

EFFECT OF MULTIPLE GENERATIONS WORKFORCE ON SUPPLY CHAIN PRODUCTIVITY

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ABSTRACT

The 21st century has experienced new issues and challenges because four generations of people are working together at US workplace. We can see a sixty year old baby boomers is working on a project team with a twenty-five year old millennial and reporting to a fifty year old GenXer while veterans, though fewer in number, retain positions of power and influence. It poses not only a challenge but provides an opportunity to engage a mix of people who bring their unique experiences and skills to an organization to enhance supply chain productivity and effectiveness. The merging of generations is happening amid an economic climate that has changes plans and altered expectations. This paper describes multigenerational characteristics, their communication styles, aspirations and goals. We also describe how generational differences can be utilized advantageously and their commonality and strengths can be used to enhance productivity, and effectiveness in supply chains.

INTRODUCTION

There was a time when an organization was interested in optimizing its processes and improving its bottom line. However, during the last two decades, collaboration willingness efforts, not only horizontally but also vertically, lead to optimizing processes and improvement to the entire supply chain. This lead to improving operating profits for all organizations in the entire supply chain as well as improved customer service and cheaper landed cost to the end-user. Globalization has also contributed significantly to the above-stated outcomes. Nevertheless, the US workplace has experienced new issues and challenges due to multi-generation workforce at the turn of the millennium. Employees at most US organizations have different ethical and core values, aspirations, motivational factors, and other attributes due to their generational backgrounds. Organizations are facing challenges to combat their differences and want to deal with them positively to bring their strengths together and motivate them to make collaborative and creative teams.

This paper describes multi-generational characteristics and their communication styles, aspirations and goals. We also describe how generational differences can be utilized advantageously and their commonality and strengths can be used to enhance productivity, and effectiveness in supply chains.

GENERATION-CHARACTRISTICS

Veterans or Vet generation are those born between 1919 and 1942 and they are now 75 and 98 years of age, if still living. Most of them have retired or died. Nevertheless, a small number of them are still quite health, especially below eighty years of age and make a small percentage of the U.S. workforce or own their businesses. Likewise, members of the newest generation, those born after 2000 have not entered the workforce. Only a very small number of them are employed, generally as part-time.

Baby Boomers

Baby boomers were born after the end of the World War II, that is, between 1946 and 1965 and now they are 52 to 72 years old. They got their name from the massive increase (“boom”) in births in the USA and peaked in late 1950s. Growing during the civil rights movements, the Vietnam War, and the fast-ascending women’s movement, boomers witnessed radical change, social upheaval, growing and global economies. They emerged with strong beliefs in themselves and their ability to set and achieve goals, which were supported by strong families, increased educational opportunities, a growing economy, and their sense of optimism [Patty Burgquist, 2010]

Generation X

People born between 1966 and 1977 are called Generation X, a name derived from the 1991 Douglas Coupland novel *Generation X: Tales of an Accelerated Culture*. GenXers are now between 40 and 55 years old and a high percentage of them is working at middle or senior management level. The GenXers are technically savvy and on entry to workforce, found themselves in a world where boomers were occupying most important positions of employment and dramatically changing institutions everywhere [Katya Fillipetti 2010]. They were unsure of their future and the kind of roles they could play in a Boomer-dominated world. GenXers tend to be highly autonomous, value flexibility and equality at work, and desire participation and decision-making. Many of them are skeptical regarding big-company loyalty and are often attracted to smaller, less-bureaucratic businesses. They are appreciate the stability in employment as long as they are part of empowered teams [Baxter 2010]

Millennials

Millennials, who got their name from their connection with the new millennium, are the youngest generation in the workforce and were born between 1978 and 1995. Almost 76 million of them, now 20 to 40 years old, are most ethnically and racially diverse in U.S. history [Keeter and Taylor 2009]. Technology is thoroughly integrated in their everyday life. They are fast and efficient in searching the Internet, taking pictures, sending text messages and video clips, or watching YouTube – all on their cellphones. They spend several hours on social networks and quite bold to express their opinions even on international issues.

