



Benefits Trends Survey 2017

Highlights Western Europe

Employee health and financial wellbeing has become one of the key challenges to modern organisations. In Western Europe no less than 44% of the employers indicate that health and wellbeing will be included in their company goals within three years' time. Drivers for this trend are the continuous competition for talent and the acknowledgement that stress is the no. 1 cause for employee absence.

Building the benefits strategy

Around two thirds of employers over the next three years will revise their plan designs and strategies to better manage costs and to drive desired employee behaviours (*Figure 1*).

The need for redesign is confirmed by the fact that 37% of employers in Western Europe do not know how much they spend on benefits and that there is a discrepancy in employee and employer perception: employers overestimate the employee understanding of the benefit packages 67% compared to 53% of employees (*Figure 2*).

Employers plan to make their health and wellbeing programmes a key competitive advantage (*Figure 3*). 71% plans to do this within the next 3 years. Drivers when designing these plans are: benchmarking against competition, looking at specific workforce needs or achieving consistency across all locations in the region or across the globe.

Trends in plan (re)design

To increase employee engagement the plans need to be more flexible and need to offer more choice. The survey shows that almost double the number of employees value their benefits if they are offered a choice (*Figure 4*).

About the survey

The Western European Benefits Trends survey tracks high level trends around benefit strategy, benefit plan design and delivery, benefit cost and health and financial wellbeing. The 2017 survey was conducted between April and June 2017 and was completed by 762 employers in Western Europe.

Figure 1: **Key challenges**

Employers grow understanding of the need for a broader health and wellbeing plan design



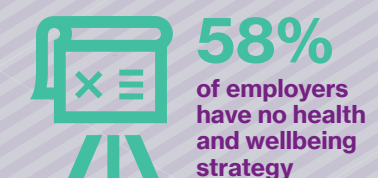
Figure 2: **Perception gap**

Only 44% of the employees say their benefits meet their needs



Figure 3: **Strategy shortfall**

Employer plan to make their health and wellbeing programmes a key competitive advantage



Financial wellbeing

Many organisations are responding by looking to boost employee financial wellbeing. Employers are looking to strengthen their current offerings with nearly one in five looking to significantly expand programmes over the next three years. They also intend to boost engagement, and improve the understanding and appreciation of programmes.

Alongside the greater priority employees are placing on managing their finances, we see a greater use of online apps and tools. Technology is gaining traction among employees and current employer programmes have received only a lukewarm reception. Now 43% says they want to create a digital engagement strategy for their benefits programs.

The survey also found out that in three years 72% of the companies will measure the effectiveness of their programs, which now is just a mere 13% (Figure 5).

Creating a high-performing health programme

Companies have a broad set of priorities for their health and wellbeing programmes. One of the priorities is communication. More than two thirds of the employers say that they need to increase employee engagement in health and wellbeing (Figure 6). The top priority is to improve the workforce's health: 63% of the employers say they want to identify and effectively manage population health risks and chronic conditions across the workforce.

More highlights

- Healthcare benefits (73%) have become more important for employees than retirement benefits (63%)
- 55% of employees say that managing their health is a top priority in life
- Only 34% of employees say that the company promotes a healthy work environment vs 65% of employers
- Nearly 30% of employers recognize that their wellbeing programs are below market average
- 77% of companies use external benchmarking against competitors to start benefits redesign

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Figure 4: Need for choice

Employees report higher benefit satisfaction where they have greater flexibility and choice



Figure 5: Increasing effectiveness



Figure 6: Communication priority

