

A photograph of two women sitting on a couch in an office environment. The woman on the left has short grey hair, wears glasses and a black denim jacket, and is holding a tablet. The woman on the right has long dark hair and is wearing a pink top. They are both smiling and looking at the tablet. In the background, a large window shows a cityscape with buildings. A semi-transparent dark circle is overlaid on the bottom half of the image, containing the text.

# **Benefits' Big Impact on Employee Experience (2022-2023):**

Meeting Expectations &  
Gaining a Competitive Advantage

**isolved™**

## Check on your HR friends.

Recruitment and retention have become significantly more challenging for many organizations. **Forty-nine percent of HR leaders** say their company has been negatively impacted by The Great Resignation; 48 percent expect recruiting to become more difficult and 56 percent say retention has become more difficult.

Although the talent pool may seem shallow and current employees may be looking for new opportunities, there's one common thread that can ease both HR challenges – a positive employee experience (EX). EX goes beyond potluck lunches and casual Fridays. It's defined as any interaction an employee

has at work, encompassing everything from how employees get paid to the benefits they elect (and how they elect them). Benefits, however, can do more than just boost EX – they can also give organizations a competitive advantage in an aggressive employment landscape.

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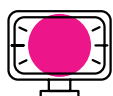
To provide insight into the expectations for employer benefits, we surveyed more than 1,100 full-time employees in the United States. Their responses highlight important preferences of today's modern workforce.



### Current Benefits vs. Desired Benefits



### Benefits & The Competitive Advantage



### The Election Process's Impact on EX





## Current Benefits vs. Desired Benefits

Employees' benefits experiences start with the options they choose from when making elections, but are the benefits employers offering aligning with what employees really want?

According to our survey, the most common benefits full-time employees have access to are health insurance, dental insurance and retirement plans. While all important, these offerings are oftentimes seen as standard by workforces in many industries.

**The benefits least likely to be offered include student-loan debt relief, transit and parking reimbursement, and pet insurance. It's important to note that both student-loan debt relief and pet insurance were ranked in the top five benefits employees wish their employers offered but don't.**

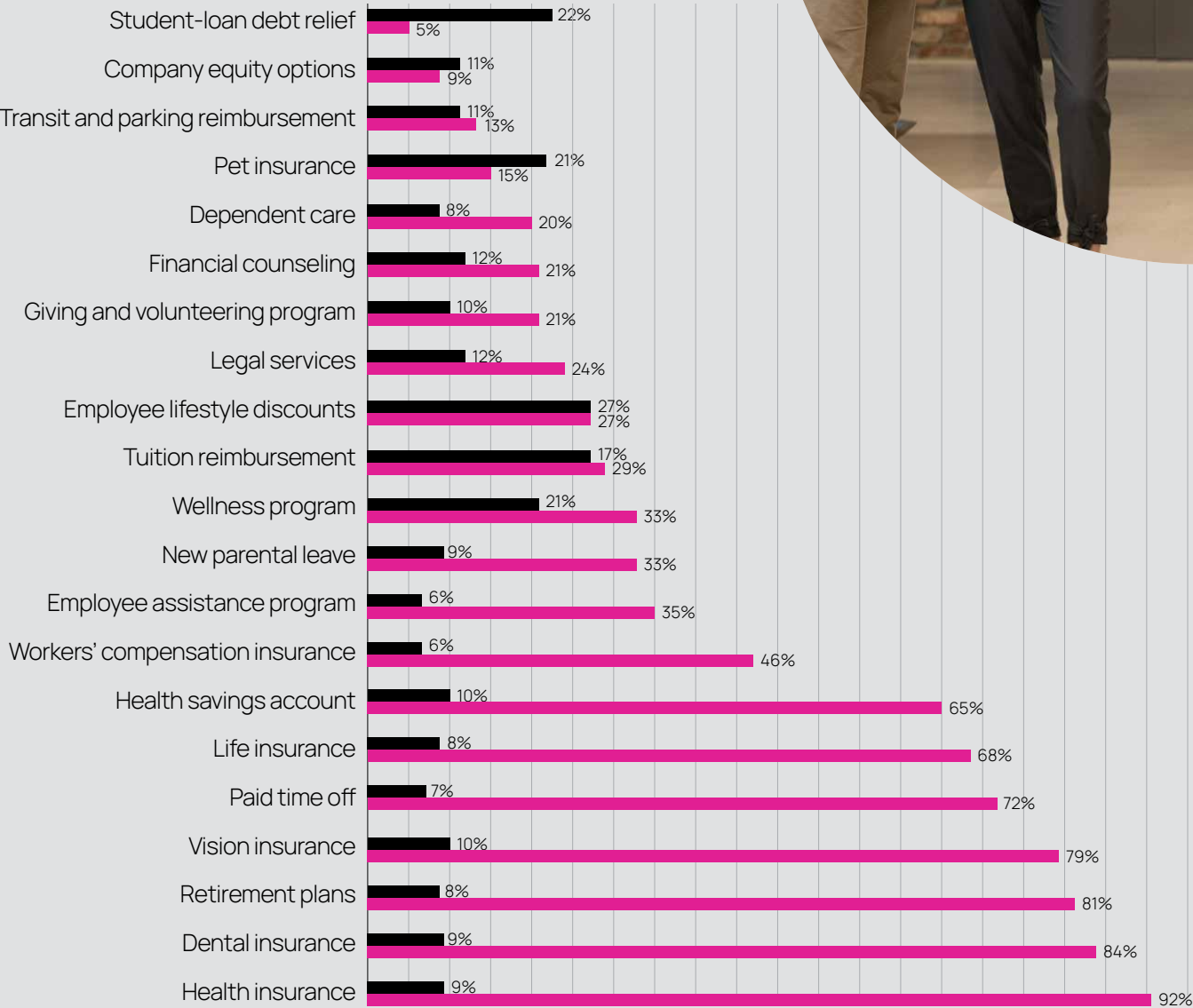
Likely reasons why employees want access to these benefits? Student loans can be a big financial burden, and relief has been a political talking point over the last few years. When it comes to pets, many in younger generations – including Millennials and Gen Z – have opted to hold off on parenthood and adopted pets for companionship.



