



Commercial Insurance Profile

February 2024

Employee Benefits Trends to Bolster Attraction and Retention

The Office for National Statistics reported that wage growth slowed in the final quarter of 2023, and the UK labour market began to soften marginally. Although a loosening of the current tight labour market may come as a welcome relief to employers, several factors remain challenging, including widening skills shortages across several sectors. Consequently, attracting and retaining talent remains a critical focus for organisations in 2024. Offering higher salaries may seem like the most obvious way to attract and retain talented workers; however, salary alone is insufficient. In fact, a recent poll noted a “great culture” as the number one priority for job seekers, according to employee engagement company WorkBuzz. Fortunately, employee benefits provisions are cost-effective ways to enhance workplace culture and improve attraction and retention efforts. Consider the following pertinent benefit trends for 2024:

- **Offer flexibility.** The COVID-19 pandemic saw individuals re-evaluate their work-life balance and review what’s important. Many employees now crave flexible working patterns, including compressed hours or hybrid and remote working. In fact, more than 40% of job candidates won’t apply for a role that doesn’t offer their preferred working model, according to recruitment company Greenhouse. Organisations should review flexible working offerings to boost engagement and reduce employee turnover in 2024.
- **Provide financial assistance.** Money worries may impact employees’ ability to do their jobs. Organisations could leverage salary sacrifice schemes and employee discount programmes to assist employees financially in 2024. Employers could also consider enabling pay flexibility, whereby workers choose the cadence they want to be paid (eg weekly, fortnightly or monthly).
- **Support workers’ well-being.** Mental well-being continues to be a hot topic, and savvy employers will support their workforce’s physical and mental health to drive productivity and boost retention. Employee assistance programmes, mental health first-aiders and additional leave are all ways to bolster well-being.
- **Demonstrate sustainability.** According to professional services company Deloitte, almost half of high-income workers have considered switching jobs to work for a more sustainable company. By encouraging sustainable transport—such as a cycle-to-work scheme or using electric vehicles as company cars—organisations can demonstrate sustainability in 2024.

Contact us today for further workplace trends and guidance.

The Risks of Lithium-ion Batteries

Lithium-ion batteries (LIBs) are found in many electrical devices and offer several advantages over other types of batteries, including rechargeability and versatility. However, their use isn't without significant risk. In fact, LIB fire claims have tripled in the past three years, according to Zurich; defective batteries and items being left on charge too long are frequent factors in claims. Other business risks from LIBs include the following:

- **Environmental harm**—LIBs require minerals from processes that have negative environmental impacts, such as soil and water contamination, erosion, air and water pollution, and greenhouse gas emissions during manufacturing. Improper disposal of LIBs can also pose a fire hazard and cause toxic metal leakage in landfills.
- **Supply chain disruptions**—The rapidly growing popularity of electric vehicles and other electronics will likely increase demand for LIBs over the next few years. A sudden popularity surge could cause shortages, potentially creating supply chain disruptions and associated production delays.

Tips to Mitigate the Risks of LIBs

With the concerns LIBs present, businesses must take steps to reduce their risks. Actions to consider include the following:

- Inspect LIBs before use and always follow the manufacturer's instructions.
- Train employees on LIB use and safety and how to respond to LIB-related hazards.
- Store LIBs separately from other hazardous materials in a cool, dry, well-ventilated area away from direct sunlight.
- Ensure only the charger supplied with the battery is used and swiftly disconnected once charging is complete.
- Work with suppliers who produce LIBs in an environmentally friendly way and closely follow any guidelines when disposing of LIBs to protect the environment from hazardous waste.
- Consider business continuity strategies to prepare for supply chain disruptions should the availability of LIBs encounter difficulties.

For further risk management resources, contact us today.



LIBs offer several advantages over other types of batteries, including rechargeability and versatility. However, with LIB fires rising, **safely handling this battery type is a critical risk management** endeavour.