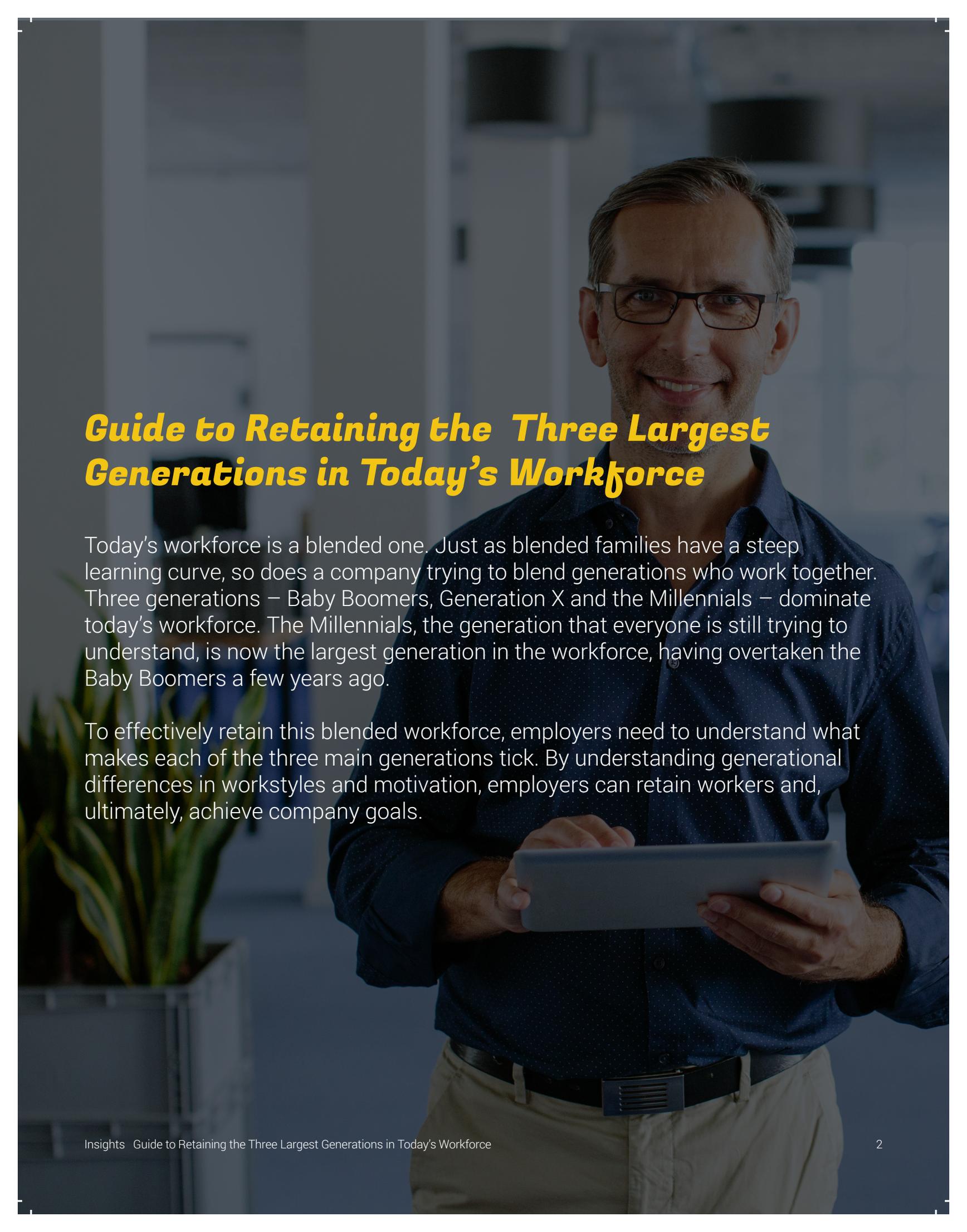




Guide to Retaining the Three Largest Generations in Today's Workforce

The *Generation Insights* Series
from Purchasing Power®



Guide to Retaining the Three Largest Generations in Today's Workforce

Today's workforce is a blended one. Just as blended families have a steep learning curve, so does a company trying to blend generations who work together. Three generations – Baby Boomers, Generation X and the Millennials – dominate today's workforce. The Millennials, the generation that everyone is still trying to understand, is now the largest generation in the workforce, having overtaken the Baby Boomers a few years ago.

To effectively retain this blended workforce, employers need to understand what makes each of the three main generations tick. By understanding generational differences in workstyles and motivation, employers can retain workers and, ultimately, achieve company goals.

Snapshot: Defining Their Worlds

What makes each of these generations who they are today?

Here's a quick overview of what defines them, as well as how they look at the workplace and life.



Baby Boomers (born 1946 – 1964)

The world during a Baby Boomer's formative years was defined by teen culture, social upheaval, the Vietnam War, Watergate and recession.

Technology: Television was the emerging technology during this time, first in black and white and then color.

Work Ethic: Work hard and reap the reward is their mantra. Boomers believe you can have it all if you work hard enough.

Life Attitude: Their attitude about life is mostly optimistic, as long as you take the responsibility to make good things happen.

Managing Them: Boomers might rebel if those in charge act in unacceptable ways. Managing this group entails not only telling them what to do, but discussing it with them also.

Getting Ahead: The Boomer way to get ahead is to obtain the appropriate education on your own. In interacting with this group, don't stereotype them because they have been in the workforce more than 30 years. That doesn't mean they are inflexible or driven to working merely for work's sake.¹

Communication: Baby Boomers preferred methods of communication are face-to-face and over the phone.



Generation X (born 1965 – 1979)

The Gen X world was defined by materialism, technology and two-parent incomes.

Technology: As computing and the internet became widely accessible, this group grew up with the rapid advancement of technology.

Work Ethic: Their mantra is "I'm owed something."

Life Attitude: While their default attitude is often pessimistic, they also feel that life should be enjoyed to the fullest before the moment passes. Their motto, "whatever," reveals a disdain for anything perceived false or insincere.

Managing Them: Individual relationships govern notions of respect to authority, which is earned and not simply recognized by title or longevity. Gen Xers prefer management tell them what to do and perform extremely well if they find a project personally interesting and satisfying. Gen Xers typically will not question management. If they don't like what's happening, they'll just leave and find other opportunities.

Getting Ahead: This generation believes education is important and expects the company to pay for ongoing educational opportunities. Just because Gen X is often maligned as self-absorbed does not mean these individuals don't crave challenge, informality and fun.²

Communication: The preferred method of communication for Gen Xers is email.



Millennials (born 1980 – 2000)

The world during the Millennials' youth was defined by downsizing, dot-com startups, diversity, 9/11 and terrorism.

Technology: For Millennials, technology entails not only the World Wide Web but also being connected 24/7.

