

C

E



Center for  
Effective  
Organizations

---

**MILLENNIALS AND THE WORLD OF  
WORK: AN ECONOMIST'S  
PERSPECTIVE**

**CEO PUBLICATION  
G 09-13 (567)**

**ALEC R. LEVENSON  
CENTER FOR EFFECTIVE ORGANIZATIONS  
MARSHALL SCHOOL OF BUSINESS  
UNIVERSITY OF SOUTHERN CALIFORNIA**

**November 2009**

## Abstract

This article uses an economic approach to address whether and how the Millennial generation is significantly different from its predecessors. Particular attention is paid to the normal life cycle stages through which all generations pass, and the implications for forecasting how the Millennials' relationship with the world of work will evolve. A second key issue is the extremely large differences in economic opportunity that exist among the members of each generation, and which have increased for more recent generations, particularly those with lower levels of education. Other key issues include the rise in international competition for jobs, and the rising cost of a college education. These factors together imply that simple stereotypes about Millennials taking a privileged view of the world of work may be simplistic at best and likely are significantly off target.

## **Introduction**

The Millennial generation has been described as one that is both very driven to succeed and entitled about their work options. This supposedly leads to the Millennials making greater demands than their more experienced counterparts in the workplace, while simultaneously feeling acute pressure to show their credentials and employability as they compete with both previous generations and each other to succeed (Alsop, 2008; Sujansky and Ferri-Reed, 2009; Meister and Willyerd, forthcoming). The challenge for researchers and practitioners is to determine whether these generational differences are “real” in the sense that Millennials are going to have difficulty acculturating into organizations where the power is held by people from different generations— or whether the substantive differences between the Millennials and their predecessors are more perceived than real.

I apply an economist’s perspective to the question of how the Millennial generation differs from its predecessors. How one should evaluate the “importance” of generational differences is a key theme to understand what makes – and does not make – the members of the Millennial generation different from other generations who have come before them. I focus on the role that economic factors play in creating differences across generations that are meaningful for organizations and the world of work. This means focusing on whether generational differences in attitudes and life choices get translated into behavioral differences that in turn lead to substantially different work outcomes.

Every generation differs from the ones that came before it. Some differences are viewed with dismay by the older generation. For example, immigrants often bemoan the loss of their native culture as their children assimilate in a new country. Other changes are more benign: regional cultures can lead to noticeable differences in accent, manner of dress and food

preferences that migrants' children adopt – and which the parents view as more of something at which to poke fun than a true “loss” of critical culture. The point is that there are noticeable differences between people all over the world and within countries that are related to the environment in which they live. Some differences are perceived as meaningful and “important;” others are not. Some differences provide critical challenges and opportunities to the companies that seek to employ them; others are irrelevant for the world of work.

The focus in this article is on the United States labor market, though the issue of how to measure generational differences is not unique to the U.S. nor to labor markets in developed economies. The discussion is framed by the U.S. labor market context, including U.S. economic expansions and recessions, and perceived differences in generational values that have been most commonly associated with the U.S.

### **The Measurement Problem**

The measurement of differences across the generations is much trickier for people who grow up and live in the same geographic area than it is for the example of migrants and immigrants cited above. This is particularly true for measuring differences as they relate to work, because each generation goes through a natural life cycle evolution in their attitudes toward and decisions about work. When people are young and just entering the labor force, they go through a very steep learning phase about the world of work and the true opportunities and limitations they face. Middle age people are more likely to be struggling with the challenges of raising a family and balancing the issues involved in having one versus two working parents, or being a single working parent. Older people often face tough decisions about the timing and nature of retirement as they reconcile ideals about what their lives will be like in their later years compared to the realistic options.

These different life cycle stages through which each generation passes also color how the generations see each other at any point in time. Younger generation members often do not appreciate the challenges their parents faced raising a family until they themselves start to do so. Older generation members can allow their concerns about economic stability to color their interpretations of the younger generations' decisions about work and careers. When making these observations, many people, including the occasional social scientist, fall into the trap of mistaking life cycle differences for generational differences between people. The challenge is finding a way to distinguish normal life cycle stages in attitudes and decisions about work that largely are the same in each generation, from the ones that are truly and meaningfully different.

