that segment of the population born between 1980 and 2000). The American workforce is changing demographically and becoming more complex and diverse generationally, culturally, and racially. Finally, the political and economic climate has been in a state of unrest since September 11th, 2001—the beginning of the global war on terror and the subsequent wars in the Middle East. Yet employers, both military and civilian, must try to maintain workflows, missions, and goals. In a workforce climate with so many competing factors, what will it take to attract, recruit, and retain productive workers, and what role will generational change play?

The 10th Quadrennial Review of Military Compensation (QRMC) asked CNA to conduct background research on Millennials (also known as the Internet Generation, Generation Next, Echo Boom, etc.) to explore the potential impact of targeted policies, especially compensation and retirement, on this cohort.[1] In light of these tasks, we set out to examine the following question:

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1. Dr. Scott Keeter of the Pew Research Center gave the keynote address on Millennials to the 10th Quadrennial Review of Military Compensation (QRMC) on 10 July 2007. This analysis makes use of empirical data provided to us by the Pew Research Center [1].

> Are there characteristics and challenges so specific to Millennials that the military must develop targeted policies in order to appeal to this generational cohort?

To respond to this question, we have taken the following action:

- *Reviewed current literature to explore some of the unique characteristics of this generation.* The current generation of young people has been a topic of interest in various surveys, reports, news articles, and so on. Millennials are "emerging on the scopes" of employers, educators, and other segments of society, and the competition for highly skilled human capital is growing more fierce.

- *Identified some key characteristics of Millennials that may affect the future workforce.* Compared with previous generations, Millennials represent a very large cohort population that is now moving into the workforce. They possess strong cohort identity and an "entitlement" perception [1]. Millennials rely on social influencers and networks to make important life decisions. Educational attainment is a high priority, and use of technology in how they live and interact is a characteristic of Millennials at home, at work, and at play. Surveys indicate that Millennials seek to change the world around them in the workplace and in social and political arenas.

- *Analyzed the empirical evidence from various data sources with respect to the key characteristics.* Generational experts contend that Millennials are a unique cohort of individuals who share observable core character traits that have the potential to command changes in many segments of society. They also contend that employers are being forced to increase compensation and benefits and change the status quo of day-to-day operations, and that educators are adjusting educational costs and developing new learning processes to cater to Millennials. In this paper, we looked at how empirical evidence from surveys and longitudinal tracking, as well as economic cycles and trends, may paint a different picture of whether and to what extent such changes are occurring and what to expect in the future.

- *Explored how employers respond to changing workforce expectations that may or may not be driven by generational characteristics.* The

workforce is changing in terms of demographic and economic factors that may call for specific policy changes to attract, retain, and effectively manage workers. Are there difficulties and challenges specific to generational differences? The answer may be elusive because of the lack of adequate samples and rigorous studies, yet employers can foster better understanding between employers and employees concerning needs and expectations. How can employers bring about the needed changes in the most efficient way? In this paper, we will describe some of the new initiatives that have already begun to address these issues.

Findings and conclusions

Our review of the generational literature and other sources led us to three general findings that influence our analysis. First, generational time spans are nebulous since the beginning and end points are defined differently by different authors. Second, the use of scientific methods would result in more sound analysis of generational differences, which is needed to develop effective policies. Third, the Millennial cohort is still young and has not been studied sufficiently, or systematically enough, to develop conclusions about its impact on various segments of society, such as the workforce. However, popular resources may have some descriptive value and may be useful in formulating questions for more rigorous study.

In light of these general findings, we've concluded the following from our research on the Millennial generation:

1. Certain Millennial cohort characteristics (e.g., size of the cohort) may have more impact on particular workforce factors than others; however, cohort characteristics alone do not cause particular workforce challenges. Rather, cohort characteristics operate in conjunction with many other variables to influence the workforce. We've found that generational cohorts consist of diverse people and groups of people from all walks of life. Not all members of a generational cohort (e.g., Millennials) possess the same characteristics. Also, many so-called generational characteristics are instead life-stage effects, which are found in

every generation as they move from less responsibility in young adulthood to more responsibility in older age.

2. Influencers play an important role in the decisions of Millennial youth. They possess a particularly strong inclination toward social dependencies, and they tend to rely on the influence of their parents, who often continue to provide them with support and advice well into adulthood. There is a strong case for the significance of the role of parents and veterans, and the lack of such influencers, on enlistment decisions of Millennials. On one hand, this presents a real workforce challenge for the military since there are decreasing numbers of veteran influencers in the population over time. On the other hand, it provides an opportunity to improve recruiting by targeting parents in recruitment campaigns.

3. Growing differences in gender pool proportions, racial/ethnic background, veteran influencer population, and the national defense and political climate all combine in various ways to influence propensity toward the military workforce. Evidence suggests that military actions—such as the first Gulf War and the current war in Iraq—influence propensity just as military crises of the past have likely influenced past generations.

4. The technological playing field is not equal for all young people. Some youth, even Millennials, are not as exposed to technology as others because of ethnic, racial, and income disparities. Even as young workers across the spectrum become increasingly more exposed to technology, their aptitudes, skills, and interests don't always meet the demands of the workforce for quality workers. Employers may need to provide technical training to members of their workforce to address the achievement gaps that exist among today's young people.

5. In terms of political and civic activity, Millennials appear to be more active than the previous generation (Gen X) of youth. Of special significance to the military are research findings that there may be some relationship between political activity, especially voting, and propensity to joining the military.

6. The Millennial cohort size shouldn't present a workforce challenge to the military. In fact, because Millennials represent a large group, it increases the percentage of potential recruits. However, cohort size can be influenced by other demographic factors (race, gender, etc.) in ways that may have an impact on propensity to join the military.

7. Millennial aspirations and desire for higher levels of education are considered to be traits that may affect and challenge the workforce because educational attainment competes with employment and level of education influences the type of employment sought. However, recent data trends and Census Bureau projections both suggest a flattening educational attainment curve for the future. This appears to be especially true for male youth; any increases that have recently occurred in educational attainment have been driven by women and nontraditional students. All this taken together suggests that the educational attainment taking place among Millennial youth is not creating adverse workforce implications for the military.

8. Employer-paid tuition and training is a highly valued part of the workplace compensation and benefits package. Employees value education benefits because they believe—and research shows—that higher levels of education lead to higher salaries. Furthermore, education is becoming more costly and unaffordable for many students. Young workers desire career development as much as, if not more than, monetary compensation.

9. The best measure of the adequacy of compensation is the recruiting and retention climate. Recruitment and retention are determined by the ability of employers to attract workers by using the right resources and incentives, rather than by the generational cohort to which workers belong. In general, people have similar expectations of their employers. Employees, including those from the Millennial generation, want (a) to contribute to a greater mission and purpose, (b) to be well compensated, (c) to be valued and respected, and (d) to be trained, challenged, and developed.

10. Retirement benefits have less priority for young workers than for older workers since they are in different life stages. Research indicates that, in general, young people's needs and values are more immediate, whereas older workers plan for the future. For this reason, flexibility and portability may be important factors in structuring retirement benefit plans. The Millennial generation is not much different in this respect from previous generations when they were young.

11. Unemployment is one of the most powerful determinants of recruiting success and/or recruiting challenges. The fact is that Millennials have lived in times of relatively low unemployment, and historically research has shown a positive correlation between youth unemployment and recruiting success. This has created a challenge for the services, not because of characteristics of Millennials, but because of the conditions Millennials have faced when entering the labor market. Recruiting Millennials will become easier if and when the times of relatively low unemployment come to an end, as it would be expected to do with any generational cohort.

To summarize, effective workforce policies should consider more than characteristics of generational cohorts since not all members of such cohorts (e.g., Millennials) possess the same characteristics. Generational cohorts consist of diverse people and groups in terms of race, ethnicity, culture, gender, and economic status, geographic location, as well as shared lifestyles, experiences, and expectations. Furthermore, life-stage effects play a major role in lifestyle preferences and how decisions are made for any generational cohort when they are young, as young adults are in the process of maturing and becoming more responsible.

Introduction

Workforce issues—both military and civilian

The U.S. military faces present and future missions that require greater attention to force shaping and structure. Since the terrorist attacks of September 11, 2001, the military has increased the frequency and number of U.S. servicemembers deployed to operations in Afghanistan and Iraq. In addition, the increase in humanitarian operations, border security, and domestic security has made it necessary to maintain sufficient numbers in active and reserve military forces. Concerns continue to surface about whether the All-Volunteer Force (AVF) is sustainable. Some contend that conscription may need to be reinstituted in the future.

In 2007, the volunteer recruitment target was around 180,000 active-duty recruits [2]. Recruiting goals for the Army, the largest force, and the Marine Corps have grown over the last few years, making it more difficult to meet targets. In fact, the Army struggled to meet recruiting goals for 2007. The Navy and Air Force had less difficulty meeting their recruiting goals since they downsized in the recent past. However, because missions are becoming more complex and the number of technical jobs is increasing, each of the services recognizes the need for high quality recruits. Competition is rising between the services, as well as between military and civilian employers, to recruit the best, brightest, and most highly skilled of the active labor pool.

To compound the situation, many factors are converging to make workforce competition fiercer. Researchers forecast that a large cohort of Baby Boomers is preparing to retire over the next decade, which threatens to leave major gaps throughout organizations, especially at the level of experienced managers. Military, federal, and civilian employers are concerned about rapidly changing workplace demographics. In addition, the American workforce pool is becoming more diverse generationally, racially, ethnically, and otherwise,

which adds to workplace complexity. The more diverse the workforce, the more effort required to build understanding, trust, effective communication, and ultimately organizational effectiveness. Diversity often threatens the status quo, making it more difficult to maintain a stable and capable workforce. Furthermore, technological skills are declining among American workers, and university students in America continue to gravitate more toward liberal arts than math and science. Complicating matters further, pressing political and economic challenges, the Iraq war, and the global war on terrorism have led to uncertainties that weigh heavily on society's mood, making people more cautious about career and other lifestyle decisions. Despite the convergence of these and other compounding factors, employers must try to maintain workflow and achieve organizational missions and goals.

Millennials on the "radar scope"

There's a lot of focus today on Millennials, that segment of the U.S. population born between 1980 and 2000. In this report, we examine some of the key characteristics of the cohort and consider some of the ways in which Millennials may affect today's workforce. Some generational analysts believe that they represent the dominant generation leading into the 21st century workforce: leaders, technological planners, political players, and institution builders [3]. A generation, as defined by some analysts, is a group of people who share and are shaped by history, defining life events, and core character traits—a group that represents an average time interval of about 20 years "between the birth of parents and the birth of their offspring" [4, 5].

Millennials have been characterized in recent years through the eyes of generational experts, employers, the media, and parents and other influencers, as well as through self-reports. These commentators were motivated by a variety of issues, concerns, and interests that may affect workplace, academia, and civic organization activities, such as recruitment, employee relations, and retention. Often their concerns have sparked research studies about Millennials. How are Millennials different from young people of past generations? What is their outlook on life today and for the future? Why is it often so difficult to relate to this cohort in today's society? What are some of the things that

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motivate them toward and challenge their goals? In what ways are their values and perspectives on life in American society similar to or different from past generations? How much change will be necessary to connect with the Millennial generation? As a result, commentators have sought to parse out major characteristics of this cohort in an attempt to understand them better.

This paper also explores some of the policy recommendations, strategies, and initiatives that are being implemented to attract members of this age cohort. Educational institutions are courting them, marketers are using "branding" to woo them, and employers are developing new policies and strategies to attract them, to foster workplace cohesion, and even to change the "status quo" of daily operations to keep them. The military, in particular, wants to know how to successfully recruit, compensate, retain, and build a quality force from their ranks.

In the following section, we begin with a discussion of Millennials as they are described in current publications and media sources. These sources often describe the generation using broad generalizations, perspectives, and popular sentiments. After reviewing the literature, we explore more closely those Millennial characteristics that could potentially pose challenges to recruiting and retention that may require changes in the way employers and others develop these policies. Then we examine some empirical data to determine if there are any cohort-specific cycles and trends.

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A review of current literature, surveys, and reports

In writing this report, we reviewed a wide variety of data and information from such sources as *generational literature* (Millennial cohort specific), *targeted data* (age cohort specific), and *nontargeted data* (population and educational statistics):

- Generational literature provides a broad overview and descriptive characteristics of a group of young people who have been identified as Millennials. Such literature includes publications, articles, documentary interviews, and reports from leading experts in the field of generational analysis, such as *Millennials Rising* by Neil Howe and William Strauss [3].

- Targeted data were drawn from researchers and scholars, many representing youth-focused organizations that provide rich sources of data for diverse segments—age, race/ethnicity, and gender—of the American youth population. Examples of these sources include DoD Youth Polls, Pew Research Center surveys, and Monitoring the Future Project. Many of these studies entail annual cross-sectional and longitudinal surveys over extended time intervals for large, nationally representative samples.

- Nontargeted data are extracted from the Current Population Surveys, the Bureau of Labor Statistics, educational surveys, and think tanks. These data have provided some balance and have helped, we hope, to reduce bias in our analysis.[2]

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2. Some analysts express concern that research studies on Millennials pertain mostly to the more affluent segments of the American population. Using data, surveys, and reports based on nationally representative samplings will curtail such bias.

What generational analysts are saying

A newly emerging generation of youth called Millennials is now cycling through its generational time span as young (many educated) adults entering the workforce. They are not considered just another "blip" on the radar scope. According to demographers, Millennials represent a very large group emerging in greater numbers than previous generations, and they are projected to exceed 100 million in total population (including immigrants). Some reports estimate that Millennials will make up the largest generational group yet—over a third larger than the Baby Boomer generation, which reached 78 million in total population [6].

Generational analysts Neil Howe and William Strauss contend that generations produce observable historical patterns, based on events and circumstances that shape the lives of individuals according to which phase of life they occupy at the time [7]. This theory takes into account that, as a cohort ages, circumstances often affect members' lives differently. How deeply one associates with life events and is affected by them is related to one's age when the event occurred. For example, a person in young adulthood may be affected by terrorism very differently than when that person is middle aged or older. Howe and Strauss argue that strong predictive models are important. They contend that such models can help to predict future changes and determine whether the generational perspectives currently held are the right ones for long-term decision-making. They believe that every segment of local and global society stands to gain as a result of such predictions [7].

Researchers say that forecasters often assume that the next generation will behave like a more extreme version of the current one. But analysts contend that the future is not a straight-line extrapolation from the recent past since social change is nonlinear, although patterns are produced. Change happens as each generation ages, entering the next phase of life allowing history to repeat itself and society to progress. Each new generation fills the vacated roles of the previous (older) generation bringing fresh inspiration, functionality, and desire for the changes that are necessary for society's well-being [7].

Howe and Strauss identify seven core traits of the Millennial generation. These authors believe that the following core traits substantially define the world of Millennials:

- *Special.* Millennials, as a collective, believe that they are vital to the Nation and their parents' sense of purpose.

- *Sheltered.* They have been the focus of the most sweeping child and youth-protection movements in American history.

- *Confident.* Millennials are trusting, optimistic, and connected to their parents and the future.

- *Team-Oriented.* Strong team instincts and tight peer bonds are their norm.

- *Conventional.* Conservative in their behaviors and values, they bring a modern twist to traditional social rules and standards.

- *Pressured.* With a sense of "trophy kid" pressure, they feel responsible to study hard, avoid personal risks, and excel.

- *Achieving.* As a generation focused on high accountability and school achievement standards, Millennials will most likely become the best-educated young adults in U.S. history [8].

Generational expert Claire Raines seeks to help strengthen generational connections and adaptation to differences in the workplace [4, p. xii]. With over 15 years of work on this topic, her findings have been sought after by businesses and other organizations desiring practical information—"how to's" for bridging generational gaps [4, p. xii]. Raines defines a generation as "a group of people who are programmed at about the same time." She says that, in the United States, generations are made up of diverse groups of people who share a place in history. Similar to Howe and Strauss, she believes that each generation's character is uniquely shaped, or imprinted, during formative years. She contends that, in any given era, young people are shaped by defining events, the media, parenting patterns, and societal moods. They share experiences that unite their generational cohort across color, race, ethnic, geographic, and economic boundaries. For example, Millennial experts believe that society's "child focus" of the 1980s and 1990s has contributed to the characteristics of

"entitlement" and "specialness" that have been observed by researchers and others in these youth.

Raines declares that there is value in broad generalizations when examining generational interactions in the workplace [4, p. 11]. Stereotypes, however, should be avoided because surely there are overlapping traits and behaviors between generations, and generalizations don't apply to all members of any group. Raines believes that generalizations can nevertheless be used as flexible guidelines. Generalizations also provide insights, awareness, and empathy, which can foster new approaches, adaptations, and behavioral change. Such changes can lead to more understanding, cohesiveness, creativity, and productivity, which are useful to many organizations within various segments of society [4, p. 11].

According to Raines, Millennials are sociable, optimistic, talented, well-educated, collaborative, open-minded, influential, and achievement oriented. They have been shaped in their formative years by technology, parental and societal focus on children and family, and busy, nontraditional, yet highly structured lifestyles. As such, Millennials warrant attention by employers in the highly competitive business environment across North America for the following reasons:

- They are now entering the workforce and are a larger generation than the Baby Boomers with great potential.

- They will require targeted techniques for recruiting, managing, motivating, and retaining them.

- They have expectations that are higher than the generations before them because of the times they live in.

- They have different values, needs, and ways of doing things than other generational cohorts in the workplace.

Raines argues that whether generational differences are generalizations or truth, for the short term or long haul, there's something to be learned from studying them. The challenge of four generations—Generation Y/Millennials, Generation X, Baby Boomers, and WWII Veterans—trying to connect at work and in public venues to make

decisions for the future of America is no small feat and will require adjustments along the way.

The Pew Research Center compiled the results of surveys and polls from the Generation Next cohort (another term for Millennials), and other age groups, which are useful for conducting empirical analysis of generational characteristics. The data and report lay out the outlooks, world views, lifestyles, and politics for a subset of Millennials between the ages of 18 and 25 and also compare the values of Millennials to other generational cohorts [1].

Pew Research analysts conclude that, although young people today are different in some ways, it's difficult to determine how different they are from past generations and to predict their behaviors in the future. It is too early to tell since their values have not been completely shaped by their experiences. The greatest effect on young people will be the imprinting events and circumstances that occur while they are in their twenties, such as economic conditions, times of war and peace, and political/social leaders. Pew Research has found that some of the most remarkable characteristics for the Millennial generation to date include the following:

- Use of technology (text messaging, Internet, etc.) is necessary and desirable in all aspects of life.

- Millennials have a sense of uniqueness and identification with their generational cohort.

- Influencer roles (parents, mentors, friends, etc.) are critical to success in life.

- Educational aspirations and attainment are the norm.

- Work/life balance is the rule, not the exception.

- Millennials have strong tendencies toward liberal social views and democratic politics.

- They perceive that their cohort desires great wealth and fame.

