Generational management in corporate America:

The differences and challenges in management of four generations

of working adults

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Abstract: There are many differences and challenges that employers face while managing employees in the current work force. Our present day workforce is made up of a diverse group of people: Matures, also known as Veterans (age 55+), Baby Boomers (age 45-54), Generation *X* (age 35-44) and Generation *Y* also known as Millennial (age 18-34). The differences and challenges among these groups will be evident when reviewing recognition and praise, managerial styles, subordinate responses to generational leadership. Companies are stepping back and looking more holistically at how to develop programs and deploy technology that will speak to four distinct generations in the workforce (Sprague, 2008). Each generation has their own definition of work ethic, responsibility, and performance. The best way to deal with the multi-generations is coming up with ways that make everybody feel like they are members of a team, thus helping them to learn how to develop a better way of communication than what exists between them now. If everybody is a part of a team, then they are all sharing the benefits that the other generations can bring to the table, making them a strong entity. Matures and boomers can become mentors to the *X* and *Y*'s, and the *X* and *Y*'s can then share and impart their knowledge of technology to the Matures and boomers. Companies in today's workplace must learn a better way to understand the values of the four generations, for it is very important in understanding and guiding these people in the workplace. Without this proper understanding, the guidance and alliance that managers are hoping to achieve will be even longer in the making and then one, possibly two, whole generations will be gone from the workforce and their knowledge and skill gone as well.

Key words: management; matures; Baby Boomers; generation *X*; generation *Y*; Millennials; diversity

1. Introduction

There are many differences and challenges that employers face while managing employees in the current work force. Our present day workforce is made up of a diverse group of people; Matures, also known as veterans (age 55+), Baby Boomers (age 45-54), Generation *X* (age 35-44) and Generation *Y* also known as millennial (age 18-34). In order to manage and work with the four generations as they continue in the work force, the differences among each of these groups and their relationships between management and subordinates must be explained. In order to fully understand the generational mix of these cohorts and how they work in relationship with each other is in direct relation to their generational characteristics.

Matures or veterans, are characterized by their sense of duty, honor, dedication and sacrifice. Matures are

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typically conformist with high levels of respect and authority (Brown, 2003). Baby Boomers are broadly characterized as "workaholics". They also measure their success through titles, promotions and non-monetary rewards, and frequently define themselves by their jobs (Brown, 2003). Generation *X* can be defined as the first generation to have developed an ease and comfort with technology, self-reliant, having no common heroes and very suspicious of Baby Boomers' values (Brown, 2003). Generation *Y* or Millennials, are defined as individualistic, yet group-oriented and entrepreneurial (Brown, 2003).

2. Objective of the study

The differences and challenges among these groups will be evident when reviewing recognition and praise, managerial styles, subordinate responses to generational leadership, overall communication style, and the response of the varying generations. Clarifying these challenges will help to develop increased effective communication, establish a better workflow and assist in building trust among the different generations of employees.

3. Literature review

Fig. 1 represents the generational breakdown of the present day work force (Sprague, 2008). Notice that the majority of the workforce is made up of Baby Boomers and Generation *Y*. Fig. 2 represents the shift of the labor composition (Sprague, 2008).
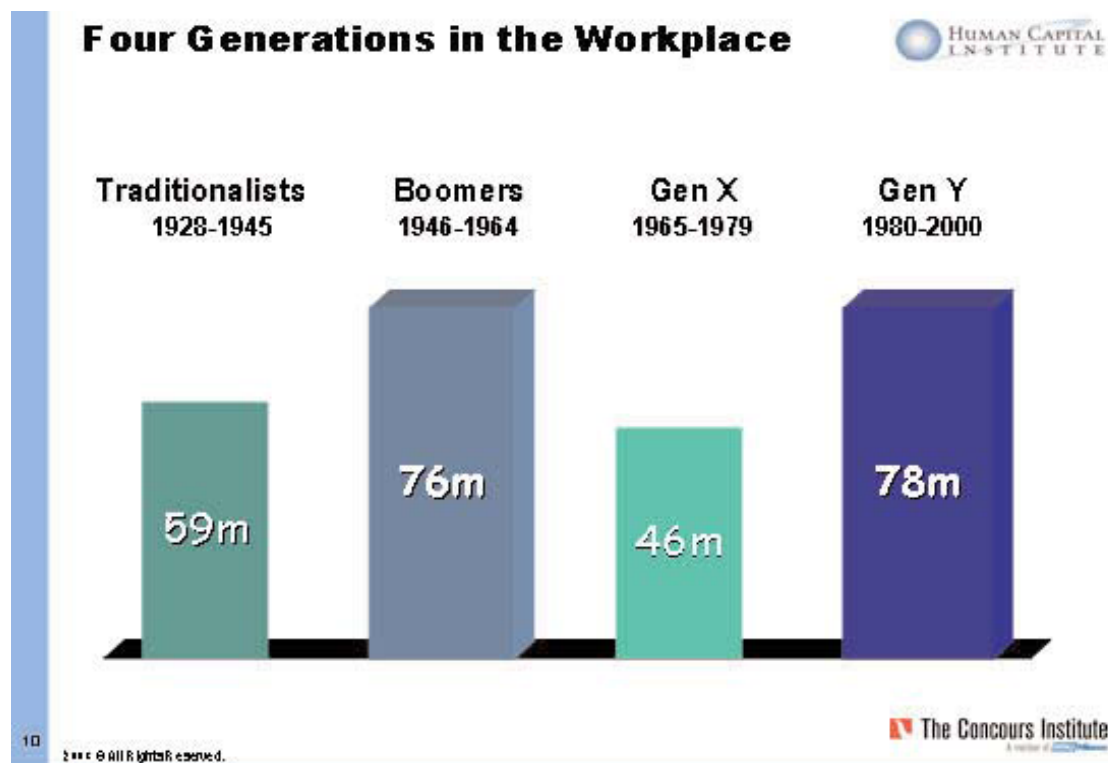

