

EMPLOYEE BENEFITS:

**A Qualitative Research study on the perceptions of HR-Professionals
with a strategic point of view on the use of
flexibility, communication and employee involvement.**

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Abstract

In today's highly competitive environment, the goal of organizations is to recruit, retain and stimulate employees to give high quality performance, which may be achieved by a well-developed remuneration system and a wide range benefits. As flexibility is an increasing important aspect within the business environment, we notice the importance of flexibility within benefits which leads that different choices of benefits are increasing and makes the field of benefit communications has becoming more complex.

It was the aim of this project to broaden understanding on flexibility within the employee benefits with a strategic point of view, the communication processes and how high the employee involvement is. This paper reports results from a qualitative research with semi-structured interviews with HR professionals to examine their perceptions on employee benefit communication. The interview addressed the strategic approach to benefits, the prevalence of particular communication channels, the perceived effectiveness of those channels, the importance of employee benefit communication within the HR and company strategy and the involvement of employees.

Results indicate that organizations are following from strategic perspective more institutionalized approaches rather than make the choice for following a differentiation strategic on their competitors. Employee benefit communication is still not high on the agenda of HR but still some organizations are already aware that by introducing flexibility within employee benefits, the communication process is becoming more and more important.

Keywords: *Compensation - flexibility – employee benefits – employee benefits communication – strategic rewards*

Abstract Portuguese

No ambiente altamente competitivo de hoje, o objetivo das organizações é recrutar, reter e estimular funcionários a fornecer desempenho de alta qualidade, o que pode ser alcançado por um sistema de remuneração bem desenvolvido e por uma ampla gama de benefícios. Como a flexibilidade é um aspecto cada vez mais importante no ambiente de negócios, percebemos a importância da flexibilidade nos benefícios, o que leva a que diferentes opções de benefícios estejam aumentando e faz com que o campo das comunicações em benefícios se torne mais complexo.

O objetivo deste projeto era ampliar a compreensão da flexibilidade dentro dos benefícios dos funcionários, com um ponto de vista estratégico, os processos de comunicação e quão alto é o envolvimento dos funcionários. Este artigo relata resultados de uma pesquisa qualitativa com entrevistas semiestruturadas com profissionais de RH para examinar suas percepções sobre a comunicação de benefícios dos funcionários. A entrevista abordou a abordagem estratégica dos benefícios, a prevalência de determinados canais de comunicação, a efetividade percebida desses canais, a importância da comunicação de benefícios dos funcionários na estratégia de RH e da empresa e o envolvimento dos funcionários.

Os resultados indicam que as organizações estão seguindo, da perspectiva estratégica, abordagens mais institucionalizadas, em vez de optar por seguir uma diferenciação estratégica para seus concorrentes. A comunicação dos benefícios dos funcionários ainda não está no topo da agenda do RH, mas algumas organizações já sabem que, ao introduzir flexibilidade nos benefícios dos funcionários, o processo de comunicação está se tornando cada vez mais importante.

Palavra-Chave: *Compensação - flexibilidade – benefícios dos funcionários – comunicação dos benefícios dos empregados – remuneração estratégica*

Executive summary

With the new War for Talent and changing workforce demographics, employee benefits might be a good help for employers in their strategy to attract and retain the right employees. Employee benefits are important because it demonstrates that an organization is investing in their employees' health, wellbeing, financial wellbeing and that they think about the future of their employees. In the business environment of today, rewarding your employees as an organization is more than just about improving their financial gain. The workforce wants to be rewarded in ways that it benefits their wellbeing, lifestyle and situation, that shows that it is tailor-made. If organizations want to meet this challenge, they will need to introduce more flexibility into their employee benefits which can lead to an unclear overview for their employees on all their provided employee benefits in which communication will take a leading position in clarifying. An organization can have a wide diversity on employee benefits, but if their employees are not aware of their benefits, they will not use them which can lead to have an impact on their engagement towards the organization. HR Professionals are often perceiving that they are doing a good communication to their employees concerning the provided employee benefits, so I decided to examine the perceptions of different HR Professionals on their employee benefits management and communication.

The purpose of this report is to describe how HR professionals perceive the employee benefits strategy they use even to discover if the organizations have a specific reward and employee benefits strategy and how well elaborated this strategy is. Will this strategy be more an institutionalized strategy or are organization going to follow their own strategy by choosing for differentiation? If organization are having a strategy, do they have specific policies in line with their strategy in order to be able to always take decisions in line with their strategy? And what are the internal and external factors that are influencing this strategy?

With the diversity in the workforce organizations need to meet different needs and desires from their employees. This report will describe if organization are already aware of this and how are they tackling this problem. Are they introducing flexibility within their strategy? And how are they using this flexibility in order to follow and maximize their attraction and retention strategy? But even with having the best strategy and practice, if there is no clear communication to their employees, how are employees aware of all their employee benefits? And if they are aware of their employee benefits, do they understand their employee benefits?

At what moments are organizations communicating to their employees on their employee benefits? Which channels are they using? And do they know which channels are preferred by their employees?

Organization can see the introduction of flexibility within their employee benefits as a solution to the diversity in the workforce. But are organizations already bringing this flexibility within their employee benefits and are they using it by its full potential? Are the provided communication methods readable and comprehensible for their employees which will have an impact on their knowledge?

With the introduction of this flexibility are employees more involvement in this process? And are organizations using the full benefit of the introduction of flexibility within their employee benefits? All these specific related questions will be described in this report.

By using a qualitative method, with questions about experience, meaning and perspective on this topic, I did an interview with eight HR-Professionals from a small Belgian organization to a big international organization. I wanted to investigate their beliefs, attitudes and concepts on this topic by using semi-structured interview to better understand their experience or events from a personal perspective. I wanted to create an in-depth understanding of their words, opinions and experiences.

The results of the research indicated that most of the organization are lacking a concrete strategic HR-Management view within their organization which is visible in their reward and employee benefits strategy. Most organizations choose for an institutionalized approach by using a copy-paste strategy of their close competitors in the market. Already some of the HR-professionals are introducing flexibility within their employee benefits but all for different reasons, for example due to the obligations of the government to be aligned with fiscal regulations. By introducing flexibility within employee benefits, organization opt for a cafeteria plan. When organization decide to introduce a cafeteria plan, they prefer to start with a basic implementation and let it grow step by step by implementing new options on employee benefits. Concerning the type of flexibility, there is a different use in the organizations. Most common approach is to provide once a year the option to their employees to make trade-offs in their employee benefits, but we notice that organizations are going a step further with providing twice or even every quarter the possibility to their employees.

On the part of communication on employee benefit, the result show that the communication can be done by different persons. HR-Professionals or executive team are often in charge of this task with sometimes some small participation of marketing to make the message not too technical. The communication that is done from the HR-Professionals is more done on an operational way when employees are coming to them with questions. The result indicates that there is still a lack of pro-active communication. During the interviews is revealed that HR is doing this communication on the most logic moment like, during the recruitment process, onboarding and with change by using face-to-face communication, group meetings and even going back to old-school materials like brochures. At some organizations they will introduce more digitalization in their communication and even link it more in combination with the onboarding.

By implementing more flexibility within employee benefits by the introduction of cafeteria plan, the employees are getting more involved in the process. They are in charge of the constitution of their own reward package. Some HR-Professionals are following completely the positive vibe employee participation brings, others are more cautious because it can bring unclarity, more work at the side of the employer and too high expectations at employee side. They prefer to only involve their employees until a certain level by doing a small poll once a year during an event.

If we do an interpretation on these results, we do understand that there is still a lot of work in the area of communication on rewards and employee benefits. Organizations are not yet using the full potential of flexibility within employee benefits and do not always have a clear strategic view on their employee benefits and how it can be linked with the company strategy. Research should be more directed in the digital area and how we can make it more interactive in order to create full awareness of the employees on their employee benefits.

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1. Introduction

Employee benefits are representing a growing proportion of total reward value. HR Professionals are spending a great deal of their time trying to secure the best possible compensation and employee benefits for their workforce. But it can be difficult to get employees onboard and retain them without a strong employee benefit strategy and communication process. A benefit communication policy gives employees an overview of the different employee benefits is offered to them and their families, and it provides them with vital information about when and how to enrol in the different coverages. Beside this, it ensures that employees stay up to date on important changes and improvements to their benefit packages. A good employee benefit communication policy will lead to a total awareness of company compensation or a total compensation program and education should be at the heart of this. When employees know all their employee benefits, they will use their employee benefits more and can use them in their full potential. Studies that have been conducted in the past have shown that when employees perceive benefits unfair which has a negative impact on engagement, performance and retention which may be managed by using a good communication policy on their employee benefits which may enhance employee fairness perceptions.

In this chapter, the subject of this research project will be explained. First, the subject will be introduced. Following, I describe the relevance of this research. Next, the goals and research questions will be formulated. Lastly, I will describe the structure of this report.

1.1. Employee benefits communication

During my search for my first job as a fresh graduated in 2010, I noticed that organizations were offering different reward packages. During the recruitment process those organizations were explaining beside the fixed salary all kind of different employee benefits. The provided information was very basic what made it not easy to compare all the different reward packages, even if the comparison was already correctly done. An organization can give the information to an applicant that they provide a group insurance to their employees, but if you are not aware that this can be 2% of your yearly salary or even 6%, a comparison can be made totally wrong. And this kind of situations are not only happening to young graduates but to all different age groups in the workforce. If I ask people close to me if they know which

employee benefits they have, they cannot give a complete answer, not mentioning that they cannot give details concerning their employee benefits. But how can organizations use employee benefits as an attraction and retention strategy without an effective communication plan and strategy to their potential new hires and employees.

Employee rewards is central to contemporary debates about work and employment relations. In the context of Belgium characterized with high wage pressure, high labour cost and high taxes, employee benefits represent a growing proportion of the total reward value. The labour cost per hour is high in Belgium. So high that our workforce falls within the most expensive in Europe. A study done in Flanders in 1998 indicated that an average Flemish employee earned 2500€ a month gross. The same study was done 20 years later and indicated that the average gross monthly salary increased to 3100€, an increase of 24%. In Belgium an employee earns on average 39,20€ per hour, while the average in Europe is 25,40€ per hour. (https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Wages_and_labour_costs/nl)

If the wage cost were to increase to the same extend as the labour productivity in Belgium, there would be not a problem. Unfortunately, that is not the case. Another study from 2012 showed that a Belgian employee works an average of 1462 hours which is less than the European average 1735 hours. According to the Eurostat data, the Belgian employee was the one working the least in 2012. Between 2000 and 2016 the average labour cost per hour increased by 45% while the labour productivity only improved by 13% in 2012. There are different creative solutions for this problem. One of those solutions is to provide more to their employees without additional costs. It is becoming more and more popular that organizations are providing more employee benefits as an addition to the basic salary. (https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Wages_and_labour_costs/nl)

Employee benefits are part of a compensation strategy and a reward system. Compensation strategy and reward systems are one of the central issues of Human Resource Management, an effective tool for increasing business performance by aligning individual and organizational goals (Armstrong, 2010; Brown 2001; Gilmore-Williams, 2013; Torrington et al., 2014) while serving not only the organization's but also the workers' benefit (Armstrong-Taylor, 2014; Jones-George, 2015; Mondy-Martocchio, 2016). A basic reward system in an organization is the compensation and benefits programs it offers to employees. The point of rewarding employees is to garner loyalty, consistency, quality and value in their work.

Obtaining those objectives, an organization needs to make their employees aware of their employees and ensure that employees understand their employee benefit package by using a well-designed employee benefit communication strategy. But research indicates that many employees neither recognize nor appreciate the magnitude of their benefits packages and, in some cases, employees significantly undervalue their benefits (Wilson, Northcraft and Neale 1985). The make-up of the compensation package can play a major role in making one position more desirable than another. Therefore, if the package is designed in a manner that it meets the needs and desires of employees, organisations can gain a competitive advantage by attracting and retaining the workforce of a high quality. Moreover, even within a single organisation, compensation packages may need to vary in order to the meet individual employee needs and desires (Lawler, 1990).

The traditional employee benefits package encompasses a fixed bundle of benefits that are chosen by the company and is based on the nuclear family (Barber et al. 1992). However, the changing composition of the family unit from the nuclear family with one wage earner to a variety of family forms including singles, single parent families, and double income families has created the need for a wide variety of employee benefits. Instead, a flexible or a cafeteria-style benefits plan provides employees with this opportunity. In flexible benefit plans, employers provide a specified amount of money to their employees that they can spend on their employee benefits (Cole & Flint 2003).

Organizations cannot realize the full advantage of a competitive benefits program unless employees have sufficient knowledge about their benefits (Danehower & Lust, 1996; Wilson, Northcraft & Neale, 1985). Organizations are faced with the challenge of communicating a wide variety and complex sets of benefit options to employees. Consequently, employees are faced with the challenge of understanding an increasing amount of complex information regarding those benefits. In order to let employees', make good decision, employees need to have sufficient knowledge about their benefits what brings us back to good communication. If employers want to let employees use their employee benefits a well-designed communication strategy is needed (Picherit-Duthler & Freitag, 2004).

1.2. Scientific and practical relevance

This research is relevant because it will add new information concerning this topic. There will be new insights concerning how HR perceive their employee benefit communication, the flexibility within employee benefits, if they are using specific communication strategies and if HR is involving the employees in this process.

A thorough search in the literature for work addressing employee benefits communication would achieve disappointing results. Most of the articles are tips, “how-to’s”, and descriptive anecdotes explaining how organizations are approaching the challenge.

The first category of articles may be described as articles that are identifying the problem. Researchers have found that employees consistently demonstrate lack of awareness regarding benefit plan specifics (Cunningham, Denk, & Sinclair, 2001, Koco, 2000). Other articles suggest diminishing satisfaction with medical benefits “” (The Health Care Satisfaction Disconnect,” 2000), though satisfaction is boosted by comprehensive benefits education campaigns (Murray, 1999).

Another category of research articles points to benefits communication challenges such as employee differences in gender (Hamacher, 2001; Schwefel, 2001), ethnicity (Hamilton, 2001), or primary language (Billings, 1999). The last category of articles reports a growing trend focusing benefits communication efforts on on-line materials and services. Concerns are raised that this cost-saving effort may be having a negative impact on employee comfort, satisfaction and confidence (Elswick, 2001a, 2001b; Lee, 2002; Sweeney, 2002). Benefits are often briefly discussed in the “total reward management” literature, some of which explores the optimal mix of various reward components including benefits (Fuehrer, 1994; Kao and Kantor, 2004).

Communicating employee benefits can drive the value of reward. Employee benefits help create an emotional connection between employer and employee that goes beyond salary payments and it helps address some of the most important issues impacting employees – health, finances and their family. Tapping into those issues and using the right communication strategy can make the difference between high and low perception of benefits and if this will contribute to the bigger goal of the organization.

Today's rapid pace of technological change and innovation colours every aspect of the day-to-day life. We have unprecedented access to entertainment and information wherever we have data connection. Organisations need to compete for the attention of their employees and using the right communication strategy. No matter how brilliantly a benefit programme is constructed, it has no value to employees unless they understand and appreciate what they have. Benefit programmes will only improve employee engagement with their organisation if they are emotionally driven to their reward package through an effective communication. Beside the technology and innovation, nowadays flexibility is becoming very important due to the changing workforce demographics, the four different generations in the workforce and the cultural diversity. But if it is hard for organizations to communicate about a traditional benefit plan, how are they communicating about a flexible reward plan?

From HR, a decent communication strategy takes time, effort, budget and careful planning to drive an effective communication system. But what is the reality?

1.3. Goals and research questions

This research aimed to address following topics concerning employee benefits communication, namely how HR perceive their employee benefit communication, who is in the organization managing the employee benefit communication? What media channels, strategy are they using, and do they see their approaches as effective? Are employees satisfied with the materials addressing their employee benefits? Are the employees involved in their employee benefit options? But why all those research questions?

Flexibility has been growing in importance during the last years. Meeting the needs of employees is becoming one of the most important aspects of both small and large businesses. Understanding the fact that every employee is different which leads that every employee has different needs and using an employee benefits that blankets all employees may not be as effective as used to be in the past. Knowing that all employees are different, has been leading to a great deal of employers moving towards a flexible employee benefit plan because those flexible employee benefit plans provide employees to have more control over their employee benefit plan and in return control their lives in a better way. But by providing this kind of flexibility within employee benefits, there is a need for clear and effective communication to the employees concerning their different options within their employee benefits. By using a

good communication plan that fits the company strategy, employees' knowledge and awareness on employee benefits may increase which potentially can lead to a better satisfaction and use of their employee benefits. By having the right information concerning their different options, employees will be able to make better choices on their flexible employee benefit plan or even solve their problems.

1.4. Reading guide

The report is subdivided into different chapters. First of all, the background to the study is presented in Chapter 2. This extensive chapter consists of an explanation of the background of the main study, what will start with the broad scope of Strategic HR-Management which will lead to go always deeper to the point of the research questions. By going to Rewards & Benefits with taking a closer look to the different types of employee benefits. With clear on this, I will guide you through a more strategic approach with a view on the internal and external influences. Then going deeper on the strategic approach by looking at attraction and retention strategy. Following, I will guide you through communication with focus on strategic approaches, moments, channels and finishing by the involvement of employees in this process.

Chapter 3 describes the research methods, such as the research population, the research procedure and method of data collection, the measuring instruments used and the way in which the data were analysed. Chapter 4 provides a description of the results of the study. Chapter 5 then discusses the conclusions, points for discussion, limitations of the research and recommendations for follow-up research and practice.

The measuring instruments used are listed in the appendices.

2. Theory

In this chapter the different influences on employee benefits will be explained with the help of theories and concepts. Through these theories and concepts expectations will be expressed. Because little research has been done into employee benefit communication literature, it will be discussed in a broad sense.

The chapter will begin with a section on the existing theories on employee benefits and employee benefit communication.

2.1. Strategic Human Resource Management

Human Resource Management practices have increased in importance (Alagaraja, 2014), moving from ancillary functions to a collective central component of a firm's strategic objectives. A widely used definition of Strategic Human Resource Management has been provided by Ellers and Lazenby (2007: 1) who point out that it is "*the process whereby all the organizational functions and resources are integrated and coordinated to implement formulated strategies in order to achieve the long-term objectives of the organization and therefore gain a competitive advantage through adding value for the stakeholder*". Competitive advantage, in this context, refers to the edge that an organization has over another, particularly what makes one firm better than the other or why some companies out-perform their competitors (Brauns 2013). The last few years there is a growing realization among organizations to align its Human Resource practices with corporate strategies to meet the needs of its business in order to gain strategic advantage from its Human Resources. Ellers and Lazenby (2007: 256) maintain that successful strategy implementation can be achieved if resources are allocated in a manner that supports the organizations long- and short-term goals, chosen strategy, and structure. If an organization wants to attract and retain high-quality human capital, one of the strategies to follow will be by using an attractive reward package.

But why is reward so important? This is a simple question that perhaps has complex answers. Could it be that people only go to work for receiving reward? Is this the reason why we wake up in the morning? But individuals can have different views on rewards. For some, reward may be in the form of financial gain and, for others, it may be a question of a good company to work for, status, and even mental stimulation. The question of whether money can motivate people to work has been a contentious issue for both employer and employee alike. In

this, we can follow Maslow (1954) who pointed out the hierarchy of needs as a motivational theory, laying emphasis on the fact that higher-order needs gradually become more important when lower-order needs have been satisfied. Herzberg (1966) observed that remuneration is a significant source of satisfaction when it is seen as a form of reward or recognition. Vroom's (1964) expectancy theory emphasizes the need for organizations to relate reward directly to performance and to ensure that the reward provided is desired and deserved by the recipients (Brauns 2013).

2.2. Rewards & Employee benefits

Armstrong (2002: 10) suggests that an employee reward system is made up of an organization's integrated policies, processes, and practices aimed at rewarding its employees in terms of skill, competence, and their market worth. An employee reward system is established within the framework of the organization's reward philosophy and policies which take into account the appropriate types and levels of pay, benefits, and other forms of reward. Armstrong (2002: 13) claims that *"a reward system expresses what the organization values and is prepared to pay for"*. It is regulated by the need to reward good performance and to get the right message across about what is important from the organization's perspective. One specific aim of employee reward is to help to attract, retain, and motivate high quality people (Braun 2013).

An objective of reward management is to reward employees fairly and consistently in the organization. The reason of having a reward system in an organization is to motivate employees to work towards achieving strategic goals through the organization (Aksakal and Dagdeviren 2014). But reward management is not only concerned with pay. It is concerned with employee benefits, non-financial rewards (training, development, and environment) to increase the organization flexibility and success (Armstrong, 2007). One part of the reward package that employer provides to his employees are the employee benefits. Like Lengnick-Hall & Bereman said, employee benefits were originally called "fringe benefits" denoting their relatively minor importance to both employers and employees (McCaffery 1992). Today, however, employee benefits could hardly be called "fringe". We see that today the employee benefits are a major component of total compensation costs. Employee benefits have not only grown in terms of percentage of total compensation and total costs. We notice nowadays that they have also grown to a variety of different forms and there a constantly introduced new ones.

