



Impact of Employee Benefits on Job Satisfaction

CTHR Benefit Survey 2018



Introduction

Most Hong Kong employers polled in the latest CTgoodjobs Benefit Survey 2018 admit that they allocate a small amount of resources to employee benefit policies and take a wait-and-see approach when it comes to adjusting the policies. Meanwhile, the majority of employees surveyed are planning to change jobs. In order to attract and retain talent, Hong Kong companies should consider adjusting their employee benefits.

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Objective

1

To gain insight into employee benefit policies of the job market

2

To gain understanding of expected benefit adjustments across a wide range of job sectors in Hong Kong in 2018

3

To measure employees' satisfaction with benefit policies

4

To explore the benefit trends of enterprises in the next three years, including considerations of employers to adjust benefits

Key Findings

Over half of employers surveyed spent less than 5% of operating expenses on employee benefits, with no plan to offer extra holidays and allowances in the next three years

The majority of employers surveyed said increasing benefit costs are the biggest challenge they are facing.

60% employees polled hope to have a paid day off to celebrate their birthday.

Over 70% of employees polled are planning to change jobs

SURVEY PERIOD

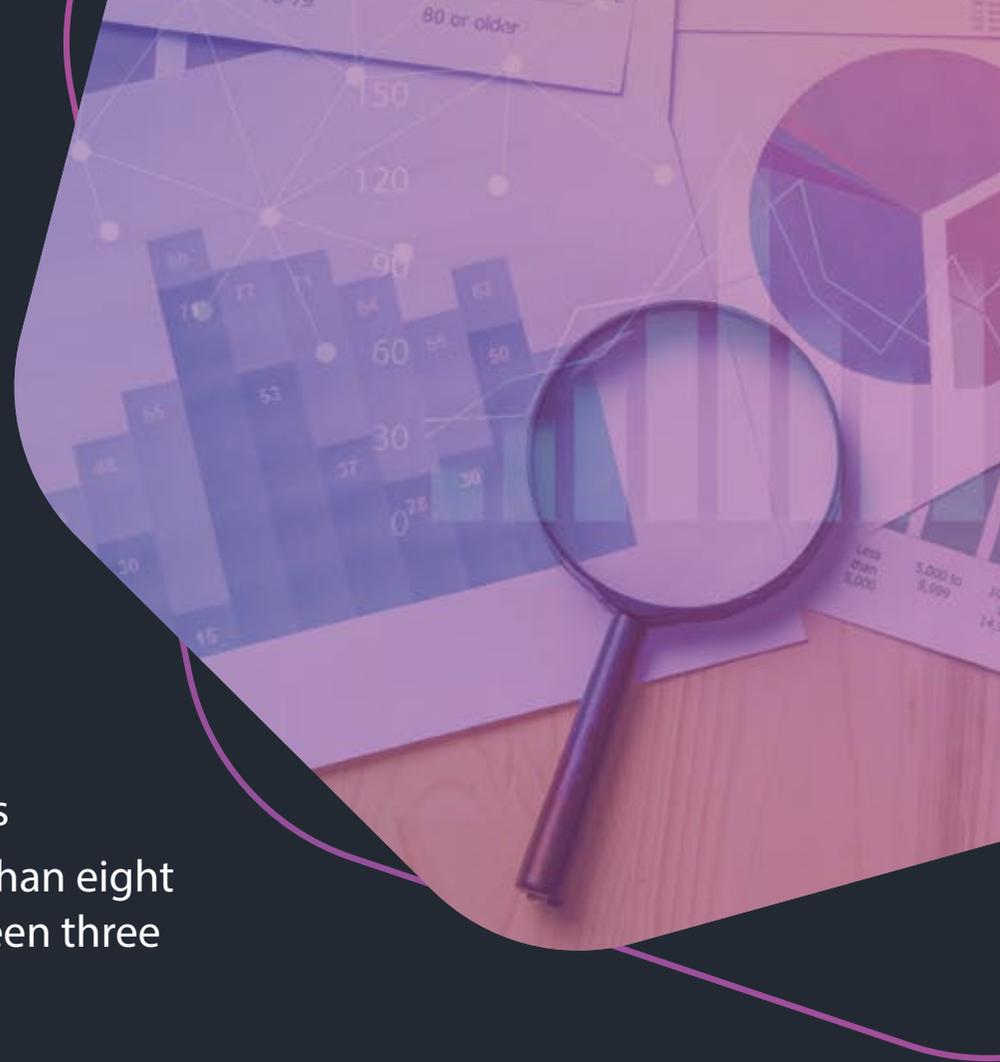
4 May to 18 May

SAMPLE SIZE

- 260 employers across at least 33 industries
- 1,520 employees (Over half having more than eight years' work experience, 20% having between three to five years.)

DATA COLLECTION

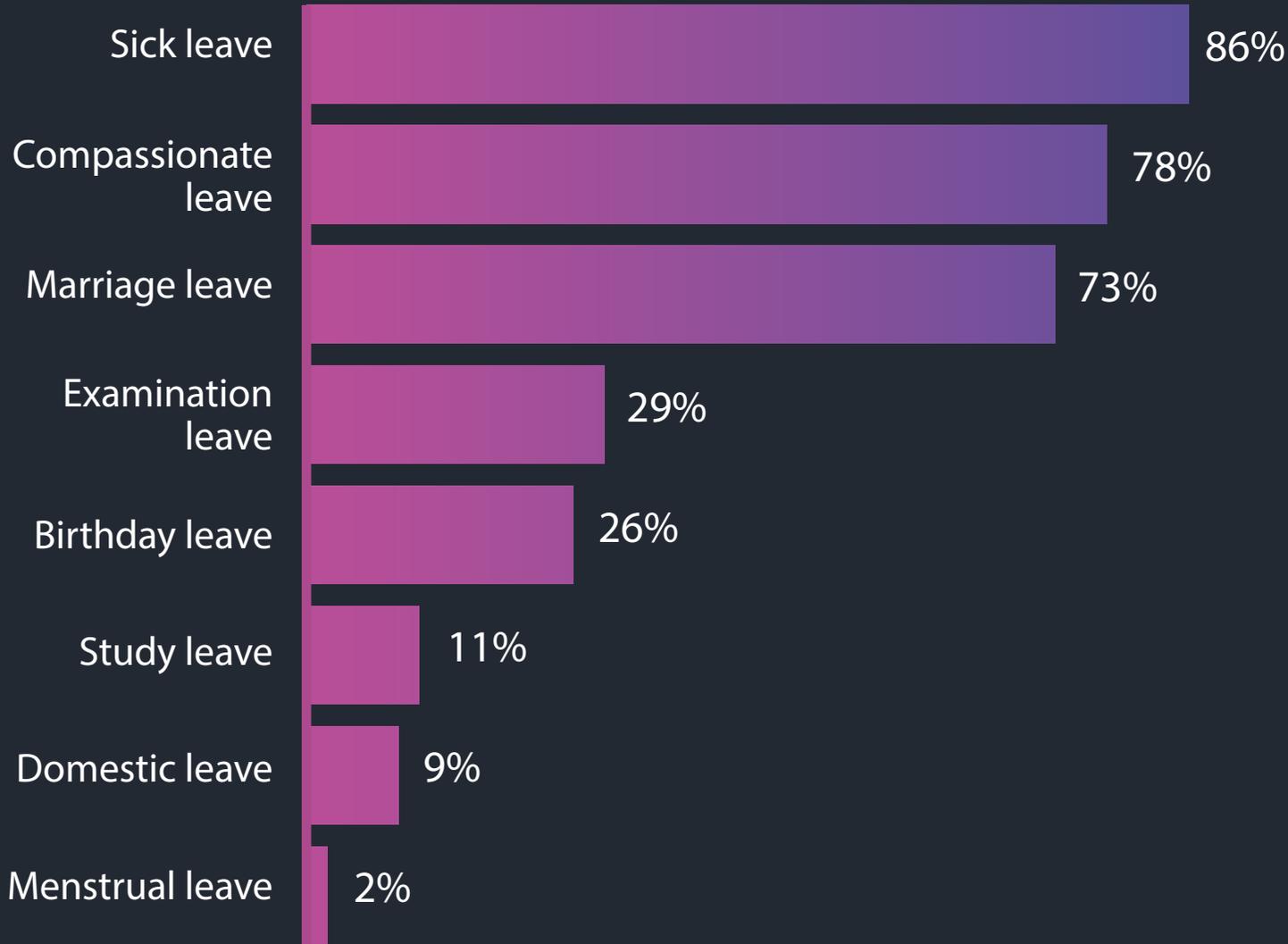
An online questionnaire was delivered to both jobseekers and employers during the survey period. Responses and findings were collected and analysed by CTHR's in-house research team.



