



Potential Benefits of a Multigenerational Workforce

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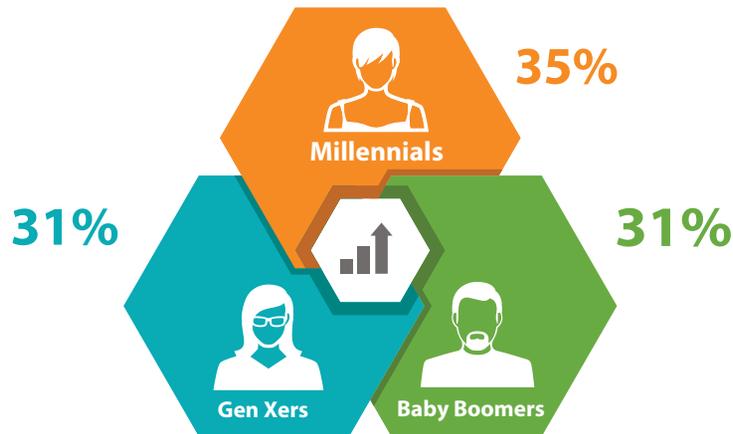
The Potential Benefits of a Multigenerational Workforce

Executive Summary

For likely the first time ever, America's workforce will soon be composed of four generations: millennials, generation Xers and baby boomers, with so-called post-millennials only a few years away from the labor pool.

While a two- or three-generation workforce is nothing new, the modern iteration of the multigenerational workforce is caused by executives staying in their positions longer while more young people enter the job market than ever before.

According to the [U.S. Bureau of Labor Statistics](#), as of 2015, millennials (born from approximately 1980 to 2000) became the largest population of workers in the United States, constituting 35 percent of the workforce. Baby boomers and generation Xers were close behind, with each comprising 31 percent of the working population.



While each generation is different, those differences shouldn't necessarily be approached as a negative. With astute management, organizations can leverage each generation's unique characteristics to create a complementary multigenerational workforce that helps boost the bottom line, worker retention, and market share.

Changing Workforce: Millennials, Gen X, Baby Boomers

Before a company can realize the benefits of a multigenerational workplace, it must understand each generation on a broader level.

Millennials—and to some extent, post-millennials—have been **perceived favorably** as highly adaptable, collaborative, and tech-savvy. “Growing up in an age of advanced technology, they are the ultimate tech junkies, navigating multiple screens, chat functionality, and online forums with ease,” Rob Schultz wrote for Glassdoor. However, they've also, at times, been more negatively depicted as feeling entitled and possessing less company loyalty, i.e. staying in a job for a much shorter duration than their predecessors. Still, a recent slate of studies has sought to dispel these myths, showing that millennials can be just as career-driven and team-oriented as their older counterparts.

Generation X (gen X) can be considered the generational bridge. These individuals were growing up right as the first computers were being introduced, meaning they can relate to millennial's comfort with new technologies, but also empathize with baby boomers' difficulty with devices. According to a study from Ernst & Young, gen Xers make some of the best managers, as they possess an executive presence, are highly adaptable, and are also keen problem-solvers. So why hasn't this generation created the buzz of, say, millennials? [The Pew Research Center](#) noted gen X falls within a shorter time frame—just 16 years compared with approximately 20 for other generations—so they've played a less visible role.

Baby Boomers were once the largest generation in history, until millennials broke the record. This cohort is characterized as hardworking team players, but they were noted to be less adaptable and collaborative as leaders by Ernst & Young. The baby boom generation is also distinguished by the fact that they graduated college and entered the workforce largely before the rise of personal computing and the Internet.

By leveraging thorough research about the motivations of each generation, empowering HR departments and developing effective communication strategies, employers' multigenerational workforces can boost bottom lines, foster creative leaders, and benefit consumers. But first, let's debunk a myth: generational conflict.

Millennials vs. Baby Boomers vs. Gen X

The idea that conflict is inherent in multigenerational workplaces is a myth that's been bandied about indiscriminately in the media, although looking at the characteristics attributed to each in research, it's not hard to imagine clashes. But, before companies and organizations can reap the benefits of a multigenerational workforce, they must recognize that generational differences do not make employees de facto adversaries.

