

# How to Provide the Right Benefits to a Generationally Diverse Workforce



It's not uncommon for a business to have employees from varying age ranges. As baby boomers begin to near retirement, millennials move into middle management, and Generation Z start careers, your workforce will become generationally diverse. A multigenerational workforce has many benefits, including the ability for more seasoned staff to mentor early career employees. However, one of the challenges of a generationally diverse workforce is finding a cost-effective way to provide your employees health benefits that meet their unique needs.

One thing is certain, regardless of their age group, having access to a robust benefits package is critical to the overall job satisfaction and productivity of employees. Specifically, 93 percent of millennials and 89 percent of boomers connect job satisfaction to the benefits package they receive.

## **A Breakdown of Each Generation**

There are stereotypes and generalizations about each generation, but who exactly are these people and what are their needs when it comes to healthcare? While there are varying schools of thought on the personalities of each generation, it's important for

business leaders to understand what each age group values in a health benefits package.

**Baby Boomers** – Baby boomers were born between 1946 and 1964. While they may not be as tech savvy as their younger counterparts, they still value the convenience, and time and money savings that accompanies technology such as mobile health apps. Boomers also place value on access to voluntary benefits, with 30 percent of Boomers enrolled in voluntary benefits, up 9 percentage points from 2016 to 2017.

**Generation X** – Generation X, born between 1965 and 1979, are likely increasing their retirement contributions and will place high value on employers that are willing to match their 401(k) contributions. Likewise, since they are at the age where they may be caring for both children and aging parents, strong health and voluntary benefit options will give them the ability to customize a package to meet their changing needs.

**Millennials** – Millennials were born between 1980 and 1996. When it comes to information about their benefit options, they expect accessibility and ease. This can best be achieved by providing clear health plan comparisons and a list of benefits and features included in your plan. Millennials also value options — does your benefits package offer virtual visits, health savings accounts, or a wellness program? Plan options that extend beyond basic healthcare coverage add value to an employees' overall experience within your company and are seen as differentiators in their employment search.

**Generation Z** – The youngest generation in the workforce, Generation Z, was born in or after 1997. Retirement and health concerns aren't major priorities for this age group, yet, and they can likely be enticed with cost-effective resources like access to financial literacy, flexible scheduling, and personal growth opportunities such as mentorship programs. This age group has likely never used a landline and has been attached to their mobile device since they hit the double digits — or earlier. Providing convenient, digital access to their health benefits information and/or virtual visits will be extremely important to them.

## **Overlapping Desires**

While each generation is in a different place in their lives and there are likely some differences in their healthcare needs, in general, there is quite a bit of overlap in the type of benefits employees seek. For example, millennials crave work/life balance so flexible schedules, paid leave, and work-from-home opportunities will be attractive to their job search; meanwhile, boomers and Gen X may be caring for aging parents and will value a more flexible schedule as well.

Another benefit option that can be appealing across generations is supplemental insurance. Whether your millennial employees decide to take advantage of short-term disability coverage to protect them in the event of an accident, or your boomer employees add on critical illness insurance, they are both taking advantage of supplemental coverage to fill the gaps in their overall health insurance coverage.

The rising cost of healthcare is an enormous challenge for business owners, but offering robust benefits is critical to recruiting and retaining top-notch employees — across generations. Each of these generations has varying short- and long-term needs, and they will look to their employers to offer a benefits package that can help them withstand a health emergency. The fact is, the cost of healthcare is not only challenging to business owners, but consumers are feeling the burden of health-related costs as well, and may make their employment choices based on the type of benefits offered. In fact, 26 percent of surveyed employees reported that they either rejected a job offer or left their current job due to the benefits offered.

The healthcare industry and benefits administration will continue to evolve, and it's important for business leaders to partner with industry professionals that are experts in the various compliance regulations, benefits administration, and benefits enrollment.

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