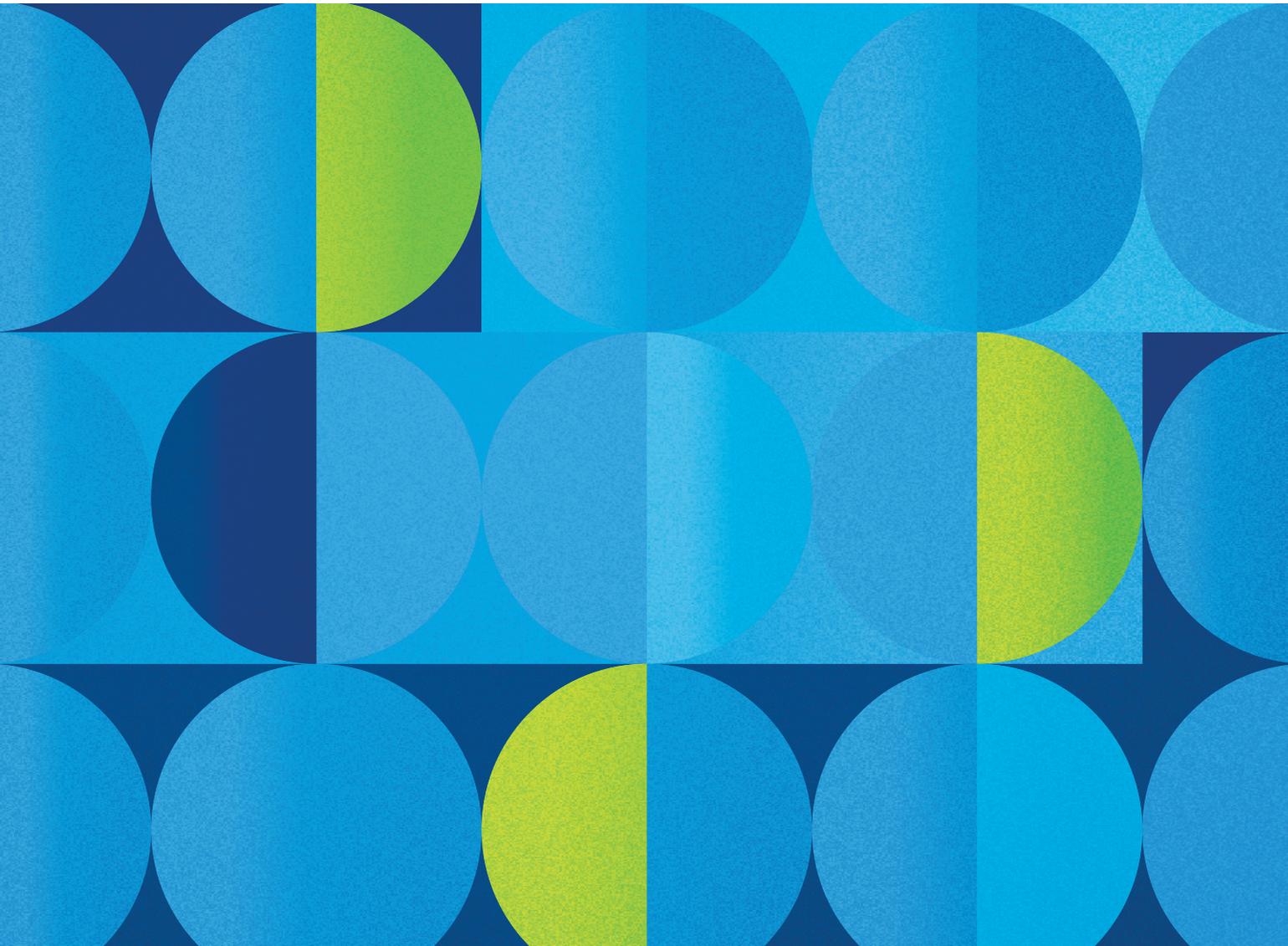




Thriving in the New Work-Life World

MetLife's 17th Annual U.S.
Employee Benefit Trends Study
2019



ABOUT THIS REPORT

In the changing
world of work,
one thing remains
constant.

For organizations
to thrive, employees
must thrive too.

ABOUT THIS REPORT

Because thriving, happy employees are better employees — they are more engaged in their work, are more loyal to their employers, and more meaningfully contribute to their organizations' goals.

Employers traditionally have been focused on the success of their employees in the workplace. But today's employees, across generations, are seeking fulfillment across their work, personal lives, and relationships. Thriving in today's fast-changing, always-on world — a world where work and life have the potential to blend like never before — sometimes leaves people feeling overwhelmed or like they are falling short in one or both areas.

Employers are beginning to recognize this struggle. To better compete for and manage talent, they understand they need to value employees' whole selves and individuality. They are also recognizing that employees need the flexibility and support to not only manage, but enrich their lives — to find greater stability, purpose, and growth both personally and professionally.

If employers expect their organizations to thrive, they not only need to rethink the experiences they are creating for employees inside the workplace, but also how they are supporting employees outside of it.

At MetLife, we're here to help people and businesses navigate and thrive in the new work-life world. Over the past 17 years, our annual U.S. Employee Benefit Trends Study has surveyed employees and employers across the country to examine changing workplace dynamics — and how employers can best respond to them.

In this year's report, we look at how employers can attract, engage, and retain the best talent by helping employees thrive in work and in life. By sharing data-backed insights about how the workplace continues to evolve, we'll uncover trends and provide actionable guidance to help employers evolve with it.

CONTENTS

01 **Creating a Human Workplace Where Employers
Are an Ally** p.4

02 **Insights on Reshaping the Workplace** p.8

03 **Reimagining Benefits to Engage More Holistically** p.36

04 **The Tangible Tools Employers Can Use Today** p.48

01

Creating a
Human Workplace
Where Employers
Are an Ally

Over the past 25 years, technology has been the major driver of workplace changes — redefining **where** and **how** we work. These trends were the first major step in blurring the boundaries between work and life.

From the ability to work anytime, anywhere, to the emergence of on-demand and contract work through the gig economy, technology is continuing to reshape how we work.

But we are now seeing additional trends redefining why we work and what work means to people. Younger generations tend to see their careers not solely as a source of income, but as a driver of fulfillment and an expression of their values, interests, and skills. Work is a larger part of how they define themselves, from the pride they feel in succeeding on the job to how their work builds their personal brand — the version of themselves that is projected to the world through channels like social media.

Taken together, these forces are changing what work means for employees and employers. As employees leverage work to gain more fulfillment, pursue their goals, and align their values and experiences more authentically, they're looking to employers to help them manage this new work-life world.

When work and life blend and enrich each other, everybody wins:



Employees need an ally, and employers can play this role by creating a workplace that not only *recognizes* employees holistically, but *supports* them holistically as well. One that provides experiences that enrich, a culture that accepts, and guidance that helps employees reach their individual goals.

From alleviating financial stresses to giving employees time to recharge, traditional and emerging benefits can offer relevant support to employees — and they can be key ingredients for the kind of caring, trusting culture in which employees thrive.

New insights offer new solutions

In our current environment of low unemployment and heightened competition for in-demand talent across industries, as well as evolving employee expectations, it can be difficult for employers to determine what will break through the noise and make an impact. By understanding employees' deeper motivations, employers can develop strategies that better engage their workforce — and new insights have emerged to help them do just that.

With these perspectives, we'll identify how to shape workplace behavior, cultivate meaningful experiences, and offer relevant solutions and benefits — and in doing so, drive increased engagement, higher productivity, and greater loyalty.

This year's **top insights:**

When employees are supported as individuals, they are more engaged

Finding purpose at work is multifaceted

Technology is driving a new mandate for training

Flexible careers are reshaping the workplace

The gig economy can be a challenge and an opportunity for employers

While the challenges and opportunities posed by each of these insights cannot be addressed overnight, there's one theme that runs throughout: Employers need to think about employees' lives and needs holistically.

Over the course of this report, we will discuss several benefits-related learnings, which employers can use to help them rethink their benefits packages. In the new landscape of benefit offerings, employers will have more tools than ever to impact the culture and experiences of their employees.

02

Insights on Reshaping the Workplace

While employers realize they need to play a role in helping their employees succeed **inside and outside of work**, they may struggle with finding the best ways to address — at scale — the fact that each employee has his or her own needs and a specific role to play in the organization.



Other than work, my biggest stress right now is financial. Last year, I was out of work for 6 months due to a major illness. This severely impacted my finances, and I am still in debt.”

How do employers help individual employees on their personal life journeys, when for some, the number of employees can be in the hundreds or hundreds of thousands?

On the one hand, employees are striving for a workplace that addresses their individual needs — their security, sense of fulfillment, and personal commitments — while on the other hand, managing the common stresses of having the money, time, and opportunities to live the lives they want.

Meanwhile, employers are trying to adapt to how they can address these employee demands for more personalized, individual work experiences at scale, while striving to succeed in an increasingly competitive and disruptive marketplace.

To help solve for both employee and employer goals, we first have to take a close look at what is causing strain on employees and better understand what will both motivate them and minimize their stress.

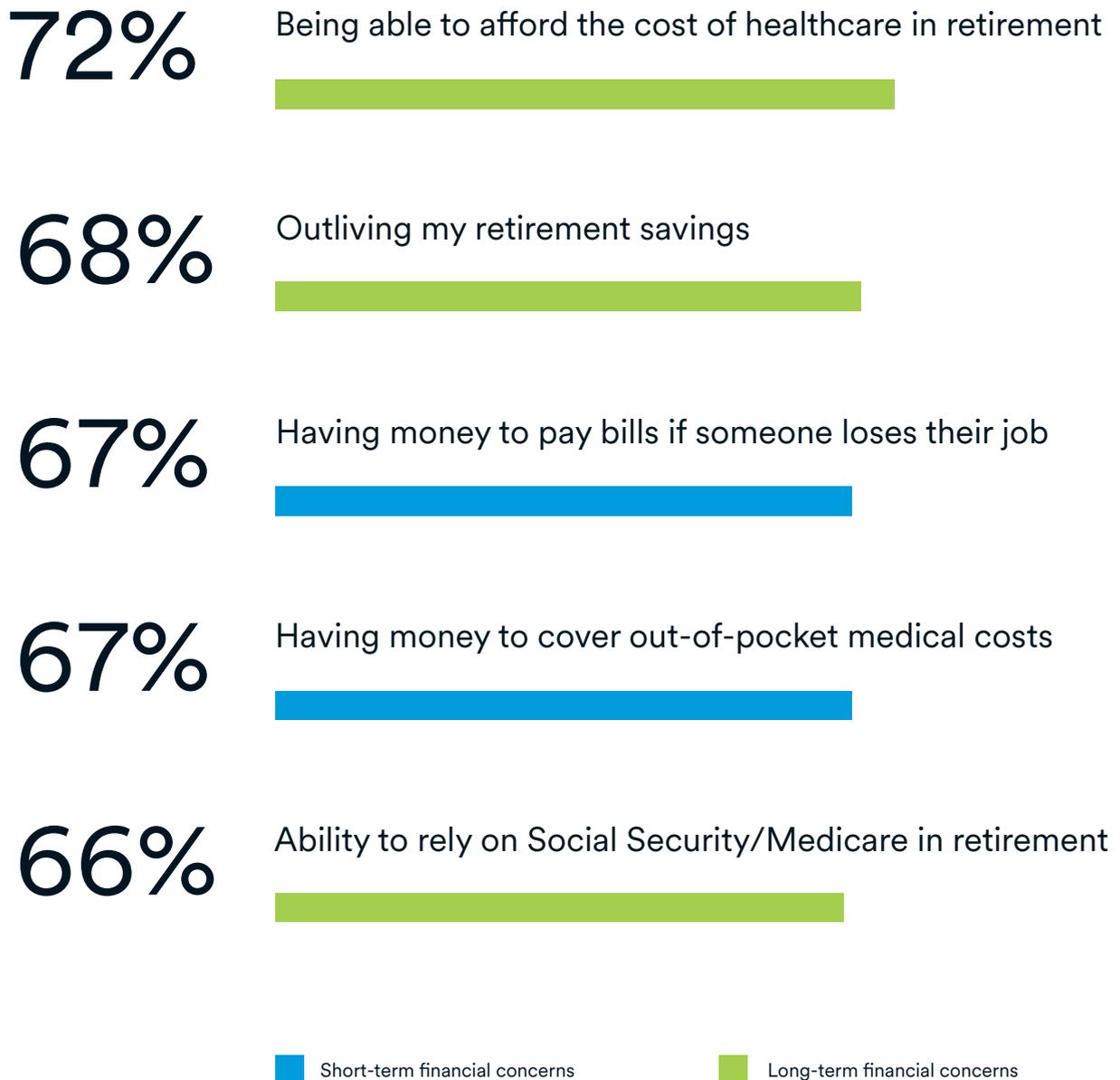
Employees' stress spans short- and long-term concerns

Everyday stressors can pose barriers to employees' happiness and distract them from succeeding at work. And while some of these relate to employees' personal lives, the role that work can play — in adding to or reducing stress — is a common thread that runs throughout.

