



The Benefits & Engagement Report

A European employer's guide to employee experience of the 2020s



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Welcome to employee experience of the 2020s

What does it take to be an attractive, relevant employer in Europe in the 2020s? What are the different wants and needs of different generations in today's job market? And what effects does the digitalisation of HR have on the workplace?

To find out the answers to these questions and more, Benify commissioned research company, YouGov, to conduct a survey in the UK, Germany, and Sweden; three European countries with similarities and differences in the digitalisation of work life.

The results can be found in this report, filled with insights and inspiration for those wanting to take employee experience to the next level regardless of whether your company has a handful of employees or thousands of employees worldwide.

We hope you enjoy the read!

Benify, September 2020

The survey was conducted in April 2020 by YouGov, on behalf of Benify, in the form of an anonymous online survey with approximately 5,000 participants aged 18 and older in the United Kingdom, Germany and Sweden. Participants were asked to answer questions regarding how they view their employer, which employee benefits they prioritize most, and to what extent their employers use digital tools for communication, benefits management and on/off onboarding.

Why care what employees want during the current pandemic?

In times of crisis, employers can pick and choose talent, while employees should be grateful that they have a job, right? Ummm, not so fast. Not only is that approach archaic, there are plenty of reasons for employers to invest in employees and their employer brand, especially during times of crisis.

In this report, we take a closer look at what benefits are most important for different groups of employees, how benefits are related to engagement, what effect HR tech platforms have on benefits appreciation and the employee experience overall.

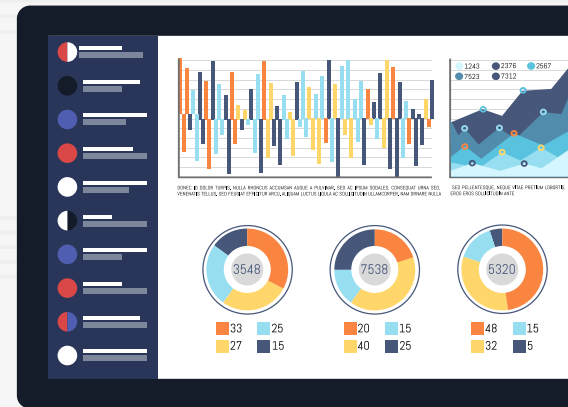
But first, let's take a look at the relationship between employers and employees in 2020 from a broader perspective.

Work-life during the pandemic: an overview

While there are no organisations unaffected by COVID-19, exactly how organisations are affected varies; some industries are experiencing large declines, while others are experiencing increased demand¹.

Additionally, competition for developers, programmers, and other tech competences was already tough before the pandemic, and this demand is unlikely to decrease during times of social distancing and remote working. Therefore, it would be a mistake to say that now it's suddenly an 'employer market'.

The fact there are no organisations that have not been affected by COVID-19 is also because every organisation is made up of individuals, each with their own personal challenges. Organisations that succeed in supporting their employees' health and maintain high levels of motivation and engagement will also become stronger through the pandemic. This is true whether employees have had to reduce their working hours, have seen an increase in their workload, or have to work from home.



Employer brand and customer brand go hand in hand

How a company treats their employees during ups and downs affects their employer brand. Working conditions and employee security have become just as important as a company's ecological footprint for those wanting to profile themselves as sustainable and environmentally responsible. In a US survey², 84% of consumers stated that their buying behaviour is affected by their perception of how a company manages employee well-being during the pandemic:

"The data highlights the need for a renewed emphasis on employee communications, as brands are being judged by their transparency, fairness and consistency on everything from employee sick leave to customer returns. And consumers are not the only critics: almost 1 in 5 employees believe their employer is not doing a good job communicating during this crisis, which can also compromise employee retention and recruitment efforts."

A responsibility that extends further

Employers who take greater responsibility to help employees who have been let go not only help their own organisation, but society at large, says researcher Wiley Wakeman at the Stockholm School of Economics³. On the one hand, they strengthen their own brand as an employer, and on the other hand, they contribute to reducing unemployment. Wakeman also points out that 'survivor syndrome' risks lowering employee engagement and reducing the motivation of employees who have kept their jobs in companies that have been forced to cut staff:

"Survivor syndrome typically leads employees to disengage at work, hurting organisational performance, and ironically leading survivors to leave organisations that are already trying to do more with fewer employees."

Mitigating the effects of 'survivor syndrome' is a good reason for companies to review their current employee benefits to make sure the benefits are relevant and provide employees with support. Reviewing benefits is especially important during a time when salary increases are unlikely, and employers need to find other ways to show their employees appreciation for their efforts.

Digitisation at Record Speed

One thing that 2020 has taught us is that we can adapt quickly when forced. For example, in 2019, who could have imagined that a Conservative government in the UK would offer massive state aid package for companies and their employees?⁴ Or that employees for airline SAS would be quickly trained as care assistants?⁵ Or that remote working would become the new norm for employees everywhere in just a few months?

The coronavirus pandemic has accelerated the digitalisation that was already underway⁶: Without the digital developments we have seen in recent years, the crisis would undoubtedly have had different effects on our working life than what has occurred today. As Dave Munton, Head of Markets and Client Service, Grant Thornton UK LLP, writes in a study about the impact of pandemics on medium-sized British companies⁷:

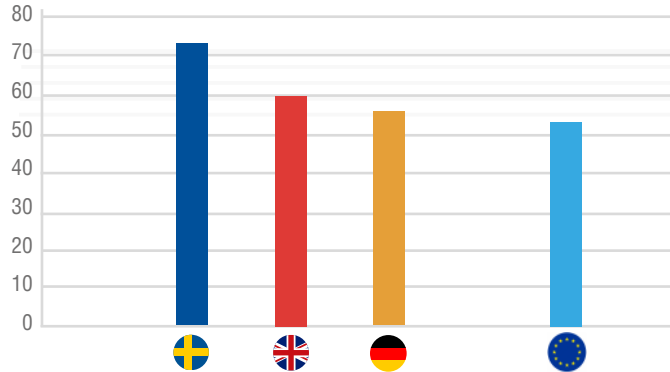
"The importance of technology has proved paramount in enabling businesses to remain connected with their people and their stakeholders, and in opening up new commercial opportunities."

With this in mind, it has been particularly interesting to research the presence and effects of digital benefits platforms in the UK, Germany, and Sweden – each with similarities and differences when it comes to their benefits and digital maturity.



Digital infrastructure for remote working

The EU index, DESI (Digital Economy and Society Index)⁸, measures and summarises Europe's digital performance and competence of different countries based on connectivity, human capital, use of internet services, integration of digital technology, and digital public services. In the 2020 edition of the EU Index, all three countries rate above the EU average. If you compare these three countries with each other, Sweden ranks highest, followed by Great Britain, and Germany in third place:



Of course, for employees to be able to work from home - something many employees in all three countries are doing during the pandemic - a well-developed digital infrastructure is a prerequisite.

Proportion of employees working from home, wholly or partly, during the spring of 2020⁹:

Sweden	57%
UK	49%
Germany	47%



Which benefits are most common today?



Group risk benefits – a standard offer with most employers, typically including pension, life insurance, critical illness, incapacity and private medical insurances.

Childcare vouchers, or on-site childcare, can make a big difference for British employees with children, since childcare tends to be more expensive than in other European countries.

ULEVs, or ultra-low emission vehicles, can be offered tax deductible and are becoming a popular way for employers to link their benefits offer to their corporate social responsibility policies.

Quote:

"The UK is quite a mature market, where we're seeing a shift from traditional insurance based benefits to a more rounded well-being offering. Wellness allowance and work-life balance benefits are becoming increasingly popular, as employers are looking to support all aspects of their employees' lives."

Katie Goodwin, Head of Client Relations International, Benify London



Company cars that employees can also use privately. Petrol costs are often covered by the employer.

Non-monetary remunerations, where the employer can offer a tax-free monthly gift or voucher up to 44 Euros, and up to 60 Euros for a work anniversary gift or other occasions. This is especially popular with smaller businesses and companies in the blue-collar sector.

Long-term account models that allow employees to earn credits, which can be exchanged for time off or early retirement. This is especially popular with larger companies.