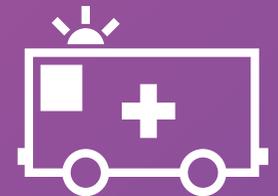


Existing benefit: Holiday

Most companies in Hong Kong offer only basic paid days off, including sick leave (86%), compassionate leave (78%) and marriage leave (73%).



Sick leave (86%)



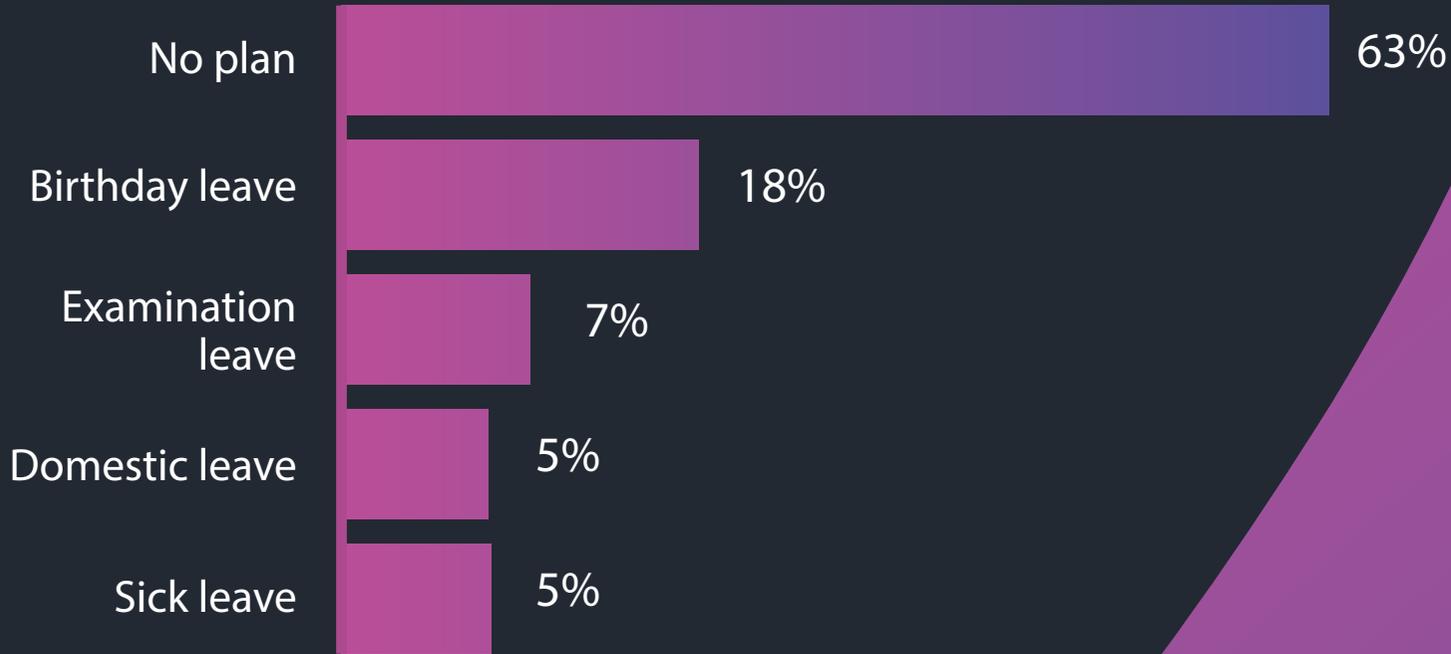
Compassionate leave (78%)



