



Redesigning the Employee Experience: Preparing the Workforce For a Transformed World

MetLife's 19th Annual
U.S. Employee Benefit
Trends Study 2021

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▶ INTRODUCTION

It's time to rethink the workforce, the workplace, and work itself.

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One year into the COVID-19 pandemic, employers are just now understanding its long-term effects. Business models have shifted to meet emerging market needs. Working from home is the new normal. And where remote work isn't possible, physical protections are paramount.

And now, hundreds of thousands of Americans have lost their lives, millions of people have lost their jobs, and thousands of businesses have closed.

Everyone has been affected by the pandemic—either directly or through friends and family. **These experiences have pushed employees to change their perceptions about what really matters. They're placing more value on protection, safety, and preparedness—and making their own well-being a priority.**

While non-essential employees who can work remotely have welcomed the flexibility, virtual work adds new feelings of disconnection and an

increased risk of burnout. For essential workers, they've faced more than a year on the front lines, with similar feelings of persistent stress.

Some of these issues are new, while others were accelerated by the pandemic's events. All have become the catalyst for employers to recalibrate their approach to workplace culture, employee well-being, and benefits.

At the center of that approach is building resilience among the workforce. Businesses need resilient employees who can endure the pandemic's lasting stress and adapt to a changing workplace.

To help employees become more resilient, employers are recognizing their responsibilities to their workforce—and creating a holistic employee experience that addresses workers' changing priorities regarding safety, mental health, and more.



What to Expect from this Report

While the pandemic and its impacts are far from over, organizations and leaders now have a year's worth of insights not only to inform talent management strategies—but also to use those strategies to improve business outcomes.

That's what employers can glean from MetLife's **19th annual U.S. Employee Benefit Trends Study**. Looking at multiple data sets that span the last year and a half, as well as multi-year trended data, we'll make sense of the pandemic's trends and implications and focus on fostering a more resilient, productive, and holistically well workforce.

This report aims to help employers mobilize and problem-solve. We hope these insights guide your business toward the right path to recover and thrive in 2021 and beyond.

Transforming Concerns Into Action

With home, health, and work stress mounting, employees want more support from their employers. By giving that support, employers can help foster productivity and well-being among their workforce.

Employers are increasingly sensitive to the holistic needs of their workforce. But they have their own challenges ahead, such as addressing mental health, workplace safety, and the need to reskill for evolving roles—all amid the economic aftershocks of COVID-19.

By enhancing benefits packages with an emphasis on physical, mental, financial, and social well-being, employers can channel these concerns into action. In so doing, they're more likely to promote resilience and productivity as the pandemic's challenges continue.



01

One Year Later: Top 5 Trends Impacting the Workplace



New Trend



Accelerating Trend



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Understanding the trends impacting the workplace will be key to evolving employee experiences that better provide the support employees need to manage the changes and stress from COVID-19.

Some trends predate the pandemic; preexisting topics like flexibility and diversity and inclusion have been the focus of HR for years. For these issues, the pandemic and other current events add fuel to an already growing problem and make resolving these concerns critical.

Other trends are fresher and born within the global health crisis. As workers face new challenges and old, their needs are evolving. Employers who address and adapt to those needs will be most prepared to build company-wide employee resilience and drive business recovery.

Here are the **five biggest trends facing today's workplace**, what employers should understand about them, and how businesses can take action moving forward:



NEW TREND

#1: Employees are more concerned with safety and expect their employers to play a greater role.

The pandemic has left employees feeling unprepared, vulnerable, and worried about the “what if?” In response, they’re placing renewed value on feeling safe, protected, and prepared across all areas of well-being—and they expect more support from their employers.

But physical protections from COVID-19, while important, are not the only safety expectations that workers have. **Employees also want to be financially supported and protected against unexpected costs. To address these many concerns, employers will need to rethink what “protection” means to their workplace, employees, and workers’ families. Employers must move beyond the current priority of physical protection and expand their support for financial and mental well-being.**

For their part, employers know these responsibilities in workplace protections are changing—and that employees need more from them. But not every organization across industries has lived up to their workers’ expectations.

While employees who work in healthcare, professional services, and education said their employer rightly prioritized safety over productivity, those in technology, construction, and retail said there are opportunities for improvement. This creates new opportunities for those latter sectors to emphasize a range of employee protections moving forward.

Employees Want Benefits to Support Safety, Protection, and Well-Being

The pandemic has left workers feeling more concerned about safety and protection. As a result, employees want more from workplace benefits and programs in order to feel reassured in an uncertain future.

- ▶ **72%** of employees say that the safety and protection of themselves and their family is more important now than ever before
- ▶ **62%** of employees think employee benefits are more important now because of the pandemic
- ▶ **60%** of employees are interested in their employer providing a wider mix of non-medical benefits that they can choose to purchase on their own
- ▶ **51%** of employees say that employers should play a greater role in the safety and protection of employees and their families
- ▶ **39%** of employees say their employer is not currently offering benefits and programs to support or improve their well-being

ACCELERATING TREND

#2: More than half of employees are now concerned about their well-being. And that's hurting productivity.

Holistic well-being is a reflection of financial, physical, mental, and social health— **more than half of workers say they're worried about at least one of those categories.** Because these aspects are interconnected and equally important, initiatives that address the full spectrum of employee wellness are likely to have the most impact.

Concerns about well-being stem from increased and sustained stress that has impacted all aspects of workers' lives. Over a third of employees report feeling stressed while working at least half of the time, while nearly as many say stress has made them less productive. All told, the number of employees who say they feel productive has dropped by 6% since April 2020.

However, employers have a different perception of their workforce's well-being. Nearly 3 in 4 employers believe employees are better off than they are, and that disconnect may lead to companies not prioritizing well-being as much as needed.

To drive well-being across the workforce, employers need to not only understand the **struggles their employees face but also support workers in critical areas. These include flexibility, communication, safety and protection, and a wider range of benefit options.**

What Factors Will Affect the Workplace of the Future?

Employee well-being is predicted to have the greatest impact on the workplace of the future

74%

followed by the ability for employees to work remotely

71%

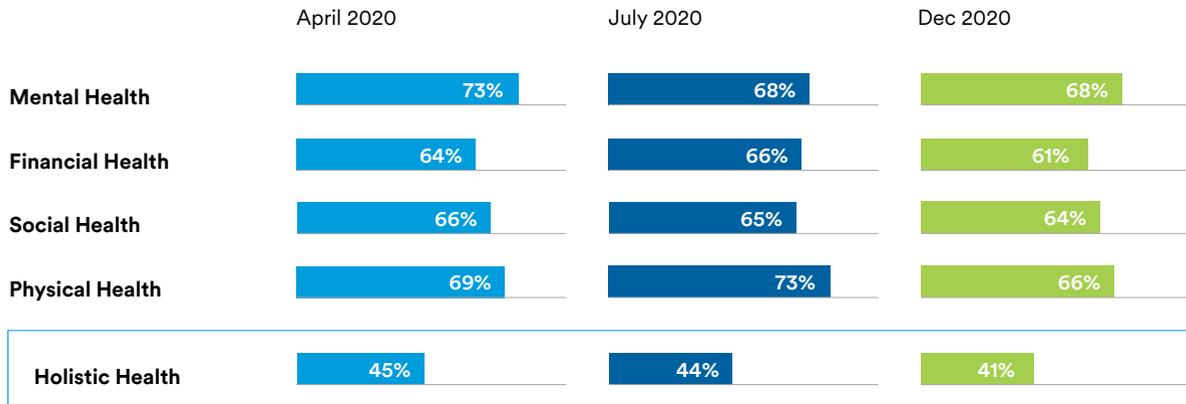
and employee mental health, stress, and burnout

70%



How Well-Being Has Changed Throughout the Pandemic

Employees who say they feel well across different aspects of well-being:



Employers Should Address Financial and Mental Well-Being in Parallel

Financial health is the top concern among employees, and also a top contributor to poor mental health. As financial and mental stressors converge, productivity goes down. Conversely, employees who identify as mentally and financially healthy are 37% more likely to be productive than those who do not.

