

# Corporate Learning Watch



## Generations in the Workplace

### The Convergence of Baby Boomers, Generation X & Millennials

#### Watch List

- The fastest growing age segment of the workforce is composed of workers born after 1980, or the Millennials.
- The percentage of the US workforce over the age of 55 is projected to grow from 19.5 in 2012 to 25.2 by 2025.

#### Key Takeaways

- Four generations of workers are currently in the workplace: Veterans (or Matures), Baby Boomers, Generation Xers, and Millennials.
- Savvy managers know that now, more than ever before, one management style does not fit all. Each generation has different characteristics, traits, motivators, and work styles.
- Workplaces are also finding themselves dealing with upside-down hierarchies in which Millennials and Gen Xers are managing older workers who may have rejoined the workforce after retiring or beginning a new job or career after a layoff.

#### Executive Summary

For the first time in modern history, the country's workforce is composed of four generations of workers. As this diverse mix creates both opportunities and challenges in the workplace, managers are finding that, more than ever before, one management style does not fit all. Savvy managers are learning more about the

traits and characteristics of each generation in order to manage them more effectively, taking advantage of their strengths and finding ways to cope with their weaknesses.

Matures, or Veterans, are those workers who were born before 1945, and they respond best to managers who respect their experiences and knowledge as well as their place in the company's hierarchy. Baby Boomers, who were born roughly between 1945 and 1964, can be motivated with flexible work schedules and opportunities to learn new skills. Generation Xers, who were born approximately between 1965 and 1980, often prefer managers who allow them work independently, and they tend to place a high value on their personal lives. On the other hand, Millennials, who were born after 1980, like to have frequent feedback, often work best in teams, and tend to enjoy working with the latest technologies.

#### Business Options & Best Practices

##### The New, Multi-Generational Workforce

For the first time in the modern era, the nation's workforce comprises four generations of workers. Known as Veterans, Baby Boomers, Generation Xers, and Millennials, these groups all have distinct characteristics, motivators, and values.

The fastest growing segment of the workforce is the Millennial generation, or workers who were born after 1980. Composing around 25 percent





of the workforce today, it is expected to grow to reach 75 percent of the workforce by 2025 (Dahwan, 2012). Meanwhile, the percentage of US workers over the age of 55 will grow from 19.5 to 25.2 by 2020 (BLS, 2012).

The large number of older workers is attributable to a number of causes. For one, the 2008 recession depleted the retirement savings of many Veterans and Baby Boomers, and they are now finding themselves having to delay or come out of retirement to make up the shortfall. Other workers are finding that they did not save enough to retire in the first place. Second, advances in medicine and healthcare have meant that many workers still feel active and productive enough to continue working after 65. These workers may also delay retirement, or they may choose to begin new careers on their own terms, perhaps by becoming entrepreneurs.

All of these factors have created a new generational mix in the workplace. And because of each generation's different characteristics, it can seem as if none of them is speaking the same language. All of this can lead to poor teamwork, low morale, and lost productivity. Further, many workplaces are seeing new hierarchies as Millennials and Gen Xers manage Baby Boomers or Veterans who return to the workplace after a period of retirement or who begin new jobs or careers after a lay off. This type of upside-down hierarchy can cause additional friction.

On the other hand, the mix of generations in the workplace can be a tremendous advantage. Mixing Veterans' experiences and knowledge with Millennials' vitality, optimism, and technical savvy can greatly enhance corporate bottom lines. However, in order to capitalize on these

opportunities, managers must first learn to be "multilingual," speaking the language of each generation, and finding out what they value, what motivates them, and what their strengths and weaknesses are.

### **Veterans**

Veterans (also referred to as Matures) were born before 1945, and as of 2010 there were 75 million Veterans in the United States. Veterans did not typically go to college; instead, they began working immediately after high school or military service with the express intent of finding lucrative positions to support their families. Income from a stable, solid employer, not necessarily personal fulfillment, was the driving force of most Veterans. They came of age in an era in which it was typical for a person to work for a single company until retirement. Loyalty to their companies is a prime value for Veterans. This generation respects the chain of command, they value experience in others and in themselves, and they appreciate dedication, loyalty, and hard work.

Managers of Veterans are most effective when they:

- Respect them for their experiences, knowledge, and know-how.
- Motivate them with extra benefits, like an increase in health insurance.
- Respect their place in the company's hierarchy and the chain of command.
- Value politeness and punctuality.

### **Baby Boomers**

Baby Boomers were born between 1946 and 1964, and they totaled 80 million people in the US in 2010. Their youth was marked by a period



of national unrest, and this created a strong sense of individualism. As the Boomers matured during the late 1970s and 1980s, they became known for prioritizing their careers and experiencing a high degree of stress in their personal lives as a result. Their children were the first generation of “latch-key kids” who had two parents working outside the home.

Boomers tend to value personal connections amongst coworkers, put a lot of time and effort into their work, and expect their subordinates to do the same. Unlike Veterans, Boomers are not opposed to job-hopping if it serves their interests.

Managers of Boomers will do well to:

- Motivate them with flexible work schedules and extra time off to care for children and aging parents.
- Offer them opportunities to learn new skills and add to their personal marketability.
- Encourage them to work collaboratively and talk problems through with coworkers.

### **Generation X**

Generation X, born between 1965 and 1980, totaled 46 million people in the United States in 2010. As their Baby Boomer mothers increasingly entered the workforce, Generation X became the first generation in which a significant number of children grew up in dual-income households. They were also the first generation of “latch-key” kids. They learned to be independent, self-reliant, resourceful, and comfortable on their own. In the workplace, Gen Xers are independent, technologically savvy, and strong multi-taskers. As a rule, they do not see the value in frequent meetings when a weekly, or even daily, email update can provide the same information. This generation is motivated by

extra time off rather than money, and they place a high value on their personal lives. Many Gen X women are choosing to leave high-powered careers to focus on their families.

Managers of Gen Xers can work with them effectively by:

- Offering them opportunities to work independently and multitask.
- Not requiring them to attend too many meetings.
- Offering them guidelines for their work rather than micromanaging them.
- Recognizing that they appreciate candor and delivering any criticism plainly and directly.

### **Millennials**

Millennials, or Generation Y, born after 1980, totaled 76 million people in the United States in 2010. This era saw the return to child-centered households as many late Boomers and early Gen Xers chose to focus on family rather than their careers. Many Millennials’ have relationships with their parents that are characterized by friendship, and because of this they expect to be treated as equals in the workplace. Millennials are the most technologically savvy generation in the workplace, having grown up with much of the technology that fills the modern workplace.

They tend to need more feedback, more frequently than their Gen X predecessors, and they often need tasks carefully outlined. They often prefer to work in teams and are highly adaptable.

Managers can best work with Millennials by:

- Giving them frequent feedback about their work, both positive and negative.



- Providing them with detailed instructions for tasks.
- Remembering that Millennials tend to value their personal lives more than their jobs and that, unlike Boomers, they have no trouble letting their bosses know this.
- Taking advantage of how much they value their parents' wisdom and experience by matching them with older, experienced mentors.
- Making sure they have the opportunity to work with the latest technology.

### Further Reading

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