

Leadership and the Emerging Generations

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Frank is the 55-year-old director of a call center in suburban Wausau, WI. He's been with the organization for 15 years, having spent the prior 20 in another firm within the industry.

Adam, Frank's assistant director, is 38 and on his eighth job and fourth industry since he graduated from college. Having just completed his MBA in finance, Adam is exploring his options. "After all," he says, I've learned everything I can here and have no desire to move up the ladder."

Ask Frank why he chose this career and he'll relate a long tale of starting out in the garment business and one thing led to another. Ask Adam why he chose this career and he'll respond, "Who says this is a career and why is that important?"

Employers throughout the US are discovering that many of the traditional desires and expectations that Baby Boomers sought as they matured into work have been turned on their heads by a younger generation for whom work does not seem to fit the same central role.

As Generation X evolves into senior leadership over the next decade, they will have a profound impact on organizations throughout the country. This impact will differ considerably from their parents. But we have yet to see what effect this will have on work style, execution, and organizational performance.

It's All About the Job

A comparison between Boomers and Xers reveals some striking differences:

Loyalty – Loyalty to an organization has been a hallmark of the Baby Boomers. Even with layoffs, acquisitions, and job elimination due to technology, there

are still countless individuals within this generation who are celebrating 20 or more years with the same firm. Xers, on the other hand, came of age watching their parents suffer layoffs and the struggles involved with maintaining a career. From this, they have surmised that demonstrating loyalty to one organization is not a benefit and probably a detriment. For this reason, many will never allow themselves to become so emotionally or financially attached to one organization that it hinders their ability to move on in a timely fashion.

Socialization – Baby Boomers, as the generation before them, have used the workplace as a major source of social contacts. This has been demonstrated through

countless holiday gatherings, corporate barbeques, cocktail parties, and trips to the ballpark. Trade associations have also benefited from this phenomenon as millions have made the monthly and annual treks to meetings and conventions respectively. Their offspring, the Xers, however, have developed a far different strategy for developing and maintaining a social network. With the coming of the electronic age, these young professionals have taken to the Internet to connect with those they care about and to find new friends. Announce a company party and many Xers will only attend if they feel an obligation. They are careful about

developing close relationships in an organization they may choose to leave tomorrow. Part of this extends from that purposeful sense of detachment that many maintain with their employers. They see a job as a job, not as a source for social contacts.

Personal Job Identification – Ask Baby Boomers about themselves and their job title is sure to come up in the first few sentences. This high-level of occupational identification has influenced their behavior and decision making on and off the job for the past three decades. Without drawing too broad a generalization, Boomers,



as a cohort, have lived to work. Their evolution as the first dual-career couple generation produced millions of latch-key kids who surmised that parents' careers came first in many situations. As these young people have come of age, many have developed an attitude diametrically opposed to that of their parents. Xers work to live. This has been demonstrated amply in the attitudes they display about work ethic and loyalty. They are happy to work hard and contribute to a firm, but not to the exclusion of a personal life. Over time, this difference in perception about job role will manifest itself in how these young people lead organizations. While many Baby Boom leaders have allowed themselves to be consumed by their corporate identity, those in the next generation will actively strive for a clear separation between family and work life. "After all," they will say, "It's only a means to an end."

Work/Life Balance – If there is an issue where Boomers and Xers differ in a most pronounced way, it is the subject of work and life balance. Most Xers grew up as the children of working parents, spending their pre-school years in daycare and their afternoons in high school as latch-key kids. This has resulted in a generation of young adults who have little desire to do to their kids what they feel their parents did to them. Xers are unwilling to work the long hours that many present-day jobs expect. They rail against traditional, but inflexible, organizational practices that cost them time away from family. Since they do not see work as a place for socialization, they are annoyed with promotions and evaluations that seem to be tied in part to massaging the egos of senior leadership at corporate parties. While they are determined to perform well on the job, they wonder why work has to be performed at the office when it could be done at home or at the beach while spending time with family and friends. As this generation assumes senior responsibilities over the next 10 years, the way in which work is completed is sure to change significantly.

Conflict – Boomers are a product of the era of peace and love. They came of age flashing peace signs, sticking daisies in gun barrels, and getting high to the sounds of Woodstock. Xers maturing into the chaos of the sixties and seventies witnessed riots, gas lines, and the burning

of bras and draft cards. Many were in elementary school when they watched their parents divorce, lose their jobs, or deal with the inflation and recessions that ravaged the economy. This, along with the impact of Vietnam, Watergate, and a number of other political scandals left many with the conclusion that conflict is a part of life and something to be overcome. For this reason, they are comfortable challenging authority and questioning the traditions they were taught as children. After all, many of those traditions proved mythical, at least to them. As these individuals matriculate into leadership, they are bound to alter the way business conflicts are handled.