The term employee benefits refer to the compensation other than an hourly wage or salary. Examples of specific employee benefits include meal vouchers, paid vacation, medical insurance coverage, retirement plans, net allowances, educational assistance, childcare, financial planning and employee assistance programs. Three fundamental roles characterize benefits programs within organizations: protection, paid time-off, and accommodation and enhancement. There are two broad sources that are providing employee benefits, namely the government that has regulations concerning legally required benefits, such as laws as the Social Security and companies may offer additional benefits on a discretionary basis.

According to Baeten & Verwaeren (2012), taking a look from a strategic rewards perspective, reward structures and systems should be aligned with the business context. The term “reward strategy” can be defined as “a declaration of intent, which establishes priorities for developing and acting on reward plans that can be aligned to business and HR strategies and to the needs of people in the organization” (Armstrong & Murlis, 2004: 30). An organizations’ reward strategy is influenced by various environments in which it is conceived. The company’s internal environment is an important contingency factor and contains organizational aspects such as organizational culture, structure and business strategy. These, subsequently, are influenced by the external environment in which an organization operates, including the legal and tax regulations, the labour market and the competitors in the industry.

There are different reasons why an organization might choose to include benefits in their compensation package. A first reason that employers may want to introduce employee benefits, may be the fact that the employer may be able to buy the product or service at a lower cost than employees would pay if they tried to buy it on their own way (Martocchio, 2009: 50). A second reason that employers may want to offer a compensation package that includes both cash and benefits is to aid in recruiting and retaining certain types of employees, particularly when the employer managers have a difficult time observing all relevant characteristics of potential employees. By offering a compensation plan that includes both cash and benefits that are more highly valued by some applicants than by others, an employer may be able to get applicants to reveal some of these characteristics themselves (Martocchio, 2009: 54). A third reason may be the tax advantage. The most important tax provision is that many benefits are not taxed as income to the employee (Martocchio, 2009: 55).

2.2.1. Protection income programs

Protection programs provide family benefits, promote health, and guard against income loss caused by catastrophic factors like unemployment, disability, or serious illnesses. Protection programs most closely parallels legally required benefits by offering protections to employees and family members due to income loss or ill health.

A consequence of the ageing working population is obviously that it puts pressure on our legal pension. For a lot of employees, the regulatory pension income is only a fraction of the last earned wage. A pension plan offers employees an income at retirement as compensation for the work that they are currently doing. This pension income is in addition to the statutory pension. That is the reason why it is called a non-statutory supplementary pension (Lievens,, 2011: 352). In general, there are two possibilities to organise pension plans, namely a defined benefit plans or defined contribution plans (Martocchio, 2009: 107). Tax incentives encourages companies to offer pension programs.

2.2.2. Health protection programs

Health care plans are perceived as the main element of employee benefit packages due to both their perceived value and to the staggering financial impact of rising health care costs (Haar and Kossack, 1990). Health insurances covers the costs of a variety of services that promote sound physical and mental health, including physical examinations, diagnostic testing, surgery, hospitalization, psychotherapy, dental treatments, and corrective prescription lenses for vision deficiencies. Employers usually enter into a contractual relationship with one or more insurance companies to provide health-related services for their employees and, if specified, employees' dependents (Martocchio, 2009: 136).

Another form of the employee benefits is the health or medical facility. Some examples of these facilities are insurances for occupational accidents, medical coverage, disability and death. Exceptionally, some organisations even offer dental insurance or partial reimbursement of costs of, for example eye examinations, glasses and lenses. While many of these benefits are relevant if the employee gets ill or has an accident, organizations also pay preventive attention to the health of their employees. This can be reflected, for example, in the attribution of sport cheques or having a fitness space in the office (Lievens, 2011: 353)

2.2.3. Financial & Leisure Benefits

Another form of employee benefit are the benefits that have as objective to promote the mental and physical well-being of employees and family members, family assistance programs, educational benefits for employees and support programs for daily living.

The decision to provide these benefits is based on different considerations. First, in the long run, the cost of absenteeism and tardiness is usually much higher than offering these benefits that will increase the timely attendance of employees at work. Programs that promote two particular objective- the mental and physical well-being of employees and family members, and family assistance programs- contribute to this attendance imperative. The fourth objective- support programs for daily living- also promotes regular attendance. Second consideration is that many employees are not sufficiently produce for a variety of health-related reasons. Third consideration is that promoting educational opportunities for employees yields benefits to both employers and employees. For example, scholarships or tuition reimbursement programs reduce the financial barriers to education by sponsoring employees' pursuit of general equivalency diplomas, colleges courses or college degrees (Martocchio, 2009: 256).

2.3. Flexibility within employee benefits

Traditionally, a company offered its employees a predetermined set and level of benefits based largely on cost considerations. However, the increasing diversity of the work-and labour forces has made standardized benefits offerings less practical: demographic diversity is associated with greater differences in needs and preferences for particular benefits. (Martocchio, 2009: 278-279).

The definition of flexibility benefits has some different views, two representative ones are defined as following:

Baker (1998) proposed that flexible benefits is: *“the measure that allowing employees to freely choose among two or more kinds of benefits, financial of other allowances”*.

According to Byads & Rue (1994) *“flexible benefits, also known as buffet-style benefits programs, because of its benefits programs provide a menu of options to employees, and each of the benefits system provides a different flexible option”*.

According to some opinions (Backacso et al., 2000; Laszlö et al., 2013a), creating flexibility has become a means of retaining employees and maintaining a favourable organizational atmosphere. Employee benefits in an employees' work income are an expression of workplace's care, a part of the incentives and rewards system. The most important drivers for the adoption of flexible reward plans include institutional pressures and expected efficiency gains. Institutional pressures include the legal framework (e.g., tax treatment), unions' preferences and competitors' practices. Considerations regarding efficiency gains include the plan's cost, employee preferences and impact on the attractiveness of the employer. Another commonly cited advantage of flexible benefits includes their educational role: when employees have to make a conscious choice on which reward/benefits elements to include in their package, they will appreciate the content and the value of their benefits better (Baeten & Verwaeren, 2012).

Barringer and Milkovich identify two main groups of influences that should be taken into account when implementing flexible rewards plan. The first factor is the practice of the other companies in the same industry. Many reward practices have an epidemic trend, in the sense that companies are copying their close competitors in order not to be left behind. The second external factor that influences the prevalence and design of flexible reward plan is the legal and fiscal framework in which a plan is created. Beside the external environment influences, we have the influence of the internal business environment in which a company is operating. The role of culture, the company's business strategy, and the HR environment are all factors that are related to the internal environment. All these factors should be taken into account when making the decision whether or not a flexible reward plan could be an option for the organization (Baeten & Verwaeren, 2012). But should an organization not have an own strategic view on the reason why they are introducing the flexibility within their employee benefits, a strategy that is more aligned with their own organization's strategy instead of just making a copy of their competitors?

2.3.1. Flexible benefit plan

A flexible benefit plan has become a growing trend because of the growing diversity in age, gender and cultural composition of the workforce. Another reason is the fact that employees' knowledge, skills and abilities have become a critical strategic variable in the development and maintenance of firm's competitive advantage (Porter, 2001). Core employees make the difference and are basic for the firm in order to reach their objectives (Balkin and

Bannister, 1993; Gomze-Mejia and Balkin, 1992). These workers are able to develop capacities to respond to the changing requirements of firms. As of course these employees realize their strategic value, they ask for better labour conditions that cover their needs and aspirations (Chew, 2004).

A flexible benefit program offers a choice between multiple elements or their levels (Bakacsi, 2003). According to their preferences, the employees can choose freely from the benefit elements up to a certain amount, which allows them to meet different needs (Bakacsi et al., 2000; Laszlö et al., 2017). A well-established flexible benefit system enhances the organization's labour market reputation (Bakacsi et al., 2000), where it can gain competitive advantage. There are huge differences in the design of flexible benefit plans. In some cases, flexible systems are limited in span, with only a small portion of benefits in scope of the plan. For example, some organizations give their employees the opportunity to make a trade-off in overtime for extra pay or extra holidays. Other companies allow employees to choose the payout form of their bonus (e.g., cash, in pension plan contribution, and shares), the size and features of their leasing car, the value of their pension plan, their life insurance coverage and so on (Baeten & Verwaeren, 2012).

But is every organization ready to implement this kind of flexibility in their employee benefits? Organizations can find themselves in different stages of HR maturity and some of these HR mindsets are more open to innovative HR practices, such as the introduction of a flexible benefit plan. A certain level of HR "maturity" is needed before an organization can implement a flexible reward plan. Baird and Meshoulam describe five stages (initiation, functional, growth, controlled growth, functional integration and strategic integration) through which organizational processes are evolving, including HR Components. A company should be at least at the stage of controlled growth, which is characterized by an increase in professionalization of management, to start implementing flexibility in rewards (Baeten & Verwaeren, 2012).

2.3.2. Associated benefits of flexible reward plans

The purpose of every management system, and thus also for every reward system, is to produce a beneficial result for the organization. Potential results of flexible reward systems relate to employee satisfaction, employee attraction and retention and employee performance and motivation (Baeten & Verwaeren, 2012). When an employee needs to make decisions in a

flexible reward plan, the employee is forced to carefully consider and weigh different benefits and could therefore become more aware of their value, or even more their existence. An important advantage of flexible reward is that it allows employees from different generations, with a different lifestyle, to customise their reward package to their specific needs. A young parent may find great value in supplementary health insurance but perhaps somebody whose partner just retired wants to take some more days of leave (Baeten, Loyens & De Greve, 2018).

Viswesvaran et al. (1998) purported that employees who perceived that their organisations support ethical behaviours will perceive that their organisations are being fair to their employees. Similarly, Koh and Yoo (2001) also proposed that when employees perceive that their organizations' action follow ethical principles, they are likely to perceive their organization as fair. Lind et al. (1983) argued that perceptions of justice affect individuals' attitudes and behaviours across a wide variety of social context. Accordingly, the provision of flexible benefits should affect employee attitudes because such ethical organizational actions contribute to outcomes. Here, employees can affect or choose among various outcomes that enables them to maximize their desired personal outcomes (Lind and Tyler 1988; Miller 1989). By allowing employees to voice preferences, employers demonstrate concern for their viewpoints (Lind and Tyler, 1988), which enables them to attain higher-order needs, such as self-expression, respect, independence, and equality (Black and Gregersen 1997; Miller and Monge 1986). As a result, even if the final outcome fails to meet the employees' expectations, they are more likely to accept the organizations' decision because of the perceived fairness of the procedures (Thibaut and Walker 1975)

Beside the financial assets that flexible employee benefits plan can give employees, there are other types of assets that will grow in importance, considering the ageing of the working population, such as productive assets (e.g. skills, knowledge and reputation), transformational assets (e.g. self-knowledge and diverse networks) and vitality assets (e.g. health, work-life balance and regenerative relationships 35). If we want that people work longer, they need to stay in a strong mental and physical shape. By offering the possibility to employees to choose for more well-being benefits, they will be able to match it with their own personal needs (Lee & Singhapakdi, 2008). And consequently, they will be able to work longer and stay in a good mental and physical shape.

But what are the side-effects of the introduction of a flexible benefit plan? All those different options that an employee will have, can create different administrative issues. The policies and rules will need to be well explained to the employees, there will be need for counselling and a need for the design of sophisticated system that will create a clear and easy overview for the employees and HR department. Another factor can be the influence of unions, they can oppose these flexible employee benefit plans in a loss of control over the program details, they can lose as well previously negotiated benefits.

2.4. A strategic approach

The development of successful benefits programs matches the priorities of ongoing strategic planning efforts within the company. Strategic planning entails a series of judgements, under uncertainty, that companies direct towards achieving a specific goal. Company executives communicate business objectives in competitive strategy statements. Competitive strategy refers to the planned use of company resources- technology, capital and human resources- to promote and sustain competitive advantage. HR executives collaborate with other company executives to develop HR strategies which specify the use of multiple HR practices and these statements are consistent with a company's competitive strategy (Martocchio, 2009: 17). Employee benefits represent an investment from which companies derive value and should be managed in line with an overall business strategy rather than written off as an expense (Leopold, 2010).

How are organizations dealing with competitiveness on the market? Are they more looking for institutionalized approach, or do they prefer a more strategic approach? DiMaggio and Powell (1983) argue that companies become more homogenized even as they attempt to change; they claim that organizations go through isomorphism due to institutional pressures. Are organizations more looking to what their competitors are doing which will lead to copy the strategy of their competitors? Or are organizations more choosing for differentiation and try to follow a different strategy fitting with the organizations' strategy? And what are the different strategies behind it? Do they want to attract new hires with their approach, or do they want to retain their employees? Or even they can combine both attraction and retention strategies within their one approach.

Employee benefits may become a strategic issue when they are specifically designed or changed as part of an effort to move the organization in a new direction, recognizing that the

employees who must achieve this redirection are critical to success (Ashen, 1997). Strategic benefit plans detail different scenarios that may reasonably affect the company, and these plans emphasize long-term changes in how a company's benefit plan operates (Martocchio, 2009: 19). HRM processes in an organization do not operate in a vacuum. They are influenced by and influence the external environment which means outside the organization and internal environment which related to the inside the organization. Below, I will explain more in-depth those two concepts more (Ivancevich & Konopaske, 2013: 34).

2.4.1. External influences

The external environmental influences, such as government laws and regulations, union procedures and requirement, economic conditions, and the labour force, have a significant impact on the HRM processes (Ivancevich & Konopaske, 2013: 34).

2.4.1.1. Government laws and regulations

The government regulates and influences some aspects of employee benefits, namely benefits regulation which affect pensions and retirement (Ivancevich & Konopaske, 2013: 34).

One of the recent changes in the law concerning employee benefits are the mobility allowance and mobility budget. The Belgian federal government introduced those new laws in order to try to solve our traffic congestion problems and to reduce the CO₂-emissions. The mobility allowance, introduced on 30-03-2018, is better known as the "cash for car" regulation. In this solution an employee can exchange his or her company car against a mobility allowance that has a beneficial fiscal and social tax treatment. The mobility budget is more recently introduced, namely on 01-03-2019. Within the mobility budget, the employee in position of a company car has the possibility to exchange his or her company car in three different pillars. The first pillar of the mobility budget is the possibility to exchange the company car for an electric car or a car that comply with certain imposed norms. If there is still budget open after a possible expense in pillar 1, the employee has the possibility to expense his or her budget in pillar 2 or 3. In pillar 2, the employee has the possibility to choose from a wide range of renewable means of transport like for example, a bike, electric bike, public transport or car sharing. Employees that are living in a radius of 5 kilometres from the workplace, has the possibility to finance their rent or interest of the mortgage credit with the mobility budget. If the mobility budget is not yet fully spent, there is still pillar 3. In pillar 3, the remaining amount

of the budget will be paid in money. The mobility budget is a practical example of flexible rewards.

But if the government is creating always new and more benefits, will it be still easy for an organization to follow up, make the right decisions between all those new benefits and will it be clear for them to understand all the regulations.

2.4.1.2. Collective bargaining agreements & Trade Unions

A multi-industry agreement creates a formal framework for all collective bargaining agreements and is concluded every two year. The presence of a union directly affects most aspects of HRM- recruiting, selection, performance evaluation, promotion, compensation, and benefits. A union is an organization that represents the interests of employees on such issues as working conditions, wages and salaries, employee benefits, employees' rights, grievance processes and work hours. Unions differ, just as people and other organizations differ. There are cooperative unions and combative unions (Ivancevich & Konopaske, 2013: 35).

Collective bargaining agreements play an important role in Belgian Labour Law. They can be concluded at different levels: at national level, within the National Labour Council, at the sector or activity level, in joint committees or joint subcommittees and at the company level. Collective bargaining agreements are binding in principle only on employer represented by and employers' representative organisation. However, collective labour agreements concluded at the national or sector of activity level can be made compulsory for all employers by Royal Decree. In this case, they also apply to employers who are not represented by and employers' representative organisation.

Trade unions have been recognised by law since 1921 in Belgium. In order to play role in the system of collective labour relations, the trade unions need to be representative in the sense of the Act of 29 May 1952. In Belgium there are three representative trade unions: ACV (The Catholic Trade Union – “Green”); ACLVB (the liberal trade union – “blue) and ABVV. (the socialist trade union – “red”). Representative trade unions have the right to collective bargaining, to take collective action and to represent their members' interest before the labour courts.

The seminal approach to the question of how unions affect benefits was developed by Freeman and Medoff (1984). In this approach, unions have two faces: (1) a monopoly face in which bargaining power rooted in the strike threat can be used to increase the compensation package above the market-clearing, competitive level, and (2) a collective voice/institutional response face in which unions express collective preferences to employers in order to re-arrange the mixture of the total compensation package. Both faces predict that unions increase the provision of employee benefits relative to non-union situations.

A work council must be established when the company has an average of at least 100 employees. This is a consultative body composed of equally of employees' representatives (elected in the social election) and of employer's representatives. It has certain information duties (the employer must provide certain specific information to the works council), consultation duties (including any material change in the structure of the company) and duties concerning active participation (including developing and changing the work rules) and control. The works council has information and advisory powers on social, financial and economic levels. The works council consists of management representatives and elected employee representatives. Through social elections that take place every four years, the employee representatives are elected. The works council has a co-decisive power in different themes, namely:

- Management of social services
- The draft of rules and procedures
- The appointment of a chartered accountant to examine the employers' annual accounts
- The drafting of the company's works regulation and any changes
- The examination of the criteria to be applied for the dismissal and recruitment of employees
- The planning of paid annual leave
- The determination of the annual leave entitlement for the company's employees
- The choice of outplacement agency
- The implementation of a supplementary pension scheme within the company
- The planning of time credit and other forms of leave within the company.

Committee for the prevention and protection at work must be established when the company has an average of at least 50 employees. It is composed equally of employees' representatives (elected in the social election) and of employer's representatives. Its main purpose is to do all it can to promote and actively contribute towards the welfare of employees during the execution of their work.

2.4.1.3. Competitiveness – institutionalization

Institutional theory is an area of study that emerged in organizations in the 1970s. The premise of this theory is that organizations are strongly influenced by their environments. Furthermore, socially constructed belief and rule systems exercise great control over organizations in terms of how they are structured and how they carry out their work (Scott, 2001). Organizational structures and practices arise as reflections of rationalized institutional rules. Scott provide the following definition for institutional environments: “*Institutions are composed of cultural-cognitive, normative and regulative elements that, together with associated activities and resources, provide stability and meaning to social life*” (2001: 48).

DiMaggio and Powell (1983) argue that companies become more homogenized even as they attempt to change; they claim that organizations go through isomorphism due to institutional pressures. They define isomorphism as “a constraining process that forces one unit in a population to resemble other units that face the same set of institutional conditions” (DiMaggio and Powell, 1983: 149). When organizations are faced with circumstances that are unclear or complex, they look what their competitors are doing in similar contexts and copy their behaviour (Mizruchi & Fein, 1999). Isomorphism provides a simple explanation as to why firms tend to adopt or copy the practices of their competitors.

Given institutional pressures, organizations often match their pay structures and pay levels of competitors in order to stay competitive. However, to achieve sustained competitive advantage, many organizations provide incrementally higher pay and benefits compared with competitors (Chapman; Sisk, Schatten & Miles 2016). Competitive pay is a common approach from organizations to setting employee salaries. Organizations that are following this strategic approach, needs to periodically review their jobs and descriptions, compare those to similar jobs at competing organization. The goal of this approach is to offer salaries that are fair relative to the industry to attract and retain top talent. When employees are satisfied with their pay and benefits, they spend more time at their work, and they are less time searching for better-paying

opportunities. If employees realize that their pay is fair compared to other competitive organizations and similar jobs, it makes it easier for them to work through the challenges that their work brings. This stability in employment will help an organization to maintain better organizational knowledge and employees can find new internal challenges with internal mobility.

But if companies are placing too much emphasis on competing with pay, they can lack for example organizational culture or other forms of motivational aspects. Pay may attract qualified employees, but over time, will it be pay that will only motivate top performance? There is also need for maybe other motivating tools, like for example responsibility, training and development and social activities.

2.4.1.4. Demographics of the labour force

Currently, the demographics of the labour force are changing with different generations. An employer-sponsored benefits program is most effective when the workforce is relatively similar in terms of needs and preferences. Workforce diversity will challenge a company's quest to establish benefits that satisfy the needs and preferences of workers. Certainly, differences in employee preferences and needs based on life stage and life circumstances call for flexible benefits offerings (Lawton and Chernsyhenko 2008). For example, single parents may have increased needs for childcare and parental leave, or conversely, families with two working parents may end up with certain benefits duplicated (Martocchio, 2009: 27).

