

# You, Me and Them: Dealing with Generational Differences in the Workplace



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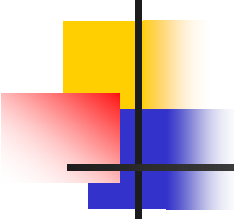
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# Outline

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- Where are we now?
- Understanding the generations
- Impact of generational differences
- Implications



## Why you need to pay attention to management of your people?

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- For decades organizations have talked about the importance of their people but not managed accordingly
- These days are over – why?
- Globally we are moving from a “buyers” labour market where there were more good employees than good jobs to a “sellers” market



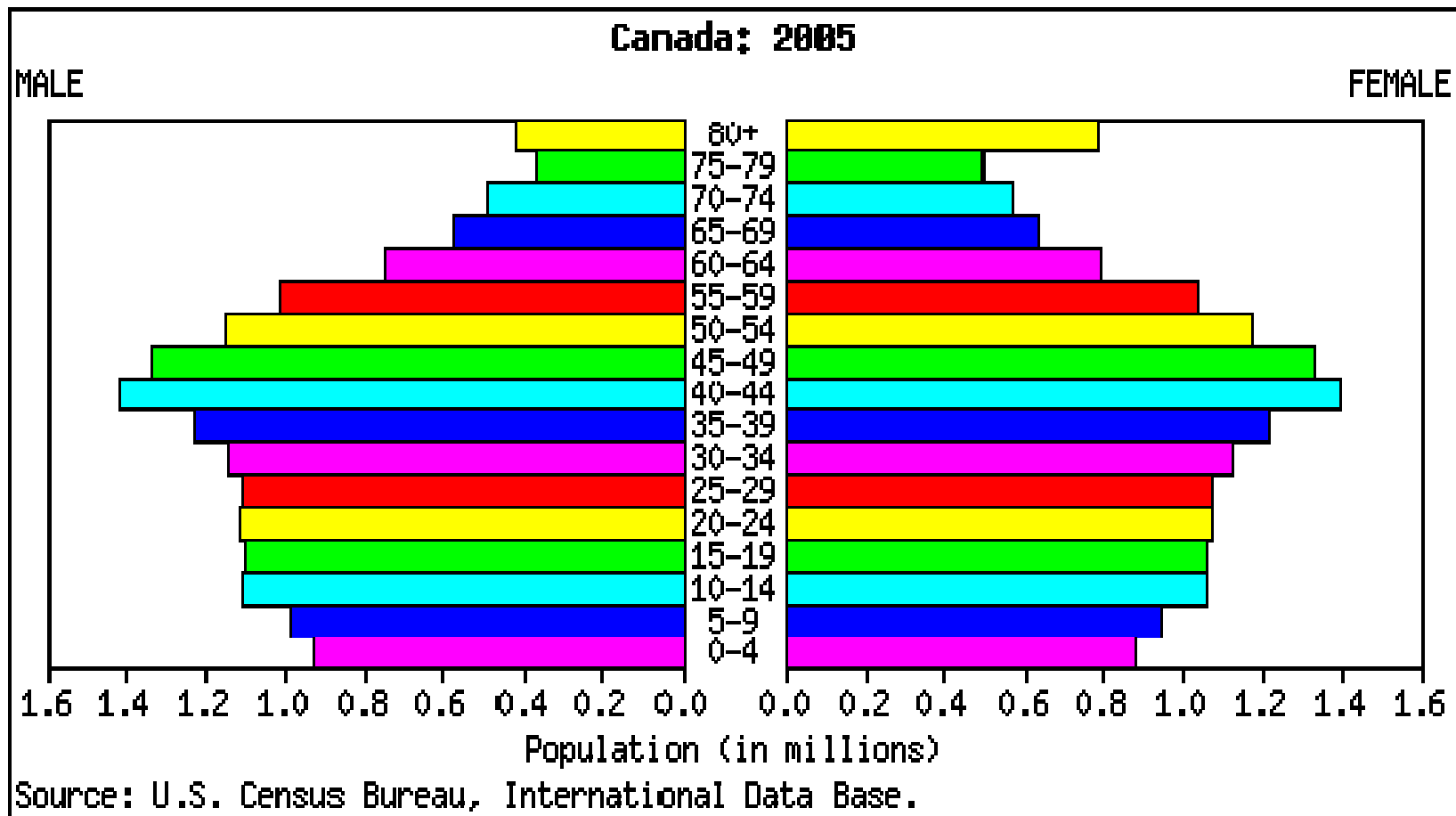
# Why a Labour Force Shortage?