Workplace Rights – Over the past 40 years, the Baby Boom has embraced the ever-expanding diversity within American society. Legislation—mostly promulgated by Boomers—has recognized and expanded the rights of countless groups and forced employers, large and small, to deal with thousands of federal, state, and local laws and the ensuing bureaucracy around compliance. Xers have approached this phenomenon in two ways: first, as an opportunity to work the system to their advantage and second, with a somewhat skeptical and detached eye since much of this legislation has proven to be under-funded, unenforceable mandates. This is not to say that they are unethical or cynical. They are simply employing the sense of survival that many have developed while coming of age.

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Education and Training – Over the past 20 years, there has been a tectonic shift from an emphasis on education within colleges to that of vocation. While Boomers chose liberal arts and science majors as undergraduates, Xers have chosen engineering, business, finance, and computer programming. At least a portion of this shift can be attributed to the escalating costs of obtaining a degree. Those now in their 20s and 30s have emerged from college with loans in the tens of thousands

of dollars forcing them to seek well-paid employment as soon as possible. While no one should chide these young leaders for their choice of major, their ascendancy into senior leadership will be colored by a different sense of the value of education than their parents. Fifteen years ago the vast majority of senior leadership within large organizations possessed at least one degree in liberal arts and sciences, providing them with the perspectives of literature, philosophy, and the arts. This has been largely lost as many Xers chose majors that limited them to the study of more technical subjects.

But as this generation has emerged better educated, employers, in turn, have raised their expectations as well. Employers now demand graduates with content-rich coursework under their belt. This they feel will make these young professionals productive in a shorter period of time and, of course, reduce training costs at the same time.

Yet these same employers sometimes complain of a lack of critical thinking skills among these new leaders. Some of this may be attributed to a lack of practical experience. Some may also be a result of the electronic environment in which they have come of age. Whatever the genus, the impact of this on corporate decision-making will be felt over the next 20 years. *(See the sidebar for a closer examination.)*

Attitudes Toward Teamwork – Baby Boomers have embraced a myriad of teamwork concepts since their popularity began 30 years ago. In fact, their peers have been responsible for the majority of books written on the subject. Xers, on the other hand, learned about these theories in school only to observe the abysmal execution of them within most organizations once they went to work. Introduce a new teamwork concept into today’s organizations and Xers will be polite while containing a strong urge to run for the exit. Experience has taught them to wait before embracing a new initiative for fear that its momentum will evaporate within the first few weeks. For this reason, they are skeptical of most schemes introduced by today’s management. As these emerging leaders assume senior roles, they are sure to focus less on concept and more on execution.

Factors and Impact of the Transition

This intergenerational evolution will affect all phases of leadership from boardroom to front-line supervision. At the same time, there are some mitigating factors that organizations will be forced to address:

The Baby Boomer transition – A great deal has been written about the impending retirement of this enormous generation. Some experts maintain that the Boomers won’t retire at all, choosing to remain on the job as a source of socialization. Others believe that many can’t retire due to poor savings habits or financial losses. Still others maintain that Boomers will take the money they have, simplify their lives, and turn to public service or charity work.

What if Baby Boomers choose to remain on the job?

But what if the Baby Boom chooses to delay retirement? With the advances in healthcare, the life expectancy of the average member of this cohort has increased significantly. The longer this generation remains on the job, the fewer opportunities will be open to the next group of leaders. Ask those looking to ascend in positions of senior responsibility and they will tell you that this is a source of serious concern.

To this, we must add the tremendous base of proprietary knowledge that will need to be transferred from one generation of leaders to the next. While some younger professionals may dismiss this knowledge as out-of-date, much of it involves the central operating procedures within organizations. Losing this knowledge to retiring workers has the potential for devastating many businesses.

Baby Boomers	Generation X
Born 1946–64	Born 1965–80
77 million strong	50 million strong
Job as a calling	Job as a contract
Collegial	Challenging the status quo
Team player	Intrapreneurial
Title recognition	Money and influence
Personal fulfillment	Free time
Efficiency	Outcome
Live to work	Work to live

Regardless of these prognostications, staffing directors in all sectors will be forced to consider the variety of ways this might play out. The most effective strategy will require the development of several different scenarios to help assist in dealing with the transition.