Employees state that their number-one source of stress is personal finances. Regardless of age or life-stage, a focus on finances tops the list as the biggest concern employees have day to day.

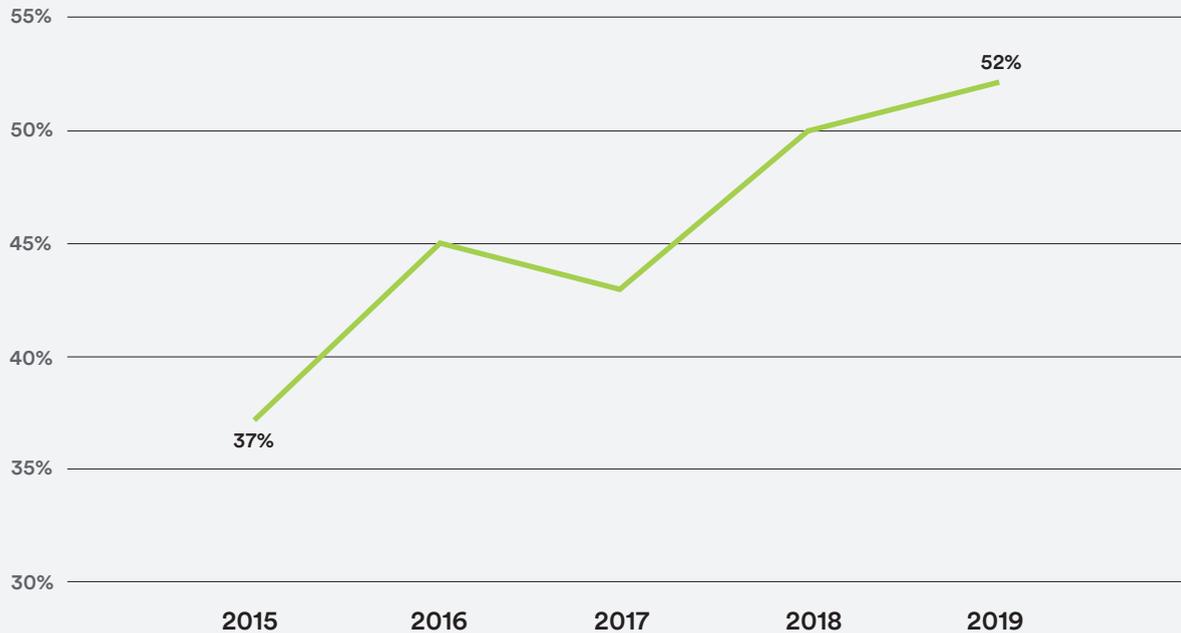
Some of employees' stress about finances stems from short-term concerns, like staying on top of bills or paying for urgent health needs. Others stem from long-term goals — in fact, 3 of employees' top 5 financial concerns directly relate to retirement, even among those who are relatively confident in their finances.

What are employees' top 5 sources of financial stress?



“I expect to postpone my retirement due to my financial situation”

— Employees who agree



And this concern about finances and retirement is on the rise, as more employees realize their financial challenges may extend long into the future.

Employees say that solutions that help address financial stress are what they need most to thrive in the workplace and at home. Nearly 6 in 10 employees say an appropriate salary is one of the most important elements to successfully navigating and thriving in the workplace.

Yet, a moderate salary increase can only help so much when dealing with an unexpected expense, whether it’s a broken bone or a flooded basement. That’s why financial support in the form of financial wellness programs, retirement plans, and a broad set of benefits can play such a crucial role in helping employees manage the unexpected and plan for the future.

And employees realize this too.

●●●●● **5 in 10** employees say better benefits are key to thriving

Stress isn’t exclusively about finances, however — and employers are well positioned to help mitigate many of employees’ other pressures. **Whether it’s easing the stress of work itself (the second biggest stressor), tending to personal or family health (the third biggest stressor), or managing personal commitments (the fourth biggest stressor)**, employers can play a substantial role in transforming the employee experience. The right combination of benefits and experiences can help employees feel more engaged and more cared for — and build the trust that enables them to thrive.



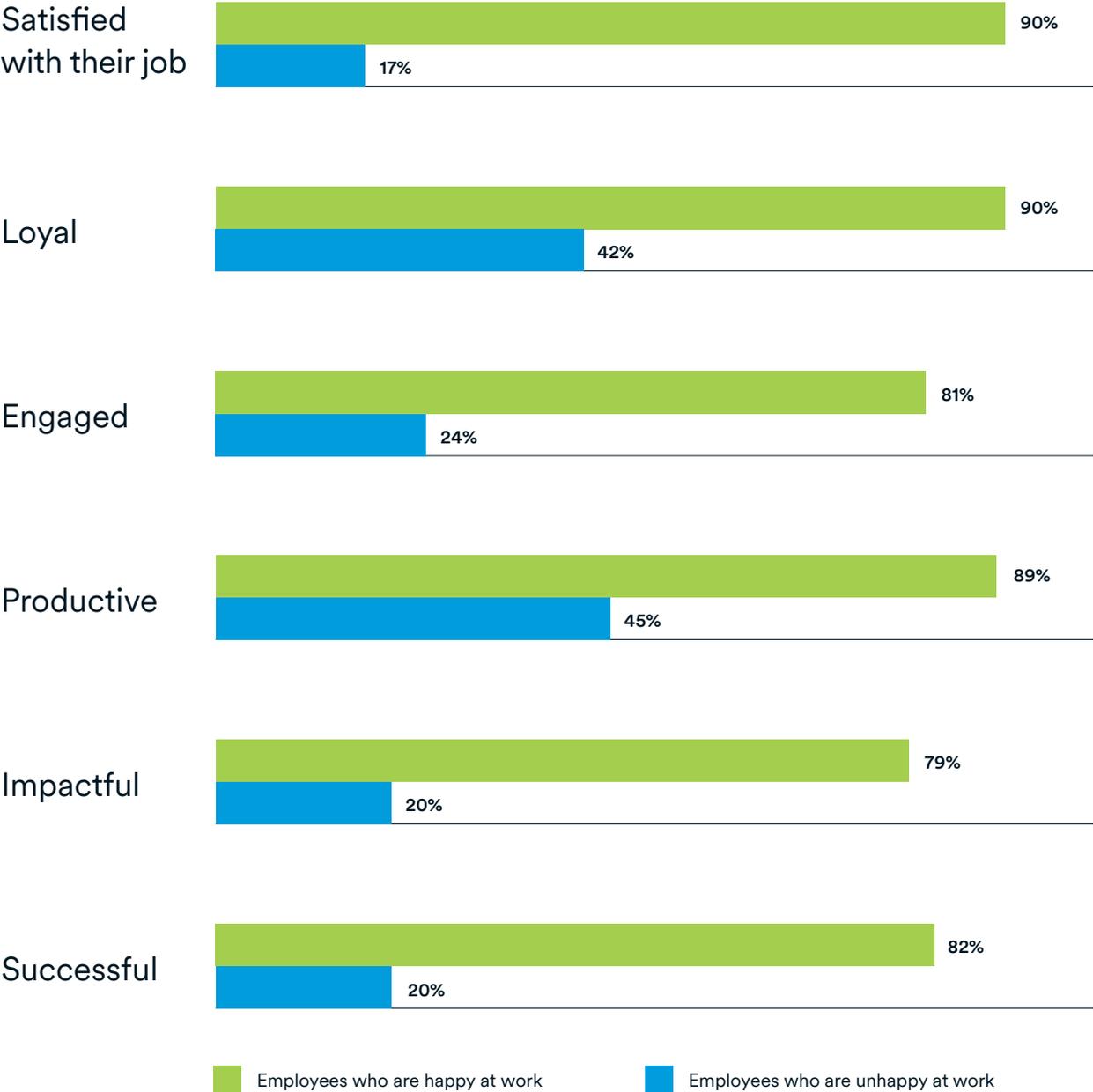
“Trust is being [...] open and transparent, and also knowing that my employer will be there for me when I need them.”

Trust leads to happiness at work

While it is helpful for employers to better understand their employees' sources of stress, it is equally helpful to understand their sources of happiness. Happy employees tend

to be better employees. They are driven to show up and do their best work, experience less burnout, and have more confidence in their overall ability to succeed.

Employees who are happier at work are more...



Our research reveals that trust — primarily in an employer’s leadership and their commitment to employees’ success — is the most significant driver of employee happiness at work.

By fostering a trusting, caring culture that delivers on these drivers, employers can cultivate a happier workforce and meet the individual needs of their employees at scale. To do that, employers should commit to weaving transparency, inclusion, and investments in employee success into the fabric of their organizations — and ensure they are clearly broadcasting these initiatives out to employees.

Additionally, offering a thoughtful mix of benefits and communicating their value effectively can also help mitigate employees’ stress — in and out of work. We’ll explore the specific benefits employers can use in Chapter 3. But first, armed with a better understanding of what makes employees anxious and what drives their happiness, let’s look at how the workplace continues to change.

Top 5 drivers of happiness at work:

-
- #1** Employee trust in their company’s leadership

 - #2** Employers’ commitment to employees and their success

 - #3** A culture where employees are encouraged to share ideas and individual opinions

 - #4** A workplace where coworkers feel like family or friends

 - #5** Benefits customized to meet employee needs

The realities of **why** we work

Understanding the changing perspectives of what employees want from work can help employers create meaningful solutions.

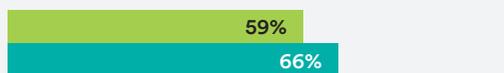


When employees are supported as individuals, they are more engaged

Employees, particularly younger generations, see work as an integral part of who they are as individuals. They want work that enriches who they are in their personal lives and want their unique identities to enrich their work life.

While both employers and employees agree that recognizing the whole person — inside and outside of work — is mutually beneficial, companies underestimate just how important it is in attracting and retaining talent.

