

## CHAPTER 1

# PETER PAN IN THE WORKFORCE

*Pixie Dust, Forever Young, and  
“What Success Means to Me”*

“I won’t grow up . . . I don’t want to wear a tie . . . And a serious expression . . . In the middle of July.” So sang Peter Pan and the lost boys in Disney’s version of the classic story. Yet to many business leaders, this childhood fantasy is being played out daily among young employees nationwide. They are an entire generation (actually two) that doesn’t want to grow up. Or so it seems.

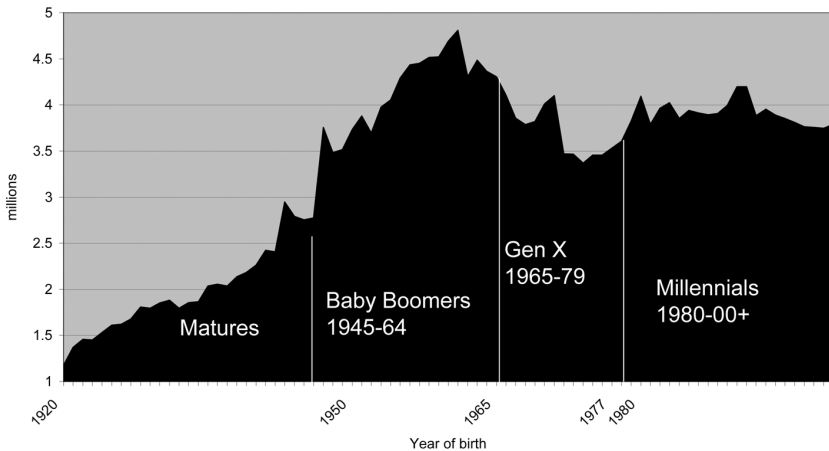
This year marks the hundredth anniversary of Sir James Barrie’s *Peter Pan*. It is a fitting time to look at the role of the younger generations—specifically Generation X and the New Millennials—who today combine to make up half of the workforce, and whose values and beliefs seem to mirror those of the boy who refused to grow up. Now more than ever, Americans born since roughly 1965 do not want to follow in the footsteps of their elders. And while their managers blame it on age, the reality seems to lie more in perspective. These generations *do* want to grow up . . . they just don’t want to grow up to be like the generations before them.

### **Time-Honored Traditions**

Our nation today lives in the world created by a generation known collectively as the Matures. Born prior to 1945, they

total approximately 30 million people. Heavily influenced by the military, the Mature generation created a workplace reflecting that hierarchy with a clear chain of command. Promotions, bonuses, and raises were granted when an employee (almost always a male) proved himself ready for the next level. Employees worked hard to achieve higher ranks. All employees shared a similar definition of success: climbing the company ladder and earning the rewards that came with greater responsibility. The successive job titles and associated perks were admired and envied by employees on their way up and relished by those already at the top.

This model is still the basis for a large part of today's workforce. The Baby Boomers, born between 1945 and 1964, now occupy the higher rungs of company ladders and make up 45 percent of today's workers. They are in control, but they don't always feel like it. Boomers' language of "success" and their work ethic are very similar to that of the Matures. However, Matures now make up a mere 5 percent of the workforce. The other 50 percent—Gen Xers and the New Millennials—present a challenge to Boomer managers. These younger workers are



*Today's Workplace Population by Birth Years*

not interested in the time-honored traditions. They are unconcerned about the way things have always been done. They don't care how their managers got where they are. They are focused, often single-mindedly, on what it will take to get where they want to go.

Each generation assumes that the succeeding generation will experience the same desires, have the same values, and appreciate and cherish the same things, in an unchanging continuum.

This hope lives on in the face of reality. I've experienced it myself with my own father, who said to me recently, "One of these days you'll realize that music gets no better than Hank Williams." What was happening? He assumed (perhaps presumed) that one of these days I'd come around to his type of music, that my tastes would mirror his, that I'd finally "get it."

