Millennial Development: Cultivating the Next Generation of Leaders

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This is the prime time for businesses to focus on Millennials; in 2015, they are projected to become the largest living generation (Fry, 2015). Some estimates have as much as 80% of the professional knowledge workforce comprised of Millennials, aka Generation Y, by 2016, with even the most conservative estimates counting Millennials as over half of the workforce next year (Pew Research Center, 2010; Pricewaterhouse Coopers, 2013; Thompson & Gregory, 2012).

Calling them the next generation of leaders may be a bit misleading, however. Nearly half of Millennials in the workforce are already in a front-line or higher leadership role. This is a greater percentage than either of the previous two generations at the same point in their career trajectory (Neal & Watkins, 2014). According to a survey of more than 13,000 leaders across more than 2,000 organizations and 48 countries, having a higher percentage (30% or more) of leaders that are Millennials has a statistically significant, moderate impact on organizational financial performance, current and future leadership strength, and leader engagement and retention.

Millennial Leadership Development Needs

Before we get into the detail of what most Millennials need to develop as leaders, let’s take a look at what they don’t need. This is critical because they don’t need the traditional focus on diversity acceptance, international and organizational culture, and using technology to manage a geographically disperse workforce (Neal & Watkins, 2014). This generation has an intuitive understanding of how to use technology, and social media in particular, for a wide variety of applications from research to relationship building. Diversity is not a concept to be studied and accepted, but a way of life.

What do Millennials need? They must develop management fundamentals and interpersonal savvy. The flip side of their strength at using technology to build relationships is an expectation that relationships are easy to create and maintain (Thompson & Gregory, 2012). Simply post, tag, like, tweet, or snap and all of their relationships with hundreds of contacts are viewed as successfully maintained.

The Millennial generation needs to become comfortable with building one-on-one relationships as well as strengthen their position authority as managers. They need to understand the responsibility this authority brings with it to not only be developed by their managers and mentors but to develop their team as well. More specifically, “Their biggest communications challenge may be learning to be effective when they are physically present” (Neal & Watkins, 2014), a skill set that most members of the previous generations take for granted.

Similarly, communication and interpersonal savvy are key contributors to leader success at all levels, becoming even more important as leaders climb higher (McCall, Yost, McHenry, O’Connor, & Plunkett, 2014). Partially due to ever decreasing emphasis on one-on-one personal interaction, management consultants and executive coaches are being called upon more and more to develop current and prospective leaders’ “relationship capital” (Matson & Prusak, 2010).

Just because relationship capital is a larger component of the effectiveness of leaders as they rise does not mean this valuable skill isn’t critical at all stages in the leadership pipeline. “Leaders in companies prioritizing interaction skills are more effective at coaching and developing others; communicating and interacting; developing strong networks and partnerships; fostering employee creativity and innovation; and identifying and developing future talent” (Sinar, Wellins, Ray, Abel, & Neal, 2014).
Emotional Intelligence

Millennial leaders also need to understand how to leverage emotional intelligence (Neal & Watkins, 2014). The first step in helping them learn to do this is to assess their innate emotional intelligence, as a baseline for future growth.

The Emotional Judgment Inventory (EJI) is a robust, self-report emotional intelligence assessment that brings together the most respected theories of emotional intelligence to provide insight into a candidate's tendency to recognize, manage, and effectively use emotional information. Effective leaders at all levels understand the importance of using emotional information to influence and coach others. And emotional intelligence is one of the most trainable qualities of leaders, as it is a competency lying at the intersection of personality trait, skill, and ability.

A recent survey of the 500 fastest growing private companies in the U.S. (Zugec, 2015) echoes the need for interpersonal and communication skills and an understanding of individual differences in personality for the next set of leaders. In the survey, 80% of the respondents emphasized that leaders need to

- interact with others effectively to produce outcomes,
- assess the needs of others accurately,
- respect the values of others,
- understand and act upon individual differences,
- communicate effectively across all mediums (written, verbal, nonverbal) and overcome communication barriers.

Millennial Leadership Traits

Research using the 16pf® Questionnaire has uncovered some basic personality distinctions for the Millennials when compared to members of other generational cohorts. Millennials tend to be more Lively, energetic and spontaneous, as well as more Abstract, focused on the future, ideas, creativity, and innovation, when compared to either Generation X or the Baby Boom Generation. They are also less Rule-Conscious than Generation X and the most Apprehensive generation (Gulko, Lundahl, & Davis, 2015).

