

LEADERSHIP

Millennial CEOs are Changing How Business Runs

by David Salisbury



Far from the stereotypes of being coddled, lazy, and entitled, the oldest Millennials are now industry vets, aged 36-38, and are taking on high-level roles in many businesses. What can we expect from this generation's entrepreneurs and leaders?

✔ **INSIGHT** | NOTE 15 Jul 2019

Discussions on how to onboard new young hires is beginning to revolve around Generation Z, with the eldest of their demographic reaching college-graduate ages 22-23. This means the Millennial generation are no longer the young pups entering the big-dog business world - the oldest millennials are now industry vets, aged 36-38, and have matured into the CEO and business owner class. Having suffered the same stereotypes of being “coddled,” “lazy,” and “unmotivated,” Millennial CEOs are more sensitive to the needs of

Gen Z as both generations shared similar upbringings saturated in technology, overstimulating media, a recuperating post-recession economy, and pessimistic prejudice from Gen X'ers and Boomers. As Millennials begin assuming senior roles, they are bringing their unique perspectives on how to run a business and manage its talent.

Optimistic, But Cautious

Millennials are the most optimistic demographic among business owners, according to a recent study. 66% of Millennial business owners say business conditions are good or excellent, compared to 55% of Baby Boomers, and 37% of business owners over the age of 74. Additionally, more Millennial business owners (52%) said their financial position has improved in the past year. Thus marking their improved outlook on their business futures. They also reported increased sales since January 2019 - their businesses have been growing at a rate faster than those of their older counterparts.

However, Millennials have had to work against tough economic conditions. Because of this many have had to work against larger debts mounting after deferred student loan payments and a lack of savings.

According to another study, 77% of Millennials are reticent to begin their own businesses because they view business startups as too risky. This is greater than 55% for Gen X'ers and 43% for Boomers. They have witnessed what economic pitfalls could happen in an unstable economy. For some however, the motivation to run one's own business may be to avoid relying on another company's direction and decisions. Some Millennials may become entrepreneurs in order to be in charge of their own economic destiny and security.

Digital Natives Fueled by Innovation

Because the internet and technology is a natural part of their daily lives, Millennials are the first generation primed since childhood to take the reins of an increasingly tech-driven world. Millennials witnessed the analog-to-digital cultural shifts first hand - from home phones to portable smartphones, from snail mail to e-mail, from adjusting antennas on a

wood-panel TV to endless HD streaming on Netflix. They are thus in a unique bridge-making position to help older generations adapt to the tech-centric world while also onboarding Gen Z'ers who've only known modern technologies their entire lives. 91% of Gen Z'ers say they require the internet to carry out professional and personal functions, believing technology will help them realize their goals and ideas. Millennials must now harbor and focus Gen Z's talent to expand their businesses.

Innovation drives optimism among Millennial business owners. Half of Millennial business owners say innovation drives optimism, compared to 28% of GenX, 31% of Baby Boomers, and 31% of 74+ aged business owners. 100% of surveyed Millennial business owners with \$1-\$10 million in revenue believe Artificial Intelligence will be directly responsible for major business evolution within the next five years. However, only around 33% of Millennials are willing to change classic aspects of business, like face-to-face customer experience. All this despite Amazon's game-changing fulfillment center delivery of goods. This may be because Millennials are the last generation to have known a world driven by the brick-and-mortar human touch and thus want to maintain some semblance of physical interaction in business.

Company Culture is Paramount

It's common to see a modern Millennial-run company flush with comfortable plush furniture, razor scooters moving up and down hallways, video games available in an employee lounge, and even a stocked wet bar ready for employees to kick back and relax to. Some may see this as post-college frat nonsense from young bosses with Peter Pan complexes. But to the industry savvy, this is just moving along with the times as Millennial bosses are well aware how competitive it is to retain top young talent.

Positive and fun company cultures are strong incentives to keep young talent engaged and invested in your business. About 60% of Millennial business owners say they are investing in differentiated modern office perks, such as games and food, to keep current and prospective employees happy. That's compared to just 31% of GenX, 27% of Baby Boomers, and 24% of 74+ aged business owners. On top of that, two-thirds of Millennials are more likely to offer more benefits like 401k and paid vacation and medical insurance.

Personal Goals = Business Goals

Ask any Gen Z'er what common questions they get from a Millennial job interviewer. A common one is, "What are your interests outside of work?" While this question used to be an innocuous ice breaker to relax an interviewee, this question has become a strong indicator for employers to understand the needs and wants of their potential employee. Pursuing passions is a strong priority for both Millennials and Gen Z'ers. Owning a small business hinges on going after something you love to do, so many Millennials and Gen Z'ers will be naturally drawn to building businesses themselves. Hiring passionate employees will foster such motivation and growth. By nurturing your young talent's hopes and dreams, you will be in prime position to perhaps undertake the next billion-dollar business growing in-house at the office desk next to yours.

Millennials alone outnumber Boomers by over 7 million. When combined with Gen Z, these young cohorts have the clout to shape the future of business as we know it. Given their natural talents, technological savvy, and in-tune with personal passion, the outlook for Millennial- and Gen Z-owned small businesses is promising. The old dogs could learn some new, vital tricks from the young and middle-aged pups.



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