

Culture and Corporate Effectiveness:

Generations at War

Understanding and making the most of generational differences in the workplace



Introduction

About five years ago, three generations dominated the workplace:



While organisations and the previous generations were getting accustomed to the working style of millennials, Generation Z came on to the scene with their unique nuances and behaviours, creating a stir in workplaces across the world.

That said, the tension between these generations has quickly become a cause of friction rather than an advantage within the workplace.

The bias against the younger generation revolves around labels like poor attitude to work, entitled, impatient, inconsiderate, and forward. But the younger generation fires back; the older generation is not spared. They have been labelled slow to change, overbearing, inconsiderate, technological dinosaurs, and out of touch.

For anyone who has followed the battle closely, social media has provided quite the spectacle for this intergenerational conflict.

In the prevalent “cancel culture” style, it is evident that unconscious biases and stereotypes between workplace and cultural generations have led to a distraction that could be more beneficial than destructive for both sides. If and when they can speak the same language.

But are these differences so irreconcilable? We believe they can be resolved, and that when diverse generations can find common ground, productivity skyrockets, creativity becomes more commonplace, problems are better tackled, and generally, people become more driven by a resounding sense of purpose.

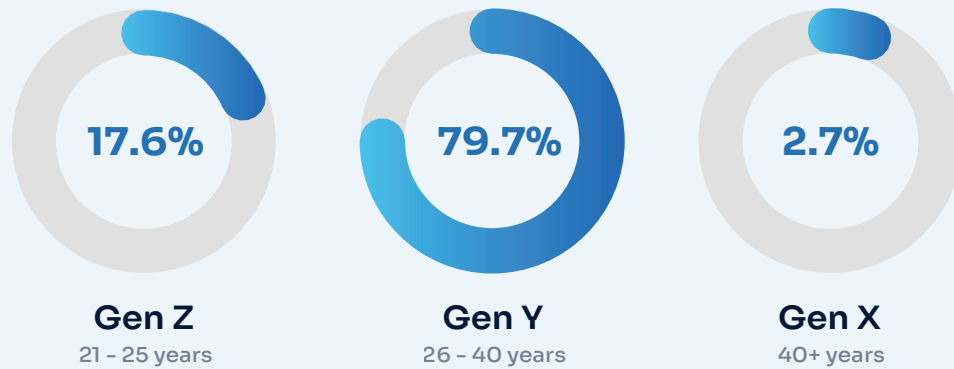
As in any clash, mediation is critical to ensuring conflicting parties understand each other - a necessary ingredient for a ceasefire. At SeamlessHR, we have taken a first step in the journey to uncovering how these generational differences can be better understood, utilised, and sustained for business effectiveness.

Methodology

Our approach to identifying the challenges and solutions was two-pronged: we had a sit-down to chat with leading HR and business executives, and conducted a survey asking over 2,000 professionals across various industries, roles, age ranges, and considerations.

Our goal was simple: how do they experience the workplace?

Age Distribution

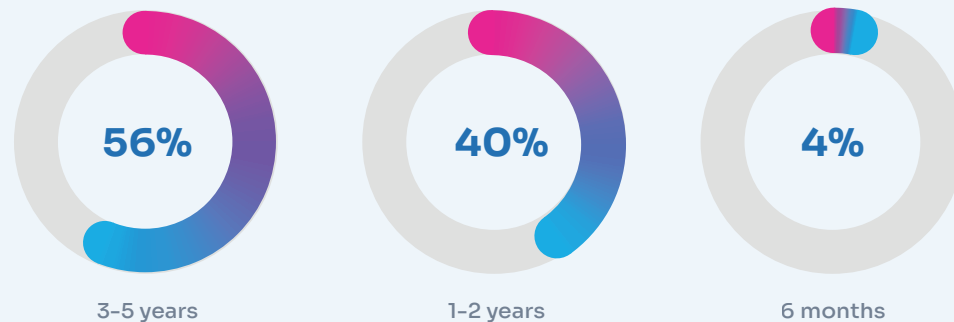


Gen Zs, who are already establishing a strong voice in culture, entertainment, and now corporate, are currently not as much as their millennial counterparts in the workplace.

