Understanding Today's Workforce: Generational Differences and the Technologies They Use

As leaders of the accounting profession age, the face of its workforce changes. Generation X and Millennial employees are now in leadership positions. Mix those generations with Traditionalists and Baby Boomers, and the result is a firm comprised of an interesting blend of individuals.

Think about the technologies Traditionalists and Baby Boomers grew up with – radio, television and the fax machine were still developing, as they started and built their businesses. Now, those in this age group are using computers, cell phones, the internet and other variations of these technologies. The workplace is changing at an ever-increasing pace, and everything seems new to them. Now, consider Generation X and Millennials. The same technologies that are new to Traditionalists and Boomers are a part of life for the younger generations – and have been for some time now. To effectively manage those in today’s workforce, firm leaders need a comprehensive understanding of the differences between generations and how to best utilize their unique knowledge and viewpoints.

The first step to effectively manage and develop this workforce is to understand what makes people “tick,” when it comes to work style, motivation and the technologies they use each day. When considering generational differences, it is important to remember that while trends and research suggest each generation has unique characteristics, not everyone within a given generation is exactly the same.

Stereotyping is not the goal. Rather, generational profiling explains how events, technologies and the economy shape various groups of people. Let’s first consider the characteristics of each generation within our businesses, along with management issues inherent to generational
shifts.

What is a Generation?

Generations are clusters of people born during a given timeframe. They have experienced similar life situations, share comparable views and attitudes, and can be differentiated from other generations. Some common generational influences are easy to identify: current events, technology, fads, economic times, parenting, education and size. The more a firm or company knows how these influences interrelate with the four most recent generations entering the workforce, the more the business can understand each one’s particular dynamics, likes, dislikes and work ethic.

Traditionalists – Born between 1929 and 1945: 71 to 87 years old

The world at the time of their youth was all about the world wars and the Great Depression. Radio was still an emerging technology. Personal responsibility is of utmost importance to this generation. They believe, “You have to earn what you get.” This generation’s attitude about life is characterized by caution and planning for the future, while hoping for a better way of life. Position is tantamount to authority – you obey those above you.

With these values as a backdrop, to be managed means doing what the boss says, without question. You learn new skills and take on new responsibilities when the time is right – and when the boss tells you. This generation’s motto is, “Just in Case.” However, be careful not to stereotype those in this group as old and worn-out. Wrinkles don’t mean that someone’s brain has turned off. There is a lot of intellectual capital that they will eagerly pass on to anyone willing to learn!

Baby Boomer – Born between 1946 and 1964: 52 to 70 years of age.

The world during a Baby Boomer’s formative years was defined by teen culture, social upheaval, the Vietnam War, Watergate and recession. Television was the emerging technology during this time, first in black and white, and then color.

Boomers believe you can have it all if you work hard enough. Their attitude about life is mostly optimistic, as long as you take on the responsibility to make good things happen. The belief, “work hard and reap the reward,” results in a purposeful and participatory attitude toward
authority. Nevertheless, if those in charge are acting in unacceptable ways, it is not uncommon to see Boomers rebel. Managing this group entails not only telling them what to do, but also discussing it with them.

The Boomer way to get ahead is to obtain the appropriate education on your own, without the help of others. The motto that resonates is, “Just do it.” As you interact with this group, don’t stereotype them just because they have been in the workforce for more than 30 years. That fact does not mean they are inflexible or driven to working merely for work’s sake.

**Generation X – Born between 1965 and 1976: 40 to 51 years of age.**

The Gen X world is defined by materialism, technology and two-parent incomes. As computing and the internet became widely accessible, this group grew up with the rapid advancement of technology. Their motto is, “I’m owed something,” and while the default attitude is often pessimistic, they also feel that life should be enjoyed to the fullest before the moment passes. Individual relationships govern notions of respect to authority, which is earned – not simply recognized by title or longevity.

