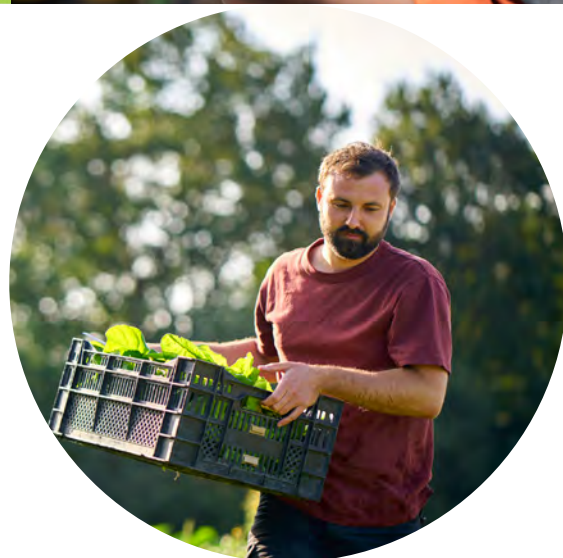
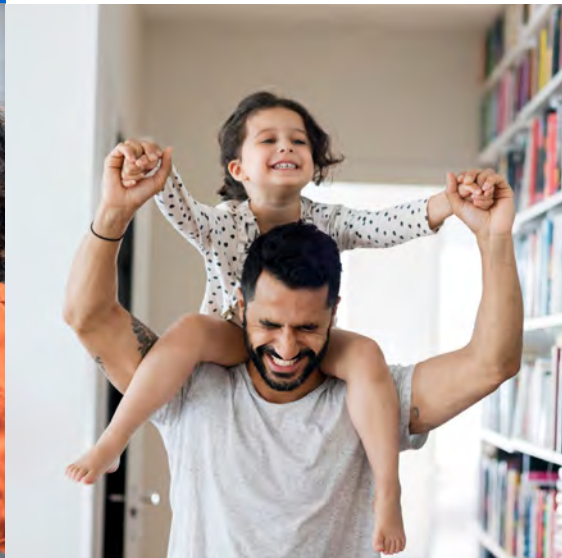


The Advantages of

Employee Care:

Creating human-centric employee experiences and work environments

MetLife's 21st Annual
U.S. Employee Benefit
Trends Study 2023



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The current state of employee well-being and low levels of satisfaction and loyalty suggest that employers must adopt new approaches to optimizing the employee experience.

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Employee care has emerged as a powerful concept for organizations looking to improve holistic health and, therefore, critical talent management outcomes.

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Employers can demonstrate care authentically via targeted actions and initiatives aligned to the interrelated elements of the employee experience.

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Our two decades of research have tracked the evolution of employment relationships through varying macroeconomic cycles, a global financial crisis, and disruptions caused by rapid technological advancement.



Introduction

EXECUTIVE SUMMARY

This year's MetLife Employee Benefit Trends Study reveals how employers that demonstrate care for their employees can improve talent management outcomes in a fundamentally altered and constantly changing labor market.

As organizations seek to promote higher employee job satisfaction, along with increased worker loyalty, engagement and productivity, **employee care has emerged as a particularly powerful force in a time of talent shortfalls and widespread macroeconomic uncertainty.**

These forces are among the challenges companies face as they navigate the new dynamics of employment relationships. Our two decades of research have tracked evolving workforce realities, through varying macroeconomic cycles, a global financial crisis, and disruptions caused by rapid technological advancement. The COVID-19 pandemic accelerated and amplified powerful trends that have been profoundly reshaping where, when and how work gets done, and even what work means.

Many business and human resources (HR) leaders are assessing the impacts of an extended slowdown on their workforce needs. Whatever lies ahead, employers' many recent investments in attracting and retaining talent – including higher salaries and expanded benefits – provide a foundation to build on. Salary and other forms of compensation remain critically important in driving employee satisfaction and workers' perceptions of feeling valued.



Our research clarifies the direct and powerful links between employers' talent objectives (starting with job satisfaction) and holistic health.

Harnessing the power of job satisfaction and employee happiness

Our research clarifies the direct and powerful links between employers' talent objectives (starting with job satisfaction) and holistic health – including physical, mental, social and financial wellness – across the workforce. Specifically, this year's findings show that organizations can promote higher job satisfaction, loyalty, engagement and productivity by taking action to improve the health and well-being of their employees. Put another way, by tracking the holistic health of the workforce, organizations can gain insight into their likely success in boosting job satisfaction and other key talent metrics.

SO HOW DO ORGANIZATIONS MOVE THE NEEDLE ON EMPLOYEES' HOLISTIC HEALTH?

The key is demonstrating care across the core elements of the employee experience, as well as through compensation.

THOSE ELEMENTS ARE:

Career development and training

Purposeful work

Social and supportive cultures

Flexibility and work-life balance (or work-life integration, as it's sometimes known)

Wellness programs and benefits

By demonstrating care effectively across these elements, employers will also find themselves with a happier workforce, and individual workers who feel more successful, more appreciated and a greater sense of belonging. We can make this claim confidently because the predictive, analytical models we developed, based on Bayesian statistical techniques, show strong correlations between employee holistic health, happiness and job satisfaction. [\(See appendix for more details on our research methodology.\)](#)



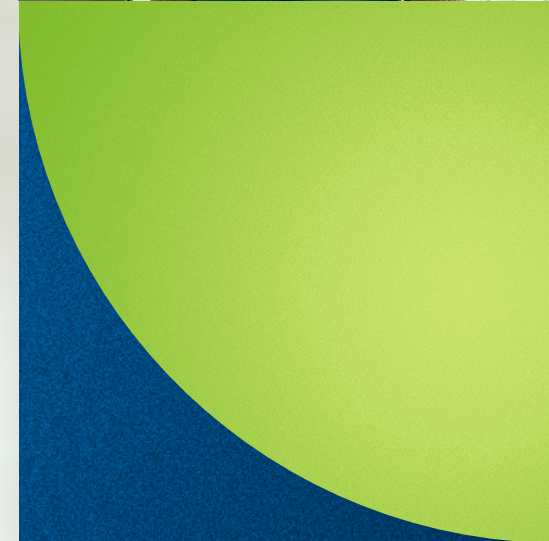
Delivering Care Across the Employee Experience

Workers satisfied with every element of the employee experience are happier and feel more successful, appreciated and a greater sense of belonging

Employee Care – what it is and why it's so powerful

Over the past few years, our research has explored improved employee well-being as a critical goal of people management strategies generally and benefits packages specifically. This year's study suggests that employers can realize better results by demonstrating employee care in ways that build on well-being.

“Employee care” refers to employers’ genuine demonstration of interest in employees’ overall well-being, both at work and outside of work. It builds from a foundation of fair compensation and a safe work environment to incorporate employees’ sense that the organization recognizes their contributions and acknowledges their unique needs as individuals.



Employee care starts with fair compensation and a safe work environment and extends to workers feeling recognized as valuable contributors and unique individuals.



In practice, care has a dual nature: it's something that employers provide, but also a perception among employees that they are cared for. Employers' intentions and efforts to demonstrate care, provided they are genuine and consistent with the culture, matter a great deal to employees. In other words, employers don't have to be perfect in delivering care; they just have to be consistent in making the effort.

No matter how business leaders view their organization's specific responsibilities to employees or the new power dynamics in employment relationships, our research confirms the power of employee care, when embedded within the overall employee experience.

Tangible steps to demonstrate care – including both formal actions (e.g., offering benefits, adopting flexible schedules) and informal actions (e.g., managers providing lunch on Fridays) – can enhance employees' holistic health. Ultimately, those gains result in higher job satisfaction and the other talent outcomes employers are looking for.

Realizing the promise of care

SO HOW DO ORGANIZATIONAL LEADERS GO ABOUT DELIVERING EMPLOYEE CARE?

Broad and holistic thinking is key to developing strategies that engage the whole employee as a unique individual with specific needs. Flexible benefits and program design can help employers connect with a workforce that continues to diversify generationally, racially and in terms of family situations and living arrangements. What we said last year – that many employers, in effect, serve multiple workforces – remains true today. Thus, understanding the unique needs and perceptions of different groups is critical to employers' ability to deliver employee experiences that not only demonstrate care but ensure employees feel cared for.

For more than two decades MetLife has researched the needs of employers and employees. Beyond sharing the significant data and trends from this year's results, the following pages include insights and recommendations for organizations looking to build a more satisfied, engaged and holistically healthy workforce.

We hope you find this report useful in mapping your benefits strategies to your unique industry, workforce and talent needs.

EMPLOYEES SAY

Employees on the meaning of care

- “ If you treat me well, then I want to show up and to do a good job. I'll be more motivated to keep this job, because I'm satisfied with it.
- “ Care means not just caring about the facility, but caring about the safety of employees, making sure equipment is working and providing things that can help us perform our jobs better.
- “ If they could just treat us right and sometimes just respect us a little more, that's the bottom line because it's not a bad job. It's a great job but sometimes our management just makes it so you don't want to be there.

1

The Importance of Holistic Well-Being in a Turbulent Time

KEY TAKEAWAYS

The long-term trend toward lower job satisfaction, particularly among younger workers, is a worrying sign for the many employers still struggling to fill open positions and for employees looking to succeed in roles they find fulfilling.

Employees' holistic health has fallen, largely due to financial stresses and declines in mental health, another serious concern given the correlations to key talent management outcomes.

After experiencing the Great Resignation and the Great Reshuffle, and then the emergence of digital nomads, quiet quitting and "act your wage," executives should continue to expect the unexpected and devise new strategies to meet their workforce goals.



Job satisfaction is up slightly this year, but is down significantly since 2016.



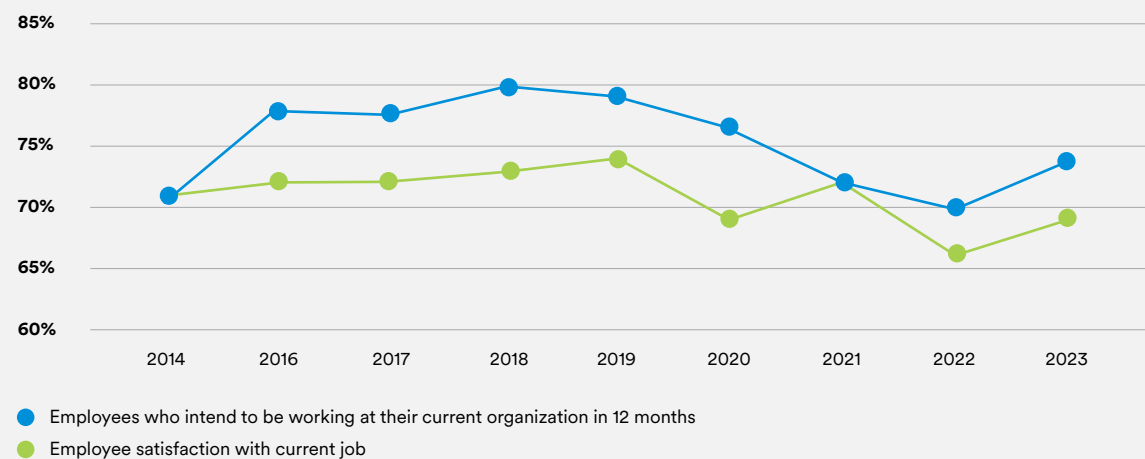
Given the large-scale social, economic and political disruptions of the last few years, the market volatility of 2022 and a slowing global economy, it's no wonder that employees who responded to this year's survey sent mixed messages. The good news starts with a **year-over-year (YOY) uptick in overall job satisfaction** since the 2022 study. **Employee loyalty also increased after several years of decline**, though both satisfaction and loyalty remain at historically low levels.

