

BEYOND COMPENSATION: CRAFTING A HOLISTIC EMPLOYEE VALUE PROPOSITION



Key insights
from the survey
highlight a critical
transformation:

56%

of employees prioritize
compensation

14%

value flexible work
arrangements

Benefits are increasingly
seen a direct expression of
an employer's commitment
to their workforce.

In today's competitive talent market, employers are discovering that compensation alone is no longer enough to attract and retain top talent. **The 2024 ADP TotalSource® Employee Benefits Survey** reveals a nuanced landscape where employees are seeking more than just a paycheck — they want a comprehensive package that demonstrates genuine care and supports their holistic well-being.

The evolving priority of benefits

Compensation remains the primary consideration for employees, but the definition of total compensation has dramatically expanded. Workers now evaluate employers through a multifaceted lens that includes flexible work arrangements, meaningful benefits, and alignment with personal values.

Financial wellness takes center stage

Perhaps the most striking trend is the rising importance of retirement planning. The 401(k) has emerged as a crucial benefit, with priority doubling from 30% in 2018 to 62% in 2024. This shift reflects broader economic uncertainties and employees' growing focus on long-term financial security.

Personalization: The new benefits imperative

One-size-fits-all benefits packages are becoming obsolete. The survey found that:

- 75% of employees want personalized benefits recommendations
- Voluntary benefits like mental health support, pet insurance, and legal services are gaining traction
- Different generations and genders have distinct benefits preferences



Always Designing
for People®

Addressing the healthcare affordability challenge

Healthcare costs remain a significant concern. Employees are making difficult trade-offs.

- 21% have reduced medication intake to save money
- 24% have postponed necessary care due to out-of-pocket expenses
- 76% are proactively investing in preventive wellness measures

Notably, gender disparities persist. Women report greater financial challenges in healthcare, with 32% having less than \$500 in emergency medical savings compared to 21% of men.

The path forward for employers

To become an employer of choice, organizations must:

1. Develop a holistic compensation strategy that goes beyond pay
2. Offer flexible, personalized benefits
3. Provide tools and education to help employees make informed healthcare and financial decisions
4. Demonstrate genuine support for employee well-being

The future of employee benefits is about creating genuine connections. It's not just about providing options, but about showing that you truly understand and care about your employees' diverse needs and



The future of employee benefits is about creating genuine connections. It's not just about providing options, but about showing that you truly understand and care about your employees' diverse needs and aspirations. By embracing this comprehensive approach, employers can transform benefits from a transactional requirement to a strategic tool for attraction, engagement, and retention.

TO READ THE FULL REPORT, CLICK HERE
Employee Benefits Survey | ADP