



MetLife's Mexico Employee Benefit Trends Study 2018

Creating a better workplace

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Better workplaces in Mexico

It has been five years since MetLife last conducted its Employee Benefit Trends Study (EBTS) in Mexico. Both the economy and employment practices have changed significantly since then.

Reforms have introduced more stable employment practices, with Mexico's high rate of informal jobs declining from 54.7% to 52.5% since 2012; financial inclusion is improving, in part thanks to the Prospera program; and growth is resilient.¹ But, says the Organisation for Economic Co-operation and Development (OECD), "[while] Mexico's most productive firms are performing well... the majority are still struggling to perform better."¹

Mexico also has a huge labor productivity gap between small- and medium-sized enterprises (SMEs) and large firms. Productivity in Mexican small businesses (10-19 employees) is only 34%, while the OECD average for companies this size is 55%.² For small enterprises (20-49 employees), it is 37% (OECD average of 73%), and for medium enterprises (50-249 employees), it is 46% (OECD average of 85%).² The largest companies in Mexico are raising productivity by 5.8% a year; at small enterprises, it is falling by 6.5% a year.²

As growth strengthens, motivating workers and driving productivity will continue to be a key priority for businesses of all sizes. This is a challenging mission, in part because their workplaces are becoming more economically and educationally diverse, and the goals and needs of their employees more varied.

Benefits have a big role to play in that mission. But the EBTS shows a gap between employers' views of work attitudes, health and wellness and those of their employees. This isn't new: in 2013, employers also overstated the levels of employee engagement. But the gap has now widened. While 66% of employees in 2013 told us that they place a high value on benefits for their financial security, retirement or healthcare needs, for example, the proportion has now fallen to 34% — lower than we've seen across other global markets such as 55% in the United Kingdom (UK), 51% in the United Arab Emirates (UAE), and 51% in Egypt.³

Employers can address the unmet needs of their multigenerational workforce and help them gain a vital sense of stability in their health, financial security and ability to balance home and work life. This report shows how these are now priority areas for employers hoping to build a better workplace and generate loyalty, engagement and productivity from employees.



Perception gap in the workplace widens

Employers can work harder to understand how their employees feel about the workplace

Percentage agreeing with each statement

	Employee state that they are		Employer state that their employees are	
	2013	2017	2013	2017
Loyal to the company	58%	60%	61%	78%
Satisfied with their job	71%	48%	73%	78%
Satisfied with their benefits	51%	29%	66%	73%

We all want better workplaces

Meeting diverse needs is already a priority amongst the majority of employers

Top reasons to offer employee benefits as reported by companies of the following sizes:*

	Small company	Medium company	Large company
Improving employee health and wellness	97%	92%	92%
Increasing employee productivity	88%	89%	92%
Satisfying the different needs of employees	93%	90%	94%

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

The evidence suggests great workplaces mean better returns

Increasing the perceived value of a benefits program affects employee engagement and commitment at work.

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 engaged they are 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 an 11% increase in employee engagement and commitment. That is slightly higher than Chile (10%), and comparable to markets such as Australia, the UK and the UAE.³

The values employees place on benefits is as effective as satisfaction with salary or even having a caring boss. The analysis shows that improving an employee's sense of value in their benefits makes 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 are strong predictors of productivity growth.

“I place high value on the benefits provided by my employer for my financial security, my retirement, and my health care needs” correlates to an

11%

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Chapter 1

A tipping point for workplace wellness

Mexico is high on global lists for preventable lifestyle illnesses, meaning there is much they can do to improve public health. Yet despite heavy public investment in health, out-of-pocket spending remains almost 50% of total health spending in Mexico — the highest in the OECD.¹ That means there is a huge opportunity for companies to enhance the lives of their employees, by addressing both acute health needs and ongoing wellness.

Today, employers around the world understand that healthier, less stressed employees offer more at work and they are seeing day-to-day improvements in work quality, engagement and productivity. Therefore, wellness is a huge workplace issue.

The “wellness movement” has accelerated in Mexico, too. 93% of employers now say that encouraging employee healthy behavior is an important goal for offering benefits. 70% of employers in Mexico say they offer wellness initiatives. In Brazil, it's just 48% and 60% in the UAE.³

Current wellness initiatives are making an impact on employees in Mexico: 92% of employees who have participated in wellness programs say they had a positive health impact. These employees show higher levels of engagement than those who haven't participated in wellness schemes.

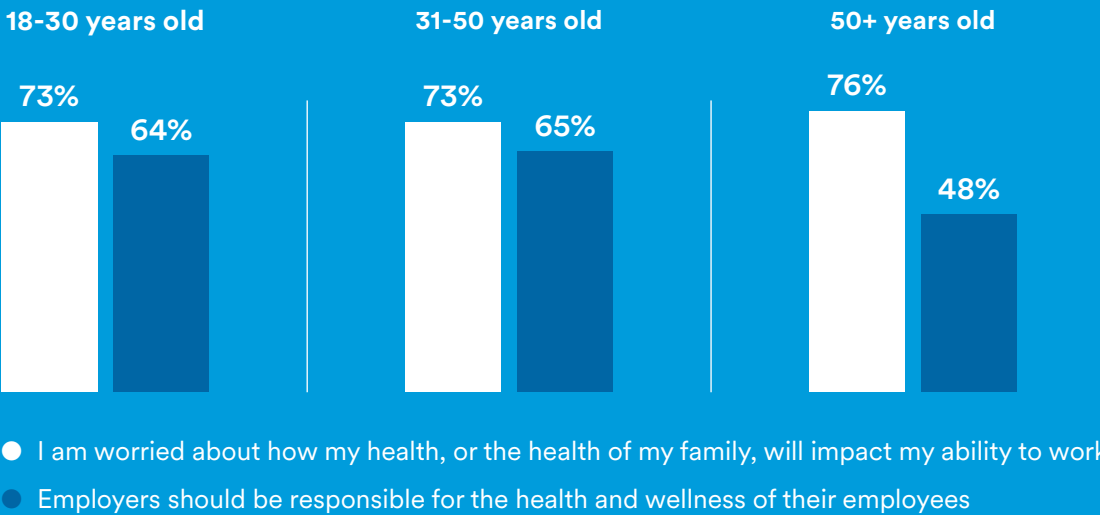
The challenge? Despite positive momentum, employers and employees are misaligned on their wellness priorities. While 73% of companies say they are satisfied with the wellness benefits given to workers, 29% of employees state they are satisfied with the specific wellness options provided at their workplace, especially amongst smaller companies (19%).

There is opportunity to differentiate wellness offerings by rolling out targeted programs. As with any benefits on offer, the key is to understand the employee population, then target high-impact measures — whether they're physical, mental or social programs.



Employees already have “wellness” in mind

Health and wellbeing are no longer a purely personal matter. Employees expect a “well workplace.”



