

EMPLOYEE BENEFITS

Making Well-Being Programs Work for Millennials & Gen Z

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Unemployment in the United States is historically low, with the job market more competitive than seen in several decades. Workers, especially younger workers, are becoming increasingly discerning about their career prospects. Recent data shows millennials and Gen Z make up 46%¹ of the U.S. workforce, and nearly six in ten millennials report that work-life balance and well-being are “very important” to them.²

Given this reality, it is becoming increasingly important for employers to acknowledge the changing workforce demographics and focus on generational needs and preferences when building out benefits and well-being programs. As millennials and Gen Z continue to make up a growing percentage of employees, understanding their needs and adapting your tactics and strategies can help with the following efforts:

- 1** Positive impacts on well-being, health outcomes, engagement and productivity
- 2** Significant strengthening of recruitment and retention efforts

Understanding Millennial Needs & Concerns

Millennials, born between 1981 and 1996, seek organizations with strong well-being cultures and resources that address their unique concerns. Recent survey findings suggest that the top expectation millennials have for employers is caring about employees’ well-being.³ The key to understanding millennial employees is acknowledging the economic and political environment that influenced their early careers. Millennials have been shaped by several significant political, financial and societal events. Combined with current inflation levels, dramatic increases in the cost of living, healthcare, childcare and numerous other factors, many economists identify millennials as the “unluckiest generation.”⁴ Seeking out employment opportunities providing resources to help mitigate and overcome these challenges is important for millennial top performers.⁵

Understanding Gen Z Needs & Concerns

Like millennials, Gen Z, born between 1997 and 2012, also expects their employers to care about their well-being.⁶ Creating a well-being program that meets their needs means acknowledging what has impacted Gen Z and their careers. Nearly the entire generation entered the workforce during or after the COVID-19 pandemic, a time of significant

uncertainty resulting in a large shift in workplace norms. Many organizations transitioned to hybrid work models, inherently leading to decreased social interactions with colleagues and friends, hampering the ability to network and experience a typical workplace culture. Gen Z is also entering the workforce in a period of rising inflation, housing crises, geopolitical turmoil and historically high levels of student debt. On average, members of Gen Z owe about \$20,900 in student loans - 13% more than Millennials.⁷

Considerations for Millennials & Gen Z Benefit Optimization

Financial well-being and family-forming support, such as parental leave, are paramount when considering well-being benefits for millennials. In addition, their proficiency with technology (e.g., telehealth) is substantially higher than prior generations.⁸

Similarly, Gen Z brings a holistic view of health and well-being to the workforce. Studies have shown that Gen Z employees tend to be financially practical and view physical fitness, nutrition and mental health support as imperative.⁹ Gen Z has high expectations of their employers and is willing to leave if their needs are unmet. To illustrate this point, another recent study shows that **61%** of Gen Z would strongly consider leaving their current job if offered a new one with significantly better mental health benefits.¹⁰

Many employers are planning for 2025, and building a comprehensive well-being program fit for their workforce is essential to consider. Organizations interested in attracting and retaining millennial and Gen Z talent are encouraged to consider investing in the following:



Family Support: family-forming benefits, caregiving resources, concierge services and navigation support



Mental Health Programs: free or low-cost access to high-quality mental health counseling and treatments



Physical Fitness and Nutrition Programs: well-being reimbursement programs or Lifestyle Spending Accounts (LSAs)



Financial Well-Being Support: student loan programs, financial literacy education, childcare and debt management tools



Telehealth: expanded access to clinically validated, virtual health solutions

Organizations can also consider providing forums for feedback, such as focus groups or pulse surveys, to leverage input from these generations before re-designing programs to support their needs.

Ultimately, adjusting well-being programs to support millennials and Gen Z also means understanding the societal and economic impacts that shaped their lives and careers. By listening to their perspectives and aiming to address their concerns, your organization can help recruit and retain top talent in this ever-growing workforce segment.

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