



The Missing Key That Could Help with Employee Retention



Does your business seem to be a revolving door of employees? If so, there are several reasons why that could be true that have nothing to do with your business itself. It could be the nature of your industry. Some industries are seasonal or attract a more nomadic employee base that tends to wander. It could also be a problem with one of your managers or supervisors. Perhaps, it's a lack of growth opportunities.

If you're shaking your head thinking, "No, that's not it," and you're wondering what it could be for your business, The 2024 Intuit QuickBooks Allstate Health Solutions Benefits Survey may provide some answers.

The survey of 1,000 employees from both small and large companies reveals just how important employee benefits packages are in today's competitive job market.

Here's a summary of the key findings:

[Benefits Have a Large Impact on Employee Retention and Hiring](#)

With the costs of medical care these days, it's not shocking to learn that 78% of the employees polled would consider finding a new job if their current benefits package was inadequate. Healthcare benefits rank as the second most important factor, after salary, when considering job offers. It suffices to say, if your business doesn't provide healthcare benefits, you could be losing employees. It's also difficult to become an employer of choice without offering healthcare.

But there's more to employee benefits than just offering them. What they cost is also now a deciding factor in selecting an employer.

Employee Cost of Benefits

Even with a benefits program in place, 23% of employees struggle to afford their employer-provided benefits. A majority of workers polled (62% at smaller companies and 66% at larger companies) believe their monthly contributions are too high, especially given rising inflation and interest rates.

Sadly, 71% of workers at small companies and 63% at larger companies have difficulty saving for long-term goals due to medical costs. This issue disproportionately affects women, with over a quarter reporting significant financial setbacks (due to medical costs) compared to 18% of men.

What Benefits Employees Want

Okay, so benefits are important but what exactly do employees want? Nearly 60% of employees want options, including HMOs, PPOs, and FSAs. But healthcare isn't the only thing that makes a benefits package attractive. 50% of employees at small companies and 61% at larger companies desire supplemental benefits such as dental, vision, mental health, and pet insurance.

If pet insurance surprises you, you should know that since 2018, the number of insured pets in the U.S. has increased by nearly 23% annually, with approximately 5.4 million policies active as of 2022, according to the North American Pet Health Insurance Association.

The Link of Benefits to Job Satisfaction and Productivity

As you might expect after reading this far, benefits are a large consideration in taking a job but benefits also tie into job satisfaction. The survey found that over 90% of employees at both small and large companies connect their job satisfaction to their benefits package. A substantial majority indicate that inadequate medical coverage could negatively affect their work productivity.

Laurent Sellier of Intuit QuickBooks emphasized that maintaining competitive and affordable benefits packages is vital for employee retention in the current economic climate. She said, "Our research shows that employees are placing higher value on health benefits when it comes to their job satisfaction, but many are finding it difficult to manage benefits costs in today's economic climate. For that reason, maintaining competitive benefits packages at an affordable price is vital to employee retention."

While benefits are an added cost for businesses, not providing them could impact employee productivity, satisfaction, and retention. It's not an easy call as you're considering your offerings but this survey underlines how important benefits are to employees regardless of the size of your business.

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