

FRAUD TALK – EPISODE 92

Leading a Multigenerational Team

Jeremy Clopton, CFE, CPA, director of Upstream Academy, sat down in our studio to discuss the top five areas where we typically see conflict arise from generational differences in the workplace. But, he didn't stop there; he shared advice for overcoming these conflicts and how we can move forward in 2020.

Transcript

Mandy: Welcome to this month's episode of *Fraud Talk*. I'm Mandy Moody, the communications manager here at the ACFE, and I am very excited to be joined in our studio with Jeremy Clopton. Jeremy, welcome.

Jeremy Clopton: Thank you. Glad to be here.

Mandy: Jeremy is actually in town, he's part of our faculties teaching our CFE review course on-site in Austin. I forced him to pop over here and do this podcast live because, as we know, it's so much more fun to do things face-to-face than always talking over the phone.

Jeremy: Yes, much more fun to have a conversation in person than virtually.

Mandy: Jeremy currently is the director of Upstream Academy. I'll let you tell our listeners a little bit about you, and what you do in addition to doing some courses for us.

Jeremy: I appreciate it, Mandy. Yeah, I am a faculty member with the ACFE, so I teach quite a few different seminars throughout the course of the year. As you mentioned I'm a director with Upstream Academy. We focus on working with accounting firms and getting them to high performance.

We focus a lot on leadership training, executive development, building on my background in public accounting and data analytics. Helping them launch new service lines that are focused on technology. Really just helping them improve what they do, improve their firm cultures, and move their firms forward into the future. Since we are talking about generations in this podcast, it's probably worth noting I'm a millennial. I'm not ashamed to say it. I'm proud of it. I'm okay with it. I'm an old millennial, but I'm a millennial nonetheless. That's a little bit about me.

Mandy: I have to admit that I am an old millennial as well, proud old millennial. I initially wanted to do this podcast two years ago when you presented on this topic at our *Global Fraud Conference* in Las Vegas.

We've been trying to do this for a while now and I'm excited we get to do it. You spoke there about how to lead teams that are made up of different generations. I walked away from that really learning a lot because the biggest thing I think I took away was that we have to think of our employees as humans, and not as a millennial, a boomer. That set the basis for the article that I wrote about your session.

I want to briefly go over just to begin, so we all get on the same page, what the generations are right now in the workforce and the ones that we see at pretty much every organization. Let's talk about some of those and I know some of these are stereotypes. Let's talk about what they are, and how you lay them out, and the traits that they bring.

Jeremy: Definitely, and it's worth noting there's only one officially recognized generation according to the Census Bureau. There's only been one that was truly recognized as a generation. That was the boomers. If we look at who else is in the workforce today, we've essentially got five generations, which is kind of a crazy thing to think about because that's a lot of generations in the workforce at one time.

The traditionalists are those that were born in '45 and before, so they're mid-70s at this point, but there are plenty of organizations that that's still a lot of the leadership team, a lot of the most experienced professionals are going to be in that group. You've got the baby boomers, of course, that were born between 1946 and 1964.

Generation X followed the boomers, of course, and that's born in 1965 up to about 1979. It's really worth noting at this point that the years on the generations, and the definitions...they're kind of movable. You're going to see different definitions depending on where you're reading, what research department or organization or marketing firm you're talking to. They all have slightly different definitions, but generally speaking, mid-60s to about 1979.

From there, you then get Generation Y or the millennials, they were born 1980 to about '95, that mid-90s. Then anyone born after '95 up until about 2010, though this generation is still being loosely defined at this point, is Generation Z. It's interesting you can really start to see the traits followed the times, which makes a lot of sense, right? Because the generations and the different generational cohorts are really defined based on common experiences at that point in their life where they came of age.

The traditionalists are very militaristic, very much World War I, World War II mentality. You see that a lot in their leadership style and how they perceive leadership structures, and how organizations should work. If you look at the baby boomers, they moved a little bit away from that. They saw technology starting to evolve a little bit. The civil rights movement, different things, they started to see more focus on process and fairness and equality in the workforce.

Then Generation X is the first generation really that started trying to drive change, and really the contrarian type of generation. They're also known as The Forgotten Generation because a lot of people talk about boomers, and a lot of people talk about millennials because they're the bigger generations in the workforce. It's worth noting that Generation X really had a big impact on the workforce, and on business, and society as a whole.

Mandy: You mentioned technology during that time.

