



The future of occupational pension services:

**Do your employees know their occupational pension?**

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## **The occupational pension scheme is important to employees**

Individual retirement provision continues to gain in importance. The steady decline in pension levels means that additional provision for old age is becoming increasingly important. Companies can support their employees in this respect with a modern company pension scheme (bAV) and at the same time create a competitive advantage for themselves as employers on the personnel market.

The current [WTW Future of Pensions study](#) revealed that for 85 percent of companies, occupational pensions are a valuable component of their compensation system. 75 percent see its value as at least important. However, only 30 percent use this benefit as an important differentiating factor in the "war for talent," although an appropriate offering could be the decisive factor here.

This is because, according to the [WTW Global Benefits Attitude Survey 2022](#), 47 percent of employees in Germany mainly save for their retirement with the bAV. 31 percent of employees believe that employers should focus on the topic of bAVs. This benefit is therefore in first place, beating the topic of flexible working by a wide margin (19 percent).

However, simply offering this benefit is not enough. The pension plan is very complex and requires a lot of explanation. This discourages many employees from taking it up. The added value and the wide range of options for old-age provision are therefore neither fully perceived nor used. As a result, occupational pension plans are "only" one of many benefits in the program.

At the same time, occupational pension plans are highly valued by employees. This is also shown by the results of the WTW Global Benefits Attitude Survey. 84 percent of employees stay with their employer for two more years if the pension plan meets their needs. If this is not the case, only 55 percent of employees decide to continue working for the company.

## **The right communication is the key to success**

This is where companies need to take action. Only an intelligent communications concept with individualized, needs-based information and supportive financial planning advice will enable employees to become familiar with and take advantage of the entire range of offerings.

Here you can draw a comparison to filing your tax return. Everyone knows they should deal with it, but doesn't like to do it. In the meantime, however, there are various programs and apps that make it easier to process and submit the tax return.

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Easy access to the occupational pension benefits on offer and to the individual benefits package is therefore essential. Companies that use portals, apps, or pension calculators, for example, to make the benefits, options, and value of their individual pension offerings visible to their employees will attract greater attention. This encourages them to take a closer look at their pension plan and to take advantage of other offers. This significantly increases employee satisfaction and identification with their employer.

### **An intelligent communication concept offers many advantages overall**

- Communication becomes simpler, more understandable and more effective.
- Employees recognize their options for retirement security.
- Diverse media make communication lively.
- Apps and other digital offerings provide an attractive communication experience.
- Options for calculating one's own pension provision invite people to engage with occupational pension schemes.

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