



# **Benefit Considerations for a Multigenerational Workforce**

# AGENDA

- Generational Values
- Survey Questions
- Core Compliance Rules
- Common Pitfalls
- Value-Add Benefits
- Generational Benefit Preferences



# Generational Values

## Everyone likes stereotypes, right?

- Traditional
- Baby Boomers
- Generation X
- Millennial/Generation Y
- Centennials/Generation Z

### Traditionalists



- **Born ~1928-1945**
- Smallest percentage of workforce
- Experienced; Dedicated; Loyal

### Baby Boomers



- **Born ~1946-1964**
- Third largest percentage of workforce
- Service and team-oriented; Dedicated

### Generation X



- **Born ~1965-1980**
- Second largest percentage of workforce
- Adaptable; Independent; Creative

### Millennials



- **Born ~1980 - 1996**
- Largest percentage of workforce
- Optimistic; Multi-task; Tech savvy

### Centennials



- **Born since ~1997**
- Second smallest percentage of workforce
- Entrepreneurial; Cautious; Tech savvy



# Generational Values

## Traditionalists



### Born ~1928-1945 (47 Million Births)

- Smallest percentage of workforce
- Experienced;
- Dedicated;
- Loyal
- Work Ethic: Loyal, respects authority
- Preferred Work Environment: Flexible
- Interactive Style: Team Player, wants to feel needed
- Motivated By: Financial Security, recognition

### For HR manager, Traditionalist best respond to:

- Honest, simple language on benefits programs and financial planning
- Face to Face conversations
- Messages about how to conserve/pass on their wealth to the next generation



# Generational Values

## Baby Boomers



### Born ~1946-1964 (76 Million Births)

- Third largest percentage of workforce
- Service and team-oriented;
- Dedicated
- Work Ethic: Workaholics, competitive
- Preferred Work Environment: Democratic
- Interactive Style: Team Player, loves meetings
- Motivated By: Recognition, being valued and monetary rewards

### For HR manager, Baby Boomers best respond to:

- Honest, simple language on benefits programs and financial planning
- Financial scenarios vs conversations
- Messages about how to conserve/pass on their wealth to the next generation



# Generational Values

## Generation X



### Born ~1965-1980 (55 Million Births)

- Second largest percentage of workforce
- Adaptable
- Independent
- Creative
- Work Ethic: Efficient, self-reliant
- Preferred Work Environment: Flexible and fun
- Interactive Style: Entrepreneur
- Motivated By: Freedom, removal of rules and time off

### For HR manager, Generation X best respond to:

- Casual informational sessions
- Benefit offerings to help build a secure future
- Information on retirement and employers matching 401(k) contribution amounts





# Generational Values

## Millennials



### Born ~1981-1996 (62 Million Births)

- Largest percentage of workforce
- Optimistic
- Multi-task
- Tech Savvy
- Work Ethic: Ambitious, Multi-tasking, tenacious
- Preferred Work Environment: Collaborative, creative and continuous feedback
- Interactive Style: Participative
- Motivated By: Autonomy, trust and time off

### For HR manager, Generation X best respond to:

- Frequent feedback on performance both good and bad
- Open communication lines with HR & Managers
- Multi-platform employee-facing communications about benefits offering, open enrollment, etc.



# Generational Values

## Generation Z



### Born ~1997+

- Second smallest percentage of workforce
- Entrepreneurial
- Cautious
- Tech Savvy
- Work Ethic: Intense, pragmatic, project-oriented
- Preferred Work Environment: Collaborative, fun, flexible and clearly defined chain of commands
- Interactive Style: Entrepreneurial, face-to face, teamwork
- Motivated By: Opportunity for advancement, participatory decision-making and being involved

### For HR manager, Generation Z best respond to:

- Honest and open communications from HR and managers
- Expansive voluntary benefits offerings
- Messages about how to plan for their financial and physical well-being

