

BUSTING THE MILLENNIAL MYTH THE POWER OF PURPOSE

An inquiry into the millennial generation's attitude towards working in employee-owned businesses and how they can prosper in millennials' hands

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Thank you to each and every contributor without whose generous support this report could not have been published.



Why have we called our report

“Busting the Millennial Myth – The Power of Purpose”

When we surveyed and researched the attributes of millennials towards business, especially in the context of employee ownership, we found that many of the less flattering perceptions that have been peddled about them were simply not true!

Their aspirations are not significantly different to previous younger generations but there are definitely factors which enable them to respond to the challenges of work in a more nuanced way.

Their ability to use technology and data is far superior to previous generations and together with globalisation it means that work can take place across a much wider spectrum. The evolution of cheap travel also gives them greater mobility and flexibility.

But at the heart of things there remains a key need. Millennials seek purpose and meaning from their work. They also want to develop themselves and receive feedback. Making a difference over and above purely commercial outcomes is another very important driver.

Our report identifies many other wishes and “likes” from this new generation and these are discussed in the ensuing pages.

We think you will also enjoy the enlightening quotes, interspersed with the text, which are taken from the interviews with nearly 40 individuals under the age of 30.

There are questions raised in our report to which we provide some of the answers but which we hope more importantly will challenge businesses to think carefully about how they will address these issues.

Some suggestions as to possible steps to getting the best out of millennials are given on page 29 and we encourage you to start integrating some of these in your organisations.

We trust you find our research useful and stimulating!

Peter Neville Lewis

Dr Ruth Yeoman



Peter Neville Lewis MIRM, Founder of **Principled Consulting**, is an Honorary Research Fellow at Brunel University London. He has co-authored three research papers, sponsored by the Chartered Management Institute, on the impact of ethical values on management performance including in 2015 *The MoralDNA of Employee Owned Companies*. He has also contributed to two White Papers from the Institute of Risk Management on *Redefining Risk in 21st century organisations (2014)* and *The Extended Enterprise: Managing Risk In Complex 21st Century Organisations (2014)*.

Peter consults to various companies around culture, governance, decision making and risk management as well as being a guest lecturer at University of Westminster, Pearson College and University of Buckingham.

He is also a Patron of Tomorrows Company.

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Dr Ruth Yeoman is a Research Fellow at **Kellogg College, University of Oxford** where she manages the Centre for Mutual & Employee-owned Business. Her academic work centres on the ethics and practices of mutuality and meaningfulness.

In 2016, she was awarded a grant by the British Academy/Leverhulme to examine ‘Ownership, Leadership and Meaningful Work’ in employee-owned businesses, and to support her leadership of an international collaboration studying organisational meaningfulness.

Recent projects include: ‘Reframing Building Societies and Mutual Insurers: collaboration as a source of competitive advantage’ for the BSA and AFM; ‘Mutuality and Integrated Healthcare’ funded by Oxford’s John Fell Fund; ‘Mutuality in Business’, funded by Mars Inc. Her book, *Meaningful Work and Workplace Democracy: a philosophy of work and a politics of meaningfulness*, is published by Palgrave Macmillan.



“...employee ownership can prosper in the hands of a new generation”



Employee ownership appears to be safe in the hands of millennials. Millennials value the employee-owned business model as much and in some respects more than older generations. These are among the positive conclusions from this research, the first of its kind, into the impact of millennials on the employee-owned workplace.

Employee ownership is a tried and tested business model. Employee-owned companies in the UK and around the world provide vibrant proof that this is a better way to do business. The Top 50 employee-owned companies in the UK have combined sales of some £22.6bn and have over 175,000 employees¹. Research has highlighted that employee ownership produces successful businesses, in which employees enjoy working and which can deliver wider benefits to the community.

Since the 1970s the main aim of the employee ownership sector has been to increase awareness of this often under-appreciated and yet compellingly successful way of doing business. In recent years the support from successive Governments for public service mutuals and, since 2012, for more private sector employee ownership, together with active sector bodies such as the Employee Ownership Association, has helped propel employee ownership towards the mainstream of the UK economy. Throughout this time the sector took for granted the longevity of this business model. This is understandable because many flagship employee-owned businesses moved to this way of working decades ago including Arup, the John Lewis Partnership, Scott Bader and Swann-Morton.

Given the recent growth of the employee ownership sector, and a back-drop of unsettling commentary about millennials' attitudes to work, it seemed timely to check this assumption of longevity. Generational differences are playing a part in the growth of employee ownership. Baby boomers want the businesses they founded to remain independent. Generation X seems less keen on management buy-outs. An employee buy-out by an employee-ownership trust provides a neat cross-generational solution. But what do millennials make of employee ownership?

Thanks to Peter Neville Lewis and Ruth Yeoman, and all who have participated in this research, we now have the assurance that the employee ownership business model continues to have longevity and that employee ownership can prosper in the hands of a new generation.

Graeme Nuttall OBE
Partner, Fieldfisher

1. <http://employeeownership.co.uk/wp-content/uploads/Top-50-A6-Booklet.pdf>





Succession is key to a thriving and enduring business model and nowhere more so than with employee-owned businesses. At the heart of employee-owned businesses is the ethos for the benefits of success to be spread out amongst those creating the success and this in part enables employee-owned businesses to be able to adopt a longer-term view. With millennials now forming an increasing proportion of the workforce, they are the next generation of business leaders.

Do they however see the employee ownership business model as having sufficient extra attractions to enable them to commit to the longer-term and future responsibilities?

There are frequent reports in the media that the so-called millennials are not doing very well economically. In March 2016, the Economist reported that the inflation-adjusted price of a house has risen by over 200% in 30 years leading to falling home-ownership rates and disproportionately affecting the younger generation. In addition, as a result of changing work patterns, millennials are more likely to be in more precarious employment. In July 2016, a report by the Resolution Foundation highlighted the UK's growing intergenerational

divide showing that millennials fared significantly worse than their parents in Generation X during their first years of employment. A combination of lower and less secure income and higher costs of living is a very difficult challenge for the millennial generation.

So there are key questions to be asked, as to how the benefits of employee-owned businesses are perceived by millennials and what really matters in business to them. Until now and the publication of this valuable research the answers have remained unknown.

This research is able to highlight that on many aspects of millennials' views on working in employee-owned businesses there is more that unites generations than divides them. For example, a sense of belonging, security and making a useful contribution are job attributes valued by most people whatever their age. However, there are some distinguishing features – for instance, the fact that millennials trust management more could suggest that management styles could well have adapted to the needs and characteristics of this demographic.

At the eaga Trust we use our funds to satisfy our purpose to help our beneficiaries and to promote employee ownership and fairness in the workplace and in common with other organisations we need to consider carefully the challenges and opportunities of the millennial generation.

For employee-owned businesses in general, the challenge has become how to make the most of the differing characteristics and skills of millennials, who appear to be favourably disposed to the employee ownership model, although their work attitudes and preferences do not vary greatly from other generations.

This report has therefore come at a timely moment and should be a useful catalyst to examining and debating the above issues.

**Richard Marr,
Chief Operating Officer
The eaga Trust**

“...in employee-owned businesses there is more that unites generations than divides them”





Why this report?

This report can trace its roots back to an event hosted by engineering consultancy Arup and initiated by Graeme Nuttall OBE in March 2016. At that event, a number of interested parties (the authors included) debated the opportunities and challenges associated with the employee-owned business model.

In particular, we were interested in the stability of this business model in the ambiguous and complex context of the 21st century. Advances in technology are changing dramatically what we can do and when, how we communicate with each other, and what we expect of the workplace in both the shorter and the longer term. The adoption of robotics and artificial intelligence could result in a world where we don't have to work at all².

Quite how the business landscape evolves in the future will depend largely on the people who are entering the workforce today. Hence the debate that took place at the March 2016 event focused on one key question: what impact would the arrival of the so-called millennial generation in the workplace

have on the employee-owned business model?

Intriguingly, the answer was that nobody was really sure. In fact, it was a challenge to define exactly who millennials are.

We did, however, come to the broad conclusion that businesses need a better understanding of the aspirations of millennials. According to a survey by HR search specialists The Three Partnership, less than half of HR directors feel that their organisation's talent strategy is millennial ready³. Given that millennials will make up 50% of the world's workforce globally by 2020⁴, and will be the dominant cohort in many organisations, it is essential to address this issue. All businesses – including employee-owned businesses – need to know how to unlock the potential of the millennial generation.