# But what's the benefit most employees wish their employer offered?

## Lifestyle discounts.

The data shows that although 27 percent of employees have access to discounts for things like hotels, theme parks and retail shops through their employers, another 27 percent wish their employers offered this type of work perk.



■ Desired benefits (not currently offered) ■ Benefits currently offered

## Supporting Caregiving Needs

Diving a bit deeper into benefit preferences, we asked employees about caregiver benefits – such as employer programs that provide support for eldercare and childcare.

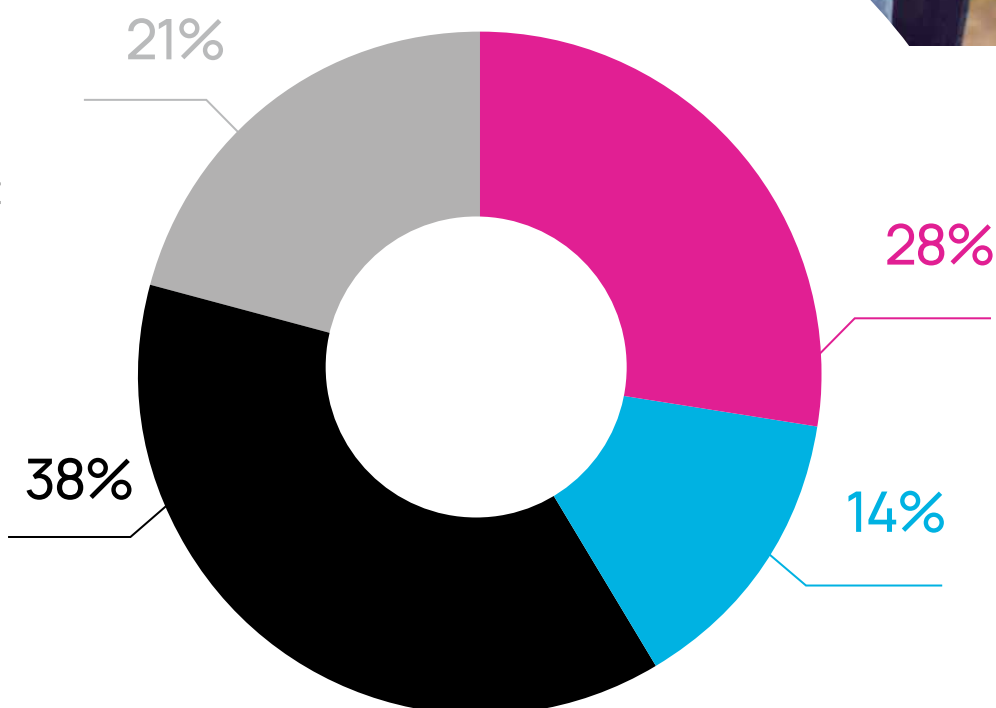
Most employees say this type of support is just as important to them now as it was last year, and only 14 percent say it's less important.

There are many reasons why this benefit is in the spotlight, with one being that **employees are taking on more responsibilities at home because of the pandemic** and their new remote or hybrid-work lives – especially as they continue to prioritize work/life balance. Another reason could be the number of aging Baby Boomers, and the need for additional support for those responsible for their care.



Are caregiver benefits more or less important to you than last year?

- More important
- Less important
- The same
- Not applicable



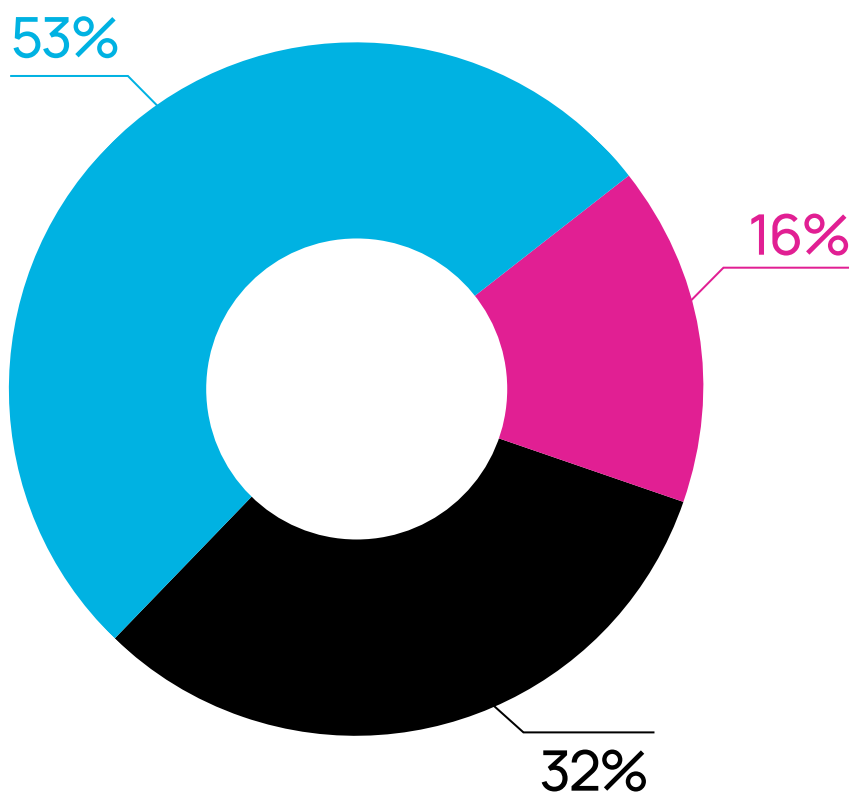


## Enabling Corporate Social Responsibility

We also asked about employees' outlooks on charitable giving as part of the benefits experience. Thirty-eight percent say they look at employers favorably when they offer social-good programs as part of their benefits program, while 50 percent would look at the offering neutrally and just 12 percent would look at an employer negatively. But how likely are employees to take advantage of charity donations deducted straight from their paychecks? It's almost an even split – with 53 percent saying not likely and 48 percent being probable or extremely likely to leverage the capability.



