AE HR P

Association of Elite Human Resources Professionals

Managing a
Cross-generational
Workforce

CONTRIBUTORS

Tunde Olagunju
Chairman
Research & Development
Committee, AEHRP

Akin Araba
Project Lead
Research & Development
Committee, AEHRP

Abiola Kareem
Member
Research & Development
Committee, AEHRP

Oluwaseunara Ogunrinde
Member
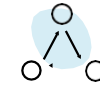Research & Development
Committee, AEHRP

Table of Contents

AEHRP

This report analyse and summaries data gathered from 240 professionals.

The survey gathered opinions and insights from **HR Practitioners & Business Owners on** managing cross-generational workforce **and effectively maximizing them for competitive advantage.**
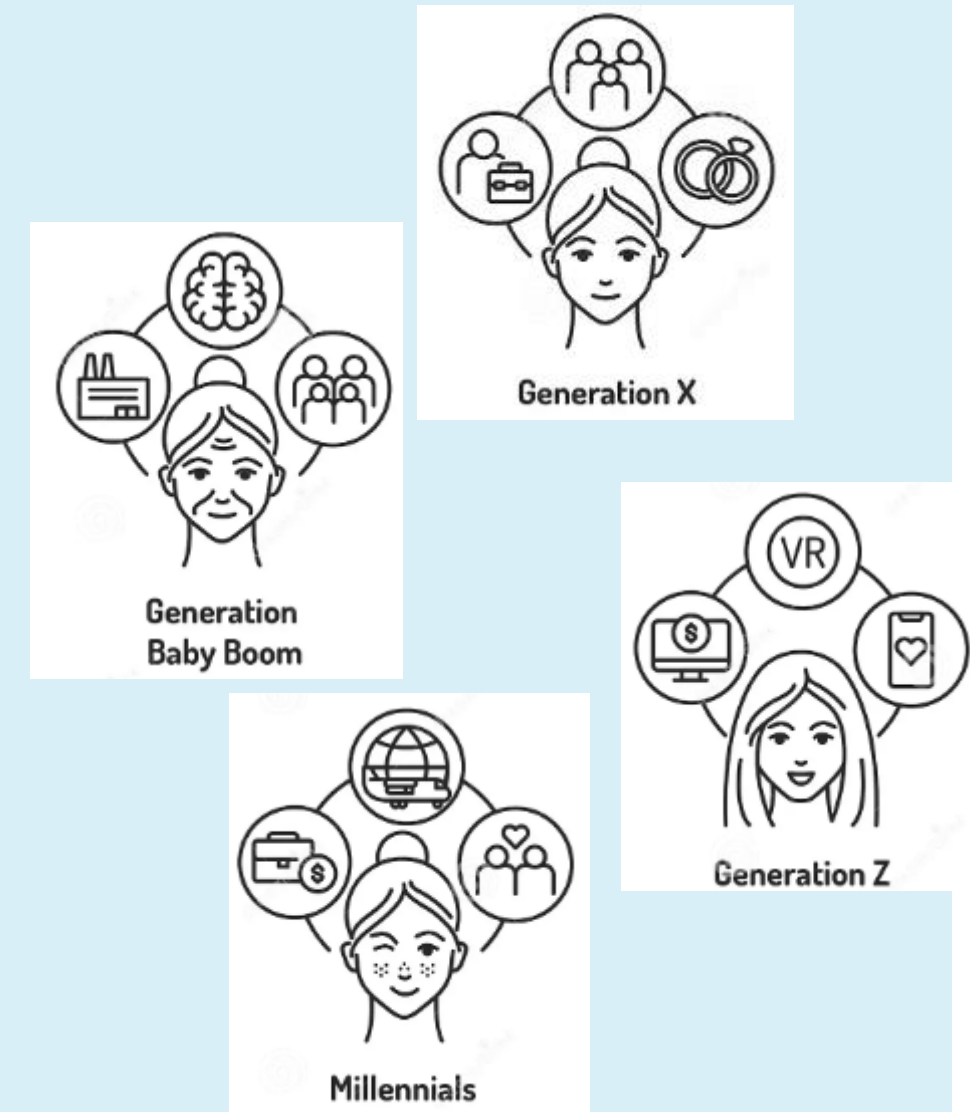
EXECUTIVE SUMMARY

Organisations today, in many parts of the world, are facing new demographic realities. These include an ageing and increasingly multi-generational workforce. Various generations have always existed in the workplace and each generation holds her own stereotypes, judgments and biases against the other generation that influences workplace contributions. A generation is an age cohort whose members are born during the same period in history and who thus experience significant events and phenomena at similar life stages.
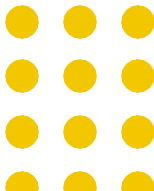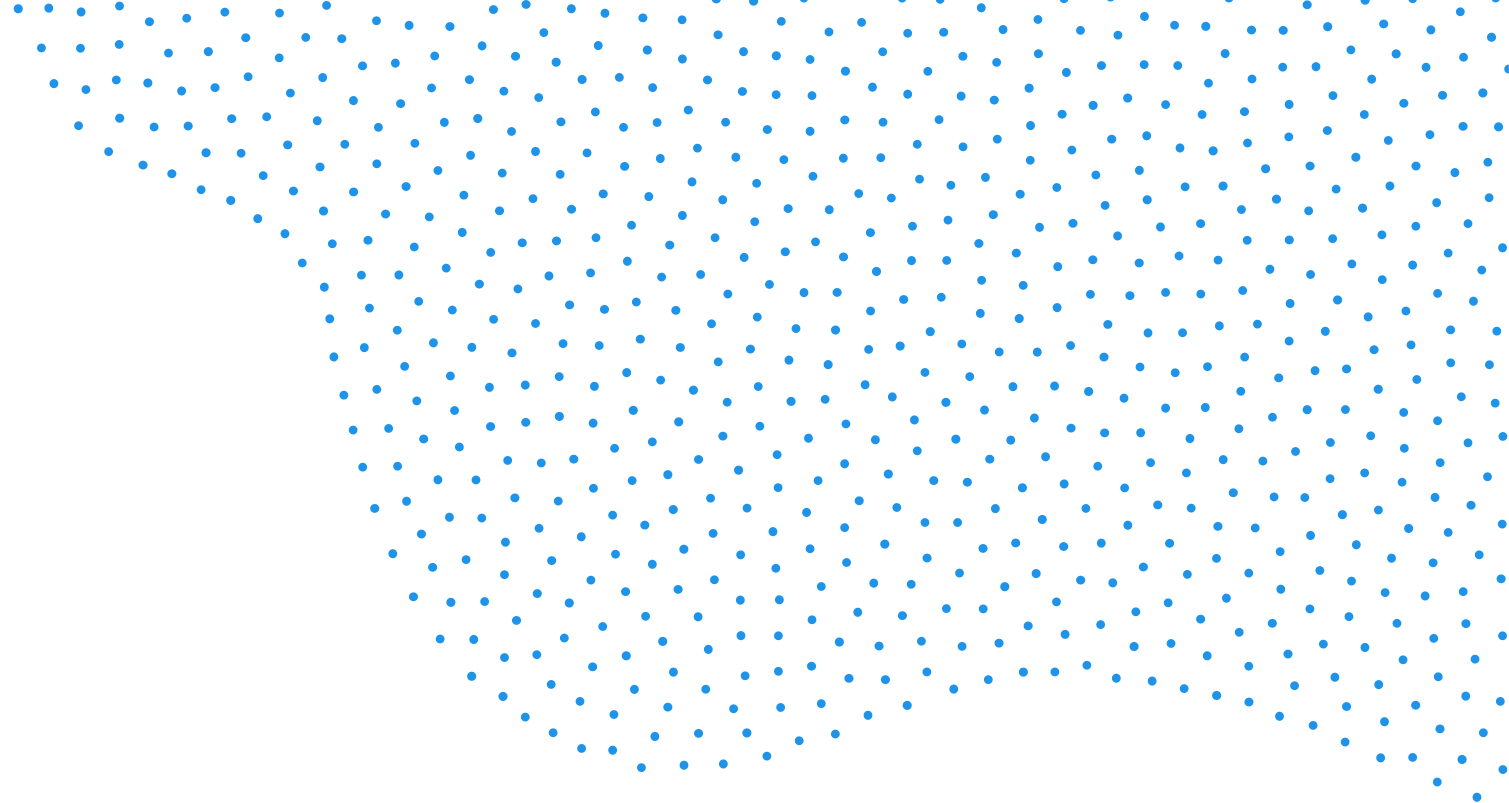
For organisations seeking to remain competitive in the 21st century, they have to pay particular attention to cross generation workforce management. Today's workforce is made up of 4 distinct generations which are Baby Boomers, Gen X, Millennial (otherwise known as Gen Y) and Gen Z, with each generation bringing its own work style, experience, expectations and motivation to the fore.

