



Benefits Trends Report

Developed in partnership
with Canam Research

2022

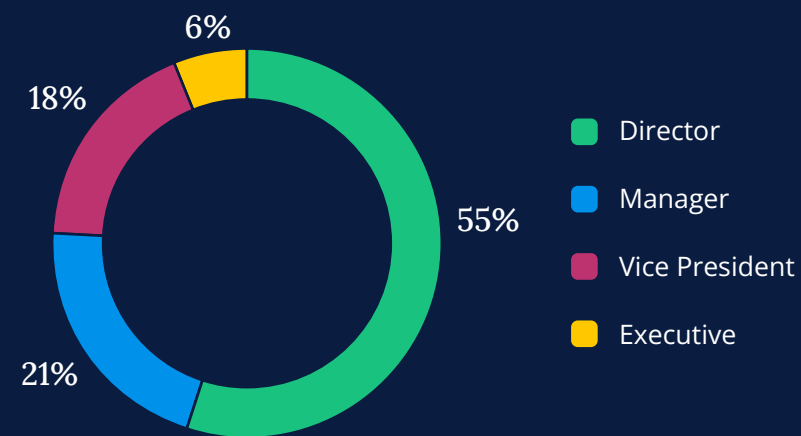
CORESTREAM BENEFITS TRENDS REPORT



The DNA of a holistic benefits program.

The Corestream Benefits Trends Report was developed from the responses given to a survey conducted by Canam Research. These responses were collected from benefits team professionals at companies with 4,000 or more benefit-eligible employees.

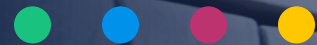
Respondents by seniority:



Survey research focused on these key areas:

- Satisfaction with their current benefits program
- Composition of their benefits program
- How employers perceive the cost of voluntary and lifestyle benefits
- What they are trying to achieve with their benefits program
- Whether a holistic benefits program is part of their benefits plans in the future

What is a holistic benefits program?



Holistic benefits programs offer a strong mix of traditional, lifestyle and supplemental benefits along with employee discounts, enabling employees to choose the benefits that best align with their needs at more affordable rates. Seamless administration along with a well-designed, well-communicated benefits programs complete the holistic approach and provide employees with overall worksite wellness resulting in physical, financial, and mental wellbeing.



Key findings:



70%

of respondents have started and/or completed implementing a holistic benefits program; 3% fully implemented



23%

of survey respondents describe their company's employee user experience as it relates to benefit enrollment as 'not great; we get complaints'



79%

of respondents plan to focus on adding more voluntary/lifestyle benefits and/or employee discounts to their benefits strategy in 2023

There's room for improvement.

The surveyed participants are large companies that have put a great deal of effort and investment into their benefits program and as such, the majority are happy with what they have. However, there is a significant cohort that is still not happy with their benefits program.

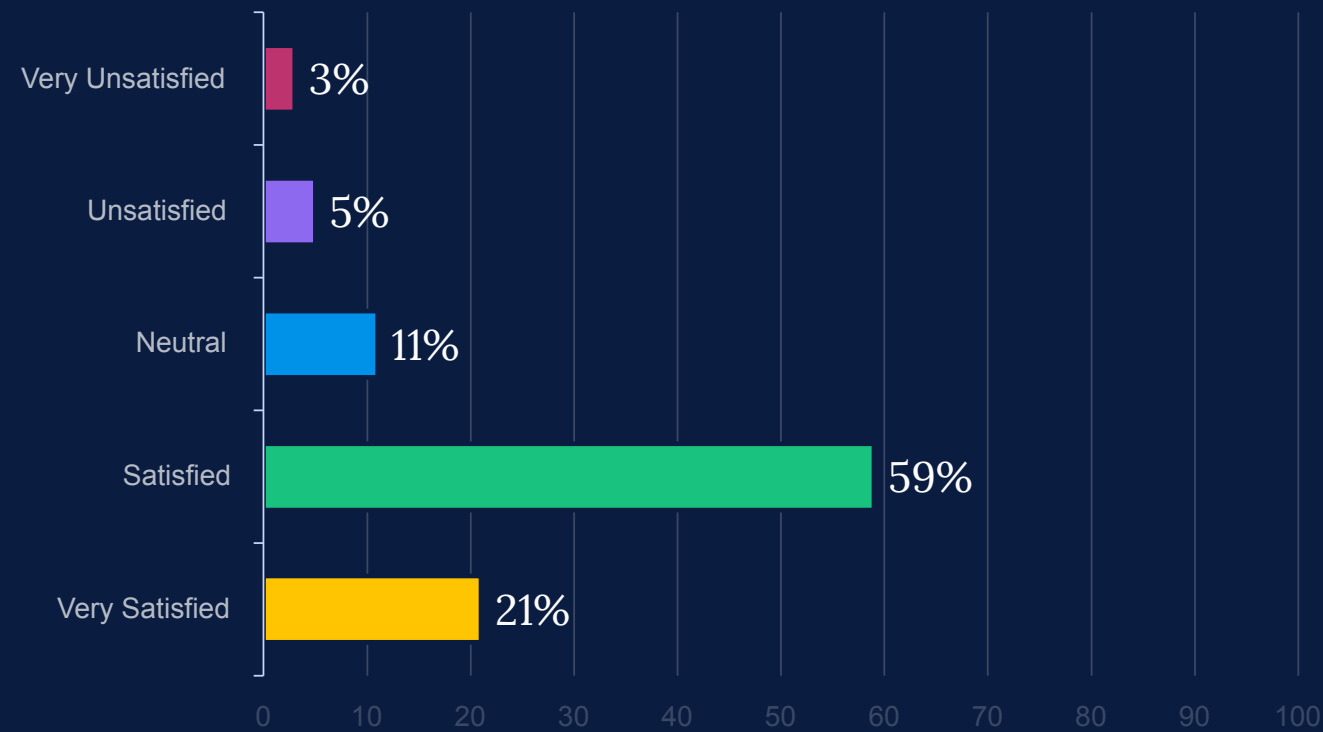
The most popular lifestyle benefits and how they are funded:

- **Financial counseling** and **mental health** are the two most popular lifestyle benefits. These popular benefits are most often funded by employees.

The primary drivers for change to voluntary/lifestyle benefits:

- **Cost** was ranked as a driver but employee surveys, hiring and retention, and employee engagement were key drivers as well

