

Balancing Engagement, Burnout and Benefits in a Changing Workforce

Isolved

Today's workforce is highly engaged, but it's just as highly stressed and restless.

While 92% of employees say they are fully committed to their jobs and company mission, 79% say they are burned out—feeling overworked, undervalued and insecure about their futures. Employees give their all, but they're not getting the employee deal they expect in return—and that's pushing many to jump ship in a bid for better opportunities—and to continue jumping until they find it.

The story of this year's **Voice of the Workforce** report is one of employees and managers balancing the heavy weight of burnout, job insecurity and a benefits gap. Data from our fourth-annual survey of more than 1,000 full-time employees in the U.S. reveals a workforce that is committed, but deeply restless and worried—from line-level employees all the way up to executives.

As pressures around skills development, job security and the impact of artificial intelligence (AI) continue to grow, employers must address this imbalance or risk destabilizing their workforce. The solution lies in offering flexible work arrangements, personalized benefits and targeted support to meet the diverse needs of a multigenerational workforce. By tailoring their approach to these challenges, organizations can retain their best talent, foster loyalty and boost productivity.



This year's survey uncovers five top takeaways that outline the core struggles facing today's employees, from burnout to a growing benefits gap. These takeaways emphasize the need for both better support systems and flexible solutions to create more sustainable and fulfilling employee experiences.

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To keep engaged employees of all generations, organizations will need to focus on the provision of flexible, personalized benefits and work arrangements that align with the diverse needs of a multigenerational, multilevel workforce.

By focusing on these priorities, organizations can build a strong, committed workforce that thrives in the face of challenges. Let's explore each of these takeaways in more detail to understand how they can help employers provide stability and satisfaction in today's dynamic work landscape.



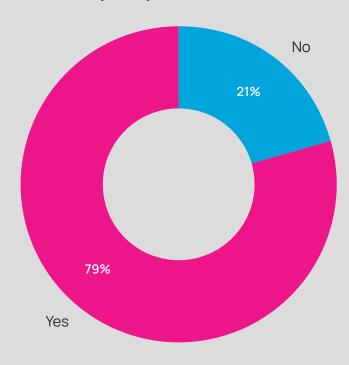
TAKEAWAY

Burnout is Eroding Engagement: 8 in 10 Employees Are Stressed and Struggling

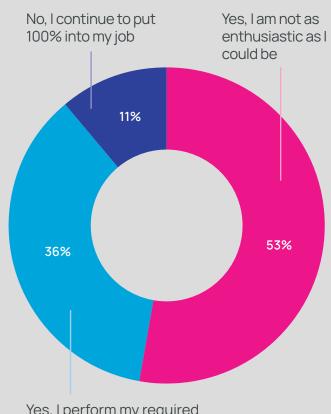


A striking 8 in 10 employees (or 79%) surveyed have experienced burnout in the last year, which has directly impacted their productivity. Over half of the workforce (53%) report that burnout has reduced their engagement, while 36% say it has minimized their output, leading them to effectively "quiet quit." In fact, burnout is the top factor preventing employees from going above and beyond in their roles.

Have you suffered from burnout over the past year?



Does burnout impact your performance?



Burnout puts employees at significant risk for turnover. While people who are exploring opportunities are just as engaged at work as their colleagues (92% versus 90%), they are 35% more likely to say they are burned out when compared to those who are not looking for work. Nearly half of all respondents (47%) say stressed employees are a top threat to their company culture.

Stressed employees are the #1 threat to positive company culture, according to 47% of respondents—with another 31% specifically citing burnout.





What's preventing you from being as productive as you could be at work?

I am overloaded and burned out

35%

I do not get recognized for my effort

30%

I am not motivated by compensation/salary

26%

I do not feel supported by my manager

20%

I do not see a future for myself in the organization

19%

I am more focused on my life outside of work

19%

I lack the right tools

13%

I am not motivated by my benefits

13%

I am not engaged in my work

12%

I am not learning or building my skills

12%

I do not feel supported by my colleagues

11%

I am not clear on my goals

8%

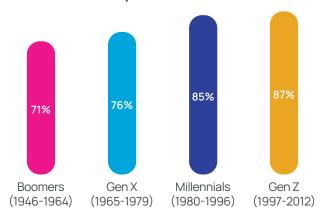
I have an additional job(s), reducing the energy I can give to my primary employer

6%

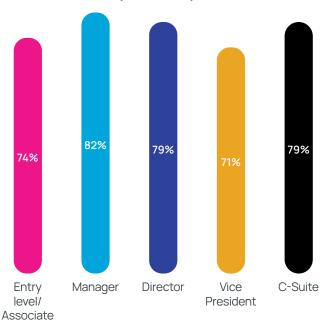
I do not feel aligned with my company values or mission

The burnout risk is especially prevalent among younger employees, with Millennial and Gen Z workers 10% more likely to say they are burned out versus Baby Boomers. In fact, 58% of Gen Z workers list burnout as a top reason for their job dissatisfaction. It's also hitting mid-level managers at higher rates, as they balance the expectations of senior leaders and the demands of managing their teams—82% of managers report feeling burned out, compared to only 73% of entry-level employees.

