

supplement

employee benefits

June 2016

benefits research



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Hitting refresh



John Deacon | Head of employee benefits consulting
Xerox HR Services

To use an old cliché, the UK benefits landscape is constantly evolving. This comes as no surprise to benefit practitioners; for some it will be a bonus, for others a chore.

Notwithstanding ever-present change, it is encouraging to note that tradition holds true as regards benefit programmes and why organisations provide them. The majority of respondents consider such programmes to be an effective tool for recruitment (76%) and retention (81%). However, the need remains to engage, communicate and refresh benefits programmes, otherwise we run the risk of our consumers, the UK workforce, not appreciating practitioners' efforts.

While the traditional drivers of why organisations provide benefits remain, what has changed is the desire among UK employers to provide a benefits programme. With only 12% of HR professionals feeling they had to provide a programme, the overwhelming majority are clearly in favour of benefits provision, with 72% stating they do so to support employees' health and wellbeing. Although 50% of respondents consider that the funding of programmes will remain broadly the same going forward, 29% consider that funding of benefits will, in future, be a shared burden.

Benefit programme design has also evolved, from a prescriptive model, heavily influenced by pension scheme design, to a model which is increasingly listening to employees, acknowledging and accepting the influences and expectations of its workforce. There is a desire to improve employee engagement, with 67% stating this is helping them shape their benefits strategy, and 71% believing that more targeted communication is the future to improving their benefits strategy.

Consumers are expecting a richer, more tailored HR experience. We can all benefit by delivering it to them. New HR technology offers an alternative to traditional employee surveys, allowing dynamic information gathering, prompting employees to provide feedback on issues as they arise. A comprehensive HR portal that continually gathers data, offers ongoing insight into the

benefits employees actually use and value, giving more immediate feedback for a communication campaign's success.

A lot has been said regarding the demographics of the UK workforce, and it will be interesting to see how programme designs evolve in the years ahead. At present, 27% are adapting their programme to accommodate the ageing workforce, with 46% acknowledging the challenges multi-generational workforces bring. Understanding a diverse or distributed workforce allows employers to tailor their message and offerings to meet real needs and improve engagement throughout a business. Having the ability to measure benefit value and appreciation is critical to ensuring relevance of the programme. Technology and engagement are key bedfellows, and where deployed correctly, can help inform the business on appropriate spend and design.

As is so often the case, budget is the biggest barrier to both improving employee benefits (72%), and employee engagement (47%). The perennial issue of engagement continues to challenge all benefits practitioners; overcoming it will help manage the funding/return on investment debate. The prolific use of smartphones and tablets suggests that HR portals that are responsive to different platforms have a role to play.

Today's 'employee as consumer' expects increasingly personalised communications, two-way dialogue, and customised information based on selections made. This willingness of employees to engage in technology is a positive for HR. An effective portal, communicated well, enables greater self-service by employees. This reduces the need for interaction with HR, moving towards a culture of shared responsibility, where employees make effective decisions for their health, wealth and career, rather than relying on a paternalistic model that is no longer valuable.

In an ever-changing market, it is the role of technology that will help us overcome the barriers to good employee communication and engagement, to make benefits work better ■

"CONSUMERS ARE EXPECTING A RICHER, MORE TAILORED HR EXPERIENCE. WE CAN ALL BENEFIT BY DELIVERING IT TO THEM"

Editor's comment



Debbie Lovewell-Tuck | Editor
Employee Benefits

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Established forms of technology are seen as more effective than the latest developments

So much has changed

in the past 12 years. The world is now a very different place to the one we inhabited in 2004 when *Employee Benefits* published its inaugural *Benefits research*.

In the reward and benefits arena, for example, pensions simplification was one of the hot topics of the day ahead of its 2006 implementation; auto-enrolment wasn't even a twinkle in Steve Webb's eye and it is fairly safe to say that the concept of offering the level of flexibility at retirement afforded by the 2015 pension freedoms is unlikely to have occurred to the government of the time.

In many organisations, reward and benefits was also not seen as the strategic business tool that it now is when it comes to supporting the wider HR and business agenda and goals.

Yet, some things have not changed in this time. One common factor across all organisations, regardless of sector, size or business agenda, is the need to recruit, retain and engage employees possessing the talent and skills necessary to ensure business success.

Reward and benefits play a key role in employers' strategies for achieving this. Unsurprisingly, therefore, the key issues shaping employers' benefits strategies have not changed over the past 12 years. This year, just as in 2004, the top two reasons behind respondents' decisions to offer benefits are the role these have to play in aiding staff recruitment and retention.

Of course, change is an inevitable part of life and this is, perhaps, most apparent in the vast number of technological developments that have entered the market in recent years. Many of these, such as wearable fitness technology, apps and gamification, have begun to filter down into organisations' people management and benefits strategies. Although the potential for such initiatives has perhaps yet to be fully realised in this market, the proportion of employers that cite advances in technology as issues driving their benefits strategy has notably risen in the two years since we last carried out this research.