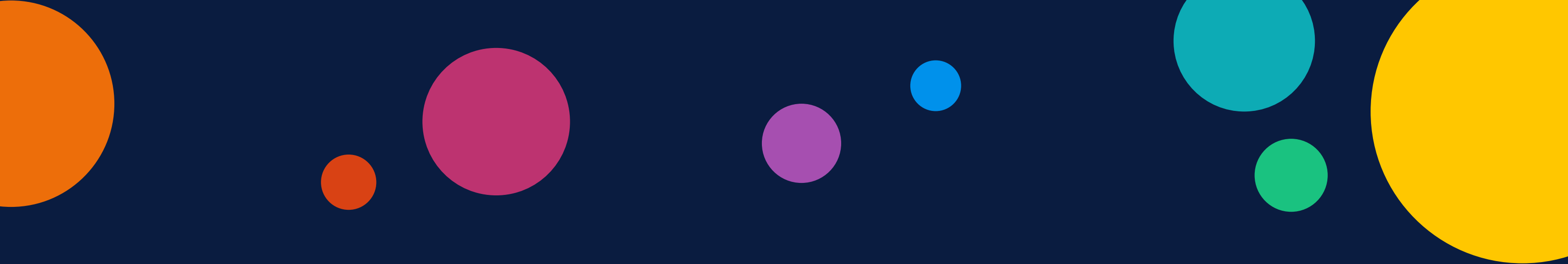
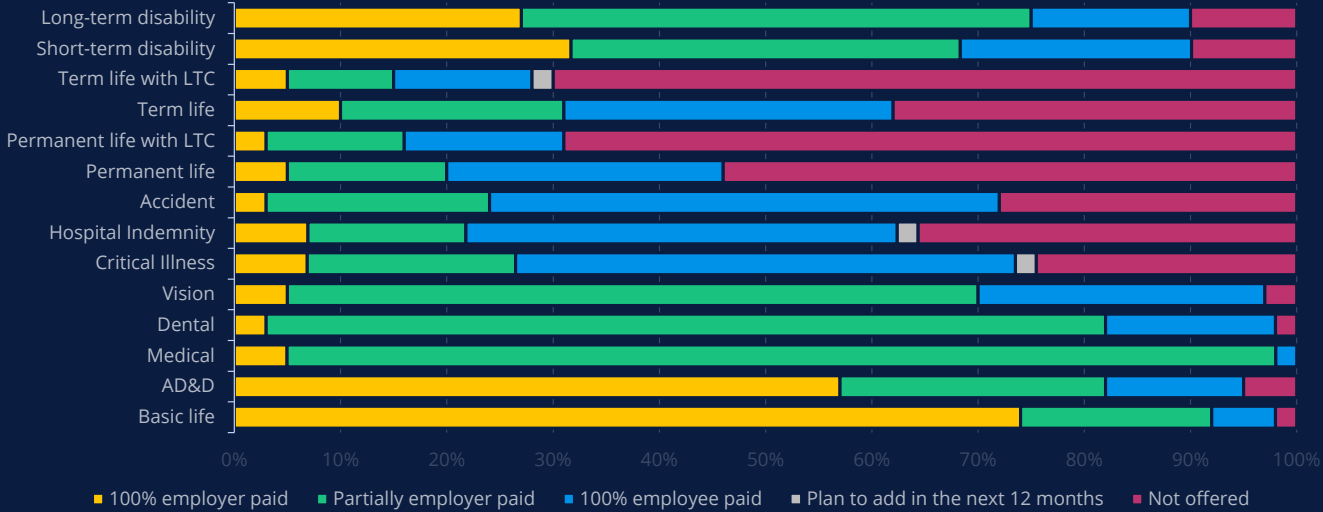
Satisfaction of Current Benefits Programs



Traditional & Supplemental Programs

Companies in the survey offer and fund quite an array of traditional and supplemental benefits. Unsurprisingly the cost of core benefits like medical and dental are typically shared with employees.

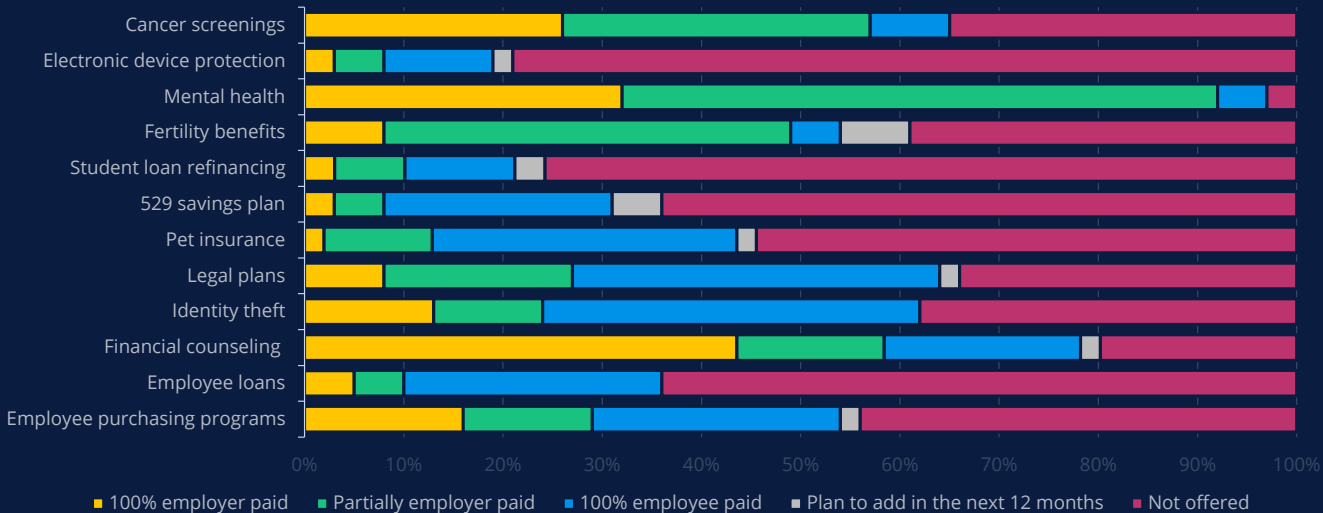
Employers in the survey are fully funding a variety of insurance products, with the most popular being basic life insurance.



Lifestyle Programs

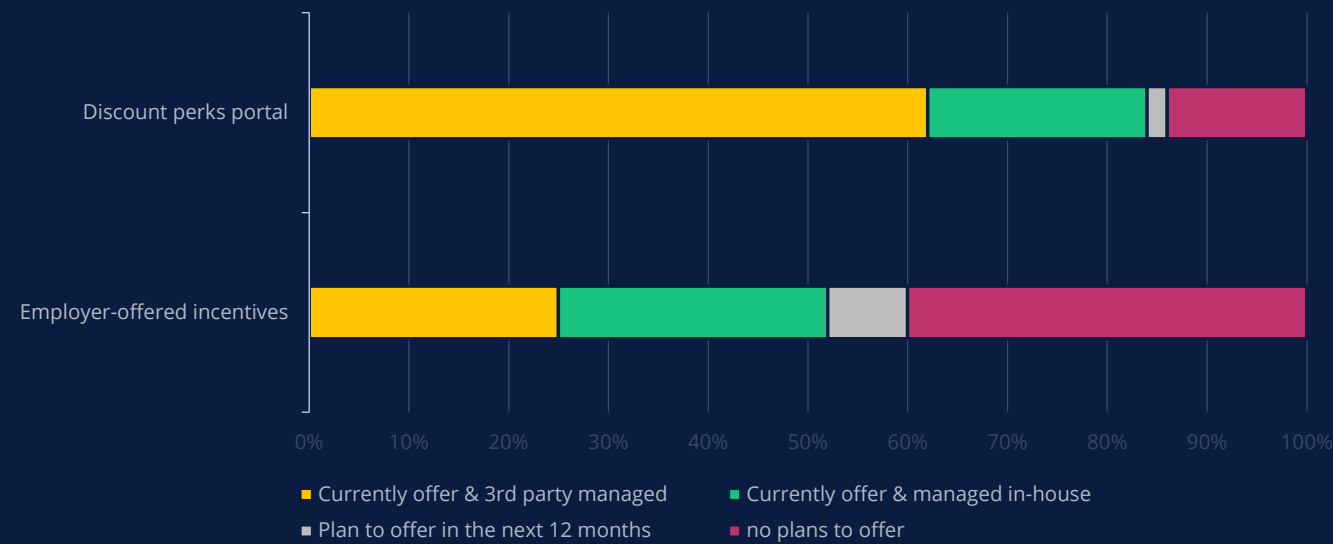
Responses to this question would appear to indicate that employers are concerned about their employees' financial and mental health. In most cases, the cost of these benefits is at least partially covered by employees.

Survey respondents also have an array of other employee-paid benefits such as identity theft protection, legal plans, and fertility benefits.



