



THE GLOBAL RELATIONSHIPS SURVEY

The Relationship-Building
Challenges of Millennials,
Gen Xers, and Baby
Boomers in the Nonprofit
Sector

ANDREW SOBEL

a d v i s o r s

THE CHALLENGES

We set out to better understand how to address a set of critical challenges faced by both Millennials and their Employers.

FOR MILLENNIALS (21-34)

- Learn essential relationship-building skills and develop the trusted stakeholder relationships they need—both internally and externally—in order to thrive in their careers.

FOR COMPANIES

- Foster internal collaboration—across business units, functions, and generational cohorts—to fuel great client relationships and spur innovation.
- Improve engagement, retention, and development of Millennial employees, many of whom plan to leave within three years.

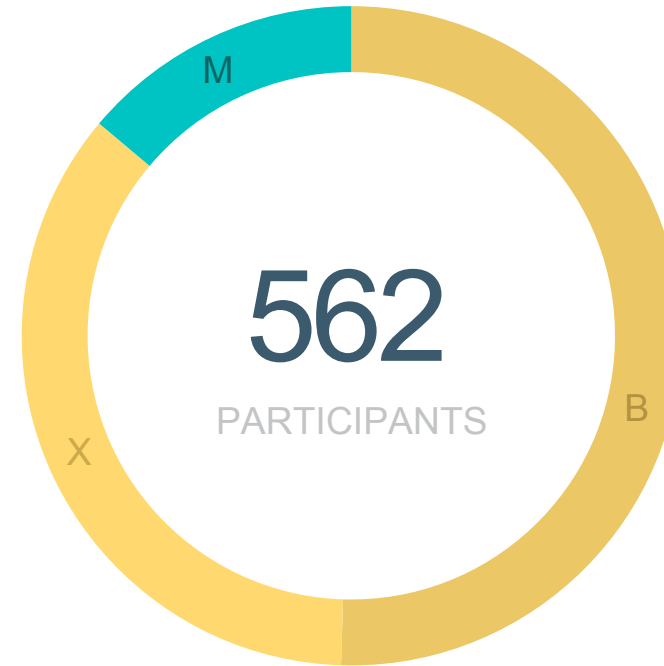


THE SURVEY

SURVEY OVERVIEW

A total of 562 professionals participated in the study during the winter/spring of 2016.

This report emphasizes the results from participants from the nonprofit sector



AGE	18 - 34	35 - 50	51 - 72
COUNT	70	183	259
	14%	86%	

ANNUAL BUDGET OF EMPLOYER

Most participants work at sizeable organizations

0 to \$5 million	39%
.....	
More than \$5 million to \$25 million	26%
.....	
More than \$25 million to \$100 million	20%
.....	
More than \$100 million	12%
.....	
I don't know	3%

EMPLOYMENT TENURE

Participants show a normal
spread of years of tenure in
their companies

Less than a year	13%
1 to 3 years	23%
3 to 5 years	14%
5 to 10 years	19%
10+ years	31%



RELATIONSHIP- BUILDING SKILLS & CHALLENGES

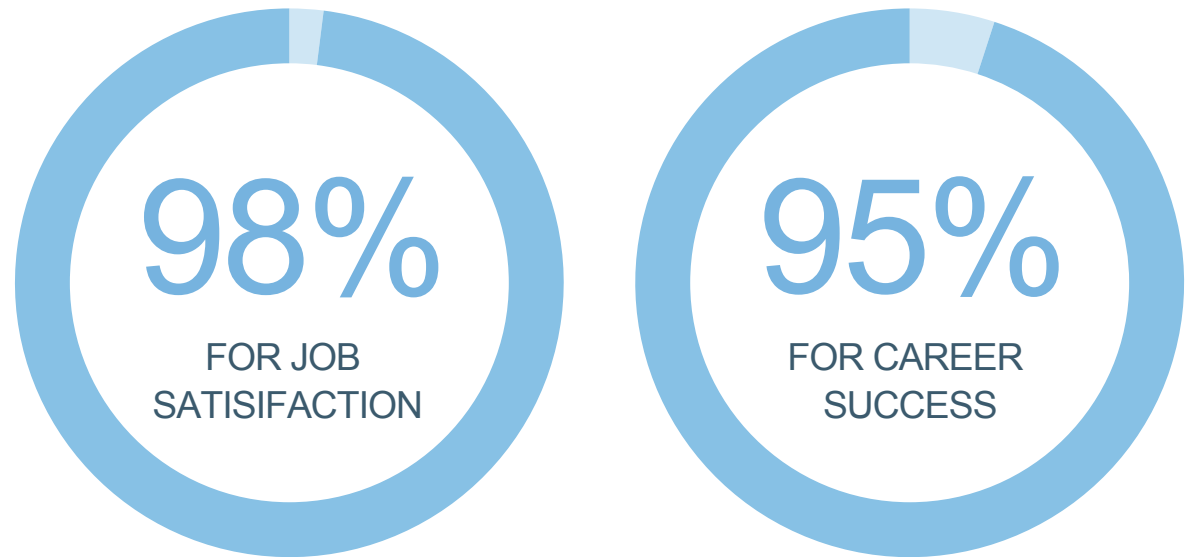


THE IMPORTANCE OF RELATIONSHIPS

We all agree that trusted professional relationships are important to success

HOW IMPORTANT ARE TRUSTED PROFESSIONAL RELATIONSHIPS?

% saying 'Extremely Important' or 'Very Important'



No differences reported across generations

HOW SATISFIED ARE YOU WITH THE QUALITY OF YOUR RELATIONSHIPS?

% who are 'Very Satisfied' with their relationships

Boss/Supervisor	43%
Colleagues	37%
Mentors	41%
Clients	26%
Senior Executives	31%
Thought Leaders	29%
AVERAGE	37%

