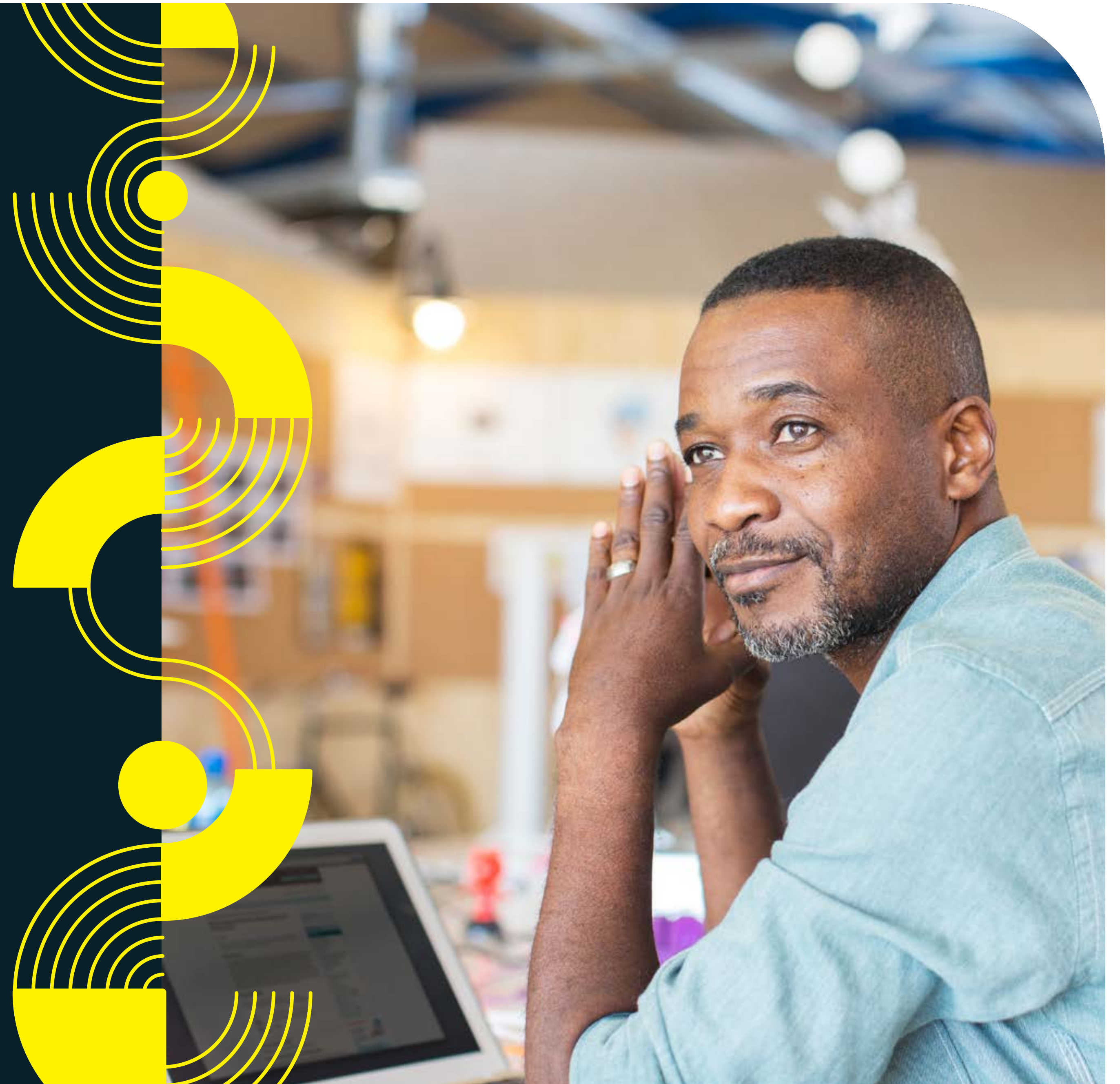


2025

Alight Employee Mindset Study



ABOUT ALIGHT

Alight is a leading cloud-based human capital technology and services provider for many of the world’s largest organizations and 35 million people and dependents. Through the administration of employee benefits, Alight helps clients gain a benefits advantage while building a healthy and financially secure workforce by unifying the benefits ecosystem across health, wealth, wellbeing, absence management and navigation. Our Alight Worklife® platform empowers employers to gain a deeper understanding of their workforce and engage them throughout life’s most important moments with personalized benefits management and data-driven insights, leading to increased employee wellbeing, engagement and productivity. Learn more about the Alight Benefits Advantage™ at alight.com.

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ABOUT THIS STUDY

The **2025 Employee Mindset Study** marks Alight’s 15th annual report focused on the U.S. workforce, delving into key areas such as employee wellbeing, workplace culture, total rewards and technology. This study aims to gain insights into employee perceptions, enabling employers to enhance wellbeing and experiences, ultimately boosting engagement, productivity and performance.

Conducted between May and June 2025, the study gathered responses from **2,500 U.S. employees**—both full-time and part-time—working for organizations with a minimum of **1,000 employees**. Our diverse sample reflects a wide range of age groups, races, genders and tenures. Participants represent various industries and work arrangements, including remote, onsite and hybrid.

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Executive summary

As we mark the 15th year of Alight’s Employee Mindset Report, the world of work looks markedly different in 2025 than what we saw in 2010, yet some parts feel familiar. Organizations now operate amid rapid technological advances, rising geopolitical uncertainty, shifting societal expectations and hybrid workplace models. Executives, managers and front-line staff alike are weighing new opportunities, like AI-enabled workflows, personalized benefits and flexible schedules, all against the persistent pressures of burnout, information overload and financial stress.

Drawing on a representative sample of more than 2,500 U.S. employees across industries, locations and job levels, this report uncovers how workers truly feel about their employers, benefits and everyday experiences at work. We track engagement, wellbeing, communication effectiveness and technology adoption, translating these insights into strategic plays for employers that need to attract, retain and inspire top talent in the years ahead.

Overall, we found employees are feeling better about their wellbeing and work experience. That’s not to suggest employers can sit back and relax since the bar has been lowered by the pandemic. There is still plenty of room for improvement. Workers are craving support—particularly when it comes to making healthcare decisions, finding their financial footing and dealing with stress. Overwhelmingly, employees told us they place a high value on resources offered by their employer. What’s more, those who have a fully supported benefits experience are more likely to stick around and be productive contributors.

Key findings



Employee engagement trends up

- 63% report positive energy and excitement at work.
- 64% say they’re inspired to do their best every day.
- 66% experience a genuine sense of belonging—but one in three still feels isolated and disconnected.



Location shapes satisfaction

- Remote workers (86%) are the most satisfied with where and how they work.
- Onsite employees are least likely to feel connected to their employer’s mission or inspired to do their best work.
- 33% of remote workers would consider leaving if mandatory return-to-office policies were implemented by their employer.



Wellbeing is uneven

- 47% of employees feel good about their overall wellbeing, particularly in mental and social areas. Financial health continues to be their biggest hurdle.
- Hybrid workers report the most loneliness and isolation, suggesting that splitting time between the office and home can create friction between freedom and social interaction.
- Younger generations feel more positively about their overall wellbeing than Boomers and Gen Xers.

Key findings continued



Benefits awareness outpaces usage

- 85% of workers say they have access to at least one wellbeing program, like mental health apps, nutrition coaching or stress-management workshops.
- Despite the widespread availability, average utilization hovers near 30–35% per program.
- 60% of workers understand their benefits options and feel confident making choices. These well-informed workers show 25% higher loyalty scores and are 40% more likely to view their benefits as an investment in their future.



AI adoption increases but raises new questions

- Nearly one-quarter of employees use AI tools every day.
- 43% say AI makes them more productive.
- One-third of workers worry about AI taking over their job.



Communication overload vs. clarity gap

- 63% feel well informed about their benefits.
- Nearly half find the volume of HR and benefits messages overwhelming.
- Unionized employees rate company communications higher, yet they report greater stress and job security concerns.





Recommendations for employers

- 1 Segment and personalize communication:** Tailor benefits messages based on traditional demographics, like generation, in addition to factors like work location and benefits literacy level. Combine succinct AI-generated digital alerts with periodic high-touch check-ins to keep information relevant and actionable.
- 2 Supercharge wellbeing adoption:** Close the gap between program access and usage by pairing mobile-first platforms with human-centered support, such as coaching and concierge services. Incentivize participation with small rewards and social recognition.
- 3 Use flexibility as a competitive edge:** Consider allowing workers to allocate their benefits dollars to what they value most. Evolve beyond binary “remote vs. onsite” debates. Offer choices like phased return-to-office, four-day work weeks or “core hours” scheduling and equip managers with data-driven guides to balance team cohesion and individual autonomy.
- 4 Embrace AI with transparency:** Provide training, clear policies and career-development pathways that integrate AI tools while reducing job-security fears. Position AI as a tool to free employees from rote tasks so they can focus on high-impact, creative work.
- 5 Help people choose the right benefits:** Have AI analyze employee data to provide tailored benefits recommendations at the right time. Pair employees with navigators who can offer guidance and support. Develop micro-learning content to optimize benefits usage.

Building a better experience

In 2025, the employee experience extends well beyond perks and paychecks. From the boardroom to the breakroom, workers expect an environment that is flexible, tech-savvy and deeply human. By listening to—and acting on—Alight’s insights, employers can build a workplace where engagement, productivity and wellbeing rise in tandem, delivering resilient performance in a volatile world.

Workers are feeling enthusiastic about the employee experience

IN THIS SECTION:

Workplace energy moves from meh to motivated

Work location provides no easy answers

AI apprehension, acceptance and anticipation

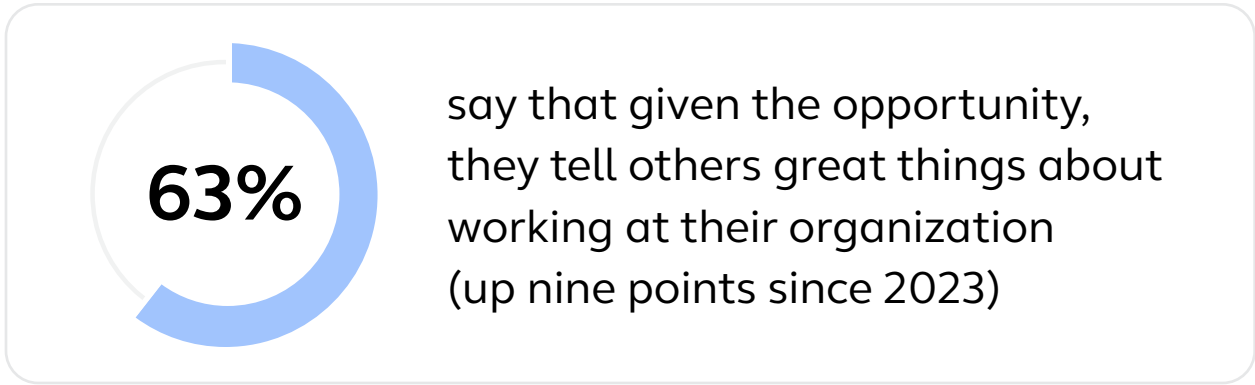


Workplace energy moves from meh to motivated

With economic uncertainty still lingering, workers may be more inclined to stay where they are, as nearly six in 10 (58%) have no plans to leave their current employer in the next year. However, employees aren’t just sticking around out of fear; enthusiasm for their overall experience is on the rise. That difference is even more striking when looking across the last two years when we saw several all-time lows in employee perceptions of their employers.

- 63% report positive energy and excitement at their employer (up 12 points over the last two years).
- 66% feel they belong at their employer (up nine points since 2023).
- 64% say their organization inspires them to do their best work every day (up 11 points in two years).

Gen Z may have a reputation for general dissatisfaction, but younger workers are much more likely to report positive energy--seven in 10, compared to 54% of Gen Xers and 57% of Boomers.



Employee experience	Year			2025, by Generation			
	2025	2024	2023	Gen Z	Millennials	Gen X	Boomers
Good to Awesome (Net)	77%	75%	72%	76%	80%	73%	77%
Awesome	18%	15%	18%	18%	19%	17%	17%
Great	28%	31%	25%	24%	30%	28%	34%
Good	31%	30%	28%	35%	31%	28%	26%
Okay	16%	18%	20%	15%	14%	19%	18%
Pretty bad	4%	4%	6%	6%	3%	5%	4%
Awful	3%	3%	3%	3%	3%	3%	1%
Pretty Bad to Awful (Net)	7%	7%	9%	9%	6%	8%	5%



Percent agreeing with statement	Year			2025, by Generation			
	2025	2024	2023	Gen Z	Millennials	Gen X	Boomers
I can be myself at work	63%	59%	58%	63%	67%	59%	53%
I am effectively able to balance/ manage my work and personal life commitments	61%	55%	53%	60%	63%	58%	56%
My employer expects too much of me	43%	39%	32%	55%	47%	30%	24%
I put too much pressure on myself at work	40%	42%	39%	51%	41%	34%	28%
I often dread going to work or starting my workday	39%	37%	34%	52%	41%	29%	21%
I give no more than the required minimum at work	35%	30%	37%	47%	40%	20%	15%
My employer lost my trust in their wellbeing efforts	34%	30%	27%	46%	38%	22%	17%
I no longer desire to produce top quality work for my employer	32%	29%	26%	45%	36%	19%	9%

That overall positive feeling doesn’t necessarily translate into the day-to-day, however. We continue to see a disconnect between how people feel about their employer and how they feel about their workday. The number of employees who dread starting their workday has risen to nearly four in 10 (39%). That number has inched up a couple of points each year since we began asking the question in 2020, when just under one-quarter (23%) felt that way.

