

FYI[®] Roundup

For Your Information[®]

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Recent Research in HR and Employee Benefits 2015 — Winter Edition

Our latest *FYI Roundup* highlights selected reports and surveys, released in the last few months, covering the latest information on what employers are looking for in college hires, corporate governance, trending health and wealth topics, as well as information from the Bureau of Labor Statistics on how to differentiate medical plan features.

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Career – Talent Management

A recent online survey provides insight into the knowledge and skills employers deem essential for new college graduates to achieve long-term career success:

[Falling Short? College Learning and Career Success](#) – The survey revealed that three in five employers believe both specific and broad-based knowledge are very important for new college graduates to be successful at the onset of their careers. Employers ranked oral and written communication, teamwork, ethical judgment, critical thinking, and analytical reasoning as valuable skills for the workplace. The poll also indicated that employers are more apt to hire college graduates who have engaged in an internship or a project-based learning experience. A significant outcome of this survey is that most employers feel that new college graduates fall short in meeting their job preparedness expectations, while the new graduates are optimistic about their ability to be successful, first-time job entrants (Hart Research Associates for the Association of American Colleges and Universities, 2015).



Corporate Governance

Continuous dialogue between corporate boards and investors ensures that company governance is exemplary. A recent publication released by the National Association of Corporate Directors (NACD) comments on the important issues for boards to consider as they prepare for the 2015 proxy season:

[Investor Perspectives: Critical Issues for Board Focus in 2015](#) – The document provides an analysis of conversations with leading investors and Fortune 500 committee chairs on important governance issues for 2015. Three key areas investors believe boards will focus on this year are: drivers of effective leadership; directors' accountability if there is any question that shareholder rights have been undermined; and high-quality communication, where context, not volume, is key. Investors also cited board composition, director tenure, board structure and processes, engagement in strategy-setting, risk management oversight, CEO and executive team succession, talent development, executive compensation practices, outcomes and performance, financial oversight, and specific shareholder proposals as other board leadership issues to be addressed this year. (NACD, 2015.

Note: Registration required downloading the complimentary report).

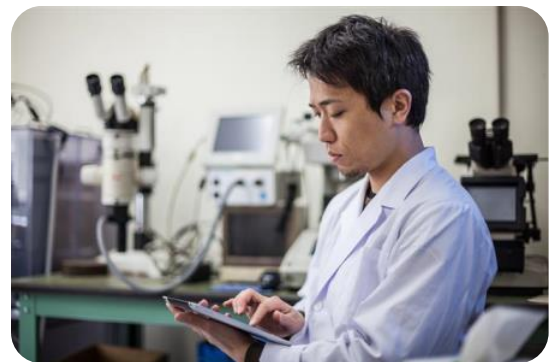
Health – Telemedicine & Telehealth

As innovation and technology becomes more mainstream, employers may be able to save as much as \$6 billion annually in healthcare costs. From the perspective of healthcare professionals, telehealth has the potential to improve hospital care and cost effectiveness, while telemedicine delivers long distance clinical care efficiently and economically. Two recent research studies provide insight about the current state of telemedicine and telehealth:

[The Promise of Telehealth for Health Systems and Their Communities](#) – This Trend Watch report from the American Hospital

Association clarifies the difference between telemedicine and telehealth, and examines how telehealth is used by hospitals to benefit patients. The study explains the “three modalities” of telehealth, identifies and describes hospital-based telehealth platforms, and provides information on how states are utilizing telehealth (American Hospital Association, 2015).

[Telemedicine Survey](#) – The views of senior healthcare leaders and their acceptance of telemedicine for improving patient care and streamlining operations are highlighted in this survey. A majority of the respondents believe telemedicine will keep patients healthier and that reimbursement issues, lack of physician buy-in, and the erratic regulatory landscape were all factors that contributed to its slow growth among healthcare professionals (Foley & Lardner LLP, November 2014; **Note:** This is an executive summary).



Wealth – 401(k) Plans

Recent research investigated whether employees are receptive to adding information about retirement savings and lifetime income estimates on their 401k income statements:



[Consumer Preferences for Lifetime Income Estimates on 401\(k\) Statements](#) – The survey was conducted to find out 401(k) participants' thoughts about including estimates of retirement income on their plan statements. Most participants responded positively and also commented on how they want their estimates calculated. The participants believe the life income estimates are beneficial for retirement savings goals, view them as a motivator to

increase contributions by four or more percentage points and along with the use of income calculators, foster employee engagement in taking a more active role in planning for retirement with 401(k) plans as their savings vehicle (Insured Retirement Institute and Woelfel Research Inc., 2015).

Wealth – Retirement Readiness



Whether it's Baby Boomers (Boomers), Gen Xers, or Millennials, retirement readiness remains a hot topic for both employers and employees of all generations. One recent survey focuses on Boomers and how their "unreadiness to retire" is changing the attitudes and perceptions of older workers.

[Baby Boomers are Revolutionizing Retirement Are They and Their Employers Ready?](#) – This survey focuses on Boomers' retirement attitudes and perceptions. Initiatives that Boomers can take to improve their retirement outlook are highlighted. The study also suggests actions employers can take to successfully help Boomers

transition to retirement (Transamerica Center for Retirement Studies, December 2014).

Wealth – Retirement Readiness – Global Perspectives

Aging populations and life expectancy are influencing employees' perceptions on adequate savings for retirement. One annual study looks at retirement trends and key issues across the globe:

[The Future of Retirement - A Balancing Act](#) – This tenth report in the series, "The Future of Retirement," examines the perceptions and expectations of active and retired employees around the globe. Key insights based on the responses from workers and retirees in 15 countries are: active employees are afraid they will run out of money or not have enough to live on later on in life, retirement savings is not the main priority for most working age people, and paying off mortgages and/or other debts is the biggest barrier to active employees' retirement savings. Three in ten retirees did not realize how much they needed to save to be comfortable in retirement. Two-thirds of the retirees surveyed did not build up their nest eggs for a comfortable retirement and did not realize this until they retired (HSBC Holdings, 2015).

US Bureau of Labor Statistics Research – Beyond the Numbers

BLS' recent release [Understanding Health Care Types-What's in a Name?](#) provides an easy-to-read briefing about health plan types and provides a chart that clarifies the National Compensation Survey's use of plan types to differentiate medical plan features, including the following side-by-side comparison table:



Type of plan	Is the plan indemnity or prepaid?	Does the plan have a network?	Does the plan cover nonemergency care outside the network?	Does the plan have more than two levels of benefits?
Fee for service	Indemnity	No	Yes	No
Preferred provider organization (PPO)	Indemnity	Yes	Yes	No
Exclusive provider organization (EPO)	Indemnity	Yes	No	No
Point-of-service plan	Indemnity	Yes	Yes	Yes
Health maintenance organization (HMO)	Prepaid	Yes	No	No
Open-access health maintenance organization	Prepaid	Yes	Yes	No

Source: [Exhibit 2. Medical plan types and accompanying features, BLS National Compensation Survey](#)

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