



LOOKING AT THE WHOLE PACKAGE

Beyond Compensation Salary

Compensation is more than just base pay. It is a total package that should address your overall well-being - financial, physical, emotional, and even spiritual. As companies compete for talent in tight labor markets, many are rolling out better benefits to attract and retain the best workers. Companies often strive to make it easy for employees to balance their work and family lives by offering family-friendly benefits, cafeteria plans, and other flexible options.

Benefits can significantly increase the value of the compensation package. The costs to employers for providing benefits such as health insurance, retirement plans, training, vacation and personal days, and perks such as concierge services could be a significant percentage of each employee's salary. Because benefits boost the value of compensation, always take benefits into consideration when evaluating a job offer or a promotion.

Some benefits are required by law. There are also many government regulations that set the minimum standards employers are required to make available to employees.

Paid time off gives employees a break

Companies offer paid time off in the forms of vacation days, holidays, personal leave, and sick leave. These breaks from work are meant to give employees some down time to unwind and to deal with non-work issues. Companies grant sick days so that employees can recover from illness at home.

Health insurance provides medical care, can promote wellness

Health benefits generally include medical coverage, dental and vision insurance, prescription drug plans, some disability coverage, and a counseling service called an employee (personal) assistance program (EAP). Not all employers offer all types of coverage.

Retirement plans encourage saving for the future

Plans including 401(k), 403(b), pension, and other retirement plans are vehicles of investment that allow employees to set aside a percentage of their monthly salaries to save for the future and defer taxes. A majority of the employers offering such plans match employees' contributions between 25 and 100 percent - or 25 cents to a dollar for every dollar the employee puts in the



account. Companies do this to encourage workers to save while receiving tax incentives from the government.

Insurance intended to safeguard finances

Another form of financial protection offered by many employers is insurance: short- and long-term disability, life insurance, and long-term care insurance. These benefits provide financial protection in the event of emergencies.

Training increases the value of employees

Training is beneficial to both employees and employers. For employees, training can improve skills, thus increasing the employee's worth and earning potential. For employers, employee training in career development, technical development, and management development can boost corporate performance and improve retention.

Lifestyle benefits and perks keeps employees focused

Today, employers are doing all they can to keep their employees happy and to relieve stress as much as possible. They accomplish this goal by offering benefits that are aimed at improving their employees' lifestyle.

- Jessica Yang, Salary.com contributor

HOW DOES YOUR SALARY COMPARE?

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