The structure of the American workforce is slowly changing, and with it, the requirements and expectations for business transformation. Seasoned change leaders find that, on top of managing complex aspects like technologies and markets, they must also adapt to new methods of organizational change tailored to the needs of millennials in the workforce. Educated, opinionated, and confident, this savvy group of achievers has the ability to change the course of the initiatives in which they participate. To stay on top, change leaders must learn to approach business transformation in ways suited to and inspired by millennials.

The Age of Millennials

A quick look at the demographics of corporate America reveals that the next big generational shift in the workforce is already here. According to Pew Research Center’s analysis of US Census Bureau Data, more than one-in-three American workers today are millennials (ages 18 to 34 in 2015), and in 2015, they surpassed Generation X to become the largest share of the American workforce.¹

Not only are millennials the largest cohort within the workforce, but they comprise a growing percentage of middle management positions. In a research survey conducted by Red Brick Research, 28% of millennial respondents said that they are already in management positions and a full two-thirds said they expect to be in management in another ten years.²

While these millennials may not be executives just yet, we can say with confidence that they are increasingly
attaining positions of leadership influence and organizational power.

Specifically, when it comes to business transformation changes such as the implementation of a new process or an enterprise software solution, millennials are recognized as:

- Influencers in the decision-making process
- Users of the new processes or software solutions
- Owners in charge of such initiatives

This means that, more than ever before, leaders of large-scale change must strive to understand the characteristics and needs of millennials to realize the full potential of their change initiatives.

There are two fundamental variables to any organizational change initiative: functionality and adoption. Functionality deals with the extent of change, and adoption deals with the organizational reach of said change. The greater these variables, the more beneficial the change. However, driving greater functionality and adoption comes at an incremental cost, in terms of time and money, which is not linear.

Organizations often operate under the assumption that 100% is the best percent; that to maximize ROI from change initiatives, one must maximize, instead of optimize, functionality and adoption; and that the initial sunk cost justifies any additional costs, however high, necessary to achieve that 100% goal.

As we head into a younger, more dynamic business environment, there needs to be a shift in perspective around optimizing benefits from business transformation solutions, as well as the nature of the solutions themselves. And this is where millennials come in. As their influence grows, a closer look at their unique characteristics will inform the next generation of business transformation solutions.

**Millennial Characteristics**

Combining my personal experiences working with millennials with the results of many research studies on this trending topic, I believe there are three unique characteristics that are important to highlight:

1. **Millennials have high intrinsic momentum for change**
   They are quick to embrace change but also quick to dismiss it and move on to the next thing. They grew up with the Internet (digital natives) and are used to experiencing change and disruptive innovation, especially in the realm of technology, on a regular basis. According to a research study, millennials are 2.5 times more likely to be early adopters of technology than older generations. With their unique experiential learning approach, millennials have also demonstrated an unmatched ability to shorten learning curves for themselves as well as their colleagues.

2. **Millennials prefer collaboration over working in isolation**
   Millennials are used to turning to social media platforms to gather information and crowdsource answers, and they are comfortable not having the complete answer. Social media interaction has also encouraged the pattern of collaborating with peers and brainstorming solutions in real-time versus coming up the comprehensive solutions on their own. In this research paper titled “Millennial Behaviors & Demographics,” Richard Sweeney says, “After many years of collaborating at schools, day care, soccer teams, orchestras, peer-to-peer networks, games, and other programmed activities, millennials know how and when to work with other people more effectively. Even those who do not prefer collaboration typically do so, if they think it gives them a practical advantage.” Managers who have worked with millennials also observe this behavior in the form of constant and spontaneous feedback sessions and a demand for brainstorming input required to complete tasks.

3. **Millennials strive for high function, but rarely struggle for highest function**
90% of a solution to a problem achieved in a short time is better than 100% of a solution achieved after spending a lot of time and effort. Millennials value efficiency more than perfection. This trait is a logical combination of the first two. First, millennials expect that the next change is always around the corner, so they avoid expending additional effort to make something “just right.” Second, open-endedness and collaboration are so deeply ingrained in what millennials do, that the aim is only to get a solution to a bare-minimum point and brainstorm from there rather than tinkering with it to make it perfect.

**Business Transformation in this New Age**

Following from these traits, today’s business transformation approaches must have at least these three important elements:

- **Ability to be piloted and tested quickly and cheaply.** In an environment of constant change, initiatives that take a long time to prove their effectiveness will be cast aside. Shorter implementation cycles will be preferred over longer, costlier ones even if it means failing at initial attempts, given the lower cost of failure.

- **Sufficient dynamicity to morph when the need arises.** In a high collaboration work culture, solutions will need the ability to adapt and change without having to throw out the old to bring in the new. Open-source or crowd-source approaches to change will continue to gain prominence and soon become more of a necessity.

- **Increased focus on fulfilling primary requirements well rather than attempting to fulfill all requirements satisfactorily.** Since 100% is not the goal, a simple, point solution designed to solve the primary problem for smaller groups will win over complex, comprehensive ones that aim to solve every problem for everyone. Think about the growing appeal of Twitter and Instagram over the diminishing popularity of Facebook.

This is not just a theoretical hypothesis. Nor is it merely a trend in the consumer space. Millennial traits and usage habits have already begun to inspire business transformation approaches and solutions, especially in the realm of information technology. One such example is cloud technology. Most business solutions built in the cloud already have these key features. They are relatively cheaper and quicker to implement, set up, and test against requirements; they promote collaborative use and can be configured or upgraded with significant ease; and most importantly, they are designed to be point solutions that address specific business requirements and are used by dedicated teams. While still relatively nascent, solutions and applications built in cloud have started to replace many traditional business software solutions, and as the business influence of millennials grows, the rate of replacement will likely grow too.

**Summary**

Organizations require business transformation to cope with a dynamic global economy. As we head into the second half of this decade, the numbers of millennials in the workplace will continue to rise. More importantly, their love for collaboration combined with the organizational power they command has resulted in the millennialification of other groups as well. If organizations hope to realize benefits from business transformation, they will have to ensure that these approaches go through a transformation themselves. Understanding millennial behaviors and usage habits is a great place to start. The next generation of designers and implementers of such initiatives have already switched their focus to cater to this influential generation. I believe we are only a step away from widespread acceptance, a trend that will be driven by millennials, the new voice of corporate change.
Learn More

Check out our video on this topic.

Sources

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Topics: Change Initiatives, Change Management, Collaboration, Innovation, millennial, millennials, Transformational Change
Aakarsh Kishore

Aakarsh feels that growth in next generation of organizations will be driven not by system or process optimization, but by 'human optimization'. Currently, he is trying to learn more about millennial characteristics and work habits, the focus of his research and thoughtware.

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