The Profound Impact Changing Demographics Has on Employee Preferences for Total Rewards
Agenda

- Where we are today
  - Profound demographic change 1—Aging workforce
  - Profound demographic change 2—Transforming demographics
  - Optimizing total rewards
  - Case study
  - Market to employees
Where Are We Today

- Economy is improving after great recession
- Any cost savings have likely been recognized already
- Increased attention and focus on productivity gains
- Increased attention to retaining key employees
- Increased to quantifying total rewards return on investment
  - Benefits third largest expense a company faces; often spent without ROI
As the Global Economy Recovers, Competition for Critical Talent is Relatively Strong and Improving

In February 2011, unemployment rate for those with a bachelors degree or more is 4.2% compared to 9.0% overall*; labor shortage projected to last for a quarter century

“Labor shortages in and around Shanghai and Beijing are also widespread”

Wall Street Journal, July 29, 2010

“Firms poach top talent from recession-weary rivals”

Wall Street Journal February 7, 2010

“Two out of three employees at large companies looking for the exit sign”

World at Work May 10, 2011

“Many employees convinced their boss is job hunting”

World at Work, May 3, 2011

“Pay war breaks out as India’s tech firms vie for talent”

Wall Street Journal, April 27, 2010

“A tough search for talent”

The Economist, October 29, 2009

“As the economy recovers... companies will return to the challenge of winning over enough highly capable professionals to drive growth ”

Harvard Business Review, July – August 2009

“44% of people looking for a new job are currently employed”

World at Work, January 4, 2011

* Source: US Department of Labor, February 2011 data: http://www.bls.gov/news.release/empsit.nr0.htm
Talent Has Caught the Attention of the C-suite

Talent is Top Priority for CEOs, Overtaking Managing Risk

“As businesses move out of the downturn, CEOs are putting the focus firmly on their people.”

World-at-Work, April 26, 2011

Resolutions to Retain Talent, Engage Workers in 2011

“Employees' intentions to leave their current organization are on the rise, climbing back to pre-recession levels.”

World-at-Work, February 8, 2011

Organizations Describe Loss of Baby Boomers from the Workforce as a 'Potential' or 'Serious' Problem

“Training has increased, succession planning started, and flexible scheduling has been added at organizations that have started preparations for the retirement of Baby Boomers.”

World at Work, November 30, 2010
Many Executives Suggest HR Program Decisions Should Shift…

**Considerations in HR Program Decision-Making**

- **Cost**: 58%
- **Alignment with business performance**: 50%
- **Ability to attract, retain and engage Talent**: 55%
- **Competitive position of rewards**: 34%
- **Legal/Regulatory Compliance**: 12%
- **Leadership’s Reward Philosophy**: 17%
- **Risk to the Enterprise**: 5%

Under current HR Program and Total Rewards designs, only about half of employees are engaged!

Source: Aon Hewitt 2011 Talent Survey
… Yet We are Failing to Execute Successfully

“Global Survey Reveals Companies Still Fail to Communicate Strategy, Nurture Top Performers, or Accurately Align Pay for Performance

New research highlights characteristics of the next economy, and the link between strategic alignment and staff productivity.”

World-at-Work, April 12, 2011

Reality Reshaping Young Professionals’ Career Focus, But Hiring Managers Don’t See It

“Millennials say meaningful work is just as important as earning a high salary, but hiring managers believe high pay plays a greater role in Millennials’ perception of career success.”

World-at-Work, March 29, 2011
To Make Talent a Strategic Priority Requires Alignment Across Three Dimensions…

1. **Demographics are changing**
   
   Demographics around the world are changing. Workers are becoming older. The percentage of Hispanics in the US is rising. There are fewer workers in the western world, but excess supply in the developing one.

2. **Competition for talent is increasing**
   
   Coming out of the great recession (which started in December 2007), talent is ready to move. Average tenure in the US is 5 years.

3. **Not all employees are equal**
   
   The competition for skilled knowledge workers is especially intense; they produce three times the profit as other employees.* Qualified leaders in short supply in China.