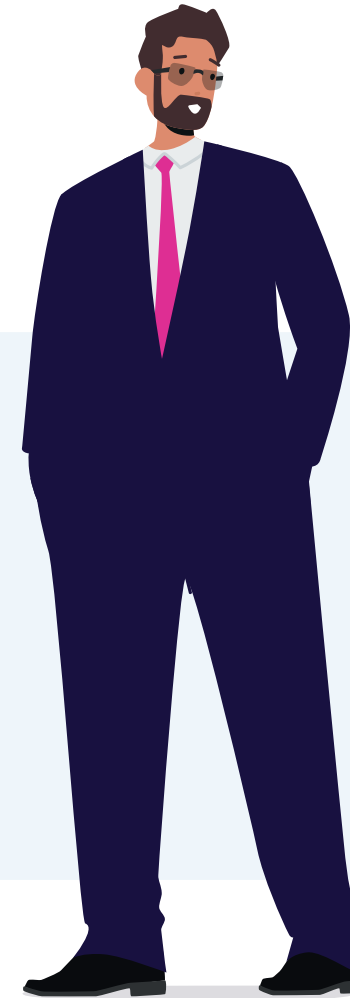
But according to Statista population projections, this will change within 10 years.

How long do employees want to stay at one company?

With the Great Resignation still very much alive and fingers constantly pointed at the younger generation as guilty of job-hopping, this question begged asking.



56% of respondents say 3 - 5 years, while 40% preferred to work for a shorter period of 1 - 2 years. Only 4% chose to work at one company for six months.



A closer look at responses revealed something even more intriguing

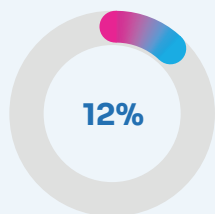
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The 40+ year old group will stay with an employer for at least 3 - 5 years.

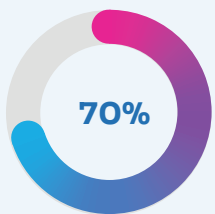


Gen Z

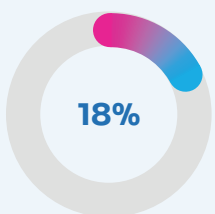
20 - 25 years



3-5 years



1-2 years



6 months



For professionals aged 20-25, 70% of them would do their best to stay at a company for 1 - 2 years before entertaining “distractions”, while 18% would rather observe for a meagre six months before looking out. Another 12% have a 3-5 year threshold.

Among the millennial subset, 59% of the 25-40 year age group indicated a preference to stay at one company for 3 - 5 years. 39% would stay at a company for 1 - 2 years, and only 2% would stay at a company for six months.



Older respondents, or veterans if you will, have more staying power.

“ The 40+ year old group will stay with an employer for at least 3 - 5 years.

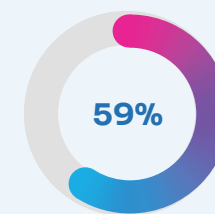
In making sense of the data, we conclude that the varied answers may not be for specific reasons. For example, older professionals have presumably done and seen it all, so they have more patience. They are also more likely to stay because of financial responsibilities in their personal lives.

The younger generation on the other hand is looking for a level of challenge, fitness, equity, organisational purpose, meaningful work, and a more entrepreneurial involvement in their work. In the absence of these, they become restless.

