



Are Generational Categories Meaningful Distinctions for Workforce Management?

Labels used for different generations—notably baby boomers, generation X, and millennials—have gained traction and permeated public discourse. The popular press makes frequent reference to differences in generations in how they approach work and the workplace, including differences in values, preferences, and skill sets. In addition, the workforce has also experienced an increase in age diversity, which has contributed to discussions about generational differences and how these differences can be managed. Furthermore, the idea of distinct generational characteristics, including any differences in work-related attitudes and behaviors, has been given some sense of credibility by the increase in research on the topic and a growing set of publications aimed at advising businesses and their human resources organizations.

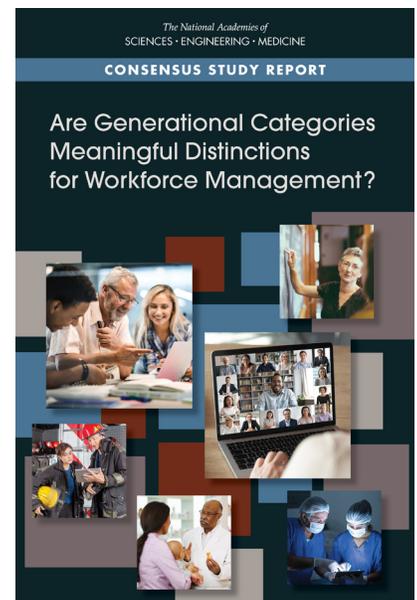
However, is this focus on generations warranted? Is each new generation of workers really that different from previous ones? Are there fundamental differences among generations that impact how they act and interact in the workplace? Are the perceived differences among generations simply an indicator of age-related differences between older and younger workers or are they a reflection of all people adapting to a changing workplace?

With these questions in mind, the U.S. Army Research Institute for the Behavioral and Social Sciences asked the National Academies of Sciences, Engineering, and Medicine to assess the scientific literature concerning generational attitudes and behaviors in the workforce, to reach consensus on the state of this research, and to evaluate whether the concept of generations promotes understanding of the workforce and facilitates its management. The National Academies appointed a committee with expertise in management, industrial and organizational psychology, sociology, economics, research methods and statistics, learning sciences, adult development, personality and psychology, discrimination and diversity, and military personnel.

The committee's report *Are Generational Categories Meaningful Distinctions for Workforce Management?* (2020) concludes that a focus on generational characteristics is not supported by science and is not useful for informing workforce management decisions. The report recommends that employers have processes in place to evaluate their personnel policies on a regular basis; a thorough assessment of changes in one's own work environment and human capital can guide management decisions. The report further provides advice for improving research designs aimed at understanding changes in the workforce over time.

THE EVOLVING WORKFORCE AND WORKPLACE

The U.S. workplace and workforce has changed significantly since the mid-1970s. The modern workplace is shaped by broad societal factors such as rapidly advancing technologies, an increasingly diverse workforce, increased globaliza-



tion, and new employer–employee relationships. Furthermore, as demonstrated by the COVID-19 pandemic, unpredictable circumstances may also arise requiring rapid and extreme adjustments to workplace operations. Employers across various sectors, including the military, are attempting to recruit, manage, and retain workers while coping with these shifts, as well as new and evolving trends in worker preferences, such as improved work–life balance, flexible schedules, and later retirements.

The education levels and skills of workers have risen as more people have completed high school and sought college degrees. Growth in the employment rates of women and increasing racial and ethnic diversity in the U.S. population lend to the demographic diversity that characterizes today’s workforce. The workforce has also experienced an increase in age diversity, which has contributed to discussions about generational differences and how these differences can be managed.

Research in a number of disciplines has shown that the social and technical environments in which work is done and the types of jobs available have shifted over time and continue to do so. With opportunities provided by advancing technologies, many workers have more autonomy as to when, where, and how they conduct their work; while at the same time, interdependence among jobs and team-based approaches to work have increased, making interpersonal skills among workers and communication strategies, such as virtual conferencing, within organizations more important.

