The Generational Puzzle: Understanding your people strategy for today’s changing workforce

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Nichole Johnson
Gallagher
Area Vice President, Higher Ed Practice

Vanessa Duffin
Joliet Junior College
Senior Human Resources Generalist, Total Rewards
Global Reach. Local Presence.

SHARED VALUES + PASSION OF EXCELLENCE = PROMISES DELIVERED

The Gallagher Way

25 TENETS THAT HAVE GUIDED A TEAM-ORIENTED CULTURE FOR 30+ YEARS

33,000+
EMPLOYEES WORLDWIDE

SOCIAL RESPONSIBILITY
COMPANYWIDE FOCUS ON ETHICAL CONDUCT, EMPLOYEE HEALTH & WELFARE ENVIRONMENTAL INTEGRITY AND COMMUNITY SERVICE

950+
OFFICES IN 49 COUNTRIES

1,300+
HIGHER EDUCATION CLIENTS NATIONALLY

FOUNDED IN
1927

FAMILY RUN

112,706
TOTAL GALLAGHER EMPLOYEE VOLUNTEER HOURS

About Gallagher
Shifting Organizational Priorities

Top HR and operational priorities

**PRE-COVID**

1. Attract & Retain a Competitive Workforce
2. Control Employee Benefit Costs
3. Increase Workforce Engagement

**During COVID**

1. Health & Safety of Employees
2. Business Continuity
3. Recovery Plan

**NOW**

1. Retention
2. Attraction
3. Improve Employee Health & Wellbeing

Gallagher’s Workforce Trends Pulse Survey Part 5: Sustaining Organizational Wellbeing and Resiliency Through a Crisis May, 2020
Big Shifts Impacting the Workforce

Power Shift
From employer to the employee

Leadership Style Shift
From authoritarian to servant

Culture Shift
Emphasizing social issues and whole life integration

Source: McKinsey Behavioral Change 2020
Shifting Employee Behaviors
Changes experienced since 2020

- Work Life
- Learning
- Communications & Information
- Travel & Mobility
- Shopping & Consumption
- Life at home
- Play & Entertainment
- Health & Wellbeing

Source: McKinsey Behavioral Change 2020
Engagement Defined

Highly engaged employees are energized, passionate and enthusiastic about their work and their organization.

Companies with highly engaged employees enjoy enhanced levels of operational and organizational performance.
What percent of your workforce would you consider engaged?

a) 0-24%
b) 25-49%
c) 50-74%
d) 75-100%
How Key Drivers of Engagement Are Changing

2018
- Growth & Development
- Quality/Service
- Teamwork
- Dignity/Respect
- Sr. Leadership Ethics

2019
- Growth & Development
- Quality/Service
- Teamwork
- Dignity/Respect
- Innovation

2020
- Recognition
- Confidence in Org. & Sr. Leaders
- Work-life Balance
- Physical/Emotional Wellbeing
- Resiliency

2021 - 2022
- Resiliency
- Confidence in Org. & Sr. Leaders
- Growth & Development
- Quality/Service
- Innovation
Characteristics of engaged employees:

- Are proud to work for this organization
- Feel as though the organization’s mission strongly resonates with them
- Believe they are important to the organization’s success
- Willingly exert extra effort to help the organization be successful
- Experience a sense of satisfaction following their workday
- Are likely to recommend the organization to others as a good workplace
- Are NOT seriously considering leaving to pursue other job opportunities
People Insights Analysis
# Career Stages