Technology – Advances in computers and automation have resulted in massive changes in the business models of most sectors in the past 20 years. In the 1970's optimal span of managerial control was considered to be ten subordinates. With the exponential increases in automation, however, it is not uncommon for today's managers to be supervising 30 or more direct reports. This has resulted in a decrease in the overall number of managers within many firms. It has also made the choice and development of future leaders all

This choice, however, has left many Baby Boomers puzzled since for them the promotion was the coveted reward for long hours and sacrifice. But not to those in Generation X who choose not to look at the job as all consuming.

Globalization – With globalization has come access to qualified leaders outside our borders. While American firms have been dominated by American managers up to now, this may very well change as organizations no longer limit their search for talent to those living in the US. American business schools continue to churn out thousands of graduates every year, but multi-national firms are increasingly looking to indigenous employees to supervise their businesses overseas. As some of these individuals demonstrate their talents and abilities, they will migrate into positions of leadership in the US. After all, America does not have a corner on developing good managers.

How will Generation X impact senior leadership as they enter its ranks over the next decade?

that more critical. The debate continues to rage about the wisdom of this kind of supervisory model. But at this point in time, it has become conventional practice.

Larger leaps from one level of responsibility to another – With the increase in span of control has come a decrease in the number of authority levels within most organizations. Thirty years ago it was not uncommon for large organizations to maintain positions such as “assistant to the vice president” or “executive assistant to the general manager.” These jobs allowed those on a development track to observe and interact with senior leaders on a daily basis. Doing this enabled them to mentally and emotionally prepare to assume critical roles.

Today's young leaders can find themselves being promoted from supervising 20 people to managing 100 or more overnight. What is missing in many of these cases is the development and mentoring necessary to help them assume these larger responsibilities with ease and perspective. Instead, they are forced to adapt in an environment where there is little room for error.

Another factor is time commitment. Suddenly, these young leaders find themselves working 70 hours a week simply to learn the job and build relationships. It's no wonder that a number choose to remove themselves from the rat-race even if it means leaving the organization.

The delicate balance of leadership development and tenure – Will the Xers remain on the job long enough to ascend into a role of leadership? Historically the development of competent senior leaders has taken years of training, mentoring, job rotations, and relationship building. But this has been accomplished during an era of career-focused tenures lasting 20 or more years. The members of Generation X have made a practice of leaving employers in a much shorter period of time, even when they are enjoying development and opportunities to move up. Will some industries, for instance, experience a case of “musical leaders” as young professionals grow impatient with their circumstances and move to another firm within the field simply for stimulation or a change in environment? In other words, might you be training your competitors' leaders of tomorrow, and they yours?

More immediate ROI necessary on training and development – The upshot of these shorter tenures will be a pressure to produce competent leaders within a shorter period of time. How will organizations respond when some of their top performers decide to move on, ignoring the traditional sense of obligation that Boomers felt to the organization? In the next decade, these firms will be faced with the challenge of identifying rising stars, developing their potential and appointing them to positions of responsibility within a 7-to 10-year period rather than the 10-to 20-year span so common with previous generations.

The demise of benefits in their present form – Over the past several years many organizations have made a concerted effort to shift the burden of benefits and retirement back on to the shoulders of their employees. Older generations have felt a sense of betrayal over this practice. The members of Generation X, however, have taken a more proactive approach. Many in this generation are troubled by what they perceive as inequitable treatment around this issue. Only 5% of this group, according to one poll, believe that they will ever receive the Social Security payments they would be entitled to upon retirement. Xers prefer to maintain control over their resources rather than trusting the institutions around them. They assume that all workers will eventually re-assume responsibility for their own healthcare and retirement. At the same time they realize that this arrangement affords them the flexibility to shift from one job to another without concern for eligibility periods and other possible exclusions. As this generation assumes leadership, they will support this shift in responsibility back to employees.



How Will Xers Differ as Leaders?

As this new generation of leaders begins to migrate into positions of senior responsibility, they will transform both vision and practice. Here's how:

Emphasis on life balance – Xers' focus on balancing work with the rest of their lives has been a source of dissonance between the generations. As they assume responsibility at senior levels, organizations will make a shift in the way that work is evaluated. For older workers, there will be less intrinsic recognition and reward for long hours and similar sacrifices. The overall emphasis will transition to a truly outcome-based measurement of performance. The exception to this will be those positions requiring hourly staffing. But even here, automation and younger generations' penchant for electronic customer service may alleviate much of this.

