

'Out-of-the-box' thinking for employee benefits could ultimately improve retention and employee wellbeing



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As the world shifts into a post pandemic reality, companies are having to contend with immense changes that are redefining relationships with employees.

Both the great resignation⁽¹⁾ and the future of work⁽²⁾ continue to revolutionise how work is done while, concurrently, retirement systems across the globe are under immense strain as societies age and life expectancy levels continue to increase.

With this landscape as context, it is worth looking into a few key trends and ideas that organisations may want to consider when it comes to enhancing employee benefits.

A flexible future

One of the defining characteristics of the changes underway in the new world of work is a profound shift to flexibility.

In a post-Covid world, technologically super-powered employees want greater freedom of choice where it comes where, when and how they perform their duties.

“A positive outcome of this renewed need for individual autonomy seems to be that employees are better able to find harmony between work and life,” says Chennells. “Should they succeed, both staff and employers stand to benefit from improvements in creativity, productivity, job satisfaction and engagement.”

Chennells adds that from an employer perspective, enhancing flexibility does not only have to do with accommodating novel working arrangements.

“There is growing pressure on companies to allow for lower minimum levels of retirement savings,” he says. “This will be a disaster for employees if they opt down and never increase it again. Finding a way to give that flexibility responsibly is crucial.”

Thinking out of the box

Chennells explains that the broad shift to flexibility has been widely welcomed by employees and offers promise to employers despite the increased strain placed on administration systems and processes.

It does, however, introduce concerns that many may fall victim to of some of humanity's well documented cognitive biases – opting for instant gratification over future gain, for instance.

This may lead to the temptation among staff to opt for whichever is the cheapest option when it comes to retirement.

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"A lot of people reach halfway through retirement and realise 'oh my gosh I haven't saved enough,'" cautions Chennells "As such, there's a huge drive in South Africa, and globally, to encourage employees to save more for retirement."

To achieve this, one option may be for employers to consider establishing retirement and career counselling functionalities to help their staff emotionally and financially prepare for retirement. It is also possible to give employees a personal increase plan that will slowly but surely edge their savings rate up to the right level.

"These days employees expect their employers to consider them holistically and flexibly. It's certainly an exciting time to be alive and building great organisations that are great places to work."

Notes

- (1) **The Great Resignation** – The World Economic Forum describes The Great Resignation is an idea proposed by Professor Anthony Klotz of Texas A&M University, that predicts a large number of people leaving their jobs after the Covid pandemic ends and life returns to "normal." Managers are now navigating the ripple effects from the pandemic, as employees re-evaluate their careers and leave their jobs in record numbers.
- (2) **Future of Work** – According to SHRM the future of work is a projection of how work, workers and the workplace will evolve in the years ahead. It's a topic that keeps many CEOs up at night as they make decisions that enable their organisations to thrive today while they prepare for the future.