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Generations in the Workforce & Marketplace:
Preferences in Rewards, Recognition & Incentives

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Executive Summary

Much is made of the differences between generations of workers and consumers. The popular media, authors, consultants, reporters, professional speakers and others drive the conversation, sometimes in a genuine effort to help, in other cases, perhaps to fan the flames of a debate that may deserve less attention.

For organizations hoping to tailor their incentive and engagement programs for employees and customers, the debate concerning the generations can be confusing and even overwhelming. Like economists, no two generational experts fully agree on the description for each generation, a truth that is well-documented both in the expert interviews conducted for and summarized in this paper, and in the dozens of papers, books and articles referenced throughout.

In particular, there is little consensus where traits and characteristics of the generations are concerned. And most generational experts suggest that what differences do exist, result from a combination of the time frame within which a person is born *and* the stage of life in which they reside. These factors influence their motivations at work and their desire for certain goods and services (or rewards) and other preferences. Some experts argue that the formative life experiences shared by each generation make them unique and stay with them from youth through retirement. Others ascribe less importance to a person's generation and more to their life stage—i.e., whether they are married or single, have children at home, make mortgage payments or are approaching retirement, etc.

In catering to consumers, leading organizations are beginning to leverage increasingly sophisticated data algorithms to gain far more accurate insights into individual preferences, motivation and engagement. In the near future, most or all organizations will do the same for employees as well, obviating the need for the broad, educated guesses based on generations or life-stages.

Until then, and despite the differences of opinion referred to above, organizations should seek to understand the age and life-stage demographics of their workforce and the broad preferences and motivators associated with each. Doing so will not provide knowledge of the specific drivers for each employee or customer, but it will deliver a basis on which to approach people generally—whether employees or customers. This is a useful, if imperfect approach to consider in designing reward, incentive and recognition programs for employees and marketing and incentive programs aimed at consumers.

About the Research

This white paper is based on an extensive literature review extending beyond two decades and citing seventy-two unique sources, including books, white papers and articles. In addition, approximately ten hours of interviews with eleven generational and rewards and recognition experts were conducted. Finally, a spot survey of meeting planners was conducted; the results of which are available in Appendix C.

Part One: The Generations Defined

As of the latest data from the US Bureau of Labor Statistics (BLS), the United States civilian workforce—age 16 and above—is about 157 million people strong and growing (Figure One). Within the workforce, four distinct generations currently work side-by-side, with a fifth generation set to enter in 2016.[1]

As of February 2015, about 55 million "Millennials," (16-34 year-olds) form the largest share of the US civilian workforce. The remainder of the workforce includes about 53 million 35-50 year-olds—"Generation X", and about 44 million 51-70 year olds — "Baby Boomers." The remainder, about 4 to 5 million, are of the "traditionalist" generation—those still in the workforce who are 71 years of age and older.[2]

Figure One: Size of US Civilian Workforce (seasonally adjusted) BLS, 2015
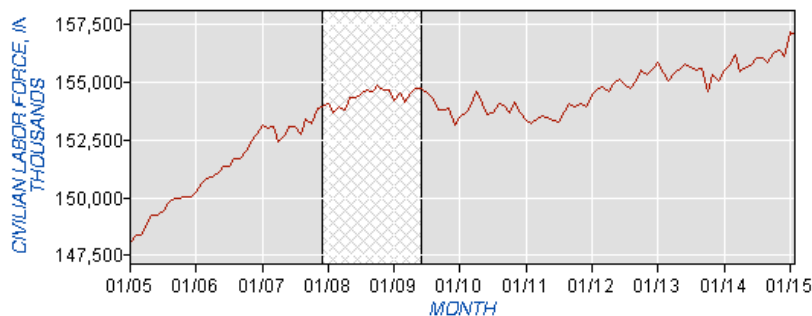
Note: Cross-hatched area represents recession.

According to the US Bureau of Labor Statistics (BLS) figures cited above, three generations currently represent about 97 percent of the US workforce —Baby Boomers, Generation X and Millennials. In 2015 Millennials became the largest generation in the workforce, and by 2020—in just five years —Millennials will comprise about half the workforce.[3]

The question for executives, supervisors, business owners, and for others concerned with managing and motivating the workforce—or selling more products and services—is, *does it matter?* Are there sufficiently consistent and significant enough differences between the generations that organizations can justify time and money spent studying their workforce demographics and understanding the general

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[1] The generation born after the year 2000 is often referred to as "Generation Z." The eldest of this generation, which extends
[2] See: http://www.bls.gov/web/empsit/cpseea13.pdf
[3] *Inspiring the Next Generation Workforce*, The Case Foundation, 2014 p.1

differences between the generations? Or, is the study of the generations a red herring—a waste of time?

Beyond gaining an understanding of the demographics of the workforce, should organizations manage and motivate workers and market to customers from the three generations differently to the extent of tailoring programs, products, services, rewards, incentives and work conditions in an attempt to better engage employees or consumers from the three different generations?

This paper attempts to help organizations answer these questions. Specifically, by addressing the challenges in motivating and engaging the three generations of workers and consumers through reward, recognition and incentives programs, and to a smaller degree, through tailored consumer products and services.

Defining the Unique Characteristics of the Generations

"A generation can be defined as an identifiable group, or cohort, which shares birth years, age, location, and significant life events at critical development stages."
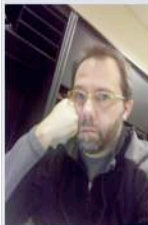   – Barford & Hester, 2011.

The extensive and growing literature about generational differences provides dozens—perhaps hundred — of definitions of the three main generations at work today. Google searches on "Millennial" and "Generation Y" yield more than 150 million results, while a search on Generation X returns 149 million more. Most offer descriptions and many provide tips on how to manage or market to the various generations.

Generational definitions usually start by describing the age parameters of each cohort. Despite many differences, most experts agree on reasonably similar age ranges—within 3-5 years at either end—to classify the various generational cohorts.

For the purposes of this paper, a range of definitions from eleven credible sources was used to find a mid-range estimate for each of the generations (Figure Two).

Figure Two: The Generations & Their Characteristics

Boomer	Characteristics (or stereotypes?)
	Born: ~ 1945-1963
	- Raised more liberally (Dr. Spock, "spare the rod.")
	- Raised in time of optimism (post WWII)
	- Came of Age during Civil Rights, Vietnam, Hippie Movement
	- Live to work
	- Collaborative
	- Driven, achievement-oriented

Gen X	Characteristics (or stereotypes?)
	Born: ~1964-1980
	- Raised in time of increasing divorce rates
	- Two earner families
	- Harsher economic times, saw parents "downsized"
	- Raised themselves (latchkey kids)
	- Saw scandals and failures (tainted Tylenol, space shuttle)
	- Distrustful, Independent, Skills-oriented
	- Work to live
	- Questioning, skeptical

Millennial	Characteristics (or stereotypes?)
	Born: ~ 1981-2000
	- Raised by "helicopter parents"
	- Told can be whatever they want
	- Continuous (mostly positive) feedback and recognition
	- Formed by 9/11, digital & connected world, technology, 24/7
	- Formed by student debt, "Great Recession"
	- Career oriented, hard work, achievement, but with balance
	- Seeks recognition, detailed feedback
	- Community orientation (global & local)
	- Work/Life Blending*

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The age ranges of the three generations opposite closely reflect most organizations' definitions—particularly pertaining to those raised in North America or Western Europe. This definition also carries the advantage of examining three cohorts of roughly the same duration (17-19 years). Unfortunately, a common definition of the generations becomes much more elusive in the statements, characteristics or stereotypes ascribed to each.

At a superficial level, we tend to paint members of the various generations with the same brush by labeling all or most members of a generation with identical attributes. The reality, of course, is much more complex and nuanced. So much so that even the most invested "generational gurus" agree that any analysis of the more or less common characteristics of the generations is only useful as a broad or general guide, not a tool to use with specific individuals. [4]

A useful analogy comes from Graeme Codrington, a well-known South African generational expert. Codrington likens the generations to trees. He points out that to draw conclusions about a specific tree, you have to look at it individually. But trees that were planted at around the same time in a particular place will share common characteristics, and it is possible to predict broadly how fast and large they will grow, how much fruit they will produce, etc.[5]

People born in the same generation, in similar socio-economic conditions, with exposure to similar media outlets, encounter, to some degree, shared experiences as they come of age, especially those born in the same country or continent. They might, therefore, share similar perspectives throughout their careers and lives. To the extent that employers, providers and incentive program designers can gain a better understanding of how, if at all, generational cohorts should be managed and motivated using the significant perspectives they may share in common, better decisions might be made across a range of factors aimed at motivating individuals.

Millennials (AKA: Generation Y, Digital Generation, Echo Boomers)
Some observers refer to Millennials as the most educated[6] and dedicated generation ever – that they will save the world from the mistakes their parents and grandparents made.[7] Others insist they are "the dumbest generation,"[8] and deride

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[4] Dr. Susan Murphy and Arlene Asparger, *4genR8tns: Succeeding with Cohorts & Customers,* Claire Raines Associates, 2008 p.17
[5] Ibid p.17
[6] *The Rising Cost of Not Going to College*, Pew Research Center, February 11, 2014.
[7] *The Dawn of the Great Workplace Era*, Great Places to Work Institute, 2014 (see:
http://www.greatplacetowork.net/storage/documents/Publications_Documents/The_Dawn_of_the_Great_Workplace_Era.pdf
[8] Mark Bauerlein, "*The Dumbest Generation: How the Digital Age Stupefies Young Americans and Jeopardizes Our Future*,"
Tarcher, 2009

them as overly pampered narcissists.[9]

All agree that Millennials are the most racially diverse generation in American history; [10] that Millennials are the first generation to be born into a digitally connected world; that Millennials are more indebted and more likely to be unemployed or underemployed than Xers or Boomers were when they were in the same age category as Millennials are today[11],[12], and that Millennials were more likely to be "highly parented" than other cohorts at work today— certainly in comparison to Gen X. [13] Beyond these four descriptors, there is little to no consensus as to what characterizes the roughly 80 million Americans who fit the age-range definition of "Millennial."

> ***"…as a generation, they [Millennials] have faced substantial challenges in entering the workforce during the most pronounced downturn since the Great Recession."***
> - The Council of Economic Advisors to the White House, 2014

Digitial Natives

When it comes to defining Millennials, we are often told they are different because they are the first generation to have been born into a digital, connected world. Donald Tapscott, Author of *Growing Up Digital (1999)* and *Grown Up Digital (2008)* says: "*I came to the conclusion that the defining characteristic of an entire generation was that they were the first to be 'growing up digital.'*"[14] "*For them, technology is like air, necessary but invisible. They can't imagine living without it. Their continual connection to others worldwide has produced the first truly global generation. [Moreover] immigration to the U.S. has made Net Geners [Millennials] increasingly multiracial and tolerant."* [15]

Without question, Tapscott's "Digital Natives,"[16] in general, demonstrate more comfort with social technologies than other generations. This is so because it is part of their natural environment, especially for late Millennials born in the 1990s, who have never known a world without the Internet and social networks.

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[9] David Burstein, *Fast Future: How the Millennial Generation Is Shaping Our World*, Beacon Press, 2013
[10] *Millennials in Adulthood: Detached From Institutions, Networked with Friends,* Pew Research Center, March, 2014
[11] *15 Economic Facts About Millennials*, The Council of Economic Advisors to the White House, Oct, 2014
[12] Ibid p.8
[13] *15 Economic Facts About Millennials*, The Council of Economic Advisors to the White House, Oct, 2014
[14] *Praising a 'Grown Up' Digital Generation*, National Public Radio, Nov 3, 2008
[15] Don Tapscott, *Grown Up Digital*, McGraw-Hill, 2008
[16] The terms "Digital Native" and "Digital Immigrant" are attributed to Technology expert Marc Prensky who describes those who grew up with advanced technology, as natives (Millennials) and those who didn't (all older generations) as immigrants.

Perhaps because Millennials are digital natives, they are both more cognizant of the world of good, bad and plainly false information, and are better at sorting through it (see interview with Leah Reynolds in Appendix D). And while Millennial digital natives are completely at home with the web, social media and mobile technologies, "digital immigrants,"[17] who spent their formative years without the same tools may be less comfortable and proficient with social technologies by comparison. In theory then, Millennials take to the technology naturally where everyone older has to adapt. Logically, where this is true, there are implications for both employers and providers of products and services.

Finally, there is a loose consensus that Millennials, more than other generations, want to work where and when they like. Most employees in every generation want this freedom,[18] however, unlike other generations, Millennials may have a difficult time understanding why it should be any other way.[19]

Dependent on Praise, but Not the Organization
Millennials have also been labeled as more dependent than previous generations of youth. Experts explain that their mothers and fathers were the first to be termed "helicopter parents" because of all the attention they focused on their Millennial children. Experts argue that Gen Y was raised in a world in which they were recognized and rewarded for almost everything—even for simply showing up—and that this has led to a generation of self-centered narcissists who expect constant attention.[20]

> **Expert Interview: Leah Reynolds**
> "The question comes up a lot for generation gurus as to whether the differences are simply age or life-stage related rather than generational. Those who have studied this extensively always agree that, yes people change based on life stages but they also believe that the events at the time that a group of people come of age has a defining impact on them forever. So when a generation approaches retirement age, the planning and shift in focus that previous generations experience at that age becomes important, and when you start a family, certain benefits become more important, but the way a generation views those things and the employer's role in them is different. That different perspective survives through all life stages."
>
> Please see Appendix D for the complete interview excerpt with Leah Reynolds

Because Millennials were pampered, some argue, they can't break away and become independent. According to author William Damon, they *"…are so afraid of commitment that many of them may never marry, and they're so uncertain about*

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[17] The terms "Digital Native" and "Digital Immigrant" are attributed to Technology expert Marc Prensky who describes those who grew up with advanced technology, as natives (Millennials) and those who didn't (all older generations) as immigrants.
[18] *PwC's NextGen: A global generational study*, PriceWaterhouseCoopers, 2013
[19] Melissa Murray Bailey, *What Millennials Want*, Diversity Executive, Feb., 2014
[20] Jean Twenge, *Generation Me: Why Today's Young Americans Are More Confident, Assertive, Entitled--and More Miserable Than Ever Before*, Atria Books, 2006

picking a career that they may wind up living at home forever."[21]

Like Generation X, Millennials have learned from the fate of their parents. They don't count on employers or the government to take care of them. They may agree that an employer for life is a nice concept but they harbor no illusions as to the probability of staying with one employer for a long period of time.[22] Similar to Gen X before them, Millennials seek constant skills building and personal development opportunities because they place little faith in anyone else managing their career and they know that to achieve their goals, they must keep their skills razor sharp.