Jeremy: Yes, and it's starting to really evolve. MTV, that's one of the big things that Generation X is known for that really hit. Then Generation Y, again, the millennials, you hear both terms thrown out there. They experienced a lot of key things as they were growing up.

Again, we're both older millennials, but you had the Oklahoma City bombing, you had 9/11, you had Y2K. Technology really started to take shape. We had email addresses for the older of us probably in high school or maybe in middle school a little bit. The younger millennials have had email addresses probably since they were in elementary school. You really started to see that technology start to change.

Then Generation Z, they're really the first digital natives. They're the ones that...as you think about...you hear a lot of people say, "These kids have had technology forever." They are truly the generation that has had that.

One of the things that I mentioned in that session a couple of years ago, and to me, it's such an interesting way to think about this. We always hear that, "Everything is the greatest thing since sliced bread." That's the benchmark for whatever reason, slicing the bread. That was 1928, so some of the traditionalists that are in the workforce, they probably weren't there when they first decided to slice bread. During their childhood, it's very likely that...because during the World War II they actually stopped selling sliced bread for a short time, because of needing the metal and needing supplies. They remember a time where you couldn't buy sliced bread possibly.

Mandy: Wow.

Jeremy: That's one group that's in the work. All the way to you've got a group that was born after...one of my favorite TV clips of all time were on "The Today Show" they were saying, "What is internet? What's the 'a' with a circle around it, does that mean about, is that around, what exactly is that?" Generation Z, the youngest members of our workforce, they were born after that was even asked, what is internet?

Mandy: What is internet?

Jeremy: You've got such diversity there in the experiences that they've had. It makes for a very interesting dynamic within the workforce. Of course, that's what gives rise to a lot of the stereotypes, which is a bit of the challenge. It *is* important to understand when we think about generations, what were some of the experiences that they had, but keeping in mind even within a generation, you've got people that have completely different experiences.

Mandy: You mentioned just now and you mentioned in that session, looking at people and their experiences and looking at them as humans, not looking at them as, "Oh, I just hired a bunch of millennials, what am I going to do about that?" Or, "Oh, I work for this baby boomer who never lets me take time off or wants me in at 7:00 and clocking out at 5:00." What's the danger of just seeing someone as that "type"?

Jeremy: I think it's a big danger because I don't know anyone that has hired the entire generation. There's not an organization out there big enough to say, "Well, we've hired the entire boomer generation. We have the entire millennial generation." We hire employees. We hire individuals.

It's really important to realize that even within a generation, you may have five or six individuals that have completely different viewpoints. Because though they all experienced those same life-changing experiences growing up, they also experienced them from different perspectives. While they came of age at the same time and are in that same generational cohort, the perspective that they experienced can really influence their decision-making.

I've worked with individuals in their 60s that say, "I don't understand what the challenge is working with younger folks. I think more like a traditional millennial would than I do a boomer." I've worked with millennials that are as cantankerous and traditionalist sounding as far as stereotype goes as anybody.

You have to realize that if everything that we do is through the lens of, "You're a boomer and so, therefore—," or "You're a Gen X therefore—," or "You're a Gen Z therefore—," we miss the fact that we have hired individuals based on their individual merit and that's also how we need to lead them. It

becomes a really toxic culture if it's all, "I just don't understand millennials." I remember at a conference hearing somebody talking and they said, "I just don't understand millennials. Maybe it's time that I retire."

I don't even know who the person was or what they were talking about, but I wanted to jump in and say, "Well, yes, maybe you should," because if you're so worried that you're not understanding an entire generation that you forget how to lead your own employees., that says a lot more about a leadership style and a leader's willingness to work with others than it does anything about a generation. It goes both ways.

It's important for the younger generations, maybe listening to this, to realize that you can't look at it and say, "I've got a bunch of boomers leading the company or traditionalists leading the company and they just don't get it." No, they do get it.

The thing that we all have to remember is those that are in leadership positions in successful companies have likely been there and got them to that point of success, so they know what they've done along the way. It may sound old school, it may sound new school, it may not sound like they went to school, I don't know, but it's based on experience.

One of the big challenges right now is the younger generations — everybody has access to it — but the younger generation has grown up with access to information at their fingertips. Everybody has access to it. Nobody has a leg up other than the fact that the younger generations have had it for a larger percentage of their lifetime so they're more comfortable with it. They're not trying to figure out, "Okay, how do I add the technology to what I've been doing? But how do I use technology to make me great at what I want to do?"

