Talent and the Generations



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There's a new generation of leaders in organisations and a new generation entering the workforce for the first time.

There have always been generational differences, but as Generation X step into the leadership shoes of Baby Boomers they will be facing the unique challenge of managing 4 or 5 generations in the workplace.

- What do we mean by generations?
- What are generational differences and are they media hype?
- How will we source and retain talent from different generations?
- What are the implications for leadership development?
- What about new leaders and the leaders of tomorrow?

This whitepaper aims to explore these issues and highlight next steps that you can take to manage tensions caused by generational differences as well as maximise the benefits of the diversity afforded by different generations working well together.

This whitepaper draws on robust research that has been published on generational differences in the workplace including our own data collected in Singapore (Han Teck and Jo Hennessy, Civil Service College and Roffey Park, 2011), UK and China as well as conversations with managers from Western, Central and Eastern Europe, the United States and Africa. We have also interviewed a group of younger Generation Y students in the UK and Singapore to hear their views entering the workforce in a few years' time and their expectations about what they think about leaders and leadership.

Remember, this white paper will cover key issues and trends in general findings but this will not be true for *all* members of a generation. As you read this be prepared to think 'well I'm not like that' or 'my son or daughter doesn't do that'. There will be many people who do not match the cultural norms of a particular group to which they belong, but if we can recognise the need to understand how different groups differ, we can understand how they can work together in a diverse workforce.

We would welcome your suggestions and ideas on harnessing generational differences. You can join the continuing debate online by joining our <u>LinkedIn group</u>. We look forward to hearing from you.



Michael Jenkins Chief Executive



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What do we mean by generations?

A group of individuals born and living contemporaneously who have common knowledge and experiences that affect their thoughts, attitudes, values, beliefs and behaviours.

Johnson and Johnson 2010

Traditionals/Silents	born 1909 – 1945
Boomers	born 1946 – 1964
Generation X	born 1965 – 1979
Generation Y	born 1980 – 1999
Generation Z/Linksters/Millennials	born after 2000

The reason for generational differences is that people born in the same era generations share distinct Generational Sign Posts and Life Laws which influence what they think and how they behave.

Generational Signposts

Significant global events and cultural phenomena that generations live through which shape, drive and influence them. These all shape basic beliefs and assumptions about the world from which arise values, including what's good and bad from which norms, behaviours and language develop such as dress code, attitudes to authority, status and career.

For example: World War II, man landing on the moon, the birth of the internet, 9/11, industrial and social unrest

Life Laws

As a result of these signposts, each generation then shares a set of life laws which come from events that predate our memory but have a lasting effect in the world we grew up in – social, political or economic impacts. Growing up with these life laws means you take things for granted, where a previous generation may attach a greater and more specific value to it (such as maternity or paternity leave).

For example a Generation X woman who was irritated when her boomer boss says she ought to be grateful the company was letting her come back to work after having a baby. The difference here is that equality legislation is a signpost for her boss's generation and a life law for her, but something she, as a Generation Xer, takes for granted.

Considering and understanding generational signposts and life laws will help managers influence and lead their multi-generational teams.

Age and generational differences have always been with us so what's different now?

There's friction between the different values and opinions of the different generations.

For example, a Generation Y manager who is exasperated by her Boomer boss, impatient and intolerant of his more measured style and slower pace. And he feels as if she is always fifteen steps ahead and but not always in the right direction.

Is this an issue specific to this generation? Or is it simply what every generation has said about the previous and following one? "Our youth now love luxury. They have bad manners, contempt for authority; they show disrespect for their elders and love chatter in front of parents, chatter before company; gobble up their food and tyrannize their teachers."

Attributed to Socrates by Plato in Plato's Republic Book 4

We all face working for longer before retirement so the proportion of older workers is rising and there is a fear

that they might be edging younger workers out of jobs or delaying their entry into the workplace.

In Singapore a shortage of talent, restrictions on the number of foreign workers and a drive for increased productivity means organisations are turning to retirees to encourage them back into the workforce.

At the same time there are concerns over age discrimination, that older workers will be overlooked, struggle to find work, be considered incapable and their talent and experience will be written off by their younger bosses. And all the while, youth unemployment continues to rise at an alarming rate, engendering disillusionment, destoying hopes and dreams, and raising the spectre of social unrest.

So organisations are currently operating in very challenging times. If there is intergenerational conflict in the workplace then different people from diverse backgrounds simply will not get the best out of each other. Performance and business results will suffer and organisations will struggle with resourcing, retention and development challenges

We need to harness and develop generational differences for positive not negative impact.

Generational differences in working styles and the psychological contract

Before we can understand how to harness and develop generational differences positively, we need to know what those differences are.