Leaders need the ability to manage people with unique identities and from different generations and holding different performance capabilities. Then, leaders need to customise their interactions to each generation's uniqueness. It's about leading people to the realisation of growth and diverse developmental experiences on their career journey.. Age-diverse teams are valuable because they bring together people with complementary abilities, skills,information, and networks. If managed effectively, they can offer better decision-making, more-productive collaboration, and improved overall performance.
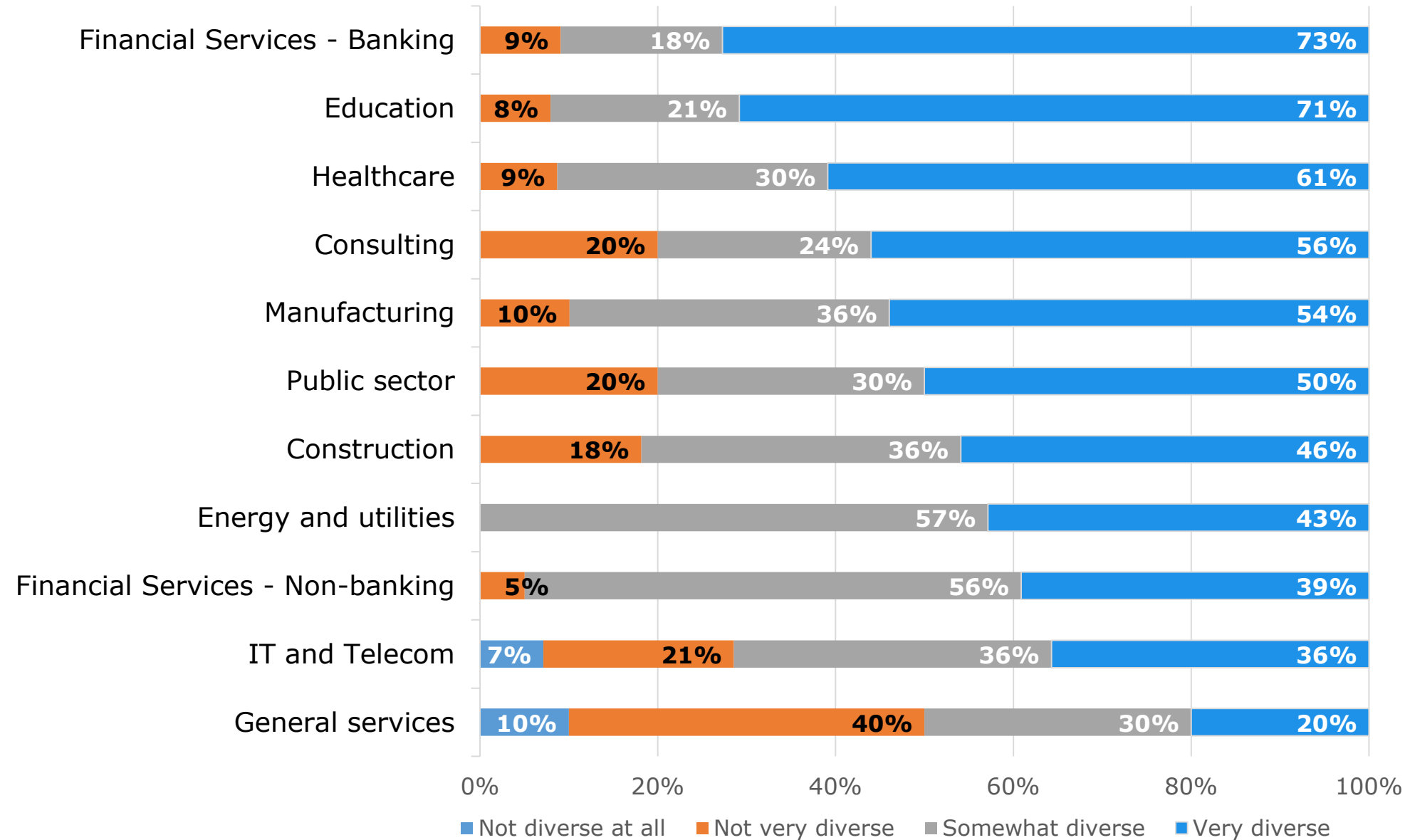
Today's workforce is made up of 4 distinct generations.