It completely changes that dynamic, and it causes a lot of points of conflict really within the organization, but we all have to step back and remember we hired individuals. Individuals can contribute when they're led and managed like individuals rather than saying, "You're a millennial so you must want this. Or you're a boomer so you must want this." We just got to stop doing that and focus on the fact that we lead companies that have people in them and nobody that I'm aware of has hired an entire generation, nor will any company ever hire an entire generation.

Mandy: Yeah. I went to a conference recently and they were talking about the opportunities, which we'll get into in a second, of the knowledge sharing that's going to have to take place as traditionalist and boomers retire as we're going to see over the next 20, 30 years, and leave the workforce and then the younger generations come up, that knowledge sharing is going to be so important.

Will that knowledge get passed down by people working together? Or will it stop with the comment you just said of, "Maybe I should just retire"? Because to retire without passing on that information and that experience would be such a loss.

Jeremy: Yeah, it really would. As leaders, regardless of the generation, as a leader, you've got to be willing to step back and say, "What's in the best interest of my organization? What's in the best interest of my company?" Again, I work a lot with accounting firms, and I recently talked with a managing partner of a firm and he's in his 30s. He's got a completely different dynamic and challenge that he's dealing with than maybe somebody who's in their mid-60s and looking to retire.

Regardless of age, if you're the leader of a company, you're the leader of an organization, you've got to be making decisions and figuring out what's in the best interest of that organization. That means passing along the critical information to that next generation of leaders regardless of their age. They may be in

your peer group and you still have to pass along the information. They may be 30 years younger, you still have to pass along that information.

How that gets done is so important because without that, that experience is now gone and we don't have the context to say, "How did we get to where we are?" That's really important context for anyone in an organization, especially a new leader. You need to know how you got to where you are. That doesn't mean that you should keep doing it the way that it's always been done, but the context is important because it can help educate you about what the future might look like.

Mandy: Yeah. There are five areas that you talked about where we typically see conflict arise or where it might get a little heated between generations. Let's break those down. Let's start with promotions and advancements and ambition. Tell me kind of where you see this.

Jeremy: The very first time that I worked with an organization and was leading a session around generations in the workforce, and it was at a manufacturing company. I remember a gentleman at the very start of that saying, "I just had someone I was interviewing for an internship and they were saying, 'Now if I get the internship, how soon can I get a full-time offer? And if I get a full-time offer and I join, what would I need to do—not how long—but what would I need to do to get my first promotion?'"

He goes, "I just don't understand that mindset. Not everybody can be the manager, not everybody can be the CEO, not everybody can be the president." We talked about how — essentially what that is, is ambition. It's viewed right now by a lot of individuals, at every generation, I've heard millennials all the way through traditionalists saying, "Oh my gosh, why are they asking already about promotion?"

What we have to do is we have to remember, that's ambition. I would much rather hire an individual that in interviewing for an internship is asking, "What do the next five years look like if I'm successful? And what can I do to accomplish that level of success?" I'd much rather hire somebody like that than somebody that says, "Can I clock out at 5:00, and if so, do I still get a paycheck?"

Mandy: Yes, so it just looks different.

Jeremy: It looks different. Historically, we've been taught that you come in, you do your job, and once you've been there long enough, you'll get promoted.

Mandy: Yeah, you pay your dues.

Jeremy: You pay your dues. I call that rear-in-seat time. I don't necessarily care how long you've sat in the seat. I want to know how well are you performing? I've never asked a leader that question and said, "Which would you value more, how long someone has sat there or someone that is determined to be a top performer? Which would you value more?"

Every leader is going to say, "I'd much rather have someone that's determined to be a top performer than somebody that just wants to sit in the seat," but when it comes to promotions and advancement, we say, "Well, the chart says you get promoted at X number of years, regardless of your level."

That's something that's causing a sticking point really, and it's causing this point of conflict really within the workforce because there's so much education out there for folks that are joining the workforce, whether it's traditional or nontraditional. They're being coached that when you get there, you need to be

asking these hard questions. It's uncomfortable because now we're having to talk about things that we don't want to talk about. That's all that it is, but to me it's ambition.

We've got to recognize and step back and say, "Okay, why is this causing a conflict? Is it because we're uncomfortable talking about something we don't know, which is, 'I can't tell you exactly how soon you're going to get promoted?'" Or is it, "Well, it really doesn't matter how well you perform. You're going to get promoted with everybody else because that's just what we do."

