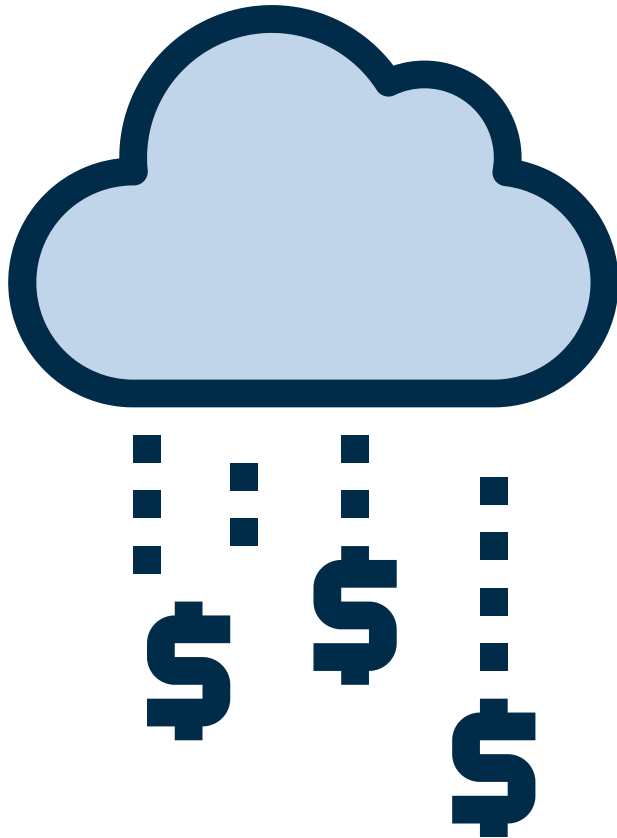


2025 EMPLOYEE FINANCIAL WELLNESS REPORT



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OVERVIEW

In 2025, employers are gaining ground in their financial wellness programs.

Lifted by stronger support, clearer education and expanded access to benefits, workers are more engaged with their benefits, more educated about their options and more likely to feel supported than they were just a year ago. Yet these gains are often weighed down by economic pressures and uneven alignment between employer intent and employee need.

To understand these dynamics, Payroll Integrations surveyed 253 full-time employees and employers across industries in July 2025. Employees ranged from Gen Z just starting their careers to Boomers nearing retirement, while employers were leaders responsible for benefits strategy and administration.

Together, their responses provide a clear view of where benefits are working, where they're falling short and how both sides can better align.



KEY FINDINGS

1

Financial Wellness Support Improves but Employers Lag Behind

The share of employees who feel completely supported rose from 28% in 2024 to 44% in 2025, but only 36% of employers believe they're delivering full support.

2

Employees Want Basics, Employers Push Extras

42% of employees say benefits completely meet their needs, yet employers often overestimate demand for childcare (39% vs. 21%) and emergency savings (37% vs. 23%) while employees focus on healthcare and retirement.

3

Benefits Are Now Retention Deal-Breakers

42% of employees would leave their job for better benefits, with health insurance (60%) and retirement plans (59%) as top drivers; the same benefits are also the leading reasons employees stay.

4

Education Jumps 63% Year-Over-Year

The number of employees who feel completely educated about their benefits surged from 27% in 2024 to 44% in 2025, though most still want more frequent communication than they receive.

5

Retirement Confidence Remains Fragile

66% of employees feel confident about retiring comfortably, but only 41% are completely confident, with cost of living and late saving as top concerns.

6

Retirement Withdrawals Signal Ongoing Financial Stress

38% of employees have tapped their retirement savings, including 46% of Gen Z, and a third plan to do so again in the next year to cover emergencies or everyday expenses.

7

Administration Drains Time Better Spent on People

Employers spend an average of 11 hours per week on payroll and benefits admin despite 94% using technology; most say they'd rather use that time to educate and engage employees directly.

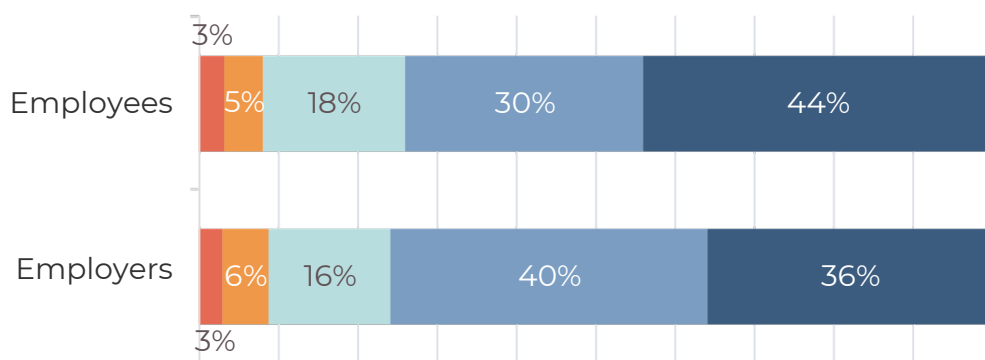
Financial Wellness Support by Employer

Employees report stronger financial wellness support than in years past, but the data shows uneven experiences across age, gender and career stage. Interestingly, the percentage of employees who feel completely supported rose sharply in 2025, even as most employers acknowledge gaps in what they deliver.

How well employer is supporting financial wellness?

Employee vs. Employer Perspectives

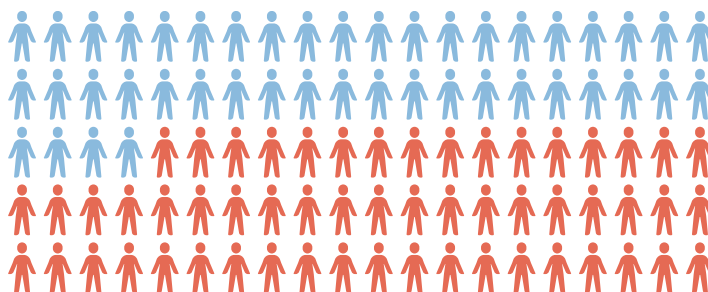
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44% of employees feel completely supported by their employers in regards to financial wellness, while only 36% of employers believe their companies are completely supportive of employees' financial wellness.

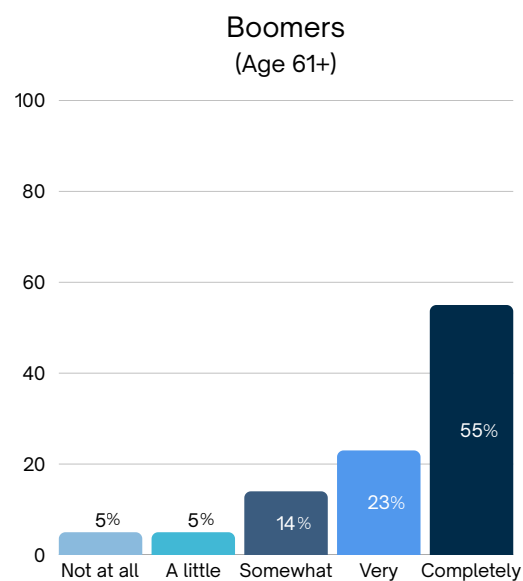
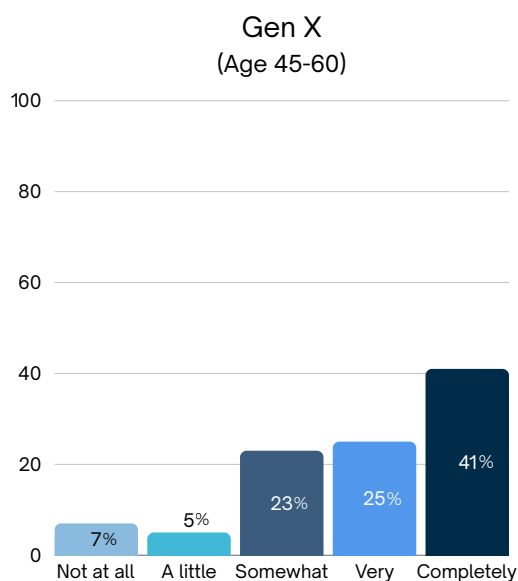
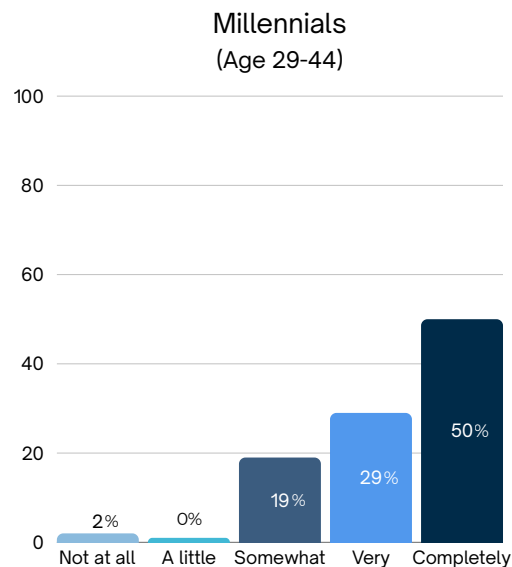
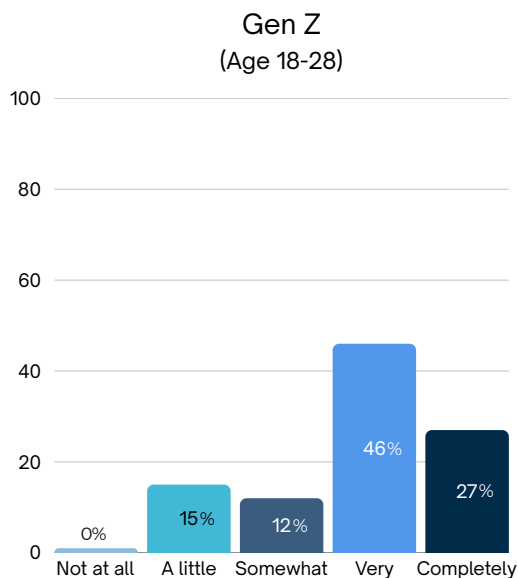
44%

OF EMPLOYEES FEEL COMPLETELY SUPPORTED BY THEIR EMPLOYERS' FINANCIAL WELLNESS PROGRAMS



How well employer is supporting financial wellness?

By Age



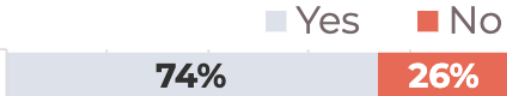
At 27%, Gen Z is least likely to feel completely supported, but Gen X reports the lowest levels of perceived support across demographics.

Responsibility to Fill Financial Support Gaps

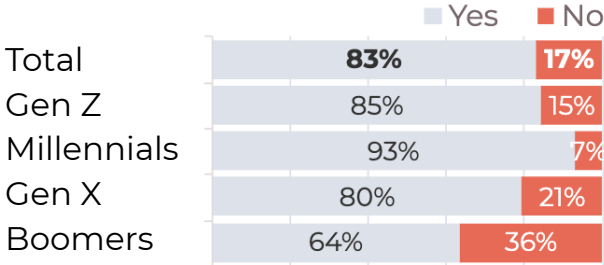
Should employers be responsible for helping fill financial support gaps not currently met by government programs?

The data suggests a fundamental shift in employer–employee social contract expectations, with younger generations viewing comprehensive financial support as a standard employer obligation

Employers



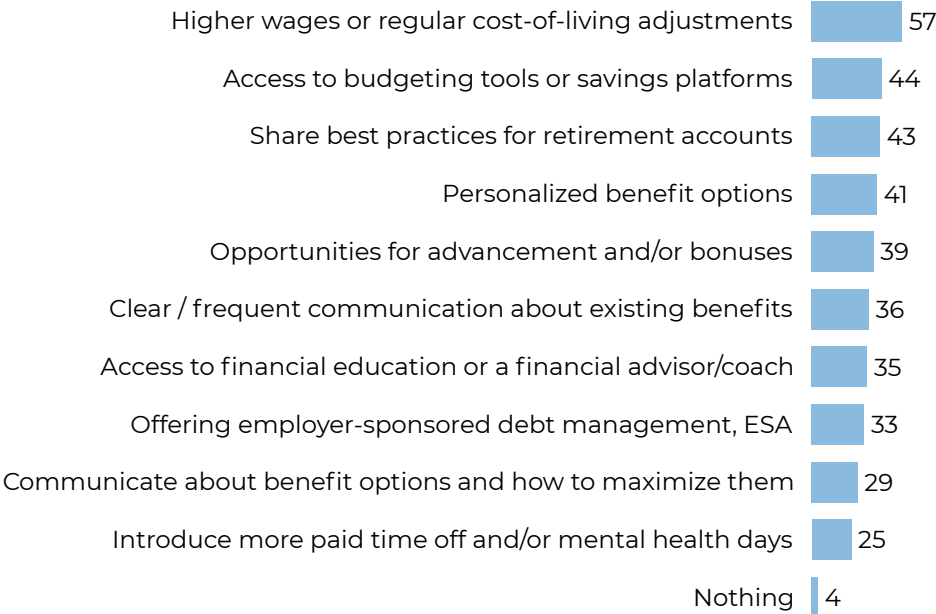
Employees



Top Priorities for Better Financial Wellness Support

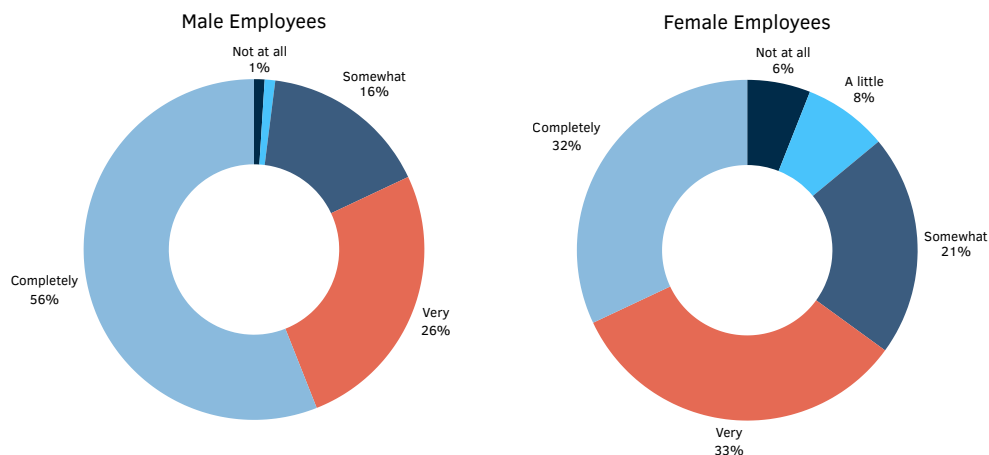
What could your employer do to better support your financial wellness?