How likely are you to take advantage of charity donations deducted straight from your paycheck?

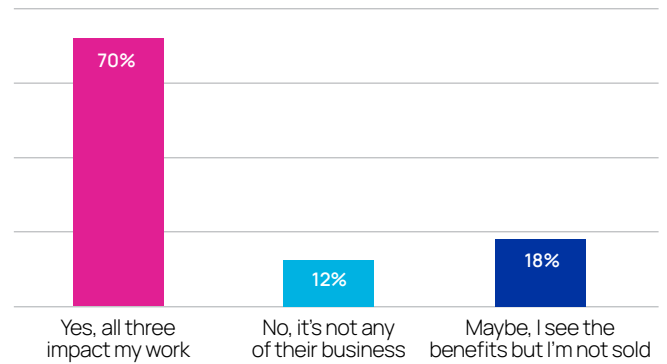


- Extremely likely (that would make the process to donate easier)
- Probable (I'm not sure I want to mix my professional and personal life)
- Not likely (If I choose to donate, I'd do it outside of work)

## Wellness at Work

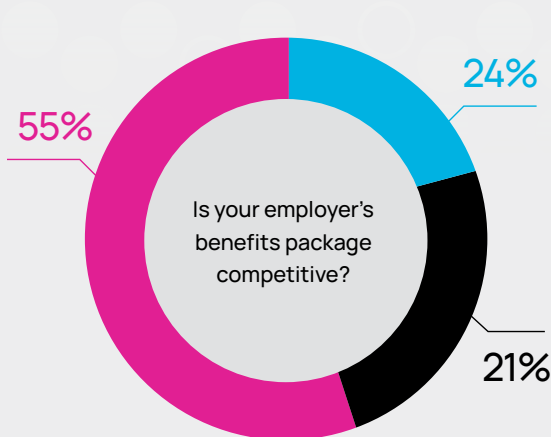
When it comes to wellness, most employees think their employer should offer a comprehensive program that supports their physical, mental and financial well-being – because all three impact their work. However, it seems like more needs to be done to get employers on the same page. In our separate survey of 500 HR leaders, just 47 percent said their organization is offering complete wellness programs to help address burnout for their workforce. What's more, 34 percent of HR leaders said improving their organization's wellness program would help them stay competitive in the market. But wellness isn't the only part of a company's benefits offering that can boost competitiveness...

Should your employer offer a comprehensive wellness program that supports your physical, mental and financial well-being?

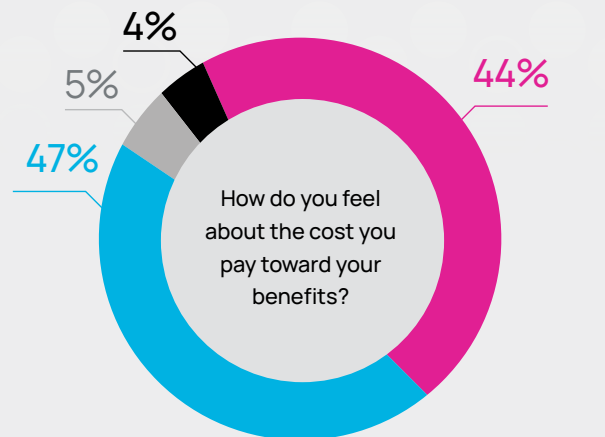


## Benefits & The Competitive Advantage

Benefits can certainly help companies stand out when it comes to recruitment, and the good news is more than half of employees feel like their employers' benefits package is competitive. What's more, the majority of employees feel like they are contributing just the right amount for their benefits.