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* Source: Making Talent a Strategic Priority, McKinsey Quarterly, 2008
... and Create Unique Value Propositions, Per Segment of Employee Demographics

1. Demographics are changing

2. Competition for talent is increasing

3. Not all employees are equal

Employee Value Proposition

Clear, concise, compelling

- **Value**: Addresses how the organization intends to meet the needs of the targeted employee segment(s).

- **Defense**: Places the firm in a defensible “perceptual” position relative to those firms it competes with for talent

- **Marketing**: Incorporates marketing 4Ps (Price, product, place, promotion)
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Demographic Challenge 1—Aging of the Workforce

The challenge

The pending retirement of the Baby Boomer Generation (born between 1946–1964)

- Between 2005 and 2025 the number of people in U.S. ages 55–64 will grow by 11 million
  - The number of people ages 25–54 will grow by only 5 million
- Labor force participation historically declines at age 55
- 80 million baby boomers will exit the workforce in the next twenty years **
- 8000 American’s turn 65 each day **

(Source: U.S. Congressional Research Service)

** University of North Carolina, Jan 18, 2011

What is at stake?

Companies are faced with the potential for:

- Worker shortages
- Talent/skill shortages
- Loss of critical business knowledge
- Loss of crucial technical skills
- Loss of key business relationships
- Lower economic growth and productivity (defined as workforce, capital employed, and change in productivity)
- Market for 20-30 year olds becomes more competitive

(Source: U.S. Congressional Research Service)

** University of North Carolina, Jan 18, 2011
“The confluence of a bulging aged population and a shrinking supply of youth is unlike anything that has happened since the dying centuries of the Roman Empire”

—Peter Drucker,
The Economist, November 1, 2001
Percent of Older Workforce is Rising and Will Continue to Rise. . .

Distribution of total US population

. . . And it’s Not Just Happening in the United States

Cited in: “A special report on Japan, On the down escalator A shrinking population makes it harder to rekindle growth and end deflation,” The Economist, November 18, 2010
Total Number of Available Workers in European Union Declining Over Time

Number of people of working age in the EU

Source: The Economist, On the Down Escalator, November 10, 2010
Aging Populations Driven by Falling Birthrates and Increased Life Expectancy

<table>
<thead>
<tr>
<th>Growing older</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Falling birthrates . . .</strong></td>
<td><strong>. . . increased life expectancy . . .</strong></td>
<td><strong>. . . and aging populations</strong></td>
</tr>
<tr>
<td>Birthrate per 1,000 of population</td>
<td>Life expectancy, years</td>
<td>Median age, years</td>
</tr>
<tr>
<td><strong>United States</strong></td>
<td>14</td>
<td>77</td>
</tr>
<tr>
<td></td>
<td>13</td>
<td>79</td>
</tr>
<tr>
<td><strong>United Kingdom</strong></td>
<td>11</td>
<td>79</td>
</tr>
<tr>
<td></td>
<td>11</td>
<td>81</td>
</tr>
<tr>
<td><strong>Germany</strong></td>
<td>8</td>
<td>79</td>
</tr>
<tr>
<td></td>
<td>9</td>
<td>81</td>
</tr>
<tr>
<td><strong>Italy</strong></td>
<td>8</td>
<td>79</td>
</tr>
<tr>
<td></td>
<td>8</td>
<td>81</td>
</tr>
<tr>
<td><strong>Japan</strong></td>
<td>9</td>
<td>83</td>
</tr>
<tr>
<td></td>
<td>8</td>
<td>85</td>
</tr>
</tbody>
</table>


Why Does it Matter? Look at Japan

- Nearly perfect bell curve of worker count
- Labor is one of main sources of economic growth:
  - If the number of workers drops, output per worker has to rise to maintain the same level of production
  - Unless productivity increases (or the number of workers increase—through immigration), living standards will decline
- Japan is no longer the world’s number 2 economy
  - By 2050, expectations are it will be overtaken by India, Brazil, Indonesia, Mexico, and Turkey, too
- Japanese managers feel strain from shrinking consumer base:
  - GE Japan has not grown in 5 years, largely due to aging
    - Elderly people go to bed early
      - Consume less electricity
      - Travel less
Despite This Evidence, Few Organizations are Ready for an Aging Workforce