The generations currently making part of the workforce are the Babyboomers (1946 – 1964); Generation X (1965 – 1980) and Generation Y (1981 – 2000). And at this moment Generation Z is ready to enter the workforce.

Virtually every country in the world is currently facing an ageing population, and the situation in Belgium is no different. While the median age in 1991 was 36.4 years, this is expected to increase to 41.7 years in 2020 and 43.3 years in 2040 according to projection (Baeten, Loyens & De Greve, 2018). If we combine the rising weight of older workers in the labour force with the existing wage pressure and relationship between age and wage in Belgium, we can expect that labour costs for organisations are going to rise. A way to adapt current pay practices to the demographic challenges in the external environment is to focus on the benefits-side of total rewards. Flexible reward plans have the potential to be better aligned with

individual needs and, most importantly, with changing needs (Baeten, Loyens & De Greve, 2018).

2.4.2. Internal influences

2.4.2.1. Company strategy

A strategy indicates what an organization's key executives hope to accomplish in the long run. As a plan, a strategy takes the firm into the area of competition in the environment and into alignment with the resources of the firm (Ivancevich & Konopaske, 2013: 42). According to Westhington & Tetric, (2000), from an organizational perspective, companies must decide what benefits they are going to offer and how those employee benefits will be administered. When making this decision, companies often consider factors such as how much the benefits cost to administer and what benefits their competitors are offering (Lawler 1990).

It is important to align the benefits strategy to the long-term goals of the organization. To create a benefit strategy that goes beyond knowing the workforce demographics and the organizations budget. The benefit strategy needs to be aligned with the company culture and the long-term goals. Is the company for example aiming to boost employee retention? Or reward the current staff or improve recruitment? Business growth is built on a strong recruitment strategy but filling your recruiting pipeline is not enough. If you want to attract as an employer, you need to demonstrate that you care about your employees' health, well-being and financial security which brings us back to employee benefits.

Typically, most benefit programs have a multiple-goal orientation (e.g., both attracting good employees and reducing turnover), since organizations naturally seek to maximize their return on investment. One problem associated with the selection of employee benefit program goals is setting priorities among them. Obviously, all the goals appear equally attractive for improving the organizational effectiveness. But there are as well some practical limitations that needs to be taken into consideration, among them are time, money, and other organizational demands. If a company wants to reshape their existing employee benefits or formulate an entirely new one, the first consideration that needs to be taken is selecting the employee benefits that will enhance attainment of the employee benefit programme goals. Organizations need to think on the determination of how they are going to select the preferred employee benefits. There are two approaches to select those preferred benefits: by using direct strategies or indirect

strategies. Direct strategies involve acquiring preference information from their employees. They can use questionnaires or interviews or by allowing the employee to participate actively in the benefit selection. On the other hand, indirect strategies require that someone other than the employee choose the preferred employee benefits (Huseman & Hatfield, 1978).

As Hart & Carraher (1995) point out, if the value placed on employee benefits by employees is not at least equal to the costs paid by the employer, then the employer is wasting money that would have a much greater impact if instead it were used as a direct payment to employees. Offering for example health benefits means that the employees will most be likely in a good health because they will go more for a medical check-up and they will proactively take care of themselves because they have the benefit from their employer. Offering great benefits in line with the company strategy will result in a happier and healthier workforce which translates again into a greater business success.

2.4.2.2. Company culture

An organization culture refers to a system of shared meaning held by members, that distinguishes the organization from other organizations. The essence of a firm's culture is shown by the firm's way of doing business, the manner in which it treats customers and employees, the extent of autonomy or freedom that exists in the departments or offices and the degree of loyalty expressed by employees about the firm (Ivancevich & Konopaske, 2013: 44).

Employee benefits can help shape an organizations culture. There are different factors shaping an organizations culture, but employee benefits are significant because they communicate the intrinsic values of the business. Employee benefits can speak directly to the employees. They show what the leadership team see as important. In this way employee benefits can be used to better reflect the company culture. Employee benefits should not be an empty slogan. By using employee benefits, the management can use it as a way to show their appreciation and care for their employees. For example, there is no point to place a ping-pong table or a massage chair to show the employees that you care about work-life balance, if employees are suffering long working hours and no paid overtime. The management should take the lead to walk the talk in order to other can follow. Employee benefits will vary depending on the different company missions or core values to reflect their natures.

2.4.2.3. The workforce characteristics

The workforce characteristics of companies usually represent the characteristics of the broad labour force. Over time, company workforces have become more demographically diverse as labour force diversity has increased. Workforce diversity has created challenges for companies establishing benefits programs. Demographic characteristics to a large extent symbolize employee needs and preferences, often associated with life events. Companies should not presume the needs and preferences of their employees. Benefits professionals may use surveys once every year to collect information about employee demographics, needs, preferences, recent or anticipated life changes and the extent to which they find particular benefits useful (Martocchio, 2009: 28).

2.4.2.4. Collective bargaining agreements

Collective bargaining agreements specify terms of employment, including pay, benefits and working conditions. These agreements arise out of negotiations between management and labour unions that represent some or all employees in the company (Martocchio, 2009: 28).

2.4.3. Employee attraction

Drawing upon expectancy theory, it can be suggested that flexible employee benefits would enhance the ability to attract high-quality people, as they increase the perceived value to people of working for firms that provide such plans (Vroom 1964; Lawler 1981; Barringer and Milkovich 1998; Hillebrink et al. 2008; Wright 2009). Most employers would like to be perceived as a good place to work. Offering employee benefits is a part of creating this image. Organizations assume that prospective employees make comparisons between different employee benefits offerings of competing job offers and then they attempt to maximize their individual returns by selecting the best alternative (Hennessey Jr., 1989).

With wages remaining relatively stagnant, health care, retirement and other employee benefits are an increasingly important component of the employment relationship. They provide security for employees while acting as a recruitment, retention and engagement tool for employers (Held, 2018). According to Kwon & Hein (2013), when properly designed, delivered and communicated, a company's total rewards program can provide an incentive for talented young people to join a company, to perform at levels that produce desired business results and to remain with the company as long as they continue to produce. Companies can

achieve a higher return on their investment in benefits and other programs by operating within a total rewards framework.

2.4.4. Employee retention

From a retention management perspective, the major objective of employee benefits is to offer employee benefits that are valuable enough to encourage the employees to stay longer in the organization (Sinclair, Leo, & Wright, 2005). This is consistent with the practitioner-oriented theory which states that, employers need to modify employee benefits to effectively, recruit, and retain a diverse demographic employee base (Conroy, Caldwell, Buehrer, & Wolfe, 1997; Milligan, 1999).

The key to positively influencing employees is for the organizations to offer employee benefits packages that employees views as important (Weathington & Tetrick, 2000). However, organization cannot realize the full potential of offering a competitive employee benefit packages unless their employees have enough knowledge about their employee benefits (Danhower & Lust 1996, Sinclair, Leo, & Wright, 2005). In line of this, the employee benefits offered by the organization needs to be positively perceived and valued by the employees. Due to this, they can create the intended influence on employees' behaviour and attitudes (Iles, Mabey, & Robertson, 1990).

Literature suggest that, a benefit will be valued more highly if employees have accurate knowledge on their employee benefits offered by the organization (Tremblay, Sire, & Pelchat, 1998). Following on this, employees with an accurate view on their employee benefit coverage seem to have higher valuation of their employee benefits and are more satisfied with their benefit package than employees who are less informed (Dreher et al., 1988).

Like mentioned before in the employee attraction strategy, employee benefits are thus often used to attract new employees, and pension plans can become an important factor in retaining employees in the latter stages of their careers. (White and Becker, 1980). Retaining a talented workforce is very important for an organizations business success. Frequent staff turnover can have a negative impact on different aspects, like employee productivity, company revenue and employee morale. Every time that an organization needs to replace an employee, can cost a lot to the company. Turnover costs encompass many factors, including costs related

to recruitment, interviewing and training. Beside this, it takes organizations time to fill an open position, which means lost productivity while a position goes unfilled.

Lack of employee benefits can negatively impact the focus of an employee. If employees are worried about finances or health related issues, they will be more distracted at work. They may even lose sleep worrying about such issues and those employees cannot bring their best selves to the workplace. Offering a competitive benefits plan will improve employees' morale and boost their engagement towards the organization. By offering financial and health benefits, the organization will help the employee to relieve their stress and empower them to be more present at work. When an employee feels their employer cares about them, they will be more likely to reciprocate.

But it is important to note that there are different generations at work, and they think differently about work. Some generations judge a company's success based on its financial performance, but other generations may judge by how the company treats its employees. Thus, to boost employee loyalty, it is important to offer the right benefits. It will be important to customize the employee benefits to their needs and in return their loyalty towards the company can increase what can bring us to flexibility in employee benefits.

2.5. Communication

Frank and Brownell (1989) define employee communication as “the communication transactions between individuals and/or groups at various levels and in different areas of specialization that are intended to design or a redesign organization, to implement designs and to coordinate day-to-day activities” (p. 5-6). This definition applies directly to benefits communication as this type of communication is an integral part of employees' daily organizational life. It should be treated as a process of developing relationships between the employees and the organization, not solely a transfer of information from the organization to the employees. How these employee benefits are communicated to the employees, initially and on an ongoing basis, will influence the relationship between the employees and the organization (Picherit-Duthler & Freitag, 2004). Employee benefits communication is an essential feature of effective plans. The law and good business sense establish the necessity for benefits communication. Employees who are not aware of particular employee benefits will not gain from these offerings and simply communicating the existence of these benefits is insufficient

(Martocchio, 2009: 286). Making employees aware of their employee benefits should be a primary objective of communication. The importance of awareness is also evidenced in a study by Kulick and Lewis, where as many as 50 percent of the employees of a large company thought they were receiving benefits which in fact were not being provided by the organization (Huseman & Hatfield, 1978). While it is important to create awareness of employee benefits, whether the employee understands the actual provisions of the employee benefits is another matter. Therefore it is important to communicate with their employees taking the readability criterion into consideration. Employee benefit communication is often communicated in a too technical and complex formulation what brings that employees do not fully understand all the advantages of their employee benefits.

Research indicated that employees have little knowledge or understanding of either the cost or even the existence of many of their benefits (Gerhart & Milkovich 1992; Williams & Newman 1993; Wilson, Northcraft, & Neale 1985). Studies also suggest that employer lack confidence in the effectiveness of their efforts to communicate these employee benefits to their employees (Gialourakis & Taylor 1991; Page 1989; Lewis 1989). Even some organizations speak in terms of “marketing” their benefits to employees, implying an even greater emphasis and more complex approach to this process (Murino 1990). Unfortunately, firms tend to place a low priority on the communication of their benefits plans to employees (McCaffrey 1988). This is particularly true in a traditional benefits environment. What little information is provided to employees is often limited to the literature prepared by the insurance companies.

Companies generally offer employee benefits as commitment to their employees’ good health, well-being and financial security and they should be stating this in their communication. An organization can provide information concerning the employee benefit, how it works, what needs to be done for the enrolment, but should they not provide information why it can be meaningful to the employee to enrol in that specific employee benefit?

If companies want to provide accurate information, on a timely manner to their employees in line with the objectives of the communication, should there not be like an employee benefit communication policy that creates guidelines to the HR department on how they should communicate on the different employee benefits, when they should communicate, concerning the involvement of the employees. And if those guidelines exist for the HR department, why should they not provide a total compensation statement to their employees at

minimum every year and that can be provided after changes done during the year. In this general compensation statement, which they provide to their employees will give them an overview to concerning all parts of their reward package.

2.5.1. Communication & marketing involvement

Although the definition of marketing and the marketing concept has taken various forms over the years, Pride and Ferrell (1993) note that the most recent definition offered by the American Marketing Association and widely accepted by academics and marketing managers is:

“the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational goals” (Bennet 1988, p54 as cited in Pride & Ferrell 1993).

Implementation of the marketing concept in organizations results in what is known as a market orientation (Kohli & Jaworski 1990; Kohli, Jaworski, & Kumar 1993). The marketing literature places a customer focus and the concept of “market intelligence” at the heart of a market orientation. Market intelligence goes beyond simply identifying customer needs and preferences to include the monitoring of exogenous factors (like government regulation and competition that influences needs and preferences of customers), anticipating those needs, and initiating steps to address them.

Human Resource Department staff can approach tasks such as providing benefit information for employees, answering questions, handling vendor problems regarding claims and other contacts with employees just as customer service representatives approach customers they are anxious to please (Bowen & Greiner 1986; Bowen & Schneider 1988). HR staff engage in marketing activities related to benefits in a variety of ways. Employer decisions to offer flexible benefits and choices about which benefits to include are often based on the extent to which these benefit packages components satisfy the needs and preferences. HR Managers and benefits specialist do not normally consider themselves involved in pricing and promotion activities prominent in the above definition of marketing concept. Nonetheless, pricing-like decisions are made whenever an organization decides what percent, if any, to contribute to employee retirement, and what level of deductible and amount of co-pay is going to be offered in health insurance plans.

The model of perceived service quality advanced by Parasuraman, et al. (1985) approaches quality as it occurs during the employee/customer interaction or exchange. Underlying dimensions of service quality may include tangibles (appearance of physical facilities, equipment, personnel, and communication materials, reliability (dependability and accuracy of service) responsiveness (willingness to offer assistance to customers) assurance (employee courtesy, knowledge and ability to convey trust and confidence) and empathy (concern for and individual attention to customers) (Zeithaml. et al. 1990). If we apply this to benefit communication implication relating to this service quality dimensions identified in prior research: the appearance of benefit communication materials (tangibles); the willingness of benefits staff to help employees and provide answers to questions (responsiveness); the knowledge and ability of benefit staff to convey trust and confidence (assurance); and providing personalized benefit statements or having staff handle employee problems with vendors (empathy).

If you open nowadays a website, take a look at your Facebook feed or open your email, there is an ad and pretty much of the time people are thinking “Are they reading my mind?”. Those kinds of highly targeted advertisements are not really a coincidence. They are built from data that leverage and individual his buying habits, the websites a person visit etc. Marketers have invested in resources to better understand how people think, in what they are interested and how to get you to click “buy”. This kind of consumer marketing is already very advanced, personalized and targeted that is what employee benefit communication should do. HR should introduce targeted messages by using information about the employees’ current situation or a change that recently happened (e.g. marital status). By using those targeted messages, it allows HR to reach the right person at the right time and with the right message. By knowing how people act and what they prefer, can be more valuable in creating behaviour change and driving action.

How organizations want to know their consumers, should they not learn more about their employee?

2.5.2. Communication strategy – transparency

Recently, there has been a movement towards a more pay openness, also known as pay transparency, in the workplace. There are different influences leading this current trend. First, pay information is now readily available on the internet for example through the third-party

websites such as Glassdoor. On those kind of websites individuals can access general salary information. Also, the latest entrants to the workforce, the Millennial Generation, who are acquainted with an open-access culture where they are comfortable providing personal information on the internet, such as with social media networks (e.g., Instagram, Twitter, and Facebook: Lytle, 2014). Finally, several news articles have called for more pay openness in the workplace, stating how more beneficial pay transparency can be concerning positive employee and organizational outcomes (Bacharach, 2012; Lytle, 2014). Pay openness assists in building perceptions of fairness which in return will positively influence desirable outcomes like employee engagement (Bamberger & Belogolovsky, 2010).

But to create this pay openness situation, it is important to demonstrate efficient and right communication strategies. Because pay openness can create some positive influences on employee engagement. When employees do not know what other employees are earning, they may assume that they are underpaid. But when employees have the possibility to compare, they might realize they are being paid fairly. If employees are using the third-party websites to get the information that they want concerning comparisons on pay, it can be dangerous if an organization does not form his own pay method on transparency, because the information that an individual will get can be not the complete information or can be wrong information. So, if the company provides an open communication strategy, the individuals will receive the fully and right information.

2.5.3. Communication strategy - Channels

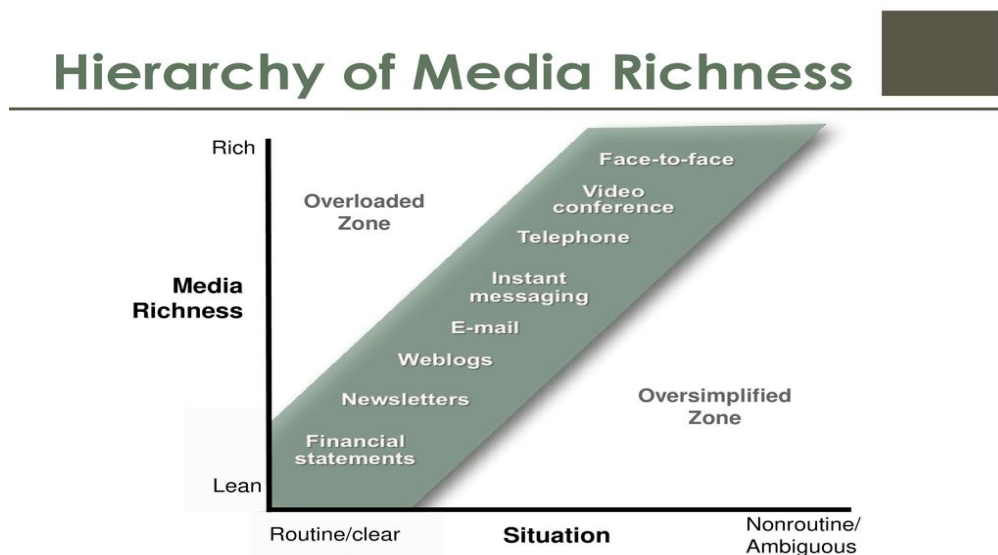
An organization that wants to attain the employee benefit communication objectives needs to be involved in selecting from among a number of communication strategies, the one most suited to a particular situation. There are strategic decisions that needs to be made concerning for example which communication media to use and how they should be employed (Huseman & Hatfield, 1978).

Historically, organization communication scholars have been interested in the area of channel or media selection in organizations (Putnam & Cheney, 1985). This approach to communication in an organization emphasizes the effectiveness of various media. Driver (1980) was the first researcher to address communication channels with regard to benefits. He compared slide presentations, slide presentations with spouses present and ongoing benefit communication in a meeting. A benefit slide presentation in a manager's meeting permitted

two-way communication and resulted in greater comprehension on the part of the employees. He concluded that meetings and slide presentations enhanced the effectiveness of benefit communication in comparison to print media alone. The findings reinforce the assumption that two-way, face-to-face communication channels likely lead to greater retention of benefits information than traditional one-way communication channels (booklets, brochures, bulletin boards) (Picheret-Duthler & Freitag, 2004).

Driver’s (1980) findings are in agreement with the tenets of media choice theory (Rice, 1992) which claims that when employees must communicate equivocal messages, they should use “richer” media, such as face-to-face encounters, in order to be effective. Communicating complex information about employee benefits would be considered equivocal communication. Face-to-face communication would be the best suited channel for benefits communication because it would allow for immediate feedback, verbal and nonverbal cues, and personal focus (Trevino, Daft, & Lengel, 1990). Print material, a “leaner” medium, would not be considered an appropriate channel to communicate complex information. Thus, media choice theory would suggest that benefits communication would work best with face-to-face communication rather than (or at least in addition to) printed communication.

A hierarchical model for employee benefits communication based on media richness theory (article):



9-14

Driver (1980) examined the effectiveness of different methods of benefit communication and found that level and retention of benefit knowledge was greater with “two-

way” communications (meeting with employees and slide presentations) than traditional “one-way” communications (booklets, brochures and bulletin boards). In a study of benefit packages of twenty companies in a variety of industries, Haar and Kossack (1990) found that readability level of benefit material was far above the average employee reading level. However, Freitag and Picherit-Duthler (2003) found that most organization rely primarily on printed material. Interestingly, their survey of HR managers’ preferences found that face-to-face communication (e.g. group training, one-on-one counselling) ranked second for communication health benefits, but ranked third for communicating retirement/financial benefits. For communicating retirement, investment and savings plans, day care, and elder care benefit options, online communication scored higher than face-to-face communication.

More and more organizations are turning to new technologies for their channels of choice. Elswick (2001) reports that Fortune 500 companies are moving to Web-based employee benefit education and administration. The use of internet can add a new dimension for benefit communication programs. Through Web-based technology, an organization can communicate a wide variety of information, including benefits related information. In some organization, employees themselves can review, change, and select benefit plan options through the internet, making the process more interactive. Interactivity is an important aspect of this new technology. Liu and Shrum (2002) define interactivity as “the degree to which two or more communication parties can act on each other, on the communication medium, and on the messages, and the degree to which such influences are synchronized. In essence, interactivity emphasized the technological capabilities of two-way communication which is more like face-to-face communication than like print media (one-way).

