

# Creating a Leadership Pipeline: Developing the Millennial Generation Into Finance Leaders



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## Executive Summary

The millennial generation — those born between 1980 and 2000 — number more than 53 million people in the U.S. alone. For many, Generation Y, as they often are called, conjure up images of entitled young people glued to technology and demanding workplace perks.

Like many stereotypes, this one is largely inaccurate. In fact, research for this report revealed millennials share the same aspirations and traits as previous generations. They just express them differently. Unlike prior generations whose identities are often tightly connected to their jobs, millennials tend not to identify with a job or title so much as a purpose. This is more of an attitude about work than a diminished work ethic.

Still, some negative perceptions persist. And some senior leaders in finance have trouble seeing this generation as the executives of tomorrow. This report takes a closer look at these concerns and attempts to shed light on what can be done to correct misperceptions and help prepare this new generation of workers to assume finance leadership roles.

The key to understanding a generation is recognizing the time in history it occupies. The late 20th century and the early part of the 21st were characterized by rapid change, and out of this has grown the concept of mass customization. *Creating a Leadership Pipeline: Developing the Millennial Generation Into Finance Leaders* explores this concept in depth.

The findings in this report are based on an extensive review of existing literature as well as in-depth interviews with senior-level financial executives and subject matter experts. Recommendations for bridging the leadership gap include mentorship programs, enriched engagement incentives, continual learning advancements and other initiatives intended to support a work environment that nurtures new talent. This will help finance leaders engage millennials professionally and, in so doing, attract them earlier in their careers, creating a leadership pipeline and driving higher levels of retention.

# Trends Affecting Millennials' Path Toward Leadership

Some background is needed before offering recommendations to finance executives on cultivating millennials — and perhaps diffusing doubts about the readiness of this group for leadership positions. The following industry and social trends set the stage for the ideas expressed in this report.

## Baby boomer retirements not being met with concern

Baby boomers are not retiring in the same patterns as their parents. Financial management and systems consultant Maggie Martensen, owner of MC Services, LLC, in Chicago, Ill., says, “Baby boomers have a deep sense of pride in working hard. It’s a badge of honor to work hard and take pride in that work.” As a result, many boomers have delayed retirement.

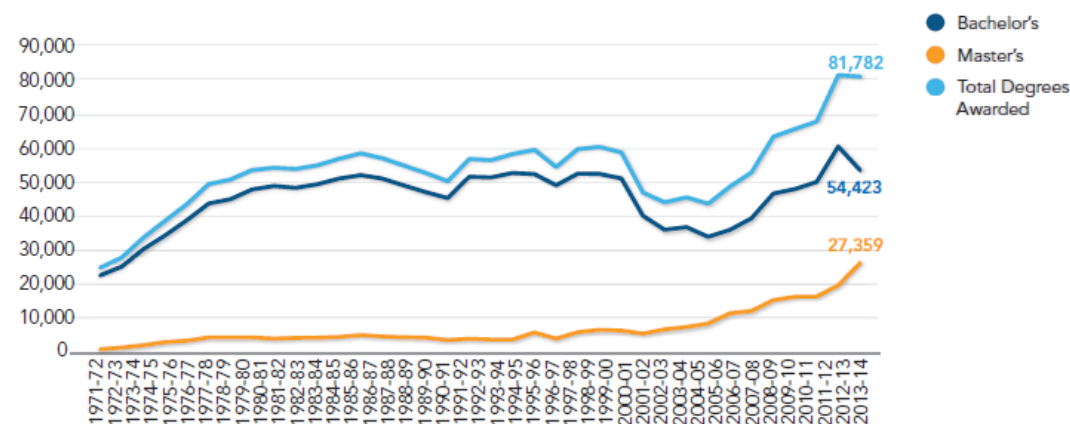
But as time has passed and the economy has slowly improved, retirements are occurring in larger numbers and executives may be caught off guard, according to a 2014 Robert Half survey, “Many Executives Unconcerned About Near-Term Baby Boomer Retirements.” At the time of the study, only 31 percent of CFOs were worried about baby boomers retiring; of those who were concerned, 39 percent feared loss of leadership, and 23 percent feared loss of legacy knowledge.

## Enrollment in accounting programs peaks

More students than ever desire to enter the finance and accounting profession, according to the American Institute of CPAs (AICPA) *2015 Trends in the Supply of Accounting Graduates and the Demand for Public Accounting Recruits*. In the 2013-14 academic year, enrollment in accounting programs reached an all-time high after a year of rapid growth — a 19 percent increase for master’s degree enrollments and a 3 percent increase in bachelor’s degree enrollments. Hiring of graduates with accounting and finance degrees reached record levels after 7 percent growth in all new hires. Master’s degree hires saw the largest growth, with an 11 percent increase since 2012, while bachelor’s degree hires increased 5 percent over the same period.

This increase in degree attainment can be attributed to [higher demand for specialized degrees and hyper-specialized skills](#) in larger organizations. Universities and companies expect continued demand for finance professionals and remain optimistic about the growth of the profession — 97 percent of bachelor’s programs and 70 percent of master’s programs expect their enrollment to be the same as or higher than the previous year, according to the AICPA report.

**1.2. BACHELOR’S AND MASTER’S IN ACCOUNTING DEGREES AWARDED**  
— 1971–2014



Total bachelor's and master's in accounting degrees awarded in the 2013-14 academic year held steady with less than a 1% decline from an all-time high in the 2011-12 academic year.

