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SMALL BUSINESS HEALTH CARE BENEFITS REPORT

The profile of small business has undergone consistent and dramatic change in recent years. What was the norm in previous generations, to find the best company and devote your entire career to it, has become a quaint relic of the past. The belief was that, if you committed to the company, the company would take care of you throughout your working years and often, beyond. This represented security. It was the primary career objective of every working person. Current trends indicate that that profile has changed.

Small businesses today are searching for ways to attract and retain the best qualified employees from an ever-shifting resource of ready, willing and able candidates. The most desirable of today's job seekers have choices that are more wide-ranging and diverse than those that were available only a few years ago. Often, constraints that once defined the employee/employer relationship, no longer apply. Considerations such as physical proximity and nationality for example, have little if any influence on the employment process. So how do small business today get and keep their first option employees; one answer, according to our research, is health care benefits.

For employees, the perceived value of quality primary and secondary health care options as part of an employee benefits package are among the most significant factors for consideration when choosing to sign on with, or to remain with an employer. Our studies indicate clearly, that what employees want now, as much as salary and advancement opportunities, is the security that these benefits provide. As demonstrable proof of this, statistics show that at least half of the small business workforce that is not satisfied with its health care benefits, plans to seek different employment in the near future and almost three quarters of the workforce that is satisfied, plans to remain with its current employers. (*MBS Bookkeeping Blog, July 25, 2011*)

An excellent health care benefits package is a sure way to attract employees and build employee loyalty. Company loyalty breeds contentedness among employees and contented employees are more productive. The bottom line: providing better benefits is good for your small business. An effective package need not necessarily equate to an overly expensive package. By designing a detailed plan that pointedly acknowledges basic concerns, it is possible to maximize effectiveness without spending more than necessary. By doing so, the issues of employee retention, controlling costs and increasing productivity are addressed. Reducing operating cost and streamlining expenses is important in

today's economic environment to be sure, but to do so by reducing or eliminating health benefits is clearly counterproductive towards that end.

The attributes of health benefits and the specific kinds of health care benefits, both desired by employees and offered by employers, are not uniform across the board with regard to many fundamental criteria. Among parameters that influence them are the geographical region in which the companies operate, the size of the companies and their standard industrial classification, (SIC), essentially, the type of work that the company does. For an employer to determine how best to attract and retain employees in his company, it is essential to understand not only what health benefits are most desirable to employees within his region, SIC and company size, but also to learn what other, competing companies are offering to their employees. This is the invaluable information you will find in this report.

The following graphs and analyses of the data we have collated are presented in simple, category format to facilitate ease of review. In them, agents will find the information that is essential to educate your prospects and to allow you to help them create the best, most appropriate health care benefit plans for their employees, in their regions and with their unique requests. Because of the very large sampling size used for this survey, the data are statistically significant within a very small margin of error. More than seventy-five hundred small businesses were profiled as part of the research. Our goal was to arm the agent with the most powerful and narrowly targeted information to facilitate a direct hit every time out. For the purposes of the following analyses, a small business is defined as one with fewer than fifty-one employees.

We believe that the significant value of this information, in helping you target legitimate, ready to move leads, will prove to be an invaluable resource for your future success. By applying it with an understanding of the numbers and appropriately tailoring it to fit the needs of each individual prospect, the opportunity for success will be greatly expanded. In addition, the agent will find that the sales process is noticeably streamlined by eliminating unnecessary, unproductive effort and focusing tightly on the areas of identified interest to the potential client.