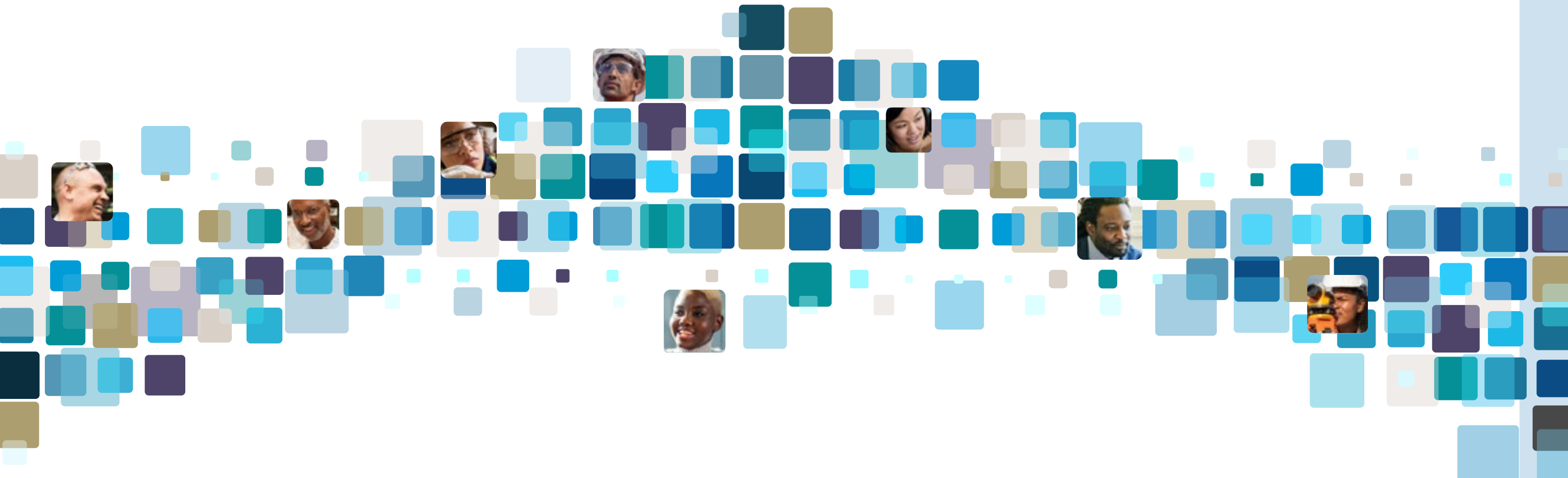


THE HARTFORD'S 2024

# FUTURE OF BENEFITS REPORT

Generational Perspectives on the Workplace from Boomers to Zoomers



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# INTRODUCTION

In an era defined by shifting socioeconomic dynamics and rapid technological advancement, employers and U.S. workers are experiencing profound transformation. This is influenced, and exacerbated, by the diverse range of generations in the workforce – from Generation Z (Gen Z or zoomers) to baby boomers.

The rapid entrance of the next generation of workers to the workforce as many baby boomers are retiring has changed the composition of the workplace and increased complexity for employers. According to Glassdoor’s analysis of U.S. Census Bureau data in their 2024 [Workplace Trends](#) study, Gen Z will overtake baby boomers in the full-time workforce before the end of 2024. This multigenerational dynamic forms a patchwork of employee perspectives and priorities, resulting in a unique set of challenges for employers who are seeking to address the changing needs of their teams. U.S. workers seek and expect a more bespoke approach to the benefits experience. However, employers and U.S. workers don’t always see eye-to-eye on workplace issues.

**The attitudes, expectations and needs of Gen Z workers are notably different from millennials, Generation X (Gen X) and baby boomers in many facets of the employee experience.**



The time for employers to act is now to offer the tools and benefits this growing segment of the workforce seeks to succeed as healthy, happy and productive employees.

Layering on top of these generational challenges is a strained macroeconomic environment, including rising costs of living, that has caused many U.S. workers to feel financial stress. This has prompted the need for more personalized benefits – and benefits-related education – to address financial security. Despite facing financial challenges now, however, many U.S. workers – especially Gen Z – are optimistic about their financial future.

**In parallel to the evolution of the employee experience, employer expectations and human resource roles are also in a state of transformation.**

Many HR professionals (employers) have been faced with a surge in responsibilities. They need to develop the skills necessary to keep up with rapidly changing technology, new job responsibilities and employee benefit laws.

Although the role of employers has become more complex, they remain committed to providing employees with benefits and services that help support their personal and professional needs. Employers are also balancing the needs of their employees amid rising health care costs and limited budgets.

**As U.S. workers seek growing and increasingly customized levels of support, and employers navigate the shifting workplace landscape, a robust, multigenerational approach to workplace benefits is crucial to shaping the future of work.**

In the fifth year of The Hartford’s annual Future of Benefits Study, this research seeks to provide fresh insights into meeting the needs of the evolving, multigenerational workforce as well as employer perspectives, in five priority areas: productivity, employee benefits, personal finances, mental health and paid leave.

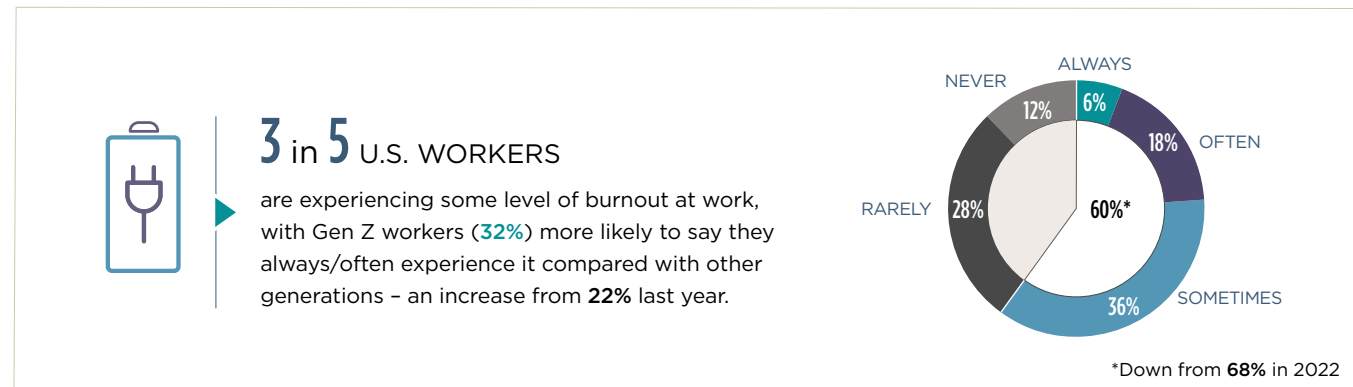


# WORKPLACE WELL-BEING, PRODUCTIVITY AND ENGAGEMENT

Although burnout levels among U.S. workers have decreased since 2022, 60% continue to feel some level of burnout, and 40% feel pressure to be available outside of normal working hours.

In addition, some workers – particularly Gen Z – feel their productivity is negatively impacted by their financial, physical and mental health.

