Managing Across Generations

Executive Summary

The following report provides an overview of the demographics and characteristics typically associated with each generation, common problems that occur in the intergenerational workplace and effective solutions to these problems.

Takeaways for Managers

- Be flexible and transparent in your policy-making.
- Be open to input from all employees.
- Establish a solid relationship with your Human Resources department.
- Implement diversity training on age-related issues.
- Develop a mentoring program to preserve institutional knowledge and foster a sense of community between workers of all ages.
- Review policies on communication, varying work styles, salaries and benefits on a yearly basis.

Note on Research and Sources

In composing this report, we consulted over twenty sources listed on the last page. We read books, pamphlets, and articles and reviewed websites pertinent to intergenerational management. These sources informed our understanding of and suggestions for managing the intergenerational workplace.
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Managing Across Generations

Due, in part, to the flagging economy, many older workers have chosen to return to or remain in the workplace. As a result, workplaces are becoming increasingly intergenerational. This report contains information about potential problems that can arise in the intergenerational workplace. These problems include ageism, loss of institutional knowledge, miscommunication, discontent in the workplace, and disagreements over salary and benefits. The consequences of these problems include serious legal action, decreased worker productivity, and a hostile, unpleasant work environment. To avoid these negative consequences, we will offer several strategies for correcting these problems. In compiling this report, we consulted over 20 resources. These resources include a mix of journal articles, books, and professional websites. At the conclusion of this report, we have attached a complete list of these resources. We have highlighted those reports which we found to be the most useful.

We will begin by providing background information on the demographics and characteristics of the three generations which comprise the bulk of the current workforce: Baby Boomers, Generation X and Millennials. Next, we will describe common problems in the intergenerational workplace, including: ageism, loss of institutional knowledge, miscommunication, conflicting work styles, and disagreements over salary and benefits. We will also offer strategies which managers can implement to correct these problems.
Generational Demographics and Characteristics

The modern workplace predominantly consists of three generations: Baby Boomers, Generation X, and Millennials. Equipped with knowledge of each generation’s unique characteristics, managers can effectively recognize and defuse generational conflict as it occurs in the workplace. Managers who possess this knowledge can also communicate more efficiently with employees of different ages and better understand employees’ motivations.

Baby Boomers

The Baby Boomer generation refers to the seventy-six million people born during the Post-World War II period between 1946 and 1964. According to 2010 U.S. Census data, shown in the Figure 1 below, Baby Boomers constitute approximately 39% of today’s labor force.

![Figure 1- Percentage of Each Generation in the US Workforce](image)
Baby Boomers struggle to adapt to increasingly rapid technological innovation, and they sometimes take longer than Gen-Xers and Millennials to adopt new technologies. For instance, in the past, the Baby Boomer generation's record-keeping practices, for both business and government, have focused on physical, centralized, and institutionalized paper filing. As a result, Baby Boomers are more comfortable with handwritten, in-person, and printed communication; they usually prefer to communicate through a face-to-face meeting rather than e-mail. Baby Boomers typically learn well through collaborative group exercise.

Baby Boomers believe employees must pay their dues before advancing to higher positions of leadership. For this reason, they tend to spend much of their careers with a single organization and follow conventional paths of vertical promotion.

As a result of their institutional loyalty, Baby Boomers invest time and energy into their communities and therefore are likely to stay in a single geographical area. Preferring stability and clearly delineated relationships, Baby Boomers compartmentalize their various work, leisure, and educational activities. Thus, when they work, they expect to be at work, typically in a traditional office where they can communicate with their co-workers and their managers face-to-face.

Baby Boomer Bob represents the Baby Boomer generation in this report. Bob has worked at the Robert Downey, Jr. Memorial Library (RDJML) for almost thirty years, and he plans to transition gradually into retirement. He earns a decent salary, but one that may not be competitive in the current market. He likes to communicate with his co-workers face-to-face, and so he prefers to work in the office with his co-workers nearby. When planning for the future, Bob envisions a nice retirement package.
Generation X

Generation X refers to those individuals born between 1965 and 1981. With a population of roughly fifty million, Generation X is much smaller than the Baby Boomers generation. Today Generation X makes up about 22% of the labor force (See Figure 1).

