

MetLife's Chile Employee Benefit Trends Study 2018

Creating a better workplace



Navigating life together

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Creating better workplaces in Chile

Chile has been one of Latin America's fastest-growing economies in recent decades. Between 2000 and 2015, the population living in poverty decreased from 26% to just 7.9%.¹

But since the last MetLife Employee Benefit Trends Study (EBTS) in 2013, Chile has been buffeted by global economic conditions and a fall in copper prices.

According to The Organisation for Economic Co-operation and Development (OECD), the country's economy will grow an impressive 2.9 percent in 2018 and 2019 as copper prices rebound and investment recovers gradually.² A favorable growth outlook offers Chile an opportunity to address its low productivity relative to the OECD average — although levels remain much higher than the large regional economies of Mexico and Brazil³ — and improve access to quality jobs.

It's against this backdrop we explore the state of employee benefit provision in Chile.

Productivity and growth today are tied to employee engagement in the workplace. Better workplaces are particularly important in Chile because unemployment has remained low since 2011, and employees generally enjoy a high degree of choice of employer. This makes the level of engagement and the wellbeing of employees important for employers in Chile — not just to help boost productivity, but also to help retain talent.

This goal is made more challenging because workplaces in Chile, like those around the world, are becoming more economically and educationally diverse.

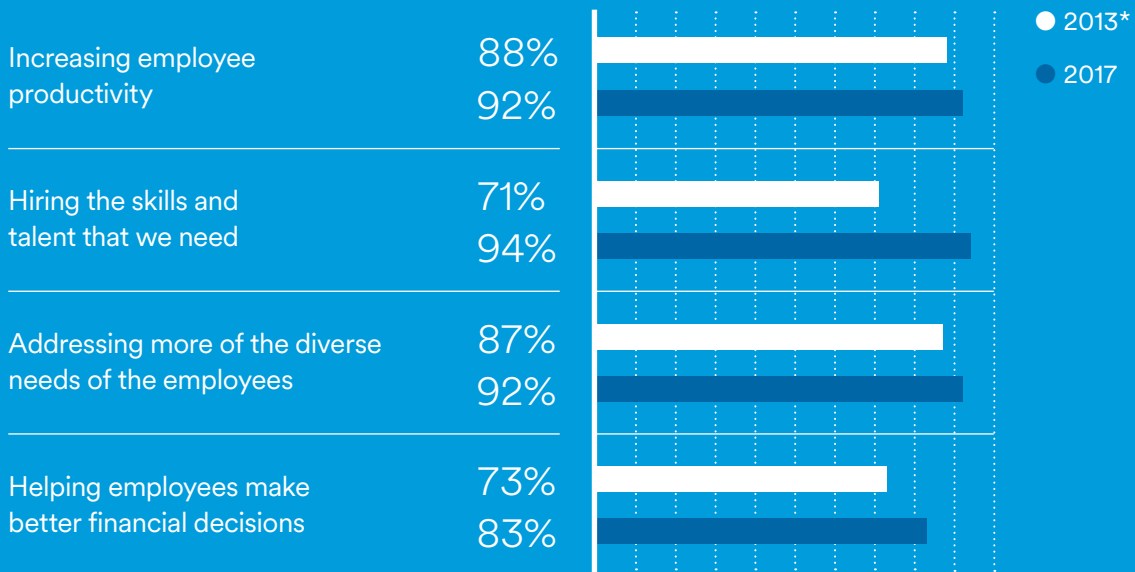
Our study shows that there is a real appetite among employers to build better workplaces that cater to their employees' diverse needs through an optimized benefits strategy.

However, this might be challenging. This EBTS report shows a gap between employers' and employees' views of work attitudes, health and wellness. Businesses tend to overestimate the loyalty of their staff, and while 68% of employees in 2013 told us that they place a high value on benefits for their financial security, retirement or healthcare needs, that number had fallen to just 27% in 2017.

This is another critical reason employers have to work harder to cater for the unmet needs of their multigenerational workforce. Our report reveals the strategies employers can use to build a better workplace to address the holistic needs of an increasingly diverse and mobile workforce — strategies that help address employer concerns regarding their benefit objectives, which have risen rapidly on their list of benefits priorities (see table).

Employers understand the role of benefits in a better workplace

How important are each of the following employee benefit objectives?



The workplace perception gap widens

Employee loyalty has barely moved, but employers think it has risen. Meanwhile employers think workplace satisfaction is high — but far fewer employees say this is so.

	Year	Employee	Employer
Loyalty towards the company	2013	58%	61%
	2017	64%	72%
Workplace satisfaction amongst employees	2013	71%	73%
	2017	44%	71%
Employee satisfaction level with benefits	2013	51%	66%
	2017	45%	71%

*2013 data and statistics are sourced from the MetLife's Chile EBTS 2013, a comprehensive study of employee and employer attitudes conducted in 2013.

The evidence is clear in Chile: great workplaces mean better returns

What is the upside for an employer when an employee values their workplace benefits? Does increasing the perceived value of the program affect that employee's engagement or commitment at work? The answer suggested by our study is yes.

To prove this, we looked for correlations between various attitudinal questions in MetLife's EBTS, and business outcomes — such as employee engagement, commitment and workability (a measure of an employee's sense that they can deliver at work).

Our analysis shows that the more an employee values benefits from their employer, the more likely they are to be more engaged with their job and committed to the workplace.

On a scale of one to seven, a one-point increase in the EBTS composite (where employees give higher ratings to statements such as “I place high value on the benefits provided by my employer for my financial security, my retirement, and my health care needs”) correlates to a 10% increase in employee engagement and commitment. That is slightly lower than Mexico (11%), but still comparable to markets such as Australia, the UK and the UAE.*

It's as effective as satisfaction with salary or even having a caring boss. The regression analysis shows that improving an employee's sense of value in their benefits tends to make them more engaged — measured by statements such as “to help this organization succeed, I am willing to work harder than I have to,” and “at work, I feel as though I'm bursting with energy”. These can be strong predictors of productivity growth.

So the business case for building strong benefits packages is clear — and it is an opportunity for employers to create better workplaces and more productive employees.

*Data and statistics are sourced from those responding to the survey of MetLife Mexico EBTS 2018, MetLife Australia EBTS 2017, MetLife United Kingdom EBTS 2017 and MetLife United Arab Emirates EBTS 2017.

Chapter 1

Healthy choices, wellbeing and productivity

The National Wellness Institute in the US defines 'wellness' as 'an active process through which people become aware and make choices towards a more successful existence.' In the benefits world, it means creating opportunities for employees to improve their day-to-day health, make better lifestyle choices, feel more emotionally secure and more energized at work.

A growing middle class and a generation of employees who have grown up in a digital age with rising lifestyle expectations are creating a growing interest in wellness in Chile as well. Not surprisingly, our research shows a strong appetite for workplace wellness programs. We found 94% of employers agree that "we have a responsibility for the health and wellness of our employees"; and 62% of employees agree.