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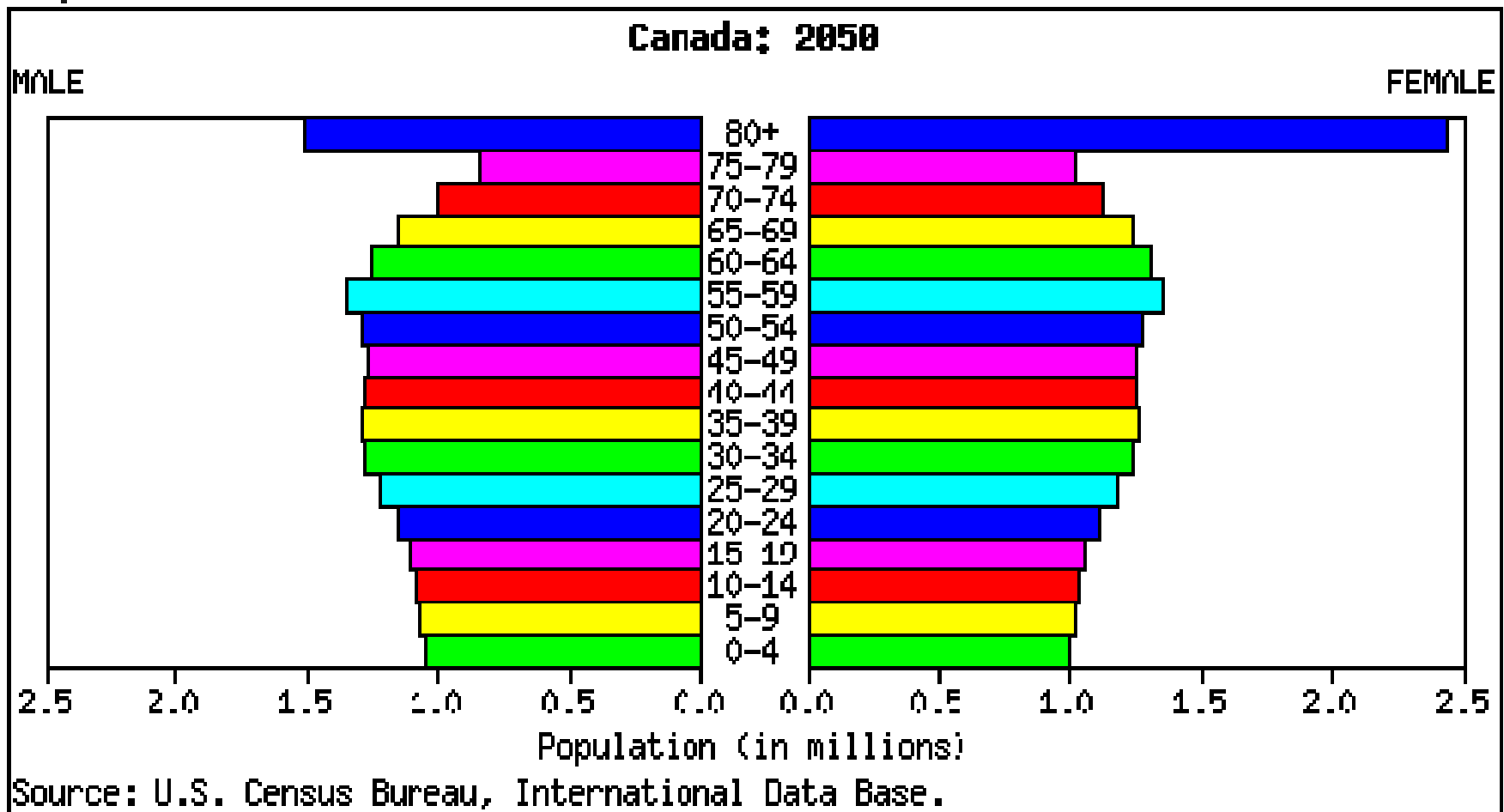
- Birth Rates Declining Throughout the World
  - Canada's Birth rate is below replacement levels
  - "Revolution in Fertility"
- Population is aging
- Many countries have inverted population pyramid
- Age at which people are taking retirement has fallen
- People are staying in school longer (or returning)
- Increasing skill-intensity of employment
- Greater international competition for labour