Is that why we're uncomfortable with this? Or are we uncomfortable somebody has so much ambition that we're threatened? That's what's causing the conflict, is you come out of college and you're being coached and you're being mentored and counseled to be ambitious and show that ambition because employers want to see that.

Mandy: But you have to do it this way.

Jeremy: Yes, and then you get there and the employer's like, "Whoa, I love that ambition, but let's scale that back for about 10 years. Then I'll want you to be ambitious. Not yet." It's causing some conflict, but to me, that's such a great opportunity. I would much rather have an ambitious new hire than someone that's been here for 10 or 12 years and completely checked out and cruising.

Mandy: Number two, feedback. You said feedback doesn't have to be a score or only part of an annual review but rather integrated into your management style. Tell me a little more about that.

Jeremy: Right now, feedback for a lot of organizations is the annual performance appraisal or performance review, whatever you want to call it. I don't know anybody that's ever wanted to wait and hear at the end of the year that they screwed something up in January and they've been screwing it up ever since. That's not good for an employee. That's not good for our businesses.

Feedback, it's constructive. It's how can you maximize your strengths and how can you mitigate a potentially damaging weakness. It's not all focused on how do you improve what you're bad at. Our biggest opportunities for growth are where our strengths are. Feedback, it's evolved over the years in business, and that's just because society has evolved over the years in the business world as well.

There's kind of this myth out there that the young kids nowadays, as I keep hearing it, they want a score on the screen and they want it to be like a video game. I have yet to talk to a young person in business that that's what they want.

If you talk to young people, experienced people, older people, middle-aged people, and you said, "Would you rather understand what you're doing well and what you're not doing well so you could improve? Or would you rather just wait and hear about it once at the end of the year?" Everybody wants to get better, nobody wants — I shouldn't speak in absolutes. Maybe there are people out there that have no desire to get better and they just want to sail. To each their own. Feedback to me needs to be much more integrated.

One of the things that I encourage people to do in this regard, and it's really simple, is just ask three questions. And that's "What am I doing that I should keep doing? What am I doing that I should stop doing? And what should I start doing that I'm not doing?" Just making that a regular part of conversation on a team, regardless of generation.

I encourage junior people to ask senior people, senior people to ask junior people, those that you coach, those that you supervise. It should be a dialogue that goes both ways so that everybody can figure out, "How can I be as successful as possible in the role that I'm in?" That's what feedback's all about. We hear all this, they just keep asking, "Why and how am I doing?" They need this constant score. It's a desire to improve.

I think if we sat back and recognize that if it's genuinely asked with a desire to improve, that's valuable. Don't get me wrong. There are probably people out there that are just using feedback as a cop-out for doing a good job and they're like, "Show me how to do it better." In that situation, it doesn't make a lot of sense.

Generally speaking, feedback should be about improvement, how can you get better at what you're great at already and maximize that and how can you overcome or mitigate the things that are holding you back. That's truly what feedback needs to be and that's ongoing. It's not once a year. It's just a conversation, and it benefits the business, it benefits the company.

Mandy: It doesn't have to be a scary conversation or an awkward conversation, and maybe if you put into practice what you're saying, you get so much more comfortable with it to where it becomes second nature and it doesn't—

I mean, we all as managers or directors get, "I've got to have a tough conversation." You kind of dread it, but if you practice it more then you get better at it and then it gets easier and then you have a dialogue you never had before.

Jeremy: Exactly. There are plenty of resources out there on having tough conversations. I heard a speaker at one of our conferences earlier this year and actually at another conference as well. She wrote the book "How to Say Anything to Anyone," and her name is Shari Harley. It's such a great read. It's an easy read, but what it does is it then lays out a process as to how to have a difficult conversation and it makes it so simple.

Any conversation can be had in two to three minutes, even the hard ones, because it's simple. It's not about emotion, it's not about personal. It's okay. In a business standpoint, here's what you did, it didn't work, fix it, here's how to fix it. Let's agree and move forward. I've way oversimplified and probably butchered her process, but that's all that it needs to be.

Mandy: So the book is only one page.

Jeremy: Yeah, but it's a great resource because it does just lay it out. It makes it really simple. To me, that's all that feedback needs to be. It doesn't have to be some convoluted, half-a-day therapy session, right? Just talk to people.

Mandy: Number three, loyalty. And this is actually very interesting because I see this come up a lot. You said, "Loyalty does not mean decades of tenure. We have to have a different measure of loyalty." Tell me what you mean by the definition of loyalty.

