



STAMPS AND MILLENNIALS

Dr. Eva Savelsberg, Senior Vice President of INFORM's Logistics Division and Matthew Wittemeier, responsible for Marketing and Sales at INFORM, say millennials are the key to enabling true digital transformation.

The stamp; we all know it as that little square that you used to lick to get your letter sent. Now, it is only a sticker or in many cases not even a physical thing but rather a "something" printed on an envelope. Is the day coming when what we all know to have been a stamp will be a thing only existing in our memory and something unknown to millennials and their children? We've all seen the YouTube videos of kids reacting to antiquated technology – everything from cassette players to rotary phones – and there is a brilliantly, funny consistency to these videos. In the case of the rotary phone, it takes most kids anywhere from 30 to 60 seconds to understand what it might be. The idea that it is a phone is foreign to them. As they begin to physically explore it, you can see them trying to "press" the numbers. The idea that it is a dial that rotates and returns never crosses their mind. To an adult, it is certainly funny to watch, but, humour aside, it is telling of a generational gap where things that are commonplace to us are disappearing from the lives of a younger generation. With the age of the millennial fast approaching, we should be asking ourselves if things like the humble stamp will survive beyond our generation.

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On to avocado toast

By 2025, millennials will make up 75% of the global workforce, i.e., the generation of “pen and paper” operators are a dying species. Millennials have grown up with instantaneous digital communication, and “high-tech” is woven into all aspects and areas of their life. It’s been reported recently that Canadian millennials across the board don’t know how to use a stamp or properly address an envelope. So, while millennials will not only penetrate the logistics workforce, they will also be the ones who drive demand on the consumer side. “On-demand” and “digital” is their way of life. Anything else will not be accepted which begs the question, what is the future of the humble stamp?

Generation “avocado toast” (what many have nicknamed the millennials), is “stirring the pot,” “shaking things up,” “challenging the norm” or whatever you want to call it. Overall, they are exceptional at not accepting the status quo – “just because.” Things that we consider normal, they often disregard. To the frustration of their more senior colleagues, this is often seen as a negative – but, is it always?

