

The State of Public Sector Benefit Programmes 2021

How do public sector organisations support employee wellbeing in and out of the workplace?

Supporting your employees in 2021

We surveyed senior HR, payroll and benefits managers and consultants to understand how their current employee benefits programmes are working and what benefits they are looking to implement in the future.

Whilst we opened this survey up to a wide range of public sectors, the majority of responses are from NHS, local government and councils, law enforcement, education and transport organisations.

The effects of the pandemic throughout 2020 and beyond have changed the way employers engage with employees, with many workers being forced to work from home. Key workers in public sectors such as the NHS and police have kept the country going throughout the pandemic. So how are employers noticing the hard work employees have been putting in and what rewards and benefits are they looking to implement into their organisation in the upcoming year?

The top three takeaways from this research are:

- 1. Engaging all employees in the whole benefits offering proves a challenge for many organisations.
- 2. Communicating the benefits on offer is a challenge as many employees are shift workers or work remotely throughout the country.
- 3. Providing benefits that meet a diverse range of needs within the workforce is challenging as every employee needs something different to help with their personal interests and wellbeing.



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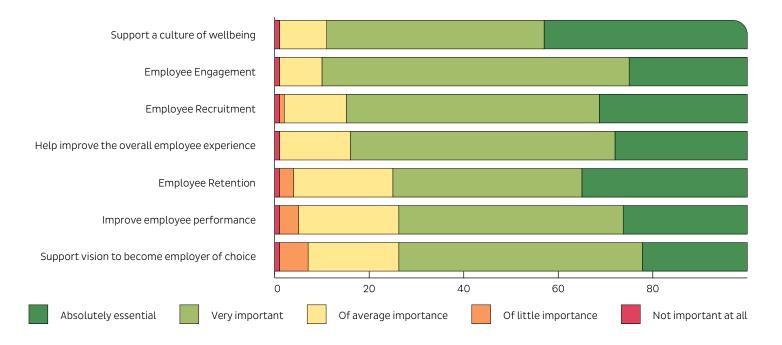
How are employee benefits used to meet organisational objectives?

Benefits that are offered to employees need to serve a purpose.

Why?

Because there's no point offering benefits that do not appeal and engage your employees. They become vanity benefits that employers can say they offer but are not taken up and ultimately waste administrative time. They may work well in getting potential employees to enquire about open job positions, but won't be good enough to retain them for the long term. Therefore benefits need to appeal to as many employees as possible and engage them enough to retain top talent.

We asked respondents how important they think their employee benefits offering is in supporting key organisational objectives. The bar graph below shows the results.



Supporting a culture of wellbeing in the workplace is the number one priority for developing a benefits programme with 88.24% of respondents stating that this is very important or absolutely essential.

Employee retention is the second highest with 35.29% of respondents stating that this objective is absolutely essential. 5.88% of respondents say that their employee benefits

programme is of little importance when used to support their vision to become an employer of choice.

Employee wellbeing, recruitment and retention are the three highest rated objectives with respondents stating they are absolutely essential for their organisation. Having to recruit new people takes more time and can cost more money than retaining talent through an engaging and diverse benefits programme that appeals to a wide range of employees' interests, hobbies and wellbeing within the organisation and outside the workplace.



What are the top challenges public sector organisations face with managing their employee benefits?

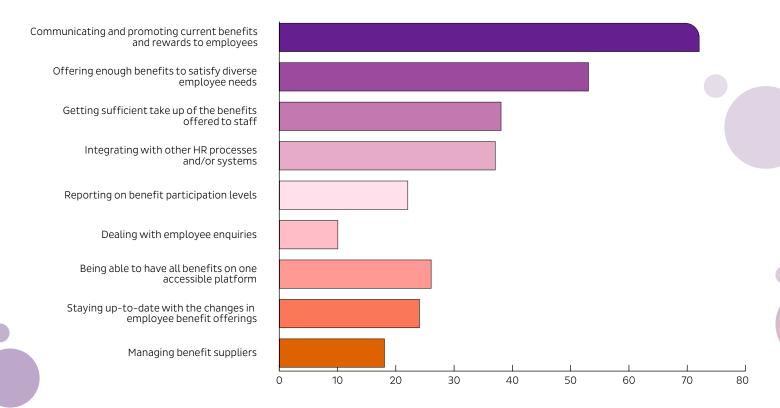
Managing a full employee benefits programme can present numerous challenges.

