best practices

four keys to successfully managing a multigenerational workforce
Closing the generation gap:
four keys to successfully managing a multigenerational workforce

Imagine a 30-year-old managing someone twice her age. Or, a college grad working for someone old enough to be his grandfather. Then consider what a team representing four generations would look like.

These snapshots illustrate how the workplace has changed dramatically over the past few decades. Today’s workplace is unlike that in any other period of history in that it’s not unusual to see up to four generations working together.

One of the biggest reasons for the shift? Baby Boomers. Due to the rising cost of retirement, labor shortages in certain industries, and better overall health, they may be the largest over-50 generation in history, but they’re not necessarily leaving the workforce.

The younger generations, too, are changing the face of the workforce. Millennials, or Generation Y’ers, are the fastest-growing cohort — they already represent more than 25 percent of the U.S. workforce, and more and more are graduating from college each year. And the smaller Generation X, comprised of men and women in their 30s and 40s, is now reaching the highest levels of company leadership.

The benefits and challenges of a multigenerational workforce
To create balance in today’s workplace — with its alphabet soup of generations from Boomer and Depression babies to Generations X, Y and, soon, Z — organizations must understand and appeal to these different age groups. Of course, different preferences aren’t based solely on age — salespeople of any age probably share more personality traits with one another than with the software engineers of their age cohort. Yet general preferences exist, and companies can benefit from a diverse workforce because each generation brings its own experiences, perspectives, and strengths. However, there are also potential challenges, such as younger workers managing older ones, knowledge transfer issues, recruitment issues, and communication challenges.

More and more companies, from Dell to GlaxoSmithKline to SC Johnson, are starting to understand that taking advantage of each generation’s strengths can lead to happier employees and better results. For example, the Center for Creative Leadership recently surveyed more than 3,000 organizational leaders over a seven-year period to find out how companies can effectively leverage similarities and differences among generations.

A key finding was that all generations most value family, love, and integrity, although they demonstrated those values in different ways. Knowing such similarities proved to be very helpful for businesses to “better understand the root cause of differences, misunderstandings and conflict in the workplace.” According to the Center, studies in organizational and human behavior have shown that people seek similar values in the workplace, and “those commonalities can be leveraged to bond employees in support of a company’s vision, mission and goals.”
Creating an “age-neutral” workplace

To create a culture that leverages the typical strengths of each generation, companies should consider four approaches for making an impact.

1. Build awareness about generational differences

Diversity can promote creativity and innovation. But first, organizations need to build awareness and start a dialogue about differences instead of pretending they don’t exist. Everyone needs help to understand each others’ preferences — for example, Baby Boomers are generally known to have an orientation towards serving others and having a team perspective, while Generation X is known for its independence and creativity, and Millennials are inclined to be optimistic multi-taskers.

Building such awareness often surfaces other issues and questions regarding generational differences. According to a study by the Sloan Center on Aging & Work at Boston College, Dell began discussions about generational differences in the workforce in 2009. The company conducted benchmarking, participated in best-practices sharing, and researched differences to help determine its priorities.

A new employee resource group—eventually called GenNext—was created that would “ensure that the voice of young professionals, aged 30 and younger, is considered in how Dell does business,” and “build an inclusive culture for the younger population.” Although Dell has yet to develop a formal age diversity strategy, the company expects to focus on several activities in the next year that may include an age component—such as developing a group for older professionals and a strategic communications plan based on how employees of different generations prefer to get company information.

2. Create a culture that attracts a multigenerational workforce and encourages individuals

When up to four different generations work together, different attitudes and communication styles can cause misunderstanding and conflict. But successful mixed-generation teams generally don’t focus on generational issues, but on what each individual brings to the group. How can companies encourage such teams? It’s a balance: It’s essential to commit to a culture of diversity, with a shared vision of recruiting, motivating, and developing a diverse pool of employees, while continually encouraging individuality.

Creating a culture that accepts and respects the contributions of each generation is essential, which includes recruiting the right mix of employees. For instance, health services company Sodexo, rated No. 1 on Diversity Inc’s Top 50 Companies for Diversity list, made the recruitment and retention of a multigenerational employee pool a key part of its strategy. To attract younger workers, executives launched a recruitment initiative that established a presence on social networking sites, such as YouTube and LinkedIn. But the company also recruited veterans who used their military experience and skills to contribute to civilian jobs. As a result of these efforts, Socexo saw a 24 percent increase in the number of job applicants.

3. Encourage growth and development through networking and mentoring

Knowledge transfer between generations is an essential byproduct of bringing people together at work. But it’s not just about passing along information: Networking and mentoring also encourage growth and development of both younger and older workers—and help boost employee engagement across all age groups.
For example, at NASA, Assistant Administrator for Human Capital Management, Toni Dawsey, was interviewed about how the company effectively engaged younger workers in the agency through mentoring. She observed that Millennials want hands-on work and to be assured of responsible positions, so mentoring and rotation programs have become mandatory to help these younger workers find direction. “Without that substance they don’t have confidence; they can’t stand toe-to-toe and build a business case,” she said. “[This mentoring] lets them know they have to learn these things.”

4. Communicate in ways that motivate each generation

Different generations have different communication preferences — in general, Boomers prefer informal, face-to-face time, Gen-X’ers want direct and straightforward emails and texts, and Millennials enjoy collaborative interaction. The World War II generation notably dislikes email and other computer/online communications, preferring a personal touch. Tailoring communications to each generation’s style can help motivate employees and boost engagement, while reducing confusion and misunderstandings.

Scripps Health in San Diego, for instance, was honored as one of AARP’s Best Employers for Workers Over 50. Since 2001 the company has followed a system-wide strategic plan to not just address workforce development, but to attract and retain employees from all generations. This plan was developed to counteract high turnover, labor shortages, and broken communication channels.

To implement the plan, the company conducted training for all leaders about different communication styles, studied what motivated and demotivated different workers, and committed to specific leadership goals and strategies toward multigenerational diversity.

As a result, Scripps Health in San Diego has seen an increase in retention, number of qualified new hires and employee satisfaction scores, while the company’s turnover and indemnity claims have decreased.

SOURCES

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