ENGAGEMENT:

THE GENERATION GAME

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Managing today's workforce is a tall task. Within two years, five generations will be at work simultaneously. Longevity and worries over financial security will keep more people in work, even as younger generations join. And as the corporate ladder turns into a corporate lattice, talent management has become increasingly complex.

Many leaders and managers have more questions than answers on how to engage diverse groups of employees. How often should I recognize my millennials? What's the best way to inspire Gen Xers and baby boomers? What do I need to know about Gen Z and the upcoming Gen Alpha workforce?

FIVE GENERATIONS WORKING SIDE BY SIDE IN 2020

TRADITIONALISTS *Born 1900–1945*

Great depression	Disciplined	Move to the suburbs
World War II	Workplace loyalty	Vaccines

BABY BOOMERS *Born 1946–1964*

Moon landing	Experimental	Hard working
Civil/women's rights	Innovators	Personal computers

GEN X *Born 1965–1976*

Fall of Berlin Wall	Independent	Internet, MTV, AIDS
Gulf War	Free agents	Mobile phones

MILLENNIALS *Born 1977–1997*

9/11 attack	Immediacy	Social everything
Community service	Confident, diverse	Google, Facebook

GEN Z *Born after 1997*

2008 recession	High expectations	Internet of things
Equality	Apps	Tablet devices

Mercer's experience shows that the following model clarifies the critical factors that affect employee motivation, regardless of career or life stage. It provides the C-suite and managers with a set of guiding principles for assessing what employees want when it comes to career, health and wealth.

Factors That Build Engagement	*Factors That Undermine Engagement*
ACHIEVEMENT	
• Meaningful work • Recognition • Career growth • Compelling mission	• Micromanagement • Lack of feedback • Limited resources • Unclear future
CAMARADERIE	
• Partnership principles • Respectful dialogue • Supportive teams • Strong community	• Poor communication • Destructive conflict • Poor internal service • High levels of distrust
EQUITY	
• Fair pay and benefits • Fair treatment • Transparency • Strong values	• Favoritism • Climate of disrespect • Lack of accountability • Workload imbalance

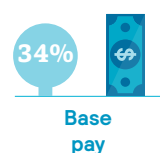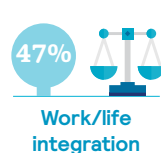## WHAT DOES A BETTER APPROACH TO MULTIGENERATIONAL ENGAGEMENT LOOK LIKE?

1. *Start with your leaders and managers:* Effective leaders understand who they are, how they behave and how they influence their team. But with limited resources and even less time, leaders face ever more elevated levels of stress. Overwhelmed leaders provide significantly less recognition and support.

2. *Integrate your data:* A robust workforce analytics platform can lead to clear insight and action. Whether it be through agile surveying, the personalization of engagement or infused analytics, you will have a clearer (and actionable) picture of turnover, productivity, service, profit, efficiency and stock performance.

3. *Focus on performance:* Do you know what drives performance in your organization? Through linkage analysis, organizations can identify the critical factors that impact performance.

4. *Tap into the power of personal engagement:* In most organizations, leaders, managers and HR are responsible for building a culture of engagement. What about employees? Mercer's experience suggests they have a role to play, too.

WHO ARE GEN Z?

Born in the late 1990s, Gen Z are the ultimate entrepreneurs. Digital marketing is a given: They post social media profiles instead of CVs, and do their due diligence on potential employers online. They are also more risk-averse and globally aware. Growing up after the 2008 recession, they value financial security and companies that have a demonstrated positive impact on society.

WHAT GEN Z WANT

56% Career advancement

47% Work/life integration

38% Work culture

34% Base pay

16% Mentoring and networking programs

9% Healthcare benefits

8% Retirement benefits

5% Educational assistance

Mercer, Enabling Generation Z, 2017

OUR LATEST RESEARCH SHOWS THAT EMPLOYEES CAN TAKE STEPS TO MANAGE THEIR OWN ENGAGEMENT

Reflect on the impact and value of the organization and the work

Communicate career needs and challenges to leadership

Mentor colleagues at the organization

Manage your energy through personal leave, flexible scheduling and connecting with colleagues

Find new projects and challenges that use different skillsets or with different teams

Model a positive attitude despite the current challenges in the workplace

"In most organizations, leaders, managers and HR are responsible for building a culture of engagement. What about employees?"

WHAT COMES AFTER ENGAGEMENT?

Over the past 25 years, people have realized the importance of engagement. Engagement represents the extent to which employees are psychologically invested in their job and their organization. When employees are engaged, they work harder, stay longer and provide better customer service.

But engagement does not guarantee exceptional performance. In today's VUCA world,[12] success requires a workforce that is adaptive, resilient and evolving. The best organizations focus on expanding employees' skills and capabilities. These organizations don't just create an engaging work environment — they also enrich the personal assets of their employees, helping them build better careers, healthier lives and greater financial security. They create opportunities for employees to improve themselves and the world through meaningful work, compelling missions and a sense of purpose. Organizations with a thriving workforce thrive themselves: Stock performance is 11% to 16% higher in organizations with highly enthusiastic employees.[13]

Mercer's Talent Trends Study highlights one other important finding: Only half (54%) of employees we recently surveyed are thriving.[14] The rest were in dull, draining or depleting jobs. This suggests that when it comes to building a thriving work environment, most organizations have a way to go. ■

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[12] VUCA: volatile, uncertain, complex and ambiguous

[13] Sirota D, Klein D. *The Enthusiastic Employee: How Companies Profit by Giving Workers What They Want*, 2013, available at http://www.sirota.com/engage-your-employees/enthusiastic-employee.

[14] Mercer. *Global Talent Trends Study, 2019* available at https://www.mercer.ca/en/our-thinking/career/global-talent-hr-trends.html

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HOW MERCER CAN HELP

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