

Purpose Beyond Profit: Things That Matter When Millennials Go Job Hunting

Fabian Buder and Christine Kittinger-Rosanelli

KEYWORDS

Millennials, Values, Career Motives, Job Motivation, Survey, Leaders of Tomorrow

THE AUTHORS

Fabian Buder

Head of Future & Trends Research
fabian.buder@nim.org

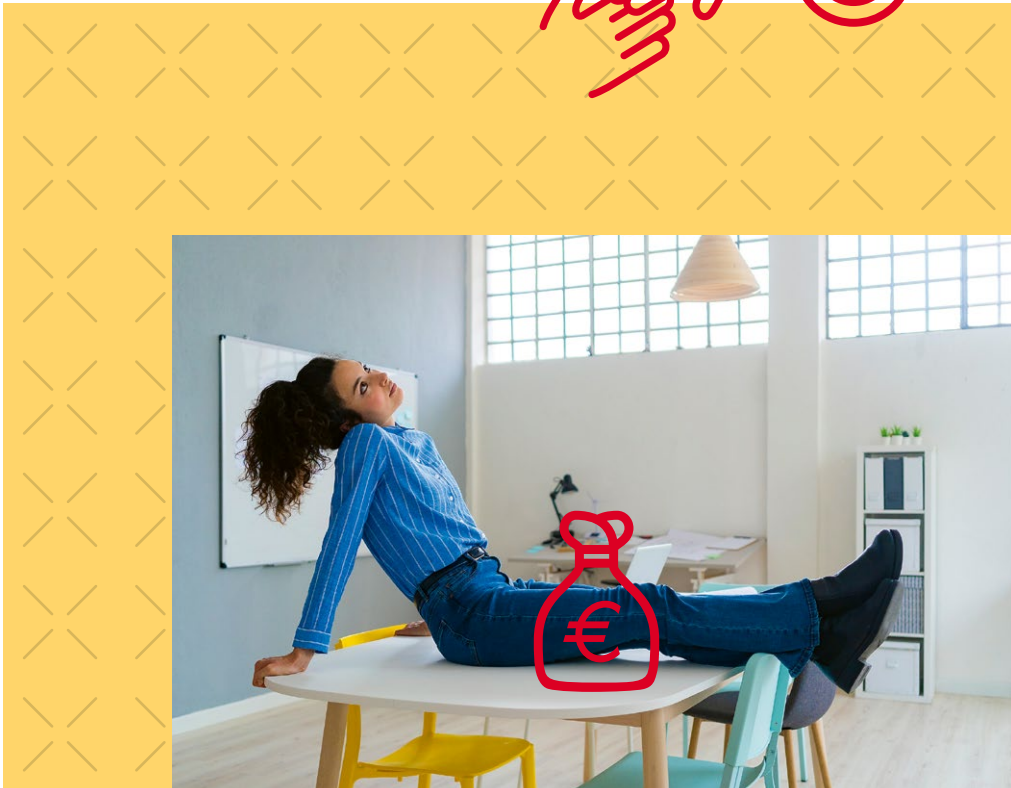
Christine Kittinger-Rosanelli

Managing Editor NIM MIR
christine.kittinger@nim.org

Both: Nuremberg Institute for Market Decisions
Nuremberg, Germany

The Generations Y and Z are moving up ✕ The next generation of leaders has grown up in a prosperous and digital world. Thanks to technical progress, these digital natives are permanently connected, and they get worldwide information in real-time and mostly for free. They have a new vision of time and space. Being able to permanently communicate and collaborate with others with diverse devices and applications is considered normal. We live in a convenient world, but increasingly, the young generations Y, the millennials and Z, the even younger ones, are being alert of potential downsides of the life we are leading and the cost we might be paying. In the past years, a wide range of issues has entered the global agenda and the young generation is at the forefront of fighting tendencies they do not like. Standing up against Wall Street, following Greta Thunberg in her urgent request to fight climate change or marching against racial discrimination have become global movements. How will these generations act in the workplace? How will socially and environmentally aware young talents manage companies and which job are they interested in taking in the first place? From an annual survey over the last few years (see Box 1), we got a very clear picture: The young generation favors purpose over profit.

The Leaders of Tomorrow look for meaning and purpose in their work ✕ In our 2015 survey, we asked millennials what motivates them in their career and let them select the three most important criteria by which they would measure the success of their professional career ten years later (Figure 1). Having a positive impact on society was the most important measure for career success, chosen by 46% of the Leaders of Tomorrow, followed by working on interesting and fascinating projects (34%).