Quote:

"The automotive industry is an important sector in Germany, and around 90% of employers offer company cars to their employees. However, bike leasing benefits are becoming increasingly popular, and I think we will see a rise in wellness benefits in the near future."

Emilia Maurer, Global Benefits Manager, Benify Munich



Health & Wellness Contribution

(friskvårdsbidrag): Employers can subsidise a wide range of wellness activities for their employees, tax-free, up to 500 Euros per year.

Computer glasses: Employees who spend part of their workday in front of a computer are offered eye exams and, if needed, glasses.

Healthcare benefits: Employers can offer employees reduced prices on private healthcare services, including health insurance, vaccinations, dental care, IVF treatments, gastric-bypass surgery, and laser treatments for eye defects.

Quote

"The health & wellness contribution in Sweden has been an important part of one's employment for years, but today's employers can support the well-being of their employees through employee benefits ranging from IVF treatments to discounts on cinema tickets. In the future, we will see an increase in innovative benefits within sustainable mobility."

Viktor Håkansson, Head of Benefits, Benify Stockholm

Benefits, Satisfaction & Engagement



Benefits that are worth changing jobs for

What benefits are *really* considered most important to employees? So important that they can get people to switch employers for an otherwise equivalent job? Of course, the answer to this question differs between countries, ages, and between women and men. For employers, this finding emphasises the importance of adapting your benefits offering to your current employees as well as those who you want to attract in the future. It could also indicate that not all groups see or understand the value of every benefit and that greater communication efforts could be required to create awareness and appreciation.

The question we asked in the survey was:

Which of the following would make you consider changing employer if their offering was better than your current employer's offer?

At a glance, the three most popular benefits in all three countries surveyed are:

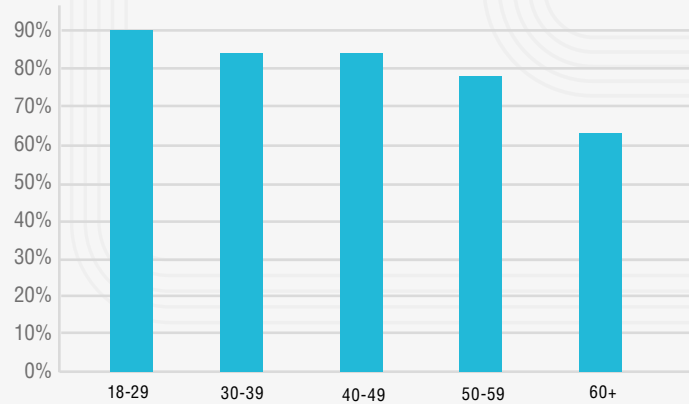
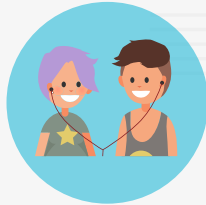
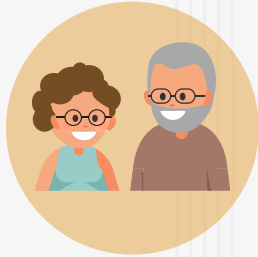
- **Bonus & profit sharing:** taking part in a company compensation program that awards employees a percentage of its profits.
- **Flexibility:** greater employee freedom e.g., working hours and work location (e.g., work-from-home).
- **Pension:** benefits such as occupational pension or investment advice.

“You need to evaluate your benefits offering every year to really know that what you offer is attractive. We see that benefits increase engagement and, therefore, it’s important to have a strategy.”

Mari Schäder, HR manager at Knightec

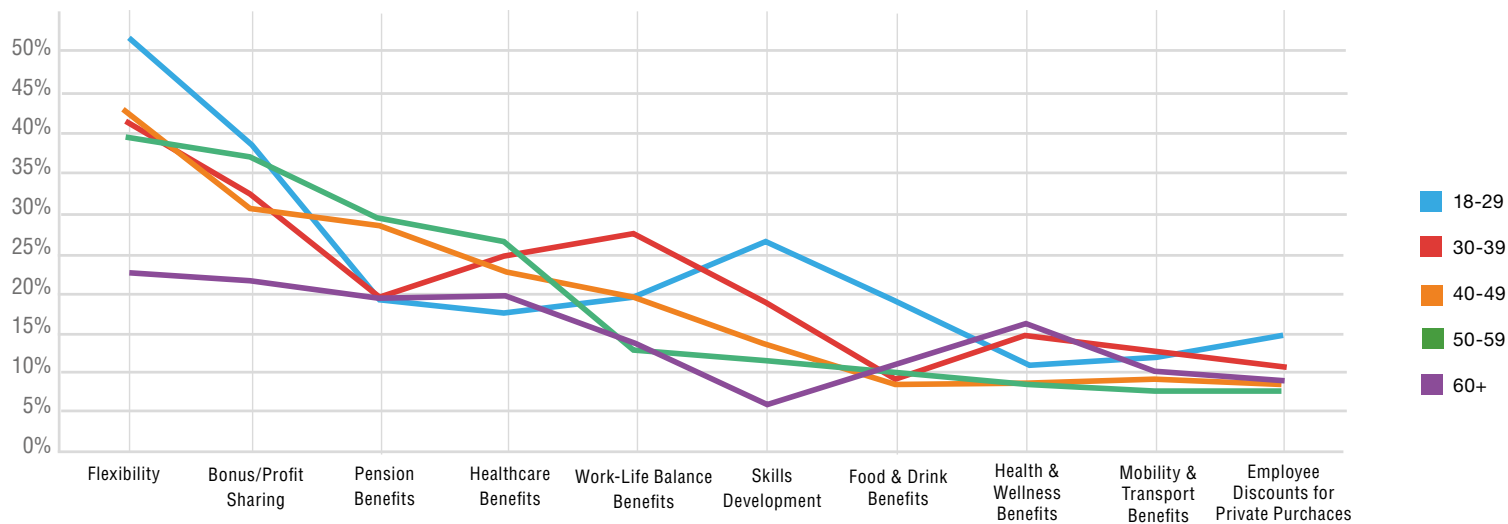
Which age groups are likely to change employer for better benefits?

As we've seen in previous surveys¹, younger employees generally seem to be easier to attract with a more attractive benefits offer than older people. In fact, as seen in the chart to the right, nine out of ten employees aged under 30 say they would consider changing employers to receive better benefits.



Important benefits for different ages

Which of the following benefits would you consider changing employers for if their offering are better than your current employer?

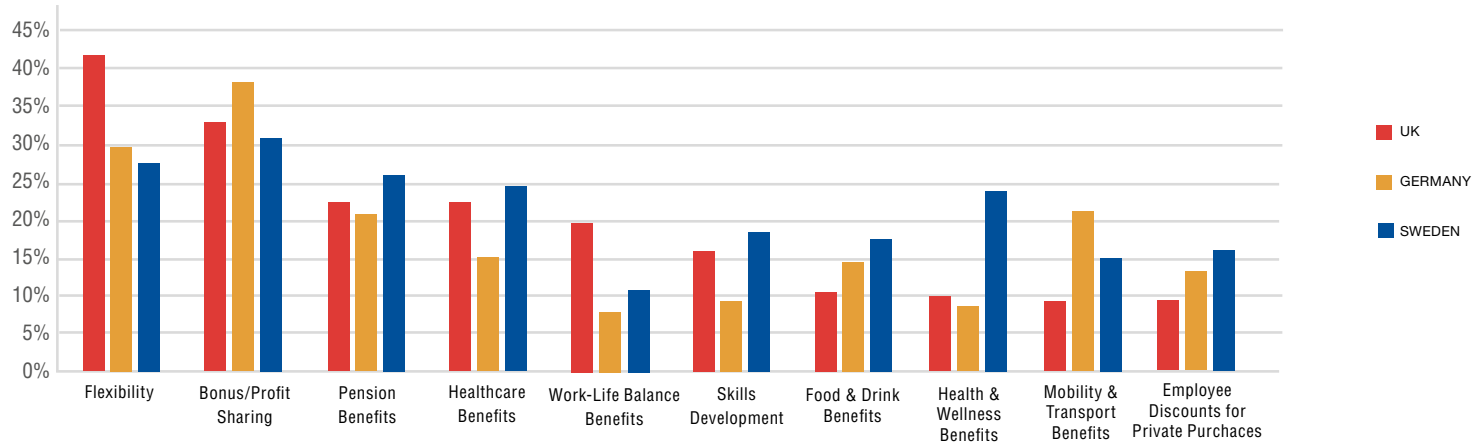


Important benefits in different countries

When the answers are filtered by country, differences begin to emerge. For example, flexibility and work-life balance, rank highly in the UK, mobility is considered more important in Germany than elsewhere, while skills development is given lower priority than in Sweden or the UK.

