

Building a positive employee experience

Modernising Benefits in Asia Pacific – Part 4

By Alice Tan

When designing or modernising a benefits program, it is crucial for employers to consider the employee experience — that is, how employees perceive and interact with their benefits. If this angle is not thought through, employers run the risk of employees undervaluing (or worse, not being aware of) even the most relevant and competitive packages. This can represent a significant loss of resources, whether cost or time, and is also an opportunity cost in terms of the potential gains in engagement and employer reputation.

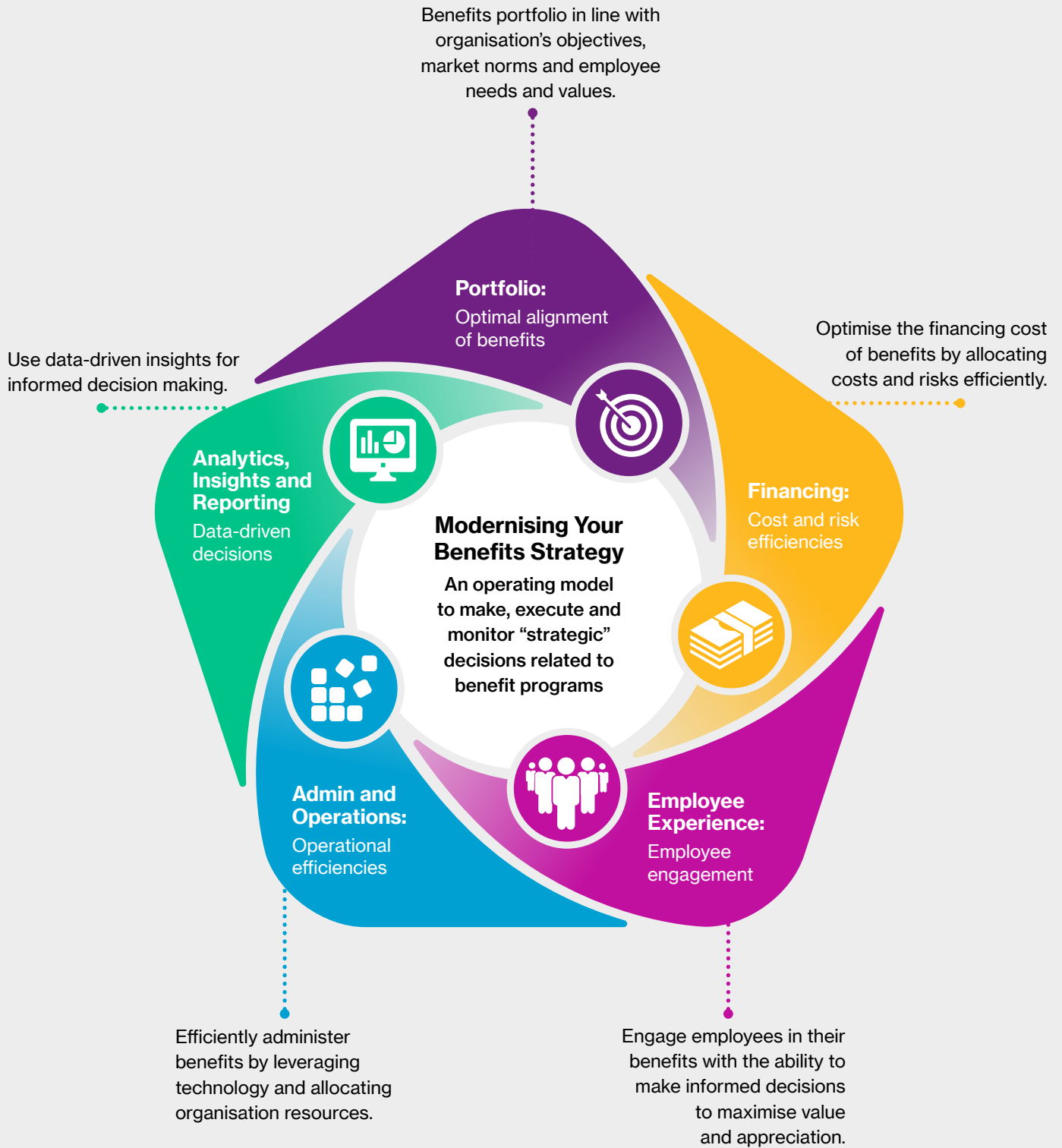
In this article, we will highlight the employee experience as a factor in optimising the value of the benefits package, and how employers can effectively use it as an engagement tool.

This is the fourth of a six-article series on modernising benefits, in which we look at how benefits can be designed and delivered using a holistic, integrated approach outlined in the Benefits Navigator (Page 2).