<table>
<thead>
<tr>
<th>Life Stage Characteristics</th>
<th>Exploration (Under 25)</th>
<th>Established (25-34)</th>
<th>Mid-Career (35-44)</th>
<th>Late Career (45-54)</th>
<th>Pre-Retiree (55+)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>More likely to be single and without dependents</td>
<td>Single or recently married</td>
<td>Potential child dependent needs</td>
<td>Potential child and adult dependent needs</td>
<td>Family obligations lessened</td>
</tr>
<tr>
<td>Career</td>
<td>Work environment and corporate culture are important</td>
<td>Job advancement with clear career path options</td>
<td>Work/life balance is important</td>
<td>Professional leadership and mentorship opportunities important</td>
<td>Preparing for transition into retirement</td>
</tr>
<tr>
<td>Financial</td>
<td>Limited/no savings</td>
<td>Debt or learning to manage bills</td>
<td>Focusing on first home purchase</td>
<td>Potential disruption due to dependent education costs</td>
<td>Focus on steady income during retirement</td>
</tr>
<tr>
<td>Engagement Needs</td>
<td>Needs guidance, structure and feedback</td>
<td>Seeks mentorship aligned with career goals</td>
<td>Prefers summarized and visually appealing information</td>
<td>Prefers practical and factual information targeted to their lifestyle</td>
<td>Prefers peer advice</td>
</tr>
<tr>
<td>Age Specific Health Concerns</td>
<td>Injuries</td>
<td>Pregnancy</td>
<td>Chronic conditions: cancer</td>
<td>Chronic conditions: arthritis, cancer, cardiovascular disease, diabetes</td>
<td>Chronic conditions: arthritis, cancer, cardiovascular disease, diabetes, stroke</td>
</tr>
</tbody>
</table>
What is the most represented life/career stage in your workforce?

a) Exploration (Under 25)
b) Established (25-34)
c) Mid-Career (35-44)
d) Late Career (45-54)
e) Pre-Retiree (55+)
Career Stages

Industry Benchmark: Colleges, universities, and professional schools, including junior colleges

**National Career Stage Distribution**

- Exploration (Under 25): 12%
- Established (25-34): 23%
- Mid-Career (35-44): 21%
- Late Career (45-54): 20%
- Pre-Retiree (55+): 24%

**Higher Ed Career Stage Distribution**

- Exploration (Under 25): 13%
- Established (25-34): 22%
- Mid-Career (35-44): 20%
- Late Career (45-54): 19%
- Pre-Retiree (55+): 26%

**Higher Ed Benchmark**

- Median Age: 42.3
- 65 and Older Prevalence: 7.8%
- Median Length of Employment: 3.8 years
- Female Prevalence: 74.3%
<table>
<thead>
<tr>
<th>Generation</th>
<th>Industry Benchmark</th>
<th>Top Concerns</th>
<th>Common Concerns</th>
<th>Focus Areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-Retirement</td>
<td>26%</td>
<td>Age-related chronic conditions</td>
<td></td>
<td>Condition Management</td>
</tr>
<tr>
<td></td>
<td></td>
<td>High Pharmacy Utilization</td>
<td></td>
<td>Home Care Based Programs</td>
</tr>
<tr>
<td>Late Career</td>
<td>19%</td>
<td>Age-related chronic conditions</td>
<td></td>
<td>Condition Management</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cancer</td>
<td></td>
<td>Home Care Based Programs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>High Pharmacy Utilization</td>
<td></td>
<td>Long-Term Care coverages</td>
</tr>
<tr>
<td>Mid-Career</td>
<td>20%</td>
<td>Chronic conditions</td>
<td></td>
<td>Condition Management</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cancer</td>
<td></td>
<td>Prevention Programs</td>
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<tr>
<td></td>
<td></td>
<td>Higher cost care including well visits</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Accepting of virtual visit delivery models</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Establishment</td>
<td>22%</td>
<td>Pregnancy-related claims</td>
<td></td>
<td>Quick care access options</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mental Health Conditions At-Risk/Early Diagnosis for</td>
<td></td>
<td>Robust MHSA Support Programs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Chronic Conditions</td>
<td></td>
<td>Maternity Programs &amp; Education</td>
</tr>
<tr>
<td></td>
<td></td>
<td>High Pharmacy Utilization</td>
<td></td>
<td>VB Accident Programs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>More frequent ER users</td>
<td></td>
<td>Condition Management</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Consumerism education focused on Rx</td>
</tr>
<tr>
<td>Exploration</td>
<td>13%</td>
<td>Injuries</td>
<td></td>
<td>Quick care access options</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Highest cost newborns</td>
<td></td>
<td>Total Rewards Messaging</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mental Health</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Disease States

