

**Americans For The Arts Convention
Las Vegas, NY
June 1-3, 2007**

**Private-Sector Track
Supporting the New Cultural Workforce**

Casey Carlson, National Director of Campus Recruiting, Deloitte Tax, LLP

Casey Carlson is a senior manager on the Next Generation Initiatives team at Deloitte. In this role, she has managed the development of Deloitte's pre-college outreach programs geared to Generation Y / the Millennials. These programs include a comic-based curriculum for middle school students, three levels of curriculum for use in high schools, and the Virtual Team Challenge. She is currently leading the development of the VTCHS-Event!, a multi-player business simulation which will be rolled out in the fall.

She is the national director of campus recruiting for Deloitte Tax LLP. Based in Boston, Casey is responsible for the strategic direction and overall management of campus recruiting at one of the largest tax organizations among all professional services firms. She also leads human resource competency and job profile development for the firm's performance management initiative. Casey's professional career began and continues with Deloitte & Touche USA LLP. Casey has worked with each businesses of Deloitte and previously was the director of human resources for the New England marketplace.

Casey graduated from Kansas State University with an undergraduate degree and master's degree in Accounting. She was also part of the first class to graduate with a minor in Leadership. She has volunteered at the Dana Farber Cancer Institute for the past three years. Casey participated in the Leukemia's Society Team in Training Marathon Training in 2004 by fundraising, training and running the Anchorage marathon. Casey, her husband and twin sons live in Charlestown, MA where they are restoring a 150+ year old home.

Casey can be reached at: cacarlson@deloitte.com, 617-437-3130

Tyrha Lindsey, President, L.A.I. Communications

Originally from Cincinnati, Ohio, Ms. Lindsey is a business executive, artist and entrepreneur. She received her Bachelor of Science in Radio/TV/Film from Northwestern University in Evanston, Illinois and her Masters of Business Administration (MBA) degree with a concentration in Marketing from the Peter F. Drucker School of Management at Claremont Graduate University in Claremont, California.

Ms. Lindsey has over thirteen years of experience working in marketing and public relations in the arts, entertainment and non-profit arenas. She has worked with Quincy Jones*David Salzman Entertainment, NBC, Creative Artists Agency and Edmonds Entertainment both in the development of television and film ideas and properties. She has assisted in overseeing the production of such programs as *MAD TV* (FOX), *In the House* (UPN), *Lost on Earth* (USA) and *VIBE* (syndication).

In the health arena, Ms. Lindsey was worked as the Regional Events Manager for the National Speaking of Women's Health Foundation where she produced women's health conferences and television/radio activities geared towards educating millions of women across the country on the importance of making educated decisions about their health, well-being and personal safety. Ms. Lindsey was the creator of the Foundation's national minority health initiative entitled, *Universal Sisters*, which was sponsored by Procter & Gamble and Wal-Mart. She has also worked as the Director of Development for the LifeCenter Organ Donor Network and was the first in the nation to

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hold such a position overseeing the marketing/PR and fundraising for a national organ and tissue procurement organization.

As an entrepreneur, Ms. Lindsey continues this work by way of her own marketing/PR consulting company, L.A.I Communications, which specializes in fundraising, as well as creating strategic marketing/pr solutions, with a focus on ethnic marketing, for media companies, arts organizations, non-profits and small businesses. Such clients have included the American Diabetes Association, Alvin Ailey American Dance Theater, Splenda, The Terrie Williams Agency, The John Anson Ford Theater, Lulu Washington Dance Company, Health Alliance, Columbia Pictures, Haitian Americans United for Progress, United States Tennis Association, Highmark Blue Cross*Blue Shield, Hebni Nutrition Consultants, Procter & Gamble, 3 Colored Girls Productions and the National Speaking of Women's Health Foundation and Holistic Healthcare.

Volunteer board affiliations include currently serving as a Board of Director for the Tony Award winning Crossroads Theater Company (New Brunswick, New Jersey), Stoke of Hope (New York, NY) as well as on the Emerging Leaders Council for the Americans for the Arts (Washington, D.C.). Ms. Lindsey is a former Board of Director for the United Way Foundation of Greater Cincinnati as well as for the Cincinnati Arts Consortium. She has also worked with the YWCA, New York Chapter of the Coalition of 100 Black Women, and the Alpha Kappa Alpha Sorority, Inc. on a local and national level.

Honors and awards include 2005 Feature in *Black Enterprise Magazine*, 2004 *Cincinnati Herald* Nefertiti Award, 2003 Who's Who in Black Cincinnati, 2002 YWCA Rising Star, National Academy of Television Arts and Sciences Summer Fellow, National Coca Cola Scholar among many others.

Tyrha can be reached at: Linzyharis@aol.com, 908.672.6024

**Julie Peeler, VP of Arts & Business Programs, Americans for the Arts
(Moderator)**

Julie is an accomplished market researcher and marketing strategist with nearly two decades of experience in both the for-profit and nonprofit arena. While working at J. Walter Thompson and Foote, Cone & Belding, both major international advertising agencies, she developed growth plans for Fortune 500 clients including S.C. Johnson Wax, Kraft Foods, The Kellogg Co., and The Quaker Oats Co., as well as for the U.S. Olympic Committee. At the Arts and Business Council of Americans for the Arts, Julie manages the national expansion, implementation, measurement, and the dissemination of results and learnings from Business Volunteers for the Arts®, the National Arts Marketing Project, the MetLife Foundation National Arts Issues Forum Series, United Arts Funds, and other initiatives. Ms. Peeler is the founding director of the National Arts Marketing Project, which is designed to help nonprofit arts organizations understand the marketplace in which they operate, and develop innovative and effective marketing plans. She holds a BA in journalism from Loyola University of Chicago and a Master's in Management in Marketing and Nonprofit Management from the Kellogg Graduate School of Business at Northwestern University.

