

# EMPLOYEE EXPERIENCE STRATEGY

FOR A MULTIGENERATIONAL WORKFORCE





DECODING THE FOUR  
*generations*  
OF EMPLOYEES UNDER A  
*Single Roof*

Since the senior most person in a company today is about 60 years old and the youngest employee about 22, there exists almost a forty year age gap between the two.

Baby Boomers are defined as a generation born after the

Second World War and called so because there was a surge in the birth rate.

Millennials are the demographic cohort between Gen X (1961-1981) and Gen Z (born after 1997). The nomenclature of Millennials highlights the

fact that this bunch reached adulthood at the beginning of the new millennium (2000 AD). Millennials sitting close to Gen X on the birth line share common attributes with them, but Gen Z is a very different species; poles apart from the Baby Boomers.

# GETTING READY FOR GEN Z



strength in the workplace,” says Gajendra Chandel, former CHRO, Tata Motors.

Further, Chandel establishes certain traits of this generation in the business context.

Gen Z is highly tech-savvy, more than their older Millennial siblings. With information on their fingertips, they consist of true netizens and that empowers this generation. They are project oriented and like to experiment even if it means stepping out of the comfort zones.

Gen Z may not have highly developed social skills. They are used to digital communication via texts and messaging. Collaboration is not as important to them as to the Millennials.

They truly believe in diversity and inclusion at the workplace. Equality is very important to them both, professionally and otherwise.

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These future co-workers of Millennials and Gen Xers have a mind of their own. They will carve out their niche as their numbers gain strength in the workplace.

**GAJENDRA CHANDEL**  
*former CHRO, Tata Motors*

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**H**istorically, we have had four generations working under one roof. But, today there is an urgency in organisations to prepare, rather pave the way for a smooth drive for the new-generation workforce. This stems from the fact that they are very different from their predecessors.

Gen Z consists of those born after 1997 and characterised by certain distinct features. “These future co-workers of Millennials and Gen Xers have a mind of their own. They will carve out their niche as their numbers gain

# ARE EMPLOYERS READY FOR TRUE DIGITAL NATIVES?



Gen Z is motivated by professional development opportunities that are frequent and ongoing, both inside and outside the office.

Employers have to shift their focus from friendly environments, flexible schedules, and perks that were favoured by the Millennials, because Gen Z has different wants. They like challenges, fast career growth and fulfilling work.

Gen Z has no qualms about 'moving on', if they do not see opportunity and purpose in the current scenario. Eighty-three per cent of Gen Zers state they expect to make employment changes early on until they find the 'sweet spot', where they can achieve their life goals.

Companies will lose good talent if they cannot provide that sweet spot. Gen Z is motivated by professional development opportunities that are frequent and ongoing, both inside and outside the office. They are happy to step into uncharted territory and take on new learning challenges.

**83** per cent of Gen Zers state they expect to make employment changes early on until they find the 'sweet spot', where they can achieve their life goals.

# ONE SIZE DOES NOT FIT ALL



In the future of business, talent will be the primary ‘differentiator’ between a successful company and otherwise. Thus, companies will focus on modifying their practices and policies to attract, retain and develop the right talent.

interviews. “A lot of innovation has gone into the hiring processes as well. I am not surprised to see a video resume of the candidate as against a written resume,” opines Panchal.

## PERSONALISED EMPLOYEE POLICIES

Employee practices are becoming more personalised. “One can see companies adopting open offices and less hierarchies, communicating more with employees, focussing on employee experiences and having employees own up to their own performance management and career choices and progression,” says Saba Adil, chief people and operating officer, Aegon Life Insurance.

## MOVING FROM CAPITALISM TO TALENTISM

Arif Aziz, CHRO, Diageo, says, “Talent is becoming rare and the world is moving from capitalism to talentism. There is a need for us to treat each talent and individual as a unique resource and provide them with an environment conducive for growth.”

## CUSTOMISING LEARNING

‘One size fits all’ will not work as there is a generational gap. Ravi Kyran, CHRO, Bajaj Auto, says, “We are having to carefully curate training for different generations. I don’t see availability of technology or cost as a barrier, but the challenge is how to intervene and help the multi-gen adopt what is available.”

Aniruddha Panchal, CHRO, Hubergroup, says, “The leaders of the organisation have no choice but to be vigilant and gather the required intelligence on the expectations every generation has from the organisations. There cannot be one recipe for all. The organisation cannot work with one HR manual for all.”

