



Total Rewards Strategies for the Multigenerational Workforce

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Current State



 **66%**

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

— GARTNER, INC.

**National
unemployment
rate is at 3.8%**



Defining Total Rewards



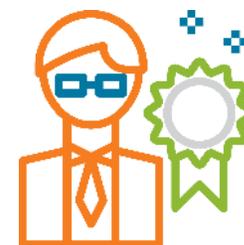
Comfortable and
COLLABORATIVE
work environment



Career **MOBILITY**



Personal and Professional
GROWTH opportunities



Right **BALANCE** of
compensation and
benefits



Example

\$60,675 Total Compensation Package



Base Salary
\$40,000



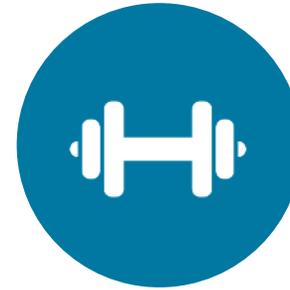
Health Insurance
approx. \$300/mo
or \$3,600/yr



Bonus Structure
\$3,000 for
performance and
5% annually



Free Parking



**On-Site Gym and
Cafeteria**



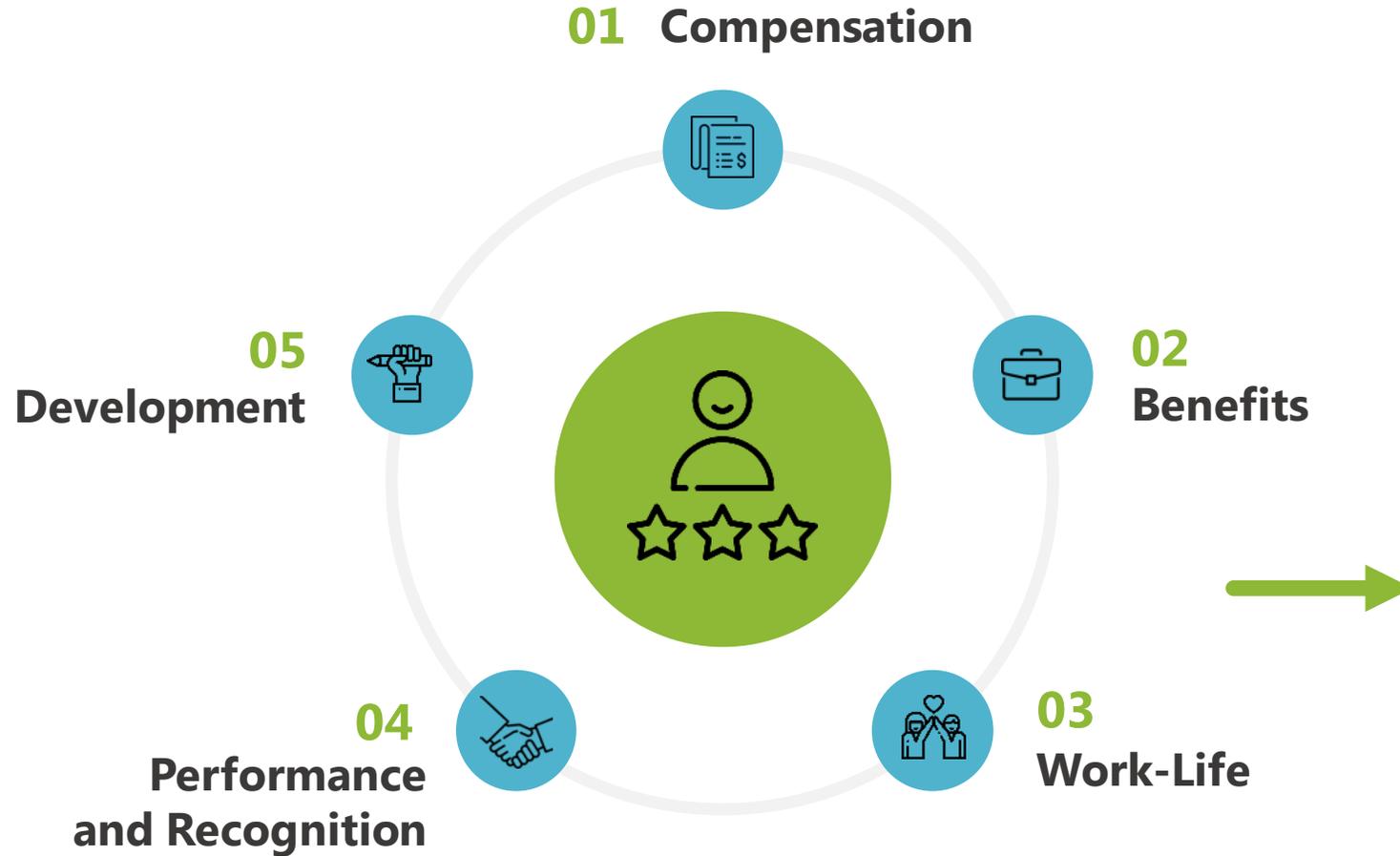
5 weeks PTO



**Professional
Development
