



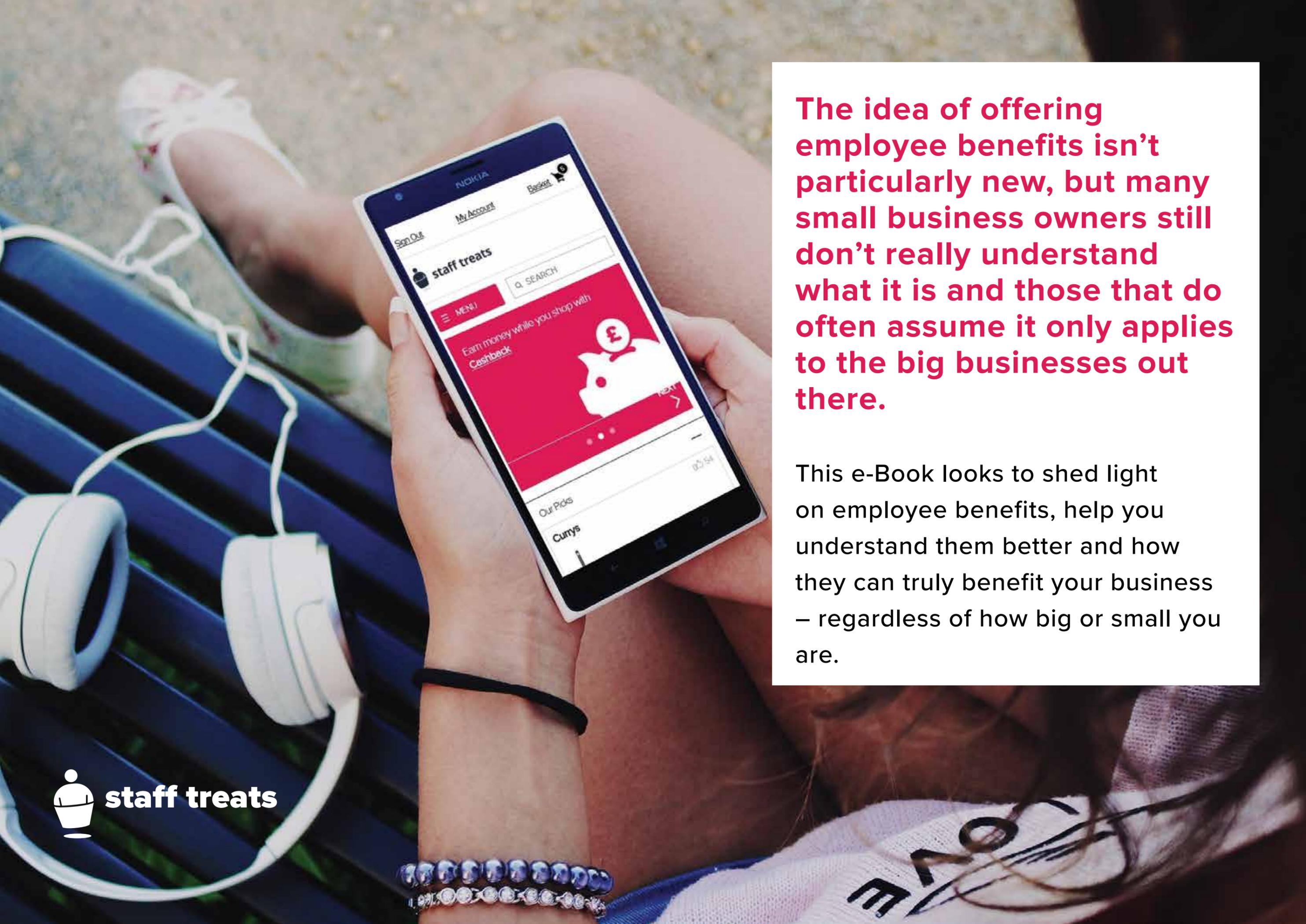
staff treats

A BEGINNER'S GUIDE TO

EMPLOYEE BENEFITS

Plus KidZania case study





The idea of offering employee benefits isn't particularly new, but many small business owners still don't really understand what it is and those that do often assume it only applies to the big businesses out there.