<table>
<thead>
<tr>
<th>Disease States</th>
<th>National Prevalence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arthritis</td>
<td>25.1%</td>
</tr>
<tr>
<td>Asthma</td>
<td>9.8%</td>
</tr>
<tr>
<td>Cancer</td>
<td>6.5%</td>
</tr>
<tr>
<td>Chronic Heart Disease</td>
<td>6.4%</td>
</tr>
<tr>
<td>COPD</td>
<td>7.1%</td>
</tr>
<tr>
<td>Diabetes</td>
<td>10.9%</td>
</tr>
<tr>
<td>High Blood Pressure</td>
<td>31.6%</td>
</tr>
<tr>
<td>High Cholesterol</td>
<td>33.1%</td>
</tr>
<tr>
<td>Poor Mental Health</td>
<td>14.1%</td>
</tr>
<tr>
<td>Poor Physical Health</td>
<td>13.1%</td>
</tr>
</tbody>
</table>

### Behaviors

<table>
<thead>
<tr>
<th>Behaviors</th>
<th>National Prevalence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Binge Drinking</td>
<td>17.6%</td>
</tr>
<tr>
<td>Lack of Sleep</td>
<td>36.6%</td>
</tr>
<tr>
<td>Low Physical Activity</td>
<td>24.9%</td>
</tr>
<tr>
<td>Obesity</td>
<td>31.7%</td>
</tr>
<tr>
<td>Smoking</td>
<td>17.9%</td>
</tr>
</tbody>
</table>
Generational Characteristics
& Programs to Meet Their Needs
Reframing How We Think About Traditional Benefit Offerings

Needs vary based on:

- Race
- Age
- Gender
- Religion
- Identity/Orientation
- Physical & Intellectual Disabilities
### General Stages in an Employee’s Career

<table>
<thead>
<tr>
<th>Exploration &amp; Established</th>
<th>Mid-Career</th>
<th>Late Career</th>
<th>Pre-Retiree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under age 34</td>
<td>Ages 35 – 44</td>
<td>Ages 45 – 54</td>
<td>Ages 55+</td>
</tr>
<tr>
<td>GenZ or iGen to Millennials</td>
<td>Late-stage Millennials to Gen X</td>
<td>Late-stage Gen X to Boomers</td>
<td>Boomers</td>
</tr>
</tbody>
</table>
Exploration & Established UNDER AGE 34

Values & Career Characteristics

- Career Advancement & Recognition
- Mentorship
- Equality in the Workplace
- Purpose-Based Culture

Virtual Work Attributes

- Communication through Technology
- Training and Onboarding
- Emails, Texts, Instant Messaging
Exploration & Established UNDER AGE 34

Traditional Programs
• Financial Assistance Programs
• Employee Assistance Program (EAP) – Mental Health Support Services
• Pet Insurance
• Online Wellbeing Programs

Innovative Programs
• Purchasing Power
• Perks
• Self-Care Support
• Flexible Career Advancement Stipend
Mid-Career AGES 35 – 44

Values & Career Characteristics

• Career Advancement & Professional Development
• Mentorship
• Flexibility & Time-Off
• Purpose-Based Culture

Virtual Work Attributes

• Work/Life Balancing Act
• Commuting
• Visually Appealing Communications
• Phone Calls
Mid-Career AGES 35 – 44

Traditional Programs
• Employee Assistance Program (EAP) – Childcare Support Services
• Short-Term Disability – Maternity Benefits
• Supplemental Health Products

Innovative Programs
• Identity Theft
• Family Support Benefits
• Financial Assistance - Home and Auto
Late Career  AGES 45 – 54

Values & Career Characteristics
• Leadership Roles
• Recognition & Respect
• Mentoring
• Savings & Income Protection

Virtual Work Attributes
• Missing In-Person Meetings
• Practical & Factual Information
• Phone Calls and Detailed Messaging
Late Career AGES 45 – 54

**Traditional Programs**
- Employee Assistance Program (EAP) – Estate Planning, Will Support
- Permanent Life Insurance, Long-term Care
- Long-Term Disability

**Innovative Programs**
- Financial Support Programs
- Caregiver Support Benefits
Pre-Retiree AGES 55+

Values & Career Characteristics
• Empty Nesters
• Mentoring & Coaching
• Medical Plan Users

