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Organizational Development and The Power of Generational Differences

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“Today’s American workforce is unique and singular. Never before has there been a workforce and workplace – so diverse in so many ways. The mix of race, gender, ethnicity, and generation in today’s workplace is stunning” (Zemke et al, 2000, p. 1).

“... the impact of diversity on organizational outcomes is a complex interaction of individuals and their environment” (Cox, 1999, p. 8).

INTRODUCTION

Managing a diverse workforce, sustaining an agile organizational structure, and maintaining a competitive advantage in the marketplace are perhaps the greatest challenges facing today’s businesses. Like the legs of a three-legged stool, each component is necessary for maintaining balance and functionality.

Corporations, like American society in general, are faced with unparalleled diversity based on race, religious affiliations, gender, culture, and age as noted above. Extensive research is being conducted to determine the impact of diversity on organizations. The results reveal that organizations that recognize the value of diverse perspectives and, in fact, nurture diversity tend to have greater creativity, innovation, and problem-solving capabilities. (Cox, 1998)

For the purposes of this paper, the focus on diversity has been narrowed down to concentrate on generational differences. Never before has there been four distinctly different generations working side-by-side within organizations. Each generation has unique values that were formed based on the prevailing political, socio-economic, and environmental influences as well as global events. These values are reflected in each generation’s perspectives, work ethic, communication patterns, management requirements, learning styles, and reward systems. Consequently, the integration of these divergent values and experiences create challenges that must be addressed by organizational development professionals.

The generational differences continue to be exacerbated by rapid changes in the workplace, longer employee tenures, downsizing and flattening of organizations, consolidation through mergers and acquisitions, and technology. Dr. Morris Massey in his book, The People Puzzle suggests that these differences can never be changed nor reconciled. Therefore, it is

incumbent upon organizations to create a culture that acknowledges and validates these differences as being fundamental for individual as well as organizational success. This is reinforced by the research conducted by Thomas and Ely whose findings suggest these differences significantly contribute to increased organizational effectiveness (Thomas & Ely, 1996).

The following is a brief description of each generation to create a baseline for understanding these differences. The first group, Traditionalists/Veterans/Silent Generation, was born between 1922 and 1943. They lived through the Depression, World War II, the Korean War, McCarthyism, and emergence of suburbia to name a few of the prevailing influences. In addition to the current events of their lives, they were also influenced by the values of their parents (as are all generations) that were rooted in the 1800's, many of whom were immigrants. The traditionalists can generally be described as tough, highly disciplined, consistent, conforming to expectations, patriotic, family-oriented, loyal and dedicated (Heyroth, 2003). This generation represents about two percent of the workforce and will be retiring within the next 10 years.

With approximately 75 million people in the workforce, the Baby Boomers (Boomers) represent approximately 42 percent of today's workers. Born between 1943 and 1960, the defining influences of this generation include the Vietnam War, anti-war protests, civil rights and women's liberation movements, challenging and breaking institutionalized traditions, assassinations of national leaders, alternative lifestyles, economic expansion, rock and roll, the proliferation of TV, fall-out shelters, and the "space race." Boomers are typically described as committed to social causes, freedom of expression, and challenging the status quo. They have been called self-indulgent, self-confident, and idealistic (Heyroth, 2003). This was the first group to receive a report card grade for "works well with others" (Ansoorian, et al, 2003).

The Gen-Xers were born between 1960 and 1980 and grew up during a time of significant change. They represent about 50 percent of the workforce. Gen-Xers witnessed Watergate, Olympic boycotts, the fall of the Berlin Wall, the Iranian hostage situation, the Challenger explosion, the Gulf War, the proliferation of cable TV with MTV and 24-hour news, and the AIDS epidemic. Additionally, this was the first generation to grow up watching TV for educational purposes (*Sesame Street*), to learn on computers, to grow up in dual-income households, experience a 40 percent divorce rate, and to witness their parents' job insecurity. They were the first "latch-key" generation fending for themselves after school. Xers tend to be independent, well-educated, fiscally and politically conservative, adaptable, value deep friendships, risk-takers, driven, impatient, demanding, determined, and energetic (Heyroth, 2003).