## HR MUST CREATE A DYNAMIC MENU TO CATER ALL GENERATIONS

Every single element of the entire HR chain (entry to exit) has to be tailored to the requirement of the particular generation. For instance, the Baby Boomers prefer to meet candidates in person and evaluate them. But we often find the Millennials requesting for skype

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# INTERNET OF THINGS: SHAPING THE FUTURE WORKPLACE



The overarching impact of technology on all aspects of HR has transformed the function immensely. Gen X needs training to get tech-ready, while Gen Z expects quick automation and baby boomers resist change.

“While the challenge is to make Gen X accept Gen Z as their trainer, an awareness of the current organisational trends and needs is making them put in efforts to learn the new technology at the hands of the new generation.”

**ANIRUDDHA PANCHAL**  
CHRO, Hubergroup

“While the challenge is to make Gen X accept Gen Z as their trainer, an awareness of the current organisational trends and needs is making them put in efforts to learn the new technology at the hands of the new generation,” says Panchal.

While Gen Z takes to it naturally, there is resistance from the Baby Boomers. This was apparent when Kyran tracked the utilisation of their mobile-based learning platform. He clearly saw a generational difference.

With the rapid technological changes, people have a variety of opinions concerning the use and adoption of technology. “There are some who are early adapters of any new system change. There are others who need to be made aware of the purpose of these changes, before they accept and adapt to the change,” says Adil.

“I don’t think Gen X needs any special training. It needs to change its mindset and embrace technology instead of seeing it as a threat,” says Aziz.

## EMERGING TECHNOLOGIES IN THE WORKPLACE

In terms of technology usage, the new-age workforce tends to prefer mobile applications and cloud-based applications for work purposes.

“We have AI bots for employee self-service, and we are looking at LMS (Learning Management System), just-in-time training, as well as on-the-job assisted learning with AR and VR. Fundamentally, there is a lot of technology intervention taking place, especially with the mobility coming from smart phones. Mobile gadgets have revolutionised the process of accessing information, learning and collaborating,” says Kyran.

It is important for an organisation to quickly upgrade the systems with new technology and simultaneously use the experience and insights of Gen X to create useful functionalities within those technologies.

While companies are exploring tools, such as chatbots, the human touch will continue being there to engage with the workforce across levels.

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# INNOVATIONS IN REWARDS STRATEGY



**M**odifying the remuneration plans to create maximum employee satisfaction for all four generations in the workforce has kept the human resource function very busy.

different from the older generation and so is their spending attitude. While the older workforce believes in saving, the new generation likes to splurge. Gen Z needs more flexibility, HR is leaving no stone unturned to disrupt its erstwhile practices and policies. Working within the constraints of legal and statutory requirements, they are offering a bouquet of performance incentives to keep them engaged.

The range and option of benefits given to employees are changing rapidly to include flexibility. An employee can choose to receive more cash or opt to invest in benefits, such as meal cards. Organisations are offering a plethora of choices with an agile compensation and benefits structure. Gen X may continue to find traditional remuneration appealing, while the new entrants may be more interested in short-term incentives. Companies are also changing their compensation strategies to attract talent in a candidate driven market.

“Our focus is to create a total rewards experience. Along with a culture of purpose, the workforce needs agile and flexible compensation and benefit plans and learning opportunities,” says Aziz.

“An organisation has to have a flexible remuneration plan to ensure satisfaction for all employees. While Gen X will appreciate remuneration that takes care of them and their families, and provides sound medical and retirement benefits, the newer generations focus on making quick money,” says Panchal.

## **FLEXIBILITY - THE FUTURE OF REWARDS**

“We must make our compensation & benefits structure to suit the requirement of every generation,” says Kyran.

Millennials are not interested in NPS, whereas Gen X and Baby Boomers want NPS. The younger employees want car schemes or lease plans. Culturally, they are

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# INNOVATIONS IN REWARDS STRATEGY



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**ARIF AZIZ**  
CHRO, Diageo

## SHORT-TERM BENEFITS ARE MORE ATTRACTIVE

As the older generation is retiring, policies that guaranteed long-term benefits are becoming redundant. Today, the employees focus on what they will get in the ‘now’ and are not too worried about the future. Rather, they are quite confident that they will make it to the future comfortably.

While the older generation focusses more on protecting and securing the family interests, the newer generation is more independent and focussed on the ‘self’ rather than the ‘family’.

Comprising those born in well-established families, this generation has received family support for academics and even beyond. As such, it is not likely to be concerned about supporting parents, but rather oriented around themselves.

