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Attracting & Retaining Top Talent in Today's Competitive Labor Market

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March 21, 2024

Agenda

- Human Resource Trends
- Recruitment & Retention
- Onboarding
- Employee Benefits, Engagement, & Wellbeing Trends
- Retirement & Wealth Trends

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Human Resource Trends

2024 Top Workforce Insights

- Culture is the new currency
- Employers are taking a whole-person approach to benefits
- It's time to connect the bridge between employee experience and the human experience
- Aligning compensation to investment in your people
- Making professional development *personal*

2023 Workforce Trends

Build a Resilient Workforce for the Long-Term

MENTAL AND FINANCIAL WELLBEING

People with debt are three times more likely to have mental health issues including depression and anxiety. Poor mental health and wellbeing can cost employers as much as 25-35% of payroll.

EMPLOYEE DISENGAGEMENT

According to Gallup, a disengaged employee costs 34% of their annual salary.
70% of variance in employee engagement is driven by managers – making an emphasis on the "right" leadership practices vital.

RECRUITMENT AND RETENTION

Almost three quarters (72.8%) of employers are having a difficult time finding skilled candidates.

SOARING HEALTHCARE COSTS

Increasing costs of healthcare are nullifying wage increases for employees and making it difficult for organizations to remain competitive.

DEI&B

Employees with a strong sense of belonging report 56% higher level of job performance. Employees who feel they belong take 75% fewer sick days.

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2024 Workforce Trends

Looking Toward the Future of Work

EMBRACING FLEXIBILITY

One-size-fits-all benefits are becoming obsolete as diversity in the workplace increases. People are now looking for packages that can be tailored to the individual employee needs.

PAY TRANSPARENCY

More and more states are adopting pay transparency laws, which is expected to be the norm in 2024. These laws will present distinct compliance challenges for employers.

FAMILY AND REPRODUCTIVE BENEFITS

In the aftermath of Dobbs vs. Jackson, employers are having to find ways to support employee needs while staying compliant.

AI AND TECHNOLOGY

People are looking to streamline every aspect of their work life. They expect their benefits to follow suit with the latest tech integrations and ease of use.

HOLISTIC OFFERINGS

2023's impact of providing for and engaging the whole employee will carry into 2024 and must continue to inform benefits decisions.

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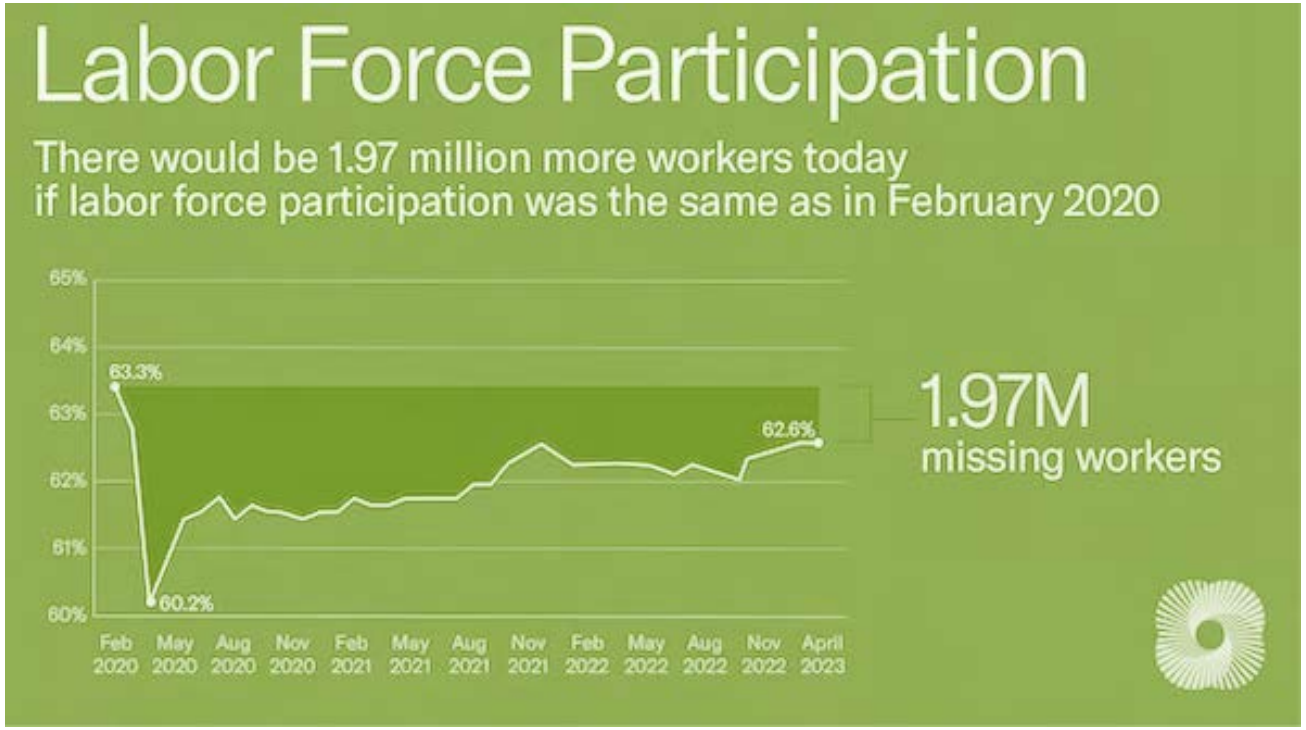
Current Labor Force | 2023

1.97M
workers are missing from the labor force compared to Feb. 2020

62.6%
labor force participation rate

9.5M
open jobs in the U.S.

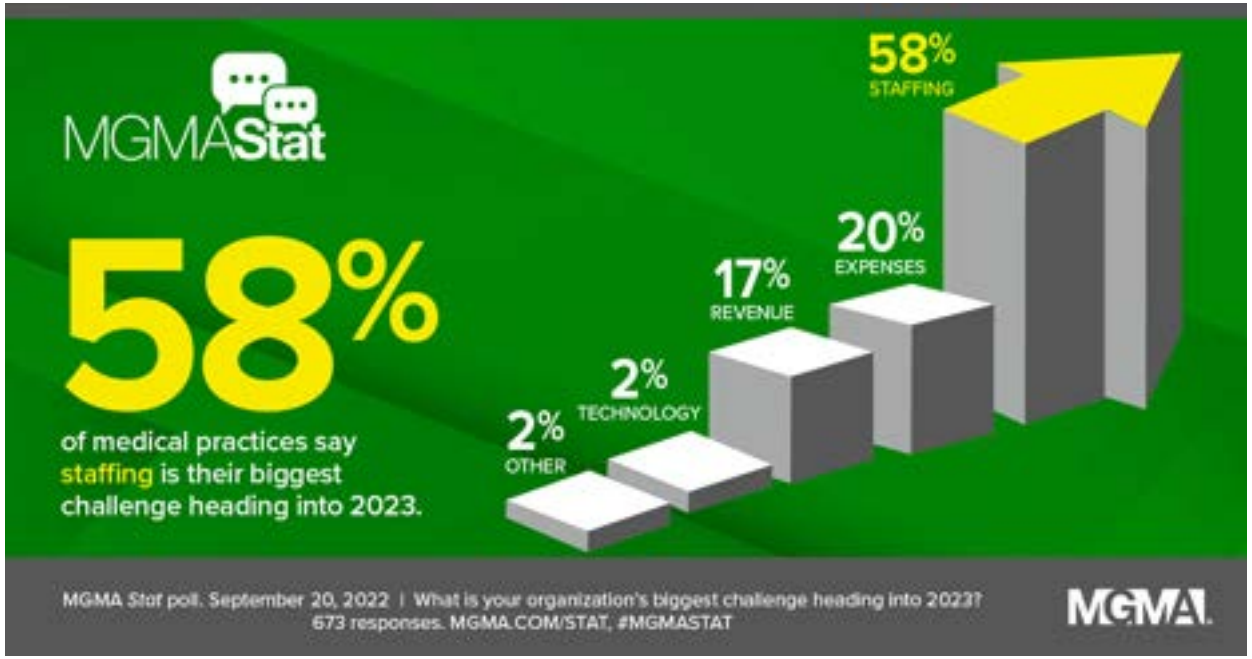
5.6M
unemployed workers in the U.S.



