

American Association of Motor
Vehicle Administrators presents

Staffing & Retaining Different Generations

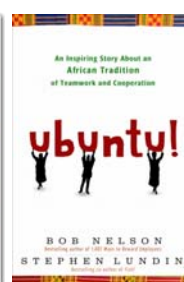
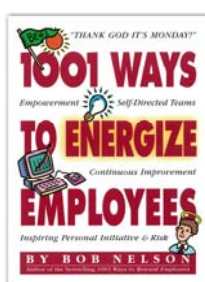
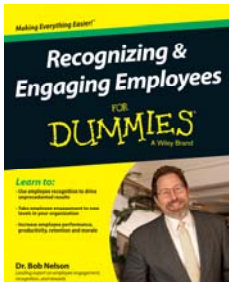
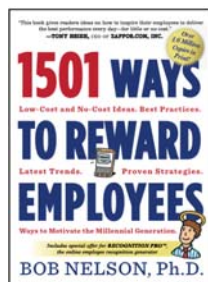
By Bob Nelson, PhD

Cincinnati, Ohio
March 10, 2016



Bob Nelson, PhD

- President, Nelson Motivation Inc.
- Executive Strategist, HR Issues
- *New York Times* / *Wall St. Journal*
Best-selling Author



Dr. Bob



“Men and women want to do a good job, a creative job, and if they are provided the proper environment, they will do so.”



Bill Hewlett
Co-Founder
Hewlett Packard

Working Harder, But Less Valued

- 85% feel overworked and underappreciated
- 90% of companies have had recent cutbacks
- 40% of the “undownsized” are less motivated
- 74% report being less productive
- 67% of companies report employee engagement is down, currently at an all-time low
- 56% somewhat/completely dissatisfied with their job
- 54% plan to find new jobs as the economy improves (25% of top performers; 76% of younger workers)

Challenging Times = Less Loyalty

As a result of the current economy, are you less loyal to your employer? If yes, why?

- 58% Poor management
- 52% Low company morale
- 49% Decrease in company pay
- 41% Poor communication
- 29% Decreased training/development
- 28% Decrease in benefit coverage

Kelly Global Workforce Index



Four Generations in Today's Workforce

Generation	Age	% Workforce
Traditionalists	(69+)	2
Baby Boomers	(50 - 68)	34
Generation X	(30 - 49)	28
Millennials	(21 - 29)	36



70 MM Boomers retiring



50 MM Gen Xers
can't replace them



44 MM Millennials are here;
46 MM more are coming

Traditionalist Characteristics

(b1925-1945)

Outlook: practical

Work ethic: dedicated

View of authority: respectful

Leadership by: hierarchy

Relationships: personal sacrifice

Perspective: civic

VETERANS



What do Veterans Want in a Job?


- **Mission:** Strong Sense of Mission
Alignment with Personal Values
- **Momentum:** Credit for Experience
Careful Crafting of Job Descriptions
- **Mentorship:** Genuine Leadership
Access to Leadership Development
- **Money:** Fair Pay for Contributions
Understanding of Market Value

Why Isn't Money Enough?

Need More Than Money

“Economic incentives are becoming rights rather than rewards. Merit raises are always introduced as rewards for exceptional performance. In no time at all they become a right...”

— Dr. Peter Drucker
Management Guru



**“Less than 3% of base salary
separates average from
outstanding performance.”**

— Compensation & Benefits Review

**Baby Boomer Characteristics
(b1946-1964)**

Outlook: optimistic

Work ethic: driven

View of authority: love/hate

Leadership by: consensus

Relationships: personal gratification

Perspective: team

60% of Baby Boomers indicate they are behind in saving for retirement

93% indicate they want to remain in the workforce because of financial reasons

86% of Baby Boomers report benefits to be the most impactful aspect of their job quality.

53% see voluntary, non-medical and retirement benefits as more important than their employers do—and are willing to pay for them.

73% of employees across all generations are interested in receiving help from their employer regarding retirement & financial planning advice.

“We need to get rid of the idea that retirement is freedom *from all* work, and change it to the notion of retirement as freedom *to do different* kinds of work.”

— Ryan Johnson
Director of Public Affairs
WorldatWork

Modified Retirement Plans

48% offer flexible work schedules

47% offer/considering phased retirement

43% offer alternative job design

42% offer consulting assignments to older employees

Generation X Characteristics

(b1964-1980)

Outlook: skeptical

Work ethic: balanced

View of authority: unimpressed

Leadership by: competence

Relationships: reluctant to commit

Perspective: self

Expanded Benefits Options

- Paid time off/extra vacation
- Child Care and adoption services
- Sabbaticals/educational assistance
- Short and long-term disability insurance
- Group term insurance
- Co-pay, co-insurance, deductible limits
- Annual/lifetime maximum health insurance amounts

Insurance Benefits Desired by Younger Employees

	Desired by Gen X & Y	Currently Offered by Biz
• Home/Auto	44%	2%
• Life Insurance	41%	20%
• Disability	40%	8%
• Dental	38%	11%
• Critical Illness	38%	10%
• Vision	38%	9%
• Pet insurance	35%	5%

Millennial Characteristics (b1980-2000)

