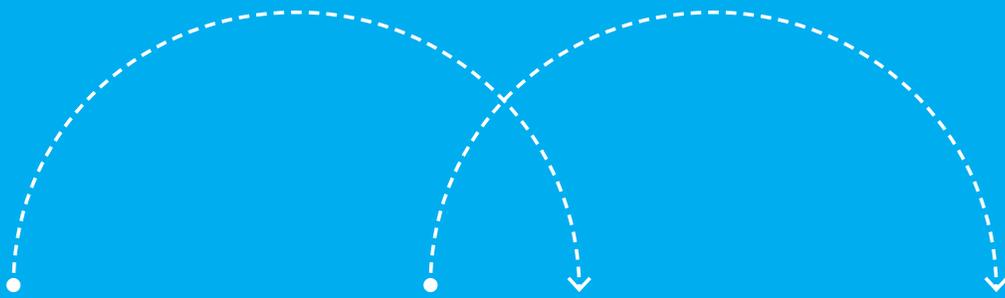




# JOB-HOPPING: THE NEW NORM



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# PREFACE

Throughout the course of a career, an individual will likely have multiple jobs. After putting in what they believe to be the requisite tenure at one company, they may move on to a better opportunity at a different organization. While this has been historically expected, a new norm is emerging amongst an entire generation that is now entering the workforce. Millennials have taken to job-hopping, or rapidly moving from job to job in search of the best available opportunity.

While job-hopping has existed for years, Millennials have taken the act to a new level. Recruitifi's new survey of over 1,000 Millennials has found that even though 83 percent of them believe having several "job hops" on a resume in a short period of time is generally viewed negatively by potential employers, 86 percent said it would not prevent them from following their passion, professionally or personally.

It's clear that a new attitude exists in Millennials that has never been present in any prior generation. Rather than caring about how they're viewed by prospective employers or worrying about how their professional lives will be affected, Millennials pursue their own happiness, regardless of the consequences.

When asked what is the most likely reason they would choose to leave their current company, 37 percent of Millennials said it would be to pursue a completely different career path. Members of this generation are taking their time to realize what type of career they want rather than diving into a long-term career commitment right out of school. They're more willing to pursue other interests in order to meet the expectations they have in life.

This is not to say that employers are sitting idly by while they lose their employees at a historic rate. In response to the uptick in job-hopping, employers are now taking measures to satisfy and retain their employees: 28 percent have increased their focus on flexibility and work/life balance; 17 percent have enhanced their focus on mentorship programs; 33 percent have enhanced their focus on employer-employee communications around job expectations and the future; 23 percent have instituted stronger benefits in terms of compensation and bonuses; and 30 percent have increased healthcare/wellness and financial planning options.

Behavioral changes in the workforce alter the way organizations view, treat, and interact with their candidates and current employees. With 55 percent of Millennials saying job-hopping is becoming the new norm, the way resumes are interpreted will be forced to change as organizations vie for top available talent. One or two outliers will not affect the way employers do business, but when an entire generation of workers behave in a particular way, companies will adapt or be left behind in the War for Talent.

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# CHAPTER ONE

## UNDERSTANDING THE MILLENNIAL MARKET

*Now that Millennials, the children of the Baby Boomer generation, are entering the workforce in staggering numbers, companies are scrambling to understand how to attract, recruit, and retain them.*

BY 2020, 46 PERCENT OF THE WORKFORCE WILL BE COMPRISED OF MILLENNIALS, SO KNOWLEDGE ON HOW TO PLEASE THEM IS CRITICAL. IN ORDER TO UNDERSTAND THE JOB-HOPPING EPIDEMIC AMONGST MILLENNIALS, IT FIRST HELPS TO UNDERSTAND THEIR MINDSET. WHAT DO THEY VALUE? WHAT ARE THEIR GOALS? WHAT DO THEY LOOK FOR IN A CAREER?

Millennials prioritize their lives differently than any generation before them. One survey showed Millennials rank “meaningful work” as a more important component than high pay, while 33 percent say “social media freedom” is a higher priority than salary. Money is not as important to this generation, as Millennials value freedom and the knowledge that the work they’re doing is making a difference.

