



# INDIA EMPLOYEE BENEFIT TRENDS STUDY

## Creating Sustainable Employee Loyalty

46% of the employers in India said that shortage of talent will affect their business in the next 12 months.

India is on course to be the world's most populous country – and its largest economy – within a generation.<sup>1</sup> Much of this remarkable growth has been delivered by new industries and rapid urbanization. Add in a thirst for higher productivity and a fresh influx of multinational businesses, and it's no surprise that there's a keen war for talent.

This is the education paradox of India. It is the world's largest producers of graduates, but talent to meet the demand of the largest hirers, IT, ITES and financial services is in acute shortage. This war for talent is pushing salaries to levels where these companies are facing the risk of losing the cost leverage that has made them successful in the first place.<sup>1</sup>

So how can employers drive commitment and productivity while at the same time avoid rampant salary inflation?

It is time for a broader "employee value proposition". Creating an environment that's more attractive than just money and more conducive to high-performance over the long term. We hear employees asking for it, and our study demonstrates clearly that assisting employees with their financial security through benefits and wellness can meaningfully impact employee commitment.



Take a quick look at a few key findings from the recent India Study here – and visit [PNBMetlife.com](http://PNBMetlife.com) or speak with your PNBMetLife account executive to get the complete story.

<sup>1</sup> "World Population Prospects", UN department of Economic and Social Affairs and subsequent press release on 13 June 2013.

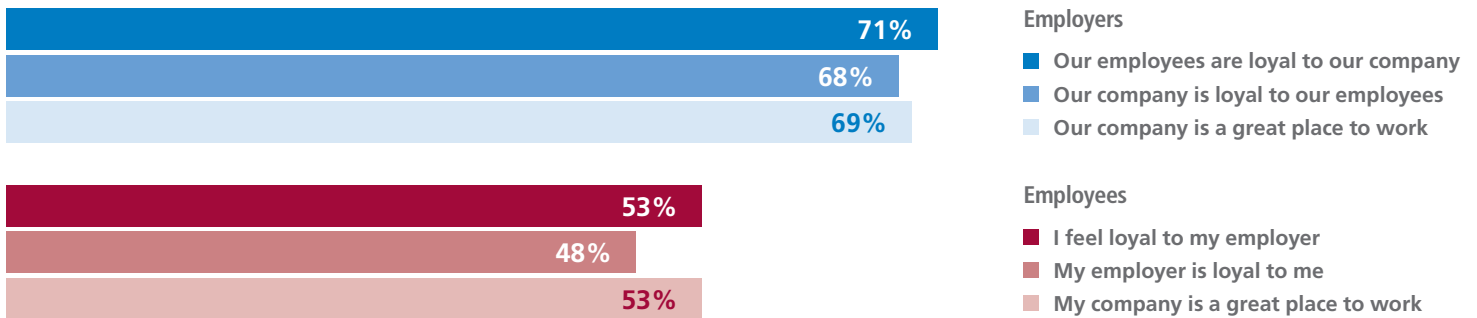
# QUICK HIGHLIGHTS

## from the India Report



### Employees not feeling the love

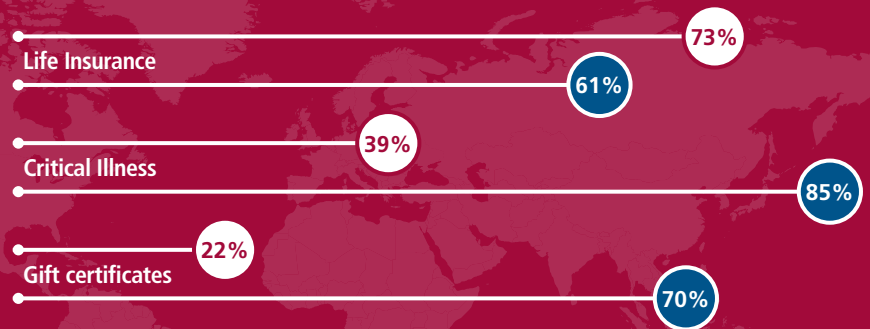
Employee retention may be an even bigger issue that employers think. Our study found that there is a large gap between how employees and employers judged the strength of their relationship and the quality of their workplace.



### Employees seek family security boost from employers

India employee's #1 financial concern is the financial security of their family in case of premature death. But employers may be overlooking this fundamental need. Life insurance was the top benefit on employees wish list.