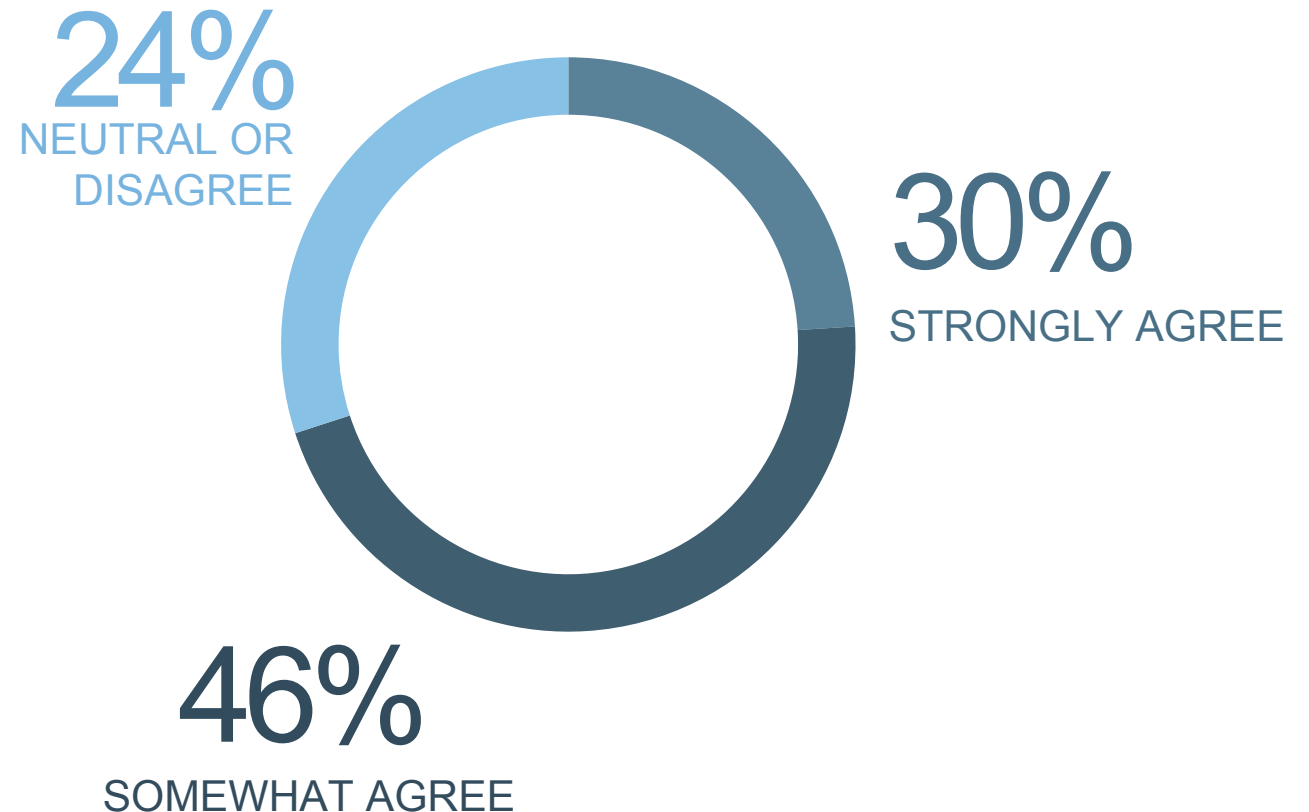
THE IMPORTANCE OF RELATIONSHIPS

But we're not very happy with them

THE IMPORTANCE OF RELATIONSHIPS

We are not making time for them

“I AM ABLE TO MAKE TIME TO INVEST IN BUILDING LONG-TERM PROFESSIONAL RELATIONSHIPS.”



WHAT'S WORKING OR NOT WORKING

Millennials are less satisfied than Xers and Boomers with the employer support they receive

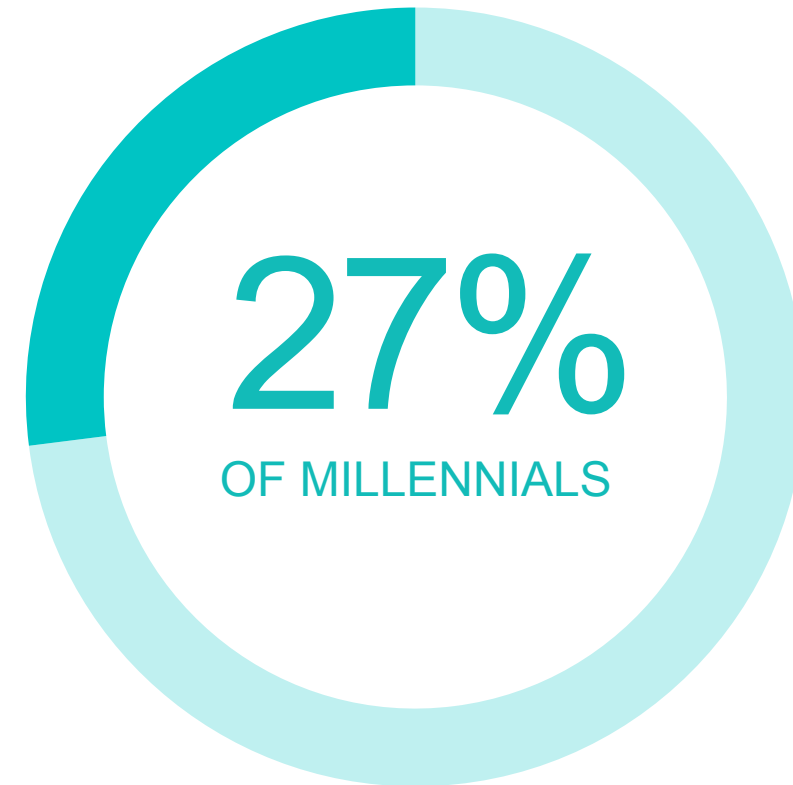
% who 'Strongly Agree'	M	X + B
Older colleagues and supervisors respect my contributions	36%	51%
I have found experienced people in my company who are willing to mentor and coach me	21%	24%
My employer is helping me learn what I need to know to succeed at my current job	23%	26%
I am building a strong network with important contacts in my field of expertise	27%	41%

WHAT'S WORKING OR NOT WORKING

Employers need to help Millennials build both internal and external networks

I AM BUILDING A STRONG NETWORK WITH IMPORTANT CONTACTS IN MY FIELD OF EXPERTISE

% who 'Strongly Agree'