We asked what their main challenges are when managing their employee benefits and found that 72% of senior HR and benefits professionals face the challenge of communicating and promoting current rewards and benefits available to staff.

Some public sector workforces such as the NHS and police very often work shift patterns and may work across multiple locations, therefore staff are not working together. As such, sending out internal communications to reach all members of staff is clearly presenting challenges to HR staff. This can affect the engagement rate of an organisation's benefits uptake.

Regular benefits such as pension contributions, health / life insurance and in some cases extra days holidays are decreasing in 'exciting' value as they become more and more standardised as the 'norm' – organisations should be offering these to support basic employee welfare and in certain instances to follow legal requirements. Therefore, employers are constantly looking for additional benefits to add to their programme that are exciting, unique and give employees what they need to support a healthy work-life balance, and mental and physical health.

52.94% of respondents also stated that offering enough benefits to satisfy a diverse range of employee needs is a current challenge with managing their employee benefits programme.



Large workforces will naturally have employees that have numerous different interests and hobbies outside of work. As an employer you need to be able to offer benefits that appeal to a wide range of these interests. Not everyone will be interested in a cycle to work scheme if they're not confident riding a bike or potentially getting wet on rainy mornings, and likewise your older workforce may not be interested in your maternity policy if they are no longer going to be using it.

However, employee benefits such as salary sacrifice schemes do not need to offer the same products to everyone.

They need to be robust and allow your employees to choose the items that best suit their needs and lifestyle.

The people in your company that like attending the gym, hiking on the weekend or playing a game of 5-aside football with friends might have different needs to those who like to garden, enjoy a barbecue in the summer with friends, or have their own personal blog to keep updated in their spare time.

A Technology Benefit can help you engage a range of employees interests and hobbies outside of work, download our latest guide "How to Diversify Your Benefits to Support Your Employees Interests and Wellbeing" to find out how.



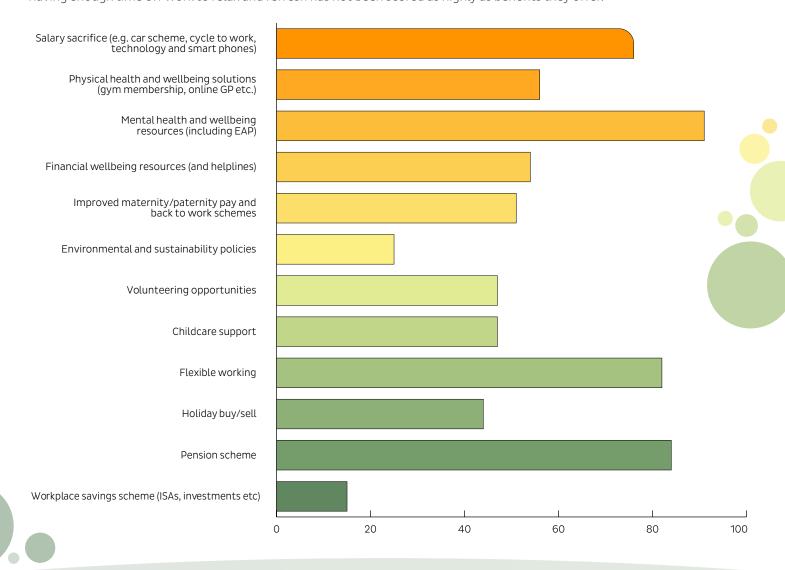
What types of benefits do public sector organisations offer or would like to offer their employees?

Mental health and wellbeing resources including EAP, pension scheme and flexible working are the top three benefits organisations offer or would like to offer more to their employees.

Interestingly, physical health and financial wellbeing benefits were 35% lower in employer importance than mental wellbeing benefits.

Only 51.47% of respondents stated that they offer or would like to offer improved maternity / paternity pay and 'back to work' schemes. Less than 50% stated that they offer or would like to offer child support benefits.

So, whilst employers are quick to note that mental health wellbeing resources and help is a benefit they offer or would like to offer, other contributing factors that can affect an employee's mental health such as financial struggles, raising children and having enough time off work to relax and refresh has not been scored as highly as benefits they offer.