https://www.uschamber.com/workforce/america-works-data-center

Medical Group Management Association (MGMA) Polls

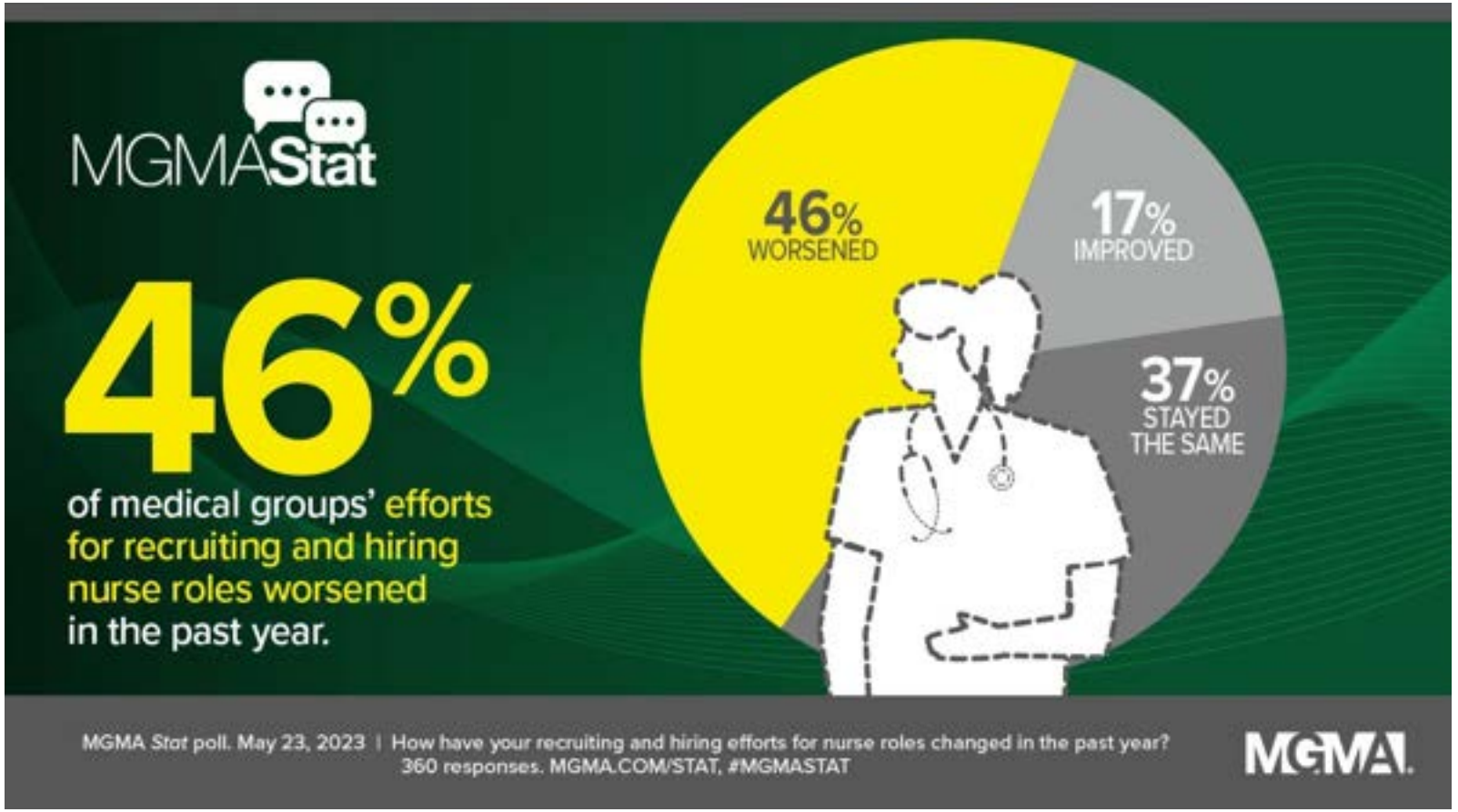
Biggest Challenge Heading into 2023



Biggest Productivity Roadblock

Nurse Recruitment & Retention Challenges

According to an April 2023 analysis by the National Council of State Boards of Nursing (BCBSN) nearly **800,000** registered nurses (RNs) plan to leave the field by 2027. This is after almost **100,000** left the field during the COVID-19 pandemic.



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Impact Of Childcare On Workforce

Absences and employee turnover costs employers anywhere from $400 million to $3 billion a year, according to a U.S. Chamber Foundation study.

50%

The number of workers that said they quit their jobs because of childcare issues.

The nationwide worker shortage crisis is taking a toll on the childcare industry as we are still seeing 7% lower workers than pre-pandemic.

$1 Billion

The amount of economic activity lost annually due to the breakdowns in childcare.

Part of the lost revenue comes from parents missing work because quality childcare was not available, or affordable.

$11,000 to $29,000

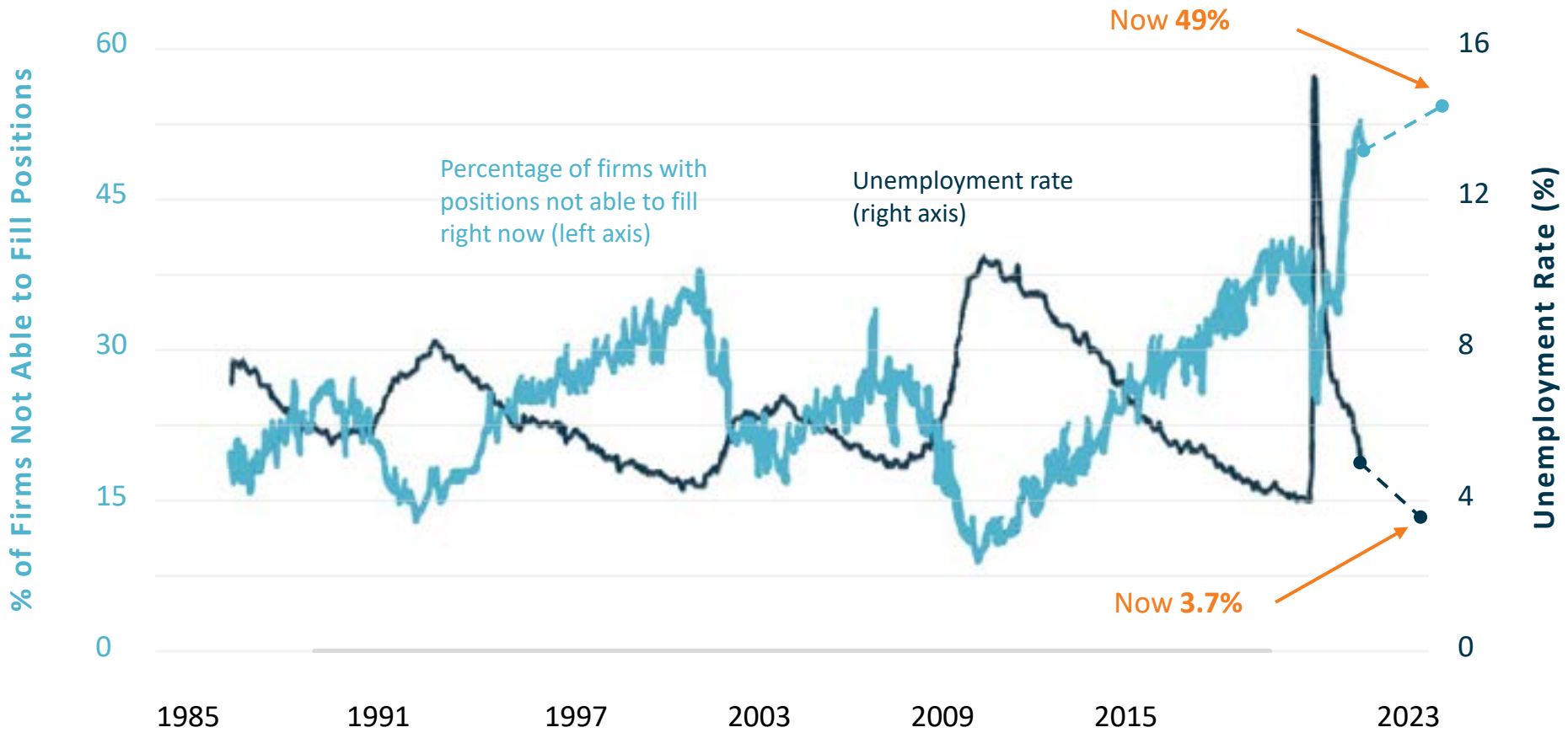
The national average cost of childcare, annually.