Alice Tan
Head of Benefits
Delivery & Solutions,
Health & Benefits,
Asia and Australasia

The Benefits Navigator



More and more employers in Asia Pacific are recognising the importance of the employee experience when it comes to an organisation's overall benefits strategy. A recent survey found that close to three-quarters (71%) of employers in Asia Pacific are looking to increase their focus on this in the next three years (Figure 1).¹ The employee experience drives employee engagement, in turn increasing the value that employers and employees alike stand to gain from the benefits spend.

What makes a positive employee experience?

Three aspects of the benefit portfolio have a direct impact on the employee experience – design, funding, and delivery.

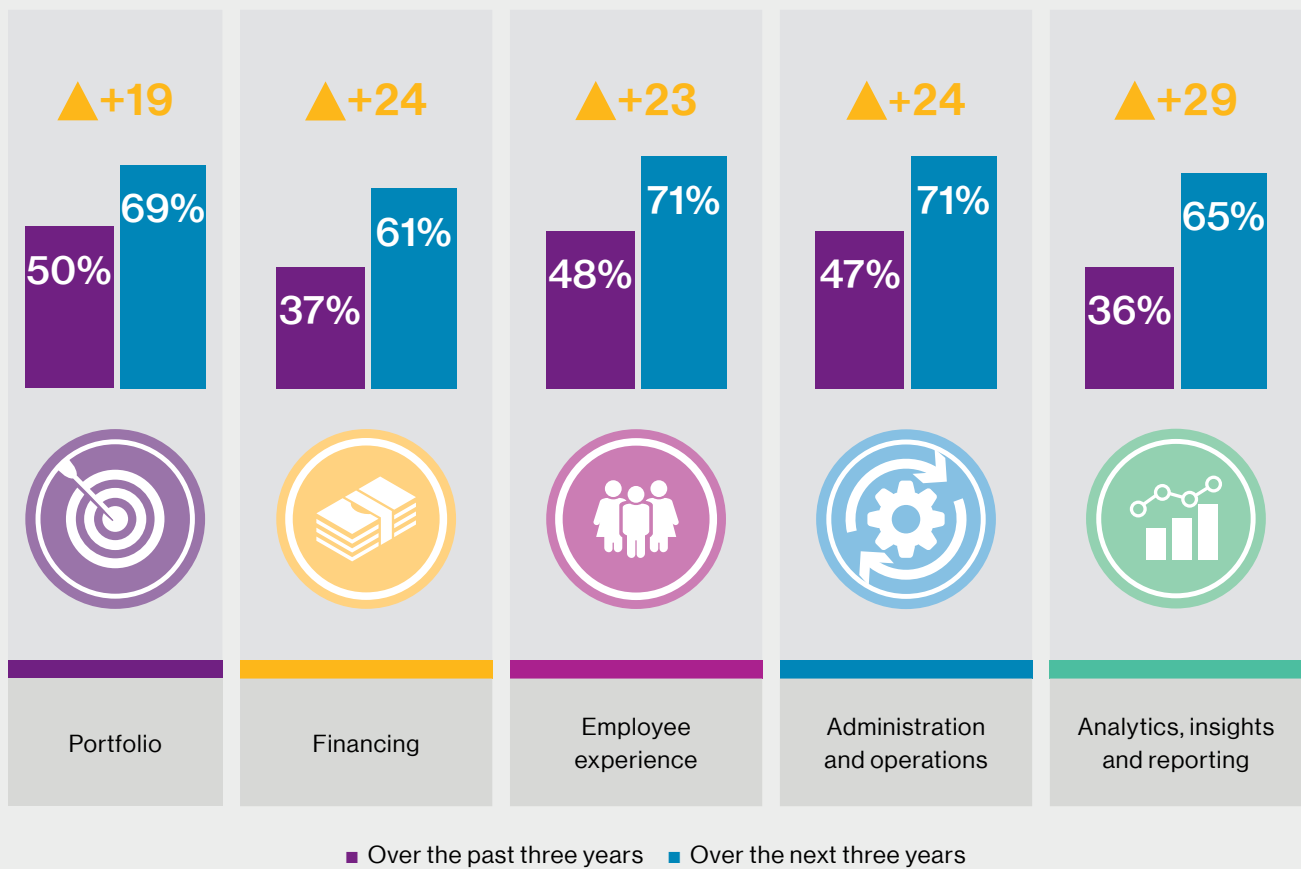
Creating a positive employee experience starts with understanding the workforce.

Creating a positive employee experience starts with understanding the workforce, so that key concerns of employees can be addressed. These concerns will vary according to different groups – and this challenge is particularly acute today. Employers are dealing with multiple generations of employees, from those entering the workforce (Gen Z) to baby boomers nearing retirement (and some already past the age of retirement but continuing to work due to financial pressures or other reasons).