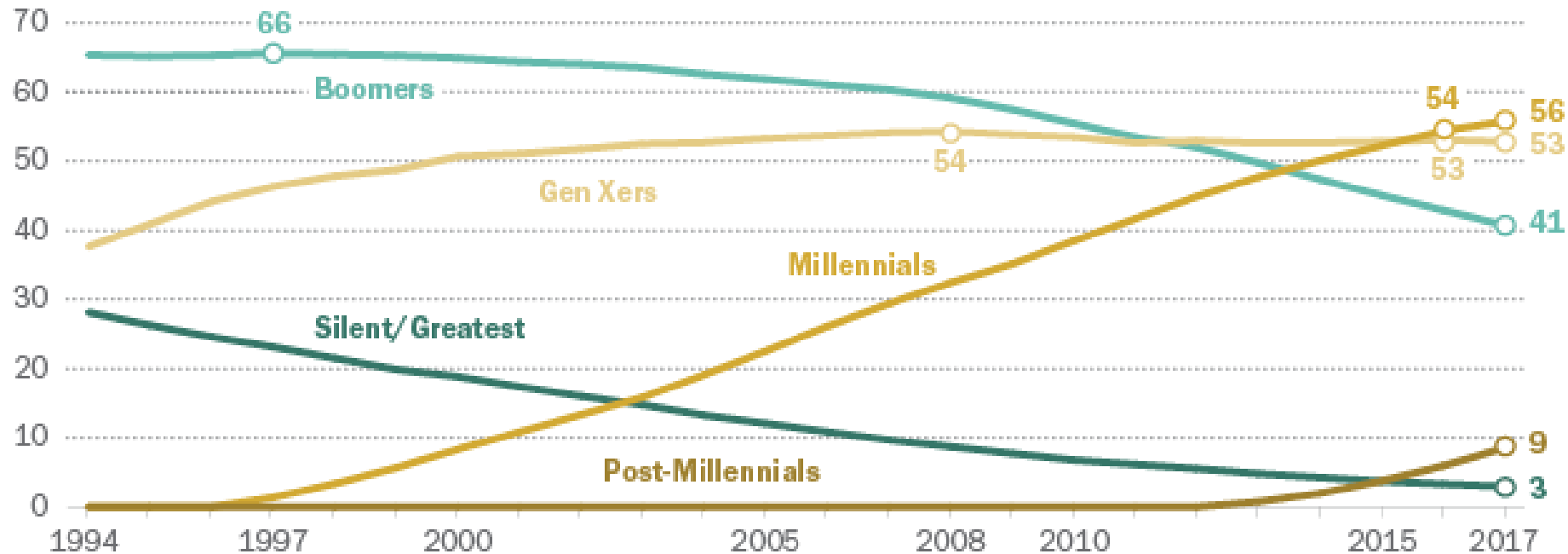


# Yes, this graph again. . .



## Millennials became the largest generation in the labor force in 2016

U.S. labor force, in millions



Note: Labor force includes those ages 16 and older who are working or looking for work. Annual averages shown.

Source: Pew Research Center analysis of monthly 1994-2017 Current Population Survey (IPUMS).

PEW RESEARCH CENTER



- Teen Jobs
  - 1978 – 60%
  - 2016 – 35%
- Identify as people of color
  - Traditionalist – 22%
  - Millennials – 43%
- First time in 130 years, Americans ages 18-34 are more likely to live with their parents than not