Less willingness to travel and relocate – This same Xers' desire for balance will result in more judicious travel practices. America's roads and skies are filled

every day with business people on their way to meetings, conventions, and sales calls. Many Baby Boomers have been conditioned to believe that so-called windshield time and regular air travel are a cost of doing business. While one should not discount the importance of traveling to important customers and company sites, technology is already eliminating a portion of these practices. As Generation X assumes responsibility, they are sure to take full advantage of this option. Over time, this will have a significant impact on the way customer service and organizational communication is conducted.

Shorter average leadership tenure – Those in Generation X have already demonstrated that they view jobs more as contracts than careers. While many will find themselves remaining with one organization for a long period of time, this general restlessness and desire for flexibility and versatility will undoubtedly reduce overall leadership tenure. Xers place a high value on the ability to position themselves for the next opportunity (not necessarily promotion). This, they feel, ensures economic security, intellectual stimulation, and an ability to maintain a healthy balance of life and work. Organizations throughout the US will see the average tenure among leaders drop considerably. This behooves those presently in charge to reconsider their assumptions about succession planning, leadership development, incentives, recruitment strategies, and costs of turnover.

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An international perspective – The members of Generation X think nothing of conducting business abroad. After all, they matriculated into the American workforce at the beginning of globalization. As international borders continue to dissolve, they will embrace management practices they believe will augment the traditional approaches in the US. This will not only have a lasting impact on styles of leadership but also may well serve to develop better relations with immigrant workers and other foreign nationals.

Embracing of diversity – The US has been called the “melting pot of the world” since the beginning of the last century. But it is only in the past 40 years that it has become truly diverse. Our emerging leaders will continue to encourage this phenomenon for both economic and philosophical reasons. Having come of age in the midst of this transmigration, they see nothing wrong with today’s diversity. Besides, their sense of pragmatism informs them that these workers are both valuable and needed.

Increasing emphasis on technology as a decision-making tool – Generation X has grown up learning to trust the computer. It is only natural then that its leaders will search for ways to use it as a means for improving efficiency. Where older generations may be more inclined to seek consensus or at least discussion on all manner of decisions, Xers’ penchant for technology coupled with a sense of detachment and a desire to maintain life balance will lead them to seek electronic solutions whenever possible. The long-term impacts of this practice remain to be felt. But it is sure to have a critical effect on certain types of organizational decision making going forward.

Reduced emphasis on protocol – Generation X came of age in the era of Sesame Street. From this, they deduced that learning should be fun. Over time, they have extrapolated that if learning should be fun, then so should work. This is the demeanor that many have brought to work, much to the chagrin of older generations that were wired to believe that work and fun rarely exist in the same environment. While some still argue that the work ethic is lacking in this generation, the facts speak otherwise. Their ability to work hard and yet do so in an informal way bedevils some of those in older generations.

As Xers assume senior level responsibilities, they will continue to introduce an atmosphere of informality to the tasks and practices at hand. For some in older generations, this may mean the demise of what they perceive as civility. Xers, having not come of age with these expectations will not miss them. The reality is that the generation to follow them is even more informal in their attitudes about work.

A more perfunctory style of communication – Generation X has also come of age with e-mail and text messaging. Xers spend less time on the phone and more time conversing electronically. They also tend to communicate with a wide range of people during the

day than older generations. But these communications are generally brief, to the point, and tend not to have the emotion attached to them that one uses in a telephone conversation. It is not unusual, for instance, for Xers to maintain continuous electronic conversations with a group of friends throughout an entire day.

Going forward, this emerging generation of leaders will foster a more detached style of communication than we have ever seen. On one hand, the use of this new “menu driven communication” will increase efficiency and directness. On the other, older generations may lament this loss of nuance in communication. Only time will tell about the evolution of the English language because of this. Certain degrees of empathy and diplomacy may also fall victim to this move toward efficiency and detachment.

Preparing for the New Cadre of Leaders

Generation X will vastly alter the landscape of organizational leadership going forward. As the next decade evolves, this intergenerational transition will occupy a great deal of time and effort. But the organizations that succeed in coping with these changes will be the ones that work to anticipate and address these challenges now. Here are some questions to consider:

- How will your organization’s leadership practices evolve over the next few years as the members of Generation X assume senior level responsibilities?
- How might your organization’s operational model change over the next few years based on these trends?
- Where might the dissonance occur between present and future leaders within your organization?
- What steps might you take to anticipate and work to resolve this dissonance?
- How will the evolution in leadership be perceived by the “rank and file” within your organization? What dissonance might this create?
- What steps might need to be taken to address these perceptions and resolve this dissonance?