Employee wellbeing needs to be holistic, so benefits need to support all three aspects – mental, physical and financial needs – both inside and outside of work.

Whilst only 54.41% of respondents stated financial wellbeing resources and helplines were a benefit they offer or would like to offer, 76.47% of respondents said that a salary sacrifice scheme is currently offered or something they would like to offer.

Salary sacrifice schemes help to support your employees product' needs, which works towards supporting their interests and wellbeing outside the workplace. Common salary sacrifice benefits can include cycle to work schemes, car schemes or technology purchase schemes.

Environmental and sustainability policies, holiday buy / sell and workplace saving schemes such as ISAs and investments appear to be of least importance for 2021 benefit programmes from those surveyed.

Employee benefits platform implementation

As we've previously discussed, communicating and promoting the benefits organisations offer is the most challenging aspect of managing a benefits programme. Organisations that have multiple benefits to opt in to but no centralised platform to help manage those requests can quickly become consumed by administrative tasks across the HR and Finance departments.

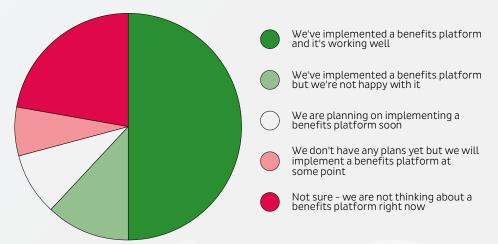
50% of respondents stated they have implemented a benefits platform and it's working well.

However, 22% of respondents are not currently thinking about a benefits platform this year. Partnering with the right platform provider is a huge decision. You must be able to get the help you need to communicate the benefits on offer, something we have already seen is a top challenge for HR staff in the public sector.

11% of survey respondents have implemented a platform but are not happy with it.

Remember, before you go ahead and implement any new benefits or platform into your organisation, it's best to do your research and get a full demonstration of the platform. Remember to ask these key questions:

- 1. How easy is the platform to use?
- 2. Does the platform have a mobile app?
- 3. What is the average engagement rate for similar organisations?
- 4. How much support does the team provide in admin tasks and promoting benefits?



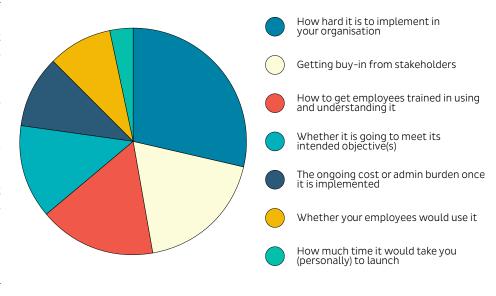
What hesitations do employers have when trying to implement a new benefits platform?

The majority of respondents stated that they would be most worried about how hard the platform is to implement into their organisation. Some platforms can be difficult if there's already a provider in place, or the infrastructure is not supported. Some organisations have a range of benefits on various platforms rather than in one consolidated place, which means organising a new platform would take a significant effort trying to get all benefits centralised.

17% were concerned about whether they would be able to get buy-in from stakeholders and 16% were most worried about how to get employees trained in using and understanding it. New technology can sometimes be a burden to larger dispersed organisations as staff are working different times and across the country. Organising training sessions and documentation can take up more HR time.

Only 8% said they would be most worried about whether employees would use it.

An additional response stated that a major hesitation about implementing a new platform would be whether it will meet IT and data security requirements.



What features are the most important in an employee benefits platform?

We asked HR public sector professionals what matters most to them if they were choosing a new employee benefits platform.

