The Generations—A Partnership for the Future

Kathryne A. Newton, MBA, Ph.D.

Associate Dean for Graduate Programs and Faculty Success
Program Head and Professor of Supply Chain Management Technology
Department of Technology, Leadership and Innovation
Purdue University, West Lafayette, IN
kanewton@purdue.edu
2020 Managers Must....

- Develop strategies for hiring and retaining them; including how to best motivate and reward them
R U Rdy?!
Diversity in the U.S.: A New Workforce is Around the Corner

• 3 Important demographic shifts:
  – The U.S. is getting bigger, older and more racially and ethnically diverse
    • From 1980-2020, Caucasian workers will decline from 82% to 63%
    • White will cease to be the majority U.S. population by 2050
    • Latinos will almost triple from 6% to 17%
    • In 2014, millennials (or Gen Y, born between 1977-1997) represented almost 47% of workforce; by 2020, close to 50%
  – More women are in higher education than males and more are entering and staying in the workforce (about 1/2 compared to 1/3 in 1967).
A New Workforce is Coming....

“Where did all the Boomers Go?!”
Getting Prepared

• Understand shifts of each generation and their distinct characteristics.

• Learn to communicate in different ways to reach them.

• Develop strategies for hiring and retaining them, including how to best motivate and reward them.
The Five Generations

Traditionalists/Veterans
(1922-1945)

Major Traits: loyal, traditional nuclear families
Major Influences: “Depression Babies,” WW II, Cold War, Korean War, rise of suburbs
Broad Traits: sacrifice, discipline, conformance, respect for authority, save your money – pay cash!
Defining Invention: fax machine
Percent Using Internet: 53% (just happened!): use for health, news, travel, and government assistance
Characteristics: formal and detailed, good communicators, excellent work ethic – security is important, accepting and trusting of authority
The Five Generations

Baby Boomers
(1946-1964)

Major Traits: optimistic, competitive, disintegrating families
Major Influences: “Woodstock Generation,” Vietnam War, Watergate, women’s rights, JFK assassination
Broad Traits: competitive, sandwiched generation, work hard, long hours, well-educated, excellent teamwork skills
Defining Invention: personal computer
Percent Using Internet: 65%+: use for health, news, government assistance, travel, buying products, banking, younger boomers use for social networking
Characteristics: semiformal communicators, buy now/pay later, “what’s the bottom line/my rewards,” accept “rules”
The Five Generations

Generation X
(1965 – 1976)

Major Traits: fun, self-reliant, critical

Major Influences: “Latchkey Generation,” MTV, AIDS, Gulf War, 1987 stock market crash, fall of Berlin Wall

Broad Traits: eclectic, free agents, work/life balance, socially responsible, independent, “selfish”

Defining Invention: mobile phone

Percent Using Internet: 75%: use for news, government assistance, travel, videos, buying products, social networking, banking and classifieds, music, IM

Characteristics: not serious/irreverent, get to point – “what do I need to know?” “what matters to me is…,” openly questions authority, often skeptical
The Five Generations

Millennials (Generation Y) (1977-1997)

Major Traits: immediacy, confident, merged families

Major Influences: “Entitled Generation” (doting parents), technology (Google and Facebook), 9/11 terrorist attacks, election of Barack Obama, the Great Recession

Broad Traits: community service, cyberliteracy, accepting of diversity, confident, work-life balance, socially responsible

Defining Invention: internet (Google and Facebook)

Percent Using Internet: 97% (many times a day): use for health, social networking, videos, news, buying products, IM, music, travel, classifieds, banking, govt., games... everything!!

Characteristics: Into eye-catching fun. “If and when I need it, I’ll find it online.” What’s relevant is now, today, and my role. Earn to spend, OK with authority that earns respect. Politically aware, tech-savvy, and driven to innovate
The Five Generations

Generation 2020 (or Z)
Born since 1997

Major Traits: hyper-connectedness,
multi-taskers, embrace diversity, “trust-fund” generation

Major Influences: “Facebook Crowd,” social games, Iraq War,
Great Recession, climate change, terrorism

Broad Traits: mobility, media savvy, creative, life online starting
in pre-school, reading books on e-readers

Defining Inventions: iPhone apps, E-paper, augmented reality,
“wearable” learning, facetime, IM, Skype

Characteristics: socially responsible, little attachment to
traditional values, more sensible than grandparents, tolerant
of alternative lifestyles, nicer than parents, entrepreneurial

*In 2025, they will be the Largest Generation at work

Newton & Associates
Grand Shift in Working Population

Figure 1: Percentages of Employed Americans, by generation (1977 and 2007)

- **Generation Y** (1981-1999)
- **Generation X** (1965-1981)
- **The Baby Boomers** (1947-1965)
- **The Traditionalists** (1927-1947)
- **The Silent Generation** (1907-1927)
- **The Lost Generation** (1883-1907)

**Source:** McNamara (2007)
Generational Grand Shift Looking Forward

Five Generations in the Workplace

- **2020**
  - Gen 2020: 10%
  - Millennials: 50%
  - Gen X: 20%
  - Baby Boomers: 15%
  - Traditionalists: 5%

- **2015**
  - Gen 2020: 5%
  - Millennials: 45%
  - Gen X: 20%
  - Baby Boomers: 30%
  - Traditionalists: 1%

