



# Focusing on the needs of your millennial workforce

Helping a diverse, multigenerational workforce get on the path toward income for life in retirement.

Employees like to know that they'll never run out of income in retirement. But different generations have specific needs.

## Let's look at those born between 1981 and 1996...



Millennials comprise **more than one-third of the American workforce**—the largest generation working today.<sup>1</sup>



**Many millennials have one or more student loans to pay off**, but they are optimistic about their careers and passionate.<sup>2</sup>



By 2025, millennials will make up **three-quarters of the workforce**, suggesting employers should rethink how they meet millennials' work/life balance needs.<sup>3</sup>



Only about **one in five millennials** has estimated their retirement savings needs,<sup>4</sup> being more concerned with how to balance short-term financial priorities with long-term retirement goals.

# What's on the minds of millennials?

Focused on jump-starting their careers, millennials are eager to grow in their roles, seek flexible, tech-forward work environments, and want to balance work with personal pursuits.

## Current and future financial needs



### Affording the basics

Housing, food, healthcare, emergency fund



### Managing debt

Getting ahead on student loan and credit card debt



### A stable future

Contributing to a company retirement plan to get on the path toward monthly income for life in retirement

## How plan sponsors can help millennials build their path toward retirement

✓ **Provide flexible benefits**, such as student loan/debt reduction assistance, flex time, telecommuting, overall wellness programs—and, of course, health insurance and a flexible design for their retirement savings.

✓ **Encourage contributing to fixed and variable annuities early.** Millennials are just starting out, so both fixed and variable annuities may make sense for planning ahead to secure income for life in retirement.<sup>5</sup>

✓ **Make it easy for millennials to participate in your retirement plan** by providing automatic enrollment and deferral increases. Consider annual re-enrollment so those who initially opt out have a yearly opportunity to get on track.

✓ **Offer comprehensive financial literacy programs with personalized advice.** Show millennials the benefits of longer-term investment goals and how to balance debt and build savings.

✓ **Optimize matching contributions** to encourage them to achieve greater savings.

✓ **Leverage technology.** Millennials are digital natives. One of the best ways to engage them is through technology-based learning platforms and customized services.



Your workforce is changing—are your benefits changing to meet its diverse needs? **Discover more about this modern workforce.**

Visit [TIAA.org/plansponsors](https://www.tiaa.org/plansponsors) today.



<sup>1</sup> Pew Research Center, "Millennials are the largest generation in the U.S. labor force," April 2018

<sup>2</sup> TIAA Institute, "Millennials and money: The state of their financial management and how workplaces can help them," February 2020

<sup>3</sup> Inc., "The (Millennial) Workplace of the Future Is Almost Here," January 2019

<sup>4</sup> Transamerica Center for Retirement Studies, 20th Annual Transamerica Retirement Survey of Workers, "Retirement Security Amid COVID-19: The Outlook of Three Generations," May 2020

<sup>5</sup> In retirement, your employees can convert savings into a stream of lifetime income payments. Options include choosing between receiving guaranteed fixed income payments or variable income payments that change based on investment returns.

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