

**MetLife**

# UNITED KINGDOM EMPLOYEE BENEFIT TRENDS STUDY

Valuable Insights and  
Practical Solutions





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## About MetLife's Global Employee Benefits

MetLife is a leading provider of employee benefits, combining local insight and capability with global scale to deliver world class solutions to companies and their employees. With over 145 years of experience, MetLife brings both experience and expertise to support its customers. Globally, our product suite spans life, health, credit and retirement solutions.

MetLife has employee benefits operations in more than 40 countries and is a leading provider in over half of those. We are one of two founders of the MAXIS Global Benefits Network,<sup>1</sup> one of the world's leading international employee benefits networks with a presence in over 100 countries.

We also collate data and best practices from around the world to help employers enrich their benefits plans and retain top talent. The Employee Benefits Trends Study (EBTS) is one of the most comprehensive studies of its kind. It has been conducted in the US for 12 years and at various times in nine other countries.

## MetLife in the UK

MetLife established a wealth management business providing retirement and investment products in the UK in 2007 when it set up the UK branch of MetLife Europe Limited. In 2011 the remit broadened to include employee benefits.

Also in the UK is a strong individual business with a simple accident and health product distributed through financial advisers.

At MetLife Employee Benefits, we believe that employees can be their best when they

have benefits plans that give them security and peace of mind, as well as physical and mental wellbeing. And when their employees are at their best, employers also thrive.

Our products provide much more than just critical financial support at times of accident, illness or death. They recognise the emotional needs and challenges of modern working lives and find ways to help build resilience, connect employees and drive better health and performance.

<sup>1</sup> MAXIS Global Benefits Network (MAXIS GBN) is a network of locally licensed MAXIS Member insurance companies. MAXIS GBN is not an insurance provider and only the MAXIS member insurance companies provide insurance.

# UNITED KINGDOM

## Introduction

Welcome to MetLife's Employee Benefit Trends Study (EBTS). It gives us real insight into employer and employee perspectives on issues affecting them. Looking at what both sides tell us demonstrates that there are clear opportunities for employers to better cater, through their benefits and benefits related communications, for the unmet needs employees have.

This survey of 300 employers and 301 employees in the UK comes at a fascinating time for its business.

Headline GDP growth (around 3% for 2014 and a forecast<sup>2</sup> 2.4% for 2015) and unemployment (down to 6%) are both moving in the right direction – and are among the strongest in Europe. But there remain serious concerns around productivity, wages and both household and government debt.

Productivity is a particular challenge. In Q3 2014, data from the Office for National Statistics<sup>3</sup> (ONS) showed UK worker output in 2013 was 17% below the average of other leading industrialised nations – the biggest

gap since 1992.

The period since the financial crisis has also seen major social and cultural shifts. Many UK workplaces are now home to five generations – from baby boomers delaying retirement, to millennials eager to find a way onto an increasingly inaccessible housing ladder. Many families living in London need two incomes just to make ends meet.

Suppressed wage levels (real wages did not rise in the UK<sup>4</sup> between 2009 and 2014) and uncertainty<sup>5</sup> about the robustness of the economic recovery have created more stress<sup>6</sup> for employees. Additional financial pressures – such as caring for extended families – have left many reluctant to move jobs.

The situation is also stressful for employers. While overall wages have been kept low, in key sectors like engineering and technology there are severe talent shortages,<sup>7</sup> pushing up salaries and damaging business capacity.

Against this backdrop, the evidence from the Employee Benefit Trends Study is incredibly useful, not least in showing how a broad-based employee benefits programme can help employers motivate, support and retain their employees.



<sup>2</sup> [www.gov.uk](http://www.gov.uk)

<sup>3</sup> [www.ons.gov.uk](http://www.ons.gov.uk)

<sup>4</sup> [www.ft.com](http://www.ft.com)

<sup>5</sup> [www.ion.icaew.com](http://www.ion.icaew.com)

<sup>6</sup> [www.hrmagazine.co.uk](http://www.hrmagazine.co.uk)

<sup>7</sup> [www.bbc.co.uk/news/business](http://www.bbc.co.uk/news/business)

## MARKET PROFILE

- The UK is the 9th biggest economy<sup>8</sup> in the world (by purchasing power parity), with a GDP of \$2.49 trillion (2013).
- Population: 63.7m (29.9% below the age of 25; 28.8% above the age of 55). Average life expectancy at birth: 80.4 years.
- Per capita healthcare spend: £1,912 (2012/13)<sup>9</sup>. The NHS is projected<sup>10</sup> to spend £113bn in 2014/15. Private expenditure on healthcare more than doubled between 1997 and 2008, rising from £10.7bn to £23.8bn – then falling to £23.2bn in 2012.
- According to the Organisation for Economic Co-operation and Development OECD,<sup>11</sup> total health spending accounted for 9.3% of GDP in the UK in 2012, equal to the OECD average, but down from a high of 9.7% in 2009.

## BENEFITS AT A GLANCE

- The UK has an extensive social security system. For the 2014/15 financial year, total government expenditure is expected<sup>12</sup> to be around £731bn – 20% of which will be State pensions, 18% health services and 15% welfare.
- The UK currently runs a deficit (forecast by the Office of Budget Responsibility at 5% of GDP in 2014/15) and tackling this issue is a priority for all the major political parties. Regardless of who forms the government after the General Election on 7th May, the UK can expect further “austerity measures” and welfare cuts.
- The State pension is the largest single outgoing for the Exchequer – although at just £113.10 per week, it is not a considerable sum for each individual. State pension age has been rising: women, previously qualifying at 60, are being moved to parity with men (65) and both will rise to 66 in 2020, 67 in 2028 and to 68 in the 2040s.
- Around 35% of working adults<sup>13</sup> are in an occupational pension scheme, but very few remain “defined benefit,” offering predictable income. And 47% of employees in the UK have neither a work pension nor a personal pension plan.
- The state’s auto enrolment scheme – compelling companies to offer a pension plan to employees – has already begun for the largest employers and will cover all organisations by 2017.
- Life insurance via an employer is far less common than it was, and currently applies to only 20% of employees. The figure is even lower for income protection, at just 11%.

