

# ECONOMY

Strive for mentorship  
across generations

THINK STRATEGICALLY:

## Emotional Intelligence is Key for All Generations

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### A Key for All Generations!

Success in business or the workplace requires so much more than a college education, theoretical knowledge from books or even experience. The vast majority of corporations, large and small, need to have results-oriented managers with a high degree of emotional intelligence to thrive and be successful.

Emotional intelligence is defined as the capacity to be aware of, control, express one's emotions and handle interpersonal relationships judiciously and empathetically.

There are five critical elements to emotional intelligence:

- Self-awareness
- Self-regulation
- Motivation
- Empathy
- Social skills

If you want to be in a leadership position, it is crucial to develop "emotional intelligence" to have a clear picture of your strengths and weaknesses while behaving with humility.

Leaders who regulate their emotions effectively rarely attack others verbally, make rushed or emotional decisions, stereotype people or compromise their values. The key is staying in total control.

In my career, I have witnessed how leaders with high emotional intelligence allow for better communication, with minimal stress, and can eliminate conflicts while improving relationships.

The way we handle our emotional intelligence will affect our life's quality because it influences our behavior and relationships.

While the caliber and attributes that lead to heightened productivity vary by age, it would serve us better to comprehend each generation's talents to guide them better.

As the pandemic brought a paradigm shift in the workplace, it also brought about five generations working alongside each other in quite a challenging socially distanced or remote work environment.

It thus becomes critical for an emotionally intelligent workforce to work together congenially and consistently, and it does not matter how many generations make up your environment.

Let's review the current generations now in the workplace:

**Traditionalists:** those born between 1928-45

**Baby boomers:** born from 1946-64

**Generation X:** from 1965-79.

**Generation Y,** or millennials were born from 1980-95.

**Generation Z,** or the gamer generation, were born starting in 1996

In today's workforce, Generation Y, or millennials, and the Generation Z gamers made up only about 57 percent of the workforce as of 2020. Millennials comprised 50 percent and Gen Zers 7 percent, while those in Gen X made up 22 percent, boomers were 20 percent, and traditionalists, 1 percent.

As we have this unique opportunity to have five generations in the workforce, we should understand each to mentor them to achieve tremendous success.

It does not matter which generation you are from; all should agree on:

Making the client a vital mutual priority working for a common purpose.

Allowing for personal growth and positive work-life balance.

Implementing a mentorship program to develop strengths across all generations. Also, a reverse mentorship program in which each employee is both a mentor and a mentee. Reverse mentorship is critical to allow younger generations to teach older generations about technological advances.

As these five generations work side-by-side in today's workforce, it makes perfect sense to create an inclusive culture that meets each age group's diverse needs.

### Week in Markets: Pandemic Anniversary Returns, GDP rises to 4.3 percent, Volatility Remains High

The U.S. and global markets ended a highly volatile week as investors marked the pandemic's one-year anniversary, and after measuring how much ground was recovered.

When you review March 23, 2020, to March 23, 2021, these are the results:

The Dow Jones Industrial Average closed March 23, 2020, at 18,591.93, but rose 13,831.22 points to close March 23, 2021, at 32,423.15 for a 74.39 percent return

The Standard & Poor's 500 closed on March 23, 2020, at 2,237.40, and climbed 1,673.12 points to close March 23, 2021 at

3,910.52, for a 74.78 percent return

The Nasdaq Composite Index closed March 23, 2020, at 6,860.67, and went up 6,367.03 points to close March 23, 2021, at 13,227.70, for a 92.8 percent return

The Birling Capital Puerto Rico Stock Index closed on March 23, 2020, at 941.57, and rose 1,390.73 points to close on March 23, 2021, at 2,332.80, or a 147.8 percent return

Had an investor made a \$10,000 investment on any of these four indices on March 23, 2020, and sold their position on March 23, 2021, these would have been their results:

Dow Jones: Net profit of \$7,439.00

S&P 500: Net profit of \$7,478.00

Nasdaq Composite: Net profit of \$9,280.00

Birling Capital Puerto Rico Stock Index: Net profit of \$14,781.00

As you can conclude from the numbers, the market had one hell of a run during this pandemic impacted year. The market is positioned towards a stock rotation that will help investors add to their portfolios those stocks and sectors affected by the pandemic, which are now stocks with untapped value, and sell those that benefited greatly from the pandemic. It may be time to realize some gains and part ways.

Most investors are firmly performing their stock rotation, the market has increased volatility significantly, and we will continue to face high volatility as the markets rotate.

As President Biden shifts his attention toward infrastructure and American competitiveness, our White House sources told us that the next big bazooka will be a \$4 trillion infrastructure bill. The White House is said to be nearing completion of a plan that includes two large packages that target such diverse areas as infrastructure, green energy, climate change, education, workforce development, child care and social services.

While most politicians have no problems with spending large amounts of money, the challenge is always how to pay for it all, and that part has not been decided. Any bill of that magnitude has to include some tax increases, at least

partially, and we are sure the economy is not ready for new taxes.

### The Final Word: Critical Economic Benchmarks and their Meaning

Last week, the following benchmarks were reported. We explain what it all means.

U.S. Real gross domestic product (GDP) was pegged at 4.3 percent, higher than the 4.1 percent estimated.

U.S. Initial Claims for Unemployment Insurance fell to 684,000, down from 781,000 last week, a 12.42 percent drop from the previous week.

These two readings are an X-ray of the economy. On the one hand, with the GDP rising higher than estimated, it tells us the economic recovery has taken a firm hold.

On the other hand, to support that assessment further, we must note that the new claims for unemployment insurance number, 684,000, is the first to fall below 700,000 since the COVID-19 exogenous shock began. However, compared to the great financial crisis in 2009, the worst level was 665,000, which shows just how big a hole the pandemic left in the jobs market.

Another issue impacting markets this week is the Suez Canal blockage by the beaching of the cargo ship Ever Given. More than 10 percent of the world's global trade passes each year through this canal. It would have had a great impact on economies across the world if it had not been dislodged.

Also worth analyzing, the U.S. Personal Income, which fell 7.07 percent, compared to 10.11 percent last month, and the U.S. Personal Saving Rate fell 13.6 percent, compared to 19.8 percent last month; however, it is still higher than the long-term average of 8.95 percent.

We predict that this setback will be temporary. The bazooka stimulus checks are finding their way into consumers' savings accounts and will boost both these benchmarks and the overall economy.

*Francisco Rodríguez-Castro is president and CEO of Birling Capital LLC. Think Strategically® is a publication by Birling Capital LLC that summarizes recent geopolitical, economic, market and other developments. This report is intended for general information purposes only and does not represent investment, legal, regulatory, or tax advice. Recipients are cautioned to seek appropriate professional counsel regarding any of the matters discussed.*

Weekly Market Close Comparison	3/26/21	3/19/21	Return	YTD
Dow Jones Industrial Average	33,072.88	32,627.97	1.36%	8.06%
Standard & Poor's 500	3,974.54	3,913.10	1.57%	5.82%
Nasdaq Composite	13,138.72	13,215.24	-0.58%	1.94%
Birling Puerto Rico Stock Index	2,419.11	2,496.45	-3.10%	18.29%
U.S. Treasury 10-Year Note	1.67%	1.74%	-4.02%	0.75%
U.S. Treasury 2-Year Note	0.14%	0.16%	-12.50%	0.65%