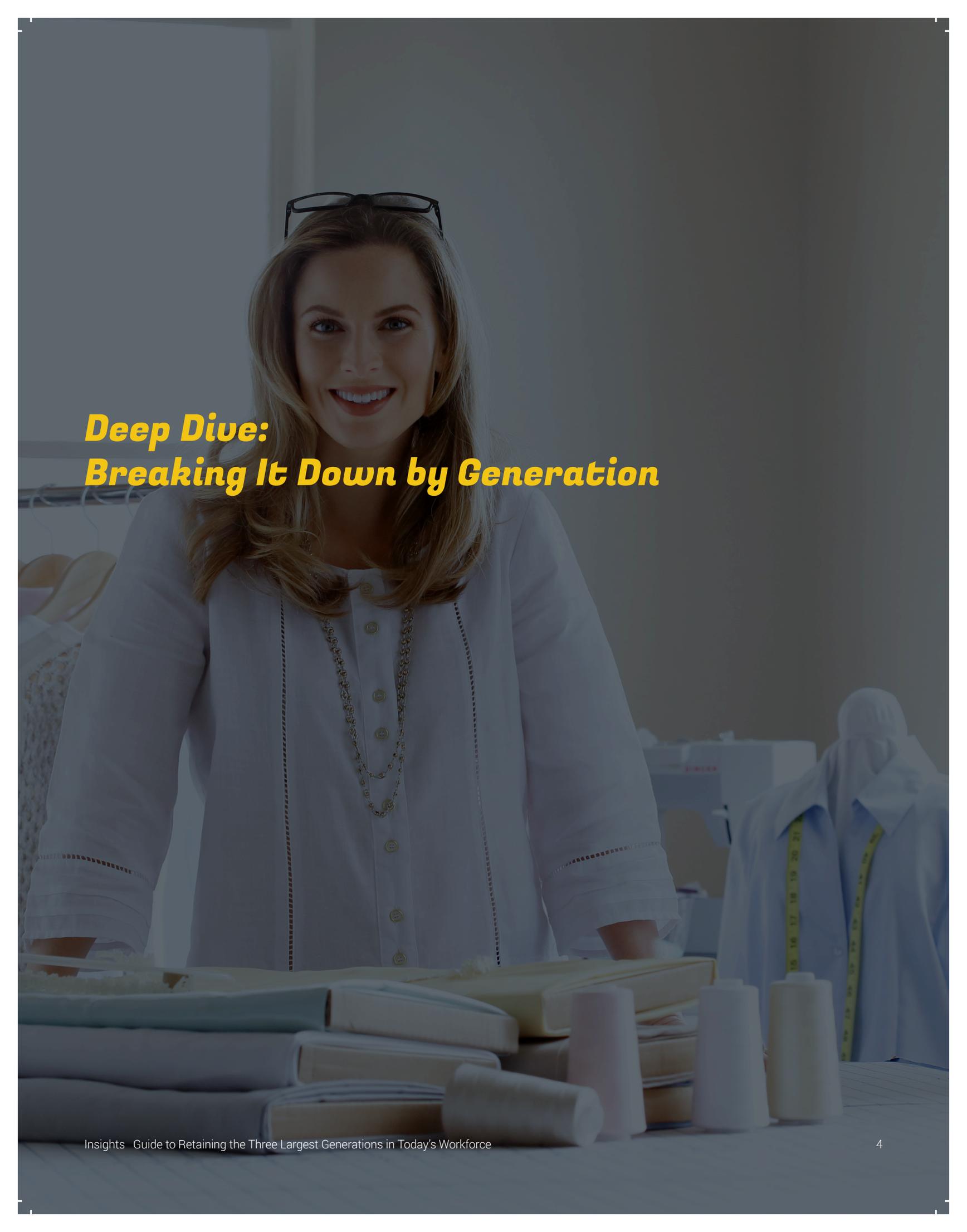
Work Ethic: Millennials are strongly materialistic, believing "I've always had it."

Life Attitude: Their attitude about life is pragmatic and the underlying question for them is, "What actually works?"

Managing Them: Millennials recognize authority when you offer collaboration and protection in a group setting. They want to be told what to do, but they want a team to make it happen. Because they believe collaboration should be possible without fear or intimidation, questioning management is not only accepted, but also expected.

Getting Ahead: Education is a part of who they are and they believe it never ends. "Just experience it," sums up a Millennial's attitude about life. Just because they question authority doesn't mean they are arrogant or defiant they are simply accustomed to questioning and working collaboratively to arrive at the best solution.³

Communication: Millennials prefer text messages and instant messaging as methods of communication.

A woman with long blonde hair, wearing a white button-down blouse and a gold necklace, stands in a sewing room. She has her glasses perched on her head and is smiling. In the foreground, there are stacks of fabric and spools of thread. In the background, a mannequin is visible with a yellow measuring tape around its neck.

***Deep Dive:
Breaking It Down by Generation***



Baby Boomers

Baby Boomers were born during the post-World War II baby boom. They grew up watching TV, swooning over The Beatles, protesting the Vietnam War and ushering in social change. They became the radicals of the 1970s and the yuppies of the 1980s. They rejected and redefined traditional values.

“The American Dream” was promised to them as children and they pursued it. As a result, Boomers are the wealthiest, most active and have the most disposable income for food, apparel and retirement programs. They are retiring later in life due to the economic recession of 2008, but are living longer than any generation before them.

Baby Boomers are confident, independent and self-reliant. This generation grew up in an era of reform and believe they can change the world. They question established authority systems and challenged the status quo.⁴

They are the generation that has re-written societal rules at every stage of their life. Now, they are redefining retirement by planning to work until an older age than previous generations. Two-thirds (66%) of Boomers plan to or are already working past age 65 or do not plan to retire at all – and many expect to continue working in retirement, at least on a part-time basis.⁵

Some interesting facts about Baby Boomers that give more insight:



82% of Baby Boomers belong to at least one **social media platform** and Facebook is by far their most popular site.⁶



They are **supporting their adult children** – 59% of Boomer parents provide financial support for adult children 18 to 39.⁷



Boomers are not the stereotypical senior citizens – just because they are aging doesn't mean they are slowing down. Baby Boomers are **expected to influence the world for years to come**.⁸



90% are **married** and 49% were married between the ages of 18 and 33.⁹



30% access **mobile coupons to redeem in a retail store** and 32% research products online.¹⁰



Baby Boomers are responsible for 80% of all **luxury travel spending**.¹¹



Generation X

Like their namesake suggests, Gen Xers are less distinct than other generations.¹² And they know it. One reason they have trouble defining their own generational persona could be that they haven't received as much media attention as Millennials or Baby Boomers.

Members of Gen X were children during a time of shifting societal values. They were dubbed the "latchkey generation" because they were home alone. This reduced adult supervision compared to previous generations was a result of increasing divorce rates and rising maternal participation in the workforce, all of which was prior to widespread availability of childcare options outside the home. As adolescents and young adults, they were called the "MTV Generation" and characterized as slackers, cynical and disaffected. Some of the cultural influences on Gen X youth were the musical genres of grunge and hip hop music, and indie films. In midlife, research describes Gen X adults as active, happy, and achieving a work-life balance.¹³

They're fiercely independent, entrepreneurial, well-educated and highly technically literate. Gen Xers strive for work-life balance and think globally, and they are deeply cynical of Baby Boomer values, such as the pursuit of the "American Dream."¹⁴

It's not easy to be a Gen Xer. Although they've been labeled the "slacker generation," they are slackers no more. They have put away their flannel shirts and managed to make it through the U.S. housing bubble. They were the hardest hit during the 2008 financial crisis. However, it's not all doom and gloom. Gen X is also the generation that will experience the highest increase in their share of national wealth through 2030.¹⁵

Insights Guide to Retaining the Three Largest Generations in Today's Workforce

Some interesting facts about Gen Xers that give more insight:



Their mantra is "If it ain't broke, don't fix it." They are **independent, self-reliant, entrepreneurial**, and concerned about work-life balance and family time.



Gen Xers grew up with **personal computers and MTV**. They are now the sandwich generation raising a family while at the same time helping their aging parents.



They **outspend all other generations** when it comes to housing, clothing, eating out and entertainment.¹⁶



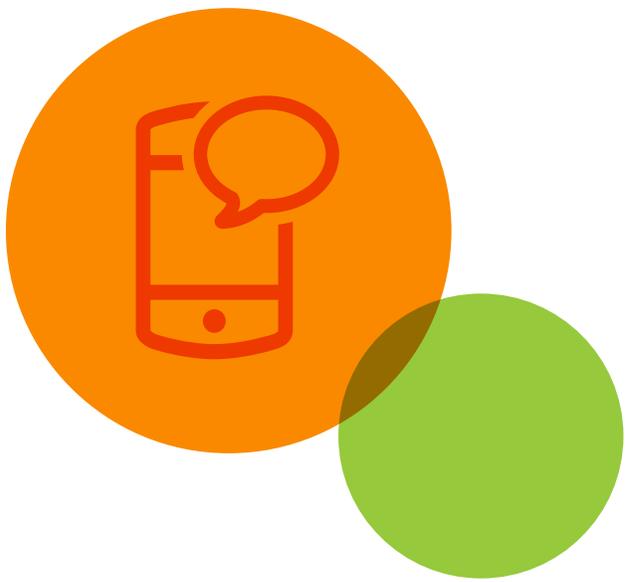
They **spend seven hours a week on social media** (more than Millennials who spend six hours).¹⁷ They engage with their online personas less for selfie-centered promotion and more to keep track of the world and reach their Millennial kids.¹⁸



A whopping **55% of startup founders** are Gen Xers.¹⁹



Instead of downsizing as they age, many Gen Xers are **upsizing to accommodate their extended families** since kids who used to flee the nest are now coming back home in droves to their Gen X parents.²⁰



Millennials

Millennials (aka Generation Y) make up the largest segment -- nearly half -- of the U.S. workforce today.²¹ By 2025, they will compose 75% of our workforce.²²

They're unlike any of the generations that preceded them. Which makes figuring out how to recruit, work with, and retain engagement with Millennials may be one of the biggest challenges today's organizations face.

