

# In Focus

## How to choose a flexible benefits provider – 7 top tips

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Welcome to the latest edition of In Focus. In this issue we will be looking at some of the key considerations employers should think about when reviewing and choosing a flexible benefits provider.

There's no doubt about it that flexible benefits platforms are becoming increasingly popular with 80% of employers with more than 100 employees offering some form of flexible benefits scheme, compared with just 11% a decade ago<sup>1</sup>.

When you consider that over the next 5 to 10 years the graduates who have grown up with Facebook and Twitter will start to lead corporate UK, and they will expect modern technology as a matter of course<sup>2</sup>.

Choosing the right benefits for your employees is one thing but delivering a successful employee benefits strategy is about understanding the complete picture and delivering it in a personalised way so that it resonates with each and every individual in your business.

That's where a flexible benefits provider can be invaluable, to ensure you maximise value for money and the positive impact of the benefits you offer.

Here are our top 7 considerations for employers looking to choose a flexible benefits provider.

1. **Understand your own objectives** – you need to understand what you want to achieve by implementing flexible benefits before you look for a provider.
2. **Do your research** – there are many flexible benefits providers in the market so you want to ensure you check their track record and experience, especially whether they have helped similar companies to yours or those with similar requirements. In particular it is important to check they are financially sound.
3. **Identify their capabilities** – Just how flexible is their technology? For example, can it interface with your human resource information system and payroll platform? Does it meet your requirements now? And if you decide you want to change or add extra functionality as your needs evolve, is this simple and easy to do?

Also how flexible are they to cater to your individual employees' needs? As more employees seek to tailor their benefits to suit their individual requirements, a one-size fits all approach may not be suitable. What's more can they offer multiple enrolments to give your staff flexibility and control to alter their benefits as and when it suits them? Make sure your provider has the capability to provide tailored benefits that will help reward and retain your employees.

4. **Be secure** – Legally, your chosen flexible benefits system must comply with data protection regulations. So choosing a partner that meets certain security standards is essential. For example, this could include Secure File Transfer Protocol (SFTP) to ensure that your data is imported and exported securely to the system.

You may also want to consider how their technology is accessed, for example is it externally hosted or does it need to be installed on your internal IT infrastructure? If it is web-based, is it compatible with all main browser versions to allow your employees to easily access their benefits?

5. **Check their scalability** – Global mobility of employees is on the rise, with nearly 57 million expats predicted by 2017<sup>3</sup>, which can add further complexity to your picture. Do you really want to have multiple flexible benefits schemes for all of the countries that you operate in?

If you have existing overseas employees, or have the potential to expand overseas in the future, you may want to ensure that you choose a flexible benefits provider with technology that can span different languages, currencies, tax treatments and legislative requirements.



6. **Get value for your money** – Being quoted large implementation fees can be more about supporting a provider's business model than a reflection on the actual work required, so make sure you're getting the best value for your money. For example, what else can they offer you above and beyond the flexible benefits scheme?

Nearly three quarters of employers believe that employee engagement is a key issue in driving employee benefits strategies<sup>4</sup>, so communicating your benefits in a way that engages your staff is a vital consideration. A provider that works with you to not only understand the communication channels that work within your business, but also uses your brand and key messages to deliver tailor made communications, can be essential to the success of your employee engagement.

7. **Find out what support is available** – The hard work doesn't end after you've implemented and launched your flexible benefits platform, so you need to consider what ongoing support your partner will provide to ensure that your benefits strategy is a success long-term. For example, will you be able to access regular, tailored Management Information (MI) to quickly and easily monitor performance against your key performance indicators to determine the success of your benefits programme?

## Contact Us

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- 2 How technology has affected reward, Reward Magazine, 2013
- 3 Finnacord, Global Expatriates: Size, Segmentation and Forecast for the Worldwide Market, 2014
- 4 Employee Benefits, The Benefits Research 2013