*AICPA Students, Academics & Inclusion (2015). 2015 trends in the supply of accounting graduates and the demand for public accounting recruits. AICPA for the figure.*



## More diversity in the profession

Both Tad Feeney, former CFO of The Bryce Company and a director on Financial Executives International's board, and Dan Coccia, former CFO for Gorbel Inc. and a consultant in Rochester, N.Y., have seen an increase in women joining the profession. Depending on location, each has also seen increased ethnic diversity.

## Engagement: Motivational preferences by generation

Gallup's January 2015 report "State of the American Workplace" found 31.5 percent of U.S. employees were "engaged" in 2014. The same study also found that among generations, traditionalists (born between 1927 and 1945) were the most engaged at 42.2 percent and millennials (born between 1980 and 2000) were the least engaged at 28.9 percent. Traditionalists, most of whom were post-retirement age at the time of the Gallup study, were the most engaged group likely because they now do their jobs by choice, whereas millennials may have been more disengaged because they've been unable, as of yet, to secure the jobs they'd hoped for after a formal education, according to the report.

### U. S. Employee Engagement, by Generation

% Employees engaged

|                 | 2013 | 2014 |
|-----------------|------|------|
| Millennials     | 27.5 | 28.9 |
| Generation X    | 29.6 | 32.2 |
| Baby boomers    | 30.9 | 32.7 |
| Traditionalists | 38.3 | 42.2 |

Adkins, A. (2015). *Majority of U.S. Employees Not Engaged Despite Gains in 2014*. Gallup.com

As these changes occur more rapidly, creating environments where millennials can thrive will be critical.

## The Millennial Generation: Prevailing Attitudes

|               |   |
|---------------|---|
| Principle 1:  | All Generations Have Similar Values; They Just Express Them Differently             |
| Principle 2:  | Everyone Wants Respect; They Just Don't Define It the Same Way                      |
| Principle 3:  | Trust Matters   |
| Principle 4:  | People Want Leaders Who Are Credible and Trustworthy                                |
| Principle 5:  | Organizational Politics Is a Problem - No Matter How Old or Young You Are           |
| Principle 6:  | No One Really Likes Change  |
| Principle 7:  | Loyalty Depends on the Context, Not on the Generation                               |
| Principle 8:  | It Is as Easy to Retain a Young Person as an Older One - If You Do the Right Things |
| Principle 9:  | Everyone Wants to Learn - More Than Just About Anything Else                        |
| Principle 10: | Everyone Wants a Coach  |

Deal, J.J. (2007). *Retiring the generation gap*. CCL.org

In a Pew Research Center article, author Richard Fry referenced U.S. Bureau of Labor Statistics data showing that millennials "... have surpassed Generation X to become the largest share of the American workforce." At 53.5 million-strong, the millennial workforce has risen rapidly, Fry notes. According to *Fortune*,<sup>1</sup> millennials will compose 75 percent of the workforce by 2025.

<sup>1</sup> Reingold, J. (2015). Three big misconceptions about millennials. *Fortune.com*.

As it turns out, millennials' aspirations for a life well-lived are not so different from those of Gen X, baby boomers or traditionalists. *Retiring the Generation Gap* by Jennifer J. Deal, PhD, of the Center for Creative Leadership (CCL), illustrates that people of various generations are more alike in their overall goals than dissimilar. Deal's research encompassed more than 6,000 respondents globally with roughly 57 percent of the respondents being baby boomers, more than 30 percent Gen X, and a little more than 5 percent millennials. As you can see in the chart, experienced and unseasoned employees are more alike in what drives them than popular opinion might suggest.

What is also apparent from the chart on page 3, however, is that various generations envision and define their goals and values differently. This is a key point. It means millennials are also going to have different attitudes toward work than other generations. Following is a description of some of these attitudes:

### Value personal growth

Researchers from the Kucera Companies and the University of Mary Hardin-Baylor published a study entitled *Identifying Strategies to Minimize Workplace Conflict Due to Generational Differences*.<sup>2</sup> In their brief description of millennials, authors Rodney H. Deyoe and Terry L. Fox stated, "Their lives have been shaped by events such as the Oklahoma City bombing, the Waco Branch Davidian Massacre, school violence, the digital age, Enron and other corporate scandals, reality TV, 9/11, the War on Terror, and web-based social networking."

Such events have caused younger generations to more thoroughly evaluate the connection between time devoted to a job and the fulfillment of their personal mission. Millennials, therefore, desire to put more effort into taking action that directly connects with personal growth. They will continually assess their day's activities and realign time to eliminate tasks that don't enhance learning.

### Seek encouragement

Much research has been done in the area of "control beliefs" or a person's perceptions about his or her ability to effect change in a given environment. Twenge & Campbell<sup>3</sup> found that "over the last few decades, college students have become increasingly external in their control beliefs. The average . . .

college student in the 2000s had more external control beliefs than 80 percent of college students in the early 1960s." According to research, millennial college students, feeling they have less control over external factors, tend to blame others, are less likely to take responsibility, and are taking a more passive role in life. Millennials desire to be pushed and encouraged by their employers.

### Disfavor conformity

Financial management and systems consultant Maggie Martensen says, "Millennials bring a more extroverted, people-centric approach to finance. They're more highly skilled at their age than previous generations, are able to leverage technology faster, and can navigate change faster. Millennials tend not to identify with a job, whereas baby boomers' identities are often critically tied to their job." Both traditionalists and baby boomers have been more inclined to stay loyal to one organization and follow a logical sequence in climbing the corporate ladder, also being more likely to conform to societal norms.