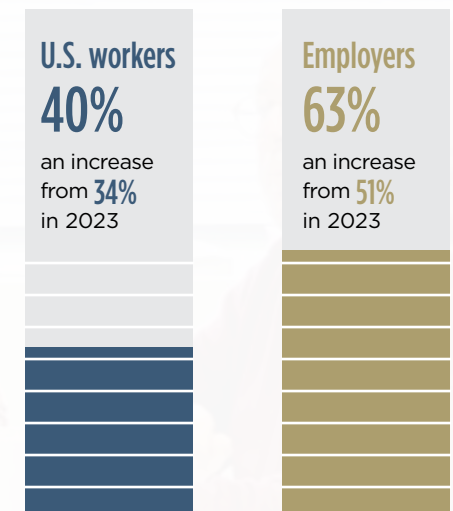
Despite these pressures, most workers in all generational cohorts remain committed to doing well or excelling at their jobs. The majority are satisfied with and happy at their jobs, with happiness higher among Gen X and millennials. While employers tend to over-estimate the degree employees are satisfied and happy, employer expectations about employee performance have shifted slightly since 2023, with fewer saying employees should always strive to go above and beyond and more saying they should get their work done well.



Burnout by generation:

	GEN Z	MILLENNIALS	GEN X	BABY BOOMERS
Always/Often	32%	25%	21%	19%
Sometimes	39%	38%	35%	31%
Rarely/Never	29%	37%	44%	50%

U.S. workers who feel pressure to be available after normal working hours vs. employer expectations that they be available:



Gen Z workers (51%) feel more pressure to be available after hours compared with millennials (45%), Gen X (39%) and baby boomers (27%).

Some U.S. workers feel their financial, mental and physical health always or almost always have a negative impact on their productivity, with a significantly higher proportion of Gen Z expressing this compared with other cohorts.

U.S. workers who say the following always/almost always negatively impacts their productivity:



Negative impacts to worker productivity by generation:

	GEN Z	MILLENNIALS	GEN X	BABY BOOMERS
Financial Health	47%	37%	24%	18%
Mental Health	41%	35%	17%	11%
Physical Health	38%	29%	20%	12%



Although more U.S. workers say their financial health has a negative impact on their productivity than their mental or physical health, **employers are more likely to prioritize mental and physical health** above financial health. Most employers (41%) rank mental or physical health as their top priority, versus just 18% for financial health.



20% of U.S. workers also say their caregiving responsibilities have a negative impact on their productivity.



U.S. worker approaches toward work:

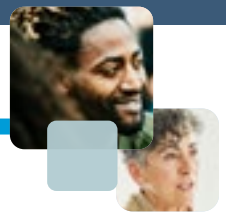
- I always strive to go above and beyond | 41%
- I get my work done well | 49%
- I do the bare minimum to complete my work | 6%
- I typically do less than required | 4%

Baby boomers (46%), Gen X (45%) and Gen Z (44%) U.S. workers are more likely to say they go above and beyond compared with millennials (36%).

Employer expectations of their employees:

- Employees should always strive to go above and beyond | 48%  
This is down from 56% in 2023.
- Employees should get their work done well | 48%  
This is up from 42% in 2023.
- Employees should do the bare minimum/basics needed to complete their work | 3%

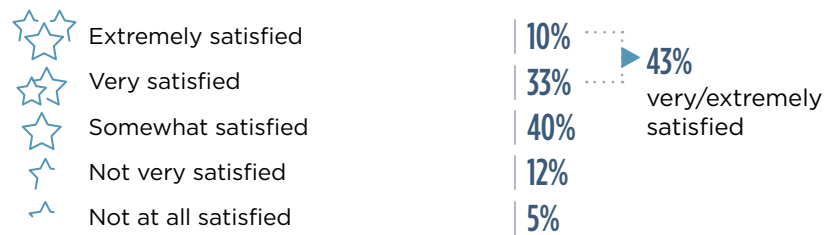




Job satisfaction decreased slightly from 2022, but more than 40% of U.S. workers are extremely or very satisfied in their jobs, and 40% are extremely or very happy at work, consistent with how they felt in previous years.

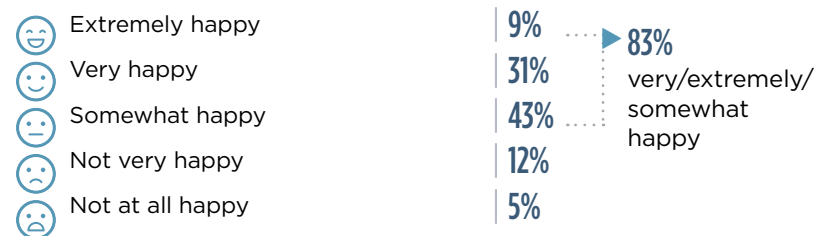
Though many U.S. workers are satisfied and happy with their jobs, employer perception of employee job satisfaction and happiness at work has increased at a much higher rate. Employers overestimate employees' job satisfaction and happiness at work.

**How satisfied U.S. workers are in their current jobs:**



75% of employers believe their employees are extremely/very satisfied in their current jobs, an increase from 69% in 2022.

**How happy U.S. workers say they are at work:**



63% of employers believe their employees are extremely/very happy at work, an increase from 50% in 2023.

**U.S. worker job satisfaction vs. employer perception:**

	U.S. WORKERS			EMPLOYERS		
	2024	2022/2023*	CHANGE	2024	2022/2023*	CHANGE
Extremely/ Very Satisfied	43%	47%	-4pp	75%	69%	+6pp
Extremely/ Very Happy	40%	40%	0pp	63%	50%	+13pp

\*Satisfaction last measured in 2022, happiness in 2023

Similarly, more employers than U.S. workers believe that employees have the mobility to leave unsatisfactory roles if desired, suggesting that employers perceive the external job market to be stronger than employees do:



Companies hold the power – Employees should stay at their job even if they are not satisfied because it is hard to get a new job at the moment:

- Employers: 30%
- U.S. workers: 41%



Employees hold the power – Employees should not stay at their job if they are not satisfied because they can likely find a new job within a reasonable amount of time:

- Employers: 64%
- U.S. workers: 45%

In today's job market, more employers say it would be very/somewhat easy to attract new employees (57% vs. 37% in 2022), while fewer U.S. workers believe it would be easy to find a new job (37% vs. 59% in 2022).



**KEY TAKEAWAYS**

- Regularly highlight the benefits you offer that address employees' ability to maintain a healthy balance between well-being and workplace productivity. These can include your employee assistance or wellness programs or apps.
- Encourage conversations between managers and employees – or consider employee surveys – to provide regular check-ins and monitor for shifts in employee sentiment.
- Be more mindful about contacting employees after their normal working hours.

# ADDRESSING UNMET EMPLOYEE BENEFIT NEEDS AND EDUCATION GAPS

## Overall, U.S. workers are satisfied with the benefits their companies offer them.

Half consider their company's benefits to be above average compared with other employers in their marketplace, ratings that have been consistent since 2020 – before the start of the pandemic. However, analyzing the gap between the importance of individual benefit needs versus how well benefits offered by employers address those needs helps identify where U.S. workers have unmet needs. Consistent with the continued financial stress U.S. workers face in today's economic environment, this analysis reveals opportunity to meet needs associated with financial security.



their budgets, to continue to offer a variety of benefits to care for their employees and help them to protect their paychecks. Over the past five years, U.S. workers have consistently said they value the benefits their employers offer them. However, employers believe employees underutilize what's available. Many U.S. workers admit they don't fully understand the voluntary or supplemental benefits that are available or choose to purchase the additional opt-in benefits offered in the workplace. As digital tools, including artificial intelligence, become more prevalent in selecting and managing benefits, the human touch remains important for many workers to help them understand and navigate their options, customize what is right for them and submit a claim.