Even when parents can find a childcare provider, high costs prevent many children from being enrolled.

https://www.uschamber.com/workforce/understanding-americas-labor-shortage-the-scarce-and-costly-childcare-issue

Largest Hiring Gap Ever

Firms With Positions Not Able To Fill Right Now And The Unemployment Rate



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Source: National Federation of Independent Business; US Bureau of Labor Statistics

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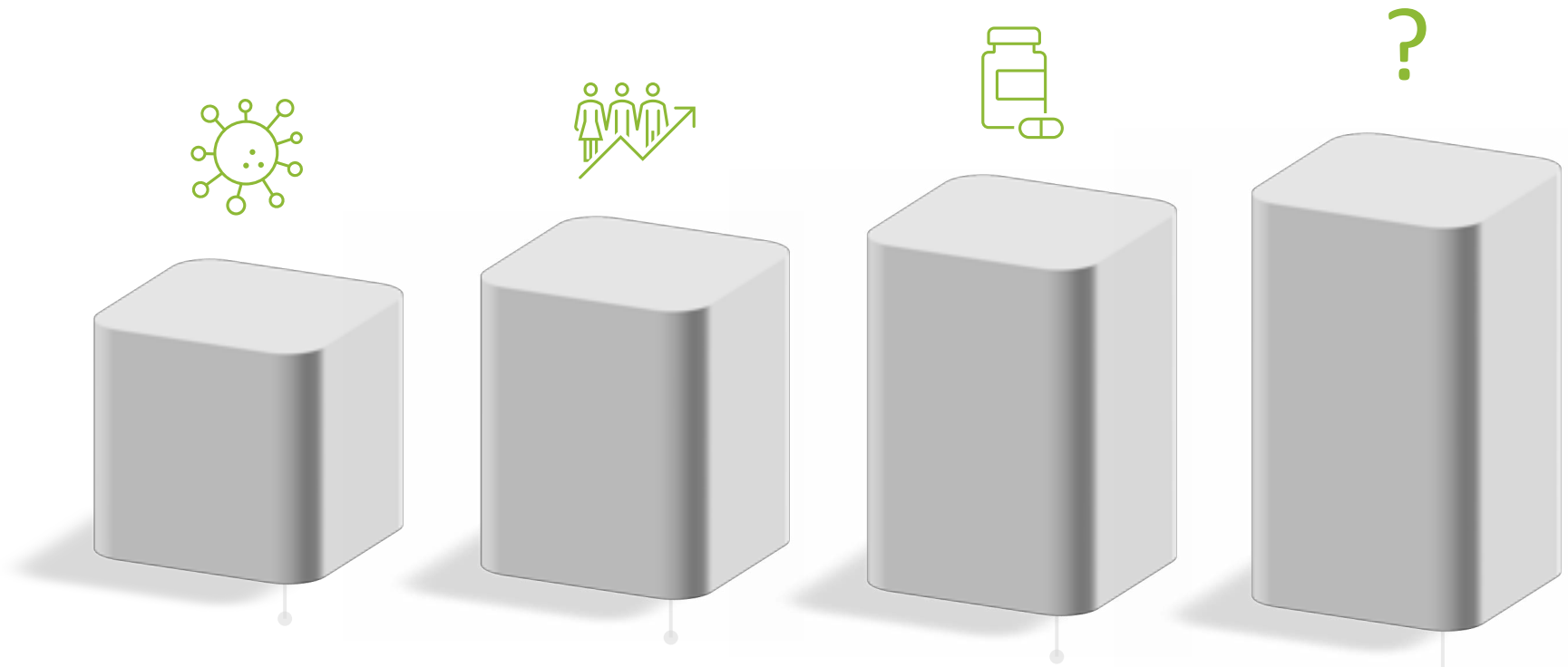
The Causes and Compounding Effect of a Declining Labor Force



COVID & History

Yes, a Pandemic matters, BUT…

Generational Impact

Birthrates down, Boomers retiring, young adults set to inherit ~$68T

Social Impacts

Women, Men, Opioid Epidemic, Children living at home

Opportunity or Disaster?

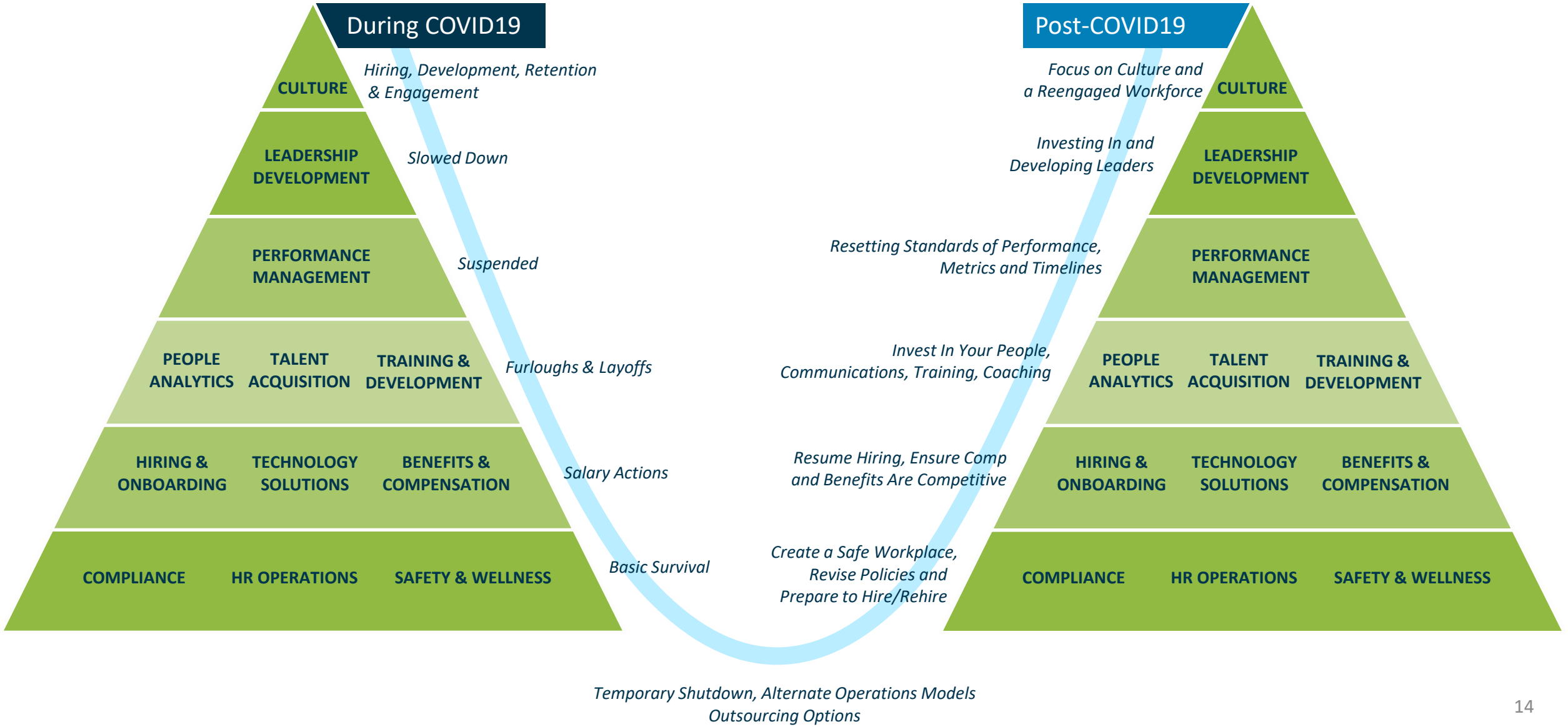
It is up to you.

The pandemic accelerated existing labor trends, in turn forcing ***major shifts*** in the way employers must think about their **workforce strategies**.

Did You Know…

69% of workers claimed the COVID-19 pandemic was/still is the most stressful time in their entire professional career, including major events like the September 11th terror attacks and the 2008 Great Recession.

COVID – The Great Accelerator



Invest In Your *People*

THRIVING PEOPLE CREATE A BETTER BUSINESS

- Employees thriving in all pillars of wellbeing are:
  - **36% more likely** to fully recover after an illness, injury, or hardship[1]
  - Miss **41% less work** as a result of poor health[1]
  - Are **81% less likely** to find a new job next year[1]

ENGAGED DOES NOT MEAN THRIVING

- Employee engagement hovers around **only 36%**
- Engaged employees that are not thriving are:
  - **61% more likely** to report burnout often or always[2]
  - **48% more** stressed day-to-day[2]
  - **200% more likely** to feel daily sadness and anger[2]

BRIDGING THE GAP WITH STRATEGIC COMMUNICATION

- Companies with a culture of wellbeing see **11% less turnover**[3]
- Employees in holistic wellbeing programs feel **178% more confident** navigating the healthcare system[3]
- **66%** of employees **want year-round** benefits communications[4]
- **73%** of employees are asking for **financial literacy** support[4]

What is the true cost of Turnover?

Turnover can cost employers 30% of the employee's annual salary.

To put a dollar amount on it, if the employee earned a median salary of $45,000 a year, this would cost the employer $15,000 per person, on top of the annual $45,000.

