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Whitepaper

Managing change spanning generations: Enabling multi-generational collaboration and workforce transition

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1. Abstract

The workplace dynamics today is completely different that what it used to be two decades back. The diversion in the workplace is multi-generational, and this brings a completely different approach of the work culture. Be it communication, channels of communication, engaging the workforce; things are changing.

This paper is a research - based experiential output of the change management that we do across industries and generations throughout the globe.

2. Introduction

Every generation of workforce brings with it a unique skill set, working style, work-life balance discernment and communication style that is shaped by the economic conditions, and culture they come from. This assortment of work styles and perspectives can be advantageous for organizations for developing creativity and increasing the approaches to problem-solving.

2.1 Generations Defined

Each generation is bonded by shared experiences and have formed generic and specific perspectives about each other. Although there are many exceptions to the rule, here is how the generations are globally classified:

Traditionalists: Born between 1922-1943 and witnessed the Great Depression, the New Deal, World War II and the Korean War.

Baby Boomers: Born between 1943-1960, and their shared experiences include the Civil Rights Movement, the Sexual Revolution, the Cold War and Space Travel.

Gen Xers: Born between 1960-1980. They watched Watergate, the fall of the Berlin Wall and Desert Storm live on TV, and they experienced the Women's Liberation Movement first hand, when their moms began working outside the home.

Millennials: also called Gen Y or Digital Natives, were born between 1980-2000. They experienced school shootings, domestic terrorism, the explosion of computers. Millennials were raised in a child-focused world and are linked to their peers by way of technology. (Source: HR exchange network ~ William F. Hutter, Nov 2008)

Multiple Generations @ Work

Five Generatons Working Side by Side in 2020
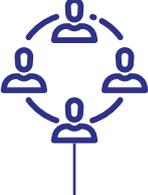
Traditionalists Born 1900-1945	Boomers Born 1946-1964	Gen X Born 1965-1976	Millennial Born 1977-1997	Gen 2020 After 1997
Great Depression	Vietnam, Moom	Fall of Berlin Wall	9/11 Attacks	Age 15 and Younger
World War II	Landing	Gulf War	Community Service	Optimistic
Disciplined	Civil/Women's	Independent	Immediacy	High Expectations
Workplace Loyalty	Rights	Free Agents	Confident, Diversity	Apps
Move to the 'Burbs	Experimental	Internet, MTV, AIDS	Social Everything	Social Games
Vaccines	Innovators	Mobile Phone	Google, Facebook	Tablet Devices
	Hard Working			
	Personal Computer			

Each generation brings its own view of the world, which creates both opportunities and threats to businesses. **This demads Generational Intelligence!**

Multiple Generations @ Work Survey
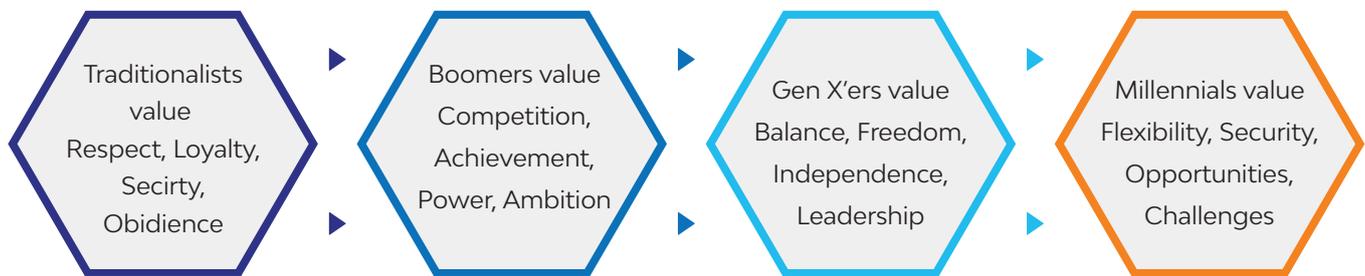
- Courtesy UNC Executive Development Survey, Dec 2014

Fact :By 2025 year, the Millennial Generation will outpace all generations and comprise 75% of the workforce.

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2.2 Studying the generational differences

To implement change, it is critical to understand that generation gaps, while working on the same floor will have effect on the actual and perceived behaviors of each generation.

Studies reveal there are a few common trends within these generations regarding values, attitudes, outlooks, and behaviors. Of course, there are individuals within these groups that differ, but the overall trends are valid. Stating this, I would also mention that these factors are not the sole determinants for interaction and change diagnosis between generations. Understanding the trends assists us in developing targeted strategies for managing change.

