

Millennials are not only the future of business, but as the largest generation in the workforce today, they are also the current reality. What they accomplish in their jobs determines the success of an organization.

Older millennials (those in their mid-30s) have been in the workforce for several years. Yet employers continue to delve into better understanding millennials. It's complicated; they are unlike any of the generations that preceded them. Figuring out how to recruit, work with and retain millennials may be one of the biggest challenges HR faces today.

How important are benefits?

The benefits and perks that employees truly care about today are those that offer greater flexibility, autonomy and the ability to lead a better life. Gallup's 2017 State of the American Workforce Survey reported that millennials want benefits and perks that directly impact their lives and the lives of their family members. And they show a greater willingness than other generations to switch jobs to secure them.

In fact, millennials will change jobs for a particular benefit or perk. According to an Anthem Life Insurance Company survey, 1 in 3 millennial workers has turned down a job offer due to insufficient or lackluster health insurance.

Benefits and perks millennials want

So, what exactly do they want? As with everything else about millennials, it's complicated.

Traditional benefits

As millennials age, more traditional benefits become increasingly important as younger workers look beyond traditional medical, vision and dental coverage. The Anthem survey showed that as more Millennials begin to get married, purchase homes and start families, they are slowly warming to the idea of disability coverage.

They also expect a broader range of health care services than they are currently offered. An Oliver Wyman Survey, U.S. Health Consumers Worries and Wants, showed

that millennials are not opposed to paying for high-tech and high-touch health care experiences, such as an on-camera visit with a doctor or an app that enables a consultation with specialists. Further, more than half (55 percent) of millennials say their highest-ranking health care offering is guaranteed appointments with a specialist within a week.

Variety of options

Millennials are an “on-demand” generation. Consequently, they expect to be given a “laundry list” of benefits options so they can choose what’s useful to them. By offering a variety of voluntary benefits, employers provide a means for millennials to customize their benefits package and choose options that are more important to them.

Most employers today are adding or expanding voluntary benefits to attract millennials, including critical illness insurance, employee purchase programs, identity theft protection and pet insurance. Plus, considering the amount of student loan debt that many millennials carry, it’s no wonder student loan repayment programs are a powerful incentive for their recruitment and retention. But according to SHRM’s 2016 Employee Benefits Survey, only 4 percent of employers offered this assistance.

Additionally, as the generation most likely planning families or already having children at home, millennials will increasingly look for worksite child care and back-up child care benefits.

Development opportunities

Millennials are also the generation most interested in development opportunities, such as pursuing higher education, joining professional organizations and attending conferences.

One way to give millennials opportunities to grow and learn new skills is through a mentor program. A Deloitte study showed that millennials with a mentor were more likely to say they planned on staying with their current employer.

Financial stress and financial wellness

There are many reasons that millennials experience financial stress:

- 7 in 10 carry balances on their credit cards, with 45 percent using those credit cards for monthly expenses they couldn’t afford otherwise. (*PwC*)
- Almost half (47 percent) don’t have \$2,000 in savings for emergencies. (*Harris Poll*)
- More than two-thirds have at least \$10,000 in student debt and one-third of those owe more than \$30,000. (*ORC International*)

Half (52 percent) have experienced a “cash trap” in the last three months, meaning they’ve had to borrow money or dip into savings to make it to the next paycheck. (Varo Money)

Understandably, millennials bring this financial stress to work. According to the Bank of America Merrill Lynch 2017 Workplace Benefits Report, 31 percent spend three to five hours at work each week on personal finances, while 29 percent spend more than five hours. The good news is that millennials want help managing a range of financial matters. The number one issue they are concerned about is saving for retirement, followed by developing good general savings habits and paying down debt. And of all the generations, they are the most amenable to participating in financial education programs, with 92 percent saying they would use such a wellness program at work if one is offered.

This presents an opportunity for employers. While financial wellness programs have not yet reached the level of penetration of other longstanding benefit offerings, a Charles Schwab survey indicates that 52 percent of employers have implemented or are considering implementing a financial wellness program; and 44 percent believe that a financial wellness program is becoming a “must-have” benefit in order to be competitive.

In addition to financial education programs covering budgeting, debt management, buying a home and starting a savings plan, benefits such as employee purchase programs and employee discount programs help millennials access products and services they need and want in a more financially-disciplined manner.

To be successful in recruiting and retaining millennials, employers must abandon one-size-fits-all benefits programs and one-size-fits-all methods of communicating those benefits. Just as a business would customize its sales and service activities to a new target audience for its products or services, employers must tailor recruitment and retention efforts to be successful with millennials.

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