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- **Intangible turnover cost**
  - **Productivity levels**: The time it takes for your practice to fill a vacant position and the time for a new team member to complete their onboarding process affects the workload of existing staff.
  - **Team morale**: When a respected team member leaves, it may lower team spirit and influence other staff members to follow. Some people may lose trust in management if they feel frustrated and resentful about the loss, which may cause the remaining staff to experience exhaustion from the additional workload during a transition period.
  - **Training discrepancies**: When skilled people with your practice knowledge & sensitivity leave, you may lose some intellectual capital, especially if the resignation is unexpected. This disruption can impact patient relations, projects and productivity.
  - **Practice reputation**: Practices with high turnover rates may develop a reputation for it and struggle to attract talented candidates. A reputation for high staff turnover also might attract candidates who have little interest in a long-term commitment, which can continue to disrupt productivity and negatively impact patient relations.
- **Tangible turnover cost**
  - Fees paid to recruiters
  - Advertisements for the position
  - Time to interview, screen and perform background checks for candidates
  - Pre-employment tests
  - Time for orientation, onboarding and training of new staffers
  - Signing bonuses and relocation expenses
  - Unemployment compensation

Recruitment & Retention

Recruitment and Retention Struggles Continue

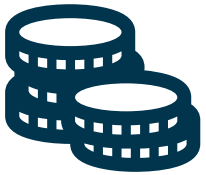
Employers continue to grapple with recruitment and retention struggles due in large part to changing employee preferences. According to a recent study by Willis Towers Watson, **83% of employers reported difficulty attracting employees, while 74% reported difficulty retaining employees. These are the highest figures in the past 12 years.**

Many organizations are still dealing with the lingering impact of the COVID-19 pandemic, which **reshaped workers' expectations, including where and when they work.** This has forced many organizations to adapt their recruitment strategies.

Moreover, the **tight labor market increased competition among employers for key talent, pressuring organizations to offer attractive compensation and benefits packages.**

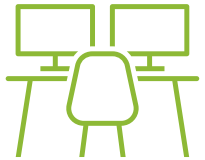
Despite these efforts, nearly 75% of employers are experiencing talent shortages and difficulty hiring, according to a 2023 survey by global workforce solutions company ManpowerGroup. As these trends persist, employers' recruitment and retention struggles continue. **This is forcing employers to develop new and innovative approaches to address these challenges.**

Employers were asked to select their top attraction and retention challenges. The most common selections were:



48%

Matching worker demands to compensation



43%

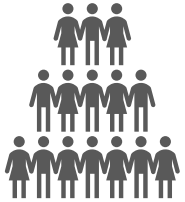
Finding the right skill sets

32%

Recruiting employees with education or certifications necessary for the role

28%

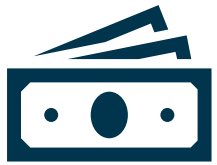
Offering competitive health care amid rising costs



28%

Receiving enough job applicants

Employers were asked what strategies they are exploring to improve employee retention. Here are the top five responses:



53%

Improving compensation

22%

Offering bonuses

17%

Improving health care benefits

13%

Expanding mental health resources

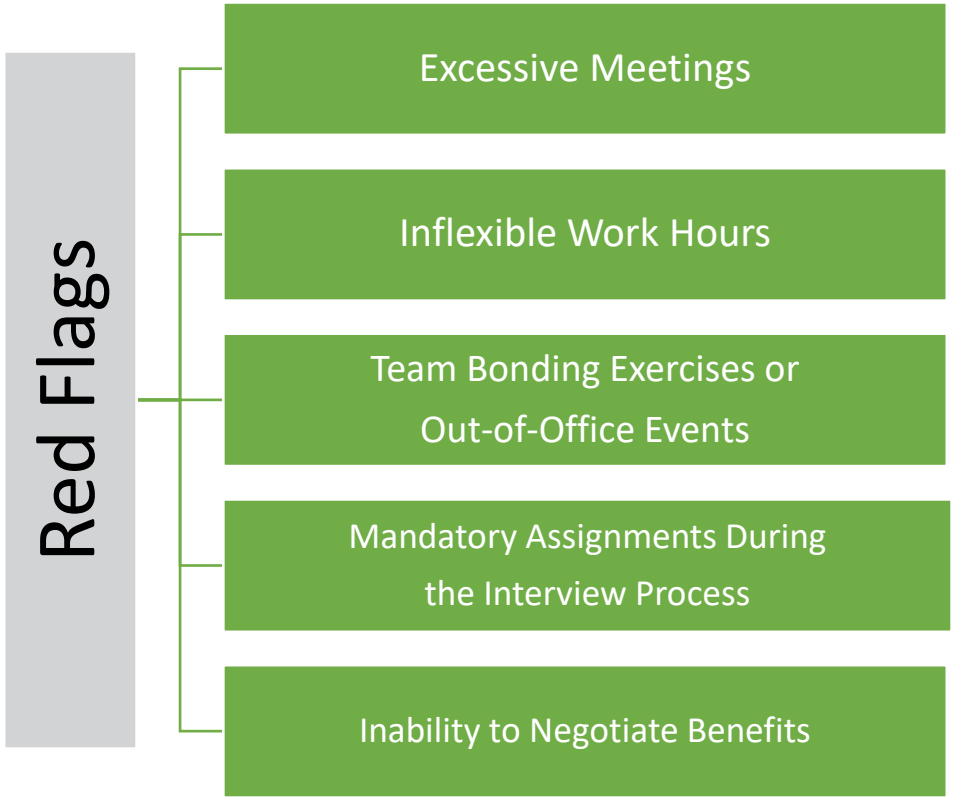
15%

Offering new or expanded voluntary benefits options

Employees Are More Selective in Where They're Willing to Work

Workplace environments and management approaches are impacting where employees choose to work, according to a recent survey by online employment solution company Monster.

The survey results revealed that certain employment practices and behaviors create anxious or negative feelings among employees, which employees consider red flags. The survey also found that the biggest employee concern is being micromanaged by supervisors and managers.



Awareness of these concerns can allow employers to evaluate whether any red flags are present in their organizations and make necessary changes to improve their recruitment and retention efforts.

Strategies to Address Recruitment and Retention Struggles

Due to these ongoing struggles, many employers are responding with multiple strategies as well as focusing on emotional intelligence in their attraction and retention efforts. This is leading many organizations to shift to taking a holistic approach to attracting and retaining workers by focusing on customizable benefits, positive work environments and meaningful work assignments and duties.

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- **Prioritize onboarding**

  Employees who go through a structured onboarding are 58% more likely to remain with the organization after three years, according to a study by the Wynhurst Group. By including onboarding in an organization's overall engagement and retention strategy, employers can better communicate their values, foster a positive relationship and communicate expectations to set employees up for success. Onboarding is also an opportunity to educate employees on the full range of available benefits, ensuring that employees are aware of all the benefits available to them.

- **Create meaningful connections**

  Making sure employees have meaningful workplace connections can help employees feel supported and valued. It also tends to increase workers' loyalty and commitment to an organization. Employers can do this when new employees join the organization by assigning mentors, scheduling regular check-ins and organizing team-building activities.

- **Utilize employee engagement surveys**

  Employee feedback can be a valuable resource for employers to understand their workforce. Surveys can uncover underlying issues, such as decreased productivity or high turnover rates, and create actionable change that drives progress within an organization. Employers who effectively utilize employee surveys may see many benefits, such as increased employee engagement, job satisfaction and retention.

- **Train managers and supervisors**

  Managers can significantly impact employee engagement, job satisfaction and productivity, and retention. When managers lack important interpersonal skills or emotional intelligence, they can contribute to high rates of turnover. Organizations can train managers to have strong interpersonal skills (e.g., connection, honesty, respect and communication) so they can better recognize and respond to employee needs.

- **Improve workplace culture**

  Toxic workplace culture is the top reason employees quit their jobs, according to a recent survey by employment website FlexJobs. When employees feel overworked and underappreciated, they're more likely to look for new opportunities. Employers can create a positive and healthy workplace culture by promoting mental health and well-being and fostering open and transparent communication.

Recruitment Strategies

- Expand the talent pool with university /college recruitment strategies
- Anticipate future hiring needs
- Use technology
- Tap into the older labor market
- Recruit for soft skills
- Provide on-the-job perks
- Offer employee referral incentives
- Attract Millennials and Gen Z

Retention Strategies

- Hold managers responsible for retaining workers
- Offer educational assistance programs
- Develop and promote a clear career ladder
- Offer employees time off to volunteer or organize company volunteer events during working hours
- Offer rewards and appreciation to dedicated employees
- Offer flexible scheduling
- Use bench-marking resources
- Offer deferred bonuses
- Communicate with employees

Recruiting Mistakes

These are some common recruiting mistakes that can be detrimental to your efforts.

Additionally, be sure to avoid processes, questions or any decision that could be viewed as discriminatory.

- **Judging a Response**

  You should never show your hand when dealing with a candidate or applicant, over the phone or in person. You do not want to indicate a potential hiring decision with your comments, and you do not want to influence the individual's responses with your reactions. You want bad candidates to keep talking and reveal themselves as poor fits. For instance, if you nod and smile (not showing your hand) when a candidate starts bad-mouthing his or her former employer, the candidate is likely to continue the statements. If you were to frown at the comments, the candidate might adjust and qualify them because he or she thinks that is what you want to hear. Your judgment of a response just influenced the candidate.

- **Asking About Salary History**

  While it is common to ask what salary threshold a candidate is looking for, you should be cautious about requesting a current salary amount. Doing so might put the candidate on edge and could create a bad impression. Most organizations avoid requesting salary history, so it might be best to avoid altogether. However, in some situations, knowing salary expectations might help vet some candidates early in the process.