It will be interesting to follow these developments and see what the next few years will bring.

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Key findings

The survey, which was conducted in May 2016 among readers of *Employee Benefits* and users of www.employeebenefits.co.uk, received 338 responses



81%

of respondents offer employee benefits because they are an effective retention tool

39%

of respondents cite advancements in technology as one of the issues shaping their organisation's benefits strategy

29%

of respondents believe employers will share the cost of funding benefits with employees more in the future

71%

of respondents expect their benefits strategy to adapt to future challenges by providing better or more targeted communication

74%

of respondents enable staff to contribute to their defined contribution pension scheme via a salary sacrifice arrangement

72%

of respondents cite budget as a key barrier to offering the benefits that they would like to offer

18%

do not measure employee engagement levels

78%

of respondents offer benefits through a salary sacrifice arrangement to all employees

68%

are using digital communication to improve employee engagement with benefits

61%

of respondents name the desire to be seen as an employer of choice as a key issue shaping their organisation's benefits strategy

Due to rounding, percentages may not add up to 100.

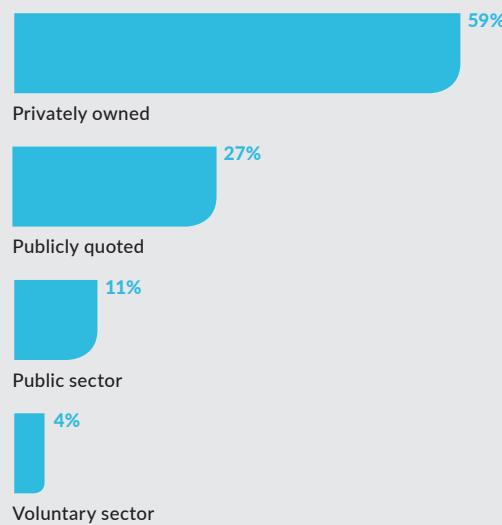
Number of employees in respondents' organisations

Sample: All respondents (338)



Organisation type

Sample: All respondents (334)



Consistent approach

Employers' rationale for offering benefits has not changed over the past decade



Debbie Lovewell-Tuck | Editor
Employee Benefits

01 Recruitment and retention remain top reasons for offering benefits

In the 12 years since the inaugural *Benefits research* was published, the top reasons behind respondents' decisions to offer benefits have not changed. In 2004, two-thirds (66%) said that benefits were an effective recruitment tool, while 64% said that they aided staff retention. This year, 81% offer benefits because they are an effective retention tool and 76% do so to aid recruitment. Over the past 12 years, other consistently popular reasons why employers offer benefits include their role in supporting the employer brand, the fact these can support employee health and wellbeing, and because industry or regional competitors do. However, not all of the reasons why employers offer benefits have remained quite so popular over the years. This year, for example, 26% of respondents say they offer benefits because they are good value for money; the same proportion as in 2014 when we last conducted this research. Yet, this has fallen consistently over the years from 64% in 2009, 50% in 2011 and 34% in 2013.

Why respondents offer benefits

Sample: All respondents (280)

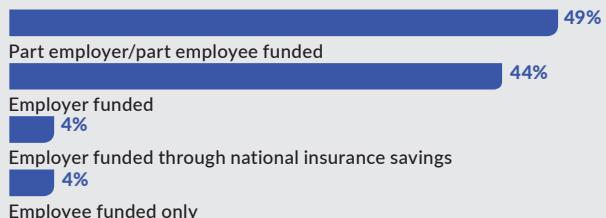
They are an effective retention tool	81%
They are an effective recruitment tool	76%
To support employee health and wellbeing	72%
They support their employer brand	54%
They promote work-life balance	47%
Because industry or regional competitors do	39%
They are seen as entitlement by staff	39%
To drive desired employee behaviours	36%
They have to by law (for example, to comply with pensions auto-enrolment)	34 %
They help reduce the national insurance (NI) bill	31%
They are good value for money	26%
Perceived moral or ethical responsibilities	25%
They help control sickness absence	24%
They are cheaper to offer than cash salaries of similar perceived value	18%
They produce a measurable return on investment	14%
They feel they have to	12%
To meet Transfer of Undertakings (Protection of Employment (Tupe)) obligations	9%
Other	2%

02 49% share cost of funding benefits with staff

Just under half (49%) of respondents share the cost of providing their organisation's benefits package with employees. This is likely to comprise a selection of employer-funded core benefits, alongside a range of employee-funded voluntary benefits or those offered via salary sacrifice arrangements. A further 44% offer employer-funded benefits only. In the future, half (50%) of respondents believe this will remain broadly the same, while just under a third (29%) think that employers will share the cost with staff more.