<sup>8</sup> [www.cia.gov/library](http://www.cia.gov/library)

<sup>9</sup> [www.nhsconfed.org](http://www.nhsconfed.org)

<sup>10</sup> [www.nhsconfed.org](http://www.nhsconfed.org)

<sup>11</sup> [www.oecd.org/unitedkingdom](http://www.oecd.org/unitedkingdom)

<sup>12</sup> [www.ukpublicspending.co.uk](http://www.ukpublicspending.co.uk)

<sup>13</sup> [www.ons.gov.uk](http://www.ons.gov.uk)



# Heart and Minds: Talent in the UK

Employers need employees with skills, commitment and creativity. Their challenges? Connecting meaningfully with their employees such that employees' full capabilities and skills are realised, further driving productivity and strong and sustainable business performance. Benefits provision is not a panacea for the many challenges employers face but, if aligned to strategy and communicated well, benefits can drive loyalty and productivity at a time of uncertainty and competition for talent.

The UK economy has a problem. Relatively robust economic growth, low inflation and low unemployment are huge positives. The UK technology, professional services and financial sectors continue to be world leaders. But these very successes are creating a shortage of talent in key sectors.

The Recruitment and Employment Confederation (REC) reported that the number of areas in the UK economy facing skills shortages rose from just nine at the end of 2013 to 43 as 2014 drew to a close.

The study reinforces the message: 40% of employers told us they will be affected by a shortage of talented and experienced workers in the next 12 months and this rises to 51% in companies employing over a thousand people. Not surprisingly, both retaining and hiring talent are key benefits challenges for employers with 41% and 37% respectively reporting these as concerns.

## THE TALENT CHALLENGE

# 40%

of employers say they expect to face a talent shortage in the next 12 months.



When we look at a trio of key business performance indicators, there are some encouraging results: 35% of employers said that employee engagement had increased over the last year with only 18% believing it had fallen. Continuing the good news, 37% reported productivity as having increased with only 15% believing it had fallen. In terms of absence, 23% said absence had improved – the same percentage as those saying it had got worse.

But how engaged are employees really? Relatively few (1 in 10) told us they would be looking to get a new job elsewhere in the next 12 months – certainly compared

to other countries we surveyed, such as Poland (33%), Russia (26%) or the UAE (39%). Despite this, only 22% thought their company was particularly loyal to them (down from 33% in 2010), compared to 40% of employers who felt sure that was the case (down from 63% in 2010). While 46% of employers rated their company a great place for employees to work, only 31% of employees agreed. And just 14% of employees told us they were “bursting with energy at work” (that’s very low, compared to 37% in the UAE, for example).

So there’s a disconnect. What can be done to solve it?

### THE LOYALTY CHALLENGE





## TOWARDS ENGAGEMENT

With only 25% of employees agreeing strongly that they are paid the right salary for their job the obvious way to win the talent war is to raise salaries. But this is a blunt instrument, not to mention an expensive one.

When we look into the data there are other levers that employers can use to confront this challenge as, while an increase in salary is the top motivator that could compel those looking to leave to stay, other factors were close behind and in fact improving the benefits package was second.

## BETTER BENEFITS CAN MOTIVATE TALENT TO STAY







What else are employees telling us that could help employers meet their business challenges? When we asked them how concerned they were about a range of issues, four areas stood out and these provide a reasonable guide to overall priorities for employers: 65% were worried about financial security in retirement, 55% about job security, 52% about work life balance and

47% about financial security if a principal wage earner is no longer able to work because of disability or serious illness.

These four key concerns are very telling, and give strong direction for employers in terms of priorities to address in building a benefits strategy that supports an engagement-oriented culture.