Social media is changing the ways companies are communicating benefits to employees. For all generations in the workforce, social media has completely changed their expectations for how and when they receive information. HR thinks that if employees don’t sit in front of a computer all day, they don’t have access to the internet and to on-line information. But that is clearly not the case. They might be using social media on their mobile, home computer, their work computer. And all of this is creating an environment where people have high expectations for the type of information they receive, when they receive it, and how they receive it. If we want to make employees understand and appreciate the complex information that are part of the benefit package, there is need to a tremendous amount of behaviour change and a tremendous amount of sophisticated knowledge. But most companies provide to employees a

static content, a lot of paper, very complex plan designs, poorly organized intranets. Social media is really about creating access to information that is on demand, in real time, personalized and accessible anywhere.

Should companies not involve their employees in the communication channels? Some organizations are already involving their employees in choosing their employee benefits and their preferences. But should they not also get feedback from their employees concerning how they want to receive their communication? That companies are having the feedback which communication channel or channels are preferred by the employees. It can be difficult for employees to need to check multiple systems that provide information concerning their employee benefits, what brings us to maybe different passwords. If they are personalizing more and more the employee benefits, maybe they should personalize the communication to their employees as well. This personalization can be made on providing the right information at the right moment to the employee, but maybe it can be useful to make it. on the communication channel. Maybe this information sharing can be done through an app or one internal platform. Intranet can be seen as such a platform, but it can be complicated, too much information on it and only useful for sharing information on a desktop. Using an app can be more easy, accessible and convenient.

2.5.4. Communication strategy – moments

Giallourakis and Taylor (1991) attempted to determine the extent to which employers adopted a benefit communication strategy. With 189 benefits managers responding to their comprehensive survey of a variety of industries, they found that few companies had written benefit communication objectives, and even fewer conducted audits (i.e., measured the effectiveness) of their communication program.

By Huseman and Hatfield (1978), the frequency of communication, in this “frequency” refers to the total number of times per year employees receive benefit communication. Geisler found a direct relationship between increasing frequency of communication and improved knowledge of benefits. Promotion (communication) of benefits programs begin when the potential employee is recruited by the organizations, continues during benefit orientation sessions once the employee is hired, and is evident in benefit newsletters, paycheck enclosures, and materials relations to benefits during and after periods of enrolment. The principal purpose

of many of these activities is to educate and inform the employee of regarding the benefits available (Danehower, Celuch and Lust, 1994).

Those moments of communication, will it be only with generalized information to all the employees or is there possibility to personalize the information specific to the employee. This can be on moments such as an employee that get married or gave birth to a child. On those specific moments in the life stage of an employee, there can be need for a different approach to certain employee benefits. A yearly-round communication will ensure that employees be more aware of their different employee benefits and will remember that employee benefit when they need it. We can make the comparison with marketing, if an organization do not promote their products how will consumers know that they exist and as a result buy it?

2.5.5. Communication readability and comprehensibility of benefits

Various elements of business communication have questionable levels of reading difficulty like for example the annual organization reports and organizations specific union agreements. If the statistics in the Harris poll (1983) are accurate, the reading difficulty level of corporate benefit packages affects the public to a significant degree. Huseman, Hatfield and Driver (1978) report that a great many of organization find that they are not getting the maximum impact from their employee benefits program, concluding that if employees are not aware of or do not understand their benefits, then the benefits program cannot be expected to keep them in the workforce, enhance their morale, or improve their productivity. Huseman and Hatfield (1978) assert that management does not provide understandable written communication about benefits packages and is to be blamed for the failure to achieve benefit goals. If employee benefit communications are still too technical explained to employees, how can they understand the full advantage of their employee benefit packages? Consequently, HR cannot create the necessary benefit knowledge that an employee should have and create the awareness they need for achieving their strategic goals such as attraction and retention of employees.

2.5.6. Employee benefit knowledge

Early studies (Holley 1 Ingram 1973; Huseman & Hatfield 1978; Sloane & Hodges 1968) suggested that most employees have little understanding of the scope, monetary value,

or even the existence of many components of their benefit package and more recent studies indicate that employee ignorance of benefit persists.

Although organizations view benefits as an additional form of compensation, employees often underestimate the cost of the benefits they receive (Hart & Carraher, 1995). Research indicated that not only may employees be unaware of the financial value of their benefits (Gerhart & Milkovich, 1992; Wilson et al., 1985), but employees may not even be aware of the existence of their benefits (Gerhart & Milkovich, 1992; Milkovich & Newman, 1996). If employees are unaware that a benefit is offered by their employers, then the benefit would not be expected to affect the attitudes of the employees (Tetrick & Sinclair 1994). In order to provide organizations with a better understanding of benefits that they can offer to their employees, they need to determine what information, beside cost, employees use to make decisions about benefits.

The literature suggests that an organization's benefits communication program may increase employee knowledge and awareness of benefits, leading potentially to an increase in satisfaction (Wilson, Northcraft and Neale 1985; Katcher 1991). To the extent that an employee utilizes the available communication materials, there is the potential for increased understanding of benefits. Communication usage may increase employee knowledge of benefits, but usage may also be higher among the least satisfied employees. Such employees may be seeking information to make better choices and/or resolve problems. Whatever the reasons are for seeking information on benefits, it is suggested that more information (knowledge) will result in increased levels of benefits satisfaction. This information (knowledge) is gained through usage of the organization's benefit communication program.

Dreher, et al (1988) found a more pronounced relationship between improved benefit coverage and satisfaction with benefits for employees who possessed accurate information about coverage levels. Vinson, et al. (1977) proposed that consumer values should be considered in the development of promotional strategy. "The appeal to closely held personal values might have the effect of making consumers even more aware of an attribute of a product which may not have been considered salient or of which an awareness may not have existed" (p. 49). Related to benefits, communications appealing to employee values might also increase employee knowledge and understanding of their benefit. The consideration of employee values

in the design and content of benefit communications requires a solid and precise understanding of the values of the employee group.

2.6. Employee participation – involvement

According to Sinclair, Leo and Wright (2005), employee participation refers to the degree to which employees have input in the design and administration of their benefits. In the organizational development literature, scholars have investigated and advocated participative management since the early 20th century (cf. Cardy & Selvarajan, 2001). Although the general benefits of participation have been questioned (Wagner, 1994), compensation literature still encourages organizations to involve their employees in compensation system design (Lawler & Jenkins, 1992).

The concept of involvement has played a significant role in helping to explain consumer behaviour and as a marketing decision making input for segmentation and communication strategies related to products and services. Involvement is defined as the level of perceived importance/relevance evoked by a stimulus within a given situation (Antil 1984). As explicated by Antil (1984), such a conceptualization implies that factors relating to the person, the product or service, and the situation combine to influence an individual's motivation to process product/service-related information at a point in time.

Danehouwer, Celuch and Lust (1994) pointed out that the role of involvement in profiling target audiences and communication efforts has implications for the development of benefits communication strategies. With respect to audience profiling, involvement research suggests the potential utility of more directly profiling employees by indicators of involvement beyond the oft used demographics. While demographics provide information about who your employees are, they may or may not provide accurate information of how involved individuals are with a benefit or combination of benefits. That is because individuals with similar demographic profiles may have different involvement profiles. As such, involvement profiling which utilizes items relating to perceived importance, risk, and the depth of thought involved in decision making regarding an object or issue (e.g. Zaichkowsky 1985; Laurent & Kapferer 1985) provides an indication of the likely state of mind of the employee, thus, enriching the employee "portrait) to be used as planning input for benefit communication strategy development.

Asseal (1987) has noted the appropriateness of different communication strategies for high versus low involvement individuals. This concept can also be applied to benefit communication. For employees more highly involved with benefit issues, the use of more complex messages is advocated. In addition, the use of print media is recommended as this form of media lent itself to information-oriented messages. Message repetition is not as important for high involvement employees. Lastly, communication strategies should recognize the importance of personal influence for these employees. In contrast to employees whose benefit involvement is at lower levels, the use of simplified messages is suggested. The use of additional information channels beyond print (I.E. visuals, audio) with scheduling that is more repetitive is recommended. As noted, Driver (1980) found that meetings and slide presentations enhanced the effectiveness of benefit communication in comparison to print media.

Communication options for increasing overall benefit involvement include linking the benefits to important issues or situations; creating involving communication literature perhaps through the expression of salient employee values and attempting to increase the importance employees perceive in particular benefit offering.

Vinson, et al. (1977) suggested that consumer values should be considered in the development of promotional strategy. "The appeal to closely held personal values might have the effect of making consumers even more aware of an attribute of a product which may not have been considered salient or of which an awareness may not have existed (p. 49). Related to benefit communication appealing to employee values might also increase employee knowledge and understanding of their benefits. That is, even though the information content of the communications may not change, a different appeal or approach which considers employee values could increase involvement with information and, in turn, prompt employees to read their benefit communications more carefully and subsequently enhance their understanding and potentially their satisfaction. The consideration of employee values in the design and content of benefit communications requires a solid and precise understanding of the values of the employee group (Danehower, Celuch and Lust, 1994).

3. Methodology

The aim of this chapter is to set out the methodological approach undertaken to discover how HR perceive their effectiveness in employee benefit communication practices. This chapter will explain the aim of the research in detail and how the research was conducted. First, the choice of qualitative research will be discussed. Subsequently, the explanation of how the data was gathered, and lastly, how the data was analysed. Finally, it will discuss any ethical issues and limitations associated with this study.

3.1. The aim of research

The purpose of this study is to investigate the following research questions:

- How do HR Managers perceive the effectiveness of their employee benefit communication and what is the strategy behind it;
- How important employee benefit communication is within the HR Strategy – Company strategy;
- The prevalence and effectiveness of the communication channels they are using;
- If there is any employee involvement in the employee benefits.

3.2. Choosing a research methodology

The choice of research methodology depends mainly on the nature of the research questions. For rather explorative studies, like this thesis, qualitative methods seem a suitable choice (Strauss and Corbin, 1990). Instead of measuring the phenomenon by numbers, this study used open questions to explore the HR Professionals' perspectives.

Qualitative methods are used to answer questions about experience, meaning and perspective, most often from the standpoint of the participant. Qualitative research techniques include 'small-group discussions' for investigating beliefs, attitudes and concepts of normative behaviour, 'semi-structured interviews', to seek views on a focused topic, with key informants, for background information or an institutional perspective, 'in-depth interviews' to understand a condition, experience, or event from a personal perspective. Thus, the focus lies more in in-depth understanding of words, opinions and experiences, rather than on numbers like in quantitative analysis (Hammarberg, Kirkman and de Lacey 2015).

My decision to choose a qualitative research methodology was created by the fact that I wanted to investigate how HR professionals perceive their employee benefit communication, I needed to explore and understand their personal experiences, the meanings they link to such experience and the discourse and practices concerning employee benefit communication. In order to be able to have this approach, I used semi-structured interviews with 8 HR-Professionals.

Just as any other method, interviews have their limitations. According to Pole and Lampard (2002), interviews are socially constructed and therefore constrained by the particular interview situation. They are of an artificial character and can therefore not be expected to “*uncover the truth or the essence of individual belief, experience or opinion*”. (Pole and Lampard 2002; 127).

In qualitative research the objective stance is obsolete, the researcher is the instrument, and ‘subjects’ become ‘participants’ who may contribute to data interpretation and analysis (Denzin and Lincoln, 1998). The criticism towards qualitative methods is mostly based on the aspects of validity and reliability. Furthermore, qualitative research might be perceived as rather subjective, due to the personal involvement of the researcher. Qualitative researchers defend the integrity of their work by different means: trustworthiness, credibility, applicability and consistency are the evaluative criteria (Leininger, 1994).

3.2.1. Credibility

Credibility is the criterion for evaluating the truth value or internal validity of qualitative research. A qualitative study is credible when its results, presented with adequate descriptions of context, are recognizable to people who share the experience and those who care for or treat them. As an instrument, I defend the credibility through practices such as reflexivity (reflection on the influence of the researcher on the research) and substantial description of the interpretation process; verbatim quotation from the data are supplied to illustrate and support my interpretations (Sandelowski, 1986).

3.2.2. Applicability

Applicability, or transferability of the research findings, is the criterion for evaluation external validity. A study is considered to meet the criterion of applicability when its findings can fit into contexts outside the study situation and when researchers view the findings as meaningful and applicable in their own experience. The sampling strategy that I was used was convenient. A combination of small, medium and large companies (Hammarberg, Kirkmand and de Lacey, 2015).

3.3. Gathering data

In order to gather data answering the research question, a suitable research method needed to be found. In the following, the choice for semi-structured interviews and how these interviews have been conducted, will be explained.

A large part of qualitative research is based on using talk as data generation method. I did single interviews with the participants of my study. The interview was based mainly based on questions the interviewee was expected to answer, although I gave room for other forms of response. In this way the interviewee could include spontaneous stories or examples they recount while they were answering the question (Flick 2018: 61). When qualitative research is based on interviews, it is often the face-to-face contact and the personal relationship, based on verbal and non-verbal communications, that are its strengths. A flexible use of questions which responds to the interviewees' statements and aims at creating a space for 'experience and knowledge of each interviewee should be characteristic for interviewing in general as the focus is on what the interviewee has experienced and sees as important in relation to the issue of the study. The aim is to develop a fuller picture of the interviewees' point of view (Flick, 2018: 217).

3.3.1. Semi-standardized interview

Rubin and Rubin (2012, p. 29) outline interviews as 'in-depth qualitative interviewing' which is characterized by three features. Interviewers look for 'rich and detailed information, not for yes-or-no, agree-or-disagree responses. Instead of giving answer categories, questions are open-ended. Questions and their order are not fixed: they can be adapted to the flow of the interview conversation. Open questions may be answered on the basis of the knowledge that the interviewee has immediately at the hand (Flick, 2018: 209).

3.3.2. The interview guide

Before I conducted the interviews, I studied intensively the existing literature. The gained insights were used as an inspiration for open questions. Related themes were collected and to each of them, I developed several questions. Based on these questions, an interview guide was developed which can be found in the appendix in point

In order to create a fluent interview, the different questions were distributed into different chapters. The interview guide was structured into the following 5 sections:

- Company characteristics
- HR-Department
- Employee Benefits
- Communication
- Employee participation

However, during the interviews, the order of the questions was not always strictly followed. Due to the semi-structured interview and the provided open questions, it seemed to make sometimes more sense to let the interviewees answer the questions in an unconstrained way. In this way, they were able to mention everything that came into their mind. Many interviewees brought up themes that were for example planned for a later part in the interview. The interview guide was much more a tool to support orientation during the interview and to make sure that all the different areas were covered within the interview. Due to the limitless of time, a pre-test was not conducted.

3.3.3. Sampling and selecting the interviewees

For the purpose of this thesis, eight HR professionals were interviewed. They were chosen through rather purposive sampling. Correspondingly, Morse (1998, P. 73) defines several general criteria for a “good informant”. These may serve generally as criteria for selecting meaningful cases. They should have the knowledge and experience of the issue at their disposal for answering the questions. They also should have the capability to reflect and articulate, should have time be asked and should be ready to participate in the study. The eight HR Professionals were approached by using different channels. Some were personal contacts,

others were contacted through social media, namely LinkedIn. All the HR professionals I interviewed, have experience within employee benefits communication, depending on their function it was a more generalist view or in-depth (Flick, 2018: 182).

3.3.4. Data Collection

The term “verbal data” is an umbrella term covering a variety of data that primarily consists of words. I decided to interview practitioners that have often the extensive implicit knowledge about their practices with specific issues which can be made explicit in interviews (Flick, 2018: 206).

All interviews have been conducted in Flemish and were voice recorded. 7 interviews took place at their workplace and one through video call. Each interview took less than 1 hour. Each participant was presented with a similar set of questions relating to their overall experience on employee benefit communication.

3.4 Analysing

3.4.1 What is qualitative data analysis?

We can start by the definition of qualitative data analysis pointed out by Flick 2018: 420:

“Qualitative data analysis is the interpretation and classification of linguistic (or visual) material with the following aims: to make statements about implicit and explicit dimensions and structures of meaning making in the material and what is represented in it. Meaning making can refer to subjective or social meanings. Often qualitative data analysis combines rough analysis of the material (overviews, condensation, summaries) with detailed analysis (development of categories and hermeneutic interpretations). Often the final aim is to arrive at statements that can be generalized in one way or the other by comparing various materials or various texts or several cases”.

In most cases several levels of analysis are involved, for example, explicit and implicit levels of meaning. Thus, we will need to read ‘between the lines’ of what is said. Sometimes what is not said, is also of interest.

Now that the data have been produced for the research through interviews, we need to analyse the data. Every interview was transcribed in order to process them for the subsequent analysis. The approach I used for the analysis of the data, is coding and categorizing. The process of transcribing the interview can help the researcher to gain more understanding of the subject by repeatedly listening to and reading the transcribed interviews (Flick, 2018: 62).

3.3.5. Transcription

The data that I collected have been recorded using technical media, so their transcription is a necessary step on the way to their interpretation. It seems very reasonable to transcribe only as much as required by the research question, and exactly that (Strauss 1987).

3.3.6. Coding & categorizing

In this approach, statements from interviews are identified and labelled by giving them a category, by using coding. These categories were developed during the analysis and by using the software ATLAS.ti. The core principle of coding and categorizing is that parts of the data (statements), are taken out of their context and grouped with other bits of data (similar statements) and put in relations – categories and subcategories, etc.

ATLAS.ti is based on the approach of grounded theory and coding according to Strauss (1987) => see chapter book Uwe Flick Chapter 25. The program can work with different sorts of text documents: plain text with soft line breaks, rich text with embedded objects or direct access to Word documents, also images, graphic and sound can be added. This program shows the primary text with all codes attached to it and comments in different windows on the screen. Apart from the retrieval of sequences of words in the text and the attachment of codes, the presentation of codes and categories in conceptual networks is helpful. The relation to the passage to which the categories and super categories are linked is maintained and can be presented immediately on the screen.

Coding the data began once all the data was fully transcribed (see appendix ..). The codes applied are keywords which are used to categorise or organize the text. The data was then analysed, categorised and organised into themes and further I went to subthemes. The next step was interpreting the data by identifying any reoccurring themes throughout and highlighting similarities or differences in the gathered data. Coding is a preparatory step for accessing the

data and making them ready for interpretation. Interpretation means to understand the internal logic of an excerpt of the data or to put it into context (Flick 2018: 425).

3.3.7. Discussion of method

According to Flick 2018: 483, the first step in the procedure of qualitative content analysis according to Mayring, is to define the material, to select the interviews or those parts that are relevant for answering the research question. The second step is to analyse the situation of data collection which include how the material was generated, who was involved, who was present in the interview situation and where do the documents to be analysed come from? In the third step, the material is formally characterized: was the material documented with a recording for example. In the fourth step, Mayring defines the direction of the analysis for the selected texts and ‘what one actually wants to interpret out of them (1983, P. 45).

4. Data analysis – findings

In this section, the findings from the conducted interviews and subsequent analysis will be presented. After each section of findings, these findings will be analysed and discussed in relation to the academic literature.

After a brief presentation of the interviewees by presenting the company characteristics, I will present my findings.

4.1. Interviewee characteristics

The characteristics of the interviewed HR Professionals will be briefly described in order to understand the background of the different companies. Most of the information has been collected through a short questionnaire (see appendix point A).

Company 1:

A big company with around 410 employees with headquarters in Belgium, namely in Kortrijk. The company is active in the sector according to the NACE code: other service activities. It does not have trade union within the company. The HR department is divided into three parts. We have the payroll service which is responsible for the monthly payment of the salaries and which is responsible for the everything concerning employee benefits, incentives,

bonuses. The second part of our HR department is the recruitment service and the last service within the HR department is the Academy division concerning onboarding, learning and development. The organization has a reward policy but with limited topics written down. The written reward policies comprise bonuses, seniority and the different occupational groups concerning the possibilities on internal mobility. They cooperate with a social administration office but only for the DFMA and the payment of the tax. The cooperation is more purely executive function instead of a strategic partner.

Company 2:

A Belgian company with around 270 employees with headquarters in Belgium, namely in Vilvoorde. According to the NACE code, this organization operates within the administrative and support services. The company does not have trade union. The HR departments consists of two persons, namely responsible for the recruitment. They cooperate with an external social administration office but only for the legal aspects, not in a strategic cooperation. The reward policy is handled internally by the company.

Company 3:

A Belgian company with around 11 employees with headquarters in Belgium, namely in Dendermonde. This organization operates within administrative and support service activities and does not have a trade union. The company does not have a HR department. There is not a specific reward policy and there is no cooperation with an external partner. Concerning employee benefits there exists a benefit policy.