Average number of answers selected: 3.8

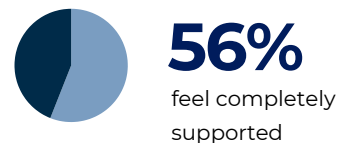


Compensation remains king: despite existing benefits, wage increases are the overwhelming priority for employees

Men vs. Women: Perceptions of Financial Wellness Support



Male Employees



Female Employees



While most employees report feeling supported by their employer when it comes to financial wellness, men are significantly more likely to feel fully supported than women.

How Organizations Help Fill Employee Financial Support Gaps

In what ways has your company helped fill financial support gaps for employees?

Traditional benefits remain core:

Retirement savings dominates across all age groups, with 76% of employers offering a 401(k) match, pension, or financial planning.

Healthcare is priority #2, with 52% contributing to healthcare premiums. Emerging focus areas include mental health (48%) and emergency savings (45%), which are gaining traction.

76%

Helping employees save for retirement

52%

Contributing to or fully covering healthcare premiums

51%

HSA/FSA contributions or medical expense reimbursement

48%

Providing mental health resources

46%

Providing support for childcare or family planning

45%

Offering emergency savings programs or financial wellness tools

39%

Supporting student loan repayment or offering tuition assistance

21%

Providing transportation or commuter benefits

06%

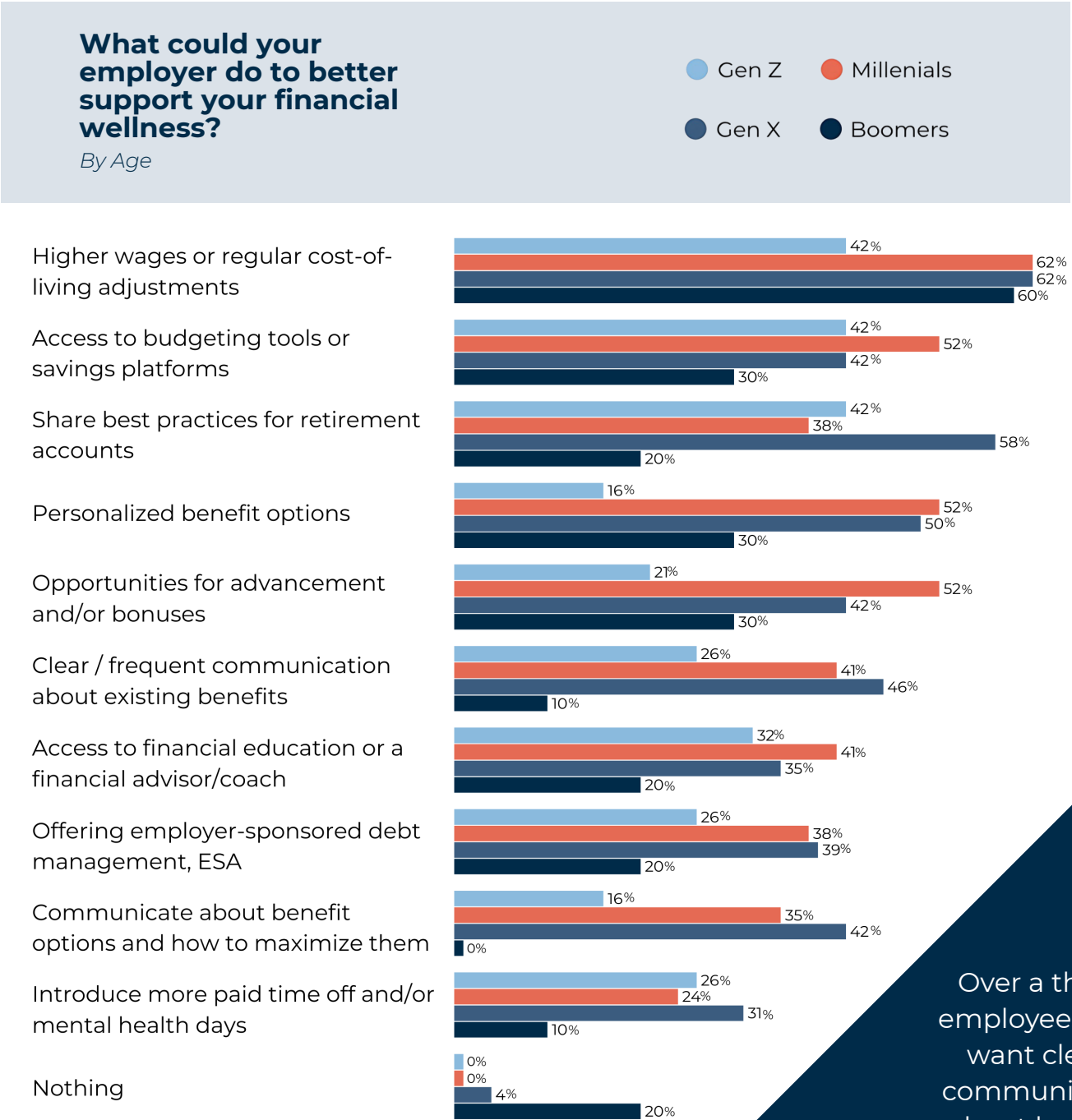
No financial wellness help

Generational customization is critical

Millennials are the most demanding: over half want personalized benefits, career advancement opportunities, and budgeting tools.

Gen X prioritizes stability: 58% want retirement guidance (highest of all groups), and 50% want personalized benefits.

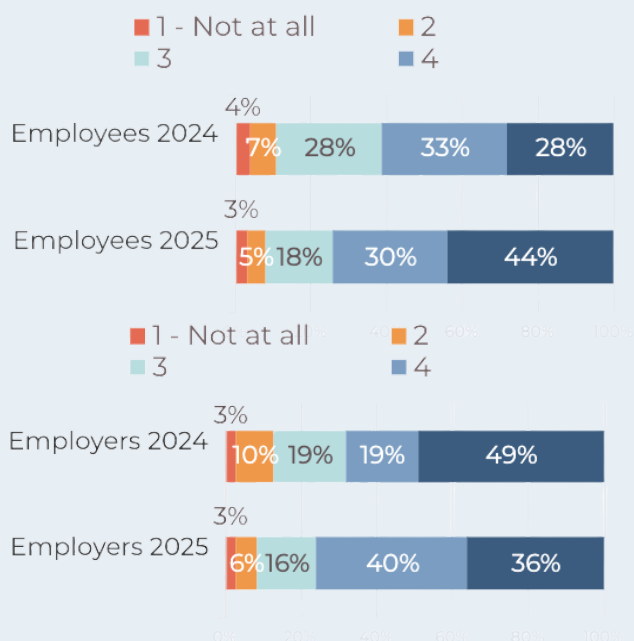
Boomers are the most satisfied: 20% say their employer doesn't need to do anything (vs. 0–4% in younger cohorts).



Over a third of employees (36%) want clearer communication about benefits, with Gen X most vocal at 46%.

Financial Wellness Support

2024 vs 2025



Employee Financial Wellness Is Rising, But Employers Say They Could Do More

While employees increasingly feel their companies are backing their financial well-being (44% say their employer is “completely supportive” in 2025 vs. 28% in 2024), employers’ own confidence has slipped.

Just 36% say they’re providing complete support in 2025—a 36% decline from last year. That means 64% of employers acknowledge they could be doing more to meet employee financial wellness needs.

Takeaways: Employee Support

Financial wellness support improves but gaps remain: The share of employees who feel completely supported in their financial wellness rose from 28% in 2024 to 44% in 2025 (a 57% increase). However, only 36% of employers believe they are providing complete support, leaving a clear disconnect between perception and reality.

Gen X faces mid-career support crisis while Gen Z shows early vulnerability: Mid-career Gen X employees report the lowest overall support (66%), signaling a workplace benefits gap. Meanwhile, only 27% of Gen Z feel “completely supported,” the lowest of any group, which points to early-career struggles in accessing financial wellness resources.

Traditional benefits dominate in filling financial support gaps: Organizations prioritize retirement savings (76%) and healthcare premiums (52%), with only 6% providing no support.

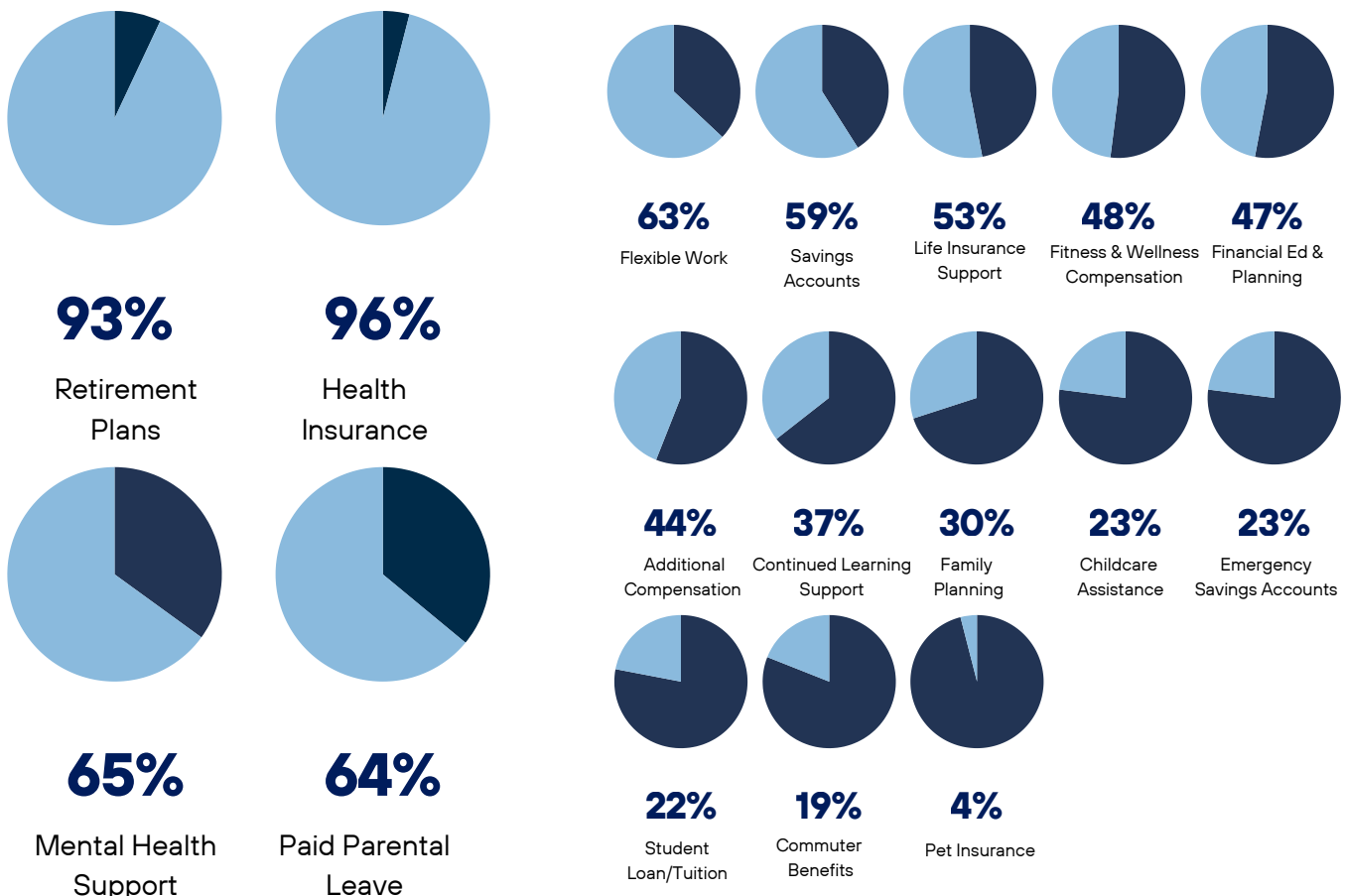
Employees need higher wages or regular cost-of-living adjustments: Despite existing benefits, wage increases are the overwhelming priority (57%) in financial wellness support.

Generational social contract divide: Younger generations viewing comprehensive financial support as a standard employer obligation.

Breaking Down the Benefits Landscape

In 2025, benefits will remain a decisive factor in whether employees stay or leave their jobs. While employees prioritize basics like health and retirement, employers often focus elsewhere, leading to a mismatch in expectations. Closing this gap is critical, as benefits are increasingly central to retention, satisfaction and trust.

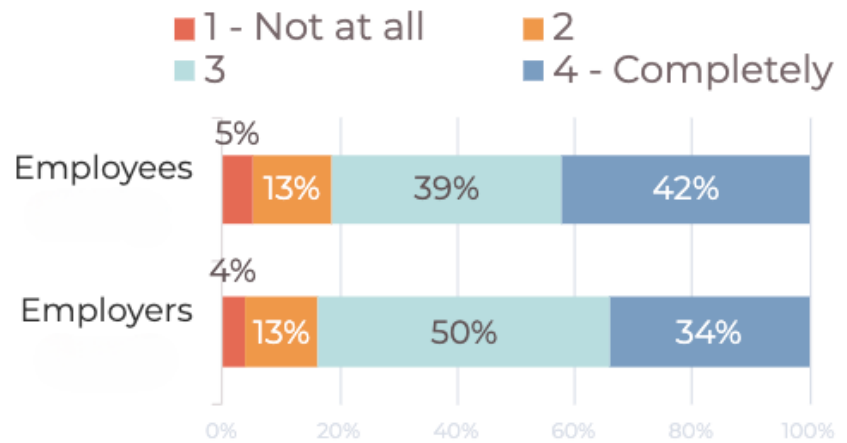
What Benefits Do Employers Currently Offer to Employees



Do Benefits Meet Individual Needs?

How well benefits package meets individual needs and circumstances?