Generation	Working Style	Decision making approach	Development expectation	Career development	Engagement	Leadership style
Boomers	Hierarchical, collective mindset, sharing wisdom, conservative, measured		Expected, organisation focus	Progress with seniority	Loyalty to organisation	Visionary, authoritative, measured
Gen X	Fair, competent, straightforward, collaborative, experimental within boundaries, reluctant respect for authority		Expected, organisation focus	Progress with capability		Inspiring, pace setting
Gen Y	Challenging of authority, innovative, individualistic, fast paced, short term focus, ambitious, narcissistic	Less risk averse, I'll express my view, authority vested in competence	Expected, personal focus, experimental style	Progress against 'my plan'	Engagement earned by organisation, need purpose and opportunities	Trusted, pace setting, charismatic, driven, decisive, coach

Boomers as a generation tend to have regard and respect for authority and hierarchy. As leaders they are also concerned for the common good and for governance – motivating them to share their knowledge and be rigorous in their change processes.

Generation X work hard and get on with it. They are moving into some of the biggest jobs in industry and government: they have a reluctant respect for authority and a willingness to experiment – within established boundaries.

Generation Y are challenging, risk-takers, individualistic and ambitious. As they move into management roles – are we seeing a different breed of leader in this generation?

Our investigations and experience from around the world suggests that there are significant similarities in generational differences wherever you are on the globe. But there are trends heightened in some cultures by certain factors such as access to social media or in Africa, for example, where long-held values are still holding up in spite of other external pressures on those cultures.

For example

Recently I was with the head of a very big organisation while he was briefing the participants of a talent programme when his mobile phone rang. He simply fished it out and handed it over to a younger colleague asking her to answer it and take a message. The younger talent in the room shifted uneasily at this assumption of hierarchy whilst their baby boomer boss was oblivious.

What's clear is that the psychological contract for each generation is subtly different with implications for sourcing and retention of talent and leadership development.

How will we source and retain talent from different generations?

Sourcing talent

Boomers are attracted by three elements – title, status and salary. This generation has a subset – Generation Jones – where keeping up with changes in material wealth are important. Boomers will want to stay ahead of their peers in terms of material possessions.

Generation X, like Boomers, value the concept of a "package" but this generation invented the notion of work-life balance and will vigorously defend this "right". Money isn't everything and so the overall package will be an important factor for Generation X in deciding to join your organisation. This is also the generation that put development on the agenda, they will want to feel valued and have clear opportunities for growth and learning.

In contrast, Generation Y will not settle for any job and see the traditional salary as less of a stand-alone, make-or-break factor in the employment relationship. They value challenging work with strong development prospects that fit with their own highly individualised career plans. They are motivated by the concept of meaningful work and this has huge implications for organisations as this generation don't just want money they want to make their mark on the world. In addition, Generation Y has a keen sense of its own selfworth and won't sell out to the highest bidder. Even at a time of unemployment in the under 25s, there are indications that despite these circumstances, not any old job will do.

For example a Generation Y manager who has progressed well in his organisation with work that has appealed to him will shortly be taking his third 'gap year'. He had asked for unpaid leave but when his organisation refused he chose to leave in order to travel for 12 months and pick up his career when he returns.

Retaining talent

Our investigations suggest that Boomers like to be recognised for competence and where projects offer scope and opportunity for their experience to be tapped into – they should be taken. Career advancement doesn't have to be linear and vertical – sideways moves and secondments will also be attractive. This is particularly the case if they offer a route to developing new skills or experience. Boomers will also value flexible working arrangements usually as a result of ageing parents and 'boomeranger' children who, because of the cost of property and living, have not completely fled the nest.

The reason that many people leave their organisation is their manager. This is especially true of Generation X who won't give respect to their manager just because they have the title. For them a good manager is one who is approachable, fair, listens, has integrity, provides regular feedback and encourages development. They want to progress because of their capability and in return for having a good manager they will be loyal to the organisation.

Having a good manager is also key to retaining Generation Y. Lynda Gratton from London Business School pointed out recently, on a Harvard Business Review blog, that Generation Y sees no value in reporting to someone whose role is to essentially monitor performance. They will want to feel valued, have opportunities to develop new skills, expect responsibility and recognition – even for potential if their performance hasn't fully been demonstrated yet. Work isn't the only thing in their life, so they will want flexibility to pursue outside interests.

Developing leaders across the generations

The generational differences outlined in this paper mean we will have to rethink leadership development for our current leaders. Three areas to focus on are:

Visionary and engaging leadership

Visionary and engaging leadership appeals to everyone regardless of what generation they are in. It was also an important factor in improving employee engagement (<u>Gifford, 2010, Roffey Park</u>). But how can we develop these attributes in our current leaders?

Give them time to consider the organisation's purpose, to scan the external environment and to understand current strategies so that they can begin to reflect on the future direction of the business.

For this vision to be shared and compelling, encourage your leaders to learn new skills of consultation, facilitation and listening. Remember that younger generations are showing great potential as strategic thinkers so involve them in setting your vision.

Involve different generations in the delivery of leadership development programmes – giving inputs, feedback, upward mentoring – as this can help current leaders to learn how to get this aspect right.

Coaching skills

Boomers and Generation X may need to do some unlearning, things like telling and teaching which means that new coaching skills need to be developed and practised. Don't be put off when senior managers say they know it already because our research

shows that even if they do they are still 9 times out of 10 reverting to type and simply 'giving the answers'. For younger talent who prefer a collaborative approach this will be a real turn off.