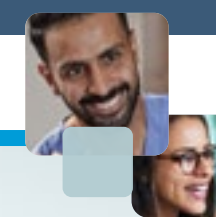
Employers have been working to address what they believe their employees' needs are, balanced with

### A focus on unmet/emerging needs:

Levels of satisfaction vary by generation. However, despite feeling comparable financial stress, Gen Z workers rate their satisfaction with what their employers offer to address their financial needs higher than other generations:

The extent of which U.S. workers are satisfied with what their employer offers to help them:	GEN Z	MILLENNIALS	GEN X	BABY BOOMERS
Afford the cost of housing	53%	46%	42%	37%
Safety net for large medical bills	53%	46%	39%	37%
Save for larger expenses	52%	47%	32%	29%
Financial safety net for major unexpected expenses	47%	42%	36%	37%

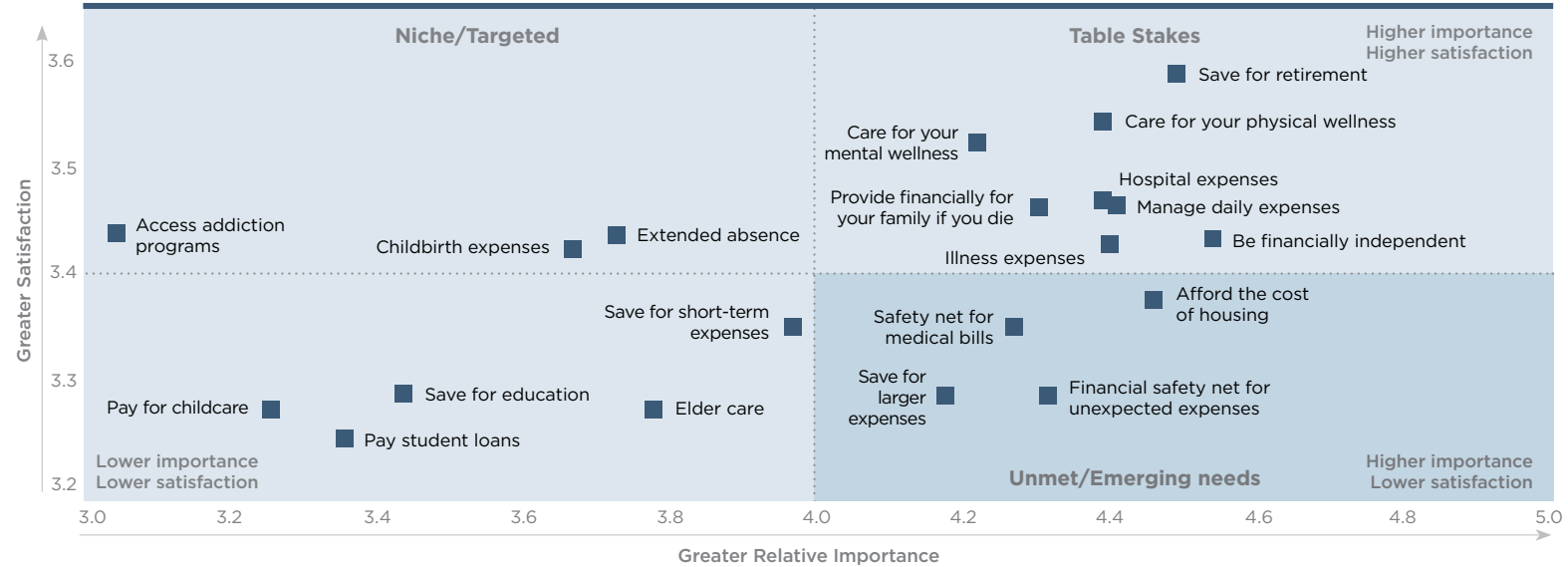




A focus on unmet/emerging needs (continued):

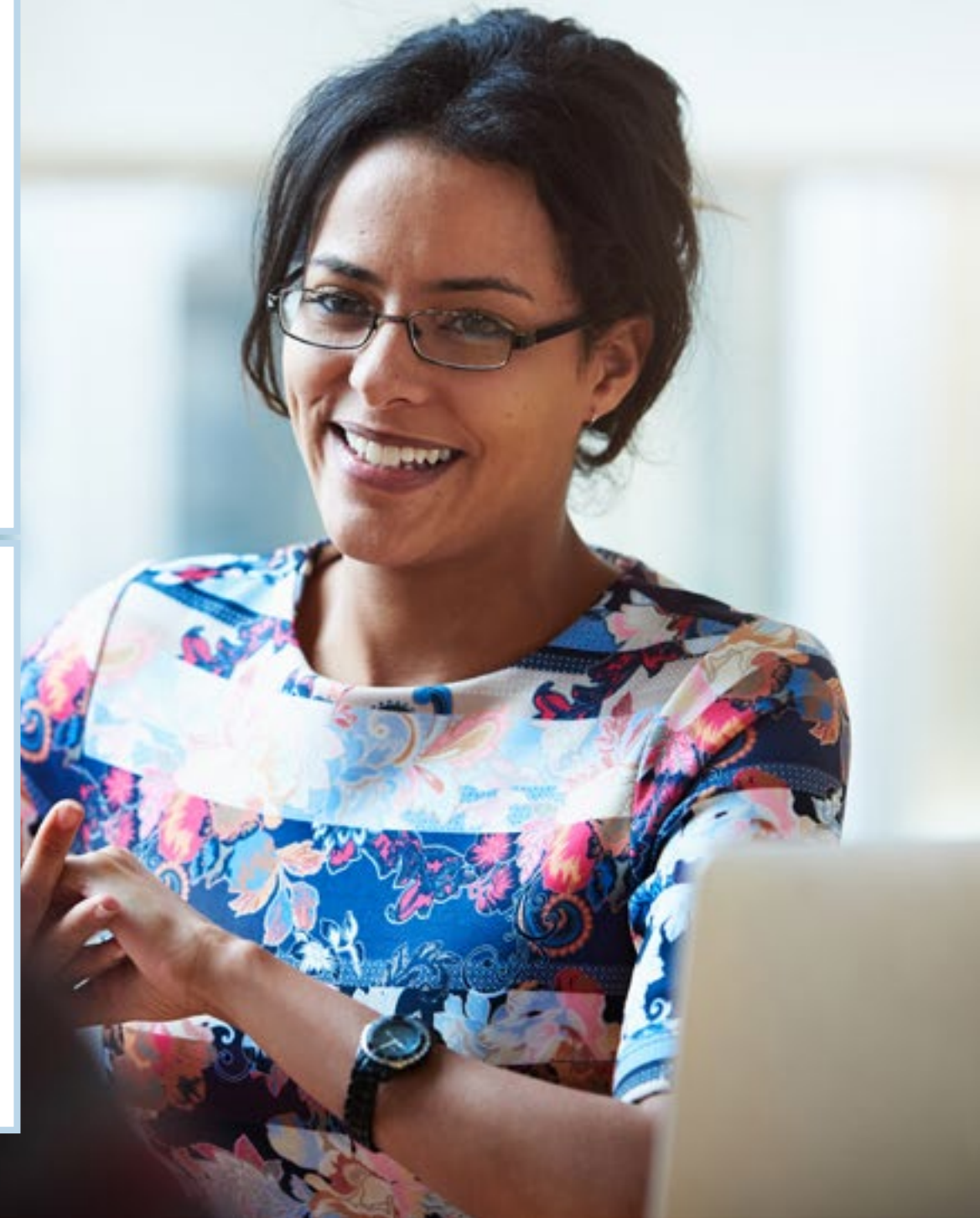
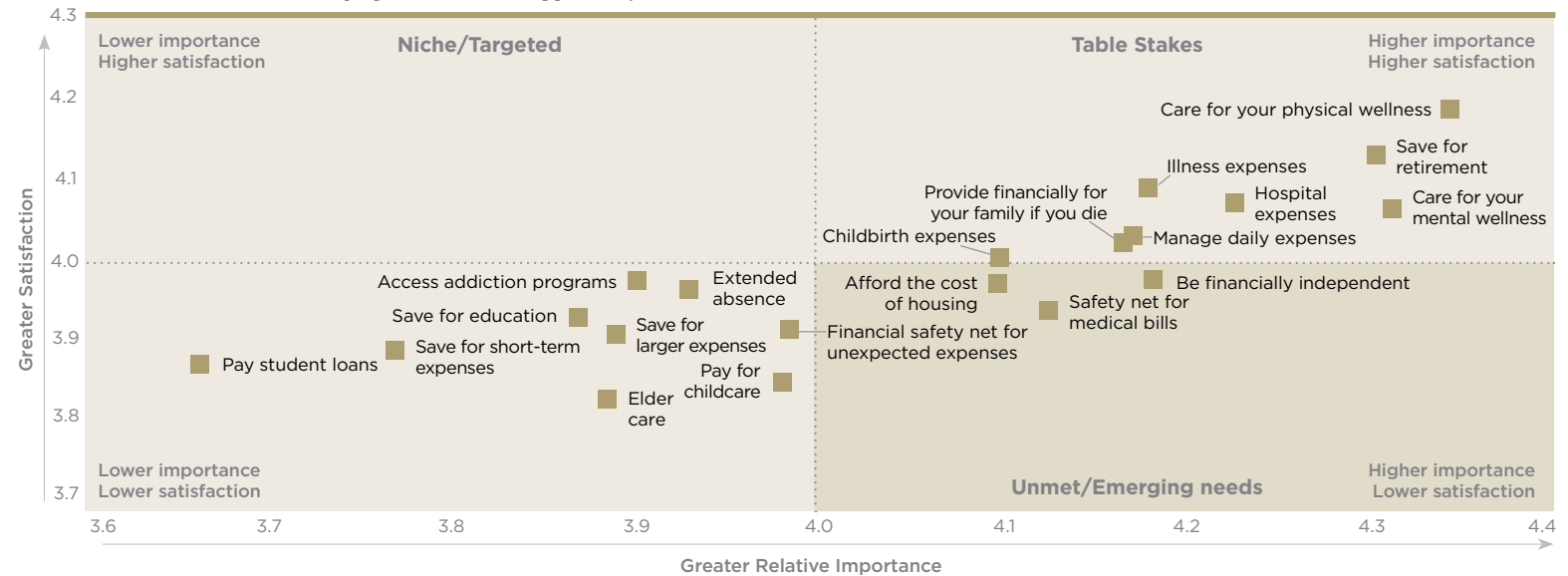
**IMPORTANCE VS. SATISFACTION BY BENEFITS - TOTAL EMPLOYEES** (Average score based on 1-5 scale)

