

Understanding today's workforce – how employee segmentation can help employers win



Better understanding the mindsets and attitudes of today's employees can help employers inspire a more committed and loyal workforce. Using in-depth research, MetLife uncovered compelling insights about today's employees' motivations, outlooks and preferences. Using that data, we found four distinct employee segments, giving employers greater insights into what motivates employees and how to better tailor their benefits to modern expectations.

1. Recognizing today's employees

The expectations of employees have evolved. They are increasingly seeking more harmony between work and life, where personal life is enriched by work and work enriched by life outside of the job. And employees are in the position to do so. Unemployment is the lowest it's been in decades, and employees are empowered with greater knowledge about the culture and work environment at companies than ever before.

Yet, while expectations have changed, employees aren't making unreasonable demands. They want to be recognized for who they are. Not as a cohort defined by sweeping stereotypes and generalizations, but as people legitimately pursuing their goals and aspirations. They're individuals doing what employees have always done: building lives for themselves and putting in the work to make it happen. Yet many employees don't feel they get the appreciation they deserve for the work they put in:

While employers are overwhelmingly committed to their employees, there's opportunity to convey their dedication to employees differently

My company is
committed to
my success

Employee

65%

Our company is
committed to our
employees' success

Employer

77%

1

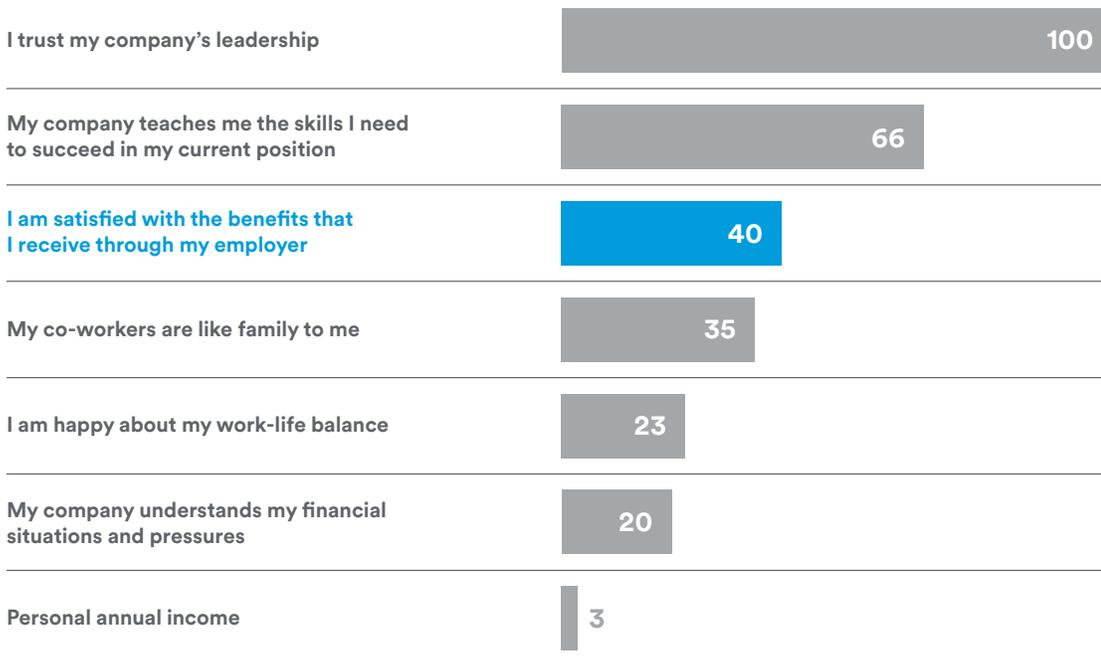
¹ 16th Annual MetLife Employee Benefit Trends Study, 2018, metlife.com/ebts2018.

Recognizing these individuals for who they are, and more closely meeting and understanding their needs will give employers access to what they want: a workforce that is engaged, effective, productive and loyal. But loyalty is earned, and employers have some work to do.

2. Communicating the deeper value of benefits

Traditionally, employers have shown their appreciation through salary and bonuses. But benefits are also a powerful way of engaging employees.

Drivers of employee net promoter score (ENPS) (Ranked on strength as a driver)



2

Furthermore, employees who are happy with their benefits are twice as likely to remain at a company for up to 5–10 years.³

Yet, while benefits drive satisfaction, less than half of the workforce are truly satisfied with the ones they receive.

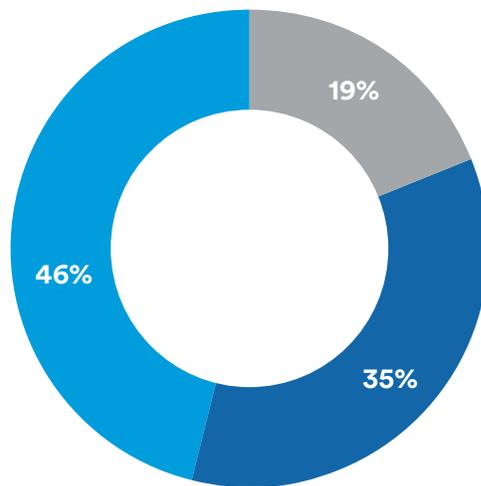
² MetLife Employee Segmentation Research, 2017.