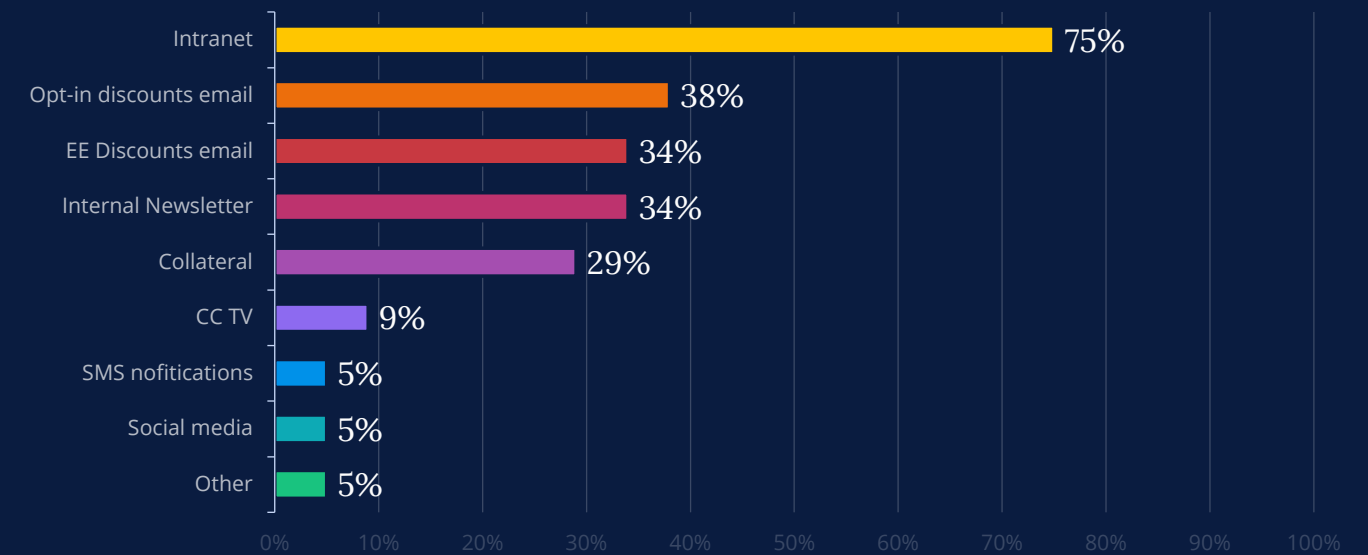
Types of Discount programs

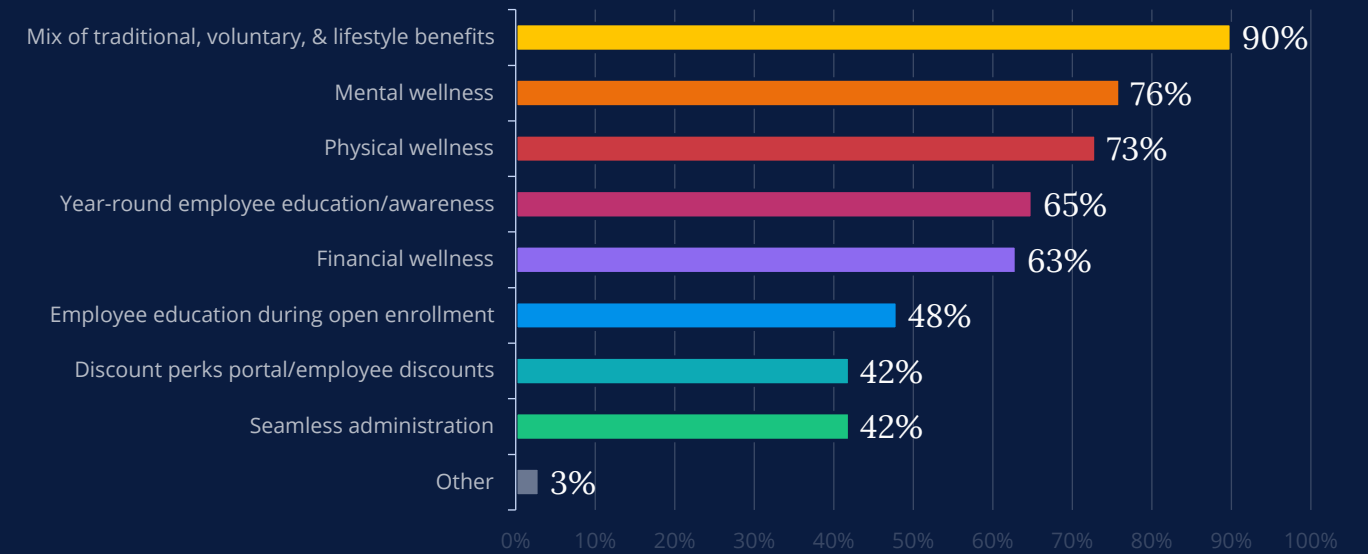
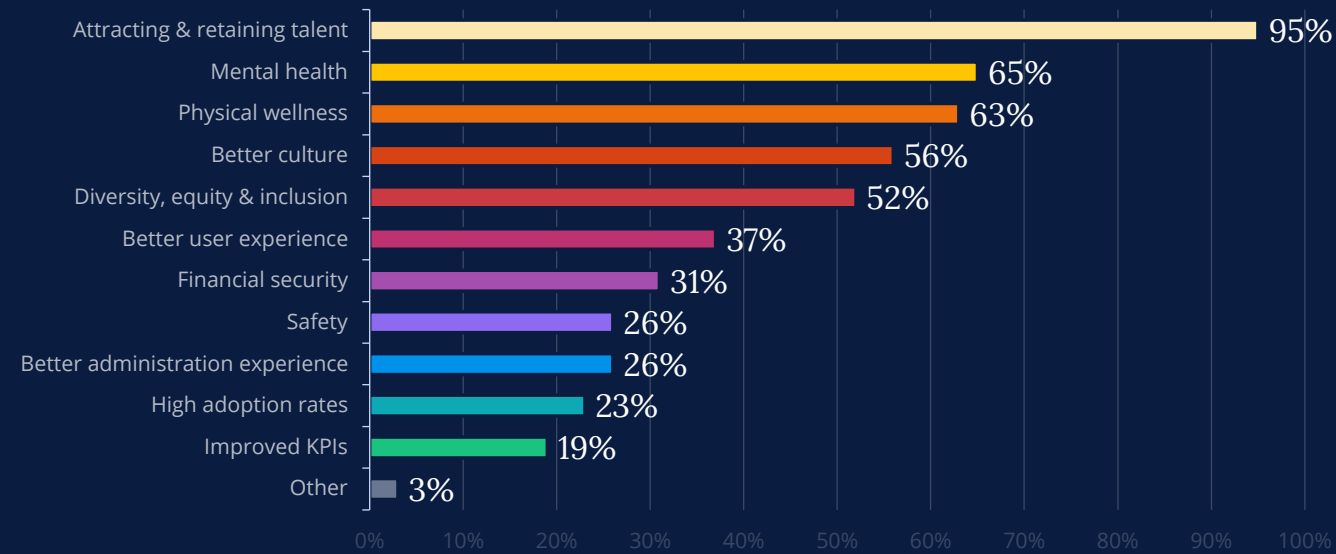
Discount and incentive programs are popular lifestyle benefits and many employers in the survey either offer them or plan to offer these benefits. These are often popular with employees and easy for employers to offer once they decide to do so.



How are discounts communicated?

Employers use a mixture of communications methods to inform their employees about discount programs with the company intranet being the most common method. Email is also a commonly used tool whether it's the company newsletter or a third-party outlet.





What's the goal of benefits programs?

There is serious competition for talent and one of the most important tools in the arsenal to attract talent is the benefits package.

There are other reasons companies scale their benefits program, employee wellbeing, company culture, and DEI. However, the war for talent is the dominating reason for scaling benefits programs and that will likely not change anytime soon.