Companies that fail to establish a purpose beyond profit shrink their talent pool.





BOX 1

The “Voices of the Leaders of Tomorrow” survey

Each year, the Nuremberg Institute for Market Decisions conducts a survey among the participants of the yearly conference and intergenerational dialogue “St. Gallen Symposium” about work-related values, opinions and priorities. Participants are mostly aged under 30 and come from all continents. The Symposium takes place at the University of St. Gallen, Switzerland. At the two-day event current key decision-makers from the fields of economics, politics, science and society meet and exchange with the next generation of leaders. These “Leaders of Tomorrow” qualify either through a global essay competition aimed at graduate students or are selected based on their professional or academic merit. Most likely, this selected group will have a significant influence on future economic developments and societies. The key topics of our survey changed over the years, but one finding turned up consistently: The “Leaders of Tomorrow” expect purpose from their employers and are more motivated to make the world a better place than to achieve status and money. In this article, we cite from the 2015 and 2019 reports. The full yearly reports of the surveys are available at nim.org and symposium.org.

The classical measures of career success such as a high salary (14%), extensive decision-making authority (12%), leading a large team (5%) or power over people (3%) were reported to be much less important. Social desirability bias might play a role, here, as thriving for money and power might be viewed as “uncool” in the generation of the Digital Natives, but there are further indicators showing that the next generation is unwilling to compromise on their values.

A shared purpose weighs in against financial incentives

✘ To check whether the prospective leaders also walk their talk, we asked them, in the 2019 wave, which role a purpose beyond profit played in their past job applications. Which trade-offs did they make when they selected potential employers? Did the actual decisions the millennials made back up their stated objective of making the world a better place? The results are disillusioning for companies trying to

attract talent mainly by offering competitive salaries and benefit packages. Companies that do not stand for a clearly articulated purpose and specific values may never make it to the long list of top talent job seekers. The Leaders of Tomorrow are genuinely acting to pursue their values and do not aspire to traditional top-level executive careers. Those who already had some experience in job seeking reported that they screened potential employers for having a purpose beyond profit that they care about. A significant proportion of the respondents said they decided not to apply for initially interesting job openings or even turned down interesting job offers if an employer did not fit their values. More than 40% of the respondents reported that they already accepted a job offer with lower payment for the sake of working for an employer that contributes to a purpose beyond profit and shares similar values (Figure 2). Of course, money is not irrelevant, but it is only one of the “three Ps,” as one of

