

Compensation Incentives

What works to attract and retain employees so they say: “This is a great place to work”

To be successful in recruiting and retaining staff, what can you offer that your competitors can't, or won't offer? With a shortage of skilled staff everywhere, some organizations resort to recruiting directly from their competitor. When you lose a valued employee, the one you rely on day after day, the cost to you is huge. Statistics report the cost of replacing staff at a minimum of 35% of the employees' annual salary and as high as 200%, depending on their age, skill and profession. The challenge is to tailor your compensation package to their needs. This means additional benefits, & costs. Or does it?

When you create a package with benefits that resonates with the employee, the increased cost, to create the 'great place to work' perception, is far less than the continued search for new staff, or worse, more resignations. The intention is to create a better quality of life, balance, for each employee, by rewarding their loyalty. To do this, you need to listen to them to find out what matters to them and motivates them so that you could then create or modify what you already offer. Yes, a competitive salary and health care benefits is the start. This is the next level to grow to.

To discourage employees from leaving, the following is a summary of what a group of top rated Fortune 500 companies have added to their compensation and health care benefits package. This is how to invest short term for the long term retention of talent. Where a range is shown, it means the several companies had different versions of the same item. Companies provided employees anywhere from 1 to 8 of these. Let me repeat, not all of them, just a variety based on being unique to their industry. How competitive are you?

Adoption. - Up to 18 weeks paid leave.

- New fathers get up to 3 paid days off.
- Financial subsidies for new parents from \$1,500.00 to \$2,800.00.

Birthday. 1 paid day off, even if it falls on a weekend or holiday.

Charity Work. A range of 3 – 5 days off to do volunteer work at their personal charity or community project.

Christmas. - A Christmas party for everyone – employee, spouse, family, and retirees,
- 3 additional paid days off at Christmas.

Compassion Leave. Up to eight weeks off with full pay and benefits.

Daycare. - On site daycare.

- A range of subsidies of \$2,000.00 up to \$7,540.00.
- Provide a service to help locate child care services.
(Also to help locate schools and senior care facilities.)

Energy Cost Increases. Cash bonuses of up to \$200.00 to help with above average high gasoline or home heating expenses.

Corporate Sports Entertainment. Baseball, basketball, football, and hockey tickets given out a rotating basis.

Education. - In house training.
- On line training with time booked off to take it.
- Tuition subsidies range from \$4,500.00 up to \$10,000.00.
- Academic scholarships up to \$1,600.00 to employees with children attending college or university .
- Bonus for completing additional accreditation.
- Professional accreditation maintenance fees & convention expenses paid.

Facility. Client meeting room and staff lunch room combined after it was decorated to resemble a 1950's dinner, complete with booths, appropriate memorabilia, neon signs and wall mounted selector for music out of juke box. (picture available)

Finders Fees. New employee referral finding fees range of \$200.00 up to \$5,000.00.

Health Care. - Health allowance for alternative wellness.
- Full time health benefits for part time employees.
- Unused sick days go towards extra days of vacation.
- Can transfer unused health care benefits to vacation pay.
- Retired employees kept on benefits forever.
- Free pedometer for all employees.
- Fitness allowance of \$500.00 up to \$1,400.00 per year.
- Health care coverage for family pets.
- On-site fitness center - some are 24 / 7
- some provide instructor to lead classes
- some provide personal trainers

Marriage. - Additional week of paid vacation when an employee gets married.
- As above along with paid limousine service and \$500.00 check.

Maternity. Top up payments range of 65% to 95% of salary for up to 52 weeks.

Paternity. Top up payments to 50% up to 95% of salary for up to 37 weeks.

Personal Days Off. A range from 3 to 4 and up to 12 to 24 personal days off.

Profit Sharing. - Share purchase options up to 12% of salary.
- Matching RSP or K401 contributions
- Year end bonuses from \$2,000. to \$25,000.
- 60% of profit split with employees.

Snacks. On site traveling snack cart that includes healthy options.

Sabbatical. - 4 weeks sabbatical after 4 years continuous employment.
- 8 weeks sabbatical after 10 years continuous employment.

Summer Hours. - Early quitting times before summer stat holidays.
- 4 extra long weekends in the summer.

Vacation. - 3 weeks vacation first year, 4 weeks after 2 years.
- Long term employees received an extra week of vacation time.
- Long term employees get an all expense paid trip to Caribbean each year.
- Option to buy or sell an extra vacation week every year.

Miscellaneous. - Discounts of up to 30% on company products.
- Annual weekend retreat.
- Afternoon movie breaks.
- On-site fast food franchise / Starbucks.
- On-site 4 Star restaurant and executive chef
- Original artwork by employees on display.
- Monthly draw for prizes ranging from luxury car rentals to weekend get-a-ways for two.
- Pets allowed.
- Use of head office roof top garden for breaks.
- Use of employers condo and boat

A specific example of one company offering perks not mentioned in this list, is Karo Design, a Calgary based communication company, that provides:

- a Smart car for employees to take to visit prospects and clients
- use of bikes in the summer to either visit prospects and clients or to take their group meetings outdoors for a change of scenery to brainstorm by the nearby river or park
- an extra large change room complete with shower
- a bar for late Friday afternoon de-compressions

This article was prepared by Bruce Lee, President of Encore Seven Inc., a training company founded with his wife Toni, whose focus is on improving corporate and individual productivity, customer service, leadership skills through keynotes and workshops. Toni delivers singing inspirational keynotes and has just released her new CD “Bloom”.

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