



# An employer's guide to **reenergizing** **the workforce** through benefits



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## better benefits are worth the investment

How much money has your company lost due to employee turnover within the last decade? According to a recent survey from the Forbes Advisor, 26% of the employees who quit their jobs in 2024 did so to work for a company that offered better benefits, making it the second most common reason for quitting—only behind seeking a higher salary.<sup>1</sup> This employment trend has forced business leaders across all sectors to review and adjust their benefit packages both to keep their current team members and to attract new talent.

In today's employment market, competitive salaries aren't always enough to attract and maintain top-tier talent. Investing in better benefits has the power to transform and reenergize your entire workforce! This white paper explores the evolving landscape of employee benefits and the importance of investing in them while providing practical steps for enhancing the benefit offerings that your company currently provides.

## the employer-employee power shift

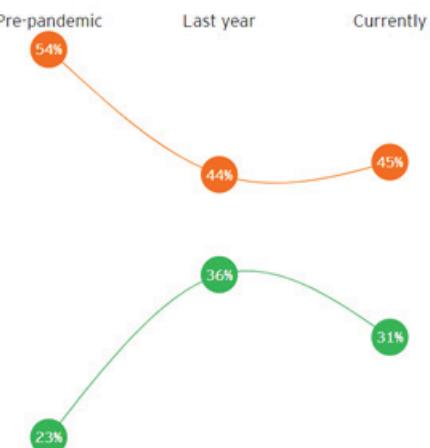
According to a 2023 EY research survey, the balance of power shifted toward employees during the pandemic and has continued in that direction each year since then.<sup>2</sup> This change in dynamic has put more power in the hands of workers.

Employees are more emboldened than ever before to discuss the benefits that matter most to them, with 6 in 10 employees saying that their benefits packages make them more inclined to stay with their current employers.<sup>3</sup> Invest in your team members' well-being and your business will reap the benefits: a reduction in turnover, increased productivity, and higher employee satisfaction.

### Who holds the balance of power in the labor market?

Percent of all respondents saying employers or employees held/held the balance of power

● Employers hold more power ● Employees hold more power



Source: EY 2023 Work Reimagined Survey  
1. Power was defined as "influence or control over rewards, retention, ways of working, etc." 2. "About equal" responses excluded; therefore numbers do not sum to 100.



## understanding employee benefits

Today's workforce is searching for more than just traditional benefit options and health plans; they also want company benefits that provide them with flexibility, financial security, a better work-life balance, and more opportunities for professional growth. Additionally, they want the premiums for these benefits to be affordable. Is this all too much to ask? As the employer, that's up to you to decide.

Employee Benefit Types	Common Examples
Health and Wellness Benefits	Medical insurance, dental insurance, vision coverage, stress management, mental health support
Well-Being Benefits	Remote/hybrid work options, growth and development courses, on-site gym
Financial Benefits	401(k), financial wellness classes, financial planning discounts
Lifestyle Benefits	Flexible PTO options, child care credits, fitness credits, entertainment discounts

## health and wellness benefits

Quality health benefits such as medical, dental and vision insurance are non-negotiable for employees. In fact, employer-covered health care is consistently cited as the most sought-after benefit by the workforce.<sup>1</sup> Employees want affordable health care options with greater flexibility and variability.

Wellness is also a key focus area for many workers in today's culture. For example, providing stress management tools can make team members feel valued at work. Mental health resources have gained popularity among workers who are looking for help balancing the complexities of work and day-to-day life.



## how improved benefits help employers

According to the [\*\*2024 State of Workforce Mental Health Report\*\*](#) from Lyra Health, employees said their mental health challenges make them feel less focused (46%), less engaged (42%), and less productive (36%) at work. Additionally, 1 in 5 employees say they are considering leaving their company due to their mental health's impact on their ability to do their job. By providing mental health resources as part of your health and wellness package, you can do your part to address this growing trend and [\*\*prioritize the mental health of your employees\*\*](#).

### **Health benefits can help your company thrive:**

- **Recruiting and employee retention.** Good benefits will help you attract the best workers. Your benefits package is often a top consideration when highly sought-after candidates are deciding which positions to pursue or which job offer to accept. Desirable benefits attract top talent and encourage employees to stay.
- **Job satisfaction and morale.** Employees perform better and are more willing to go the extra mile when they feel valued by their company. Benefits can play a significant role in demonstrating that you appreciate and care about your employees.
- **Productivity.** Workers who have good benefits are more likely to receive preventive care and treatment than those who lack access to these resources. Healthier employees perform better on the job and take fewer days off of work.

Comprehensive benefits can help your organization maintain top talent, attract high-quality candidates, reduce turnover and absenteeism, and increase productivity. Robust benefits packages have been shown to increase employee satisfaction, engagement, and morale in a wide range of industries.<sup>3</sup>



## flexibility for remote and hybrid work

Flexible working options like remote and hybrid work are one of the most requested workplace benefits from both employed workers and job seekers. The pandemic caused companies around the world to alter how they conducted business. Numerous organizations shifted to remote work to remain in operation, but now, many companies are moving backwards by asking their workers to switch to hybrid schedules or come back to the office full time.