Healthier workplaces increase retention

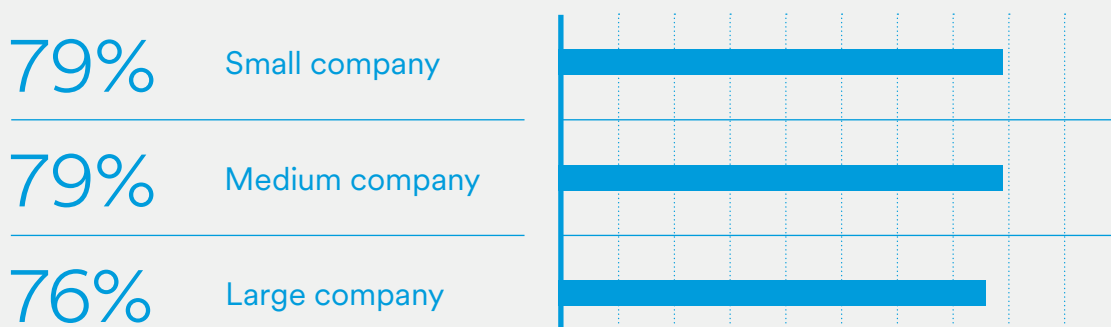
Participation in wellness programs delivers higher levels of satisfaction, loyalty and productivity.

	Participated	Did not participate
I am satisfied with the job that I have now	75%	50%
I am loyal to my employer	81%	63%
I feel both physically and mentally able to do my job	83%	71%

Employers can target benefits or lose the gains

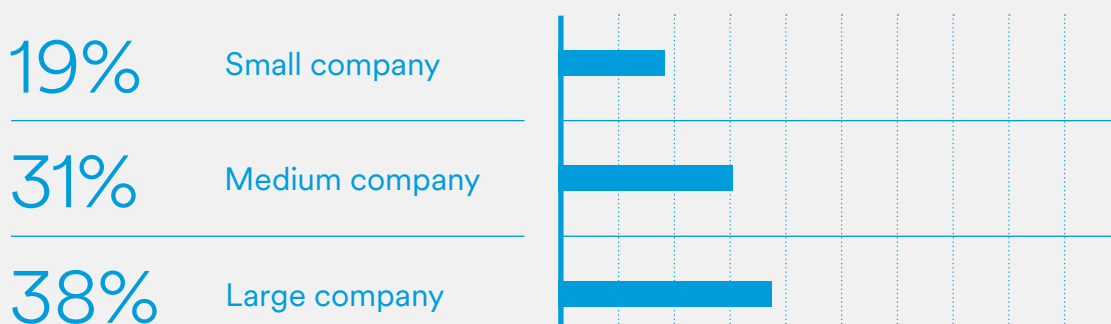
Employers report high levels of contentment with their programs.

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



But employees, especially at smaller companies, state they are less satisfied with the specific wellness offerings.

I feel satisfied by the programs provided by my employers.



Chapter 1 – Part 1

What is the wellness need?

Understanding employees' top health concerns is a useful way to help target wellness programs that boost productivity and bring down healthcare costs. Mexico ranks as the second most obese nation in the OECD; almost 1 in 6 adults are diabetic.⁴ So it's of no surprise that both employers and employees rank lifestyle diseases as one of their top five health concerns.

Cancer is a big concern among employees. Stress is also cited as a top-three concern by 21% of employees, but 47% of employers rank it as their top most health concern, perhaps because mental wellness has a more apparent connection with workplace performance.

As the workforce diversifies and ages, the importance of broad wellness offerings will increase. Older workers in Mexico may face different health challenges such as diabetes, heart disease and more acute conditions, than younger people, where stress is a bigger concern.

Healthcare costs should drive wellness

One of the big drivers of workplace wellness is downstream health costs.

90%

of employers agree that managing health costs for employees is a major reasons to offer benefits

36%

of employers are challenged by the increased health care costs

The wellness gap: employees fear sickness

Employee concerns vary by age, which highlights the need to understand the mix of needs in the workplace.

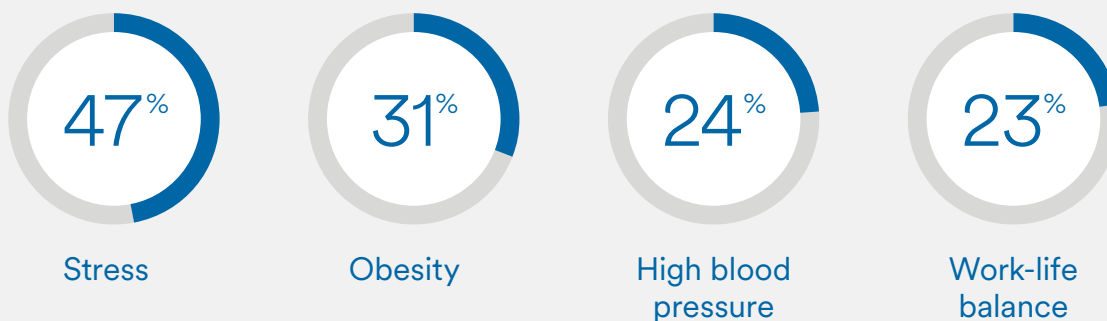
“What are the four health issues you are most concerned with?” — percentage of respondents listing the condition in their top four health issues.

	18–30 years old	31–50 years old	50+ years old
Cancer	62%	63%	48%
Diabetes	45%	47%	52%
Heart disease	41%	45%	48%
Stress	26%	22%	7%

The wellness gap: employers focus more on productivity

Employers focus on stress, but only as part of a broader health and wellness program.

“What are the most serious health concerns for your employees?” — percentage of respondents listing the condition in their top four.



Chapter 1 – Part 2

Tailoring wellness for maximum impact

The one-size-fits-all approach to wellness is obsolete. According to our study, it seems that a good wellness program lets employees choose the benefits most appropriate for them. This could include education and awareness, prevention and screening, behavioral change and, as necessary, health interventions.

An awareness program may be a good place to start. Our data suggests that 72% of employers in Mexico say that they offer health information sharing schemes and 71% say they offer women's health awareness programs. That's about the same as the figures in Brazil, and much higher than Chile (where only 56% of employers offer women's health awareness schemes).³

Then things get more complicated. Our data shows awareness programs are nice to have and inexpensive to run, but not high on employees' wish lists. For example, there is high demand for benefits such as cancer screening, on site medical clinics and gyms — all more costly, but potentially much more effective at delivering against business objectives.

Note that a majority of employers in Mexico claim to offer some kind of preventative care (for example, cancer screening or chronic illness management) and behavioral change programs (for instance, around nutrition or gym subsidies). They target each employee's specific needs; and the EBTS shows that they are high on the employee's wish list.

But there is a significant gap between the number of employers claiming to offer these schemes and employees reporting them. That suggests an issue in communication design or delivery. Either the programs are not promoted well enough, are too limited in scope, or are poorly designed. Either way, there's room for improvement.

Prevention is better than cure

Is your company offering information and programs to help employees stay healthy?

50%

yes, but mostly
just information

45%

yes, extensive
programming

5%

no information
is shared

But company size makes a huge difference: “extensive programming” was evident in just 31% of small companies, 44% of medium companies, and 66% of large companies.