Jeremy: When it comes to loyalty, to me, loyalty is really about being passionate about the organization that you work for. You're engaged and you are willing to work hard for them. How long you've been there is how long you've been there. That's tenure. That's not loyalty.

We could all probably think about someone, if you think about a company that you work in or a company you've worked in previously, you can probably find someone that's been there quite a long time, that's a low performer, doesn't really do anything, and causes more problems than anything, but they're still there. I don't know that I would argue that that person is loyal as much as they are safe. They're comfortable.

Loyalty to me is you really got to be passionate about what you do, and you are looking to improve the company that you work for and you're putting your best effort forward. It's interesting and I think there's a lot of misperception on loyalty and we think that age drives loyalty. When in all actuality, those of us that, and the individuals — I don't know the best way to say it — but the longer you've been with the company, the harder it is to remember the other companies you were with earlier in your career.

Even the boomers, the hallmark for loyalty, they are the benchmark for the most loyal generation, they even have, there's a study by the Census Bureau between their ages of 18 and 50, I think the number was somewhere around like 11.8 or 11.9 jobs during those years. Most of them were between the ages of 18 and 24, 26 years old. That's also the age that our youngest generations are right now. It's really hard to remember when you're in your 20th year with a company, what it was like in your first six months when you were trying to find the right fit.

It's interesting. I was teaching in a seminar about a year and a half ago and had a lady in the seminar and she said, "I just don't have loyalty among my team. These kids graduate and then they're there for like a year and a half and then they leave. They just aren't loyal." I said, "Do they work hard while [they're] there?" She goes, "They do but they see this as a stepping stone to something else."

What was interesting is I said, "For context, how long have you been with the company?" She goes, "I've been here for eight months." I said, "You're telling me that loyalty is defined by having been there for a long time, but you yourself have not been there that long?" She goes, "Oh! I guess that doesn't necessarily mean loyalty because I am loyal because I work hard for my company." I said, "That's exactly the thing that we have to keep in mind." Employees want to be loyal to us, but it also has to be reciprocal.

I'm going to work hard for the company as long as the company's willing to work hard for me. What we see in a lot of companies that struggle with this, and they have high turnover in the younger ages, is they are not loyal to them. They're not willing to invest anything to help them grow. They're not willing to help them become better, and then they leave and they say, "Well, you're not loyal. That's why we wouldn't invest in you."

It's such a catch-22 because — I'm going to butcher the quote probably, but it's something along the lines of — people ask, "What if we train them and they leave? What if you don't train them and they stay?" I can't remember who that quote came from but...

Mandy: That's a LinkedIn favorite.

Jeremy: Yeah, it's a LinkedIn quote, at this point. I mean, it's so true. It's to the point of cliché at this point, but it's very true. If we aren't willing to show loyalty to our employees, I don't know that I would expect loyalty in return. It's like we're asking them, "You've got to stay here and do everything for us, but we're not going to do a thing for you." That doesn't make any sense.

Loyalty, to me, you can be loyal your first week on the job. You can be passionate, hardworking, and dedicated to helping that company succeed. That doesn't mean you can't determine that that's not the

right career for you. I would argue that if you stay with a company five, ten years after you realize that that isn't even the right career field for you and you're not committed, you're not engaged, you're not passionate, you're not really being loyal to that company as much as you are just staying in a comfort zone and not willing to better yourself.

Mandy: That's true. We'll sidetrack, what was your first job ever?

Jeremy: My first job ever... I believe it was in a call center for Bass Pro's catalog sales. Because I am from Springfield, Missouri, and we're the home of Bass Pro Shops. I worked in the catalog sales taking inbound sales calls. It was fun. I like to talk to people. It actually became quite enjoyable. I forget how long, I was probably there for...

Mandy: Were you loyal? How long did you stay there?

Jeremy: I would say that I was. I'm trying to think. I was probably there for about a year and a half. It was my first job and I had that through the end of high school, and then started with a local lumber company in the accounting department to get some accounting experience through college. I was there a while and it was fun. They made it competitive, and I like a good competition. When you like to talk to people and you like competition, inbound sales works pretty well. [laughs]

Mandy: Number four, work ethic. Work ethic looks different today obviously, than it did 20 years ago because of technology, because of a lot of things that have changed. You said, "Hours work does not equal productivity, especially when we are leveraging technology. Please forget about when you were my age or how we have always done it. That is an inhibitor to creativity and innovation."

