

Rethinking the employee benefits model

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Authors and contributors



[Alexander Forbes](#)
[Research Institute](#)

What we see is a dual message: help employees plan for an unknown future while mitigating expense risk, and give them a clear path to promotion and enable them to thrive at work. What this means is we need to address both the future of jobs and the future of talent.

In this section, we make the case for '[getting creative about value creation](#)'. Organisations wishing to position themselves as employers of choice must pay attention to what's important to employees: a focus on employee health and wellness, for example, and those defining characteristics of the modern organisation – more flexible work options, the ability to create their own career success (which links to having control over one's learning and development, as we discuss in Part 5), and opportunities to work with the best.

There's also a need for employers to play a far more active role in helping employees manage their money. Anxiety about finances is likely to play out in ways that detract from performance and productivity, so it makes sense for employers and policymakers to be directly involved in providing financial services and advice that add value to their employees in this area.

In our discussion on '[benefits that matter](#)', we question whether employee benefits as we know them are becoming obsolete. An important issue here is whether the numerous offerings available to employees are real benefits or simply a grudge purchase. We may have a choice of offerings that provide some measure of social protection, but if we want individuals to engage with long-term savings for retirement, we need to first help them address their day-to-day financial needs.

By expanding an employer's benefits platform to address a range of savings objectives, we could effectively convert the employer's retirement scheme into a guided financial planning tool for all employees. To change this convention, though, employers would need to believe that an alternative model would be worth the effort.

The best benefits are those that provide value to both employee and employer. We see this as the starting point for introducing benefits that are not only customised and integrated but also fully portable throughout an individual's financial life.

We examine how we could move from transforming the benefits framework into a life-planning tool for a very different type of employee, whether they're under full-time employment or contract, independent, or even post-employment. We use personas to explore what the process of creating customised solutions could look like for HR departments, and present a complement of offerings to illustrate how rich this could be.

As we move forward, it's clear that an innovative, integrated, multistakeholder approach to employee benefits is required if we are to address the multitude of factors that have an impact on the way people live and work. This is something we tackle in the final section of this year's *Benefits Barometer*.

[VALUE CREATION](#)

[EMPLOYEE BENEFITS](#)