



# From Provision to Performance

Making Employee Benefits Work

## Executive Summary

Too many organisations are stuck in the old mindset of benefits as a hygiene factor. A compliance requirement and “menu” to point at during recruitment. Meanwhile, millions of pounds are wasted on benefits that nobody uses, understands, or even remembers existing.

The reality is simple: it’s not what you offer but what employees actually use that turns benefits from sunk cost into performance driver.

This paper explores how to transform benefits from provision to performance by ensuring they are:

- **Accessible** – mobile, intuitive, and easy to navigate
- **Personalised** – relevant to individual needs and surfaced at the right time
- **Aligned** – with your wider people and reward strategy, as part of a rounded EVP

When organisations make this shift, benefits stop being a box-ticking exercise and start driving engagement, wellbeing, and retention. Organizations need to ensure they turn cost into value and make benefits - aligned to a compelling EVP – a performance driver.

## The Hidden Cost of Unused Benefits

Almost 32% of total compensation is tied up in benefits<sup>1</sup>, yet employees consistently underuse them. For example:

79% of UK employers offer EAPs, but only 27% of employees are even aware it’s available to them<sup>2</sup>

Mental health support, heavily promoted post-pandemic, often lie dormant even when need is high.

Unused benefits are wasted investment. But worse than that, they represent a missed opportunity to deliver on the EVP. Employees don’t feel supported, and employers lose cultural and financial value.

The problem is rarely the benefit itself. It’s visibility, accessibility, and relevance. If benefits are buried in clunky portals, or presented as a “list” rather than a lived experience, usage drops. And without usage, there is no value.

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## The Perception Gap

Employers and employees see benefits very differently:

67% of employers think their benefits improve wellbeing

Only 31% of employees agree<sup>3</sup>

That gap erodes trust. It makes employees feel benefits are a corporate tick-box rather than genuine support. And the culprit, again, is usage.

If employees don’t see benefits as relevant or easy to engage with, they won’t use them. And when they don’t use them, employers lose the very impact they thought they were buying.

The solution isn’t to throw more benefits into the mix. It’s benefit design with empathy and getting sharper on delivery: meet people where they are, speak their language, and surface the right benefits at the right time.

**82.5% of employers reported at least half their employees aren’t engaged with their benefits offer**

## Benefits Engagement Can Be Hard

Overall, 82.5%<sup>4</sup> of employers reported at least half their employees aren’t engaged with their benefits offer, primarily because of lack of awareness, inadequate publicity & accessibility.

Too often the most common ways of communicating benefits e.g. intranet / email don’t cut through the daily noise meaning that engagement effort is wasted and employees are in the dark about the great benefits that companies provide.

## The Multi-Generational Workforce Challenge

Today’s workforce spans five generations<sup>5</sup>, each with different priorities—from Baby Boomers focused on retirement planning to Gen Z looking for digital healthcare and career development.

A single, static benefits package doesn’t cut it. To drive usage across this spectrum, benefits must be flexible, modular, and surfaced in a way that feels personal. The organisations that succeed are those who stop thinking “what do we provide?” and start asking “what do our people actually use?”

## Macro Pressures Reshaping Strategy

Rising costs and economic uncertainty are reshaping the benefits landscape:

64% of UK employers cite rising benefit costs as their top concern<sup>6</sup>

59% are under pressure from talent competition

37% are responding to cost-of-living demands

In this environment, benefits leaders can't afford vanity projects or underutilised perks. Every pound has to prove its worth but cutting spend will only cost you more in the long run. The answer is to make every pound work harder. That means rebalancing spend, consolidating vendors, and using sharper communication to drive uptake.

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## Future Trends in Employee Benefits<sup>7</sup>

The future of benefits is being shaped by four forces:

**Digital Transformation:** Benefits must be accessible where employees already are—on their phones, in familiar formats. AI and analytics will help target and personalise offerings, but usability is the foundation.

**Mental Health Investment:** Employers increasingly prioritise mental health, but only integrated, easy-to-access support will drive usage.

**Demographic Adaptation:** With an ageing workforce, employers will need benefits that support eldercare, phased retirement, and intergenerational mentoring.

**Data-Driven Design:** Usage analytics and segmentation will enable leaders to continually refine their benefits mix for maximum impact.

In short, the winners will be those who understand that personalisation and accessibility aren't nice-to-haves—they're the gateway to usage, and usage is the gateway to value.

## Innecto's Perspective: From Benefits to EVP

Many organisations launch benefits, communicate once, then set and forget—only to find low uptake months later. The most effective ones treat benefits as a living, evolving part of EVP: accessible, relevant, and aligned to strategy.

Key Principles:

- **Accessible** – if it's hard to find, it doesn't exist.
- **Personalised** – if it doesn't resonate, people won't use it.
- **Aligned** – if it isn't tied to EVP, it won't deliver strategic value.

Usage isn't just proof of investment—it's the outcome.

1. Hooray Health & Protections April 2025 analysis
2. Sonder, "5 reasons why employees don't use EAPs (and how to get them onboard)"
3. WTW, "Benefits Trends Survey UK" (2023)
4. Innecto survey 2024
5. theHRDirector, "2024 Benefits Matrix: Supporting a Multi-Generational Workforce" (Nov 2023)
6. WTW, "UK Employers Rethink Benefits Strategy Amid Soaring Costs" (2025)
7. Mercer, "Employee Benefits Market Trends 2024" (July 2024)

## Conclusion: Time to Act

Passive benefits packages waste money and miss potential. Accessible, personalised, and strategically aligned offerings become performance drivers. And usage is the dividing line. At Innecto, we help organisations build benefits strategies that work—not just look good—through continuous insight-led design. Because real value only comes when benefits are used. Let's chat about making your benefits work.

**Talk to Innecto about making your benefits work. Book a strategy conversation today.**



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