A key challenge in this regard is that there typically is no data that allow reliable comparisons of how different generations felt and made decisions about work at similar stages in the life cycle. Most large scale, nationally representative data sets that measure attitudes that influence work behaviors have only been collected since the costs of computing started to fall dramatically in the 1970s. And even in cases where data was collected many years ago, it typically is not collected consistently over 30-40 years time. Thus differences in the kinds of questions asked and the samples used more often than not mean that definitive statistical comparisons between generations at similar stages in their life cycles cannot be made.

For example, one might want to compare measures of the quality of work life faced by Millennials and their predecessors. The Quality of Employment Survey (QES) has measures from the 1970s that could be used for the earlier generations (for example, see Rice, Frone and McFarlin, 1992). Unfortunately, the QES was discontinued years ago and so cannot be used to provide a comparable snapshot for the Millennials. The General Social Survey (GSS), in contrast, has been administered consistently since the 1970s and can be used to compare the

Millennials and their predecessors at similar life cycle stages. For example, Schmidt (1999) used the GSS to compare workers' perceptions of job security over a 20 year period 1977-96.

Along similar lines as Schmidt's GSS study, a handful of recent contributions have addressed the issue of generational differences work orientation. Smola and Sutton (2002) compare the work attitudes for samples drawn in 1974 and 1999. Twenge, Campbell and Hoffman (forthcoming) analyze the work values of a nationally representative sample of U.S. high school seniors in 1976, 1991 and 2006. Galinsky, Aumann and Bond (2009) examine generational differences in attitudes about work over the 1992-2008 period.

Yet even in cases such those described above, there is a missing key trait – the ability to link attitudes with actions. Without longitudinal measurements of both attitudes and actions, we cannot know, for example, if the attitudes about job security and careers expressed by young people in the 1970s were more, less or equally likely to precede choices about jobs when compared to their counterparts in the 2000s. Thus, at a fundamental level, current attitudinal data about the Millennial generation from sources such as the GSS and the other studies above cannot be used to test definitively whether they are on a path that will lead them to make substantially different choices about work and careers than previous generations.

### **The Economist's Critique**

Without the necessary longitudinal data collected over thirty or more years to test hypotheses about the Millennials, the next best step is to use cross-sectional data and panel data spanning shorter periods of time to make reasonable inferences. The disclaimer that must be made up front, though, is that most comparisons of this type suffer from a fundamental identification problem: any difference observed across people of different ages at one point in time could be driven solely by life cycle differences, solely by generational differences, or partly

by both. The challenge is to identify which of these factors provides the most plausible explanation in each case.

Given the wide range of possible generational differences to consider, it is important to first identify the demographic and labor market trends promoted in the popular literature and elsewhere that could lead to substantially different work outcomes for the Millennials than their predecessors.

A. Education trends: The level of education as measured by college attendance has nearly doubled in the past thirty years. In 1970, only 32 percent of people age 25-29 had attended at least some college beyond high school, with half of those (16 percent) getting a bachelors degree or higher<sup>1</sup>. In 2008 the comparable figures were 59 percent having attended some college, and 31 percent having received a bachelors degree or higher<sup>2</sup>. The 29 percent with some college education is comprised of 4 percent with occupational Associate's degrees, 5 percent with academic Associate's degrees, and 20 percent with some college but no degree (which would include both technical/trade school attendees and people who attended Associates or Bachelors programs but did not finish their degrees.) Thus the Millennials have about twice the college credentials than their predecessors in the tail end of the Baby Boom and leading edge of Generation X, and they reached that point by doubling both college attendance (without graduation) and four-year college graduation.

However, the cost of attending college has risen faster than inflation during this same period. According to the College Board (2008), the inflation-adjusted cost of attending college (tuition, fees, room and board) doubled between the late 1970s and late 2000s, from \$15,434/year to \$34,132/year for private four-year schools, and from \$7,181/year to

---

<sup>1</sup> Author's calculation using data from the 1970 Census.

<sup>2</sup> Author's calculation using data from the 2008 Current Population Survey, 2008 Annual Social and Economic Supplement.

