

# Recruiting: Attract millennials by helping pay their student loans

**By Alyssa Schaefer**

Ten years ago, millennials flocked to employers that offered free snacks and ping-pong tables. That demographic is all grown up now, and they're seeking more meaningful benefits from their employers, benefits that bring tangible value and long-term results.

Smart employers know it pays to appeal to millennial employees. In 2016, they became the largest generational cohort at work—35% of the workforce, compared to 33% for Gen Xers and 25% for baby boomers.

For many millennials, one constant has defined their financial status for the entirety of their adult lives: The burden of student loan debt.

As the chief marketing officer of a tech-driven bank, I hear from our millennial staff all the time about their needs. Student loan debt is considered an epidemic in our country. It is a major obstacle standing in the way of millennials achieving their financial goals.

## **The debt that workers bear**

About 45 million Americans carry almost \$1.5 trillion in student loan debt. The average balance of \$49,000 means debtors must make monthly student loan payments of about \$350.

At our bank, those with student debt are constantly looking for ways to decrease their student loan balances—from practical strategies like refinancing or taking on a "side hustle," to extremes like participating in medical trials.

Enlightened companies are beginning to recognize how offering student loan repayment benefits can enable their employees' financial independence. One recent study found that 85% of applicants who received two similar job offers would choose the employer that provided student loan repayment benefits.

## **A benefit with real value**

I often talk with corporate clients who offer student loan repayment benefits, so I hear their wishes too. Providing a student debt repayment benefit reinforces that employers care about the same things their employees do. It demonstrates that employer and staff share the same values.

Student loan assistance helps to boost employee morale and satisfaction, creating a more productive and loyal workforce. And companies that are first in their industry or area to introduce this benefit shape their brand perception.

One common misconception is that student loan benefits are expensive to offer. However, employers that partner with the right bank or refinancer can develop programs that provide real value while avoiding

unnecessary costs.

## **A retention benefit, too**

At a time when job switching has become more common, and when half of millennials carry student loan debt, student loan refinancing benefits can help encourage employees to stick around for the long haul.

It's a benefit that establishes trust and demonstrates that employers care deeply about the financial future and overall well-being of their employees. For millennials, that's far more appealing than most work perks.

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