

Building Stronger Multigenerational Teams In Construction

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The construction industry is entering one of the most challenging workforce eras in its history. Contractors are navigating serious labor shortages, rising complexity on jobsites, and an unprecedented mix of generations working side by side. While this diversity can be a strategic advantage, it can also become a pressure point when expectations, communication styles, and motivations collide.

Together, we bring two perspectives to this challenge. Marty McCarthy's work with construction leaders across the country offers a clear view of the day-to-day realities companies face. Eric Lopez's research and field experience provide a framework for understanding generational patterns and how they shape performance. Our goal is to help contractors strengthen culture, increase retention, and build teams that can thrive amid constant change.

Labor issues are a significant and ongoing concern for contractors in construction and related industries. Some of the issues relating to labor shortages include:

- » A widespread shortage of experienced workers such as electricians, plumbers, welders, carpenters, and heavy equipment operators
- » Fewer young workers entering the trades
- » An aging workforce retiring without enough replacements

These issues affect the bottom line, the ability to forecast future work, and deliver timely results, among many other challenges. Fortunately, contractors can effectively reduce



uncertainty by expanding and aligning their workforce to mitigate these challenges.

A SNAPSHOT OF TODAY'S WORKFORCE

Today's construction workforce includes four distinct generations working side by side: baby boomers, Generation X, millennials, and Generation Z. Each generation brings meaningful strengths, but each also carries different expectations about leadership, authority, and communication. When those expectations are not clearly understood or aligned, friction increases.

Baby boomers often value hierarchy and tenure. Many built their careers in environments where authority was earned through experience, loyalty, and time in the role. Clear chains of command and respect for position were signals of stability

and professionalism. For many boomers, strong leadership is defined by decisiveness, consistency, and accountability from the top.

Gen X tends to value independence and efficiency. Having grown up in a more self-directed environment, they often prefer autonomy and trust over close supervision. Gen X leaders want clarity on the objective and the freedom to execute without unnecessary interference. They often judge leadership effectiveness by results rather than process.

Millennials place a strong emphasis on purpose and opportunity. They want to understand why work matters and how their role contributes to something meaningful. Growth, feedback, and development opportunities are critical motivators. Millennials are more likely to expect collaboration and dialogue with leaders rather than one-way direction.

Gen Z brings a strong expectation of authenticity and relational leadership. They are less influenced by title or age and more influenced by trust, transparency, and connection. Gen Z wants clarity, frequent feedback, and leaders who are accessible and human. They perform best when they feel known, supported, and aligned with the mission.

These different views of leadership and authority are not minor preferences. They are a major source of tension on today's jobsites. When leaders default to one generational style of leadership, other generations disengage or misinterpret intent. What feels like autonomy to one group can feel like abandonment to another. What feels like strong direction to one generation can feel like micromanagement to another. Without a shared leadership structure, these differences create the conditions that drive today's most common workforce challenges.

THREE CORE CHALLENGES FACING MULTIGENERATIONAL TEAMS

1. Communication Gaps

Many leaders believe they have been clear, only to discover expectations were interpreted differently. Some employees prefer brief direction and autonomy, while others want context, clarity, and feedback. When communication styles clash, misunderstandings increase, rework becomes common, and safety risks rise. The issue is rarely effort: It is alignment.

2. Leadership Transition and Knowledge Loss

As experienced leaders retire, critical technical and relational knowledge leaves with them. Gen X leaders are stretched thin trying to maintain performance while filling mentorship gaps. Younger employees are eager to grow but often lack structured development paths. Without intentional systems, leadership capability becomes uneven and inconsistent across teams.

3. Different Motivators Across Generations

Not everyone is driven by the same things. When leaders assume motivation is one-size-fits-all, engagement drops and frustration grows across generations.

These challenges are not caused by generational differences alone. They are amplified when leadership lacks clarity, consistency, and structure.