This e-Book looks to shed light on employee benefits, help you understand them better and how they can truly benefit your business – regardless of how big or small you are.

What are Employee Benefits?

Employee benefits or perks are non-wage incentives and compensation offered to staff on top of their normal salaries.

They can help any business, regardless of size, attract, retain and motivate staff by contributing to their wellbeing and supporting their lives outside of the workplace. They should form a key part of your employee engagement strategy.

The best employee benefits are tailored to the wants and needs of your workforce, are easy to use and support your broader business objectives and culture. But they can also be simple offerings that just give that something extra to your hard working team.



What do employers typically offer as an employee benefit?

Holidays and time off – going above and beyond the statutory entitlement



Pensions – meeting your legal requirements as an employer and introducing the best scheme for your organisation and employees

Healthcare – this can include health insurance, dental insurance and support around occupational sickness and a range of illnesses



Enhanced maternity pay – going above and beyond your legal requirements

Company cars and car allowances



Other benefits – including childcare benefits, salary sacrifice, employee concierge and discount schemes and gym membership



EMPLOYEE BENEFITS AND SMES

Historically, bigger organisations have offered a wider range of employee benefits than startups and SMEs, because they had bigger budgets and more resources to administer such schemes. However, it has become quicker, easier and cheaper than ever for smaller businesses to offer employee benefits, particularly employee discounts and concierge services. This means that SMEs can better compete with big businesses when it comes to attracting and retaining the best people.

HOW CAN BENEFITS SUPPORT AND ENHANCE YOUR CULTURE?

The benefits you have on offer can have a big impact on the sort of employees your organisation attracts and can also influence their behaviour once on the job.



Q&A

Question:

Which benefits could I offer to show prospective employees you value work-life balance and general wellbeing?

Answer:

Health and wellbeing focussed benefits including gym membership; private healthcare, additional annual leave and discounts on lifestyle goods and services

Question:

My startup thrives on our ability to innovate. How can I use benefits to encourage this kind of behaviour?

Answer:

Reward them with certain benefits, such as access to an exclusive employee concierge service, when their performance reflects this.

Top tip:

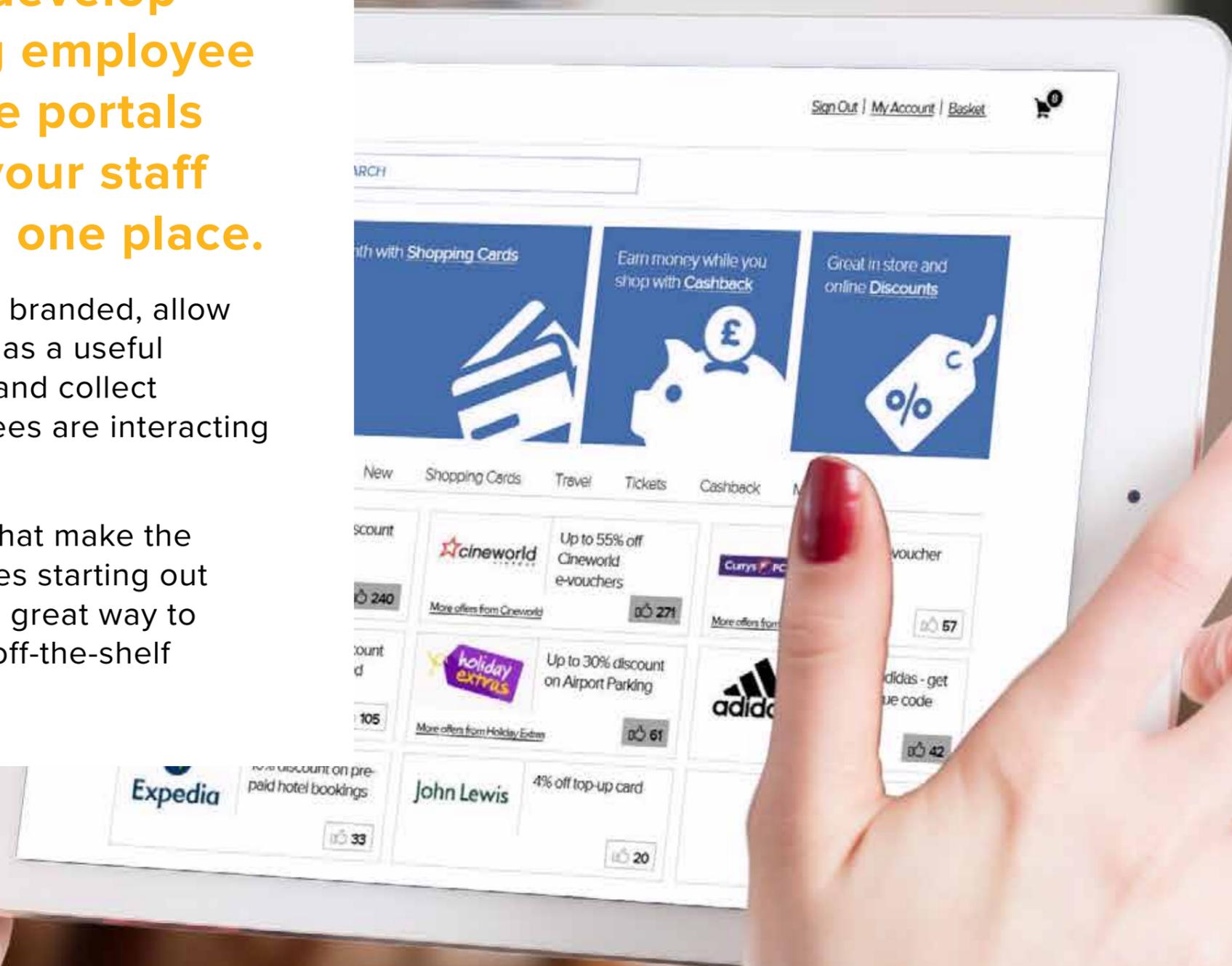
This may resonate particularly with certain groups and demographics, such as millennials, when it comes to recruitment. A 2017 Workplace Benefits Report by Bank of America Merrill Lynch found that 59% of millennials were worried about finding a career path that will support their lifestyle outside of the office. These kinds of benefits could also go a long way to building a culture of wellbeing within your organisation.

WHERE DO I START?

Many businesses will develop all-singing, all-dancing employee benefits hubs: bespoke portals offering access to all your staff benefit schemes, all in one place.

These are great as they can be fully branded, allow for easy communication to staff, act as a useful information resource for your team and collect insightful data on how your employees are interacting with your suite of benefits.

That said, often it's the little things that make the biggest difference and for businesses starting out in the world of employee benefits, a great way to dip your toe in the water is with an off-the-shelf employee discounts scheme.