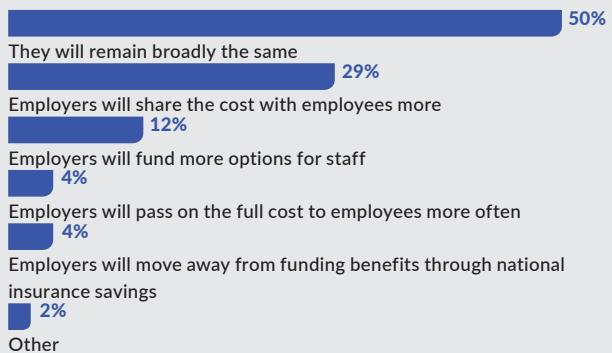
02 The main ways in which respondents' organisations fund benefits

Sample: All respondents (257)



02 How respondents see benefits funding methods changing in the future

Sample: All respondents (257)



03 Employee engagement remains top issue shaping benefits strategy

Employers' desire to improve employee engagement in their organisations remains the key issue shaping benefits strategies in 2016.

Just over two-thirds (67%) of respondents said this was the main issue currently shaping their benefits strategy.

This has been the case since 2011, when 71% of respondents said this was true of their organisation, followed by 73% in 2012 and 74% in 2013.

Broader business issues currently impacting employers are also reflected in the issues shaping benefits strategies. Respondents' desire to be an employer of choice and the multi-generational workforce, for example, also sit near to the top of this year's list.

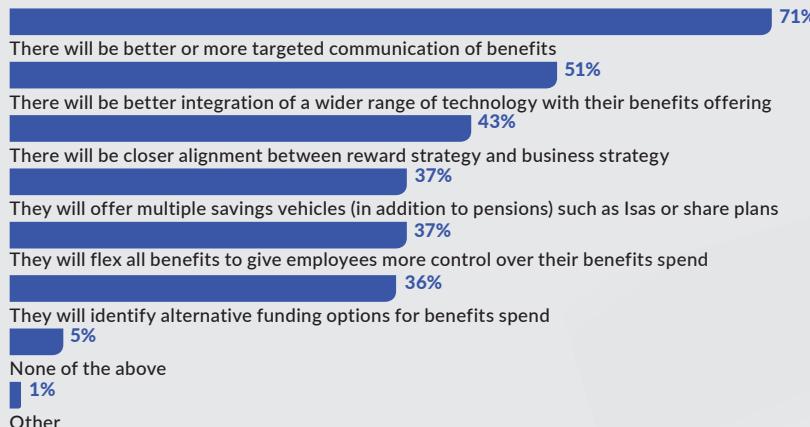
Perhaps unsurprisingly, advancements in technology are also increasingly driving employers' benefits strategies. Just two years ago, 15% of respondents cited this as a key issue shaping benefits strategy. This year, 39% said the same.

This rise could be attributed to developments in areas such as wearable technology, apps, and gamification, as well as in the functionality of reward portals and platforms.

This trend looks set to continue. Going forward, more than half (51%) of respondents believe there will be better integration of a wider range of technology with their benefits offering.

How respondents see their benefits strategy changing to adapt to future industry challenges

Sample: All respondents (231)



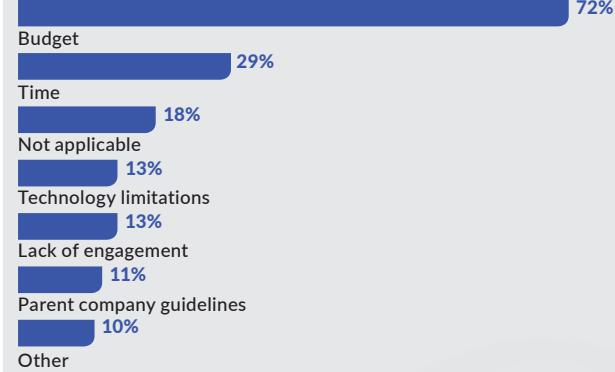
The issues shaping respondents' benefits strategies in 2016

Sample: All respondents (264)

Desire to improve employee engagement	67%
Desire to be seen as an employer of choice	61%
Employee influence or expectations	54%
Multi-generational workforce	46%
Desire for flexibility	42%
Advancements in technology	39%
Aligning benefits strategy with HR strategy	38%
Aligning benefits with business strategy	35%
Driving a high-performance culture	34%
Corporate reputation	33%
Desire to reduce or control costs	33%
Tax changes and legislation (such as pensions changes or age laws)	29%
Ageing workforce	27%
Perceived moral or ethical responsibilities	25%
Pensions auto-re-enrolment	25%
Increasing workforce diversity	24%
Desire for cultural change	24%
Poaching of staff by competitors	20%
Organisational change (such as merger, acquisition, downsizing or expansion)	17%
Remuneration strategies for high earners	16%
Operating on a global/multi-national basis	16%
Pay freezes or low pay increases	15%
The economy	11%
Breaking down workforce hierarchies	8%
None of the above	2%
Other	1%

