



GLOBEX UPDATE

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Events, developments, and opportunities in the international marketplace

MALYSIAN EMPLOYERS FACE CHALLENGES WITH BENEFIT PROGRAMS

According to a recent study by a large benefits firm, HR professionals in Malaysia are shown to be out of touch with employees' perception on benefits. The study revealed that 63% of employers in Malaysia said benefits supported business goals, but only 13% said employees appreciate benefits showing that there is a significant disconnect between employers and employees. One of the major challenges facing employers is that many plan their benefits programs without a defined strategy or road map to help increase employee satisfaction and appreciation. Approximately 90% of HR teams in Malaysia faced difficulty defining benefits strategy that resonates with employees. Another challenge that companies have with creating a successful benefits program is around communication. In Malaysia, more than half of employers were found to communicate their benefits programs to employees only once a year or not at all. The study also showed that the communication of benefits is not tailored or targeted to changing workforce needs. On a positive note, organizations that took steps to improve marketing and communication to their employees, have seen an uptick in employee perception both internally and externally.

SINGAPORE PLANS NEW CHANGES FOR EMPLOYMENT LAWS

In an effort to attract overseas business investment, Singapore has implemented new changes to their employment laws for 2017, aimed to provide greater benefits for employees, while preserving a competitive environment for employers. Some key changes that will take place in 2017 will include:

- **Paternity Leave**- an increase from one week's paid paternity leave under the Child Development Co-Savings Act (CDCA) to two weeks.
- **Increase to qualifying salary for foreign workers**- the minimum qualifying monthly salary for employment pass applications for foreign workers to work in Singapore will be raised from SGD3,300 to SGD3,600 in an effort to keep pace with rising local wages and to maintain competitiveness within the foreign workplace.
- **Retirement and re-employment**- Under the current law, when an employee reaches the age of 62 (statutory minimum retirement age), or any higher contractual retirement age, the employer must offer the employee re-employment up to the age of 65. Effective July 1, 2017, the employer must offer the employee re-employment up to the age of 67.

Success Stories

- Strengthened partner broker's client relationship by implementing local benefits packages for key client's facilities in China, Brazil, and Germany.
- Secured group travel medical program for large manufacturing firm.
- Secured Partner-Desk for large tech firm in several countries including Australia, Ireland, Japan, Sweden and UK.

EMPLOYERS IN GULF COAST COUNTRIES STRUGGLE WITH TALENT SHORTAGE

A recent survey has shown that companies within the Gulf Coast are having issues hiring new staff due to lack of qualified candidates, unrealistic salary expectations and competition from other employers. Employers are starting to review their approach as finding and retaining key talent has gotten more challenging. Organizations in the region are still dependent on foreign employees as finding skilled professionals in the local market have become more difficult. The survey also found that when considering employment with a company, candidates pay detailed attention to benefits package, organizational culture, work-life balance and job security. Employers have begun to focus on creative offerings as a way to address the talent shortage and stay competitive among similar organizations looking for qualified professionals.

Recruiting and retaining key talent around the world remains a formidable challenge for HR management. More and more, a company's success depends on the ability to offer a competitive benefits package while remaining within budget. Globex Partner Brokers can offer their clients access to a range of products, capabilities and resources custom-tailored to helping multinationals optimize their employee benefits around the world. Contact any member of the Globex Health & Benefits Team to learn more.

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