The 2021 State of Voluntary Benefits

A recent industry survey about employee voluntary benefits—those offered in addition to medical, dental and vision coverage—revealed that voluntary benefits have a direct and strategic role in improving employee retention and engagement, as well as supporting the hybrid workforce and keeping employees happy.

Voluntary Benefits Improve Retention, Employee Engagement and Talent Acquisition

Employee Demand for Voluntary Benefits is on the Rise

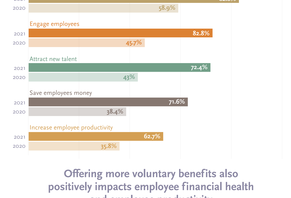
of employees said voluntary benefits positively affect their decision to work for and stay with their employer, compared to 68.4% in 2020

Employers are Listening: Steady Increase of Voluntary Benefits Options Offered

More employers today offer at least 3 different types of voluntary benefits to their employees compared to last year

Now more than ever, HR teams believe offering more voluntary benefits significantly impacts employee retention, employee engagement and talent acquisition

– 2020 vs. 2021 –



Offering more voluntary benefits also positively impacts employee financial health and employee productivity

Financial Health and Wellness a Growing Priority in the Midst of the Pandemic

Top new voluntary benefits offered by employers in the last 12 months

Mental health and wellness	48.3%
Financial wellness or financial assistance	37.2%
Life insurance	25%

Top financial wellness benefits employees would sign up for, if offered

Employee purchase programs	48.3%
Low-cost employee loans	44.8%
Debt refinancing	29.1%

of employers offer voluntary benefits programs, with an additional to 6% considering future offering options

of employees would take advantage of financial assistance programs if offered by their employer compared to 69.1% in 2020

A Communication Gap Exists Between HR Professionals and Employees

Employers must develop better communication strategies and materials so employees can better understand and access their benefits options

Employers

22.2% communicate about benefits to employees on a regular cadence throughout the year

28.5% agree that their communication will not sufficiently prepare employees

35.7% believe their employees don't understand the benefits available to them

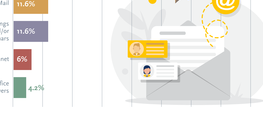
Employees

25.5% believe their employers have failed to provide enough communication materials about benefits offerings

24.7% respondents are not aware of how to access their benefits or use them to save costs

Email is Still the Preferred Benefits Communication Method by Employees

Employees continue to prefer email as the method of communication to learn about voluntary benefit offerings; however, they are also looking to receive additional communication methods, including mail, webinars and meetings



Effective Communication Materials Can Help Employees Better Understand and Access Their Benefits

The State of Voluntary Benefits research surveyed 215 employees and 207 HR professionals in companies of at least 5,000 people.