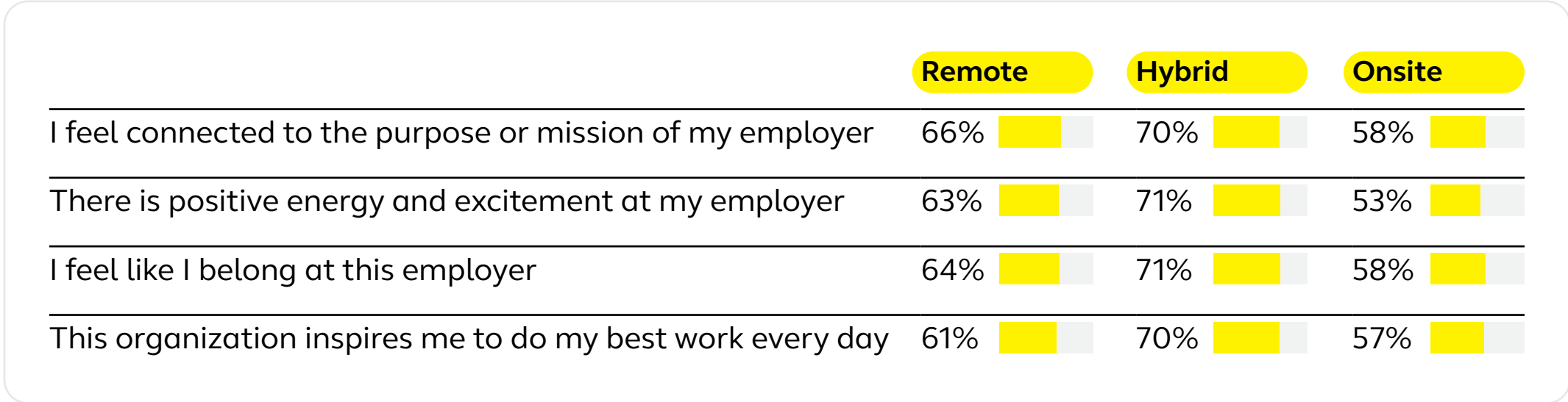
While the number of people reporting at least one symptom of job-related burnout has fallen 10 points from a high of 46% in 2023, 43% still feel their employer expects too much of them, an increase of 11 points in two years. This perception of pressure is much more common among Gen Z and Millennial workers, with twice as many agreeing as those in the Boomer cohort. One-third of all workers say they no longer desire to produce top quality work for their employer (up five points since 2023), with reasons evenly divided between no upside, work-life needs and stress.

Still, employers can feel good about these upturns in employee perceptions about the workplace and their experience in it.

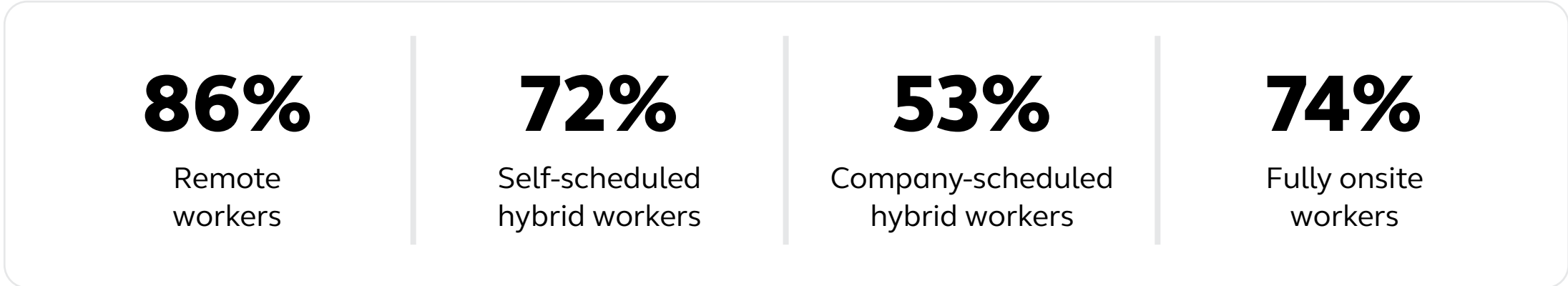
Work location provides no easy answers

While it’s no surprise that remote employees are the most satisfied with their work arrangement, it’s more of a mixed bag when we dig into specifics on the employee experience and wellbeing. Once someone has secured a remote position, they appear to be less likely to leave (65% of remote workers have no plans to leave, compared to 61% of fully onsite and 54% of hybrid). However, hybrid workers are most likely to have good things to say about their employers, while onsite workers aren’t necessarily feeling it.

Percent agreeing with each statement by work location



Employees who are happy about their current situation



When it comes to personal wellbeing, hybrid employees again come out on top. Across all dimensions, they feel more positively about their wellbeing, with remote workers coming in at least 10 points lower and onsite workers falling even further behind. The biggest disparity is in financial wellbeing, with a 13-point difference between hybrid and remote workers feeling good about their finances (51% vs. 38%). You could chalk this up to remote workers potentially accepting lower pay in exchange for flexibility. However, only 30% of onsite employees feel good about their financial wellbeing, indicating a more widespread issue.

During the pandemic, there emerged a myth that remote workers suffer from loneliness, yet hybrid employees are more likely to say they often feel lonely or isolated (40% vs. 35% remote vs. 26% onsite). While 61% of hybrid employees say they feel connected to coworkers, more than half of remote workers echo this sentiment. Clearly, working onsite is not the solution, as only 46% of these workers report a sense of connection. A frequently cited rationale for bringing people back to the office is a belief that it will increase productivity. However, three-quarters (74%) of remote employees self-report being often or almost always productive working from home, with hybrid close behind at 72% and onsite at 69%. So, that doesn’t seem to be the factor employers think it might be.

While the benefits to employee and employer can be debated, remote workers who have held onto those roles express a desire to continue without changes. While 42% say they would be okay moving to a hybrid situation, 33% would look for another job and 6% would resign immediately. So, with the retention of four in 10 in jeopardy and another 19% saying they would be less engaged, organizations must consider their long-term talent strategy when debating return-to-office plans.

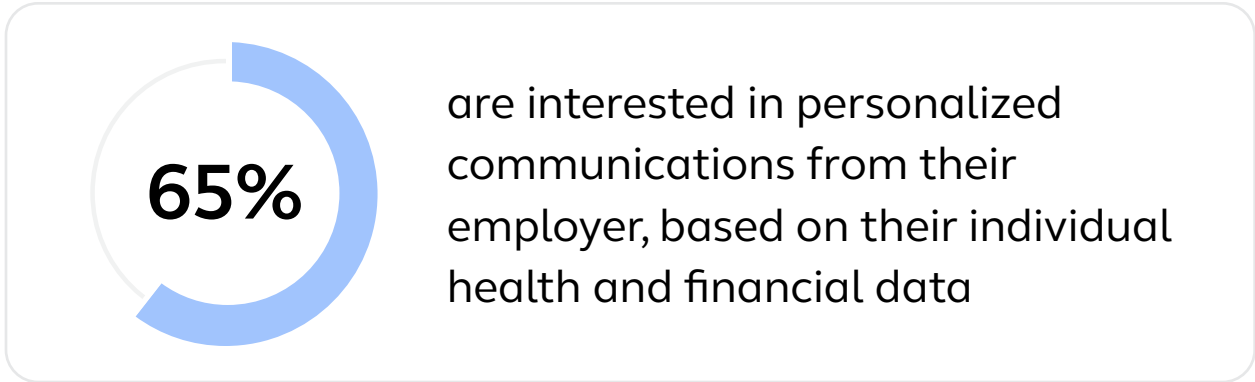
AI apprehension, acceptance and anticipation

Over the past year, employees have become increasingly comfortable with generative AI tools, and most now believe AI will fundamentally change the way we work. Additionally, the percentage of workers who say their employer encourages the use of AI has increased from 35% to 41%.

This encouragement has translated to more usage, with nearly three-quarters of employees reporting AI use in their daily work, up from two-thirds in 2024. However, AI usage varies significantly across generations. Millennials and Gen Z are much more likely to use AI at work, with only 15% and 13%, respectively, saying they never use it. By contrast, 62% of Baby Boomers report never using AI at work.

While 43% of employees now see AI as a tool that makes their job easier, concerns remain about its impact. Specifically, 45% of workers believe they will fall behind if they don't learn how to use AI, and one-third are concerned it may replace them in their jobs. **As AI continues to reshape the workplace, employees' attitudes reflect a mix of optimism and apprehension about its potential effect on their careers.**

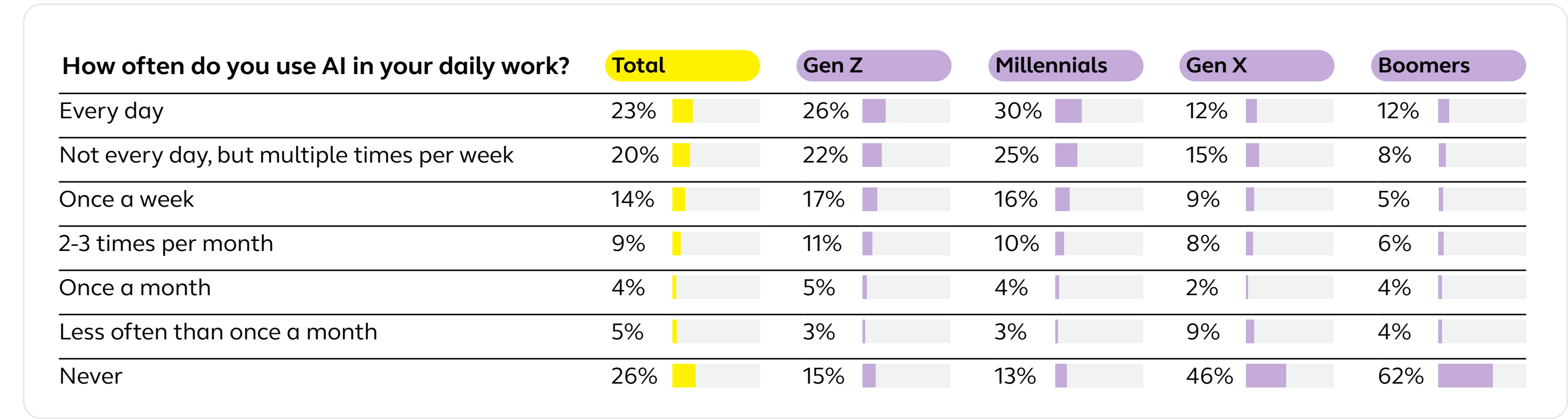
With AI becoming more prevalent, employees' willingness to share personal data with their employers has also increased. Since 2023, there has been a rise in the percentage of workers who feel comfortable sharing personal data in exchange for more tailored guidance. More than three-quarters (77%) now say they are comfortable sharing health information, up from 69% in 2023, while 73% are comfortable sharing financial information, up from 65% in 2023. This growing comfort with data sharing may help unlock the full potential of AI in the workplace.



Employees' feelings about AI in the workplace

Percent agreeing with statement	2025	2024
AI is going to fundamentally change work as we know it	55%	50%
I will fall behind if I do not learn how to use AI	45%	41%
AI has a long way to go before it can be useful	44%	44%
AI makes my job easier	43%	38%
I trust AI to make good recommendations	43%	36%
I am skeptical of the output I receive from AI	42%	45%
My employer encourages me to use AI at work	41%	35%
AI scares me	39%	40%
AI is going to take away my job	33%	31%

How would you explain your current feelings about AI?	2025	2024
Hopeful	35%	36%
Excited	34%	34%
Curious	25%	27%
Concerned	24%	27%
Intrigued	23%	21%
Suspicious	21%	23%
Nervous	15%	19%
Scared	13%	14%
Doubtful	12%	14%
Indifferent	12%	13%

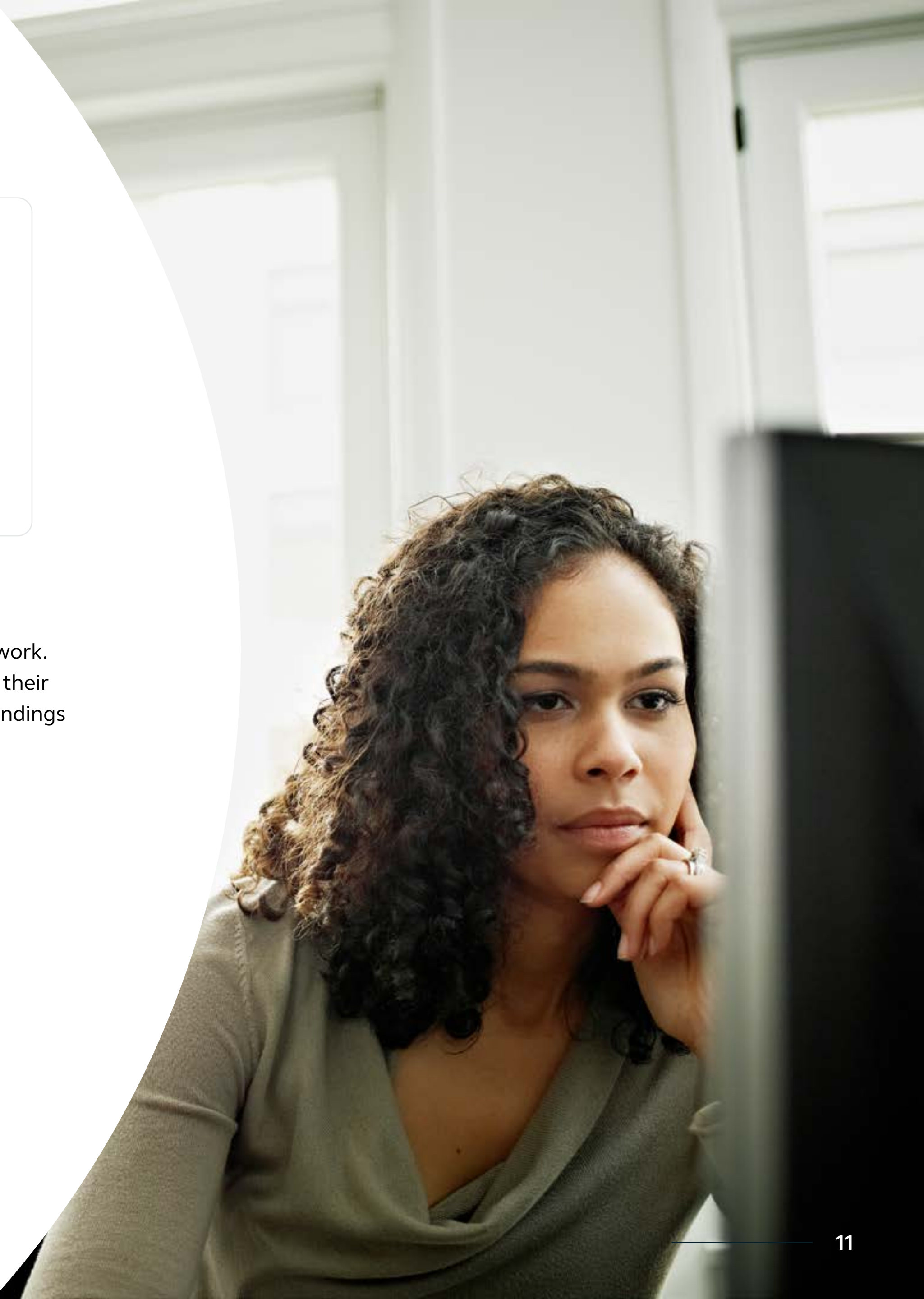


Does AI anxiety affect wellbeing?

Despite differences in AI adoption across generations, workers’ emotional response to AI reveals a surprising consistency. When asked if AI scares them, nearly 40% agree across all ages, while just under a third disagree, and the remainder are neutral.

