

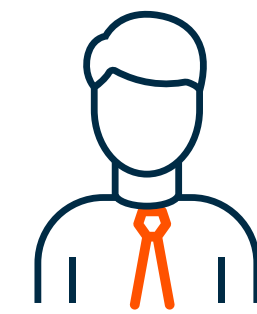
# The essential guide to employee benefits for the public sector

Five strategies to  
maximise value from your  
employee benefits program



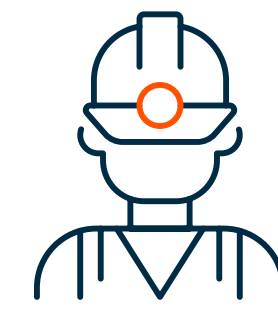


## The top three most attractive sectors for candidates in 2023



Public sector

**48%**



Mining

**47%**



Transport

**45%**

Source: Randstad, Employer Brand Research, 2023

In the latest Randstad Employer Brand Survey public sector jobs took out the top spot for attractiveness, with an overall score of 48%, a 3% increase on figures for the sector in 2022.

This is good news for HR teams, however talent acquisition within the government sector still presents unique challenges. While Australia is witnessing a surge in demand for skilled professionals, the public sector is constrained by predetermined salary bands. This adds complexity to the task of attracting and retaining top-tier talent, especially as the required skill sets are changing rapidly.

Given the digital transformation wave, there's strong demand for technology experts, but also for specialised skills tailored to the needs of various government functions and departments. These challenges are also accompanied by a focus on sustainability and rigorous risk management, especially cyber threats.

In this challenging landscape, Maxxia takes pride in its extensive track record. As a key supplier on many government panels for salary packaging and novated leasing, our goal is to help organisations make confident, informed decisions about employee benefits. With our dedicated teams in every state and territory we're proud to be serving more than 400 government clients and their employees.

**In this guide, we explore employee benefits for the public sector, addressing both the opportunities and inherent challenges. We also share the five pillars of a best practice approach to help you deliver more value to your people and your organisation as a whole.**

**Sandi Sims**

Regional Manager - Customer Development



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# What employees are looking for in the new world of work

Better work life balance has long been a drawcard for the public sector. Government roles were expected to offer more predictable working hours, generous leave entitlements, and an understanding of the value of work life balance.

## The competition has evolved

The difference now is that many private sector organisations are also placing higher value on work life balance. As a result of the pandemic, there is increased focus on WFH arrangements, flexible hours, and increased annual leave across many sectors. While the job security associated with government roles will continue to make the public sector an appealing choice for many candidates, total financial value, including benefits, can be a competitive advantage in the talent stakes.

### What Australians want when choosing an employer



**1** Good work-life balance



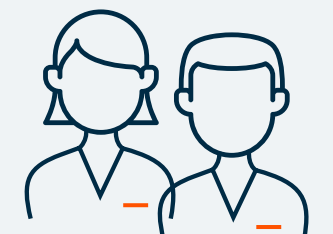
**2** Attractive salary and benefits



**3** Job security



**4** Good training



**5** Strong management

Source: [Randstad, Employer Brand Research, 2023](#)

## Cost of living is a concern

While headline inflation is starting to moderate, Australian Bureau of Statistics figures suggest employees are feeling the effects of price increases to a greater degree. In the year to June 2023, employees living costs increased by 9.6% compared with 6.7% for age pensioners<sup>1</sup>.

This places greater importance on benefits as a way for employees to make their household budget go further. With salary packaging being part of the Public Sector Enterprise Bargaining Agreement, potential tax savings can add up to over \$4,000. Enabling employees to access the benefits they're eligible for is critical in helping them optimise their financial position in a high-inflation environment.