Employees vs. Employers Perspectives



42%

OF EMPLOYEES SAY THEIR BENEFITS PACKAGE COMPLETELY MEETS THEIR INDIVIDUAL NEEDS

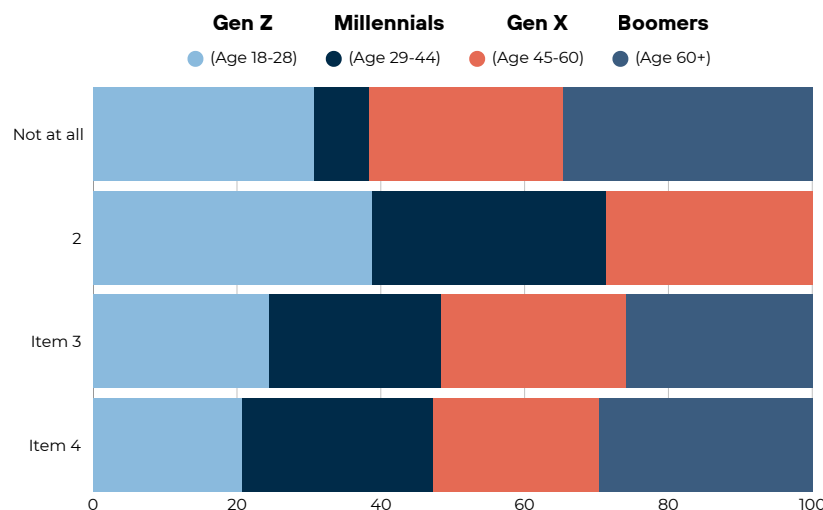
34%

OF EMPLOYERS SAY THEIR BENEFITS PACKAGE COMPLETELY MEETS THEIR EMPLOYEES' INDIVIDUAL NEEDS

When it comes to benefits satisfaction, employees actually report more confidence than their employers give themselves credit for.

How well benefits package meets individual needs and circumstances?

By Age

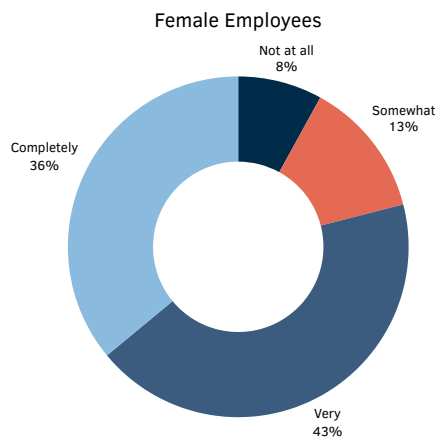
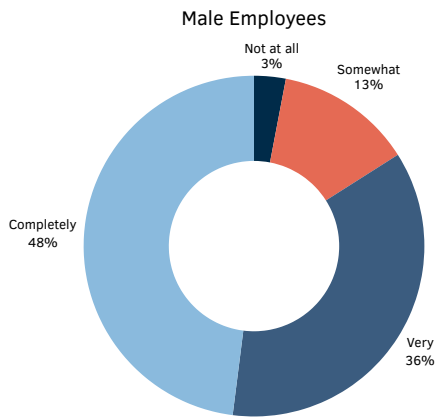


Boomer employees feel the most satisfied: 50% say benefits completely meet their needs.

Gen Z employees feel the least satisfied: only 35% believe benefits completely meet their needs, and 27% are “not satisfied at all” or “somewhat satisfied.”

Women Feel Less Satisfied with Benefits

How well benefits package meets individual needs and circumstances?



Male Employees



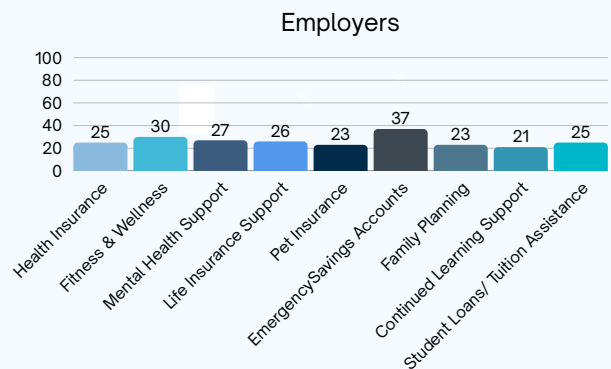
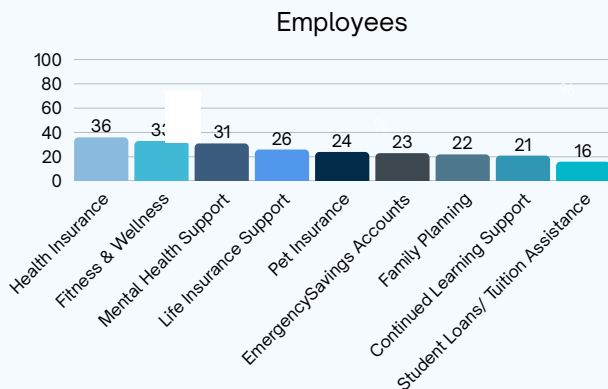
Female Employees



Women consistently report lower benefit satisfaction: 36% say the employer's benefits package completely meets their needs, compared to 48% of men.

What employees want vs. what employers think they want

What benefit offerings, that employer doesn't already offer, would more effectively meet current needs?



Employees say their top unmet needs are core, foundational benefits such as health insurance (36%) and retirement plans (33%)

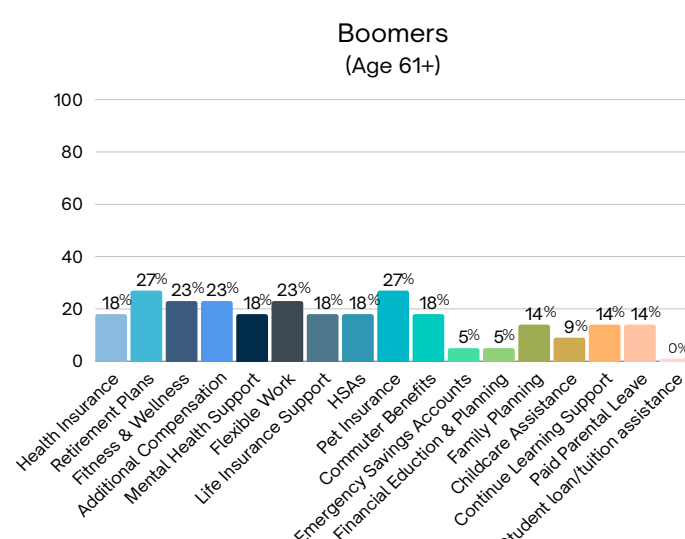
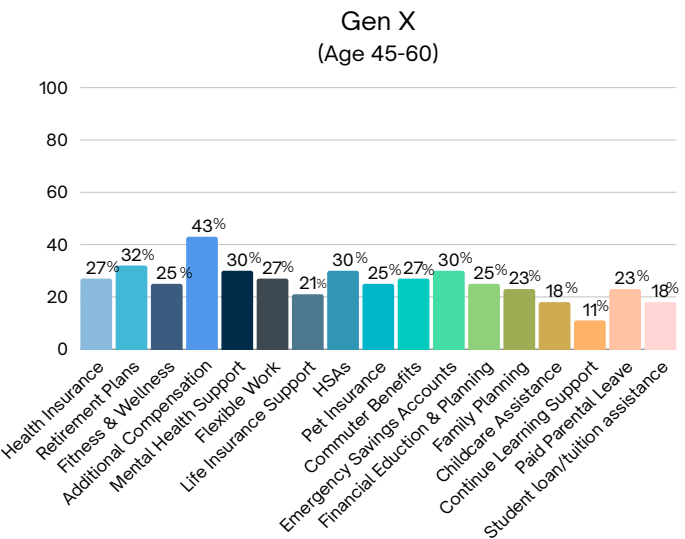
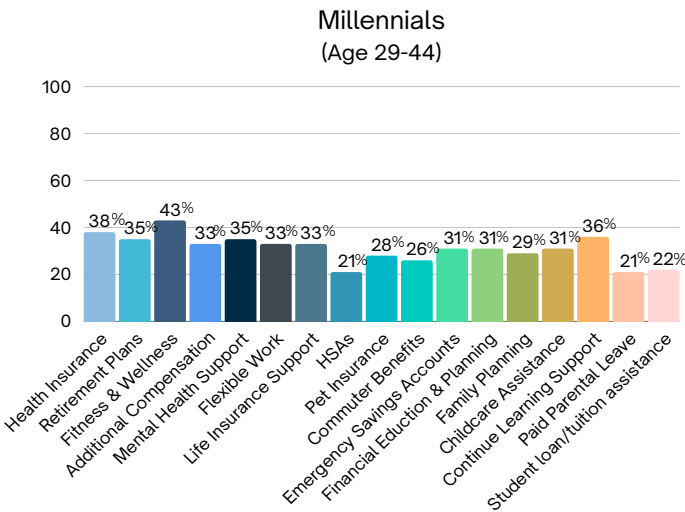
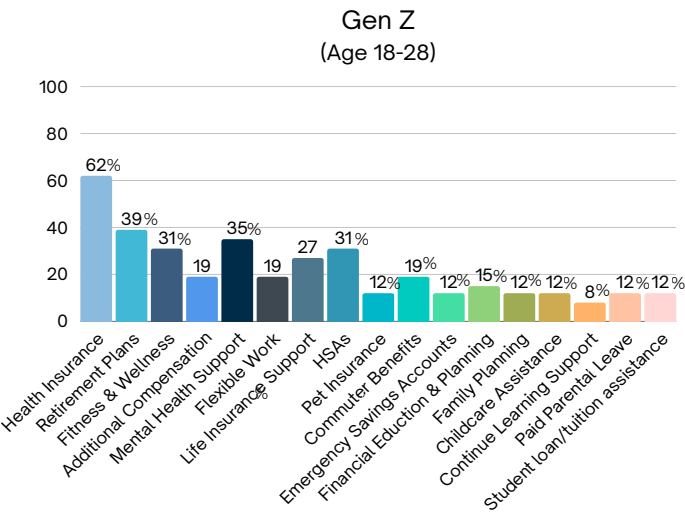
Employers, on the other hand, believe employees are more interested in childcare assistance (39%) and emergency savings (37%), both of which employees rank far lower (21% and 23%).

This mismatch highlights a disconnect: employees prioritize basics, while employers overestimate demand for 'extras.'

Most Wanted Benefits

by Age

What benefit offerings, that employer doesn't already offer, would more effectively meet current needs?



Gen Z employees prioritize health insurance more than any other generation

62% want it (vs. 18–38% for other generations). This suggests many Gen Z employees lack basic health coverage.

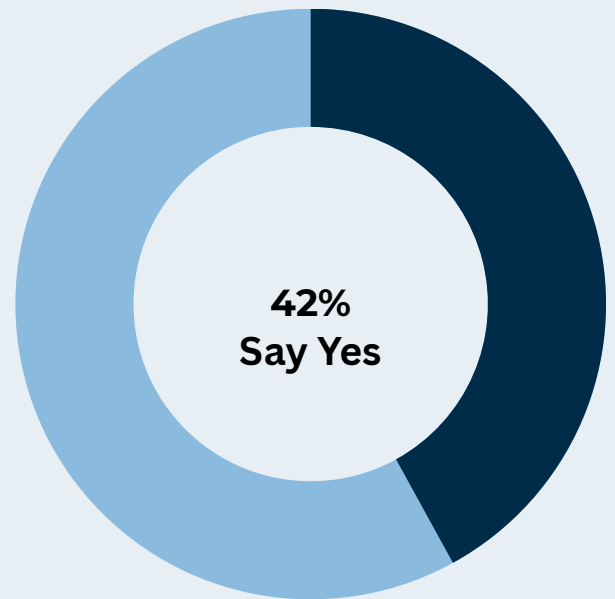
Millennials uniquely prioritize continued learning and childcare assistance:

36% want it (vs. 7–14% for other generations) and childcare assistance: 31% want it (vs. 9–18% for other generations).

Leave Job for Better Benefits?

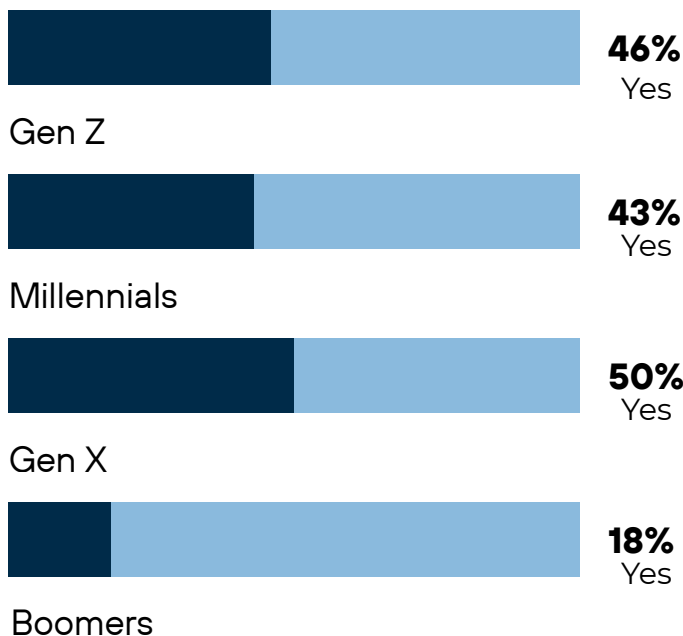
Benefits aren't just nice-to-haves, they're critical retention tools. 42% of employees would consider leaving for benefit-related reasons, representing a significant retention risk.

Would you consider leaving your job for a benefit-related reason?



Would you consider leaving your job for a benefit-related reason?

by Age



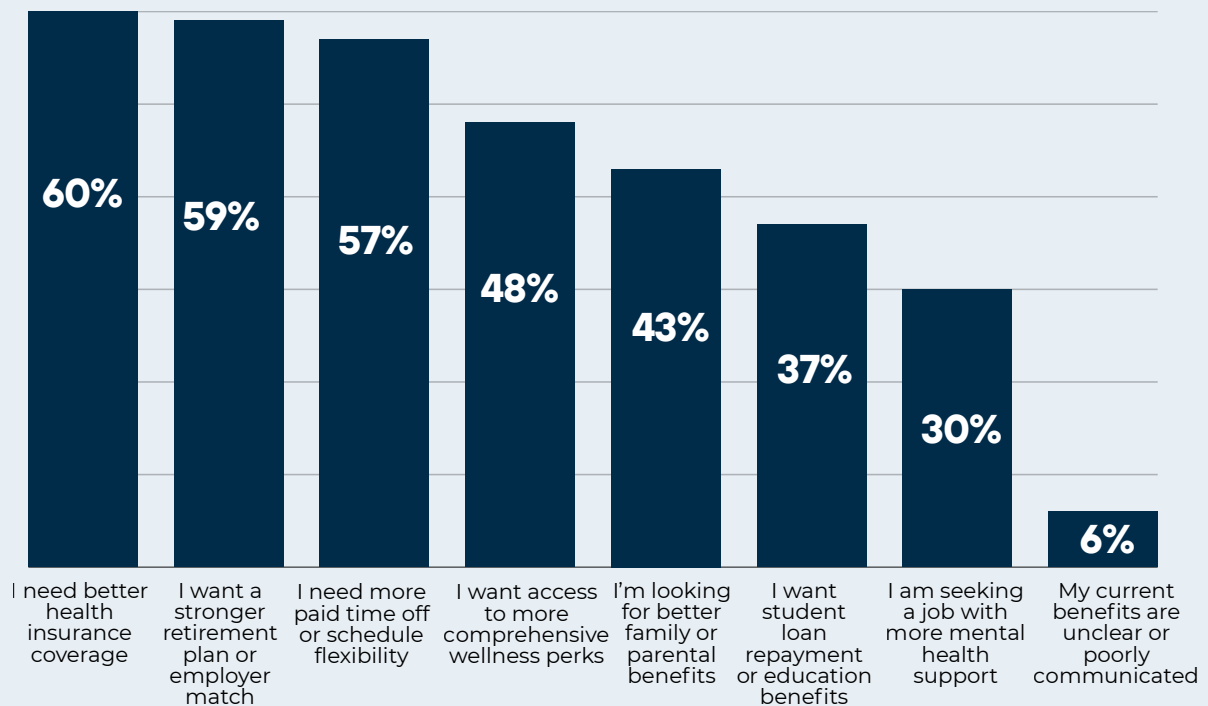
The highest turnover risk, despite being mid-career, is recorded within the Gen X category (50% would leave).