Although they are stereotyped in many ways -- including believing they are entitled; tied to their smartphones; selfie-obsessed; job-hoppers; digitally-addicted and much more -- recruiting and keeping Millennials isn't about pampering them and "giving in." Instead, it's about understanding them and what motivates them, and addressing their differences.

Some interesting facts about Millennials that give more insight:



They are the **least engaged** generation in the workforce -- 55% of Millennial workers are "checked-out."²³



They are **always on their smartphones** -- they own 7.7 connected devices and use 3.3 each day.²⁴



While about 8 in 10 births are to Millennial moms, they are **waiting longer to become parents** than prior generations.²⁵



15% of 25- to 35-year-old Millennials **live with their parents**.²⁶



The Millennial generation is ushering in the **nation's broadest racial diversity** -- nearly 30% represent the "new minorities" (Hispanics, Asians and those identifying as two or more races).²⁷



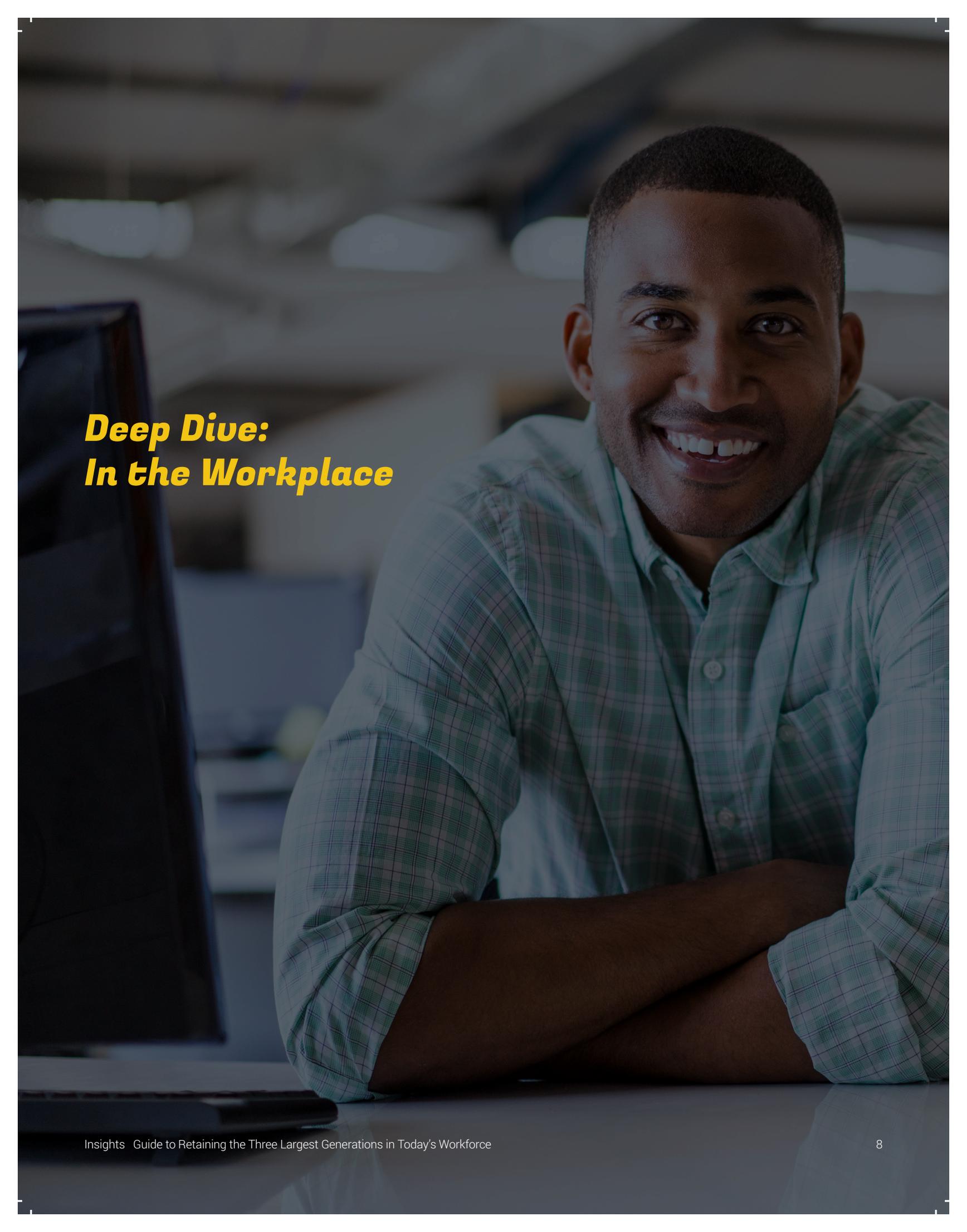
4 in 10 Millennial workers ages 25 to 29 had **at least a bachelor's degree** in 2016.²⁸



They are the most likely generation to use public libraries -- 53% have **used a public library** or bookmobile in the past year.²⁹



Millennials represent the **most charitable generation** -- 84% make annual donations.³⁰

A photograph of a smiling man with short dark hair, wearing a light green and white plaid button-down shirt. He is sitting at a desk with his arms crossed, looking towards the camera. To his left is a computer monitor. The background is a blurred office setting with overhead lights.

***Deep Dive:
In the Workplace***

Baby Boomers

Baby Boomers are committed, hard-working and career-focused – which has caused them to be labeled as workaholics by Gen Xers and Millennials. The Baby Boomer work ethic is also characterized by dedication, loyalty and a willingness to stay in the same job for a long time. They have a lot to offer businesses with their work and life experience, skills and knowledge that many younger people can't offer. They tend to work longer hours and respect is paramount when managing a Baby Boomer.

While they tend to be enthusiastic and take pride in their work, companies need to find ways to harness the energy that Baby Boomers bring to the work environment with mentoring programs designed to transfer industry knowledge. In the meantime, giving Baby Boomers rewarding jobs and projects can help retain them for longer. Recruitment efforts can provide older workers with consulting roles that enable them to earn the respect of peers as their careers come to a close.³¹

Baby Boomers value salary level, health insurance and a retirement plan.³² Further, 54% of Baby Boomers say the opportunity to make a difference in the organization is an attractive factor that helps promote retention rates.³³

The aging Baby Boomers are working longer and retiring later. Nearly 55% of Baby Boomers say they are willing to work longer hours than other generations, and are considered the second most productive generation after Gen X.³⁴

On Staying with the Same Employer

They tend to stay at the same job for years. In fact, more than 40% of Baby Boomers stayed with their employer for more than 20 years, including 18% who have stayed at least 30 years. However, it's a trend more common among the older Boomers than the younger ones and traditional pensions appear to be one of the driving factors. Half of those aged 65 and up but only a third of those age 50 to 64 have stayed with the same employer for at least two decades.³⁵

On Work Ethic

Baby Boomers are extremely hardworking and motivated by position, perks and prestige. They relish long work days and define themselves by their professional accomplishments. Since they sacrificed a great deal to get where they are in their career, this workaholic generation believes that Gen Xers and Millennials should pay their dues and conform to a culture of overwork.³⁶

