



# Global Benefits –

How well do your rewards and benefits cater for your employees' needs around the world?



# Introduction

It's not easy for employers and employees in times of economic turbulence where the cost of living is forcing people to make difficult choices. Some might be worrying about how much electricity they are using, some might be thinking about canceling subscriptions or / and memberships, while others will be worried about high mortgage repayments. However, there are ways employers are able to relieve the burdens employees are facing with the right rewards and benefits strategy.

A little help can really go a long way.

Companies can personalize their rewards and benefits to offer employees, both prospective and permanent, something that they feel reflects their needs. The Great Resignation during the pandemic has meant that businesses also need to attract new talent and retain them. Bearing in mind the

global problems mentioned in my introduction, there hasn't been a better time to roll out employee benefits that offer, for example, charity donations, environmentally friendly goods and services (e.g., discounts on public transport), and discounts on frequently purchased items (e.g., groceries).

The strongest elements of any employer are, for me, when an employer can build close relationships with employees through communication in a personal, timely and relevant way. It's about creating personalised experiences that help drive employee engagement, offering benefits that are tailored to their needs no matter where they find themselves in the world.

We know that not every business in every country will have the same rewards and benefits. That's why we will talk about comparisons between

countries that will highlight the differences between them. If a business in one country doesn't offer something that a business in another country has, then it's time for that business to ask itself why not?

Enjoy the read.



Joakim Alm,  
CEO, Benify

A handwritten signature in blue ink, appearing to read 'Joakim Alm'.

# Overview of Global Benefits

The governments of the world will have their own set of mandatory benefits that are made available to all employees and citizens, and if there is a common thread among them, then it's usually benefits relating to parental leave and holidays. Non-mandatory benefits are the ones that companies feel are the best for their employees and this can include health and wellness, pensions, and insurances. However, during times of financial crisis and major global events, companies might feel that they are under pressure to streamline their benefits to be able to navigate their way through the turbulence.

In [Alight's Global Impact Report 2022](#), they highlight many issues that are unique to each specific country. For example, they say India's biggest problem has been providing resources in light of the COVID-19 pandemic, and that they initiated and hosted vaccine drives and a 24/7 helpline for their colleagues and family members there. With regards to health and wellness, their Mindset research 2022 found that 50% of employees regret a healthcare decision, 75% are experiencing high to moderate stress levels, and 42% say it's impossible to save enough for retirement. For global businesses, this might mean

adapting their benefit strategy to include health and wellness and financial help.

Of course, one of the most repeated phrases when it comes to company benefits is the larger the company, the better the benefits or perks, but not everyone will be working for a large company. So, what can companies do to help their employees, especially in times of increased global worry? Many companies are turning towards technology for the answers and are using benefits platforms to help communicate their range of benefits alongside the mandatory government benefits.

We will demonstrate how far employee benefits technology has come in making a company's life easier when it comes to designing a total rewards and benefits compensation package. Technology has advanced to such a degree that it shouldn't matter how many employees are operating outside a company's HQ, whether this is in the same country or abroad. Employees, and people in general, who travel to different countries, or emigrate, often ask how statutory benefits differ (e.g., maternity leave) compared to their home country. The answers, of

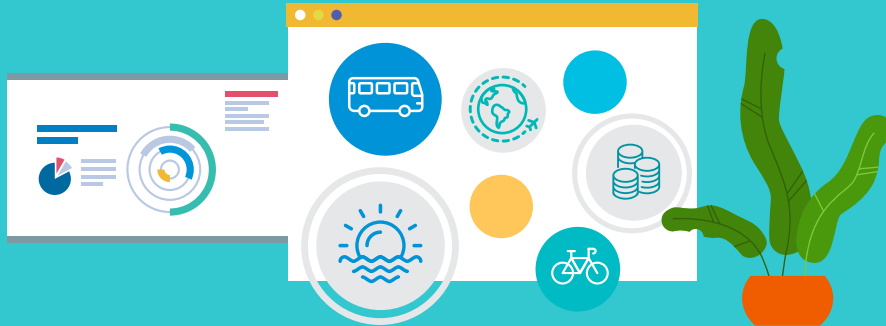
course, vary depending where somebody finds themselves, and these waters are further muddied when one company will offer one benefit whereas another doesn't. To answer these questions, and thereby filter the muddy waters we'll compare and contrast statutory benefits in a few countries, as well as compare and contrast some of the most common company benefits, to ascertain some of the difficulties companies face, and how they can utilize benefits technology to overcome them.