Julie can be reached at: jpeeler@artsusa.org, 727-937-2088

Talent Market Series: Volume 3

Catching the Coaching Wave

What Business Leaders Need to Know About Coaching in the Workplace

What's all this talk about coaching and being a "coached organization?" More time spent away from clients learning new buzz words for something we've always done? What's wrong with how we connect with our people now? Some natural reactions to what may appear to be yet another demand on our time...but is it?





Interview with Paul T. Parker, Chief People Officer, Deloitte & Touche USA LLP and Maribeth Bailey, National Director, Coaching and Career Services, Deloitte Services LP.

What is coaching?

Paul: Coaching is a distinct approach to engaging with one another that allows people to reach their own solutions.

As a coach, you need to actively listen, ask thought-provoking, open ended questions and acknowledge or validate the abilities inherent in each person. Done right, coaching leads the individual, or coachee, to a solution that's their own — and we know that we are much more likely to implement a solution we develop ourselves as opposed to one that somebody else tells us ought to be “our” solution.

By applying coaching techniques broadly across all levels, every one of us within the U.S. Firms has the ability to truly make a difference in how we connect and bring out the best in each other.

What do you see as distinctive about a “coached organization”?

Paul: Through coaching, partners through staff will have the ability to engage in more open dialogue regarding performance development; I believe this will accelerate growth and advancement opportunity and ultimately contribute to a more enhanced career experience..

Survey feedback has told us that our professionals want help interpreting their performance and guidance on developing action plans, and coaching allows us to have those conversations in a different way.

And in terms of being distinct, I don't know of any other organization that's taken coaching to the level we have at the U.S. Firms.

Maribeth: Coaching's unique aspect is its focus — the whole conversation is about the individual's agenda: their goals and desires that through coaching will propel them to career satisfaction and growth. It's a goal-oriented practice that helps improve both individual and organizational performance.

Paul: Our approach to coaching is to make sure there's something for everyone at every stage of their development. Through our Coach Approach Workshops, we are providing foundational coaching skills and the ability for all levels of the organization to think and act like coaches. Through Career Connections, we provide professional coaching services and tools for our people.

Enhancing the day-to-day experience is our ultimate goal — effective coaching allows each of us to build on our successes, improve our performance and maximize potential.

What do you think is the biggest challenge to becoming a “coached organization”?

Maribeth: We're already on our way with strong leadership support. The good news is our leaders believe that coaching is a differentiator for our people. The biggest challenges are to get everyone in the organization skilled on the principles of coaching and to make coaching a regular practice for our people.

How has coaching helped you in your career?

Paul: Throughout each phase of my life, there has always been a coach who has made a difference. Without a doubt, I wouldn't be the person sitting here today if I hadn't received the guidance I did at those key educational and career junctures. So coaching, to me, is a critical part of becoming the best person you can be — professionally, as well as personally.

Maribeth: I have been fortunate to be coached by some of our industries' best coaches. They have encouraged me to develop and enhance my strengths and challenged me to reach out of my comfort-zone by taking on new roles and challenges. They have inspired me to keep growing and developing my career.

What does coaching mean to Gen Y?

Maribeth: Gen Y comes into our workforce understanding the value of others helping them move up the learning curve as quickly as possible. They're conditioned to expect coaching from everyone in their network. I have a son who's a freshman in college and a daughter who is a junior in college. My son plays college baseball and works with a pitching coach, hitting coach, and acceleration coach while my daughter meets weekly with a vocal music coach. The coaching allows them to refine and enhance their skills and provides support for improved performance. This new generation is familiar with being coached by parents, teachers, counselors, and peers.

We are creating an environment where coaching is for everyone in the Deloitte U. S. Firms. Becoming a coached organization not only allows us to connect with Gen Y, but all generations in a way that's meaningful to them.



This is Volume 3 of the Talent Market Series, a series of executive briefings on people-related topics. The series focuses on ways to connect with our people as well as generational and diversity issues. The editor of this series is W. Stanton Smith, National Director, Next Generation Initiatives, Deloitte & Touche USA LLP.

A Promise

If you stick with us, you'll see that, properly done, coaching has a tangible strategic impact on our businesses. It intensifies the continuous learning and development that our people need to meet the demands of serving clients well and growing as professionals. In fact, our people, especially Gen Y, strongly prefer to be coached rather than simply told what to do. They want to understand how their work adds value and how they can increase that value.

We've asked Barry Salzberg, managing partner, Deloitte & Touche USA LLP, to start us off with his perspective on this key question.



“Being a coach is not another role you need to play. Rather, it’s a powerful skill that can be applied to any role you play, whether that role is counselor, mentor, project manager, practice leader...or even

your role as a parent or friend. Key coaching techniques, like active listening and asking empowering questions, can enhance both your professional and personal relationships.

Coaching should be a continuous process, not simply used during mid-year and year-end discussions. We must develop a coaching mindset that can help us regularly identify coaching opportunities, create effective dialogues, and discover the best approaches and/or solutions for each situation.”

Keeping Barry's perspective in mind, we hope after reading this brochure, you'll realize at least two key things: 1) there's a wave worth paying attention to on its way towards you; and 2) that the wave is worth catching.

Some Questions and Answers

How does coaching differ from mentoring, or counseling, for that matter? Don't we just have a distinction here without a difference among these terms?

Well, it's true that we often use these terms imprecisely and even interchangeably. Counselors facilitate discussions related to the performance management cycle, and mentors guide with their wisdom and experience. A coaching approach and skillset can be applied in both of these roles. We have chosen the term "coach" as one who provides support to help others decide what options to consider and what solutions are appropriate rather than solely telling them what to do. All high-performing organizations (sports and performing arts are excellent examples) make coaching a key part of daily operations. The role of coaching and coaches is to inspire teamwork, help build on strengths, and ensure that the team functions at the highest possible level to achieve maximum results.