There are multiple ways to interpret the YOY gains. The increased flexibility, higher pay and expanded benefits packages offered by some

employers, as well as the focus on employee wellness more generally, may have contributed to the rise in satisfaction and loyalty. But economic uncertainty may have caused some employees to feel content with their current positions and plan to keep them longer, rather than risk a major change. High inflation, rising interest rates and a falling stock market created tangible hardships for many workers. The first layoffs among Silicon Valley giants in a very long time, plus significant workforce reductions in financial services and other sectors, added to the sense of financial peril. All of these factors are reasons to believe employees are feeling less empowered today than in recent years.

EMPLOYEE SATISFACTION VS LOYALTY TO CURRENT ORGANIZATION

While overall job satisfaction and loyalty have increased YOY, both remain at historically low levels



Job satisfaction ticks up from last year, but remains low by historical standards

Whatever the exact underlying causes, the one-year improvements must be viewed in the context of the declines during the last several years. The 2022 overall job satisfaction rate of 66% was the lowest in the 20-year history of the MetLife Employee Benefit Trends Study. The 69% satisfaction rate of 2023 is tied with 2020 as the second-lowest rate since 2013. Employee loyalty shows a similar downward trend across several years; this year's increase to 74% contrasts with the drop from the peak of 80% in 2018 to the low of 70% in 2022.

OVERALL JOB SATISFACTION RATE

2022

66% Lowest since our first study in 2002

2023

69% Tied for second-lowest since 2013

The drop in satisfaction among young workers is particularly worrying. For Generation Z workers, job satisfaction fell from 72% in 2019 to 64% in 2021 and to 60% in 2023. Job satisfaction among this cohort is now 10% points lower than every other age group in the workforce.

Looking ahead, executives will see other areas of concern. Further layoffs and lower compensation in some industries and return-to-work mandates at some organizations could have a dampening effect on overall satisfaction rates in the future. And they might cause some employees to feel less cared for.



EMPLOYEES SAY

“ I think it's job security, and also knowing what to expect in this position instead of the uncertainty of going to something else.

“ Some management thinks staff should almost feel fortunate to work here. We do, don't get me wrong; but that's not to say it can't be improved, whether it's in the realm of compensation or benefits.

Benefits satisfaction continues to fall, a function of ever-rising employee expectations

Lower benefits satisfaction is a telling contrast to this year's higher overall job satisfaction rates. Satisfaction with benefits fell to 61% in 2023, slipping from 64% in 2022 and reaching its lowest point in the last decade.

At the same time, 83% of employers say that their employees are satisfied with the benefits they receive. **It seems that employer efforts to expand their benefits offerings have simply not kept up with rising employee expectations.**

EMPLOYEES WHO SAY THEIR EMPLOYER OFFERS A RANGE OF BENEFITS THAT MEETS THEIR PERSONAL AND HOUSEHOLD NEEDS

2022 2023
63% **61%**

EMPLOYEEES CITING FINANCIAL CONCERNS AS A CAUSE OF LOWER MENTAL HEALTH

2022 2023
31% **48%**

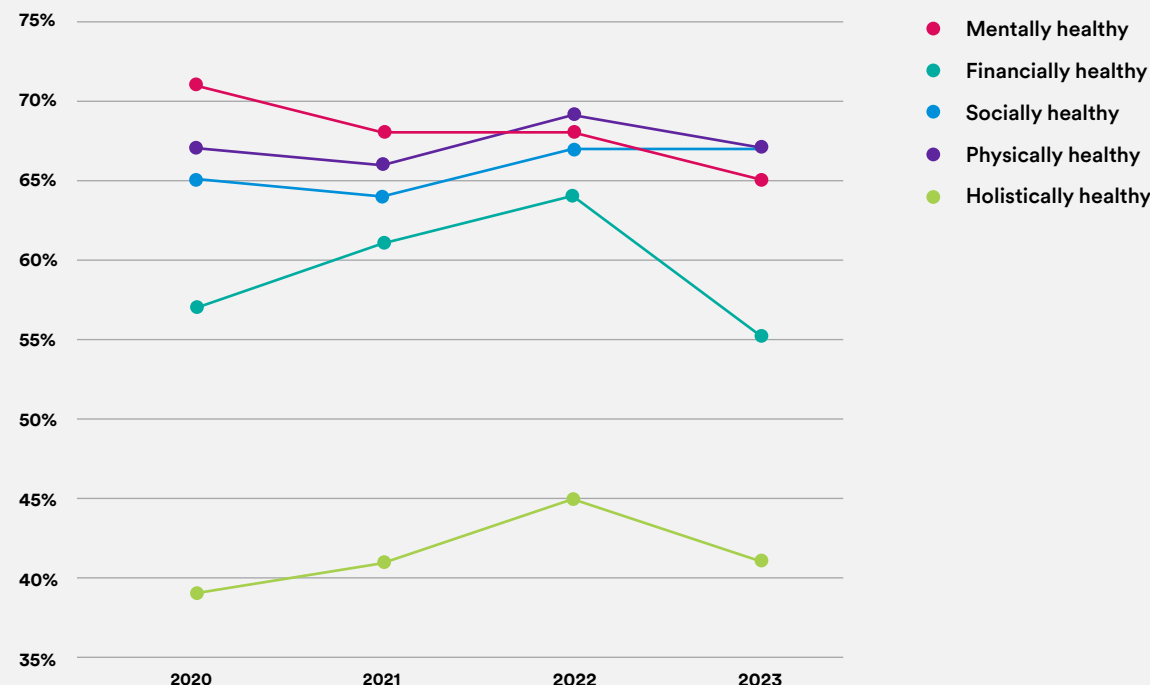
Declining financial, mental and holistic health is a warning signal

Perhaps **the most notable change in our survey results since last year is the significant decline in holistic health – incorporating physical, financial, mental and social health – among employees.** Falling financial health was a major factor related to the decrease in holistic health (see table on facing page). It is also closely correlated to lower mental health: nearly half (48%) of employees cited financial concerns, up from 31% in 2022, as the cause of lower mental health. Stress and burnout are also both significantly higher than before the pandemic.

These results are particularly salient given the increased attention many employers have paid to the well-being of their workforces during the last several years. Even before the pandemic-driven economic lockdown of 2020, more organizations had come to recognize employee well-being as both an important responsibility and essential to effective business performance.

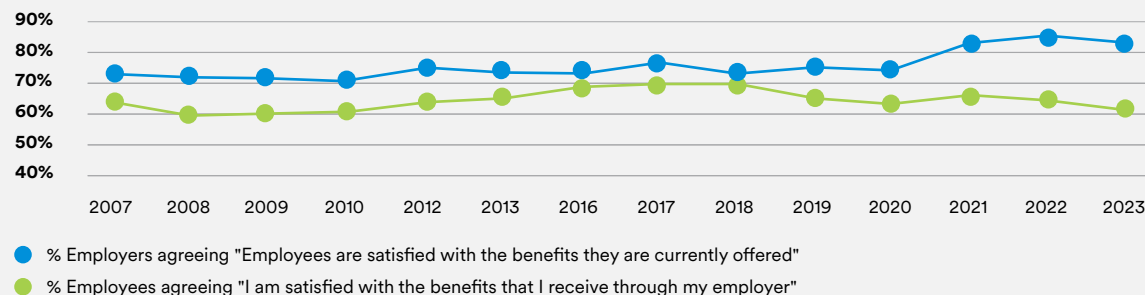
And, as last year's report made clear, greater employee well-being is a critical win-win goal, offering meaningful value for both employers and employees. However, there is a significant and growing gap in how employers assess the health levels of their employees and how workers say they are feeling.

SHARP DECLINES IN FINANCIAL WELLNESS ARE DRIVING LOWER RATES OF HOLISTIC HEALTH



EMPLOYEE-EMPLOYER PERCEPTION GAP

From 2018 to 2023, the gap between actual employee satisfaction and employer perceptions of employee satisfaction has grown from 3% points to 22% points.



Employers significantly overestimate employee well-being

Aspect of health	% of employees saying they are ...	% of employers reporting their employees as ...	Gap
Financially healthy	55%	83%	28% pts.
Mentally healthy	65%	85%	20% pts.
Physically healthy	67%	87%	20% pts.
Socially healthy	67%	86%	19% pts.



A CLOSER LOOK

Who's Feeling Financial Strain

Our research captures the profound impact the economic slowdown and higher inflation are having on workers' lives:

EMPLOYEE FINANCIAL INDICATORS ARE TRENDING IN THE WRONG DIRECTION:

55% Of workers say they are living paycheck to paycheck, up from 43% in 2022

55% Say they are in control of their finances, down from 61% in 2022

52% Say they have a three-month savings cushion, down from 62% in 2022

More than 90% of employees say they are worried about inflationary pressures and rising costs. The proportion of employees fearing the loss of the value of their savings was up 15% points from 2022. Employees are similarly concerned with their ability to pay down debt, which was up 14% points YOY. These indicators could get worse if the economic downturn is particularly long or severe.

Declines in financial health are not equally distributed among all workers. For instance, female employees who said they were financially healthy fell by 12% points compared to 2022; for men, that figure was 4% points. **This is the largest gap between genders since we began tracking financial health in 2020.** The financial health of white-collar workers has fallen more precipitously in the last year (-10% points) compared to that of manual laborers (-7% points). Similarly, Boomers (-10% points), Millennials (-10% points) and Gen X (-9% points) have seen larger drops than Generation Z (-2% points).

Workers in education, healthcare and the public sector reported the lowest rates of financial health; only 44% of workers in those sectors said they felt financially healthy. For healthcare and public sector employees, that represents a drop of 20% points from a year ago.

Causes of financial stress

Inflation, a higher cost of living and debt are the top causes of low financial health across all worker groups. However, younger and lower-income workers cite not being paid enough, while older and male workers are more likely to cite insufficient retirement savings as top financial stressors.



FOR WOMEN, THE FOLLOWING FINANCIAL CONCERNS HAVE INCREASED IN IMPORTANCE THE MOST SINCE 2022:

Ability to pay down debt (e.g., credit cards, mortgage, or student loans) **+15% pts.**

Ability to save for a big expense (e.g., home, car, college) **+15% pts.**

Having enough money to cover out-of-pocket medical costs NOT covered by health insurance (e.g., premiums, deductibles, co-pays, travel) **+14% pts.**

Employers have yet to fully grasp the gravity of the situation, as evidenced by the large perception gap that exists relative to financial health. A full 83% of employers say their employees are financially healthy, versus only 55% of employees who say they are. The 28% variance is the largest of all the perception gaps relative to employee well-being.

EMPLOYEES SAY

“ They're giving us a pay raise, but it doesn't really balance out with the cost of living because it's only so little. With the cost of everything going up, it's like we're right back in the same spot.

“ I'm not saving a lot of money right now. So, yes that's a stressor.

