

The Future of Employee Benefits

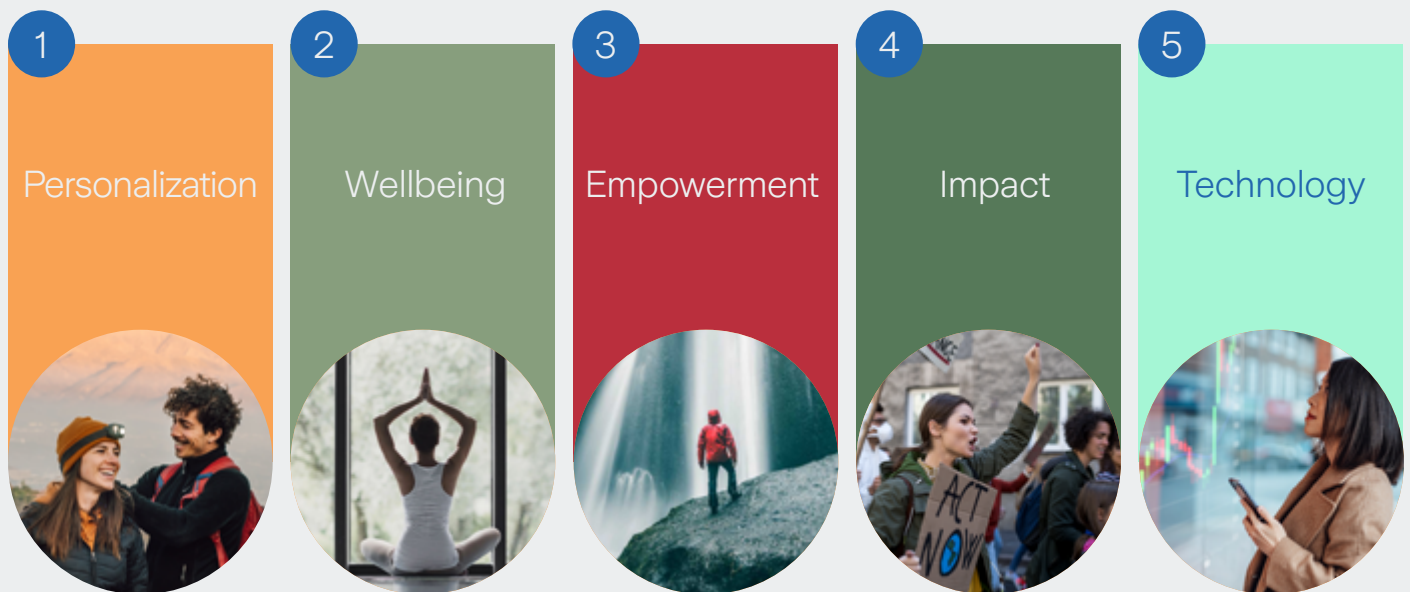
Key Findings and Strategic Insights



Zurich Integrated Benefits and The Future Laboratory have partnered together to create an engaging foresight **research report that envisions the future of employee benefits.**

In our report The Future of Employee Benefits: 2030 we unveil the key employee-led pillars for benefits design: Personalization, Wellbeing, Empowerment, Impact and Technology. Through various scenarios we explore how employee benefits might evolve by the year 2030 for employees and employers alike, exploring global shifts, trend signals and emerging consumer needs, in order to provide a vision of how this transformative future could take shape.

Our Key Findings and Strategic Insights document distills the core insights obtained from our extensive research conducted as part of our foresight work. The objective of this document is to provide readers with a glimpse into the future, outline potential outcomes by the end of this decade and offer strategies to help organizations prepare for this future.



Personalization

Employees in 2030 will seek benefits that naturally fit in with their unique working and life requirements.



With tomorrow's workforce set to be more diverse than ever, corporations will be tasked with providing and pre-empting choice for cross-generation employees – offering human-first benefits that are meaningful and tailored to fit the person, not the role.