Generation Xers (also known as “Gen-Xers”) quickly adopt new technologies because they grew up during the rise of the PC, video games, and Internet. They employ both paper filing and digital record keeping, viewing access to information (in all its forms) as an essential part of their work.

Generation Xers bring a mixed communication style to the workplace. They heavily rely on new technologies, such as e-mail and instant messaging, to communicate within the workplace. However, they are equally comfortable with traditional, paper-based modes of communication. Situated between two generations, Generation Xers often act as mediators between the “old school” Baby Boomers and the “new school” Millennials.

The name “Generation X” reflects the cohort’s disillusionment, uncertain future, and characteristic independence, and pragmatism. Generation Xers value independence and self-reliance rather than institutional loyalty, meaning that they will leave a company if it will advance their personal career. They prefer to work independently rather than collaboratively because their primary motivation is acquiring skills rather than cultivating work relationships. In addition, Gen Xers usually prefer to learn individually and independently rather than in group settings. They feel equally comfortable working in an office or from a remote location.

Gen Xer Gary represents Generation X in this report. Gary has worked at RDJML for several years, but he does not feel any sense of commitment to the library. His salary falls within the average range for his education and experience. He communicates through a variety of
means, including text messages, sticky notes, and face-to-face discussions. Due to the flagging economy, Gary has his eye on a 401 (K) plan with matching employer contributions.

**Millennials**

The members of the Millennial generation were born between 1982 and 1998. They are the children of Baby Boomers, and, like their parents, Millennials greatly outnumber Generation X. With a population of roughly eighty million, Millennials compose up to 35% of today’s labor force. (See Figure 1)

Millennials are extraordinarily technologically savvy. As the first native online generation, Millennials implement technologies and adapt them to their needs. Millennials value and depend on technology to make their work easier. They can become impatient with older and slower technologies and expect immediate access to information through digital sources.

Millennials' tech-savvy strongly influences their communication styles within the workplace. Millennials want to collaborate with their co-workers and managers as part of a professional network, but they achieve this through technology rather than through face-to-face encounters. Influenced by the interactive and dynamic video games and educational programs they grew up with, Millennials, like Baby Boomers, learn well in group settings.

Given the current economic climate, Millennials have learned to be flexible in their career paths and frequently change jobs in their struggle to secure employment and promotion. Additionally, they are particularly prone to high job turnover because they are competitive and impatient for career advancement. Typically, Millennials are not tied to working at a particular physical location. They crave the ability to work when and where they want. Increasingly,
Millennials prefer to work from a remote location that enables them to work from home and at all hours.

In this report, Millennial Mandy will represent the Millennial generation. A new hire at the RDJML and fresh out of graduate school, Mandy earns a high salary. She uses her iPhone to communicate with her co-workers, and she loves to work on her laptop from home or at a bustling café. She craves plenty of vacation time so she can develop hobbies outside the workplace.

**Problems and Solutions in the Intergenerational Workplace**

As a result of the various generational characteristics mentioned above, problems that managers often face the following problems in the intergenerational workplace:

- Ageism
- Loss of institutional knowledge
- Miscommunication
- Dissatisfaction in the workplace
- Salary compression and dissatisfaction with benefits

**Problem: Ageism**

Ageism, the scourge of the intergenerational workplace, is defined as the stereotyping of or discrimination against an individual based on age. Most importantly, age discrimination is illegal under the Age Discrimination in Employment Act (ADEA) of 1967. This act specifically prohibits age-based discrimination against employees who are at least forty years of age. The ADEA prohibits any employer from refusing to hire, discharge, or otherwise discriminate against any individual because of age. The act more specifically states that employers cannot base
compensation, or the terms, conditions and other privileges of employment including health care benefits, on the employees’ age. The act aims to promote the employment of older persons and to prohibit arbitrary age discrimination in employment. If managers fail to uphold the standards set by the ADEA, legal repercussions may occur.

