

Zen & The Art of Legal Networking

INSIGHTS & COMMENTARY ON RELATIONSHIP BUILDING WITHIN THE INTERNATIONAL LAWYERS NETWORK

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Lindsay Griffiths



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[Effective Benefits Programs - an ILN Conference Re-cap](#)

On Saturday, we had another session that was of interest to the delegates - a presentation on Effective Benefit Programs. The presenter was [Stanley Jeremiah](#), the [Vice President and Managing Director for Asia Pacific HR Management](#) at [Convergys](#). Stanley is also a chartered insurer with UK professional qualification, a fellow of the [Chartered Insurance Institute](#), and a council member of the [Singapore Insurance Institute](#).

His talk focused on one small area of firm management, benefits, and he gave a general overview since benefits are country-specific.

One of the characteristics of a benefits program is that it's a more subtle form of compensation than remuneration, because it's not often communicated to employees in terms of cost. As a result, it's less comparable to benefits packages at other firms and isn't well-leveraged as a differentiating factor when recruiting talent. Because benefits aren't given this importance, employees often don't know what benefits they have and as a result, are not as appreciative as they could be, because they don't understand the value. Stanley said that if firms can use benefits packages effectively, they could become something that has a higher perceived value than the actual cost.

Stanley emphasized to the delegates that firms should use benefits packages as a differentiator, and benchmark themselves against their competition, rather than continuing to offer the same packages that they always have. He also encouraged firms to be aware of trends in benefits and spoke about a few of them:

- **Wellness Initiatives:** These include things such as gym memberships, health screenings, assistance to quit smoking, etc. Wellness programs like these create a feel-good factor, but also encourage a healthier workforce, create a sense of belonging, and engender loyalty.
- **Flexible benefits programs:** Generations X & Y have changing values and goals. Whereas Baby Boomers are struggling to survive in a changing world, Gen X & Y have a sense of security and



economic prosperity. They are less concerned with rising through the ranks and making partner, and place more emphasis on a work-life balance.

Stanley also spoke about some essential features of a successful benefits program:

- **Effective communication:** Often benefits are not communicated to employees either during the recruitment or employment life cycles and if employees don't know what they have, they can't value them. Stanley suggested it is better to over-communicate the benefits package, and one of the ways this can be done is by including the handbook on the company intranet.
- **Flexible benefits:** Because of Gen X & Y's differing values, this is appealing to them. Some examples that Stanley provided is the ability to "buy" more vacation days or providing employees with so many thousands of dollars worth of benefits that they can then use to choose the makeup of their benefits package. A younger employee might choose less life insurance and will instead have some of the cost of their holidays subsidized.

Stanley encouraged the audience to determine whether their benefits programs are meeting the needs of their employees and the people that they want to hire. He emphasized that the benefits program defines the culture of a firm, saying for example, a firm that provides gym facilities has a different culture to one that doesn't.

He also mentioned that the flexible benefits approach can depend on the country, because those countries with state-run healthcare do not place as much emphasis on health benefits as in those countries without it. But in general, he said that the one-fits-all approach to benefits doesn't work anymore, because the needs of a 50-year-old partner are different to those of a 24-year-old administrative assistant.

Stanley suggested that firms assign a benefits spending account to each employee based on their seniority and give them a list of benefits that they can choose from. It caters to the needs of the employees, but also has some significant advantages for the firm, because employees have to make choices about what they want, so they will value their benefits more and understand their true cost.

He also emphasized the need for planning in the benefits process, saying that too many firms wait until the last minute in reviewing their benefits packages. Instead, he suggested going through them every three years to make sure they continue to meet the needs of the firm's employees and potential recruits. Because it's not possible to be an expert in everything, he also encouraged firms to work with an HR consultant to understand the trends in benefits packages and assist in recalibrating the firm's benefits programs.

A delegate asked about trends differing from country to country and whether any of the firms he has studied offer better programs than other firms. Stanley said that in terms of unique programs, most firms are not carefully examining the needs of Gen X & Y and are missing an opportunity there. In terms of differences between countries, Stanley said the world is very much divided between countries that do and don't provide medical care as a state benefit, and for those that don't, medical benefits can be a big differentiator.

Another delegate commented that for smaller and medium-sized firms, individualizing benefits as he suggested can become very expensive. Stanley agreed and said that this is where working with a consultant can be useful. He said that depending on the country, firms can buy products that are available at the national level, rather than having a firm program. He used firms in Singapore as an example, saying that he would tell them not to bother with a medical insurance program. Instead, they can get everyone to buy the nationally-available medical program if they want to be covered, and the firm agrees to subsidize everyone based on a certain formula.

The final delegate question involved the issue of retention, with the delegate saying that she finds that after training someone, they often go to another firm. Stanley said that benefits can be a real differentiator to help to

combat this, and advised looking at what other firms are doing or not doing, and then getting out in front by offering more flexible benefits and communicating these to employees.

Lindsay Griffiths of the International Lawyers Network
179 Kinderkamack Road
Westwood, NJ 07675
Phone: (201) 594-9985
Fax: (201) 740-9765