

A Third Year Begins

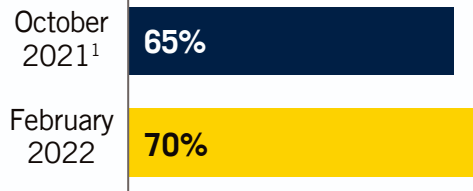
Life and Work in the Pandemic Era

The following results are based on Prudential's Pulse of the American Worker Survey conducted by Morning Consult in February 2022.

Pandemic Puts a Focus on Finances

7 in 10 workers say the pandemic has made them more concerned about their finances. This is up **5 percentage points** since October 2021.¹ Workers are expressing concerns about both immediate (**56%**) and long-term (**67%**) financial security.

The pandemic has made me more concerned about my financial security



Percentage of workers who agreed with the statement.



Millennials and Gen-Z take on extra work

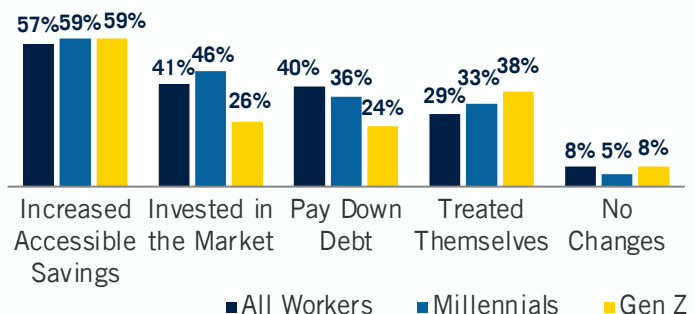
1 in 5 millennial (**19%**) and Gen Z (**20%**) workers took on a job or “gig” work to supplement their income, compared to **15%** of all workers.

Despite concerns, many workers' financial situations have improved

Forty-two percent of workers say their financial situation has improved over the last two years—this includes **54%** of Gen Z and **49%** of millennial workers. However, women are much less likely to report their financial situation has improved (**36%** compared to **48%** of men).

Most workers are using their improved financial situation to **save**, **invest** and **pay down debt**. However, Gen Z is much more likely to report they are **treating themselves** and/or family (e.g., new clothes, trips, etc.).

How workers are leveraging their improved financial situation



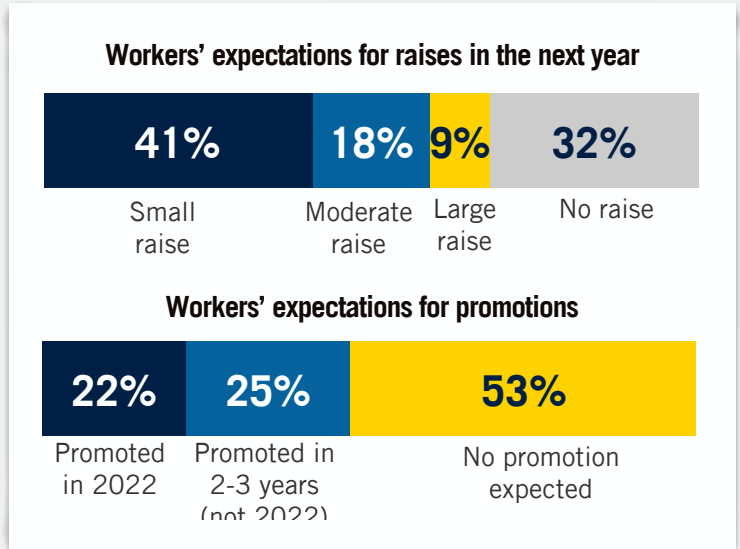
The chart above reflects the percentage of workers with an improved financial situation that selected each option. Workers were allowed to select all that apply.



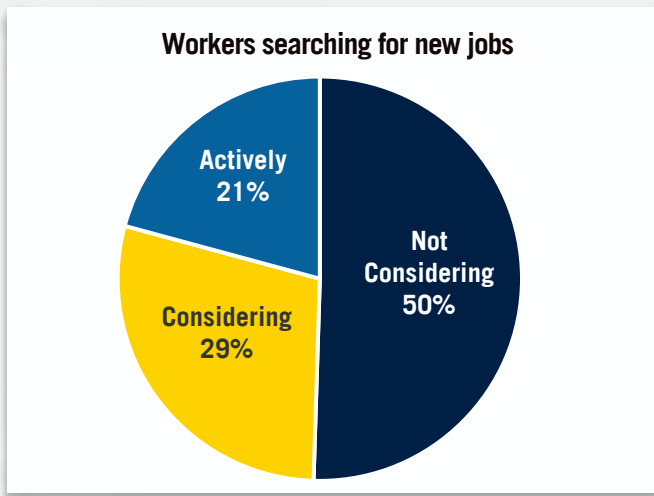
Workers Raise Expectations of Employers

The majority of workers (**68%**) expect to get a raise this year. Most of these workers (**59%**) are expecting a salary increase of 1%-5%. **About half** of all workers (**47%**) expect to be promoted in the next three years—**more than half** of workers that expect a raise or promotion (**52%**) say they will look for a new job if these expectations are not met.