Company 4:

A Belgian family company with around 215 employees on their payroll. If we take their freelance employees into account, this is a medium sized company (more than 250 employees). Their headquarters are situated in Belgium, namely in Nieuwerkerken. As I mentioned above, it is a family company with a management team of six people. This company operates in the sector according to the NACE code, other service activities. They do not have a trade-union. The HR departments consists of one person with the responsibility of all tasks related to HR. There is a no written reward policy or employee benefit policy. The reward policy is handled internal by the director of the company in cooperation with HR. They cooperate with a consultancy firm for their monthly payroll on which they rely for further information concerning their flexible reward plan.

Company 5:

A multinational company with around 1950 employees with headquarters in Belgium, namely in Antwerp. The company is active in the sector according to the NACE code: other service activities. It has a trade union and collective agreements concerning a limited items of employee benefits, namely net allowances and their flexible reward plan (flex income plan). Most employees have an academic degree, only a few of the employees (with high seniority) are having only a high school degree. The HR departments consists of 23 employees. There are three similar business units with an HR Manager on top and one business unit is linked with the processes of fleet and payroll administration. Beside those 4 business units, there are some people that report directly to the HR director without leading a team. This is a competence centre that gives advice on reward, talent and sourcing, talent development and systems and reporting. They do not have a written reward policy, well some policies related to benefits (car policy, pension policy, bike policy). Their reward policy is fully managed in-house.

Company 6:

A Belgian organization that grown out of a family company with around 110 employees. The headquarters is located in Belgium, namely in Wilrijk. According to the NACE code, this organization operates in the other service activities. The HR department consists of one Compensation and Benefits officer, 3 HR Business partners, one administrative support employee and a freelance learning and development officer. The reward policy is handled internally. The organization cooperates with an external social administration office, but the specific reward policy comes from the management which includes for example some benchmarks that they are using. Concerning employee benefits, there is not a specific policy beside the use of a cafeteria plan.

Company 7:

A Belgian medium organization with around 190 employees and headquarters in Belgium, namely in Ghent. This organization operates according to the NACE codes in Education. They do not have an official trade-union, but internally they have an employee forum that are involved in policies. The HR department consists of a HR Manager, a HR Business Partner, HR Analyst, HR Officer and wo external consultants (twice a week). The organization has a written reward policy according to their reward strategy.

4.2. Findings

4.2.1. Employee benefits

The results illustrated that the decisions concerning which employee benefits will be provided in the organizations, are mostly taken by the management in cooperation with HR department but it indicates a low involvement of the CFO in the decision making concerning the employee benefits. There can be different reasons why a company wants to provide a specific employee benefit. The director of the company heard something on the news about a new employee benefit, a potential new hire asked a specific employee benefit during the recruitment process or the benefit fits the specific strategy of the company what is a less given reason during the interviews. Concerning the income protections programs, the results indicate that almost all companies are providing their employees a pension plan by providing a group insurance. Some organizations are making a distinction in providing the group insurance to their employees by using occupational groups, by providing it only to their executive employees. The results indicate that bigger companies are providing as an additional benefit next to the group insurance, a life insurance. As an additional income protection benefit, some organizations are providing their employees with work accident insurance (above the legal required one), disability insurance and a guaranteed income insurance. Beside income protection programs, the results showed that almost all companies are providing their employees a hospitalisation insurance as health protection program. Only one organization was not providing their employees standard a hospitalization insurance, but they have the option to subscribe in one by using their flexible benefit plan. The results suggest that not many organizations are yet providing dental or optical options in their health benefits, some organizations are thinking on providing it to the future in their flexible benefit plan. On accommodation and enhancement benefits, we see that some organizations are providing employee assistance programs, educational benefits like training and healthy snacks at work. A minority of the organizations are providing an employee assistance program to their employees. The focus on this program is more on the mental well-being of the employee than the physical. But the results indicate that organizations are already more focusing on the physical well-being of their employee by having a fitness, organizing sports activities or sponsor the participation in sports activities such as the 10 miles of Antwerp. One of the organizations has once a year “Energy day” event and have the whole year- round challenges on an energize platform in order to contribute to the health of the employee. Next to those employee benefits, there are the more standard provided benefits as the meal voucher, company card and fuel card depending on the

occupational group, extra holidays, mobile phone, non-recurrent bonus, net allowances, eco-vouchers and gift card.

4.2.2. Employee benefits flexibility – flexible benefit plan

Some HR professionals are providing flexible benefit plans due to the diversity on the composition of their workforce and see it as a strategic must. By introducing a flexible benefit plan those organization have the advantage to fully meet the needs and desires of their employees. This plan can change according to the different life moments and necessary needs of the employee. Not all organizations are introducing a flexible benefit plan because of the changing demographics, some HR professionals were mentioning that they needed to implement a flexible benefit plan in order to be in line with the fiscal regulations (Appendix A; F and C). They were obliged by the government due to an audit to implement a flexible benefit plan if they wanted to be still able to provide the same employee benefits to their employees. This result shows us that there are different reasons why organizations are implementing a flexible benefit plan and that it does not need to be necessary the strategic approach as attraction, retention, optimisation for the employees or different generations in the workforce. Some of the organizations that were introducing a flexible benefit plan started with a basic approach. They started with some basic trade-offs such as extra holidays, flexibility with the company car in order to grow step by step and adding more trade-off possibilities (Appendix A & I). Some organizations are following this process in order to not have a too big change at once. Once the organization masters the process, they started to expand the plan step by step. Employee benefits is complex material and they wanted to introduce the flexible benefit plan on the right and clear way and not by overwhelming their employees with information. One of the organizations is still adding new employee benefits to their flexible benefit plan, like they are now planning to add dental and ambulant insurance to their flexible plan (Appendix I). This shows that this is an on-going process what is easily possible to adapt to the needs of their employees. The results indicate that there are different applications in using the flexibility. Some organizations give their employees the possibility to make trade-offs between their current employee benefits and optional ones. Some organizations provide a budget to their employees by using their end-of-year bonus or a bonus (Appendix A; E; F; G; H; I). None of the organizations made the fixed salary of their employees flexible. An organization mentioned that it was maybe a possibility for the future, but it is not a current project within their flexible benefit plan (Appendix A; B). Most of the organizations with a flexible benefit plan mentioned that they give their employees once a year the possibility to choose their benefits. But one of

the organizations gives their employees even more flexibility and they can choose every quarter how they want to spend their bonus in the flexible benefit plan what brings that this an intensive process for the organization but it gives the employees the possibility to really satisfy their specific needs at that specific moment (Appendix A; H). An organization that currently does not give their employees the flexibility on their employee benefits mentioned that it is a project on their future agenda what shows that this flexibility is a growing trend in Belgium. The only thing that makes them anxious is the fact that there will maybe too many options what will bring a lot of extra work and administration for HR and will make it difficult to keep an overview (appendix A; B). One of the organizations mentioned that they needed to communicate very much in detail concerning the introduction of their flexible benefit plan, they needed to involve their employees and explain what the advantages were for them and why they introduced this flexibility. Another organization mentioned that it is important that a certain amount of information concerning the flexible benefit plan is communicated face-to-face due to the questions that employees have, those questions are specific on their current situation.

The results indicate that organizations are using more institutionalized strategy in using their employee benefits than really differentiation. They do more a copy paste of the policy of their competitors then think pro-actively and orientated to their own company strategy to decide which employee benefit strategy to follow.

4.2.3. Communication

Beside the decision making, the communication can be made by different persons. The results indicated that HR professionals are doing mostly the communication concerning employee benefits with some involvement of the management team, or strictly done by the management team and sometimes with small participation of marketing (appendix A; B; E; H; I). The results indicate that some companies are involving marketing in their communication because they want to provide more readable information or to create a communication style for the whole company (Appendix F). The results revealed that organizations are open for feedback from their employees concerning employee benefits and that they are willing to take the suggestions of employees into consideration. Of course, this consideration involves that they want to do research concerning the feasibility for the organization to introduce this employee benefit. Some HR professionals were indicating that they are starting to provide their employees with open communication concerning their employee benefits what will lead to a more transparent reward package on the part of the employee benefits. The results showed that HR

is not planning big changes concerning their communication to the future, only some were indicating to make some changes on the communication channels they are using by even returning to the more old-school materials like brochures provided by the organization (Appendix A).

4.2.3.1. HR strategy and employee benefit communication

All HR professionals reported that they were using their employee benefits in one or more strategic approaches. Some HR professionals mentioned, they were using their employee benefits as an attraction, retention and motivation strategy (appendix A). Some organizations are using the employee benefits for the three strategic approaches, some organizations only attraction and retention strategy.

Some HR professionals are indicating that they introduced a flexible benefit plan to take fully advantage of those strategies. Today, a lot of organizations are facing the face that at least three generations are part of their workforce or of the labour workforce in general. Each of these different generations have as well different priorities, which presents employee benefits practitioners to a challenge. It is not easy to satisfy workers of all different ages because each generation prefer different management styles, give different value to their employee benefits. By introducing a flexible benefit plan, it is for HR professionals and organizations easier to meet the different needs of their multigenerational workforce because they have the option to compose on a yearly basis their employee benefit package (Appendix A; G).

Beside the attraction and retention strategic approach, some HR professionals are using employee benefits in a motivation strategic approach. Within a flexible benefit plan, employees have the possibility to build an employee benefits scheme together with the HR professional. Consulting with your employees concerning their employee benefit package means not only that the benefit is bespoke, but employees feel listened to and valued. A personalised benefits scheme has the capacity to create intrinsic motivation. Another facet of employee benefits and their relation to motivation can be on how employee benefits can have an influence on employees' outside their work environment. Through introducing well-being or leisure benefits, employees will link those positive experiences back to their work environment. If an employee for example can go with his family to an outdoor activity, the memories will remind them that the organization gave him the opportunity to have that experience. When your employees are feeling appreciated at work through their employee benefit package, they will be more motivated to perform and produce a higher volume of qualitative work (Appendix A).

When employees feel a greater job satisfaction, employees appreciate and value their job position more what brings us to the retention of employees because employees are less likely to leave the company. But some HR professionals are mentioning that they do not feel that the provided employee benefits are keeping the younger generations on board of the company. It is an attraction strategy when young people choose for an organization, but not as a retention strategy (Appendix D).

Some HR professionals were mentioning that they use their company website for employee benefit communication in their attraction strategy. Potential new hires have immediately an overview of the provided employee benefits and it shows that the organization has an open communication style concerning their employee benefits what leads to a more transparent reward package (Appendix F).

The results indicate that HR professionals are using face-to-face communication in their attraction strategy. During the onboarding phase, there will be in the start face-to-face communication which will lead to more electronic communication channels in the retention strategy. Once an employee is in the organization, HR professionals are using more electronic and written methods of communication by using intranet, newsletters, brochures or e-mail. Some HR professionals with flexible benefit plans are still using face-to-face communication on some specific moments, such as the yearly moment of choosing employee benefits, but in general they prefer to use more electronic and written methods (appendix A). When an employee comes to the HR department with a specific question or problem, face-to-face communication will occur but more in an operational way instead of a proactive way. Even one of the organizations mentioned that they almost do not use face-to-face communication in the retention phase due to the fact that the organization became too big.

4.2.3.2. Communication strategy

The results revealed that there is almost no communication strategy used by the HR professionals. They do not mention that the organization is using a communication plan where they are following different steps to a more efficient communication concerning their provided employee benefits. The only strategic approach the HR professionals were mentioning are on the global company strategy such as attraction, retention and motivation of employees. They provide information concerning their employee benefits to their employees and solve problems

when they are occurring. They are not communicating why they are providing these employees benefits. It is more an operational communication to solve problems. Some of the HR professionals were even mentioning that they do not communicate at all concerning their pension benefits, the only communication that the employee will receive is the information coming from the supplier (Appendix A; D; F). The results indicate that organizations that introduced a flexible benefit plan are making more efforts to communicate to their employees concerning the different options that an employee will have and wants to provide support to their employees in their decisions.

4.2.3.3. Marketing involvement

An important note is that the HR Professionals still reported little to no involvement by marketing or communication professionals in the benefit communications process. If HR professionals are involving marketing or communication professionals in their communication process, it is for different strategies. One HR professional mentioned that all the communication within the company is done by the marketing department in cooperation with the company director. And even HR was not involved in the communication part of the employee benefits, beside during the recruitment and on-boarding process. The reason why the organization uses this approach is, because they want to provide one communication style for their employees (appendix F). Another reason why HR professionals are working together with the marketing department is because they want to make the communication materials readable for their employees. If the HR professionals would write the necessary information down, it would be too technical and not understandable for the employees. Another reason why HR professionals are cooperating with marketing or communication professionals is because they are assisting in promoting new or existing employee benefits within the company (Appendix A; G).

Beside involving the marketing department, some HR professionals involve the supplier of the pension benefits by using an external consultant in their communication strategy to give a decent and comprehensible explanation to their employees because it is complex material (Appendix G).

4.2.3.4. Communication channels

The data from the interviews suggests that face-to-face communication whether or not one-on-one meetings or group meetings dominate the benefit communication efforts in general.

HR Professionals are in favour of combining different communication channels to communicate their employee benefits. We can suggest that HR Professionals are starting to use different communication channels depending on which employee benefit they want to communicate. If they want to communicate for example a new policy on a benefit, they will provide the information on their intranet with the link to the information in a newsletter. But If they want to communicate concerning for example their flexible reward plan, they will use face-to-face communication (Appendix A).

The use of printed materials provided by the supplier of the benefit or provided by the company are not used that much anymore and gave some diversity in opinions. Some HR professionals were mentioning that the only printed communication material that is still available is the yearly benefit statement related to their pension benefit. This document is provided by the supplier of the insurance. They have still the communication brochures digital on their intranet available in order to let the employee decide to print it out when necessary (appendix A; D; F). They do not use it anymore because it is often not consulted and ends often in the bin without reading. On the opposite side, one of the HR professionals was mentioning that they are trying to make it more visual and are working on old school brochures, but more attractive ones, that will provide some basic information when the employee is coming to the office with a question. Some HR Professionals still prefer to use e-mail as a personalized communication channel in contrast to some HR Professionals that are using less e-mail as a communication channel because they get lost in the daily amount of e-mails (Appendix F).

Some HR Professionals are indicating that they prefer to give a maximum service to their employees concerning their flexible benefit plan by organizing a consultation moment once year (at the moment of possibility to change their benefits) in all their offices (appendix A; G). In this way they create face-to-face communication and are they able to give personal advice to their employees. Another way to maximize the service to their employees is, by using an external consultant provided by the insurance company specialized in pension benefits that provides understandable information the employees concerning their plan. At this moment, they receive a personalized statement with all the necessary information concerning their pension benefits and that is written in normal human language without going too technical (Appendix G).

The results indicate that group-meetings are an attractive communication channel for providing information to their employees. It is an easy communication channel to share general information and to reach out to one group of employees at one moment, depending on the information, the differentiation can be made on information that is depending on the occupational group to which an employee belongs (Appendix A; B; D; E; I). In this way, an organization can provide the information in an interactive way to their employees and reach out to a lot of employees at the same moment. One of the HR professionals was mentioning that they communicate the most of their employee benefit communication on their monthly team meeting (Appendix D). The reason behind this communication channel is that they are able to see the reaction that the employees have on the communication and the interaction that employees are doing between each other (Appendix D).

The use of intranet where employees can find information related to their benefit is popular in use, but still there is a difference in the depth and wide range of the information available. Intranet can be a general information source but as well a source of in-depth information where employees can find all information related to the full HR-cycle in the company. We see that the interest of on-line provided employee benefits material remains limited in some organizations. While the data suggest that all the employees have access to the on-line materials at work and at home.

One of the HR professionals has been using an animation video to introduce their flexible benefit plan. They came up with this idea because it was already hard for HR to understand, to use the flexible benefit plan so they wanted to create a creative way to involve their employees in the process. A lot of employees do not know how much taxes they pay so they started to explain the basic principles to their employees and step by step more in detail and give their employees as well the information how it can be an optimisation for them. They want to make the communication more attractive; they use webinars as well to provide information to their employees (Appendix A; I).

In using social media – digital tools, we can see a wide diversity on approaches. While some HR Professionals are mentioning that their internal Facebook application (Yammer or workplace) as communication channel is not working, others are still using it in a profound way to communicate to their employees. One HR Professional was mentioning that a subsequent amount of information gets lost and is not consulted on those platforms. Some HR Professionals

are using it as a way to communicate updates concerning employee benefits in a newsletter. Alternatively, they use the combination of communication channels to make sure that the employee gets the information. While posting an update on the digital tools, they send an e-mail to their employees in which they mention that the necessary information is available on their platform. In opposite, some HR Professionals are suggesting that they are going to maximize the use of digital tools in their communication strategy, namely by introducing on their intranet an interactive communication in supply and demand or on more long term by introducing a chatbot that will be able to answer the most frequently questions in an interactive way. One of the HR professionals was mentioning that the use of digital tools can a way of creating a first general knowledge on that specific employee benefit and to go deeper on the information in for example a personal meeting or group meeting. In this way the employee has already some basic knowledge on which HR professionals can give the broader perspective of the employee benefit. In addition, in this way the employee can have some specific questions related to his/her situation after reading the materials and ask targeted questions (Appendix A).

The data suggests that organizations that have the ability to file a claim on-line remains rare. The only way that an employee can file a claim on-line is when they download the app of the supplier company. We notice that this is not available on the interactive digital platforms of the company.

4.2.3.5. Communication moments

HR Professionals indicated that they are communicating on different moments during the full HR-cycle on their employee benefits but only on the most logic moments. They all indicated that the first moment of communication employee benefits, starts during the recruitment process by using their employee benefits as an attraction strategy to potential new hires. As the competition for talents is still present in the current labour market, employee benefits are an important factor of the total compensation package. A strong portfolio of employee benefits remains a key part of any total compensation package. Traditionally, an employee would not typically find out the full package of benefits being offered until they had accepted the job, but that is changing now. Compensation is still critical, but many candidates realize the value of a strong benefit package. If an HR professional does a poor presentation of their benefits package, it could cost the organization the talented potential it seeks (Appendix A).

Beside the communication during the recruitment process, HR professional indicated that employee benefits communication is done during the on-boarding process. At the moment of the contract signature, HR professionals are giving more in depth information concerning their provided employee benefits. New hires must quickly absorb the corporate culture, colleagues, their job function, but it is important that they become familiar with their employee benefits. Comprehensive benefit communication during the onboarding, is a key to improving employee satisfaction and reducing turnover. One HR Professional indicated that they want to start the onboarding process faster with giving access to their digital tool before the effective start of the employee, already with the contract signature. In this way, they get to know before the company culture, the team, getting more information concerning the HR policies within the company and the provided employee benefits. But then one of the HR professionals was mentioning that they think it is not a good idea to communicate during the first days of onboarding to their employee concerning the provided employee benefits because they get already a lot of different information concerning the job, company, department etc. It is already an overload of information and it is not the moment that an employee wants to listen to all the technical information on their benefits, it should be available for them and that they can check it on the moment they want (Appendix A; I).

Another moment that HR professionals are indicating as a communication moment is when there are up-dates or changes concerning provided employee benefits or when there is an introduction of new employee benefits within the company. It is important to communicate up-dates or changes concerning the provided employee benefits in order to give your employees the opportunity to fully take advantage of their benefits. If they are not aware of particular up-dates or changes, they cannot use optimally their employee benefits. Beside the communication on up-dates or changes, HR Professionals mentioned the communication on introduction of new employee benefits. Introducing a new employee benefit without making “promotion” for it, employees will not know the existence of the employee benefit and as a result of this, they will not use the new employee benefit.

Beside the mentioned communication moments above, some HR professionals indicated the communication of their employee benefits during the offboarding of the employee (Appendix F). It is important that beside providing the best experience during onboarding, providing the best experience during the offboarding, is equally important. This is not only because that is the right way to treat individuals, but also because it can have a direct effect on

the organization's reputation. But beside this, the communication on employee benefits is necessary. Employees that are leaving the organization, needs to know what they need to do with their provided employee benefits. What are for example the necessary procedures to take the insurance personally or what can the employee do to put his insurance on hold.

4.2.3.6. Communication & employee benefits training

The results reveal that HR professionals that are doing the communication on the employee benefits did not receive any training related to communication. At the organizations where HR had some support from the Marketing department, they mentioned that they did not had any additional trainings beside their educational background. Some HR professionals were mentioning that if the organization or HR department felt that there was some lack of knowledge on a specific employee benefit, they were going to follow a workshop to gain some extra information concerning that specific employee benefit (Appendix H).