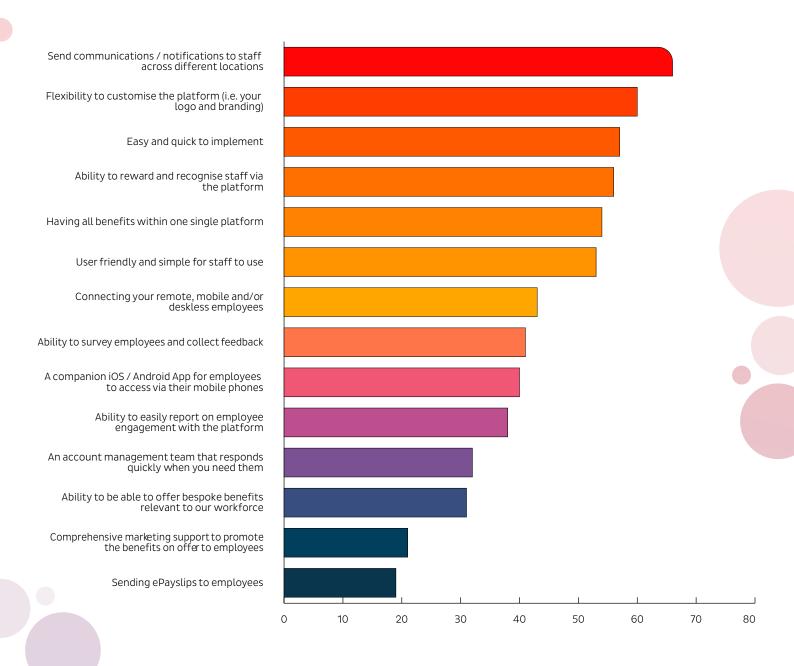
It's not surprising that 66.18% of respondents prioritised sending communications / notifications to staff across different locations as their main feature. Since communicating the benefits to staff is a major challenge (especially in the public sector), it is natural that employers are looking for platforms that give them the control to send notifications to staff across the organisation (on and off-site). Keeping your employees connected with the organisation and the benefits on offer consistently helps to make them feel engaged rather than forgotten about.

The other top features were flexibility to customise the platform i.e. logos and branding (60%) and being quick and easy to implement into the organisation (57%).

Another top feature employers were looking for were benefits to the administrator rather than the end user. HR wants an easy to use platform that makes it easier to communicate benefits with staff and is on brand.

The advantage of an employee benefits platform is that all benefits are in one centralised place for employees to view, however only 54% of respondents stated this was an important feature.

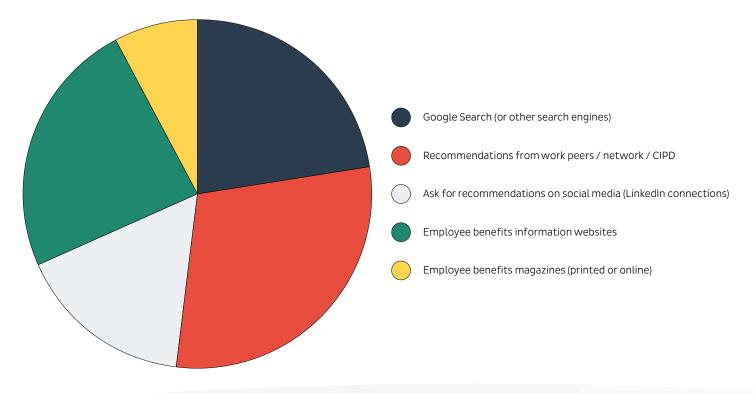
Sending ePayslips to employees, marketing support from the benefits platform provider, and ability to offer bespoke benefits all scored low.



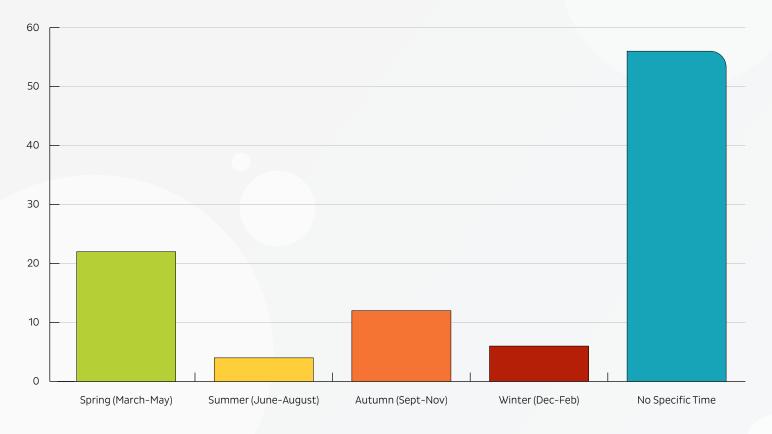
How do employers research benefits platforms?

