



THE STATE OF WORKPLACE BENEFITS

Produced by *Human Resource Executive*® in coordination with

Ameritas 
fulfilling life.



INTRODUCTION AND KEY FINDINGS

The American workforce is rapidly changing, as both employers and employees adjust to the challenges and opportunities afforded by new technology, such as agile workplaces and automated processes. How we work is being revolutionized, but are staples like workplace benefits keeping up with employees' changing needs? Benefits packages are an important tool in recruitment and retention, a reality that is becoming even more important in the tight labor market. With that in mind, it's important for benefits leaders to understand what current and prospective employees want from a benefits package, as well as ongoing trends in the benefits industry, to ensure they're presenting the most attractive options to acquire and keep skilled workers.

We sought to explore these and other issues in a recent survey about the state of workplace benefits. Among the questions we set out to answer were:

- What types of medical and other benefits are employers currently offering?
- How do employers determine which benefits to offer?
- What are employers looking to gain from the type of benefits they offer?
- How do employers communicate their benefits to their employees?
- What changes do they anticipate in the future of their benefits packages?

The research found that, while employers think benefits can improve recruitment and retention, reduce healthcare costs and improve employee health, few are actually conducting needs assessments to determine just which type of benefits packages to offer. Additionally, despite acknowledging some benefits may be more popular with younger workers, few companies have changed their benefits packages to specifically address millennial needs.

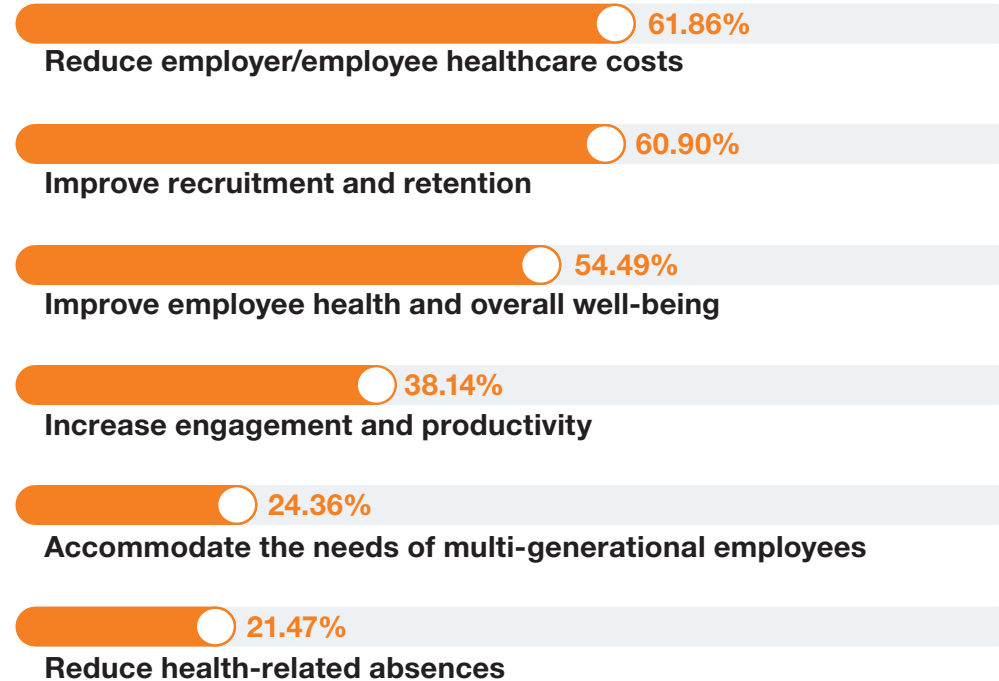
Other major findings include:

- Besides medical plans, the most common benefits employers offer are dental insurance and life insurance.
- Employers weighing additional benefits are most likely to consider student loan repayment, health savings or flexible spending accounts and pet insurance.
- Organizations largely communicate benefits plans to employees through on-site employee meetings, with most communication happening annually, around open enrollment.