4.2.4. Internal and external influences on employee benefits

There are some external factors that HR professionals are mentioning that are influencing employee benefits. The interviewed HR Professionals said that they introduced their employee benefits to stay competitive in the business market and against their close competitors. The organizations want to have a strong marketplace. Organizations are looking for creative and effective ways to promote their provided employee benefits. In a time where it is easy to compare their workplace benefit with those offered on the market, it can be a challenge (Appendix A). A lot of information is available on different career websites, like for example Glassdoor, where employees and potential new hires can find information related to the compensation policy in the company. Some of the organizations are using their employees benefits to differentiate. One of the organizations introduced a non-recurrent bonus in their employee benefits to differentiate themselves from their competitors (Appendix C). They provide the same employee benefits as all the competitors in their market, but by introducing an accuracy bonus, they created an added value for their employees and their clients. This accuracy is very important in the service they provide to their clients what brings it is important in the daily function of their employees. Another organization mentioned that they added the company car to their employee benefits package for some functions due to a pressure from the market. If they wanted to be still able to attract new hires, they needed to add the company car to their reward package (Appendix G). They are still providing the company car, but they

modified it to their company strategy and introduced a more greener company car policy within the company. Some organizations were mentioning that because of the market pressure, they feel the need to provide the same employee benefits because otherwise they would not be able to attract new employees. One of the organizations mentioned that they have a market-conform salary package but that they prefer to differentiate themselves on the company culture and prefer to have a fit on this aspect. That the employee not only choose for the salary package but as well for the company culture because there are a lot of competitors on the market that provide the same salary package.

The government laws and regulations – tax advantages influence the employee benefit package that organizations are providing to their employees. As well because this helps the organization to balance their costs. But some of the new regulations that the government are introducing are less attractive for organizations, depending on their size for example. If organizations compare the cost, effort they need to invest to introduce a new employee benefit, sometimes the cost is too high to introduce the promoted government regulation. One of the HR professionals mentioned the new mobility budget or mobility allowance, better known as the “cash for car” regulation is not profitable for small organizations to organize. Big organizations have a large HR department with in-house HR specialist that can organize the full project tailor made for the organization. The last few years, the government is introducing a lot of new employee benefits what makes it difficult for companies to follow the new trends and introduce them in their organizations, a lack of overview is present (appendix A; B; D; E).

The influence from the government by doing an audit of the compensation plan of organizations and checking if the employee benefits that the organizations are providing are legally correct, is one of the reasons that some organizations needed to introduce flexible benefit plans. Unions – needs to give approval concerning changes in compensation and benefit policy in larger organizations. They can make suggestions for introducing new employee benefits. There are some benefits regulations on national level: for example, depending on the joint committee in which an organization is working, they are obligated to provide their employees eco cheques with an amount of 250€. Some of the organizations kept these regulations or used the option to exchange this amount of eco-cheques for meal vouchers (Appendix E).

Another external factor influencing the organizations employee benefits according to the majority of the HR professionals, is the composition and diversity of the labour force. The

organizations want to satisfy the different needs that their employees have. One of the organizations mentioned they are following the maximum differentiation and individualization strategy on reward package in order to meet the different needs of their employees. Beside external factors, HR professionals are mentioning some internal factors that are influencing employee benefits. One of the internal influences that HR professionals are mentioning is the HR strategy linked with company strategy. All the HR professionals are mentioning the attraction strategy the organizations are using by their provided employee benefits. Some HR professionals are using their employee benefits as a retention strategy. While other HR professionals are indicating that their employee benefits are not working as an attraction strategy for their employees. They still notice that their younger employees are leaving the company even if they were satisfied with their provided benefits when starting in the organization (Appendix D). Some HR professionals are using their employee benefits as a motivation strategy. Most of the organizations have an internal organised reward management with some written parts. One of the organizations did not really have an internal reward plan but they had a benefit plan, it is a copy of another subsidiary company of the mother company. One of the organizations had as internal influence a remuneration committee to whom HR needs to report when they want to introduce a new big and more expensive employee benefit. One of the organizations has an “unofficial” trade union, it is a forum that consists of representatives of the different departments and they are involved in certain policies related to HR, also employee benefits. They act as a sounding board and it is way to involve them in the decisions HR is making (Appendix A: I).

Through company strategy an HR Professional mentioned that they are having in their company strategy the reduction of their ecological footprint – and they take this strategy into consideration in their employee benefits, namely in their company cars & the benefit policy concerning their company cars (Appendix G).

The results reveal that HR professionals are not taking the organizational culture into consideration while they are communicating concerning their employee benefits.

4.2.5. Employee involvement

In general HR professionals are indicating that they prefer to involve their employees in their employee benefits process but with some anxiety. Some HR professionals are worried about the fact that too much involvement can create false and too high expectations (appendix

A; C; D; H). And on the other hand, some HR professionals are following the strategy of the maximum on individualization and differentiation and are following the flexibility strategy (appendix G). Other HR professionals are suggesting that they prefer to involve their employees until a certain level in order to not create those false expectations. They prefer to involve to more satisfied employees because their employee benefits, meet their needs but on the other hand on long term they can expect that all the benefits they propose, will be provided and that is neither possible. And even other HR professionals are mentioning that they prefer to satisfy the group needs instead of the individual needs of their employees concerning employee benefits (Appendix F). One organization is mentioning that by involving their employees in for example the decision of different types of company cars, was making the process more complex and unclear because before, there was depending on the occupational group one type of company car provided, now there are different options and still probably not everybody is satisfied with the brands.

Some HR professionals are mentioning that their organization is using surveys to gain new insights from their employees concerning their employee benefit preferences (Appendix A). An organization did by introducing their flexible benefit a survey and they are doing still the same but by using random sampling (Appendix G). The organizations that involve their employees mention that open communication to why a proposition is not introduced, is important. Another organization is using a poll on a yearly event to involve their employees and get to know new information (appendix H). One of the organizations does not do surveys or polls, but their employees know that there is an open-door policy and that employees always have the possibility to bring new ideas and that the company will take them into consideration and check the feasibility. If it is not an option, there will be open communication to the employees why it is not a possibility.

The results reveal that organization are open for feedback of their employees and are giving them the opportunity to bring suggestions. But the results indicate that HR does not know much about their employees.

5. Limitations – Conclusion – Future research

5.1. Limitations

While undertaking the study, as researcher I encountered some limitations. Most notably, the small number of participant's meant that one has to be cautious in generalising the findings. When conducting any type of research, it is beneficial to carry out research on a larger and on a more in-depth scale to allow a more comprehensive analysis of the specific study.

However, the use of the semi-standardized interviews provided very useful in depth and meaningful data from the participants. While the method of interviewing is a time-consuming process, it proved to be an efficient means of extracting information from individuals and this is an open and honest environment. Thus, this allowed the researcher to gain an invaluable insight into the study on how HR professionals experience their effectiveness on employee benefit communication.

Another limitation relates to bias which is always a risk in any type of research study, more so, the less structured the data collection is. Although it is impossible to eliminate research bias, the researcher is confident to have achieved valid finding. Furthermore, it could be arguing that the type of data that is collected leave more space for interpretation than what would be the case in for example numeric data.

5.2. Conclusion

The results indicate in general that organizations are including or are planning to include flexibility more and more within their company strategy. Within their employee benefits, organizations are settling on more and more the introduction of a flexible employee benefit plan. Those organizations are understanding that they have a different workforce with different needs which leads to the need of different employee benefits to meet the specific needs and desires of their employees. They want to provide their employees with the option to choose the right employee benefits matching with their specific needs on that period of time. One of the organizations is even bringing a very high level of flexibility by giving their employees the possibility to choose every quarter on their employee benefits. This by letting the employees use their monthly bonus for extra employee benefits. The most used type of flexibility within the time period of choosing new employee benefits, is every once a year.

The result showed that in the majority of the cases there is not a specific strategy behind the provided employee benefits beside that they are used as an attraction and retention strategy. The results indicate that organizations are more using institutionalization reasons instead of strategic and differentiation reasons for the flexibility within their employee benefits. They are looking what the close competitors on the market are providing and try to do the same or even to provide an extra employee benefit to attract the right employees. Organizations are not sharing why they are providing those employee benefits to their employees, why they are important for the employee and if they care about their employees' financial, health and well-being, they should spread this message in their employee benefit communication which can lead to a better retention management. Organizations are saying that they use their employee benefits as a retention tool, but they should not only provide those employee benefits to their employees but involve them and explain why they are providing them. If employees will feel more involved, they will know more about their employee benefits and use them. The organizations are implementing flexible benefit plans in their reward system but they are mostly looking to the trends in the market or try to follow the actions of their competitors, to copy their strategy, which lead to the fact that organizations do not have a clear strategic view on their own provided employee benefits. Even the reason for introducing a flexible benefit plan is not always strategic, for one of the organizations it was a must due to an audit from the government.

The results indicated that organizations are now starting to introduce flexible benefit programs, such as cafeteria plan, to meet the different needs and desires of their workforce. But should they not do the same with their communication? If organizations are using flexible benefit programs, there is not anymore one-size-fits all communication possible because not all the employees are using the same employee benefits. What brings us to the fact that HR should provide more personalized messages to their employees. They should involve again analytics to see who is using which benefits and how they can create more targeted message. Employees only want to read information that is important for them.

They should not only communicate when an employee comes to them with a question or a problem which lead to the fact that they are only communicating on an operational level and not taking the strategic approaches into consideration. They let the employees come to them with a question or problem that is occurring on that moment, why not react on a proactive

manner? By showing that they really care about their employees and know what is going on in their lives or what is important for them.

The results indicate that HR perceives that they are communicating to their employees on an effective manner their employee benefits. Some HR professionals were mentioning that the introduction of the flexible benefit plan was a complex process which asked more in-depth preparation and clear communication but in general HR professionals have a positive perception on their employee benefit communication. Beside the fact that some organizations are almost not communicating on their pension benefits, only yearly by using a statement from their supplier, they are satisfied with the way they are dealing with the communication. They do not have future project concerning improvements in their communication strategy on employee benefits. Most of the HR professionals will follow their current strategy beside some small changes concerning the use of communication channels. Two organization will follow more a strategic approach on digitalization which will lead to the use of more interactive digital tools in their communication, so they are already going a step into the direction of gamification.

The results indicate that HR professionals are using face-to-face communication in their attraction strategy during the recruitment process. During the onboarding phase, there will be in the start face-to-face communication which will lead after to more electronic communication channels in the retention strategy. Once an employee is in the organization, HR professionals are using more electronic and written methods of communication by using intranet, newsletters, brochures or e-mail. Some HR professionals with flexible benefit plans are still using face-to-face communication on some specific moments, such as the yearly moment of choosing employee benefits, but in general they prefer to use more electronic and written methods. But if face-to-face communication, what most of the HR professionals are preferring as a communication channel, is not that often used in the retention phase, how will they be able to keep their employees in the company? By using personal communication in which immediately feedback is possible, employees will be able to better understand the information concerning their employee benefits. An organization shows that they really care about their employees.

The results revealed that the employee benefit communication is primarily being accomplished by the HR department. They are using a certain global company strategy such as using their employee benefits to attract new hires, to retain and motivate their workforce but there is no specific communication strategy used for communicating their employee benefits.

HR is not following a specific communication plan in which they can follow different logic steps by creating a more efficient communication and make promotion concerning their employee benefits. But how can an organization communicate on an efficient way by only knowing what the goals are of the employee benefit program. Some organizations were saying that they are communicating their employee benefits to create understanding or to provide the information to employee but if some employee benefits are only communicated once a year, how can it create awareness of the employee benefit, even understanding of the employee benefit. The HR professionals are not really making promotion for the provided employee benefits.

Beside knowing your employees concerning who they are, what they need and desire on employee benefits, it is important to know which communication channels your employee prefer to receive their information. An organization can share a lot of information on different communication channels, but if the employee does not use those channels, the information gets lost and will not reach out to the employee. HR is putting a lot of time and effort in sharing the information by those channels and there is no return of investment. The results reveal that HR professionals are using different communication channels to provide the information to their employees but why not using only the ones that are preferred by the employees or create one general communication channel that employees do not go to different communication platforms with different passwords.

The results indicate as well that HR is not checking on how the current state of understanding is. But how can HR know that they are on the right track concerning their employee benefits. They can share a lot of information but at the end the employee can still not understand their employee benefits. And that is the goal of the communication, that employees are aware and understand their employee benefits. By less or no participation of the marketing department, HR miss the opportunity to really create an efficient communication plan that gives them guidelines for the full process. But beside this communication plan, marketing can create understandable, easy to read and snackable messages that attracts the attention of the employees. Because that is one of the tasks of the HR department, to make promotion for their different employee benefits, to maximize the use of the employee benefits by the employees and to achieve this, marketing can be the perfect partner.

The results reveal that HR is doing the communication on different moment during the HR-cycle and that is already a first step, but those moments are the most logic ones. Of course, you need to attract your employees by explaining the provided employee benefits, and companies are indicating that it is important as a retention strategy but if they only communicate during the onboarding, when there is the introduction of a new employee benefit, during performance appraisal and when there is a change in a current one, how can they retain their employees? Employees are receiving a lot of information during a day, week, month and it is important to do a yearly-round communication concerning their employee benefits. It is important to not only provide information to your employees on moments that the organizations think are important, HR should communicate on moments that are important for the employee, for example when there is a change in their marital status, or they gave birth to a child. If you provide information on that specific moment, the employee will feel important for the organization because HR shows that they think on them and value them.

Some organizations are involving their employees by doing a survey to get to know their employee benefit preferences or they are making the decision by themselves concerning which employee benefits will be provided. By the introduction of flexible employee benefits, organizations are already involving their employees more because they can choose which employee benefits they prefer to have. But still there are organizations that are not involving their employees which the results revealed by HR and organization are having a mixed feeling concerning the employee involvement in the employee benefits. Almost all the HR professionals say it is very important to involve the employees but there needs to be a clear line on how far they can be involved.

But how well are organizations knowing their employees? HR does not know who their employees are, they do not involve data analytics concerning their demographic information. If they do not know who their employees are, how can they create good communication and how they can choose the right employee benefits for their employees. By assuming, HR will not get the result it should get by involving data concerning their employees. In this way, HR will be able to segment more their employees as individuals with different needs, desires and job requirements and meet more the specific needs of their employees. Beside to know who their employees are, they should step into their shoes. Employees have different function, job requirement, they receive a lot of different information during the day. It is important that HR is involved with the full communication calendar of the organization, in this way it can arrange

its communication on the organizational communication calendar that employees are not overloaded with internal information.

5.3. Future research

Future research should go deeper on how organizations will handle communication when employees are using all different employee benefits, will it be needed to create more personalized communication? And will there be a need for more marketing involved in this communication? How can gamification, people analytics and digitalization be more involved in this communication under flexible employee benefit programs. Another direction can be more on a strategic approach and go deeper in the reasons how organizations are making the decision to the possible trade-offs that employees can make, and which trade-offs employees are making.

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Appendix

Appendix A: Interview guide

Appendix B: Demographics interviewees

Appendix C: Guidelines categorizing and coding

Appendix D: Overview Comparison Interview Organizations

Appendix A: Interview guide

Interview employee benefits communication

1: Company characteristics:

For the following questions, please answer and mark the box that corresponds the most with your response:

1. Is the company a:
 - Small company - <50 employees
 - Medium company - <250 employees
 - Big company - >=250 employees

2. Is the company a multinational?
 - Yes
 - No

3. Where are the headquarters?

4. In which sector is the company active (using the NACE code):
 - H – Transporting & storage
 - J – Information & communication
 - K – Financial & insurances activities
 - N – Administrative & support service activities
 - P – Education
 - Q – Human Health & social work activities
 - S – Other services activities

5. Does your company have a trade union?
 - Yes
 - No

If yes, do they have an influence on reward management within your company and are there any collective agreements on employee benefits?

6. What kind of different employee groups has the company (using the ISCO Classification)?

- Managers
- Professionals
- Associate professionals & technicians
- Clerical support workers
- Service & sales workers
- Elementary occupations
- Others:

7. How is the constitution within your company on educational level?

- Without education:.....%
- High school degree: %
- Academic degree:..... %

2. HR Department:

For the following questions, please answer and mark the box that corresponds the most with your response:

1. Does your company have an HR Department?

- Yes
- No

2. How is the constitution of your HR-Department? How do you manage the reward policies within your company? Do you work with an external partner or do you manage the reward policies in-house?

3. Do you have a general reward policy and/or a specific employee benefits policy? How is it/are those designed?

3. Benefits:

For the following questions, please answer and mark the box that corresponds the most with your response:

1. Does the company provide employee benefits?

- Yes
- No

2. Which benefits does the company provide?

- Health benefits:
 - Hospitalisation insurance
 - Dental insurance
 - Other: specify:
- Pension benefits:
 - Pension plan
 - Life insurance plan
 - Other: specify:
- Leisure benefits:
 - Sport cheque
 - Culture cheque
 - Healthy snacks
 - Wellness counselling – employee assistance program
 - Other: specify:

3. Since when does the company provide health benefits?

4. Since when does the company provide pension benefits?

5. Since when does the company provide well-being benefits?

6. Who is making the decisions on which employee benefits will be provided by the company?

7. Who is making the communication concerning employee benefits?

8. What is the motivation of the company to use employee benefits? Is it a part of the HR strategy – Company strategy? Is there a strategy behind the specific provided employee benefits?

9. Is this strategy already renewed over time? How do you see this strategy in the future?

10. Did you or the person responsible for the communication of benefits, had a specific training on those employee benefits?

- Yes
- No

Which trainings did you followed? Are those provided by the suppliers? Was there a training specific on communication?

11. Is there any differentiation in assignment of employee benefits to different employee groups?
- Yes
 - No

Can you explain why or why not this differentiation is made:

4. Communication:

For the following questions, please answer and mark the box that corresponds the most with your response:

1. How is the communication made concerning **health benefits**?
- Face-to-face meetings
 - Group meetings
 - Printed literature provided by the supplier
 - Interactive digital tools
 - Newsletter
 - Social media
 - Others:

Can you explain more in depth how you are using these channels?

2. How is the communication made concerning **pension benefits**?

- Face-to-face meetings
- Group meetings
- Printed literature provided by the supplier
- Interactive digital tools
- Newsletter
- Social media
- Others:

Can you explain more in depth how you are using these channels?

3. How is the communication made concerning **leisure benefits**?

- Face-to-face meetings
- Group meetings
- Printed literature provided by the supplier
- Printed literature provided by the company
- Interactive digital tools
- Newsletter
- Social media
- Others:

Can you explain more in depth how you are using these channels?

4. If you can order the below communication channels concerning employee benefits, how would you do it?

Number 1 as high preference & 7 as low preference.

- Face-to-face meetings
- Group meetings
- Printed literature provided by the supplier
- Printed literature provided by the company
- Interactive digital tools
- Newsletter
- Social media

Why did you choose this order?

5. Which of the below communication channels will be increasingly used in the future?

- Face-to-face meetings
- Group meetings
- Printed literature provided by the supplier
- Printed literature provided by the company
- Interactive digital tools
- Newsletter
- Social media

Explain this answer:

6. Which of the below communication channels were used in the past and are you not using anymore?

- Face-to-face meetings
- Group meetings
- Printed literature provided by the supplier
- Printed literature provided by the company
- Interactive digital tools
- Newsletter
- Social media

Explain this answer:

7. Does the company use intranet services to communicate employee benefits?

- Yes
- No

If the answer is yes, go further with the following questions. If answer is no, go to question number 12 and explain why your company does not have the intranet service.

8. Do employees have access to internet & intranet services at work to check their employee benefits?
- Yes
 - No
- If yes, how much % of your employees have access?

9. Do employees have access to internet & intranet services at home to check their employee benefits?
- Yes
 - No
- If yes, how much % of your employees have access?

10. What information can employees find on the intranet service?
- Basic option information
 - Downloadable files
 - Access to personal files
 - Access for enrolment
 - Filing claims online
 - Other:

11. When do you do the communication to the employees concerning their employee benefits?
- Before joining the company during the recruitment process
 - During on-boarding
 - During enrolment process
 - After the first year
 - During the whole year
 - Other:

Explain why you do this on one moment or combination of different moments:

12. How much do employees use their benefits? When are they communicating about their employee benefits and to whom are, they communicating? Does this only occur with problems?

5. Employee participation:

For the following questions, please answer and mark the box that corresponds the most with your response:

1. Can the employee have input in the designing of employee benefits and make trade-offs within their provided employee benefits?
- Yes
 - No

Can you explain why or why not?

2. Are there surveys where employees can give input concerning employee benefits?
- Yes
 - No

Can you explain why or why not?

3. If the answer is yes, how often does the company conduct these surveys?
- Once a year
 - Once every two year
 - Every five years
 - Other:

4. Do your employees want more employee benefits?

5. Do you prefer to involve the employees in their employee benefits?

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

Can you explain more in depth why?

6. Does the company take the personal needs of the employees into consideration for the employee benefits option?

- Yes
- No

Can you explain more in depth why?

