

Gen Trends

July 2004

Catching the Wave of the Generations to Come!

Spectatorship

Not long ago, Jeff VanKooten, one of the Center's senior consultants conducted a seminar for a local police department. In the course of conversation, one training officer commented that his young recruits tended to act like spectators. When Jeff asked him to clarify, he described it this way:

"When we role play various scenarios, some of them will watch initially rather than getting into the moment. When I've questioned why, they'll say 'I just saw this situation on *COPS* or *Rescue 9-1-1*.' But I can't have them hesitating to think about that. It'll get someone killed."

Since that has happened, we have asked countless managers if they have observed the same behavior in those they supervise. The collective answer has been a resounding "yes!" They've related stories about the people who seem to stand and watch others do the work. They've told us stories about the employees who spend time looking for distractions on the job rather than simply getting the tasks done. They've also told us about the clerks who submit incomplete sales orders because they don't have the patience to fill in the details.

We had one supervisor say, "They seem focused on moving into management from the first day on the job. They always think that someone else should be doing the heavy lifting."

The key to overcoming this? Engagement. As I have observed in this column before, young people tend to "multi-channel" because of all the media they have been exposed to as they've come of age. They're

used to writing a term paper, chatting on the cell phone, shopping on-line, and listening to music all at the same time. Then they come to work for you and are asked to do ONE thing, and that's it. They're looking for music to fill their soul. They crave instant access to family and friends. They're dying for stimulation, and here they are stuck in your office, store, warehouse, or jobsite doing one thing at a time.

If you want their *undivided* attention, you probably won't get it. But if you want them focused, you'll have to engage them more in what they're doing. I am not implying constant supervision. Given the right impetus, most are perfectly capable of performing the task on their own. But when you're used to an endless stream of 500 channels and someone asks you to sit in a cubicle and sort a three-foot stack of forms, your imagination might start to wander just a bit.

How do you encourage engagement? Tune into next month's issue and read about five companies that are doing so successfully.

R. W. W.

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Boomers and Credit Cards

The number of consumers who pay off their credit card balances in full each month has dropped for three consecutive years – from 44.4% in 2000 to 38.3% in 2003 according to www.cardweb.com.

Experts attribute the trend in general to the country's culture, and in particular to the Baby Boomers as a generation.

"Boomers are just holding on to a younger person's behavior even in their 50s," says David Robertson, publisher of the Nilson Report, a consumer payments newsletter. "They are using revolving credit as a financial tool."

Anuradha Raghunathan in the Dallas Morning News

"GenTistics"

The \$25,171 median income of householders under 25 in 1999 was two percent lower than in 1980. During the past 20 years, the median income of young adults fell from 72 to 62 percent of the national median.

US Census



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To ponder . . .

Contrary to prevailing stereotypes, America now possesses not only the largest and fastest-growing population of older adults in our history but also the healthiest, most vigorous, and best educated. Only five percent of these individuals live in nursing homes, and the vast majority experience no disability whatsoever. In fact, research by Duke University's Center for Demographic Studies shows a 15 percent drop in disability during the period 1982-1994. There are also more high school and college graduates in the population group than ever before.

Perhaps most important, older Americans possess what every-body else in society so desperately lacks: time. First, older Americans have time to care. As the British historian Peter Laslett observes, free time was once the exclusive province of the aristocracy; today, it is the democratic possession of millions of citizens – those later in life. . .

Second, older Americans have more time lived. They have practical knowledge – and wisdom – gained from experience. . .

Third, time left to live may give older adults a special reason to become involved in ways that provide both personal meaning and make a significant difference to others. The awareness in old age that death is closer than birth inspires many to reflect – and act – related to the legacy that we leave behind. *Marc Freedman*

To Read: *Prime Time: How Baby Boomers will Revolutionize Retirement and Transform America.* Marc Freedman. Public Affairs, New York, 1999. ISBN 1-891620-17-7. This manifesto on aging Boomers exhorts older Americans to take part in their community and provides a plethora of examples of those already doing so.

"Dad, Can I Borrow the Insurance?"

Insurance companies are seeing an increasing number of parents keeping their adult children on their automobile policies. Of State Farm drivers who are 23-29 years old, 30% are on the policy of someone at least 20 years older, presumably a parent.

For 23-year-olds that level is 54%. For 24-year-olds the level is 45%. Even for 29-year-olds, the level is 19%. At Allstate Insurance, just 4% of 21- to 29-year-olds are on their parents' policy. But that represents about 800,000 people.

Baby Boomer parents are helping their adult children transition into independence for a considerably longer period of time than previous generations. In fact, only 29% of the population believes that moving out from your parents' house is something you must do to call yourself an adult according to a 2003 National Opinion Research Center study. Just under half of those surveyed in the same study believe children must be financially independent to be considered adults. *The Wall Street Journal*

and in a related story . . .

What's Happened to the Clunker?

"The number of kids who are getting budget cars is going down," says Art Spinella, of CNW Marketing Research. "Parents are moving their kids into things that (parents) would drive."

According to Spinella, buyers 20 and younger will account for nearly 600,000 new-car sales nationwide this year, up from 402,000 in 1996. By the end of 2004 he estimates that 0.9 percent of the teen market or 1.5 million, will own or be the primary drivers of near-luxury vehicles, which are priced between \$28,000 and \$35,000. In addition 0.1 percent, or nearly 17,000 of teen drivers will own luxury vehicles, which cost more than \$35,000. *San Diego Union-Tribune*

Case Study Corner

I've been with the staff of an insurance company's claims division for the past 18 months. While the college recruiter emphasized plenty of opportunities for advancement, I've seen little evidence of anyone going anywhere.

The people at the top are all in their 50s. The people who report to them are all in their 40s. When I bring up the possibility for promotion, they look at me as if I'm speaking Greek.

I'll complete my MBA in six months and I'm feeling completely stuck. All these skills and nowhere to use them.

I understand your concern, but let me provide a little perspective. Employers across the country are dealing with a bi-modal workforce. On one end, they've got workers in their 40s and 50s planning to remain in their positions for the foreseeable future. On the other end, they are hiring a generation of young professionals who can't wait to become corporate chieftains

For the past 20 years, the business pages and media in general have been filled with stories of young lions making it big overnight. But the reality is that these individuals represent a microscopic portion of those leading today's organizations. This has all been accentuated, of course, by the tech-bubble of the late 90s. Finally, add to this the fact that US business schools are graduating more than 100,000 MBAs per year.

While you may not want to hear it, please understand that most career advancement takes place at a slower pace than *Success* magazine would have you believe. If asked, most veteran workers will tell you that they spent five to seven years in their first assignment before moving on.

Are there ways around this? Yes, but they involve high risk and much sacrifice, and they probably don't lie within the walls of a large insurance firm.

Generations: Understanding Age Diversity in Today's Workplace
Coming this September!