It’s Individuals Not Generations That Matter

CEO Publication
B 11-17 (605)

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September 2011
For the last decade, the media has been obsessed with the differences that are said to exist among generations. An entire industry has emerged dedicated to describing (and in some cases, stereotyping) the Gen-X, Y, boomers, silent, greatest and millennial generations and how they should be managed. Should the characteristics of these generations dictate how employees are treated at work? I think the answer is no.

Faced with an increasingly diverse workforce due to not only generational differences, but also globalization, later retirement dates and a host of other factors, organizations have a number of critical talent management decisions they need to make. They range from taking into account the varying skills of their employees to dealing with their differing preferences and motives.

One of the most basic challenges is whether to have an employment deal and a workplace that is designed to treat individuals differently. The traditional answer has been, as much as possible, to design organizations for homogenous treatment unless the nature of the work dictates different treatment. But, given the increased workforce diversity, this answer is less and less the right one. Employees need to be treated as individuals and this needs to be based on their skills and preferences, not their ages.

Consider this: the potential advantages of an individualized approach to treating people are many, but perhaps the most important has to do with talent attraction and retention. A work environment that takes account of individual differences is likely to be much more attractive to a larger number of people than one that has a single, standard way of dealing with people. This in turn gives individualized organizations the chance to be much more selective in hiring (larger labor pool) and it can aid in retention, a key to sustainable effectiveness and long-term success.

Some organizations are already doing mass customization, among them Netflix, Accenture and Deloitte. They give individuals a significant say in how they are paid, when and where they work, and what kind of career tracks they are on.

Mass customization is the ultimate employment deal for an organization that wants to meet the needs of a diverse workforce. With this approach, individuals have a wide array of options to choose among. Their organizations provide them with a considerable amount of guidance and help in making the choices, but at the end of the day, the employees are the ultimate decision makers. When it comes to how they are paid, when and where they work, what kind of training and development experiences they have, what kind of career they have, and indeed, even whether they are employees or contractors, they choose. It is perhaps best described as “let’s make a deal”.

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The bottom-line is that there are enormous individual differences among people who are in the same age group. Thus, designing work on the basis of what fits a particular age group is likely to be a poor approach. Not every Gen Y is like the other; what might appeal to one may not resonate with another. A much more effective – and sustainable – alternative is to let individuals choose their employment deal. After all, they know better than anyone else what they want.

As the workforce continues to become more diverse, how will your company respond?