Episode #6 – June 2008
Transcript of Interview with Tamara Erickson

Ballard: With us today is Tamara Erickson. Tammy is a McKinsey Award winning author and an expert on organizations and the changing workforce, on the shifting relationship between individuals and corporations and on enhancing innovation and workforce productivity. Her work is based on extensive research on changing demographics and employee values. Tammy has coauthored four articles for the Harvard Business Review, as well as the books, Workforce Crisis: How to Beat the Coming Shortage of Skills and Talent and Retire Retirement: Career Strategies for the Boomer Generation. Tammy earned a Bachelor of Arts in biological sciences from the University of Chicago and an MBA from the Harvard Graduate School of Business Administration. Tammy was also the keynote speaker at our 2008 Psychologically Healthy Workplace Awards Ceremony and we’re pleased to have her back with us today. Thanks for coming back to do this interview and share some more of your thinking.

Erickson: Well, I'm happy too. I really enjoyed being with your organization.

Ballard: I’ve been reading your blog postings lately and you've been talking a lot about rethinking some of the fundamental assumptions about the way we work. For example, you've questioned whether we need weekends, you've talked about getting rid of titles that reflect hierarchy and status in organizations, you've suggested that we stop tracking jobs in terms of how many hours somebody is putting in and you've even gone as far as to say that we need to get rid of the concept of retirement as we know it. All of this just begs the question: Are you trying to stir up trouble?

Erickson: (laughing) Well, it sure sounds like it when you recap it that way, David. Actually I think that we've got a couple of things happening together which push us in the direction of all those changes. The workforce is changing in terms of its basic numbers and shape. A lot of the assumptions we have in an organization are based on the idea that we are a triangle, if you will, that we have a small number of older people and a lot of kids. But the reality is with the long life expectancies and the reduced birth rates, we actually are moving to be much more like a rectangle. We’re going to have lots of older people in the workforce and not proportionately that many kids. And so, a lot of the things that we've taken for granted, like for example, that we would promote people in order to give them more variety and more compensation are going to be very difficult to do over the course of a person's working life simply because of the numbers that are in the workforce, so there's one. And there are others, technology. It's amazing really what technology has done in the last 10 years. We've gone to having these very ubiquitous connections, where we can work pretty comfortably from almost any location and still be connected in through the Internet. The cost of communication has dropped dramatically, and so it opens up a whole new range of options with regard to the need to be physically proximate in order to get work done. There are differences in terms of what people want from work, so I've done a lot of work looking at the generations. And when I talk to people in their 20s today and even in their 30s, they don’t want the same kind of jobs that people in their 50s and 60s today were happy with when they were younger. So, some big differences are going on in lots of different directions, all of which I think combine to really make it important for us to ask the questions that I've been asking.

Ballard: You've spent a lot of time studying the different generations in the workforce and I believe you're writing a trilogy of books. The first, which is Retire Retirement: Career Strategies for the Boomer Generation, came out last year and I believe the second, which is on Generation Y, is due out in a few months?

Erickson: That’s right. It's called Plugged In, and it's designed to help the Ys plug in more effectively to the workforce.
Ballard: And the third book in the series is about Generation X. As a Gen Xer myself, I was pleased to hear that it’s actually going to be a book and not just a short article wedged between two massive volumes about the Boomers and the Gen Ys.

Erickson: (laughing) I actually think that I'm still--I have to admit--writing the X one, but I'm enjoying it tremendously. And it probably will end up being the longest of the three, in some ways, because I think the issues that Xers face are extremely interesting and in some ways much more complex than what the other two generations are wrestling with.

Ballard: And I think I saw somewhere that you described these books as “love letters to the generations”?

Erickson: That’s how I think of them because, of course, when I'm writing one I tend to get really obsessed with and enjoy the generation that I'm writing to. But the reality is I do think that all three generations have some fantastic skills to bring to the workplace. And a lot of my work is, at the most fundamental level, just designed to help people recognize the benefits of the diversity that’s around us, to really look at how we can leverage the strengths across the ages.

