

Introduction to... Flexible Benefits

About Benefex

Benefex is a market leading employee benefit solutions provider that since 2001 has built an excellent reputation in the benefits arena through assisting organisations to design, implement, launch, communicate and administer market leading and award winning benefit schemes

Our unique end-to-end proposition will take you from building a business case through to launching and administering any benefit programme.

This incorporates –

- **Our Benefits Consultancy** focused on implementing world-class strategic projects using the Benefex Listen-Create-Deliver® implementation and project management methodology;
- **Our Communications Team** who assist with branding, communicating and marketing your scheme back to your employees to maximise understanding, engagement and take-up; and
- **Our Administration Centre**, which utilises market leading technology, tracking and administration processes to enable us to ease the transactional burden of our client's employee benefit schemes

Benefex currently services and administers over 200 benefit schemes in the UK ranging from 200 to 80,000+ employees. We administer Flexible Benefits for over 250,000 employees and provide Total Reward Statements for over 500,000 employees in the UK. Our clients include The AA, De Beers, Interserve, Irish Life, John Lewis, Ofsted, Merrill Lynch and Unisys.

What are Flexible Benefits?

In today's competitive market, leading UK organisations are now increasingly finding that they can no longer rely purely on salaries alone to attract, motivate and retain quality talent.

Employees are looking for a package that not only rewards them financially but also complements and enhances their lifestyle both in and out of the workplace.

A focus purely on base pay can result in competitors offering additional salary to hire the best talent, further reinforcing the salary spiral and leaving you without your greatest assets – your employees.

Flexible Benefit schemes allow organisations to provide employees with rewards that extend beyond a number on a pay slip. By giving employees the opportunity to select what they want from a range of benefit options available, they are able to build a benefit package that is appropriate to them as an individual.

Organisations have begun to realise that a competitive employee benefits scheme that caters to employee diversity will enable them to provide a more creative total remuneration solution. Flexible Benefits have been shown to represent better value for money, fostering improved recruitment, retention and motivation whilst engendering increased loyalty and commitment between employer and employee.

continued over page

Flexible Benefit Facts

- Four out of five employers believe the main advantage of Flex is that it recognises the diverse needs and values of the workforce*;
- Over half of employers view Flex as an effective recruitment and retention tool; and
- Over 40% of organisations say that having choice around the benefit package increases employee engagement**;
- 91% of the Flexible Benefit schemes we have implemented have generated a positive financial return on investment in year 1 (and the remainder over a 3 year period)

How does Flex work?

In Flexible Benefit arrangements, employees are given a benefit allowance by their employer and select for themselves the level of benefits appropriate to them as an individual.

What are the top benefits offered through Flexible Benefits?

Benefit	%
Childcare vouchers	93
Buy/sell some annual holiday leave	85
Dental insurance	80
Private medical insurance	80
Life insurance for employee only	70
Bikes for work/bicycle loans	64
Critical illness insurance for employee only	64
Health screening for employee only	64
Critical illness insurance for partners of staff	54
Travel insurance	53
Health screening for partners of staff	49
Additional voluntary contributions	47

Source: Employee Benefits Flexible Benefits Research 2008

In most cases, the employer selects certain benefits that the employee must buy a minimum level of, which are known as "core benefits". These are normally for the employees' protection or reflect those benefits which must be offered as a legal requirement. Further non-core benefits are then made available to the employee to purchase with their remaining benefit allowance.

Employees can then buy further benefits in addition to their allowance directly from their salary.

Reasons for choosing Flex

- Improve recruitment, retention and motivation
- Shows employees the true value of their benefits
- Recognises the diverse needs and values of the workforce
- Aide the organisation in achieving Employer of Choice status
- Reducing and containing the cost of reward
- Utilising tax and National Insurance efficient benefits
- Reduce and outsource transactional administration
- Improve employee benefit communication
- Harmonise and consolidate terms and conditions
- Reinforce organisational culture and change

For more Flexible Benefit information, case studies and white papers please contact us on **0845 129 8636**, email info@benefex.co.uk or visit www.benefex.co.uk

*Employee Benefits Flexible Benefit Research 2008

**Employee Benefits Research 2007



Benefex Limited

29th Floor, One Canada Square, Canary Wharf, London E14 5DY
 Oceana House, 39-49 Commercial Road, Southampton SO15 1GA t. 0845 129 8636 e. info@benefex.co.uk