# Pillar 1: Access and Engagement

In today's world of advancing technology, people are using apps for all manner of things, and there seems to be an app for everything to make life easier. Therefore, it's important for businesses to offer their employees benefits that can be accessed and used in the same way. Employee benefits technology is improving all the time, and there has never been a better time than now to let employees know that they can get a majority, if not all, of their needs met regarding benefits. A state-of-the-art employee benefits app, accessible by smartphones and other mobile devices, is not only the best way

to let your employees know their true value, but it can also help them during difficult times (e.g., rise in the cost of living). By turning the same common goods and services people book or buy with their smartphone outside work into benefits, employees will immediately appreciate them more than benefits that are irrelevant or obscure. This, in turn, will boost employee engagement and create a rewards and benefits package that will attract and retain new talent.



## BENEFITS AROUND THE WORLD

### What do different countries offer with their benefits?

We have cherry-picked some countries and shone the spotlight on them when it comes to what benefits they offer. This includes mandatory benefits that are decided by the governments of each respective country, and some of the most common benefits chosen by businesses. If, as an employer, you've wondered how other organizations design their benefits strategies, then this whitepaper will offer useful insight into how they do this, whilst also revealing some surprising statistics.

To get things started, Japan is the first country to be scrutinized under the benefits magnifying glass.



## Spotlight on Japan

According to Statista, chat and social networking apps are the most used mobile apps in Japan in 2020, with entertainment, maps, and shopping apps following on behind. With the number of people using their smartphones coming to 107.1 million people, it's not hard to understand why benefit tools are so important.



### DID YOU KNOW

*More than 53% of businesses in Japan view cultivating human resources as the best way to counter labor shortages.\**

#### Statutory Benefits

- Paid Leave. Employees can accumulate paid leave up to two years depending on number of years of service.
- Social Insurance. Health and nursing, pension and labor insurances.
- Employment and worker's accident compensation insurances.
- Maternity Leave. 14 weeks and paid two-thirds of base salary.
- Parental Leave. Can be taken until child turns 1 year old. Leave is extended by two months if both parents are off at the same time. Employees are paid two-thirds of base salary.

#### Common non Statutory Benefits

- Public transport reimbursement.
- Additional holidays for specific occasions (e.g., marriage, funerals.)
- Additional health insurance and pension plans.
- End of service gratuity for expats when they finish their employment and move back to home country.
- Savings plans (non-taxable up to a certain limit)
- Childcare allowances.
- Sick leave but only some international companies offer this.
- 13th and 14th month salary, which is either factored into wages or is offered in summer and winter seasons.
- Corporate housing schemes. Partial or full payment of rent.

\*<https://teamstage.io/japanese-workforce-statistics/>

## Pillar 2: Communication Strategy and choosing the right tools

The pandemic changed the way businesses operated, and it soon became apparent that technology held the key to keep them rolling. Remote work became the norm for many employees, and it meant getting to grips with conferencing software like Zoom and Microsoft Teams. However, after pandemic restrictions were lifted in a majority of countries, employees got used to working from home and wanted to keep things that way. This saw the introduction of hybrid work where, typically, employees worked two days in the office and three days at home\*.

