**Discussion Paper**

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**Is there a trend towards employers becoming ‘facilitators’ of benefits in the workplace rather than ‘funders’?**

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**1. Introduction**

This paper considers whether there is a trend towards employers becoming ‘facilitators’ of benefit provision in the workplace rather than ‘funders’. It also considers briefly the changing landscape with regard to self-employment.

So-called ‘voluntary’ benefits are nothing new – employers have been offering insurance themed products to employees since the early years of the 20th Century. These have ranged from covers related to accident or injury (which were relatively inexpensive) to, later, more sophisticated offerings such as Private Medical Insurance. Take-up varied greatly and was influenced, not only by price, but other factors such as the effectiveness of communications, union involvement, tax treatment and the demographics of the workforce.

Frequently these offerings were seen as complementary to what might be described as ‘traditional’ employee benefits paid for (primarily) by the employer, such as a pension scheme and death in service benefits. More fortunate employees (often those in senior positions) sometimes enjoyed Group Private Medical Insurance and Income Protection cover. The former was even more highly valued if scheme membership had been extended to spouses and children.

Over the last 30 years, however, fundamental changes have come about that have completely disrupted the old model which served employers well in the past.

This paper considers what evidence exists to support the ‘facilitation’ argument and draws on as much published information as the author has been able to access. No doubt more data exist either in support or refutation of the argument, and so this offering is very much intended to provoke discussion and debate rather than be a definitive statement of current benefits practice.

The views expressed in this paper are personal to the author and do not reflect the views of the ILAG Workplace Benefits Group or ILAG as a whole.

John Gillman – May 2015

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**2. Employment Statistics[[1]](#footnote-1)**

In 2014, there were 5.2 million businesses in the UK of which over 99% were small or medium sized (i.e. employing 0-249 people). About five million of these were micro-businesses (employing 0-9 people) and they accounted for 33% of employment and 19% of turnover.

The service industries accounted for 73% of businesses, 79% of employment and 70% of turnover. The manufacturing sector accounted for 5% of businesses, 10% of employment and 16% of turnover. In 2013 there were 346,000 business births and 238,000 business deaths.

Since 2000, the number of businesses in the UK has increased each year, by around 3% on average. In 2014, there were 1.8 million more businesses than in 2000, an increase of around 51% over this period. This is the first time ever that there have been more than five million businesses in the UK (an increase of 330,000 since 2013).

The proportion of businesses that employ people has fallen since 2000 from around a third, to around a quarter. This decline in the number of employers as a proportion of all businesses is due to the growth in self-employment: the number of sole proprietorships (businesses with no employees) has grown faster than the number of all businesses.

The number of businesses with no employees has grown by 68% since 2000, compared with growth of 51% in the total number of businesses.

**3. Changes in the Objectives of Employee Benefits**

The reasons behind employers providing employee benefits of any kind have changed over the years[[2]](#footnote-2):

* In the earliest days some employers offered benefits because they believed that their organisation had a moral duty to look after its employees, a policy commonly referred to as ‘paternalism’. The Quaker owned companies such as Fry and Cadbury come to mind.
* Gradually during the course of the last century benefits also became a tool for the attraction and retention of staff. A benefits ‘boom’ occurred during the 1970s, which was by no means totally due to a sudden outbreak of paternalism. The implementation of incomes policy controlling the growth of cash pay, combined with the high marginal taxation levels prevailing at that time, drove many employers to develop more generous benefits provisions, especially for senior staff, to circumvent the difficulties in rewarding employees via basic cash pay. Many of the schemes in operation today are ‘legacy’ arrangements dating from that time and it can prove difficult for employers to remove or downgrade certain benefits once they have become an established part of employee packages.
* Increasingly, benefits are no longer regarded solely as a retention tool. Research indicates that there are many factors in an organisation’s employment proposition and that what makes them attractive might depend on the individual employee’s circumstances (such as age or caring responsibilities). This has led to the concept of ‘total reward,’ i.e. that organisations should adopt a bundle of mutually supporting financial and non-financial rewards (such as flexi-time or home working) that are aligned to the needs of the organisation and its employees. Such an approach has led many employers to regard employee benefits as a strategic tool to assist with employee recruitment and retention and/or align employee behaviours with business objectives.