Millennials have an inherent dislike for conformity, which could be considered an advantage in today's innovation-driven work climate.

All employees are urged repeatedly to "think outside the box," to be more creative, and to move away from rigid procedures.<sup>4</sup> "Generation Y [Millennials] are likely to equate job satisfaction with a positive work climate, flexibility, and the opportunity to learn and grow more than any prior generation. Compared with other generations, [they] tend to have less respect for rank and more respect for ability and accomplishment. [They are] likely to trade more pay for work they feel is meaningful at a company where they feel appreciated."<sup>5</sup>

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<sup>2</sup> Deyoe, R.H. & Fox, T.L. (2012). *Identifying Strategies to Minimize Workplace Conflict Due to Generational Differences*. (Report No. SA12102.) The Kucera Companies.

<sup>3</sup> Twenge, J.M. & Campbell, S.M. (2008). Generational differences in psychological traits and their impact on the workplace [Electronic version]. *Journal of Managerial Psychology*, 23(8), pp. 863-877. Emerald Group Publishing Limited.

<sup>4</sup> Twenge & Campbell, page 8

<sup>5</sup> Deyoe & Fox, page 8

## Some value experience over money

A more recent and defining characteristic of millennials is the explosion of student debt levels. Because these debt levels keep rising, millennials are less likely to absorb other types of debt. That means they are more open to experiences that cost less but provide group enrichment. They are coming of age in “the sharing economy,” evidenced by the rise of companies such as Airbnb, Inc., TaskRabbit and Lyft, where services are grassroots, community-driven and organic. Millennials, as it turns out, are simply less focused on asset accumulation and more focused on experience creation.

## Gravitate toward positive societal impact

Millennials prefer to work for employers who focus on the triple bottom line – people, profit and purpose. Millennials “tend to want intellectual challenge, need to succeed, seek those who will further their professional development, strive to make a difference, and measure their own success. Meeting personal goals is likely to matter to Generation Yers [millennials], as is performing meaningful work that betters the world and working with committed co-workers with shared values. Making a lot of money tends to be less important to Generation Y than contributing to society, parenting well, and enjoying a full balanced life.”<sup>6</sup>

## Broader expectations

Millennials’ expectations of themselves and their employers are higher than those of previous generations. Because they have access to more information and greater technological skills, millennials stereotypically:

- Have a high level of optimism
- Dislike slowness
- Favor an inclusive style of management
- Expect and demand instant feedback

“Millennials demand meaningful work . . . and expect to be excited by the vision of the company, its management and by the opportunities he/she will have to make contributions. They want to make suggestions right away and expect to be promoted quickly. . . . Young employees expect fulfillment and meaning in their work.” *Financial Times* writer Thomas Barlow was quoted as observing, “Jobs are no longer just jobs, they are lifestyle options.”<sup>7</sup>

*The secret to motivation, high performance and personal satisfaction is customizing each person's ability to direct his own life, learn and create new products and services, and do better by the world.*

# Mass Customization and Personalized Careers

All of these characteristics of millennials seem to have one aspect in common: a desire to express one’s individuality. Millennials want work that is tailored to what they consider most important. A one-size-fits-all culture is not going to inspire them to contribute their talents. In short, they want a customized work environment — and personalized careers.

None of this should be too surprising. We live in a world that expects mass customization. Consumers demand goods and services that meet their individual needs, which are produced “with near mass production efficiency,” according to Mitchell Tseng and Jianxin Jiao,<sup>8</sup> who were early users of the term “mass customization.” It’s not hard to see why millennials growing up in this environment expect no less from their jobs.

Author Daniel Pink’s research into what motivates humans offers interesting insights into why customization is so important to engaging millennials. In 2009, Pink published *Drive: The Surprising Truth About What Motivates Us*. In his book, he points out that humans are motivated intrinsically by having autonomy to complete daily tasks, having the ability to master an area of work, and allowing their personal mission to connect to the organization’s mission. The 20th century carrot-and-stick motivation models may remain beneficial for industries, jobs, or tasks that require little to no cognitive ability. But for tasks that require increasing levels of cognitive function, high performance must be fueled by an ability for workers to direct their own lives, learn and create new products and services, and do better by the world. This is exactly the talent pool that will fill the pipeline of future finance leaders.

<sup>6</sup> Deyoe & Fox, page 7

<sup>7</sup> Twenge & Campbell, page 4

<sup>8</sup> Tseng, M.M. / Jiao, J. (2001): Mass Customization, in G. Salvendy (Ed) *Handbook of Industrial Engineering*, 3rd edition, New York: Wiley, p. 684-709

“Personalized careers drive this generation. They are willing to job-hop until they find a job that suits them.” Included in Volume 9 of Robert Half’s report [The Demand for Skilled Talent](#) is data from the U.S. Bureau of Labor Statistics (BLS) that quantifies this job hopping: The BLS found the median tenure for workers ages 25 to 34 is three years; for those ages 20 to 24, it’s just 1.3 years. Some refer to this job-hopping as the “gig economy” fashioned by short-term project work, not long-term careers with one employer.