Research has found that most employees are looking for similar things, such as respect, recognition, and feeling part of a team.

Even more illustrative, preliminary results from a [Boston College Center on Aging & Work's Age & Generations study](#) found that workers in their 20s and 60s may consider themselves as being "mid-career," while workers lumped in the same generation, like baby boomers, may think of themselves as early career, mid-career, or late-career. Research from the Society for Human Resource Management supported this assertion, adding that there is likely to be "wider variation within cohorts than between them."

The majority of the "evidence" citing generational conflict as a major issue in the workplace has been anecdotal, according to the Boston College Center on Aging & Work.

With very few facts backing up the idea that employing a multigenerational workforce may not be worth the challenge, it's time for both employers and employees alike to recognize the business and cultural benefits such a diverse workforce can inspire.

Attracting the Best ... and Staying Together

As the unemployment rate continues to hover at around 5 percent, employers face a shrinking pool of labor, making competition for top talent—be they recent college grads or high-powered executives—increasingly fierce. Yet recruitment is only the first challenge for employers. Recent research found that, unlike baby boomers who typically stay in their jobs for more than seven years, 58 percent of millennials expected to remain in their jobs for fewer than three years.

However, the opportunities a multigenerational office can provide, specifically in regard to work-related knowledge, mentorships, and connections, can keep these younger workers on the job for many more years. Studies have shown that those employees who pose the greatest flight risk, often millennials, are also the types of workers who value feeling like they're part of a team or company, while baby boomers were ranked highly on being productive parts of organizations, as well, in [a study from Ernst & Young](#).

Mentorships are a great way to blend the desires of these generations in the workplace. They can offer younger employees the opportunity to learn from and network with more experienced coworkers, grounding them more firmly in the company culture as they cultivate relationships.

Additionally, partnering older generations of workers with younger ones can smooth communication, break down stereotypes, and ensure the "intellectual capital" of the company is not lost when older employees decide to move on or retire. This helps organizations evolve throughout the years and get new, often younger, employees up to speed more quickly, which ultimately saves companies money. In fact, the total cost of losing an employee can be as much as 1.5 times the employee's salary, wrote Josh Bersin of Bersin Deloitte [in an article for LinkedIn](#).

Tackling the Problem

One of the biggest benefits of employing a multigenerational workforce is its diversity of experiences. Whether workers grew up with a cellphone in-hand or witnessed the protests of the '60s, these events and ideas shaped them and their approach to an increasingly fast and complex market. The greater the diversity of perspectives a team can bring to a problem, the stronger and more comprehensive the solution is likely to be.

Another factor in problem solving is the so-called “entrepreneurial spirit.” Ernst & Young found that while millennials and gen Xers **were most perceived** as being entrepreneurial, baby boomers were not far behind. Furthermore, when it came to being problem-solvers, all three were viewed strongly, with baby boomers taking the edge over millennials.

With all three generations highly perceived as being both entrepreneurial and problem-solvers, and given the fact that each can also contribute their differing experiences, it should come as no shock that multigenerational companies are poised to meet the diverse needs of an increasingly multigenerational marketplace.

The Bottom Line

Managing a multigenerational workforce is not as hard as companies may have been led to believe. **Recent research from the IBM Institute for Business Value** found that on a basic level the things millennials value in their workplaces are not that different from what gen Xers and baby boomers value. The majority of workers are goal-focused when it comes to their careers, are team-oriented, and want to make a positive impact where they work.

The diversity and melding of experiences is where multigenerational offices can give employers an edge in the marketplace. A company made up solely of millennials may have the energy and tech-savvy to launch a project, but without the experience of baby boomers and gen Xers they may fall prey to common business traps. Or baby boomers may become stuck in a rut that millennials could help break them from.

By embracing generational differences, companies can shape workforces that are driven, dedicated, and diverse. Together, a multigenerational workforce can help harness new

creativity and old wisdom to boost the bottom line, revitalize old processes, benefit customers, and strengthen company cultures in order to help their companies succeed.



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