The Pew Research Center's data sources include targeted surveys, cross-sectional surveys, annual compiled surveys, social trends surveys, and exit poll surveys. Pew's data and report on Generation Next

is used widely by researchers and scholars throughout the field. The analysis presented in this report makes use of empirical data provided by the Pew Research Center [1].[3]

Issues with popular generational research

There are various issues and concerns surrounding the use of popular generational research to make informed policy decisions. First, some sources express concern about the legitimacy of using broad generalizations and demographer datelines when trying to understand generational differences. They say that one's generational cohort is more often a matter of lifestyle, preferences, and choices than broad generalizations [9]. That is, generational characteristics are determined by common behaviors. From this perspective, age may categorize certain individuals as Boomers while their lifestyle reflects that of Millennials. Some researchers rely on surveys of the technology use patterns of different age cohorts to place them into generational groups. For example, they may measure the frequency of text messaging, blogging for professional and personal communication, visiting such social networking sites as MySpace and Facebook, and downloading music from the Internet. Still other researchers maintain that generational cohorts can't be so strictly defined by media and technology use. Furthermore, as we've mentioned earlier, there are many distinctions among generations in terms of economic status, race, and culture.

National Academies' researchers of American youth attitudes argue that popular literature characterizing various generations lacks scientific quality [10]. Research shows that there is intuitive appeal in broad generalizations, but such generalizations do not represent the focused concepts and explanatory devices of social science research. First, analysts argue that one cannot use only ages and fixed dates to

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3. The major data sources used in the Pew Reports follow: Gen Next Survey (2006, nationally representative mixed age group sample), Pew Research Center Values Surveys (1987–1988 vs. 2002–2003), Pew Research Center Annual Compiled Surveys (2006), Pew Social Trends Surveys (2005 and 2006), and Exit Polls Conducted by Edison-Mitofsky Research (2004 and 2006).

compare cohorts. Hypotheses must specify events and experiences that lead to cohort differences, and these hypotheses must be systematically tested. For example, demographers and economists often try to describe and interpret patterns of cohort change that affect social and economic welfare, such as cohort size. Other scholars have identified distinctive characteristics of individuals who have lived through important social changes, such as the Great Depression.

The quality of research and data analysis is another concern. Many popular youth studies do not entail systematic collection and evaluation of data, but use selective data instead. It's important to use representative sample populations. Accepting youth characteristics from a small population of youth in one community as representative of those across the country is not scientifically sound. Also, many popular studies rely on single point-in-time data, rather than longitudinal data studies, which would offer greater validity in observing cohort change over time. The National Academies researchers do not necessarily assert that insights, impressions, and conclusions drawn from popular literature have no accuracy. However, they advise against uncritical acceptance of popular generational claims and encourage careful examination of such claims [10].

Surveys and research on American youth

Surveys and reports on youth between the ages of 16 and 25, from various sources allowed us to examine and compare characteristics and attitudes of youth without focusing specifically on the Millennial cohort. Some of the surveys were conducted on youth similar in age to Millennials but from different generational time periods. We were able to draw from empirical data sources for our analyses, including DoD Youth Poll surveys, Center for Information and Research on Civic Learning and Engagement (CIRCLE) reports, Monitoring the Futures reports, and the Council for Excellence in Government & Gallup Organization report.

For more than three decades, DoD has conducted annual surveys that measure the attitudes of young people about military service. Falling propensity for the military was the catalyst for the first of the youth surveys, the Youth Attitudinal Tracking Study (YATS) in 1975 and the

Youth Polls, which began in 2001. The Youth Poll defines propensity as the percentage of youth who say they will "definitely" or "probably" enter military service. Youth Polls are now conducted twice a year to measure youth perceptions of the military and their propensity to enlist in the military [11]. The information gleaned from the polls is often used to enhance the quantity and quality of American youth inclined toward military service, with the purpose of helping the services meet their recruiting goals.

With the primary focus on 16- to 21-year-old youth, the Youth Poll measures their knowledge of, impressions of, and favorability toward the military. Youth Polls also measure how influential each source of information is on a youth's likelihood to join the military. To identify factors that are likely to influence future recruiting effectiveness, Youth Polls examine options that are available to youth following high school graduation. Such components as attitudes, subjective norms, beliefs, and confidence are thought to be drivers of propensity to enlist in the military. Finally, perceptions of current economic conditions and reactions to current events are tracked in each poll.

CIRCLE was founded in 2001 and is now funded by the Pew Research Charitable Trusts and Carnegie Corporation. CIRCLE surveys and reports provide detailed and current information on attitudes toward and participation in civic, political, and governmental activities of young Americans age 15 to 25. The 2006 National Civic and Political Health Survey (CPHS) examines the civic engagement of young Americans and adults across 19 core measures. The report highlights attitudes toward government, levels of political knowledge, and partisanship, as well as views of elections and politics. The survey provides nationally representative samples of young people and adults, and oversamples of young Latinos, African-Americans, and Asian-Americans [12].

Monitoring the Future (MTF) is a continuing effort to study the attitudes, values, and behaviors of American youth representing secondary school students, college students, and young adults (http://www.monitoringthefuture.org). MTF surveys began in 1975 and continue to date, reaching more than 50,000 young people annually. The studies are funded by grants from the National Institute on Drug

Abuse and the National Institutes of Health. Most commonly, MTF research studies focus on monitoring youth drug use (including alcohol and tobacco), potential explanatory factors, and the risk and protective behaviors related to the transmission of the human immunodeficiency virus (HIV). MTF has also studied youth attitudes about the military and enlistment propensity, work values, and family values [13].

The Council for Excellence in Government & Gallup Organization report is a combined effort to study the future of the federal workforce. The government is most concerned with the key areas of experience and expertise, which are needed to gain a strong, competitive edge for the future. The report also defines five key workplace values in today's market:

1. *Intellectual stretch.* Involvement in work that allows for innovation, creativity, and intellectual stretch

2. *Mission match.* Ability to contribute to work with purpose, importance, and impact in the public realm

3. *Growth potential.* Work opportunities that allow growth and advancement

4. *Compensation/benefits.* The amount of money earned and benefits, such as vacation, health insurance, and retirement plan

5. *Job security.* Perceived and actual employment stability.

Analysts argue that, in order to reach the best and the brightest—dubbed the "Government Go Gets" or "G3s"—the wants, needs, and preferences of these workers must be understood. G3s are composed of scientists, engineers and computer scientists, as well as law enforcement, public policy, and social service professionals. The current report, *Within Reach…But Out of Synch* [14], identifies trends that will influence the Federal Government's ability to attract and retain talented workers to replace retiring workers of the future.

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Millennial characteristics

To more closely examine Millennial uniqueness, this section explores some of the most often mentioned characteristics of Millennials. First, we take a look at optimism, the most asserted Millennial characteristic. Then we distinguish some key characteristics of this group that some believe may place unique challenges and demands on employers.

With respect to these key characteristics, we examine some empirical data, relying on traditional data categories—economic, sociodemographic, and political—used in workforce analysis as a basis for supporting or dismissing the claims:

- Economic variables include unemployment rate and compensation-related variables[4] (i.e., wages, benefits, and retirement pay).

- Sociodemographic variables include cohort age/size, education level, college enrollment, veteran population, propensity, and use of technology.

- Political variables include voting and civic activity.

From these three categories, we've chosen to examine nine characteristics: cohort size, education, compensation (including noncash benefits and retirement), influencers, propensity for military service, unemployment, technology use, political activity, and civic responsibility. In doing so, we examine the empirical evidence from surveys and polls, cycles and trends, and longitudinal tracking studies to see if there is any evidence that is uniquely Millennial.

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4. Compensation spans several categories because the term is broadly used to describe not only cash wages but also retirement pay and noncash benefits. See the discussion in [15].

Optimism

Indications

Millennials are often characterized as extremely optimistic in their attitudes about life and the future, and this characteristic tends to permeate many of the others [7, 8, 16]. Optimism is not easy to measure, yet analysts often attempt to describe a common "mood" or "outlook" associated with different generational eras. The following words are often used to describe members of the various generations:

- Generation X—self-reliant, myopic, and survivors
- Baby Boomers—innovative and materially driven
- Veterans (WWII generation)—conservative and uniform.

These characteristics are also difficult to measure. But even if Millennial optimism could be measured, what effects might the trait bring to bear in the workplace? We can perhaps examine optimism in terms of the unique values and goals of optimistic people; however, we may find that people from other generational cohorts also share similar values and goals that may be driven by age or life stage. Unfortunately, the data relating to the characteristic of optimism are not time-series data, so we can't directly compare Millennials to other generational cohorts when they were young.

It's believed that Millennial optimism is the result of being raised in a child-centric era of doting parents and pro-child laws and policies. Even as they come into adulthood, recent surveys show that Millennials between the ages of 18 and 25 are more satisfied than previous cohorts with family life, parent-child relationships, work/life balance, and standard of living. As figure 1 shows, for a subset of cohort Gen Next (Millennials), expectations for life 5 years from now are higher (74 percent) than those of older age cohorts (59 percent) [16].

Millennials are optimistic about their future impact in the world, both nationally and globally. Compared with older adults, Millennials believe that today's children will have a better life (45 vs. 33 percent); older adults believe that life that will be worse (52 percent). In fact, Millennials believe that life is better now than 20 years ago in terms of educational opportunities, high-paying jobs, sexual freedom,

exciting times, social change, financial security, and home ownership [16, p. 6]. Millennials feel more empowered and able to effect social change than the previous generation did (56 vs. 48 percent).[5] They are strong social networkers and embrace differences among people. Having grown up in a diverse society, their views are liberal with respect to race, culture, sexual preference, and gender roles. In a 2002–2003 Pew research survey, for example, Millennials agree that it's okay for blacks and whites to date (89 percent) compared with older age groups of both races (70 percent). Although this gap has remained consistent over time, different age groups are becoming more progressive on this issue.

Figure 1.   Millennials (Gen Next) have optimistic expectations[a]

Expectations for your life five years from now...*	Gen Next (18-25) %	Gen X (26+) %
High (best)	74	59
Medium	8	13
Low (worst)	10	15
Don't know	8	13
	100	100
When today's children grow up life will be...**		
Better	45	33
Worse	39	52
Same	4	4
Don't know	12	11
	100	100
Sources: * Pew Social Trends, June 2006, based on 10-point scale with ratings of 8-10 coded as High, 6-7 as Medium, and 0-5 as Low. ** Pew Social Trends, Feb. 2006		

a. Source: [16].

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5.   Generation X (Gen X) cohort members were born between about 1966 and 1980. Generational breaks are somewhat arbitrary but this is comparable to those used by other researchers and analysts [16, p. 4].

Millennial optimism may also be explained in part by the prosperous times in which they live. Jobs are plentiful, career opportunities abound, economic safety nets are in place for many of them, and unemployment has remained low relative to previous eras. As a result, Millennials are more likely to expect to be able to change employment to suit their needs and lifestyles. Economic reports show that Millennials are the most affluent generation of young consumers that world markets have ever experienced. Many parents of Millennials acquired wealth during the years of great technological growth; thus, some Millennial youth "stay in the nest" longer and are positioned to inherit great wealth. Millennials report that getting rich and becoming famous are important goals for their peer group. They emphasize these goals more than the previous (Gen X) cohort, and surveys show the importance of wealth (81 vs. 62 percent) and fame (51 vs. 29 percent), respectively, for each of these groups [16, p. 12]. (See figure 2.)

Figure 2.   Millennial life goals[a]

Your generation's most important goals in life?	Gen Next (18-25) %	Gen X (26-40) %
To get rich	81	62
To be famous	51	29
To help people who need help	30	36
To be leaders in their community	22	33
To become more spiritual	10	31
None of these (Vol.)	2	2
Don't know (Vol.)	1	1

a. Source: [16]

In spite of the optimism that characterizes Millennials, public opinions about this generation of young people are not always positive. Adults from previous generations are sometimes put off by the air of "entitlement" that these young people exude. A recent article in *The Wall Street Journal* lists parents and other influencers among the many roots of the entitlement perception of youth today. Along with

coddling parents, and an instant gratification consumer culture, cell phone and Internet technology has created "the world's longest umbilical cord" providing an instant and direct line to aid from others [17]. Furthermore, psychologist David Walsh says in the article that some "entitled parents and kids suffer from DDD—discipline deficit disorder, with symptoms of impatience and inflated expectations" [17, p. D1]. Others believe that Millennials, like youth from previous generations, require a period of adaptation and maturation that will come with time. Millennials have been described by some as lacking real hardships and social causes, which leads them into boredom, anger, and extreme dependency. Some people believe that a dose of reality and perhaps a few difficulties in life will awaken the unrealistic expectations of this young, overly optimistic generation.

Millennials often assess themselves with honesty, candor and even harshness in terms of behavior and lifestyle in comparison to previous generations. They believe that today's youth engage in casual sex, violent encounters to solve conflicts, binge drinking, and illegal drug use more frequently than previous generations. However, as we present later in this paper, the actual data contradict their perceptions [16, p. 10]. Even so, Millennials refuse to accept pessimistic characterizations about themselves. Unsuccessful attempts have been made to understand and characterize them through labels: Generation Y (or Why?), Internet Generation, Boomlets, Echo Boom, Generation Next, and others. When polled, this cohort rejects most of these labels as empty characterizations; however, the term *Millennials,* has some appeal to them [3]. Interviews and surveys indicate that Millennials see themselves as "special," and they are eager to make a difference in the world.

Surveys show that Millennials tend to identify more strongly with their cohort than other generational groups, which may lead to strong social and political cohesion in the future [16]. Generational analysts believe that their "can do" positive attitude and outlook on life is contagious, unexpected from youth, and potentially powerful. With the right channeling of these world views, analysts project that over the next decade Millennials will lead America into the 21st century with potentially seismic, revolutionary consequences [3].

Workforce implications

Millennial optimism is not likely to present unique challenges in the workforce. In fact, it may prove to be an asset to employers and other segments of society. Millennials have high expectations for a bright future. While candid about their shortcomings, they possess healthy, positive attitudes about themselves and their potential. They are a cohesive cohort of strong team players and social networks. Finally, they have a sense of entitlement that overflows from prosperous times. A clear understanding of Millennial values and desires for "the good life" and their perceptions about how to obtain their goals may be more beneficial than challenging for employers as they develop strategies and incentives for attracting and retaining quality workers.

Influencers

Indications

Social networks

Current literature and polls indicate that Millennials rely on family, peers, and other influencers for daily interaction and for making decisions in life. A recent Pew Research poll revealed that Millennials report a much higher frequency of contact with parents compared with other age cohorts. Fifty percent of Millennials age 18 to 25 contacted parents daily, while Gen X (ages 26–40), Baby Boomers (ages 41–60), and Veterans (over age 61), made daily contact with parents at levels of 19, 15, and 20 percent, respectively. Unlike older generations who were often eager to proclaim their independence, Millennials want to stay connected. Some adults can recall a time when "most dorm rooms had one land line, and if parents were lucky, kids called home once a week. Now, students may be going across the country, but they call their parents on the cell phone three to five times per day" [18]. So far as these results are based on single-point-in-time polls and recall rather than longitudinal studies, the results may be indicative of an age group rather than a generational effect.

Parents, peers, and family are the dominant influencers for this group. While the opinions of friends and classmates have always been important for young people, for Millennials these connections are

critical [8]. Articles have also been written about the phenomenon of so-called helicopter parents who continue to "hover" over the lives of these young adults as they enter college and the workforce [18]. Such parents are highly influential in these young people's lives, guiding college curricula, writing resumes, going on interviews, negotiating salaries, and interacting with military recruiters. Colleges report that parental involvement seems to be increasing every year. Most colleges now hold separate orientation sessions for freshman students and their parents to advise parents how to "cut the apron strings" [18].

Some scholars believe that the increase in parental involvement in the lives of young people stifles their resourcefulness and self-reliance. Scientists believe that the prefrontal cortex of the brain, which involves decision-making and planning, continues to develop well into early adulthood. Those in the Millennial age group are still developing reasoning, planning, and decision-making capabilities, and some experts believe that Millennials will struggle to make their own decisions because of the close parental contact maintained in their formative years [18]. They become used to parents handling everything; they don't have to think and make choices. Yet, other scholars say it's good that Millennials are closer to their parents and even befriend them. They say that helicopter parenting is not very prevalent and should be considered an exaggerated behavior [18].

Friendship and honest rapport between Millennials and their parents might become a problem, however, if it carries over into other relationships with adults who perceive their behavior as disrespectful. For example, a letter written to Chief of Staff General John P. Jumper and Secretary James Roche by a cadet fourth class at the Air Force Academy in March 2003 was cause for alarm. The letter chastised military leaders for their decision to replace four academy leaders amid investigations into reports surrounding the mishandling of sexual assault complaints. The cadet was admonished for his remarks, first by Secretary Roche and subsequently by General Jumper, who told him to "devote your energy toward being the best possible 3-degree that you can be" and leave leadership decisions to military professionals.[6]

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6. For details, see "Cadet's email chastises leaders," *Air Force Times* <http://www.airforcetimes.com/legacy/new/0-292925-1805478.php>.

Millennials also exhibit a strong inclination to work in teams. They make decisions as a team and measure themselves by their peers. Some researchers predict that they will form "communal tribes" and communicate at astonishing levels [18]. The team-oriented lifestyle of Millennials might also explain why their engagement in political and civic activities is rising and may ultimately be stronger than young people of previous generations. Research shows that Millennials are inclined to participate in political and civic affairs when they are encouraged by others to participate [12, p. 5].

The role of veteran influencers

In general, people look to others for advice and make decisions based on the experiences of those in their "sphere of influence." Influencers can be intimates, such as parents, mentors, friends and teachers, or they can be distant role models, such as political figures, religious leaders, or celebrities. Military representation continues to be an issue for public policy debate from a recruiting perspective as well as from the viewpoint of society as a whole [19]. Military representation is an important concept for analysis. Analysts examine who's being recruited, what's going on in the market, and how resources (e.g., aptitude, numbers and location of recruiters) are being used to enhance recruiting efforts. Examination of military representation in the past allows us to examine the impact of these influencers on today's military recruiting efforts. Research shows that a population with a significant presence of veterans is an important factor in recruiting success. This is particularly true when veterans are in the parenting age range of the targeted recruit group [19]. In addition to concerns about who's available to serve, the military also wants to know who's "ready" in terms of capability to fulfill short-term and long-term requirements.

Society is also concerned about military representation in terms of efficiency, social equity, and legitimacy [19]. Americans find it undesirable to have a military that is segmented by demographic patterns, environmental factors, and income. The public is also interested in knowing how the economy affects military enlistments. DoD reports annually to Congress on representation of recruits by race, ethnicity, gender, and socioeconomic background [19].

A combination of many different conditions and factors contribute in varying degrees to declining enlistment rates. In 1989, the year before the post-cold-war drawdown, enlisted recruiting was at 278,000 [19]. While the numbers declined in subsequent years, they have stabilized at around 200,000 annually. The drawdown was accomplished primarily by an increasing focus on recruiting high-quality recruits while keeping the number of recruiters relatively stable. Recruits are considered "high quality" if they have graduated from high school and have scored at the 50th percentile or above on the Armed Forces Qualification Test (AFQT). This high-quality challenge creates competition for personnel not only between the services and civilian employers, but also between the branches of the military.