A variety of factors, namely higher levels of student debt, not settling down and having children until later in life, and not finding full-time roles as quickly as they’d hoped for, may be contributing to the millennials’ need to change jobs more frequently than previous generations. “Millennials are embracing the concept of freelancing at a faster rate than we’ve seen from previous generations,” says John Reed, senior executive director at Robert Half Technology. And that’s a deliberate choice rather than a consequence of a layoff or other negative event. “Millennials are actually saying, ‘I’m going to make this transition. I want that lifestyle.’”

*The key for employers is recognizing how millennials’ preferences are expressed and what these choices might look like in the workplace.*

Millennials are not lazy as sometimes portrayed by casual observers. The fact is, millennials are just as motivated as previous generations; they just work differently. They’re not comfortable within the confines of a typical 9 a.m. to 5 p.m. workday. For

this generation, the lines between work and personal activities are blurred, partly due to greater connectivity – and accessibility – to the office from wherever they happen to be. Millennials often eschew traditional schedules, and pursue novel ways to balance their personal and professional lives.

## What Current Finance Leaders Can Do

Finance executives must understand that this generation does not approach their careers the same way prior generations did when they entered the profession. FEI Dallas chapter leader Jens Mielke explains, “Experienced finance executives seem to think young finance professionals aren’t following the same path they did to become CFO. This you-need-to-pay-your-dues, conservative thinking has in some cases prevented an awareness of an approaching gap in available senior finance leaders.” This could also explain why some executives who do see the looming shortage of experienced leaders may initially look past millennials as a solution.

The secret to grooming tomorrow’s leaders is not being locked into traditional career paths or ways of working. Millennials have a desire to break with the status quo, and finance leaders can capture this passion by creating goals that meet the needs of the organization yet are flexible enough to appeal to this new segment of workers.

Margaret Heffernan, a world-renowned entrepreneur, CEO, and author, delivered a profound TED Talk, “Why It’s Time To Forget the Pecking Order at Work” in May 2015. Heffernan argues that trying to hire and promote “all-stars” is actually a detriment to business performance:

*“We’ve thought that success is achieved by picking the superstars, the brightest men, or occasionally women, in the room, and giving them all the resources and all the power. And the result has been . . . aggression, dysfunction and waste. If the only way the most productive can be successful is by suppressing the productivity of the rest, then we badly need to find a better way to work and a richer way to live.”*

Creating an environment of social cohesion where all members of a team are allowed to bring their whole, diverse selves to work is a better predictor of business performance. Why? Because employees are inspired by being a part of a team that accomplishes meaningful goals.

Teams that display high levels of social sensitivity to one another, that give roughly equal time to one another so all voices can be heard, and that employ diverse perspectives often drive the most success. “Management by talent contest has routinely pitted employees against each other,” says Heffernan. “Now, rivalry has to be replaced by social capital. For decades, we’ve tried to motivate people with money, even though we’ve got a vast amount of research that shows that money erodes social connectedness. Now, we need to let people motivate each other.”

From Heffernan’s insights, today’s leaders can capture the energies of millennial finance professionals by creating an environment of social cohesion where all members of a team are allowed to bring their whole selves to work. Allowing people to act on their motivations and feel socially connected drives engagement.

Separating learning from the work environment is nearly impossible, so combining the two is both efficient and effective. As a senior finance leader, taking the time to enable and support your up-and-coming leaders in a systematic way is worthwhile. Millennials will understand and appreciate the focus on education, whether they’re learning in a formal setting, via mentorship, through experiences, or by honing their communication abilities.

