

Show Them the Money

And more!

A Modern Guide to
Total Rewards



Flimp



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In today's competitive job market, salary alone isn't enough. Employees expect a clear, engaging, and easy-to-understand breakdown of their total compensation package. Yet, most total rewards statements fail to communicate their true value. This guide will show you how to fix that, offering best practices, actionable strategies, and modern solutions to make total rewards a powerful tool for retention and engagement.





Total Rewards Statements: A Story

Imagine you've received your dream job offer. The salary is competitive, the role is exciting, and you've just been handed your total rewards statement at orientation. As you flip through the dense pile of paperwork, numbers and percentages that seem important dot the pages. It's like you've been handed a map to your final destination without a legend to know what all of the symbols mean. As you skim through, hoping for clarity, you realize you're lost. You tell yourself you'll circle back to the benefits another day. We all know that's about as likely as winning the lottery without buying a ticket.

Now imagine a different scenario.

Instead of a packet, you're given a sleek, personalized total rewards statement. It's interactive, easy to navigate, and leaves you understanding its true value. From health benefits and retirement plans to employee development opportunities and perks, this is The Good Place of benefits packages.

You leave knowing how much your new company is investing in you. This is the power of a well-designed total rewards statement.

Sadly, many employees experience the first scenario. They don't understand everything that goes into their total rewards statement (or even what total rewards means).

This is likely why [73% of employees](#) say they want more education on company benefits. And [25% reported](#) feeling "a little" or "not at all" informed about what's available. With a knowledge gap, a significant number of employees may undervalue their benefits package.

A total rewards statement bridges this gap. If you're looking to enhance appreciation, boost engagement, and solidify your company's position in a competitive talent market, we've got you covered.

What Is a Total Rewards Statement?

A total rewards statement is a personalized document for employees with a complete view of their compensation package. It goes beyond a simple breakdown of salary and bonuses. A total rewards package includes monetary and non-monetary benefits. A full picture of the value the employee receives emerges.

It's important to note that the term total compensation is sometimes used interchangeably with total rewards statements. Here's how the two are different.

Total compensation refers only to financial rewards. Think salary, overtime pay, commissions, and bonuses.

Total rewards statements include the broader value proposition with things like wellness benefits, career-development opportunities, time off, and perks to support a work-life balance. It acts as a tool that helps employees see the investment their employers have made in them.



What Does “Total Rewards” Mean?

Total rewards are the salary, benefits and other compensation an employee receives. The bottom line is they're there to attract, engage, and retain top talent. Zooming out, companies want to align total rewards with their goals and values. Other terms often used are:

TOTAL REWARDS STRATEGY

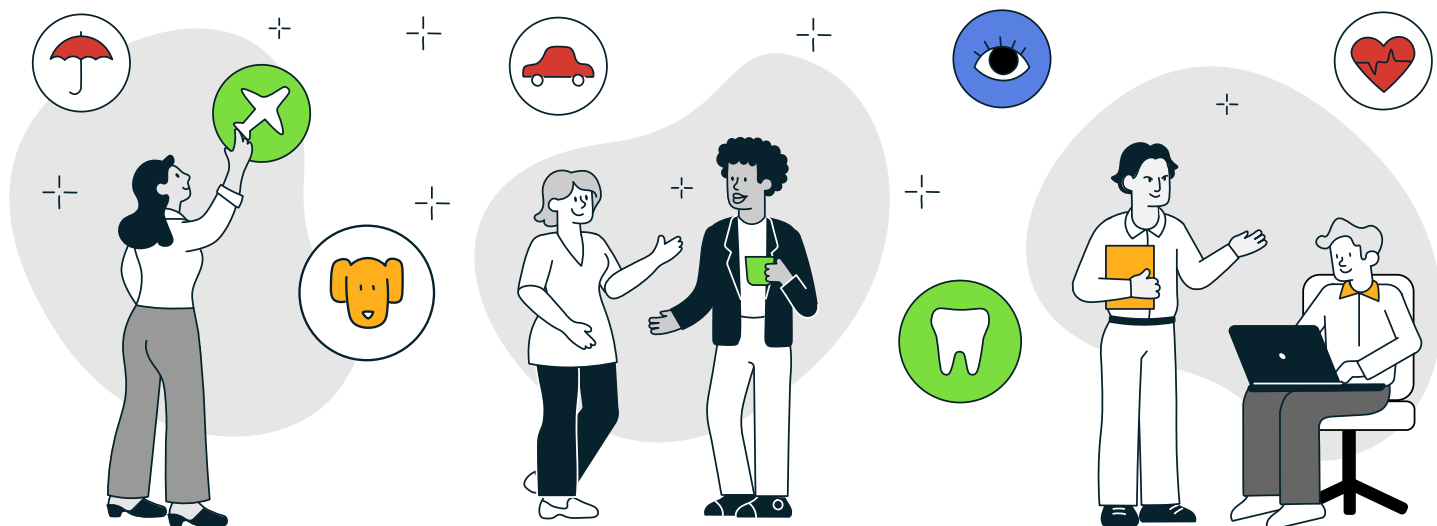
This is a comprehensive approach to designing rewards that meet the needs of employees and the business.