Millennials receive special attention in the classroom that boomers did not. They are also high performers as individuals and prefer active engagement at work, an environment of choice and flexibility. They are happier, more motivated, and more efficient in a well-designed workplace.

CyberGen or Gen2020

People born after 1995 make the youngest generation and have started entering the workforce. These are called **Gen2020** but I will call them **CyberGen**. They spend most of their time in the cyber space, chatting, messaging, surfing Internet, or viewing videos of people who may not be known to them and may be thousands of miles away. Some of them cannot resist their temptation of using cellphones even in classrooms or at work. My informal survey or observation is that almost all students are on their cellphones when I pass through corridors, look at drivers stopped at traffic red lights, or going through a shopping mall.

MULTIPLE GENERATION IN WORKFORCE

During the last decade, the US workforce has seen some changes that did not exist earlier. This is the first time in American history that four different generations are working side-by-side in the workplace. There was a time, even in 1980s and 1990s, when older workers were the bosses and younger workers did what were told to do, no questions asked. There were rules as to how the was treated and how younger workers treated old workers. However, rules are changing during the last decade and new rules are being written daily. Even earlier, US workforce had individuals with different values, different ideas, different ways of getting things done, and different ways of communicating in the workplace. Research indicates that people communicate and perform other tasks based on their generational background. Generational differences can affect several things, including recruitment, team-building, motivating, managing, dealing with change, and enhancing productivity. The way they communicate might cause misunderstanding, high employee turnover, difficulty in attracting good employees and gaining employee commitment.

Each generation has distinct attitudes, behaviors, expectations, habits and motivational buttons. Proper understanding these attributes can eliminate many major confrontations and misunderstandings in the business world. Based on available statistics, we list multi-generation participation in the workforce and their attributes. The following table lists the percentage of different generations in the US civilian workforce.

Table 1: Civilian Labor Force by Generation in USA

Year	Baby boomers	Gen X	Millennials
2000	48	33	6
2005	44	33	15
2010	36	32	25
2015	31	31	35

As can be seen from the above table, during the last 15 years, GenX workforce participation is almost steady. However, baby-boomers participation is steadily declining due to retirement and aging etc. and millennials are steadily filling up those vacancies. It is expected that by 2020, baby-boomers will be out of workforce and CyberGen will join the US civilian workforce.

In 2015, Millennials became the largest generation in the U.S. workforce (35% of all U.S. workers. Employers need to be especially aware of their motives and pet peeves. The following are the top four things millennials want at work:

1. Meaningful work

2. High Pay
3. Sense of accomplishment
4. Challenging work

Personal and lifestyle characteristics

The following table lists various generation lifestyle characteristics such as core values, family life, education, and their communication media and what they think about money.

Table 2: Personal and lifestyle characteristics by generation

	Veterans	Baby Boomers	Generation X	Millennials
Core Values	Respect for authority Conformers Discipline	Optimism Involvement	Skepticism Fun Informality	Realism Confidence Extreme fun Social
Family	Traditional Nuclear	Disintegrating	Latch-key kids	Merged families
Education	A dream	A birthright	A way to get there	An incredible expense
Communication Media	Rotary phones One-on-one Write a memo	Touch-tone phones Call me anytime	Cellphones Call me only at work	Internet Picture phones E-mail
Dealing with money	Put it away Pay cash	Buy now, pay later	Cautious Conservative Save, save, save	Earn to spend

The following table lists multi-generation life experiences, attitudes toward work, their aspirations, and how their views on changing jobs and career paths.

Table 3: Multi-generation life experiences, aspirations, and views on career paths

	Veterans Pre-1945	Baby-Boomers 1946-1965	GenX 1966-1977	Millennial 1978-1995	CyberGen After 1995
Experienced:	Great Depression, WWI and II, GI Bill	Television. Moon-landing, Watergate, Vietnam War	MTV, Nintendo, PCs	Natural disasters, diversity, mobile technology	Economic downturn, Global Warming
Work is:	An obligation	Expected	A difficult challenge	A means to an end	Consistently evolving

Aspiration:	Home ownership	Job security	Work-life balance, independence	Freedom and flexibility	Structure and stability
Changing Jobs:	Stay for life	Loyal to employer, connecting to values	If necessary for compensation	Is expected	Constantly
Career Paths:	Slow and steady	Upward mobility	Need to know options now	Switch frequently and fast	Career “multitaskers”

The following table presents a comparative workplace characteristics of the three generations, baby boomers to millennials.