Burnout Rates by Generation



Burnout Rates by Seniority



What are the top threats to positive company culture?





How can companies solve burnout?

Employees are clear about what they need: more support in managing stress and mental health, better work-life balance and more flexibility.

In particular, entry-level employees want mental health days, while mid-level managers prioritize flexibility and resources to manage their workloads.

While burnout is a barrier to productivity, employers can take proactive steps to alleviate workload challenges—whether that's offering mental health resources, setting clear boundaries around off-hours work or introducing flexible schedules to unlock better performance and help sustain long-term engagement.

How would you like your employer to address burnout?

Resources on how to minimize the risk of burnout

62%

Flexible work environments

48%

Policy about responding to work after-hours

43%

Paid mental health days

36%

Tools to manage my own performance

31%

Offer wellness resources

27%

Distribute workload more effectively across teams



TAKEAWAY

Restless and Ready to Move: 9 in 10 Recent Job Changers Are Looking to Jump Again

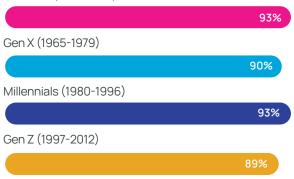
Despite higher employee engagement this year—92% vs. 82% in 2023—and high levels of loyalty (see chart), employees are not staying put.

Nearly half have changed jobs in 2024, and 72% are looking to change jobs in the next year—with higher mobility among men compared to women. This is an increase of nearly 14 percentage points over 2023, when only 58% of those surveyed were looking for new opportunities.

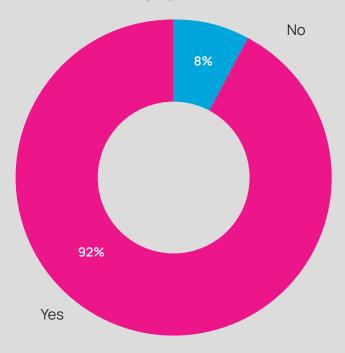
Loyalty is high, say 9 in 10 of employees—especially Boomers and Millennials.

Those who agree or strongly agree with the statement, "I have a sense of loyalty to my employer."

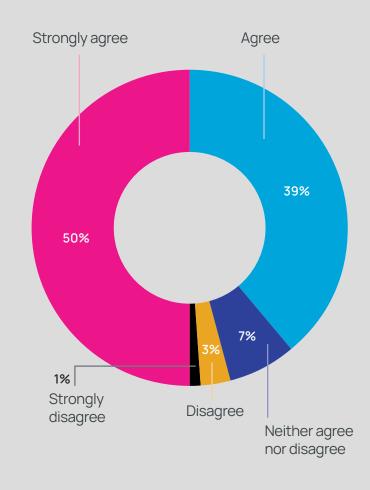
Boomers (1946-1964)



Do you feel engaged at work?



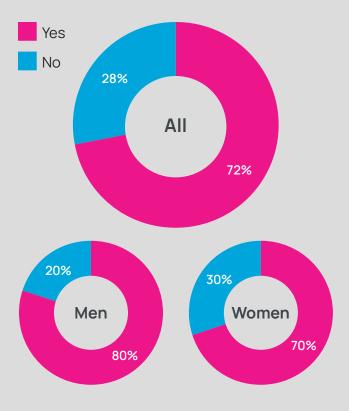
Does your work give you a strong sense of purpose?



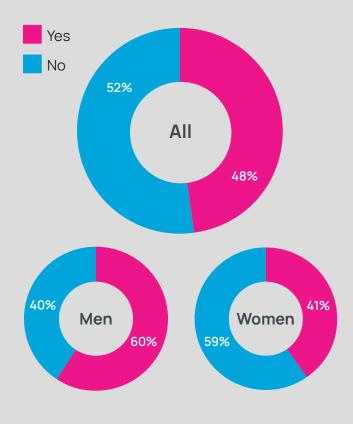
Of those with intent to explore opportunities, 51% have actually applied for a job. But employees are finding the grass isn't always greener. A staggering 93% of those who recently switched positions are already considering moving again!



Do you plan on exploring new job opportunities in the next 12 months?



Have you changed employers in 2024?



What are the reasons for this restlessness? Benefits, salary and growth opportunities top the list. While employees may feel engaged in their work, they are looking elsewhere for better compensation packages and room for career advancement. This is particularly true for younger workers looking to grow and advance, as 72% of Gen Z and Millennial employees who changed jobs say they remain open to new opportunities. Overall, more men (79%) say they are satisfied with their current salary compared to women (64%)—a signal that the gender pay gap is also an influencing factor when it comes to turnover.