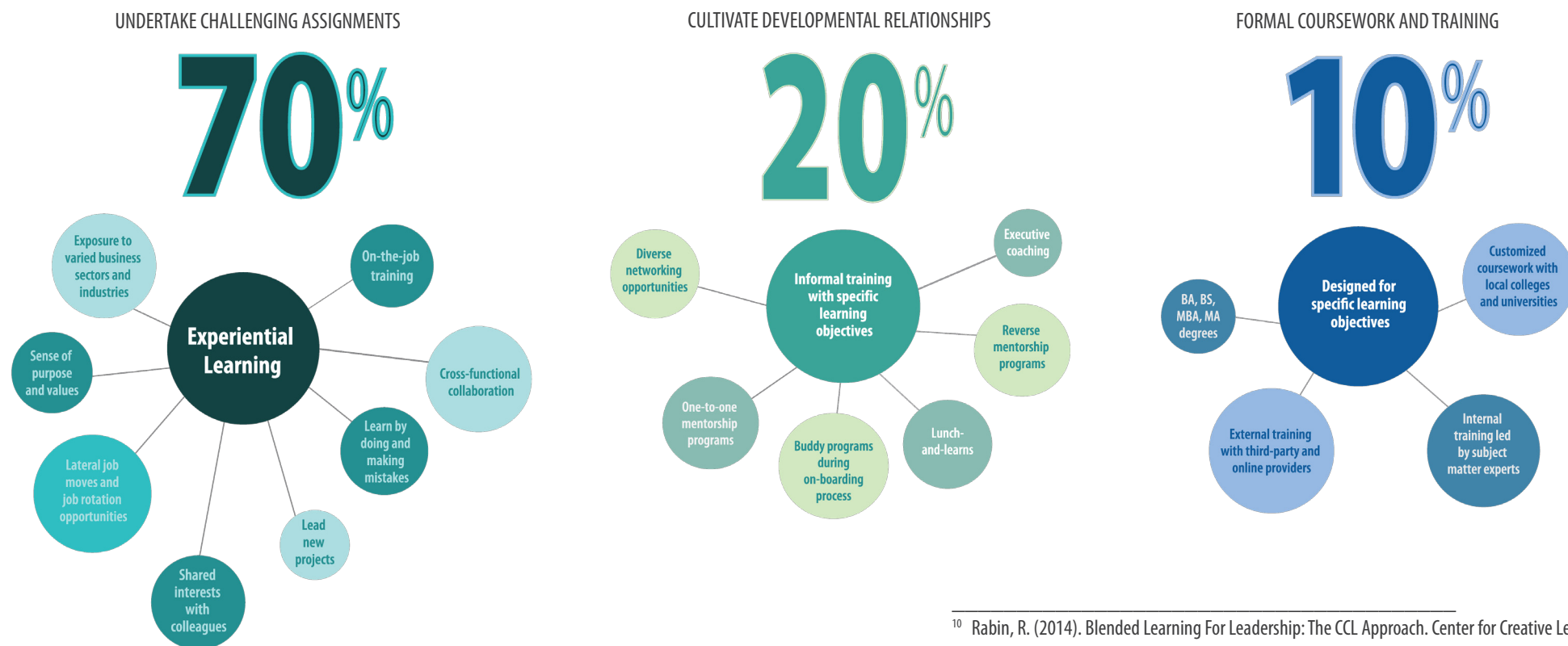


In a December 2015 article in *Time* magazine, “5 Ways to Instantly Connect With Anyone You Meet,” author Graham Young reviews how important communication, influence and persuasion have become in our society. Young discusses why reading subtle nonverbal cues such as body language, facial gestures, and active listening encourages trust. He reminds us we need to limit interruptions during conversations so we can achieve deeper levels of listening and remain emotionally invested in the conversation.

Lista Hightower, chief financial officer (CFO) of Mothers Against Drunk Driving (MADD), explains, “Millennials who are not too curt, not too cut and dried, or not too email-centric will form more meaningful relationships. Their ability to communicate over the phone and by email effectively will deepen levels of trust quickly and open new doors of opportunity.” Hightower was named nonprofit CFO of the Year in 2011 in Dallas, Texas.

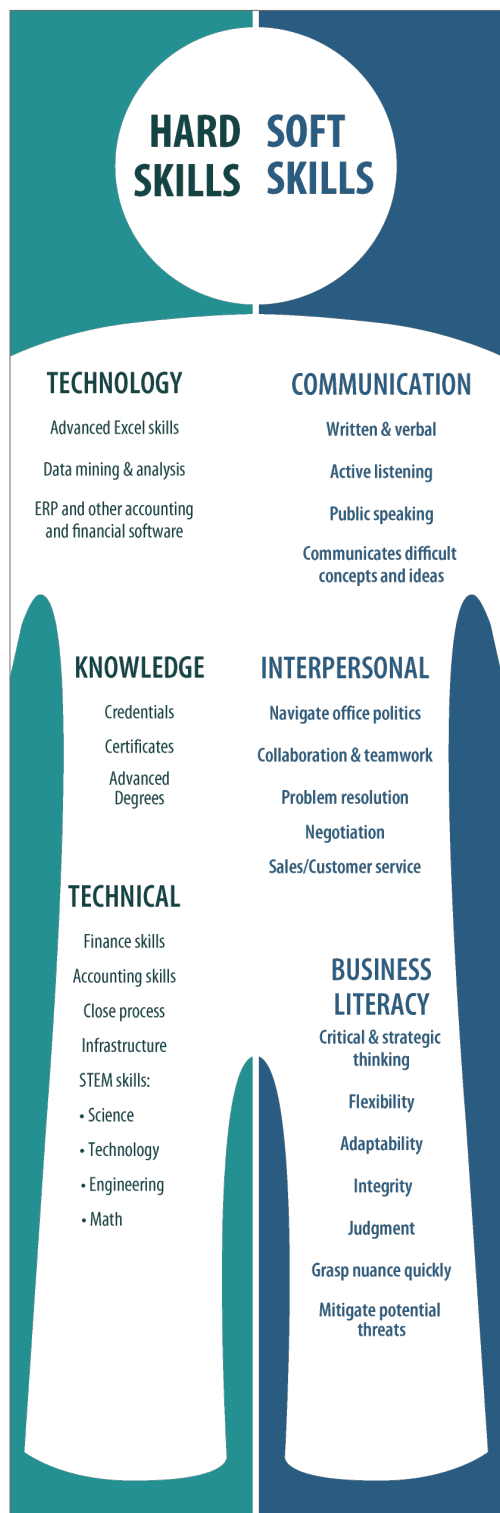
## Development Methods

Finance leaders interviewed say the following programs were being used actively to develop the next generation of finance leaders. Using the Center for Creative Leadership’s (CCL’s) 10 – 20 – 70 methodology,<sup>10</sup> the proven best practices can be placed into three categories:



<sup>10</sup> Rabin, R. (2014). Blended Learning For Leadership: The CCL Approach. Center for Creative Leadership.

Interviewees also noted the following hard and soft skills as important for future finance leaders.



