

Satisfaction and Employee Benefits Analysis and Perspectives of United States Workers

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Abstract

Employee benefits, non-financial rewards of employment, encompass 30% of total compensation for workers in the United States (Mondy, 2010). Adequacy of health care benefits in the United States (US) has highlighted recent political campaigns and caused lengthy, contentious debates in the national political arena. This five year survey of employee benefits was commissioned to determine the non-financial compensation benefits within the total compensation package which were most preferred by US employees. The survey also measured the effects of marital status, children, age, spousal benefit coverage, and employee understanding on satisfaction. An Internet based QuestionPro© survey was distributed. Data was tabulated from 1,106 respondents representing 34 states.

Respondents were asked to rank order the top five preferred employer sponsored benefits. The most desired benefit, medical insurance, was closely followed by dental insurance, 401(k)/403b retirement savings plans and paid vacation time. Next rankings included pension benefits, life insurance, and vision care, followed by flexible schedules, and disability insurance. Lowest ranked benefits were flexible spending accounts and day care benefits. Regarding satisfaction with benefits, 72.72% were satisfied while 27.28% were not. When asked about understanding the employer benefits package, 86% stated understanding while 14% did not understand.

Data inspection next determined potential factors that led to satisfaction or understanding. Married respondents had a better understanding of employer sponsored benefits. Younger respondents who were not married or did not have minor children showed lack of understanding and dissatisfaction with employer benefits. Marriage or having minor children elevated respondents understanding. For those who were not married and had children, if benefits were not understood, the respondents were not happy. If the spouse had insurance, respondents were somewhat happier with their own employer benefits. If flexible spending and disability insurance were important, the employees were not as happy with the total benefits package, especially for single persons. Satisfaction with benefits increased with age, peaking in the 51-60 year range. Understanding was significant in that if employees did not understand the benefits package, respondents were not happy with the employers' benefits.

To enhance employees' satisfaction with benefits, employers could improve employee understanding, perhaps through enhanced communication of benefits. Worksite analysis would also benefit employers to determine interest in flexible spending and disability coverage.