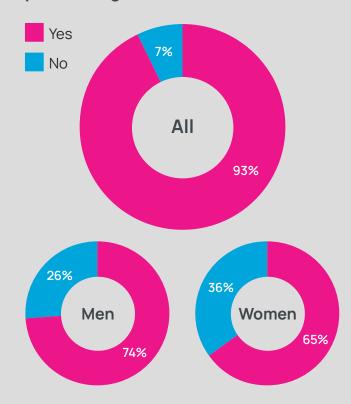
Additionally, layoffs—and indeed even the threat of a reduction in force (RIF)—is a major factor in churn, with 76% of those who fear a layoff looking for work—vs. only 11% of those who do not fear a layoff. Likewise, 83% of those who have experienced a layoff in the past 12 months say they are looking, vs. 26% of those whose companies have not experienced a layoff.

Layoffs and layoff fears correlate highly with intent to leave.

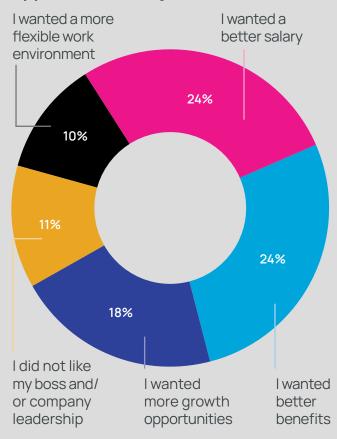
- 73% Exploring new job opportunities
- 76% Experienced a layoff this year
- 83% Fear a layoff this year

This revolving door of turnover suggests that engagement alone isn't enough to retain employees. Companies must address the gaps in their benefits, stabilize the workforce, and provide clear communication and pathways for career progression to maximize retention.

Since changing employers earlier this year, have you applied for a new position again in 2024?



What is the top reason you applied for a new job?



TAKEAWAY

The Benefits Gap: 1 in 4 Employees Leave for Better Benefits

Let's take a closer look at what is turning employees into workplace nomads. As we already noted, salary and benefits are the leading reasons employees are looking for new jobs. But what prompts them to actually switch employers?

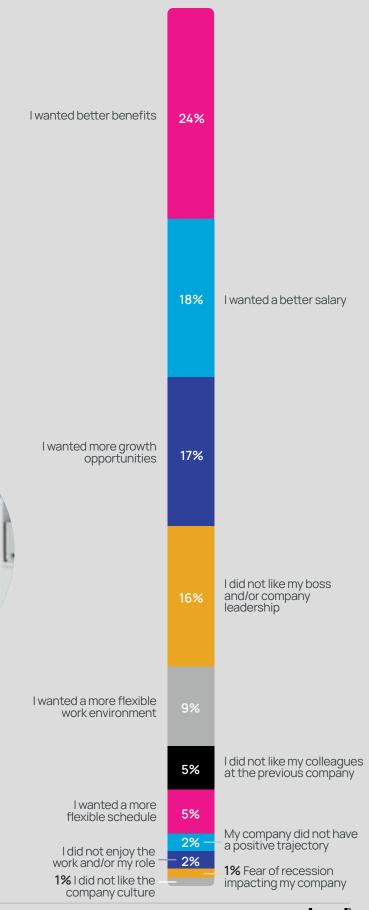
Among employees who changed jobs in 2024, benefits were the number-one issue.

This may point to a general shortfall in the quality of benefits employers are

offering. Surprisingly, 401(k) matching is the top benefit respondents say their employer offers. But many companies are still not providing what could be considered basic table stakes—with

only 43% of respondents saying they have health insurance through their employer, and only 35% having access to paid time off (PTO).

What is the top reason you left your previous employer?



When it comes to what moves employees to accept an offer, the biggest factor is flexibility in work environment, including the ability to work remotely at least some of the time. This work perk landing the top spot is a remarkable shift from 2023, where salary was the biggest factor for 68% of respondents.



What could be done to improve experience within your organization?

Provide better compensation packages (e.g., salary and benefits)

58%

Offer flexible working arrangements and scheduling (e.g., remote or hybrid work)

39%

Improve internal communications

38%

Add work perks (e.g., yoga, lunch vouchers, etc.)

37%

Recognition for work/contributions to organizational goals

37%

Invest in professional development

30%

Increase collaboration across teams

29%

Better distribute workloads

27%

Develop better employee engagement programs (e.g., resource groups, internal contests, team building exercises, etc.)

23%

Make a change in management/supervisors

Other factors still hold weight in the decision-making process, particularly salary, location, health insurance and benefits. In fact, a concern with benefits is especially prevalent among men, 28% of whom left their jobs for better benefits, versus 19% of women. Younger employees, particularly Millennials and Gen Z, are also dissatisfied with the one-size-fits-all approach to benefits. The data shows flexibility in work arrangements, personalized health coverage, and financial support like 401(k) matching and childcare reimbursement are priorities for the younger generations. Needs and preferences across groups, however, are diverse. For example, vision benefits are three times more important to Boomers than Millennials, while tuition reimbursement and student debt relief are nearly twice as important to younger generations versus Boomers.

90% of respondents—and 94% of Millennials—say they compare benefits plans when considering job changes.