Traditionalists value Respect, Loyalty, Secirty, Obidience ▶ Boomers value Competition, Achievement, Power, Ambition ▶ Gen X'ers value Balance, Freedom, Independence, Leadership ▶ Millennials value Flexibility, Security, Opportunities, Challenges

2.3 Managing multi-generational workforce transitions

Facts: Contrary to the belief, engaging Millennials is far easier. Thanks to technology and the era which makes them more susceptible to change. While younger workers are more techies, globally focused, informal, and willing to share information; they do not feel more empowered or less loyal than their non-millennial counterparts, and are willing to work just as hard. Conventional working norms are evolving with Millennials, Gen Y, Gen X and Baby Boomers possessing varying levels of digital literacy, interests, and behavioural needs.

There is a vast difference in people from different generations. While managing a change a lot of parity needs to be managed. For example; baby boomers and gen X might look for 8-8.5 hrs effective working hours in office however millennials would prefer work from home.

However, things are turning out to be different. In a panel discussion on the Work-From-Home facility, it was found that non-Millennials supported this practice, whereas Millennials didn't! The reason that they stated for not supporting WFH is, it makes them unsocial. Office premises offer an opportunity to mingle and socialize and the office fixtures keep the posture correct while working. However, while working at home, these essential aspects are ignored. This is an example of varied mindset shifts in an overarching organizational perspective.

Trainings were earlier conducted in-house; facilitator-driven classroom sessions. Now the focus is on gamification. Baby-boomers may brawl with a wish to retire and pursue new personal adventures, but tends to fear the possibility of boredom or the feeling of irrelevance. Their flexibility lies in the needs.

Boomers make good trainers especially for the younger lot, given the fact they are the ones who raised them. A good combination of boomers and millennials in a training content development team gives the best of learning consultancy. This shift is seen in the banking domain. Nationalized banks these days pursue the coaching methodology by videos. They hire the retired bank employees as coaches and record their sessions to float it on a Learning Management System (LMS). This is a noble way of convergence digital and physical to address the learning demands of a multi-generational workforce.

2.4 Communicating in a multi-generational workforce

Previously, communication trends included sending newsletters, reports, designing and developing manuals; however, the new generation likes Twitter-sized messages. The trend today is to make use of the Workplace, internal communication sites and handy flyers to communicate. Notice boards are replaced with digital dashboards. Bridging communication styles demands special attention. Explaining purpose of change and setting expectations will relieve frustration in all kind of workforce.If a millennial is unwell, he'll likely text his manager. If an older worker is unwell, he'll rather call.

These variances in communication style may seem inconsequential, but they can make a shocking impact on team dynamics. The risk of miscommunication is what is highlighted here. Technology makes about 90 percent of our communication non-verbal. So, when you have a team where non-verbal communication is more often preferred over verbal communication, the meaning behind the message might not be conveyed properly. We, as a practice, not only adapt to the new technology to leverage the advantages it gets with it, but also educate managers and key stakeholders about different communication styles and how to allay the chaos that comes with managing people whose styles may be vastly different from each other.

As Baby Boomers and GenXers retire, Millennials will make up an ever-growing segment of the workforce. Hence, getting used to the new style and formulating ways to disseminate this style as a practice, is critical.

Even after the fact that certain generations communicate or want to communicate in stereotypical ways, one shouldn't go with the assumptions of these types. While Generation Z seems to be despairingly hitched to their mobile devices, their attitudes about communication at work may surprise you.

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Community Styles
of Working Generations

	Percentage of the workforce in 2015 ▼	Attitude towards technology ▼	Preference of the communicatino media ▼
Traditionalists (pre-1945)	2%	largely disengaged	formal letter or in person
Baby Boomers (1945-1960)	29%	early adopters of personal tech	in person, telephone or email if necessary
Generation X (1961-1980)	34%	digital immigrants	email or text
Millenials (1981-1995)	34%	digital natives	text and social media
Generation Z (born after 1995)	1%	'"technoholics" (dependent on tech)	facetime / video chat via handheld devices or in person

2.5 People Engagement in multi-generational workforce

When we talk about positive transition, having our internal customers engaged throughout is critical. A report by Aon Hewitt, "Trends in Employee Engagement" reads that 1% increase in employee engagement leads to a 0.6% increase in the profitability of the business. Applying this logic to a USD 5 billion company with a gross margin of 55% and 15% operating margin, a 1% increase in engagement would be worth USD 20 million!