Generation Baby Boom

Generation X

Millennials

Generation Z

Managing
Cross-generational Workforce

AGE DIVERSITY ACROSS INDUSTRIES

Industry	Not diverse at all	Not very diverse	Somewhat diverse	Very diverse
Financial Services - Banking		9%	18%	73%
Education		8%	21%	71%
Healthcare		9%	30%	61%
Consulting		20%	24%	56%
Manufacturing		10%	36%	54%
Public sector		20%	30%	50%
Construction		18%	36%	46%
Energy and utilities			57%	43%
Financial Services - Non-banking		5%	56%	39%
IT and Telecom	7%	21%	36%	36%
General services	10%	40%	30%	20%

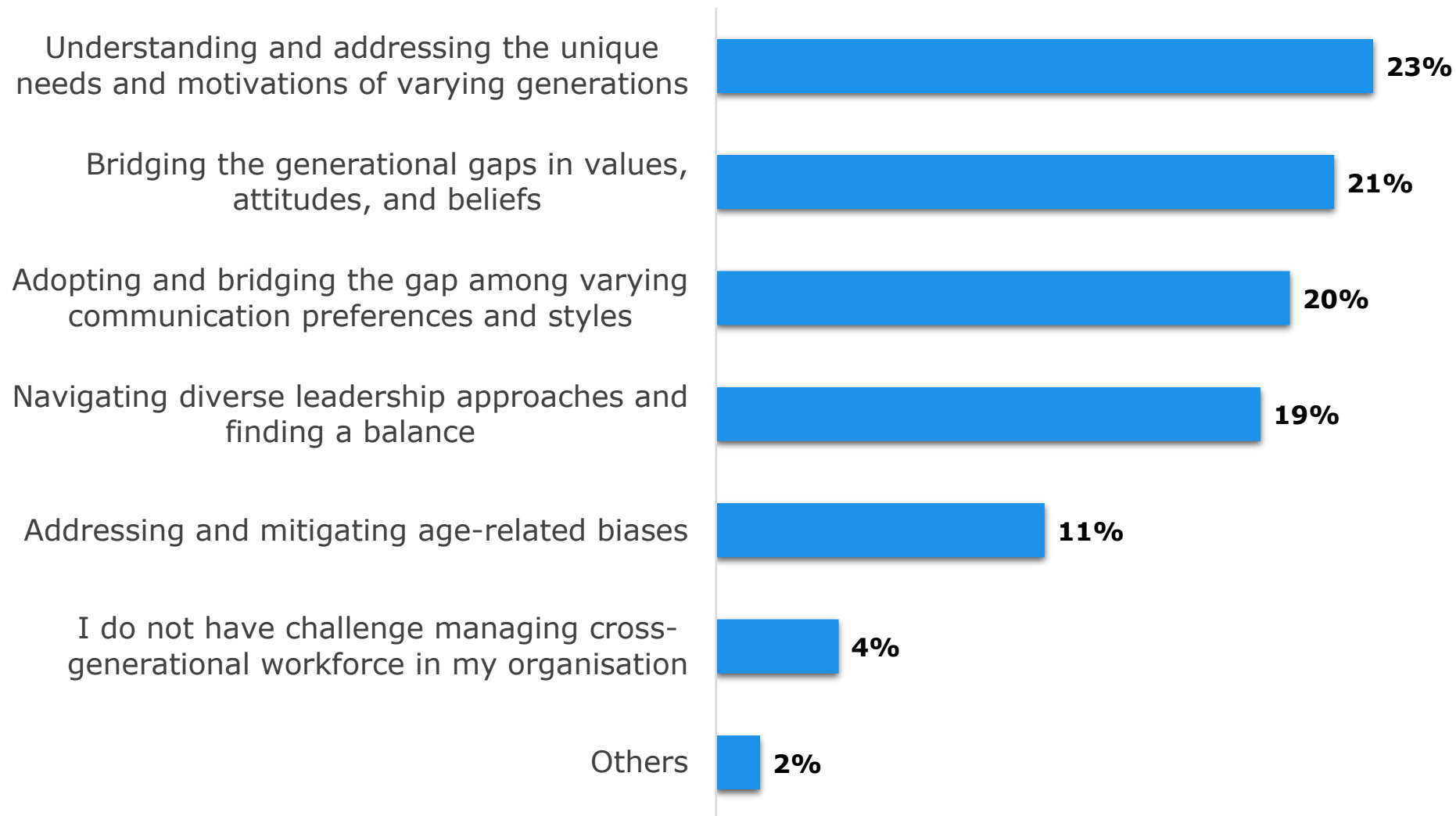■ Not diverse at all   ■ Not very diverse   ■ Somewhat diverse   ■ Very diverse

Findings from the survey show the Banking sub-sector of the Financial services industry is most diverse vis-a-vis age, with **73%** of respondents in the sector affirming the same.

This is not entirely surprising as the advent of technology and competition in the financial services industry has necessitated that the skill-sets and capabilities across varying age categories are maximised. Closely following is Education (**71%**) and Healthcare (**61%**) coming in at a distant third.

It's worth noting that the General services industry is the least diverse with **40%** of respondents stating their industry is not very diverse with regards to age and just **20%** affirming a diverse workforce.

Which of these challenges have you encountered managing a cross-generational workforce

CROSS-GENERATIONAL WORKFORCE CHALLENGES

Challenge	Percentage
Understanding and addressing the unique needs and motivations of varying generations	23%
Bridging the generational gaps in values, attitudes, and beliefs	21%
Adopting and bridging the gap among varying communication preferences and styles	20%
Navigating diverse leadership approaches and finding a balance	19%
Addressing and mitigating age-related biases	11%
I do not have challenge managing cross-generational workforce in my organisation	4%
Others	2%

