Engaging Millennials

Time for New Approaches in the
Workforce and Marketplace

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Ask anyone interested in generational differences about the Millennial Generation and the answer remains the same: **millennials are different.**

Born roughly between 1980 and the early 2000s, the Millennial Generation emerges as the result of a variety of influences. As the first group to come to adulthood immersed in technology, they symbolize the most ethnically and racially diverse generation of modern times. A recent Pew study calls them a "transitional generation" with "some 43% of millennial adults" classified as non-white and the Census Bureau projecting the majority of the U.S. population slated to become mostly non-white "sometime around 2043." They represent one of the most highly educated (one-third ages 26-33 have four-year degrees or more) and most unemployed or underemployed (April 2014 unemployment rate of 10.6% for ages 20-24) segments of society.

Raised by doting parents in the shadow of 9/11, the Iraq and Afghanistan wars, the economic collapse and its lingering effects, Pew reports that seven in 10 Americans surveyed say that "today's young adults face more economic challenges than their elders did when they were first starting out."

The reason for so many studies, books and articles about the Millennial Generation stems from the fact that it dramatically outnumbers any preceding generation—Silent, Baby Boomer, and Gen X—and could ultimately grow to a population of 95 million. Already the dominant segment at many companies, experts expect the millennials to transform the current workforce from one dominated by workaholic baby boomers to one predominantly composed of new age millennials—all within the next 10 years or less. Unlike their immediate predecessors, this newest generation of workers and consumers not only relies heavily on technology but also displays more socially tolerant attitudes and a preference for close personal relationships over careers.

In light of this range of newly developing attitudes toward work and life, business must re-examine its standard approaches around a host of protocols for engaging and motivating millennial employees and customers. This paper, based on the FORUM's March 2014 research study, *Approaches to Embracing Millennials in the Workplace*, by Northwestern University's Dr. Frank Mulhern, explores a number of issues that organizations should consider in order to better accommodate the attitudes of millennials and find better ways to engage them as employees.

Millennials Value Authenticity and Ethics

Considered by many as the most socially conscious generation since the 1960s, millennials tend to be much more tolerant and altruistic. Having witnessed a variety of corporate scandals firsthand, they actively seek authentic leaders and ethical corporate policies as they enter and progress through their careers. They look for inspiration and value accountability. If today's business leaders want to connect with millennials, they should embrace clear missions, ethical corporate values and accountability. Millennials want to believe in the organizations they work for and the brands they support so transparency, authenticity and involvement in altruistic causes rank as important business strategies.

Millennials Want to Succeed

Millennials expect great things for themselves. Molded by their upbringing into "achievement junkies," they have an ingrained sense of purpose and an inherent drive to succeed. Willing to work hard in order to achieve and advance in the workplace, they also crave structure and a clear career path. Managers should not only tell, but also show millennials what success looks like. Measurable goals, concrete benchmarks and regular training that help millennials maintain cutting-edge skill sets and achieve professional goals will all help managers get better results from their newest workers. In short, millennials want strong leadership and clear instructions.

Millennials Have a Distinctive Work Style

Having come of age with mobile technology at their fingertips, millennials view their time as a valuable resource so they multitask in order not to waste it. They are used to being connected to mobile technology at all times and fully expect to communicate directly with family and friends while at work. They believe that their "always-connected" state actually outweighs any loss of concentration and makes them more productive. To facilitate the transition of millennials into the workplace and to encourage them to frequent business locations, companies should integrate up-to-date technology as part of the overall infrastructure.

Because millennials live so much of their lives through technology, they view work as an activity that just needs to get done. Unlike the generations before them, they do not particularly value "face" or "desk" time. This new orientation does not easily fit traditional work arrangements, so forward-thinking companies will benefit from establishing flexible, informal, engaging processes and work environments.

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Millennials do not like doing routine grunt work. Instead, they crave meaningful, challenging work so they can personally feel they make a difference. To help keep them from getting bored, business leaders and managers may want to keep millennials in the loop with frequent communication about how the particular task they perform contributes to the company's strategic goals.

Millennials Focus on Relationships

Millennials readily admit that they prioritize relationships over career. They have established their own networks/communities and are the first generation in history in which dual-earner households predominate. Because of their attitudes toward relationships, millennials more often than not seek flexible hours, working conditions and career paths. Companies, in turn, must develop flexible work arrangements that allow for new expectations about work-life balance.

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Representing a strong shift from a "me" to a "we" environment, millennials prefer operating as team players who engage in informal relationships with their colleagues. While they do not respect hierarchies, they do desire strong leaders who express a sincere interest in them.

Millennials believe they are special and want their managers to recognize their specific strengths. In fact, a close relationship between supervisor and employee may actually help ensure that millennials develop loyalty to their companies and meet their own performance goals. Not surprisingly, mentoring relationships can work well with this group as long as the mentors check in often to make sure that their protégés stay on track with projects and have the necessary resources to feel sufficiently supported.

