

Next Generation/Multigenerational Workforce Transformation Research Report

Prepared for

Senior Executive Board Members

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Introduction

The global workforce is made up of 4 generations. By 2025 there will be five generations in the workforce. Each generation displays some unique behaviors and how they perform tasks. Although multiple generations in the workforce are not new, the makeup of the workforce and the reliance on technology is new and transforming the way we interact, communicate, plan, and execute projects. Research for this report included Talent Acquisition, Onboarding, Leadership/ Organizational Development, Performance Management/ Succession Planning. The report begins with a definition of the future workforce makeup. This is followed by the identification of the issues related to working in a multigenerational workforce followed by suggested solutions. The last section provides an overview of several Organizational Development Interventions which could be used to implement solutions.

Multigenerational Workforce

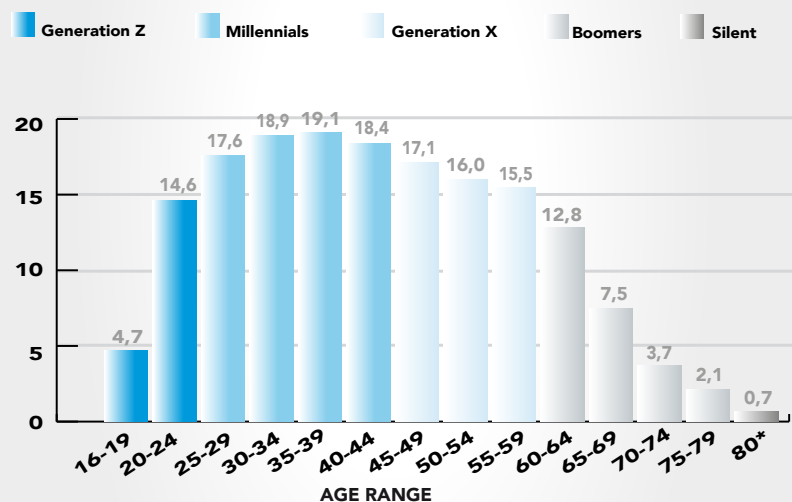
Figure 1 represents the United States Department of Labor's projection for the makeup of the Workforce in 2025. There is consensus on the general period for each group. However, the exact year is specified differently. For this report the groups are:

- Silent: 1925 to 1942
- Baby Boomers: 1943-1964
- Generation X: 1965-1979
- Generation Y: 1980-2000
- Generation Z: 2001-2013

Figure1. Workforce Projection for 2025

The Workforce in 2025

Projected size of U.S. labor force (in millions) by age, for the year 2025



Source: Department of Labor | WSJ.com

There are five generations in the projection however the Silent generation has a minimal representation. The Millennials (Gen Y) at 44% are the dominant generation followed by Gen X 25%, the Boomers at 15%, Gen Z at 11%, and the Silent at less than 1%. The makeup of this workforce will include different generations managing other generations. How each generation operates, and their needs must be established to maintain an inclusive, productive organization. This understanding can be used by management to put into place processes, development practices, and interventions to transform the workplace into a Multigeneration friendly environment.

What are the Differences?

A recent Harvard Business Review (HBR)¹ Study examined the aspirations of Gen X, Y, Z. Table 1 represents the overall results at a global level. HBR surveyed individuals in each age group across 19 different countries. The three generational groups in Table 1 share similar interests on a global scale. Gen Y and Gen Z individuals are slightly more interested in leadership positions.

Table 1 Interests of Gen XYZ on a Global Scale (Source:HBR ¹)			
Interest	Gen X	Gen Y	Gen Z
Leadership Ambitions	57%	61%	61%
Entrepreneurial Ambitions	33%	33%	25%
Flexibility in Work Schedules	70%	70%	70%
Training	78%	77%	77%
Delivered Via Intra or Internet Self Paced	25%	21%	13%
Delivered by a Live Person	NA	NA	69%
Fitting into the Culture	40%	50%	50%
Relying on Technology	70% Believe Digital is Valuable		
	40% Believe that Business Digital Capability is not adequate		

Interests

All groups are interested in flexible work arrangements and training. They all are also interested in fitting into the organizational culture. These interests translate into wanting to be in a psychologically safe, collaborate, team environment. Gen Z's preference is for in-person training versus internet self-paced training. All generations believe that digital technology is valuable in business, however the technology business have today is not adequate. Although the global numbers are close, when looked at on in a region or specific country the numbers change slightly. For example, 77 % of Gen Y's in the United States have leadership ambitions. Knowing that more Gen Y's want to become leaders, succession planners need to look carefully at how

¹ Bresman, Rao, 2017, A survey of 19 countries shows how generations x,y,and z are aren't different, Harvard Business Review

many Gen Y's in their workforce are interested in leadership opportunities. These individuals need to be informed of what opportunities are coming up and how they can be considered for the position. Information is useful it is the silence about opportunities that causes Gen XYZ to jump.

Job Hopping

Gen Y's have the reputation of disloyalty and always looking for their next position. Table 2 is taken from a PEW² research center study on moving from job to job. According to the study, Gen X and Gen Y employees are very close in job hopping during their initial entry into the workforce

Table 2 Job Hopping (Source: BPI based on PEW data)		
Job Hopping	13 months	Five years or more
Gen X	59.9%	21.8%
Gen Y	63.4%	22%

Engagement

In the same study, PEW researchers examined engagement across the generations (Table 3). Gen Y workers were the lowest scoring group. Lack of engagement is driving their need to seek other employment. Individuals are looking for the job where they fit. They want a job that meets their interests. The researchers found that Gen Y workers that were engaged, 44% had regular meetings with their boss. Only 20% of workers that do not have regular meetings with their boss are engaged.

Table 3 Engagement in the Workforce by Generation (Source: BPI based on PEW study data)				
Engagement	Gen Y	Gen X	Boomers	Traditionalists
Engaged	29%	32%	33%	45%
Not Engaged	55%	50%	48%	41%
Actively Disengaged	16%	18%	19%	14%

Cultural Fit

Table 4 lists the work, environment, and engagement desires of three current generations in the workforce. The results indicate that there are a culture and performance management issue All generations want to fit into an organization's culture, work on exciting, meaningful work, have social inclusion in a working team. However, they mistrust each other. Each generation communicates differently and performs their work differently. It is this different approach and management styles that cause distrust. You do not trust something you do not understand. Individuals I talked to confirmed this observation.

² Richard Fry, 2017, Millennials aren't job-hopping any faster than Gen X did. Pew Research Center

Table 4 Summary of Desires and Issues
(Source: BPI generated from PEW research data)

Desires	Boomers	Gen X	Gen Y
Work	Personal Fulfillment and Achievement	Meaningful work with Work-life Balance	Love the work great social environment
Environment	Great Team Relations	Great Team Relations	Great Team Relations
Engagement	Want feedback	Want feedback	Need feedback
Culture Issue	Believe Gen X, Y are in it for the money, do not care about the organization or others	Believe Gen Y, Boomers are in it for the money, do not care about the organization or others	Gen X, Boomers are in it for the money, do not care about the organization or others
Performance Management Issue	Regular Feedback on Performance and Career Path		

Case Study: Interview with Gustav Otto Chief Training and Talent Development Defense Intelligence Agency

I discussed the culture issue in Table 4 with Gustav Otto, Chief Training and Talent Development at the Defense Intelligence Agency. Gustav agreed with the statement and told me that he sees this all the time with his teams. To illustrate this, he gave me the following example. A manager, an Officer, was working with bright young IT engineer and other engineering talent on his team. The manager observed an IT engineer on this team texting and emailing at his desk. The engineer was communicating with other employees on the team, asking questions and discussing work issues. To the manager, this individual was just wasting time, and he felt that if they had work-related problems, the engineer should talk to the individuals directly. The issue is the manager not understanding how his team communicates. Mr. Otto explained to me that to overcome this misunderstanding, they are instituting Transformational Leadership Training to their leaders. We discussed that by showing leaders how to coach, mentor, and provide a learning and collaborative environment for their teams they can overcome the directive nature of their leadership style. Through understanding the way others communicate and approach work tasks, managers can help foster a collaborative environment.

