



SEPTEMBER 22, 2015
CHAPTER EVENT SUMMARY

The Generational Disruption of Corporate America

NACD Chicago's Distinguished Speaker Series Luncheon with Mr. Chuck Underwood
September 22, 2015

The Chicago NACD's 2015-16 season began with a lunch presentation by Chuck Underwood, the host of the public television series "*American's Generations*." Mr. Underwood, one of the principal developers of the field of Generational Study, discussed the impact changing generations is having on leadership and governance policies in American business.

Generational strategies affect decisions in the marketplace, the workplace, political leadership and business governance. Generational dynamics begin with three truths:

1. Our formative years mold our core values.
2. There are currently five living generations in the United States.
 - a. The GI generation, born between 1901-1926
 - b. The Silent generation, born between 1927-1945
 - c. The Boomer generation, born between 1946-1964
 - d. The Gen X generation, born between 1965-1981
 - e. The Millennial generation, born between 1982 and 1997

For those born after 1997, Underwood's contention is that a generation does not begin until its oldest members turns 18; in other words, generational values take hold after high school – before that time, these values are essentially "up for grabs."

3. Our generational values guide our decisions.

Each generation is shaped by the world forces of their time, leaving some generations better equipped than others to take on leadership roles. Regardless of its strengths, each generation leads for about 20 years, and each generational era beings when the oldest members are approximately 65 years old. Thus, we are currently in the early stages of the ascendancy of the Boomers, as power shifts away from members of the Silent generation.

Underwood spent the bulk of his remarks outlining the significant differences in experiences, values, and resultant leadership styles between these two generations. Leaders among the Silents were largely white males, embracing conformity, loyalty and entitlement. A background of relatively high material wealth led many of Silents to pursue careers in "helping" professions such as education, healthcare, sales, religion and professional services. The Silent generation's leadership years, however, were marked by scandals as money "robbed" the goodness from their characters, and we saw one disgrace after another in the fields of business, religion and sports.

By contrast, Boomers were raised in a "golden age" for children and are noted for their optimism, patriotism, social activism and determination to help the less fortunate. Having come of age during the consciousness movement of the 1960's and early 1970's, Boomers are the first generation of leaders to include women and African-Americans in any sizable numbers. They have less complacency about their lives and a heightened concern for employees, customers and the communities in which they live and work.

Given that the Boomers have just begun their leadership years, Underwood offered only a few headlines on the potential for Gen X'ers and Millennials. Members of these generations, at this point, seem largely

determined to avoid corporate America, repelled by the excesses and wrongdoings of their predecessors. Unless Boomers “spectacularly” change America’s business culture for the better, in 10 years, instead of getting the best and the brightest, corporate America will have to make do with “leftovers” for the next two generations. In the boardroom, Boomer values relative to issues ranging from ethics and investor activism to board composition and board culture are changing the dynamics and discussions among directors, and Underwood believes this generation could be America’s greatest.