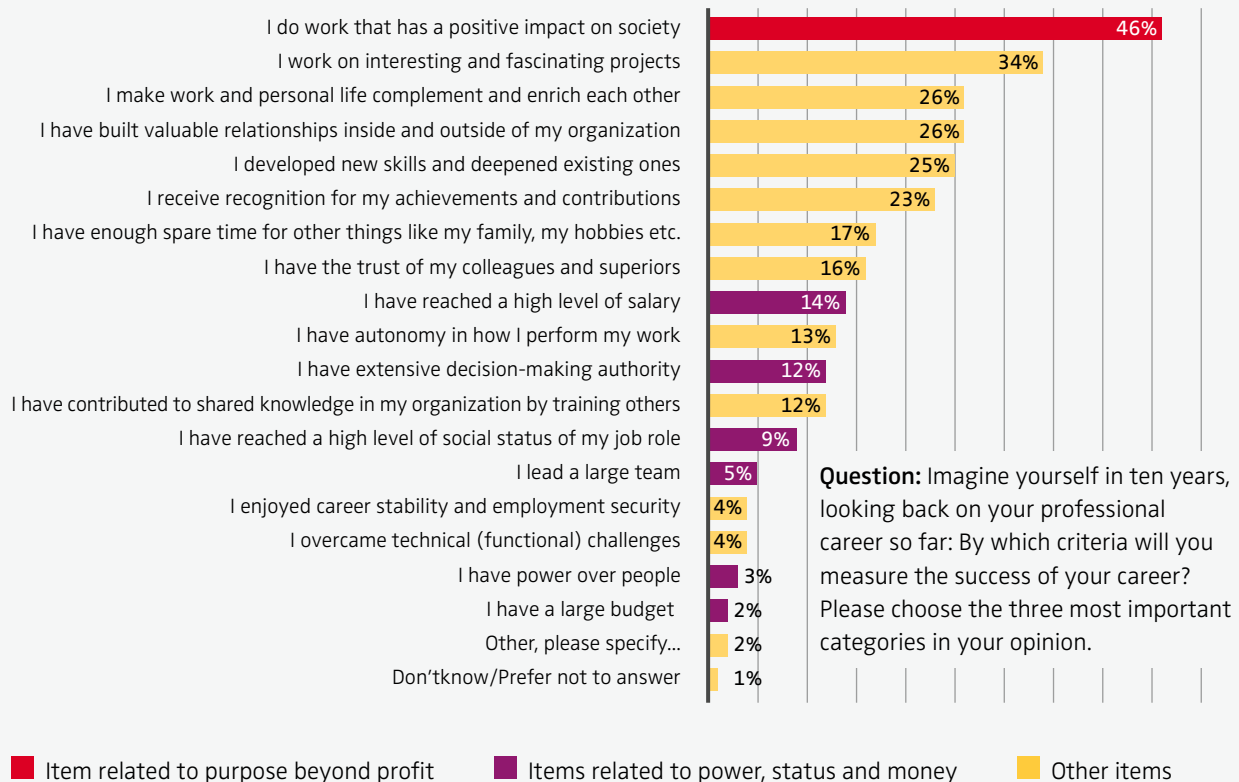


Companies that do not stand for a clearly articulated purpose and specific values may never make it to the long list of top talent job seekers.



FIGURE 1 > Leaders of Tomorrow seek career success primarily in meaningful work, rather than power, status and money

Measures for career success



n = 1095; "Leaders of Tomorrow – Wave 2015", © GfK Verein & St. Gallen Symposium | Source: Global Perspectives Barometer 2015

the interviewed Leaders of Tomorrow phrased it: Payment, purpose and people need to be in balance. In other words, the payment should be appropriate, the job meaningful, and colleagues likeable and fair.

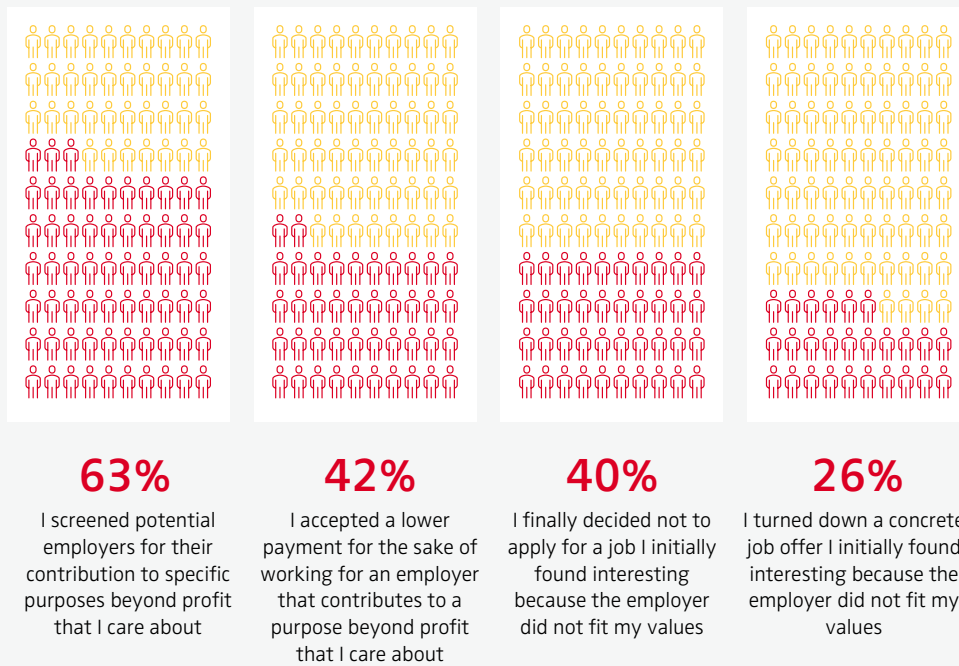
A change in corporate mindset is on its way ✕ Young talents not only prefer companies that take a stand on social matters, they are also ready to play an active role in shaping a more stakeholder oriented corporate mindset. They object to a too-strong focus on profit and shareholder value maximation, which, in their eyes, still dominates the business world today (Figure 3). For the surveyed Leaders of Tomorrow, the role of businesses in society is clearly a different one: Companies are rather seen as an instrument

for advancing human well-being. The respondents see an obligation of businesses to use their power to improve the state of the world. They emphasize businesses' responsibility to create value not only for their shareholders, but for all stakeholders, including employees, communities and the environment. Shareholder profit and efficiency move down in their priority list. Of course, it would be naive to think that money is of no importance for the top talent surveyed.