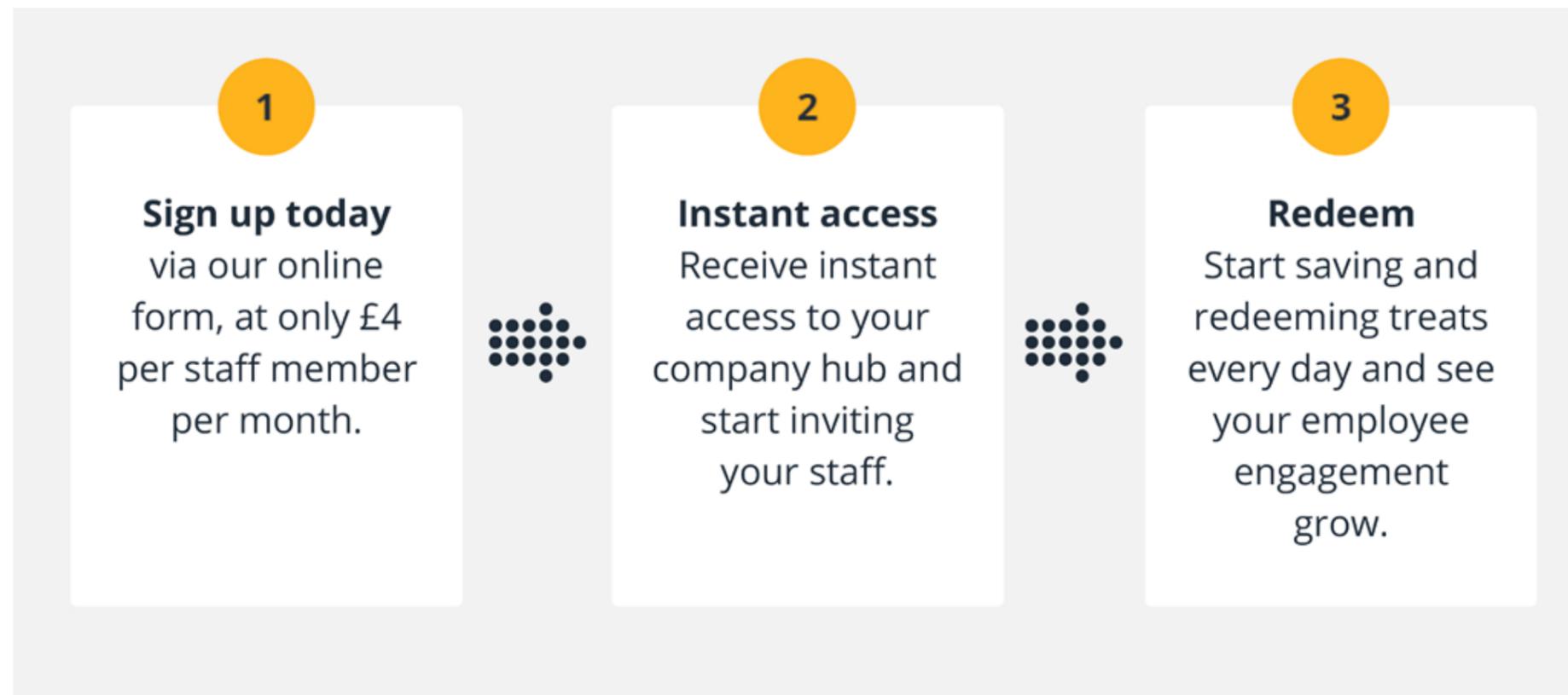
Make the biggest difference with the smallest budget

According to the Chartered Institute of Personnel and Development (CIPD), employee benefits “generally form a significant part of the overall reward package, with estimates suggesting that their values can account for up to around 40% of the costs to organisations of employing staff.” In short, they can be expensive.

But, if you are savvy with which benefits you choose to offer, you can make a huge difference to your employees’ lives, at very little cost, time and effort.

Voluntary benefits, for example, are relatively low cost to implement and don’t require the same completion of enrolment forms, payroll processes, HR approvals, or employment contract variations that salary sacrifice and other benefits demand.

They can be implemented for as little as £4 per employee per month!

