



## Hiring Millennial Mojo

by [Steve Brown](#)

Maybe you heard the story about the young business school graduate who was asked at a job interview what his biggest weakness might be. "Honesty," the young millennial replied. To which the hiring manager then said, "I'm not sure honesty is a weakness." After hearing this, the millennial said, "Who cares what you think?" In this ever-widening generation gap between older executives and younger job candidates, things are sure changing fast.

Let's look at a 2014 survey of small business owners by American Express to find out what this might mean for community banks. In the survey, Amex reported 69% of small business owners said corporate culture is an important lure in attracting young talent. Meanwhile, over 50% said replacing aging Baby Boomer workers is a high priority. The question is how to bridge this generation gap that makes it difficult for older executives to reach younger professionals.

For community banks looking to tap into younger financial talent, the key is communication and knowing what younger workers expect before they sign on. Here, Amex reported that with the prominent shift in generations, the ability of small businesses to tailor their approach to attract younger staff will be critical. This gives us a good starting point.

Today millennials make up about 33% of the workforce and in 10Ys it's estimated that figure will reach 75%, according to CareerBuilder.com. This employee base is clearly very important.

One way to deal with this is to get your own staffers on board. Community banks, like most companies, like to hire local. To find the best candidates in your back yard, ask your current staff (especially younger ones) for referrals. Getting a good lead from a trusted worker is a great way to find young talent. Another way is to leverage social media. After all, younger career professionals spend time on social media sites like Facebook, Twitter and LinkedIn. Use all three to engage millennial talent, especially LinkedIn, which gives you a direct opportunity to connect with top talent looking for a new career move.

Be creative, too. Millennials are natural "guerilla workers" who respond favorably to alternative work environments. Wherever possible, plug in to that mindset with job lures like flexible schedules, work at home options and bonus compensation.

Millennials also care about mentoring and advancement. In fact, an MTV survey finds 75% of younger workers say they want a professional mentor in the workplace. Arrange for either formal or informal mentoring at your bank and let younger job applicants know these opportunities exist. Chances are they'll consider that a great perk and this should attract them to your bank.

You'll also want to promote technology potential when reaching out to younger professionals. Millennials have grown up with digital devices and digital data, so promoting ways that staffers can use technology (like using company-owned smart phones and tablet computers on projects) and steering younger job candidates toward special ways they can use technology on the job (like working on social media campaigns or designing bank-sponsored digital mobile technology app campaigns) is interesting and attractive to millennials.

Not only will having enthusiastic younger employees in the bank help bring new energy, they will be necessary to attract younger customers. People like to do business with their peers and the young tech wizard with a startup may have difficulty relating to the graying executive that currently heads the small business lending unit.

The end game here is simple. Be open and honest with millennial job candidates. They'll appreciate your being

candid and should be just as honest in return. Over time, they will bring their talents and energy to your bank.

# ECONOMY & RATES

## Yesterday

Treasury yields remained unchanged as the investor focus was the Greek economic bailout.

## Today

Yields continue see to no real movement while the market waits for [existing home sales](#) to be announced later this morning.

Rates As Of: 02/23/2015 11:03AM (PST)

| Treasury  | Yields       | MTD Chg  | YTD Chg |
|-----------|--------------|----------|---------|
| 3M        | 0.02         | 0.00     | 0.00    |
| 6M        | 0.06         | 0.00     | 0.00    |
| 1Y        | 0.20         | 0.00     | 0.00    |
| 2Y        | 0.61         | 0.00     | 0.00    |
| 5Y        | 1.55         | 0.00     | 0.00    |
| 10Y       | 2.07         | 0.00     | 0.00    |
| 30Y       | 2.67         | 0.00     | 0.00    |
| FF Market | FF Target    | Fed Disc |         |
| 0.00      | 0.25         | 0.00     |         |
| Prime     | Unemployment | Oil      |         |
| 3.25      | 0.00         | \$0      |         |

[More Market Rates](#)

## BANK NEWS

### M&A Activity

1) American Banker reports brokerage firm Stifel Financial is reportedly in talks to acquire Sterne Agee. Both brokerage firms work with community banks across the country so we thought you would be interested.

### Calmer Waters

CNBC reports a deal has been reached between Greece and euro zone creditors that extends its bailout for 4 months. This gives Greece time to negotiate a broader arrangement with creditors along with fiscal reforms.

### Smaller Street

The New York Times reports former Treasury Secretary Tim Geithner as saying the profitability of banking has been cut roughly in half as a result of government actions to reduce the amount of risk banks can take. Geithner pointed out that in 2006 banks had 41% of assets tied to trading activities vs. 21% now. Meanwhile, the Wall Street Journal reports a report by UK research firm Coalition finds the number of investment bankers, traders, salespeople and research analysts at the largest banks has declined 20% since 2010.

### Ag Lending

A national survey of farm bankers by the Fed KC finds lower profits in the crop sector continued in Q4 2014, pushing up borrowing. The Fed pointed out that if low crop prices and high input costs persist, crop sector profit margins could weaken further and strain loan repayment capacity in 2015. As of Sep 2014, farm loan debt outstanding was 6.7% higher than a year earlier and LTD ratios at farm banks have climbed to the highest level since 2010.

### Auto Lending

Credit bureau Experian reports auto originations climbed 11% YOY in Q4, as loans to prime borrowers (credit score 660 or >) climbed 13% in Q4 and subprime loans (score of < 660) jumped 9%. Delinquencies on auto loans were flat in Q4, around 2.62% for 30 days and 0.72% for 60 days.

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