Additionally, Millennials are an extremely entrepreneurial generation; 30 percent of them actually started a business in college. It’s this fearlessness to take risks that causes Millennials to not think twice about job-hopping. Rather than being stuck in a job which they dislike, this new generation is asserting their agency and creating their own paths.

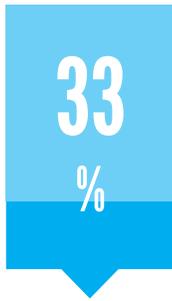
Lastly, 91 percent of Millennials anticipate staying in a particular job for less than three years. A dwindling sense of workplace loyalty is pervasive amongst this entire generation, with 16 percent of Millennials saying they are extremely likely to consider a new job opportunity if they were approached by a recruiter, 18 percent saying they are very likely, and 38 percent saying they are somewhat likely. Workplace loyalty has been replaced by loyalty to one’s self.

In this context, the surge in job-hopping amongst Millennials makes sense. While companies don’t have to like it, they certainly need to acknowledge its presence. Ignoring it will only cause retention rates to plummet and business to dip.

# WHAT'S IMPORTANT TO MILLENNIALS?

Survey data based on a sample size of 1,000 Millennials in full-time positions

## FREEDOM



Millennials that indicate “social media freedom” is a higher priority than pay

## OWNERSHIP



Millennials that started their own business while still in college

## VARIETY



Millennials that anticipate staying in a new job for less than three years



## How likely are Millennials to consider a job opportunity when approached by a recruiter?

- EXTREMELY LIKELY ■ 16%
- VERY LIKELY ■ 18%
- SOMEWHAT LIKELY ■ 38%
- NOT LIKELY ■ 28%

## CHAPTER TWO

# A DRAMATIC SURGE IN JOB-HOPPING

*Job-hopping has experienced a tremendous spike in recent years because of Millennials; 53 percent of them have had three or more jobs despite being new to the workforce.*

CURRENTLY, 74 PERCENT OF EMPLOYEES ARE ACTIVELY LOOKING FOR A NEW JOB, WHILE 69 PERCENT SAY THAT SEARCHING FOR NEW OPPORTUNITIES IS PART OF THEIR "REGULAR ROUTINE." WITH THIS SORT OF PREVALENCE, IT'S IMPORTANT TO KNOW WHY JOB-HOPPING HAS BECOME THE NEW NORM. WHY ARE MILLENNIALS BEHAVING THIS WAY?

When asked the most likely reason why they would leave their current company, 5 percent of Millennials said they would take time off to travel, 25 percent said they would consider a job with a competitor, 37 percent said they would pursue a completely different career path, 22 percent said they would relocate to live in a different city, and 11 percent said they would relocate because of a significant other. These reasons are varied, but they shed light on a pervasive willingness amongst Millennials to leave one job for another, regardless of any of the historical consequences associated with job-hopping.

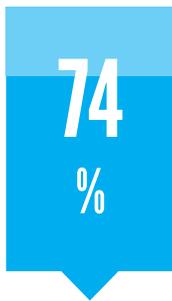
While it's widely believed (and supported, considering 77 percent of Millennials work in a white collar position) that Millennials prefer office jobs to manual labor, 47 percent say they would consider switching to a blue collar job. The reasons why they would consider this change include more flexibility in work/life balance (39 percent), better compensation opportunities (35 percent), more fulfilling work in terms of company values and opportunities (31 percent), new opportunities to leverage skills in budding industries (26 percent), and to work in an environment with less regulation (9 percent).

Personal development and freedom are critical to Millennials, and as these statistics demonstrate, they're willing to upend their career trajectories to exercise those rights or explore entirely new paths.