“Work defines who I am”



■ Employees (overall) who agree

■ Employees (Gen Z and Millennials) who agree

Employees are expecting their companies to recognize their “whole selves” — from their unique values, backgrounds, and talents, to their perspectives on the workplace. This can inform employees’ big decisions, such as staying at their current organizations or accepting new positions. To recognize employees’ whole selves, employers must find ways to honor them as individuals and invite them to bring their full identities to work.

Do employees want an employer known for respecting their out-of-work lives?



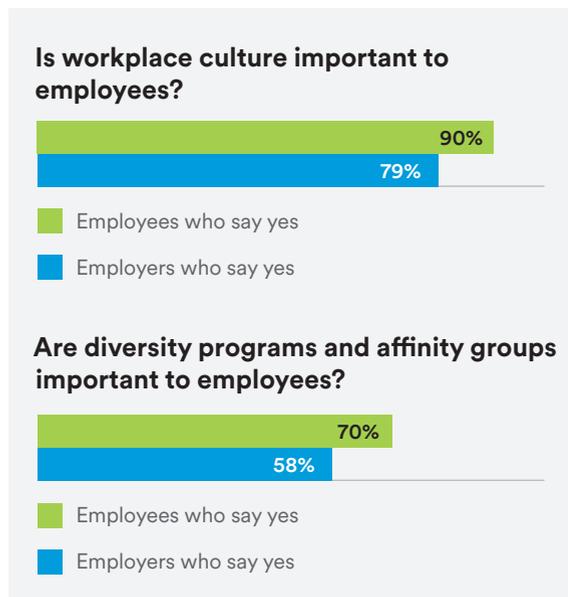
■ Employees who say yes (especially true for younger workers and women)

■ Employers who say yes

And recognizing the whole person means engaging with different employees in different ways. Today, employers tend to look at their employees through the lens of demographics like gender, age, and life-stage. Often communicating to all employees in the same way, they miss an opportunity to connect on a more personal level. In a world where employees expect employers to recognize them as individuals, demographics and mass communications are not enough.

For employers, understanding their employee population on a deeper level by evolving employee surveys to cover attitudes, motivators, values, and goals can provide valuable insights into the most impactful ways to engage the workforce. Using this approach, companies can develop employee profiles that can be used for program development, benefit offerings, and personalized communications that reflect their workforce’s diverse needs — at scale.

One way to do this is to focus more heavily on workplace culture and related programs. Employers underestimate the value of these intangible factors for employees and, as a result, could be missing opportunities to more deeply engage their workforce.

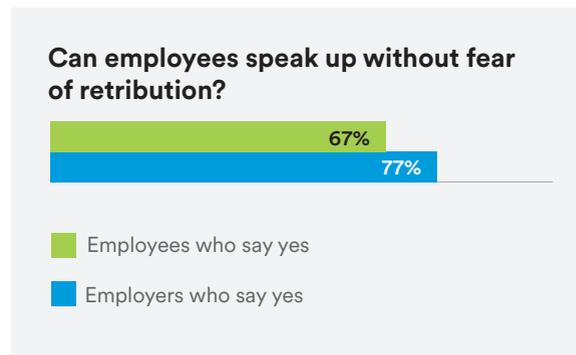


Diversity and inclusion programs such as affinity groups not only give employees opportunities to showcase their whole, authentic selves, but also to foster an inclusive culture that builds organizational trust. When employees have meaningful opportunities to connect with each other, they’re more likely to feel a sense of belonging within their organization — supporting one of the top drivers of happiness at work: having coworkers who are like family or friends.

Another key part of building a caring and trusting culture is giving employees opportunities to contribute. Employees place great value on the ability to speak up — to share their opinions or feedback — without fear of retribution. This is another primary driver of happiness at work.

To facilitate this, employers should focus on building a culture that celebrates transparency, shared goals, and open dialogue. This must go beyond simple policies that proclaim a culture of feedback — employers have to live it by actively engaging the workforce in conversation and then acting on what they learn.

While many employers believe they’re fostering this culture, there is a gap between how employers think they’re doing and how comfortable employees actually feel speaking up.



When employees feel that their individuality is being respected, and they have opportunities to share their opinions, they feel more purpose in what they do every day.

But what does purpose mean to employees of different backgrounds and age groups? This is the focus of our next insight.

“Work defines who I am” is a key hidden driver of feeling a strong sense of purpose when working.

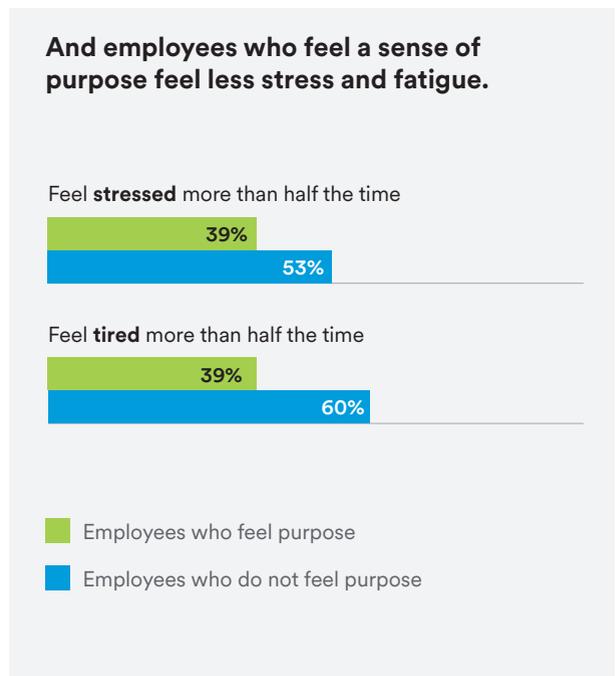
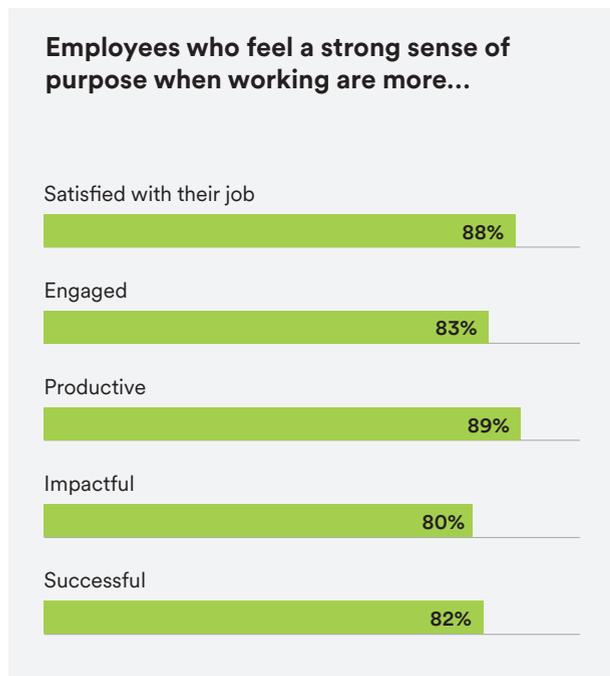


Finding purpose at work is multifaceted

As employees define themselves more holistically through their work and life, they seek purpose on the job and at home. The ability to find meaning in their work lives is a vital ingredient to their overall happiness.

In fact, a sense of purpose is critical in driving job performance and satisfaction:

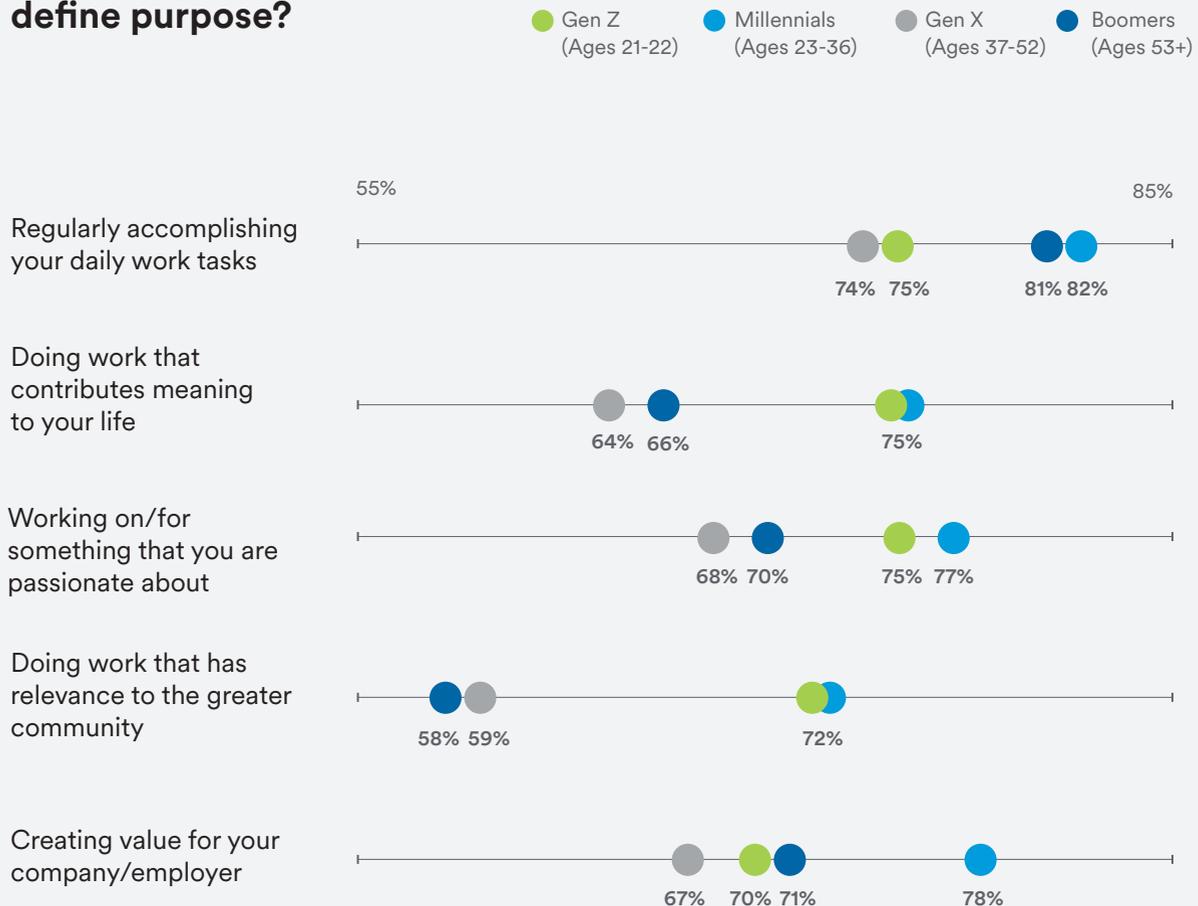
93% of workers consider purpose a must have or nice to have



However, what purpose means is much more multifaceted than many would imagine. A common belief is that for a company to attract purpose-motivated employees, they must have an altruistic mission driving their organization. And while the data shows this is important, the way employees define what purpose means to them is actually broader and more varied across all generations.

Surprisingly, all generations — but Millennials and Boomers especially — place a heavy focus on accomplishing their daily tasks. Younger generations — Gen Z and Millennials — differ from their older counterparts in that they are relatively more interested in ensuring their work positively impacts their community or society. And Gen X coalesces less around any one definition, with less enthusiasm for purpose in the workplace than other generations. What’s more, even within each generation, purpose can be multi-dimensional — it can mean many things.