Moreover, employees who use wellness programs report higher loyalty, job satisfaction and ability to work. Nearly 89% of them say company wellness programs have had a positive health impact.

Like other middle and high-income countries, Chile also faces growing prevalence of chronic diseases in an aging population, increased costs and insufficient prevention and health promotion activities. Our study confirms, while nearly 73% employers in Chile offer wellness initiatives, only 32% claim offering any extensive programs to help employees stay healthy (even lower numbers observed for small businesses 25% and medium sized firms 27%).

Moreover, like its regional counterparts Brazil and Mexico, employers in Chile also tend to overstate their employees' satisfactions levels with wellness.

So there is a clear opportunity for companies in Chile to close that gap by taking a fresh look at their programs. The key is to understand the employee population's health conditions, concerns, and life needs and then implement programs that target around the high-impact measures — whether they're physical or mental programs.



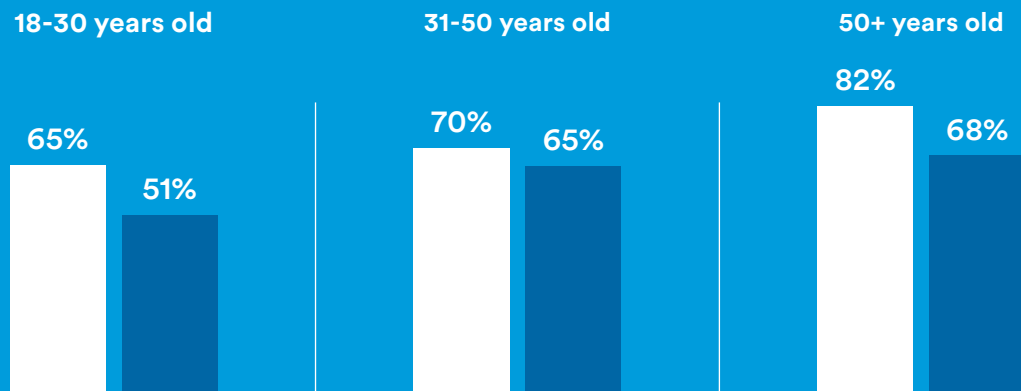
Wellness helps drive loyalty and productivity

Employees who have participated in wellness programs display higher levels of productivity, loyalty and commitment to their employer vs. those who have not.

Employee wellness programs	Participated	Did not participate
I am satisfied with the job that I have now	72%	58%
I am loyal to my employer	82%	74%
I feel both physically and mentally able to do my job	86%	76%

Employees have blurred personal and workplace health

Health and wellbeing affects the workplace. Employees expect their employer to take note.

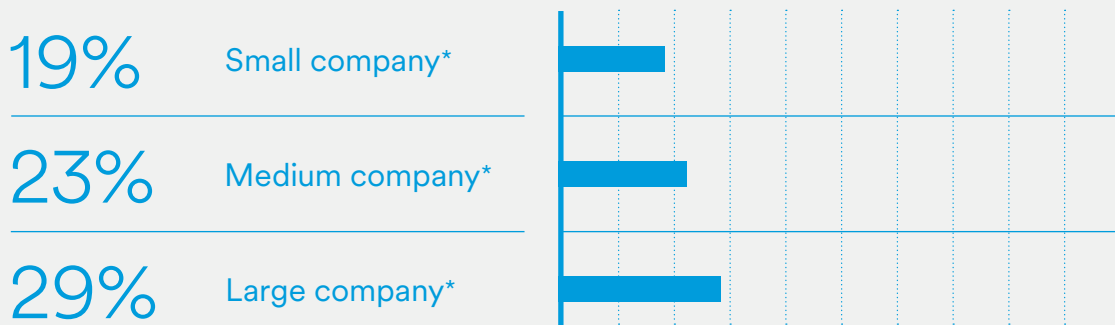


- I am worried about how my health or the health of my family will impact my ability to work
- Employers should be responsible for the health and wellness of their employees

Perception gap: wellness can work harder

In large companies, 29% of employees place a high value on wellness programs; in those with fewer than 100 employees, it's just 19%.

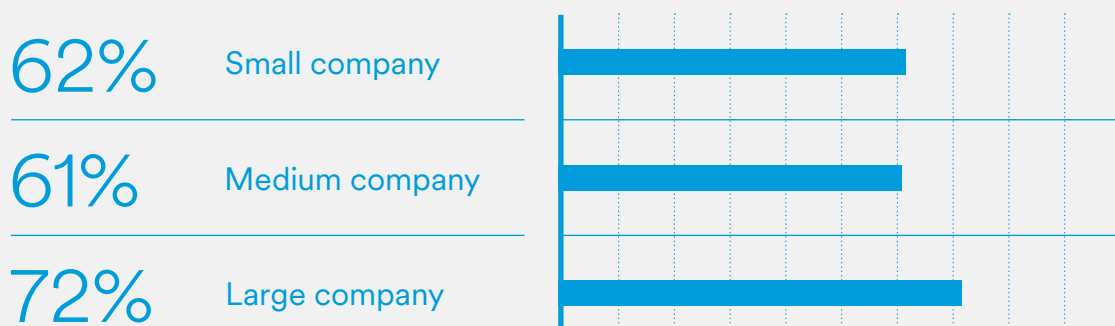
I feel satisfied by the programs provided by my employer.



* Company size defined as small (50-99 employees), medium (99-1000 employees), and large (1000+ employees).

Meanwhile most employers think everything is fine

How satisfied are you with the impact your wellness benefits are having on your workforce?



Chapter 1 – Part 1

Target programs for physical and emotional health

In a more diverse and demanding workplace, a one-size-fits-all approach to wellness is becoming obsolete. Today, an effective program needs to look at both physical and emotional health — and cater to the varied needs of employees at different life stages.

The EBTS suggests there is a reasonable overlap between employers and employees on wellness priorities. Support for managing long-term chronic conditions, weight loss and annual medical examinations all made it into the ‘top five of top fives’ for both groups.

Interestingly employers in Chile tend to be more concerned about emotional health. They cite sedentary lifestyles, work-life balance and stress among their most concerning health issues.

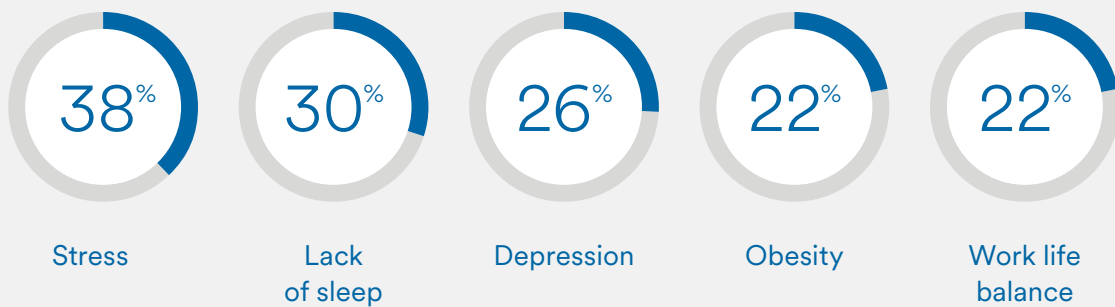
Employees in the 30s and 31-50 age group are also concerned about emotional health issues as compared to the older workforce (+50). Also ranking high is cancer, more so on the employee side, which was in line with what we've seen in other markets studied. This suggests a need to shift pragmatic focus to encompass more mental and preventative programs.