Outlook: hopeful

Work ethic: ambitious

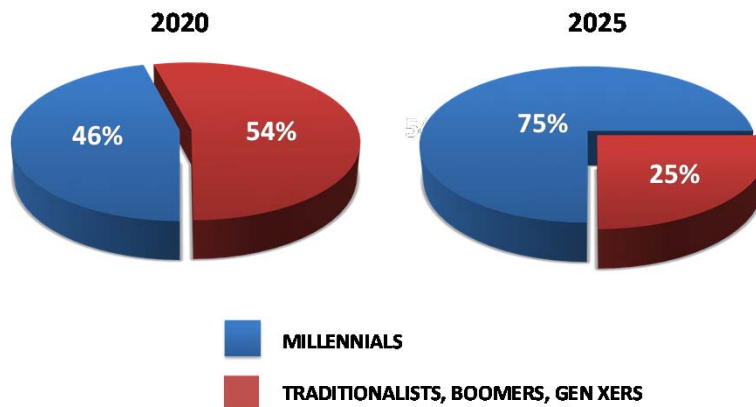
View of authority: relaxed, polite

Leadership by: achievement

Relationships: loyal

Perspective: civic

Millennials will soon dominate workforce in numbers and attitude



“76% of younger workers plan to find a new job as the economy improves.”

—*Harvard Business Journal*

It costs employers **\$15-25K** to replace every Millennial who leaves the organization

Current Millennial Tenure = 1.8 years

Money Isn't a Top Motivator

“88% of younger workers say money isn't their top motivator.”

Promotions are More Limited

**“In a survey of 700 organizations,
43% reported they would have
fewer opportunities to promote
people in the years ahead.”**

— The Washington Post

**We need to help shift
Millennial career focus from
a Ladder to a Lattice.**

MINNENNIALS AND TECHNOLOGY

➤ iAnything

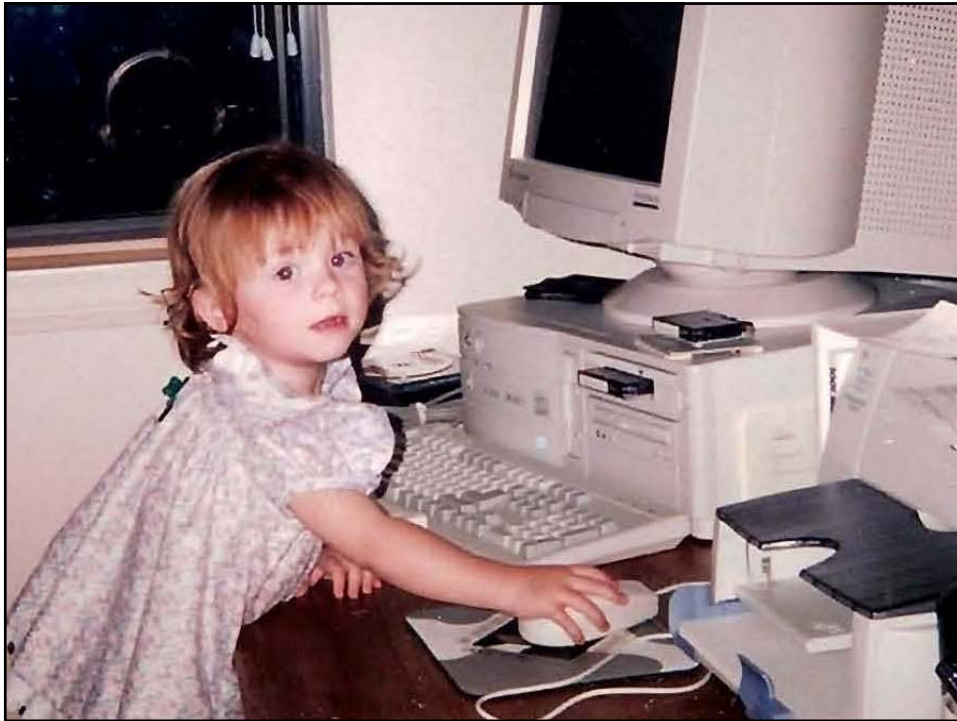
➤ Texting, IM

➤ Facebook



75% have a profile on Facebook **44%** read blogs **76%** use instant messaging





45% of Millennials preferred social media access & telecommuting over salary in selecting a job.

81% of Millennials want to be able to choose the social media device or be allowed to bring in a personal device.

What Millennials Want in a Job

55% Career Advancement Opportunities

52% Salary


42% Interesting & Challenging Work

30% Benefits

27% Training/Mentorship

Millennial Job Priorities

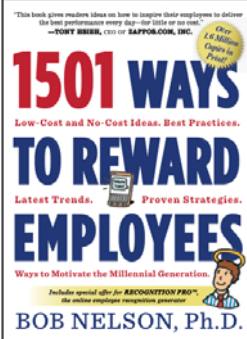
- Exciting, Meaningful Work
- Training & Development
- Personal Mentoring
- Social Interactions
- Experiential Rewards
- Recognition/Feedback



Case Study

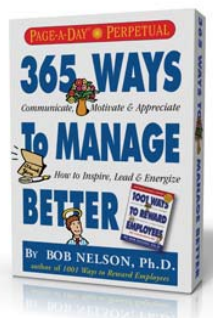
Zappos.com

Zappo's Mission:
"To Live and Deliver WOW"



Questions?

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