Employee care can help restore holistic health

What can employers do to reverse the declines in holistic health? One answer, as our survey results suggest, may be to demonstrate employee care. **There is a strong correlation between employees' financial health and their perceptions of being cared for: workers who feel financially healthy are 87% more likely to feel cared for most of the time they are working.** And employees who feel cared for are twice as likely to feel financially healthy.

Similar patterns apply to holistic health: employees who feel cared for when working are three times more likely to report feeling holistically healthy (57% for those feeling cared for vs. 19% for those not feeling cared for). And employees who feel holistically healthy are almost twice as likely to report feeling cared for (80% among those who are healthy socially, financially, physically and mentally vs. 42% not healthy across all four elements).

EMPLOYEES WHO FEEL CARED FOR WHEN WORKING

58% of all workers feel cared for when working

OF THESE...
70% Feel financially healthy (vs. 55% of all employees)

30% Do not feel financially healthy

57% Feel holistically healthy (vs. 41% of all employees)

43% Do not feel holistically healthy

CARE ALSO MOVES THE NEEDLE ON KEY TALENT MANAGEMENT OUTCOMES. EMPLOYEES WHO FEEL CARED FOR ARE:

92% More likely to feel engaged at work

65% More likely to be loyal

56% More likely to be productive at work

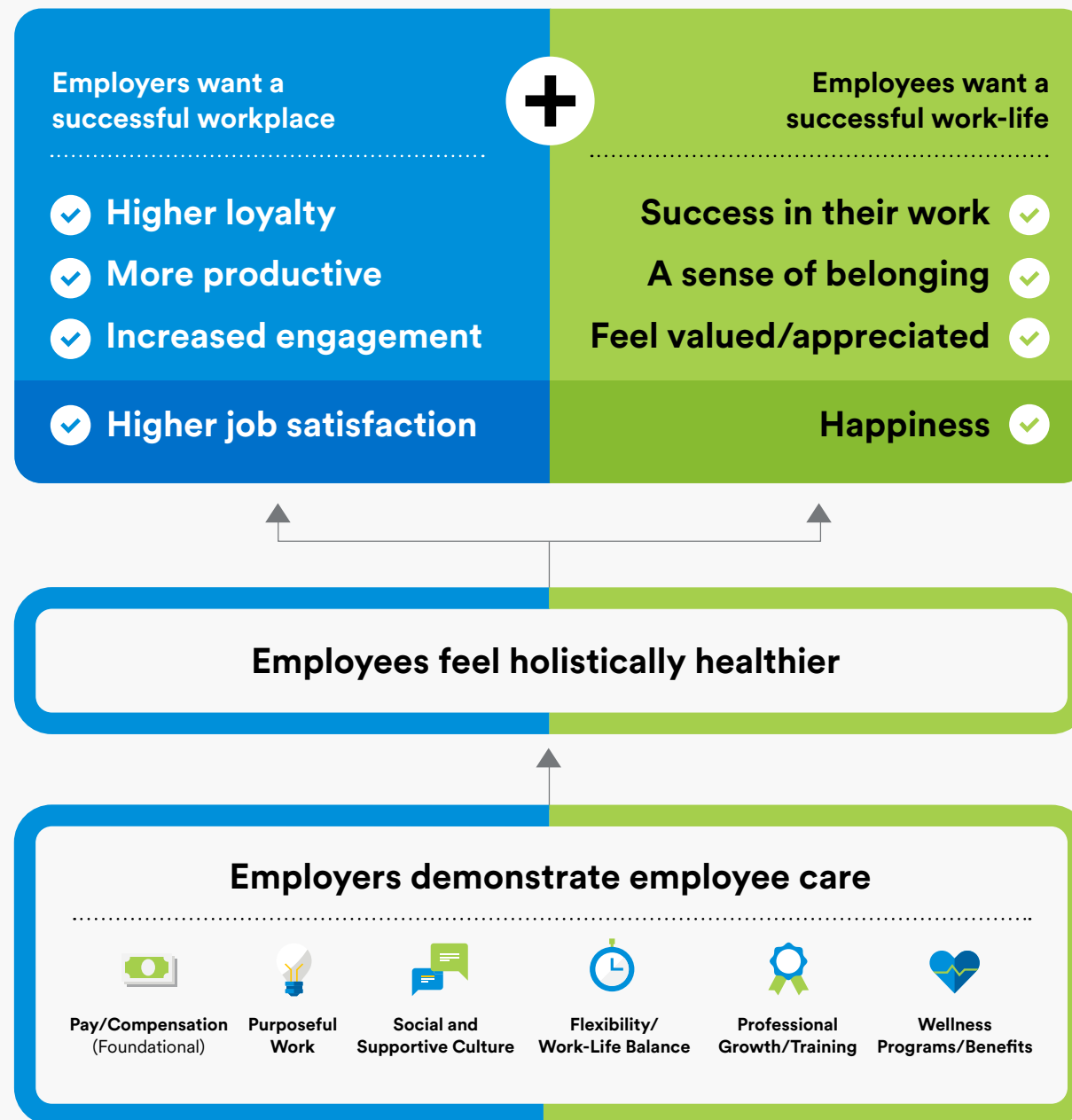
The bottom line: Employers that effectively demonstrate care help with feelings of financial wellness, promote holistic health across the workforce, and ultimately realize better talent management outcomes.

Because of its link to higher levels of employee satisfaction, loyalty, engagement and productivity, holistic health is a worthy talent management goal. Employee care is the most consistent means for achieving that end, according to our research. Employers that demonstrate care end up with healthier, more loyal and higher-performing employees. From our model, we also know that those employees who feel cared for also feel happier and more successful. In other words, employee care delivers what both organizations and workers want.

As we'll see in subsequent chapters, employee care is also critical to satisfying rising expectations for compensation, as well as the other five elements of the employee experience. In fact, by delivering care across all those dimensions, employers can tailor and enrich the work environment in ways that will satisfy the diverse needs of all workers and thus meet their own unique talent objectives.

The MetLife Care Model

For employers that demonstrate employee care, increased holistic health and improved talent outcomes are within reach



2

Dimensionalizing Employee Care

KEY TAKEAWAYS

Employee care matters to **both employers and workers.**

Organizations must address both **extrinsic and intrinsic needs** in developing robust employee care models.

Demonstrating care and boosting holistic health requires employers to **model care across all aspects of the employee experience**, plus compensation.



Employee care matters now because it's important to both employers and employees.





Employee care is a unique and powerful management concept that builds on employee well-being to drive improved talent outcomes at all levels of the organization. Again, we define employee care as the demonstration by employers of a sincere interest in employees' well-being, both at work and in their personal lives. **Employee care starts with recognizing workers as human beings, rather than as "resources" or "assets," terms that have been commonly used to describe the workforce in the past.** Employee care also incorporates the organizational ability to support employees in ways that meet their unique extrinsic and intrinsic needs.

Why employee care matters now more than ever

Our research confirms that both employers and employees consider employee care to be important.

WHY ARE EMPLOYEES AND EMPLOYERS SO INTERESTED IN CARE?

As our research highlights, **employee care makes for happier employees, promotes a sense of stability and optimism, and creates more reasons for workers to stay in their jobs.**

These are all highly valuable attributes in a fast-changing and uncertain macroeconomic environment and speak to the emotional and psychological aspects of employee care. Further, in the eyes of workers, employee care will suggest that organizations are committed to promoting success and happiness for all individuals across the workforce.

Our research reveals how employee care resonates throughout the organization in powerful ways. It can improve workplace culture and company morale overall, while also increasing productivity and enhancing mental wellness among individual workers.

EMPLOYERS HAVE SEEN THE LIGHT, TOO:

Demonstrating care has become the top reason employers invest in benefits, up from the third most important reason in 2022 (after increasing productivity and rewarding employees for COVID-19 efforts). This year's study affirms the profound shift toward wellness and care in employers' benefits strategies and away from cost control, productivity and other commercial objectives that predominated in the past.

Employers' actions and investments show that they understand the value of supporting their people. Employers see the following as the top benefits to demonstrate that they care about employees:

Home insurance

Pet insurance

Access to subsidized care options

Cancer insurance

Commuter benefits

According to our research, employees who feel cared for are more likely to have non-traditional benefits, such as subsidized care, identity and fraud protection and pet insurance. Clearly, expanded benefits are one way employers can show they care about employees, both at work and in their personal lives.

EMPLOYEES SAY

“ They just need to show that they value every employee, no matter what position you're in.

“ They welcome our thoughts, our opinions, our knowledge. They really see us as a resource versus as a tool.

“ Once I start seeing a change in how well looked after I am, it would probably change my motivation to go to work.

“ The benefits make me think they care.

“ They're obviously going above and beyond for me and showing me just the appreciation by providing the extra care, the benefits.

CARE IS IMPORTANT TO BOTH EMPLOYERS AND EMPLOYEES

EMPLOYEE VIEWS OF CARE

82% Believe employers have a responsibility to care for their workforce

62% Want their employers to care for them

EMPLOYER VIEWS OF CARE

88% Of employers think it's important to demonstrate care for their employees

#1 reason Employers are investing in benefits today

Employer and employee perceptions of care

To effectively demonstrate care, it will be necessary to address the significant perception gap relative to employee care. **Consider that 87% of employers believe that their organization currently demonstrates care, while only 65% of employees agree.**

Overall, 58% of employees feel cared for at work more than half the time, with even lower rates for on-site workers, Generation Z, lower-income (<\$50K HHI), manual laborers and women. Slightly more employees, 60%, say their employers respect what matters most to them, though that number is significantly higher for men (67%) and notably lower for Generation X (55%), women (54%) and manual workers (52%).

EMPLOYEE PERCEPTIONS OF CARE

	Subgroups feeling more cared for	Subgroups feeling less cared for
<p>65%</p> <p>Of employees agree that their organization demonstrates care for employees</p>	Male 72%	Female 60%
	Millennials 69%	Gen Z 59%
	Black 68%	Gen X 62%
	Gig 74%	Manual laborers 58%
	Office/desk-based 70%	Fully on-site 60%
	Fully remote 71%	HHI <\$50K 59%
	Hybrid schedule 71%	HHI <\$50K - \$100K 63%
	HHI \$100K+ 72%	
<p>58%</p> <p>Of employees feel cared for most of the time they are working</p>	Male 65%	Female 51%
	Millennials 61%	Gen Z 53%
	Office/desk-based 62%	Manual laborers 52%
	Remote 63%	On-site 54%
	HHI \$100K+ 65%	HHI <\$50K 52%

Expanding feelings of care across the workforce

To increase the number of employees who feel cared for, employers should focus on the link between holistic well-being and the entire employee experience, plus compensation. The five core elements – purposeful work, flexibility and work-life balance, social and supportive cultures, career development and training, and wellness programs and benefits – are the fundamental drivers of employee care, as our research reveals. That’s true both in terms of how employers can demonstrate care and how employees feel cared for.

It’s important to remember that the **core elements of the employee experience are overlapping and mutually reinforcing**. Workers want them to work together in ways that suit their unique needs and help them succeed both professionally and personally. Consider how a supportive culture can promote work-life integration. Or how paid time off to participate in community service efforts can bring to life the organizational purpose. And how

personalized development programs can boost both personal feelings of accomplishment and bottom-line performance.