\$14,333/year for public four-year schools. This has created a cohort of recent college attendees who almost certainly entered the labor market with more debt to repay than earlier generations. Between 1987 and 2002, one data source suggests that average total student loan debt among those who borrowed for college more than doubled, even after accounting for inflation, and there was an almost doubling in the percentage of student borrowers who were surveyed reporting they significantly changed their career plans and delayed key life decisions (buying a home or car, getting married, having children) because of student loan debt (Baum and O'Malley, 2003)<sup>3</sup>. The implication is that a rising financial burden of attending college may at least partially offset the benefits of greater credentials at the start of the Millennials' careers, leading them to make less risky choices with respect to nontraditional occupations and lines of work.

More generally, the characterization of the Millennial generation as being more selective about work and the kinds of jobs they take strongly implies that the people making such generalizations have in mind a typical college graduate who faces relatively good labor market options. The problem with this generalization is that only 31 percent of Millennials has a Bachelors degree or higher, and it is only this group that arguably has significant choices in the kinds of jobs and careers they face. High school graduates' labor market options have been shrinking for over a generation – their wages did not keep up with inflation over the past four decades – while those who attended community college or who attended a four-year college but do not graduate typically have much more limited labor market options than those with a Bachelors degree or higher. Thus at most we may have one third of the Millennial generation in a

---

<sup>3</sup> The trends documented by Baum and O'Malley (2003) are not based on comparable samples, however. The 1987 sample was significantly younger than the 2002 sample (77 percent age 26 or younger in 1987, compared to 42 percent in 2002), and so had not yet been faced with making some of the key life decisions. The response rate to the 2002 survey also was substantially lower (24 percent) than the 1987 survey (70 percent), which means that it likely is a more biased and unrepresentative sample.



position to make significant economic demands of the world of work, when viewed from a human capital bargaining perspective.

Yet even this is an overly optimistic conclusion, as the 1990s and 2000s saw the rise, for the first time, of international competition that put pressure on the wages and job security of more highly educated workers. The rise of the internet and high speed communication has led many knowledge-based jobs to migrate to low cost locations overseas. While the total number of jobs lost might be small relative to the base, the impact on companies' ability to gain the upper hand in wage setting should not be underestimated. While it is extremely difficult to quantify the impact this would have on the Millennials, the net effect should have been to temper somewhat the Millennials' inclination to make strong demands of work, and increase their willingness to accept the job options that companies provide.

B. Demographic changes in the U.S.: Changing rates of family formation may be both a cause and consequence of the Millennials making different career choices than their predecessors. The long-run decline in the nuclear (two parent) family means that larger percentages of women in the Millennial generation likely will end up raising children by themselves, when compared to their mothers. Among those Millennials who marry, they will be much more likely than earlier generations to be part of a dual-income household, a reflection of steadily rising female labor force participation rates (a continuing trend that stretches back to the Baby Boomer generation and even earlier). These trends, however, reflect social changes that have slowly altered each generation's choices relative to the one that came before it. There has not been any sudden change in social norms or behaviors that would support the notion that the Millennials suddenly look radically different than the generations that immediately preceded them (e.g., Generations X and Y).

There has also been a long-run trend toward delayed child bearing that is both part and parcel of the steadily increasing levels of female educational attainment (Edwards, 2002). For example, between 1973 and 1988, two years with comparable total fertility rates in the U.S., the share of total fertility accounted for by women age 30 or older rose from 22 percent to 28 percent (Rindfuss, Morgan, Offutt, 1996), a significant change over a relatively short period in generational terms. This suggests that the women of the Millennial generation are making decisions about educational attainment and child bearing that give them greater economic freedom, which could impact the demands they make of the world of work. However, just like the choices about marriage, the change for the Millennial generation has been gradual and part of a longer-run trend that spans generations.

One potential trend that anecdotally seems to be more common recently is an increase in young adults living at home after graduating college. The suggestion is that this may have occurred because it is financially difficult for the Millennial generation to get on its feet because of high student debt and the rising cost of housing in a labor market where wage and employment gains in the economic expansion of the mid- to late 2000s were not as robust and widespread as a decade earlier. If true, the financial freedom of not having to pay a mortgage might indeed lead some of the Millennials to be more selective about jobs and careers. Yet more research is needed before that can be concluded, research both on the extent to which the “boomerang kid” phenomenon is real, and on whether returning to live at home substantially alters career choices: if rising college debt is a main cause of a boomerang phenomenon, the net effect of higher college debt but lower mortgage debt could be a wash in terms of impact on job and career choices.