But, as with overall well-being, most employers mistakenly believe their workforce is financially well—even though employee perceptions on financial health ranks lowest compared to physical, mental, and social health. This misperception may prevent employees from receiving the help they need.

When employers *do* offer support for a wide range of needs—such as retirement savings plans, employee benefits, eliminating cost barriers for mental health care, and other employee assistance programs (EAPs)—they’re dually addressing those important dimensions of employee wellness while driving business outcomes.

Financial Stress Affects Productivity

▶ **86%**

of employees say finances are a top source of stress for them now and in the future.

▶ **27%**

of employees say they’re less productive at work because of financial worries, up from 23% in April.

“There’s a lot of strain between my wife and me. I had to borrow a lot of money from some family that I’m going to have to be paying back, so we have that to worry about.”

Who's the Most Worried About Their Well-Being?

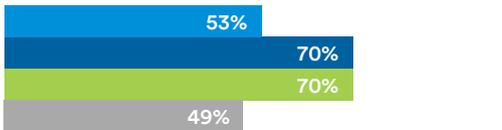
The stress and challenges of the last year have had different impact on employee populations. People of color and younger generations, who may be more likely to work outside the home, face disproportionate stress. Essential workers are overall more worried about their well-being when compared to non-essential workers, especially physical health.

Race, Ethnicity and Well-Being

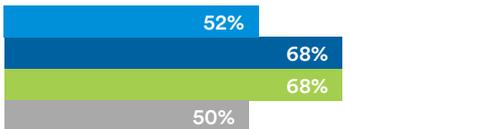
- White/Caucasian
- Black
- LatinX
- Asian

“I have been worried about my...”

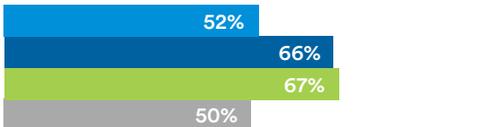
Financial Health



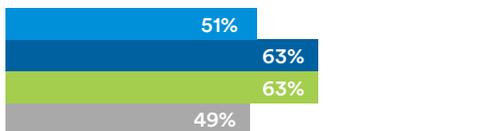
Mental Health



Social Health



Physical Health

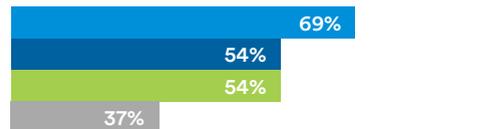


Age and Well-Being

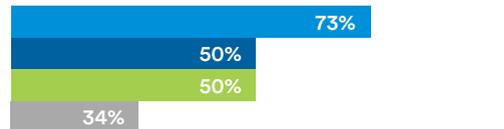
- 21-24 (Gen Z)
- 40-54 (Gen X)
- 25-39 (Millennials)
- 55+ (Baby Boomers)

“I have been worried about my...”

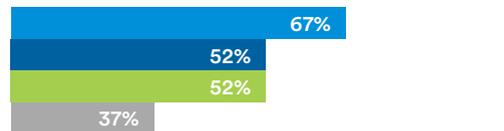
Financial Health



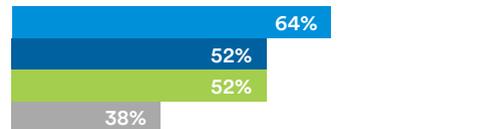
Mental Health

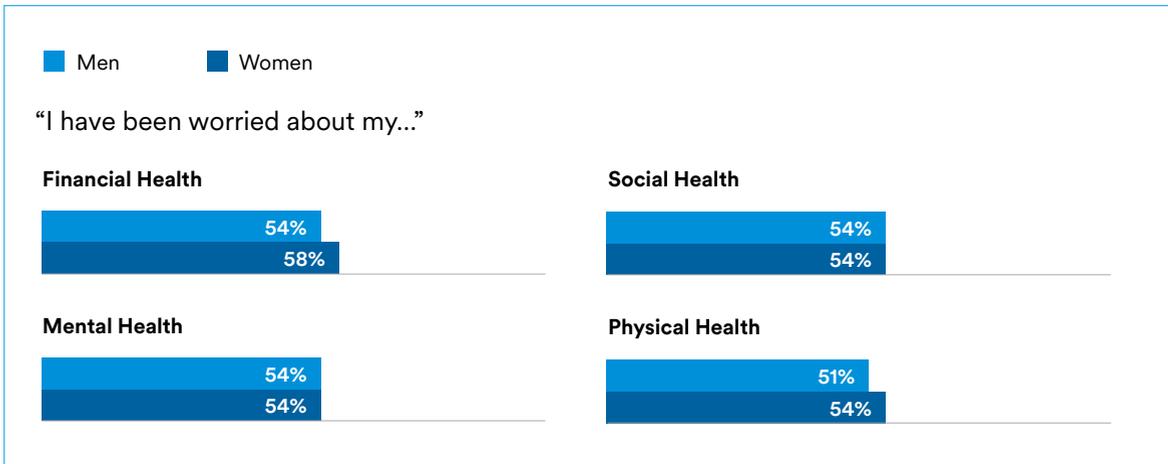


Social Health



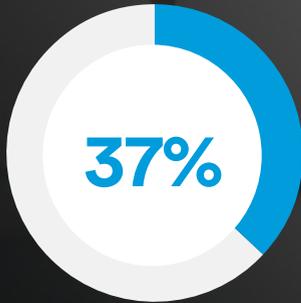
Physical Health





Employee Stress is Going Up

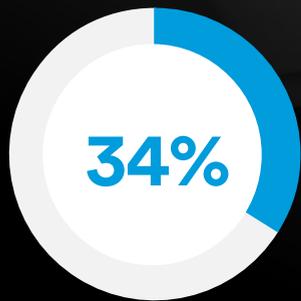
Employees are simultaneously confronting pressures of heavier workloads, kids at home, elder care, and a volatile political environment—all atop the ongoing stress of COVID-19. In turn, burnout and depression are on the rise.



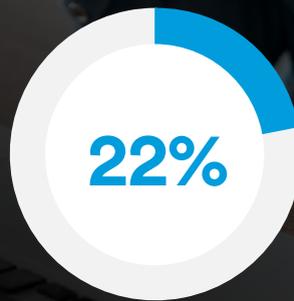
37% of employees feel stressed while working more than half the time, a 7% jump since April 2020.

Most Stressed Groups: IT/tech workers (46%), millennial workers (42%), and essential workers (39%)

But many employees don't realize what they feel is known as "burnout." When shown the WHO definition of burnout, 7 in 10 employees said they've experienced those symptoms since the start of COVID-19.