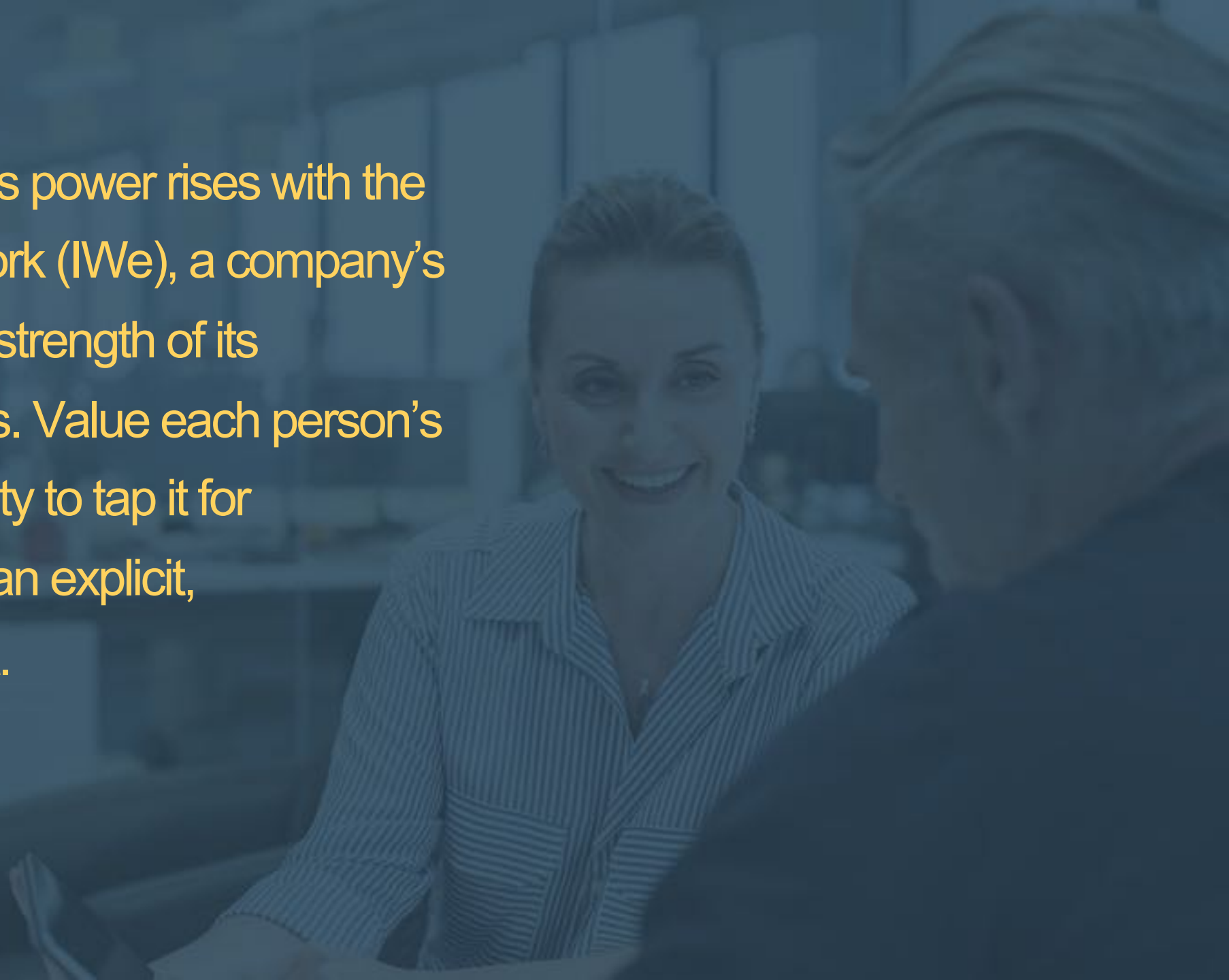
“

Just as an individual's power rises with the strength of her network (IWe), a company's power rises with the strength of its employees' networks. Value each person's network and her ability to tap it for intelligence; make it an explicit, acknowledged asset.

”

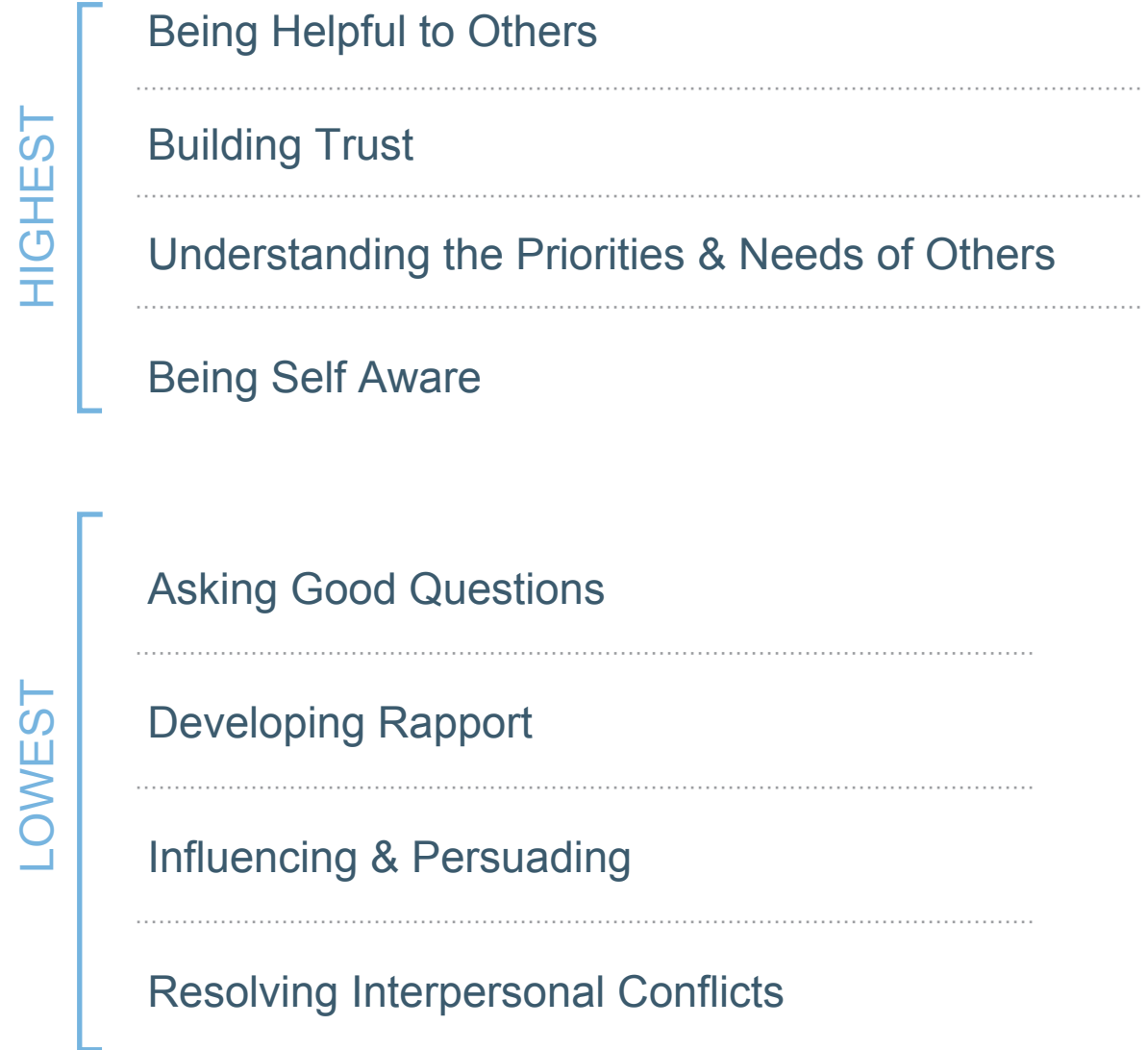
Reid Hoffman

Founder, LinkedIn



RELATIONSHIP SKILLS SELF-ASSESSMENT

Resolving Interpersonal Conflicts and Influencing & Persuading were the lowest rated skills



RELATIONSHIP SKILLS SELF- ASSESSMENT

SKILLS PARTICIPANTS WOULD LIKE TO IMPROVE ON

1. Resolving Conflict

2. Influencing and persuading

3. Developing Rapport

4. Asking Good Questions

5. Listening Effectively



INTER-GENERATIONAL CHALLENGES IN THE WORKPLACE



MILLENNIALS

You won't pay me what I deserve, can't explain how I can get promoted, are lousy at coaching me, can't use technology properly, won't talk openly about important issues, and are disloyal to your employees!