#### FOUR KEY CONCERNS WERE MENTIONED BY EMPLOYEES



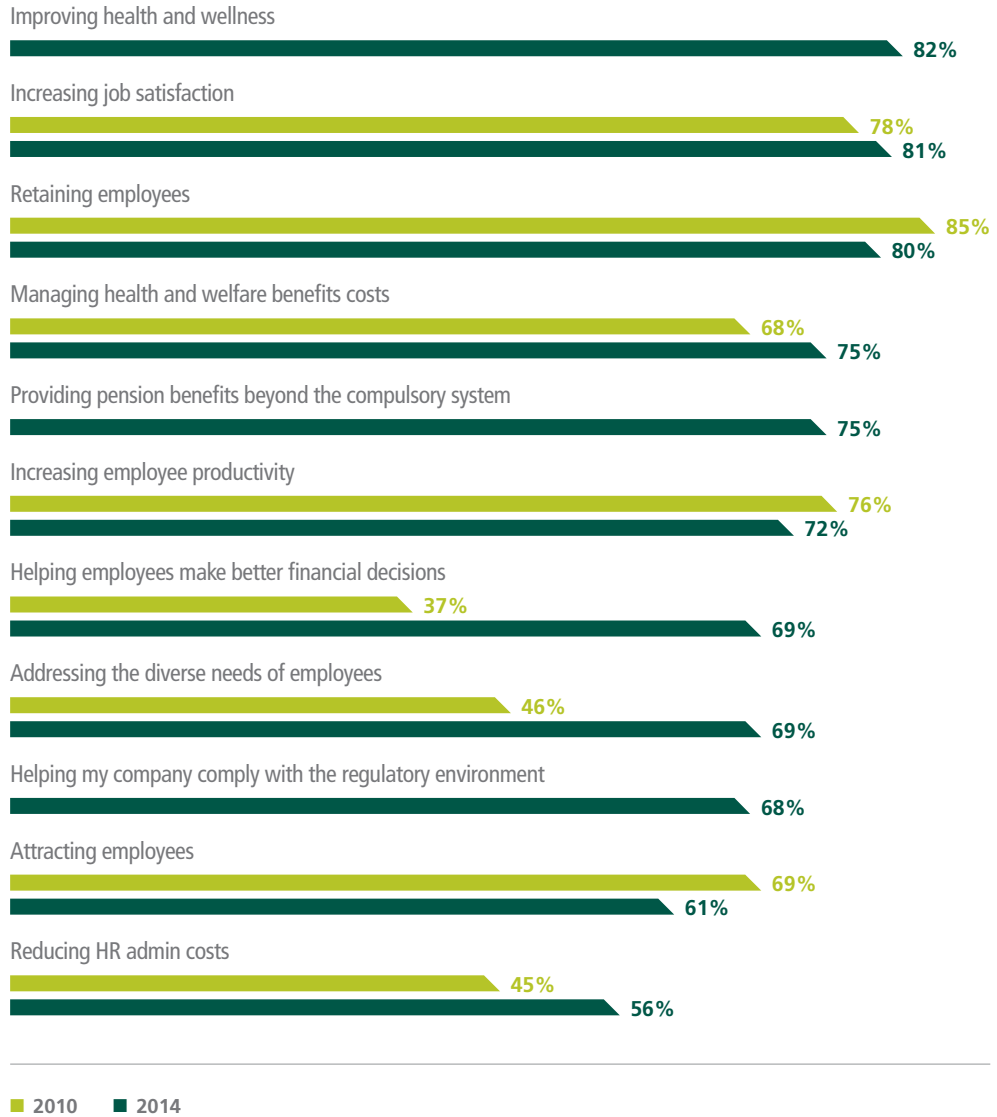
### THE EMPLOYER PERSPECTIVE

Let's turn to what employers told us to determine if their current strategy and benefits drivers reflect these themes – and have these changed since our last report in 2010.

It's clear from the data that improving health and wellness is a very important objective for employers today as a primary driver of their benefits strategies. Retention still features

highly, as does increasing job satisfaction and productivity. But what's interesting is that there are two significant changes: helping employees make better financial decisions has almost doubled, and addressing the diverse needs of employees also shows a big increase. Reflecting this, 70% of employers in 2014 said that providing benefits that help employees better balance their work and personal lives was an important goal.

### EMPLOYERS SEE HEALTH AND WELLNESS AS A PRIMARY BENEFITS OBJECTIVE

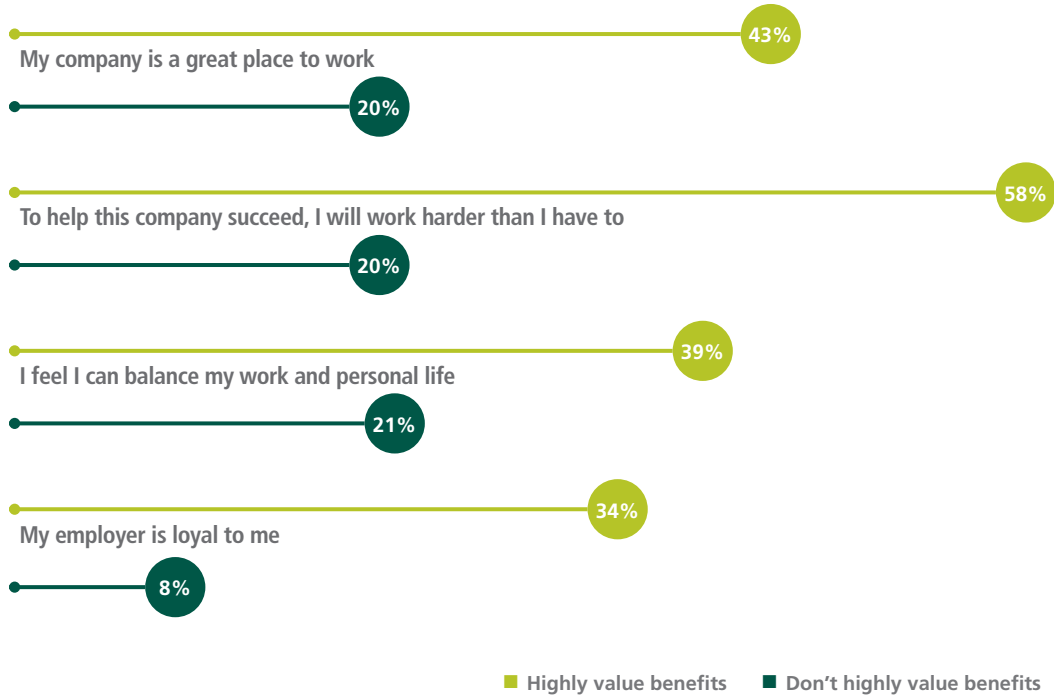


Companies in the UK clearly take their pastoral role very seriously – and the trend is towards creating a more supportive and rounded work environment, with a declining focus on more explicit measures of cost or performance.

They're right to identify these non-financial elements as drivers of engagement. Analysis of our survey results shows that the more

employees say they value the benefits from their employer, the more engaged they are with their job.

### EMPLOYEES THAT PLACE A HIGH VALUE ON THEIR BENEFITS SHOW MARKED DIFFERENCES IN KEY RATINGS



There is a clear message here for employers: if they can increase employees' understanding and appreciation of their benefits, employee loyalty and engagement will improve.





## BOOSTING BENEFITS

It's clear that employers take their responsibilities seriously and are plugged in to some of the issues that employees are concerned about and that can drag down business performance. But what can they do to maximize the effectiveness of their benefits programmes? Schemes with the right range of benefits and that are well communicated ought to become a competitive advantage. In the study, 32% of employers cited "keeping benefits competitive" as a challenge – and among multinationals, with a global talent pool and often more acute competition for the best employees, this was a top priority.