> **" *...if they feel entitled and impatient, it's because everything they need is available to them instantly.*"**
>
> - Rick Ferguson, AIMIA

Dedicated

On the other hand, experts also tell us that Millennials are exceptionally dedicated, closer to the WWII generation than any cohort since, specifically in terms of their willingness to sacrifice and achieve. In research for his books, Tapscott interviewed more than 6,000 Millennials and found that far from lazy, detached and complacent, *"Net Geners are smarter, quicker, and more tolerant of diversity than their predecessors. They care strongly about justice and the problems faced by their society and are typically engaged in some kind of civic activity at school, at work, or in their communities."*[23]

Indebted

Millennials graduate with an average debt of about $20,000.[24] Most who have already entered the workforce did so at a time of profound economic turmoil.[25] As such, many Millennials find it hard to gain meaningful employment and may be underemployed or unemployed for long periods. On the whole, Millennials know this and understand the impact it may have on their long-term earnings and retirement savings.[26]

The fact that some Millennials may feel disadvantaged, according to recent Pew research, might contribute to their lower overall levels of trust in people in general, compared to the other cohorts.[27] This is another potential area of differentiation

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[21] William Damon, *The Path to Purpose,* Free Press, 2008

[22] *Myths, exaggerations and uncomfortable truths The real story behind Millennials in the workplace,* IBM Institute for Business Value, 2015 p.9

[23] *Praising a 'Grown Up' Digital Generation*, National Public Radio, Nov 3, 2008

[24] Ibid, p.5

[25] Cathy Curtis, *Millennials will get Shortchanged In retirement*, CNBC, Dec 9, 2014

[26] Paula Aven Gladych, *Millennials savvy when considering retiremen*t, benefitspro (Principal Financial Group), April 2014

[27] *Millennials in Adulthood: Detached from Institutions, Networked with Friends*, Pew Research Center, March, 2014

between the generations, however, there appears to be no general consensus among generational experts on this characteristic.

Passion and Purpose but Adequate Compensation

Today, even though Millennials are said to seek passion and purpose in their work, many commentators advise that competitive compensation is a factor that must be met first and foremost.[28] In part, because many Millennials believe that they can only count on themselves to save for retirement.[29] At the same time, Millennials remain enthusiastic and optimistic, 90 percent saying they are certain they will achieve the financial resources they are working toward.[30]

Millennials, like Generation X, seek interesting work, flexibility and experiences over job security. Like Boomers, they were told that the world is theirs for the taking. Perhaps more so than Boomers, they were told how special they are. Their parents and teachers put the emphasis not on achievement alone, but also participation. Though Millennials may or may not have had overly-involved parents who cleared the path ahead of them, they are consistently reported as being accomplishment-oriented, fun-loving, collaborative, passionate and idealistic while being pragmatic at the same time—indeed, according to some, more practical than their Boomer parents were in their youth.[31]

Between most descriptions of Millennials, there is considerable conflict and contradiction in the variety of attributes attached to them by experts. Though much of the generational research is based on extensive surveys and conducted by reputable firms and researchers, there exist many contradictory assessments of the various generations—far too many too list and dissect in this paper. By example, however, many experts associate Millennials with green movements. According to the Pew Research Center, however, they are, in fact, less likely than Gen Xers were at their age to call themselves "environmentalists." Where about 40 percent of Xers under age 35 referred to themselves as environmentalists, only 32 percent of Millennials under 35 say the same.[32]

[28] *The Guide to Managing and Developing Young Professionals*, Cal State Fullerton and Spectrum Knowledge, 2010
[29] Jinnie Olsen, *Millennials: Making Room for Retirement Savings* (see:
http://www.milliman.com/uploadedFiles/insight/2014/millenial-retirement-savings.pdf)
[30] David D. Burstein, *Fast Future: How the Millennial Generation Is Shaping Our World*, Beacon Press, 2013
[31] Larry Elkin, *Will Millennials Finally Rebel Against Boomer Parents?* Palisades Hudson Financial Group, December 2014.
[32] *Millennials in Adulthood: Detached From Institutions, Networked with Friends,* Pew Research Center, March, 2014. P8

Research conducted in 2010 by California State University at Fullerton found that contrary to assertions that Millennials are more interested in challenging and creative work than other generations, it is, in fact, Baby Boomers that show the most interest in this regard and by a wide margin.[33] Finally, IBM's 2014 survey and study of Millennials found that the notion that "Millennials want constant acclaim and think everyone on the team should get a trophy" is a myth.[34]

So many other contradictions and myths describe the generations that it is difficult to sort through and determine consistencies beyond those listed above. Yet at least a few consistencies emerge among the more thoughtful evaluations of Millennials and other cohorts. For Generation X, however—which often gets short shrift compared to Baby Boomers and Millennials, true distinctions are even harder to come by.

Generation X

Depending on how they are defined, Generation X stands out as a smaller generation than either the Boomers before them or the Millennials after. This size imbalance may be responsible for the notion that Xers haven't shaped the workforce and society in their image as Boomers did and Millennials are expected to. However, Xers have formed unique perspectives and attributes in other ways.

Most generational experts agree on a few truths about Gen X. Namely, Generation X came of age at a time when dual income families and divorce rates were sky rocketing.[35] Xers weren't told they could do or be anything they wanted, at least to to the extent Boomers and Millennials were. They saw their parents less because, in many cases, their parents were hard-charging Boomers working long hours to make a difference and get ahead.

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[33] *The Guide to Managing and Developing Young Professionals*, Cal State Fullerton and Spectrum Knowledge, 2010 p.5

[34] *Myths, exaggerations and uncomfortable truths The real story behind Millennials in the workplace,* IBM Institute for Business Value, 2015 p.4

[35] Douglas Keene, PhD and Rita Handrich, PhD, *Generation X members are "active, balanced and happy". Seriously?* The Jury Expert, Nov, 2011

Generation X is more independent than other generations because they learned to take care of themselves as "latchkey kids"[36] at an early age—letting themselves into their homes, making their own lunches and dinners, and doing their own homework, for example.

Perhaps more profoundly relative to work attitudes, Generation X was the first to witness the breakdown of the compact between workers and employers during their formative years, and also, the breakdown in the sanctity of marriage. Many saw their hard working, loyal parents downsized and laid-off after years or decades of service to an organization. Others lived through their parents' divorces, and many experienced both.

These factors, and perhaps a few more may have disillusioned the Gen-Xers out of proportion to the generations before and since. For example, the combination of accelerating housing and education costs through the 1980s and 1990s, incidents such as the "Tainted Tylenol" scare,[37] and having to contend and compete with hard-driving Baby Boomers. These experiences, it is widely believed, have contributed to Xers distrust of employers and institutions in general as they came of age and even now in the workplace and marketplace.

Today's disloyalty between workers and employers, in fact, began as Xers entered the workforce. Since then, the distance between employees and employers has widened such that Xers and Millennials today expect to depend on themselves to steer their own careers.[38]

As adults, Gen Xers are, not surprisingly, independent and generally more likely to prefer to do things by themselves than work in teams. All age groups value autonomy but Xers even more so. They are more likely than Boomers or Millennials to appreciate working alone and are less attracted to small talk or office gossip and politics than other generations.

As above, Xers were the first generation to understand that their fate is in their own hands—that employers cannot be trusted or counted on. Many experts agree that Xers care more about competency in their leaders than experience, and they value highly their own sense of mastery and competency. [39] Xers have sometimes been portrayed as lazy, but a larger consensus believes that they focus on doing their

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[36] Brad Karsh and Courtney Templin, *Manager 3.0: A Millennial's Guide to Rewriting the Rules of Management*, AMACOM, 2013
[37] *1982: The Tylenol murders*, History.com (see: http://www.history.com/this-day-in-history/the-tylenol-murders)
[38] *Motivating and Rewarding Generation Y Employees: Study of the Employees of Manufacturing Industry in UK*, 2013 p.3
[39] Lynne Shallcross, *From generation to generation*, Counseling Today, Nov, 2009

work in the fastest, most logical way possible so they can leave the office to live their lives outside work.[40]

As opposed to Boomers, Xers care little about "face-time"—physically being in the office twelve hours a day to demonstrate commitment. Gen Xers are more entrepreneurial than the Boomers they followed into the workplace,[41] partly as a defense mechanism and partly due to their love of autonomy. Like Millennials and Boomers, Xers value the opportunity to work remotely.

Baby Boomers

At almost 80 million strong,[42] US Baby Boomers are roughly the same size cohort as Millennials. But as of today, even though many are already retired, they remain far more powerful and influential in the workplace than either Xers or Millennials. Boomers have shaped the workplace culture all generations now experience, just as Millennials are likely to do as they come to dominate the workforce over the next decade or so.[43]

Boomers were more intensely parented than generations before them. The widely popular advice of pediatrician Dr. Benjamin Spock during the 1950s and 60s influenced many parents to praise their children more, listen to them carefully, and restrain themselves in their use of corporal punishment.[44] Boomers were also born into one of the most optimistic periods in US history. After WWII the economy grew rapidly, technology and medicine brought vastly improved lifestyles, progress in science, including space travel, created an aura in which anything seemed possible.

> **Expert Interview, Sr. Executive rewards and Recognition Firm**
> "Any time you have large groups of people there are going to be differences within them, so the study of the generations is only meant to be a broad brushstroke. Any motivational program has to include a wide range of choice and value. There has to be something attractive from an experiential point of view for Millennials, for example, or gift cards for Boomers. It's about being able to accommodate everyone individually."
>
> Please see Appendix D for the complete interview excerpt.

Yet Boomers also came of age under the threat of nuclear annihilation, and through the Vietnam period, the Civil Rights movement, Rock n' Roll, and the Peace Movement. The societal abundance, achievements and challenges of America today

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[40] Cathy Leibow, *Work/Life Balance for the Generations*, Huffington Post, Oct 2014 (see: http://www.huffingtonpost.com/cathy-leibow/worklife-balance-for-the-_1_b_5992766.html?)
[41] Brittney Helmrich, *Millennials Are More Entrepreneurial Than Gen Xers, Baby Boomers*, Business Week Magazine, Oct, 2014
[42] Kelvin Pollard and Paola Scommegna, *Just How Many Baby Boomers are There?* Population Reference Bureau, 2002 (see: http://www.prb.org/Publications/Articles/2002/JustHowManyBabyBoomersAreThere.aspx)
[43] David D. Burnstein, *How the Millennial Generation is Shaping our World*, Beacon Press, 2013
[44] See: http://en.wikipedia.org/wiki/Benjamin_Spock

are largely the doing of the Boomers.

Given the events that occurred in their era, Boomers are said to be the most idealistic of the three generations.[45] While Millennials also share this trait, Boomers are, relative to Millennials, unrestrained idealists (and remain so relative to other generations in their 50s, 60,s and 70s). Yet, despite the influence of the peace, love and hippie movements, Boomers are believed to work harder—or at least longer—than Millennials or Generation X,[46] putting in punishing hours and working overtime to make their organizations and the world a better place. It is said that Boomers live to work, they seek advancement and status, they want respect and they expect others to pay their dues.

Boomers report that they want workplace flexibility, including the opportunity to work from home. At the same time, Boomers are often the least comfortable with the notion of remote work and flextime and may need more coaching, training and communications than Millennials or GenX.

Many generational experts place Boomers closer in their values and characteristics to Millennials than Xers. But Millennials share characteristics of both Boomers and Xers (Figure Three). Ultimately, and as the descriptions above have attempted to define, there is some degree of consistency among the experts in their various characterizations of the three main generations in the workforce. Yet, at the same time, there is far more disagreement and inconsistency in how experts, observers and others define the generations.

Figure three attempts to capture the majority—if not the consensus—view of the basic, general differences between the generations.

[45] *Baby Boomers May Revert to Idealism of the 1960s, Consultant Says*, Los Angeles Times, March 19, 1985
[46] *Traditionalists, Baby Boomers, Generation X, Generation Y (and Generation Z) Working Together,* United Nations Joint Staff Pension Fund (see:
http://www.un.org/staffdevelopment/pdf/Designing%20Recruitment,%20Selection%20&%20Talent%20Management%20 Model%20tailored%20to%20meet%20UNJSPF%27s%20Business%20Development%20Needs.pdf)

Figure Three: A Summary of Generational Characteristics

Boomer	Characteristics (or stereotypes?)	Potential Conflict	Prime Motivators
	Born: ~ 1945-1963 - Raised more liberally (Dr. Spock, "spare the rod.") - Raised in time of optimism (post WWII) - Came of Age during Civil Rights, Vietnam, Hippie Movement - Live to work - Collaborative - Driven, achievement-oriented	- Work hard, put in the time - "Facetime" (time spend in the office) still valuable and respected - Seniority matters - Perfectionist - Where others don't show respect or don't observe political correctness	- Make a difference - Information=reward - Money - Recognition

Gen X	Characteristics (or stereotypes?)	Potential Conflict	Prime Motivators
	Born: ~1964-1980 - Raised in time of increasing divorce rates - Two earner families - Harsher economic times, saw parents "downsized" - Raised themselves (latchkey kids) - Saw scandals and failures (tainted Tylenol, space shuttle) - Distrustful, Independent, Skills-oriented - Work to live - Questioning, skeptical	- Mistrust - Don't bother me, I prefer to work alone - Strong commitment to family and work/life balance - Where others waste their time chatting about non-work related matters or bureaucratize and politicize the work environment	- Good benefits& competitive pay - Work/Life Balance - Time off - Autonomy - Flexible work - Mentorship - Personal Development - Recognition (private)

Millennial	Characteristics (or stereotypes?)	Potential Conflict	Prime Motivators
	Born: ~ 1981-2000 - Raised by "helicopter parents" - Told can be whatever they want - Continuous (mostly positive) feedback and recognition - Formed by 9/11, digital & connected world, technology, 24/7 - Formed by student debt, "Great Recession" - Career oriented, hard work, achievement, but with balance - Seeks recognition, detailed feedback - Community orientation (global & local) - Work/Life Blending*	- Strong sense of entitlement - Where, how, when work is done is unimportant, results count - Equality should trump hierarchy - Why? Why? Why? Want explanations, don't want to be told what to do without reasons - Impatience (open to and may even prefer constant change) - Where leaders are unfair, condescending and/or inconsistent	- Competitive pay - Coaching - Regular, detailed feedback and recognition (public) - Personal Development - Purposeful work - Giving back to community - Experiences (travel, assignments) - Fun - Free flowing, digital and mobile information - Egalitarianism

Again, the big question is, should the general differences, if accurate, matter to organizations, whether as employers, incentives and rewards program designers, or providers of products and services? Are the differences between the three main generations at work merely interesting or significant enough to spend time and resources analyzing them and designing programs to cater to workers or consumers by generational groupings? Part Two addresses these questions directly.

