It is now half a century since the last Baby Boomer was born. It is 20 years since the first of Generation Z was born. And it will be another two decades before the last of the Boomers retires.

As we enter an era of four generations in the workplace at once, some separated in age by half a century, what do we really know about the psychological differences in how our generations think, act and lead?

Hudson decided to find out.
What we found was data that made us question the stereotypes and take a second look, not only at our understanding of generations, but also at the very nature of leadership itself.

Many studies — and indeed most people in the workforce — have pointed to the differences in how generations act in a professional environment. Baby Boomers, people currently aged 50 or over, have a fundamentally different set of behaviors in the workplace from those in Generation X, now aged 35 to 49, and from those in Generation Y, now aged 20 to 34.

What our data reveals is evidence on what personality preferences or traits drive those different behaviors. Since personality traits drive behavior, understanding them allows organizations to understand, predict and manage behavior. Most importantly, it gives organizations and individuals alike an insight into who their future leaders and stakeholders might be — and how they can all prepare.

HOW GENERATIONS THINK DIFFERENTLY

In some aspects, the differences Hudson unearthed point to the particularities of age, stage and gender, such as the older you are the less ambitious you are likely to be, or if you are male you are likely to score lower on helpfulness than women.

In other aspects, however, the differences are extreme and unexpected — with the data suggesting that the three generations of X, Y and Boomers are fundamentally different in how they approach the workplace.

Notably, on the trait of “leadership,” and all traits associated with traditional leadership methods such as “persuasion,” “motivation” and “extraversion,” Boomers scored significantly higher than Generation Y.

Although recent research suggests there are some interesting changes in personality across one’s lifespan, particularly in relation to major life events, there is a large and well-established body of research that demonstrates that the stability of personality across adulthood is very high, with only modest changes.

The Hudson data raises questions about whether we are seeing an entirely new set of personality preferences emerge — ones that may well remain largely unchanged.

Have we let down our young in not giving them enough opportunities to learn leadership? Or are they a fundamentally different breed from those who came before? Regardless, Generation Y is already redefining our global workforce, and organizations must work to understand their unique profiles, to recognize why and how they think, act and lead.

WHY ORGANIZATIONS NEED TO TAKE NOTICE

In a short while, four generations will be operating in the same workplaces and teams: Boomers, X, Y and Z. While we do not yet have data on how Generation Z operates in a professional environment — given the oldest within Generation Z are only 20 — this paper details results from more than 28,000 psychometric assessments on the existing three workplace generations. It suggests there are likely some major shifts coming that will impact organizations.

From the findings, we believe the actual nature of leadership could be changing. The old traits of persuasion and influence are on the wane among today’s younger generations; they simply score lower on these personality traits.

On the one hand, is this a reflection of today’s work environment? Today’s workers do not need to be persuaded of the facts (they can check Google). Rather, they seek leaders who can sift through mounds of data and translate it into meaningful insights.

On the other hand, are organizations willing to risk losing the traditional leadership traits of persuasion, decisiveness and motivation in our upcoming talent pipeline?

In the context of today’s workplace as well as the work environments of the next two decades, the findings in the following pages are critical. Any organization that wants to formulate the right strategy for acquiring and developing its people must first understand who those people are and what makes them tick.

Think you know what goes on in the minds of different generations? Think you know what your future boss or colleagues will look like? Think again.

IS THIS THE DAWN OF A NEW LEADERSHIP STYLE?

When it comes to leadership, the behavioral styles of Baby Boomers and Generation Y in the workplace could not be more different. For organizations, managers and individuals alike, it may be time to get ready for a new kind of leader.

Hudson data shows that Boomer males score significantly higher than others on traditional leadership traits like “leading,” “decisive,” “motivating” and “persuasive.”

Generation Y, by contrast, scores considerably lower on these traits. Instead, Generation Y brings a completely different, and potentially more relevant, set of skills to the workforce for today’s business environment.

First, they have a much stronger preference for abstract and conceptual thinking. This helps them connect the dots in a data-driven world and come up with insights on which a technical team can act. Evidence exists that traits like curiosity and insight can be more important than technical competency and experience when selecting high-potential talent.

Second, Generation Y is much less “strategic” than Boomers, which may reflect today’s increasingly volatile and uncertain business environment. It is harder than it was in the past to develop long-term business strategies, and leaders need to be nimble to deal with frequent changes to the competitive landscape.

Third, Generation Y is highly ambitious, optimistic, socially confident and strong on people skills — traits that differentiate them from today’s Boomers. It is likely they will be very relational as leaders, more inclined to inspire than persuade.