This suggests benefits may be poorly aligned or poorly communicated for Gen X life stage needs.

Additionally, 46% of Gen Z employees would leave a job for better benefits.

Boomers are the most loyal (only 18% would leave), likely due to proximity to retirement and established benefits.

Which of the following statements best describes the reasons why?



Core financial security dominates reasons to leave: health insurance coverage (60%) is the #1 driver, with a stronger retirement plan/match (59%) nearly tied for first place.

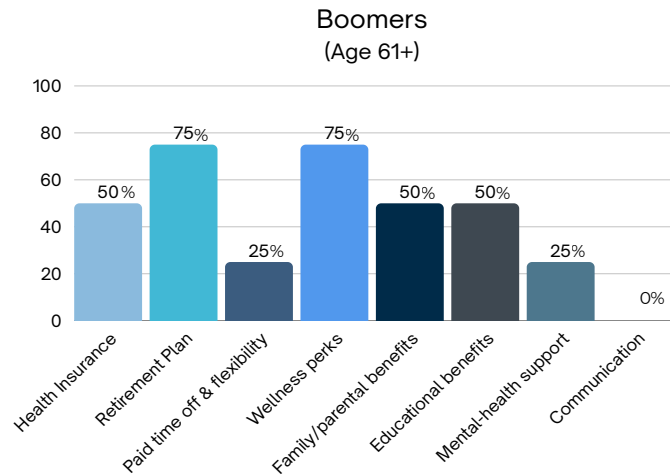
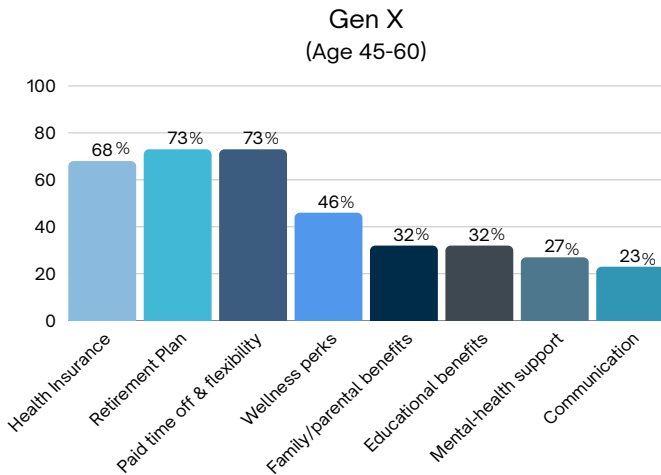
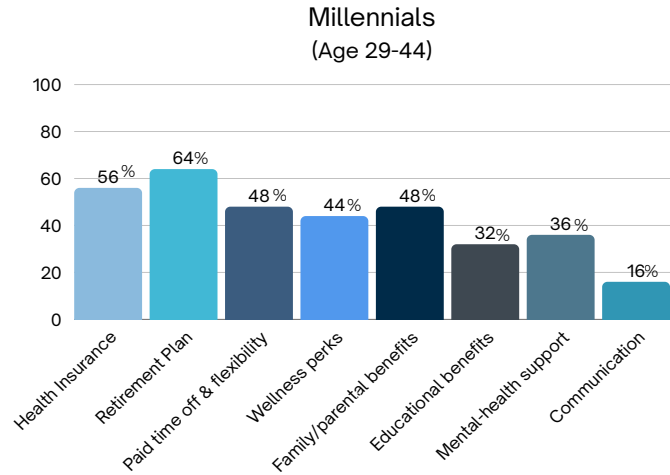
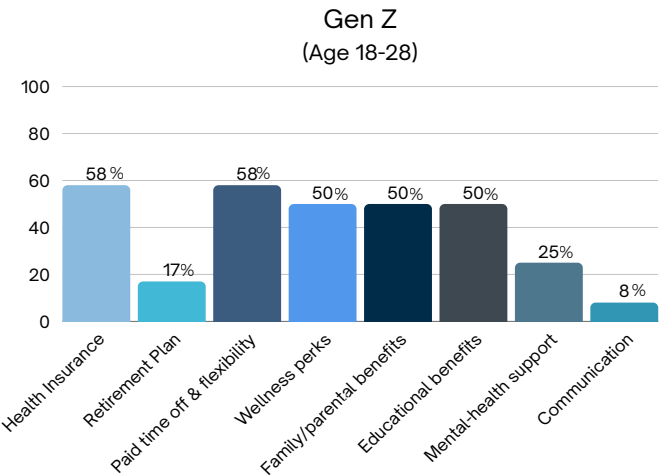
Health insurance and retirement plans are universal concerns, affecting all demographics as top departure drivers.

Additionally, 57% could leave because they need more paid time off or schedule flexibility.

Why Leave Job

by Age

Which of the following statements best describes the reasons why?



Gen Z

as the highest risk group, wants health insurance and paid time off or schedule flexibility

Millennials

seek mental health support more than any other generation

What's Keeping Employees Around?

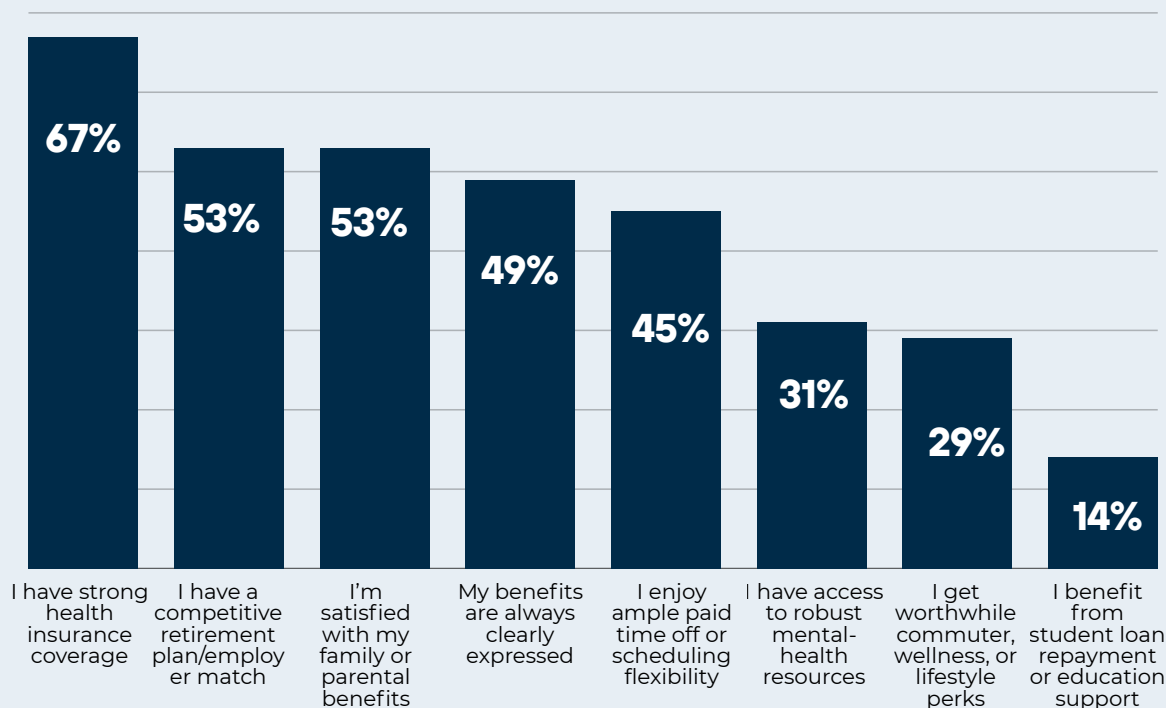
Nearly Half Say Health, Retirement and Parental Benefits

The same benefits that often drive employees to leave are also the ones keeping them in place.

Strong health insurance (67%) is the #1 retention factor, followed by competitive retirement plans (53%) and family or parental benefits (53%).

Nearly half (49%) also say clearly communicated benefits play a key role in their decision to stay.

Which of the following statements best describes the reasons why?



	Gen Z (Age 18-27)	Millennials (Age 28-43)	Gen X (Age 44-59)	Boomers (Age 61+)
Health Insurance	57%	76%	59%	67%
Retirement plan	29%	61%	64%	44%
Family/parental benefits	36%	61%	64%	39%
Communication	21%	61%	50%	50%
Paid time off & flexibility	36%	42%	59%	39%
Mental-health support	21%	42%	27%	22%
Wellness perks	21%	27%	41%	22%
Educational benefits	14%	21%	9%	6%

By generation, the story shifts slightly:

Millennials and Gen X stand out for valuing family/parental benefits (61% and 64% respectively), while Boomers and Gen Z put health insurance first (67% and 57%).

Takeaways: Benefits Landscape

Benefits satisfaction high: Overall, 81% of employees say benefits mostly/completely meet needs while 84% of employers feel confident.

Employees prioritize basics while employers focus on "nice-to-haves": Health insurance (77%) and retirement plans (78%) dominate core offerings. When seeking additional benefits, employees want fitness/wellness compensation (33%) and additional compensation (32%).

Gen Z faces health insurance access crisis: Gen Z needs health insurance with 62% wanting it as additional benefit (vs. 18-38% other generations).

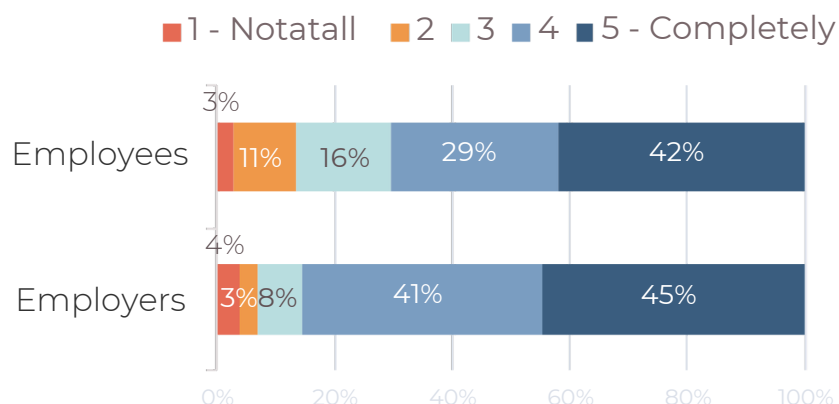
Benefits drive critical retention and departure decisions: Benefits represent major retention risk with 42% willing to leave for benefit reasons. Health insurance (60%) and retirement plans (59%) dominate departure drivers, while the same benefits drive retention: strong health insurance (67%) and competitive retirement (53%). Gen X shows highest departure risk (50%) despite mid-career stability.

Benefits Education

Benefit education has become a success story in 2025, with sharp gains in the number of employees who feel completely educated about their options. Yet the story isn't over—employees want clearer, more frequent communication, and younger generations still lag in understanding how to maximize their packages.

How well are employees educated about their company's benefits?

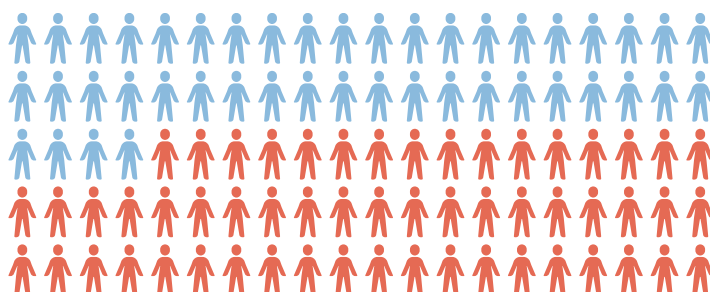
Total Employee vs. Total Employer Perspectives



Education gap: 71% of employees feel very/completely educated about benefits, while 86% of employers believe they're doing a good or very effective job. Employers might be overestimating the effectiveness of their education efforts.

