

Goldman Sachs Report Reveals Shifting Benefit and Compensation Trends

A new Goldman Sachs [report](#) analyzed workplace compensation and benefits to uncover how employers leverage offerings to attract and retain workers. Benefits continue to evolve to meet diverse workforce needs, and employers are trying to help employees combat inflation and rising health care costs.

Many workers are already financially stressed by inflation. As such, employers are considering strategies that alleviate financial concerns. When approaching benefits, companies are exploring ways to control costs and save on expenses, such as:

- Shopping around for medical plan carriers to find better rates
- Absorbing premium increases instead of passing them on to employees
- Increasing health savings account contributions

Additionally, the report found that companies have increased voluntary benefits for employees to differentiate themselves and better compete for top talent. Mental health benefits remain a leading benefit offering, and more employers are exploring ways to incorporate related initiatives into company cultures. In addition to mental health support, the most common voluntary benefits were group legal plans, personal accident insurance, critical illness insurance, identity theft protection and pet insurance. Notably, the offering of child and elder care assistance has grown 177% from 2020 to 2023. Overall, voluntary benefits can help protect

employees against unexpected expenses and promote their well-being.

“By actively addressing premiums and providing additional voluntary benefits focused on helping employees control costs, employers can create positive, real-time, bottom-line impacts.”

- Kathy Barber, vice president and head of corporate benefits and compensation, Goldman Sachs Ayco

Employer Takeaway

Forward-thinking employers are focused on helping employees navigate financial challenges brought on by inflation and high health care costs. As a result, many companies are enhancing their suites of benefits. Employees increasingly expect voluntary offerings to be part of a competitive benefits package. With open enrollment approaching, employers have an opportunity to thoughtfully design employee benefits that are meaningful and valuable to today's workforce.

Employers should continue to monitor employee benefits and compensation trends to make the right decisions for their organizations and employees. Contact us today for more information.