- **Rushing Through the Process**

  Recruiting the best fit for your organization is not a small task. Do not let pressures like unexpected vacancies or hiring deadlines affect your decision-making. Hiring a poor fit just to get a position filled will hurt your organization in the future. Take the time now to carefully go through all your recruitment marketing tasks and thoroughly vet candidates.

- **Failing to Get Employee Referrals**

  Try to be transparent whenever you can during the hiring process. This is not only important for building candidate trust, but also for generating leads. Let employees know you are seeking candidates and give them a chance to offer referrals. Employee referrals are by no means shoo-ins, but they help expedite the recruiting process. A referral is a great potential candidate because he or she is already backed by an employee's character reference. Failing to tell current employees about position vacancies could cost you qualified candidates.

- **Trusting a Resume at Face Value**

  Resumes are meant to highlight whomever they represent. You will not find a resume that includes a pro-and-con list of the individual. Knowing this, you should always be a little skeptical of what is on the page. When given a resume, make sure to ask applicants questions about its contents and how the skills listed will further your organization's goals.

Onboarding

Introduction

The term "onboarding" is often tossed around in the HR realm, but not everyone knows what it is or how to do it. In basic terms, onboarding is the process of getting new hires acclimated to their new roles. It includes setting clear guidelines for performance and company culture, and sharing the knowledge necessary for success within an organization.

Onboarding takes training and orientation to the next level. Unlike traditional employee orientation, onboarding is a systematic process that extends well beyond the first day of employment. The goal of the process is to cultivate a long-term relationship between the employer and the employee while fostering a feeling of belonging and of making the right career choice.

Onboarding helps develop your brand and can build a positive reputation for your company among talented job seekers. A study of 264 new employees, published in the Academy of Management Journal, found that the first 90 days of employment (often called the probationary period) is pivotal for building rapport with the company, management and co-workers. Furthermore, according to a study by the Wynhurst Group, when employees go through structured onboarding, they are 58% more likely to remain with the organization after three years. When you share your company's goals and values with your employees while simultaneously showing them how to do their jobs, everyone benefits.

Simply offering training courses to new hires will not be sufficient for onboarding. You must consider all the smaller aspects that create an efficient and painless transition into the company. This means working with stakeholders well before new hires start. Establishing a strong onboarding foundation prior to day one is key for long-term success.

Preboard New Hires

Everyone remembers how stressful the first day of a job can be. Help alleviate some of that stress by preboarding. Sending the following information beforehand can help reduce new employees' stress and prepare them for a busy first day:

- A welcome letter or email
- Information about the company and industry
- Helpful first-day resources, including a schedule and information about who their manager or mentor will be
- Essential HR and tax forms

Include Everyone

When deciding whom to include in the onboarding process, do not just think about the people who are involved in the new hires' day-to-day operations. Include other stakeholders like HR managers, executives and anyone else who may be important in the company as a whole. Have these people introduce themselves, along with their roles, and encourage them to extend an open line of communication.

Formalize the Process

Make sure the onboarding process is formalized, including your training and orientation. This does not mean the process has to be boring—merely that training should not be adlibbed by staff at the last minute when the new hires arrive. A formalized onboarding process can go on for days, weeks or even months. Make the most of this opportunity and get new hires up to speed on everything going on within the organization. Above all, make sure new hires are getting the same training as everyone else in their departments. Formalizing the onboarding process will ease the tensions of starting in new roles.

Make Onboarding Exciting

Benjamin Franklin once said, “Tell me and I forget. Teach me and I remember. Involve me and I learn.” While new hires are going through training and orientation, incorporate activities that liven up the process and make them feel involved. Sitting through a series of training lectures makes for a very long day and new hires are likely to feel burned out after a while. Consider the following activities to help jazz up your training program:

- Have trainees guess company statistics, like how many customers are served each day or the number of products produced in a month.
- Facilitate a “Jeopardy” game where the questions are related to the subject being taught.
- Quiz new hires on the subject matter of a training session to encourage active listening and participation.
- Hold “mocks” where new hires pretend they are doing an essential job function, like interacting with an upset customer, assembling a product or creating detailed spreadsheets.
- Require new hires to give a short presentation on what they learned in a given week (or after training ends). Use this to gauge if individuals require more guidance before starting full time in their role.
- Decorate the new hires’ desks before their first day and prepare a welcome note or card.
- Prepare some company “swag” for them. Whether it is branded clothing, coffee mugs or pens with the company logo, receiving something from the company makes new employees feel like they are already members of the team.
- Consider having the new hires’ teams take them to lunch during the first week, or have lunch catered for the team. This supports a more relaxed environment and allows the new hires to get to know everyone a little better.

Using engaging and fun activities at the beginning of the onboarding process can create positive energy in the workplace that promotes team building and improves productivity. For example, a game such as a scavenger hunt can be used to teach new employees how to understand and process large amounts of information, such as an employee handbook. After discussing the handbook at a high level, see who can find the answers to the most handbook-related questions in a given amount of time. Consider giving a small reward to the winners. It could be something small like a trophy for their desks, or something bigger, like a gift card. Get creative.

In short, show that the company is not just going through an administrative hiring process—new hires were chosen for a reason, and the company acknowledges the value that they will bring to the organization. Make new hires proud to be working for you by showing your appreciation for them.

5 Onboarding Tips to Help Reduce Employee Turnover

The employee onboarding process is crucial for retaining employees after the first 90 days. During the first three months at a job, about 1 in 3 workers would leave it without having another job lined up, according to recruiting firm Jobvite.

However, an effective onboarding process can help employees be excited and engaged, which helps prevent turnover. Due to this, companies should start to change how the onboarding process is viewed. Some employee turnover will be natural at any organization, but taking some simple steps may help reduce the number of employees looking to leave.

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1. Be Prepared.

Throwing together a last-minute onboarding process or having nothing arranged for a new employee can make them feel unwelcome. Having aspects of onboarding such as login information, database access, technology setup and account access are good things, if applicable, to have ready before a new employee starts their onboarding.

2. Build a Sense of Community.

The feeling of isolation can be amplified for new hires. Building new relationships is crucial to integrating new hires into the workplace, so they feel a sense of belonging. During their first year, employers can identify a key group of people that the employee can connect with for them to be successful. This group can include supervisors, direct reports and internal or external relations. Employees are more likely to be retained if they have a productive and positive first year.

3. Define Employee Success.

It's common for new hires to feel a lot of pressure when first starting. Employers should create specific expectations for new employees to avoid a new employee comparing their new career to previous ones. Managers can communicate expectations from day one, including accountabilities, boundaries around authority and any available resources. Defining these boundaries and expectations for an employee can help the worker onboard into company culture quicker and understand where their boundaries lie.

4. Know Your Turnover Rate.

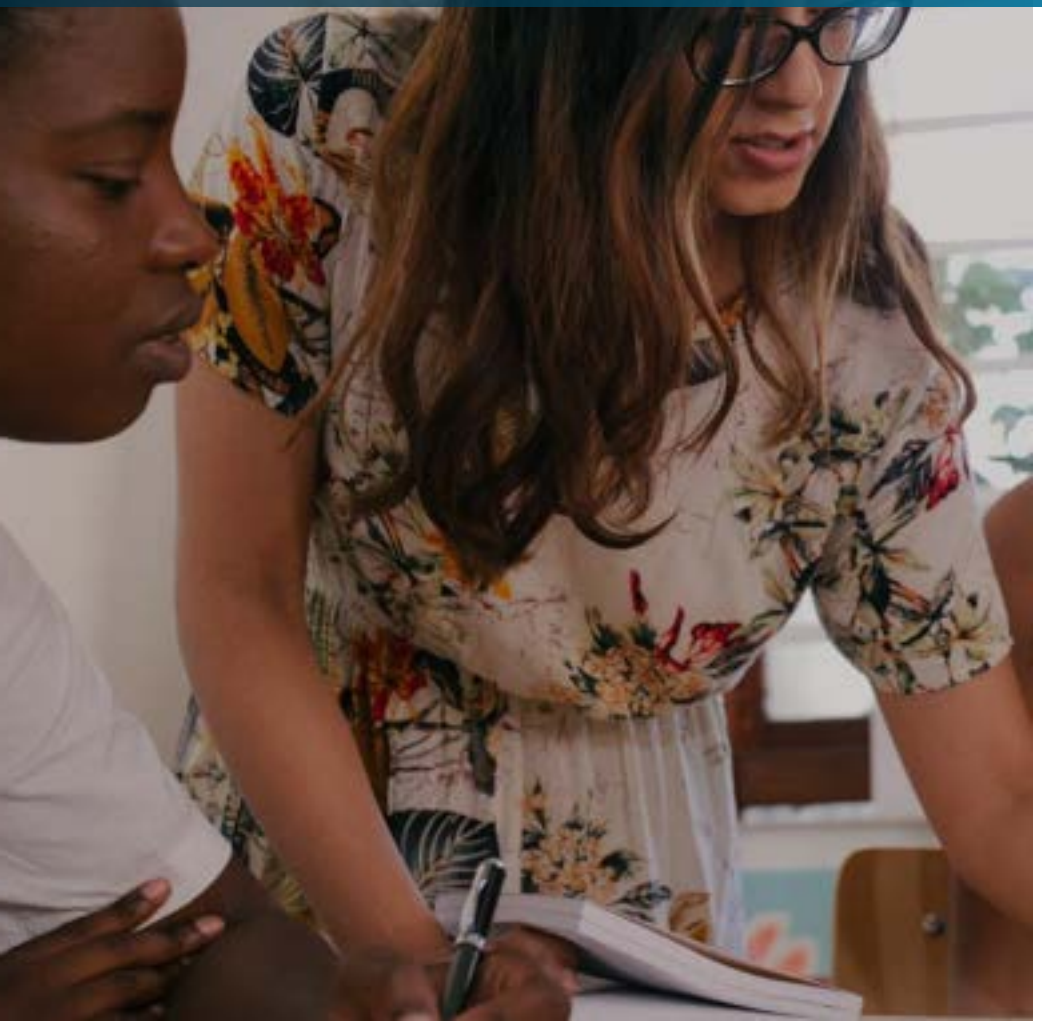
Onboarding can be the start of success in an organization, so it is important to establish key metrics. Studies find that around 25% or more of employees could leave in their initial months, but this number can vary depending on an organization's onboarding. However, to improve employee retention, employers need to know their turnover metrics to benchmark their current state and measure onboarding improvements.

