

PT/MC Industry Compensation and Benefit Ideas for 2021 and Beyond



PT WORK Force®





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With the continuing demographic shift in the workforce, what most of your employees consider important in their compensation and benefits packages have changed dramatically. To hire and keep the best employees for your power transmission/motion control company, you may need to change the way you reward and incentivize your employees to ensure what you're providing is what they really want.

From many resources as well as our own experience, we've compiled some of the trends, ideas and programs we're seeing used by power transmission/motion control employers to compensate their employees.

This is by no means a complete list. And, no one company will be able to offer every listed benefit below (nor should they). Use this list as a start to determine what your employees are looking for from your company. And help us build this resource to help other employers in the industry. What benefits have you added to your package to keep your workforce motivated? Let us know at foundation@ptda.org

Financial

Pay is the most significant benefit for those in the workplace for all generations, including Gen Z. While it may seem obvious, do make sure your payroll processes are efficient and accurate. Getting a paycheck that is incorrect reflects poorly on your company and makes the employee feel as if they are not valued.

A few compensation ideas related to pay:

Signing bonus

- Pay with the first paycheck received
- Pay after a set period of employment (e.g., 90 or 180 days)

Student loan support

- Agree to assume a percentage or fixed amount per year of student debt payments over time (e.g., during first five) years of employment
- Match a percentage of an employee's monthly loan payment
- Amend the 401(k) match provision to allow the match to be used to pay off student debt instead (now allowable under new ERISA guidelines in the U.S.)

Equity share plans (phantom stock plans) where key employees receive non-voting shares of stock in a privately held company, redeemable at the time of retirement

Financial counseling services to encourage employees to maximize their savings and retirement

Childcare support through a bonus to offset Section 125 deferral into a Dependent Care Account

Allow a portion of employee's paycheck to go to specific charity, possibly with employer matching

Cafeteria plan allowing employee to select which benefits they want within a spending limit

Transportation subsidies

Housing and relocation services

Company-owned business cell phone or subsidy for employee-owned cell phone

Free computers for employees' personal use





Flexibility

Beyond fair pay, flexibility is the most desired benefit. While there may be limitations on how flexible you can be and still serve your customers effectively, be open to new ideas and listen to suggestions from employees.

Work from home

- Specific day(s) of the week
- Hybrid schedule for a group of employees (some in the office specific days, some in the office on the other days) so coverage is retained

Flexible work weeks or workdays

- Four days, 10 hours per day or some variation
- Core hours (e.g., 10am-3pm) where all employees must be available and remaining hours worked at employee's discretion
- Schedule based on project needs

Paid time off

- Paid time off (PTO) accruals
- Paid holidays
- Bereavement leave
- Paid personal leave for unusual circumstances
- Paid time off to do charitable work



Health and Wellness

Health and wellness are driving factors in the work-life balance equation. Employees want to be supported in their desire to stay healthy. Beyond providing group health care coverage and paying a portion of the premium or deductible, there are many more options in how you can provide health and wellness benefits.

Insurance coverage ideas

- Telehealth coverage
- Prescription drug coverage
- Onsite seasonal flu vaccinations
- Life insurance
- Accidental death
- Long-term care for employee and family
- Cancer insurance
- Long-term and short-term disability
- Dental
- Vision
- Mental health insurance
- Chiropractic
- Infertility
- Acupressure/acupuncture
- Massage therapy

Insurance substitute/supplement options

If you don't offer group health insurance coverage, use Individual Coverage Health Reimbursement Arrangements (ICHRA) or Qualified Small Employer HRAs (QSEHRA) to contribute pre-tax dollars to purchase health coverage from the public exchange

Supplemental Section 105 plans allow employer to pay an additional amount to the employee up to 100% pay during a disability, after the insurance carrier pays the first 60% of weekly income on a Short-Term Disability (STD plan)



Wellness ideas

- Physical fitness options
- On-site gyms
- Corporate membership in fitness establishments
- Fitness watches
- Healthy snack choices at work (nuts, yogurt, fresh fruit, nutrition bars)
- Access to a dietician and/or nutritionist (either on site or a local referral)
- Weight loss programs
- Mental health support during work hours
- Therapist or psychiatrist assistance
- Guided meditation apps such as Calm or Headspace
- Rewards or bonuses for completing certain health and wellness programs
- Ergonomic workstations with multi-adjustment chairs and standing desks



Family and Lifestyle Support

Employees nowadays believe relationships are extremely important both in and outside the work environment. Employees want a life outside of the job and benefits an employer can provide to help them achieve this goal will be greatly appreciated. Providing benefits that allow employees and their loved ones to be looked after especially resonate with younger generations.

Childcare

- On site
- Stipends or financial support
- When a childcare emergency occurs, allow child(ren) to come to work with parent

Lactation rooms

Paid leave for new parents

- Both parents
- Adoptive parents
- Foster care parents

Assistance with elder care

Programs for returning to the office after illness, childbirth, caring for a family member, etc.

Personal services (e.g., laundry service)

Onsite nap rooms or quiet rooms for personal use

Travel planning services

Benefit specific to employees' interest and passion: pet insurance, free or discounted movie or concert tickets



Professional Development

Generation Z wants to quickly ascend the ladder in the organization. Help them (and others) develop the skills needed for future promotions. Professional development opportunities are valued and make employees feel the organization wants them to stay long term.

Participation at industry association meetings, events and learning opportunities

Participation in workshops, conference and online training related to the next-level career move

Tuition reimbursement for GED or post-secondary courses and/or degrees

Employer paid professional memberships

Certification/recertification, license application and renewal fees

Cross-training within the organization

Leadership coaching



Culture

Company culture is very important, especially with younger generations. They want to work for a company that gives back to society and provides meaningful work. They also want to be part of a culture that will help them grow within the company. Provide programs that help all employees feel a part of the company throughout their tenure.

Many in the younger generations are looking for a company that does meaningful work. Find a way to make your product or service meaningful.

Year-long onboarding with regular check-ins (especially for younger generations)

Strong and supportive manager; take the time to listen to ideas and opinions

Modern up-to-date technology

Employees functioning in teams – both department and project based

Annual company outing

Bring your pet/child/etc. to work day

Breakroom with coffee, beverages and snacks as well as seating and appliances

Keep your employees happy by offering benefit programs tailored to their needs and wants rather than a one-size-fits-all approach. Happy employees will keep customers happy and have been shown to be more productive.



PT WORK Force®

About the PTDA Foundation

As the charitable arm of the Power Transmission Distributors Association, The PTDA Foundation champions education, outreach, and research initiatives relevant to the power transmission/ motion control (PT/MC) industry that enhance the knowledge, professionalism and productivity of industry stakeholders.

PT WORK Force® is a key initiative of the PTDA Foundation that is developing resources to help PT/MC companies attract, hire, on-board, train, manage and retain employees. PT WORK Force® can be reached at PTWORKForce.org

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Sources

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- Workforce Institute @Kronos – [How to be an Employer of Choice for Gen Z](#)
- SHRM, the Society of Human Resource Management – [Executive Summary SHRM Employee Benefits 2019](#)