Sandwiched between these two highly studied generations, Generation X is emerging as ambitious and socially progressive drivers for change. They occupy an intermediary position, being more people-oriented and socially confident than Boomers, while stronger on traditional leadership traits than Generation Y.

When academics and psychologists discuss generational differences in the workplace, two things come up. One is nature versus nurture: Do the three generations have distinct behaviors due to the differences in how they were raised? The other is age versus stage: Regardless of whether we live in 1970, 2000 or 2020, are all 20-year-olds idealists, all 35-year-olds family-focused, and all 50-year-olds at the peak of their skills?

Many believe it is nurture, not age, that creates the differences. As a Harvard Business Review case study recently pointed out: “Generations are defined by the defining events that individuals were exposed to during their formative years. Common events and conditions shaped individuals’ attitudes, which in turn influence their core beliefs and work values.”

With so much changing in the world today, could we be seeing a fundamental shift in personality traits that will in turn have a big influence on the leadership styles we see in the workplace? Will today’s Generation Y ever gain the traits of persuasion and influence that are more pervasive in older generations? Or, perhaps, with the eldest Generation Y almost 35, will they take a different approach because, by their very nature, they may be different?

Our thoughts are that leadership has changed, is changing and will continue to change.

Your future boss? He or she will look nothing like your bosses of yester-year.

[Harvard Business Review, June 2014, Claudio Fernández-Aráoz]
Masters of abstract and conceptual thinking. Generation Y is highly ambitious, socially confident and relational, but scores significantly lower than other generations on traditional leadership traits.

AMBITIOUS
13% higher than Baby Boomers

ABSTRACT THINKING
12% higher than Baby Boomers

PEOPLE-ORIENTED
27% higher than Baby Boomers

PERSUASIVE
15% higher than Generation Y (males only)

ORGANIZED
22% females higher than males

The percentages throughout the report have been rounded to one decimal place for statistical accuracy. The aggregate percentage may not always add up to 100 percent precisely.
HOW TO THRIVE IN A MULTI-GENERATIONAL WORKPLACE

The implications of this research are far-reaching, but ultimately come down to understanding the unique profiles of different generations and the implications they have for management styles in the future.

Rather than judging the behavior they see in colleagues, clients and competitors, strong future leaders will understand the personality traits that are driving that behavior and adjust their management style, and ultimately their organizations, to match.

Could unlocking and understanding the profiles of different generations be a key source of future competitive advantage? What does each generation need to do to excel? And what do all leaders managing in a multi-generational workplace need to know to thrive?

BOOMERS WILL NEED TO ADJUST EXPECTATIONS

As new leadership traits creep into the workplace, Boomers will need to be aware of the drivers behind behaviors. Avoiding judgment and embracing change will lessen disconnects with staff. Boomers still have much to contribute to the workforce in the coming two decades, not only in terms of their own skills, but also in passing on these skills and mentoring younger generations. Yet they are less ambitious and altruistic than younger people, so they will need to be motivated to share those skills in other ways.

GENERATION X WILL NEED TO BECOME NATURAL DIPLOMATS

Straddling both generations, Generation X needs to learn some of the traditional leadership traits of the Boomers and adapt them to their own style.

They also need to recognize and embrace their forthcoming place at the top of the food chain, to stake their places in senior management, sharing leadership with both Boomers and Generation Y.

GENERATION Y MAY NOT BE ENTITLED AND IMPATIENT, JUST MISUNDERSTOOD

There are plenty of stereotypes about Generation Y being “entitled” and impatient. However, our data suggests that they are actually highly ambitious and willing to set and work toward difficult objectives. Generation Y had a very different upbringing compared to previous generations, which now has implications for the world of work. Taught from a young age that “everyone’s a winner,” their expectations of promotions and pay raises will need to be managed. Raised in a connected world, they also will prefer to communicate through non-traditional channels and may need more regular feedback and enforcement than other generations think necessary.

Organizations need to ensure they are aware of the benefits of a well-rounded individual and provide opportunities for Generation Y to see and experience other traits such as motivation and persuasion in action.

Ultimately, the most successful individuals and organizations are well-rounded: just as individuals need broad personality traits, organizations need varied kinds of people as well.
What does this mean for organizations?

- **UNDERSTANDING** the unique profiles of your employees will be key in the coming years. While the findings in this report are presented as averages across a global sample, and given that there will be variations from the norm, they point to the personality styles that drive people of different ages and genders. Only by understanding their people can leaders truly move them.

- **MAP** the traits a leader needs in your organization to highlight any gulfs among senior management, the board and the rest of the organization. Someone needs to play the role of translator between the behavioral preferences of those in different ages and stages.