# WHY DO MILLENNIALS CHANGE JOBS SO OFTEN?

Survey data based on a sample size of 1,000 Millennials in full-time positions

ACTIVELY  
LOOKING



Millennials that are currently looking for new opportunities

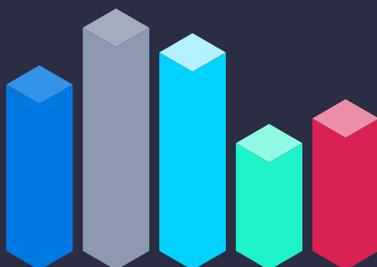
MORE  
DETAIL



## THE REASONS BEHIND JOB-HOPPING

RELOCATING FOR A PARTNER	11%
SWITCHING TO A COMPETITOR	25%
CHANGING CAREER PATH	37%
MOVING CITIES	18%
GO TRAVELLING	5%

## How many jobs has the average Millennial held?



ONE	20%
TWO	27%
THREE	24%
FOUR	13%
FIVE +	16%

## CHAPTER THREE

# HOW EMPLOYERS ARE RESPONDING TO THE RISE IN JOB-HOPPING

*Millennials have different values and mindsets than the generations that preceded them, causing employers to actively alter how they plan to retain their staff.*

**COMPANIES NOW RECOGNIZE THAT A JOB AND A SALARY CAN NO LONGER ENSURE WORKPLACE LOYALTY, SO THEY ARE BEGINNING TO IMPLEMENT PROGRAMS THAT CATER TO GENERATION Y'S NEEDS. WHILE THIS IS A STRONG START, 57 PERCENT OF MILLENNIALS FEEL AS IF THEIR EMPLOYER IS NOT STRIVING TO BUILD PROGRAMS THAT BETTER MEET THE NEEDS OF THEIR GENERATION.**

33 percent of Millennials say their companies have enhanced their focus on employer-employee communications around job expectations in the future in the last few years. For example, companies have put greater emphasis on expected job progression when hiring Millennials, as one of the main reasons Generation Y job-hops is because of an impatience to succeed. Gone are the days of paying one's dues and slowly moving up the corporate ladder; Millennials want to thrive and they want to thrive now. Setting expectations about the future of a job will appease young workers and give them a goal to work towards. 52 percent of Millennials say that opportunities for career progression makes an employer attractive, and 65 percent say that personal development is the most influential factor in their current job. This means that if a Millennial knows that they will progress and grow as a valued employee, they will be more likely to remain at their current position for a longer period of time.

28 percent of Millennials say their companies have increased their focus on flexibility and work/life balance, offering options such as taking sabbaticals and the ability to work from home. Generation Y recognizes that their work does not define them and therefore crave strong work/life balance. While 38 percent of Millennials say they would like to work mostly regular work hours with some flexible working, 32 percent say they would prefer mainly flexible hours. Work flexibility has long been desired, but with nearly a third of an entire generation saying they favor working this way, employers are now wisely taking note and implementing programs that cater to these desires.

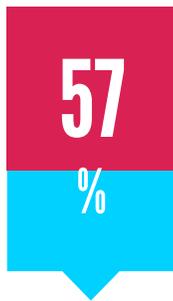
23 percent of Millennials say their companies have instituted stronger benefits in terms of compensation and bonuses. While Millennials are not solely driven by money (33 percent actually say they prioritize social media freedom over salary), higher wages and better benefits can still be a strong incentive. Employers know this, and are willing to spend more money to raise their retention rates. 31 percent of Millennials say strong packages that include pensions, healthcare, and other assorted benefits make an organization attractive, yet 37 percent of Millennials in the United States have had to take a lower salary than expected at some point in their short careers. Employers find themselves in a difficult position: how can they offer more flexibility and stronger benefits packages? Many choose to pick one, but those that find a compromise will ultimately be the most appealing to Millennials.

Lastly, 17 percent of Millennials say their companies have enhanced their focus on mentorship programs. When taken in context with Generation Y's desire to grow professionally, these sorts of programs make a lot of sense. Millennials value opportunities to add new skills to their repertoire. In fact, 35 percent of Millennials listed "excellent training and development programs" as a factor that makes organizations more attractive. Companies who recognize this will be providing their young employees with valuable skills that will last a lifetime. This cultivates gratitude amongst workers early in their careers and makes them easier to retain. Even still, 17 percent is a low figure with much room for improvement. Organizations should really be working to provide as much of a symbiotic relationship with their Millennials as possible: they provide the skills that Millennials are desperately craving, and in turn those young workers will reward their employers with loyalty and hard work.