Some factors to consider when onboarding different employees include the amount of information you're giving employees at once, in-person versus virtual onboarding and how to provide a sense of inclusion.

5. Be Flexible.

Flexible work options are a critical factor in why many employees either stay or leave a workplace. If the new employees are remote or hybrid, the onboarding process should be conducted similarly. When onboarding an employee, it's critical to consider their overall experience.

Benefits of Onboarding



An effective onboarding program provides employers with a solid starting point during which they can communicate their values to their employees and explain why they do what they do. It also helps new hires easily assimilate into company culture. An employee who has gone through a positive onboarding experience helps build a positive reputation for his or her company among talented job seekers.

Every business is different, so there isn't one right way to handle the onboarding of new hires. Create a process that works best for your organization.

Benchmarking Your Onboarding Experience

Part of a successful onboarding process involves listening to employee feedback and using that feedback to make changes as needed. Consider asking each employee to complete a short survey after 90 days of employment—when he or she has finished the onboarding process and has had time to become acclimated to his or her job, yet still remembers specifics about the experience.

Hiring Process

Was the job description clear and understandable?

Was the HR contact professional and knowledgeable during the hiring process?

Was the length of time between the submission of your application and the employer's response reasonable?

Was the length of time between the submission of your application and the job offer reasonable?

Are you satisfied with the hiring process overall?

Branding

Before applying for this job, were you familiar with the company?

Were you sent information before the first day that helped you know what to expect before reporting to work?

During your onboarding session, were you provided with concise information regarding the following:

- The company's mission
- Your role in the department and the company
- The organizational structure

Benchmarking Your Onboarding Experience

First Day

- Was your team ready for your arrival?
- Were you welcomed by your manager and introduced to your team?
- Was your workstation or office fully equipped with the necessary hardware and software?
- Was the information you received about employee benefits clear and helpful?
- Was the information you received about personnel policies clear and helpful?
- Did you know whom to contact regarding specific questions after your first day?

First Month

- Were you assigned proper training during your first month?
- Did you know what was expected of you during your first month?
- Did you know where to get the answers to your questions?
- Was the performance management system explained to you?

First 90 Days

- Did you receive ongoing feedback from your supervisor about your performance?
- Is the work you are doing now consistent with what was described in the job posting and during the interview process?
- Are you satisfied with the overall orientation that you received?
- What was your motivation for choosing and accepting this position?
- Do you have any recommendations for improving our recruitment, hiring, or onboarding processes?
- Is there any additional feedback that you can share?

Employee Benefits, Engagement, & Wellbeing Trends

50% of employees who plan to quit their job in 2022 say that they are seeking better benefits and compensation[1], and 67% of jobseekers say that benefits are more important now than before the pandemic[2].

Resume Builder survey[1]
Joblist's 2022 report on trends in the U.S. job market[2]

The Perfect Storm *Driving* the Healthcare Crisis

Demographics	Societal/Habits
• 78% Female / 22% Male • Most likely to have Millennials and less likely to have Boomers/Gen X • HC cost to average salary ratio: 14%	• Obesity rate: 4% • Mobile focused and digital communications to meet employees where they are (on the go, untraditional hours). • Focus on health implications – speak their language and promote wellbeing and proactive health choices. Utilize quick and appropriate messaging since they are busy and overworked.
Chronic Conditions	**Plan Design/Costs**
• Absence rate and illness rate is higher than the national average • Drug Management (22% - normal is 20%) • Diabetes (12% - normal is 10%)	• Non-Utilizers: 9% • Healthcare per employee costs higher than benchmark • LTD/STD and PTO offerings are going to be very important to this group and should be structured to ensure that coverage is appropriate and “kicks in” at the right time.

THE CHALLENGE:

Healthcare Costs are on an Unsustainable Trajectory

67%

Insurance companies' profit in the past 5 years

10-15%

Your total healthcare spend feeding into their profits

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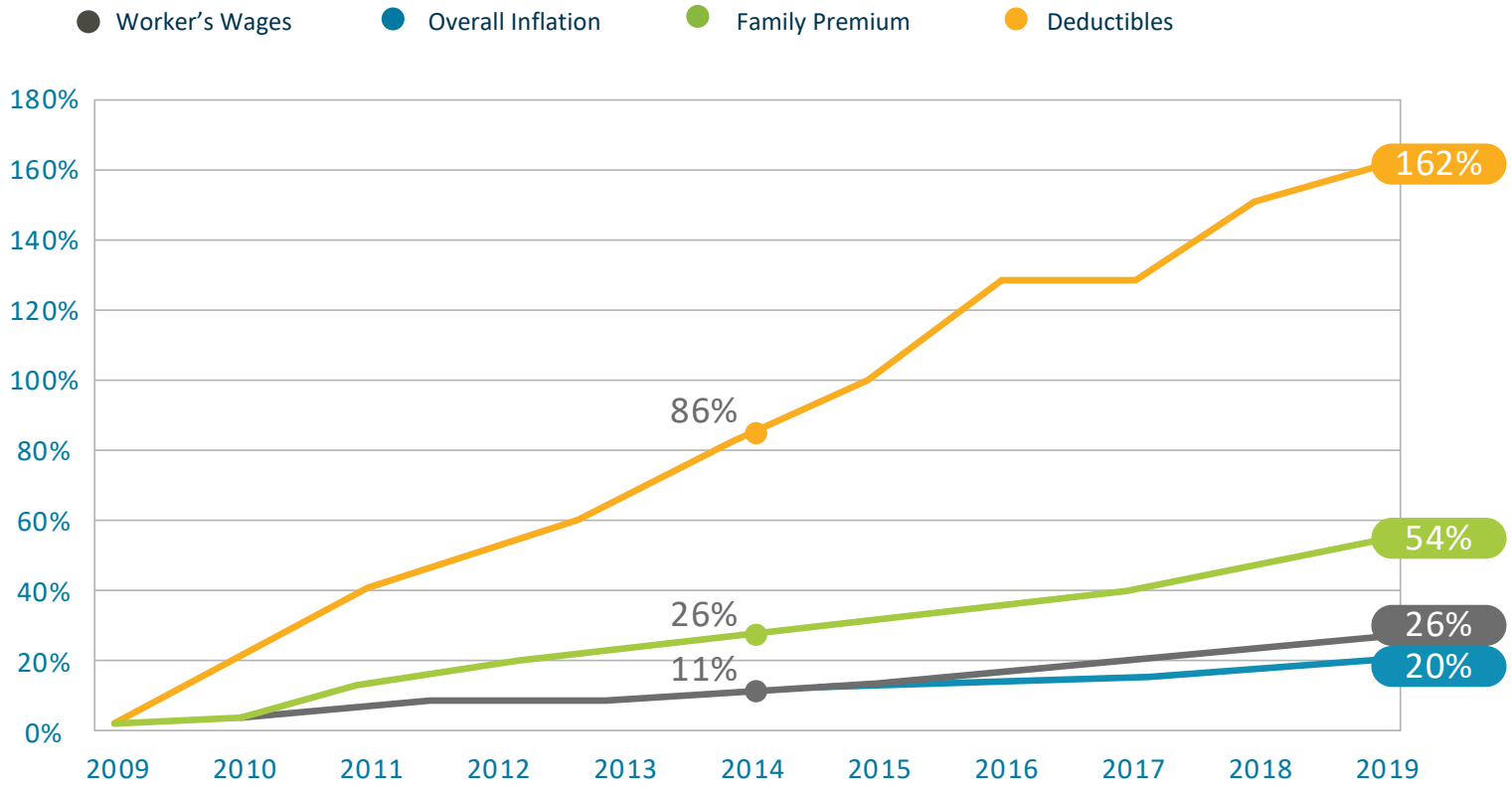
Premiums & Deductibles Rise Faster than Worker's Wages Over Past Decade



