

# Bridging the Commission Gap With Voluntary Benefits

# Meeting Objectives Through Voluntary Group Legal Plans

by Bill Brooks

Employers' top three benefit objectives are controlling health and welfare benefit costs, retaining employees, and increasing employee productivity. But achieving these objectives requires a skillful balance in the face of declining employee loyalty. In fact, 36% of employees surveyed hope to be working for a different employer in the next 12 months, according to MetLife's Ninth Annual Employee Benefits Trends Study.

Offering voluntary benefits is one way to help achieve this balance. Nearly two-thirds of employees in the study say they value voluntary benefits as a way to get products and services that meet their personal needs. It's a win-win situation for your clients and their employees.

Employees who say they are satisfied with their benefits are about three times as likely to also say that they are highly satisfied with their job and feel more loyal to their employer compared to those who are very dissatisfied with the benefit program. Since many Americans are dealing with a new or ongoing legal issue each year, a voluntary group legal plan is one critical benefit that can help employers achieve their benefit objectives while increasing employee loyalty.

## How Legal Issues Affect Productivity

Research conducted by Hyatt Legal Plans reveals just how much ordinary personal legal matters affect employees. The study surveyed working Americans who have had at least one personal legal issue in the past five years. (For example, foreclosure, adoption, bankruptcy, divorce). On average, employees with these kinds of legal issues spend close to three hours a week for five to six weeks dealing with their issue while at work.

The stress that legal issues can cause may erode an employee's health and diminish work performance. Forty-seven percent of women surveyed and 37% of men said that dealing with their legal issue hurt their physical or emotional health. About half of those whose work performance suffered said there were repercussions, with getting a poor review cited as the leading result. One respondent, who reported that his productivity was down by about 50% said, "All I could think about was my issues and getting away from work."

Having access to a lawyer through a group legal plan can help employees focus on their work, thus improving productivity. Seventy percent of respondents said that engaging the services of an attorney increased their confidence about managing a legal problem and two thirds said it provided peace of mind.

## Improving Loyalty Through Group Legal Plans

The study reveals that group legal plans generate corporate goodwill. Employees who signed up for the benefit said they felt more loyal to their employer than those who hired their own attorney.

One group legal plan enrollee said, "Usually the employers offer minimum benefits. This legal benefit is out of the minimum requirement and actually makes me a more loyal employee."

The lower cost is one major reason that this benefit is so appreciated. An attorney may charge \$200 or more an hour, depending on what part of the country where they operate. But an employer-provided legal benefit that covers most personal legal matters has premiums that are generally less than \$20 a month or \$200 a year without any additional charges for telephone advice and office consultations on an unlimited basis. In contrast, the study found that more than 80% of people who secured an attorney on their own spent around \$1,000 on just one matter.

## Controlling Costs Through Voluntary Benefits

Voluntary benefits allow employers to expand the types of benefits offered without significant increases to benefit costs since employees pay the costs for the coverage. According to MetLife's Ninth Annual Employee Benefits Trends Study, more than half (52%) of employees said that they are interested in a wider array of voluntary benefits that they can choose and pay for on their own. In addition, more than a third (36%) of employees surveyed said that having a choice of voluntary benefits is a strong driver in their feelings of loyalty toward their employer. Why? Employees realize they can save time and money when they get coverages through the workplace. In fact, employees across all generations see choice, cost and convenience as advantages for voluntary benefits. On the other hand, 43% of employers underestimate the level of employee interest and appreciation for these products, and did not recognize their potential for reinforcing employee loyalty.

The fact that only 17% of employers say that voluntary benefits are a very significant part of their company's benefit strategy, according to the study, actually presents a great opportunity to brokers and consultants to initiate the conversation and illustrate how they can meet multiple business objectives. At a time when employers are facing competing benefit objectives of increasing productivity and employee loyalty while controlling costs, voluntary benefits like group legal plans can help achieve all three. Not only is the coverage both highly affordable and convenient, but it also has in place quality controls and customer service that enhance the user experience. As a result, it may help to reduce stress, physical and emotional ailments, and absenteeism while ensuring that employees who face a legal issue have the confidence and peace of mind they need to be happier and more productive. □

*Bill Brooks is CEO of Hyatt Legal Plans, a MetLife company. Hyatt Legal Plans is the largest provider of group legal plans in the country. For more information on Hyatt Legal Plans, please visit [www.legalplans.com](http://www.legalplans.com).*