Building stronger engagement through employee segmentation

Traditional ways of analyzing employee groups are no longer relevant. Assessing employees based solely on their demographics is keeping employers from understanding the most important motivations that drive employee satisfaction. The world's leading companies are using a different approach. This is a new kind of segmentation that uncovers employees' preferences, motivations, personal goals and individual circumstances. A new brand of segmentation that allows HR to better focus their limited resources on what will have the most impact on their unique employee populations.

MetLife

Navigating life together

1. Seeing employees differently

For today's employees, work isn't just a way to pay the bills. In a world of record employment rates, changing attitudes and on-demand everything, employees are expecting more. They want work that enriches their personal lives, and their personal lives enriched by what they do every day. They want work with meaning, and they want to work in a place that they feel comfortable bringing their whole selves to the job.
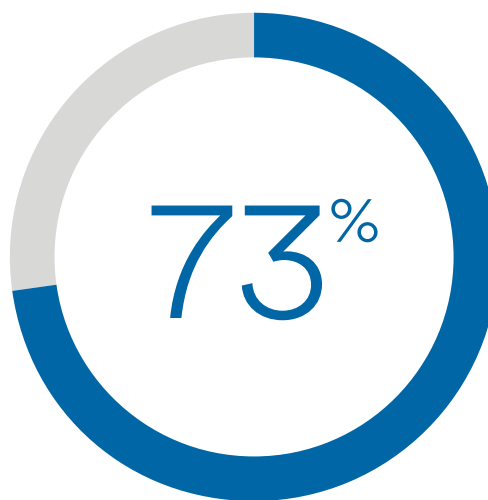
The personal importance of work to employees

60%
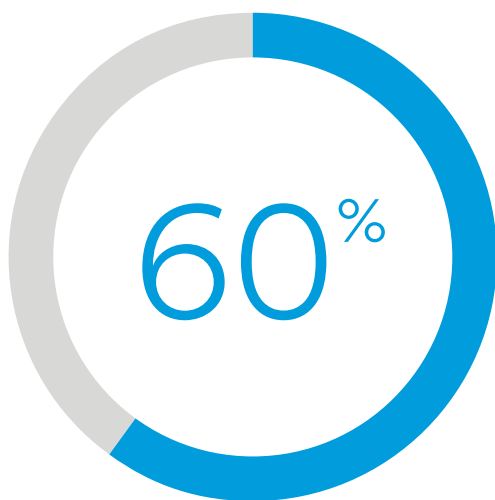
60% of employees feel their work helps define who they are

73%

73% feel a strong sense of connection at work

1

Today's employees want to be seen and respected as individuals, each on their own journey, each facing different realities: single parents, college graduates still in debt, artists working to support their dream, and career-minded traditionalists. But many employers still see employees based on blanket demographics. Age, gender and job title don't tell you about career motivations or personal passions. Classic demographic descriptions do little to reveal the needs of diverse individuals, each pursuing their own path.

Employers want engaged employees. They're more productive, more effective and they create a less stressful work environment. And they have an impact on the overall success of the business.

71%

of senior executives rate employee engagement as very important to achieving overall organizational success

[2]

But to engage today's employees, employers have to see them as individuals. What drives and motivates each employee will help define how each employee will engage more deeply in their work.

Obviously, it's impossible to curate an entire work experience for the individual needs of every single employee down to the last nuance. Yet, traditionally companies have grouped employees only by job title, seniority, and function in the organization. Those matter, but the most successful companies are employing a different way to drive more understanding and ultimately better relationships with employees. It's a way to segment employees that considers who they are as individuals, factoring in their unique attitudes, passions and aspirations. Using a more nuanced approach to segmentation will enable employers to engage their workforce in ways traditional demographic breakdowns could never do alone.