# WHICH RETENTION INITIATIVES ARE MOST EFFECTIVE?

Survey data based on a sample size of 1,000 Millennials in full-time positions

## THE SITUATION



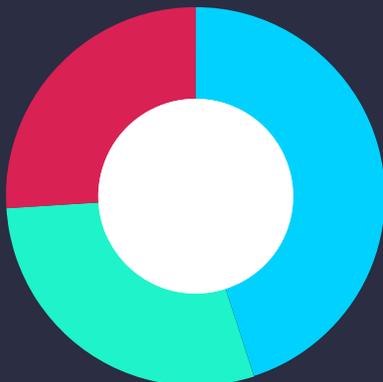
Millennials that believe their employer is not introducing any programs or initiatives to better meet their expectations

## MORE DETAIL



## RETENTION INITIATIVES

REMOTE WORK & TIME OFF	■ 28%
MENTORSHIP PROGRAMS	■ 17%
COMMUNICATING OPPORTUNITY	■ 33%
SALARY AND BONUS INCREASES	■ 23%
BENEFITS AND FINANCIAL PLANNING	■ 30%
NONE OF THE ABOVE	■ 32%



## What makes employers attractive to Millennials?

CAREER OPPORTUNITY	■ 24%
STRONG BENEFIT PACKAGES	■ 13%
SUSTAINED TRAINING PROGRAMS	■ 16%

## CHAPTER FOUR

# SHOULD COMPANIES BE RECRUITING JOB-HOPPERS?

*Recruiting job-hoppers may wind up costing employers a large sum of money due simply to their unreliability. The average cost to replace an employee is 21 percent of that employee's yearly salary. As in every hiring situation, the pros and cons need to be weighed, and a decision made from there.*

**WHILE JOB-HOPPING HAS BEEN HISTORICALLY LOOKED DOWN UPON, IT CERTAINLY SEEMS TO BE THE NEW NORM, AT LEAST IN THE EYES OF MILLENNIALS. THE VALUES THIS GENERATION HOLDS ARE DIFFERENT THAN PRIOR GENERATIONS, MEANING THAT EVEN THOUGH THEY KNOW EMPLOYERS LIKELY LOOK DOWN UPON JOB-HOPPING, IT WILL NOT STOP THEM FROM PURSUING THEIR PASSIONS.**

Employers are thus taking measures to better retain their employees. Yet this raises an important question: rather than work to prevent job-hopping, should employers embrace it by recruiting job-hoppers? Are there any benefits that could accompany doing so?

Two million Americans leave their job every month, meaning there are a plethora of job-hoppers in the market for new openings. Unfortunately for them, a survey of 1,500 staffing recruiters and hiring managers found that job-hopping is the number one ranked obstacle to regaining employment. This means that employers, despite understanding that job-hopping is endemic amongst Millennials, still dislike and disapprove of the trend.

There may be unforeseen benefits to recruiting job-hoppers, however. For one, job-hoppers may offer a certain type of versatility that other candidates do not possess. 37 percent of Millennials list “pursuing a completely different career path” as the most likely reason they might choose to leave their current company. A career spent in various industries will give job-hoppers intimate knowledge of multiple industries. Ideally, a job-hopper will likely cultivate a wide variety of skills that can help them in their next position. In fact, 22 percent of Millennials see training and development as the most valued benefit from an employer. This desire to learn and acquire different skillsets will assuredly help job-hoppers adapt to new environments, despite the industry or company.

Job-hoppers have the courage to take risks, in that they're willing to give up what they currently have for the unknown.

As discussed above, Millennials are by no means risk-averse. 30 percent of Millennials started a business in college, while 35 percent have started a side business. Lacking the fear of failure, job-hoppers are free to go against the status quo and try things others would not dare. This entrepreneurial spirit and willingness to take risks present in job-hoppers and Millennials alike may very well make them the types of employees that can add immense value to any organization.