Case Study: Interview with Ann Rischiotto

Another example was provided by Ann Rischiotto, Staffing Industry Professional with over 25 years' experience. Ann and I were discussing contingent workforce management when the subject of multigenerational recruiting came up. I told Ann about my conversation with Mr. Otto, and she told me that she also sees this kind of mistrust

with companies she works with. She gave me the following example. Gen X leader whose preferred method of communication is through emails. One of his direct reports, a baby boomer, wanted to come in and talk face to face which was very uncomfortable for the manager. Many of his direct reports relied on email to communicate with him. When the boomer went to the other employees, they indicated that they would like to have face to face communications with their boss from time to time. This positive interaction between the boomer and the Gen X Y team started to break down barriers and initiate cooperation at different levels to occur.

Solution Set

The above data points to several items that need attention to hire and retain a productive, engaged employee. Gen X, Y, and Z are looking to fit into the culture, perform what they believe is meaningful work, engage in a social team environment that works together to meet company objectives, understand how they are doing and what development opportunities are available to them. To meet these needs, we need to examine three basic organizational functions. Talent Acquisition, Leadership/Organizational Development, and Performance Management/Succession Planning. As shown in Figure 2, each of these functions has a place in the retention of key employees.

Talent acquisition attracting the right candidate that fits your organization involves letting them know who you are. If a potential employee understands your culture, team environment, development opportunities, workforce makeup, products, management practices they are more likely to self-determine if they fit your organization and position advertised.

Leadership/Organizational Development once they are hired, it is up to management to engage, mentor, review, and create the kind of environment that meets their social needs. As they work for the organization, performance review and succession planning, there is a need to review performance regularly and plan their movement through the organization. Organizations meeting these needs will increase the chances of retaining employees.

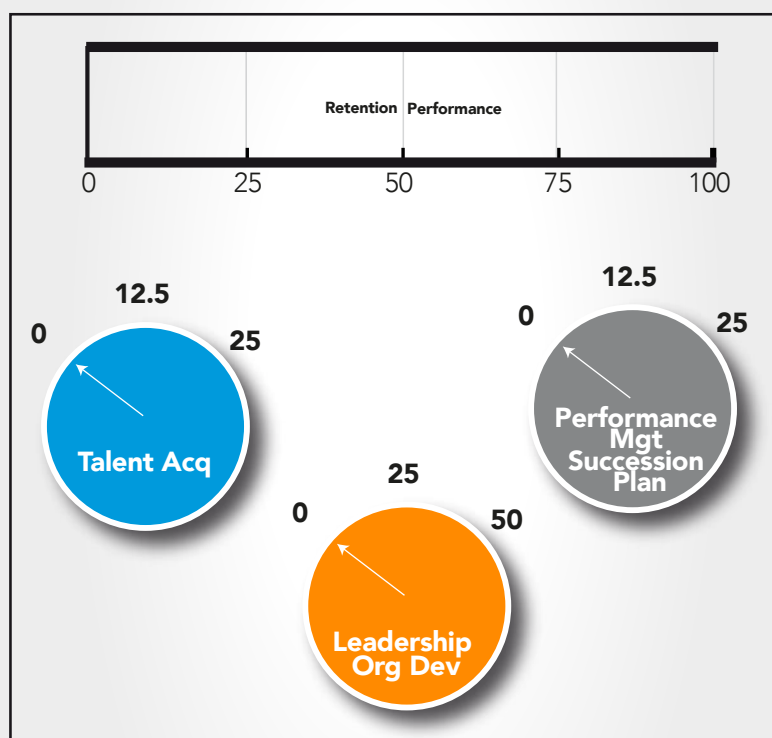


Organizational Development Approach to Multigenerational Workforce Success and Retention

There are three steps to building a successful multigenerational organization and culture. Each step of the process increases the retention rate. All steps are not equal contributors. Figure 3 represents a dashboard element created by BPI to provide a visual indication of how strong an organization's Talent Management System is on retention. The gages represent the three Talent Management dimensions that account for retention of employees. Each of the indicators is driven by a Scorecard (Table 8) that rates each dimension. The dimensions are rated according to their importance in retaining top talent. The scoring values are based on research associated with this report and BPI experience. The breakdown is as follows, Talent acquisition accounts for 25%, Leadership/Organizational Development 50%, and Performance Management Succession Planning the remaining 25%. In each section, I will explain the basis for assigning the percentage.

To show a practical example of how this is calculated, an evaluation of a fictitious company, IT-C, will be scored as we move through each step of the process. The scorecard rating for each dimension will drive the retention performance indicator rating. Based on the resulting scores an organization can determine where they need to concentrate their efforts to improve their retention rating.

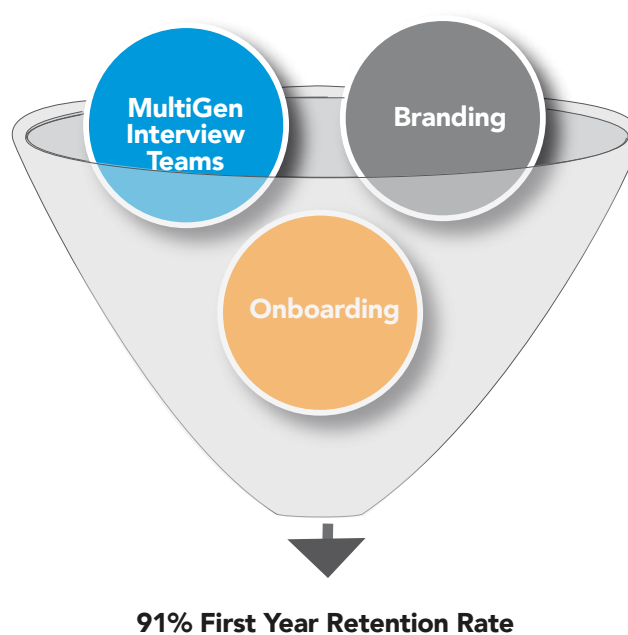
Figure 3 Retention Performance Indicator (Source: BPI)



Step 1: Talent Acquisition/Onboarding

The talent acquisition/onboarding stage in the Talent Management Process has the greatest potential to attract and retain top performers. Research by Chhabra and Sharma³, Uncubed, Forbes, NextWave, Hire, and HBR point to three elements to successful talent acquisition, Strong Brand Presence, Multigenerational Interview Teams, and Onboarding. Both Uncubed and NextWave point the potential for a 91% first-year retention rate (Figure 4) when properly implemented. The next sections define each dimension and what needs to be implemented to obtain that first-year rate.

Figure 4 Successful Talent Acquisition
(Source: BPI created from data in ref)



Strong Brand Presence

Gen X, Y are informed, consumers that use internet resources and social networks to find out everything they can when shopping for products. This behavior extends to the job market. Both groups will perform exhaustive searches to understand what a company has to offer, their culture, organization, products, and customers. Both generations want to work in a cohesive group that is working toward a common goal.

Organizational Culture

Many organizations do not know their real culture. It is not uncommon for an organization's public data misrepresenting or underrepresenting what they have to offer. Organizations need to perform bench-

³ Leekha Chhabra, N., & Sharma, S. (2014). Employer branding: strategy for improving employer attractiveness. *International Journal of Organizational Analysis*, 22(1), 48-60. doi:10.1108/ijoa-09-2011-0513

marking to ensure that their internal culture, products, and structure match what they portray to the outside world. The United States Department of Labor puts the number of individuals in an organization looking for their next position at 47%. The number one reason for this statistic is that the employee believes that the position, culture, and work was not as advertised.

Need for Branding

According to [Uncubed](#)⁴, a job site that caters to high technology organizations, by 2020 Universities will not produce enough qualified graduates to fill even 30% of those high-tech positions. To attract top talent, Uncubed recommends strong employer branding.

Companies that are on the top of the branding list are [GE](#), [Microsoft](#), [IBM](#), [PWC](#), [Google](#), [Salesforce](#), [Shopify](#), and [Eventbrite](#). Each of their recruitment sites contains videos that genuinely represent their population, culture, and products. Glassdoor indicates that these companies have an 88% or higher referral rate by employees.