Yes | No | Not sure

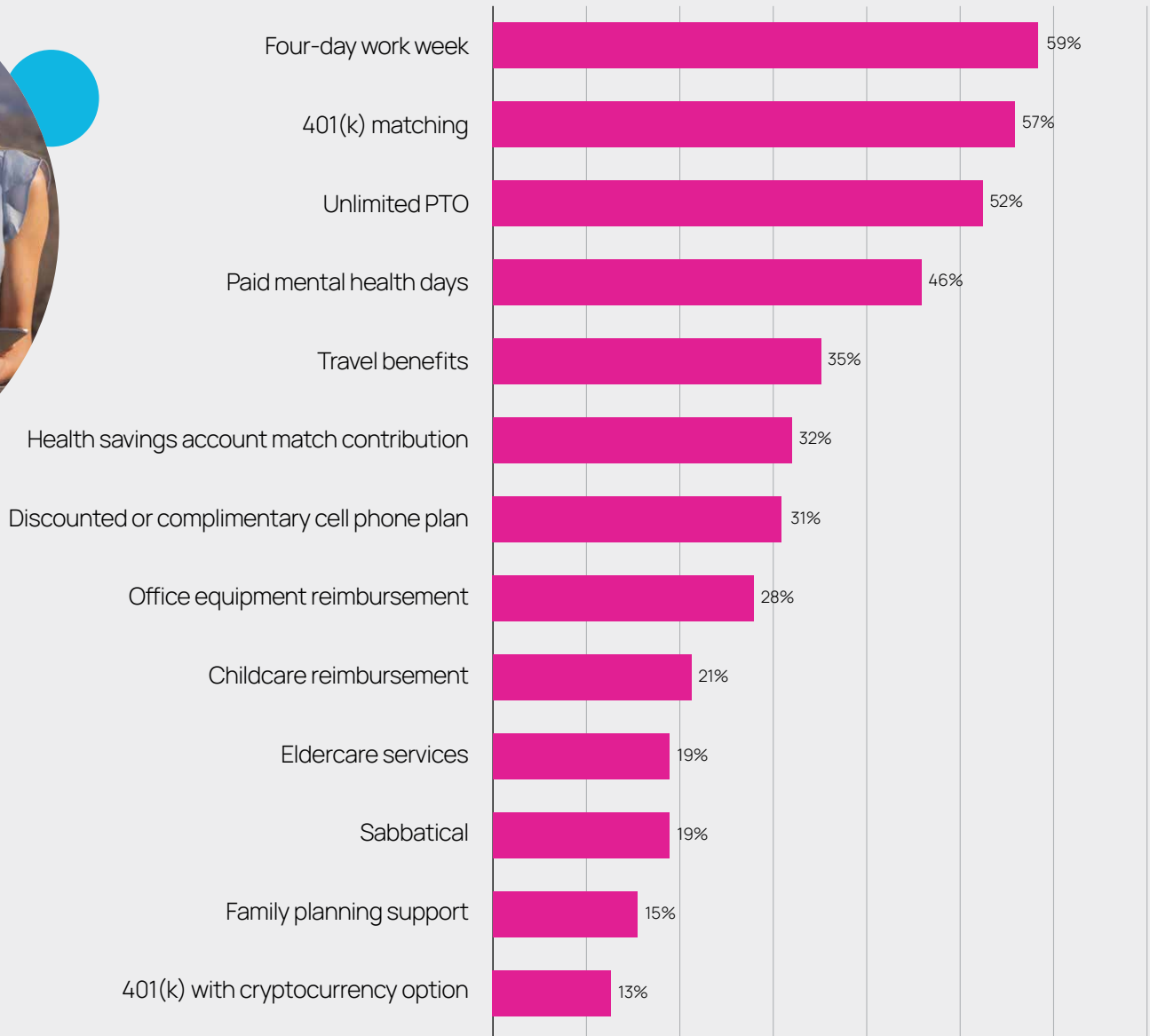


Too high | Just right | Too low | My employer pays 100% of my benefits

To really stand out though, employers may need to think outside the traditional work-perk box.

A four-day work week, for example, is the top benefit/employment incentive that would motivate someone to apply for a new position. Other perks that are likely to grab candidates' attention include 401(k) matching, unlimited paid time off (PTO), paid mental health days and travel benefits – which includes annual budgets for traveling outside of work. This type of perk is not only attractive to employees but can also help employers combat burnout because it requires employees to take time to relax and recharge.

What unique benefits/employment perks would motivate you most to apply for a position with an employer offering it?





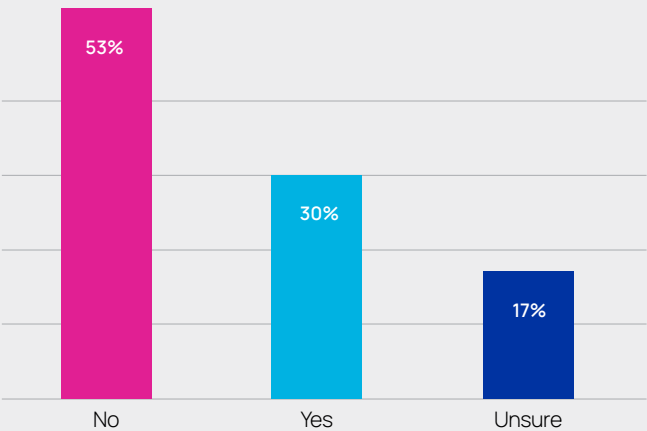
# Benefits' Impact on Total Compensation

Despite a competitive recruitment landscape, **most employees say their employer hasn't expanded their benefits offerings over the last year.** This finding is a bit jarring considering the current talent acquisition and retention challenges employers are facing. More than a quarter of employees, however, say their employer has taken steps to expand benefits – including providing more or better coverage options.