**4. Changing Employer Attitudes[[3]](#footnote-3)**

The changing relationship of employer and worker has been described as: less ‘parent to child’ and more ‘adult to adult’.

This individualistic approach to how employees are rewarded transfers more of the risk (and, potentially, reward) and cost of the provision to their workers. With pay, there has been a move away from collective bargaining, across-the-board pay rises and service-related increments, to performance-related arrangements, while benefit provision has seen a widespread shift from final salary pension schemes to money purchase plans (particularly in the private sector) and some movement from fixed benefits to flexible and voluntary arrangements. More recently on the agenda has been the importance of employee engagement and its relationship to staff (and therefore customer) satisfaction. Under scrutiny has been the role benefits generally can play in improving engagement across the workforce.

One major current issue in benefit provision generally is the concern among some employers as to whether their employees are in a position to adjust to this new benefit landscape where they shoulder more of the risk and reward. There is a belief that if employers give employees more freedom and choice they also have a moral duty to help educate employees about the possible consequences of their benefit choices and to help them make well-informed decisions around what level of savings or health coverage they will need throughout their employment life cycle.

**5. Some brief comments on pension schemes**

This paper considers primarily benefits related to health and wellbeing, but it is appropriate to make at least a passing reference to pension schemes since their provision has implications for other areas of benefits provision.

A quote from the Pensions Management Institute in March 2015 sets the scene:

‘The volume of pensions legislation in force has increased exponentially year-on-year over the past forty years, with annual Finance Acts and many Pensions Acts, especially in the past decade, plus hundreds of sets of regulations. The twin drivers have been a Treasury obsession with tax relief and the potential for its abuse, and a Department for Work and Pensions passion to protect pension scheme members seemingly almost regardless of cost’. The author points out, for example, that ‘by 2010 we were well past four thousand pages of legislation and heading towards ten thousand’.[[4]](#footnote-4)

Legislative complication was only one factor in the decline of the Defined Benefit/Final Salary pension scheme that was at one time a defining feature of the employee benefit landscape. Other factors included improved longevity, the abolition of compulsory membership and what is often referred to as Gordon Brown’s ‘raid’ on the funds themselves.

Now employers have to get to grips with automatic enrolment, which commenced in October 2012 and will not be complete until 2018.

The reasons for alluding to pension provision in this paper are as follows:

* Pension benefits will continue to remain at, or close to, the top of the demands on many employer’s management time, possibly to the exclusion of other benefit related issues. Pensions not only involve direct expense but also a need to comply with regulations.
* The decline of Defined Benefit schemes removed a useful option that was open to employers when dealing with serious ill health among employees – the offer of an ill health early retirement pension with (sometimes) a benefit enhancement. This change has been cited as creating an opportunity to implement a Group Income Protection (GIP) scheme as an alternative solution.
* There was concern that automatic enrolment would possibly lead to the winding up of GIP schemes where eligibility for GIP was linked to eligibility for pension, hence increasing the cost of its provision. Latest figures for scheme membership do not, however, indicate that this has happened to any great extent.
* So far, auto enrolment has been declared a success with far fewer employees (approximately 9%) opting out than was expected. This success has encouraged discussion as to whether automatic enrolment would be appropriate for health related benefits.
* Small and micro employers are now approaching their staging dates. An employer survey conducted by The Pensions Regulator in November 2014 revealed that more than 20% of those due to stage between June and November 2015 had not yet drawn up plans to meet their duties. However, eight in ten smaller medium and small employers had consulted an adviser or intended to do so. In order to help, in March this year the Regulator has launched a new online 11-step guide to help small businesses[[5]](#footnote-5).

A positive view of all this is that developments in the pension’s space can prompt employers to consider other employee benefits and may open up new consulting opportunities.

**6. Flexible Benefits (and other voluntary approaches)**

One of the most significant changes in the employee benefits landscape over the last three decades has been the growth in popularity of flexible benefits schemes.

The early schemes offered quite limited choices which tended to equate to what would now be considered core benefits and development tended to be restricted to bigger employers given the investment needed in administration technology and communication. Through the 1990s and 2000s, however, as technology improved, memberships expanded greatly and started to include numerous small to medium sized enterprises.[[6]](#footnote-6) Typical core benefits (such as basic life cover, PMI cover for the employee and holiday entitlement) could be 'flexed up' or ‘flexed down’ and soon a wide array of other benefits were added which could be purchased totally at the employees’ discretion.