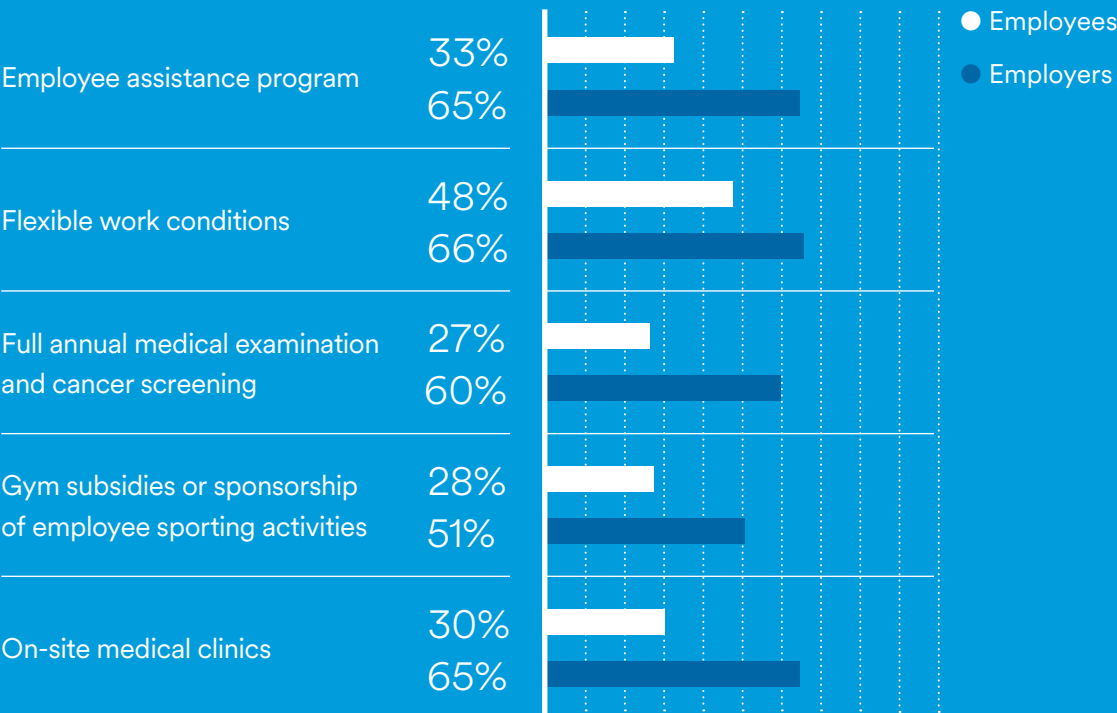
Employees want action, not words

How interested are you in these programs? Note the difference in age groups maybe further evidence that knowing the unique characteristics of your workplace is crucial.

	Employee interests		
	18–30 years old	31–50 years old	50+ years old
On-site medical clinics	40%	39%	29%
Full annual medical examination and cancer screening	49%	49%	57%
Gym subsidies or sponsorship of employee sporting activities	36%	33%	32%
Employee assistance programs	22%	26%	25%
Nutrition and weight loss programs	26%	32%	33%

The great mismatch: who is missing out on wellness?

We asked employees whether these programs were offered and employers whether they made them available. We found a discrepancy in the answers. But are schemes overly limited or just poorly communicated? Either way, an opportunity is missed.





Chapter 1 – Conclusion

Each employee has unique health and wellbeing needs, which evolve over time. A smart benefits program respects this diversity. Meeting a range of needs will make your benefits program more effective.

Supporting healthier living through a program that allows employees to select which benefits are right for them not only delivers a healthier, more engaged workforce. It also seems to bind employees to their employer.

- **Survey** your employees' health needs as the best wellness programs are tailored.
- **Demonstrate** that employee wellness is a priority by promoting one or two programs that sit outside existing (acute) health insurance schemes.
- **Offer** an annual medical and cancer screen which seem to be the most in-demand extra, which also helps head off more serious acute conditions.

Chapter 2

Financial wellness underpins a settled workplace

In today's rapidly changing economy, employees report feeling less in control of their finances than ever. The proportion of employees in Mexico who feel in control of their finances has dropped from 55% in 2013 to just 38% in 2017, despite the turnaround in the local economy. In the latest EBTS survey, 39% of employees said they are living payday to payday.

Make no mistake, this is a workplace issue: 41% of employees in Mexico have taken unexpected time off in the past 12 months to deal with a personal financial issue. That's more than the UAE (39%), Australia (31%), Brazil (15%), and the UK (13%).³ Employers in Mexico understand this is a problem: 87% claim that helping employees make better financial decisions is a very important benefit goal.

EBTS reports around the world have consistently shown that financial stress, such as living paycheck to paycheck, struggling to meet bills, being unable to pay for unexpected setbacks or retirement, hurts productivity and has a huge impact on employees' ability to focus at work.

Employers could create a better workplace by building employees' sense of security beyond the paycheck. Help them understand the value of the benefits they already receive and use them as a foundation to build financial education, smarter savings and well-rounded pensions.

A close-up, profile view of a middle-aged man with a grey beard and mustache, wearing a white hard hat and a blue button-down shirt. He is holding a black tablet with both hands and looking intently at the screen. The background is dark and out of focus, suggesting an industrial or construction setting.

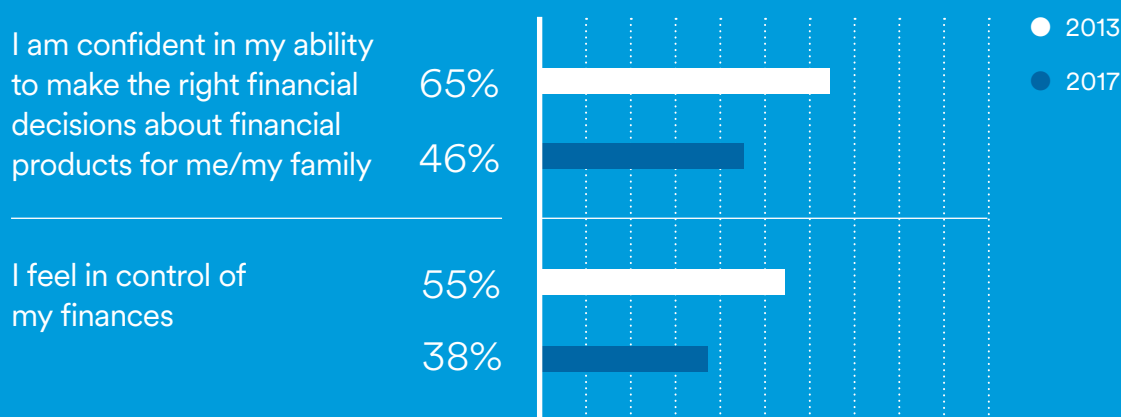
What is financial wellness?

Financial concerns impact all areas of employees' lives, including their productivity at work. Financial wellness is the state where an individual can successfully manage day-to-day finances, protect against unplanned expenses and plan and save for the future. By investing in financial wellness, employers can help their workforce become more engaged and productive.