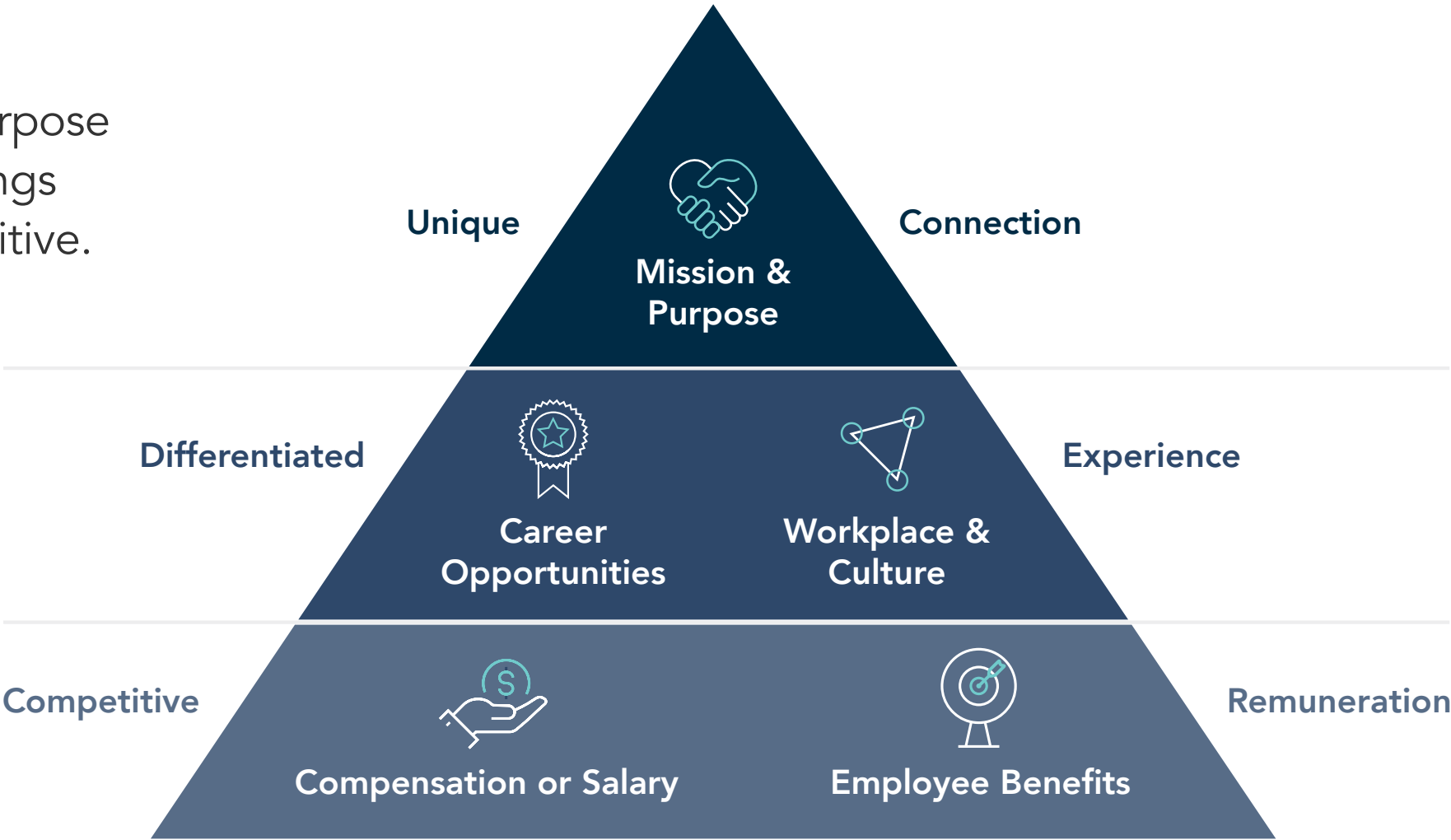
<sup>1</sup> [ABC News, You don't have to be an economist to know Australia is in a cost-of-living crisis. What are the signs and what needs to change?, 21 August 2023](#)

# Employer brand: A competitive EVP is essential

While the core components of an employee value proposition (EVP) have not changed, there has been a shift in how employees connect with an EVP.

While there is an element of subjectivity about purpose or mission, when it comes to pay and benefits things get more black and white, and ultimately, competitive.

It's critical to make it easy for employees and candidates to understand the complete value you offer across salary and benefits. The gap between the top 10 most attractive sectors is getting smaller, which means employer brands are becoming more competitive, and the job of attracting and retaining top talent becomes even more difficult<sup>2</sup>.