COMPENSATION AND BENEFITS

Also referred to as total compensation. These are monetary rewards like salary and retirement plans.

EMPLOYEE VALUE PROPOSITION

Competitive hiring markets demand unique selling points to attract top talent. Benefits, culture, and opportunities for growth matter.



Why Do You Need a Total Rewards Statement?

Many industries face talent shortages in today's labor market. A total rewards statement is no longer a nice-to-have. It's essential.

Consider these statistics:

- The U.S. healthcare industry is projecting a [shortage of 100,000](#) critical healthcare workers by 2028.
- By 2026, the tech industry predicts a shortage of [1.2 million](#).

Competition in many industries is fierce. Now is the time to clearly communicate unique value propositions to attract top talent. Once they're on the team, retainment is critical.

How exactly does a total rewards statement help achieve this?

- **Employee Understanding and Trust** ► "Transparency leads to appreciation"
- **Stronger Recruiting and Retention** ► "Clearly communicate your competitive edge"

The time for a total rewards statement in an employee-engagement strategy is now. A workforce that recognizes the true value of the offer beyond the paycheck is within reach.

The 8 Essential Elements of the Best Total Rewards Statements

A total rewards statement's effectiveness relies on the information it contains. To ensure it's engaging, comprehensive, and loaded with value, it should include the following essential elements:

1

TOTAL COMPENSATION BREAKDOWN

Give employees a clear look at their financial earnings. This can include:

- Base salary which is their fixed annual pay.
- Bonuses can be performance related or an end-of-year reward.
- Incentives and commissions are additional earnings tied to sales or performance.

Why it matters: When the sole focus is on take-home pay, total compensation can be overlooked. A detailed breakdown helps to highlight the actual value.



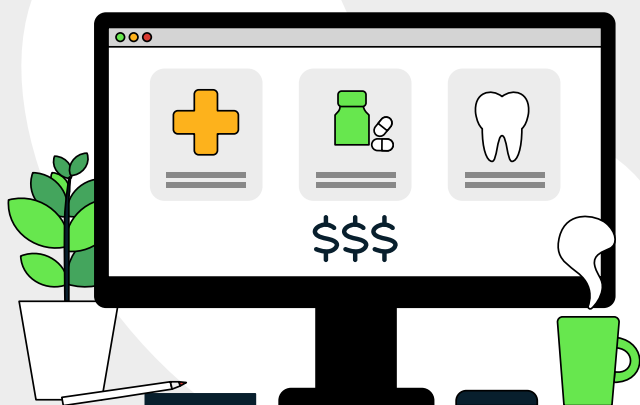
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HEALTH AND WELLNESS BENEFITS

Outline the health-related perks offered to staff, including:

- Medical, dental, and vision insurance.
- Wellness programs like gym memberships and mental health support.
- Contributions to [Health Savings Accounts](#) (HSAs) and Flexible Spending Accounts (FSAs).
- Remember to showcase the value by including cost-saving comparisons.

Why it matters: [PSCA.org](#) published a study that found that 65% of job seekers wouldn't accept a position if employers don't offer health insurance.



3

RETIREMENT AND FINANCIAL BENEFITS

Financial security matters.

Show how these programs can help:

- Explain how 401(k) plans and employer matching contribute to retirement savings.
- Show how stock options or equity helps staff benefit from company growth.
- Access to financial-wellness tools like financial counseling or budgeting tools.

Why it matters: [PSCA.org](https://www.pscaresearch.org/) also reported that 67% of people surveyed wouldn't accept a job offer without retirement plans.

4

PAID TIME OFF (PTO)

Starting a new job, where there are many unknowns, can be stressful. This is especially true when considering lifestyle and personal obligations. Be clear on PTO policies:

- How many vacation, sick, and personal days are provided?
- What are the parental-leave and family-care options?
- Are there paid holidays or additional days off included?

Why it matters: [73% of workers](#) say work-life balance is a core factor in choosing a job, so companies want to highlight their commitment to this.



