Generational Differences in the Workplace

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Unprecedented Demographics: Slowing Growth

U.S. Workforce Growth Rate by Decade

<table>
<thead>
<tr>
<th>Decade</th>
<th>Growth Rate</th>
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<tbody>
<tr>
<td>1970 to 1980</td>
<td>29%</td>
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<tr>
<td>1980 to 1990</td>
<td>18%</td>
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<tr>
<td>1990 to 2000</td>
<td>12%</td>
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<tr>
<td>2000 to 2010</td>
<td>12%</td>
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<tr>
<td>2010 to 2020</td>
<td>4%</td>
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<tr>
<td>2020 to 2030</td>
<td>3%</td>
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</tbody>
</table>

Source: U.S. Bureau of Labor Statistics
Globally: Significantly Slower Growth in the Working-Age Population

Declining Birth Rates Around the World

Births per 100 Population

Slow Growth in New Entrants to the Workforce: United States

Even Fewer New Entrants to the Workforce: Europe

Another 15 Years of Growth in New Entrants to the Workforce: India

The Talent Supply/Demand Disconnect

Lack of resources creates tension on the high-skills market.

Oversupply of low-skill resources generates unemployment.

Source: Confronting the Talent Crunch: 2007, A Manpower White Paper
The “Sudden” Boom in Life Expectancy

Life Expectancy at Birth: 1000 - 2000

Source: U.S. Census Bureau, 2000
Each generation forms unique assumptions about how the world works

Based on common interpretations of shared experiences
Piaget’s Four Developmental Stages

- **Sensorimotor stage (birth - 2 years old)**
  - Concepts about how physical objects work based on direct physical interaction with the environment

- **Preoperational stage (ages 2-7)**
  - Intuitive intelligence related to concrete physical situations

- **Concrete operations (ages 7-11)**
  - Logical structures related to concrete objects or physical experiences (numbers, for example)

- **Formal operations (ages 11-15)**
  - Conceptual reasoning and abstractions
  - Mental models that will persist throughout adulthood
Our Mental Maps Are Shaped by Many Factors

National and global events and trends

Parents’ views
Religion
Race and ethnicity
Gender
Socioeconomic status
Many other factors

Shared views and common perspectives
Traditionalists

Shared Experiences of the 1940’s and 1950’s

• Allied military success in World War II
• The early days of the Cold War
• A wave of new technology
• Booming Post-War economy
• Growth of suburbs
• Increased availability of consumer goods
United States: Born 1928 to 1945

Traditionalists

Common Characteristics

• Joiners
• Loyal to institutions
• Accepting of hierarchy and rules
• Respectful of positional authority
• Interested in money as a metric of success
Boomers

Shared Experiences of the 1960’s and 1970’s

• Kennedy’s idealistic “Camelot” Presidency
• The Cuban Missile Crisis
• Vietnam
• Civil Rights
• Women’s liberation
• Widespread protests
• Assassinations of Kennedy, King, and other idealistic leaders
• Watergate and Nixon’s resignation
• Lots of other Boomer teenagers!
Boomers

Common Characteristics

• Competitive – viewing life as a “zero-sum” game
• Hard-working and driven
• Anti-authoritarian
• Idealistic
Generation X

Shared Experiences of the Late-1970’s through the Mid-1990’s

• Troubled economy
• Widespread lay-offs from re-engineering
• Women entering the workforce
• Rising divorce rates
• Challenger disaster
• CNN and electronic games
Generation X

Common Characteristics

• Self-reliant
• Mistrustful of institutions
• Rule-morphing
• Tribal
• Dedicated parents
Generation Y

Shared Experiences of the Mid-1990’s through the Late 2000’s

- Terrorism: 911, World Trade Center, Oklahoma City
- School violence: Columbine
- Ubiquitous technology
- Clinton’s sexual indiscretions and impeachment
- Working mothers
- Unprecedented bull market
- Pro-child culture
Generation Y

Common Characteristics

• Immediate and eager to live each day to the fullest
• Confident and determined
• Optimistic and upbeat
• Digital natives
• Tolerant and spiritual
• Family-centric
• Trustful of authorities
  – Trust parents (86%), teachers (86%) and the police (83%)

• Parents as role models and heroes
  – Today, 90% of teens report being very close to their parents
  – In 1974, more than 40% of Boomers said they'd be better off without their parents!

• Near-zero generation gap
  – Parent-child co-purchase decisions are common
  – Expect to retain close parental bonds even after leaving home
  – Likely to consult their parents on major decisions — including work!
The Re-Generation

Shared Experiences from 2008 Onward

- Recession and refinancing
- Resource shortages – energy, water
- Self-reliant parents
- Reality TV
- Mobile technology

*The cold water reality of inconvenient truths*
Adults’ Focus Shifted in 2008

Quarterly Changes in U.S. Real GDP (2000-2011)

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Mobile Communication is a Way of Life

In 2012, 10% of households with children under 12 had iPads (vs. only 3% of other households) and 35% planned to buy some brand of tablet computer in the next year.

Half of all 11 year-olds own their own cell phone.