In fact, the 2019/2020 Benefit Trends Survey found that alongside costs, addressing the needs of a multigenerational workforce was a leading challenge employers face today when it comes to their benefit programs (Figure 2).

Figure 1. Organisations plan to increase focus on the employee experience in the near future

To what extent has your organisation focused on the following areas?



Note: Percentages indicate "To a great extent" or "To a very great extent"

Source: 2019/2020 Benefit Trends Survey – Asia Pacific

Figure 2. **Rising costs and multigenerational workforce needs are among the top challenges for employers**

	AP	ANZ	CN	HK	IN	ID	PH	SG	TW
Rising benefits costs	69%	64%	69%	77%	65%	65%	79%	73%	57%
Differing wants and needs of a multigenerational workforce	55%	55%	65%	57%	51%	48%	58%	66%	56%
Challenges communicating around benefits choices	39%	35%	52%	36%	38%	45%	33%	40%	36%
Impact of regulatory changes/changes to statutory benefits	46%	33%	44%	33%	40%	65%	58%	39%	51%
Lack of budget to deliver effective communication strategy	36%	39%	44%	36%	32%	35%	40%	35%	35%

Note: The table above includes numbers for the Asia Pacific region (AP), Australia and New Zealand (ANZ), China (CN), Hong Kong (HK), India (IN), Philippines (PH), Singapore (SG) and Taiwan (TW). Please contact us for more country-specific data.

Source: 2019/2020 Benefit Trends Survey – Asia Pacific

Less than half of employers believe their benefits package is tailored to meet the specific needs of their workforce.

In Asia Pacific, less than half of employers believe their benefits package is tailored to meet the specific needs of their workforce – and only a minority believe that their benefits are truly effective. One reason for this could be that benefits are now challenged to do more – from a purely traditional concept of ‘core’ benefits such as pensions and insurance, benefits now cover an evolving array of other employee needs, from wellbeing to flexible work, a focus on diversity and inclusion, and so on.

Design

Leading employers are moving away from one-size-fits-all plans, and instead designing benefits according to the needs of the workforce. Segmentation is key to understanding and offering the benefits that employees value the most, and employers must take the time to understand these differences as they modernise their programs.

Surveys, focus groups, polls and other tools are a helpful starting point to better understand the workforce. The results can provide employers with a clear overview of the makeup of their workforce and their priorities.

Flexibility and choice of benefits are not new innovations. But with the right tools and support, they are key to driving a positive employee experience. Employees increasingly want the freedom to choose the benefits that matter most to them, rather than accept a generic program they don’t see value in. Employees appreciate having control over their benefits and are more engaged and happier as a result. Over a third of organisations in Asia Pacific recognise this and are prioritising broader or more flexible benefit programs.

Employees increasingly want the freedom to choose the benefits that matter most to them, rather than accept a generic program they don’t see value in.

Simplification is an important part of this process. It is easy for employees to become overwhelmed or confused by unfamiliar or irrelevant benefit options. Our research found over a third of Asia Pacific employers (37%) said that a top priority is to reduce this type of complexity by narrowing benefit choices to a small but meaningful set of options.

Experiences on social media and various internet platforms have created an expectation of on-demand access to information among younger employees, with push notifications and personalised messaging changing how employees define a positive experience.

The rapid evolution of technology and automation is powering a shift in benefit design. Next-generation solutions make it possible to design flexible, choice-driven benefit packages, without a significant increase in administrative effort and costs. Technology also opens the gate to gathering and analysing more actionable data. This helps organisations better tailor their offerings to the needs of their workforce, and understand what initiatives are driving engagement.

When designing a benefits plan, it's also important to recognise the emotional side of the employee experience.

When designing a benefits plan, it's also important to recognise the emotional side of the employee experience. Connecting benefits to the human factor demonstrates that the employer understands the needs and values of their people. For organisations with a multigenerational workforce, there should be benefit packages tailored to specific considerations such as gender, age profile and family structure. At the same time, these packages should still have flexibility built in so employees can choose based on the benefits most relevant to them and their specific situation.

Spotlight: Millennials and Gen Z

Millennials make up 60% of today's workforce in Asia Pacific.² This generation favours benefit options that support their lifestyle. Many employers are offering lifestyle and family benefits such as flexible scheduling, fertility treatments and on-site daycare. Training and career development are also high priorities for the most educated generation in today's workforce.³

Generation Z, currently in their early 20s, is the youngest generation in the workplace. Student debt may be a core issue for this group and debt relief options could be a valuable benefit. Retirement assistance and related benefits are also in high demand amongst this generation, showing that they are also considering long-term benefits. Time off to volunteer to causes that matter to them and workout apps and classes are also favoured.⁴ Millennials and Generation Z will shape the design of benefit programs for decades to come.