40%
The percent of organizations who worry that the Aging of the workforce will have a negative impact on their business*

14%
Percent of managers who think they can cope with an Aging workforce*

94%
Percent of organizations without a formal mature worker retention strategy**

10%
Percent of organizations who have conducted research into what mature workers want**

Source: * The Economist, Age Shall Not Wither Them, April 7, 2011  
** Hewitt Associates 2005 survey of 79 employers on Aging employees
### Strong Differences in Attitudes Across Generational Category and Geography

<table>
<thead>
<tr>
<th>Statement</th>
<th>Asia Pacific</th>
<th>North America</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>&lt;25</td>
<td>55+</td>
</tr>
<tr>
<td>It would take a lot to get me to leave.</td>
<td>48%</td>
<td>61%</td>
</tr>
<tr>
<td>My career opportunities here look great.</td>
<td>44%</td>
<td>53%</td>
</tr>
<tr>
<td>I am paid fairly for the contributions I make to the organization’s success.</td>
<td>41%</td>
<td>50%</td>
</tr>
<tr>
<td>I have appropriate opportunities for personal and professional development.</td>
<td>49%</td>
<td>60%</td>
</tr>
</tbody>
</table>

Percent who strongly agree / agree

Include Generational Category as Part of Employee Value Proposition Design

<table>
<thead>
<tr>
<th></th>
<th>Baby Boomers</th>
<th>Generation X</th>
<th>Millennials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communication</td>
<td>■ Show respect ■ Choose face-to-face</td>
<td>■ Get to the point ■ Use email generally, but face-to-face to deal with any issues</td>
<td>■ Orient them quickly ■ Email and instant messaging are preferred</td>
</tr>
<tr>
<td>Development and Job Design</td>
<td>■ Acknowledge and recognize accomplishments ■ Create an open work environment</td>
<td>■ Give them space to explore and find the solution ■ Lighten up! Work can be fun</td>
<td>■ Provide feedback and respond quickly ■ Challenge them ■ Outline the end game for each task</td>
</tr>
<tr>
<td>Recruitment</td>
<td>■ N/A</td>
<td>■ Go through social networks ■ Create employee referral programs</td>
<td>■ Utilize technology—Facebook, etc. ■ Allow space for parental input</td>
</tr>
<tr>
<td>Retention</td>
<td>■ Develop solutions to postpone retirement ■ Highlight value and contributions to the company</td>
<td>■ Get over the notion of having to pay one's dues ■ Provide flexible work solutions ■ Set up clear steps for advancement</td>
<td>■ Find them a mentor ■ Allow them to contribute to the community ■ Introduce new opportunities frequently</td>
</tr>
</tbody>
</table>

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Demographic Challenge 2—Rise of the Hispanic Workforce

The Challenge

The rapid rise of the minority population in the United States

- Between the 2000 and 2010 census, the population of the United States grew 9.7% to 309M
  - Minorities accounted for 92% of this growth
  - Hispanic population swelled by 43% to 51M
  - All minorities jumped by 29% to 112M
  - Minorities now form the majority in America’s two most populous states, California and Texas (and also Hawaii, New Mexico and Washington DC)

What is at stake?