**Choice is important, with nearly 70% of employers saying one of their benefits objectives is to meet the needs of a diverse workforce. This explains the growing popularity of flexible benefits schemes.**

But will introducing flexible benefits – which invariably involves an element of employee contribution – help boost take up of the benefits that would address employees' concerns? The answer is yes.

Employees, we learned, are much more likely to buy cover when it comes with company co-payments. For example, only 23% of employees said they would buy dental insurance on their own – but 54% would do

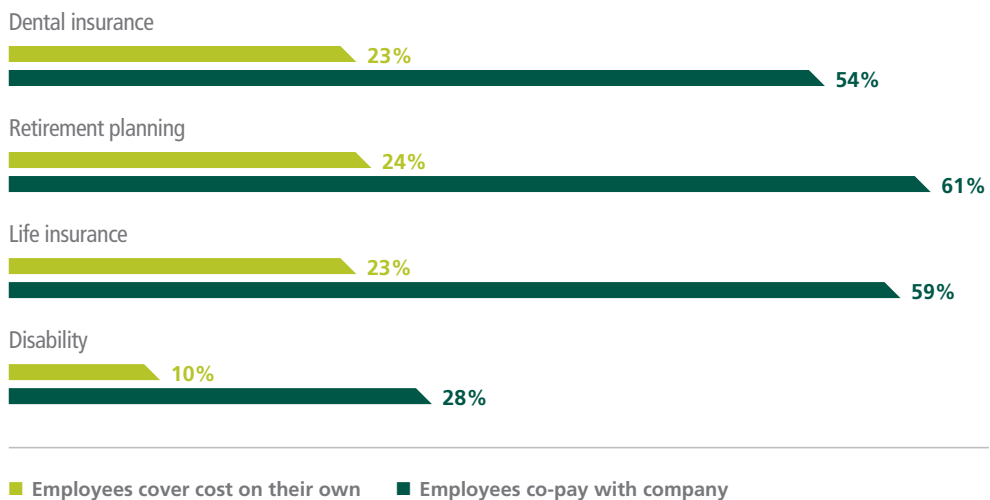
so if the cost was shared with their employer. The differences for retirement planning (24% vs 61%), life insurance (23% vs 59%) and disability (10% vs 28%) are just as stark.

The results show that an employer contribution can help significantly in boosting benefits take up. When called upon to pay the entire amount themselves, many employees will opt out. But with some financial investment by the employer, there is a marked increase in every case. With just 11% of UK employees covered by income protection in the workplace leaving a huge protection gap, the simple act of an employer contribution could mean coverage would almost triple.

This creates a huge opportunity for employers. A benefits programme that both addresses diverse employee needs, and demonstrates that they're able to get desired cover with an employer subsidy, can motivate employees to take action where they might be reluctant to make their own provision. The beneficial effect of these incentives is strengthened by general uncertainty around the economy and specific issues such as (lack of) retirement planning and welfare cuts.

Critically, such a programme needs to be well communicated. For example, while 60% of employers told us that they thought they could offer better group rates for a variety of benefits, only 31% of employees believe the prices and options are better if they purchase through their employer. This has improved slightly since 2010, when 27% of employees thought they could get better rates through the workplace. (We'll look at communications in detail later in this report.)

## EMPLOYEES, WE LEARNED, ARE MUCH MORE LIKELY TO BUY COVER IN KEY AREAS WHEN THAT COMES WITH COMPANY CO-PAYMENTS



# What Drives Employee Engagement and Commitment?

Our study asked employees if they value certain things from their employers such as benefits, wellness programmes and supportive managers.

We wanted to understand how employees' feelings on these matters impacted on key business objectives for employers. In other words, how can we gain insight into what it's worth employers investing time and money in? Does increasing the perceived value of the benefits programme actually impact an employee's engagement or commitment? The answer is yes, but by less in the UK than in other markets we surveyed.

## Key drivers we found were:



Having a sense of financial control



Having a caring and supportive boss



Value placed on benefits

So for example, for every one unit increase in "having a sense of financial control", there is a 10% increase in engagement.

### Attitude measures:

- Sense of Financial Control
- Value Placed on Benefits Offered by Employer
- Satisfaction with Current Medical Benefits
- Value Placed on Health & Wellness Programs
- Caring/Supportive Boss

### Business outcome statements connected to engagement:

- "I am satisfied with the job that I have now."
- "To help this organization succeed, I am willing to work harder than I have to."
- "At work, I feel as though I'm bursting with energy."

### Business outcome statements connected to commitment:

- "I feel loyal to my employer."
- "I would take almost any job to keep working for this organisation."



# Helping Employees to Take Control

People are living longer. Businesses are operating in a more uncertain global economy. The traditional public sector safety nets are under pressure. So why aren't more UK employees making provisions for financial and family uncertainty? And what do employers have to gain from helping them do so?

UK employees are worried. The uncertainty brought about by the global financial crisis and subsequent recession is still fresh in people's minds and continuing low interest rates are punishing savers. Our survey shows that job security is still a major concern (up slightly from 52% in 2010) but superseding

this is being able to afford a comfortable retirement. At the same time the impacts of our ageing population are being felt: almost 40% of employees are worried about having the time and resources to care for ageing parents, a significant increase from 26% in 2010.

