



2022



Employee Benefits Market Outlook

THE USI  ONE ADVANTAGE[®]

Inclusive Benefits Strategies to Support Your Recruitment and Retention Efforts



Forty-nine percent of U.S. executives reported their organization had experienced a much higher rate of turnover than usual within the last 6 months, according to a July 2021 survey by the Society for Human Resource Management (SHRM), and 84% reported job openings were going unfilled for longer than before the pandemic.¹ A second SHRM report found 41% of workers were actively seeking a new job or planned to start seeking over the next few months, citing better compensation, better work/life balance and better benefits as the top reasons for leaving.²

While the second SHRM report also found 58% of employers have responded to the wave of resignations by offering higher starting salaries and wages than last year, higher wages alone may not be enough to stem the tide. Employees want to feel like they are being valued and viewed as a whole person — and will seek employers that do so.

Embracing DEI as Part of Your Recruitment/Retention Strategy

More employers have come to embrace diversity, equity and inclusion (DEI) initiatives as a way to improve workplace culture and demonstrate they value their employees as people, not just workers. Harvard Business Review found that 65% of U.S. executives say DEI is a high strategic priority, and organizations on the leading edge report multiple organizational benefits related to their DEI work, including increased employee engagement, innovation and success in recruiting and retaining employees.³ Additional studies suggest that taking the right actions to improve DEI can also lead to better financial outcomes for the organization.

There are many areas where employers can make small adjustments that have a big impact:

-  Pathways to Parenthood: Family-Forming Benefits
-  Healthcare Access
-  Financial Wellness
-  Retirement
-  Policies and Communication

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Employers seeking to nurture and retain their existing workforce and attract new candidates should work to ensure employees feel welcome and included, and can see opportunities for growth and development. And while many organizations want to invest in retention strategies that support and value employees, employers are struggling with increasing costs that make it challenging to focus on these areas. *How can employers balance the need for workers to drive growth with keeping the lights on?*

Support DEI With Employee Benefits

There are many opportunities for employers to make small adjustments with big impact, particularly in employee benefits, programs and policies, and these adjustments may be easier and less expensive than you'd think.

Pathways to Parenthood – Many health plans cover some form of fertility treatment, but the scope of treatment options may inadvertently exclude certain plan members and family structures, such as transgender individuals, same-sex couples, or single individuals, as well as members in need of donor tissue and/or looking to preserve fertility. Making changes to the types of treatment covered by the plan can greatly expand access to these services and demonstrate your commitment to DEI.

Healthcare Access – People from some racial and ethnic minority groups continue to face multiple barriers to accessing healthcare, such as inadequate insurance, proximity to care, access to childcare, or ability to take time off from work.⁴ Social determinants of health — the conditions in the places where people live, learn, work, play and worship that affect a wide range of health risks and outcomes — have historically prevented certain groups from equal access to care. Taking steps to ensure your employees have just and fair opportunities to be as healthy as possible may help reduce their financial burdens and help reduce overall health plan costs.

Financial Wellness – Benefits and programs to support the financial well-being of your employees signals that you value and support them and their needs. Helping employees address their financial concerns can also help increase engagement and reduce absenteeism and presenteeism.

Retirement – A recent report from the Federal Reserve found that among middle-aged families (age 35-54), 44% of Black families and 28% of Latinx families have at least one retirement account, compared to 65% of white families.⁵ Addressing the importance of retirement, presented in a meaningful way to employees, can help bolster retirement readiness. For example, use a custom-tailored approach to communicate financial wellness to different employee groups.

Policies and Communication – Expanding policy offerings and eligibility beyond what's required by law is an easy and often low- or no-cost way to demonstrate your commitment to increasing DEI within your workplace. For example, adjust time off policies to include a broader range of reasons so that more employees can better manage work/life

Ways Employers Can Help Employees With Financial Wellness

Caregiver needs – Offering or expanding caregiver support and benefits can help employees better manage work/life balance and avoid absenteeism and burnout.

Educational needs – Tuition reimbursement or student loan repayment programs may help first-time college students or lower-income employees to invest in the education and professional development often required to get hired and advance. Developing and communicating a clearly defined pathway for advancement can also signal to employees that you are willing to invest in their growth and development, and can also help increase diversity at an organization's management and leadership levels.

Healthcare needs – Ensuring employees are actively engaged with a primary care physician can help improve employee health and reduce out-of-pocket costs. Helping employees address behavioral health needs, such as stress, anxiety, depression, alcohol and substance use, and other conditions, can also result in better overall health, engagement and productivity.

responsibilities, and/or update existing employee handbooks, policies and communications with more gender-neutral language. Training your HR and benefits admin employees, as well as people managers, on how to address employee questions and concerns in an inclusive manner can also help foster more open communication and better understanding.

Work with your benefits providers and/or third-party administrator (TPA) to determine what coverages, services and solutions may already be available to employees, or programs to enhance or expand. Employers may also choose to engage third-party solutions or service providers to address needs not currently being met.

How USI Can Help

USI Insurance Services' consultative approach to employee benefits helps clients identify the unique needs of their employees and develop strategies to create a more supportive and open workplace and improve outcomes. Contact your USI representative to discuss how you can support your recruitment and DEI initiatives with more inclusive benefits, policies and programs.

¹SHRM, *Employers Respond to Great Resignation by Raising Pay, Improving Benefits*, 2021

²SHRM, *Harnessing the Resignation Tsunami: HR Strives to Fill Empty Posts and Ease the Burden on Those Who Stay*, 2021

³Harvard Business Review, *Creating a Culture of Diversity, Equity, and Inclusion: Real Progress Requires Sustained Commitment*, 2021

⁴Centers for Disease Control and Prevention (CDC), *Health Equity Considerations and Racial and Ethnic Minority Groups*, 2021

⁵Federal Reserve, *Disparities in Wealth by Race and Ethnicity in the 2019 Survey of Consumer Finances*