Part Two: More Alike Than Different? Evidence of Commonalities Across the Generational Divide

"Young employees are demanding that they be given productive tasks to do from the first day of work, and that the people they work for notice and react to their performance." – Fortune Magazine, 1969

"Veteran teachers are saying that never in their experience were young people so thirstily avid of pleasure as now … so selfish."
–   The Atlantic (letter to the editor) 1911

More than 150 years ago, the editor of Le Figaro, a French newspaper, said (translated) *"The more things change, the more they stay the same."*[47] Many argue that there are no generational differences, just differences and preferences that can be attributed to stages of life. Others insist that the distinct and communal events that impacted us as we came of age define us for the rest of our days and cause us to view the world in a way that is unique to our generation. (For a short synopsis on the foundations of generational research, please see Appendix B).

The quotes above remind us that generations of youth share many things in common. From idealism, optimism, and "the arrogance of youth," to concerns about establishing a career and experiencing a range of work, people, and adventure before settling down. A range of research over the past several years also points more to the similarities between the generations than the differences.

In 2008 Australian researchers looked for generational differences in personality and motivation. Their conclusions and findings were "*not supportive of the generational stereotypes that have been pervasive in management literature and media.*" The team remarked: *"Even when differences have been observed, these have related more to age than generation.*"[48]

In 2010, Dr. Brenda Kowske of the Kenexa Research Institute reviewed twenty-four years of workforce survey data to examine the differences between generations when in the same stage of their career. She concluded the following: "*While there are some differences between the generations, there also are significant similarities. The differences could be due to shared cultural beliefs and values, the challenges of*

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[47] see: http://www.tombes-sepultures.com/crbst_944.html

[48] Melissa Wong, Elliroma Gardiner, Whitney Lang and Leah Coulton, *Generational differences in personality and motivation: Do they exist and what are the implications for the workplace?* Journal of Managerial Psychology, Vol. 23 Iss: 8, pp.878 - 890

business, the economy and work climate, or a little of all three. However, at the end of the day, the grand majority of employees in the U.S. are subjected to certain rules about being at work, prescribe to the same value proposition of work-for-compensation and similarly engage in our consumer-driven economy. With hard-coded cultural rules such as these, it really leaves very little room for generational variation. These similarities among the generations represent space for common ground and can be used as platforms to establish commonalities and tackle differences." [49]

In a 2011 meta-analysis of generational studies, researchers at the University of North Carolina concluded that: *"… while there are some tensions among the generations, the generation gap has been overly exaggerated in the popular press. In fact, the different generations may actually have more in common than previously thought."*[50] Findings from this analysis suggest that Millennials look for the same things as the generations before them, including meaningful work, flexible work, work/life balance, learning and skills development opportunities, competitive compensation and to be treated fairly. [51]

Equal Commitment
A 2013 study by PriceWaterhouseCoopers, involving more than 180,000 respondents (all PwC employees) across 158 countries, is perhaps the largest study of the generations ever conducted, at least within a single workplace. After an analysis of an enormous data set, the researchers reported the following: *"…the NextGen study revealed that PwC's Millennials and non-Millennials are virtually equally committed to the workplace. And while the report did find some notable differences (for example, Millennials have greater expectations around support and appreciation from their organisations than their Non-Millennial counterparts) it is both those differences and similarities that are compelling PwC—and likely other organisations—to sit up, take notice and accelerate their pace of change."* [52]

Flexibility For All
The PWC report went on to describe their Millennial workforce as desiring the same work flexibilities as other generations, in almost exactly the same numbers. The only element of a significant difference observed by the researchers was in Millennials' expectations of having the latest communications and networking

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[49] Brenda Kowske, Ph.D., The *"Generations" Debate Degenerates: Finding Facts Among the Myths,* Kenexa Research Institute, 2010

[50] Marion White, *Rethinking Generation Gaps in the Workplace: Focus on Shared Values*, University of North Carolina Flagler, 2011 p.2

[51] Ibid

[52] *NextGen: A Global Generational Study*, PwC, the University of Southern California and the London Business School, 2013

technologies at their disposal, at work. [53]

Of important note, PwC's findings can only be extrapolated to professional services organizations with workforces heavily comprised of college graduates, many with advanced degrees. Overall, only 47 percent of the US Millennial workforce over 25 years of age possesses a college degree.[54] It is safe to suggest that a Millennial with a college degree has more in common with a Gen X college graduate than with another Millennial who didn't attended college.

In 2015, IBM's Institute for Business Value published the findings from its 2014 survey of 1,153 Millennials, 353 Gen Xers, and 278 Baby Boomers. IBM found very little difference between the generations at work, including their career goals and what it takes to motivate and engage them.[55]

Digital Proficiency Does Not Necessarily Mean Preference

IBM's results even contradict the long-held belief that Millennials crave more supervisor attention, feedback and praise. And despite the fact that Millennials were born into social technologies and networks, the IBM study found that a greater proficiency using the technology does not translate into a preference for using it versus other communications options "*... they [Millennials] prefer face-to-face contact. They're slightly more comfortable with virtual learning than their older colleagues: 35 percent are happy to use self-paced interactive modules, apps or online simulations,* compared to 33 percent of Gen X and 30 percent of Baby Boomers. However,*

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[53] Ibid

[54] *15 Economic Facts About Millennials*, The Council of Economic Advisors to the White House, Oct, 2014

[55] *Myths, exaggerations and uncomfortable truths The real story behind Millennials in the workplace,* IBM Institute for Business Value, 2015

Millennials' top three preferences involve personal interactions." [56]

> **"There is no evidence that 35-year-old managers today are any different from 35-year-old managers a generation ago." "Don't dwell on differences with a group discussion that devolves into: 'People my age feel like this.' Or 'All Boomers act a certain way.' There's a lot of variation." "Get to know each person individually."**
>
> – Peter Cappelli, Wharton School of Business[57]

Counter Arguments

Despite findings such as these (which, it must be said, represent the very tip of the iceberg) there are many experts who, nonetheless, advise organizations to invest time and resources in knowing and understanding the demographics of their workforce (and certainly, their customer demographics). They argue that only with this knowledge can programs, products and services be designed to appeal to the members of various generations, and, by inference, that appealing to the various generations is a worthwhile strategy.

Such programs include recruiting, on-boarding, development and training, and motivational efforts aimed at increasing employee engagement, performance, and retention. Similarly, businesses that understand the demographic makeup of customers and consumers can, according to many generational experts, craft products and services that should boost sales across each generation.

> **" ... they are also different from older adults back when they were the age Millennials are now."** –Pew Research Center, 2014[58]

2020 Workplace co-author Jeanne Meister says *"It's important to be aware of generational tension—loosely defined as a lack of respect for someone who's of a different generation from you—among colleagues," "It's your job to help your employees recognize that they each have distinct sets of skills and different things they bring to the table."[59]*

Elisabeth Nesbit of the American Counseling Association argues that counselors of all types should understand the broad differences between the generations in order to: *"have a better understanding of their sense of self as it relates to their generational*

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[56] Ibid, p.5
[57] Rebecca Knight, *Managing People from 5 Generations*, September 25, 2014
[58] *Millennials in Adulthood: Detached From Institutions, Networked with Friends,* Pew Research Center, March, 2014 p.4
[59] Rebecca Knight, *Managing People from 5 Generations*, September 25, 2014

identity and culture and also to have a greater understanding of their client's generational culture and its potential impact on values, beliefs, worldview and expectations…" [60]

A 2012 study of 4,986 insurance agency employees in 47 companies conducted by Lifecourse Associates in 2012 states that the differences between age groups in organizations is all about real generational differences and not life stages. The authors argue: *"Hardly anybody would claim that the young "flower-power" Boomers in the 1970s felt or behaved like the young "free-agent" Gen Xers in the 1990s, or the young team-playing Millennials of today."*[61]

And so the debate rages on. However, no one—not even the most fervent believers in generational differences—suggests that every member within a generation is the same or similar in their behaviors, values and preferences. Rather, generational experts argue that an understanding of the generations can provide a useful framework for making broad and general decisions about groups of people, and a means to be aware of employee and customer differences.

Whether the similarities and differences are significant enough to warrant special attention, however, is, again, the question with which organizations must grapple. After all, designing tailored programs, products, benefits plans, services and rewards takes time and costs a great deal of money.

Organizations might conclude that generational differences don't matter but differences in stage of life or lifestyle do. If so, the actions they might take are much the same. Indeed, commercially at least, providers of products and services ranging from cars to financial planning have long catered to customers at various stages in their lives—minivans for young families and retirement plans for aging workers, for example.

Rarer are products and services aimed at distinct generations. That said, music, video games, books, food, hotels and now, television streaming, often appear to target specific generations. In 2015, HBO, for example, launched a streaming service called *HBO Now*, which its CEO, Richard Plepler called a "Millennial Missile."[62] HBO appears to have made the decision to stream its programming based on information

[60] Lynne Shallcross, *From generation to generation*, Counseling Today, Nov, 2009
[61] Neil Howe, Reena Nadler, *WHY GENERATIONS MATTER: Ten Findings from LifeCourse Research on the Workforce*, Life Course Associates, 2012
[62] Cecilia King, *HBO Chief: New streaming service is a 'millennial missile'*, The Washington Post, April 24, 2015

from surveys such as Deloitte's latest Digital Democracy Survey. The reports says that 56 percent of consumers stream movies and 53 percent stream television each month, but 77 percent of Millennials—youth, between 14 and 25—stream movies and 72 percent stream television programs.[63]

Nonetheless, one can argue that consumer products for generational cohorts are actually aimed at age groups. Beyond the press releases, few products appear to be truly tailored for a specific generation *for generational reasons*—one that is designed to follow a generational cohort through its life stages. To illustrate, if a 2015 "Best of the Beatles" album were released today, it might well generate more sales among Baby Boomers that among Millennials. Yet the reasons may have more to do with the Beatle's traditional fan base and nostalgia than anything to do with the consistent, shared values, if any, Boomers have carried with them throughout their lives.

> *"For any organization, it is very important to consider what motivates its employees. Effort to understand human traits, shifts in attitudes and behaviour, social trends and ever changing employees i.e. generations is vital for the success of any business."*
> *– Motivating and Rewarding Generation Y Workers[64]*

The recent trend among hotel chains to launch youthful brands to attract Millennials is especially interesting.[65] Just as Millennials are expected to constitute half the workforce within a few years, they are also expected to account for half of all business flights.[66] Hotel executives and spokespeople may announce that the hotels are aimed at Millennials but, as above, do they really mean youth? Do the hotels expect that as Millennials become middle aged and then older workers they will still seek out hotels designed for Millennials? Or will Millennials begin to prefer what we now label "traditional hotels" as they age? Put another way, do Millennials with children prefer "Millennial hotels" or suite hotels with reasonable rates?

It is, at best, unclear whether common events, no matter how profound, can shape the worldview of tens or hundreds of millions of people for the rest of their lives. It is even more difficult to conclude that if generations act similarly or share

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[63] *Digital Democracy Survey 9th edition: A multi-generational view of consumer technology, media, and telecom trends*, Deloitte, April 2015

[64] *Motivating and Rewarding Generation Y Workers: Study of employees of Manufacturing industry in UK, 2013*

[65] Nancy Trejos, *Marriott debuts hotel brand for Millennials*, USA Today, Dec 8, 2014 (see:
http://www.usatoday.com/story/travel/hotels/2014/12/08/marriott-ac-hotels-millennials-new-orleans/20066811/)

[66] Daisy Carrington, *Wi-fi, Instagram walls and turntables: How hotels are courting millennials*, CNN April 10, 2014

preferences in some respects that it is due to shared formative experiences rather that their age and stage of life.

Questions about the real and significant differences between generations are important because if one believes that generations keep certain characteristics, world views, preferences, and values throughout their careers and lives, it might be possible to predict what will most appeal to them and motivate them as they age. If so, examples that support that notion are either non-existent or extremely elusive. Conversely, there are abundant examples of products, services and programs aimed at employees, consumers and citizens at various life stages.

As the Millennial generation approaches and possibly surpasses fifty percent of the working population in the coming decade, they will dominate in much the same way as Boomers do today—what's best for them is likely to become what's best for eveyone else. If so, employers and providers may second guess expensive programs aimed at small segments of the workforce, even if they do believe in significant generational or life-stage differences.

> ***"I think for the most part, Millennials prefer a five-thousand dollar experience over the cash, or equivalent things."***
>
> - Chip Espinoza, PhD, Concordia University at Irvine

Unique Reward, Recognition and Incentive preferences of the Generations

Whether due to generational differences or lifestyle and life-stage preferences, people express interest in a wide range of rewards, incentives and recognition—one size very definitely does not fit all.

At the same time, some elements of motivation are more or less universal. The "pat on the back" form of recognition, including a sincere thank you, is thought by many to have universal appeal. Even in those situations, however, generational experts are quick to point out the differences. Baby Boomers, many say, appreciate formal recognition in front of teams or groups. Millennials, it is said, enjoy the same but prefer it in the spirit of fun, with less formality and more frequency. Moreover, Millennials aren't satisfied with a quick thank you, they want specifics. Gen Xers, on the other hand, appreciate the recognition but prefer to receive it privately or just within their small group.