On Goals

With increased educational and financial opportunities than previous generations, Baby Boomers are achievement-oriented, dedicated and career-focused. They welcome exciting, challenging projects and strive to make a difference.³⁷

On Working with Them

Since Baby Boomers equate work and position with self-worth, they are quite competitive in the workplace. They are clever, resourceful and strive to win. Boomers believe in hierarchal structure and rankism and may have a hard time adjusting to workplace flexibility trends. They believe in "face time" at the office and may fault younger generations for working remotely.³⁸



On Financial Stress and Their Job

There are a number of reasons Baby Boomers have financial stress:

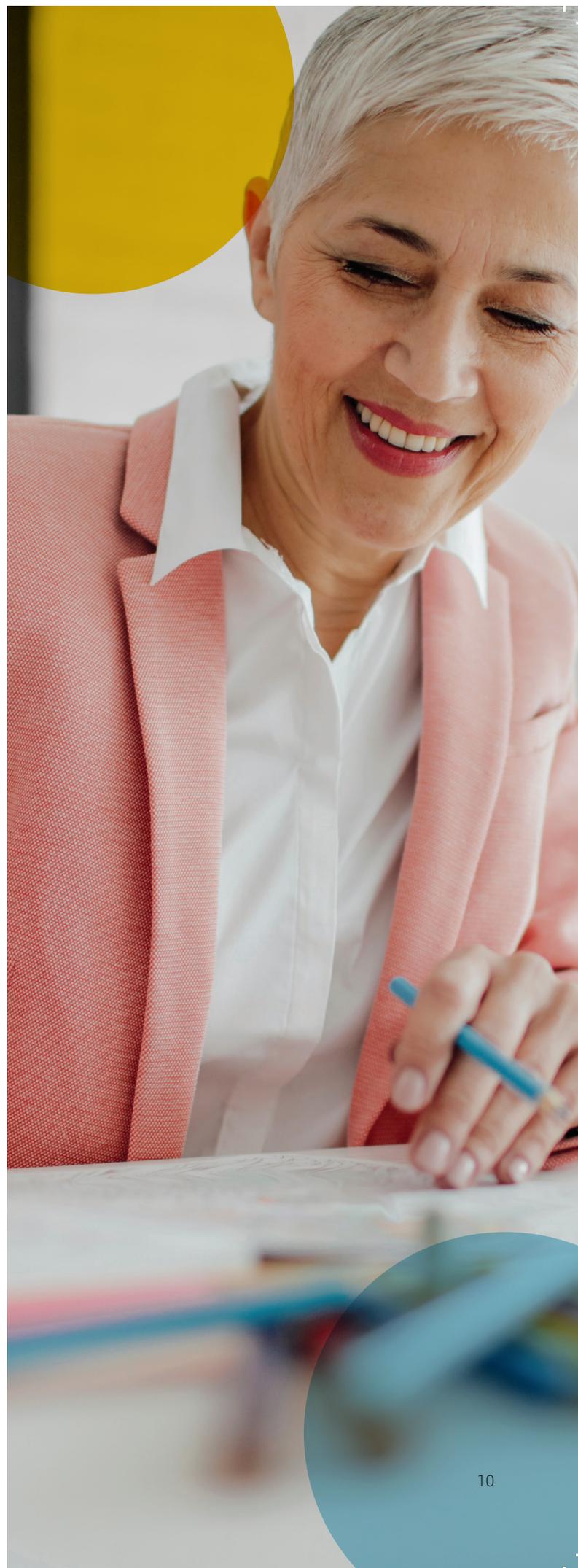
- 41% carry balances on their credit cards and, of those who consistently carry balances, 36% find it difficult to make their minimum credit card payments on time each month. Additionally, 18% of Boomers use credit cards for monthly expenses they couldn't afford otherwise.³⁹
- 45% of Baby Boomers say their top financial concern is not having enough emergency savings for unexpected expenses; 41% say it is not being able to retire when they want to; and 20% say it is not being able to meet monthly expenses.⁴⁰
- 32% of Baby Boomers find it difficult to meet household expenses on time each month.⁴¹
- Among the 9% of Baby Boomers with student loans, 48% say it is having a significant impact on their ability to meet their other financial goals. Of the 9% with student loans, 60% say the loans are for their own education and 38% say they are for their children.⁴²
- Of the 16% of Baby Boomers who say their finances have been a distraction at work, more than one-third (36%) spend three hours or more at work each week dealing with personal finance issues.⁴³

On Financial Wellness

What does financial wellness mean? To 28% of Baby Boomers, financial wellness means having the financial freedom to make choices to enjoy life; 25% of Boomers say it means having enough savings that they are not worried about unexpected expenses; 15% say it means being debt free; and 14% say it means not being stressed about their finances.⁴⁴

On Retirement

Baby Boomers plan to retire at age 65 and expect to live to age 87, resulting in a retirement of 22 years. Thus, they have been saving for retirement and 57% say they are planning to cut their expenses so they can save more.⁴⁵



Generation X

Generation X is the bread and butter of today's workforce. The closer they get to 55, the more their knowledge becomes invaluable to organizations and their customers. They are the company's intellectual capital.⁴⁶

When they feel their job is not "just a job" but has special meaning, Gen Xers are seven times more likely to look forward to coming to work.⁴⁷ They also appreciate fun in the workplace and espouse a work hard/play hard mentality.

Gen Xers are approaching the middle of their working careers and potential peak earning years. About 68% of the CEOs of Fortune 500 corporations are from Gen X, as are many of their lieutenants.⁴⁸ Many other Gen Xers are established professionals and entrepreneurs.

Gen X workers are actually the most committed and engaged at work. How can you keep them happy and loyal? Probably the most important way to do this is to provide competitive pay. Although money isn't their biggest motivator, it's definitely a factor - especially considering their stage in life, with responsibilities such as home ownership, parenthood and even children entering college. In addition to wages, bonuses can be a great way to inspire Gen Xers without committing to a permanent salary increase. Tie pay to the results they get for your business and this generation will be highly motivated.⁴⁹

On Flexibility

They enjoy freedom and autonomy. A flexible workplace is a must for a Gen Xer. More so than the other generations, they have a strong need for flexibility in terms of both work location and hours.⁵⁰ Much of the reason is that they are balancing caring for school age children along with caring for aging spouses and/or aging parents.

On Work Ethic

They work to live rather than live to work. Gen Xers' work ethic is balanced and flexible with a 'work hard, play hard' attitude. They believe in accumulating skills by taking on differing projects. Their greatest fear is being overshadowed by Millennials and being overlooked for promotions. Keys to job retention for Gen X are salary, autonomy, independence and promotion, promotion, promotion!⁵¹

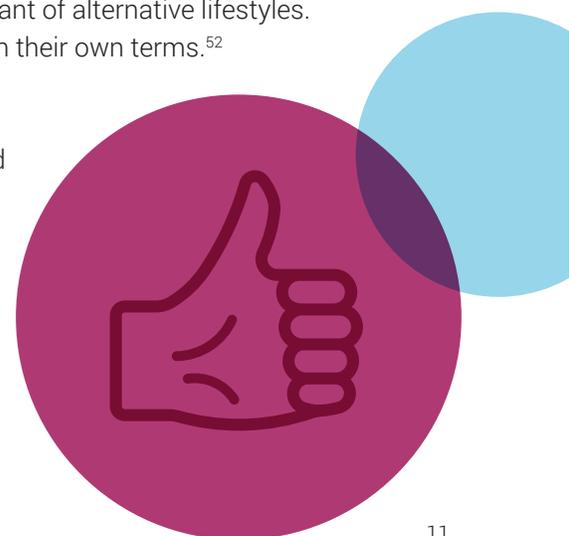
On Their Job and Compensation

Many Gen Xers lived through tough economic times in the 1980s and saw their workaholic parents lose hard-earned positions. They tend to be less committed to a single employer as a result. They're more willing to change jobs to get ahead than previous generations. They adapt well to change and are tolerant of alternative lifestyles. Gen X is ambitious and eager to learn new skills, but they like to accomplish things on their own terms.⁵²

On Managing Them

Expect independence from Gen Xers. They've been called "the great under-supervised generation." Growing up as latchkey kids, many in this generation learned to fend for themselves. As a result, many Gen Xers tend to be more resourceful and independent in the workplace.⁵³ They value constructive feedback. However, they dislike being micromanaged and embrace a hands-off management philosophy.⁵⁴

A more naturally skeptical generation, Gen Xers may be prone to shooting down ideas. Rather than interpreting these behaviors in a wholly negative way, encouraging them to offer their own suggestions may lead to stronger outcomes overall.⁵⁵



On Work-Life Balance

Because Gen Xers saw their parents work themselves non-stop for their Baby Boomer bosses, they will put their personal lives ahead of their job without thinking about it. Generation X's work hard/play hard approach to productivity can lead to burnout if long hours at the office aren't mitigated.⁵⁶ Encourage these workers to find balance, and support them by offering flexible schedules and remote work arrangements.