# Current State

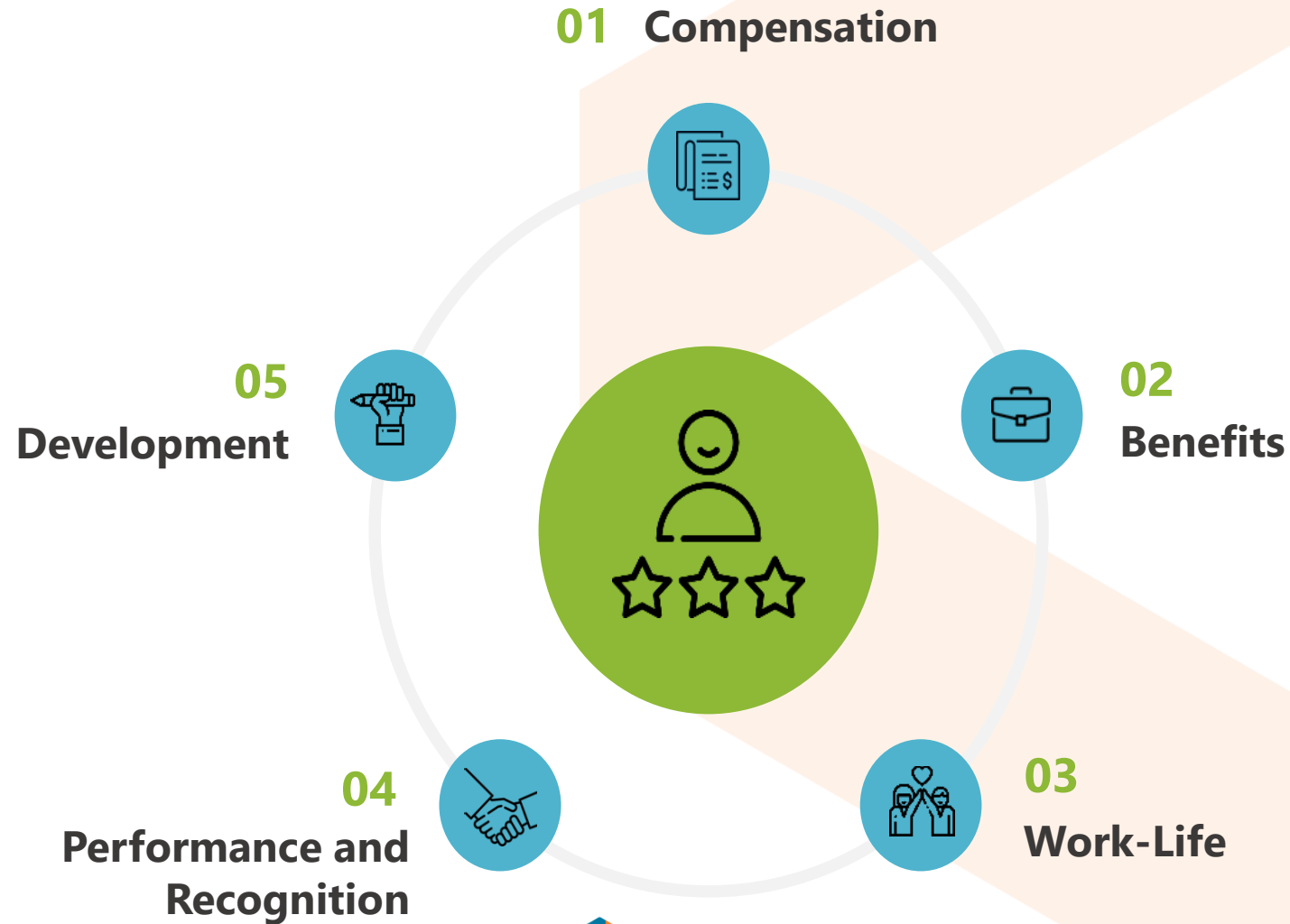


 **66%**

of CEOs expect their company to change its business model in the next three years.

- GARTNER, INC

# Components of Total Rewards



# Value-Add Benefits



## Telemedicine



Remote Diagnosis and Treatment of Patients via Telecommunication

## On-Site Clinic



Varying Degrees of Medical Care Available to Employees on Employer's Worksite

## Wellbeing



Program to Promote Employee Health & Fitness via Education & Rewards

## EAP



Counseling and Support for Personal Issues

## Financial Support



Education on Financial Literacy, Planning, and Investment

## Consumer Accounts



Pre or Post Tax Accounts to Help Employees Save and Pay for Medical Expenses

## Work-Life Balance



Benefits to Help Employee Professional and Personal Responsibilities

## Professional Development



Programs to Help Employees Grow Professionally

## Workplace Perks



Added Perks to Make the Workplace More Enjoyable

## Spousal Restrictions



Restrictions or Exclusions of Spouse Participation in the Health Plan

# Medical

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Telemedicine (Millennials)

On-Site Clinics or Near-Site Clinics (All)

Pricing Transparency Tools (All)

Concierge Medicine (Millennials)



# Wellbeing





# Financial

Tuition Reimbursement (Millennials & Centennials)

401(k)/403(b) → HSA → 401(k)/403(b) (Millennials & Centennials)

Deferring HSA withdrawals (Traditionalists & Boomers)

Dependent Care FSA (Gen X & Millennials)

# Professional Development

Millenials: What Factor most influence your decision to take your current job?

