

# Divergent Views/ Common Ground



The Leadership Perspectives of C-Suite Executives  
and Millennial Leaders

Executive Summary

In most companies, Millennials are already a significant percentage of the workforce. In tech-related industries and management consulting firms, they are rapidly becoming the majority. Millennial leaders, more tech savvy, globally connected, and diverse than any generation in American history, will need to take on increasingly complex leadership roles, sometimes earlier in their careers and at a point at which neither they nor their companies are entirely comfortable with the level of readiness. It is simple: In the coming years, every leadership role will be filled by a member of the Millennial generation, and their impact as leaders will be felt for decades. With the GDP of the United States alone at more than \$18 trillion, the stakes could not be higher. It is imperative that all organizations in this increasingly global, interconnected, and ever-changing world have the effective leaders they will need to move their organizations, their communities, and their countries forward.

There are several credible, research-based studies of Millennials in the workplace, including Adkins' *What Millennials Want from Work and Life* (Gallup; 2016); Deal & Levenson's *What Millennials Want from Work: How to Maximize Engagement in Today's Workforce* (McGraw Hill, 2016) and *Myths, Exaggerations, and Uncomfortable Truths* (IBM, 2015), which have helped to frame realistic views of Millennial employees and their contributions. However, much less has been written about Millennial leaders, especially research-based examinations of these leaders within some of the world's greatest companies. This report seeks to fill that void in order to help current CEOs and C-Suite leaders better understand Millennial leaders, their views on leadership, their values, their preferred development styles, and the ways in which they will likely lead.

Our research sought to determine whether these leaders are indeed different from those of earlier generations. Specifically, we wanted to know if there is something inherently different among the leaders of this generational

cohort or if any differences might be more attributable to life stage. That is, as Millennial leaders age and are in the workforce longer, are they likely to develop views and attitudes about themselves and the world that are more closely aligned with those of previous generations?

Building on prior joint research,<sup>6</sup> the main objective of this project is to determine how Millennials view leadership, how senior leaders view leadership, how their views compare to the way other generations view leadership, and the implications for any significant differences in how Millennial leaders should be developed. In our earlier work, we found that aggressive-growth organizations have a significantly higher proportion of Millennial leaders than do organizations with slower growth trajectories. These Millennial leaders appear to be moving more quickly through the ranks than have leaders in other generations, perhaps signaling a willingness to step up and an eagerness for continual development. As they will be a significant percentage of the C-Suite in the coming decade, it is imperative to better understand the views and values of Millennial leaders and to ensure that existing C-Suite leaders, composed of several generational cohorts including Millennial leaders, appreciate both the areas of divergent thinking and the common ground that exist among leaders.

We believe the knowledge and insights we have gained through this research are valuable in supporting organizational efforts to:

- + Attract, develop, engage, retain, and empower Millennial leaders.
- + Determine the critical leadership skills for success now and in the future.
- + Strengthen relationships between the generational leader populations.
- + Align leadership development and succession efforts to business strategy.
- + Enhance corporate brand and reputation as an employer of choice among Millennial leaders.

<sup>6</sup>Development Dimensions International (DDI) and The Conference Board (TCB), Global Leadership Forecast 2014/2015. The full report can be read here: <https://www.ddiworld.com/glf>

## Surprising Similarities—and Important Differences

Our hypothesis was that differences among generational cohorts were more likely to be attributable to life stage versus inherent generational differences. Our research findings confirmed our hypothesis and shed light on the ways in which the rising generation of leaders might best carry forward the leadership of the organizations they serve. We learned that, generally, Millennial leaders aren't that different from other generations and from CEOs, but there are important caveats:

1. Technology is important to Millennial leaders, but they also want face-to-face interaction, especially with managers.
2. Social values are important to Millennial leaders, but they are not as important as CEOs might think.
3. Millennial leaders may be fearless, or unafraid to speak up, but they're also risk averse.
4. Millennial leaders want to work hard but on their own terms. Work/life balance is important to everyone, but decreases in importance with career advancement, perhaps triggered by the realization that with greater responsibility comes greater time commitments.
5. Millennial leaders want to stay but are willing to move if they aren't growing. Millennial leaders are as engaged, and intend to stay at a company, as long as other generations.
6. Millennial leaders prefer more informal leader-employee relationships but consider outcome-based accountability critical to achieving expected performance.
7. Millennial leaders don't like formal hierarchy but want to move up the ranks with promotions.
8. Millennial leaders have different workplace design preferences than CEOs think: they don't want low-hierarchy organizational structures or open design.

