



Employees Value Benefits More Than Ever, According to Guardian's 2014 Workplace Benefits StudySM

As employers seek to shift costs, benefits are becoming more critical to employees' financial security

NEW YORK, February 25, 2014 -- The Guardian Life Insurance Company of America (Guardian), one of the nation's largest mutual life insurers and a leading provider of employee benefits, today announced the results from the second annual Guardian Workplace Benefits StudySM, aimed at measuring the perceived value of employee benefits among American workers. The study reveals that while employees are placing greater value on their workplace benefits, employers are looking to control costs by asking workers to shoulder increasing responsibility for their coverage.

According to the new 2014 study, the degree to which employees value their workplace benefits, as measured by Guardian's Benefits Value Index (BVI), has increased to an average score of 7.1 (based on a scale of 1 to 10) up from 6.8 in 2012. This increase suggests that American workers are valuing their benefit packages more than ever and reaffirms the value of workplace benefits for employers' business strategy, especially for retaining employees. Eighty percent of employees surveyed obtain all health and disability insurance as well as retirement savings through their employer and 79 percent state that benefits are crucial for staying with a job.

"The goal of the Workplace Benefits Study is to measure the role employee benefits play in workplace satisfaction on an ongoing basis, and to highlight the need for employers to better understand how benefits contribute to the overall financial well-being of their employees," said Phyllis Falotico, Assistant Vice President, Group Marketing at Guardian. "The 2014 study

captures an interesting dynamic between the increased importance of workplace benefits for employees, the need for employers to better manage the costs, and the responsibilities associated with offering or accessing coverage -- from employer communications to employee education."

The Guardian study uncovers a growing disconnect between employers and their workers. Employers are seeking opportunities to shift more costs and responsibilities to their employees at a time when these benefits are becoming more critical to the workers' overall financial security and well-being. In fact, 47 percent of employers are planning to ask employees to bear a greater portion of their benefits cost in 2014 in anticipation of the enactment of the Affordable Care Act.

The study, which was conducted in September 2013, highlights employers' continuing struggle with both the ramifications of the changing benefits environment and how best to relay these changes to employees. Just over half of employers surveyed feel they've been successful in preparing for a post-health care reform era of benefits, but only 22 percent feel "well prepared" to discuss these changes with employees.

Amid uncertainty, many employers are also evaluating the advantages of outsourcing all or part of their benefits administration and enrollment functions. It may be easier and more prudent to use an external organization (carrier or third-party administrator) to apply the changing and complex benefits policies and requirements consistently across all of their employee groups than it is to try to continue managing with internal benefits staff. Increasingly, employers believe that outsourcing also will be more cost effective in this rapidly changing environment.

"The reality within the industry today is that employees are being asked to shoulder increasing responsibility for their benefits, so it's extremely important they have a solid understanding of their options and personal relevance of the benefits offered," Falotico said. "While the responsibility of benefits costs may be shifting, it's still essential for companies to ensure that

their employees have expert financial planning advice and a clear understanding of which workplace benefits are best for their particular situation. Our study shows that increasingly employers are seeking assistance in these areas from experts outside the company.”

The full research study, The Guardian Workplace Benefits StudySM, can be viewed in its entirety at [Guardian Anytime](#).

About the Survey

The Guardian Life Insurance Company of America conducted the Guardian Workplace Benefits StudySM to better understand American workers’ views on how employees perceive the value of their benefits, as well as how to best improve these perceptions.

This study presents some of the findings from two separate Internet surveys conducted concurrently in September 2013 among 1,704 benefits plan participants (“Employees”) and 1,007 employee benefits decision makers (“Employers”). Employee results were conducted among those age 22 or older who work full-time for a company with at least five employees. The Employer survey respondents included business executives, business owners, human resource professionals and financial management professionals. The survey covers all industries and is nationally representative of U.S. businesses with at least five full-time employees.

About Guardian

A mutual insurer founded in 1860, The Guardian Life Insurance Company of America (Guardian) and its subsidiaries are committed to protecting individuals, business owners and their employees with life, disability income and dental insurance products, and offer funding vehicles for 401(k) plans, annuities and other financial products. Guardian operates one of the largest dental networks in the United States, and protects more than six million employees and their families at 115,000 companies. The company has approximately 5,000 employees in the United States and a network of over 3,000 financial representatives in more than 80 agencies nationwide. For more information about Guardian, please visit www.GuardianLife.com.

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