Jeremy: There's probably a couple of things to unpack there. When it comes to work ethic, I think, and this could be my bias coming up through public accounting and still working with a lot of accounting firms, our measure is hours. How many hours did you work? What's your charge hours? Different things like that. I don't think a lot of companies are that far different from that. They might not track of the exact same way, but are you there when the boss gets there and are you there when the boss leaves? That's the traditional work ethic measure.

I always share, I had a colleague that worked probably 3,000 hours a year his first few years in public accounting, and he wasn't productive. He was there a lot, but I don't know that he got a lot done. He didn't last very long in public accounting and determined that it wasn't for him after a few months, or after a few years, I mean. I think it was his second year of having 3,000 in a row, he was like, "This isn't for me." I'm like, "Well, that sounds accurate."

It was one where people looked at it and they're like, "But he's such a hard worker."

I'm like, "I don't know that he is."

Because, yeah, he's there to be seen but is he there to actually get anything done? I think we oftentimes confuse productivity with work ethic or productivity with hours worked. To me, work ethic is more about productivity than it is hours worked.

I would much rather someone get their work done in 40 hours a week and do it really well and really efficiently than sit there for 60 hours a week and still not even get it done fully or get it done very well. I think that it's been so long ingrained in just the culture of business — I don't know if it's a generational

thing — but it's just been around for so long that we tend to confuse hours with production and hours with work ethic. If you're in the office, you're being productive, but if you're not in the office, you can't be working.

That's such a confusing thing to me because in a lot of situations especially — unless you're on a production floor where you have to be there, or maybe healthcare, where you have to be there — there are so many jobs now where if you're doing it from an office, you could probably do that same amount of work from anywhere else. We tend to confuse what is that and the way that we've always done it and that being an inhibitor to creativity and innovation. It's so true.

I see in a lot of organizations where somebody will throw out an idea and I'm like, "Well, we tried that 30 years ago, it's not going to work."

Mandy: Nothing is going to work today.

Jeremy: Yeah, exactly. We've got to stop thinking about this whole, "Well, when I was your age or we've done it because that's the way that we've always done it." I liken it to when my kids ask me something and I have to resort to the, because I'm dad and that's the reason. Don't get me wrong, I still do it on occasion, but it's not the right answer. There's a better answer.

When I work with the accounting firms, I actually had a group last week that I was talking with and I challenged them. I said, "The next time that somebody asks you why you do something, you should outlaw from your vocabulary 'because that's the way we've always done it.'" Because if "that's the way you've always done it" is your answer, it's probably the worst answer that you could possibly give.

There's got to be a better why. There's always got to be a better why. When we rely on, "well, that's the way we've always done it," we don't try new things. We don't look for better ways to do it.

I think when it comes to that creativity and innovation, one of the things that I hear people say is, "Well, how do we improve this?" I'd much rather hear people ask, "What's the best way to do this?" *That's* how you get to innovation. Rather than trying to change what you've always been doing because that's the way you've always been doing it. Stop looking at it that way and just say, "Well, if we were going to design this the best way possible, what would we do?"

One of the best ways to do that are some of your youngest, newest employees because they don't know the way you've always done it, but that causes another point of conflict because they don't know the way that we've always done it. When they pitch an idea, it isn't through the lens of what we tried 30 years ago. Depending on how much communication training they've had and how tactful they approach that, it comes across as, "Well, I'm new and I know more than you do."

When in all actuality for many of those instances it's, "How can I make this better?" Not, "I want to prove to you how smart I am." It comes with a genuine intent, though sometimes the tactfulness is missing, but that's any new employee in a workforce. We all struggled with that when we were new and in a professional organization and we've got to teach that, and the soft skills tend to be taught later rather than earlier. It's those soft skills that actually I think would help overcome a lot of the communication barriers.

Mandy: That brings us to the fifth conflict that you mentioned, knowledge transfer, and how those soft skills and those two generations working together is going to be so important. That's where you do see

the conflict arise but is necessary for moving forward. You just pointed it out, newly hired employees now have institutional knowledge when they arrive on their first day, but they're up against people who have experiential knowledge, maybe that they've had for 20, 30 years. Where do you see the conflict and then where do you see the potential?

Jeremy: I think the conflict comes in because, for those that are experienced and have been with the company a while, it comes across as, "Well, these young kids think that they know how to run the company and they just started. If they knew how to run a company, they'd already been running the company and blah, blah, blah."