But employees have differing views on what matters most in the work environment. Some workers will be inspired by a clear organizational purpose, while others will place more value on access to training or higher compensation. **Different elements of the experience will become more important at different times of life and for different groups of workers. However, each element is, on balance, of comparable importance.**

Effective employee care strategies must reflect the interrelated nature of all five elements of the employee experience, as well as their links to compensation. Thus, the more elements through which employees can demonstrate care, the more likely employees will feel cared for. **Ultimately, feelings of care lead to higher degrees of loyalty, satisfaction and productivity, in addition to holistic well-being.**

In other words, **employers that excel in just one or two elements of the employee experience won’t necessarily move the needle on their talent management outcomes or make up for sub-par pay**. Conversely, industry-leading pay will only go so far to retain workers if other parts of the work environment are broken. The key is to coordinate the links between elements to orchestrate the experience in line with organizational needs and objectives and to satisfy the diverse needs of the entire workforce.

The value – and challenge – of meeting both intrinsic and extrinsic needs

This year’s results provide insights into intrinsic and extrinsic needs and motivations and their impact on employee care. Extrinsic needs are baseline minimums that people know and say they want, including benefits, flexibility and – most importantly – fair compensation. Employers might consider these “table stakes” for attracting and retaining talent. They can vary by sector and role, however; for frontline employees in healthcare and other high-stress sectors, a safe working environment is an important extrinsic need.

EMPLOYEES SAY

“ If an employer is excelling at one thing and not doing well in another area, it tends to bring down all the other areas. They all tend to bleed into one another, I feel.

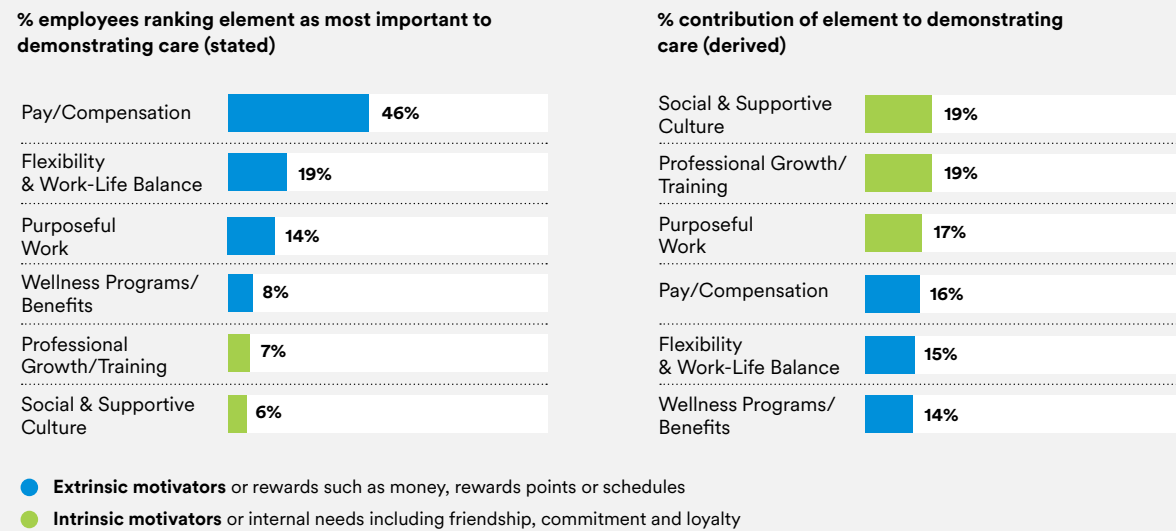
“ Without a supportive culture you wouldn’t have any work-life balance.

“ I need work to be meaningful and to be for a good cause.

“ Do I need a purposeful job? No. Work has always been, ‘I have to pay rent.’

“ My priorities have definitely shifted. When I was single or before kids, I was more career-driven. Now, I am more ‘just get the job done,’ but obviously, I take pride in my work.

EMPLOYEES GENERALLY PRIORITIZE EXTRINSIC ELEMENTS OF THEIR WORK; HOWEVER, INTRINSIC FACTORS ARE MORE IMPORTANT IN DRIVING FEELINGS OF CARE AND, THEREFORE, HIGHER SATISFACTION, LOYALTY, AND PRODUCTIVITY



Intrinsic needs are deeper and more human, typically involving personal purpose, growth, thriving and self-actualization, being one's best self and living one's best life; we can identify these needs and evaluate their impact by using Bayesian statistical and analytical techniques. (See the appendix for more details on our methodology.)

While employees say extrinsic factors are most important in driving satisfaction, intrinsic needs make a bigger difference in contributing to perceptions of care. To put it another way, extrinsic needs and motivations are required elements of job contracts, but employers can truly stand out in the talent marketplace by meeting intrinsic needs. It isn't easy to satisfy both sets of needs, but it's a worthwhile goal given the potential impact on satisfaction, loyalty, productivity, and other important metrics.

When asked, employees say that compensation is most important to them, unsurprisingly. But digging deeper, we find that compensation is on an equal footing with the other elements in terms of driving employee care. In fact, our analysis revealed that compensation was the only extrinsic driver that

ranked in the top 15 derived drivers of care. Employers seeking breakthrough improvements in satisfaction, loyalty and productivity must go beyond delivering what employees say they want.

The role of compensation in employee care models

The importance of compensation cannot be overstated; it is the foundation on which [robust employee care models](#) must be built. Few employers will need reminding that employee expectations for pay have risen – some might be tempted to say skyrocketed – during the last few years.

Again, that some employees place a premium on compensation doesn't mean organizations should overlook culture, flexibility, purpose and the other elements of the employee experience. In fact, **fewer than half (46%) of workers rate pay as the most important factor in the employee experience.**

Looking at generations, roughly two-thirds of Generation Z (67%) and Millennials (62%) chose something other than pay as the top driver of employee care. Similar numbers of Black (63%) and Hispanic (60%) workers, as well as employees with children (63%) and employees living with a disability (64%), chose another element of the employee experience as their top driver in their perceptions of care.

The implication: as Generation Z and Millennials become a larger share of the workforce, compensation may become a less important factor in demonstrating care and, therefore, in boosting loyalty, satisfaction and engagement. However, given that their financial responsibilities will grow as they age, Generation Z and Millennial workers may come to view compensation as more important, an evolution similar to that experienced by other generations.

A properly matrixed employee experience

Ideally, employers will satisfy workers across all five elements of the employee experience plus

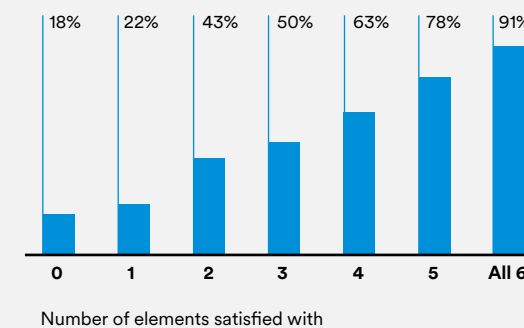
compensation. Our analytical models, which show that nearly four of five workers will feel cared for if they are satisfied with each element of the employee experience, validate that this ambitious goal is a worthy one. **Organizations that can satisfy workers with compensation, in addition to the five elements of the employee experience, can expect more than 90% of their employees to feel cared for.**

Our research insights also confirm that the elements don't stand alone. For instance, flexibility isn't exclusively about remote work or weekly schedules; it can be delivered through supportive cultures where it is acceptable for individuals to take care of personal needs when necessary. Wellness programs and benefits support flexibility by providing resources and tools to help workers integrate their personal and professional lives.

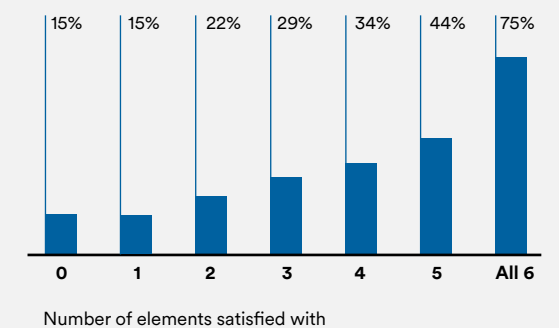
The authentic demonstration of employee care gives employers the best chance to increase holistic health across the heterogeneous workforce and, therefore, improve talent management outcomes. In the next chapter, we'll share specific insights and tips for strengthening employee care strategies.

THE MORE ELEMENTS OF THE EMPLOYEE EXPERIENCE WORKERS ARE SATISFIED WITH, THE MORE VALUE EMPLOYERS WILL REALIZE

% of employees feeling cared for based on the five elements of the employee experience, plus compensation



% of employees feeling holistically healthy based on the five elements of the employee experience, plus compensation



3

Delivering Care Through an Integrated Employee Experience

A well-designed, inclusive and compelling work experience is how employers can most powerfully and persuasively demonstrate employee care and, thus, boost holistic health for workers and enhance their talent management outcomes. **The most effective approaches will go beyond baseline compensation concerns to address all five elements of the employee experience.** And they will be guided and energized by strong organizational commitments to diversity, equity and inclusion (DEI).

KEY TAKEAWAYS

By demonstrating care across all five elements of the employee experience, plus compensation, employers can have the greatest impact on satisfaction, loyalty, productivity, and other people outcomes.

DEI are essential to effective employee care strategies and to catalyzing feelings of care across the organization – indeed, care and DEI are synonymous.

An uncertain macroeconomic outlook may cause some employers to cut back on employee benefits, wellness offerings and training programs, which is a **potentially dangerous move** if the economic downturn fails to loosen the labor market.

[3.1 Purposeful Work](#)

[3.2 Social and Supportive Culture](#)

[3.3 Flexibility and Work-Life Balance](#)

[3.4 Professional Growth & Training](#)

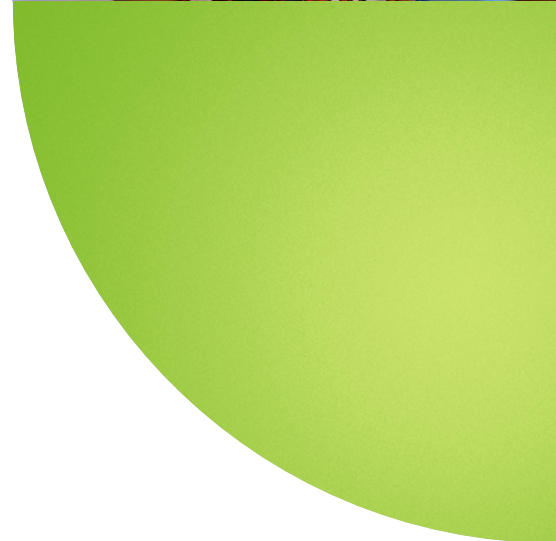
[3.5 Wellness Programs and Benefits](#)



Organizations have many options to bring employee care to life across the employee experience.

How caring employers embrace DEI holistically and embed it meaningfully

As our research suggests, caring organizations already believe that a diverse, equitable and inclusive workforce makes for a better, more productive, happier and successful organization. Caring and empathetic employers view DEI not as a set of initiatives or standalone programs, but rather as an essential part of the culture and everyday operations.



When DEI is encoded in the organizational DNA, DEI and employee care are mutually reinforcing in support of the fundamental goals of treating all workers as unique individuals and doing the right thing for employees, customers and the community.

