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Board Service: Opportunity for Millennial Voice

Connor Sheldon
Boise State University

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Abstract

Millennials will soon be the largest generation participating in the workforce. At the forefront of this change is an increase in cultural diversity and technology literacy, shifting the demographics of future leadership. This change will be seen in boardrooms across for profit, nonprofit, and university entities. Upon completing a literature analysis of board demographics it is evident for profit, nonprofit, and university boards have an opportunity to cultivate future leaders and make room for younger, more diverse voices.

LEVERAGING DIVERSITY BOARD SERVICE: OPPORTUNITY FOR MILLENNIAL VOICE

Connor Sheldon

College of Business & Economics

BACKGROUND

Born between 1982-1998, Millennials are the largest living adult generation in the United States fully occupying labor force and voting ages.

Millennials are transitioning America to the "majority minority" nation

- Millennials were born during a period of heightened immigration and more modest white growth
- Millennials are 55.8% white
- Millennials are 30% "new minorities" (Hispanics, Asians, and those identifying as two or more races)

Diverse boards perform well

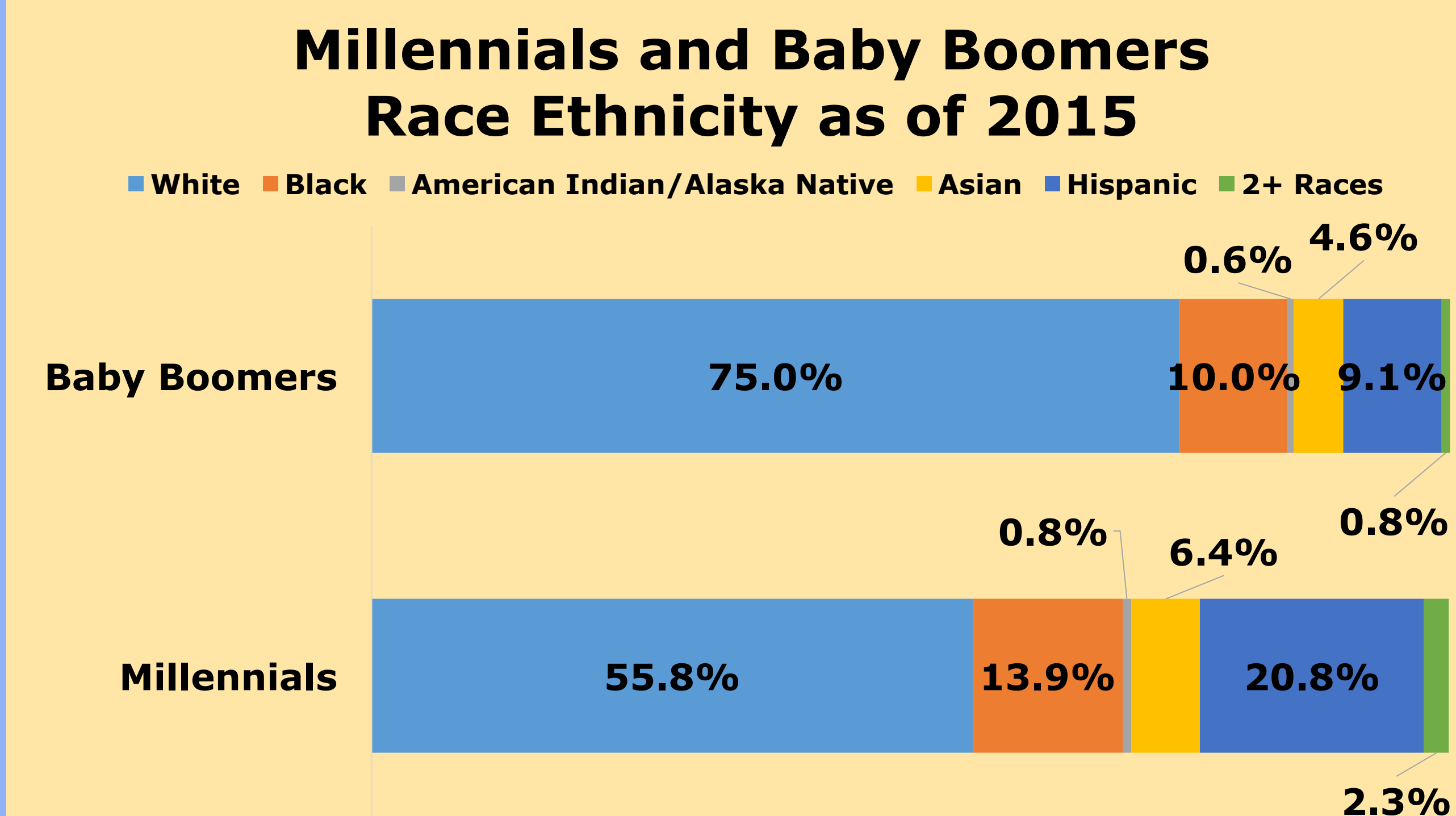
- There is a significant positive relationship between the fraction of women or minorities on boards and firm value
- Board diversity is positively associated with financial indicators of firm performance

PURPOSE/QUESTION

If Millennials are the "majority minority" generation and diverse boards are proven to perform well, why aren't more Millennials serving on for profit, nonprofit, and university boards?