It is also worth noting that conventional wisdom about previous generational differences has not always stood the test of time as the generations age and go through the different life stages. Part of the problem is that people in the same generation can enter the labor market during very different stages of the economic cycle, depending on whether they are born “early” or “late” in the window that defines their generation. Many early Baby Boomers entered their adult years during the booming labor market of the 1960s, which supposedly encouraged young people to not worry about their career choices because jobs were so plentiful. Yet late Baby Boomers entered their adult years in the 1970s, a bust period commonly associated with stagnating living standards and diminished economic expectations. The memories of that period and what their parents experienced supposedly made the subsequent wave of early Gen Xers much more cautious about their economic choices. Yet by the time the late Gen Xers were entering the labor market during the booming 1990s, all talk of career caution was removed from the public discourse. These later Gen Xers supposedly could be much more choosy in their selection of jobs and careers when they entered the labor market because of improved economic conditions.

The larger point, however, is that quite different stereotypes *about the same generation at different points in time* were put forth as part of the conventional wisdom based solely on the current economic climate that prevailed. What matters – and what both commentators and researchers should focus on – is not just the short-run economic climate, but also the impact that the climate has on people of all generations, at least those still in their formidable working years. The late Baby Boomers may indeed have been more cautious in their job and career choices during the 1970s when times were tough. The interesting question is whether and how their choices changed when the economy took off after the recession ended in the early 1980s.

At a more general level, the question is the extent to which there is any kind of economic branding in the early years of labor market entry that puts a generation on an unmovable path. Does a generation that first experiences tough times (like the late Baby Boomers did in the 1970s) take a more practical, less demanding approach to the world of work for the rest of their lives? Does a generation experiencing booming economic times when they enter the work force (early Baby Boomers in the 1960s) look at the world of work with rose colored glasses forever? If so, then understanding how a generation reacts to the economic conditions it faces when first entering the world of work is paramount to identifying generational differences. If not, and if the primary factor is the current economic climate the generation faces at any stage, then generational differences at any point in time should be driven primarily by how they respond to their current life cycle stage, and cannot be attributed to attitudes – and stereotypes – that might have been set based on what the generation experienced when they first started working full-time.

Unfortunately there is very little evidence to answer this question. One recent study (Kahn, 2009) looked at the impact of college graduates entering the labor market at different points in the economic cycle using longitudinal data from the National Longitudinal Survey of Youth. The study was well designed to measure the real impacts of the business cycle on career outcomes, utilizing differences in the local (state) labor market to identify the effect. It found a significant effect on wages that persisted for many years (ten plus), suggesting that graduating school in a bad labor market can significantly reduce an individual's career prospects for many years afterward. One has to be careful in extrapolating these results because it is just one study and examined the experience only of people who graduated between 1979 and 1989. Yet the strength of the study design and results suggests that a similar effect should have existed when

earlier generations graduated school. This supports the notion that generations who enter the labor market in poor economic climates may face reduced career opportunities for many years. Further research is needed, however, to make this claim definitive.

C. Evidence from life cycle analyses: Some of the life cycle related work decisions that people make are so obvious they do not bear repeating here (e.g., people are less likely to work while attending school, or while caring for infants or young children, etc.). The more interesting question is whether existing research can shed light into less obvious life cycle work patterns that might predict how the Millennials will make choices over their careers.

For example, Neal (1999) found that people tend to try out different industries and occupations when changing jobs during their early years in the labor market. This initial period of sampling later transitions into a more stable path within a career: once past the initial stages of working for the first time, job changes tend to take place within a career and are much less likely to involve a change of careers. Thus people accumulate career-specific human capital over time and maximize the return on that investment by staying within that career to a large extent. Without strong evidence to the contrary, it is reasonable to expect that the career paths of the Millennials will be no different.

Similarly, Evans and Leighton (1989) find that the entry rate into self-employment for men is relatively constant over the range of ages represented by the life cycle, but that the exit rate declines with age. This leads to a greater rate of self-employment among older workers. It also suggests that the Millennials, just like their predecessors, are liable to look more and more entrepreneurial as they age, even though changing patterns of self-employment appear to be driven as much or more by the accumulation of human capital than by attitudes about self-employment.