## WHAT EMPLOYEES ARE WORRIED ABOUT

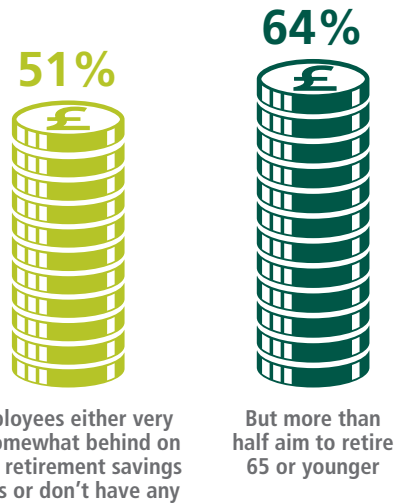




Despite these concerns, UK employees appear to be stoic when it comes to switching off their worries when they get to work. They worry a lot less than in other countries: in the UAE, 35% of employees report being distracted at work because of financial worries compared to just 14% in the UK. 39% of UAE workers had had an unexpected absence from work thanks to financial distractions – a situation only 4% of UK employees experienced. What makes these findings concerning is that when we look at what employees are doing to make financial decisions, 31% said they have limited time to do the necessary research – up from 22% in 2010.

This is reflected in the progress they report towards their retirement goals: 51% of employees are either very or somewhat behind on their retirement savings goals – or simply don't have any – while 64% aim to retire at 65 or younger.

#### WORRIED BUT NOT TAKING ACTION



There is also a hidden danger for employees and their families. Defined benefit pensions - now almost vanished - commonly came with lump sum life cover. Defined contribution pensions may not include this. There is an opportunity for employers to address this gap by offering full or part-paid (via flex) life cover to employees who, as we saw, are clearly worried about what would happen to their families if they were to die prematurely.

There is another hidden factor at play with regard to pensions, too: protection for the payments that are being made as contributions. If an employee is to fall sick and those contributions aren't insured, these payments will stop unless the employee can pay them out of savings. Income protection schemes address this with cover for pension contributions available so that, should an employee not be able to work for a period of time, their contributions are protected.



Tom Gaynor, MetLife UK Employee Benefits Director, comments: "The option to cover pension scheme contributions as part of an income protection scheme shouldn't be underestimated or overlooked. With the decline of defined benefit pensions it's leaving a big gap."

**What would addressing employees' concerns mean in terms of benefits? Interestingly, it's not just a question of paying into their pension pot.**

When we looked at why employees lack preparedness for retirement, lack of awareness of what they needed to do and low levels of trust in advisers were key factors. We also found only 24% of employees are very confident in their ability to make retirement savings plans (about the same as making decisions on health insurance) – and just 15% on general investment planning.

So there's a huge opportunity for employers to help employees understand not just what's being provided for them in employer-funded contributions, but how their own decisions can make a big difference. Auto enrolment presents a tremendous opportunity for education across the entire benefits programme. Starting with pensions, employees can be guided to help them become confident in their decision making. Highlighting important elements like the tax benefits of employee contributions is a good start but employers also need to provide information on the insurance solutions that protect that investment in the form of life insurance and income protection.

This relatively simple approach, coupled with a commitment to making wellness a priority, creates a compelling case for being a caring company.

**EMPLOYEES AREN'T CONFIDENT ABOUT FINANCIAL PLANNING**

24%



Very confident about retirement savings plans

15%



Confident about general investment planning

# Building a Strong and Connected Workforce

No manager thinks that a stressed, demotivated or unhealthy workforce is desirable. But many organisations are missing an opportunity to address the mental and physical wellbeing of their employees – and thereby build true organisational resilience.

Stress, work/life balance and emotional health feature high on employee and employer concerns in the UK, albeit with some variations in terms of levels of concern

It is here, in particular, that the role of the manager or supervisor – their behaviour and concern for their employees – is key. A bad manager can drive up absenteeism; or create a “presentee” culture leading to stress, poor health and sub-optimal work performance. When we look at the data and see that just 35% of employees say their supervisor is supportive and cares about their wellbeing, this doesn’t bode well for a connected and motivated workforce.

We saw earlier that, for every 1 point increase in “having a caring and supportive boss” there is a 9% increase in engagement. This is significant. It means an employer’s overall “employer value proposition” can be significantly hampered by a weak and unsupportive management cohort.

EBTS is an international study, and one of the consistently strong correlations for engagement and loyalty in all markets is a supportive boss. At the organisational level, practical programmes for building employees’ mental and physical resilience create foundations for companies to manage through challenge, change and uncertainty. And prevention is better than cure.

By the time an employee has accepted the services of a counselling practitioner, for example, they’re likely to be at an acute stage of stress – a terrific waste of their mental and emotional resources.

It’s also likely to have involved a period of underperformance at work, too.

## EMPLOYER AND EMPLOYEE WORRIES ARE SIMILAR BUT THERE IS A DIFFERENCE IN LEVELS OF CONCERN

### Employees’ top concerns



Cancer

46%



Stress

41%



Work life balance

44%

### Employers’ top concerns



Stress

64%



Work life balance

57%



Depression

30%



As well as staying alert to the early warning signs around stress and depression, employers can start designing wellness programmes that anticipate broader employee concerns. For example, as we saw earlier, rapidly rising life expectancy has created a huge care issue for people of working age. Employers may not consider this a straightforward wellness issue, but when one considers the emotional as well as practical impacts of caring it becomes clear that, if nothing is done to help employees manage it, stress levels could become much higher and wellness will suffer.