What makes this a wise business decision among all the alternative ways we can spend our time?

The latest research into career satisfaction, life fulfillment, and just what gets Gen X/Y "jazzed" about showing up for work demonstrates that they value:

- A positive work environment (a sense of purpose and meaning as to the value of the work they're doing and honest/open communication)
- Flexibility and choice (flexible definition of the work day and workplace, and performance evaluation based on output not just input)
- Opportunities for continuous learning (chance to take on significant responsibility and make major contributions early on in their careers)
- Open social networks (a sense of teamwork and camaraderie within a networked, less hierarchical organization)
- Long-term career development (opportunities to be coached by leaders they respect and an opportunity to develop a long-term relationship with an employer that commits to them as they commit to the employer.)

All these "things" that our people want at work are greatly facilitated by coaching. Coaching leads to self discovery and greater commitment and buy-in to the outcome. Coachees



Our line management team will coach using the foundational skills provided in the Coach Approach Workshops. By applying a consistent foundation to our approach, there will be commonality in terms of what it means to coach and be coached. This common coaching skill set is key to our ability to consistently deliver coaching across the organization.

What do participants think?

Byron Spruell, Midwest FAS Regional Managing Principal, Deloitte FAS LLP: "From my perspective, the focus on coaching will have great benefits for our people on all fronts and all levels. I have personally benefited from the direction, guidance and teaching of some excellent coaches, beginning with my parents and expanding to football coaches and professional coaches within the Deloitte U.S. Firms and other organizations.



become more invested, because the solutions are their own brought out through the coaching conversations. Coaching promotes a positive work environment, flexibility, opportunities to learn, openness, as well as long-term career development. It stands to reason that our becoming a developmental, or 'coached' culture will set us apart in a way that can strongly influence the decisions of future talent to join and stay with us.

The Coach Approach workshops were mentioned in the interview. What has really happened in these?

The Coach Approach workshop targets our manager through partner levels. The purpose of the workshop is for participants to learn our coaching framework and build, practice, and apply skills to effectively coach and be coached. Participants are challenged to:

- Expand their definition of coaching
- Understand when, where, and how to conduct an effective coaching dialogue
- Incorporate coaching principles into daily interactions

Byron Spruell
Midwest FAS Regional
Managing Principal
Deloitte FAS LLP

To incorporate coaching in our daily schedules should be quite natural. I personally focus on it as a way to give back and make a difference with our people but it also provides a sense of satisfaction and reciprocity.

The recent coaching workshops have been a great way to improve my skills in this area and enhance my own coaching style. As Barry indicated, this is not another new job that we have on our plates but a natural way to further connect and develop our people. You will be amazed at what you get back in return.

What I learned about my own style is that I tried to give the answer right away, as opposed to helping people formulate their own approach. I had to step back and do more questioning and listening. If it's their answer, then they own it."

Where does Career Connections fit into the "coached organization"?

Even in a "coached organization" where candid and open discussion is expected and encouraged, there will always be a need for a "confidential place" where people can go to work out issues about their respective careers. Although we are trying to give everyone in the organization more effective coaching skills, we do have a dedicated team of internal professional coaches in Career Connections. Our focus is two-fold — enabling critical talent to develop competencies that maximize their effectiveness, and providing support for our people in planning and navigating their careers.

Our coaches work with people on topics ranging from professional development to career planning and ownership, internal mobility, and flexibility and choice. The Career Connections coaches help people overcome obstacles, make the most of their strengths, and reach their full potential.

Through the Career Connections web site all our people have the opportunity to avail themselves of self assessment tools, resources on career planning and listings of open job opportunities within the U.S. Firms. This is state of the art technology when it comes to helping the people of the U.S. Firms work out career issues whether or not they take advantage of a Career Connections coach.

We expect Career Connections to be the engine that will drive us forward in becoming a "coached organization". Stay tuned, as there will be more to come on the evolving role of Career Connections.

Why would we invest in becoming a coached environment? What is in it for me as a partner/principal/director?

This question seems to be based on the presumption that coaching is a "benefit," a "nice to do" rather than a "need to do". Coaching is a requirement of a profitable, high performing organization. Well-coached professionals produce consistently high quality work, the kind of service clients like to receive and are willing to pay good money for. Also spending the time to coach may result in individuals staying with us when they might otherwise have moved on.

We want coaching to become part of our mindset where people understand the basic principles and use them every day on engagements, when giving formal or informal feedback, having a career planning discussion, or in any kind of interaction. Coaching allows people to explore what options they have within the organization, put their experience into perspective, build on their strengths and understand what next steps to take. Coaching permits a flexible view of a career because the focus is on what's important to the coachee and the solutions identified are those that best fit with the coachee's situation.

In short, the results of a coached environment are very tangible...higher quality client service, retention of high-performing talent and highly satisfied, paying clients.

A Parting Thought: It's Not Easy... But It's Necessary

Becoming a coached organization requires the re-thinking of every aspect of the employer/employee relationship. The measures of success will be the quality and stability of key talent pools, the strength of the leadership pipeline, the depth of employee engagement and connection and the resulting business success.

"Managers" of people will have to be more coach, less boss. Employees will have to be more active in directing their careers. Leaders will need to be consistent and visible sponsors and role models for the new paradigm, and the organization will need to align every aspect of people management — from performance and compensation reviews to the way training is delivered.

None of this will be easy...but it is a vital necessity for current and especially future business success. We set the market for a women's initiative over twelve years ago and pioneered with the concept of virtual coaching with Deloitte Career Connections more than four years ago. In the same way, we

now set our sights on leading the next market — the market for talent that is ambitious and empowered for success in both their professional and personal lives.