What are the top factors that motivate you to accept a job offer?

Flexibility in work environment (remote or hybrid options)

46%

Salary

42%

Location that's close to home

40%

Health insurance

37%

Flexible benefits

26%

Interest in work and the position

17%

Retirement plan

17%

Flexible scheduling

11%

Company reputation

10%

Professional development opportunities/career growth

9%

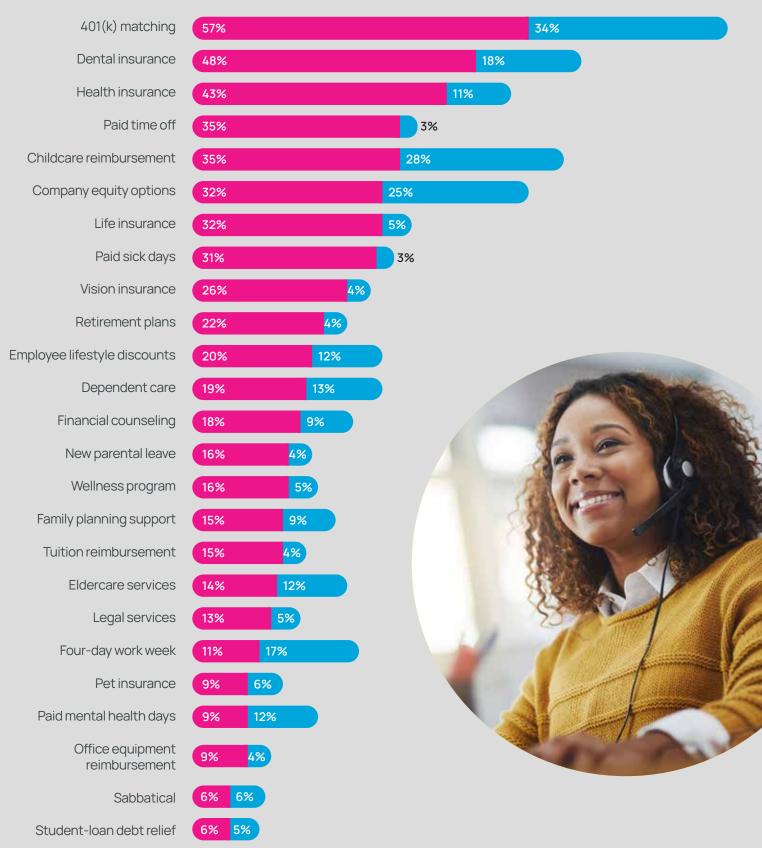
Workplace diversity

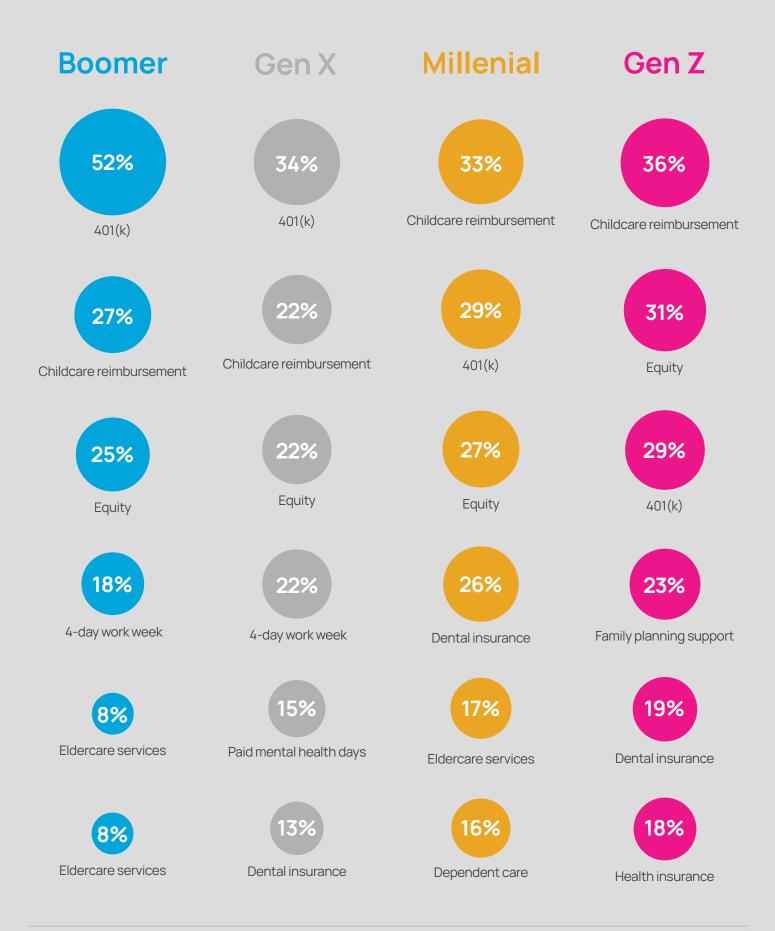


State of Employee Benefits

Current benefit offerings

Desired benefits, of those not provided



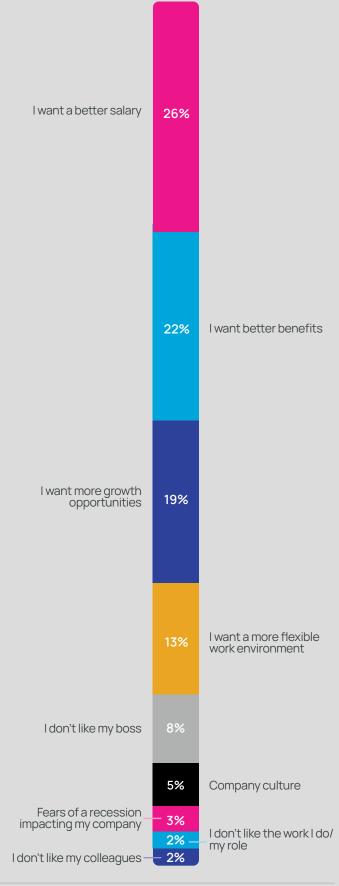


Benefits can also be a source of anxiety, with nearly 3 in 4 employees (72%) saying benefits selection is stressful and more than half indicating that a poor benefits enrollment experience would prompt them to look for a new job.

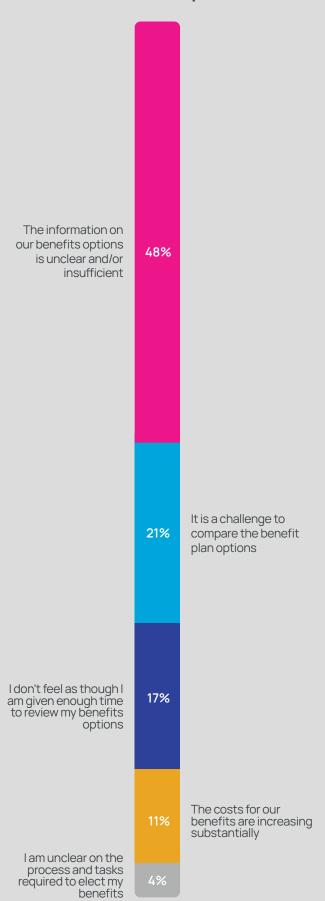
So why is benefits enrollment causing so much stress amongst the workforce? Most employees say the benefits information provided is unclear, with the next-top reason being challenges associated with comparing plans. For employers, this means that technology that gives a real-time view of benefits during the election process—including price comparisons—could go a long way in improving EX and retention. In fact, 50% of employees say a negative benefits experience would prompt them to look for a new job.



What is the most influential factor to prompt you to look for a new job?



What is most stressful about the benefits election process?



Which negative HR experiences would be most likely to prompt you to look for a new job?