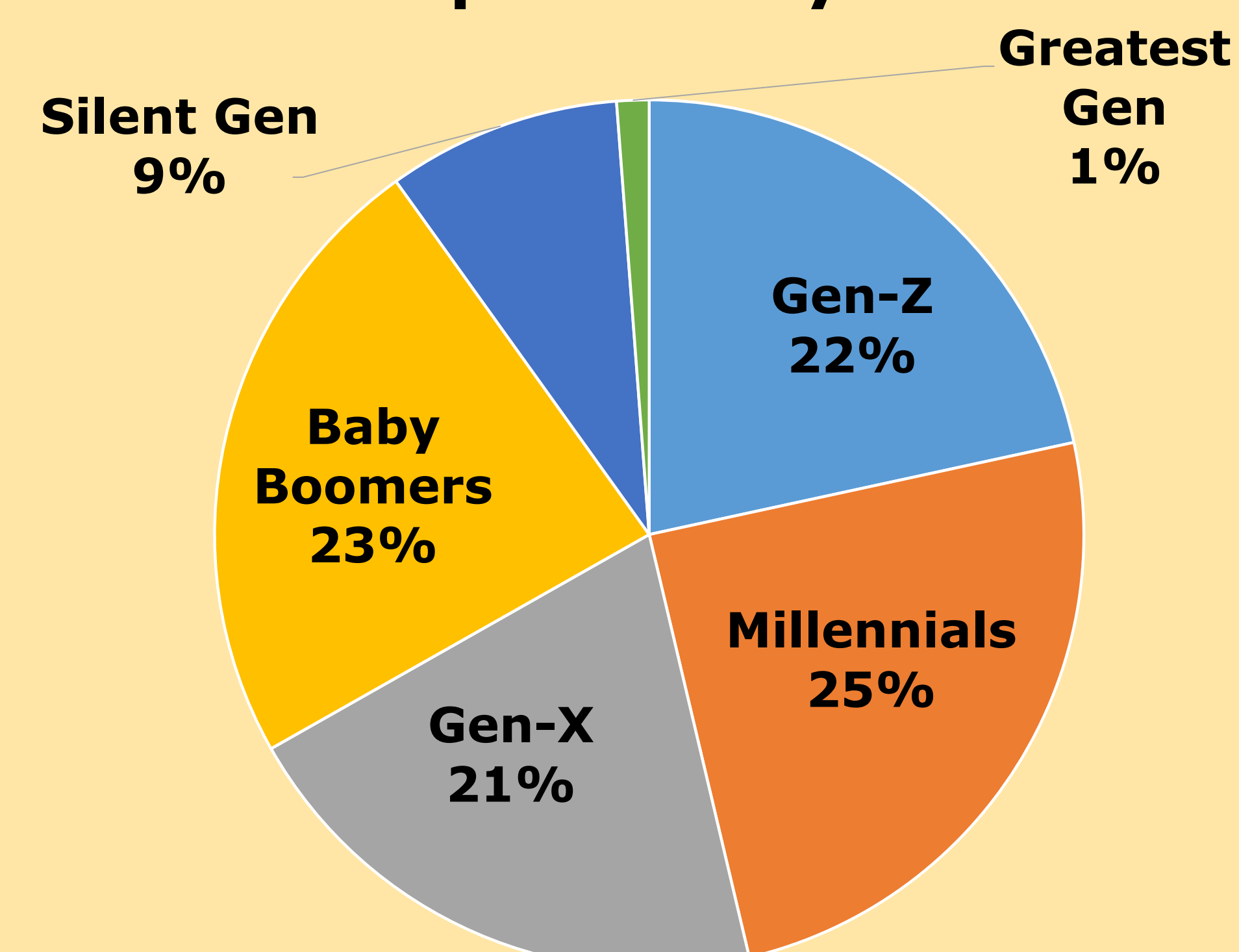
LITERATURE REVIEW RESULTS

A. Millennials are racially and ethnically diverse



B. Millennials are the largest adult generation in the USA

Total US Population by Generation



LITERATURE REVIEW RESULTS

C. Millennials lack necessary experience needed to provide value as a board member

D. Millennials may potentially alienate other board members

E. Millennials are technology natives often prioritizing giving back and civic engagement

F. Millennials (as students and recent graduates) are primary stakeholders of universities and colleges

CONCLUSIONS

In general, the literature review indicates there is opportunity to invite Millennials to the boardroom table, perhaps starting at the university level.

As board members, Millennials may not need the power to vote; they need the opportunity to be heard.

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