Even though Chilean employers recognize these health issues, and a good proportion of them offer a mix of awareness and preventative care programs, there is a perception gap in the type of wellness benefits offered by them today and what employees claim they are receiving. By offering the right mix and communicating the wellness benefits effectively, employers can cater to a broad spectrum of employees physical and emotional needs and target interventions with the maximum impact.

Employers worry more about employee performance and illness

When we asked employers in Chile what conditions worried them most in their employees, physical illness was less important than mental health.

Percentage of respondents listing a condition in their top three



Wellness can help target a range of conditions before they become expensive: employees' concern differ by age groups

Older employees care less about stress; younger ones don't flag heart disease. Knowing which health conditions worry employees means better targeting of wellness benefits.

Percentage of respondents listing a condition in their top three

	18–30 years old	31–50 years old	50+ years old
Cancer	65%	64%	74%
Heart disease	35%	46%	52%
Diabetes	35%	31%	35%
Stress	30%	27%	16%

Prioritize programs that target employee needs

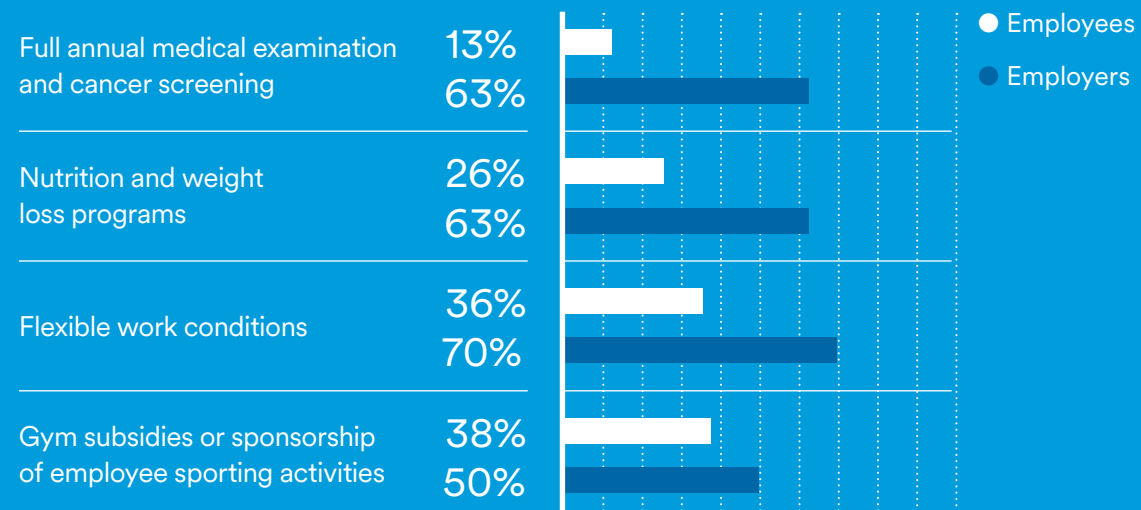
Employees are not a homogenous group. They want wellness programs that go beyond information sharing and awareness campaigns and allows them to fit their wellness benefits to their life needs. These are often best understood through a generational lens.

How interested are you in these programs? Respondents saying “very”

	Employee interests		
	18-30 years old	31-50 years old	50+ years old
Full annual medical examination and cancer screening	54%	57%	55%
Gym subsidies or sponsorship of employee sporting activities	32%	38%	35%
Nutrition and weight loss programs	36%	34%	28%
Flexible work conditions	33%	32%	25%

Communicate on these programs

Currently there is a perception gap between employers and employees when asking what employers are currently offering to help improve their health.



Target wellness with data

Globally, employers of all sizes face two important issues, to build a healthy and productive workforce. The EBTS shows that 90% of employers in Chile see managing health costs as a key challenge for their benefits program. And nearly 53% believe that illness is the key cause of absenteeism facing their work population. Preventative wellness programs can help on both fronts.

To tackle these issues effectively employers need to place high importance on medical data and analytics when it comes to designing a wellness strategy and prioritizing wellness programs.

Medical data — not just for aggregate populations, but for individual employees — is becoming more readily available through insurers.

Our data suggests that 29% of employers in Chile claim that they depend on data analytics as a primary source to base their wellness initiatives. Nearly 68% of employers report depending on general market awareness as the most important way for companies to understand employees' health concerns. Not surprisingly the data analysis approach is applied mostly by global multinationals, and regional and local companies in Chile are more dependent on general market data to obtain a perspective of the top health challenges faced by their employee population.

Our data reveals that there is also tremendous opportunity for employers to become armed with the “right kind of medical claims data” from their insurers.

This type of sophisticated data collection allows employers in Chile to utilize a mix of public (general market awareness) and employer health plan (private) data to glean the most accurate view of employee health issues and cost drivers, especially when prioritizing wellness programs.

Heading off illness can pay immediate dividends for employers...

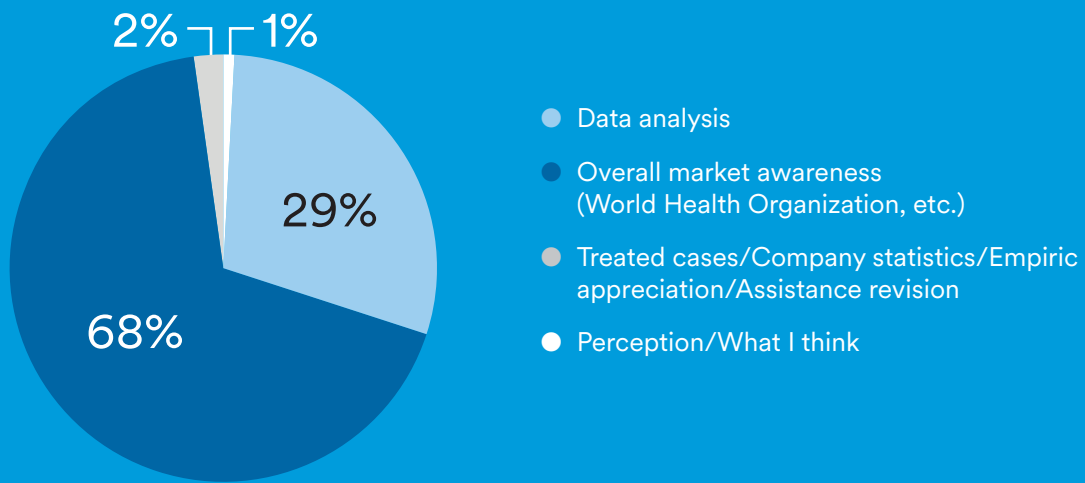
What do you think is the key reason for employee absenteeism?

