

# Employer of choice

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Building a better workforce  
with benefits and  
value-added services

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There's a seismic shift under way at companies today. For years, as the economy languished, employers sought ways to lower their costs – and that included passing the increased cost of health care on to employees in the forms of increased health insurance copayments and deductibles, as well as eliminated or reduced benefits.

That's not all. The flagging economy prompted many companies to cut back in other ways – including reducing pay raises and bonuses, or eliminating them altogether. The pinch was painful: A recent survey revealed that 78% of Americans are living paycheck to paycheck and 71% are in debt.<sup>1</sup>

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Despite the cutbacks and increased costs, most employees remained in their jobs. That's because as the economy stumbled, so did the job market. Now though, the atmosphere is changing. With an improved economy, employers suddenly find themselves in an unfamiliar position: Jobs are opening up and the competition for the best and brightest workers is more intense.





## The drive to become employers of choice

Workers who were leery about making moves may now be eyeing the exits. To keep them in place – and to attract the cream of the crop of new employees – companies that were once “employers of necessity” must become “employers of choice.” Companies aren’t likely to remain successful without their greatest assets: outstanding employees. One way to attract and retain superior talent is by making sure benefits offerings are plentiful, competitive and affordable. In other words, smart businesses are retaining and wooing coveted workers with outstanding perks and packages that put them atop the list of most-desired employers.

**38%**  
**of employees say improving  
benefits would help them  
stay in their current job  
position.<sup>2</sup>**

For the past nine years, Aflac has conducted an annual survey designed to gauge employer and employee attitudes and opinions about health care, benefits and related topics. The results of the 2019-2020 Aflac WorkForces Report reveal just how critical benefits are to job satisfaction, productivity, retention and recruitment.<sup>2</sup>

According to the survey, wage increases are, of course, the biggest incentive for retention. But improving the benefits package ranks second overall, with 38% of employees saying this would help keep them in their job.<sup>2</sup> In fact, more than half of them (52%), say they’re at least somewhat likely to accept slightly lower compensation in a job that offered a more robust benefits package.

## Meeting employee needs — and wants

With employee satisfaction being so essential to a company's success, it's important to offer incentives and benefits that will attract top talent. Large and small companies across the country have discovered there are other ways to reward workers besides offering more money – such as a pet-friendly work environment, work-time access to massages and yoga classes, freedom and funding to travel – and even free pints of ice cream, daily.<sup>3</sup> However, most of the perks employees seek are more down-to-earth.<sup>4</sup>

**88% want health insurance.**  
**88% want flexible work schedules.**  
**66% want a compressed work week.**  
**55% want telecommuting.**

Companies may – or may not – be willing to accommodate workers who want to bring Spot and Fido to work or enjoy free ice cream but they can easily provide employees the option of supplemental benefits. Because supplemental benefit premiums are usually paid by employees who elect to enroll, these benefits can bulk up a company's list of health care offerings. And while the benefits aren't free, employees can choose from an array of plans that meet their families' needs and budgets.





Many employees are familiar with the most commonly available supplemental options such as dental and vision insurance because they've become almost standard at American businesses. Critical illness, hospital confinement indemnity and accident insurance are other

products that warrant consideration. That's because while many employees can come up with the money to pay for glasses or a tooth filling, it may be much harder for them to finance the medical bills that accompany an accident or illness.

**85%**  
of employees see  
a growing need for  
supplemental insurance.<sup>2</sup>

According to the WorkForces Report, a little over half (52%) of employees could afford to pay less than \$1,000 in out-of-pocket costs stemming from an unexpected illness or accident. With ever-increasing copays and deductibles, employees also realize they may need even more financial protection. Eight-five percent see a growing need for supplemental insurance.<sup>2</sup>

While nap rooms and on-site baristas may not be in the cards, supplemental insurance can help companies move closer to becoming employers of choice.

## Beyond the basics

Many companies are responding to employees' concerns about the prospect of high medical bills by amping up their benefits plans with supplemental insurance options and seeing positive results in many ways.

With so many companies offering employees supplemental coverage options, it's become less of a differentiator in the race to become an employer of choice. That's where value-added services come in. What are value-added services? In the insurance business, they're additional services that complement supplemental products, making them more appealing to employers and workers. Some of the most popular value-added services include:<sup>2</sup>

- health advocacy or medical bill negotiation
- employee assistance programs
- identity theft protection
- legal assistance
- student loan reimbursement
- telemedicine
- financial coaching





## The value of value-added services

These days, most employees have multiple jobs – and even multiple careers – during the course of their working lifetime. Some leave jobs because they're uninspired or have new and different employment dreams. But they often leave for another reason: disenchantment with their benefits, especially their health care benefits.

**63%**  
of employees rank health benefits as one of their top three factors when looking for a new job.<sup>2</sup>

As the competition for top employees intensifies, wise employers are looking for ways to increase their desirability among workers. Supplemental insurance and value-added services are a one-two punch that can be critical to establishing a productive, engaged workforce. Plus, the combination can deliver a knockout blow in the competition for the most talented workers. While some attrition is unavoidable, working with a professional to beef up your company's benefits options may go a long way toward maintaining an engaged, satisfied and stable team of employees.

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<sup>1</sup>CNBC. "The government shutdown spotlights a bigger issue: 78% of US workers live paycheck to paycheck." Accessed Oct. 2, 2019. <https://www.cnbc.com/2019/01/09/shutdown-highlights-that-4-in-5-us-workers-live-paycheck-to-paycheck.html>

<sup>2</sup>Aflac. The 2019-2020 Aflac WorkForces Report is the ninth annual study examining benefits trends and attitudes. The surveys, conducted by Kantar, captured responses from 1,200 benefits decision-makers and 2,000 employees across the United States in various industries. For more information, visit [AflacWorkForcesReport.com](http://AflacWorkForcesReport.com).

<sup>3</sup>Business News Daily. "15 Cool Job Perks That Keep Employees Happy." Accessed Oct. 2, 2019. <https://www.businessnewsdaily.com/5134-cool-job-benefits.html>

<sup>4</sup>Robert Half. "10 Top Perks and Benefits That Win Employees Over." Accessed Oct. 2, 2019. <https://www.roberthalf.com/blog/compensation-and-benefits/10-top-perks-and-benefits-that-win-employees-over>