Ballard: And what do you see happening right now in the workplace in terms of the ways that the Boomers, Gen X and Gen Y are relating to each other?

Erickson: Well, I think a couple of things and of course this is a bit of a generalization across many, many companies; but I would say at a fundamental level, Boomers and Ys tend to like each other. They might not know that initially when they first kind of encounter each other in the workforce. But within a very short period of time, what we're finding is that Ys tend to gravitate to Boomers for some pretty logical reasons. Boomers, in many cases, are the same age as their parents. Ys like their parents. It's very comfortable for them to reach out to a Boomer and have a conversation. In addition, Ys are a little bit like heat-seeking missiles. When they face a question they want to know something about, rather than thinking, "Well, okay, what's the hierarchy? Maybe I should ask my direct supervisor this question." They're much more likely to think, "Hmm, who in the company is probably the smartest person there is on this particular topic?" And in many cases, that’s going to be a Boomer. And a Y would think nothing about shooting of a message or going down to see that particular Boomer to get an answer to the question. And what we're finding in reverse is that the Boomers actually are getting quite a kick out of this. I've had Boomers tell me that they just love spending time interacting with the Ys and really enjoying their energy and their excitement.

Ballard: So it sounds like, in some cases, Gen Ys are bypassing their Gen X direct supervisors, which I imagine doesn’t go over very well.

Erickson: Well, exactly. Now you've put your finger on the problem. So, the Xer is in the middle and in many cases feels a whole series of frustrations. On one hand, they're supposed to be managing these Ys, who they're finding to be largely unmanageable. The Ys are going around them and so forth, not maliciously again, but just through habits of communication. Xers are not particularly fond of Boomers. When they talk to me one on one, many of them will admit that they feel pretty frustrated by a lot of the Boomers that they've encountered over the course of their life. They tend to think Boomers have taken all the good jobs before they got there and that there's so many Boomers that it seems like they will never clear out and those good jobs will never open up. So the combination of kind of the Ys being a little bit unmanageable and the Boomers perhaps clogging up the pipeline, and then the two of them kind of getting together, if you will, is driving a lot of Xers crazy.

Ballard: So, how can an employer take advantage of some of these positive relationships, while at the same time managing some of the challenges?

Erickson: Well, the big positive, of course, is that we've talked for decades now about the potential loss of knowledge and expertise if Boomers walk out the door, and companies have tried to capture that knowledge through technology and information systems, etc. I think what’s going to end up happening is the best of that knowledge will in fact be captured by the Ys because they will spend time with the Boomers and they'll learn from them. Ys like a lot of mentoring. We hear that too. Oh, they need a
great deal of interaction. Well, the Boomers in many cases are happy to provide that interaction. So from those two generation's perspective, I think that they mutually solve some of the biggest issues that those generations are confronting. The more interesting question in many ways is: How do we help the Xers? And I think that’s through a combination of helping them understand why these things are happening, but it also has to do with creating different avenues for Xers inside corporations. One of the things that I find fascinating about many of the Xers that I've interviewed is that they really hate the feeling of being boxed-in, of being pigeonholed. And I think some of that comes from perhaps a childhood where they watched adults being laid off from corporations. They have a very logical concern, I think, about whether they should put trust in an institution. And so, many Xers are very interested in keeping their options open. I sometimes feel when I'm talking with them almost like I'm watching a soccer goalie kind of bouncing around on his toes, watching the ball and trying to figure out whether he should jump left or jump right, because many Xers talk in terms of "Well, I'm doing this, but I've got this option on the side. And I’ve thought about that one, and I've got a backup plan in the works." So they often are kind of jumping from right to left and keeping many, many options in play.

Ballard: And I’ve seen you write some about the fact that just as Gen Xers are getting to the point where they're moving into those higher level leadership roles, many of them are actually thinking about walking out the door instead.