³ MetLife Employee Segmentation Research, 2017.

Agreement with statement...

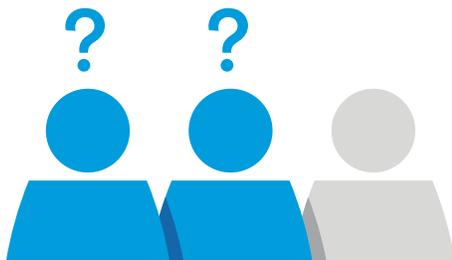
“I am satisfied with the benefits that I receive through my employer.”

● Strongly agree ● Strongly disagree ● Neutral/Somewhat Agree/Disagree



4

This lack of satisfaction is not necessarily about the benefits themselves, but often how they're communicated to employees. Employees can find them confusing, not sure which ones are right for them, and without understanding who in their organization to contact for guidance. They're often unaware of which benefits are right for them, and if so why exactly:



More than **two-thirds** of employees don't understand which benefits are applicable to their personal needs

5

Helping employees understand what benefits are available, and what those benefits include, would make a huge difference for employers. With clarity would come improved enrollment, helping employees feel their company has their best interests in mind. Employees would engage more fully in their jobs, understanding that their employer values their work and is willing to show it.

⁴ MetLife Employee Segmentation Research, 2017.

⁵ MetLife Employee Segmentation Research, 2017.

Understanding where employees are coming from is the key. Not just their age, job title or marital status, but who they are, what motivates them and how they think about their future. When employers segment their employees, they often use simple demographics that only illuminate a surface-level view of the workforce. But deeper insights are needed to uncover what's impacting employee satisfaction, motivation and, ultimately, loyalty.

3. A tailored approach to communication

MetLife surveyed 12,000 employees, in 15 industries, across 10+ roles and companies of different sizes about work, long- and short-term goals, and their personal lives. Through this research, we identified four distinct employee segments, each with different styles of thinking, feeling, and acting. These segments represent the attitudes and motivations of today's modern workforce.

This overview of the four employee segments' mindsets provides a view of the attitudes they share and where they differ and helps us map out ways to best respond to their needs:



Segment 1

**Plans for the long term.
Sees work as fulfillment.**

Life

Optimistic about the future

Work

Sees work as fulfillment

Benefits

Sees benefits as way of supporting life goals



Segment 2

**Plans for the short term.
Wants to work less, live more.**

Life

Hard to prioritize what to do day-to-day

Work

Want less work, more life

Benefits

Sees benefits as minimum requirement



Segment 3

**Plans for the long term.
Sees work as life.**

Life

Makes detailed plans for the future

Work

Sees work as life

Benefits

Feels others in their lives depend on benefits



Segment 4

**Plans for the short term.
Works to live.**

Life

Living in the now

Work

Sees work as a means to an end

Benefits

Want support with benefits

The four segments have diverse outlooks, from optimism to skepticism, and feeling in or out of control of their lives. These distinctions show why employers need to adjust their communications and ways of engaging to fit the different employee needs and points of view.

With this greater insight into the minds and hearts of employees, employers can make big changes without huge compromises. It's simply all about adjusting communication and recognizing the nuances within an employer's workforce.

For example: some employees have specific near-term goals or just aren't really thinking about the future. A discussion that frames benefits around long-term planning wouldn't resonate as strongly, and may leave them thinking the benefits offered aren't for them. But it doesn't mean they can't be engaged. For these employees, framing benefits around what they can do today — e.g., have more flexible vacation policies — that would have immediate impact could get them engaged and interested.

Or take education. Some employees are very confident about what benefits can do for them, and how they match their current circumstances. These workers may want to explore their options and make decisions through easy-to-use digital tools. Yet, many employees don't understand how benefits fit into their lives. So, these employees probably prefer one-on-one communication so they can gain confidence and feel more empowered.

Understanding the diversity of employees can enable real ways to meet their needs and inspire greater satisfaction.

Example tools/programs to engage the segments differently:

Guidance channels

In-person, one-on-one sessions



Booklets and printed materials



Digital tools and online workshops



Preferred forms of appreciation

Flexible work schedules



Paid vacation



Financial wellness planning



Flexible benefit choices



Different segments need different things. Across them, there's a need for different options and benefits, but there is also a need to understand how they want to be communicated with. The goal is to help everyone understand and see how benefits are relevant to them. It makes them feel valued. It helps them make better decisions.

Given that, companies that put these insights into practice are seeing real results, from increasing participation to inspiring greater understanding of the value of their benefits programs, all of which translates to increased engagement, greater retention, and improved ENPS.

4. Better understanding means better engagement

Getting to know employees as individuals doesn't have to be a difficult exercise. Understanding specific mindsets and attitudes uncovers a world of insights into how to approach employees differently to engage them more. MetLife can help employers uncover what kind of segments make up their workforce and offer the support they need to communicate to their employees in the most relevant ways possible. Employees have evolved; it's time to evolve with them.

Contact MetLife today to learn more about how we can help you better understand and engage your unique workforce.