

# Evolution and Experience: Generational Differences In The Workplace



## The realities of a workforce where cross generational interaction is rare

Workplaces are multigenerational environments with employees from 16 to 60-plus. Each group has differing perceptions, understandings and prejudices. With the relentless reality of Baby Boomer retirement there has been a new movement to share common workspaces and value cross-generational interaction. It is an optimistic, noble aspiration. But Gen Y, Gen X, Baby Boomers, and Matures have different definitions of experience, sharing and no consistent way to understand what each other has to offer. So, instead of creating

an energetic fusion of knowledge, perspective and experience we end up with several blunt learnings.

- The transfer of knowledge between retiring generations of veteran workers and newer entrants to the workforce is unlikely.
- Perceptions of co-workers, particularly those in Gen Y, are based largely in stereotypes.
- Each generation sees itself as bringing different strengths to the workplace that don't enhance or expand the strengths of those older or younger.

*We're not facing a talent shortage. We're facing a knowledge gap.*

| Top ranked terms used to describe co-workers in same generational cohort  |   |   |  |
|---|---|---|--|
| Gen Y<br>Chief Friendship Officers  | Gen X<br>The Doer   | Baby Boomers<br>Moral Authority   | Matures<br>Moral Authority   |
| <ul style="list-style-type: none"> <li>• Makes personal friends at the workplace</li> <li>• Sociable</li> <li>• Thinks out of the box</li> <li>• Open to new ideas</li> <li>• Friendly</li> </ul> | <ul style="list-style-type: none"> <li>• Confident</li> <li>• Competent</li> <li>• Willing to take responsibility</li> <li>• Willing to put in the extra time to get the job done</li> <li>• Ethical</li> </ul> | <ul style="list-style-type: none"> <li>• Strong work ethic</li> <li>• Competent</li> <li>• Ethical</li> <li>• Ability to handle a crisis</li> <li>• Willing to take on responsibility</li> <li>• Good communication skills</li> </ul> | <ul style="list-style-type: none"> <li>• Strong work ethic</li> <li>• Ethical</li> <li>• Committed to the company</li> <li>• Competent</li> <li>• Confident</li> </ul> |

Source: World of Work Study, 2008

**Workers walk the same halls, but are separate generational societies**

Younger and older employees are reevaluating their workplace realities against the backdrop of changing real life demands. Gen Y workers are growing up, becoming more pragmatic and their expectations are evolving. Gen X workers — in their peak personally and professionally — are feeling more invested in maintaining their employment situation than in changing it. Baby Boomers find themselves the standard bearers of the corporate culture, legacy and history. They want recognition for their contributions on the job but are feeling the pressure of the economic downturn that could destroy retirement plans as the clock ticks down.

Baby Boomer (65%) and Mature (69%) workers, and a growing proportion of Gen Y workers (43%, +18 points since 2005) anticipate a shortage of skilled labor as Boomers retire. However, the anticipated shortage of skilled labor seems to be more about the limited transfer of knowledge across generations today and less about the lack of manpower in the future. Bottom line — the generations aren't talking, sharing, teaching and learning from each other. (Fig. 18)

According to U.S. Census Bureau figures, Gen Y (79.8 million members) is slightly larger than the Baby Boom generation (78.5 million members). But, only 29% of Gen Y workers describe their Gen Y co-

workers as being competent. Older generations have an even less favorable opinion of the Gen Y work skills and ethic. Yet, Gen Y has limited interaction with the generations of veteran co-workers — Baby Boomers and Matures — who are most likely to be described as competent and having a strong work ethic and from whom they could learn critical workplace skills. Each group has experience to share but their co-workers don't know them. (Fig. 19) (See additional tables 27-29 in Appendix, pages 30-31)

**Gen Y — do you manage them or do they manage you?**

Generation Y is changing the face of global business, possibly the most dramatic upheaval in business culture since women entered the workplace during World War II.