Erickson: Exactly, exactly. What corporations are doing, I think, at the simplest level is scaring them to death, you know, backing them into corners, pushing them into areas of specialization, and many Xers are simply deciding that doesn’t feel comfortable enough to stay. So, when we think about the corporation, let's focus on making career paths that Xers will actually enjoy and appreciate, and in many cases that means opening up multiple options, helping Xers see that they have maybe four or five different paths they could follow, rather than only one. It means offering lateral move opportunities so that Xers can learn a whole variety of skills. For example, if an Xer really wants to be an entrepreneur, which many do in their hearts, why not when they’re in the corporate world give them the opportunity to have a taste of marketing and sales and finance and move across some different functions. They will need that at some point when they start their own company, and in the meantime it will keep them much more engaged in the corporation.

Ballard: Let’s go back to Generation Y for a minute, because that really seems to be the hot topic these days. It seems that a day doesn’t go by where I don’t read a blog or a newspaper article that’s giving employers suggestions about how to manage their Generation Y employees. However, there seem to be a lot of generalizations going on out there and a lot of stereotypes. I’m wondering in the research that you’ve done, what are some of the myths that you’ve uncovered about of the way Generation Y works?

Erickson: Yeah, I do think there are a lot of myths out there. The most common complaint I think is that Ys are too impatient, that they have to have everything now, that they insist upon, you know, immediate gratification. That actually is somewhat true, but I think what’s important for people to understand is this is a generation that had their formative years right in the height of, at least here in America, us wrestling with the concept of terrorism. They were teenagers during 9/11. They were teenagers during Columbine. Those incidents are random. If you think about a war situation which many generations grew up in the midst of, war is expected to be a negative event. You pretty much expect if you go to war that something bad could happen. Nobody expects that something bad could happen when they go to school. And so the fundamental mental framework that many Ys are operating under has at its basis the idea that something random could happen to me today. And as soon as you click into that I think it’s easy to see why living life to the fullest becomes a very important priority. If you assume that something bad could happen at any point in time then you really would be motivated, I think, to want to make sure that what you're doing today is as meaningful and challenging and fulfilling as it possibly could be. So, one myth is that they'll outgrow it, that they will become less impatient over time, and I think that’s false. I actually think that the kind of sense of immediacy that this generation has is going to be a hallmark characteristic of them for their entire lives.

Ballard: And what about this idea I hear articulated pretty frequently that managers and supervisors essentially need to learn how to dole out the rewards on a regular basis, sort of like giving the sugar water to the
labs rats, in order to keep the Gen Y employees engaged. It seems very oversimplified and sort of condescending.

Erickson: Well, my somewhat joking, I guess, comment would be whenever I hear people talking about “Oh the Ys got a trophy for everything,” I always ask people, you know, who do you really think got that trophy? Because, in fact if you look at the characteristics of the Boomer Generation, this is a generation that loves to win. They always have and again I would predict always will. They after all were a very big group when they were kids and still today essentially entering into a system that was too small. So, Boomers have had to compete throughout their life. I think in many cases the trophies that Boomers handed out to the kids had more to do with the Boomer parents wanting to have something to take home than it did the kids. Many kids, I think, were kind of oblivious to the whole situation. I do not find Ys needing sugar water. They want to learn and they like to learn through kind of immediate action. They actually are less prone to learning in a classroom. They would prefer not to be sent to a training class for 30 days when they begin a job. They’d like to be given something challenging and then have frequent interaction with people that coaches them and teaches them essentially as they go along the way.

Ballard: So, it’s more about timely and relevant feedback than it is about constant reinforcement?

Erickson: Absolutely.

Ballard: At the beginning of this interview you talked about some of the changes that are happening in the environment – the aging of the workforce, people living longer, healthier lives, changes in technology, new communication mechanisms, changes in terms of workplace flexibility that allow people to work in different ways than they ever have before. In the Harvard Business Review article, “It’s Time to Retire Retirement,” you and your colleagues commented that despite the evidence of these changes, many managers are “marching their companies straight off a demographic cliff.” Now, that paints quite a picture. I’m wondering what organizations can do to avoid these negative consequences?