## Engagement and Knowledge Transfer

### A Summary of Conflict Prevention Strategies

| Source  | Recommendations  |
|---|--|
| Behrens (2009)  | Millennials coach older generations on technology                |
|   | Company policies/rationale on appropriate dress (e.g. tattoos)   |
|   | Flexible work hours  |
|   | Continuously challenge Millennials                               |
| Preventing Generational Clashes at Your Law Firm (2002) | Understand and communicate generational characteristics          |
|   | Provide millennials meaningful work                              |
|   | Provide millennials constant feedback                            |
| Bartley, Ladd & Morris (2007)                           | Educate each generation about each other's characteristics       |
|   | Make mentoring a constant way of leading                         |
|   | Remain open to different perspectives                            |
| Murphy, Gibson & Greenwood (2010)                       | Training programs should consider learning styles of generations |
|   | Open & ongoing discussion of generation needs                    |
| Fink (2010)   | Personality assessments can assist in team building              |
|   | Teamwork is key to reducing generational conflict                |

Deyoe, R.H. & Fox, T.L. (2012) *Identifying strategies to minimize workplace conflict due to generational differences. The Kucera Companies*

Robert Half Senior Executive Director Paul McDonald, in *Developing Millennials Into Your Firm's Next Generation of Leaders*,<sup>12</sup> highlights what it takes to manage millennials, design their motivation systems, and recognize their values properly. He suggests millennials want "... a job they enjoy and is a source of pride, a manager they respect and can learn from, fair compensation, and the ability to balance their professional and personal lives." (He also discusses how important it is to provide frequent feedback, ongoing and transparent real-time communication, and to give millennials a voice.) McDonald stresses grooming their skills by inserting them into project teams, allowing them to have input into strategy, providing continual learning opportunities, offering advancement opportunities, and explaining how they fit into future succession plans.

In many ways, millennials are behaving just as they might be expected to given the economic circumstances under which they came of age. "The difficulties of managing an age-diverse workforce, with its potential for conflict, are widely accepted. The remedy is understanding more specifically what the different generations want and need. This can help managers design motivation systems, reward and compensation programs, and leadership approaches that recognize their associates' fundamental value structures."<sup>11</sup>

<sup>11</sup> Deyoe & Fox, page 10

<sup>12</sup> McDonald, P. (2014). *Developing Millennials Into Your Firm's Next Generation of Leaders. financialexecutives.org.*

## Work-life balance

Many millennials would accept lower pay and slow the pace of promotion in exchange for working fewer hours. According to an article featured in FEI Daily, "... 80 percent of millennials surveyed are part of a dual-income couple. However, of baby boomers... only 47 percent have a full-time working spouse [and] more than a quarter of [them] have a non-working spouse," said Henner Schliebs in his 2015 FEI Daily article, "The Dawn of a New Era: The Millennial CPA."<sup>13</sup>

Millennials' need for balance means senior finance leaders should consider offering an a la carte menu of work-life balance options, such as on-site daycare, casual dress, flextime options, telecommuting, bike commuting and mental health services. All of these options can positively impact employee retention. Investing in programs that encourage teamwork, flexibility and healthy lifestyles can help to keep millennials engaged.

Megan Robinson, with Taco Bill Inc. & Affiliates, says, *"We've begun offering our employees the ability to access their work schedule via their smartphones. We're continually updating our infrastructure to make it easier for millennials to work, enjoy their personal lives and make a difference."*

## Culture

Schliebs advocated for building a culture of transparency, observing that information is noticeable when it is not accessible. Therefore, information must be available in easy-to-update, outward-facing portals. Leveling the organization's hierarchy, metaphorically, will help finance leaders develop a willingness to look at organizational issues through the new economy lens. Consider limiting use of personal related technology during work hours. Reinforce rules and expectations more often. Expand student debt payment programs. Consider housing purchase assistance programs.

## 360-degree feedback

According to Twenge and Campbell, self-evaluations/appraisals may be less meaningful because of a tendency toward high self-esteem and narcissism in this demographic. Instead, more objective and 360-degree feedback is most useful. Building trust with millennials is also important. "After the corporate scandals of the 2000s, employees are probably less likely to follow their leader over a distant and unknown hill. Instead, they question, they want to be inspired, and they want authenticity and ethical reasoning in their leaders."<sup>14</sup>

Have candid talks without hype and with a sense of humor. Ensure roles and responsibilities are well-defined and written for all generations. Because trends and expectations change rapidly, provide clear communication up front, make job shadowing or buddy programs a part of the onboarding process, and develop learning and leadership programs. Get feedback frequently from a diverse stakeholder set. As Tad Feeney says, "The sharpest people are those who are driven by their active mind. I simply helped them connect their work to the goal. They motivate themselves."

## Education

This generation is obsessed with information and constant learning. Aron Gottesman, professor at Pace University: "My most successful students have higher IQs and emotional quotients, study a lot, and learn continually. Remember, financial institutions (and roles) are primarily human capital." To develop millennial workers, consider bringing in speakers on the topic of generational differences, providing awareness training, and partnering with local colleges to provide young people with behavioral guidelines and a window into what will be expected of them in the workplace. Facilitate increased ethics training inside companies.<sup>15</sup> "Work smarter, not harder" seems to be the mindset of millennials, so begin gauging output through quality produced, not hours spent completing a task. Providing additional training and education is a must if employers are to hire and retain [millennials].<sup>16</sup>

## Social cohesion

According to Schliebs,<sup>17</sup> more focus on social responsibility will motivate millennials. Through social cohesion and the human need to be accepted in times of vulnerability, employees are inspired and motivated by being a part of a team that accomplishes big goals. If you have a millennial who is struggling to remain positive in the face of change, show them Shawn Achor's TED Talk entitled "The Happy Secret to Better Work." Achor's positive psychology research focuses on how humans can retrain their brain to focus on good situations and events. He also offers a series of small tasks anyone can do daily to rewire their neurons and create new possibilities. As an example, writing one positive email praising or thanking someone in your network daily.

