



# Redefining Rewards for a Future-Ready Workforce

A well-structured reward strategy is integral to an organization's employee value proposition, shaping candidate decisions, employee engagement and eventually, employee retention. Today's HR Leaders and decision makers face a nuanced challenge – designing reward frameworks that not only deliver holistic value but also address the distinct expectations of a multigenerational workforce spanning four generations.

Our recent ANSR Leadership Forum brought together leaders from some of the biggest GCCs in India to discuss their views on building agile rewards strategies that evolve with the needs of the workforce.

## Evolving Compensation & Benefits for a Multigenerational Workforce

- **Rewards must be relevant to the workforce:** The modern-day workforce is a dynamic blend of 3-4 different generations, ranging from baby boomers and Gen X, to millennials and Gen Z. With employees being evidently more discerning about their career motivations, and specifically about their perks and benefits, a one-size-fits-all benefit offering no longer works. Leaders must analyze the data and ask, “What is most relevant for this specific segment?”, while balancing those insights with overall cost and enterprise-wide value.
- **The power of personalization:** An effective approach to designing tailored benefit offerings is to segment the workforce into cohorts and implement cafeteria-style benefits aligned with each group's priorities. For instance, in the post-COVID landscape, eldercare support has become increasingly important for older employees, while younger generations are placing greater emphasis on health and wellness benefits.

The question that decision makers need to ask is, *“how can we go the extra mile? In addition to general health insurance, can we offer gym memberships, nutritionists, access to a life coach, etc.?”*

- **Measuring benefit-utilization to find gaps:** The only way to evaluate how well a benefit caters to its target demographic is by efficiently measuring its utilization by the workforce. While larger GCCs benefit from broader data sets, organizations of any size can leverage surveys, polls, and anonymous feedback tools to gain actionable insights into the effectiveness and relevance of their rewards program.

If a benefit is utilized by only 10–20% of the workforce, it signals the need for reassessment. Organizations should regularly track benefit utilization on an annual basis and refresh offerings every 2–3 years. Agility is key—low-value programs must be swiftly re-evaluated and optimized to ensure continued relevance and impact.



*You're never too small to start experimenting with what you offer. You can choose the options that resonate with your employee groups. And the best part is, your workforce will actively tell you what it wants.*

~ Rahul Gurjar,  
Director for Rewards and Performance at Bosch Global Technology



## Building High-Impact Reward Strategies for Emerging GCCs

When building their entire value proposition, GCCs should focus on the following elements:

- **Compensation:** Multiple compensation anchors contribute to an organization's ability to hire and retain top-tier talent.
- **Upskilling, learning & development:** Mid-level talent (3–10 years of experience) is increasingly focused on maintaining industry relevance. These professionals actively seek opportunities to work with cutting-edge technologies and continuously expand their skill-sets to advance their careers.
- **Creating long-term value:** This may include RSUs (restricted stock units), long-term retention bonuses, or milestone-based recognition programs, requiring decision-makers to adopt a more innovative and strategic approach to rewards.
- **Wealth creation:** Beyond compensation and annual increments, companies must explore how they can enable long-term employee growth—both in terms of financial well-being and continuous skill development.
- **Tailored benefit plans:** While achieving hyper-personalization at an early stage may be challenging, organizations can adopt a cohort-based approach, empowering managers with the flexibility to allocate benefits that align with the specific needs of each group.

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*In order to attract and retain high-quality talent, your reward strategy will have to be extremely dynamic and agile, while also ensuring that you do not distort your original value proposition. Under the overall context of your value proposition, you will need to experiment with different approaches.*

~ Monarch Limaye,  
CHRO at AllState India

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## Leveraging AI and Analytics to Optimize Reward Mechanisms

- **Automation is key:** Across the HR workflow, an estimated 50–60% of tasks such as job description creation and interview scheduling are standardized and repetitive, making them ideal for automation. The time saved can then be redirected toward higher-value activities like strategic decision-making and talent planning.
- **AI for augmenting human decision-making:** AI tools can efficiently analyze large-scale benefits-utilization data to uncover patterns, assess return on investment, and surface critical metrics. Consequently, these insights play an integral role in helping HR leaders and decision makers identify gaps within the reward strategy and chart the path for change and improvement.
- **Generative AI for personalized benefit offerings:** Generative AI tools can be leveraged to analyze employee demographics and design personalized perks for each generation—for example, offering mental health support for younger employees and chronic care coverage for older cohorts.

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**In conclusion,** we now know that compensation and benefits strategies must evolve to meet the diverse expectations of a multigenerational workforce. Organizations must upgrade from one-size-fits-all benefit plans to data-driven, cohort-based strategies for greater relevance and impact. Personalization, even if not at an individual level, can be achieved through tailored offerings. Meticulous tracking of benefit utilization can help identify gaps and drive continuous improvement.

Emerging GCCs should focus on long-term employee growth through strategic compensation anchors, upskilling opportunities, and wealth-creation mechanisms. Finally, leveraging automation and AI further empowers HR teams to deliver more agile, personalized, and future-ready rewards.