## **Generational Repetition**

Since World War II, each generation has assumed two things about the younger generations entering the workplace:

1. Senior generations assume that the younger generations will measure "success" the same way they themselves have.
2. Senior generations also believe that younger workers should "pay their dues" following the same paths to achieve the same levels of success.

These assumptions essentially create and define the "company ladder" as we know it, a system that has been intact for decades in workplaces across the industrialized world. It is the apprentice-to-master relationship that has been in existence within various crafts and trades since society began. But what happens when a generation enters the workforce, learns how

the senior generations measure success, and decides that it disagrees with that definition? Is this where we are today?

Gen Xers and New Millennials essentially have said to their managers—the Matures and especially the Boomers—“We don’t share your definition of success. We define success differently and will pursue other rewards for our work.” This change in values is having a profound impact on the work environment and on the time-honored management structure Boomers have come to rely on. The company ladder, which for generations has been the source of employee motivation, becomes irrelevant. The younger generations view their predecessors’ experience as a warning, not a road map. And the traditional rules of management, motivation, and reward fly out the window.

Can this be the essence of the change going on in the workplace today? Can it be as simple, and as complicated, as a change in philosophy about the reason for working? Maybe. Time will prove this theory right or wrong. But many employers say that this is precisely what they’re seeing. They describe the tremendous repercussions this change in values and principles is having on management’s mode of operations—on the way executives recruit, communicate with, manage, motivate, and retain employees in order to remain competitive in the marketplace.

The newly minted attitudes and aspirations that characterize Gen X and New Millennial workers and have revolutionized the workplace are:

- A work ethic that no longer mandates a ten-hour workday
- An easy competence in using existing and new technologies and facility in mastering the even newer ones that appear, seemingly, overnight
- Tenuous, if not nonexistent, loyalty to any organization
- Changed priorities for lifetime goals that can be achieved and affected by employment

The most significant changes in perspective are in the ways older and younger generations think about time, technology, and loyalty.

## **Time Is of the Essence**

Time has always been a currency. But different generations value this currency in different ways. For Boomers, time has always been something to invest in the future. Boomers are working hard and putting in their time (an average fifty-five hours a week), and they count on a reward of some sort for their effort. Has that payout come as expected? According to the Boomers themselves, mostly not.

Gen X and the New Millennials regard time as something they want to control, just like their money. In fact, to them, time has an equal value to money. Many employers are coming to realize a satisfactory tradeoff, when they can't pay their younger employees more money, is to give them more time off.

Time is indeed a currency, and the younger generations are not willing to invest it in a career or a job with uncertain dividends. And in this period of job insecurity, layoffs, and changing industry, they understand that any employment is potentially unstable.

## **The Technology Gap**

Technology is universally recognized as critical to the success of almost any business, large or small. Smaller companies usually hire consultants or one or two employees to research, purchase, and set up new technologies to speed up work and enhance the bottom line for that particular business. In larger companies, whole departments are dedicated to the acquisition of technologies and to teaching other employees the most efficient ways to

use them. Such people, the “techies,” are usually Gen Xers and New Millennials.

Here’s the problem: Matures and Boomers have grown wise over a lifetime spent in the workplace—they’re looking at the larger picture. But technology *is* part of the larger picture, and confronted by even the most basic new technology, to say nothing of continuous upgrades and changes in software, and, not least, the new language developed for modern technology (techspeak), the older generations feel uneasy, threatened, and incompetent.

Meanwhile, Gen Xers and New Millennials eagerly embrace technology in its many permutations and combinations. It’s not because they are more intelligent; they are simply unafraid of technology. After all, they began using computers in preschool, so to them technology has always existed. Just like indoor plumbing, electricity, and remote controls—it is a standard element of their world.

