



Welcome on the generation Y planet!

Section: Main menu
Text: Nejka Golič

The 21st century has brought the growth in technological, social and demographic areas. So, the millennials have been growing up slowly, but persistently. This new generation of work force will bring many changes into work processes, which could be a benefit or a burden to companies. Meet the generation which will change your company.

A millennial is a representative of the so called generation Y, which was born somewhere between the 80's of the previous century and the beginning of the 21st century. This is the first generation of children who learned how to intensively use agendas for planning their time and who were brought up in the world focused on children. They firmly believe they can change everything that's wrong in the world and with the world. And this is the generation which will until 2020 represent together with the generation Z more than half of the world's work force and by 2030 as much as 75 percent.

From »I live to work« to »I work to live«

Members of the generation between 50 and 60 years old today have grown up, lived and worked in a different value system. Work was an exceptional value; therefore they started from the principle of live to work. For generation Y, the work is not a value per se; they value primarily the results of work and earnings, from where the principle »I work to live« comes from.

Employers will soon have to become aware of the large gap between the values of these two generations and they should start introducing different approaches necessary in their work with the employees. If, for instance, they start addressing millennials with the values of baby-boomers, they can be sure they will not keep them for long time.

Effective, balanced, flexible, creative and goals oriented

The questions such as »What is my next task?«, »Can I do something else in addition to this?«, »Can I end my work sharply at 5pm?« best describe a millennial who will enter your door. They will likely bring freshness into the organization or company and take away traditionalism, primarily due to important characteristics which create their attitude to work and life.

Their effectiveness will be exceptional throughout the work day, but it will disappear after the end of working hours, as they will look at it primarily as an interim time between weekends. They will not look for balance only between work and life; rather, they

will look for balance at all times also among work, inclusion into the community, own development and personal life.

Already when starting the job, they will be convinced that thanks to continuously progressing technology they work in a flexible environment, which means anywhere and anytime.

Their entire desire to work in a company or organization will be based in creativity. Therefore, they will be quickly motivated by the words such as: »You will work with other creative, successful individuals and thus make progress even faster.«

In a work environment, achieving goals expected from them and the goals they expect from themselves will be extremely important to millennials.

Desire for growth, also from a company

A millennial brings into a company or organization new technological know-how, supported by self-confidence and ability to multitask. Above all, they have a lot of energy, which they want to direct towards continuous personal and entrepreneurial growth.

According to the data from the American entrepreneurial magazine Forbes, the average time spent by millennials in a specific company is only two years. The reason why they more often decide for termination of employment is most probably in the fact that they feel there are no more opportunities for advancement and development in the work they do. Therefore, the employer employing millennials must at all times look for signs which signal that employees are looking for new challenges.

Wi-Fi as a substitute for office desk and chair

In many industries, it will become completely common in the future that work runs virtually. Even now, we can »plug in« to work at any moment, regardless of where we are. Mobile technology, social networks and cloud technology enable multiple workers working at the same time, and connecting to work from anywhere. For individual companies it will therefore be of key importance to accept all technological achievements and to promote cooperation as a main way of doing business. And it is precisely the millennials who will – with their technological know-how and developed mobile technology in the background – be willing to work anywhere where a wireless network is offered, without any problems also from their parents' home where more and more of them live.

They expect work place flexibility

Representatives of the generation Y want to be free, which can be enabled already with somewhat flexible working hours. But this is not enough: they have to be offered also a great deal of responsibility, as they thirst for work that makes sense and at which they feel important. It is therefore essential for the employer to exceed limitations and to reach for creative solutions and introduction of freedom.

They need a mentor, not a boss

In the first place, the career of a representative of the generation Y will be influenced by globalization. The latter has already interfered with their characteristics and ambitions. Therefore, it is of key importance that millennials recognize their superiors as mentors rather than bosses. If research has shown that many of them leave their job precisely because of unsuccessful relationship with a superior, on the other hand there is a solution so that this doesn't happen so often. Millennials were brought up in a system which enabled them cooperation and active participation. This is exactly what they want to establish with their superior while maintaining a level of mutual respect and considering each other's' opinions.