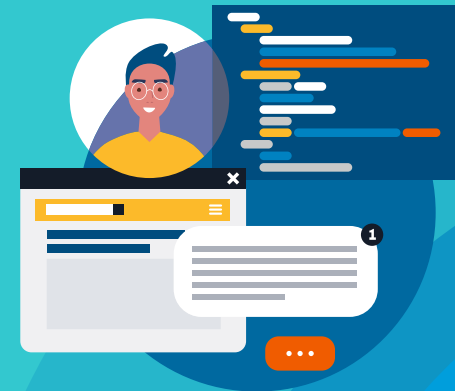
However, for some, hybrid work is not an option. Manufacturing, for example, is one of the industries where workers are most difficult to communicate with, and more traditional communication strategies such as posters or representatives from benefit organizations are either ineffective or time-consuming. A recent study found that 55% of factory workers said benefits influence their performance, while 70% said they strongly agreed or agreed that it creates sound industrial relations.

In addition to this, a recent study looking at the impact of employee turnover in manufacturing found that the assembly lines experiencing higher turnover produce an estimated 2%–3% more field failures on average, resulting in an associated cost of hundreds of millions of US. Dollars\*\*.

For organizations that have employees spread out around the globe, that could be working hybrid or remote, or without access to a desktop computer, choosing a benefits strategy and the right tools to implement can sound daunting ...  
... but it needn't be.

Employee benefits technology has advanced so much that any employee, no matter where they find themselves, can access their total rewards and benefits at the touch of a button. The same digital benefits platform that office employees use is the same as the one on mobile devices, which is really handy for employees that work out in the field or have hectic schedules like healthcare professionals. This also means that through

technology, HR professionals can update, adapt and communicate any updates or changes to all employees, covering an entire global workforce all in one go, resulting in less admin, less paperwork and less confusion.



\*This isn't the full picture. We mustn't forget the employees who don't have desk jobs. This could include doctors and nurses, construction workers, and factory workers.

\*\*<https://pubsonline.informs.org/doi/10.1287/mnsc.2022.4311>



## Spotlight on Brazil

According to Insurance broker Genebra, the most offered benefits in Brazil are health, followed by transport vouchers, life insurance, and food vouchers. Gallup's State of the Global Workforce 2022 report found that 60% of people were experiencing feelings of worry and 40% saying they felt it was a good time to look for a new job. Therefore, rewards and benefits are crucial to looking after employee needs and retaining them.



### DID YOU KNOW

*It is mandatory for businesses to pay their employees an extra month salary called the “13th month salary”*

### Statutory Benefits\*

- Minimum wage.
- Extra weekly hours that have to be agreed upon.
- Social security.
- 13th month bonus (paid out November and December in two instalments).
- Vacation bonus paid out at least two days ahead of the employee's planned leave.
- Public healthcare (called SUS).
- 15 day sick leave on full pay.
- 30 days holiday + extra days for marriage, funeral, etc..
- 120 days maternity leave.
- Transport allowance if cost of travel exceeds 6% of employee's salary.
- Meal voucher card (employees don't typically pay for meals at work).

### Common non Statutory Benefits

The benefits listed below are common amongst Benify's client base:

- Medical insurance.
- Dental Insurance.
- Pension.
- Life and disability insurance.
- Grocery voucher.
- Fuel voucher (for sales employees only).
- Entertainment allowance (to spend on personal TV subscriptions).

\*<https://remote.com/blog/brazil-employee-benefits-compensation#statutory-employee-benefits-in-brazil>



## Spotlight on Mexico

In Mexico, like Brazil, most of its workers find themselves in factories or working in remote locations. More recently, people from other countries who want to work remote have moved to Mexico because of lenient visa regulations, with Mexico City becoming a hot spot for foreign workers wanting a change of scenery. When you factor in the sheer amount of remote workers in Mexico, then making benefits accessible through top notch self-service tools is even more crucial\*.

**Focus on Benify:** International pharmaceutical company, AstraZeneca, have been using Benify's benefits platform to improve their employees' access and knowledge about their benefits. Ulf Holmgren, Regional Benefits Lead, said, *"we wanted to make it impossible that our people could miss something. Just two months after launching our Benify platform, we raised employee understanding by almost a quarter"*.