Followership and managing upwards

How can we help newer generations enter the workforce and get the most out

of their elders? There's a lot to learn from the Boomer generation and they are keen to support younger managers, so talking about an open mindset at induction and on talent programmes will enable Generation Y and Millennials to manage upwards – with a balance of respect and challenge.

Y

What are the implications for leadership development?

We've outlined some of the key differences amongst generations and clarified that this is more than media hype, so this inevitably means we must look at our current learning and development strategies as they may not be fit for purpose:

- Including more on developing the moral dimension of leadership, perhaps by looking at the difference between a tyrant and a leader; to draw on the work of Jim Collins and explore level 5 leadership which shows how humble yet determined leaders can be equally, if not more effective than those leaders who are more "command and control". Get your employees thinking about the ethics of leadership and the responsibility they are shouldering.
- Self awareness continues to be an absolutely fundamental building block for any learning and development programme. Regardless of which generation you belong to, using psychological assessments and feedback are invaluable to understanding



more about who you are and the impact you have on others. Developing skills of emotional intelligence will be crucial for younger generations who are more comfortable at networking online.

- Coaching and action learning sets are important. Not only does it get different generations working together it will negate any tendency for people to brush off feedback or question their behaviour.
- Give prominence to the importance of respecting, valuing and including others, setting this as an expectation of leadership roles and showing new leaders ways of involving others in their vision.
- And it's never too soon to focus on building capability, having leaders who develop leaders giving them the skills and the appetite early on for developing future generations.

Remember these focus on supporting areas that may come less naturally to some of your rising talent, but at the same time we need to harness their strengths and give them the space to flourish.



What about new leaders and the leaders of tomorrow?

Back in 2007, the Harvard Business Review asked the question – how will millennials manage? Our investigations reveal their challenging, risk-taking, individualistic and ambitious style of leadership. Psychologists, who have followed generations over the years in longitudinal studies, are spotting an increase in traits associated with narcissism in Generation Y and their younger counterparts. They are more likely than previous generations to agree they are unique, highly intelligent and that if they ruled the world, it would be a better place. They are demonstrating higher levels of self esteem, assertiveness, competitiveness, self reliance and they care less about conforming to social norms.

Why is this?

In most countries our children grew up experiencing unprecedented wealth and buying power, with smaller families focused on 1 or 2 children and so we may have bred a generation with a high sense of entitlement. In our reading we discovered that in the last 2 decades there have been 15,000 publications promoting the importance of children's self esteem. Perhaps parenting and teaching has paid too much attention to children's specialness and invincibility. And not forgetting that today's social media encourages self promotion and self broadcasting, far more than anything we have ever seen before.

Little emperors

Chinese social anthropologists and psychologists are noticing the emergence of the so-called Little Emperors single children doted on by not just their parents but two sets of grandparents – heralding the era of the Only Child who sees himself at the centre of the only universe that matters – their own.

We can only wait to see what the future challenges will be for Chinese organisations as Little Emperors begin, more and more, to make their presence felt in the workplace. In Singapore and Hong Kong some of our clients say it is not uncommon for parents to accompany their children to job interviews with the intention being that the family take a team decision on whether the job should be accepted or not. This has also been described as the new phenomenon of Helicopter parents; initially focused on education there are now some workplaces reporting that parents are now intruding on salary negotiations.

How can we harness productive narcissism?

In the UK, we have a government accused of having no growth agenda with businesses struggling to fully recover from the recession. In the Eurozone there are accusations that government figures are slow to show effective leadership and innovative thinking to solve the economic problems. In Asia there are different issues but on a similar theme, so perhaps an increase in narcissism may not be a bad thing?

A productive narcissistic personality could be very useful for organisations as these employees will:

- bring passion and challenge the status quo daring to break new ground and innovate more boldly than Generation X have dared to *and*
- provide a vision that inspires and engages the workforce and who can drive organisations in a new direction.

We need to curb some of the negative aspects of productive narcissistic leaders and harness these positives for the greater good of the organisation.



Conclusions

Generational differences in the workplace have come under a fair amount of media hype. Often what's been described as an intergenerational issue is simply age-related or a life stage difference – something that is common to different age groups in all the generations.

Our investigations have uncovered some very clear strategic issues for organisations across the world related to:

- Talent sourcing
- Talent retention expectations
- Future development
- Generational expectations and development strategies for HR.

Here are some actions for you to consider when you look at what's going on in your organisation when it comes to talent and the generations. Ask yourself:

- Have I undertaken a generational audit?
- Have I thought about the overall psychological contract from a generational perspective?
- Do I involve followers from across the generations in designing development initiatives?
- Do I look for opportunities for cross-generational learning?
- Am I supporting Generation Y's first steps as managers?
- Have I ensured that our leaders are generationally in tune with their followers?

About Roffey Park Institute

Roffey Park is an internationally renowned leadership institute based in the UK and Singapore.

We develop people who develop organisations.

With 65 years' experience of leadership, organisational development, human resources and coaching, we provide executive education and research to many of the world's leading companies and organisations.

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