Activities**



Components of Total Rewards



Improve recruitment

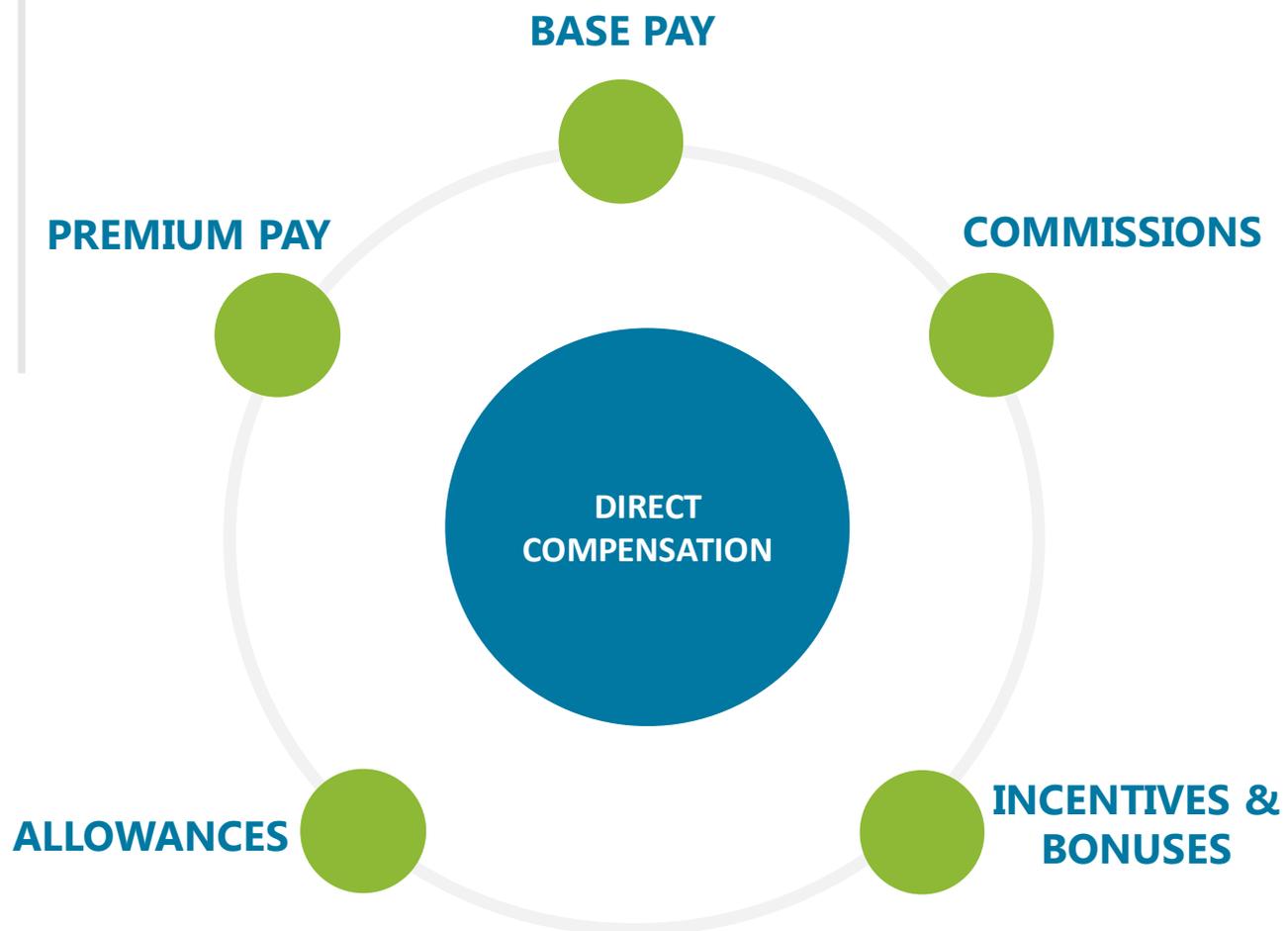
Showcase your organization's culture

Increase employee engagement and satisfaction

Increase retention



1. Compensation



KEY FACT

“75% of executives believe that in the next decade, in order to recruit and retain talent, compensation alone will not be enough.”

Covestro

“More than **60%** of employees would take a job with a lower salary for better benefits.” | Zenefits



2. Benefits



MEDICAL
INSURANCE



DENTAL
INSURANCE



VISION
INSURANCE
(VOLUNTARY)



WELLNESS
PROGRAM



PAID
VACATION



PAID
SICK LEAVE



PAID
HOLIDAYS



RETIREMENT PLANNING
AND MATCHING



SUPPLEMENTAL
INSURANCE
(VOLUNTARY)



FLEXIBLE SPENDING
ACCOUNTS



LIFE AND
AD&D INSURANCE



LONG TERM
DISABILITY INSURANCE



EMPLOYEE ASSISTANCE
PROGRAM



KEY FACT

