



Break Through with Benefits

How a Total Rewards Solution Can Help
You Attract and Retain Top Talent





Benefits Matter, Especially Now

It's no secret we're in a tight labor market with some of the lowest unemployment rates in history (3.9% at the end of 2018). Couple that with a large number and wide range of open positions, and the American workforce is in the driver's seat, able to leverage opportunities to find fulfilling work with the best total compensation and benefits package.

For employers, this situation presents a challenge—how do you stand out from the crowd? What can you do to attract talent and retain the employees you have? With so much competition for workers, particularly highly skilled top-talent employees, organizations must demonstrate why they're the ideal place for employees to work and what value they offer their workforce.

So, what do benefits have to do with it?

The role that benefits play in an employee's decision to stay with their employer or go work for a new one continues to grow in importance. Perhaps a bit unsurprisingly, nearly half of workers (44%) [report](#) they would switch jobs for higher pay. But what may surprise employers is that employees value much more than just salaries when it comes to evaluating job opportunities: 55% of employees in a [recent survey](#) said they would be open to taking a job with lower compensation as long as it included a more robust benefits package. And it's not just job seekers—78% of employees [said](#) they're more likely to stay with their current employer because of the benefits program they have.

The takeaway for employers and HR professionals is this: **benefits matter**. And while traditional benefits such as health insurance and retirement contributions remain key components of a quality benefits package, employees expect additional options and programs relevant to their current needs, that go beyond the basics.



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Essentially, benefits such as health insurance have become table stakes, so employees are expecting more from their benefits packages. And as those benefits packages diversify, employees are viewing benefits not only as a means for health and dental coverage, but as a demonstration of empathy from their employer. Paid parental leave and health insurance rank as some of the most empathetic benefits, according to the [2018 State of Workplace Empathy](#) study, but over 80% of employees also responded that financial planning services and paid time off for community service exemplified workplace empathy.

As employees increasingly seek workplaces that take their needs as a total person into consideration—physical and mental health, finances, family responsibilities, and more—employers need to show prospective and current employees the full suite of benefits available to them—their total rewards. And they can do it with a total rewards solution that not only explains to them what their entire benefits package is worth, but one that also keeps them engaged with those benefits and programs beyond the Annual Enrollment window.

What is a total rewards solution? It's a fully integrated online platform that provides a complete view of one's entire benefits and compensation package. With one cohesive set of data accessible from anywhere—e.g., a desktop or a mobile app—this solution brings together vital financial and benefits information in a way that isn't just user-friendly, but consumer-friendly.

Employers need a total rewards solution because it:

1. **Increases awareness and clearly communicates to employees their total compensation.**
2. **Leverages technology to help employees interact with their benefits selections and ensure they maximize their value.**
3. **Meets the needs of an increasingly diverse workforce by helping drive engagement year-round.**

Let's start with increasing awareness.

Seeing the Forest, Not Just the Trees

It's one thing to see the number on a pay stub and know how much your employer pays you. It's quite another to understand how much an employer contributes to your benefits package. More often than not, employees don't realize the full amount of employer contributions or tax-exempt savings they're getting from their benefits package.

According to a recent [survey](#), employers find that approximately 50% of their employees don't understand their benefits offerings, and 80% say their employees don't read the information they provide about benefits packages. With this lack of awareness about benefits, how can employees understand their value?

That's why it's vital for HR professionals to make sure employees are aware of their entire compensation package—seeing the proverbial forest, not just the trees.

How can your organization accomplish this? Start with a total rewards solution that provides clear communications about each employee's complete compensation package. Online tools are the most efficient, and often the most effective way to grant employees easy access. With some thoughtful configuration, your solution can show employees:

- **How much the company contributes to their health benefits, consumer spending accounts and retirement plans.**
- **How much money they save through tax-exempt vehicles such as Health Savings Accounts (HSAs), Flexible Spending Accounts (FSAs), and Commuter Benefits.**
- **Benefits that improve their quality of life both in and out of the office, such as savings from fitness program reimbursements or child care incentives.**
- **The amount of tuition reimbursement received or available to them, for employees interested in pursuing a degree or learning a new skill.**

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Does your company offer a life insurance benefit? A total rewards portal can show employees how much they saved by signing up when they were hired, and how much that policy is worth.