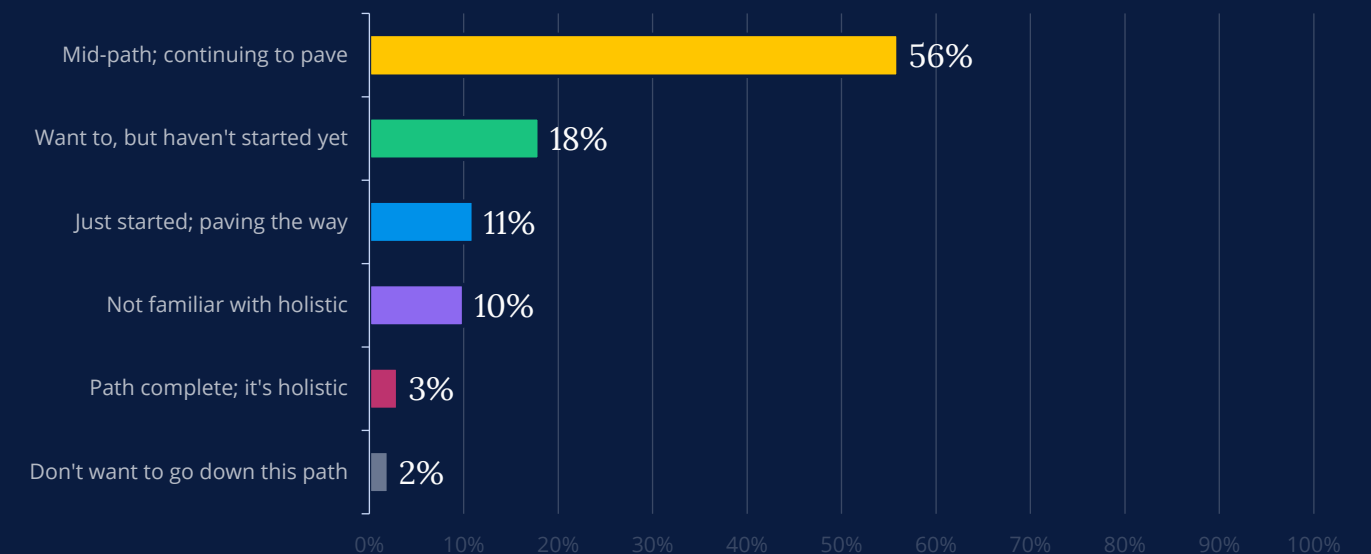
The holistic benefits approach:

As the name implies, a holistic benefits program covers the whole spectrum of an employee's happiness and level of engagement.

Employers realize they should be offering a mixture of traditional, voluntary, and lifestyle benefits to attract and retain the best talent. It's also worth noting that employees are willing to fund benefits that make up a holistic benefits program.

The holistic benefits program is a goal that most companies are still striving to achieve. Only 3% of survey respondents said that have arrived at having a holistic benefits program. Many are now on the journey and a sizable cohort has not even begun, but do want to offer a holistic benefits program to their employees.

70%
of survey respondents
have started and/or
completed a path to
holistic benefits



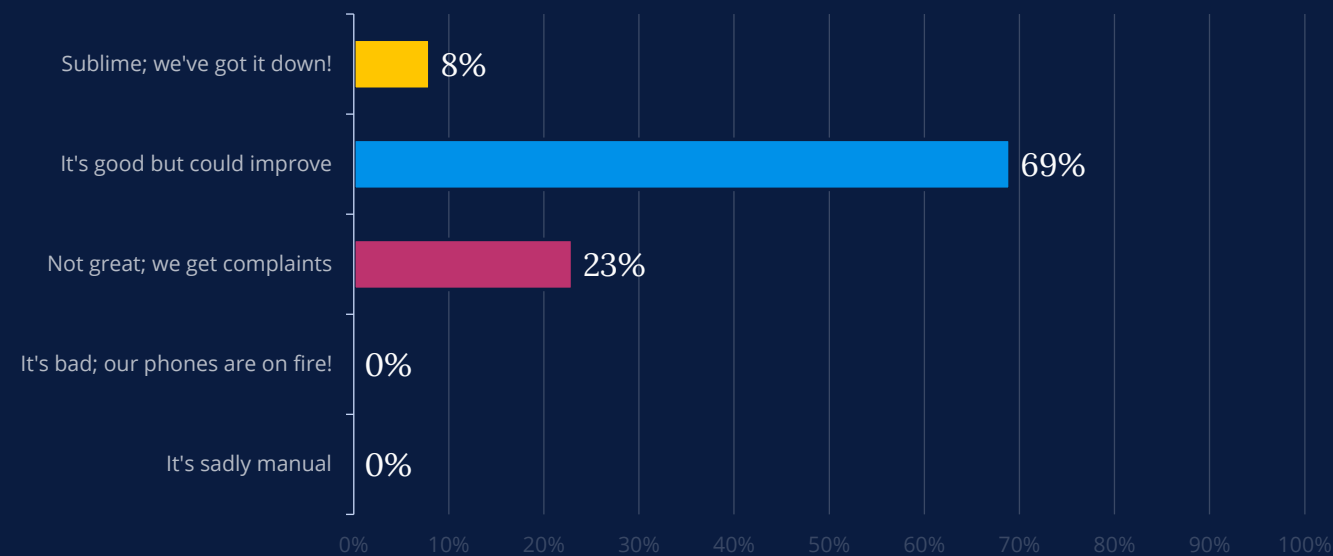
The experience of benefits enrollment

Relatively few survey respondents said they have a benefits enrollment process that is where they want it to be.

23%
of survey respondents
stated their enrollment
is not good at all

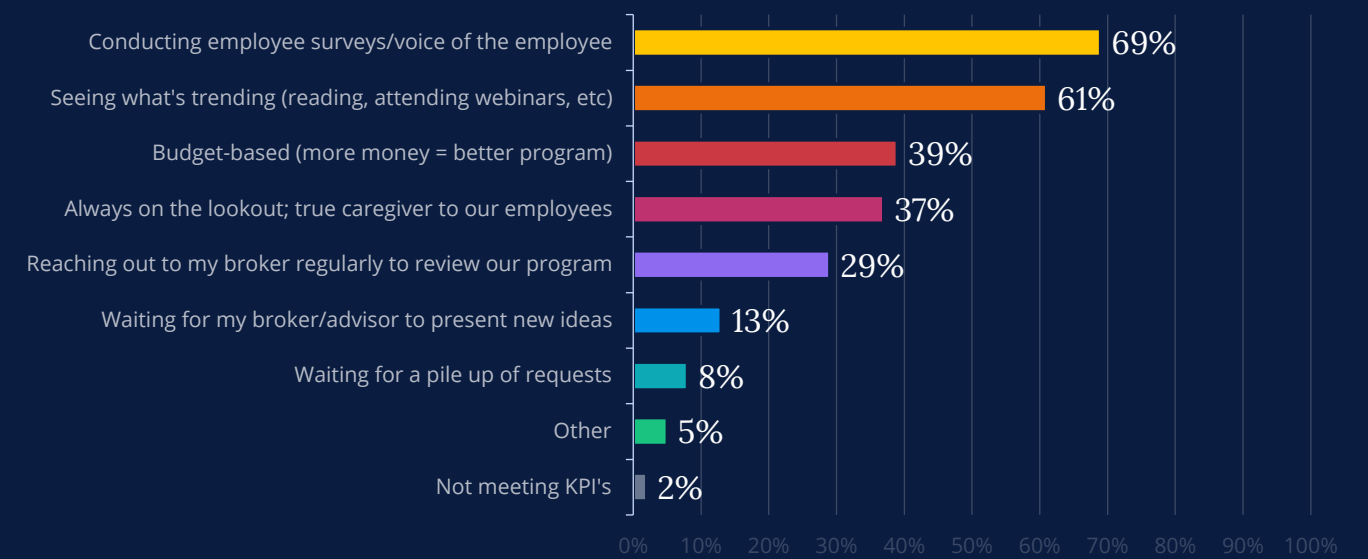
For many, an adequate enrollment process is good enough though they may still be striving to improve their process.

A sizable contingent of respondents acknowledge that their enrollment process is not very good.



