SHIFTS IN ATTITUDES ABOUT EMPLOYEE BENEFITS AMID THE PANDEMIC

THE HARTFORD'S 2020 FUTURE OF BENEFITS STUDY
EXECUTIVE SUMMARY REPORT

THE HARTFORD

2020 FUTURE OF BENEFITS STUDY

The Hartford's Future of Benefits Study - which was fielded in two waves, first in early March 2020 and again in mid-June - provides insights into how the COVID-19 pandemic has shifted perceptions of employee benefits. This study is part of The Hartford's ongoing effort to deliver new insights about the benefits preferences of U.S. workers, which can help employers design benefit programs to meet the evolving needs of their workforce.

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KEY THEMES

COVID-19 is changing the way both employees and employers view benefits. Although many employees continue to view their benefits positively, employees' perceived value of the benefits provided and trust in their company to make the best benefits decisions have both declined amid the pandemic.

Employers recognize the need to do more for their employees in terms of the benefits they offer. As a result of the pandemic, more employers now say they are likely to offer additional benefits and services not currently offered at the company, updating their plans to more closely align to their employees' benefits needs.

Supporting employees' mental health remains a critical workplace issue, but stigma prevents people from getting help. Employees report being anxious and depressed but they worry about privacy and are reluctant to seek help at work. Employers agree the stigma associated with mental health prevents employees from seeking support, creating a disconnect between employers and employees regarding whether they have inclusive work environments that encourage a dialogue about mental health.

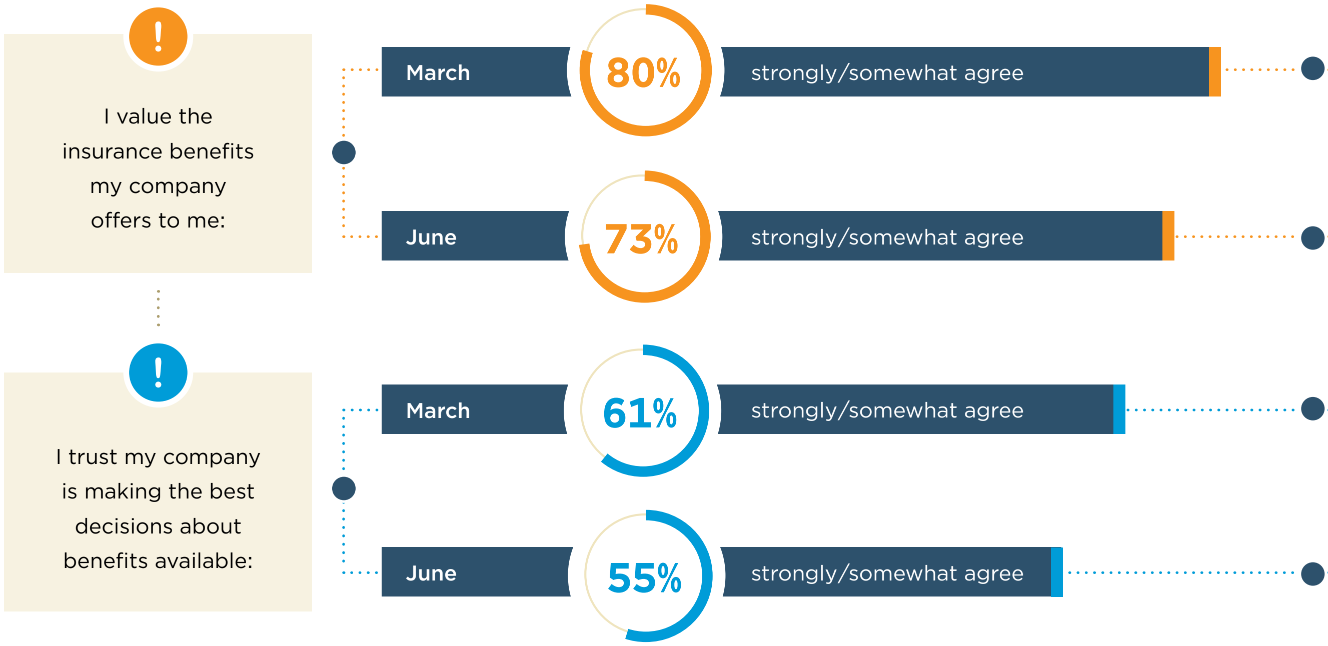
"Now is the perfect time for employers to address employees' changing attitudes about benefits. As employee familiarity with benefits also declined, our research uncovered an opportunity for employers to increase trust by focusing more on communication, including education about their available benefits and what they cover. This is going to be crucial as annual benefits enrollment quickly shifts from an in-person experience to a more virtual one."

JONATHAN BENNETT
Head of Group Benefits, The Hartford

SHIFTING ATTITUDES ABOUT BENEFITS

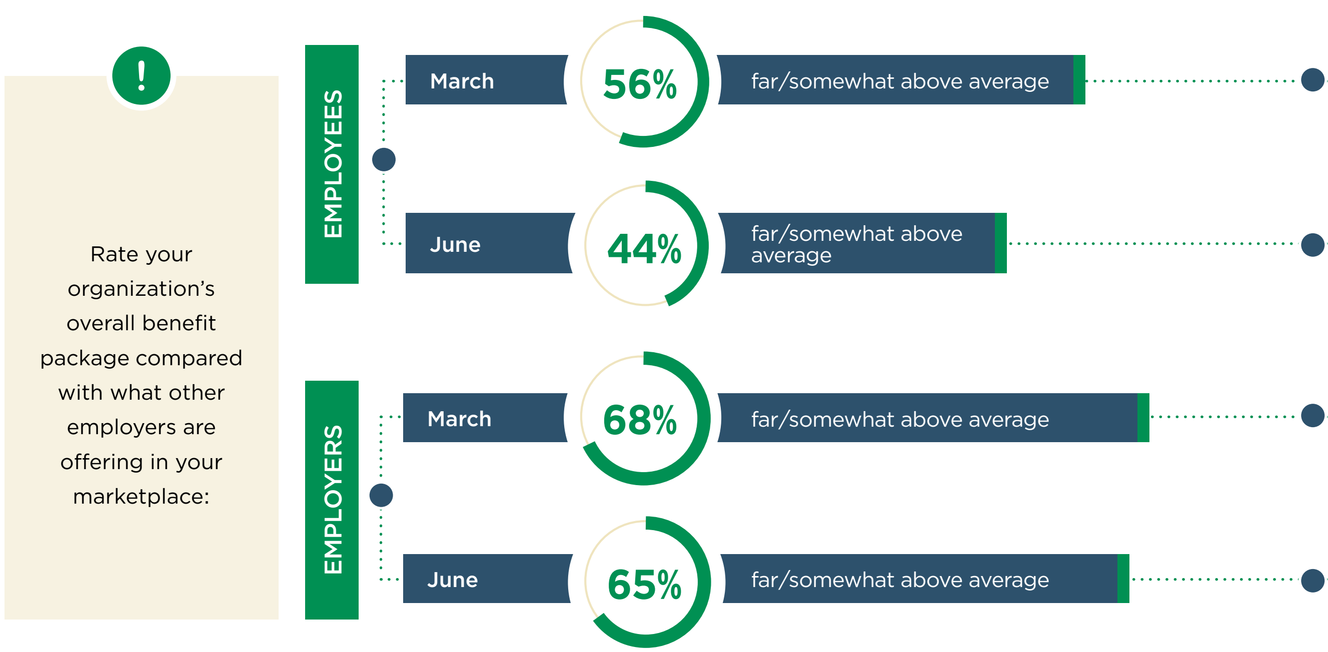
The Pandemic is Changing How Both Employees and Employers View Benefits