Managing a cross generational workforce with so many different perspectives, experiences, values and goals poses a unique organisational challenge for company leaders, managers and HR professionals.
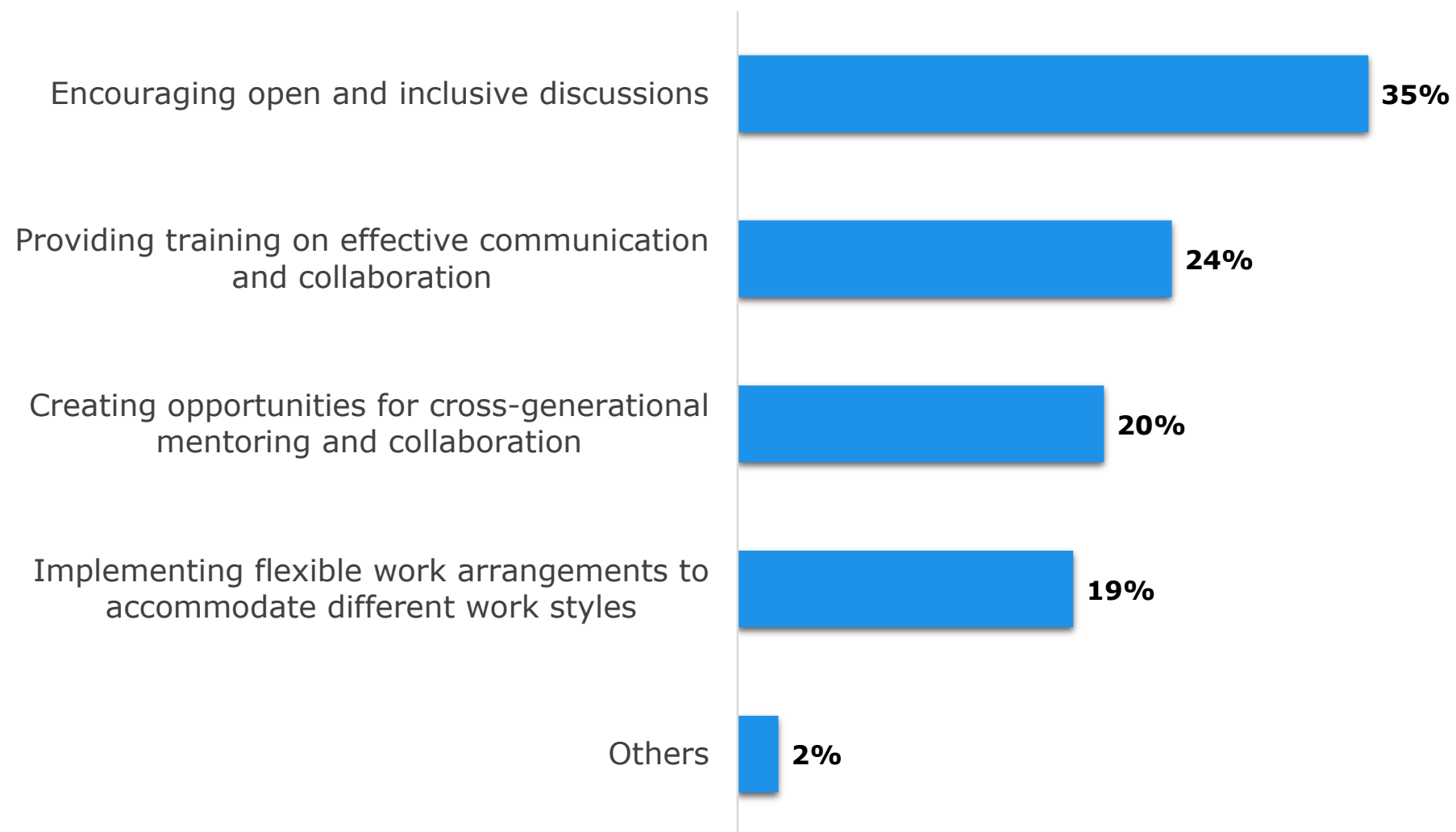
Dealing with a cross generational workforce can be difficult yet incredibly rewarding while organisation appreciate generational diversity in the workplace.

Respondents stated **understanding and addressing the unique needs and motivations of varying generations (23%)** as the most difficult challenge in managing a cross-generational workforce. Each generation, influenced by the events, technologies, and cultural shifts of their time, exhibits distinct characteristics that shape their preferences, values, and behaviours.

Navigating this can be truly challenging, however unlocking it can be very significant to delivering an exceptional employee experience.

How do you handle conflicting work styles and preferences among different generations in your work?

WORK STYLE & PREFERENCES FOR HANDLING CONFLICT

Encouraging open and inclusive discussions — **35%**

Providing training on effective communication and collaboration — **24%**

Creating opportunities for cross-generational mentoring and collaboration — **20%**

Implementing flexible work arrangements to accommodate different work styles — **19%**
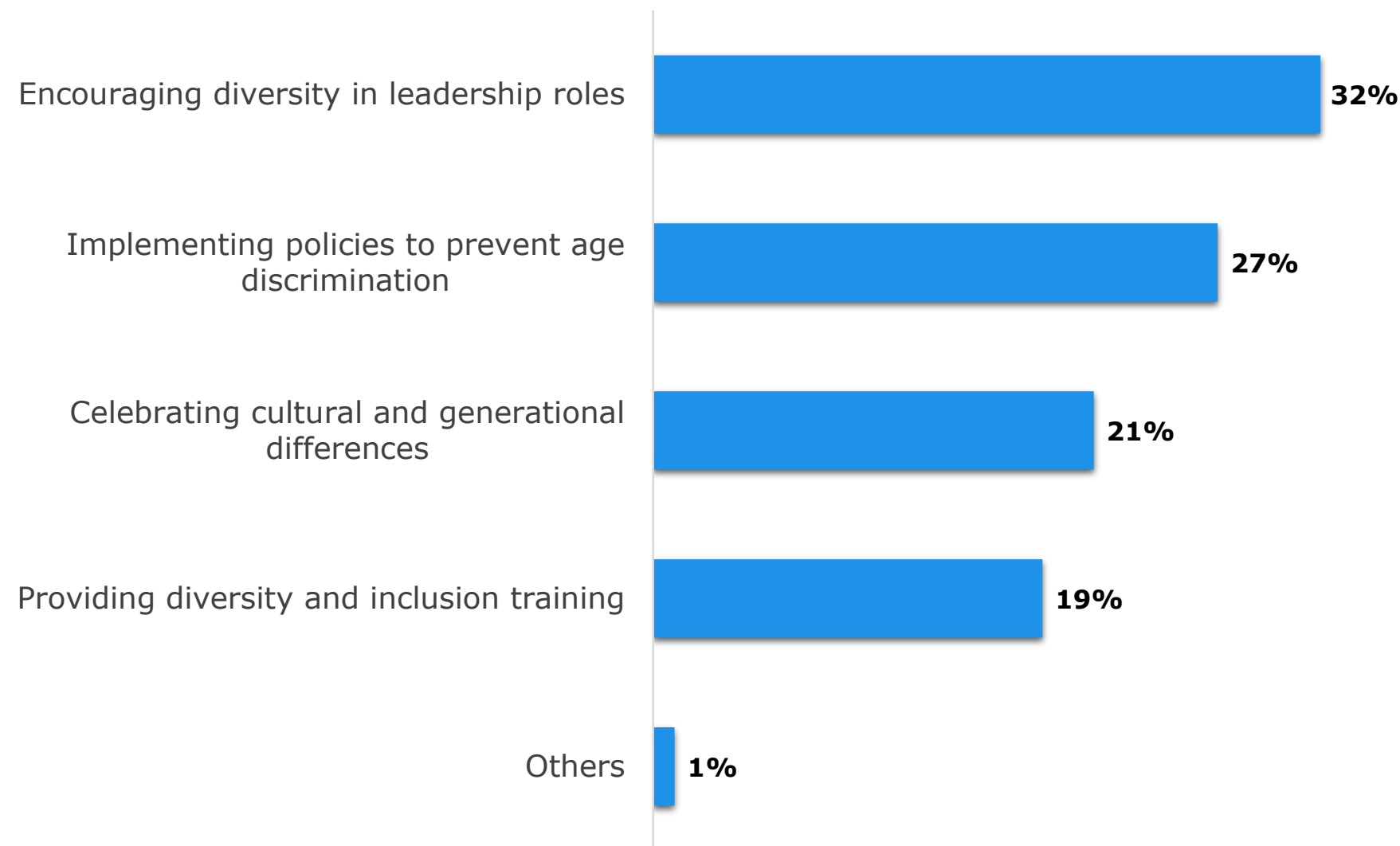
Others — **2%**

Generational conflict is not uncommon in the workplace which can occur due to miscommunication, work life balance issues, technology use differences, and other issues that may arise which can lower engagement and productivity.