The barriers to respondents introducing benefits they would like to offer

Sample: All respondents (198)



Feel-good factor

Employers are now offering a broad mix of benefits to their staff



Louise Fordham | Deputy editor
Employee Benefits

01 78% offer benefits to all staff via salary sacrifice arrangements

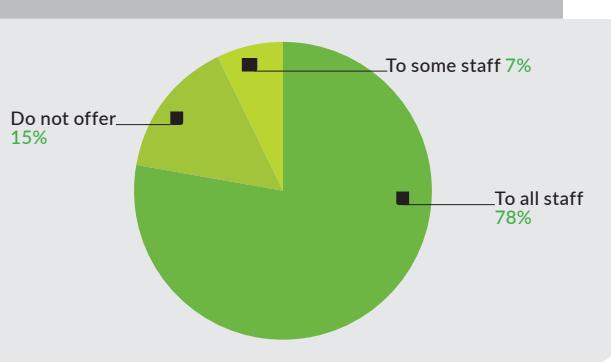
More than three-quarters (78%) of respondents offer benefits to all staff via a salary sacrifice arrangement. This is six percentage points lower than the 84% of respondents that reported offering benefits through this type of arrangement in the *Employee Benefits Benefits research 2014*, published in May 2014. Just 7% of respondents offer benefits through salary sacrifice arrangements to some staff, compared to 6% in 2014. The proportion of respondents that do not offer any workplace benefits through salary sacrifice has increased from 10% in 2014 to 15% in 2016.

There have been rumblings about the future of salary sacrifice arrangements. The government expressed its concern at their growth in November 2015's *Spending Review and Autumn Statement 2015 policy paper*, and subsequently set out its intentions to limit the benefits that can be offered via such arrangements in the March 2016 Budget documentation. Although the government has confirmed that pension contributions, childcare and health-related benefits, such as bikes for work, will continue to attract relief on tax and national insurance contributions when offered via salary sacrifice arrangements, uncertainty remains about the scope of the proposed limits and the benefits these will affect.

Since the introduction of the national living wage, employers must also ensure that salary sacrifice arrangements do not take the pay of these staff members below the newly implemented statutory rate of £7.20 an hour.

The proportion of respondents that offer benefits through a salary sacrifice arrangement

Sample: All respondents (219)



01

02 The tax-efficient benefits offered by respondents via a salary sacrifice arrangement, either on a voluntary basis or through flexible benefits

Sample: All respondents that offer benefits through a salary sacrifice arrangement (184)

Childcare vouchers	93%
Bikes-for-work scheme	78%
Pension contributions	72%
Give-as-you-earn/payroll giving	37%
Holiday trading	36%
Health screening	25%
Gym membership	22%
Cars	17%
Mobile phones	10%
Group income protection	10%
Car parking	7%
Subscriptions (professional bodies)	4%
Training courses	3%
Subscriptions (publications)	1%

93%

of respondents offer childcare vouchers through a salary sacrifice arrangement

02 Childcare vouchers still top the list of favourite benefits

Childcare vouchers are the most popular tax-efficient benefit offered by respondents' organisations (93%). The government's tax-free childcare scheme, aimed at replacing childcare vouchers, will be phased in from 2017, with the current scheme remaining open until April 2018 to support the transition between the two.

Those benefits exempt from the government's plans to limit salary sacrifice arrangements, such as pensions contributions (72%) and health-related benefits, including bikes for work (78%), also feature in the top three tax-efficient benefits offered via a salary sacrifice arrangement. Meanwhile, more than a third of respondents provide holiday trading (36%) and give-as-you-earn and payroll giving (37%).



03 Season-ticket travel loan is top workplace savings benefit

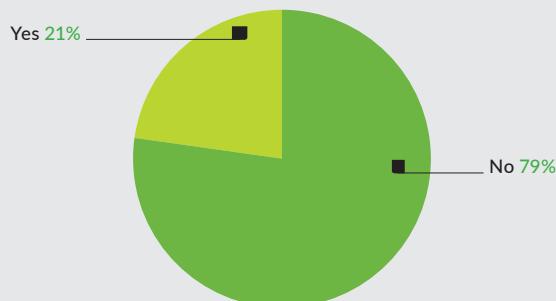
More than half (53%) of respondents offer employees access to a season-ticket travel loan, making it the top workplace savings benefit offered by respondents. Around three-quarters (76%) of these respondents provide this as a core benefit to all staff, and 17% offer it as part of their voluntary benefits programme.