Poor benefits enrollment experience (e.g., disjointed process, lack of/unclear information, paper processes, etc.)

50%

Scheduling mistakes (e.g., scheduled during times of unavailability, unable to access schedule digitally, last-minute schedules, etc.)

49%

Poor onboarding experience (e.g., unprepared first day, paper forms, etc.)

39%

Payroll mistakes (e.g., missing hours, late payroll, etc.)

37%

Poor culture

23%

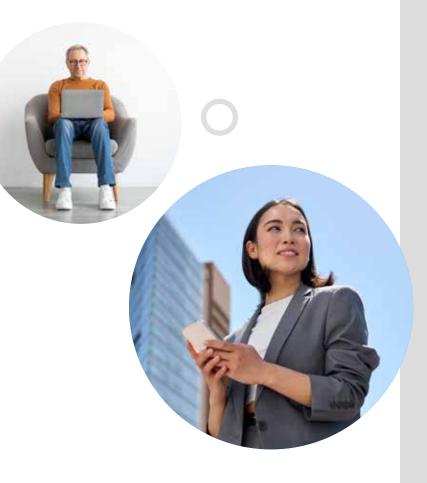
Limited development opportunities

22%

Lack of responsiveness from HR

While benefits are certainly important—and move the needle when it comes to retention and recruitment—employees think there are other HR activities more in need of improvement, particularly payroll. Since 60% of employees say they've been affected by payroll errors, it makes sense they'd prioritize this recurring HR activity over anything else.

To meet the distinct needs of different generations, employers need to make sure they get the basics right, from benefits administration to payroll processes. Creating flexible benefits packages to meet a more diverse and tech-savvy workforce's evolving needs will also make a difference when it comes to recruitment, retention and overall EX.



Which HR activities need the most improvement at the company where you work?

Payroll (e.g., payroll processing, direct deposits, access to on-demand pay, ability to access paystubs, etc.)

52%

Talent management (e.g., job postings, onboarding, filling out tax forms, etc.)

43%

Expense management (e.g., travel expenses, customer meals, reporting, etc.)

39%

Learning management (e.g., training, compliance, professional development, etc.)

31%

Employee engagement (e.g., collaboration, recognition, requesting feedback, etc.)