In addition to the legal implications of ageism in the workplace, managers must realize that ageism, left unchecked, can disrupt careers, decrease productivity, and cause resentment and distress among employees. Furthermore, even though most people think ageism only affects older workers, it can affect employees of all ages. While there is no specific age discrimination protection in law for those ages sixteen through thirty-nine, ageism can affect employees within this age range as well.

Ageism often takes the form of harmful, age-based stereotypes. For example, younger generations may view Baby Boomers as resistant to change, inept with technology, or harder to train. Older generations often stereotype Gen-Xers as suspicious of authority, unmotivated, or even apathetic. By the same token, older generations may perceive Millennials as harder to manage, unfocused, or disrespectful of traditions.

Studies show that stereotyping in the workplace can result in decreased self-esteem and lowered job productivity for employees. Consider the following example of ageism in the workplace: Baby Boomer Bob has been with the company for years. He tries to stay abreast of the latest technological advances although he adopts these advances more slowly than his younger counterparts. After several weeks of careful research, Bob develops several ideas about how to promote the company’s Facebook page. When Bob presents his ideas to his manager Malcolm, Malcolm dismisses him, assuming that Bob’s idea of social networking involves hanging out at the local Elks’ lodge. Discouraged, Bob tosses out his ideas (which are actually
innovative!) and decides to concentrate on what he knows best: paper-based communications. This example illustrates how ageism can create a hostile, hurtful, and unproductive work environment. Ageism (even when it does not reach a legally-actionable level) is an extremely negative force in the intergenerational workplace and should be avoided at all costs.

Solution: Diversity Training

Diversity training is an effective tool for preventing and combating ageism in the workplace. Training employees to recognize and resist ageism can affect attitudes and actions of managers and employees. Diversity training sessions also provide an open forum in which employees voice their concerns about ageism in the workplace.

Even before implementing diversity training, managers should develop a good connection with Human Resources (“HR”) and a thorough knowledge of HR’s resources about ageism. If HR lacks resources, managers must take steps to remedy this. During the training, a member of the HR staff should be on hand to answer any questions concerning legal issues related to ageism.

Managers should encourage employees to express and discuss common age-based stereotypes. They might then point out a member of the staff whose actions “debunk” that stereotype. For example, if an employee suggests that younger workers are “ADD” or unfocused, the manager could point out that Millennial Mandy has been working on the same project for weeks with single-minded determination. By dispelling age-related myths, managers can reduce age-based discrimination in the workplace and prevent age-related conflict.

Despite extensive and thorough training, ageist conflict might still occur. If such a conflict is brought to light, HR staff will need to be involved if a particular conflict does come to
light as a result of open forum discussions. In addition, managers should ask themselves a few questions before attempting to take action to resolve the conflict. These questions, adapted from Johnson and Johnson’s *Generations Inc.*, facilitate resolving conflict:

- What generations are involved?
- Is this conflict generational or is something else going on?
- What is each participant’s perception of the situation?
- How would each participant describe the positions of those with whom they are in conflict?
- How can I communicate to each party that their values are important?
- What is the ideal outcome?
- What solutions would I find acceptable?
- What will I do if the situation remains unresolved?

These questions help the manager transition from understanding the conflict, to understanding the conflict from both parties’ points of view, and then to ameliorating relationships between employees and thinking about potential resolutions. While HR will undoubtedly have to decide if legal action needs to be taken in the case of ageism-related conflicts, managers should use these questions to forecast how situations will play out and affect their employees.

In addition to HR resources and diversity training, mentorships can build strong relationships between members of different generations, helping to combat age-related stereotypes and prevent further conflict. We will discuss mentorships in further detail in the next section of this report.
Problem: Loss of Institutional Knowledge

Establishing a mentorship program also alleviates another problem in the intergenerational workplace: the loss of institutional knowledge. According to our research, on average, more than 40% of company knowledge resides in the minds of the workforce, so managers must implement methods to retain institutional knowledge as employees leave the company or retire. Managing institutional knowledge promotes the longevity of any workplace, and good relations between the generations facilitate effective knowledge management. Employees accumulate institutional knowledge over many years. Managers need to recognize that institutional knowledge is often unwritten, not codified, and hard to articulate. Employees often know how to complete certain routines or tasks but cannot explain the process to another employee.

