

A VISIONPOINT PERSPECTIVE

Generations:

Harnessing the Potential of the Multigenerational Workforce



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Training...with a passion

I magine an employee who brings enthusiasm and energy, shares fresh ideas and new approaches, displays wisdom that typically comes with years of experience, demonstrates unflinching loyalty to the organization and refuses to take “no” for an answer when pitching a breakthrough idea. Realistically, the chance of finding all these characteristics in a single employee is practically zero; however, these same desirable characteristics, and many more, can be found in today’s multigenerational workforce.

For the first time in recent history, there are four generations of employees represented in the U.S. workforce. It is the largest demographic shift since women and members of minority groups began entering the workforce in significant numbers several decades ago. Not surprisingly, the implications are as profound now as they were then. Against the backdrop of gender, race and ethnicity, generational differences bring a new level of complexity—and new opportunity—to the notion of what it is to manage a diverse workforce.

Understanding the Gaps

The term *generation gap* was popularized in the 1960s to describe the societal conflict taking place between young people at that time and their parents, teachers and authority figures in general. During that time, deep differences emerged reflecting how the members of each generation were affected by and responded to post-WWII economic expansion, the civil rights movement, the Vietnam War and many more important societal events.

The Upside to the Gap:

The ability to recognize and bridge the generation gap can create a powerful competitive advantage.

Historians Neil Howe and William Strauss’s identification of recurring cycles of history and generational archetypes have further popularized the concept of generational patterns. Members of every generation are shaped in depth by the economic, social, historical and political climates in which they come of age. As a result, the individuals within each generation often share values, beliefs and behaviors that can differ greatly from those of other generations.

Consequently, from one generation to another, there are significant differences in “world view” and work styles. Thus, new generation gaps continually emerge. In organizations, these gaps can contribute to misunderstanding, miscommunication, conflict and the corresponding loss of productivity. On the upside, the ability to recognize and bridge these gaps can create a powerful competitive advantage.



Generations: Descriptions and Characteristics

While their labels and time spans are debated, each of the four generations is the product of its time and displays a unique set of characteristics. It is important to remember that each individual is unique and will not necessarily identify with or reflect these characteristics. **Table 1** on the following page displays a quick overview.

Traditionalists. Born prior to the end of World War II (1925-1942), this group also is referred to as *Veterans*, *Builders* or the *Silent Generation*. Although many in this group are now at or past the age of retirement, they are staying in the workforce longer, reflecting both the need for their skills and the impact of such laws as the *Age Discrimination in Employment Act*. Research and scientific organizations in particular have growing numbers of employees in their 70s who have no immediate plans to retire. For this generation, longevity with one employer is seen as a positive measure of success.

Restaurant and retail organizations are aggressively seeking workers from this group, viewed as stable, reliable and drug free.

Traditionalists, Baby Boomers, Gen-X and Gen-Y each bring unique values and characteristics to the workplace.

Baby Boomers. Born between 1943 and 1960, this generation has shaped American society since its inception. Baby Boomers experienced the societal “firsts” of desegregation and integration, as well as other significant political and cultural changes. Now in their 50s and early 60s, Boomers are characterized by optimism and a reluctance to grow old. They currently dominate the ranks of senior management in organizations and positions of power in established political institutions. The first wave of retiring Boomers is redefining the meaning of “old” and the concept of retirement in our society.

Generation X. Born between 1961 and 1981, Gen-Xers also have been called *Baby Busters* and the *13th Generation*. Now in their mid-20s to early 40s, they grew up in the culture created by the Baby Boomers—self-indulgent, mobile and materialistic. They are knowledgeable workers who have been influenced by technology as well as by shifts in family and societal trends including divorce, two-income households and gender, racial and ethnic diversity. Given this worldview, their values tend toward individualism and self-reliance.

Generation Y. Those born between 1982 and 2002 have received multiple labels, among them *Gen-Next*, *Nexters*, *Millennials*, the *Digital* or *Net Generation*, and the *Mosaic Generation*. Currently in their early 20s and younger, Gen-Y is entering the workforce in significant numbers. As a group, they are more diverse and globally oriented and more knowledgeable of computers and technology than any preceding generation. This also is reflected in the way they learn and work (e.g., multitasking, use of multimedia, etc). This group is actually a larger demographic than the Baby Boomers and is predicted to have an equally distinct impact on society and the workplace.

Cuspers. Also important to note are *Cuspers*—those born near the end of one generation or the beginning of the next. They may identify with one of the generations they overlap, but can share the characteristics of either and relate well to the generations they fall between.

Table 1 provides a thumbnail sketch of each generation. Under the column heading “Stereotyped As” is a sampling of the negative traits often associated with one generation by the members of other generations. The terms are included to highlight how employees of different generations can stereotype and misunderstand one another’s actions and intentions.