Although many employees continue to view their benefits positively, employees' perceived value of the benefits provided and trust in their company to make the best benefits decisions have both declined amid the pandemic.



Perception Gap About Benefits Packages Increases Between Employees and Employers

The COVID-19 pandemic has increased the disconnect between how employees and employers perceive the competitiveness of their benefits packages. Nearly two-thirds of employers believe their company's overall benefits package is better than what's offered by other companies in their marketplace, but less than half of employees feel that way.



Being Parents, Gender and Industry Affect How Workers View Their Benefits

While most employees had positive views of their benefits packages prior to the pandemic, their satisfaction dropped across the board by mid-June.

U.S. workers with children at home reported a steeper decline in their trust of their employers' benefits decisions compared to employees without children and in how they rate their benefits packages compared to other companies in their marketplace. While men reported a greater drop in trust and rating their employers' benefits decisions compared to women, women's overall trust remained lower.

I trust my company is making the best decisions about benefits available:

	March	June
Children at home:	70%	60%
No children at home:	56%	51%
Men:	66%	57%
Women:	58%	53%

strongly/somewhat agree

Rate your organization's overall benefit package compared with what other employers are offering in your marketplace:

	March	June
Children at home:	60%	46%
No children at home:	54%	44%
Men:	59%	46%
Women:	43%	43%

far/somewhat above average

Comparing industries, employees in the Services, Construction and Logistics (Transportation and Warehousing) industries showed the steepest declines in their views of their benefits packages amid the pandemic.

Agreement that benefits plans are above average:

	March	June
Construction:	66%	38%
Services:	49%	24%
Logistics: (Transportation & Warehousing)	60%	40%

far/somewhat above average

	March	June
Education:	59%	44%
Manufacturing:	62%	47%
Healthcare:	47%	38%

far/somewhat above average

The above findings are consistent with drops in employees' trust in their companies' decisions about benefits and their perceived value of the benefits their employers currently offer.

Amid the pandemic, there was an increase in the number of nonprofit and government workers who said they value the benefits their company offers to them:

	March	June
Nonprofit:	68%	74%
Government:	82%	87%

strongly/somewhat agree

EMPLOYER DESIRE TO DO MORE

Employers Recognize Need to Offer More Benefits Choices to Employees

When it comes to the benefits they offer, employers recognize the need to do more for their employees. As a result of the pandemic, more employers now say they are likely to offer additional benefits and services not currently offered at the company, updating their plans to more closely align to their employees' benefits needs.

Employees' own reported desire for benefits to which they currently do not have access remained the same or dropped slightly amid the pandemic. This small shift may have been driven by a lack of full understanding of employee benefits in general. Employers who offer various types of benefits said in interviews they feel their workforce is not familiar with the benefits available to them, especially additional features of benefits such as employee assistance programs (EAPs). Most employers interviewed said that during the pandemic they have tried to call greater attention to these programs to increase usage but acknowledged it has been difficult to increase utilization.

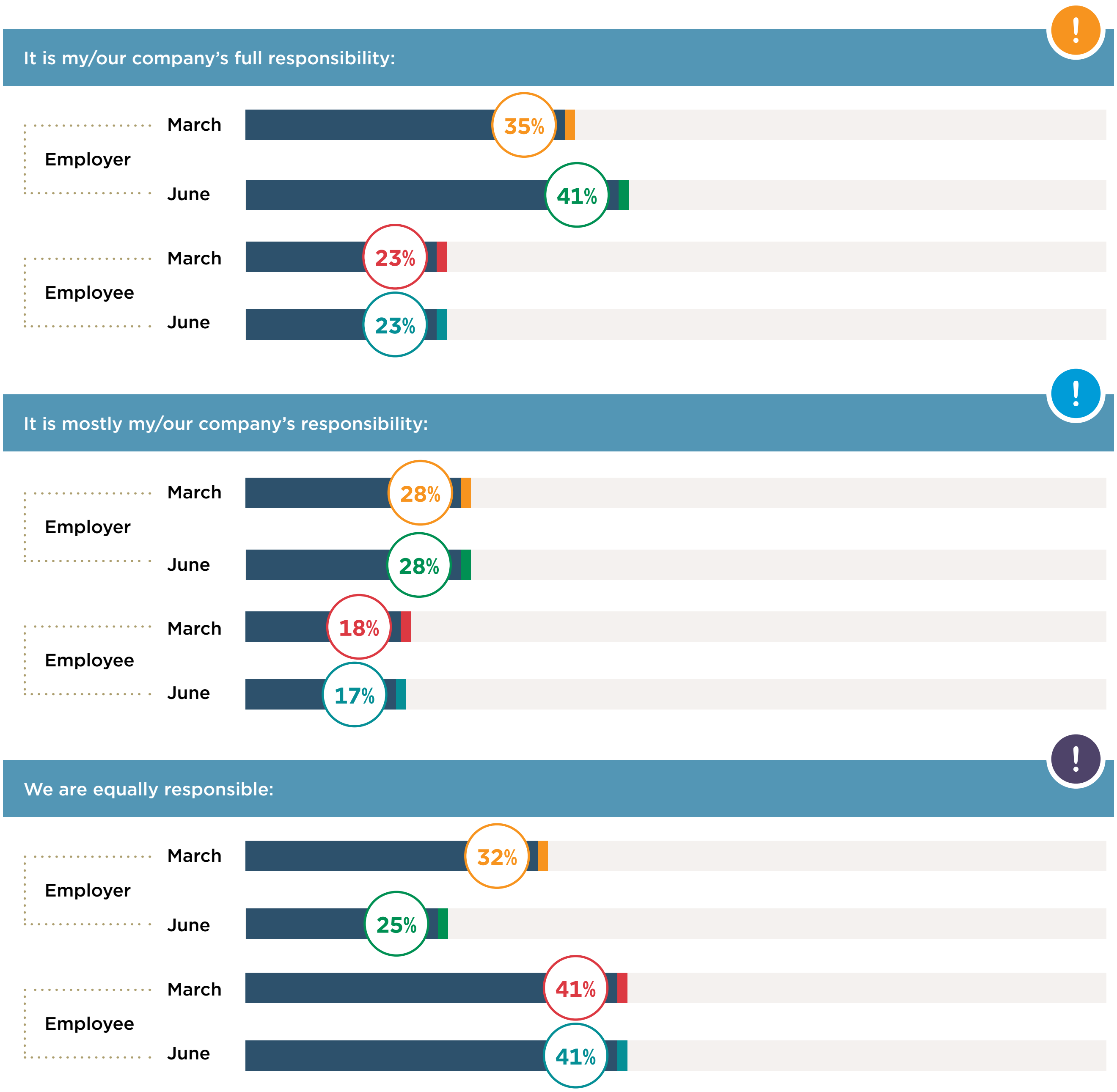
Interest in future benefit offerings that employers currently do not offer in order by the top 10 shifts in employer interest.