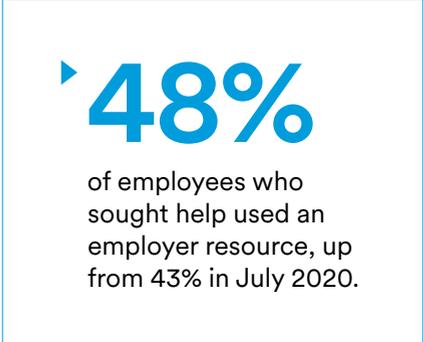
34% of employees feel burned out while working more than half the time, a 25% jump since April 2020.



22% of employees feel depressed while working more than half the time, a 30% jump since April 2020.

In all, that's 3 million more employees who are feeling stressed, 9 million more employees who are feeling burnt out, and 7 million more employees who are feeling depressed during work now than at the beginning of the pandemic.

With all these strains, employees know they need support—26% of workers say they have sought help for stress, burnout, or other mental health issues in the past 12 months.



ACCELERATING TREND

#3: Flexibility is here to stay, but it will require creative solutions to foster collaboration and manage workloads.

Home and work have always competed for time and attention. But when the pandemic necessitated different ways of work, it introduced new possibilities and pressures.

Though half of employees surveyed report being happier with their current working situation compared to before the pandemic, workers point to other shortcomings in leaders' efforts to be flexible:

only

▸ **28%**

of employees feel their employer is offering greater flexibility in work hours and arrangements, compared to 81% of employers who believe they're offering adequate flexibility.

▸ **55%**

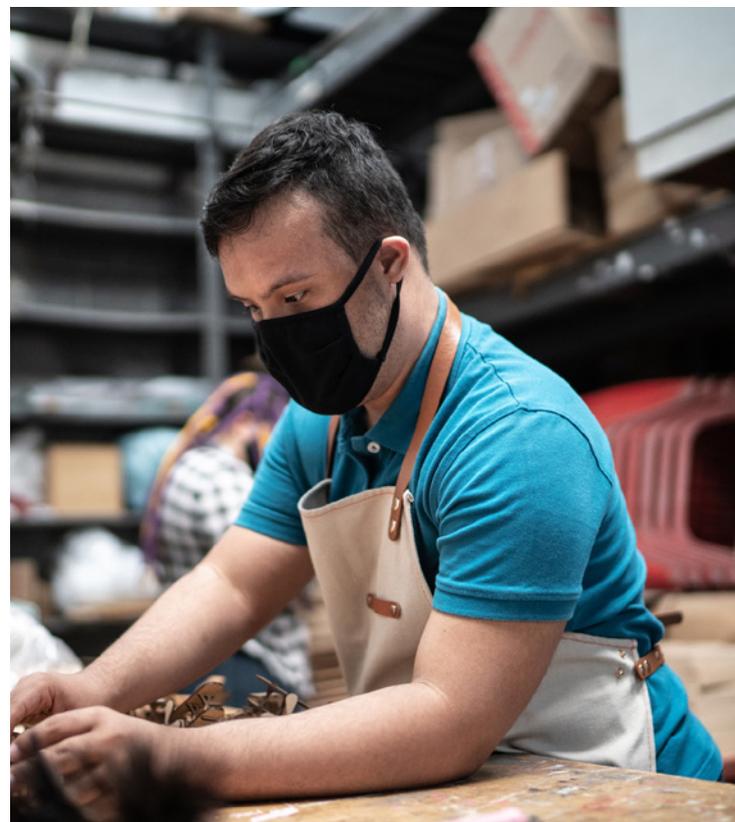
of workers in their 20s, including Gen Z and young Millennials, are happier with their working situation now than before the pandemic.

▸ **68%**

of employees who can work remotely say their employer should allow them to make the right choice for themselves and their family.

▸ **1/2**

of workers in their 20s (51%), including Gen Z and young Millennials, say their work-life balance is better now than before the pandemic, while only one-quarter of Baby Boomers say the same.



Return-to-Office Plans May Cause Employer-Employee Tensions

After months of reduced commuting expenses, spending more time with family, and dressing casually, most employees who have been working outside of the office don't want to go back to the old ways of work. But employers do. That push-pull of employee expectations and employer intentions creates a disconnect between employees and employers in a post-pandemic future.

▸ **76%**

of employees are interested in alternative work arrangements like remote work and more flexible schedules.

but

▸ **90%**

of employers who have changed working arrangements say they expect to return to pre-pandemic working arrangements once they can.

"Our company has been overall supportive with everything since COVID... working from home, but also making and accommodating if we wanted to go back to the office."



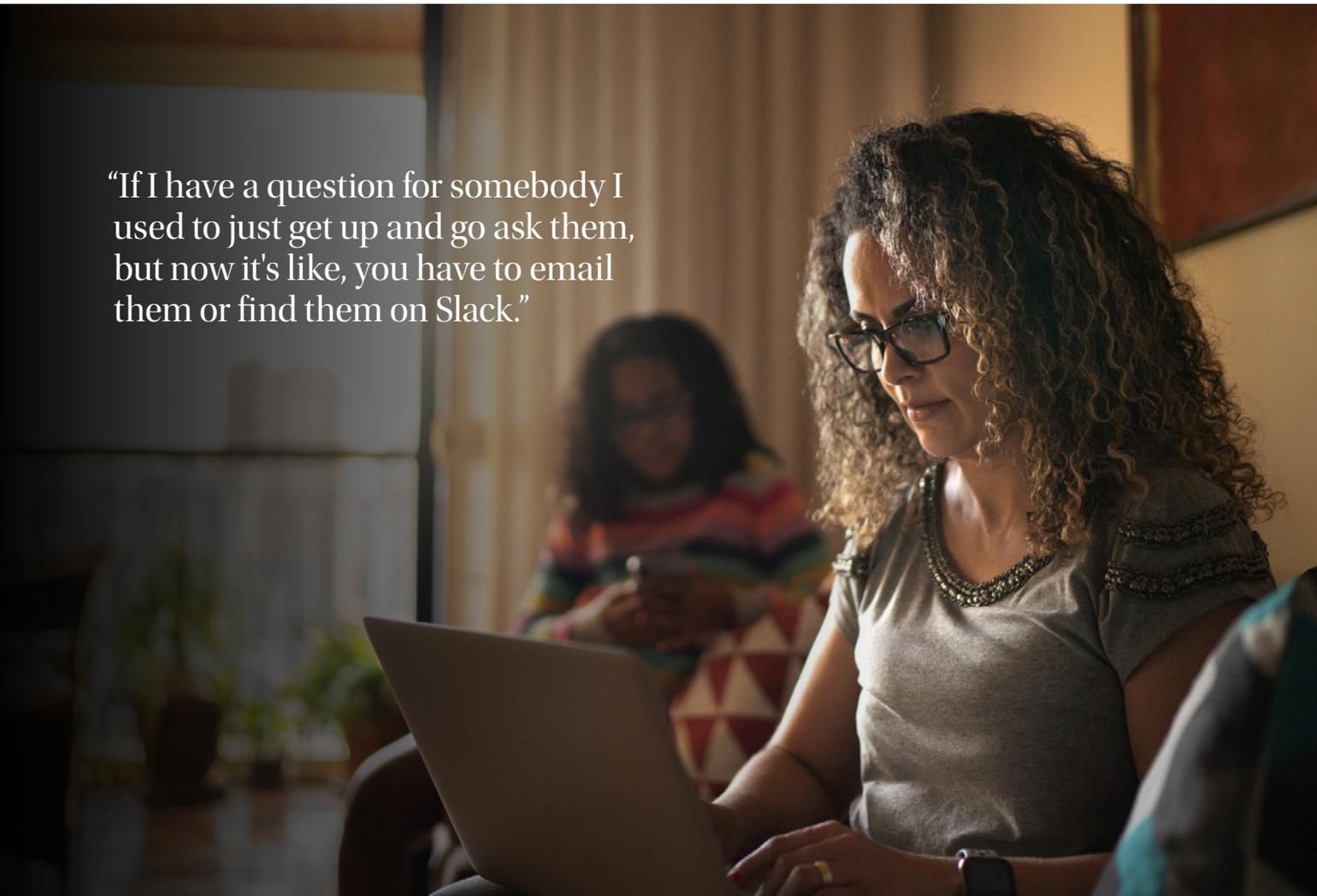
Collaboration and Workload Management are Areas of Opportunity