Institutional knowledge can be either explicit or tacit. Explicit institutional knowledge includes things like workplace structure, company traditions, and commonly-used best practices, which employees can easily communicate to each other. Usually, companies keep a record of explicit institutional knowledge in the form of company policy or work procedures. Tacit institutional knowledge includes important information that workers have internalized but may not express aloud or in writing, such as long-standing vendor relationships or unspoken best practices. Workers may find it difficult to communicate tacit knowledge, but this kind of knowledge must be preserved at the risk of losing irreplaceable information. In the intergenerational workplace, older workers often hold the bulk of institutional knowledge. Managers should facilitate the transfer of both explicit and tacit institutional knowledge.
Solution: Mentoring

In order to combat the loss of institutional knowledge, Managers should establish mentoring programs. Mentoring programs can be useful in any workplace environment, but we will discuss them in an intergenerational workplace context in this report. Mentoring programs create relationships between employees and they facilitate the transfer of institutional knowledge. These programs foster a sense of community in the workplace and increase morale as employees feel more connected to one another and their work environment. Tailoring mentoring programs to each generation increases these programs' effectiveness. As we have discussed, each generation possesses unique characteristics and distinct needs, and managers must consider generational differences when creating mentoring programs.

Millennials often want attention in the form of guidance, advice, and genuine interest. As a result, Millennials make excellent candidates for long-term, one-on-one mentorships. Baby Boomers often want to act as mentors and share their accumulated wisdom. Effective managers will create mentoring opportunities for Millennials to bond with older employees, in an almost parental fashion. By pairing Millennials with experienced Baby Boomers, managers can preserve valuable institutional knowledge. This style of mentorships enables Baby Boomers to feel valued and Millennials to feel supported.

When devising a mentor program for Generation Xers, managers should recognize that Generation Xers are more interested in acquiring skills quickly and efficiently rather than in forging a long-term, parental bond with their mentors. Managers might provide Generation Xers with loose, varied mentorship opportunities in the form of serial mentorships. Serial mentorships enable the mentee to lean what s/he needs from each mentor and then move on.
Consider the following scenario: Millennial Mandy and Gen Xer Gary both want to find mentors in their workplace. Over the course of his thirty years with the company, Baby Boomer Bob has acquired valuable institutional knowledge that he longs to share with his fellow employees. The manager pairs Bob with Mandy for a long-term mentoring relationship that is equally beneficial for both Bob and Mandy. Gary, as a Gen Xer, is only interested in serial mentorships, so the manager pairs Bob with Gary for a few relatively informal lunch dates. After, when Gary feels that he has learned what he needs to from Bob, Gary moves on to another mentor, Juan Carlos. The manager’s arrangement of these mentoring opportunities suits all three employee’s different needs and facilitates the transfer of valuable institutional knowledge.

Problem: Miscommunication

In addition to their unique mentoring needs, each of the generations has a different way of communicating, one that usually complements their learning style and mentoring needs. Miscommunication in the workplace often results from these differing communication styles among the generations. To reiterate what we discussed earlier in the report, Baby Boomers often prefer to converse using face-to-face and printed communication, Gen Xers typically like to employ a mix of printed and digital communication, and Millennials primarily use digital communication. These differences can result in decreased productivity and a sense of isolation among employees.

Consider the following scenario: Gen Xer Gary, Millennial Mandy, and Baby Boomer Bob are working together on a project. Gary and Mandy communicate about the project via rapid texting, while Bob struggles to keep up with their frenetic pace. Bob, left out of the loop, feels isolated, and Gary and Mandy do not reap the benefit of Bob’s input. As a result of this
communication failure, they complete the project without a vital component and must re-do the project, costing them time and money. Managers must be aware of situations like the aforementioned scenario and implement strategies to rectify them.

**Solution: Facilitation of Communication Styles**

Managers should establish communication norms, train employees in required modes of communication, and use a variety of communication styles to transmit information to employees. By establishing norms for jargon, managers can ensure that no one feels left out of the conversation. Communication norms also dictate how and when employees respond to interoffice messages. These norms increase productivity, ensuring that all employees are on the same page. If managers require employees to use specific communication modes, such as text messaging or e-mail, managers should train all employees on how to best use these methods. In the previous scenario, if Baby Boomer Bob had been trained how to text message, the entire group would have been more productive.