	Employers plan to offer:		Employees desire for additional benefits:	
	March	June	March	June
Paid time off for volunteering	20%	42%	58%	56%
Paid time off[1]	31%	52%	70%	67%
Employee assistance programs	38%	56%	52%	53%
Paid sabbatical	21%	38%	54%	49%
Hospital indemnity insurance	34%	48%	63%	50%
Critical illness insurance	36%	50%	66%	60%
Student loan repayment plans	27%	38%	40%	38%
Behavioral/mental health services	42%	51%	54%	52%
Wellness benefits	42%	51%	62%	58%
Pet insurance	22%	29%	38%	32%

Additionally, in the June study, 57% of employees expressed interest in flexibility to work from home going forward, which 56% of employers said they are ready to offer. Likewise, 35% of employees expressed interest in additional benefits to support substance abuse treatment, while 47% of employers now plan to offer more support in this area.

More employers are also taking responsibility for ensuring their employees understand the benefits offered by their company.

The proportion of employers who said they were either mostly or fully responsible for making sure their employees understand the benefits offered increased during the pandemic, although employees' views on this topic have not changed.

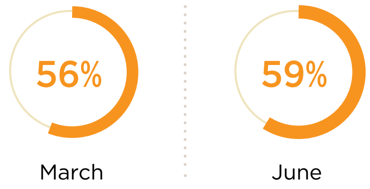


MENTAL HEALTH IN THE WORKPLACE

Mental Health Stigma in the Workplace

Supporting employees' mental health remains a critical workplace issue, but stigma prevents people from getting help. Employees report being anxious and depressed but they worry about privacy and are reluctant to seek help at work. Employers agree the stigma associated with mental health prevents employees from seeking support, creating a disconnect between employers and employees regarding whether they have inclusive work environments that encourage a dialogue about mental health.

Employers consistently said mental health is a significant workplace issue for employees:



Employees Report Shifting Stress Levels

The pandemic has caused employee stress factors to shift from the workplace to more personal reasons. Employee stress factors such as social/political climate, caring for family members and debt have all increased since March. Although workload remains one of the top stressors for employees, there was a significant decrease in the number of employees who chose this as a top three stress factor since March.

Biggest increases from March to June:

	March	June
Social/political climate:	11%	25%
Caring for family members:	8%	12%
Debt:	18%	26%

When asked what the top three factors are contributing most to their stress levels, employees said:

	March	June
Work/life balance	34%	33%
Workload	45%	31%
Saving money for the future	28%	29%
Living paycheck to paycheck	23%	27%
Debt	18%	26%
Social/political climate	11%	25%
Issues from home	17%	21%

	March	June
Job security	12%	15%
Caring for family members	8%	12%
24/7 always available culture	17%	12%
Interpersonal work relationships	19%	11%
Interpersonal non-work relationships	8%	7%
Working multiple jobs	8%	7%

While employers agree that work/life balance is a top stressor for employees, they believe issues from home and living paycheck to paycheck are among the top factors contributing to the stress of their workforce. The top three factors employers believe are contributing to their employees' stress levels are:

	March	June
Work/life balance:	42%	40%
Issues from home:	29%	28%
Living paycheck to paycheck:	40%	27%

Younger Employees More Likely to Report Depression or Anxiety

Gen Z/younger Millennial employees are nearly three times more likely to report experiencing struggles with depression or anxiety 'most days' than Baby Boomers. More of these younger employees reported experiencing added depression or anxiety since the pandemic, while even Boomers reported an increase in the frequency of these feelings due to COVID-19. The study findings align with claims trends – with mental health conditions being one of the top three reasons why people in their twenties file a short-term disability claim with The Hartford.[2] Mental health leaders think the increased anxiety and depression among young adults is linked, in part, to the fact that they are developing their identity – career and love life – compared to Boomers, who are established in their career and family.

		Age			
		Gen Z/Younger Millennials (1995-2002)	Older Millennials (1981-1994)	Gen X (1967-1980)	Baby Boomers (1955-1966)
Most days	March	18%	12%	10%	5%
	June	21%	16%	9%	9%
A few times per week	March	15%	15%	8%	8%
	June	27%	17%	12%	5%
A few times per month	March	20%	21%	15%	8%
	June	24%	22%	15%	9%
A few times per year	March	22%	21%	19%	22%
	June	11%	19%	23%	19%
Rarely or never	March	21%	28%	45%	56%
	June	15%	22%	38%	56%

Addressing Mental Health in the Workplace

While a majority of employers believe they have an inclusive work environment that encourages a dialogue about mental health, less than half of U.S. workers agree.

68% **Employers** strongly/somewhat agree

42% **Employees** strongly/somewhat agree

This sentiment was consistent among employees across business sizes:

Employees at small businesses (fewer than 500 employees): 38% strongly/somewhat agree

Employees at midsize businesses (501-5,000 employees): 44% strongly/somewhat agree

Employees at large businesses (more than 5,000 employees): 43% strongly/somewhat agree

Gen Z/younger Millennials are more likely to than other generations to agree that they have an inclusive work environment that encourages a dialogue about mental health:

Gen Z/younger Millennials	Older Millennials	Gen X	Baby Boomers
54%	48%	35%	40%

strongly/somewhat agree

While 64% of employers feel prepared to address their employees' mental health conditions, in June more than half of workers (56%) said they have privacy concerns about sharing mental health information with their employer/co-workers.

There is also a disconnect between employers and employees when it comes to the flexibility to get the mental health help they need.

71% of **employers** feel their employees have the flexibility in their schedule to get the mental health help they need

44% of **employees** said their company provides enough schedule flexibility to get the mental health help they need

Employers also consistently believe that the stigma associated with mental health prevents employees from seeking help or getting support.