Financial wellbeing support also features among the top five workplace benefits, excluding pensions, offered by respondents, with 29% providing financial education and 24% facilitating access to financial advice. Both are principally offered as core benefits to all staff members, at 85% and 81%, respectively. This represents a significant increase on the 14% of respondents in the *Employee Benefits Benefits research 2014*, published in May 2014, that offered financial education as a core benefit to all staff, and the 15% that provided access to financial advice in this manner.

More than three-quarters (79%) of respondents do not expect their organisation will contribute to the new lifetime individual savings account (Lisa). From April 2017, individuals aged 18-40 will be able to open a Lisa. This allows individuals to place up to £4,000 a year into the new savings vehicle, and receive a 25% government bonus if the money is put towards a first home or withdrawn as retirement income after the age of 60.

Do respondents think their organisation will contribute to the planned new lifetime individual savings account (Lisa)?

Sample: All respondents (215)



The top five workplace savings benefits offered by respondents' organisations and the basis on which they are offered

Sample: All respondents that offer benefits through a salary sacrifice arrangement (208)

	Total	Core - all staff	Core - some staff	Flexible benefit	Voluntary benefit
Season ticket travel loan	53%	76%	8%	5%	17%
Financial education	29%	85%	3%	3%	9%
Financial advice	24%	81%	9%	9%	2%
Long-term incentive plan	20%	0%	98%	0%	2%
Share incentive plan	12%	87%	9%	0%	4%

45%
of respondents
offer a car
allowance, of
which 95% do so
as a core benefit
for some staff

04 Company cars pull ahead as core benefit to all staff

Almost half (45%) of respondents offer a car allowance. Of this group, 95% do so as a core benefit for some staff and 2% as a core benefit for all staff. Less than a third (31%) of respondents provide a car through outright purchase, contract hire or leasing, 7% do so through a personal contract plan or employee car ownership scheme, and 6% offer access to an all-employee car ownership scheme or affinity plan.

31%

of respondents
provide a car
through outright
purchase,
contract hire
or leasing

The car benefits offered by respondents' organisations and the basis on which they are offered

Sample: All respondents (218)

	Total	Core - all staff	Core - some staff	Flexible benefit	Voluntary benefit
Company car through outright purchase, contract hire or leasing	31%	9%	89%	5%	0%
Company car through personal contract plan or employee car ownership scheme	7%	13%	69%	6%	13%
Access to an all-employee car ownership scheme/affinity plan	6%	31%	8%	31%	39%
Car allowance	45%	2%	95%	3%	1%
Fuel for private use	13%	11%	86%	7%	4%
Motor breakdown cover	7%	15%	62%	23%	0%
Car parking	29%	76%	15%	2%	7%
None of the above	32%				

05 Life assurance constitutes largest group risk benefit

A large proportion of respondents (84%) offer employees life assurance or death-in-service benefits. Some 87% of those offering this include it among their core benefits package for all staff, slightly higher than in 2014, when *Employee Benefits' Benefits research 2014*, published in May 2014, found that 77% of respondents that provide life assurance or death-in-service do so as a core benefit for all. Fewer respondents (28%) provide life assurance to employees' dependants and partners. Unsurprisingly, this is the same across group risk benefits; 30% offer personal accident insurance to staff

and 12% to their partners and dependants, and 36% offer critical illness cover to employees, while 22% of respondents' organisations make it available to employees' partners and dependants.

For those respondents that do provide coverage to dependants and partners, the most popular form of doing so is as a flexible benefit. For example, 58% of respondents offer critical illness insurance, 50% offer personal accident insurance, and 42% offer life assurance in this manner. Meanwhile, more than half (53%) provide income protection or permanent health insurance, 60% of which include this in their core offering to all staff and 36% as a core benefit for some staff.



The group risk benefits offered by respondents' organisations and the basis on which they are offered Sample: All respondents (207)

05

	Total	Core - all staff	Core - some staff	Flexible benefit	Voluntary benefit
Life assurance / death-in-service	84%	87%	13%	6%	2%
Income protection / permanent health insurance	53%	60%	36%	4%	4%
Critical illness insurance	36%	32%	14%	41%	19%
Personal accident insurance	30%	53%	17%	22%	15%
Life assurance for partners and dependants	28%	32%	12%	42%	19%
Critical illness for partners and dependants	22%	16%	2%	58%	29%
Personal accident insurance for partners and dependants	12%	25%	4%	50%	29%
Rehabilitation benefits	5%	80%	0%	10%	10%
None of the above	12%				

06 Counselling services are key health and wellbeing benefit

More than two-thirds (68%) of respondents offer access to counselling services or an employee assistance programme (EAP), the majority of which do so within their core benefits provision for all staff (93%). Private medical insurance (PMI) is also a staple among many employers' benefits packages, with 71% providing this for employees and 62% providing it to employees' partners and

dependants. More than a third (35%) give employees access to a health cash plan, 42% of which offer it as a core benefit to all staff. Meanwhile, 28% of respondents offer this to employees' partners and dependants, although the main means of doing so are as a flexible (35%) or voluntary benefit (44%). Fitness schemes also feature in respondents' benefits programmes, with 41% offering gym membership to staff and 26% running onsite fitness classes. Just 8% offer wearable technology as a benefit.

