Today's workforce is more diverse than ever. Companies are hiring remote teams across the globe which means they're looking to people of different genders, races, cultures, and sexual orientations to help them grow and prosper. Leading companies are also **hiring across generations**, with baby boomers and millennials now working side by side. Anticipating the inevitable culture clash, how are companies bridging the generation gap?

Next year more than 3.6 million baby boomers are set to retire, and more than 1/4th of millennial workers will become managers.

Bridge the Generation Gap To Fill the Leadership Gap

The leadership gap is growing, which means smart companies need to start making nextgeneration leadership development a priority. In order to cope with the loss of boomers, leading companies are employing a range of tactics:

GREY GUIDANCE: Hiring back retiring leaders and experts as consultants and advisors. REGULAR CHECK-INS: Moving away from the annual performance review to a system of regular feedback and coaching, so companies can close the knowledge and skills gaps quicker. Performance conversations become "in the moment" coaching opportunities, and 1:1s are the new norm.

MENTORSHIP: Helping employees grow their professional knowledge and capabilities through continuous, on-demand learning. Couple this with ongoing workplace training and development.

Plan for More 'Gig Economy' Workers

Last year in the United States, 34% of all workers were classified as freelance ("gig") workers. Expect this number to climb to 43% by 2020. Company leaders, HR teams, and other managers will learn how to recruit, reward, and retain a blended workforce. Freelance

workers offer many positive attributes, including strong self-management, solid problemsolving skills, and effective performance as team players. As blended workforces become the norm, solid leadership skills will be needed to manage the very different expectations of both groups.

Today's average worker stays at his or her job for <u>4.4 years</u>, according to the most recent available data from the Bureau of Labor Statistics. But the expected tenure of the workforce's youngest employees is about *half* that.

Millennials will have an average of 15-20 jobs over the course of their working lives. ~Future Workplace survey, Multiple Generations @ Work

Job Hopping is the New Norm

Ninety-one percent of Millennials expect to stay in a job for less than three years, according to the Future Workplace "Multiple Generations @ Work" survey of 1,189 employees and 150 managers. That means they would have 15 – 20 jobs over the course of their working lives!

Job hopping seems risky, but it can also lead to greater job fulfillment. A 2012 survey by Net Impact found that 88% of workers considered "positive culture" important or essential to their dream job. Eighty-six percent said the same for work they found "interesting." Jobhopping helps workers reach both of these goals. It offers a way to try out a variety of roles and workplaces, while learning new skills along the way.



Four Keys To Success in 2017

Old tools like organizational charts, job descriptions, performance appraisals, and career paths are being reinvented, redesigned, or thrown out. To steady your people through the upheaval, bridge the generation gap into 2017, <u>Deloitte Human Capital Trends 2016</u> has identified four keys to success:

1. Shared Values and Culture

As people operate in geographically dispersed teams, they will need guidelines. A value system will help them decide what to do, how to make decisions, and what is acceptable

behaviour. Guidelines are driven by mission, culture, vision, and values – hence the <u>tremendous interest</u> in understanding, measuring, and aligning culture

2. Transparent Goals and Projects

Unless goals are clear and communication is flowing, people operating across teams cannot succeed. Deloitte research on <u>next generation performance management</u> and "<u>The End of the Bell Curve</u>" describe this in detail.

3. Feedback and A Free Flow of Information

As more employees find your company through Glassdoor and Google Plus, the need to openly share information about your performance will only grow. The more communication channels you open, the more agency you will provide for your people. Today this communication takes place in digital information centres, analytics dashboards, and free flowing communication systems. These systems help support ongoing dialogue, and replace the dreaded annual engagement surveys and performance reviews of the past. A best practice of feedback and feedforward helps illuminate an employee's performance, commitment to the company, and areas of strength and improvement—all of which can dynamically shift performance for both the individual and the company.

4. Reward for Skills and Contribution, not Position

Many successful companies are now rewarding people for their contribution, not their position. In essence, a specialized individual contributor could make the same salary as a team manager or team lead: the days of "positional leadership" are fading away. The success of the team movement, and a step away from hierarchical leadership enables workers to feel motivated. Today people need more than "I'm the boss so you do what I say." Instead, this boss style is being replaced by growth and career progression based on skills, alignment with values, followership, and contribution to the company as a whole.

Millennial Leadership: Collaboration In, Authority Out

<u>Workplace Trends Millennial Leadership Study</u> examined the strengths and leadership styles of millennials and found that they are transformational leaders. This style is opposite that of their boomer predecessors who prefer "command and control" leadership styles.

Rather than just focusing on money, the new generation will fill the leadership gap by flattening corporate hierarchies, empowering others to succeed, and forcing companies to make an impact on society. Among the 7,000+ companies who responded to the Deloitte survey (in over 130 countries), the #1 issue on leaders' minds is: "how to redesign our organizational structure" to meet the demands of the workforce and business climate today.

5 Key Elements of Engagement

The digital world of work has *shaken the foundation* of organizational structure. It has shifted from the traditional functional hierarchy to one we call a *"network of teams."*

Today employee engagement and retention means understanding a worker's desire for flexibility, creativity, and purpose. Workers need to be reengaged and re-recruited each day. This means traditional definitions of engagement need to be **expanded** to include five key elements:

meaningful work
hands-on management
a positive work environment
opportunities for growth
trust in organizational leadership

Today, top talent with in-demand skills can choose to work with a company that matches their personal beliefs and expectations. If you want them on your side, you need to provide the sort of workplace they want to come to. Curious about the best ways to do that? Start by

building your Employer Brand, or better yet, drop us a line. We've helped countless leaders ransform their companies into employers of choice.