67% **March:** strongly/somewhat agree

62% **June:** strongly/somewhat agree

This is highest among the Education and Manufacturing industries, both at **68%**, and lowest for the Healthcare industry (56%).

Although employees expressed concerns about privacy, nearly half (**45%**) of them would feel comfortable reaching out to a manager for mental health support.

Overall, about half of both employers and employees believe discussing mental health topics in the workplace will become more accepted as a result of the pandemic.

55% **Employers:** strongly/somewhat agree

50% **Employees:** strongly/somewhat agree

59% When it comes to benefits that can support mental health, **59%** of employees expressed interest in employer-sponsored mental wellness programs (mindfulness, EAP, etc.)

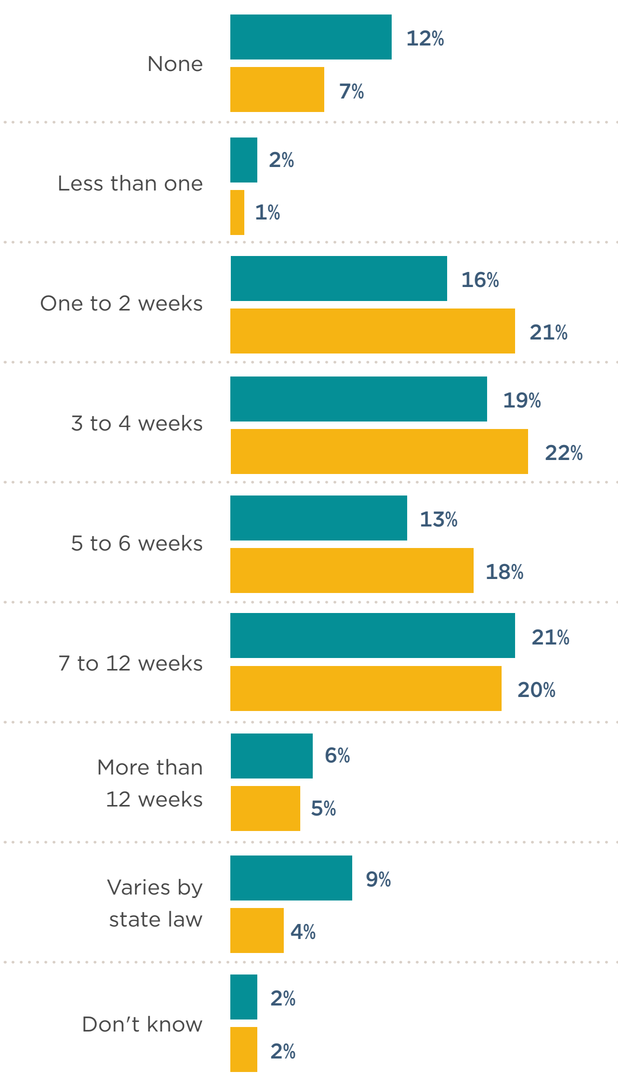
TRENDS IN LEAVE AND RETURNING TO WORK

Views on the Appropriate Number of Weeks of Paid Family Leave are Shifting

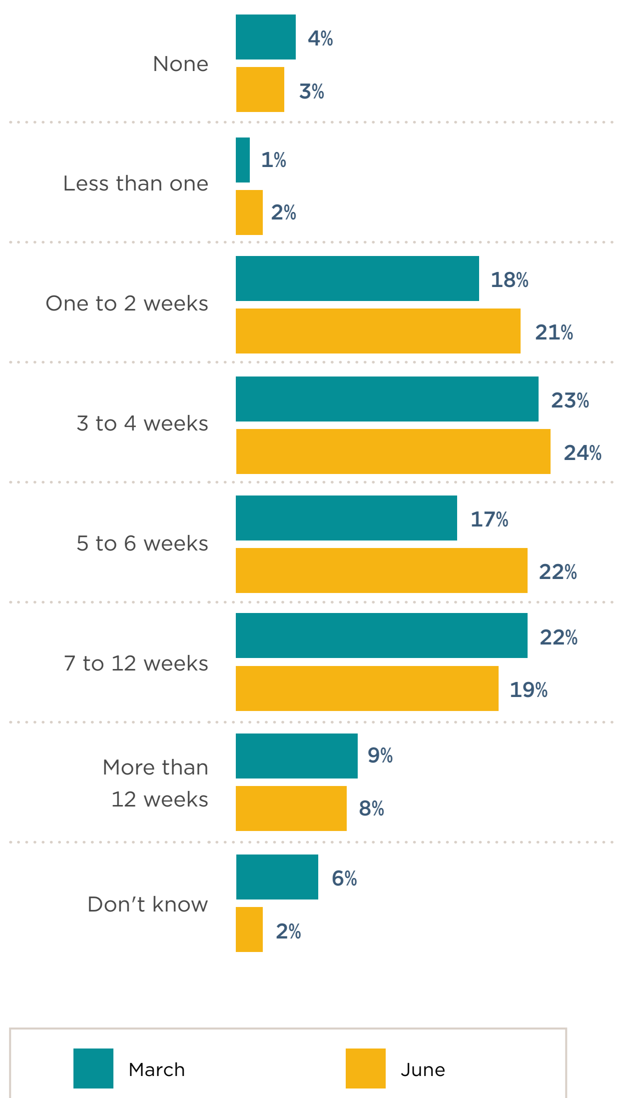
Amid the pandemic, employers shifted their responses related to both the number of weeks of paid family leave (PFL) their companies currently offered, and their views of the appropriate number of weeks of PFL their companies should offer to their workforce.

Although an outstanding majority of employers offer at least one week of PFL, employers consistently think their companies should offer more. The number of weeks employers offer is consistently lower than what they themselves see as appropriate.

Number of weeks of PFL employers say their company offers:

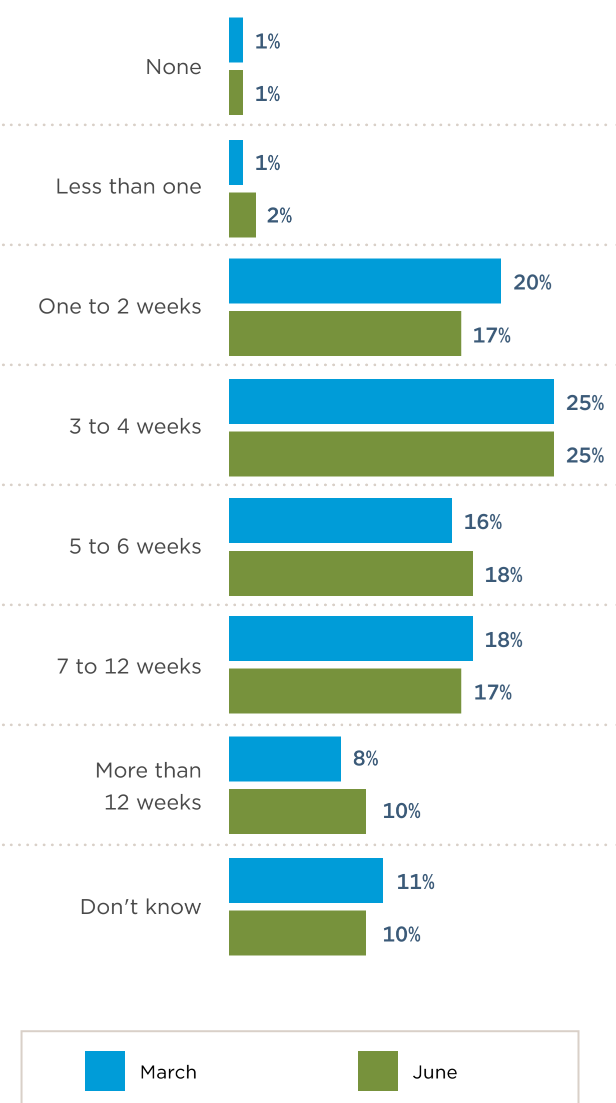


Appropriate number of weeks employers say a company should offer for PFL:



However, most working Americans have not changed their views significantly on how many weeks of paid family leave they think employers should offer, with the largest percentage (25%) saying three to four weeks.

Appropriate number of weeks U.S. workers say a company should offer for PFL:



A consensus is forming between employers and employees around five to six weeks of paid family leave as the new norm.

Employers who currently offer less than that may feel pressure both from their employees and their peer companies to offer at least five to six weeks of PFL going forward.

At the same time, this new consensus stands in contrast with many public policy proposals that aim to offer up to 12 weeks of PFL, which only 10% of employees see as appropriate.

With the number of paid and unpaid leave options available, some employers are struggling to track them all.

In March, **48%** of employers said there is no easy way to track and manage all the types of leave; that number increased to **55%** in June.

Companies are Prepared for More Employees to Take Paid Family Leave

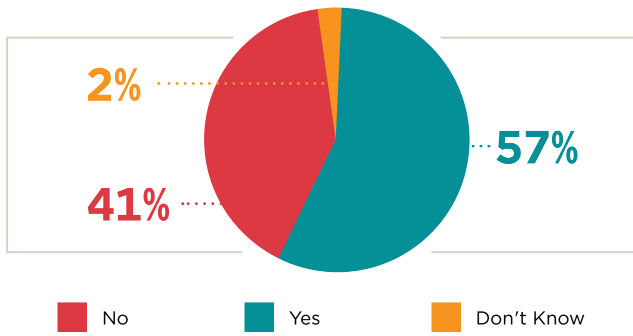
Before the pandemic, more than half of companies said they were prepared for a potential increase in the number of employees out of work on some type of paid family leave. The second wave of the survey reveals the pandemic's effect on increasing employers' preparedness for more employees to be out of work.

How prepared do you feel your organization would be to deal with a potential increase in the number of employees out of work on some type of a paid family leave?

60% **March:** very/somewhat prepared

72% **June:** very/somewhat prepared

Has your company recently experienced an increase in extended paid or unpaid employee leaves due to the COVID-19 pandemic?



Employees Feel Supported When Returning to Work

Although there was a slight decline from March to June, employees who took leave felt supported in the workplace, with more than two-thirds of employees stating that their managers were supportive of their leave and three-quarters stating they felt supported by their colleagues/co-workers. Most employees felt ready to return to work following their extended leave.

My manager/management were supportive:

71% March

69% June

Co-workers/colleagues were supportive:

79% March

74% June

Felt ready to go back to work following an extended leave:

68% March

62% June

These responses come as almost six organizations out of ten have experienced an increase in leave (either paid or unpaid) due to COVID-19 with an increased incidence in larger organizations.

Compared to small or large companies, employees at midsize companies felt they had the least support in transitioning back to work following an extended leave. Perhaps surprisingly, men reported receiving less support transitioning back to work than women did.

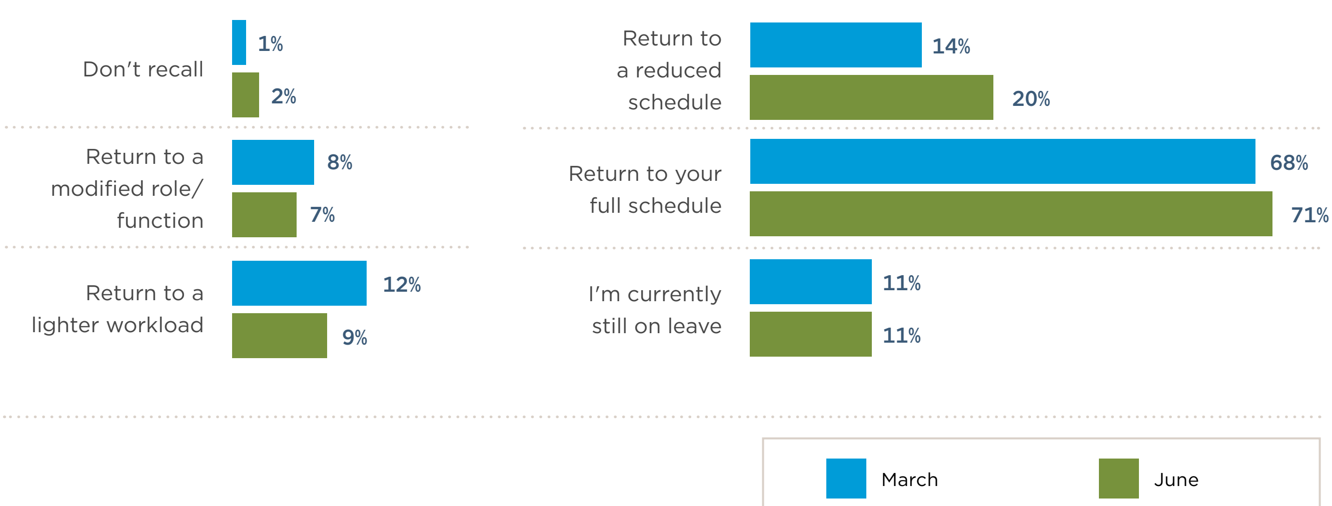
I did not have enough support to transition back to work:

Wave	Total	Number of employees		
		Under 500	501-5,000	5,000+
March	41%	40%	49%	28%
June	33%	40%	43%	13%