Table 1: Generations At-a-Glance			
Generation	Born Between	Characteristics	Stereotyped As
Traditionalists	1925-1942	Hardworking & dedicated Respectful of rules & authority Conservative & traditional	Old-fashioned; behind the times Rigid/Autocratic Change/Risk averse
Baby Boomers	1943-1960	Youthful self-identity Optimistic Team player Competitive	Self-centered Unrealistic Political Power-driven; workaholic
Generation X	1961-1981	Balanced (work/life quality) Self-reliant Pragmatic	Slackers Selfish; impatient Cynical
Generation Y	1982-2002	Fast pace/Multitasking Fun-seeking Technology savvy	Short attention span Spoiled & disrespectful Technology dependent

Mapping the Gaps

Every organization has generational diversity either in its workplace or among its client, customer and supplier base. Generational differences influence working relationships, standards of normalcy, approaches to work, values, expectations and measures of success. The resulting generation gaps typically have impact in seven key aspects of the workplace:

- Workstyle
- Authority/Leadership
- Communication
- Technology
- Recognition and Reward
- Work/Family
- Loyalty

Consider, for example, how each generation responds to authority and views leadership. Traditionalists and Boomers entered the workforce at a time when the structure and hierarchy of most business organizations were strongly influenced by military thinking. The dominant management model of the time was “command and control.” Employees were expected to follow orders without questioning them. No action was to be taken without going through appropriate channels for approval.



By the 80s and 90s, management philosophies in organizations were evolving. At the time Generation X entered the workforce, decision making was becoming more decentralized; layers of bureaucracy were being eliminated and rigid rules relaxed. Gen-X and later Gen-Y employees have experienced a more collaborative workplace. These employees respond well to freedom and flexibility and do not like what they characterize as micromanagement.

Table 2 highlights some impacts of generational differences in the workplace, presenting side-by-side comparisons of characteristic behaviors, attitudes, values and motivators.

Table 2: Generational Differences in Key Workplace Dimensions				
	Traditionalists	Baby Boomers	Generation X	Generation Y
Work Style	By the book-“how” is as important as what gets done	Get it done—whatever it takes—nights & weekends	Find the fastest route to results; Protocol secondary	Work to deadlines—not necessarily to schedules
Authority/ Leadership	Command/ control; Rarely question authority	Respect for power & accomplishment	Rules are flexible; Collaboration is important	Value autonomy; Less inclined to pursue formal leadership positions
Communication	Formal & through proper channels	Somewhat formal & through structured network	Casual & direct; Sometimes skeptical	Casual & direct; Eager to please
Recognition/ Reward	Personal acknowledgement & compensation for work well done	Public acknowledgement & career advancement	A balance of fair compensation & ample time off as reward	Individual & public praise (exposure); opportunity for broadening skills
Work/Family	Work and family should be kept separate	Work comes first	Value work/ life balance	Value blending personal life into work
Loyalty	To the organization	To the importance & meaning of work	To individual career goals	To the people involved with the project
Technology	“If it ain’t broke, don’t fix it”	Necessary for progress	Practical tools for getting things done	What else is there?

Leveraging the Gaps

As described in the introduction, the personality profile of our “ideal employee” is found, not in an individual, but in the multigenerational workforce on whom organizations now and in the future will be increasingly dependent. As a result, everyone in the organization must develop the awareness and competencies needed to bring out the best that every work team has to offer. A working knowledge of generational differences will help ensure business success.

As an example, consider the task of bringing a new payroll system online at a 100-year old insurance company. It is a classic case of new technology coming up against long-established ways of operating, and conflicts are inevitable. Here is how a multigenerational team perspective can help mitigate the risks and pitfalls and ensure success:

- **Traditionalists** may provide practical experience with what has worked (and not worked) in the past. Use this perspective to make the business case for change and secure organizational support from senior management.
- **Boomers** are often politically savvy and understand the informal organization. Use this perspective to network and build relationships across functional areas of the organization.
- **Generation X** may have a healthy skepticism that is useful in challenging assumptions and the *status quo*. Use this perspective to provide a reality check with the core departments affected (e.g., Accounting, HR).
- **Generation Y** employees often speak the language used by technology vendors and network administrators. Use this perspective to identify emerging trends and timely solutions for now and the future.

Ensure Business Success

*Incorporating a multigenerational perspective into strategic initiatives
leverages multigenerational differences into valuable assets.*



Bridging the Gaps:

A Case Study

For decades, a large, established engineering firm had hired the “best and the brightest,” recruiting graduates with advanced degrees and working them unmercifully their first five years on the job. The firm identified those who survived and thrived under the pressure as their “high potentials” and rewarded them accordingly. In time, however, the firm’s workforce underwent a generational shift from primarily Baby Boomers to Generation X.

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Steadily, the firm’s once-successful hiring formula began to break down. An increasing number of young engineers with the obvious talent to become “high potentials” left before completing their five-year initiation. They had interests and commitments outside of work and were unwilling to forego having a personal life.