### DID YOU KNOW

*On average, Mexicans work 2,255 hours per year, which is approximately 43 hours per week, putting Mexico at the top of the list for longest working hours.\*\**

#### Statutory Benefits

- Christmas bonus (15 days although most companies pay 20).
- Holidays. Six days after first year of employment, eight after two years, ten after three, twelve after four, fourteen after five, and then two days added for every five years worked afterwards (e.g. sixteen after ten, eighteen after fifteen, etc.).
- Holiday bonus. 25% of an employee's wage must be paid out when taking leave or in a lump sum at the end of the year.
- Profit sharing. A company must pay out 10% share of profits to employees. Executives are exempt, and so are new companies in their first year of business.
- Social security.
- Maternity leave (six weeks). Paternity leave (5 days).

#### Common non Statutory Benefits

Benefits listed below are typical of clients in Mexico, which includes:

- Retirement savings plan where employees can sacrifice part of their salary into an investment fund.
- Short-term savings plan where a percentage of employee salary is sacrificed tax-free.
- Major / minor medical / life and disability insurances.
- Meal / fuel vouchers.
- Health & wellness contribution.
- Education reimbursement.
- Cable / Entertainment allowance.



\*<https://remote.com/blog/mexico-employee-benefits#statutory-benefits-in-mexico>

\*\*<https://www.weforum.org/agenda/2018/01/the-countries-where-people-work-the-longest-hours/>



# Pillar 3: Attracting and retaining talent

## Hire to retire?

A common term within HR is “hire to retire”; a term that can mean an employee’s employment from start to finish. One of the myths of the 20th century was that a job was for life, or in other words, you are hired when you are young and retire at 65. However, this wasn’t entirely the case for some people, especially when hard times hit (e.g., general strikes in 1970s UK). It’s fair to say that employees generally spent longer in one job compared to today. This was partly due to a healthy job market in the post-war years, and the unemployment rate was low.

## What part do benefits play in attracting and retaining talent?

A recent study by McKinsey found that between April 2021 to April 2022, the second biggest reason for people quitting their jobs was inadequate total compensation (36%). Two of the other biggest reasons were lack of workplace flexibility (26%) and lack of support for health and well-being (26%).

To retain employees, companies need to not only provide good working conditions, but also offer flexible benefits that help employees’ lives outside of work. Flexible benefits are not just about companies being flexible in their approach to rewards, it is

about meeting their employees in their individual circumstances and providing them with what matters to them. Every single person is unique and each of us have different interests, motivations and ambitions in life. Not everyone logs in to Netflix and picks the same film, or listens to the same music on Spotify – so, why would benefits be different to this?

The flexible benefits could range from hybrid/remote work to offering house cleaning benefits to transport discounts. With them in place, it can often be the case that new employees are attracted to companies for this reason, and in the current climate, employees for some industries are harder to attract than others. One such example is the banking industry. Gone are the days where traditional bank clerks are needed (of course, they haven’t completely vanished, but a lot of branches in smaller towns and villages have closed, leaving main branches limited number of staff), and technology developers are being taken on instead. When banks changed the way customers bank (mostly online), technology developers became more in demand to build the apps and websites which have grown to become part of our everyday lives, and this means banks need to take on employees from the tech sector when they haven’t needed to do this before.

Whilst a traditional bank reward offering with lower mortgage rates and competitive pensions may have been really attractive before, banks are now competing against the likes of Google and Apple for the same talent, which means their reward offering has had to evolve to include areas such as flexible working and wellness.





## Spotlight on the UK

According to Gallup's State of the Global Workforce 2022 report, the UK has a low 9% employee engagement, with 41% saying they feel stress on a daily basis, 40% saying it was a good time to find another job, and 60% saying they were thriving when it came to evaluating their lives. These results seem to suggest that more people are happier outside of work than they are in it, and companies should start trying to boost employee engagement as soon as possible.



### DID YOU KNOW

*In the 19th century, people used the weekend (especially Sundays) for leisure instead of religious purposes. To counter employees who were hungover or sick on Mondays, employers gave employees half of Saturday off providing they turned up to work on Monday sober.\**

### Statutory Benefits

#### Employees:

- Maternity leave. 52 weeks, but not mandatory to take all 52 weeks. The first 6 weeks: 90% of their average weekly earnings (AWE) before tax the remaining 33 weeks: £156.66 or 90% of their AWE (whichever is lower)
- Paternity leave. 1-2 weeks, but can share the remaining 50 weeks of maternity leave.
- Right to request flexible working.
- Time off for emergencies (e.g. sick child, compassionate leave).

