



# The Benefits Factor 2023





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## A Message from Our CEO

Employees' needs are being significantly impacted by inflation, the cost-of-living crisis, skyrocketing energy costs, and international instability. This affects what employees expect from their leaders, and creates opportunities for how employers can choose to respond.

When inflation rises, so do salary expectations – even when adjustments aren't possible. Instead, this situation presents an opportunity to innovate with a flexible and well-thought-out benefits strategy. Rewards and benefits are tools that an employer can use to target points of stress for employees and alleviate areas of increased financial burden.

We asked 8,000 employees in eight countries across Europe about engagement, benefits offering, sustainability, and work-life balance. Employees shared what they want from their employer, how sustainable their work really is, and which benefits they consider most important now and going forward.

So, how do you best lead when conditions and expectations constantly change? I believe in always being one step ahead, which means keeping updated on employee expectations so that the best people are attracted, retained, and rewarded long-term. Progressive

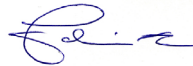
employers must focus on employee experience and identify the journeys and experiences that make employees happy and want to stay. This is what our survey is designed to reveal.

This report will give you insight into today's employees and future possibilities. It will help you make informed decisions to improve your workplace. You'll be better positioned to attract leading talent and drive engagement with existing employees.

Let's see what kind of employers we are when we make decisions based on the spoken needs of employees.

I hope you will enjoy the read!

Joakim Alm  
CEO, Benify



## About This Report

Benify's annual survey is designed to provide a snapshot of authentic employee expectations. Benify and YouGov conducted this survey with 8,000 participants in eight countries. We asked a series of questions about employee benefits, engagement, current work conditions, as well as what employees want most from their employer, and what is considered most important when choosing an employer. Analysis of the data was conducted between Kantar and Benify. All responses were anonymous.



# Engagement and Productivity

# Checking the Pulse of Engagement

You know employee engagement is crucial for success. According to a survey by Gallup\*, engaged employees not only contribute to increased productivity and talent retention but also lead to better customer relationships and greater overall profitability.

Our survey revealed that employee engagement varies drastically between countries. Only 57% of employees in the UK are highly engaged, compared to 76% of workers in the Netherlands. This begs the question: What are the Dutch doing differently?

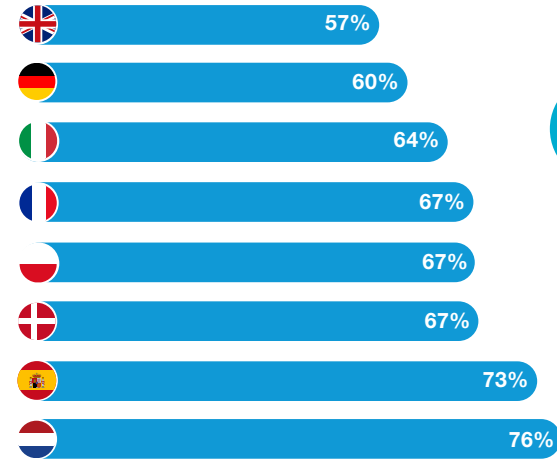
Even more revealing is the fact that the youngest generation is the least engaged. In Italy, for example, only 29% of Gen Z employees are highly engaged. Put another way, more than two-thirds of Italian employees in their prime career-building years are not fully engaged.

By focusing on meaningful work, fostering a sense of belonging, and adapting to changes in the labor market, employers can improve employee engagement levels and ensure the long-term success of their businesses.

\*<https://www.gallup.com/workplace/321725/gallup-q12-meta-analysis-report.aspx>.



## How engaged are you on a normal workday?



Highly engaged employees, % (those who have responded 7-10 on a 10-grade scale to the question)

# How Do Employees Speak about Their Place of Work?

Low employee engagement is a challenge that can have a detrimental impact, because unengaged employees don't recommend their employer. Unhappy and disinterested employees are more likely to look for new work opportunities, leading to high turnover rates and a shortage of skilled workers. Even more crucially, when an unengaged employee is asked about their place of work, they may damage your reputation and hinder your ability to attract new talent.

The eNPS (loyalty) score is how likely an employee is to recommend their employer. In France, the eNPS score is a whopping -35. Even countries with the highest scores – the Netherlands and Denmark – remain in the negative domain. The task is clear: employee satisfaction must grow.