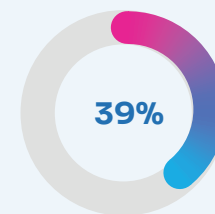
Gen Y

26 - 40 years

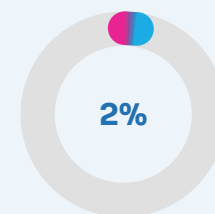
Millennials



3-5 years



1-2 years



6 months

Preferred work mode

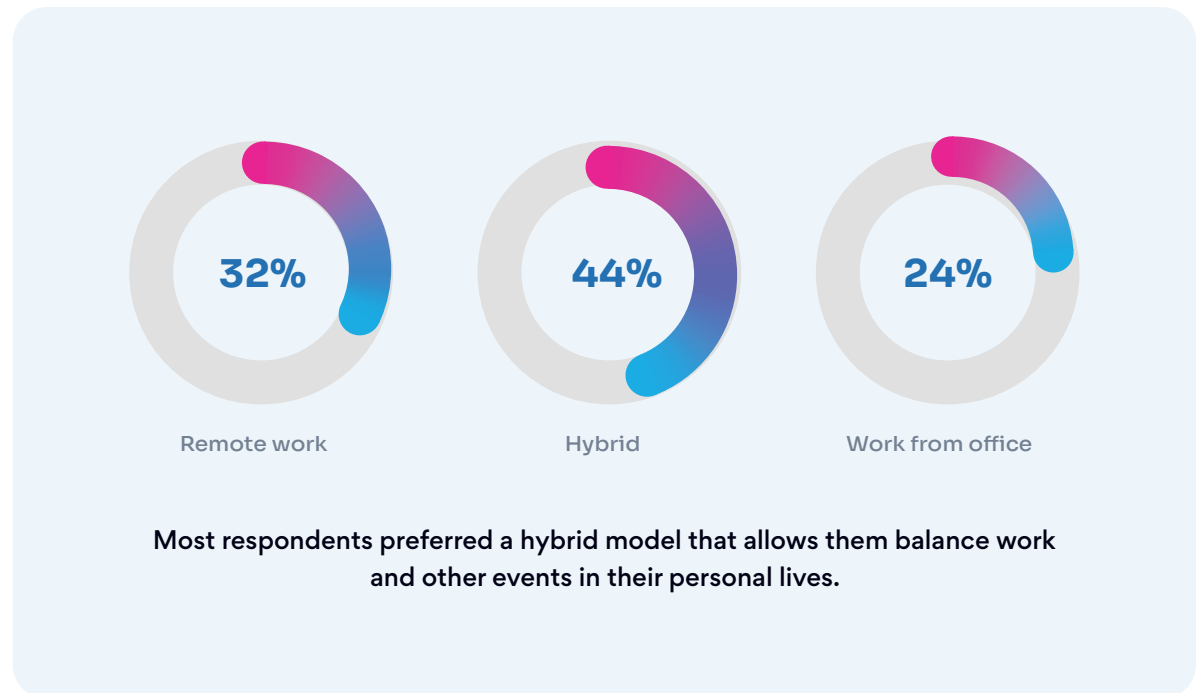
Since COVID-19 hit the world, bringing with it a mandatory lockdown, some employers have realised that employees can, in fact, work effectively from home. Also, to their advantage, these companies have found themselves awash with access to a wider pool of talent and reduced overhead.

“ **Employees, especially those in busy cities, have come to a new realisation: they do not have to waste productive time commuting to work.**

Perhaps no one should have to.

In contrast, though, following about two years of remote work, some employees, particularly Gen Zs and millennials, have highlighted the impact an unprecedented burnout has had on their mental health and relationships.

This is a result of the increasingly obscure lines between personal and work lives as both now happen from home, often interchangeably.



Unsurprisingly, these events have given both parties ample time to reflect and reconsider priorities and impact. Employees want more value for their time and want to be further involved in designing how they should work. For them, employment must now be an experience to be valuable.

Preferred work mode

Employers, meanwhile, are racing to win by listening more. However, they are not guaranteed their best efforts will matter with a workforce generation that may have had enough long before the pandemic offered an equilibrium.

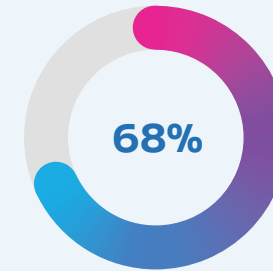
Companies are seeing that working from the office every once in a while can improve employee morale, collaboration, creativity, and overall productivity. As a result, most are now happy to consider a hybrid system of working.

This is not surprising as Gen Zs, who are considered to be full digital natives with an astonishing sense of agency, came into the workforce leveraging technology and remote opportunities that put them into play almost faster than their predecessors.

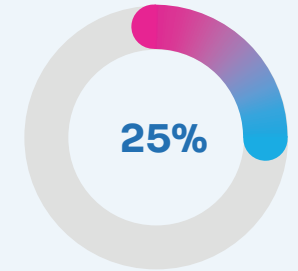
For Millennials who are between 26 and 40 years old today, there seems to be a stronger leaning towards the hybrid system.

68%

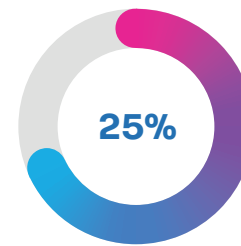
of Gen Zs expressed a strong preference for full remote work. Only 25% of them will negotiate a hybrid system.



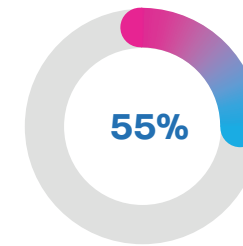
Remote work



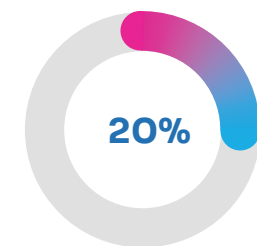
Hybrid



Remote work



Hybrid



Work from office

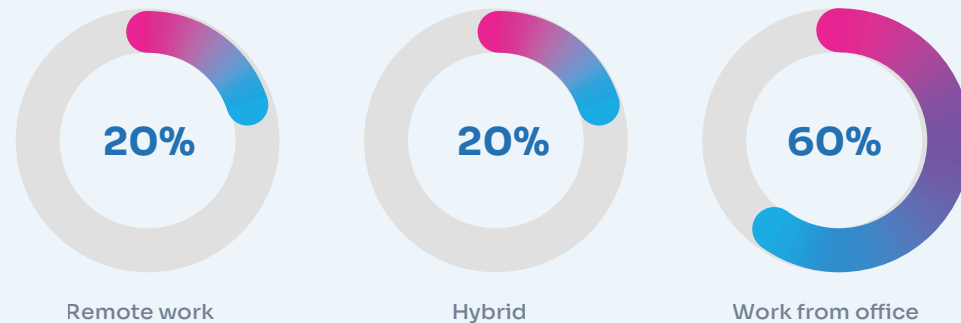


55% of Millennials in this group voted for a hybrid work model, 25% prefer to work remotely, and 20% will still go to the office.

