Description

Given the increasing cost of employee benefits during the past 20 years, most organizations would do well to evaluate the effectiveness of their benefits adoption, retention, and termination procedures. In essence, selecting and managing employee benefits has become a complex myriad of decisions that needs to be based on sound evaluation of employee preferences as well as an organization’s ability to deliver on the benefits promised.

TProvide a logical and fiscally sound solution(s) to the following complex benefit issue:

Scenario:

You are the chief human resource officer at Global ProTech, which employs 10,000 people worldwide and serves the technology sector. As CHRO, your bonus this year is based on your ability to cut costs. The CEO, in your weekly one-on-one, told you that it is OK to shift some of the benefit costs over to employees (employees currently pay nothing for their benefits—healthcare, gym memberships, pensions, vacation, long-term disability, education account, etc.) but that she does not want you to overdo it. In other words, at least half of your suggestions should not affect an employee’s overall pay.

Prepare a paper to deliver to the CEO. Address the following issues:

•Explain the percentage of benefit costs employees should own. Discuss the industry average as a percent of salary.
•What alternatives do you want to explore and why?
•Examine the steps you will use to arrive at this percentage. Will it happen immediately, gradually, or over time?
•Analyze your overall communications strategy, including the obstacles you might face, any emotional issues or backlash, and any potential reduced productivity.
•Outline your next steps and recommendations