Competition for critical talent will increase as the working population ages and the available qualified talent pool shrinks. Retaining employees will depend more and more on keeping them engaged and connected. Becoming a coached organization — building an inclusive communications network for constructive interaction — is essential in bringing about a culture that will do just that.

Acknowledgments

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Institute for the Future, Palo Alto, CA:

An independent nonprofit research organization that focuses on the understanding the future as a stimulant for trying out insights and actions. Special thanks to Bob Johansen and Lyn Jeffery for their help with the Talent Market Series. IFTF can be reached at www.iftf.org

Additional readings on these topics can be found on DeloitteNet. Go to the People Reference Tools contained in the partner/director information center. If you have questions, please contact W. Stanton Smith, National Director, Next Generation Initiatives by e-mail or call 704.227.7850.



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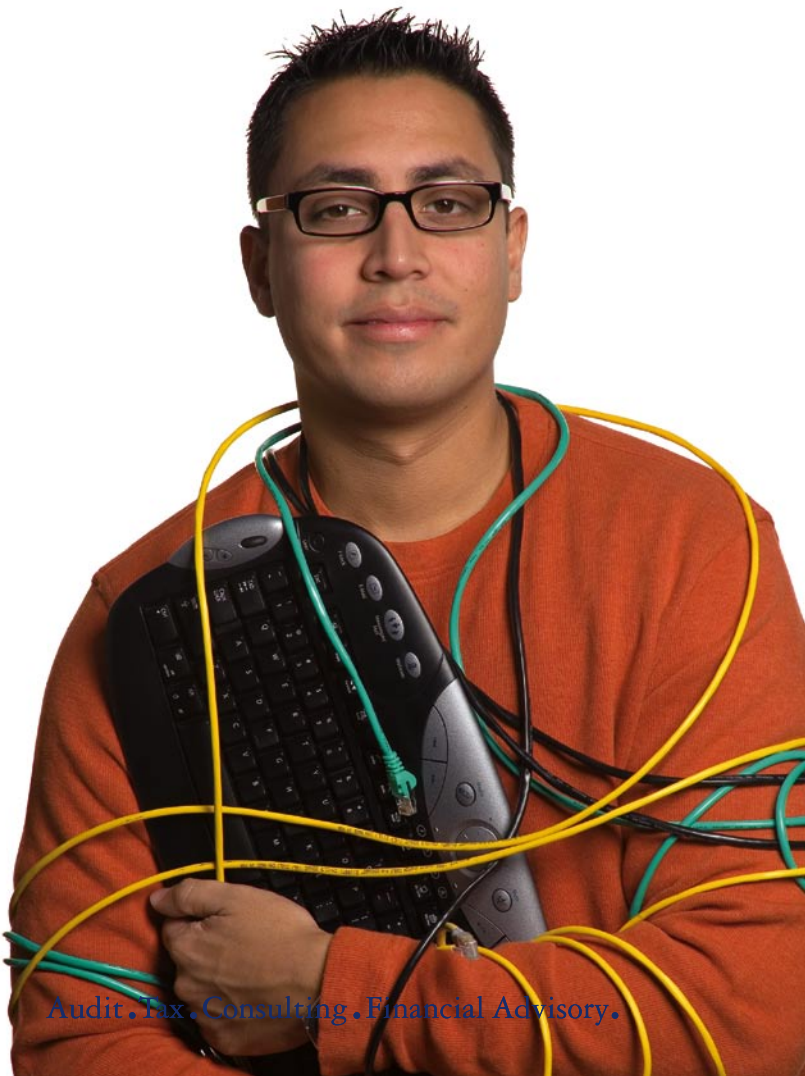
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Talent Market Series: Volume 1

Connecting Across the Generations in the Workplace

What Business Leaders
Need to Know to Benefit from
Generational Differences



Four generations work side by side in today's workforce – Veterans, Baby Boomers, Gen X and Gen Y. And each has different attitudes and expectations about their jobs and careers. The young have always appeared different to their elders, but Generation Y is increasingly different in some high-impact ways. Often, they just don't fit the expectations of today's leaders. How can we become attuned to this emerging generation of workers, who often have very different ideas about how work should get done?

We need to make business sense out of the next generation of workers – especially since our business will be increasingly dependent on younger talent. In the coming years, success will go to those businesses savvy enough to understand – and to leverage – these differences. This briefing focuses on members of Generation Y, and how their attitudes – toward work and toward life – can differ from those of earlier generations. What do we need to know to lead them and, perhaps most important, what can they teach us? How can we grow next generation leaders?

This is Volume 1 of the Talent Market Series, a series of executive briefings on people-related topics. Future briefings will cover better ways to develop, deploy and connect with our people as well as more on generational and diversity issues. The editor of this series is W. Stanton Smith, National Director, Next Generation Initiatives, Deloitte & Touche USA LLP.

The Facts

When we talk about a particular generation, it's important to remember we are speaking in generalities. Any group of people possesses, in some measure, all of the attitudes and opinions it is possible for humans to hold. Yet research has shown that most groups can be characterized by a certain set of attitudes and beliefs. So, first some definitions:

- Veterans were born before 1946
- Baby Boomers were born from 1946 -1964
- Gen Xers or Baby Busters were born from 1965 -1980
- Gen Yers were born after 1980

Note: The lines between generations are not strict. Gen Y is also called the Echo Boom, Millennial, or Gen I (Internet). Together Gen X and Gen Y are called the Gaming Generation.

And some basic facts about the workforce:

The labor market is shrinking

According to the US Labor Department, from 2000 to 2010 the workforce, compared to the Baby Boom years, will shrink. A snapshot of the changing labor market shows:

- A 31% drop for 35-45 year olds.
- A 2% drop for 24-34 year olds.