Signals of Change

- Almost 65% of employees value the ability to choose their benefits, while only 36% feel they have a say. Source: PeopleKeep
- Only 1 in 5 (21%) of employees feel that their benefits align closely with what is important to them. Source: Beneflex



Benefits in 2030

- Benefits tailored to individual needs, able to support working and life requirements of a diverse workforce.

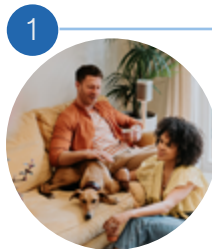


Scenario

- Imagine benefits that intuitively align to individual life preferences and choices.

How to prepare for this future

When considering personalization, businesses should:



1

Offer end-to-end flexibility

Multiple, nuanced, and diverse living and working structures will soon be operating simultaneously across organizations. Consider how benefits packages will be required to change to this same flexibility.



2

Promote end-to-end Inclusivity

Inclusive benefits must comprise a key component of an organization's DEI strategy. Consider how you can ensure your providers are addressing needs across age, gender identity, sexuality and race.



3

Unlock the power of data

Consider how data could be used to create a self-sufficient benefits systems, able to suggest and select perks based on employees' unique needs and characteristics.

Wellbeing

In the employee landscape of 2030, health and wellness will no longer be a siloed benefits perk; employees will expect organizations to embody and protect their well-being through every aspect of the employee experience.



Here, prevention will take precedence over cure, with individuals seeking tailored, intuitive, and embedded adjustments, where well-being is recognised holistically as complete care for an individual's quality of life.



Signals of Change

- In Australia, Canada, the US and the UK, nearly half (47%) of HR leaders say their company supports workers' wellbeing, while fewer than 1 in 4 (24%) employees share that sentiment. Source: Achievers Workforce Institute (AWI)
- Burnout is on the rise across the globe, now affecting 42% of the workforce. In a recent survey among knowledge workers, they reported: 40% more work-related stress & anxiety, 20% worse work-life balance and 15% less job satisfaction than the year before. Source: Future Forum



Benefits in 2030

- Wellbeing is recognized as complete care for an individuals' quality of life, with prevention taking precedence over cure.



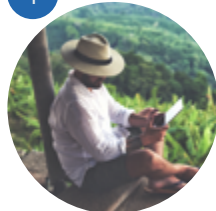
Scenario

- Imagine benefits packages that promote "Bleisure" (business-meets-leisure) trips as integral contribution to wellbeing.

How to prepare for this future

When considering wellbeing, businesses should:

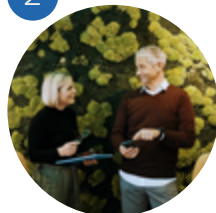
1



Offer balance in Bleisure time

Business-meets-leisure (Bleisure) trips will be reframed as a fully fledged contribution to wellbeing. Consider how you can forge a global eco-system of Bleisure-friendly employers, able to trade working lives and locations as part of a benefits package, while remaining a part of the organization.

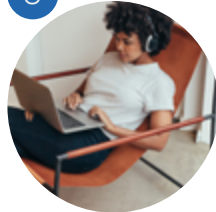
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Become life stage partners

Employers will be expected to provide formalized benefits for employees across a range of life stage needs rather than 'special adjustments'.

3



Harness technology to implement preventative and personalized wellbeing

Look to the increasing sophistication of wearables, apps and smart technology to explore how health and wellbeing benefits can function intuitively.

Individuals are willing to trade data for personalized and seamless experiences, but employers must action clear and transparent data policies to ensure optimal implementation.

Empowerment

Amid the democratization and decentralized decision-making of the working world, the employees of 2030 will prioritize autonomy in every aspect of their employment: seeking to be empowered, not held back by their employer.



Future benefits will be tasked with nurturing employees' careers and lifelong ambitions away from just their current job roles, creating packages that help future-proof their lives.