BENEFITING FROM BENEFITS

Organizations aim for their employee benefit offerings to address a wide range of goals, both for individual workers and the business as a whole. Most employers look at benefits as a means to reduce healthcare costs, while improving health outcomes; however, they are also hoping for benefits to target long-term organizational needs, such as recruitment and retention. Employers said they want their benefit offerings to:



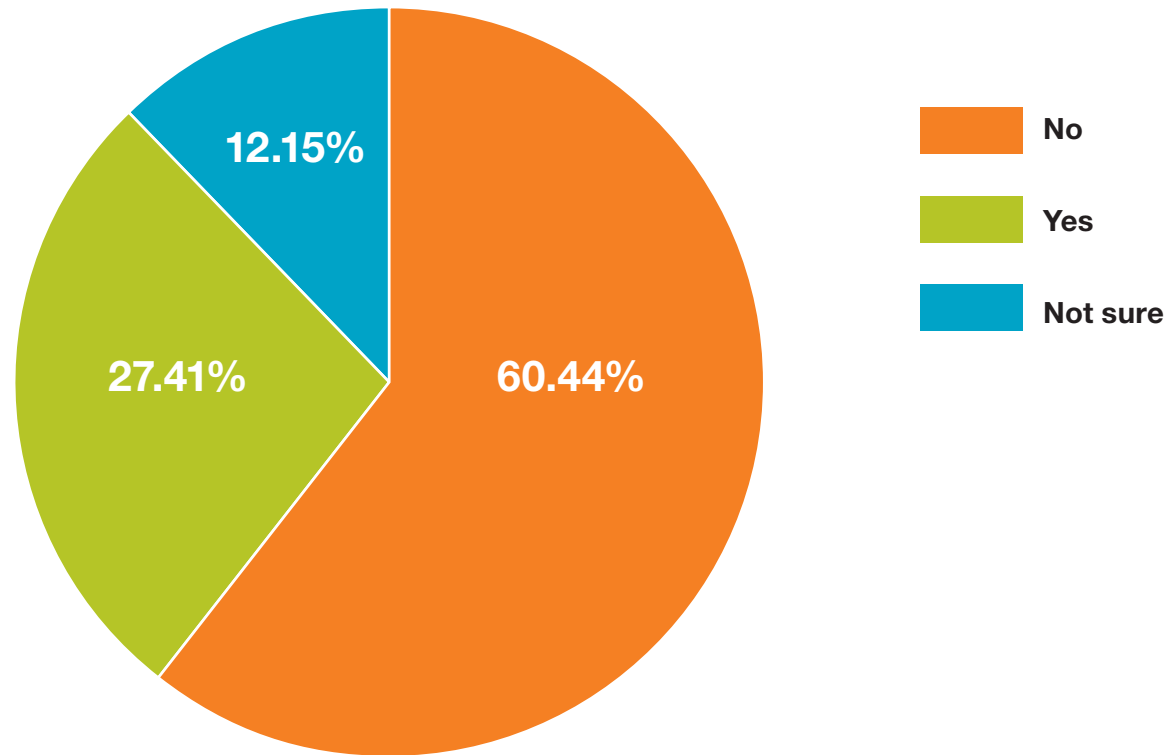
Listen to this [podcast](#) for tips on how to provide the benefits workers desire.

“The challenge to attract and retain top employees is ever-changing. Benefits are traditionally focused on helping employees with things like healthcare expenses and retirement savings. But new generations of workers have some different needs. Younger employees won’t hesitate to leave a position for a more attractive offer. Employers have found that offering innovative benefits, such as student loan repayment assistance, can keep employees engaged with their work.” – Ameritas



EVALUATING THE NEEDS

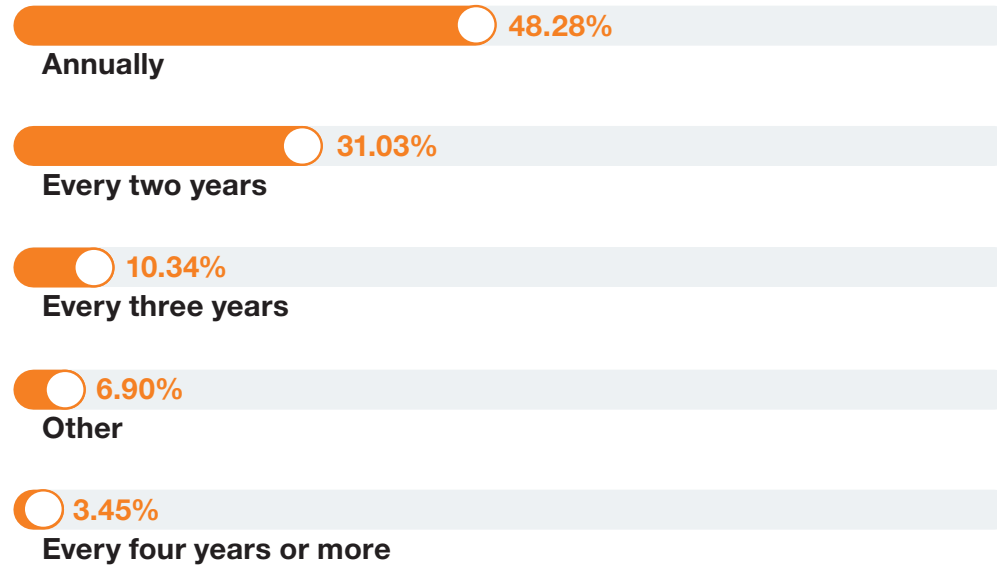
While employers aim for their benefits packages to address individual needs, such as health and productivity, most aren't taking stock of what their workers want out of their benefits package. When asked if their organization conducts a benefits needs assessment, respondents replied:






ANNUAL ANALYSIS

Of those companies that do use formal employee feedback to modify benefits offerings, most collect such information on an annual basis. Needs assessments are conducted:



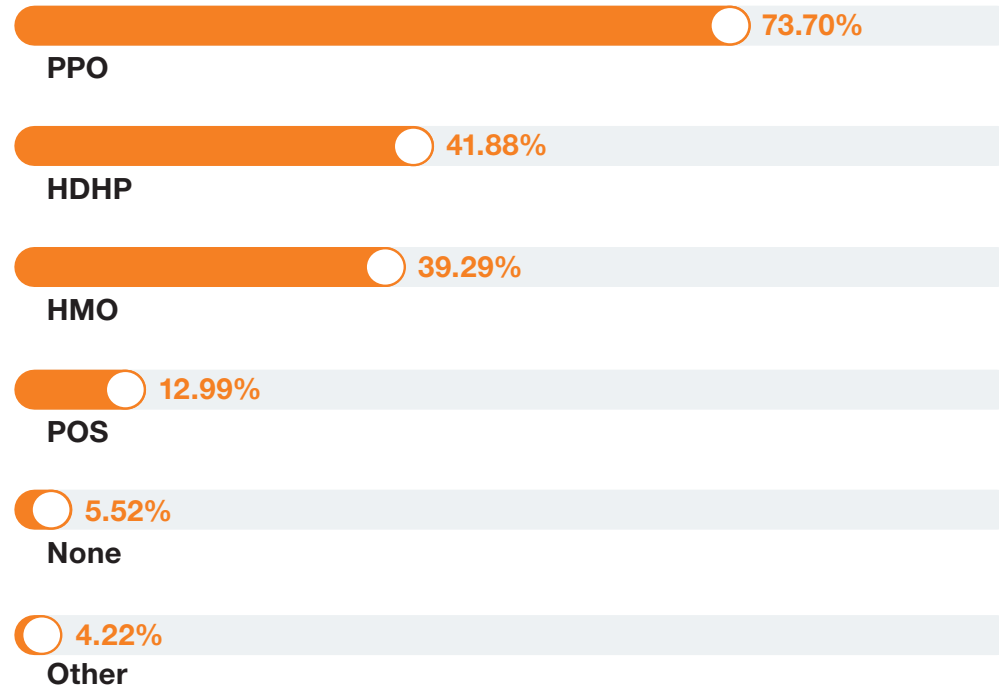
 Learn how to create a benefits strategy that fits your business.

“ Many employers have six generations of employees working alongside each other. They all have different benefits and salary expectations. While employers probably cannot provide everything employees want, they can survey workers to assess the benefits and rewards that employees value most. Then it’s a matter of prioritizing preferences, developing a budget and presenting a solid recommendation to senior-level executives.”
– Ameritas