The ability to view all components of their compensation in one easily accessible location will raise employees' awareness of all the benefits they have and provide them with data they need to understand the impact of these benefits on their broader financial situation.

Don't underestimate the importance of this awareness: over half (54%) of employees are stressed about their finances, according to a [2018 study](#). Increasing employees' awareness of what benefits they have and how they factor into a larger financial picture demonstrates empathy to your employees as they navigate their expenses, debts, and savings goals.

It also speaks to how they view their expenses all coming from one source—what we term “one wallet.” Treating their benefits as part of that single pot of money from which housing, food, health care, and everything else comes from will make it easier for your employees to see how their total compensation factors into their spending and saving.

If you're providing benefits collateral to your employees today, ask yourself if it provides this type of holistic view of all their benefits in one place. If the data is diffused across different locations and formats, it may be time to explore a new solution.

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Leveraging Technology for Understanding, Accessing and Maximizing Benefits

Employees increasingly expect a consumer-type experience when it comes to their workplace. Accustomed to making purchases online and accessing mobile websites and apps, employees want the same ease with technology at work. And who can blame them?

It makes sense that employees want the same capabilities in their working lives that they enjoy in their personal interactions with technology. Total rewards solutions also go beyond benefits awareness to help employees attain that consumer experience to truly understand what benefits they have, and what their total worth is.

The right tools will enhance that consumer-focused experience by personalizing data for your employees.

Your total rewards solution should be configurable so that each employee can see their individual benefits package and total compensation. As your HR team knows, every employee is different and their benefits will vary based on what life stage they're in. When they can see their choice of health plan, their retirement contributions, and their pre-tax savings, your employees will be empowered to maximize the value of their benefits.



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For example, picture an employee who has a Flexible Spending Account (FSA) that he uses to save money for medical costs—select prescriptions, qualified medical devices, and copays, among others. But he's not saving the entire amount he's eligible to put away because he thinks he can't afford that amount from each paycheck. With a total rewards solution, this employee can interact with the data showing his taxable income per paycheck before and after contributing to an FSA. When he sees that contributing more to his FSA means saving the amount of taxes that would have been paid on that money, he is more likely to maximize this benefit.

And just as employees want to be able to access their online accounts and view recent purchases at any time, the consumer-type experience with benefits must allow them to see their benefits information throughout the year—not just at Annual Enrollment. Only 21% of employees [report](#) that they can access their benefits information easily, so ensuring they can find the data they need outside of a small window lasting a few weeks is crucial to improving understanding and engagement.

The concept sounds simple: a well-designed, personalized online solution that functions as a one-stop shop for benefits information. **But, only 11% of companies report using total rewards technology in a meaningful and impactful way.**¹



Imagine another employee who opens up her total rewards portal and discovers that she's not maximizing the benefits you've provided. So, to avoid losing out on a portion of her employer match, she increases her contributions.

It's a common-enough case. In fact, about 1 in 5 employees are leaving money on the table in this way. But, if your total rewards solution can clearly communicate this—and at any time of year, not only during the AE period—you will have done more than educate your employees. You will have empowered them.

In the war for talent we're seeing today, changing how you communicate your benefits package can create a sizable advantage for your organization. Not only does it help engage your current employees with their benefits year-round, but also it can be leveraged by HR with prospective employees to convey that consumer experience and demonstrate why your company is the right place for them.

77% of employees who understand their benefits package see themselves staying at their jobs, and 81% who can easily access their benefits feel loyal to their current employer.²

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Speaking to Every Generation

Getting employees engaged with their benefits is valuable for your company as a whole, but it's also critical to realize that today's increasingly diverse workforce has differing needs from those benefits offerings. Millennials now comprise the [largest part](#) of the workforce, but in total employers are serving a record-breaking five generations through their benefits platforms. Utilizing technology to drive benefits engagement year-round must take different employee needs into account, and the fact that those needs change over time.

Generations impacted by benefits strategies:

- **Traditionalists** (born before 1946)
- **Baby Boomers** (born 1946-1964)
- **Gen X** (born 1965-1976)
- **Millennials** (born 1977-1997)
- **Gen Z** (born after 1997)



Say an employee in her 30s is considering starting a family. Her current health plan is a high-deductible health plan (HDHP) with an HSA that takes advantage of pre-tax savings. This employee wants to see how much her premiums will change if she moves to a PPO with dependents—and with your total rewards solution she can examine this change and see how much your company will contribute to her health benefits.

