

## Chapter 14      Benefits and Services

- Firms compete against other firms through benefits
  - If salary is the core offering then benefits are the supplementary
  
- Benefits
  - Indirect financial payments given to employees
  - E.g. health, life insurance, vacation, pension, education, stock options etc.
  
- Benefit pictures in Bangladesh
  - Quite poor
  - Many of firms are simply exploiting labors
  - Our benefits offered by companies are
  
- Supplementary pay benefits
  - Benefits for time not worked such as unemployment insurance
  - It can be vacation and holiday pay, sick pay
    - This benefit may be extended to these
      - Sabbatical leave
      - Maternity leave
      - Funeral leave
      - Jury duty
      - Sick leave
  
- Unemployment insurance (UI)
  - Provides weekly benefits if a person is unable to work through some fault other than his or her own
  - To be eligible for this you must have any of these reasons

- Usually UI is extended for six months in one year
  - During unemployment the person need to contact the unemployment office every week and collect the check
  
- Vacation and holidays
  - Usually it depends on the number of yrs in service
    - As you work more with the employer you get more vacation
    - Some firms allow employees to carry forward their vacations
  
- Sick leave
  - Provides pay to an employee when he/she is out of work due to illness
  - Many of our employers do not offer this generosity
  - This benefit programs is quite problematic for the employers
    - As many unethical employees use this for simple pleasure
  - To prevent this unethical practice employers buy back their sick leave at the end of the year
  
- Maternity leave
  - Allows a mother up to 12 weeks of unpaid leave
  - The job will be protected
  
- Family leave act
  - An employee can take leave from work up to 12 weeks in a yr

-Severance pay

- A one-time pay some employers provide when terminating employees
- It is more based on humanitarian ground

-Supplementary unemployment benefits

-Worker's comp

- Provides income and medical benefits to work related accident victims
- To get this benefit one must prove that the employee was on the job during the accident

-Life insurance

-Golden offerings

- Offers employees early retirement options with same privileged with the pensions

-Employee service benefits

-Employee assistance program (EAP)

-Flexible benefit program

- Individualized plan allowed by employers to accommodate employee preferences for benefits