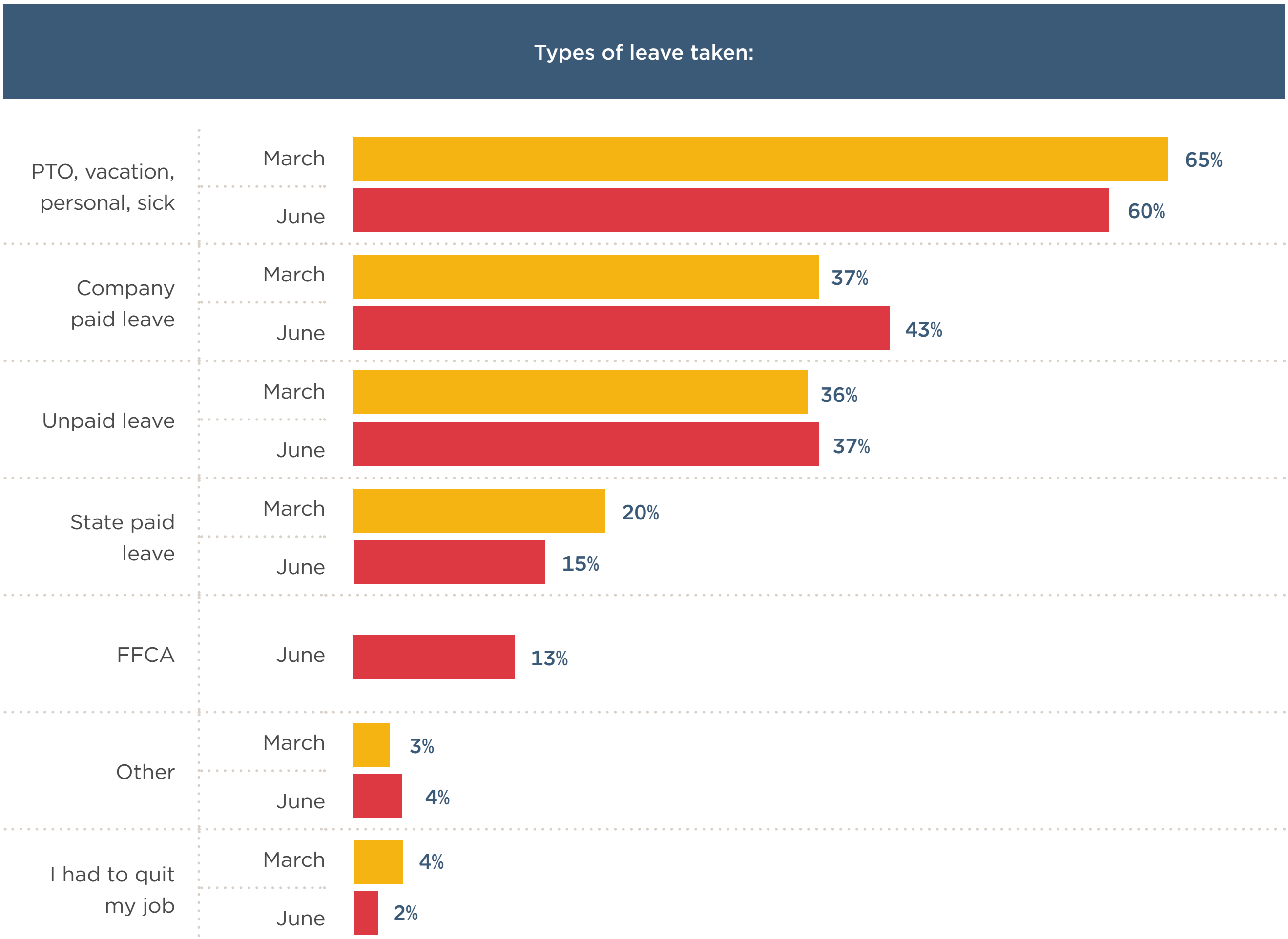
Men: March **48%** **VS.** **Men:** June **40%**

Women: March **35%** **VS.** **Women:** June **28%**

Most employees returned to their full schedule following an extended leave:



The most common type of leave benefit utilized by employees was paid time off (PTO). Company paid leave was the second most common, which saw an increase from March to June.



Although more employers say they have policies in place to ensure employees have a smooth transition back after an extended absence than they did before the pandemic, the number of employers who say they need to develop a more comprehensive return-to-work program also increased since March.

Employers who say they have policies in place to ensure employees have a smooth transition back after an extended absence:

65% March **71%** June

Employers who indicated that they need to develop a more comprehensive return-to-work program:

59% March **65%** June

The number of employers who say it's the manager's responsibility to ensure a successful return to work:

73% March **77%** June

BENEFITS ENROLLMENT AND EDUCATION TRENDS

An Increasingly Virtual Benefits Experience

How employers will educate their workforce about benefits and facilitate enrollment is also changing. Not surprisingly, most employers say that their company's open enrollment strategy will depend more strongly on online resources this year due to COVID-19. Many employers state that their company is now more comfortable offering an all-online benefits enrollment experience than they were before the pandemic, and a majority of employees also expressed interest for an all-online benefits enrollment experience.

Virtual benefits experience:

63%

of employers said their company's open enrollment strategy will depend more strongly on online resources this year due to COVID-19

39%

of employers said their company is more comfortable offering an all-online enrollment experience than they were pre-COVID-19

Although shifting to more online resources, employers plan to offer a mix of options:

50%

An all-online benefit education and enrollment experience

45%

Ability/access to enroll in benefits during business hours

43%

Ability/access to enroll in benefits outside of business hours

42%

Enroll in benefits in person with a HR contact/benefits advisor

36%

Enroll in benefits with the help of a virtual assistant

30%

Telephonic enrollment

Employees also want to learn about benefits and enroll online:

52% of employees expressed interest for an all-online benefit education and enrollment experience

36% of employees want to learn about their benefits year-round

More than half of employees in both waves of the study say they would like a personalized recommendation for what benefits they should purchase. This is highest among Gen Z/younger Millennials.

Overall → 57% March → 53% June

	March	June
Gen Z/younger Millennials	68%	68%
Older Millennials	63%	62%
Gen X	61%	54%
Baby Boomers	45%	43%

"We've seen employers begin to transition to more digital tools over time but for many, the shift to a more virtual experience has been accelerated due to the pandemic. At The Hartford, we continue to invest in research, data capabilities and digital tools to ensure our employer customers have the necessary resources and support as they rely more on technology to offer virtual enrollment experiences for the upcoming benefits season, some for the first time."

JONATHAN BENNETT
Head of Group Benefits, The Hartford

RESPONDING TO COVID-19

Employees Generally Satisfied with Employers' Response to COVID–19

A majority of employees feel satisfied with their company's response to COVID-19. They express the most satisfaction with employers about maintaining communication with employees, and the least satisfaction with flexibility in response to employee needs like child/family care.