## eNPS - a measure of recommendation and loyalty

9-10 Ambassadors

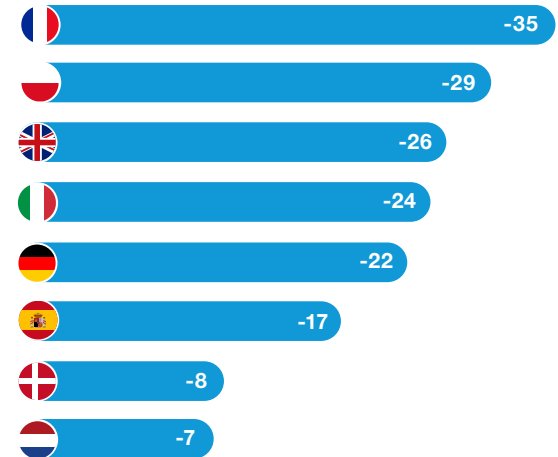
7-8 Passive

0-6 Detractors

eNPS = Ambassadors - Detractors



## eNPS - country overview





# Benefits Knowledge and Use

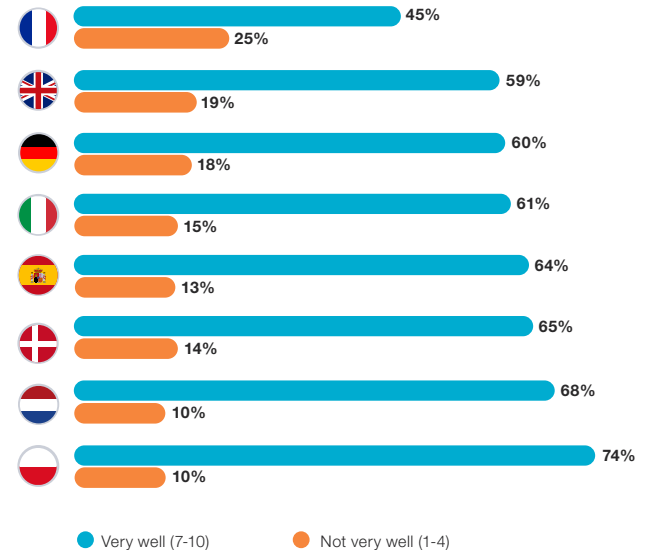
# Knowing about Benefits and Using Those Benefits Aren't the Same

Employee engagement is held up by two pillars: salary and benefits. The data shows that no matter what benefits and rewards an employee has, a competitive compensation package is necessary to ensure employee satisfaction. But the flipside is also true: an employee with a stellar salary and no knowledge of benefits means wasted investment on your end. Fabulous benefits can't make up for a lack of proper compensation, but lackluster or ambiguous rewards weaken a pillar of engagement.

Around 60% of employees in most countries appear to be aware of all or most of the benefits included in their employment packages. That means that four out of ten members of your team don't know about investments your company has made in their wellbeing.

Salaries are often immovable, but companies have significant and varied opportunities to ensure at least one of these pillars is solid. Your employees need to know what rewards and benefits are available, and you must know what they need.

## How well do you know all the benefits included in your employment package?





# Measuring Satisfaction with Benefits

In our survey, we went beyond looking at knowledge of benefits and looked at overall satisfaction. The Dutch once again lead the pack with 68% of employee satisfaction, followed by Germany (58%) and Spain (57%). Poland is an example of a country where knowledge of benefits and rewards is high (74%) but satisfaction is significantly lower (53%). France struggles on both fronts, with low knowledge (45%) and low satisfaction (38%).

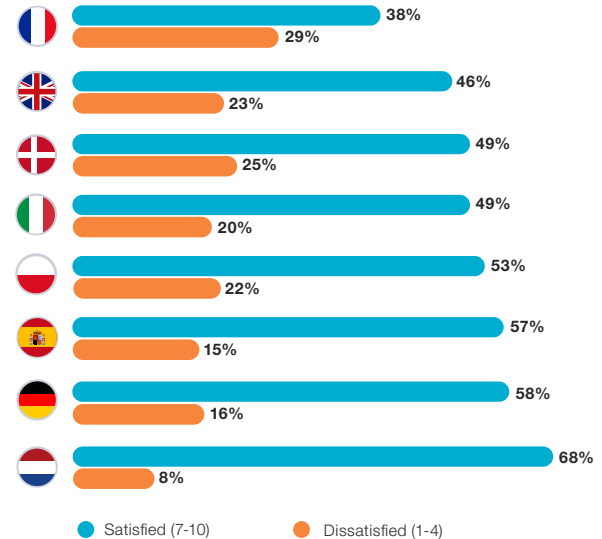
Both knowledge and satisfaction are crucial. If employees don't know what they have access to, they are making uninformed decisions about their career and work-life balance. This trickles into job satisfaction and retention.

Satisfaction with a benefits package also impacts motivation and commitment. Competitive benefits packages, when properly communicated, foster satisfaction, productivity, engagement, and overall retention.

## Gather Internal Data

- Collect data regularly on both program participation and employee knowledge of what's available.
- Identify what's known and what's used.
- Don't be afraid to change the program or benefits when knowledge is high but participation rates are low.