[Jeff Fromm](#)⁵ in his article in Forbes singled out GE as an old brand that is attracting Gen Y employees. "The culture of GE -at the heart- is this ability to change, adapt, and evolve," said Leslie Coyne, Director of Global University Relations. She went on to say "GE is initiating an organic shift in the way it conducts business to more of an if it is a problem, regardless of whether it is in your function or not, cross-functional teams pulled together to solve the issue."

Multigenerational Interview Teams

Workers of all generations want to connect with people in their organizations. They desire social interaction that is positive and involvement in a group that works together to achieve a common goal. Chhabra and Sharma's research found that one way to demonstrate this level of inclusion is to use a multigenerational team to interview potential hires. This technique has the advantage of having the candidate connect with someone in their generation, and interface with other generations to experience first-hand the level of inclusion of your organization. It has the additional advantage of allowing the interview team to evaluate how the candidate will fit in the organization. The interview team must genuinely represent, understand, and live the culture of the organization.

Communicating Culture

Microsoft, PWC, Google, Salesforce, Nike, Walt Disney, and Starbucks display their culture on their websites. A Gen XYZ researching these companies will be able to see the diversity, culture, mission statements, and products using Video testimonials from their employees. These employers are among the top talent attractors and retainers.

Recruiting organizations NextWave and Hire, HBR and website developers singled out the following sites as excellent examples of communicating culture. The sites have many things in common: mo-

⁴ <https://uncubed.com/daily/great-examples-employer-branding/>

⁵ www.forbes.com/sites/jefffromm/2017/03/20/what-brands-can-learn-from-ge-about-winning-with-millennial-employees/#d40352e28312

bile optimization, great content, talent pipelines, and easy application flows. Job searches start and end on an organization's careers site, and so this part of your overall talent acquisition strategy has become more important than ever.

[iAdvize](#) is a leading real-time customer engagement platform in Europe used in 40 different countries, promoting itself as adding a "human touch" to customer service.

The career page makes excellent use of video to show off its team and explain what life at work is really like. Also impressive is that the site has a prominent "our advice" section that demonstrates a level of transparency into the application and evaluation process that candidates appreciate.

[Balsam Brands](#) is a home decor and consumer products company best known for their ultra-realistic artificial Christmas trees. Their warm and engaging careers page leads with company culture. Job openings are presented in a simple, clear, yet attractive layout while colorful and expressive photography conveys the company's fun work environment. The related Team page emphasizes the value they place on their people – highlighting company trips and office games as well as the unique personalities of their employees.

[Visa](#) asks visitors to "find your everywhere" with an employer brand that fits the "everywhere you want to be" framework of its overall branding.

At the careers page, it's easy to find potential roles. Content introduces visitors to people who work at Visa and explains the company's mission and commitment to giving back to the community. It also links to various social media networks, so everyone can discover their "everywhere."

[Square](#) makes it clear that they are "looking for curious, hard-working leaders to join our team" on its page that presents information clearly and concisely, yet also shows specific areas of expertise asking candidates to "see where you fit in." The page also includes a section that features teams that are in exceptional need of high-quality talent.

[PayScale](#), a salary, benefits, and compensation information company, displays its core values clearly on its career site: trust, creativity, fun, and community – under an umbrella employer brand of "Important work. Fun play."

The page also presents its generous benefits in a "pretty sweet deal" section, which include a list of more than a dozen perks to impress potential candidates.

[Atlassian](#), a global provider of collaboration technology, displays a colorful career page that introduces some of its team members, not only in terms of their job but also their outside interests ranging from juggling to dancing to knitting. This approach adds a dynamic personality to the site, which also clearly shows the awards Atlassian has won as a great place to work, the company's values, plus its many perks.

[Pluralsight](#), a leading enterprise technology learning platform dedicated to "democratize professional technology learning," makes that mission clear in a video that appears front and center asking candidates, "Are you ready for new challenges and new opportunities?"

In addition, a clearly designed section for searching for opportunities plus two clear links to guides on benefits and corporate culture offers candidates quick access to information they wanting to find.

Equinox operates 80+ upscale, full-service clubs in the U.S., Canada, and Europe, offering exceptionally designed facilities and specialized training to those who aspire to a high-performance lifestyle. The career site clearly presents the company's mission, ambitions, and values with a design that matches its upscale branding and makes it easy to search for opportunities.

Scality, the world leader in object and cloud storage, makes it abundantly clear on its site that the company expects to "revolutionize enterprise storage." There's a clear link to the company's hiring strategy, which makes its process and expectations transparent.

The main career page also features company employees, so candidates can find out more about the team with another section showing how the company is committed to recognizing individual excellence.

Onboarding

Tiny Pulse, an organizational culture surveyor, indicates that first impressions matter. According to Tiny Pulse, 91% of employees stay with an organization for at least a year when the organization has an efficient onboarding process. 69% stay with an organization more than three years when organizations have well-structured onboarding programs. Below are some ideas from top organizations that have great onboarding programs and high retention rates.

1. **Netflix:** Let new hires tackle huge projects right away. One new hire saw his work being used by thousands of customers.
 - a. Technology is set up when you arrive
 - b. A dedicated mentor is assigned to help each new hire
 - c. Netflix's top executives, including the CEO, meet with all new hires
 - d. An employee requested a desktop workstation over a self-serve portal, and it was delivered the next day.
2. **Google:** Encourage managers to think about their new employees before they start working. Google's HR department sends out reminders to managers the Sunday before a new hire starts. This prompts managers to think about the five items that Google's data says accelerate time to productivity by 25% and are vitally important to the success of new employees:
 - a. Discuss their role and responsibilities
 - b. Find a peer buddy to mentor them
 - c. Introduce the new hire to the rest of the team
 - d. Check in with your new hires once a month for the first six months
 - e. Encourage open dialog

3. **Zappos:** Pay your employees to leave if they do not like the job. Work culture is one of the top correlated factors to employee happiness. Zappos offers the new employee a five-week course that teaches them everything they need to know about the company culture and values. They offer \$2,000 to leave if they do not think they are the right fit. Historically less than 1% took the offer.

Meeting the Needs

Each of these examples meets the needs Gen X, Y, Z are looking for in an organization. An important point to make in this section is that the organization must understand, live and project their culture correctly. If an organization does not have agreement on culture, products, vision, and ethics, they will not attract an employee that fits. If they present a culture that is different than communicated, the employee will not engage and leave.

Rating

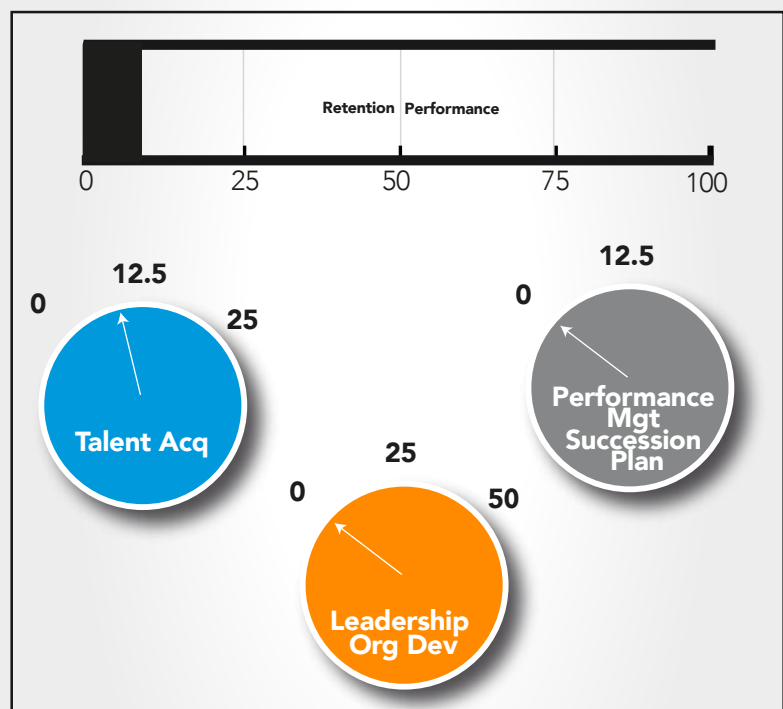
If you were a Gen X, Y, Z looking for a job how would you rate your organization on Talent Acquisition? One way would be using a scorecard to rate the different areas in the Talent Management Process. Table 5 is one way a Gen X, Y, Z can score different organizations on Talent Acquisition while looking for a position. Talent Acquisition is given a total score of 25 points out of 100. The points for each dimension are based on the importance that Talent Acquisition contributes to retaining an employee. The first exposure to an organization is through their career page on their website. Gen X, Y, Z all browse the internet to look for jobs. Knowing what the different generations are looking for the branding message needs to resonate with them to prompt them to apply for a position. Once they apply, experiencing what was advertised on the website at the interview reinforces the message. This type of interview provides positive reinforcement that the message the potential employee hears is real. Once hired, the onboarding process is the first time the new employee is immersed in what was promised from the branding and interview. As stated above Branding, Interview, and Onboarding contribute to a 91% first-year retention rate. Based on the first year fact, Talent Acq is rated at 25%. The second Step Leadership/Organizational Development dimensions keep retaining the employee for at least the life of the first project. Projects last anywhere from 6 months to 10 years or more. This step accounts for 50% of the retention rating. Moving from project to project is where the Performance Review/Succession planning dimension keeps consistency in the process. This dimension is rated at 25%.