"You cannot manage what you don't understand. You won't be able to manage outside of your generation unless you can see through all of the generational lenses." – Tammy Hughes, CEO, Claire Raines & Associates

Rewards & Recognition for Baby Boomers

As above, Boomers are said to be shaped by such events as the the the Civil Rights Movement, Sputnick and Neil Armstrong's walk on the moon, Woodstock and women's liberation—all big achievements, important causes and inspiring events.[67]

Even though the events happened in their youth, it is argued that Boomers are still effected by them. If so, it might be reflected in their preferences for rewards. Boomers are said to look for peer recognition, promotions, more responsibility and greater formal respect (titles, deference, etc.). In some narratives, they seek nothing but hard cash, and they are motivated mainly by power and progression,[68] in others they want experiences, training, "lifestyle merchandise" and sabbaticals.[69]

Not surprisingly, experts advise organizations to provide retirement and estate planning advice and services to Boomers. Gallup suggests that banks should cater to Boomers' financial planning needs, especially those related to retirement planning.[70] Sodexo's 2015 Workplace Trends Report offers the following in its advice to organizations seeking tailored rewards and incentives for Boomers. In addition to retirement planning information and services and sabbaticals: *"baby boomers tend to prefer rewards in the form of appreciation, promotion, and recognition delivered with a personal touch."*[71]

Despite much logical advice about rewarding Boomers with financial services and information related to retirement, some experts advise us that Boomers have no intention of retiring. In the July 2009 issue of the Harvard Business Review, researchers report that *"42 percent of Boomers project they will continue working after age 65 and 14 percent don't think they will ever retire."* The authors say that many enjoy their jobs and identify with them, so will stay on for those reasons. [72] At

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[67] Dr. Susan Murphy and Arlene Asparger, *4genR8tns: Succeeding with Cohorts & Customers,* Claire Raines Associates, 2008

[68] Brenda Kowske, Ph.D., The *"Generations" Debate Degenerates: Finding Facts Among the Myths,* Kenexa Research Institute, 2010 (Wong, Gardiner & Coulon, 2008)

[69] Kimberly Abel-Lanier, *Motivating the Workforce of 2020: What the Five Generations Want and Need at Work*, Maritz Motivation Solutions, 2015

[70] Sean Williams, PhD, *For Banks, Baby Boomers Mean Lucrative Business*, Gallup Analytics, 2014 (see: http://www.gallup.com/businessjournal/181454/banks-baby-boomers-mean-lucrative-business.aspx)

[71] *Global Rewards and Recognition: Bridging Cultures and Generations Through Localization,* Sodexo, 2015

[72] Sylvia Ann Hewlett, Laura Sherbin and Karen Sumberg, *How Gen Y & Boomers Will Reshape Your Agenda*, Harvard Business Review, July, 2009

the same time, other researchers argue that Boomers *"grudgingly continue to work so they can supplement their retirement savings ..."*[73]

The point is not to discredit legitimate research and survey findings but to emphasize the complexity of generalizing any group of 80 million people (in the US alone) and attempting to design any sort of program around them on the basis of generational differences alone. The truth is, of course, that there are some Boomers who plan to work until they drop and others who plan to retire as soon as they can. The motivation for either course of action is broad, varied and subject to abrupt change under the right (or wrong) circumstances.

As above, we know that all generations appreciate flexible work and the opportunity to give back to the community. Researchers in the HBR report argue that this makes things more challenging for rewards and incentives program designers because cash is no longer the main instrument to motivate people. At the same time, they point out the advantages in being able to create more diverse and experimental incentives, such as flexible work options, sabbaticals, travel, green environments, volunteer assignments and the like.[74] The researchers conclude that, in order of preference: the quality of colleagues, interesting work, autonomy, flexwork, experiences, volunteerism and recognition (from the boss or executives) are the most important rewards for Boomers.[75]

Some experts focus more on Boomers' need to compete and win—and their apparent quest for power, promotions and recognition—in designing rewards and incentives for that generation. One rewards and recognition provider, for example, advises designers to create rewards and *"incentives that showcase experience and excellence. Setting goals, or challenges, within the workplace that the Baby Boomer can 'win,' is effective. In general, they value healthy competition, with prizes, awards, and recognition on the other end."*[76]

Interestingly, others key in on Boomers' interest in experiences, arguing that employers and those selling to consumers should look at their audience and offer either "ordinary experiences" or "extraordinary experiences" depending, to some degree, on the age cohort of the target audience. In many cases, people over 45 years of age seek quiet, intimate experiences with friends and colleagues while Millennials may prefer extraordinary, even extreme experiences involving intense

[73] Brenda Kowske, Ph.D., The *"Generations" Debate Degenerates: Finding Facts Among the Myths,* Kenexa Research Institute, 2010

[74] Sylvia Ann Hewlett, Laura Sherbin and Karen Sumberg, *How Gen Y & Boomers Will Reshape Your Agenda*, Harvard Business Review, July, 2009

[75] Ibid

[76] USMotivation, *The Generational Challenge – Target Your Audience, But Don't Generalize*, May 2014

activity. [77]

Coca-Cola, the researchers say, appeals to the former with in its Coke commercials featuring "scenes of people spending time together." While Diet Coke commercials feature "pop stars and incredible personal feats."[78] For reward and incentive designers, this might mean that a range of options should be offered to appeal to all generations. For example, an incentive travel experience might facilitate a range of activities, from the highly casual and laid-back to the outrageous and energetic, with many options in-between.

For Baby Boomers, like other generations, recognition should remain at the root of most incentive and reward programs. A 2012 study by Aon Hewitt consulting found that recognition was the fourth-most important driver of engagement globally in 2012, behind issues such as career opportunities and pay. For Millennials, it rose to third.[79]

Rewards & Recognition for Generation X:

For Generation X, even more of the many motivational drivers shared by Millennials and Boomers apply. At the same time, most observers believe that while all workers desire training, Xers place more value on personal development and opportunities to build their skills than Boomers or generations before them.

Xers, it is argued, are constantly concerned with building their resumes because they don't expect to stay with one employer for a long time. This is consistent with generational theory that would point out the turbulent economic conditions and mass layoffs that occurred during their formative years.

Generation X is also said to demand a greater degree of proof that a reward or incentive is what it purports to be. Experts recommend that you "*ensure that you don't make promises that you can't keep*"[80] to Xers in particular. Where Xers are invited to events, they may seek meaningful information from knowledgeable people more so than other generations. In other words, the brochure or sleek corporate video may not cut it with many Xers, they might prefer the detailed product specifications and the raw YouTube video made by a regular employee or customer, for example.

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[77] *What Makes You Happy? It Depends on How Old You (Think) You Are*, Knowledge @ Wharton, Jan 2014
[78] Ibid
[79] *2012 Trends in Global Employee Engagement*, Aon Hewitt, 2012
[80] Jena Tesse Fox, *Meetings, Events and Generation X,* May, 2013

Like Boomers, Xers appreciate recognition but prefer it be delivered without fanfare—privately in most cases. And if a tangible reward is offered, time off work is likely to garner a better response than cash, merchandise or a plaque/trophy. Xers may be more committed to the environment than any other cohort, so "green" related rewards and incentives might be appropriate. As with any generation, the prospect of a sabbatical, especially a paid sabbatical, should be exceptionally well received among Xers.

Generation X are said to demand work/life balance to a greater degree than Boomers and Millennials.[81] However, some research counters this belief, indicating instead that Xers are the least concerned of the three generations where work/life balance is at stake.[82] Also similar to Boomers and Millennials, Xers seek workplace flexibility, after all, they may be as squeezed today by caring for two generations as Boomers are purported to be.

In its 2015 study on the generations, IBM found that despite the belief that Millennials seek the most frequent recognition among the generations, "*They are no hungrier for accolades than Gen X employees.*"[83] Like, Boomers and Millennials, IBM argues, Xers prefer face-to-face experiences to virtual ones. However, they might go either way when it comes to preferring casual or extreme experiences.

As the in-between generation, Xers share many things in common with Boomers and Xers, and so the most effective means of rewarding and incentivizing them are more difficult to define. Some researchers propose that there is a fourth generation within the three main generations at work. A generation they refer to as "Generation Flux" comprised of older Millennials and younger Xers.[84] Generation flux, motivated by passion and mission, thrives on change, actually preferring it to the status quo.[85]

Expert Interview: Executive of Rewards and Recognition Firm
"There is significant overlap between the generations as well. Because of this, we have labeled a group of people who are older Millennials and younger Gen X as Generation Flux. Generation Flux shares a lot of the same affinities for experiences, for example. Whereas older generations might say "show me the money," Generation Flux is driven more by professional development, flexible schedules, game-based learning, instant gratification, Micro-successes, constant recognition, travel, and those all-important personal moments when a manager makes them feel special. "

Please see Appendix D for the complete interview excerpt.

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81 Michelle Hicks and Lori Block, *What's in it for me, Rewards Messaging to All Generations,* Benefits Quarterly, 2014
82 *Myths, exaggerations and uncomfortable truths The real story behind Millennials in the workplace,* IBM Institute for Business Value, 2015 p.2
83 Ibid p.5
84 Kimberly Abel-Lanier, *Motivating the Workforce of 2020: What the Five Generations Want and Need at Work,* Maritz Motivation Solutions, 2015 p.8
85 Ibid, p.9

Rewards & Recognition for Millennials:

As above, a tremendous amount has been written about how Millennials differ from the rest of the workforce, yet upon analysis, the similarities far outweigh the differences. For many, the overriding dissimilarities boil down to use and comfort with technology—particularly social technologies. This might translate into policies or rewards that allow and encourage employees to use social media at work. For organizations and providers this also means Millennials should be looked at to understand where social technologies are headed; after all, Millennials will drive the evolution of social technology for at least the next decade. In doing so, they will shape the way the rest of the generations use social technology at work and at home.[86] For providers hoping to sell to Millennials, it might mean providing free wifi at their locations (or sponsoring free wifi at others) and ensuring that their own digital presence is up-to-date, mobile and useful.

> *"… the sheer amount of computational power and access to information that Millennials have had at their fingertips since grade-school is unparalleled."* - The Council of Economic Advisors to the White House, 2014

One of the largest recent studies of Millennials is Aimia's Canadian Millennial Loyalty Survey. Of more than 2,000 Canadian consumers, including 1,000 Millennials, researchers found, not surprisingly, that Millennnials are the most price sensitive of the generations—they will choose a provider based on price more readily than the others. Millennials are also the most likely generation to practice "showrooming," in which they will visit a physical store to see a product and then shop for the best price online.[87]

The survey also revealed that Millennials are more interested in loyalty programs than other generations (even though they use them slightly less at this stage).[88] However, Millennials expect to earn enough points to acquire a reward much faster than other generations and they are more likely to research the actual value of rewards they receive than others.

Again, not surprisingly, the analysis found that Millennials are much more likely to both share and seek opinions of products and services online than the other generations.[89]

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[86] *15 Economic Facts About Millennials*, The Council of Economic Advisors to the White House, Oct, 2014
[87] Rick Ferguson, *Born This Way: The Canadian Millennial Loyalty Survey* – Aimia, 2014
[88] Ibid
[89] Ibid

Experts frequently characterize Millennials as wanting rewards and incentives that involve doing good for the community. In their 2009 research for HBR, researchers found that 47 percent of Millennials "*say it's important that the company they work for offer sabbatical leaves—that such perks boost commitment and performance.*" In the same report, the authors conclude that, "*Gen Ys and Boomers also share a heightened sense of obligation to make a positive contribution to society and to the health of the planet. Respectively, 86% and 85% say it's important that their work involve 'giving back.' That's not as true for Gen X: People in their thirties and early forties are 10%.*" [90]

The combination of time off to contribute to the community could have great appeal to Millennials especially, and like Generation X, large majorities of Millennials and Boomers want flexible work options including options to work remotely.

Don Tapscott, one of the foremost authorities on the Millennial generation, believes that this cohort prefers to learn and work collaboratively, wants custom products and services as well as a hand in creating them, values integrity, the environment and treatment of workers in their choice of providers and values results over seniority in their evaluations at work.[91]

> **"When it comes to work, Millennials are mostly similar to previous generations: they want to be successful, and they want the type of prosperity that means that their children will be better off."**
> - The Council of Economic Advisors to the White House, 2014

Sodexho research states that Millennials want awards, certificates and "immediate tangible rewards," [92] while a great deal of other analysis suggests that experiential rewards are far more impactful for Millennials than cash and other tangible incentives. Millennials preference for face-to-face encounters and their desire for travel and experiences could make business travel and offsite meetings particularly rewarding for Millennials, especially where it includes an element of recognition, i.e., offsite meetings that include and recognize them as high performers.

Due to Millennial's early immersion in the Internet, and in particular, social media sites, there is strong evidence that this group prefers frequent, even immediate feedback to an extent well beyond that required by other cohorts.[93] Facebook, Pinterest and other social networking sites, after all, offer near-immediate

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[90] *Myths, exaggerations and uncomfortable truths The real story behind Millennials in the workplace,* IBM Institute for Business Value, 2015 p.2

[91] Don Tapscott, Grown Up Digital, McGraw-Hill, 2008

[92] *Global Rewards and Recognition: Bridging Cultures and Generations Through Localization,* Sodexo, 2015

[93] Jacqueline Smith, *Why Millennials Need Constant Feedback At Work*, Business Insider, March, 2014

recognition and validation. Users post pictures, share meaningful events and important thoughts with their communities. They expect and receive near instant feedback —whether through likes, quick replies or extensive comments. Indeed, Facebook itself uses an online, instant recognition tool so that leaders and peers can immediately "like" or comment on and praise work done by others.[94]

In contrast to the IBM research cited above, Universum conducted a global survey in 2014, in which 93 percent of Millennials said they expect feedback at least once per month and 25 percent said they expect it everyday, if not instantly.[95] Universum suggests that the *"feedback can be delivered via a face-to-face interaction, but 20-somethings are the texting generation, and so some form of digital communication may be the new way forward."*[96]

Of course, Millennials are often derided for having received awards and recognition just for showing up—whether placing first or last in a race, for example. To the extent this is true it might also contribute to Millennials' preference for frequent (positive) feedback.

As above, Millennials may be more driven than prior generations by their belief that Social Security will either run out or be insubstantial when they retire. Only about one in twenty count on getting the same level of benefits as retirees receive today.[97] For reward and incentive designers, understanding Millennials' insecurities in this sense might help them to create innovative programs such as retirement planning tools, information, and seminars aimed at workers still in their twenties.

> ***"For rewards and incentives, I would emphasize experiences more than anything—travel, project experiences related to work and their career."*** – Buddy Hobart, Author of *Millennials and the Evolution of Leadership*

If Millennials are aware of their disadvantages around savings and retirement planning—and if they have little to no faith in government or employers providing either for them—thoughtful employers and marketers will tailor their offers accordingly, at least until Millennials reach late middle age.

