



COLBURN GROUP

Recognize the Different Generations of Workers in Benefits and Communications

Today's workplace hosts a wide range of employees, with part of that diversity created by generational differences. Many companies' employees span four generations of workers, making benefits plan strategies, and communications challenging for the businesses that employ these workers.

The four generations of employees in today's workforce range from those fresh out of school to those working well past what once was considered typical retirement age:

- Workers born between 1930 and 1945, variously termed mature workers, traditionalists, or the Silent Generation.
- Baby boomers, born 1946-1964.
- Generation Xers, born between 1965 and 1976.
- The newest members of the workforce, sometimes called Generation Y or the Millennials, born 1977-1990.

Each group has been raised differently, has different life experiences, has lived through different historical milestones, and was prepared for the workplace in different ways in part through an educational system that has changed dramatically over the years. As a result, each brings different attitudes, values, behaviors and expectations to the workplace. To bring out the best in such a diverse group of employees, employers should evaluate how well their existing benefits programs meet the needs of the workers in each group, and whether current benefits communications send the most effective messages.

For years now, many employers have tried to meet employees' individual needs by offering choice in employee benefits. This could be as simple as letting employees choose from a handful of medical plans, or as comprehensive as offering a full-menu cafeteria plan with employer credits that employees can apply toward the benefits they wish to purchase. These same approaches can work in meeting the needs of different generations of workers. For example, younger, healthier workers might be interested in a lower-premium/less comprehensive coverage option, while older employees, or those with dependent children, might see a higher-premium, more comprehensive plan as a better fit for them. The Generation X worker with dependents could buy up on life insurance coverage, while the Generation Y worker with no dependents (or the traditionalist whose dependents have grown) could stick with the basic level of coverage, or none at all. The baby boomer with aging parents will begin to appreciate the need for long-term care coverage, while the Gen Xer with young children could be interested in

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options that help pay for child care.

Just as important as offering benefits that meet the needs of different generations is effectively communicating this fact to employees. The communications methods, styles and messages should recognize how each generation of workers is different. For example, very different messages are needed in communicating the importance of the 401(k) plan to baby boomers as opposed to Generation Y workers. Members of this latter, younger group are so far from retirement that they're unlikely to readily think of directing some of their newly acquired income to a retirement savings plan. Messages that focus on the time value of money might be most effective for them, while budgeting forecasts and savings calculators can send a very strong message to older baby boomers. And, in crafting such messages, consider the method and media. Most younger workers will have grown up with communications technologies and respond well to e-mail and other online messages. Many older workers, on the other hand, will respond better to print materials or information presented in meetings.

It's easy to generalize about the needs of different generations of workers, but the best way to determine what benefits your employees would most appreciate is to talk to them. Employee surveys and focus groups will help you to ensure that your investment in benefits—and in benefits communications—pays off.

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