- **DECIDE** whether your leader of today is the right leader for tomorrow. The past decade of subdued economic conditions has seen the rise of the conservative leader who helps an organization cut costs to survive the storm. As conditions improve, out-of-the-box thinking, innovation and a focus on taking strategic risks require a new kind of leader, one who is bold and not afraid to challenge the status quo.

- **DON’T** leave the gaps to chance — close them. Implement a formal leadership program that addresses the divisions across both existing leaders and high-potential employees. Bridging these gaps at an early stage will mean a pool of well-rounded leaders to choose from, able to leverage the different strengths of all generations.

What does this mean for individuals?

- **THE BEST** organizations recognize that employees are different and that together they are stronger because of their differences. Any organization can act today to harness this research and create workplaces that leverage, balance and build on each generation’s unique profile.

- **RECRUIT** with differences in mind. Work to educate others on the importance of an objective selection process. Be aware of unconscious bias in both the selection and promotion process; consider a panel approach.

- **ENCOURAGE** inclusive leadership. If Generation Y is lower on “persuasion,” consider how to help them share their ideas more persuasively in team meetings. Inclusive leadership focuses on listening and ensuring everyone’s voice is heard.

- **EMBRACE** diversity. Be open to differences and the value they bring, and highlight the importance of differences in the processes of hiring, people management and development programs. Look to establish mentor programs that partner Boomers with younger generations.
THE GREAT GENERATIONAL SHIFT

GENERATION Y: A NEW KIND OF LEADER?

They lag behind Boomers on traditional leadership traits. Does Generation Y still need to grow up or is something more fundamental at play?

Generation Y is shaping up as entirely different leaders from their predecessors. Forceful leadership and persuasion could not be further from their minds. Instead, they have a preference for leading by providing insights and a vision, and by being role models.

One of the most compelling findings of this study is that Generation Y scores significantly lower than Boomers on traditional leadership traits like “decisive,” “leading,” “motivating,” “persuasive” and “strategic.” A similar comparison can be made between Generation Y and Generation X, although the difference is less pronounced.

But Generation Y brings a different set of skills and values. Scoring 12 percent higher on “abstract thinking” than Boomers, Generation Y men are skilled in curiosity, intellectual thinking, connecting the dots and focusing on broad insights that a team of specialists can put to use.

While lower on traditional leadership traits, Generation Y is instead very strong on interpersonal traits. They are highly “people-oriented,” “optimistic” and “socially confident,” particularly Generation Y women. They also are very ambitious and willing to work long hours, calling into question the belief in some quarters that Generation Y expects life to be delivered on a silver platter.

WANT A RABBIT PULLED FROM A HAT? ASK A YOUNG MAN

Generation Y men are ahead of all other groups on abstract thinking – the ability to go beyond the concrete here-and-now and see patterns that aren’t necessarily obvious.

This indicates that they may already be well-placed to be future leaders in innovation.

Abstract thinking comes into play in business in spotting market gaps or creatively solving problems. Amid fast technological change, increasing specialization and constant disruption to business models, abstract thinking is a serious weapon to have in your armory. Today’s leaders must step outside the established way, see relevant patterns in an information-saturated environment, and come up with broad insights that a team of specialists can put to use.

As a whole, Generation Y men bring other traits that allow them to thrive at the sharp edge of innovation. A unique feature of Generation Y men is that they are “relaxed.” The ability to be calm and free of anxiety also makes them resilient and able to learn from failures and focus on the next win.
GIRL POWER RETURNS? YOUNG WOMEN TOP CHART ON “SOCIAL CONFIDENCE”

Two decades after the Spice Girls gave us “girl power,” today’s young women are characterized by a positive attitude and ambition.

Of all generations in the workplace, Generation Y women top the charts in “socially confident,” “altruistic,” “helpful,” “organized” and “meticulous.”

Generation Y women also are highly ambitious, and the combination of this and their focus on people encourages young women to be confident in establishing and building relationships with their colleagues, direct reports and stakeholders.

Characteristic of Generation Y as a whole, they are less focused on persuasive leading. Growing up in an increasingly connected world, Generation Y has seen the way movements can gather pace on social media when hearts and minds unite around a common cause. With fresh insights gained from their skill in abstract thinking, and their chart-leading optimism and altruism, they will lead by laying out a vision and welcoming those who want to take part.

Generation Y women also score higher than others on “meticulous” and “organized,” which will help them navigate a data-driven future. These traits fall under a broader domain called “conscientiousness.” Importantly, past research has shown conscientiousness to be one of the best personality predictors of work performance.