Different generations can struggle to understand one another's preference and work styles.

The survey shows that **encouraging open and inclusive discussions (35%)** is a major strategy adopted by most professionals to reconcile conflicting work styles and preferences in a multi-generational workforce as is **providing training on effective communication and collaboration (24%).**

How do you promote diversity and inclusion among different generations in your workforce?

PROMOTING DIVERSITY AND INCLUSION

| Category	Percentage
Encouraging diversity in leadership roles	32%
Implementing policies to prevent age discrimination	27%
Celebrating cultural and generational differences	21%
Providing diversity and inclusion training	19%
Others	1%

The benefits abound in having a multigenerational workforce. These benefits however would remain untapped if these diverse generations cannot work together in teams.

To resolve this, most organisations ensure **diversity in leadership roles**. This echoes the axiom that leadership best entrench an organisation's culture by modelling it.

The survey shows having diverse leaders within an organisation's leadership team will help foster diversity and inclusion. **Formulating and implementing policies that prevent age discrimination (27%)** has also been a major go-to for organisations to promote diversity and inclusion.

Do you believe that a diverse age workforce brings value to your organization?

Overwhelmingly, **88%** of the respondents affirm a diverse workforce makes for a superior organisation, **1%** do not think so and **11%** remained neutral. Most professionals understand and appreciate the value of a multi-general workforce, believing each generation contributes its own set of talents to the organisation. While younger employees may possess a stronger understanding of technology, older employees may possess superior interpersonal abilities and experience. Majority of respondents believe combining these abilities by having an age diversity in the workplace can significantly improve the organisation as a whole.
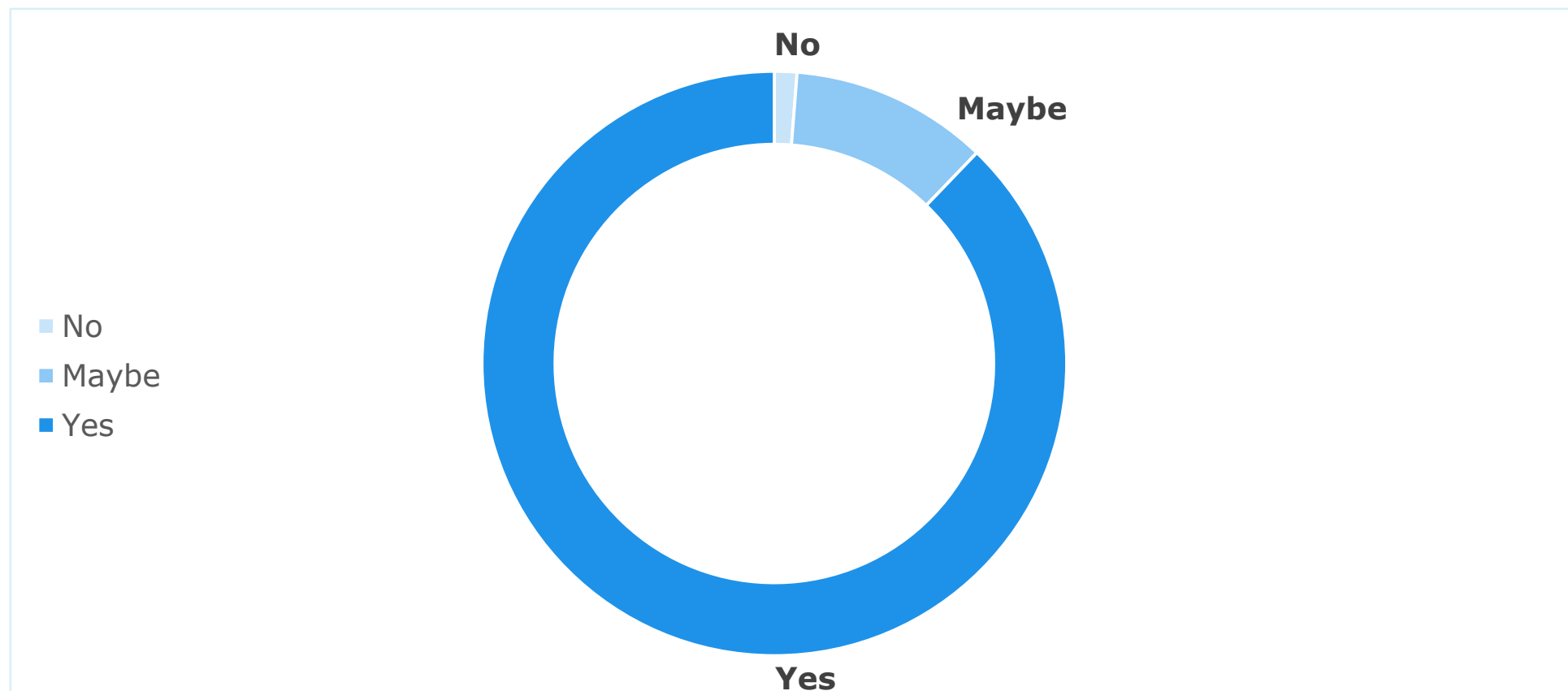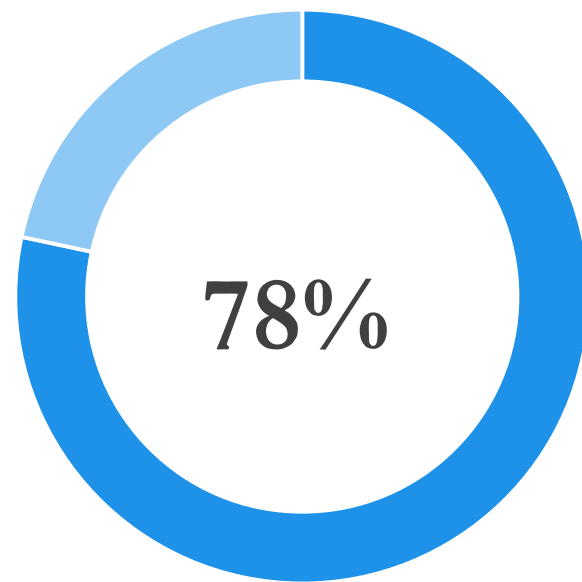
240
Participants