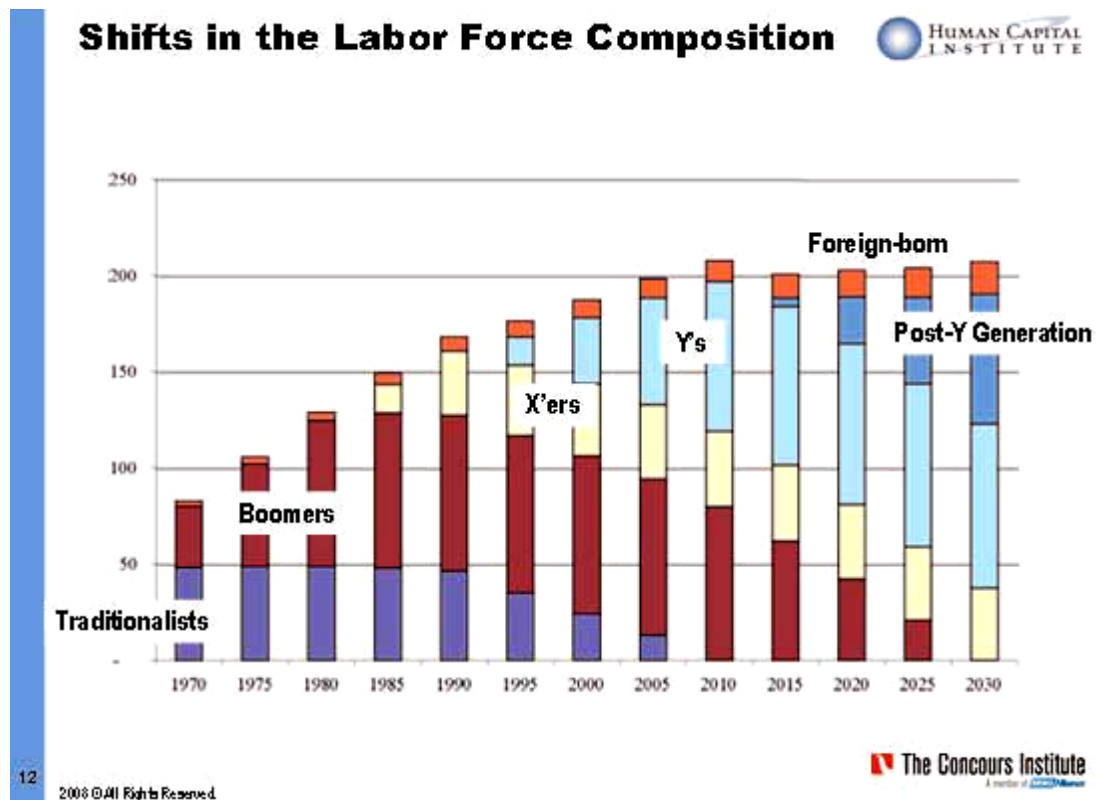**Fig. 1   Four generations in the workplace (Sprague, 2008)**

Fig. 2   Shifts in the labor force composition (Sprague, 2008)

4. The veteran generation

4.1 The silent generation

The generation of Veteran is also known as the "silent generation". These workers were born between 1933 and 1945. The oldest members of the generation grew up in the aftermath of the Depression (Scheef & Thielfoldt, 2008). Many of them entered the workforce with little or no education and have climbed the corporate ladder based on experience. They built their success on hard work, self-discipline and postponing material rewards (Scheef & Thielfoldt, 2008).