You're entitled, can't take criticism, think you know everything, want constant promotions, ask me daily about your career, communicate poorly, and are disloyal to the firm!



XERS & BOOMERS

CHALLENGES IN BUILDING TRUSTED RELATIONSHIPS WITH DONORS

% rating 'Almost Always', 'Frequently' or 'Sometimes' a Challenge

Attracting new, major donors to support our organization	90%
Gaining access to have face to face meeting	82%
Knowing the donor well enough to know how much to ask for	79%
Staying in touch with the right frequency	69%
Retaining donors over time	67%

CHALLENGES WITH DONORS

Challenges in building trusted relationships with donors focus on finding new donors and getting face tie with them

CHALLENGES WITH MILLENNIAL DONORS

What specific challenges have you encountered in building relationships with Millennial donors?

COMMUNICATION IS THE BIGGEST CHALLENGE BY FAR

- Keeping in contact with them is challenging when they change contact information without letting us know. It's also a challenge to know which type of communication is best.
- Millennials are too busy to sit down and talk with you. They prefer electronic information over personal face to face contact.
- Millennials' lack of response to queries, contact requests, and events is a challenge. They don't update their contact information when moving or changing employers.
- Some challenges with Millennials are: finding a good phone number for them; understanding how they like to be communicated with; learning if they want to be more engaged with the organization or if they just want to give and then keep their distance; and understanding where they are in their life and what their needs are from an organization that they support.
- Building relationships with Millennials is a challenge. They seem to happen more through social media and texting. They aren't as interested in handwritten notes and prefer NOT to speak on the phone.

CHALLENGES WITH MILLENNIAL DONORS

What specific challenges have you encountered in building relationships with Millennial donors?

ANOTHER CHALLENGE IS THEIR INCONSISTENT INTEREST AND COMMITMENT

- It's difficult keeping Millennials' attention and engaging on an ongoing basis. Getting them to commit to being part of something is very difficult. They tend to wait until the last minutes to decide to show up or not.
- It's challenging getting Millennials to donate again. Young donors like to give to one cause and then move on to their next charity.
- Though most are very pleasant and bright, Millennials have an underlying sense of entitlement. Their loyalty to the organization and commitment to its mission are not as strong.
- Many Millennials support a wide variety of crowd funded causes (marathon, breast cancer walk, etc.) and often times feels as if they are constantly giving away money, no matter how small the increments. Adding one more to the mix is a challenge for them.
- The Millennial generation's shorter attention span is challenging. Grabbing their attention immediately with an engaging message is necessary. They won't read a 2-page letter and are more inclined to just click a button on their phone and make a gift.

CHALLENGES WITH MILLENNIAL DONORS

What specific challenges have you encountered in building relationships with Millennial donors?

MILLENNIALS LACK THE DESIRE OR ABILITY TO GIVE

- It's challenging when Millennials don't have the philanthropic resources or want to devote their resources to philanthropy. They are more interested in getting ahead than giving back.
- Millennials are still looking to amass their wealth and therefore are not inclined to discussing philanthropic issues.
- Older donors seem to "expect" to be asked to donate, but younger ones don't have as much natural inclination to give back.
- Younger donors are busy with families and careers and do not have as much time for in person relationship development.
- It's challenging because Millennial donors are busy, less trustful toward fundraising professionals, and require transparent, direct information about how their gifts are used.
- Younger donors are often over-scheduled making it challenging to be important enough to fit into their schedules.
- Millennials have tremendous debt loads that they are carrying, which makes it difficult for them to give in terms of money. The challenge is that they are willing to give time, but money is another story.

CHALLENGES WITH MILLENNIAL DONORS

What specific challenges have you encountered in building relationships with Millennial donors?

MILLENNIALS HAVE A DESIRE FOR PERSONAL IMPACT AND RECOGNITION

- Millennials tend to want to start their own non-profit rather than engaging in the work already being done with an existing non-profit organization. This results in a lack of collaboration and a deluge of donor requests. Millennials also gravitate to fun, easy to volunteer opportunities versus the more challenging commitment of heard to deal with clients and issues.
- Millennials seem to see philanthropy as an “investment” rather than as a “charitable” activity. They focus on “returns” or “metric outcomes” more than just trusting the non-profit to do a good job.
- The most frequent challenge as it relates to younger donors is understanding their true motivation for making a gift. It is challenging to initially identify if true altruism is part of their motivation or if they are making the gift to seek more recognition, attention, etc. from the organization.
- The significant shift in the Millennials’ perspective of individual philanthropy is a challenge. Older generations think, “How can I serve others through my philanthropy?” Younger generations ask, “What’s in it for me?” and “Where will my name go?”

CHALLENGES WITH MILLENNIAL DONORS

What specific challenges have you encountered in building relationships with Millennial donors?

GAINING MILLENNIALS INITIAL INTEREST IN A SPECIFIC ORGANIZATION AND ONGOING LOYALTY IS CHALLENGING

- It's challenging igniting their interest in our mission and work, as it lacks volunteer opportunities, is long-term oriented, and doesn't have direct impact stories.
- The Millennial generation is either very diversified in their philanthropic interests or they have no interests at all. Older generations seem more decisive when it comes to where they desire to distribute their wealth.
- It's difficult to get them engaged and then KEEP them engaged.
- Identifying the giving area that will meet their altruistic desires and passions is challenging.
- They tend to support many things at small levels, rather than committing fully to one or two issues that are important to them. They tend to "share the love" and it's often based on what their friends are asking of them.
- It's challenging to get younger donors to be loyal to a cause. They want to support many causes for short periods or 1 off gifts. Millennials don't remain loyal to one organization for long and tend to focus on the "trendy" organizations.