Source: “CyberTots: Pre-teens Drive iPad Purchases, Join Social Networks,” Jack Neff, Advertising Age, April 20, 2012; LMX Family Study, Ipsos OTX.
The Re-Generation

Early Impressions

• Reality and finite limits
• Ubiquitous access to information
• Conservation and renewal
• Frugality
• Pragmatism
• Tradeoffs and compromise
• Commitment to make a difference
Significant Global Differences

**Gen X and Y:**

**BRIC** – The first opportunity to participate in a booming consumer economy, coupled with values similar to Western X’ers and Y’s

**Western Europe** – Smaller size in relation to older generations; less leverage

**Traditionalists and Boomers:**

Unique experiences in almost every country

Some common threads from WWII
I Got a *Great* New Job!
Generational Misunderstandings

Definition of a “Good” Job

It continues my move up!

It broadens my future options.

It gives me a meaningful challenge today.

I’m doing something that has value!

I’ll figure it out.
You’ve Been Selected to Relocate!
Generational Misunderstandings
Relocation

It’s my obligation to the team to go.

I’ve been chosen over other candidates for a promotion. I’ve won!

There might be a hidden agenda here – what’s in it for me? This move would take me away from a place where I have supportive friends and options.

This might be a fun adventure for a year or so.
I’d Like to Give You Some Feedback
Feedback is an assessment my superior, based on title and position, makes of my performance. Rightly so.

Feedback is an opportunity for those in authority to judge me – hopefully as infrequently as possible.

I form my own view about the quality of my work. Feedback is a chance to see what “they” are thinking.

Feedback is how I learn from colleagues of all ages and ranks. It helps me develop. The more the better!
Let’s Ask Mom and Dad!
My and parents and I never saw eye-to-eye. In 1974, more than 40% of my Boomer peers said we'd be better off without parents!

I’ve been taking care of myself since I was 11. If I need support, I call my friends.

My parents are my heroes. Like 90% of my peers, I’m very close to them. I consult with them on all major decisions – including work-related challenges.
Recruiting the Traditionalists

Used to attract a cohort whose values include:

- Respect for authority and hierarchy
- Attraction to charismatic authority figures
- Desire to affiliate with an institution

The Authority Figure Invites You to Join the Team
Recruiting the Boomers

Used to attract a cohort whose values include:

• Idealism

• Personal growth and self-occupation

• Anti-authority

Where the “Me Generation” Can Follow Its Dream
Recruiting the X’ers

Used to attract a cohort whose values included:

• Independence and responsibility
• Comfort with technology
• Distrust of institutions
• Desire for customization and flexibility

On Your Own, Your Own Way
For Parents

YOU MADE THEM STRONG.
WE’LL MAKE THEM ARMY STRONG.
Generational Bias
Volunteer: Why Do You Give

• Reward with membership in various levels of “clubs”: higher donations lead to visible manifestations of increasing status

• Emphasize the organization’s impact: equate various levels of donations to the support each would provide in community outreach

• Provide options: allow individuals to choose how to direct their funds from among a number of specified choices
Practical Steps for Attracting and Retaining Y’s

- Communicate, particularly during the recruiting process, in Y-friendly ways
- Address parents as an explicit part of your recruiting strategy – messaging, awareness, concerns
- Shift performance management to focus on task completion, not time spent
- Embrace time shifting, asynchronous work, and flexible schedules
- Invest in technology . . . and in your technology skills
- Provide frequent feedback – coach first-line managers to teach, rather than assess
- Create a collaborative, team-based environment
- Encourage Boomers in your midst to mentor Y’s
- Don’t over-define the task – let Y’s “figure it out”
- Re-design career paths to offer frequent, lateral moves
- Provide world-class learning opportunities in all forms
Practical Steps for Attracting and Retaining X’ers

• Design career paths that broaden options, rather than narrowing them
• Give them choice and control over their career paths
• Leverage their entrepreneurial instincts – give them voice and influence
• Minimize moves that sever social connections
• Provide family-friendly flexibility
• Create “on ramps” for those who have stepped off the track in their 30’s
• Invest in technology – and provide the time required to incorporate it
• Develop the leadership skills required for future challenges
Practical Steps for Attracting and Retaining Boomers

- Retire retirement – encourage them to stay
- Recruit those who retired early and regret it now
- Create a variety of bell-shaped curve career options – including cyclic work and options for both less and more responsibility
- Develop approaches to retain and tap expertise
- Encourage giving back -- through mentoring, community service, knowledge sharing
- Position new programs as positive steps forward
Make the Most of a Multigenerational Workforce

• Appreciate
• Acknowledge
• Arbitrate
• Adapt
For more information . . .

tammy@tammyerickson.com

“Ask Tammy” at www.tammyerickson.com
Resources for Further Reading

— *Winner of the 2004 McKinsey Award*


“Unconventional Wisdom in a Downturn: “Give Me the Ball!” Is the Wrong Call in a Downturn,” *Harvard Business Review*, November 2008

“Gen Y in the Workforce,” (Case Study), *Harvard Business Review*, February 2009