Recognising that imperative, our sponsors Fieldfisher and The eaga Trust commissioned this report to investigate the potential impact of millennials (also referred to as Generation Y) on the employee ownership business model. This model is already well established and very successful. Could it be improved further if millennials were engaged in the right way?

Previous research with the Chartered Management Institute⁵, commissioned by our sponsors and to which Peter Neville Lewis (the co-author of this report) contributed, revealed that employee-owned



companies have superior values and standards to other business models. As a result they also enjoy better overall business performance. Could the millennial generation – which may have different ideas about how businesses should be managed and organised – present a threat to the employee ownership business model?

In 2012, a report commissioned by the then Department of Business, Innovation and Skills⁶ summarised previous research on the association between employee ownership, productivity and economic growth.

According to the report, employee-owned companies:

- enjoy substantially faster employment growth than companies that are not employee-owned
- display less variability in their results over the economic cycle because of their consistent attitude to risk
- act as a catalyst for greater employee commitment and engagement
- drive innovation

Research in 2013 by Dr Ruth Yeoman⁷, the co-author of this report, found that the stability and resilience of employee-owned businesses is enhanced by the fact that workers in employee-owned businesses report that they:

- work in a high-trust environment
- get involved in decision making and information sharing
- feel that they are part of a ‘team’ or ‘family’
- benefit from a high level of co-operation among colleagues
- will go the extra mile
- are more likely to stay with their employer

The above characteristics are typical of employee-owned businesses. In what is a very positive indicator for the future of the employee ownership business model, our research shows they are also characteristics that appeal strongly to millennials. This was made clear from the one-to-one interviews that we undertook.

In order to assess the impact of the millennial generation in employee-owned businesses, we wanted to find out what really matters to millennials in the workplace. With that in mind, we devised and distributed a survey that focused on the core engagement issues for employee-owned businesses. Nearly 750 employees across all age groups completed the survey. They represented almost 50 different employee-owned businesses covering a wide cross-section of both industry and the third sector. To obtain some qualitative verbatim information, we also interviewed nearly 40 individuals – almost all of whom were aged under 30 – from nine different organisations.

“businesses need a better understanding of the aspirations of millennials”

We believe that this report not only reveals what matters to millennials, but, equally importantly, it gives employee-owned businesses valuable insight on the core aspirations of millennials and how they can adapt to take advantage of these ambitions. This is especially important given that civil society is increasingly demanding that business justifies its legitimacy and its licence to operate. What were considered reasonable and acceptable business practices 20 years ago are now being scrutinised – often by the millennial generation.

What has clearly emerged from our survey is that the notion of millennials not taking work seriously is a myth. Embrace their aspirations and work patterns and organisations can benefit from their undoubted talent.

Our conclusions provide food for thought and they should prompt further discussion by enlightened and forward-thinking business leaders in the employee ownership sector and beyond.

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Joint authors of this report

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5. *The MoralDNA of Employee Ownership*. Steare, Stampoulides, Lewis & Woodman - CMI Report (September 2015)
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Who are the millennials?

(And are they really any different from past generations?)

While the term 'millennial' is now in common use, there is actually no fixed definition of who constitutes a millennial. The name is generally credited to William Strauss and Neil Howe⁸, two US authors best known for their theories that generations have a cyclical nature based on four generational types. They invented it around 1987, when they were looking ahead to the generation that would graduate from high school in the year 2000.

Broadly speaking, millennials are considered to be:

- born between 1980 and the mid 1990s, which means they are currently aged between 20 and 35 years old. (This approximation is based on an aggregate of publicly quoted evidence by a wide range of demographers and researchers. For example, a 2013 study by PwC in association with London Business School and University of Southern California⁹ identified 1980-1995 as the birth range for millennials.)
- highly educated with above-average digital skills
- flexible, intellectually savvy, mobile and willing to travel
- unusually open to new ideas
- not sold on the traditional concept of a 'job for life'

According to PwC¹⁰, millennials will make up half of the global workforce by 2020. Population growth in China and India is driving this shift, but it is not just workplaces in those countries where millennials will be heavily represented. Millennials will also be increasingly dominant within businesses in Europe and North America, especially as many younger Chinese and Indians may look to migrate to jobs in the West.

Millennial values

With millennials poised to take over the workplace, it is crucial that employers understand their personal and professional values and how those values impact on the roles they do. What motivates them to get out of bed in the morning? What attributes do they look for in managers and leaders? How do they like to organise their work? What is their definition of success?

In 2016, Sage, a major UK provider of accounting systems, conducted a survey¹¹ of over 7,000 entrepreneurs aged between 18-34 across 16 countries. It made some key findings, which mirror the research set out in this report.

According to the Sage survey, millennial entrepreneurs:

- put **principles ahead of profit** – just 21% say they started their business primarily to make money
- believe that **shared values matter** – 66% recruit like-minded staff and those who have similar ambition and drive
- have an **acutely developed social conscience** – 69% want to make a difference in civil society and do real social good
- are **independent** – 34% want to be in control of their own destiny
- **work hard** – over 40% are likely to prioritise work over socialising (interestingly, though, they will not do this at the expense of their work-life balance)

- **reject the idea of being stuck behind a desk** – 41% believe mobile working is the future

In addition, other authors have identified that millennials:

- value **service and community**¹²
- want to **effect change** and to do so in ways that are consistent with their values and offer a sense of authenticity
- want to belong to institutions that will provide resources for them to **achieve their goals and develop their capabilities**¹³
- are **comfortable with diversity**
- are influenced by **globalisation** and access to communication technologies
- like teamwork and are **familiar with collaborative activities**¹⁴

So what stands out from all this prior research? It is clear that this new generation views its role in business differently from the generations who went before. In particular, millennials undoubtedly have broader expectations around the purpose and meaning of their work.

Why does that matter? It matters because in another decade – or less – millennials will be in key positions as managers and leaders in many organisations. Although their values probably do not differ significantly from those of the young people who entered the workplace in previous decades (many of whom had worthy and even altruistic principles) what sets them apart is their ability to refuse requests that breach their values, their willingness to change direction and their desire to avoid 'corporatisation'. They are open-minded about the workplace – in particular, when and where they work.

It is perhaps the different roles they expect to play and their individual needs for purpose and meaning at work that has created the myth about their lack of commitment to corporate bodies. We believe this view to be misplaced based on our survey and interviews.

By their very nature millennials are the future, which is why the senior leadership teams in all businesses – including employee-owned businesses – need to better understand their ambitions and needs. Only then will they be able to attract, develop and retain the talent that will underpin their organisation's success for many years to come.

8. *Generations: The History of America's Future 1584-2069*, Harper Perennial, p. 335, Strauss, William; Howe, Neil (1991)
9. *PwC's Next Gen: A global generational study*, PwC, University of Southern California and the London Business School (2013)
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13. *Millennials and the world of work: An organization and management perspective*, *Journal of Business and Psychology*, 25(2), pp.211-223, Hershatter, A. & Epstein, M., (2010)
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Summary

This is the first inquiry into millennials' views on working within employee-owned businesses.

Our research shows that the arrival of millennials in the workplace is not a threat to the employee-owned business model. On the contrary, employee ownership works well to meet the aspirations of millennials, as it does for other generations. Indeed, we believe that the employee-owned business model can prosper in the hands of a new generation because millennials value some characteristics of the business model more than previous generations. The ability of the employee ownership model to harness the power of purpose and to provide meaningful work is at the heart of meeting the ambitions of millennials.

As summarised below there are significant differences of emphasis for millennials and employee-owned businesses must decide how to respond. Employers in the sector will be able to draw on these findings as they devise strategies for engaging millennials, the leaders of the future.

Work must be meaningful

Our research found that all age groups believe that being treated with respect and fairness, and having a sense of belonging, helps them to find positive meaning in their work. Equally, they all value collegiality. Where millennials appear to differ from their more mature colleagues, however, is on profit sharing and customer service:

A clear belief in profit sharing

Millennials believe in profit sharing because they see business as a team endeavour. Employee-owned organisations are able to take advantage of this attitude when they embed profit sharing into a system of management practices that is consistent with an employee ownership philosophy. This philosophy includes values such as equality, mutual respect, trust and cooperation, which constrain excesses in profit sharing. Consequently, profit sharing is perceived to be fair and linked to what people believe recipients deserve because of the contributions they have made.

