# Addressing woes of today’s workforce

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The so-called “Great Resignation” that saw a record number of employees worldwide quitting their jobs since 2021, the height of the global paralysis caused by the COVID-19 pandemic, is not over yet. In the Philippines, almost two-thirds of workers are considering changing jobs this year, according to the 2025 Human Capital Employee Sentiment Study by London-headquartered global risk management and insurance brokerage firm Aon. It noted that 64 percent of the survey respondents said they were either in the process of moving to another employer, or might seek new employment in the next 12 months.

The company loyalty that characterized employer-employee relationships of decades ago is gone. The PageGroup, an international recruitment firm listed on the London Stock Exchange, put out a study in 2022 on the Southeast Asian employment scene with a specific focus on the Great Resignation phenomenon: The wave of resignations that hit the region since the pandemic began showed that 44 percent of the survey respondents had been employed by their companies for not more than two years. In the Philippines, 44 percent of the surveyed employees had been employed in their current firms for two years or less, matching the regional average. This was observed in many industries, but companies involved in the services sector such as health care, education, and hospitality/tourism saw the most staff resignations around the world.

## Financial struggles

Instead of worrying, however, employers can find key points in the Aon and earlier surveys that will prove very valuable in helping them keep workers from leaving or retaining existing talent. For starters, the Aon study found out that the top five benefits valued by workers in the Philippines are medical coverage, paid time off, work-life balance programs, career development, and retirement savings.

These are exactly the same results of a survey released in September 2024 by The Standard, a financial product and services firm based in Portland, Oregon, among American Gen Z employees. It highlighted what it called the potentially unaddressed financial struggles Gen Z employees face: They’ve been hit hard by inflation and the high cost of health care and are worried about saving for their long-term future. It showed that health or medical insurance leads the pack, followed by paid family and medical leave, retirement savings plans, and life insurance. Tied in fifth place are emergency savings accounts and mental health days.

The growing expectation for employers to provide medical coverage and support for mental and financial well-being is obviously due to the excessively high cost of health care in the Philippines, with many stories of the savings of the whole household being wiped out by a major illness downing a family member.

## Economic volatility

While many developed countries shoulder nearly the entire health care cost of their citizens, the state-run Philippine Health Insurance Corp. currently shoulders only 45-47 percent of out-of-pocket medical costs of patients. These out-of-pocket expenses are exacerbated by the continued economic volatility and the rising cost of living. Prices of rice, meat, vegetables, and other essential food items as well as utilities have remained elevated and pressured family incomes to keep up.

The Aon report also noted that 65 percent of employees believe that employers should help them save for retirement and address their long-term needs, with 58 percent of survey respondents saying that they should be provided with financial education.

The results of the Aon and many other global surveys are indeed frightening for employers, who will have to grapple with other companies in their industries in keeping current staff or finding replacements for quitting workers. However, they can stay ahead of competitors if they listen to the needs of the modern-day employees.

## Total rewards package

Offering higher-than-industry salary is no longer enough motivation for many workers around the world today. With tight competition for talent, the survey results highlighted the need for a strong focus on a total rewards package to support employee retention strategies.

As Aon Philippines talent solutions head Josef Ayson noted, companies need compensation strategies based on the latest data and market analytics to help them make more informed decisions when it comes to attracting and retaining employees in today’s evolving workforce landscape. The Standard survey warned that the message is clear: Adapt or risk losing talent. If employers want to attract and retain top Gen Z workers, they need to acknowledge the shifting priorities of these young workers and how they are increasingly willing to jump ship for better opportunities—be it higher pay or improved benefits packages.

As Cris Rosenthal, Aon’s strategic advisory lead for health solutions for the Philippines, emphasized: “Employers must rethink their approach to employee benefits, balancing wages with flexible benefits to attract and retain the talent they need.”