The silent generation of workers is motivated by challenging and stimulating work and the feeling that their work makes a difference to the organization. Challenges that these employees face is inability to learn, grow and develop. As technology changes, their position changes. The silent generation did not have the access to computers, internet and other technological advances at the start of their careers. Most Veterans, however, have a positive view of technology (Scheef & Thielfoldt, 2005).

The silent generation takes great pride in the work they do. When managing this generation, they require assurance that their work is valued and respected. Supervisors and administrators can create an ideal workplace by delegating tasks to help employees learn new skills and by shaping the work to the needs of each individual (Scheef & Thielfoldt, 2005).

4.2 Management strategy of the silent generation

Companies are stepping back and looking more holistically at how to develop programs and deploy technology that will speak to four distinct generations in the workforce (Sprague, 2008). Each generation has their

own definition of work ethic, responsibility, and performance. The attitude towards their employer has shifted with Generation *X* and Generation *Y* from the ideals that are continued with the Silent generation and Baby Boomers. The biggest challenge is how to effectively encourage collaboration among the four different generations of workers (Sprague, 2008).

The concerns vary among each generation about the others as stated by Sprague (2008):

(1) They are inefficient;

(2) They don't respect me;

(3) They assume that I'm interested in the career path that "they" have chosen for me;

(4) They are obsessed with face time and have too many meetings;

(5) Don't give me (millennial) the latest technology and they don't use technology effectively.

These concerns are seen in numerous industries where there is a role shift of management. There are many instances where a Generation *X* worker has become a manager and taken the place of a retiring Veteran worker or Baby Boomer. This can cause animosity among the different cohorts, resulting in a difficult atmosphere. By examining different generational perceptions, the most obvious question from each cohort about the other is, "what are they thinking?" (Sprague, 2008).

There are many obstacles management faces as the generation mix continues to grow. Generation *X* and Generation *Y* maintain an attitude of furthering themselves and focus on what the organization as a whole can provide them, while Baby Boomers and the "silent generation" seem to have a loyalty to the organization and promote longevity within their positions.

5. The Baby Boomer generation

The Baby Boomer generation is composed of individuals who were born and raised in the era during the Vietnam War, the Kennedy and King assassinations, Watergate, Woodstock and the sexual revolution (Wallace, 2006). It has been proven by Dittmann (2005) that "every generation is influenced by its period's economic, political and social events", during times of the events listed above, individuals had to work hard in order to provide for their families. Many long and hard hours were worked leaving the family to tend to themselves. Individuals of this generation value their jobs and the hours that they spend working. Long hours, involvement in professional activities and higher wages are most important to Baby Boomers. Many Baby Boomers find identity in the professions that they work in.

5.1 How to attract Baby Boomers

It is important in any hiring attempt to appeal to the areas that are most important to individuals. According to Rau-Foster (2000), there are seven factors to consider within the workplace:

(1) Family beliefs and value systems;

(2) Experiences during formative and growing up years;

(3) General economic situation;

(4) How the world is perceived (is the perception one of fear, threat, wonderful or promising);

(5) Availability of technology;

(6) How needs are satisfied;

(7) Motivating factors of individuals.

The factors listed above are especially important when evaluating the Baby Boomer generation. This

generation desires more influence on how a workplace is maintained and operated. They often find identity in their job as well as job performance. This is one reason why long hours are really important to this generation, because in their view, the longer hours they work, the more loyal they are to an organization. Baby Boomers also desire to be acknowledged for their hard work. Most of this acknowledgement is desired in a monetary form. Boomers also work hard in order to improve their self-esteem and image (Rau-Foster, 2000). Baby Boomers are often viewed as people pleasers, resistant to change, conceited, and share too much information.

5.2 Career fulfillment

Baby Boomers today are searching for ways to continue to better themselves. They are no longer concerned about working long hours and making the most money. Boomers today are entering, or have already entered, grandparent hood, taking care of elderly parents or looking forward to retirement. Many boomers that are still in Corporate America today have value to add to any organization. According to Career Systems International and The Learning Café (2002) there are three tips when managing Baby Boomers. These organizations suggest that the following are important in management:

(1) Help boomers explore their next set of workplace options and demonstrate how your company can continue to use their talents;

(2) Walk the talk on work-life balance by redesigning their jobs to accommodate multiple life demands;

(3) Encourage them to enrich their present job and grow in place if they need to slow their career pace.