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[94] Maynard Webb, Carlye Adler, *Rebooting Work: Transform How You Work in the Age of Entrepreneurship*, John Wiley & Sons, 2013
[95] Melissa Murray Bailey, *Instant feedback is the norm for Millennials*, Universum, Dec, 2014
[96] Ibid
[97] *Millennials in Adulthood: Detached From Institutions, Networked with Friends,* Pew Research Center, March, 2014

Peer-to-Peer Recognition

Today, mass peer-to-peer recognition can be facilitated in community, social or work settings. In the consumer world, most buyers, and especially Millennials, are already adept at providing feedback about what they've purchased or experienced. And nearly everyone today checks consumer recommendations concerning the things they might buy and the places they might visit, for example.

As above, an important part of most Millennials' natural habitat is social networking sites. Social forms of recognition, including employees congratulating and recommending one another is an obvious avenue for organizations to consider. Indeed today's corporate network technologies ("behind-the-firewall" corporate social network platforms) have changed the entire arena of recognition.

Peer-to-Peer recognition platforms typically allow an employee to recognize colleagues, and managers to recognize employees. Some are extended to include customers, suppliers, partners and other stakeholders. Most tools include functionality for employees to collect points and connect to the organization's reward fulfillment tools. For example, an accumulation of peer-to-peer award points could make an employee eligible to choose from a menu of rewards. Most also include templates for award certificates which can be printed (eliminating the need for approvals/bureaucracy), or, be accompanied more formally by a write-up— pegged to a core competency or value—that can be added to the employee's record.

The use of peer-to-peer recognition programs has taken off since the tools were made available less than a decade ago. According to a 2013 World at Work survey, 42 percent of firms used peer-to-peer recognition as of 2012.[98] The fundamental advantage online social recognition brings to organizations—even those with formal recognition programs—is that appreciation and recognition becomes an ongoing, daily activity, driven predominantly by employees recognizing other employees (as opposed to an annual, formal evaluation driven by management). In this way, organizations stand a much better chance of building a culture of recognition and to do so relatively quickly.

Peer recognition might also alleviate some Millennials' reluctance to "lean in" and trust others, as referenced above. Given tools they are most comfortable with, those that might be on the periphery of the organization can be drawn in.

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[98] *Trends in Employee Recognition*, World at Work, June 2013

Experts clearly agree that the social recognition world is not a trend that will fade away. It represents, in all probability, the next-generation evolution of reward and recognition systems organizations already have in place. And in the future, social recognition platforms will prove to be the first layer or entry point into the powerful collaborative systems and social-strategy tools of tomorrow. These systems will also provide much of the massive data organizations will use to gradually tailor recognition and reward programs down to each individual.

Part Three: Taking Action on Incentives, Rewards & Recognition by Generation and/or Life Stages

In summarizing the first two parts of this paper, most readers will conclude that there exists no consensus definition or description of the three main generations at work and in the marketplace today—at least not one to which more than a handful of experts would agree to. The values, characteristics and preferences of the generations are interspersed between them to the extent that any or all could be used to describe an individual of any age.

Nor does the alternative approach—one based on life stages —offer a great deal more guidance to employers, or incentive program designers. While it is probably true that more can be predicted about a person's needs and preferences based on their life stage than their generation, such predictions are still bound to be inaccurate much of the time.

Where life stages appear to have the greatest relevance is in the consumer products and services industries. Organizations make products for expectant mothers, new parents with young children, and for older workers approaching retirement—to name just a few—just as hotels cater to single, young people seeking convenience, wifi and other amenities, or parents with children seeking the extra space of suite hotels.

Nonetheless, careful attention to the general differences between the generations, filtered by life stages, is very likely worth the time and effort it takes on the part of incentive and reward program designers, depending on the types of programs they design. Program designers who provide merchandise, individual travel and reward type incentives, for example, should strive to have a broad enough catalogue of options that any person or any age can find something that appeals to them. However, as above, a solid knowledge of generational and life stage factors will help

designers in fashioning optimal communications and delivery components of the program.

Where incentive program design gets more sophisticated—group travel programs and offsite meetings, for example—fully tailored options cannot be provided to every participant. The choice of location, the number and duration of business meetings, the dates for an event, the rules around inviting partners and/or children, etc. can't be mass personalized to the extent many other rewards and incentives programs can.

As above, however, incentive group travel and offsite meetings can be among the most appreciated, rewarding and memorable types of recognition for all generations provided they are designed with multiple options for reward earners once they reach the destination. (Please see Appendix C for a list of ideas in designing group travel and offsite meetings to appeal to each generation).

Even where gift cards and merchandise, trophies and plaques are concerned, designers who understand the generations might be careful to include tailored ways to present the award. After all, for the Boomer who values peer recognition, choosing a commemorative watch as an award from a catalogue and having it delivered by UPS might not have the same impact as if that reward were presented by a senior executive in front of that person's team.

In many cases, designers will find significant benefit in understanding the generations and life stages of program participants and those competing for the rewards or being attracted by a marketing campaign. This general understanding is also useful in daily encounters between managers and employees, or employees and customers to avoid hot buttons and to demonstrate more empathy.

Even though everyone in a generation or at a particular life stage won't want the same things, consideration of generations and life stages is likely to result in better designed incentives, reward and recognition programs.

Wherever possible and practicable, of course, designers should seek an understanding of how each and every individual employee or consumer is engaged and motivated. And though this might be next to impossible today, the ability to understand and deliver to individual preferences is on the very near-term horizon.

Big Data and Mass Personalization

Large organizations generate many petabytes of data each day.[99] This "digital exhaust" has the potential to provide invaluable insight into workforce productivity, information flow, innovation, collaboration, competencies and preferences where rewards and recognition are concerned. In the retail world, data mining and predictive analytics already provide near unlimited consumer choice and customization.

Whether using Amazon, Netflix or a host of other online services, consumer are used to receiving suggestions and offers based on their shopping and viewing patterns. Today, Internet users receive pop-up ads that eerily resemble that what they were thinking about just minutes before (based on analysis of their search and web browsing patterns in most cases). People with particular tastes in music can define their own unique radio stations using tools such as Spotify and Pandora. Clothes can be ordered to specific preferences in color, fabric, and, of course, precise size. For T-shirts, mugs, hats, books, and many other items, consumers can design their own clothes or stories using online apps, have them made to order and then shipped to their homes.[100]

The world, especially for consumers, is becoming more and more individualized, and our experiences as consumers, particularly on the Web, are shaping expectations of what we should encounter at work. Indeed, the trend toward mass personalization is now taking hold in the workplace. Employees who have had plenty of choice in how they design their benefits packages, for example, are now also benefiting from the attention of employers who are often advised to develop, engage and retain their employees on a "one-to-one" basis,[101] regardless of the size of the organization.

> *"Today, People Analytics is poised for a revolution, and the catalyst is the explosion of hard data about our behavior at work."*
> – Ben Waber, Sociometric Solutions and author of People Analytics.

The emerging field of workforce predictive analytics promises to capture the terabytes of information each of us generate each day and turn it into actionable insights about the workforce as a whole and each individual within it. As USC professor John Boudreau puts it *"This is like running the robot loose in the data and letting it start learning synoptically about what keywords go together and what pings.*

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[99] Andrew McAfee, Erik Brynjolfsson, *Big Data: The Management Revolution*, Harvard Business Review, Oct. 2012. (See: http://hbr.org/2012/10/big-data-the-management-revolution)
[100] See: http://www.customink.com for one example.

You don't always need experts to come up with the model because the algorithms are sophisticated enough that they are faster and better at that. Kind of like IBM's Watson's playing Jeopardy." [102]

Professor Boudreau is referring to artificial intelligence that can determine exactly what training an employee needs at any given time, for example, or, presumably, what precise incentive they might be given that will generate the highest levels of engagement and productivity. In their 2014 book, "The Decoded Company," the authors assert that opportunities for rewards and recognition can be "*personalized around an individual*" by analyzing the data in state-of-the-art performance management systems.[103]

Indeed some reward and recognition providers are already evolving their services and tools toward a curated design principle that tailors programs to the individual. So if a company has 15,000 employees, there will be 15,000 unique experiences in using the recognition and rewards program, each experience informed by an employees' unique profile—in other words, a tailored expression of the technology to accommodate every person's differences no matter how big the organization.[104]

Without a doubt, we are entering a new era in which the possibilities presented by data analysis are only constrained by our imaginations. As "People Analytics" author Ben Waber puts it, the *"power of analytics [provides] a nearly superhuman ability to understand and change the world around us."*[105] In the years ahead, predictive analytics will present opportunities that no one has yet forecast.

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[102] Author interview with John Boudreau, Professor, Marshall School of Business and Center for Effective Organizations, University of Southern California, May 2014

[103] L. Segal, A. Goldstein, J. Goldman, R. Harfoush. *The Decoded Company*, Penguin, 2014, Loc. 2978

[104] Author interview with Kimberly Abel-Lanier, March, 2015

[105] Waber, Ben, *People Analytics: How Social Sensing Technology Will Transform Business and What it Tells Us about the New World of Work.* Pearson Education, 2013, 2

Conclusions

In situations where employers or providers are able to deliver rewards and incentives tailored to the individual, they should. Where individual preferences and motivators can be learned, there is no need to be concerned with factors related to age, generation or life-stage. Rewards and incentives designed to demographic categories represent, more or less, educated guesswork that pales in comparison to analysis of the ambient data that can target consumers and employees by their actual behaviors. In other words, would you rather know what motivates an employee or customer based on their actual behavior, or guess what motivates them based on their age or generational cohort?

As Marcus Buckingham and Donald Clifton pointed out in their bestseller, *Now, Discover Your Strengths*, almost 15 years ago: "*To excel as a manager, to turn your people's talents into productive, powerful strengths, requires an additional all-important ingredient. Lacking this ingredient ... you will never reach excellence. The all-important ingredient is individualization.*" [106]

And, as argued in the Incentive Research Foundation's 2014 Trends in Engagement, Incentives, and Recognition report: "*To maximize the ever changing and growing technology, the industry will need to continually innovate. Incentive Travel programs will require increasingly personalized experiences delivered on-demand through mobile and social applications; meeting planners will demand more bandwidth to accommodate more devices and apps than ever.*"[107]

In many situations, however, mass personalization is not possible. Incentive travel programs, for example, feature one destination. Designers who understand their workforce demographics *and* who have a good handle on the broad differences between the generations can and should combine that information with insights into the life stages of employees. This knowledge and insight might assist them in selecting the best possible venue, the right dates and schedules, and to design a range of activity options to create an incentive travel program that has the best chance at appealing to everyone who stands a chance to earn the reward.

The best way to approach incentive, reward and recognition program design may be to adopt a multi-dimensional view—a set of lenses, as one of our expert

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[106] Marcus Buckingham and Donald Clifton, *Now, Discover Your Strengths*, Free Press, Jan 2001

[107] Melissa Van Dyke, *2014 Trends in Engagement, Incentives, and Recognition*, Incentive Research Foundation

interviewers put it—that considers both generational and life-stage preferences before a program is finalized and communicated.

The Framework for Designing Recognition, Rewards and Incentives Programs, illustrated below in Figure Four, was built on that notion by summarizing the majority views and opinions of the experts reviewed and interviewed for this research. Though far from perfect, it can be used as a rough guide in designing a program that considers and balances the preferences of virtually every person in any organization.

Note: In Figure Four below, the larger the circle, the greater importance the item is in terms of the generation a person belongs to and/or the life stage they occupy. For example competitive pay may be slightly more important to the average Millennial than to the typical Gen Xer, and slightly more important where a person (regardless of their generation group) is married with children at home.

Figure Four: A Framework for Designing Recognition, Rewards and Incentives Programs based on Generational Factors
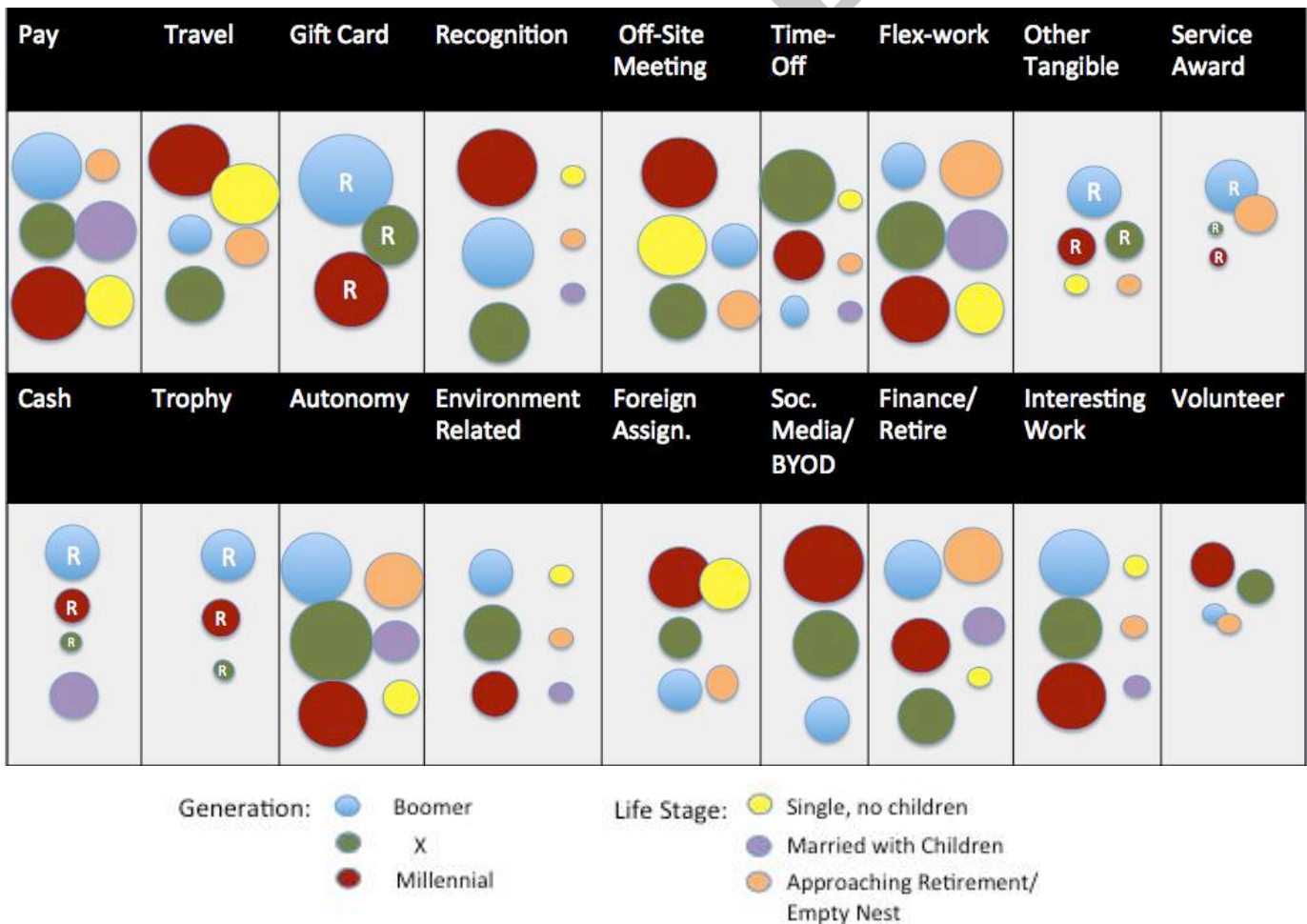
R – Labels types of rewards that should include a deliberate element of recognition in their delivery for maximum impact. For example, mailing a service award to an employee without any accompanying ceremony to recognize their achievement diminishes the impact of the reward.