53% | of employers say illness

16% | say dissatisfaction with work (compared to 32% in Brazil)

Not enough targeted data

The majority of employers rely on general market data to tailor their health and wellness benefits. With more diverse workforces, this might not be enough to address cost and engagement challenges.



Note that the use of data analytics is much higher in global and regional multinationals than locally owned (and typically smaller) businesses.



Chapter 1 – Conclusion

Similar to Mexico and Brazil, overall employee satisfaction with benefits has dropped between 2013 and 2017 in Chile. One of the reasons may be growing expectations about wellness benefits. Employees in a connected world who have good options to change job want more than basic benefits and information campaigns. They want work to meet their wider needs — a subject we return to in chapter three.

Medical screening is one area where employers in Chile do not seem to do as well as their employees hope. This could be in part, due to costs. Equally, it is the most sought after wellness benefit — and given that employers in Chile cite illness as their largest reason for absence, it might be a very smart addition to a flexible benefits program.

We can also see some big differences between age groups in terms of acceptable wellbeing interventions. Therefore, it's important to gain feedback from employees to understand what their demographics are and what needs to be customized.

- Introduce educational or early intervention programs to help mitigate potentially chronic health problems in employees.
- Establish feedback mechanisms to assess employee health — employers do care about wellbeing, but need more data.
- Prioritize health conditions that your employee base is identifying as most problematic.

Analyze a mix of general population data and employer health plan (private) data to get the most accurate view of employee health issues.

Chapter 2

Financial wellbeing: the new frontier

In a global, rapidly changing economy, employees feel less in control of their finances than ever. Year after year, EBTSs around the world have shown that financial stress — living paycheck to paycheck, struggling to meet bills, being unable to plan for unexpected setbacks or retirement — hurts productivity and has a huge impact on employees' ability to focus at work.

Our data seems to show that employers in Chile understand their role to help employees build better financial future. More than 80% of them claim that helping employees make better financial decisions is a very important goal for them. But the number of employees who feel in control of their finances has dropped significantly.

We find that financial worries are creeping into the workplace too based on our study: nearly 40% of employees in Chile have taken unexpected time off in the past 12 months to deal with a personal financial issue — similar to Mexico, but much higher than other global markets such as Brazil (15%), the UK (13%) and Australia (31%)*.

These changes may be partly a result of worsening economic sentiment and global uncertainty. Ironically, they might also be a result of reduced poverty and low unemployment, as more Chileans feel able to take out unsecured debt for consumer goods.

All these factors create a real opportunity for employers to build an employees' sense of security beyond the paycheck.

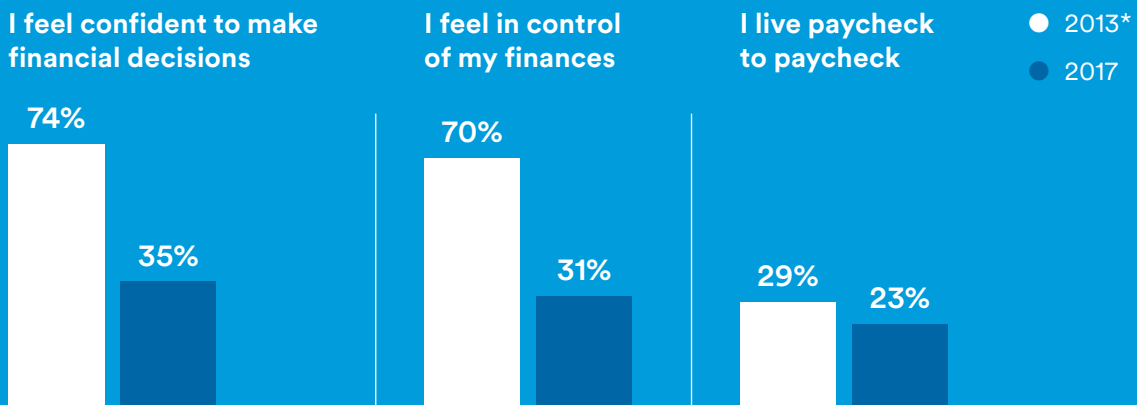
This begins with helping them understand the financial value of the benefits they already receive — then looking for benefits that build firmer foundations through financial education, smarter savings and clearer pensions.

*Data and statistics are sourced from MetLife Brazil EBTS 2018, MetLife United Kingdom EBTS 2017 and MetLife Australia EBTS 2017.



A significant dip in employee's confidence levels as it relates to their finances over the past 5 years

Employees would benefit from advice and benefits to address financial uncertainty.



Financial stress is a productivity issue

Absence and lack of focus is markedly worse for the under 30s and the 31 to 40 year old “sandwich generation” who often face the additional financial burdens of caring for both children and parents.

Taken unexpected time off in the past 12 month



I am more distracted at work because of financial worries



*2013 data and statistics are sourced from the MetLife's Chile EBTS 2013, a comprehensive study of employee and employer attitudes conducted in 2013.

Financial security through employee benefits

Employers have an opportunity to try new approaches to financial wellness. These include basic tools for budgeting and financial planning; online tools for managing savings and learning about their options; employee assistance plans; and more sophisticated savings benefits, including those for retirement — a key area as life expectancy grows higher.

A mix of these benefits can be offered as part of a flexible package to address employees' diverse financial needs. These will differ hugely between young parents, for example, and those nearing retirement. Younger employees display lower levels of trust in their benefit offerings to offset financial worry, we find, and are less likely to think about retirement saving. So for them, education and planning tools might be more important.

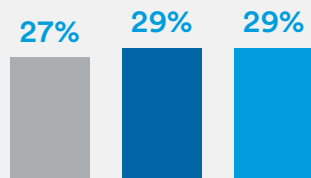
More generally, there's an opportunity for employers in Chile to position existing benefits — particularly enhancements to medical and life cover — as a means of offsetting financial worry around healthcare. This is particularly important for employees with families, who have concerns about their financial wellbeing in the event of their incapacity.

Real clarity on their life choices in retirement can promote a sense of greater financial security now.

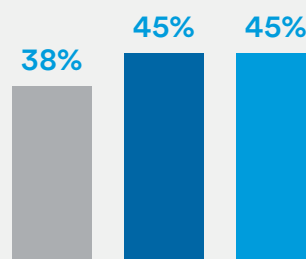
Financial security moves from being an implicit benefits goal to an explicit one

Benefits that explicitly tackle financial security are now in demand — they can make a big difference to talent retention and recruitment.