“The challenge also lies in making the generations appreciate the code, culture and characteristics of the other generation,” says Panchal.

Millennials are not interested in NPS, whereas Gen X and Baby Boomers want NPS. The younger employees want car schemes or lease plans. Culturally, they are different from the older generation and so is their spending attitude.

# MOVING THE NEEDLE ON INCLUSIVE WORKPLACE



**Gen Z aspires to be part of a workforce and chooses an employer on the basis of how inclusive the workplace culture is.**

**Gen Z ranked equality as the most important cause for employers to support.**

**W**ith multiple generations working together, it is imperative for them to collaborate better and learn from each other's strengths and experiences. Eventually, diversity adds to perspectives, which only help deliver better.

Gen Z aspires to be part of a workforce and chooses an employer on the basis of how inclusive the workplace culture is. They demand equality of treatment and diversity in personal and professional life.

They ranked equality as the most important cause for employers to support.

Organisations are disrupting their erstwhile cultures to create an effective strategy towards bridging the culture gap among the four generations and working towards welcoming talent from diverse backgrounds. In doing so, organisations get to attract better talent from the new, equality seeking generation, and also establish themselves as an employer of choice.

# RETHINK THE WORKPLACE CULTURE



**G**en Z and Millennials are transforming organisational culture with their ‘fearless’ attitude. Take, for instance, an IPL match — an 18-year old does not blink nor has any qualms about bowling to a 36-year old veteran. Such is the energy they exemplify. They are full of confidence and trust their ability to the fullest. Their self-belief is apparent in the way they communicate and experiment with tasks and processes.

It is now common for fun activities, sports, and gym sessions to be integrated into an employee’s normal work day.

## OPENNESS IN THE WORKPLACE

Gen Z’s presence is a great infusion for the organisational culture. The hierarchical structures are changing and there is more openness in every aspect of running a business.

Technology is enabling speed, enhancing reach, and offering a faster ‘go to’ market in order to service the customers better. This is making organisations rethink on how they are structured, thereby moving to more agile teams rather than traditional structures.

“We are now encouraging cross-functional teams and teams developed by combining employees based on their strengths and weaknesses,” says Aziz.

## INCORPORATE FUN

A highly task-oriented culture is transforming itself into a task-cum-fun-oriented culture. The new generation is aware that more than 50 per cent of their life is going to be spent at work or performing work-related activities. As such, the workplace is being treated as a second home. It is now common for fun activities, sports, and gym sessions to be integrated into an employee’s normal work day.

## CULTURE OF CONTINUOUS FEEDBACK

“The culture of continuous feedback is finding its way into the performance management cycle instead of mid-year or annual appraisal discussions,” says Adil.

Career progression is getting more employee-driven than being a company responsibility, with the workforce preferring pay-for-projects over a fixed and variable pay cycle. The way of working is changing and requires a change in mindset to adapt.

# RETHINK THE WORKPLACE CULTURE



Culture is continuously transforming. For instance, punching time, attendance, hours spent at work, working out of office – Millennials do not like to be confined to these parameters.



Tracking 'in and out' attendance is easier than tracking output. Thus, it is challenging for leaders, and also requires a lot more effort, skill and connectedness to actually track output.

**RAVI KYRAN**  
CHRO, Bajaj Auto



## AN AGILE CULTURE

The workplace has undergone significant changes in recent years. With today's economy moving faster than ever before, companies have been forced to adapt in order to respond quickly and effectively.

Culture is continuously transforming. For instance, punching time, attendance, hours spent at work, working out of office — Millennials do not like to be confined to these parameters. However, Baby Boomers are very particular about maintaining the sanctity of these factors. In many sales, marketing and corporate functions, the emphasis on time and attendance, is going away.

“Tracking 'in and out' attendance is easier than tracking output. Thus, it is challenging for leaders, and also requires a lot more effort, skill and connectedness to actually track output,” says Kyrán.

# NEW WORKFORCE TO STAY AHEAD OF THE CURVE



**In the future of business, talent will be the primary ‘differentiator’ between a successful company and otherwise.**

“**T**he new generation workforce has a very different pulse. To counter this, the role of a manager is evolving from one of being a task master into that of a coach,” says Aziz.

In the future of business, talent will be the primary ‘differentiator’ between a successful company and otherwise. Thus, companies will focus on modifying their practices and policies to attract, retain and develop the right talent.

