The People Challenge of the Next Decade

Why are people surprised at the impact the generational differences are making: because we've not faced this before. For the first time in history we have four generations in the workplace and five generations of customers:

		Percentage in US	Percentage in US
Name	Birth year	Workplace 2008	Workplace 2013
Traditionalists	(1901-1943)	4%	2%
Baby Boomers	(1944-1964)	40%	32%
Generations Xers	(1965-1981)	40%	39%
Millennials	(1982-2003)	16%	27%

Too early to name the fifth generation but they influence discretionary spending of their parents and grandparents. (Percentages in workforce developed from Bureau of Labor Statistics data)

With nearly a quarter of the baby boomers leaving the workplace in the next four years (the recession may push it back three or four years) and being replaced by the Millennials, figuring out how to resolve the eleven main generational conflicts is the people challenge of the next decade . . . or two. "Ninety-six percent of Baby Boomer business owners say an exit strategy is crucial to their company, but eighty-seven percent don't actually have one." (BusinessWeek SMALLBIZ August/September 2008). According to The American Society of Training and Development (ASTD), 76 million Americans will retire over the next two decades but only 46 million will replace them. No wonder it's called a war on talent. You can't get predictable business results in these unpredictable times without dealing with the generational challenge. It's that simple.

Generational conflict is impacting everything we do, from how we communicate to when we want to work and how we respond to customers. If we don't figure out generational conflict points, internally work slows down, and externally our sales and customer satisfaction scores drop.

Statistics only show part of the picture. These summaries of four interviews put a human face to the numbers and the frustrations:

Traditionalist

I'm just not comfortable with some of the things those young kids say or how they dress. It really bothers me. Some of the words they use or things they talk about just don't seem appropriate for work, especially in mixed company. And I just don't think jeans are right for work. People ought to have more respect for themselves and dress like someone who wants to succeed. This isn't your living room. Dress down at home if you like, but show some respect here at work.

I wish people would quit treating me like I'm half dead and can't use a keyboard. There aren't many people my age working here anymore. So sometimes it gets lonely. Sometimes younger employees act as if I'm not there. I still have a lot I can get done. I wish people would take me seriously.

<u>Boomer</u>

When a twenty four year old employee called our largest distributor "Roger", we could see the stream come off his head. "Roger" has boots older than that kid. That's when we knew we had to do something before these right-out-of-college-employees hurt our business. Our company had to create a special

orientation, almost like an internship because the Millennials didn't know how to act with our customers. It's like they are from a different country--one with bad manners.

I think we don't see the same work ethic we did when I joined the work force. The younger generations aren't loyal and don't have the same values. Really, we don't have many staying around here long term like we did—I've been thirty five years with this plant. I don't even know who to train. Somebody needs to learn the ropes. I learned where every underground pipe was by my tenth year here. Who is going to stay ten years? Who is going to keep this plant safe if no one pays attention and learns the place? I used to enjoy mentoring, but I think I've lost my touch. I think they think I'm from a different planet. I wish people would take me seriously.

Gen Xer

Boomers are never going to retire. There really isn't a career path for me here. And my boss is a workaholic and expects everyone else to do what she does. Just because the boomers were willing to put their lives on hold, doesn't mean I will. For what? I mean, do they think the company is going to take care of them? And the employees on my team act like spoiled kids. I had to work for almost every dime to get myself through college. Half of them did almost nothing and their parents covered the bill. The newest employees leave right at five and act like it's a favor to turn something around last minute. Two of them have complained about not moving up yet. I worked here for six years before I became a supervisor. They want it all right now.

We will lose half our leadership team in the next five years, but no one is doing anything about it. Our formal mentoring program is a joke. Oh, we meet and discuss careers and being ready for our big opportunities. But no one my age is going to get a shot at anything above vice president until a Baby Boomer drops dead or walk out with the gold watch. Really, to get ahead in my company you have to wait for ten years for your turn. I think my only option to move up is to go someplace else. I wish people would take me seriously.

Millennial

We talk with each other about the older generations all the time. The stupid policies--customers don't even start calling for an hour but our boss wants us at our desk by 8:00. Why we can't take our calls on our cell and come in at 9:15, we don't know. Really, why can't I work from home a couple of days a week? This place is so loud and there are so many interruptions I just keep my headphones on all the time all the time so I can concentrate. How about dress code. If there aren't customers here, why can't we wear whatever makes us feel comfortable? Crazy rules. But my boss is great. She thinks most of the rules are stupid too. She really "gets it."

I don't see why we can't just get things done. Seems like there is always a form to fill out or an approval you need to get anything done. In college, I cranked out twice as much as I do here, and I still had time for the rest of my life. I don't know why the company has to make it so hard to get projects done. I know they don't trust me so I have to constantly get approvals. I'm so tired of having to call my boss like she was my mom to get permission to get my work done. If you haven't been around here for at least five years, they treat like you are an intern. I wish people would take me seriously.

These representatives don't speak for everyone in their generation; they may not speak for you. But they do speak to the challenge for organizations when each generation feels the others don't take them seriously. So what do we do about it? Let me suggest five things:

- 1. Focus on the why rather than the what.
- 2. Lead through generational differences.
- 3. Understand how the generations see the eleven points of conflict.
- 4. Let go of anything that isn't a business necessity.
- 5. Don't put people into their generational box.
- 1. Focus on the why rather than the what. As you saw from the interview summaries, the biggest mistake people make trying to deal with generational conflict is focusing on the "what" not the "why." They focus on what's different and especially what they don't like about another generation rather than try to understand why that generation looks at things differently. That's the focus of FranklinCovey's approach in their generational workshop and webinar. But until you get a chance to take the training, you can always just ask the people you don't understand why they see things differently than you.
- 2. **Lead through generational differences.** You can't manage your way through four generations, no matter what policy you set, someone is always mad. Instead, lead the people involved to a greater understanding of each other and then to coming up with new ideas for making things work for everyone. Most leaders need a simple process and some tools and they are set.
- 3. Understand how the generations see the eleven points of conflict: respect, dress code, meetings, work ethic, communication, feedback, policies, fun at work, loyalty, decision making, and training. If the leader doesn't understand the "what" and the "why" each generation sees each of these issues differently, they will find it hard to lead them.
- 4. **Be willing to let go of anything that isn't a business necessity.** Business has very few rules, but most companies have hundreds of policies to keep people out of conflicts. With four generations in the workplace, those policies are now creating conflicts. How should you sort out what policies to keep and what can flex? First, determine what is a business/organizational necessity, then be willing to flex everything else. A lot of policies are really just how one generation preferred to do things.
- 5. **Don't put people into their generational box.** Don't assume everyone in a generation thinks the same way. Management tries to put people into a box to make them predictable, leadership treats people as individuals.

Generational conflicts are inevitable and preventable. They are inevitable in all organizations, but real problems are preventable if you'll apply these five approaches. If you would like more information on the ½ day workshop <u>Leading Across Generations</u>, the 2-hour webinar <u>Resolving Generational Conflict:</u> <u>LiveClicks Webinar Workshop</u> or a live speech (keynote), please contact your FranklinCovey Client Partner Team.

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