Companies are faced with the potential for:

- Change from “traditional” workers
- Rethinking employee value proposition, including:
  - What rewards to offer employees?
  - What are their unique values and needs?
  - How to communicate with?
- Understanding differences within race
  - Not all Hispanics are the same

Hispanic Population is Rising in the United States

Distribution of total US population

# Broad Cultural Differences Between Hispanics and American Middle Class

<table>
<thead>
<tr>
<th>Hispanics</th>
<th>Anglos</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group oriented (“For my family”)</td>
<td>Self oriented (“For me”)</td>
</tr>
<tr>
<td>Lean towards collectivism</td>
<td>Lean towards individualism</td>
</tr>
<tr>
<td>Success means family, group satisfaction; Stress cooperation, participation, being part of group</td>
<td>Success means personal possessions, individual satisfaction; Stress achievement, motivation, self-competence</td>
</tr>
<tr>
<td>Accepted delayed gratification</td>
<td>Look for immediate gratification</td>
</tr>
<tr>
<td>Spontaneous</td>
<td>Planners</td>
</tr>
<tr>
<td>Overt emotions part of culture</td>
<td>Hiding emotions is encouraged</td>
</tr>
<tr>
<td>Value highly personal / personalized service</td>
<td>Value fast, efficient service, at arms length</td>
</tr>
<tr>
<td>Adapt to the environment</td>
<td>Want to change the environment</td>
</tr>
<tr>
<td>Relaxed about time</td>
<td>Adhere to schedules</td>
</tr>
<tr>
<td>Doctors are to be trusted, not questioned</td>
<td>Doctors maybe trusted, often questioned</td>
</tr>
</tbody>
</table>

Significant Lower Retirement Behaviors Demonstrated by African-American and Hispanic Employees

**PLAN PARTICIPATION**

- **African-American**: 66%
- **Asian**: 76%
- **Hispanic**: 65%
- **White**: 77%

**SAVINGS RATES AMONG PLAN PARTICIPANTS**

- **African-American**: 6.0%
- **Asian**: 9.4%
- **Hispanic**: 6.3%
- **White**: 7.9%

Source: “401(k) Plans in living Color”, *The Ariel/Hewitt Study*, p. 7 & 8
Preferences for 401(k) Match Differs by Race, Holding Income Constant

Stronger preferences for 401(k) match about White employees than other races

Source: Fortune 100 Global Restaurant TRO study, December 2010, for employees making $30,000 - $50,000 annually
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Total Rewards Can be Defined Broadly

Total Rewards: Everything an employee gets and perceives as valuable or rewarding

- **Experiential**
  - Environment
    - Leadership & Culture
    - Physical Work Environment
    - Work Life Balance
  - Development
    - Career Opportunities
    - Learning & Development
    - Goals and Coaching

- **Company**
  - Benefits
    - Health & Wellness
    - Retirement/Savings
    - Paid Time Off
  - Compensation
    - Base Salary
    - Annual Incentives
    - Stock/LTI Awards

- **Personal**
  - **Financial**
  - **Total Compensation**
Employee Preference Data Enables You to Make Smarter Decisions

What is the optimal reward structure for our employees?
What is most important to our employees and how does it differ by segment?
What is the impact of reward changes on engagement or retention?
How does our brand impact reward preferences and tradeoffs?
How much of our reward spend is wasted on no-value low-value items?
What reward elements produce the greatest return for dollar spent?
What are the key opportunities for change, and how might employees react?

Empirical Data to Determine Change Priorities

Total Rewards Optimization (Conjoint)
Total Rewards Strategy: Four Integrated Dimensions

- **External Competitiveness**
  - How do our rewards programs and practices compare to the relevant external market?

- **Financial Considerations**
  - What is the relative cost of our rewards and practices? What can we afford?

- **Talent Strategy**
  - What is our talent strategy given our business direction and priorities? What do we want to be “known” for?

- **Employee Preferences**
  - What really matters to our executives/employees? What do they value most?

An effective Total Rewards Strategy is forward-looking and aspirational, yet grounded in and aligned to data on competitiveness, cost, talent requirements, and what employees truly value.
Conjoint is the Best Tool to Measure Preferences

- If asked directly, people say everything is important (not actionable)
- Conjoint simply uses trade-offs to determine what people value
- Consider a simple example:
  - Price of new TV: $500 or $1500
  - HD or non-HD versions
- There are four possible combinations—what is the order of preferences?