Those who are scared by AI are more likely to feel overwhelmed by benefits options (25% vs. 8% of those not scared by AI) and report higher stress levels (75% vs. 63%). Moreover, AI anxiety is closely tied to job security concerns: half of workers scared by AI worry about their job stability, compared to just 25% of those not scared by AI.

This anxiety translates into a more negative outlook on work. Employees scared by AI are more likely to dread starting their workday (56% vs. 23% of those not scared by AI). These findings suggest that AI-related anxiety can have far-reaching consequences for worker wellbeing and job satisfaction.

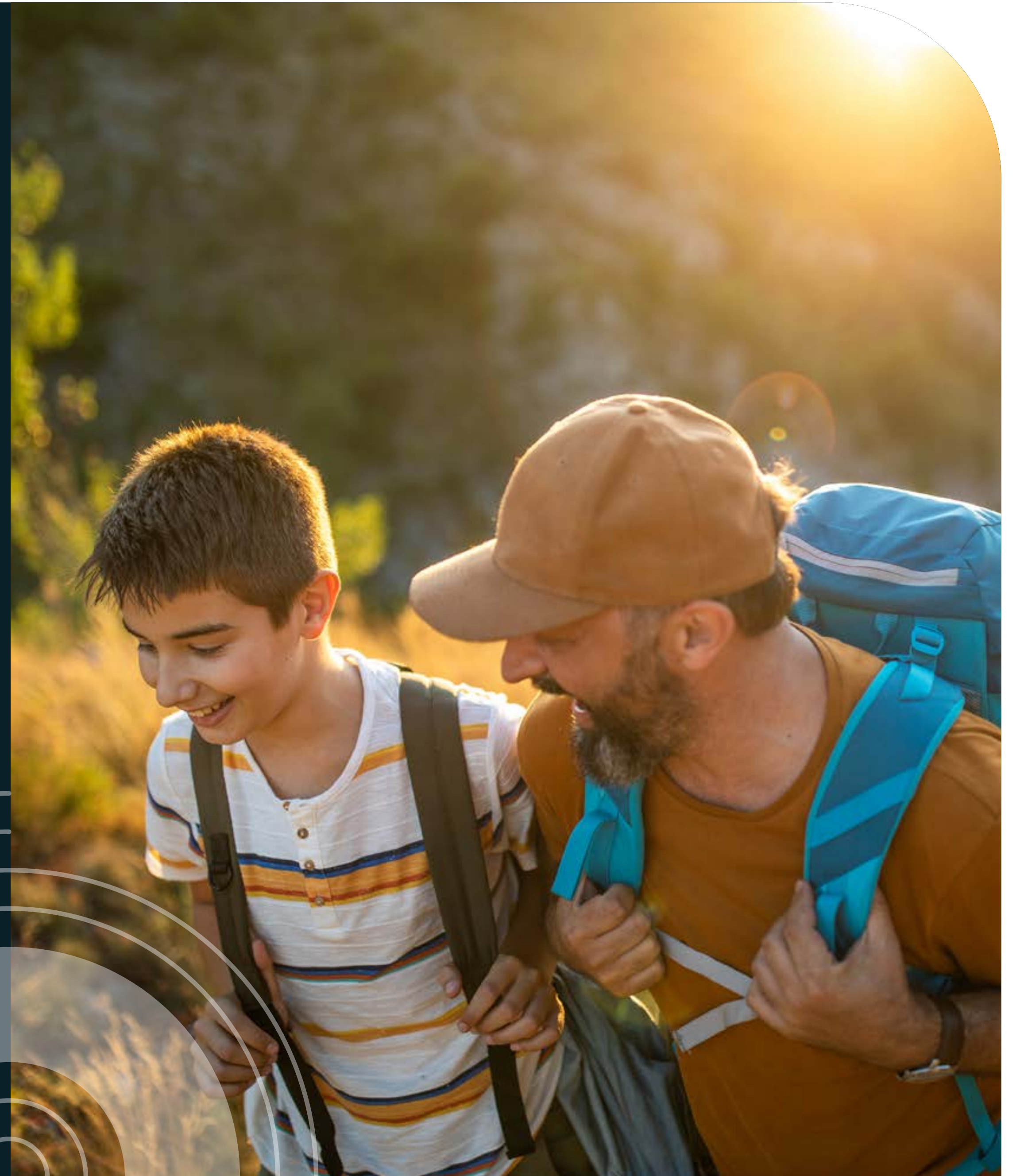


Wellbeing is rebounding, but there's still room for improvement

IN THIS SECTION:

Employee wellbeing bounces back

Breaking the barriers to wellbeing progress



Employee wellbeing bounces back

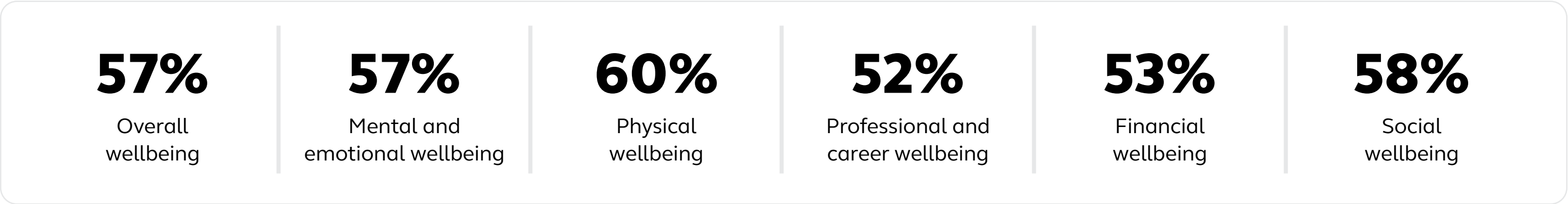
Over the past seven years of tracking employee wellbeing ratings, we have seen sentiments rise and fall. Perceptions reached their highest point in 2022, coinciding with a period of renewed optimism as individuals and organizations began recovering from the impacts of the COVID-19 pandemic. However, this upward trend reversed in 2023 and 2024, with reported wellbeing significantly declining across all dimensions. Encouragingly, this year’s data shows a positive shift, especially for social and mental wellbeing (each improved by five percentage points compared to last year). Similarly, employees’ sense of control over their wellbeing inched up slightly.

Employees’ positive perceptions of wellbeing*

	2025	2024	2023	2022	2021	July 2020	Pre-Covid 2020	2019
My overall wellbeing	47%	44%	51%	53%	40%	39%	49%	38%
Mental and emotional wellbeing	47%	42%	48%	50%	39%	37%	46%	43%
Physical wellbeing	46%	44%	48%	49%	38%	38%	44%	42%
Professional and career wellbeing	46%	43%	47%	49%	36%	34%	44%	39%
Financial wellbeing	42%	39%	46%	45%	35%	35%	40%	34%
Social wellbeing	48%	43%	48%	50%	38%	33%	45%	34%

*Percentages represent those citing an 8, 9 or 10 on an 11-point scale where 0 = “Couldn’t be worse” and 10 = “Couldn’t be better.”

Employees who feel in control of each wellbeing dimension



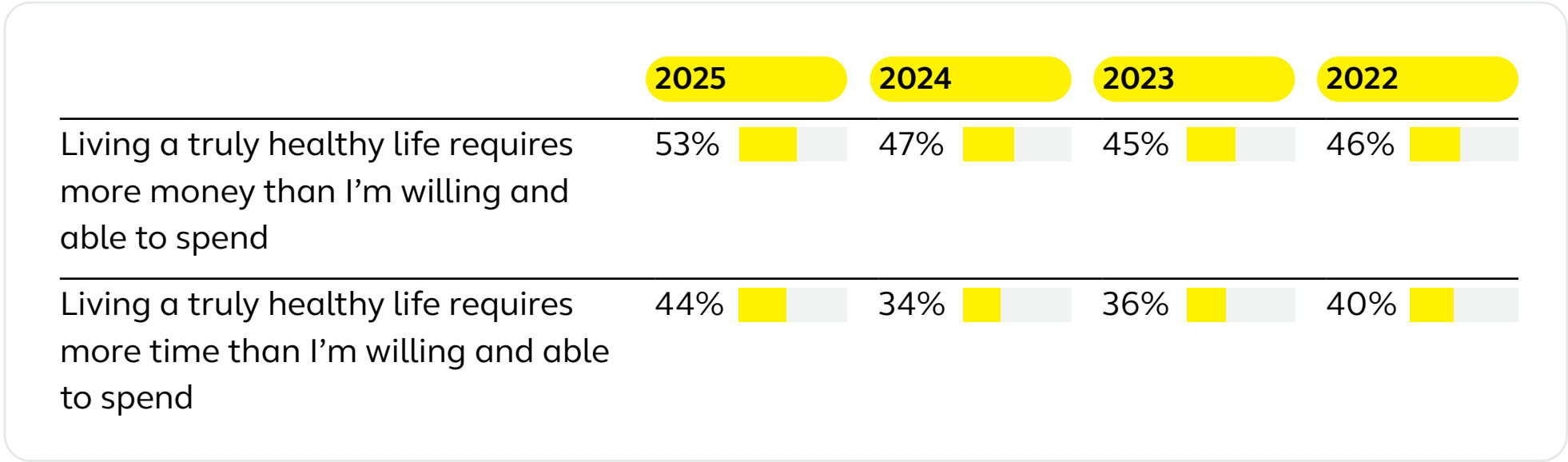
While wellbeing has improved somewhat across the board, we do see variations in different groups’ perceptions:

- Gen Z and Millennials report higher overall wellbeing than Gen X or Boomers. Perceptions have shifted significantly in recent years for certain generations - ratings increased for Gen Z but declined for Boomers.
- Females are less likely to rate their wellbeing positively.
- Those in hybrid work arrangements feel better than those who only work remotely or onsite.
- Some industries (Retail & Wholesale Trade, Public Sector and Healthcare) tend to have lower results than other industries. Financial wellbeing ratings stand out as significantly lower among Retail & Wholesale Trade and Public Sector workers (just 30% for each).
- Senior Management and Middle Management/ Supervisory levels are more likely to be doing well vs. individual contributors across all wellbeing dimensions. For example, just 27% of individual contributors say their finances are going well (vs. 48% of supervisors and 60% of senior management).

Breaking the barriers to wellbeing progress

One thing is for sure: there’s always room for improvement when it comes to wellbeing. This year’s study continues to show that employees encounter obstacles to achieving better wellbeing. Among them, employees are less willing to spend the money or time they believe is needed to attain—and maintain—a truly healthy lifestyle.

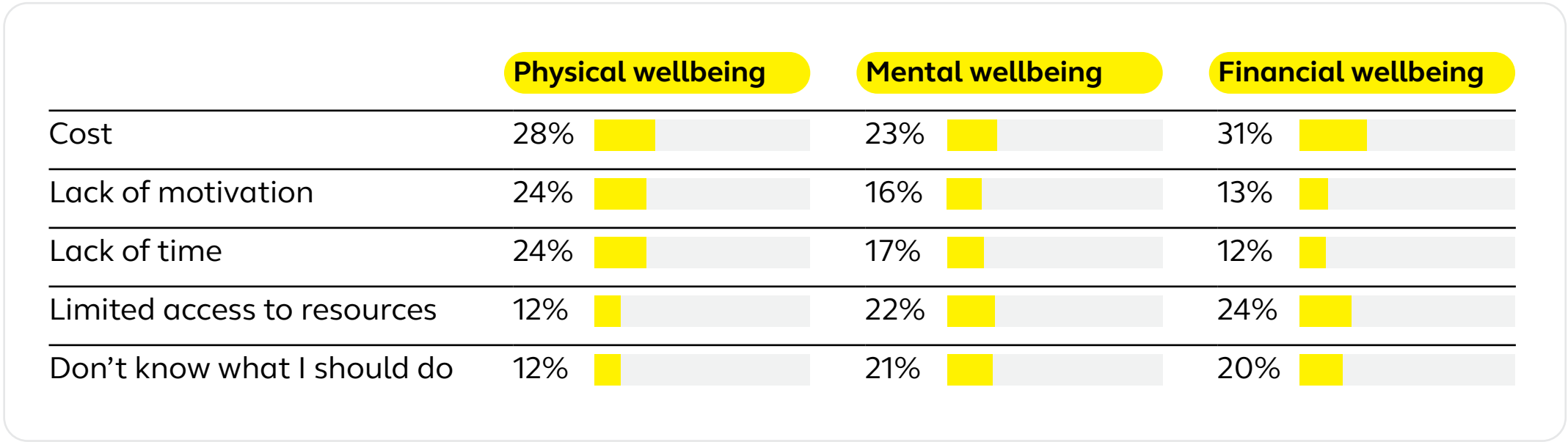
Percentage agreeing with statement



Generationally, limited resources are the top mental wellbeing obstacles for Gen Z (24%), while uncertainty is the #1 obstacle for Boomers (24%)

Across physical, mental and financial wellbeing, cost is the biggest barrier. Lack of motivation or time is a top challenge to improving physical wellbeing, while limited access to resources and being unsure what to do follow closely behind cost when it comes to mental and financial wellbeing. While lack of time is not the #1 obstacle to improving mental wellbeing, employees increasingly wish their employers offered more time off for mental health (55% in 2025 vs. 50% in 2024 and 2023).

Biggest obstacle to improving wellbeing*



*Base: Among those to whom this applies.



For the past four years, workers have consistently told us that work-life balance, sufficient time off from work and financial support would most enable them to take control of and improve their wellbeing. There are a variety of other ways that employers can help move the needle as well. For example, around one-quarter of respondents select items like work culture (28%), health monitoring tools (24%) and detailed benefits information (21%) as beneficial to improving their wellbeing.

Which of the following, if any, would help enable you to take better control of and improve your wellbeing?

	2025	2024	2023	2022
Work-life balance	44%	60%	66%	56%
Sufficient time off from work	32%	48%	50%	39%
Financial support for tools, programs, etc.	31%	40%	43%	30%
A work culture that puts employee wellbeing as a priority	28%	38%	41%	30%
Robust benefit programs (i.e., health, wellbeing, financial benefits)	26%	35%	39%	28%
Mental health programs	26%	33%	34%	26%
Tools for monitoring my health	24%	32%	30%	20%
Positive role models in my workplace	23%	27%	25%	22%
Detailed information on health benefits already available to me	21%	26%	27%	20%
Positive role models outside my workplace	21%	27%	24%	21%
None of the above	7%	5%	4%	7%

Wellbeing—what’s the ROI?

When employees thrive, businesses thrive. Comparing the roughly 50% of employees reporting high wellbeing to those reporting low wellbeing produces some striking findings.

High-wellbeing employees are more connected to their organization’s mission (81% vs. 44%) and over twice as likely (81% to 40%) to describe their workplace as having positive energy. They’re far more likely to stay with their current employer (64% vs. 49%) and share positive

experiences about their workplace (80% vs. 43%). What’s more, they’re nearly 2.5 times more likely to recommend their employer to others (84% vs. 34%).