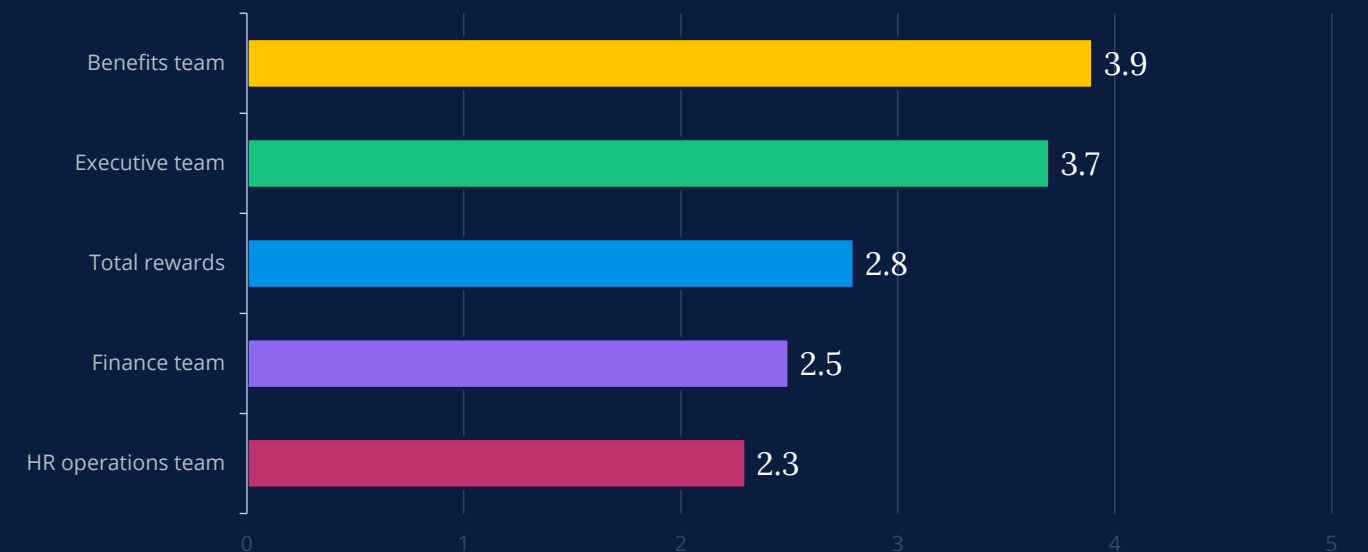
Employers are staying informed to make decisions

The majority of employers in the survey simply ask employees what they would like to see added to the company benefits package. Many respondents are also staying informed and following industry trends to make decisions. Suffice it to say, employers appear to be open to new ideas to improve their benefits programs.



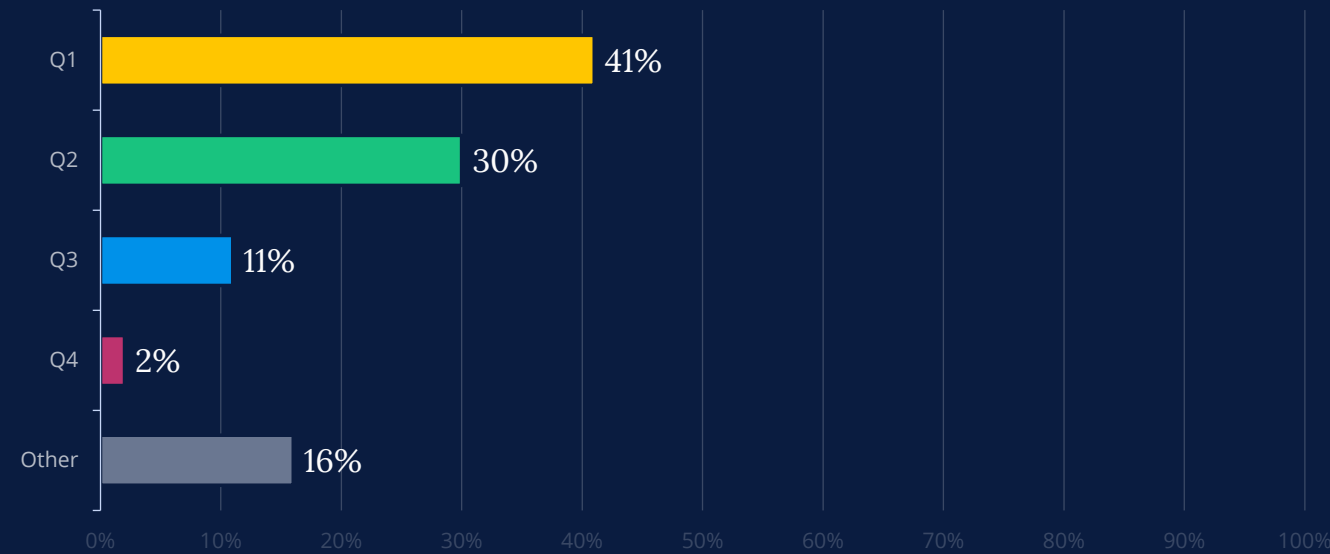
Who owns the changes?

Most large companies have a Benefits team that act as the owners of the benefits program. These teams are an integral part of the decision making process regarding changes to the benefits program as a whole. Surprisingly, the data also revealed that the Executive team is substantially more involved in the decision making process than other stakeholder teams such as Finance, HR, and Total Rewards.



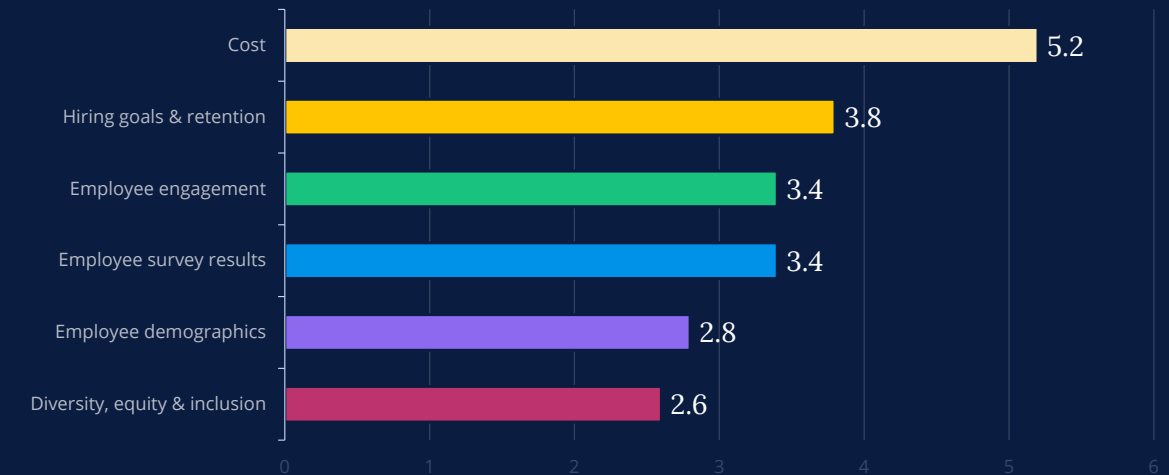
Key drivers of benefit changes

Unsurprisingly, work on benefits strategy tends to be done in the first half of the year. The large contingent of “other” responses indicated that benefits strategy work is ongoing throughout the year.



