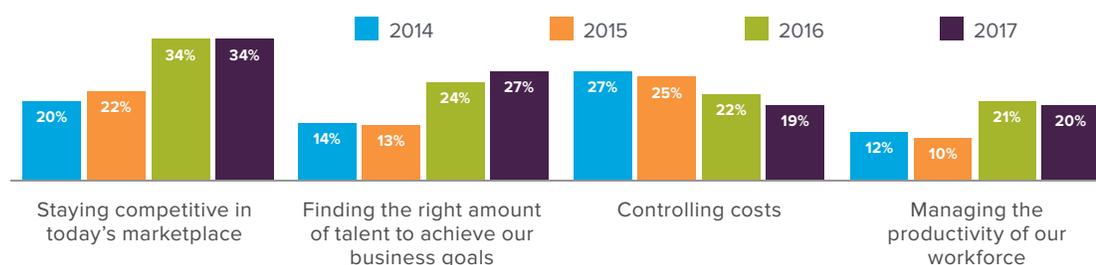


Voluntary insurance helps employers address top business challenges



Business owners know the challenge of offering a strong benefits package to attract and retain the best employees, but that's just one of the many issues they have to be concerned about to run successful companies with satisfied employees. More than 30 percent of the 1,800 employers surveyed for the 2017 Aflac WorkForces Report (AWR), an annual study about benefits trends and attitudes, told us their No. 1 business objective is staying competitive in today's marketplace.¹

For four years, employers have chosen their most important business objective from four options.



Offering voluntary insurance as a part of a comprehensive benefits package is one way employers can help address these top objectives.

STAY COMPETITIVE

CHALLENGE: To succeed in today's rapidly changing business world, business owners have to find new and inexpensive ways to stay competitive. In addition to the Aflac study results, third-party data points to the growing concern of employers to stay at the forefront of their fields. For example, KPMG found that 85 percent of CEOs are concerned about their competitors,² and JP Morgan Chase found that 28 percent of executives listed U.S. competition as one of their three most significant challenges facing their business in 2017.³

HOW VOLUNTARY INSURANCE CAN HELP: According to the Aflac study,¹ **38 percent** of all business owners who offer voluntary insurance do so to remain competitive with other employers. After all, voluntary insurance is becoming increasingly important to employees – **81 percent** of the 5,000 surveyed in the AWR see a growing need for voluntary insurance. Voluntary benefits options are a great way to provide employees with the benefits they want with little or no direct cost to the company.

FIND THE RIGHT TALENT

CHALLENGE: **27 percent** of employers said that finding the right amount and level of talent to achieve business goals was their most important business objective.¹ Similarly, according to a study by Manpower Group, 40 percent of employers are having difficulty filling jobs, with 19 percent blaming lack of technical job skills.⁴

HOW VOLUNTARY INSURANCE CAN HELP: Offering benefits above and beyond the bare minimum will help with attracting and keeping great employees. Consider this:¹

- » **58 percent** of employees are at least somewhat likely to accept a job offer that included a slightly lower compensation but a more robust benefits package.
- » **39 percent** of employees said one thing employers could do to keep them in their jobs is improve their benefits package.



38%
of all business owners who offer voluntary insurance do so to remain competitive with other employers.

CONTROL COSTS

CHALLENGE: Health care costs continue to rise, affecting how employers offer benefits to their workforce, including more offerings of lower-value plans than in past years. The value of benefits is changing, but both the Aflac study and third-party research show that employers aren't giving up on benefits completely. To control costs, companies are making changes to their benefits programs. In 2016, **27 percent** of employers increased employees' copays and **26 percent** increased employees' share of the premium.¹

HOW VOLUNTARY INSURANCE CAN HELP: Voluntary policies can be offered at no direct cost to the employer and provide cash directly to the policyholder* for costs that may not be covered by major medical insurance. And offering a robust benefits package that includes voluntary policies helps retain a talented, productive workforce, saving employers the recruiting and training costs associated with turnover.

MANAGE PRODUCTIVITY

CHALLENGE: Managing worker productivity is important to business owners. It's hard for employees to be productive at work if they are distracted due to financial stress from personal or health issues. A study by the American Psychological Association shows that 72 percent of Americans reported feeling stressed about money at least some of the time during the past month.⁵ Employees are dealing with serious financial realities that can affect their productivity at work:¹

- » **65 percent** have less than \$1,000 to pay for out-of-pocket expenses if an unexpected serious illness or accident occurred today.
- » **22 percent** have had difficulty paying medical bills due to the high costs.
- » **33 percent** have avoided going to the doctor due to high medical costs.

HOW VOLUNTARY INSURANCE CAN HELP: Providing voluntary benefits options offers a layer of protection for employees when they're sick or injured – regardless of their major medical insurance coverage. These benefits help provide employees with a financial safety net for unexpected medical expenses, helping give them peace of mind to focus on the tasks at hand.

**Unless otherwise assigned.*

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

Aflac herein means American Family Life Assurance Company of Columbus and American Family Life Assurance Company of New York.

SOURCES

- ¹ The 2017 Aflac WorkForces Report (AflacWorkForcesReport.com).
- ² "2016 Global CEO Outlook." KPMG. Accessed May 8, 2017. <https://home.kpmg.com/content/dam/kpmg/pdf/2016/06/2016-global-ceo-outlook.pdf>.
- ³ "2017 Business Leaders Outlook." JP Morgan Chase. Accessed May 8, 2017. <https://commercial.jpmorganchase.com/jpmpdf/1320728100616.pdf>.
- ⁴ "2016/2017 Talent Shortage Survey." Manpower Group . Accessed May 8, 2017. http://www.manpowergroup.com/wps/wcm/connect/389b7a9d-cfe2-4b22-bd61-f0febc709cd6/2016_TSS_Global_Infographic+-+Final.pdf?MOD=AJPERES.
- ⁵ "American Psychological Association Survey Shows Money Stress Weighing on Americans' Health Nationwide." American Psychological Association. Access May 9, 2017. <http://www.apa.org/news/press/releases/2015/02/money-stress.aspx>.

39%
of employees
said one thing
employers
could do to
keep them
in their jobs
is improve
their benefits
package.



65%
have less
than \$1,000
to pay for
out-of-pocket
expenses if an
unexpected
serious illness
or accident
occurred
today.