How do different generations define purpose?



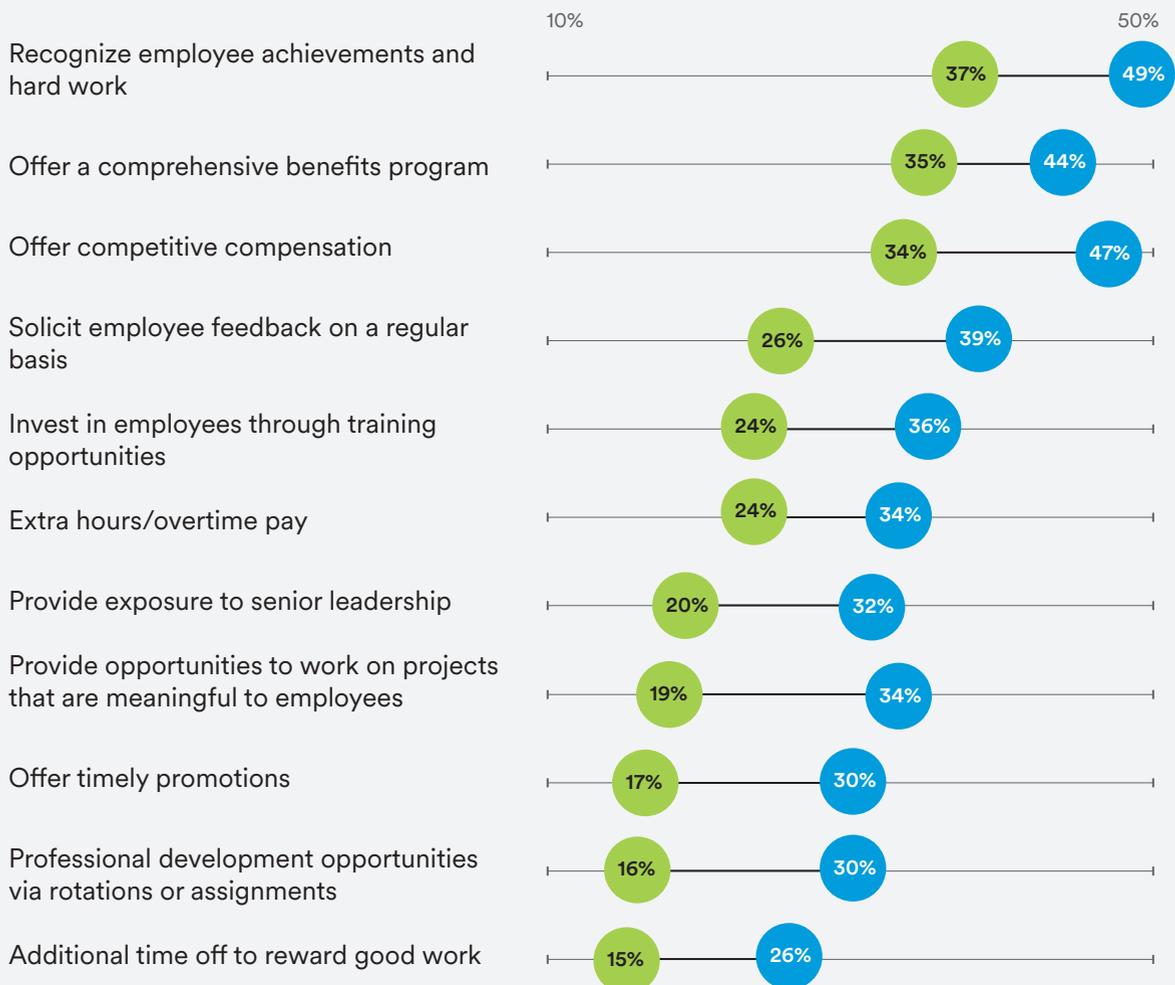
Visit [metlife.com/ebts2019](https://www.metlife.com/ebts2019) to see how employees by industry and company size define purpose.

If employers only think purpose stems from work that has a positive impact on society, they may struggle to connect it to their employees' day-to-day experience, and may miss an opportunity to leverage purpose as a motivator. By simply acknowledging the value employees bring their organizations through effectively and efficiently completing their daily work, employers can help foster a deep sense of purpose and accomplishment in the workforce.

However, while acknowledging employees' work fosters a sense of purpose, employers could do even more to bridge the gap between what they **think** they're doing to make sure employees know they're appreciated, and how employees actually feel.

What are employers doing to make employees feel valued and appreciated?

● What employees think
● What employers think

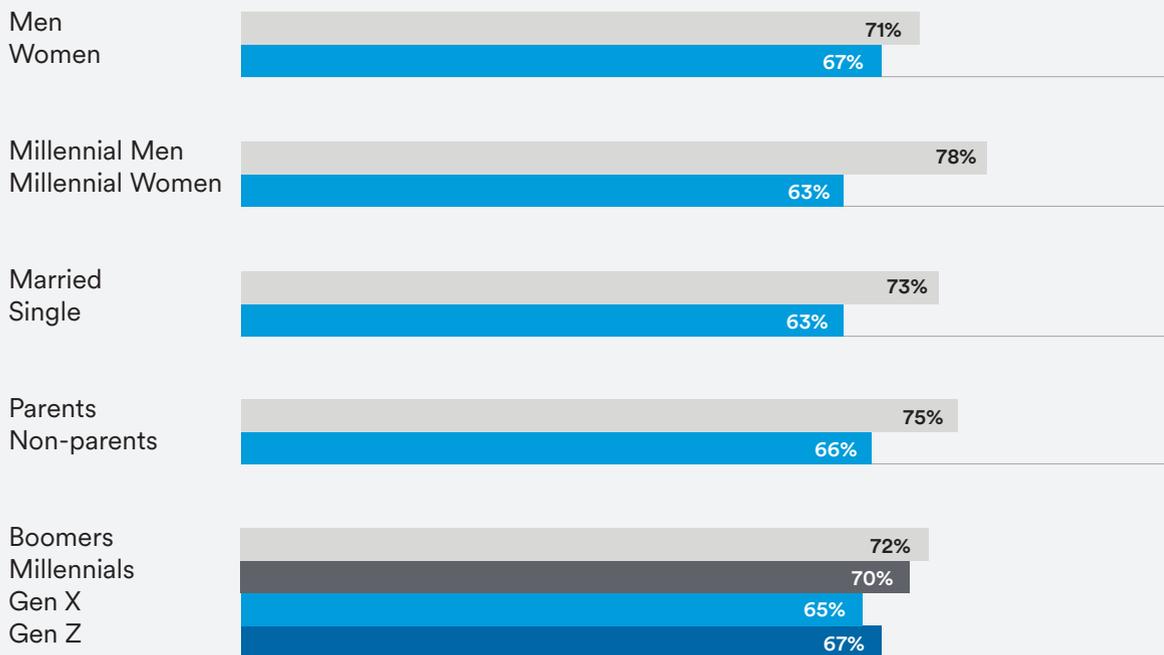


From recognizing employee achievements to timely promotions, the actions that help employees feel valued are important for all. However, some employees are less likely to feel the sense of purpose they crave — and it’s good for employers to pay extra attention to these employees as they design programs and experiences that help create a sense of purpose.

Purpose is multifaceted — it doesn’t only have to be about making the world a better place. While that is a noble mission, many employees also frame purpose as the ability to accomplish their work day in and day out. Building a caring culture that fosters a sense of purpose across a range of definitions can help employers take significant steps towards meeting employees’ changing expectations.

“ Purpose allows me to see past a paycheck and benefits. It gives me a sense of fulfillment and personal growth.”

Some groups are less likely to feel a sense of purpose at work...



Percentage of employees who feel a sense of purpose at work.

The realities of how we work

Not only are employees' motivations for working changing, but the realities of how work gets done today presents both challenges and opportunities.

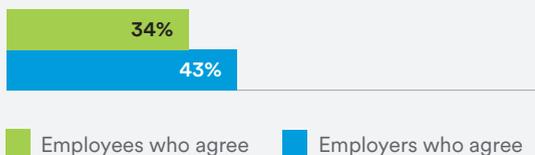


Technology is driving a new mandate for training

From social media to artificial intelligence (AI), new and maturing technologies are revolutionizing jobs across industries and roles — from automating repetitive tasks to eliminating the need for certain jobs entirely. To adapt, employers must prepare their workforce, hiring for new skillsets — often in short supply — and reskilling employees that will be most affected.

Employers understand just how disruptive these technologies will continue to be in the workplace, and while many employees are seeing the impact, they may not fully realize the coming implications.

“I have seen jobs taken away from my company in the past year because of automation”



55% of employers believe the profile of the ideal job candidate is changing as technology advances

Employers must take a two-pronged approach. Reskilling current employees is necessary to ensure the workforce stays ready to adopt changing technologies, and hiring against a new profile of worker — whose skillset is still being defined — will be critical.

But employers must also stay focused on training for soft skills. While AI delivers efficiencies that are hard to replicate with a human workforce, what it can't do (yet) is bring creativity, leadership, and interpersonal skills to solve problems or push organizational thinking forward. And with the time and resource savings from introducing AI, employers can dedicate more of their employees' time to those value-adding activities.

60% of employers think that as AI is introduced, they will value the workforce more for their creativity

Employers say their fourth highest concern this year is ensuring that their workforce is adequately trained on more creative soft skills, including leadership, conflict resolution, curiosity, and communication.

Yet, only 37% of employers report they're actually offering relevant training today. As they evaluate their learning and development programs, employers should develop curricula designed to build these soft skills — with techniques like interactive scenario-based activities and coaching — and provide a clear expectation, along with a roadmap, on how to get there.

“

I often want additional training or skills to help me work more efficiently and to grow as an employee... This would make me feel that I am achieving my purpose.”

Through the right planning and training, employers will not only get more appropriately skilled employees, but also happier, more engaged employees. Training helps reinforce employers' commitment to their employees, building a culture of caring that drives employees' trust in their employers. And it is also a way to invest in the whole self.