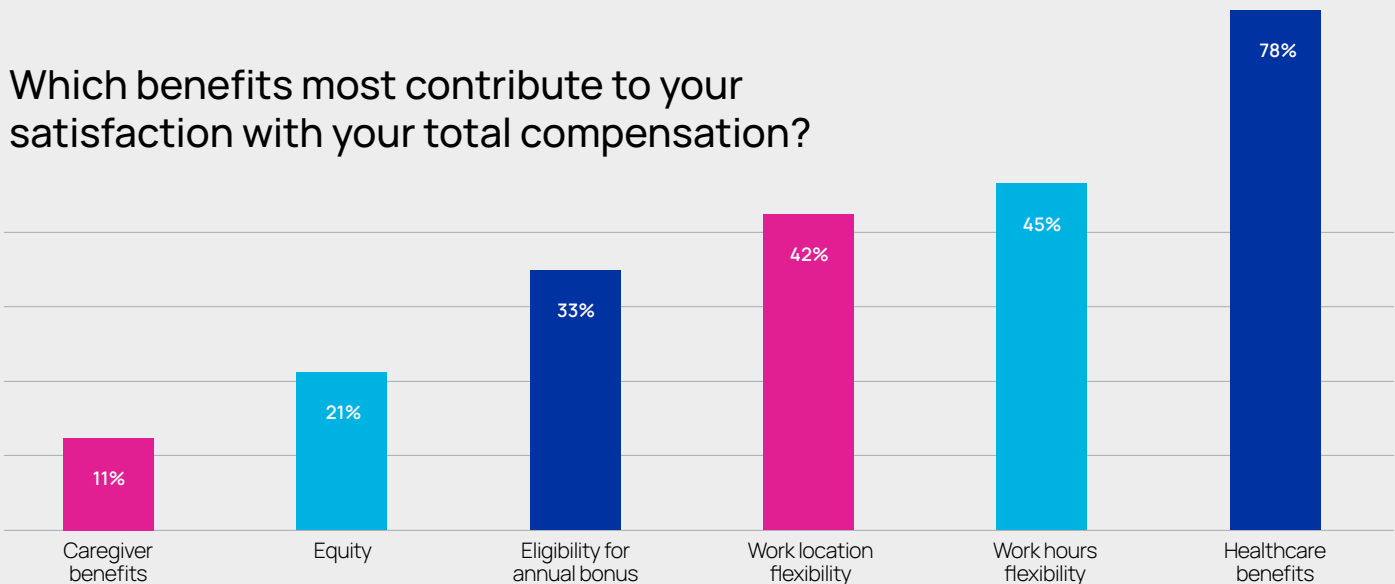
To make sure benefits are providing a competitive advantage, it's essential to clearly communicate their value to employees (and prospective employees). **The good news is that 82 percent of employees consider benefits part of their total compensation when deciding to accept a job offer or stay with their existing employer.** Additionally, 65 percent think their employer effectively communicates their total compensation package, which includes base salary and benefits. But there is room for improvement, as 22 percent say their employer does not communicate total compensation clearly and 13 percent are unsure.

Identifying the benefit that's most impactful when it comes to satisfaction with total compensation is also important. While healthcare leads the way, equity – including company shares or incentive units – surprisingly ranks low.

## Has your employer expanded their benefits offerings over the last year?



## Which benefits most contribute to your satisfaction with your total compensation?

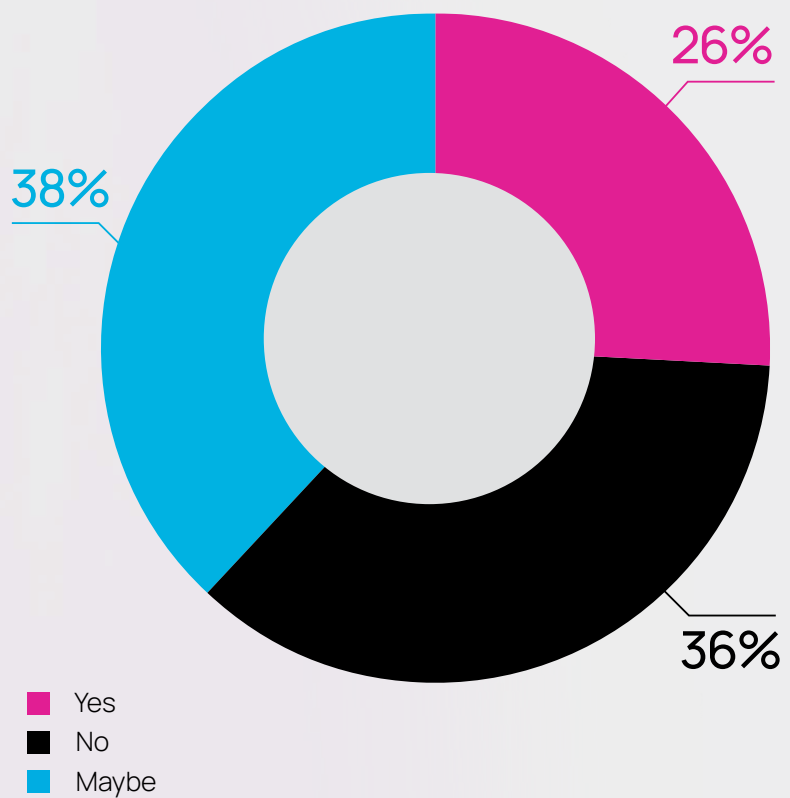




## Benefits Elections and Retention

Outside of benefits being offered, it's also important to consider the enrollment experience. But just how important is it? Well, 64 percent of employees say a poor experience could lead them to look for a new job. Yes – benefits enrollment is that important.

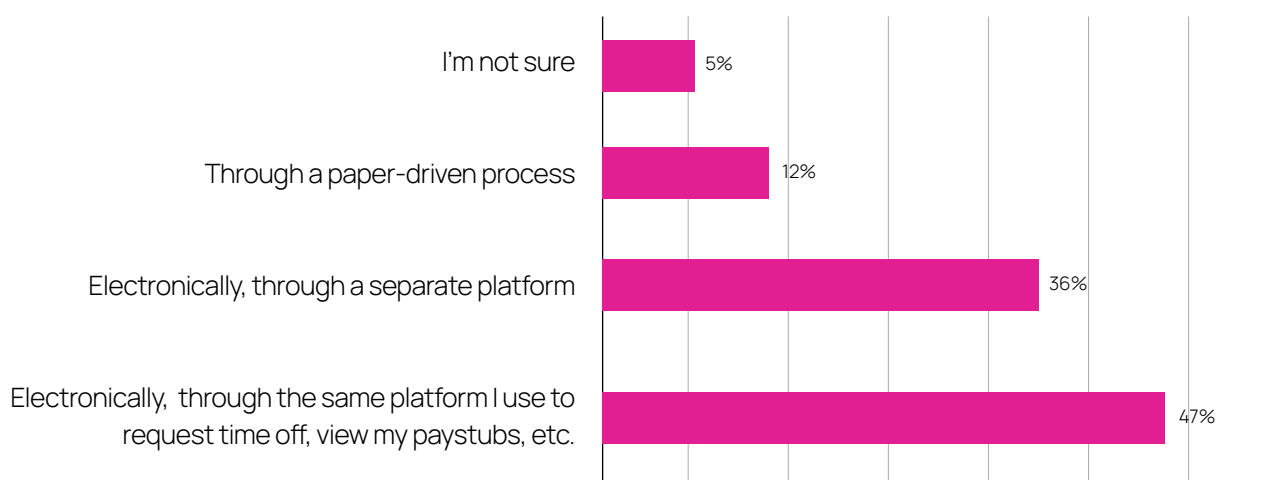
Would a poor benefits enrollment experience cause you to look for a new job?