This experience engages your employee with her benefits, raises her awareness of your employer contribution, and empathizes with her life stage, all in one seamless solution.

But what about the Baby Boomer in his late 50s who is considering increasing his retirement contributions to take advantage of the catch-up option? Or the Gen Z graduate who is focused on paying off student loan debt or creating an emergency fund before starting to save for retirement?

All these employees have different needs based on their life stage so will want access to personalized information. The right total rewards tools can be easily configured to respond to the varied needs of today's diverse workforce. Ensuring that your portal is nimble enough to meet differing employee needs shows that your organization understands that life stages change and that a one-size solution does not fit all.



Don't forget about engagement.

It's not enough to just provide the tools. You need to bring your employees into your total rewards solution through personalized communications. By speaking directly to the employee in a format that is easy for them, the right communications can engage employees with your total rewards solution, and thus help them engage with and maximize their benefits package.

Younger members of the workforce assume there will be mobile access, but remember that all generations expect the consumer-type experience that we discussed. Whether via email, an intranet posting, a text message, or a desk drop, employees want communications to reach them in a way that is easy and clear. A quick poll about preferred forms of communication can provide key information about meeting the communication needs of a diverse workforce.

And despite the pervasiveness of digital communications, sometimes printing out a chart is the easiest way to share information. For this reason, your total rewards solution should be able to convert information into easy-to-print formats. If an employee wants to take home a printout to share with a significant other or their financial advisor, your solution should be able to accommodate it and by extension, facilitate engagement with benefits beyond the office walls.



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Revealing the Hidden Paycheck

To compete in today's labor market, all strengths of an organization must be leveraged to attract and retain top talent. HR's role in these efforts is vital, and the benefits experience is a powerful tool to show prospective and current employees why your organization stands out from the crowd.

A total rewards solution meets an important need—access to clear, comprehensive, and readily available information about benefits. Yet it surpasses that need and helps employees understand their overall financial picture with their benefits and employer contributions factoring into it. It shows employees what is essentially a “hidden paycheck” of money from their employer they weren't thinking about on a day-to-day basis.

A recent study shows:

- 40% of companies that don't have a robust total rewards strategy **have problems retaining employees.**³
- BUT, that number falls to 25% among companies that have invested in a robust total rewards strategy.

A total rewards solution should do more than provide insight into a moment in time. True engagement hinges on more than a snapshot or two. Ideally, a total rewards solution should be available at all times (not just a one-time annual statement) and allow employees to see how their contributions, savings, and benefits evolve over time and at different stages of their life.



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Your total rewards solutions should be:

- **Comprehensive**
- **Configurable**
- **Integrated**
- **Accessible**

There is an emotional power in this type of solution: its value goes beyond dollars and cents because it helps employees see the many ways their employer contributes to their personal wellbeing. Whether it's savings for an emergency, or supporting their mental health in the here and now to reduce stress and anxiety, benefits packages address one's needs that go beyond the time spent in the workplace.

So, set your organization apart—investing in employee benefits communications and engagement today brings returns tomorrow and into the future.

Fostering employee awareness of their total rewards, and then helping them understand and engage with those benefits over time meets your employees' needs for financial, physical, and mental wellbeing. It also helps to meet your organization's need for retaining employees and attracting top talent in today's challenging labor market.

Navigating the increasingly tight labor market isn't easy, but clarity and empathy will go a long way toward making a difference for employers and employees alike. A total rewards solution provides both—see what it can do for your organization and your workforce.

Learn more:

To find out more, visit **[Businessolver.com/total-rewards](https://businessolver.com/total-rewards)** and explore the impact that can be made when you bring total rewards into your benefits platform.

- 1 Willis Towers Watson, Mapping the new Total Rewards journey: Rethinking the value proposition for an evolving workforce, Global findings from the 2018 Modernizing Total Rewards study.
- 2 "Earn Employee Loyalty through Benefits Technology," HRTechweekly.com, <https://hrtechweekly.com/2018/08/07/earn-employee-loyalty-through-benefits-technology/>
- 3 Willis Towers Watson, Mapping the new Total Rewards journey.



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