

**Press release
20 June 2016**

Poor communication of protection benefits can be self-defeating, says GRiD

Employers could be wasting an opportunity to get value from their Group Risk benefits (employer-sponsored life assurance, income protection and critical illness) by not effectively communicating them to staff, shows research* from Group Risk Development (GRiD).

- Only 16% make a point of issuing regular communications on their benefits package
- 30% detail Group Risk protection benefits in their employee benefit statements
- Just one in five (21%) employers see it as a major selling point at interviews
- 38% clearly lay out Group Risk protection benefits on their intranet or in their staff handbook for existing staff

Group Risk benefits play a significant role in protecting staff and their families from the financial devastation that illness, disability, accident or death can bring and are some of the most cost-effective benefits that can be offered to staff. They also enable a business to reinforce its position as a caring employer by throwing a financial lifeline to people when they need it most. It therefore makes sense for businesses to ensure that staff know and understand what is in place for them, as financial peace of mind can generate much goodwill and improve engagement - which can be wasted if staff are kept in the dark on what is there to help them.

Katharine Moxham, spokesperson for GRiD says, "When staff need practical support - if diagnosed with a critical illness, or are unable to work through ill-health or injury, for example - then these benefits come into their own. It is imperative that employers understand how best to use Group Risk benefits and the supporting services that come along with them so they can let their staff know how to access them when needed.

"Our research also shows that a third of employers (32%) use group risk benefits to attract and retain key personnel, so effective communication is vital in achieving that goal."

Perhaps one of the most startling findings is that 12% of employers say they ~~make~~ a point of not communicating their Group Risk benefits to ensure they are not abused. In fact, it is very difficult to abuse these benefits and if staff don't know about the benefits they won't know about the other help included with them - such as an Employee Assistance Programme, a second medical opinion service, online health assessments and fast-track access to



counselling and physiotherapy. The more effectively these supporting services are used, the more value they give and, in practice, regular and effective use can actually result in reduced premiums.

Katharine Moxham continued, %We all have a part to play in making sure employers are aware of what they are buying and how best to use it; likewise that employees understand the value of these benefits and are able to access help and advice when they need to. It is very sad to see that some employers purposefully don't communicate these benefits - if those employers better understood them they would be much more enthusiastic about espousing the value to their workforce.+

Group Risk policies offer many areas of help from financial through to practical support for both employers and employees that can be used every day. Many employers may be aware that a financial claim can be made following death, illness or injury, but there are many other benefits available just by having a Group Risk policy in place. Indeed, in 2015, 1,878 people were helped back to work supported by the insurer with an active early intervention - before a group income protection claim was even made**. Better understanding of the benefits along with better communication will mean more effective utilisation, which will be good for both businesses and their staff.

- Ends -

* Group Risk Annual Employer Research, conducted in September 2015 among 501 UK businesses with between 5 and 1,000 employees. Research was conducted by Lightspeed Research for Group Risk Development (GRiD).

** GRiD Claims Survey 2016

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Notes for editors

About GRiD Claims Data



The GRiD claims data survey was undertaken among its provider members and the figures are an accurate representation of the current Group Risk market in its entirety. Respondents provided figures for Group Life, Group Income Protection and Group Critical Illness claims for 2015.

About GRiD

Founded in 1998, Group Risk Development (GRiD) encourages awareness and uptake of corporate group protection benefits . income protection, group life insurance and critical illness cover . on behalf of its members which include insurers, reinsurers and intermediary businesses. Under the chairmanship of Lee Lovett, Head of Business Development UK and Ireland Life, Munich Re, GRiD aims to enhance the industry's profile among media and stakeholder groups. The Group provides a collective voice to Government and participates in industry wide initiatives such as the qualification in Group Risk launched jointly with the Chartered Insurance Institute. In May 2009, the Group appointed its first dedicated spokesperson, Katharine Moxham, to provide expert media comment on a full range of group risk issues.

www.grouprisk.org.uk

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