A different understanding of customer service?

At first millennials appear, somewhat surprisingly, to have a less well-developed sense of the importance of customer service than their older colleagues. This could be because they believe in the concept of working in partnership with customers rather than the traditional understanding of what customer service means. Millennials may see customer service as co-creation and idea sharing with the customer to meet their specific needs rather than just servicing the status quo.

Millennials affirm that better customer orientation is related to workplace satisfaction and worthwhile purpose. If they see the workplace as fragmented or precarious, leading to briefer and more transactional relationships, they may well have a reduced sense of their understanding of customer service. Given this, we may need to understand more about what millennials mean by 'service', and the ways in which they expect to deliver this.

Financial goals are not enough

Millennials are clear that they want their organisation to pursue goals that are not just financial. The concept of organisational purpose lies at the very heart of much millennial thinking, so they see financial success as a by-product of having the right organisational goals and people policies in place. This factor is marginally more important to millennials than to other age groups.

Managers should coach and provide feedback

Millennials prefer to work for managers who coach them effectively and give them clear instructions and feedback. They also see visionary leadership is important although, interestingly, not quite as important as their more mature peers. Neither millennials nor their older colleagues favour pacesetter, a management style that focuses strongly on results.

Work is a means of personal development

Personal development stands out overwhelmingly as the factor that motivates millennials in the workplace and much more so than for older generations. This is the natural consequence of where they are in their career journeys, which explains why personal development decreases in importance as a motivator with each successive age group. The next most important motivator for millennials is meaningful work, which is also important to other age groups.

Cultural values that influence

All employees, regardless of age, want to work for well-organised businesses that trust staff and have innovative and caring cultures. No age group is attracted to the idea of a business that has a demanding or hierarchical culture.

Being seen and heard

There were similarities in the replies across the generations but millennials generally rated certain characteristics of an employee-owned business more strongly. The environment of an employee-owned business is conducive to millennials feeling safe to express ideas. They also feel that they have a 'voice' and the ability to influence decision making. Millennials who work for an employee-owned business are more likely to stay with their organisation for over two years.

A better place to work

Respondents of any age would prefer to continue working for an employee-owned business. If they move jobs, millennials would prefer to work for another employee-owned business – although they are prepared to be flexible since employee-owned businesses still represent a comparatively small proportion of the job market. When it comes to engagement, millennials appear to be more motivated by the employee-owned business model than their more mature colleagues.

Trust and belief

Millennials appear to be prepared to put their faith in senior management a little more strongly than more mature employees. This may be because they have suffered less disappointment during the course of career progression or it may be because they genuinely believe in the more open and engaging nature of employee-owned businesses. All respondents are inclined to promote the employee ownership business model as a 'good thing'.

We believe these findings give the lie, with particular reference to employee ownership, to the myth that millennials are only interested in themselves and "doing their own thing". They do in fact want to contribute in a meaningful way to an organisation where their voices are more likely to be heard and where there are goals that are not just financial.



About the research including methodology and statistical analysis

During the course of 2016, we carried out an inquiry into employee-owned businesses and millennials’ attitudes towards working within them. The aim was to find out what the arrival of this generation in the workforce would mean for the employee ownership business model. Does the existing business model fit with the ambitions of millennials or is it necessary (and appropriate) to adjust the business model to suit the millennial outlook?

This report provides the insights from our research, with reference to supporting studies.

Nearly 750 employees working in employee-owned companies across all age groups completed the survey. Respondents were asked to indicate their ages in five categories:

- Under 30
- 30-39
- 40-49
- 50-59
- 60 and over

We have used the category ‘Under 30’ as our indicator to best identify millennials for the purpose of this report. In our one-to-one interviews 95% of those interviewed fell into this age group.

The reason why we selected a slightly lower age profile, rather than the age profile more broadly used to identify millennials (between 20 and 35), is that individuals in their early to mid thirties (and even some in their late twenties) told us that they felt less digitally competent than younger colleagues who had experienced much higher and more sophisticated levels of IT exposure at school and in higher education. Younger millennials are therefore more likely to fit the perceived ‘digital native’ profile that is often applied to them and which is of considerable importance in a business environment.

Respondents were contacted by email. A total of 736 employees from 49 companies participated and of these 167 (23%) were aged under 30 and 569 (77%) aged 30 and above. 327 (44%) respondents reported experience working in an employee-owned business prior to their current post. **Table 1** displays additional demographic frequencies of respondents.

The survey was administered online (<https://eo-survey.co.uk/>). Respondents participated over a period of 43 days from 22 June 2016 to 8 August 2016.

For the primary analysis, replies were analysed in two groups: those from respondents who were under 30 years and those 30 years or older. These two groups were compared in terms of their responses. When comparing group averages, the results were corrected so as to take into account the fact that multiple comparisons were performed. All results have been anonymized.

We did not find sufficient differences among respondents in older age groups to justify individual age group analysis. So they are included in one category – 30 and over. Nevertheless, if any particular observation is pertinent for a specific age group, we have noted this where relevant in our commentary.

In order to test the generalisability of the findings, we performed Games-Howell post hoc to test for significant differences between the age groups under 30, and 30 and above for each question separately. Additionally, for each question we performed one sample t test using the middle of the scale of each question as a test value. This value represents a control response or an indifference response. After Bonferroni adjustments at the $\alpha=0.05$ level, results indicate significant values of at least $p=0.05$, for all questions. (When performing multiple statistical significance tests on the same data, the Bonferroni adjustment can be applied to make it more “difficult” for any one test to be statistically significant. The Bonferroni adjustment usually is

Table 1. Roles and years of service of respondents

Role of respondents	Number
Employee	440 (60%)
Supervisor	22 (3%)
Manager	162 (22%)
Specialist	53 (7%)
Executive	59 (8%)
Years of service of respondents	
Less than 2 years	178 (24%)
Between 2 and 5 years	183 (25%)
Between 5 and 10 years	177 (24%)
Over 10 years	198 (27%)





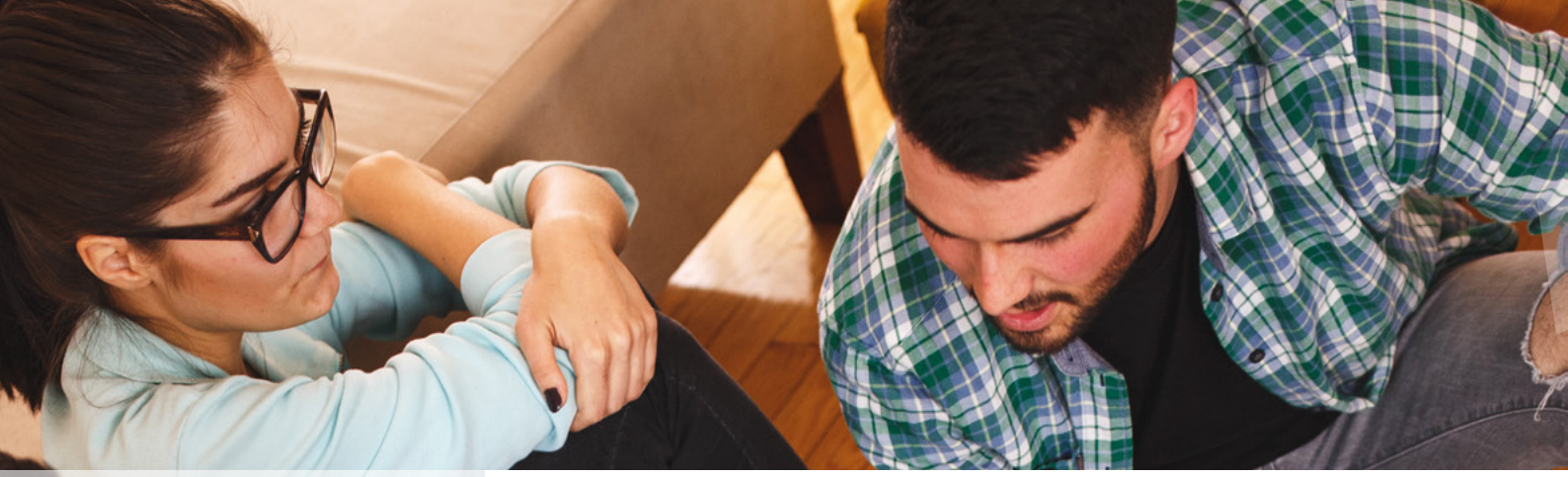
accomplished by dividing the alpha level (usually set to .05, .01, etc.) by the number of tests being performed.)