5

LEARNING AND DEVELOPMENT OPPORTUNITIES

Showcasing how a company supports employees' professional growth through:

- Tuition-reimbursement programs.
- Internal and external training programs.
- Mentorship and leadership development initiatives.

Why it matters: A LinkedIn Workplace Learning Report found that a staggering [94% of employees](#) said they'd stay at a company longer that invests in their careers.

6

PERKS AND DISCOUNTS

Here is some of the fun (and relevant) stuff. Finding relevant and unique ways to take care of staff can make a potential employer stand out from the crowd. This can look like:

- Pet insurance
- Gym memberships
- Business discounts
- Commuter benefits
- Mental health resources

Why it matters: These extra benefits can make employees feel valued beyond their salaries. It adds a human element to the process.



7

COMPANY CULTURE AND INTANGIBLES

Now is the time to sell the culture and what makes the workplace unique. Highlight things like:

- Work-life balance initiatives like a hybrid-work policy.
- Recognition programs that are clear on what's in it for the employee.
- Community-building activities like volunteer programs or team events.

Why it matters: Creating a positive work culture is a key driver of employee satisfaction. When employee satisfaction goes up, so do [retention](#) rates.

8

CLEAR VISUALS AND ACCESSIBILITY

With a clear and well-thought-out total rewards statement, don't underestimate the importance of presentation. Key features to include are:

- Interactive, mobile-friendly formats to access anytime.
- Visuals to simplify complex information.

How to achieve it: Solutions like [microsites](#) and [Digital Postcards](#) deliver engaging and easily accessible total rewards statements.

Quick Wins for Your Total Rewards Statements

Don't want to do a full overhaul? Here are some easy changes to make:

- ✓ Use **plain language**—ditch the jargon.
- ✓ Make it **interactive**—use microsites or digital postcards.
- ✓ Highlight **non-monetary perks** as much as salary.
- ✓ Add **visuals**—break up the text with icons or infographics.
- ✓ Regularly **update and distribute**—a rewards statement isn't a one-and-done document.

How to Create a Total Rewards Statement

A total rewards statement isn't just helpful for current employees. It can also be a powerful recruitment tool. By clearly showcasing what sets them apart, a company can attract top talent by being the best choice in competitive labor markets.

Let's review a few key components of a total rewards statement:

1. **Monetary rewards** include a base salary, bonuses, commissions, and incentives.
2. **Non-monetary benefits** like health coverage, PTO, [wellness programs](#), and perks.
3. **Intangibles** include things like culture, recognition programs, and opportunities for growth.

Keeping these categories makes each total reward benefit stand out.

Now, let's move on to the best practices to follow when it's time to create a total rewards statement:

1. **First, be sure to use clear language.** Avoid jargon or overly technical terms. Employees shouldn't have to attend Google University to understand their benefits.
2. **Next, incorporate visuals.** Using infographics, graphs, and charts can easily show the value of total rewards. Breaking down complex data makes it more digestible for visual learners.
3. **Finally, update it regularly.** Whether this step is done annually, when benefits change, or both, keeping a statement current is a must. Outdated information can lead to frustration and, worse, distrust.

Additional Tips for Creating a Total Rewards Statement

- ✓ Provide digital accessibility with a mobile-friendly format.
- ✓ Customize statements for each employee to show how rewards impact them.
- ✓ Use engagement-tracking tools to improve the statement continuously.



What Are the Benefits of Interactive Total Rewards Statements?

Remember that only 25% of employees feel fully informed about their benefits. With 73% wanting more education on the subject, bridging the gap in a clear and engaging way is crucial.

Interactive total rewards statement tools can help educate employees on the full value of compensation. One example is as follows.

Consider two job offers. One has a base salary of \$85,000 and the other \$70,000. The lower-paying job includes \$5,000 in 401(k) matching, \$10,000

in health benefits, and \$3,000 in professional development. An interactive total rewards statement tool would help illustrate the full value of compensation beyond the paycheck.

Things like [microsites](#), [Digital Postcards](#), and [analytics tools](#) make sharing the value clear and simple, two words everyone likes to hear when it comes to compensation. Using these tools helps employees stay up to date on benefits information while employers track engagement. It's a win-win.

Show the Value of Your Total Rewards Statements

Having clear total rewards statements is an essential tool for helping employees understand the full value of what your company offers. By incorporating

the eight essential elements, you can improve the experience for your staff and the business.



Want to see how Flimp can help?

Explore our resources or contact us to create interactive total rewards statements that drive engagement and show your employees how much you invest in them.

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