To ensure that all generations receive the same information, managers should intersperse digital communications with face-to-face talks and printed memos. For example, the manager has scheduled a meeting to brainstorm strategies for promoting interoffice unity. To ensure that Bob, Gary, and Mandy all get the message, the manager sends out a company-wide e-mail, stops by Bob’s office, and circulates a printed memo. The meeting succeeds because all employees attend the meeting and are able to provide their input on methods to foster interoffice unity. Communication difficulties are only one of the areas relating to work style that can cause dissatisfaction in the workplace. In the next section, we will discuss other situations where conflict can arise, and methods for dealing with those conflicts.
**Problem: Discontent in the Workplace**

Dissatisfaction with current scheduling practices, differing ideas about where and how work should be accomplished, and an unfulfilled desire for professional growth can contribute to a hostile and unproductive work environment. When developing schedules for individual employees, managers must realize that one schedule does not fit all, and generational differences play a significant role in employees' scheduling preferences. For example, Baby Boomer Bob is on the cusp of retirement and wishes to phase out of a nine to five schedule. Bob grows disgruntled when his manager will not consider his request. Inflexible scheduling policies can lead to dissatisfaction and decreased productivity.

Employees also disagree about where and when work should be accomplished. While Baby Boomers often prefer to work in a dedicated, office environment, Millennials and Gen Xers may grow dissatisfied if the entire forty-hour work week takes place in an office.

Additionally, employees may feel bored or limited if managers do not offer sufficient opportunities for professional development. Gen Xer Gary, who is concerned with acquiring new skills to further his career, wants opportunities for professional growth. Gary feels constrained by a lack of programs for professional development. Below, we provide concrete solutions for these problems.

**Solution: Flexible Work Environment**

To mitigate dissatisfaction in the workplace, managers should offer part-time work, implement optional telecommuting, and provide cross-training opportunities. Part-time work can smooth Baby Boomer Bob’s transition into retirement.
Managers should also provide the option for telecommuting for workers who wish to work outside the office. As we mentioned earlier, Baby Boomers generally prefer to work from a dedicated, office location, so telecommuting may not be the best option for them. Conversely, the more tech-savvy Millennials and Gen Xers may prefer to work remotely and would appreciate the opportunity to vary their work schedules. Millennial Mandy feels more satisfied with her job after her manager offers her the option to telecommute two days a week. However, managers must offer telecommuting options to all workers to avoid allegations of ageism. Telecommuting also has the potential to interfere with mentoring programs, so mentor and mentee must know one another’s schedules.

Managers should offer opportunities for cross-training. This more flexible approach to training opens up the possibility of lateral transfer within the organization for Baby Boomers who feel they have reached a plateau in their career paths. Moreover, independent Gen Xers like Gary often prefer to gain skills rather than develop strong interoffice relationships, making them excellent candidates for cross-training. Millennials, who typically follow a flexible career path, value the opportunity to add new skills to their resumes as well. Combined, the aforementioned solutions will promote productivity and satisfaction in the intergenerational workplace.

The problems we have discussed thus far, which mostly pertain to work styles, can be fixed by managers alone. To remedy problems stemming from salary and benefits, which we discuss in the section below, managers must consult with their Human Resources (HR) department.
Problem: Salary Compression and Dissatisfaction with Benefits

Salary compression and employee dissatisfaction with benefits packages can create strife within the intergenerational workplace. Salary compression occurs when raises for experienced workers do not keep pace with salary increases for newly hired workers. This phenomenon can happen for a number of reasons, including when an employee’s raises have not kept track with inflation, or when harsh economic conditions restrict merit increases in salary. Workers who have stayed with an institution for a long time may feel victimized if newer hires earn a similar or better salary. Consider again Baby Boomer Bob, who has been at his job for nearly thirty years. Millennial Mandy made an offhand comment in the break room about her salary, which far surpasses Bob’s meager earnings. Bob has not received a merit raise in nearly five years, supposedly because of the harsh economic climate. Consequently, Bob feels undervalued by the company, and hurt that they would spend money to attract Millennial Mandy when Bob has devoted so much to the company. Bob’s resentment festers, and he slacks off. To avoid scenarios like this one, managers must be aware of the potential for salary compression and its effects.