KFF Employer Health Benefits Survey, 2018-2019, Kaisen/HRET Survey of Employer-Sponsored Health Benefits, 2009-2017. Bureau of Labor Statistics, Consumer Price Index, U.S. City Average of Annual Inflation (April to April) 2009-2019. Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey, 2009-2019 (April to April)

KFF HENRY J KAISER FAMILY FOUNDATION

Benefits That Empower Employees To Live Their Best Lives

Cutting-edge approaches being considered by today's leading organizations include:

MENTAL HEALTH & WELLBEING

30% of resigning employees cited their employer's **lack of regard for their mental health** as a major reason for their decision to leave.[1]

35% of all workers believe that mental health benefits **are more important** than higher pay.[2]

CAREGIVERS & FAMILIES

48% of parents who quit their job in 2021 cited **childcare issues** as a reason for their decision.[3]

27% of all working parents say that they are **more likely** to pick a job based on an employer's support for them as a caregiver.[4]

HOLISTIC LEAVE & FLEXIBILITY

Employees who are satisfied with their companies' time and location flexibility are **2.6 times more likely to report being happy** and **2.1 times more likely to recommend** their employer to others.[5]

FINANCIAL WELLNESS

Financially stressed employees are **twice as likely** to be looking for another job**.**

Six times more likely to say that their financial situation has severely impacted their productivity at work.[6]

CUSTOMIZATION & CHOICE

Millennials and Generation X are the largest generations in the American workforce, at 35% and 33% respectively.

Baby Boomers are next at 25%, with Generation Z and the Silent Generation far behind at 5% and 2%.[7]

EXPANDED OFFERINGS

50% of employees who plan to quit their job in 2022 say that they are **seeking better benefits and compensation**.[8]

67% of jobseekers say that **benefits are more important now** than before the pandemic.[9]

Skynova "Rage Quit" survey[1]
SHRM's 2022 Mental Health in America report[2]
Pew Research Center survey of employees who quit during the Great Resignation[3]
2022 Laurel Road survey of college-educated adults[4]
LinkedIn 2022 Global Talent Trends[5]

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2022 PwC Employee Financial Wellness Survey[6]
Purdue Global[7]
Resume Builder survey[8]
Joblist's 2022 report on trends in the U.S. job market[9]

Health & Wellbeing Impact

Employees who are **thriving** in all areas of wellbeing are:

36% more likely to fully recover after an illness or hardship[1]

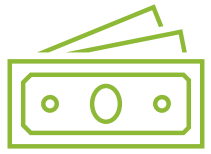
41% less likely to miss work[1]

81% more likely to stay with their company[1]

PHYSICAL

MENTAL

FINANCIAL



CAREER & PURPOSE

COMMUNAL

[1] Source

ONEDIGITAL

Engagement & Communications Impact

Most organizations spend more on Benefits + Salary than **any other expenses**. Engaged and informed people make better decisions, feel more valued, and feel a greater sense of connection – and are less likely to leave.

People don't appreciate what they don't understand. It doesn't matter what you offer if current and prospective employees don't **know** about it or **understand** it.

- EBRI: **8 in 10** employees who ranked their **benefits satisfaction** as extremely or very high also ranked **job satisfaction** as extremely or very high.
- The average American family spends **11%** of their income on health expenses alone[2]. Strategic engagement and communications can help that money go further.

Asking for financial literacy support[1]

Want year-round benefits communications[1]

Millennials don't understand the benefits they selected[1]

[1] Source [2] Source

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Supporting Resilience

The retention strategies you implement can help you to **address the greatest concerns** of your employees, and their families. They will ensure that your organization is engaging current employees and attracting the best talent moving forward.

Employee Wellbeing

- Identify your resources and potential gaps
- Implement ways to measure employee mental wellbeing
- Assess their levels of resilience
- Ensure that the values of your employees are clear to the employer
- Promote resources – Often
- Survey employee knowledge of resources
- Ensure that workload and expectations are appropriate to each person

Employee Engagement

- All employees should feel that they have a voice in the organization
- Show employees that you value them:
  - Do managers know the employees they supervise?
  - Do your managers know the "why" that drive them?
  - Are there ways for employees to measure their own performance?
  - Do your employees know why their work is important?
- Clear and Constant communication

Flexibility and Safety

- Establish appropriate levels of flexibility/balance for your workplace Survey employees to identify gaps in worksite safety
- Technology – identify resources needed to support a hybrid/remote workforce
- Resources for:
  - DE&I Initiatives
  - Working Parents
  - Employees that live alone
  - Employees with health conditions

Compensation

- Identify the appropriate pay levels for roles within your organization
- Confirm that the benefits you provide are meeting norms for your industry
- Recognize gaps in programs that may lead to employee dissatisfaction
- Establish effective communication models that will speak to all employees (hint: multiple models may be needed)

Retirement & Wealth Trends

Looking Ahead

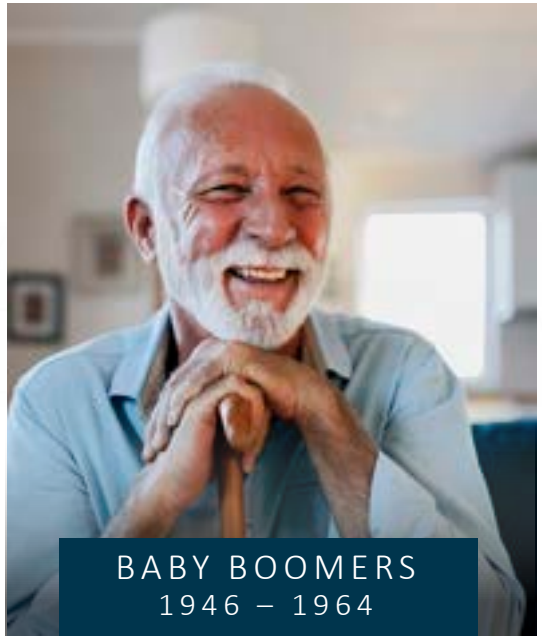
BY 2024, APPROXIMATELY A QUARTER OF THE WORKFORCE WILL BE OVER THE AGE OF 55

For businesses, it's important for employees to have the means and ability to retire on time if they want to.

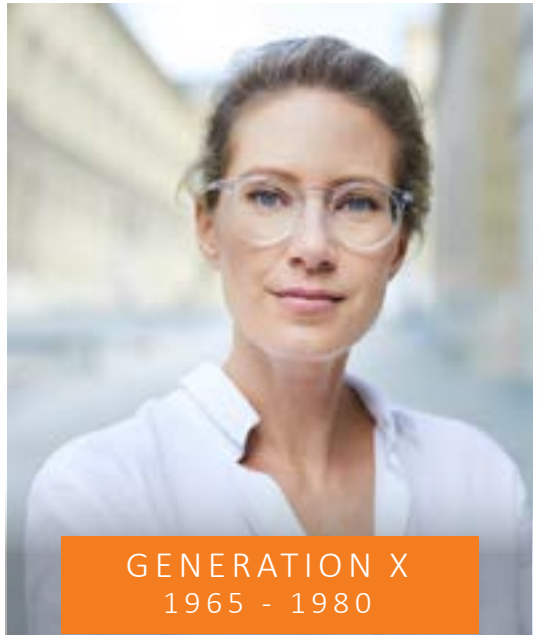
- The median retirement savings account balance for people age 55+ is below $90,000
- 24% of all workers feel they are on the wrong track for retirement, up 10% from 2021
- 66% of employees cite inflation as a top retirement concern, up from 53%

Sources: The U.S. Bureau of Labor Statistics, 2022 Nationwide In Plan Sponsor Survey Report

Financial Wellbeing At Every Life Stage

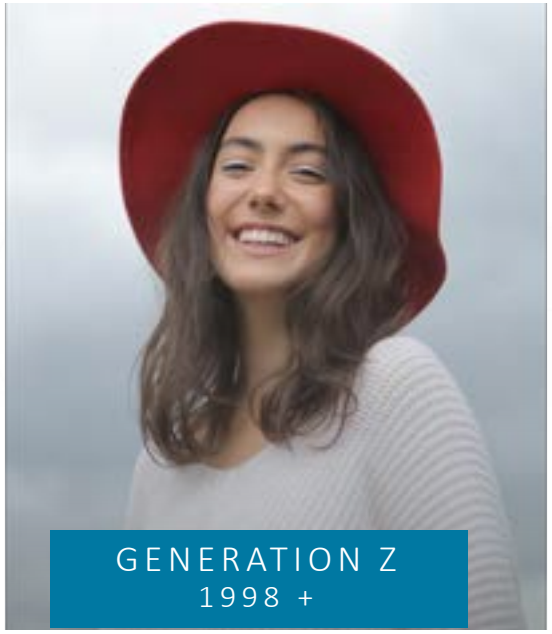


- Retiring on time with adequate savings
- Healthcare expenses in retirement
- Caring for elderly parents



- Tuition, Student debt
- Housing costs
- Day-to-day family expenses
- Medical bills
- Retirement

- Student loan debt; 69% have average debt $30,000
- Housing costs
- Retirement



- Nearly 50% concerned with student debt
- Everyday expenses like food and travel

The SECURE 2.0 Act

On December 23rd, 2022, Congress passed the Consolidated Appropriations Act of 2023 (4,000 pages) and President Biden signed it into law on December 29, 2022.