- **Opportunity for personal development (65%)**
- Reputation/brand of the organization (36%)
- Role itself (24%)
- Starting salary/rate of pay (21%)

# Workplace Perks

## Voluntary Benefits

- Critical Illness
- Accident
- Hospital Indemnity
- Voluntary Supplemental Life
- Group Auto
- Group Legal
- Credit & Cyber Security
- Pet Insurance

## Capture You Benefits

- Healthy Food
- Onsite Gym
- Onsite Showers
- Onsite Childcare
- Onsite Bar
- Onsite Games/Recreation
- Onsite Dry Cleaning
- Casual Dress
- On-Site Oil Changes

# Work-Life Balance

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- Parental Leave
- State Leave Laws
- Unlimited PTO vs. Allocated PTO
- Unplug Rules/Practices



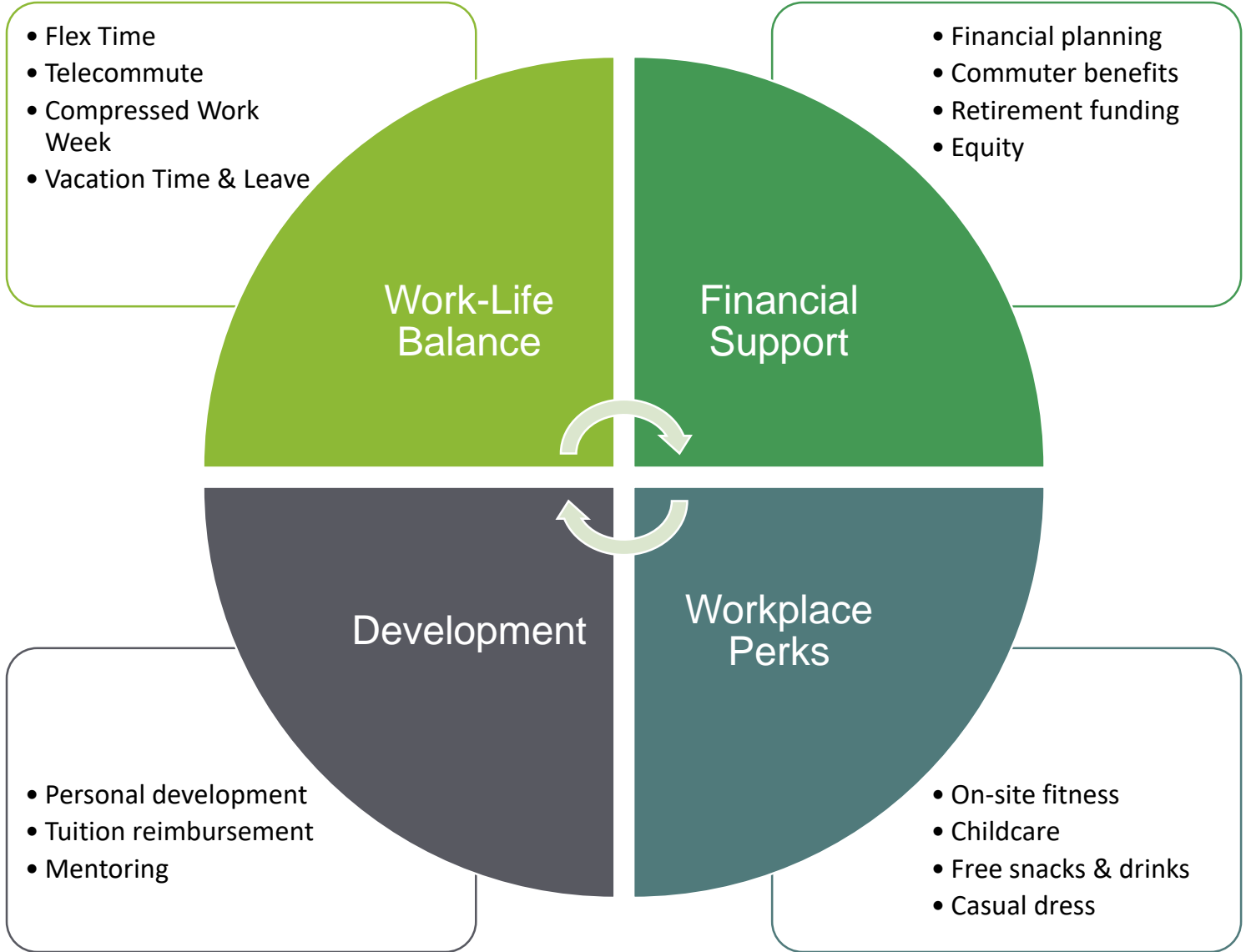
# Cost Containment: Spousal Restrictions