For talent acquisition, branding and onboarding were considered more important than multigenerational interview teams and scored accordingly.

Table 5 IT-C TA Scorecard (Source BPI)			
Dimension	Total Points	IT C	Comments
Branding	10	5	Mission, high level culture statements present, no video or multi gen testimonials
Multigenerational Interview Team	5	5	Put forth multi-gen teams for the interview
Onboarding	10	2	Delay in meeting manager. Team makup was different than advertised, Computer was not ready.
Total	25	12	

A job seeker performed a web search for an IT position. They found company IT-C. They examined their career page and found a job they were interested an advertised position. They applied and went in for an interview and was hired by the company. The results of the experience are documented in the Table 5 scorecard. Figures 5 indicates

Figure 5 IT-C Retention Performance Rate After TA
(Source: BPI)



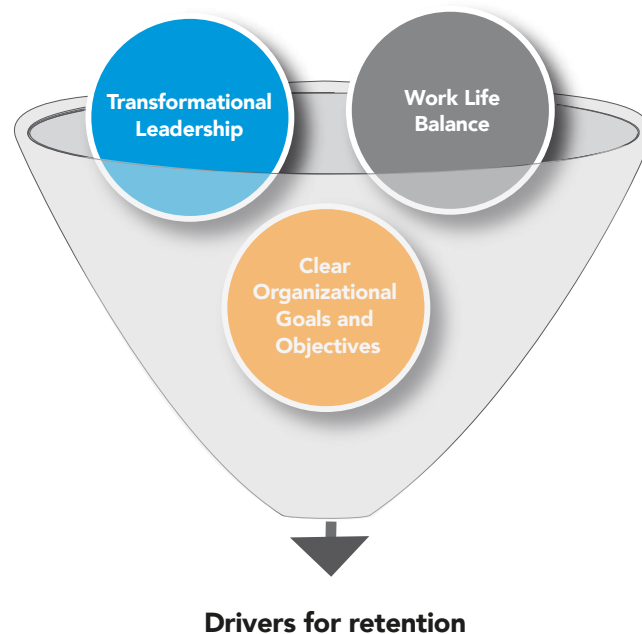
the current state of the organization's retention performance rating based on the scorecard. Although the total rating is not complete, The Organization could improve their retention performance rating based on the talent acquisition guidelines. IT-C needs to ensure that the culture it portrays externally is fully engaged internally. One solution is to execute a benchmark study to determine why its externally communicated information about the company is not correct.

Based on the score from Table 5 we can transfer the score to the Retention Performance Indicator. Currently, Talent Acquisition has a score of 12, and the Retention Performance Index is 12.

Step 2: Leadership/Organizational Development

Once you have attracted, hired, and on-boarded a new employee, retaining them by providing an inclusive, psychologically safe, team environment is the next step. To accomplish this, organizations, need

Figure 6 Leadership/Organizational Development Dimensions (Source: BPI based on data in referenced material)



to realize that there is a new shift in culture that will continue as the Gen Y and Gen Z take a firm hold on the organization. Researchers are pointing to changes in the way Gen X, Y, look at their workplace. From the research and interviews, we see changes in the questions asked by Gen X, Y related to their desires in organizations. Figure 7 lists those questions representing a change in the mindset of this workforce. In my case study conversations with others including Gustov Otto, Chief of Training and Talent for the Defense Intelligence Agency sees the truth in this depiction. The Gen X, Y are looking for a coach and mentor, not a boss. They are concerned with skill development and the opportunity to advance. Annual reviews are not acceptable. Managers must have ongoing discussions that let the employee know

how they are doing and a mentor to help them improve. Managers need to utilize a person's strengths to help the team succeed. The employee is put into positions where their strengths are used to solve problems and advance the company agendas. Instead of talking about a paycheck more and more employees are not only looking at salary, but they are also looking at how they are making a difference in advancing the organizational goals are important. Instead of spending their time figuring out how to do their jobs they are looking at how to create a work-life balance. The shift is here, and it will only get stronger as we move toward 2025.

Figure 7 Shift in Workplace Mindset (Source: BPI adapted from Interview Data)	
Past	Future (Present)
Who is my Boss?	Who is my Mentor?
How am I satisfied?	What are my development options?
When is my review?	Can we meet every week to discuss my performance?
How can I improve my weaknesses?	How can you use my strengths?
What is my salary?	How do I make a difference in this organization?
How do I do my job well?	How do I create a work-life balance?

The top four elements in Figure 7 equate to transformational leadership behaviors. An organization's leader will either make or break this stage in the retention process. Being a coach/mentor, concerned about your team's development, having ongoing discussions about

Table 6 Leadership/Organizational Development Score Card (Source: BPI) Gen X, Y, Z Leadership/Organizational Development Scorecard			
Subject	Total Points	IT-C	Comments
Coach	15	0	Manager directed I meet these objectives and walked away
Development Environment	10	5	No guidance on development told to figure it out on my own.
Salary, Team, Engagement, Common Goals	15	2	Lacked the inclusive team environment necessary for success due to the managers directive style. Salary benefits were good. Team lacked common focus
Work-Life Balance	10	5	Allowed me to take time off for the doctor.
Total	50	12	

organizational goals, where the team is headed, and a desire to put team's goals ahead of their own goals is essential for engagement and retention. Teams that are psychologically safe, value other's positions, listen and work together for a common goal meet the Gen XYZ needs.

Like the culture discussed in the previous section, benchmarking, leadership development, organizational transformations are all necessary to ensure that the workplace environment is inclusive and productive.

Job Seeker Progression

After six months on the job Table 6 documents the employee's experience resulting from the Leadership/Organizational Stage. Leadership/Organizational Development is rated as fifty points out of one hundred. Coach and salary, engagement, common goals, work-life balance are all important factors in retaining Gen X, Y employees.

The employee at IT-C has a need for a coach/mentor and a team focused on working together to achieve clear company goals. Since this need is not met, it could drive the employee to leave. IT-C is a prime candidate for Leadership development intervention. This score combined with the Talent Acquisition Score is making a strong case for an organizational culture transformation.

