Boston College Center for Work & Family

EXECUTIVE BRIEFING SERIES

# The Multi-Generational Workforce: Management Implications and Strategies for Collaboration

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# Four Generations in the Workplace

As workplaces adapt to four generations co-existing for the first time in U.S. history, employers are recognizing what motivates each generational cohort and are beginning to develop effective communication tools to minimize conflict, HR and work-life strategies to attract and retain key talent, and management practices to enhance productivity.

## Four Generations in the Workforce

Generation	Ages / Birth Years	Percent of workforce	Work Perspectives
Veterans / Traditionalists	Ages 63-86 born 1922-1945	10%	"Company loyalty" - Believed they'd work for the same company their entire career.
Baby Boomers	Ages 44-62 born 1946-1964	44%	"Live to work" - Believe in putting in face time at the office. Women enter the workforce in large numbers.
Gen Xers	Ages 28-43 born 1965-1980	34%	"Work to live" - Believe that work should not define their lives. Dual- earner couples become the norm.
Millennials / Gen Y	Ages 8-27 born 1981-2000	12% (increasing rapidly)	"Work my way" - Devoted to their own careers, not to their companies. Desire meaningful work.

(adapted from Marston, Working Mother Magazine, 2007)

# **Shifting Demographics**



Fertility rates in much of the developed world are declining. The U.S. fertility rate is 2.0 births/ female, which will maintain current population levels, but both Germany and Japan are experiencing fertility rates of only 1.3 (Council for Gender Equity, 2007).

# **Shifting Demographics**

• By 2017, workers in Canada, France, Germany, Japan, the U.S., Italy and the U.K. aged 50 and over will make up more than 40% of the workforce (AARP Profit from Experience, 2007) and will be poised to retire in large numbers within the next ten years.

• Gen X represents a much smaller pool of available workers and will not be able to fill the positions left vacant by retirements (Institute for the Future, 2003).

• In light of this predicted labor and skills shortage, it is imperative for forward-thinking companies to focus on retaining older workers and increasing their ability to recruit and engage younger workers.

# How Does the Multi-Generational Workforce Impact Employers?

HR professionals and work-life practitioners can play a strategic role by gathering information about their workforce and the needs of their employees.

- Are there specific business units that have a higher percentage of baby boomers set to retire in the next 10 years?
- What are some possible flexible work options that will simultaneously attract all generations while encouraging Veterans and Boomers to remain employed and play key roles in knowledge transfer, leadership development, and mentoring of younger workers?
- How can Human Resources professionals coach managers to maximize the performance of each generation?
- What specific tactics are HR professionals using to attract the 'best and brightest' of the Millennial generation that might differ from strategies used for other generations?

## **Multi-Generational Conflict: Striving for Collaboration**

- Nearly 60 percent of HR managers at large companies say they have observed office conflicts that flow from generational differences, according to the Society for Human Resource Management. Tensions typically stem from perceptions of loyalty and respect.
- "Even though the generations are different, it does not necessarily mean they hold divisive values and attitudes that will affect their ability to work well together" (Giancola, 2006). Organizations are reaping the benefits of the diversity provided by workers of different generations collaborating effectively and learning from one another.

# **Research Highlights**

- Retiring the Generation Gap: How Employees Young and Old Can Find Common Ground (2006)
- By Jennifer Deal, Ph.D., Center for Creative Leadership
- "Our research shows that when you hold the stereotypes up to the light, they don't cast much of A shadow. Everyone wants to be able to trust their supervisors, no one really likes change, we all like feedback and the number of hours you put in at work depends more on your level in the organization than on your age...The so-called generation gap is, in large part, the result of miscommunication and misunderstanding, fueled by common insecurities and the desire for clout."