Gen-Xers prefer management to tell them what to do, performing extremely well if they find a project personally interesting and satisfying. This group will typically not question management. If a Gen-Xer doesn’t like what’s happening, he or she will simply leave and find other opportunities. They also believe education is important and expect the company to pay for ongoing educational opportunities. This generation’s motto, “whatever,” reveals a disdain for anything perceived as false or insincere. Nevertheless, just because Gen X is often maligned as self-absorbed does not mean these individuals don’t crave challenge, informality and fun.

**Millennials/Generation Y – Born between 1977 and 1995: 21 to 39 years of age.**

The world during the Millennials’ youth was defined by downsizing, dot-com startups, diversity, 9/11 and terrorism. Technology entails not only the World Wide Web, but also being “connected” 24/7. Gen-Ys are strongly materialistic, believing “I’ve always had it.” Their attitude about life is pragmatic, and the underlying question for them is, “What actually works?”

Millennials recognize authority when you offer collaboration and protection in a group setting. They want to be told what to do, but they want a team to make it happen. Because they believe collaboration should be possible without fear or intimidation, questioning management is not
only accepted, but also encouraged. Education is a part of who they are, and they believe it never ends. “Just experience it” sums up a Millennial’s attitude about life. However, just because they question authority does not mean they are arrogant or defiant; they are simply accustomed to questioning and working collaboratively to arrive at the best solution.

Today, accounting firms and departments within companies are a melting pot of these four generations. Not only do a number of work styles collide, but an array of experiences and interests in technology also converge. Younger generations grew up in front of a computer and the internet. They naturally expect workplace technologies to mirror the technologies they use in their educational and personal experiences.

Communication

Few would argue that communication styles among generations vary widely. Traditionalists and Baby Boomers are accustomed to face-to-face and telephone communications. Gen X still uses those methods, but to a lesser degree. For them, email is the standard for efficient communication. Today, Millennials are infiltrating the workplace. To them, email seems archaic. They live their lives communicating with friends through text messages on cell phones and instant messaging (IM) on the internet. These differences, alone, can lead to major communication gaps within any organization.

Millennials prefer IM and text messaging because they would rather “type” a quick note than go through all the formalities associated with making a phone call. In fact, it’s not uncommon to see younger workers carrying on several conversations at the same time, using multiple instant messaging windows. Jarina D’Auria, author of *In Defense of Gen Y Workers*, sums up their attitude this way: “Who needs a phone when I can have multiple conversations at the same time?”

When members of the older generations see a young employee texting or instant messaging, the other generations might be tempted to write this instance off as a waste of company time. While this may be true, how many employees regularly make personal phone calls? Frankly, a quick text message wastes much less company time than a 10- or 15-minute phone conversation. Even email wastes more time than text-based communication.

iPhones and other mobile devices are now seen as a necessary part of life by young workers. You see this generation arrive at the office with their ear buds on, and almost never leave their
devices at home. However, there is a business connection: these devices offer tremendous opportunities to deliver information and training to young employees through podcasts and video streaming.

As a result, consider adapting training materials and office communications to audio and video. This will permit young workers to download and review content on their daily commutes, or while on a plane. Check out the AICPA’s podcasts on iTunes, or the AICPA’s YouTube channel, for examples of how audio and video can be used to deliver updates and training.

Social Networking

The younger generation’s methods of networking and interacting with friends, family, and co-workers are also different. They have grown up “connected” at all times, accustomed to organizing events through social networking sites. Four of the more popular of these are Facebook, Twitter, LinkedIn and Instagram.

Facebook and LinkedIn offer a number of groups that users can join, based on past or present employers, or industry organizations. The AICPA has a very active group on LinkedIn, as do most of the Big Four.

Many companies choose to lock down access to social networking sites. However, don’t doubt that young workers will find ways to access them! Firms should look at social networking as an opportunity, rather than a problem. Those still too young to enter the workforce are joining these sites en masse, and these people are your future employees and customers.

Shouldn’t your company have a presence within social networking? Business is ultimately about networking and relationships. As more users join these sites, the potential increases. My advice to you is to embrace social networking and figure out how to use it to your advantage.

Applications, communication and social networking have already had a major impact the way we do business. Ignoring them is not an option for firms and companies serious about being on the leading edge.

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