The firm realized it needed to make changes to address the generational issues that were threatening its long-term viability. The process was thoughtfully considered, leading to many structural adjustments and policy revisions that acknowledged the dynamics of generational diversity. For example, the travel policy required employees to leave Sunday night for a client site and return Friday night, after which they were expected to come into the office to write their reports for the week. The revamped policy put employees in control of their travel schedules. The message was: “You know the outcomes we want. You work with your team and the client and do what you have to do to deliver.”

Employees were given flexibility to travel on Monday morning and return home on Thursday night, so long as they met the demands of their assignment and the expectations of clients.

Eventually, the firm was able to leverage the flexible travel policy into a cost-saving concept for flexible office space. “Hoteling” eliminated the permanent offices of the firm’s traveling workforce, providing instead communal workspaces for employees to reserve when and as needed. Rather than feeling displaced, the firm’s Gen-X engineers adapted happily and saved the company hundreds of thousands of dollars in leasing costs and associated support.

In another move reflecting its changing workforce, the firm gave each employee a laptop that enabled him/her to write and submit his/her reports anywhere, anytime. Then, by replacing the laptops every six months, the firm signaled to the young, technology-savvy employees that it was committed to investing in technology to drive productivity, opportunity and growth.

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For the firm, a journey, which began in response to Generation X turnover, has become a transformation that has boosted individual and organizational performance. Employees of every generation have welcomed and benefited from the increased freedom and flexibility, as have the firm’s clients and partners. The founding vision and values regarding outstanding work and customer satisfaction have never been stronger. The firm is now truly an *employer of choice*...a workplace where people want to come and stay.

Generations: The Big Picture

Developing a proactive approach to managing a multigenerational workplace begins by examining the organization's demographics, culture and management practices.

Generational Demographics. What is the generational mix? Are there a large number of Traditionalists and Boomers versus Gen-X and Gen-Y? What is the distribution in management ranks and in core business functions such as engineering or sales? The higher the percentage, the higher the risk that increasing numbers of retirements will drain institutional knowledge before it can be replaced.

Perhaps there is a generation gap between management and the frontline workforce. The clues will be in turnover rates and exit interview comments. How long are your new hires staying? Where do they go when they leave? This data will help to pinpoint generational issues with long-term impact. At the other extreme, newer, technology-driven organizations have younger workforces, including management, and run the risk of having their older workers feeling marginalized. Whatever the mix, creating a generational profile of the organization is a critical first step.

Culture. Do the words that employees and customers use to describe the organization match the ones it uses to describe itself? If, for example, the website describes an “innovative, industry leader and standard setter” that employees describe as “risk adverse, status quo and bureaucratic,” there is an obvious disconnect. Perhaps the command-and-control hierarchy created by Traditionalist founders no longer serves the needs and expectations of employees, vendors and customers. If employee comments indicate a belief that the environment is not a fair and respectful one, a culture audit may surface important information on generational dynamics affecting teamwork, productivity and customer satisfaction.

Management Practices. Coming to grips with generational differences requires organizations to reassess and retool around leadership, management and supervisory competencies. Recent studies by the Gallup Group and the Leadership Council document that employees do not leave companies; they leave managers. This requires a renewed emphasis on management training and development.

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they leave managers*

Managing a multigenerational workforce requires the ability to lead change and manage individual and organizational performance. The emerging leadership model is one that focuses on competence, character and collaboration. It reflects a concern for people and the community as well as a concern for profit. In this model, the leader's behavior is consistent with the organization's stated vision, values and mission. This leader shares power, collaborates and works to build and maintain trust in ways that are different from past approaches that emphasized position, power and authority—and still characterize many organizations today.

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The Business Case: Mastering the Gaps

Generational issues can and do exist as a fact of business life today. Those organizations capable of recognizing, responding to and managing these issues effectively can use them as a foundation for success. For organizations without these capabilities, generational issues are likely to remain traps that interfere with productivity, team work and customer satisfaction. The key is developing the capability, capacity and competencies needed for a multigenerational workplace.

The first step is to examine programs, policies and practices to ensure they are appropriate. Equally important is training designed to increase awareness and equip employees with practical skills necessary to resolve generational issues and to make the best use of multigenerational work teams. Essentials for multigenerational training include:

- Defining characteristics of generations including generational values and behaviors
- Identifying common stereotypes and unconscious biases
- Recognizing and responding to cross-generational dynamics
- Understanding emerging trends in demographics
- Using tools and techniques designed to improve communication, maintain respect, and enhance working relationships.

Generational Dynamics: Constant Change, Common Purpose

A multigenerational workforce is, by its very nature, dynamic. It will continue to bring new ways of learning, communicating and working into organizations. The question is not, “Will you have a multigenerational workplace?” The question is, “Are you prepared?”

Fortunately, the answer involves more than just **differences**. The multigenerational workforce shares powerful common threads—concerns that are equally important to employees of every generation.

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Regardless of generation, everyone wants to be treated with fairness and respect and have a sense that they are making a contribution. Effectively managing a multigenerational workplace requires that individuals and organizations be willing to explore differences, encourage respect and take responsibility to find their common ground.

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