As remote work becomes more normalized for many employees, aspects like traditional collaboration and employee workloads may suffer. **This “work from anywhere” era can make boundaries more fluid and stretch workers without the benefit of support from colleagues, managers, or employers.**

For example, **42% of employees say knowledge sharing with coworkers has become much more difficult since the start of the pandemic.** Roughly half say they’re working outside of their normal work hours more often now than they did before the pandemic.

These challenges bring opportunities for employers to promote employee collaboration in whatever format best suits it—whether virtual or otherwise. Other opportunities include supporting balanced work schedules that work around employees’ professional and personal needs.

And yet, employers have to recognize these needs before they can offer solutions—**and 1 in 3 managers say they’re not always aware of how much work their team members have.** Helping leaders learn to identify and ask about those concerns can meaningfully improve workplace flexibility, regardless of how it looks in the future.

A woman with curly hair and glasses is sitting at a desk, looking down at a laptop. In the background, another person is visible, also working. The scene is dimly lit, suggesting an office environment.

“If I have a question for somebody I used to just get up and go ask them, but now it's like, you have to email them or find them on Slack.”

ACCELERATING TREND

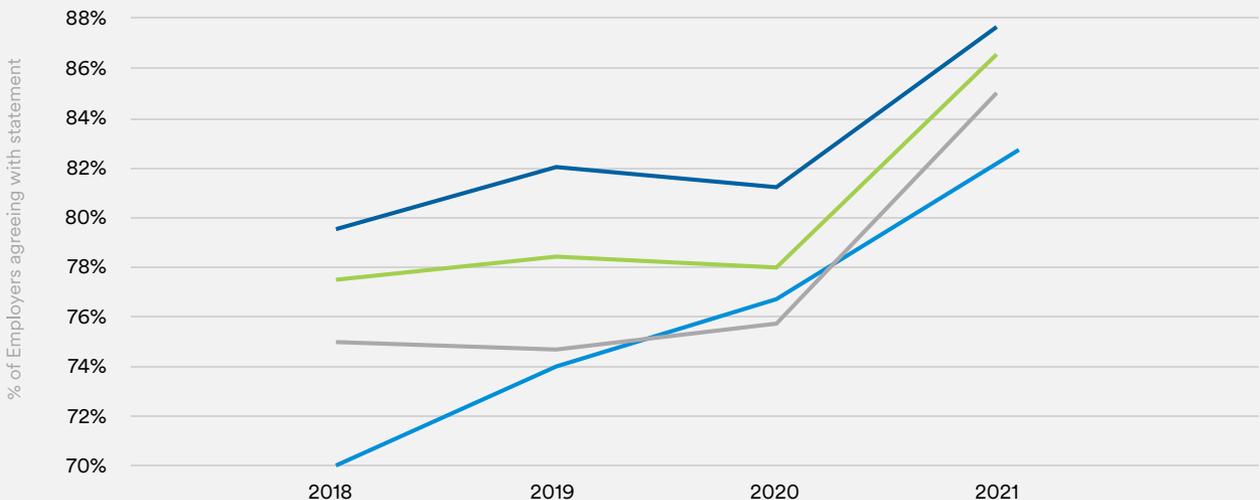
#4: Employers are evolving their benefits approach to meet the changing needs of employees, build employee resilience, and support worker well-being.

Companies know their employees’ needs are changing and that they need to better support overall employee well-being. As a result, they are rethinking their approach and investments in employee benefits. **That means offering new benefits and becoming more intentional about goal-setting, benefits engagement, feedback solicitation, and employee benefit communications.**

Overall, employers hope these positive changes put their organizations or companies on the path toward a stronger, more resilient culture—80% agree workplace benefits can play an important role in supporting this effort. Specifically, many employers have more targeted objectives for their benefits packages, with goals like increasing productivity, retaining employees, and improving employee health ranking among the most important.

There has been a shift in employer attitudes towards employee well-being as a result of the pandemic

- Employers have a responsibility for the health and well-being of their employees
- Employees being able to manage their work and personal life makes them more productive at work
- Our organization is committed to our employees' success
- Our organization has our employees' best interests in mind



Employers Are Changing Their Approach to Benefits

Employers are expanding the range and customization of benefits, improving communications around those benefits, and offering more added value programs.

- ▶ **80%** of employers are increasing **benefit communications** (or intend to).
- ▶ **74%** of employers are offering more **added-value services** for employees, such as mental health programs or EAPs (or intend to).
- ▶ **66%** of employers are expanding the range of **employee-paid benefits** (voluntary benefits) offered (or intend to).
- ▶ **75%** of employers are enabling employees to have **greater customization** of their benefits (or intend to).
- ▶ **70%** of employers are investing in new **emerging benefits** (or intend to).
- ▶ **64%** of employers are expanding the range of **non-medical insurance benefits** offered (or intend to).



ACCELERATING TREND

#5: As they confront social justice concerns, employees need their employer's support.

Social justice and political turmoil reverberated throughout the workforce in 2020 between Black Lives Matter protests, election polarization, and the Capitol riots. As employees confront these tensions and realities, they'll need the support of employers who understand workers' needs to process and emotionally manage them.



“With COVID and then all the political stuff that's going on right now, it's just kind of insane.”

Who is Most Affected By Social Justice Issues?

Social justice issues are a source of stress and anxiety for many employees, especially people of color and younger generations.

42% of all employees say social justice issues are a source of stress and anxiety

66% of Black women employees

59% of Black employees

56% of Hispanic/Latino/a women employees

52% of Hispanic/Latino/a employees

58% of Generation Z employees

48% of Millennial employees

Employees Want More Representation and Inclusion Training

48% of employees say they are interested in diversity and inclusion programs including affinity groups. To foster these programs, workers cite the need for more training:



3 in 10 employees say that managers are not equipped to handle diversity and inclusion issues.



2 in 3 managers believe their employer should provide them with training and support to promote an inclusive work environment.

The Road to Employee Resilience

These **five trends demonstrate that there is an opportunity for employers to revisit the social contract** with their workers and better support employee safety, protection, and well-being. Through an intentional and thoughtful recalibration of the employee experience, well-being can be supported, resilience built, and productivity gained.

Employers are aware of these stressors and have taken action to help. Diversity and inclusion initiatives, communication, and training are top priorities they're committing to in 2021 and beyond.

55% of employers say creating a diverse and inclusive workforce is a major concern for their organization.

02

Driving Resilience Through the Employee Experience

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The pandemic put companies' greatest asset—their workforce—at the center of business recovery. From here, **productivity can't make its comeback until employees have the tools and support to manage the high-stress environment of today's work-life reality and maintain their holistic well-being.**

Maintaining holistic well-being relies on employee resilience, which doesn't happen on its own.