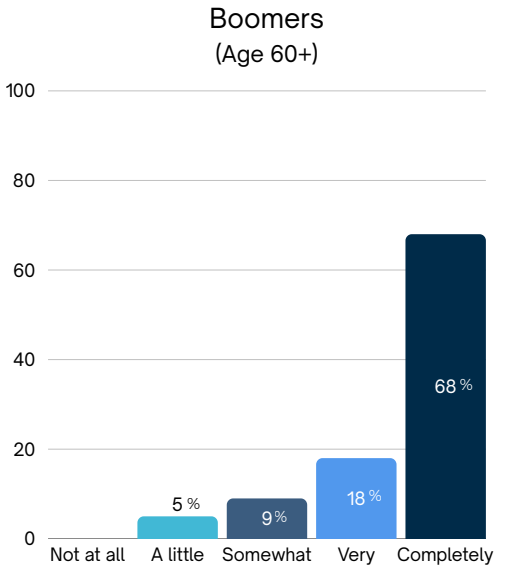
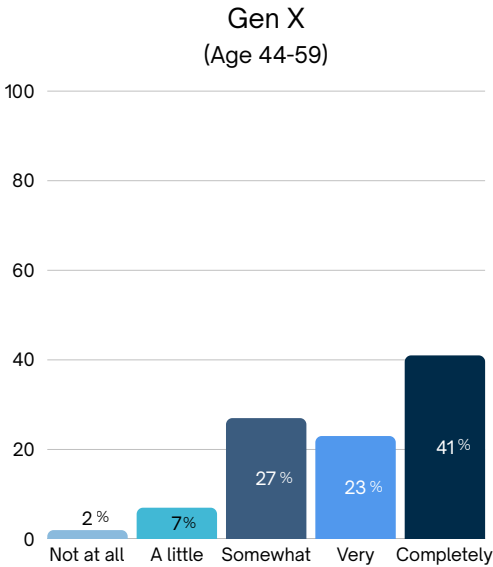
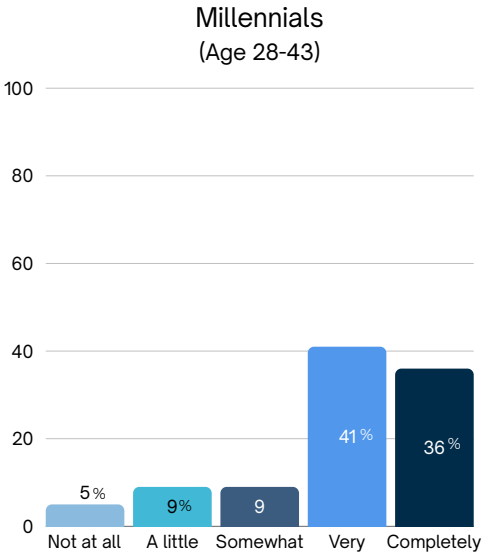
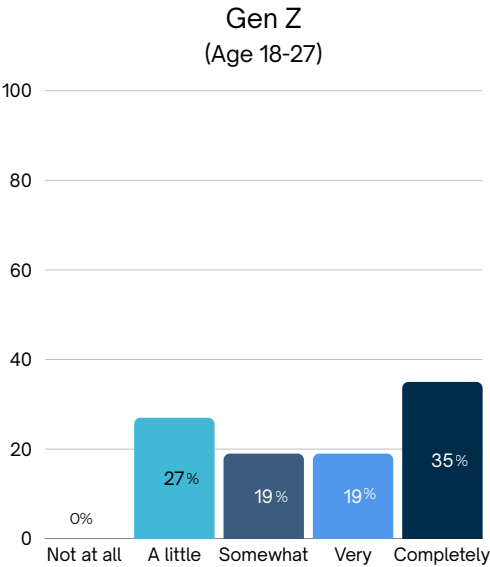
71%

71% OF EMPLOYEES FEEL VERY/COMPLETELY EDUCATED ABOUT BENEFITS EDUCATION.



Extent Employees Feel Educated About Benefits

By Age



Among employees, age improves education: Boomers are the most educated, with 68% feeling “completely” educated.

Gen X and Millennials are moderately educated, with 41% and 36% respectively feeling “completely” educated.

Gen Z are the least educated, with only 35% feeling “completely” educated and 27% feeling “a little educated.”

Benefits Education Levels Surge in 2025

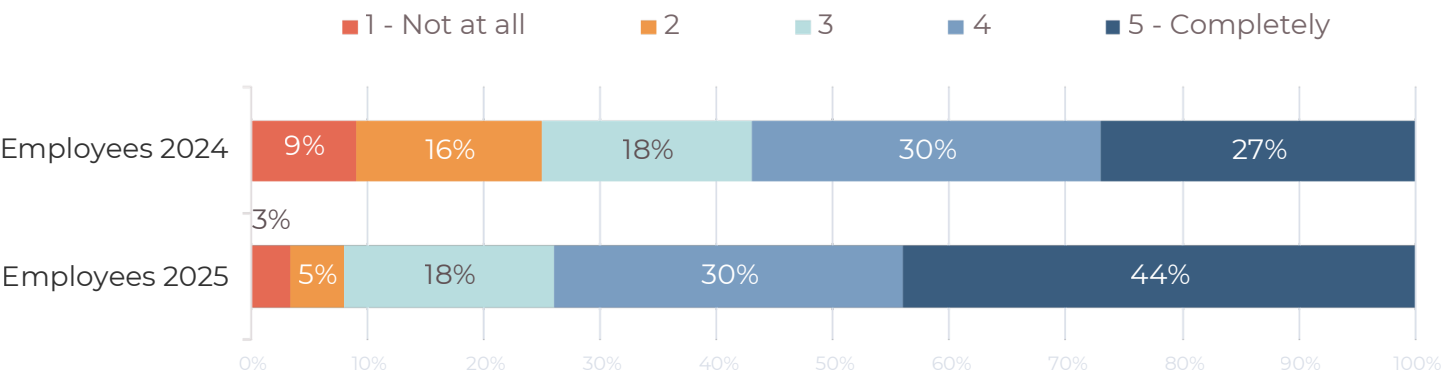
Employee understanding of benefits has taken a dramatic leap forward. In 2024, just 27% of employees felt “completely educated” about their company’s offerings.

By 2025, that number jumped to 44%, a 63% increase year-over-year. This marks one of the most significant gains across all areas of benefits support, signaling that education and communication efforts are paying off.



Extent Employees Feel Educated About Benefits, by Age

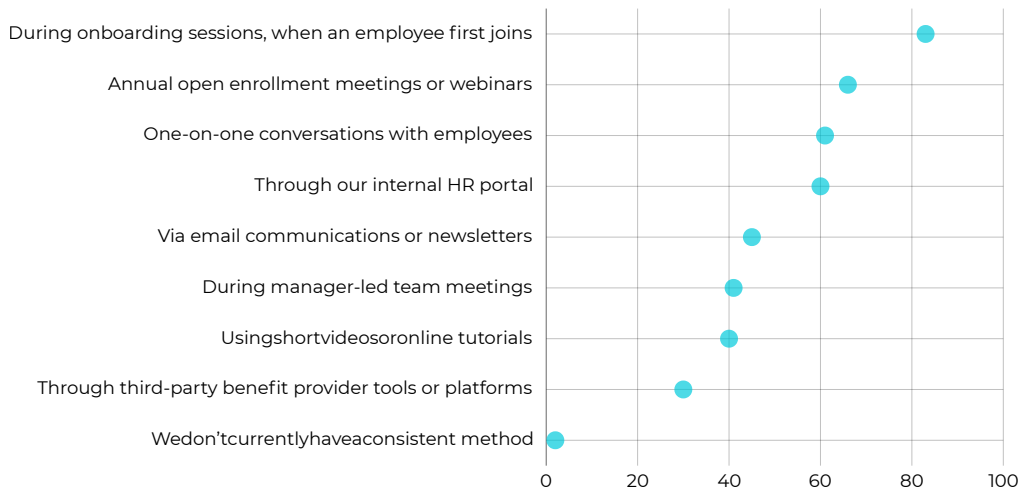
2024 vs. 2025



How Employers Educate on Benefits

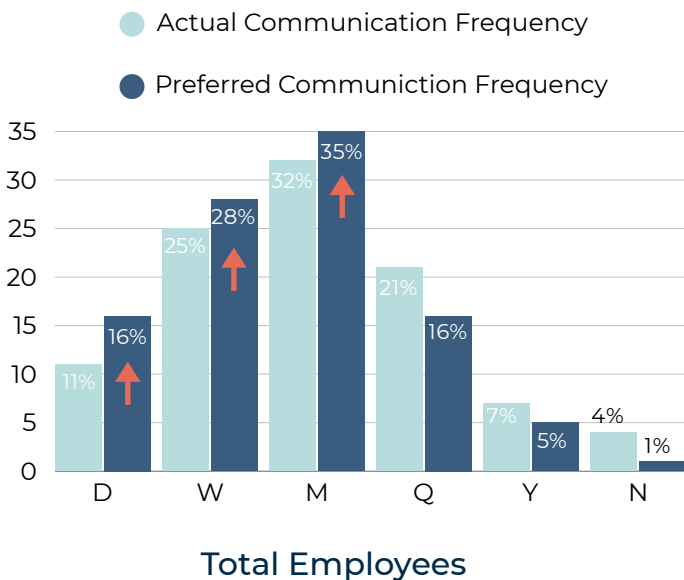
Most employers use multiple education channels. Onboarding dominates, with 83% using onboarding sessions—nearly universal. 66% use open enrollment meetings, 61% use one-on-one conversations, 61% use HR portals, 60% use one-on-one conversations, and 60% use HR portals.

How Do Employers Educate Employees About their Benefits?



Benefit Communication: Actual vs. Preferred Frequency

How often do employees receive benefit communications vs. how often would they prefer?

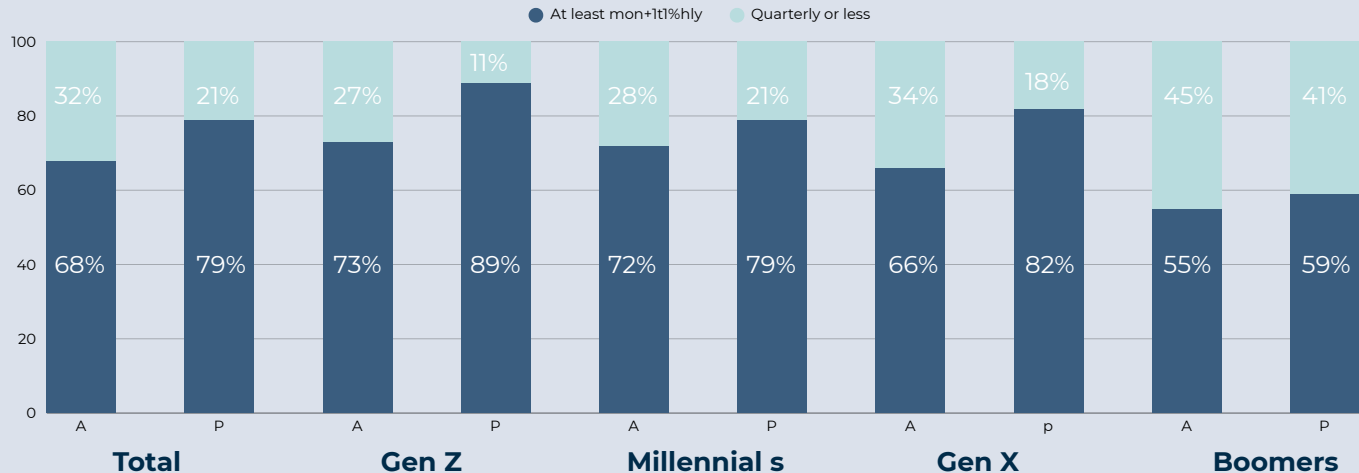


- There's a clear demand for more frequent benefit communicationDaily – 16% vs. current 11% (+5 points)Weekly – 28% vs. current 25% (+3 points)
- Monthly – 35% vs. current 32% (+3 points).Monthly is king: employees prefer to receive benefit communication monthly (35%, median).



Benefit Communication: Actual vs. Preferred Frequency by Age

How often do employees receive benefit communications vs. how often would they prefer?



Gen Z and Gen X need more communication: early-career and mid-career employees want dramatically more frequent communication.

Takeaways – Education & Communication

Educational gap. There is a 15-point gap between employee education levels and employer confidence, with 71% of employees feeling very/completely educated about benefits while 86% of employers believe they're doing a good or very effective job.

Improvements in benefits education since 2024. 2025 represents a benefits education success story with a 63% increase year-over-year.

Onboarding sessions dominate in benefit education. Onboarding sessions are nearly universal with 83% of employers using them, led by Gen Z employers at 94%. However, generational education strategies differ:

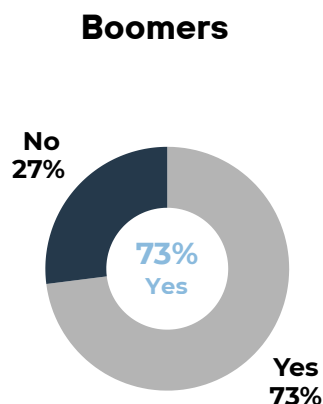
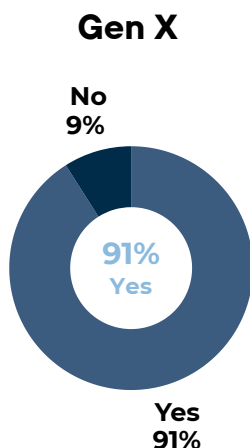
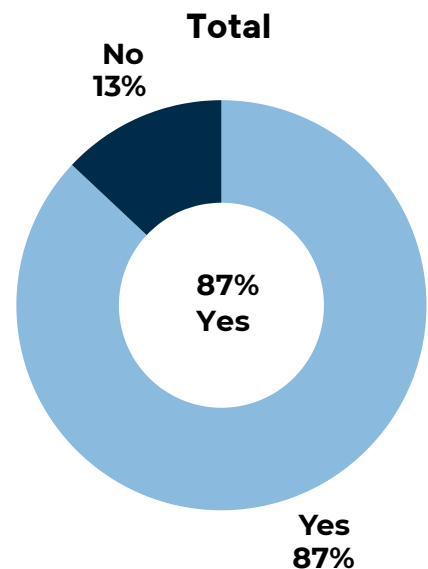
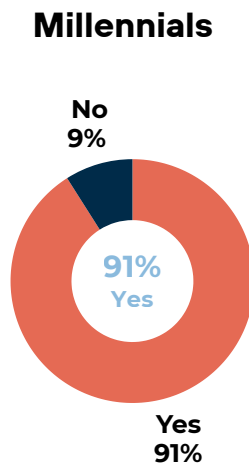
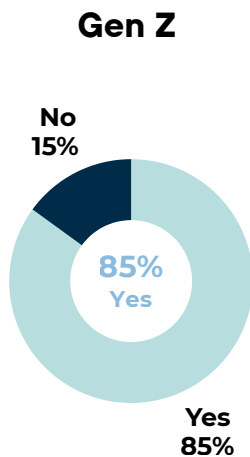
Employees need more frequent benefit communication. Clear demand exists for more frequent communication across all channels: employees want to be communicated on benefits at least monthly (79%), while currently 68% receive monthly communication.

Age-based education patterns. Education effectiveness increases with age, creating a reverse correlation where those who need education most receive it least effectively. While Boomers feel most educated (68% completely), Gen Z reports lowest education levels despite presumably needing more guidance navigating benefits for the first time.

Retirement Plans Under Pressure

Retirement savings participation is high, but confidence is fragile. Most employees contribute to a plan, yet many doubt they'll retire comfortably. Gen Z shows the most stress signals, from early withdrawals to debt pressures, while Boomers worry about volatility and Social Security.

Are employees currently contributing to an employer-sponsored retirement plan?