On Culture

Gen X brings a culture of quality, work ethic and reciprocal relationships, in which the organization and the employee work together to achieve a common goal.

On Teamwork

Gen Xers tend to be independent. When working with them don't be surprised or offended if they choose to work alone. There is no need for companies to do away with team work entirely, but provide regular opportunities for Generation X to shine on their own through solo work. Respect the hierarchy. Gen Xers tend to be hierarchical, seeking authority to make decisions and preferring formal processes.⁵⁷

On Providing Feedback

Wait for their request. If a Gen Xer wants feedback, they'll ask for it. Be specific about what they've done well and what they need to improve on. Don't overdo the praise; with their natural skepticism, they won't buy effusive compliments and will instead wonder what you're trying to sell them.

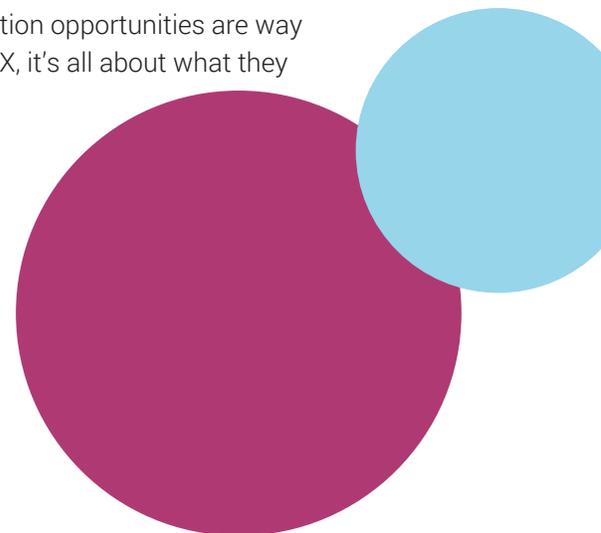
On Career Development

Prepare them for leadership roles. With an increasing number of Baby Boomers moving into retirement, members of Gen X are taking up the mantle of leadership – which can be a challenge to their often independent, self-reliant nature. Investing now in leadership programs can help this generation make the transition successfully. Individualized coaching or mentorship sessions can be a strong way to help members of Gen X get the leadership training they'll need without feeling like they are giving up control over the process.

Help them grow in place. Providing opportunities for growth, paired with stability, will keep Generation X workers happy.

On What Motivates Them

Above all else, Gen X employees want to feel like their work matters. Job stability and income are far less important to them. Recognition for their work, development opportunities and promotion opportunities are way down on the scale, too. What matters most to this generation isn't financial. For Gen X, it's all about what they can do for their employer's business.⁵⁸



On Financial Stress and Their Job

There are a number of reasons Generation X has financial stress:

- 63% carry balances on their credit cards and, of those who consistently carry balances, 42% find it difficult to make their minimum credit card payments on time each month.⁵⁹
- 51% of Gen Xers don't have enough emergency savings for unexpected expenses.⁶⁰
- 50% of Gen Xers find it difficult to meet household expenses on time each month.⁶¹
- Generation X is Generation Debt 1.0. Like Millennials, Gen Xers are highly educated and they are still paying for it. Although members of this generation graduated decades ago, they may still be paying off student loans. And to make matters worse, they may have a still-upside-down mortgage on top of it.⁶²
- Among the 31% of Gen Xers with student loans, 42% say it is having a significant impact on their ability to meet their other financial goals.⁶³
- And Gen Xers bring their financial stress to work with them. Of the 34% of Gen Xers who say their finances have been a distraction at work, nearly (46%) spend three hours or more at work each week dealing with personal finance issues.⁶⁴

On Financial Wellness

For Gen Xers, much of their financial wellness state is due to the sandwich syndrome. This generation is supporting and educating children while also providing care for aging parents. In these circumstances, the potential for financial duress can be substantial, but steps can be taken to reduce stress, balance budgets and mitigate the effects of unplanned life events.

On Job Retention

Gen Xers are clear on what is important to them in their job. What makes them choose one employer over another? A sense of pride in their work is important to this generation. They want the ability to make an impact on the business and to believe in the reputation and vision of the business. Want to make sure Gen X talent sticks around? Gen Xers' highest-ranked reason for leaving is not seeing a way to advance beyond their current role. If they can't move up, they'll move on.⁶⁵

On Retirement

Gen Xers expect to retire early, at age 63. To make that happen, 81% of them are already saving for retirement and 72% say they are planning to cut their expenses so they can save more.⁶⁶ As a group Gen X is on track to become the first generation to be worse off in terms of being prepared for retirement than their parents.

Millennials

Millennials don't view work like the earlier generations do. So what makes them tick at work? Here's an overview of how Millennials look at things in the workplace.

On Flexibility

Millennials want flexibility at work because they want a life, not just a job. They don't tend to separate life and work. They are especially concerned about managing their work and personal lives so that neither suffers. In addition to flexibility in hours, they would like the opportunity to work from home or other locations where they feel they can be more productive.⁶⁷

On Their Job and Compensation

Millennials want to feel like they are personally valued and contributing to the organization's mission. They want good jobs and they want to be engaged in those jobs, meaning they are emotionally and behaviorally connected to them. But they struggle to find jobs that engage them.⁶⁸

Millennials want to be compensated based on job performance, not tenure. Implementing performance-based compensation will keep them engaged.⁶⁹ And, while they want to be compensated fairly, Millennials also want to do work that has meaning.⁷⁰

On Their Manager

Millennials don't want bosses, they want *coaches*.⁷¹ They distrust rules and formal institutions, but crave structure and guidance. Because they see work and life as closely intertwined, they want a different relationship with their manager. They want their manager to care about them as an employee and as a person. If they can talk with their manager about non-work-related issues, then 62% plan to be with their current organization one year from now.⁷²

On Job Assignments

If they have an assignment and a deadline – and they accomplish it – they don't want it to matter where or how they did it. Millennials value autonomy – they want to be given an assignment and then be trusted to complete it correctly and on time. They want to be coached to success, not micromanaged.⁷³

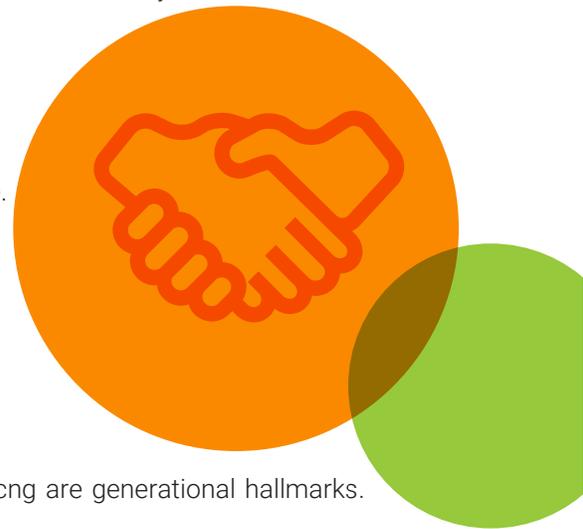
On Teamwork

They want a workplace that fosters teamwork. They are used to working in teams and want to make friends with people at work. They believe teams can accomplish more and do better. Millennial employees work well with diverse coworkers.