The significant factor is not how today's business views the newest members of the workforce ... it's how Gen Y views business. Generation X challenged the status quo. Generation Y chooses to press for more from their work life. They don't accept all the tried and true principles and practices. The old rules of thumb do not apply. Neither do many of the management techniques employers have used with previous generations.

## New rules of management are in place:

### Rule #1 – Advancement is as important as compensation

Gen Y is more about the advancement, additional training and recognition of a new position. Raises aren't viewed as rewards. They are the logical result of doing a good job. Achievement equals advancement.

### Rule #2 – Straight talk, feedback, encouragement and recognition

Type A managers take notice, Gen Y expects passion, humor and straight talk. Truthful, direct communication is a strong expectation. No biz-speak, acronyms, implied messages or "spin-doctoring." Clear communication, feedback and encouragement are the clear expectation. Engagement equals motivation.

### Rule #3 – Rethink and redesign management

How do you manage Generation Y? How do you convert Generation Y to managers? The rules have changed and organizations need to re-design their practices, procedures and culture in advance. More frequent performance reviews, accelerated advancement, tiered reward and incentive programs, and daily structured communication are just the beginning. Numbers remain important but impersonal.

### Rule #4 – Create an evolving work community

Cubicles became a workplace cliché before Gen Y was born. The "little boxes" perception of the workplace has absolutely no relevance to them. Common areas, multi-generational work teams, "trainutainment" and relationships are most comfortable and meet their expectation. They are a natural extension of their personal experiences. For them, meeting and interacting online is just as comfortable and "real" as face-to-face meetings so they don't respond to structured office environments. Plus, there is little room for compromise on this point. They expect a fluid, evolving work com-

munity that is open to shared knowledge, rapid action and new ideas. Nothing rigid or static wanted.

The 2008 *World of Work* discovered new perceptions on all four generational groups, how they are evolving and working together. In each case the group is different from the accepted image and has become more mature and responsible over the past few years.

### Gen Y is less bold and more self-aware than employers think

Gen Y workers have a reputation for being self-absorbed, bold, and having an inflated sense of entitlement. In the *World of Work* research we found that they are growing up on the job and displaying more self-awareness and professional humility than employers and co-workers give them credit for. The youngest work group may be ambitious, clear about what they want, and willing to ask for it unabashedly, but on the job most are highly cognizant of their generation's shortcomings. They don't cut themselves any slack with only 20% of young employees describing their Gen Y co-workers as having a strong work ethic, being respectful of co-workers, being able to handle a crisis, and being able to take direction well. Less than three in ten (29%) describe co-workers in their generation as being competent. Older workers and younger ones both view Gen Y as a generation that is largely lacking in the traits they desire most in a co-worker. (Fig. 20)

### Gen Y workers are learning to appreciate the jobs they have

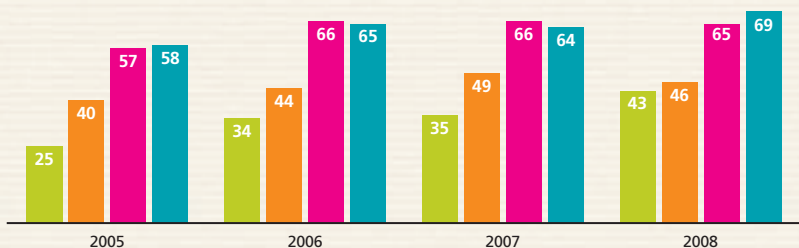
As Gen Y grows up, they are reexamining what is required to make them happy at work and what is needed for success ... and they are changing their minds. With a few years of work under their belts, Gen Y is developing a newfound appreciation for their jobs and taking work more seriously. Satisfaction with hours worked is up 9



**18. It's a reality that there is going to be an increasingly severe shortage of skilled workers as the "Baby Boomers" retire.**

Employees by generational group, 2005-2008  
% "more of a reality"