**However, Millennial leaders hold different views from other generations in that they:**

1. Value certainty and want to avoid risk more than do CEOs.
2. Value achievement and fun more than non-Millennials.
3. Are ambitious about their careers and expect advancement at an accelerated pace.
4. Find coaching from managers and internal coaches/mentors very effective.
5. Want mentoring by senior leaders, but not as much as CEOs think.

**CEOs value leadership qualities differently from other leadership cohorts in the following areas:**

1. CEOs place higher importance on emotional intelligence.
2. Whether now or in the future, global and cultural acumen is less important for CEOs.
3. CEOs see technology savvy as less important.
4. CEOs think taking career risks is a very beneficial developmental activity.

**Despite the differences listed above, leaders across the generational cohorts had much in common:**

1. Managerial feedback is important, particularly at lower-levels, while mentor feedback is consistently important across levels.
2. Sustainability is important to everyone.
3. Most common leadership derailers are consistent among all groups of respondents, with arrogance and avoidance topping the list across all leader cohorts.
4. Developing through a range of experiences makes a big difference.

Extensive detail about these and other findings can be found in the full report, which reflects our analysis of the data.

# About This Study

The project was jointly led by The Conference Board (TCB), Development Dimensions International (DDI), and RW2 Enterprises (RW2E). Please see page 5 for research team biographies. Fourteen organizations participated: Aetna, American Express, athenahealth, The Boeing Company, Cardinal Health, Humana, Johnson & Johnson, Kindred Healthcare, KPMG, Teachers Insurance and Annuity Association of America, United Rentals, UPS, Verizon Communications, and Xerox.

Beginning in the spring of 2016, we partnered with leadership teams at these 14 organizations to gather information as follows:

- The Chief Executive Officer (CEO) completed a leadership survey and participated in a 30- to 60-minute follow-up interview with a lead researcher.
- The Chief Human Resources Officer (CHRO) or the head of the Leadership Development function completed a survey regarding leadership development efforts across the enterprise and participated in a 60-minute follow-up interview with a lead researcher.
- C-Suite leaders participated in a 60-minute focus group facilitated by a lead researcher or, to accommodate schedule conflicts, a one-on-one telephone interview with a lead researcher.
- Millennial leaders participated in a 60-minute focus group facilitated by a lead researcher.
- C-Suite leaders, senior leaders, and Millennial leaders completed a leadership survey; thus, all leaders, regardless of generation, completed a survey.

Note: Although companies were given discretion to select their survey participants, we requested that their efforts generate at least 100 or more responses across different leadership levels, generational cohorts, genders, ethnicities, and geographic locations to the extent possible.

It is absolutely critical in generational research to isolate which differences are actually due to generation, versus those due to a leader's life stage or leader level. Without doing so, we run the risk of falling prey to the same mislabeling phenomenon described earlier, where younger leaders were labeled in surprisingly similar terms, regardless of whether they were Baby Boomers, Generation Xers, or Millennials, without any real insight into whether those differences disappeared as leaders advanced and gained more experience, or whether they were inherent to the generational group.

To disentangle generation from life-stage influences, we grouped and compared participating leaders using five categories (n= the number of respondents):

- First- and mid-level Millennial leaders (N = 665)—leaders born in 1982 or later and in early leader roles including supervisor, team leader, department manager, and group manager.
- Higher-level Millennial leaders (N = 118)—leaders born in 1982 or later and in advanced leader roles including director, vice president, senior vice president, and C-Suite positions other than the CEO.
- First- and mid-level non-Millennial leaders (N = 1,414)—leaders born before 1982 and in early leader roles including supervisor, team leader, department manager, and group manager.
- Higher-level non-Millennial leaders (N = 637)—leaders born before 1982 and in advanced leader roles including director, vice president, senior vice president, and C-Suite positions other than the CEO.
- CEOs (N = 14)—top leaders within the participating organizations.

All results presented describe any differences in terms whether they were true generational differences (i.e., the two Millennial leader groups differ from the two non-Millennial groups), life-stage/level differences (i.e., the two first/mid-level leader groups differ from the two higher-level leader groups), or if the difference is between one of those groups and the CEOs.



# Authors

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