



Employee Benefits

Introduction

Employee benefits are a useful management tool that can be used to the benefit of the business and therefore consider carefully what should be offered in this package.

A well thought out benefits package that meets the needs of employees can reward high performers and assist in the recruitment and retention of high calibre employees to assist a business to achieve its goals and targets. In an increasingly competitive employment market, the differential between similar companies can often be the benefits package and employees are now more aware than ever what is being offered.

Additionally, in planning your employee benefits package you control the costs and therefore can remain within a budget that the organisation can afford.

Employee benefits should not be considered in isolation, but should be a part of the wider employment relationship that considers all financial rewards, alongside non-financial rewards such as recognition, development opportunities and the quality of working life. Getting the balance right between the elements, will lead to a high performing, motivated workforce that achieves the agreed business goals.

It's surprising what employee benefits employers often forget about, and don't consider when putting a package together. In research conducted by the Chartered Institute of Personnel and Development, the top ten employee benefits are:

- Contributory occupational pension
- Occupational sick pay
- 25 days or more annual leave
- On-site car parking
- Tea/coffee/cold drinks
- Christmas lunch/party
- Life Assurance
- Car Allowance

- Private healthcare
- Enhanced maternity leave

In addition a number of employee benefits have tax advantages for the employer and there is also the option to offer other benefits to employees through salary sacrifice schemes. This is where the employee gives up part of their gross salary in return for a particular benefit, they save on the income tax and both employer and employee make savings on National Insurance Contributions.

Having identified the benefits that the organisation has decided to offer within their employee benefits package, to be effective in introducing the new benefits or changes to existing scheme, it is important to ensure that a suitable strategy, communication plan and follow up process are in place. Research shows that the better the benefit is communicated the more employees will participate in schemes and value the benefits offered.



For further advice and assistance

On the type of employee benefits available and on the best way to introduce these, contact one of our employee benefits specialists.

Please contact **Peta Fry** on **01793 818300** or email peta.fry@monahans.co.uk

or **Mervyn Osman** on **01225 785520** or email mervyn.osman@monahans-fsl.co.uk