## The Election Process's Impact on EX

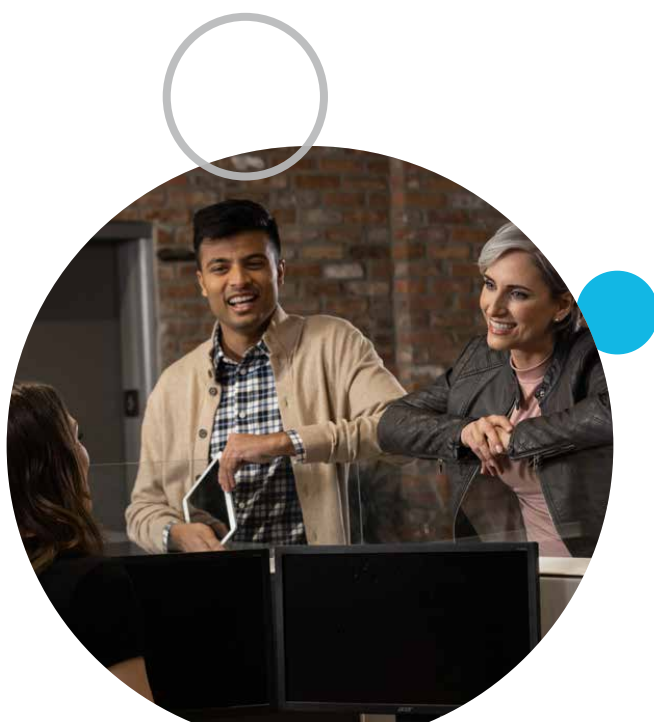
We know that the benefits election process is important, but what does the experience look like for employees? Our research shows that most are using technology to elect their benefits electronically, but less than half are doing so through a unified and intelligently connected human capital management (HCM) platform. However, this type of technology is important to 30 percent of respondents.

### How do you elect your benefits?



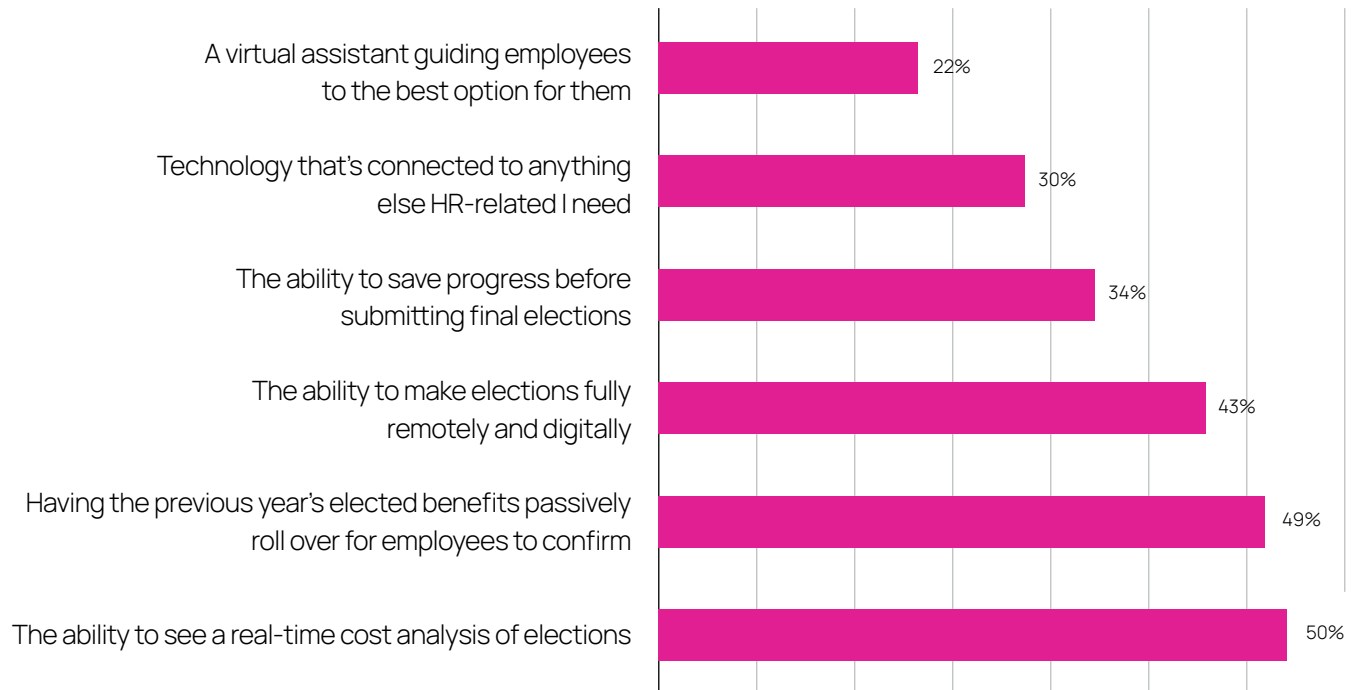
What other features do employees want when they choose their benefits? **The ability to see a real-time cost analysis of elections leads the way and the ability to roll over the previous year's elected benefits ranks highly.**

In fact, only 6 percent of employees say they wouldn't be likely to roll over elections from the previous year if the option was given to them. Conversely, 48 percent say they would probably roll over elections and 47 percent say they would be extremely likely to do so – a good sign that employers should consider offering this functionality if they don't already.