With these significant changes in workforce and workplace dynamics, employers are seeking guidance on how to develop effective policies and practices for addressing challenges related to employee recruitment and retention and for best managing a diverse workforce.

MANAGING A CHANGING WORKFORCE: STRATEGIES FOR EMPLOYERS

Due to limitations with existing research on generations and the statistical challenges of separating generational differences from other changes over time, observed differences among workers cannot be tied to specific generational characteristics with any certainty. People born in the same year or span of years may develop attributes from some similar experiences in their formative years, but they have also likely had some very different experiences, depending on such factors as socioeconomic status, geographic location, education level, gender, race/ethnicity, as well as prior job experiences. Research has shown much variation in work-related behaviors among individuals of similar age.

Because of the heterogeneity within a generational group, tailoring employment policies and practices to a specific generation is unlikely to meet the needs of all members of that group and may exclude members of another group for whom those policies and practice would be valuable. Moreover, when age, generational categories, or stereotypes about generations are used in the workplace to inform decisions or policies, the employer may be in violation of the Age Discrimination in Employment Act (ADEA) and various state and local laws on age discrimination. To help guide managers in making workforce decisions, the report recommends:

RECOMMENDATION 6-1: In considering approaches to workforce management, employers and managers should focus on the needs of individual workers and the changing contexts of work in relation to job requirements instead of relying on generational stereotypes. Employers can be guided in making any needed changes to employment practices and policies by a thorough assessment of changes in their own work environment, job requirements, and human capital.

Employers express concerns about what types of policies and practices will be effective for recruiting, retaining, and promoting talent in many employment sectors. Some evidence suggests that the changing nature of work is responsible for many of these concerns expressed by employers. Many employers see the increasing diversity of the U.S. population as an opportunity to expand their recruitment pool and to match their workforce to their customer base. A diverse workforce can also have social and economic benefits for organizations.

Research has shown that an inclusive environment with attention to employee treatment and professional development reduces turnover. Steps taken to help employees feel safe, respected, and influential on the job and believe they have the ability to balance work and life needs can promote employee engagement with an organization.

While there are many benefits to having a diverse workforce, including one of mixed ages, there are also challenges entailed in addressing the needs of a range of workers and ensuring that this diversity produces the desired outcomes for organizations. There is no universal approach to increasing diversity and employee engagement; organizations have unique cultures requiring specific strategies that work in their particular context. The best advice and research evidence highlight the benefits of assessing one’s own culture and engaging management in the assessment and creation of possible solutions.

The goal of effective workforce management is not to develop permanent answers to what are continuously evolving recruitment and retention challenges. Workforce management solutions must be revisited regularly to meet the

changing needs of workers, the workplace, and the social environment. The impact of the COVID-19 pandemic on the workforce provides no better example of how quickly workforce issues can change (e.g., the recruiting challenges of January 2020 were substantially different from those four months later) and how employers had to quickly adjust their practices to support new conditions.

Organizations must evaluate the new policies and procedures they undertake to determine their impact on organizational effectiveness and the extent to which employees' needs are met. Thus, organizations should develop effective ways to regularly identify changes in the work environment and employees' needs, determine currently available solutions to these problems, and evaluate them. To this end, the report recommends:

RECOMMENDATION 6-2: Employers should have processes in place for considering and reevaluating on a regular basis an array of options for workforce management, such as policies for recruiting, training and development, diversity and inclusion, and retention. The best options will be consistent with the organization's mission, employees, customer base, and job requirements and will be flexible enough to adjust to different worker needs and work contexts as they change.

IMPROVING FUTURE RESEARCH

Over the past two decades, there has been a growing body of research examining generational differences in the workforce. However, much of this literature has significant limitations, including those related to study design. The report's recommendations are intended to improve research designs as well as guide future research directions that may better inform solutions to the challenges in workforce management.