Millennials are uniquely social. Sharing ideas, learning from others, and co-producing are generational hallmarks. They are accustomed to and want to collaborate via technology.⁷⁴

On Performance Reviews

They don't want annual reviews. Millennials want and value frequent feedback -- they want ongoing conversations. They will often leave a job abruptly instead of trying to work through a difficult work situation.



On Training and Development

They love to learn new things and grow in their job and responsibilities. In the Millennials' ideal workweek, there would be significantly more time devoted to the discussion of new ideas and ways of working; on coaching and mentoring; and on the development of their leadership skills.⁷⁵

Millennials place more importance on job-specific training, career development and advancement opportunities contributing to their job satisfaction compared with older generations.⁷⁶ Millennials will take advantage of as much training as they can access. They want opportunities for development and self-improvement, even if that means searching for employment elsewhere.

On Recruiting Through Social Media

Social media is a great way to recruit Millennial talent, including using it as a way to present a company's culture, personality and values. In addition to Facebook and Twitter, Millennials spend a significant amount of time on Instagram and Snapchat. Encouraging current Millennial employees to talk about their employer on social media can be a powerful recruiting tool.⁷⁷

On Financial Stress and Their Job

There are a number of reasons Millennials have financial stress:

- 7 in 10 carry balances on their credit cards, with 45% using those credit cards for monthly expenses they couldn't afford otherwise.⁷⁸
- Almost half (47%) of Millennials don't have \$2,000 in savings for emergencies.⁷⁹
- More than two-thirds of Millennials have at least \$10,000 in student debt and one-third of those owe more than \$30,000.⁸⁰
- Half (52%) of Millennials have experienced a "cash trap" in the last three months, meaning that they've had to borrow money or dip into savings to make it to the next paycheck.⁸¹
- 31% of Millennials spend three to five hours at work each week on personal finances, while 29% spend more than five hours.⁸²

On Financial Wellness

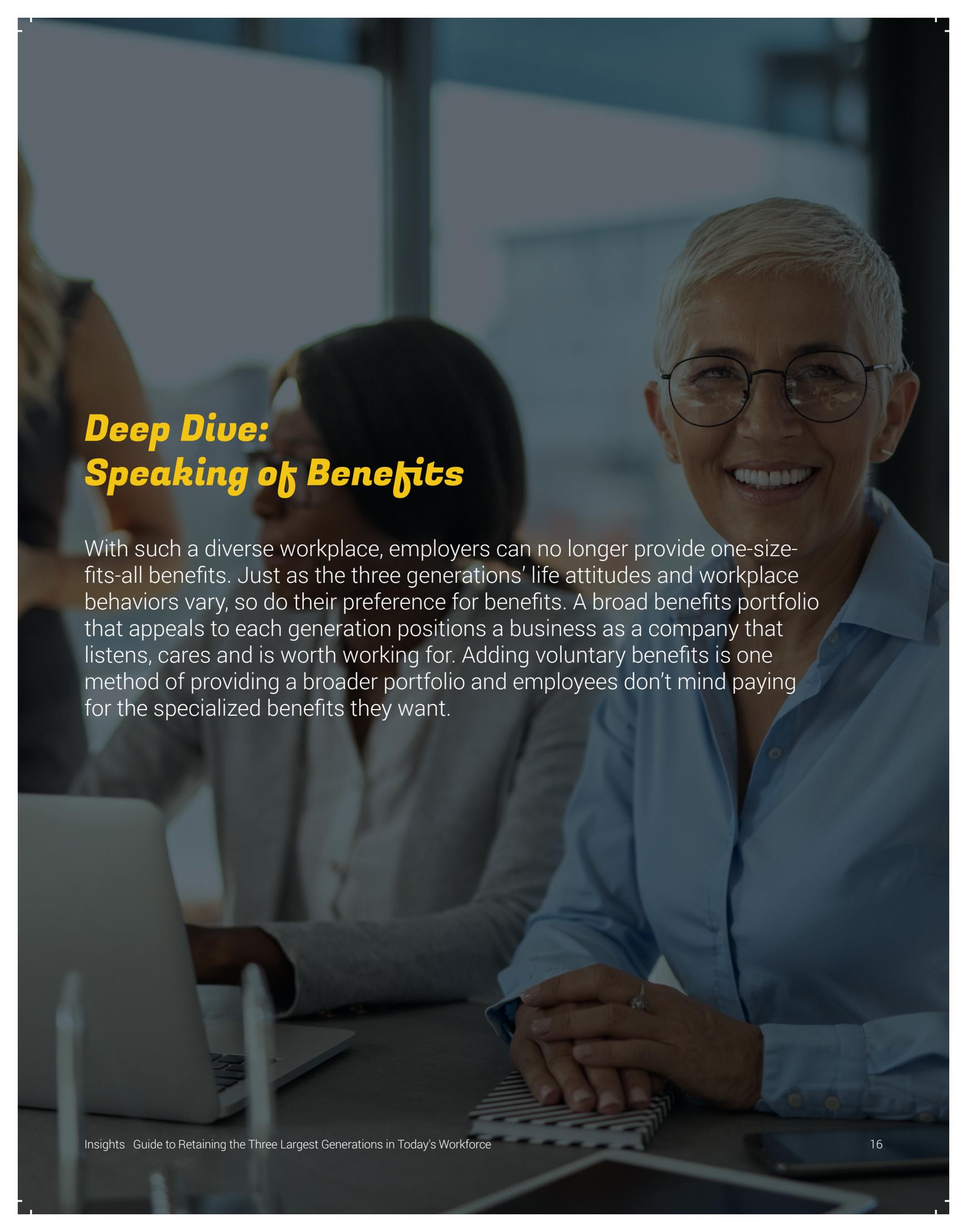
They want help managing a range of financial matters. The number one issue they are concerned about is saving for retirement, followed by developing good general savings habits and paying down debt.⁸³

On Changing Jobs

They won't stay with their employer for the long term. In fact, 21% of Millennials -- more than three times the number of non-Millennials -- switched jobs in the last year. And 60% of Millennials say they are open to a different job opportunity. Millennial turnover costs the U.S. economy \$30.5 billion annually.⁸⁴

On Retirement

In spite of their current financial wellness issues, they expect to take early retirement at age 58. To make that happen, 80% of Millennials are already saving for retirement and 75% say they are planning to cut their expenses so they can save more.⁸⁵

A woman with short white hair and glasses is smiling and looking towards the camera. She is wearing a light blue button-down shirt. In the background, other people are visible in a meeting setting, but they are out of focus. The overall scene is dimly lit with a blue tint.

Deep Dive: Speaking of Benefits

With such a diverse workplace, employers can no longer provide one-size-fits-all benefits. Just as the three generations' life attitudes and workplace behaviors vary, so do their preference for benefits. A broad benefits portfolio that appeals to each generation positions a business as a company that listens, cares and is worth working for. Adding voluntary benefits is one method of providing a broader portfolio and employees don't mind paying for the specialized benefits they want.

Baby Boomers

Baby Boomers value salary level, health insurance and a retirement plan.⁸⁶

They also respond well to performance incentives, end of the year bonuses and raises based on merit.

Because many Baby Boomers have one eye on the unstoppable aging process, they are more health conscious than previous generations.⁸⁷ Exercising is a must for many, so providing in-house workout rooms or gym discounts/subsidies, access to a personal trainer and exercise classes will appeal to Boomers.



This generation often finds themselves caring for older family members. A commitment to flexible working --whether it's from home or to flex the work week-- can make all the difference. Freeing up time to visit elderly relatives, attend medical appointments or just to take some valuable hours to relax or unwind is an extremely valuable asset for someone coping with caring.

Traditional Benefits

Health insurance is viewed as the most important employee benefit by all three generations by a wide margin. Aging employees are more likely to need more medical care so it's no surprise that most Baby Boomers view health insurance as the most important employee benefit.

Retirement is certainly among the top benefits on the mind of Baby Boomers and companies that match an employee's voluntary retirement contribution win points with this generation.