2. A better way to segment employees

From   To

Demographics   **Life stages**   **Mindsets**   **Attitudes**
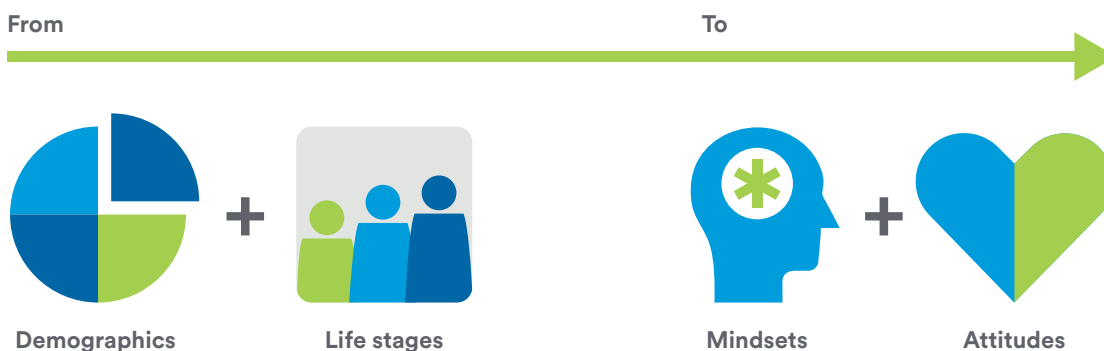
Moving from basic demographics and life stages to a view based on mindsets and attitudes isn't new. Every day we all are plugging in information to various platforms, commenting, liking and posting; filling out surveys and defining our preferences. But using this approach to better understand employees is a shift. When done right, it gives top companies a new way to tap into the mindsets and attitudes of customers that is more personalized, customized and authentic. Harnessing this data allows industries to approach their customers differently, interact with them based on their preferences and keep them engaged by staying aware of their needs. Seeing employees in a similar way allows us to better meet their needs in the work they do.
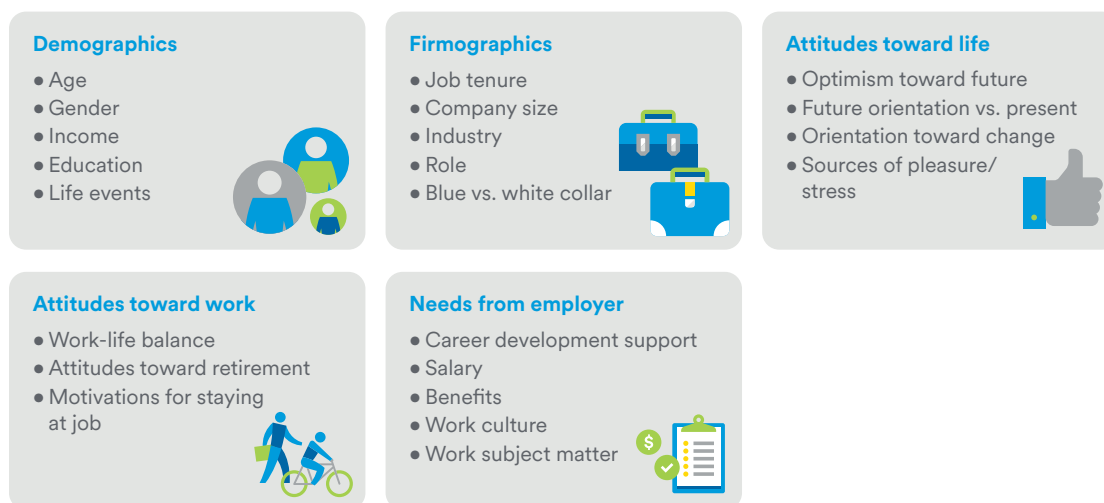
Imagine a company that doesn't expect its largely Millennial workforce to care about retirement. Using the broad demographics of age and life stage, this company might assume Millennials don't want to put their money into a market they saw collapse in 2008 and aren't really thinking about the future anyway. But painting with such a broad brush doesn't capture what we actually know about the Millennial generation. In fact, many Millennials are quite concerned with their future finances, and retirement as well as other benefits absolutely matter to them. Segmentation based on attitudes and mindsets challenges core assumptions about what we think we understand about employees today.

3. Insights for engagement

MetLife conducts extensive research on the modern workforce. We look at how employees view the workplace, what they want to accomplish in their jobs and what they want and expect from their employers. We look at a variety of variables ranging from the basics of age and education to the nuances of employees' goals, aspirations and reasons for remaining at work.

Factors in employee segmentation

Demographics
- Age
- Gender
- Income
- Education
- Life events

Firmographics
- Job tenure
- Company size
- Industry
- Role
- Blue vs. white collar

Attitudes toward life
- Optimism toward future
- Future orientation vs. present
- Orientation toward change
- Sources of pleasure/ stress

Attitudes toward work
- Work-life balance
- Attitudes toward retirement
- Motivations for staying at job

Needs from employer
- Career development support
- Salary
- Benefits
- Work culture
- Work subject matter

Using this data, MetLife is able to paint a detailed picture of specific employee segments. We see clear distinctions between employees' approaches to finding ways for work and life to enrich one another; from seeing work as a means to personal fulfillment to seeing work as a means to support their personal goals.

But understanding employees is only the beginning. With this knowledge comes the power to optimize programs that better fit the needs and goals of employees. It allows employers to develop new initiatives that embrace the individual circumstances of more employees. Using this kind of segmentation allows HR to focus dollars where they're most impactful, because they know these programs have a direct emotional link to employee satisfaction.

Drivers of employee engagement that segmentation can help with:

Recognition of high performance	Understanding of how job contributes to strategy	Clear communication from senior leadership about strategy	Clear communication of business goals
72%	70%	70%	69%

3

Meeting employees where they are — in their hearts, minds and life stage — builds greater satisfaction, which in turn forms an environment that makes people want to go to work every day. And satisfaction is contagious, making the daily work life more rewarding and more productive. And a more rewarding job experience creates more impactful employer/ employee relationships which in turn encourages retention.

4. Tools you can use

MetLife's employee segmentation research is being put to work now, helping HR leaders select their benefits, communicate product features more effectively, adjust current programs to suit their diverse employees, and help employees understand they can get the most out of the benefits they have. It's helping employers increase and enrich the quality of employees' connection to their work and their companies.

Our team can work with you to activate segmentation insights that fit your needs, learn more about your workforce, and help optimize engagement and retention.

Contact MetLife today to learn more about how we can help you better understand and engage your unique workforce.

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3 "The Impact of Employee Engagement on Performance" — 2013 Harvard Business Review Analytic Services Report. https://hbr.org/resources/pdfs/comm/achievers/hbr_achievers_report_sep13.pdf.