When people are financially invested, they want a return. When people are emotionally invested, they want to contribute - this is the essence of employee engagement. Everyone in your organization should be connected to the vision you ought to accomplish; then you can defy the impossible.

Rule #10

Performance

It's a derivative of engagement! So what?

In Gallup's 2013 State of the American Workplace study,

70%

of those who participated described themselves as "disengaged" From their work.

That means,

70%

employees are not reaching their full potential.

18%

actually hate their jobs!

Disengagement costs the U.S companies

$445

Billion to

$550

Billion per year.

- Courtesy Mikal Belicove's lecture at Keystone university

2.6 Is generation flexibility a good sign in the organization?

When we think of changing times, one of the major issues that comes up is what should be the correct mix of the multi-generational workforce?

We as change management consultants consider the job functions and vertical structures to understand the working style, preference and career aspirations to analyze this mix. Here is a classification of basic traits to understand the generation: function mix:

	Veterans	Boomers	Gen X	Millennials
Work style and preference	Bureaucratic, hierarchical, command control, formal conduct with dress code, strict, loyal to organization	Political, competitive, challenge authority for feedback, focus on needs than schedules	Sceptical of authority, work-life balance, support flat organization, innovative, job hoppers	Collaborative, focused work approach, diversified culture, fun at work, flexible, informal
Meeting career needs	Build and define legacy, annual measurement of efforts – annual feedback	Define KRAs to meet, believe in documentation, Feedbacks are on paper – eg. CCR	Define expectations, real- time feedback	Define career path, ongoing feedback, continuous learning

2.7 What demands the criticality of organizations to become successful at addressing the inter-generational dynamics?

The three major points that needs organizations to re-visit the inter --generational dynamics are:

1.   The cost of replacing a talent will vary from 50-150 percent of their annual salaries. Change management can rollout the ease of managing this workforce; however, the cost will be high for recruiting such employees. Hence, organizations should focus on understanding the generational dynamics and play safe with a right mix.

2.   Generation after Millennials: The next generation is getting ready to join the workforce bring even more diversity. The oldest members of the Boomers generation are nearing Veterans' retirement age. However, eight out of ten Boomers want to work at least part time in their retirement years. To take advantage of this rich pool of talent, organizations should frame or adopt policies to anchor this generation.

 On the other hand, Millennials comprise the major percentile of the bottom of the pyramid. To recruit and retain the fastest growing cohort organizations needs to change themselves to fit into the new perspectives, work ethics and styles.

3.   Business results and productivity are linked to work environment:

a.   Change management mechanisms should focus on engaging the workforce. Engaged workforce sail through tough times and in dynamic work environments.

b.   According to a survey by Lee Hecht Harrison; a HR consulting and Outplacement services firm, in the US; more than 60 percent of employers are experiencing intergenerational conflict, which is a fact in many prominent teams in the modern organization. However, change management acts as a catalyst to channelize such conflicts to the organization's advantage by fostering creativity.

An age-neutral workplace supports smooth communication and builds on the unique values and strengths of each generation.

