

How Do Generational Differences
Impact Organizations and Teams?
Part 1

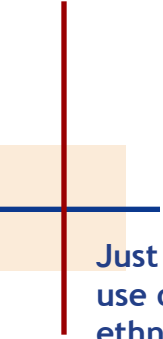


Introduction

Although most organizations pour time and resources into achieving and encouraging diversity, many limit their definition of diversity to gender and ethnicity. One of the most daunting diversity challenges – generational diversity – often goes overlooked and unaddressed.

For the first time in history, employers are struggling to balance the different needs and working styles of four different generations in the workforce. However, many organizations leave employees and workplace teams on their own to deal these issues rather than provide guidance and support.

Although these generational conflicts are often seen as larger social issues, they play out every day on the team level in the workplace in ways that hinder productivity and lead to frustration, conflict and poor morale. According to a survey by Lee Hecht Harrison, more than 60 percent of employers are experiencing intergenerational conflict.



Just as effective use of gender and ethnic diversity initiatives can boost the productivity and effectiveness of an organization, preparing employees to appreciate generational differences can benefit workplace teams.

You're probably aware of the stereotypes that exist:

- Baby Boomers think Generation Xers are too impatient and willing to throw out time-tested strategies, while Gen Xers may see Boomers as too political and being inflexible to change.
- Traditionals may see Boomers as self-absorbed and too forthcoming, while Boomers may view Traditionals as dictatorial and rigid.
- Older generations may consider Generation Y as too spoiled and self-absorbed, while Gen Y sees them as too set in their ways and out of touch.¹

Left unaddressed, these generational stereotypes can hinder effectiveness. Just as effective use of gender and ethnic diversity initiatives can boost the productivity and effectiveness of an organization, preparing employees to appreciate generational differences can benefit workplace teams.

How can employers engage these different generations to work together as cohesive teams? This two-part report will look at sources of intergenerational conflict, how to reduce them, as well as how to better support workplace teams for improved productivity and engagement.

¹ Dittman, Melissa, Generational differences at work. American Psychological Association Monitor on Psychology, June 2005. <http://www.apa.org/monitor/jun05/generational.html>

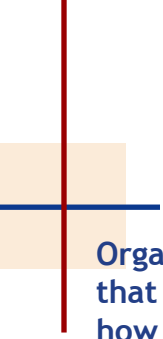
Why All of the Talk About Generations Anyway?

Although managing and engaging four generations in the workplace has been highly analyzed, it is more than just a trendy topic of discussion. These issues will have a real impact on the success of both teams and their organizations.

Although rising unemployment makes it easy to believe that the War for Talent is over, this simply is not the case. “The talent gap hasn’t gone away, it’s just been delayed,” said Matt Zamzow, Director of Training at Birkman International. “Talent retention is still a huge challenge.” In many technical fields, the average age of the top talent continues to increase. For example, the average age of a registered nurse is expected to be 44.5 by 2012 and one quarter of the RN population – the largest segment of the workforce – will be in their 50s.² In many fields, there will not be enough talent to replace experienced older employees as they retire. The competition for employees will continue, along with the need to transfer knowledge from experienced older workers. Organizations with effectively functioning multi-generational workforces have a strategic advantage.

Unlocking the secrets that keep employees of different generations motivated and engaged is essential. A 2006 Gallup poll estimates that the cost of employee disengagement is as high as \$328 billion per year. Engagement supports financial stability, and employee satisfaction is higher when workers believe that career development opportunities are equal for all, regardless of age.³

Organizations that understand how to address generational conflicts successfully and leverage each generation’s strengths will be better able to keep employees motivated and productive during the recession and positioned to retain employees during the recovery. “Because of the recession, people will be hanging on to jobs longer, but that cycle is going to end,” said Zamzow. “In the current economy, you want to make sure your organization doesn’t lose sight of what motivates people. Those organizations that do will face significant retention problems in 2010 and 2011 as the economy improves.”



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² Nursing Shortage Fact Sheet, American Association of Colleges of Nursing, April 2009.

<http://www.aacn.nche.edu/Media/FactSheets/NursingShortage.htm>

³ Leading a Multigenerational Workforce, AARP, 2007, page 3.

Overview of Generations

From our research, we have seen that from a psychometric standpoint, the distribution of personality factors and traits are fairly consistent across generations. What are popularly thought of as generational traits are stereotypes that refer more to behaviors and values that have been shaped by experiences and have been learned in a specific time and place.

