Millennial Mindset: How to Attract Millennials to an Aging Industry

By Katie Gouldner

Insurance faces a potentially staggering employment hole as the current workforce ages. The Independent Insurance Agents and Brokers of America's 2014 Agency Universe Study showed that 54 percent of principals/producers are older than 56, and 36 percent of principals/producers are 61 or older (Largent 2016). According to the U.S. Bureau of Labor Statistics, by 2022, the insurance industry will need to replace more than 295,000 positions (Largent 2016). To make matters worse, the unemployment rate in the insurance industry is 2.3 percent which shows a career within the industry is not in demand and only 40 colleges and universities offer degrees within the industry (Largent 2016). Graduates from these programs will only fill 10-15 percent of the need (Largent 2016).

"The results reveal a quiet crisis—a generation of leaders who aren't interested in many businesses that drive our nation's economy," said The Hartford's Millennial Workplace Expert Lindsay Pollak. "Millennials can help close this leadership gap by widening their career searches and exploring jobs, salaries and benefits before writing off whole sectors of the U.S. job market." (Cook 2015).

One item that should be on every insurance professionals' mind is how the industry is going to replace the population of Baby Boomers (Boomers) retiring now and over the next decade. According to studies, the number of professionals 55 and older is 30 percent higher in the insurance industry than the rest of the economy (Cook 2015).

The struggle is real as the emerging workforce (Millennials) doesn't view insurance as a particularly appealing profession (Cook 2015). Only 4 percent indicated insurance as an attractive industry (Cook 2015).

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Business leaders within the industry will need to take a step back and rethink the way they go about doing business if they are to attract the talent that is needed to replace the aging industry (Matuson 2015). In a nut shell, leaders will need to transform their company's "culture" in order to attract the success-oriented, multi-tasking individuals born between 1980 and 2000 (Lancaster & Stillman 2005).

Originally, the insurance industry was built on an apprentice structure. Employees had a long learning curve and promotions that were commensurate with tenure
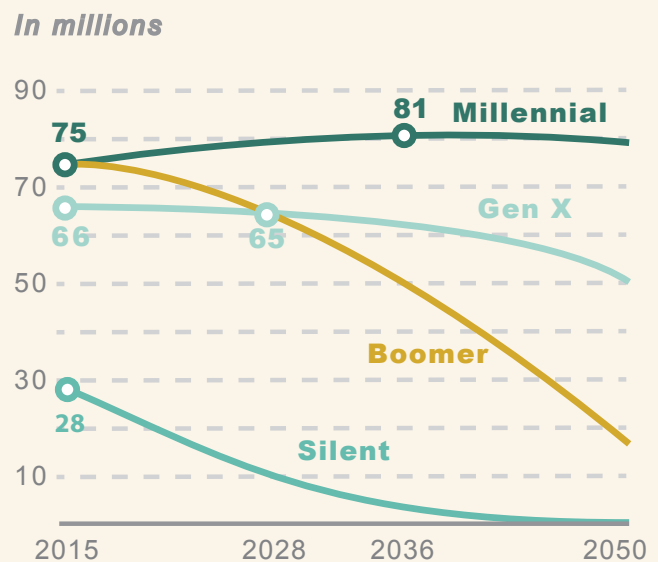

Projected population by generation

In millions

Figure 1: Source: "This Year Millennials Will Overtake Baby Boomers," Pew Research Center, January 15, 2015 accessed at http://www.pewresearch.org/fact-tank/2015/01/16/this-year-millennials-will-overtake-baby-boomers/

Note: Millennials refers to the population ages 18 to 34 as if 2015. Source: Pew Research Center tabulations of U.S. Census Bureau population projections released December 2014 and 2015 population estimates

(Ruquet 2013). And the industry is known for being highly regulated. Contrast that with the millennial expectations of the workforce, and the problem becomes obvious (Ruquet 2013).

Stereotypes about Millennials depict them as lazy, entitled, and spoiled, especially when it comes to their work ethic—but at the same time the generation has also been known for its innovative way of thinking and desire to work for something other than money (White 2015).

