

June 2010

HORIZON SCANNING SR024

## HSE HORIZON SCANNING SHORT REPORT

### THE GENERATION GAP: TOWARDS GENERATION Z

#### Issue

Anticipating the arrival of 'Generation Z' in the workforce over the next ten years.

#### Background

Societal values change with each generation,<sup>1</sup> but the rate of this change has increased significantly over the past fifty years or so, owing to the following factors:

- A sustained rise in GDP since 1950.<sup>2</sup>
- A shift from a heavy industrial economy to a knowledge-based economy<sup>3</sup> with a reduction in those employed by large industries and an increase in small businesses.<sup>4</sup>
- The rate of change of technology, especially the development of the PC, giving readily available access to information for those with the Internet, Wi-Fi, mobiles etc.<sup>5</sup>
- Cheap worldwide communication and travel.<sup>6</sup>
- Globalization.<sup>7</sup>
- The production and provision of public services moving towards the private sector or to individuals, 'the post-bureaucratic state'.<sup>8 9 10</sup>

All of the above influences have resulted in a cultural shift in society, which has produced a new generation in the workforce with markedly different characteristics from those of previous generations and which itself adverts the arrival (within the next 10 years), of a generation whose characteristics are only just beginning to emerge. *Working Futures* forecasts that by 2017 only 17 per cent of the working population will be involved in low skilled manual occupations.<sup>11</sup>

- By 2017 eighty three per cent of the workforce will be involved in occupations that require access to information and knowledge,<sup>\*12 13 14</sup> from managerial to clerical professions.
- The number of people using mobile working technologies is predicted to top 1.2 billion worldwide by 2011.
- The use of emerging communications technology is predicted to dominate working practices by 2020.

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\* The transformation from raw data to meaningful information through to knowledge is a cognitive process and is uniquely individual. For some workers, mainly professional, this transformation will be made individually and will be unique. For others (non-professional) 'knowledge' will be in the form of, 'managed knowledge', in other words, information that has already been transformed by the organization for its own purposes and readily useable by the individual. Either way, this data/information/knowledge is increasingly being accessed in electronic format.

**Status:**Watching  
Brief

What does this mean for workplace health and safety in the future? Does HSE need to equip itself with new skills to engage effectively with the emergent workforce?

### **The Generation Gap: Intergenerational Characteristics**

There are broadly three 'generations' in the workplace today:<sup>†</sup> 'Baby Boomers' born between 1942-1960, who are now approaching retirement, Generation X<sup>15</sup> born in the 1960s and 1970s and the youngest generation in the workplace, Generation Y,<sup>16</sup> born between 1980 and 1995. The characteristics associated with these groups mirror changing societal values.<sup>17</sup> Of course, these stereotypes may not hold true for all people in a generation, as different life experiences shape personal characteristics, but as a generalisation they may be useful. A report by Price Waterhouse Cooper, '*The Future of Work to 2020*' emphasises the influence of generation Y and electronic technology on organizations, as well as the flexibility of an emergent Chinese workforce.<sup>18</sup> Other studies continue to emphasise the role of communications technology on the design of future jobs and the skills makeup of the workforce.<sup>19 20 21</sup>

**Baby Boomers**<sup>22</sup> are those aged over about 50 and in the workforce. Although strongly associated with the '60s' culture they continued with the 'nine-to-five' work ethic and traditional career paths of their parents. They also 'presided' over a period which saw more women entering the workplace with equal pay and opportunities, the Health and Safety at Work etc. Act (1974) and the shift away from traditional heavy industry. This generation will also be the first to experience the need for post statutory retirement employment since their grandparents.<sup>23</sup>

**Generation X**<sup>24</sup> comprises an age group of roughly 30+ years of age in the workforce, who value freedom and independence. They are generally dissatisfied with hierarchical management techniques and are happier in team and collaborative roles. They are more likely to seek self-employment than the baby boomers. This generation grew up with the development and increasing use of the PC and the Internet and developed 'Google' and 'Wikipedia'.<sup>25</sup> They see technology as functional as opposed to younger generations who see it as integrated into their lifestyle.

**Generation Y**<sup>26</sup> is the under 30 age group in the workplace. Compared to older generations they have lived in a period of relative wealth. They are focused and ambitious<sup>27</sup> and rather than building up a career over a period of time, as their parents did, they want to make their mark immediately.<sup>28</sup> Work for this generation is part of an all-inclusive lifestyle, which is flexible. They will work long hours and travel globally to achieve their rewards,<sup>29</sup> which not only include money but also skill/knowledge development and lifestyle balance. Like generation X they do not appreciate formal hierarchical structures<sup>30 31</sup> but prefer collaborative and interactive management styles.<sup>32 33 34</sup> They are also 'digital natives',<sup>35</sup> brought up in the world of emergent communications technology, e.g. PC and Internet, who understand how to use and manipulate the available and emergent technology.<sup>36</sup> Whilst generation Y are now entering the workforce, some of the boomer generation are retiring at a much older age than that of their parents. This has the potential to cause intergenerational conflicts,<sup>37</sup> for example, generation Y does not embrace the value of the boomer 'nine-to-five' working week,<sup>38 39</sup> whilst boomers are less likely to embrace new technology.<sup>40</sup>

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† The broad categories used here: baby boomers, X, Y and Z can be further subcategorized (see link [http://en.wikipedia.org/wiki/List\\_of\\_generations](http://en.wikipedia.org/wiki/List_of_generations)). There is also still some disagreement as to which years correspond to what generation.