Marriage leave (73%)



Benefit adjustment: Holiday



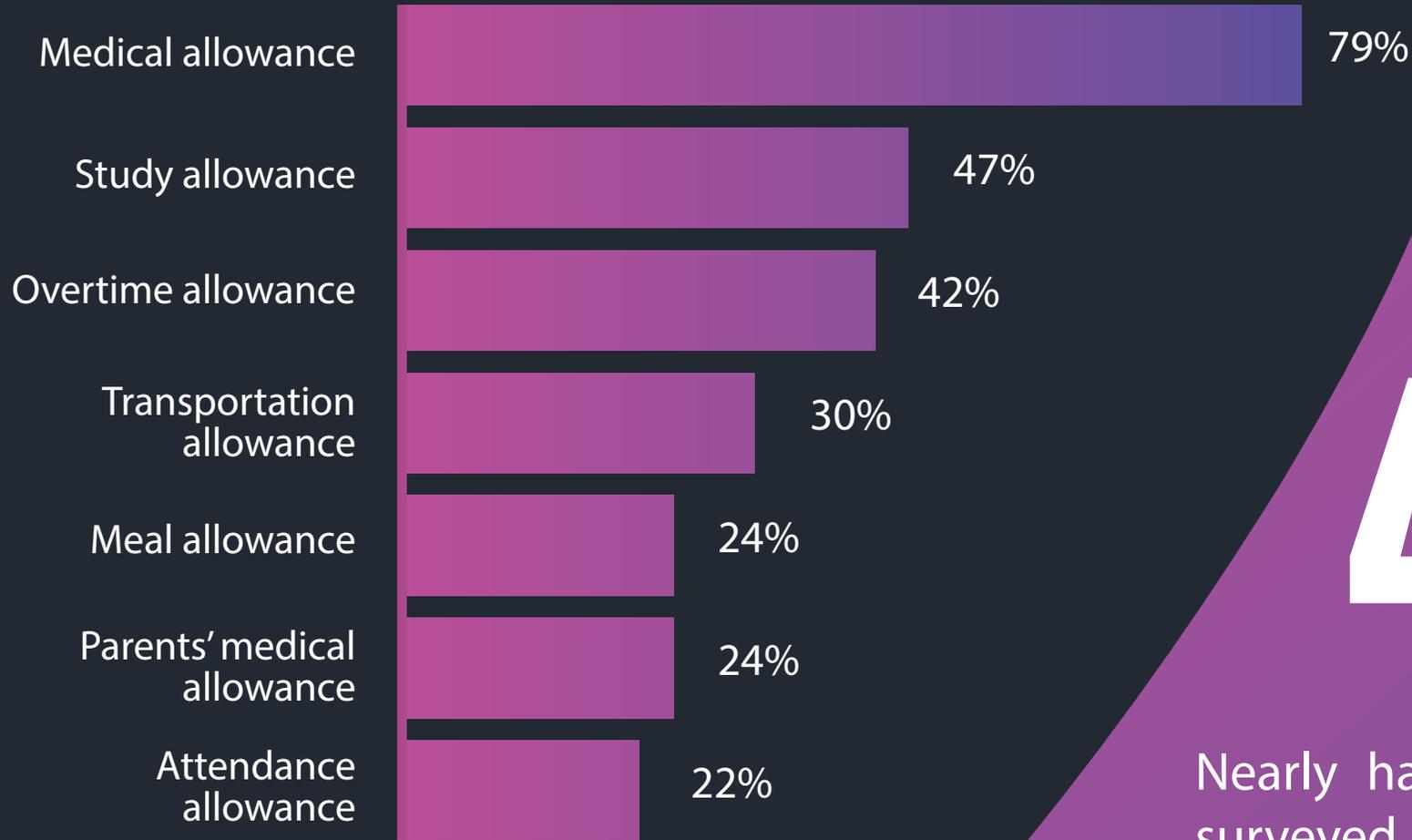
60% of employees polled hope to have a birthday leave