Opportunity to increase employee confidence

Financial uncertainty and instability are growing — right when the Mexican economy needs the reverse.

Percentage of employees agreeing with the statement



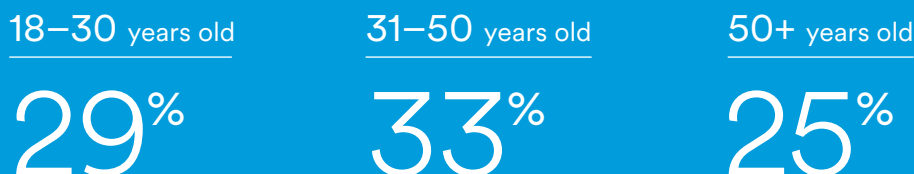
Financial stress hits your best and brightest

Financial worries impact employees' productivity. This is markedly worse for the under 40 who often face the financial burdens of caring for both children and parents.

Taken unexpected time off in the past 12 months



I am more distracted at work because of financial worries



Uncovering the real financial worries

Financial wellness is a fast-maturing discipline. It includes a number of specific intervention types that can be packaged as employee benefits. 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 which is a key area as life expectancy grows higher.

These can be offered as part of a flexible benefits package to address employees' diverse financial priorities. But the risk is that employers leap to these interventions without knowing what is needed. While only 27% of employees agree with this sentiment, 75% of employers in Mexico think they understand employee financial pressures, which is higher than markets like the UAE (70%), Brazil (51%), and Australia (45%).³

Employers should be clear on what employees need before they design any type of benefits programs as these needs would differ hugely between those entering the workforce, between young parents and those nearing retirement or any other segment.

Positioning existing benefits, particularly enhancements to medical and life coverage, as a means of offsetting employees' financial worries around healthcare and retirement could result in productivity gains for employers. Then adding in specific financial wellness programs, such as planning, budgeting and forecasting tools, may also serve as excellent low-cost additions to the benefits package.

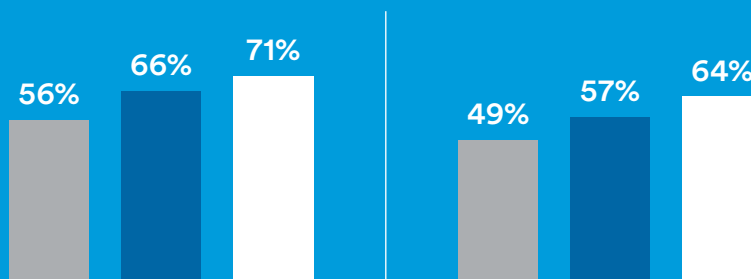
Employees are explicit: they want help with finances

Both for retention and particular for recruitment, benefits that explicitly tackle financial security are now in demand.

I'm interested in having my employer provide access to financial tools to aid decisions about all financial needs

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

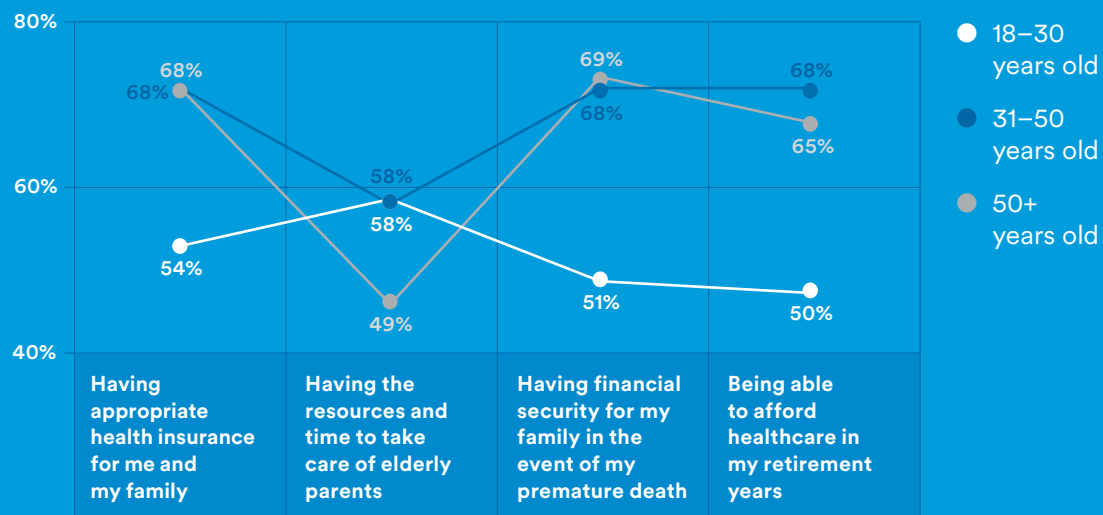
- Small company
- Medium company
- Large company



Financial worries shift dramatically with age

As with other benefits, financial wellness must be tailored to employees' life stage, priorities and family circumstances.

Percentage in each age group saying the issue is "important":



Help employees save for retirement

The state pension system in Mexico has relatively low coverage; contributors to social security in Mexico represented only 27% of the population of working age.⁵ The good news is that employers in Mexico understand that retirement provision is an important part of their benefits strategies. Nearly 80% told us they feel a responsibility to help employees have enough money in retirement.

An average of 82% of employers in Mexico state that they offer some kind of a savings plan, or a pension scheme. Nevertheless, only 31% of Mexican employees consider themselves “on track” to meet their retirement goals.

This presents an opportunity for employers to find out why 58% of employees are not saving for retirement or are somewhat/very far behind their savings goal, and design stronger schemes to address their challenges with retirement planning.

A smart benefits program will include elements such as auto-enrollment and behavioral “nudges” to boost savings. These newer techniques make this a fertile area for financial wellness, especially as the legislated minimum contributions fall way short of most people’s projected pension needs.

There are other options to address financial security. Incidental savings schemes, for example, that are designed to be simple and flexible should address employees fears around access to funds in advance of retirement, as well as their concern at overly complex onboarding or admin.

Employers who help take away the stress of retirement planning and of meeting unexpected expenses can secure significant additional engagement levels.

