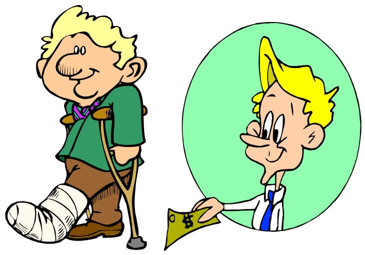
8-1

Tunjangan dan Fasilitas (Benefits and Services)



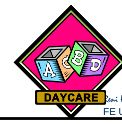
8-2

Tunjangan

- pembayaran finansial tidak langsung yang diterima karyawan

Jenis tunjangan:

- Pay for time not worked (supplemental pay benefits)
- Asuransi
- Pensiun
- Fasilitas



8-3

Pay for time not worked:

1. *Unemployment insurance*
   - Tunjangan mingguan yang diterima jika yang bersangkutan tidak dapat bekerja karena suatu kendala di luar kesalahannya
2. Vakansi dan liburan
3. Sakit (*sick leave*)
4. *Severance pay* (pesangon)*:* tunjangan diberikan hanya sekali ketika yang bersangkutan dinonaktifkan
5. *Supplemental unemployment benefits*
   - Untuk industri tertentu, karyawan diberi tunjangan tahunan karena pemadaman mesin yang dilakukan perusahaan

8-4

Asuransi

- Kompensasi: penghasilan dan tunjangan kesehatan terkait dengan kecelakaan kerja
- Asuransi jiwa secara kelompok: rate yang lebih rendah meskipun mencakup semua karyawan
- Asuransi kesehatan, cacat fisik, dan tunjangan rumah sakit

Pensiun

- Uang pensiun

8-5

- **Fasilitas Pelayanan Karyawan**
  - Program rekreasi
  - Cafetaria/kantin
  - Perumahan
  - Bea siswa pendidikan
  - Fasilitas pembelian
  - Konseling finansial dan legal
  - Dan lain-lain: seragam, fasilitas kendaraan, tempat parkir, bingkisan lebaran/natal/hari raya, penitipan anak, tempat ibadah

8-6

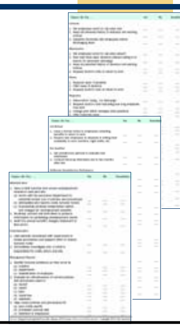
Pay For Time Not Worked

- Also called supplemental pay benefits is usually the most costly benefit provided
- Include holidays, vacations, jury duty, funeral leave, military duty, personal days, sick leave, sabbatical leave, maternity leave, and unemployment insurance payment for laid off or terminated employees

8-7

Unemployment Insurance

- All states have unemployment insurance or compensation acts
- Provide for benefits if a person is unable to work
- Checklist to follow to reduce unemployment payouts



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8-8

Typical Vacations and Holidays

- One week after 6 months to 1 year of service
- Two weeks after 1 to 5 years of service
- Three weeks after 5 to 10 years of service
- Four weeks after 15 to 25 years of service
- Five weeks after 25 years of service
- Average 10 days per year

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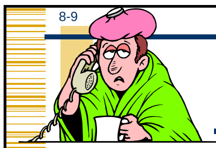
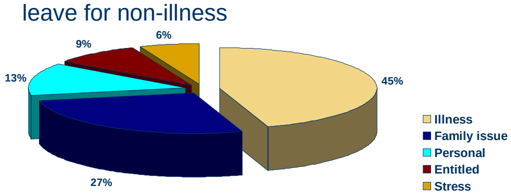
8-9



Sick Leave

- Sick leave
- Paid time off (PTO) reduces the use of sick leave for non-illness



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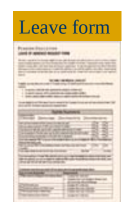
8-10

Parental and The Family and Medical Leave Act

- Parental leave is an important benefit
- Half of workforce is female
- Many men and women are single parents
- President Clinton signed FMLA 1993



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Uang Pesangon (*Severance Pay*)

- A humanitarian gesture
- Employers require 2 weeks notice so only fair to provide 2 weeks severance
- Cuts down on litigation
- Plant closure requires 60 days notice
- Usually 1 week severance pay for each year worked

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8-12

Supplemental Unemployment Benefits

- Supplemental unemployment benefits - provide for a "guaranteed annual income" in certain industries

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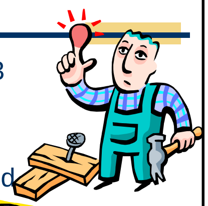
8-13

Insurance Benefits

Insurance benefits fall into 3 categories
- Workers' compensation
- Hospitalization, health, and disability
- Life insurance



8-14

Workers' Comp

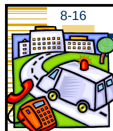
- Workers' compensation laws provide income and medical benefits
- Benefits can be monetary or medical
- Reducing claims and saving premiums
  - Screen out accident-prone workers
  - Reduce accident-causing conditions
  - Get injured employees back on the job
  - Use *case management*

8-15

High Performance Insight

- Weirton steel established a workers' compensation program to review, contain, and reduce the costs of workers' compensation

8-16



Hospitalization, Health, and Disability Insurance

- Nearly all large companies provide major medical insurance
- Plans must comply with ADA laws
- Optional eye-care and dental coverage
- Accidental death and dismemberment coverage is another option
- HMO's and PPO's

8-17

Reducing Health Benefits Costs

PPO
PPO

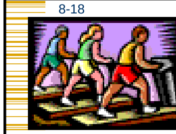
Many employers are:
- Moving away from 100% medical cost payments
- Increase annual deductibles
- Require medical contributions
- Use gatekeepers