#### Workers (people who are on contract work):

- Protection against unlawful deductions from wages.
- Minimum wage, level of paid holiday, length of rest breaks.
- Work no more than 48 hours a week with opt out.
- Protection for "whistleblowers".

### Common non Statutory Benefits

Typically, companies offer 10 to 20 benefits and make them available through a shopping cart system. Known as "salary sacrifice", employees can pick and choose what benefits are important to them and how that impacts their wage and how tax is calculated. Some of the most common choices are:

- Pensions and ISAs.
- Holiday trading (where employees can trade in holidays for cash).
- Flexible life assurance.
- Cycle to work.
- Electric vehicle leasing.
- Health accounts (replacing gym benefits, for example).

\*<https://www.thecut.com/2016/06/how-hangovers-helped-bring-us-the-two-day-weekend.html>

# Pillar 4: Data, insights and security

Many companies are using technology to streamline their business processes, everything from admin to onboarding and internal communications. These are just some of the advantages that can be regarded as being general across the board at many organizations. When it comes to tailor-made benefits aimed at a portion of a company's workforce, or even specific individuals within an organization, there are different ways in which benefits technology and data can help create bespoke benefits for workforces across organizations. The availability and size of data has expanded exponentially, but with this comes the need for increased security to protect against misuse.

## Data Security

10-15 years ago, a lot of employee data sat in on-premise technology solutions, whilst a huge amount was still held on local drives or even in paper format. Fast-forward to 2022 and the growth of cloud-based solutions and SaaS (software as a service) has been explosive. Best of breed software solutions have replaced Microsoft Office workarounds for almost all types of business process and functions, and HR is no exception, with the global deployment of Workday, Success factors and Oracle being

almost a given for most multi-national enterprise companies. Naturally, this has enabled employee benefits to follow the same journey.

When we think about the data which is required for benefits, much of it is extremely sensitive such as health, salary, and dependent information. Despite GDPR paving the way for how this data is managed securely in Europe, and the improvements by insurance and pension providers to digitally receive secure data (even in the developing world), benefit administration still remains very manual across the world. It is not uncommon (in fact it is probably the norm) for our clients to still be relying on Excel spreadsheets being sent by email to providers and payroll, to allow for employees to enrol for benefits. With the deployment of a cloud-based SaaS solution, employees' data is handled in a much more secure manner, not only allowing companies to treat this data in a way in which their employees expect, but also drastically reducing the exposure to risk of fines which data legislation brings with it.

## Insight

Using an employee benefits platform to store employee data is useful to determine what

employees really need, and the type of data that is collected could be an overview of a whole organization or specific employees. This way, businesses can design a rewards and benefits package that is tailor-made to the organization as well as target specific employees, locally and globally. The Harvard Business Review cites a survey where participants were asked whether or not they would take a lower-paying job if the benefits were better. Over 50% of people said they would take a lower-paid job if health, dental and vision insurance were better. The data on your employees can be collected and used with a employee benefits platform to pinpoint exactly what they need as benefits. The return on investment (ROI) in these bespoke benefits could be that sick days are reduced, or talented employees are retained, or employees are more productive when they are being provided for. In any case, it makes sense for employers to gauge exactly what their employees expect, want, and need.



## Spotlight on Germany

Like most international markets, German organizations offer a combination of mandatory benefits along with multiple supplementary benefits to their employees. German organizations have strong workers councils who play a pivotal role in shaping up the employee benefits. The biggest contributions made by the employers are towards the health and pension funds at 9.3% and 7.3% of the salary respectively and it is the same level for the employees too. In total, the employers contribute approximately 20% of an employee's wages towards the various social security funds.

