

# Large-company business trends

## 2014 Aflac WorkForces Report results for benefits decision-makers and employees from companies with 500+ employees

As part of the fourth annual Aflac WorkForces Report, 650 benefits decision-makers at large companies<sup>1</sup> and 2,479 employees at large companies shared their opinions on a variety of workplace-benefits topics.

### Large company snapshot:



**Large companies** are more likely than medium and small companies to offer voluntary insurance to their employees.

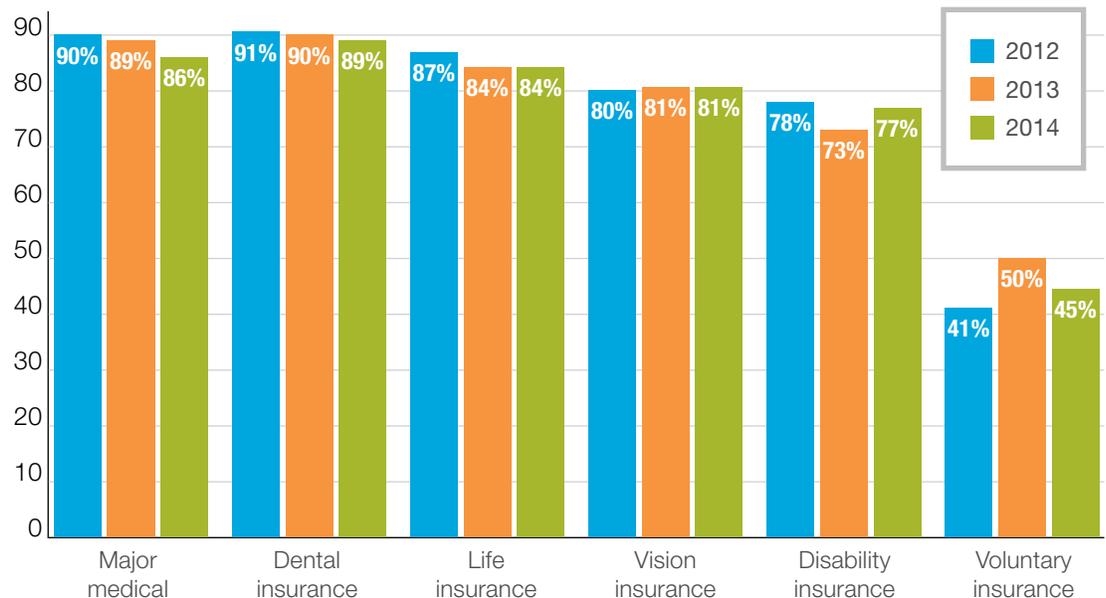
**65 percent of employees** at large companies believe their benefits packages meet their current family needs extremely or very well.

**Large companies** are more likely than small or medium companies to say they have or expect to decrease employee hours from full- to part-time; **25 percent** say they're doing so to avoid penalties associated with health care reform.

**Employees at large companies** are more likely than those at small companies to say they believe their employers will educate them about changes to their health care coverage as a result of health care reform.

### Large-company benefits offering trends

The percentage of large employers offering benefits by type across three years.



## The importance of benefits:

### Businesses believe benefits are extremely or very influential on:

- Job satisfaction – 58 percent.
- Loyalty to employer – 51 percent.
- Willingness to refer friends – 42 percent.
- Work productivity – 47 percent.
- Decision to leave company – 35 percent.

### Yet, employees believe benefits are extremely or very important to:

- Job satisfaction – 77 percent.
- Loyalty to employer – 66 percent.
- Willingness to refer a friend – 52 percent.
- Work productivity – 63 percent.
- Decision to leave company – 55 percent.

## Key employer findings

### Benefits offerings

	Percent of responses
Offer voluntary insurance to their employees	45%
Large companies that provide access to voluntary accident insurance experienced declines in workers' compensation claims	55%
Of those offering access to voluntary disability insurance experienced declines in their workers' compensation claims <sup>2</sup>	47%
Moved employees to private exchanges in 2013	10%
Plan to move employees to private exchanges in 2014	8%
Of those who have moved or plan to move employees to private exchanges, say doing so is financially advantageous for their companies	35%
Of those who have moved or plan to move employees to private exchanges, say doing so is financially advantageous for their employees	24%
Expect to offer employees stipends in 2014 to purchase health care coverage on their own, instead of offering company-provided benefits	10%
Decreased employee hours from full- to part-time in 2013	17%
Expect to decrease employee hours from full- to part-time in 2014	15%
Of those who decreased or plan to decrease employee hours from full- to part-time, say they're doing so to avoid penalties associated with health care reform	25%
Expect to eliminate or reduce benefits in 2014	23%
Use a broker or benefits consultant to select their employees' benefits options	57%

Hiring and compensation	Percent of responses
Awarded employees smaller raises in 2013 than in previous years	45%
Expect to award smaller raises in 2014	29%
Hired full-time workers in 2013	60%
Expect to hire full-time workers in 2014	54%
Hired part-time workers in 2013	53%
Expect to hire part-time workers in 2014	41%

Benefits communications	Percent of responses
Strongly or somewhat agree they effectively communicate the value of their benefits to employees	64%
Communicated about benefits three or more times in the past year	53%