In the eyes of employees, DEI can be seen as a manifestation of employee care. For maximum impact, employers must be intentional in making DEI commitments, taking tangible action and communicating clearly about their progress toward their goals. That will help organizations avoid the common charge that they “talk the talk” without “walking the walk.”

Additional MetLife research has revealed that employees are generally ahead of employers in thinking about DEI; specifically, they place greater emphasis on equity (e.g., leadership teams that reflect the make-up of the workforce) and inclusion (e.g., welcoming and supportive work environments) than employers, which typically prioritize hiring practices to achieve diversity. Organizations should be aware of such perception gaps in designing and communicating DEI strategies.

The bottom line is that DEI can energize employee care strategies by acknowledging and meeting the needs of vulnerable groups and recognizing that not every employee enters the workplace on an equal footing.

Similarly, both DEI and employee care are based on the idea that all workers – regardless of age or life stage, job type, racial or cultural background, gender or sexual orientation – have different needs and priorities. DEI-led employee care efforts will only become more important as the heterogeneous workforce continues to diversify in the future.



EMPLOYEES SAY

“As long as I've been with the firm, it's been very diverse and inclusive and we have always embraced everybody.”

“My department personally is pretty well diverse. Overall, it's managers and upper management that I would say are not very diverse.”



3.1

Bringing employee care to life across the employee experience

Purposeful Work

The search for purpose in work and life was one of the defining themes of the Great Reshuffle. Our research shows the value of purpose as an enabler of employee care. By articulating purpose, employers create an opportunity to connect to individuals' unique values and needs. They also acknowledge that work represents more than a paycheck to many people.

Indeed, for many workers, purpose is personal; they are self-motivated by the desire to provide for their families, gain new skills or advance professionally. Organizational and personal purpose can both contribute to meaningful work. They can also overlap, as when both individuals and organizations are committed to making a positive impact on the community.

The power of purpose

Workers care more about purposeful work today than they did in the past. In 2023, only 30% of those without purposeful work said they intended to be with their organization in 12 months; in 2022 that figure was 36% and in 2021 it was 53%. Clearly, more employees are looking for more meaning in their work, which helps explain why purpose is an important driver of perceptions of employee care.

Within the context of employee care, **purposeful work is the top driver of employee mental, social and physical health.** Generation Z is particularly interested in their employers having a clear purpose and a positive impact on the community; 50% of Gen Z workers cite it as a "must-have" benefit when considering a new role, compared to only 43% of all employees.

Notably, 40% of Boomers in this year's survey said community impact is a "must-have", compared to 31% last year. Meaningful work also has a significant impact on retention, especially among Hispanic employees, Gen Z and remote workers.

Nearly six in 10 workers (58%) consider purposeful work a "must-have" when considering whether to stay in their current role or accept a new job. That figure is even higher for Boomers (63%), Black workers (62%) and women (61%).

EMPLOYEES WITHOUT PURPOSEFUL WORK WHO SAY THEY INTEND TO BE WITH THEIR ORGANIZATION IN 12 MONTHS



EMPLOYEES SAY

- “ My reasons for working, other than supporting myself, are the personal satisfaction of work, the feeling like I've accomplished something, and the feeling that I was part of a team.
- “ It's just not for me – going to work, doing what I need to do, going home. I look at how the work that I do is going to impact those that are coming behind me five or ten years down the road.
- “ You've got to pay the bills. If I didn't have to, I wouldn't be going in.

There is a notable difference in employee and employer perceptions regarding purpose. A full 84% of employers say their employees are satisfied with the purposeful work they provide. However, only 71% of employees report having a strong sense of purpose at work, up from 68% in 2022, and 72% say they are very satisfied with how purposeful or meaningful their work is. More concerning is that only 34% of employers say they plan to offer purposeful work as a means to attract or retain talent in the future.

The many meanings of purpose

Though purpose matters more than ever to most employee groups, it means different things to different generations. In general, younger generations focus on their employers' stance on social and political issues, while older generations emphasize personal purpose and meaning in their work.

Boomers are most likely to say that a job is about more than just earning money (63% vs. 57% total) and they focus on their employers' impact on the wider community. Purpose is also of greater interest to those workers with higher household incomes (HHI), more education and diverse racial and cultural groups.

Social and political issues are particularly sensitive in the US today, which makes it challenging for employers to strike the right balance relative to purpose. Generation Z workers increasingly expect their employers to take action on environmental, social, and governance (ESG) issues and speak out on political issues. In contrast, significantly fewer Boomers are interested in their organizations' taking action on ESG issues or adopting political stances. These conflicting views highlight how the demonstration of employee care requires a thoughtful approach.

% "MUST HAVE" IN DEMONSTRATING EMPLOYEE CARE RELATIVE TO PURPOSEFUL WORK

Employer taking action on environmental/sustainability issues

ALL WORKERS	GEN Z	BOOMERS
41%	47%	33%

Employer taking a stand on social/political issues

ALL WORKERS	GEN Z	BOOMERS
36%	45%	27%

EMPLOYEES INDICATING FACTORS AS "MUST-HAVES" IN EMPLOYERS DEMONSTRATING EMPLOYEE CARE

	Gen Z	Gen Y	Gen X	Boomers	Male	Female	Black	White	Hispanic	All Employees
How purposeful/meaningful the work we do is	56%	59%	63%	68%	59%	64%	65%	62%	59%	61%
Personal alignment with organizational values/mission	55%	50%	49%	49%	49%	51%	60%	48%	53%	50%
Impact of our organization on the wider community	49%	47%	44%	42%	44%	47%	57%	42%	45%	45%



Recommended actions: Demonstrating employee care via purpose

Organizations should be assertive in defining their purpose and articulating what it means to different stakeholders and be creative in bringing purpose to life

► Clarify and elevate enterprise purpose

Define a single organizational purpose that can unify all employees and ensure that leaders (including human resources teams and the C-suite) are aligned in terms of the impact of that purpose on the workforce.

► Reinforce purpose via relevant employee communications

Use regular communications to confirm the meaning and importance of enterprise purpose; equip leaders and managers to explicitly relate organizational principles to employees' functions and individual roles to activate the power of purpose across the organization and make it part of everyday work.

► Acknowledge individual employee purpose

Position organizational purpose in ways that do not exclude workers with their own motivations (e.g., work ethic, providing for their families); show care by providing resources to support employees seeking to develop a personal purpose.

► Amplify enterprise purpose externally

Use organizational mission statements and formalized values statements to clarify messages on what the organization stands for and how it benefits prospective talent, customers, suppliers and partners, community, and society as a whole.

► Embed purpose into systems and operations

Ensure that the employee value proposition, benefits and training programs, and performance measurement and incentive compensation reinforce and connect back to the organizational purpose.

► Monitor and measure the impact

Track the impact and clarity of purpose through quantifiable metrics, both with employees (e.g., surveys that focus on purpose) and customers (e.g., NPS, brand value).



3.2

Bringing employee care to life across the employee experience

Social and Supportive Culture

Employers simply cannot demonstrate employee care without offering social and supportive cultures, based on inclusion for all workers, regardless of their racial, cultural or socioeconomic background or current role. In some ways, cultures serve as the fulcrum that links all the other elements of the employee experience.

Who cares about culture

Our research shows that a safe and comfortable environment, supportive managers and effective recognition programs are essential to strong cultures. But, as with other elements of the employee experience, different groups within the workforce have different interests and priorities.

Men are more likely to prioritize their relationships with their colleagues, while women place more value on recognition of hard work, and Generation X looks for safe and comfortable work environments. Three in four on-site workers say a safe and comfortable work environment is a "must have" in their employer demonstrating care for them, compared to 68% of hybrid/remote workers.

In general, social and supportive cultures matter more to younger workers, those at small and mid-sized organizations and employees with higher HHI, as well as remote workers, managers and executive leadership and Hispanic employees. Interestingly, many of these workers are prepared to sacrifice some flexibility in exchange for social and supportive cultures.

It's difficult to overestimate the importance of supportive managers in facilitating strong cultures and demonstrating care. **A full 70% of this year's survey respondents say that a supportive manager is a "must have" for employers to demonstrate care.** The good news is that 75% of workers say their manager is supportive, up 2% points from last year.

EMPLOYEES INDICATING A SAFE AND COMFORTABLE WORK ENVIRONMENT IS A "MUST-HAVE" IN EMPLOYERS DEMONSTRATING CARE

ON-SITE WORKERS HYBRID/REMOTE WORKERS

3 IN **4** **68%**

EMPLOYEES SAY

“ The culture has to be there or else it's just not going to work. If the culture is negative, it's going to permeate through all of the employees.

“ You want the whole culture, the organizational culture to be one that's supportive and understands that people have very different dynamics at their homes and need to be supported

“ They need to do a better job at giving managers tools to show that they care and value them.

“ At least twice a year, they come to our office to have lunch, say hello, check in, see how things are going. That means a lot. That says a lot. They're giving you that personal touch to know that they actually care and that they're looking out for you.



EMPLOYEES INDICATING A SUPPORTIVE MANAGER AS A "MUST-HAVE" IN EMPLOYERS DEMONSTRATING CARE

70% of all workers

Managers are:

1.5x Likely to be caregivers for children under 18

MANAGERS	NON-MANAGERS
38%	25%

More likely to prioritize factors other than compensation as their top driver of employee care

MANAGERS	NON-MANAGERS
57%	49%

Significantly more interested in additional flexibility to learn new technologies and build their professional network

Managers need care, too

Managers are critically important to healthy cultures, but they also have unique needs. Our research shows that managers are more likely to feel productive and engaged while at work. But they also report noticeably higher levels of stress and burnout than non-managers. Many are struggling with lower degrees of financial wellness. Managers are vital to demonstrating employee care, but they need care, too.

Providing recognition for outstanding performance and extra effort is important, too, because employees that feel recognized are more likely to feel cared for. Our research showed that employees are open to both formal and informal recognition.



Recommended actions: Demonstrating employee care via social and supportive cultures

Building on the foundation of safe and comfortable work environments, organizations can enrich their cultures through supportive managers and strong employee recognition, including both formal programs and informal practices

▶ **Define cultural norms and behaviors with open communications**

Shape expectations and set priorities for specific behaviors and actions based on clear communication from the top; focus on customer outcomes, performance targets and change initiatives; embrace transparency, even when the news may not be positive (e.g., workforce reductions).

▶ **Track leading practices and emerging trends**

Proactively monitor the market and external research (such as the Culture 500 project from the MIT Sloan Management Review and Glassdoor) to gain insights into how your culture compares to others, as well as to identify emerging best practices and relevant trends; adopt enabling technology to identify cultural signals and patterns based on your organization's internal communications.

▶ **Understand and balance the trade-offs**

Identify all the resources and "levers" (e.g., recognition, management style) that can modify and strengthen the culture; define the interrelationships and trade-offs between them and how they relate to specific outcomes (e.g., productivity, satisfaction).

▶ **Make culture part of managers' jobs**

Equip and empower managers to talk about different aspects of the culture in their own way and take formal and informal action to ensure workers are safe and comfortable and feel appreciated for their efforts.

▶ **Establish, expand reimagine recognition programs**

Re-evaluate the use of formal recognition programs to reward outstanding performance, particularly in line with the culture and values of the organization; empower managers to informally recognize workers who go above and beyond.