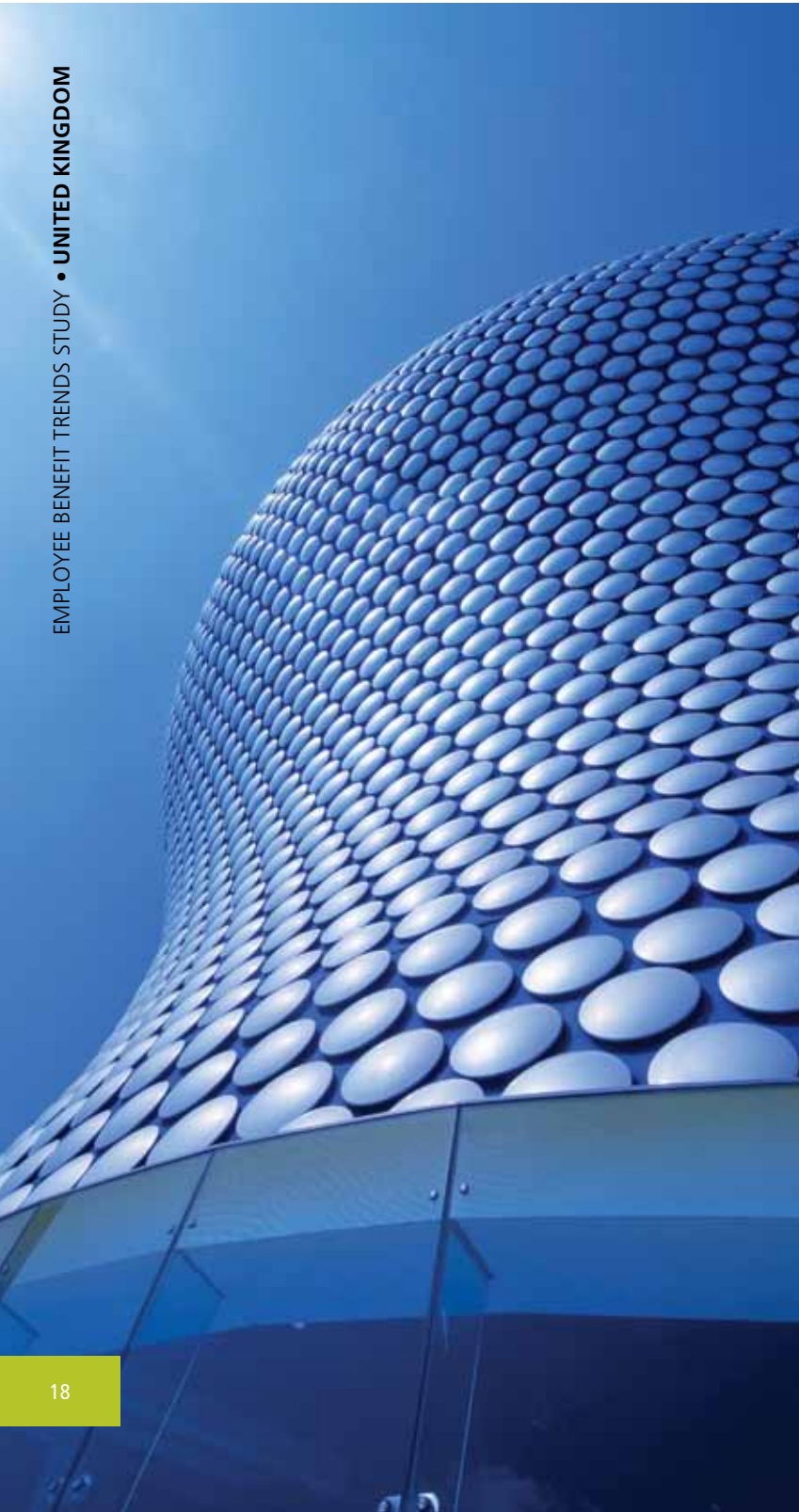
**38% of employees are worried about having the resources and time to care for ageing parents, up from 26% in 2010.**

According to the government's own report on the issue, *Supporting Working Carers*, "three million people in the UK combine paid work with care, many of them at the peak of their careers... by 2017 the UK will reach a tipping point when the numbers of older people needing care will outstrip the numbers of working age family members available."

We've seen that many employers have been watching these pressures unfold – and encouragingly are alert to and in the majority of cases actively responding to the wellness agenda. However, wellness programmes can only be truly effective if employees participate. When they do, their levels of satisfaction are high:

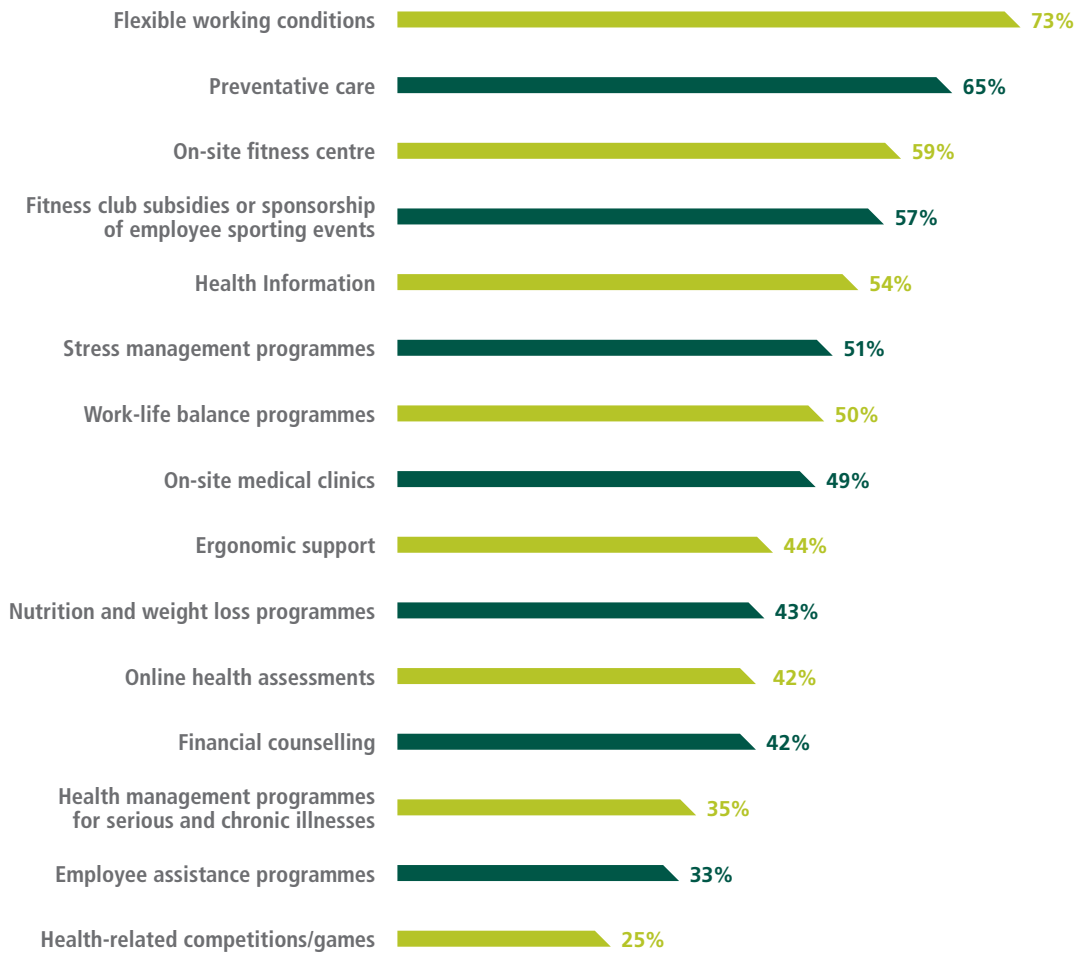
**86% of those working for organisations with a wellness programme in place say it's had a positive impact on their health.**

