

# **5 Ways to Optimize Your Benefits Package For Economic Uncertainty**

Ensuring a company gets the highest possible return on its hefty investment in employee benefits is critical.

Economic uncertainty is nothing new, but what we're experiencing now is unusual. The U.S. is at near full employment and wages are high, but due to the lingering effects of the pandemic, geopolitical factors, and high inflation, organizations and employees alike are watching their budgets.

Employers have to navigate the labor supply and demand imbalance while keeping an eye on the bottom line.

Typically, benefits are second only to salary in corporate expenses, so ensuring the company gets the highest possible return on that hefty investment is critical. Reassuring employees during uncertain times and delivering the benefits they value most can boost morale and increase employee satisfaction. Here's a look at five ways benefits managers can make a difference.

## 1. Be sensitive to increases in the employee share of benefit costs

Employees may be experiencing higher rent, sticker shock at the gas pump, and soaring food prices, so the last thing they need is more deductions from

their paychecks. It may be necessary for some organizations to raise employee cost sharing, but if possible, keeping employee costs the same sends a message that the company values team members and is looking out for them by absorbing increases.

## 2. Consider offering financial wellness benefits

Whether it's concern about saving enough for retirement or worry about making ends meet in the present, personal finances are often a major source of stress. That can affect employee productivity. Financial wellness benefits and education can help team members set realistic targets and save for the future. A program that provides access to financial advisors and education can assist employees with planning at every stage of their careers.

## 3. Use voluntary benefits to deliver additional value

Programs like childcare benefits, pet insurance, protection against identity theft, accident and illness insurance, etc., can provide real value to employees without increasing employer costs. Plans like these enable employees to customize their benefits package to meet their unique needs while leveraging group buying power so they can more easily afford coverage that might be prohibitively expensive otherwise.

#### 4. Communicate frequently about financial benefits

If they're out of sight, benefits can be out of mind, so it's critical to communicate frequently about all benefits, including financial wellness programs. Lunch and learn events for employees onsite (with a virtual option for offsite staff), website links to program information and personalized scorecards can help benefits managers keep financial wellness top of mind, so the company's investment pays off in increased retention.

#### 5. Survey employees to stay on top of evolving priorities

It's also a good idea to conduct internal surveys periodically to ensure that the benefits package still reflects what employees need. The team's priorities and needs may change along with market conditions and other trends, so an accurate understanding of which benefits employees value the most (and what is on their wish list) can help benefits managers make better decisions as they renew and update the benefits package.

A great team is the most competitive advantage, and benefits are a vital part of the total rewards package that keeps star performers on board. In times of economic uncertainty, employees look for stability and look to their

employers for assistance and reassurance. Optimizing the benefits package to address financial needs, providing more choices and engaging in open and transparent communication about benefits are all excellent ways to let employees know the company is there for them.

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