# **Research Highlights**

- Decoding Generational Differences: Fact, fiction...or should we just get back to work? (2008)
- By W. Stanton Smith, Director of Next Generation Initiatives at **Deloitte** LLP

"There are plenty of opinions on the topic, but not a lot of understanding." Deloitte recognizes that there are 3 R's and 3 C's of what all the generations want. Employees want to be: Respected, Recognized, and Remembered, and Coached, Consulted, and Connected.

# **Research Highlights**

- Age & Generations Study (2008)
- By Marcie Pitt-Catsouphes, Boston College Center on Aging & Work

There can be differences between employees' ages/generations and their life-stages or career-stages. For example, employees in their 20s and 60s may both think of themselves as midcareer. Furthermore, when looking at a single generation, such as Baby Boomers, some of the employees say they are early career, others mid-career, and yet others late-career. "Employers might want to consider how to customize their practices to accommodate for these variations within age and generational groups."

# Challenges

- Stereotypes and biases about generational characteristics that persist in the workplace sometimes prevent employees from recognizing the valuable contributions other people can offer. Helping employees learn to work more effectively across generations will dispel many of the generalizations that can interfere with team productivity. Areas of particular challenge to the multiple generations in the workforce are:
- Perspectives on Work
- Inter-Generational Communication
- Knowledge Transfer

#### **Kraft Foods Mobile Workplace**

In order to address flexible work solutions for all generations and 'grow greener' in the process, Kraft Foods is rolling out a Mobile Workplace initiative that will include a Technical Boot Camp, manager and employee training, equipment upgrades, and "Virtual Touch" conference calls to help create sustainable networks for mobile workers. Eligible participants will be Able to customize their own mobility arrangements in order to work 'Here, There, Anywhere' and choose how many days a week to work outside the office. This breakthrough initiative is opening the door to future flexible work options and represents Kraft's support of managing a diverse workforce through "total inclusion" initiatives.

#### **MITRE Networking Circles**

In order to foster informal mentoring among the generations in its workforce, The MITRE Corporation recently ran a year long pilot. Facilitated monthly lunch gatherings of approximately 16-20 employees were comfortable forums for discussions of both technical and nontechnical topics such as systems engineering, how to brief a senior staff person, and how to navigate your career. Established after focus groups determined the importance of social and professional networking at the company, MITRE's Networking Circles are facilitated by two employees from different generations, include all aspects of diversity, and foster learning. Employees are nominated by managers or can self-select for participation in the circles. MITRE is looking into the potential of Virtual Networking Circles to reach additional employees.

### **EMC<sup>2</sup>** Culture of Inclusion

Employers who adapt to the needs and leverage the multitude of strengths of the 21<sup>st</sup> Century Workforce will have a competitive edge in the war for talent and customers. EMC's approach is to create a culture of inclusion, where the unique needs, values and strengths of all team members contribute to the company's success as an employer and business partner. EMC has developed programs such as "WorkWise," a branded flexibility program, and employee and leadership councils designed to foster involvement and engagement. They are also leveraging Web 2.0 (web-based communities) for their recruitment and engagement efforts.

#### **Deloitte Pre-College Outreach Programs**

Recent research indicates that young people, their parents, and educators want students to learn about business earlier in their academic careers. Deloitte recognizes that students are considering job opportunities at much younger ages and has begun pioneering multiple programs that will answer this desire and demand. Some of Deloitte's Pre-College Outreach programs include: LIFE Inc., The Virtual Team Challenge, Middle School & High School Curriculums (using comic books and video games), along with the development of the Deloitte Future Leaders Panel.

# In Conclusion...

"As the U.S. workforce ages, more generations are working along side each other. The knowledge, skills and workplace attributes possessed by today's multi-generational workforce present multiple challenges and opportunities to business leaders. Smart employers realize that one of the keys to growing and succeeding in an increasingly competitive global marketplace is recruiting and managing talent drawn from workers of all ages. Leading -- and successfully managing -- an inter-generational workforce is becoming a business imperative that few organizations can ignore."

Society for Human Resource Management (SHRM) Knowledge Center Website: Generations Toolkit