**Generation Z** are still under 16 years of age and will be entering the workforce within the next 10 years. It is claimed that members of Generation Z are very active consumers. They will have lifelong use of communications and media technologies such as DVDs, the World Wide Web, instant messaging, text messaging, iPods and cellular phones. They have grown up in a world with widespread equality of the sexes and where single parent and same-sex parent families are commonplace.<sup>41</sup> Like Generation Y they are likely to be more mobile in terms of work location and will both embrace and demand new technology.<sup>42</sup>

People of all generations want to be valued at work and want to have their individual differences and needs met. Growth, recognition and advancement have long been recognized as being essential for job satisfaction and motivation,<sup>43</sup> whereas low autonomy and control are associated with low job satisfaction, with the potential to induce stress related illness. Studies have also shown the link between social stratification within employment and ill health and life expectancy.<sup>44 45</sup> Stress related ill health is now the biggest cause of workplace absenteeism even over physical injury.<sup>46</sup> This is more likely to be associated with a command and control management style.<sup>47</sup> The main differences between Generations Y and Z from previous generations are their access to knowledge and the independence that technology gives them in enabling them to work from any location and for any organization in the world. This becomes a personal lifestyle choice, which Generations Y and Z will make as part of their career progression, unlike generations before them who did not have such choice. The effects of this degree of choice and freedom will only be judged as beneficial or otherwise by future generations.

### **What's this got to do with Health and Safety?**

The 1974 Health and Safety at Work etc. Act was enacted at a time when the UK was still dominated by heavy industry. Both fatal and serious injuries have fallen considerably since then. During the same period employment in high-risk industry has also drastically reduced.<sup>48</sup> The new economy emphasises ill health and well being as workplace issues, e.g. stress, anxiety, bullying, as more working days are now lost through these causes than through physical injury.<sup>49</sup> The Global Economy also means that demand for well-qualified employees is increasing<sup>50</sup> (In 2005 China had approximately 1 million students enrolled on postgraduate courses alone<sup>51</sup>). UK workers are likely to be operating in different countries of the world for employers whose headquarters and managers may also be differently located. For knowledge workers especially, the workplace may well be flexible, as it only matters that the employee is in the best location to access and use information. The arrival of 'Cloud technology'<sup>52 53</sup> means that access alone to the 'cloud' is only necessary as all data files can now be stored there, without the need to carry/transport data by disks or memory cards.<sup>54</sup> The emergent workforce needs to be technologically advanced in order to meet the demands of the future of work. Generations Y and Z gain most of their skills informally, through usage and experimentation. Generation Z's preferred communication method is electronic.<sup>55</sup> The number of people using mobile working technologies is predicted to top 1.2 billion worldwide by 2011<sup>56</sup> (a third of the worlds working population). A recent HSE report, suggested that HSE needs to look at its communication methods to simplify them and make them more relevant to their audience.<sup>57</sup>

### **Issues for HSE**

Societal values have changed over the past 50 years and are still changing. HSE's strategy issued in 2009 '*The Health and Safety of Great Britain*' emphasises guidance, education and partnership working with 'proportional' enforcement. This

approach would seem to be compatible with 21<sup>st</sup> century societal values as employees become more aware of their employment rights and how to enforce them. There is less likelihood for the emergent workforce to experience physical injury but their characteristics would make them more prone to psychosocial illnesses, if they cannot achieve their workplace (or lifestyle) expectations. At the same time, the X Y Z generations, armed with the power of instantaneous access to knowledge and information, are likely to see issues of health and safety as their own concern and will deal with them as such. Intergenerational changes have seen a progressive growth towards greater individualism than previous generations. The emergent workforce is highly independent and less tolerant (this is already being felt in the workplace with Generation Y) at what they may see as undue interference in their activities, e.g. supervision and invasive regulation.<sup>58</sup>

## Recommendations

The issues raised in this report may have implications for HSE in terms of:

- Communication
- Enforcement
- Inspection
- Public attitudes to HSE
- HSE's reputation
- Human Resources

Consideration should be given to the appropriate response to these issues and to whether there is need for research in these areas.

Issues on communication may also be relevant to workplaces in general.

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