# What is happening to the Canadian Workforce?

## Canada - Now



# Canada: 2050

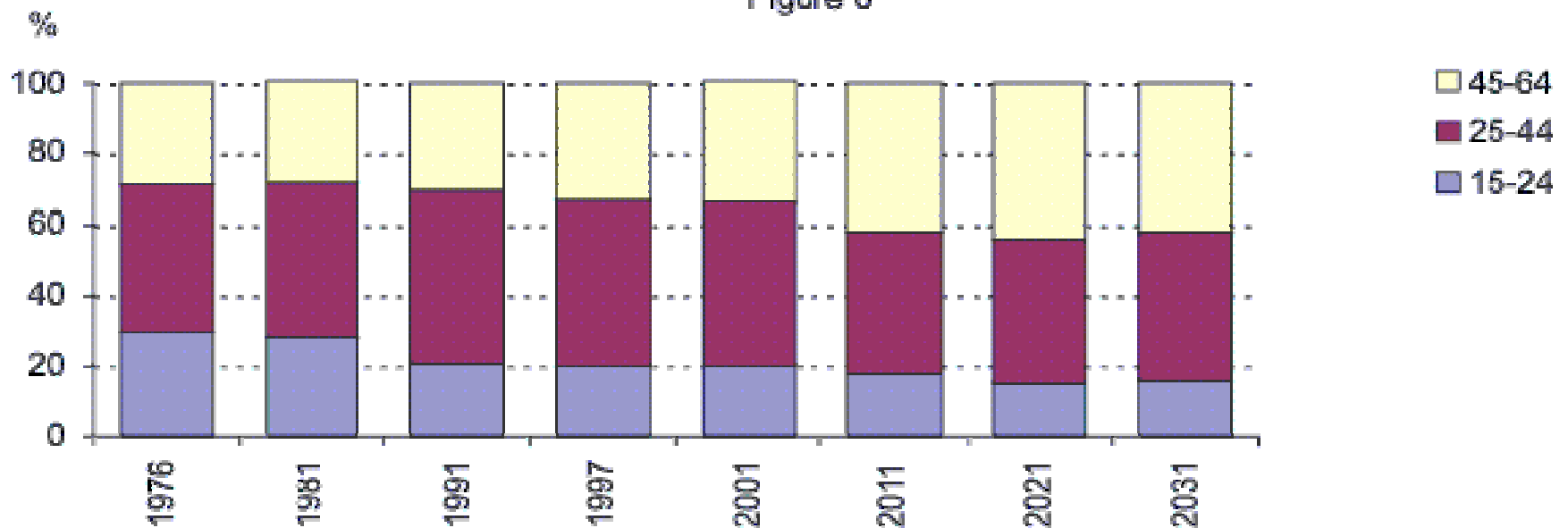


# Age Profile of Labour Force Will Change

## Age Composition of the Working Age Population, Canada

Older Workers Will Account for a Larger Share of the Working-Age Population, 1955-59 to 2025-29

