

Gig economy reshaping benefits expectations



The rise of the gig economy and changing demographics are creating a cultural mash-up that's redefining what workers expect from the benefits employers offer. That's the conclusion of MetLife researchers who conducted the insurance firm's 15th annual U.S. Employee Benefit Trend Study.

For the first time, the study found that more than half of employees surveyed—51%—said they were interested in pursuing contract or freelance work so they could take advantage of more flexible hours, work from home sometimes and work on a variety of projects. Full-time, salaried jobs are falling out of favor because they lack those perks.

Freelance work appeals to millennials most, with 64% expressing interest, followed by generation X (52%) and baby boomers (41%).

“Not only is the gig economy disrupting the traditional workplace, but the workforce itself is transforming. There are four generations working side by side,” said Todd Katz, MetLife's executive vice president for group benefits.

Employers agree that the gig economy is affecting the workplace: 59% said an increase in temporary jobs will affect their workplaces within the next three to five years.

Over half of employers (51%) said that retaining employees through benefits will become even more important in that same time frame. Thus it's no surprise that 83% of employers surveyed ranked improving retention as an important goal of their benefits program. Eighty percent prioritized increasing employee productivity, and 79% mentioned controlling health and welfare benefit costs.

Giving employees the opportunity to customize their benefits is key to retention, the MetLife study found. Nearly three-fourths (74%) of employees said having benefits customized to meet their needs would be important when considering taking a new job.

A similar percentage said having the ability to customize their benefits would increase their loyalty to their current employer.

In fact, benefits customization rated even more important than the ability to work from home or remotely: 76% of millennials said having tailored benefits would increase their loyalty to their employers, as did 67% of boomers.