▶ **Dedicate resources and attention to culture**

Consider adding a dedicated HR position or augmenting a leader's role with a focus on culture within the overall employee experience, ideally a professional who understands the strategic importance of culture and can add value tactically (e.g., by managing employee resource groups); consider reallocating resources to be more culture-focused in line with purpose and creating cost-neutral programs that drive recognition and engagement in support of stronger cultures.



3.3

Bringing employee care to life across the employee experience

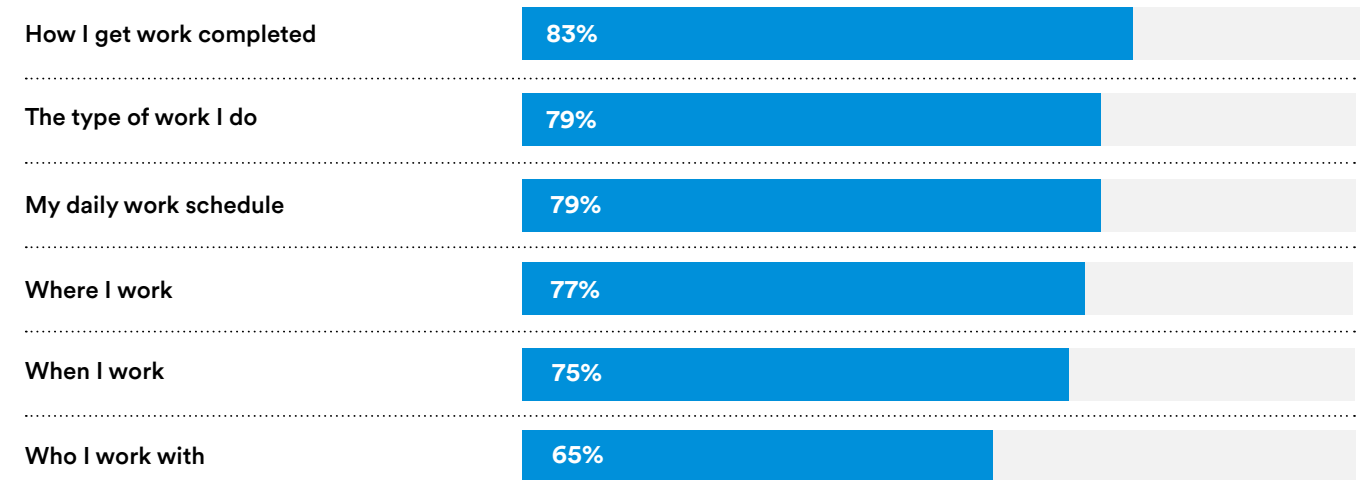
Flexibility and Work-Life Balance

Work-life integration was a hot issue among all types of workers even before COVID-19 struck and more extensive remote and hybrid working may be the pandemic's most important legacy.

Expectations for flexibility continue to evolve; it's not just the where of work – remotely or on-site – but also the when and how, including the type of work employees do and who they work with. However, it's important to note that **the most**

important factors of employee care relative to flexibility are focused on time – including working schedules (e.g., hours, days), paid and unpaid time off and the amount of time available to focus on commitments outside of work.

IT IS IMPORTANT TO ME THAT I HAVE CONTROL OVER...



Employee subgroups prioritize elements of control differently

It is important to me that I have control over...	Groups prioritizing this element significantly more than average		Groups prioritizing this element significantly less than average	
How I get work completed	Boomers	89%	Gen Z	77%
The type of work I do	Boomers	85%	Gen Z	72%
My daily work schedule	Boomers	84%	Gen Z	72%
Where I work	Boomers	83%	Gen Z	69%
	Remote workers	83%	On-site workers	73%
When I work	Boomers	79%	Gen Z	69%
	Hybrid workers	79%	On-site workers	72%
Who I work with	Boomers	89%	Gen Z	62%



What flexibility means to different employee groups

The reasons employees want flexibility are as varied as ever – from managing care for children or elderly relatives, to exploring travel and enjoying their hobbies, to pursuing advanced degrees or working on side hustles. And the preferences are different for different parts of the workforce.

To meet this broad range of needs, companies are experimenting with multiple solutions beyond hybrid working models. Their varied approaches reflect that **flexibility is more than a set of policies or a schedule. Work-life integration might even be viewed as an outcome that results from the right mix of benefits, programs and culture, as well as guidelines that are designed with employees’ best interests in mind.**

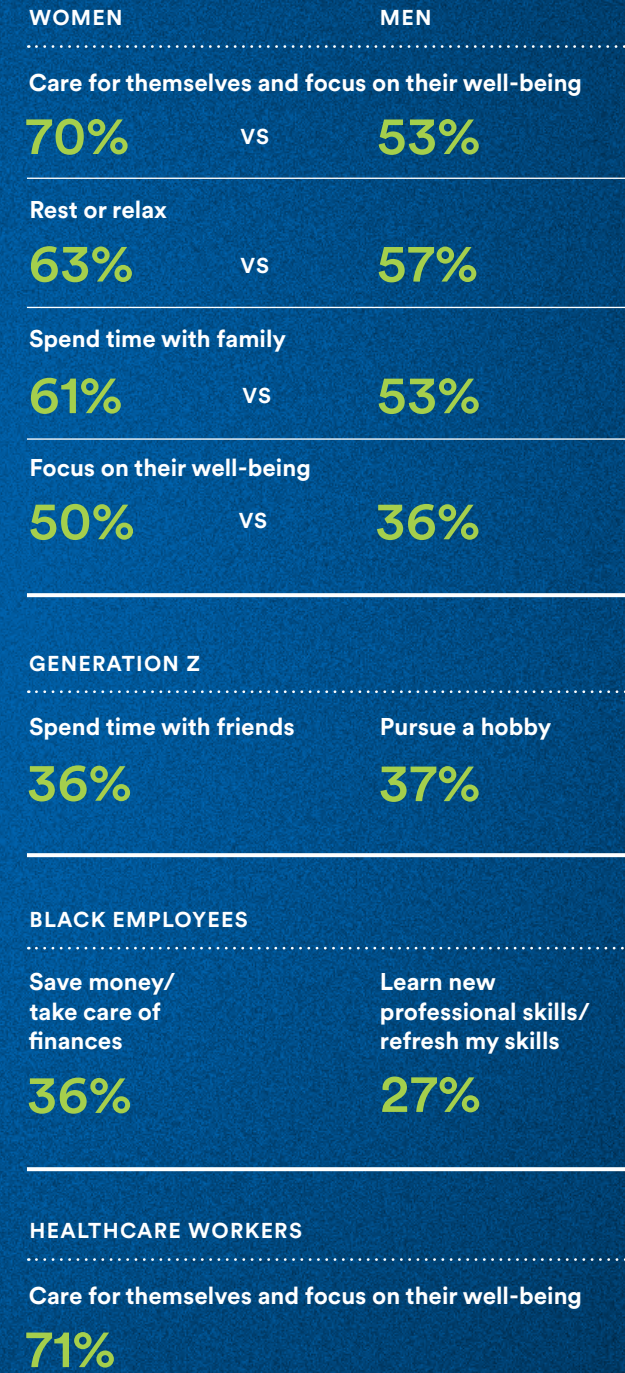
Devising flexible strategies to demonstrate care through flexibility

The implication from our research is that employers must be flexible in designing strategies to deliver the flexibility employees are looking for, in all its subtle variations, and to meet the unique needs of a broader range of employees, no matter their position inside the company or their living situations or aspirations outside of work.

The more traditional options for helping employees achieve work-life integration include flexible scheduling (e.g., adjustments to preset hours) and working arrangements, and access to remote and/or hybrid working options. Four-day work weeks, “opt-in” work schedules and job shares are emerging innovations.

The most effective flexibility strategies will incorporate tactics to optimize in-office time, outlining the types of work best suited to different locations. Similarly, companies can develop appropriate policies for protecting non-working time (e.g., email embargo times), that will communicate to overworked employees that it’s okay to unplug on a regular basis. It will also help new employees understand and adjust to cultural norms more readily. New tools and technology can help in these areas (e.g., modularization to combat stress, automation to shift time toward more meaningful work).

How employees will use time gained from flexible working arrangements



EMPLOYEES SAY

“ If we’ve been really, really busy they’ll say, ‘hey, just work a half-day’ or ‘just take the rest of the day off.’ Things like that matter a great deal.

“ I couldn’t imagine working full-time and working in an actual work setting. This whole being able to work from home, and that flexibility, has been great.



A CLOSER LOOK

Figuring Out the Four-Day Work Week

The four-day work week has attracted a great deal of attention – in the media and corporate rooms and among government leaders – as a potential solution for addressing employees’ more urgent demands for work-life integration.

Nearly two-thirds (64%) of employees are interested in their employer offering four-day work weeks. Black employees (70%), office and desk-based workers (67%) and women (66%) are most interested. Interest in the four-day work week outranks sabbaticals, extended time off and half-day Fridays as ways for employees to integrate their personal and professional lives.

No wonder more companies – up to 40% in the US by some estimates – have adopted or are making plans to adopt some four-day weeks. Early returns from companies in the UK, US and Canada are encouraging, with most companies reporting positive outcomes. The benefits include extremely high employee satisfaction with the four-day schedule, gains in both worker productivity and company revenue, reduced burnout and, interestingly, more in-person work. An early trial by Microsoft in Japan reported 40% productivity gains.

After a 2022 pilot involving 900 employees at 33 companies and coordinated by the non-profit 4 Day Week Global, mainly in the US and Ireland, none of the participants said they planned to go back to a conventional five-day work week. The chief strategy officer at Kickstarter, which participated in the pilot, called it a “true win-win” for employees and the company. According to participants, the keys to success include clarifying goals, emphasizing high-value work and providing tools to promote smarter working.



40%

Of companies in the US by some estimates – have adopted or are making plans to adopt some four-day weeks.

EMPLOYEES SAY

“ Our team frontloads hours so we work 10 or 12 hours on Monday, Tuesday and Wednesday and then we have compressed Thursdays and Fridays, which are pretty slow for us.

“ We recently started trying four ten-hour shifts for some full-time employees. We alternate so one week we’ll do Monday through Thursday and the next week we do Tuesday through Friday. Every other week is a four-day weekend.

EMPLOYEES INTERESTED IN THEIR EMPLOYER OFFERING FOUR-DAY WORK WEEKS

64% of all workers

70% of Black workers

67% of office and desk-based workers

66% of female workers



Employee views of the level of flexibility provided by their employers



The need to move the needle on flexibility

Whatever forms of flexibility employers decide to prioritize for their workforces, it's likely they'll need to provide more in the future; only 27% of employees think their employers provide a high degree of flexibility and less than two-thirds of employees agree that their employer provides the flexibility necessary to manage both work and life. Finance and insurance employees (37%) and information technology employees (39%) are more likely to say their employer provides a high degree of flexibility, while educational services (13%) and manufacturing workers (17%) are significantly less likely to say so.

Employers have many options for executing four-day work weeks, from reduced hours to compressed schedules. Among the employees in our survey, more than half (52%) are interested in compressed schedules or reduced hours, respectively. Interestingly, significant numbers of workers – particularly Generation Z and Millennials and virtual workers – express a willingness to sacrifice some compensation for some form of a four-day work week. It's safe to say that more employers will be experimenting with these and other options going forward.