Figure 6





# Looming Labour Force Shortage

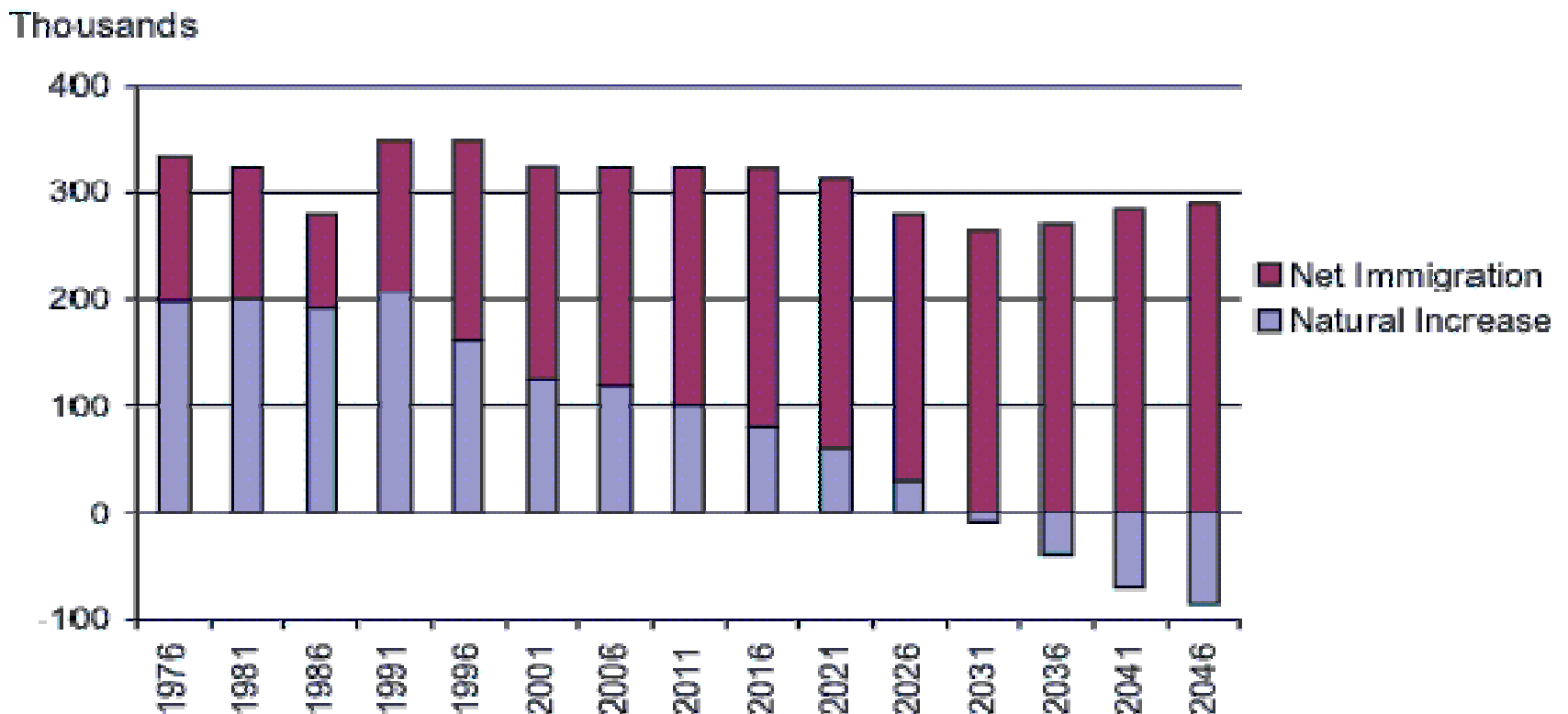
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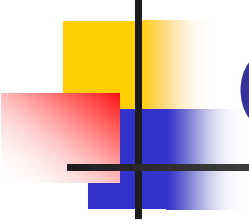
- Labour force grew by approximately 226,000 per year for last 25 years
- This decade will grow by 123,000 per year
- By 2010 ... this will have dropped to 42,000 per year
- By 2016 annual growth will be near zero
- Within the next decade, for every two people who are retiring there will be less than one person to take their place



# Dramatic Increase in Immigration Will Be Needed

**Population Growth by Component, Canada**  
Population Growth Will Increasingly Depend on Immigration  
1976-2046  
Figure 5





# But Where Will the Immigrants Come From?

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- And what skills will they have?

