

Millennials and Technology

The millennial¹ generation has become a topic that is widely analyzed, and it is difficult to overstate how important this notion has become for companies. In the workplace, millennials coexist with the outgoing generation, baby boomers and Generation X. Many have already entered the labor market, and the rest are knocking on the door of organizations, which have come to recognize a key consideration for managing millennials; namely, that they are a technological generation. In this technical note, we examine how technology affects the individuals who make up this generation and discuss some key points concerning how to lead a broadly talented generation precisely by using the technology that is their distinguishing feature.

1. A Technological Generation

Millennials in developed countries have grown up with technology. In other regions of the world, progress in this area has been slower but just as steady. As surprising as it may seem, globally, the average rate of internet access in 2015 was just 43% (see **Exhibit 1**). In the eurozone, however, the rate is 78.6%, slightly higher than in the United States (74%). Most of the remaining 20% of the population are probably members of older generations who, in the new world of the internet, have been less eager to learn how to use new tools. In this respect, they present a marked contrast to millennials, who have grown up in a world of constant change and technological development, to which they appear to have adapted without any difficulty.

In light of the data on internet access, Colbert, Yee and George (2016) point out that the focus is now on how young people, whom Prensky (2001) calls “digital natives,” use their access to the net. They are hooked on technology, and smartphones have become practically an extension of their bodies. When asked about his relationship to technology, a student of the University of Navarra’s School of Economics and Business Administration replied, “If I’m not doing anything else, I’m constantly looking at my cellphone.”

¹ The term “millennial” is used to refer to those born between 1985 and 1999. Within this generation, a distinction should be drawn between senior millennials (born up until 1995) and junior millennials (born between 1995 and 1999). Those born after 2000 are known as post-millennials.

Technical note prepared by professor Guido Stein and Miguel Martín, research assistants. June 2017.

Copyright © 2017 IESE. This translation copyright © 2017 IESE. To order copies contact IESE Publishing via www.iesep.com. Alternatively, write to iesep@iesep.com or call +34 932 536 558.

No part of this publication may be reproduced, stored in a retrieval system, used in a spreadsheet, or transmitted in any form or by any means – electronic, mechanical, photocopying, recording, or otherwise – without the permission of IESE.

Last edited: 9/22/17



Four years ago, at least 25% of young people said they used their smartphone or another electronic device within five minutes of waking up (Ipsos & Wikia, 2013). Today, that figure is close to 100% in developed countries. This is because young people have grown up with technology and used it to such an extent that they have become experts in this area. Moreover, having discovered the many ways in which it can improve their lives, young people have become true lovers and defenders of technology.

The importance of this tool for millennials is evidenced in the results of a study carried out by Cisco. According to *The Cisco Connected World Technology Report* (2011), a third of college students thought the internet was more important to the human condition than air, food, water or shelter.

2. Technology in Their Everyday Lives

The first way in which technology has clearly become part of the lives of millennials is as a tool for maintaining personal relationships: technological platforms connect people—at any time and wherever they are. Users connect to social media like Facebook, Twitter and Instagram, or use WhatsApp at any time of the day or night to communicate with both friends from school and coworkers, or to stay in touch with acquaintances who live outside the city or friends they have met while taking part in international experiences.

They also use social media to stay informed about current events and share their opinions, thoughts and experiences. In June 2011, the UN declared internet access a human right based on the understanding that it is a means of exercising the right to freedom of expression.² Thanks to technology, current generations enjoy greater access to information than their predecessors. The key issue now is distinguishing between high-quality and low-quality information.

Young people also use social media to follow companies they are interested in and observe how their friends work for them or access job vacancies. At the same time, organizations seeking to recruit young talent have a strong online presence (see Table 1).

Table 1
Online Positioning (number of followers)

	Twitter	Facebook
Google	17,500,000	22,349,043
BBVA	75,700	19,009,259
Mondelēz	15,400	167,485
McKinsey & Company	240,000	245,088
McDonald's	3,400,000	70,156,288

Source: Prepared by the authors based on the companies' profiles on their social media accounts.

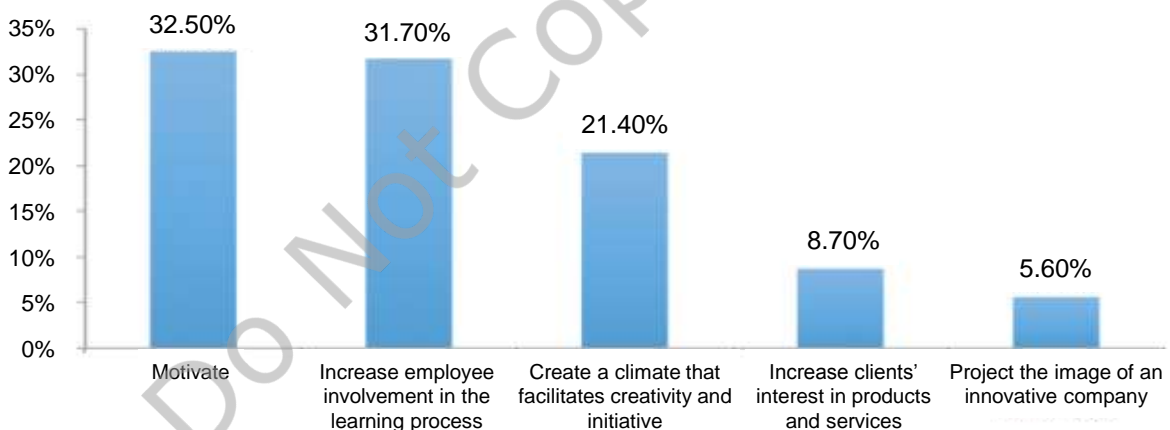
² CNNMéxico, "La ONU declara el acceso a Internet como un derecho humano," *Expansión* (2011), http://expansion.mx/tecnologia/2011/06/08/la-onu-declara-el-acceso-a-Internet-como-un-derecho-humano?internal_source=PLAYLIST, accessed May 2017.

2.1 Gamification

The experience of millennials as children and adolescents has also been quite different from that of previous generations. While the latter would play outdoors with friends from the neighborhood and school, millennials have spent much more time inside their homes. In the warmth of their home environment, they had a TV to watch their favorite series and cartoons, and computers or video game consoles to play the latest popular games (alone or with friends). More recently, tablets and smartphones have been added to the array of entertainment options.

The use of games for the development of millennials and as one of their main forms of leisure has led to the coining of the term “gamification,” defined by Robson et al. (2015) as the application of game design principles to other contexts. According to Vinichenko et al. (2016), the main objectives of gamification in business are to increase motivation, create a climate that facilitates creativity and initiative, and increase employee involvement in learning processes (see Figure 1). These authors also note that the key factors that account for success in the application of gamification techniques are the creativity of the top management team (34.9%), having a young team (32.5%), and the creative activity of the company (28.6%).

Figure 1
Objectives of Gamification



Source: Based on Mikhail V. Vinichenko et al., "Modern Views on the Gamification of Business," *Journal of Internet Banking and Commerce* 21, no. 3 (2016).

Gartner (2011) notes that gamification has become a very popular strategy. Table 2 lists some of the many organizations that are using games or competitions, both internal and external, to attract, motivate and retain talent.