



Going from BAD to Good: Overcoming Benefits Appreciation Deficit

Your benefits may be top-notch, but they won't help you recruit and retain top talent if employees don't appreciate them. In a survey by the Society for Human Resource Management (SHRM), less than 9% of HR professionals said their employees were "very knowledgeable" about their employer-sponsored benefits.¹

But employees aren't necessarily to blame, as only 22% of HR professionals said they "strongly agree" that their company was very effective in informing employees about their benefits.¹ With competition for top talent on the rise, employers need to re-evaluate the way they deliver benefits information to employees.

Get the word out. Now, do it again!

Communication is key in helping employees understand and appreciate the value of their benefits. And increasing employees' knowledge of their benefits is an effective way to enhance the overall employee experience. According to a survey by SHRM, 63% of employees rated their benefits package as "very important" to their overall job satisfaction.² But it's not just what you communicate, it's also how and when.

WHAT: Health care and retirement benefits are important, but don't forget to tell employees about the other benefits you offer. Employees rarely think about life and disability insurance benefits until the unexpected happens and they need them. Take a look at your benefits package and identify the benefits that are underused. Then promote these benefits individually throughout the year. Employee discounts and services offered by Employee Assistance Programs also come to mind.

Think younger employees don't care about these benefits? Talk in terms of stress. Millennials respondents told Aon Hewitt they're feeling good today, but they're well aware that today's high stress might be sabotaging their future health.³

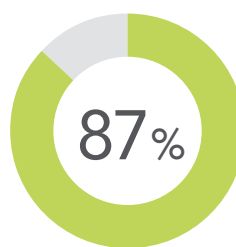
HOW: Home mailers and posting information online are common ways to communicate to employees about their benefits. But if you really want to capture employees' attention, you need to do more with mobile, face-to-face, and even email communications. This is especially true if you want to reach younger workers. A survey conducted by GuideSpark,⁴ an employee communications company, found that among millennial respondents:

- Almost 44% would like to receive critical benefits-related communications on their mobile device.
- 154% are more likely than other generations to want to receive a benefits-related link texted to their mobile device.
- 18% are more likely than other generations to want to receive benefits communications face-to-face.

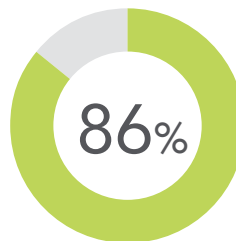
In addition, all generations favor email as a method of communication.

Benefits matter to millennials

Despite the importance, over half of millennials don't have a complete understanding of all of the benefits options that their employers provide.



More than 87% say **benefits** play a significant role in their choice of employer.



And 86% say that **benefits** play a significant role in their decision to stay with their employer.

GuideSpark, Employees Speak Up About Benefits Communications, 2014.

WHEN: Overloading employees with a stack of benefits information before Open Enrollment can leave them overwhelmed and stressed. Instead, remember that benefits appreciation is developed at the moment of need. The challenge is that no one can predict just when that moment will be. Therefore, keep benefit communications going throughout the year.

Deliver information gradually in easy-to-digest pieces and focus on promoting one benefit at a time. A comprehensive benefits website that employees can access 24/7 is an effective way to distribute information throughout the year. For example, ADP's employee resource website is a conduit for enrolling in benefits. But it also has much more information for employees' and their dependents, including tips on living healthy, managing money, connecting with others, and excelling at work.

Add it up for employees

When employees think of how they're rewarded at work, they often think pay, health care, and retirement benefits. Other

compensation factors like paid time off, training, career development, and work-life balance often fail to make that mental list. If you want to expand that list, you'll need to lay it out for employees. Total compensation statements are an effective way to do accomplish this.

With a total compensation statement, you can show employees how much their efforts matter to your company and, in turn, foster goodwill, engagement, and improved productivity. Your recruiters can also use prospective compensation statements to show candidates the full scope of company benefits and compensation. But beware! A dry list of numbers is unlikely to yield the highest readership and appreciation. Did you know that the brain processes visuals 60,000 times faster than text?⁵ Therefore, use as many charts, graphs, and images as possible to engage employees with this valuable information.

The 2016 Compensation Best Practices Report by PayScale found that employee retention is one of the biggest concerns of employers today, with 57% of those surveyed worried about losing their best employees to competitors, and 55% concerned about the difficulty of finding skilled labor.⁶ If you want to recruit better and retain your top talent, a total compensation statement may help you show – not tell – valued employees how your organization works for them.

ADP® can help employees see the big picture

You and your employees don't have to suffer with BAD any longer. ADP invests in the talent and success of small- and medium-sized businesses across the country with industry-leading benefits communication, including personalized video (<http://bit.ly/27EbzQf>), mobile messaging, and total compensation statements.

¹ Society for Human Resource Management, 2014 Strategic Benefits Survey.

² Society for Human Resource Management, Employee Job Satisfaction and Engagement.

³ 2016 Consumer Health Mindset™ Study. Aon Hewitt, National Business Group on Health, and The Futures Company, 2016.

⁴ GuideSpark, Employees Speak Up About Benefits Communications, 2014.

⁵ Harley, Trevor, The Psychology of Language: From Data to Theory, 2001.

⁶ PayScale, 2016 Compensation Best Practices Report.