68% of employees say work skills make them a better person in their personal life
▲ up 3% from last year

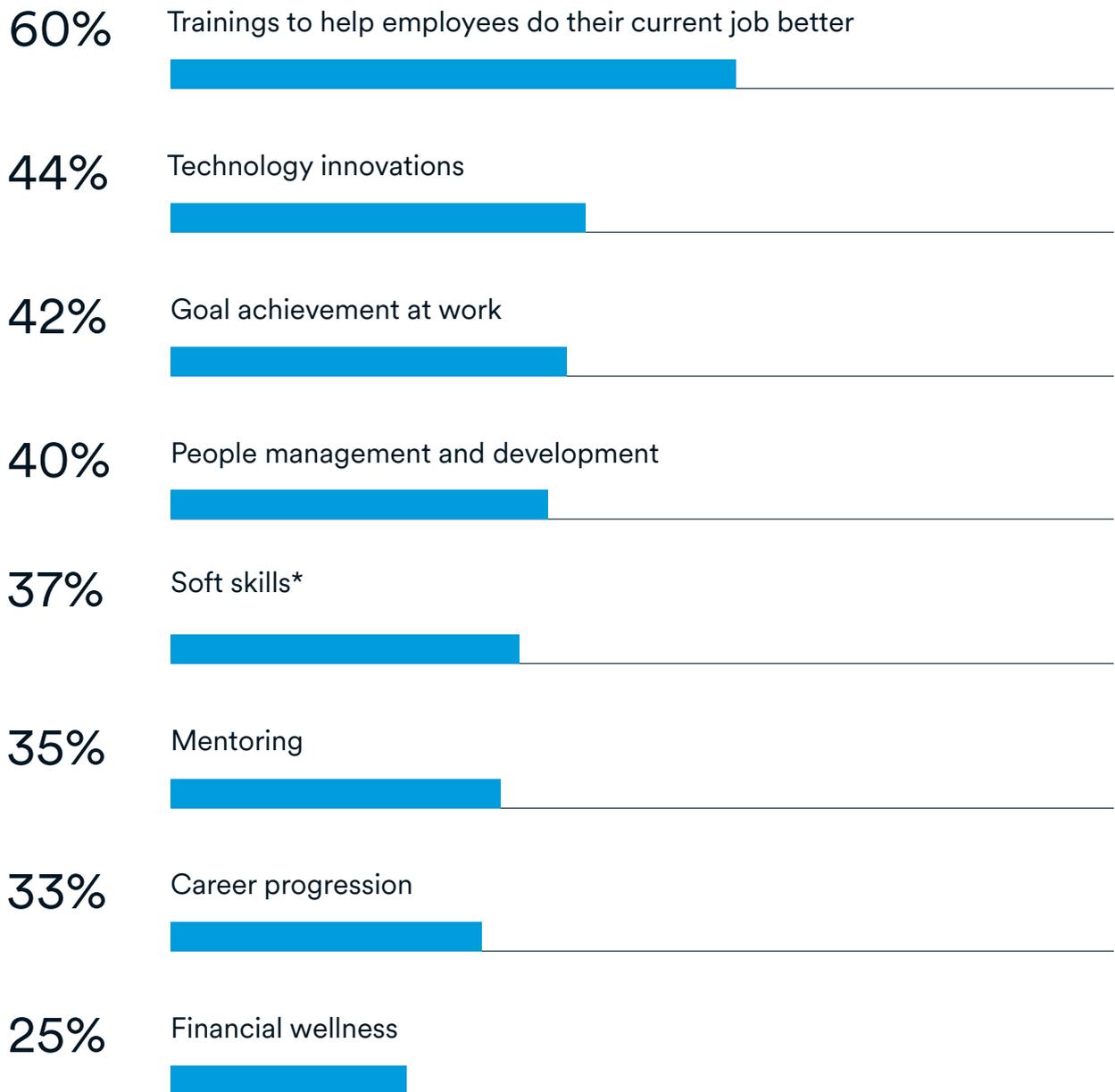
In fact, training is a key driver of job acceptance for this very reason. Providing these resources can help attract and retain employees, which is especially important in a competitive market.

91% of employees say that career development and training are important factors when considering whether to accept or stay at a job

So, what can employers do to stay competitive with training?

Through pragmatic training programs, employers and employees can reap the full benefit of new technologies and complementary human soft skills. Not only will it help employers concentrate their productivity, but training will also help employees see their employer as an ally in their quest to thrive both inside and outside of work.

What types of training are employers offering today (according to employers)?



*e.g., leadership, conflict resolution, agility, communication, curiosity

The workplace has evolved, and a basic level of flexibility in time and location has become the norm.

Employees expect their employers to offer flexible work policies around when and where they work. Now, employers must go further to enable not just flexibility in their schedule, but flexibility in their careers.

More and more, employees are building nontraditional, nonlinear, and more malleable careers over the long term. Older generations are exiting and re-entering the workforce, while many in younger generations are seeking a variety of skill-building roles to align to their passions and ambitions.

These shifts create a significant opportunity for employers to position themselves as allies in their employees' happiness.

Offering longer-term flexibility through structured programs like paid sabbaticals can not only help employees take the time to follow passions or recharge, but also give employees a sense of pride. These steps help employees know their companies value them and are investing in opportunities for them to have different and unique experiences.

66% of employees are interested in a paid sabbatical program

These kinds of programs can help support employers' goals, too. By providing ways for younger generations to grow — and not leave — employers can cultivate more engaged and productive employees and retain them over time. And by offering older employees more options for how they retire, employers retain employees with greater experience, and enable them to pass along that knowledge before it is lost.

34% of employers believe an aging workforce will lead to a workforce shortage

38% see a knowledge drain as older, more experienced employees retire

Phased retirement is one solution to address the loss of institutional knowledge as these tenured workers leave the workforce. Allowing employees to work part time while beginning to take retirement benefits allows for more employee flexibility and autonomy, and a less dramatic exodus of more tenured employees.

With 13% of Boomers already admitting they will likely return to work after initially retiring, and each generation interested in retiring earlier, phased retirement is something employees of all generations are likely to consider.

As these kinds of benefits and programs are made a part of an organization's strategic priorities, employees can increase their retirement preparedness, which can also ease financial stress. This benefit, and others that are guiding nontraditional career paths, are what we'll discuss more of in Chapter 3.



The gig economy can be a challenge and an opportunity for employers

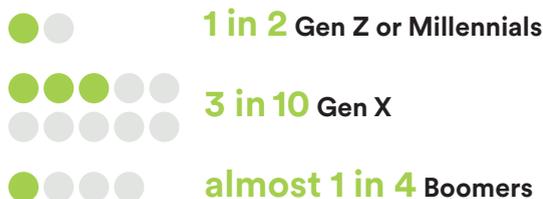
The same technologies and evolving expectations that have driven flexibility and the need for new skills have also driven the ability to blend work and life. For instance, the evolution of mobile infrastructure has made part-time work accessible at the tap of a finger. These technologies are introducing an entirely new way of working: the gig economy, characterized by work that is often based on a fixed-term contract or paid per project via a third party or online marketplace.

As employees shift their expectations and needs for fulfillment inside and outside of work, the gig economy offers a unique solution, as it provides employees a useful outlet to gain more short- and long-term flexibility, control their schedules and projects, and earn extra cash.

While interest in the gig economy tends to skew towards younger generations, it's appealing to older workers, as well.

And gig work is appealing to workers for a variety of reasons. **The top reasons full-time workers are interested in gig:**

- #1 **Flexible schedule**
- #2 **Ability to work where they want**
- #3 **Ability to take on multiple different projects**



Visit [metlife.com/ebts2019](https://www.metlife.com/ebts2019) to see how interest in gig varies by an employee's current industry and role.



[Among] the best benefits my company offers after 5 years is paid sabbatical with reimbursement for international travel.”



But ultimately, employees want to ensure that joining the gig workforce doesn't come at a loss of financial stability — their primary source of stress.

“I prefer the stability and security of a full-time job.”

(#1 reason employees cite for not joining the gig economy.)

Many full-time employees — 1 in 5 — have a side hustle, a second source of income that takes an average of 25 hours per month. Most do it out of financial necessity. And of those, half are likely to eventually start doing their side hustle full time — a statistic that may cause employers some worry.

But employers can use unique levers to stem this slow attrition, catering to employees' desires for financial security and stability. Certainly, this means considering salary increases, but also creating benefits packages that most gig opportunities simply can't compete with. Additionally, creating policies and experiences within the workplace that offer the same gig-like

diversity of exposure and flexibility can satisfy employees' interests in this new type of work.

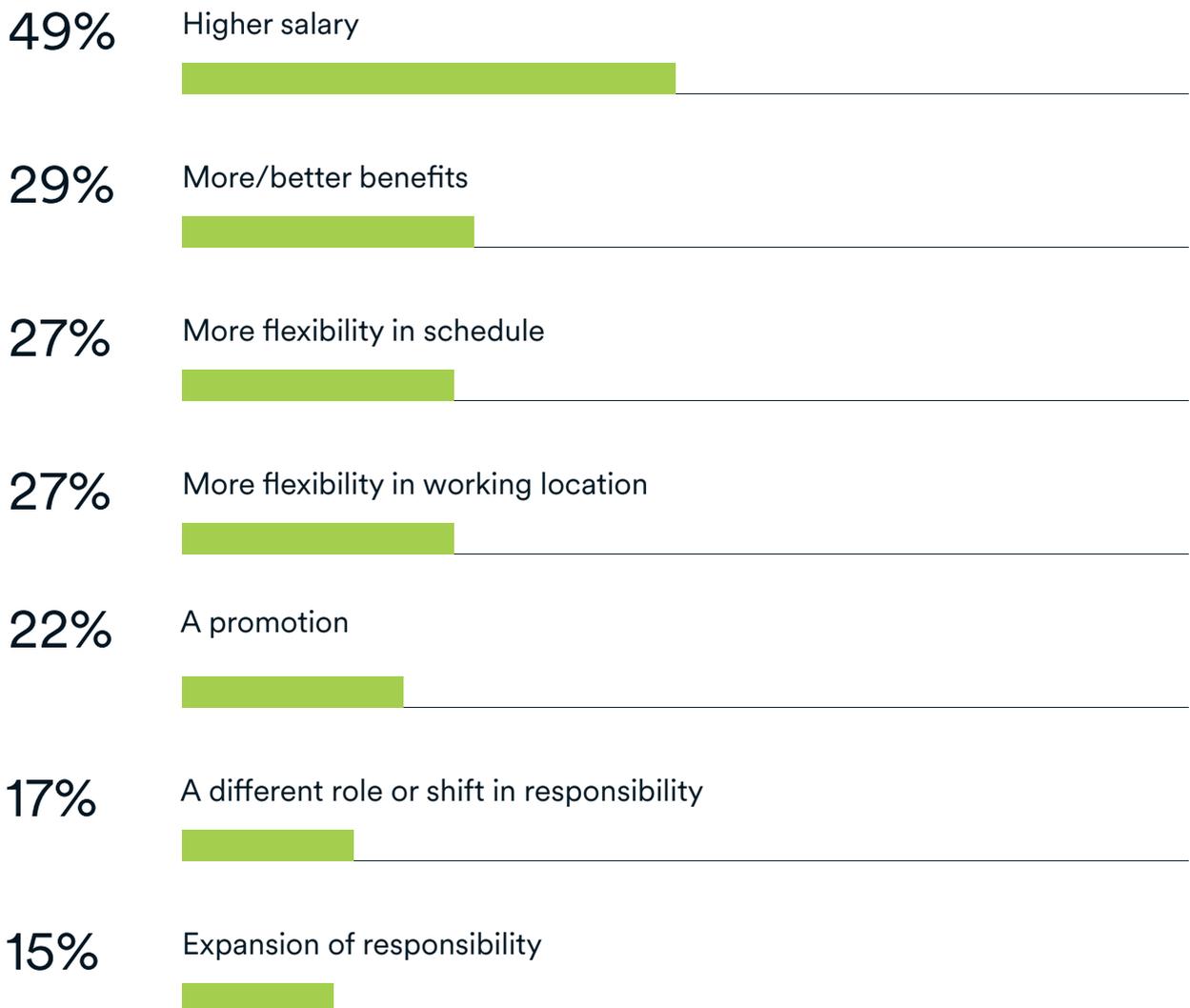
While the gig economy can pose threats, employers can also use it to their advantage. In fact, many employers could use gig as a way to tackle unique business challenges — including getting the skills they need more quickly, streamlining approvals for hires, or filling in for absent workers (such as those on sabbatical).

35% of employers have hired or are actively planning to hire more gig workers

These findings around the gig economy are a manifestation of much of what we've discussed — such as the needs for individualized purpose and flexibility. They also reinforce the need for employers to take a more holistic view of the influences that are shaping the evolving world of work.

Employees* would stay if their current employer offered them...