These findings send a clear message: investing in employee wellbeing is a wise business decision. By prioritizing wellbeing, employers boost retention, foster a positive work culture and enhance their reputation. It’s a strategic move that can have a lasting impact on the bottom line.

Support is crucial for driving wellbeing improvements

IN THIS SECTION:

Beyond the list: guidance and support are key

The impact of the fully supported employee

Is flexibility worth more than pay?

Benefits buffs exude enthusiasm

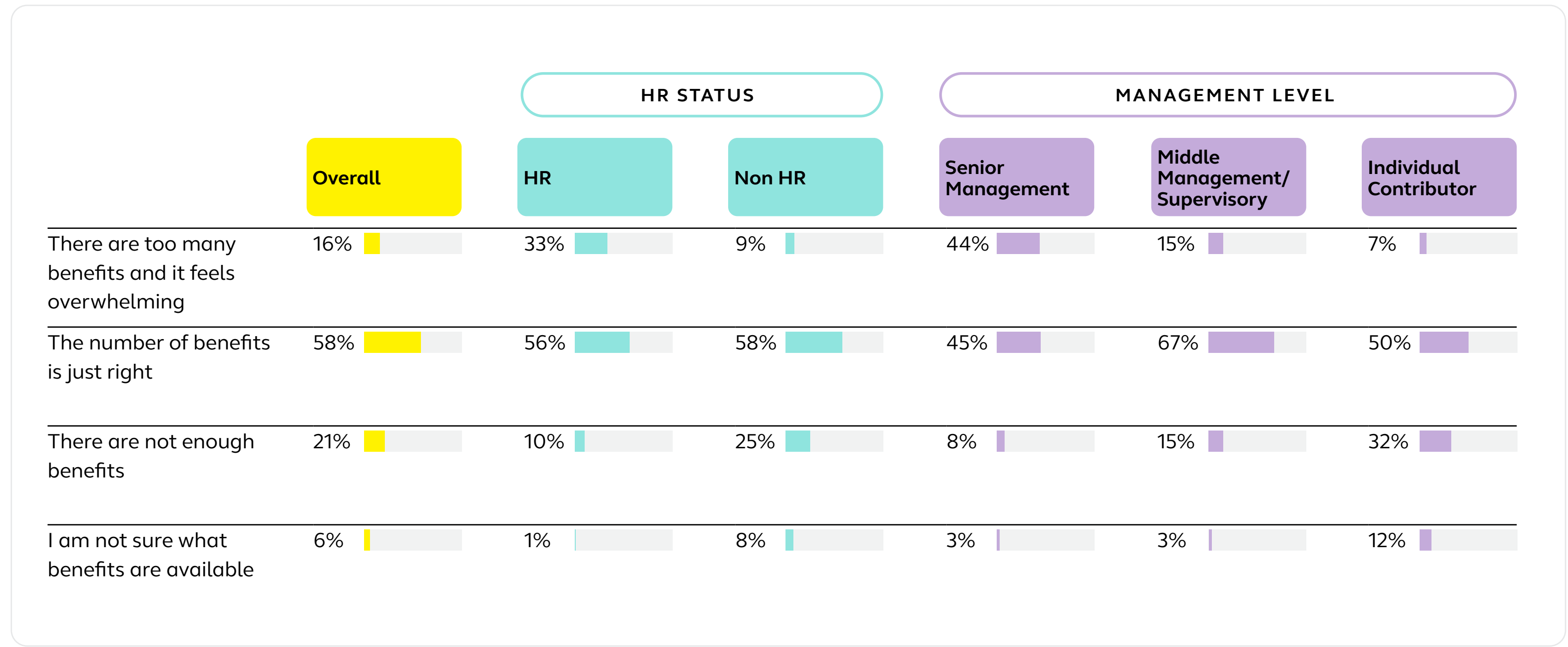


Beyond the list: guidance and support are key

Employers are offering more benefits than ever before. In addition to essentials like health insurance, retirement savings and paid time off, many now provide a range of wellbeing programs, from fertility support to healthy aging initiatives. This year, 85% of workers say they have access to at least one wellbeing program, up from 78% three years ago.

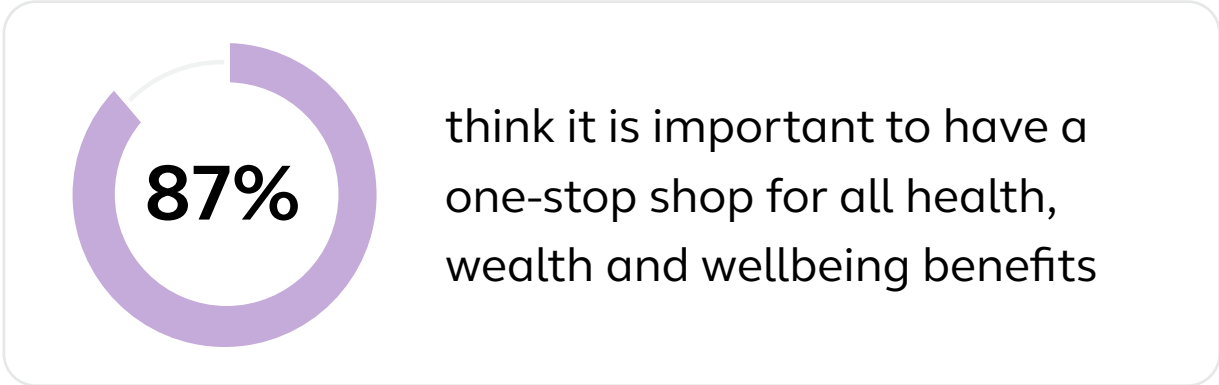
Notably, there are striking differences in perception of the number of available benefits, depending on level and position in the company. For example, individual contributors are far more likely to feel there are not enough benefits, while senior management believes too many benefits are offered, to the point where it feels overwhelming.

Employees’ feelings on the number of benefits offered



Despite the growing availability of these programs, usage remains relatively low. While most workers see the potential value in wellbeing programs, only about a third use each program when it’s available. Among those who use these benefits, however, roughly 85% find them valuable.

So, why aren’t more employees taking advantage of these benefits? The answer lies in the need for guidance and support. **Employees don’t just want a list of available benefits; they want help understanding and choosing the right options for their needs.** Across the board, workers are looking for their employers to provide direction and assistance in highlighting the most relevant and beneficial programs. For some, this might be a high-tech solution, like AI recommending how much to save to an HSA vs. a 401(k) plan. For others, it might be a more high-touch solution, like talking to a professional who can help interpret complex medical information.

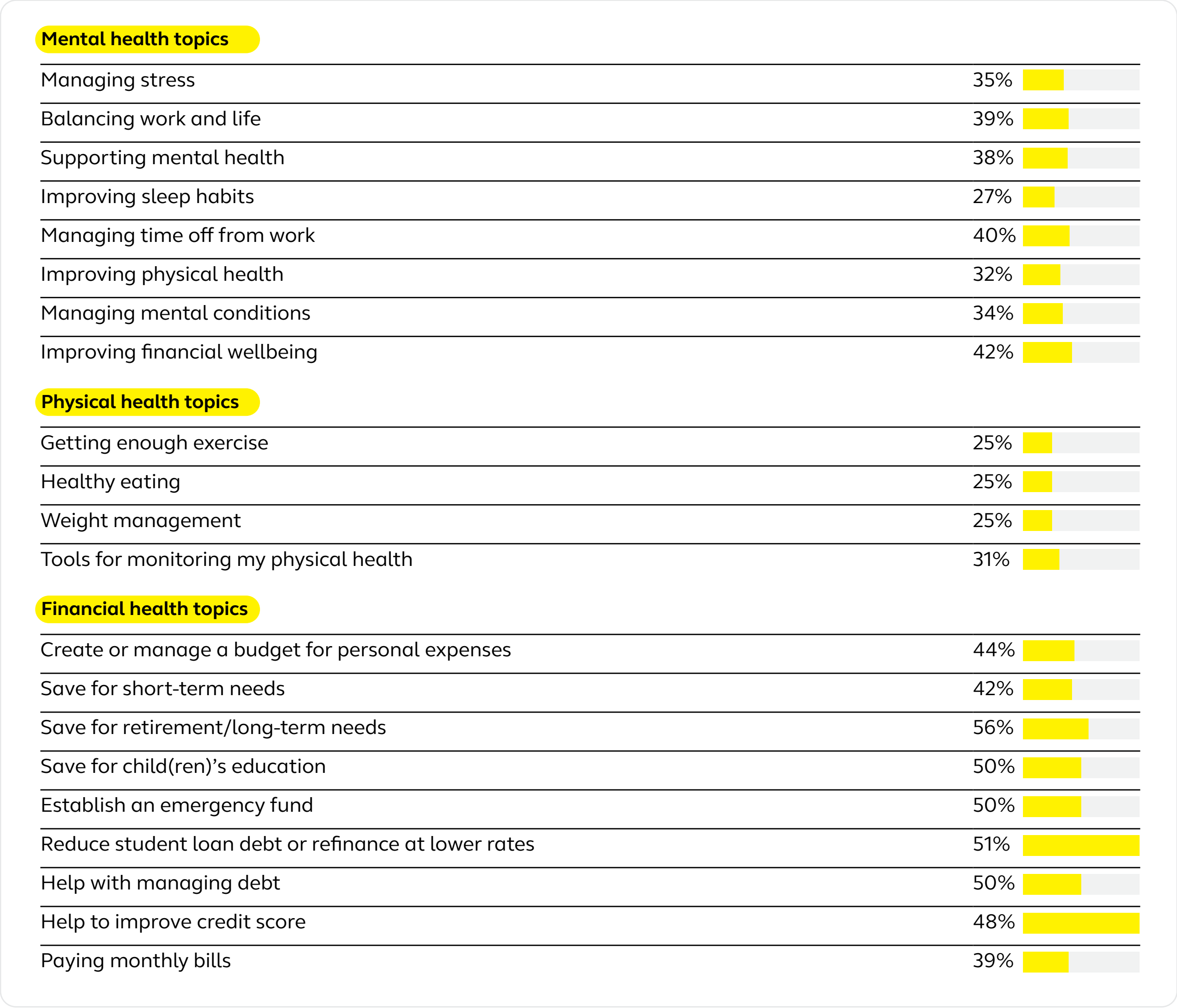


This desire for help is particularly strong in the financial wellness space, where workers often struggle with insecurity. For example, over half of workers with student loans want their employer to offer tools or programs to help reduce debt or refinance at lower rates. Similarly, half of workers want their employer to help them establish an emergency savings fund. By providing targeted support and resources, employers can help workers get the most out of their benefits and improve their overall wellbeing.

Wellbeing programs an employer may make available to employees and dependents

	USED IN LAST YEAR		VALUED	
	Perceived availability	(among available)	(among everyone)	(among people who used)
Access to low-interest short-term loans	12%	34%	64%	81%
Caregiver support/resources	14%	23%	63%	88%
Diabetes prevention and support	12%	36%	64%	84%
Digital therapeutics or preventive digital coaching	11%	38%	58%	77%
Exercise/physical fitness	23%	51%	71%	84%
Fertility planning and family building	11%	25%	57%	76%
Getting paid more frequently	12%	45%	69%	83%
Healthy aging	12%	40%	69%	80%
Heart health	14%	32%	71%	87%
Live 1:1 health coaching	12%	33%	63%	81%
Men’s health	15%	44%	64%	89%
Mental and emotional health apps	23%	30%	68%	83%
Nutrition, healthy eating, and/or weight management classes or programs	20%	34%	70%	85%
Paid Time Off exchange	19%	42%	66%	88%
Parental support	15%	28%	62%	84%
Personalized financial management	17%	33%	68%	87%
Personalized health management	17%	35%	68%	82%
Personalized support for navigating the health system and costs	15%	36%	67%	77%
Physical therapy/musculoskeletal programs	13%	36%	64%	74%
Telephonic, virtual or online visit with a mental health professional	22%	30%	66%	86%
Tobacco and substance abuse support	17%	18%	57%	80%
Wellbeing marketplace	13%	39%	64%	79%
Women’s health/menopause support	14%	28%	67%	81%

Percentage saying they want employer assistance*



*: Among people for whom the topic is applicable.

Is healthcare navigation the ultimate form of help?

Healthcare navigation support is emerging as a critical employee benefit, with approximately one-quarter of workers now having personalized assistance available to them. These services go beyond providing basic information and include comprehensive support, like provider recommendations, cost estimates, prescription reviews, billing advocacy, program referrals and appointment scheduling assistance.

This support is offered through various channels, with 23% of workers having electronic access and 28% having face-to-face options via phone or virtual meetings.

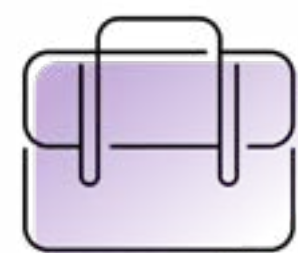
While the availability of these services hasn’t grown, usage has increased significantly. **Nearly two-thirds (64%) of workers with electronic navigation assistance report using it in 2025, a 12-percentage-point increase from 2024.** Similarly, 59% of workers with face-to-face services used them, a five-percentage-point increase. This growing adoption suggests that workers are increasingly valuing the support and guidance provided by personalized navigation services.



The impact of the fully supported employee

Each year, we pay special attention to the ‘fully supported employee’—a group with comprehensive workplace benefits. About 10% of respondents to this year’s Mindset study fall into this category. These people have medical insurance through their employer or spouse’s employer, along with access to personalized medical or financial support and to all their health, retirement and wellbeing benefits through a single, centralized platform. The impact of this integrated benefits approach is powerful.

Compared to the rest of the employee population, fully supported workers demonstrate significantly higher engagement and employer loyalty:



Workplace

- 67% plan to stay with their current employer (+10 points).
- 76% say they tell others great things about their organization when given the opportunity (+14 points).
- 64% report an exceptional employee experience (+20 points).
- 38% are extremely likely to recommend their employer to others (+17 points).