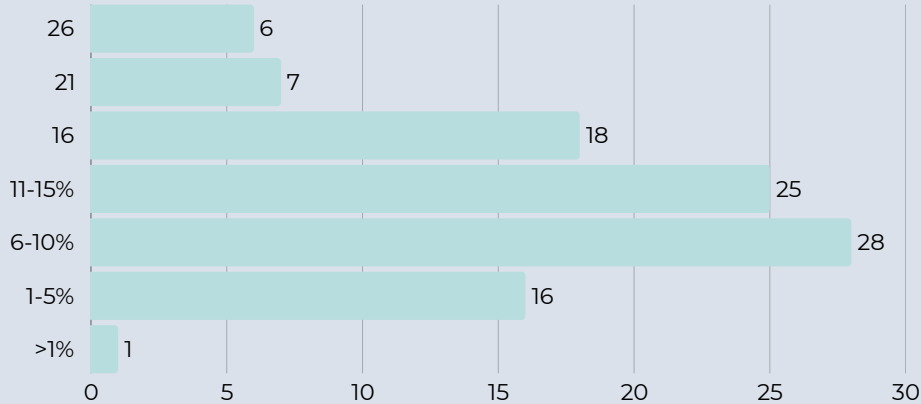


- 87% of employees report contributing to an employer-sponsored retirement plan, showing strong engagement across the workforce.
- Nearly 1 in 3 Boomers (27%) are not contributing—more than triple the rate of Gen X (9%) or Millennials (9%).

Retirement Plan Contribution Rates

Are employees currently contributing to an employer-sponsored retirement plan?

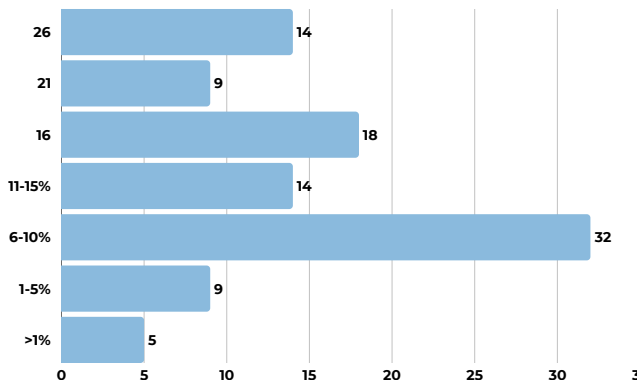
Total Employees



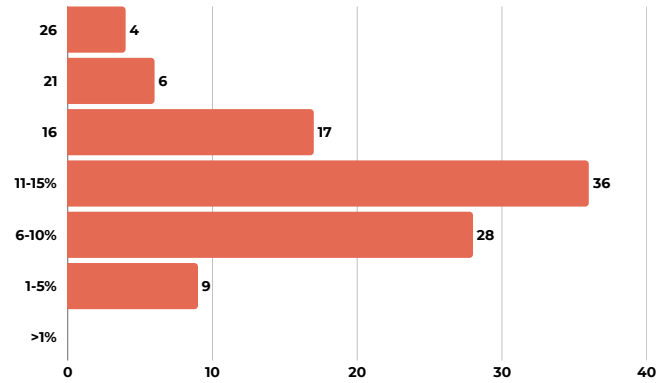
Over 50% of employees contribute between 6% and 15% of their salary.

While participation is strong, contribution optimization varies dramatically by generation: Gen X may be under-saving during peak earning years (20% contribute less than 5%), while Gen Z shows concerning affordability constraints (37% contribute less than 5%).

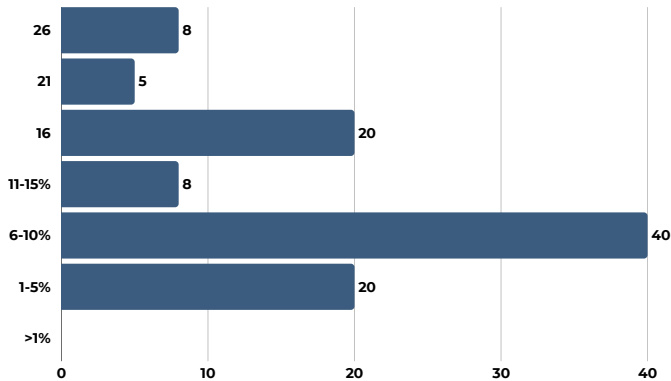
Gen Z



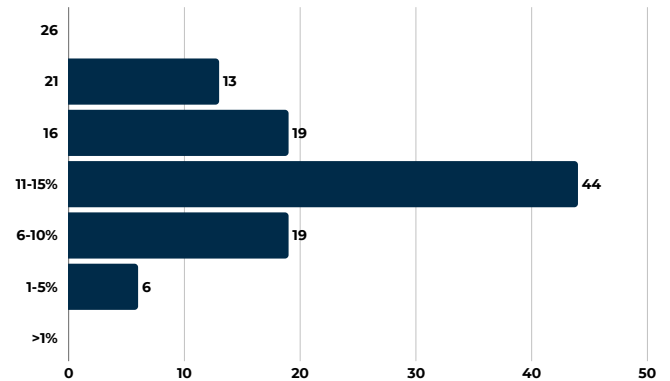
Millennials



Gen X



Boomers

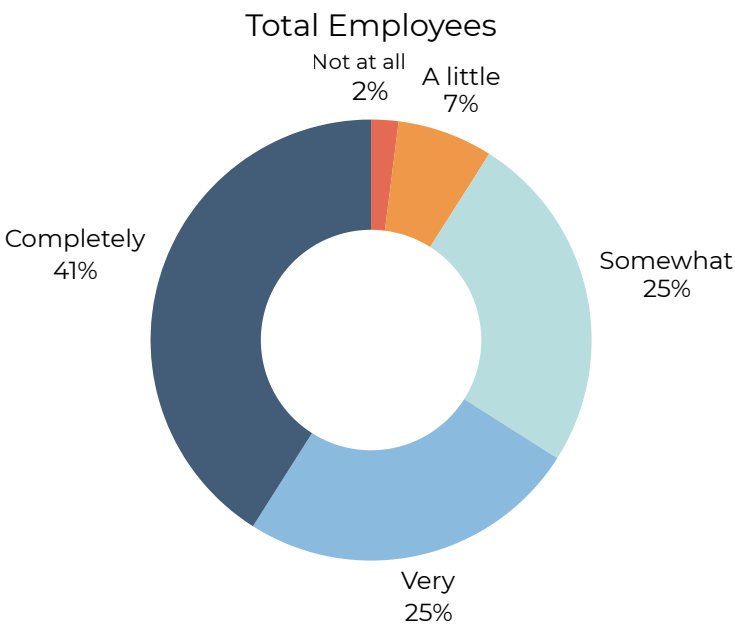


Confidence in Retirement Readiness

59%

OF EMPLOYEES SAY THEY WILL NOT BE ABLE TO RETIRE COMFORTABLY BASED ON THEIR CURRENT RETIREMENT PLANS.

How confident are employees that they'll be able to retire comfortably based on their current retirement plan?

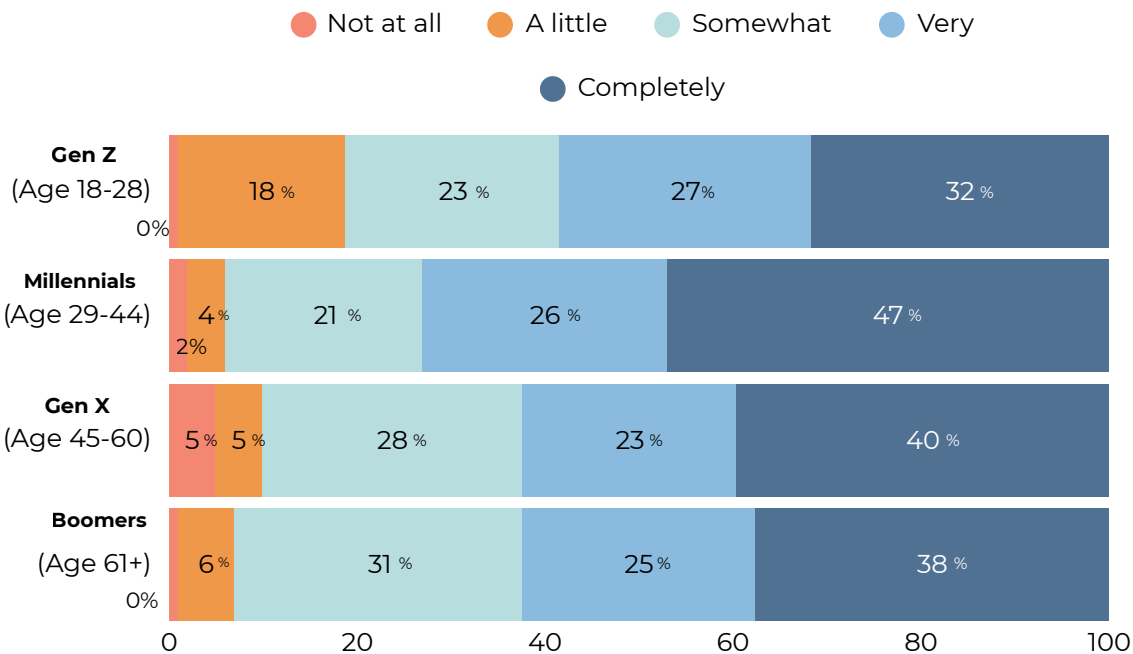


At 47%
Millennials feel the most confident they'll be able to retire comfortably.

Gen Z feels the least confident, with only 32% **completely** confident and 18% feeling **only a little confident they'll be able to retire comfortably.**

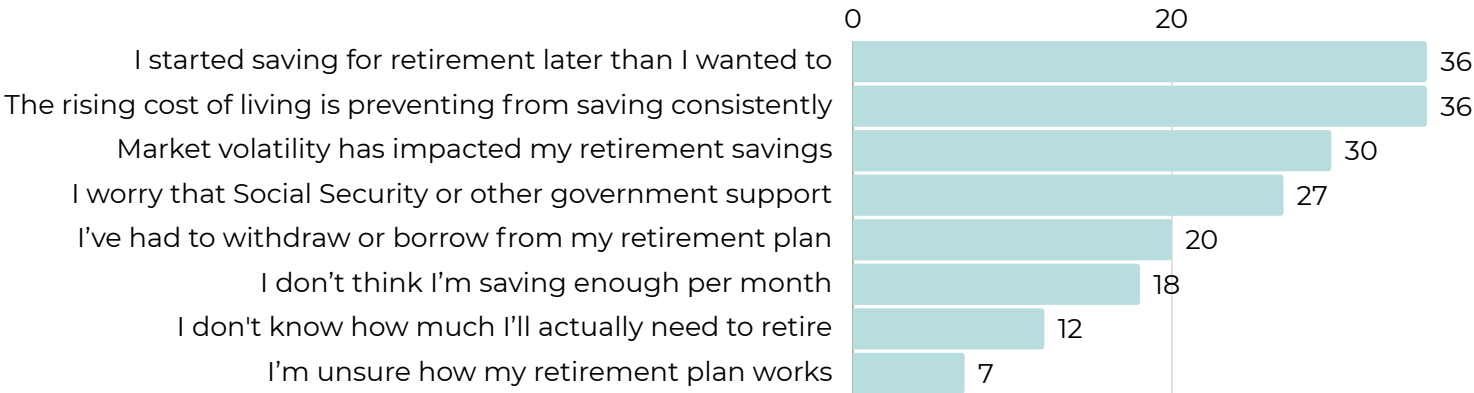
How confident are employees that they'll be able to retire comfortably based on their current retirement plan?

By Age



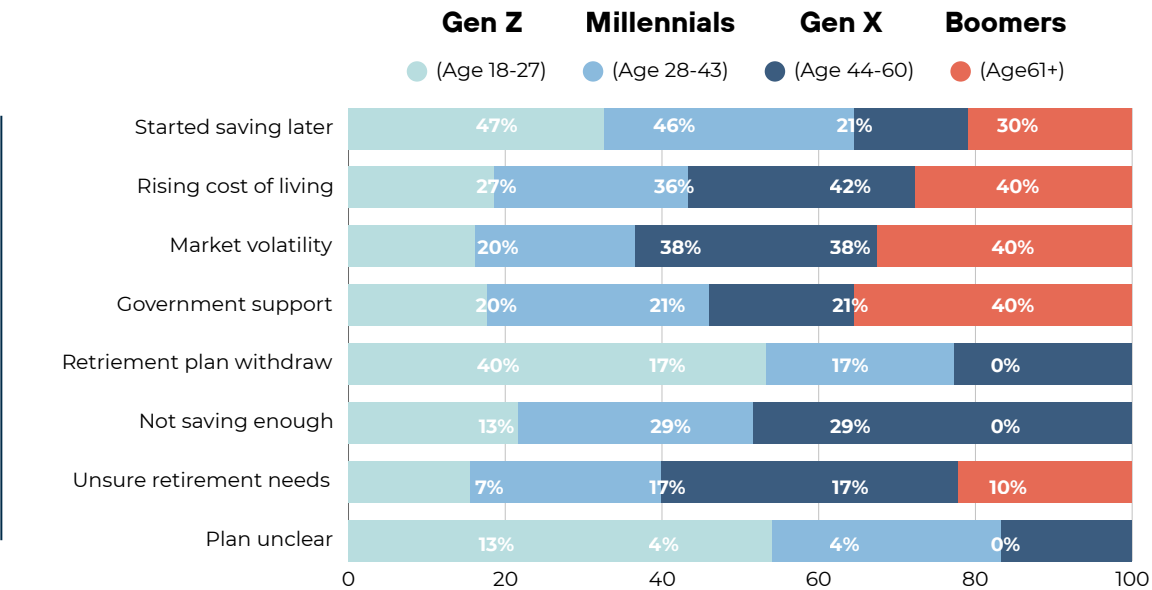
Why Employees Lack Confidence in Retirement Readiness

Why aren't employees completely confident that they'll retire comfortably?



Retirement insecurity stems from both past regrets (late start – 36%) and present pressures (cost of living – 36%). Late-start regrets affect all working generations, not just older workers.

How Employers Educate on Benefits, by Age

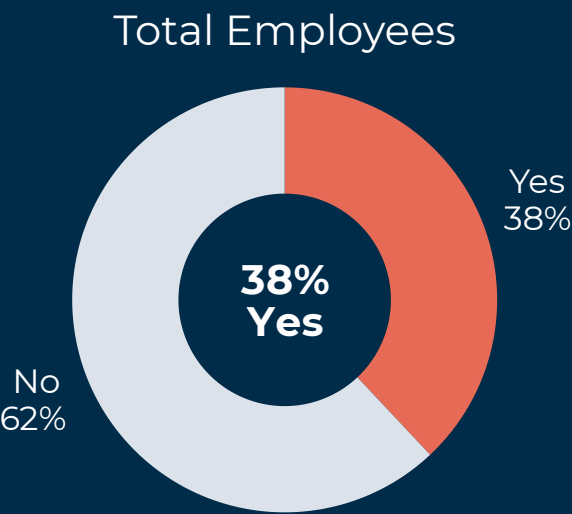


Gen Z is under the most strain: 40% have already dipped into or borrowed from their retirement accounts, double or more the rate of any other generation.

