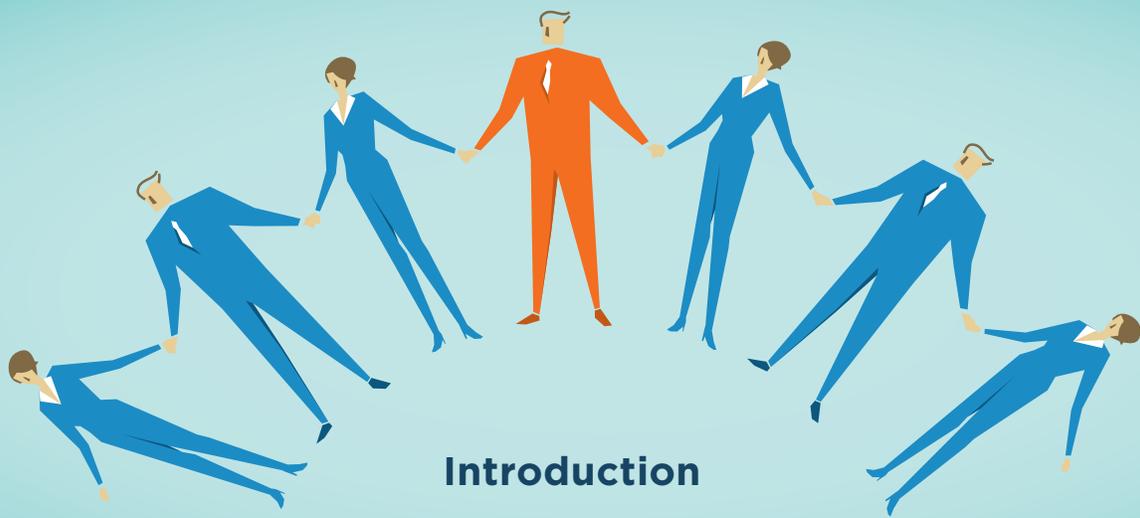


Embracing the Diversity of Today's Multigenerational Workforce





Today's multigenerational workforce presents dynamic challenges and opportunities to modern human resources (HR) organizations striving for innovation and competitive advantage. Willingness to embrace and adapt to the ever-changing environment will keep businesses at the forefront of talent management. The coexistence of five generations in the workforce demands that organizations analyze and reevaluate their processes, work environment, recognition programs and even the products and services they sell to ensure employees remain engaged. How can companies continually captivate today's tech-savvy and socially wired employees while simultaneously inspiring Baby Boomers? For starters, organizations must identify and understand the unique characteristics and priorities of every generation that compose their workforce.

“For any organization, it is very important to consider what motivates its employees. Effort to understand human traits, shifts in attitudes and behaviour, social trends, and ever-changing employees (i.e. generations) is vital for the success of any business.”

– Motivating and Rewarding Generation Y Workers

should not be designed solely based on generational differences. While people born into the same generation and exposed to similar socio-economic conditions often share common cultural values, formative experiences, perspectives, preferences and expectations, every individual is unique. Generational characteristics are just one component of the complex nuances that make up our human capital. While generational experts continue to debate workplace impacts, all agree that one size does not fit all when it comes to employee recognition and reward programs.