Gen Y  
Gen X  
Boomers  
Matures



**19. Gen Y's perceptions of co-workers**

Top 2 box % - important vs. describes generation of their co-workers

|  | Importance | Gen Y co-workers | Gen X co-workers | Baby Boomer co-workers | Matures co-workers |
|--|------------|------------------|------------------|------------------------|--------------------|
| Makes personal friends at the workplace                  | 19         | 49               | 31               | 31                     | 26                 |
| Sociable   | 38         | 48               | 35               | 29                     | 21                 |
| Ability to think outside the box                         | 47         | 41               | 28               | 14                     | 14                 |
| Open to new ideas  | 54         | 37               | 19               | 16                     | 8                  |
| Confident  | 46         | 35               | 37               | 32                     | 29                 |
| Friendly   | 52         | 35               | 37               | 26                     | 34                 |
| Ambitious  | 39         | 34               | 33               | 20                     | 14                 |
| Readily shares knowledge with co-workers                 | 53         | 33               | 38               | 29                     | 31                 |
| Builds social networks to increase efficiency            | 30         | 33               | 39               | 23                     | 22                 |
| Intellectual curiosity                                   | 38         | 31               | 27               | 12                     | 13                 |
| Independent thinker                                      | 43         | 31               | 29               | 20                     | 25                 |
| Challenges the status quo for the company's greater good | 30         | 30               | 25               | 16                     | 19                 |
| Competent  | 70         | 29               | 35               | 40                     | 29                 |
| Demanding  | 9          | 29               | 32               | 27                     | 26                 |
| Seeks out creative challenges                            | 27         | 29               | 28               | 12                     | 11                 |
| Participates in company events                           | 17         | 28               | 35               | 26                     | 28                 |
| Willing to put in the extra time to get the job done     | 49         | 25               | 45               | 35                     | 22                 |
| Willing to take on responsibility                        | 58         | 24               | 35               | 39                     | 30                 |
| Interacts well with all age groups                       | 52         | 23               | 30               | 23                     | 14                 |
| Good communication skills                                | 65         | 23               | 35               | 33                     | 23                 |
| Ethical  | 55         | 22               | 33               | 38                     | 44                 |
| Respectful of co-workers                                 | 67         | 20               | 40               | 35                     | 37                 |
| Strong work ethic  | 65         | 20               | 37               | 40                     | 44                 |
| Ability to handle crisis                                 | 53         | 20               | 36               | 31                     | 25                 |
| Takes direction well                                     | 54         | 20               | 28               | 27                     | 16                 |
| Committed to their co-workers                            | 42         | 18               | 30               | 27                     | 22                 |
| Trusts his / her co-workers                              | 53         | 17               | 29               | 28                     | 24                 |
| Enthusiastic about his / her job                         | 41         | 16               | 21               | 20                     | 23                 |
| Gives good direction                                     | 50         | 16               | 39               | 23                     | 30                 |
| Committed to the company                                 | 32         | 15               | 38               | 36                     | 37                 |
| Avoids gossip  | 35         | 4                | 15               | 18                     | 24                 |

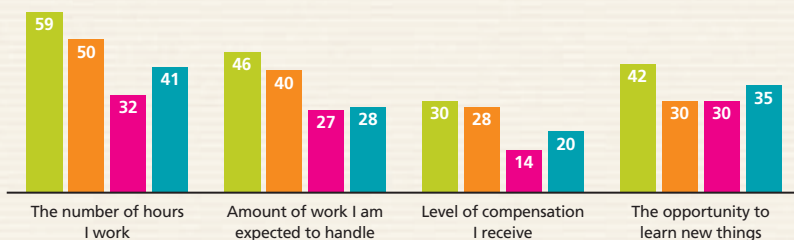
## 20. Importance of co-worker traits / how well trait describes themselves