When young, technologically adept employees enter a workplace that is largely staffed by senior employees who are confused by and fearful of technology, a genuine role reversal takes place—quite a rare occurrence in our civilized world. Youth is the Master, bypassing the apprentice stage altogether. Conceivably, this is one reason the dot-com bubble burst: It was created by a generation that had the technological smarts but lacked the benefits of wisdom that come from experience. The traditional workplace can become vulnerable to this scenario if the wisdom of experience doesn’t exert itself. The technology gap can and must be bridged, not only for the sake of employees but for the bottom line as well.

## **Loyalty**

Generation X and the New Millennials have been given ample reason to question authority, not bow to it. They are skeptical of

advertising and media hype; they do not automatically believe their leaders tell the truth. Repeatedly, presidents, military officials, large and small companies, and even religious institutions are caught in lies. The result is that today's younger generations almost automatically question the motives and truthfulness of institutions across the board. Ironically, the parents and leaders who established these new ground rules of distrust are the same Baby Boomers who are managing, and in conflict with, the fruits of their labors—their children.

Gen Xers and Millennials have lost their faith in institutions, both public and private, and instead have invested their loyalty and trust in individuals. Younger workers want to work for the right boss, and if they can't, they'll change jobs. The Boomers and Matures didn't have that luxury. For them, working for a disagreeable person was just part of the job description, and if you liked your boss, it was an unexpected bonus. But not liking him certainly wasn't sufficient reason to quit. For Gen Xers and New Millennials it is.

In fact, in a reversal of all that was previously held to be true and good, company loyalty is out the window, and loyalty to an individual is now the number one reason Xers and New Millennials stay at a job, especially during the first three tenuous years of employment. Dissatisfaction with the boss is the number one reason they quit. With this upheaval in values younger Americans are creating new priorities and business practices for our nation.

In the last forty years, two other changes of enormous importance have occurred in the American workplace, one societal, the other market-driven.

## **Who Is That Man in the Gray Flannel Suit?**

By the late 1960's and early 1970's, the changes that were transforming American society as a whole also began to have a

liberating effect on the workplace. In 1965, most employees arriving at work each morning automatically set aside their individual preferences as they crossed the threshold. An almost military conformity characterized the way the workplace operated and the way employees behaved there.

The code of behavior was embodied in numerous, mostly unspoken, rules—a silent contract—about everything from the exact time employees began the workday to what clothing was appropriate for the job. By conforming to these rules, an employee became a “company man.”

In the 1970’s, the Boomers became a much larger population in the workforce, and the cultural and political revolution they had initiated in the 60’s began to infiltrate offices across the country. Younger workers—the Boomers—altered their uniforms a bit, veering slightly from traditional company dress codes, and they brought personal possessions into workplaces to reflect their individuality. When the dot-com boom began in the mid-to-late 1990’s, individual expression in the workplace had reached a peak. Young employees wore whatever they wanted to work and even brought their pets to the office with them. Companies competed for the best talent by emphasizing relaxed dress codes and encouraging employees to decorate their work spaces in ways that would inspire them to perform.

Today, although regulations about dress have tightened somewhat and free expression of style and preferences has also been tamped down, companies usually permit and, sometimes, encourage individualism. Workplaces, whether they are cubicles in a call center, executive corner offices, or nurses’ stations, display their inhabitants’ family, pets, hobbies, and other enthusiasms in the form of photos, screen savers, and knickknacks. Expression of employees’ tastes and preferences are alive and well in the workplace. That’s the good news.

## **Turmoil in the Workplace**

The second sweeping change that has transformed the workplace is not so beneficial. This change does not arise from rigid and restrictive work codes, or from misunderstandings and conflict between and among the generations. Instead, it reflects market conditions. From CEOs to service staff, from clerical workers to mid-level managers, from techies to line people, today's workplace is different from that of a decade or so ago. For many workers, whatever their jobs, the workplace seems to be in constant turmoil. For example:

- One problem is that revolving door management is endemic. An upper-level manager in a successful international company told me he had had three presidents and two new direct bosses in one year.
- In another typical story, a manager told me that her company's very popular CEO was promoted to a newly acquired division and never replaced. The management team limped along for eleven months with the COO in charge. He, in turn, rarely left his office and canceled every management meeting the day before it was scheduled, until the division was finally disbanded and broken up like the Soviet Union, into warring states. The COO kept his job, but the rest of the team did not.