It requires employers to take active steps to help their workforce withstand whatever comes next.

COVID-19 exposed the need for employers to not only take those steps but also find solutions that can help employees confront and overcome adversity. Many businesses succeeded in reshaping the employee experience to make room for those solutions. Their actions can be used as a guide to others build a more resilient workforce.

What is Resilience and How Does It Impact Productivity?

Everyone reacts to stress differently. Some people can adapt and even thrive amid uncertainty. These people are resilient. They rebound from setbacks and embrace new challenges. Natural problem-solvers, they focus on actions and outcomes within their control.

This should matter to employers because **workplace resilience is strongly linked to employee productivity and well-being.** It's the steadying force that helps workers confront

changes, unknowns, and stressors in their new work environment.

As the pandemic erodes the resilience of even the most unshakable employees, many employers understand the strains their employees face. They also acknowledge the role of resilience: **82% of employers believe employee resilience is important to business recovery and adapting to the new normal.**

“You learn to adapt to the different situations that you're in; if you don't, you're going to be in trouble.”





But there's a disconnect between what employers believe and what's happening. Though most leaders think the pandemic has helped employees steel themselves against adversity, employee feelings of resilience have declined by 5% since July 2020.

Employers who understand these gaps and work to restore resilience among their workforce will be most prepared to recover in the years ahead.

Employee Resilience Boosts Productivity, Engagement, and More

Compared to the national average, the most resilient employees are more likely to feel they are...

productive

96%

engaged

91%

holistically well

68%

They are also less likely to report feeling...

stressed

19%

burned out

14%

depressed

8%

How Can Employers Cultivate Employee Resilience?

Resilience needs to be actively nurtured across three interconnected pillars: self-care, culture, and support. When the employee experience promotes all three, it can help to build and sustain employee resilience over time.

**Self-Care:**

Employers can facilitate employees engaging in self-care by offering them access to nutrition counseling, gym memberships, mental health resources, EAPs, or other benefits. This pillar builds employee optimism and positivity.

**Culture:**

Employers can improve culture by creating a welcoming environment and investing in managerial training. This pillar promotes employee support and recognition.

**Support:**

Employers can bolster resilience by putting an infrastructure in place that expands benefits and other employee programs. This pillar provides workplace tools and resources.

"As a company, we've tried to accommodate each other with everything that has happened, and be a support system to make sure that even though we are working from home we're making sure that we're keeping our sanity as well."



What Are Successful Employers Doing Right?

Employees who have high well-being despite their challenges during COVID-19 work at companies that share a commonality, their ability to transform the employee experience with adaptability in mind. By focusing that transformation on aspects like trust, support, and communication, they've steered their workforce toward a culture of resilience.

Building a strong, open culture supports employees' whole selves. **When employees feel cared for through benefits, communication, and other support, they're more likely to have the tools they need to manage challenges and be resilient.**

"I think on one hand I'm grateful to be working for a company that's still open, that's still profitable in this time, and to have leadership in place that prioritizes our employees' well-being above everything."

A Formula for Success

Well-Being Support + Greater Trust + Leadership Communications + Strong Culture = Higher Productivity

Three Actions Employers Can Take to Build Employee Resilience

To build resilience among employees, employers need to engage their workforce through tangible solutions that promote an open and supportive work culture: When employees feel like they work in such an environment, they're 46% more likely to be productive and 30% less likely to be stressed.

These employees are also more likely to trust that their employer has their best interests in mind, which is yet another contributor to resilience:

Employees who trust their employers' leadership are 70% more likely to be resilient and 50% more likely to be productive than those who don't trust their employer. And yet, 29% of employees say they've lost trust in their employer.

This leaves opportunities for employers to put more effort into employee support. These three strategies can help:

1. Help employees manage work and life.

Work-life norms have changed, and workers need more help balancing competing demands. When they get that help through employee benefits, flex hours, or other types of work-life management support, it's a win-win for everyone.

▶ Employees who feel their employer provides the flexibility they need are

40%

more productive and

57%

more likely to be resilient.

▶ **72%**

of employees rank work-life management benefits and programs among their top five desired benefits to improve well-being.

▶ **44%**

of employers say that because of COVID-19, their organization plans to invest in work-life management programs.

"I've been here so long, and the reason is the flexibility of the ownership. They're extremely flexible for all the employees. If I need a day for my kids, or if something comes up, they are never questioning it."

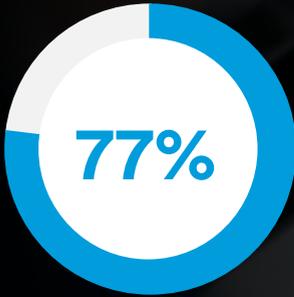


A New Era of Manager Training

Managers say they lack many of the skills or training to handle the changing needs of their direct reports during these turbulent times. With worker well-being and changing expectations at stake, **employers should retool and refocus managerial training for leadership at all levels in the years ahead.**

What Employers Say

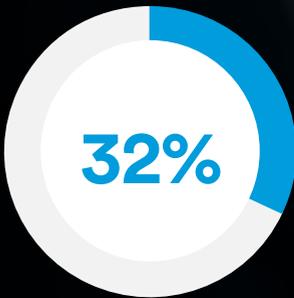
“We know things are different now, so the way we train managers should be too.”



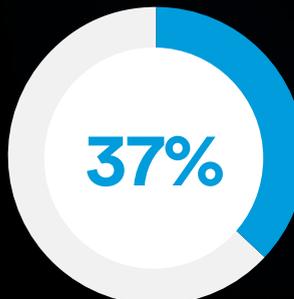
77% of employers agree that managers' roles have evolved as a result of COVID-19.

What Employees Say

“Many managers are just not ready for these conversations. They're...



32% not prepared to ensure the overall well-being of direct reports



37% not prepared to support employees with stress, burnout, and other mental health issues

What Managers Say

“I need and want training and support to help my direct reports thrive through any challenge. I feel my leadership should help me...”

▶ 70%

train and upskill employees

▶ 70%

improve people management, development, coaching skills, and conflict resolution

▶ 69%

point employees to the right solutions and programs available to them

▶ 69%

manage direct reports' work-life balance

▶ 69%

support direct reports' overall health and well-being



2. Communicate often, transparently, and empathetically.

Internal communications alone won't solve employee stress and uncertainty, but they can help build employee trust, and with it foster resilience. When leadership and managers are honest, attentive, and regularly accessible, work becomes more meaningful.

When employees are satisfied with the frequency and clarity of communications from their employer, they're...

- ▶ **177%** more likely to be holistically well.
- ▶ **156%** more likely to feel valued and appreciated.
- ▶ **48%** more likely to be resilient.
- ▶ **38%** more likely to feel productive.

3. Build a benefits package that addresses evolving needs.

As employees look for greater support from their employers, particularly around financial well-being, employee benefits can play a pivotal role. Benefits provide active support to employees when they need it most, helping them manage unexpected expenses that can destabilize well-being.

Employers who offer a range of benefits that meet the diverse and evolving needs of their workforce find that employees become more engaged, resilient, and trusting in leadership.

The key to driving this impact is providing benefits that go beyond the basics of medical insurance and retirement plans. Now, programs that address the full spectrum of employee needs are a must-have.

- ▶ Employees who say their employer offers a benefits package that meets their needs are 41% more likely to feel resilient and 60% more likely to trust their employer's leadership.