Benefits packages can also be a source of contention in the intergenerational workplace. Generational differences influence what individual employees prioritize in their benefits package. Baby Boomers might be more likely to stay with a company that allows them to keep their full health insurance plans if they moved to part time in preparation for retirement, especially if this transition occurs before they reach the age where they are eligible for Medicare. A Generation Xer might believe that he cannot count on Social Security and Medicare to exist when he reaches retirement age, so he values retirement benefits like a 401(k) with matching employer donations. Millennials often place more emphasis on vacation packages and flex time.
Moreover, many Millennials are still paying off student loans and car payments and would rather sacrifice some benefits options in favor of a higher salary.

Employer-established specialized benefits packages can also be problematic. A family-benefits program targeted towards employees with children may alienate those without. Consider the intergenerational workplace again: Mandy, our Millennial employee, has no children, and feels annoyed that Gary, our Gen Xer employee, has a special benefits package that allows him to take time off to take his children to the doctor. Mandy would like to have a benefits package tailored to her specific needs, but her employer does not offer one. Mandy’s feelings of resentment create tension in her work relationship with Gary. Managers alone cannot correct the problems mentioned in the examples above. HR is also a powerful resource and ally for combating intergenerational conflict. Thus, managers should communicate issues to HR and collaborate with them to find solutions that will restore peace in the workplace.

Solution: Communicate with HR Department

Mitigating salary compression can be difficult, especially given outside factors such as economic conditions that managers cannot control. Managers cannot correct problems related to salary compression and benefits packages alone. The HR department can be a valuable resource for managers. To correct salary compression, managers must consult with HR personnel about instituting a policy to combat this phenomenon.

The HR department can also assist with establishing cafeteria-style benefits packages. Cafeteria-style benefits packages enable employees to select the benefits that most closely align with their needs while providing every employee with the same options. To find out employees’ needs, managers should ask employees about their benefits expectations and communicate those expectations to HR. In doing so, managers can work with HR to allow employees to create
tailored benefits packages. This way, Baby Boomer Bob can have an ample retirement package, Gen Xer Gary can choose to have paid family sick leave, and Millennial Mandy can choose more vacation time instead of additional health insurance benefits. When employees have the option to choose the benefits package that suits their unique needs, job satisfaction and worker productivity tend to rise.

**Final Recommendations for Managers**

We would like to conclude this report by offering some final reminders for managers.

- Implement diversity training on age-related issues, not only because of the obvious legal consequences, but because ageism creates a toxic unproductive, and hurtful work environment.
- Be flexible and transparent in your policy-making. Inform employees when implementing or revising company policy.
- Be open to input from all employees. Knowing employees’ feelings about the current work environment can help managers tailor the solutions described above to unique situations.
- Develop a mentoring program to preserve institutional knowledge and foster a sense of community between workers of all ages.
- Review policies on communication, varying work styles, and salaries and benefits on a yearly basis. What works this year may not work three years from now, so be sensitive to workers’ changing needs.

In following these recommendations for managing an intergenerational workplace, managers will see a dramatic increase in both productivity and employee satisfaction.
Resources List

Selected Resources:


Saunderson, Roy. “Learning across the generations: provide opportunities and enough time for group members of diverse generations to get to know one another and be comfortable with different perspectives.” *Training* 48:3 (May-June 2011), pp. 78-79. Online.


Other Resources:


Ott, Bryant, Nikki Blacksmith and Ken Royal. “What Generation Gap? Job seekers from different generations often look for the same things from perspective employers, according to recent Gallup research,” *Gallup Management Journal* (March 13, 2008)


Saunderson, Roy. “Learning across the generations: provide opportunities and enough time for group members of diverse generations to get to know one another and be comfortable with different perspectives,” *Training* 48:3 (May-June 2011), pp. 78-79.