

The Benefit in Benefits

"The greatest benefit is the one last remembered."

– Barber's Book of 1,000 Proverbs



Research from [Glassdoor](#) found that more than half (57%) of people surveyed said benefits and perks are among their top considerations before accepting a job, and four in five workers say they would prefer new benefits over a pay raise.

The Top Five Benefits Ranked By Employees

1. Health care insurance (e.g., medical, dental): 40%
2. Vacation/paid time off: 37%
3. Performance bonus: 35%
4. Paid sick days: 32%
5. 401(k) plan, retirement plan and/or pension: 31%

Benefits and Perks

Below is a list of employee perks that have been shown on Glassdoor, Inc., Forbes and other publications. Take a quick look at them, and then I will share my thoughts:

- 1) Netflix offers one paid year of maternity and paternity leave to new parents. They also allow parents to return part time or full time and take leave as needed throughout the year.
- 2) REI encourages its employees to get outside by offering two paid days off a year (called "Yay Days") to enjoy their favorite outside activity.
- 3) Salesforce.com employees receive six days of paid volunteer time off a year, and \$1,000 a year to donate to a charity of their choice.
- 4) Spotify provides six months of paid parental leave, plus one month of flexible work options for parents returning to the office. The company also covers costs for egg freezing and fertility assistance.
- 5) World Wildlife Fund employees take Friday off every other week, also known as "Panda Fridays" at the nonprofit.
- 6) Airbnb, which was named Glassdoor's Best Place to Work in 2016, gives its employees an annual stipend of \$2,000 to travel and stay in an Airbnb listing anywhere in the world.
- 7) PwC offers its employees \$1,200 per year for student loan debt reimbursement.
- 8) Pinterest provides a unique take on the parental leave policy by providing three paid months off, plus an additional month of part-time hours, and two counseling sessions to create a plan to re-enter the workplace.
- 9) Burton employees receive season ski passes and "snow days" to hit the slopes after a big snowfall.
- 10) Twillo offers employees a Kindle plus \$30 a month to purchase books.
- 11) Twitter is well known for providing perks such as three catered meals a day, but some lesser-known benefits include onsite acupuncture and improv classes.
- 12) Accenture covers gender reassignment for their employees as part of their commitment to LGBTQ rights and diversity.

- 13) Walt Disney Company wants its employees and their friends and family to enjoy the "Happiest Place on Earth" as much as their visitors by offering free admission to its parks, and discounts on hotels and merchandise.
- 14) Facebook provides \$4,000 in "Baby Cash" to employees with a newborn.
- 15) Evernote hosts classes through "Evernote Academy," which offers team-building courses like macaroon baking.
- 16) Epic Systems Corporation offers employees a paid four-week sabbatical to pursue their creative talents after five years at the company.
- 17) Adobe shuts down the entire company for one week in December and one week over the summer.
- 18) Asana employees have access to executive and life coaching services outside of the company.
- 19) Zillow allows employees traveling to ship their breast milk.
- 20) Google provides the surviving spouse or partner of a deceased employee 50% of their salary for the next ten years.
- 21) Last, Costco has some of those most satisfied employees, and it all starts with the fact the company has always paid above the average retail rate for its employees, its goal being to provide a "living wage."

[Indeed](#) recently came out with its data 15 Best Places to Work: Compensation & Benefits, based on user ratings and reviews on Indeed. You could go through those rewards winners and add to this list.

Here are my takeaways from all of this:

1. In every survey I have ever seen, including the one above, most employees prefer a dollar in benefits vs. a dollar in compensation. I think that is because benefits are often non-taxable, they offer a sense of security, meet a specific need, and show you care.
2. This is one big marketing exercise. It's internal branding to your workforce. Meaning you want to approach it like a marketer, not just an HR executive. What are the costs, difficulties of implementation, and results? If you we don't go through that analysis you will waste both time and money, and not produce the results sought after.
3. Speaking of results, are you clear about which results you are trying to achieve? And, who is motivated by this benefits approach to receive that results? For example, if by offering great health care benefits you seek to have a better chance of hiring and retaining, is there any proof behind that assumption? What data do you have to support it? Do you do post-hire entrance interviews to understand exactly why they said yes to working with you and what part your health care benefits played in making that decision? Did they compare your benefits package against other companies? Was it a tipping point in their decision?

Or, did they do none of that, and simply assumed they get basic benefits? Or, maybe benefits played no role in their decision at all because what they needed was a job. Any job. And, you said yes.

Who would be most attracted to great health care benefits? Older, less healthy workers, and workers with families. Does anyone disagree with that? Most 25-year-olds could care less about health care benefits. Maybe they want to know where the party's at? Work and community events may be a much bigger driver for them. Point is, the benefits you offer must fit the circumstances to be effective.

4. Experiment. Every benefit idea in the list above was a thought before it was ever implemented. It was an experiment before it was a practice. Test different benefits and see which ones provide the greatest bang for the buck. Good marketers assume nothing and test everything. I think benefits at many companies are one big guessing game.
5. You may be saying to yourself I'm not Costco and can't afford all these benefits and perks. Perhaps the other side of that argument is Costco is Costco *because* it offers these benefits and perks and can therefore attract and retain great employees. The chicken or the egg? Something to think about.

6. Be creative. Many ideas set forth were "non-traditional" before they weren't. Remember, people have different needs and one size does not fit all. For example, only a few percent of employees at Zillow are getting breast milk shipped. But for them it is a big deal.

One way to be creative is to be inclusive. How can employees and managers assist in designing benefit incentives? You will never know until you ask.

7. Last, as the quote at the outset reminded us, the impact of benefits wears off. The flowers you brought home last month don't register anymore. My advice is to remind employees of their benefits. Put it on posters and in total paycheck statements.

With 4% unemployment levels, employers have to be competitive and creative when seeking talent. They have to realize their top talent is continually being solicited. If not by recruiters, then by emerging AI driven sourcing tools.

I will send you a spreadsheet I developed to help you think through the math of designing great benefit programs. Send an email to don@donphin.com

All the best, Don

About Don Phin, Esq.

Don Phin, Esq. is a lawyer and a highly rated presenter on the emotional intelligence required to be great at leadership and sales. To learn more go to www.donphin.com

don@donphin.com | (619) 852-4580 | www.linkedin.com/in/donphin