D. Labor market trends: There are a number of labor market trends that have implications for understanding the world of work the Millennial generation has joined in recent years, including the extent to which they can be viewed as entering a job market fundamentally different than their predecessors did. The general point for understanding the labor market that the Millennials face today, though, is that there have been some overall trends that have changed the options for today's new labor market entrants, while other perceived changes have turned out to be misguided conventional wisdom.

Much of the evidence cited here about trends in the United States labor market since the 1970s is also discussed in detail in Levenson (2006). For a more complete citation list the reader should refer directly to this 2006 article.

The first two topics we will discuss received a lot of attention when Generation X was the focus of attention in the 1990s: job stability trends and temporary/contingent work. The claims made at the time included a significant increase in job instability – the likelihood of someone losing a job – and in temporary/contingent work. Both trends were cited as supposed evidence that the U.S. economy was not creating enough “good” jobs. Yet despite conventional wisdom that these trends were real, the evidence is mixed.

For the most part, there has not been a strong increase in overall job instability in the United States in recent decades (though the most recent recession that started in 2008 may change that story, at least temporarily). There was, however, a decrease in job instability for some groups (women; men with shorter job tenure) coupled with an increase for others (men with lower levels of education; men with longer job tenure).

There was a marked increase in temporary jobs. However, the increase was from an extremely small base and the percentage of people in temporary jobs at any one point in time is

only 1-2 percent of the workforce. Thus, in the case of temporary jobs and job stability, the perceived conventional wisdom in the 1990s proved to be off the mark.

There are many other trends that have taken place in the labor market in recent decades (e.g., the long-run shift away from manufacturing and toward services and knowledge-work jobs; the rise in outsourcing), too many to provide a detailed accounting of here. The important point is to understand how these trends have impacted the Millennials current labor market options.

Independent contractors, in contrast to temporary employees, represent about 7 percent of all workers, but are heavily represented in construction, management, and professional occupations, occupations that lend themselves well to project-based work. There is not enough data to know for sure when independent contractors became more prevalent, however, it is pretty safe to conclude that this is a relatively recent phenomenon that was not as common a few decades ago when the Baby Boomers were new entrants to the labor market. On the one hand, one might look at the rise of independent contractors and conclude that this represents a worsening of labor market options for the Millennials. Yet the reality is most likely more nuanced, given that 80 percent of independent contractors indicate that they are in that status willingly.

If the rise in independent contractors is an indication of perhaps more flexible job options for the Millennial generation (though one could of course argue the downsides of working as an independent contractor instead of as a regular employee), the recent increase in overseas outsourcing is much more clear evidence of a degraded job market for the Millennials. In recent years companies have aggressively moved to outsource large segments of knowledge work, such as lower-level jobs that involve processing information including data entry and analysis and support for higher-level jobs in occupations such as accounting and law. The challenge for the

Millennial generation is that many of these jobs traditionally were the entry point to the professional job ladder. Thus a traditional route of job shopping and learning on-the-job may have become less available in recent years. This in turn might have led some of the Millennials to become more selective in the initial jobs they choose. Yet if this is the case it is important to acknowledge that the main cause is a shift in the types of jobs offered by companies, not a change in the types of jobs sought out by young workers.

Perhaps the most important yet misunderstood development in the labor market in recent decades has been a dramatic rise in the disparity of wages for people within the same segments of the labor market. By this we mean that people who for all intents and purposes look the same – same stage in the life cycle, similar educational attainment, and working in similar jobs/occupations – have seen a divergence in how they are rewarded in terms of compensation. This trend was part of the public debate about the widening of income dispersion that occurred in the 1970s and 1980s. In the 1980s in particular, liberal commentators who were critical of the Reagan administration's spending and tax policies claimed that the end result was the creation of a society of economic winners and losers. All politics aside, the economic data are consistent with this story, but also provide a major qualification.