The demand for high-quality recruits is an objective that has increasingly become a challenge for recruiting commands of every service. To compound the challenge, enlistment goals have recently increased for the Army and the Marine Corps [20, p. 2]. The Army met its goal for 2007, although with some difficulty, after falling short of its goals in 2005 and 2006. The Marine Corps requires substantial effort in terms of recruiters and resources to meet the new goals [20].

Another noteworthy challenge is the limited active pool, or "prime market," from which the military recruits. Military recruiters concentrate their efforts on the 17- to 21-year-old market. Out of the current market of nearly 19 million young people in this age group, 1 percent would fulfill the military recruiting requirement. The active pool is limited considerably because not all have a propensity to join. Furthermore, of those who are positively inclined, not all can meet the qualifications. While the quality of young men and women is rising from year to year, the prime market is still a small fraction of the total 17–21 age cohort [19].

Analysts use a variety of factors, including economic, sociodemographic, and political variables, to test enlistment rate hypotheses. In [19], two key economic variables—unemployment rate and family income—were used. Sociodemographic variables included age, education level, college enrollment, veteran population, and urban/rural locale. Political variables, in terms of voting activity, also proved effective in determining attitudes toward military service. According

to [19], "the most powerful single factor for enlistment rates was the percent of population that was composed of veterans under age 65."[7]

The presence of veteran influencers was found to be an even stronger factor in enlistment success than family income, a strong economic factor.[8] Veteran influencers provide exposure and knowledge of the military that cannot be obtained in other ways. However, research shows a declining trend in veterans under age 65, many of whom are of age to be parents and grandparents of Millennials (see figure 3).

Figure 3.   Veterans' population decline[a]
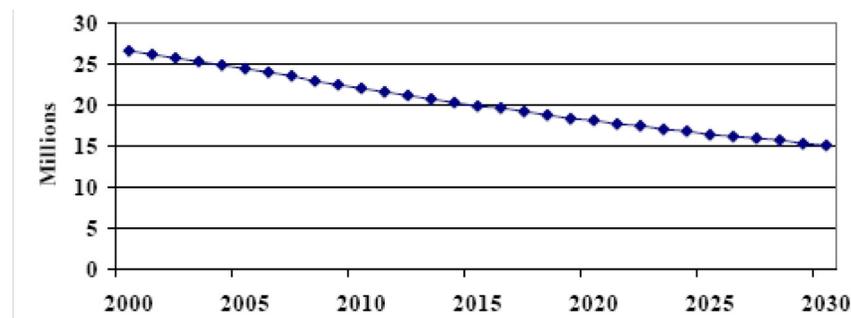
a. Source: [2].

Twenty million veterans were under the age of 65 in 1990; by 2005, there were only 13.3 million under retirement age, representing

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7. Reference [19] found that both beta coefficient and t statistic revealed the strongest association between variation in enlistment rate and the presence of veterans in the population. Veterans here are represented by men in the parenting age range of prime market recruits.

8. Economic factors, such as income and employment, have traditionally been known to significantly affect enlistment decisions. In this research study [19], family income proved to the most important economic variable as enlistment rates were higher where income was lower. The exception to the case was in Fairfax County, Virginia, where median family income is the highest in the country, yet it has an above-average enlistment rate. Researchers attribute this to the fact that Fairfax has one of the highest percentages of veteran population in the country.

about 5 percent of the population [19]. As the veteran population continues to decline, analysts expect that enlistments will also decline substantially in the future [19].

Workforce implications

Research findings leave little doubt that influencers play an important role in the decisions of youth to join the military. Studies show that Millennials possess a particularly strong inclination toward social dependencies. As a group, they tend to rely on the influence of their parents in every aspect of their lives. Surveys and anecdotes show that their parents continue to provide them with housing, advice, financial support, and friendship, well into adulthood. The combination of these factors builds a strong case for the significance of the role of parents and veterans, and the lack of such influencers, on enlistment decisions of Millennials. On one hand, this presents a real workforce challenge for the military since there are decreasing numbers of veteran influencers in the population over time. On the other hand, it provides an opportunity to improve recruiting by including parents in recruitment campaigns.

Attitudes toward the military

Indications

Propensity measures are useful for determining the availability of youth labor pools and youth attitudes toward military service. Propensity, according to DoD, is a percentage measurement of youth who indicate that they will join the military services in the future [2]. Propensity depends on many different factors. First, as we've already discussed, propensity is affected by influencers. Youth are more inclined toward military service if they have been exposed to veteran role models. Alternatively, negative influencers, whether actual experiences or hearsay, can have a substantial impact on the perceptions of youth toward military service. Propensity has also been shown to differ by age, gender, race/ethnicity, and education aspirations and attainment levels. For example, men are more likely to join than women. Research also shows that propensity differs by branch of service. Youth are more inclined to join the U.S. Air Force than any other

branch of the service. Furthermore, youth in certain areas of the country are more likely to join the services than those from other areas. Finally, the national defense and political climate influences propensity to join.

A recent Gallup study revealed that awareness and interest may sometimes play a role in people's decisions about career choices [14]. Figure 4 (from the Gallup study) shows relationships between people's awareness of federal organizations and their opinions of how interesting it might be to work for these agencies. In the figure, we see that DoD has a high level of awareness and the work is perceived to be interesting. As shown, however, awareness and interests are not always correlated. Furthermore, perceptions toward organizations change over time and differ between audiences. Perceptions may even be politically driven. For example, Millennials as a group may perceive an employer, such as the military, much differently than adults from another age cohort. But they may also have different perceptions from the same age group in a different generational era with different political leanings. Research shows that Millennials tend to prefer democratic politics, which may also influence their propensity to work for DoD regardless of their interest and awareness levels.

Figure 4.   Awareness of and interest in federal agencies as employers[a]
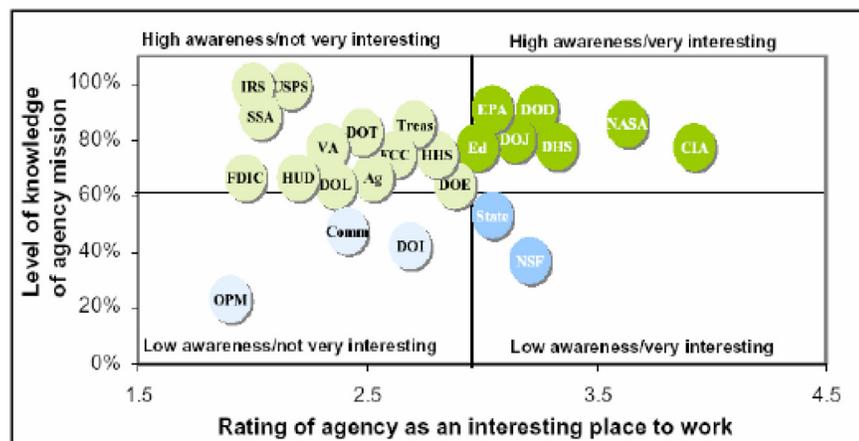
Figure 5 shows that, according to YATS and Youth Poll measures, propensity trends have been declining from the mid-1980s through 2007. Many of the factors already mentioned create a complex web of reasons for the declining numbers. Overlaying these are the timing of three major events: the first Gulf War, 1990–1991; September 11th, 2001; and the current war in Iraq. In the rest of this section, we take a closer look at Millennial attitudes about military service to try to identify some additional reasons for declining propensity.

Figure 5.   Declining military propensity trends among youth[a]
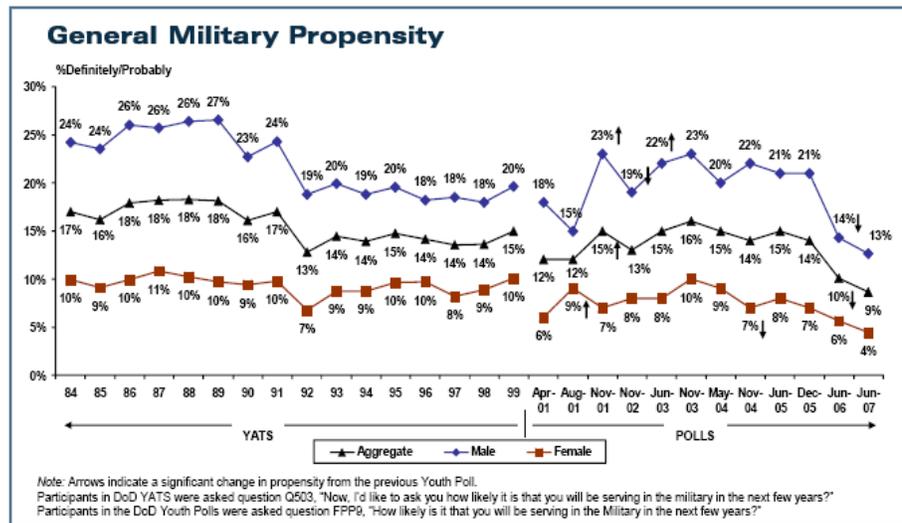
a. Source: [11].

It's important to take a closer look at how Millennials view the U.S. military as part of understanding their propensity to join. Human capital is becoming more scarce in terms of availability and skills, and the U.S. military, like other employers, has grown increasingly concerned about generational challenges. As the largest employer and trainer of young people in the country, including all the services, the military enlists over 200,000 new recruits annually. In any workforce, employers seek particular characteristics in potential employees that will be a good fit for the culture as well as enhance the efforts and goals of the organization. The U.S. military is no exception, targeting

young recruits between the ages of 18 and 25, preferably high school graduates in good mental and physical health with sufficient ASVAB test scores and clear criminal and drug records. The military has undergone periods when requirements have not been met by all services and now seeks to maintain enough flexibility to manage such difficult cycles. One of the ways strategists seek to do so is to understand and adapt as much as possible within the bounds of militaristic structure to generational changes.

It's true that not everyone is cut out to serve in the military; in many respects, however, overall perceptions of the military in the American population are still very positive. According to a 2006 Gallup poll, four different age cohorts reported almost equal confidence in the military.[9] Likewise, views of the military were almost equally favorable among the cohorts (see figure 6).

Figure 6. Favorable views of the military[a]
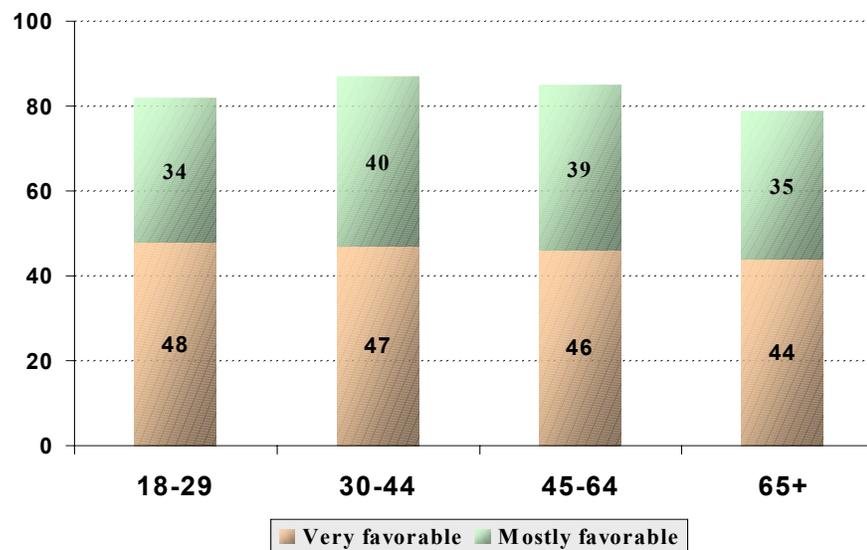
a. Source: [16].

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9. Dr. Scott Keeter (Pew Research Center) mentioned the poll in his 7 July 2007 address to the QRMC Board, *Views and Values of "Generation Next."*

Young people today also encounter negative press and misconceptions about the military. As discussed earlier, some analysts believe that the primary reason for misconceptions is the declining number of military veteran influencers in the population [19]. Young people today have fewer role models who can share accurate information with them about military life. When asked whom they admire most in life, Millennials listed teachers/mentors, bosses, and family members, followed by entertainers, political leaders, and spiritual leaders. Soldiers, business leaders, historical figures, and international leaders were rarely if ever mentioned [16, p. 10].

Military intervention

Over four decades of survey data collected by the Pew Research Center also paint a picture of the many complexities, paradoxes, and contradictions involving the perceptions of young and old Americans on war [21]. But the data do reveal some consistent patterns in the often disparate perspectives of younger people and older people concerning the use of military force, and these patterns have persisted over time.

Young Americans are more likely to support military intervention through the deployment of ground forces and air power, while Americans over the age of 65 are far less willing to support such U.S. deployments. Apparently, younger age cohorts, with the greatest time distance from major wars of the past, are less opposed to the use of military force [22]. Furthermore, the differences persist regardless of purpose—from the prevention of world hunger, or restoration of law and order, to missions to secure U.S. oil transport [21].

The Pew study indicated that, while there are differences in opinion across generations about the use of military force, older generations typically show the greatest wariness over military intervention [21]. This consistent wariness about the use of military force can be traced to attitudes about the Vietnam War. As far back as the Gallup surveys conducted between 1965 and 1973, people of all ages increasingly expressed views that sending troops to Vietnam was a mistake; however, most of the critics were from older generational cohorts. The study found that, in 1965, 29 percent of people over the age of 50 saw President Johnson's Vietnam war policies as a mistake, compared

with 15 percent of those under age 30. At the end of the war in 1973, most people maintained that the war was a mistake, but 53 percent of younger people expressed this view as opposed to 69 percent of older adults.

Despite the aforementioned differences in opinion across generations about the use of military force, studies reveal that young Americans have traditionally shown a preference for diplomacy rather than military force, while older generations are more likely to believe that the use of military force is more effective than diplomacy in solving international problems. As cohort groups age, however, they tend to toughen over time and lean toward military force as the best way to resolve crisis for the sake of subsequent peace. (See table 1.)

Table 1.   Use of military force to ensure peace[a]

Best way to ensure peace is	1987-1988		2002-2003	
	18-25	26+	18 - 25	26+
through military strength	%	%	%	%
Agree	46	59	48	61
Disagree	49	36	49	35
Don't know	5	5	3	4
	100	100	100	100

Source: Pew Values Surveys

a. Source: [16, p. 35].

Despite the wariness expressed by the older generations of the use of U.S. military force, in 2003, 64 percent of those over age 65 held the view that "we should all be willing to fight for our country, whether it is right or wrong." Comparatively, at that time, 51 percent of those under age 30 agreed, and the gap has persisted since the late 1980s [16, 21].

The Iraq war

Young people were found to be at least as supportive of the war as those in other age groups in spite of perceptions given by antiwar activism, for example, which might have suggested that young

Americans oppose war. In fact, roughly half of the people in every age cohort, with the exception of the 50–64 age group, believed that going to war with Iraq was right [21]. Survey data leading up to the war from August through September 2002 revealed that 69 percent of those under 30—alongside the solid majorities in every age cohort between 18 and 64—were in favor of taking military action in Iraq. However, both before and after the war began, the oldest age cohort (65 and older) continued to show more opposition to the war than the younger cohorts. The gap in attitudes toward the war in Iraq between younger and older generations was greater leading up to the war. It is interesting that the gap appears to be closing for subsequent years as the data show a convergence of generational attitudes about military action in Iraq.

Several implications emerge from these observations. First, Millennials do not appear to be atypical compared with past cohorts of the same age with respect to their perceptions about the use of military force. Second, the political climate, in terms of level of satisfaction with the incumbent administration, usually affects perceptions about military decisions in the aftermath. In addition, there may be a transfer of attitudes and perceptions of older-aged cohorts (i.e., influencers) to younger cohorts. The role of influencers is key in discussions about the propensity of young people to enlist in military service and will be discussed later in this paper.

Alternative intervention

Research shows that young Americans between the ages of 18 and 29 are more likely to prefer alternative interventions through diplomacy and multilateral agreements to secure peaceful resolutions to global conflict [21]. Younger people under the age of 30 have a more favorable opinion of the United Nations and international influences than cohorts 65 and older by a margin of 58 percent to 35 percent, respectively. Also, 62 percent of young survey respondents under 30 favor a cooperative approach to foreign policy, while 46 percent of older respondents agreed. The same age group of young respondents was divided over whether the United States should remain the only military superpower (45 percent) or accept another country's rise to that status (40 percent). Adults over the age of 65 favored keeping the

United States as the sole superpower (56 percent) and preventing the emergence of rivals (24 percent).

There are many reasons for disparate preferences such as these between generations. First, Millennials tend to be more tolerant of issues involving race and immigration and they are more likely than older generational cohorts to feel that they have many things in common with people of other races. They believe that immigrants can potentially strengthen the United States rather than hinder progress. Having grown up in an increasingly multicultural, multi-ethnic society, they are more likely to befriend, date, and even marry people of different backgrounds. Young adults, even in the aftermath of the events of September 11th, 2001, are less suspicious and fearful than older adults of people from Middle Eastern and other foreign nations. Young people are also less likely than older people to report that they are worried about future terrorist attacks. In fact, young people are becoming increasingly less worried about future attacks [16, p. 35]. According to Pew Compiled Annual Surveys, in 2001, 65 percent of those 26 and older reported that they were somewhat or more worried about future attacks. In 2004, 63 percent of that same age cohort maintained those concerns. In 2001, fewer of those age 18 to 25 (59 percent) expressed similar worries; in 2004, only 53 percent reported concerns about future attacks. Overall, Millennials believe that diplomacy is a better approach than military intervention, which is more likely to provoke additional retaliation from terrorists because it creates hatred among foreign nations [16, p. 35].

Another interesting and seeming contradiction is that younger Americans believe that problems in their own country should be given the highest priority. One study showed that the majority (54 percent) of those surveyed agreed that "the U.S. should mind its own business internationally and let other countries get along the best they can on their own," while the majority of older Americans disagree. Younger people believe it's best to focus on their own country's problems rather than be more active in world affairs. Comparatively, adults over the age of 30 say that international activism is important [21].

Amid the seeming paradoxes and differences between younger and older Americans about international affairs and the use of military

action, there are also some similarities in attitudes from which we can draw several conclusions. First, intervention with military force is perceived by both groups to be a practical and acceptable option for securing peace for the United States when necessary. Second, both groups prefer to use military strength with caution and to seek alternative means to ensure peaceful relations with other nations. Young adults see international diplomacy as the best alternative. Older adults believe that maintaining a strong superpower presence is the key to peacekeeping. Many of these attitudes seem to grow stronger through the cohort life cycle as the younger take on the views of the older. However, some of the perspectives may in fact be attributed to generational differences. Views of young adults from the multiethnic, multicultural Millennial generation are shaped as much by their own unique set of experiences and events as older adults have been shaped by such events as World War II, Vietnam, and the end of the cold war [21].