Data regarding the popularity of flex can be rather variable. Research conducted in 2012 indicated that 52% of employers had either implemented or were in the process of implementing a flex scheme[[7]](#footnote-7). According to research among HR professionals carried out in 2014, 81% of respondents claimed their organisation offered some form of flexible benefits. Of those not offering such arrangements, 25% claimed to be considering offering it within the next 12 months.[[8]](#footnote-8)

The lines between core benefits and flex, or flex and voluntary benefits are not as clear as they once were. Salary sacrifice, for example, often features in both flex and voluntary benefits arrangements (in 2014 37% of employees were structuring flexible benefits around salary sacrifice, up from 30% in 2011).

One view is that provision is not so much about core benefits plus flexible options but about integrated benefit solutions. This uses technology as an enabler to bring all options together, because there is much more power in having everything in one place and easily accessible by the employee. An ideal platform, it is claimed, will give staff a combined view of their pension, share plans, flexible benefits and discounts. Not only that, electing benefit choices will not just be a once a year exercise but and ‘anytime’ exercise of ‘rolling enrolment’. This further blurs the edges between flex and voluntary benefits.

One commentator believes ‘a big change will be how we as an industry embraces mobile technology. Flexible benefits historically were not really targeted at retail staff, or employees without day-to-day access to a PC. Now we all have a computer in our pockets that we wander around with, so everyone can get access to them.’[[9]](#footnote-9)

At least one provider claims to have seen have a significant erosion of health and disability benefits and believes that employers are putting in place excesses and outpatient limits, and cancer restrictions on medical insurance. They are finding that most employers are happier removing that spend from those safety-net benefits, which are getting more and more expensive, and investing that money into flex.

The common view is that although flexible benefits schemes may not develop at the rate they have done until now, this will continue to be a popular vehicle for providing a suite of perks that cater for a diverse workforce. Some also think that benefits will become more oriented towards wellness and illness/disability prevention rather that traditional ‘reactive’ benefits that only engage after a claim is made.

Not every employer-facilitated option is delivered via a formal flexible benefits scheme; there are many freestanding options as well. For example, retail discount vouchers can (it is claimed) save careful shoppers up to £1,000 in the course of a year. Similarly, childcare vouchers have proved very popular and carried significant National Insurance advantages (which are now under threat). Added to the mix have been plans involving the purchase of iPads, smartphones and bicycles (through Cycle2Work schemes)[[10]](#footnote-10). There was also a report recently of employees valuing and asking for upskilling and literacy support rather than a wellness programme[[11]](#footnote-11).

Most of these non-core voluntary benefits are marketed on the premise that they are relatively inexpensive as far as the employer is concerned offer immediate perceived benefits to employees. Their value is not contingent upon the happening of a usually unpleasant insured event.

**7. Other important trends and indicators**

**7.1 Age demographics**

Recent figures confirmed that government labour-market policies, such as the Age Discrimination Act of 2006 and the Equality Act of 2010, have enabled older workers to stay in the labour market longer. Two thirds of the increase in employment since May 2010 has been among those aged 50 and over. Younger workers meanwhile experienced the biggest drop in employment during the recession and have not yet recovered to pre-2008 levels. A recent report found that young people might be held back by a lack of ‘employability’ skills including literacy, numeracy and self-management and that a positive proactive approach to work was lacking. Attitude and ability appeared to hinder them more than age. [[12]](#footnote-12)

An increasing number of employees intend to work past what was previously a Normal Retirement Date – some because they do not want to retire but many others because they simply cannot afford to. More than three in five (61%) UK employees expect to work beyond the traditional retirement age of 65. A survey by Canada Life Group Insurance reveals that more than one in five (22%) workers say that they will ‘definitely’ continue to work as they get older.

Only 12% say that they would not work past the age of 65 under any circumstances, a sign that working beyond the age of 65 is fast becoming the norm for a majority of people. According to the research, with the UK facing an ageing workforce, employers will need to adapt the working environment accordingly to meet the requirements of an older workforce. Younger respondents are most likely to believe that they will work past 65. Sixty nine per cent of those aged between 21 and 30 believe they will work after 65 compared to just 50% of those aged 50-60.