These two examples speak to the overwhelming sense of job insecurity that has become a part of our workplace culture during the past thirty years.

Unemployment rates can be a good indicator of the health of the economy, but they don't really measure job security. In fact, there is no known measurement of job security, although

there is an unofficial measurement—the number of mergers and acquisitions that have occurred in a given period.

Since 1998, there have been more than 45,000 mergers and acquisitions in which the transactions were valued at \$5 million or more. Each of these actions has had ripple effects. Companies merge, and very often workers are let go when their jobs become redundant. The executives I've talked with don't simply blame poor upper management or Enron-style corruption, which are unusual and far outside the norm. These leaders see a consistent corporate culture that has not evolved to meet the new demands of the workplace and employees today.

## **In Search of Pixie Dust**

In the Barrie play, Peter Pan sprinkled pixie dust over the children so they could fly with him to Neverland. There, they would remain young forever, free from grown-up rules and responsibilities. There is no pixie dust. All of us understand that, even Gen Xers and New Millennials. But these two generations do want to live their youthful years, as much as possible, on their own terms, following their individual paths to their personal concepts of "success."

So what will it take to harness the skills of a multigenerational workforce? What are today's requirements for leading young people who see Baby Boomers as outdated and "out of it"? It will take:

- A new understanding of what employees want from their jobs, their bosses, and their workplace "experience"
- A new understanding of loyalty—how the word has changed, why it changed, and why pay, benefits, and opportunities for promotion are not nearly as important in creating job loyalty as they used to be

- A new definition of “self”—that young employees today define themselves by who they are outside the job, not by what they do for a living, which is a departure from senior generations
- A new behavior from leaders in the workplace who must realize that younger generations enter the workplace seeking self-fulfillment from the get-go and aren’t interested in “paying their dues” for an unknown period of time
- A new comprehension that youth today remain in their youth much longer than ever before, being able to live at home longer, stay in school longer, get married later, and have children later, which dramatically affects their commitment to their workplace

Because these younger generations are already approximately 50 percent of the nation’s employees, right now the condition of the workforce landscape is still uncertain. But rest assured that this is not the first time one (usually older) generation has looked upon another and been concerned for the future. Aristotle complained about the ethics and behaviors of the younger generations. Peter Pan challenged his elders at the turn of the twentieth century. Society has been here before. We’ll be here again.

And, ultimately, it will all work out. But one thing is certain: The changes in business outlook and policies that today’s younger generations are experiencing are real and will continue to affect us all. As the manager of a small firm, a mid-level vice president of a local corporation, or an executive of a large company, you are concerned about your ability of attract and keep employees—some of whom are also your potential customers, of course.

This is the right time for another change in the way businesses are run and how they function. The generational divide that now separates the Boomers from Gen Xers and Millennials may look unbridgeable. On one side are the Boomers, an entrenched

group with thirty years of workplace experience—often with only one or two companies. They are used to doing everything “their way.”

On the other side of the divide is an increasingly large, skittish group of employees who have entered the workplace with college diplomas, superior technical skills, a different life strategy from their predecessors, and little regard for the establishment.

The gap can be bridged. To avoid havoc and to improve your bottom line, you can and must learn to make the adjustments recommended in this book. These changes are necessary if you are to get the most from—and give the most to—this vast new population of employees.

There is no magic pixie dust that will make these generations “grow up and come to their senses.” Anyone waiting for that ought to grab a chair and get real comfortable. Yes, some generational differences reflect the desire and will of each new generation to change the world, at least its surface styles and attitudes. However, other differences speak to the heart of these generations’ personal goals. The challenge is to determine which differences are superficial and which are deeply held convictions—and to reconcile those convictions with the traditional workforce hierarchy model. In the end, there is no Neverland to escape to; we must all make an effort to understand each generation and determine the best way to define success in the current workforce environment.