Healthcare benefits, especially well-being benefits, rank higher in Sweden than in Germany and the UK.

Which of the following benefits would you consider changing employers for if their offering are better than your current employer?
(Please select up to 3 options)



Each Country at a Glance



Flexibility (e.g., working hours, working from home) is the most important benefit for all age groups except those over 60.

Bonus & profit sharing is the second most important benefit for all age groups except those over 60, where interestingly it becomes the most important.

Healthcare benefits rank in the top four for all age groups except those under 30. However, what is important to those under 30 is skills development, ranking as even more important than work-life balance. Though skills development ranks slightly higher, this finding could indicate that people under 30 are focused on developing their careers and willing to put in more hours to get ahead.

Work-life balance ranks highest with those aged between 30-39. Overall, work-life balance ranks in the top five for all age groups until we look at people over 50.



Bonus & profit sharing and flexibility are the two benefits considered most important for all ages in Germany.

Mobility benefits, such as cycling, public transport, or car benefits, rank within the top five for all age groups, ranking as high as third place for those under 30. Food and drink benefits (e.g., lunch subsidies) are also considered important to both 18-29-year-olds and 30-39-year-olds, ranking even higher than healthcare and pension benefits.

Unsurprisingly, the pension becomes more important with age, but it is certainly not unimportant for younger people either.



Bonus & profit sharing, flexibility, and wellness are equally important for all ages.

Skills development becomes less important with age, except for the 60+ group, who rank this category almost as high as the youngest. Perhaps older employees feel they need to update their knowledge to sustain a longer working life?² As in Germany, pension is more important for older employees, but as we've seen in previous studies³, younger people also rank these benefits relatively high.

Mobility benefits, such as cycling, public transport, or car benefits, are more important for those under 40 than over. As in the UK, work-life balance is most important for employees between 30 and 39 (usually the largest age group of parents with younger children). Healthcare is an important category for all age groups, except for the very youngest.

Important benefits for women and men

If we filter the answers based on gender, we see that certain benefits, such as insurance, food & drink, and employee discounts, are more or less equally important for men and women. However, other categories differ in importance: flexibility, work-life balance, and skills development rank higher among women, while mobility and pensions rank higher among men.

Interestingly, the pension is not among the top three benefits for women in any country in the survey. The most significant gap between the sexes regarding the pension is among youngest employees.



In the UK, flexibility is the benefit that both men and women would consider changing employer for, followed by bonus/profit sharing. Healthcare benefits (e.g. health check-ups) ranked considerably higher for women than men.



In Germany, bonus/profit sharing is the benefit that both men and women would consider changing employers for, while healthcare benefits (e.g. health check-ups) are more important for women than men.



In Sweden, 23% of men chose the pension as one of three benefits worth changing employer for, compared with only 10% of women of the same age.

Flexibility and personalisation

We have found that different benefits are important for different employee groups. But people are, of course, much more than their group affiliation. How can your benefits offering be tailored to suit each employee's individual needs, wants, and situation?

More employers are enabling their employees to choose their own benefits, based on a broad and attractive offering by using a flexible benefits budget that employees can use freely on an entire benefits range, or within specific categories. For example, an employer may offer a flexible benefits budget for mobility that employees can use to spend on travel to and from work, as well as privately. Employers who wish to encourage healthier or more environmentally friendly choices can build incentives for this by increasing the flexible benefits budget for employees who choose bicycles, public transport, or a more environmentally-friendly car.

The importance of flexibility in different countries

According to our survey, benefits flexibility is more important for employees in Sweden and the UK than in Germany. Half of the employees in the UK and Sweden would consider changing jobs if offered flexible benefits, compared with four out of ten in Germany.

How much do you agree or disagree with the following statements?*

It is important to me that my employer offers a flexible benefits offer.



With the same position and salary, I would consider a change of employer if my new employer offered flexible benefits.



*Percentage that selected 6-10 on a scale of 1-10

The importance of flexibility for different ages

Benefits flexibility appears to be equally important to women and men, though the answers differ slightly depending on age.

In Sweden, flexibility around benefits is nearly as important to all age groups, although the most important for those aged 30-39. This age group is also the most likely to change jobs for a more flexible benefits offer.

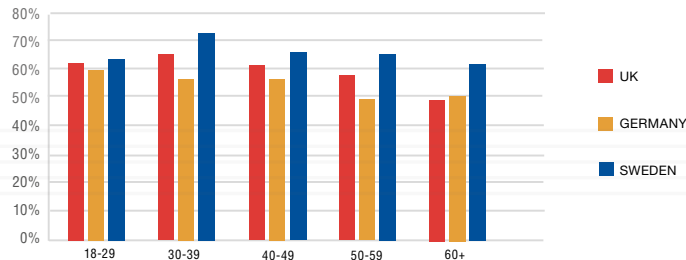
In Germany, flexibility seems to be less important the older the employees are.

In the UK, we see a similar pattern, although those aged 30-39 see flexible benefits as slightly more important than the very youngest employees.

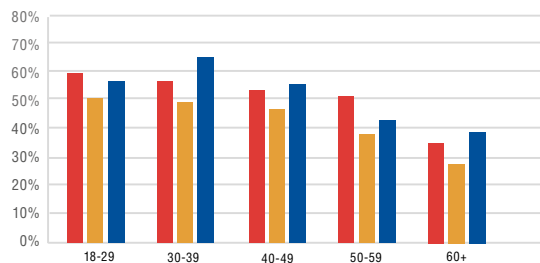
In both the UK and Germany, when it comes to the likelihood of changing jobs for greater flexibility concerning benefits, those under 30 are most likely to change.

How much do you agree or disagree with the following statements?*

It is important to me that my employer offers a flexible benefits offer.



With the same position and salary, I would consider a change of employer if my new employer offered me flexible benefits.



*The charts show the percentage that selected 6-10 on a scale of 1-10.

The right support at different life stages

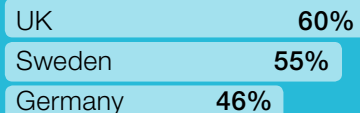
Flexibility gives employees greater freedom to personalise their benefits. But to do this, there needs to be relevant benefits to choose from, and the range of benefits need to match the needs of the employees, and throughout their different stages of life.

The survey shows that employees in the UK place the greatest emphasis on benefits being relevant to their life stage when choosing an employer. On the other hand, Sweden has the largest proportion of employees who want to be able to adjust their range of benefits based on their individual needs.



How much do you agree or disagree with the following statements?*

When choosing an employer, it is important to me that my employer offers me a choice of benefits relevant to life stage.



It would be helpful if I could adjust my employees benefit package according to my personal needs.



*Percentage that selected 6-10 on a scale of 1-10

Different priorities at different life stages

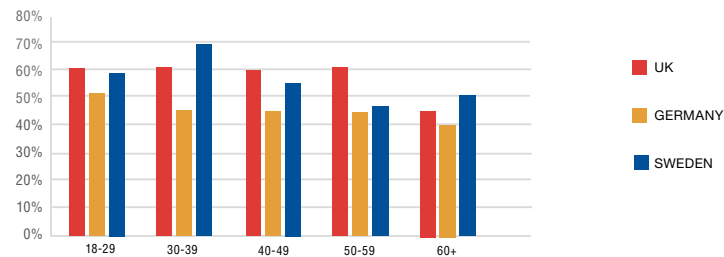
When filtering the responses based on age, we see that, in Sweden, 69% of 30-39-year-olds say that being offered benefits relevant to one's life stage is an important factor when choosing an employer. 58% of the youngest employee group also agree. However, it is least significant to those aged 50-59, with less than half saying it is important. It appears that all employees in Sweden want the ability to adjust their benefits to match their personal needs; a staggering 80% of 30-39-year-olds say they want this ability, and more than 70% of employees in all other age groups state the same.

