

Here's How to Ensure Employees Know How to Pick the Right Benefits

Annual enrollment is an important time for employees — but it's also a stressful one. The choices they make can affect their financial health, yet the average employee spends less than 30 minutes selecting their benefits, according to research from benefits provider Unum.

With annual enrollment planning underway, now is the time for employers to ask themselves, “How can we help employees make the right benefits decisions?” The answers may be more valuable than they think.

Today's workforce is the most diverse in history, with four generations actively working, and a fifth connected through benefits and pensions. A robust benefits package is increasingly important for recruitment and retention, challenging employers to provide choices and options that support diverse needs.

About 80% of employees prefer a job with benefits over one with a higher salary but no benefits, according to the American Institute of CPAs. As such it's vital that employers ensure their workforce is engaged with their benefits and taking full advantage of what is available. Here are five ways employers can make sure that happens.

1. Acknowledge that decision support addresses personalized needs. Tools that demystify the benefits selection process can help employees make choices that align with their risk tolerance, financial circumstances and unique needs. The best tools lead employees to a recommended suite of benefits options that fit their individual physical, emotional and financial health.

2. Know that year-round engagement improves benefits literacy. While employees appreciate benefits, they aren't experts. Indeed, roughly one-third of employees are outright confused about their benefits, according to recent data from Businessolver. Keeping up a cadence of communication about benefits throughout the year can help address this challenge.

3. Recognize the power of a total rewards statement. It empowers employees to maximize the benefits available to them, and these tools can be accessed any time, not just during enrollment. The most impactful solutions aggregate all employee benefits options in one integrated offering that demonstrates the full value of compensation and benefits investments made by them and their employer.

4. Think about different generations. Customizable benefits options are a crucial step in meeting the needs of today's workforce. For example, our latest data shows that nearly two-thirds of millennials are concerned with managing their monthly budget, while over 50% of boomers are most worried about a large, unexpected cost. Having core medical plan offerings along with complementary voluntary options helps employees address

varying financial needs. Likewise, paid parental leave and different health plan options assist families at any stage, and they make it likelier that your employees will engage with their benefits and remain with your organization.

5. Be sure employees know that savings vehicles contribute to financial well-being. Employees of all ages and income levels are facing financial stressors — but they may not be the same ones. Offering different financial benefits, such as student loan assistance and emergency savings accounts, in addition to retirement benefits, enables your employees to address both their immediate and long-term financial needs.

More than ever, employers have a responsibility to help employees make informed decisions when it comes to selecting the right benefits. Otherwise, they risk losing top talent to organizations that are better implementing benefits strategies and technologies.

By meeting the needs of a diverse workforce with an array of benefits options supported by appropriate decision support resources, employers can ensure they're meeting their workforce's needs and retaining valuable employees.

By Rae Shanahan