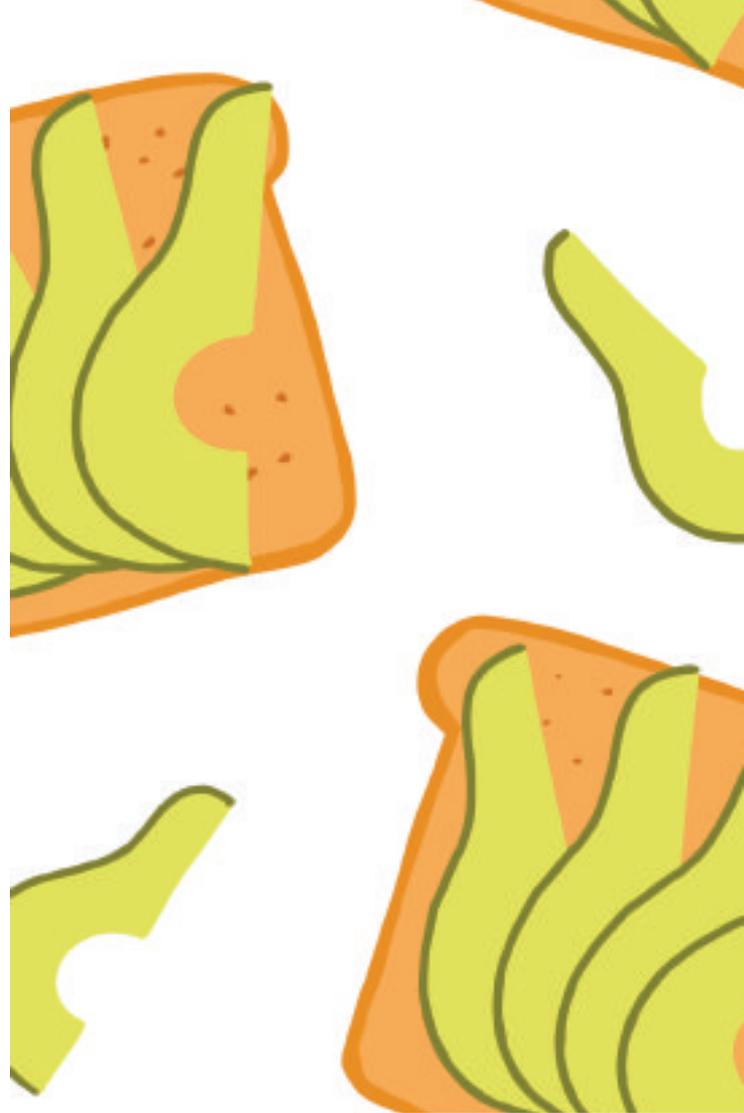
If it ain’t broke, don’t fix it

When approaching the challenge millennials can bring, try and remember that change is often resisted as is summed up in the age-old saying, “If it ain’t broke, don’t fix it.” But change is required to remain relevant, and now more than ever. In our previous article in the last issue of MER which was centred around technology and humans, we noted that the pace of technological change will never be slower than it is today. If you recall from that piece, it was estimated that only 54% of major change projects are successful. Those that fail are plagued by higher than expected costs and lowered employee morale. Studies also show that when employees see major projects fail, or fail to deliver major elements, cynicism sets in, which, in turn, further undermines adoption, utilisation, and worse – company culture. So, while organisations see a need for new technology, implementation often goes astray.

People have to drive all change

Before pinpointing all software and hardware solutions on your roadmap to transformation, decision-makers

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should plan to have two internal stopovers and address the human and organisational aspects of the change process first. The sequence of the HOT approach (Human, Organisation, Technology) ensures “transformation readiness” before new technology moves in. Many leaders underestimate the consequences of inadequate readiness and, at the same time, overestimate the current capabilities and culture of their own organisation. Fully understanding the impact of this process on business and people helps to avoid the pitfalls into which so many repeatedly fall.

A common mistake many organisations make is to label digital transformation an IT project. It is seen as the responsibility of the IT team to take the lead, while the necessary business inputs are provided only half-heartedly or not at all. Consequently, the project takes a wrong turn at an early stage, and the finished product eventually falls short of internal expectations and customers’ needs.

A word on transformation

As an industry, we’ve identified the value of digital technology to drive business results. But when it comes to actually putting them into motion, most companies pay lip service to digital transformation. Many believe it is about using shiny new technology to do more of the same things they have done before (i.e., digital stamps



vs. printed stamps). In the worst-case scenarios, this may mean doing the wrong things even faster, leading to the simple formula “old process + new technology = expensive old process.”

Today, many digital transformation projects are focused on the “digital” and not so much on “transformation.” Instead, real digital transformation requires change at a much deeper level. It calls for action that cuts across every aspect of how postal organisations operate internally and engage externally. This process is less about technology and more about cultural change. It includes elements of understanding how to interpret data and leverage technology so that it shifts every corner of the business.

But equally, transformation involves understanding how to implement those shifts so that the organisation can evolve. Millennials are the generation best positioned to challenge your thinking and enable true digital transformation. If you accept that millennial talent will help position postal organisations for the future, then the question becomes, “How do you attract them?” Postal organisations should consider a few things along the way.

Location matters

Many distribution centres are located on city fringes with easy access to main transport roads. These remote

locations, while great for moving goods, are far away from the urban centres with their deep, millennial talent pools. In the race for millennial staff, neither such a working environment nor location qualifies as a good starting position.

Digital transformation offers organisations the ability to centralise digitally based planning and operational support teams. Instead of planning independently at remote locations, centralisation allows for synergies across the entire network of distribution hubs, depots, and, of course, the broader organisation. Furthermore, a centralised office can be located close to any urban hotspot offering easy access to a high density of top talents. Instead of a remote and foreign environment, a centralised urban office offers a working environment that will not only attract millennials but also allow them to prosper.

Embrace the challenge

Instead of clinging to aging processes and tools, transformation is needed for post and parcel operators to survive and prosper in a digital world. It is not a question of “if” or “when” to start the journey but rather “how.” Millennials are inherently poised to drive transformation. Their natural tendency to disrupt and challenge the norm is the very thing that will deliver lasting value to post and parcel operators. Embracing the thing that many see as



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a negative will enable millennials inner need for shared value and purpose which will increase the likelihood that they will stay with your organisation. Remember, attracting them is only step one. Retention is important, too.

As for the stamp

You must remember that millennial's prominence in the workforce is only a reflection of their prominence as purchasers of goods and services. In 2012, it was estimated that 50.5% of the world's population was under 30. Their buying power will only strengthen over the next decade. Organisations that embrace the "never licked a stamp" generation now will be the first to reap the benefits

as they can align their organisational thinking with the future purchasers of their services.

And, as for the fate of the stamp? This comes from the millennial age co-author: Isn't it rather odd that we still have something as disposable as a single-use sticker on a single-use envelope, that serves a single purpose at the core of our industry? While special stamp sales are on the rise is it not time for us to evolve past the traditional stamp/envelope combo to something more sustainable, more in line with the digital nature of communication? Perhaps, it's time for a YouTube video featuring kids who have no idea what a stamp is or how to use it... "Really, you lick it?"



About the authors

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