## How satisfied or dissatisfied are you with the total range of benefits that your employer offers you?



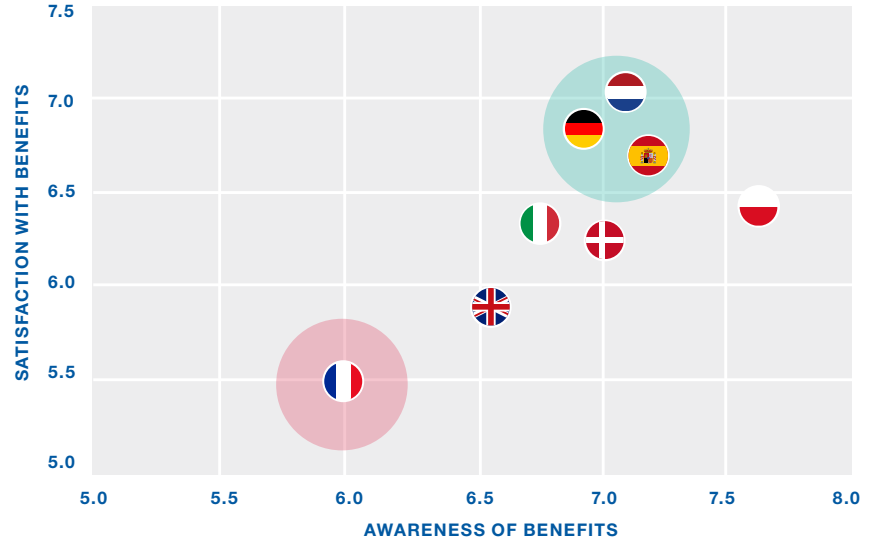
Highly satisfied employees, % (those who have responded 7-10 on a 10-grade scale to the question)

## Key Takeaways

There is a clear connection between lack of satisfaction with benefits and interest in leaving for an employer offering better benefits. Companies often invest time and effort into delivering a competitive compensation package but fail to communicate it, leading to a loss of investment in both the benefits and the people.

When knowledge is upped, satisfaction follows. Building a sustainable and adaptable communications strategy that reaches all employees with relevant and timely information is crucial to capture the full ROI and lead to growth in engagement and loyalty.

There is a correlation between employees who lack knowledge about their benefits and are dissatisfied with them. Employers should audit knowledge of benefits within their company to see if the dissatisfaction is rooted in the offering or the awareness.





# How Relevant Are Your Offerings?

# The Current Benefits Landscape

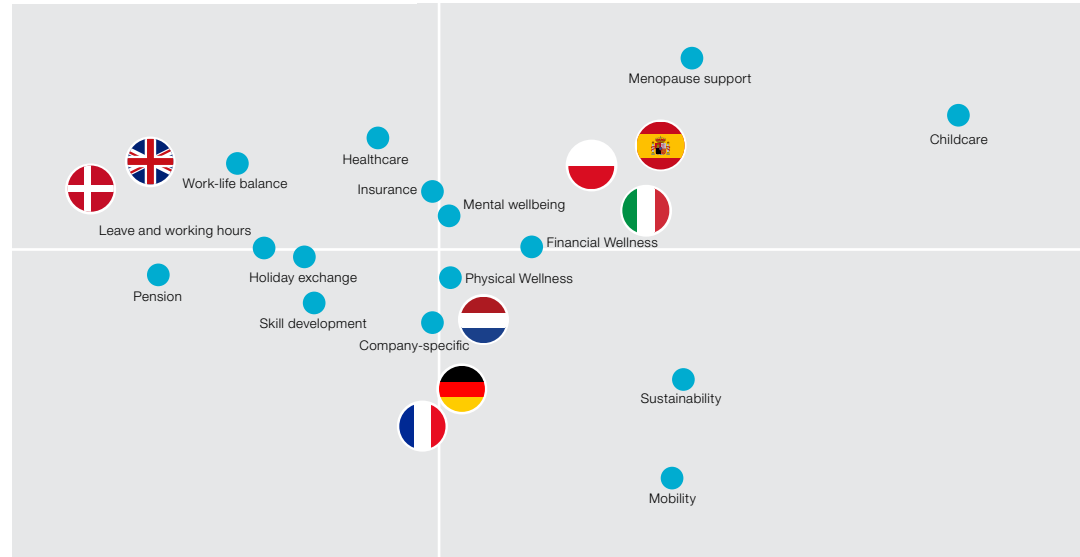
Predictably, generations differ when it comes to what they prioritize for benefits and rewards. Baby Boomers and Gen X favor retirement planning across the board. Millennials and Gen Z prioritize work-life balance, targeting leave and work hours. This bears out in the countries where the majority of the workforce is younger.

We asked participants to rate the category of benefits they can access in order of importance. Germany stands out as the only country to rank Skills Development as a top-three priority.



# Preferences for Benefit Types

When we look at an overview of the benefits that are valued, there are three distinct country clusters. Spain, Poland, and Italy prioritize family-based benefits, like childcare and menopause support. The UK and Denmark highly rank work-life balance and healthcare. Denmark, France, and Germany tend towards more socially minded benefits, like mobility and sustainability.