It is impossible to avoid the generation Y march. But is there actually a reason why we would want to avoid it? The challenges brought by and at the same time expected by the representatives of this generation will take the work atmosphere in a company to a new level. If older employees accept their specifics as opportunities, for the realization of which everyone will have to do their best, then a combination of a generation rich with experience of many years of work and a generation with energy and faith in changing the world for better, can probably be a winning one.

Luigi Amati, CEO, Meta Group Srl.

Companies must understand opportunities and challenges of their product

Section: International interview
Text: Anja Leskovar
Photo: Meta Group

Luigi Amati, chairman and director of the company Meta Group, started off as a researcher, continued as a founder of his start-up, which was followed by a membership in expert groups of the European Commission and the establishment of his own international company. Therefore, he has a unique opinion about the European Union market, characteristics of a good entrepreneur and the future.

What are you dealing with currently?

Meta Group is trying to commercialize research, create strategies, policies and frameworks for creation of the European innovative regions and to establish a pan-European investors' fund. So that we can grow inside Europe.

But it seems there are many more barriers than opportunities on the European market.

The fragmentation of Europe makes the penetration to market harder. However, on average Europe still has the highest GDP in the world, which means that the potential of this market is extraordinary. Even though we call the EU a single market, it is in fact far from that. We have 28 countries (with over 300 regions), exactly that many legislations and different funds of the European money, which all brings barriers as well. If companies saw Europe as the largest market in the world, they would definitely make different decisions. For this reason, we act as integrators of investors, the investors of the development of initial ideas as well as initiators of mechanisms which would help established companies grow.



Is know-how an absolutely most important driver of the economic development?

Yes, by all means. We focus our attention only to knowledge intensive companies. The research entitled Vital 6 % shows that only 6 percent of fast growing companies create as much as half of new jobs.

But how can one effectively build a bridge between innovation and market success?

From many sides. For sure, one has to be familiar with the whole picture of the decision makers in processes which lead to market success. But, in the first place, most of it depends on the entrepreneur. Since we believe in this, we focus a lot of work to entrepreneurial culture in each region where we operate. We want a society to recognize the influence of good entrepreneurship; this doesn't exist yet. This is the first building block of that bridge. Then there are researchers who have to understand that a lot of public money goes into their work and that they should produce something which would benefit the society.

How does an idea or a company convince you to invest in it?

I am definitely convinced by a niche in which the company operates. I am not convinced by an entrepreneur who says that they are growing 10 percent per year. I am interested primarily to see if he understands why he is growing, what brought him to that point, does he understand his customers, their needs and does he understand specifics, opportunities and challenges of his product. The best entrepreneurs are the ones who succeed to surround themselves with the best human and other resources and to nurture and keep them. And this skill is by no means related to money, but rather to the idea they "infect" others with.

But money still plays an important role when penetrating (wider) market?

Of course, it is always very important and it is one of the key indicators of seriousness. You know the proverb which says "Put your money where your mouth is!". We can talk a lot about the development of entrepreneurship theoretically, but when you start investing you really do something. Networks of investors are useful from many aspects. Even if you as an entrepreneur with the idea are capable of finding some money, the question is what the quality of that money is. There are organizations and even investors who offer money, but they don't know how to help effectively use that money and develop a company. Therefore, it is important not to work alone, but to connect. The latter applies both to investors as well as to entrepreneurs who seek money.

Many attribute extraordinary hard work and creativity to Slovenians, but also lack of courage. At least a little bit of the latter is necessary to penetrate foreign markets. How do you see us?

I think you are excellent at balancing intelligence and creativity in a very rare way, while you are at the same time capable of effectively communicating with people. However, I think you could sometimes be more courageous and convinced about your own capabilities. In general I think that among Slovenians there is still an unjustified feeling of inferiority, which has been slowly disappearing, especially with new generations which are educated, have international experience and are more self-confident per se.

Self-confidence is a strong characteristic of the generation Y, those born in the 80' and 90' of the last century. Do you think that with the rise of this generation the new era of entrepreneurship is coming?

