

PLOT POINTS

By Erin Marino and
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What are your clients' goals in offering voluntary benefits?

Most important positive outcomes for employees

Improved well-being and productivity

42%

Improved recruitment and retention

25%

Increased participation in benefits program

17%

Improved education and understanding of benefits

16%

VOLUNTARY BENEFITS have become a very important part of an employer's overall benefits program. New products and the latest features and innovations usually garner a lot of discussion, but it's often best to come back to basics in planning for our end goals. Carriers and brokers certainly have beliefs for what the outcomes of a successful case should look like—and so do employers.

To that end, the latest *Eastbridge Market Vision™ Employer Viewpoint* report asked a new question of benefit managers: What is the most important positive outcome you want to achieve in offering voluntary benefits to your employees?

The study found that the largest percentage of employers (42%) selected "improved employee well-being and productivity" while a quarter selected "improved employee recruitment and retention." Roughly equal percentages selected "increased employee participation in the benefits program" and "improved employee education and understanding of benefits." One could drill down into several topics behind each of these goals, but one important observation is that each is often driven by the others.

Employees' understanding of their benefits has always been a critical issue in voluntary. Lack of knowledge and education about where their gaps in protection may lie is fundamental to the enrollment process. Leveraging the myriad technology options in decision support, access to enroller guidance, and effective working conditions are just a



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few of the avenues that serve to better educate employees.

Whether voluntary programs drive retention of employees is certainly a debatable point; however, we continue to see it as a basis for employer decision making. It seems fair to conclude that if there is any benefit to retention from voluntary offerings, it would be limited to the employees who have found enough value to enroll in one or more of the voluntary programs.

Similarly, benefits from voluntary driving overall well-being and productivity have a direct correlation with how much of the population is taking advantage of those benefits. That means that any well-being or retention impact on a group will be limited by the level of employee participation in those programs.

Interestingly, participation was the most important positive outcome for only 17% of employers. However, we must remember that increasing participation is a core factor in achieving any benefit in a group's overall employee well-being and retention. And, of course, achieving successful participation will require employees to have a solid understanding of benefits.

So, the next time you are talking with a client about their benefit program, reinforce that education and understanding of what is being offered is crucial in reaching their desired voluntary program outcomes. Employee well-being and productivity and employee retention are not separate targets. To reach these goals, good participation, driven by a strong understanding of voluntary benefits, is needed.