The correspondance analysis visualises the relative importance of different benefits between the countries. The closer a benefit is located to a country, the greater the importance.

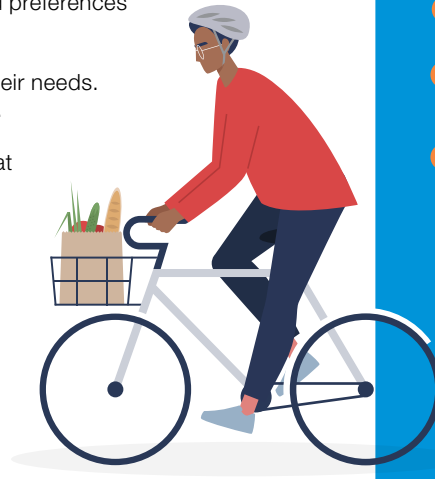
# Tips to Improve Your Offerings

Employees are less engaged and more inclined to leave an employer if the benefits offered are not impacting their lives in a satisfying way.

## How can employers improve satisfaction with the benefits they offer?

- Provide a wider variety of benefits such to cater to a diverse set of needs and preferences among employees.
- Offer flexible benefits to make it easier for employees to choose what suits their needs. For example, flexible work hours and paid leave encourage work-life balance.
- Communicating about benefits helps employees understand the value of what they're receiving to make informed decisions. Give them access to regular updates on changes to benefits, and offer educational resources.
- Ask questions. Seek feedback to identify areas for improvement and make changes that better meet your employees' needs.

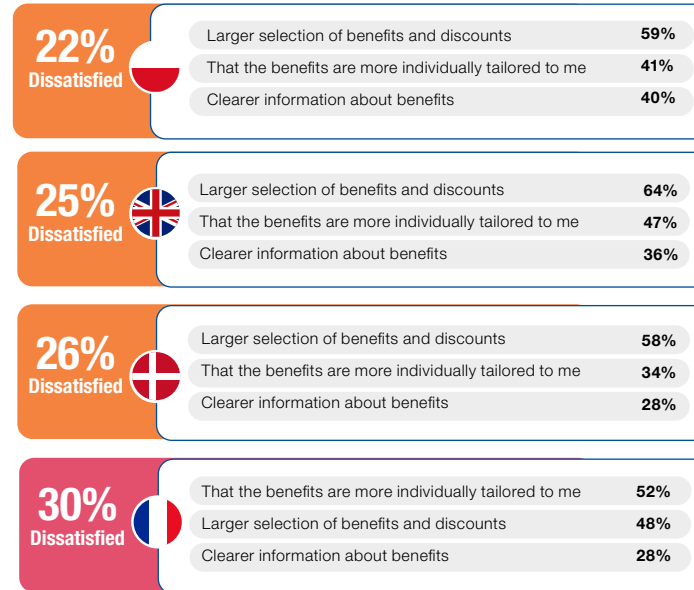
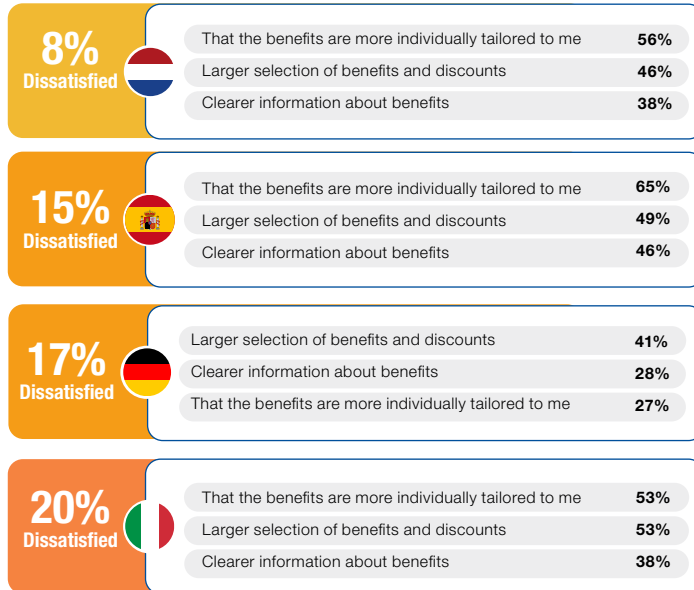
Note that preferences are similar for both the public and private sector.