88% **11%** **1%**
YES MAYBE NO


No
Maybe

■ No
■ Maybe
■ Yes

Yes

Do you provide any specific benefits or perks tailored to different age groups in your workforce?
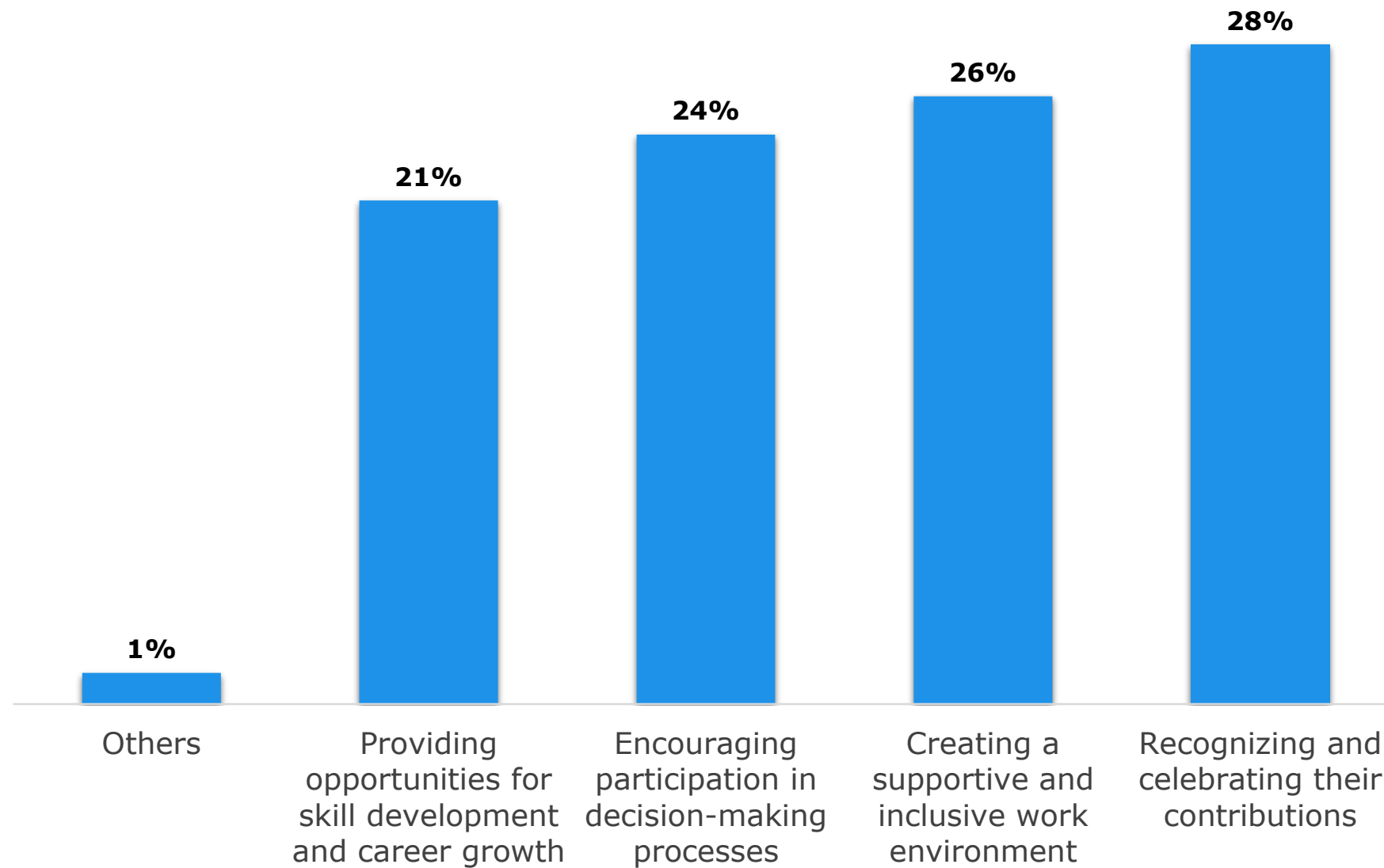
78%

78% of respondents agree with providing specific benefits or perks tailored to different age groups in the workplace, while **22%** of respondents do not.

Varying expectations for compensation and benefits among diverse generations can arise due to differences in values, life stages, and priorities. Understanding these differences can help organisations design compensation and benefits packages that cater to the unique needs and motivations of each generation

22%
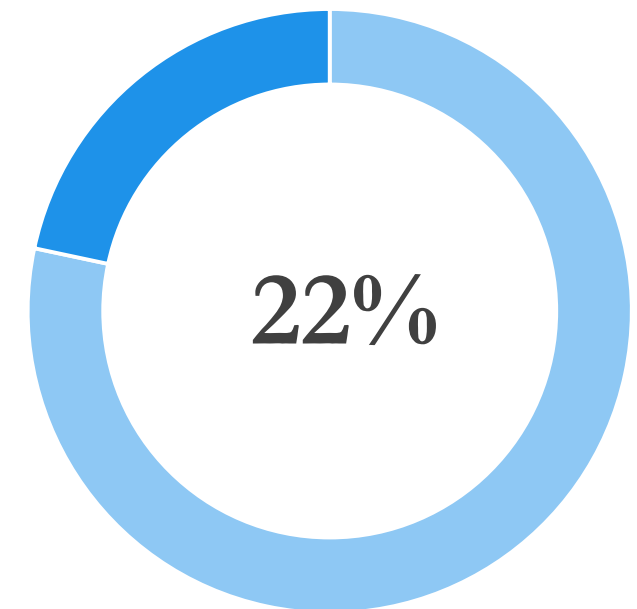
How do you ensure that employees from different age groups feel valued and included in your organization?

PROMOTING VALUE & INCLUSIVENESS

1%	21%	24%	26%	28%
Others	Providing opportunities for skill development and career growth	Encouraging participation in decision-making processes	Creating a supportive and inclusive work environment	Recognizing and celebrating their contributions

Recognizing and celebrating the contributions of all varying employees has been most HR professionals' solution to ensuring diverse employees all feel valued in the organisation.

Additionally, creating a supportive and inclusive work environment that allows for belongingness is being adopted to show organisations care about all employees, irrespective of age.

Others include encouraging participation in decision-making processes, providing opportunities for skill development and career growth and a host of others.

SECTION 4

SUMMARY & RECOMMENDATIONS

Generational diversity is rapidly changing workforce dynamics. Each generation has different priorities, attitudes, communication styles, work approaches and ways to interact with colleagues, which influence organisational culture and performance. There are also common and unifying characteristics across all generations that can be leveraged.