<table>
<thead>
<tr>
<th></th>
<th>$500</th>
<th>$1,500</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HD Television</strong></td>
<td>1</td>
<td>2 or 3</td>
</tr>
<tr>
<td><strong>Non-HD Television</strong></td>
<td>2 or 3</td>
<td>4</td>
</tr>
</tbody>
</table>

What is more important: Price or HD?
Aon Hewitt’s Total Rewards Optimization Approach

Our research approach helps you understand how people make choices and trade-offs so you can optimize for **preference** and **cost**.

1. **Ask:**
   Measure perceptions and how trade-offs are made through a simple user-friendly survey

2. **Analyze:**
   Learn how perceptions compare, what is most important to employees, and what your value drivers are

3. **Optimize:**
   Create win-win solutions by blending employee preferences with organizational costs to optimize plans. Then, design, deliver, and communicate new/existing programs
Preference Measurement Can Optimize Benefit Offerings by Aligning Employee Needs With Employer Costs

Does this offering address the needs of your employees?

You can optimize the benefits plan for groups of employees by understanding what they value the most.
Design and Market Using Cost and Preference Optimization

- Optimize costs and preferences to increase ROI on spending.
- Bring precision to plan design and communication/marketing.
- Analyze plan change impacts by segment to enable a high degree of tailoring.

Plan A: Existing plan
Plan B: Higher costs, Same preferences
Plan C: Higher costs, Higher preferences
Plan D: Same cost, Higher preferences
Plan E: Lower costs, Higher preferences
Plan F: Lower costs, Lower preferences
Understand Trade-offs: Encourage Participation Through Game-like Interface

Welcome

Stage 1: Preference

Stage 2: Importance

Stage 3: Trade-offs
Understand Economics (US Example) and Appeal of Program Changes Across Segment of Employees

Current Plan
- Retirement match: 4%
- 4 weeks vacation
- No life insurance
- $15 PCP/$30 Specialist
- Other features, etc.

Alternative 1
- Retirement match: 6%
- 3 weeks vacation
- 2x annual salary in life insurance
- $30 PCP/$60 Specialist
- Other features, etc.

Expected cost savings: $25 Million/year

- Identify which lower cost options have higher or similar acceptance as the current plan
- Test different plan designs, and understand how acceptance varies by different segments
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Electricity Utility based in Texas: Demographic Changes Upcoming; Need to Retain Older workers While Recruiting New Ones

XYZ Company has a larger population of Generation Xers than others in the industry.

Be mindful of the impact from upcoming retirements.

Consider a two-pronged strategy (attraction / retention):

- Delay retiring of Baby Boomers
- Retain / attract Generation X, workforce of today
- Attract Millennials, workforce of the future

**Source:** Saratoga U.S. Human Capital Effectiveness Report 2008/2009, PricewaterhouseCoopers, LLP; XYZ Company Preference Measurement (Conjoint) Survey

**Regular Headcount**—The average number of non-contingent employees reporting to the organization during the calendar year. Include employees on leave of absence and disability.

**Baby Boomers**—Employees born between 1943–1960 (Self-reported age 45-54, 55-64, or 65+).

**Generation X**—Employees born between 1961–1981 (Self-reported age 25-34 or 35-44).

**Millenials**—Employees born between 1982 or later (Self-reported age under 25).
Attribute Importance Differs by Generational Category

Many features are similar, many different; suggesting a need for flexibility and targeted messaging.

<table>
<thead>
<tr>
<th>Overall attribute importance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Pay</td>
</tr>
<tr>
<td>Ann Inc Struc</td>
</tr>
<tr>
<td>Ann Inc Pay Amt</td>
</tr>
<tr>
<td>HC Cost Sharing</td>
</tr>
<tr>
<td>LT Incentive</td>
</tr>
<tr>
<td>Profit Sharing</td>
</tr>
<tr>
<td>401(k) Plan Match</td>
</tr>
<tr>
<td>Personal Days</td>
</tr>
<tr>
<td>Commuter Allowance</td>
</tr>
<tr>
<td>Retirement Plan</td>
</tr>
<tr>
<td>Retiree Med Covg</td>
</tr>
<tr>
<td>Long-Term/Elder Care</td>
</tr>
<tr>
<td>Flex Work Sch</td>
</tr>
<tr>
<td>Trmg/Dev Opps</td>
</tr>
<tr>
<td>Career Png/Dev</td>
</tr>
<tr>
<td>Internal Mobility</td>
</tr>
<tr>
<td>(ESPP)</td>
</tr>
<tr>
<td>Child Care Subsidies</td>
</tr>
<tr>
<td>Wellness Reimb</td>
</tr>
<tr>
<td>Tuition Reimb</td>
</tr>
<tr>
<td>Paid Time Off (PTO)</td>
</tr>
</tbody>
</table>

