HONG KONG EMPLOYERS REDUCING INTERNATIONAL HEALTH BENEFITS

One of the leading international brokers in Hong Kong has identified a recent trend in which employers within the financial services industry are reducing the health benefits for employees in the last 2 years. International health insurance benefits have been a key factor in attracting and retaining employees in the Hong Kong financial services sector however, some employers, particularly the larger investment banking firms, have begun to scale back these benefit offerings. Other firms have chosen to remove supplemental benefits like maternity or dental instead of completely removing health cover on employee benefits. Companies can expect to save between 20-35% by reducing benefit offerings, placing limits and caps on outpatient and inpatient services, and including new deductibles while limiting the choices of room types to employees. As an alternative, employers are giving employees the option of a 'Top-Up' plan which can provide an employee and their family to select additional coverage at an added personal cost.

UAE EMPLOYERS CONSIDERING RETIREMENT PLANS TO RETAIN TALENT

Employers in the UAE are now considering offering retirement benefits as part of benefits packages to retain key talent. Currently, employees are entitled to a Gratuity equal to 2 times basic salary, however, this benefit was never designed to provide retirement savings. A major insurance carrier in the UAE concluded that gratuity is an outdated model, because it is calculated depending on the length of service depending on basic salary. However, recent trends have shown that expats tend to stay longer in the UAE and salaries have increased, therefore, gratuities are getting bigger and bigger. Many experts and employees feel that gratuity is not enough savings for post-retirement and believe that a more substantial retirement plan is required in order to employers to stay competitive within the marketplace to attract and retain talented employees. A recent survey indicated that employees would be more inclined to stay with their current employer if their company offered a retirement savings plan.

Success Stories

- Secured expatriate package for multinational investment firm.
- Placed travel accident policy for global tech company.
- Secured PEO Arrangement in South Africa for communications company.

SINGAPORE EMPLOYERS SEE SHORTAGE OF HIGHLY SKILLED WORKERS

According to recruiting experts, employers in Singapore could see a shortage of highly-skilled local employees in 2015. Several major industries such as banking, construction, IT, legal and HR are reportedly going to see a shortfall of qualified local employees which could open the door to an increase of foreign talent. Although Singapore's new Fair Consideration Legislation mandates employers to focus on hiring local employees over expats, the competition for local talent may tighten up causing employers to explore alternative means of recruiting and retaining local skilled workers. With a talent shortage expected, employers are also looking at temporary and contract roles to fill the gap as these roles offer some flexibility and are attractive to many candidates.

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.