I am looking to my employer for more help in achieving financial security through employee benefits



Financial planning programs would be an important consideration for a new job



- 18-30 years old
- 31-50 years old
- 50+ years old

Addressing real concerns — Financial worries across a multigenerational workforce are quite broad and differ by life stage

	18–30 years old	31–50 years old	50+ years old
Having appropriate health insurance for me and my family	53%	69%	78%
Having the resources and time to take care of elderly parents	53%	60%	54%
Having financial security for my family in the event of my premature death	54%	70%	78%
Being able to afford healthcare in my retirement years	54%	68%	82%

Tailored communication will help

We know employees place a higher value on personalized communications. With diverse life stages in the workplace, this is critical. But the most common tools are not targeted.

Does your company offer any of the following financial education tools to help employees understand their financial needs around retirement?

	Small company	Medium company	Large company
Group in-person meetings	56%	72%	72%
Product brochures	30%	40%	60%
Thought leadership whitepapers	20%	11%	24%
Targeted information emails	14%	11%	10%

Help employees save for retirement

Like most developed economies, Chile faces severe pressures on pensions. Low lifetime savings lie at the heart of pension inadequacy, especially when compared to other OECD countries. Replacement rates are particularly low for women and low-skilled workers, often delivering pensions less than minimum wage income.

The good news is that employers in Chile understand that retirement provision is an important part of their benefits strategy: 88% told us they feel a responsibility to help employees have enough money in retirement (85% small and medium sized companies, 94% large companies).

That's great news as around two-thirds of employees do not feel confident making their own retirement plans, so there ought to be a convergence of interests here.

Employers are still mindful of the costs and resources required to offer a pension plan — 49% of those without a company scheme cite this as a reason for not having one. But more employers now understand that the value of employee engagement today offsets the cost of helping them plan for retirement — which is, itself, a cause of productivity-sapping stress among employees.

But while 64% of employers surveyed in Chile say they offer some kind of saving plan or a pension scheme — one of the higher levels we've seen globally — we also find 72% of employees are “fairly or extremely concerned” about having enough money to live comfortably in retirement.

This presents an opportunity for employers to better understand why employees may not be saving for retirement or design stronger schemes to address their challenges with retirement planning.

Employees want your help, especially with retirement

I am confident in my own ability to make financial decisions about my retirement savings plans



Many employees don't have or remain far behind their saving goal

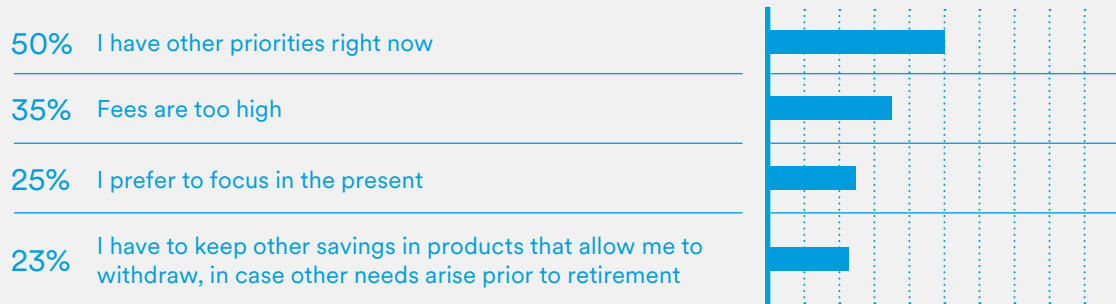
The proportion of employees without a goal or who have not started saving is a crucial target group. But our data indicates less employees are on track to reach their saving goal as compared to 2013.

	2013*	2017
I have already achieved my savings goals	9%	5%
I am on track to reach my savings goals	33%	21%
I am somewhat behind where I want to be	20%	27%
I am very far behind where I want to be	31%	32%
I haven't started saving for my retirement	8%	10%

*2013 data and statistics are sourced from the MetLife's Chile EBTS 2013, a comprehensive study of employee and employer attitudes conducted in 2013.

Barriers to save for retirement

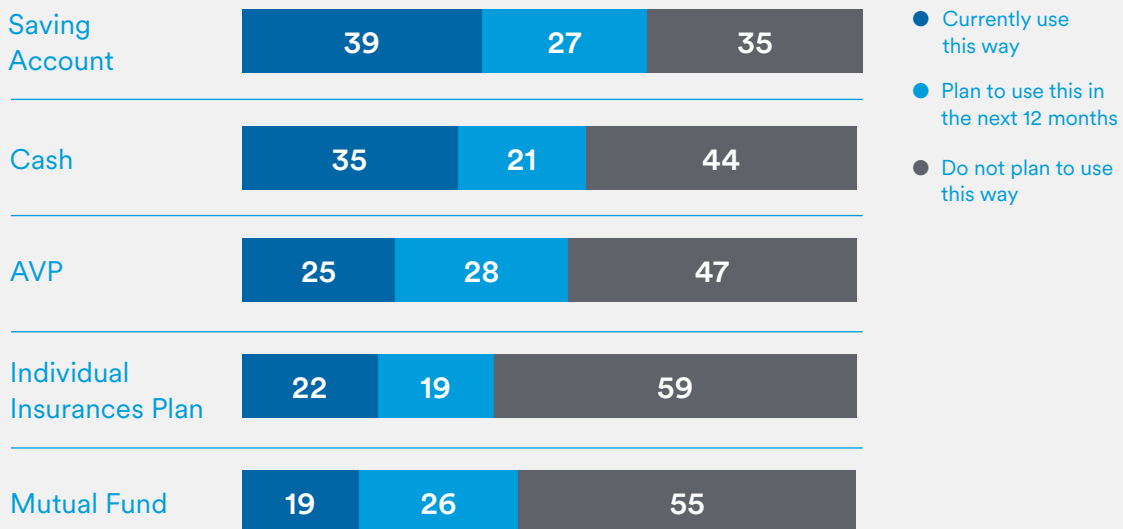
What is keeping you from contributing more to your retirement plan?



Choose the right financial products

Understanding the type of financial products employees are interested to use in the future to save both the long-term and emergencies could be a huge win for employers.

This creates an opportunity to explain and facilitate these different types of saving



Chapter 2 – Part 3

Communication matters

In markets we've surveyed, we find satisfaction with benefits tends to rise considerably when a scheme is well communicated. But here we find another perception gap in Chile: while 92% of employers rate their benefits communication effective at educating employees about their benefits, only 60% of employees agree.