When it comes to choosing an employer that offers benefits relevant to life stage, there is essentially no difference between age groups in the UK. 60% - 61% of all participants from all age groups, except one, state that it is an important factor, while more than half of the participants in the oldest employee group agree. 77% of the survey's youngest employees say they want the ability to adjust their benefits to match their personal needs, followed closely by those in the 30-39 and 40-49 age groups.

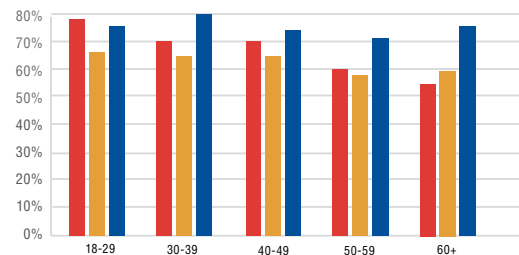
In Germany, while choosing an employer that offers benefits relevant to life stage is most important to 18-29-year-olds (51%), surprisingly, less than half of the participants in all other age groups say it is an important factor to them. Is it that employees in Germany feel employers have the upper hand? However, flexibility to choose their own benefits is something that 65% or more of all employees in the youngest three age groups say they would like.

How much do you agree or disagree with the following statements?*

When choosing an employer, it is important to me that my employer offers me a choice of benefits relevant to life stage.



I would find it helpful if I could adjust my employees benefit package according to my personal needs.



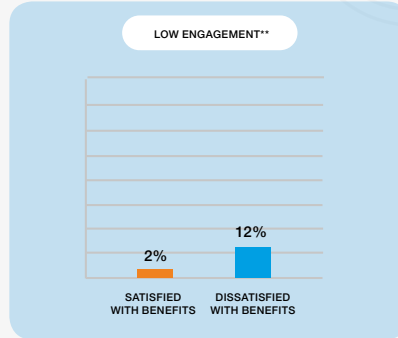
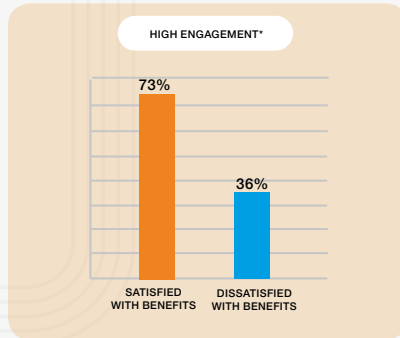
*The charts show the percentage that selected 6-10 on a scale of 1-10.

Why is benefits satisfaction so important?

So far, in this report, we have focused on the type of benefits requested by different groups in today's job market. But what do employers have to gain from offering their employees an attractive benefits offer?

Our survey shows that employees who are satisfied with their benefits are almost 20% more engaged in their work. And perhaps even more importantly, the proportion of employees with low engagement is 85.5% lower among those who are satisfied with the benefits. In the UK specifically, we see that engagement increases by a third for employees most satisfied with their benefits.

On a regular day, how engaged are you in your work?



*Percentage that selected 8-10 on a scale of 1-10

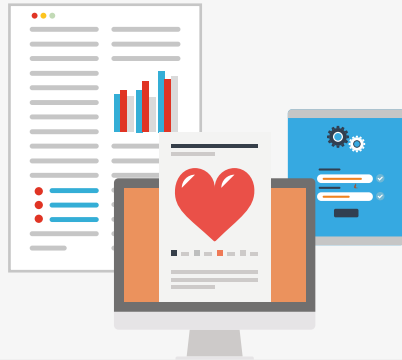
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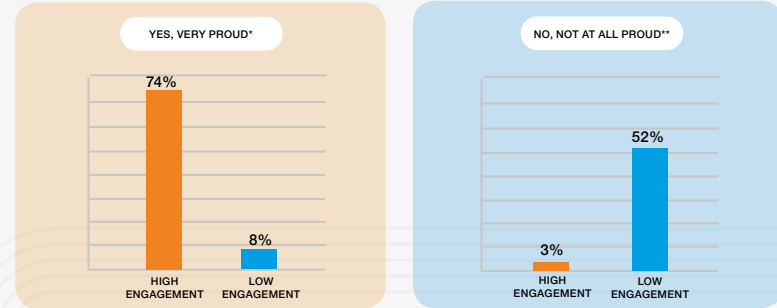
Employees who are **satisfied with their benefits** are almost **20% more engaged** in their work

High levels of employee engagement also correlate with other factors that usually characterise a strong employer brand: feeling proud about where you work and ambassadorship. Three out of four employees with high engagement say they feel proud of their workplace and would recommend it to others.

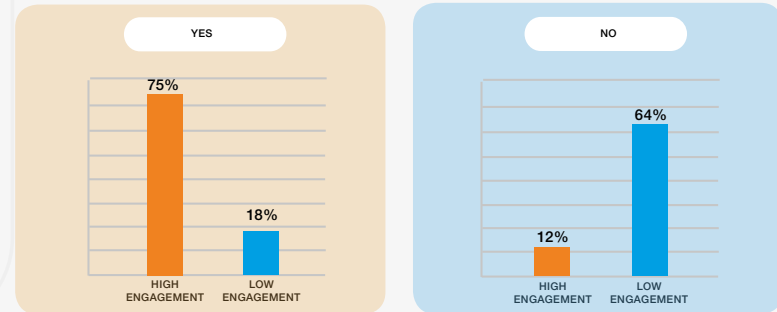
Among employees with low engagement, the majority are not proud of where they work and answer a resounding “no” to the question of whether they would recommend their employer to others. As a result, low employee engagement significantly risks damaging the employer brand.



Do you feel proud when you tell others where you work?



Would you recommend your current employer to job seekers?



*Percentage that selected 8-10 on a scale of 1-10


**Percentage that selected 1-3 on a scale of 1-10

The Cost of Disengaged Employees

We have established that employees who are satisfied with their benefits are more engaged in their work and that engaged employees are, in turn, more likely to become positive ambassadors for their employer. Similarly, employees who are dissatisfied with their benefits are less engaged and less likely to recommend their employer to others. In addition to a weakened employer brand, what are the financial consequences of disengaged employees?

**Proportion of disengaged employees x cost of half an annual salary x number of employees
= the cost of disengaged employees**

The formula⁴ assumes that disengaged employees are not as motivated or productive in their work as they could be. To find out the percentage of employees who are engaged or disengaged in your organisation, it can help to use employee surveys or other measurement tools. It's vital to create the right conditions to increase engagement in the workplace. Authentic leadership and effective communication⁵ are two factors that help increase engagement, not to mention an attractive and relevant benefits offer.



According to Anders Wikström, innovation researcher at Swedish research institute RISE, organisations have even more to gain by creating the right conditions for well-being and engagement as both lead to greater innovation.

"There is a lot of research that shows the connection between healthy employees and the ability to innovate. I usually say the worst thing we can get if we invest in the right innovation conditions in organisations is that we get healthy employees. And the best we can get is healthy and engaged employees, together with a lot of power and innovation that the organisation can work with in the future. So, it's a win-win⁶."

Digital Tools for Managing Benefits

How common are benefit platforms?

Once an employer has decided what benefits they want to offer their employees, a common problem that many employers face is a lack of awareness from an employee perspective that the benefits even exist. As a result, employees don't appreciate their employer's investment¹.

Even if employees are aware of what benefits they have access to, there may still be blocks in the way that prevent them from using them. For example, while information about employee benefits can be available in employee handbooks and the intranet, information can often be so general that it becomes difficult for each employee to know what applies to them. Additionally, employees may be discouraged by complicated enrolment processes where HR and managers need to be involved.

In other words, it is not surprising that benefit platforms have become increasingly popular in recent years, especially in larger companies. Digital HR technology platforms help reduce HR administration and make benefits more accessible to employees.

"Our employees can go into one system and one view, through an app, and see all the benefits that are available to them."