Erickson: There are a variety of things. Certainly for many organizations, in fact I would say for most in the United States, they’re right up against a whole complex web of legal and contractual issues that need to be addressed. Some of it needs to be addressed at a national policy level but much of it can be addressed at a corporate level in terms of how our pension plans are structured, etc. We are basically set up to push people off that cliff at age 62 or 65. So, creating an environment in your company, legally and contractually, that allows people to work longer is one thing that companies should begin working on immediately, because it takes time to work that through the system.

Ballard: Why doesn’t the traditional concept of retirement work anymore?

Erickson: Well, it doesn’t work for a couple of reasons. One is, as you said, people live a lot longer. So, if you’re a Boomer who’s 62, the first boomers just turned 62 this year by the way, you’re probably looking at something close to 30 years of pretty healthy, active, intellectually capable time, basically a whole new life stage. You know, it used to be by the time those kids left for college and you were of retirement age, you were old and you were ready to kick back for a few years and relax. But today, it’s much more realistic to think in terms of 30 years. Unfortunately, most people are not thinking in that kind of time frame. They’re still thinking about: Well, maybe I’ll play a couple rounds of golf. I’ll take a cruise. You know, they’re thinking in terms of six month activities and so part of it is simply how to use this wonderful, productive capacity that we will have in our economy in ways that are useful. We’ve all read the articles which basically make the point ad nauseam that as an economy we can’t afford to have Boomers essentially laying around in hammocks for 30 years. I mean we don’t have the economic capability to support that. So, Boomers have got to work. They’ve got to work for their own mental health. They’ve got to work for creating upside in the economy, and in many cases they want to. Most Boomers say they would like to keep active in some way.

Ballard: It seems like we need some sort of flexible approach to retirement, as opposed to the traditional view.
Ballard: Well, exactly. Most people say that they do not want to work as hard kind of at 70 as they did at 50. I mean most people say, “Hey, I want to cut back in some way. I want to do less. I want more flexibility. I want more control, more choice over when and where I work.” But most people want to work. So, companies who want to tap into those 70-year-olds need to create arrangements that will provide the kind of flexibility Boomers will be looking for.

Ballard: Now, is this going to shake our entire view of work-life balance? A lot of flexible work arrangements have basically been put in place to meet the needs of young parents, but I’m guessing that Boomers are going to value very different types of flexibility than what’s been used in the past.

Erickson: Now that’s exactly right. In fact one of the most popular forms of flexible work for older workers is what we call cyclic work. In other words, working full time perhaps very intensively for a period of time, let’s say a couple of months, and then being completely off for a period of time, again let’s say a couple of months. So, fully on and then fully off turns out to be very popular with older workers. It gives them the flexibility to perhaps take the summer off and travel with the grandkids or really jump into any other activity that they want to during that off time. But that kind of freedom is more attractive than the more traditional three-morning-a-week part-time job for that age group.

Ballard: And that really brings it back full circle to the types of policy and benefits challenges you were talking about a few minutes ago.

Erickson: It does. It means companies need to put those in place and they also need to look at their biases. Most companies, even though they probably wouldn’t want to admit it publicly, recognize that they have a lot of age bias built into their systems in terms of who they offer training to, for example. I mean if you’re going to have these people around another 20 or 30 years, you need to include them in the training loop. Who do you offer positions of additional responsibility to? There are people, in fact interestingly in many cases, women, who feel like they put their careers on the back burner during their 30s and 40s, and in their 50s and 60s are actually very eager to step up to new and bigger jobs.

Ballard: That was part one of our interview with Tamara Erickson. Be sure to catch us next month, when we talk about weathering the economic downturn, creating a signature experience for employees, building collaborative teams and more.