APPENDIX B: DEMOGRAPHICS

Company 1:

A big company with around 410 employees with headquarters in Belgium, namely in Kortrijk. The organization is purely Belgian. The company is active in the sector according to the NACE code: other service activities. They have different employee groups within the organization, namely managers, professionals, clerical support workers and service and sales workers and elementary occupations. On educational level, there is a diversity in the population, around 45% of the employees are having a bachelor's degree, 25% is having a master's degree and 35% is having no higher degree. It does not have trade union within the company. The HR department is divided into three parts. They have the payroll service which is responsible for the monthly payment of the salaries and which is responsible for the everything concerning employee benefits, incentives, bonuses. The second part of our HR department is the recruitment service and the last service within the HR department is the Academy division concerning onboarding, learning and development. The organization has a reward policy but with limited topics written down. The written reward policies comprise bonuses, seniority and the different occupational groups concerning the possibilities on internal mobility. They cooperate with a social administration office but only for the DFMA and the payment of the tax. The cooperation is more purely executive function instead of a strategic partner.

Company 2:

A Belgian company with around 270 employees with headquarters in Belgium, namely in Vilvoorde. They only operate in Belgium. According to the NACE code, this organization operates within the administrative and support services. According to the occupational group in the organization, they have managers, professionals, clerical support workers and service & sales workers. They have a flat hierarchical structure. On educational level, the organization has a wide diversity. They have employees without a degree to employees with a master after master. The company does not have trade union. The HR departments consists of two persons, namely responsible for the recruitment. They cooperate with an external social administration office but only for the legal aspects, not in a strategic cooperation. The reward policy is handled internally by the company.

Company 3:

A Belgian company with around 11 employees with headquarters in Belgium, namely in Dendermonde. This organization operates within administrative and support service

activities and does not have a trade union. On occupational groups within the organization, they have only two groups, namely managers and professionals. Around 20% of the employees does not have a higher degree, 60% has a bachelor's degree and 20% has a master's degree. The company does not have a HR department. There is not a specific reward policy and there is no cooperation with an external partner. Concerning employee benefits there exists a benefit policy.

Company 4:

A Belgian family company with around 215 employees on their payroll. If we take their freelance employees into account, this is a medium sized company (more than 250 employees). Their headquarters are situated in Belgium, namely in Nieuwerkerken. As I mentioned above, it is a family company with a management team of six people. This company operates in the sector according to the NACE code, other service activities. Within the organization, they have different occupational groups, namely managers, professionals, clerical support workers and service & sales workers. All the employees have a higher degree, a bachelor's or master's degree. They do not have a trade-union. The HR departments consists of one person with the responsibility of all tasks related to HR. There is a no written reward policy or employee benefit policy. The reward policy is handled internal by the director of the company in cooperation with HR. They cooperate with a consultancy firm for their monthly payroll on which they rely for further information concerning their flexible reward plan.

Company 5:

A multinational company with around 1950 employees with headquarters in Belgium, namely in Antwerp. The company is active in the sector according to the NACE code: other service activities. Within the organization, they have different occupational groups, namely managers, clerical support workers, professionals, service and sales workers and elementary occupations. Most of the employees are having a bachelor's or master's degree. It has a trade union and collective agreements concerning a limited items of employee benefits, namely net allowances and their flexible reward plan (flex income plan). Most employees have an academic degree, only a few of the employees (with high seniority) are having only a high school degree. The HR departments consists of 23 employees. There are three similar business units with an HR Manager on top and one business unit is linked with the processes of fleet and payroll administration. Beside those 4 business units, there are some people that report directly to the HR director without leading a team. This is a competence centre that gives advice on

reward, talent and sourcing, talent development and systems and reporting. They do not have a written reward policy, well some policies related to benefits (car policy, pension policy, bike policy). Their reward policy is fully managed in-house.

Company 6:

A Belgian organization that grown out of a family company with around 110 employees. The headquarters is located in Belgium, namely in Wilrijk. According to the NACE code, this organization operates in the other service activities. Within the organizations, they have managers, professionals, clerical support workers and service and sales workers. On educational level, around 70% of the employees has a bachelor's degree, the other 30% has a master's degree. The HR department consists of one Compensation and Benefits officer, 3 HR Business partners, one administrative support employee and a freelance learning and development officer. The reward policy is handled internally. The organization cooperates with an external social administration office, but the specific reward policy comes from the management which includes for example some benchmarks that they are using. Concerning employee benefits, there is not a specific policy beside the use of a cafeteria plan.

Company 7:

A Belgian medium organization with around 190 employees and headquarters in Belgium, namely in Ghent. This organization operates according to the NACE codes in Education. Within the organization, they have different occupational groups, namely managers, professionals, associate professionals & technicians and service and sales workers. Around 30% of the employees are having a bachelor's degree, around 70% is having a master's degree and around 2% do not have any higher degree. They do not have an official trade-union, but internally they have an employee forum that are involved in policies. The HR department consists of a HR Manager, a HR Business Partner, HR Analyst, HR Officer and two external consultants (twice a week). The organization has a written reward policy according to their reward strategy.

Appendix C: Guidelines categorizing and coding

Theme: employee benefits

Definition: It refers to the compensation other than an hourly wage or salary.

Category: pension benefits

Definition: It refers to the employee benefits in function of the construction of a pension fund for the employee or the payment on the death of a person that had the insurance”.

Code: pension plan

Example: “We are providing a group insurance to our employees”.

Code: life insurance

Example: “We are providing a life insurance to our employees as an additional insurance”.

Category: health

Definition: it provides family benefits, promote health, and guard against income loss caused by catastrophic factors like unemployment, disability, or serious illnesses.

Code: hospitalization insurance

Example: “We provide to our employees a subscription to DKV which is a hospitalization insurance.

Code: disability insurance

Example: “We provide this insurance to our employees that at a moment that a worker is unable to perform their work and earn money due to a disability”.

Code: guaranteed income plan

Example: “We provide this to our employees in order to create saving which provides our employees a life cover with guaranteed pay outs in the form of monthly income”.

Code: work-accident insurance

Example: “We provide our employees with an addition insurance for driving kilometers for work”.

Code: Optical & dental insurance

Example: “In our cafeteria plan we have the possibility for our employees to choose for an optical & dental insurance as an additional to their health insurance”.

Category: Other benefits

Definition: All other benefits related to the employees.

Code: Meal vouchers

Example: “We give our employees meal vouchers for every worked day”.

Code: Company car

Example: “Depending on the occupational function our employees have a company car”

Code: Fuel Card

Example: “As an additional benefit to their company car, we give our employees a fuel card”.

Code: Gift Card Example: “We provide our employees with a gift card in the period of 6/12 for celebrating Saint Nicolas. It is a gift card of 40 euros for every employees’ and 40 euros for each child”.

Code: healthy snacks

Example: “We provide our employees on a daily basis with fruits and nuts in the office”.

Code: energy day

Example: “Once a year we organize an energy day for our employees with different workshops. We have a platform on which we have from time to time some challenges for our employees, for example in 1 month, we will celebrate the employee with the most steps”.

Code: discount voucher

Example: “One of our employees was mentioning if it would not be possible to have an allowance for clothes because they always need to look good for their job function. This was not possible, so we looked for an alternative and we found a retail shop that wanted to have a cooperation with us. Our employees receive now twice a year a discount voucher for clothes in that retail shop”.

Code: revision of their private insurances

Example: “Our employees are able to let review their private insurances and see if there is not a possibility to have their insurances in a more beneficial way for them”.

Code: non-recurrent bonus**Code: daily allowance****Code: additional holidays****Code: Phone****Code: PC****Code: Internet****Code: warrants****Code: Sport cheque****Code: Culture cheque****Code: Child day care****Code: Counseling****Code: Eco-cheques****Code: Gym at the office****Theme: Flexibility**

Definition: It refers to the ability to change or be changed easily according to a specific situation.

Category: Flexibility within employee benefits

Definition: It refers to the extent in which employers are providing trade-offs within their employee benefits.

Code: Different Employee benefits for occupational groups

Example: We try to have the same employee benefits for all our employees, but we have occupational group, and of course a function with for example more responsibilities, will have more employee benefits”.

Code: Openness for employees

Example: “If an employee comes to our office and makes a suggestion of a new employee benefit that could be interesting, we would take it into consideration and search for more information to see if we are able to introduce that benefit within the organization”.

Code: Trade-offs

Example: “In our organization, we have only fixed employee benefits for our employees which brings that they are not able to make trade-offs in their employee benefits”.

Code: Trend

Example: “Flexibility is really a trend, that flexibility did not exist before. We started in 2013, pioneers, we have introduced this for his employees. We started very basic with extra holidays, flexibility with company car and now during this time last year, you saw a change, that a lot of companies are working on this”.

Code: Flexible reward plan

Example: “We introduced a cafeteria plan within our organization with a basic start in which only two trade-offs were possible. Once we mastered the process, we added on an ongoing base new benefit within the cafeteria plan to provide more options to our employees”.

Code: Options

Example: “Employees have nowadays different needs; we prefer to meet their needs and provide them with different options”.

Code: Grades flexibility

Example: “We prefer to not give on a yearly basis flexibility to our employees, every quarter they can use their bonus to choose benefits related to their needs”.

Theme: cafeteria plan – flexible reward plan

Definition: It refers to the reward scheme in which employees have the possibility to make trade-offs within their employee benefits

Code: Point of view

Example: “The only thing I’m a bit scared of is, for example with introduction of cafeteria, is that there will be too many different options what will bring a lot of extra work, administration for the HR department.

Theme: strategy

Definition: It refers to a plan of actions designed to achieve a long-term or overall aim.

Category: Government & law regulations**Code: regulations**

Example: “If there will be tomorrow in Belgium the decision to provide a new employee benefit that is very attractive, we will implement it in our company employee benefits”.

Category: collective bargaining agreements

Definition: It refers to the negotiation of wages and other conditions of employment by an organized body of employees

Code: national labor council

Example: “Some of our benefits are constituted at the level of an association of labor unions on national level”.

Code: on sector activity level

Example: “Some of our employee benefits are organised on collective bargaining agreement on sector activity level, for example eco-cheques”.

Category: Institutionalization

Code: copy competitors

Example: “Our salary package is in line with what our competitors are providing in order to still be able to attract the right employees”.

Code: market trends

Example: “We were not able to provide a competitive salary proposition without company car”

Category: Differentiation

Code: competitiveness – different from competitors

Example: “The non-recurrent bonus, we want to create a competitiveness advantage towards our competitors. This makes that they earn more at our company than that they would earn at our competitors”.

Example: I think that we go for the at most differentiation and individualisation strategy because we notice that we have different generations at work and different personal situations

Category: Workforce demographics

Code: Depending on the family situation

Code: Different generations

Code: Different life phases

Example: “We use those trade-offs because we notice that employee benefit needs are depending on population”

Category: reward and/or employee benefit policy

Code: Internal reward management

Example: “We do not have a cooperation with social administration office”

Example: “Some parts of the internal reward management system are written down (bonus system – seniority & occupational groups)”

Example: “No supporter of salary scale because this works not motivated. If your employee engages for 110% or 80%, in 5 years both employees will have the same salary. We prefer to look at qualifications, age, experience, education and depending on those factors, we take a look at what employees with the same function, age and experience earn in the company”.

Code: Differentiation in benefits for different occupational groups

Example: We have some benefits that are the same for all employees, hospitalisation insurance, meal vouchers. The net daily allowance has differentiation in amount”.

Code: external reward management

Example: “We do have a cooperation with social administration for payroll or other questions related to rewards or legal information”.

Category: financial point of view

Code: cost advantage

Example: “We are introducing some specific employee benefits due to the cost advantage that they are leading compared to give employees a gross salary increases”.

Category: decision takers

Code: Compensation & benefits manager

Code: Executive team

Code: CFO

Code: in cooperation with HR

Category: HR / Company strategy

Code: Attraction

Example: “We want to provide a salary package as complete as possible”.

Example: “More in the picture, that is also one of the reasons was to be competitive. There are a lot of companies in the recruitment sector and this a way to attract new hires. We will need to put those benefits more in the picture.

Code: Retention

Example: “Also to retention strategy, employee benefits can help, the flexibility. Things that make employees happy, that is something where people engaged in, well-being, work-life balance is still top of mind”.

Theme: Communication

Definition: It refers to the imparting or exchanging of information by speaking, writing or using other ways of medium.

Category: Strategy

Code: Minimal HR Communication

Example: “In our organization, our executive team is doing the communication towards our employees on their benefits”.

Code: Operational

Example: “We do not have eco-cheques, we decided to exchange them for an increase of meal vouchers. And sometimes we get some questions from employees concerning this and if we explain the reason and give the information, there is no problem. But it is that they only contact HR if there is a problem”.

Code: Marketing

Example: “HR does the communication in cooperation with marketing, the responsible for internal communication because we communicate too technical. She assists us if we want to promote new or existing employee benefits”

Category: Communication Channels

Code: Face-to-Face

Example: “face-to-face, I prefer to use it because you can give individual information, every situation is different”

Example: “Face-to-face meetings are less used. We became a too big group of employees. If you are a small company, it is easier to explain the things and of course go faster”.

Code: Group

Example: “Group meetings, if for example information needs to be shared concerning company cars, it is easier to reach 1 group of employees and in addition for us it is a tool to bring everybody together because we work very decentralized”.

Code: Printed Materials

Example: “To the future, it sounds very old school but, I have the feeling, for it is nice as well, the old school brochures. But there is not that much information on, but it is nice to give the employee when they have questions.

Code: Digital

Example: “Intranet asks a lot of time to keep it up-to-date”.

Example: “We created a webinar to inform our employees on our employees’ benefits”

Code: Depending on benefit

Example: Concerning our pension benefits we do a minimum on communication beside the fact that they receive every year a benefit statement from our supplier”.

Code: Combination

Example: “E-mail, SharePoint, Yammer are often simultaneous used to communicate, we communicate by e-mail and info shared on Jammer as well”.

Category: Communication moments

Code: Recruitment

Example: “During our recruitment process, new potential hires are asking on their benefits and we are using them as an attraction method”.

Code: Onboarding

“During onboarding, before, you start as new employee, first week, first days you get a lot of new information and then you need to have a 1h meeting with HR concerning insurances etc on which you do not have interest at that moment and what leads to information that gets lost. So now we have tried to divide this, in a movie concerning insurance, that the employee can watch when he wants and has interest. We want to make it more digital”.

Code: Change in policy

Example: “Hospitalisation insurance only after 6 months, at the moment of enrolment, a small conversation with the employee as confirmation enrolment”.

Category: Communication goals

Code: Information sharing

Example: “We want to let our employees know what the organisation is providing and what the information is within the policy”.

Code: Understanding

Example: “We try to write our communication not too technical in order to let our employees read the information on an easy way”.

Code: Interaction

Example: “We are communicating in group to see how our employees are interacting with each other during the communication”.

Theme: Employee involvement

Definition: It refers to the extension on which employees are participating in the employee benefit process.

Category: Openness towards employees

Code: Participation

Example: “Not really employee participation, it is decided by the executive team.

Example: “It is good to involve, but you make it yourself as employer more difficult”.

Code: Importunateness

Example: “It will become more important to the future, also in flexibility according to the life phase of the employee. I think we will have an evolution in the future, but today not yet. Currently it is not a question from our employees”.

Code: Survey

Example: “Sometimes we see the use of surveys, but it can be dangerous as well. You need to ask the questions on a right way in order to not create wrong expectations”.

Code: Openness

Example: “Initiatives concerning sport at work are coming from employees and as employer encourage these initiatives, but the organisation does not take initiatives”.

Appendix D: Overview Comparison Interview Organizations

COMPANY	EMPLOYEE BENEFITS	FLEXIBILITY	STRATEGY	COMMUNICATION & PARTICIPATION	QUOTATION
Company 1	Meal vouchers Company cars Fuel card Mobile phone Laptop Gift voucher (employees & children) Health benefits (hospitalization insurance) pension benefits (group insurance) Healthy fruits Energy days & platform (workshops health & well-being)	Current project: cafeteria plan No possibility to make trade-offs No possibility for participation (executive team makes decision) – open for suggestions	Internal reward policy (not on everything) Different employee benefits based on occupational groups Decision executive team with cooperation with comp & ben Strategy from company (not really HR)	Internal memo (weekly) Mailing (managers) Group meeting Face-to-face (not that much; too big group) Social media promotion social activities Pension benefits: group meeting & newsletter Leisure benefits: social media & newsletter	“We are currently working on a cafeteria plan project, but it is not yet in practice, possibly at the end of the year we will make the introduction”. “We do have an internal reward policy on bonuses, seniority and occupational groups with use of pay scales”.

	<p>Social activities (running) Eco-vouchers</p>		<p>Bonus: stimulate employees</p> <p>Retention</p> <p>Attraction</p> <p>Regulations by Government & law) – tax advantages</p>	<p>Preference: different from what companies does: 1 group meeting, 2 newsletter 3 face-to-face</p> <p>No use anymore => printed materials, preference for digitalization</p> <p>For future: interactive digital tools, more email & internal platform</p> <p>No surveys</p> <p>Still value the importance of face-to-face communication but it is not easy</p> <p>only face-to-face with group meetings</p>	<p>“We have different employee benefits based on occupational groups, for example the company car, fuel card, pension plan and bonus”.</p> <p>“The decisions are taken by the executive team with cooperation of the Compensation & Benefits manager.</p> <p>We do have a strategy, but it is more from a company perspective than HR”.</p>
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				<p>more in-depth explanation & interaction possibility</p> <p>No surveys</p> <p>A bit scared of the introduction of a cafeteria plan – too much possibilities & the workload</p>	<p>“We introduced the bonus system as a stimulation tool for our employees. We use the employee benefits as a retention strategy and do the follow up on market trends. We often review our bonus system to keep our employees engaged and show them value”. Beside the retention strategy, we use the benefits as an attraction strategy, but it needs to be well elaborated because our</p>
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					<p>competitors are having more or less the same”.</p> <p>“Beside the market trends, the regulations by law and government play an important role as well. We check with employee benefits have tax advantages. For example, last year the government made some changes on the cash for car & mobility budget. But of course, all those changes, it still needs to be achievable for the organization”.</p>
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					<p>“As communication channels, we use mostly our weekly internal memo to communicate ongoing things”. Beside this we have another separate mailing to our managers. For our managers, we do organise group meetings in which we explain face-to-face ongoing topic. But in general, to our overall employees, we do not communicate a lot by using face-to-face</p>
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					<p>communication because our group became too big”.</p> <p>“We use social media mostly for the promotion of our social activities and leisure benefits, such as running activities for example”.</p> <p>“To communicate our pension benefits, we organise a group meeting in which we explain the information in depth, and we provide a newsletter to our employees”.</p>
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					<p>“My preference in communication channels is different from what the company does, for me personally, I have on number one group meeting, number two newsletter and number three face-to-face communication”.</p> <p>“We do not use anymore printed materials because our preference is now more and more on digitalization”.</p>
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					<p>“In the future, we will go further on digitalization and interactive digital tools, more email and the use of internal platform”.</p> <p>“In our organization, we do not do any surveys”.</p> <p>“I and the organization still value the importance of face-to-face communication, but it is not easy with that much employees, only face-to-face with group meetings</p>
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					<p>which is only for the management level; to give more in-depth explanation and create the maximum on interaction”.</p> <p>“I and the organization are a bit scared of the introduction of a cafeteria plan because it will lead maybe to too much possibilities and it will create much more workload than before which will ask more structures”.</p>
Organization 6	Pension plan (group insurance)	Flexibility by cafeteria plan –	Internal reward plan from executive	Information sharing	“Most employees are well informed during