Jelica Nerahoo, HRIS Systems Specialist, Standard Bank

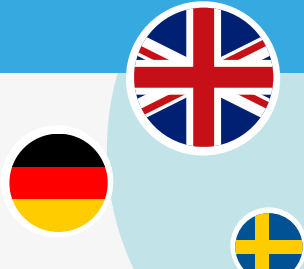
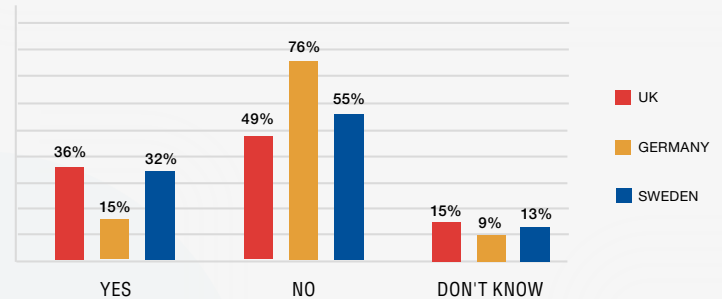
Benefit platforms in different countries

In our survey, approximately one in three employees in Sweden and the UK said their employer offers them a platform or app where they can access their employee benefits digitally. However, only 15% of survey participants in Germany said the same. This partly reflects how the three countries place themselves in the EU's digitalisation ranking (see pg. 7), with Germany at the bottom and Sweden at the top. Interestingly, however, British employers seem to have digitised the management of their benefits to a somewhat greater degree than Swedish employers.

"Unlike in the UK, benefit platforms have not been a priority for German companies since many were lacking the basic digital infrastructure. But we've seen a growing interest in the last few years. The pandemic has also highlighted the need to invest in digital solutions. For example, several of our clients have been using their benefits app to keep employees up to date while on short-term work or working from home."

Emilia Maurer, Global Benefits Manager, Benify Munich

Do you have access to a benefits platform through your employment?



Benefits platforms in various industries

When filtering responses based on industry, the answers differ. One might think that a benefits platform is most common in the IT sector since it is an HR tech solution. However, it is in the finance & insurance industry where most employees in Sweden (68%), the UK (63%), and Germany (31%) state that they have a benefits platform.

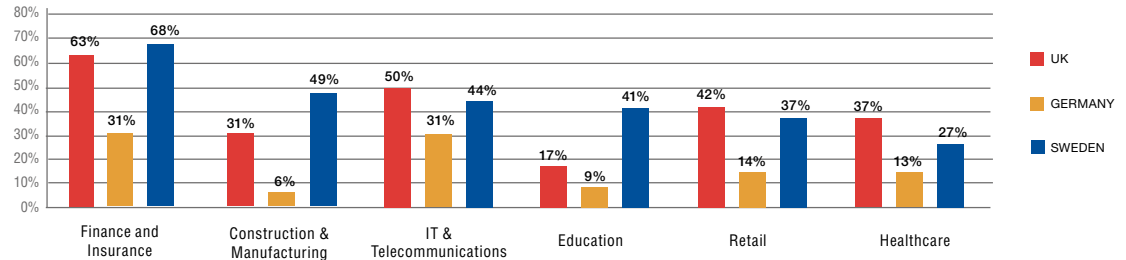
One explanation for this could be that several players in the benefits sector are also active as insurance brokers. In healthcare, the proportion of people with access to a benefits platform is almost the opposite: just over one in four healthcare employees say they have a benefits platform.

The IT & Telecommunications industry also boasts impressive numbers with 50% of respondents in the UK, 44% in Sweden, and 31% in Germany, saying they have access to a benefits platform.

Two interesting discoveries were that 42% of respondents working in retail in the UK and 49% of respondents working in construction and manufacturing in Sweden shared that they have access to a benefits platform. These

findings reinforce that since retail employees and construction workers are not seated in front of computers all day, making benefits accessible via smartphone is of the utmost importance.

Do you have access to a benefits platform through your employment?



Your benefits platform in your pocket

At a time when we can do everything from personal banking to purchasing train tickets via apps, how important is being able to access your benefits on your mobile phone?

More than half of those in Sweden who have a benefits platform say it's important that the platform is accessible via a mobile app, while the proportion in Germany and the UK is slightly lower. Mobile accessibility also appears more important among younger than older people.

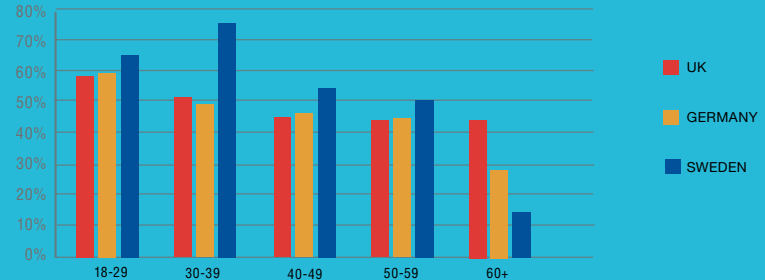
With 80% of today's global workforce not seated in front of computers every day¹, we can expect to see apps becoming even more critical.



Is it important to you that you can access your benefits platform through an app on your mobile phone?*



UK	49%
Germany	48%
Sweden	56%

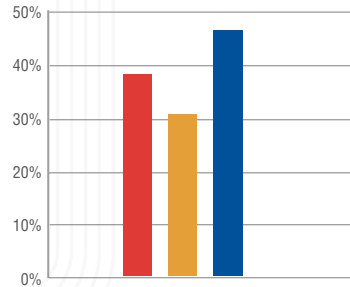


*Percentage that selected 6-10 on a scale of 1-10

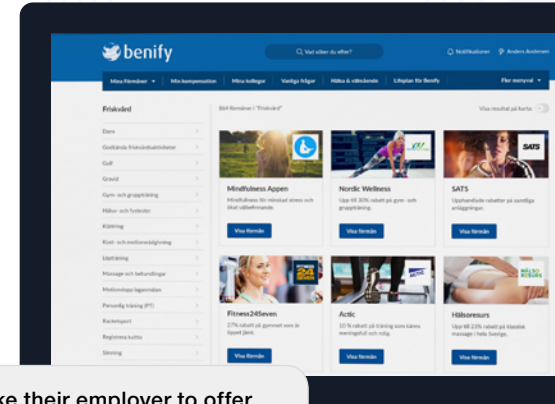
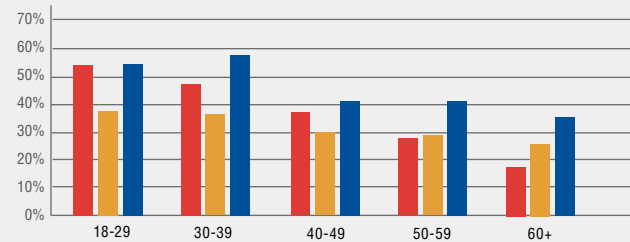
Demand for a benefits platform

How many of those who do not have a benefits platform wish they had one? Our survey shows that the demand for a benefits platform is highest amongst younger employees than older employees and greater in Sweden than in the UK and Germany. This finding should not come as a surprise since today's younger generations say they want their employer to provide them with the same level of technology as they use in their personal lives as consumers².

Would you like your employer to offer a benefits platform?



Percentage who said “yes”, they would like their employer to offer a benefits platform, based on age:



UK
GERMANY
SWEDEN

Effects of a benefits platform

Some of the advantages of using digital benefit management tools are obvious, such as reduced administration and increased cost control for the employer. But what other effects does a benefits platform have on the overall employee experience and the employer brand, from an employee perspective?

Our survey shows that employees who have access to a benefits platform...



Have a better understanding of their benefits

To a much greater extent, employees with access to a benefits platform state they have a comprehensive understanding of their benefits, compared with those without a benefits platform. The proportion with a very good understanding (8-10 on a scale of 1-10) is almost a quarter larger, while those with a very low understanding (1-3 on the scale) is just under two thirds smaller.



