

Cross-sector survey features benefits & rewards, Covid-related change

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While salary still plays a role in attracting talent, employees now want regular, flexible, and holistic benefits that add value to their personal and professional lives, according to a new survey of cross-sector benefits in the Republic of Ireland.

A new wide-ranging survey published today by professional services recruiter, Morgan McKinley, finds that the most wanted benefits sought by employees and most offered by employers here are aligned, namely the traditional benefits of Pension, Health Insurance and Bonuses.

Provision of childcare support is the least offered benefit, while on average, 25.6% of employees surveyed are offered stocks and shares. Seven-in-ten say they want a mix of remote and office work.

70% want blended working, 20.5% “wish to only work from home”

The survey covers 1,551 individuals representing an overall employee population of over 1.1 million across 22 industry sectors. The companies, corresponding to these employee responses, represent headquartered businesses from 48 different countries.

The survey also covers ‘working from home’ and how employers and employees have been faring during the Covid-19 pandemic.

The survey findings show that “despite efforts from Irish employers to develop their benefits offering, the survey also shows that multinational employers in Ireland provide a more comprehensive benefits offering”, it says.

Employees working in the Information Technology (IT), Financial Service, Life Sciences and Utilities & Energy Industry sectors tend to be offered more benefits than their peers working in other industry sectors such as Education, Agriculture & Food and Engineering.

MAIN HIGHLIGHTS

Some of the main highlights are:

Pension: 73.6% of employees surveyed said that they did receive some form of Pension benefit from their employer. This rises to 84.9% for employees working in Financial Services,

83.4% for employees working in the Life Sciences sector and 81.9% for employees working in the IT sector.

78.8% of employees are currently offered a DC pension scheme, as opposed to 18.2% being offered a Defined Benefit (DB) scheme.

Paid Sick leave: 67.4% of employees reported that their company provides them with paid sick leave. 51.7% of employees reported not to have taken any Sick Leave in 2020.

This percentage is highest at 72.4% for Construction employees, 66.7% for Transport employees and 64.3% for employees working in Business Process Outsourcing (BPOs).

Work From Home: 69.9% of employees reported that they would like to be offered a mix of remote and onsite working in the future and a further 20.5% shared their wish to “only work from home”.

At the time of the survey, MM says, 81.8% of employee respondents were working from home, either exclusively (65.4%) or as part of a blended working schedule (16.4%).

Only 13.2% of employees have reported remote working to have had a negative impact on their productivity (45.2% female and 54.8% male).

WFH is more frequently offered to employees working in IT, Telecommunications, BPOs, Financial Services and Education sectors.

Stocks & Shares: On average, 25.6% of employees reported to be offered some form of stock/shares. This percentage reduces to 9.0% for employees working in micro-companies and increases to 37.5% for employees working in companies with a headcount of 1,000 or more.

The survey finds that 52.0% of employees working for a US-headquartered company are offered some sort of stock or share scheme as opposed to 34.8% of employees working for German companies, 23.3% of employees working for UK companies and 9.1% of employees working for Irish companies.

The most commonly offered type of Stock/Shares are Approved Profit Sharing Schemes (APSS) and Restricted Stock Schemes.

Health Insurance: On average across all industry sectors in Ireland, 58.5% of employees reported to be offered company-sponsored Health Insurance.

This percentage rose to 82.4% for employees working in IT, 77.3% for employees working in Life Sciences and 71.4% for employees working in the Business Process Outsourcing sector.

Educational support: Highly valued by employees, this feature is often underestimated by employers. 41.6% of employees stated they are offered Educational Support benefits, but the percentage goes up to 61.0% for employees working in Financial Services and to 53.6% for employees working in the Life Sciences industry sector.

More than half (57.6%) of employees working for US companies reported to be offered Educational Support, as opposed to 26.1% of employees working for German companies and 32.8% of employees working for Irish companies.

“Educational Support is valued most in the youngest age demographic as young professionals strive to increase their value to employers and progress their careers”, the recruiter comments.

Wellness Programmes: Less than 50% of employees working in companies of under 1,000 employees reported having access to an Employee Assistance Programme (EAP).

MM says this may be due to a lack of awareness of the offering by employees or the details of how to access it or what it contains.

“Some respondents cited a distrust of how their access and use of this program would be shared with their employer and elected not to avail of it in spite of a definite need”, it says.

Childcare support: What the survey describes as only a “very marginal proportion” of employees (1.1%) reported to be offered childcare support by employers in Ireland.

While there have been some improvements in the Paid Maternity, Paternity and Parent’s Leave offering from employers, “this support is only for a short defined burst period in a parent’s lifetime”.

ADAPTING TO AUTONOMY

Trayc Keevans, Global FDI Director, Morgan McKinley Ireland, said the results show an alignment between employees’ and employers’ perceptions of benefits, “but it also depicts a high degree of consistency between the ‘most important’ benefits and the ‘most offered’ benefits in Ireland”.

The Covid-19 pandemic has impacted everything, from where we are working, how we are working, and how long we are working. “Employees have become accustomed to autonomy and flexibility in the enforced virtual workplace”, she says.