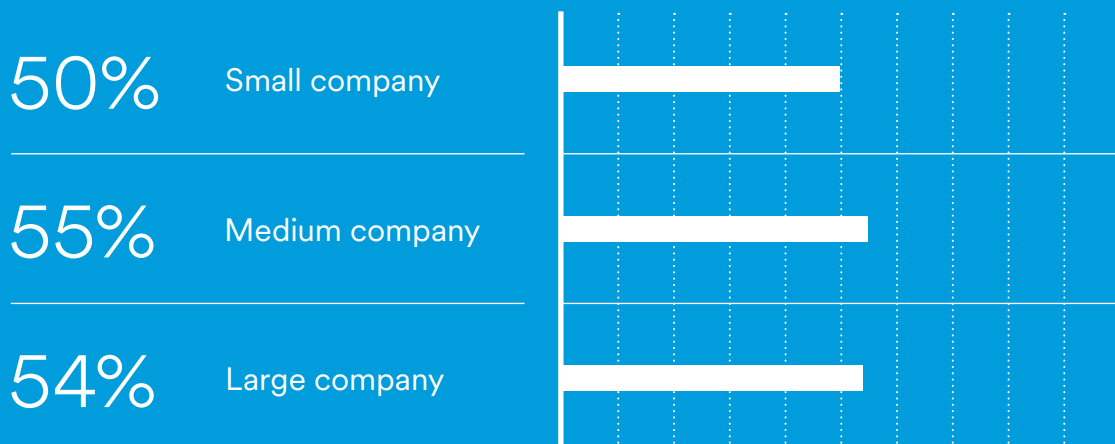
Evidence from our study offers an example of why that's so damaging: 64% of employers claim they offer some kind of retirement or saving plan, but only 20% of employees actually believe that their employer offers a pension and 22% a saving scheme. Almost all companies in Chile tell us they offer financial education tools — but a relatively low proportion of employees say their employer provides adequate information and tools that they can make use of.

It's another reason why employee perceptions of their satisfaction with benefits might have dropped so markedly since 2013.

One theme in this EBTS is the need to tailor benefits around a more diverse workplace. But less than half of employees told us that their employers benefits communications address their own life stage. So, how can employers improve communication? Just like the benefits themselves, it's by making communication personally relevant to employees.

Employers can provide access to financial tools...

I am interested in having my employer provide me with access to financial tools to help me make decisions about all my financial needs.



Financial advice employees want

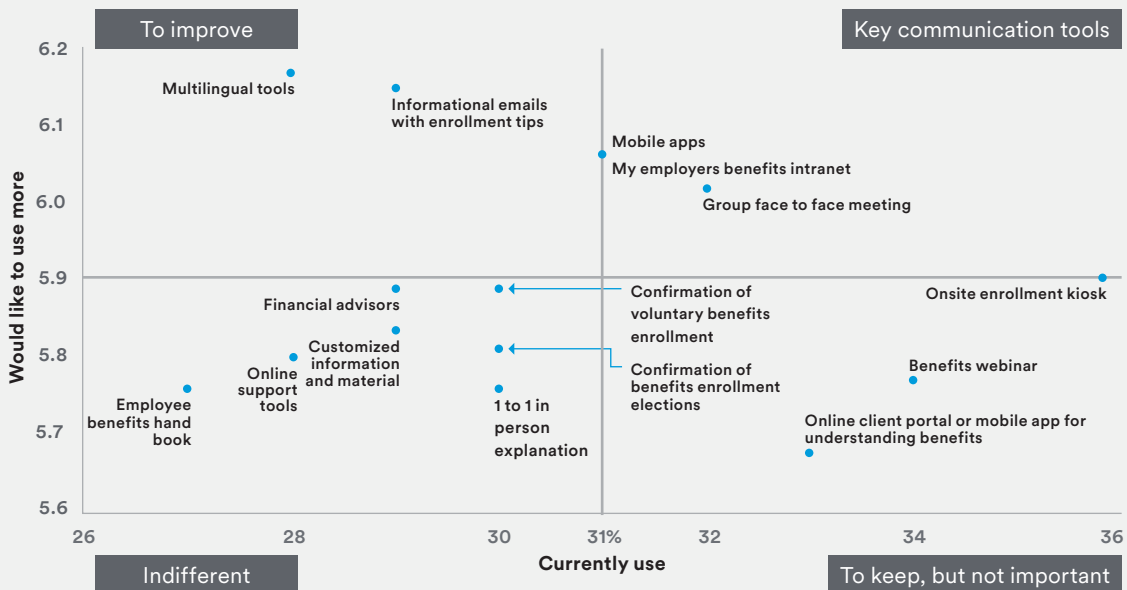
Employees under 30 show high appetite for online decision support tools; older workers seem more keen on personalized consulting.

	18–30 years old	31–50 years old	50+ years old
Personalized retirement advice	41%	54%	68%
Financial calculators/decision support tools	44%	48%	34%
General retirement advice	37%	42%	34%

Customized communication matters

Don't limit yourself to one channel. Customize whether its an online portal or face to face.

Communication tool that you would like to use more in the future (mean) vs. currently (%)



Chapter 2 — Conclusion

The real opportunity in Chile is to guide employees to become more financially confident, helping them feel less stress around their financial situation, and better able to evaluate and make use of benefits.

This is particularly true in retirement planning. Given the more uncertain nature of the world at the moment, helping employees feel more secure about their family's long-term future could be a major engagement win for employers. But at the same time, it is here where improved benefits communications might offer big returns. So much of financial wellness is about education and awareness — which means employers with up-to-date and effective benefits communication approaches will find the messages change employee behavior — and stress levels — more effectively.

- Financial planning tools could deliver a direct boost to productivity — unexpected employee money worries affect companies in Chile directly on the bottom line.
- Deploy simpler pensions — there is a thirst for information about better retirement savings.
- Open the door to sophisticated savers — cash and pensions are great; EBTS found appetite for mutual funds and other smarter products.
- Reboot the communication plan — employees do not seem to know where they are benefiting most.
- Get personal — group meetings are common, but much less effective than one-to-ones.



Chapter 3

Balanced living: the holistic employee

The debate about work-life balance is nothing new. But the lines between work and life continue to get blurred. Employees' life needs are more diverse than ever, too. We expect employees to give more today — and employees with experience and talents are more valuable, too. So employment practices must keep pace.

Employers who act now to introduce more flexible approaches to work will become more attractive to top talent and create a workplace where employees feel more willing to put in extra commitment. Benefits include working from home, flexible time and allowing employees to choose benefits that suit their personal needs and life stage.

The good news is that many companies in Chile have embraced the need to address employee work/life balance. A large majority of employers say they offer flexible working hours (the proportion is much higher than Brazil); and three-quarters have wellness initiatives.

In a market where smaller companies are competing for talent with multinationals, the EBTS suggests that companies cannot afford to ignore the holistic needs of employees. New technologies can help by delivering flexible benefits tailored to the life needs of individuals without incurring exceptional costs. These flexible, respectful approaches can raise the bar in terms of securing deeper engagement from employees.²



Quality of life as talent retention tool

Salary remains the biggest single way of keeping an employee in the business. But particularly among valuable experienced employees, work-life balance issues are a powerful tool.

Which of the following could your current employer do to keep you working for the company?

	18–30 years old	31–50 years old	50+ years old
Provide advancement opportunities	39%	27%	26%
Improved quality of life	23%	32%	29%
Offer more flexible work arrangements	23%	21%	29%
Reduce work stress	20%	19%	26%

Tailored benefits work much harder

Specific work/life balance benefits are only part of the answer. To make employees feel they are able to meet their own life needs, offering customizable, portable benefits is a huge win for an employer.