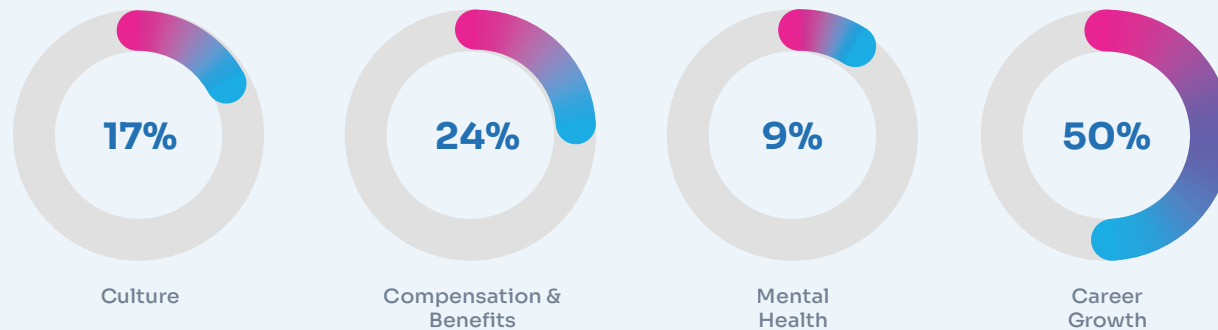


The outcome is understandable when you look at the work history of this group. Most of them who started their careers working within the four walls of a designated office have now adjusted their preference for what they might consider to be the best of both worlds.

Older members of the workforce who are aged 41 and above age showed an overwhelming inclination to work from the office.



Top considerations before selecting a job



With power shifting towards the employee, recruiters and employers alike are doing their best to understand what makes employees tick, the recipe for attracting the best and the brightest.

What will make us attractive to prospective talent? Are there any keywords they want to see or hear? How do we keep them interested throughout the recruitment process?

Our study revealed career growth as the most important motivation. Amongst other factors,

50% of employees consider room for career growth to be essential when joining an organization. 24% are more focused on compensation and benefits, while 17% look at culture first.

Only 9% consider their mental health and how it might be affected by working at a company. However, we believe there will soon be a significant shift as mental health awareness and advocacy become even more commonplace.

“ **Employees are demanding that employment must now become an experience to be attractive.** ”

Conclusion

Amidst a myriad of considerations, preferences, and workplace expectations, we have found that employees across generations agree on one thing as the heart of the matter: Organizations must constantly provide an opportunity and environment for employees to thrive by making tangible impact through their work.

Organisations must come to understand this and lead with purpose, clearly defining and communicating their vision and mission, and ensuring that employees understand the part they play in bringing it to reality. Employers must also make concerted efforts to ensure that employees are equipped with the resources needed to fully execute their jobs. This goes a long way to determine culture, support employee engagement and boost retention efforts.

As more young people come into leadership positions, organisations need to actively develop and implement succession plans to help them prepare for those positions. The process must be transparent, showing employees a clear path to growth and the opportunities that are along the way.

Getting into leadership positions without any form of preparation will lead to outcomes that can be detrimental to the organisation.

Regardless of the generation, for diversity to become strength and opportunity for rapid growth, employees must continually appreciate the importance of teamwork, communication, interpersonal relations, and emotional intelligence as key ingredients for productive intergenerational workplace interactions.

According to our study, some negative stereotypes that have been assigned to certain groups are more indicative of certain individuals than the collective members of those generations. For example, only 4% of all respondents showed an inclination to intentionally job hop, showing that in an ideal workplace, and with the right system and infrastructure available, employees are more inclined to stay.

Finally, employers must leverage technology to better understand the needs of their workforce and then tailor their policies, incentives, and benefits appropriately.

They must also maintain high standards regarding the supply of appropriate work tools to employees. This can have a major net positive impact on productivity.



Considering the wisdom of the old, and the vibrancy of the young, the differences in culture, worldview, opinion, and generations must be harnessed to become a competitive advantage

Ultimately, good leadership, mutual respect, the right technology integration, and emotional intelligence will make a great workplace, regardless of the generation in charge.



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