The workforce will grow more diverse

- 37% increase for Asians
- 36% increase for Hispanics
- 17% increase for blacks
- 6% increase for whites

There will be more females, with more professional service skills

- From 1980 to 2010, the number of women in the workforce is expected to grow from 50% to 63%.
- The implication for professional services is significant: women already make up 55% of accounting graduates and exhibit more consulting-oriented skills than men.

Employers will be facing a seller's market

- More career options have tipped the scales in favor of knowledge workers, creating a seller's market for the next 5 to 10 years.
- Women more often want flexible schedules and will choose a business that deals effectively with the issue.

Generational differences on the job

Generational differences have real implications for how employers and employees work together. Each generation brings a different set of attitudes to the job. Research, in general, has shown that:

- Baby Boomers put a heavy focus on work as an anchor in their lives
- Gen Xers enjoy work, but are more concerned about work/life navigation
- Gen Yers often have different priorities: because of their deep reliance on technology, they believe they can work flexibly anytime, anyplace and that they should be evaluated on work product – not on how, when or where they got it done. Surprisingly, they want long-term relationships with employers, but on their own terms. The “real revolution” is a decrease in career ambition in favor of more family time, less travel and less personal pressure.

Note: raised in a consumer economy, both Gen X and Gen Y employees expect to influence the terms and conditions of the job. Since family is a top priority for both, it's not surprising that work/life balance is an important consideration for them. As a result, they expect employers to accommodate their “consumer” expectations in this regard.



Technology: the generational divides intensify

Gen Xers and Gen Yers are the first generations to grow up with computers and the Internet as part of their lives. Constant experience in the networked world has had a profound impact on their approach to problem-solving and collaboration. While Baby Boomers see video games as diversions or toys, for Gen Xers and Gen Yers they are something distinctly different. The next generation of workers is coming into the workforce with networking, multiprocessing, and global-mindedness skills that their elders never could have imagined.

Experience with interactive media such as instant messaging, text messaging, blogs, and especially multi-player games has led many young people to develop new skills, new assumptions and new expectations about their employers. Current research suggests, for example, that gaming can be excellent preparation for business. Serious gamers (Gen Xers and Gen Yers) are likely to be:

- More skilled at multi-tasking
- Agile in making decisions, evaluating risks and managing dilemmas
- Flexible and persistent in the face of change
- Highly skilled in social networking and team activities.



But employees with these traits can also present a management challenge.

- They may be keen on winning and eager to experiment and work as a team to solve problems, but they are not inclined to follow leaders just because they are leaders.
- They are energetic and hungry for stimuli, but have a strong desire to be in a relationship with an employer as long as possible.
- They have distaste for what they perceive as “menial work.”
- They may just avoid “difficult people,” instead of engaging with them constructively.

Gen Y Expectations

Compared with earlier generations, Gen Yers bring a different set of expectations to the workplace.

What they expect from an employer:

- To work with positive people (Gen Y responds poorly to those who act in an authoritarian manner and/or who expect to be respected due to higher rank alone)
- To be challenged (Gen Y believes it can learn quickly, take on significant responsibility and make major contributions far sooner than Baby Boomers think)
- To be treated respectfully (Gen Y has been raised to feel valuable and very positive about themselves; they see as a sign of disrespect any requirement to do things just because this is the way it has always been done or to pay one's dues)
- To learn new knowledge and skills (Gen Y sees repeating tasks as a poor use of their energy and time and an example of not being taken seriously)
- To work in friendly environments (Gen Y responds poorly to inflexible hierarchical organizations and responds best to more networked, less hierarchical organizations)
- To have flexible schedules (“the technology permits it, so why not? - evaluate me on output not input- on the work product itself, not where or when or how I do the work”)
- To be paid well (Gen Y does not want to be taken advantage of; does not have sufficient trust in businesses to make good on promises of lots of money someday in the distant future)

They prefer to learn:

- In networks, teams or swarms (a leaderless group that is based on the use of technology; an example is the use of text messaging by teens at a mall)
- Using multi-media
- While being entertained and excited
- Experientially (Business simulations are becoming the next wave in games which can help familiarize young people with a business previously unknown to them. Simulations also offer the opportunity to track skill development and open a new source of talent tracking and recruitment.)

What they expect communication to be:

- Positive
- Respectful
- Motivational
- Electronic
- In-person if the message is really important

How they want to be managed:

- Be flexible
- Let me work with friends (people with complementary skills and who are simpatico are better at solving problems and more productive – who needs divas/divos?)
- Respect me (Gen Y sees their lack of experience as bringing a new perspective that is needed in the business world)
- Let's have fun (Gen Y will work hard but "hey dude, chill out, we're not saving the world from alien invaders")
- Challenge me
- You can be the leader (Gen Y seems more trusting of senior leaders than Baby Boomers and Gen Xers were).

Practical ways to manage them:

- Provide engaging experiences that develop transferable skills. By making them more employable, we actually increase the odds that they will stay.
- Provide a rationale for the work you've asked them to do and the value it adds.
- Provide variety.
- Grow teams and networks with great care: develop the tools and processes to support faster response and more innovative solutions.
- Provide a work environment that rewards extra effort and excellence.
- Pay close attention to helping them navigate work and family issues.

Questions and Answers

I wanted what these young people want when I was their age but I had to adapt to business realities. Won't the same happen to them?

Certainly to an extent. But two facts are very different today compared to when the Baby Boomers entered the workforce 30+ years ago or the Gen Xers some 15-20 years ago: 1) demographics – the law of supply and demand is at work – that is, there are far fewer Gen Yers than Baby Boomers at the time of initial entry into the workplace; therefore, the probability of Gen Yers getting a lot more of what they want is much higher than for previous genera-

tions; and 2) technology – the technology exists to support Gen Y preferences to work more flexibly and virtually; this capacity to work anyplace at anytime simply did not exist until very recently.