How important are the following when deciding whether to accept a job at a new employer?

	18–30 years old	31–50 years old	50+ years old
Ability to shift my work days hours as necessary	60%	69%	66%
Ability to take benefits with me when I change jobs or retire	56%	62%	78%
Ability to customize my benefits to meet my needs	57%	55%	71%
Ability to work from home or remote locations	55%	59%	49%

Long hours may impair personal health, and increase stress

The good news is that companies in Chile lead the way on flexible working hours. When we asked about whether employers allow employees to choose their hours and days to suit personal commitments, 84% said yes, many more than regional peers such as Mexico (70%) and Brazil (42%).*

Even though the number of companies providing flexible working arrangements and work from home options has increased since 2013, we found a significant drop in employee satisfaction levels when it came to employers making it possible for their employees to balance their work and personal life over a period of 5 years. This suggests expectations of employees have changed — both about what they can expect from the modern workplace in terms of balancing their life needs, and their options for pursuing employment elsewhere that would meet those needs.

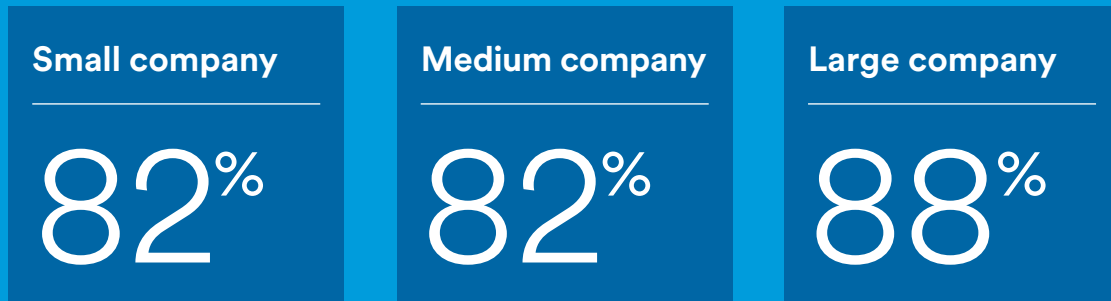
Employers who don't adopt more formal flexible arrangements might lose out as a result. For instance, family time is a must-have in Chile: 72% of employees surveyed say they are concerned about having enough time to spend with their family. But only 33% of companies surveyed offer work-from-home benefits.

Not everyone wants or needs flexible working. So it's also important to make these policies part of a flexible benefits package. It legitimizes their use by those who do have complex life needs. It prevents those who don't from feeling resentful of those who do work flexibly. If they are deployed carefully as part of an integrated benefits platform, they increase engagement and productivity and little or no cost.

*Data and statistics are sourced from the MetLife Brazil EBTS 2018 and MetLife Mexico EBTS 2018.

Companies want to deliver balance to employees

Providing employees with benefits designed to better balance their work and personal lives as a key goal for benefits program.



But employee expectations are high

Only 30% of employees agree their employer makes it possible for me to balance my work and personal life — despite the high levels of flexible working.

		Small company	Medium company	Large company
My employer makes it possible for me to balance my work and personal life*	2013	59%	59%	67%
	2017	23%	34%	32%

Flexible work benefits currently provided by employers

	Small company	Medium company	Large company
Flexible working hours	77%	87%	88%
Wellness initiatives	78%	68%	74%
Work from home	27%	37%	36%

Benefits customization

Today's benefits packages are richer and more varied than in the past. Digital platforms for administering and communicating benefits have made it easier to put together sophisticated programs. Many companies allow employees to choose what's right for their life stage and lifestyle.

When employee benefits are tailored, employees not only feel more financially secure — because they feel the value of their benefits more — they also show great engagement, and they allow employers to cater for the more diverse needs in a multigenerational workplace.

Voluntary benefits — where employees choose additional benefits, often subsidized by an employer — make customizable benefits easier to roll out from a financial standpoint. Both employers and employees in Chile are very open to the idea. We found 83% of employers in our survey see a wider array of voluntary benefits as an important benefit strategy, compared to 61% in 2013.

58% of employees (49% in 2013) said they are interested in their employer providing a wider array of voluntary benefits that they can choose to purchase — and pay for on their own if need be.

Employers remain a trusted and convenient source of benefits (64% of employees say so), with employees agreeing they can secure better rates (62%) that way. Employees show a high willingness to buy the benefits, too. Our study suggests that only one of four Chileans are satisfied with the public health system — so it's little surprise that 58% of employees surveyed would pay the full cost, through their employer, of supplementary medical/in hospital insurance, for example.

Voluntary benefits add value

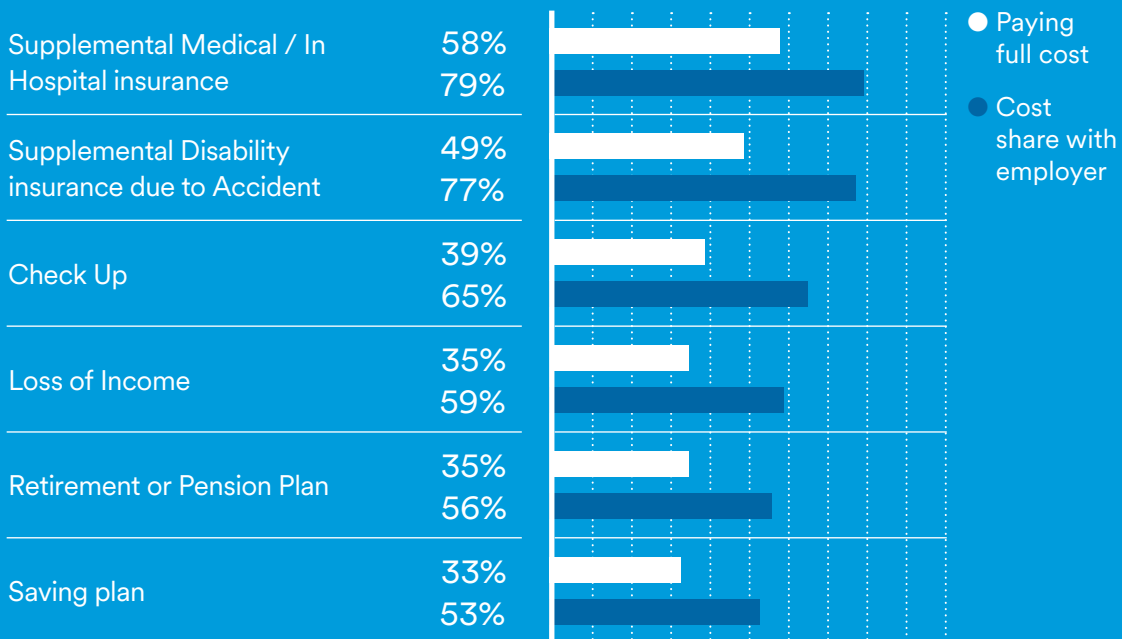
A high proportion of employers agree that voluntary benefits add value to the overall benefit package — and are a cost-effective solution to their benefits challenges

Voluntary benefits are a cost-effective way to meet diverse needs of employees	69%
Voluntary benefits increase talent attraction	69%
Voluntary benefits are a cost effective way to add value to our overall benefits package	70%

Offering choice is the key

Not all voluntary benefits are equally attractive — interestingly demand did not fall that much, even when we asked whether employees would be happy to bear 100% of the cost.