Individuals from different generations may bring vastly different sets of values, beliefs and expectations to the workplace. They have different priorities, attitudes, communication styles and ways to engage with peers and work design that is influencing organisational culture and performance. Ignoring these differences can be detrimental for any organisation.
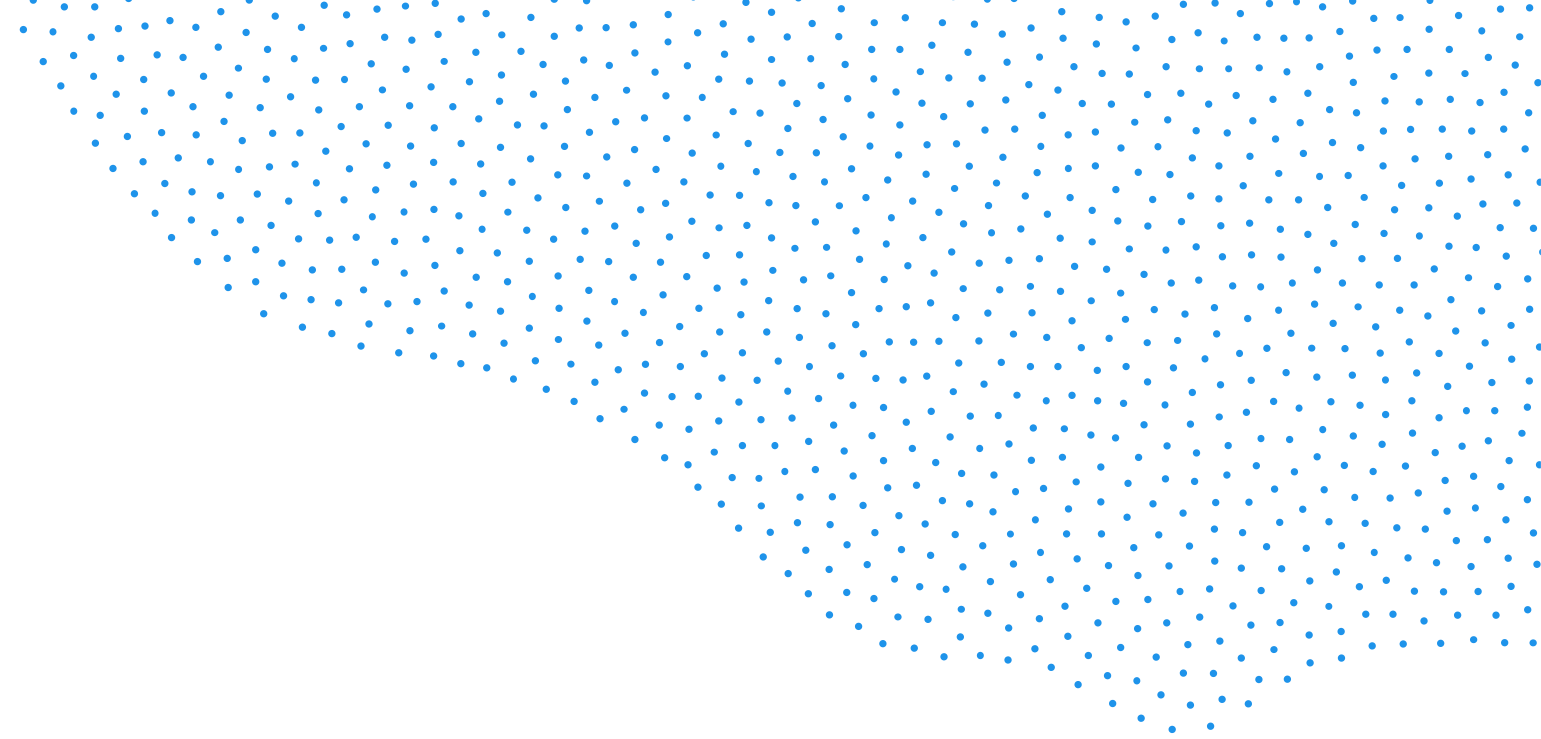
However, leaders who capitalise on these inherent differences can create a dynamic and engaged workforce. Building a strong generational foundation allows leaders to understand their organisation's workforce profile and develop programs and policies to acquire and retain a generationally diverse staff.

Establishing effective generational management practices helps leaders identify and leverage each generation's strengths and prevent possible conflicts among employees from different generations. Developing generational competence increases understanding and improves communication and generational sensitivity throughout the entire workforce.

Every employee has something to offer to the organisation regardless of their age and the organisation can benefit the most when they are able to leverage diversity of experience and use it to improve products/services and processes. Workers from different generations bring different expectations and life experiences to the workplace.
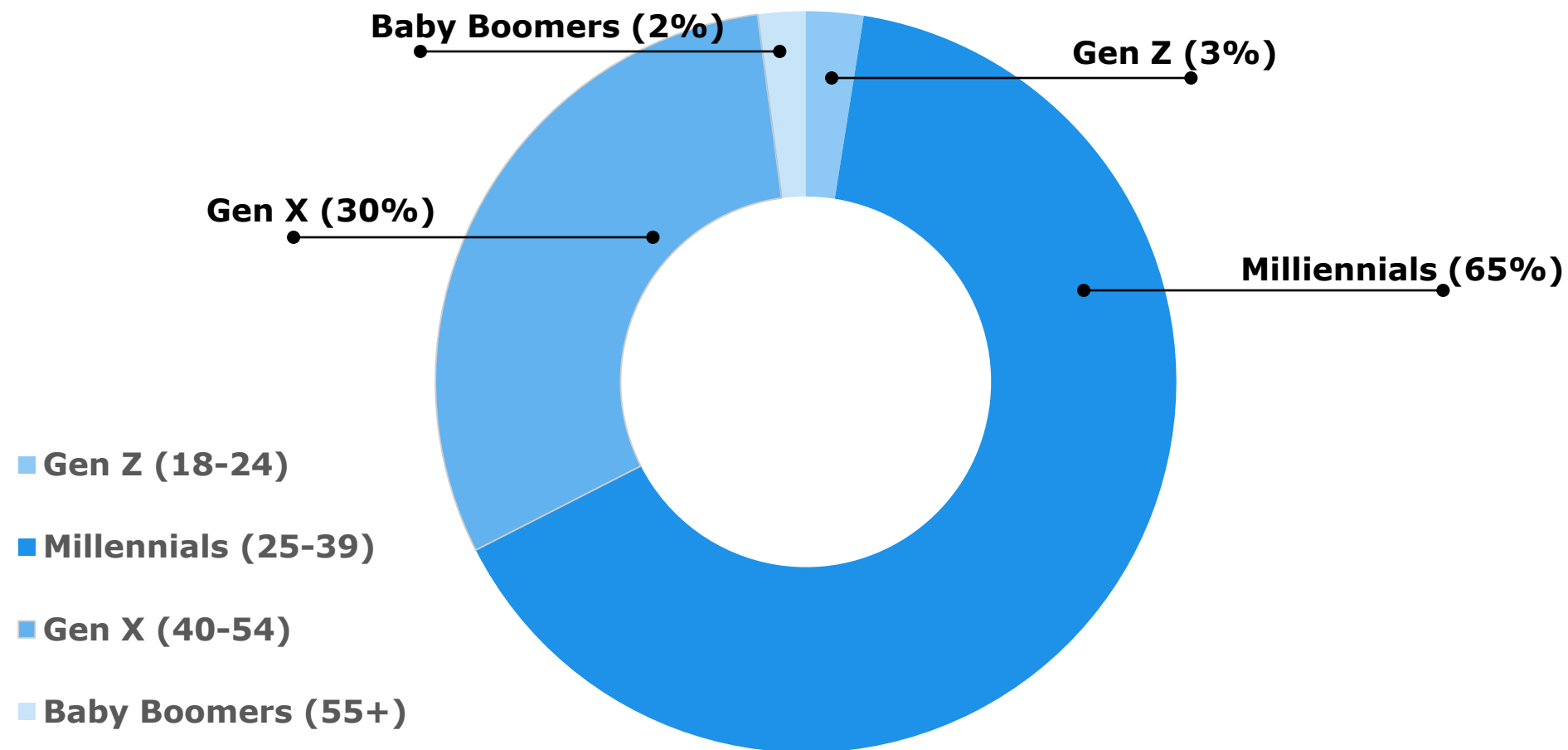
This can be particularly challenging for managers attempting to lead teams composed of workers from different generations. It's not just about how to get the most out of your employees, It's about making sure everyone has a satisfying experience at work.