It's also worth mentioning that Germany has some of the strictest data laws, which has stemmed partly from World War II and the post-war years where surveillance was prevalent. Therefore, it's important for companies to know the rules and regulations when it comes to security (e.g., GDPR (General Data Protection Regulation brought in by the EU to give people rights to object to, change, or delete shared data, which improves transparency. If you've ever accessed a site that asks you to agree to cookies, then this is part of the GDPR). According to Dot Magazine, Germans pay 184 US dollars for data security on average compared to 59 dollars in the UK. The best advice for companies is to be transparent about data collection and privacy, and to show certificates (e.g., ISO) as much as possible, because any breach of security is a dealbreaker.

### Statutory Benefits

- National Minimum Wage.
- Social insurance contributions (includes health, unemployment, long-term care, accident, pension insurances and insolvency charge).
- Sick leave (100% pay for the first six weeks, 70% thereafter up to 78 weeks).
- Holiday (20 days for 5 day week employees, 24 for 6 day week employees).
- Maternity leave (6 weeks before birth and eight weeks after. Twelve weeks for multiple births). Pay is determined by the salary of the last cleared calendar months before the start of maternity leave – 13 euros a day + 65% of their most recent pay.

### Common non Statutory Benefits

- Car benefits (inc. fuel cards).
- Gift cards for special occasions.
- Christmas bonuses.
- Gym membership.
- Meal vouchers.
- Flex budget (employees can receive a specific amount depending on their level in the organization). This can cover things like wellness, mobility, etc..
- Long Term Accounts. Employees can sacrifice part of their salary to save money for early retirement or sabbaticals.

### DID YOU KNOW

*In 2019, Germans worked, on average 34.8 hours a week, which is below the European average.\**

**Focus on Benify:** Benify recently enabled a German car manufacturer to communicate to their entire workforce in real time, for the first time, live and individually through our SaaS platform. It was a goal of the German car manufacturer to become more sustainable, and with Benify, they found the optimal solution as a client that was able to reduce their administration.

\*[https://www.destatis.de/EN/Themes/Labour/Labour-Market/Quality-Employment/Dimension3/3\\_1\\_WeeklyHoursWorked.html](https://www.destatis.de/EN/Themes/Labour/Labour-Market/Quality-Employment/Dimension3/3_1_WeeklyHoursWorked.html)

# Pillar 5: Information at employees' fingertips

In the previous sections, we have talked about the importance of an employee benefits platform when it comes to streamlining business and improving employers' processes with regards to their global workforce, but how do employees at the receiving end of this platform feel or respond to it?

The answer to this is clear.

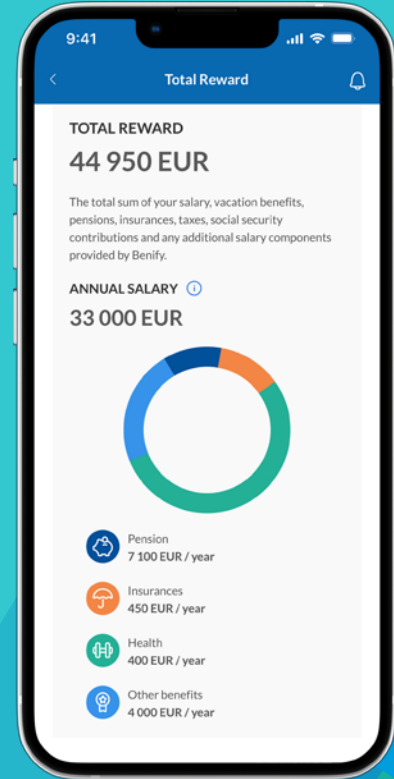
The most effective way to make employees aware of their total reward is by providing them with a clear visualization in the form of a Total Reward Statement (TRS).



A Total Reward Statement calculates and assembles an illustrated breakdown of an employee's total compensation package. This can include:

- Benefits
- Insurances
- Pensions
- Tax and fiscal contributions
- Employer national insurance contributions
- Any additional compensation (e.g., bonus)

A Total Reward Statement can be presented to employees as a physical document, usually once a year. However, the issue with physical statements is that information often quickly becomes outdated as a result of new benefit enrolments or other changes to an employee's compensation. Therefore, today's leading companies opt for digital Total Reward Statements, which allows information to be updated frequently, and be used strategically during salary reviews and hiring.





