

What is Generation Gap?

Dr Mita Dixit

"What is generation gap?" I asked the class of my FMB students.

Suddenly there was an awkward silence. After a few seconds, whispering started. I was teaching "Family Dynamics" to the students of Family Managed Business program at SPJIMR. The topic of discussion was the challenges of the younger generation, particularly vis-a-vis the family, while getting inducted in the family business.

I asked, "What makes you uncomfortable in interacting with the seniors in the family?" A few seconds later, one voice from behind the class uttered, "the generation gap". I paused and asked the question, "What is generation gap"? The "Gen-Next" of family businesses aspiring to lead businesses founded by their fathers/grandfathers/uncles, appeared to be thinking hard for an answer.

After a few murmurs, a student raised his mobile phone and said, "Ma'am, generation gap is simple to define. We all use smartphones priced over Rs. 20,000 and our parents use phones less than Rs. 20,000. They want everything at a low price and we want good things even if priced high."

Voila! Is the tech savviness the reason for generation gap, or the perception of money and its utility value? I was amused. After a decade of interacting with innumerable families in business and young successors, I have observed a common factor that determines the failure or success of family-run enterprises. It is the family's collective perception of "money" and the value attached to it.

We may define the value of money from the utility we can derive by spending it. We may also link it with our aspirational quotient. For each of us, the concept of "value for money" could differ.

Successful families that work together in the business cohesively and harmoniously, practise a common code of "value for money." The purposes for which money is spent or invested or distributed are clearly defined, collectively agreed to, and prioritised for the common good of the family. The trouble starts when two generation members (usually) differ in their perception of the utility value of money and also fail to align their individual perceptions with the family's perception.

For example, the younger scion may treat money as a means of personal comfort and pleasure, and the head of the family may treat it as a scarce and precious resource to build the family's wealth. Two generations, two varied purposes - individual's pleasure and family's security, if not aligned, are bound to create trouble.

Generation gap is a nebulous concept. It has existed in every generation since time immemorial and we will be trying to fathom it until kingdom come. Maybe it's not just about two generations' money perceptions but it's also about the family and social values of what is right and fair that we transfer or fail to transfer to our next generation.