*employees who intend to leave their full-time job in the next 5 years for gig (23% of full-time workers)



Transforming insights to action

This blended work-life world is the new norm, and it requires employers to take action to adapt to an evolving landscape.

These insights bring up key questions about what employers can do to meet these changes head on:

What benefit offerings meet employees' changing expectations?

How can employee benefits meet a diverse workforce's wide range of needs?

How can employers help employees better understand their options?

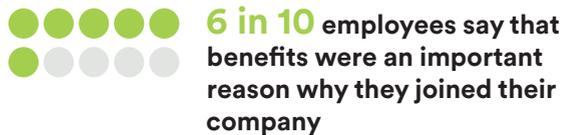
These questions and more will be the focus of our next chapter.

03

Reimagining
Benefits to Engage
More Holistically

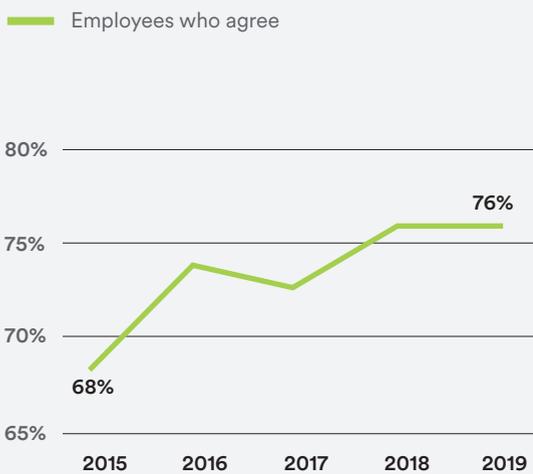
Employee benefits and employer-offered retirement plans have always played a key role in helping support employees' lives **outside of the workplace** — minimizing expenses, providing a financial safety net, and enabling people to enjoy their retirement.

The vast majority of employers — 80% — say that benefits play an important role in building and sustaining workplace culture, which we know is critical in driving engagement and therefore a sense of purpose. Additionally, almost as many employers — 78% — say that benefits help employees be more productive. Benefits are also an important motivating factor in attracting talent.



As employees are bringing more of themselves to work, they are expecting more from their employers. They see their employers as responsible for supporting their overall well-being — inside and outside of work. Much of that support can come in the form of benefits.

“Employers have a responsibility for the health and well-being of their employees”



As employee expectations of their employers increase, perceptions of their benefits are not keeping up: Employees’ satisfaction with their benefits packages is declining.



_____ but _____



In fact, better benefits is the third highest request on employees’ lists — behind salary and a positive work environment — of what they need to navigate their work-life worlds and succeed at work today. Additionally, 3 in 10 employees report that they would actually be willing to trade a higher salary for better benefits.

To meet the changing expectations of today’s workforce, employers need to ensure that they are building benefits plans that meet their employees’ wide range of needs. Equally important, employers should ensure that employees fully understand the value of their benefit options — so they can make the right decisions for their needs and companies can realize the full impact of their investments.

Meeting employees' changing needs with a holistic approach to benefits

The most important benefits to employees have two things in common: 1) they play a central role in helping them achieve their personal and work-related goals, and 2) they address their main stressors, particularly around personal finances, retirement, and their family's health — which overlap considerably.

(See employee benefits chart on next page.)

These benefits are often treated as individual products and communicated in a way that focuses primarily on plan details and payouts — which misses an opportunity to effectively demonstrate both how benefits can work together as a whole package and the role they play in employees' lives. If we look at benefits more holistically, we can start to see benefit packages as suites of products that employees can choose from to meet their individual needs.

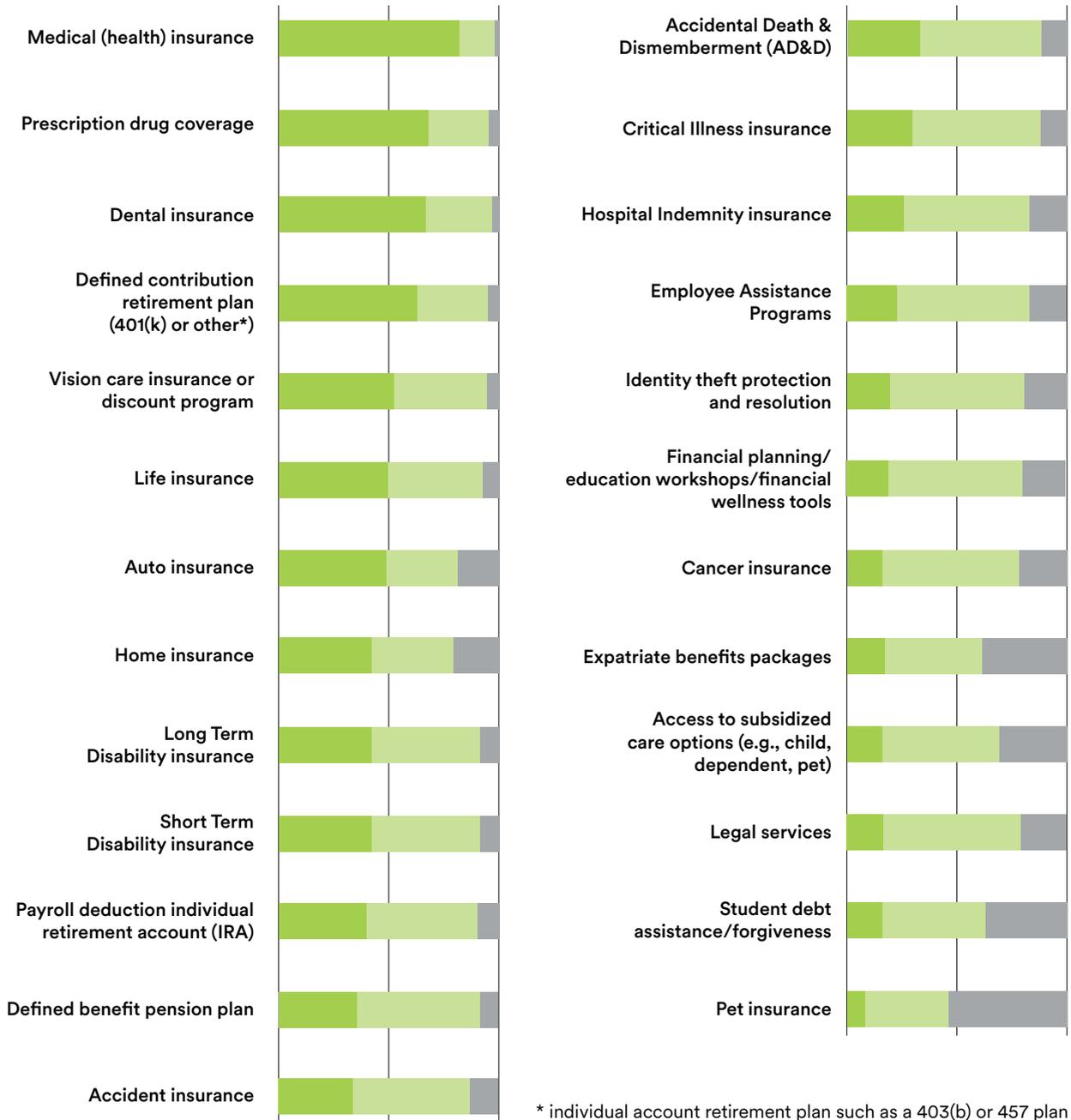
Holistic benefits packages include a broad array of options to meet the diverse needs of the workforce. They support employees in the short and long term — and address the stressors that matter most to employees, from physical to financial to personal well-being. Because they allow employees to choose what matters to them, they are a great way for employers to meet individual needs at scale.

Traditional benefits — such as retirement, medical, and dental insurance — are highly valued by employees, and help manage common needs and expenses. They — along with supplemental benefits, such as accident and health insurance, life insurance, and disability insurance — provide a financial safety net that can support employees' diverse needs. And while employees appreciate these benefits, they often don't understand how they work together to meet their needs.

Many employees believe their medical insurance alone will cover all health-related situations and don't plan for out-of-pocket costs (such as deductibles or unexpected accidents and disabilities) or the impact those costs can have on daily life. Offering a range of traditional and supplemental benefits — and providing education on how they work together to cover a range of unexpected costs that medical insurance may not cover — can provide employees a solid foundation of protection.

Employers are taking note: 57% — up 7% this year — are committed to offering their employees a wider range of benefits, with non-medical supplemental benefits like accident insurance, critical illness insurance, and legal services plans. They're also exploring retirement programs with options that help employees manage their money after retirement — so that retirees don't spend their money too quickly and outlive their savings.

What do employees consider must-have benefits?



* individual account retirement plan such as a 403(b) or 457 plan

➔ Visit [metlife.com/ebts2019](https://www.metlife.com/ebts2019) to see what benefits employees want and have by industry, company size, and region.

When the lines between work and life were more distinct, these benefits provided most of the support employees needed. Now, as employees are blending life and work, there is a need for an expanded and holistic approach that augments traditional support with emerging benefits — supporting employees physically, emotionally, and financially.

Employers have begun offering benefits like wellness programs or on-site services that can help address stressors around work, health, family commitments, and social commitments — and in the process, they're continuing to bridge the divide between work and out-of-work life.

These emerging benefits also reflect changing norms. As younger generations delay major life changes, such as having children, employers are in a position to support these life choices.

For instance, consider a doctor in her thirties who has put much of her time and energy into her career, but still wants to have a family in the future. The ability to freeze her eggs for when she's ready to have children could be the best way to address both her personal and professional goals — and presents an opportunity for her employer to step in with benefits that help offset costs and demonstrate support for her goals outside of work.

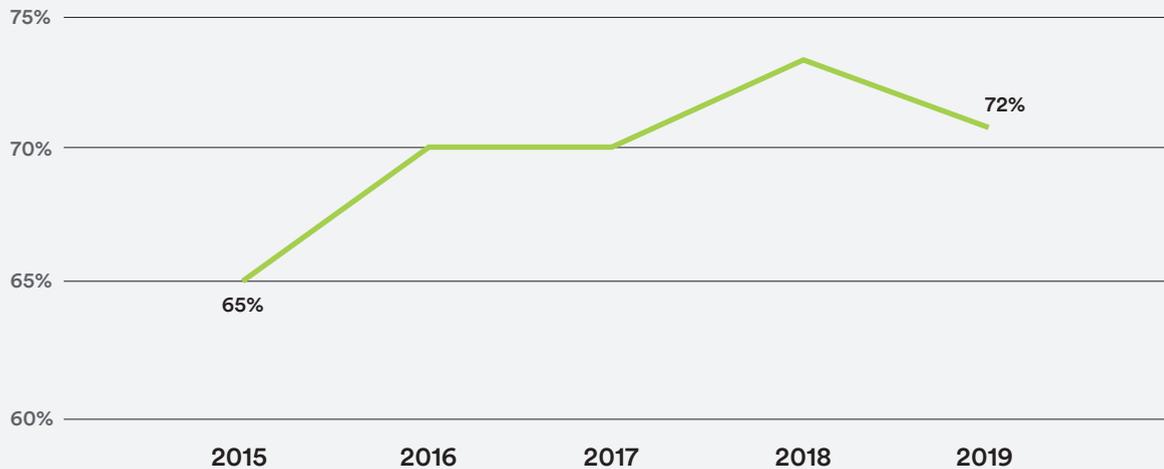
And because everyone's needs and lives are different, the ability to choose offerings and customize a holistic benefits package is increasingly important — in fact, 93% of employees say that the ability to customize their benefits is a must-have or nice-to-have option. But employers may be underestimating the extent to which employees are looking for benefits that suit their unique situations and answer their personal needs, with only 68% seeing this as important to their employees.