The youngest of the generations, Millennials/Nexters/Generation Y, is just beginning to enter the workforce, currently representing approximately less than 5 percent of workers. Born between 1980 and 2000, Millennials outnumber Boomers. It is the generation that has no first-hand experience of the Cold War; has been treated as the "center of the universe" by their parents; has had extensive parental involvement; has been surrounded by technology their entire lives; are the most racially diverse; has experienced school shootings, the

terrorist bombings of 9/11 and the war in Iraq; and, lastly, has had access to the Internet a significant portion of their lives. “Girls” have taken a prominent position as success models. Because Millennials have been immersed in technology, they tend to be “menu driven” in their thinking order to make quick choices rather than engaging in involved decision making. This can lead to a lack of critical thinking skills. Currently, there is limited information about the Millennials since they are now entering the workforce.

Zemke et al (p. 155) have summarized the way in which the four generations view the world in the following chart.

Perspective	Traditionalists	Boomers	Xers	Millennials
Outlook	Practical	Optimistic	Skeptical	Hopeful
Work ethic	Dedicated	Driven	Balanced	Determined
View of authority	Respectful	Love/hate	Unimpressed	Polite
Leadership by	Hierarchy	Consensus	Competence	Pulling together
Relationships	Personal sacrifice	Personal gratification	Reluctant to commit	Inclusive
Turnoffs	Vulgarity	Political incorrectness	Cliché, hype	Promiscuity

Upon examination of these differences, it is no wonder there are breakdowns between the generations within the workplace.

HOW GENERATIONAL DIFFERENCES IMPACT ORGANIZATIONAL DEVELOPMENT

Diversity, as a subset of Organizational Development (OD), has gained significant prominence primarily within the last 15 years (Swanger from Cross, Katz, Miller & Seashore, 1994, p. 3). Identifying generational differences has just recently come to the forefront as an important issue for creating healthy organizational dynamics. Therefore, this is a new frontier for OD and offers unexplored possibilities.

Beer defines the aims of OD as being: “(1) enhancing congruence between organizational structure, processes, strategy, people, and culture; (2) developing new and creative organizational solutions; and (3) developing the organization’s self-renewing capacity” (Beer, 1980 in French & Bell, 1999, p. 24). However, can OD theorists be free from their individual filters in order for these objectives to be realized?

As noted above, each generation has a unique set of beliefs, values and assumptions. Schein addresses the power of filters and the way in which they affect the way we interact and communicate with each other. He states: “... each of us has a unique personal history that in effect creates a set of filters for how we communicate to others and how we hear and perceive them” (Schein, 1999, p. 116). Specifically, he talks about filters reflecting one’s self-image, perception of others, definition of the situation, motives, feelings, intentions, attitudes, and lastly, expectations (Schein, 1999, p. 117-118).

How does this relate to the impact generational differences have on OD? I find this particularly poignant when considering the OD theorists and current thought-leadership in the field. Upon close examination, one finds that the recognized leaders (e.g., Argyris, Moss Kanter, Drucker, Bennis, Senge, Jawolski, Schein, Wheatley, etc.) tend to be either Traditionalists or Boomers. Since values permeate the way we see the world, how do their generational values influence the theory they espouse? For example, the heavy focus on effective teams may be inappropriate for Xers since they tend to thrive independently. A strongly defined management structure may meet the needs of Traditionalists, but may be counter productive to Millennials.

Just as Zemke, et al note, flexibility in organizational structure is a key element for embracing generational differences, new OD principles and practices will have to evolve to reflect this need. Like most OD theories, it will be imperative for them to reflect the needs of the current business environment and workforce. It will be interesting to compare OD theories emerging out of the Xers and Millennials with those of the current ones. Will Six Sigma endure?