2.8 Key Factors for a successful change adoption across generations

A survey of post change initiatives implementation was conducted by the OCM team on change adoption with all the three generations – Baby boomers, Gen X and Millennials, the result is depicted on the graph below. Irrespective of their generation, respondents acknowledged awareness and understanding the need/reason for change, strong leadership, and effective communication as the most important factors in successful change initiatives. 94% of respondents who were happier after a change said that their manager was a role model during the change. Of employees who were less happy after the change, only 50% said their manager was a role model.
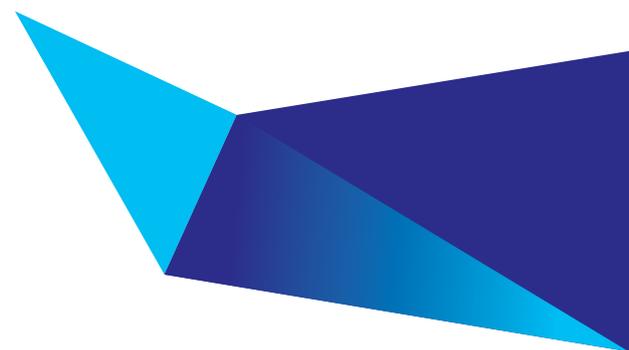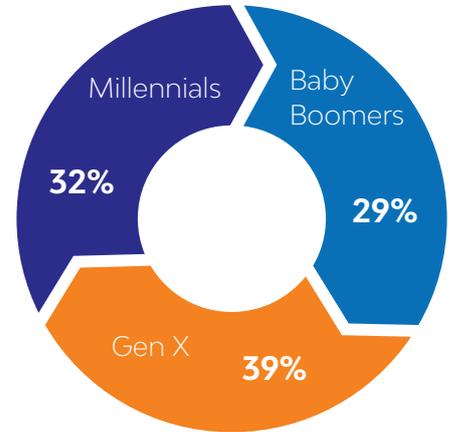
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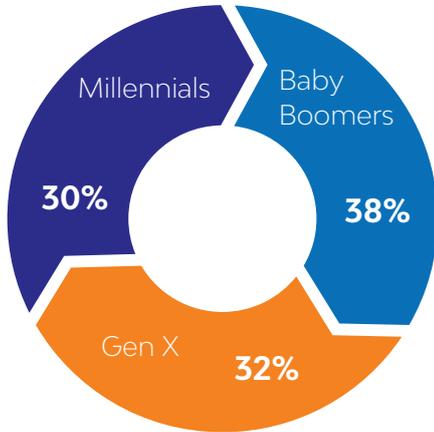
Strong leadership
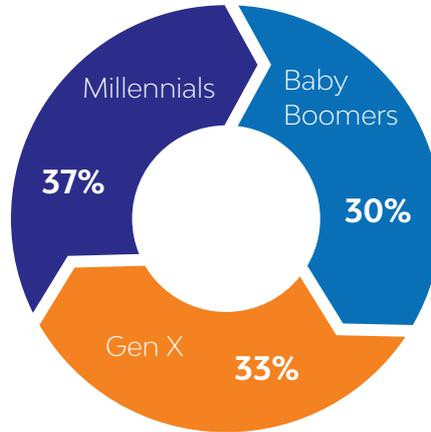
Effective communication

2.9 Creating a Multigenerational Roadmap

Change management professionals should keep two concepts in mind when creating a plan to manage an organization's multigenerational workforce; honor each generation's unique contributions while focusing on their similarities. Following are a few suggestions that will help leverage each generation's strengths, while fostering collaboration throughout the organization:

1.   **Customized communication.** For example, Generation X wants information delivered formally and effectively. Millennials, on the other hand, want opportunities to provide feedback and to receive positive reinforcement.

2.   **Create platforms and programs that encourage generations to work together while knowledge sharing (KT)**. Baby Boomers and Traditionalist, for example, are used to a more "siloed" knowledge sharing experience. Generations X and Millennials, however, share knowledge and information freely and transparently across the organization.

Encourage generations to work together and make the knowledge sharing person-agnostic.

3.   **Build diverse teams of all ages, gender, and cultures.** These teams will learn to value and trust each other.

4.   **Encourage business leaders at all levels to be flexible in their management styles.** Some generations want hands-off leaders, others want a more involved management style.

3. Conclusion

Organizations should be mindful of the words of former GE Chairman Jack Welch: "When the rate of change inside an institution becomes slower than the rate of change outside, the end is in sight." While most of the organizations focus on the macro and micro environment, the issue that the internal customer faces a diversified generational workforce, seeking immediate attention of the torchbearers.

There are multiple benefits of making a multi-generational workforce to put in work together. A positive and inclusive work culture can lead to success by enhancing rich talent pool and

increased profitability. Change management aims at leveraging the benefits of a multi-generational workforce by helping people become more aware and accept the generational differences. There's a tradition of viewing millennials as juvenile in talent, insolent, vehement and ill-mannered. However, the facts show that young people today are usually optimistic, reverent, loyal, and goal-oriented. On the other hand, a youth-focused culture can cause organizational mindset to devalue non-millennial workers. Leaders and managers should start the generation conversations by offering trainings on generational differences. Employees will eventually stop being judgmental and find the positives in their differences.

The multigenerational workforce brings with it a wide variety of challenges and opportunities. Employees of all ages should be helped to understand the attitudes and preferences of the different generations, and better communication should be fostered between the generations to avoid potential conflict. Understanding and communication can help minimize any perceived generational gaps and focus employees on their shared values and expectations. Organizations that work proactively to address the different generations will reap the benefits, while those that ignore the impact of the multigenerational workforce risk losing in the war for talent.

4. Resources

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5. About the Author

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Abhipsa has around 9 years of experience investment banking, L&D and business consulting. She drives people side of change by acting as a catalyst in the engagement, communication and integration processes. She authors for journals and news dailies and blogs about finance and behavioural aspects. She is a certified trainer of DISC, TA 101, and an ISO 9001-2015 auditor from Bureau Veritas.

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