## Which features are most important to your overall experience when using technology to elect your benefits?



The data also shows employees realize the value of virtual assistant technology and its ability to ease the elections process by guiding them through open enrollment. In fact, 22 percent say the capability is important to their overall

experience and 36 percent say they would use a virtual assistant if it was offered to them – with 33 percent also considering adapting the technology if it was made available to them.

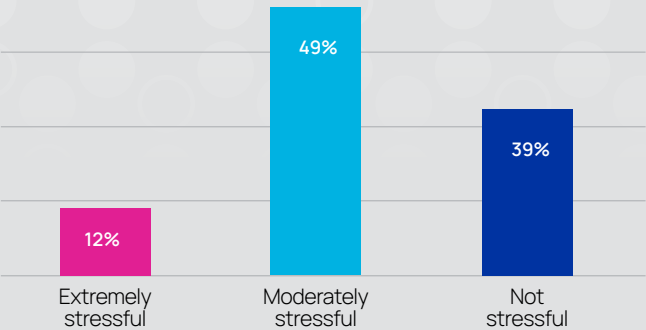


# Addressing Stressful Enrollment Experiences

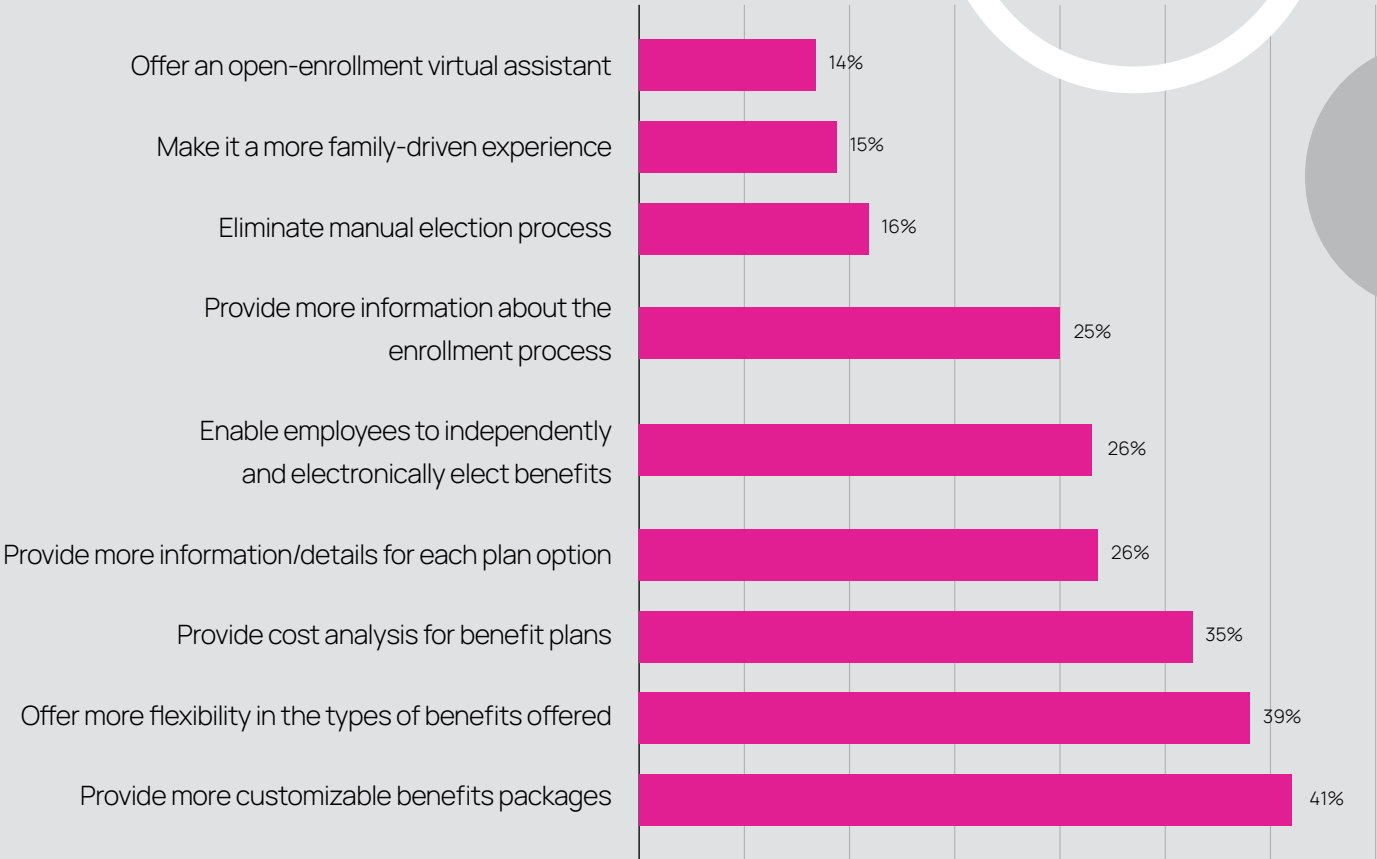
Technology features that streamline elections can go a long way in easing the enrollment process, which is likely to be welcomed by employees – especially because 61 percent rate open enrollment as either extremely or moderately stressful.