XERS' AND BOOMERS' CHALLENGES WITH MILLENNIALS

What Xers/Boomers say about working with Millennials

CHALLENGES IN WORKING WITH MILLENNIALS

% rating 'Almost Always', 'Frequently' or 'Sometimes' a Challenge

Getting them to deliver the on-the-job performance to merit the pay they want	71%
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Getting them to communicate effectively with me	70%
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Convincing them there is a credible path to promotion and career advancement	69%
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Gaining their commitment and loyalty to the organization	69%
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Getting them to develop strong professional relationships	64%
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Getting them to make decisions	61%
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TWO SIDES OF THE SAME CHALLENGE

“Helping me see a credible path to promotion and career advancement.”

NO. 2 CHALLENGE MILLENNIALS CITED ABOUT WORKING WITH XERS AND BOOMERS

“Convincing them there is a credible path to promotion and career advancement.”

NO. 2 CHALLENGE XERS AND BOOMERS CITED ABOUT WORKING WITH MILLENNIALS



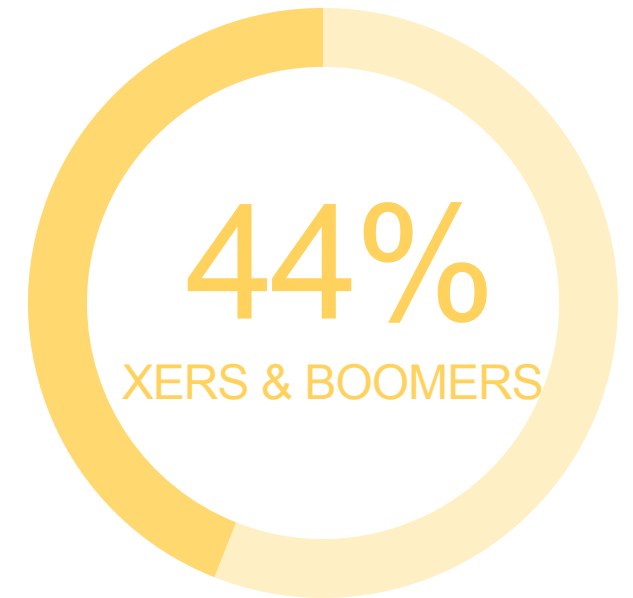
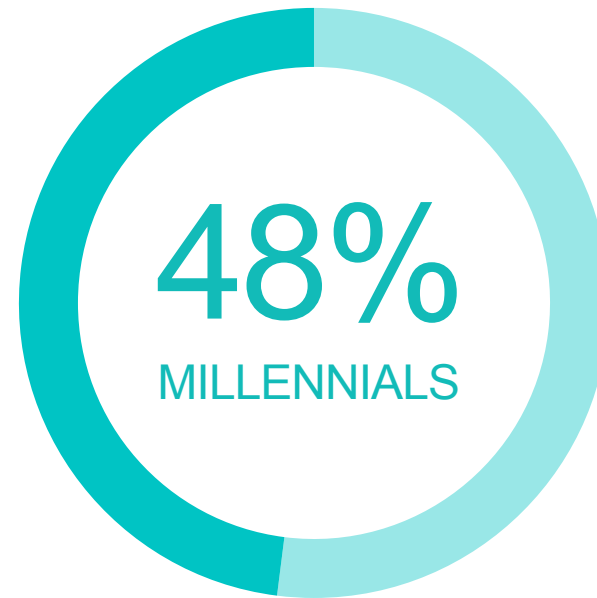
SOCIAL MEDIA & PROFESSIONAL RELATIONSHIPS

SOCIAL MEDIA

Social media is strongly rated for network-building...

BUILDING A BROAD PROFESSIONAL NETWORK

% saying 'Extremely Useful' or 'Very Useful'

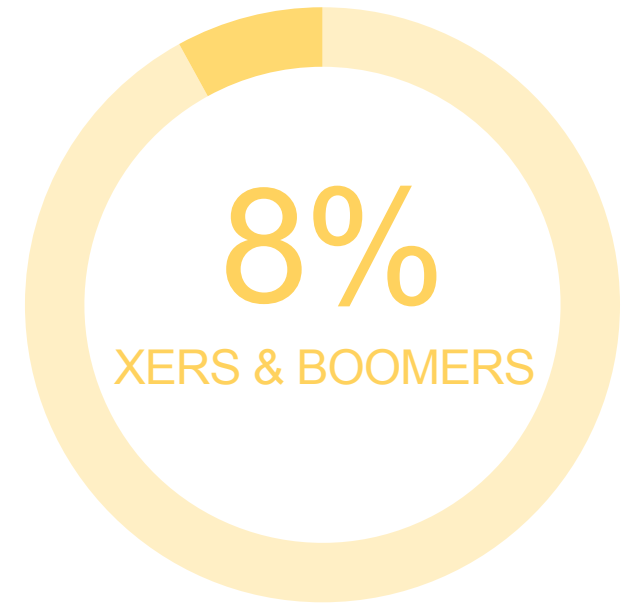


SOCIAL MEDIA

But much less so for building trusted relationships

DEVELOPING DEEP TRUSTED PROFESSIONAL RELATIONSHIPS

% saying 'Extremely Useful' or 'Very Useful'



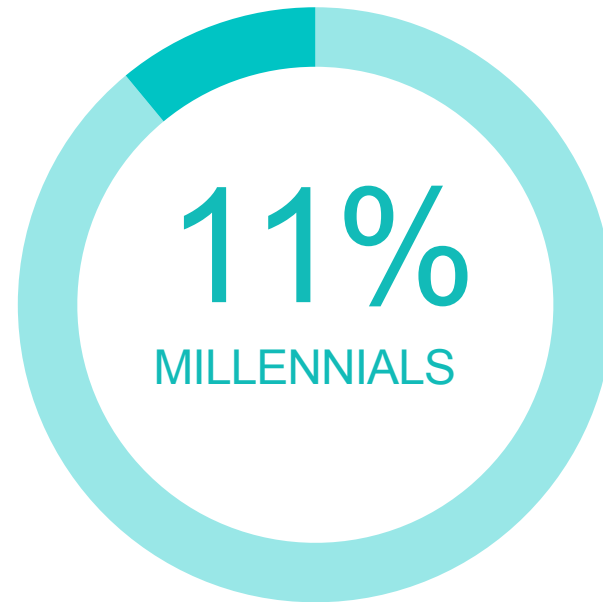
28%

SOCIAL MEDIA

And much less so for building relationships with potential donors

BUILDING RELATIONSHIPS WITH POTENTIAL DONORS

% saying 'Extremely Useful' or 'Very Useful'