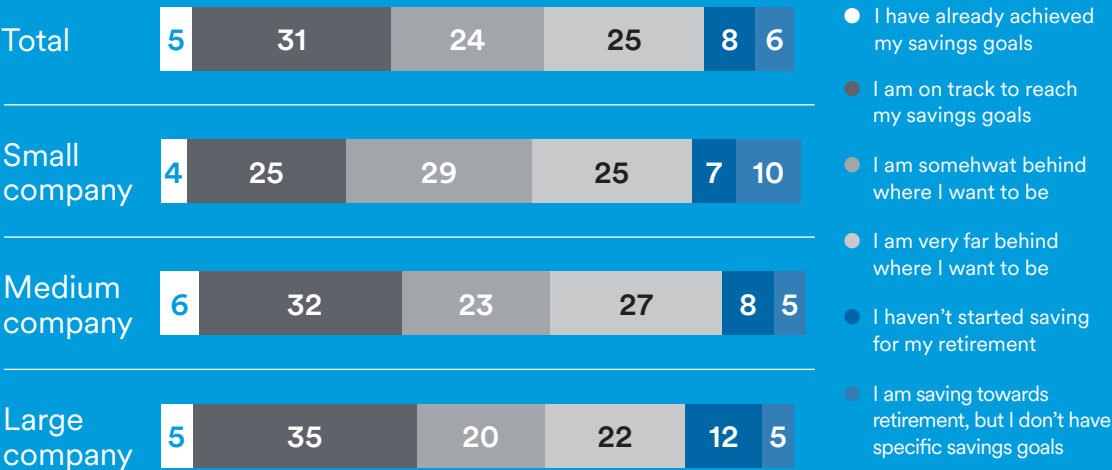
Employees want your help — especially about retirement

Employees expect to receive financial advice. Employees under 30 show high appetite for online decision support tools while older workers seem more keen on personalized consulting.

	18–30 years old	31–50 years old	50+ years old
Personalized retirement advice	53%	61%	71%
Financial calculators/decision support tools	42%	41%	31%
General retirement advice	40%	41%	44%

How can you build a future without a present?

Only around a third of employees feel happy about their progress towards retirement and the situation is worst in smaller companies. Don't let the third of employees without a plan or who feel way behind turn into a lost cause.



Make it easier for employees to save

Making it simple and cost-effective to save is a key objective. Employers must understand what holds employees back before they design a program.

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



Better communication

In every market we've surveyed, we found satisfaction with benefits tends to rise considerably when a scheme is well communicated. In Mexico, communication could be an important factor that can help employees better plan and act for the future.

The evidence from our study suggests there's room for improvement. Almost 80% of companies in Mexico state that they offer financial education tools, but only 25% of employees agree that their employer provides adequate information and tools that they can make use of.

What's most alarming is that there is a significant perception gap as it relates to the effectiveness of benefits communication, both on the employer and employee side. While 77% of employers rate their benefits communication as effective to educate employees about their benefits programs, only 51% of employees agree.

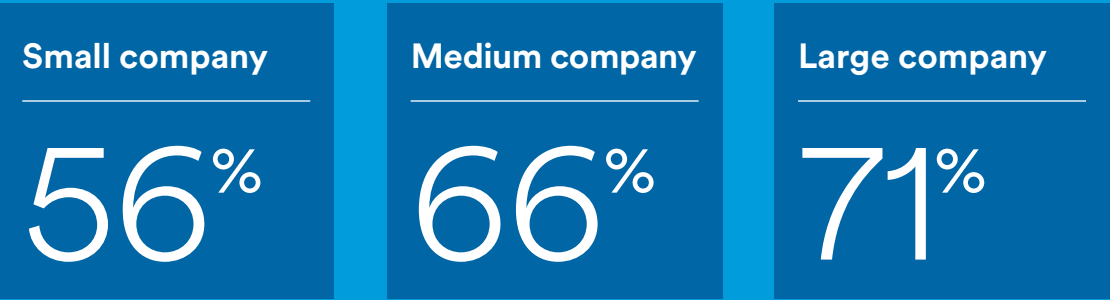
Moreover, only half of the employees told us that their employers tailored benefits communications based on their own life stage. Tailored benefits communications should be a focus for employers especially around age-sensitive issues such as retirement.

So, how can employers leverage communication? Our study shows that 77% of employees suggest one possible way is by making communication personally relevant to them.

If employees are unaware of the financial planning tools or the saving benefits their employers offer, or don't know how best to access them, it is not surprising if their attitude toward employers generally (and their employer specifically) is lower than it should be.

Employees want to be able to help themselves...

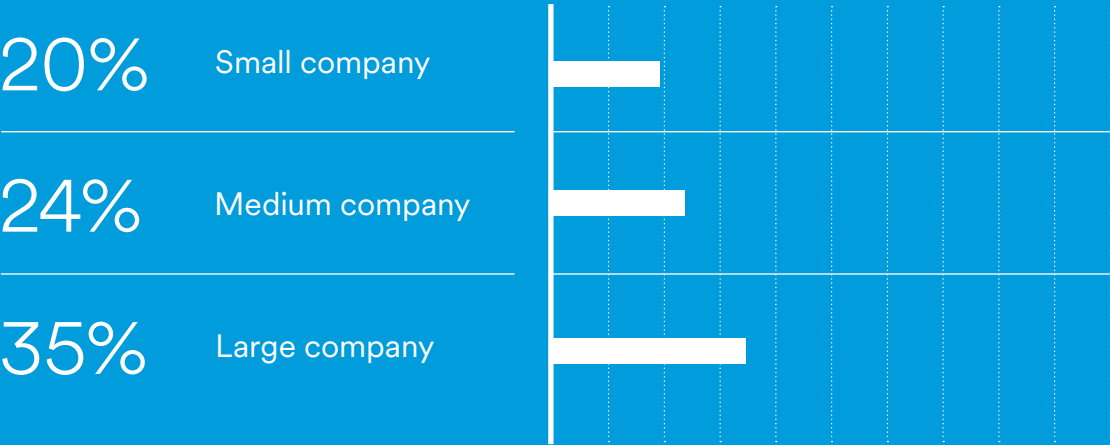
I am interested in having my employer provide me with access to financial tools to help me make decisions about all my financial needs.



...but employers need to speak more clearly

Right now, communication seems relatively poor. Improving communication around all benefits can be a huge boost to their effectiveness; in financial wellness, it's absolutely central to their function.

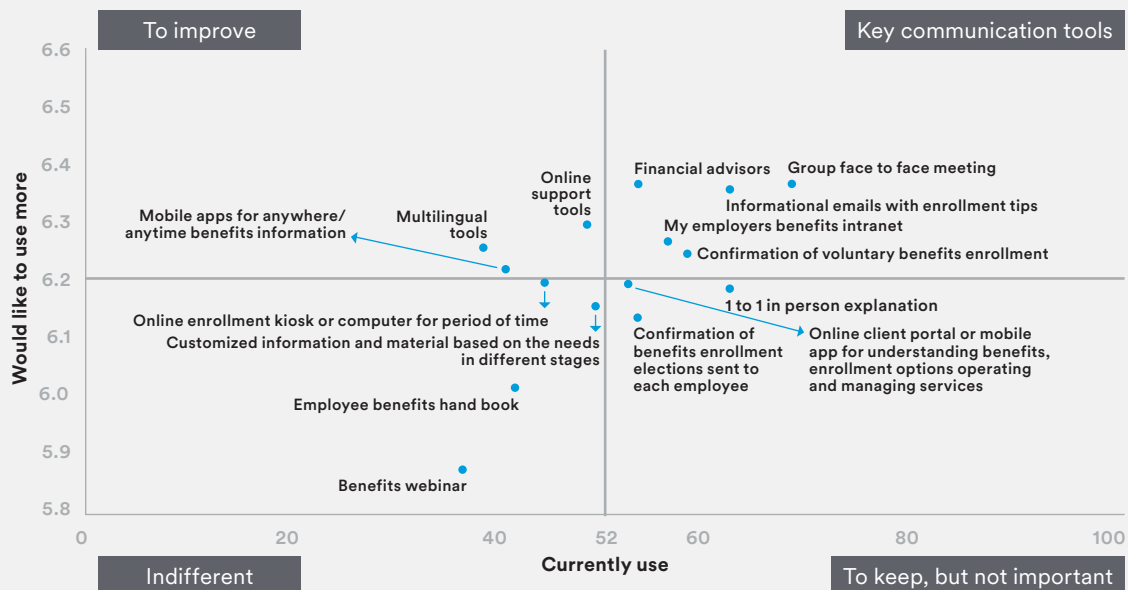
My employer provides adequate information about financial planning/savings/retirement and tools that I can use.