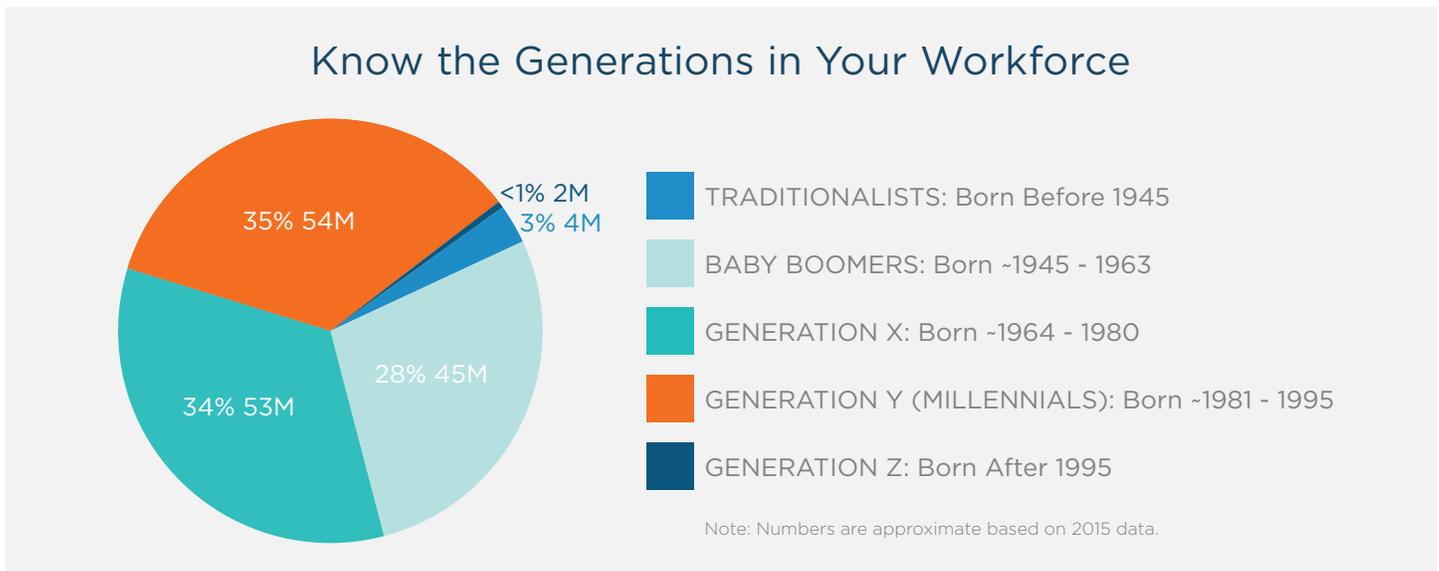
In addition to generational traits associated with birth year, it is important to consider additional demographics, including age, professional/personal life stage and lifestyle, when defining employee preferences and determining what motivates people at work. Recognition programs



Defining Generational Identities

“Whether due to generational differences or lifestyle and life stage preferences, people express interest in a wide range of rewards, incentives and recognition—one size very definitely does not fit all.”

- *Generations in the Workforce & Marketplace: Preferences in Rewards, Recognition & Incentives*



The five generations populating the current U.S. workforce of nearly 160 million span more than 70 years, from about 1945 until today. While it is well understood that all employees seek meaningful and flexible work, work/life balance, learning and development opportunities, and competitive compensation, each generation is characterized by unique identifiers and behavioral traits.

TRADITIONALISTS

Shaped by the Great Depression, World War II and the postwar boom years, Traditionalists bring years of institutional knowledge to their roles. They tend to be risk averse, hardworking, loyal and respectful. They view the employee-employer relationship as a long-term investment within a lifetime career. These fiscally conservative employees are often frugal and typically make purchases mostly out of necessity.

BABY BOOMERS

Baby Boomers were born during one of the most optimistic periods in U.S. history, during a time of prosperity when anything seemed possible. However, in addition to rock n' roll and the peace movement, Boomers grew up in the midst of the nuclear threat, the civil rights era and the Vietnam War. Boomers are independent and place a high priority on their careers; they live to work. They also typically like to stay active and enjoy traveling. Boomers are nostalgic and enjoy things that keep them connected to happy memories and past achievements. Representing nearly one-third of the workforce, they remain influential in shaping workplace culture. Many Boomers expect and want to work beyond age 65 because they enjoy their careers and/or want to supplement their retirement savings.

GENERATION X

Gen Xers came of age during turbulent economic times when dual-income families and divorce rates were surging. Independent by nature, these latchkey kids took care of themselves at an early age while their Boomer parents worked overtime. Gen Xers strive for and appreciate an optimal work/life balance.

GENERATION Y

Also known as Millennials, Gen Ys are now the largest group in the workforce and are expected to constitute half of the nation's working population by 2020. Entering the workforce during a significant economic downturn in the shadow of 9/11, these digital natives were born into an Internet-connected world and are part of the first truly global generation. They take technology for granted; it's an innate part of their reality. These career-oriented, tech-savvy, innovative employees are well educated, socially conscious, dedicated to diversity and invested in philanthropy and actively participate in civic activity.