# CAN JOB-HOPPERS BE A WORTHWHILE INVESTMENT?

Survey data based on a sample size of 1,000 Millennials in full-time positions

2,000,000

MORE AMERICANS LEAVE A JOB EACH MONTH THAN LIVE IN PHILADELPHIA

EMPLOYEE LOSS COSTS EMPLOYERS 21% OF YEARLY SALARY ON AVERAGE

\$7,340

37  
%

Millennials that list "pursuing a completely different career path" as the reason for leaving a job

22  
%

Millennials that see training and development as the most valued benefit from an employer

35  
%

Millennials that have started a side business whilst working in a full time position

## CHAPTER FIVE

# WHAT THE FUTURE HOLDS: GENERATION Z

*While Millennials are the “it generation” right now, the next group of young workers is creeping up on the horizon and will soon begin entering the workforce themselves. This generation, Generation Z, shares many similarities with Millennials, but also has distinct values that will determine how companies work to recruit and retain them.*

WITH DWINDLING OPPORTUNITIES FOR YOUNG EMPLOYEES, 32 PERCENT OF GENERATION Z LIST FINDING A JOB AS THEIR TOP CONCERN, WHILE 21 PERCENT ARE MOST TROUBLED BY THE COSTS ASSOCIATED WITH HIGHER EDUCATION AND THE BURDEN OF STUDENT LOAN DEBT. YET DESPITE THESE STABILITY AND MONETARY CONCERNS, GENERATION Z IS MORE INTERESTED IN THE OPPORTUNITY TO ADVANCE THEIR CAREERS RATHER THAN GROW THEIR WALLETS. IN FACT, 36 PERCENT OF GENERATION Z SAID THEY ARE MORE FOCUSED ON THE POSSIBILITY FOR GROWTH OVER SALARY.

It appears as if the younger generations do not prioritize salary as much as prior generations did. The youth of today seem to be more interested in landing their ideal position, as 32 percent of Generation Z said their greatest aspiration is to be in their dream job within ten years. This is similar to Millennials, who, as discussed above, are most likely to leave a job to pursue their passions.

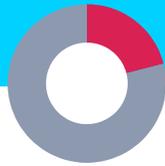
Concerning job-hopping, Generation Z does not appear to be any less likely than Millennials to leave for other opportunities. In fact, they may be worse. 83 percent of Generation Z believes that three years or less is the most appropriate amount of time to spend at a first job, while 27 percent believe that a new employee should stay at their first job for a year or less. Companies are seemingly not poised to have any easier of a time retaining their employees as Millennials and Generation Z take over the workforce.

To combat this, employers must institute programs that help their new hires grow professionally. By appealing to Generation Z's desire for career growth and skills acquisition, organizations will be better suited to recruit and ultimately retain their employees, rather than feel the harsh consequences of job-hopping.

# CAN JOB-HOPPERS BE A WORTHWHILE INVESTMENT?

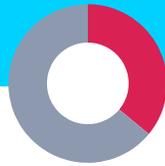
Survey data based on a sample size of 1,000 Millennials in full-time positions

## EDUCATION



21% of Generation Z are most troubled by the costs associated with higher education

## GROWTH



36% of Generation Z are more focused on the possibility for growth over salary

## DREAMS



32% of Generation Z said their greatest aspiration is to land their dream job within 10 years

83  
%

Generation Z believes that three years or less is the most appropriate tenure at a first job

27  
%

Generation Z believes that a new employee should stay at their first job for a year or less

32  
%

Generation Z state finding their first a job as their top concern for the future

# END WHERE THINGS ARE GOING

*It is clear that with changing times come changing behaviors and values. Millennials' lack of fear when it comes to job-hopping is altering the way companies conduct their business, including how they recruit candidates and what programs they institute to retain them.*

**JOB-HOPPING MAY BE POPULAR WITH GENERATIONS Y AND Z, BUT IT IS HARD TO SAY IF IT IS A TREND THAT PERVADES THESE TWO GROUPS OF YOUNG PEOPLE, OR IF IT WILL SIMPLY BE THE NEW NORMAL FROM HERE ON OUT.**

Whatever the case, the companies that understand this and adapt to these new attitudes will be the ones more likely to attract and retain talent. Job-hopping can cost employers a lot of money, but by understanding what causes it and learning how to combat it, companies can mitigate the negative effects and grow their business.

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