<sup>13</sup> Schliebs, Henner (2015). The Dawn of a New Era: The Millennial CPA. *FinancialExecutives.org*.

<sup>14</sup> Twenge & Campbell, page 6

<sup>15</sup> Twenge & Campbell, page 7

<sup>16</sup> Deyoe & Fox, page 13

<sup>17</sup> Schliebs, page 2.

## Mentorship

“All up-and-coming leaders need mentors,” says Robert Half Senior Executive Director Paul McDonald in his article “Developing Millennials Into Your Firm’s Next Generation of Leaders.” “Allow millennials to learn continually through one-on-one conversation, reverse-mentoring arrangements, where they can mentor more experienced colleagues, and more exposure at high levels.” Technology-mentoring works well in reverse because millennials are tech natives. Similarly, it can be really helpful for senior staff to learn about the millennial generation by paying attention to the brands and campaigns targeted at the demographic.

When developing a mentorship program, no template works perfectly from one company to the next. Peering through the new lens of mass customization, the need is clear to make the learning as experiential (learning by doing) and as unique to the individual as possible. The following framework can facilitate creating a mentorship program and embedding it into your organization’s culture:

### *Objectives*

Start by developing a structure for your mentorship program. Facilitate a workshop where diverse organizational leaders contribute to the development of a curriculum that advances your organization’s strategic objectives. Each mentorship program objective should align with your organization’s culture, mission, vision and core values. Be sure to define what successful outcomes look like, both quantifiably and qualitatively.

### *Pairing Mentor and Mentee*

As with any change initiative, millennials want to contribute to the process and should be involved in choosing their mentor. Perhaps the mentee has to submit an application as to why he wants to work with a specific mentor. The mentee could also participate in multiple phone interviews. A committee could make recommendations for the right relationships. If the pairing isn’t working well after 45-60 days, reassign the employees to a better-fitting work partnership.

## *Education*

Mentors and mentees should both be trained on the basics and value of mentorship and reverse mentorship. They should also be given an overview of the various types of behavioral and communication styles and reciprocal motivators. If you do not have access to personality profiles, here are nine questions that will set a strong foundation for understanding one another:

1. Would you describe yourself as introverted, extroverted or somewhere in between?
2. Do you prefer to spend time with people or completing tasks?
3. When you do a good job, how do you prefer to be recognized?
4. What are the three effective ways to communicate with you?
5. What are the three least effective ways to communicate with you?
6. When managing you, what three actions can I take to best support your needs?
7. Describe your ideal work environment.
8. Detail your top three motivators.
9. What do you consider to be your key strengths, and how would you like to use them professionally?

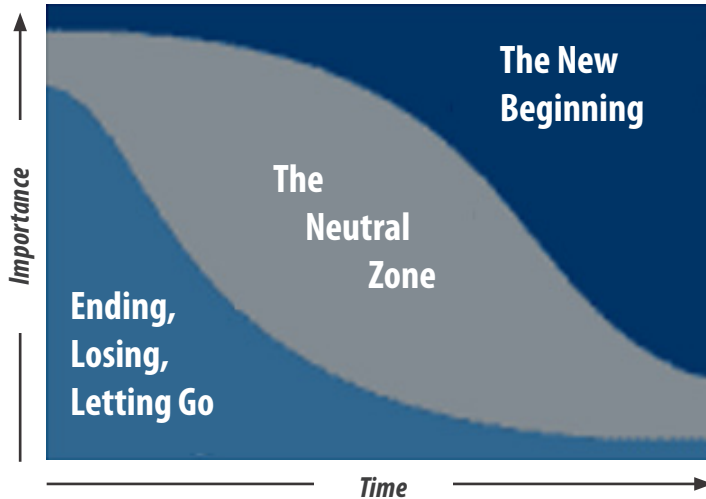
The connection between the organization’s mission and the individual’s goals should be shown. The linkage will allow mentors and mentees to stay committed and give additional discretionary effort to foster success. As much as possible, ensure senior leaders visibly show their support for the mentoring program. As time passes, manage expectations closely so you can demonstrate to your organization the small wins, growth and forward movement.

### *Meeting Format*

At the beginning of the relationship, both parties should agree on expectations of behavior, time commitment and communication channels. Boundaries and confidentiality will need to be set. With the foundation laid, the mentor will then help the mentee define a clear plan and tasks for goal achievement.



Next, the mentee will begin working, learning experientially and implementing the agreed-upon plan. *Managing Transitions* by William Bridges describes how humans transition through change and how their identities are connected to the three stages of transition. Utilizing the chart provided on this page, a senior finance leader may be able to recognize where a mentee is in the change



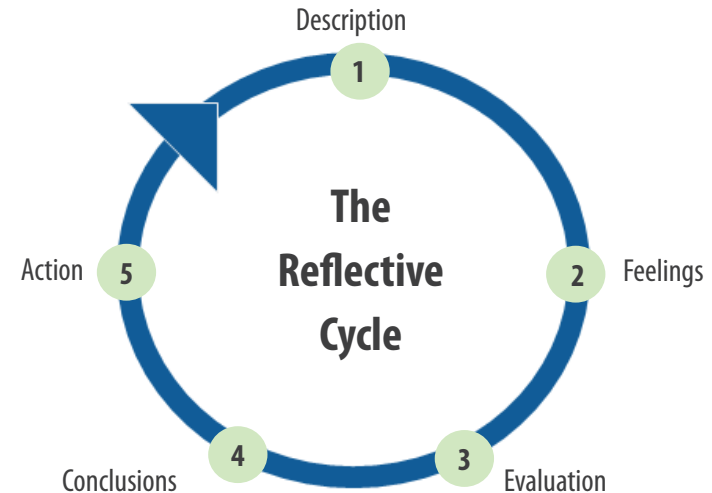
process and how to help him or her move from the left (remaining in the past) to the right (identifying with future possibilities). The mentor should be available to meet regularly and provide ongoing feedback and accountability.