Workforce implications

Many factors combine to influence propensity trends of youth with respect to joining the military. The Millennial cohort is not likely the sole culprit since propensity was trending downward before this generation of youth began to have an impact. Growing differences in gender pool proportions, racial/ethnic background, individual influencers, and the national defense and political climate all combine in various ways to influence propensity toward the military workforce. The evidence suggests that military actions—such as the first Gulf war and the current war in Iraq—influence propensity much more than any generational characteristics. Young Americans do show support for military force when necessary, but diplomacy is and has traditionally been preferred. The military services might find it most productive to develop policies geared toward educating youth influencers and young people about the military's use of force, diplomacy and international relations, and other methods of securing peace for the United States.

Use of technology

Indications

Research indicates that Millennials embrace the use of technology more than any previous generation because they were born into an advanced digital society. According to analysts and others, they use technology to communicate who they are, what they think, and how they live. During a PBS documentary on Generation Next, Stan Smith, Director of Next Generation Initiatives for Deloitte & Touche, said that "technology is an extension of how they relate to each other" [23]. Further, Millennials have been characterized as extremely sociable, and technology allows them to stay connected with family and friends literally around the clock. Social networking sites, such as Facebook, MySpace, and MyYearbook, allow them to display their personal profile complete with photos and descriptions of their interests and hobbies. Blogs are used by Millennials to express their opinions about social and political current events. Grass roots political organizations, such as Generation Engage and Rock the Vote, create chat rooms, videos, and pod casts as channels of communications for young people. The way computers are used varies by age. For example, older youth more frequently use computers for school and Internet access, while younger children use computers to play games. (See figure 7.)

A recent Pew research poll revealed that almost all Millennials (86 percent) use the Internet at least occasionally. Nearly all college graduates use the Internet, as do about 77 percent of non-college-attenders. The Internet is frequently used by previous generations, with high levels of reported use among Generation Xers (91 percent) and Baby Boomers (73 percent) [16, p. 13]. Millennials stand out most clearly in their use of real-time technologies, such as text messaging and instant messaging. Half of Millennials polled said that they sent out a text message on the cell phone in the 24-hour period before they were interviewed. As shown in figure 8, comparative frequencies for text messaging over the same time period was 26 percent for Generation Xers, 10 percent for Baby Boomers, and 4 percent for Seniors [16, p. 13].

Figure 7. Varied computer use at home for children ages 3 to17: 2003[a]

School assignments
- 66.1 (3 to 17 years)
- 13.5 (3 to 5 years)
- 45.8 (6 to 9 years)
- 84.0 (10 to 14 years)
- 90.8 (15 to 17 years)

Internet
- 64.4
- 32.1
- 47.7
- 73.9
- 86.3

E-mail
- 44.6
- 10.8
- 20.3
- 52.8
- 77.0

Play games
- 83.1
- 85.2
- 87.7
- 85.1
- 73.9

Word processing
- 45.4
- 12.5
- 24.7
- 56.4
- 69.2

Graphics or manipulate audios*
- 43.4

Spreadsheets*
- 21.0

Manage household finances*
- 4.4

Legend:
- 3 to 17 years
- 3 to 5 years
- 6 to 9 years
- 10 to 14 years
- 15 to 17 years

*Asked only of children aged 15 to 17.
Source: U.S. Census Bureau, Current Population Survey, October 2003.

a. Source: [24].

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Figure 8.   Use of Internet and real-time technologies[a]

In the past 24 hours did you...	----------Age ---------			
	18-25	26-40	41-60	61+
Send/receive email	%	%	%	%
Yes	50	61	52	32
No	38	30	22	18
Not an internet user	12	9	26	50
Don't know	0	0	*	0
	100	100	100	100
Send/receive a text message on a cell phone Yes	51	26	10	4
No	49	73	90	96
Don't know	*	1	0	*
	100	100	100	100
Send/receive an instant message Yes	29	22	12	7
No	59	69	62	43
Not an internet user	12	9	26	50
Don't know	0	0	*	0
	100	100	100	100

a. Source: [16].

In terms of news consumption, polls indicate that online news access is the only area where Millennials age 18 to 25 almost equal older age groups. Surveys of those who accessed the news "yesterday" indicated 25-percent online consumption by Millennials compared with 30 percent for Generation X [16, p. 27].

Millennials are aware of the advantages and the disadvantages of technology. Many believe that technology, when used carelessly, can be destructive (e.g., web interactions used to display hate crimes and sexual misconduct). Some agree that too much personal information is shared on websites, leaving young people vulnerable to criminals, sex offenders, and others with ill intentions. Millennials, more than other age group, report that new technologies make people lazier [16, p. 15]. Their candor, honesty, and balanced perspectives about the pros and cons of technology may leave more room for reasonable negotiations about its use in the workplace.

Job seekers and the Internet

In order for employers to target key labor market audiences, they will need to make use of Internet job-seeking technology. Research indicates that reading online ads or job listings was the most common Internet job search method between January and October 2003 (92.6 percent of Internet job seekers). Reports also show that researching information on potential employers was a job search method used by 70.2 percent of Internet job seekers, and 57.0 percent used the Internet to submit a resume or application. Posting a resume on a job-listing site or with a service was a method used by 41.0 percent of Internet job seekers. These Internet job search patterns were essentially the same regardless of demographic characteristics, occupation, or industry. (See figure 9.)

Figure 9.   Internet job search methods, 2003[a]
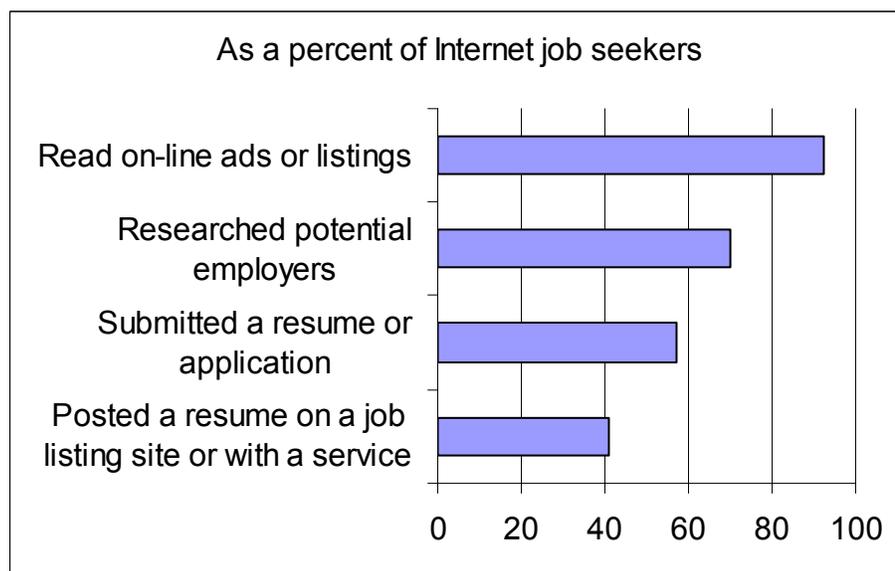
a. Source: [25].

Among civilian populations, age 16 and over, a little more than 1 in 10 people reported that they had used the Internet between January and October 2003 to search for a job. The ratio was equal for men and women. Internet job search rates were highest for the 20–24 age

group (21.2 percent), with older cohorts following: 25–34 age group (19.3 percent) and 35–44 age group (14.3 percent). Figure 10 shows that there are also differences in Internet job search rates by race and ethnicity, which ranged from a low of 8.3 percent for Hispanics to a high of 13.9 percent for Asians.

Figure 10. Civilian use of Internet for job search, by age, race, and gender, 2003[a]
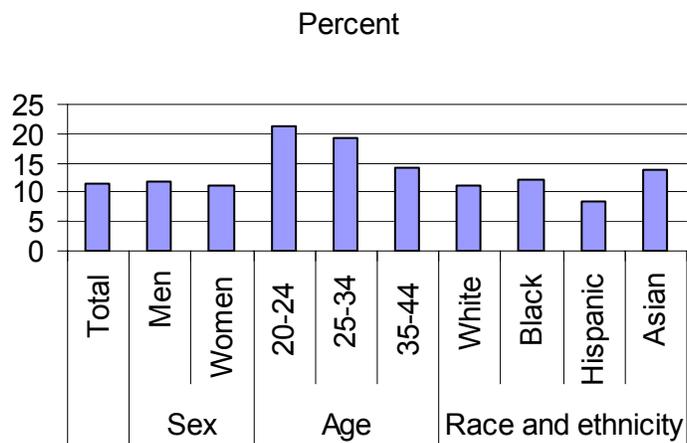
Percent

a. Source: [26].

Computer and Internet access

A 2003 U.S. Census Bureau survey reported that the majority of households have computers and Internet access [26]. In 2003, 70 million American households, or 62 percent, had one or more computers as compared with 56 percent in 2001 and 8 percent in 1984, indicating rapid increases in technology use. (See figure 11.) As for the Internet, 62 million households or 55 percent had access, compared with 50 percent in 2001 and 18 percent in 1997.

Surveys do, however, indicate that there is a "digital divide"—that is, computer and Internet use are divided along demographic and socio-economic lines [27]. Both technologies are used more extensively by whites than blacks. Use by Asians and American Indians is higher than that of Hispanics. In addition, youth in households with more

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highly educated parents are more likely to use these technologies than those whose parents are less well educated. Finally, youth in households with higher family incomes are more likely to have access to computers and the Internet than those in lower income households. The digital divide is bridged by computer and Internet access provided in schools. In a 2001 survey, 52 percent of children from poor families and 59 percent of those whose parents had not earned a high school diploma had access to the Internet at school [27].

Figure 11. Trends of computer and Internet access: 1984 to 2003[a]

Figure 1.
Households With a Computer and Internet Access: 1984 to 2003
(In percent)

Source: U.S. Census Bureau, Current Population Survey, 1984, 1989, 1993, 1997, 1998, 2000, 2001, 2003.
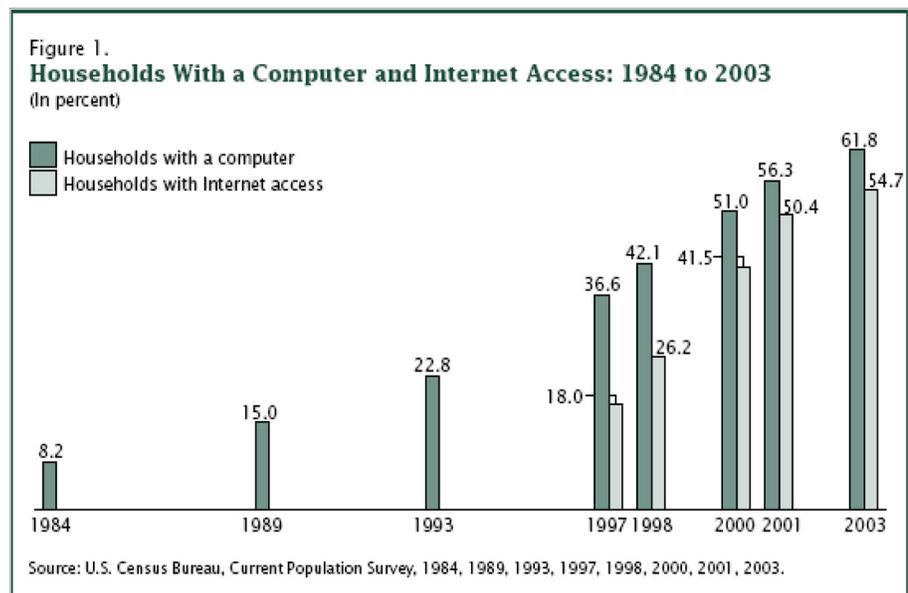
a. Source: [26].

The most recent U.S. Census Bureau survey, conducted in 2003, indicates clearly that the differences between technology access are greatest in the home and diminish for all groups at school. (See figure 12.) The existence of a "digital divide" by race, family income, and education level suggests that there will be a shortage of workers with the required technological skills. Furthermore, it's evident that not all youth categorized as Millennials are equal in terms of technological access and savvy.

Figure 12. Disparities in access to technology among youth by family income, race, and type of school: 2003[a]

Figure 5.
Computer Use at Home and School Among Children Enrolled in Grades K–12 by Family Income, Race and Hispanic Origin, and Type of School: 2003
(In percent)

Computer use by family income*

		More than $100,000
		$75,000 to $99,999
		$50,000 to $74,999
		$25,000 to $49,999
		Less than $25,000

Home use
91.6
88.1
84.5
67.2
41.2

School use
90.5
90.1
88.7
87.5
83.8

Total use
97.2
96.2
95.6
92.9
87.6

Computer use by race and Hispanic origin

	White alone, non-Hispanic
	Asian alone
	Black alone
	Hispanic (any race)

Home use
80.3
75.3
47.3
49.5

School use
89.2
79.9
85.1
83.5

Total use
95.6
91.6
88.6
88.3

Computer use by type of school

	Attends private school
	Attends public school

Home use
82.7
67.9

School use
85.2
87.4

Total use
93.8
92.9

*Among children in families.
Source: U.S. Census Bureau, Current Population Survey, October 2003.

a. Source: [27].

Technological skills and workforce requirements

What challenges might the increase in the use of technology bring to bear on the current and future workplace? Analysts believe that one of the greatest challenges for employers will be permitting more flexibility in the way people work. One research study found that

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90 percent of 18- to 24-year-olds reported that listening to an iPod while working improves their job satisfaction and productivity [18]. Some experts believe that the constant stimuli from video and computer games has caused Millennials to be bored if there isn't enough information coming in to keep their brains busy [18].

Another challenge may arise with the increase in employer competition for technologically talented workers in order to enhance workplace operations and meet new goals. Many older workers often feel threatened and even paralyzed by new technologies, which may result in diminishing job skills and opportunities within their ranks. But Millennials often view technology as tools that make life more interesting and challenging. They also believe it provides a faster, easier way to get things done. Millennial adeptness in global and diversity issues is taken to new levels through the use of technology because it allows their world to become far more expansive than that of previous generations. Their online social networks span geographic boundaries, and they establish relationships all around the world. They are uniquely positioned to support global workplaces; no previous generation can compare.

One employer's perspective on Millennials follows [18]:

> They're enormous consumers of information and can locate details about anything within seconds. We employ Millennials to help with research because they can find in-depth data through sources we older employees don't even know exist.

Technological savvy versus technological skill

While it's true that younger cohorts may be more comfortable with and demonstrate greater facility with technological devices, do they really possess the technological skills that employers today are seeking? Technology savvy pertains to Internet searches and portals, text messages, cell phone usage, and computer gaming. But technological skills most sought after by employers today involve training in math, engineering, computer, and health sciences.

According to research conducted by the Industrial College of the Armed Forces, computer and data processing occupations are

headed for a boom in the future. The fastest growing occupations (not necessarily the top jobs in terms of total employment) include those that use computer technology (e.g., computer software engineers, computer support specialists, network and computer systems administrators and data analysts, desktop publishers, and database administrators) and healthcare (e.g., personal and home care aids, and medical assistants) [28]. Therefore, basic computer skills might go a long way with respect to many civilian and federal agency jobs.

Yet the Defense Department, our Nation's largest employer, has a greater proportion of technicians and craftsmen. In fact, research indicates that "the percentage of technical jobs in the military's enlisted ranks is almost twice as large as the proportion of technical jobs in the entire civilian economy" [28]. The good news is that the military is uniquely positioned as an employer because it spends lots of money to recruit, outfit, train, and maintain personnel. They recruit novices into the workforce and train them to perform in many different specialties, including modern infantry and combat jobs as well as numerous high-tech support and service occupations. Electrical and mechanical repairers are most numerous, followed by infantry, gun crews, and seaman specialists, and functional support and administrative [28].

Even with its unique position as trainer of young people, the services still struggle to fill military occupations for several reasons. First, the demand for quality is high. Enlistment standards in theory should become more stringent as the modern military grows increasingly more complex with sophisticated weapon systems and missions. Aptitude matters in even the most basic jobs. Higher aptitude recruits are critical to "staffing" the military [27]. To meet enlistment requirements, however, the services have at times softened entrance requirements (e.g., aptitude, education levels, and moral character indicators) [28].

In addition, learning curves are very steep in complex and demanding high-tech jobs. Recruits will need to have multiple skills, many of which will require redundancy and skill depth. In the Army, for example, Military Occupational Specialties may be combined placing increased demands on personnel skills and abilities. The forces will

need to rely on quality, maturity, and experience to meet new demands. This places an even greater burden on the services, not only to attract new recruits but to keep them through years of training and into their years of seasoned experience [28].

Finally, there are still achievement gaps among young people today. Studies do show that gaps are narrowing between races and genders, and there are fewer high school dropouts. But youth today show less interest and are less inclined to major in harder subjects, such as engineering, computer sciences, and math [28]. This finding is true regardless of race and gender. Results from the Digest of Education Statistics, 2002, indicate that, of all majors, business had the highest rating (21 percent), followed by education (8.7 percent) [28]. For the more difficult subjects, engineering majors came in at 4.5 percent, computer/information science at 3.2 percent, and math at .9 percent.

Workforce implications

There is a "great divide" based on such factors as family income and race/ethnicity, even among Millennials, in terms of who has access and the type of technology to which they've been exposed. But as young workers across the spectrum gain more exposure and access to technology, their aptitudes, skills, and interests won't necessarily meet employer demands for a more technical workforce. This creates challenges for employers. First, they must recognize that the Millennial cohort is a diverse group of people. Planning as if they are all represented by a single "typical" Millennial will miss the mark for many in this generation. Second, employers may need to provide technical training to members of their workforce in order to address the achievement gaps that exist among today's young people.

Political activity and civic responsibility

Indications

Politics is thought to play a role in labor market trends. There may be some relationship between people's political affiliations and the types of organizations they choose to work in and support. For example,

support for the military has been shown to be a political issue. Republicans are thought to be more supportive of the military than Democrats. Research found a significant positive relationship between the percentage of Republican votes in the 1980 presidential election and Army enlistments [19].

This research study offered up a different perspective. It proposed that, the more politically active young people are in an area, the more likely they would be to consider a military career [19]. The study used the percentage of the population voting in the 1988 presidential election as a way to identify favorable attitudes toward military service. The research hypothesis reflects the concept of military service as a civic responsibility and the notion of relationship between citizen and soldier. The study found that the greater percentages of high-quality recruits came from counties with the highest voter turnout. The relationship between youth enlistments and the voter turnout variable was more significant than it was between income, veteran population, and other variables. As the percentage of young voters increased, so did enlistment rates [19].

Where does the current generation of youth stand politically? According to the 2006 National Civic and Political Health Survey, Millennials are engaged in a broad spectrum of political and civic activity:[10] 26 percent (age 20 to 25) vote regularly, 36 percent have volunteered in the last year, and 30 percent have boycotted products. Many young Americans, however, are not politically engaged. There are differences in engagement according to ethnic/racial group. African-Americans and Asian-Americans are politically and civically engaged. Young Hispanics are less engaged, but they participate in protests more (25 percent) than other ethnic groups [12, p. 4].