Nearly half (47%) also started saving late, despite being the youngest, pointing to delayed careers and postponed financial stability. Millennials face their own timing trap, with 46% also starting late, while Gen X is squeezed by both shortfalls in savings (29%) and fears about market volatility (38%).

Retirement Fund Withdrawal Experience

Have Employees Ever Taken Funds Out of Their Retirement Fund?



38%

38% OF EMPLOYEES REPORT HAVING TAKEN MONEY OUT OF THEIR RETIREMENT FUND AT SOME POINT.

The high withdrawal rate suggests widespread financial stress impacting long-term security and a lack of alternative financial safety nets.

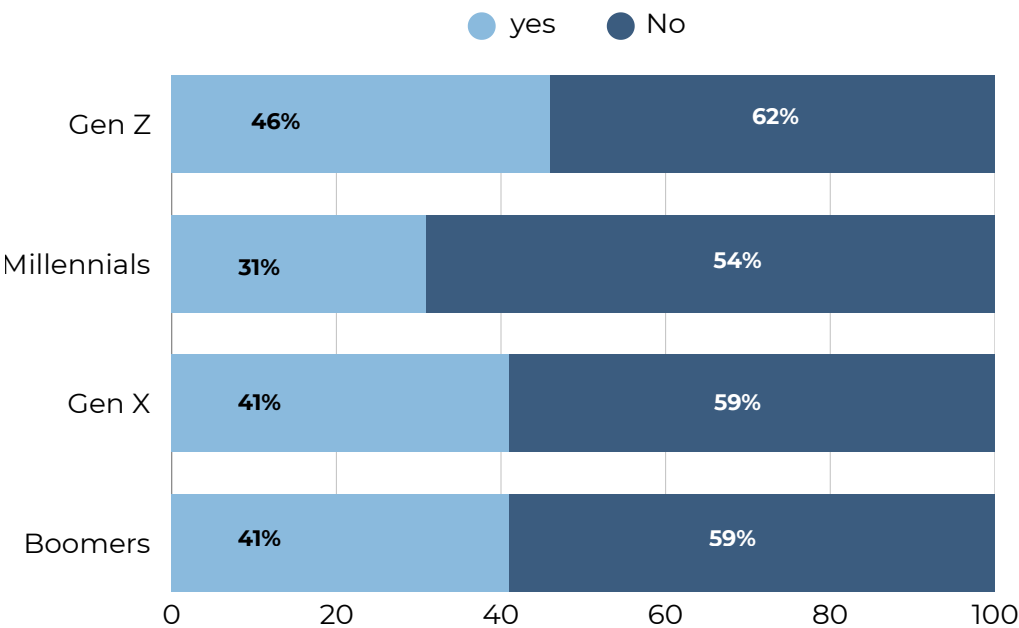
Gen Z has the highest withdrawal rate:

46% have taken funds out, nearly half, despite being the youngest.

Millennials show better financial management, with only 31% saying they have taken funds out of their retirement fund.

Have Employees Ever Taken Funds Out of their Retirement Fund?

By Age



Reasons for Retirement Fund Withdrawals

37% of employees withdrew funds to cover unexpected expenses like car or home repairs.

What Did Employees Use the Money for that They Took Out of the Retirement Fund?

37%

To cover an unexpected expense

19%

To pay for housing-related costs

16%

To pay off high-interest debt

9%

To manage rising day-to-day living costs

5%

To deal with a loss of income or unemployment

5%

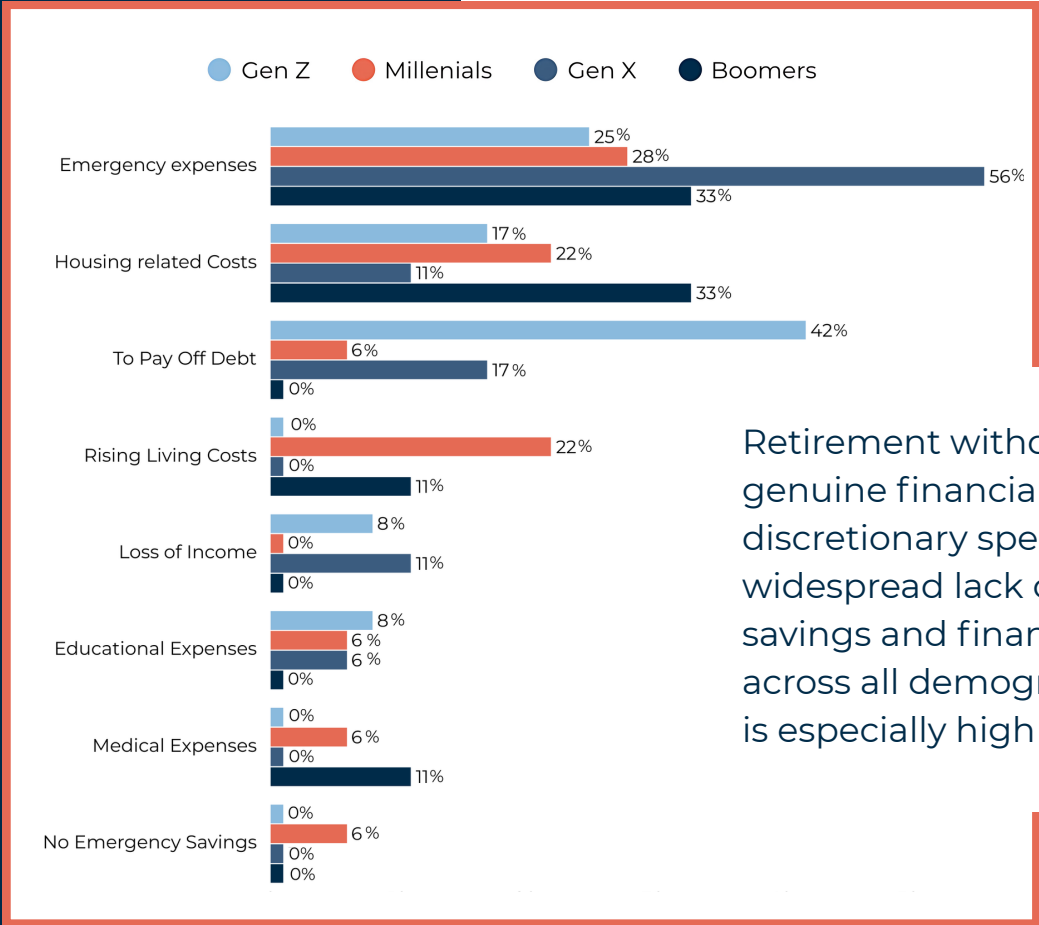
To cover education expenses

4%

To cover medical expenses

2%

Because I didn't have an emergency savings fund



Reasons for Retirement Fund Withdrawals, by Age

Retirement withdrawals are driven by genuine financial emergencies, not discretionary spending, indicating a widespread lack of emergency savings and financial safety nets across all demographics. This reason is especially high among Gen X.

Retirement Fund Withdrawal Plans

Retirement fund withdrawals aren't a one-time crisis but an ongoing pattern, with one-third of employees planning future withdrawals despite already high historical withdrawal rates, indicating systemic financial insecurity across all demographics.

33%

OF EMPLOYEES SAY THEY PLAN TO TAKE MONEY OUT OF THEIR RETIREMENT FUND IN THE NEXT YEAR.

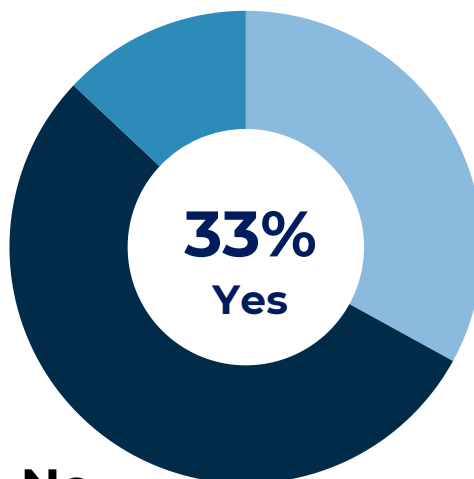
Gen X employees have the lowest planned withdrawals (27%)



Do You Plan to Withdraw Funds in the Next 12 Months?

Unsure
13%

Yes
33%

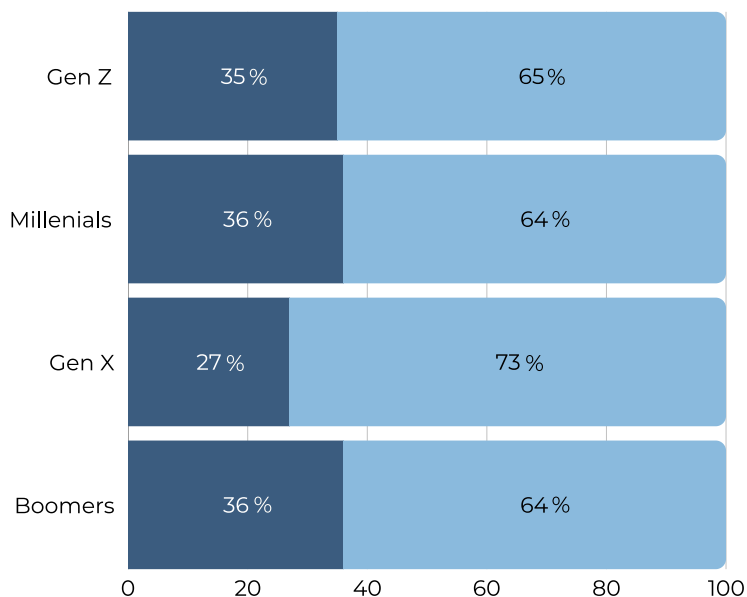


No
54%

Total employees

Do you plan to withdraw funds in the next 12 months?

● Yes ● No



Planned Uses for Upcoming Retirement Fund Withdrawals

One-third of employees are planning future withdrawals despite already high historical withdrawal rates. The top projected reason is to cover unexpected emergency expenses such as car or home repairs.

How do employees plan to use the money from their retirement fund next year?

32%

To cover an unexpected expense

10%

To pay for housing-related costs

16%

To pay off high-interest debt

18%

To manage rising day-to-day living costs

4%

To deal with a loss of income or unemployment

2%

To cover education expenses

10%

To cover medical expenses

6%

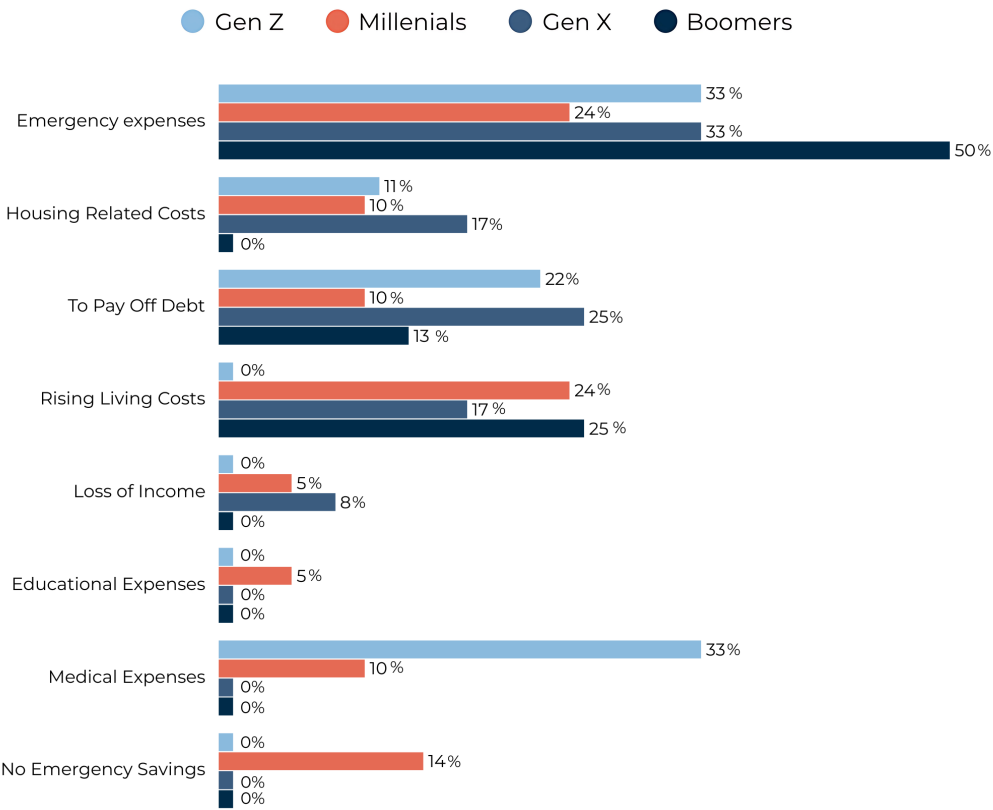
Because I didn't have an emergency savings fund

Total employees

PLANNED USES FOR UPCOMING RETIREMENT FUND WITHDRAWALS

by age

Rising living costs are a growing factor, with 18% overall planning to use withdrawn funds for day-to-day expenses like groceries, gas or utilities.



Takeaways – Retirement Readiness

Strong retirement plan participation with over half contributing 6-15% of salary:

87% of employees contribute to employer-sponsored retirement plans, with over 50% contributing between 6% and 15% of their salary.

Two-thirds of employees feel confident about retiring comfortably: 66% of employees feel very or completely confident about retiring comfortably). Millennials are most optimistic (74% confident) while Gen Z shows least confidence (59% confident, 18% only "a little confident").

High retention risks: 38% of employees have taken money from their retirement fund, and 33% plan withdrawals in the next year. Gen Z faces severe pressure with 46% having withdrawn funds (highest rate) and 42% specifically for debt relief.

Emergency expenses are the leading reason for retirement fund withdrawals

37% of past withdrawals were for unexpected emergency expenses, while 32% of planned future withdrawals target emergencies and 18% are for rising day-to-day living costs. This reveals widespread lack of emergency savings across all demographics.