Step 3: Performance Reviews/Succession Planning

The third step in the retention process meets the needs of the Gen X, Y, Z employee for feedback and development plans. Figure 9 is

Figure 8 IT-C Retention Performance Rating After Leadership/organizational Development (Source:BPI)

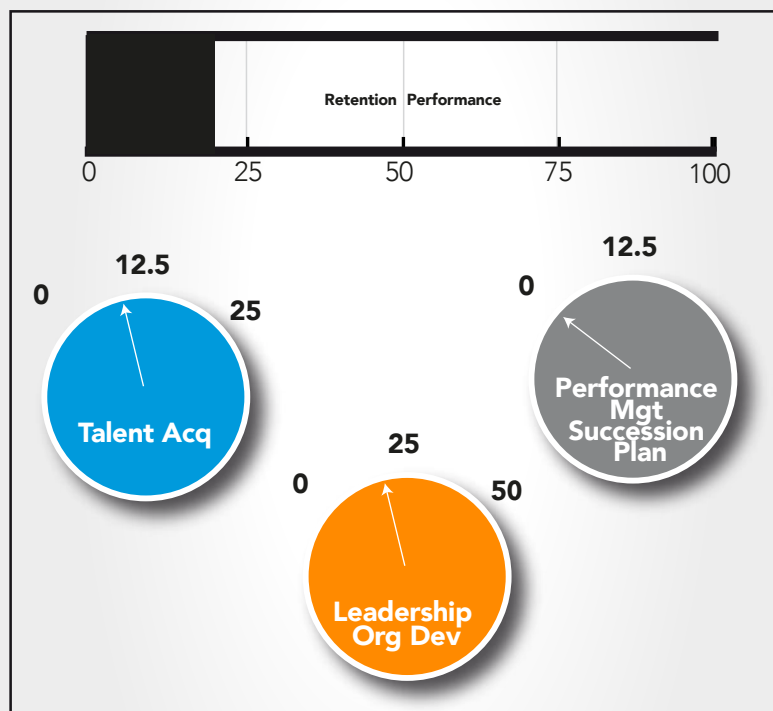
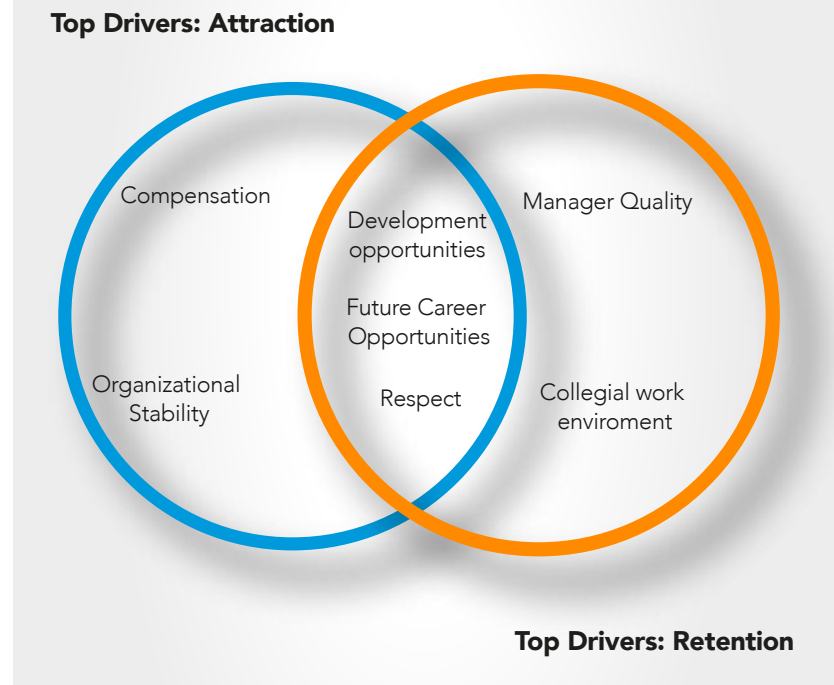


Figure 9 Career Guides and Employee Engagement (Source: *The Change Champion's Field Guide*)



taken from *The Change Champion's Field Guide*⁶. The researchers examined 28 attributes and determined that these seven contribute to retention. The left side elements are essential for attracting an employee to your organization. Compensation and Organizational stability satisfy the basic needs of living and security. Employees need to feel that the organization is going to stay in business and that they will receive compensation for their efforts. The two elements on the far right are essential for retention. Manager quality is based on the transformational leadership model. This model answers the top four questions in Figure 7. The attributes in the intersection are important to both attraction and retention. Gen X, Y, Z employees need to understand their development path. They are looking for opportunities for training and advancement. Discussions should take place between managers and employees to discuss advancement and how they are performing. There are many Human Resource Information Systems that allow managers to assign and review tasks on a regular basis.

Job Seeker Progression

The Scorecard for performance and succession planning is fairly equal in ratings across the different dimensions. Developmental opportunities, Manager Quality, and Collegial Work Environment were rated higher by Gen X, Y, Z workers.

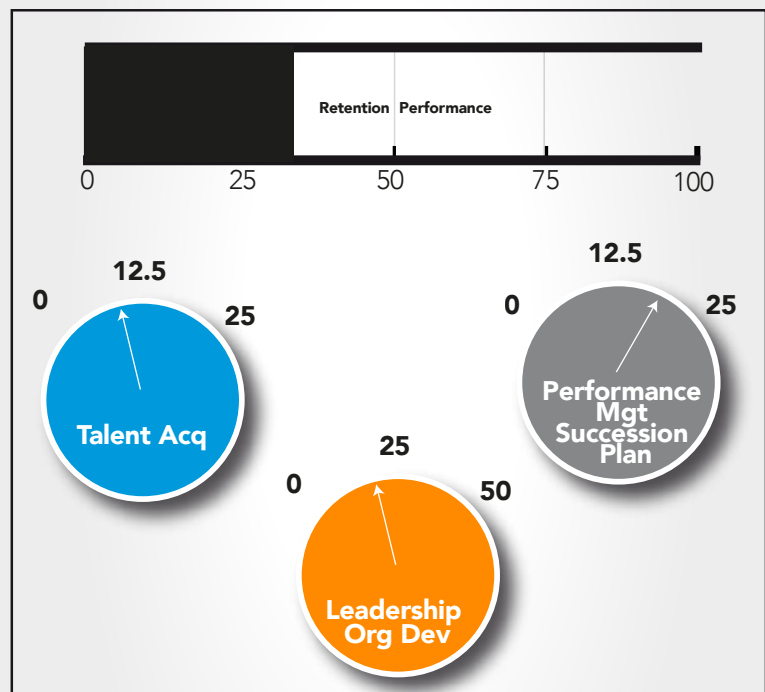
After nine months on the job, the new employee rates IT-C on their performance review and succession planning scorecard.

⁶ Carter, Sullivan, Goldsmith, Ulrich, Smallwood (2010), *The Change Champion's Field Guide*, Wiley

Table 7 Performance Review/Succession Planning Score Card (Source: BPI) GEN X Y Z Retention Rating Scorecard Performance and Succession Planning			
Dimensions	Total Points	IT-C	Comments
Compensation	3	3	The compensation package is in line with industry standards.
Organizational Stability	3	3	Company has been in business with solid numbers and backlog
Developmental Future Career Opportunities	5	3	Lacked a succession plan for each employee that took into account their development needs.
Respect	4	3	The manager is not known for inclusion.
Manager Quality	5	0	Management is directive and punitive.
Collegial Work Environment	5	2	Management does not provide a safe, cooperative environment that instills the best performance.
Total	25	14	

The IT-C organization continues to struggle with directive management. Directive management is causing the organization to miss many vital needs of the Gen X, Y, Z groups. This is reflective of the overall Retention Performance Rate Indicator (Figure 10). An overall rate of 38% will not translate to a high retention rate. The new employee in this example is probably out looking for their next job.

Figure 10 IT-C Overall Retention Performance Rate (Source: BPI)



Organizations with High Retention Rate Performance

The following are case studies by Snacknation of organizations that score high on the Retention Performance Rate model. Why fit into this model? Snacknation quoted a study by the Center of American Progress that found turnover is expensive costing up to 21% or more of a person's salary. The following success stories, from their article, provide retention methods that work.

Whole Foods Market

Whole Foods Market has been called the gold market when it comes to retention rates in the grocery industry. Whole Foods Market has a turnover rate of 15% versus an industry average of 79%. Many of those whom voluntary leave do not fit in the culture.

Here is what they do well:

Talent Acquisition

Whole Foods sets high standards and imposes a rigorous selection process. They include multiple individuals from the teams that will be working with the new hire. Whole Foods has a 90-day probationary period followed by a team and management evaluation. After the probationary period the team votes to decide if the person should be hired full time. This encourages teams to work together and empowers the teams to be objective and take ownership of decision making.

They create a values-driven culture. Whole Foods purpose is "Support Team Member Excellence and Happiness" and "Serve and support our local and global communities." Their brand is clear, and they walk the talk.