The top five wellness offerings employers told us they offer are flexible working, work life balance programmes, employee assistance programmes, stress management and online health assessments. A similar mix of health, stress and work/life balance support is evident in the wellness wishlist employees gave us (see chart opposite). The challenge lies in stimulating participation across a higher percentage of the workforce. And, like so much of the upside available to employers around a full suite of benefits, much of that is down to communicating effectively.





**IF MADE AVAILABLE BY YOUR EMPLOYER, HOW INTERESTED WOULD YOU BE IN USING THE FOLLOWING?**





## Talking the Walk

Management is often encouraged to “walk the talk” – to deliver on their promises. But to really make benefits count, we’re seeing the reverse: a need to talk more, and more clearly, about the benefits on offer to ensure employees take advantage – and employers reap the advantages.

Putting a benefits programme in place for employees can yield many positive outcomes on both sides of the equation. However, a frustration common to employers in many of the countries in the 4th International EBTS is sub-optimal involvement. It’s great to have an insurance or wellness programme – but if employees don’t use them, those potential positive outcomes are squandered.

**Many employees tell us that their company could better help them understand what’s in place, but encouragingly we’ve seen some improvement since 2010.**

Then, just 22% of employers felt benefits communications effectively educated employees with 24% of employees agreeing. In 2014 the figures have improved slightly with 37% of employers and 30% of employees citing their benefits communications as effective. However, that’s still a majority of employees who aren’t getting the message.

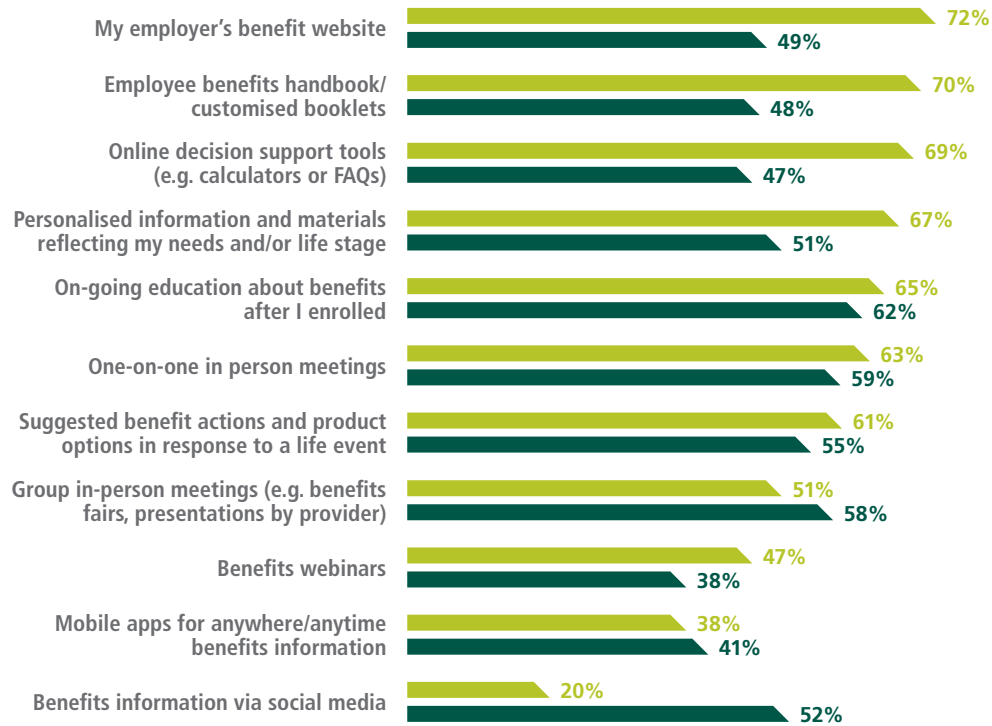
Organisations that get it right are more than rewarded through increased engagement and loyalty from their employees. In every market, higher awareness of benefits – even when they’re not used – correlates to higher levels of engagement.

So what’s the best approach? Like an effective benefits programme itself, a one-size-fits-all approach is unlikely to be effective. Employees told us that a good benefits website, customized benefits booklets, personalised enrolment forms and online decision support tools were particularly effective. What did employers rate as most effective? Ongoing information about their entitlements, face-to-face meetings and social media score well – albeit that employers deploying this as a tool are in the minority. The data tell us there are benefits to be had by listening to what really works for employees.

It’s a challenging situation but it needn’t be and using multiple media needn’t mean prohibitive costs. Technology is a great (and low cost) enabler and formats like webinars and online learning can be invaluable in reaching employees at their desks.