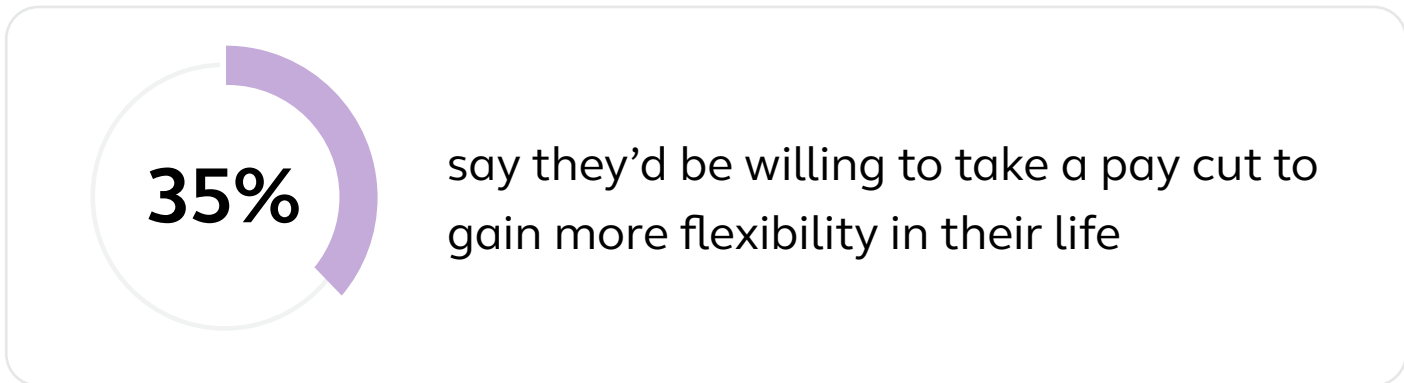
Wellbeing

- 62% rate their overall wellbeing highly (+17 points).
- 53% have not regretted a healthcare decision (+16 points).
- 62% effectively manage their stress levels (+11 points).
- 49% rarely experience feelings of loneliness (+17 points).
- 45% report no symptoms of burnout (+9 points).

The most compelling outcome? Productivity. Fully supported workers report being demonstrably more effective at work, with 83% saying they are always or almost always productive at work, compared to 70% of their less-supported counterparts.

Is flexibility worth more than pay?

While pay is a major driver of work decisions, a significant portion of employees prioritize flexibility over a higher salary. More than a third say they would consider taking a pay cut for more flexibility, a trend that’s grown eight points over the past two years.



Not surprisingly, higher-income workers are more likely to value flexibility. Nearly half (45%) of those earning \$100,000+ would consider a pay cut for flexibility, compared to just 23% of those earning less than \$45,000.

Some demographic trends may be less expected:

- Men are more likely than women to prioritize flexibility over pay (42% vs. 29%).
- Younger generations are leading the charge. Nearly half (49%) of Gen Z workers would consider a pay cut for flexibility, compared to just 7% of Boomers.

These findings suggest that flexibility is becoming an increasingly important consideration for workers, cutting across traditional demographic lines.

The impact of the shifting work location

Five years ago, the pandemic forced many people to trade their office desks for home offices. Since then, employers have taken different approaches, ranging from embracing remote work to mandating a return to the office, with many adopting a hybrid model.

So, how are employees adjusting to these new arrangements? Largely positively:

- Among fully remote workers, 86% are happy with their current setup, with 11% wishing they could spend a few days in the office and only 3% preferring to work fully onsite.
- Hybrid workers are also generally content, with 66% happy with their current schedule. However, 21% wish they could work 100% remotely, 10% wish they had a different hybrid schedule and 3% prefer to work fully onsite.
- Even among fully onsite workers, 74% are satisfied with their current arrangement. However, 15% wish they had a hybrid schedule, and 11% wish they could work fully remotely.

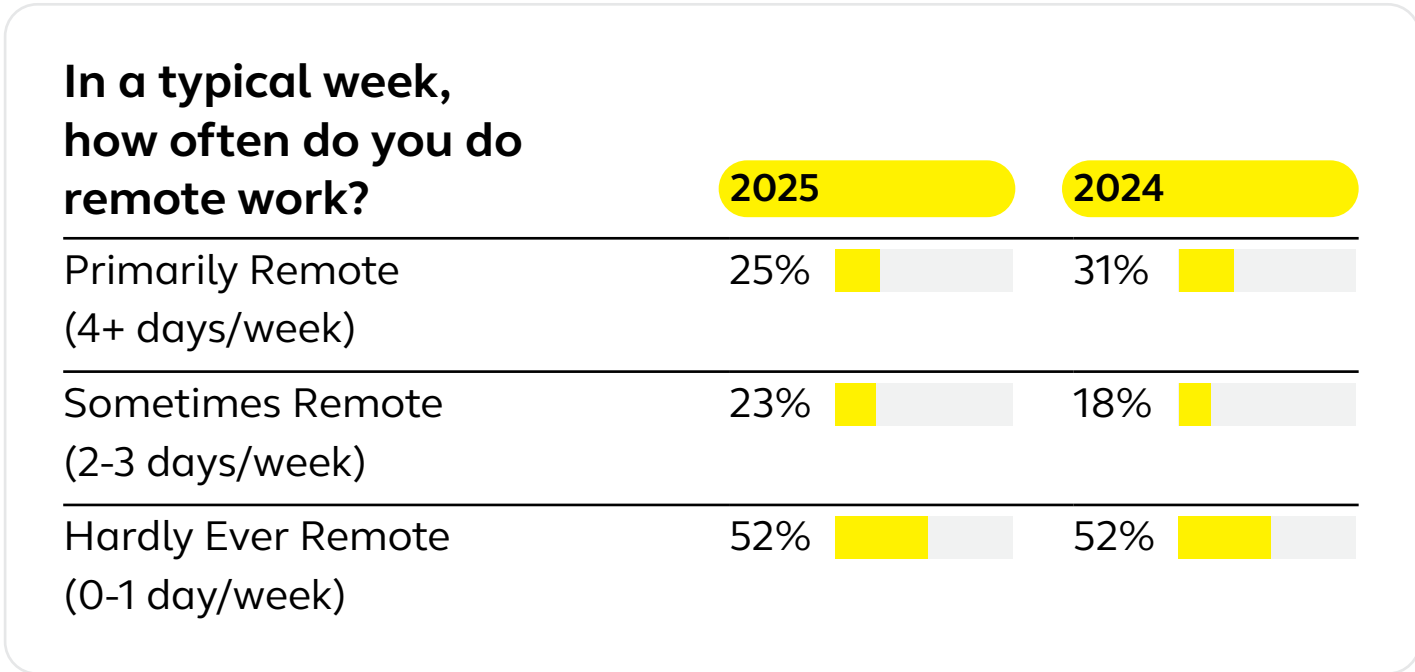
The findings indicate that employees are adjusting to their current work arrangements, although **employers should continue to consider flexible work options to address the varied needs of their workforce.**

Interest grows for flexible benefits allowances

A growing trend is the emergence of flexible benefits allowances, where workers have a pool of money to use for various benefits. Health Savings Accounts (HSAs) have long been a prime example of this concept, allowing people to choose between using funds for immediate medical expenses or saving for future needs.

Lifestyle accounts and other innovative products are now offering even more flexibility. Employees seem to be enthusiastic about this approach, with 53% expressing a preference for a ‘benefits allowance’ that would enable them to decide how their benefit dollars are spent.

However, this desire for flexibility is tempered by a need for guidance. Nearly half of workers (47%) indicated that if they had the freedom to allocate their benefits, they would want assistance in making informed decisions about how to use their funds. **While workers value flexibility, they also need support to make the most of their benefits.**



Benefits buffs exude enthusiasm

While flexibility is essential to a good benefits program, understanding is equally important. If workers don’t have a clear understanding of their employer’s benefits offerings and how they work, they can’t make an informed decision about which options are best for them.

Six-in-ten workers say they have a high degree of benefits knowledge, 31% have moderate knowledge and 9% have low knowledge. Those with high benefits knowledge - or “benefits buffs” - tend to exhibit behaviors that employers value:

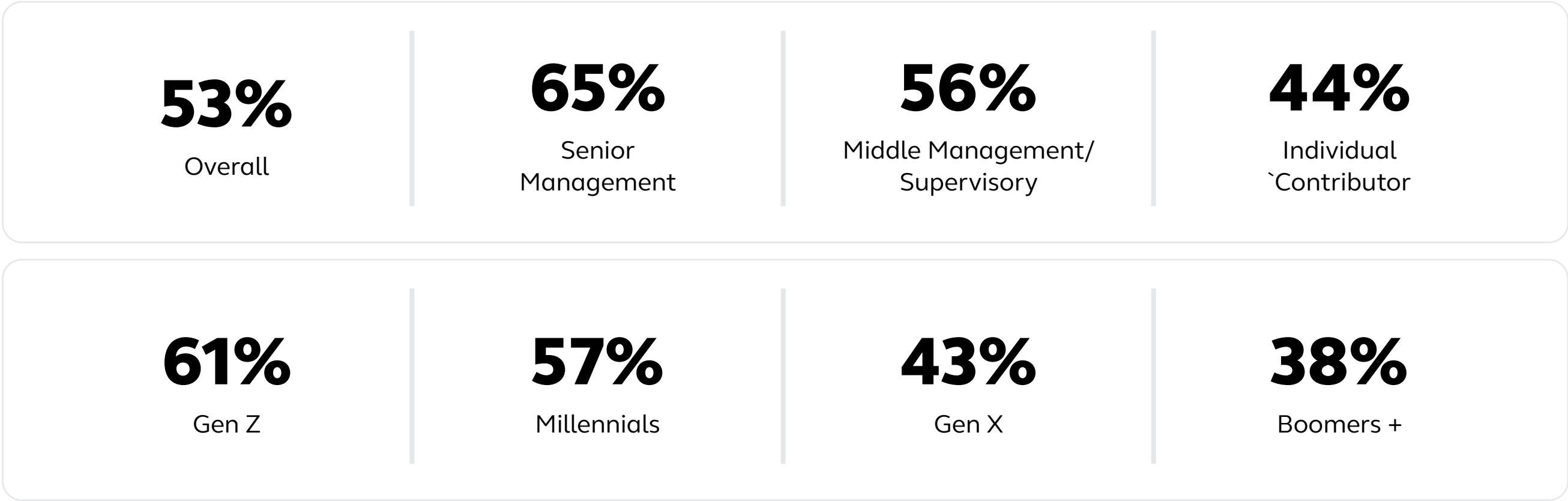
- 62% plan to stay with their current employer, compared to 51% of those with low benefits knowledge.
- 77% feel connected to their employer’s purpose or mission, compared to 39% of those with low benefits knowledge.
- 77% think their work environment is positive and exciting, compared to 38% of those with low benefits knowledge.

These individuals also tend to feel more confident and satisfied with their benefits choices:

- 80% feel confident about their recent benefits decisions, compared to 43% of those with low benefits knowledge.
- 76% appreciate the tools provided by their employer during annual enrollment, compared to 37% of those with low benefits knowledge.
- 70% contribute to their employer-sponsored retirement plan, compared to 44% of those with low benefits knowledge.

Interestingly, having more knowledge doesn’t necessarily translate to a desire to go it alone. When asked if they want help from their employer on various topics, those with high benefits knowledge are no more likely to decline assistance than those with low benefits knowledge. This suggests that understanding is crucial, but not a substitute for support.

Percentage valuing a benefits allowance



Different populations, different perspectives

IN THIS SECTION:

New hires: the grass is not always greener

Communication needs aren't one-size-fits-all

On the front lines: union employees

Parents and caregivers are still juggling work and family

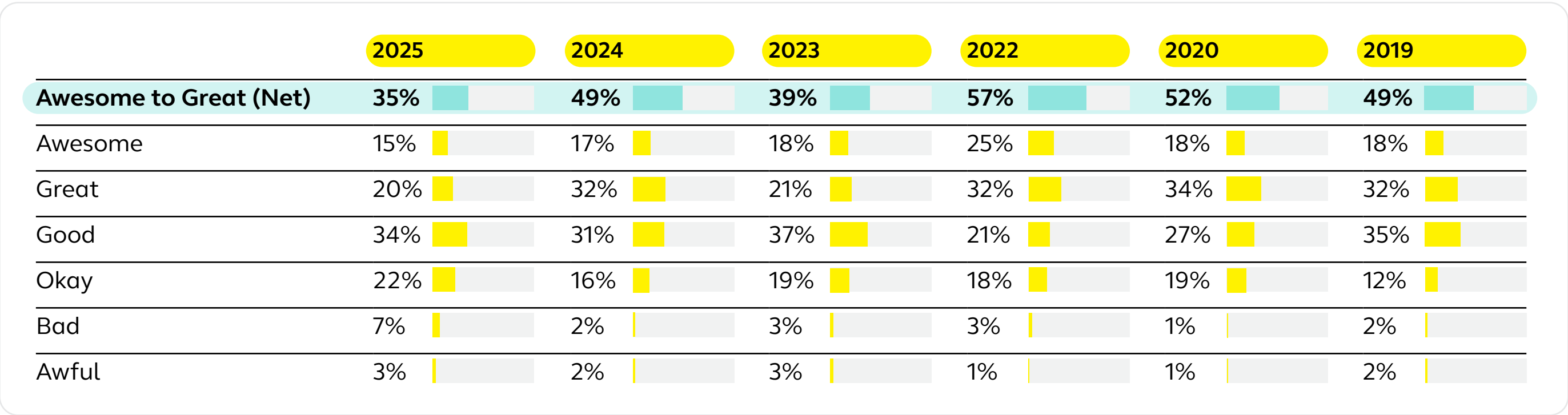


New hires: the grass is not always greener

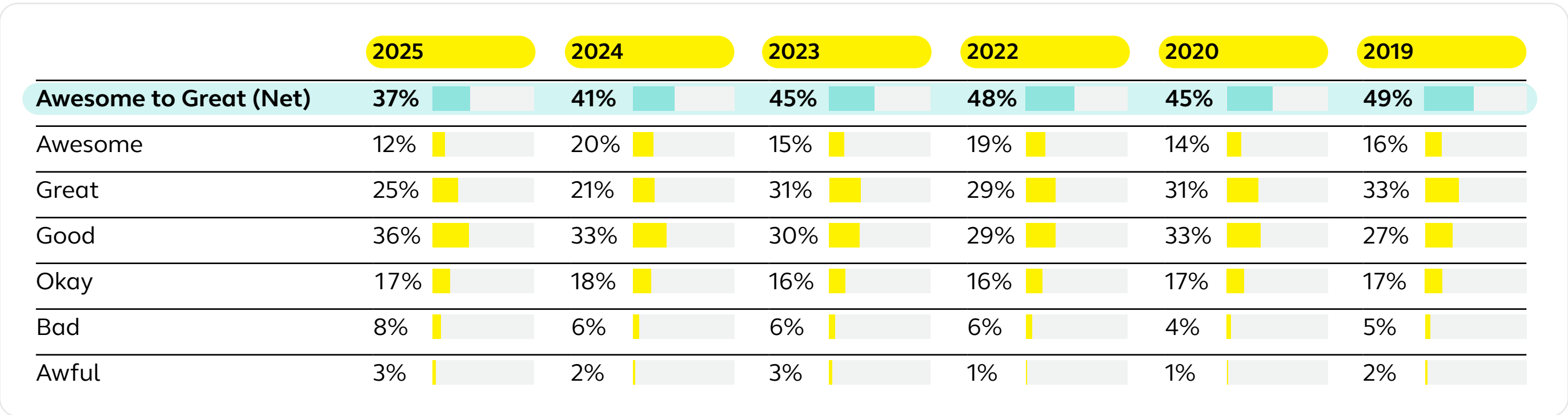
Most employees have a good candidate or new hire experience, but a closer look at the data reveals considerable room for improvement amid a concerning downward trend. Candidate and new hire ratings are the least positive since these items were first measured in 2019, with fewer respondents reporting awesome or great experiences year-over-year.