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10. In this paper, we use the CPHS definitions to distinguish between civic activities, political activities, and political voice. Civic activities focus on improving one's local community and helping individuals (e.g., volunteer service). Political activity deals with the electoral process, including voting and campaigning. Political voice is the expression of political or social viewpoints through, for example, protests and petitions.

Young people are discussing politics and identifying with political parties. According to the Pew report, trends in Millennial party identification reflect a liberal, Democratic leaning (see figure 13). This is a trend that may be unique to the Millennial cohort since age doesn't necessarily correlate with political ideology. But political analysts suggest that a type of permanent imprinting takes place as a generational cohort connects to a political party early in adult life [16, p. 29]. Some believe that the series of news events that began with the terrorist attacks of September 11th, 2001, captured the attention and motivated large-scale political participation among young adults [29].

Figure 13. Generational imprinting and party affiliation[a]
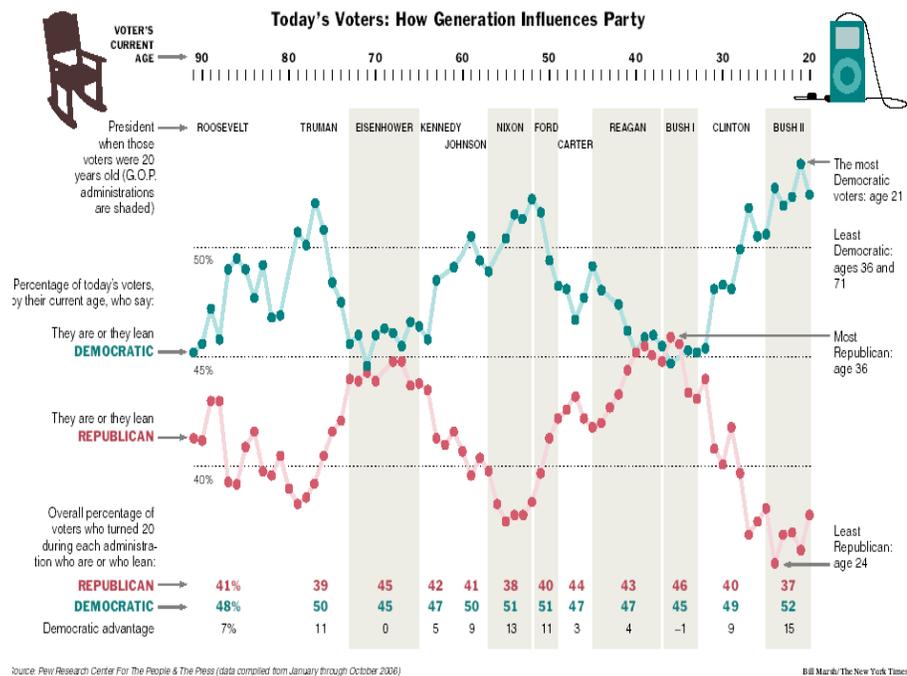
a. Source: Pew Research Center, 2006.

Research shows that, in the 1980s and 1990s, the Gen X cohort (ages 18 to 25), the generation before Millennials, was more conservative and Republican, and it continues to be so today [16, p. 29].

In 2004, young Millennial voters (18 to 24) chose John Kerry over George Bush by a decisive margin. In the 2006 Congressional midterm elections, this age group again voted for Democrats over Republicans by a large margin—58 to 37 percent. Millennials turned out in record numbers for the 2004 presidential election, as shown in figure 14, narrowing the gap between voter age groups to 20 points.

Figure 14. Presidential election voter turnout by age group for election years 1972–2004[a]

Source: Current Population Survey November Supplements 1972 to 2004
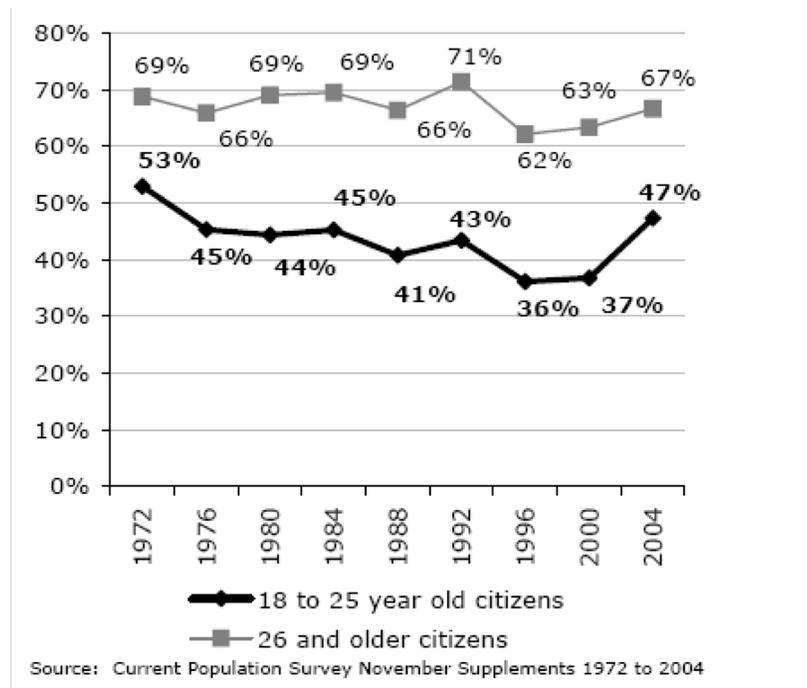
a. Source: [29].

It was a shocking turnout because traditionally, electoral participation increases with age. In the 2004 elections, however, young voters increased 12 percent from the 2000 elections, the largest increase of any age group. The increase was particularly higher for women and African-American voters. In light of 2006 voter registration, surveys indicate that young people 18 to 24 are still not as engaged politically as older generations [16, p. 25].

Although surveys show that Millennials are democratic in leaning, and appear to be more politically engaged than Generation X, their interest in the political process lags behind the general public. Furthermore, they don't tend to connect political activity with responsible citizenship. Only 42 percent of those in the 18–24 age group felt that "it's my duty as a citizen to always vote," compared with 62 percent of the general public who agreed with the statement [16, p. 25]. Only one-third say they are abreast of public affairs; 36 percent of Millennials vs. 46 percent of older age groups keep up with national affairs. As many as 38 percent of Millennials feel that Washington politics have no personal effect, while only 29 percent over age 25 agree [16, p. 26].

In addition, Millennials are not consistent consumers of the news, which may give some indication of their level of political interest. About 64 percent say they engage in occasional news consumption, mostly when something important is happening [16, p. 27]. As a result, they are less informed about current events, and their political knowledge is generally poor. Research shows that 23 percent reported reading a newspaper "yesterday." This frequency increases with successively older age groups: Gen X (32 percent), Boomers (44 percent), and Seniors (56 percent). Local news and network television news are also consumed less by younger adults [16, p. 27].

Volunteerism among young people is relatively high, as shown in figure 15. According to recent surveys, however, most young people don't see volunteer service as political engagement or activism, but rather as a way to help other people. A small percentage (6 percent) of youth consider themselves "activist volunteers." They are confident in their abilities to make a difference [29].

The CPHS report indicated that, compared with their counterparts, young volunteers over the past year were mostly single (79 vs. 67 percent), female (52 vs. 48 percent), enrolled in high school (44 vs. 28 percent), and regular church attendees (46 vs. 39 percent) [29, p. 11]. Surveys conducted by various organizations tend to show slightly different results for the rate of volunteerism among young people. The discrepancies are in part due to different questions used by each group. Among young Millennials today, however, volunteerism is

relatively high. Researchers believe that young people have become accustomed to volunteer service as part of the school curriculum. In fact, some employers report that young job seekers often inquire about volunteer opportunities as part of corporate benefit packages.

Figure 15. Youth volunteerism in the past year[a]
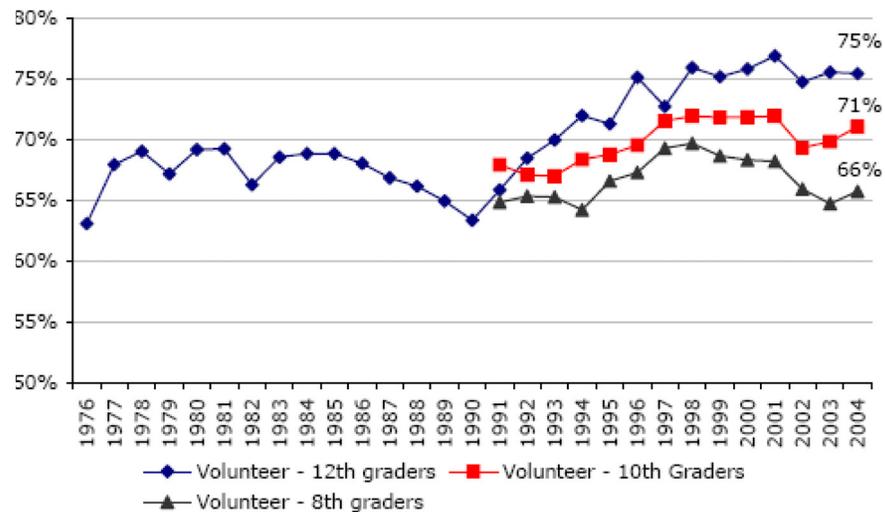
Source: Monitoring the Future, 12th grade, 10th grade and 8th grade surveys, 1976 to 2004.

a. Source: [29, p.11].

What about youth support for government? Surveys conducted in 2002 indicated that young people held government in high esteem [12]. But a subsequent 2006 report shows a decline in youth confidence in government. Even though trust has eroded over time, perhaps with age, young people are still more trusting of government than their older age group counterparts. Despite these findings, around two-thirds of young adults believe in bigger government [29]. Although they believe that government is "almost always wasteful and inefficient," they maintain that government should do more to solve society's problems—a viewpoint that is consistent with this cohort's Democratic leaning [12].

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Workforce implications

The impact on the workforce as a result of Millennial political activity is difficult to predict. Although, according to some surveys, Millennials appear to be more politically active than the previous generation (Gen X), their activity may result from other motivating factors. If this is true, it may be difficult to substantiate the hypothesis about a positive correlation between voting activity and propensity for military service. Millennial political activity seems to increase in response to crisis or particular political events, such as the September 11th terror attacks. They also appear to vote in response to societal "moods" and levels of support for government leaders. At any rate, research seems to indicate that youth today don't necessarily equate community involvement with political engagement; rather, they have a strong desire to be helpful to others through such activities as volunteer service.

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Examination of Millennial characteristics through empirical data sources

Size of the cohort

Indications

The youth population is growing, and Millennials are projected to be the largest generational cohort yet—a unique characteristic. As of 2006, this multiethnic/multiracial cohort exceeded 100 million (including immigrants), surpassing the Baby Boomer cohort of 77 million (see figure 16). The 18–25 age group, now entering the labor force, reached 28 million in 2006 [2]. Does the size of the Millennial cohort bring any specific challenges to the workforce of the future? To answer this question, we need to look at the cohort uniformity in terms of interests, opportunities, aspirations, and aptitude.

In terms of numbers available for the workforce, one might expect that more is better, but quality is also important. Yet there are still many concerns about the number of Millennials who will be available for the workforce. The U.S. military, the Federal Government, civilian employers, universities, and other employers are in fierce competition for the best and the brightest of the newly emerging workforce pool. Federal Government analysts predict that a large seasoned segment of workers—Baby Boomers, who make up 25 percent of the population—will exit the full-time workforce as they retire over the next 10 years [14]. However, government analysts were encouraged by Gallup survey results, which found that 34 percent of Millennials age 18 to 29 expressed an interest in working for the Federal Government, with 30 percent of G3s expressing interest.[11] (See figure 17.)

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11. Reference [14]'s target employment populations include *G3s* (scientists, engineers, computer scientists, and law enforcement, public policy, and social service professionals) and *Managers* (professionals who are currently in managerial or supervisory positions in the private or nonprofit sector and could potentially transfer to the federal sector).

Figure 16. Youth population estimates, in millions (residents)[a]
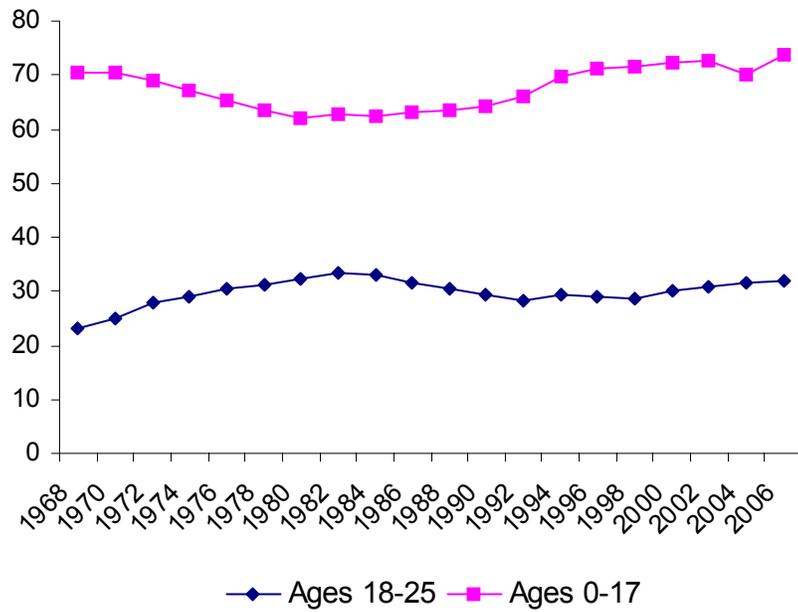
Figure 17. Level of interest in working for the Federal Government[a]
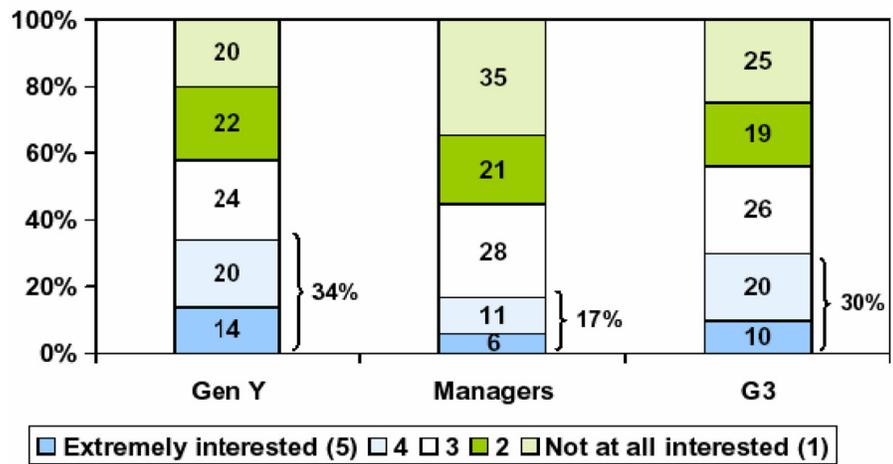
Similarly, the Armed Forces are concerned with meeting endstrength and skill requirements that are necessary for a highly capable and ready force. Given the current goal to recruit about 200,000 youth annually and nearly 4 million becoming age eligible for military recruitment each year, the goal seems feasible [30, p. 2-2]. Population statistics indicate that, as of 2006, Millennials between the ages of 18 and 24 reached 28.2 million, and they are projected to reach 30 million by 2010 [30, p. 2-2]. However, the reality is that each year recruiting goals are becoming more difficult to meet. Recent evidence suggests that while the youth population is increasing, the pool from which the military can recruit is shrinking.

According to the 2006 Youth Poll report, of about 32 million American youth in the prime recruiting age group (17 to 24), many are not eligible for military service due to medical, financial, moral, and legal problems. The active recruit pool of qualified high school graduates with sufficient Armed Services Vocational Aptitude Battery (ASVAB) scores is estimated to be around 13.6 million. The services are finding it harder to recruit high school graduates. As of August 2006, the percentage of 2006 recruits holding high school diplomas declined to 81.2 percent from the DoD benchmark of 90 percent [30, p. 2-2].

Workforce implications

The Millennial cohort size shouldn't present a workforce challenge because Millennials represent a large group. The workforce challenge with respect to cohort size revolves around the large number of Baby Boomers projected to retire, not the large number of Millennials entering the workforce. However, cohort size can be influenced by other demographic factors in ways that may have an impact on the workforce (see figure 18).

For example, population statistics show that minority youth are increasing as a percentage of their cohort size at a faster rate than white youth populations. But, if minority youth are less likely to enter the military due to lower average educational qualifications or lack of propensity, the size of the cohort in conjunction with these other factors (e.g., less qualified or less inclined pool of recruits) could present obstacles to recruiting.

Figure 18. Population trends for 18- to 24-year-olds by race[a]
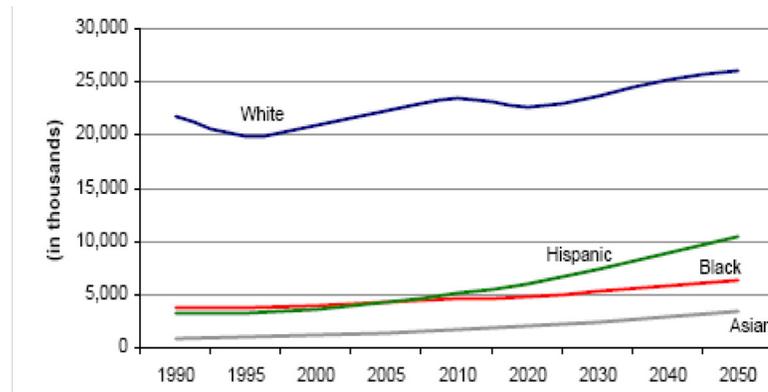
Using the military as an example, if prime market targeted recruits begin to decrease in proportion to other recruits within the population, the change in proportion may challenge recruiting goals. Prime recruits are those targeted according to aptitude (e.g., adequate ASVAB scores), high school diploma, special skills, or combinations of these.

Higher education

Indications

Employers today are concerned that the strong desire expressed by young people to go to college may preclude many from employment after high school, particularly from serving in the military. According to generational analysts Howe and Strauss, Millennials are very intent on going to college [8]. They report that this cohort is eager to succeed in life; members are making joint decisions with their parents as they plan out their career paths. In addition, they are smart, ambitious, busy, and ethnically diverse, and currently a higher percentage of the cohort is female [8]. In order to analyze the challenges placed on employers as a result of young people's aspirations toward higher education, we examine college enrollments vs. completions, education options and costs, attainment by demographics, and future projections.

Researchers, educators, and labor analysts also report that American youth increasingly attain higher levels of education. High school dropout rates declined over the past 20 years, from 13.1 percent in 1984 to 10.3 percent in 2004, including those who've earned General Education Development (GED) certificates among the ranks of high school completers [2]. According to one Census Bureau report, almost 90 percent of young adults graduate from high school, and about 60 percent of high school seniors continue to college the following year [31]. A Bureau of Labor Statistics (BLS) report indicated that 2.5 million youth graduated from high school between October 2005 and October 2006, by which date 1.6 million (65.8 percent) of these youth were enrolled in colleges or universities [32].