That's the conflict. I think the potential is, and it goes back to one of the things that we talked about right out of the gate. If somebody comes to our company, say I just hired somebody and they're fresh out of school and they come in and they've done all this research about the organization and the industry in ways to be successful in new innovative applications of technology and ways to solve problems.

They come in and they start offering those to me, I have two options. I can look at that and say, "Who do you think you are? You just graduated, I've been here longer. I'm smarter. Go work somewhere else or just go do the task list that I'm going to give you." Or I can look at that and say, "You actually had the ambition to go research our company, our industry, and the future, and how things might change going forward. Let's talk about this from a business standpoint. Let's evaluate how this might be able to make our company better for the future and let's build on that ambition rather than stifling it."

From a leader's standpoint, it's all about how you react to it. You've got that choice and how you choose to react is a lot about whether or not it's a conflict or an opportunity. Because if you want to learn how to run the best business in any industry you can go to LinkedIn and connect with the leader of the company in that industry. You can listen to their podcast. You can interact with them on Twitter. You can probably read the book that they wrote. You can go listen to them on 15 other podcasts.

There is so much knowledge from great leaders out there and available to tomorrow's leaders. They don't have to observe for 30 years to figure out how to be a good leader. They can go find that out.

One of the things that I've been talking with a lot of organizations about in the last probably 18 months, but a lot over the last year is this concept of rapid skill development. It's turning knowledge transfer on its head. It's the fact that so often we think, "Well, in 10 to 12 years, you hit this level, five to seven is this, three to five is this." You have all these benchmarks along the way.

One of the things that we've been challenging accounting firms with is, "Can you take someone with three years of experience and turn them into a professional with seven years of experience within a year?" Essentially the question is, "Can you get someone seven years' worth of experience in four years?" For the math people out there, the initial reaction was, "Well, no, four doesn't equal seven," right, obviously. That's a focus on tenure. That's all that that is.

We have the opportunity now to leverage technology and all of the possible knowledge that's out there and say, "What are the experiences that someone with seven years should have?" If we're intentional about that, give shadowing opportunities, give them projects that are a higher level than we would expect for someone at that level in our companies. You could feasibly get someone four years of experience in two or seven years of experience in four, however intentional you want to be.

I talked to someone two weeks ago at a conference. He became a partner in an accounting firm at 25. Because they were very intentional with how they developed him into a leader to get the experiences he needed, the knowledge and the skills that he needed, to get to that level a few years into his career. That takes intentional knowledge transfer. That's when it's an opportunity, but when we have someone comes in with that type of ambition and we're like, "Look, I've been doing this longer than you've been alive."

Mandy: Yeah, step back.

Jeremy: Yes, you just bide your time and in 25 years you can do this. That's when knowledge transfer becomes a conflict, and a lot of it is how we react. That is not reserved for a cross-generational issue. I have seen plenty of people in the millennial generation, in our generation, that has said, "I don't understand how to deal with millennials." Which is a weird question to say, "I don't understand how to deal with people like me." So essentially, you don't know how to deal with yourself, right? If we really want to get meta here, that's a whole other podcast!

[laughter]

Jeremy: It is all about a leader's willingness to recognize and harness ambition and take that for the better of their organization, rather than trying to step back and say, "Well, you didn't do it the way that I did it, so, therefore, it's not going to work."

Mandy: Yes, which is something you see everywhere.

Jeremy: Yes, across all generations. It goes up and down in generations. "Well, they've been doing this 30 year. No wonder they can't figure out anything." "Well, they've been doing this three days. No wonder they can't figure out anything." It's the exact same conversation just a different lens.

Mandy: Let's talk about the future and what you see coming up for the workforce when we see boomers fully retired, and Gen Y, Gen Z, moving up into director, C-suite or already there like you said, 25-year-old partner. What do you think the future holds? What do we, anti-fraud professionals, accountants, auditors, investigators, government, you're going to see a lot of older government retire as well, what do we need to know?

Jeremy: For starters is we think about Gen Y and Gen Z moving into leadership roles. The future is here. Gen Y, the oldest millennials are just about 40 at this point, the oldest of millennials.

Mandy: We are not 40, Jeremy.

Jeremy: We are not the oldest millennials, but the oldest of the millennials are nearing 40 years of age. In a lot of organizations, they are the C-suite. They are in that leadership role. If you look at a lot of younger companies, they started the companies. They're leading the companies.

Mandy: Which is a myth to point out that people assume millennials are young 20-year-olds.