Are more satisfied with their benefits

As the understanding of benefits increases, appreciation also increases. Employees with access to a benefits platform are, on average, 34% more satisfied with their benefits than those without a benefits platform. The percentage of employees who are very satisfied with their range of benefits (8-10 on a scale of 1-10) is up to 54% higher, while the percentage who are very dissatisfied (1-3 on the scale) is 58% lower.



Have a more positive image of their employer

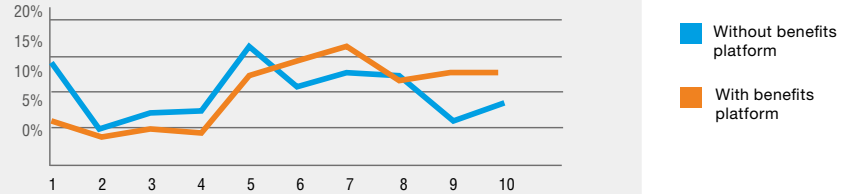
Our survey indicates that employers who offer their employees a benefits platform are perceived as more attractive, modern and more caring by their employees. Employees with a benefits platform have a 40% higher belief that their employers offered competitive remuneration (8-10 on a scale of 1-10) compared with those without a benefits platform. The same can be seen in the question of whether the employer uses modern technology for its communication.

Though a complex issue that is inconclusive, nearly one in ten employees without a benefits platform chose the very lowest rating when asked whether they believe their employer shows concern for them as a person, and not just as an employee. However, the proportion that selected eight or higher on the scale, meaning those who believe their employer shows concern for them as individuals, was slightly more than 11% higher amongst employees with access to a benefits platform.

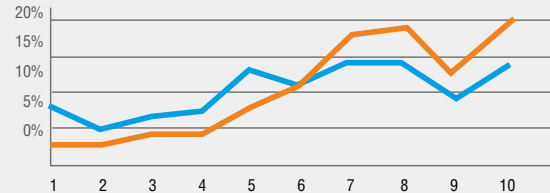


How much do you agree or disagree with the following statements regarding your current employer?

Offers competitive compensation



Uses modern technology to communicate with employees



On a scale from 1-10, with 1 representing "Don't agree at all" and 10 representing "Completely agree."

A Digital Experience Throughout the Employee Lifecycle

Digitisation of HR processes

So far, we have focused on benefits, how to manage them using digital tools, and the effects on employers and employees. But there are, of course, other areas within HR that have been digitised in recent years.

Today, digital tools are available for most of these steps. It makes it easier for employers who want to give their employees an overall unified experience - from recruitment, preboarding and onboarding, e-learning, and engaging communication, all the way through to offboarding and alumni clubs ("from hire to retire").

"We had a tendency to put so much information on the intranet that our employees don't know where to look. In our benefits platform, the information is filtered, and the profile is designed to suit their needs. The platform is there to meet the needs of the employees, not just a company dumping loads of information just to have it there".

Isabelle Couquiaud-Schbath, Compensation & Benefits Associate
Director at MSD France

A good first and last impression

Our survey sought to find out how employees experience two specific steps in the employment cycle that are especially important when changing jobs, namely offboarding from the current workplace and onboarding to the new one. We asked employees who had worked with their current employer two years or less some additional questions about these two steps to learn more.



What is onboarding?

Onboarding is a structured way to introduce new employees and includes everything from completing documents and ordering equipment to getting to know the rest of the team. The goal is for newcomers to feel welcome and to get set up quickly in their new role. The introduction process can even be started before the first working day through what is called preboarding¹.



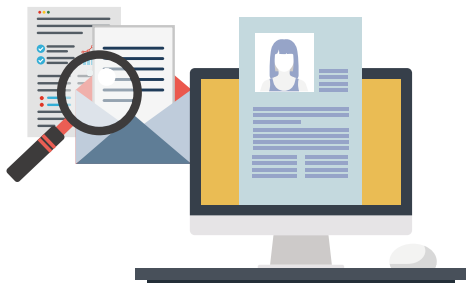
What is offboarding?

A well-thought-out offboarding process means that checklists and routines are in place to ensure that nothing falls between the cracks, all equipment is returned, and valuable feedback is received before the employee departs the company. A well-thought-out offboarding process is also helpful to remaining colleagues and potential successors and ensures that departing employees leave with a positive last impression².

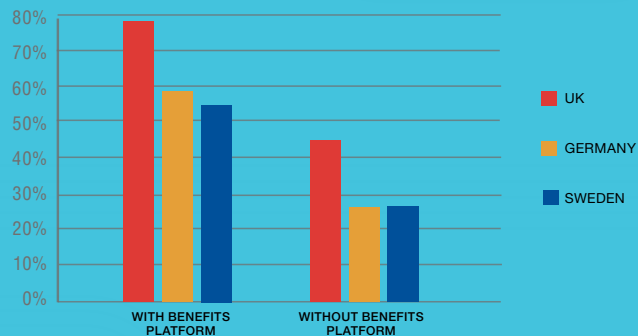
How common is digital onboarding?

It's not surprising that digital onboarding tools are more common among employers that offer a benefits platform; those who have discovered the benefits of digitisation in one area are more likely to digitise more. Perhaps more surprising is that digital onboarding seems much more common in the UK than in Germany and Sweden, who both have relatively similar results in this area.

As stated earlier in this report, benefit platforms are less common in Germany; however, they are almost equally as common in Sweden as they are in the UK. Among employees in the UK who have access to a benefits platform, almost 8 out of 10 state that digital tools were used in their introduction, while the corresponding percentage for Germany and Sweden are 58% and 54%, respectively.



Percentage of employees who answered "yes" to the question if digital tools were used during their introduction?

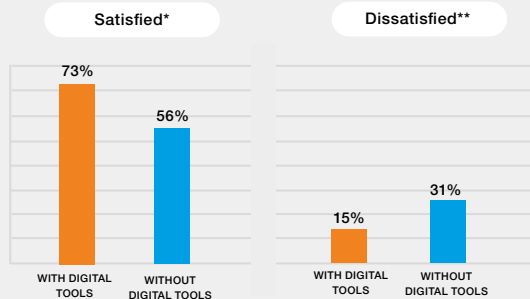


What impact does digital onboarding have?

The survey shows that employees who stated that digital tools were used during their introduction are more satisfied with their onboarding. Almost a third of those who were onboarded without digital tools says they were dissatisfied with the onboarding process, compared with 15% of those who did receive digital onboarding.

To a large extent, those who received digital onboarding also feel that their new employer lives up to the expectations given during the recruitment process.

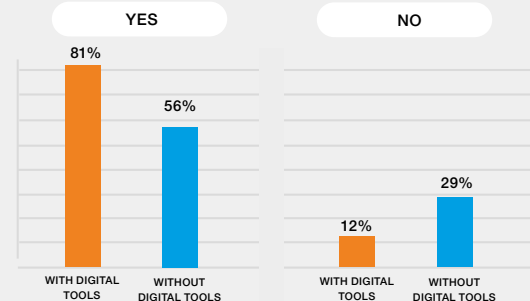
How satisfied were you with the introduction /onboarding you received as a new employee with your current employer?



*6-10 on a scale from 1-10

**1-4 on a scale from 1-10

Did your new employer live up to the expectations you had from the job advert and/or during the recruitment process?

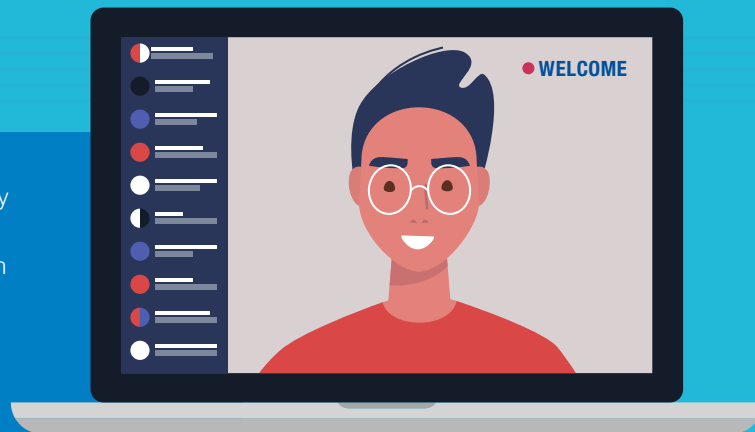


3 musts for a successful onboarding:

- Provide employees with digital access to employment information and tasks before their first day
- Offer a physical welcome pack that reflects the company's values and culture
- Encourage new hires to connect with co-workers beyond their immediate team

“During the pandemic, we’ve onboarded several new employees completely remotely. This makes it even more important to offer digital checklists and e-learning, as well as online 'Meet n' Greet' opportunities with people from different parts of the company.”