The widening income distribution was indeed a manifestation of more winners and losers than in previous generations. Yet the examples widely cited in the popular press, and particularly on the left, focused on stories of the rich getting richer while the poor got poorer. While such patterns did exist and have important social ramifications, they are not our main focus here. The insight that few commentators have understood is that the widening income distribution was manifested in people who otherwise looked the same ending up with what could be viewed as arbitrarily different compensation. Thus, for example, two white male lawyers in their early 30s



a generation ago might have received compensation that was relatively equal, yet by the 1990s they were much more likely to have dramatically different compensation because of organizations' increasing willingness to differentiate rewards and pay both across organizations and within the same organization.

The implications for the Millennial generation of this trend are potentially quite substantial. This phenomenon is not widely understood by the vast majority of people, including many social scientists and commentators in the media, thus it is not part of the common language that is shared among generations. The Millennials consequently have had to learn for themselves that choosing a vocation today involves a lot more randomness in one's professional success than it did for their parents' generation. In earlier generations, children growing up who wanted to follow the career examples set by those who came before them had much greater certainty that their career success (compensation, advancement/promotions, etc.) would follow the pattern of the previous generation. In more recent time, since the 1970s, that link has weakened. It is too early to predict what impact this will have on the actual choices that the Millennials make. This is a ripe area for future research. It should be noted, though, that the negative impact of this trend should be felt only among those who end up with the worse career outcomes; the question is whether their lower economic status is viewed, by themselves and by those around them, as representative of personal shortcoming or as part of a larger economic phenomenon in which the entire society has a much greater gap between relative winners and losers within each occupation.

Though this cursory review of recent labor market trends left many things out, we have noted that many economic phenomena have the potential to impact Millennials' work choices. Most importantly, the handful of trends discussed here highlights the complex forces that

together determine the range of experiences and environmental factors to which a generation is exposed and which contribute to the generation's collective response. Though as observers we like to summarize complex phenomena with cursory stereotypes because that allows for straightforward communication, removing the complexity from the discussion runs the high risk of throwing out the critical information that is most needed to understand what defines a generation's experiences. If one must reach a conclusion with simple statements about how a generation responds to the complexities of its economic environment, the safest conclusion is to make no statements at all. Following that, it is arguably the common experiences created by moving through the key life cycle stages that are most likely to trigger predictable responses from a generation's members.

### **Integrating the Economic and Behavioral Perspectives**

One area with a high potential to unite the economic and behavioral perspectives on how generations approach the world of work is the topic of work-life balance and how people value it. Arguably, it is this notion in particular that is at the heart of many of the stereotypes of the Millennial generation and their claimed choosiness about work options. The underlying assumption typically is that Millennials place a high value on their non-work time, and thus are willing to sacrifice economic opportunity to preserve time away from work.

A proper review of the evidence on work-life balance from the management field would require a dedicated article and much more space than we can devote here. Thus we must of necessity limit our discussion to raising issues for others to potentially pursue in subsequent work.

The early research on work-life balance dates back only to the 1980s (e.g., Lobel, 1991), so it is too recent to provide comparisons of how previous generations dealt with work-life

balance issues compared to the Millennial generation – or whether they even perceived such issues to be a problem. The evidence from the literature suggests that work-life balance considerations can play an important role in people’s attitudes about work. The empirical question, though, is the extent to which such attitudes lead people to make decisions that meaningfully impact the kinds of jobs they choose and their career paths.

At a base level the answer to this is obvious: work-family conflicts play a central role in both career and job choice, particularly for women who bear the primary responsibility for child rearing. The question from a generational perspective, however, is whether the current generation’s attitudes about work-life balance differ significantly from the previous generations’ attitudes, and whether those differences translate into different decisions about work.

From a measurement perspective, what we would like to know is the extent to which the attitudinal measures of work-life balance offer additional power to predict the choices that people make, above and beyond what would be predicted by simply observing a person’s family situation (i.e. married vs. not; has children vs. not). This issue is at the heart of arguments that the Millennial generation is approaching decisions about work in a fundamentally different way than their predecessors. Given the predictable impact of life-cycle related family decisions (marriage; child rearing) on work choices, the question is whether the attitudinal measures of work-life balance tell us substantially more about how the Millennials make their decisions. While ideally we would like to compare such evidence for the Millennials with similar data from previous generations at the same early point in their adult life cycle, taking the first step of carefully documenting the relationship for the Millennials will go a long way toward shedding light on the subject.