Our company's overall response to the pandemic was adequate:

EMPLOYEES:

completely/somewhat agree	neither agree or disagree	somewhat/completely disagree
65%	19%	14%

EMPLOYERS:

completely/somewhat agree	neither agree or disagree	somewhat/completely disagree
76%	16%	9%

Working Americans were satisfied with their employer's response to COVID-19 in regard to:

Maintaining communication with employees	68%
Taking steps to ensure a safe return to work experience	64%
Creating a supportive working environment	63%
Listening to employee concerns	61%
Flexibility in response to employee needs (child/family care)	59%

Most employers are also satisfied with their company's response to the pandemic, with large employers being the least satisfied.

	Number of employees		
	Under 500	501-5,000	5,000+
Our company's overall response to the pandemic was adequate	73%	80%	68%

Pandemic Renews Focus on Employee Benefits Providing Financial Protection

Employees now say they would consider purchasing the following benefits during their next open enrollment because of COVID-19:

- 40% Life insurance
- 30% Short-term disability insurance
- 29% Long-term disability insurance
- 27% Critical illness insurance
- 23% Hospital indemnity insurance
- 20% Accident insurance
- 17% Mental health programs/services
- 14% Loan/debt assistance programs
- 6% Substance addiction/misuse programs

Gen Z and younger Millennial workers are more likely to upgrade or buy additional benefits offered by their company than they were before the pandemic began. While more workers overall showed interest in upgrading or purchasing additional benefits, the youngest generations indicated the most notable shifts in attitudes.

I typically don't upgrade or buy the additional benefits offered by my company:

	Gen Z/Younger Millennials	Older Millennials	Gen X	Baby Boomers	TOTAL
MARCH	73%	66%	62%	62%	64%
JUNE	59%	60%	52%	55%	55%

"The pandemic is shining new light on the benefit programs offered to employees through their workplace, revealing features they might have been overlooking. People are facing challenging circumstances – whether it's the shattering experience of losing a loved one or becoming sick themselves – and are now recognizing the value of financial protection provided by life insurance and other benefit options."

JONATHAN BENNETT
Head of Group Benefits, The Hartford

KEY DIFFERENCES BY COMPANY SIZE

The Future of Benefits Study surveyed employees and employers from companies ranging in size from having one employee to more than 5,000. The study revealed some key differences in employee and/or employer attitudes toward benefits, depending on the size of the company:

Small businesses:
1-500 employees

Midsize businesses:
501-5,000 employees

Large businesses:
More than 5,000 employees

Employees of small businesses reported the greatest decline in the value they saw from their benefits. Employees of large companies actually reported an increase in their level of trust in their employers' decisions on benefits for their workforce – and the value they saw from their benefits remained high. However, even employees of large companies were less confident by mid-June that their benefits packages were above average compared to what peer companies could offer.

I value the insurance benefits my company offers to me:

77% to **65%**
strongly/somewhat agree

Small businesses:
1-500 employees

82% to **75%**
strongly/somewhat agree

Midsize businesses:
501-5,000 employees

79% in both waves of the study
strongly/somewhat agree

Large businesses:
More than 5,000 employees

I trust my company is making the best decisions about benefits available:

63% to 51%
strongly/somewhat agree

Small businesses:
1-500 employees

66% to 54%
strongly/somewhat agree

Midsize businesses:
501-5,000 employees

52% to 59%
strongly/somewhat agree

Large businesses:
More than 5,000 employees

Rate your organization's overall benefit package compared with what other employers are offering in your marketplace:

53% to 35%
far/somewhat above average

Small businesses:
1-500 employees

59% to 47%
far/somewhat above average

Midsize businesses:
501-5,000 employees

59% to 53%
far/somewhat above average

Large businesses:
More than 5,000 employees

Paid Leave

More employees at large companies are likely to believe their organization's paid leave packages are better than others, compared to employees of smaller companies.

EMPLOYEES				
The number of employees who rate their organization's paid family and medical leave better than what other employers are offering in their marketplace:				
Wave	**Total**	Number of employees		
		Under 500	501-5,000	5,000+
March	38%	36%	42%	37%
June	37%	31%	37%	44%

Return to Work

Employees at midsize companies are most likely to feel they did not have enough support to transition back to work. Those at larger companies report more support, especially since the start of the COVID-19 pandemic.

I did not have enough support to transition back to work:				
Wave	**Total**	Number of employees		
		Under 500	501-5,000	5,000+
March	41%	40%	49%	28%
June	33%	40%	43%	13%

Employees working for small companies are least likely to return to a full schedule following an extended leave. There was a decrease in the number of employees who work for small companies who said they returned to their full schedule following a leave from March to June, compared to employees working for midsize and large businesses, which saw an increase.

Return to your full schedule:				
Wave	**Total**	Number of employees		
		Under 500	501-5,000	5,000+
March	68%	67%	66%	75%
June	71%	61%	76%	78%

Midsize companies (69%) are also the most likely to state that they need to develop a more comprehensive return-to-work program amid the COVID-19 crisis.

	Total		Number of employees					
			Under 500		501-5,000		5,000+	
	March	June	March	June	March	June	March	June
We need to develop a more comprehensive return-to-work program	**59%**	**65%**	**53%**	**62%**	**60%**	**69%**	**70%**	**62%**

Mental Health in the Workplace

Employees at small and midsize companies report slightly higher rates of depression or anxiety than those at larger companies, with almost half of employees in larger companies reporting they rarely or never struggled with anxiety or depression.

How frequently, if at all, do you struggle with depression or anxiety?

	Wave	Total	Number of employees		
			Under 500	501-5,000	5,000+
Rarely/Not at all	March	**41%**	**40%**	**40%**	**45%**
	June	**39%**	**35%**	**37%**	**45%**
A few times a year	March	**21%**	**21%**	**21%**	**20%**
	June	**20%**	**19%**	**21%**	**18%**
A few times per month	March	**15%**	**16%**	**14%**	**13%**
	June	**15%**	**15%**	**18%**	**13%**
A few times per week	March	**11%**	**11%**	**11%**	**9%**
	June	**12%**	**14%**	**13%**	**9%**
Most days	March	**10%**	**9%**	**10%**	**11%**
	June	**12%**	**13%**	**10%**	**12%**
Daily/Multiple times a week	March	**21%**	**20%**	**21%**	**20%**
	June	**24%**	**27%**	**23%**	**21%**

Employers at midsize companies are the most likely to say they are prepared to deal with mental health issues in the workplace.

58%

Small businesses:
1-500 employees

71%

Midsize businesses:
501-5,000 employees

64%

Large businesses:
More than 5,000 employees

Benefits Enrollment Trends

Of employees who say their company provides resources to help them understand their benefits, those at small businesses reported an especially significant drop (from 69% in March to 56% in June), as did those at midsize employers (from 73% in March to 62% in June).