# Fertility Rates in 2003

Fertility rates in almost all these countries have declined in past 4 years

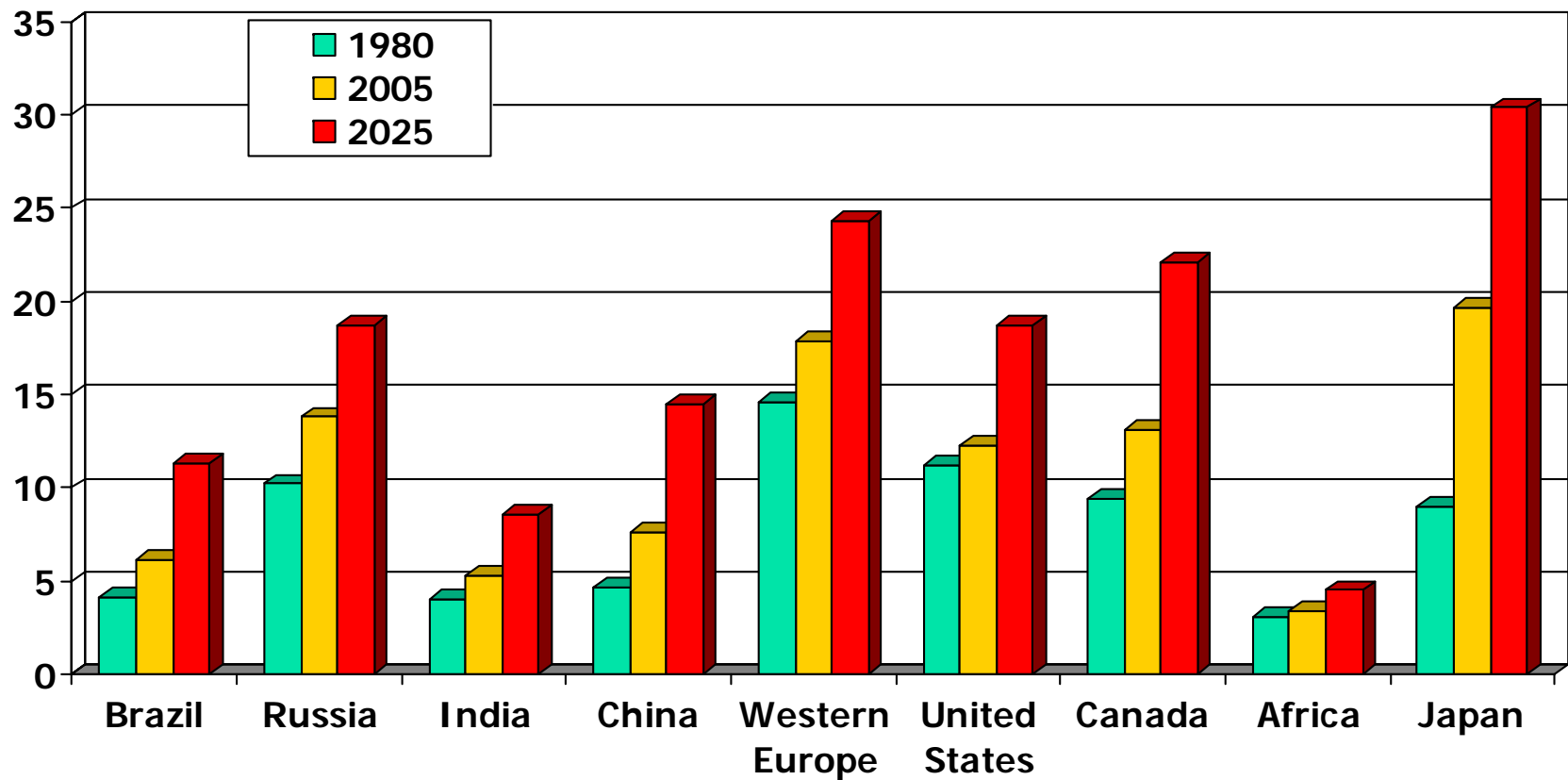


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Hong Kong	0.94	Switzerland	1.41
South Korea	1.19	Portugal	1.44
Mainland China	1.22	Canada	1.50
Singapore	1.26	Belgium	1.61
Greece	1.27	Britain	1.71
Japan	1.29	Sweden	1.71
Italy	1.29	Australia	1.75
Spain	1.29	Finland	1.75
German	1.34	Denmark	1.75
Austria	1.39	Norway	1.80
		France	1.89
		United States	2.0

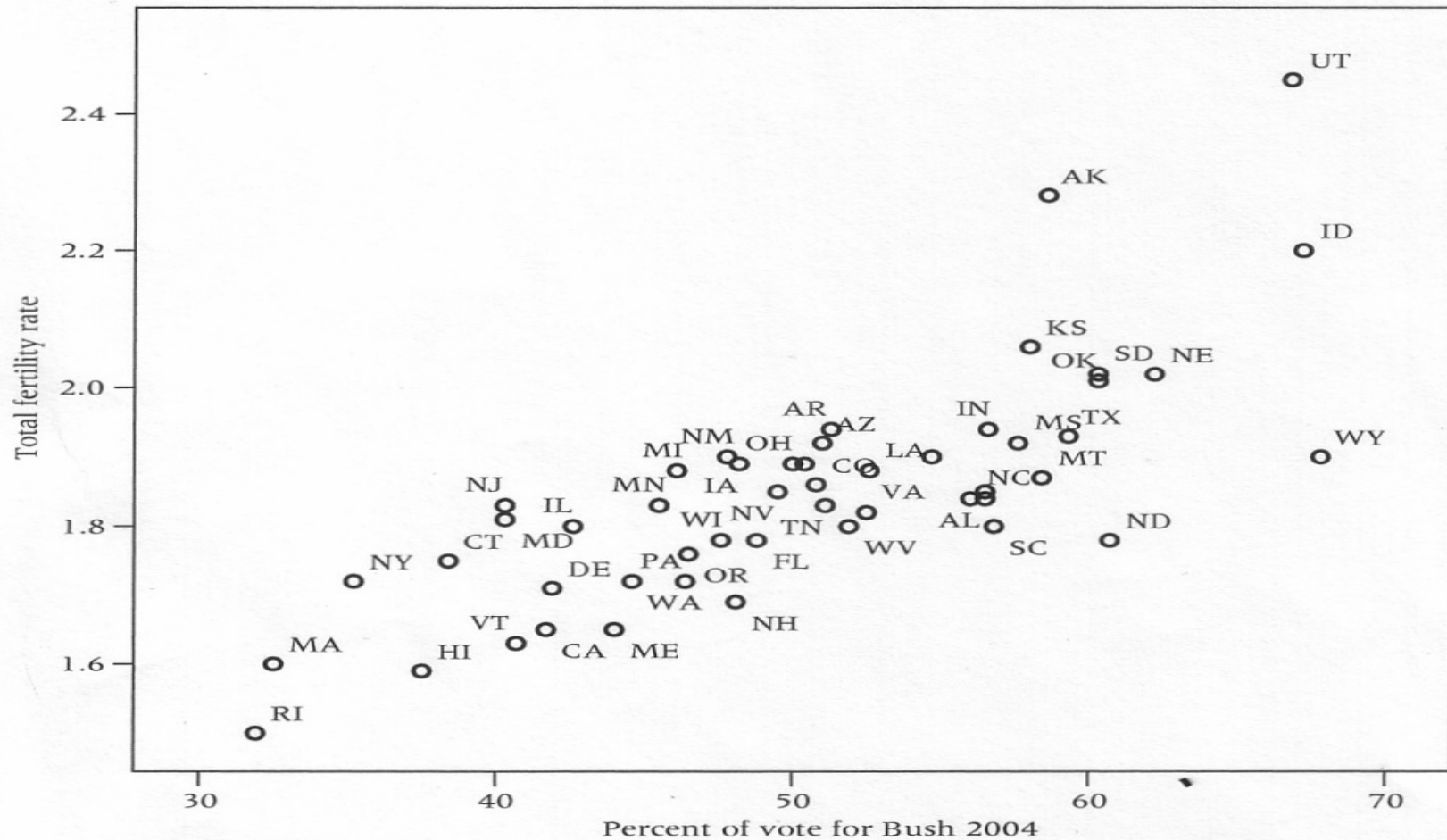
# Population of Those Aged 65 and Over (per cent; share of total population)