Fine-tune your benefits communications

As with all benefits decisions, employers should tailor their approach to communications around their own employees' preferences. But employer respondents to the EBTS provide valuable insight into what is working for them — insight that can directly shape financial education and awareness.

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



Chapter 2 – Conclusion

Employee perceptions of the financial value of their benefits are often lower than employers think.

Communicating this value, in part to raise engagement, but also to promote a greater sense of financial security, might also help employees think about the other dimensions of their financial wellness.

Companies can build employee self-confidence and ability to plan and save in ways that help employees feel more secure, as well as more loyal and motivated, leading to a better, more stable workplace.

Chapter 3

Feeling whole at work

The debate about work-life balance is nothing new. But today's employees have increasingly complex needs. Changes in society, such as the growing labor participation by women in Mexico, from less than 40% for 25-54-year-olds in 1991 to around 55% by 2015, must also be reflected in workplaces.¹

The 2017 OECD economic survey highlights the need to create workplaces that are more flexible to encourage more women into the workforce, and improve their access to more formal and higher-paid jobs.⁶ But it also notes in its well-being indicators that Mexico lags behind its OECD peers (such as Chile, Poland and Turkey) on work and life balance.

Employers who want their employees to be more productive and engaged should try to help make work-life balance more accessible, ensuring their people could feel more whole in the workplace. This could help improve productivity and talent retention within a business and help address broader barriers to Mexico's continued economic growth.

One solution may be flexible and customized benefits packages. Generic benefits around health or life cover are valuable to everyone. But parental leave benefits, home-working or childcare vouchers can target specific needs of new parents, for example, securing their talent and winning their loyalty.

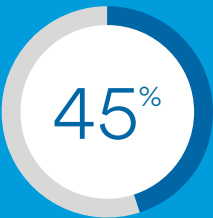
We found that 88% of businesses in Mexico already offer some choices to help employees create balance in their lives. It's time to build on that, creating workplaces that deliver the whole package.



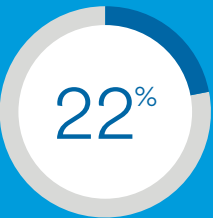
An optimized work environment helps with retention

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

Salary



Promotions



20%

cite improved life quality is a reason they would stay

remain the top drivers of loyalty among employees planning to change employers in the next year

Wholeness works across the workplace

As in other areas, we see some difference across age ranges. But flexible working seems to be a big motivator across the workforce.

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 customize my benefits to meet my needs	58%	65%	71%
Ability to shift my work days hours as necessary	68%	71%	72%
Ability to work from home or remote locations	56%	57%	63%

Provide flexible benefits that matter

Evidence suggests that long work hours may impair personal health, and increase stress. In Mexico, almost 30% of employees work very long hours, one of the highest levels in the OECD, where the average is 13%.¹

It's no wonder we've seen a significant drop amongst employees across companies, of all sizes, who stated it's easy to balance work and life over a period of five years. Employers have the opportunity to bridge this gap by shifting towards more formalized flexible working conditions.

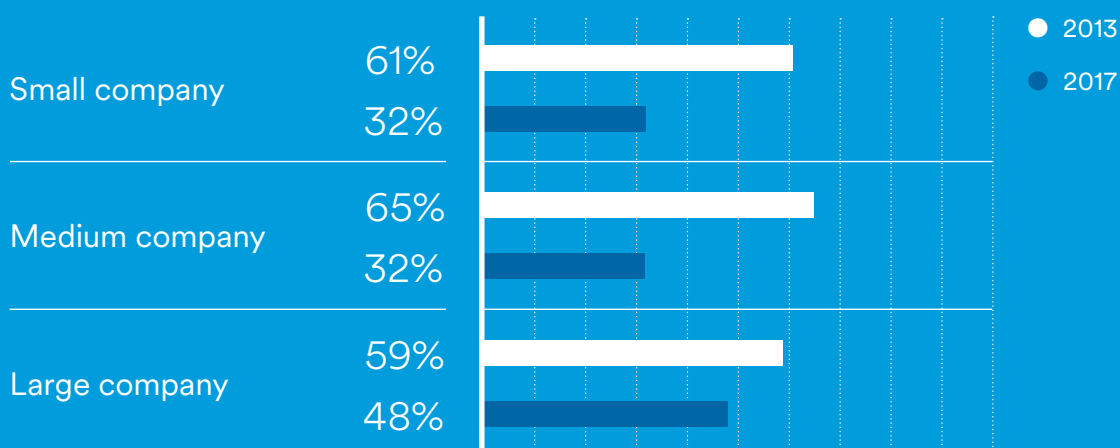
That means benefits, such as working from home or flexible work hours, could be a great starting point for work-life balance in a menu of customizable benefits. Importantly, making these policies part of a flexible benefits package could increase their use. And if they are deployed carefully as part of an integrated benefits platform, they increase engagement and productivity at little or no cost.

Companies (want to) deliver balance to employees, but many struggle



of Mexico's employers say providing employees with benefits designed to better balance work and personal lives is an important goal for their benefits program. (This is one of the highest stated goal alongside encouraging healthy behavior.)

But when we asked employees if they agree if their employer makes it possible for them to balance their work and personal life, less than 40% agreed with this sentiment.



We can go beyond “traditional” flexible work

Most employers in Mexico create some flex around work, but while the opportunity to earn bonuses is usually welcome, overtime seems to simply flex employees towards work, not towards balance. Note Mexico is ahead of Brazil on true flexible working and wellness, the other component of a “whole workplace”, but all major countries in Latin America lag on working from home:

Companies offering flexibility³

	Mexico	Brazil	Chile
Bonuses	90%	48%	91%
Overtime	73%	83%	91%
Flexible working	70%	42%	84%
Working from home	28%	29%	33%

Help employees find their ideal balance

More women. An aging population. More people with chronic health conditions and younger people with fresh expectations about living “whole” lives.

This diversity places significant demands on those designing a better workplace. A benefits package ideally suited to a middle-aged manager with kids might mean nothing to an energetic 25 year-old whose true passion is sport.

We can benefit from flexible platforms that allow employers to serve all these unique needs, ensuring each employee can find the perfect balance that keeps them engaged and committed to their employee.