WHAT GENERATIONAL DIFFERENCES MEAN FOR THE FIELD OF OD AND OD PRACTITIONERS

“The idea is this: Is it possible for the people within an organization collaboratively to manage the culture of that organization in such a way that the goals and purposes of the organization are attained at the same time that human values of individuals within the organization are furthered” (French & Bell, 1999, xiii).

A keystone of OD practitioners is self-awareness. It establishes the baseline from which we work. In order for us to be effective in a diverse work environment, we need to first understand our own filters in which our values (generational and otherwise) are embedded. We then need to understand the values and needs of other generations and people in general.

The above quote from French & Bell suggest there is a collective or collaborative responsibility for the individuals within an organization to maintain a culture of individual and organizational empowerment. It is essential to be inclusive of others' values, perspectives, and overall contribution to the dynamic if this type of environment is to be realized.

Generational differences are yet another lens through which to observe the prevailing behavioral trends and work practices within organizations. More specifically, work style, communication style, work ethic, management style, workplace design and interactions all influence an organization's culture. Therefore, applying an understanding of how these are influenced by generational values contributes to building effective interventions.

HOW DO GENERATIONAL DIFFERENCES AFFECT THE CONNECTION BETWEEN HUMAN SYSTEMS AND ORGANIZATIONAL STRUCTURES AND PROCESSES?

“Generational differences are based primarily on unarticulated assumptions and unconscious criteria; therefore, surfacing them takes a giant step toward resolving them” (Zemke et al, 2000, p. 153).

Accordingly to Abraham Maslow, human behavior, when distilled down to its most fundamental elements is about survival, safety, love, esteem, and self-actualization. The externalization of these needs or the way we express them is the unique variable that either unifies or separates us. Yes, by definition, generational differences have a direct effect on the connection between human systems and organizational structures and processes. However, do they have a profoundly unique impact? No.

Differences exist on the macro level of groups, teams and societies. However, differences also exist on the micro level... person to person. Schein's notion of filters as being built upon individual experiences is reinforced by French and Bell's assertion that values and assumptions reflect the "collective beliefs of an era" (p. 62). Therefore, generational differences need to be approached like any difference – acknowledging they exist, celebrating them, and incorporating them into the organizational system as being a valuable and vital part of it.

The above quote by Zemke, et al is applicable to human interaction in general. The beliefs, values and assumptions that shape our behavior are rarely articulated in a manner that furthers understanding. However, as Zemke, et al suggest, bringing them to a conscious level is the first step towards discovering and/or bridging existing differences.

The recurring theme regarding creating inclusive environments is flexibility. Zemke, et al refer to organizations that require conformity to the "norm" by everyone as organizations that are void of innovative thinking, creativity and diverse opinions that are critical for maintaining agility and competitiveness (p. 155). They suggest the strongest organizations are those that purposely combine diverse backgrounds, ages, levels of experience, skills and perceptions on project teams. They describe these organizations as being "comfortable with the relative rather than absolute nature of a situation, knowledge, skill, value, and most of all, solutions to problems" (Zemke, et al, p. 154).

In their research, Zemke, et al identified five characteristics that were common to the companies that were generational savvy. These characteristics run the gamut of understanding the employee base, to the way in which work groups were formed, to management style, to assuming everyone has something to offer and is motivated to do their best, to "nourishing" retention. In my opinion, these characteristics are applicable to healthy, functional organizations.

CONCLUSION

"There is research evidence to support the idea that effective and achievement outcomes of individuals are influenced by dimensions of diversity such as gender, racioethnicity, and age" (Cox, 1999, p. 19).

Diversity of all kinds within organizations contributes to both personal and organizational agility... a critical characteristic for thriving in a rapidly changing world. This paper has focused specifically on generational differences. It is these differences that most profoundly

demonstrate how beliefs, values, and assumptions are formed based on external influences of the time. Yet, it is the generational differences that are, perhaps, the most subtle of the diversity issues despite its persistence throughout the ages. Including them as part of the OD conversation, continues to fine-tune the contribution the profession makes towards nourishing healthy individuals within healthy organizations.

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