The top five health and wellbeing benefits offered by respondents' organisations and the basis on which they are offered

06

Sample: All respondents (204)

	Total	Core - all staff	Core - some staff	Flexible benefit	Voluntary benefit
Private medical insurance (PMI) for employee	71%	54%	41%	8%	6%
Counselling/employee assistance programmes (EAPs)	68%	93%	2%	2%	4%
Private medical insurance (PMI) for partners and dependants	62%	30%	39%	24%	20%
Health screening	50%	42%	36%	22%	14%
On-site wellbeing events	47%	84%	5%	2%	11%

As we become increasingly accustomed to searching for information at the touch of the button, whether through mobile devices while on the go or via laptops and PCs, it is perhaps not unexpected that employers are turning to digital means to provide wellbeing education and support for staff. Almost half (49%) of respondents offer digital content about mental wellbeing, 42% about physical wellbeing, and 41% on financial wellbeing. Around a third offer digital content support about community and social wellbeing (35%), and 31% offer job satisfaction or career wellbeing support in this way. While more than a third (34%) use printed materials to offer education on mental wellbeing, less than a third provide support on other wellbeing topics via this channel. Face-to-face communication remains popular for delivering wellbeing education, particularly around physical (42%) and mental wellbeing (42%).

07 Travel insurance offered by a third of respondents

More than a third (35%) of respondents include travel insurance in their employee benefits package. A fifth (22%) of those that offer travel insurance to staff do so on a voluntary basis, and 34% include it within their flexible benefits package. Both of these figures are higher than in 2014, when, the *Employee Benefits Benefits research*

The wellbeing/education support respondents' organisations offer for employees Sample: All respondents (210)

	Face-to-face	Digital content	Printed material	Other	Do not offer
Physical wellbeing	42%	42%	31%	12%	27%
Mental wellbeing	42%	49%	34%	11%	25%
Financial wellbeing	30%	41%	28%	11%	33%
Community/social wellbeing	22%	35%	20%	11%	45%
Job satisfaction or career wellbeing	32%	31%	19%	8%	43%

35%

of respondents offer travel insurance in their benefits package

The personal insurance benefits offered by respondents' organisations and the basis on which they are offered Sample: All respondents (199)

	Total	Core - all staff	Core - some staff	Flexible benefit	Voluntary benefit
Travel insurance	35%	38%	7%	34%	22%
Motor insurance	9%	41%	18%	6%	41%
House insurance	8%	43%	7%	7%	50%
Pet insurance	5%	30%	10%	0%	60%
None of the above	63%				

08 Flexible working most popular lifestyle benefit

More than half (54%) of respondents offer flexible-working initiatives. Among the other lifestyle benefits offered by respondents, 48% provide additional annual leave for life events or in recognition of long service, and 31% offer enhanced parental leave. However, just 11% of respondents offer emergency childcare, 8% provide emergency eldercare support, and only 1% of respondents provide non-emergency eldercare. Discounts and

offers are also a popular feature in employers' benefit offerings, with 41% of respondents giving staff access to retail and leisure discounts, 28% to retail and leisure vouchers, and a third (34%) offering dining cards. The number of respondents that include these benefits in their core benefits package for all staff has risen over the past two years; the *Employee Benefits Benefits research 2014*, published in May 2014, found that 26% of respondents that provided retail and leisure discounts did so as a core benefit for all staff, and even fewer offered retail and leisure vouchers (11%) or dining cards (7%) as a core benefit.

The top five lifestyle benefits offered by respondents' organisations and the basis on which they are offered Sample: All respondents (200)

08

	Total	Core - all staff	Core - some staff	Flexible benefit	Voluntary benefit
Flexible-working initiatives	54%	80%	15%	1%	6%
Extra holidays for long service or life event	48%	79%	17%	4%	2%
Retail or leisure discounts	41%	70%	6%	6%	21%
Dining cards	34%	44%	4%	22%	32%
Enhanced parental leave	31%	85%	12%	2%	2%

For good measure

Annual surveys remain a popular method of gauging employee engagement



Louise Fordham | Deputy editor
Employee Benefits

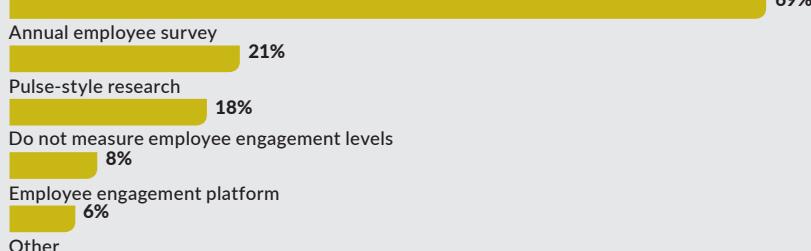
01 18% do not measure employee engagement

Almost a fifth (18%) of respondents do not measure levels of employee engagement within their organisation. Among those organisations that measure employee engagement, an annual employee survey was the most popular method of doing so (69%), followed by pulse-style surveys (21%). Around one in 10 (8%) respondents utilise employee engagement platforms to measure staff engagement levels. Of those respondents

that do not currently measure employee engagement, 40% intend to start doing so, and 43% are unsure whether or not they will begin to do so.