Hannah Steele, Manager of Talent Acquisition at Benify



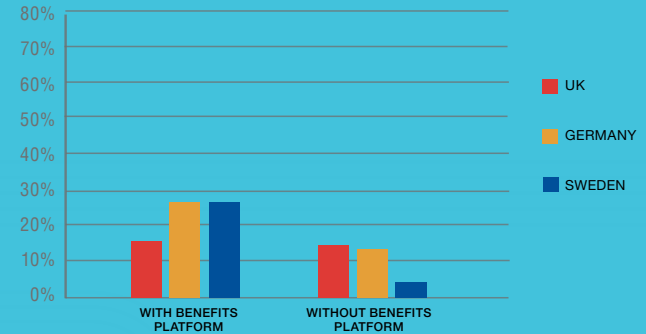
How common is digital offboarding?

Interestingly, significantly fewer employers seem to use digital tools when employees leave the organisation than when they start. Do employers simply prioritise giving new employees a solid start, rather than develop digital processes for those leaving?

Digital offboarding is more common among those who offer a benefits platform, although the difference in the UK is minimal.



Percentage of employees who answered "yes" to the question if digital tools were used during their offboarding.

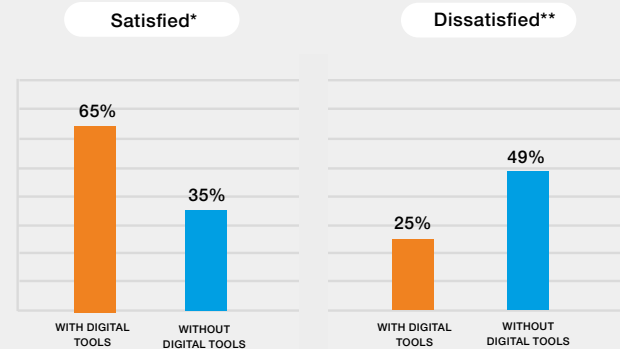


Offboarding: an overlooked part of the employee lifecycle?

Like onboarding, employees who said digital tools were used when they left their previous employer are more satisfied with the offboarding process. However, overall, significantly more employees are satisfied with their onboarding than their offboarding. This may, of course, be because employees tend to go to a new employer with a positive attitude, while dissatisfaction may have contributed to them leaving their previous employer. However, this does not mean employers can afford to ignore a well-thought offboarding process.

When leaving an employer, people continue to tell others about their experience, especially if they are dissatisfied. Ensuring that employees leave with a positive final impression is a smart investment in your employer brand. A good offboarding process also increases the probability that employees may consider returning later in their career, bringing new valuable knowledge and experience to the table³.

How satisfied were you with the offboarding process from your previous employer?

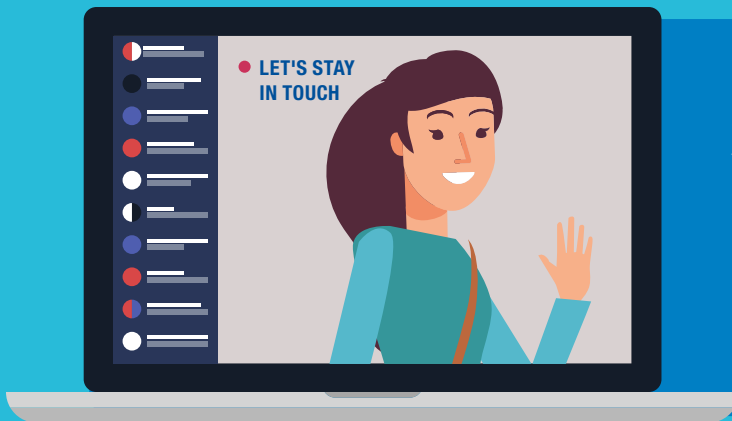


*6-10 on a scale from 1-10

**1-4 on a scale from 1-10

3 musts for a positive offboarding experience:

- Welcome feedback and act upon it
- Prepare online checklists before the employee's last day
- Create alumni networks for former employees



"Employees who've had a good offboarding experience are more likely to share a positive view of their former employer with their network. It also increases the number of so-called boomerang employees."

Hannah Steele, Manager of Talent Acquisition at Benify

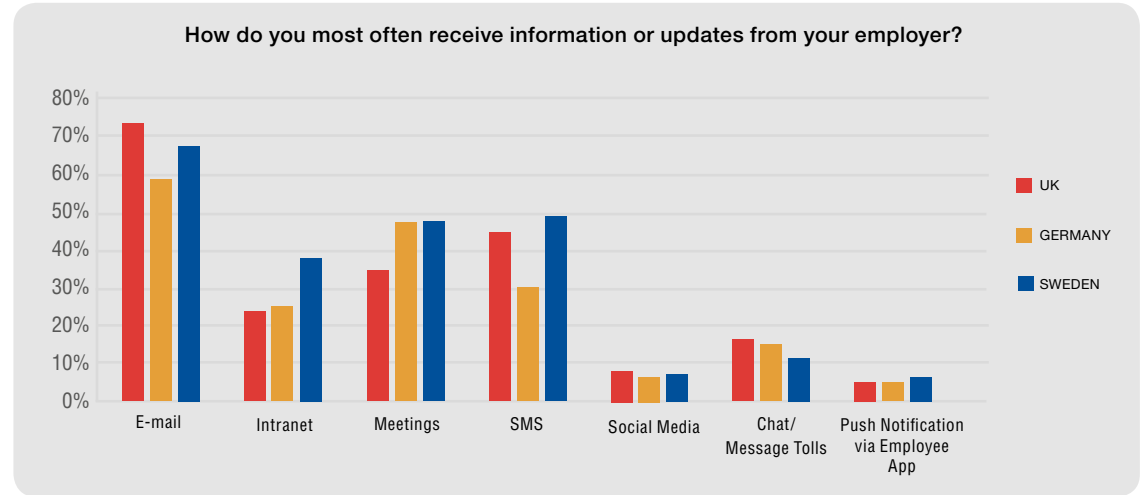
New (and old) tools for effective communication

The importance of effective communication between employer and employee cannot be underestimated, especially during times of uncertainty such as the coronavirus pandemic. Today's employers have more opportunities than ever to reach their employees with relevant and personalised information. At the same time, the competition for employees' attention has never been greater.

In this section, we take a closer look at which channels employers can use to keep their workforce up to date and those most in-demand by employees.

Which communication channels are most common today?

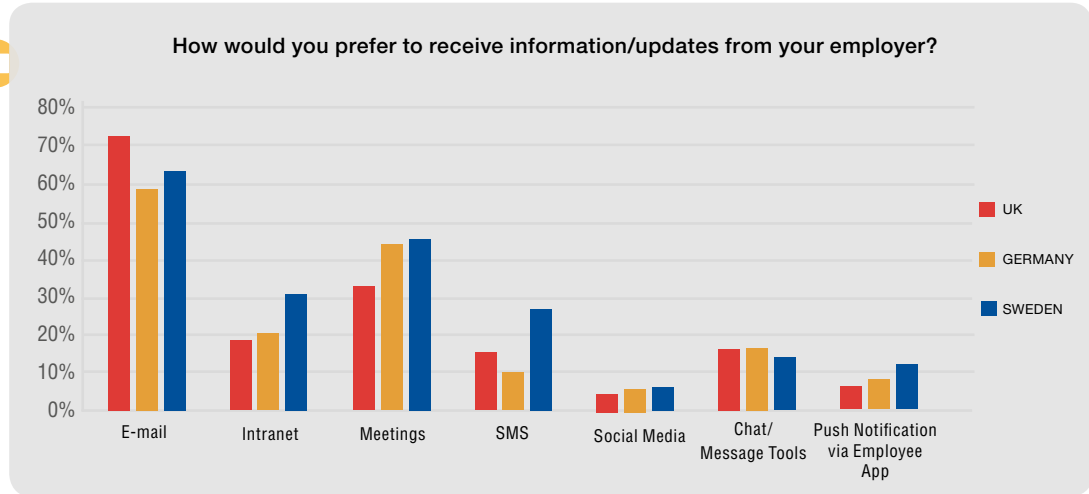
E-mail is the most common communication channel between employers and employees in all three countries in our survey, predominantly in the UK. Meetings and the intranet end up in second and third place, respectively. SMS and push notifications on mobile phones are more common in Sweden than in the other two countries, while chat tools such as Slack and Teams are used more frequently in the UK and Germany.