Understanding the broad demographics of you workforce or customer base might require only modest effort. Human Resources Information Systems (HRIS) or personnel spreadsheets probably capture the age of employees and years-to-retirement eligibility, for example. Simple demographic reports can probably be generated in minutes.

Knowing how the workforce breaks down by generations, combined with a good knowledge of the general differences between the generations, can make designers more effective in creating incentive programs and in engaging employees and customers on a day-to-day basis. Effective managers can combine this information with what they know about the life stage in which each of their employees resides, bringing even more clarity to the design of incentives for example.

Ultimately, in the not too distant future, most organizations will tailor most, if not all incentives, rewards, and marketing messages to each and every individual they hope to engage. For now, it remains worthwhile to understand the generational research, including life-stages, if mainly to ensure that important considerations are not overlooked.

Appendix A: Case Vignettes

Vox Mobile

Vox Mobile is a successful 150 person, Cleveland-based "enterprise mobility" provider approaching its first full decade in business. Its CEO, Kris Snyder, doesn't believe in treating all of his employees the same. He recognizes that although most of his employees are young (Millennials) he also has a good number of people in their mid 30's and older who are not necessary motivated by the same incentives, rewards and benefits.

Snyder and his team have designed a range of benefits—from paid-for LinkedIn accounts to matching 401(k) contributions—to ensure choice and to improve the likelihood that any employee, no matter their age or life-stage can find something motivating in the incentives and benefits packages Vox provides.

City of Claremont, CA

The City of Claremont in California is a municipal government organization that takes differentiated benefits and rewards very seriously. The City has analyzed the motivational differences between Boomers and Gen X and Millennials to develop a suite of rewards, incentives and recognition that appeals to all.

Those incentives aimed at Boomers include a two week paid sabbatical on reaching ten years of service. The sabbatical time can be combined with annual leave to extend the break to a month or more. When an employee has fourteen years of service, he or she is awarded an extra week of annual leave, at which point, the employee has a total of four weeks vacation each year. Starting at an employee's third year of service, the City allows them to defer a part of their compensation into a savings account. The city matches up to 5 percent of an employee's pay once they reach their tenth anniversary.

The City of Claremont offers all employees a stipend of $200/year for fitness and health programs and operates a casual worker program that lets retirees return for special paid assignments with the City.

Aimed at Millennials and Gen X are a dozen programs, including remote work options, a cafeteria-style benefits program, leadership training, mentoring, stretch assignments, a recognition program tied to various levels of gift cards and a peer-to peer recognition program involving cash bonuses. After one year of service, all employees receive three weeks vacation and every employee has access to a comprehensive intranet site and bulleting board system.

Booz Allen

DeAnne Aguirre, leader of Booz Allen's organization and change management practice is an especially valued member of the firm. Her needs over her career have caused her to ramp her career up and down at least eight times. None of this has limited her career (at one point, she was the highest ranking woman in Booz's history) but after looking into a problem the firm was experiencing with retention in the mid-2000's, she realized that her experience should be turned into an official program.

Booz's flex-career programs now allow for consultants in "extreme" positions—those involving near constant travel, for example, to step back, go part-time or even quit the firm without losing their place.

"Adjuncts" leave Booz but receive offers of short-term assignments, which they can accept or turn down. They get benefits and an ongoing offer to return full-time without loss of rank.[108]

Intel: The "Seventh Inning Stretch"

Everyone at Intel throughout the US and Canada gets a fully paid eight week sabbatical with benefits after seven full-time years with the company. Employees earn additional eight-week sabbaticals for every seven years they serve.

The benefit is particularly powerful as a retention and engagement tool and it costs very little to operate. The work that the employee on sabbatical would have done is handled by teammates who know in advance of the leave. With rare exception, everyone is happy to cover for those on sabbatical because they know their turn will come too, if it hasn't already.

Sabbaticals are offered in at least 20 percent of the world's top 100 places to work (Intel is usually among them) suggesting that the program is a strong motivator. It can be particularly powerful in retaining new employees who aren't likely to look forward to retirement but can imagine the day when they take their sabbatical.[109]

The Hotel Industry

It is clear that many hotel chains believe there is profit to be made in designing hotels for Millennials. Marriott, Radisson, Hilton, Commune Hotels, Starwood, Hyatt and InterContinental Hotels, for example, have recently launched (or plan to soon)

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[108] (see: Sylvia Hewitt, *Off-Ramps On-Ramps* (Harvard Business School Publishing, 2007)
[109] Judith Harkam Semas, *Taking off from the hi-tech grind: sabbaticals* (HR Magazine, 1997)

new lines to attract Millennial travelers. Intercontinental calls their new chain, "Citizen M." Radisson has named theirs "Red," and Marriott, "Moxy." In each case, designers fill the hotels with what they believe will attract young travelers and cause them to spend more money during their stay.

Gallup claims that the more engaged a hotel guest, the more money they are likely to spend. Apparently, Gen X travelers are the most engaged (though it is unclear whether or not they stay at hotels designed for Millennials) because they outspend Boomers and Millennials by a fair margin, according to Gallup research.[110] On the other hand, Chase Card Services released the results of a poll it conducted in 2014, which stated that Millennials are the most likely of the generations to indulge in luxury hotel services.[111]

The sleek websites of these hotels feature photos of ultra-modern furnishings, they promise no stodginess, no waiting, and free wifi, some offer smart TVs so that guests can use them with their mobile devices. Marriott claims that Millennials want "trendy locations, minimalist design and curated small plates."[112]

At this stage it is too early to tell whether hotels that cater to specific generations will succeed and/or whether those hotels will attract an outsize share of the traveling cohort they seek.

Target: Targeting Consumers at Life Stages
Each time you go shopping, you might be sharing valuable "ambient" data with retailers. The term ambient is used because you are not deliberately providing this information, rather it is collected as you shop. The data can be processed and analyzed to gain insights into your preferences—including what you like, what you need, which coupons are most likely to get your attention, and, bottom line, what will incentivize you to buy more.

Target data-mines shopping patterns and uses powerful algorithms to draw correlations (connect the dots) between things that might make little or no sense at first. Because data storage has become inexpensive just as computing power has increased exponentially, Target and other retailers (or employers, for that matter) can test every conceivable connection to look for clues.

[110] John Timmerman and Daniela Yu, *How Hotels Can Engage Gen X and Millennial Guests*, Gallup, July, 2014
[111] See: http://www.businesswire.com/news/home/20140610006008/en/Millennials-Indulge-Luxury-Hotel-Services-Chase-Marriott#.VS79F2Y_CF4
[112] See: http://www.entrepreneur.com/article/240692

Target knows, for example, that many people buy certain lotions, but when the system drew a much stronger connection to shoppers who were also on the Target baby registry, analysts' interest was peaked. It turns out that pregnant women turn to unscented, non-allergenic lotions around the beginning of their second trimester. Other analysis revealed that pregnant women in their first 20 weeks, purchase unusual amounts of supplements like calcium, magnesium and zinc. And, as they start buying scent-free soap and large bags of cotton balls, hand sanitizers and washcloths, Target knows they could be getting close to their delivery date.

Analysts at Target assign a "pregnancy prediction" score and use that information to mail special offers and coupons aimed at women who are pregnant. This is a good example of aiming products and incentives at people in certain life stages and we're bound to see more and more of it as consumers and eventually, as employees.

Almost every major retailer, from grocery chains to investment banks to the U.S. Postal Service, has a "predictive analytics" department devoted to understanding not just consumers' shopping habits but also their personal habits, so as to more efficiently market to them. Within a few years, "people analytics" departments, which Google is famous for, will be commonplace in organizations that wish to learn more about each employee on a one-to-one basis.

Appendix B: The Foundations of Generational Research

Discussion of the concept of "generations" appears to have begun in the 19th century when Emile Littré said a generation is "all men living more or less at the same time".[113] This definition evolved afterward to mean groups of living individuals who were born into the same period.

In *Cours de philosophie positive (1830)* Auguste Comte suggested that social change is determined by generational change and in particular conflict between successive generations. As the members of a given generation age, their "instinct of social conservation" becomes stronger, which inevitably and necessarily brings them into conflict with the "normal attribute of youth"—innovation.[114]

Serious academic research into the generations (and much of the credibility associated with it) starts with Karl Mannheim, a founding father of the field of sociology.[115] In 1923 Manheim wrote a paper called "*The Problem of Generations.*"[116] In it, he defined a generation as a group united in common experiences representing "*a common location in the historical dimension of the social process.*" Manheim believed that such groups form similar values, and those values will influence them in their decisions, preferences and perceptions of events throughout their lives. He proposed that generational influences might even be as strong as the socio-economic class in which a person is raised in its influence on that person. Manheim believed that people share "*the taste, outlook, and spirit characteristics of a period or generation.*"[117]

Yet, Manheim's research is anything but empirical, he conducted no surveys and relied very little on direct observation. Over the past decade or so, a good deal of analysis, involving hundreds of thousands of subjects has mostly failed to support Manheim's claims—at least to a degree that a skeptic would deem significant enough to warrant the development of special programs aimed at generations.

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[113] Wohl, Robert (1979). *The generation of 1914.* Cambridge, Mass.: Harvard University Press. pp. 203–209.
[114] Hans Jaeger. *Generations in History: Reflections on a Controversy.* Translation of "Generationen in der Geschichte: Überlegungen zu einer umstrittenen Konzeption," originally published in Geschichte und Gesellschaft 3 (1977), 429-452. p 275.
[115] Pilcher, Jane (September 1994). *"Mannheim's Sociology of Generations: An undervalued legacy"(*PDF). *British Journal of Sociology* 45 (3): 481–495.
[116] Karl Manheim, *The Problem of Generations*, Essays, Routledge 1926-7 (see: http://www.history.ucsb.edu/faculty/marcuse/classes/201/articles/27MannheimGenerations.pdf)
[117] Ibid

Appendix C: Engaging Multiple Generations Through Incentive Group Travel and Offsite Meetings

Ways Meeting Planners are Bringing Generations Together

1. Bring the different generations together with a common thread, make it different every time
2. Feature theme parties—they tend to appeal to many generations
3. At the dinners, I always do assigned seating so Boomers and Millenials are sitting together rather than with their friends.
4. Include cross-generational team building events and a wider choice of activities and content sessions.
5. Include ice breaker activities that everyone participates in, and a hospitality suite to promote group interaction.
6. The best tool for me is ensuring I pick a destination that has a variety of activities—a simple golf & spa destination doesn't work, especially if it's remote. I try to find a destination that can accommodate a variety of interests within close proximity to the hotel/resort.
7. Create different programs for different generations
8. Invite the multiple generations to join in the planning sessions
9. Include outside team activities—scavenger hunts/ treasure hunts/ races, etc. so that all are involved and everyone contributes—help them get to know each other socially.
10. Build consensus through marketing communications that appeal to all generations and select locations that appeal to everyone.
11. Engage all generations as a team in a project for charity
12. Design competitions that level the playing field across generations.

Ways Planners Are Creating Unique and Distinct Options

1. Offer a web site tailored for group program options so that everyone can easily see the range of options available
2. For Gen X especially, one of the leisure activities should be a car rental so they can go off on their own and explore the region
3. Tailor the communications around your program to the preferences of each generation
4. Always try to have a couple of breakouts that are specific to each generation so they don't feel bored. With activities, make sure they run the full gamut, from surfing to shopping.
5. This year we are allowing a room and activities credit so that each guest can select their own activity/spa choice instead of one group activity.
6. Offer optional activities that appeal to different generations. There is usually some crossover but it works as there tends to be higher satisfaction rates after programs.

7. For evening functions, consider VIP after parties for younger crowds and a chillout traditional pub area for the older generation.
8. Make GoPro cameras available to each guest for the duration of the trip with the learning lab included (for those who don't know how to use it).
9. Allow participants to build their own amenity mix
10. Create different focus areas, we had a jazz corner near the bar and a funky DJ at the pool. Different interests were easily provided for.
11. We added GPS scavenger hunts to engage Millennials

Appendix D: Complete Expert Interview Excerpts

Expert Interview: Leah Reynolds

Leah Reynolds is Principal of the Employee Engagement & Communication Practice at Buck Consultants and an expert on why employers need to adapt their talent practices in order to gain full, competitive advantage from their Millennial workforce.

I think the biggest shift we've seen as Millennials have entered the workforce is their belief that they can't necessarily rely on any employer for anything. Millennials are pragmatic; where we have Boomers and some older Xers who rely on a combination of employer and government solutions for their healthcare and retirement, for example, Millennials recognize they can't rely on either. This makes a profound difference at work.

The differences between the generations are real. Younger Gen Xers in their late 30 and 40s created "Me, Inc.", the belief that you are responsible to maintain your employment and marketability and to keep your skills up to date so at any minute you can find other employment if needed. Millennials have inherited that as their reality also. I've done a lot of work with Millennials over the years, and when we ask them if they would like to stay with one employer over a long period of time they say that it's a great idea—they would love to find that arrangement—but they are practical, they say it's not possible anymore and they don't see it happening.