Needs with greater importance, but lower satisfaction, indicate employee opportunity areas, especially related to financial safety nets.

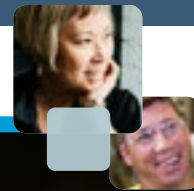


**IMPORTANCE VS. SATISFACTION BY BENEFITS - TOTAL EMPLOYERS** (Average score based on 1-5 scale)

The difference between importance and satisfaction is lower among employers, suggesting that employers believe workers are more satisfied with their benefits, indicating a potential missed opportunity to better address their needs.



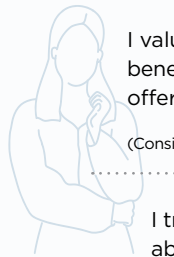




**What employers say about employee benefits:**

73% of employers believe employees underutilize the benefits and services available, and some U.S. workers admit gaps in their understanding of their benefits that clarification or education can help address.

**What U.S. workers say about their employee benefits:**



I value the insurance benefits my company offers to me.

80%

(Consistent with March 2020)

The benefits I am currently offered meet my needs.

75%

I trust my company is making the best decisions about the benefits they make available.

59%

I do not understand the supplemental benefits offered and what they cover.

38%

I do not purchase supplemental benefits because I do not think I will need them.

34%

I do not typically upgrade or buy the additional benefits offered.

57%

I want to learn about my benefits year-round, not just during open enrollment.

74%

**The burden of benefits education is not fully on employers, however.**

While 67% of employers say educating employees about benefits is a challenge and they are more likely to bear the responsibility, U.S. workers believe they bear equal responsibility as their employers:

**RESPONSIBILITY TO MAKE SURE EMPLOYEES UNDERSTAND BENEFITS:**

Fully/mostly the company's

U.S. workers: 35%



Employers: 76%



Equally responsible

U.S. workers: 38%



Employers: 21%



Fully/mostly the employee's

U.S. workers: 22%

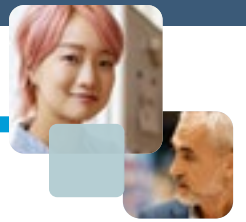


Employers: 2%



Younger generations of U.S. workers (24% for both Gen Z and millennials) are more likely to say it is their employer's full responsibility compared with older generations (15% Gen X and 12% baby boomers).





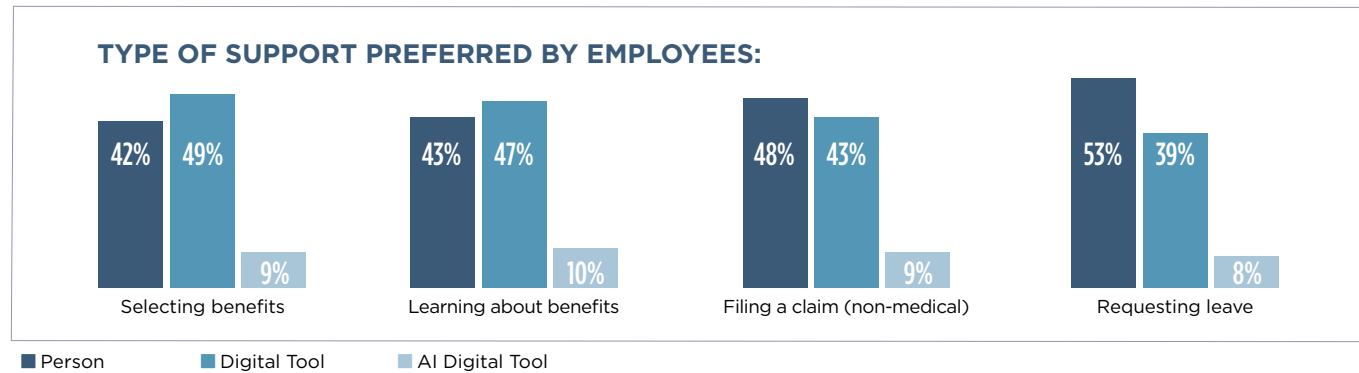
### Technology vs. the human touch.

The human touch is still critical in helping employees navigate the benefits landscape. While **71%** of employers would trust artificial intelligence (AI) to make benefit recommendations for employees, U.S. workers are not yet comfortable with using digital tools powered by AI to manage benefits or make a claim. Most would prefer working with a person or using traditional digital tools.

Only about 1 in 10 workers would want to use digital tools powered by AI.

Although most employers (**81%**) believe there is a good balance between HR technology and the human touch at their company, **61%** worry that updated HR technology and systems may cause employers to lose the personal touch they used to provide.

