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Survey: Massachusetts employers optimistic about hiring in 2011

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Massachusetts employers expect to hire more people in 2011, but many fear that the new national healthcare law will raise costs for both employees and employers, according to a recent survey conducted by Eastern Benefits Group.

About 25% of human resource executives surveyed said that their company will add more full-time employees in 2011. While 18% of those surveyed reported a decline in hiring in 2010, only 8% expect a decline in hiring in 2011.

"Our survey confirms that many Massachusetts businesses are expecting some form of hiring growth in 2011," said Matthew Shadrick, executive vice president, Eastern Benefits Group. "To retain and attract key employees this year, employers will have to better balance benefit costs, plan offerings and access to great care."

When asked about the new national healthcare legislation, HR executives were not as optimistic. Only 30% of HR executives feel "very well informed" (or "extremely well informed") about The Patient Protection and Affordable Care Act, passed by Congress and signed into law by President Obama in March 2010.

The vast majority of respondents (83%) believe that the new healthcare legislation will cost employers more in 2011. Similarly, three quarters (76%) of those surveyed feel that employee contributions and cost sharing will increase because of the new healthcare law.

"As employers navigate guarded hiring optimism with continued legislative change, it is critical to be well informed on how these changes may impact workforce planning," said Scott Hokanson, survey leader and vice president, Eastern Benefits Group.

The survey, which was conducted December 1st, 2010 through January 14th, 2011 had 209 respondents from Massachusetts and nine respondents from other New England states.

Eastern Benefits Group provides an array of employee benefits plans to businesses, including group health and life insurance, disability insurance, long-term care insurance, and 401(k) plans.

About Eastern Insurance Group

Eastern Insurance, headquartered in Natick, is a subsidiary of Eastern Bank, the largest independent, mutually owned bank in New England with branches stretching from Merrimack Valley to Cape Cod. Eastern Insurance serves more than 70,000 individuals and businesses and provides a full range of personal and commercial insurance products, surety, and employee benefits services. Eastern Insurance is the largest insurance agency headquartered in Massachusetts and the 36th largest agency in the country. For more information, visit www.easterninsurance.com.