ALTRUISM
Generation Y is significantly more likely to be altruistic than either Generation X or Boomers. Is this merely youthful enthusiasm or a trait that will be carried into later years? With many employers and college admissions officers now heavily focused on more than just academic results, the drive to respect and cooperate with others may become more embedded in our society at all ages.

\[A \text{ Harvard Business Review article published in June 2014 argued traits like curiosity and insight are more important than technical competency and experience when selecting high-potential talent.} \]

\[\text{(Barrick & Mount, 1991; McHenry, Hough, Toquam, Hanson & Ashworth, 1990).}\]
GENERATION X: PROBLEM MIDDLE CHILD OR QUIET REVOLUTIONARIES?

What happened to the rebel in motorcycle boots, the generation that fought back against the excesses of its forebears? Hudson data reveals a generation that at first glance appears to be the “middle child,” not excessively high or low on any one score, yet instead aligned to an average on all personality and business attitude scores.

Did their rebellion fail? Or did it succeed, as they come into their own as the great straddlers of the generations, the unexpected “dependables” who can speak the language of all?

For this generation, what’s really at play? Those born into Generation X are currently in the prime of their life. As the upper spectrum of the generation crests 50, Generation X has steadily thrown aside its reputation for youthful ambivalence to evolve into more ambitious and socially progressive drivers for change. But it has been a quiet revolution.

Growing up in the shadow of the Boomers, a loud generation that changed the status quo but desired to retain control, Generation X matured hesitantly. It is a legacy with which this tamer, more cynical tribe is still coming to terms.

Ranging in age from 35 to 49, in the middle cycle of life, often defined by a concern of functional practicalities such as partnering, parenting, finances, mortgages and keeping their careers on track. This may be one of the reasons that this once poster child for alternative culture has been benched in favor of social and political change being agitated by generations below and above.

Yet age and stage of life does not obscure the fact that Generation X has been front and center for every major economic crisis and the technology-driven revolution of the past 30 years. Battle-worn and cautious, Generation X possesses precisely the breed of resilience that companies need in uncertain times.

The Generation X pedigree of living through rapid change means they have mastered the art of change, diplomacy and leadership attributes that are acutely needed right now.

According to the Hudson data, Generation X differs from the Boomers in that they are more altruistic, people-oriented and socially confident. They also score higher on the ambition and personal drive facets. Yet their predecessors score higher on traditional leadership metrics. These are markers that denote a different type of prevailing leadership for Generation X, one that is more entrepreneurial. Where the Boomers took control with a sense of earned entitlement, Generation X has tread lightly, approaching leadership in a very different way.

As veterans of downsizing, restructuring, outsourcing and job displacement, Generation X retains the ambition, personal drive, abstract-thinking and a sense of autonomy that create an entrepreneurial drive.
This is the generation that grew up watching MTV, that remembers clunky mobile phones and painfully slow Internet connections, that created MySpace and YouTube. Generation X created and provided the cultural and technical revolution on which the economy now pivots.

They also provide a much-needed interface between the analog Boomers, who still grapple with technological change, and Generation Y, which is often too immersed in it. Generation X speaks both generational languages and has emerged as natural diplomats — educating upward and innovating downward.

Far from being middle of the road, they are wired, self-reliant individualists who do not take center stage to create change, but rather seek a more inclusive environment that breeds innovation and freedom from constraints.

“Generation X speaks both generational languages and has emerged as natural diplomats — educating upward and innovating downward.”
BABY BOOMERS: DON’T TURN YOUR BACK

From hippies to hedonists to heads of departments: the Boomer story lives on, but with a twist — their traditional leadership skills are unrivaled.

One of the key findings of this research is that Boomers are well ahead of Generation Y on traditional leadership traits. Our analysis revealed that Boomers score 34 percent higher than Generation Y on “leading” and 28 percent higher on “decisive” and “motivating.” Boomers also are substantially ahead of Generation X on traditional leadership styles — despite the oldest of Generation X now approaching 50 years old.

Generations X and Y would be hard-pressed to see how those whose formative influences include economic prosperity, flower power and rock-and-roll have any influence on them. Why would the Baby Boomers’ so-called life-changing events have any ongoing relevance over the next 20 years?

The generation chasm always occurs at the very opposite ends of the age spectrum. Boomers also have more power and influence over others as well as a predilection toward decisiveness and strategic-thinking. By contrast, Generation Y clearly outscores Boomers on “ambition” and “people-orientation” and on traits such as “social confidence” and “abstract-thinking.”

