

“They Bring an Innovation and Entrepreneurship Mindset”

MILLENNIALS SET TO RULE THE EMPIRE AT SAP
AND OTHER GLOBAL ENTERPRISES

Featuring an interview with:

Ann Rosenberg
Vice President
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The Gray Shift Meets the Day Shift

Today's global enterprise is experiencing a youthquake. Traditional and disruptive industries alike are welcoming young workers to their ranks en masse. A *Forbes* pundit projects that by 2020, Millennials will comprise 50% of the global workforce; by 2030, 75%.¹

This age shift is happening so fast because a "silver tsunami" of 77 million Boomers is nearing retirement age.² Reporters are projecting an ominous future where industry companies will soon lack the talent they need to compete because older science, technology, engineering, and mathematics (STEM) workers will depart, taking their knowledge and skills with them. Young Millennials simply don't have the experience to stand in the gap, they say.

Not so fast. While the exodus of aging workers is very real, several other market trends will soften the effect of the tidal wave of older STEM workers hitting the shore and repositioning in deck chairs. According to global executives, Millennials won't just populate project teams in global enterprise: They'll help drive change as skilled individual contributors, managers, and executives. But they have high expectations for how they'll contribute, collaborate, and progress through the ranks. So enterprises need to get ready.

Ann Rosenberg, Vice President of University Alliances for SAP, has an insider's view of the changes that need to occur – and are already in the works – to accommodate Millennial work styles and nurture their gifts. So what are some of the trends that are occurring in society and enterprise today?

Universities Are the Logical Place to Engage

While many global enterprises are investing in early education to build a STEM pipeline, they often redouble their investments at the university level with research grants, internships, and scholarships. SAP's University Alliance program takes industry/higher education partnerships to another level, with programs that target three million students globally – far more than the company could ever hire. So why is SAP making such a sizeable investment in raising students' STEM capabilities?

Rosenberg explains that SAP is building the STEM skills of future employees, prospective partners, and customers as well as working collaboratively with higher education and other companies to raise the talent pool for all industry employers. Much like other industry companies, SAP feels a social responsibility to help students evolve their knowledge and skills, so that they are workforce-ready. "It's not always about people who touch SAP systems, but it's about a bigger purpose: How do you run your business? And what kind of impact can you create?" she says.

Higher education gives students a place to learn new skills and explore the possibility of working for a leading STEM company. "Universities provide a playground where you can try things out," says Rosenberg, while allowing companies to benefit from students' entrepreneurship and innovation. However, industry learning must be engaging.

In this model, innovation jams, hackathons, and gamification rule the day. **Kerry Brown, Vice President, Enablement**, explains that SAP

rapidly evolved its ERPSim Lab game as a result of these insights. Prior to the game, learning about ERP was boring. Shock. Horror,” says Brown. Now students are increasingly opting to play a fast-paced version of the game, matching the real-time decision making conditions ERP experts face every day. Students race through a quarter in just 15 minutes and a year in an hour, making planning, pricing, and shipping decisions and evaluating how they impact each other. Their decisions may result in large profits – or significant losses. Or they may experience customer dissatisfaction when they run out of goods. “You get to see how a business functions as an integrated organization in a very accelerated period,” says Brown.

Millennials, Rosenberg says, are hard-wired for this kind of experience. They’re ready to question the status quo, experiment with different strategies to achieve goals, and use agile methodologies and startup mindsets to drive innovation. “I do an exercise with my students where I show them some very disruptive stuff. And then I say, ‘Imagine anything.’ I take them on a journey. And when I look at what they’ve built or what they design, it’s unbelievable,” Rosenberg states.

It’s not Technology for Technology’s Sake

The University Alliance program is essentially a test laboratory for learning. The global program encompasses partnerships with 1550 universities in 88 countries, ranging from mature markets such as the U.S., Germany, and China to emerging markets such as Sub-Saharan Africa and Mongolia.

SAP achieves this type of scale by leveraging cloud-based learning. The company’s university-targeted massive open online course (MOOC) platform, SAP Learning Hub, provides technology and curricula in formats that match student learning styles and needs. The MOOC leverages on-demand training, virtual collaborative learning rooms, and other resources to expose students to industry challenges, customer needs, and 150 different SAP solutions. It’s also available on iPad

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and Android tablets, recognizing that on-demand, mobile learning is how students often prefer to digest content. Enterprising students can get certified on SAP technologies, preparing them for future jobs.

“Today, as long as you’re connected, you can get an education, because so much education is free,” says Rosenberg. “The world has so many new minds. When I go to Bangalore, the hunger for knowledge is unbelievable. We see students taking our MOOC courses and then going to get jobs.”

The Interview Starts Now

Industry needs are evolving rapidly, challenging even current employees’ ability to keep up. The old model of judging students solely on the ability of scholastic achievement is increasingly out-of-sync with enterprise needs. Students who wait until graduation day to gain industry expertise will find themselves outmaneuvered by peers who have used their college years to take on progressively more demanding internships; participate in industry-sponsored classes; and

hone skills in corporate-sponsored startup and coding events. Recruiters are watching, identifying high potential talent that can be put to work in essential roles such as big data analytics, open-source platform development, and cyber security.