Top 2 box %

|  | Gen Y      |                | Gen X      |                | Baby Boomers |                | Matures    |                |
|--|------------|----------------|------------|----------------|--------------|----------------|------------|----------------|
|  | Importance | Describes self | Importance | Describes self | Importance   | Describes self | Importance | Describes self |
| Competent  | 70         | 64             | 73         | 74             | 82           | 78             | 81         | 83             |
| Interacts well with all age groups                       | 52         | 61             | 54         | 69             | 63           | 70             | 63         | 75             |
| Ethical  | 55         | 58             | 69         | 71             | 75           | 78             | 87         | 86             |
| Willing to take on responsibility                        | 58         | 57             | 65         | 69             | 69           | 75             | 66         | 82             |
| Readily shares knowledge with co-workers                 | 53         | 56             | 62         | 63             | 65           | 71             | 69         | 83             |
| Takes direction well                                     | 54         | 56             | 60         | 60             | 67           | 65             | 65         | 74             |
| Good communication skills                                | 65         | 55             | 70         | 60             | 69           | 69             | 72         | 74             |
| Respectful of co-workers                                 | 67         | 55             | 71         | 66             | 77           | 72             | 76         | 83             |
| Strong work ethic  | 65         | 53             | 73         | 68             | 77           | 78             | 79         | 84             |
| Ability to handle crisis                                 | 53         | 53             | 63         | 63             | 71           | 73             | 66         | 81             |
| Open to new ideas  | 54         | 53             | 60         | 58             | 65           | 67             | 56         | 69             |
| Independent thinker                                      | 43         | 52             | 49         | 62             | 54           | 68             | 46         | 78             |
| Friendly   | 52         | 52             | 57         | 61             | 50           | 63             | 61         | 67             |
| Willing to put in the extra time to get the job done     | 49         | 51             | 52         | 61             | 60           | 72             | 55         | 81             |
| Intellectual curiosity                                   | 38         | 49             | 46         | 59             | 42           | 63             | 50         | 71             |
| Confident  | 46         | 47             | 48         | 55             | 52           | 62             | 60         | 75             |
| Ambitious  | 39         | 47             | 40         | 48             | 35           | 42             | 48         | 51             |
| Ability to think outside the box                         | 47         | 44             | 52         | 57             | 58           | 67             | 59         | 74             |
| Gives good direction                                     | 50         | 44             | 49         | 47             | 55           | 60             | 56         | 58             |
| Sociable   | 38         | 42             | 34         | 48             | 32           | 47             | 34         | 61             |
| Seeks out creative challenges                            | 27         | 38             | 36         | 41             | 40           | 48             | 41         | 61             |
| Committed to their co-workers                            | 42         | 38             | 46         | 48             | 50           | 55             | 56         | 62             |
| Committed to the company                                 | 32         | 37             | 43         | 45             | 44           | 54             | 58         | 67             |
| Builds social networks to increase efficiency            | 30         | 36             | 31         | 38             | 30           | 33             | 22         | 43             |
| Makes personal friends at the workplace                  | 19         | 36             | 21         | 36             | 17           | 33             | 23         | 40             |
| Enthusiastic about his / her job                         | 41         | 36             | 43         | 45             | 53           | 50             | 56         | 68             |
| Participates in company events                           | 17         | 35             | 23         | 36             | 16           | 30             | 8          | 22             |
| Trusts his / her co-workers                              | 53         | 31             | 56         | 39             | 61           | 39             | 74         | 57             |
| Avoids gossip  | 35         | 29             | 45         | 39             | 52           | 49             | 56         | 58             |
| Challenges the status quo for the company's greater good | 30         | 27             | 35         | 35             | 35           | 39             | 31         | 43             |
| Demanding  | 9          | 18             | 14         | 24             | 8            | 24             | 7          | 30             |

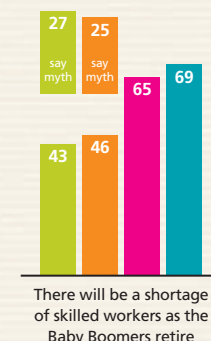
## 21. Gen Y satisfaction with various aspects of work

Among Gen Y employees, 2005-2008  
Top 2 box satisfied



## 22. It's reality that...

Employees by generational group



## Gen Y is now ready to take on more.

points from a year ago to 41%. Satisfaction with compensation (+6 points to 20%) and opportunities to learn new things (+5 points to 35%) is also up from a year ago. (Fig. 21)