## The most common benefits-communication channels



Email  
**70%**



Face to face  
**41%**

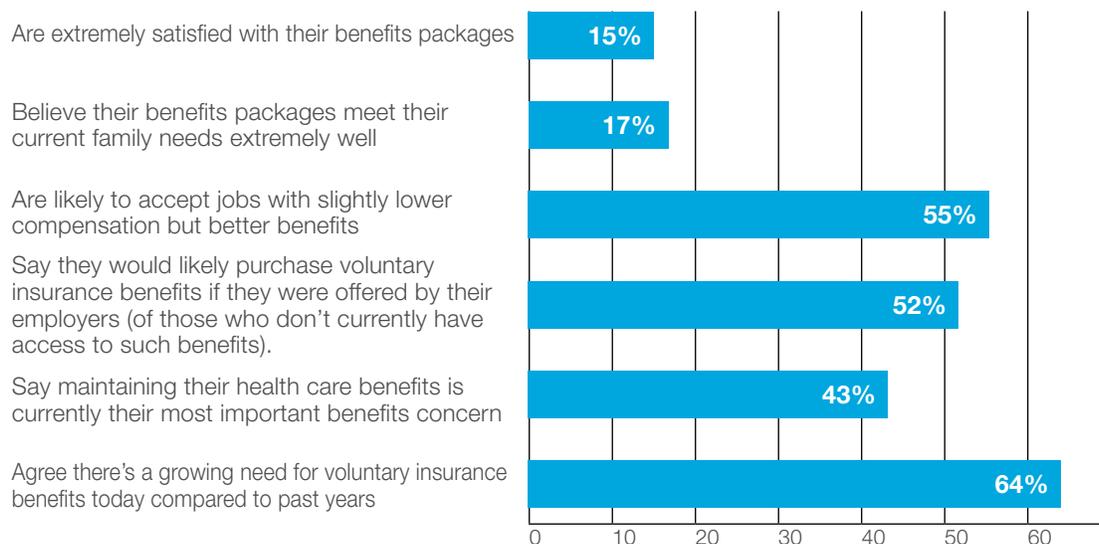


Employee-benefit booklet  
**49%**

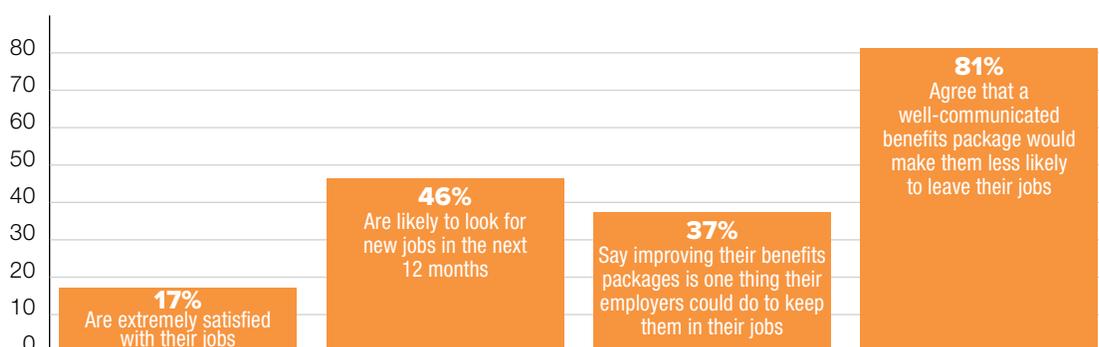
## Key employee findings

Financial preparedness	Percent of responses
Would not be able to adjust to the large financial costs associated with a serious injury or illness	63%
Completely or strongly agree their families are financially prepared for an unexpected emergency	27%
Have less than \$1,000 to pay for unexpected out-of-pocket medical expenses	43%
Have less than \$500 to pay for unexpected out-of-pocket medical expenses	24%
Would need to borrow from a 401(k) and/or use a credit card to cover unexpected medical costs	56%
Say high medical costs have affected their credit scores	10%
Have been contacted by a collection agency about outstanding medical bills	12%

## Benefits engagement



## Job satisfaction



## The impact of health care reform

	Percent of responses
Employees believe health care reform is too complicated to understand	72%
Employees believe their employers will educate them about changes to their health care coverage as a result of health care reform	73%
Employees think their medical costs will increase	86%
Employers feel extremely or very prepared to address changes to the health care system in 2014	49%
Employers will rely on brokers or insurance companies to suggest changes to their benefits packages due to the changing health care environment	40%
Employees think their HR departments communicated extremely effectively about health care reform and any subsequent changes to their benefits	10%
Employees completely agree their employer has prepared them well for the impact of health care reform	3%
Employees say the frequency of their employers' benefits communication increased compared to last year	20%
Employees agree they are very or extremely knowledgeable about federal and state exchanges	8%

## About the study

The 2014 Aflac WorkForces Report is the fourth annual Aflac employee-benefits study examining benefits trends and attitudes. The study, conducted in January 2014 by Research Now, captured responses from 1,856 benefits decision-makers and 5,209 employees from across the United States. To learn more about the Aflac WorkForces Report, visit [AflacWorkForcesReport.com](http://AflacWorkForcesReport.com).

*This material is intended to provide general information about an evolving topic and does not constitute legal, tax or accounting advice regarding any specific situation. Aflac cannot anticipate all the facts that a particular employer or individual will have to consider in their benefits decision-making process. We strongly encourage readers to discuss their HCR situations with their advisors to determine the actions they need to take or to visit [healthcare.gov](http://healthcare.gov) (which may also be contacted at 1-800-318-2596) for additional information.*

*This article is for informational purposes only and is not intended to be a solicitation.*

## Sources

<sup>1</sup> For the purposes of the Aflac WorkForces Report, large companies are defined as those with 500 or more employees.

<sup>2</sup> Aflac's "Impact of Voluntary Accident and Voluntary Disability Insurance on Workers' Compensation Claims" study reflects a survey conducted in November 2013 by Aflac and Lieberman Research Worldwide. Survey participants included 600 employers at small, medium and large U.S. companies. Small employers are defined as those with three-99 employees. Medium employers are defined as those with 100-499 employees. Large employers are defined as those with 500 or more employees.