EMPLOYEES

My company provides helpful resources for me to understand my benefits:

Wave	Total	Number of employees		
		Under 500	501-5,000	5,000+
March	71%	69%	73%	72%
June	61%	56%	62%	67%

Midsize and large employers are more likely to offer an all-online benefits enrollment experience than small employers.

Employees' interest in an all-online management of their benefits increases gradually with the company size. Some employees at all business sizes still say they want to manage their benefits enrollment in person with their HR contact/benefits advisor.

Thinking about your next open enrollment experience, which of the following best describes your preference?

	Total	Number of employees		
		Under 500	501-5,000	5,000+
I want to manage my benefits enrollment online	52%	43%	54%	61%
I want to manage my benefits enrollment outside of business hours	19%	21%	19%	17%
I want to manage my benefits enrollment during business hours	28%	28%	29%	28%
I want to manage my benefits enrollment in person with my HR contact/Benefits Advisor	21%	24%	23%	15%
I want to manage my benefits enrollment with the help of a virtual assistant	13%	13%	17%	11%
I want to manage my benefits enrollment via telephonic enrollment	8%	9%	10%	4%
I want to learn about my benefits year-round	36%	35%	38%	36%

CONCLUSION

Key Takeaways

The Future of Benefits Study demonstrates a clear need for employers to communicate more with their employees about benefits they offer and their value. The study shows that employers should continue to reevaluate their benefits programs with value-added services to meet the evolving needs of their workforce.

Now is the time for employers to address the changes we are beginning to see in employee attitudes about benefits, particularly paid family leave, return-to-work support and mental health resources. To help restore trust and address this change in employee sentiment, employers can take the following actions:

Improve their communications with employees and partner with brokers to reevaluate their benefits packages and ensure they are effectively serving their workforce.

Educate employees by utilizing different tools and online platforms to not only explain which benefits are available, but which value-added services are increasingly important to use during a pandemic.

Adopt flexible working and leave policies that match their employees' expectations, while providing needed support to employees who cover for those who are on leave. Implement supportive return-to-work programs that help ensure each employee's smooth transition back to work.

Connect employees to mental wellness resources while educating them about available services to help reduce stigma in the workplace.

To achieve this, employers can customize and enhance their benefits programs and employee communications, particularly as the annual benefits enrollment season will depend more on online resources than ever before. Employers can play a crucial role in restoring employees' confidence in their benefits choices, helping them navigate both today's and tomorrow's challenges.

Methodology

The Hartford's Future of Benefits Study consisted of a series of surveys fielded in two waves and was designed and fielded to provide insights into the pandemic's impact on employee benefits. The first wave was fielded from February 27 – March 13, 2020, just before the pandemic escalated in the United States, and included 761 employers and 1,503 employees. The second wave was fielded from June 15 – June 30, 2020 and included 567 employers and 1,038 employees. The margin of error is +/-4 percent for employers and +/-3 percent for employees at a 95 percent confidence level.

RESPONDENT PROFILES

The following charts were derived from the representative sample of 1,038 respondents.

Employee Respondent Profile

Generation	Gen Z/Younger Millennials (1995-2002)	Older Millennials (1981-1994)	Gen X (1967-1980)	Baby Boomers (1955-1966)
March	10%	32%	26%	33%
June	8%	31%	29%	32%

Gender	Male	Female
March	46%	54%
June	43%	57%

Marital Status	Married	Not Married	Children at Home Under Age 25	No Children at Home
March	58%	42%	42%	58%
June	47%	53%	39%	61%

Role Level	Executive/Owner	Management	Supervisory	Individual
March	10%	15%	21%	55%
June	7%	10%	22%	61%

Household Income	Under $50K	$50K-$70K	$70K - $100K	$50K-$100K	$100K-$150K	$150K or More
March	23%	16%	26%	42%	21%	15%
June	35%	19%	18%	37%	16%	12%

Company Size	Fewer than 500 Employees	501 to 5,000 Employees	5,000+ Employees
March	44%	34%	22%
June	38%	30%	32%

Industry Mix

	Agriculture/Forestry/ Fishing/Hunting	Utilities/Energy	Construction	Manufacturing
March	1%	2%	3%	9%
June	2%	2%	3%	8%

	Retail & Wholesale	Education	Information Management	Finance/Insurance
March	7%	12%	7%	7%
June	7%	12%	3%	7%

	Nonprofit	Real Estate	Professional/ Scientific/Technical	Healthcare
March	4%	1%	7%	12%
June	3%	1%	9%	12%

	Services	Transportation/ Warehousing	Government	Telecommunications
March	3%	3%	9%	3%
June	5%	3%	9%	2%

	Other	Prefer not to answer
March	10%	1%
June	9%	1%

Employer Location

	Single State	Multi-state
March	44%	56%
June	39%	61%

Job Type

	White-collar	Blue-collar	Service
March	71%	15%	14%
June	69%	17%	13%

Employer Respondent Profile

Gender

	Male	Female	Non-binary
March	48%	57%	0%
June	51%	41%	2%

Geographic Location

	Multinational (locations in multiple countries)	National Organization (locations in 40 or more U.S. states)	Multi-state (multiple U.S. state locations)	Single State (only have location(s) in one state)
March	22%	14%	22%	42%
June	21%	21%	21%	37%

	Northeast	West	South	Midwest
March	24%	24%	33%	19%
June	23%	22%	36%	19%

Company Size

	Fewer than 500 Employees	501 to 5,000 Employees	5,000+ Employees
March	45%	36%	19%
June	46%	38%	16%

Role Level

	Executive Level (CEO/President/VPs)	Departmental Level (leader of managers)	Supervisory Level (leader of teams/individuals)	Individual Worker
March	36%	33%	20%	10%
June	39%	37%	19%	4%

Industry Mix				
	Agriculture/Forestry/ Fishing/Hunting	Nonprofit	Construction	Manufacturing
March	0%	5%	4%	10%
June	3%	1%	7%	8%
	Retail & Wholesale	Education	Information Management	Finance/Insurance
March	9%	8%	2%	12%
June	9%	7%	4%	12%
	Real Estate	Utilities/Energy	Professional/ Scientific/Technical	Healthcare
March	2%	1%	11%	12%
June	3%	4%	11%	15%
	Services	Transportation/ Warehousing	Government	Telecommunications
March	4%	3%	7%	2%
June	4%	2%	5%	1%
	Other			
March	8%			
June	3%			

To learn more about the 2020 Future of Benefits Study and other benefits topics, visit **TheHartford.com/futureofbenefits**

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[1] Mental health conditions were one of the top three reasons for short-term disability claims for people in their 20s for the last four years, excluding pregnancy.

[2] While the difference was significant, the sample size on PTO was much smaller than other options as most employers surveyed offered some type of PTO currently.

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