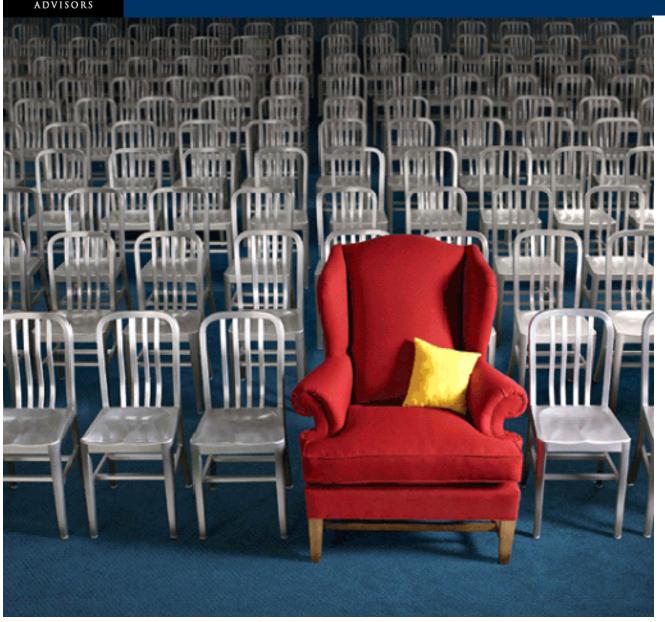


THE DIVERSIFIED DIFFERENCE



New Ways of Communicating – Reaching the Next Generations

April 25, 2007

The retirement expertise you've always demanded. The comfortable relationship you never expected.



FOUR DISTINCT AGE GROUPS



Born between 1946 and 1964

Representing 25% of U.S. Population



Generation X

Born between 1965 and 1979



Generation Y

Born between 1980 and 2000



Generation Z

Born from 2001 to Present

Also known as Millenials

Source: USA Today



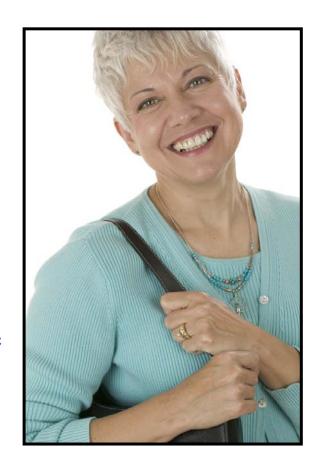
"COMMUNICATION SKILLS"

- Might mean formal writing & speaking abilities to an older worker
- Might mean e-mail and instant messenger savvy to a twentysomething
- Birth year alone doesn't necessarily dictate generational outlook
- Tech-savvy, young-at-heart baby boomer might fit Generation X profile



BABY BOOMERS

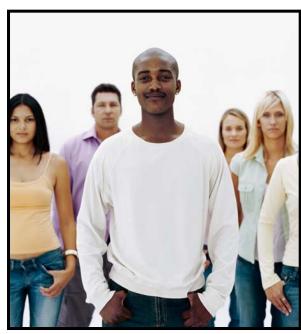
- People who live to work
- Over 80 million strong
- Recognition is important
- Highly competitive generation generally willing to sacrifice for success
- Tend to favor a "top-down" chain of command
- Credited with reshaping corporate culture w/casual dress code & flexible schedules
- Favor a personable style of communication that aims to build rapport





GENERATION X

- Higher divorce rate combined with an increase in working mothers – grew up as "latch-key kids"
- Tend to be skeptical, highly individual workers who value a work/life balance
- Most would rather be rewarded with extra time off than step up corporate ladder
- If they need to work extra hours, they want to know why
- Shaped by a culture of instant results value efficiency and directness
- Communicate best by cutting to the chase
 & avoiding unnecessary meetings





GENERATION Y

- Highly collaborative and optimistic
- Interested in work/life balance
- Comfortable with technology
- Been taught to "put their feelings on the table"
- Have had significant influence on how their families are run – they make 74% of their families leisure decisions
- Allow them a voice in the workplace & present messages from a positive standpoint



- They are 50% larger as a demographic than Generation X 77 million vs. 55 million
- By 2010, 35 million teen-agers will haunt malls and chat rooms more teens than during the baby boom



GENERATION X & Y

- By 2012, will represent 70% of the workforce
- Self-reliant, technologically savvy & skilled in multi-tasking
- Interested in employment settings that promote:
 - Communication
 - Flexibility
 - Personal recognition
 - Immediate feedback
- They welcome change, are independent and entrepreneurial
- Seek experiences and opportunities more than money and security
- Grew up in the shadow of terrorism





ADVANTAGES OF GENERATIONAL TREND KNOWLEDGE

- Begin to anticipate others' preferences and see differences on a less personal level
- Understanding Generation X preference for work/life balance, managers will be less likely to attribute overtime reluctance to laziness
- Leading edge technology is often a key to new generations happiness
- Can help your organization with recruiting and retention
- Communicating with Generation X & Yers through traditional channels can be difficult



