

# Futures made brighter

Supporting the financial needs of your multi-generational workforce



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There's a lot to look forward to

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**E**mployers from organisations of all sizes, across multiple sectors, face many common challenges. Some of the most significant challenges are the result of rapid technology change and employee demographics.

The rise in artificial intelligence, mobile platforms and social collaboration tools is revolutionising the way individuals – and organisations – engage and do business with the world around them. Thanks to an ageing population, many companies now find they have multiple generations working side by side.

**I believe that whilst a demographically diverse workforce may bring some challenges, there are also significant benefits. When a business harnesses the talents of different generations and brings them together in agile teams, the capacity to solve problems and drive innovation is huge.**

**So, with building an organisation for the future often cited as the number one priority for companies<sup>1</sup>, what does this complex landscape mean for employers?**

### **Building your employee experience to attract the right talent**

In my eyes attracting and retaining the right people is critical to success. One challenge is how to do this with such a diverse demographic of potential and current employees. Showcasing your culture and the benefits you offer in an effective way depends on having a genuine understanding of each generation, then building employee journeys based on this.

With so many column inches dedicated to the differences between Baby Boomers, Millennials, Gen X and Gen Y, it may come as a surprise to learn that there's a key similarity, that's particularly relevant to employers.

Research shows that competitive pay and financial benefits are consistently the top priority for people of all age groups, when they're looking at prospective employers<sup>2</sup>. That includes the workplace pension and savings options, along with health and other insurance, that form part of the package.

### **So, what are the key generational characteristics to keep in mind when you're developing your benefits package?**

Baby Boomers may well be part of the older work force demographic, but they're also hardworking and loyal and used to adapting to change. After all, they've had to become digital adopters and are experiencing first hand, the realities of new retirement challenges. Many are already retired – or semi-retired – and are facing up to the biggest challenge associated with longevity (making sure they don't run out of money). This is on top of new patterns of intergenerational living, thanks to 'boomerang' children and elderly parents who may need care.

Gen X are the generation who are 'holding it all together', as many support parents and children. They are digital pioneers and expect to keep learning and adapting. Unlike Baby Boomers who are part of the 'job for life' generation, Gen X expect to have a career for life, rather than staying with one employer.

Gen Y are digital natives who were central to the social media revolution. They're happy to share their lives via social networks, but still value face to face interaction when they need it. They expect to work flexibly and try different careers – they're likely to have experience of being self-employed as well as working for different employers.

Finally, we have Gen Z. They're the youngest demographic and are part of the real-time, mobile generation. They have a global, entrepreneurial and highly connected outlook and expect to shift careers seamlessly and flexibly.

**So, expectations of career and employment differ between generations. And, each demographic has a slightly different perspective when it comes to technology.**

### **How to ensure your rewards package is competitive**

Despite the differences, research offers employers insight into how to make sure their employee benefits are competitive enough to attract and retain a multi-generational workforce.

It's clear to me that forward thinking employers are now looking at their employee experience holistically and considering their overall physical, emotional, professional and financial well-being. They're delivering this experience in an integrated, digital way<sup>3</sup>.

This is a key point. Despite the different relationship that each generation has with technology, employees want – and expect – an integrated, digital experience at work. It's how they live their lives, and work shouldn't be any different.

### **Delivering a digital employee experience**

Any solution you consider, must cater for each generation and their relationship with technology. Crucially, it should offer flexibility for people to opt out of the digital journey when it suits them, so they can access a variety of other communication channels – including telephone and face to face support.

An integrated, digital employee benefits platform should be secure, compatible with any device, intuitive and easy for people to find information about – and engage with – their benefits. It should feel like the rest of their on-line employee experience.

Crucially, it must offer tools, so people can experiment and model the impact of their financial benefits. This is particularly important, when we consider that more people will have multiple workplace pension pots and other savings, as they move between careers, employment and self-employment. It's essential to make it easy for people to keep track and potentially save money, by consolidating their savings in one place, online.

Whilst there are potential advantages to it, pension consolidation might not be right for everyone. Employees should always look carefully into the possible benefits and drawbacks and, if unsure, seek professional financial advice.

As with any investment, the value can go down as well as up and could be worth less than invested.

### **Analytics to drive business performance**

An integrated, digital employee benefits platform also brings benefits for employers. It can cut down on supplier and technology costs and drive better efficiency and performance. Key to this is the analytics capability.

People analytics is moving from being a technical discipline to a broader business discipline, thanks to the accessibility of real-time, easy to use management information. Insight about employees, from their engagement through to what they're paying into their pension, can support decision making to optimise operational and financial performance.

**I can see clear evidence that the trend towards diverse and flexible workforce we see today will continue. Rapid technological and social change will keep driving evolution in the workplace. I firmly believe that for a business to stay ahead of the competition it will need its employee benefits offer to keep pace.**

<sup>1</sup> <https://www2.deloitte.com/global/en/pages/human-capital/articles/introduction-human-capital-trends.html>

<sup>2</sup> <http://www.greatplacetowork.co.uk/publications-and-events/publications-a-research/1039-the-multigenerational-workforce-is-it-really-the-new-fault-line>

<sup>3</sup> <https://www2.deloitte.com/global/en/pages/human-capital/articles/introduction-human-capital-trends.html>

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