To use an example, there may be the same percentage of people in a generation who enjoy dancing in public, reflecting an underlying interest or need, but what that dancing looks like (the actual behavior) would look very different to an outside observer. The type of dance that was chosen is no doubt influenced by the trends that were popular in the generation's youth and thus get associated with the generation. However, even this stereotype loses power on the individual basis when dealing with real people with unique motivations and behaviors. To continue the analogy, it would be incorrect to assert that all Traditionals (as defined below) enjoy the fox trot, because some don't like to dance at all and other have kept current with the times and may prefer more contemporary forms of dance.

"What we have found is that across generations, personality traits and broader values and behaviors are similar, but priorities are different," said Zamzow. People of different age groups have life experiences, and understanding those differences can offer an important perspective about why they act and react the way they do.

- **Traditionals (born before 1945)** grew up in a time of crisis in the aftermath of the Great Depression and during World War II. Dealing with economic hardships made them disciplined and self-sacrificing, and their reward was living the American Dream and enjoying a lifetime of steadily rising affluence.
- **Baby Boomers (born 1945 to 1964)** are the largest generation in the United States and typically grew up amid economic prosperity, suburban affluence and strong nuclear families with stay-at-home moms.
- **Generation X (born 1965 to 1980)** grew up as "latchkey" kids in a world of divorce and working moms. This led to independence, resilience, adaptability and a "I don't need someone looking over my shoulder" attitude.
- **Generation Y (born since 1981)** were raised at the most child-centric time in our history. Due to the great deal of attention and high expectations from parents, they are confident and may appear cocky.⁴

"When the younger generation and the older generation work together they see these differences and they automatically attribute judgments to them because they are unfamiliar. However, much of it is lack of understanding," Zamzow said. Understanding each generation's key formative environments and values, as well as their workplace strengths and struggles are the first step in building more efficient and cohesive workforce teams.

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⁴ Scheef, Devon, and Thielholdt, Diane. Engaging Multiple Generations among Your Workforce. (<http://www.keepem.com/pdf/Engaging%20Multiple%20Generations%20among%20Your%20Workforce.pdf>); Leading a Multigenerational Workforce, AARP, 2007; Managing the Multigenerational Workforce: Opportunity for Competitive Success, HR Magazine, March 2009.

Generations in the Workplace: Behaviors, Strengths and Struggles

Generation	Organizational Behaviors	Workplace Strengths	Workplace Struggles
Traditionals	Typically disciplined, loyal team players who work within the system. They are respectful of authority, patient and follow the rules. Obviously, they have a vast knowledge legacy to share and embody a traditional work ethic.	<ul style="list-style-type: none"> • Hard-working • Stable • Loyal • Thorough • Detail oriented • Focused • Emotionally mature 	<ul style="list-style-type: none"> • Reticent when they disagree • Respect for diversity • Reluctant to buck the system • Uncomfortable with conflict • Presenteeism related to medical issues • Not as comfortable with technology
Baby Boomers	Boomers tend to be optimistic, ambitious, competitive, and focus on their personal accomplishments. They believe in working long-hours and expect the younger generations to adopt this approach. They have ruled the workplace for years and are comfortable in the culture they created.	<ul style="list-style-type: none"> • Team perspective • Dedicated • Experienced • Knowledgeable • Service-oriented 	<ul style="list-style-type: none"> • Nontraditional work styles of Generations X and Y • Technology replacing human interaction • Sharing praise and rewards • Balancing work and family • Uncomfortable with conflict, reluctant to go against peers
Generation X	Having seen their parents laid off or face job insecurity, they've redefined loyalty. Instead of remaining loyal to their company, they're committed to their work and people they work with. They are skeptical, risk-takers and want fun in the workplace. They also seek more work-life balance.	<ul style="list-style-type: none"> • Independent • Adaptable • Creative • Techno-literate • Willing to challenge status quo 	<ul style="list-style-type: none"> • Career development • Conflict resolution and office politics • Multi-generational team projects • Balancing work and family • Skeptical and distrustful of authority
Generation Y	They are typically team-oriented, and work well in groups, as opposed to individual endeavors. Also, they're used to tackling multiple tasks with equal energy, so they expect to work hard. They're good multitaskers, having juggled sports, school and social interests growing up.	<ul style="list-style-type: none"> • Optimistic • Able to multitask • Tenacious • Technologically savvy • Driven to learn and grow • Team oriented 	<ul style="list-style-type: none"> • Respectful communication • Functional literacy • Need supervision and structure, especially with people issues. • Reject the concept of "paying dues," expect input immediately.