- ▶ **And yet,** 2 in 5 employees say their employer isn't offering benefits or programs that support their well-being during the pandemic.

Employees Need Benefits That Support Financial Wellness

Over half of employees are concerned about their financial health, more than any other aspect of well-being.

Top 5 Causes of Financial Stress & Anxiety:

- ▶ **48%:** Ability to retire as planned/on schedule
- ▶ **48%:** Long-term savings—such as 401(k)s, IRAs, or other retirement accounts
- ▶ **47%:** Monthly expenses/cost of living
- ▶ **45%:** Medical/health expenses
- ▶ **44%:** Other unexpected expenses—such as home/car repair

A comprehensive benefits offering can help provide that much-needed support by limiting out-of-pocket medical expenses that medical insurance may not cover, providing tax incentives, and extending other financial protections.

And yet, gaps persist—particularly with financial wellness: 64% of employees rank financial benefits in the top five, but only 37% of employers are planning to invest more in such benefits after COVID-19.

Taking a holistic approach to benefits—in which offerings coexist and complement each other—can help narrow these gaps substantially.

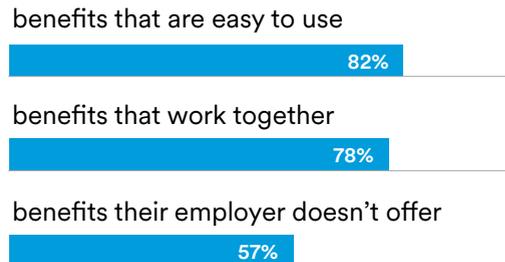
03

The Increased Value of Employee Benefits

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Safety, protection, and well-being matter more than ever as employers adapt to meet the needs of the new employee experience. **With aspects like financial and mental health jeopardizing resilience and productivity, employers have an opportunity to reassess their benefit plans to ensure they support employees' holistic well-being.** In so doing, employers will also need to reevaluate how they communicate the relevance and value of those benefits to their workforce.

What Do Employees Want from Their Benefits?



Benefits Plans Are Evolving to Be More Holistic

The workforce is more diverse and facing more challenges than ever before. This necessitates taking a more holistic approach that focuses on providing a wide range of benefits for employees and their families.

Employers are adopting this approach in response to the challenges of COVID-19 and to employees' shifting priorities related to safety, protection, and well-being.



8 in 10 employers are planning to increase the range and/or level of investment in employee benefits because of COVID-19

A key to the success of this holistic approach is to shift perceptions of benefits from a product-by-product model to one that treats benefits as a suite of products that work together across employees' changing life stages and personal needs.

This holistic view recognizes and supports the interconnectedness of benefits to support physical, mental, social, and financial health—while giving employees what they want, more choices. For example, there has been an increase in pet adoptions during the pandemic, but the unexpected costs of pet healthcare may leave some employees more financially vulnerable. Pet insurance is just one solution in a patchwork of options to help solve those concerns.

But keep in mind, **comprehensive shouldn't mean complex.** Workers want to easily understand how their benefits work together to help protect themselves and their families and they need employers to help explain how benefits options complement each other. **When employers communicate benefits in a value-forward way, workers can easily see and solve gaps in their coverage—better arming them to combat today's continuous challenges.**

An Employee-First Approach to Benefits

Employers have an opportunity to help employees better understand what benefits do, how they complement each other (particularly with medical insurance), how they can be personalized, and how they apply to real-life situations. That's why we developed a simple framework to help organize benefits holistically and easily communicate their value to employees.

When employees understand the full picture, they can identify how benefits work in unison to meet their individual needs. This moves benefits away from the product-by-product model toward comprehensive coverage, empowering employees with more choice and a more complete solution for holistic well-being.



A Working Blueprint for Approaching Benefits

Medical coverage meets employees' immediate healthcare needs, while retirement savings support long-term financial goals.

But, between these traditional pillars are the spaces where people live and grow—amid changing circumstances and shifting priorities at work and at home—and those spaces deserve benefit support, too. It's here where non-medical benefits help safeguard employees' financial well-being during life's key moments, whether they're right out of

school, starting a family, contemplating retirement, or managing care for elderly parents.

The following structure can help employers actionably reorient their benefits around a more employee-centric model. Grouping benefits by their functional role and the kind of support they provide makes it easier for both employees and employers to see how benefits can solve different life changes and meet potential financial challenges.



Build a healthy foundation—Insuring health inside and out

- Medical Insurance
- Employee Assistance Programs (EAPs)
- Mental Health Programs
- Prescription Drug Coverage



Enhance Your Health Coverage—Building on the foundation

- Dental Insurance
- Vision Insurance



Protect Your Way of Life—Protecting against the unexpected

- Accident Insurance
- Hospital Indemnity Insurance
- Critical Illness Insurance
- Cancer Insurance
- Disability Insurance



Secure Your Family's Future—Finding financial peace of mind

- Life Insurance



Safeguard Your Household—Covering the things worth protecting

- Legal Insurance
- Pet Insurance
- Auto Insurance
- Home Insurance
- Identity Theft Protections



Reach Your Financial Goals—Taking control of everyday spending, savings, and retirement

- Health Savings Account
- 401(k) and/or other retirement savings
- Financial Wellness Programs

The interconnectedness of this benefits framework ties back to employee needs as well as employee demand. And in 2020, that demand included both traditional and non-traditional benefits—reflecting the changing nature of a pandemic-era workforce.

What do employees consider must-have benefits—and are employers offering them?