Still, 60% of new hires say their current experience is better than at their previous employer, but results are down eight points from 2024. Concerningly, 17% say their current experience is worse than at their previous employer (up seven points from 2024).

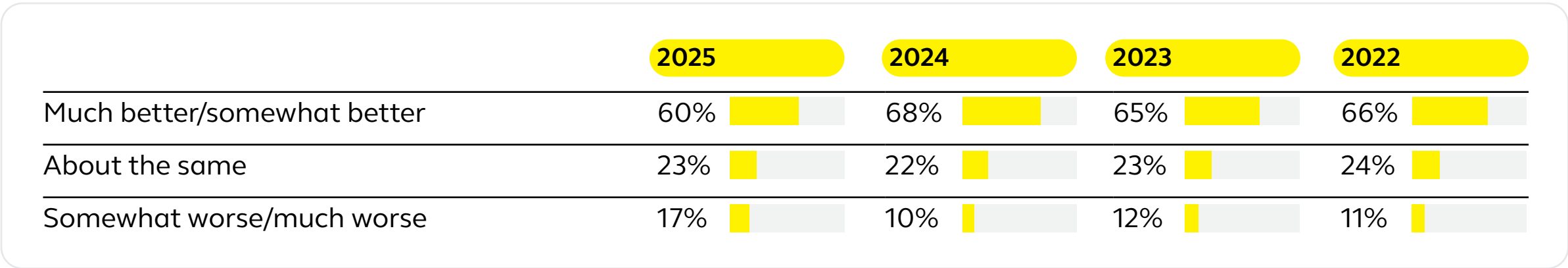
Overall candidate experience at current company



Overall new hire experience



How new hire experience compares to previous employer





New hires: the grass is not always greener

Where are we seeing opportunities to improve the new hire experience? The answer lies in getting it right from the beginning and setting the tone early:

- **Clear employee value proposition:** New hires are less likely than longer-service employees to say their employer's values are consistently demonstrated (53% vs. 64%), to feel connected to the company's purpose or mission (57% vs. 66%) or to feel positive energy and excitement at the company (54% vs. 64%). A clear, authentic employee value proposition—and visible role modeling—can close that gap fast.
- **Colleague connections:** Only 41% of new hires think their employer actively encourages social interaction among employees (even virtually, if necessary). And only 35% of employees with less than one year of service feel connected to their colleagues.
- **Burnout doesn't wait:** Those with less than one year of service are more likely than their long-term cohorts to report burnout symptoms (42% vs. 36%). Early support and realistic expectations matter.
- **Benefits experiences must be clear and easy to navigate:** Less than half of new hires have a good understanding of their total rewards. They're also less likely to know where to find their company's pay, benefits or other HR information. As a result, they are more likely to skip necessary healthcare services because of perceived or actual high costs.
- **Start building trust from the first interaction:** New hires are significantly less likely than their cohorts to trust their employer regarding a variety of topics. For example, only 42% believe their employer would support them through a health or wellness challenge (vs. 59% of longer-tenured workers).

Communication needs aren't one-size-fits-all

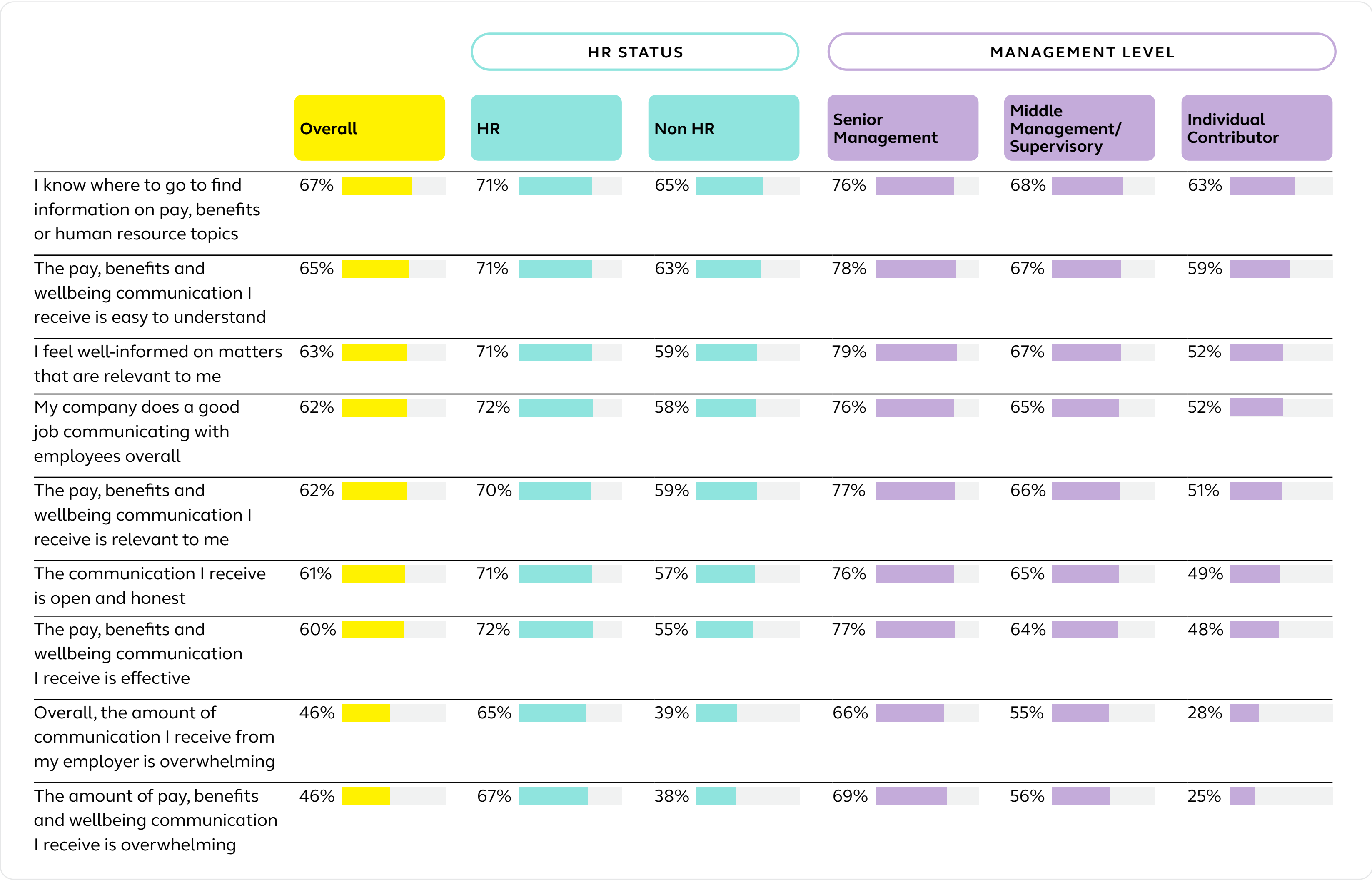
Printed 60-page benefits guides are primarily a relic of the past. Today’s organizations are leveraging digital media to educate employees and engage them with what matters most.

In many ways, this approach appears to be working. When asked if they feel well-informed on matters that are relevant to them, 63% agree (up nine points since 2023) and another six in 10 say the communication they receive is open and honest (up seven points in two years).

HR is also getting their message across, as two-thirds (67%) of employees say they know where to go for information on pay, benefits and HR. What’s more, two-thirds (65%) feel their employer’s pay, benefits and HR communication is easy to understand (with similar feedback on relevance and effectiveness).



Percent agreeing with statements about company communication



But while employees are getting the information they need, nearly half (46%) say the amount of benefits communications they receive is overwhelming (up five points from last year). A similar percentage feel that communications related to pay and wellbeing are too much.

Looking at some distinct populations brings more clarity:

- Higher paid employees are more likely to feel they receive too much communication from their employer.
- Men are more likely to feel overwhelmed by the amount of communication (53% vs. 38%).
- Individual contributors are less likely to think there's too much communication, compared to middle management/supervisory roles and senior management (28% vs. 55% vs. 66%).
- People with high understanding of their benefits are nearly twice as likely to feel overwhelmed by the amount of HR communication as those with medium or low understanding.

So, what does this mean? **If you're a decision maker who thinks you can't send another e-newsletter, hold an additional webinar or post an extra video, it's important to recognize you may not be your target audience.** Workers at lower levels, earning less and lacking a sufficient understanding of how benefits work, actually want more education and information.

Likewise, older generations are clear in their desire for more communication. Nearly one-third (31%) of Boomers and 29% of Gen Xers **disagree** when asked if they are overwhelmed by the HR communication they receive. Organizations should consider the unique needs and preferences of different demographic groups to ensure their messages resonate with the people who need to hear them.

On the front lines: union employees

Union workers have lots of great things to say about the communication they receive from their employer. Nearly three-quarters (71%) say their company does a good job communicating overall, while seven in 10 say their employer's communication is honest, relevant, easy to understand and helps them know where to go for HR information. These individuals also tend to have a better employee experience, with 73% reporting positive energy at their employer, 74% feeling a greater sense of belonging, 75% inspired to do their best work and 64% hardly ever thinking about leaving.

They don't rate everything quite so positively, however. Union workers are more likely than their non-union counterparts to:

- Be more worried about job stability now than they were last year (45% vs. 24% of non-union)
- Experience job-related stress (75% say it's had an impact vs. 70% of non-union)
- Feel lonely or isolated (45% vs. 25% of non-union)
- Dread starting their workday (50% vs. 33% of non-union)
- Feel like too much is expected of them (57% vs. 30% of non-union)

Financially, they are also feeling the pinch. Half of all union workers say they are just getting by, compared to 38% of non-union workers. Another 44% believe their money situation will prevent them from ever having the things they want in life. They are more bullish on retirement, however, possibly because of union benefits, but there is no difference when it comes to

the question of whether they'll be able to retire at the age they want.

Union workers are more skeptical of AI than their non-union counterparts. Nearly half (49%) confess that AI scares them, with 47% worried it will take away their jobs, compared to just 20% of non-union employees. Union workers say their employers are strongly encouraging them to use AI, and 58% admit it makes their job easier. In fact, they fear falling behind if they don't learn how to use it. So, these workers may be uneasy, but they are often leading the way in using AI now and in the future.



Parents and caregivers are still juggling work and family

Working parents and caregivers have certainly garnered more headlines in the last five years than when the Mindset Study originated in 2010. Employees and employers have now acknowledged that the stress of juggling work and family life can take a toll. The good news is when it comes to the mystical work-life balance equation, parents and caregivers have made some strides. What’s even more interesting is that regardless of someone’s personal situation and obligations, we see little difference in many aspects of work-life issues.

Percentage agreement with each statement

	Parents	Caregivers	Not a parent or caregiver
I am effectively able to balance/manage my work and personal life commitments	61%	64%	64%
Work-life balance would help enable me to take better control of and improve my wellbeing	46%	43%	43%
I am often or almost always fully productive while working	72%	70%	72%

In some areas, working parents and caregivers even feel better than those without either of those responsibilities, although they tend to be more worried about job stability.

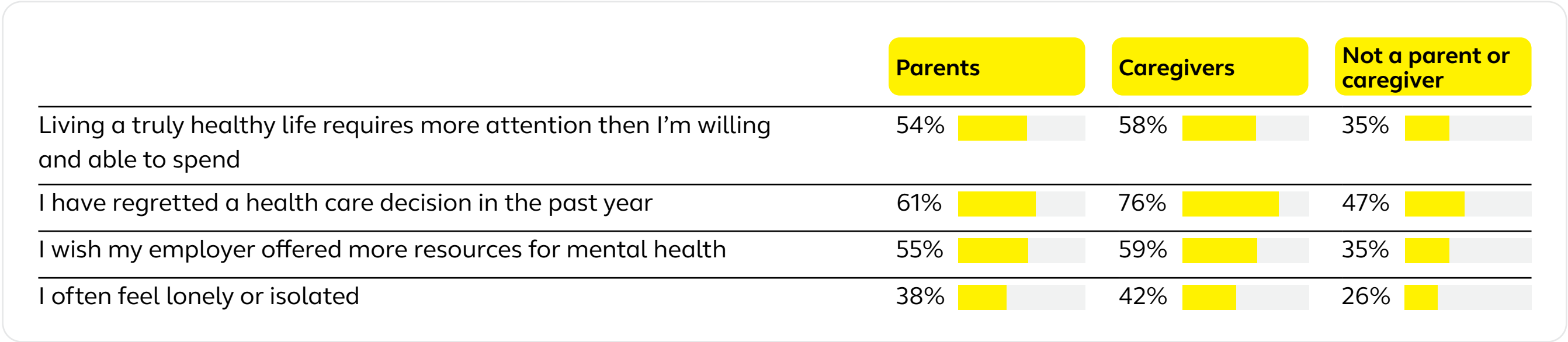
Percentage agreement with each statement

	Parents	Caregivers	Not a parent or caregiver
Given the opportunity, I tell others great things about working at this organization	70%	70%	54%
I hardly ever think about leaving this organization	57%	59%	50%
My company genuinely cares about my wellbeing	61%	62%	49%
I am moderately or extremely concerned about my long-term job stability	44%	45%	28%



The pressures of parents and caregivers become more apparent when we look at areas where time and attention might be getting in the way.

Percentage agreement with each statement



Positive overall wellbeing rating



Personalized support is key for parents and caregivers

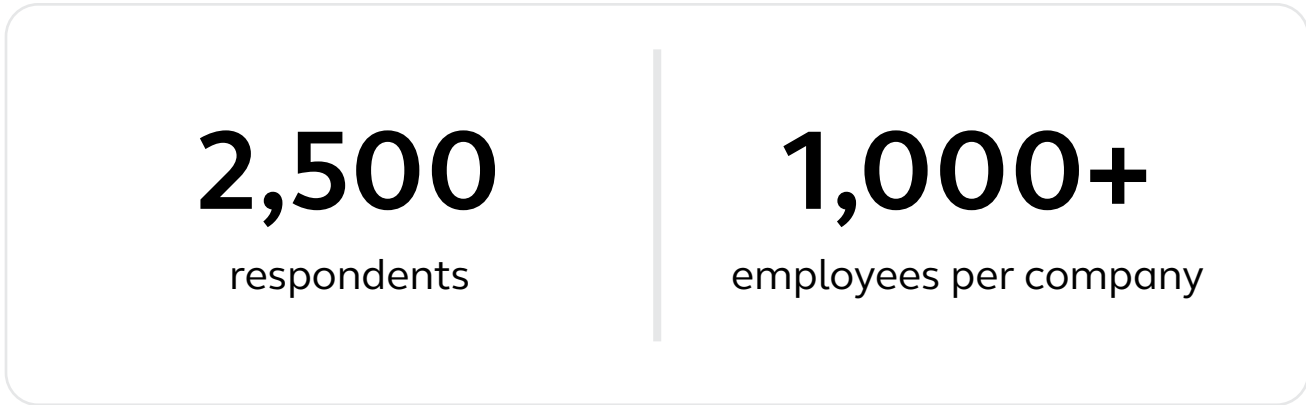
Working parents and caregivers want support and resources, and they value programs that support their unique needs. Those who use parental support programs feel it is worth it, with 88% finding them valuable. For caregivers who take advantage of caregiving support and resources, 88% find the help valuable. Unfortunately, just 17% of parents and 14% of caregivers have such programs available to them at work.

