





EXPLORING CHINA'S MULTIGENERATIONAL WORKPLACE

Rapid Change Has Produced Diverse Perspectives, Experiences, and Attitudes

By Sean Dubberke

What would it be like to grow up in a country that is transforming before your eyes? Where a booming economy was able to bring more than 500 million people out of abject poverty and create a new middle class that is larger than the entire population of the U.S.? According to the World Bank, that's exactly what has happened in China over the last 30 years.

Now, overlay the tumultuous geopolitical events of the recent past and consider the impact on each generation. What would that workplace look like? How might your attitude differ depending on your generational perspective?

As with any society, modern Chinese culture is often told by experts as a story of several Chinas—each with a different set of experiences that can make them appear to have different cultures. Whether you're looking at the Chinese workforce from the mobility, talent, or general HR perspective, it is key to know what makes a person tick and what motivates individuals to do great work.

It is important to note that the majority of the information in this article pertains to the urban parts of China, i.e., first- and second-tier cities. Half of the population still belongs to China's rural

society. Generational values manifest in different ways, considering the agrarian environment and a stronger subsistence mentality that characterizes these regions—although most people still describe Chinese culture as being very much about “survival of the fittest.” Macau, Hong Kong, and Taiwan also do not fit into the scope of this overview because their distinct historical trajectories differentiated them from the People's Republic.

Navigating China's multigenerational workplace is no small task. Building context around what each group lived through is a helpful way to begin.

THREE GENERATIONS AND SEMINAL EVENTS

For the purposes of this introduction, it is important to familiarize yourself with three key groups within today's workplace. While the information below applies to a majority of people in each generation, be sure to consider individual differences seriously, as values always vary from person to person. In any case, further divisions and comparisons could and should be made within each of the following cohorts:

- *Post-1960 generation*: born between 1960 and 1969; currently in their 40s and 50s; also known as the Cultural Revolution Generation or Lost Generation.

THE DEGREE OF DIFFERENCE BETWEEN GENERATIONS IS FAR GREATER THAN THE DIFFERENCES THAT EXIST BETWEEN CHINA'S NUMEROUS REGIONS.

- *Post-1970 generation*: born between 1970 and 1979; currently in their 30s and 40s; also known as the Social Reform Generation or Modern Realist Generation.
- *Post-1980 generation*: born between 1980 and 1989; currently in their 20s and 30s; also known as the Me Generation or One-Child Generation.

The post-1960 generation experienced the Cultural Revolution, culturally patterned by a strongly nationalistic political environment and little exposure to Western culture. The Cultural Revolution also delayed the start of this group's careers.

More visible in today's workforce are members of the post-1970 generation, who experienced rapid modernization during the start of their adulthood. They came of age in a market-driven economy in which the government urged them to seek financial success. It was challenging for them to make sense of and adjust to the creation of private industry vis-à-vis the ubiquitous state-owned enterprise; there was also important ideological change.

Dr. Danny Hsu, professor at China Foundations in Dalian and an expert in modern Chinese history, describes the late 1980s as "watershed years" because a number of economic and political events created a shift in the post-'70 generation's worldview—from the idealistic "what can *we* do for China?" to "what do *I* need to do to succeed?" The individual now had an important economic role to play in determining the success of one's family.

The most talked-about generation in China today, and most important to the future, consists of those born in the 1980s and early 1990s. Members of this group, from those fresh out of university to those in their early 30s, have a vastly different experience

from that of their elders. They were the first to be born under the one-child policy. They were the first university students allowed to choose their area of study and, ultimately, their career paths. As the primary focus of six adults—two parents and four grandparents—they are confident, and they are often described as self-centered and spoiled.

In an attempt to manage the cultural shift these youngest professionals have started, the government continues to attempt to reinforce values that are disappearing within this cohort. For example, a recently enacted law requires children to take care of their elderly parents by paying them a visit at least once every two months in addition to providing a certain level of financial support. The extended family that once lived under a single roof, typical of the post-'60 and '70 generations is rapidly fading, along with "filial piety," or a sense of responsibility to care for parents at home until death.

DEFINING VALUES

Stories of and debate about the balancing of generational differences are popular in Chinese media. What values define these three segments of Chinese professionals? Hsu posits that each generation has a strong feeling that "theirs is better than the rest." The "values war" among generations is a fierce, passionate pursuit for many Chinese. This generational dialogue is common in any country, but it is perhaps more extreme in China than in post-industrial nations. Chinese are grappling with the ongoing modernization of an extremely traditional society rooted in thousands of years of history, the effects of globalization, and strong foreign influences.

THE LOST GENERATION (POST-1960)

You may find this generation currently in middle and upper management. They are often seen as having lost a decade during the Cultural Revolution because instead of getting an education, they were relocated from urban areas to the countryside. While many have struggled to overcome the delayed start to their adult lives, some have worked very hard, often starting as entrepreneurs, to make up for the dislocation in their lives. The following is key to understanding members of this generation:

- Idealistic and passionate about national causes, they value conformity and fitting in with the group.