“89% of millennials prioritize benefits over pay raises, and 83% of millennials would change their job for better benefits.

Forbes

“Employees who are very satisfied with benefits are almost 4x more likely to be very satisfied with their jobs.” | MetLife

“78% of employees want a greater variety of benefits to choose from. 80% of employees would value benefits customized to individual circumstances and age.” | MetLife



3. Work-Life

“**83%** of millennials are willing to make a job change based on family/lifestyle benefits. In addition, 41% of working parents say a lack of family assistance-related benefits have even negatively impacted their work performance. | Care.com



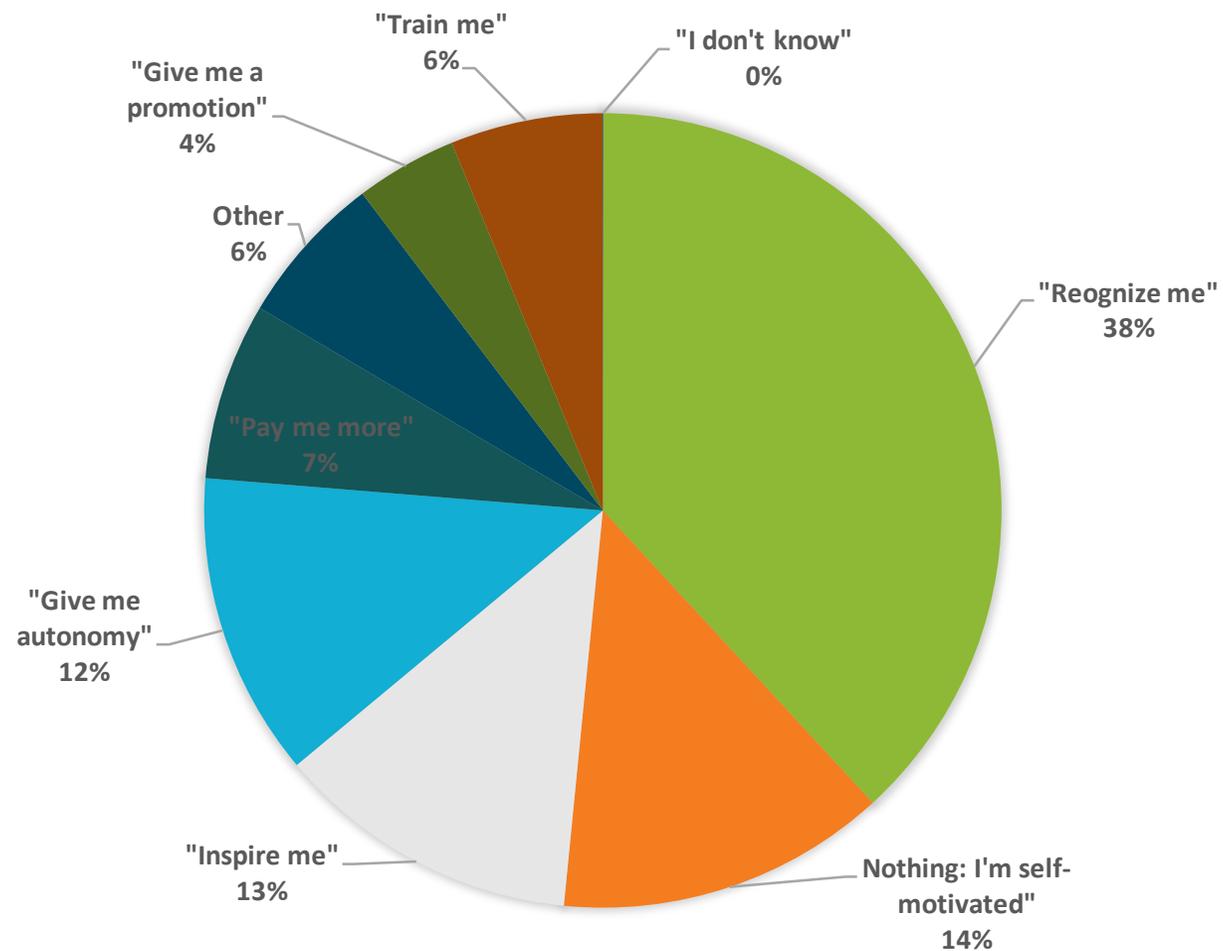
“**75%** of employers believe that **caregiving benefits** will become more important to their companies over the next five years | SRHM