Recommendations from work peers or people within their CIPD network is the most trusted resource for researching new platform solutions, with 73% saying they would trust recommendations from peers.

Next, 60% said they would look on employee benefits or HR industry websites for information. Going to a highly reputable source of information that employers can trust is important, rather than using search engines such as Google or asking for open recommendations from LinkedIn connections.



Depending on the organisation, employers might be looking for new platform solutions at different times of the year. The most common time of the year to research and consider implementing a new benefits platform is at the beginning of the fiscal / tax year (March-May). This aligns with new budgets and organisational strategies. However, the majority of respondents (55%) stated there is no specific time they would start looking.



Engage your remote workforce and promote a culture of wellbeing in your organisation

If one of your organisation's objectives this year is to engage your people in new benefits whilst also fostering a culture of wellbeing, then why not consider a Technology Scheme to support your employees' interests and wellbeing, inside and outside of the workplace.

Why technology?

No matter what your employees' interests or hobbies outside of work are, technology is something that unites people. Technology is everywhere, which means it's best equipped to also meet the needs of your employees.

Technology benefits offer a wide range of products that are essential for many interests and hobbies so your employees can choose something that is suitable for them and their family!

Wearable tech for your Fitness Fanatics, the latest console and accessories for the Gamers, headphones for the Audiophiles and Music Lovers, smart TVs and soundbars for the Film Buffs and Binge Watchers, and lots of other useful tech for the Gardeners, Bakers and Homemakers across your workforce.

Adding a Technology Scheme into your overall company benefits can also give you a competitive edge against employers that only offer the standard benefits such as pension and health insurance.

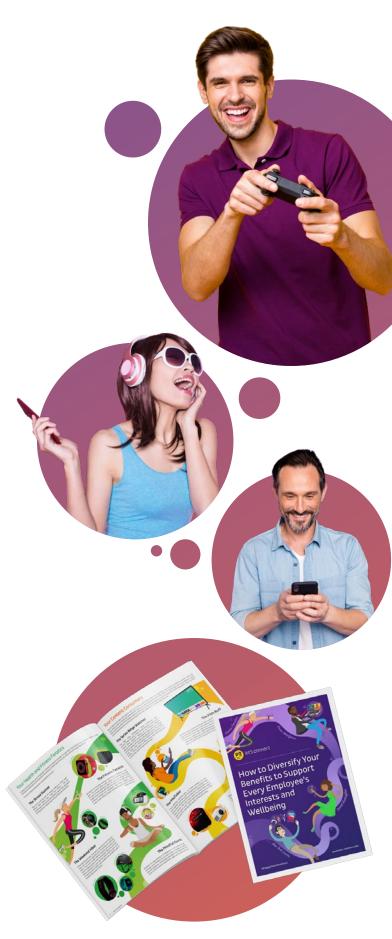
Certain technology devices can also aid in a healthier workforce. By offering products such as smart watches, fitness trackers, blood pressure monitors and smart scales, you can help provide the equipment they need to increase their awareness of general health and wellbeing. Working to improve physical and mental health will also help tackle illness and absence within your workforce positively.

Want to know how a technology benefit could support all of your employees both in and outside of work?

Download our free guide "How to Diversify Your Benefits to Support Every Employee's Interests and Wellbeing" today!

Inside we'll give you key insight into the struggles of engaging a diverse workforce and show you how a technology could benefit you and your employees!

Click here to download our FREE guide



Why Let's Connect?

Let's Connect offers a cost neutral technology benefits that has no set-up or ongoing management charges. The scheme is provided via salary sacrifice and offers your employees a range of technology that suits their individual needs. Employees pay back the cost of the tech they want via their salary which helps them avoid expensive bank loans or credit cards. It's cost effective for you and your employees.

What's more, marketing material to boost your engagement rate is included free of charge. That takes one less admin task off your hands! Communicating the benefits of the scheme can be difficult, which is why our experts have put together marketing materials to help spread the word throughout your organisation about the wonderful technology they can access through their salary.

Special 2021 Launch Offer

Implement your organisation's Technology Benefit in 2021 and Let's Connect will offer to run an introductory prize draw exclusively for your employees, allowing them to win some great free technology.

and uptake in the benefit, it will also be provided free commitment to making your scheme a success.

launching your technology benefit today!

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