According to [33], the college enrollment rate for recent high school graduates has trended upward since 2001. Comparing data trends (see figure 19) of 2006 with those of 1968, research shows that more young people today are enrolled in college and have completed Bachelor's degrees or higher. The number of those who have attained only the level of a high school degree or less has declined since 1968. Overall, more young people in 2006 have attained greater levels of education than their counterparts in 1968 [33].[12]

While educational aspirations are higher and greater numbers of young people are enrolling into college, a few other things need to be considered. Generational differences represent only one of many factors in the changing educational environment. Higher education is becoming the norm for people of all ages and in all seasons of life. Institutions of higher education no longer fit into traditional molds. College populations are more diverse, and formats are more flexible than ever before. For example, people pursue college immediately after graduating but also years later. Coursework is now offered in traditional classrooms, online, and through video teleconferences. Student bodies are diverse in age, gender, race, and ethnicity. Instruction may take place through vocational training or traditional multidisciplinary curricula. Census Bureau data from 2006 show that educational attainment has increased over the last decade among older

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12. According to [33], the CPS changed its questioning format in 1990 with regard to educational attainment. The 1990 educational recode does not properly align with other years.

American adults. In 1990, 78 percent of adults age 25 and older had high school degrees, and 21 percent held Bachelor's degrees; in 2006, the percentages were up to 86 and 28 percent, respectively. Associate, or 2-year, degrees and vocational training are also becoming more popular among students because of lower costs and more course flexibility (see figure 20).

Figure 19. Educational attainment, ages 18 to 25[a]
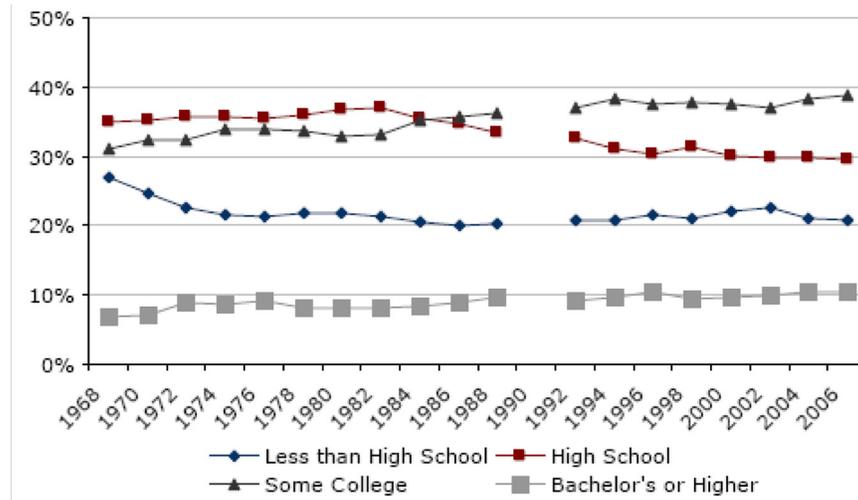
a. Source: [33]; tabulated from the CPS March Supplements, 1968-2006.

Figure 20. High school graduate enrollments in college within 1 year of graduation[a]
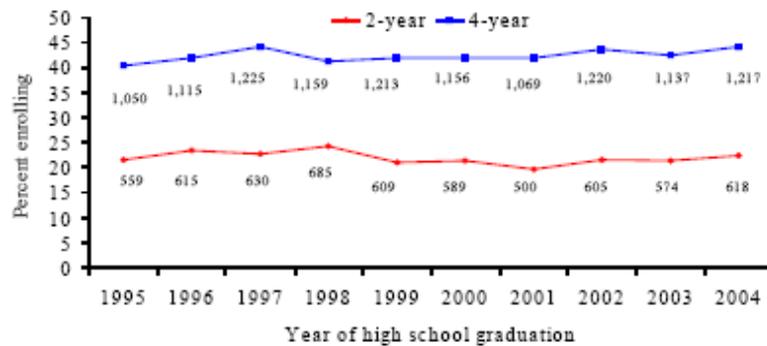
a. Source: [34].

The community college market has grown over the past decade, with more than a million more students enrolled now than in 1995, an increase of more than 19 percent [34]. About 5 percent (roughly 59,000) are composed of recent high school graduates, while the remainder are nontraditional students. The community college pool includes traditional new high school graduates, recently laid-off workers seeking new job skills, retirees taking one or two courses for pleasure, employees receiving employer-paid job training, and workers attending part-time [34]. Costs are increasing for both 2- and 4-year colleges. Even though 2-year colleges are much more affordable, many students struggle to afford the costs. Students in 2-year colleges may actually be easier to recruit because they have not committed to 4-year-long courses of study and financial obligations. As a result, they may also be more likely to take advantage of educational incentives offered by employers to reduce their education costs.

Other demographic differences also play an important role in enrollment trends. Increases in 2- and 4-year college enrollments by high school graduates have not been proportionate across every demographic group. Women are outpacing men, and minorities are outpacing white nonminorities [34]. A CNA study reported a 2-percent decrease in male college enrollment vs. a 17-percent increase in female college enrollment among the 2004 high school graduating class relative to 10 years before. In 2006, the college enrollment rate for women and men was almost equal (66 and 65.5 percent, respectively) [33]. Women, however, appear to be making greater strides than men in obtaining college degrees by the age of 25. With the exception of a slight increase in 2006, the percentage of young men with Bachelor's degrees or higher was lower in 2006 than in most of the 1970s and 1990s. (See figure 21.) There are also racial/ethnic differences. Asian students were more likely than whites, blacks, or Hispanics to be enrolled in college right after high school graduation. Trends such as these may indicate that, even with heightened educational aspirations, quality men and minorities who choose not to enroll or who enroll but don't earn college degrees are still prime targets for recruitment.

These trends, however, may still require more flexibility from employers to alleviate potential recruitment challenges. The traditional

active market pool of high school graduates may not continue to be sufficient to meet recruiting goals, but there may be a "catch basin" just a few years beyond. Analysts believe that there is potential for expansion of the pool of recruits by including students currently enrolled in community colleges, dropouts or graduates who've entered the workforce, and high school seniors with plans to enroll in community colleges. The latter group is believed to have the most recruitment potential [34].

Figure 21. Bachelor's degree or higher, age 18 to 25[a]
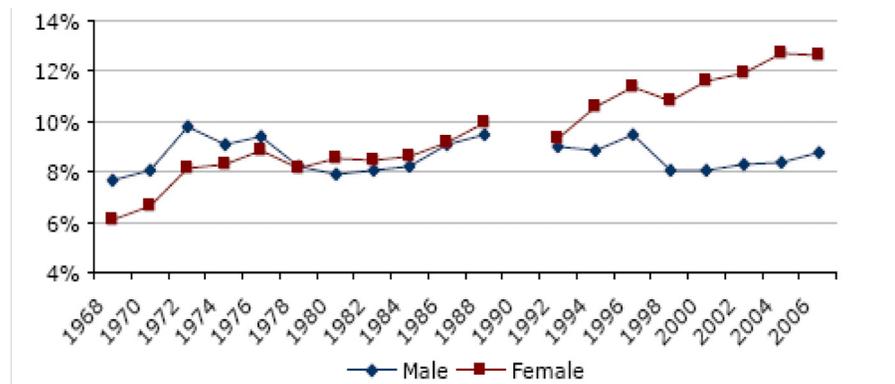
a. Source: [33]. Refer to footnote 7 for an explanation of the 1990 data gap.

It's true that, overall, education attainment among young people has increased over the last 35 years. Since 1992, however, Census Bureau analysts have argued that for various reasons educational attainment in the United States will level off in the future. They state that those born in the United States the first half of the century benefited from climbing levels during the establishment of universal education. The proportion graduating from high school at the turn of the century was 40 percent and went to 80 percent for those born around 1950 [35]. Those completing college went from under 10 percent to over 25 percent. Census Bureau researchers say that an age gradient in the educational status of the population reflected the replacement of older less educated cohorts by increasingly well educated younger ones. By 1997, however, the gradient appeared to have flattened out. The older cohorts (55 and older) had completed high school, and

the young and middle groups had about the same rate (87 percent) of high school completions. By 2000, college graduation stood at 27 percent for the youngest cohort, once again indicating a flattening out of the age gradient. Retiring cohorts are increasingly well educated and, thus, entry-level cohorts have less impact on the educational growth curve.

Researchers say another factor that contributes to the flattening education attainment curve is the dramatic shift in the ethnic composition of the U.S. population. Those with lower education levels, such as Hispanics and blacks, are becoming an increasing proportion of the population. This population is projected to grow from 24 percent to over 37 percent between 2000 and 2050. Particularly for Hispanics, the growth in numbers is not matched by a growth in education levels. Many are concerned that the ethnic shifts could reverse direction and reflect lower levels of educational attainment in younger cohorts of the future. The dramatic growth in immigration over the last 50 years of people with low levels of formal education is also a concern. Finally, the timing of school completion now varies with age—especially among ethnic and racial minorities. These delays in education completion will affect workforce levels and job stability. Such issues are all directly related to concerns of employers about the quality of the American labor force [35].

Workforce implications

An increasing trend toward higher educational attainment could have adverse effects on the military's ability to attract sufficient numbers of enlisted recruits if it continues to rely on traditional markets. However, recent data trends and Census Bureau projections both suggest a flattening educational attainment curve for the future. This appears to be especially true for male youth—any increases that have recently occurred in educational attainment have been driven by women and nontraditional students. All this taken together suggests that the military can only continue successfully at the cost of educational attainment. Also, military training is a good alternative that supplies skills commensurate with community college. Many recruits are attracted by educational incentives, such as the GI Bill, which allows people who otherwise couldn't afford it to go to college. In

other words, in a world with higher college costs and more minorities trying to find alternative ways to succeed, the military may become a more attractive option.

Compensation

Indications

Financial issues

As optimistic as they may be, Millennials do express concerns about future challenges to their financial stability and their ability to live well. In fact, the top three concerns according to the Pew report [16] include money/finances/debt (30 percent), college education (18 percent), and career/job (16 percent). (See table 2.) Many of the concerns and issues expressed by Millennials may be viewed as life-stage rather than generational issues.

Table 2.   Most important problem by age group[a]

Most important problem facing you...	18-25 %	26+ %
Money/finances/debt	30	27
College/education	18	1
Career/job	16	6
Family/relationships	7	13
Miscellaneous	5	7
Health	2	15
Nat'l/Int'l conditions	2	8
Other	7	8
No problems	12	15
Don't know	5	4
Source: 2006 Gen Next Survey. Figures add to more than 100% due to multiple responses.		

a. Source: [16].

Millennials, like cohorts over the age of 25, say that their greatest worries and concerns are about financial issues involving debt, bills, and the cost of living. But there are other concerns for Millennials that

older aged cohorts do not express. For example, Millennials frequently report college burdens, such as getting accepted, paying for college tuition, working while in school, and graduating. They are also concerned about finding the "right" job, career advancement, and job security and satisfaction.

The point is that college/education and career/job concerns weigh more heavily on young people of any generation than on older adults who are already established in careers. Cohorts under the age of 25 tend to be less concerned with healthcare and family responsibilities/relationships than older cohorts with health and family issues. To understand Millennial compensation expectations, it's useful to first take a closer look at their values and perspectives.

The recent *Teens and Money Survey* by Charles Schwab & Co. revealed some extreme results about salary expectations among young Millennials. The study was conducted on behalf of Schwab and Boys & Girls Clubs of America to better understand the views of youth on spending, saving, borrowing, and earning money. Teens between the ages of 13 and 18 were polled in a nationally representative online survey. The survey revealed significant gender differences. For example, boys are significantly more likely than girls to believe they'll earn lots of money when they are out on their own. They expect to earn an average salary that is significantly higher than what girls expect ($173,000 vs. $114,200). One-third of teens agreed that men tend to earn more money than women [36]. An interesting point, however, is that girls were more likely than boys to report currently having a job (45 percent vs. 29 percent) and making money from a job (60 percent vs. 46 percent). Girls were also found to spend more ($21 vs. $18) per week than boys and to be more likely to owe money (32 percent vs. 27 percent). Boys were more likely than girls to report saving for big purchases and understanding how to invest money to make it grow. While both groups report high salary expectations, girls may be experiencing a slightly greater dose of earnings reality. As these young Millennials age and become more realistic, they will find that, although higher earnings are possible, they don't reflect the average outcome and they come at a cost.

Earnings potential

Research shows that the level of educational attainment does have perceived and real economic value [37]. Does this mean that employers must be prepared to pay more money to Millennials in order to attract and retain them? While employers shouldn't put much stock in popular surveys of youth wage expectations, they should keep abreast of labor market compensation data. Research shows that the value people place on education is correlated with their expected and actual earnings potential. In fact, higher education does lead to higher earnings. It appears that, historically, education has paid off. There is a clear positive difference in mean earnings of men and women (ages 18 to 24), as a result of educational attainment (see figure 22). Differences in earnings have increased among workers with different levels of education over time. Those with Bachelor's degrees earn considerably more than high school graduates. For example, in 2000, the mean earnings difference was about $36,086 for a Bachelor's degree vs. $23,559 for a high school degree. In 2005, the differences in earnings are about the same.

Figure 22. Mean earnings for men and women combined (ages 18 to 24) by educational attainment in real 2005 dollars: 1991 to 2005[a]
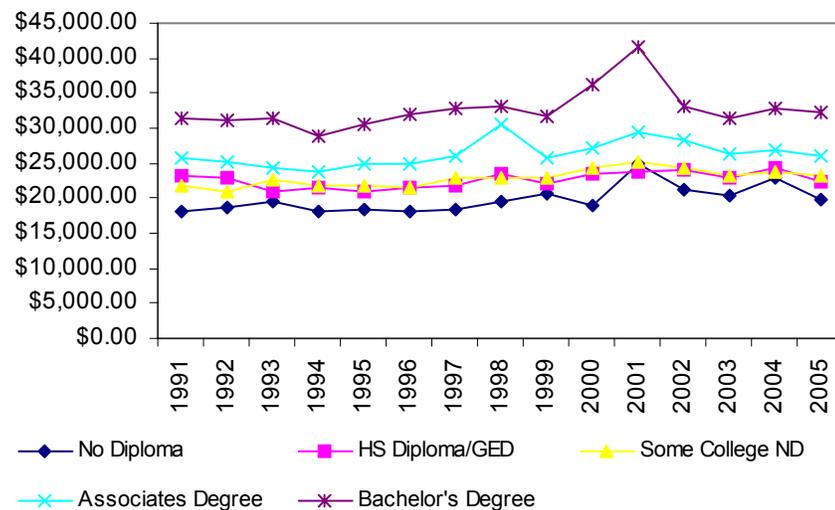
a. Source: [38, table P-32].

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Those with some college earn only slightly more than those with high school diplomas. In 2000, mean earnings for a person with some college was $24,375 vs. $23,559 for a high school graduate. In 2005, the mean earnings with some college was $23,269 ($22,367 for high school graduates) [38].

Data indicate that, even with higher education, earnings potential varies by age, race, gender, and degree. Figure 23 shows that 18- to 24-year-old men holding Bachelor's and Associate degrees earn more than those without college degrees. Figure 24 shows the same to be true for women in the same age group. Women, however, earn less than men at comparable levels of education.

Figure 23. Mean earnings for men (ages 18-24) by educational attainment in real 2005 dollars: 1991-2005[a]
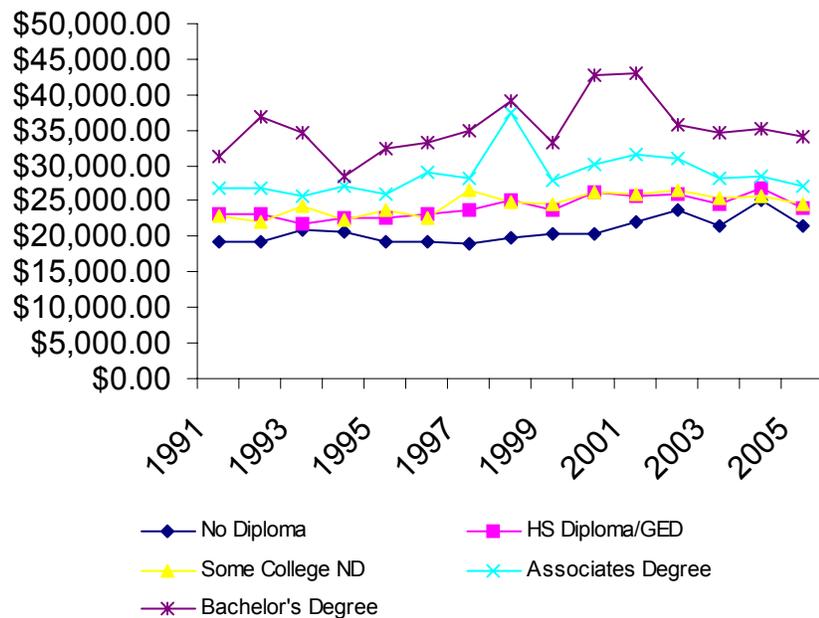
The data also show gender and racial disparities for adults over the age of 18. White men, followed by Asian men, earn more than blacks and Hispanics at all levels of educational attainment. (See figure 25.)

Figure 24. Mean earnings for women (ages 18-24) by educational attainment in real 2005 dollars:1991-2005[a]

No Diploma — HS Diploma/GED — Some College ND
Associates Degree — Bachelor's Degree
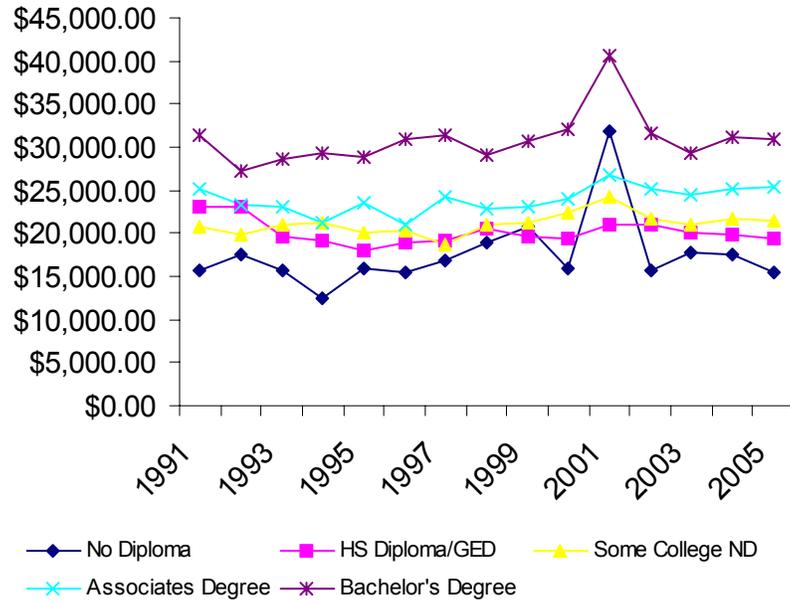
a. Source: [38].