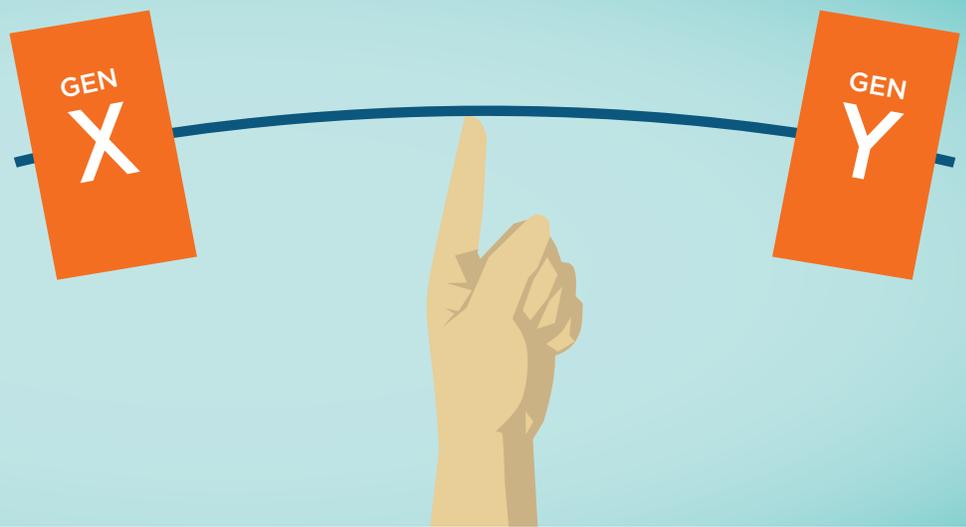
“...the sheer amount of computational power and access to information that Millennials have had at their fingertips since grade school is unparalleled.”

- *The White House Council of Economic Advisors (2014)*

GENERATION Z

Born into the age of terrorism, a global recession and climate change, Gen Z is the most recent group to enter the workforce. They are the first to use smartphones more than computers, and they watch less TV than any other generation. Entrepreneurial and tech savvy, this hyper-connected, evolving generation prefers trendy products over cool experiences. They are early adopters, brand influencers, go-getters and activists, and they dream big.





Balancing Generational Strengths and Weaknesses

Just as organizations evaluate employee skills to determine the best fit, companies must also identify effective ways generations can work together and learn from each other. As Traditionalists continue to phase out of the workforce, balancing the strengths and weaknesses of the remaining generations can help enterprises succeed in an increasingly competitive marketplace.

Baby Boomers are hardworking and highly productive, driven and achievement oriented. Often perfectionists, they may be somewhat less proficient at adaptability, but they are typically excellent mentors. They believe seniority counts, and they strive to make a difference.

Gen Xers are effective managers and great revenue generators, and they possess strong adaptability, problem-solving and collaboration skills. Entrepreneurial and skeptical by nature, they may prefer to work alone and may harbor some distrust of employers in general, understanding that they are solely responsible for determining their career paths.

Gen Y employees thrive on immediate and detailed feedback. Millennials possess deep knowledge in their areas of expertise, and they know how to leverage opportunities. While they enjoy working collaboratively, they may be more productive as individual contributors than as team players. While it is true that many Millennials were raised in an environment in which they were recognized for nearly every accomplishment, they are now committed to success and avidly seek development

opportunities that empower them to enhance their professional skills. They want to be recognized for their contributions and believe performance should trump seniority.

“They (Millennials) will be the most high maintenance workforce in the history of the world, but they may also be the most high performing.”

– Bruce Tulgan, author of It’s Okay to Manage Your Boss

Gen Zs are natural entrepreneurs and self-starters. Many of them want to launch their own businesses, often converting hobbies into full-time jobs. They plan to be pioneers rather than settle into traditional careers. More realistic than idealistic, they may seem somewhat cynical. They place a high value on honesty. They come to the workplace well prepared and equipped to succeed. They are true tech experts and multi-taskers, typically connected to multiple screens for at least 10 hours a day. They watch twice as many videos on mobile devices than any other demographic. At the same time, they strive to boost their people management skills.

As younger generations work alongside more senior employees, some conflict is to be expected. While each generation has a different set of values and views, awareness of these traits can help organizations optimize the strengths each group brings to the workplace.