We refer throughout this report to employee-owned businesses. We mean by this the business model referred to in the Nuttall Review of Employee Ownership (BIS, 2012). A business with employee ownership (sometimes called co-ownership) is one where a significant and meaningful stake in a business is held by or on behalf of all its employees and where that employees' stake underpins organisational structures that ensure employee engagement and participation. The employee-owned business model can take a variety of legal forms all with these key characteristics¹⁵.

We also refer to "voice" in this report. Voice is the 'ability to have meaningful input into decisions' (Budd.2004:23)¹⁶. This term encompasses the ability of an individual employee to speak out and the

collective voice of employees to influence decision-making through committees and other forms of representation. Voice supports the voluntary contribution of ideas and information needed for organisational learning and improvement. The most effective voice systems combine direct participation with representative mechanisms, thereby improving job control and managerial responsiveness (Pyman et al, 2006)¹⁷.

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The research



Work must be meaningful

Studies confirm that many (though not all) workers place a high value upon meaningful work. The experience of meaningfulness arises when workers judge something to be worth doing and, at the same time, find it emotionally attractive because it helps them to meet what they perceive to be their broader economic, social or environmental responsibilities (Yeoman, 2014)¹⁹.

A meaningful experience is more likely to occur where a workplace is designed to allow workers to have a say over what they are doing, form good quality relationships, and be treated with dignity and respect. Meaningful work allows them to answer the crucial question: ‘why am I here?’²⁰ Research on employee engagement also shows that meaningful work and voice are the two key drivers of engagement²¹.

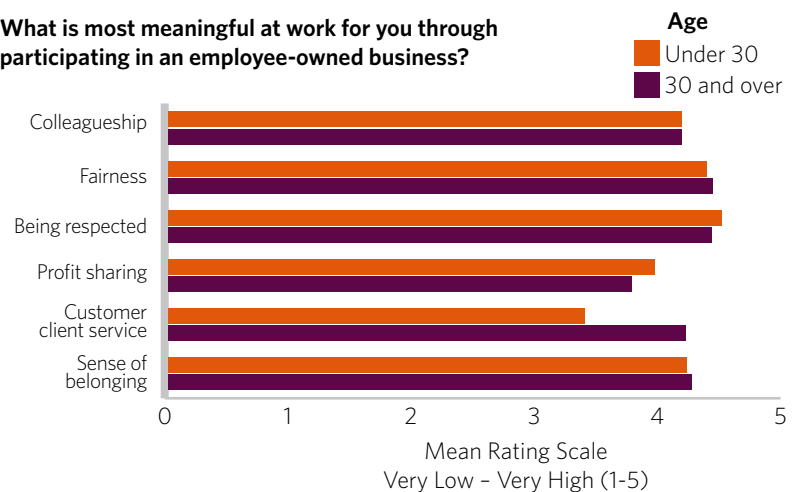
So, question one was what makes participating in an employee-owned business particularly meaningful?

Our research found that all age groups in an employee-owned business believe that being treated with respect and fairness, as well as having a sense of belonging and collegueship, helps them to find meaning in their work.

Employee-owned businesses that welcome millennials should regard these findings as positive. They show that employee owned businesses are fertile territory for millennials, as well as other generations, to experience meaningfulness at work. This is because the status of being a co-owner – knowing that we are of equal status and worth - is potentially part of experiencing work as meaningful. Also, many employee-owned businesses have strong cultures, from which employees can draw a sense of meaningfulness and self-identity. Finally, where employee-owned businesses have positive values and meanings, co-owners can use these to hold one another to account, and to reflect upon organisational purpose and practices²².

So employee-owned businesses which have an embedded voice system, a compelling moral or valuable purpose, and an emphasis on dignity and mutual respect, are well placed to develop an engagement culture grounded in meaningfulness and voice. Sustained by the ownership and governance structures in employee-owned businesses, this makes employee engagement a lived reality, rather than just a set of key performance indicators.

What is most meaningful at work for you through participating in an employee-owned business?



What sets millennials apart from their more mature colleagues, however, are their views on profit sharing and customer service:

A clear belief in profit sharing

Millennials (and, to a slightly lesser extent, those in the 30-39 age group) believe clearly in profit sharing. This belief was examined in our one-to-one interviews. Millennials see business as a team endeavour rather than simply a way to earn a living. So they tend to favour flat organisational structures and argue that everyone who contributes to a successful venture should benefit from it if that venture is to be meaningful. Millennials also tend to believe in sharing

“

“Fairness is the biggest difference versus my previous employer”

“I didn’t realise at first how lucky I was to be working in such a warm environment”

”





“

“I feel treated with respect and dignity, which makes for better working relationships and productivity”

”

as a general concept – whether that’s sharing opinions or sharing rental cars. In their world, everyone puts in and everyone takes out.

It is important to note that employee-owned organisations embed profit sharing into a system of management practices – including training, development, information sharing, representation and voice – in a way that is consistent with a shared ownership philosophy. Excesses in profit sharing are constrained by the values associated with employee ownership, such as co-operation, equality, mutual respect and trust. Furthermore, distribution is perceived to be fair because it is linked to the contributions that individuals have made.

Profit-sharing is also encouraged by the employee ownership business model itself because employees are (directly or indirectly) shareholders. A 2014 UK tax change recognised this and now provides an income tax exemption for certain bonuses paid to employees of companies controlled by an employee-ownership

trust²³. A good number of respondents to our survey have benefitted from this change.

Although millennials do approve of profit sharing schemes they do not prioritise profit sharing or variable pay schemes above other factors when they are evaluating where they would like to work. In a study of US university students, just 10% saw performance pay, bonuses or profit sharing as important factors when considering a job offer (Rawlins et al., 2008)²⁴. Research conducted by the Center for Applied Research, Central Piedmont Community College, Charlotte, North Carolina showed that millennials prefer stable benefits such as health and life insurance, together with income growth, rather than bonuses or profit sharing²⁵.

Perhaps what is surprising is not that millennials value profit sharing, but rather that their older colleagues appear to value it a little less. The explanation could lie in the fact that profit sharing may be a relatively novel (and rewarding) concept for younger workers whereas their more mature colleagues take it for granted as part of their overall compensation package. Alternatively, perhaps older workers are less satisfied with the share of profits they actually receive.

A different understanding of customer service?

The most significant result from question 1, on what makes work meaningful, however, and one that organisations need to pay particular attention to, is that millennials appear to have a less well developed sense of the importance of customer service than their older colleagues.

Our research suggests that this lack of deference to the customer improves with length of service, yet it is still an issue that business leaders might want to explore with millennials in more depth.

Ultimately, the degree of meaning that millennials attach to the expression customer service could simply be a matter of perception. The word 'service' has potentially disagreeable connotations for millennials, who tend to dislike hierarchies and would prefer to regard themselves as working in partnership with their customers, rather than serving them. Again, this fits in with their belief in sharing.

Millennials' apparent lack of engagement with the concept of customer service can also be explained by the 'employees first, customers second' theory²⁶ that was promoted by Indian IT services company HCL Technologies. The logic behind the theory, which is gaining traction within the business community, is that employees who are happy and empowered will naturally deliver better service to customers and therefore get better results. In other words, the happier your staff, the happier your customers, the better the business performs. While millennials may not be consciously applying this particular business theory, it instinctively aligns with their intrinsic belief that ultimately we are one community pulling together for the common good.