Leadership/Organizational Development

Whole Foods empowers their teams in the decision-making process. Employees are given far more power to make decisions that many companies and especially most grocery chains.

They are organized into teams. The teams interpret the company's policies and values and make most corporate decisions on their own. They institute a mentoring program that is focused on building a collaborative team environment and focusing on the individual. Managers take the time to learn about their direct reports, understand what motivates them, and challenge them according to their strengths. CEO Mackey explained that "Whole Foods is a social system. They also let their employees be their authentic selves at work. No uniforms. Employees are helpful, take more pride in their work, and work better as a team.

Performance Reviews/Succession Planning

Whole Foods employees are some of the highest compensated workers in the grocery industry. Their salary and bonus structure are associated with the team's performance. This puts an extra emphasis on evaluating candidate's skills and organizational fit. They review

performance 13 times a year. Calculations are based on team performance against their goals. The result is bonuses based on performance. The team also shares in profits.

Netflix

Netflix is a leader in the cable, video, rental, Video on Demand (VOD) technical areas. They are an ambidextrous organization that branches out into others while maintaining their core business. They have been excellent at transforming leaders into ambidextrous leaders that take risks while maintaining their core businesses⁷. They do insist on hiring only the best and make it clear that their high-performance culture is not right for everyone. They are honest and up front about it.

Talent Acquisition

Netflix only hires the best individuals. Their hiring policy is to hire only "A" players that they believe will fit into their culture. They explain it as hiring only mature fully formed adults who put the success of their teammates and the organization above their own. Netflix CEO and then Chief Talent Officer Patty McCord published a document outlining the culture at Netflix that took off on the web. In that document Netflix describes the nine skills that will get a person hired and promoted. Judgement, communication, Impact, curiosity, innovation, courage, passion, honesty, and selflessness. They also defined their culture: Values are what we value, High Performance, Freedom & Responsibility, Context not Control, Highly Aligned Loosely Coupled, Pay at top market, and promotions and development.

Leadership/Organizational Development

Their management and team structure can be summed up by their statement "Imagine if every person at Netflix is someone you respect and learn from." They work with employees to develop their talents however they do expect performance. Adequate performance gets a severance package. Managers stress that we make each other great. By hiring only "A" people, Netflix believes that instead of a culture of process adherence they have a culture of Creativity and self-discipline, freedom and responsibility.

Performance Reviews/Succession Planning

Netflix believes that great people will grow the business opening up many opportunities for growth. They pay top market for their employees and promote only top performers when the jobs open. They work with their employees to instill self-development. They have found that A players take ownership of their development. Managers discuss promotional opportunities with employees and are free to nominate an employee for a promotion. They pay well and have unlimited vacations for salaried employees.

⁷ Leekha Chhabra, N., & Sharma, S. (2014). Employer branding: strategy for improving employer attractiveness. *International Journal of Organizational Analysis*, 22(1), 48-60. doi:10.1108/ijoa-09-2011-0513

Improving Your Score Through Organizational Development

There are many examples of how to bring about the changes necessary to ramp up your organization's Retention Rating. A high score in one area could overcome a poor score in another area. However, looking at the success stories above each of these organizations maximized their scores in all areas. Before we look at what to improve we are going to look at methods to effect the desired change.

OD transformational Methods

The five transformational methods described in this section will affect the transformational changes required to move the needle forward in all three of the areas quoted above.

Future Search

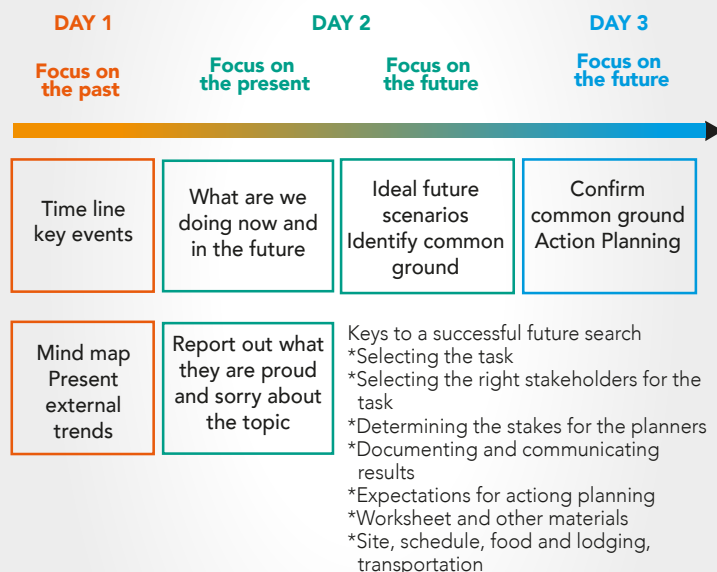
Planning meeting that helps people transform their capability for action quickly. It usually works with groups of 60 to 50 people in a room over a three-day period. Figure 11 presents the key elements and sequence of events of the intervention.

Day 1 Participants focus on past experiences leading them up to the current task. They then document the present external trends in a mind map.

Day 2 The second day is split between looking at the Present and the Future. The present in that discussions takes place concerning what is done now and in the future. The afternoon focuses on the future. Finding common ground and mapping out the path to future.

Day 3 The final day is a day of confirmation. Confirmation of ground rules action planning the next steps end the session. This type of intervention is successful when the task is clearly identified and all stakeholders have an active and committed interest in the task.

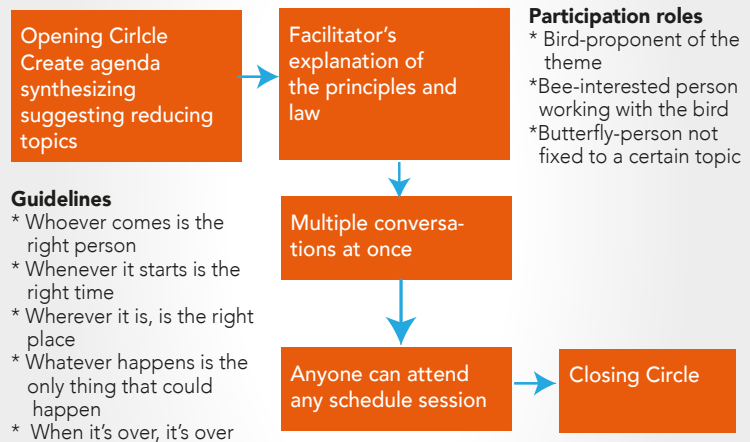
Figure 11 Future Search Flowchart
(Source: BPI based on description of Future Search)



Open Space

Open space is an excellent tool for solving complex issues where people and ideas are diverse, and passions are high. It works for groups of five to 2,000 over one three or weekly staff meetings. It is unique in that the intervention begins with only a high-level agenda and the participants break down the general topic into subjects that interest them. Figure 12 contains a flowchart depicting the process and general guidelines.

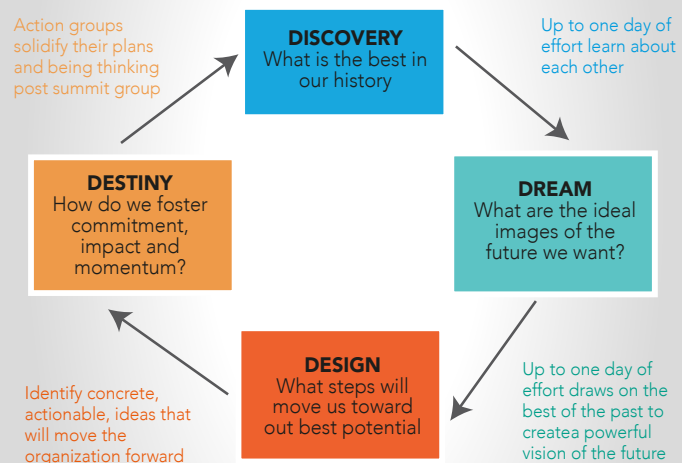
Figure 12 Open Space Flow Chart
(Source: BPI based on description of OpenSpace)