If your employer provided the following products, how likely would you be to buy them if you paid some/all the cost or if you paid all the cost?



Chapter 3 – Conclusion

Just as we see opportunities for companies in looking at their employees holistically — and gaining workplace benefits from improved quality of life of their people — it is clear that taking a rounded view of the benefits program could deliver valuable returns.

A diverse package of benefits, carefully targeted at every dimension of an employee's life, can increase their loyalty and engagement.

Be cost-effective using systems and processes that are efficient and allow for customization and better communication (mainly through digital channels).

It is this virtuous circle of targeted benefits leading to greater engagement and returns, funding smarter benefits that are now in reach of every company in Chile.

Companies in Chile lead the way on flexible working hours, but must build on this to engage employees balancing work and family

- Add work-from-home to flexible working — ideal in cases where employee output is easily monitored.
- Promote flex in recruitment marketing — it's a winning strategy for hiring talent.
- Ask, don't assume — life stage seems to shape benefits preferences, but the best programs let employees choose. Advertise this fact to potential hires.
- Let them customize — employees will often pay for optional extras, too.

Insights and recommendations

Free-thinking employees in Chile will welcome more flexibility and choice

Employers on Chile have already shown openness to flexibility in employment practices. The EBTS shows clearly that this is both welcome and extending this approach can deliver great results for companies.

Giving employees more choice, then educating them about their health and financial wellbeing so that those choices are better informed, is now the key employer objective. The goal is employees who feel settled, secure, able to live full lives and — crucially — love that their employer is helping to do so.

Result? Higher levels of engagement, less absence from illness, better talent retention and more effective recruitment.

The key action points

1

Listen to your employees. Understand what motivates them on an individual and collective basis. Their unique health, financial and home life concerns are incredibly valuable data in benefits design.

2

Revitalize your benefits communications. So many employers are offering the right programs, but too many employees lack awareness of them — especially around physical, mental and financial wellbeing. Digital tools combine widespread reach and broad messaging with the ability to target messages. But for many employees, personal consultation — on health, financial planning or work-life balance — will be the most effective.

3

Target energy and focus. First, these outcomes demonstrate employees are happy and healthy, lowering absenteeism and increasing productivity. Second, they ensure a benefits program is not too narrowly focused. An employee starting to eat better might be physically healthier, but if they suffer financially-induced stress, they will lack focus (and perform worse in the workplace).

4

Introduce flexibility. Not just in how, when and where people work, but in their benefits choices. Flexible (and voluntary) benefits allow employees to tailor their benefits for themselves.

5

Educate, evaluate and empower financially — financial wellness isn't just about paying more. Briefing employees on sound financial planning, helping them understand their and their families' financial needs and giving them options — from simple savings and retirement schemes to online tools for finances — can all pay dividends.

Methodology

MetLife's Chile Employee Benefit Trends Study was conducted from July 20 to August 17, 2017. It was an online quantitative study among 300 employers, all stating they offered employee benefits to their employees, and 500 employees about their attitudes, options and current practices. All employees were full-time private sector workers receiving employee benefits in companies with more than 50 employees.

Employers

Gender		Company size (number of employees)		
Male	52%	50-99	100-999	1,000+
Female	48%	33%	33%	33%
Geography		Type of company		
Santiago	73%	Local	Regional MNC	Global MNC
Concepción	10%	79%	9%	12%
Valparaíso and Viña del Mar	10%			
Antofagasta	7%			
Headquartered		Industry		
Chile	100%	Manufacturing	22%	
Mexico	16%	Services	25%	
Latin America	14%	Retail	8%	
Brazil	12%	Construction	8%	
United States	11%	Transportation, communications, electricity and health services	7%	
Canada	11%	Finance, insurance, and real estate	6%	
Europe	11%	Fast Moving Consumer Goods	6%	
Australia and Asia	6%	Other	18%	

Employees

Gender		Age		
Male	59%	18–30	31–50	50+
Female	41%	29%	42%	29%
Marital status		Company size (number of employees)		
Married	46%	50–99	100–999	1,000+
Co-habiting	23%	29%	40%	31%
Single	21%			
Divorced/separated	9%			
Other	1%			
Tenure in job		Roles		
Under 1 year	7%	Operator/worker	29%	
1–2 years	24%	Service specialist	22%	
3–5 years	26%	Department manager	16%	
6–10 years	20%	High level individual professional contributor	14%	
11–15 years	8%	Sales staff	7%	
More than 15 years	15%	Director	2%	
		Manager of a company	1%	
		Other	9%	
		Industry		
		Services	16%	
		Technology, software and services	11%	
		Education	11%	
		Transportation, communications, electricity and health service	11%	
		Finance, insurance and real estate	9%	
		Construction	8%	
		Retail	7%	
		Pharmaceutical, Biotechnology and life science	5%	
		Manufacturing	5%	
		Other	17%	

1. The World Bank in Chile, 2017, www.worldbank.org/en/country/chile/overview
2. Reuters, "Chile economy to grow 2.9 percent in 2018 and 2019: OECD," February 2018.
3. OECD report, February 2018, www.oecd.org/economy/chile-should-use-upturn-to-address-low-productivity-and-high-inequality.htm

About MetLife, Inc.

MetLife, Inc. (NYSE: MET), through its subsidiaries and affiliates ("MetLife"), is one of the world's leading financial services companies, providing insurance, annuities, employee benefits and asset management to help its individual and institutional customers navigate their changing world. Founded in 1868, MetLife has operations in more than 40 countries and holds leading market positions in the United States, Japan, Latin America, Asia, Europe and the Middle East. For more information, visit www.metlife.com.

About the Study

MetLife's Employee Benefit Trends Study delivers timely and reliable research results that explore important benefits issues and evolving trends around the world. Building on more than a decade of research and experience in the U.S. as well as 12 additional markets since 2011, the Study provides fresh insights that can help employers get more from their benefits investments in the form of satisfied, skilled and productive workers. The Study also suggests tactics to help employees become more knowledgeable benefits consumers, leveraging insights from multiple markets in order to respond to the evolving benefits environment. The Study design, involving both employer and employee surveys, was developed in the US and has been adapted in various key markets around the globe including: 2007 (Australia, India, Mexico, and the UK); 2011 (Australia, Brazil, India, Mexico, United Kingdom); 2013 (Brazil, Chile, Mexico); 2014 (United Arab Emirates, Poland, Russia); 2015 (United Kingdom, India, China, Egypt); and 2017 (Australia, United Kingdom, Greece and United Arab Emirates); and 2018 (Mexico and Brazil).

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