“

“I like our democratic ethos”

“Profit sharing is cool and definitely distinguishes us from most other companies”

”

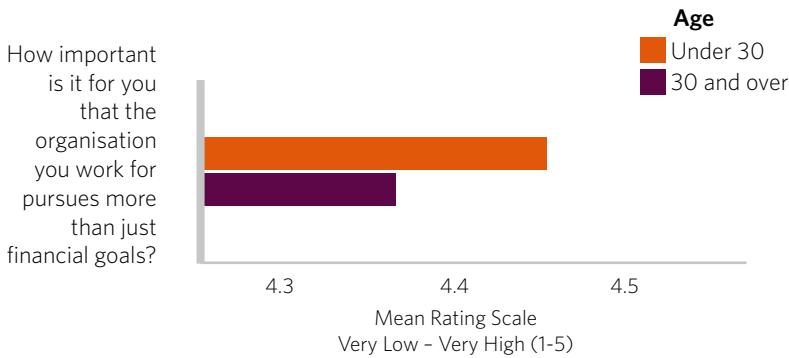
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 21. *Creating an Engaged Workforce: Findings from the Kingston Employee Engagement Consortium Project*, Alfes, K., Truss, C., Soane, E. C., Rees, C. & Gatenby, M. (2010)
 22. *Yeoman, R. (2014) Meaningful Work and Workplace Democracy: a philosophy of work and a politics of meaningfulness*. Palgrave Macmillan
 23. *Back to basics: The income tax exemption for employee bonuses*, *Tax Journal* Nuttall, G & Martin, J (2014) (<https://www.taxjournal.com/articles/back-basics-income-tax-exemption-employee-bonuses-13122014>)
 24. *Understanding The New Generation: What The Millennial Cohort Absolutely, Positively Must Have at Work*, *Journal of Organizational Culture, Communications and Conflict*, 12(2), 1-9, Rawlins, C., Indvik, J. & Johnson, P.R. (2008)
 25. *What the Under 30 Generation Wants in the Workforce : What Employers Need to Know to Retain Them*. NC State University. https://iei.ncsu.edu/wp-content/uploads/2013/01/workforce_terrimanning.pdf, Manning, T.M. (2011)
 26. *Employees First, Customers Second: Turning Conventional Management Upside Down*, Vineet Nayar (2010)





Financial goals are not enough

Importance of organisational pursuits



We asked our respondents next, how important is it that your organisation pursues more than just financial goals?

Given the importance that millennials attach to meaningful work, it is unsurprising that they want their organisation to pursue goals that are not just financial. This factor is marginally more important to millennials than other age groups.

This finding links in to other research. Even though pay is important to millennials, and has a moderate effect upon job satisfaction, they do not see this as significant as the freedom to do their work in ways which they judge to be meaningful (Campioni, 2015; Twenge, 2010)^{27, 28}.

It was notable that during the one-to-one interviews, the question of how important it is for an organisation to pursue more than just financial goals drew an instantaneously positive response from interviewees since it closely relates to their desire to make a difference. The concept of organisational purpose lies at the very heart of much millennial thinking, which is why we explore it in more detail in our concluding observations.

This finding leads to a more searching question: can the employee-owned business model meet this objective? The clear indications are that it can and does. The employee-owned business model is versatile²⁹. If an employee-owned business wishes to commit to achieving more than just financial goals it can do this either by adopting a legal form that requires this or by voluntarily adopting such an aim.

For example, many public service mutuals (employee owned and led organisations that have left the public sector but continue to deliver public services), such as City Health Care Partnership CIC, take the form of a community interest company (a "CIC")³⁰. A CIC is a



“Financial success is a by-product of having the right social and people policies”

“Employee ownership feels like a career more than a job”





limited company that has special additional features to provide a purpose-built framework for social enterprises that adopt the limited company form. In practical terms, CICs are for the use of people who want to conduct a business or other activity for community benefit, and not purely for private advantage.

Indeed, this aim of achieving more than profitability is not new in the employee ownership sector. Some respondents are employees of Scott Bader, a multi-national chemical company that, since 1951, has aimed to achieve more than financial success. Owned by a charity, which it finances, Scott Bader's avowed purpose is "We pioneer the future of chemistry, making a positive difference to all businesses we serve and each life we touch"³¹.

“

“Friends are envious of me having such a fulfilling job”

“Money means nothing if you are not happy”

”

27. *Corporate Offerings: Why Aren't Millennials Staying?* *Journal of Applied Business and Economics*, 17(4), 60-76, Campione, W.A. (2015)
28. *A review of empirical evidence on generational differences in work attitudes*, *Journal of Business and Psychology* 25(2), 201-210, Twenge, J.M. (2010)
29. *Sharing Success -The Nuttall Review of Employee Ownership*, Department for Business Innovation and Skills, Chapter 5 (July 2012)
30. <https://www.gov.uk/government/news/cabinet-office-mutuals-reach-century-success>
31. <http://www.scottbader.com/about-us>



Managers should coach and provide feedback

We asked our respondents what style of management matters.

We know from a study published by the Chartered Management Institute referenced above that “Nine in 10 people (90%) working in employee-owned companies describe its leadership style as ‘high performing, visionary, democratic and coaching’, compared to just six in 10 (58%) working in non-employee-owned businesses”³².

The responses showed that the overall management style in a typical employee-owned business works for millennials just as it does for other age groups. There were fairly minimal differences between millennial respondents and their more mature colleagues on most characteristics of management style. Neither millennials nor their mature colleagues favour

“

“I like the way everyone gives constructive feedback”

“The company is really good at explaining where they are going and how we can contribute as individuals ”

”



“Less hierarchy means greater clarity and simplicity”

“I am not just a cog in a machine”

“It feels like we are all together working for the same goals”



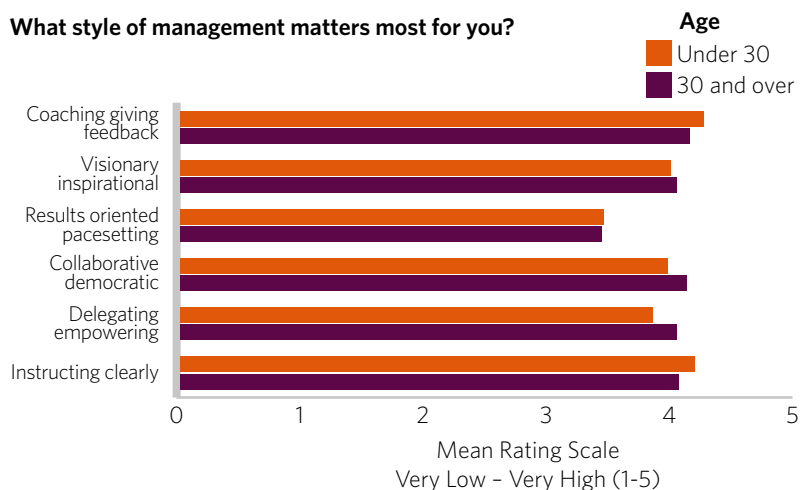
pacesetting, a management style that focuses strongly on results. This is because pacesetting conflicts with their fundamental desire to have some level of empowerment in their work.

Our research found that millennials prefer to work for managers who coach them effectively and give them clear instructions and feedback. They also see visionary leadership as important although, interestingly, slightly less important than their more mature peers. Perhaps this focus on feedback reflects the fact they are at a relatively early point in their careers and therefore need support and development. Yet there is also plenty of anecdotal evidence that young people, even at school and university, really value ongoing feedback per se.

The findings suggest that millennials put slightly less emphasis on a collaborative and empowering environment than those 30 and over, which does not quite correlate with the ‘team ethos’ that millennials are thought to value highly. It may be that when answering this question, they were focusing mostly on needs that are not being met by their current line manager.

Separate studies show that millennials value role models in intergenerational workforces. They respond to mentoring from people they respect even though they are unlikely to thrive under autocratic management styles (Gursoy et al, 2008)³³. In their approach to business, they are more likely to be focused on outcomes, less tolerant of meetings as a route to business improvement, and more likely to seek solutions to problems through internet research and sharing ideas online.³⁴

What style of management matters most for you?



32. *The MoralDNA of Employee Ownership*. Steare, Stampoulides, Lewis & Woodman - CMI Report (September 2015) (<http://www.managers.org.uk/moraldna>)

33. *Generational differences : An examination of work values and generational gaps in the hospitality workforce*, *International Journal of Hospitality Management*, 27 (448-458), Gursoy, D., Maier, T.A. & Chi, C.G. (2008).

34. *Motivating an Intergenerational Workforce*, *Orthopaedic Nursing*, 26(6), 366-371, Wieck, K.L., (2007).





“I know that when I ask for help or advice colleagues go out of their way to be supportive”

“Everyone can grow in our organisation – it’s very healthy”

“Knowledge sharing is encouraged for the benefit of all”

4 Work is a means of personal development

Our survey asked our respondents about their main motivation for work.

We were particularly interested in what the response might be, given the themes that emerge from other research.