Forty-five percent of workers report feeling more empowered to ask for the benefits they need from their employers over the past two years—this includes **57%** of millennials. **A quarter** of workers have had a conversation with their manager about accommodations they need to manage work and life.



The Great Resignation isn't losing steam



Nearly a quarter of workers (**22%**) have switched employers since the start of the pandemic—up from **13%** in April 2021.²

Half of workers are actively searching or are considering looking for a new job. Of those, **47%** expect their salary to increase by **6%** or more when they switch jobs.

Sixty-two percent of workers who have switched or are considering switching employers are/were looking for either a **mid-sized** or **large established company**, with **only 2%** considering a startup.

Aside from pay, workers willing to stay for benefits







Aside from **better pay (71%)**, workers who are considering switching employers say they would be more likely to stay with their current employer if they were offered **better retirement/401(k) plan**, **increased flexibility around their schedules** and **a clear path for advancement**.

- #1** Better pay (**71%**)
- #2** Better retirement/401(k) plan (**28%**)
- #3** Increased flexibility around schedules (**27%**)
- #4** A clear path for advancement (**25%**)



Workers Consider Pay Cuts To Prioritize Work/Life Balance

One-third of the of workers who switched jobs during the pandemic took a pay cut. Of these workers:

	81% are concerned about financial security since the pandemic, compared to 70% of all workers.
	49% have prioritized their personal lives over work, compared to 35% of all workers.
	46% are prioritizing mental health over their job or career, compared to 37% of all workers.
	47% switched professions to a completely different industry compared to 18% of all workers.
	32% moved or changed where they live in the past two years, compared to 22% of all workers.
	31% shifted to part-time or gig work in the last year, compared to 11% of all workers.



Workers Reevaluate Their Priorities

1 in 5 workers are willing to take a pay cut if it means they could have better work/life balance or work for themselves. These workers reported a median amount of **10%** by which they'd be willing to cut their salary.

Workers seeking work/life balance and stability

<p>69%</p>	<p>say they have or are considering prioritizing their personal lives over their jobs.</p>	<p>56%</p>	<p>have or are considering prioritizing job stability over salary/benefits when considering their jobs.</p>	<p>51%</p>	<p>plan to work for one company until they retire—up 19 percentage points since 2019.² This includes 44% of millennials—up 15 percentage points since 2019.²</p>
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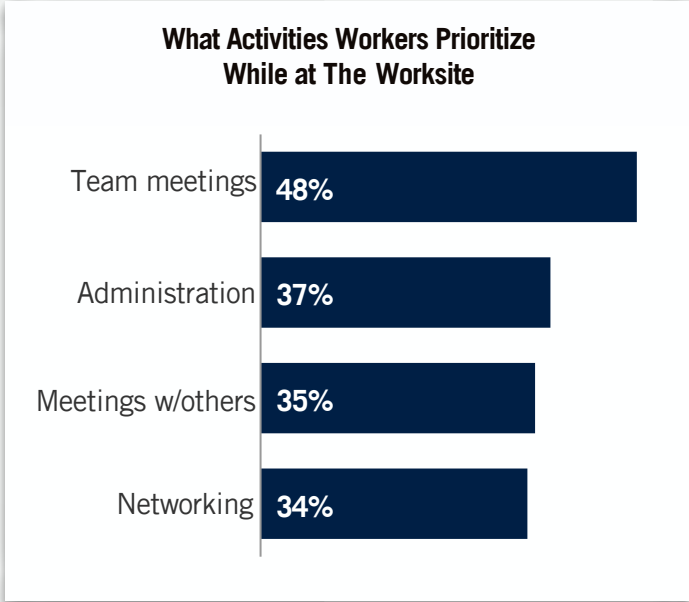


Hybrid Work Models Put Into Practice

The majority of workers in a hybrid model (72%) say returning to the worksite some of the time has been a better experience than they thought it would be. **Three-quarters** of hybrid workers say their employer has clearly communicated expectations for employees working in a hybrid model.

Moreover, **78%** of hybrid workers expect hybrid work models will be the primary way people work over the next 10 years.

Most hybrid workers (**55%**) report they're currently at the worksite about once or twice a week. While at the worksite, workers are prioritizing **meetings** and **administrative tasks**.