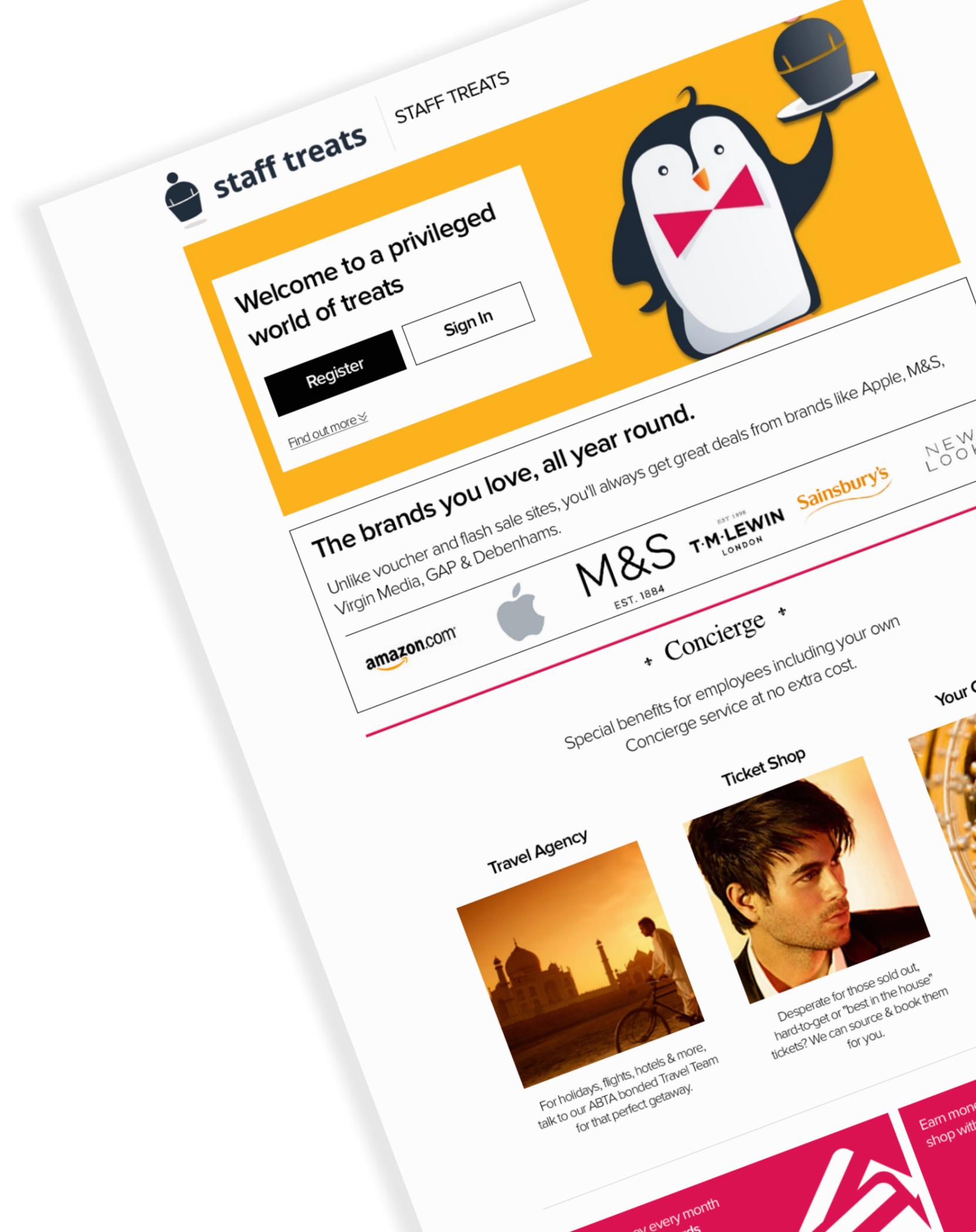


Voluntary benefits schemes can make their staff’s salaries go further and support their lives outside of the workplace.

Lifestyle benefits

Lifestyle focused benefits have enjoyed a notable growth in recent years as more and more organisations look to make a tangible difference to their employees' quality of life. As a result, offering concierge services as a voluntary benefit has become increasingly popular and can be offered as part of any comprehensive voluntary benefits package. They tend to fall into three categories:

- Travel: researching the best holiday packages, booking flights, cars and hotels to offering bespoke, personalised holiday planning
- Tickets/social: sourcing and booking tickets for anything from theatre performances, restaurant reservations, sporting events and car hire
- Personal: can include the likes of gift sourcing, organising a cleaner, health, beauty and fitness assistance



How should I implement an employee benefits scheme?

With any employee benefit programme it's important to create an **implementation plan**, detailing the **infrastructure** of your scheme, **what platform** you plan to use, **which benefits** you plan to offer and how you plan to **communicate** the various aspects of the scheme.



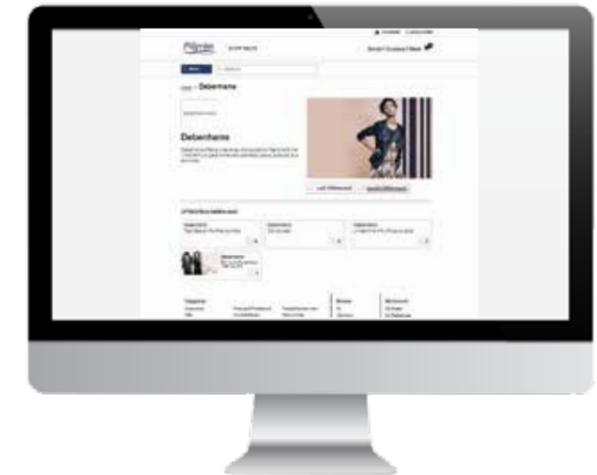
1: Login Page



2: Home Page



3: Offers Page



4: Suppliers Page

How do I know if my benefits are working?