Bridges, W. (2009) *Managing Transitions*. Da Capo Lifelong Books.

After the relationship has fulfilled its objectives, both mentor and mentee must take time to reflect on key learning objectives and find fun ways to celebrate successes. A great tool to assist with reflection is the Gibbs Reflective Cycle.<sup>18</sup> To reinforce that people learn best from experience, this resource walks a mentee through a process where he can proactively create learning experiences to minimize mistakes, make time for reflection and take improved action in the future.

1. Description – describe the situation in detail
2. Feelings – what the person thought and felt during the experience
3. Evaluation – look objectively at what worked and what didn't work
4. Conclusions – determine how to handle the situation better in the future
5. Action – develop a plan and agree upon a date to review progress

Well-strategized mentorship programs are one of the most effective tools for transferring knowledge from senior financial leaders to their younger counterparts. In addition, millennials will feel more engaged while they are developing into future leaders if they are granted, among other things, schedule flexibility, easy access to information, prompt feedback, enhanced ongoing education and full social acceptance.



From "Learning by Doing" by Graham Gibbs. Published by Oxford Polytechnic, 1988.

Other ways finance leaders have engaged and developed millennials:

- Rebranding the organization to appeal to new generation
- Redeveloping the organization's mission, vision, value proposition so that it is purpose-driven
- Sharing knowledge and learning via social media groups
- Flexible schedules – work-from-home arrangements
- Allowing business casual dress
- Building a fitness center on campus
- Forming sports leagues
- Scheduling family-activity nights

<sup>18</sup> Gibbs, G. (1988). *Learning by Doing*. MindTools Corporate

## Concluding Remarks

The worldview of the generation dubbed “millennials” is shaped by constant, rapid change, often to detrimental effect. While millennials desire to have an impact on society and the planet as much as any other generation, they have little patience with slower-moving, non transparent organizational climates that fail to tap the full potential of their employees, particularly their comfort with rapid technology innovation. This ability to move quickly is the very trait that enhances a millennial’s creative problem-solving skills.

The role of finance leaders in nurturing the next generation of leaders will be to develop a wide variety of methodologies and practices to engage and transfer knowledge based on this generation’s desire for individuality. Current thought, both researched and anecdotal, highlights how a work atmosphere that values engagement, retention, feedback, mentoring, education, and anything else that nurtures the individual employee is critical.

Instead of viewing them as an indulgence of youthful demands, organizations should view these efforts as an investment in a changing workforce. Robust retention and engagement programs benefit workers of every demographic and highlight the shift today toward an employee-centric work environment that values the goals of the individual as well as the strategic goals of the enterprise.

## Interviewees

In-depth interviews were conducted with a wide cross section of senior finance leaders for this report. The following financial executives and subject matter experts participated in these interviews:

**Dan Coccia**

former CFO  
Gorbel, Inc.

**Tad Feeney**

former CFO  
The Bryce Company

**Aron Gottesman**

Professor of Finance, Chair of Department of Finance and Economics  
Lubin School of Business at Pace University

**Lista Hightower**

CFO  
Mothers Against Drunk Driving

**Paul McDonald**

Senior Executive Director  
Robert Half

**Jens Mielke**

FEI Dallas Chapter Leader

**Maggie Martensen**

Consultant  
MC Services, LLC

**Janeen McGreal**

Controller  
StreetMac, LLC

**Megan Robinson**

CFO  
Taco Bill, Inc. & Affiliates

## About the Author

Michael S. Seaver is a Certified Professional Behavioral Analyst (CPBA), a Senior Professional in Human Resources (SPHR) and a Thunderbird School of Global Management MBA graduate. His coaching practice specializes in unlocking executive potential through applying business strategy concepts, conscious capitalism, and positive psychology to career well-being. He is author of books entitled *Fearing Mediocrity* and *Incorporate You™*. In November 2013, Michael was named one of Arizona's top "35 Entrepreneurs 35 and Younger" by the *Arizona Republic*. Prior to his current roles, Michael spent more than a decade in recruitment, training and development, operations management, and career coaching with organizations such as the Four Seasons Hotels and Resorts, Banner Health, the W.P. Carey School of Business, and the Thunderbird School of Global Management.

Michael can be reached at [michael@michaelsseaver.com](mailto:michael@michaelsseaver.com).

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Robert Half has extensively researched and surveyed hiring managers and millennials and is considered an industry authority on workplace and employment trends. The company's research sheds light on how millennials are preparing for the workplace, their career goals and expectations, and how other generations can manage and work alongside these professionals. For more information about the specialized staffing and recruitment divisions of Robert Half and its research, visit [www.roberthalf.com](http://www.roberthalf.com). Robert Half is an Equal Opportunity Employer.



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