Generation Y has been called the least stable generational group and the most willing to job-hop. This year's study revealed the desire for job change is trending down with fewer than last year feeling it is a good time to look for a new job that pays more (-3 points to 57%) or offers more interesting or fulfilling work (-2 points to 58%). (Fig. 26)

Trending up among Gen Y workers is the proportion willing to take on more responsibility at their current place of employment. Up significantly since 2007 (+14 points to 73%) is the proportion of Gen Y workers who say now is a good time to take on extra work. Gen Y now exceeds all other groups in holding this view. It's an interesting contradiction that there has also been an increase in the percentage of Gen Y employees saying that it is a good time to just do enough to get by (+7 points to 35%). (Fig. 26)

### Reality: Gen X sees another economic downturn

Didn't we just get over one? Gen X sees a recession on the horizon, again. When this generation faced its first economic recession in the 1990s, most were recent college graduates struggling to find employment. They just got established and in the financial groove when the 2001 recession set it. Now, with the possibility of a third downturn they find themselves in a more complex and pressure-packed position. Gen X is now up to their eyeballs in the American Dream — 56% are married and 49% have children in their household. Sandwiched between the realities of the changing job market and their stage in life, Gen X workers are essentially caught between the proverbial rock and a hard place — less likely to feel that now is the right time to ask for more from

their current employer or to seek new employment elsewhere.

The proportions of Gen X workers who feel the time is right to look for a job that pays more is down 5 points from 2007. Fewer feel the time is right to:

- Change their career (-4 points),
- Ask for a raise (-3 points),
- Ask for better benefits (-5),
- Ask for additional help to lighten their workload (-4).

More than any other group, Generation X believes that people are staying in jobs they hate just to have a job and this proportion is up from a year ago (+6 points to 76%). (Fig. 25 & Fig. 26)

### Boomers crave relevance and recognition in the workplace

Baby Boomers see their generation as the guiding force in the workplace and more likely than younger generations to possess critical traits for workplace success such as a strong work ethic, being competent, having good communication skills, and being willing to put in extra time to get the job done. Their younger peers see a large number of older people but don't realize who they are and what they represent. For many companies that were formed during the growth years after Vietnam, this is the first generation of entrepreneurs and company founders. They "wrote the book" of corporate knowledge but no one seems to want to listen or learn. Doesn't anyone believe they are retiring?

While Gen Y continues to catch up to the other generations in their awareness of an increasingly severe shortage of skilled workers due to Baby Boomers retiring, a full 1 in 4 (27%) still say that this approaching shortage of skilled workers is a "myth" ... and so do 25% of their Gen X counterparts. (Fig. 22)



## Boomers are looking for relevance and acknowledgement.

As Boomers reach and pass their peak in the workforce, many are seeking new relevance and acknowledgement of their contributions on the job. Baby Boomers far exceed younger generations in key items that are important to their happiness on the job.

- Recognition and appreciation - 69% of Boomers vs. 61% of Gen Y and 63% of Gen X.
- A supportive environment - 65% of Boomers vs. 53% of Gen Y and 56% of Gen X.
- Empowerment - 42% of Boomers vs. 33% of Gen Y and 35% of Gen X. (Fig. 23)

### Boomers are the most skittish about job change

With more experience under their belts, Boomers and Matures are the employee group most in-tune to economic fluctuations. Boomers however, have the most pessimistic outlook on their company's hiring practices over the next 12 months. More than any other workforce group they expect hiring at their company to decrease (+4 points to 20% from 2006). (Fig. 24)

Boomers are also less likely than Gen Y or Gen X workers to feel now is a good time to change their work situation by asking for a raise or better benefits. And they are less likely to look for a new job that either pays more or offers more interesting work. In their minds they have the most to lose.