- Boomers and Traditionalists = Keep the Benefits Family Together
- Generation X = Mixed Bag
- Millennials & Centennials = Accustomed to Benefits Divorce



# Non-Health Benefits

## Multigenerational Workforce

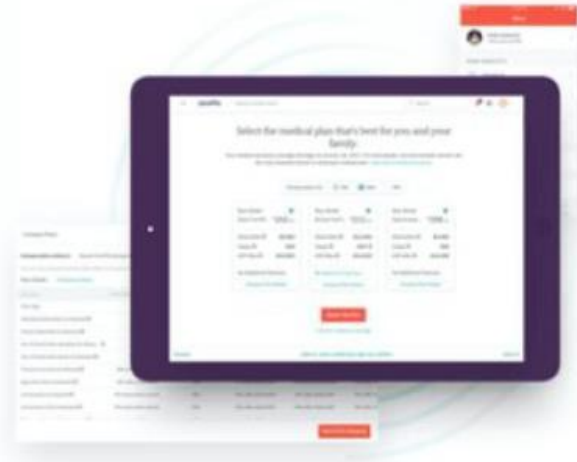


# What's a Good Fit by Generation?

	PPO	HDHP	FSA & HRA	HSA	Life & Disability	Telemed & EAP	Wellness Programs	Work-Life Balance	Financial Support	Company Perks	Career Develop
<b>Traditional</b>											
<b>Baby Boomer</b>											
<b>Gen X</b>											
<b>Millennial</b>											
<b>Centennial</b>											

# Simplified Enrollment

BROWSE & SELECT IN SECONDS



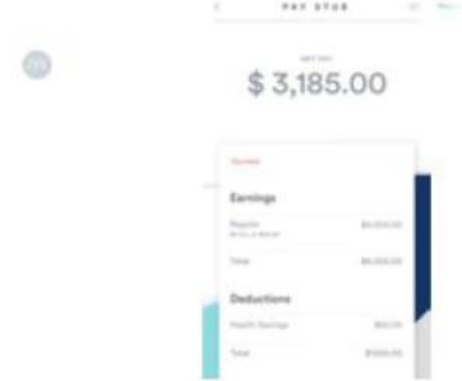
# Benefits + Payroll

PUT PAYROLL ON AUTOPILOT



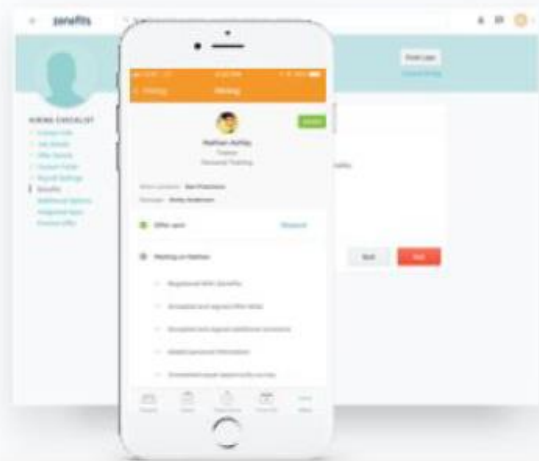
# Digital HR

LESS BUSYWORK, LESS PAPERWORK



# Onboarding

READY BEFORE DAY ONE



# #1 Employee Experience

EMPLOYEES WILL LOVE YOU WITH THE #1-RATED APP



# Apps for Days

INTEGRATED APPS & TOOLS





**Questions?**

# Common Compliance Pitfalls by Generation

## Common Pitfalls

- Don't incentivize Traditionalists and Boomers to leave the Group Health Plan for Medicare
- Keep those Centennial dependents on the plan per ACA
- Don't go offering Telemedicine to part-time Centennials and Millennials on a standalone basis – otherwise you'll need to offer COBRA
- Always provide a reasonable alternative standard for a results-based wellbeing program
- Careful making HSA contributions contingent on tenure – this may favor highly compensated Boomers