COLLEGE GRADUATION CLASS OF 2011

- They never rolled down a car window
- They have grown up with bottled water
- Pete Rose has never played baseball
- Rap music has always been mainstream
- They were born the year Harvard Law Review Editor, Barack Obama, announced he might run for office someday
- Wal-Mart has always been a larger retailer than Sears & employed more workers than

Source: Beloit College



COLLEGE GRADUATION CLASS OF 2011

- MTV has never featured music videos
- The space program has never really caught their attention except in disasters
- They never saw Johnny Carson live on television
- The World Wide Web has been an online tool since they were born
- Dilbert has always been ridiculing cubicle culture
- There has never been a Berlin Wall



Source: Beloit College



MANAGING MILLENIALS

- Design space so that they are set up physically to share ideas
- Consider assigning projects to groups of employees who are evaluated as a group for reaching a goal
- Set up reverse mentoring programs





MILLENIALS AT WORK

What they want from a job:

- To work with positive people
- To be challenged
- To be treated respectfully
- To learn new knowledge and skills
- To work in a friendly environment
- To have flexible schedules
- To be paid well





MILLENIALS AT WORK

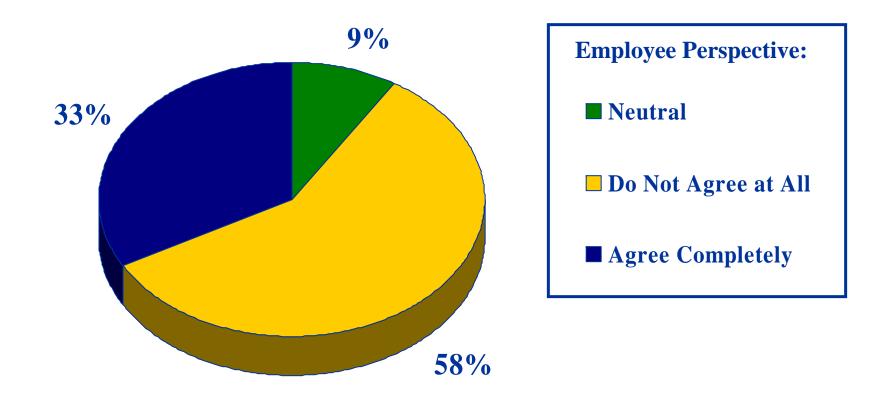
Where Employers Go Wrong:

- Not meeting high expectations
- Discounting their ideas for lack of experience
- Allowing negativity
- Feeling threatened by their technical know-how
- Not challenging them frequently and repeatedly



COMMUNICATION GAPS PERSIST

"My Company's Benefits Communications Effectively Educate Me On My Options"



Source: MetLife, 2007



A WHOLE NEW WAY OF COMMUNICATING

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COMMUNICATING WITH MILLENIALS

- Prefer IM to email
- Prefer to Skype to the traditional telephone
- File sharing networks to photo albums
- For data storage, might choose the IPOD over the flash drive
- For meetings, Second Life over inperson encounters
- For computing, smart phones and laptops over desktops
- They expect information to flow freely



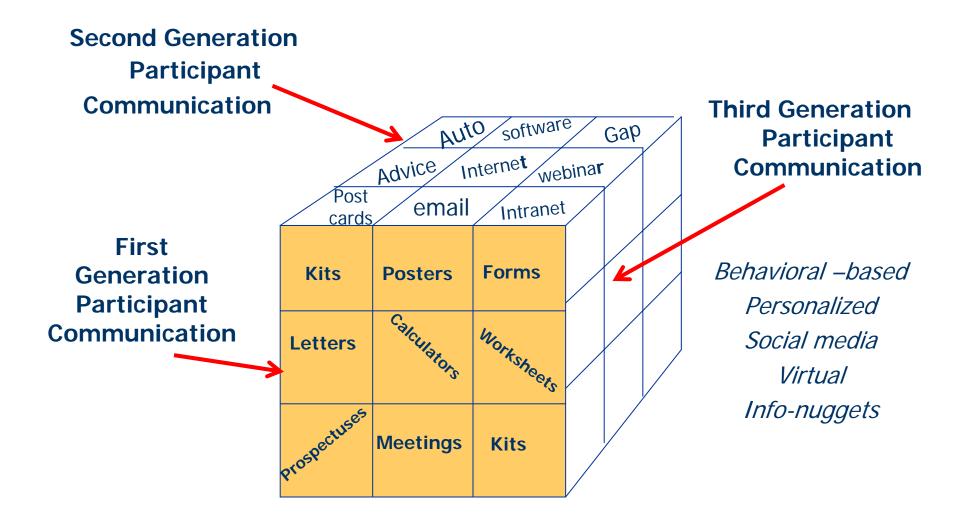


MILLENIAL TECHNOLOGICAL REQUIREMENTS

- Long relied upon approach block, block is not a viable option
- Connectivity to instant messaging applications and social networking sites will be necessary
- More people are performing personal tasks at work and business functions at home
- Risk management will be critical, but can't disable
- New modes of security will be introduced to protect companies against leaks, viruses, etc.
- Newest technology is not a privilege, it's their right



WHAT'S NEXT FOR PARTICIPANT COMMUNICATIONS?