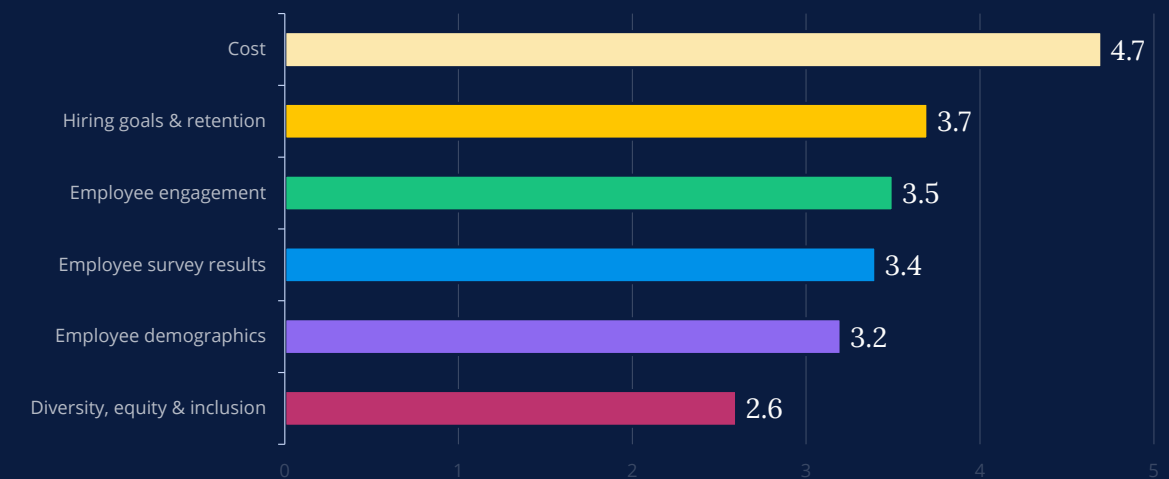
What drives change of traditional benefits?

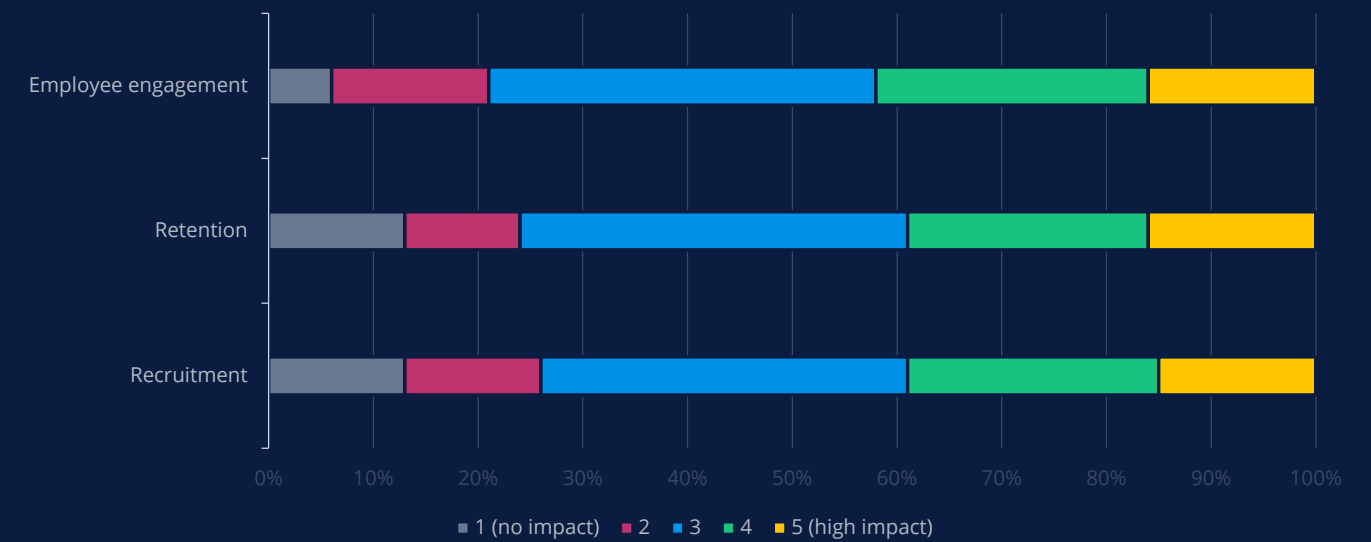
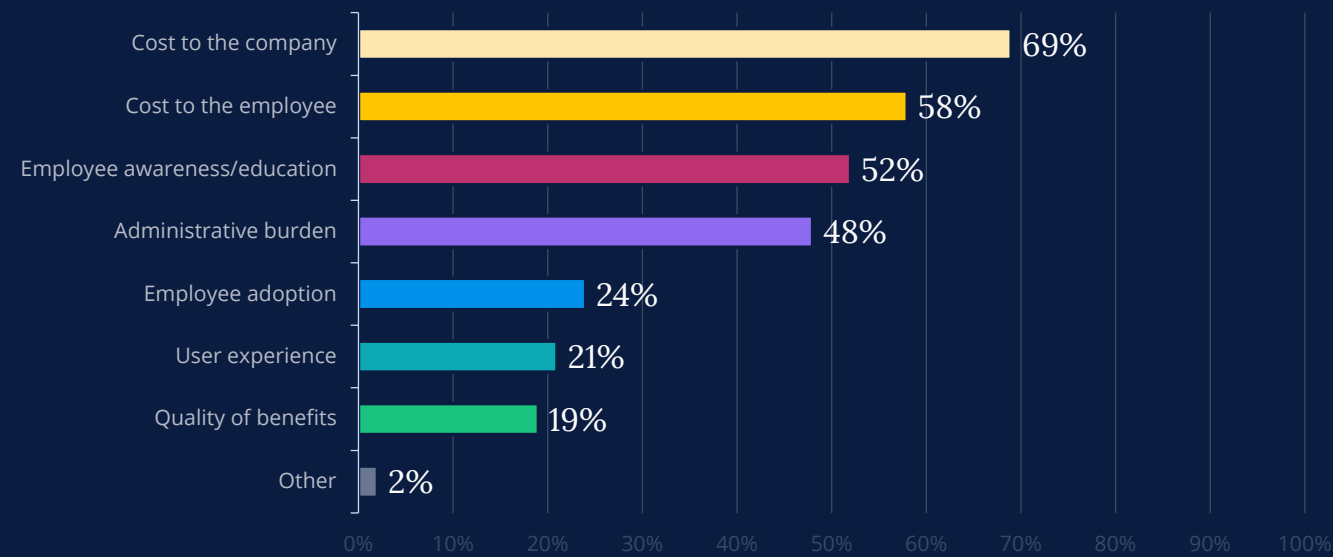
Cost is naturally the biggest factor driving change to traditional benefits simply because managing the cost of health insurance is and will remain a large element of operating expenses. That said, hiring, retention, and engagement also ranked as important considerations.



What drives change of voluntary / lifestyle benefits?

It is surprising to see the dominance of cost as a challenge in the responses to this question. Many voluntary and lifestyle benefits are in fact very affordable and often funded by employees who are able to decide for themselves which benefits they would like to fund. Clearly, there is some work to be done to change perceptions around cost with regard to voluntary and lifestyle benefits.





The challenges of managing programs

Though it's not surprising that cost and administrative burden are challenges of managing benefits programs, employee education and awareness are also significant pain points. The struggle to effectively communicate with employees about benefits programs goes hand-in-hand with the challenges of employee adoption and developing a positive user experience.

While controlling costs is a large piece of the benefits puzzle, it is clearly not the only significant challenge to employers.