> **"The message is clear: when looking at their career goals, today's Millennials are just as interested in how a business develops its people and how it contributes to society as they are in its products and profits," said Barry Salzberg, CEO of Deloitte Global. "These findings should be viewed as a wake-up call to the business community."**

Having an understanding of the core differences in values between Boomers and the Millennials is key when taking those first steps to attract this new generation of employees to the industry. Companies can review policies and procedures to make way for a culture that encompasses different generations' values.

In general, Millennials do not develop organizational commitment the same way that Boomers have over the years. Boomers are depicted as having routinely sacrificed on behalf of the company, working overtime to demonstrate their dedication, and climbing organizational ranks by patiently waiting their turn for promotions (Myers and Sadaghiani 2010). Millennial workers are just the opposite. Surveys suggest these young adults are really not into the ladder-climbing rules and life-sucking schedules of their parents' careers (Costonis 2010).

According to a 2015 article in Fortune, Millennials crave a flexible schedule, the opportunity to invest time acquiring skills and knowledge they need to grow both personally and professionally, a chance to become involved in social causes, and an opportunity to gain a sense of a wider purpose in their work (Largent 2016).

One thing we know for certain, Millennials seem to view jobs and careers differently than their Boomer parents. When Boomers were asked what their primary concern was during their first job, about 64 percent talked about making as much money as possible or learning new skills (White 2015). When Millennials were asked the same question, 57 percent stated that their top priority was enjoying their work, or making a difference in society. Bottom line, Millennials care less about the money and more about fulfillment (White 2015).

Knowing that Millennials are motivated in different ways compared to previous generations, business leaders will need to practice 'purposeful hiring' when trying to attract Millennials (Matuson 2015).

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Figure 2: Millennials Expectations of Workforce

Generational differences are getting in the way of companies' success in recruiting employees (Lancaster & Stillman 2005). Companies can improve their ability to pull in top talent by making a few minor adjustments. Compiled below are a list of job attributes Millennials tend to seek based on various articles, studies and input from the next generation of leaders.

Millennials want more than just a training program

Emphasizing what your company is doing around career development will help you attract Millennials (Forbes 2015).

The Hartford's 2014 Millennial Leadership Survey shows that training is the best way employers can demonstrate an investment in them with 59 percent aspiring to be leaders in business within the next five years (Insurance Journal 2014).

"The Hartford's research has consistently shown Gen Y (Millennials) is a giant generation of go-getters who want to take charge but also yearn for training and mentoring," said Lindsey Pollak, author of the forthcoming "Becoming the Boss: New Rules for the Next Generation of Leaders" (Insurance Journal 2014).
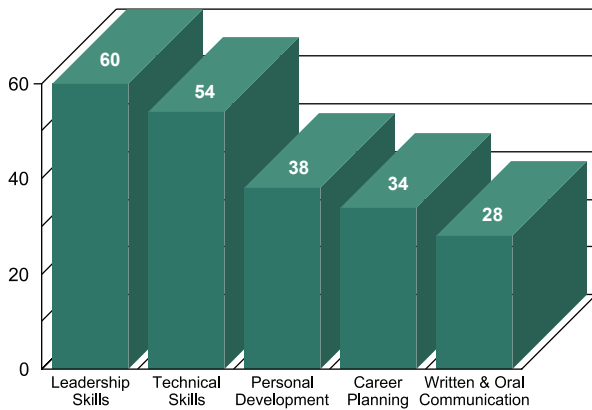

Figure 3: The Hartford's 2014 Millennial Leadership Survey

Millennials want a career, not a job

Craft an environment within your organization to weave Millennials into key roles in rather significant projects in order to include them in decision making.

Millennials have a different outlook on their early adulthood than Boomers had. This generation sees it as a time to make a difference in the world and their community causing them to be impatient about becoming recognized as valuable contributors (Myers and Sadaghiani 2010).

They have a much shorter timeframe when it comes to climbing the corporate ladder. Not only do they multitask well, but they view time as a valuable resource that should not be misspent (Myers and Sadaghiani 2010).

