The Tricky Task of Managing the New, Multigenerational Workplace

With older employees working longer, bosses must make sure they feel valued while also creating advancement opportunities for young



Vanessa Contreras helped bring younger workers on at McRoskey Mattress in San Francisco without alienating company veterans. PHOTO:LISA WISEMAN FOR THE WALL STREET JOURNAL

By Carol Hymowitz

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The challenges of managing a multigenerational workforce are on full display at <u>Pitney Bowes</u> Inc.

There, Brigitte Van Den Houte, vice president of human resources and global talent management, must persuade employees in their 20s that they have a future at the Stamford, Conn.-based company, especially as it makes a push into e-commerce

services to offset falling demand for its traditional postage-meter equipment. At the same time, she must encourage veterans 50 and older—who make up about one-third of the workforce—to support and even take direction from the newcomers.

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Every few months Ms. Van Den Houte invites a group of young employees to spend a day with seasoned executives who share their knowledge about the company's history and operations and offer advice about how to get ahead. And to spur growth in the e-commerce business, she has helped create mixed-age teams of about 15 employees from different departments with IT, sales, legal and other experience. Decisions are made collaboratively—and young employees have as much say as long-tenured ones.

"The old way of working"—with employees more segregated by age and skills and veterans typically having the most authority—"no longer works," says Ms. Van Den Houte.

Peers across generations

Most companies have long employed at least a smattering of gray-haired rank-and-file veterans who prefer working to retirement, even when they report to bosses half their age. What's happening now, though, is something entirely new: Older employees—who are living longer and want or need to work longer—are becoming a core part of the labor force. Instead of retiring in their 50s and 60s, they're filling jobs in offices, factories, hospitals and elsewhere.

And that, in turn, is transforming workplace dynamics, forcing managers to accommodate a grayer and more multigenerational workforce. Rather than primarily overseeing a younger workforce, with a handful of older workers, companies now must deal with large numbers of workers who are up to six decades apart in age. That means they must create opportunities for young employees to advance (or risk losing them) while also making sure veterans, whose skills they need in today's tight labor market, don't feel overlooked. And to maintain productivity and innovation, they must persuade employees of disparate ages to collaborate.

"It's a sea change for employers, causing reversals of authority," says Peter Cappelli, a management professor at the University of Pennsylvania's Wharton School who has researched effective ways to manage older workers. "Suddenly 20- and 30-year-olds are working with people their parents' and grandparents' ages who are subordinates or peers, not superiors as they used to be. And there aren't just a handful of seniors who are mostly in the C-suite and rarely seen. They're at all ranks."

The numbers tell the story. Millennials, age 22 to 37, are the largest group in the labor force, but older workers are the only group whose workforce participation rate is rising, according to the Bureau of Labor Statistics. About 27% of 65- to 74-year-olds had full- or part-time jobs in 2016, and by 2026, 30% are expected to be employed, according to the bureau. Among 55- to 64-year-olds, 64% were working in 2016, a figure expected to rise to about 67% in the next decade.

For managers, the idea of leading teams that include four to five different generations is new territory, and one big mistake they make is to dwell on those very age differences. Doing so will inevitably lead to assumptions that will often turn out to be both wrong and condescending.

All Together Now

"Stereotypes abound, whether it's the belief that older workers don't understand technology and won't learn new things or that millennials are constantly job hopping," says Joe Casey, an executive coach at Retirement Wisdom in Princeton, N.J., and a former human-resources manager at Merrill Lynch. The reality, he says, is that "there are huge variables within each generation....Managers have to identify what skills and strengths each individual employee can contribute and confront their own biases so they can move their teams beyond labels."

Another key issue: getting older workers, often fearful of losing their jobs, to help younger employees. Vanessa Contreras, vice president of human resources and manufacturing at McRoskey Mattress Co. in San Francisco, says that when she joined the 119-year-old maker of handcrafted mattresses and box springs a decade ago, 90% of the company's nearly three dozen employees were over 50.

To woo young workers needed for the future, Ms. Contreras promised to train them to do several jobs so they could advance. But she first had to assure veterans that they wouldn't lose their jobs if they shared their knowledge. She told them the company wasn't planning to cut staff, as it had during the financial crisis, and reminded them that they have seniority protection through their union. Eventually a few old-timers retired, allowing some young employees who had mastered multiple skills to advance to senior production jobs.

Wisdom of ages

Managers also have to rethink the usual approach of having employees work with others their age. A team of only young employees may not include anyone who has ever worked for several bosses or has extensive knowledge of a company's practices and culture, while a team with only older workers might not have anyone proficient in social media or big-data analytics. And while young employees sometimes work faster, older ones make fewer mistakes. On mixed-age teams, younger and older employees can exchange skills and perspectives.

Moreover, younger employees may take advice more easily from older colleagues than from peers because they realize they aren't competing for the same things, says

Jeanne Meister, a founding partner of Future Workplaces, a human-resources consultancy. Many older workers, for instance, are more focused on the satisfaction they get from their current jobs than on advancing.

At <u>Steelcase</u> Inc.'s Kentwood, Mich., file-cabinet factory, veterans on mixed-age teams often solve problems young employees can't, by drawing on their years of experience. They're helping to train apprentices for skilled jobs, which is critical as the office-furniture maker faces a tsunami of retiring baby boomers. About 58% of the plant's 1,000 workers are over 50, compared with 19% who are under 30, according to the Grand Rapids, Mich.-based company.

Principal electrician Gene Huizing, who is 60, has repaired or helped to install hundreds of machines during his four decades at the plant. He felt frustrated when on a recent shift he couldn't fix an electrical problem slowing a production line, which had younger workers stumped. He kept mulling the problem that night at home, thinking of comparable glitches he'd resolved in the past—and awoke from a deep sleep with the solution, he says. He rushed back to the plant and did the repair—and showed apprentices what had caused the breakdown. "Gene has so much knowledge to pass along," says Carlos Quintino, an apprentice machine repairman.

Two-way mentoring

Reverse or reciprocal mentoring programs, which pair young and seasoned talent, also promote knowledge sharing across generations. Bon Secours Virginia Health System of Richmond, Va., has formal and informal mentoring programs for its 14,000 employees, one-third of whom are over 50 and who range in age from 18 to 93. Among these: a program that each year identifies about 75 "high potential" employees who are 35 or younger and pairs them with senior executives with whom they meet about once a month.

The executives sometimes learn as much as they teach, says Jim Godwin, senior vice president of human resources. His first mentee, an IT employee who was versed in

emerging technologies, "taught me a lot about new applications and how to train others to use them, even though I'm pretty tech-savvy," he says.

Finally, managers often think that most benefits are targeted at particular groups of employees. But the evidence suggests that what's beneficial for one age group is usually good for others. Faced with scores of retiring baby boomers and more than 1,000 job openings currently, Bon Secours has retained older nurses, pharmacists, doctors, accountants and other employees thanks to flexible work arrangements, which include compressed workweeks, telecommuting and job sharing. But such arrangements also help to retain workers with young children or those who are juggling work and college or certification programs, says Mr. Godwin.

It's the same when it comes to keeping workers safe on the job. After analyzing workers' compensation cases, managers at Bon Secours noticed an increase in back injuries among older nurses who had to lift heavy and sick patients. Now nurses of all ages can call a "patient mobility team" to help move patients. And they do.

"We thought if we can help prevent injuries among younger workers," says Mr. Godwin, "they'll work longer, too."

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