Parents and caregivers are also more open to personalized electronic support and guidance. When asked if they would be interested in receiving personalized messaging from their employer around certain benefits and programs based on their personal health or financial information, 73% of parents and 70% of caregivers say “yes,” compared with only 54% of non-parents and caregivers.

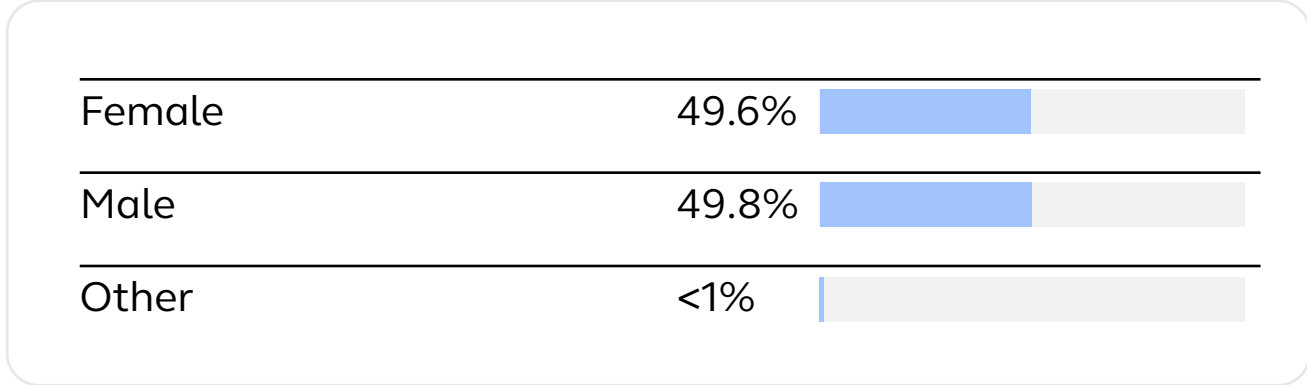
The work-life equation has made significant strides from when parents and caregivers had to pretend that children or family members didn’t exist between 9:00 and 5:00. Yet it’s still important for employers to provide them with resources that will enable those employees to continue to produce and contribute.