Source: UN, Statistics Canada



# Fertility Rate in U.S.: What is Behind the Number 2.0?

Lesthaeghe and Neidert, 2006





# Impact on Organizations

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- These demographic changes will have profound impacts on how organizations
- Human resource management will become a critical success factor as companies have to focus on
  - Recruitment
  - Retention of employees of all ages
  - Succession planning
  - Work-life balance
  - Career Development
- My aim in this talk is to get you thinking about these issues – as dealing with them is what will make you best practice

# Why do we need to be aware of generational differences?



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- What is a generation? And why do they arise?
  - Not defined by time
  - Rather, people are defined by the “watershed” events and conditions that they were exposed to as they grew up
  - These common influences shape their attitudes which in turn influences what motivates them

# Why do we need to be aware of generational differences?



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- We are in an unusual circumstances right now because we have four generations in the workforce at the same time
  - People are living long
  - Shorter time span between generations
  - Workers are staying in the workforce or re-entering the workforce after reach traditional retirement age





# Demographics 101

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- Demographics 101
  - The war, return of the veterans
  - The Veterans (born just before or during WWII – 59 +)
  - The Baby Boom (1947 to 1964)
  - The Baby Bust (Generation X) (1961 to 1974)
  - The Echo Boomers (Nexus, Gen Y) (1975 to 1990)
    - 42% the size of the boomer cohort



# Why do we need to be aware of generational differences?

## Recruitment and Retention

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- Need to understand key generational differences in order to both attract and keep good employees
  - The blessed, the stressed and the ignored
- Need to understand:
  - What employees want from a job
  - What employees want from their boss
  - What they will do if their organization or their boss “does not deliver”



# The Veterans

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- **Formative Influences**

- Stock market crash and great depression
- The “new deal”
- World War II
- The Atomic Bomb
- Post War Reconstruction

Source: Sean Lyons, PhD Student



# The Veterans

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- **Core Values**

- Cautious
- Self sacrifice and deferral of rewards
- Build for a better future
- Religiosity
- Black and white world view
- Traditional
- Nostalgic
- Deferent to authority
- Team work



# The Veterans

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- **Work Values**

- Loyalty
- Dependability
- Persistence
- Hard Working
- Wisdom and experience over technical knowledge
- Authoritarian



# The Baby Boomers

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## **Formative Influences**

- The "Atomic Age"
- Large demographic cohort
- Economic prosperity
- Child-friendly culture
- Civil rights movement
- Assassinated American figures
- Communist threat (Asia, Russia, Cuba)
- Birth Control Pill
- Lunar Landing
- Vietnam War
- Rock and Roll



# The Baby Boomers

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## ■ Core Values

- Optimism
- Entitlement
- Self-fulfillment
- Non-conformist
- Experimental
- Objective sense of right and wrong



# The Baby Boomers

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- **Work Values**

- Workaholic
- Acceptance of stress
- Team-oriented
- Importance of title/status symbols
- Demanding of respect and sacrifice from sub-ordinates





# Generation X

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## ■ **Formative Influences**