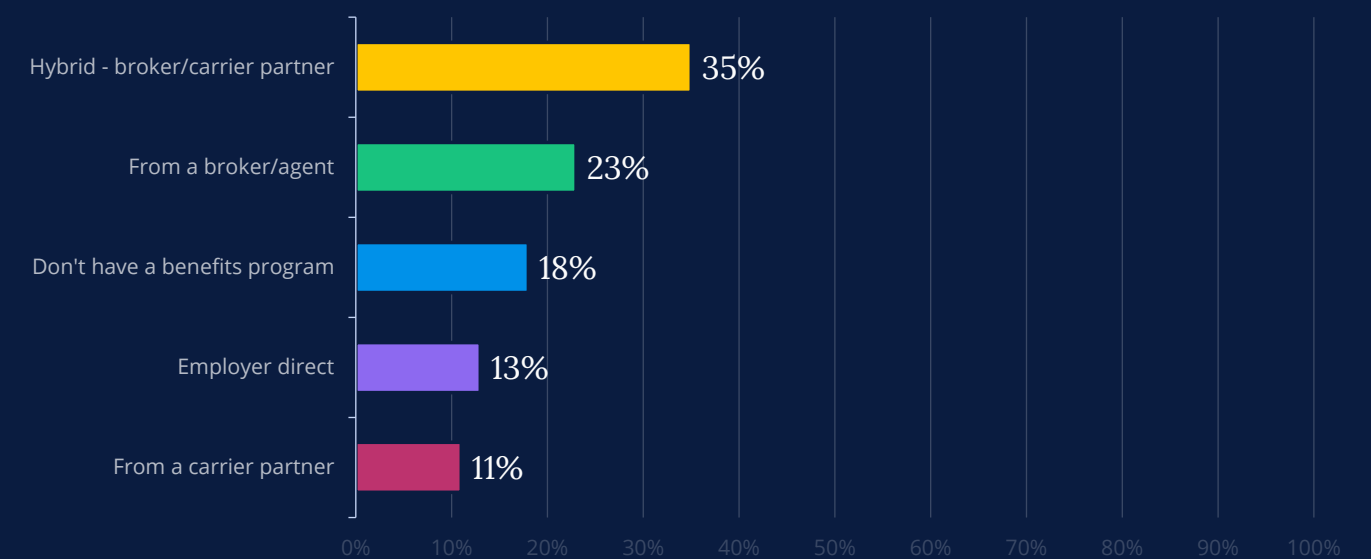
The impact of benefits program on goals

The majority of survey respondents see their voluntary and lifestyle benefits programs as making a significant impact on their goals for recruitment, retention, and engagement.

This means these programs are worth scaling and positively effect the bottom line performance of companies that have them.

Brokers & carriers play a critical role

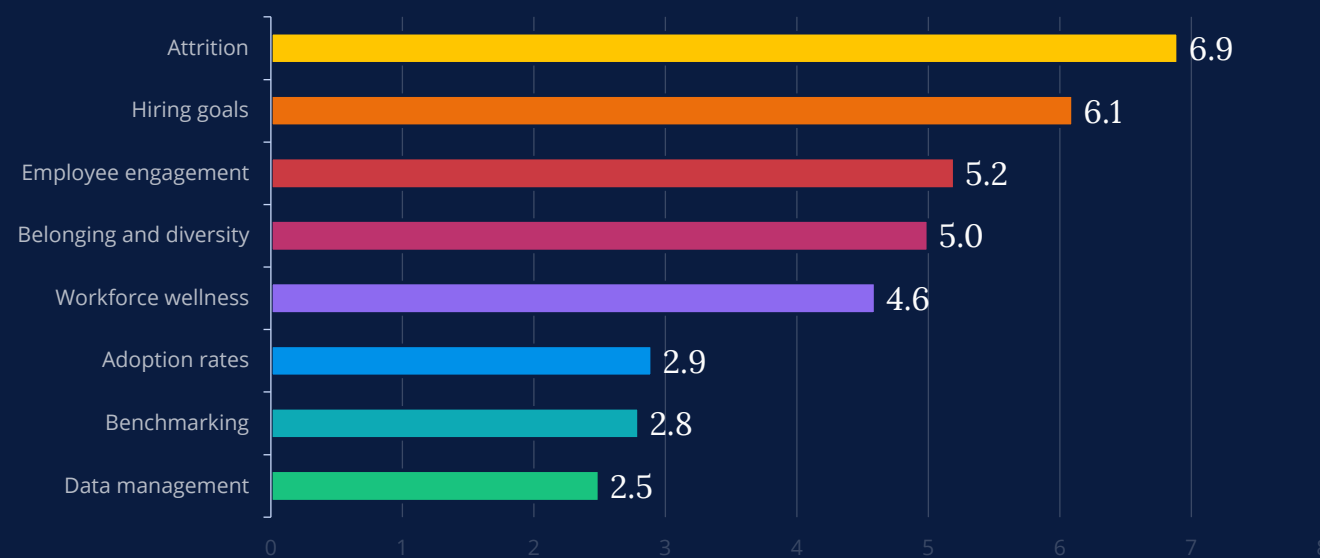
Brokers and carriers play an influential role in educating employers on voluntary and lifestyle benefits programs. When a holistic benefits program is being developed the broker and/or carrier provides the industry expertise and recommended products needed to create the right program to meet important goals such as reducing attrition, increasing engagement, and meeting recruitment goals.





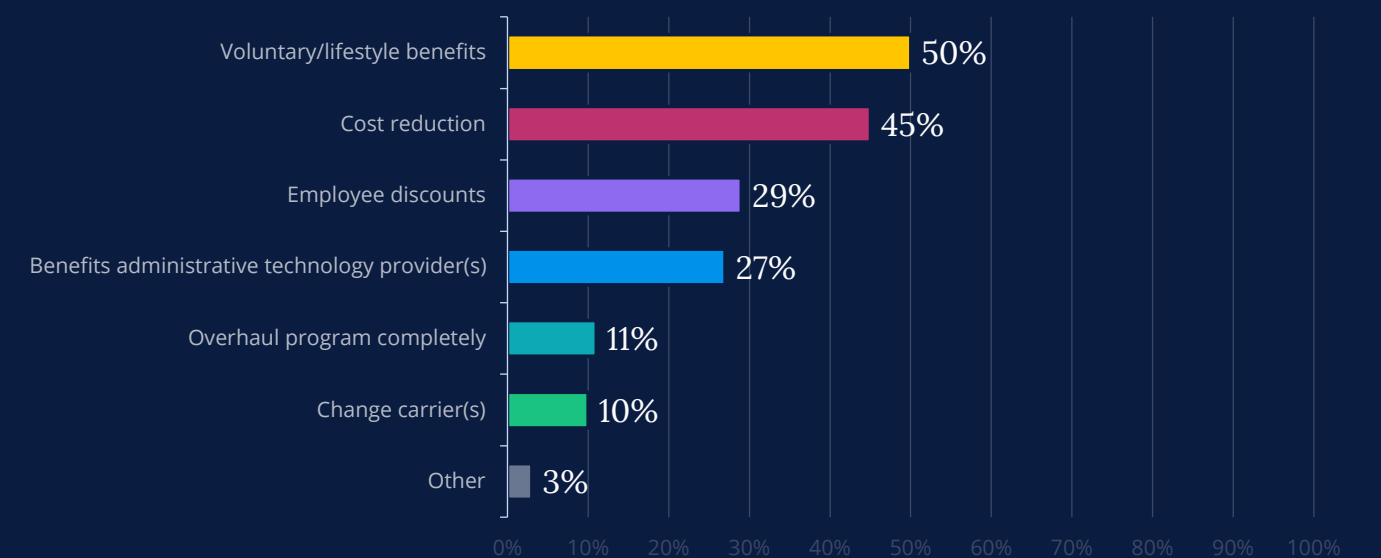
Problems that are being solved

Workforce strategies are driven by solving the ever-increasing challenges of a tightening labor market. It's a competition for workers, and companies need to not only provide a competitive salary but also demonstrate a genuine interest in the happiness and wellbeing of their employees. And — this is often best achieved through voluntary and lifestyle benefits.



Holistic benefits strategies for 2023

Voluntary / lifestyle benefits along with perks and discount programs are at the heart of a well-designed holistic benefits strategy and that is where companies in the survey will focus a lot of attention. However, there's more to the total holistic benefits picture, these programs need the right tools to ensure they do not create too heavy an administrative burden on HR.

