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Passing the baton to Gen X

By Fiona Crawford

Over the next twenty years, workplaces worldwide will move from a largely Baby Boomer-dominated management hierarchy to one where Generation X managers preside. This transition is unlikely to be seamless however, and unless Australian companies begin embracing generational change now, experts predict many businesses will likely close their doors in the ensuing decades.

Organisations need to create a well-structured leadership team now to avoid conflict as Baby Boomers start to hand over power to Gen X. Generation X represents 40 per cent of the workforce in Australia, yet Baby Boomers currently occupy the majority of leadership roles in Australia. As a consequence, the cultures of Australian organisations largely reflect the values and expectations of the Boomer generation, leaving many Generations Xers feeling frustrated and excluded.

According to Macquarie University PhD candidate Peter Fuda, who is founder and regional director of consultancy firm Professional Change and Development (PCD), bridging the 'Grand Canyon' that currently exists between Baby Boomers and Generation X is a business imperative that can no longer be ignored.

"Many of today's more enlightened organisations are coming to the conclusion that a mix of Boomers and Xers in the boardroom is the ideal situation to be in," he explains. "Companies who are able to bridge the generational gap will no doubt experience a greater level of commercial success in the future than those companies who don't."

Fuda is quick to point out that neither management style is wholly better or worse than the other, but with the speed and volume of change in today's

business environment, organisations that continue to operate under antiquated leadership and management models will be disadvantaged in the long term.

"We are in an age where intellectual capital is the primary driver of competitive advantage and yet many organisations are often a legacy of a command and control environment," he says. "For the first time in history, Generation Xers have more information

than their leaders. With that in mind, the ability to engage Generation X in the workplace is not going to be about controlling information, it's going to be about guiding, mentoring and coaching."

Traditionally, Boomer values have included achievement, advancement and promotion, economic security, power and authority, stability and status. Surveys conducted by Fuda's

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consultancy have revealed that Boomers believe CEOs have to have all the answers, that charismatic leadership is important, that rules are more important than values, and that the primary focus should be on task.

Generation X on the other hand has markedly different values and expectations based on an historical context that includes unprecedented family breakdown, growing up in dual income households, the witnessing of the failure of all major institutions and seeing their parents down-sized out of work. Consequently, fundamental values for Generation X include self-belief, meaningful work, balance, creativity, equality and truth.

According to Fuda, Generation X sees the key to business - as well as personal success - as being reliant on a number of key factors including the ability of leaders to be contactable, accessible and able to listen; a business environment where work and life is balanced, and where values are considered more important than rules; and where the focus on getting the most out of the team is more critical than the success of the leader.

"The more effective approaches to leadership include a greater focus on outcomes rather than activity, a focus on values rather than rules, and a balance

between getting the job done and developing people along the way," he explains.

Peter Fuda "Many Boomers have got to the top of the tree because they are personally very highly achievement oriented. The issue however is that achievement in the leader does not necessarily drive achievement in the followers. In fact more often achievement in the leader can drive dependency in the followers creating very passive or submissive employees.

"A Gen X manager will often take the attitude that a teamwork approach will drive achievement in others. Many see their personal achievement as less important than their ability to coach and nurture their team to achievement. The question for many is 'How do I mentor others to the same success I've had?'"

Fuda works with many of Australia's most progressive organisations who have acknowledged the need to reshape themselves to better suit the knowledge economy and the needs and values of a new generation of employees and future leaders.

"The impact of senior leaders creates the workplace culture, and the culture creates the performance," says Fuda. "What many CEOs are finding however is that the impact they are having on the organisation

is not creating the performance that they want, so what they are now saying is 'here are my strengths and here are my weaknesses and this is not the impact I desire so this is what I'm doing to change it', which is very different to the old power relationships."

Says Fuda, what many of these progressive CEOs have accepted as being crucial for change is the need to embrace reverse mentoring - the coaching of Boomer managers by Generation Xers.

"Today's leaders are not going to seek to learn leadership attributes for the modern economy off their peers who have had the same experiences they've had," explains Fuda. "Through reverse mentoring, Gen Xers have the capacity to help Boomers learn many of the critical leadership skills required for success in the future."

To bridge the gap between the generations and minimise conflict as the Boomers begin handing power over to Generation X, Fuda suggests that organisations need to create a well-structured inter-generational leadership team now. He also advocates that it is imperative for companies to implement a number of key strategies if leadership is to be more effective in the future.

"Organisations need to create an environment where communication is honest, open and transparent and where feedback is an ongoing daily ritual," he says. "Both sides need to understand that what motivates and drives one group of people will not motivate and drive another. Also, business literacy - where everyone in the organisation has the capacity to take ownership of their part of the business - is vital. The most important thing however is walking the talk. All of this falls over if it becomes trite and people say one thing and do another."

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