- Economic recessions
- Anti-child society
- Stagflation
- AIDS
- Nuclear threat
- Environmental deterioration
- Personal computing
- Being in the wake of the baby boom
- Government cutbacks and deficit
- Rap music



# Generation X

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## ■ **Core Values**

- Comfort with technology
- Adaptiveness to change
- Pragmatism
- Non-traditionalism
- Acceptance of diversity
- Confidence and self reliance
- Immediate gratification



# Generation X

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## ■ **Work Values**

- Working within the system
- Sacrifice personal life for advancement
- Dependent on close supervision
- Dedicated to goal achievement
- Desire for job security
- Insecure
- Desire to be recognized



# Nexus Group

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- **Formative Influences**

- Information technology
- Child-focused society
- Violence and terrorism
- Gangsta' rap

The logo for Nexus Group features a stylized graphic on the left consisting of overlapping colored squares (yellow, red, blue) and a black crosshair. To the right of this graphic, the text "Nexus Group" is written in a blue, sans-serif font.

# Nexus Group

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## ■ Core Values

- Comfort with new technology
- Adaptiveness to change
- "Street Smart"
- Subjective view of reality
- Optimism
- Diversity
- Globally connected
- Networking

The logo for Nexus Group features a stylized 'N' composed of overlapping yellow, red, and blue squares, with a black crosshair intersecting the center. 

# Nexus Group

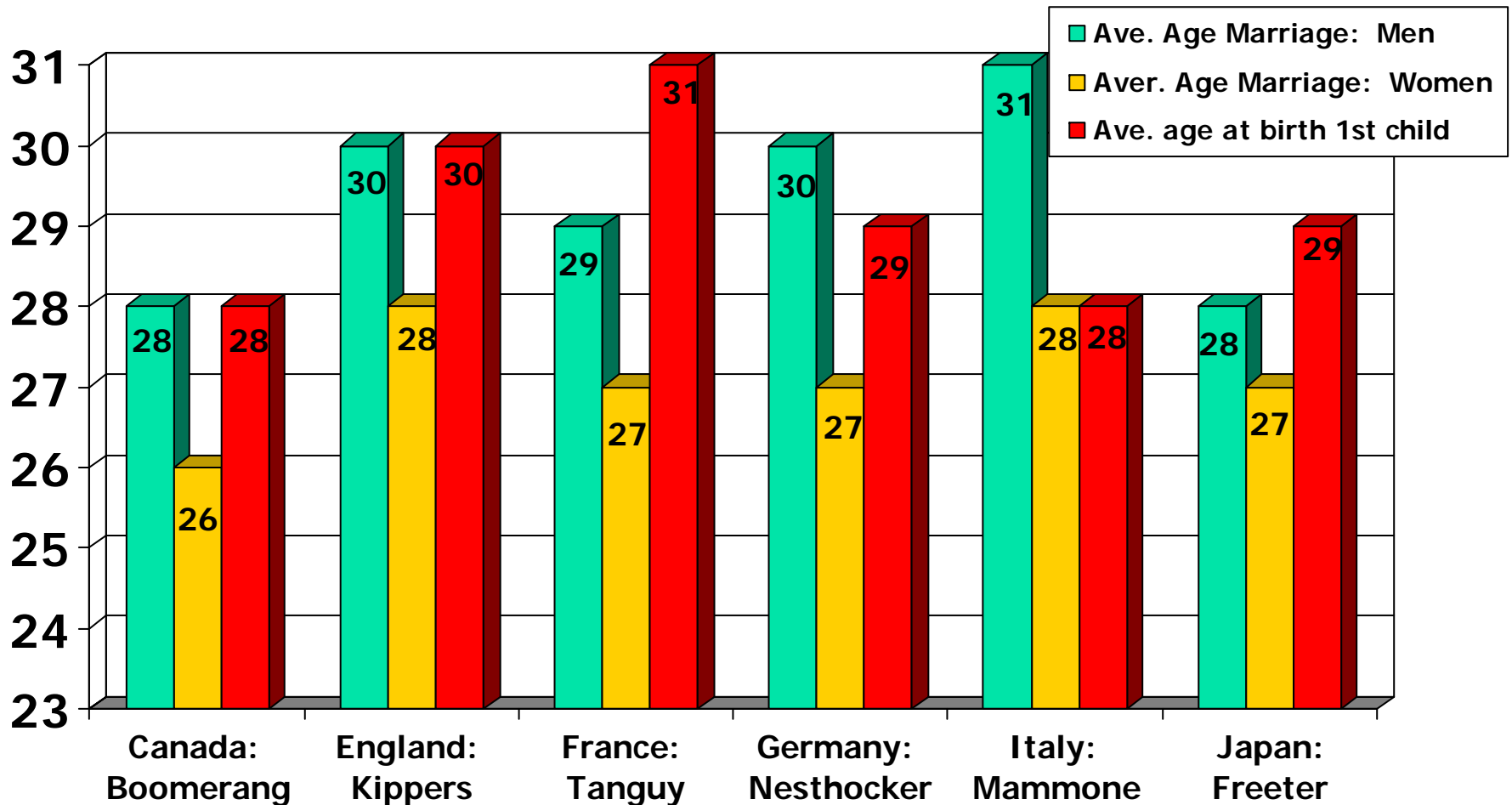
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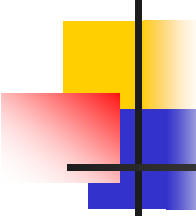
## ■ **Work Values**