Voluntary benefits, where employees can choose additional benefits, often subsidized through the employer, open the door from a financial standpoint. And both employers and employees in Mexico seem to be open to this idea.

We found 78% of employers in Mexico see a wider array of voluntary benefits as an important benefits strategy as compared against 68% in 2013. The proportion of employees very interested in voluntary benefits has risen from 54% in 2013 to 63% in 2017.

There is a sense that people now want to take charge of their own destiny, such as balancing their work and home life, building a sense of financial security and meeting their unique life needs. The emergence of new technologies to support the administration and communication of voluntary and flexible benefits has been a key enabler of this development.

With a customized benefits plan, simple buy-up options, and a thoughtful enrollment plan with voluntary benefits can deliver perceivable business value.

Voluntary benefits add value

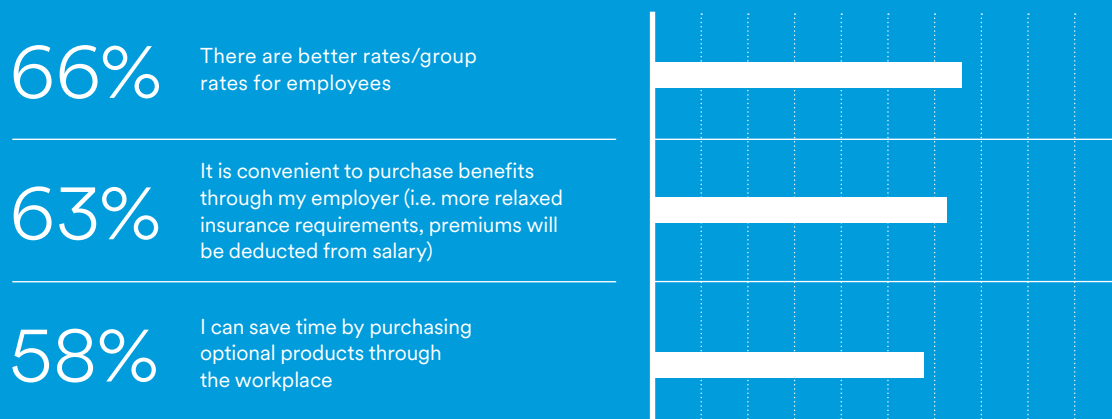
A high proportion of employers now agree: voluntary benefits add value in the modern workplace, and are a cost-effective solution to their benefits challenges.



Benefits offered by the workplace are trusted by employees

A better workplace provides benefits that responds to employee needs and drives them to achieve more. Employees trust their employers to help them attain balance in their lives and many will happily pay for the right benefits.

Please rate your agreement with the following statements about your interest in purchasing benefits products at your workplace (percentage of employees who strongly agree)



They want choice, and are willing to pay

Regardless of life stage, there seems to be a growing appetite among employees for in-work flexible benefits (even with co-payment) rather than cash to purchase cover age independently.

	Married	Co-habiting	Single	Divorced/ Separated
I am interested in my employer providing a wider array of benefits I can choose to pay for on my own	68%	65%	54%	66%
I would prefer my employer give me an amount of money to purchase all of my coverage outside the workplace	39%	27%	34%	29%

Empowering employees in a better workplace

Employers who are skeptical about voluntary and customizable benefits seem to be in the minority: 75% of employers in Mexico told us they agree that “voluntary benefits are a cost-effective way to meet the diverse needs of employees.” Equally important, we discovered that many employees would be happy to split the costs of benefits they value.

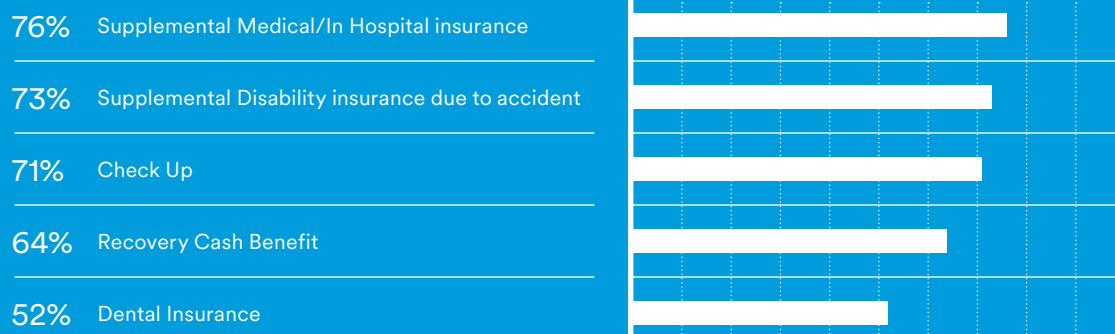
63% of employees say they would choose to purchase benefits through their employer if they were given a wider variety, and 50% say that having customized benefits would increase their loyalty to their employer. These are particularly important findings when we consider that many employers are planning to offer benefits that aren’t high up their employees’ wish lists. They’re overlooking some highly sought-after financial security options, for example, and enhanced medical benefits that might be a powerful tool in boosting employee engagement.

It seems that 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, underscoring that employees are willing to pay more to get customized benefits.

The field is broad for voluntary cover

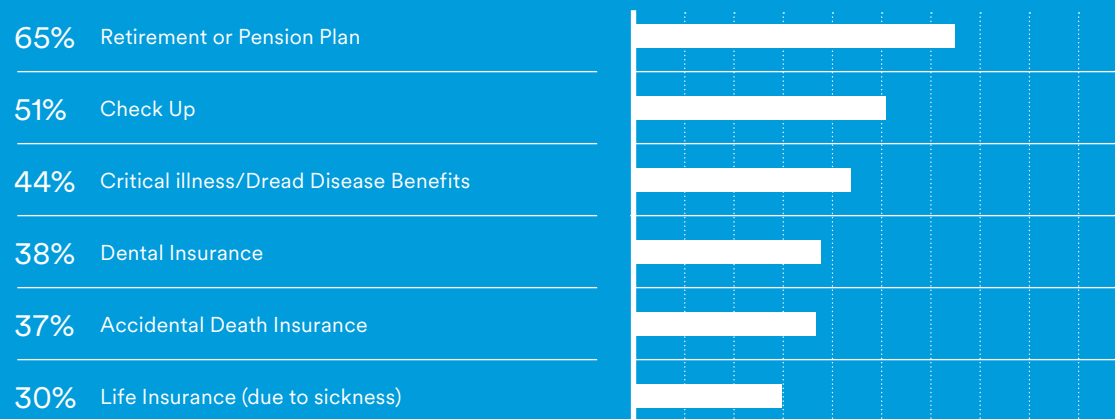
No one type of voluntary benefits dominates — it's a reminder that employees, given the choices enabling them to balance their lives, have very diverse needs.

If your employer provided the following benefits, how likely would you be to buy them if you shared the cost of the benefits with your employer?



