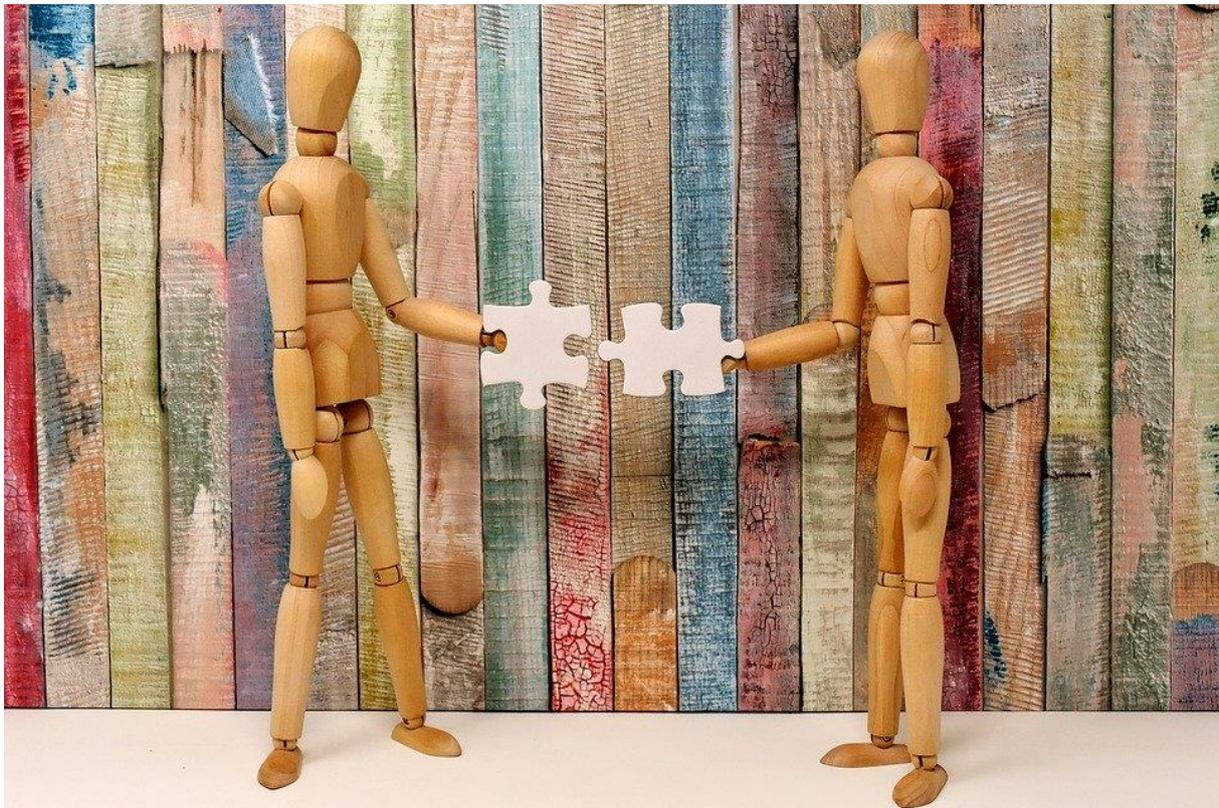


*December 2019***Minimize the dangers of the generation gap in your company**

<https://pixabay.com/de/photos/teamwork-zusammenpassen-gemeinsam-3237649/>

In a global comparison, Switzerland can count itself among those countries that have a rather low unemployment rate. Also in the national trend, the numbers point down this year: So far each month of 2019 has had a lower rate than in the corresponding month of the previous year, as SECO – the State Secretariat for Economic Affairs – records (SECO, The Situation on the Labor Market, 2019). But even if such trends are generally positive, one thing is often forgotten, namely the individual fate of being unemployed. For individual people who are unemployed – for whatever reason – the situation is often incriminatory. Even more so if temporary unemployment develops into a long-term unemployment.

We at DE BORD INTERNATIONAL thought about what this unemployment means and how it could affect the well-known generation gap in the company.

## **Demographic differences**

Developments on unemployment as well as on long-term unemployment have different influencing factors. Long-term unemployment in particular seems to be strongly linked to demography. Statistics from SECO show that the percentage of long-term unemployed within the respective age group increases with age. The biggest leap takes place for individuals over the age of 55 and culminates in the age group of those over 60 (SECO, long-term unemployment report, 2018).

## **Generational issue?**

How does such an imbalance arise? The SECO report lists one of the possible reasons for the major changes in the Swiss working environment: While there was great loyalty to a single employer in previous years, today a much greater flexibility is dominating. Due to globalization, digitalization, as well as general restructuring and cost savings, this increased flexibility generally leads to a lower job security in Switzerland. And especially here the differences between the various generations can often be seen: older workers may find it more difficult to carry out such restructurings, as digitalized working methods are often more important, with which younger generations are comparatively more intuitive, and can also find a job more quickly.

## **Human capital lost**

If older generations lose their jobs due to such restructuring, this has consequences on both sides. On one hand, the employee is always trying to find a new task that is meaningful and provides a regular income. Here, too, there are differences: if certain people can cope financially with not having to work for a few months, or others (especially long-term) unemployed individuals whose existence gets threatened.

On companies' side, there is a risk that if older people in particular drop out, a lot of knowledge will be lost. If you pay attention to the point that there is still a great sense of loyalty in these generations, the likelihood is higher that these people are / were on average longer in the respective company and have acquired a lot of knowledge. If those individuals leave, this longstanding internal knowledge goes with them.

## **What can we do**

How do you have to react to such dangers? Of course there are no blanket answers here either. However, as a society it is important to have certain solutions and options available to reduce the unemployment rate. Fortunately, there are opportunities in Switzerland. For example, some institutions have dedicated themselves to helping (long-term) unemployed and job seekers in their efforts to re-enter the labor market or in the meantime to enable them to work in their own workshops and companies. One such institution is, for example, the Lernwerk association based in Lupfig AG.

But companies must also take action so that they can make optimal use of the internal knowledge of the generations. Therefore, solutions have to be found how the knowledge of older and younger generations can be used in the best possible way, and how the generation gap can be kept as low as possible. It is usually not expedient to lay off older employees faster and to hire only younger ones. It can be just as advantageous to bring older and younger people on board or combine them at the same time. The ideal combination of a team, a department or an entire company is key.

## **Your sparring partner**

Sometimes, however, a view from the outside is essential for putting together an optimal team. DE BORD INTERNATIONAL can support you in this matter. Our consultants come from the operational business themselves, and through their consultancy work in recent years have also built up and expanded a broad overview of business and team structures in their respective industries. With our own entrepreneurial perspective, we support you as an entrepreneur in the process of finding new key employees who will successfully lead your company into the future. Every contact with us starts with a detailed discussion about the objectives and specifications of your respective company. It is important to us to meet your individual requirements.

We look forward to talking to you and about your goals!

Your team DE BORD INTERNATIONAL

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