

Case Study - Gratuity, Employer Contribution and Staff Savings Plan

Business Sector: Finance sector
Number of Employees: 25

EMPLOYER OBJECTIVES

- ✓ Attract and retain personnel
- ✓ Deliver on employer duty of care
- ✓ Make it easy for their staff to save for their future
- ✓ Cost-effective delivery
- ✓ Simple and effective administration to fit in with busy lives

This Qatar employer has a financial services company. They have an aggressive growth strategy and they want to ensure they keep the experience and expertise, to grow the company. They are also mindful that people are also staying longer in the region and often do not save for their future, so as a financial company they want to encourage people towards financial stability.

They save for their end of service gratuity benefit via a gratuity account within the international plan. They pay into it regularly and the investment growth helps sustain the pot. When they have a leaver, they simply withdraw the required amount. So they don't have to worry about cash-flow issues.

For the leadership team they pay a very generous regular employer contribution into the plan, which can be further enhanced if certain criteria are met.

They also know how easy it is for people to be so busy living their lives that they are not saving. So they want to deliver on their duty of care and provide an easy way for all their staff to save via payroll.



SOLUTION

The company has implemented a Sovereign Group international retirement and savings plan. It was easy to implement and is simple to administer.

The leadership team receive a regular employer contribution into their member account within the plan. They need to stay with the company for five years to gain this generous percentage of their salary. If they leave before that, the value will return to the company.

The company provides a **voluntary savings plan** to all their staff to help staff save for medium to long-term life events such as marriage, children's education and financial security. All their staff need to do is tell them how much they wish to deduct from their payroll and the employer will send one bulk payment per month to Sovereign Group that includes the gratuity, employer additional and voluntary savings contributions.

Staff have their own online servicing access so they can view their Member Account at their convenience, on any device and self-serve when they need to. Consequently, if they move home, they can simply update their Member Account details online. Therefore it has minimal impact on employer HR resources.

The company is happy, as they've delivered on their objectives. They have a stable population and a tool to recruit and retain quality staff and deliver on their duty of care.

In the future if the company expands to another country, the plan allows for international mobility and so they keep their people, enhance their career opportunities and their staff can remain within the plan.

The leadership are engaged and incentivized which helps power the growth of the company.

The staff are happy, as they have busy lives, and they appreciate that their employer has made it really easy for them to save. Expatriates have heard stories of people leaving the region either in debt or with little to show for it and they want to make sure they make the most of working internationally.

The administration is easy. If they want to find out any information, it's there via their online Member Account when they want it. They don't have to bother their employer.

There is even an award-winning financial wellness tool that helps build financial literacy. There are tools, courses and content on a wide range of subjects. They can also find out their money personality.

LET US HELP YOU

Contact us today to discuss your needs. Either talk to your local Sovereign contact or contact Jo Smeed.

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