Funding

Employees show a greater willingness to share a portion of the cost of their benefits program in exchange for greater transparency and personalised choice. In Asia Pacific, 33% of employers consider member copays a 'typical' or 'very typical' option, while 57% offer it occasionally, showing a growth in acceptance.⁵

Our data shows employees who shoulder part of their own benefit spending are more engaged in those benefits, due to having a more personal stake in maximising the value out of the program. Cost-sharing also encourages employees to want greater transparency and to be more interested in benefits related communications, driving interaction with the administrative systems and providing the employer more actionable data. (See [part three](#) in our series for more insights on how to optimise the financing of your benefits package.)

Delivery

In the modern workforce, benefits delivery should be personalised, informative, and well supported, to enable employees to make meaningful decisions. The systems that allow them to choose their desired benefits should be interactive and accessible, engaging the workforce in a way they can understand and connect with.

As organisations in the region strive to improve employee engagement and understanding of benefits, 32% are most focused on providing decision-making support and tools for employees. Meanwhile, 31% report education and communication as their number one priority (*Figure 3*).

Accessibility is one way to ensure that the delivery of the benefits program meets the need for both greater decision support and education. Technology is key to achieving this. Benefit offerings should be delivered in a way that is accessible and convenient for employees, such as through a mobile optimised online portal. Providing the means to easily access and study benefit offerings at their own convenience provides a more seamless and positive experience.

Technology provides a similar reach when it comes to raising awareness, educating the workforce, and providing an avenue of information and support. Frequent questions can be answered through an online portal or within the benefit management system itself. On-demand webinars and training videos are also a modern and useful way for employees to learn about their options at their convenience.

A positive experience leads to positive value

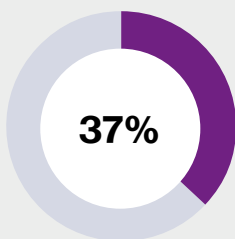
Competition for talent is fierce in today's business environment. Prospective employers must ensure their benefits program is geared toward talent attraction and retention. Building upon traditional core benefits and offering greater choice, flexibility and personalisation, can improve employee engagement, while also maximising value to the business. This, coupled with the right implementation tools, delivery and communication, can generate a positive benefits experience that helps to inspire talent motivation, productivity, creativity and loyalty. Modern benefits, paired with a positive employee experience, are mutually beneficial to employees and employers, while preparing both for the challenges of the future.

Figure 3. **Employer priorities for driving engagement in benefit programs**

Please rank the following in terms of your priorities for driving engagement and supporting employee decisions around their benefits. (% Top priority)

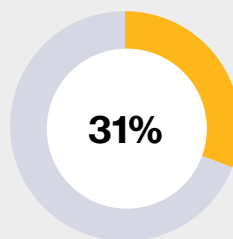
Product simplification

Limit benefit choices to a small set of meaningful options



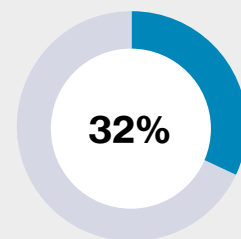
Education and communication

Offer online or in-person training, education and communication of benefit programs



Decision support and navigation tools

Offer tools that support benefit choices and help make informed decisions



Source: 2019/2020 Benefit Trends Survey – Asia Pacific

For more information

To find out more about how to build a positive employee experience with your benefits program, please contact:

Alice Tan

Head of Benefits Delivery & Solutions,
Health & Benefits, Asia and Australasia
alice.tan@willistowerswatson.com

References

- ¹ Willis Towers Watson 2019/2020 Benefit Trends Survey – Asia Pacific
- ² Willis Towers Watson 2019 Compensation Survey Workforce Analytics Report – Asia Pacific
- ³ Forbes: The Three Benefits Millennials Are Demanding From Employers
- ⁴ Business 2 Community: Get Ready for Gen Z: 4 Benefits They Want Most
- ⁵ Willis Towers Watson 2020 Global Medical Trends Survey





About Willis Towers Watson

Willis Towers Watson (NASDAQ: WLTW) is a leading global advisory, broking and solutions company that helps clients around the world turn risk into a path for growth. With roots dating to 1828, Willis Towers Watson has 45,000 employees serving more than 140 countries and markets. We design and deliver solutions that manage risk, optimise benefits, cultivate talent, and expand the power of capital to protect and strengthen institutions and individuals. Our unique perspective allows us to see the critical intersections between talent, assets and ideas – the dynamic formula that drives business performance. Together, we unlock potential. Learn more at willistowerswatson.com.



willistowerswatson.com/social-media

Copyright © 2020 Willis Towers Watson. All rights reserved.

willistowerswatson.com

Willis Towers Watson