

Smart Strategies for Building a Competitive Benefits Package



As a business owner, you're constantly juggling a range of priorities, from attracting and retaining customers to managing cash flow, controlling rising costs, and driving operational efficiency and growth. Amidst all this, one critical area that often gets overlooked is employee retention.

While competitive salaries are important, today's employees are looking for more than just a paycheck. They value benefits that support their financial well-being, mental health, and physical wellness.

That's why offering a comprehensive and competitive benefits package is no longer optional; it's crucial for attracting top talent and keeping your team engaged and committed. But what exactly should that package include to make a meaningful impact? We list five tips on how to construct your company's benefits package in a way that aligns with your business structure and helps keep your employees engaged and excited about working there.

01 | UNDERSTAND YOUR WORKFORCE

One of the most effective ways to begin shaping your company's benefits package is by understanding your workforce. Taking time to assess employee demographics and preferences allows you to tailor offerings that truly resonate. For example, a younger team might value career development opportunities or education assistance, while older employees may prioritize flexible schedules and strong retirement plans.

While assumptions can offer a starting point, the best insights come directly from your employees. Consider sending out a survey to gather honest feedback about what benefits matter most to them. If many of your employees commute into the city, they might appreciate support like commuter benefits or lunch stipends to ease the daily grind.

Once you've collected responses, look for common themes. These insights will help you design a benefits package that not only supports your team's needs but also boosts satisfaction and retention.

02 | ALIGN BENEFITS WITH COMPANY VALUES

When your employee benefits reflect your company's mission and values, it sends a powerful message: your organization doesn't just talk the talk, it walks the walk. While any company can list aspirational words like "innovative," "inclusive," or "responsible," the ones that stand out are those that embed these values into the everyday experiences of their employees.

Think about the principles that define your organization. If social responsibility is a core value, consider offering quarterly volunteer days where employees can contribute to causes they care about on company time. If innovation is central to your mission, provide stipends for team members to attend industry conferences, explore emerging trends, and connect with thought leaders.

These kinds of benefits do more than support your values—they strengthen company culture, boost morale, and foster a deeper sense of belonging. When employees see your values in action, they're more likely to feel engaged, inspired, and proud to be part of your organization.

03 | BALANCE COST AND VALUE

Employee compensation and benefits are often some of the largest expenses that businesses incur each year. With that in mind, it's essential for employers to carefully evaluate which benefits they can sustainably offer while ensuring the business continues to perform effectively. Some benefits are mandated by law, such as workers' compensation, unemployment insurance, family and medical leave, and health insurance under the Affordable Care Act for companies with more than 50 employees. Beyond these, however, any additional benefits are optional and at the discretion of the employer.

To determine which benefits are worth the investment, it's important to assess their return on investment (ROI). Benefits like flexible work arrangements, comprehensive health coverage (including medical, dental, and vision), mental health support, wellness stipends, and stock options can significantly enhance employee satisfaction and reduce turnover.¹ These offerings not only improve the employee experience but also help reinforce your organization's values and long-term goals.

When evaluating benefit options, consider versatile and budget-friendly alternatives that still deliver value. For example, health insurance is often the most expensive benefit—especially for small businesses—and premiums tend to rise annually due to increasing healthcare and prescription drug costs. To manage this expense, you might explore alternatives to traditional group insurance. If you have fewer than 50 employees, a Qualified Small Employer Health Reimbursement Arrangement (QSEHRA) could be a more affordable option. For businesses of any size, an Individual Coverage Health Reimbursement Arrangement (ICHRA) allows employees to choose their own health plans while receiving reimbursements from the employer. Both options offer potential cost savings and tax advantages.

Being strategic about your benefits selection can lead to meaningful tax benefits and long-term savings for both your business and your employees. It's wise to consult with a financial advisor to understand which benefits may be tax-deductible or qualify for tax credits. With the right approach, your benefits package can be both financially sustainable and deeply impactful for your team.



04 | STAY COMPETITIVE

In today's competitive job market, the balance of power may seem to favor employers due to a surplus of applicants. However, this advantage is only surface level. To attract and retain top talent, employers must offer benefits packages that go beyond the basics; they need to be compelling, competitive, and aligned with what employees actually value.

The risk of losing skilled employees to competitors is real, especially when others offer more attractive compensation, benefits, or career growth opportunities. When employees leave, they don't just create operational gaps; they may also carry valuable insights about your company's internal workings to your competitors, potentially giving them a strategic edge.

Turnover disrupts workflows, slows down progress, and incurs costs, both financial and cultural. That's why employers should stay ahead by understanding not just market trends, but also the evolving expectations of their workforce.

Surveying employees is a powerful tool in this effort. By regularly gathering feedback, employers gain a clearer picture of what their teams want, from benefits and work-life balance to professional development and company culture. This insight allows organizations to tailor their offerings, strengthen retention, and position themselves as employers of choice.

05 | REVIEW AND ADJUST REGULARLY

Once your benefits package is in place, it's not a "set it and forget it" task. To remain competitive and relevant, employers must regularly evaluate their offerings to help ensure they continue delivering real value to employees.

Human resources professionals should conduct annual employee surveys to gather direct feedback on benefit satisfaction, preferences, and perceived value. This data provides critical insight into what's working and what's not. Additionally, reviewing utilization metrics can reveal underused benefits. If participation in a particular offering is consistently low, it may be time to reconsider its place in the package.

When this review process is timed well before open enrollment, it empowers companies to make informed adjustments that better align with employee needs going into the new year.

Beyond annual reviews, benefits should also be reassessed following major organizational changes, such as rapid growth, restructuring, or acquisitions. As your company evolves, your benefits strategy must evolve with it. In these cases, more frequent evaluations may be necessary to ensure alignment with your company's values, goals, and the changing needs of your workforce.



Conclusion

As a business owner, you don't have to navigate the complexities of benefits planning alone. Your financial advisor can be a key partner in helping you design a benefits package that supports your team and also helps deliver meaningful financial advantages for your business.

Many benefits come with potential tax savings, whether through deductions, credits, or reimbursement arrangements, that can improve your bottom line.

Before finalizing your offerings, consult with us to explore which benefits align best with your business structure and goals. With guidance, you can build a package that's both competitive for attracting talent and optimized for long-term financial health.



FOOTNOTES

¹ Increase engagement and reduce turnover with effective benefits communication. (2025, April 1). <https://www.usi.com/executive-insights/executive-series-articles/featured/employee-benefits/q2-2025/increase-engagement-and-reduce-turnover-with-effective-benefits-communication/>



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