HEALTH PLANS IN FOCUS

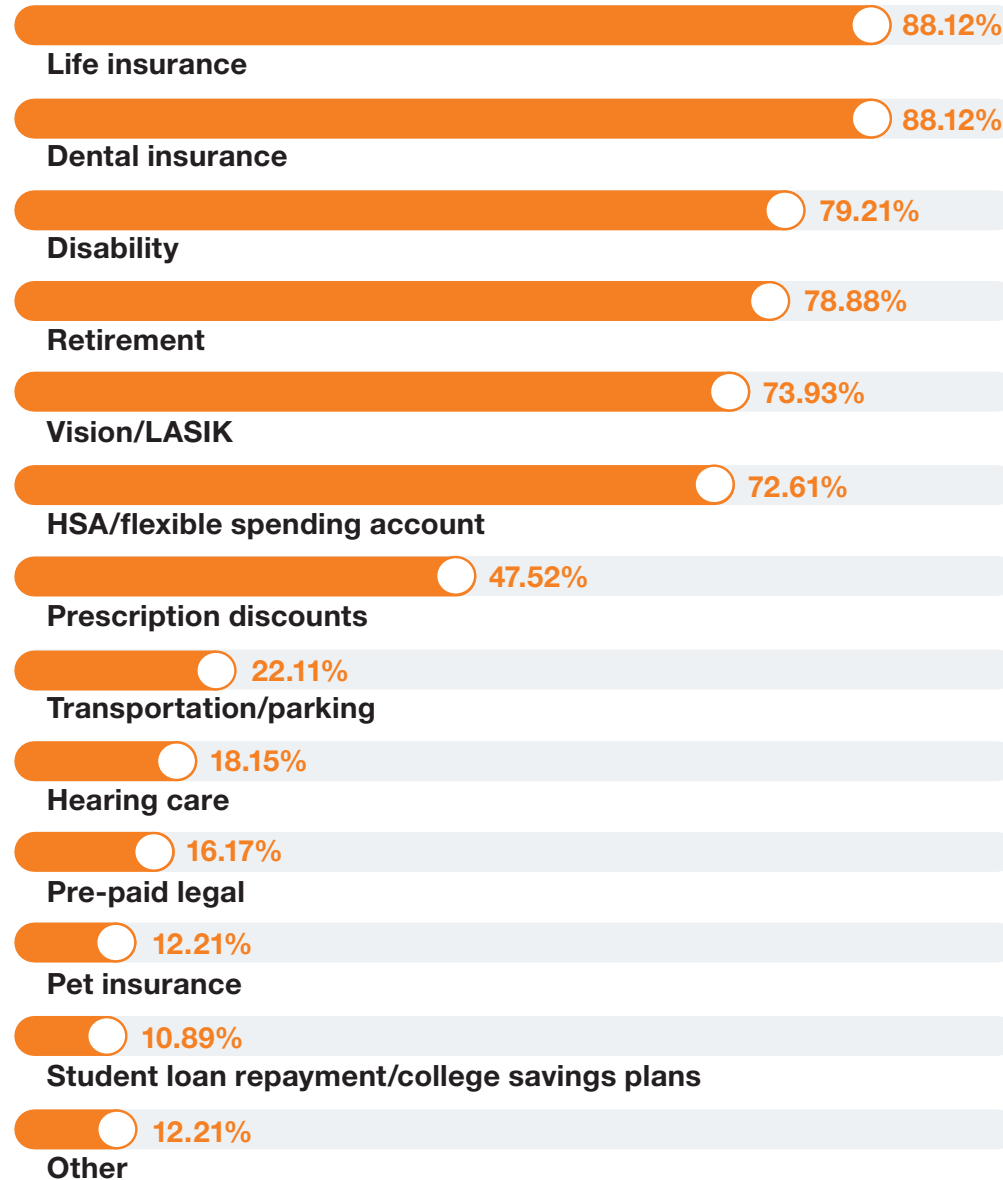
When designing benefits packages, one of the biggest questions employers face is what type of health plan to offer employees. Many employers offer more than one plan option, including:





MEDICAL IS JUST THE START

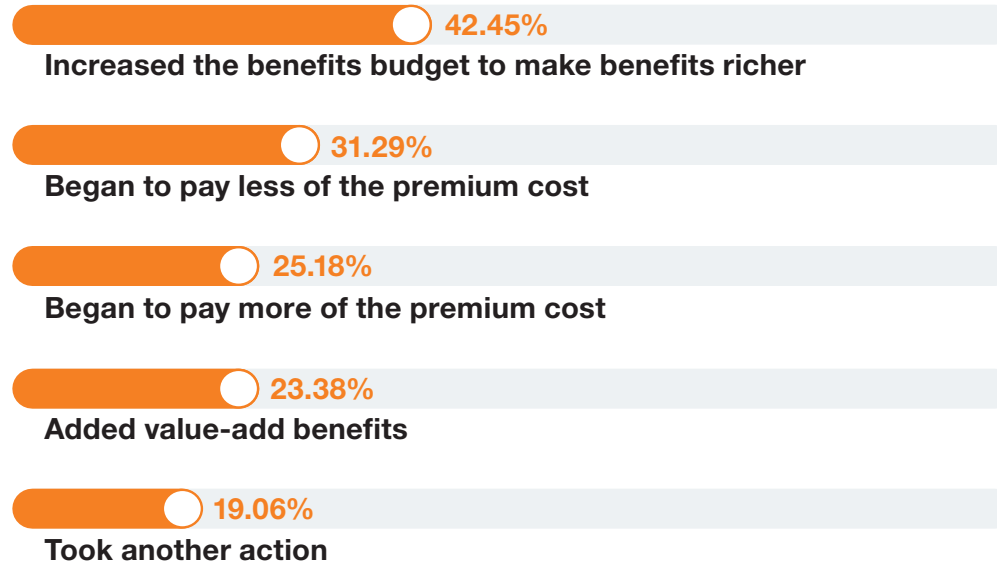
Medical plans are just the tip of the iceberg when it comes to the benefits that employers offer. From traditional options to innovative new add-ons, organizations are building well-rounded packages to entice and retain employees. The following are the most common benefits:





A CHANGING LANDSCAPE




Overall, organizations have made some major changes to their approaches to benefits in the last decade, from program funding to the types of benefits offered. According to respondents, they:








BENEFITS FOR A MULTI-GENERATIONAL WORKFORCE

Employers are increasingly faced with building benefits for a diverse workforce, which includes multi-generational employees who may want different things from their benefits plans. Benefits that employers thought were most important to their overall employee population were:

- 1 Retirement 
- 2 Dental Insurance 
- 3 Prescription Insurance 

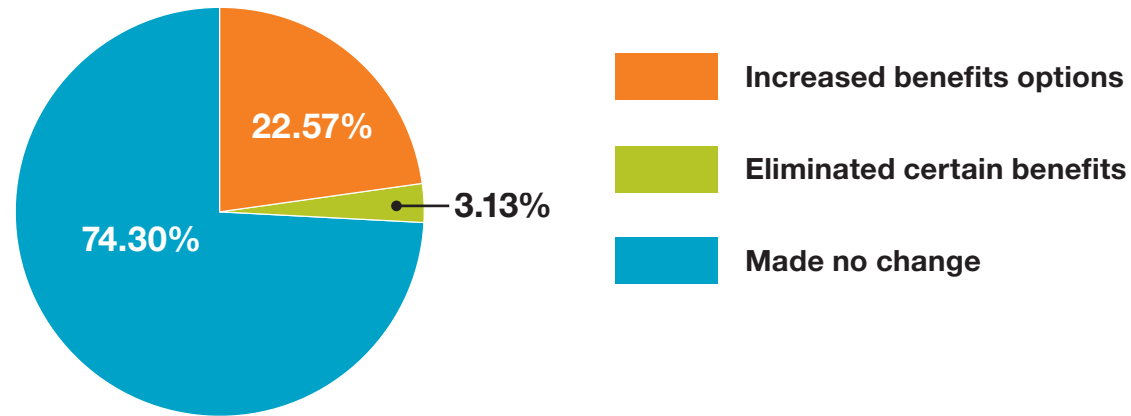
When it comes to millennial employees, employers predicted such workers most value:

- 1 Student loan repayment/college 
- 2 Retirement 
- 3 Dental Insurance 

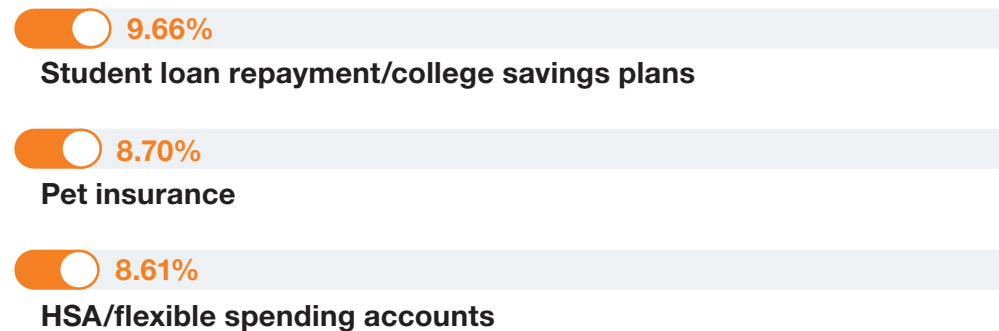


MAKING ROOM FOR MILLENNIALS?