How do respondents' organisations measure employee engagement levels

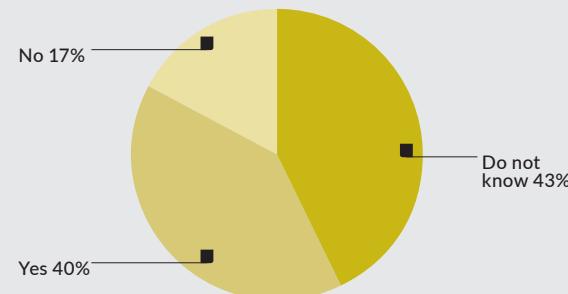
Sample: All respondents who measure employee engagement in their organisations (200)



01

Are respondents planning to begin measuring staff engagement levels?

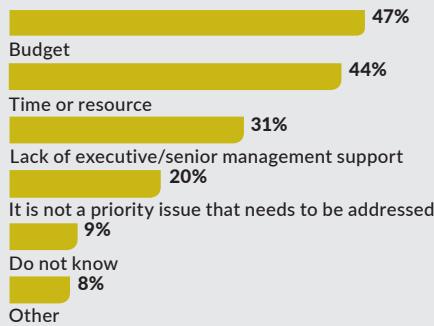
Sample: Respondents that do not currently measure employee engagement levels (35)



01

What respondents see as the main barriers to improving employee engagement in their organisation

Sample: All respondents (193)



02

02 Lack of time and resources hamper improvement efforts

The research highlights certain impediments to improving employee engagement levels within organisations, the most notable being budget (47%) and time and resources (44%). In addition to practical and financial constraints, a lack of support from senior management is also viewed as a key barrier to facilitating improvements in this area (31%). For 20% of respondents, the fact that employee engagement is not seen as a priority issue that needs to be addressed serves as an obstacle to enhancing engagement levels.

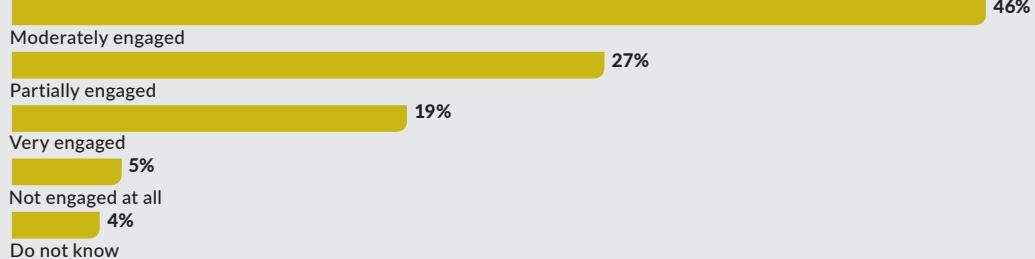
47%

of respondents cite budget as an impediment to improving employee engagement levels

03

How engaged employees are with benefits at respondents' organisations

Sample: All respondents (198)



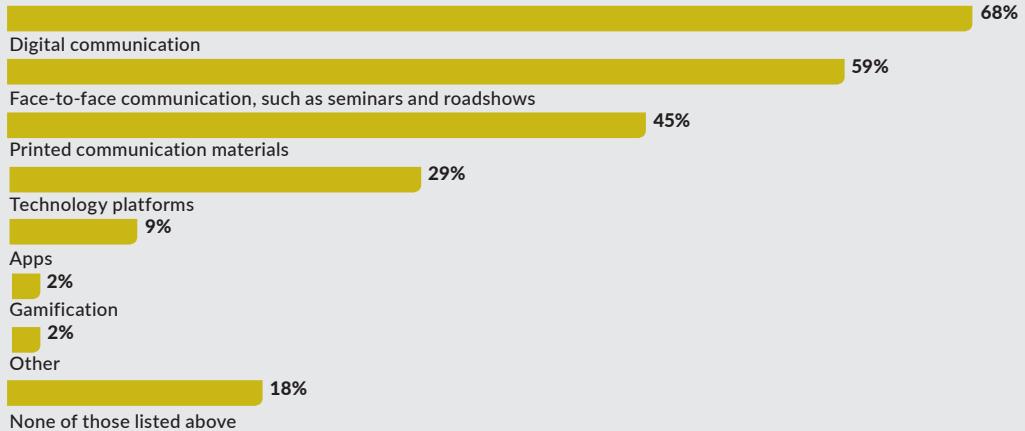
03 More than a quarter see only partial engagement with benefits

Almost two-thirds (65%) of respondents believe that staff are either moderately engaged (46%) or very engaged (19%) with benefits within their organisation. Yet more than a quarter (27%) state that employees are only partially engaged with the benefits available to them, and, somewhat worryingly, 5% say staff are not at all engaged with benefits.