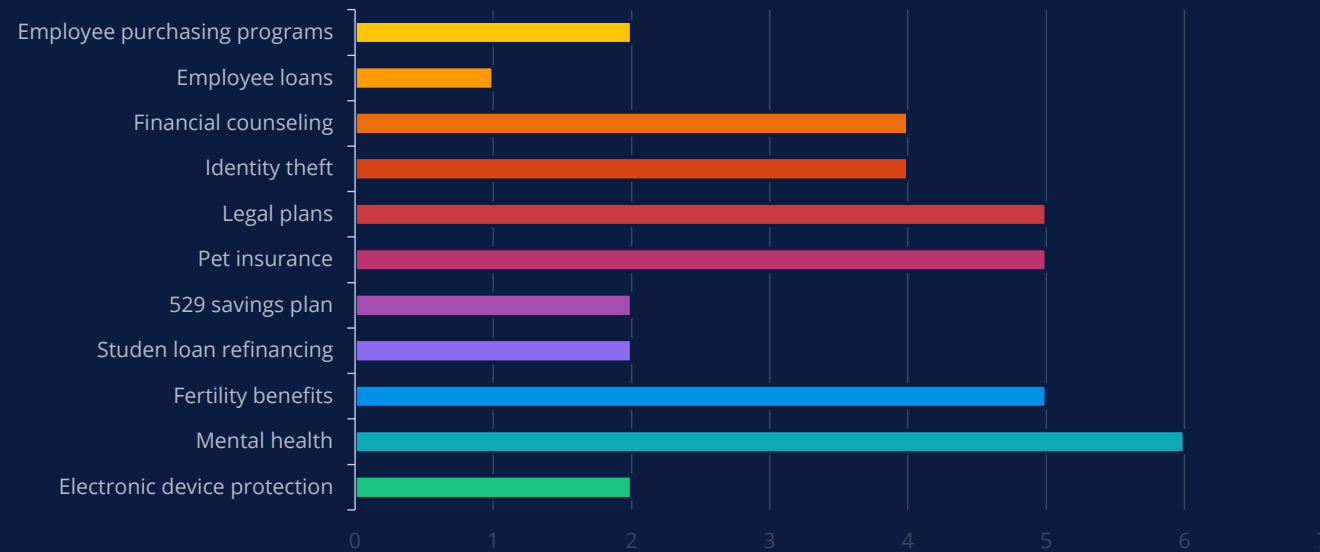


A closer look at highly satisfied cohorts

This next section focuses on the group of respondents that have selected overall 'Highly Satisfied' with their benefits program. It also looks at respondents that have selected that their benefits program has a 'High Impact' on goals such as Recruitment, Retention, and Employee Engagement.

Key questions analyzed:

- Satisfaction with their current benefits program
- Impact their current voluntary/lifestyle benefits program has on key goal
- Which lifestyle/voluntary benefits are included in their program
- How are the lifestyle/voluntary benefits funded today



Looking at the impacts

The impact on recruitment

14% of respondents said their current voluntary/lifestyle benefits program ranks #5 or 'HIGH IMPACT' on Recruitment efforts. Of those, 100% offer at least 5 lifestyle benefits. Among respondents that see the highest impact on recruitment efforts due to their benefits strategy mental health takes the lead in popularity.

The impact on retention

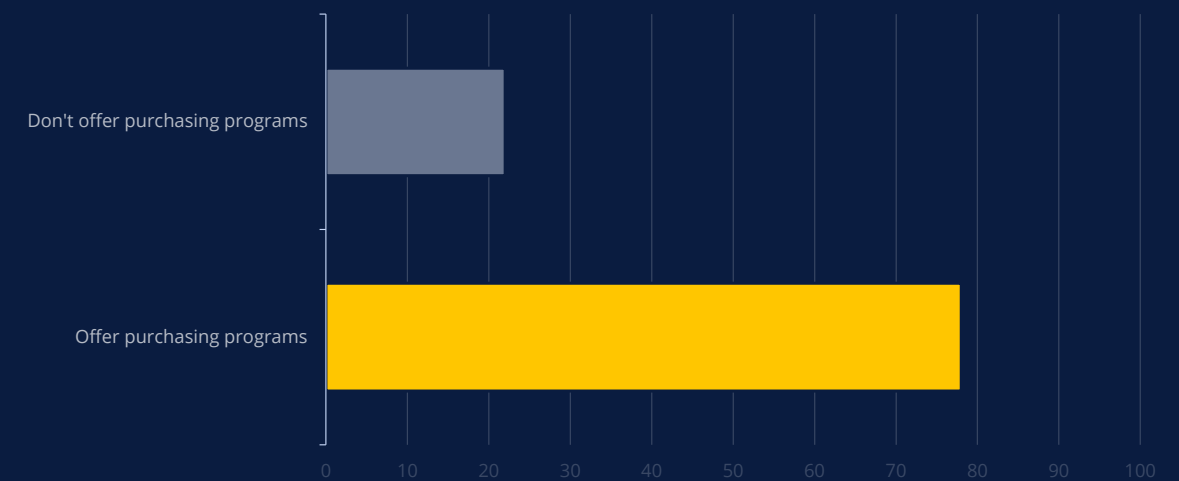
100% of respondents that said their current voluntary/lifestyle benefits has a 'HIGH IMPACT' on Retention efforts offer an employee discount program that is managed and maintained by a 3rd party administrator. They also all said that communication methods are via 3rd party email and internal newsletters.

The impact on engagement

88% of respondents who said their voluntary/lifestyle benefits has a HIGH IMPACT on engagement have also stated they are on the path towards a holistic approach. Of the 12% that are not interested in a holistic approach, 50% 'get complaints about employee user experience' as it related to benefits enrollment today.

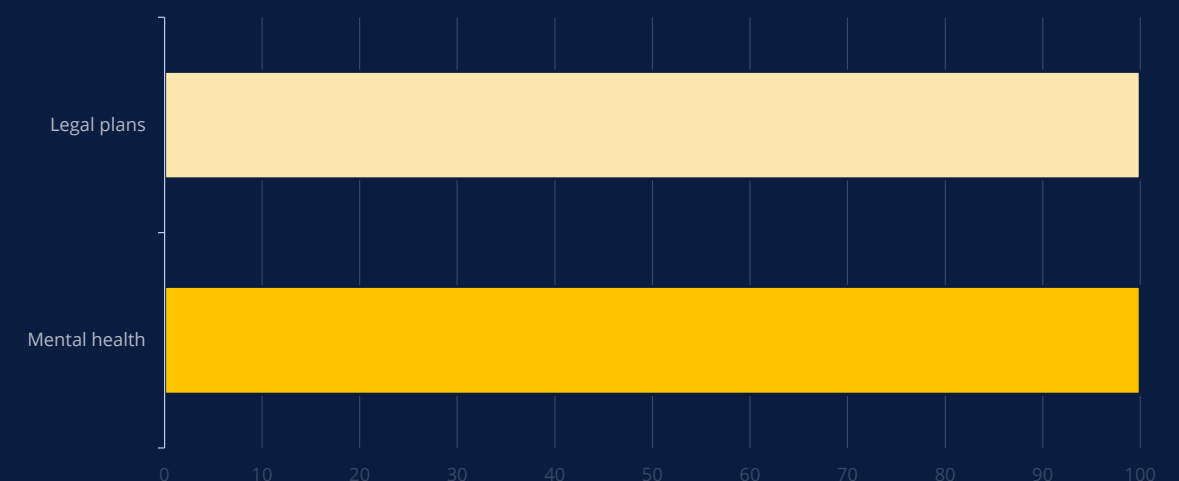
Purchasing programs

Only 15% of respondents are 'VERY SATISFIED' with their benefits program. Of those 'Very Satisfied', 78% offer Employee Purchasing Programs as a lifestyle benefit. There is a 50/50 mix of Purchasing Programs being 100% employee paid vs. 100% employer paid.



Benefits program satisfaction

Only 15% of respondents are 'VERY SATISFIED' with their benefits program. Of those 'Very Satisfied', 100% offer Legal Plans and Mental Health Focused Lifestyle Benefits.





Thanks for reading!

Learn more about offering
a holistic voluntary benefits
program at [corestream.com](https://www.corestream.com)

Learn more

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