Table 4: Workplace Characteristics

	Baby boomers	GenX	Millennials
Work Ethics & values	Workaholics, personal fulfillment, desire quality	Eliminate the task, self-reliance, want structure and direction	Multitasking, entrepreneurial, goal oriented
Leadership style	Consensual	Everyone is the same, challenge others, ask why	Not yet determined
Interactive style	Team player, loves meeting	Entrepreneur	Participative
Communications	In person	Direct , Immediate	E-mail, Voice mail
Feedback	Do not appreciate	Sorry to interrupt, but how am I doing	Whenever I want at a push of a button
Rewards	Money, title, recognition	Freedom is the best reward	Meaningful work
Motivational messages	You are valued, you are needed	Do it your way, forget the rules	You will work with other bright creative people
Work and family life	No balance, work to live	Balance	Balance

Based on these traits, an example is in order to illustrate how words are received differently. When a boomer says to another boomer, “We need to get the report done,” it is generally interpreted by the boomer as an order, it must be done and done now. However, when a boomer says to an Xer, “This needs to be done,” the Xer hears an observation, not a command, and may or not do it immediately [Hammill, 2005]. Since millennials have not been in workforce for a long time, more research is needed to understand their leadership style. Moreover, millennials have not been in leadership roles also. They are mostly at operational level.

WORKPLACES FOR PRODUCTIVITY

Supply chains are effective and efficient due to the following enablers:

- IT
- Globalization
- Human Resources and their expertise
- Quick demand and cash flows
- Fast order delivery and advanced transportation systems
- Modern research and development in manufacturing, operational capabilities, etc.

The main objective of researchers and practitioners should be to utilize the generational differences to the organizational advantage, enhance productivity, and make creative teams. There are always common grounds and all employees have strengths that must be utilized, not their differences and weaknesses. Instead of reacting solely to the differences that separate people, more can be gained by recognizing what binds them together. While honoring the different individual qualities employees bring to the workplace, organizational leaders need to build on their shared humanity and core commonality of body, mind, spirit, and freewill [Fouchea, 2010].

A workplace setting can be designed to meet varying needs, including those that may be generational and not preclude anyone in the process. It can accommodate the face-to-face meetings that millennials especially prefer, the focused concentration that boomers often seek, and the flexibility and independence that GenXers strive for. At the same time it can be suited for millennials who seek a place to concentrate, boomers who value flexibility, and genXers who want to meet face-to-face. An open area can be designed where GenXers can collaborate and meet their peers, millennials can address specific tasks in real time and boomers can conduct meetings. An enclosed area can give boomers a dedicated project space, Genxers a place for ongoing input and participation, and millennials a choice for an alternative work area.

Different generations in the workforce contribute to the enablers of supply chain in their own ways. For example, baby boomers have experience in decision-making but have low levels of agility and physical capability. They are best at an advisory capacity. Generation X have the knowledge and experience and they can contribute significantly at strategic level. However, millennials are fast and efficient in IT, emails, video clips, picture, etc. they are best at operational level and should be utilized for their input in decision-making.

CONCLUSION

In 2015, Millennials became the largest generation in the U.S. workforce (35% of all U.S. workers). Employers need to be especially aware of their motives and pet peeves. The top four things millennials want at work are meaningful work, high Pay, sense of accomplishment, and challenging work. Their aspirations are different from baby boomers and Genxers. We have described multi-generational characteristics and their other attributes in this paper. We also suggested how their unique strengths and expertise could be utilized to enhance organizational productivity and effectiveness. Both researchers and practitioners will highly benefit from it.

REFERENCES are available upon request from Krishan Rana.