

3 STRATEGIES FOR HARNESSING THE POWER OF MILLENNIAL HIRES

A COMMERCIAL BANKING PERSPECTIVE



The Millennial Generation is quickly becoming the largest age group in today's U.S. workforce and, furthermore, is expected to make up 75% of the workforce by 2025.¹ Unfortunately, the term "Millennial" often conjures up some less-than-awe-inspiring stereotypes: entitled, lackadaisical and smartphone-obsessed. So it's not surprising that, for restaurant owners and senior management, the number of millennial job candidates inundating their already understaffed industry can be a bit intimidating. Fortunately, there are strategies that these restaurant owners and operators can employ to motivate and retain these younger staff members.

ALIGN COMPANY CULTURE WITH THEIR VALUES

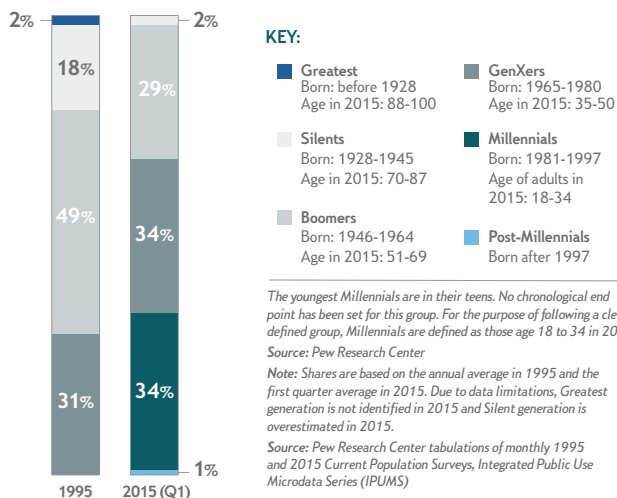
Millennials' outlooks on work are a far cry from the utilitarian and pragmatic approach that baby boomers apply towards their careers. Instead of compensation being a top priority, they are looking for jobs where they can have a positive impact on the organization, the environment or social issues.

In fact, a study found that more than 50% of Millennials would be willing to take a pay cut if it meant finding work that matched their values, and 90% were determined to use their skills for good.² Furthermore, Cone Inc.'s Cause Evolution & Environmental Survey found that 87% of Millennials consider cause marketing and a company's commitment to the community when deciding where to work.

With that in mind, restaurant owners and operators must shape their companies' cultures to align with the values and desires of the individuals they are seeking to hire. The Burger King® and Taco Bell® brands are ones that have recognized and tapped into Millennials' desires to make meaningful contributions and work in cultures aligned with their core values. The chains, which boast 13,000³ and 6,407⁴ restaurants respectively, promise to uphold core values of community service and education. Through the Burger King McLamoreSM Foundation and Taco Bell's Live Más programs, employees and franchisees are given opportunities to contribute to bringing education to underserved students and communities across the globe.

Labor Force Composition by Generation

% of the labor force





CREATE OPPORTUNITIES FOR CHALLENGE AND RECOGNITION

Not unlike other generations, Millennials seek to be challenged by their work. Although this goes against many of the stereotypes, it's true - Millennials want to be presented with challenges and recognized for a job well done. However, recognition doesn't necessarily mean constant praise and challenges ought to be special projects that are tailored to an individual's professional goals and interests. Members of this age demographic will work tirelessly for the success of their project or company, as long as they feel like their skills and careers are progressing.

In fact, 78% of Millennials surveyed believe it's important to partake in side projects that could contribute to a different career.⁴ Google is known for allowing employees to spend 20% of their time at work on any project they want, and other companies are adopting similar ideas. Restaurants can put this principle into practice by empowering employees with tasks that interest them. For example, if an employee is passionate about wine and beer, train them to take over the beverage inventory and permit them to make suggestions about new products. Supplementing this approach by adopting good suggestions and giving them credit for their good ideas is a powerful tool for motivating and retaining Millennial hires.

PROVIDE FREQUENT FEEDBACK AND MENTORSHIP

Feedback and mentorship are top priorities for this age group. This need likely stems from the fact that Millennials are already accustomed to constant feedback in other areas of their lives (e.g., social media). Furthermore, over three quarters of Millennials surveyed said that they would like their manager to serve as more of a coach or a mentor than a boss.⁵

Wegmans - a supermarket chain in the northeastern U.S. - has embraced this idea by implementing "Open Door Days".⁶ During the regularly scheduled Open Door Days, employees have access to managers and senior company leadership for feedback, advice and questioning. This, among other company policies, has resulted in a 5% voluntary turnover compared to the 73% for restaurants and other foodservice companies.⁷

A career in the restaurant industry is notoriously known for the grueling work, long hours and low pay. Millennials, when approached the right way, can make impeccable employees and meet the needs of this industry emphatically. As a result, restaurant owners will now find themselves having to think strategically about how to position their businesses to potential millennial hires, rather than just their consumer audiences.

About Citizens Restaurant Finance

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Citizens Commercial Banking is a division of Citizens Financial Group Inc. (NYSE: CFG), a Top 15 U.S. commercial bank.

¹ Restaurant Business, Hiring Millennials, April 2015

² Fast Company, What Millennial Employees Really Want, June 2015

³ Burger King, July 2016

⁴ Taco Bell, July 2016

⁵ Fast Company, Google Took Its 20% Back, But Other Companies Are Making Employee Side Projects Work For Them, August 2013

⁶ Forbes, What Millennials Want in the Workplace, January 2014

⁷ Wegmans, June 2016

⁸ Nation's Restaurant News, Steal these ideas: Lessons from Fortune's Best Companies to Work For, May 2016