63% of employers surveyed have no plan to adjust their paid day-off policies in the next three years.



Existing benefit: Allowance

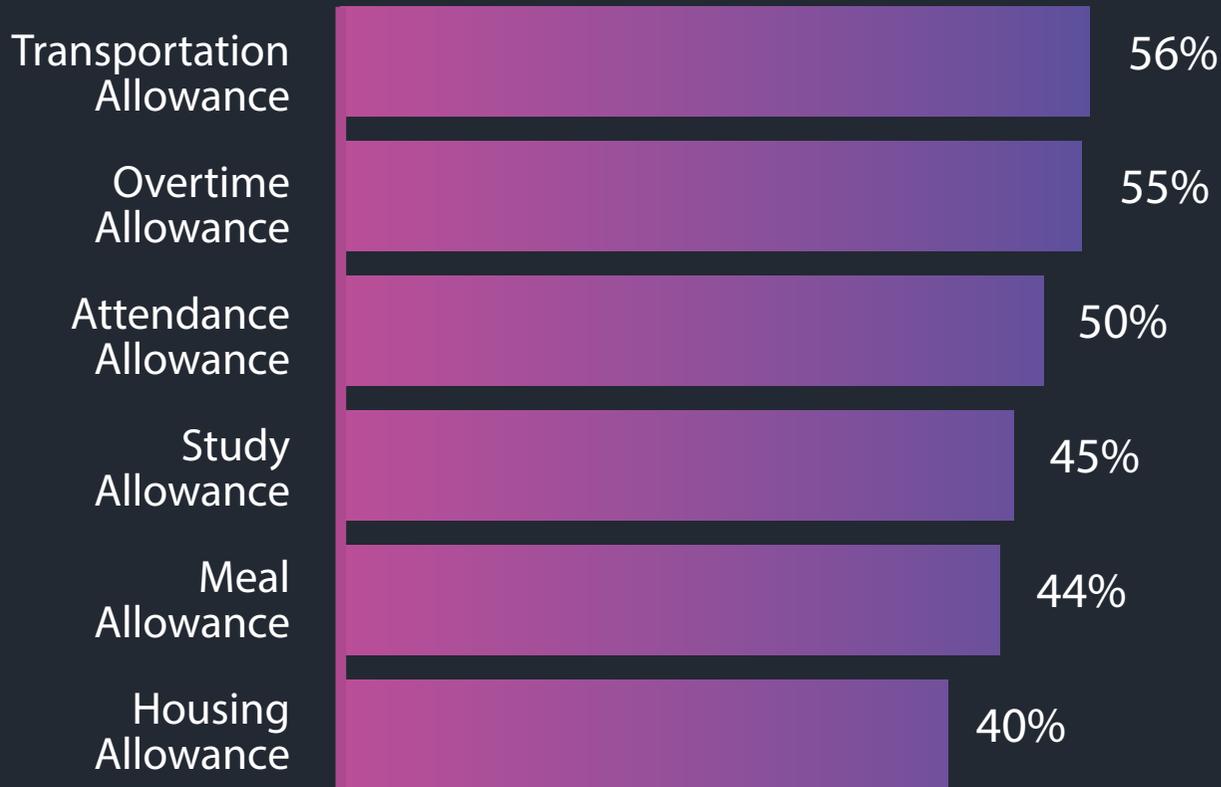


42%

Nearly half (42%) of employees surveyed are dissatisfied with the employee allowances of their company.