## **Conclusion**

Change from one generation to the next can appear to be sudden and dramatic when one reads the popular and business press' accounts of how "new" each new generation is. Yet true change that impacts how each generation interacts with the world of work likely is much more incremental and gradual from one generation to the next than the popular accounts suggest. The real issue is not whether things change – they do, of course – but more about whether that change is perceived as not very significant versus a defining characteristic for an entire generation.

The interesting question is, at what point does a gradual change become a tipping point? This is an issue not just for how the media report generational differences, because they always look to find artificially large differences between generations that can be reported as newsworthy. It also is an issue for how companies respond to workers' job preferences. When only a small minority of a group makes new and different demands of work, organizations can largely ignore the requests and present a "take-it-or-leave-it" offer. It is only when a critical mass of people in a group (or generation) starts making such requests – and translating them into their own "take-it-or-leave-it" offer to organizations – that organizations potentially have to adapt or run the risk of shutting the door to key talent pools.

To date, there is insufficient evidence that the Millennial generation is fundamentally different than its predecessors, once predictable life cycle stages are taken into account. We need additional research to determine whether the stereotypes about the Millennials will prove to be yet another passing fad among the talking head classes, or whether those stereotypes represent deep seated differences in the way the Millennials view and interact with the world of work.

## References

Alsop, Ron. 2008. *The Trophy Kids Grow Up: How the Millennial Generation Is Shaking Up the Workplace*, San Francisco: Jossey-Bass.

Baum, Sandy and Marie O'Malley. 2003. "College on credit: How borrowers perceive their education debt. Results of the 2002 National Student Loan Survey," Nellie Mae Corporation.

College Board. 2008. "Tuition and fee and room and board charges over time – adjusted for inflation," available at:

[http://www.collegeboard.com/html/costs/pricing/1\\_4\\_over\\_time\\_constant\\_dollars.html?CollapsePanel4#table5](http://www.collegeboard.com/html/costs/pricing/1_4_over_time_constant_dollars.html?CollapsePanel4#table5)

Edwards, Mark E. 2002. "Education and occupations: Reexamining the conventional wisdom about later first births among American mothers," *Sociological Forum*, 17:3, 423-443.

Evans, David S. and Linda S. Leighton. 1989. "Some Empirical Aspects of Entrepreneurship," *American Economic Review*, 79:3, 519-535.

Galinsky, Ellen, Kerstin Aumann and James T. Bond. 2009. "Times are changing: Gender and generation at work and at home," 2008 National Study of the Changing Workforce, Families and Work Institute.

Kahn, Lisa B. 2009. "The long-term labor market consequences of graduating from college in a bad economy," working paper, Yale School of Management.

Levenson, Alec R. 2006. "Trends in jobs and wages in the U.S. economy," in Edward E. Lawler and James O'Toole, eds., *America At Work: Choices and Challenges*.

Lobel, Sharon A. 1991. "Allocation of investment in work and family roles: Alternative theories and implications for research," *Academy of Management Review*, 16:3, 507-521.

Neal, Derek. 1999. "The complexity of job mobility among young men," *Journal of Labor Economics*, 17:2, 237-261.

Rindfuss, Ronald R., S. Philip Morgan, and Kate Offutt. 1996. "Education and the changing age pattern of American Fertility: 1963-1989," *Demography*, 33:3, 277-290.

Schmidt, Stefanie R. 1999. "Long-run trends in workers' beliefs about their own job security: Evidence from the General Social Survey," *Journal of Labor Economics*, 17:4, part 2, S127-S141.

Smola, Karen Wey and Charlotte D. Sutton. 2002. "Generational differences: Revisiting generational work values for the new millennium," *Journal of Organizational Behavior*, 23, 363-382.

Sujansky, Joanne G. and Jan Ferri-Reed. 2009. *Keeping the Millennials: Why Companies Are Losing Billions in Turnover to This Generation – and What to Do about it*, Hoboken, NJ: John Wiley and Sons.

Twenge, Jean M., Stacy M. Campbell and Brian J. Hoffman. Forthcoming. "Generational differences in work values: Leisure and extrinsic values increasing, social and intrinsic values decreasing," *Journal of Management*.