Almost nine in ten respondents (88%) cite money worries as the reason they are likely to work past 65. A third (32%) say their pension savings will not be sufficient to fund retirement while 14% feel unprepared for retirement and are unsure how long their money will last. More than one in ten (14%) believe they cannot rely on a state pension.

One effect is the impact on employee health. For example, GRiD research conducted in 2014[[13]](#footnote-13) found that one third of respondents reported that, overall, their workforce was getting older. Importantly for the health perspective was the finding that over a quarter believed that they had seen an increase in absence due to age related conditions (such as diabetes and arthritis).

Overall, other implications include:

* Possible increases in the cost of health-related insurances. Research conducted in 2014 suggested that 43% of respondents expected higher costs[[14]](#footnote-14)
* The need to revisit traditional benefit structures (such as continuation of cover until retirement age)
* Changing employee attitudes to the value of benefits with 48% of employers planning to offer more choice[[15]](#footnote-15)

Research among employers conducted in 2014[[16]](#footnote-16) indicated that well-being and productivity strategies are also firmly in the spotlight, with some industries positively encouraging older employees to stay on for their knowledge and experience. This provides a strong wellness business case focusing on the initiatives, tools, governance, communications and reporting strategies required to deliver a successful model. Introducing proactive health screening programmes around preventative and chronic disease management may become part of an overall integrated health and wellness strategy.

**7.2 No more ‘jobs for life’**

The ‘paternalistic’ approach to employee benefits and welfare was often linked to the likelihood of an employee staying with the same employer (or at least in the same profession) for their entire working career. An employee could therefore see the value of a pension related to service and other benefits (such as life insurance) that protected the family in the event of death.

Nowadays (and for probably the last three decades) we have tended to change jobs more frequently since the benefits heydays of the early1970s. Average employment tenure in Britain was just over eight years in 1992 and was still the same in 2002. Average tenure for men rose between 2004 and 2011 from about 8.5 years to just over nine years in 2011. For women over the same period it rose from seven years to just over eight. The UK has for some time had the shortest average job tenure in Europe.[[17]](#footnote-17)Interestingly, in 2002 Greek workers had the longest tenure in Europe of nearly 13 years (no surprises there). Median tenure in the United States in January 2014 was 4.6 years.[[18]](#footnote-18)

**7.3 The Growth of self-employment (and businesses with no employees)**

As has already been noted in the Employment Statistics above, the self-employed community has been growing rapidly. Some commentators have cited this as an example of the economy not doing very well – people losing their jobs or unable to find employment and therefore taking refuge in self-employment.

The picture is somewhat more complicated than this. It has been pointed out that[[19]](#footnote-19):

* Self-employment growth in the last five years has mainly come from the ‘professional’ class segment. This demonstrates a shift from the manufacturing to the service industries where survival in self-employment is less difficult
* The increasing sophistication of technology enabling working from home or in a variety of environments (without the need for additional support)
* People are leading longer and healthier lives – the number of over-65s in self-employment has expanded by 140% since 2000, more than double the rate of any other age group
* There has been a baby boom – births in 2012 were the highest in 40 years and many parents are seeking the advantages of flexible working, which self-employment can bring

Some estimates suggest that self-employment could exceed the public sector workforce by 2018.

**7.4 Attraction of self-insurance**

For employers with large workforces, self-insurance of GIP can make sense. The Equality Act 2010 (and its precursor the Disability Discrimination Act 1995) forced employers to ensure that they made ‘reasonable adjustments’ in the workplace to accommodate any employee (or potential employee) with a disability. This resulted in a more focused approach to health risk management (often in partnership with both in-house and outsourced occupational health professionals). After quantifying the risk related to long -term sickness absence some organisations decided that this could be managed in-house without the costs associated with insurance. If fact, any employer who meets sickness absence costs out of payroll is self-insuring but they would not necessarily describe it as such.

As far as Group PMI is concerned, employers sometimes use a captive or an internal expense fund for their employees under HMRC rules, thereby accepting exposure to the risk themselves (and saving some Insurance Premium Tax). These plans, usually written under trust, started to become popular in the mid 1990s and probably today account for about 400,000 group subscribers.

**7.5 Employee over-optimism**

Research indicates that employees tend to be over-optimistic both as to what the State or their employer will provide if they are unable to work for a long period[[20]](#footnote-20). People generally also underestimate the likelihood of long-term incapacity even though it is much more likely than death before age 65.