When discussing the future of the workplace, many benefits leaders have likely encountered questions about how to attract and retain millennial workers. While employers may acknowledge that millennial workers have different benefits needs, our research shows few are tailoring benefits to younger employees. In the past 12 to 18 months, employers said they took the following steps to address millennial needs:



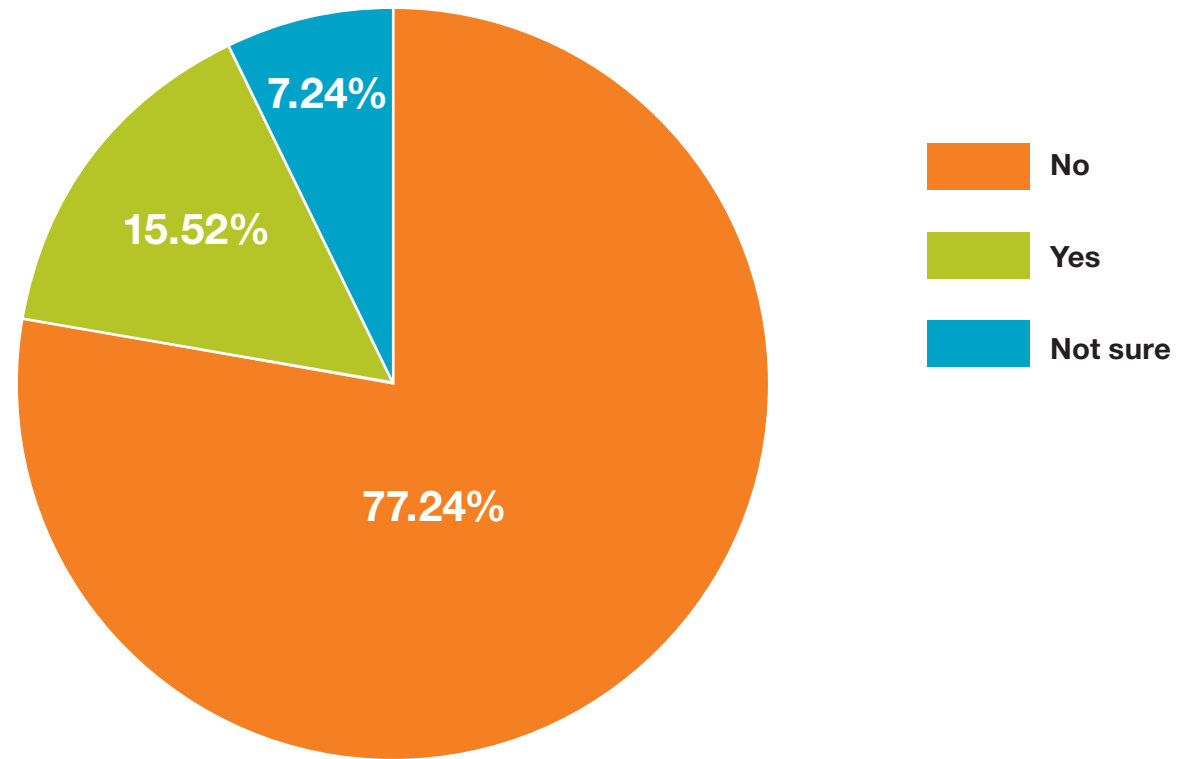
Of those that anticipated making changes in the next 12 to 18 months, the most common benefits they expected to add were:





COMMUNICATING WITH YOUR WORKFORCE

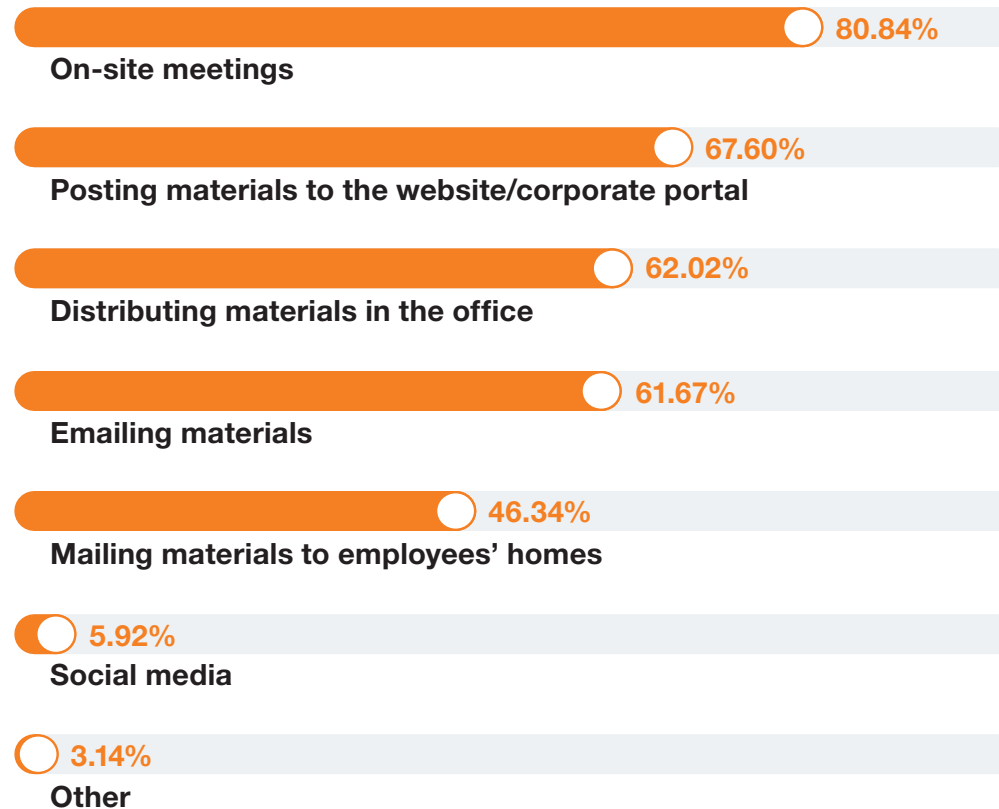
While benefits needs may vary among different demographics of workers, education about such benefits is largely uniform. When asked if they customize communication about benefits packages to different demographics of workers, employers said:





MULTIPLE WAYS OF MESSAGING

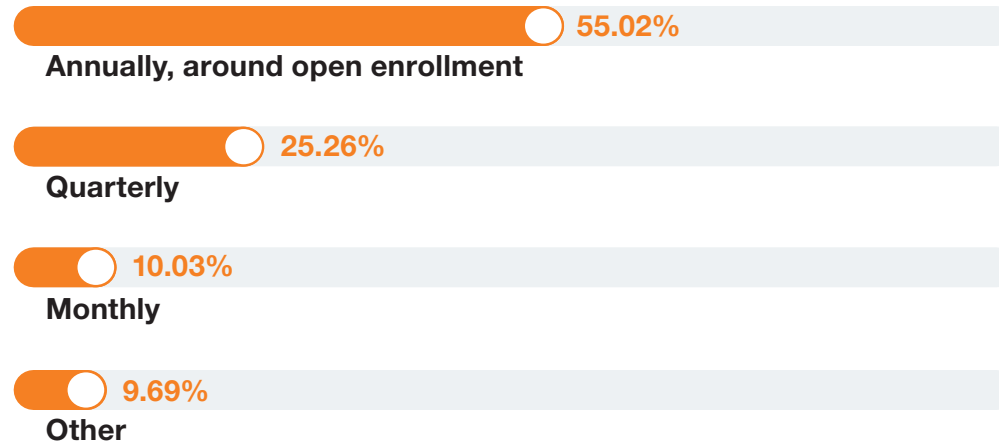
There are many ways to communicate in the workplace—in person, through phone or email and, more recently, text and chatbots—and all of them are playing a role in how employers are communicating their benefits plans to employees. The most common messaging routes benefits professionals use to inform employees of their plans are:





OPEN ENROLLMENT WINS OUT

Most benefits professionals communicate with employees about their benefits just once each year, at enrollment time. Respondents said they communicate with employees and their dependents about benefits:



 **Learn about 10 keys for effective benefits communication.**

“Benefits are complicated. Employees struggle to understand their plans and how to use their coverage options. Employers can simplify employee benefits by investing a small fraction of the cost of benefits to communicate benefits information to employees year-round. This strategy will dramatically improve employee experiences with their benefits and keep them happier and more engaged.”
— Ameritas



ABOUT THIS E-BOOK

The State of Workplace Benefits is based on research undertaken by *Human Resource Executive*[®] in coordination with Ameritas in March 2018. More than 350 HR and benefits professionals at companies representing a range of industries participated.