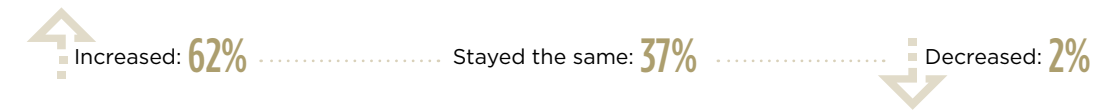
The desire for the human touch is even higher for the tasks that may require more empathy or support:



### The changing dynamics of HR.

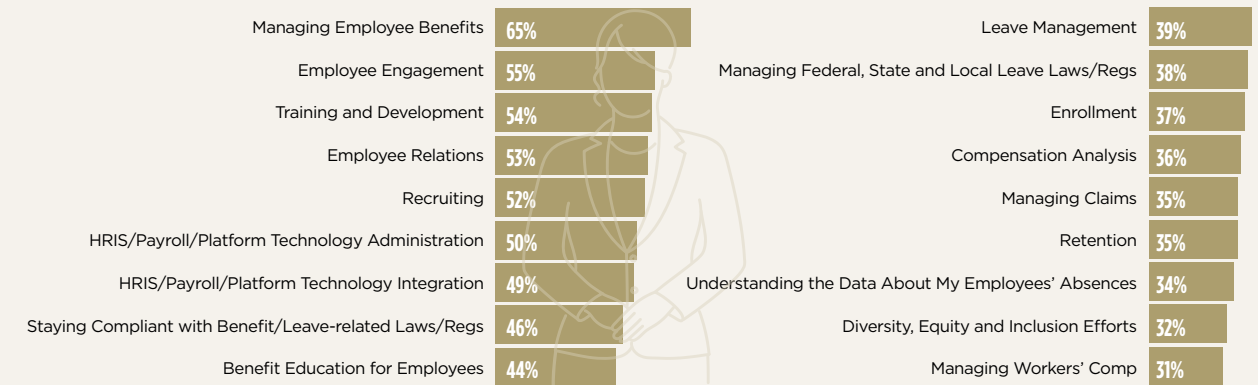
The landscape of human resource roles is in a state of accelerated transformation, with a surge in responsibilities and need to develop skills to keep up with rapidly changing technology. Although technology is advancing, many employers manage to keep pace and find that HR technology can help streamline their work.

Change in employer day-to-day responsibilities in the past few years:



#### PART OF EMPLOYER'S JOB RESPONSIBILITIES:

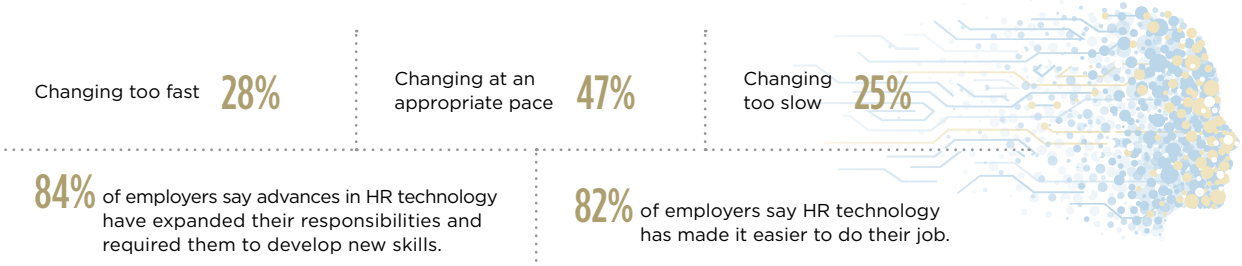
Employers are juggling on average eight different job responsibilities. When asked what job responsibilities they have, employers said:



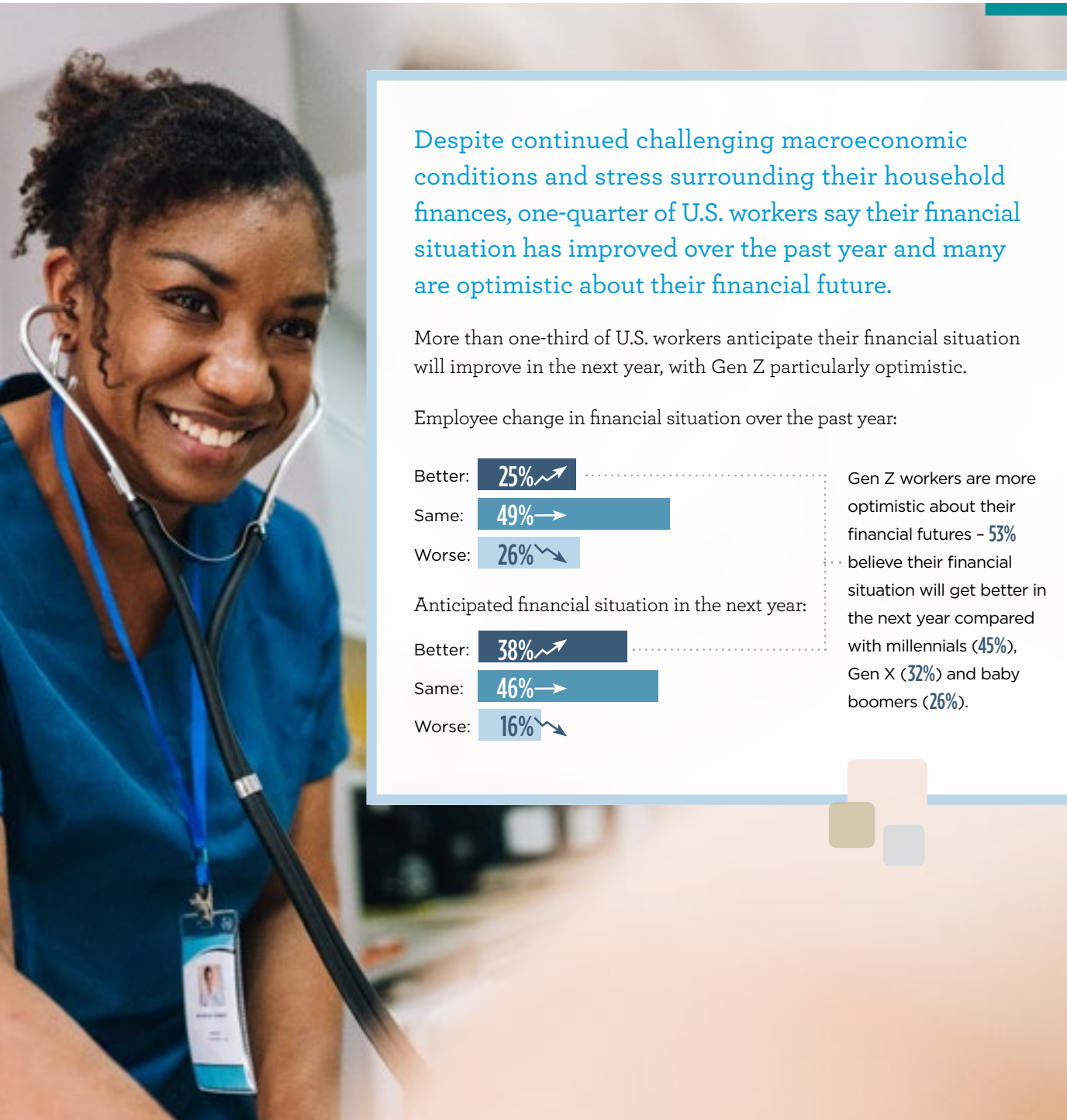
#### KEY TAKEAWAYS

- Balance the use of technology with in-person opportunities for benefits education and selection.
- Provide robust, year-round benefits education to help employees better understand the benefits you offer and become better prepared for annual enrollment.
- Highlight how the additional benefits offered in the workplace – such as accident, critical illness and hospital cash benefits – can help employees maintain financial security when they experience an unexpected illness or injury.
- Use storytelling to demonstrate how the different benefits work together and which benefits may be best for each generation to consider.

