



5 Meaningful Benefits for Millennials



Employers that want to attract and retain Millennial employees may want to consider offering benefits that help this younger generation balance their personal and professional lives.

by | **Renee M. Rochman**

There is no denying that Millennials are the largest upcoming workforce demographic, and their emergence has been slowly altering the workplace and influencing the way business is done. According to the Department of Labor, *Millennials*, who are defined as any person born between 1982 and 2004, will make up nearly 34% of the workforce by 2024.

Millennials are focusing on more than salary and job description when choosing the company they want to work for. According to a study by Bentley University, employers have been shifting toward more flexible employee benefit programs and culture to respond to the desire of this young workforce to have their personal and professional lives align and for their work to have purpose and meaning.

Most of us have heard about the Googles and Facebooks of the world that are offering trendy perks such as in-house chefs, pool tables and sleeping pods, but what benefits are really making an impact on Millennials?

The author's work with human resources teams and leaders at employers

with a Millennial employee base has revealed these five benefits to be the most attractive to this generation of young professionals.

1. Options

Millennials are exceedingly committed to their careers and are juggling longer work hours, traveling more frequently and striving for promotion and growth. This is why they have been deemed "Generation Go" by companies such as EY and are craving the next and best in benefits. Adopting an innovative approach to benefits allows companies to stay relevant in this arena by creating a benefit suite that offers an array of options for employees to customize their benefits based on their own individual needs.

A recent strategy popular among employers is to offer a defined contribution benefit. This strategy allots a specific amount of dollars that employees can apply to any benefit plan they desire, rather than only medical. For example, an employee may not have a need for a "Cadillac" health plan and would rather opt for a high-deductible health plan paired with a health savings

account (HSA) in order to contribute less to their health insurance premium. They can then spend the balance of their defined contribution on an alternative benefit.

One alternative benefit that has been gaining traction in the Millennial workforce is supplemental health coverage for fertility services. Depending on the insurance policy that is sponsored by companies, this type of coverage can get very costly, with basic infertility costs ranging around \$12,000 per round. Companies offering an investment in employees by creating the ability to build a career while also offering an insurance policy for their personal family goals helps keep employees engaged and loyal.

Employers are also including in their benefit suites personal financial tools such as student loan debt repayment. According to Debt.com, the average student debt hit a new record high as of 2017 at \$37,172 per graduating student. Per the Society for Human Resource Management, about 3% of employers have started to partner with companies to offer a defined repayment option, or a refinance option, that on average provides about \$1,200-\$1,400 toward employees' outstanding loans per year.

2. Holistic Wellness Initiatives

Understanding employee needs assists in developing a relevant wellness program. Employers request health risk assessments, employee interest surveys, focus groups and biometric screenings to measure the population's focus and interests.

Wellness programs have become popular for employers that want to promote a healthy lifestyle and invest in

takeaways

- Millennials are projected to make up nearly 34% of the workforce by 2024.
- Employers that want to recruit and retain Millennials might consider creating benefits that allow them to align their personal and professional lives and help them find purpose and meaning in their work.
- Using a defined contribution approach to employee benefits that allots a specific amount of money to benefits and allowing employees to choose among those benefits can be attractive to employees who want to customize their benefits.
- Wellness programs can meet the needs of Millennials by addressing issues such as mental health.
- Millennials are less likely to leave an employer that offers fully paid maternity and paternity leave.

their employees. These programs have grown into more than just a gym reimbursement and have developed into well-rounded initiatives.

Some holistic wellness perks that have been adopted by employers include on-site fitness options such as yoga or Zumba classes. Providing wearable fitness tracking devices creates an opportunity for friendly fitness competitions among employees, keeping them engaged while promoting a healthy lifestyle.

Providing a stocked kitchen that offers a choice of healthy beverages and snacks is also becoming a staple for employers and a sought-after perk by Millennial employees. Employers can go as simple as providing employees with fresh fruit once a week to offering a prepared healthy breakfast and/or lunch. However, some tech companies are offering options as high-end as an in-house chef who makes food to order.

Hosting an organized mental health day amidst a demanding workload can give employees an opportunity to decompress and reset. Some companies are bringing in mental health professionals who specialize in stress management and anxiety, two of the leading diagnoses amongst Millennials.

According to Frenkel Benefits, 25% of clients that currently implement wellness programs include a mindfulness aspect such as a meditation webinar or seminar, on-site or desk yoga, or an online program/app.

Creating a structured wellness calendar for the upcoming year that can be posted for employees drives communication and engagement. A wellness calendar can operate on a monthly or quarterly basis to rotate new wellness initiatives. Each month or quarter of the year can have a leading focus that includes a detailed strategy to emphasize topics such as nutrition, fitness, mental health, team building, etc.