Illustrates the amount each attribute contributes to overall preferences. Can be thought of as the potential a given feature has to drive employee preferences.

**Most important features by generational category**

<table>
<thead>
<tr>
<th></th>
<th>Baby Boomer</th>
<th>Generation X</th>
<th>Millennials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Pay</td>
<td>Base Pay</td>
<td>Base Pay</td>
<td></td>
</tr>
<tr>
<td>401(k) Plan Match</td>
<td>Annual Incentive Pay Amount</td>
<td>Annual Incentive Pay Amount</td>
<td></td>
</tr>
<tr>
<td>HC Cost Sharing</td>
<td>401 (k) Plan Match</td>
<td>Fitness Membership</td>
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<tr>
<td>Annual Incentive Pay Amount</td>
<td>HC Cost Sharing</td>
<td>Paid Time-Off (PTO)</td>
<td></td>
</tr>
<tr>
<td>Retiree Medical Covg</td>
<td>Annual Incentive Structure</td>
<td>Tuition Reimbursement</td>
<td></td>
</tr>
</tbody>
</table>

**Least important features by generational category**

<table>
<thead>
<tr>
<th></th>
<th>Baby Boomer</th>
<th>Generation X</th>
<th>Millennials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child Care Subsidies</td>
<td>Long-Term/Elder Care</td>
<td>Long-Term/Elder Care</td>
<td></td>
</tr>
<tr>
<td>Tuition Reimbursement</td>
<td>Child Care Subsidies</td>
<td>401(k) Plan Match</td>
<td></td>
</tr>
<tr>
<td>Commuter Allowance</td>
<td>Wellness Program Reimbursement</td>
<td>Wellness Program Reimbursement</td>
<td></td>
</tr>
<tr>
<td>Career Planning / Dev</td>
<td>Commuter Allowance</td>
<td>Retiree Medical Covg</td>
<td></td>
</tr>
<tr>
<td>Paid Time-Off (PTO)</td>
<td>Tuition Reimbursement</td>
<td>Long Term Incentive</td>
<td></td>
</tr>
</tbody>
</table>

Source: XYZ Company Preference Measurement (Conjoint Survey)
Avoid Offering “Luke Warm Tea”
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Understanding Overall Preferences is One Part of the Puzzle—a Second Part is Understanding Individual Needs and Preferences

This index shows more diversity among reward preferences for rewards in Asia than in the UK or USA

- Homogeneity Index measures the consistency of each employees’ responses (preferences)
- UK is indexed as a baseline for comparison:
  - Preferences in the US are more consistent across employees than the UK
  - Preferences for rewards in Asia (Singapore and Hong Kong) more diverse across employees than the UK
  - Strongest differences for Hong Kong
- High levels of consistency suggest that many employees are seeking the same benefit features
- Lower levels of consistency show greater variation in individual preferences

Index of employees with high consistency of preferences (UK=100)

Calculated as the percent of employees with Homogeneity Index <=30, Indexed to the UK score
Pure Demographics are a Poor Predictor of Behavior

Demographically, you are likely similar to your neighbors…

- Zip code: 77385 (The Woodlands, TX)
- Median Age: 33.6 years
- Average household size: 3.04
- Percent in labor force: 71.5%
- Median income: $58,424
- Median home value: $95,500

… but your behaviors are likely very dissimilar

- Different cars in most driveways
- Different choices for family vacations
- Different choices for cell phone providers
- Different choices for recreational and leisure activities
- Different media consumed
- Different voting patterns
- Different taste in music, movies, television

Source: Fact Sheet, Census.gov, based on 2000 data
Behavioral Economics…Some “Issues” We All Share

1. **inertia**
   Bias for status quo

2. **temporal discounting**
   Present vs. Future

3. **choices**
   Liberation or paralysis?