Maybe it's work ethic or an attempt to secure their current job, the proportion of Baby Boomers who feel it is a good time to take on extra work is up considerably from a year ago (+10 points to 68%). Contrast this increase with nearly all the other dimensions related to pursuing new employment elsewhere or asking for more from a current employer. There is a downward trend for Baby Boomers:

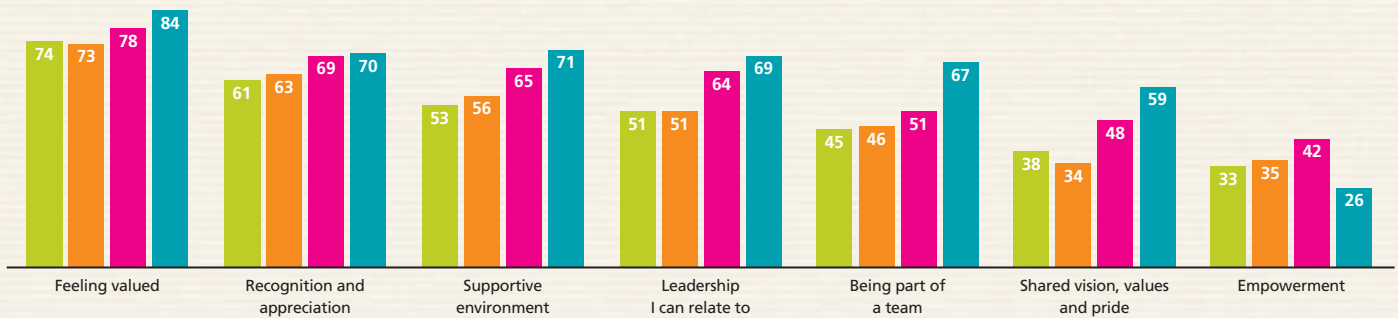
- Looking for a new job that pays more (45%, -6 points since 2007)
- Changing their career (33%, -4)
- Looking for a new job with more interesting or fulfilling work (47%, -3)
- Asking for a raise (32%, -10)
- Asking for better benefits (33%, -5)
- Asking for additional help to lighten their workload (29%, -6) (Fig. 26)