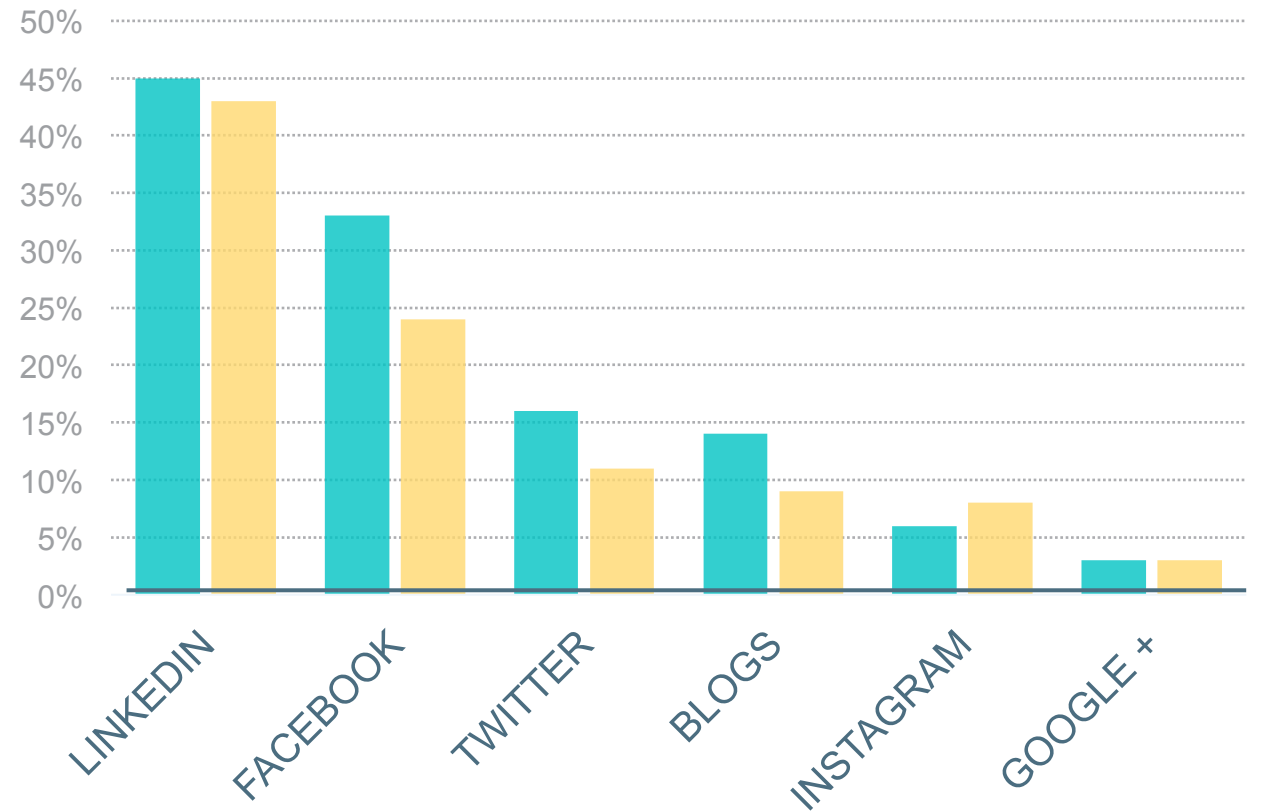
28%

SOCIAL MEDIA

Only LinkedIn stands out

BUILDING PROFESSIONAL RELATIONSHIPS

% rating 'Extremely' or 'Very Useful'





ENGAGEMENT

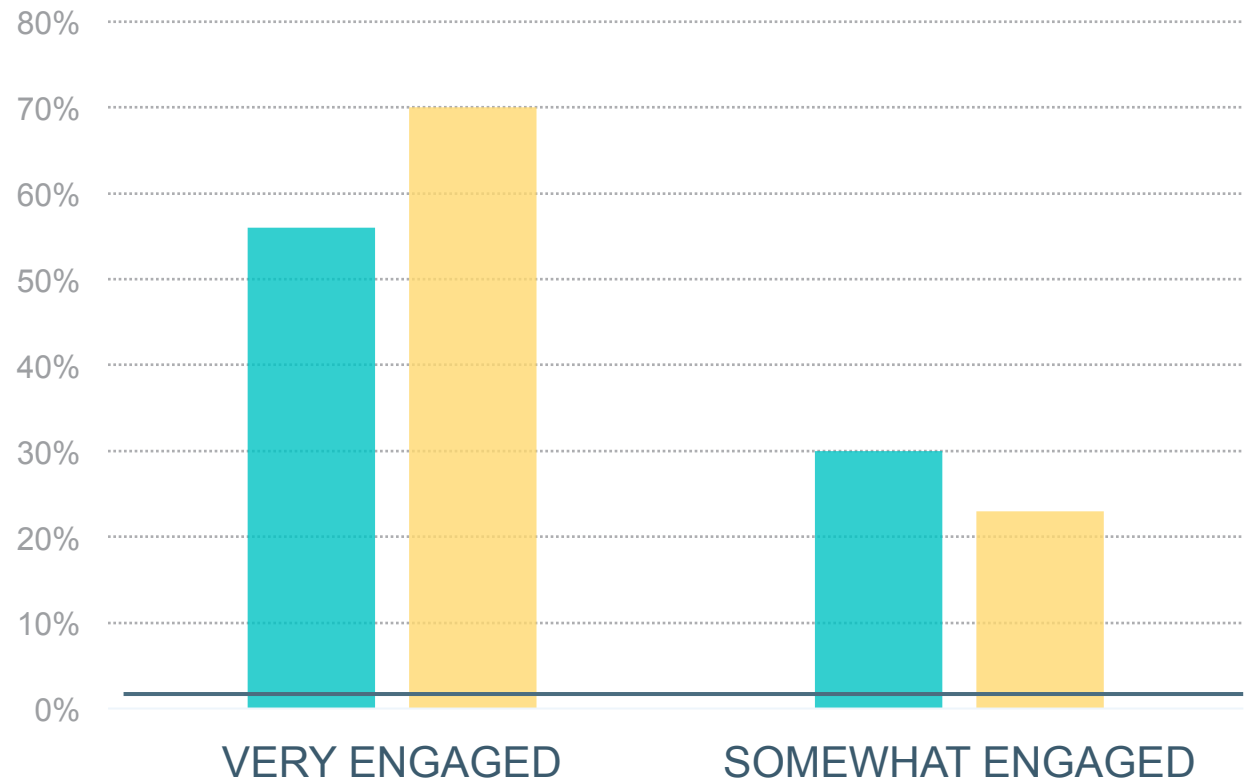


ENGAGEMENT

Millennials, not surprisingly, are less engaged than their older colleagues . However, all groups are more engaged than their counterparts in the for-profit sector.