21%

Performance reviews (e.g., goal setting, progress and merit increases)

18%

Benefits enrollment (e.g., electing benefits, reviewing coverage, etc.)

17%

Scheduling (e.g., schedule planning, requesting time off, requesting coverage, etc.)

16%

Corporate social responsibility (e.g., charitable giving and volunteering)

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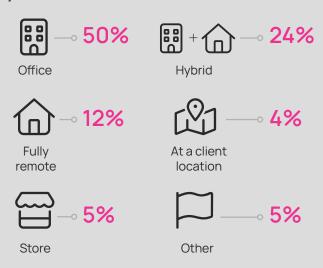
Flexibility as a Dealbreaker: Half of Workers Choose Jobs Based on Flexible Work Arrangements

Flexibility is no longer a nice-to-have; it's a necessity for employees. In fact, this survey finds almost half of the workforce favors hybrid or remote work setups, with flexibility ranking as the top motivator for accepting new job offers.

As noted earlier, Millennials in particular value flexible work arrangements, with 26% citing it as the main reason they stay with their current employer. It makes sense that they'd prioritize remote work more than other generations, especially as the age group most likely to be building families. The data shows 26% of Millennial employees cite flexible work as the deciding factor in staying with their current employer, and 13% say a lack of flexible work was a top factor in leaving their last employer.

Flexibility and remote work also rank high on the list of what people view as threatening to company culture—but not for the reason you may think. Forty percent of employees say a lack of flexible work environments is what is threating positive culture.

What type of an environment do you work in?



How do you prefer to work?

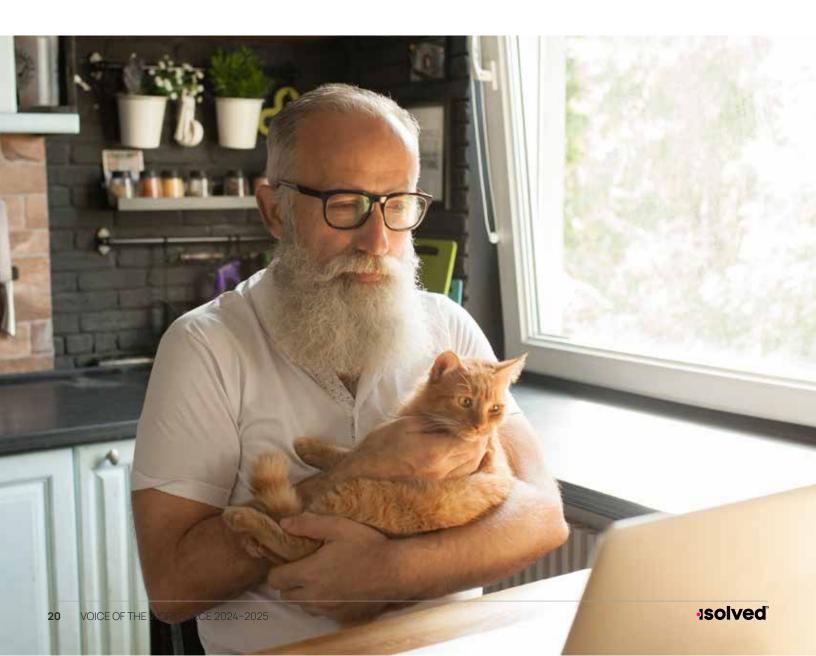




Flexibility also impacts retention across generations. In fact, 39% of employees say flexible work is the key to improving EX (see chart on page 12), and 48% think flexible work environments are effective at minimizing burnout (see chart on page 6). What's more, 16% of respondents say a flexible work environment is what keeps them at their current employer.

Flexibility can go beyond where employees work though—it's how they work. For employers, this means offering flexible hours, remote options and hybrid models can go a long way in reducing burnout and improving employee satisfaction.

1 in 10 of employees would look for a new job just to gain more flexibility in their work environment and another 16% say a flexible work environment is the most influential factor keeping them at their current employer.



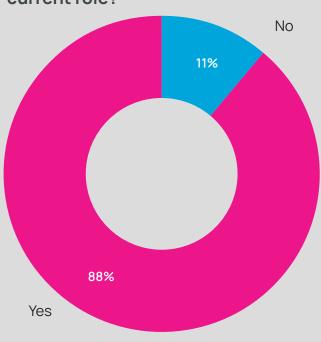
TAKEAWAY

Support for the Long Haul: Employee Experience Hinges on Growth and Stability as 58% of Employees Worry About Layoffs

Support for career development and growth plays a significant role in employee satisfaction across all levels of the organization. While 88% of employees feel valued in their current roles, they are still seeking better career support. Men, in particular, report higher satisfaction with career advancement opportunities than women—a gap employers should mind.

When it comes to how employees want their employers to demonstrate their value, the top response is salary. Digging deeper into the data, Millennials are more likely to value bonuses while Baby Boomers find internal recognition to be most important. Younger generations are more likely to value PTO and gift cards when compared to their older counterparts.