Growing appetite to offer voluntary benefits

We asked employers what voluntary benefits they plan to offer in the next three years and the responses showed overlap with the employee “willing to pay” list. But there is room for refinement and expansion:



Chapter 3 – Conclusion

We learned that many Mexican employers have designed smart, comprehensive benefits programs that address a wide range of concerns.

Whether that is supporting family life after a new birth, moving home, preparing for retirement or simply working around their home needs, companies that could target individuals with the flexibility and tailored benefits may see higher levels of employee engagement, loyalty and drive, and better returns from their overall investment in benefits.

- **Working from home** can be a more common benefit. It may not be for every role, but if employees who maintain their output could receive the choice.
- **Flexible hours** and days can promote balance. Employees with caring roles (for children or parents) may attach huge value to flexible working conditions.
- Promote flexibility when **recruiting** as it appears to be a significant draw for employees.
- Offer part-paid **voluntary benefits** as there is an appetite even with co-payments, reducing costs of flexible schemes.
- Insist your provider **tailor communications** to boost the value employees see in benefits that are offered.



Insights and recommendations

In a better workplace,
employees value
their job more highly
because they are treated
as individuals.

Companies in Mexico are looking for both productivity and the right talent. They need ways to serve diverse employee needs and tailor their engagement levels to individuals at the same time.

Of course, every business must set its own agenda. Your workplace culture will be unique. But we saw that healthy, less-stressed employees who feel able to balance their work and home life tend to be more engaged and more productive and above all, more loyal.

At the very least, employees with skills that are in high demand can be catered to with these modern approaches to tailored benefits provision. But increasingly, flexibility and a focus on all-round well-being matter for every employee.

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

Allow flexible working arrangements — Given the emphasis that workers place on striking the right balance between their personal and professional lives, employers can go a step further in understanding the lifestyle concerns of their staff. Even though employers claim that they provide flexible conditions, employees express low satisfaction with these type of benefits, so there's opportunity for improvement.

3

Rethink benefits customization — We have found increasing interest in a variety of tailored benefits within Mexico. Fortunately, this has been matched with a growing willingness by employees to fund their own benefits in order to address their unique life goals and situation. Delivering customized benefits at the workplace now seems to be a must-have, rather than a nice-to-have.

4

Revitalize your benefits communication — Both employers and employees see room for improvement in communication around benefits, so companies that master communication across a variety of channels will drive a higher level of staff engagement. While 80% of employees rate personal, face-to-face communication as the most useful platform, it could be a more effective tool if integrated with a mixture of digital channel and personal, face-to-face communication.

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 Mexico 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	58%	50–99	100–999	1,000+
Female	42%	21%	60%	19%
Geography		Type of company		
Ciudad de Mexico	53%	Local	Regional MNC	Global MNC
Guadalajara	22%	63%	23%	15%
Monterrey	17%			
Other (Mexico)	8%			
Headquartered		Industry		
México	88%	Manufacturing		15%
United States	11%	Services		15%
Europe	4%	Retail		14%
Chile	2%	Construction		11%
Other	3%	Technology, software, and services		8%
		Wholesale		7%
		Pharmaceutical/Biotechnology and life sciences		6%
		Transportation, communications, electricity and health services		6%
		Other		5%
		Finance, insurance, and real estate		5%
		Fast Moving Consumer Goods		4%
		Tourism		2%
		Agriculture, forestry, and fisheries		1%
		Mining		1%
		Petroleum and natural gas		1%

Employees

Gender	
Male	60%
Female	40%

Age		
18–30	31–50	50+
36%	49%	15%

Marital status	
Married	49%
Co-habiting	15%
Single	27%
Divorced/separated	8%
Other	1%

Company size (number of employees)		
50–99	100–999	1,000+
33%	40%	27%

Tenure in job	
Under 1 year	8%
1–2 years	23%
3–5 years	30%
6–10 years	17%
11–15 years	11%
More than 15 years	11%

Roles	
Department manager	21%
Operator/worker	21%
Service specialist	18%
High level individual professional contributor	10%
Sales staff	9%
Other	9%
Director	6%
Manager of a company	4%
Senior management	2%

Industry	
Services	20%
Other	16%
Manufacturing	13%
Technology, software, and services	13%
Finance, insurance, and real estate	8%
Construction	7%
Retail	7%
Education	6%
Transportation, communications, electricity and health services	6%
Pharmaceutical/Biotechnology and life sciences	5%

Unless otherwise noted, data and statistics are sourced from the MetLife Mexico Employee Benefit Trends Study, a comprehensive study of employee and employer attitudes across four cities conducted in Q3 2017.

1. OECD, "OECD Economic Surveys: Mexico," January 2017
2. OECD: Mexico Policy Brief, "Economy: Raising productivity in small traditional enterprises," January 2017
3. Data and statistics are sourced from MetLife's Employee Benefit Trends Study developed in Australia (2017), Brazil (2018), Chile (2018), Egypt (2015), the UK (2017), and the UAE (2017).
4. OECD, "Obesity update," 2017
5. Funds Society, "Second Afores National Convention and the 15th FIAP international seminar: Bank of Mexico's Governor," November 2017
6. The MAXIS Global Benefits Network ("Network") is a network of locally licensed MAXIS member insurance companies ("Members") founded by AXA France Vie, Paris, France (AXA) and Metropolitan Life Insurance Company, New York, NY (MLIC). MAXIS GBN, registered with ORIAS under number 16000513, and with its registered office at 313, Terrasses de l'Arche – 92 727 Nanterre Cedex, France, is an insurance and reinsurance intermediary that promotes the Network. MAXIS GBN is jointly owned by affiliates of AXA and MLIC and does not issue policies or provide insurance; such activities are carried out by the Members. MAXIS GBN operates in the UK through UK establishment with its registered address at 1st Floor, The Monument Building, 11 Monument Street, London EC3R 8AF, Establishment Number BR018216 and in other European countries on a services basis. MAXIS GBN operates in the U.S. through MetLife Insurance Brokerage, Inc., with its address at 200 Park Avenue, NY, NY, 10166, a NY licensed insurance broker. MLIC is the only Member licensed to transact insurance business in NY. The other Members are not licensed or authorised to do business in NY and the policies and contracts they issue have not been approved by the NY Superintendent of Financial Services, are not protected by the NY state guaranty fund, and are not subject to all of the laws of NY.
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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 39 markets and holds leading market positions in the United States, Japan, Latin America, Asia, Europe and the Middle East.

It is also one of two founders of the MAXIS Global Benefits Network, one of the world's leading providers with a presence in nearly 125 countries.⁶

For more information, visit www.metlife.com.

MetLife Mexico⁷

MetLife has been present in Mexico in different guises for 80 years – launching formally in the country in 1992, and consolidating operations as MetLife Mexico in 2003. It is the number one insurer of people in the country, winning the trust of more than 10 million policyholders; it makes around 1.5 million payments to customers each year.

MetLife has five service centers, nine branches and more than 400 service points throughout the Republic. We have more than 1,200 employees and more than 8,000 insurance agents in Mexico, offering group and individual life insurance, medical expense insurance, as well as retirement savings and investment products.

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).

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