Recommended actions: Demonstrating employee care via flexibility

Our research shows why and how intensely employees care about increased flexibility, as well as what they are looking for specifically. Beyond simply providing more flexible schedules and more time off, leaders across the organization must take a strategic view, while deploying tactics that meet varying needs across the workforce

► Determine what matters most

Shape expectations and set priorities for specific behaviors and actions based on clear communication from the top; focus on customer outcomes, performance targets and change initiatives; embrace transparency, even when the news may not be positive (e.g., workforce reductions).

► Quantify the business case

Use external research, along with your own workforce data and insights, to model the value of different flexible and hybrid work strategies; calculate how flexible scheduling and other policies support work-life integration and demonstrate employee care.

► Test and learn in tailoring flexibility to the organization

Identify which job roles or functional areas are best suited to flexible schedules and having more control over where they work; embrace a test-and-learn mindset and pilot different approaches to see what works best.

► Look past scheduling and location

Evaluate and refine PTO policies – including both paid and unpaid time off – to enable more flexibility and provide other resources (e.g., training, counseling, meeting-free days, email blackout times, stress management apps) that reduce stress and create space for employees to focus on their personal lives; automating manual tasks and processes may also lead to more meaningful work for more employees.

► Embed controls to mitigate stress and burnout

Use available technologies and data to proactively monitor workloads to identify signals of potential overwork (e.g., excessive project volume, lack of PTO usage) and reduce the risk of burnout.



3.4

Bringing employee care to life across the employee experience

Professional Growth & Training

A looming recession is unlikely to dampen employee enthusiasm for growing their careers by embracing training and development opportunities, which are also excellent ways for employers to demonstrate employee care through a vested interest in workers' success.

Organizations looking to reduce the cost of learning and development programs might consider how these investments uniquely benefit both workers and the organization. Further, training and development programs can help “re-recruit” existing staff who might otherwise be inclined to consider their options elsewhere.

Rising interest in career development

Currently, 35% of employees rate learning and development among the top three elements of the employee experience. It's even more important to employees at information technology companies (49% of whom ranked it in their top three), and for Black (43%) and Hispanic employees (42%), as well as Millennials (41%). Interestingly, 40% of men chose it in their top three, compared to only 30% of women.

Further, our analysis confirms that professional growth and training have emerged as key drivers of employee care. In fact, employees view such development opportunities as benefits in their own right, and ones that promote holistic well-being.

Interestingly, career development is shifting away from “hard skills” and placing new emphasis on “soft skills.” While most current employer-provided training is technical in nature, employees are looking to strengthen their emotional, social and cognitive capabilities. How to network, how to coach and be coached, how to build mentoring relationships – these are among the skills the most ambitious employees are looking for.

EMPLOYEES WHO RATE LEARNING AND DEVELOPMENT AMONG THE TOP THREE ELEMENTS OF THE EMPLOYEE EXPERIENCE

ALL WORKERS	MEN	WOMEN
35%	40%	30%



EMPLOYEES SAY

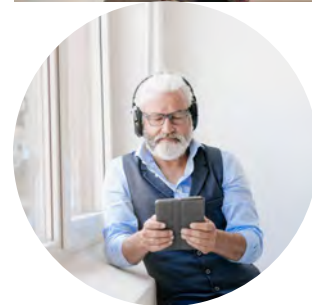
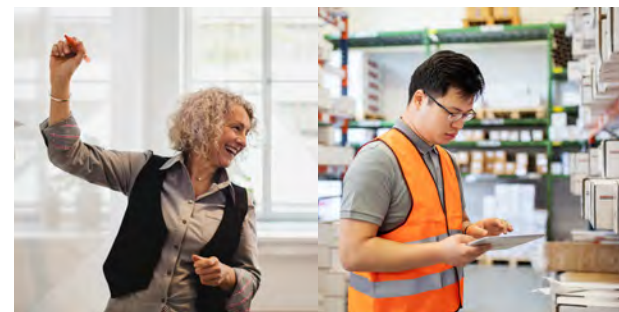
- “ They're constantly trying to develop us, to help us to become stronger and more valuable. So, it makes me feel valuable.
- “ Career development and training is your foundation for growth. You want to be able to have some type of path that's going to help you to develop the skills to excel in your role.

Developing all types of workers

SO HOW ARE EMPLOYERS DOING IN DELIVERING TRAINING AND DEVELOPMENT OPPORTUNITIES AND PROGRAMS?

Nearly six in ten employees, or 58%, say they are satisfied with the professional growth and training opportunities offered by their employers. Gen Z workers are the least satisfied with the availability of training and upskilling (53%), while Millennials are the most satisfied (62%). Remote and hybrid workers (64%) are significantly more satisfied with the availability of training/upskilling initiatives than on-site workers (53%), while manual laborers are significantly less satisfied (51%) than office-based staff (61%).

Looking across sectors, the workers most satisfied with their employers' training and development programs are in finance and insurance (71%) and information technology (74%). The least satisfied are employed in educational services (51%) and healthcare and social assistance (53%).



EMPLOYEE SATISFACTION WITH PROFESSIONAL GROWTH AND TRAINING OPPORTUNITIES

58% of all workers

GEN Z

53% Are the least satisfied with the availability of training and upskilling

MILLENNIALS

62% Are the most satisfied with the availability of training and upskilling

REMOTE/HYBRID

64%

ON-SITE WORKERS

53%

On the whole, career development and training are most likely to be a "must-have" among Black employees (56%) and Millennials (53%). Interestingly, younger, male manual laborers are most likely to be interested in training and development and are prepared to sacrifice some flexibility to access training and progress their careers.



Recommended actions: Demonstrating employee care via training, growth and development

Beyond offering training opportunities to all employees and expanding curricula beyond technical skills, employers should be sure they have strong two-way channels of communication, given that "leaders listening to and acting on employee feedback" is the most important factor for delivering employee care through professional growth. Formal mechanisms (i.e., performance reviews, employee surveys) should be complemented by informal mechanisms that encourage employees to share their thoughts and ideas

▶ Open active channels for 360-degree feedback

Prompt employees to share their thoughts and ideas for improving the work environment and overall operations; establish formal mechanisms for employees to provide feedback on leaders and vice-versa, creating a continuous feedback loop that encourages growth for everyone; adopt development and growth metrics in the job descriptions of all positions.

▶ Expand access to training, learning and upskilling

Offer a range of training and upskilling initiatives, including funding options for development programs outside the organization, that match the different roles and career paths across the organization, and make available something for everyone, including frontline workers and underserved worker groups.

▶ Think beyond technical skills

Expand curricula to include leadership training, communication and other soft skills, as well as life skills to promote mental and physical health and good financial decision making.

▶ Embrace cohort learning

Assemble groups of employees in welcoming and collaborative settings to complete specific

training related to organizational goals and designed around learner needs; actively monitor leading practices and innovations, like cohort learning, which has been shown to produce superior outcomes, while also strengthening relationships among co-workers.

▶ Promote internal mobility

Provide access to on-the-job learning opportunities, such as mentorships, gigs, and shadowing opportunities, and actively communicate internal openings.

▶ Formalize mentoring and networking

Engage leaders to be part of formal mentoring programs and make such participation part of their own development agendas; focus on peer-to-peer mentoring, sharing of best practices, and other forms of connection to instill a culture of learning; provide opportunities to build professional relationships in and out of work, including through employee resource groups and industry associations of stronger cultures.

▶ Embed DEI into leadership development programs

To ensure inclusive development programs, expand the leadership pipeline to build a more diverse generation of leadership.



3.5

Bringing employee care to life across the employee experience

Wellness Programs and Benefits

All generations of workers view benefits and wellness programs as an important part of the employee experience and, therefore, a way that employers can demonstrate care. Employees who feel cared for have an average of 8.7 benefits through their employer, while those who don't feel cared for have an average of 6.7.

Given the declines in financial wellness among many workers, the protection and support offered by benefits have taken on new importance as a safety net. Indeed, many workers view employer-provided benefits as a way to alleviate financial pressure, which helps explain why employee expectations continue to rise.

AVERAGE NUMBER OF EMPLOYEE "MUST-HAVE" BENEFITS

2023	2022	2021	2020 PRE-PANDEMIC
8.3	7.8	7.5	6.6

2x Increase in the proportion of employees who consider health and wellness programs (e.g., gym memberships, employee assistance programs) "must-haves" for a new role since our last pre-pandemic study in 2020

The bottom line is that despite the efforts and investments of many employers to expand their offerings, the gap between the number of benefits provided by employers and the number expected by employees is widening more quickly than in the past. Bridging this gap is critical to improving employee satisfaction with benefits, which has reached its lowest level in a decade.

The perception gap on employee benefits

There is a large perception gap regarding benefits satisfaction: 83% of employers say that their employees are satisfied with the benefits they receive, 21% points more than the proportion of employees who say they are satisfied.

Significant variations among generations, particularly Generation X and Boomers, have emerged in benefits preferences during the last five years. Consider that, in 2019, benefits and wellness programs were a "must-have" for 56% of Generation X workers; in 2023, that number is 78%. A similar trend can be seen among Boomers, 79% of whom rate benefits and wellness programs as a "must-have" today, up from 56% in 2019.

EMPLOYEES WHO CONSIDER BENEFITS AND WELLNESS PROGRAMS A "MUST-HAVE"

2019	2023
GENERATION X	
56%	78%
BOOMERS	
56%	79%

EMPLOYEES SAY

“ I appreciate they have an employee gym – that's a cool benefit. They've made improvements in the breakrooms. They've made something called Zen Rooms, where you can go and relax and meditate a little bit.

“ I think if some of these benefits were free, that the company paid for it, that would show that you're cared for.

What employees want – affordability, access and options

Challenging economic times are no doubt reflected in employees' focus on the affordability of benefits. Consider that 72% of employees rated the affordability of employer-provided benefits as an important factor in their organizations' demonstration of employee care. Only 58% of employees were satisfied with current affordability. Similarly, 68% of employees rated employer contributions to the cost of benefits as important to their perception of employee care, and only 60% of employees were satisfied with current employer contributions.

Employee interest in financial wellness tools and resources has increased dramatically; the proportion of workers who view those offerings as a "must have" increased from 18% in 2019 to 45% in 2023. **The number of employers providing financial wellness tools and resources to employees has also doubled, going from 25% to 54% in that same time frame.**

Employees also seek a broader range of accessible and customizable benefits. For instance, **60% of employees say they are interested in a wider array of non-medical benefits, the highest level since 2013.** Slightly more employees (61%) say that there are benefits that they are interested in that their employer doesn't currently offer, up 3% points since 2022.

GROWING INTEREST IN WELLNESS

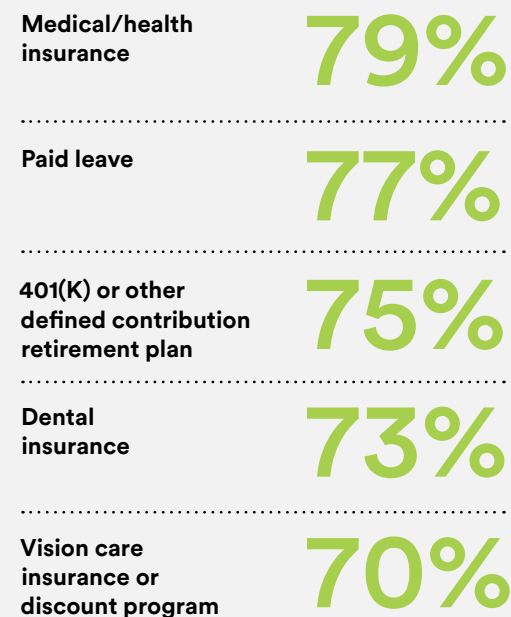
Interest in programs to support overall well-being (e.g., gym memberships, employee assistance programs, stress management) has grown dramatically during the last few years. However, the benefits "mainstays" – like healthcare coverage and paid time off – are no less important. In fact, our 2023 survey found traditional benefits to be employees' top "must-have"s. The pattern held across the entire workforce, including all generations, ethnicities and genders.