Profile of respondents

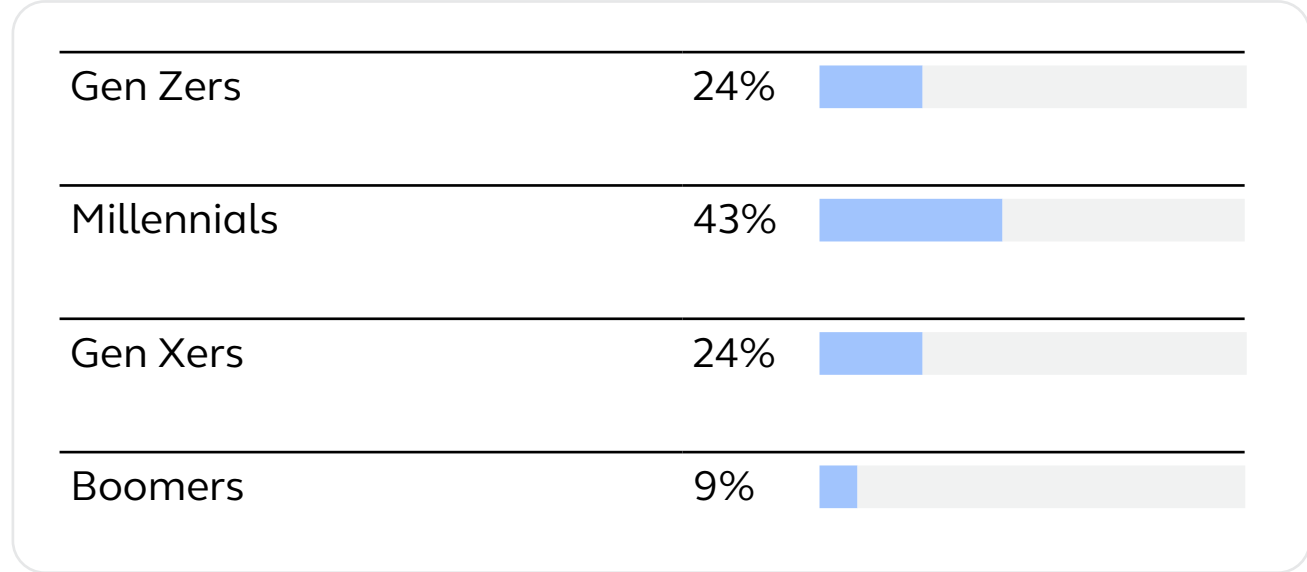
Profile of 2025 respondents



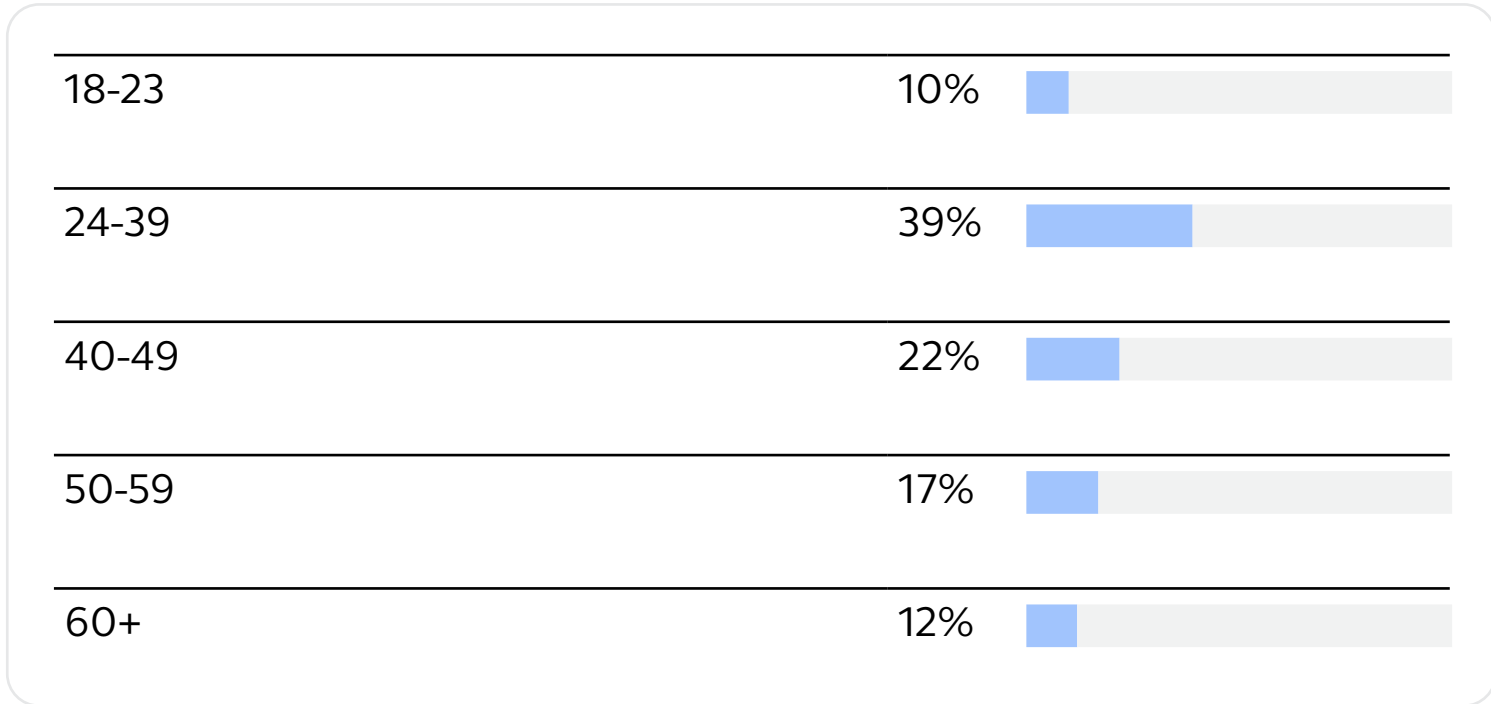
Gender



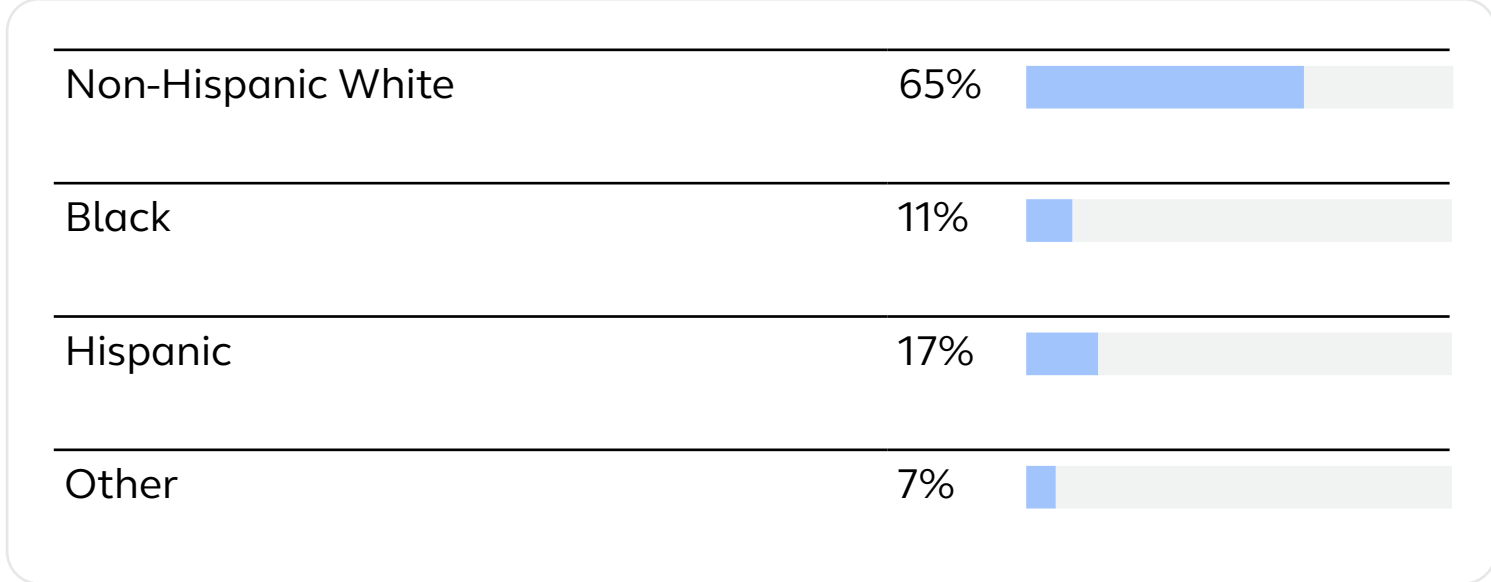
Generation



Age

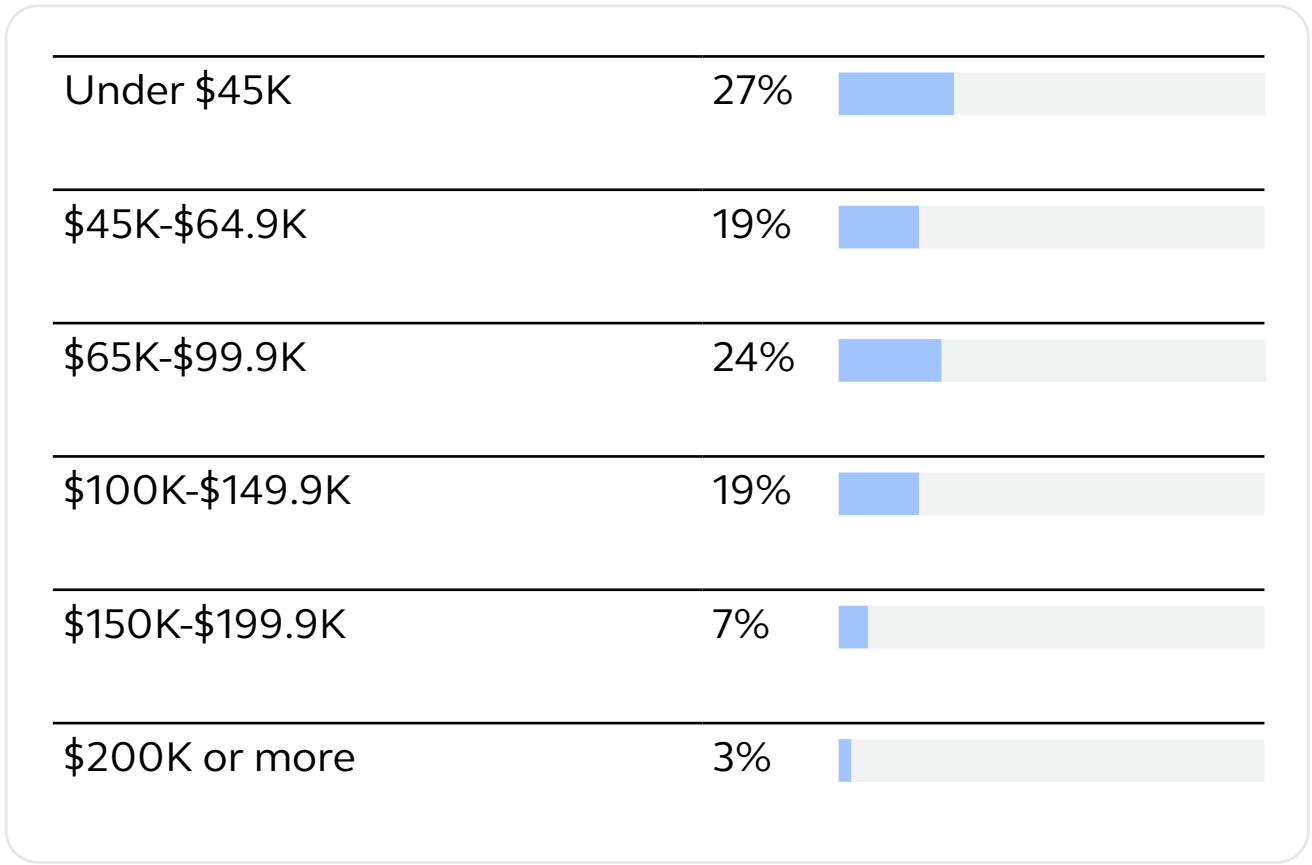


Race/ethnicity

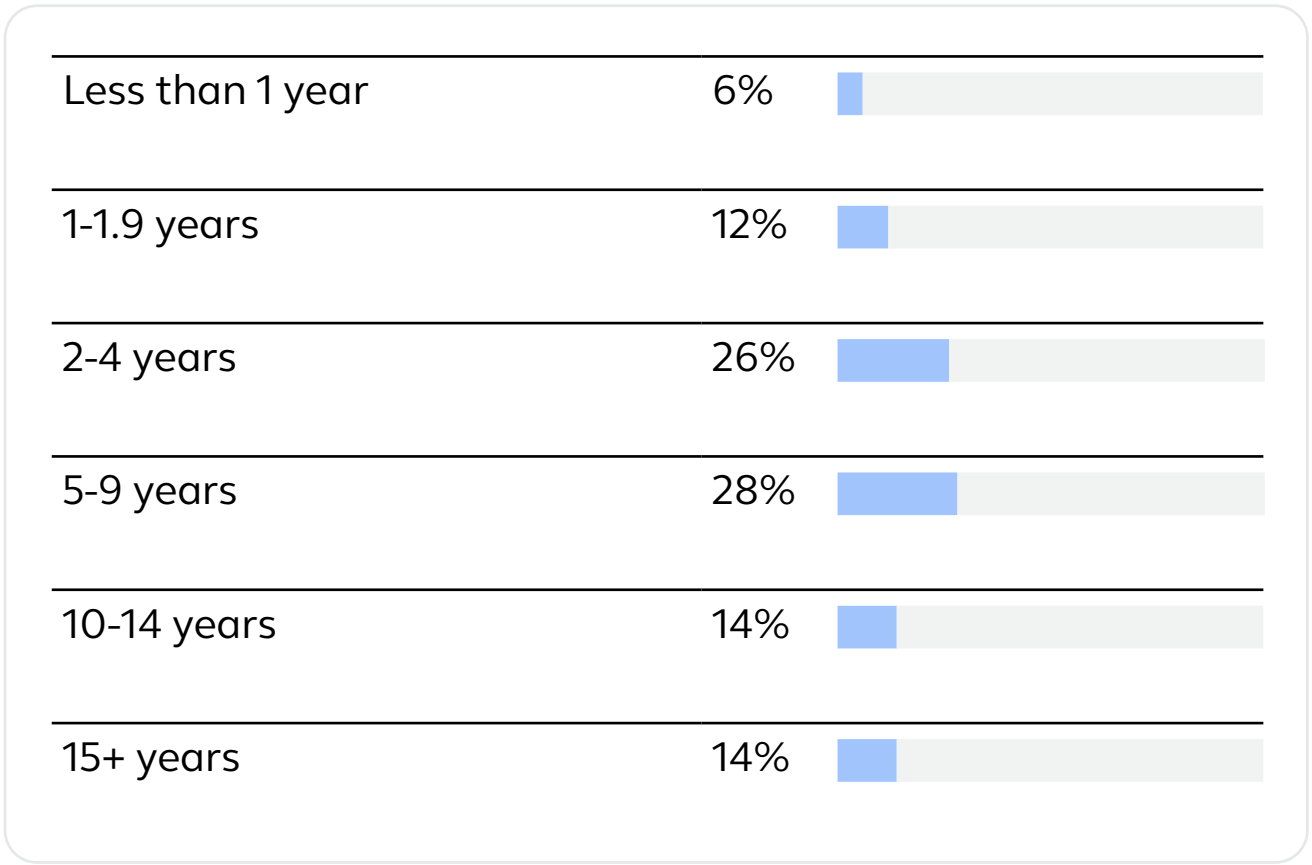


Profile of 2025 respondents continued

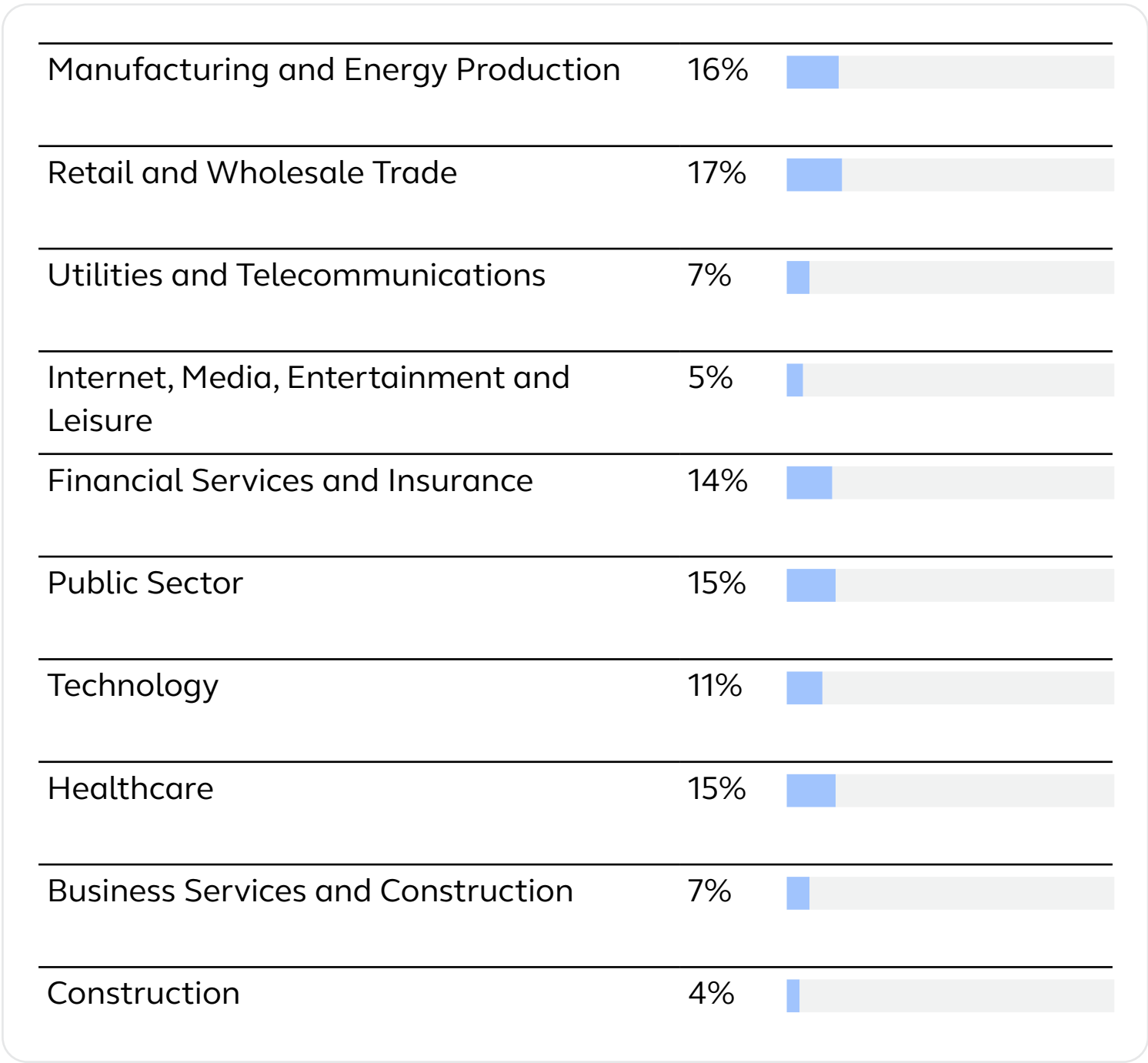
Household income



Tenure

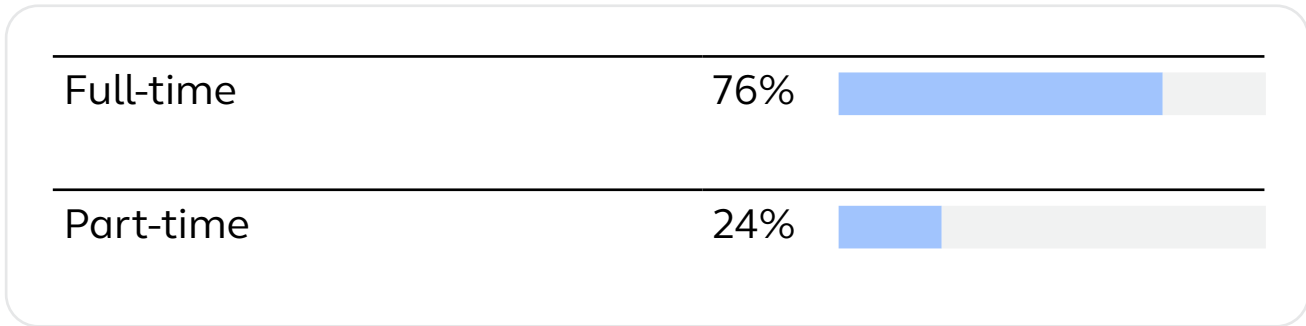


Industry

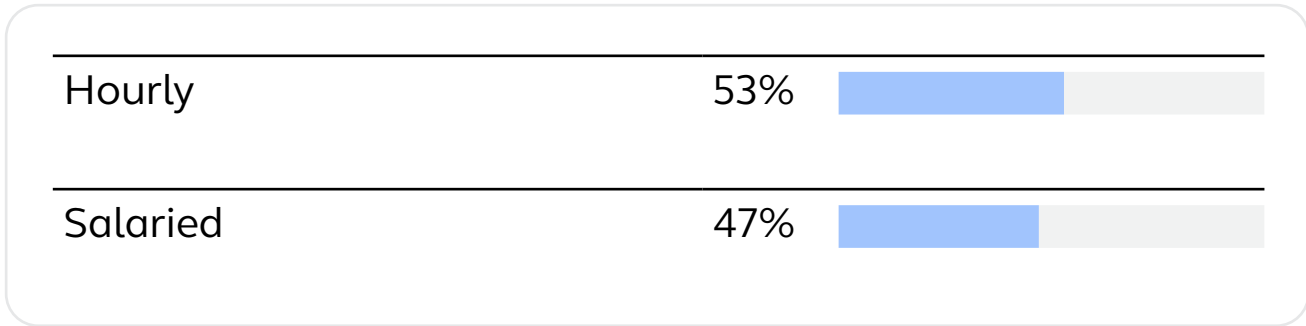


Profile of 2025 respondents continued

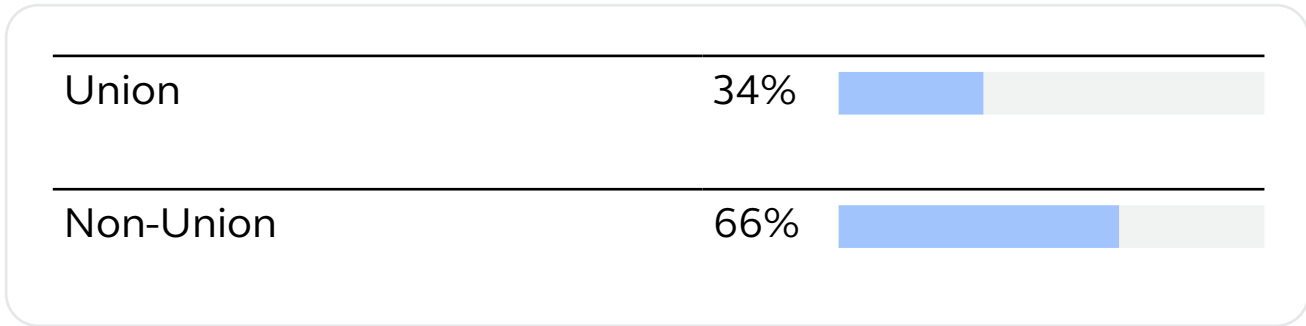
Employment status



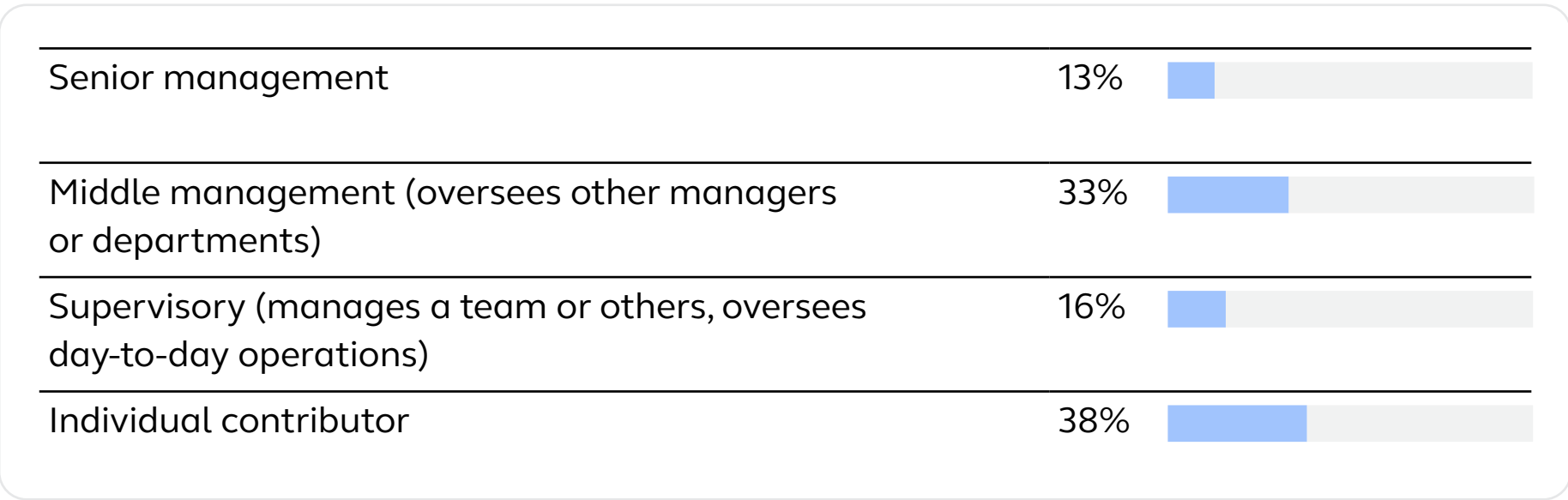
Pay status



Union status



Employment level



Health insurance coverage