## Employee Wishlist:

- 1 **Wider selection of benefits**
- 2 **Individually tailored benefits**
- 3 **Clearer information about the benefits**

# Most Impactful Ways to Increase Satisfaction among Those Currently Dissatisfied



# The Significance of Satisfaction

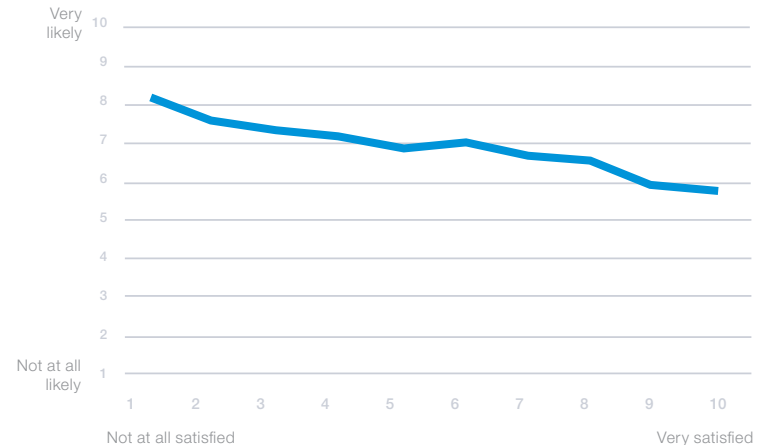
A competent benefits offering is essential to stay competitive as an employer. Employees who aren't satisfied with their benefits are more likely to accept an offer from another employer, even if the salary and position is similar.

The share of employees who are not satisfied with their current benefits is the largest in France (30%), followed by Denmark (26%) and the UK (25%). In the Netherlands, however, only 8% of the workforce is dissatisfied.

There is potential for all employers to offer more relevant and personalized benefits. Employers that provide a relevant and satisfying range of benefits are attractive to workers and increase employee engagement.



## Likelihood an employee will accept a new job offer with a similar salary and position but better benefits:



Aggregate of all 8 countries – level of satisfaction with the total range of benefits offered.



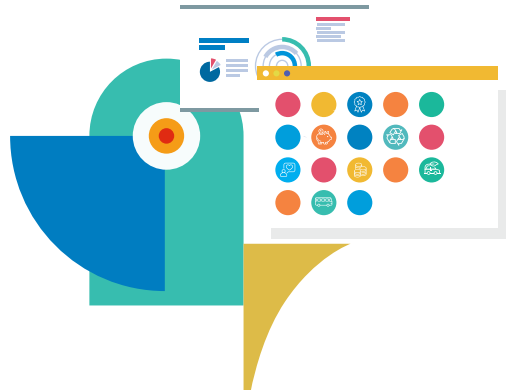


# The Future of Workplace Benefits for Progressive Employers

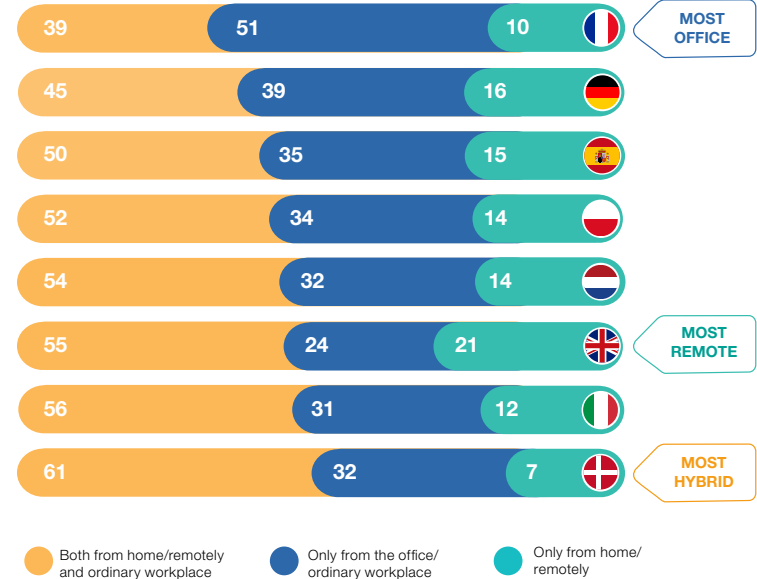
# The Future of Work

The last few years have taught employers to become more dynamic in their approach to attracting and retaining employees by meeting their workforce's diverse and changing needs. Flexibility remains paramount. Any organization hoping to attract and retain talent today must offer greater flexibility for where and when employees can work.

In seven out of eight countries, hybrid work is prioritized. In Denmark, 61% of respondents want the option to work both remotely and in the office going forward. France is the only country in which employees prefer to work exclusively from the office. The UK has the largest share of employees who primarily want to work remotely (21%). This particular group is interesting, because those who desire remote work are also those who report their engagement to be the lowest.