HIGH ENGAGEMENT LEVELS

% rating their overall engagement at work



ENGAGEMENT

Overall, Millennials aren't planning to stay long

LOW RETENTION RATES

% intending on staying three years or less



ENGAGEMENT

What would keep all employees more engaged?

WHAT IS THE SINGLE MOST IMPORTANT THING YOUR EMPLOYER COULD DO TO INCREASE YOUR DESIRE TO CONTINUE WORKING WITH THEM (ALL)?

% rating 'Extremely Important'

A belief that my organization has a meaningful, higher purpose	73%
Belief and confidence in the leaders in my organization	69%
A direct supervisor or boss who believes in me and mentors me	61%
The ability to achieve work-life balance at my employer	50%
A feeling that my job is secure	41%

ENGAGEMENT

What would keep
MILLENNIALS more engaged?

WHAT IS THE SINGLE MOST IMPORTANT THING YOUR EMPLOYER COULD DO TO INCREASE YOUR DESIRE TO CONTINUE WORKING WITH THEM (MILLENNIALS)?

% rating 'Extremely Important'

A belief that my organization has a meaningful, higher purpose	98%
Belief and confidence in the leaders in my organization	98%
A direct supervisor or boss who believes in me and mentors me	97%
The ability to achieve work-life balance at my employer	88%
A feeling that my job is secure	88%



MENTORING & MILLENNIAL RETENTION



MENTORING & RETENTION

Good mentorship is highly correlated with much lower intended attrition

I HAVE FOUND EXPERIENCED PEOPLE IN MY COMPANY WHO ARE WILLING TO MENTOR AND COACH ME (ALL GENERATIONS).

% planning to leave within three years

Reporting Strong Mentorship

Those who Strongly Agree

21%

DK: 6%

Reporting Weak Mentorship

Those who 'Somewhat Agree', are 'Neutral', 'Disagree', 'Strongly Disagree'

36%

DK: 13%

MENTORING & MILLENNIAL RETENTION

The costs of poor mentoring and coaching could be huge if intended attribution comes to pass

I HAVE FOUND EXPERIENCED PEOPLE IN MY COMPANY WHO ARE WILLING TO MENTOR AND COACH ME

	NO. OF EMPLOYEES	REMAINING AFTER 3 YRS	TOTAL COST OF ATTRITION
Strong Mentoring Scenario	1000	72%	\$28.0M
Weak Mentoring Scenario	1000	49%	\$51.0M
Excess Cost of Weak Mentoring			\$23.0M

MENTORING & RETENTION

Good mentoring and coaching are also correlated with dramatically higher engagement scores

% of all employees reporting they are 'Highly Engaged' at work

Reporting Strong Mentorship

Those who Strongly Agree

82%

Reporting Weak Mentorship

Those who 'Somewhat Agree', are 'Neutral', 'Disagree', 'Strongly Disagree'

57%

MENTORING & MILLENNIAL RETENTION

Good mentoring and coaching did correlate with dramatically higher engagement scores

% of Millennials reporting they are 'Highly Engaged' at work

Reporting Strong Mentorship 69%
Those who Strongly Agree

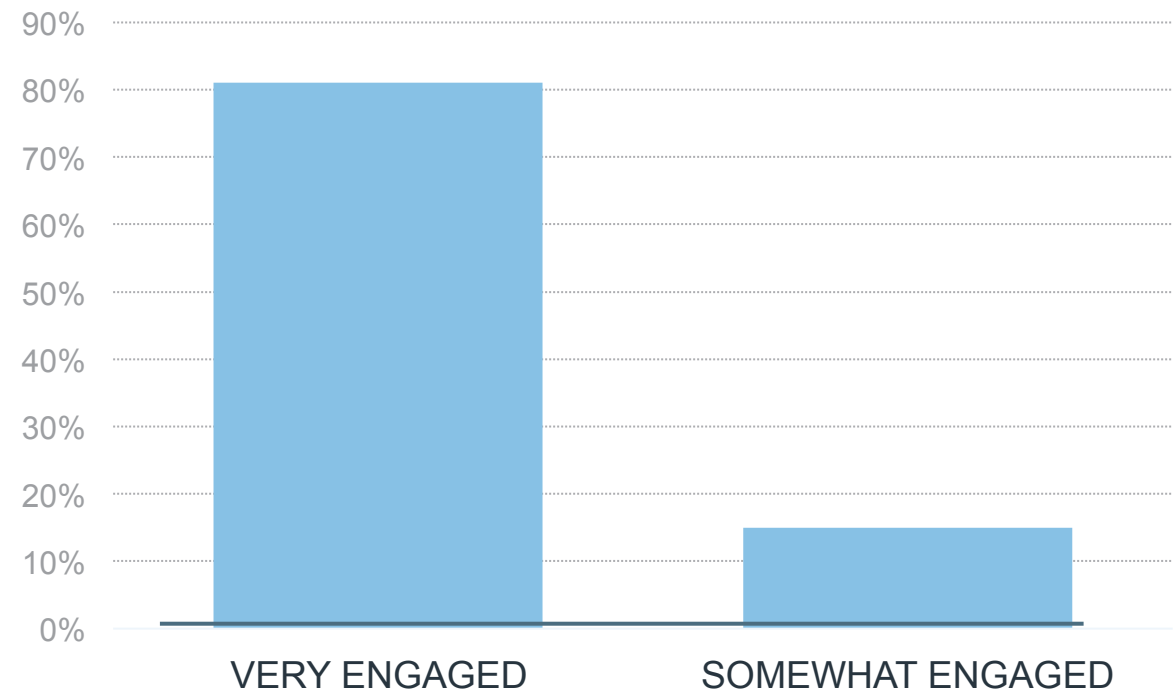
Reporting Weak Mentorship 43%
Those who 'Somewhat Agree', are 'Neutral',
'Disagree', 'Strongly Disagree'

