

Voluntary Benefits Insights

Talking to millennials about the value of voluntary benefits

Chris Wilson

As a voluntary benefits broker, you're well aware of the demographics of your clients' employee populations. If you haven't already seen an increase in the number of millennial workers employed by your clients, it won't be long before you do.

In 2015, millennials surpassed Generation X to become the largest portion of the American workforce, [according to Pew Research](#). Abundant research has demonstrated that millennials have their own way of thinking about their world, including the benefits their employers offer. Have your clients adjusted their voluntary benefits communications to better speak to millennials?

Learn their priorities

Each generation has its financial priorities. For boomers, saving for retirement has been a priority. To some extent, Generation X shared that goal, but their attention has been divided between retirement savings and paying down debt. Debt is also a concern for millennials, but their greater focus is on simply making enough money to be able to enjoy life and feel financially secure.

When communicating with millennial workers about voluntary benefits, employers should emphasize how offerings facilitate the kind of financial security that will allow millennials to better enjoy their lives.

Understand their reservations

It's also important to remember that a majority of millennials came of age during the Great Recession. They watched their parents and grandparents struggle financially after losing jobs in mass layoffs. They saw their parents' 401(k)s and pension funds virtually wiped out in the economic downturn.

Given that environment in their formative years, it's no surprise that many millennials prioritize financial security. However, surveys show they also feel less than qualified to achieve it on their own, and remain skeptical of "the system" that undermined their parents' financial well-being.

Moreover, many are dealing with high student loan debt, and may also have high credit card debt — all of which puts their financial security in jeopardy. What's more, many millennials aren't clear on what they need to do to get out of debt, and many are unwilling to make paying down student debt a priority over enjoying life, [Forbes reports](#).

Talk their talk

Millennials want to do better financially, and actively seek financial advice from a number of sources. They do understand the need to manage risks that could undermine their financial well-being, but they're not always informed about options like voluntary benefits that can help them do that.



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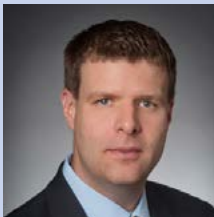


Any conversation brokers or employers have with millennials about the value of voluntary benefits should focus on the potential of those benefits to help employees preserve their financial well-being. More than facilitating savings toward the future or building wealth, the message of enhancing financial security will resonate with millennial employees.

Voluntary benefits communications should also take place through the channels we know millennials prefer. Digital communication through mobile app, text messaging or email speaks to millennial employees in a format they've already embraced. Millennials are used to being able to conduct virtually every type of business digitally, whether it's making a purchase or paying a bill. They will also expect that level of convenience and flexibility from the benefits enrollment process, so brokers and employers should emphasize easy online enrollment tools.

Millennials also prefer high levels of personalization and relevancy. Employers can personalize voluntary benefits enrollment in a number of ways, from offering millennial workers the chance to tailor their own benefits package from a menu of available products to permitting enrollment throughout the year, rather than at only one time.

Generation Y will have a lasting and significant impact on the workplace for decades to come. Millennials will dominate the workforce, and companies that want to attract and retain the generation's best workers will need to differentiate themselves with voluntary benefits offerings that are relevant, personalized and valuable to the new generation.



About the author

Chris Wilson, Regional Practice Leader, Voluntary Markets, has 22 years of sales and sales management success — as well as product and process expertise — in the Voluntary/ Worksite benefits marketplace. Prior to joining Reliance Standard in 2017, he was a Regional Manager for AIG Group Benefits, where he spent 18 years in escalating sales and sales management roles.