Absolutely. My optimism regarding the future of Europe comes from the generation Y. I know them well as I work with them

a lot. However, I am afraid they will not have enough time for changing Europe. The European Union is a political and economic mastodon, where changes are taking place incredibly slowly. The conditions which the European Union is offering to young generations wishing to change things, are so tough that I am afraid fear of failure will win over the optimism they are demonstrating today. I also believe that the generation of today's 30 years old doesn't look for solutions from necessity, but rather from desire. If there are too many barriers, they can despair as they are motivated by desire and ambition.

Leasing can be a good and quick solution

Section: Expert
Text: Nina Finžgar

When making decisions on larger value purchases, one cannot avoid weighing on selection of the adequate form of financing which gets us to the goal quickly and in an affordable way. In Slovenia and in other European countries leasing has become an increasingly frequent choice of financing the purchase of vehicles, equipment and even real estate. It represents a secure and reliable decision.

While loans are intended primarily for companies operations, leasing for purchase of equipment can often be a more appropriate decision.

ABC of leasing

Within the framework of a banking institution, which cooperates with a company, a loan and leasing are rather complementary than competitive products. However, there are some differences between them. The most common type of leasing is financial leasing – as a matter of fact, a form of rent which after the repayment of the last instalment changes into ownership. Therefore, financing with financial leasing is in the first place based on technological and technical applicability of the item. For loans, the maturity is determined according to the customer's credit rating and collateral with the bank, by pledging another item or by insurance via an insurance company. In case of leasing, the procedure is somewhat faster and with less administrative costs.

The advantage of financing through leasing is also the maturity, which – due to ever longer life time of cars and machinery – can be even longer than for loans. The repayment is performed by instalments, which ensures constant monthly instalments and their movement, usually depending on variable interest rate.

Still, credit rating is important

It is to some extent true that in case of worse credit rating it is easier to get a leasing than loan. However, it doesn't hold that it is easy to replace a failure when obtaining a loan by obtaining a leasing. Despite the fact that leasing is based on subject of insurance, it does to a large extent consider also an individual's credit rating. The only difference is that in case of leasing, a company's credit rating determines primarily the borrowing conditions, such as a level of own contribution and flexibility when determining monthly instalments.

More leasing, more investments

According to the Leaseurope data, more than half of small and medium-sized companies use leasing as a form of financing. And, as it seems, this has extremely positive effects. Specifically, the companies which use leasing invest twice as much than the companies which don't use leasing. And investments usually mean progress and income.



Back into the past

Section: inspirational
Text: Dušan Matičič

Why are some things so eternal that we keep getting back to them even though we are tempted by something else in the meantime? And why can such items represent an extraordinary business opportunity?

In the era of the largest progress in the history of mankind, we go back to products and partially to the mind-set from the past. Such shift is typical for periods of large socioeconomic changes in the world.

Technology is no longer something special. Now, we see as exclusive the things we have lost on our way to technological saturation.

Why backwards?

For older generation, retro has become a safe pier, while younger generation which grew up in the world of technological progress, accepted it as its own way of resistance to uniformity of a modern world, where it seems everyone's desires are very similar. Therefore, it doesn't come as a surprise that young people, primarily millennials born after 1986, are going back to the world when everything was more simple and anticipated, while products truly differentiated one from another, while today practically in all areas the uniformity of form and function rules.

Story makes a trend

The products which inspire nostalgia appear daily on the market: from classic phone earpiece, which can be plugged in to the latest smart phone to the Moleskine notebooks where Oscar Wilde wrote down his thoughts 150 years ago, while today it is a common thing in hands of a 25-year old who is regarded as a child of the digital era. Both products are practically completely useless for a modern man, if we compare them with the efficiency of devices. However, the story they bring along is stronger than their applicability.

A shift to chic

In times when it has been increasingly difficult to play on consumers' feelings, the revival of the past emotions is a successful approach. The contrast between progress and past is a key element in stimulating interest from consumers. In the first place, it works for companies which manage to place their product in the past, to evoke customers' desire with the right approach and to take the product or approach into the future with the existing technology and almost regularly with higher financial added value. Despite the fact that retro products usually have their (higher) price, the concept of traveling into the past can be useful and it is of course exceedingly chic also for a consumer to whom the product offers a different experience. Therefore, it means a victory (and an opportunity) for all.