Prithwiraj “Raj” Choudhury, the Lumry Family Associate Professor at Harvard Business School, gave his expert opinion on this topic to [WIRED](#) in 2022: “There are two kinds of companies. One is going to embrace work-from-anywhere, and the second is in denial—I feel those companies will lose their workforce.” Choudhury also predicted that “companies that are trying to drag back time will lose some of their best talent, and that dynamic will force these companies to catch up.”

A 2024 study from [Nature.com](#) explored the impact that remote and hybrid work has had on companies. This report overwhelmingly showed that flexible work options improved productivity and retention without damaging performance.



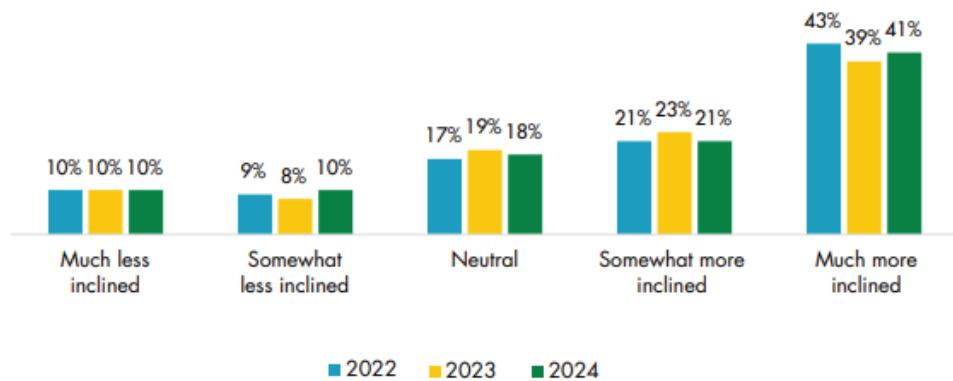
## exploring opportunities to improve employee benefits

Developmental, lifestyle and financial benefits are three other important factors in the employee benefits landscape. LinkedIn Learning found that 94% of employees reported that they would stay longer at a company that invests in their career development, and two out of three employees have considered leaving their job since it lacked resources for employee growth and development.<sup>4</sup>

Business leaders should consider reviewing their companies' current strengths and weaknesses to find opportunities to add new and improved benefits that employees are asking for, including financial planning resources, fitness discounts/incentives, or entertainment rewards. These benefits can be the driving force behind talent staying with you or looking for better options somewhere else.<sup>3</sup>

**Figure 35: Impact of Benefits on Employee Loyalty Over Time**

Does your benefits package make you more or less inclined to stay with your current employer?



Based on all employees. May not add to 100 percent due to rounding. Inclined to stay was rated on a 0-10 scale; some categories were merged as follows: Much less inclined = 0-2, Somewhat less inclined = 3-4, Neutral = 5, Somewhat more inclined = 6-7, Much more inclined = 8-10.

Promoting a healthy work-life balance among your employees has been shown to increase productivity, boost morale, and increase feelings of engagement at work by more than 21%.<sup>5</sup>

[\*\*Check out our employer's guide to workplace wellness\*\*](#) to learn how to implement these benefits within your own company.



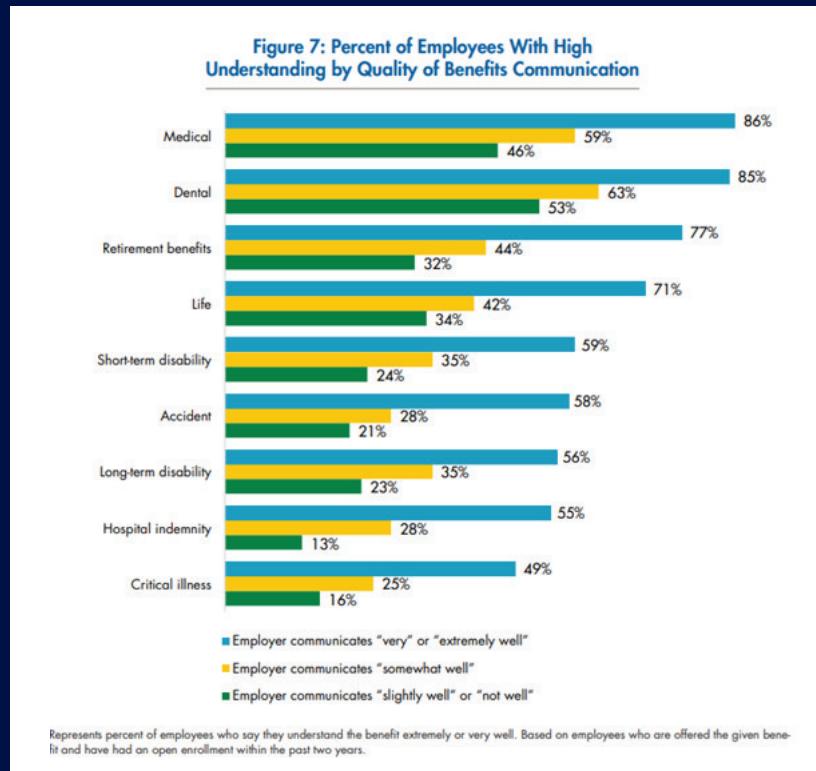
## providing clear communications about benefit offerings

Your organization might provide great benefits, but a lack of clear communication could be preventing your employees from learning about the options that are available to them. Open enrollment should not be the only time of the year that your workers are hearing about their coverage options.