Gen Z shows the highest financial stress and risk signals:

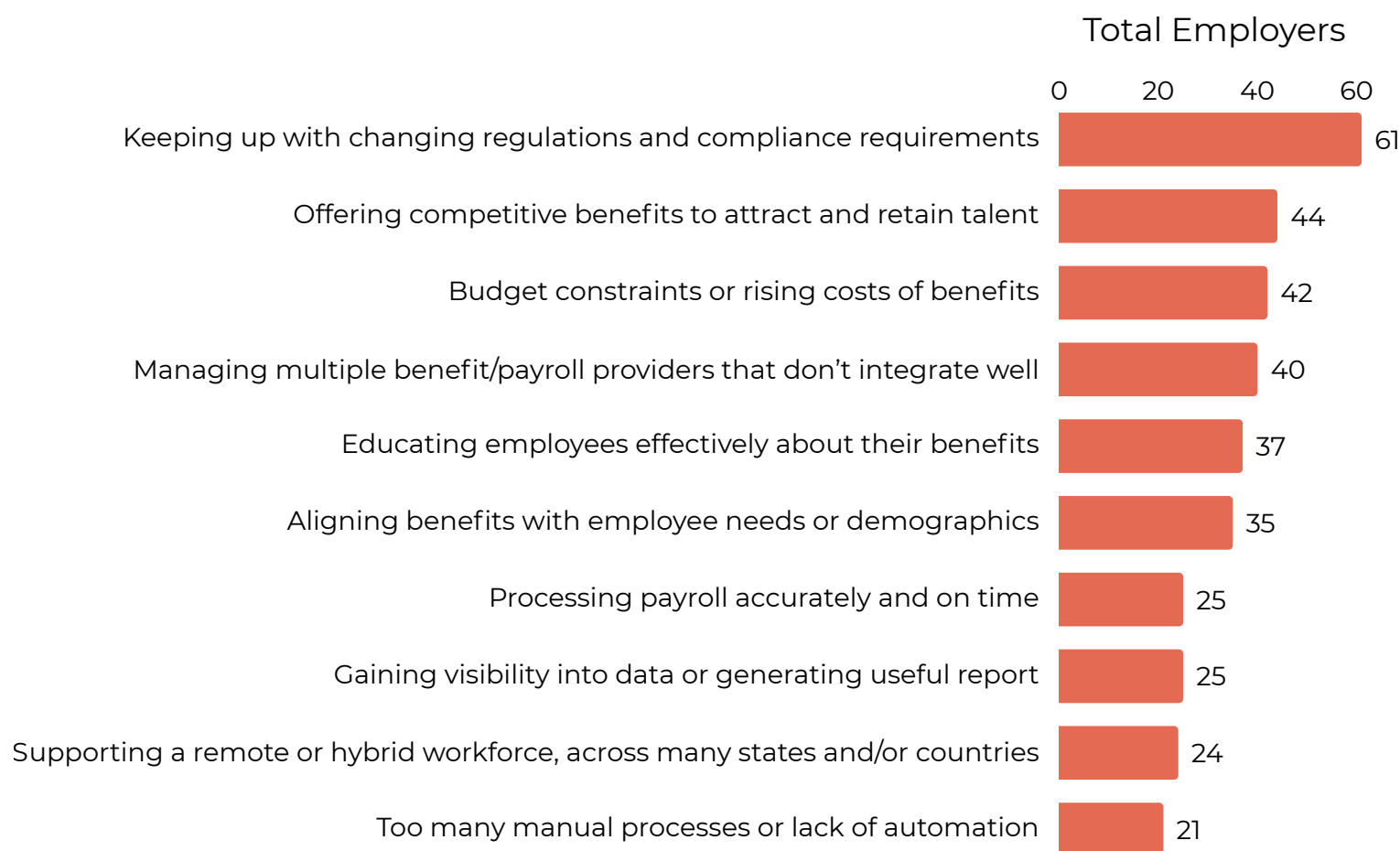
Gen Z displays multiple crisis indicators, with 47% started saving late despite being youngest and 42% withdrew for debt relief. Retirement withdrawals represent ongoing financial management rather than one-time events, indicating systemic financial insecurity across all age groups.



The Hidden Cost of Administration

Employers are caught between high expectations and administrative realities. Despite widespread tech adoption, managing compliance, costs, and benefit complexity consumes time that leaders would rather invest in employee relationships. The challenge for 2025: reducing admin burden to create space for meaningful support.

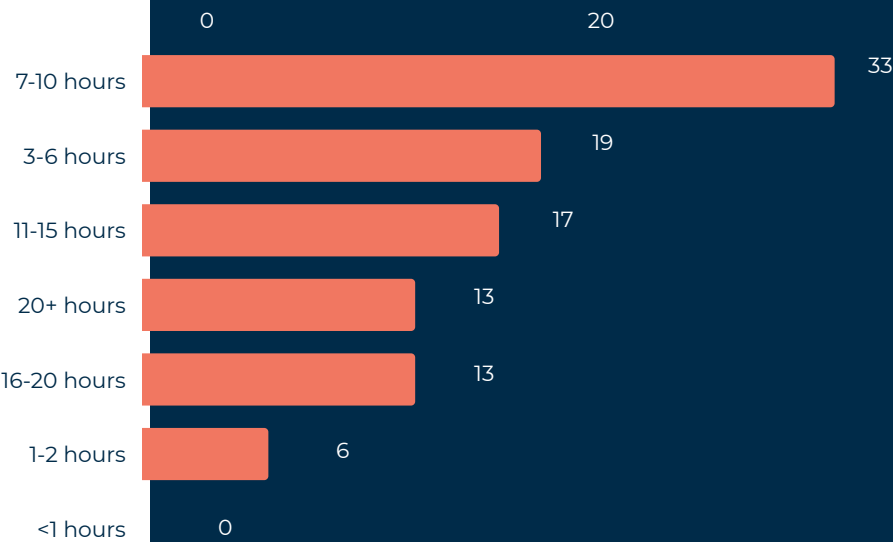
What Are the Top Challenges With the Payroll/Benefits Program?



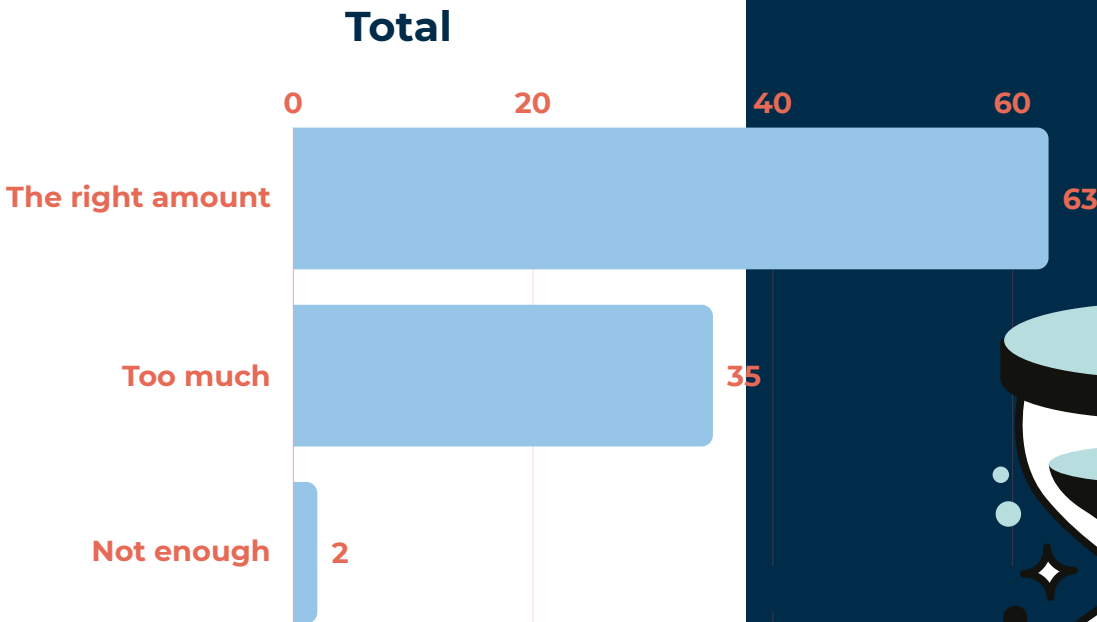
Weekly Hours Spent on Payroll and Benefits Administration

33%

OF EMPLOYERS SPEND 7-10 HOURS WEEKLY ON PAYROLL AND BENEFITS ADMINISTRATION



The amount of time employers spend on administrative work:



Most employers (63%) feel they spend the right amount of time on administrative work, while 35% say they spend too much time.



If Admin Time Were Freed Up: Top Priorities

What would employers do with the time if they did not have to spend it on administrative work?

60% Speaking with employees about their benefit or HR needs

58% Increase engagement and relationship-building with employees

56% Educate employees on how to better maximize their benefits

51% Provide more individualized support to employees

50% Focus on improving internal processes or innovating

45% Expand or enhance company benefit offerings

26% Build out employee recognition or engagement programs



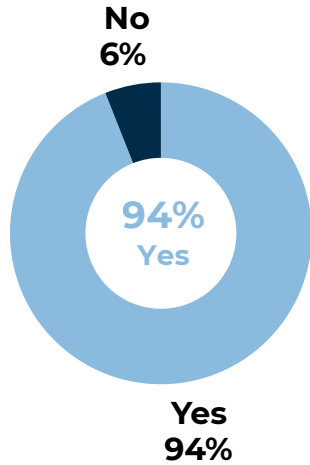
The top three desired activities all center on employee interaction: speaking with employees about benefits (60%), increasing engagement and relationship building (58%), and educating employees about benefits (56%).

This shows employers want more human connection over administrative tasks.

Use of Technology in Payroll and Benefits Management

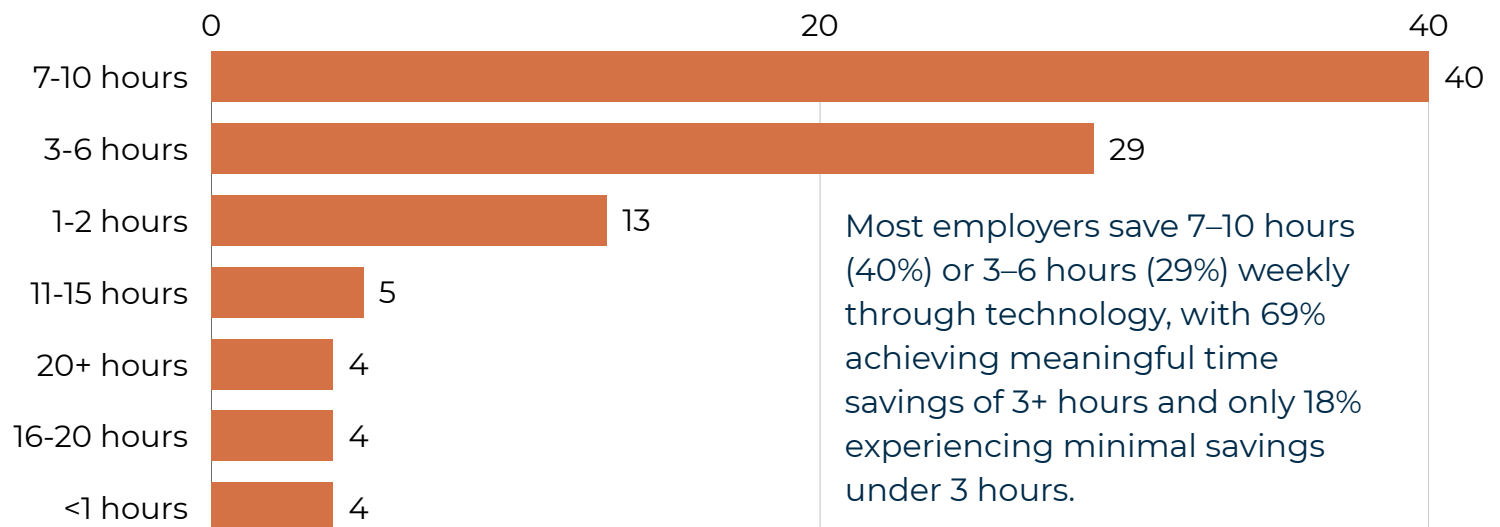
Do employers currently use any technology to help manage the payroll/benefits process?

Technology adoption is extremely high at 94%, indicating widespread digital transformation in HR operations.



Weekly Hours Spent on Payroll and Benefits Administration

How much time each week do you estimate the technology saves you in administrative work?



Takeaways – Administration

Most employers spend 7-10 hours weekly on payroll and benefits administration: 33% of employers spend 7-10 hours weekly on administrative tasks (average: 11 hours).

35% say they spend too much time on administrative work: While most employers (63%) feel they spend the right amount of time on administrative work, 35% report feeling overwhelmed by too much time spent on these tasks.

Technology adoption is extremely high at 94% across all employers, indicating widespread digital transformation in HR operations.

Compliance complexity dominates as the top administrative challenge: 61% of employers cite keeping up with changing regulations and compliance requirements as their primary challenge. Nearly half (44%) struggle to offer competitive benefits for talent attraction, while 42% face budget constraints and rising benefit costs.

Employers want to redirect time toward employee interaction and engagement: If administrative time were freed up, the top three priorities all center on human connection: speaking with employees about benefits (60%), increasing engagement and relationship building (58%), and educating employees about benefits (56%). This shows employers prefer meaningful employee interaction over administrative tasks.

Research Objectives & Methodology

Research Objectives

- Explore the relationship between employees and employers as it relates to employee benefits; determine how employers and employees align on what benefits are most important

Methodology

- Data collected through Dynata online panel
- Age 18-65
- Currently employed full-time; Employers are management level or higher and responsible for benefits management

Timing

- Survey conducted June 30 – July 3, 2025. Average duration 4 minutes.

Benefits Analyzed

- **Retirement Plans** (401k, SIMPLE IRA, SEP Plans)
- **Health Insurance** (Health Insurance, Dental Insurance, Vision Insurance)
- **Health Savings Accounts** (HSA/FSA)
- **Life Insurance Support**
- **Student loan assistance/tuition reimbursement**
- **mergency savings accounts** (ESAs)
- **Fitness and wellness compensation** (reimbursements for gyms, workout classes, meditation, massages, etc.)
- **Mental health support** (reimbursement for therapy, mental health days off, etc.)
- **Commuter benefits** (reimbursement for travel to and from work)
- **Family planning** (reimbursement for fertility, adoption)
- **Flexible work** (remote/hybrid work environment)
- **Paid parental leave** (maternity/paternity leave)
- **Continued learning support** (reimbursement for conferences, classes, etc.)
- **Childcare assistance** (reimbursement for daycare)
- **Pet insurance** (reimbursement for pet insurance)
- **Additional compensation** (bonuses, stock options, profit-sharing)
- **Financial education and planning** (financial planning help, access to a financial advisor)

Note: In this report, benefit names are presented without detailed descriptions for clarity. For example, "Retirement Plans" refers to all types offered (e.g., 401k, SIMPLE IRA, SEP Plans), and similar shorthand is used for all other benefits listed.

PAYROLL INTEGRATIONS

payrollintegrations.com