04

The measures respondents are taking to improve employee engagement with benefits

Sample: All respondents (195)



19%

of respondents say that their employees are very engaged with benefits packages

04 Two-thirds use digital communications in order to boost engagement with benefits

Organisations are utilising a range of methods to drive employee engagement with the benefits available to them and to communicate the value of packages to staff. More than two-thirds (68%) of respondents are taking advantage of digital communication methods to improve employee engagement with benefits, and more than half (59%) use face-to-face communication, such as benefit roadshows and seminars.

Traditional forms of communication also remain popular, with 45% of respondents making use of printed communication materials to boost engagement with benefits.

Employers are also turning to technology to enhance engagement, with more than a quarter (29%) utilising technology platforms and 9% using apps. While there has been an increasing focus on the potential role of gamification methods within the field of employee benefits, just 2% of respondents are currently using gamification as a means of improving staff engagement with benefits within their organisation.



Familiar friends?

More established forms of technology are perceived as having greater value than newer developments



Debbie Lovewell-Tuck | Editor
Employee Benefits

28% rate their intranet as being very valuable

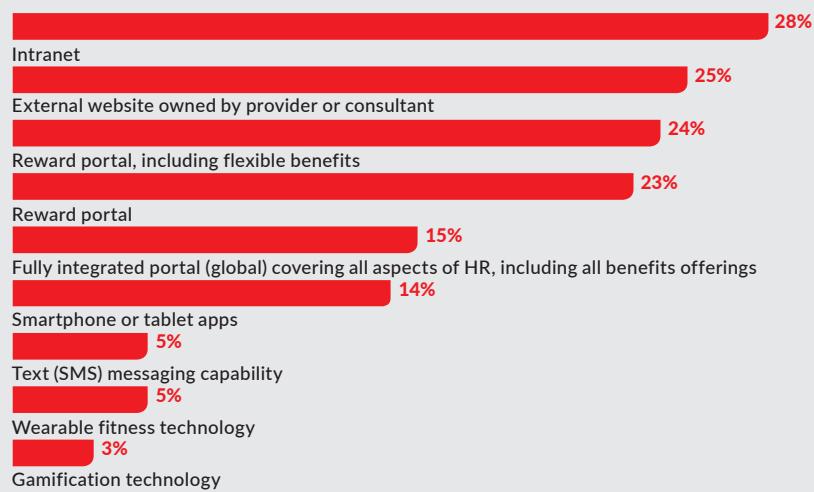
Overall, respondents perceive more established forms of technology as holding much greater value for their organisation than some of the newer developments to enter the market.

On a rating scale of one to five, with five being very valuable and one being not at all valuable, respondents primarily scored intranet sites, external websites owned by a provider or consultant, reward portals, both with and without flexible benefits, and fully integrated portals covering all aspects of HR at the higher end of the ratings scale.

However, respondents were much more likely to score text messaging capability, wearable fitness technology and gamification as not at all valuable.

The benefits technology respondents rate as very valuable to their organisation

Sample: All respondents (236)



How likely different segments of respondents' workforce are to use each type of technology provided by the organisation

	Under 35	35-44	45-55	55 plus	Do not offer
Intranet	56%	65%	53%	45%	19%
External website owned by provider or consultant	44%	49%	38%	33%	39%
Reward portal	36%	33%	28%	22%	55%
Reward portal, including flexible benefits	34%	37%	27%	24%	57%
Fully integrated portal (global) covering all aspects of HR, including all benefits offerings	23%	24%	19%	15%	70%
Text (SMS) messaging capability	18%	17%	12%	5%	73%
Smartphone or tablet apps	34%	28%	16%	8%	60%
Wearable fitness technology	19%	14%	8%	6%	76%
Gamification technology	15%	7%	4%	2%	82%



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CHOICES THAT ARE RIGHT FOR
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➤ HELPING EMPLOYERS OVERCOME THE CHALLENGES TO ENHANCING THEIR BENEFITS SO HR WORKS BETTER. ➥

Seventy-two percent of employers feel budget is a barrier to improving their employee benefits. We can help. Our tried and tested solutions ensure budgets of any size are applied smartly, leading to exceptional outcomes for the health, wealth and careers of your employees. **Work can work better.**



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