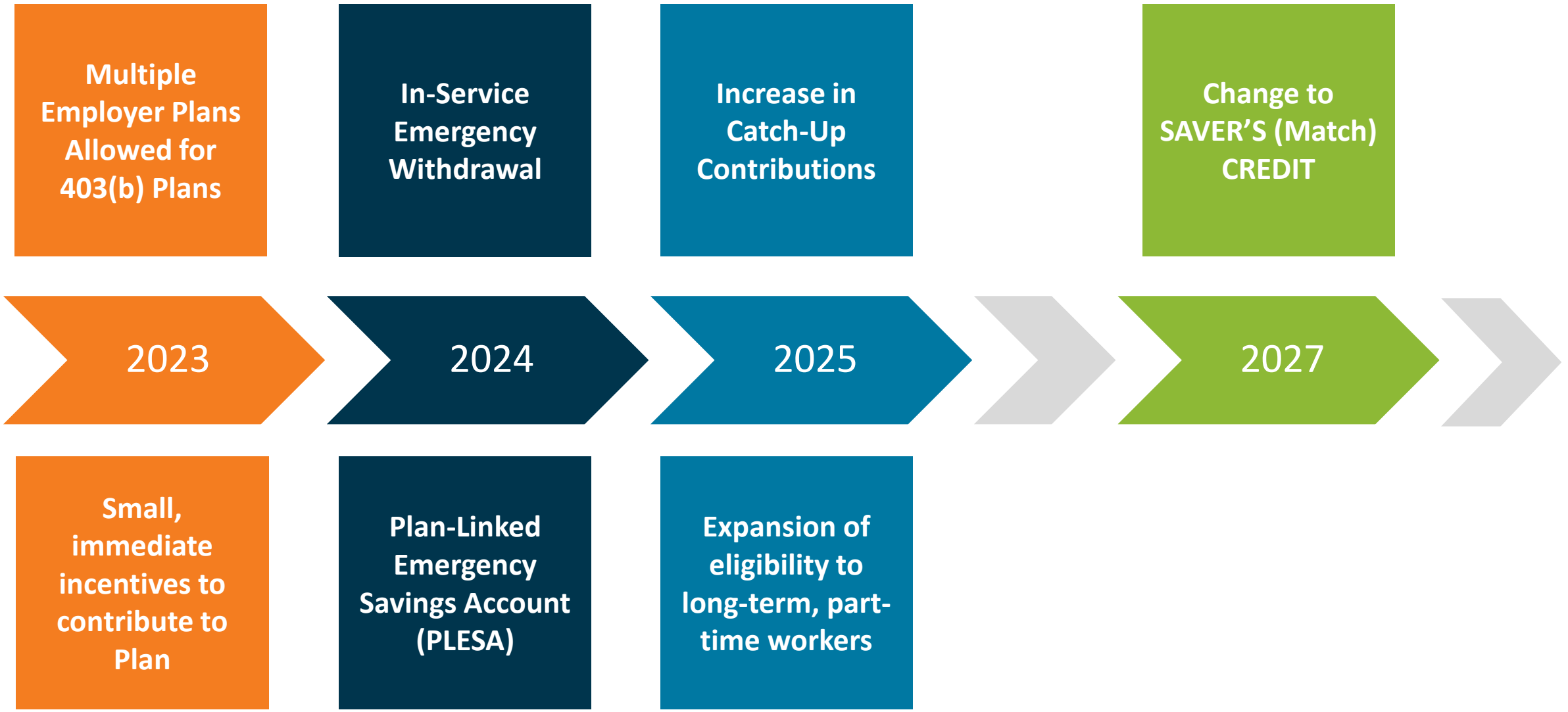
The Final Bill included **The SECURE 2.0 Act** of 2022 which is aimed at strengthening the U.S. retirement system and Americans' financial readiness for retirement. It contains more than 90 provisions.

How will this impact employer-sponsored retirement plans and employees that participate in those plans?

Key Provisions Of Secure 2.0 - Expanding Coverage

2023	2024	2025
Increased Start-Up Credit	Student Debt Retirement Benefit	Expansion of eligibility to long-term, part-time workers
Clarifies Startup credit available for MEP adoptees	Introduction of the Starter(k) Plan	Starter Plans Required to have Auto Enrollment

Key Provisions Of Secure 2.0 - Increasing Savings



Prioritizing Next Steps

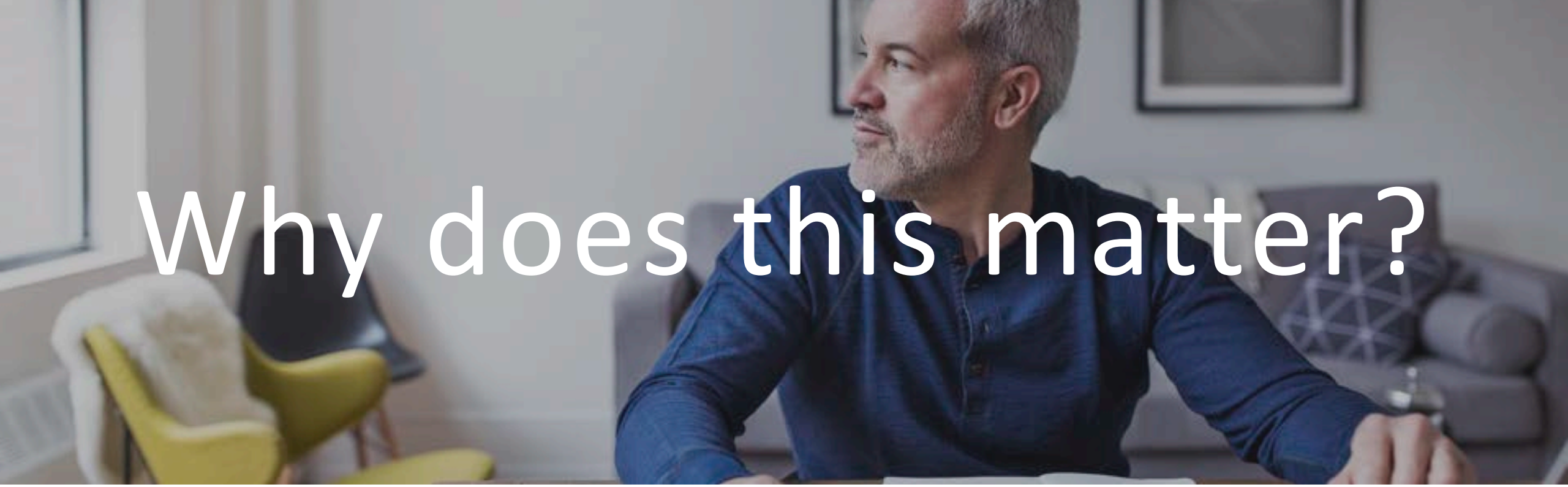
If you offer a retirement plan today…

- Coordinate a communication strategy to notify your employees about SECURE 2.0 changes that will impact them.
- Ensure plan providers are equipped to evolve with the changing landscape… Is retirement their core business?

If you don't offer a retirement plan yet…

- Consider how retirement and financial planning benefits can help you retain talent.
- Calculate potential tax credits to offset startup plan costs.


“Organizations that are trying to secure long-term, high-quality employees must be prepared to look creatively at total rewards and expand their thinking around compensation.”



Why does this matter?

These are threats to individual practices in TCCN.

TCCN is positioned to provide solutions to help private practice physicians maintain their independence.

Disclosures

Note that this presentation is intended as a general discussion of the law and is not intended as legal advice for any particular situation.

This document attempts to provide only broad general guidelines and information that can be used to help you shape your employee retirement benefit plan. The charts and other data contained in this document shall be dependent upon the quality and accuracy of plan information supplied by service providers, investment firms and reporting companies. All information and opinions will be for general informational purposes only and should not be considered an individualized recommendation or personalized investment advice. The information will not assess the suitability, or give any assurance about the potential value, of any particular investment.

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