As a generation, Millennials are inherently collaborative (less Self-Reliant). While Liveliness may be a function of age as much as generational cohort because an age difference in this trait has been found repeatedly in 16pf normative research when comparing those under 40 to those over 40, the distinctions in Abstractedness (big picture focus), Rule-Consciousness, and Apprehension appear to be unique to Generation Y.

<table>
<thead>
<tr>
<th>Generation</th>
<th>Millennial</th>
<th>X</th>
<th>Baby Boom</th>
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</thead>
<tbody>
<tr>
<td>Liveliness</td>
<td>+</td>
<td>+</td>
<td>-</td>
</tr>
<tr>
<td>Abstractedness</td>
<td>+</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Rule-Consciousness</td>
<td>-</td>
<td>+</td>
<td>0</td>
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<tr>
<td>Apprehension</td>
<td>+</td>
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<tr>
<td>Self-Reliance</td>
<td>-</td>
<td>0</td>
<td>+</td>
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<tr>
<td>Emotional Stability</td>
<td>-</td>
<td>0</td>
<td>+</td>
</tr>
</tbody>
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+ indicates higher mean scores for this cohort; - indicates lower mean scores for this cohort; 0 indicates no statistically significant differences for this generation.

This means, at the group level, we can expect our next generation of Millennial leaders to be more focused on overall business strategy and innovation with the competence and flexibility to excel at both.

Millennials are also the most ambitious, confident, and entrepreneurial generation to date (Thompson & Gregory, 2012), with the ability and preference to fluidly move from work to personal and back throughout the 24-hour day.

Identifying High Potentials

More than two-thirds of organizations suffer from false positives in selecting their high potentials (Ramirez, 2014). In other words, they equate high performers with high potentials, and then those high performers don’t have the personality characteristics needed to succeed as leaders, with at least 40% failing in their new leadership placement.

While most high potentials are, in fact, high performers, being a high performer is not sufficient to be a high potential. It is important to evaluate whether high performers have the inclination and drive to lead; personality assessment can do just that. Research suggests that the strongest levels of employee engagement and retention of high potentials can be found when approximately 15-30% of employees are categorized as high potentials and developed accordingly (Sinar et al., 2014). A normative personality assessment, such as the 16pf Questionnaire, can help you select this percentage of your organization as high potentials based on the entire U.S. working population.
With the ever-increasing emphasis on analytics and “big data” in the realm of Human Resources (Zugec, 2015) combined with less than half of organizations successfully applying analytics to leadership (Sinar et al., 2014), a method of quantifying the personality tendencies that are job-relevant to leadership using the same metric across all employees to level the playing field is no longer an option – it is a necessity. This metric could then be used both for selection, to filter the intensely competitive talent pool to only the best high potentials for a specific organization and job function, and to identify developmental needs of those high potentials as they walk in the door and throughout their career. Using the 16pf assessment provides such a metric and it can be used for both selection AND development insights on a candidate.

Leadership development programs are most effective when there is an agreed-upon leader success profile throughout the organization, including all global locations. A key component of such a leader success profile is identification of the personality traits that predict leadership style, which the 16pf assessment can provide, as well as taking into account the unique personality characteristics for your organizational culture and, when applicable, the local culture of your organization’s locations across the globe – all of which a validation study using the 16pf assessment can identify and confirm.

Key Take-Aways

Developing strong interactive skills in an in-person environment is no small task. This challenge will be especially important to overcome for Millennial leadership development. However, with sound measurement to determine baseline, self-insight, and practice, it is quite feasible for leaders at all levels to be effectively trained to improve their ability. The 16pf Questionnaire and the Emotional Judgment Inventory (EJI) can provide this baseline, essential for measuring training effectiveness, as well as provide the self-insight necessary to pinpoint specific areas of interpersonal interaction an individual Millennial potential leader needs to improve the most – whether that is building trust, facilitating honest discussion, or supporting without removing accountability, to mention only a few. It is well worth the investment in Millennial leadership development to transform today’s high potential individual contributors and managers into tomorrow’s strategic, flexible, collaborative, innovative, and technologically savvy leaders.

*Note on terminology: Definitions of Millennials, also called Generation Y, vary slightly, with years of birth ranging from as early as 1977 by some researchers and ending as late as 1997. The author’s definition is inclusive of this widely defined generation and does not attempt to definitively define the start and end points of this generation, whose key characteristic from the author’s viewpoint is that they came of age within approximately 10 years on either side of the millennium, hence the name for the generation.

Too few organizations include a valid measure of interpersonal competency in their selection process, instead relying solely on subjective judgment.
References


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