What can we learn from these young people?

The Gen Yers are coming into the workforce with networking, multiprocessing, and global-mindedness skills that older generations can learn from. In addition Gen Yers are technology natives who can drive a role reversal by mentoring technology-challenged Baby Boomers. And finally maybe we could learn something useful from the Gen Y (and Gen X) focus on working more flexibly with more dual-centric focus on both work and family.

Why should a Business Leader care what Gen Yers think; they're young and likely will change their minds anyway?

It is true that young people change their minds often. However, during this formative period of their teens, young people are making major decisions as to which college to attend and what to major in. Given young people's profound skepticism of large businesses, in particular, it is quite likely that many will not be attracted to fields of study we're interested in or, if they do join us, may present a significant on-boarding challenge.

Besides don't they ultimately have to do it our way?

Perhaps, but Gen Y plus Gen X will ultimately constitute a workforce nearly the size of the Baby Boom generation; this will happen within the next 10+ years. If we look at the group called the "gaming generation" which includes Gen X, Gen Y and the generation beyond Gen X and Gen Y, this group is larger than the Baby Boomers. They will by sheer size predominate in the workforce and heavily influence it. They will do it their way more often than not because they can and that way differs markedly from the Baby Boomers.

It is just a stage in life; they'll outgrow their current views. In any event, once they have family obligations, they'll change their attitudes, won't they?

See the answer regarding being young and changing their minds. While people generally become more conservative as they age, research shows that core generational values change very little. As an example, both Gen X and Gen Y are very family oriented; therefore it is unlikely that they'll become significantly less family focused. Such focus is a defining difference between these generations and the Baby Boomers.

We'll just have to work harder at finding those young people who will do it our way, won't we?

This tactic may meet with some success but probably will fall far short in achieving the needed numbers given demographics and workforce attitudes.

The generational differences are exaggerated anyway, right?

There is always this possibility but research and our experience indicates that the differences are real and “mainstream”, i.e., not confined to just a tiny number in each generation.

Isn't what motivated me in my 20s the same as what motivates young people today?

There will be instances where this is true but on balance it is risky to assume the above. Research and our experience show clear differences. The documented effects of growing up with technology on the attitudes and expectations of Gen X and Gen Y are in themselves enough to make us question the validity of the assumption behind this question.

Resources

Generation and Gender in the Workplace Study (2004). To understand generation and gender in the workplace, the American Business Collaboration for Quality Dependent Care (ABC), commissioned the Families and Work Institute (FWI) to study the issue. The ABC is a membership organization of which Deloitte & Touche USA LLP is a founding member.

Institute for the Future, Palo Alto, CA. An independent nonprofit research organization that focuses on understanding the future as a stimulant for drawing out insights and actions. Many thanks to Bob Johansen and Lyn Jeffery of IFTF, which can be reached at www.iftf.org.

Managing Millennials by Claire Raines. This article is an excerpt from *Connecting Generations: The Sourcebook* by Claire Raines, 2002.

Managing the Gamer Generation by Sean Silverthorne. HBS Working Knowledge, October 18, 2004.

The Young and the Restful by Leigh Buchanan. Forethought Demographics. Harvard Business Review, November 2004.

Additional readings on this topic can be found on DeloitteNet. Go to People Reference Tools in the Partner/Director Information Center. If you have questions, please contact W. Stanton Smith, National Director, Next Generation Initiatives by e-mail or call 704.227.7850.

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Flexibility and Choice

What Business Leaders Need
to Know to Connect Across
Generations in the Workplace



In today's talent marketplace, the best workers want more flexibility and more choice—and they are readily responding to the professional and personal implications of this new model. Our organization is known for its early recognition of flexibility as a business issue. In the past, we have focused on formal flexible work arrangements, but now we find that informal flexibility is even more important in helping our people navigate their myriad responsibilities. To the extent that we cannot or will not provide informal flexibility in sufficient measure, our people can readily get it elsewhere in the marketplace.

Flexibility takes on many forms: it can be applied to work schedules, work setting, job design, career planning and many other aspects of our business. This brochure, Volume 2 in the Talent Market Series, focuses specifically on flexibility in work scheduling while:

- exploring the impact of changing family patterns and how our next generation of leaders define success,
- suggesting how we can become more flexible while maintaining our obligations, and
- addressing some pointed questions about how a culture of flexibility and choice fits our organization.

A number of resources exist regarding formal flexible work arrangements, and you will find those details and tools such as the TEAM Effectiveness process on DeloitteNet. This briefing is intended to give you a glimpse of the new realities that our workers face both inside and outside Deloitte & Touche USA LLP and its subsidiaries (the “Deloitte U.S. Entities”). Future installments in this series will address other aspects of flexibility and the opportunities created in a culture of flexibility and choice.

This is Volume 2 of the Talent Market Series, a series of executive briefings on people-related topics. The series focuses on ways to develop, deploy and connect with our people as well as generational and diversity issues. The editor of this series is W. Stanton Smith, National Director, Next Generation Initiatives, Deloitte & Touche USA LLP.

The Facts

The family structure in the U.S. continues to evolve and is strikingly different from when Baby Boomers were children during the 1950s and 1960s, and when most of them first started business careers in the 1970s. These changes have had a significant impact on the attitudes of workers, particularly those under 40 (Gen X and Gen Y). Here are some key facts and related implications:

Nobody at home

Fact: Male heads of household constituted 56% of employees in 1950 according to the census that year. The 2000 census showed that the percentage of male heads of household fell to 21%. Most married women are now employed—an increase from 37% in 1967 to 61% in 2000.