## Workplace preference: remote, hybrid, or office?



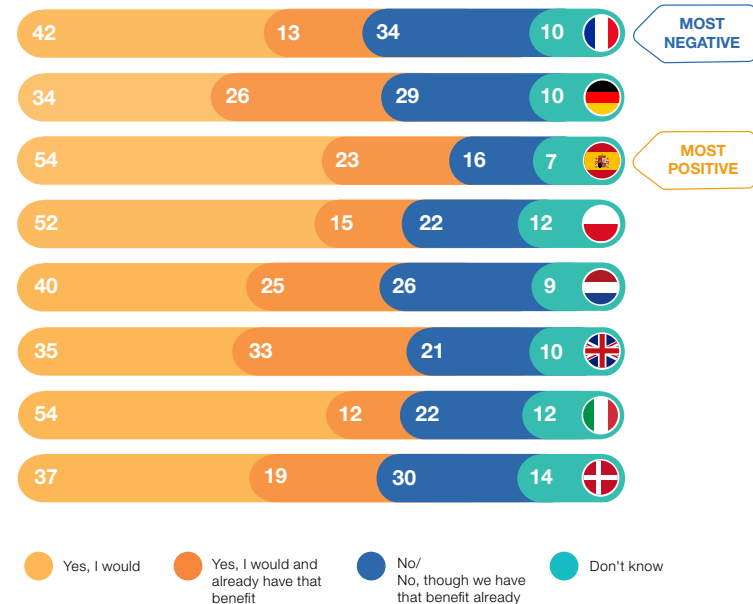
# The Benefits of Remote Work

Hybrid work is the new normal and is no longer considered an additional benefit, so what is the next step for an employer seeking to stay ahead of the pack?

Research shows that almost 65% of employees view remote work positively. This opens up new possibilities, like workations, which are becoming increasingly popular among Gen Z. Blending work and leisure allows employees to explore new places, experience different cultures, and complete tasks while enjoying the destination. In response to this new way of life, countries like Iceland, Bermuda, and Portugal now offer remote working visas, allowing people an extended stay while working (and paying taxes) remotely.

For an employer, offering remote work means radically increasing the diversity and talent pool available to recruiters. However, remote work might not become the standard. Some workers, such as those in France, prefer a traditional office environment's structure and social interaction.

If you had the option to work remotely as part of a benefits package, would you use it?



# Tips to Keep Remote Workers Motivated and Engaged

- Prioritize communication. Schedule daily check-ins, regularly share company news, listen to concerns, and encourage connections with colleagues.
- Set clear expectations and be patient.
- Educate workers about company culture, values, and ways of working. Help them feel involved with the company and broader business objectives.
- Celebrate and recognize good work. This can be with public kudos, a gift card, or a hybrid celebration.
- Encourage work-life balance by emphasizing boundaries around when an employee is expected to respond.



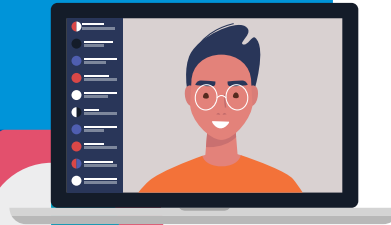
# The Progressive Employer

Employment needs are evolving at a breakneck pace, and employers must be progressive in order to meet the needs of shifting workplace expectations.

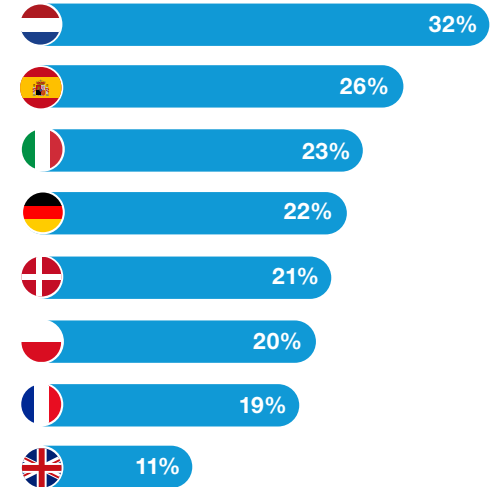
Employees know when their employers are adapting. A third of employees in the Netherlands say their employers are adapting properly, compared to one in ten in the UK.

## Traits of a Progressive Employer

- 1 Adapts to changes in the labor market
- 2 Encourages a strong corporate culture
- 3 Prioritizes issues of sustainability



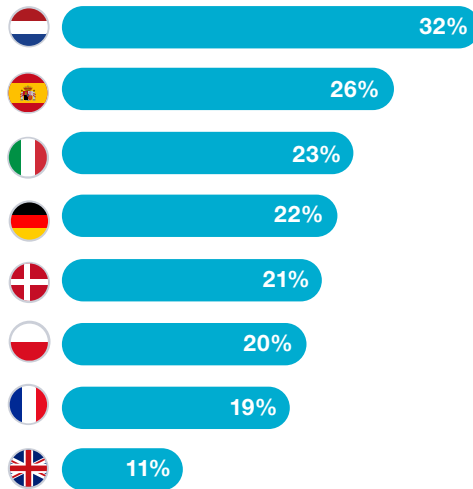
## Works for a progressive employer



Share of employees across each market who have responded that their current employer fulfills the three conditions above (three questions in the survey).