The question comes up a lot for generation gurus as to whether the differences are simply age or life-stage related rather than generational. Those who have studied this extensively always agree that, yes people change based on life stages but they also believe that the events at the time that a group of people come of age has a defining impact on them forever. So when a generation approaches retirement age, the planning and shift in focus that previous generations experience at that age becomes important, and when you start a family, certain benefits become more important, but the way a generation views those things and the employer's role in them is different. That different perspective survives through all life stages.

The biggest impact on Millennials is in growing up digital. How they receive, seek and evaluate information will be different because of this throughout their lives. People at various life stages can be dealing with the same issues but the Millennial will be looking across a myriad of ways to get the information. Employers can be of service and be a resource for information and education. Millennials expect that when they need information it should be at their fingertips—not something to be gathered and stored—but at the ready. So employers should provide the resources, they should package information in ways that the digital native is accustomed to, this in itself is a form of reward or incentive to stay. So we are seeing a lot of work in the HR portal space to consolidate information into one place that is very user friendly and customized. These portals will greet you and give you your own custom page to track and manage everything you need. We'll see more of this moving forward as a means to attract, engage and retain talent—Millennials in particular.

Expert Interview: Leah Reynolds

Millennials would welcome any employer who takes a longer view. This would make it possible for them to have a longer view and tenure with that employer, but they are saying "we don't think its set up that way." To make the money they want in their career they have to change jobs, and to get the skills they need, they have to change jobs. So employers have to catch up with their expectations. Millennials are in charge and cognizant of whether they are adding to their resume in the work and assignments they do. If they aren't, they start to look elsewhere.

Millennials have been underemployed for seven years and as we see more hiring this will bubble up. Employers will start to cater to the age groups like they did before the downturn. They do care about money and they are savvy about how to get market competitive pay information. They are also savvy about working for Goldman Sachs vs. a non-profit, they expect employers to be market competitive but are willing to make trade offs for career development and professional experiences. They may trade time off for money because they want to pursue things outside of work. The bottom line is you must pay them competitively, then you should key in on what's important to them. If you make their career interesting, you can do things other than just throw money at them.

Pay attention to what's important to them, there's a misconception that Millennials are entitled and demanding because that's how they were raised. I think they are used to being heard because Boomers as parents have involved them and listened to them, and explained things more as a group than previous generations of parents, so they are puzzled by the fact that some organizations withhold information, especially from junior employees. So I think **it will take enlightened employers to key in on the perspectives and values of the workforce as it changes. If they do, there will be real magic.**

One of the biggest differences we see is among Boomers who are more accepting of less frequent feedback and are okay with traditional annual reviews, etc.—the idea that we basically don't talk about things unless there's a problem. That old school approach is not appreciated by younger workers, they want more feedback and more frequently. They don't even know if they are going to be there next year, so they want specifics to know what works and what doesn't. Millennials want to build the skills they need and not wait a year to hear about their weaknesses.

Employers have to prepare for more Millennials in their ranks. They should revamp career sites for example, to integrate social media. And they should keep their eyes on employer rating sites like Glassdoor, for example. We just recently did a survey in conjunction with the Center for Employee Benefits and one of the things we found was a lot of what we identified as attractive to Millennials is already in place for the workforce in general. So I think we'll find some of the things employers are already doing can be packaged and promoted to Millennials—things like increasing employer 401k matches, auto-enrollments in savings plans, auto-escalation of contributions, socially responsible investment options, immediate vesting of employer contributions to 401K plans, etc. However, and especially for Millennials, one way to boost awareness and participation is to make the programs accessible through mobile technologies, that is what is really trending and older generations might not see it.

Expert Interview

Chip Espinoza, PhD. is the Director of Organizational Psychology for the School of Professional Studies at Concordia University, Irvine. He is the Chief Executive Officer of GeNext Solutions and Co-author of *Managing the Millennials* and *Millennials @ Work*.

One of the hardest things in my work is to convince HR that the generations should be approached and engaged differently. HR says, "if we do something for the Millennials, we have to do it for the Boomers and Gen X also." Yet Xers and Boomers have adapted to the workplace. In fact, Boomers created the workplace we work in today. They don't need the same attention. I tell them it's okay to focus on one more intensely than another and not divide resources equally across all.

Millennials have high expectations of their work and career from what they were told about their potential while being raised. They get a hard shock when they join most organizations and see there is no plan for them or their career. Add to this the fact that the focus of attention is not on them, perhaps for the first time in their lives. Now they are expected to focus on others, including higher-ups and customers. It can be quite an adjustment for some.

I think sociologically the generations are different and they will continue to be different throughout their careers. They have different attitudes about the way they work and want to work. One of the major things that organizations should pay attention to is having a plan for Millennials and articulating how they fit in. This is certainly more poignant because they are young but I think they are also an optimistic generation compared to Gen X. So **yes, it is generational** and we must help them adapt to the realities of the workplace.

Expert Interview

Chip Espinoza, PhD. Director of Organizational Psychology for the School of Professional Studies at Concordia University, Irvine.

I think the key differentiator is around how work gets done. Millennials want work/life blending, they want the freedom to play during work hours and work during play hours—it's a sense of freedom, a huge thing for them. UCLA does a study every year, a longitudinal look at social awareness and volunteerism among their students. They do see a boost in volunteer interest from the Millennials but they aren't sure whether or not that's a function of their requirement for applicants to demonstrable volunteer work. Does the proclivity to volunteerism get students into UCLA in the first place or are they naturally inclined that way due to some generational effect?

I don't suppose it matters why Millennials value volunteer work, just that they do. Savvy employers are catching on with corporate social responsibility and other programs that help and encourage employees to volunteer.

Millennials care more about recognition that older generations also. But we can't pat them on the back when what they need is money. When their basic needs are met, Millennials come at motivation more from self actualization—how are they fulfilling their personal goals, getting meaning from work, etc. This is substantially different than the generations that came before. For example, I think for the most part, Millennials prefer a five-thousand dollar experience over the cash, or equivalent things (TV's, watches, plaques, etc.)

What we as Boomers or Gen X did at 22 is vastly different than what Millennials do at 22. They are typically putting things like marriage and mortgages off seven years on average until they're 30 or close to it. They have cheap rent and few responsibilities, so unlike us at their age, they can afford to try many things, quit a job, etc. It is the experience they're looking for more so then the other things.

Millennials are problem solvers by nature and will stay that way throughout their careers. They want to make change and make a difference. The key is to give them a voice, you have to listen to Millennials, and do things with them such as including them in the strategy and decision-making.

Organizations that work closely with Millennials can negotiate these barriers.

Expert Interview

Peter Cappelli, PhD. – Director of Wharton School's Center for Human Resources and named one of the five most influential management thinkers by *HR Magazine*.

A generational difference implies something about the members of cohort that persists over their life, and there is a lot of evidence that these differences are not generational.

Young workers are different because they are young; older workers are different because they are older, not because of any "cohort" affects. When workers are beginning their careers, they want different things, especially opportunities to learn and advance. In the middle of their careers, because of family needs typically, they need money and stability; by the end of their careers, they are looking for different things yet again, often personal enrichment.

These map onto benefits and tasks in straight-forward ways. Giving employees choices is the best way to manage the mapping.

Everyone wants respect and recognition, everyone wants meaningful work.

There is no evidence that it is not all bunk. Every older population thinks "kids today" are strange. Now we seem to think all kids are digital whizzes because they use toys we don't use. But personal computers have been in the office now for 30 years, and most all of us use them.

Generational Expert: Executive of a Large Rewards & Recognition Provider firm

I think there are differences but there are also a lot of similarities. People exhibit values and behaviors regardless of their age or generation. It is more about what they feel is important and how they are motivated to do things that you get the benefit of an individualized approach to motivation. I really haven't found focusing on people's age to be meaningful in knowing what projects will best fit them and what they will find most motivating.

We need to have a range of reward options that will appeal specifically to each person, and not just merchandise, but experiential rewards, charity rewards – not just things. I don't have data on whether Millennials want more of the experiential or charity type rewards but I do see strong interest in both across the board, for all age groups.

As I've written in my blog postings, generational differences might not be all that relevant, but that doesn't mean there aren't important differences. We have conducted research recently that suggests we're better off looking at people's differences in values rather than generational differences. We also look closely at life stages and lifestyle, people with and without children, people who love pets, people who love the outdoors, etc. We try to cater more to lifestyle than age in designing our rewards and incentives.

I do subscribe to the theory that Millennials are a little different in that they were born into the digital age and are more natural with social technologies. Mobile, for example, has been important to everyone but completely expected by the Millennials. We also hear about the importance of meaning and purpose with the Millennials, so we have to accommodate that, but meaning and purpose are also important to those at the end of their career for legacy reasons, so again, nothing is really designed specifically for Millennials. **I can't think of any direct examples of anything in the workplace that really supports treating Millennials differently to the extent that at least some people in other age groups wouldn't also be interested.**

Again, you need a wide variety of rewards to cater to everyone, you can't put people into categories and think you know a group based on its age. But in attracting consumers, there will be more reason to do it. Hotels are starting to cater to the Millennials, for example. Even so, they will also attract a lot of non-Millennials. Millennials are young, they are the natural trend setters. Other age groups will want to be associated with trendy hotels also.

The bottom line is, we are now almost able to design Rewards and Recognition programs down to the individual, you may not be able to design a different hotel for every guest but you can create unique experiences tailored to each guest's preferences and many hotels do just that. For incentive travel, you can probably have only one travel destination so you have to look at what will appeal to the broadest scope of people. Beyond the location, you can allow reward earners a tremendous range of options so they can tailor their own experience. You might choose a golf or spa location but offer a wide range of activities that will appeal to everyone's unique interests.

Expert Interview: Buddy Hobart

Millennials have decided not to sacrifice their health and life for an elusive promise. If I were trying to motivate and retain them I would be looking at things like flex time. **For rewards and incentives, I would emphasize experiences more than anything—travel, project experiences related to work and their career.** When I started at Xerox, you won things like toasters, if I were rewarding now I would (beyond fair salary) focus on time and experiences—things that go beyond the normal and can become emotional and memorable.

Millennials are motivated by experiences, from dining out, travel and even how they interact with friends.

Millennials don't date anymore. It is common for ten friends to go out at a time, they share a communal experience. The dating, if you want to call it that, happens in the context of the larger group. Even craft beer is a sign of this. It is taking off because it's an experience—you can go out and taste something unique, more than one beer. It is far more effective to give Millennials an experience versus the cash or other tangible reward.

Boomers, on the other hand, see the end of the tunnel, so things are more substantial from a retirement standpoint. But I don't think thirty years from now the Millennials will feel the same way. They were shaped differently and the proof is that it hasn't changed among those Millennials closest to approaching middle age. They plan on working forever, they have suffered depressed wages, the social security net won't be around for them, and most importantly, to work is to contribute. They have a different sense of work, we had the obligation of work, but Millennials believe work is their contribution. And their retirement is integrated just like their mixing of work and personal interests on a daily basis. They believe that taking a train across Canada when they're thirty is more fun than waiting until they're seventy, and they're prepared to work past 70 so they can spend the money now.

Even the most basic recognition should be done differently. For example, the way you deliver a sincere thank you. Boomers got little feedback—maybe a "nice job" once in awhile—but you'll drive a Millennial crazy if you say "nice job" and keep walking. They want to know why. We think they are being smart, but they genuinely want specifics so that they know how to repeat something. They want to know why now, especially because the previous seven times they did the same thing they got no recognition. Despite the stereotype, they don't want trophies, they want real feedback and guidance.

Employers should offer Gen Y loan forgiveness. Not just tuition reimbursement. If I bring the MBA or advanced degree with me, but the older guy beside me gets his tuition paid for so he can go out and get his MBA, how is that fair? If you want to retain top Millennial talent I would offer a loan forgiveness program much like tuition reimbursement, you would have people flocking to you.

Expert Interview

Buddy Hobart, is the **Founder and President of Solutions 21**, the author of four books and co-author of last year's **Gen Y Now: Millennials and the Evolution of Leadership** – a study of how to hire and retain the Millennial **Generation.**

Our research shows that all generations want what Gen Y demands, **but I do think there are significant differences between the generations** – the way they respond to things and the different filters they run things through. For Baby Boomers, flextime means sitting home in their slippers watching TV. That's their filter, that's the way they think. Different generations see and interpret things differently because they run it through their unique filters. Boomers admire the "first in and last out" approach to work ethic—the 7am to 7pm type commitment —regardless of productivity and results. Price WaterhouseCoopers says if you go back 30 years it was all about quantity, not quality and people were rewarded based on their willingness to sacrifice their lives for work.

Even though I know better, I still admire people who put in time like the Boomers. I can't help it because it's my filter. I'm a Boomer. Sometimes it's comical. I was speaking at a dinner the other night, one of the executives had brought her teenage son. In a nice, but serious way, she told me how she couldn't understand him—his laziness. The son laughed and described his typical day involving school, sports, coaching and a job. But his Boomer mother couldn't actually see him diligently doing his homework at a desk so she couldn't help assuming he wasn't working hard.

Some of the differences should be attributed to life stages, but remember, Millennials do things later in their life than any other generation before. If you're twenty and mad at your boss, the decision is very different if you're single and renting than if you have a mortgage, a spouse and two kids. **Being free to quit is different because of the life stage, but delaying life stages is driven by a mentality that can be attributed to the unique generation.** You have certain economic realities that have shaped Millennials' thinking as they came of age and entered the workforce. The Great Recession started in 2007, you have Millennials who have spent at least half their career in a depressed economy, this effects their decisions to get married and buy a house, and to add to their dilemma, they may also have high student debt.

I also believe that Gen X and Boomers dramatically discount the impact of mobile technology, they say they have it and understand it, but many think Facebook is a waste of time and Twitter is worse. Meanwhile the Boston police department announced the capture of the Marathon Bombers from a tweet—major news in real time. So there is a real and major gap in the understanding of the digital world between the generations. Y doesn't know a world without it and the rest of us are immigrants to it.

I do believe you are shaped by the formative things that occur as you are coming of age and this lasts for the rest of your career.

Expert Interview

Tammy Hughes is CEO of Claire Raines & Associates, which is among the global leaders in providing generations research and consulting. Tammy is the author of the White Paper, "Born in One Generation, Thinking Like Another."

