

# Talking Salary Across Generations



How you approach salary talks with your employees may depend to some extent on their age and generational views.

What follows is a discussion of the different age groups you may be having salary talks with, the general characteristics of that age group as they approach salary talks from their side, and some advice on how best to structure the talks knowing what they value most:

## Gen-Y or Millennials

These are the people born since the mid-1980s and they are starting to populate the ranks of the work force in increasing numbers. They have grown up with technology and are likely heavily reliant on E-everything. They are impatient and change jobs frequently. They often come across as unmotivated (which they're not) and they don't quite communicate the same way as previous generations.

They do value variety and interesting work, however.

These employees are likely to be the biggest challenge for managers in salary talks because Millennials are extremely impatient. They want it now and they don't understand why they can't be immediately promoted and earn the big bucks. They are, in a way, the instant gratification generation.

The best way to get them to focus on something else besides that expected next big raise is to make sure they get variety and interesting work to do.

Key phrase to make them feel good in salary talks to set the right tone:

“Everything you want from your career here is indeed possible, but you’re going to have to be patient. We’d like you to get some more experience in other aspects of what we do around here, and we’d like you to try your hand at \_\_\_\_\_. Depending on how that goes and the results you show, we could consider larger salary adjustments down the road ...”

## Generation X

Gen-Xers are born between the mid-1960s and the early 1980s. They are more comfortable with the use of technology in every aspect of their home and work lives, but they show less loyalty toward their employers – perhaps because their employers showed less loyalty towards them through various rounds of downsizing, rightsizing and corporate mergers and acquisitions.

The elimination of corporate pensions and their replacement with self-funded 401(k) plans also affected them. They tend to identify themselves by their profession (“I’m a programmer”) rather than by the company they work for as in previous generations (“I’m a GE man”). And they quite happily plied their trade from one employer to another, probably changing jobs several times during their careers. They value some work/life balance and while financial rewards are important to them, they’re not totally consumed by the quest for money.

Key phrase to make them feel good in salary talks:

“You’ve done some good things for the company and we want to be sure that we’re meeting your needs, too. Let’s talk about how we can best do that ...”

## Boomers

These are the people born between 1946 and 1964. Some have already retired, and many others are rapidly approaching retirement. They are mostly near the end of their careers, not at the peak or still on the way up. They have often shown great loyalty to their employers through long careers, and they expect some loyalty in return. They probably don't expect the big raises anymore that go with rapid career advancement, but they may resent it if they get nothing and they see that all available money for salary adjustments goes elsewhere. They value fairness and equity.

Key phrase to make them feel good at salary talks:

"We want to be fair to you ..."

## Traditionalists

These are people born before the end of World War II. At age 70 and up, they are past what is generally considered retirement age. Many are active and very social individuals who simply enjoy working. Others perhaps had their savings wiped out by some unplanned financial misfortune.

They are among your most loyal workers and their accumulated knowledge may be hard to replace. Since most have already risen to the highest position, or simply don't anticipate being the driving force behind company revenue in the years ahead, it's wise to focus your available salary budget on those employees you want to incentivize to advance in your organization.

A key phrase to make them feel good during salary talks and annual reviews:

"So glad you're still able to help us ..."