Gap: What Employees want and Employers plan to offer



### Communication lifts employee commitment

Benefits are valued by employees, but many don't understand what they have. The return on improving communication is big ... as our regression analysis predicts.

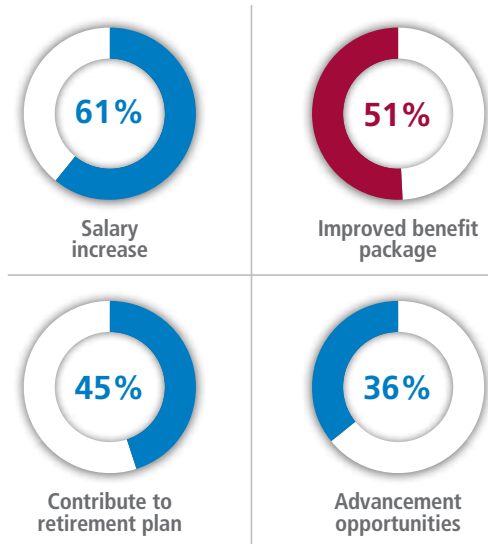
Each notch higher in the agreement that their benefits communication is "effective," Indian employees show an increase of **15%** in terms of commitment to their employer.



## Benefits impact retention

47% of employees said they would like to be working for another employer within a year. Improving benefits is second only to salary as a way to make them stay.

What would keep you at your Current Company?



## Stretched employees value advice

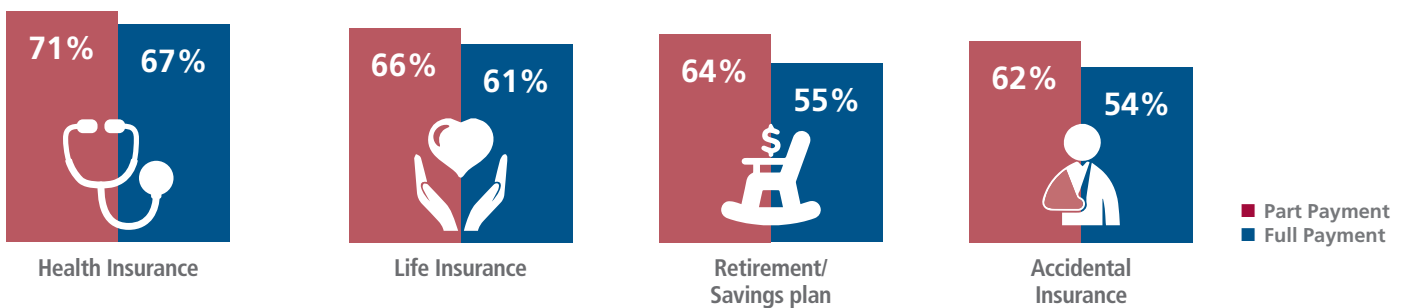
Only 36% said they are free of debt, and over half said they are distracted from work by financial worries. Financial planning is of interest to employees, and amongst those that participate, satisfaction is high.



## Employees willing to pay

Employees show a high willingness to pay for benefits they want. 64% said buying benefits at work is convenient and time saving – this rose to 74% for top management.

Voluntary Benefits of most interest to Employees



## Make it Personal

One type of communication does not fit all employee needs, but the best ones generally allow for some personalization. All these communication techniques were selected by over 85% of employees as being very useful.



Group in-person meetings



Benefit actions sent to employees in response to life events



Benefits webinars



# Turning Insights into Action

A well-designed benefits package that has been properly communicated to employees may have a strong impact on workforce engagement and talent retention. What are possible ways to build a more effective program?



**Ensure fundamental protection needs are addressed.** Protection for families in the event of premature death is still identified as the biggest employee financial need. The correct life cover, appropriately designed and communicated, may be essential for some employees.



**Boost the value of your benefits package.** Consider how to evolve your benefit design. It is possible to offer opportunities for employees to customize their plan by buying additional life and health benefits.



**Win minds and hearts by encouraging wellness, including financial wellness.** Consider enhancing employees' ability to take control of their financial wellness with planning and practical tools like a life insurance cover calculator.



**Deliver an impactful message.** Challenge your insurer to better show employees the unique value that your plan brings – basics like a good employee handbook helps, but consider ways to create personalized communications through face to face meetings and interactive tools.

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Contact your account executive for copies of the India Employee Benefit Trends Study and to discuss how we can help you with your benefit strategies. For media inquiries, please contact [pgargkhan@pnbmetlife.com](mailto:pgargkhan@pnbmetlife.com).

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