Figure 25. Earnings for men 18 and over, by race/education level: 2005[a]

White (non-Hispanic) Black Asian Hispanic
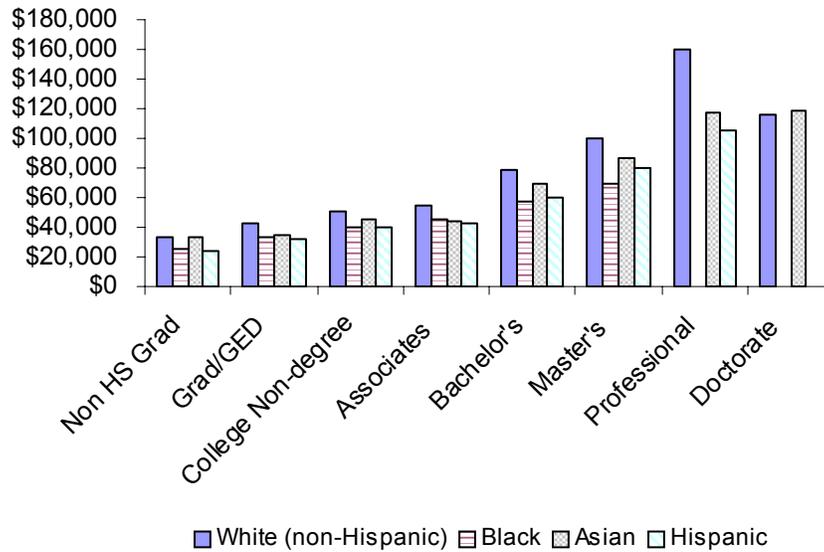
a. Source: U.S. Census Bureau Current Population Survey, Table 09 Earnings 2005.

Similarly, figure 26 shows that white women, followed by Asian women, earn more than blacks and Hispanics at all levels of educational attainment. The differences, however, are less pronounced for women than for men. Women holding professional degrees earn more than those at other degree levels. Women also earn less than men at comparable levels of education.

Figure 26. Earnings for women 18 and over, by race/education level: 2005[a]

These findings may imply that employers who include educational benefits in their compensation packages may be more competitive in the labor market. People want higher levels of education for various reasons but especially because they can earn more money. Education is costly, however. Tuition assistance, college funds and scholarships, and tuition repayment programs offered by employers are attractive to people who desire a college education but struggle to afford it. Further, not everyone will be successful in traditional educational education settings. Some will benefit more from vocational or on-the-job training. To be competitive in today's market, many employers are

offering valuable training and development programs, even at the risk of losing employees to the labor market after they are trained. Compensation and benefits are important to all workers. Reference [14], the study by the Council for Excellence in Government & the Gallup Organization, rated study cohorts on five key workplace categories: intellectual stretch, mission match, growth potential, compensation and benefits, and job security.[13] They found that, of the three different survey cohorts, those between the ages of 18 and 29 (i.e., Gen Y, or Millennials), were least concerned with compensation and most concerned with growth potential. (See figure 27.)

Figure 27. Workplace values of key Federal Government prospects[a]

Very Important (rated above 4.0 on a 5 point scale)	Gen Y	Managers	G3
Intellectual Stretch	49%	46%	47%
Mission Match	30%	30%	30%
Growth Potential	55%	43%	39%
Compensation/ Benefits	38%	53%	51%
Job Security	35%	39%	45%

a. Source: [14].

Research also shows that people's values extend far beyond just earnings. However, although there's a clear correlation between education attainment and wages, surveys indicate that young and older adults want a higher quality of life. Pew Research polls found that people today of all ages want less job responsibility. (See figure 28.) They also want more flexible work arrangements and schedules so that they can spend more time with friends and family. Millennials in

13. For definitions, see "A review of current literature, surveys, and reports," the section starting on page 11 of this research memorandum.

particular want jobs with challenge, purpose, and rewards but with little job responsibility. They also want mentors and good work relationships, and they want to have fun at work.

Figure 28. Percentage wanting a job with greater responsibility[a]
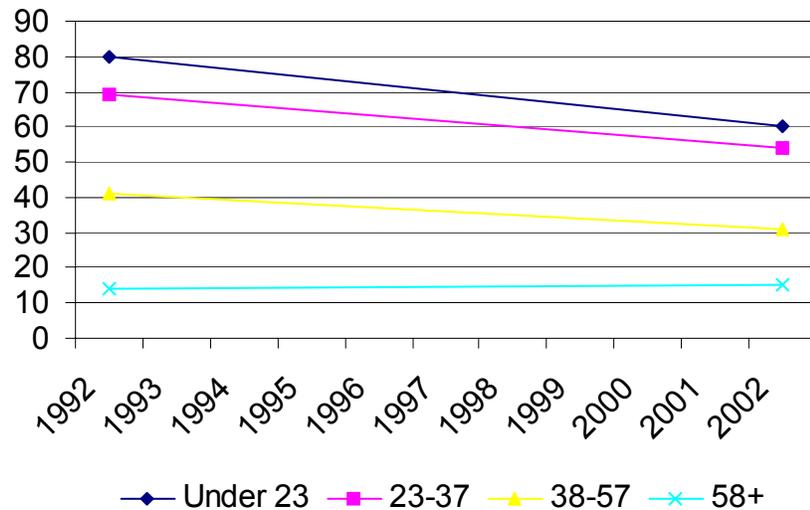
a. Source: Pew Research (Briefing to the 10th QRMC Board, 10 July 2007).

A Congressional Budget Office (CBO) study of DoD compensation confirms the well-known fact that compensation does affect recruiting and retention. The study shows that compensation packages must be competitive in order to maintain the All-Volunteer Force. After reenlistment rates declined in the 1990s, law-makers and DoD began increasing cash and noncash elements of military compensation. CBO estimates that, between 2000 and 2006, Regular Military Compensation (RMC) adjusted for inflation—basic pay, allowances for food and housing, and the tax advantage—grew by 21 percent for the active-duty enlisted force as a whole [39]. Military compensation can be defined different ways, but since 1962 the most commonly used measure is RMC. Military compensation also includes noncash and deferred cash benefits, such as healthcare and retirement pay. Beyond these measures, the military offers special pays, bonuses, and allowances as incentives to a subset of servicemembers .

Analysts used measures of military compensation, which are often constrained by budget and appropriation guidelines, to try to compare military and civilian compensation. Policy-makers hope to make determinations about whether military compensation packages are competitive with civilian packages. The DoD goal is to attain a level of RMC comparable with the 70th percentile of civilian earnings.[14] The latest CNA study estimates suggest that the goal has been achieved and military compensation compares favorably with civilian compensation [15].

Retirement

Now let's turn to another specific component of compensation—retirement benefits. Retirement benefits are often included in compensation packages, and they are becoming more flexible and portable in their administration. These benefits are especially important today because the old-fashioned guaranteed pensions no longer cover many employees outside the military.

Young people have more time than older generations to invest in their savings and to let tax-deferred money grow. But recent studies report that the vast majority of young workers are failing to take advantage of retirement and other tax-deferred account opportunities [40]. In fact, figure 29 shows that, although the vast majority of eligible Baby Boomers age 42 and older participate in 401(k) plans, less than a third of workers 25 and younger participate in employer-sponsored retirement plans. Furthermore, only 4 percent of these young workers take full advantage by maximizing employer plan contributions. When asked about their future plans to contribute, only 19 percent of young workers say that they plan to fund traditional or Roth IRAs this year [40]. Young people cite lack of money or lack of awareness as reasons for not participating in retirement plans.

Research indicates that many different factors affect the probability of worker participation in employment-based retirement plans. These factors include age, annual earnings, race/ethnicity, gender, work status (i.e., full-time, part-time, and seasonal), education level,

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14. CBO statement according to the Department of Defense, Report of the 9th Quadrennial Review of Military Compensation.

firm size, and geographic locations [41]. Figure 30 shows a breakout of participation by age, race, and ethnicity for 2005. Participation trends by age group, from 1987 through 2005, show a decline in 2005. But, more important, the levels of participation by age group have not varied significantly over the years. (See figure 31.)

Figure 29. 401(k) participation by age group[a]

401(k) participation				
			Avg.	Median
	Participate	% of pay	balance	balance
18-25 (Gen Y)	31.30%	5.60%	$3,200	$1,280
26-41 (Gen X)	63.10%	7.20%	$31,240	$14,730
42 and up (boomers)	72.00%	8.30%	$93,190	$44,330
Source: Hewitt and Associates				

a. Source: [48].

Figure 30. Percentage of worker participation in employment-based retirement plan by age, race/ethnicity, 2005[a]

Source: Employee Benefit Research Institute estimates from 2006 March Current Population Survey.

a. Source: [41].

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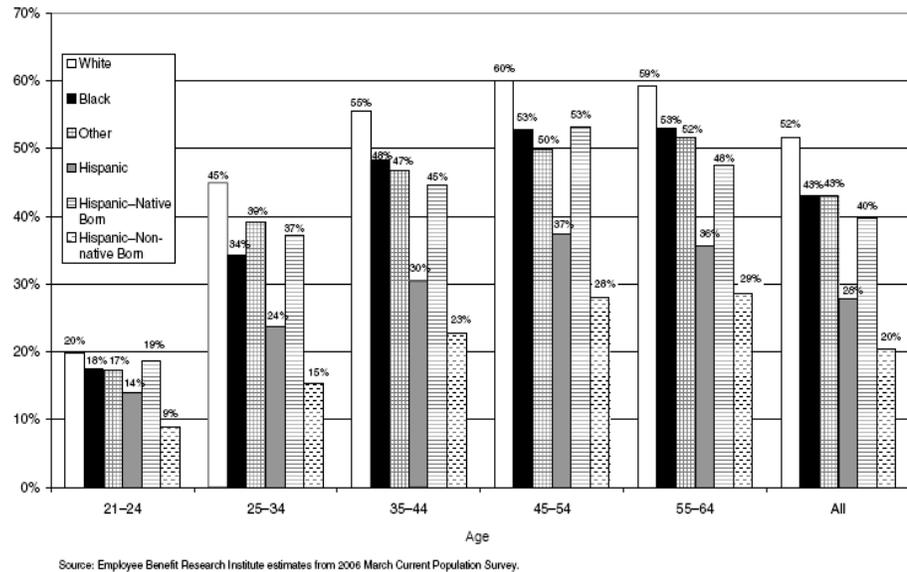
Figure 31. Percentage of worker participation in employment-based retirement plan by age, 1987-2005[a]

Source: Employee Benefit Research Institute estimates from the 1988–2006 March Current Population Surveys.
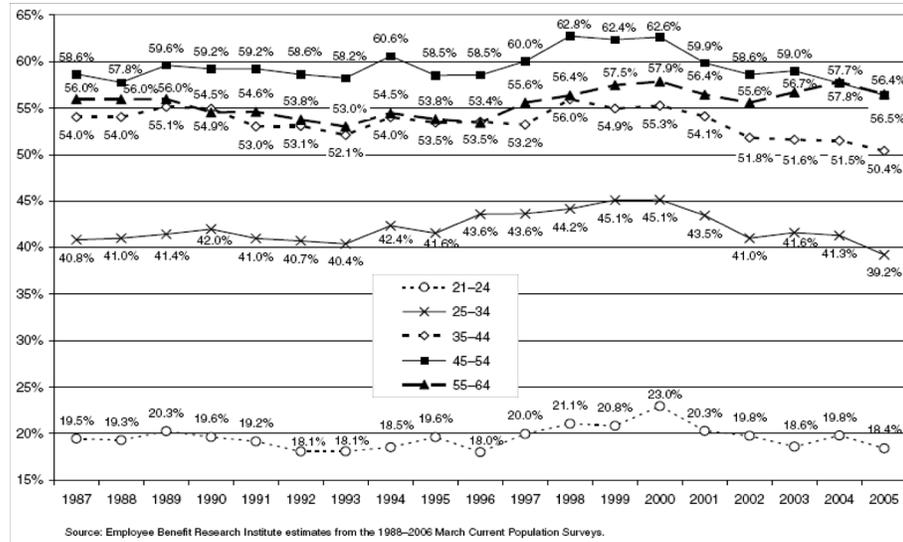
a. Source: [41].

As the military today evaluates its compensation system, it continues to discuss retirement system reform. Policy-makers are trying to determine whether modifications to the system might positively affect recruiting and retention. The current 20-year system was implemented by Congress in 1947. Ongoing critics assert that the system is (1) excessively costly and unfair to taxpayers, (2) inefficient, (3) unfair to the vast majority of entrants who do not serve long enough to receive any benefits, and (4) inflexible and hampers force management.[15] With respect to young people, the main argument critics bring against the current system is that it does not provide recruitment and retention incentives for young people. Young people heavily discount anything as far away as retirement pay. But another reason the current retirement system fails to incentivize young people is that vesting does not occur until the 20-year mark. Young people are more focused on near-term goals. Earlier vesting options might entice them to consider retirement benefits as a valuable part of employer compensation packages.

15. For a comprehensive discussion of the issues, see [42].

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Workforce implications

Compensation can be thought of as reaching beyond pay and encompassing anything that employees value. For example, employees value education benefits because they believe—and research shows—that higher levels of education lead to higher salaries. Furthermore, education is becoming more costly and unaffordable for many students. Employer paid tuition and training is a highly valued part of the benefits package. Young workers desire career development as much as, if not more than, monetary compensation.

The best measure of the adequacy of compensation is the recruiting and retention climate. Recruitment and retention are determined by the ability of employers to attract workers by using the right resources and incentives, rather than by the generational cohort to which workers belong. In general, people have similar expectations of their employers. Employees, including those from the Millennial generation, want (a) to contribute to a greater mission and purpose, (b) to be well compensated, (c) to be valued and respected, and (d) to be trained, challenged, and developed.

People's needs and values differ by their stage in life. For example, retirement benefits have less priority for young workers than for older workers. Research indicates that, in general, young people's needs and values are more immediate, whereas older workers plan for the future. Research shows that the Millennial generation is not much different in any of these respects from previous generations when they were young.

Unemployment

Indications

Millennials have lived most of their lives thus far under market conditions with low unemployment. Figure 32 shows that 18- to 25-year-olds have had relatively low unemployment rates since the mid-1990s. In fact, the unemployment rate, which experienced a sharp increase between 2000 and 2002 has continued to decline in recent years for all workers. In 2006, the youth unemployment rate was 8.6 compared

with 3.9 percent for adults. Historically, young adults have experienced higher unemployment rates than older adults. A low youth unemployment rate means that all workers can be selective about where and with whom they work, wages they'll accept, and how long they'll stay. As a result of having so many options, job expectations (especially for young inexperienced workers) may seem to be unreasonable. The low unemployment rate indicates that there are many options available to all workers, including Millennials. Furthermore, researchers indicate that young adults are more likely to move in and out of the labor force, especially during changing economic conditions, in pursuit of educational opportunities [33].

Figure 32. Declining unemployment trends: Percentage unemployed by age group[a]

Source: Current Population Survey, March Supplements, 1968-2006
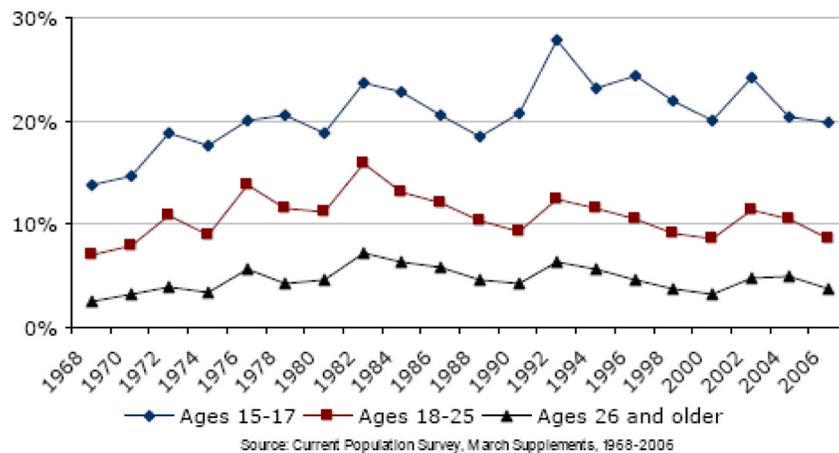
a. Source: [33].

The economy has often been thought to be a strong determinant of an organization's ability to attract workers. In fact, for many decades, economic conditions have been attributed to military success or lack thereof in building a solid All-Volunteer Force. Historically, high periods of unemployment—especially youth unemployment—have been shown to result in improved recruiting for all services [22]. This has sometimes been characterized as "economic conscription" (i.e., young adults feeling that their lack of resources forces them into the

military). In fact, research has historically shown a positive correlation between high youth unemployment and their perceptions of the military [22], belying the "economic conscription" theory.

Workforce implications

Unemployment is one of the most powerful determinants of recruiting success and/or recruiting challenges. The fact is that Millennials have lived in times of relatively low unemployment. This has created a challenge for the services, not because of characteristics of Millennials, but because of these underlying conditions facing Millennials when they enter the labor market.

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A quick look at some current initiatives

So what's being done to deal with the changing workforce demographics? New initiatives are being launched across the spectrum—from college campuses and large corporations to the Federal Government and even the military services. Some employers are convinced that change is being sparked by the rising generation of Millennials who are entering the workplace. Others believe that change at national and global levels is in response to visible trends. The empirical evidence we've examined tends to support the idea that the trends we see today are the result of the combination of many factors as well as generational characteristics.

Nevertheless, organizations are expending considerable effort to adapt to society's changing labor market in terms of demographics, population, and expectations. In particular, the new generation of young adults is receiving lots of consideration. Colleges and universities are taking strides to adapt to more diverse student populations in terms of age, ethnicity, and culture, to cooperate with proactive parents, and to build partnerships with other employers. In the workplace, new strategies, plans, and policies are being developed to attract, retain, train, increase productivity, and build cohesion among workers. In the following subsections, we explore some of the initiatives being undertaken by various organizations that are geared to personnel recruitment, retention, training, and overall productivity.

Employer game plans

People must take an interest in an organization before they can be successfully recruited. Organizations today are conducting in-depth studies to understand what attracts people to various employers and launching campaigns to educate, dispel myths, and challenge the negative perceptions about their organizations. A recent study of

federal organizations [14] indicated that, to challenge perceptions and become more attractive in the labor market, these entities must:

- Clarify and change negative images by "rebranding" and re-educating the public.

- Emphasize the challenging nature of jobs.

- Increase opportunities for growth, innovation, and creativity.

- Ensure competitive compensation packages.

- Use technology to market more effectively.

These components are recurring themes in literature and workforce initiatives. Next, we examine how employers are putting some of them into play.

