

Portrait of America's Medium-Sized Employers (100-499 employees)

Pressing Human Resources Issues

- ◆ Decision-makers at medium-sized companies say the most important HR issues facing their organizations are (1) controlling health costs, (2) retaining employees, and (3) increasing worker productivity.
- ◆ 55% say understanding the changing health care landscape is a top benefits challenge.

Benefits Objectives

- ◆ The top three benefits objectives for medium-sized employers are (1) taking care of employees, (2) reducing health care costs, and (3) retaining employees.
- ◆ 56% say their current benefits packages meet employees' needs extremely/very well (compared to 51% of decision-makers at small companies and 62% at large companies); 6% say their packages meet employees' needs not very/not at all well (compared to 13% at small companies and 6% at large companies).
- ◆ 34% tailor benefits based on employees' needs at different levels or life stages; 35% think it is important to do so.
- ◆ 73% use brokers or benefits consultants, compared to 48% of small companies and 55% of large companies.

Benefits Communications

- ◆ Just 27% of HR decision-makers believe their employees are extremely/very knowledgeable about benefits offered at their organizations.
- ◆ 44% of HR decision-makers say it is extremely/very important to tailor their benefits communication approach to employees at different levels or life stages.
- ◆ 31% communicate with employees about benefits twice per year.

- ◆ 39% believe they communicate very/extremely effectively with employees (compared to 52% small of small companies and 38% percent of large companies).
- ◆ 27% say their employees are extremely/very knowledgeable about their benefits (compared to 46% of small companies and 27% of large companies).

Role of Voluntary Benefits

- ◆ Just 4% say they would not consider adding new voluntary insurance benefits (compared to 19% of small companies and 8% of large companies).
- ◆ Representatives of medium-sized companies say their top challenge when adding a voluntary benefit to their plans is generating employees' interest in purchasing the coverage (27%); 15% say the toughest challenge is administering the voluntary benefits program.
- ◆ Just 14% of HR decision-makers believe their employees are extremely/very knowledgeable about voluntary benefits.

Beliefs about Workers' Perspectives

- ◆ Medium companies moderately believe an overall benefits package significantly influences:
 - Job satisfaction (42%)
 - Worker loyalty (39%)
 - Employees' willingness to refer friends (33%)
 - Worker productivity (23%)
 - Employees' decision to leave the company (27%)
- ◆ 69% percent of decision-makers believe employees should be more engaged in making benefits decisions, a higher percentage than their counterparts at small and large companies.

2011 Aflac Workforces Report, conducted by Harris Interactive on behalf of Aflac, September 2010.