Virtual Work Attributes
• Hardest transition for this group to Remote Work Environments
• Print Materials
• Classroom-style Learners
Pre-Retiree AGES 55+

**Traditional Programs**
- Life Insurance Conversion
- Medicare & Social Security
- Retirement Readiness

**Innovative Programs**
- Retiree Coverage
- Retiree Exchange – call center/advocacy
## Workforce Evaluation: Stages of Employee Demographics

<table>
<thead>
<tr>
<th></th>
<th>Exploration &amp; Established 20s – early 30s; Gen Y</th>
<th>Mid-Career Mid 30s-Early 40s; Gen X</th>
<th>Late Career Late 40s – 50s; Gen X/Boomers</th>
<th>Pre-Retiree 55-70s; Boomers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Lifestyle</strong></td>
<td>Single or newly married Childless</td>
<td>Young family</td>
<td>Fewer family obligations</td>
<td>Empty nesters</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>May care for elders</td>
<td>Caring for elders</td>
</tr>
<tr>
<td><strong>Career</strong></td>
<td>First/second “real” job Finding career path; Looking to advance</td>
<td>Want advancement and professional development</td>
<td>Have worked elsewhere</td>
<td>About to retire or start new career</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>May have changed careers</td>
<td></td>
</tr>
<tr>
<td><strong>Financial</strong></td>
<td>Want financial stability and income growth</td>
<td>Want steady salary increase</td>
<td>Pushing for highest salary</td>
<td>Expect top income</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Want to secure steady retirement</td>
</tr>
<tr>
<td><strong>Benefits</strong></td>
<td>Lighter benefit use</td>
<td>Moderate to heavy benefit use</td>
<td>Moderate benefit use</td>
<td>Benefits important, especially life and disability</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Like having options</td>
<td>Want planning advice</td>
<td></td>
</tr>
<tr>
<td><strong>Needs</strong></td>
<td>Want sense of purpose</td>
<td>Trying to balance work and life</td>
<td>Want professional respect</td>
<td>Want rewards and recognition</td>
</tr>
<tr>
<td></td>
<td>Want experiences outside of work</td>
<td>Time off is important</td>
<td>Want leadership opportunities</td>
<td>Preparing for retirement</td>
</tr>
<tr>
<td></td>
<td>Work environment important</td>
<td></td>
<td>Expect recognition</td>
<td></td>
</tr>
<tr>
<td><strong>Learning Style</strong></td>
<td>Tech and multi-media based learning; Need reinforcement guidance, structure</td>
<td>Group learning</td>
<td>Individual based learning</td>
<td>Classroom-style learning; Seek-out peer advice; Information on paper</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Get advice from peers</td>
<td>Practical and factual information</td>
<td></td>
</tr>
</tbody>
</table>
Poll Question!

Which life/career stage does your employee benefits plan cater to?

a) Exploration (Under 25)
b) Established (25-34)
c) Mid-Career (35-44)
d) Late Career (45-54)
e) Pre-Retiree (55+)
Voluntary Benefits
An easy way to increase your benefit offerings at a low cost

- Broad Selection
- Minimizing Costs
- Ease of Administration Burden
- More Choice for Varying Lifestyles
- Easy Payment – Payroll Deduction
- Group Rated
## Four Steps to Getting Started

### Creating your action plan

<table>
<thead>
<tr>
<th>Acknowledge</th>
<th>Ask</th>
<th>Assess</th>
<th>Act</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Recognize the difficulty, stress, and unique challenges your employees are facing</td>
<td>• Survey your population to better understand your employees and their needs</td>
<td>• Inventory all existing benefits, resources and policies</td>
<td>• Develop an inclusive strategy that supports total wellbeing</td>
</tr>
<tr>
<td></td>
<td>• Survey the various leaders across your campus to assess their priorities and goals</td>
<td>• Benchmark your current plans and plan design</td>
<td>• Understand your role in developing the next generation of leadership</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Conduct a People Insights Analysis or workforce analysis</td>
<td></td>
</tr>
</tbody>
</table>
Thank you!

Nichole Johnson
Area Vice President, Higher Education Practice
Nichole_Johnson@ajg.com
630-634-4028