## HOW DO EMPLOYERS AND EMPLOYEES RATE THE EFFECTIVENESS OF DIFFERENT BENEFITS COMMUNICATIONS?



■ Employees ■ Employers



# Conclusion

The UK has worked hard to pull itself out of recession. GDP growth has returned, inflation is well under control and broad measures of unemployment remain low. But the country has changed over the past five years. Trust in institutions is lower. Wages have stagnated. Productivity remains a conundrum despite employers in our survey reporting an upward trend. And even without the broader global uncertainties, there's a nervousness about the stability of the economy.

All these issues, and more, affect employers as well as employees. So for both sides, anything that introduces a degree of stability, certainty and wellbeing is welcome. Our survey shows that employees demonstrate a "worry now, pay later" approach to things that bother them in terms of financial certainty. They're concerned about how they would fare in the face of disability or, for their families, in the event of their deaths – yet they are reluctant to take practical steps towards addressing their concerns. This is where employers come in. Employees value and welcome support across a range of areas from their employer – and reward that support with engagement and loyalty.

Key things to keep in mind from our UK study are:

- **Employees want to connect with their work.** It's no accident that the "employer value proposition" has become such a compelling trend in UK HR departments. Making a meaningful contribution, feeling rewarded beyond the pay cheque and working for a manager that's supportive and cares for their wellbeing as well as their performance are key factors that drive engagement. Benefits plans that are well communicated are a good foundation stone to create a workplace culture of trust and mutual respect.
- **Employees are worried about their future.** Retirement, ageing (them and their parents) and financial instability are significant worries for them. While auto-enrolment legislates for employee retirement saving, employers can do more to help employees appreciate the real value of good financial planning and making provisions for today and tomorrow that are insulated from the shocks of disability and death.
- **Stress is a concern for employers as well as their employees.** A product of busy working lives and a blurring work/life balance, its impact can be managed – and, in the best cases, largely prevented through well thought-through and practical wellness programmes. As a result, many Group Risk providers have now built wellness into their propositions. The best ones will help employers communicate them effectively as well.
- **Driving sustained and sustainable business performance is tough.** Employees' loyalty has been tested by leaner workforces and heavier business demands. Their energy is wearing thin and along with it their engagement to their employer. Having a good benefits package in place that employees understand and can call on to help with everyday issues and challenges from work/life balance to how to plan for retirement can reap significant rewards. Companies that do this well see their employees become their best advocates, driving not only retention but building a strong reputation and brand and, in turn customer loyalty too.



# Methodology

## STATEMENT ON METHODOLOGY:

The UK survey, as part of the International Benefit Trends Study, was conducted in June to July 2014. It was an online quantitative study among 300 employers and 301 employees about their attitudes, options and current practices.

All panellists were full time private-sector workers in companies with more than ten employees. All employees were at least in part responsible for their household finances, and all employer representatives were influential in their company's employee benefits decision making.

### Demographic Profile of the Employer Sample:

- 300 UK based HR representatives and HR decision makers
- 33% representing firms with 10-40 employees, 34% representing firms with 50-500 employees, 33% representing firms with over 500 employees
- Industries include services (15%), technology (9%), manufacturers (10%), financial services (9%)
- Public and third sectors excluded
- 59% represent firms operating in 1-2 countries, 13% in 3-5 countries, 12% in firms in over 20 countries, 90% headquartered in the UK, 5% US, 5% elsewhere
- Half of firms surveyed provide benefits to entire workforce, 25% provide benefits to majority of their workforce
- 52% male, 48% female

### Demographic Profile of the Employee Sample:

- 301 UK employees responsible for household finances
- Industries include financial services (11%), manufacturers (9%), technology (14%) and healthcare (4%)
- Public and third sectors excluded
- 56% work for firms in 3+ countries
- Roles include: directors (6%), executives (7%), assistants, analysts and coordinators (25%) and managers (various) (39%)
- 41% work for firms with 1,000+ employees, 20% for firms with 10-50 employees, 39% for firms with 50-999 employees
- Age breaks: 18-30: 7%, 31-40: 23%, 41-50: 27%, 51-60: 33%, 61+: 10%
- Results were weighted for analysis to represent the demography of the UK working population
- 82% in receipt of employee benefits
- Nationally representative on regional basis
- 68% male, 32% female
- 54% have children



## About the study

MetLife's Employee Benefit Trends Study delivers timely and reliable research results that explore important benefits issues and evolving trends around the world. Building on more than a decade of research and experience in the U.S. , as well as nine additional markets since 2007, the Study provides fresh insights that can help employers get more from their benefits investments in the form of satisfied, skilled and productive workers. The Study also suggests tactics to help employees become more knowledgeable benefits consumers, leveraging insights from multiple markets in order to respond to the evolving benefits environment. The study design, involving both employer and employee surveys, was developed in the US and has been adapted in various key markets around the globe including: 2007 (Australia, Mexico, UK and India); 2011 (Australia, Brazil, India, Mexico, United Kingdom); 2013 (Brazil, Chile, Mexico); and 2014 (United Arab Emirates, Poland, Russia).

States, Japan, Latin America, Asia, Europe and the Middle East.

### **For additional information, visit us online at:**

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## About MetLife

MetLife, Inc. (NYSE: MET), through its subsidiaries and affiliates ("MetLife"), is one of the largest life insurance companies in the world. Founded in 1868, MetLife is a global provider of life insurance, annuities, employee benefits and asset management. Serving approximately 100 million customers, and 90 of the FORTUNE 100® as clients, MetLife has operations in nearly 50 countries and holds leading market positions in the United

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The MetLife logo consists of the word "MetLife" in a bold, white, sans-serif font. The "M" is significantly larger than the other letters, and the "e" and "l" are also prominent. The logo is set against a dark blue background.