There are many Boomers who do not desire to work full-time jobs, but simply to find other venues for work. These other venues may include consulting, managing franchises, doing temporary work or even freelancing.

Due to the Baby Boomer generation being its own market, freeman suggests five needs of Boomers that need to be catered to and they are the following:

(1) Community;

(2) Connections;

(3) Continuity;

(4) Contribution;

(5) Creativity.

It is important for Baby Boomers to have a sense of community. Working in groups is often a value added benefit for this generation. If a boomer feels apart, it is manifested through their work ethic and performance. Connections are also important to Boomers. Due to Boomers beginning to lose their identity in today's society, it is important for them to have a connection through a group of people in order for them to have added benefit. Continuity is also important to this generation. Boomers desire to continually learn and grow as individuals. Therefore, it is important for them to be given options when working. Boomers also like contribution to an organization. They feel that if they are an added benefit and are a solution to any problem, they can operate and perform. Boomers are also very creative. According to the CPA Wealth Provider, Boomers grew up with a mentality of "Don't tell me what to do; let me choose". This is an important aspect to take note of. As stated earlier, this generation likes choices and the freedom to accomplish tasks in their own individual way. The Baby Boomers have had great impact over the years by changing the views of everyone regarding work, life and marketing.

Due to experience of age and work ethic, boomers can be used as mentors in many organizations today. Lindenberger and Stoltz-Loike (2009) suggest that mentoring should be an important part and addition to any strategic management plan. Due to boomers searching other avenues of work, mentoring would be a great way for

them to feel that they are adding value.

6. Generation *X*

6.1 Core values

One of the main characteristics that separate Generation *X* employees from other generations are their core values. Generation *X*ers are informal, self-reliant and they like structure and direction (Hammill, 2005). When trying to manage or do business with a Generation *X*er, it is best to understand what their core values mean. By understanding what is valuable to Generation *X*ers, one can make better decisions that affect them.

6.2 In the work place

Generation *X* managers do not see themselves as bosses, unlike the Baby Boomers, but they see themselves as part of the team. They manage by being part of the team until they need to exercise authority. This can cause problems in a working environment as it might cause confusion to subordinates when their managers are not consistent. This can, however, be solved by management training.

The work force is finding that Generation *X* managers are more formally trained in management (Conger, 1998). This can be through business degrees, MBAs or management training at the company. This is partly due to the need for employees to market themselves better, as college degrees are more common. Companies are also finding the value in training their employees and are investing more in their managers.

Generation *X* employees are straight forward in their communication style (Raines, 1997). This is partly due to their informal communication style and need for structure. They do not try to explain the reasons behind the statements they make, to them it is just fact. They try to keep it short and to the point, which may be a result of their latchkey upbringing.

7. Generation *Y*

An interviewer receives a text message from an interviewee thanking her for her time. An employee quits after two years of employment to start his own business at the age of 25-years-old. A potential job fair candidate lets his mom do all of the talking with the human resources representative. A 24-year-old middle manager wants to replace the retiring district manager and does not understand why age makes such a difference when she is turned down for the promotion. These are all interactions that are becoming more common in the workplace due to the introduction of Generation *Y*. Born between 1980 and 2000, Generation *Y*, also known as "Gen *Y*", "Nexters", the "Everyone Gets a Star Generation", "Echoboomers", "Net Gen", the "Digital Generation", and more commonly known as "Millennials", are replacing the rapidly retiring Baby Boomer generation in the workplace. In fact, over the next four years, 10 million Millennials will be graduating college and pursuing their careers (Iarocci, 2008). Or, since the average millennial per-job tenure is two to five years, should we say pursuing their next work experience to gather ideas and capital to start their own business (Sujansky, 2009).

7.1 Values

Growing up in the eighties and nineties, Millennials were nurtured, respected, diagnosed, rewarded, accommodated and programmed by their parents bringing a sense of entitlement to their personalities. This nurturing has caused plenty of controversy over whether or not this generation is too dependant on their parents. One in four Millennials even consult with their parents before making any employment decisions (Sujansky, 2009). Common traits found in this generation are that they are optimistic, socially aware, globally conscious,

collaborative, bright and diverse (Salkowitz, 2008). Diverse is almost an understatement for the mixture of members belonging to this generation. Statistics show that one in three Millennials are not white, 50 percent are from single parent households, and 80 percent come from a family where the mom worked outside of the home (Salkowitz, 2008).