“My employer offers an option for our 401(k) account to match and pay down a percentage on my student loans. With this benefit alone, I will be able to pay off my student loan in full in under a period of 3 years.”

“Having benefits customized to meet my needs would increase my loyalty to my employer”

— Employees who agree



Additionally, 60% of employees say they would be interested in their employers providing a wider array of these less traditional, non-medical benefits, even if they have to cover some of the costs themselves. This is another way for employers to manage individual needs at scale.

58% of employees say having nontraditional benefits would reduce their stress

Employees aren’t just hoping for these kinds of benefits — they’re expecting them. Employers need to keep up, since the largest part of the workforce and the workforce of the future (Millennials and Gen Z) are particularly interested in these types of benefits.

“I would be more interested in working for a company that offered these types of benefits”



“I would be more loyal to a company that offered these types of benefits”



“I would be more successful in both work and life if I had access to these benefits”

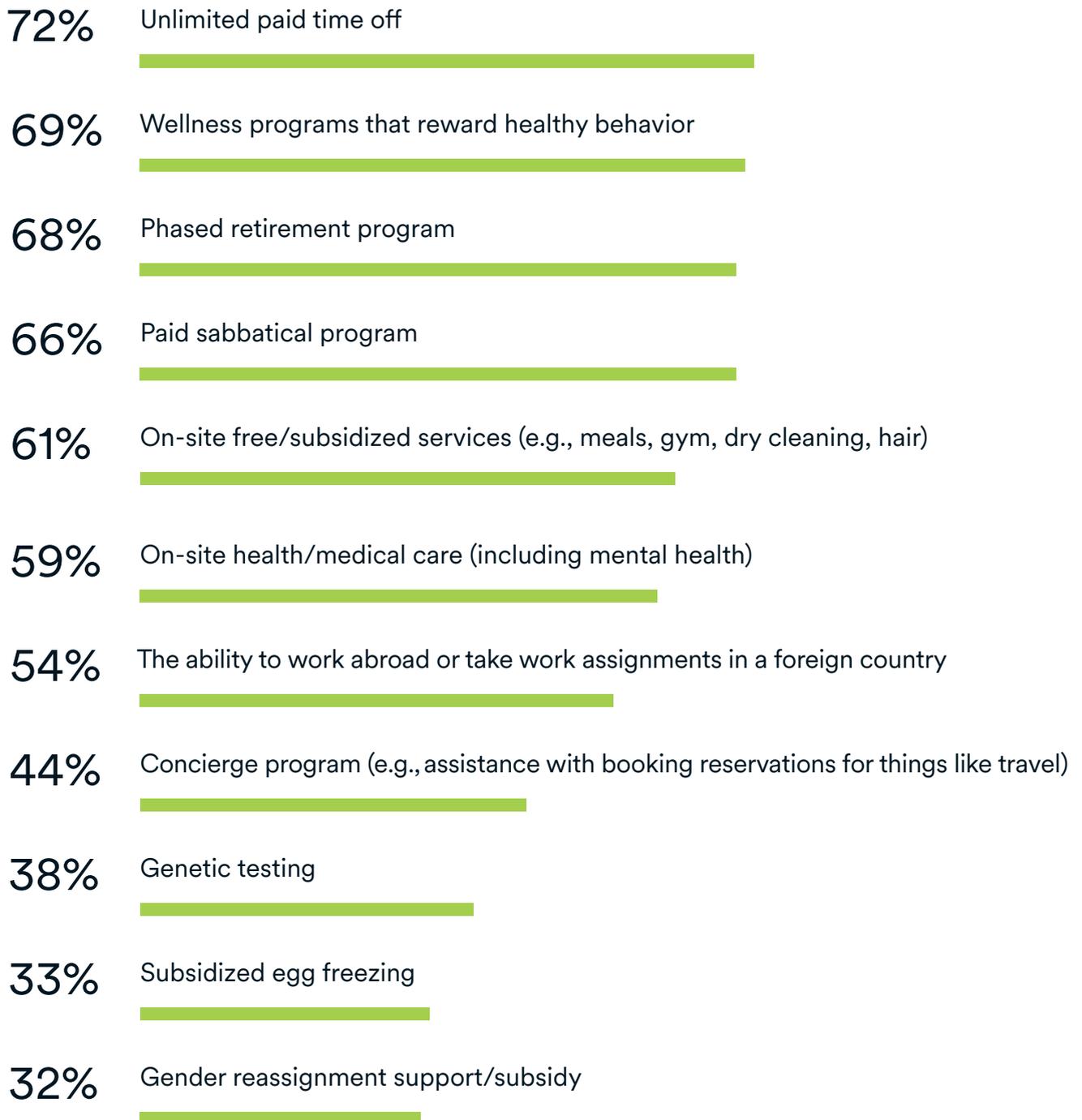


— Employees (overall) who agree

— Employees (Gen Z and Millennials) who agree

What emerging benefits interest employees most?

Emerging benefits help employers create the kind of culture that demonstrates a deeper level of care for employees, communicating that their needs are valued and their employer is committed to their success.



Support for financial wellness is rising in importance

While many of the benefits we've discussed help employees manage expensive, unexpected life events, there is more that employers can do to assist their employees with overall financial acumen. Because personal finances is employees' top concern, helping them better manage short-term and long-term financial situations will help prevent burnout and enhance work-life enrichment.

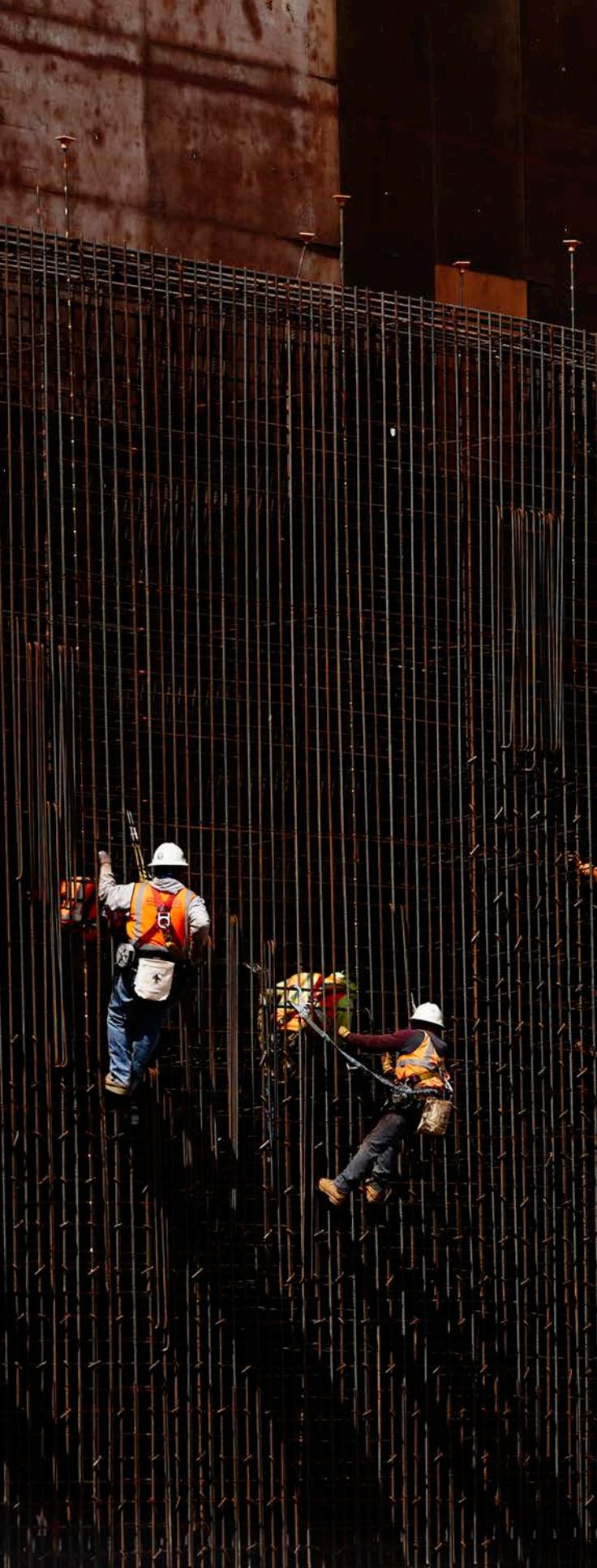
 **2 in 3** employees say their benefits package helps reduce their financial stress

And while today's employees feel confident in their finances, the data actually shows that the reality of their situations is not aligned to this confidence. Nearly 2 in 3 people say they are confident in their finances, but half say they are living paycheck to paycheck, many have dipped into retirement savings, and an increasingly large group says they will have to delay their retirement because of finances. This is where employers can step in with more retirement-related support that helps employees proactively build savings and guarantee they will have a steady stream of income in their post-working years.

 **3 in 4** employers say that having a company-sponsored retirement plan increases employee loyalty

Not only is the reality of employee financial stress a barrier to long-term financial security, but it's also a hindrance to day-to-day productivity.

 **1 in 3** employees admit to being less productive at work because of financial stress



Employers can help increase productivity and reduce employee stress by offering programs that bridge the gap between financial perceptions and financial realities.

Employees are looking to their employers for this assistance.

53% of employees say employers have a responsibility for their financial well-being
▲ up 3% from last year

54% of employees say employers have a responsibility to help them save for retirement
▲ up 2% from last year

Financial wellness programs can help employees take more active control over their finances, both today and in the future, and give them the confidence they need to improve their situations. These programs help employees manage all aspects of their financial lives — including student-debt management, short- and long-term planning, college savings, retirement, and the role of insurance.

But for financial wellness programs to work, they need to be personalized to the employee's individual goals. A man in his late twenties paying off his student debt, while trying to save for his first house for his young family, is going to have very different needs than a couple entering retirement who is behind on their retirement savings.

If employees gain more confidence about how to meet their current and future financial needs, it enhances their ability to pursue their personal and professional goals — a win for everyone.

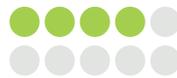
Communication is key

But even when an employer has put together a benefits package that addresses the needs of most employees, if employees don't understand the role that benefits can play in their lives, they won't appreciate their full impact.

37% of employees strongly believe their employers' benefits communication is customized to address their personal situations

One way to help communicate effectively to employees is to make communications personalized. By using attitudinal information about employees and employee profiles, communications can be tailored to address different needs of different groups. That could mean that someone who is worried about finances gets communications about how to manage unexpected expenses, while another employee focused on the best protection for their family gets communications on ways to increase or expand their coverage options.

Employers should focus on communicating the relevance of the benefits packages they offer, including how benefits work together to play an important and useful role in employees' lives. Employers can explain how supplemental and emerging benefits can fill gaps that even the best medical plans cannot, such as the out-of-pocket costs (like copays or in-home help) that can result from a hospital stay.



Only 4 in 10 employees strongly believe their employers' benefits communication is simple to understand

And as a result, only half of all employees are very confident that they made the right decisions during their last annual enrollment.

Employers must speak to “the benefit of benefits” rather than to the individual products. Changing the narrative of how employers talk about benefits — by showing how benefits work together in the context of employees' lives, needs, and sources of stress — can increase understanding and engage employees in a more meaningful and personal way.