Hybrid workers have some concerns

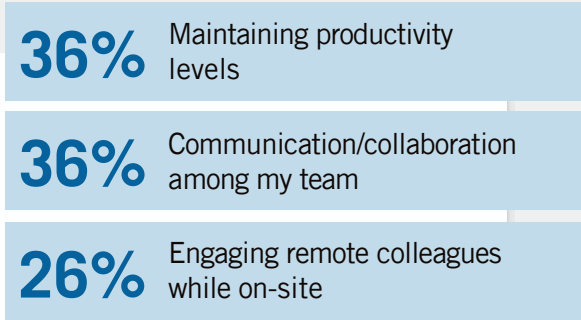
47% of hybrid workers have concerns about career advancement opportunities in a remote or hybrid work setting.

45% of hybrid workers are concerned it will be harder to learn new skills in a remote or a hybrid work setting.

Challenges workers are facing as they shift to hybrid models

Fifty-seven percent of hybrid workers say returning to the work site has increased their stress. Of those workers, **53%** say it would help to alleviate stress if their employer provided more flexibility to allow them to decide when they go into the worksite.

When asked about the top challenges to working in a hybrid working model, workers say **maintaining the same productivity levels**, **communication and collaboration among their team members** and **engaging with remote colleagues while onsite**.



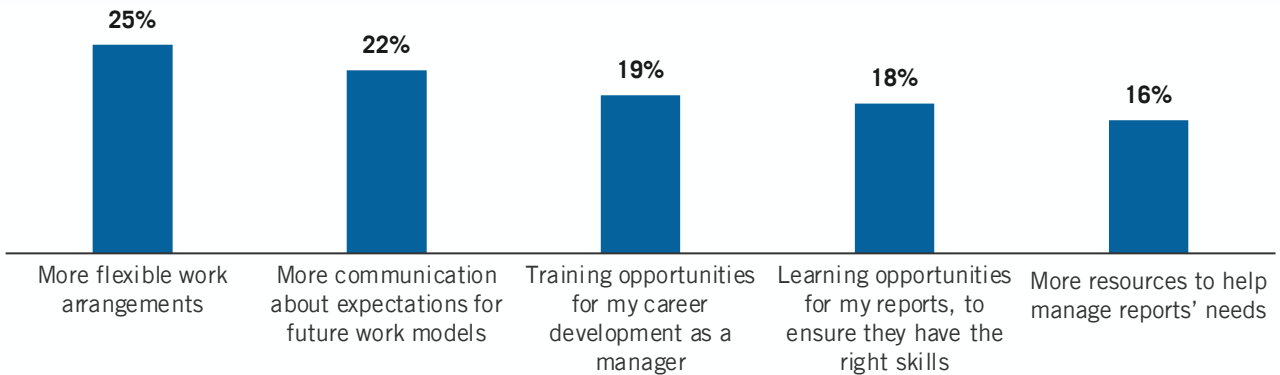


Managers Face Challenges With New Ways of Working

Six in 10 managers say the pandemic has negatively impacted their mental health. **Forty percent** of managers say the pandemic has caused them to prioritize their mental health over their career.

Managers with remote workers report even more stress, with **44%** saying they are already burnt out by having to navigate a remote/hybrid model. Moreover **44%** are concerned they are falling behind in their own career development. **Nearly a quarter (23%)** of managers with remote staff say they're not getting the support they need from their employer.

How employers can support managers with remote staff



Managers are skeptical about hybrid models long term

64%

of managers with remote staff believe companies that implement hybrid work models will eventually require most employees to be back on-site full-time.

43%

of managers with remote staff say hybrid models are not likely to succeed long term, compared to **34%** of all workers.

50%

of managers with remote staff are concerned their employees are falling behind in their career development, and **56%** say it's been harder to find opportunities to teach and mentor in a remote setting.

¹ Pulse of the American Worker Survey: The Grand Experiment: Building the Future of Work. October 2021.

² Pulse of the American Worker Survey: Is This Working? A Year In, Workers Adapting to Tomorrow's Workplace. April 2021.

³ Pulse of the American Worker Survey: The Future of Work: Career Expectations & Skills. August 2019.

The Pulse of the American Worker Survey was conducted on behalf of Prudential by Morning Consult from Feb. 4 to 7, 2022, among a national sample of 2,000 self-identified employed adults (age 18 and over). This sample included 434 managers with some remote staff and 513 employed adults who worked in a hybrid model at some point during the pandemic. The interviews were conducted online, and the data were weighted to approximate a target sample of employed adults based on age, educational attainment, race/ethnicity, and gender. Results from the full survey population have a margin of error of ±2 percentage points. Percentages may not total 100% due to rounding.

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