“It is no easy task, but a transformed workplace succeeds in making the new generation appreciate the code, culture and characteristics of the others generation.”  
**ANIRUDDHA PANCHAL**  
*CHRO, Hubergroup*

“The new workforce likes challenges, fast career growth and fulfilling work. Friendly cultures, flexibility of schedule and salary are way down on its list of priorities,” says Chandel.

“It is no easy task, but a transformed workplace succeeds in making the new generation appreciate the code, culture and characteristics of the other generations,” concludes Panchal.

# THE QUALITY OF LIFE PROMISE: ENABLING A SUPERIOR EMPLOYEE EXPERIENCE

**ANISH SARKAR** *CEO - Sodexo Benefits & Rewards Services, India*



**‘Our overarching imperative is to provide outstanding employee experience and enable the organisation to attract and retain talent by providing and delivering the most engaging benefits.’**

Everything we do at Sodexo is about improving the quality of people’s lives. We believe that doing business in a positive way has a strong impact on all our stakeholders – consumers, merchants and clients. Our solutions bring parity across organisations by providing a unique experience to employees. The Sodexo Meal Card is accepted at 1,00,000+ unique points of acceptance across 1,700+ cities, including small towns. With QR Code-enabled payments and a next-gen mobile app, Sodexo strives to improve the employee experience at every touchpoint.

In addition to the traditional meal solution, Sodexo now has a comprehensive suite of digital employee benefits, covering everything from conveyance to

wellness, that can be delivered to all organisations, from large corporates to SMEs and start-ups. These benefits can be personalised as per company policies to meet the needs of both the organisation and the employee. Our overarching imperative is to provide outstanding employee experience and enable the organisations to attract and retain talent by providing and delivering the most-engaging benefits.

A recent study on Employee Experience in Asia conducted by Kantar TNS in 2018 (commissioned by Sodexo) highlights the growing importance of non-financial benefits in India. Common trends across generations include flexible working, career-development programmes, and rewards and recognition. However, older generations still have greater affinity to traditional financial benefits and private medical insurance vs. millennials who prefer non-financial benefits that provide them with more freedom and flexibility.

# A SNAPSHOT FROM THE QUALITY OF LIFE SERVICES STUDY



	Total India (n.300)	Working part-time (n.59)	Working full-time (n.241)	National (n.149)	Multinational (n.151)	Millennial (n.151)	Non-millennial (n.149)
Financial benefits	58	41 ↓	62	58	58	46 ↓	70 ↑
Private medical insurance	47	41	49	42	52	40	54
Flexible working	45	58	42	53	38	42	48
Career development programmes	35	25	38	24 ↓	46 ↑	35	36
Meal/Food vouchers or card	16	14	16	20	11	21	10
Holiday / travel vouchers or card	26	24	26	26	25	29	22
Company and/or peer awards	18	20	17	15	20	19	16
Restaurant/Cafeteria	11	19	9	15	7	13	9
Gifts / Culture / Leisure vouchers	12	22 ↑	10	14	11	13	11
Fuel card/ company car	13	14	12	17	8	13	12
Childcare services	10	12	10	7	13	12	8
Wellness	6	3	7	3	9	10	3
Concierge services	3	8	2	4	2	5	1

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As the demographics at workplaces evolve, with the continued importance of millennials and the influx of generation Z, organisational cultures are transforming globally. There is proliferation of digital technologies, greater workforce mobility, and the slow but steady dissolution of gender barriers.

For the new-age employee, work-life balance and opportunities for professional and personal growth are as important as financial security. In such a dynamic scenario, providing an innovative and personalised employee experience is critical to keeping the workforce productive, motivated and committed.

## ABOUT US



HRKatha, India's only online destination of independent, accessible HR news & analysis with deep insights into India's HR industry, is a daily staple for the larger HR community in the country. It aims to provide both employees and employers with up-to-date and relevant stories everyday, helping them stay abreast with news and information at all times. The site directly reaches over 130,000 HR professionals everyday through its newsletter and website. It keeps the wide HR community connected.

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The Sodexo group works towards improving the quality of daily life for employees, partners and customers across the world. Sodexo Benefits and Rewards Services, India's No.1 Employee Motivation & Benefits Services provider is a partner to over 11,000+ HR Leaders. Our fully-compliant Multi-Benefit Digital Solutions are customized to meet specific needs of organizations and help them develop their best motivated workforce. Sodexo BRS offers a range of 100% Digital Employee Benefit Solutions, designed to drive superior employee experience, reaching out to over 3 million daily consumers in India across 1,700+ cities nationally including tier 3 & tier 4 cities making it India's largest Digital Meal Benefit Network with over 100,000 unique points of acceptance.

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