CHARACTERISTICS OF THE SEVEN INTERNET USER SEGMENTS

Usage segments are the critical link in designing an effective online strategy.

A one-size-fits-all site fails because it can't morph to users' moods.

	Defining Characteristics				Additional Characteristics		
Segment	Session Length	Time Per Page	Category Concentration	Familiarity	Number of Sites	Pages Per Site	Time Per Site
Quickies	1 min.	15 sec.	90%	90%	1.8	2.2	0.6 min.
Just the Facts	9 min.	30 sec.	47%	88%	10.5	1.7	0.9 min.
Single Mission	10 min.	1.5 min.	85%	11%	2.0	3.3	4.9 min.
Do It Again	14 min.	2 min.	87%	95%	2.1	3.3	6.7 min.
Loitering	33 min.	2 min.	66%	90%	8.5	1.9	3.9 min.
Information Please	37 min.	1 min.	41%	14%	19.7	1.9	1.9 min.
Surfing	70 min.	1 min.	26%	85%	44.6	1.6	1.6 min.

Source: Seize the Occasion! The Seven-Segment System for Online Marketing



NEW MEDIA FOR COMMUNICATING





VOiP





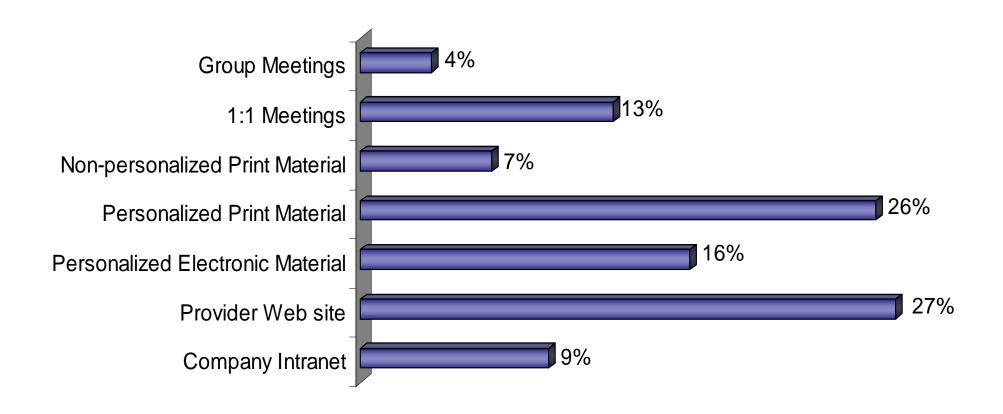








GENERATION Y PREFERENCES FOR RECEIVING RETIREMENT COMMUNICATION



Source: Diversified Investment Advisors



EACH GENERATION BRINGS THEIR OWN VALUES, GOALS & COMMUNICATION APPROACHES TO THE WORKPLACE

Generation	Channel	Text/Graphics
Traditional	–Print media: newsletters, brochures–In-person lecture oriented workshops	-Honor, dignity-Family security/protection-American values-Quality and history of program
Baby Boomers	-A mix of print and electronic media	Cutting edge servicesPrestigeMaterial rewardsValue for money
Gen X	 Electronic visual media: videos, television ads, CD or Web based FLASH Opportunities to register online for Web based seminars or information kits 	-Family themes-Health and fitness-Promote mix of options/services-More is better
Gen Y	 Electronic visual media: videos, television ads, CD or Web based FLASH Opportunities to register online for Web based seminars or information kits In-person lecture oriented workshops that allow role-playing or practice 	Create tradeoffsSport related analogies

Source: Engaging the Multi-generational Workforce



Conclusion

- The average age of an RN is 47. Half of all certified school teachers plan to retire within 5 years. 60% of all Federal workers are baby boomers. You're going to need millenials.
- Think technology feature strategies that include instant messaging, viral email marketing, and other dynamic approaches
- Create fun environments add entertaining elements to traditional job functions



Leverage relationships – Millenials place a significant value on friends & acquaintances of their own generation.

Source: Kelly Services



Conclusion

- Communicate frequently information should flow freely.
- Encourage work place flexibility acknowledge and plan around work/life balance. Opportunity for job change, internal mobility and flexible schedules important.
- Expand and enhance training opportunities Millenials thrive on developing their work skills and knowledge.



Source: Kelly Services



THANK YOU



All registered investment funds are available by prospectus only. A prospectus may be obtained by contacting Diversified Investment Advisors (Diversified) at 800-755-5801. The prospectus contains additional information about the funds, including the investment objectives, risks, charges, and other expenses. You should consider all such information carefully before investing. Please read the prospectus carefully before you make your investment choices.

Investing in mutual funds involves risks. The investment return and principal value of an investment will fluctuate, so that an investor's shares may be worth more or less than the original cost. There is no assurance that any fund will meet its stated objectives.