Copay $5

HMO

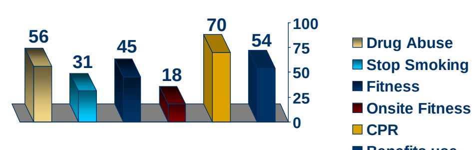
Primary care physician

8-18



Reducing Health Benefits Costs

- Encourage preventative care



- Form healthcare coalitions
- Manage the cost of AIDS

8-19

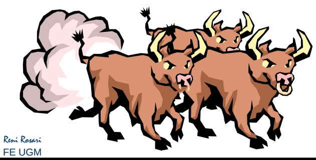
Insurance Benefits

- In addition to hospitalization and medical benefits, most employers provide group life insurance
- Must address policy issues of:
  - Benefits-paid schedule
  - Supplemental benefits
  - Financing

8-20

Retirement Benefits

- Employers are revising and improving their retirement benefits
- Boomers stampede into retirement with most turning 65 in 2011
- Social security, pension plans and saving plans are primary means



8-21

Social Security

- Provides 3 types of benefits:
  - People over 62
  - Survivor benefits
  - Disability payments
- Full payments available at age 65 (soon to be 67)

8-22

Pension Plans

- About ½ of full time workers have some pension plan
- Plans classified as:
  - Contributory vs. noncontributory
  - Qualified vs. nonqualified
  - Defined contribution vs. defined benefit

8-23

Definitions

Pension Plans

- Defined benefit pension plan - contains a formula for determining retirement benefits
- Defined contribution pension plan - a plan in which the employer's contribution to employee's retirement or savings funds is specified

8-24

- Deduct specified pre-tax dollars from pay
- Employer may match some or all
- Employer arranges account management
- Most managed online
- Taxes paid when funds are withdrawn

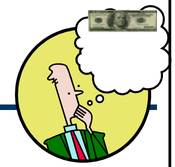
8-25

Other Defined Contribution Plans

- Deferred profit-sharing plan - a plan in which a certain amount of profits is credited to each employee's account, payable at retirement, termination, or death
- Employee stock ownership plan (ESOP) - a qualified, tax-deductible stock bonus plan in which employers contribute stock to a trust for eventual use by employees

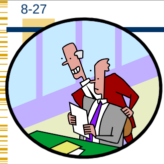
8-26

Pension Planning



- When developing plans must consider:
  - *Membership requirements*
  - *Benefit formula*
  - *Plan funding*
  - *Vesting*
- ERISA – guarantees non-forfeitable rights
  - Established the Pension Benefits Guarantee Corporation - PBGC

8-27



Pension Trends

- Early retirement windows
- Portability – pension may be rolled over
- Cash balance pension plans – earn interest

8-28

Employee Services

- Personal services include:
  - Credit unions
  - Counseling services
  - Employee assistance programs (EAP)
  - Other services:
    - Vacation facilities, cultural subsidies, and lunch and learn programs

8-29

How To Launch EAPs

- Specify goals and philosophy
- Develop a policy statement
- Ensure professional staffing
- Maintain confidential record-keeping systems
- Train supervisors
- Be aware of legal issues

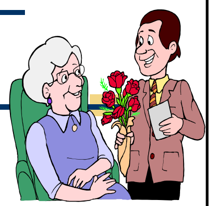
8-30

Job Services

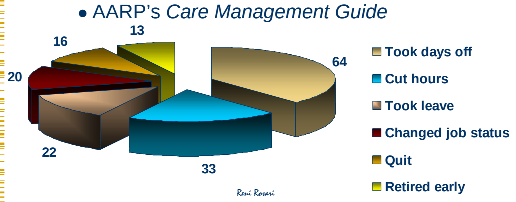
- Subsidized child care with either an in-house facility or cost defrayed
- Elder care
- Other benefits
  - Transportation
  - Food services
  - Education subsidies

8-31

Elder Care



- Programs can be simple:
  - A lunchtime program
  - Information seminars
  - AARP's *Care Management Guide*



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8-32

- Family friendly benefits
- Ninety percent of employees said these programs were very important
  - Family friendly firms are on "best to work for" lists
- Are these types of programs are useful? Do they improve productivity?

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8-33

Research Insight

Society for Human Resource Management found that 58% offer flextime, 31% compressed workweeks, and 24% allow child to be brought to work in an emergency

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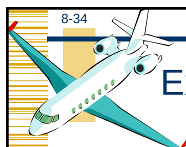

Executive Perquisites

- Perks range from use of the executive washroom to use of the corporate jet
- Some conventional perk$ include:
  - Management loans
  - Salary guarantees
  - Financial counseling
  - Great relocation benefits
  - Use of anything a corporation owns

Private driver $23k/yr

Company jet $22M/yr

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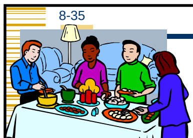

Flexible Benefits Programs

- Cafeteria approach
  - Total cost is limited
  - Certain benefits must be present
- Can be structured as a *flexible spending account* or *core plus option plan*

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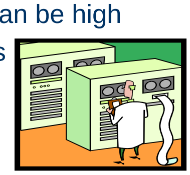
Pros and Cons to Flexible Benefits

- Often desired by employees
- Cheaper
- Employees can make bad choices
- Administrative costs can be high
- Computerization helps



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Computers and Benefits Administration

- Employees interactively update their accounts
- Find medical information
- Find answer to routine questions
- Big and small companies use online systems

401k.com SM   Ascentis   COBRA Insurance

BenefitNews.com

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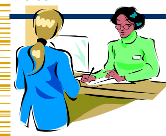
8-38



Employee Leasing

- Employee leasing firms handle all arrangements
- Group insurance rates are lowered
- Downside includes liability issues and loyalty

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