Do you feel valued in your current role?



How could your employer demonstrate that you are valued?

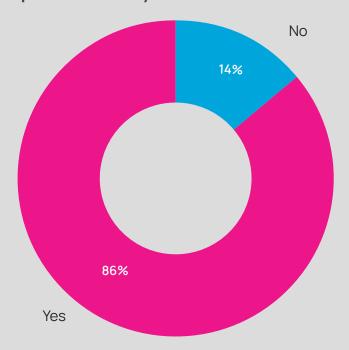


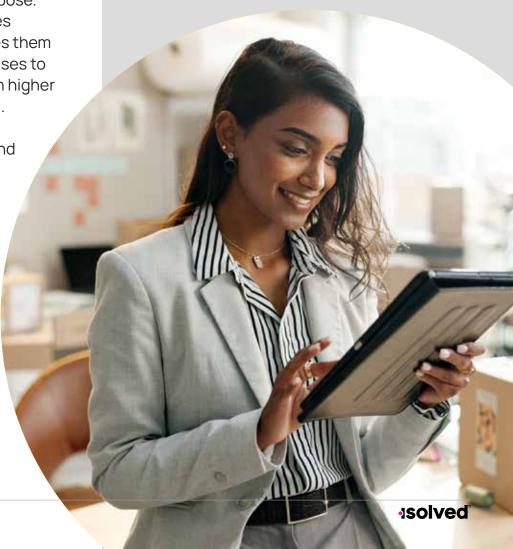
For managers and directors, the need for growth is especially pressing. Midlevel employees are the most likely to be seeking new job opportunities, with 54% of managers and directors reporting they changed jobs in 2024 compared to only 31% of entry-level employees. Even more telling, 37% of managers and 32% of directors have already applied for new roles, a sign of growing dissatisfaction with current career development paths. Many feel their career trajectory is stagnating, leading them to seek more fulfilling opportunities elsewhere. Yet, when they stay, it's because of the work itself. In fact, for 53% of directors and 63% of vice presidents (VPs), "the work I do" is the top reason they remain in their roles.

Something else that matters? Purpose. While 33% of entry-level employees strongly agree that their work gives them a sense of purpose, that number rises to 49% for managers and climbs even higher for directors (56%) and VPs (73%). Managers are not only personally engaged; they are also strong brand advocates, with 87% considering themselves champions for their organization compared to 67% of entry-level employees.

However, the pressures at the mid-level are high, with 83% of managers reporting burnout compared to 74% of entry-level employees. This data suggests that while managers are deeply committed to their roles, they are also feeling undervalued and overworked.

Do you feel like you are as productive as you could be at work?

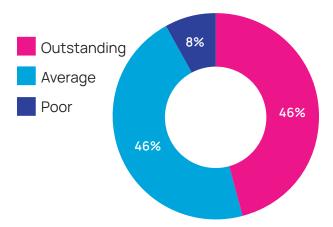




Employees across all levels want more than just salary increases—they want recognition, skill-building opportunities and a clear path to advancement.

Employers that invest in these areas will not only help retain talent but also boost engagement, purpose and productivity. In fact, 6 in 10 employees signal there is room for improvement when it comes to how their employer supports the advancement of their career. As such, building career paths that offer growth and purpose will be key to stabilizing the workforce.

How would you rate your employer's commitment to furthering your career?



The good news for employers is that most (88%) of employees feel like their professional development is adequately supported. Of course, there is always room for improvement. According to our respondents, the top way they'd like employers to better support development is with a learning management system (LMS) that has tailored course paths, funding for continuing education opportunities and career pathing.

How could your employer improve their efforts to support your professional development?

An LMS with tailored course paths for my skillset

33%

Provide funding for continuing education opportunities

33%

Offer career pathing to map development progression for identified career objective

33%

Offer mentorship opportunities

23%

Group, virtual trainings

22%

Group, in-person trainings

7%

Team meetings

15%

Industry conferences

15%

One-on-one meetings

14%

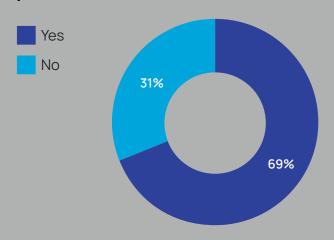
Collaboration through communities of like-minded professionals



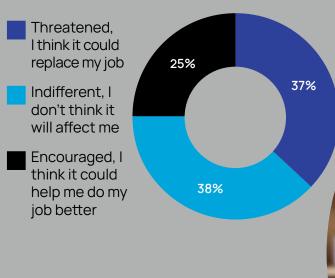
Employees Have Mixed Views on Al

Employees are still coming to grips with the impact of AI on their work and jobs. Seven in ten employees say they are leveraging AI within their roles—most often for administrative or routine tasks, but of all the threats to job security, AI is the one that looms largest. More than a third of employees worry it will take their jobs.

