How to Use Data To Increase Benefits Utilization Rates

Despite employers spending an average of 30% of total compensation on benefits, utilization rates often hover far below their potential. The gap between benefit offers and actual usage costs organizations talent, engagement and ROI.

With work environments across industries growing in competitiveness, employee benefits are more than just perks — they're essential tools for attracting and retaining top talent. From health benefits and paid time off to comprehensive retirement plans, well-structured benefit offerings significantly enhance employee satisfaction and overall workplace morale.

However, even the best benefits go unused if employees aren't fully engaged or informed. Leveraging employee benefits statistics and data-driven insights can dramatically improve utilization rates and drive stronger employee engagement.

Read on to explore how to use data to maximize your benefits program's impact. We cover practical tips for partnering with the right solutions provider, plus a guide for boosting awareness, usage and value across your organization.

What Is Employee Benefits Utilization?

Employee benefits utilization refers to how effectively employees use the benefits provided by their employer, such as health insurance, paid leave or retirement plans. Improving utilization through data-led strategies boosts employee engagement, maximizes return on investment and prevents wasting valuable resources within each company.

Over recent years, employee benefits have expanded to include more holistic offerings. From mental health support to financial wellness tools, the latest trends reflect evolving workforce needs. Benefits also encompass an employee's early work journey, where they typically enroll during the first three months. However, challenges such as a lack of awareness, confusing communication and poor digital access prevent employees from taking full advantage.

That's why designing an effective employee benefit program requires thorough research, strategic planning, integrated statistics and excellent administration to overcome these barriers in the pursuit of increased engagement, satisfaction and retention.

Which Benefits Do Employees Value Most?

Employee benefits trends have evolved in response to shifting workforce expectations, with growing emphasis on flexibility, mental well-being and financial security. According to recent labor statistics, 72% of employees in the U.S. have access to medical care benefits, reflecting the enduring importance of health coverage.

Workers increasingly consider core offerings like retirement plans, paid time off and comprehensive health coverage as deal-breakers. Employees are often willing to switch jobs for a more robust benefits package that combines, for example, an advantageous workplace benefit, a retirement plan, workplace wellness and unemployment insurance.

One key consideration for employers is to equally align benefits with the needs of a remote or hybrid workforce. These worker groups value flexible scheduling, wellness stipends, virtual health services and employee perks that are well-matched with work outside the office.

To stay ahead, employers must continually assess their offerings, ensuring they provide meaningful support across all employee segments. With rising expectations and an increased demand for more workplace transparency, offering competitive retirement plans, strong social security contributions and adaptive health benefits is essential to attract and retain top talent.

How To Leverage Data To Boost Benefits Utilization: A 6-Step Process

To improve employee retention and maximize the value of offers such as healthcare benefits, employers — including federal employee programs — must use targeted stats and insights to refine their benefits implementation, communication and management strategies.

A data-led approach empowers HR teams across industries to deliver more relevant and effective packages. Here's a six-step process to guide you:
Step 1 — Gather specific data on current benefits usage.
Step 2 — Analyze utilization trends across departments and demographics.
Step 3 — Identify gaps and evolving employee needs.
Step 4 — Update your benefits strategy to reflect your latest findings.
Step 5 — Communicate changes clearly and consistently with all parties involved.
Step 6 — Monitor and measure the benefits roll-out results to ensure impact. Ongoing evaluation is key!

8 Tips for Increasing Benefits Utilization Among Employees

Boosting benefits utilization leads to higher employee satisfaction and job retention. Here are eight practical tips to achieve better results:

Tip #1: Launch a data-driven benefits strategy to align offerings with employee needs. Consider an employee benefits survey to get a clearer sense of what’s happening on the ground.
Tip #2: Personalize benefits from the collected data to improve relevance and impact.
Tip #3: Implement targeted initiatives that promote wellness programs, retirement benefits and paid time off as required by the needs of a diverse, multigenerational workforce, where applicable.
Tip #4: Optimize your HR strategy to strengthen benefits administration and efficiency.
Tip #5: Improve communication across teams so employees clearly understand their leave benefits, wellness benefits and other resources.
Tip #6: Provide easy access to benefits through digital tools and automation for smoother engagement.
Tip #7: Make a comparative analysis within your industry to stay competitive with better benefits that appeal to job seekers.
Tip #8: Stay updated on global and market trends to anticipate shifts shaping the future of job satisfaction and workplace expectations.

Partnering With the Right Benefits Administration Provider

Choosing the best benefits administration partner is essential for successful, efficient benefits management. A well-suited provider helps streamline complex processes and increase employee engagement while ensuring your

benefits strategy delivers measurable results.

That’s where Aptia stands out. We specialize in end-to-end employee benefits administration, offering expert support and advice in the following key areas:

- **Planning** tailored to your workforce needs.
- **Implementation** with minimal disruption.
- **Management** and administration that ensure compliance and ease.
- **Effective communication** to boost employee understanding and satisfaction.
- **Evaluation** to track performance and identify improvements.

Amplify Your Employee Benefits Uptake With Data: Boost Workplace Retention

One of the most effective strategies for boosting employee benefits utilization is leveraging accurate, timely data to guide your benefits management approach. By using key employee benefits statistics and utilization trends, organizations can tailor benefits offerings to meet the real needs of their workforce.

This multi-level strategy ensures employees fully understand and take advantage of the compensation and coverage available to them. Employers, including small business leaders, don’t need to wait to make improvements — take immediate steps today. From auditing your current benefits usage to improving how you communicate your comprehensive benefits package, every action helps increase awareness and value.

Strive to align your benefits offerings with employee needs and industry benchmarks to foster stronger engagement and loyalty. A data-informed approach also ensures that your offerings remain part of a competitive benefits strategy, supporting a happier, healthier and more productive workforce. Contact the Aptia team to learn more about making your data work harder to increase your benefits utilization rates.

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