



## News Release

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### **Employees Take Action to Curb Concerns Over Financial and Job Security: Deloitte Study**

*Employer and employee interests align around health, responsibility, and cost reduction*

**NEW YORK, Feb. 25, 2010** — New research from Deloitte and the International Society of Certified Employee Benefit Specialists (ISCEBS) “[2010 Top Five Total Rewards Priorities](#),” indicates some employees, motivated by financial concerns and job security, are getting their financial houses in order while participating in wellness and disease management programs more frequently. Simultaneously, the research indicates employers, faced with annual rising health care costs, are increasing emphasis on disease management and wellness programs designed to reduce costs. This is the strongest alignment of employer-employee interests in the Deloitte/ISCEBS survey series to date, demonstrating a shared focus on health, responsibility and cost reduction that could be mutually beneficial in the long-term.

“Containing rewards program costs is the number one Total Rewards strategic challenge facing organizations even more so this year than last,” said Tim Phoenix, principal, Deloitte Consulting LLP, and global leader of the Total Rewards program. “Employees recognize that fact and are facing this challenge with a renewed personal responsibility by saving more and paying down debt. Somewhat surprisingly, according to our survey, the greatest area of focus for employees surveyed is on their personal health.”

The *2010 Top Five* survey, now in its 16<sup>th</sup> year, is a barometer of strategic challenges facing organizations. The survey's 292 respondents ranked the Top Five priorities for 2010 as follows:

1. The cost of providing health care benefits
2. The ability of reward programs to attract, motivate and retain talented employees
3. Clear alignment of Total Rewards strategy with business strategy and brand
4. The willingness of employees to pay for an increasing portion of benefit plan coverage and to manage their own "rewards budget"
5. The ability of reward programs to accommodate the varying needs and interests of different generations with distinctly different needs and priorities

"Both personal and business decisions today are often being driven by the economy," said Richard Kleinert, principal, Deloitte Consulting LLP. "However, organizations must take control of these decisions and move ahead with cost-conscious adjustments to their Total Rewards programs without losing sight of the role these programs play in driving organizational strategy and goals. Focusing on cost may help a company survive this recession, but it should not be at the risk of talent management."

Key survey findings include:

#### **Employees**

- More than three-quarters (77 percent) of survey respondents are worried about their ability to afford retirement and 60 percent are apprehensive about staying employed.
- Four in 10 respondents plan to delay retirement, which may create a significant assortment of talent and Total Rewards challenges if realized.
- Almost two-thirds (65 percent) of respondents plan to participate in wellness and disease management programs to maximize their health status, up from 48 percent in 2009.

#### **Employers**

- A total of 76 percent of respondents selected the cost of providing health care benefits to active employees as among their top five strategic challenges.
- Although 64 percent of surveyed employers considered a move away from salary freezes or reductions within the past 12 months, only 11 percent are contemplating doing so in the next 12 months.

- More than half (58 percent) of respondents believe their organization's leadership team understands the Total Rewards perspectives and values of the different generations in our workforce."

"Today's economy has aggravated businesses challenges, particularly as they relate to recruiting, communicating across generations, succession planning, knowledge transfer and health care costs," said Susan Cranston, president, ISCEBS and a certified employment benefits specialist with Manulife Financial. "Current trends in talent and Total Rewards suggest workforce planning is more critical than ever for both long and short term business success."

For a copy of this *2010 Top Five Total Rewards Priorities* report visit [www.deloitte.com/us/2010Top5](http://www.deloitte.com/us/2010Top5).

### **About the Survey**

The Top Five Total Rewards Priorities survey has been conducted annually since 1994. The survey is jointly sponsored by Deloitte and the International Society of Certified Employee Benefit Specialists (ISCEBS). Conducted in November 2009, the survey was completed by 292 participants online. The survey respondents represent a diverse cross-section of the U.S.-based employer population by industry and size, as shown in the accompanying charts.

### **About Deloitte**

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### **About International Society of Certified Employee Benefit Specialists**

The International Society of Certified Employee Benefit Specialists (ISCEBS) is a non-profit educational association whose members have earned the Certified Employee Benefit Specialist (CEBS) designation, which is cosponsored by the International Foundation of Employee Benefit Plans and the Wharton School of the University of Pennsylvania. For more information on the Society or CEBS, please visit the ISCEBS Web site at [www.iscebs.org](http://www.iscebs.org).