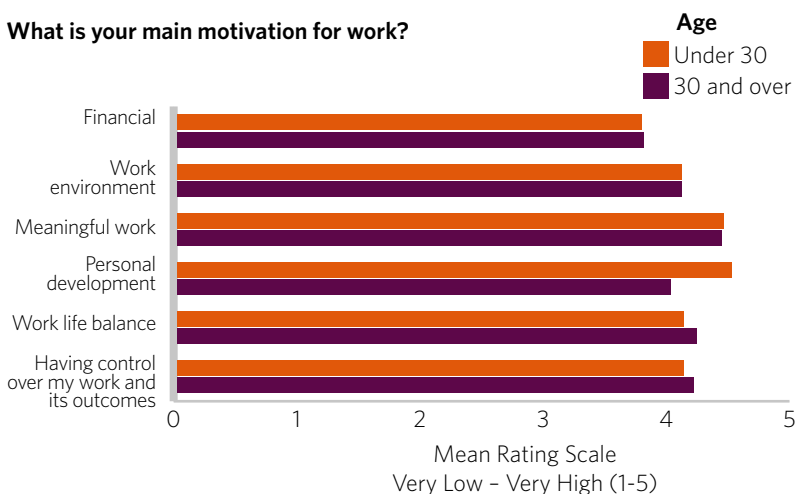
Work has many meanings – both positive and negative. Yet even where work is dull, repetitive or gruelling, the meaning of work as compulsory, unavoidable activity has not entirely crowded out the meaning of work as free, expressive and creative activity (Spencer, 2009)³⁵.

The ideal of meaningful work, which uses the full range of a person’s capabilities for a worthy purpose, retains a strong hold upon our imagination. It motivates us to seek work that adds to the personal meaning of our lives and even to aspire to a society transformed by each person being able to do work that he or she finds worth doing.

Often work has been the difference between life or death, which explains why it has played such a central role in our society. But as the risk of death by starvation has receded in the developed world, and standards of living have risen, so the centrality of work has declined for millennials in comparison with other generations.

Yet, while work is not as important to millennials as it was to their antecedents, some studies show that millennials experience higher job satisfaction than previous generations (Kowske et al, 2010)³⁶. Although these findings appear to be at odds with one another, the reality is that the opportunities to do interesting work now are greater than ever before. Another

What is your main motivation for work?



important factor at play may be how individual job satisfaction relates to the ability to 'shape one's life as a whole', so that work, although de-centred, is still a crucial component of life crafting.

We found that personal development stands out overwhelmingly as the factor that motivates millennials in the employee ownership workplace. This is the natural consequence of where they are in their career journeys, which probably explains why personal development decreases in importance as a motivator with each successive age group.

The next, and almost equally important, motivator for our millennial respondents is meaningful work, which is also regarded as just as important by their more mature colleagues.

These two insights should send a strong message to employee-owned businesses (and other businesses) about what matters when it comes to retaining talented staff in the workplace. Employee-owned businesses are probably better placed than most in ensuring employees are motivated in this way, given the organisational emphasis in such businesses on employee engagement and participation³⁷.

Work/life balance, the general work environment and being able to have control over work and outcomes are marginally less significant for millennials than for their more mature colleagues. This might be a reflection of the greater pressures workers come under as they age and get more caring responsibilities.

Our findings show that neither millennials nor their more mature colleagues say they are highly motivated by financial rewards. This is consistent with other findings in our survey and other independent research that finds factors such as having autonomy in our work, being able to acquire mastery, and fulfilling a purpose, motivate people more than money³⁸.

The replies to this question help us describe in more detail the millennial-friendly workplace.

A millennial-friendly workplace is an intergenerational workplace – one where millennials encounter mentors whose model ways of working and living they respect, and where culture, work and pay are designed to create a sense of belonging, as well as recognise individual success. In such a setting, fixed pay signals security, whereas variable pay signals risk. This suggests that financial incentive schemes to motivate millennials should be designed to connect them to worthwhile goals and outcomes, which they believe make a useful contribution to the world. Here, the central importance of meaningful work, if not work *per se*, becomes relevant.

Essentially what millennials value in the workplace is having the ability to bond with co-workers and balance work and life. Hence they often reject the long hours cultures of many large, established businesses, preferring small-scale companies that offer a variety of tasks and the opportunity for personal development.

So there is much in our findings above to explode the myth that millennials don't care enough. Giving them

the right support, the chance to work in their own way on projects that matter to them and then trusting them to do the job, without being micro managed, will likely deliver excellent results.



"I have the scope to carve my own niche"

"I turned down a better paying job with a major bank because I believed in the employee-owned model more"

"My previous job in a non-employee-owned business felt too competitive and selfish whereas in my employee-owned company I was welcomed"

"My company feels like an extended family"

"I would struggle in a job if it was only about billable hours"

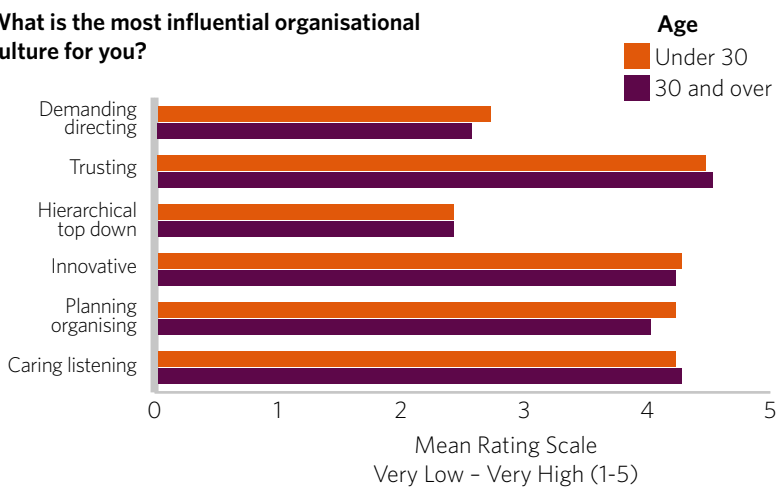
35. *Work in utopia: Pro-work sentiments in the writings of four critics of classical economics. The European Journal of the History of Economic Thought*, 16 (1), 97-122, Spencer, D. A. (2009)
36. Millennials' (lack of) attitude problem: An empirical examination of generation effects on work attitudes, *Journal of Business and Psychology*, Kowske, B. J., Rasch, R., & Wiley, J. (2010)
37. Alfes, K., Truss, C., Soane, E. C., Rees, C. & Gatenby, M. (2010) *Creating an Engaged Workforce: Findings from the Kingston Employee Engagement Consortium Project*. [Online] CIPD Report, http://www.cipd.co.uk/NR/rdonlyres/DD66E557-DB90-4F07-8198-87C3876F3371/0/Creating_engaged_workforce.pdf
38. *Drive: The Surprising Truth About What Motivates Us*, Daniel H Pink (2010)



5.

Cultural values that influence

What is the most influential organisational culture for you?



We asked respondents, 'what is the most important influential organisational culture for you?'

The interesting finding from the replies to this question is that all people essentially value the same attributes in an organisation's culture, regardless of their age. So millennials and those 30 and over want to work for well-organised businesses that trust staff, listen to them and have innovative and caring cultures. Being listened to means that your 'voice' is likely to be heard, which matters greatly in 21st-century organisations.

No age group is attracted to the idea of a business that has a demanding or hierarchical culture. These findings reconfirm those in response to other questions that individuals have a strong need for empowerment and a distaste for micro-management or an overly directive style.



"Younger people are given a voice and opportunity"

"Having a voice does not happen in other businesses in the same way"

"Employee ownership offers a moral framework for business"

"I don't want to be micro-managed 24/7!"



Being seen and heard

We asked respondents whether they agreed with certain propositions regarding the characteristics of an employee-owned business.

Millennials generally rated these organisational characteristics more strongly than other respondents.

All survey respondents indicated that the environment of an employee-owned business is conducive to them feeling safe to express ideas. They also feel that they have a 'voice' and the ability to influence decision-making. This is particularly the case among millennials and true to a large extent for those 30 and over.