**8. Employee Benefit Statistics – are ‘traditional’ Benefit plans meeting Employer needs?**

One way of investigating how well traditional health-related insurance benefits have been seen to meet employer needs over the years is to look at published statistics such as numbers of covered lives and number of schemes in force. The periods chosen endeavour to compare pre-recession years (the years up to and including 2008) and post-recession periods.

It is important to remember, however, that the recession was unusual because there was not a big rise in unemployment. In 1984 unemployment peaked at 11.9% and in 1993 it reached 10.7%[[21]](#footnote-21). During the most recent downturn the peak was 8.5% in 2011 (it is currently 5.7%).

For the sake of this exercise the benefits chosen are Group Income Protection (GIP) and Group Private Medical Insurance (GPMI). Although Group Death In Service Benefits are related to ‘health’ in a way they are also often tied (in eligibility terms) to pension scheme membership. So their growth or decline is skewed to what is happening elsewhere. GIP and GPMI are more likely to be free standing (although there has been some overlap with pension eligibility in the case of GIP). Group Critical Illness is not included because growth is starting from a very low base, although it looks encouraging.

The following table sets out the number of GIP schemes in force between 2005 and 2014[[22]](#footnote-22):

***Group Income Protection Insurance***

***Number of Schemes (Thousands)***

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
| 19.5 | 19.0 | 18.9 | 18.6 | 17.8 | 17.5 | 17.3 | 17.2 | 17.2 | 17.1 |

Numbers of schemes declined steadily from about 19.5 thousand in 2005 but steadied at just over 17 thousand from 2011 onwards. In other words, almost 2.5 thousand schemes have closed over a nine-year period. The main culprit seems to have been the effect of the recession on small businesses, with scheme numbers declining steadily from 2008 onwards.

Here is a table setting out the number of covered lives over the same period[[23]](#footnote-23):

***Group Income Protection Insurance***

***Numbers of Covered Lives (Millions)***

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
| 1.68 | 1.73 | 1.72 | 1.76 | 1.78 | 1.79 | 1.83 | 1.96 | 2.03 | 2.08 |

Membership numbers have enjoyed a steady climb from 1.68 million covered lives in 2005 to 2.08 million in 2014 (the climb continuing even through the early recession years).

This must be put into the perspective, however, of a working population of approaching 30 million. Even taking into account the fact that many employers self-insure, this is disappointingly low penetration.

This table sets out the numbers of subscribers (covered employees) in company-paid insured Group Private Medical Insurance Schemes[[24]](#footnote-24):

***Number of Company Paid PMI Subscribers (Millions)***

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
| 2.84 | 2.96 | 2.97 | 2.99 | 3.00 | 3.01 | 3.19 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| 3.19 | 3.04 | 2.94 | 2.98 | 3.00 (guesstimate) | 3.04 |

Here there was a modest increase up until 2009 followed by a decrease and a leveling off at around 3.04 million 2013 (about the same as 2005 and 2006). Self-insured schemes under trust probably cover about a further 400,000 staff.

The GIP figures are doubly disappointing because of the incredible efforts insurers have been making in expanding their offering from merely a commoditized insurance product to a valuable risk management tool.

For example, alongside the GIP Scheme employers often also have access to:

* Employee assistance programmes
* Absence management services
* Limited term payment arrangements
* Speedily arranged cognitive behavioral therapy
* Financial incentives to encourage early intervention
* Direct payment of benefits to claimants
* Support packages and help lines for employees
* Absence management assessment services
* More streamlined underwriting procedures

Often these are available at no extra cost and can be very successfully integrated with an employer’s existing health strategies such as occupational health.

Insurers have also moved to recognise the need and value of limited payment policies as well as the need to encourage the inclusion of Income Protection as part of the flexible benefits menu.