Appreciative Inquiry

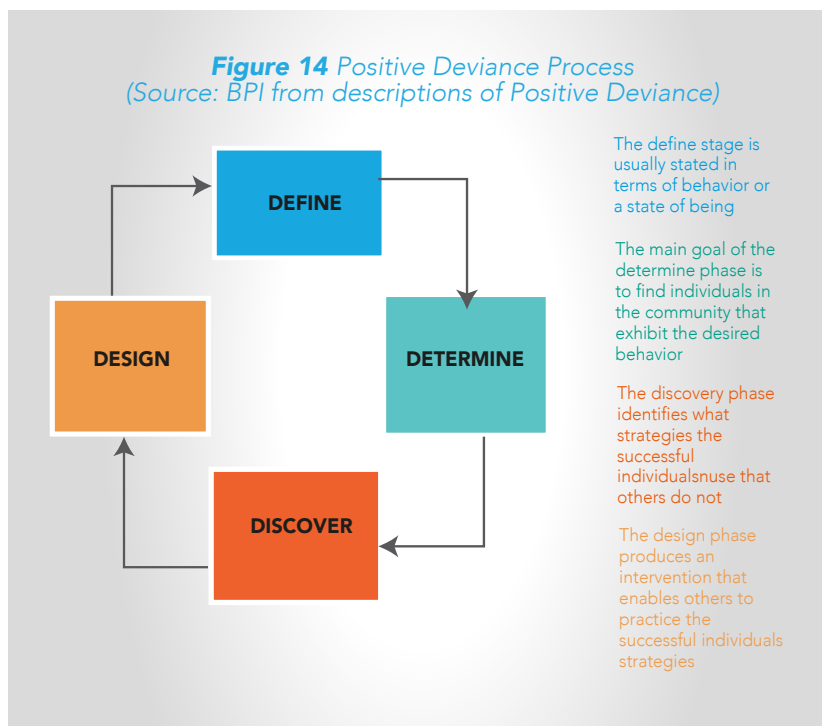
Appreciative inquiry (AI) is an organizational development intervention that engages stakeholders in self-determined change. Figure 13 displays the four process steps and high-level instructions. The process begins with determining what an organization does best and ends with an actionable solution to the task with everyone's buy-in.

Figure 13 Appreciative Inquiry Process
(Source: BPI from descriptions of AI)



Positive Deviance

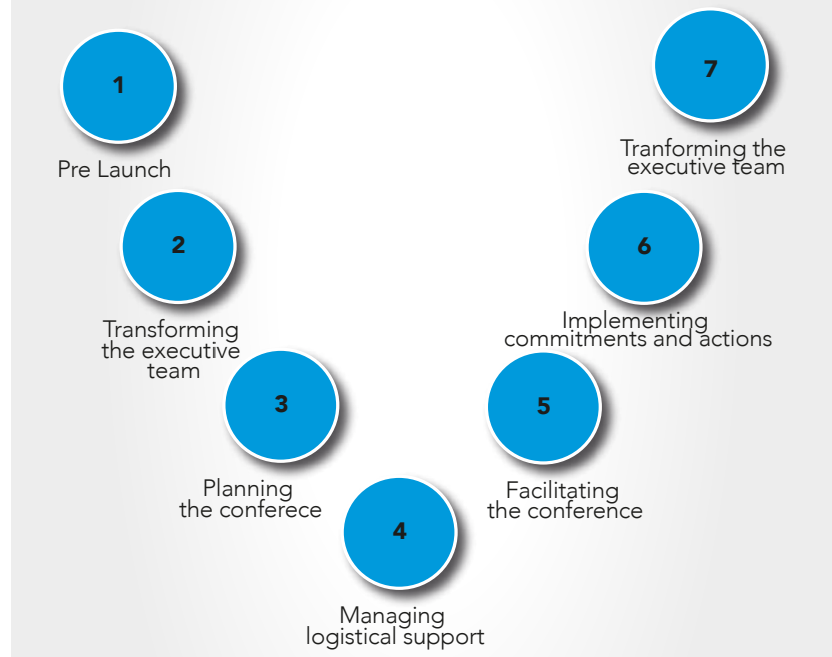
This method is based on the saying “It is easier to ACT your way into a new way of THINKING than to THINK your way into a new way of ACTING.” This method is useful when the desired behavior is already evident with some members of a group, however not the whole group. The process seeks to understand how the individuals came about to exhibit the behavior and then pass those strategies along to the remaining individuals in the group.



Whole System Transformation

Whole System Transformation (WST) works where a fundamental change is required across the entire organization. It must be embraced by the entire organization especially the executive leadership. The first two steps in Figure 15 are essential to the success of the intervention. In step 1 internal and external change agents prepare the transformation plan and brief leadership. In step 2 the executive team is transformed into a highly effective relationship with true trust. This trust and relationship result in a unified vision for a compelling future. The overall intervention can take 1 to 3 months to plan and three days to execute the meeting.

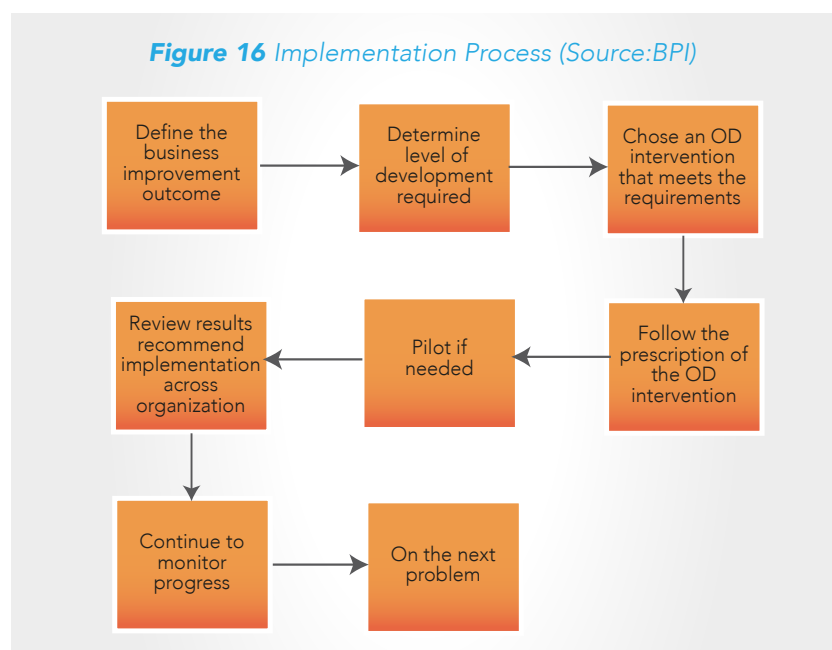
Figure 15 Whole System Transformation Process
(Source: BPI based on descriptions of whole systems transformation)



How to Decide What to Do and How to Do It

Any decision to implement an intervention must be based on a business need. Figure 16 depicts an example of an implementation plan. Once the business improvement outcome is documented and approved the next step is to determine the level of development required. Will this apply to a team, division, or the entire organization? Once the level of development is defined an OD intervention is selected that meets the requirements identified in the previous steps. Next steps involve executing the intervention on either a pilot basis or across the entire organization depending on the risks and confidence level that the correct intervention and business result are solid. Review results, monitor progress, are the final steps in the process.