- **2010**
  - Gen 2020: 3%
  - Millennials: 40%
  - Gen X: 25%
  - Baby Boomers: 30%
  - Traditionalists: 2%

- **2005**
  - Gen 2020: 1%
  - Millennials: 30%
  - Gen X: 30%
  - Baby Boomers: 30%
  - Traditionalists: 9%

Bureau of Labor Statistics Employment Projections
# The Generations at Work

<table>
<thead>
<tr>
<th>Work Ethic and Values</th>
<th>Veterans</th>
<th>Baby Boomers</th>
<th>Generation X</th>
<th>Generation Y “Millenials”</th>
<th>Generation Z</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work is...</td>
<td>An obligation... for life</td>
<td>An exciting adventure</td>
<td>A difficult challenge A contract</td>
<td>A means to an end Fulfillment</td>
<td>Career Multitaskers, Readily move</td>
</tr>
<tr>
<td>Leadership Style</td>
<td>Directive Command-and-control</td>
<td>Consensual Collegial Collective Minded</td>
<td>Everyone is the same Challenge others Ask why</td>
<td>Challenge authority Respect “earned” authority</td>
<td>Change Self Align Actions with Values Dialogue</td>
</tr>
<tr>
<td>Interactive Style</td>
<td>Face-to-face Formal letters</td>
<td>Team oriented, Love to have meetings</td>
<td>Entrepreneurial, Loyal to Profession</td>
<td>Participative, Work “with,” not “for”</td>
<td>Technology dependent, Integrated</td>
</tr>
<tr>
<td>Feedback and Rewards</td>
<td>No news is good news Satisfaction in a job well done Home ownership</td>
<td>Unappreciative Use Money Title/recognition Job Security</td>
<td>Sorry to interrupt, but how am I doing? Freedom is the best reward</td>
<td>Whenever I want it, at the push of a button Meaningful work</td>
<td>Social rewards Recognition Public Praise</td>
</tr>
<tr>
<td>Messages that Motivate</td>
<td>Your experience is respected You are valued You are needed</td>
<td>Do it your way Forget the rules</td>
<td></td>
<td>You will be with other bright, creative people</td>
<td>Online training</td>
</tr>
<tr>
<td>Work and Family Life</td>
<td>Ne’er the twain shall meet No balance Work to live</td>
<td>Work-Life Balance</td>
<td></td>
<td>Balance – Freedom and Flexibility</td>
<td>Structure Stability</td>
</tr>
</tbody>
</table>
We Must Recruit and Retain Top Talent in Order to Compete

• Hiring the right person for the job is only the first step.
• We are no longer in an era where all a manager has to do is hire good people and pay them a fair (or almost fair) wage to keep them working for you.
• Managers must provide a blend of benefits and company culture that works together to “keep people happy.”
• You can’t find loyal employees, you’ve got to build them.
What do Millennials Expect?

Most Important Thing to Millennials = Meaningful Work
What Managers Think Is Most Important Thing to Millennials = Money

Managers' and Millennials' View of the Most Important Factor That Indicates Career Success to Millennials

- Meaningful Work: 11% (Managers), 30% (Millennials)
- High Pay: 8% (Managers), 10% (Millennials)
- Sense of Accomplishment: 11% (Managers), 24% (Millennials)
- Challenging Work: 9% (Managers), 6% (Millennials)
- High Level of Self Expression: 3% (Managers), 12% (Millennials)
- High Level of Responsibility: 3% (Managers), 12% (Millennials)

Source: "How the Recession Shaped Millennial and Hiring Manager Attitudes about Millennials' Future Careers," Career Advisory Board (Levit and Lichna), 2011, USA. Survey of 1,023 USA adults.
What do Millennials Expect?...

From a boss:

1. Help me navigate my career path
2. Give me straight feedback
3. Mentor and coach me
4. Sponsor me for development
5. Accommodate flexible schedules

What do Millennials Expect?...

*From their organization:*

1. Develop my skills for the future
2. Hold strong values
3. Offer customizable options in my benefits and rewards
4. Allow me to blend work with the rest of my life
5. Offer a clear career path

What do Millennials Expect?...

**Mentoring: New ways to save time**

1. Group mentoring
2. Team-based learning
3. Reverse mentoring
4. Anonymous mentoring
5. Peer-to-peer mentoring with micro-feedback

Cisco’s Social Media Survey of Millennials

- 2/3 will ask about social media during job interviews
- 56% will not take a job from a company that bans social media... or will work around the ban
- 1/3 prioritize social media access and mobility device freedom over salary
- 41% say their company marketed social access device and a social media policy to recruit them
- 66% believe corporate devices should be used for social media and personal use
- 70% believe being in an office is unnecessary

Working with Millennials...
Worth the Effort

• Provide a career path and good mentors
• Make work meaningful
• Set goals and measure progress
• Offer more than compensation incentives
• Praise in public...
• Use continuous appraisals
• Don’t forget to be a manager!
HR Musts for 2020

• Be prepared to *engage the new, more diverse generation* of employees – get fluent in the new language of business.

• *Get innovative with technologies* using video to allow people to communicate, learn and collaborate.

• Build a personal, *more inclusive and open employee experience*.

• Get connected! *Recruit online and use online systems*.

• *Be prepared* for the new wave of employment options.

• Develop your *strategy for social responsibility*. 
Thank You!