Communication can also describe the holistic nature of compensation. Salary is, of course, critical, but represents an increasingly smaller proportion of overall compensation than it once did. That being the case, employers also have the responsibility to communicate the concept of total compensation to be more in line with the full value of how employees benefit from employment.



The right benefits make all the difference

Benefits are a great way for employers to attract, engage, and retain employees. The right mix of traditional and emerging benefits goes a long way toward meeting a wide range of individual employee needs at scale and building a more supportive and caring culture. But it's all about communication.

Through customized employer and benefit providers' websites, in-person group sessions, benefits handbooks, and one-on-one guidance, employers can ensure employees understand what's being offered, and continue to evolve what's available to fit employees' needs.

When employees understand the relevance of their benefits to their lives, holistic benefits packages are a boon to employers as well. By demonstrating their investment to employees, employers get a more engaged, loyal, and productive workforce in return. It's a key driver of how employees and employers can thrive together.

04

The Tangible
Tools Employers
Can Use Today

To **attract, engage,** and **retain** employees, employers must prioritize and focus on what will effectively help them create the most trusting, caring culture and thriving workforce.

After all, unemployment is low and employees have many options — and they are less likely to stay with an employer that doesn't meet their needs. Employers must create programs, experiences, and benefits packages that meet the needs that are important to employees.

There are tangible ways to address the most common shifts in this evolved landscape, many of which we have discussed.



Employers
can take
action today



To truly understand what motivates employees

- ✓ **Learn more about employees**
by adding questions to employee surveys that can provide deeper insights into the attitudes, motivators, goals, concerns, and values of employees — both in and out of work — going beyond typical demographic information
- ✓ **Personalize communications**
to be meaningful for various employee groups in order to drive greater program awareness, usage, and, ultimately, impact
- ✓ **Prioritize investment in programs**
that will be most impactful for different groups of employees

To better communicate benefits

- ✔ **Engage employees as if they were customers:**
alter the way benefits are communicated — instead of focusing on individual products (e.g., hospital indemnity insurance), help employees understand how benefits work together to add value to their lives (e.g., provide coverage for unexpected hospital visits, which can be very expensive and which many insurance plans don't cover)
- ✔ **Communicate benefits more effectively**
by using the channels employees find most effective; the top five most preferred channels are the company's benefits website, the provider's website, in-person group presentations, benefits handbooks, and one-on-one guidance
- ✔ **Look to communicate the value of benefits throughout the year,**
not just right before or during annual enrollment, so employees have the time to learn more about their options on their own terms



To implement employee-centric policies

- ✓ **Offer policies around flexibility**
that are accessible to employees across all life-stages — adaptable work schedules, paid leave to take care of family, permission to work remotely, and Summer Fridays (additional time off during the summer) are among the most requested
- ✓ **Offer clear rules around workplace flexibility programs**
and hold managers accountable for implementing them consistently across the organization; this can help alleviate employee stress around leveraging the organization's flexibility offering
- ✓ **Offer benefits and integrate policies that support employees' lives outside of work —**
emerging benefits such as unlimited paid time off (PTO), programs that reward healthy behavior, phased retirement, and paid sabbatical programs are among those employees say they want most
- ✓ **Help managers better understand what to do during an employee's short- or long-term leave of absence —**
provide guidance around who is now responsible for that employee's work, how the extra workload will be managed by coworkers, and how that employee is going to reintegrate once they are back



To encourage personal and professional development

- ✓ **Foster a culture of continuous learning,** looking for ways to integrate training into everyday experiences, so employees don't think that such programs are distracting them from accomplishing their daily tasks
- ✓ **Encourage self-directed learning** outside the workplace, through resources like podcasts or documentaries
- ✓ **Leverage the variety of established and start-up companies** that provide unique technology-enabled workforce education platforms to keep employees' knowledge and skills up to date in a personalized, agile, and easy way
- ✓ **Position managers as role models** and encourage them to transparently and actively share the steps they personally are taking to advance their professional development
- ✓ **Create trainings that develop employees' soft skills,** such as creativity, leadership, or communication — skills AI can't yet replace
- ✓ **Evaluate employees more holistically,** including metrics around soft skills
- ✓ **Offer timely promotions** with clear criteria and timing to help employees know where they are on their trajectory, and give them career coaches who can help guide them (similar to programs in place to help many CEOs)
- ✓ **Offer professional development opportunities that are not based on promotion —** such as work rotations or stretch and step-up assignments (where, under the right guidance, employees take on responsibilities typically reserved for more senior employees)





To create a holistic benefit program

- ✓ **Offer a wide range of benefits,** both employer- and employee-paid, so employees have the ability to build packages that are personalized to their individual needs and that can be changed as their needs evolve
- ✓ **Complement traditional benefits** with employee assistance and well-being programs, which support an array of work-life challenges — such as mental health counseling, on-site health centers, elder-care advice, life coaching, and nutrition health consultations — partnering with third-party vendors when necessary
- ✓ **Offer a variety of experiences and tools to help employees better understand their benefits —** such as videos, guided learning experiences, and real-life stories about people's experiences using their benefits
- ✓ **Use financial wellness programs,** leveraging tools and resources that are shown to drive real impact — such as personalized advice, one-on-one guidance, and goal-orientated short- and long-term planning
- ✓ **Enhance retirement savings programs** to support employees during their retirement — offering ways to generate income as well as strategies to help them manage their savings so that they don't outlive them

To build a trusting, caring culture

- ✓ **Regularly communicate**
to employees about issues affecting the company, as well as the greater culture
- ✓ **Provide exposure to senior leadership**
through small group discussions, town hall events, and roadshow visits to different offices
- ✓ **Solicit continuous employee feedback**
on workplace perspectives, and most importantly, ensure that feedback is meaningfully acted upon in a visible way
- ✓ **Look for ways to continuously recognize employee achievements**
outside of annual performance reviews — consider implementing things like a peer-to-peer recognition program, allowing colleagues to acknowledge each other with points that can be redeemed for prizes
- ✓ **Ensure employees understand how their role contributes**
to the organization's mission, so they fully understand how they help achieve success
- ✓ **Support employee-led identity or affinity groups,**
where employees can engage with others with similar backgrounds or interests — and encourage people who are interested in learning more about certain identity groups to join (such as parents with diverse children), in order to weave an appreciation for diversity into the fabric of the organization



The blended work-life world is here to stay. Employers who support employees as individuals in and out of the workplace will thrive in this evolving environment.

It starts with understanding where employees are today and their drive to find purpose — however big or small. Once employers understand that employees simply want to have meaningful experiences inside and outside of the workplace, they can begin to shape work experiences to keep their workforce engaged. From structured work flexibility to increased training, employers have several levers to pull when it comes to enabling a better atmosphere for employees.

Yet, perhaps the biggest tool at their disposal is delivering a compelling mix of holistic benefits.

Benefits can be reframed as a significant part of compensation, working with employees' salary to contribute meaningfully to their quality of life. Offering the right mix of benefits — whether traditional or emerging — gives employees the sense of empowerment they seek, helping them manage their finances, care for their well-being, and plan for the future.

Communicated in the right way, benefits can go a long way towards helping employees and employers thrive in today's workplace.

Methodology

MetLife’s 17th Annual U.S. Employee Benefit Trends Study was conducted in October 2018 and consists of two distinct studies fielded by Engine Insights — a practice area of Engine, a data driven marketing solutions company.

The employer survey includes 2,500 interviews with benefits decision makers and influencers at companies with at least two employees. The employee survey consists of 2,675 interviews with full-time employees, ages 21 and over, at companies with at least two employees.

Employees

Gender	
Male	55%
Female	45%
Marital status	
Married	55%
Single, not living with partner	26%
Single, living with partner	9%
Divorced/Separated	8%
Widowed	2%
Ethnicity	
Caucasian	73%
African-American	12%
Asian	9%
Other	6%
Hispanic	16%
Non-Hispanic	84%
Family status	
Do not live with children under 18	55%
Live with children under 18	45%
Employer size (staff size)	
2-9	8%
10-49	12%
50-199	14%
200-499	11%
500-999	11%
1,000-4,999	17%
5,000-9,999	7%
10,000+	20%
Geography	
South	34%
West	25%
Northeast	21%
Midwest	20%

Age	
21-24	5%
25-34	24%
35-44	23%
45-54	22%
55-64	23%
65+	3%
Personal income	
Under \$30,000	10%
\$30,000-\$49,999	23%
\$50,000-\$74,999	21%
\$75,000-\$99,999	18%
\$100,000-\$149,999	16%
\$150,000 and over	9%
Prefer not to answer	3%
Industry	
Other Services	16%
Health Care and Social Assistance	11%
Educational Services	10%
Manufacturing	9%
Retail	8%
Information Technology	8%
Finance and Insurance	7%
Professional, Scientific & Technical Services	5%
Construction	5%
Transportation and Warehousing	4%
Accommodation and Food Services	3%
Public Administration	3%
Real Estate	2%
Wholesale Trade	2%
Utilities	1%
Administration and Support and Waste Management and Remediation	1%
Arts, Entertainment and Recreation	1%
Agriculture, Forestry, and Fishing	1%
Information	1%
Mining, Quarrying, and Oil & Gas Extraction	0%
Management of Companies and Enterprises	0%

Education

Bachelor's degree	28%
Some college credit, no degree	22%
High school graduate or the equivalent	18%
Master's degree	17%
Associate degree	8%
Professional/Doctorate degree	7%
Some schooling completed/ No high school diploma	0%

Employers**Employer size (staff size)**

2-9	20%
10-49	20%
50-199	17%
200-499	5%
500-999	5%
1,000-4,999	13%
5,000-9,999	10%
10,000+	10%

Industry

Professional, Scientific & Technical Services	11%
Other Services	11%
Health Care and Social Assistance	11%
Information Technology	10%
Manufacturing	10%
Finance and Insurance	7%
Educational Services	7%
Construction	7%
Retail	6%
Real Estate	4%
Transportation and Warehousing	3%
Wholesale Trade	3%
Public Administration	2%
Accommodation and Food Services	2%
Arts, Entertainment and Recreation	1%
Administration and Support and Waste Management and Remediation	1%
Agriculture, Forestry, and Fishing	1%
Information	1%
Management of Companies and Enterprises	1%
Utilities	1%
Mining, Quarrying, and Oil & Gas Extraction	0%
Not sure	0%

Geography

South	33%
West	27%
Northeast	20%
Midwest	20%

ABOUT METLIFE

MetLife, Inc. (NYSE: MET), through its subsidiaries and affiliates, is one of the largest life insurance companies in the world. Founded in 1868, MetLife is a global provider of life insurance, annuities, employee benefits and asset management. Serving approximately 100 million customers, MetLife has operations in nearly 50 countries and holds leading market positions in the United States, Japan, Latin America, Asia, Europe and the Middle East. For more information, visit www.metlife.com.

ABOUT ENGINE

Engine is a new kind of data-driven marketing solutions company. Powered by data, driven by results and guided by people, we help our clients make connections that count—leading to bottom line growth, an inspired workplace and business transformation. With global headquarters in New York and 17 offices across North America, the UK, Europe and Asia-Pacific, Engine offers clients a vast range of marketing solutions—including insights, content, distribution, data and technology. Find out more at enginegroup.com or follow us [@Engine_US](https://twitter.com/Engine_US).



Metropolitan Life Insurance Company
200 Park Avenue
New York, NY 10166
L0219512548[exp0221][All States]
© 2019 MetLife Services and Solutions, LLC