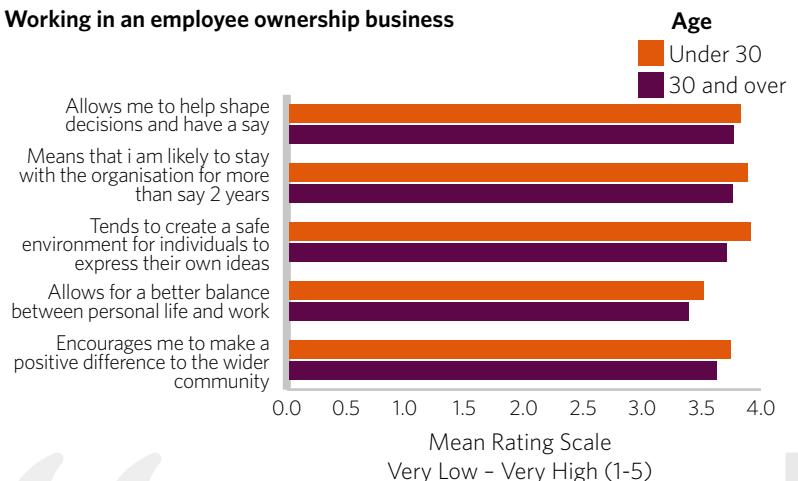
Millennials have a reputation for moving from employer to employer at a fairly rapid rate. PwC's research³⁹ suggests this is because they value results over tenure and are sometimes frustrated with the amount of time it takes to work up the career ladder. They are prepared to leave organisations with unattractive management styles, low opportunities for autonomy and personal development, and poor attention to worthwhile goals.

It is significant, then, that the millennials we surveyed said that working in an employee-owned business meant that they were more likely to stay with their organisation for over two years. Perhaps they feel that working in an employee-owned business allows them to deliver better results. This would align with the fact that they believe their employer encourages them to make a positive difference to the wider community.

Ultimately the millennial generation values stability and belonging and does not regard 'job hopping' as a desirable feature of a working life. Indeed, research shows that due to the rapid pace of change this generation actually needs job security more than previous generations (Twenge et al, 2010; Smola & Sutton, 2002)⁴⁰. So it is likely that the customer service orientations of millennials (see comments above) will be positively shaped by workplaces that emphasise belonging, relationships, stability and the ability to craft one's own life.

Finally, it is worth noting, perhaps surprisingly, that respondents do not see having the ability to better balance their work and personal lives as one of the principal advantages of working for an employee-owned business. There could be a number of reasons for this – including the fact they don't see they have a good work/life balance or they recognize that they do, but take this as a given instead of setting particular store by it.

Working in an employee ownership business



"I am encouraged to voice my opinions and contribute"

"Hard work is rewarded across the team"

"We have strong positive interactions and involvement with the local community, schools, events etc"

"We don't just sit in a bubble doing our daily job"



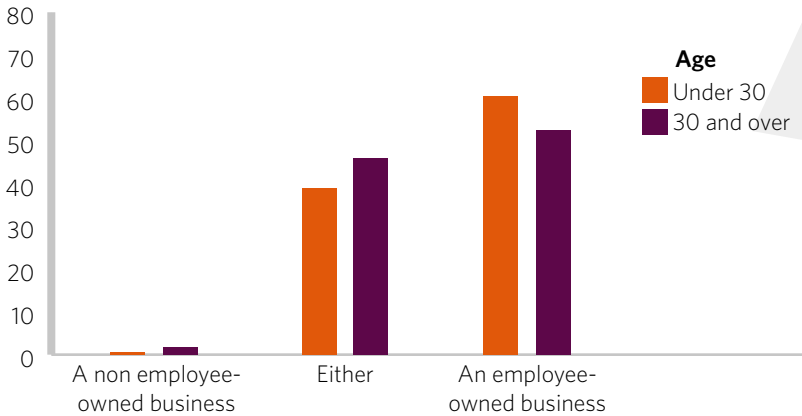
39. *Millennials at Work - Reshaping the Workplace*, PwC, 2011

40. *Generational differences in work values: leisure and extrinsic values increasing, social and intrinsic values decreasing*, *Journal of Management (NY)* 36(5), 1117, Twenge, J.M., Campbell, S.M., & Hoffman, B.J. (2010). *Generational differences: revisiting generational work values for the new millennium*, *Journal of Organizational Behavior*, 23, 363-382, Smola, K.W., & Sutton, C.D. (2002).



A better place to work

If you moved jobs which would you prefer to find?



We asked our respondents questions about the prospect of working elsewhere. The responses provided a clear message.

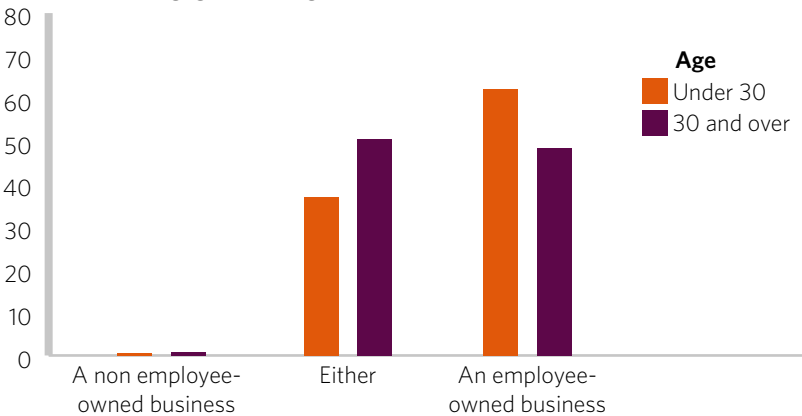
Once you've worked for an employee-owned business, the prospect of working somewhere else is not very appealing to any of our respondents. That is the message from the replies to these questions.

Millennials, in particular, are quite clear that if they moved jobs, they would prefer to work for another employee-owned business – although we believe that they are prepared to be flexible in the light of the fact employee-owned businesses still represent a comparatively small proportion of the job market. This is a healthy attitude, which reflects their willingness to give their best discretionary effort where they are appreciated.

When it comes to engagement, millennials appear to be more motivated by the employee-owned business model than their more mature colleagues. The reason for that could be that it is still a relative novelty to them, whereas their older peers may have started to take it for granted.

Significantly, the overall attraction of a non-employee-owned business to employees in every age group is extremely low. This is particularly apparent among employees with the longest periods of service (more than 10 years).

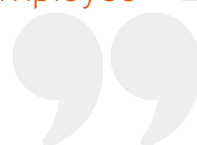
Where is it better to work? Would you be more engaged working in either?



“People tend not to rock the boat, which gives us more stability”

“If I were to start my own business, I would choose employee ownership as a business model”

“I feel proud of my company”



Trust and belief

We asked our respondents specifically about trust and belief in senior management and whether they promoted employee ownership outside the workplace.

When asked if they have greater trust in senior management, as a result of working for an employee-owned business, the differences in response between millennials and those 30 and over are fairly minimal.

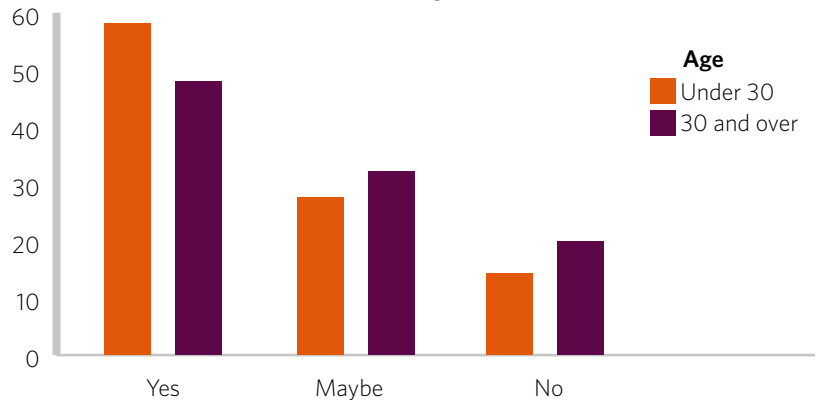
The same goes for the question on whether they promote employee ownership outside the company as a more effective and enjoyable way of doing business.

On the question of trust, millennials appear to be prepared to put their faith in senior management a little more strongly than their more mature employees. Of course, it is hard to know whether this is because they have suffered less disappointment during the course of career progression – something that can happen in all employments – or whether they genuinely believe in the more open and engaging nature of employee-owned businesses. It would be interesting to ask the millennials we surveyed exactly the same question in five years' time, when mid-career challenges may have become more significant for them.