## Spotlight on India

The benefits in India work in a more complicated way compared to other countries. The mandatory benefits (some of which are listed below) vary depending on contract, industry, and state. For example, benefits for someone working in a major city might be radically different from someone working in a rural location (e.g., contractors are not entitled to benefits), and salary is a small percentage of an employee's total reward. With such a complicated and confusing benefits system, it's a wise idea for businesses in India to look towards benefits tech to streamline and simplify everything for all employees. The most common type of benefit in India are reimbursements, where an employee gets given a budget to spend on various type of allowances throughout the year. Most of us will be familiar with handing in or processing receipts to be reimbursed for a work trip or office equipment for the home (especially for hybrid / remote workers), and this can be manual and difficult to manage without digital solutions. Companies typically have an expense system for business expenses, so why would they not have this for benefits too? In addition to this, a total rewards system, to capture and visualize the complete package of what an employee gets is of the upmost importance in India, where salary typically accounts for less than 50% of the total reward package.

### DID YOU KNOW

*51% of Indian workers are self employed.\**

#### Statutory Benefits

- Gratuity payment. Employees who retire, resign, become disabled or pass away, or under superannuation are entitled to 15 days pay for every year worked, providing they have worked at least 5 years.
- State insurance (for employees earning less than INR 21000).
- Provident fund. Only applicable to factory workers at companies with 20 or more employees. Employers pay 12% to match the employee's 12%.
- Maternity leave. 26 weeks (dependent on a company having more than 10 employees).
- Holidays. 12 days + public holidays (depending on employee having worked at least 240 days in a year). Holidays can be claimed as cash but is at the discretion of the employee.
- House Rent Allowance.

#### Common non Statutory Benefits

- Paternity leave.
- Medical insurance.
- Public transportation.
- Company car lease (senior management).
- Vehicle maintenance and fuel.
- Printed media allowance (for managerial).
- Meal coupons.
- Leave travel allowance (vacation travel costs are picked up by the employer).
- Mobile allowance.



# Conclusion

The differences in global benefits around the world are quite noticeable, and also bespoke to each region. With that being said, with different statutory rights in different countries, coupled with the fact that employees are working hybrid or remote, the terrain will look bumpy and inaccessible to many with regards to employee benefits technology. Employees should be forgiven for being confused when reading about the total rewards and benefits that they might or might not be entitled to. We understand your confusion and the frustration it can lead to.

This is why employee benefits technology, in particular, mobile employee benefits technology, is the key to cutting through the static. With all total rewards and benefits in place, an employer can rest safe in the knowledge that their employees, no matter where they find themselves, are catered for and have the information they need at their fingertips.

We also recognize that there's not a one size fits all solution for each individual company, in each specific country, that can target each individual employee. However, with our digital benefits platform, we believe employers can tailor-make their total rewards and benefits compensation package exactly the way they, and their employees, want it.

Through Benify and partner Alight, employees can be see and access their benefits in one place, no matter where they find themselves. Through our state-of-the-art communications engine, it's easier to send notifications to workforces whether they are on site or remote employees. Our platform is efficient and effortless at doing this on a desktop, and is also an efficient and effortless platform on mobile devices, because employees, especially today's employees, are working hybrid / remote /

or are on the move all the time. This way, employees are made to feel both appreciated and an important part of any organization. With our platform, we believe employers can tailor-make their total rewards and benefits compensation package exactly the way they, and their employees, want it.



# About Benify

Benify is a branch-leading and independent tech company within HR that helps companies and organisations the world over to strengthen relations with their employees through benefits and compensation offers. Increased employee engagement, more effective communication and less administrations are some of the reasons why more than 1500 employers have chosen Benify as partner for their strategic HR work since 2004. Today, more than two-million end-users have access to Benify's cloud-based benefits and compensation platform - whose goal is to increase the quality of life for the all of the world's employees.