Signals of Change

- Almost 1 in 2 (45%) of Gen Z in the UK and US are already engaged in work outside of their employment. Source: Oliver Wyman Forum
- 94% of workers agree that they are likely to need a more diverse skillset in the business of the future. Source: NatWest



Benefits in 2030

- Educational benefits that empower the individual beyond their current job roles to help future-proof their lives.



Scenario

- Imagine benefits that nurture employees' lifelong ambitions and help them achieve financial security beyond the time at one organization.

How to prepare for this future

When considering empowerment, businesses should:

1



Future-proof employee skillsets

Upskilling will form a key tenet of the future of work. Consider how educational benefits can strengthen employee engagement while providing a vital resource for wider career longevity.

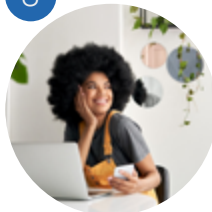
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Promote financial independence and literacy

Providing employees with financial advice and literacy uncouples financial progress from an employers' discretion. Consider how you could provide financial security for employees beyond their time at one organization.

3



Offer purpose beyond promotion

Organizations will be tasked with providing benefits that do more than take care of their employees - future generations will expect employers and their offerings to facilitate their life's purpose beyond work.

Impact

By 2030, organizations will be stepping in where governments are failing and acting as forces for good in society.

Future employees will need their employers to act as educators and enablers, providing tools and inspiration for a purpose-first future.



Signals of Change

- Contributing to society and meaningful work are the top two priorities of employees, with 70% of employees defining their purpose through work.
Source: McKinsey
- Almost 9 in 10 (87%) of Gen Z professionals in Europe would be prepared to quit their jobs to work elsewhere if the values of the new company were more closely aligned.
Source: LinkedIn



Benefits in 2030

- Benefits as extension and expression of a companies' purpose and values.



Scenario

- Imagine benefits that provide tools and inspiration to live a purposeful life.

How to prepare for this future

When considering impact, businesses should:

1



Offer choice through transparency

With organisations tasked with offering end-to-end sustainability, employees will expect oversight on the ethical standing of their choices.

2



Facilitate and supplement sustainable practices

Employees will expect benefits that formalize and strengthen sustainable training and commitments.

3



Align benefits with employee values

Employees are demanding purpose-driven organizations, and benefits must be an extension and expression of a company's mission and values.

Employers must take a dynamic and iterative approach to benefits, swapping out benefits that conflict with company and workforce values, and allowing employees a voice in benefits decision-making.

Technology

Harnessing emerging technologies to streamline employer offerings will create a fast track to objective, personalized, data-driven insights and choices.

In 2030, these offerings will create immersive benefits ecosystems that can unite providers in one place for employers to select and utilize.



Signals of Change

- The number of connected devices is predicted to reach 500bn by 2030. That's 59 times more than the expected 8.5bn people that will make up the world's population. Source: Cisco
- Almost 2 in 3 (62%) employees would exchange their work-related data for more customized compensation, rewards and benefits. Source: Accenture



Benefits in 2030

- Technology as enabler for personalized, data-driven benefits insights and choices and for collaboration across the industry.



Scenario

- Imagine benefits ecosystems that are able to constantly learn and adapt to changing employee needs.

How to prepare for this future

When considering technology, businesses should:

1



Use real-time data to measure investments

Data and analytics will prove key to transforming and optimizing workplace benefits. How can organizations harness benefits data securely and seamlessly to monitor spending and promote greater adoption? Consider centralized data sources that allow for dynamic data reporting – allowing organizations and their employees to maximize the benefits offering.

2



Embrace AI to streamline Selections

Consider embedding AI into platforms to allow your business and employees to choose the most suitable, affordable or beneficial benefits partners and options. This optimization could lead to benefits personalization and efficiencies for individuals, entire organizations and societies, with benefits eco-systems able to constantly learn and adapt to changing employee needs.

3



Look to the metaverse eco-system

Digital twins or metaverse environments will bring benefits suites to life, creating a singular entity for selection and fulfillment of digital healthcare, training or entertainment perks.



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