Taking a credible stand on ideological matters is a prerequisite to attract top talent ✕ Companies that fail to establish a purpose beyond profit shrink their talent pool. Future leaders see their work life as an "action platform" for positive change. They want change and see the biggest po-

»
The respondents see an obligation of businesses to use their power to improve the state of the world.
 «

FIGURE 2 > The Leaders of Tomorrow walk the talk to find truly purposeful jobs



Question: Please think back, when you were looking for jobs or deciding about job offers in the past, have you actually done any of the following things? Please mark those things that you have actually done at least once.

Numbers are percentages of cases | Multiple answers possible
 n = 851 top talents with job searching experience from n = 1028; "Leaders of Tomorrow – Wave 2019"
 © Nuremberg Institute for Market Decisions & St. Gallen Symposium: Voices of the Leaders of Tomorrow 2019

tential for making change happen in their professional work life. They believe that the business world can have a greater impact than non-profit organizations or governments. Accordingly, they search for jobs with a meaningful purpose, invest time in their search for a suitable job and are even ready to reject financially attractive offers if the company's values do not appeal.

To qualify as meaningful, traditional CSR activities, brand activism or communication will not be enough, though. The Leaders of Tomorrow see a need for lasting change that effects all operations and traditional business models. Companies that fail to increase their efforts now may risk missing the boat for the future. It will be necessary to get out of a business-as-usual mode and reinvent business with a sense

FIGURE 3 > The Leaders of Tomorrow set new priorities: Improving Society becomes more important than shareholder value

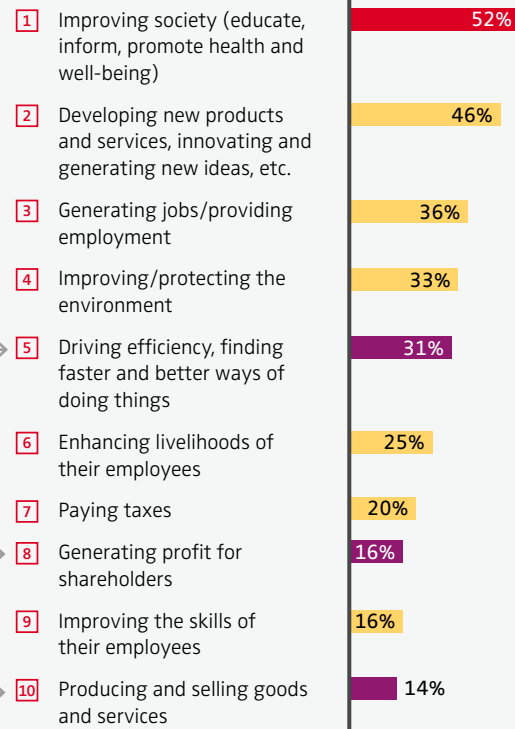
Priorities of the current generation of business leaders from the Leaders of Tomorrow's perspective

Rank



Responsibilities of businesses from the Leaders of Tomorrow's perspective

Rank



Question 1: What do you think are the top priorities of the current generation of business leaders (mostly 40-60 years old) in the country you currently live in? Please select up to three items from the list. The current generation of business leaders (mostly 40-60 years old) sets the priorities on ...

Question 2: From your perspective, what are the most important responsibilities of businesses in the country you currently live in? Please select up to three items from the list. In general, it is most important that businesses are ...

Numbers are percentages of cases | Multiple answers possible
n = 1028; "Leaders of Tomorrow – Wave 2019"

© Nuremberg Institute for Market Decisions & St. Gallen Symposium: Voices of the Leaders of Tomorrow 2019



FURTHER READING

Buder, F. & Neus, A. (2015): "Global Perspectives Barometer 2015 – Voices of the Leaders of Tomorrow," GfK Verein & St. Gallen Symposium. <https://www.nim.org/forschung/studien/global-perspectives-barometer-voices-leaders-tomorrow/2015>

Buder, F.; Schmitt, N.; Kahdemann, D.; & Artykova, K. (2019): "Voices of the Leaders of Tomorrow: Purpose Beyond Profit," Nuremberg Institute for Market Decisions & St. Gallen Symposium. <https://www.nim.org/forschung/studien/voices-leaders-tomorrow/2019>

for meaningful purpose and inspiring leadership. Integrating purpose beyond profit in a company's every day dealings will be a decisive factor in the war for talent, while financial rewards and benefits seem to be only secondary for future leaders. ✕