**8.1 Health policies generally pre- and post-recession**

There is no doubt that the recession had some effect on health policies across the board, as the following table illustrates[[25]](#footnote-25):

Number of subscribers to health cover products at 1 January 2009 and 2014

|  |  |  |
| --- | --- | --- |
|  | Subscribers at 1 January 2009 (Thousands)  | Subscribers at 1 January 2014 (Thousands) |
| Private Medical Cover\*\* | 4,324 | 3,960 |
| Health Cash Plans\* | 2,873 | 2,615 |
| Dental Benefit Plans | 3,321 | 3,213 |
| Total All Health | **10,518** | **9,788** |

\*\*PMI subscribers plus employees covered by company paid, insured and self-insured medical expenses schemes

\*Includes a small amount of double counting from dental cover spending

**8.2 Traditional policies and the self-employed**

It could be argued that the migration to, and increase in, self-employment should have driven an increase in individual purchases of protection policies but this does not look to be the case. For example, the number of new individual income protection sales fell by almost a quarter (24.4%) from 120,094 in 2012 to 90,794 in 2013.[[26]](#footnote-26)

A fall has also occurred in the individual paid Private Medical insurance sector from a peak of 1,228,000 in 2001 to 993,000 in 2011.[[27]](#footnote-27)

This again is disappointing given the degree of risk associated with self-employment if the individual is unable to work due to sickness, accident or disability.

**9. Benefits in the workplace in the 21st Century – Summary and Conclusion**

**9.1 Summary**

Statistics on market penetration indicate that, even before the recent recession, traditional health-related group insurance benefits were failing to gain significant traction among UK employers, employees and the self-employed.

As has been outlined in this paper, this has been due to a combination of factors:

* Changes in the relationships between employers and employees, the nature of employment itself and the growth in micro-businesses and self-employment
* Demographics such as the ageing workforce and a new baby boom with consequent changing attitudes to benefits and work generally
* The recognition of the importance of employee engagement and the need for more personalised benefit offerings – one size no longer fits all. Employers are being forced to provide a wider range of benefits when attempting to recruit and retain
* Changing attitudes – in the 21st century employees do not tend to believe in, or seek, a job for life. In order to be valued, benefits must be transferrable and/or deliver immediate short-term satisfaction
* Individuals continuing to over-estimate the support available from the State and their employer and under-estimate the likelihood of incapacity
* New employee needs keep emerging (for example, help with elder care) which will require creative thinking by both employers and benefits providers
* The cost implications of the ageing workforce and the change in the nature of the medical conditions they may acquire
* A move by successive governments to place more emphasis on the role of the employer in employee welfare
* The emerging trend towards prevention rather than cure. Traditional policies tend to kick in after the insured event. On the other hand, Wellbeing programmes, for example, if properly delivered, can be motivational tools in their own right.
* The attractiveness of self-insurance

**9.2 Conclusion**

Employers have been facilitators for decades, and this role is set to continue and increase in importance as organisations try to tailor benefits to play a key part in improving individual employee engagement. Evidence for this can be seen in the growth of flex and the success of a wide range of relatively new benefit options.

For insurers this means, *inter alia*, the end of the old automatic demarcation lines between 'Group' and 'Individual' business. In their marketing strategies, insurers must now look at, and segment, the working population in a more sophisticated fashion. ‘Number of employees’, for example, is no longer a useful segment definition (if, indeed, it ever was).

These trends do not herald the end of the importance of insurance in employee benefit strategies. On the contrary, they open up fresh opportunities:

1. The growth in self-employment and micro-businesses presents a great opportunity in view of the clear need such people have to protect their livelihood in the event of incapacity

2. Small to medium size businesses face the similar risks with regard to the business owner and key employees, and pensions auto-enrolment opens up prospects for the discussion of protection products

3. Notwithstanding the attraction of self insurance, the trend towards government pushing back responsibility for health management to employers (and individuals) will highlight the value of the risk management tools that come as part of the GIP proposition

4. The election of a Conservative government means that the rollout of Universal Credit will continue. This creates opportunities for the re-design of existing GIP schemes (and possibly increasing employee pressure for better protection from their employer as the state retreats)

5. An ageing workforce and a workforce expressing changing needs (such as concern regarding elder care) present opportunities for new products and services. Keeping employees fit and productive becomes more and more important, offering the real possibility of partnerships with providers rather than simply transactional insurance arrangements.

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25. *Health Cover UK Market Report 2014/15* Laing & Buisson (27th Edition) [February 2015] [↑](#footnote-ref-25)
26. Swiss Re *‘Term and Health Watch 2014’* [↑](#footnote-ref-26)
27. *Laing & Buisson Health Cover Market Reports* cited in *‘Health Insurance & Protection – Market Intelligence’* 2013 [↑](#footnote-ref-27)