Jeremy: Which is not millennial, that's Gen Z, at this point, right?

Mandy: Yes, exactly. We've actually moved into a whole other generation as the youngest generation.

Jeremy: We have and that's actually really good. Something really important I think to point out that so often when I hear people use the phrase, millennials, they do mean somebody that's in their 20s, in their young 20s.

I hear millennials ask about millennials and what they're asking about is, "Well, how do I deal with a 23-year-old? Because I'm now almost 40, and I don't remember what it was like to be 23." That goes back to one of the big dangers of talking about stereotypes and the generation. There's just no point in it, frankly.

The question is, "Well, I don't remember what it was like to be 23 and have these tough decisions that I was going through in my life at that point and everything changing going from college to the working world may be starting a family and this and that and the other." All right, that's the real question.

As far as the future goes, it is here. From the way a lot of people talk about the future, it's what's happening now, but we've got to be willing to step back and open our eyes and realize, "Oh yeah, that's already happening. We already have young people leading our organizations. We already have the next generation doing that transition."

I think one of the things that we have to be really intentional about is knowledge transfer. How do we get that institutional knowledge, that experiential knowledge, the way that we've always done things, and the why behind that, other than because it's what we've always done, the *context*...how do we transition that down to the youngest generation, to the next generation?

Succession planning, I talk about it a lot of the times through the lens of an accounting firm, but it's no different in government or internal auditor, investigator. At some point, the current leadership team is going to have to retire. In a lot of organizations, that's an event, not a process.

I think that as we look to the future of our organizations, it's important that we recognize, that transition is a process. That it needs to start a full decade before it happens and thinking about who are the next leaders? What are the key things they need to know? What are the experiences they need to have? So that at some point we're like, "Hey, I'm out. I'm going to retire. By the way, now you're leading this." Now you're thinking, "Well, I don't even know what that means. What do you mean, I'm leading this? I don't know how to lead. I've never done this."

I think it's very intentional about that knowledge transfer, about that succession planning. For investigators, one of the things that I talk to people about a lot is, "Get somebody who's young and tech-savvy, and pair them with an investigator that's maybe a little bit more experienced and doesn't like tech. Get them working together."

Get the tech-savvy individual to get it to two charts and graphs and run the analytics and use the data and then go to that individual that's maybe tech-averse and say, "Look, I know you don't want to use the technology. Here's what I've got, and I know with your 40 years of experience, you can look at this and tell me what's happening. Help me understand your process for that, how do you do that?" Get those cross-generational teams.

It's not so much worried about cross-generational, but it's cross-perspective. Because you probably have 30-year-olds that hate technology and you probably have sixty-year-olds that love technology. It's figuring out how do you get everyone working together for the betterment in the future of the organization and being intentional about that.

How do we create those working relationships and how do we focus on taking what's the strengths of each of our employees? Not the generations, of each of your employees, and maximize those strengths and pair them in teams where they complement one another, to ultimately make your organization the best that it can be. I think we're going to see things probably transition faster and faster as technology evolves.

Mandy: I really like what you just said because we constantly say that we have to cross-train. We're doing more with less, we have to cross-train, but to get cross-perspectives is equally as important, I think. I think that's a good takeaway. It's not just training someone how, step one through five, but training why do you do step one through five?

Jeremy: Exactly, it's giving that context. That's going to become increasingly important. We didn't get a whole lot into technology on this, but as technology evolves and a lot of the routine processes and tasks are automated through artificial intelligence, machine learning, analytics, robotics, all that.

The context and the why and the how becomes so much more important. As we move to the future for organizations and for the industry of fraud investigations and fraud prevention, the machines are never going to do it all. I'm still convinced there's not going to be a fine fraud button. There's going to be a button that helps us find what's most likely fraud.

At the end of the day, we've got to be the expert investigators that we were trained to be. That takes perspective. That takes context. That takes the why and the how and how to put all of that together. That takes people working together. Whether you've got 40 years of experience, four years of experience, or four days of experience, all perspectives are useful. It's figuring out how do we leverage all of those so that we can make our organization as effective as we could possibly be?

Mandy: That's a great place to wrap up.

Jeremy: All right.

Mandy: Thank you so much for coming in today in person. We're glad to have you.

Jeremy: You're welcome. Thanks so much for having me, Mandy.

Mandy: All right. Thank you for joining us for this episode of *Fraud Talk*. This is Mandy Moody, signing off, and we will see you next month.