

# Services For Education and QChoice - Flexible benefits for SMEs

Services For Education is a unique charity that uses the power of learning and music to create and build confidence amongst children, young people, adults and communities. The main areas of focus are music provision, school support and private music lessons in and around Birmingham.

Quantum first met with Services For Education (the employer) to present QChoice in November 2018, and it quickly became clear that QChoice could provide Services For Education a solution as part of proposed changes to their reward and benefit arrangements. The employer was facing unsustainable increases to pension contribution rates which meant a full review of reward and benefit arrangements was required to enable the business to continue to flourish. Due to the significant level of pension contributions required under existing arrangements, it had not been possible to fund a wider range of employee benefits beyond pension scheme membership and enhanced holiday entitlement, and it was recognised that this was not fully meeting the needs of the current workforce.

Quantum's QChoice proposal offered the employer a reward strategy that enabled them to offer an affordable level of pension membership whilst adding a wider range of employee benefits. The new mix of benefits was designed to support the needs of employees, as well as providing all-important pension provision. In addition to this, benefits were available via an online portal that could be accessed at any time via any smart device, making an employee's ability to engage with their benefits an "anytime, anywhere" reality, rather than a less frequent consideration.

Here's a look at the key steps that were taken to develop and implement the new approach:

**Employee insight survey:** Having never had a choice of reward benefits previously, the employer used the employee insight survey to understand which benefits would best engage and motivate their employees.

The survey identifies the social demographic groups that exist and then looks at the motivations and traits of employees in those groups. Overlaid onto this are the personal preferences and concerns of employees in relation to everyday situations that drive the need for protection, financial education and lifestyle preferences. From this, the employer receives an insight of the prevalence of various opinions and concerns within their workforce and those with the highest levels of recurrence drive the employee benefits strategy.

**Building the portal:** Once the benefits had been identified and agreed by the employer, quotations were secured (where required) and the portal was built. Testing routines were completed and once signed-off, the portal was ready for release to the employees. The employer's portal was ready for release in line with the start of the new academic year, which aligned with the peak recruitment period for the employer.

**Promoting the portal:** The employer held two promotional "benefit days" during September for their employees to engage with a range of the selected benefit providers. This included demonstrations and guides explaining how to navigate the portal and select benefits. In addition to this, communications regarding the change in payslip deductions as a result of the change to pension entitlement, posters, freebies and refreshments were all provided to ensure the events were enjoyable for all.

Feedback from both events was very positive and set a good tone for the new benefit launch. At the peak of activity during the annual selection window, QChoice showed that 61% of eligible employees logged into the portal on one day alone.

**First selection window results** showed that pensions dominated the selections with 72% of employees making a positive selection for this benefit. This was to be expected as pensions were the most recognisable and familiar of all the new benefits being offered. Brand new benefits like life assurance, income protection and critical illness cover helped the employer boost their health and wellbeing agenda, with the employer now providing a core level of cover for each of these benefits to all eligible employees. Furthermore, other benefits feature on the portal, including health cash plans, hospital treatment insurance, gym, entertainment and car breakdown discounts. In total, where employee selections were required to activate benefits, almost 260 selections were made. Real time benefits have also had an impact with the selected retail discount scheme featured on the portal already accruing over £4,100 of spend.

**What's next?** We've made a good start and it's important to keep up the momentum. Whilst the bulk of activity has already taken place, there are still some benefits that can be selected at any time of the year for which we need to raise awareness amongst employees. We have run a promotion for an entertainment product leading up to Christmas, and in the New Year, we will start our health and wellbeing targeted support, picking up with media events that align with the employer's health and wellbeing agenda and relating these with products on the portal that can help and support these targeted areas. The aim is to raise awareness and understanding of benefits and where they can support employees' lifestyles. As the weather gets warmer, we'll be planning the 2020 annual election window and the ways that we can make this as enjoyable as the last!

**QChoice** is a modular benefit solution with over twenty products and pre-selected benefit providers for an employer to choose and use within a portal created for their employees by Quantum. QChoice is flexible enough to use with an employer's existing benefits and can be branded to reflect an employer's identity and core messaging. QChoice is suitable for SMEs with at least 50 employees, looking to provide a varied benefit package, including access to online Total Reward Statements. QChoice is supported by slick and engaging technology that will bring any reward programme fully up to date.

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