Benefits are similar to other aspects of the employee experience in that employers must consider a range of preferences among different worker groups. For instance, women and Boomers generally prioritize a broader range of benefits, while Millennials are

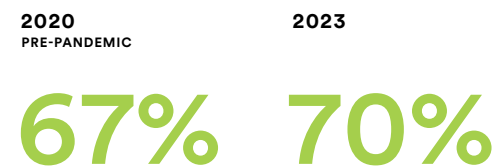
looking for simpler benefits and more opportunities to learn about them. Ethnically and racially diverse workers value benefits to a greater degree than Whites. Similarly, workers at large organizations and those who work on-site and have lower HHI place a higher value on benefits.

Employees are especially drawn to benefits that can be customized in line with their personal needs. For employers, offering such flexibility in benefits design reinforces their DEI commitments to value and support the entire workforce.

Employees' top "must-have" benefits



EMPLOYEES WHO SAY THEY ARE INTERESTED IN CUSTOMIZABLE BENEFITS



Recommended actions: Demonstrating employee care via wellness programs and benefits

When it comes to benefits, the trend lines are clear: all types of employees are looking for more – including more options and more flexibility to choose the benefits that are most valuable to them. Making benefits more affordable is also sure to resonate, given the broad-based decline in financial wellness and that affordability is the most important factor for employees feeling cared for via benefits offerings

▶ Expand the range of available benefits

More options, including voluntary benefits, can communicate that all types of employees are appreciated and valued, and meet the varied needs among different cohorts.

▶ Enable benefits customization to meet the broadest range of employee needs

Even more than broadening the available benefits, customization makes it possible for individual workers to tailor their benefits more precisely to their unique needs, as well as those of their families.

▶ Provide benefits and tools to reduce financial stress

The options range from eliminating co-pays for health insurance, access to attorneys through legal plans, to offering financial wellness solutions (e.g., mobile app, Upwise) and resources to navigate repayment and loan forgiveness options (e.g., Savi) that promote healthy behaviors and sound decision making in line with individual goals.

▶ Enhance the benefits enrollment, re-enrollment and adjustment experience

To boost adoption and help employees appreciate the value of their benefits, it must be efficient and intuitive for all employees to learn about, enroll in and modify their benefits; adopt listening tools and open feedback channels to more understand whether benefits are meeting worker needs.

▶ Communicate clearly, frequently and in channels employees prefer

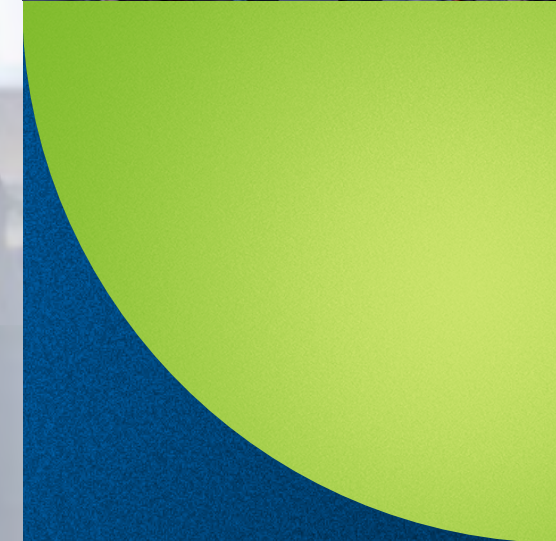
Effective benefits communication and engagement efforts can boost returns on benefit investments; at minimum, all employees should understand what's available to them and how to sign up; clear and proactive communications through diverse channels (e.g., townhalls, internal chat resources, video recordings, clear benefits summaries, simple explanations on enrollment forms) can help employees take the right action around enrollment and understand the value of benefits more broadly.

Looking ahead: Enhancing employment relationships in a new economic cycle

At the outset of 2023, many business leaders are understandably focused on the uncertain economic outlook. It will take time to determine if or to what extent the economic downturn will impact the demand for talent or alleviate the historically tight labor market. The long-term patterns in our research data suggest that any relief will be temporary. The competition for talent is likely to remain intense, and there can be little doubt that employee expectations will continue rising.

As much change as we have seen, there is one constant: employee benefits are at the heart of the value proposition organizations offer their workers. Indeed, employers seeking to attract and retain the talent they need will need to attend carefully to their employee value proposition. Benefits reinforce employer investments in enriching the employee experience – from strengthening cultures and expanding learning and development programs, to providing flexibility and articulating a clear purpose. And benefits certainly enhance the value of compensation.

This is where employee care comes in. As our research shows, care not only catalyzes a positive employee experience, but also serves as a useful measure of people-related outcomes. Organizations that genuinely demonstrate employee care will be best positioned to achieve their talent management goals, even during difficult economic times. Employee care can provide support to financially stressed workers and, by helping to boost productivity and retention, help relieve stress on the bottom line, too. In other words, there are clear benefits to both individual workers and the overall organization. Thus, the question isn't whether organizations can afford to invest in employee care, but rather whether they can afford not to.



Methodology

MetLife's 21st Annual U.S. Employee Benefit Trends Study was conducted in November 2022 and consists of two distinct studies fielded by Rainmakers CSI – a global strategy, insight, and planning consultancy. The employer survey includes 2,840 interviews with benefits decision-makers and influencers at companies with at least two employees; companies must provide benefits to US-based employees. The employee survey consists of 2,884 interviews with full-time employees ages 21 and over, at companies with at least two employees in the US.

To provide additional context to our quantitative findings, we conducted 24 employee telephone interviews between December 2022 and January 2023. We recruited participants to ensure a spread of demographics, incomes, worker types, industries and business sizes.

To determine employee feelings about care, we used two inputs:

1. Stated employee importance:

Employees' rankings and ratings within the survey of what is important to them in terms of what their employer provides.

2. Derived contributions to care:

To calculate derived contributions of care, we have used Bayesian networks, a probabilistic method for driver analysis that takes account of indirect and interactive effects, as well as direct effects. Bayesian techniques are a robust means to identify the most powerful drivers of outcomes beyond what people say is important. We chose this technique as it addresses the problem of multicollinearity, a common analytical challenge whereby many or all drivers are highly correlated, making it difficult for models to separate out the effects of each individual driver.

Our Bayesian model has a 71% precision score in predicting the care score of employees, a typical score for this sort of model. The precision of the model represents the proportion of respondents whose care score is correctly predicted.

Outcome model:

Through in-depth interviews with HR and benefit decision-makers, "care" was identified as a unifying concept to drive positive outcomes for employees and employers.

We validated the connection between care and our key longitudinal metrics through a Pearson correlation coefficient analysis. We then used the strongest correlations to create a logical flow diagram, as seen on page 22.

Note:

Statistical significance is defined as reaching a hypothesis testing threshold, or p-value, of 5% or lower.



The employer survey includes 2,840 interviews with benefits decision-makers and influencers at companies with at least two employees.

Employees

Gender

Male	46%
Female	53%
Other (including non-binary)	0.4%

Marital Status

Married	48%
Single, not living with partner	27%
Single, living with partner	12%
Divorced/Separated	11%
Widowed	2%

Ethnicity

Caucasian	67%
African American	17%
Asian	8%
Other	5%
Hispanic	18%
Non-Hispanic	82%

Family status

Do not live with children under 18	63%
Live with children under 18	37%

Employer size (staff size)

2-9	8%
10-49	15%
50-199	18%
200-499	7%
500-999	8%
1,000-4,999	10%
5,000-9,999	8%
10,000+	26%

Geography

South	36%
West	19%
Northeast	24%
Midwest	21%

Age

Generation Z (21-26)	10%
Millennials (27-41)	38%
Generation X (42-57)	32%
Boomer (58+)	20%

Personal income

Under \$30,000	11%
\$30,000-\$49,999	25%
\$50,000-\$74,999	22%
\$75,000-\$99,999	14%
\$100,000-\$149,999	14%
\$150,000 and over	11%
Prefer not to answer	3%

Industry

Other Services	14%
Healthcare and Social Assistance	14%
IT/Technology	8%
Finance and Insurance	8%
Educational Services	9%
Retail	8%
Manufacturing	8%
Construction	6%
Professional, Scientific, and Technical Services	4%
Transportation and Warehousing	4%
Accommodation and Food Services	4%
Public Administration	2%
Real Estate	2%
Arts, Entertainment, and Recreation	2%
Administration and Support and Waste Management and Remediation	1%
Energy and Utilities	1%
Wholesale Trade	1%
Agriculture, Forestry, and Fishing	1%
Information	1%
Management of Companies and Enterprises	1%
Pharmaceutical	1%
Mining, Quarrying, Oil and Gas Extraction	0.4%

Education

Some schooling completed/No high school diploma	1%
High school graduate or the equivalent (i.e., GED)	16%
Some college credit, no degree	18%
Associate degree	13%
Bachelor's degree	32%
Master's degree	16%
Professional/Doctoral degree	4%

Employers

Employer size (staff size)

2-9	8%
10-49	17%
50-199	14%
200-499	5%
500-999	10%
1,000-4,999	12%
5,000-9,999	14%
10,000+	20%

Industry

IT/Technology	12%
Construction	11%
Educational Services	11%
Finance and Insurance	10%
Manufacturing	7%
Health Care and Social Assistance	7%
Retail	7%
Public Administration	5%
Other Services	4%
Professional, Scientific & Technical Services	4%
Accommodation and Food Services	4%
Transportation and Warehousing	3%
Real Estate	2%
Energy & Utilities	2%
Arts, Entertainment and Recreation	2%
Management of Companies & Enterprises	2%
Wholesale Trade	1%
Administration and Support and Waste Management and Remediation	1%
Information	1%
Agriculture, Forestry, and Fishing	1%
Mining, Quarrying, Oil and Gas Extraction	1%
Pharmaceuticals	

Geography

South	37%
West	22%
Northeast	22%
Midwest	20%

About MetLife

MetLife, Inc. (NYSE: MET), through its subsidiaries and affiliates (“MetLife”), is one of the world’s leading financial services companies, providing insurance, annuities, employee benefits and asset management to help individual and institutional customers build a more confident future. Founded in 1868, MetLife has operations in more than 40 markets globally and holds leading positions in the United States, Japan, Latin America, Asia, Europe and the Middle East.

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About Rainmakers CSI

Rainmakers CSI is a UK-based global strategy, insight, and planning consultancy with a focus on delivering game-changing commercial impact. Since its inception in 2007, the company has worked collaboratively with leading companies to help define opportunities for brands, categories, and businesses. Its expertise spans not only Financial Services, but also Food and Drink, Beauty, Healthcare, Telecoms, Technology, Entertainment, and Travel. Its programs and client relationships span all continents, with 50% of its work originating in the US.

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