And sometimes companies don't even wait that long, poaching rising stars straight from high school. A recent *Businessweek* article profiled 17-year-old Michael Sayman, who was personally recruited by Mark Zuckerberg for a summer internship program at Facebook, on the strength of a mobile game, 4 Snaps, he had built using Facebook development tools. It wasn't just

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the high schooler's technical skills that wowed Zuckerberg: It was that 4 Snaps already had 500,000 users. According to the article, LinkedIn and Airbnb are also recruiting precocious high school talent for summer internship programs.³

Digital Natives Bring Well-Defined Skills to the Work World

It's no surprise that young Millennials who use Google Docs and Prezzi at school; work seamlessly across mobile devices; are social networking and app wizards; and may code for fun in their spare time, arrive at their jobs with well-honed digital skills.

And they're ready to contribute. Companies are pairing Millennials with Boomers for mentoring arrangements that go both ways. Millennials don't just offer digital skills: They have a willingness to try new approaches to solving corporate and customer challenges. Meanwhile, Boomers value the opportunity to share their knowledge with new recruits.

Sharon Ruddock, Chief Learning Officer of SAP's 26,000-person customer-facing organization, describes the results of pairing fresh university graduates with senior sales professionals as part of SAP Academy for Sales and Pre-Sales: "It's a substantial investment for us, but the results are phenomenal. It's a two-way knowledge share, and we are seeing a boost in our productivity for those who are experienced, as well as a tremendous boost for those who are just starting their careers. Millennials are innately digital, connected, and think differently, bringing new ideas to our experienced workforce." Ruddock says that the combination of learning with sales pros and mentoring them is attracting top talent. Last year, the program had 22,000 applicants for just 300 positions.

Millennials Are Demanding Workstyle Flexibility

Hard-wired for mobility, Millennials understand that working at today's corporation isn't a 9 to 5 job, but they expect – and demand – the ability to work the way they want to. "Millennials can multitask in such an extreme way. They can cope with a huge amount of data," says Rosenberg, "but they don't want to go to an office every single day and sit there and do the work and then go home. They require freedom and flexibility." Enterprises are giving it to them, allowing employees to work

from coffee shops, home offices, or on the go, while realizing that maintaining the security of a proliferating IT asset base is a challenge that's here to stay.

Companies are also taking a look at their collaboration and productivity tools. Workers of all ages are pressing global companies to provide the better user experience and fit-for-purpose functionality they get from Amazon's rules-engine-driven recommendations; Apple's seamless cross-device content sharing and media packaging; and LinkedIn, Facebook and Twitter's tools for sharing updates and crowdsourcing answers and solutions.

States Rosenberg, "You cannot ask a Millennial to go to a long training class. Everything needs to be done right away." Those demands are reshaping enterprise learning and knowledge sharing. Learning is not just mobile and on-demand: Now it's packaged in small, bite-sized chunks for immediate consumption and application. And workers are using simple tools, such as low-fidelity video, microblogging, and crowdsourcing content to build community and share knowledge, says Brown. "You're giving the power to that population to build it, but you're also allowing them to build it in a format that they want," she adds.

Millennials Expect – and Are Winning Early Leadership Opportunities

Millennials want to make an impact. They're not at work to clock hours: They want to know that they're contributing to the company's success,

and ideally, making the world a better place in the process.

SAP expects its SAP Academy graduates to be future leaders of the company. To that end, 22-year-olds are expected to develop and close new business, and many ink million-dollar-contracts in their first year. Ruddock, who manages 300 young account executives, says that while Millennials work differently – seeking constant feedback, and requiring flexibility in how they solve challenges – they thrive on high expectations and have delivered results far exceeding SAP's expectations.

Enterprises are increasingly democratic, rewarding emerging talent with plum rotational assignments and early leadership opportunities based on project successes and big data indicators. Sometimes the path to success can be stratospheric. While startup CEOs people the pages of "The Top 40 Leaders under 40," other leaders have rapidly scaled the ranks of traditional enterprise. Daniel Schwartz, CEO of Burger King, is 33, while one of Warren Buffet's chief lieutenants at Berkshire Hathaway, Tracy Britt Cool, is just 29.

Rosenberg says that new learning styles, growing enterprise demands, and the rise of Millennials can threaten some employees who are change-resistant. However, she says, "This is not about culture, it's not about age, it's not about people's differences. It's bigger than that. What we are experiencing right now is a fundamental transformation in business."



Endnotes

1. Jeanne Meister, "Three Reasons You Need To Adopt A Millennial Mindset Regardless Of Your Age," Forbes, October 5, 2012. <http://www.forbes.com/sites/jeannemeister/2012/10/05/millennialmindse/>.
2. "Avoiding the Boomer Drain," Society for Human Resource Management and AARP, Presentation. <http://www.shrm.org/multimedia/webcasts/Documents/12aarpshrm.pdf>.
3. Sarah Frier, "Silicon Valley's High-Paid High School Interns," Bloomberg BusinessWeek, July 10, 2014. <http://www.businessweek.com/printer/articles/212401-silicon-valleys-high-paid-high-school-interns>.