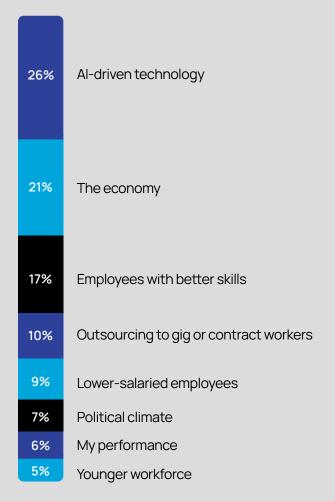
Are you leveraging AI within your role?



How do you feel about Al?



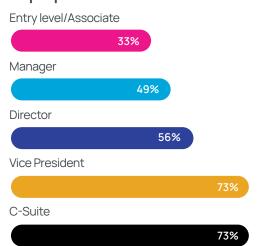
What do you feel is the biggest threat to your job security?





One of the most noteworthy findings is that 58% of employees have concerns about layoffs in the next 12 months. Transparency can go a long way in quelling those fears, but a positive culture and connection to their employer also plays an important role. The data found more tenured employees are likely to strongly agree that their work gives them a sense of purpose, yet employees from every generation tend to identify themselves as brand advocates.

Those who strongly agree when asked, "Does your work give you a sense of purpose?"



Those who consider themselves a brand advocate for their company:

Boomers (1946-1964)

85%

Gen X (1965-1979)

79%

Millennials (1980-1996)

87%

Gen Z (1997-2012)



Bridging the Benefits and Experience Gap

This year's **Voice of the Workforce** report shows a workforce that is engaged but at the same time grappling with significant challenges—burnout, benefits dissatisfaction, job insecurity and career stagnation.

While employees are committed to their work, it's clear that without the right support systems, flexibility and personalized offerings, organizations risk losing their most valuable assets: their people.

To foster loyalty and retention, employers must take a comprehensive approach that addresses the diverse and evolving needs of their workforce. Here are key recommendations:



- Invest in Burnout Prevention: Offering mental health support, flexible work arrangements and clear work-life boundaries for people at all levels of the organization will improve productivity, engagement and retention.
- 2. Close the Benefits Gap: Benefits packages must be tailored to the varying needs of a multigenerational workforce, and HR needs to ensure that both benefits and payroll are seamless processes for employees. That means prioritizing flexible, personalized solutions that meet employees where they are, with the benefits that matter most to them.
- 3. Support Career Development: Provide clear paths for growth, career mobility and skill-building opportunities. Mid-level managers, in particular, need more resources and recognition to feel valued and to stay committed.
- 4. **Prioritize Flexibility:** Hybrid and remote work options have become essential for employee retention, especially for Millennials. Flexibility in how and where employees work will be a key differentiator for attracting and retaining top talent.
- 5. Prepare for an Uncertain Future: As economic uncertainty and technological disruptions like Al continue to shape the future of work, employers must provide ongoing training, skill development, and transparent communication about how these changes will affect employees' roles and security.

To learn how isolved can help you implement these strategies to create employee experiences that matter, <u>contact our team today</u>.

Methodology

The Voice of the Workforce report from isolved analyzes the responses of 1,127 full-time employees based in the United States. Seniority level for respondents ranges from entry level to the C-Suite.

For any questions about the survey or our findings, please contact brand@isolvedhcm.com. The survey was conducted online in Q3 of 2024, with the demographics broken down as follows:

Industry	
Agriculture	4%
Business and professional services	7%
Construction and engineering	19%
Education	7%
Entertainment	1%
Financial services	9%
Travel and hospitality	1%
Restaurant	2%
Legal	1%
Manufacturing	8%
Media	2%
Medical and health	9%
Government and public sector	3%
Nonprofit	2%
Personal Services	1%
Real estate or property management	3%
Retail	3%
Software and IT services	10%
Telecommunications	1%
Transportation and logistics	2%
Utilities	0%
Wholesale and distribution	1%
Other	4%
Gender	
Male	52%
Female	48%
Torridio	4070

Seniority	
Entry level/associate	26%
Manager	42%
Director	14%
Vice President	4%
C-Suite	13%
Company Size	
1-49	11%
50-99	9%
100-249	9%
250-499	16%
500-999	29%
1000-2499	10%
2500 or more	16%
Age	
Baby Boomer (1946-1964)	17%
Generation X (1965-1980)	37%
Millennial (1981-1996)	38%
Generation Z (1997-2012)	8%
Other	1%
Other	1%

About isolved

isolved is the most-trusted HCM technology leader, providing the best combination of software and services to meet the needs of today's People Heroes – HR, payroll, and benefits professionals. From talent acquisition to workforce management to talent management, our solutions are delivered directly or through our HRO partner network to more than 7 million employees and 177,000 employers across all 50 states – who use them every day to increase productivity, accelerate decision-making and ensure performance, while reducing risk. isolved People Cloud, our intelligently connected platform, automates the entire employee experience by design, so that organizations can engage, empower, and energize their talent while freeing their People Heroes to exceed their goals and grow their careers.

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