3. Ability to Work Remotely

With expectations as high as they have ever been, it cannot come as a surprise that Millennials appreciate the flexibility to work from home. Adopting the idea that work is not a place you go but a thing you do is a concept that may become essential for employers.

Although the home isn't typically viewed as the primary work space, the option to work from a local coffee shop or out of their home office prevents employees from feeling chained to their desks. This option may actually increase productivity, since offices can be anywhere at any time. Apps

learn more

Education
Certificate Series—Ancillary Benefits
September 24-25, Washington, D.C.
 Visit www.ifebp.org/certificate-series for more information.

From the Bookstore
Employee Benefits Survey—2016 Results
 International Foundation. 2016.
 Visit www.ifebp.org/benefitsurvey2016 or www.ifebp.org/books.asp?7747E for more details.
Coming soon: Employee Benefits Survey—2018 Results.

that allow video chatting make it easier to stay connected with colleagues while working remotely.

Commuting in and out of congested urban areas can add hours of time wasted that might otherwise be spent on daily responsibilities, both professional and personal. Working remotely can help to better align work life and personal life without the added stress of commuting. Promoting the ability to work remotely, stigma-free, with the same opportunities for career advancement is another key to retaining the Millennial generation.

4. Fully Paid Maternity and Parental Leave

Offering paid maternity leave or parental leave has become a must for Millennials. According to the Bureau of Labor Statistics, among married-couple families with children, both parents worked in 61% of families in 2016. That trend has created a strong emphasis on how work will align with their family's needs.

Although a handful of states offer disability insurance coverage and/or paid family leave, it still leaves a large portion of the employee's salary unpaid.

More employers are now supplementing the unpaid balance, providing 100% of the employee's salary during parental leave for up to 12 weeks to run concurrently with the Family and Medical Leave Act. Providing this supplemental benefit for an extended time, above and beyond the standard disability benefit of six to eight weeks, is becoming a common practice in Millennial-driven workforces.

Employers also are offering this 100% paid time off to fathers who want to take that time to bond, not just mothers. According to a study conducted by EY, 86% of Millennials

are less likely to leave a job if 100% paid family leave is offered to both women and men.

In a Pew Research Center study, both parents working full-time stands at 46%, up from 31% in 1970. The Millennial generation is one of the driving forces behind these statistics. Offering paid maternity or paternity leave is pivotal to a new, growing family with two full-time working parents who are striving to focus on both their families and their careers.

5. Culture and Team Building

Creating a healthy and engaging work environment provides Millennials the opportunity to find their “dream job” with a company. Instituting practices that focus on investing in employees and building a team environment is key to building trust. According to multiple studies, the most important factor in employee engagement and satisfaction and to effective team growth is building a culture of trust.

New-hire training is a simple way to kick off a more engaging work experience. New-hire training often is completed in a very short time frame, and employees are forced to absorb a lot of information without proper guidance before being given their first set of deadlines. Creating videos or incorporating quests and/or challenges for a new hire will inspire growth and develop confidence. Vocalizing progress and investing more time up-front can create an atmosphere that is supportive, engaging and valued.

Transforming productivity into team-building opportunities is another way employers can keep the momentum

and energy stimulated in the office. A walking meeting is an innovative technique that boosts creativity, especially if employees can take the walk outdoors. It also can help to break down the walls between management and workers by creating a more relaxed tone for the meeting.

Another example is a company with a large Millennial employee base that plays “musical chairs.” The company played music throughout the building. Every 45-60 minutes the music would stop, and it would be used as a reminder to get up and walk around for five minutes to help employees reset and reengage before returning to their desks. This type of fun activity can help build a team environment.

Organizing company events related to charity fundraising and other community service activities has also become a good way to reinforce culture and enhance team building while giving back to the community at the same time.

Millennials have an inspired view on the world today, and being engaged in events that matter to them and provide meaning, in addition to spending time and bonding with co-workers, have proven to build trust and loyalty with their employer.

Conclusion

As Millennials continue to grow older and take on more positions of leadership and influence, they will continue to impact the strategy behind the benefits offered in their companies. While some have observed that Millennials can be notorious job-hoppers, unable to commit to one employer, they will align their devotion for the right fit.

The workforce in some companies can be balancing up to four generations, which can pose synchronicity issues for employers. Adopting ideas for creating team-building opportunities will influence communication and engagement among all age demographics. Investing in employees by building a competitive and innovative benefit package can help to grow and nurture all employees into long-term assets and materially improve operational and financial performance. 

bio



Renee M. Rochman is a senior employee benefits consultant at The Capacity Group—an EPIC Company in the greater New York City area. She holds a bachelor’s degree in finance from Ramapo College of New Jersey and brings more than ten years of experience in the employee benefits industry.