Millennials Transforming Environments

Millennials personify informality. They dress informally and prefer informal work environments where they can readily interact with coworkers and supervisors. Accustomed to the frequent and informal communications predicated by the world of mobile communications, millennials expect similar approaches in their work settings.

Many businesses have taken note by re-designing the physical work environment. Open and shared workplaces with good connectivity and capacity for mobility suit millennials. Depending on the industry, most companies should invest in up-to-date technological solutions like cloud computing, video conferencing, collaboration tools, virtual private networks, etc. Asking the millennials themselves to help with the technology transitions and share their knowledge will help assure that the technology fits the new workforce.

Engaging Millennials Begs Different Approaches

While millennials seek frequent, specific feedback, they do not accept direct criticism well. Managers should offer suggestions as part of regular positive feedback rather than waiting for scheduled performance reviews. With their need for frequent, positive feedback, millennials are well disposed to the use of recognition and reward programs as ways to spotlight their accomplishments. Some companies have even found success by including peer recognition and specific celebrations as motivators.

With as many as four generations in the workforce at the same time, business leaders must be sensitive to the fact that baby boomers and Gen Xers might view the public recognition of millennials as excessive. To keep things in balance, companies should never resort to "one size fits all" recognition solutions. They may also find a leveling device by using a reverse mentoring approach in which millennials coach older generations about technology as a way to create bridges between boomers and millennials.

Millennials Impact Marketing

Rapidly becoming the most important customer generation ever with as much as $170 billion in purchasing power, experts predict that millennials will have more spending power within the next five years than any previous generation. Without a doubt, millennials have materialized as a key target across the marketing spectrum. Despite their significance within the marketplace, they do not respond well to traditional marketing approaches.

In fact, millennials do not trust brands or regular advertising. A recent study by SocialChorus found that:

• **Only 6% think online advertising is credible**

• **67% never click on sponsored stories**

• **95% see friends as their most believable source of product information**

Instead of broad marketing approaches, companies should think in terms of "personalization." They must find unique ways to market "with" rather than "at" millennials. They should aim to reinforce millennials' belief in the idea that businesses and brands willingly "pay it forward" and want to help society, not just amass profits. If they want to build long-term relationships with millennials, brands must find ways to get millennials to publicly "like" the products those companies represent and help millennials share their own stories with their peers. Ultimately, today's companies want millennials to become brand advocates. All of this requires a far different approach than traditional mass marketing.

Millennials will have a big impact on marketing at all levels. The person-to-person relationships that pave the way to B2B marketing success are not an inherent strength in millennials who often incorrectly see their co-workers, supervisors and customers as just like them. To succeed in B2B marketing, millennials will require help in order to develop a better understanding of how to influence and persuade people; they must learn how to be more "other-focused."

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Accommodating Millennials Requires Change

Millennials are affecting business—across the board. With as many as four distinct generations in the workplace and the marketplace at the same time, business must continually modify its approaches to many activities. In the workplace, decision makers should proactively address issues in workplace design, tools, processes and systems. To create a stable workforce, they must confront human resource and career planning issues as the vertical promotions millennials desire eventually become insufficient to fill the demand for this larger cohort of workers.

In B2B relationships, leaders should focus on effective ways to deal with the constant demand for and influx of new technology that impacts business operations and can change well-established personal relationships. By the same token, business leaders must find new ways to help millennials appreciate and master the traditional, face-to-face people skills that millennials miss in a world dominated by text messaging and online chats. The Millennial Generation is profoundly altering the customer marketing landscape in terms of both products and methods of purchase. Companies are already coping with the impact of peer-to-peer recommendations as they struggle to find new methods to build the deeper, rather than broader, brand-focused relationships required to succeed in the future.

The bottom line for all: there is no ignoring the largest generation ever to become a part of the workforce and marketplace, and its impact on how we function as organizations.

This White Paper is based on the groundbreaking research study, Millennials in the Workplace, conducted by Dr. Frank Mulhern, Ph.D, of the FORUM at Northwestern University. You can find the full study in the Knowledge Center under 'The FORUM' at **http://www.marketing.org.**

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ABOUT THE FORUM

The FORUM at Northwestern University is the strategic original research division of the Business Marketing Association. The FORUM promotes a people-centered leadership approach by: providing relevant, provocative, and actionable academic research; creating a platform for leaders to dialog, network and benchmark practices; delivering ideas for practical action and experimentation; and, building and supporting a community of champions for people-centered leadership. **http://bit.ly/XwMffj**

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For more than 90 years, the Business Marketing Association (BMA) has dedicated itself exclusively to the discipline of business-to-business marketing. We enrich the lives of B2B marketer by providing a forum to connect them to learn about new trends and network with peers to exchange ideas. As the largest organization in the world dedicated to B2B marketing, our 18 chapters and 2,500 members represent corporate professionals, agencies, small businesses and suppliers committed to advancing the practice of B2B marketing.
To learn more, visit **www.marketing.org.**

[i]Pew Research Center's Social & Demographic Trends. (7 March 2014). Millennials in Adulthood. Retrieved May 10, 2014, from http://www.pewsocialtrends.org/2014/03/07/millennials-in-adulthood/
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