	<p>Hospitalisation insurance</p> <p>Some training days on healthy food</p> <p>Eco-vouchers</p> <p>Company car (not for juniors)</p> <p>Fuel card</p> <p>Phone subscription</p> <p>Voucher phone device</p> <p>Bonus system</p>	<p>possibility to choose every quarter (input bonus) – very intensive process</p> <p>Employee benefits cafeteria plan: purchase mobile phone, tablet, electric bike, warrants</p> <p>Refund internet at home, private pension insurance, supplementary child benefit</p> <p>In future maybe more flexibility (by using a part of their salary)</p>	<p>team - Decisions from executive team with cooperation HR</p> <p>No written reward plans</p> <p>No benefit policy</p> <p>Benchmarks are used</p> <p>Cooperation social administration office for payroll</p> <p>Legal info – lawyer</p> <p>Financial advantage</p>	<p>Promotion (putting in the picture)</p> <p>Personalization</p> <p>Preference face-to-face communication</p> <p>Involvement - Survey: by using a poll – introduction cafeteria plan</p> <p>Involvement: limitation in involvement, voting and preferences but no idea box – streamline involvement</p>	<p>the contract signature what brings that we do not have that much questions, only when a problem occurs”.</p> <p>“Cafeteria plan, we do face-to-face, we have in this system an external partner, Acerta, we did for the introduction a group meeting. Acerta went to every region, they gave a presentation and after they got printed materials provided from the supplier and we always send e-mails when they can make</p>
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		<p>Company strategy - competitiveness</p> <p>Differentiation in benefits by using occupational groups</p> <p>Strategic: more & more transparency</p> <p>Attraction: More in the picture,</p> <p>Flexibility benefits: this a way to attract new hires. We will need to put those benefits more in the picture, already done in vacancies</p>	<p>choices for their cafeteria plan”.</p> <p>“I think that we will use in the future more printed literature provided by the company or interactive digital tools. We do not have one supplier for all our benefits, so we need to buy an external software”.</p> <p>“I have on number one face-to-face meetings, because we have a broad package, some of our benefits are really</p>
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				<p>specific, for example with kids included, and then I think it is good to get that kind of information face-to-face. I prefer to give face-to-face information or in group because then you are sure that they heard it and you have faster feedback. That interaction makes that you get faster somewhere. But of course, not possible for every employee benefit”.</p> <p>“This poll made that we introduced</p>
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					<p>cafeteria plan, more choices in company car, flexible working hours and homeworking”.</p> <p>“I think it is interesting to involve employees, but it needs to be well streamlined on how we formulate the wish, or we going to follow the majority or not if there are other suggestions”.</p> <p>“I’m pro poll, voting and preferences between different things but to</p>
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				<p>introduce an idea box in the company where all the employees can give their ideas, I think this is difficult”</p> <p>“The reward plan is more and more transparent. It was not always like this, but we are now really aware that we want to make all employees equal. We communicate openly this are the benchmarks for this function. This information is not available on intranet</p>
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					<p>but there is open communication”.</p> <p>“More in the picture, that is also one of the reasons was to be competitive. There are a lot of companies in the recruitment sector and this a way to attract new hires. We will need to put those benefits more in the picture, we do this already in our vacancies”.</p>
Organization 4	<p>Pension plan (group insurance)</p> <p>No health benefits</p> <p>Healthy snacks</p>	<p>Introduction flexible reward plan (since 6 or 7 years)</p>	<p>Competitiveness: The strength of your salary package, try to make the difference</p>	<p>Needed to communicate well concerning this introduction of cafeteria plan, why introduction and advantages.</p>	<p>“On the strength of your salary package, you try to make the difference with other employers within</p>

	<p>Sport initiatives employees (Zumba or Yoga during lunchbreak – running during lunchbreak)</p> <p>Counselling</p> <p>Eco-vouchers</p>	<p>Give people different options</p> <p>Let employees give suggestions</p> <p>Big change within company – need for communication</p> <p>Employees have a budget 1570€ yearly.</p> <p>Freedom to spend their yearly budget</p>	<p>with other employers within your market.</p> <p>Cooperation with social administration office for payroll</p> <p>No specific reward plans</p> <p>HR strategy – cost advantage both sides</p> <p>HR strategy: yearly update concerning new employee benefits that we can implement by</p>	<p>Culture – open communication concerning employee benefits (even on website)</p> <p>Information sharing</p> <p>Communication concerning employee benefits done by marketing (no cooperation with HR – only director of company) creation of one communication style (language) for the organization– only HR communication during for example contract negotiation</p>	<p>your market. People that are applying within our company, do it often as well at our competitors and if you have substantive the same offer, you need to differentiate on the salary package”.</p> <p>“We needed to communicate well concerning this introduction of cafeteria plan, why we wanted to introduce this system, what the advantages were for the employees”.</p>
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			<p>government laws – new benefits</p> <p>Attraction strategy</p> <p>Recent graduates no knowledge</p> <p>Attractive as employer in market</p> <p>Retention</p>	<p>Concerning pension benefits: minimum communication</p> <p>No overcommunication</p> <p>Not more communication to the future</p> <p>Employees are aware of the flexible reward plan. We communicate through the year, between colleagues or they come with question to me - operational</p> <p>Targeted communication (personalization)</p> <p>Information sharing</p> <p>Understanding</p> <p>Transparency</p>	<p>“We hire a lot of recent graduates who does not know the existence of pension benefits, group insurance never mind that they have knowledge on what it is. I always give the information concerning the first, second and third pillar on pension”.</p> <p>“The most important for me is still the face-to-face communication or in group face-to-face communication in</p>
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				<p>The most important for me is still the face-to-face communication or in group face-to-face communication support with materials from the supplier or the company.</p> <p>Newsletter for sure as well”.</p> <p>Social media: does not work – information gets lost.</p> <p>Preference e-mail – personalized targeted message</p> <p>Involvement: Initiatives from employees concerning sport activities at work (Yoga, Zumba, Running)</p>	<p>support with materials from the supplier or the company. Newsletter for sure as well”.</p> <p>“I notice that, we have SharePoint, Jammer (kind of Facebook for companies) which is not always consistently consulted by the employees which leads to a lot of lost information”.</p> <p>“It is something like messages on Facebook, your</p>
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				<p>Involvement by counselling – career guidance – well-being</p> <p>No surveys</p> <p>But always open for propositions from employees</p> <p>Involvement of employees in employee benefits is important - Create feeling of involvement – that they have a say</p> <p>Give them opportunity to bring suggestions – create motivation</p>	<p>message goes more down, and employees scroll down and see it fast and after they forget it, so I prefer to still use e-mail, personalized”.</p> <p>“For our organization it is important to provide career guidance to our employees and well-being is on the top of mind of our organization”.</p> <p>“We have an open-door policy and always open for propositions of our employees. Maybe</p>
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				With employee benefits – fewer individual needs more group needs	we will not always implement their ideas, but we will always listen and see what possible is”.
Company 2	Net daily allowance Meal vouchers Non-recurrent bonus Hospitalisation insurance Eco-vouchers Bonus system (depending on occupation) Company car Fuel card Mobile phone Laptop	Open for suggestion employees Open communication Introduction of leisure benefits by employees Maybe to the future bring that flexibility in the company, but not a running project	Internal reward policy Employee benefits depending on occupational groups Net daily allowance; company car; fuel card Mobile phone & laptop	Face-to-face meeting Group meeting Newsletter Social media Digital flyers possibility to customize No use of printed materials	“Maybe to the future that we will bring that flexibility in the company but is not a running project at this moment”. “Competitiveness: differentiation to the competitors, we introduced a non-recurrent bonus, and this is in application for both side to the

	<p>Disability insurance</p> <p>Possibility to scan their current private insurances on costs</p> <p>Guaranteed income insurance</p> <p>Social activities (running)</p> <p>Training</p> <p>Discount on camps for kids & discount vouchers twice a year for buying clothes</p> <p>Working on ugly days – extra holidays</p>		<p>Introduction meal vouchers (necessary due to legal aspect)</p> <p>Decision made by executive team</p> <p>Competitiveness: differentiation to the competitors</p> <p>Other employee benefits: need because other competitors are providing them as well</p>	<p>SharePoint, central point of information</p> <p>For future: more self-service</p>	<p>client and employees”.</p> <p>“Other employee benefits, we needed to introduce because other competitors are providing them as well so we are trying to follow where we can”.</p> <p>“We us it in an attraction strategy to our new hires”.</p> <p>“We follow up on the current market trends by following the legal aspects and adapt to the situation,</p>
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			<p>Guaranteed income due to an employee situation from past</p> <p>Follow up market trends strategy</p> <p>Attraction strategy</p>		<p>currently we are closely following up for the pension benefit aspect”. Maybe the government will make this an obligation for employers”.</p> <p>“Face-to-face communication is useful for specific information for one individual which makes it easy to provide answers to specific questions”.</p> <p>“In our group meetings, we provide</p>
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					<p>also new info and share this with our employees. Beside this we see this as a good opportunity to bring people together. We have a decentralized culture”.</p> <p>“A project that will be maybe for the future will be the introduction of more self-service within the organization in which employees are more indepently in charge for their input on holidays for example”.</p>
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					“It is good to let the employees involve but makes it more difficult for employer and makes it as well less clear for the employer”.
Organization 3	Hospitalisation insurance Pension plan (executive level) Healthy snacks Work accident insurance (above legal required) Guaranteed income insurance Omnium & reisbijstand verzekering	No flexibility	Internal reward policy Written employee benefits plan – policy Employee benefit plan is a copy from another subsidiary of SD Worx	Team meeting (every month) Preference face-to-face Communication Face-to-face communication in group Face-to-face; one-on-one No use of social media, interactive digital tools or newsletter	“Our employee benefit plan is a copy from another subsidiary of SD Worx. There is no specific strategy provided within the organization. SD Worx wants that all their subsidiaries are similar to each other which leads to an easier overview”.

	<p>Company car, mobile phone, internet (executive level) Eco-vouchers Additional holidays</p>		<p>Employee benefits depending on occupational function (pension plan) Decision by executive team Attraction strategy Employer branding To future: not really changes</p>	<p>No big changes to the future Last year engagement survey Input employees is important to create more satisfaction but too much involvement can create too high expectations, problems with some employees</p>	<p>“It is used as an attraction strategy because we are a small company, so we need to differentiate in a particular way from our competitors’. “The employee benefits help in the creation of us market position and we use it in a certain way as part of our employer branding strategy”. “If I look to the future, I do not</p>
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					<p>forecast really changes within our strategy. We are limited in budget. The only things that can maybe be introduced will be a mobile phone because we are thinking to introduce working at home in the organization to bring more flexibility to our employees”.</p> <p>“We organise every month a team meeting in which we share new updates in social law or ongoing market trends. We</p>
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					<p>use this moment to share information concerning all employees related topics like employee benefits changes”.</p> <p>“I have the preference to use face-to-face communication in group because than I can see the reaction, interaction between colleagues. We can notice the non-verbal communication and signs are using between each other. You get a lot of information by this”.</p>
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					<p>“I do not always really feel the appreciation from our employees when we introduce new things in the organization what is not always nice as an employer”.</p> <p>“I prefer to give face-to-face communication because in one-on-one information sharing moment, it is easier to provide personal and more detailed information for the employee”.</p>
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					<p>“Beside that we are providing information to our employees, there is information provided by the supplier”</p> <p>“I do not see really big changes to the future. Maybe we will use more personal communication like face-to-face communication and maybe we will not use printed materials anymore and use more digital channels like our server for share information”.</p>
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					<p>“The input from employees is important to create more satisfaction but too much involvement can create too high expectations and can create problems with some employees due to the high expectations and not have a realistic view on the employer side”.</p>
Organization 5	<p>Pension plan – group insurance</p> <p>Life insurance</p> <p>Hospitalisation insurance</p>	<p>Introduction flexible reward plan.</p> <p>Trade-offs employee benefits</p>	<p>Competitive edge</p> <p>Trend in market & competitive position</p>	<p>Face-to-face communication important</p> <p>80% participation</p> <p>Individual choice</p>	<p>“There are different generations at work and different personal situations. It does not always age related, also life</p>

	<p>Guaranteed income insurance</p> <p>Work accident insurance (above legal required)</p> <p>Eco cheques (legal required)</p> <p>Employee assistance program (more on mental counselling than physical)</p> <p>Gym at of the office</p> <p>Currently temporary healthy food project in cooperation supermarket</p> <p>Gift employees with children - Saint Nicolas</p> <p>Balance at work</p>	<p>Different generations at work</p> <p>Different personal situations</p> <p>Not always age related, also life phases</p> <p>Information sessions around their options</p> <p>Other needs</p>	<p>Competitiveness – market position</p> <p>Benefit policy</p> <p>In-house management</p> <p>Company strategy – the greening fleet</p> <p>Company strategy – health – company bike</p> <p>Approval finance – cost</p> <p>Approval remuneration committee</p>	<p>Every year new benefits according to the results from survey</p> <p>Cooperation marketing – internal communication responsible</p> <p>Support from external consultant once a year (pension benefit)</p> <p>Create insider knowledge</p> <p>Intranet</p> <p>Information sharing</p> <p>Understanding</p> <p>Interaction</p>	<p>phases are an important factor. It is important to give people options in order to maximize their satisfaction”.</p> <p>“80% of our employees are using the flexible reward plan”.</p> <p>“By introducing that flexibility, we notice that we have a competitive edge.</p> <p>Flexibility is a trend in the market and can help to create a competitive position,</p>
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			<p>(subsidiary body of Executive Board)</p> <p>Strategy of differentiation and individualization</p> <p>Allocation of employee benefits according to function</p>	<p>Education</p> <p>Digitalization</p> <p>Surveys</p> <p>Preference to involve employees in their employee benefits</p> <p>Employee involvement yes, but no decision power</p> <p>Open communication</p>	<p>like for example the company car case”.</p> <p>“It is related with competitiveness and the market position. We were not able anymore to provide a competitive salary proposition without a company car included”.</p> <p>“You want to provide an attractive reward policy in which you are able to attract and retain employees. Sometimes you are driven by the market,</p>
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					<p>like the company cars”.</p> <p>“Some employees want flexibilization in their company car, holidays, the end-of-year premium. With this employees’ can make different choices in line with their personal needs. During particular life phase you need less holidays than at other moments, than you can choose more cash for example, or take a bike in exchange for holidays, but an employee can save holidays, to have</p>
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					<p>these extra days when needed”.</p> <p>“HR does the communication in cooperation with marketing, the responsible for internal communication because we communicate too technical. She assists us if we want to promote new or existing employee benefits</p> <p>We want to make the access to intranet earlier than the moment of start in the</p>
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					<p>company because this is actually too late. Because often they want, they get the information during the recruitment process, but often they want to consult information or how things work practically, for example order a mobile phone so we prefer to give partially access to the intranet”.</p> <p>“I think that a lot of information can be shared on a digital way, and that you do</p>
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					<p>not need to explain everything in person. I do believe in a personal closing moment, that can be in group meeting, if it is a specific situation for an employee, during a personal meeting</p> <p>If we for example communicate new policy concerning net allowances in which we can easily make a correlation with function categories, then it is not necessary to communicate face-to-face”.</p>
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					<p>“In the future we put more emphasize on more use of interactive digital tools in which supply and demand will be integrated in the intranet. We have now already supply and demand but on a traditional way with frequent asked questions. At a later stage, we will add robotization with a chatbot that will be able to solve the most frequently asked questions in an interactive way, but</p>
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					this is still for the future”.
Organization 8	<p>Hospitalisation insurance</p> <p>Option dental & optical</p> <p>Pension insurance</p> <p>Life insurance</p> <p>Mobility: share a bike, share a car or a renting car</p> <p>Mobility app</p> <p>Extra holidays</p> <p>Internet</p> <p>Gifts</p> <p>Training</p> <p>Warrants</p> <p>Budget mobile phone</p> <p>Bike allowance</p>	<p>A trend in the market</p> <p>Started small, basic approach – step by step more flexibility in the reward</p> <p>Cafeteria plan</p>	<p>Competitiveness</p> <p>Trend in the market</p> <p>Attraction strategy</p> <p>Retention – maximize the employee satisfaction</p> <p>Flexibility own needs & desires</p> <p>Testimonials</p>	<p>Goal is to share information, understanding of their benefits & promotion</p> <p>Testimonials</p> <p>Traditional information sessions</p> <p>Intranet</p> <p>Use different channels in combination</p> <p>Use of surveys</p> <p>Involvement of the employees by cafeteria plan</p>	<p>“Flexibility is becoming a trend in the market. A lot of organizations Started to implement this in a small way with a basic approach and step by step more flexibility was introduced in reward”.</p> <p>Organizations use it often as a retention strategy by maximizing the employee satisfaction”.</p>

	<p>Fitness (in-house or external)</p> <p>Social activities (running competitions)</p> <p>Sport cheque</p> <p>Culture cheque (less)</p> <p>Children opvang</p> <p>Coffee, drink, meals, healthy food at work</p> <p>Eco voucher</p> <p>Representation allowance</p> <p>Net allowance</p> <p>Additional child allowances</p> <p>Dry cleaning</p>				<p>“In this way, flexibility is used to satisfy their own needs and desires of the employees’ current situation.</p> <p>“Another useful strategy can be to use testimonials from other companies to create strategic insights”.</p>
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Organization 7	<p>Pension plan – group insurance Hospitalisation insurance Sport cheque Culture cheque Not anymore fruits Wellness counselling (coaching) – employment plan 45+ Referral program in progress</p>	<p>Part of reward strategy 2017 All employee benefits flexible My flew reward – cafeteria plan Optimisation for employee Still growing – under construction Expansion depending on the law regulations and fiscal regulations</p>	<p>Internal HR department Internal reward plan “Great Place to Work” Different occupational groups for employee benefits Reward committee Government and law regulations Fiscal system Decision making – HR Manager &</p>	<p>HR team No communication concerning pension To future, more old school brochures Interactive digital tools will stay Social media, Yammer we stopped using – not working The interactive digital tools will stay used. Face-to-face communication Information sharing Understanding Education More visualization Promotion</p>	<p>“Flexibility is part of the reward strategy 2017”. “All employees benefit flexible employee benefits and rewards”. “Flexibility is important within the Vlerick Business School. Every employee has different needs; other situation and we try to come closer to the employee by using this flexibility”. “But this is still growing and under</p>
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			<p>Executive committee</p> <p>Retention strategy,</p> <p>Trends in media: following up as employer</p>	<p>Feedback</p> <p>Animation video</p> <p>Webinars</p> <p>Old school brochure</p> <p>Intranet</p> <p>PPW presentation</p> <p>Face-to-face</p> <p>Group meetings</p> <p>Newsletter (monthly)</p> <p>Testimonials</p> <p>HR online</p>	<p>construction. We have now a good basis to build further on”.</p> <p>“Dental & ambulant insurance will be added from January in the flex reward plan”.</p> <p>“You start with a few ones and from the moment you master it, start to expand it step by step”.</p> <p>“I think we will expand our offer on benefits, depending on the law regulations and fiscal</p>
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				<p>Involvement of their managers</p> <p>Survey</p>	<p>regulations, but I think we have a good basis to build on”.</p> <p>“Great Place to Work” 2016 decision to make reward strategy”. Great Place a Work, wo do this every two year and in 2016, we had also one where we then felt that on the reward part of HR, there was some unclerness and creating feeling of unfairness. In this communication is very important, the more you can communicate, the</p>
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					<p>clearer for employees”.</p> <p>“We have some important internal expertise (Prof. Xavier Baeten). He created an internal tool that companies use for company strategy. We used this one to define ours”.</p> <p>“Reward strategy exists now two years. We have a reward committee with whom we sit together twice a year to see if the decisions that we are going to make,</p>
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				<p>are still in line with the strategy”.</p> <p>“Also, as a retention strategy, employee benefits can help, the flexibility. Things that make employees happy, that is something where people engaged in, well-being, work-life balance is still top of mind”.</p> <p>“Also, through media, focus on sports, healthy food, you need to follow those trends as employer”</p>
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					<p>“To the future, I think we will focus more on old school brochures.</p> <p>Interactive digital tools will stay. Social media, Yammer we stopped using because it was not working.”</p> <p>“To the future, it sounds very old school but, I have the feeling, for it is nice as well, the old school brochures. But there is not that much information on, but it is nice to give the</p>
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					<p>employee when they have questions”. “Sometimes on websites, there is too much information available, not clear. The interactive digital tools will stay used. And face-to-face, I prefer to use it because you can give individual information, every situation is different. Maybe social media as well but needs to be relevant for everybody then”.</p>
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					<p>“Intranet asks a lot of time to keep it up-to-date”.</p> <p>“HR online we will use more. The Flexible reward plan, general reward information is complicated information to communicate. HR took more than one year to understand, to use the information. How do you do the translation to your employees? I did it with a video. I wrote a script for an animation movie. A</p>
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					<p>lot of employees do not know how much taxes they pay, and I wanted to explain these principles and go more in detail about my flex reward, how it can help employees in optimisation”.</p> <p>“Now the last year, we are trying to make things visual, beside the webinars, we are making old school brochures, but a bit cooler than a brochure, and this goes wider then employee benefits.</p>
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					<p>Now we can give our employees a brochure with basic information instead that we need to say, go to intranet. Because we know that employees this platform not use”.</p> <p>“I prefer to give face-to-face information or in group because than you are sur that they heard it and you have faster feedback. That interaction makes that you get faster somewhere. But of course, not</p>
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					<p>possible for every employee benefit”.</p> <p>“Involvement of their managers in project (reward strategy) is very important. We involved them always in workshops”.</p> <p>“We let our employees make trade-offs within their employee benefits “.</p> <p>“We are focusing on “Great Place to Work”, we do surveys concerning our flex reward plan”.</p>
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					<p>“We did a survey concerning the flex reward plan in order to see how employees think about it. What is good, what is less good, what do you want to see in the future”.</p> <p>“Some things are really not possible (by government) and we communicate this in an open way to our employees”.</p>
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