4. Performance and Recognition



MOST IMPORTANT DRIVERS OF GREAT WORK



5. Development

CAREER PATH OPTIONS



38%

OF AMERICANS WORK FOR A BOSS WHO IS YOUNGER THAN THEY ARE.

- CareerBuilder and Harris Interactive, 2014 10

“MILLENNIALS: WHAT FACTOR MOST INFLUENCED 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%)

- PwC Millennials at Work Global Study, 2012





What do employees want?

A look at our “new norm” – the
multigenerational workforce



Who ARE They?

Remember it takes all types, and a one-size-fits-all program will fail unless you understand what motivates your employees



BABY BOOMERS (1946-1964)

- Want to be **valued** and **needed**
- **Optimistic** and **loyal**
- Need to feel **engaged** and **respected**



GENERATION X (1965-1980)

- **Pragmatic** and **skeptical** of leadership
- Value **autonomy** and **work-life balance**
- Do not like to be **micromanaged** and tend to **push back** on rules
- Will disengage if they feel slighted



MILLENNIAL (1981-1997)

- Raised by Boomers to believe they are **smart** and **special**
- Demand **recognition**
- Value **work-life balance** and working with others who are innovative, intelligent, tech-savvy, and social
- Desire **flexibility**

One common thread: Everyone generally craves respect and feels more engaged when they are included in the progress and growth of their organization. We all hunger to learn and express our potential and we all need feedback as to how we're performing.¹

¹ How to Reward a Multigenerational Workforce, Coreaxis, 2016.



What Do They Want?

Remember it takes all types, and a one-size-fits-all program will fail unless you understand what motivates your employees



BABY BOOMERS (1946-1964)

- Health and wellness benefits
- Technology educational opportunities
- Retirement contributions
- Voluntary benefits



GENERATION X (1965-1980)

- Flexible work arrangements
- Strong medical coverage
- Networking opportunities and opportunities to gain new skills
- Convenience perks and benefits



MILLENNIAL (1981-1997)

- Flexible work arrangements
- Tuition reimbursement or assistance
- Career path and growth
- Casual dress

Recognize and Reward – Tailor and adjust your programs to your workforce's needs
Acknowledge Shared Needs – Everyone wants to learn, be respected, and feel included
Engage, Engage, Engage – Create a sense of teamwork that spans generations



Competitive Rewards Packages



Employers like The Walt Disney Company, McDonald's and Chick-fil-A focused on education, providing employer sponsored dollars towards tuition and continuing education programs.

