



SG CORPORATE SERVICES

Corporate Benefits Solutions

“ WHY INTRODUCING AUTO ENROLMENT EFFECTIVELY WILL HELP YOU ATTRACT AND RETAIN THE BEST TALENT ”

Pension Scheme Auto Enrolment Info

Business owners and Management have enough to deal with, without the deadlines and the consequences of non-compliance for Automatic Enrolment. Combine this with the requirement to pay the contributions and you can see why many employers view this as burdensome.

However, if you approach it from another angle it is a fantastic opportunity. I can give you four reasons below why I think it can help you attract and retain the best talent if implemented effectively.

Regardless of your company size and structure, if you consider the points below, the associated costs with Automatic Enrolment won't be wasted, and instead can be viewed positively.

1. Meaningfully engaging and communicating with employees can be often difficult, however Automatic Enrolment creates a need to write and talk to them

Every employee needs to be written to as part of the Auto Enrolment process, whether they will be joining the pension scheme or not.

Communication can start well before enrolment in the form of posters, conversations or employee booklets. Each form of communication is information about what you are doing and that you are going to be paying into their pension on top of their current remuneration. You should be shouting about this!

Furthermore, use the opportunity to talk about the other great things the company offers to its staff. If there isn't much else talk about the company's plans for the future or a review of the past year.

Asking employees for feedback in the planning stage of the pension will make them feel much more valued and considered. They may have requests such as Ethical Funds or a particular provider. If you use a Financial Adviser then they will be able to do a presentation to your employees



2. Pension Contributions improve employee retention and attract good/skilled/talented employees.

A pension contribution is a significant employee benefit. With so much press these days about retirement being postponed due to poor saving employees will be concerned about their own arrangements.

It is a benefit that has a financial value, but also it's a reward that employees do talk about – unlike salary that they can't. Employers who pay greater than minimum pension contributions will find their employees talking about it. Whether you believe in pensions or not, a powerful way to attract and retain new employees is to offer attractive contributions.

In addition every employer will soon have a workplace pension in place and a large proportion will be contributing the minimum. No longer will just having a pension scheme be a benefit but the type of scheme and how much the employer pays in will differentiate you.

3. It's a great opportunity to make a meaningful impact on your employees' retirement

The majority of businesses have some amazing employees who have been with the company for many years, they have seen the business grow and been an important component of the business whatever their roles.

These employees have contributed to your profit and added value to the business. In return for many years work and loyalty, contributing towards their pension and helping them have a happy and fruitful retirement should be not only rewarding for yourself but a suitable repayment for such hard work.

Offering incentives for loyalty can be a powerful way of retaining important employees.

4. Prompt to shareholder and directors to review their retirement plan

As highlighted, business owners and management have many priorities in and out of work and quite often they simply

have not had the time to review their own financial position. So many times we speak to these individuals who are not maximising their position financially.

Auto Enrolment can be that reminder to discuss your options, and to review how your senior management and shareholders are remunerated.

Finally - Remember that different contribution levels can be applied to different roles within the business, this can be a great way to retain and attract talented key employees for today and tomorrow.

Ryan Oates DipPFS BSc
Corporate Services Manager