Creating and distributing frequent communications that clearly outline the value of your company's benefit offerings can help increase your employees' awareness of their coverage options. Providing glossaries and job aids to help workers understand complicated **insurance jargon** can also provide them with the clarity and knowledge they need to make informed decisions.

### Benefits education ideas:

- Customized company intranet pages
- Carrier microsites
- Videos
- Town hall meetings



72% of employees, especially younger workers, would prefer to receive benefits information frequently throughout the year.<sup>3</sup> Frequent communication is the key to empowering your employees to learn about and understand the benefits that your company is offering to them.



## making benefits decisions using data

How do you find the answer when you're trying to solve a problem? You ask questions. The same approach can be applied to determining what your team members want. Choosing the right benefits to fit your employees' needs starts with gathering data.

Navigating the employee benefits process becomes easier when you connect with your teams directly about their overall needs and wants. Developing a data-driven approach that utilizes surveys, open feedback forms, frequent one-on-one meetings, and Q&A sessions can help your benefits management team stay ahead of emerging trends in the benefits space.

It's time to start pulse-checking these three areas of your workforce to determine whether there are opportunities for benefit improvements:

- Survey workers about what they think of their current benefits
- Research and explore new offerings that could enhance your employees' experience
- Develop and share clear updates on employee benefits on a consistent basis

**Data can be the missing puzzle piece** for finding answers about which benefits employees want most. You can determine a variety of helpful analytics about your workforce by using communication tools such as employee surveys, exit interviews, market intelligence, and claim data.

These resources can help your leadership team identify trends and patterns from any feedback received. To remain competitive, your employer-provided benefits should be a strategic part of your business plan. Juggling employee expectations while maintaining realistic outcomes may seem difficult, but it is possible with the right knowledge and resources.

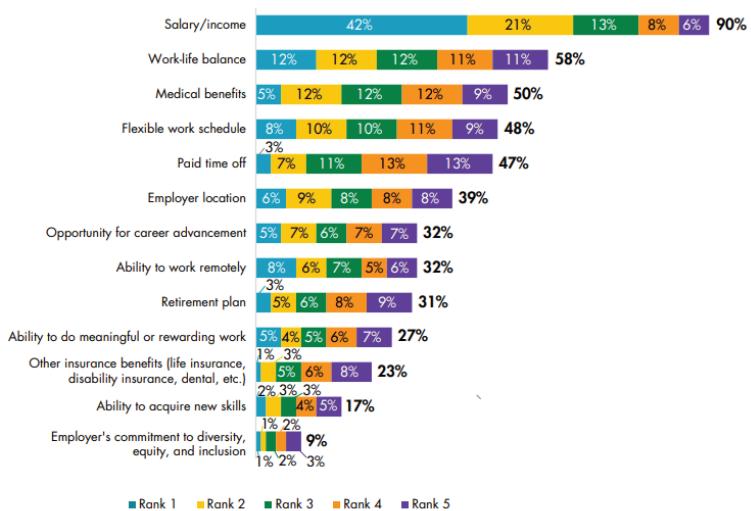


## cost-effective ideas

Remember, employee benefits are typically not one-size-fits-all. You need to find packages and options that are scalable and customizable based on the unique needs of both your company and your industry. Voluntary benefits such as life insurance, disability insurance, and critical illness insurance can provide a cost-effective option for employers who want to provide more than just basic medical insurance.

With voluntary benefits, both sides get what they want: employees enjoy additional coverage at a great group rate while employers can offer a more robust benefits package without impacting their bottom line. Plus, employees usually pay their premiums through payroll deductions, which adds convenience and value to the process.

Figure 36: Five Most Important Factors Employees Would Look for in a Potential Employer



Employees ranked the top five most important factors they would look for in a potential employer.

## workplace offerings from Allstate Benefits

Investing in comprehensive employee benefits is not just a perk, but a strategic necessity in today's employment landscape. By understanding the employer-employee power shift, navigating the best steps to take, and exploring various benefit opportunities, you can create a more engaged, satisfied, and productive workforce. The employee landscape is constantly evolving, and businesses like yours must keep up to stay relevant and competitive.

We're here to help you reenergize your team with benefit solutions that are tailored to meet your unique business needs. When employers choose to offer our [voluntary benefits products](#), their employees receive wide-ranging coverage at a great price. [Contact a sales representative](#) today to learn how we can help you offer a more robust benefits package to your employees.



# Sources:

<sup>1</sup>[www.forbes.com](http://www.forbes.com)

<sup>2</sup>[www.ey.com](http://www.ey.com)

<sup>3</sup>[www.limra.com](http://www.limra.com)

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

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



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