### 23. Importance for happiness in their job

Among employees by generation

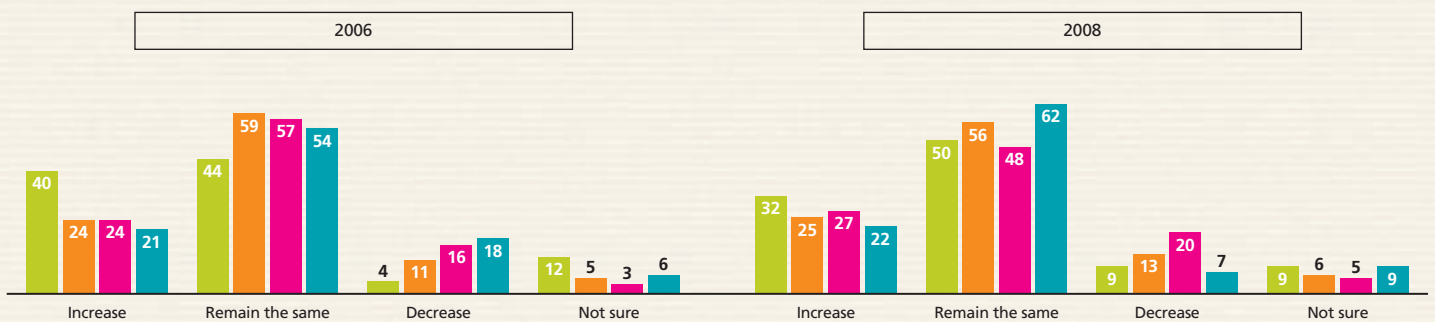
Gen Y  
Gen X  
Boomers  
Matures



### 24. "In the next 12 months, expect hiring to ..."

Employees by generation

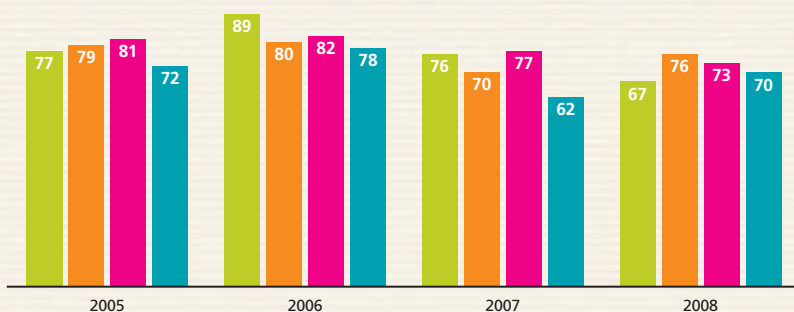
Gen Y  
Gen X  
Boomers  
Matures



### 25. It's a reality that... in the current economy, people are staying in jobs they hate, just to have a job.

Employees by generation, 2005-2008  
% who say "more of a reality"

Gen Y  
Gen X  
Boomers  
Matures

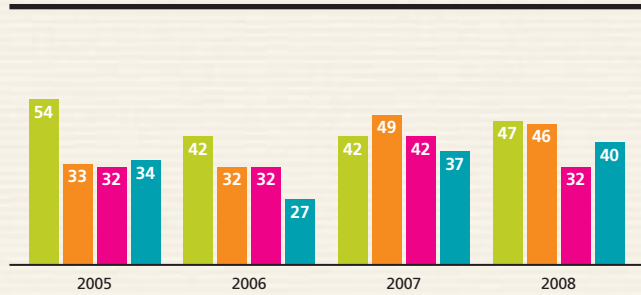


**26. It's a good time to...  
By employees, by generation, 2005-2008**

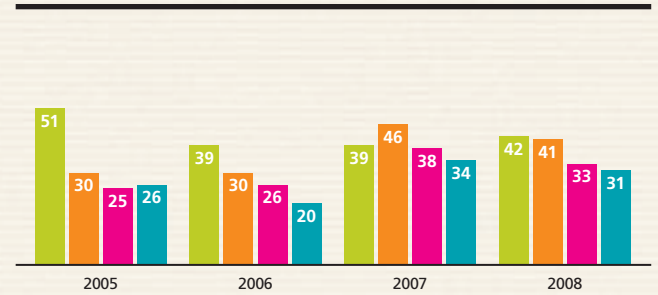
% who say "very/somewhat good" time (Top 2 boxes)

Gen Y  
Gen X  
Boomers  
Matures

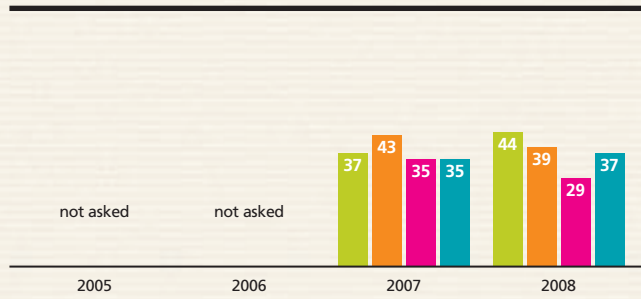
Ask for a raise



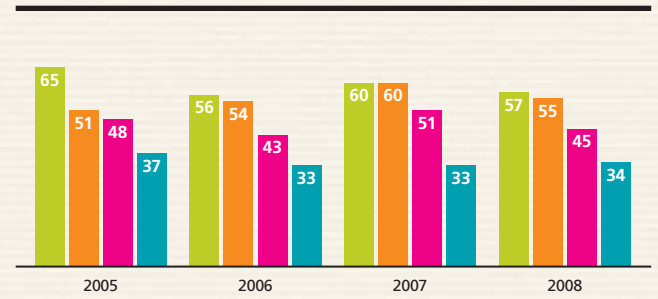
Ask for better benefits



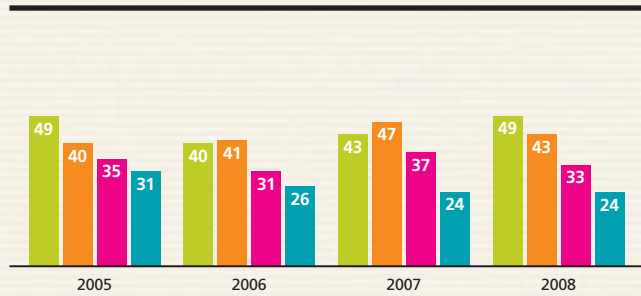
Ask for additional help to lighten your workload