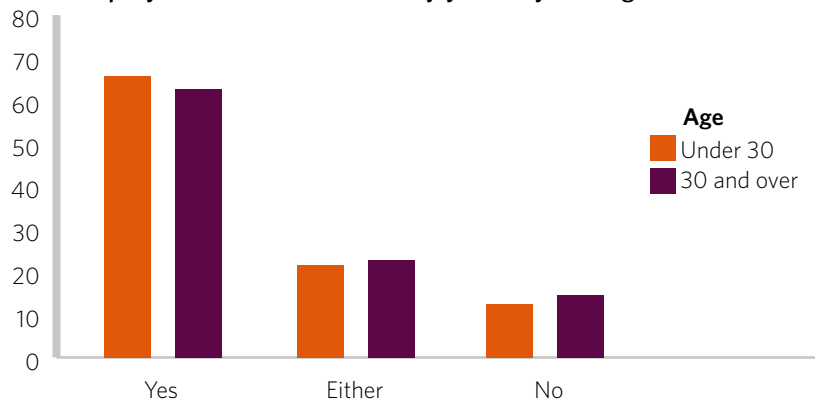
Employee-owned businesses should be encouraged by the fact millennial respondents are marginally more inclined to promote the business model as a 'good thing'. This trend was re-enforced by verbatim comments in our interviews. Positivity towards the business model is a good basis for using the cultural benefits of employee ownership to build enduring relationships with millennials.

Overall, it does appear that millennials 'get' the softer and more subtle aspects of being part of an employee-owned business. Nevertheless, it must not be taken for granted and requires continuous attention by senior management.

Working in an employee-owned company gives you more belief and trust in senior management?



Do you promote the concept of employee ownership outside the company as a more effective and enjoyable way of doing business?



"Trust is not necessarily generated just by being an employee-owned business"

"Employee ownership may act as a lure to hold on to people"

"We are not bound to any particular job"

"Employee ownership needs to be more widely known and explained"





The millennial world

observations and reflections



The relationship between business and society is shifting markedly. There are many reasons for the shift. These include the fallout from the global financial crisis, the controversy around corporate tax avoidance, rapid advances in technology – which have democratised a wide range of services – and the rise of the ‘gig economy’, where organisations tap the talents of freelancers instead of taking permanent staff onto their payroll.

As a result of the shift, public trust in business is low, inequality is rising, and work is increasingly precarious.

This means millennials must navigate an uncertain and increasingly complex environment while simultaneously seeking out meaningful work that makes the most of their capabilities, energies and values.

Our research shows that the arrival of millennials in the workplace does not create difficulties for the employee-owned business model. Employee ownership works well to meet the aspirations of millennials, as it does for other generations. But there are differences of emphasis for millennials and employee-owned businesses must decide how to respond.

Employee-owned companies have an organisational advantage over many other organisations, in that, employees have a say as shareholders in that business (either directly or through shares held on their behalf). Co-owned businesses therefore particularly have the potential to hardwire meaningfulness, purpose and voice into their leadership and organisational practices – and to do so in ways that encourage dignity and mutual respect.

We believe that the employee ownership business model can empower millennials to overcome the societal challenges they face.

What’s more, employee ownership chimes with calls from leading business thinkers that the time has arrived when “managers must ascribe some intrinsic worth to stakeholders” such that “human beings have value in themselves” (Donaldson, 2008)⁴¹. Indeed, in a 2014 *New York Times* interview⁴², Satya Nadella, Microsoft’s chief executive, suggested that an organisation’s longevity will depend upon its capacity to craft meaningfulness: “For us to be a 100-year old company where people find deep meaning at work, that’s the quest”.

Employee ownership is an active business

discipline that requires its leaders to think differently from leaders of organisations that operate other business models. In particular, a lively co-ownership philosophy, when combined with management practices that reflect this co-ownership, have been shown to link to better outcomes in productivity and value creation.

For millennials to be attracted to co-ownership and to see it as a pathway to success, employee-owned businesses are likely to have grappled with some of the following questions:

- what is our reason for being? What purpose and values does this reason convey?
- what processes should we develop to help employee owners connect to our reason for being?
- what model of leadership is consistent with our processes, purpose and values?⁴³

“It is comforting to know that we are able to have a regular dialogue with senior management”



“The beauty of employee ownership is that it feels very liberal – so it encourages a radical mindset and allows challenges to establishment type corporatism”

- how do we design and implement management practices that fully express our co-ownership philosophy?
- how do we understand how well we are doing?

Any organisation that wants to reach out to millennials must consider their interests and priorities (in terms of income, work and sense of belonging), the choices they will make, and the intergenerational responsibilities towards them. In other words, creating a millennial-friendly workplace involves holding cross-

generational conversations – which should suit organisations that are becoming increasingly diverse with respect to age, gender and ethnicity. Forging a strategy of collective action across lines of difference is an organisational capability – and a potential area of competitive advantage – for employee-owned businesses.

We are, however, seeing some challenges to the co-ownership model. Some shareholder companies seek to replicate the benefits of co-ownership while avoiding shared formal ownership and worker representation in decision-making. And, in the US predominantly and Europe, there is a growth in new corporate structures. They include flexible purpose corporations and benefit corporations⁴⁴. These organisations allow social entrepreneurs to pursue social, environmental and financial purposes, with the aim of shared value creation, but importantly they do not require co-ownership.

Benefit corporations and other such organisations are at an early stage of innovation, however. So while their purpose is attractive, they must still pay attention to the needs of the individual employees that work within them, as well as to their own corporate behaviours, relationships and values. Employee-owned organisations are further advanced when it comes to combining a co-ownership ethos with leadership, purpose and organisational procedures – in particular, incorporating a stable “voice” system. We have seen with public service mutuals how employee ownership and community benefit can be combined. Nevertheless there is a need for employee ownership as a sector to further develop self-understanding, encourage innovation and promote best practice.

We suggest that by attending to the choices and interests of millennials, and meeting responsibilities towards them, the employee ownership sector will gain wider insight into the general concerns of all workers – many of whom may be parents of millennials and worry for their future.

Overall, we believe that the employee-owned business model can prosper in the hands of a new generation and that we have exposed the myth surrounding millennials with regard to their supposed lack of engagement and, as many critics have said, their selfishness. It is not borne out by the evidence we have uncovered within the employee ownership sector. In fact, we have found a good match between millennial attitudes and the ethos of employee ownership.

41. *Dialogue : Toward Superior Stakeholder Theory*, *Business Ethics Quarterly*, 18, 153-190, Bradley R. Agle, Thomas Donaldson, R. Edward Freeman, Michael C. Jensen, Ronald K. Mitchell and Donna J. Wood (2008)

42. <http://www.nytimes.com/2014/02/21/business/satya-nadella-chief-of-microsoft-on-his-new-role.html>

43. *From Traditional to Innovative Multi-Stakeholder Mutuals: The Case of Rochdale Boroughwide Housing*. In: Blasi, Borzaga & Michie (eds.) *The Oxford Handbook of Cooperative and Mutual Business*. Oxford: Oxford University Press. Forthcoming, Yeoman, R. (2016).

44. The California Corporate Flexibility Act of 2011 authorised the ‘flexible purpose organisation’; Vermont (2008) established the low-profit limited liability company (L3C); and the benefit corporation was first adopted by Maryland in 2010 (Brakman Reiser, 2015).



Notes

How to get the best from millennials

- Pay attention to their needs
Give them flexibility and an attractive work/life balance. Develop a culture that appeals. Prioritise their wellbeing and a sense of belonging.
- Use them or lose them
Personal development and mentoring matter. Tell them the overall purpose of the business. Provide them clear objectives.
- Showcase your values and purpose
Articulate company values, with social responsibility and wider community issues at the top of the list. Focus on their concerns with social impact as much as with bottom line impact.
- Technology is their lifeblood!
Appeal to their "digital native" status. Don't stifle their techie instincts - play to their strongest suit.
- Allow them to roam
Let them work from home and internet cafes. Expose them regularly to new experiences - maybe different cultures and geographies. At all cost avoid hobbling them to a desk!
- Keep them in the loop and have an open culture
Allow connection with senior leaders. Demonstrate that their voice is being heard, understood and supported - just putting them on the corporate ladder will not do it for them.

Memo to Self: Which of the above suggestions will I work on within my employee-owned organisation?

PS Send copies to HR, L&D and Talent - Who else?



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