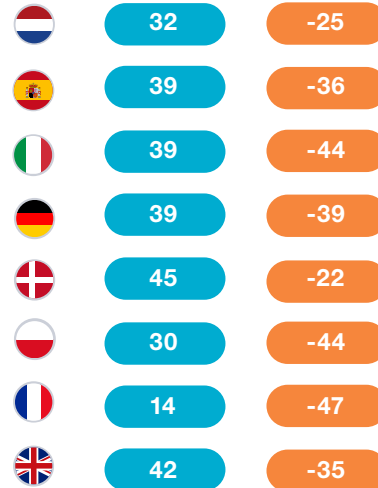
A progressive employer prioritizes employee satisfaction, engagement, and well-being. These priorities foster engagement and encourage employees to be ambassadors for their company.

## Progressive employer



Percentage of employees who work for a progressive employer

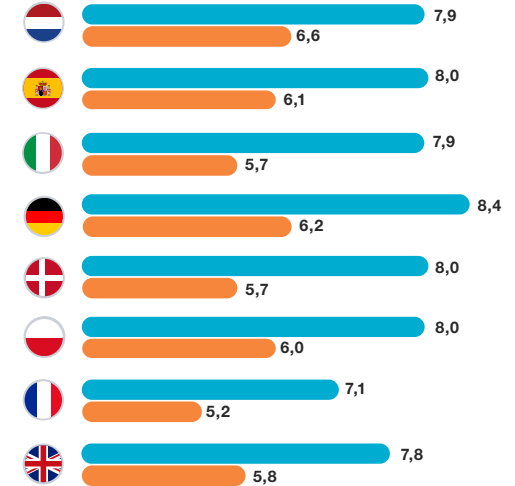
## eNPS



Employed by progressive employers

Do not work for progressive employers

## Satisfaction with benefits



Employed by progressive employers

Do not work for progressive employers

# Five Ways to Support ESG Commitments

- 1 Employee Wellbeing**  
Offer comprehensive wellness programs both in and outside of the office and flexible work arrangements.
- 2 Inclusive Culture**  
Promote an environment where everyone feels welcome, respected, and valued.
- 3 Training and Development**  
Invest in your employees' growth and development by providing concrete opportunities for training, mentorship, and career advancement.
- 4 Transparency and Communication**  
Encourage feedback, listen to suggestions, and communicate clearly about company policies and decisions.
- 5 Social Responsibility**  
Make a positive impact on society and the environment. Support social causes, actively contribute to the reduction of harmful carbon emissions, and promote ethical business practices.





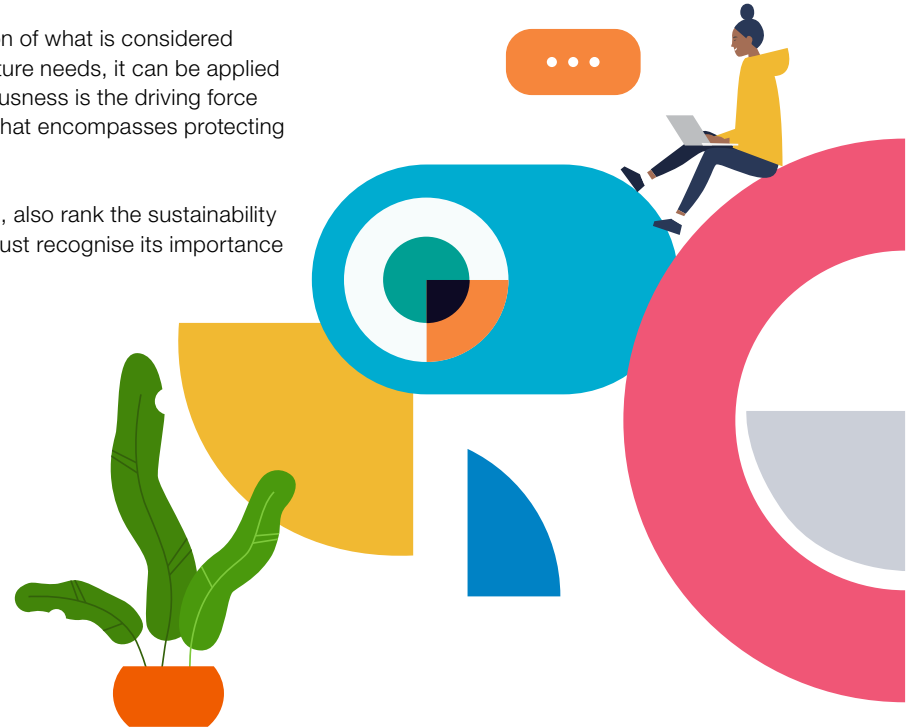
# Sustainability as a Guiding Principle



# Sustainability Goes Beyond the Climate

Gen Z is driving increased awareness of sustainability, along with pushing the definition of what is considered sustainable. If sustainability is about meeting present needs without compromising future needs, it can be applied to benefits, employee wellbeing, health, and work-life balance. Environmental consciousness is the driving force behind being a “sustainable company,” but there’s an opportunity to emphasize how that encompasses protecting an employee’s future flourishing, too.

