

| Buyer Close-up

The Millennials Are Coming!

Are you prepared for a new generation?

Over the past few months, there has been a lot of talk about “Millennials” entering the workforce. Surprisingly, little of this talk seems to be audible in the franchise world, but the effects are sure to be no less profound. If your company has not felt the impact of this newest generation to reach adulthood, rest assured it soon will.

The trends that affect the next generation of workers will have an impact on everyone from your employees to your franchisees to newer franchisors who could soon become worthy competitors. As long as you continue to staff and grow your organization, this emerging talent will become more and more critical to your success.

Having spent a significant amount of time on the subject, and working with dozens of Fortune 1000 companies in their pursuits to attract the attention of young people, allow me to briefly distill this complex situation and offer a few potential solutions for the franchise industry.

Millennials, otherwise known as Generation Y, are young people ages 18 to 28 who were born between 1980 and 2000. In the U.S. alone, they represent the largest generation in history at 73 million strong. Over the next 15 years, Millennials will pour into the workforce with the strength of a tidal wave. Globally, the numbers are even more staggering. The International Labour Office in Geneva reports that in the next 10 years more than 1 billion young people will enter the workforce globally. Ready or not, here they come!

Now if you've heard about the upcoming workforce crisis, you may be wondering why the U.S. Bureau of Labor Statistics is expecting a shortage of 10 million workers by 2010. There are a couple of reasons for this. As Millennials enter the workforce, Boomers, the second largest generation at 70 million members, are exiting. And in between is Generation X, people born between roughly between 1965 and 1980, a generation of about 50 million that is dwarfed in size by the generations that precede and follow them.

So, understandably, there's a gap. Some say the average age of a vice president in corporate America is about to change from the 40s to the 30s to compensate for the shortage. Talented young people will have to rise rapidly through the ranks as the many seasoned executives contemplate retirement. That's the upcoming workforce shortage in a nutshell.

Psychographically, the “emerging workforce” or “emerging talent” pool is a curious group to understand. They have even sparked a new lexicon of terms to describe them. “Emerging adults” is now the updated term for “young adults” in their twenties since it more accurately speaks to the new 10-plus year transition period that it takes them to graduate from home and school, enter the working world, build some sort of foundation for their new independent lives, and eventually consider themselves full-fledged adults. In the midst of this metamorphosis, there is now also a well-documented “Quarterlife Crisis.”

Yes, you heard it right. This is an early mid-life crisis for twenty-somethings who are overwhelmed, stressed out, and often stymied over the state of their life. It shouldn't be such a surprise that Millennials tend to feel unsettled in their early careers. The big challenge is that, on average, they're changing jobs 7 to 8 times between their 18th and 30th birthdays, with 25 percent holding more than 10 jobs by age 30.

So perhaps it comes as no surprise that this is also the fastest-growing segment of business starters, and that more than half reportedly expect to own a business some time in their lives. Maybe they're too entrepreneurial for typical jobs. Or perhaps they're looking for a hybrid model.

With an upcoming shortage of workers and rising competition for top talent, what can the franchise world do to engage Millennials at all levels? Here are a few suggestions as a starting point:

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■ Tidbit

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- Recognize how important a role they will play in your organization (or soon will) and invest the time and money in getting to know them. Their values, work ethic, and paradigms are very distinct, and they need to be approached with what makes them different and special in mind.
- Expand their perception of what franchising is and what it has to offer them. Most people of any age still think of franchise opportunities in terms of hourly retail employment. Even beyond that, franchisee ownership just scratches the surface of how they can become familiar with and engaged in franchise organizations (i.e., internships, volunteer opportunities, project work, full-time employment, etc.)
- Think locally *and* globally. There is incredible young talent ready to be mined in your own backyard. Build relationships with local schools, business programs, young professional organizations, and other hot spots for emerging talent eager to learn about interesting new opportunities. On the global front, the same community-based outreach can be equally as effective. Don't underestimate the ability of young international students and professionals to help you grow overseas.
- Build your brand as an employer and as a franchisor. Don't rely on your customers to give them clues about what it's like

to work with your organization. You have to market yourself differently and distinctively to potential employees and franchisees, to the same extent you do to your customers.

- Take advantage of social media and technology. Millennials live in the wired world, and so should you if you want to be a part of their consciousness. Increasingly, they are turning online to find their opportunities, and less and less to physical trade shows and career fairs. Plus, in the online world the conversation is continuous. Make sure you're a part of it.
- Last, make room for Millennials in your organization. Embrace this new generation and start to build a plan for attracting, recruiting, retaining, and training them. Sure, they come with their fair share of challenges, but they have an enormous amount to offer as well.

It is up to you to determine whether you want to capitalize on the trends or succumb to them. The good news is there's no better time than the present to get up to speed and position yourself for success with this audience.

Jennifer Kushell is the author of the New York Times bestseller Secrets of the Young & Successful. She also is cofounder of YYSN.com (Your Success Network), an online universe that connects ambitious movers and shakers from around the world with opportunities to realize their full potential. She can be reached at jennifer@yysn.com.