Appendix

Data Source

AGE RANGE BY GENERATION

Baby Boomers (2%)

Gen Z (3%)

Gen X (30%)

Milliennials (65%)

■ Gen Z (18-24)

■ Millennials (25-39)
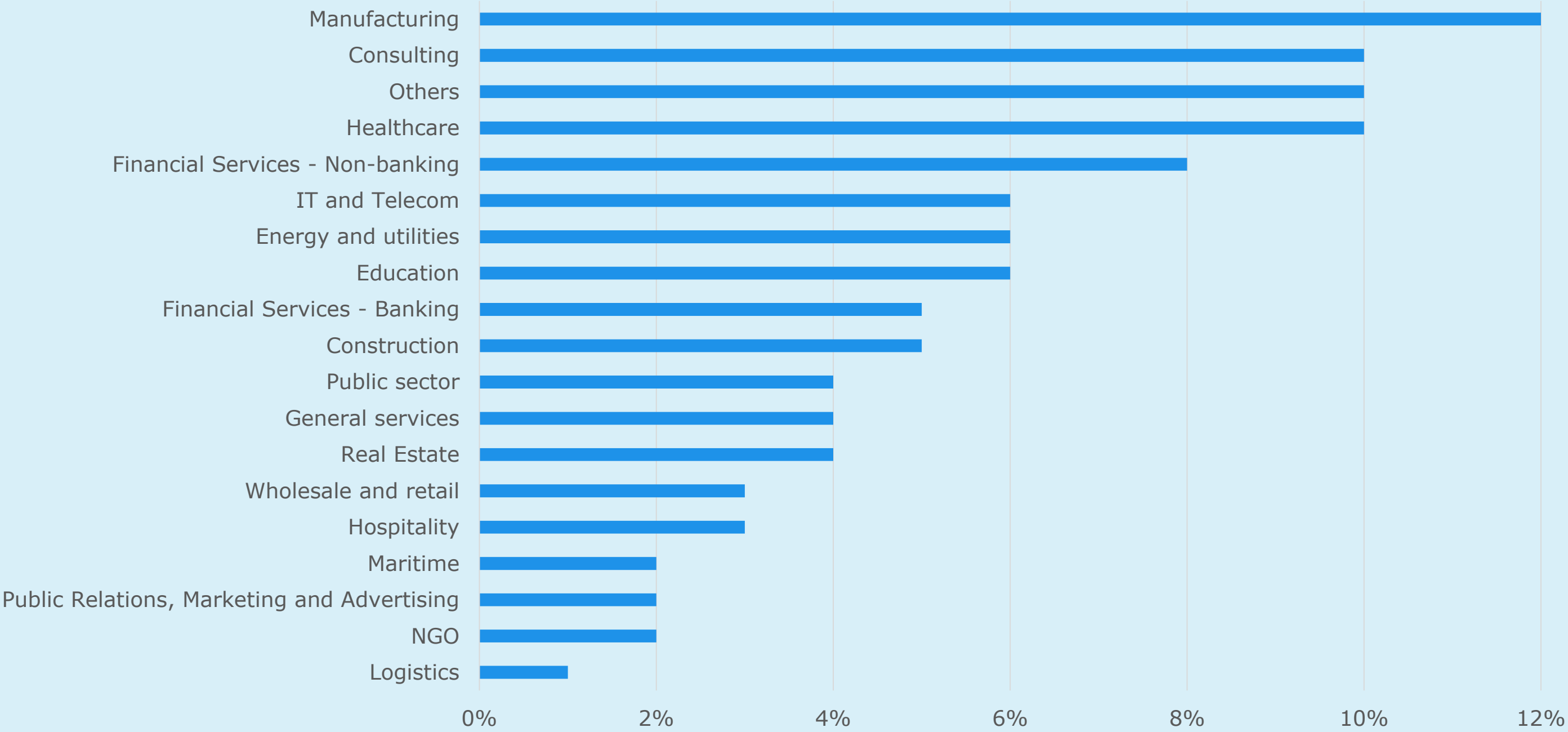
■ Gen X (40-54)

■ Baby Boomers (55+)

From May 08 – July 15, Two hundred and Forty (240) HR professionals and Business Owners completed the **AEHRP's Managing Cross-generational Workforce Survey** via an online survey tool.

Respondents were spread across varying generations in the industry.

Data Overview

INDUSTRY TYPE

Industry Type	Percentage
Manufacturing	12%
Consulting	10%
Others	10%
Healthcare	10%
Financial Services - Non-banking	8%
IT and Telecom	6%
Energy and utilities	6%
Education	6%
Financial Services - Banking	5%
Construction	5%
Public sector	4%
General services	4%
Real Estate	4%
Wholesale and retail	3%
Hospitality	3%
Maritime	2%
Public Relations, Marketing and Advertising	2%
NGO	2%
Logistics	1%

Data Overview

COMPANY SIZE OF RESPONDENTS

Company Size	Percentage
1,000 or more	14%
101 - 500	32%
501 - 1000	12%
51 - 100	17%
50 or less	25%