- Independence and autonomy
- Challenge seeking
- Variety seeking
- Entrepreneurial
- Distrust of hierarchy and authority
- Continuous development of skills
- Lack of loyalty/unwillingness to commit
- Work-life balance
- Fun and communal workplace

# The Twixter: Not Just a Canadian Phenomena

Time Magazine, Jan, 2005





# What does this mean to employers?

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- Business success has become more people oriented
  - People give you ideas, innovation and customer satisfaction
- Job creation is outpacing workforce growth
- Market for talent is increasingly global and company workforces are diverse in complex new ways
- Expectations about the employment relationship are becoming more flexible





# What does this mean to employers?

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- Employees have become more sophisticated consumers of employment opportunities
- A new employer/employee dynamic has emerged
- Things that attract people to a company (pay and benefits) are not the same thing that keep them or engage them which are more intangible
  - work-life balance, career development, performance management



# Moving Forward

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- The Big Picture



# Focus on sound management of your human resources

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- Need to work on the basics
- Business success in next several decades will depend on how you deal with following issues:
  - Work-life balance and workloads
  - Reward and recognition
  - Performance management
  - Getting and keeping talent
  - Developing and rewarding supportive management
  - Cultural Change



## Moving Forward: Look at Your Culture

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Work by Psychotherapist Douglas LaBier whose practice is devoted to treatment of individuals who work for large organizations

- He found that those considered “sick” by their organizations were from a psychotherapeutic standpoint “normal”
- Those who were considered “normal” and pointed to as role models had serious psychological problems



# “Modern Madness”

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- these problems included lust for power, feelings of grandiosity, desire to micro-manage, high need for control and to dominate others
- many organizations have institutionalized “sickness”
- not only a fundamental part of culture but also exercises tremendous pressure on “normal” people to become “sick” to fit in

# In Many Organization the Culture is Part of the Problem



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## ■ Problematic Cultures:

- Boiled frogs
- Emperor has no clothes
- A + +
- Reactive/urgent (not proactive/important)
- "Connected"
- Focus on policies not practice
- \$\$\$ trumps everything else
- Teflon
- Fish bowl

# The Connected Culture





Your role:

## Acting as a Change Agent

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- The person who is leading change is often referred to as a change agent
  - Can be an individual or a team
- If you are a change agents in your organization you will face a number of challenges as well as benefits
  - Like riding a roller coaster





# Becoming a change agent

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- Control your attitude
  - Glass half empty versus glass half full
- Take some ownership of the changes
  - There is no “they”
- Chose your battles carefully
  - Run with the wind, not against it
  - Pick battles big enough to matter, small enough to win



# Becoming a change agent

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- Keep your sense of humor
  - Sense of humor will not prevent the problems from occurring, but it will help you handle it – it is healing
  - Laughter helps keep things in perspective
- Don't let your strengths become your weaknesses
  - Shift yourself to match change in organization
  - “As you are the only one you can really change, the only one who can really use all your good advice is yourself”
  - “Only those who constantly retool themselves stand a chance of straying employed in the years ahead”

*Tom Peters*



# Becoming a change agent

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- Practice good stress management techniques
  - Adjusting to change drains people physically and emotionally – over time linked to burnout
  - Exercise offers good way to reduce tension - Remember “Worry is misuse of the imagination” *Mary Crowley*
- Invent the future instead of trying to redesign the past
  - Best way to know what is coming is to put yourself in charge of creating the situation you want – remember “the trouble with the future is that it usually arrives before you are ready for it.” *Arnold Glasow*



## Final Words

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**“More than anytime in history mankind faces a crossroads. One path leads to despair and utter hopelessness, the other to extinction. Let us pray that we have the wisdom to choose correctly.”**

*Woody Allen*



# Thank you

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- Questions