Employers say the pace of change in HR technology is:



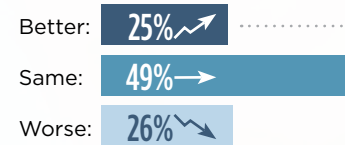
# OPTIMISTIC PERSONAL FINANCE OUTLOOK AMID MACROECONOMIC CHALLENGES



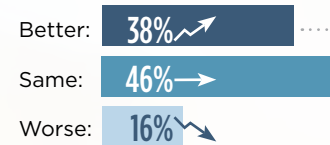
Despite continued challenging macroeconomic conditions and stress surrounding their household finances, one-quarter of U.S. workers say their financial situation has improved over the past year and many are optimistic about their financial future.

More than one-third of U.S. workers anticipate their financial situation will improve in the next year, with Gen Z particularly optimistic.

Employee change in financial situation over the past year:

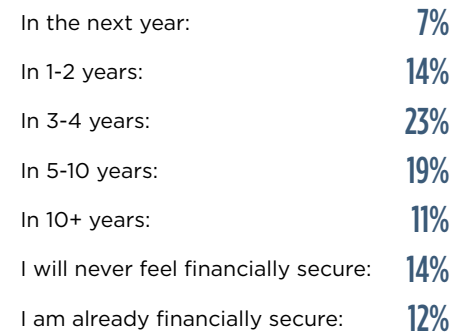


Anticipated financial situation in the next year:



Gen Z workers are more optimistic about their financial futures – 53% believe their financial situation will get better in the next year compared with millennials (45%), Gen X (32%) and baby boomers (26%).

Most (63%) U.S. workers believe they will feel financially secure within the next ten years:

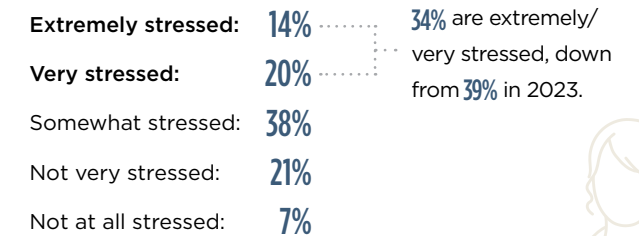


Gen Z workers are particularly bullish on their financial security, with 61% expecting it in the next four years, while approximately one-third of baby boomers and Gen X expect it will be more than 10 years, or possibly never.

Although the number of U.S. workers who say they are very/extremely stressed about their household finances decreased slightly year-over-year, financial stress remains prevalent. Many of the drivers of financial stress that U.S. workers are experiencing are related to everyday expenses such as the cost of food and housing.

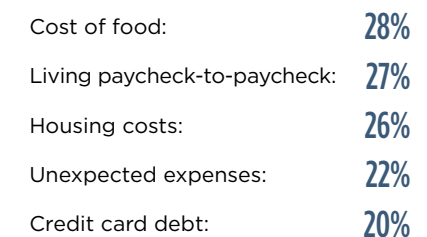
Employer perception of financial stress has also decreased from 2023, resulting in a widening disparity between employees' actual experiences and employers' understanding – highlighting the opportunity to bridge the gap.

How stressed U.S. workers are about their household finances:



Only 27% of employers believe their employees are stressed about their household finances, down from 37% in 2023.

The top five factors contributing to the financial stress of U.S. workers are:



## KEY TAKEAWAYS

- Acknowledge how much financial stress and the current economy can affect employee well-being and productivity.
- Raise awareness about the financial support services you may offer, including those that incorporate basic budgeting or retirement planning to help employees of all ages improve their financial security.
- Train managers on the tools that are available to help them support their employees who may seek help.

# SUPPORTING MENTAL HEALTH IN THE WORKPLACE



## Mental health remains an issue in the workplace. U.S. workers are significantly more likely to report experiencing depression or anxiety since March 2020.

Gen Z workers report experiencing depression or anxiety significantly more frequently than other generations and are more likely to say stigma prevents care. Accordingly, significantly more employers compared with March 2020 indicate that the mental health of their employees has an impact on their bottom line.

Although both employers and U.S. workers say their company provides resources and tools to help employees manage their mental health, there continues to be a disconnect in perceptions between them about company culture and the levels of support related to mental health in the workplace.



69% of employers say their employees' mental health has a negative financial impact on their company, an increase of 21 percentage points compared with March 2020 (48%).



29% of U.S. workers feel depressed or anxious at least a few times per week, up 9 percentage points from March of 2020 (20%):

- This is highest among Gen Z workers: 45% vs. 15% of baby boomers



39% of U.S. workers say the stigma associated with mental health prevents them from getting support:

- This is highest among Gen Z workers: 52% vs. 25% of baby boomers
- Employers are even more sensitive to stigma, with 70% of employers agreeing stigma prevents employees from seeking help

Although there has been an increase in the percentage of employers and U.S. workers who believe their company has an open and inclusive environment that encourages a dialogue about mental health since March 2020, a large gap in perception remains between what employers believe and how workers feel.

My company has an open and inclusive environment that encourages a dialogue about mental health:



» Employers: 86% (vs. 64% in March 2020)

» U.S. workers: 52% (vs. 42% in March 2020)

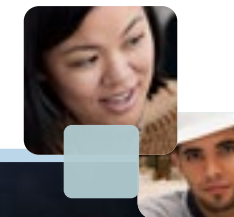
More than half of U.S. workers say their company provides them with resources and tools to help them manage their mental health needs, but they are still seeking more support.

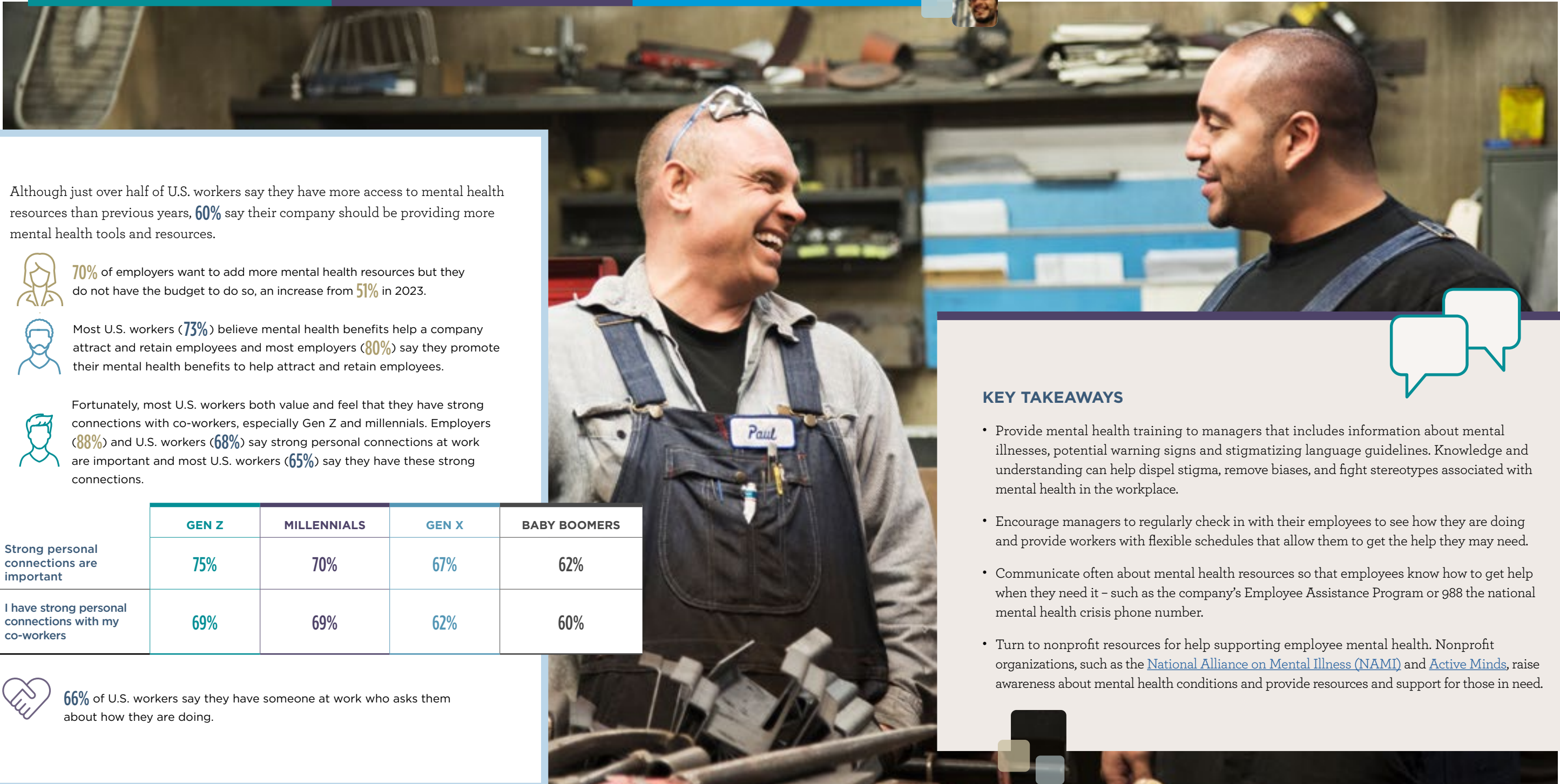
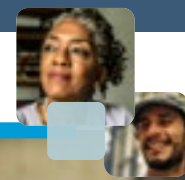
My company provides resources and tools to help employees manage their mental health needs:



» Employers: 83%

» U.S. workers: 60%





Although just over half of U.S. workers say they have more access to mental health resources than previous years, **60%** say their company should be providing more mental health tools and resources.



**70%** of employers want to add more mental health resources but they do not have the budget to do so, an increase from **51%** in 2023.



Most U.S. workers (**73%**) believe mental health benefits help a company attract and retain employees and most employers (**80%**) say they promote their mental health benefits to help attract and retain employees.

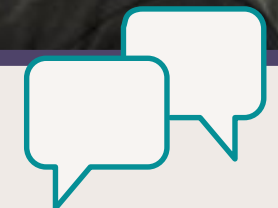


Fortunately, most U.S. workers both value and feel that they have strong connections with co-workers, especially Gen Z and millennials. Employers (**88%**) and U.S. workers (**68%**) say strong personal connections at work are important and most U.S. workers (**65%**) say they have these strong connections.

	GEN Z	MILLENNIALS	GEN X	BOOMERS
Strong personal connections are important	<b>75%</b>	<b>70%</b>	<b>67%</b>	<b>62%</b>
I have strong personal connections with my co-workers	<b>69%</b>	<b>69%</b>	<b>62%</b>	<b>60%</b>



**66%** of U.S. workers say they have someone at work who asks them about how they are doing.



### KEY TAKEAWAYS

- Provide mental health training to managers that includes information about mental illnesses, potential warning signs and stigmatizing language guidelines. Knowledge and understanding can help dispel stigma, remove biases, and fight stereotypes associated with mental health in the workplace.
- Encourage managers to regularly check in with their employees to see how they are doing and provide workers with flexible schedules that allow them to get the help they may need.
- Communicate often about mental health resources so that employees know how to get help when they need it – such as the company’s Employee Assistance Program or 988 the national mental health crisis phone number.
- Turn to nonprofit resources for help supporting employee mental health. Nonprofit organizations, such as the [National Alliance on Mental Illness \(NAMI\)](#) and [Active Minds](#), raise awareness about mental health conditions and provide resources and support for those in need.

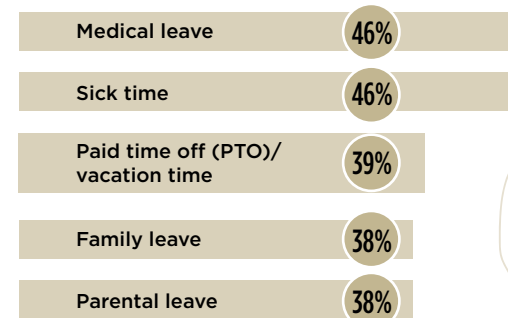
# EVOLUTION OF PAID LEAVE

## Paid family and medical leave benefits are sought by all generations in the workplace to help employees of all ages take care of themselves or their loved ones.

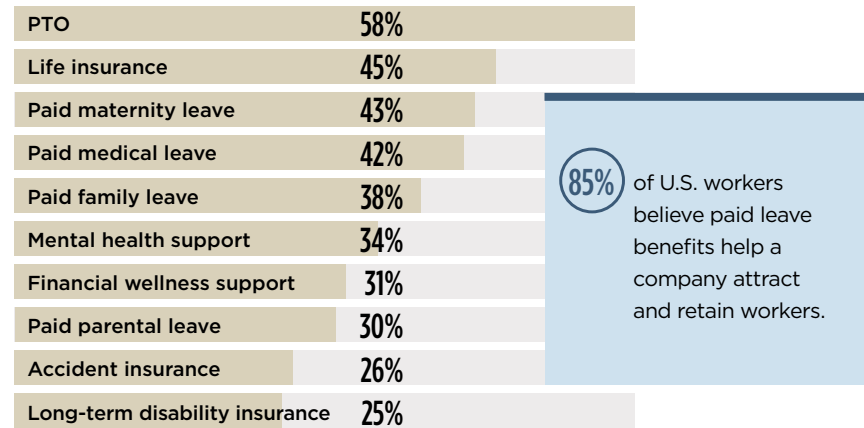
Access to paid family leave in the U.S. has slowly been increasing. According to the [U.S. Bureau of Labor](#) statistics, 27% of private industry workers have access to paid leave, more than double from 12% in 2014. Many employers report adding different types of paid leave benefits to support their employees, and access continues to expand as additional states implement new leave laws or voluntary programs.

With this, however, comes added complexity in managing different leave benefits and staying compliant with state and federal programs. Employers are looking for tools to help manage this growing complexity. Even as many employers report adding to their paid leave programs, many U.S. workers, especially Gen Z, express concerns about taking a leave of absence from work.

Leave benefits employers have added or expanded in 2024 beyond state or federal requirements:



Aside from medical, dental and vision, leave benefits are among the top benefits employers believe attract and retain employees:



**85%** of U.S. workers believe paid leave benefits help a company attract and retain workers.

While many U.S. workers believe their company provides flexibility and support to care for themselves and their family, one-third believe there is a negative perception associated with taking leave and/or are fearful of workplace repercussions related to taking leave.

**30%** of U.S. workers have taken an extended paid or unpaid leave from work to care for themselves or their family member in the past five years.



- My company provides employees with a good work/life balance to allow the time off needed to care for my family: **66%**
- I feel supported by my employer to take time off to care for my family: **64%**

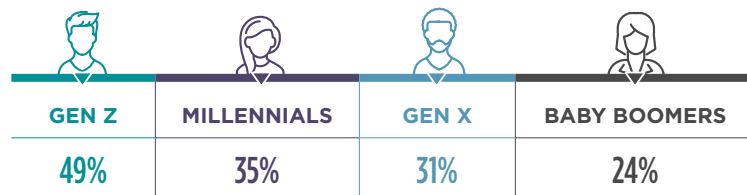
Although two-thirds of U.S. workers feel supported by their employers to care for their family, **45%** still often feel conflicted between time spent at work and time spent caring for their family.