Implication: Most of our workers have no “stay-at-home partner” to handle personal matters while they are at work. Our people must divide their energy and focus between work and home. The “breadwinner” in a single-income family model can no longer focus primarily on their professional life, as there is no “homemaker” counterpart to focus primarily on personal and family affairs.

Dual incomes create options

Fact: Real wages of men have fallen over the past 30 years by over 15%. Women, over the same period of time, have gained access to a wider range of better paying jobs. In 55% of U.S. families, women now earn more than half the household’s income.

Implication: Employers no longer have as much leverage as they previously had over workers. At least for the time of a reasonable length job search, one partner in a two-income family can feasibly quit an unsatisfying job with manageable financial consequences. This option is less available to individuals who are the sole support for a household.

Single-minded focus on work is declining

Fact: Almost 90% of Gen X and Gen Y workers and more than 75% of Baby Boomers have either a primary focus on family, or they divide their focus between work and family. Gen X fathers spend 3.4 hours per day with their children compared to an average of 2.2 hours that Baby Boomer fathers spent with their equivalent-age children 25 years ago. Children in two-parent families are actually receiving more combined attention from their parents today than they did 25 years ago.

Implication: Although many of the leaders in our organization have a stay-at-home partner and a single-minded focus on work, only a small proportion of today’s younger workforce places a primary focus on work. Simply stated, our workers are no longer focused solely on work during work hours, so we must be flexible in how we define the work day and the workplace.

The meaning of success is being redefined

Fact: Baby Boomers in general really wanted to climb up the “corporate ladder” as high as they could; such ambition was seen as a key measure of business/career as well as personal success. Later generations are redefining what ambition and success mean to them. Increasingly these definitions don’t include trying to climb very far up this ladder much less all the way to the top. For example, research external to the Deloitte U.S. Entities reveals that 80% of the prime candidates for promotion would like to work fewer hours than they currently work. This is a major difference from their Baby Boomer parents. For example in 1992, 66% of college-educated men wanted to move into jobs with more responsibility. In 2002, that number had dropped to only 50%. Among college-educated women, it went from 56% to 35% in the same time period. Our organization is not exempt from these trends.

Implication: Gen X and Gen Y favor family and personal time over the rewards that usually accompany increased job responsibility. Today’s men and women are working hard but are often not willing to work harder. They are wary of the perceived costliness of trade-offs they would have to make by advancing into jobs with more responsibility.

Reflections on the facts and implications

It is a challenge to manage what we may not fully understand—and what we may not have experienced. Our success has always depended on our adaptability and, in the future, will be measured by our ability to develop not only new skills in creating flexibility and choice, but new leaders who understand what today’s workers are facing as they manage their personal and professional responsibilities.

This change in family patterns takes place in the context of the move from an industrial-based economy characterized by centralization, standardization, interchangeability, and hierarchy to a knowledge-based society characterized by customization, creativity, and networks.

Creativity and imagination in client service require focus and commitment. A knowledge worker’s ability to contribute ideas and work imaginatively is reduced if he/she is preoccupied with personal matters. Accordingly there can be no real distinction made between the person when “on the job” or “at home.” A genuine culture of flexibility and choice creates an environment where everyone is responsible for the high quality and timeliness of the work result. In such an environment, there is less focus on the specific schedule of when or setting of where the work is accomplished. The benefit to our business is a more nimble and efficient organization with increased capacity to meet client needs effectively.

The flattening of organizational hierarchies due to technology, and the need to face off to the market with matrix-style organizational structures, add another level of complexity. Navigating adeptly through networks will become far more important to business success than making and trying to enforce decisions through traditional command and control hierarchies.

A Culture of Flexibility and Choice

The vast majority of our partners, principals and directors are high-performing, successful Baby Boomers. Many of us believe strongly that we know the correct way to business and career success. Furthermore we are sometimes bewildered by the different definition of success which many in the younger generations have. We can leverage these generational differences, however, by becoming attuned to the emerging generation of workers and challenging the traditional processes by which we have made business decisions affecting our people. For example:

- Ellen Galinsky, president of the Families and Work Institute, and other experts in the field have concluded that work/life “balance” is an impossible goal. Acknowledging that work life and personal life can no longer be separated allows us to adapt work schedules and work settings in a manner that better suits our people, and our clients.
- The mixed or four-generation organization is likely to have better development resources to deal with this future, if we learn how to tap them. (Example: the potential synergy of the business savvy of our senior practitioners and the technological savvy of our Gen Y professionals.)

In a culture of flexibility and choice, we must be definite about the *what* (our statutory/ fiduciary obligations, shared values, standards, services and results we must achieve) but flexible about the *how* (our work processes and workplaces). We work amidst a variety of legal and strategic obligations that arise out of our regulated status and related fiduciary responsibilities, our shared values, and what is required to successfully implement our business strategy. While as individuals we can exercise a great deal of flexibility, we still must conduct our daily work within the regulatory framework of these fiduciary obligations. The more senior we are at the Deloitte U.S. Entities, the more responsibility we have for setting the tone and direction of the working environment for ourselves as well as our people.

Given this challenging environment, we need to help each other be more successful—to “tune” for the world of mixed or four-generation circumstances, to move from strict yes/no problem solving to engagement with the flexibility and choice opportunities of our talent marketplace. One way to support each other’s success is to find new models or paradigms. One such model is that of career customization. The career customization approach is being piloted in Deloitte Consulting LLP and will be examined further in future volumes in this series. We seek to “guide decisions” as we “customize careers” with the objective of “fitting work into life and life into work.”

Flexibility in leadership requires the willingness as well as ability to modify how, when, and where we work in recognition of the realities faced by our employees described earlier in this volume—while meeting our fiduciary responsibilities and being true to our shared values. In a world of extreme uncertainty, flexibility is necessary to be able to respond without a script; to be able to keep our balance and direction. We can think of flexibility in this way as the freedom that a musician has to improvise within the rhythmic structure of a particular genre or song.