Childcare is no longer an issue for most Boomers, but making sure their partners, grown-up children or extended family is protected is important. Consequently, a generous life insurance plan gives them peace of mind should the worst happen.

Voluntary Benefits

Serious illnesses affect older people more so critical illness coverage and cancer coverage are important to Baby Boomers.

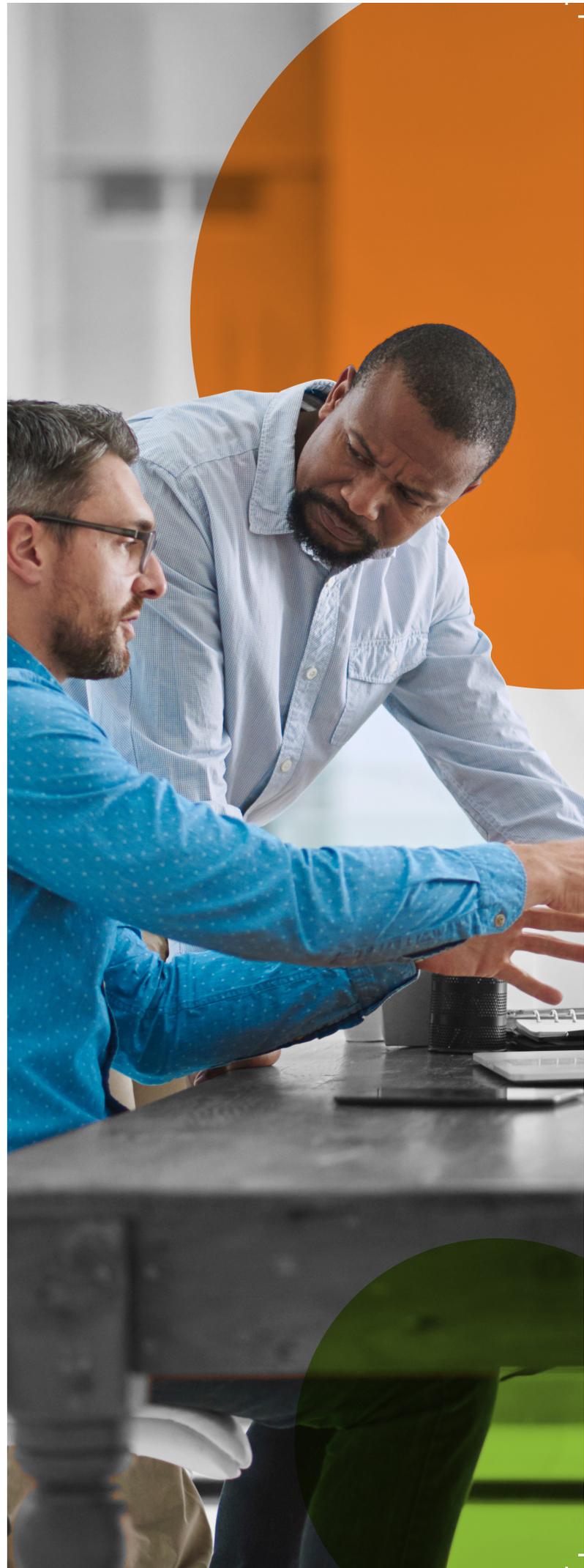
Long-term care insurance (LTCI) is an essential benefit for those nearing retirement. It can safeguard income in the event an employee, of any age, requires assistance with daily living tasks such as eating, bathing or driving. An illness or accident could create this need for anyone but Baby Boomers nearing retirement are more likely to be interested in this benefit. However, it's costly and the younger you buy, the lower the cost. Generally speaking, age 50 to 65 is the most cost-effective time to buy LTCI.

Financial Wellness

The financial wellness needs of Baby Boomers vary. Some are worried about meeting household expenses and making minimum credit card payments each month and others are concerned about not having enough emergency savings for unexpected expenses. And, of course, retirement funding weighs on most of their minds.

This presents a prime opportunity for employers to help Baby Boomers with financial wellness benefits. While financial wellness programs have not yet reached the level of penetration of other longstanding benefit offerings, 52% of employers have implemented or are considering implementing a financial wellness program; and 44% believe that a financial wellness program is becoming a “must-have” benefit in order to be competitive.⁸⁸

Baby Boomers want help from their employers with their financial wellness. If offered financial education programs at work, 76% of Baby Boomers would participate in them.⁸⁹ Among the financial wellness programs employers can utilize to aid Baby Boomers are financial education programs on debt management and retirement planning and benefits such as employee purchase programs and employee discount programs.



Generation X

Gen Xers have a world of responsibilities on their shoulders. More than anyone else in the workforce, they're likely to be juggling child or elder care with the pressures of a progressing career. Providing the right benefits can help ensure their years of experience and expertise aren't lost.

Pay/bonuses are the benefit that matters most to Gen X, followed by paid time off and retirement plans. In addition, about one-fourth (24%) say the desire for financial stability motivates Gen X to stay in a job.⁹⁰

Their years of work are likely reflected in their career path. Gen X is highly experienced and hard to replace, but businesses often forget about their 'engine room' and concentrate employee benefits around the new starters. Benefits are more engaging when tailor-made to each generation's needs and Generation X has some key priorities:⁹¹

1. Childcare
2. Flexibility (in working location and hours due to child/elder care issues)
3. Financial protection and education
4. Wellbeing support
Trying to balance children, elderly parents, work aspirations and their own health and wellbeing is demanding. Anything employers can do to ease those stresses are valued by Generation X.
5. Dental insurance
Children's health is always a parent's concern and with all the sugar in their diets these days, visiting the dentist regularly is a priority. Dental insurance covering routine care and contributing to the cost of orthodontics is welcomed.

Additionally, Gen Xers value salary level, a 401k plan with matching benefits, job security, advancement within the company, and opportunities for work-life balance.⁹²

Traditional Benefits

The "standard" benefits such as traditional medical, vision and dental coverage are important to this generation. Their interest in financial security dictates income protection (disability insurance) should be on the list as well.

They expect a broader range of healthcare services than they are currently offered. Today's Gen Xers, and particularly those who struggle with chronic disease (such as heart disease and diabetes), are far more willing to pay for innovative healthcare services than older generations. The highest rated item on their healthcare wish list is same-day appointments with a family doctor. In fact, 43% of Gen Xers are willing to pay extra for this offering.⁹³

A Variety of Options

Gen X might be the generation needing the most variety of benefit options -- they not only have children but are also very likely taking care of their parents as well. Their benefit needs include everything from income protection, financial wellness and retirement education to family support, child care and elder care. By offering a variety of voluntary benefits, employers can provide Gen Xers the opportunity to customize their benefits package to meet their individual needs, even though they may need to pay the premium.

Child Care

Gen Xers with children are interested in worksite child care and back-up child care benefits.