Gen Z (**51%**) and millennial (**53%**) workers are more conflicted than Gen X (**40%**) and baby boomers (**32%**) between time spent at work and time to care for family.



U.S. worker perception about taking a leave of absence:

I think there is a negative perception associated with taking leave: **33%**  
 I'm fearful of workplace repercussions if I take a leave: **34%**, an increase from **29%** in 2023 and significantly higher among Gen Z:

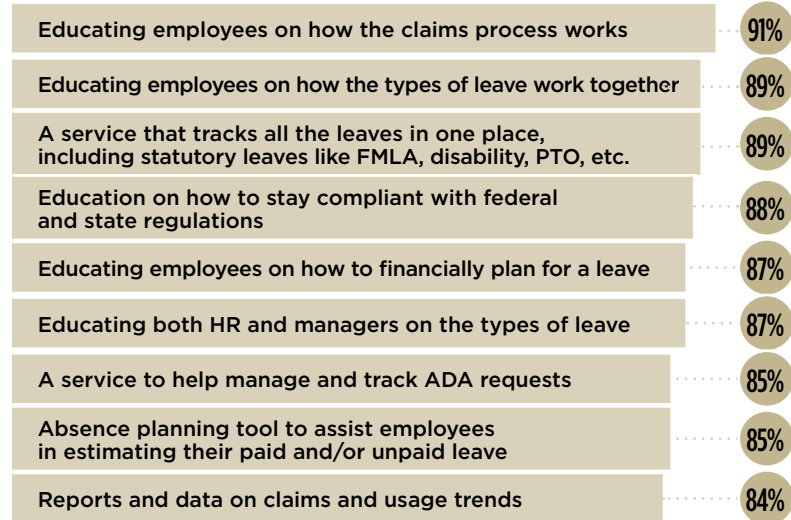


Only **26%** of U.S. workers are very confident they would know how all of the different leave types work together if they needed to take a leave of absence.

At least half of employers note complexity in managing paid leave:

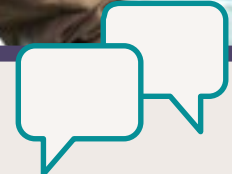
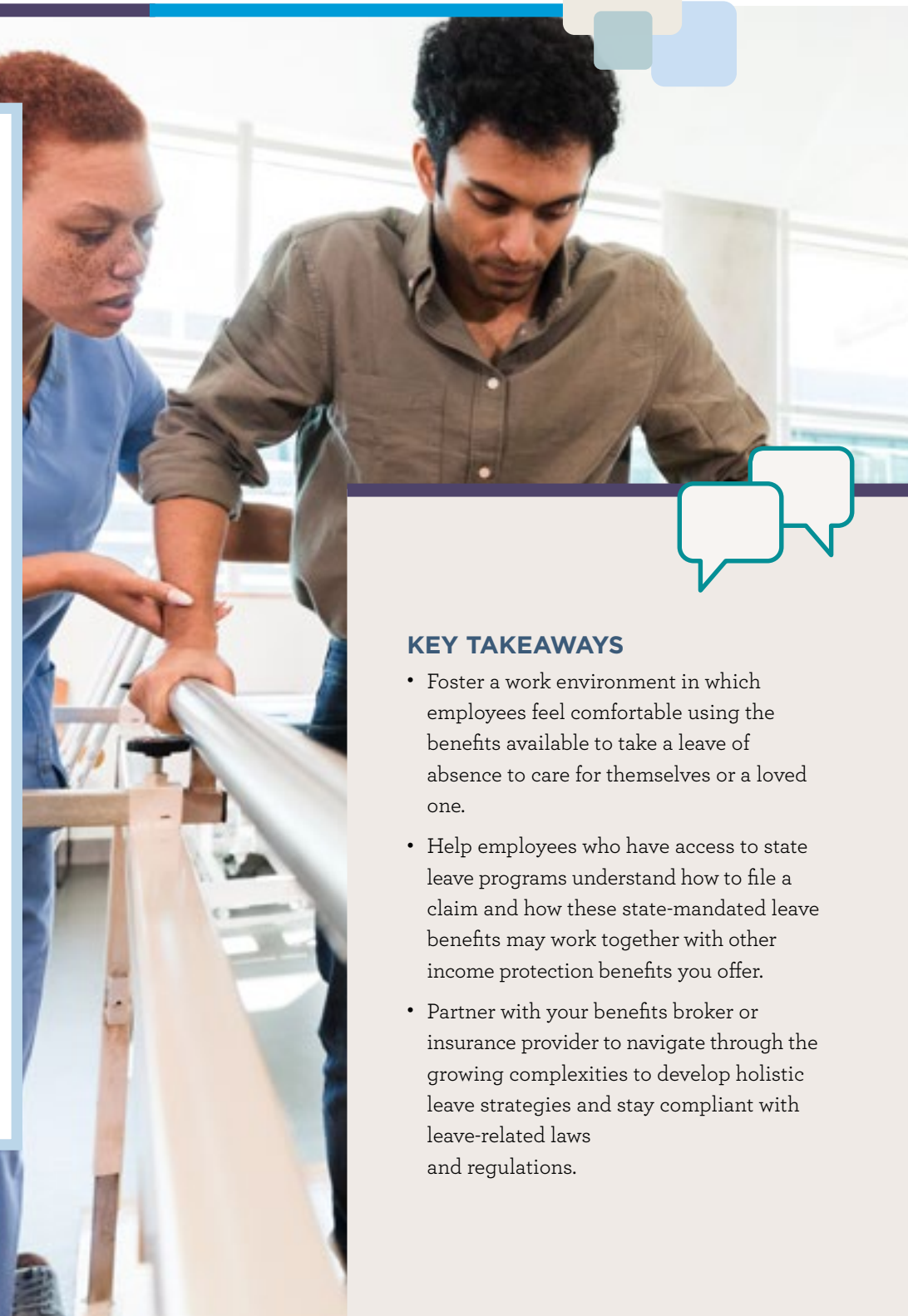
- The number of states implementing paid leave laws is increasing pressure to provide consistent paid family leave programs across my workforce: **72%**
- The number of states implementing paid leave laws is becoming too many to accurately support: **54%**
- There is no easy way to track and manage all of the leave types: **50%**
- Employees at my company do not know how to initiate a leave: **50%**

Amid the increasing complexity related to managing employee absences, employers would welcome support with:



The top five resources employers rely on to stay compliant with federal, state and local leave laws and regulations include:

- My insurance carrier: **54%**
- Legal teams or company lawyer: **44%**
- My insurance broker: **41%**
- Other HR professionals at my organization: **39%**
- Google/search engine: **38%**



KEY TAKEAWAYS

- Foster a work environment in which employees feel comfortable using the benefits available to take a leave of absence to care for themselves or a loved one.
- Help employees who have access to state leave programs understand how to file a claim and how these state-mandated leave benefits may work together with other income protection benefits you offer.
- Partner with your benefits broker or insurance provider to navigate through the growing complexities to develop holistic leave strategies and stay compliant with leave-related laws and regulations.



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## STUDY METHODOLOGY

The Hartford's 2024 Future of Benefits Study was fielded Feb. 21 – March 4, 2024 and included 502 employers and 1,246 U.S. workers. The employers surveyed were HR professionals who manage/decide employee benefits and U.S. workers surveyed were actively employed. The margin of error is employer +/- 4% and U.S. worker +/-3% at a 95% confidence level.



To learn more about the 2024 Future of Benefits Study and other benefits topics, visit [TheHartford.com/futureofbenefits](https://www.TheHartford.com/futureofbenefits)