Having clear objectives, targets and key performance indicators (KPIs) are useful in helping you ascertain if your benefits are doing what you want to do. But what should you be measuring?

Monitoring engagement is crucial. It can help you fine-tune what benefits are being offered as part of a scheme, its usability and how that scheme is communicated.

So what sort of engagement figures should you be aiming for?

- Expected engagement levels: You should be looking to achieve engagement rates of between 50% and 70%.
- Don't take engagement stats at face value: Don't assume that lack of engagement is all about the benefits on offer. For example, this may tell you more about a scheme's usability than it does about whether specific benefits are popular or not.
- Consider the context: It can actually be more insightful to benchmark results, taking a before and after view, rather than just looking at a final engagement figure. If there has been a 40% improvement in 6 months, but overall engagement is still only 35% of your workforce, then that is still a positive result.

Checklist - Key questions to answer before launching an employee benefit programme:

- Does this benefit fit into my HR strategy?
- What am I hoping to achieve with it?
- Is it something that my employees want? How do I know?
- How will we communicate this new benefit?
- What are the implications in terms of tax, employee contracts, etc?
- What are my competition offering?



Business Overview

KidZania was originally opened in September 1999 in Santa Fe Shopping Mall in Mexico City. Since then it has expanded worldwide and opened in London, at Westfield, Shepherd's Bush in 2015. It now has circa. 340 employees.

KidZania is an indoor city run by kids, where kids can independently choose from a number of real-life entertaining activities in one safe and secure space. Designed for children aged 4-14, KidZania blends learning and reality with entertainment. Careers range from a surgeon, dentist and police officer to firefighter, courier and dancer.

At KidZania, kids are able to get a fun and realistic insight into the adult world by taking part in a choice of 'jobs' which will earn them kidZos (KidZania currency) and then leisure activities such as the climbing building, where they are able to spend their kidZos. When kids earn 75 kidZos they can open a bank account and receive their very own bank card, just like mum and dad! KidZania is completely unique in every way, there is no other experience like it in the UK.



The challenge

KidZania has an active and diverse workforce. With over 300 staff, both full time and flexible, KidZania faces similar issues to many medium sized employers, in particular the need to attract the right people and provide an employee benefit which is appreciated and valued by all employees. As a relatively young company in the UK it faces the same challenges as many start ups including how to best incentivise and motivate its staff.

Since its conception in the UK, KidZania has always wanted to offer a compelling package. And now, 2-years on, it decided to look at creating a benefits solution that is cost effective for the business but also the right package for its staff.

The solution

Having looked at several suppliers across the full spectrum of employee benefits, KidZania decided to work with Staff Treats. There were two main reasons for choosing Staff Treats:

1. They have the strongest discount offering that met the needs of their entire workforce
2. It was the right cost bracket for their headcount

For just £4 per employee, KidZania is now able to create a more compelling package by offering each of its staff access to over 3000 discounts from their favourite high street stores, cinema and supermarkets.

The Outcome

Since the launch of Staff Treats at KidZania in November 2017, it has had over 240 registered users. That is just over 65% engagement to date. With the fluid nature of their workforce, the easy to use platform has proven to be an effective tool which all employees use on the go, especially as the majority of its workforce are not office based. The perks appeal to all employees at all levels and income bands as there is something to suit everyone.

“Since we launched Staff Treats internally we have worked hard to spread the word and encourage sign up. We have put a lot of effort in to creating our own events and posters to make everyone aware of the benefits on offer. It’s great to have such high levels of engagement, but it’s the fact that we can see our staff using it every day. As we are based in Westfield London I see colleagues finding their vouchers and using them at M&S, the cinema and many other shops. It’s this immediate accessibility that has made it so appealing.”

- Martin Green, Head of Human Resources



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