“Employers have responded and revised their benefit strategies with 1 out of 4 employers surveyed confirming that they have amended their benefits offering because of Covid-19. As a result, flexible and hybrid work models are anticipated to proliferate in 2021 and are likely to endure.”

Ms Keevans said the pandemic has also brought challenges for the wellbeing of employees, both in terms of health issues, “along with more personal and emotional trials and tribulations associated with extended isolation”.

“One of the more surprising insights from our survey was that the provision of childcare support in the form of childcare vouchers was the least offered benefit. The struggle for parents to balance careers and caregiving was an issue even before the pandemic. There is now a real opportunity for employers to achieve a better balance in the workplace through the inclusion of childcare support in their benefits offering”, she advised.

WFH & FLEXIBILITY

Zooming in on the working from home (WFH) phenomenon, the survey found that this is currently the third most offered benefit nationwide by employers - and the 5th most in demand benefit for employees.

At the time of the survey, 81.8% of employee respondents were working from home, either exclusively (65.4%) or as part of a blended working schedule (16.4%). “This is despite 68.2% of them reporting not to have been working from home in any form prior to the Covid-19 pandemic.”

More than half of employees working exclusively on-site during lockdown came from the Life Sciences, Engineering or Retail & Wholesale industry sectors. 58.6% of them are currently employed by Irish companies.

BEYOND COVID

As of February 2021, 84.3% of employers reported not to have any visibility on when their staff would be allowed to go back to the office. “Nonetheless, there is a consensus from employers in Ireland around the extension of Work From Home schemes beyond Covid-19”, it says.

“Indeed, 90.0% of employers surveyed reported their intention to extend WFH after the end of the Covid-19 crisis and its subsequent restrictions. Among which, 64.3% of them would like to do so through the introduction of blended schedules”.

MM says that employers’ positions on this matter “are highly aligned” with employees’ expectations regarding working flexibly. 69.9% of employees reported that they would like to be offered a mix of remote and onsite working in the future and a further 20.5% shared their wish to only work from home.

64.3% of employers are considering implementing blended schedules in the future, consisting of a mix of onsite and remote work, while 43.9% of employees said that remote working has improved their productivity.

THE “UNKNOWN”

But MM says that remote working has brought a new set of working/living conditions, “so far unknown to many employees”.

On one hand, it allows for a reduction (significant in some cases) in commuting times, an increase in work flexibility and a better conciliation of personal and professional lives. “On the other hand, it means that employees are deprived of social interactions with colleagues and it can increase the difficulty of separating the time dedicated to work and the time dedicated to other activities - as they all take place in the same space”.

The experiences of remote working are also greatly affected by individuals' living conditions. Employees sharing an accommodation with several housemates will have a very different experience than their peers living in their own place. Personality is also an important factor when it comes to assessing the impact of remote working.

Through the survey, MM says, “we tried to assess how the current Work From Home situation has affected employees, if it has in any way”. Only 13.2% of employees have reported remote working to have had a negative impact on their productivity (45.2% female and 54.8% male).

Meanwhile, 36.5% of employees reported that remote working has positively impacted their wellbeing. But even if nearly 3 out of 4 respondents stated that WFH either had a positive effect or no effect at all on their wellbeing, 27.4% of employees have reported that remote working has had a negative impact on their wellbeing, the survey says.

However, remote working itself might not be the only source of stress/unhappiness expressed by this 27.4%. “The remote working that we are currently experiencing cannot be disassociated from the wider context in which it is operating: i.e. the backdrop to the Covid-19 pandemic and its subsequent restrictions”.

EXPLAINING DIFFERENCES

Close to half of the employees who reported remote working to have negatively affected their wellbeing belong to the 35-44 years age group. “This can partially be explained by the fact that this age group is the most likely to have been affected by the disruptions to schools and childcare schemes”.

Employees under-25 and over-55 seemed to have been more positively disposed to the new home-based working environment.

Meanwhile, the authors of the survey note that the European Commission mentions in its 2021 report on gender equality in the EU, “on average, women spent 62 hours per week caring for children (compared to 36 hours for men) and 23 hours per week doing housework (15 hours for men)”.

For this reason, and because access to some childcare services and/or schools/house-cleaning services were totally or partially restricted at some stages of the lockdown, it could have been anticipated that women would be more affected by WFH than males.

Nonetheless, the findings highlighted that males were more likely (53.3% males versus 46.7% females) to report a negative impact to their wellbeing because of working from home. "This could be partially explained by the fact that male respondents are over-represented in the 35-44 age group (which seems to be the group most affected by remote working)," it says.

WFH under Covid-19 may also be perceived differently than under normal circumstances. The lack of social interactions outside of the workspace or removal of the choice on when to work in the workplace has heavily impacted the perceived benefits of remote working for employees already familiar with this flexible arrangement.

Employees living outside of Dublin appeared happier with their remote working conditions than their peers residing in the capital. Easier access to green spaces, as well as potentially bigger accommodation and reduced costs in which to spend the lockdown are factors that might explain these differences.

On average in Ireland, 41.7% of employees are offered Flexible Working Hours. Most employers (64.6%) provide this benefit to all employees independent of their tenure, level or function.

Overall, 30.14% of employees in Ireland across all industry sectors reported not to be paid for overtime work.