Which channels are most requested by employees?

When participants answered how they would like to receive information from employers, e-mails, meetings, and the intranet topped the list. However, there are interesting differences in how the answers are distributed. In brief, e-mail, the intranet, and meetings are used more than employees would like, while chat tools, SMS, push notifications are used less than the employees would like.

As it stands today, employers are not yet utilising the opportunities that the digital and mobile development of recent years has brought.



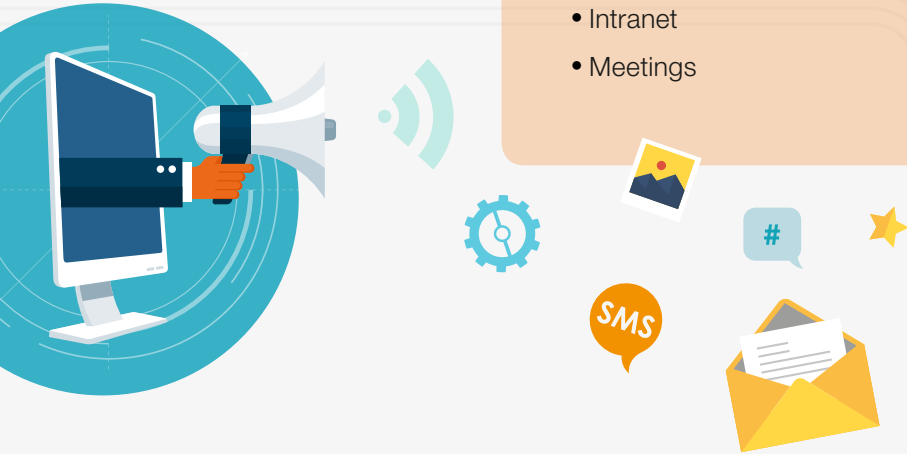
Employee communication: time to bridge the channel gap

3 channels that employers use **more** than employees would like:

- E-mail
- Intranet
- Meetings

3 channels that employers use **less** than employees would like:

- Chat tools
- SMS / text messages
- Push notifications in mobile apps



Communication preferences for different age groups

In Sweden, if we filter the answers based on age, we see that e-mail, the intranet, and meetings are more in demand by older employees than younger ones.

As in the case of benefit platforms, younger employees demand mobile accessibility more than older employees. (see Chapter 2).

In Germany, e-mail is by far the preferred communication channel across all age groups. The intranet is the second most popular channel for those 60+, while it's least popular with those aged 18-29.

Meetings are still very popular with those aged 50-59 (50%), 40-49 (48%) and those aged 60+

(49%). Although less popular, meetings are still considered valuable for even the youngest of employees (31%).

Unsurprisingly, younger employees rank social media and push notifications highest of all age groups, but interestingly, those aged 50-59 rank SMS higher than all other age groups.

In the UK, just like Germany and Sweden, e-mail is by far the preferred communication channel across all age groups. Unsurprisingly, younger employees in the UK, like in Sweden, rank social media, SMS, and push notifications higher than older employees. The intranet was most popular among those aged 40-49, while meetings were most popular among those aged 50-59. Chat/

messenger tools were the third most popular channel for employees under 30, indicating that employers would be wise to use them more.

Unsurprisingly, younger employees rank social media, SMS, and push notifications higher than older employees.



Use a mobile app to engage your employees

“An online platform alone is not enough to increase benefit enrolment rates. You have to continuously engage with your employees. Make sure the information is clear, relevant and easy to act on. Push notifications are a great tool for this, especially with younger employees. Adapt your communications plan to fit your benefits offer, the time of year and the individual needs of your employees.”

Katie Goodwin, Head of Client Relations International, Benify London



The most important takeaways from the survey

So, what do the results of our survey say about what it takes to be an attractive and relevant employer today?

Employers of the 2020s need to offer:

- Benefits that contribute to increased physical, mental, and financial well-being for employees, and that support them not only as employees, but as people
- A high degree of flexibility and personalisation, in terms of working hours and benefits
- A digital experience on a par with what employees have become accustomed to in their private lives, including mobile phones
- An offboarding process that is as well-thought as the onboarding process

What's next in the world of benefits?

As we stated in our introductory chapter, the coronavirus pandemic has impacted the workplace quickly and profoundly. While it is still too early to say which of these changes will last and constitute the 'new normal,' there are already some clear trends in the benefits area:

"In Germany, there has definitely been an increased interest in different benefits related to working from home, where employees buy equipment to support their home office and get reimbursement from their employer." - Emilia Maurer, Global Benefits Manager, Benify Munich

"With many employees in Sweden feeling socially isolated while working from home, we can see a rising demand for support and counselling services. On the other hand, benefits for wellness during pregnancy are also increasing..."

- Viktor Håkansson, Head of Benefits, Benify Stockholm

"The focus right now for UK employers is on mental well-being, health, and flexibility. People have been really creative, sending care packages home with favourite things to employees who are having a tough time. It's a really nice way to connect and show that we're all in this together." - Katie Goodwin, Head of Client Relations International, Benify London



About Benify

Benify's journey started in 2004 with three friends in Sweden. Today, Benify offers the market's leading global benefits and total rewards platform with thousands of customers and over 2 million users around the world.

Our solution helps employers create an exceptional benefits and rewards experience while reducing benefits administration, automating processes, radically improving the communication of their employee value proposition and ensuring better data governance and management of benefit and reward costs.



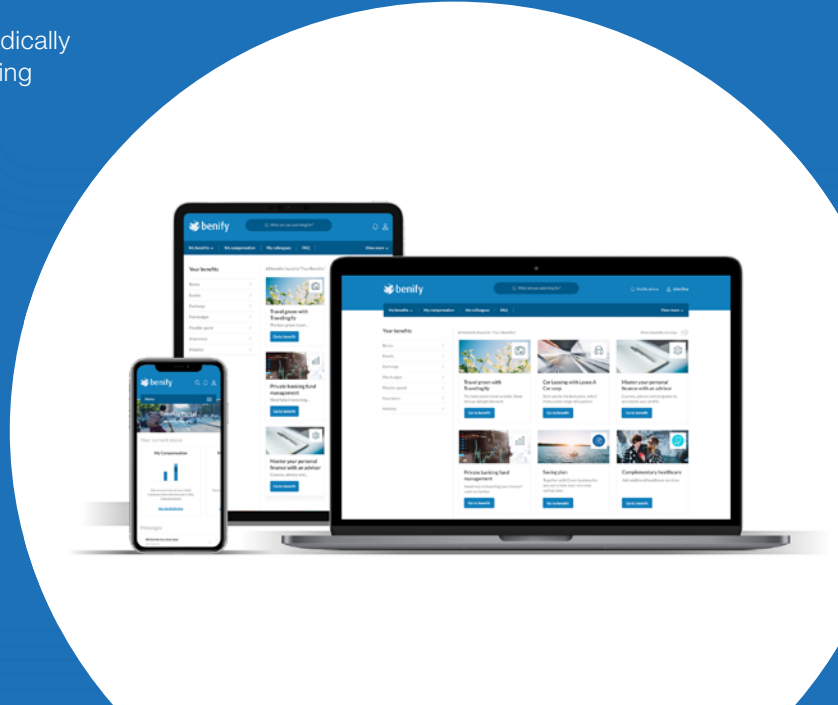
client retention rate



users



languages



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