Socially, Millennials are consumed with technology. They thrive off of connecting with people via *Facebook or Twitter* and use the internet as a social experience versus as a resource. A 2005 Kaiser Foundation Study found that Gen *Y* spends six and a half hours per day communicating, a little over eight hours per day exposed to some sort of media (i.e., email, iPod, texting, internet, cell phone), and 26 percent of the time they are using multiple forms of media at the same time (Sujansky, 2009).

In the workplace, they value a fun work environment, creative communication, recognition, up-to-date technology, creative perks, communication of corporate values, workplace flexibility, compensation and benefits, career development and diversity (Sujansky, 2009). As they may sound like the perfect workers for any company, there may be bumps in the road if not managed properly.

7.2 Work ethic

Going back to how close Millennials are with their family, the nurturing that they received growing up has followed them into their adult life. The reason that many of them average two to five years on the job is because they are given the option to move back in with their parents to return to school or to explore entrepreneurial opportunities with less financial risk, meaning not having to be responsible for rent and bills (Salkowitz, 2008). When they are employed in the workplace, Millenials do bring great value to the team. Productive Millennials are ideal employees and need to be told how much they are appreciated. They need to be challenged and consistently given more tasks to take on. They want to know how their contributions fit into the big picture. Performance measures must be developed and clearly communicated. A good word of advice is to write down their goals and then conduct "keeper interviews" to follow up with how they are performing to those goals. Many employers completely exit interviews, but by that time, the employee is already out the door. The idea is to keep Millennials, but not let them leave.

There are also those who are quick to judge Generation *Y* and see the negative aspects that they bring to the workplace, particularly in customer service. Author Bruce Tulan (2009, p. 56) writes about how Millennials think like customers, acting like they deserve a good job experience, and it's the manager's job to deliver. The advice extended to managers of Generation *Y* is to take the time to coach these individuals. Teach them how to be available for customers and listen (Tulgan, 2009). Millennials should use scripts to get down the basics to provide a more thorough and attractive response to client needs (Tulgan, 2009). These simple tips will lesson, or may even eliminate, common complaints about Millennials. A survey found that the top five complaints about Generation *Y* are that they are nowhere to be found, if they are present, they are not working, they can be rude and rushed, if they are polite and engaged, they are not knowledgeable, and they provide customers with conflicting information (Tulgan, 2009).

Although these stereotypes about Generation *Y* may be a turnoff to a potential employer, the benefits outweigh the drawbacks, especially during tough economic times. A recent survey has found that during an economic downturn, Millennials are the most willing to work long hours when job security becomes a worry. When asked if they would start early or stay late, 48 percent said that they would, compared to 40 percent of Generation *X* and 29 percent of Baby Boomers (Laff, 2008). The survey was conducted in August and September of 2008, when the market took a turn for the worse. Another factor taken from the survey that supports the

stereotype that Millennials enjoy being challenged is that 65 percent of Millennials would take on additional responsibilities in a downturn market (Laff, 2008). Having this generation in the workplace would be quite valuable to many companies attempting to cut costs during these times.

Although one may have to learn the recent jargon and "chat speak", such as OMG and LOL, in order to communicate with Generation *Y*, one would be glad that they did. Millennials bring a sense of hunger for success to the workplace that is contagious. They are results-oriented and can be counted on to get the job done. Even though they take a little longer in life to figure out exactly what career path they want to take, they bring value to any organization no matter what stage they are at, whether it be just getting out of college with their can-do attitude or beginning their career at company with a lot of growth potential. Keep in mind that Millennials are loyal to people, not companies, so the relationship between the employer and employee has got to be a valuable one if anyone wants a Millennial to stick around.

8. Implications for management

The management of these four, diverse groups is very different than first thought. The "one size fits all" management approach will not work with these employees. Management must identify the specific group they are working with and utilize the techniques that address the needs and desires of that particular work group in order to motivate them for a strategic competitive advantage.

9. Conclusion

The best way to deal with the multi-generations is coming up with ways that make everybody feel like they are members of a team, thus helping them to learn how to develop a better way of communication than what exists between them now. If everybody is a part of a team, then they are all sharing the benefits that the other generations can bring to the table, making them a strong entity. Matures and Boomers can become mentors to the *X* and *Y*'s, and the *X* and *Y*'s can then share and impart their knowledge of technology to the Matures and Boomers. Companies in today's workplace must learn a better way to understand the values of the four generations, for it is very important in understanding and guiding these people in the workplace. Without this proper understanding, the guidance and alliance that managers are hoping to achieve will be even longer in the making and then one, possibly two, whole generations will be gone from the workforce and their knowledge and skill gone as well.

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