■ Employees who consider it a must have ■ Employers who offer it

Medical Insurance



Critical Illness Insurance



Retirement Plan



Accident Insurance



Paid or Unpaid Leave



Hospital Indemnity Insurance



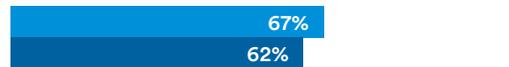
Dental Insurance



Cancer Insurance



Vision Insurance or Discount Program



Legal Services



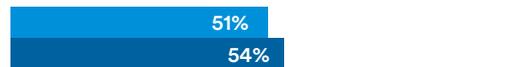
Life Insurance



Auto Insurance



Disability Insurance



Home Insurance



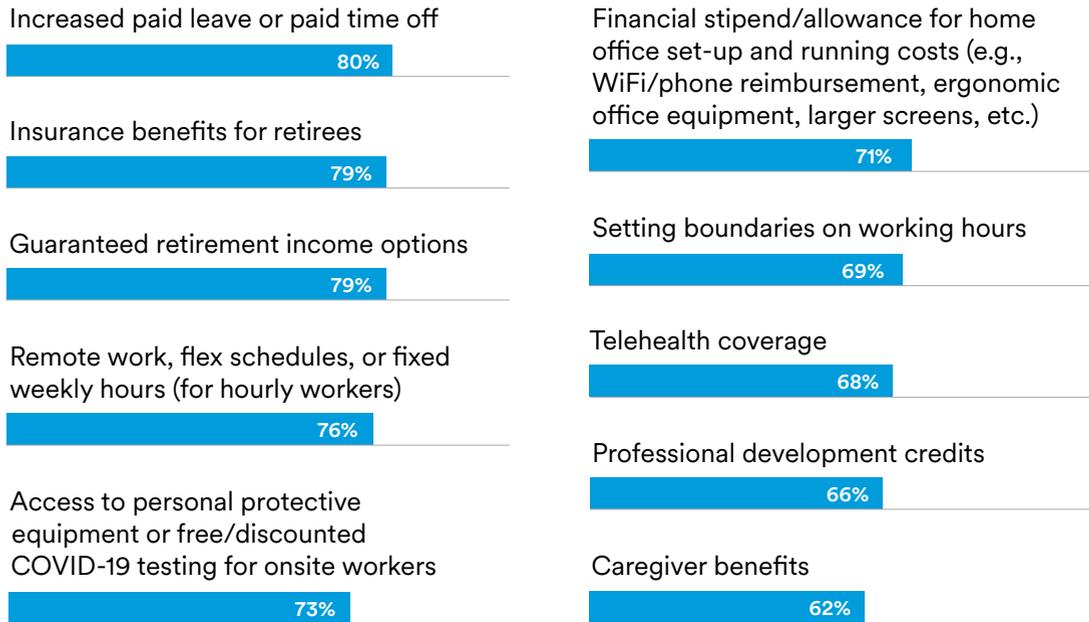
Health Savings Account



Pet Insurance

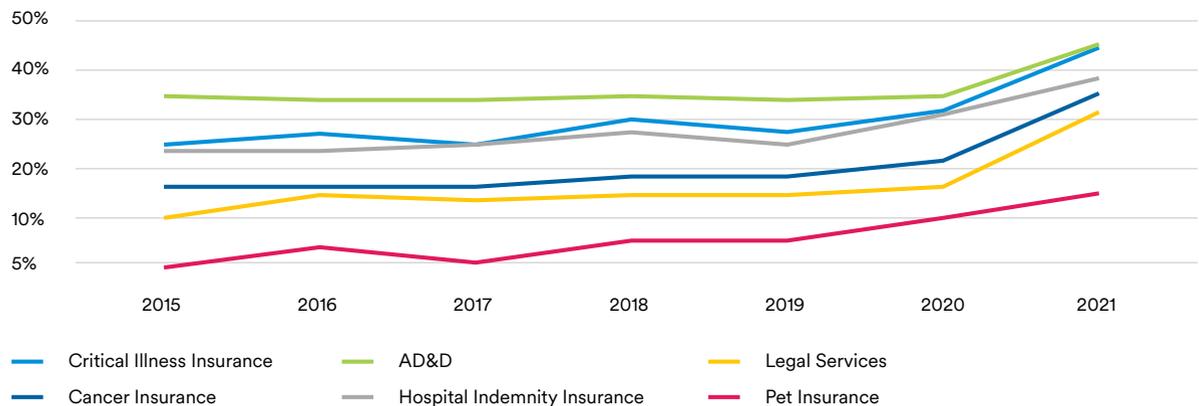


What non-traditional perks and benefits interest employees?



Interest is Spiking for Emerging Plans

Legal, cancer, critical illness, and pet insurance are among some of the plans in which employee interest grew the most from 2020 to 2021.



Driving Well-Being and Productivity With Improved Benefit Communications

Strong benefit communications have always been an important factor in employee well-being. When employees understand their options and how those options can protect themselves and their families, they're more likely to thrive at work and in their lives—and also trust that their employers have their best interests in mind.

Make Benefits Easy to Understand

Employees who say their employer's benefits communications are easy to understand are...

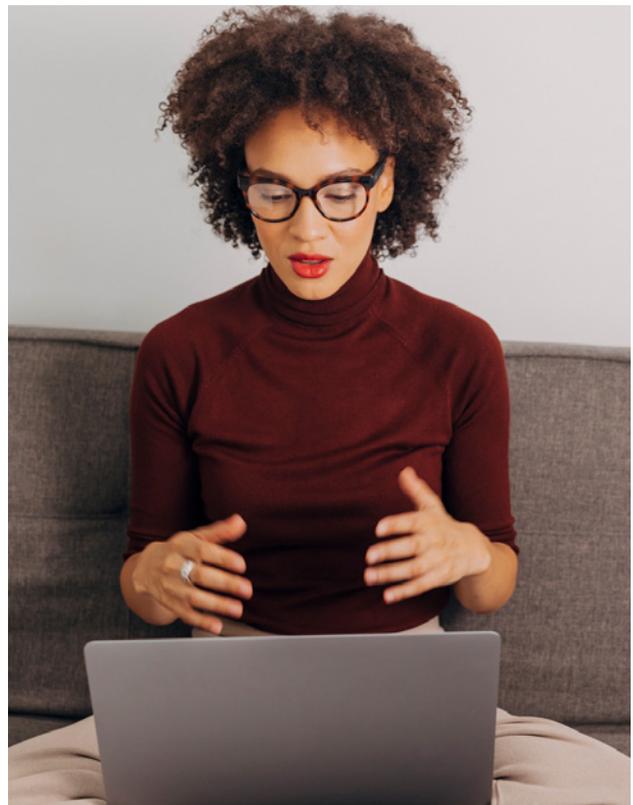
- ▶ **99% more likely to feel valued or appreciated.**
 - ▶ **67%** more likely to feel successful.
 - ▶ **41%** more likely to be productive.
- When employees understand how their benefits work through their employer's benefits communications, they're...
- ▶ **100% more likely to trust their employer's leadership.**
 - ▶ **78%** more likely to be happy with their job.
 - ▶ **50%** more likely to be loyal to their employer.

And yet, **nearly a third of employees (31%) don't think their employer's benefit communications are easy to understand.** More than half of employees (55%) wish they were more informed about their benefits so that they could get more value from them.

Expand Communications Beyond Open Enrollment



Nearly 7 in 10 employees want to hear from business leaders about their benefits after they've already signed up for them. In response, more than half of employers say they're increasing benefits communication this year or plan to do so.



Employers Should Create a Communications Action Plan

Employees have varying levels of understanding when it comes to benefits. From the recent college graduate who is on their own health plan for the first time to the expecting parents shopping for life insurance, not all employees have the same benefits education needs. A benefits communications plan should reflect these differences.

But it shouldn't be static: While open enrollment is still the most critical time to consider and select benefits, there is great value in ongoing, year-round outreach. Driving communications through multiple touchpoints and time periods helps promote understanding, engagement, and utilization. Furthermore, they need to be able to access information—how and where they want—from their employer and their carrier.

The below action plan can be used as a year-round model to guide communications so that employees understand their benefits and which options are right for them and their families.



Benefits Communications Action Plan

▶ **Communications Planning**

Develop a communications plan that speaks to the unique needs of the workforce while driving measurable results. Consider your specific benefit objectives, such as boosting year-over-year participation or increasing and understanding of certain benefits.

▶ **Pre-Enrollment Communications: Awareness and Engagement**

Introduce employees to their benefits from a holistic perspective, rather than a product-by-product menu. Use real-life stories of how benefits that work together have supported employees. And consider where messaging originates: Communications straight from leadership can help give messaging the gravitas it requires. Overall, the goal before enrollment is to make people aware of their full benefits package and to motivate them for the upcoming open enrollment period.

▶ **Open Enrollment Communications: Education and Enrollment**

Help match employees with the benefits they need through simple, straightforward education. Provide details about all benefits within all categories so that workers understand their options and those options' relevance in everyday life. Also give them tools and decision-making materials so they have the resources they need to feel confident in their benefits choices.