More than one-third of organizations have **increased benefits** offerings due to:



Retaining Employees



Attracting New Talent



Response To Employee Feedback

- SHRM



2019 Total Rewards Trends



HEALTH

- Continued growth of telehealth services

FINANCIAL

- Higher variable pay budgets and increased focus on pay for performance
- Focus on market-competitive pay
- Student loan repayment/refinance
- Tuition reimbursement and continued education opportunities
- Financial Wellness Education

COMMUNITY

- Time off to volunteer

SOCIAL & EMOTIONAL

- Mental health benefits and support
- Hyper-personalized communication

PURPOSE

- Paid Parental Leave programs



Employers Have Difficulty Communicating Total Rewards

Why?

This competitive economic climate requires a communications *strategy*

A multigenerational workforce calls for *targeted messaging*

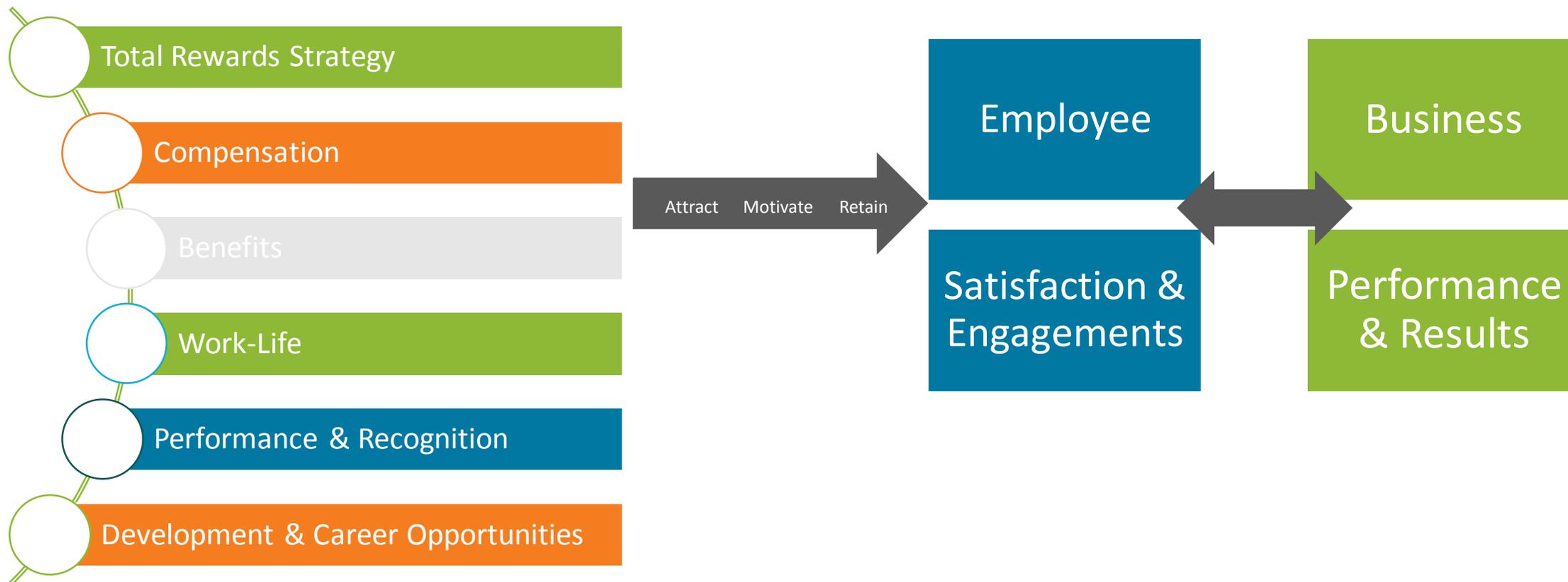
Benefits *complexity* leads to employees being lost

How To?

<p>Assess</p> <p>Research and understand your organization's current rewards programs Survey and interview employees</p>	<p>Design</p> <p>Create content, utilize graphics, devise tactical plan</p>
<p>Execute</p> <p>Focus communications on changing behaviors vs. delivering information</p>	<p>Evaluate</p> <p>Measure and monitor</p>



In Summary...





Questions?

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