Questions and Answers

I still am unsure what you mean by flexibility. Please give me some concrete examples?

Everyone including Baby Boomers wants flexibility in their lives. Here are some examples of the kinds of work schedule flexibility our people need and expect from our organization. To a Baby Boomer partner/principal/director flexibility may mean the occasional day working from home to catch up on personal matters or a work related project. Flexibility for a mother could be that she "leaves work" for a couple of hours most afternoons to tend to her children as they come home from school. She "makes up" these two hours between 9 and 11 p.m. that night as she answers emails and voicemails. For the single person flexibility might mean taking time throughout the year to take care of personal matters such as waiting at home for the delivery of a new piece of furniture or for a repair person to materialize. He/she "makes up" that time either during that day or on the weekend. There are many examples which follow in the same vein.

Technology frees our people to manage their personal and professional responsibilities more effectively while still accomplishing at least as much, if not more, than in the past. Technology refers to laptops, mobile phones, PDAs, BlackBerrys and related electronic devices which allow our employees' "desks" to go anywhere with them and be available for use at any time. However, "any time" does not mean "all the time." Flexibility and choice recognizes and allows for boundaries and limits, and helps us manage the expectations and implications of "24x7 connectivity."



The underlying facts are that: 1) technology now permits people to generally work effectively anytime and anyplace—a capability that did not exist until very recently; and 2) in prior generations there would have been someone at home to take care of running the household on a more or less full time basis. The absence of today's technology plus the existence of a "homemaker" allowed the worker to focus almost exclusively on work and required him/her to be physically at the workplace to get the job done. This set of facts is a further example of how leaders need to look at work output in terms of quality and timeliness and not focus so single-mindedly on the input or how/where the work was done.

In any event, technology has changed how we all work. It is just that these changes are more evident among our Gen X and, especially, Gen Y employees.

Is this an option for the future, or something I have to deal with now?

A culture of flexibility and choice is not an option. It is something we all need to prepare for and integrate to our businesses and teams starting today. The game is already afoot: in the next 10+ years, Gen X plus Gen Y will constitute a workforce nearly the size of the Baby Boom generation. They are our future leaders. We will become increasingly dependent on younger talent, and the future success of our business depends on our ability to develop, deploy and connect with this emerging generation of workers.



Where is the silver bullet?

There is no silver bullet solution to the issues contributing to these changes in our workplace dynamic. As leaders, we should approach the opportunities created within a culture of flexibility and choice by understanding the nature of the issues. This brochure provides a start to understanding the realities of current workforce attitudes and the changing structure of the family. Our organization employs many tools to facilitate flexibility and choice, including the capability that technology imparts to work anytime, anyplace. For more information, refer to the People Reference Tools in the Partner/Director Information Center found on DeloitteNet.

Aren't the people we recruit a cut above these general statistics? Doesn't that mean that we will be less affected by these changes?

There is little evidence to suggest that the Deloitte U.S. Entities' people are outside the mainstream of societal trends and forces. We arguably may have more than our fair share of highly motivated people, but the changes in family structure and attitudes toward effective management of personal and professional responsibilities appear to be in line with the peer group outside the organization.

How do flexible work arrangements impact these issues?

About 4% of our employee population actually takes advantage of formal Flexible Work Arrangements (FWAs) at any given time. The most frequently cited reason for not seeking a formal FWA is that many of our people feel there is career risk (limits on advancement and/or that they will be perceived as "slackers" who are not serious about their careers). At the same time, about two-thirds of our employees see themselves as already working flexibly on an informal basis. Flexibility and choice is an important employment issue that does and will drive retention. Many employees of the Deloitte U.S. Entities want flexibility and choice to become a standard operating procedure so there is no career risk involved in working flexibly—whether on a formal or informal basis.

Are Gen X and especially Gen Y a problem to solve—or an opportunity to leverage?

These workers don't necessarily fit the expectations of today's leaders. Their characteristics and expectations may be perceived as a problem—but in fact constitute an opportunity. These workers really are different than prior generations. In particular, they tend to have advanced skills in social networking, flexible thinking, and technology literacy. Fortunately, this creates an opportunity for the Deloitte U.S. Entities to leverage their skills specific to our knowledge-based services.

So there are no easy answers?

Wrestling with complexity and ambiguity is really hard work. It is tempting to grasp for an easy answer. We must view a culture of flexibility and choice as an opportunity, and as a dynamic business choice that will by its nature change and mature with our workers and our core businesses.

Can we go back to the way things were, or somehow bypass this future?

No. This future is already with us. In a culture of flexibility and choice, we should be definite about the *what* but flexible about the *how*. We must flex to meet the continuing challenges the future holds. Our success depends on it.

Parting Thoughts

The marketplace and generational demands for flexibility and choice require that we all learn to be comfortable being uncomfortable. While the Deloitte U.S. Entities' shared values and integrity remain at our core, our ways of working that used to be mostly fixed must now be flexible. We must all develop our own flexibility in order to compete in this talent market.

This requires a change of mindset in realizing that 1) flexibility and choice is a strategic issue that involves flexing how we do business, and 2) flexing and career customization is necessary in order to manage the business dilemma confronting the people of the Deloitte U.S. Entities: *how to profitably serve clients at a very high level, while making sure our people can effectively manage their personal and professional responsibilities.*

Acknowledgments

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Leveraging the New Human Capital: Adaptive Strategies, Results Achieved, and Stories of Transformation by Sandra Burud and Marie Tumolo. This recent book (published by Davies-Black Publishing in 2004) is an excellent resource regarding the new workforce reality.

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