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Critical Thinking and Emerging Leaders

Critical Thinking: *Thinking that involves the principled application of standards and criteria in the evaluation of practical and theoretical options for the purpose of reaching conclusions about those options. (University of Idaho)* Veteran managers often complain to me that young people lack common sense. What they mean, I suspect, is that these young people are either unwilling or unable to think critically to the level of the managers' expectations. But who can blame them? Those entering the workplace over the past 20 years are products of a society that has evolved dramatically since the era of *Father Knows Best*. These youngsters have been immersed in media, education, and experiences that often conflict in meaning, each doing so with veracity never before seen in American society.

Parents, for instance, may teach their children one set of beliefs about hard work. But these children see significantly different interpretations around them on a daily basis. Right and wrong can also vary when society places an ever-increasing emphasis on shortcuts and convenience.

As emerging leaders mature into positions of responsibility, their approaches to critical thinking will depart from what older generations might consider conventional wisdom. Much of this departure can be attributed to three factors:

Menu Driven Thinking – Those coming of age in today's society have increasingly learned to use choice-based methodologies as their modus operandi for making day-to-day decisions. While those in older generations have learned to do the same, their backgrounds are steeped in the strategies they developed prior to the emergence of computers. Most young people can run circles around their older counterparts when it comes to manipulating the systems found in remotes, cell-phones, and PCs. But the more authority one assumes as a leader, the less one

uses technology as a basis for critical decision making. After all, other than gathering the facts, how can an individual evaluate practical and theoretical options when adjudicating staffing issues or choosing a new product to offer? Veteran leaders instinctually resort to the skills and intuition they've developed and used for years. Emerging leaders are hindered by inexperience. This coupled with their bias for making decisions via technology makes a person wonder how their approaches will differ when making strategic decisions going forward.

Critical thinking is a combination of skills, wisdom, and confidence. In their recent book *Deep Smarts*, authors Dorothy Leonard and Walter Swap observe that “we know we are in the presence of deep smarts when we see an expert quickly size up a complex situation and come to a rapid decision – one that proves to be not just good, but wise.” However, these decisions are not based on choices programmed by others, but by choices formulated by the decision-maker.



Relativism – The past four decades has seen a societal shift towards the belief that truth and moral values are not absolute but relative to the persons or groups holding them. Most of those over 40 came of age being taught a rigid set of values and expectations and the consequences for not adhering to them. Those under 40 have increasingly come of age with values and expectations that seem to be based on what the individual chooses to believe. They have watched as corporate leaders are convicted of felonies, but walk away with millions. They have witnessed respected institutions being challenged by special interests over policies and beliefs that have been practiced for years. They are immersed in a media that seems to dramatize the smallest differences in social nuance and thereby exaggerating these incidents' impact on society as a whole.

Rather than growing up with an unyielding moral framework, many have learned that the end can justify the means even if their parents and elders taught them otherwise. Add to this the pressure for performance expected in today's workplaces, and it's little wonder that they will struggle with right and wrong in the inevitable situations they will face as leaders.

Zero Tolerance Policies – As American society has experienced the demise of traditional community supports, the level of distrust among strangers has soared. This in turn has led to the promulgation of legislation and practices that attempt to fill the void left by this lack of community. This, of course, has been exacerbated by a media that seems intent on sensationalizing every horrific act without regard to the context of society. The tragedy of a kidnapping in one small town can become international news if the outcome is grisly enough. The beating of a solitary child can be turned into a racial conflagration without regard to context. In response to this, politically motivated leaders rush to pass laws addressing every isolated anomaly. One of the most popular devices that has emerged to assuage the fear generated by this sensationalism has been the concept of zero tolerance. The public has watched



endlessly as anomalous crimes become a cause celebre resulting in legislation which seeks to provide an airtight solution. While well-intentioned in all cases, most of these policies have proven marginally effective at best and arbitrary and capricious at worst.

But the larger question is what impact these policies have on future leaders. The more we institute zero tolerance policies, the more we allow those in authority to relinquish their responsibility for making critical choices. Not only does zero tolerance remove viable options from decision-makers, it also enables those lacking courage to avoid making critical decisions.

As emerging leaders ascend into roles of authority over the next decade, they are sure to approach decision making in ways that will run counter to some current practices. This, in turn, will impact strategy and execution in a variety of arenas. The traditional means of setting direction, handling corporate crises, dealing with labor relations, coping with regulatory dilemmas, and other facets of responsibility will all be affected by these individuals as they seek to apply their own approaches to critical thinking. How? Only time will tell.