Employee expectations



75%

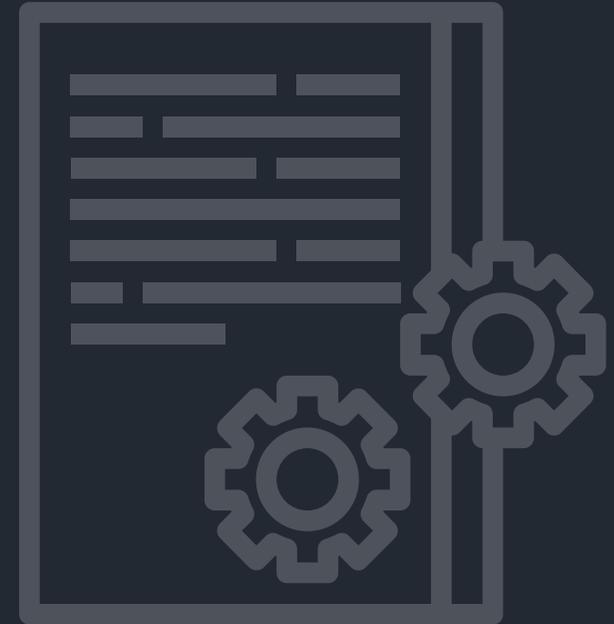
No plan to offer extra allowances

Over half of employees polled hope their companies would offer a transportation allowance (56%), overtime allowance (55%) and attendance allowance (50%), while 75% of employers polled have no plan to adjust their allowance policies in the next three years.



Policy development

55%



Over half of employers (55%) have allocated **1 to 5 percent** of operating expenses to employee benefits.



Challenge

9%
Intense
competition
in business

7%
Difficulty in understanding
employees' needs

14%
Difficult to assess the
outcome of policy

69%
Increasing costs

With respect to policy development, nearly 70% of employers believe that the biggest challenges are increasing costs, difficulty in assessing outcomes (14%), intense competition in business (9%) and difficulty in understanding employees' needs (7%).



Considerations



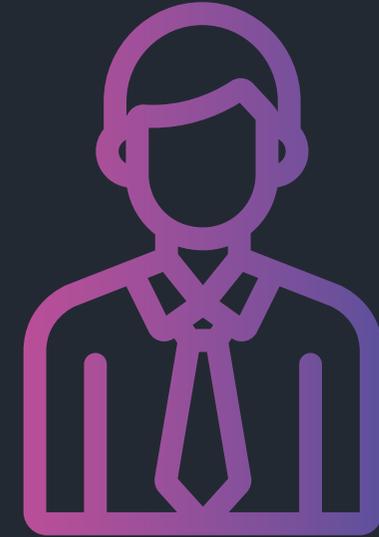
76%

Business Performance



64%

Business Environment



40%

Employee Work Performance

With respect to benefit adjustment, over 75% of employers will consider their business performance, while 64% will consider the business environment as a whole.