Recruit and retain

Whether civilian or military, an employer's goal is successful mission accomplishment. In the case of a civilian company, this may mean meeting supply and demand for products and/or services. In the case of the military, it could mean building up capabilities of personnel and equipment to conduct war and other operations. In either case, the goal can't be reached without hiring people who are willing and qualified to do the work. Employees want to be valued, fulfilled, and well compensated for the work they produce. They may also desire work/life balance (i.e., the ability to complete a productive workday and still have time for other lifestyle priorities.)

Ultimately, an employer's success at recruiting, retaining, and inspiring performance from workers hinges on the right incentives. Recruiting and retaining people are complementary roles. Before an organization can begin to recruit effectively, marketing must be effective enough to spark interest amid a target population. Marketing is more complicated today because people have so many options, and they can't possibly be aware of them all. Furthermore, studies show that awareness and interest don't always equate to a desire to work for a particular organization [14]. But it doesn't even end at attracting and recruiting. Once workers join the ranks, employers must also

work to retain them. Thus, today's employers face a huge challenge of trying to attract and replenish their workforces with quality workers while continually competing with other organizations to keep those workers. To be effective, they must know their prime targets (i.e., workers sought after), understand their needs, and market to them in ways that are appealing to the prime target pool.

Branding

Currently, a lot of the emphasis is on recruiting Millennials. One strategy being used successfully by many organizations to attract Millennials is "branding." Branding, a common marketing strategy, appears to be making a strong comeback in recent years. It entails building a distinguishable, quality reputation, based on clearly defined core attributes and values that have been experienced and successfully transmitted among employees, customers, and the public. Branding propagates itself through social networks, popular rating lists in publications, and other consumer information resources (online blogs, reports, surveys, etc.). Millennials, in particular, pay attention to labels whether it pertains to clothing and products or to schools and employers. Furthermore, they effectively use technology to search things out and spread the news through social networks. Branding, when used strategically, can create long-lasting, impressionable images and perceptions about an organization.

DoD also seeks to better educate the public about its missions and to change negative perceptions. Some perceive the U.S. military to be strictly an aggressive warfighting organization in which no job is safe from the dangers of war. In reality, the military is much less engaged in frontline combat operations today than in years past. In fact, 81 percent of all military jobs are noncombat occupations.[16] One research study reported that about one in six enlisted members hold purely combat jobs or general military skills [28]. The study also reports that one in four members hold high-tech jobs in electronic equipment repair, communications and intelligence, or other allied specialties. Compared with the Civil War and World War II eras, the military employs far fewer workers in general military skills today.

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16. Source: www.todaysmilitary.com/app/tm/about.

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Enlisted military jobs are categorized as predominantly blue-collar, but white-collar technical jobs are becoming more plentiful [28].

An example of a branding strategy is the U.S. Army's desire to be perceived as "the embodiment of physical strength, emotional strength, and strength of purpose."[17] Its missions include "protecting America's freedoms at home and abroad, securing the homeland and defending democracy abroad."[16] U.S. Army National Guardsmen are described as elite "citizen" soldiers who serve their nation, state, and local community. The Guard serves a dual mission, called on for statewide emergencies and natural disasters or called to arms to defend the Nation.[18]

The mission of the U.S. Air Force is to deliver sovereign options for the defense of the United States of America and its global interests to fly and fight in air, space, and cyberspace.[19] The U.S. Navy's "accelerate your life" slogan encourages potential recruits to take advantage of opportunities in which the Navy can help determine the best career path.[20] The mission of the Navy is to maintain, train, and equip combat-ready naval forces capable of winning wars, deterring aggression, and maintaining freedom of the seas.[21] Finally, the U.S. Marines continue to characterize themselves as "The Few. The Proud" but also as "strong, proud and ready" to serve the country with strong traditions of leadership.[22] Through branding strategies combined with internet marketing, and by emphasizing noble and exciting missions, the military services may be able to dispel negative images and attract a new generation of recruits.

17. Source: About the Army Overview at www.goarmy.com/about/index.jsp?bl=My%20GoArmy.

18. Source: www.1800goguard.com/whatis/index.php.

19. Source: www.airforce.com/mission/index.php.

20. Source: www.navy.com.

21. Source: http://www.navy.mil/navydata/organization/org-top.asp.

22. Source: http://officer.marines.com/page/The-Few-The-Proud.jsp.

Educational incentives

Employers use many different types of incentives to attract workers today. Incentives are most effective when they target the specific needs and desires of particular people. For example, since higher education ranks high among young people today, it behooves employers to offer educational incentives as part of benefit packages. The military services offer different types of educational incentives that meet a wide variety of educational needs. The two most common are (1) the GI Bill, an education benefit earned by Active Duty, Selected Reserve, and National Guard servicemembers that is designed to help servicemembers and eligible veterans cover the costs associated with getting an education or training, and (2) the Armed Forces Tuition Assistance (TA) benefit, paid to eligible members of the Army, Navy, Marine Corps, Air Force, and Coast Guard. Congress has given each service the ability to pay up to 100 percent of the tuition expenses of its members.[23]

Training

Employers and educators are finding it difficult to keep pace with the changes in attitudes, aptitudes, and expectations of Millennials as they emerge on the scene in these segments of society. On the surface, Millennials seem well suited for training since they have a strong desire for mentorship, structure, and growth. Millennials are the first generation raised with the positive reinforcement and self-esteem-building emphasis that became popular during their formative years [43]. Yet, they are difficult to attract and retain. Pew Research has found that building long-term career paths is not a central goal for Millennials. Almost half the people in their age group (46 percent) are still in school and also working to make ends meet [16, p. 16]. Since their lifestyles are not yet stable, most (59 percent) have held jobs for less than a year and most say it's unlikely they will make a career of their current employment.

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23. Sources: http://education.military.com/money-for-school/education-benefits-in-military; also http://www.goarmy.com/benefits/education_money.jsp.

Organizations may run into some challenges in today's market as they pour money into training and development. Studies report that Millennials tend to change jobs far more frequently than past generations. They possess a free-agent mindset not only because they want to but because they feel they have to since job security is not promised. Millennials take the attitude that a long-term job is not the path to security; rather, security comes from a "résumé that rocks" [43]. They tend to resume, build, and move on when they feel stalled or unable to get new experience at their current jobs [43, p. 25].

The U.S. Department of Defense is not only the largest employer, but also the largest trainer of youth in the Nation. Training is a major incentive for young people to join the military today for two main reasons. First, military occupations must keep up with the latest technologies to be ready for modern warfare. The military recruits novices and trains them to perform many duties. Recruits learn to operate and maintain weapon systems, aircraft, tanks, and naval platforms—all very complex technologies that require high aptitude and long training periods [28]. Tables 3 and 4 provide a distribution active duty enlisted force and officers corps occupations as of 2001.

Table 3. Occupations and distribution of the active duty enlisted force as of FY 2001[a]

DoD Occupational Group	Percent of Enlisted Force
Infantry, Gun Crews, and Seamanship Specialists	16.6
Electronic Equipment Repairers	9.6
Communications and Intelligence Specialists	9
Medical and Dental Specialists	6.7
Other Allied Specialists	3
Functional Support and Administration	16.4
Electrical/Mechanical Equipment Repairers	20.4
Craftsmen	3.6
Service and Supply Handlers	8.5
Non-Occupational	6.2

a. Source: [28].

Table 4. Occupations and distribution of the active duty officer corps as of FY 2001[a]

DoD Occupational Group	Percent of Officer Force
General Officers/Executives	0.4
Tactical Operations	37
Intelligence	5.1
Engineering & Maintenance	12.2
Scientists & Professionals	4.8
Health Care	18.9
Administration	6.5
Supply, Procurement & Allied	9.1
Non-Occupational	5.9

a. Source: [28].

Table 5 gives a snapshot of the distribution (percentage) of male enlisted personnel by occupational category from the Civil War period through 2001.

Table 5. Distribution of male enlisted personnel by occupational category over time[a]

Occupational Category	Civil War	WWI	1992	2001
White Collar	0.9	25.2	43.9	43.4
Technical	0.2	11.6	29.7	29.3
Clerical	0.7	13.6	14.2	14.1
Blue Collar	99.1	74.7	56.1	55.2
Craftsmen	0.6	25.9	27.8	27.5
Service & Supply	5.3	14.8	9	8.8
General Military	93.2	34	19.3	18.9

a. Source: [28].

For about 10 years, from 1992 until 2001, technical white-collar jobs have been as plentiful as blue-collar craftsmen jobs. As a result of the shifting demands of modern warfare, there is an increasing demand for high-quality workers with specialized skills. To meet today's skill

requirements, employers must either compete with national and global firms to recruit highly skilled workers or pay the costs to educate, train, and groom their own workers. It's very costly to build, train, and maintain a strong, sophisticated military today, and many military occupations require upfront training, as well as frequent refresher training [28]. Job-hopping attitudes and behaviors are especially problematic for the military today. If such patterns were to become too pervasive, it would be extremely detrimental to maintaining a highly skilled warfighting force. If job-hopping is a result of employers offering less job security, however, the military is well positioned to compete in this dimension.

Private-sector employers are beginning to realize that traditional tradeoffs for long-term careers—pensions, reliable job security, and even healthcare—are being withdrawn so they must offer other win-win solutions [43]. More frequently, employers are opening avenues to employees for formal learning and on-the-job training and experiences. Although some employers believe that training opportunities come with some degree of workforce risk (i.e., employees taking the new skills, moving on, and leaving the company with skill and talent gaps), such opportunities may also increase the level of security felt by workers, convincing them to stay around longer [43]. With the job security and significant amounts of training being offered by the military, the military should be well positioned to compete in this dimension.

Compensation

Compensation, like all of the other incentives discussed in this section, is used to attract and retain workers. We've also discussed the notion that compensation is more than cash payment (i.e., wages and salaries); it also consists of noncash benefits that have value. Studies show that it takes more than a generous benefits package and competitive salaries to attract and retain talented employees. In fact, among the companies listed in *Fortune Magazine's* survey of "100 Best Companies To Work For," not a single employee mentioned money as a reason why they loved the place they worked. For example, Google, listed as the top company to work for, did not rank in the list of companies with best compensation. Nixon Peabody, which was listed at

the top of companies with the best compensation, ranked 49th on the list of best companies to work for [44]. This finding is particularly important when discussing the military, which offers an important nonmonetary benefit to its workers—satisfying their sense of patriotism and service.

Human resource research indicates that satisfying key human needs, which influence performance and loyalty, is an important element of attracting and retaining talented workers today [45]. High-quality employees of all ages are looking for several core human needs to be met by employers. Pride in where they work and what they do for the company is very important. Employees want to work for organizations that embody excellence in their services, products, and missions. Meaning and purpose are also very important. A strong mission and vision can capture the hearts and souls of workers, and give them a sense of importance. Employees also want to be genuinely appreciated. Researchers have found that appreciation even as simple as acknowledgment of a job well done is one of the strongest employee motivators. Opportunities for growth and skill development are also a fundamental need. Formal training, cross-training, and even added project responsibilities allow employees to stretch their minds and feel more productive. Finally, respect conveys a very strong message that employees are valuable. For example, respect can be demonstrated by employers who show that they recognize that employees have a life outside the workplace.

Research continues to show, however, that employers typically rely on financial factors (e.g., competitive pay, good benefits package) to attract and retain workers [45]. Research provides several reasons for this. First, employers are often under time pressure, so they focus on putting out fires. They neglect the human side of business, the "soft issues," believing that they are not as high in priority. Second, managers with technical prowess often lack effective interpersonal skills or an understanding of human nature. They dismiss the human "touchy feely" side of business as irrelevant. Finally, employers often believe that what has worked in the past will still work in today's workforce, so they focus merely on maintaining the "status quo."

Bonus incentives are being used more frequently by employers. Many civilian companies use bonuses to reward high levels of performance or productivity, such as sales volume. Employers also use bonuses in tight labor markets to attract people with special skills or to attract people to jobs that are less appealing (e.g., hazardous conditions, repetitive/monotonous tasks). People with high-tech skills are positioned not only to receive signing bonuses but also to command higher salaries. *Fortune Magazine* listed 20 companies with the biggest bonuses, which ranged from $59,104 to $16,732 as the average annual cash bonus [44]. Only one company that made the best bonus list, Whole Foods Market, ranked in the top 10 of *Fortune Magazine's* companion list of the best companies to work for [44].

The military's use of bonuses is more constrained than in the private sector. The military does not use bonuses as a performance or productivity incentive. The military does use recruiting and retention incentives to attract and retain people in particular occupations, but one can argue that these bonuses are largely used to compensate for the lack of flexibility to offer pay differentials by occupation—something that is done with base pay instead of bonuses in the private sector. Like the private sector, the military does make use of bonuses as incentives to take on certain types of hazardous, arduous, or special duty.

Employers are beginning to realize that traditional compensation strategies are not always effective tools for recruiting and retaining workers. While compensation packages certainly must be competitive with those offered by other employers, quality workers of all ages today want more than cash and benefits packages. They want to be proud of where they work, they want jobs/careers with meaning and purpose, they want employers to show them genuine appreciation and respect, and they want opportunities for growth. The military is well positioned with regard to providing far more than monetary compensation to servicemembers.

Conclusions

Review of findings

In this study, we've reviewed generational literature and other data sources to determine whether there are characteristics and challenges unique to the Millennial generation cohort that might require the military to develop targeted policies to attract, retain, and effectively develop them. We've found that generational cohorts consist of diverse groups of people from all walks of life. Not all members of a generational cohort (e.g., Millennials) possess the same characteristics. Cohorts themselves contain subgroups that form according to race/ethnicity, culture, gender, economic status, geographic location, and shared lifestyles, experiences, and even expectations, to name a few.

In our analysis, we've isolated some key characteristics that have the potential to affect the workforce, and we've examined various economic, sociodemographic, and political trends from empirical data sources. Although the most commonly mentioned characteristic of Millennials is their optimism, this trait is not easily measured and not likely to present unique challenges in the workforce. In fact, Millennial optimism may prove to be an asset to employers, organizations, and other segments of society. We have determined that certain generational cohort characteristics (e.g., size of the cohort) may have more impact on certain workforce factors than others; however, cohort characteristics alone do not cause particular workforce challenges. Rather, cohort characteristics operate in conjunction with many other variables to influence the workforce.

Research findings leave little doubt that influencers play an important role in the decisions of youth to join the military. Studies show that Millennials possess a particularly strong inclination toward social dependencies. As a group, they tend to rely on the influence of their parents in every aspect of their lives. Surveys and anecdotal evidence

show that their parents continue to provide them with the following well into adulthood: housing, advice, financial support, and friendship. The combination of these factors builds a strong case for the significance of the role of parents and veterans, and the lack of such influencers, on enlistment decisions of Millennials. On one hand, this presents a real workforce challenge for the military since the number of veteran influencers in the population is decreasing over time. On the other hand, it provides an opportunity to improve recruiting by targeting parents in recruitment campaigns.

Many factors combine to influence propensity trends of youth with respect to joining the military. The Millennial cohort is not likely the only determinant since propensity was trending downward before this generation of youth arrived on the scene. Rather, growing differences in gender pool proportions, racial/ethnic background, veteran influencer population, and the national defense and political climate all combine in various ways to influence propensity for the military workforce. The evidence suggests that military actions—such as the first Gulf war and the current war in Iraq—influence propensity just as military crises of the past have likely influenced past generations.

Access to the technological playing field is not equal for all young people. Some youth, even Millennials, are not as exposed to technology as others because of ethnic, racial, and income disparities. Employers must recognize that the Millennial cohort is made up of people from all walks of life. Planning as if they are all represented by a single "typical" Millennial will miss the mark for many in this generation. Even as young workers across the spectrum become increasingly more exposed to technology, their aptitudes, skills, and interests don't always meet the demands of the workforce for quality workers. Employers may need to provide technical training to members of their workforce to address the achievement gaps that exist among today's young people.

In terms of political and civic activity, Millennials appear to be more active than the previous generation (Gen X) of youth. Of special significance to the military are research findings that there may be some relationship between political activity, especially voting, and propensity to joining the military. These findings have mixed implications;

some reports show inconsistent political activity among current youth. In addition, their activity may result from other motivating factors. For example, their political activity seems to increase in response to particular political events or crises, as it did after the terrorist attacks on September 11th, 2001. At any rate, research seems to indicate that youth today don't necessarily equate community involvement with political engagement, but rather have a strong desire to be helpful to others through such activities as volunteer service.

The Millennial cohort size should not present a workforce challenge to the military. In fact, because millennials represent a large group, it increases the percentage of potential recruits. However, cohort size can be influenced by other demographic factors (race, gender, etc.) in ways that may have an impact on propensity to join the military.

Millennial aspirations and desire for higher levels of education are considered to be traits that may affect and challenge the workforce because educational attainment competes with employment and level of education influences the type of employment sought. However, recent data trends and Census Bureau projections both suggest a flattening educational attainment curve for the future. This appears to be especially true for male youth—any increases that have recently occurred in educational attainment have been driven by women and nontraditional students. All this taken together suggests that the educational attainment taking place among Millennial youth is not creating adverse workforce implications for the military.

Compensation can be thought of as reaching beyond pay and encompassing anything that employees value. Employer-paid tuition and training is a highly valued part of the workplace compensation and benefits package. Employees value education benefits because they believe, and research shows, that higher levels of education lead to higher salaries. Furthermore, education is becoming more costly and unaffordable for many students. Young workers desire career development as much as, if not more than, monetary compensation.

The best measure of the adequacy of compensation is the recruiting and retention climate. Recruitment and retention are determined by the ability of employers to attract workers by using the right resources and incentives, rather than by the generational cohort to which

workers belong. In general, people across generational cohorts have similar expectations of their employers. Employees—including those from the Millennial generation—want (a) to contribute to a greater mission and purpose, (b) to be well compensated, (c) to be valued and respected, and (d) to be trained, challenged, and developed.

Retirement benefits have less priority for young workers than for older workers since they are in different life stages. Research indicates that, in general, young people's needs and values are more immediate, whereas older workers plan for the future. For this reason, flexibility and portability may be important factors in structuring retirement benefit plans. The Millennial generation is not much different in this respect from previous generations when they were young.

Unemployment is one of the most powerful determinants of recruiting success and/or recruiting challenges. Millennials have lived in times of relatively low unemployment, and historically research has shown a positive correlation between youth unemployment and recruiting success. This has created a challenge for the services, not because of characteristics of Millennials, but because of the conditions Millennials have faced when entering the labor market. Recruiting Millennials will become easier if and when the times of relatively low unemployment come to an end, as it would be expected to do with any generational cohort.

Final remarks

Effective workforce policies should consider more than characteristics of generational cohorts since not all members of such cohorts (e.g., Millennials) possess the same characteristics. Generational cohorts consist of diverse people and groups in terms of race, ethnicity, culture, gender, economic status, and geographic location, as well as shared lifestyles, experiences, and expectations. Furthermore, life-stage effects play a major role in lifestyle preferences and how decisions are made for any generational cohort when they are young since young adults are in the process of maturing and becoming more responsible.

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