Sources: Engaging the Multi-Generational Workforce, HR Management (<http://www.hrreport.com/article/Issue-6/Wellness,-Benefits-AND-Compensation/Engaging-the-Multi-generational-Workforce/>); "Engaging Multiple Generations among Your Workforce" by Devon Scheef and Diane Thielholdt (<http://www.keepem.com/pdf/Engaging%20Multiple%20Generations%20among%20Your%20Workforce.pdf>); Leading a Multigenerational Workforce, AARP, 2007; Managing the Multigenerational Workforce: Opportunity for Competitive Success (HR Magazine).

How Generational Differences Affect Teams

“The biggest challenge with any older and younger generation is adjusting to change and looking at it not as a generational difference but a change in the career cycle,” said Zamzow. Research from the Society for Human Resource Management found that collaborative discussion, decision-making and problem solving are successful ways to deal with generational differences in the workforce. Managers and teams can be trained to effectively deal with these differences through teambuilding activities and mentoring programs.⁴ Effective teams can facilitate optimal solutions by harnessing multiple levels of experience, skill and expertise. Because effective teams demonstrate successful behaviors in four competency areas – collaborating with others, dealing with change, organization and accountability, and productivity and decision making – teams must address these issues to bridge any generation gaps.

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- **Collaborating with others:** “When you look at communication in a virtual sense, it’s about speed and truncated messages and getting the point across,” said Zamzow. Older generations, with more limited social networks, took more time to develop trust because they had to rely on their sources. Social engagement was a much more personal experience. “Many in older generations have not adapted to that change and don’t understand the detached aspect of communicating in the that way – whether we are talking email, texting or social media – and still feeling that sense of connectedness,” Zamzow said. “Because younger generations have grown up with that, they see it as a primary communication channel.” Creating a more thorough understanding of different collaboration styles can help people stop and think before implying motive or making other assumptions. “Most people process through their own filter or lens – they don’t have a concept of something they don’t know until they are taught or see it,” said Zamzow. “It is the same thing as thinking the world is flat until someone shows or proves that it isn’t.”
- **Dealing with change:** Birkman has found in its research that values and behaviors are similar between generations, but priorities are different. People don’t respond well to change. Even though they may look at change and say they can adapt, most people are still resistant. When younger generations and older generations work together they see these differences and they automatically attribute judgments to them. “Teams need to learn how to adjust and accept quickly moving information and potential distractions,” said Zamzow. “People can adapt to a situation easily if they learn to look at it from a position of reason and logic.”
- **Organization and accountability:** Generations look at authority differently. “Older generations see teams and organizations operating in a much more vertical environment with formal authority and accountability linked directly to hierarchy,” said Zamzow. “Younger generations see things as more flat with competence and expertise defining the formal authority structure.” This can be a recipe for conflict. If a young knowledge expert is outspoken to older, more tenured managers who feel they should be listened to because they are higher in the chain, there will be trouble. Increasing awareness of generational differences on teams can close the gap if both sides understand each other’s perspective. Mentoring and work projects that balance virtual and in-person participation can allow all generations to thrive in a team setting. However, older generations need to be more open. “As people get older, it is natural to become more set in your ways,” said Zamzow. “But you can’t be rigid in your thinking. You have to be open to ideas.” Older employees want the chance to have their experience and knowledge utilized, and engaging through a mentoring process can allow them to feel like an expert.
- **Productivity and decision making:** Teams need the ability to stand behind a position, influence and persuade others, and drive execution. Because of different generational attitudes on work and communication preferences, this area can be a tricky one. “Teams need to balance the needs and expectations of the younger generation and keep them motivated at a personal level, while all,” said Zamzow. “Members of the older generations have to see commitment and reframe what commitment looks like in their minds.” However, as teams work through the other areas, this one becomes easier to address.

⁵ Managing the Multigenerational Workforce: Opportunity for Competitive Success, HR Magazine, March 2009.

Conclusion

Although generational issues in the workplace can seem difficult, they are not insurmountable. Raising awareness of generational issues on teams and focusing on productive behaviors can bring teams together and enable them to function more efficiently. The second paper in this series will address specific approaches to bring employees and teams together and minimize generational strife, including:

- Looking at sources of conflict on teams
- Recommendations to encourage teamwork
- How teambuilding initiatives can help.



About Birkman

Birkman International (www.birkman.com) is the provider of the industry-leading personality assessment that facilitates team building, executive coaching, leadership development, career management and interpersonal conflict resolution. For over 50 years, corporate human resources professionals, independent consultants, executive coaches, educational institutions and other not-for-profit organizations have used The Birkman Method® with over 2.5 million individuals. The Birkman Method® accurately measures productive behaviors, stress behaviors, underlying needs, motivations and organizational orientation. Visit www.birkman.com to learn how The Birkman Method® can help you maximize human potential and achieve results that are both superior and sustainable.