

AON

Identifying Opportunities in Today's Employee Benefit Challenges

July 2024



Introduction

Technology is ever advancing within the benefits world and a successful online benefit platform is key to the employee value proposition. During the first Financial Services Online Benefits event, attendees raised challenges of segregated platforms and disjointed offerings, alongside low employee engagement with benefits.

Research conducted by MetLife UK revealed that 40% of UK employees would opt for a job that offers lower pay but comes with generous employee benefits, highlighting the importance of having the right benefits for employees.

Communication Strategy

You need an effective communication strategy to boost employee engagement

How do you inform your employees about your benefits package in an engaging way?

Effective communication was a recurring theme throughout this event; many organisations claimed that their employees find benefits confusing. According to a survey by Nous, almost one in five (18 per cent) of respondents said their employee benefits were difficult to access, while 32 per cent said maximising certain benefits required “too much” work from employees.¹

Communications need to be simultaneously captivating but not overbearing. Integrating visual and video components into communications can greatly enhance employee comprehension of online benefits platforms.

These multimedia resources offer explicit, sequential guidance, facilitating employees’ navigation and utilisation of the available benefits. Moreover, it is essential to acknowledge the varied learning preferences among employees, particularly those who face challenges in learning. Providing communication in diverse formats, such as videos, guarantees universal accessibility and comprehension of information, tailored to individual needs. This inclusive approach not only improves overall comprehension but also fosters a fairer work environment where all employees can fully reap the advantages of the resources offered.

18%

almost one in five (18 percent) of respondents said their employee benefits were difficult to access.¹

32%

while 32 percent said maximising certain benefits required “too much” work from employees.¹



A communication strategy that publishes communications at various times of the year and uses alternative modes is the most effective at reminding employees of their entitlements and simplifying complex benefits. Technological advancements and personalisation could drive an effective communication strategy through notifying the employee of relevant benefits. For example, a birthday could be a reminder to update your pension plan, or a health concern could be a trigger to remind employees of the private medical scheme.

How should you use employee data?

Personalised communication can drive engagement; however, the attendees also discussed the ethical concerns of using employee data. Should real employee data be used to target specific demographics on their benefit choices? Employees should have the choice to consent to having their data used for internal communication strategies. Using employee data raised concerns of an over-personalised communications approach, and the ethical concern of using employee data to increase benefit engagement was highlighted.

Utilisation

Driving benefits utilisation through personalisation, flexibility and gamification

Employers know that not every benefit will be applicable to their entire workforce; the wants and needs of your employees vary by demographic and lifestyle. Half (48 per cent) of HR directors said they were seeing poor uptake of employee benefits because “employees don’t seem interested” in what is on offer.² Personalisation through an online platform increases engagement; when employees are targeted by relevant benefits, they are more likely to investigate their benefit packages.

Implementing gamification on the online benefits platform can greatly improve employee engagement and comprehension. Although the initial investment may be larger, the rate of return is expected to be significant. Implementing gamification can enhance interactivity and enjoyment, thereby motivating employees to explore and utilise the benefits. By introducing incentives, obstacles, and rankings, employees are more inclined to remain actively involved and knowledgeable about the benefits at their disposal. This strategy not only increases engagement but also cultivates a more driven and cohesive workforce, ultimately resulting in enhanced satisfaction and productivity.

The platform could use technology to anticipate the employees needs through pre-benefits, such as pension information before retirement or parental leave policies before a birth. By personalising communications or spotlighting appropriate benefits for that individual, you can increase employee engagement with the platform.

The flexibility and personalisation of online benefits can help you cater to the varied requirements of a workforce comprising individuals from different generations. Generation Z (1995-2009) employees, for example, may be inclined to pursue opportunities for international mobility and career advancement, demonstrating their aspiration for global experiences and personal development. Conversely, Baby Boomers (1945-1964) may place a higher value on stability and wellbeing, emphasising the importance of healthcare benefits, retirement planning, and flexible work arrangements. By customising the benefits platform to accommodate these diverse preferences, companies can guarantee increased employee satisfaction and engagement. Providing employees with the ability to personalise their benefit options enables them to select the options that align most effectively with their individual and career objectives, resulting in a workforce that is more driven and efficient.



Consistency

Global consistency with localisation

To effectively enhance engagement and retention, multinational companies must strike a balance between global standards and local relevance when designing their employee benefits programmes. Organisations can cater to the varied needs and cultural expectations of their employees in different regions by localising benefits, ensuring consistency and equity but also considering local relevance and market competition.

Employers might want to ensure that the online benefits platform they choose is supported by a firm that can help with all aspects of their benefits, helping with design and data as well as tech; one with a global footprint who can help across all their operating countries.



Integration

The integration of benefits and data into a single platform

Consolidating an employee's rewards and benefits onto a single platform will provide a comprehensive view of their entire package. Benefit leaders are increasingly looking for benefits to be accessible on one platform, via a single sign-on functionality, to enhance employee engagement by providing a better user experience.

Employees will save time by avoiding the need to compare benefits across multiple platforms. They will be able to easily access and understand their entitlements, which will motivate them to explore and consider benefits they may have been unaware of. It also builds trust and transparency.

Furthermore, there is a strong push to ensure this unified platform also allows leaders to manage and analyse benefits data. Advanced data analytics can be used to discover patterns and insights, such as identifying regions with high benefit utilisation or gaps in benefit offerings. This information can then be used to make strategic decisions.

Employers can benefit from increased operational efficiency, enhanced employee satisfaction, and a more robust, data-driven approach to managing employee benefits. This ultimately leads to higher rates of employee retention and productivity.

Making Better Decisions About Your Employee Benefits Platform

By incorporating sophisticated artificial intelligence and predictive analytics into HR procedures, an online benefits platform can tailor the employee experience, enhance communication, and make administrative tasks more efficient.

Consolidating HR data in one easily accessible platform enables immediate monitoring and strategic decision-making, guaranteeing prompt interventions and ongoing enhancement. These strategies can not only improve employee satisfaction but also increase productivity and loyalty, resulting in a more supportive and efficient work environment.





About Aon

Aon plc (NYSE: AON) exists to shape decisions for the better — to protect and enrich the lives of people around the world. Through actionable analytic insight, globally integrated Risk Capital and Human Capital expertise, and locally relevant solutions, our colleagues in over 120 countries and sovereignties provide our clients with the clarity and confidence to make better risk and people decisions that help protect and grow their businesses.

Follow Aon on [LinkedIn](#), [X](#), [Facebook](#) and [Instagram](#). Stay up-to-date by visiting Aon's [newsroom](#) and sign up for news alerts [here](#).

aon.com

© 2024 Aon plc. All rights reserved.

Contacts

David Kirk

david.kirk@aon.co.uk

Olivia Gerolimich

olivia.gerolimich@aon.co.uk

Additional links (aon.com)

[How Technology Will Transform Employee Benefits in the Next Five Years](#)

[Four Steps to Implementing an Effective Online Benefits Platform](#)

[Driving Inclusion and Diversity with Employee Benefits](#)

[Designing Tomorrow: Personalizing EVP, Benefits and Total Rewards](#)