A LEADERSHIP FRAMEWORK THAT ALIGNS GENERATIONS

Solving multigenerational challenges requires more than awareness of differences. It requires a leadership approach that provides structure without rigidity and empowerment without chaos. Structured empowerment offers that balance through five principles that work across generations while maintaining clear standards and accountability.

1. Build Mutual Trust

Trust is the foundation of effective leadership, regardless of generation. For more experienced workers, trust is often built through consistency, competence, and follow-through over time.

For younger generations, particularly Gen Z, trust is closely tied to authenticity and relational connection. When leaders rely on title or position alone, trust erodes quickly.

When leaders are consistent, invested, and credible, teams across generations become more open, engaged, and willing to take responsibility.

2. Create Shared Understanding

Shared understanding reduces friction more than almost any other leadership behavior. Clear expectations and context help experienced team members work efficiently while providing the clarity younger employees need to stay confident and

engaged. This principle is especially important for Gen Z, who may interpret a lack of clarity as uncertainty rather than freedom.

Leaders who communicate early and often reduce assumptions, prevent rework and keep everyone aligned around the same objectives.

3. Delegate Responsibility and Ownership

Delegation is most effective when it includes both responsibility and authority. Gen X leaders often thrive when given ownership and the freedom to execute without micromanagement. Millennials and Gen Z want meaningful responsibility and a clear understanding of what they own and how success will be measured.

When leaders delegate ownership instead of just tasks, experienced employees feel trusted and younger employees gain opportunities to grow. Clear ownership also reduces confusion and conflict across teams.

4. Develop and Train

Intentional development strengthens every generation in different ways. Seasoned leaders want their experience to be valued and passed on, while younger employees view coaching and feedback as a sign of investment and belonging.

Without development, knowledge is lost and engagement declines. Leaders who consistently train, coach, and provide feedback build confidence, competence, and a sustainable leadership pipeline that benefits the entire organization.

5. Empower Team Members

Empowerment is the natural outcome of trust, clarity, delegation, and development working together. It respects the expertise of experienced workers while giving younger team members the autonomy and responsibility they are looking for.

Empowerment does not remove standards or accountability. It allows leaders to step back appropriately so teams can step up, increasing ownership, engagement, and performance across generations.


CLOSING THOUGHTS: WHY THE LEADERSHIP STRUCTURE MUST CHANGE

Successfully leading a multigenerational workforce requires more than good intentions or minor adjustments in style. It requires a leadership structure that creates clarity, alignment, and trust for everyone.

Arrowhead Leadership Consulting has developed a five-step model to help companies build a solid organizational structure. This model is called the Leadership Pyramid and consists of vision, values, goals, task organization, and operating cadence.

Vision shows the team where the organization is going and why it matters. Values define how people are expected to behave and make decisions, regardless of role or tenure. Goals translate expectations into measurable outcomes. Task organization removes ambiguity around roles, responsibilities, authority, and ownership. Operating cadence keeps teams connected, developed, and informed through consistent rhythms, feedback, and communication.

When these elements are missing or unclear, generational differences become problems. When they are intentionally built and reinforced, those same differences become strengths.

Organizations that want to retain talent, develop future leaders, and sustain performance in a changing workforce must be willing to evolve how they lead. Not by lowering expectations, but by building leadership systems that allow every generation to succeed together. 



About the Authors

Marty McCarthy is a managing director in the tax practice at [CBIZ](#) and serves as the Mid-Atlantic Construction Practice Leader. With more than three decades of experience serving construction companies, his collaborative and solution-focused approach, technical proficiency, and deep industry knowledge have made him a trusted advisor.

Eric Lopez is the founder and CEO of [Arrowhead Leadership Consulting](#), helping organizations build strong cultures, align teams, and develop leaders through practical, high-impact strategies. He is the author of *Structured Empowerment*, a guide for creating systems that empower leaders and teams to perform at their best.

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