Denmark and the Netherlands, countries ranking higher on satisfaction about benefits, also rank the sustainability of their companies high. Sustainability has become a vital concern, and companies must recognise its importance for long-term success.



# Balance and Belonging

## Sense of Belonging


A sense of belonging becomes a part of workplace culture when individuality is noticed and valued. Employers can foster this by expressing care for employees and providing routine opportunities for check-ins. Keep employees informed about opportunities for development and promote inclusion in day-to-day work. Celebrate and highlight unique contributions.

## Multiple Options for Work-life Balance

The practical way to appeal to all the generations in your workforce is to offer flexible work hours and the possibility of remote work. It decreases stress, helps employees to maintain healthier habits, and boosts the level of job satisfaction.

## Grow Your Influence

Great company culture is built and reinforced by its people. The ability to influence employee work environments can happen on a small scale or company-wide. Emphasize opportunities for involvement and group gatherings that celebrate a worker's job, team, or department.

	I have a sense of belonging with my colleagues	I have a good balance between work and private life	I can influence my work situation
	6.4	6.5	5.8
	7.3	7.2	7.3
	6.8	6.6	6.4
	6.0	6.7	6.2
	6.3	6.7	6.5
	6.3	7.1	6.3
	7.5	7.2	7.0
	7.0	7.2	6.3

# Generational Differences in Satisfaction

As crucial as a competitive compensation package is, other vital factors hold high value for employees. This includes a sense of belonging, good work-life balance, and the ability to influence the work.

The results are varied across different generations and countries. In the UK, Spain, and France, Baby Boomers are the least satisfied with the compensation package. In Germany, however, it's Gen Z.

## BABY BOOMERS (1945-1964)



## GENERATION X (1965-1984)











## MILLENNIALS (1985-1994)



## GENERATION Z (1995 OR LATER)



								
BABY BOOMERS (1945-1964)	7.5	7.0	6.1	6.9	6.5	7.8	6.0	6.4
GENERATION X (1965-1984)	7.2	6.6	6.6	6.9	6.4	7.3	6.2	6.1
MILLENNIALS (1985-1994)	7.1	6.5	6.7	6.8	6.7	6.9	6.2	6.5
GENERATION Z (1995 OR LATER)	7.2	6.2	6.7	6.6	6.8	7.0	6.8	6.9

Average from 3 questions:  
 I have a sense of belonging with my colleagues,  
 I have a good balance between work and private life,  
 I can influence my work situation

# Key Insights

## Engagement and Productivity

Engaged and valued employees are invested in your company's success and are the best ambassadors to their peers. The key engagement drivers include meaningful work, a sense of belonging, and an employer's ability to adapt to labor market changes.

With 76% engagement, The Netherlands is taking the top spot, where the Baby Boomers have rated their workplace with the top scores of 7 to 10. In Italy (6th place), the most engaged respondents are Gen Z.

## Benefits Knowledge and Use

Employers must offer competitive benefits packages and ensure employees are well-informed about their offerings. On average, 40% of the participants in all countries and across all generations do not know all or most of the benefits in their employment packages.

## How Relevant Are Your Offerings?

The four most coveted benefits across all countries and generations are retirement planning, work-life balance, healthcare, and leave/working hours. However, different countries prioritize different benefits. For example, Spain and Italy favor child care health support, Netherlands and France focus on physical well-being, and in Denmark, company-specific benefits are valued. Over all, the desired benefits selection is more comprehensive, individually tailored, and clearly communicated.

## The Future of Workplace Benefits for Progressive Employers

To attract and retain talent today, you must understand and can adapt to changes, work with sustainability for the earth and your employees, and actively cultivate a supportive company culture.

The future workplace is flexible. Hybrid work needs to be considered, especially in Denmark, where 61% of the participants want to be able to choose when to work from home and on-site. The option to work 100% remotely continues to open up new possibilities for employees and employers alike.

## Sustainability as a Guiding Principle

Sustainability is essential. A healthy, sustainable work environment is about a good work-life balance, a sense of belonging, and the ability of an employee to impact their company.

Our data shows that Denmark and the Netherlands work actively with all three factors. They currently have the highest success rate. We anticipate that the call for sustainability in multiple areas of employment is more than a trend. After all, that which improves employees' work climate also strengthens the employer's branding and ability to attract and retain talent.



# About Benify

Benify's journey started in 2004 in Sweden. Today, Benify offers the market's leading global benefits and total rewards platform with more than 1,600 of clients and 2 million users around the world.

Our solution helps employers create an exceptional benefits and rewards experience while reducing benefits administration, automating processes, radically improving the communication of their employee value proposition and ensuring better data governance and management of benefits and rewards costs.