According to Gallop Polls, Millennials seek key roles in significant projects soon after their entrance into the organization (Myers and Sadaghiani 2010). Some suggest that being raised by highly communicative parents, Millennials have been a part of making family decisions since grade school, having an active role in the day-to-day negotiations of their home lives (Collins 2005). For employers, this means that this generation will yearn to contribute and collaborate from day one as they immediately embrace a team-oriented, collaborative environment (Lancaster & Stillman 2002).

"Each time I changed jobs, it was because I wanted to leverage the skills and experience that I had acquired," said Lauren Graves, a 27 year old HR director. "I need to

be continually challenging myself and moving outside my comfort zone. Otherwise I get bored." (Hirsch 2016).

Paying their dues

Long gone are the days when all employees feel "paying their dues" should determine their location in the company's organizational chart. Millennials expect evaluation of their work to be based on the outcomes produced, not based on the age, experience, or tenure of the person who produced them (Myers and Sadaghiani 2010).

Boomers may not share this perspective. Millennials tend to be unusually and extraordinarily confident in their abilities (Myers and Sadaghiani 2010). This confidence has been sustained by frequent praise from their parents and an educational system with inflated grades and standardized tests in which Millennials are experts in performing well (Myers and Sadaghiani). The idea of paying their dues by working hard to demonstrate their worth before they are given significant tasks is likely to be resisted by this generation.

Standard feedback just doesn't cut it these days

There is a certain expectation that communication with supervisors should be more frequent, more positive and more affirming than Boomers preferred (Myers and Sadaghiani 2010). This may be a result of Millennials not being intimidated by individuals who are more senior, either in age or in status (Myers and Sadaghiani 2010).

Popular literature suggests that as children they were encouraged to befriend parents and friends of their parents (Howe and Strauss 2007). As teens, they became comfortable expressing their thoughts and opinions to adults, expecting credibility despite their young age and lack of experience (Tap Scott 1998). Millennials are eager to develop this type of close relationship with their "workplace parents" (Myers and Sadaghiani 2010).

Work/life balance is in, while working long hours is out

A pertinent example of attitudinal and value differences related to Millennials and Boomers is how the generations perceive their careers. Academic sources explain that "career" plays a significant role in Boomers' lives and is an essential component of their identities. Boomer workers are depicted as having routinely sacrificed on behalf of the firm, working 55-60 hours a week.

Millennials do not share these same beliefs. Instead, work is less significant to their personal identities, more to support the lifestyle they desire (Myers and Sadaghiani 2010). Boomers have embraced competitiveness, focused on climbing the corporate ladder, and are considered to be the original workaholics. Millennials are just the opposite — they

are interested in flexible careers, teamwork and work-life balance.

Corporate Social Responsibility

Millennials are value driven. They care about the social consciousness of a company (Wendover 2012). Seventy-nine percent want to work for a company that cares about how it impacts and contributes to society, and 64 percent say their company's social and environmental activities make them feel loyal to that company (Wendover 2012). These numbers prove the importance of corporate responsibility to Millennials.

It's vital for an employer's corporate values to be in sync with theirs, and that Millennials feel their company's corporate social responsibility efforts allow them to be proud of where they work.

In Closing

Although Millennials have very distinctive characteristics that are causing employers to reassess the culture of the workplace, they should be viewed by employers as opportunities rather than as obstacles (Myers and Sadaghiani 2010).

Today, there are many changes taking place in the insurance industry, especially in the way of technology.

It seems as though the industry is now realizing the need to be more nimble, efficient and accessible in order to serve today's tech-savvy customer. Who better to do this than tech-savvy Millennials who are not bound by the way things used to be done? (Attracting Millennials to Insurance Blog 2016).

Just remember, as much as the industry needs Millennials, Millennials need the expertise and experience that Boomers bring to the table (Costonis 2010). Finding a way to weave Millennials into an organization's culture is key to driving innovation and paving the way for an insurance company to succeed now and into the future. ⓐ

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Millers Mutual, based in Harrisburg, Pennsylvania, is a regional property and casualty insurer serving commercial policyholders in Pennsylvania, Delaware, Maryland, Virginia and Washington, D.C., through a network of independent agents. For more information visit http://www.millersmutualgroup.com/.

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