



## NEWS RELEASE

**FOR IMMEDIATE RELEASE**

**Contact:** Vicki Ringer  
(803) 213-5445 office  
(803) 609-1178 cell (media only)  
vringer@coloniallife.com

### **Survey finds benefits communication gap between employers and employees**

**COLUMBIA, S.C. (Sept. 22, 2008)** — Nine out of 10 employers think that it is important for their employees to understand and appreciate their benefits, but most employees don't, according to a survey conducted by Colonial Life & Accident Insurance Company.

Colonial Life surveyed more than 650 human resource managers and benefits administrators at the recent national conference of the Society for Human Resource Management. Employers were asked about the benefits they provide and how much their employees understand those benefits.

More than 90 percent of employers who responded said it was important to their business that employees understand and appreciate the value of their benefits. Only 21 percent of employers think their employees have a good understanding of their benefits. Nearly 5 percent think their employees know nothing at all about their benefits.

“These findings are critical for all employers, but we aren't surprised,” said Tom Gilligan, senior vice president for Colonial Life. “Employers who have implemented a benefits communication plan have been telling us for years how important that has been for the bottom line.

“Employees who have been properly educated about their benefits tend to stay on the job longer than those who don't understand their benefits,” Gilligan concluded, pointing to other surveys about employee benefits.

Research has shown that employee loyalty and morale are directly tied to the benefits they receive. The more employees know about those benefits, the more likely they are to be happy in their jobs.

In a research study conducted by Watson Wyatt Worldwide<sup>1</sup>, a global consulting firm that specializes in employee benefits, employees gave higher marks to employers who provided fewer benefits but explained them well, rather than a richer array of benefits they didn't understand.

In similar studies conducted by MetLife<sup>2</sup>, workers indicated that benefits were one of the primary reasons they are loyal to their employers.

- more -

Employees ranked benefits second only to salary as the most important factor in determining how long they stay on a job.

Colonial Life asked employers about the methods they use to communicate with employees and found:

- 90 percent of employers said having one-to-one meetings would significantly improve employees' understanding of their benefits but only 58 percent of employers offer them
- 80 percent use employee group meetings to explain their benefits
- 44 percent have employees enroll for benefits using the Internet
- 40 percent of employers require employees to self-enroll for their benefits

Colonial Life offers benefits communications at no additional cost to employers as part of its package of voluntary insurance programs. When an employer offers Colonial Life insurance, a benefits representative with Colonial Life will meet individually with each employee and review all benefits, not just the ones offered by Colonial Life. A benefits representative will explain to the employee the features of major medical and dental insurance, retirement plans, vacation and all other benefit programs that may be offered by the employer, including any voluntary benefits offered through Colonial Life.

Colonial Life's benefits communication services provide not only financial savings to employers, but also save time for the human resources department.

For more information about benefits communication, call Colonial Life at (803) 798-7000 or visit [www.coloniallife.com](http://www.coloniallife.com).

Colonial Life & Accident Insurance Company is a market leader in providing insurance benefits for employees and their families through their workplace, along with individual benefits education, advanced yet simple-to-use enrollment technology and quality personal service.

Colonial Life offers disability, life and supplemental accident and health insurance policies in 49 states and the District of Columbia. Similar policies, if approved, are underwritten in New York by a Colonial Life affiliate, The Paul Revere Life Insurance Company. Colonial Life is based in Columbia, S.C., and is a subsidiary of Unum Group.

<sup>1</sup> WorkUSA Survey, Watson Wyatt Worldwide, 2005

<sup>2</sup> Sixth Annual Study of Employee Benefits Trends, MetLife, 2008

###