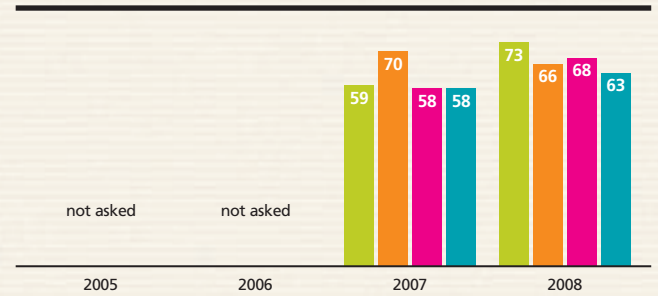
Look for a new job that pays more



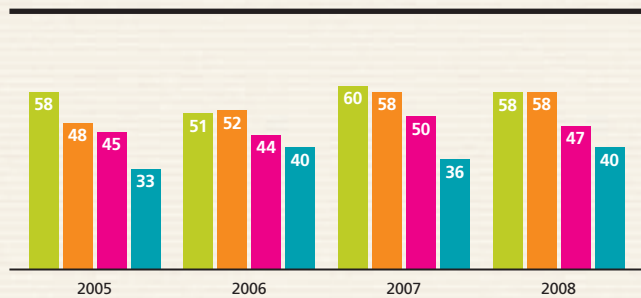
Change your career



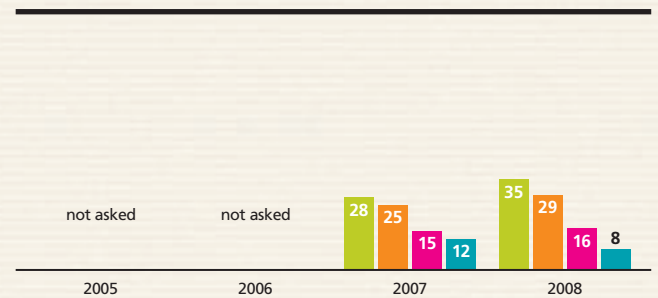
Take on extra work



Look for a new job with more interesting/fulfilling work



Do just enough at work to get by





## Experience means learning from each other

There is a natural tendency for people to gather and work with people their own age. This is often not the best workplace. Multigenerational environments can break down barriers of age, perception and experience. They subtly force the generations to discover the value in each other and understand what each has to offer. In theory they can create a fusion of knowledge, perspective and experience. So why is managing multigenerational groups so difficult?

The U.S. workforce consists of four very distinct generations working side-by-side, from employees born in the last years of World War II to ones who came of age in the “go-go” nineties. Generational differences are often about perspective and how things should be done. It’s as if everyone looks at the other group saying, “That’s not how I would do it.” The biggest differences seem to be over the most common aspects of the workplace:

- Leadership
- Respect for authority
- Work ethic
- Relationships
- Why you work

It’s a slow process that can’t be accomplished with broad company-wide directives. It will be accomplished with purposeful processes

and leadership by example. It works best at the relationship level. People, not titles. Talents, not functions. Experience, not age. Trust comes from familiarity. Employership™ creates an organization where goals and perspectives can be different. Each generation requires a different set of standards to motivate them. Inspiring optimum performance from these workers are primary challenges for managers. The only way to know is to ask. The bottom line is teamwork and an atmosphere focused on company goals that workers can contribute to and achieve together. They can value and understand each other. They work, learn, share, discover, innovate, and prosper together.