But what else can employers do to improve benefits enrollment? The top answers are providing more customizable benefits packages and more flexibility in the types of benefits offered. Providing a cost analysis of benefits plans also seems to be significant.

## How stressful is the open enrollment process for you?

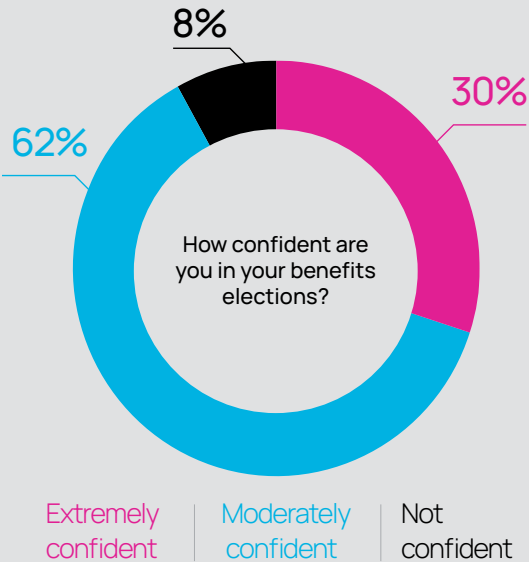
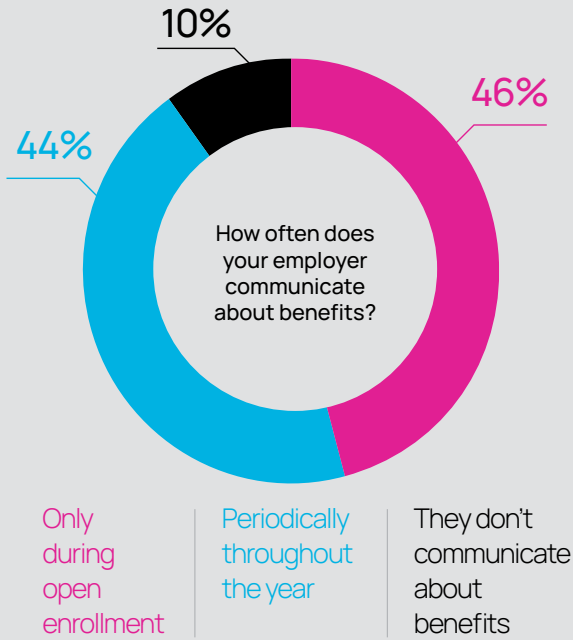
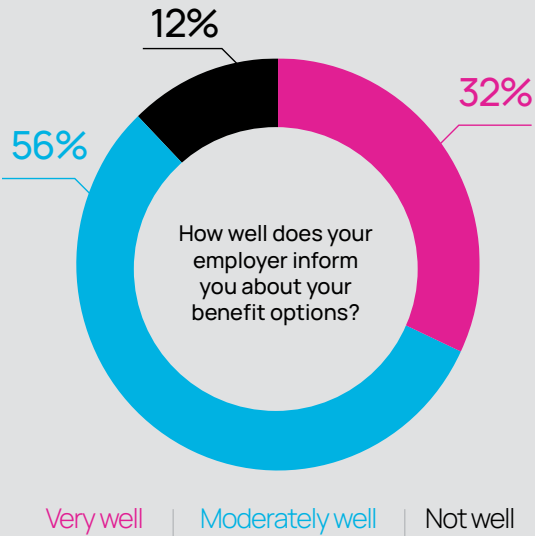


## What could your employer do differently to improve your benefits enrollment experience?



It's important to note that 26 percent of employees would like their employer to provide more information about their offered benefits plans in order to improve the enrollment experience. Further research shows just 32 percent of employees say their employer does "very well" in informing them about their benefits options, and 46 percent say their employer only communicates about benefits during the open

enrollment period. When improving communication, it's advantageous to highlight the resources available to employees – including the tools they have access to, the teammates they can reach out to and any other information that would be supportive of their overall EX. Despite there being room for improvement, only 8 percent of employees don't feel confident in the elections they make.





# Solving the EX Puzzle


While delivering a positive EX certainly requires more than just ensuring positive benefits enrollment experiences, benefits are still an important part of the employee journey that shouldn't be overlooked – especially because a strong benefits portfolio and election process can help organizations attract and retain talent. Remember, every interaction an employee has with their employer impacts their experience, which means there are many parts of the employee journey that shape the bigger EX puzzle.

## Methodology

isolated surveyed 1,145 full-time employees located in the United States in May 2022, ranging across job titles and industries. Please note that whole-number rounding was used for charts. For any questions about the survey or our findings, please contact Allie Howen at [ahowen@isolatedhcm.com](mailto:ahowen@isolatedhcm.com).

## About isolated

isolated is an employee experience leader, providing intuitive, people-first HCM technology. Our solutions are delivered directly or through our partner network to more than five million employees and 145,000 employers – who use them every day to boost performance, increase productivity, and accelerate results while reducing risk. Our HCM platform, isolated People Cloud, intelligently connects and manages the employee journey across talent management, HR & payroll, benefits, workforce management and engagement management functions. No matter the industry, we help high-growth organizations employ, enable and empower their workforce by transforming employee experience for a better today and a better tomorrow.

A man with dreadlocks, wearing a blue and grey striped sweater and black pants, is holding a tablet and showing it to a woman. The woman has long brown hair, is wearing a black t-shirt and grey plaid pants, and is holding a black folder. They are both smiling and looking at the tablet. The background is a white wall with a pattern of grey circles and pink circles. To the right, there is a large, 3D black 'is' logo with a pink circle. The floor is a light grey concrete.

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