- Proponents of Communist ideology and often anti-Western.
- Politically conservative due to significant government upheaval: Communism to Mao rhetoric, Mao to social reform, and anti-West to pro-West.
- Focus on providing a better life for their children.
- Expect their organization to be in charge of their career and physical needs.

THE SOCIAL REFORM GENERATION (POST-1970)

This cohort missed much of the chaos of the Cultural Revolution. They are a more pragmatic generation who grew up exposed to imports from the West and the start of China's mixed economy as the state sector shrunk and the private sector began to grow. These core preferences define this group:

- Realistic and pragmatic because they did not live through radical political turmoil.
- More willing to accept change than previous generations.
- Possess stronger Confucian values than both the post-'60 and post-'80 generations.
- Rely heavily on *guanxi*, or the leveraging of relationships, to accomplish tasks.
- Transitional generation between traditional and modern Chinese values.

THE ME GENERATION (POST-1980)

This group comprises more than 200 million individuals who have a stronger educational background than their predecessors. In addition to a greater familiarity with the West, they are stronger consumers, and they have greater disposable income.

Despite these characteristics, don't be fooled, says R. Barry Spaulding, principal of Global Strategies in New York, who uses his 30-plus years of experience with China to advise clients: "This generation is not 'Western' but remains quite Chinese. The difference needs to be seen in relation to earlier generations who were far less exposed to consumer culture [and] a laissez-faire economy, and [were] deeply impacted by Maoist politics." The "little emperors and empresses" of this generation wear fashion brands that you could find on the streets of Paris and listen to music by pop artists from Scandinavia, but they were also raised in a very protected environment by parents and

grandparents who doted on the single child in the family. These elders transmitted essential cultural values that still make this group uniquely Chinese.

Their core values include:

- Proud of being more individualistic and open-minded than previous generations.
- Adopt some Western values in business, e.g., may directly ask manager for more responsibility or a promotion. Appear more assertive and willing to tell manager what they need, want, or expect.
- Have a lower commitment to Confucian values, although they follow them. May question hierarchy and take risks.
- Reliant on new media and digital technology, strong hunger for information.
- Work to live. Will often change jobs to achieve career goals.

STRATEGIES FOR EFFECTIVE INTERACTION

What can you do, as a global professional assigned to China, to be effective with your Chinese colleagues, clients, and partners? How can you use this information on generational values to manage people and achieve business success?

One of the best things you can do is simply raise your awareness to make better decisions when you interact with people from China. At the same time, it's important to be cognizant of your own culture and how your references affect the way you see the world.

After you have gotten to know your Chinese colleagues, you might consider when it would be helpful to create hybrid norms or guidelines for effective interaction that take into account the cultural preferences of each person. It's also important to remind yourself that pure adaptation to Chinese culture—doing things the Chinese way—is not always going to offer the best results.

Essentially, this is an exercise in integrating differences between your culture and the culture of people in your team, department, or organization. *Cultural Agility*, a book by Paula Caligiuri, Ph.D., details a framework that embodies these three distinct orientations that are all vital to success in a global environment: cultural minimization, adaptation, and integration. It's about knowing when to leverage which orientation.



DEALING WITH ATTRITION, SKILLS, AND NEEDS

In any case, each generation presents a distinctly different set of challenges to Western companies and managers. Spaulding has seen that post-'80 workers are impatient to get ahead, are demanding, and focus more on work/life balance. Attrition is a No. 1 concern for HR, as this generation is quick to leave a job they don't feel offers potential for advancement or increasing salary. "Why do all the 20-somethings on my team think they ought to be promoted to directors?" a U.S. manager in China asked Spaulding. The answer is pretty straightforward: Many in this generation have been given everything they want, or at least parents have made extreme sacrifices to provide for their children above and beyond what previous generations could have dreamed of having.

Moreover, this group is often characterized as being sensitive to criticism. Parents are known to emotionally indulge this generation with excessive praise. Studies have indicated that they are much less hierarchy-conscious, in a culture that has traditionally recognized hierarchy as an important value. Integration of this generational cohort can result in a range of conflicts, including management difficulties for Chinese managers of the generation above them and higher attrition rates when expectations for career growth and work/life balance are not met.

Preston Kuo in Shanghai, founder of China Foundations, describes a recent graduate who had acquired a job at a well-known multinational company and was confident he could be hired by any competing Western organization. However, when Kuo discussed brainstorming, on-the-spot problem-solving, and project planning—topics of concern for this person's current manager—responses were vague. "While individuals may have the confidence to take on any task and play any role, the skills Western hiring managers seek are lacking," Kuo emphasizes. In fact, he adds, there are inordinate numbers of younger Chinese with impressive titles. You can see a 28-year-old with four years of industry experience holding the same title as a Westerner with six to 10 years' experience. There is simply not enough supply for the demand that exists for skilled labor.

