

Travel Perks Keep Employees from Jetting

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Employee retention is – and will continue to be – one of the hottest topics in human resources. According to a 2006 Monster.com study, more than 70 percent of HR managers said employee retention is their primary concern. And with employees in nearly every industry constantly searching for something bigger and better, HR professionals are forced to crank up the creativity, searching for bigger and better perks.

Travel awards and benefits are among the latest creative perks that are garnering a following. In fact, a June 2007 report by the Society of Human Resources cites that personal travel services are one of the top 50 benefits of the best small and medium-sized companies around the country.

Some HR managers and business owners have reported that travel awards are often more appreciated than cash. Trips provide employees with a memorable and much-needed break from the daily grind. Their batteries are recharged and work production can increase. The experience may also be enviable to other employees. Envy can be a potent motivator. The other people in the office may be motivated when a refreshed employee comes back from the Caribbean with tales about the fabulous beaches.

In addition to awarding an entire trip, travel perks can include special pricing on travel clubs as well as discounts on accommodations, rental cars and destination and cruise getaways. Plus, employees aren't the only ones who can benefit. Employers can use travel awards to maintain positive relations with customers and corporate partners. Low-cost online tools are available through travel organizations that allow companies to get a return on their travel

expenses. So companies that are already spending money on travel – regardless of the volume – can receive a return on their investment.

Why travel?

While many businesses offer lackluster benefit packages, creative perks like discounted travel and trips to reward performance help keep fickle employees in place. The Spherion Job Transition Index (December, 2007) reports that 34 percent of all employees are currently looking for other employment. As these employees shift from one job to the next, their employers are forced to pick up the financial slack. It can easily cost thousands of dollars to replace lower-level employees – and much more for upper management. That’s why sound HR practices, such as recruitment and recognition programs, are vital to a company’s profit margin. Travel perks and awards can help enhance these practices and save companies money. Here’s how:

- **Recruitment** – In order to remain competitive with recruitment, companies need to offer benefits that their competitors aren’t. When job hunting, travel perks can tip the scale for individuals and families who love to travel or wish to travel more in the future. A January 2008 survey of 1,634 U.S. workers, conducted by the independent research firm Rasmussen Reports, finds that lifestyle is the primary reason employees accepted their current position – even outpacing compensation, which came in second.
- **Retention** – An ounce of prevention by the use of desirable incentives, such as travel, can reduce employee turnover, potentially saving companies hundreds of thousands of dollars in direct and indirect expenses. If an employee knows a potential trip is around the corner, he or she would be less likely seek employment elsewhere.
- **Work/life balance** – Studies show that vacations reduce stress and prevent worker burnout. Rejuvenating your employees can keep them happy, healthy and working to the

best of their abilities. In turn, this can reduce unscheduled time off, which can have a positive impact on a company's bottom line. Endorse this by rewarding employees with travel and time off, or at a minimum, provide them access to online resources that will save them time and money when planning their own travel.

- **Customer/Employee Appreciation** – Travel perks present a high-value avenue to show your appreciation. Cruise and hotel getaway certificates can be used to say “thank you” to business partners and clients, used for promotions and ultimately help grow your business and foster personal relationships.

How to implement travel perks:

Companies of different sizes have different HR needs and resources. Travel perks vary from no-cost to low-cost to more expensive. Here are numerous options to implement travel perks and awards into your employment practices:

- **Consult an HR expert** – Business owners and managers can consult with their HR departments or hire an HR consultant to review current employment practices, evaluate total rewards, explain specific travel benefits and relay which programs would be most advantageous to implement.
- **Offer flexible scheduling** – Flex scheduling is a low-cost way to enable employees to take personal vacations. Often, people will forgo traveling because they cannot coordinate time off with spouses and/or their children. Flex scheduling can eliminate much of this stress and improve employee morale.
- **Enhance employee recognition programs with travel certificates**– Recognition makes people feel good, and it can enhance an employee's sense of pride in a job well done. Travel awards can drive one's motivation to increase output and go the extra mile. For

example, contests offering travel certificates can motivate sales teams to bring in more revenue. Certificates can be distributed to sales or non-sales employees and utilized for special programs like safety awards and referral programs. Contact a travel agent or participate in online travel programs to obtain travel certificates.

- **Create a company travel web site that delivers a return on investment** – Online tools exist which enable companies to create customizable travel Web sites and receive a commission (average of 8 to 14 percent) from the travel expenses of all employees booked through the site. Why let other travel agents earn commissions? Employees are automatically directed to the best Internet price available, and the company reaps the benefits of ROI when business or personal travel is purchased.
- **Establish company partnerships with travel organizations** – Employers can offer personal and business travel discounts to employees through partnerships with travel agents and online travel companies. Call a travel agency and inquire about how it negotiates travel discounts. Rates and terms vary from company to company.

Whether you are sole proprietor or a company with more than 1,000 employees, travel programs are practical opportunities. To learn more about implementing travel perks into your employment practices, including corporate membership programs, contact Lesley Gates, president of Gates to HR and Gates to Travel in Phoenix, Ariz., at (480) 626-5636 or Lesley@gatestohr.com.