Financial Wellness

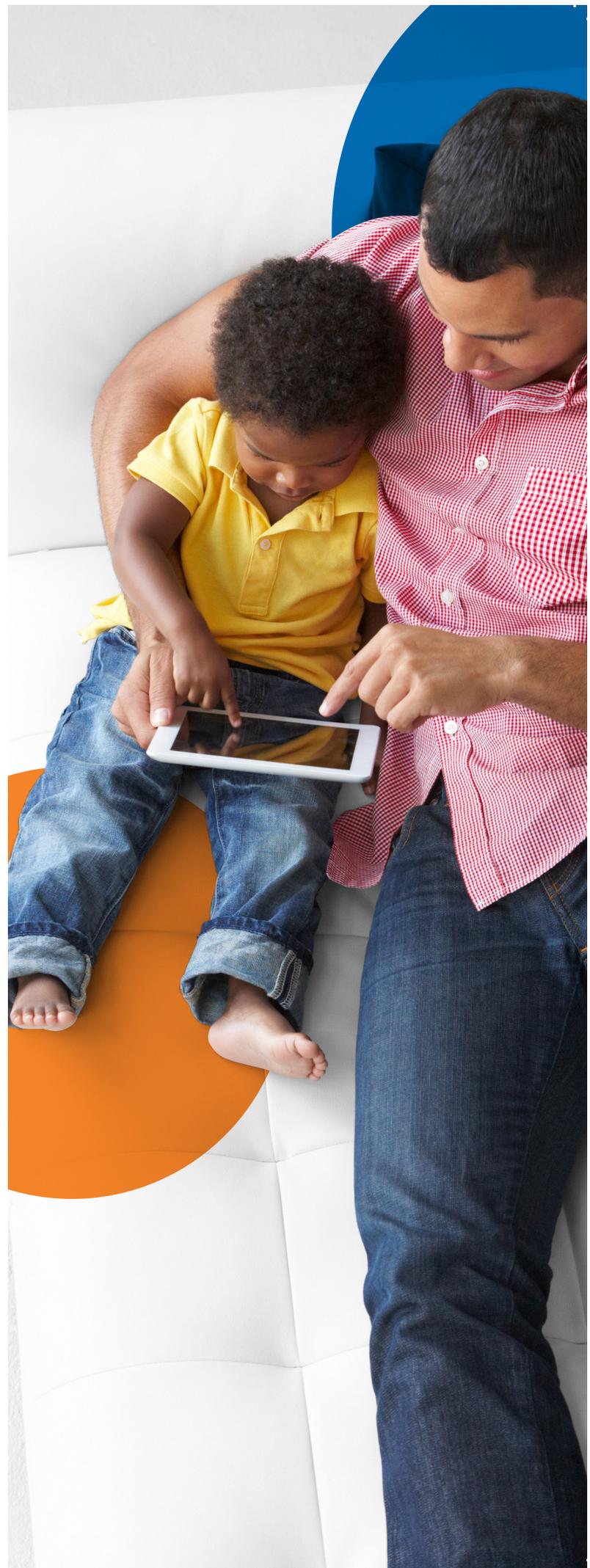
With half of Gen Xers not being able to make their monthly expense payments on time and not having enough in savings for emergencies that can arise, financial wellness is a real concern for this generation.

The good news is that Gen X is very interested in improving their financial wellness. In fact, if offered financial education programs at work, 89% of Gen Xers would participate in them.⁹⁴

In addition to financial education programs on budgeting, debt management and retirement planning, benefits such as employee purchase programs and employee discount programs help Gen Xers access products and services they need and want in a more financially-disciplined manner.

Work-Life Balance

To feed their need for work/life balance, Gen Xers appreciate paid vacation and sick days and a flexible work schedule which could include working virtually for some percentage of their work week.



Millennials

The benefits and perks that employees today truly care about are those that offer greater flexibility, autonomy, and the ability to lead a better life. Millennials want benefits and perks that directly impact their lives and the lives of their family members, and they show a greater willingness to switch jobs to secure these elements.⁹⁵

In fact, Millennials will change jobs for a particular benefit or perk. One in three millennial workers has turned down a job offer due to insufficient or lackluster health insurance.⁹⁶



What benefits and perks are important to Millennials?

Traditional Benefits

As they age, the more traditional benefits become more important, but Millennials still want more than traditional medical, vision and dental coverage. As more Millennials begin to take on more responsibilities like getting married, purchasing a home and starting a family, they are slowly warming to the idea of benefits like disability coverage.⁹⁷

They expect a broader range of healthcare services than they are currently offered and are not opposed to paying for high-tech and high-touch health care experiences, such as an on-camera visit with a doctor or an app that enables a consultation with specialists.⁹⁸

More than half (55%) of Millennials say their highest-ranking health care offering is guaranteed appointments with a specialist within a week.⁹⁹

A Variety of Options

Millennials are an “on-demand” generation—they want to be given lots of options in their benefits package and then have the power to pick only those they deem useful. This mentality has driven demand for a wide variety of benefit options.¹⁰⁰ By offering a variety of voluntary benefits, employers provide a means for Millennials to customize their benefits package, choosing options that are important to them.

Most employers are adding or expanding voluntary benefits to attract Millennials. Benefits like identity theft protection, critical illness insurance, student loan repayment programs and pet insurance appeal to Millennials.¹⁰¹

Development Opportunities

They are the generation most interested in development opportunities, such as pursuing higher education, joining professional organizations and attending conferences.

One way to give Millennials opportunities to grow and learn new skills can be accomplished through a mentor program. Millennials with a mentor were more likely to say they planned on staying with their current employer.¹⁰²

Child Care

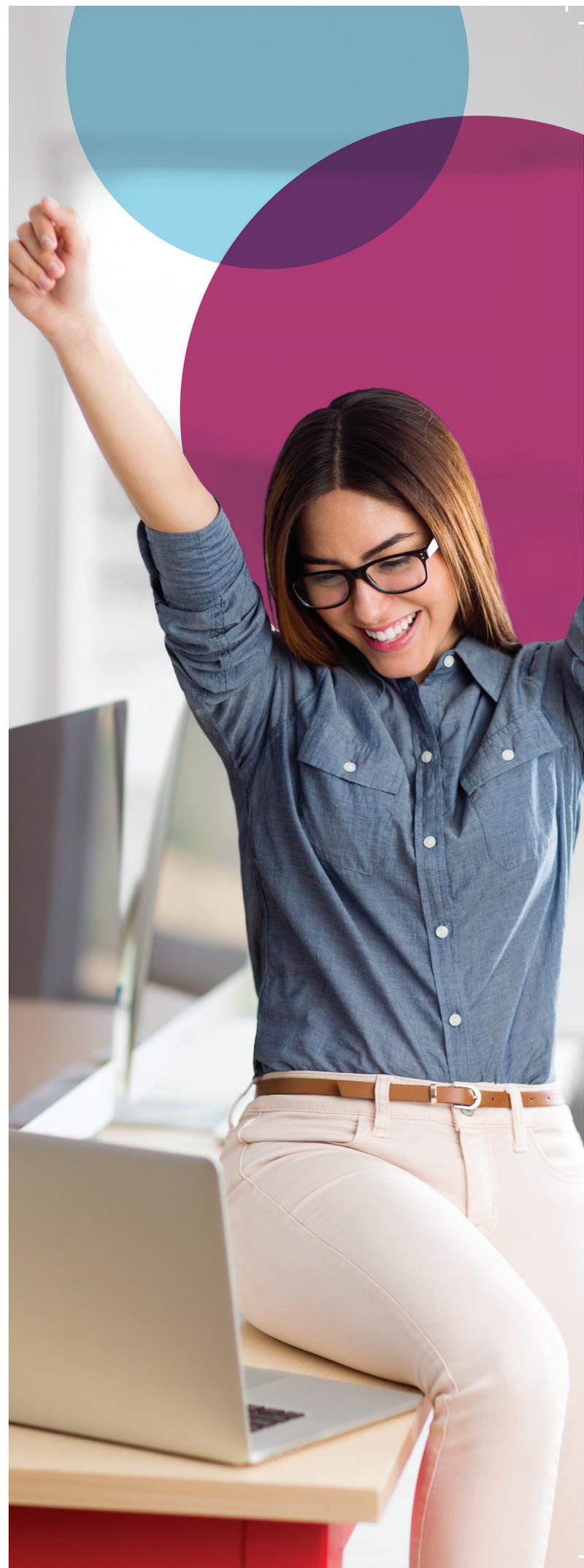
They are the generation most likely planning families or already having children at home, so worksite child care and back-up child care benefits are important to attract and retain Millennials.

Student Loan Repayment

With the amount of student loan debt that most Millennials carry, it's no wonder that student loan repayment programs are a powerful incentive for their recruitment and retention, yet only 4% of employers offer this assistance.¹⁰³

Financial Wellness

Of all the generations, Millennials are the most amenable to participating in financial education programs, with 92% saying they would use such a wellness program at work if offered one.¹⁰⁴ In addition to financial education programs on budgeting, debt management, buying a home and starting a savings plan, benefits such as employee purchase programs and employee discount programs help Millennials access products and services they need and want in a more financially-disciplined manner.



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