Millennials require constant feedback in the Workplace, they can't get one annual review, they need it constantly. And they will probably crave this level of feedback throughout their career. Millennials also want to help their communities even more than Gen X or Boomers. Employers have to figure out how to support this. The good news is many will go unpaid if they have to, they are civic minded in the way of the WWII generation. As a reward, employers could allow top performers to take leave to help a community after an emergency or a disaster—at full pay and without using their vacation. This would be a terrific way to recognize top performers as well. Millennials will also resonate with rewards tied to their career, so foreign assignments might be seen and used as rewards, as might any travel reward, especially if it connects to something meaningful that gives back to the community, and/or adds to their personal development. Gen Xers will like this too, they also want to fill up their tool belts.

I was recently with a group from one of the big energy companies discussing small recognition programs—rewards in the $20-$30 range. We heard that Boomers want gift cards, a lunch or car detailing, for example. Gen Xers don't want the gift card or car wash, they want time off. Millennials want to celebrate the wins with everyone or, they say, "put some balloons at my desk so everyone can see I did well."

You cannot manage what you don't understand. You won't be able to manage outside of your generation unless you can see through all of the generational lenses. If I'm tasked with the challenge of picking the venue for the big recognition or incentive travel event I have to look through eyes of Boomers to include networking and cocktail hours, they want that. Then I have to switch lenses to see that Gen Xers want as little to do with the group as possible, you cannot have a mandatory cocktail party without alienating the Xers. Finally, the Millennials want fun. I would have a variety of options at whatever the venue so I can appeal to all profiles. I was in Hawaii for an Insurance company event recently, they had whale watching, spa treatments, golf and other options, a wide range to make sure there was something for everyone. If Gen X wants to be alone or do their own thing, offer free car rentals as one activity option so people can explore the local area on their own. You don't want anyone to feel like they have to do things they don't want to do. And don't forget about another demographic that may be at the event—the spouses—invite them to the program, including speaker sessions.

When organizations spend millions on incentive travel for top performers, they should have meetings but they can't let meetings dominate the agenda. Doing so would only appeal to Boomers who live to work and for whom the idea going to Hawaii just to spend 14 hours a day in meetings is a badge of honor. Too many meetings, even if they are well-designed and link to career advancements, will be deeply resented by the other generations. The mix of activities and meetings is extremely important.

Expert Interview: Tammy Hughes

If you have a one size fits all approach, you are likely to only be effective for one segment of your population. We have to think and be creative in our approach to the workforce. **There are significant differences among the generations and you have to pay attention to them.** For Boomers, the differences are rooted in the way they were raised. It was the time of Dr. Spock who told parents to spare the rod, there was the free wheeling attitude toward sex and drugs, hippies, the peace movement and Vietnam. Xers were raised in a time of an economic roller coaster, they were children of divorce, these formative experiences taught them not to trust anyone, which plays out in the workplace, they want to work by themselves. Millennials have been raised by helicopter parents, coaches who take a hands on role in advocating for their child. They go in to their kids schools to talk to the teachers and argue on their children's behalf, for example. These things undeniably play out in the workplace, and in huge ways, including how the generations want to be rewarded, recognized, and incentivized. If we were to celebrate a milestone for an employee, for example, and do it with a big cake in the hallway, where everyone is invited, we would not likely be effective with Xers, they dislike the attention and would just prefer to be given the day off. Boomers, don't care about the attention one way or another, but it won't work with them either, they want the money. Millennials might appreciate the show more than any other group, after all, they want to share and collaborate.

Life stages matter, some people have young families, some don't, and we also have empty nesters in the workforce, however, the thumb print of when you grew up effects you at all stages. So all young people walk in feeling like the workplace is their oyster, that's true but a Boomer naturally works well with others simply because they grew up when report cards included grades on how well they worked with others, that's something you see across their careers—they collaborate and enjoy teamwork, it has nothing to do with their life stage. And there is a great deal of wealth management research to show that the imprint of the Great Depression and WWII were strong influences throughout the lives of the generations who came of age in those times. Gen X and Millennials experienced different imprints that will influence them for life—life stages don't effect those experiences either.

Expert Interview: Jennifer Deal, PhD,

Employers have to be very careful about giving employees gift rewards instead of cash because anyone can see what a thing costs. A gift might look impressive but Millennials are skeptical and will find out what it costs. If they think the company is pulling a fast one they will react badly.

Millennials appreciate choice assignments and will see them as real recognition, but interesting assignments won't compensate for less than competitive compensation. Most working Millennials entered the workforce in a bad economy, they're aware of the toll will tale on their salary and savings over the course of their career. They are concerned about compensation and their 401ks. They worry they won't have enough when they retire.

One way organizations respond to this concern is by giving Millennials higher matching levels for their 401ks. This is a small investment for the company but will have a big impact. It demonstrates to Millennials that the organization cares about them in the long term and is not only interested in what it can extract from them short term. Organizations can even frame it that way by communicating the message that "we are helping you in a way that doesn't cost you money and will grow tax free."

Millennials as a group are also different because they are heavier in weight. Doctors know this has a long term impact on their health so an organization can reward them with gym membership and wellness incentives. That also sends a positive message to the Millennials. Going even further by providing them with time to use they gym during work hours (in a way that doesn't make them work to make up the time) shows the organization has skin in the game and a commitment to workers' health.

Employers talk about disloyalty where Millennials and Generation X are concerned, but loyalty is bi-directional. If the organization's attitude is "we want you until we don't," employees will have the same attitude. Employers can motivate all workers by demonstrating that even if they can't guarantee a job for life, they are honestly interested in employees' long term future and health, that it cares about them not just as cogs but as a human beings.

Everyone wants to do well and do good, especially young people. But even if you do well for the community, you can't pay poorly unless you compensate in some other way—work life balance, for example. If you want to pay people 75% of the prevailing rate, you can only require them to work 30 hours a week. You can't expect interesting work and social responsibility—both of which are important—to compensate for low pay.

Yes, Millennials, like young workers before them, want the chance to explore the world. Foreign assignments and incentive travel can be strong motivators as long as the travel is to do good and have fun. Millennials really want that, but people in general are more likely to want it if they are not married with kids, etc. Xers would have wanted this 20 years ago; 35 years ago, Boomers would have wanted it. It's possible that because Millennials grew up connected and may have made friends worldwide that they might desire travel more—perhaps to see those people—but I've never heard a person say that. They do say that they want the experience and to see new things and they also refer to the ease of connecting to friends and family while traveling using Skype and other tools.

Expert Interview

Jennifer J. Deal, Ph.D is a senior research scientist at the Center for Creative Leadership (CCL©) in San Diego, California, and an Affiliated Research Scientist at the Center for Effective Organizations at the University of Southern California. Her work focuses on global leadership, workplace engagement, and generational differences. The interview excerpts below are based on Jennifer's upcoming book with Alec Levenson, entitled *"What Millennials Want from Work,"* to be published January, 2016

Organizations should think about people in life stages rather than in generational cohorts because life stage is often more meaningful. For example, a 25-year old who is single is likely to have more in common with a single 45 year-old than with another 25 year-old who has kids and a spouse. People in different life stages want and respond to different things because of the life stage they are in. For example, an unattached Millennial might very well be excited about a 2-3 day offsite meeting in an interesting location, while a Millennial with kids might not—even if the kids are invited. And it gets even trickier because everyone in each life stage doesn't have the same desires. For example, people who don't travel very much often find the prospect of travel very motivating, this might even include people with small children. Yet, those who travel frequently, whether married with kids or single, might see a travel reward as just another flight, another pack and unpack, and more time away from home.

When there is conflict, disagreement or difference between workers of different generations, people tend to attribute that to generational differences instead of other possible reasons. For example, older people will say that younger people are disrespectful, when if fact what is going on is that younger people value respect just as much as older people do, older and younger people simply have different definitions of what being respectful looks like. When you review popular literature over the last three or four thousand years, you see this is a repeated pattern: Older people have always said that the world is getting worse because of younger people's lower standards. **It's an age issue, not a generational issue.**

Expert Interview: Executive of a Large Rewards & Recognition Provider firm

Rarely are companies going with just one motivation program, they are evolving to a portfolio approach and those portfolios can be structured in part around the generations and by other factors. For example, Boomers typically care more than younger generations about status. Recognition in the form of status means a lot and so formal recognition of achievement is important to them. For Millennials, constant feedback is critical, but for other reasons. These are similar needs, they may be different but not mutually exclusive, Those elements of a rewards program can exist together.

But **you have to know the demographics of your workforce to design an effective portfolio of programs and you have to see things from those generational perspectives.** For example, a younger HR manager might conclude that the organization should do away with its engraved gold watches and trophies in favor of a system that awards points, because with points, people can get what they want. But the symbolic things like watches and trophies are of high value to the Traditionalists and perhaps Boomers. Even if they could order an engraved watch with their points, they wouldn't because it would be meaningless without the ceremony that goes with it. So, the young HR manager might think they have a solution that can be customized for every individual, but they will have missed something important because they weren't thinking through the lenses of the various generations.

Organizations should really understand the demographics of their workforce, understand the diversity. We use our Motivation Insight Study, to classify what people want based on the profile of the workforce, and with that in mind, the design captures how you communicate, what the rewards are, how you accommodate generational preferences, etc. It isn't just in the rewards, it's the tools, training and communications also.

So it's no longer a single program, you have to make sure the rewards and recognition portfolio is balanced—from onboarding to anniversary's, birthdays, etc.—and to include corporate programs, local programs, performance and incentive programs and make sure tools are accessible, making sure younger and older generations can both access the program and information virtually and through mobile devices. You have to go the extra mile to help people who work virtually and create a culture that supports virtual work. How do you promote fun and engagement when everyone is remote? This is another growing reality the generations are working in so you need a balance of tools for them, and the generations must be kept in mind where technology, training, communications, and rewards are concerned. It all has to integrate.

As technology is evolving, we're headed toward a curated design principle that tailors programs to the individual. So **if a company has 15,000 employees, you will have 15,000 different experiences of using the recognition and rewards program,** each unique experience informed by each employees' unique profile. In other words, you'll have 15,000 expressions of technology so you can accommodate every person's differences.

Expert Interview
Generational Expert: Executive of a Large Rewards & Recognition Provider firm

There is quite a bit of difference between the generations, both in terms of the atmosphere in which they grew up and matured (and are maturing). There are economic, societal and cultural aspects that influence the five generations at work, and it's the first time that five generations have co-existed in the workplace so that in itself is an important factor. Each of the generations has grown up in a very different environment and organizations must understand those differences so they can come up with programs and initiatives that strike the right chord with each cohort.

There is significant overlap between the generations as well. Because of this, we have labeled a group of people who are older Millennials and younger Gen X as Generation Flux. Generation Flux shares a lot of the same affinities for experiences, for example. Whereas older generations might say "show me the money," Generation Flux is driven more by professional development, flexible schedules, game-based learning, instant gratification, Micro- successes, constant recognition, travel, and those all-important personal moments when a manager makes them feel special.

Any time you have large groups of people there are going to be differences within them, so **the study of the generations is only meant to be a broad brushstroke.** Any motivational program has to include a wide range of choice and value. There has to be something attractive from an experiential point of view for Millennials, for example, or gift cards for Boomers. It's about being able to accommodate everyone individually.

Expert Interview: Executive of a Large Rewards & Recognition Provider firm

When I was in my 20's, it was amazing how little my father knew, my kids are older than I was then, and have the same attitude I did. **I look at generations and say yes, you can generalize**, but if you peel it away, you have all sorts of types at all age groups—loud, shy, knowledgeable, etc. So I think **our programs have to cater to all of the various generations but even more, we have to cater to individuals**.

We categorize people into generations but you have to go deeper than that. When you think about the dismal numbers where employee engagement is concerned, it stands as a terrible indictment of our industry. Despite the decades of programs, interventions and hundreds of organizations dedicated to improving it, we haven't moved the needle much. Rewards and recognition have a big part to play in engagement but we focus too much on the reward, we think everyone wants the pin or the ring, but a person may not feel genuinely recognized in getting it — they have to attach the meaning or the trophy won't symbolize anything.

It's easy to put people into categories. To a degree, you can categorize the generations. Kids out of school for example tend to want to be part of a team with a mission—sustainable development, for example or social responsibility. People need to feel good about what they're doing, especially younger workers, so this helps drive engagement, but it all comes back to appreciating people for who they are.

I laugh when I hear there is any one size that fits all style reward or incentive. One reward cannot fit everyone, you need to have many in your arsenal. While I would agree that most Millennials want experiences—they prefer a trip to a TV, for example—there is no one thing that fits all. A lot of younger workers are looking for personal development because they think no one is looking out for them and they have to manage their career and progression themselves. Others may have a house and kids, they might prefer cash to anything else.

Expert Interview: Executive of a leading provider of global employee recognition and incentive programs

I think people tend to overcomplicate the differences between the generations. Yes, there are generational differences, but it has to do with the environment and world we grow up in and what we are exposed to in our lives. The biggest difference is in technology. Gen Y and a few late Gen Xers grew up with it. I am a Gen X early adopter so I don't really see any significant differences in my approach to and comfort level with social technologies than Gen Y, but others certainly do.

In terms of rewards and recognition, Millennials are more used to instant feedback, you look at social media, for example, there you get instant feedback, and messages come back right away. So Millennials come to expect instant feedback and recognition.

A new generation is different than previous ones due to the events in life that shape them. Boomers were affected by Vietnam, for example. Those things impact them for the rest of their life. Gen Y has expectations of work—parallel careers versus a linear career is one of those things. Millennials are comfortable with having a job and not defining their career right out of college; they explore sideways interests and opportunities. People out of college can freelance easier today as well with all the technology designed to bring them together with employers. When I graduated, I looked for a career right out of the gate and so did Boomers.

But a lot of factors play into people's differences and preferences. **Generations may be one thing, but it's also life stages.** Married with kids or not is a big one. Geography plays a role. **But there is no one size fits all anyway**. At the end of the 20th century the incentive, rewards and recognition companies really began understanding choice. Today, there has to be something for everyone regardless of what generations you aim your programs at. Some people hate travel and some love it and they cross all generations. There has to be something for everyone.

The most important thing is to have conversations and be inclusive of everyone's ideas and preferences. When you try things, listen to feedback and monitor the effect it has on the workforce.