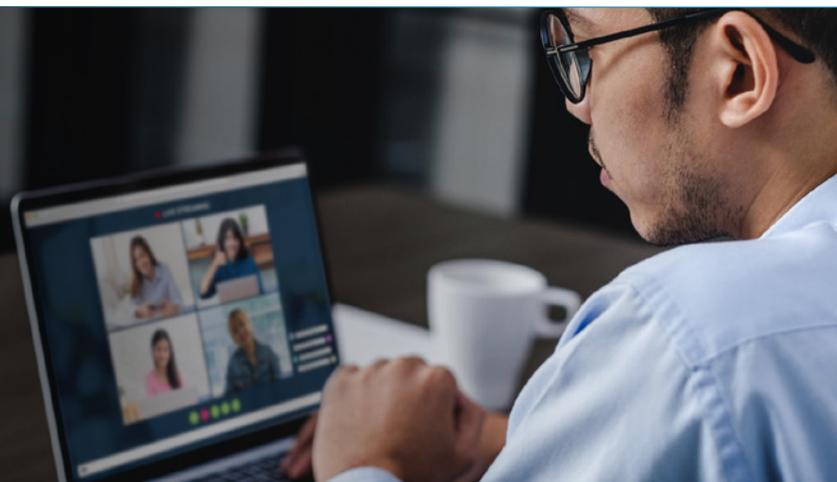
▶ **Post-Enrollment Communications: Guidance**

Ensure employees get the most value from their benefits by knowing the full scope of their coverage and how to use it throughout the year. This phase is all about engaging employees with the benefits they purchased and making them easy to use by providing contact information, links, and educational resources that can further drive utilization. Now is also the time to promote value-added features that may have new relevance as the year goes on. This is especially important for life-event communications, like the birth of a child, which are major moments for employees and where benefits have new roles and relevance. It also provides an opportunity to educate employees, given their new situations, on the value their workplace can provide.

▶ **Ongoing: Evaluate and Optimize**

The performance of communications should be continuously monitored and optimized to make sure employees get the most value from their benefits. This should include measurements of participation and utilization rates, but also email views and website visits: If communications aren't being seen, they're not going to impact employees.

"The performance of communications should be continuously monitored and optimized to make sure employees get the most value from their benefits."



Make All Benefits Information Available Digitally

Digital communications had already begun to increase before COVID-19, but the pandemic accelerated those trends to new levels, with even traditional formats like benefit fairs now taking place virtually. At the bare minimum, all benefits information should be available digitally and easily accessible across channels in this new normal.

Which Communication Channels Are Best?

Email is great, but employees want more: While 64% of employers use email as a benefits communication channel, only 41% of employees want to learn about their benefits from their inbox. However, employees *do* want to learn about, enroll in, and manage their benefits through an online portal, a channel more than half of employers don't have or use for that purpose.

Still, even with the shift toward digital channels, in-person communications matter too, in whatever format they can take place right now. To ensure your communications meet employee needs, consider a balance across the most in-demand channels—including online portals, emails, in-person communications, mobile apps, and phone support.

Employees' Top Preferred Channels for Benefits Education



50% Online Portal



30% In-Person



41% Email



18% Mobile App



17% Over the Phone



Where Work Goes from Here

The pandemic and its pressures are undeniable: We've all endured stress, heartache, and uncertainty together. Through those shared experiences, employers and employees can certainly relate to one another.

But things will get better—**recovery is possible with resilience**. Workers who can withstand and even thrive through change are the ones who will be more productive, engaged, trusting, and holistically well in a post-pandemic workplace.

The good news: **Resilience can be built. Employers who focus on the changing needs of their workforce—on aspects like safety, protection, and flexibility—can increase that resilience more every day.**

Employee benefits play a key role, especially when those benefits address the many challenges tied to worker well-being. Earlier and more frequent benefit communications can make all the difference in helping employees understand how and why their coverage matters, as can investing in new digital channels like online portals.

Other actions matter too, and your business will undoubtedly find more solutions in the year ahead. **No matter what, keep employee well-being at the center of your efforts. Consider it the compass that points back to business recovery: It will always put you on the right path.**

Visit [metlife.com/ebts2021](https://www.metlife.com/ebts2021) for additional insights, tools, and videos that can help provide perspective on today's modern workforce challenges and help set course for more resilient and productive future.



Methodology

MetLife's 19th Annual U.S. Employee Benefits Trends Study was conducted in December 2020-January 2021 and consists of two distinct studies fielded by Rainmakers CSI – a global strategy, insight, and planning consultancy.

Employees

Gender	
Male	50%
Female	50%
Other (including non-binary)	0.3%
Marital status	
Married	55%
Single, not living with partner	26%
Single, living with partner	9%
Divorced/Separated	9%
Widowed	1%
Ethnicity	
Caucasian	74%
African-American	15%
Asian	8%
Other	4%
Hispanic	17%
Non-Hispanic	83%
Family status	
Do not live with children under 18	65%
Live with children under 18	35%
Employer size (staff size)	
2-9	7%
10-49	16%
50-199	16%
200-499	7%
500-999	8%
1,000-4,999	12%
5,000-9,999	8%
10,000+	25%
Geography	
South	36%
West	20%
Northeast	22%
Midwest	22%

The employer survey includes 2,500 interviews with benefits decision-makers and influencers at companies with at least two employees. The employee survey consists of 2,651 interviews with full-time employees, ages 21 and over, at companies with at least two employees.

Age	
21-24	6%
25-34	22%
35-44	26%
45-54	20%
55-64	18%
65+	7%
Personal income	
Under \$30,000	10%
\$30,000-\$49,999	22%
\$50,000-\$74,999	21%
\$75,000-\$99,999	16%
\$100,000-\$149,999	16%
\$150,000 and over	12%
Prefer not to answer	3%
Industry	
Other Services	13%
Health Care and Social Assistance	12%
Educational Services	11%
Information Technology	9%
Finance and Insurance	8%
Retail	8%
Manufacturing	7%
Professional, Scientific & Technical Services	5%
Construction	5%
Transportation and Warehousing	3%
Public Administration	3%
Accommodation and Food Services	3%
Real Estate	2%
Arts, Entertainment and Recreation	2%
Administration and Support and Waste Management and Remediation	1%
Energy & Utilities	1%
Wholesale Trade	1%
Agriculture, Forestry, and Fishing	1%
Information	1%
Management of Companies and Enterprises	0.5%
Mining, Quarrying, and Oil & Gas Extraction	0.5%

Education	
Some schooling completed/ No high school diploma	1%
High school graduate or the equivalent (i.e., GED)	12%
Some college credit, no degree	13%
Associate degree	12%
Bachelor's degree	35%
Master's degree	20%
Professional/Doctorate degree	7%
Employer size (staff size)	
2-9	10%
10-49	16%
50-199	12%
200-499	7%
500-999	9%
1,000-4,999	12%
5,000-9,999	12%
10,000+	22%
Industry	
Health Care and Social Assistance	18%
Information Technology	10%
Manufacturing	9%
Finance and Insurance	9%
Other Services	8%
Professional, Scientific & Technical Services	8%
Retail	8%
Construction	7%
Education Services	6%
Accommodation and Food Services	3%
Public Administration	2%
Transportation and Warehousing	2%
Real Estate	2%
Energy & Utilities	2%
Wholesale Trade	1%
Arts, Entertainment and Recreation	1%
Administration and Support and Waste Management and Remediation	1%
Management of Companies & Enterprises	1%
Information	1%
Agriculture, Forestry, and Fishing	1%
Mining, Quarrying, and Oil & Gas Extraction	0.2%
Geography	
South	41%
West	20%
Northeast	20%
Midwest	19%

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