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Staff satisfaction



67%

Room for
improvement



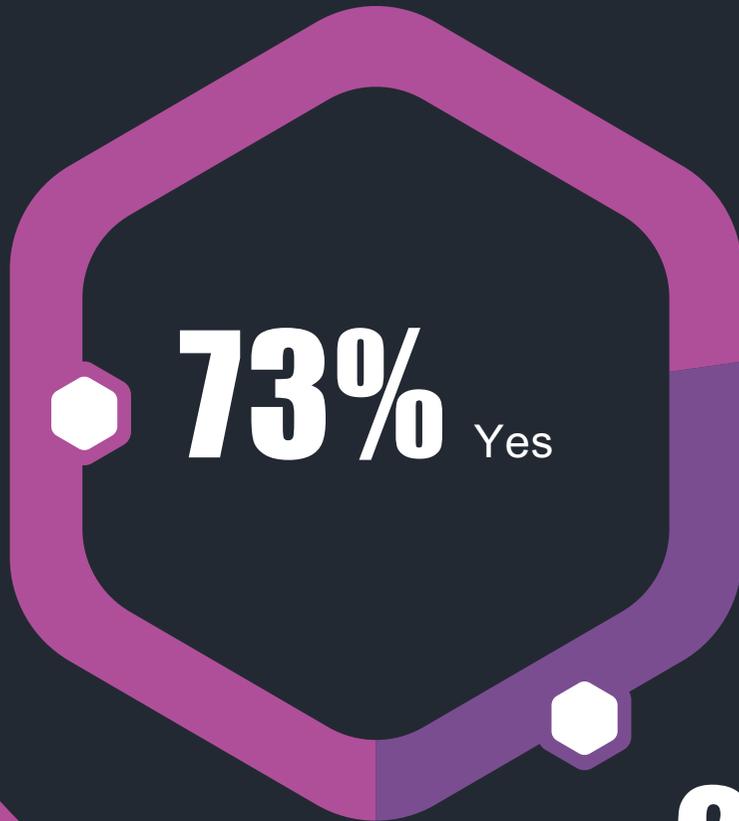
28%

Most of them
are satisfied

The majority of employers (67%) admitted that there is room for improvement when they were asked to assess employees' satisfaction with their benefit policies. Only 28% of employers believe that their policies can meet the needs of most employees.



Turnover rate prediction



Are you planning a job change now?

Over 70% of employees surveyed are now planning to change jobs.

27% No





Considerations

When you are looking for a new job, which of the following benefit(s) offered by the company would increase your intention to join that company?



73%

Discretionary
Bonus



43%

Sick Leave



40%

Medical
Allowance



39%

Overtime
Allowance



38%

Birthday
Leave

When considering joining a new company, employees hope that the company could offer better employee benefits, including a discretionary bonus (73%), medical allowance (40%), overtime allowance (39%) and birthday leave (38%).

Conclusion

- Benefits are a major factor for employees in Hong Kong when they're considering where to work. Although most of the employers surveyed believe that there is room for improvement on their benefit policies, they have no plan to offer extra paid days off or allowances in the next three years.
- With respect to policy adjustment, the majority of employers would consider their business performance and the business environment, whereas the biggest challenge they face is increasing costs.

Recommendation

- When it comes to retaining and recruiting the best employees, companies might consider offering benefits that go beyond the normal health and financial benefit products that are standard in workplaces, like providing birthday leave and medical allowances.
- Employers in Hong Kong tend to have a wait-and-see attitude with respect to benefit adjustment, while a generous employee benefits package can be an excellent way to keep talent. Employers should periodically check in with their employees to see what their needs are.





About CTHR benefit survey 2018

Our CTHR Benefit Salary 2018 aims to provide insight into Hong Kong employee benefit policies, and to look at companies' plans for any adjustments. The survey also explores jobseekers' expectations for benefit adjustments in 2018.

A total of 260 employers across at least 33 industries and 1,520 employees spanning a wide range of sectors responded to this survey, conducted in May 2018.

About CTHR

CTHR.hk is an extension of the spearheading career and recruitment portal CTgoodjobs.hk, with a keen focus on serving the information and professional development needs of the human resources profession. CTHR was established to help companies enhance their organisational performance, corporate efficiency and competitiveness through effective human resources management. The website offers a wealth of useful information, including a daily news feed, salary indices, surveys, case studies, in-depth analyses of employment law issues and a colourful array of exclusive interviews.

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