Giving Employees What They Want



Organizations strive to deliver the best mix of perks to attract and retain premium talent. From healthcare benefits to reward and recognition programs, creating enticing incentives can be a complex challenge for today's HR leaders. While some elements of motivation may be universally appealing (i.e., a pat on the back, a sincere thank-you), each generation has different desires, so different drivers will motivate success. Understanding the specific characteristics that define each generation and using this knowledge to design customized benefits and reward programs will ensure positive impact.

Traditionalists want rewards that last. They are typically budget conscious and purchase things mostly out of necessity. This generation likes activity perks and recognition awards that make a statement. Traditionalists believe in getting the job done right. They value hard work above fun, and they play by the rules. Feedback and appreciation are best delivered formally and privately in one-on-one meetings to express appreciation.

Boomers want status and advancement opportunities, and they seek the respect of peers and leaders. They value healthy competition that showcases their ability to address challenges and accomplish goals. This loyal group tends to respond well to enterprise-wide recognition that shares the details of their success with peer

groups. Special getaways, fine jewelry and enduring rewards that can be proudly displayed and admired spark their interest. They appreciate recognition delivered with a personal touch.

Gen Xers want politically correct luxury. Environmentally conscious name brands satisfy their sensibilities. When this group selects a reward, they're often thinking about work/life balance and others in their lives, so family-oriented perks appeal to this generation. When it comes to appreciation, simple gestures like a pat on the back or a congratulatory email can boost productivity. They value autonomy, flexibility and development opportunities, and they prefer in-person recognition delivered privately or within a small group.

Gen Ys want trendy electronic gadgets. The tech-savvy members of this group want 24/7 easy access to the latest communications and social networking technologies. They like rewards with a social edge, such as gifts that support worthy causes or contribute to a preferred organization. Millennials seek validation and approval. They appreciate increased responsibility, opportunities to work on high-profile projects and frequent reviews so they always know where they stand. Seeking purpose in their work, they are accomplishment oriented and tend to value unique experiences more than job security. This Facebook generation expects frequent, immediate, informal and socially oriented appreciation and recognition.

Gen Zs value uniqueness, authenticity, creativity and collaboration. They are redefining entertainment, consumption and the workplace. Empowered and connected, this generation of culture creators wants to stand out and make a difference in the world.

Investing time and resources to identify and understand the differences between generations and life stages is smart business strategy. This multidimensional versus monolithic perspective can provide organizations with valuable insight that enables enhanced performance, engagement and retention of a loyal, productive workforce. Increasingly sophisticated behavioral and data analytics are giving enterprises unprecedented visibility into employee preferences and motivators. Companies are empowered to build a culture of recognition and design and deliver customized programs featuring a broad array of options tailored to appeal to individuals in every generation.

“Even though everyone in a generation or at a particular life stage won’t want the same things, consideration of generations and life stages is likely to result in better designed incentives, reward and recognition programs.”

– *Generations in the Workforce & Marketplace: Preferences in Rewards, Recognition & Incentives*

Sources:

[Millennials Surpass Gen Xers as the Largest Generation in U.S. Labor Force](#)
[Generation Z Characteristics: 5 Infographics on the Gen Z Lifestyle](#)
[Six Defining Characteristics of Generation Z](#)
[Generation Z Characteristics](#)

Optimize recognition for your multigenerational workforce.

Engage2Excel understands how to approach, manage and motivate the multigenerational workforce. We deliver the research and data analytics that enable you to optimize your talent.

Generational identities are demonstrated through behaviors, life experiences and expectations. What are the prevailing interests of each generation, how are they different, and what defines them? Most importantly, what motivates them? Engage2Excel takes all of this into account by focusing on the specific characteristics and desires of each generation to develop ROI-based recognition programs as diverse as your workforce.

The quest for innovation and creativity starts with people. This insight is central to Engage2Excel, provider of the industry’s only ROI-based employee recognition platform. Our goal is to ensure that your organization attracts, motivates, engages and retains the best and brightest talent.



Measure, Manage and Improve Employee Engagement and Performance

What's missing from your employee engagement strategy and recognition programs? How about an ROI you can take to your CFO. Engage2Excel helps you measure, manage and improve performance with the industry's only ROI-based employee recognition solution while our Talent Acquisition division helps you infuse highly engaged employees into your corporate culture.

Learn more about industry-leading employee engagement solutions from Engage2Excel. Call 800.688.3024 or visit Engage2Excel.com.

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