Much of the existing research on generational differences in the workforce uses research designs that cannot separate generation effects from age or period effects¹, thus, the findings cannot be used to draw conclusions about differences among generational groups of workers. Many of the research findings that have been attributed to generational differences may actually reflect shifting characteristics of work more generally or variations among people as they age and gain experiences. Indeed, in the few studies designed to separate age, period, and cohort effects, the results point to greater significance of age or period effects than of cohort or generation effects. The report makes the following recommendations to improve the research designs:

RECOMMENDATION 4-1: Researchers interested in examining age-related, period-related, or cohort-related differences in workforce attitudes and behaviors should take steps to improve the rigor of their research designs and the interpretation of their findings. Such steps would include

- decreased use of cross-sectional designs with convenience samples;
- increased recognition of the fundamental challenges of separating age, period, and cohort effects;
- increased use of sophisticated approaches to separate age, period, and cohort effects while recognizing any constraints on the inferences that can be drawn from the results;
- greater attention to the use of samples that are representative of the target populations of interest;
- greater attention to the design of instruments (e.g., surveys) to ensure that the constructs of interest (i.e., measured attitudes and behaviors) have the same psychometric properties across time and age groups; and
- increased use of qualitative approaches with appropriate attention to documenting data collection protocols and analysis processes.

AREAS FOR FUTURE RESEARCH

Because generational beliefs and perceptions are not likely to reflect stable attributes of members of any birth cohorts, they are best studied as generational stereotypes and biases. Areas ripe for research include examining how perceptions about generational qualities develop, what opportunities and challenges these perceptions present in the workplace, and what are the implications for organizations to address any prevalent misconceptions.

The report also identifies three perspectives as alternatives to generational thinking for guiding future research about variations among workers, including: (1) lifespan development theories, (2) changes in the work context, and (3) the aging workforce. Further research may also elucidate other perspectives to be of value for understanding workforce issues. A lifespan development perspective considers the impact of historical events on human development while also stressing the importance of biological and cultural factors in explaining differences among people. This perspective

¹Age effects are considered developmental influences resulting from biological factors or maturation that occur in all people. Period effects are considered social influences from historical events that affect everyone in society. Cohort (or generation) effects are considered social influences that predominantly affect only a certain group of people. See more description of these effects in the full report.

varies from the traditional generational approach in acknowledging that people are influenced not only by broad historical events, but also life events that are idiosyncratic to individuals.

Research that takes context into account is useful for understanding how changes in the work context influence behavior patterns. Also, a perspective on the aging workforce focuses on the norms and behaviors that develop as a function of shifts in the workforce demographics. Research that considers the environmental influences of an age-diverse workforce in addition to worker characteristics can be useful for understanding different behavior patterns. To guide future research on these issues, the report recommends:

RECOMMENDATION 5-1: Researchers interested in examining relationships between work-related values and attitudes and subsequent behaviors and interactions in the workplace should endeavor to identify and better understand alternative explanations for observed outcomes that supplement explanations associated with generations. This effort would include attention to generational stereotypes and biases that might exist among workers. Research should also seek to better understand the multiple factors that influence attributes of individual workers, including aging in the workplace, and the changes in the work context that affect the behaviors of all workers.

The categorization of a group of individuals by generation can lead to overgeneralizations and improper assumptions about those individuals, and perhaps even discrimination. With action on the part of managers to avoid these assumptions and work to design more inclusive work environments as well as broader research to better understand work-related attitudes and behaviors and interactions in the workplace, we can move beyond these assumptions to better meet the current and future needs of the evolving workforce and workplace.

COMMITTEE ON THE CONSIDERATION OF GENERATIONAL ISSUES IN WORKFORCE MANAGEMENT AND EMPLOYMENT PRACTICES

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For More Information . . . This Consensus Study Report Highlights was prepared by the Board on Behavioral, Cognitive, and Sensory Sciences based on the Consensus Study Report, *Are Generational Categories Meaningful Distinctions for Workforce Management?* (2020). The study was sponsored by the the U.S. Army Research Institute for the Behavioral and Social Sciences. Any opinions, findings, conclusions, or recommendations expressed in this publication do not necessarily reflect the views of any organization or agency that provided support for the project. Copies of the Consensus Study Report are available from the National Academies Press, (800) 624-6242; <http://www.nationalacademies.org/workforcegenerations>.

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