MENTORING & RETENTION

Engagement strongly correlates with high donor relationship satisfaction

ENGAGEMENT LEVELS FOR THOSE WHO REPORT THEY ARE 'VERY SATISFIED WITH THEIR RELATIONSHIPS WITH THEIR DONORS

% rating their overall engagement at work

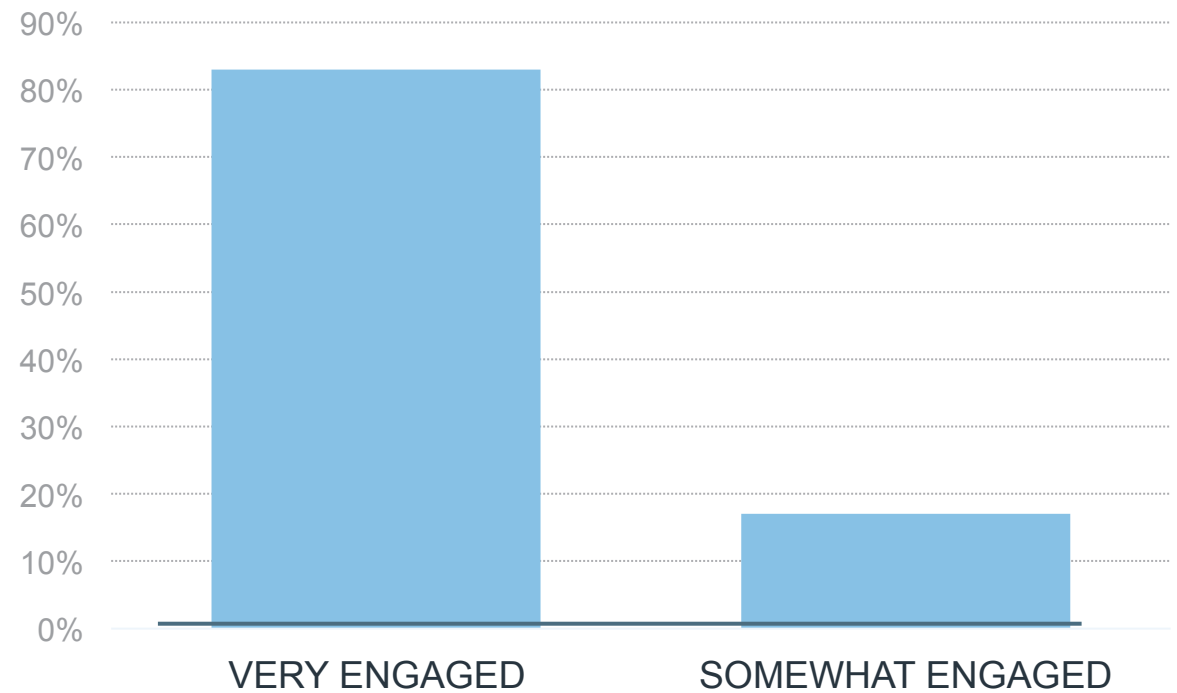


MENTORING & MILLENNIAL RETENTION

Engagement strongly correlates with high donor relationship satisfaction

ENGAGEMENT LEVELS FOR THOSE MILLENNIALS WHO REPORT THEY ARE 'VERY SATISFIED WITH THEIR RELATIONSHIPS WITH THEIR DONORS

% rating their overall engagement at work



NOTE: THIS ARE THE
OVERALL CONCLUSIONS
—I'M STILL WORKING
THROUGH THE SPECIFIC
CONCLUSIONS FROM THE
NONPROFIT RESPONSES
WITH JERRY PANAS

CONCLUSIONS

THERE IS A LARGE RELATIONSHIP GAP

- There is a “relationship gap” between the high perceived importance of trusted professional relationships and how satisfied people actually are with their relationships.

PROFESSIONALS OF ALL AGES WANT TO IMPROVE AT A CORE SET OF RELATIONSHIP-BUILDING SKILLS

- Influencing and persuading
- Listening
- Asking powerful questions
- Resolving conflict
- Developing rapport

THERE IS A SIGNIFICANT SHORTFALL OF EFFECTIVE MENTORING & COACHING

- Millennials, Xers, and Boomers alike struggle to find willing and capable mentors in their organizations. This is a persistent theme throughout the Global Relationships Study.

CONCLUSIONS

THERE ARE MAJOR GENERATIONAL CHALLENGES

- Millennials and their older Xer and Boomer colleagues experience significant inter-generational workplace challenges. They still do not understand each other very well.

TRADITIONAL APPROACHES TO PROMOTING INTERNAL COLLABORATION ARE NOT WORKING

- The only strategy to promote internal collaboration and relationships that earned more than a 30% “Very Effective” rating was “Colleagues and supervisors who take the time to get to know me and help me out.”

SOCIAL MEDIA IS OVERHYPED AS A TOOL FOR RELATIONSHIP BUILDING

- Professionals from all generational cohorts acknowledge its limitations, and rate LinkedIn as virtually the only meaningful platform for helping to build an extended network.

CONCLUSIONS

MILLENNIALS ARE LESS ENGAGED THAN XERS AND BOOMERS—BUT DON'T HAVE TO BE

- On average, 38% of Millennials say they are 'Very Engaged' at work, versus 51% of Xers and Boomers. However, 58% of Millennials who report strong mentorship say they are 'Very Engaged' at work (versus 27% among those who don't report strong mentorship)

MANY MILLENNIALS PLAN TO LEAVE THEIR EMPLOYER WITHIN THREE YEARS

- 43% of Millennials, versus 29% of Xers and Boomers, plan to stay with their employer for only three years or less.
- Millennial *women* are at even greater risk of leaving and have a 25% higher three-year intended attrition rate (50% versus 40% for Millennial men).

MORE TAILORED, PERSONAL DEVELOPMENT AND MENTORING HAS THE POTENTIAL TO DRAMATICALLY DECREASE MILLENNIAL TURNOVER

- Only 28% of Millennials reporting strong mentorship say they'll leave within three years, versus 51% of all other Millennials.

IMPLICATIONS

Both Millennials and the Xers & Boomers who lead them need to develop new strategies and skills to succeed together.

MILLENNIALS

Millennials need to improve their relationship-building skills and professionalism, in order to build better internal and external relationships with key stakeholders.

They are very adept at using social media and technology to connect with others and build large networks, but they need to develop their deeper relational skills, which are still essential in the workplace and in life.

IMPLICATIONS

Both Millennials and the Xers & Boomers who lead them need to develop new strategies and skills to succeed together.

GEN-XERS & BOOMERS

Employers need to significantly improve individual mentoring and the career development paths for their young professionals.

This needs to be done less through formal programs than by creating a pervasive culture of mentorship that provides Millennials with the attention, care, support, and individualized career planning they crave.



ABOUT ANDREW SOBEL

Andrew Sobel is the leading authority on the strategies and skills required to build clients for life. He is the most widely published author in the world on this topic, having written eight acclaimed books on developing enduring business relationships. His bestselling books, which include *Clients for Life* and *Power Questions*, have sold over 250,000 copies and been translated into 19 languages. Andrew's consulting, training, and coaching programs have been delivered in 50 countries for over 200 of the world's most successful companies.

Andrew spent the first 14 years of his career with Gemini Consulting (formerly the MAC Group), where he became a Senior Vice President and Country Chief Executive Officer. He lived in Europe for over a decade and speaks four languages. For the last 20 years he has led his own international consulting firm, Andrew Sobel Advisors. He graduated from Middlebury College with honors and earned his MBA from Dartmouth's Tuck School. Andrew can be reached at AndrewSobel.com.