

Employees losing confidence in benefits packages as pandemic continues

The COVID-19 pandemic is changing how employees and employers feel about benefits, according to recent research from The Hartford. The *Future of Benefits Study* found that 73 percent of employees said in mid-June that they value the insurance benefits their company provides, down from 80 percent in March. The Hartford noted that although many employees continue to view their benefits positively, both their perceived value of the benefits provided and their trust in the company to make the best benefits decisions have declined since the pandemic began.

According to the survey, 55 percent of employees in June said they trust that their company is making the best decisions about the benefits available, compared to 61 percent in March. When asked to rate their organization's overall benefits package compared with what other employers are offering in their marketplace, only 44 percent rated their benefits as above average, compared to 56 percent in March.

Overall, employees do feel satisfied with their company's response to COVID-19, with 65 percent agreeing that their company's overall response to the pandemic has been adequate. Employees express the most satisfaction with employers in regard to maintaining communication with employees (68 percent) and the least satisfaction with flexibility in response to employee needs (child/family care) (59 percent). Employees are also satisfied with their employers when it comes to:

- taking steps to ensure a safe return to work experience: 64 percent of employees satisfied;
- creating a supportive working environment: 63 percent; and
- listening to employee concerns: 61 percent.

Employers likely to offer additional benefits. Companies recognize the need to do more when it comes to benefits, the study found. More employers said that they are likely to offer additional benefits and services not currently offered by their company.

Employers had the greatest increased interest in the following benefits from March to June:

- Paid time off (PTO) for volunteering (20 percent to 42 percent);
- PTO (31 percent to 52 percent);
- Employee assistance programs (38 percent to 56 percent);
- Paid sabbatical (21 percent to 38 percent);
- Hospital indemnity insurance (34 percent to 48 percent);
- Critical illness insurance (36 percent to 50 percent);
- Student loan repayment plans (27 percent to 38 percent);
- Behavioral/mental health services (42 percent to 51 percent);
- Wellness benefits (42 percent to 51 percent); and
- Pet insurance (22 percent to 29 percent).

Open enrollment. The survey found that 63 percent of companies' strategy for open enrollment will depend more strongly on online resources this year due to COVID-19. Smaller employers (those with fewer than 50 employees) are the least likely to depend more strongly on online resources (42 percent).

About the survey. The survey was completed in two waves. The first wave was fielded from February 27 through March 13, 2020, and included responses from 761 employers and 1,503 employees. The second wave was fielded from June 15 through June 30, 2020, and included responses from 567 employers and 1,038 employees.

SOURCE: www.thehartford.com