Use benefits to tame millennials’ job-hopping ways

Imagine what the world would be like if people were all the same. What if everyone drove the same car, wore the same clothes, ate the same food and had the same goals?

Sure, life would be dull — colorless, even — but businesses would have it easy. Just think: They could churn out products with no real need for innovation or creativity. What’s more, employers wouldn’t have to worry about satisfying workers of various ages and lifestyles. Salaries and benefits could be one-size-fits-all and everyone would be content.

A homogenous environment might sound like a good idea to companies that are dealing with workers who have different backgrounds, desires and objectives. But conformity isn’t part of our nation’s fabric.

The changing face of the American worker — and workplace

U.S. workers’ habits and demands are constantly evolving. Today’s employees aren’t like those of yesteryear — they don’t take jobs and remain in place until it’s time to collect a pension and a gold watch. Companies have changed too, making the promise of a pension and a fancy timepiece rare.

It’s worth noting that job-changing is fast and furious in the early years of millennials’ careers: Young adults born in the early ’80s held an average of 6.2 jobs between the ages of 18 and 26, and 57 percent of those jobs lasted less than a year.¹

According to a PricewaterhouseCoopers survey of millennials,² here are some things employers of millennials should keep in mind:

» Many believe they’ve had to compromise to find jobs. In fact, one-third says they took a job with a lower salary. Other compromises such as working away from a preferred location (17 percent) and accepting fewer additional benefits (17 percent) closely followed.

» Millennials are committed to their career growth and development. They say the No. 1 factor in making an organization attractive is opportunity for career progression (52 percent), followed closely by competitive wages (44 percent) and training/development programs (35 percent).
» More than half care about corporate responsibility. The majority of millennials (59 percent) say they seek employers whose corporate responsibility behavior reflects their own values.

» Millennials are looking for good work-life balance. Nearly half are looking for a job with some flexible working hours, followed by 32 percent saying they are looking for jobs with mainly flexible working hours.

Benefits and today’s millennial workers
Companies that are wise to the new job-hopping norm take millennials’ employment patterns into consideration when developing and communicating about their benefits plans. The number of companies offering pensions is declining, but even employers that do so have learned that millennials are unlikely to stick around long enough to become vested. According to the 2015 Aflac WorkForces Report, more than half (63 percent) are at least somewhat likely to search for new jobs in the next 12 months.

What’s driving some of the movement? According to the 2015 Aflac WorkForces Report, perhaps it’s a search for better benefits options. According to millennials, a comprehensive benefits package is important because it:

» Safeguards health and financial well-being (58 percent).

» Helps provide peace of mind (56 percent).

» Demonstrates that employers care about them (30 percent).

Benefits may convince millennials to stay
Millennial workers are unafraid to be labeled job-hoppers. The difficulty of finding work in the U.S. economy, combined with the need to take a “just for now” job while waiting to land the perfect position, has decreased the stigma that used to accompany frequent changes of employer.

No company wants to invest time and money into training an employee only to lose that worker to another employer, and especially not to a competitor. Given the importance millennials place on workplace benefits — 64 percent of them saying an overall benefits package is extremely or very important to employer loyalty, and 23 percent saying it is extremely important — benefits options may be key to convincing them to remain in place.

Only 31 percent of millennials in the survey report being offered voluntary insurance at work. This is quite a bit lower than all the other generations. Those companies — as well as others who want to increase their “stickiness” among millennials — would be wise to consider adding voluntary insurance options to their benefits plans as the research demonstrates its importance.

The good news for companies trying to limit costs is that voluntary insurance is employee-paid. In other words, employers can make voluntary benefits options available to workers with no direct effect on their organizations’ bottom lines.
Why voluntary? Because voluntary products help ensure that workers who are sick or hurt have the funds needed to help pay health-related costs their primary insurance might not cover. According to the report, that’s crucial considering 72 percent would not be able to adjust to the large financial costs associated with a serious injury or illness. Here are some other reasons to offer voluntary benefits options:

» Voluntary insurance can help provide employees with financial safety nets that may keep their minds on their jobs and not on money concerns. That’s especially important given that 28 percent of millennials who participated in the 2015 Aflac WorkForces Report said personal financial issues are a top non-work-related issue that distracts them while they’re on their job.

» Voluntary insurance pays cash benefits regardless of any other insurance coverage employees have in place, including policies available through government health care exchanges.

The bottom line? Today’s millennials might not be looking for reasons to go; they could be looking for reasons to stay. By offering a variety of voluntary insurance options — from accident and disability coverage to life insurance, hospitalization, dental, vision and more — employers can encourage the latest generation of workers to stick around for a while.

Sources
4 Includes somewhat, strongly and completely agree

About the study
The 2015 Aflac WorkForces Report is the fifth annual Aflac employee benefits study. The study, conducted in February 2015 by Research Now, captured responses from 1,977 benefits decision-makers and 5,337 employees from across the United States. To learn more about the Aflac WorkForces Report, visit AflacWorkForcesReport.com.

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