Some social demographers argue that Boomers were handed the freedom to compete from an early age and, by proxy, the freedom to create social hierarchies. A strong sense of self-reliance and a high exposure to competition were inculcated from the start and entrenched over succeeding years.

But what relevance do they have now? Our research revealed that both Generations X and Y are individualists and inclined to think in more creative and abstract ways.

They have clearly adapted to market forces that require higher forms of technical ability and specialization. They also are more socially responsive and people-oriented, having taken to social media and technology with far greater gusto than their elders. Yet they score lower on traditional leadership traits.

Where does this leave the strategic-thinking and leadership skills — the so-called Boomer “advantage” — that require a more generalist, overseeing approach?

It leaves Boomers with an opportunity to share, teach and mentor.

For corporations to change successfully and compete in an ever-expanding and changing market, Boomer traits like leadership, motivational ability and decisiveness remain essential. There is much that Boomers can give to younger generations.

Some feel society has become much more vocal about bridging gender divides and is largely dismissive of the wealth of experience ascribed to older people. There is concern that older-style qualities risk being lost in the corporate changeover. Yet intelligent companies will work to ease the inter-generational transition and maintain the very best of all the generations’ skill sets.

That means encouraging Boomers’ mentoring and leadership skills to be shared freely within an organization.
The generation chasm always occurs at the very opposite ends of the age spectrum. As our research shows, Boomers significantly outperform Generation Y on traditional leadership traits.
WHAT’S AN ORGANIZATION TO DO?

What organizations face today is a multi-generational workforce, with some employees separated by half a century.

A Boomer generation, strong on traditional leadership traits. An X generation, at once independent and capable of straddling the divide between the young and the more mature. A Y generation, people-oriented and ambitious, with an entirely different approach to leadership. And an impending Z generation, whose workplace style we know little about.

To foster business growth through leadership, create innovation through teamwork, manage different ages, develop and retain top talent and even better ideas – what’s an organization to do?

Talk to Hudson.

We understand the generational talent challenge

We can help you select people who will stay and perform

- **WE KNOW** that 50-year-olds define themselves by almost the opposite factors than 23-year-olds do. We know the sweet spots of different ages and stages, the factors that will make the best employees stay, play and over-perform.

- **OUR TEAM** of specialist recruiters, armed with strong technical knowledge and robust assessment methodologies, will help you make good hiring decisions today as well as uncover hidden talents that will drive your business forward into tomorrow.

We can map your organization’s specific talent challenges

- **NEED** old school leadership to engender large-scale change?

- **NEED** stakeholder management, innovation, wisdom, organization, new thoughts?

- **WE CAN WORK WITH YOU** to define the parameters and purpose of each division or role’s key responsibilities to provide clarity about the tasks to be tackled, the definition of high performance and the attributes required for success. We can help you translate your business need into a talent solution.

We can reinvigorate your established teams

- **HAVE A TEAM** that could operate better? We can introduce a leadership development program or high-potential model that supports the best of every generation.

- **WE CAN WORK WITH YOU** to map your business needs and design tailored talent solutions that will help you achieve them.
More than 28,000 psychometric assessments completed through our proprietary Business Attitudes Questionnaire were analyzed by our global R&D Center in Belgium and combined with insights from our global Talent Management team.

The assessment was completed in the following diverse languages: Arabic, Chinese, Czech, Danish, Dutch, English, Finnish, French, Hungarian, Italian, Japanese, Norwegian, Polish, Portuguese, Romanian, Russian, Slovakian, Spanish, Swedish, Thai, Turkish, Ukrainian

**PERSONALITY TRAITS ANALYZED**

**Emotional Stability:** Relaxed, Optimistic, Stress-resistant, Decisive

**Extraversion:** Leading, Communicative, Persuasive, Motivating

**Openness:** Abstract, Innovative, Change-oriented, Open-minded

**Altruism:** People-oriented, Cooperative, Helpful, Socially Confident

**Conscientiousness:** Organized, Meticulous, Rational, Persevering

**Professionalism:** Ambitious, Critical, Result-oriented, Strategic, Autonomous

**HOW WE DO IT**

- Specialized recruitment
- Behavioral-based interviewing
- Assessment/Development Centers
- Personality Questionnaires
- Reasoning Ability Testing
- Teamwork, leadership development and high-potential programs

For all generations, moving up is on the agenda.

With Generation Z soon to start entering the workforce and Boomers beginning to retire, the old placeholders no longer fit.

Generation Y is no longer the baby, Generation X no longer the middle child and Boomers are no longer the parent.

Everyone moves up a step as of today, and with that step up will come opportunity and a new marking of territory.

Do you know what will happen?

The great generational shift is now on.