

*HUMAN CAPITAL MANAGEMENT:
What the C-Suite Needs to Know About Benefits*

Women Want Flextime, Work-Life Schedules

By David Creelman



The challenge with employee benefits is viewing them as an investment, not a cost. For example, buying office equipment can be hugely expensive, but no one blinks because it is seen as something that will generate a return. In order to see benefits this way, executives must know that they will produce a positive outcome for the company. To that end, experts agree that a purposeful and targeted approach to benefits can boost employee retention rates, which can be an enormous cost savings.

One targeted purpose for benefits is the retention of female employees. Any manager who has lost hard-working female staff can relate to this cost, but the payoff of retaining more women is clear.

When it comes to the retention of women, benefits are not the only useful initiative, but they are clearly a valuable tool and a productive way to improve the bottom line.

“We have phenomenal benefits for women. One of the most important ones is flex work arrangements. For example, women can and do take extra time off for maternity, often six months,” says Jignasha Patel, director of global talent sourcing and inclusion at Freescale



Bill Mullaney
President, Institutional Business
MetLife

SATISFYING BUSINESS OBJECTIVES THROUGH EMPLOYEE BENEFITS

Demographic shifts and concerns about societal safety nets are changing the landscape of workplace benefits. Used strategically, employee benefits can help employers attract and retain talent as well as fill gaps in health and retirement plans.

“In an era of growing personal responsibility, benefits satisfaction is increasingly a key factor in employee loyalty. While important, health insurance may be viewed as table stakes – not necessarily a competitive differentiator. A portfolio of benefits can help a diverse employee population obtain the coverages they need and want,” says Bill Mullaney, president, MetLife Institutional Business.

MetLife has just released its 6th Annual Study of Employee Benefits Trends. The results suggest that workers are increasingly concerned about their economic prospects. As they shoulder more financial responsibility, they are looking for employers to help them create a personal safety net — providing an opportunity for employers to strengthen employee loyalty.

Celebrating its 140th anniversary this year, MetLife continues its commitment to helping employers maximize the effectiveness of their employee benefits plans. MetLife’s 6th Annual Study of Employee Benefits Trends is available at whymetlife.com/study1.

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“We want women to use flextime because it means they will be happy, and we will keep them. So, managers get to own this: a flextime arrangement doesn’t need approval from a vice president.”

— Jignasha Patel, Director of Global Talent Sourcing and Inclusion, Freescale Semiconductor

Semiconductor, based in Austin, Tex.

Freescale Semiconductor is a global semiconductor manufacturer with operations in 30 countries, 24,000 employees and six billion dollars in revenue. Freescale looked at internal diversity data and realized that, while it was doing well in most categories, its numbers for women were low. This did not come as a surprise to an engineering and manufacturing company, but Freescale was intent on improving its numbers.

To increase its number of female employees, Freescale decided to improve its recruitment practices, development programs and external branding. However, no retention program would be complete without considering specific investments in benefits.

As Patel notes, one of the most useful benefits for retaining women employees is providing flexible work options. This includes part-time work, telecommuting and customized schedules arranged between employees and managers.

However, a commonality at many companies is that employees are hesitant to take advantage of flextime programs. The employees believe that, despite the policy, management frowns on those who do not work regular hours. For companies that see benefits as a cost, it is not a problem if

employees don’t use the available benefits. But if benefits have a purpose, and they are not used, then their purpose will not be fulfilled.

“We want women to use flextime because it means they will be happy, and we will keep them. So, managers get to own this: a flextime arrangement doesn’t need approval from a vice president,” Patel says.

Patel tracked utilization of flextime benefits, and notes with satisfaction that the usage has gone up.

Freescale also has a concierge service to handle simple tasks that would otherwise require an employee to be in two places at one time. If an employee is on a business trip, but at the same time needs to deliver an item to his or her children’s school, the service can handle that. If a mother is working from home and her children are sick, the concierge can pick up medicine for her.

Freescale’s intent is to have a suite of services that makes it easier for women to fulfill their career ambitions without compromising family obligations. Other services include an on-site nursery at its Austin location, and Lifecare, a resource providing information on lifestyle issues such as pregnancy and child care. Freescale is also looking at some less obvious, but truly thoughtful, ideas, such as providing slimmer laptops in Japan so employees don’t have to

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“Women face problems like knowing how to help a frail elder move into assisted living on the other side of the country. Benefits can be a matter of providing advice rather than getting directly involved in elder care.”

— Sylvia Ann Hewlett, President, Center for Work-Life Policy

lug heavy computers during long commutes.

Caring for elderly loved ones drives about one-quarter of women from the workforce, says Sylvia Ann Hewlett, president of the Center for Work-Life Policy.

Yet, elder-care benefits need not be pricey. Sometimes people just need advice on figuring out the best healthcare options for seniors. Citibank offers an advisory resource and referral service for elder-care issues. Johnson & Johnson has created support groups — for example, for employees whose parents have Alzheimer's disease.

“Women face problems like knowing how to help a frail elder move into assisted living on the other side of the country. Benefits can be a matter of providing advice rather than getting directly involved in elder care,” Hewlett says.

Another important benefit is help in what Hewlett calls “off-ramping” and “on-ramping.” Many women take a break in their careers to be mothers. The breaks are generally not long, but they can be very disruptive to careers.

Hewlett says 37% of women will spend two to three years out of the workforce; 93% of these want to come back. Sadly, only 74% of off-ramped women who want to rejoin the workforce ever manage to do so.

Those are pretty substantial numbers. The financial sector has been aggressive in helping women with off-ramping and on-ramping because attrition is a conspicuous cost. Goldman Sachs' “New Directions: The Next Step in Your Career” program reaches out to women who have been out of the workforce. It provides an opportunity to meet senior employees, get updated on industry practices and get plugged into opportunities.

When benefits have a clear purpose, it makes it easier to design them, fund them and assess their value. They are never the total answer to a business issue, but they are a useful tool. The use of targeted benefits to retain women is a clear win for both employees and the companies they support. ■

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