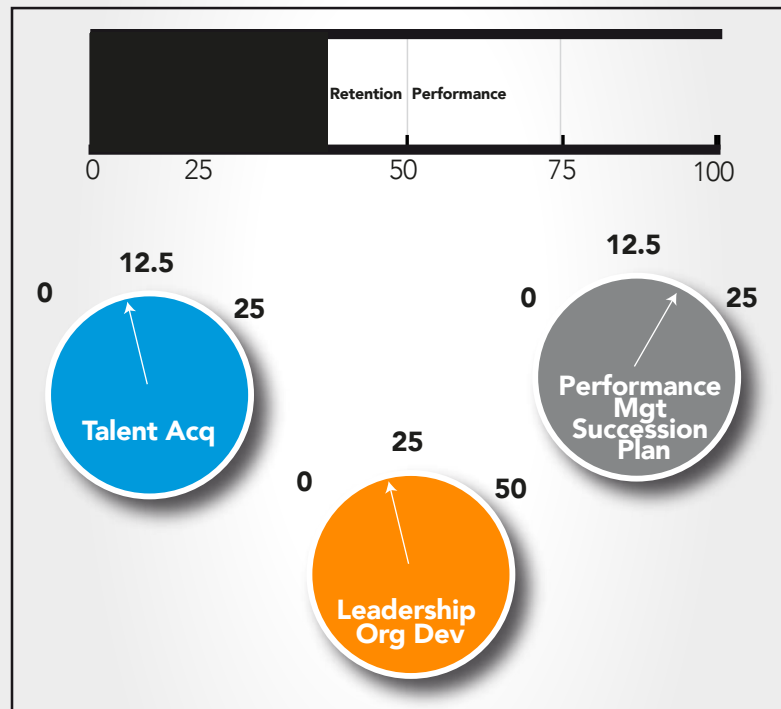
Figure 16 Implementation Process (Source:BPI)



Evaluate Your Retention Score

In the above discussions, the IT-C organization was not performing well in all areas. One way to approach this issue is to examine the scores and look at the areas that can be improved quickly based on where you are in the Talent Management Process. IT-C Retention

Figure 17 IT-C Retention Performance Rating (Source:BPI)



Performance Rating is repeated in Figure 17. As an example, IT-C is suffering from higher than industry standard turnover rates. They are not planning on hiring right away and are looking to retain their current workforce. They are scoring a 12.5 on Leadership/Organizational Development and slightly higher on Performance Management Succession Planning. The strategy for IT-C at this point is to correct the leadership issue that is causing both the coach/mentor and team performance issues. This one intervention will add 33 points to the Leadership/Organizational Development dimension and 10 points to the Performance Management and Succession planning dimension raising the Retention Performing Rating to 81%. This rating will bring IT-C in an excellent position to retain its existing workforce provided that the current workforce fits into the organization's culture. The next step for IT-C is to ensure that their external communication of their organizations culture, mission, products and work environment matches their internal culture. In this way, the organization will attract those individuals that truly relate to the organization.

Retention Scorecard

Table 8 provides organizations with a way to measure their overall Gen X Y Z retention performance rating. This guide when consolidated with the Retention Performance Indicator provides a concise visual indication of how well an organization is positioned to attract and retain top talent.

Table 8 Gen XYZ Retention Scorecard (Source :BPI)
Gen XYZ Retention Scorecard

Dimension	Element	Points Available	Rating	Comments
The following sections define the important areas for each of three most important dimensions for retaining top talent. Each element is rated according to the max points available. As an example, if the points available is 10, rate the element on a scale of 0-10 where 0 is missing completely and 10 is meets completely.				
1. Talent Acquisition				
	Branding	10		How well do your external communications reflect your organization's actual culture, workforce makeup, values, products and workplace
	Multigenerational Interview Team	5		Does you Interview teams reflect you workforce make up.
	Onboarding	10		Do new employees feel welcome, understand their tasks, meet their manager, obtain training on the organization and are supplied all necessary equipment and supplies from the first day.
	Sub Total	25		
2. Leadership/ Organizational Development				
	Mentoring/Coaching	15		Do managers act as mentors, encourage learning, achievement and individualized development, act as role models, provide challenges, foster a climate of trust, take an active interest in each person, and put the team's success above their own.
	Development Environment	10		Does the organization provide development opportunities, discuss and provide development paths and encourage learning
	Salary, Team, Engagement, Common Goals	15		Are the organization's compensation packages ahead of industry standards. Are team members engaged and working for common goals?
	Work-Life Balance	10		Does the organization's flexible work schedules, vacation and personal time off policies foster a work-life balance that reduces stress?
	Subtotal	50		
3. Performance Review / Succession Planning				
	Compensation	3		The degree compensation packages meet the basic needs of the employees
	Organizational Stability	3		Is the organization mature, have a backlog, and in good financial condition?
	Developmental Future Career Opportunities	5		Are future opportunities discussed with each employee? Is there succession plans made for each employee?
	Respect	4		In the review process is the employee treated with respect in all transactions?
	Manager Quality	5		Are managers meeting with employees on a regular basis to discuss progress, performance, and how to improve that performance
	Collegial Work Environment	5		The degree to which teams are socially interactive and working toward common organizational goals
	Subtotal	25		
Overall Retention Score	Total of Subtotals			

Case Studies

The following sections present additional case studies associated with the material in this report.

Whole System Transformation

Whole Systems Transformation Success Example

Fortune 100 Insurance Company

One of the most notable implementations of WST is the transformation of a Fortune 100 Insurance Company's Customer Enterprise Services.

As the backroom for this top Insurance Company, CES was fielding more than 22 million calls a day, managing more than 250,000 financial products and generating 300 million mailings annually.

The interaction between departments, management, and customers was dysfunctional.

By engaging the executives and key department leadership, the company was prepared to move forward with a common purpose.

The next stage of the Whole System Transformation called for distribution of this new, transparent flow through the corporation. Leadership was encouraged to clarify that all ideas were worthy of consideration.

The end result was a corporation with a new, sustainable culture that encouraged fluid engagements with customers, department and leadership.

Not only did CES transform its culture and customer relations but also the top senior executive became the personification of WST and the hero of the organization.

Talent Acquisition/Onboarding

The following are additional examples of successful implementation of Talent Acquisition/Onboarding through OD interventions.

McDonalds		
Issue	Strategy	Result/Achievement
Needed to turn-around perception of being unstimulating place to work	Launched major rebranding through in-store and national press.	Gained wide coverage from newspapers, magazines, and television presenting the new brand
	Internal and external focus groups to gauge perceptions of working at McDonald's	In-store testing proved that 31 % of customers would work for McDonald's after seeing the campaign vs. 22 before.
	Researched in conjunction with a major university college into the level of job satisfaction at the chain	

Barclays Bank		
Issue	Strategy	Result/Achievement
The bank had a reputation of being faceless, and Bureaucratic and not a great place to work.	Created a new visual identity for employer branding focusing on workers inventive spirit.	Almost 100% of staff supported the new campaign
	Invested in an advertising campaign using real staff	Reached the top 20 Sunday Times Best Big Companies to work list in 2006 It was 197 the year before
	Launched a new recruitment strapline "thinking careers" to coincide with its "Now there's a thought" national advertising campaign	
	Introduced internal promotions in Barclays offices, including coffee cups and postcards, plus workshops to reinforce branding messages	

Fujitsu Services		
Issue	Strategy	Result/Achievement
Fujitsu recruits an average of 45 people per week. It wanted to ensure its brand values were recognized by everyone in the company and embedded in all new recruits	Conducted a staff survey to come up with its brand essence which reflected its honest and straightforward approach to its customers	More than three-quarters of employees have attended the Reputation Program
	Built a "reputation model" to be delivered through a series of discussions, in induction programs, and internal communications	Secured every new entry in 2006 Times Top 100 graduate recruiters league table
	Equipped 2,000 people managers across the business to deliver the messages to their teams.	The company greatly increased satisfaction scores with customers.

London & Quadrant Housing Group		
Issue	Strategy	Result/Achievement
London & Quadrant wanted to increase the profile of the sector as an attractive career option. It wanted to create a culture that attracted, retained and continuously developed people's potential	Undertook a branding exercise to increase awareness of the benefits available to staff	Became an age positive employer champion through training schemes and initiatives aimed at graduates and over 1955s
	Developed recognition schemes and additional staff benefits for great service	In the latest staff survey, 87% said they would recommend London and Quadrant as an employer
	Overhauled the induction process to include an online service and welcome packs for staff.	Included in the Financial Times List of the best workplaces in 2005 and 2006 and boosted its ranking in the Sunday Times best companies to work for list from 67 to 12

Summary

The multigenerational workforce is here. Remarkably there are few real differences in how each of the existing generations values an organization. Gen X Y Z individuals are researchers that use the internet to not only shop for products; they shop for jobs. These generations are looking for organizations that incorporate transformational leadership qualities in management and agile Human Resource Management. To help organizations determine how well they are positioned to attract and retain Gen X Y Z employees we created the Gen X Y Z scorecard. The scorecard is based on what is important to Gen X Y Z job searchers. The scorecard is designed to link to the Retention Performance Indicator. This indicator can be incorporated into any dashboard and provides a consolidated visual indication of how well your Talent Management System is performing for attraction and retention of top employees.