"There's a perceived glass ceiling for Chinese because they constantly see non-Chinese expatriates in management positions, which engenders a pseudo-mercenary mentality where private gain is the primary concern of the employee," Hsu says.



To counteract this acquisitive perspective, emphasis on potential promotion through individual training and development is key to helping ambitious, albeit underskilled, staff rise to the occasion. The role of the manager in China is to think—frequently—about how an employee can move up the hierarchy, in contrast to the Western approach, where the onus is on the employee to think of ways to solicit promotion and new responsibilities.

"Education in China has not moved away from traditional methodologies employing rote memorization of formulas and concepts, and very little problem-solving," Hsu says. "This has to do with the workforce's lack of critical thinking skills so valued in the West."

Kuo has been working with multinational companies in China for more than a decade to provide foundational business knowledge and training. He explains that this generation's "success mentality" most likely exists because they have had a relatively easy life compared to that of their parents. They are the first generation to have disposable income—or extreme wealth—education, more recreation time, and individual opportunity. In a way, they may see themselves as the luckiest and most privileged generation in China's history.

Paradoxically, while these workers see themselves as highly skilled and entitled to advancement, the skill set Western managers need is not widely available, even with a Western university education and an apparent willingness to learn and develop. Thus, managing the youngest workplace generation may require delegation of more responsibility, more independence, and frequent recognition through raises, promotions, learning, and career development. When you encounter someone with experience of living outside China, you cannot assume the individual is comfortable and able to behave in a way that mirrors what a Westerner would do. Culture is deeply embedded from childhood, and it takes more than a university degree to develop the skills that might be needed.

INVEST IN PERSONAL RELATIONSHIPS

For both Kuo and Spaulding, a key management approach in China that applies well to all generations is taking a more interpersonal, relationship-oriented approach. Generally, there is less division between personal and professional lives in China than in the West. Many Chinese see their co-workers as friends,

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spending time together outside the workplace. A good way to manage people in their 20s is to provide mentoring that demonstrates an interest in the individual's personal and professional development. Provide training in interpersonal skills, teamwork, and effective communication, and self-direction to teach skills they may lack due to the one-child policy.

For those in their 30s and 40s, the approach that works best might appear maternal or paternal to Westerners. "Personal relationships with managers and colleagues form a foundation of trust and support that enables transparency, deeper feedback around issues and problems, and greater strategic input," says Spaulding.

Offering advice that may go beyond the professional environment, on personal situations for example, is another way to provide the caring leadership many Chinese expect. Kuo translates this approach as "managing with love" versus managing by the books. Much of this will require spending time outside the office, often eating, and may infringe on private time. Western managers may not feel comfortable doing this at first, but the investment in relationships is paramount to success in China.

"Westerners manage at a distance," Kuo says, "but in China a successful manager anticipates his or her team's needs at work and in their personal lives and is closely involved in day-to-day details." The key is to develop your employees as if you sincerely care for their well-being. Often, a Chinese manager would describe him- or herself as the sole person responsible for employees' development and success. From this perspective, the managers, not the individual team members, are the difference between mediocrity and achievement.

Spaulding says many in the post-'60 and '70 generations "who work for foreign corporations have had far less exposure to foreign education and ideas than their younger counterparts. They are more comfortable with traditional command and control management style." This means new projects or responsibilities should be outlined in extra detail to ensure understanding. This generation expects very clear instructions that leave little room for doubt. Asking questions or suggesting alternatives is not common. Instead, check in frequently to request status updates. Furthermore, saving face is a huge priority for this generation, so getting candid feedback is most effective in private, one-on-one meetings.

You might ask yourself how to ascertain the generation of your Chinese colleagues. Spaulding suggests

that you ask the common question, "What is your astrological sign?"

"Because the Chinese zodiac is a 12-year cycle, you can usually determine the year a person was born with this knowledge," he says. Asking this is also a good way to demonstrate knowledge of Chinese culture and interest in the individual, a key part of establishing trust.

Dr. Laurenz Awater, principal of INNOVA Management Institute in Shanghai, advises Western organizations on how to lead effectively in China. He believes "the degree of difference between generations is far greater than the differences that exist between China's numerous regions." Heightening awareness around these differences will help organizations manage the deficit in the talent that Western organizations need in China. Taking the time to listen to Chinese staff, having patience, and integrating knowledge of the values that drive Chinese workplace behavior is a crucial part of any multinational's strategy.

A famous Chinese phrase from ancient philosopher Laozi is apropos: "A journey of a thousand *li* begins with the first step." Slowing down to actively listen to Chinese staff, to take their perspective and establish a personal bond, letting the story of their generation inform your approach, is a critical skill for global professionals assigned to China. This is the first step toward developing loyal, productive talent in China. *M*

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