4. **loss aversion**
   Losing hurts worse than winning feels good

5. **social norms**
   What everyone else is doing
Segmentation…Marketing Speak for Classification or Grouping

**My Demographics**
How can you find me in your organization? What do I “look” like?

**My Behaviors**
What am I doing already and what else am I likely to do?

**My Conditions**
What are my current health conditions and future risks? What am I doing to prepare for the future?

**My Attitudes**
What matters to and motivates me, and what gets in my way?
Attitudinal Segmentation Can Strengthen our Ability to Motivate the Behaviors We are Seeking

MindBase Segments

How We Do It

- Use consumer marketing database of 230 million Americans
- Match your people to database using name and address

I am Expressive
“Carpe Diem”

I am Driven
“nothing ventured, nothing gained”

I am At Capacity
“Time is of the essence”

I am Rock Steady
“Do the right thing”

I am Down to Earth
“Ease on down the road”

I am Sophisticated
“Sense and sensibility”

I Measure Twice
“An ounce of prevention”

I am Devoted
“Home is where the Heart is”

What You Get

- Segment Profiles: High-level summary of attitudes, barriers, and motivators by segment
- Population’s segmentation distribution—overall and by key demographics
- Action Plan: Practical ideas for applying insights to your plans, programs, incentives, and communication
The MindBase Segments
The MindBase Segments

**Expressive… “Carpe Diem”**

**Driven… “Nothing ventured, nothing gained”**

**At Capacity… “Time is of the essence”**

**Rock Steady… “Do the right thing”**

**Down to Earth… “Ease on down the road”**

**Sophisticated… “Sense and sensibility”**

**Measure Twice… “An ounce of prevention”**

**Devoted… “Home is where the heart is”**

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**At Capacity**

**WHO AM I?**
- I’m often stressed out
- My kids are my world
- I feel above average
- I’m not prepared for the future

**HOW I FEEL ABOUT MONEY**
- I’m not hurting financially, but I do need to be more thoughtful about my spending and not racking up more debt

**HOW TO REACH ME**
- Internet … quick and convenient
Mindbase Attitudinal Segments Leverage Tools Long Used in Marketing
Concluding Comments

1. **Recognize**
   
   Employee demographics are changing

2. **Measure and understand**
   
   Identify what employees are looking for. Don’t assume that we know. Measure and test.

3. **Market**
   
   Think of employees as consumers of rewards. Think like a marketing executive.
Deeply experienced with conjoint and preference measurement techniques, Tim has successfully conducted an exhaustive number of studies over the past 20 years. He has consulted extensively across a range of industries for clients in the United States, Canada, China, Australia, and the U.K.

Tim came to Aon-Hewitt after spending several years managing all custom research products for a Texas-based energy company. A transplanted Canadian, Tim has over 20 years of research and consulting experience and prides himself on turning research results into actionable insights that drive business results.

Tim is passionate about measuring preferences, and has published several articles on conjoint and has presented conjoint and its applications at numerous conferences in North America, Asia and Europe. His recent client engagements include Nike China, Credit Suisse, The Home Depot, Wal-Mart, Pepsi, Darden Restaurants, Intercontinental Hotel Group, Liz Claiborne, United Parcel Services (UPS), and Canadian Tire, among others.

He is frequently been interviewed as a subject matter expert in many business periodicals including CFO, Business Insurance, The Globe and Mail, Workforce Management, Managed Healthcare Executive and most recently Knowledge@Wharton. He holds an M.B.A. and a B.A. and is based in our office in The Woodlands, Texas (USA). His email address is Tim.Glowa@AonHewitt.com