### Top 3 employer by EVP drivers

EVP driver		1.	2.	3.
1.	Work life balance	Federal Department of Health	Ramsay Health Care	TAS Government
2.	Attractive salary & benefits	Rio Tinto	BHP	NSW Department of Communities & Justice
3.	Job security	Federal Department of Defence	QLD Department of Education and Training	ACT Government
4.	Pleasant work atmosphere	Australian Leisure and Hospitality Group	TAS Government	Federal Department of Health
5.	Career progression	Federal Department of Defence	NSW Department of Communities & Justice	Federal Department of Health
6.	Location	Woolworths	McDonalds	Coles
7.	Very good reputation	Woolworths	Sonic Healthcare	Super Retail Group
8.	Financially healthy	BHP	Commonwealth Bank	Federal Department of Defence
9.	Interesting job content	Federal Department of Defence	Federal Department of Health	SA Health
10.	Gives back to society	National Disability Insurance Agency	Federal Department of Health	NSW Health

Source: Randstad, Employer Brand Research, 2023

<sup>2</sup> [The Mandarin, Public sector becomes most attractive workplace, says report, 20 June 2023](#)

# Experience matters when choosing an employee benefits partner

In this dynamic and demanding environment, leveraging specialised expertise is not just an advantage — it's essential.

In the current market, securing talent is critical for government organisations looking to maintain quality in project and service delivery. It's equally important for public sector organisations to keep pace with changes in procurement requirements. Given the evolving nature of these challenges, collaboration is key.

## Keeping data and operations secure

All non-corporate Commonwealth entities are now required to meet 'Essential Eight Maturity Level Two' across eight different security strategies<sup>3</sup>. This highlights the importance of mitigating cyber risks and is just one example of the growing responsibility public sector organisations have for keeping systems and data safe and protecting their assets, operations and users from cyber threats.

At Maxxia, we're committed to providing secure and streamlined digital access for organisations and their people. Our benefits management platform Maxxia Employer Connect has been built with robust security to help ensure sensitive employee information is protected:



Hosted on the Microsoft Azure platform with its state-of-the-art security measures.



Our platform and its safeguards are audited annually to maintain the highest level of security.



We regularly perform penetration testing to identify and address potential vulnerabilities.



With two-factor authentication information is protected in line with cyber security standards.

<sup>3</sup> [Australian Government Department of Home Affairs, Policy Amendment - Information Security, 15 March 2022](#)

# Supporting government commitments to cut emissions

According to Gallup, 69% of employees polled said they would look at an organisation’s record on the environment before deciding whether or not to take a job<sup>4</sup>.

State, territory and federal governments each have their own targets for emissions reduction and EV uptake<sup>5</sup>. While they have a responsibility at the policy level to drive change across households and businesses, they are also looking to their own responsibilities as an employer for emissions reduction. Australia’s first National Electric Vehicle Strategy announced in 2023 includes the Australian Public Service Net Zero by 2030 initiative, targeting 75% low emissions vehicles for Commonwealth fleet new passenger vehicles purchased and leased by 2025.

## Stand out from the crowd with a greener, more sustainable employee benefits program

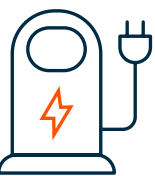
With increased attention on sustainability from both employees and candidates, the Electric Vehicle (EV) Discount is a great opportunity to stand out in a competitive market.

The EV Discount is only available to employees when they switch to an eligible electric car using a novated lease. The legislation not only offers employees the potential to save thousands of dollars on tax, it also provides organisations with the opportunity to showcase their dedication to sustainability and boost their EVP.

[Find out more](#)

## Our commitment to sustainability

Through specialist expertise, practical support and a forward-thinking approach, Maxxia is committed to being a trusted partner in helping Australian organisations step into a more sustainable future. Our initiatives for supporting more sustainable outcomes for our clients include:



Employee access to the Maxxia EV Ecosystem for enhanced speed to market for popular and emerging electric cars and exclusive discounts on models from Tesla, BYD, Polestar and more.



Carbon offsets for non-electric novated lease vehicle emissions via Greenfleet, Maxxia’s carbon offset partner.

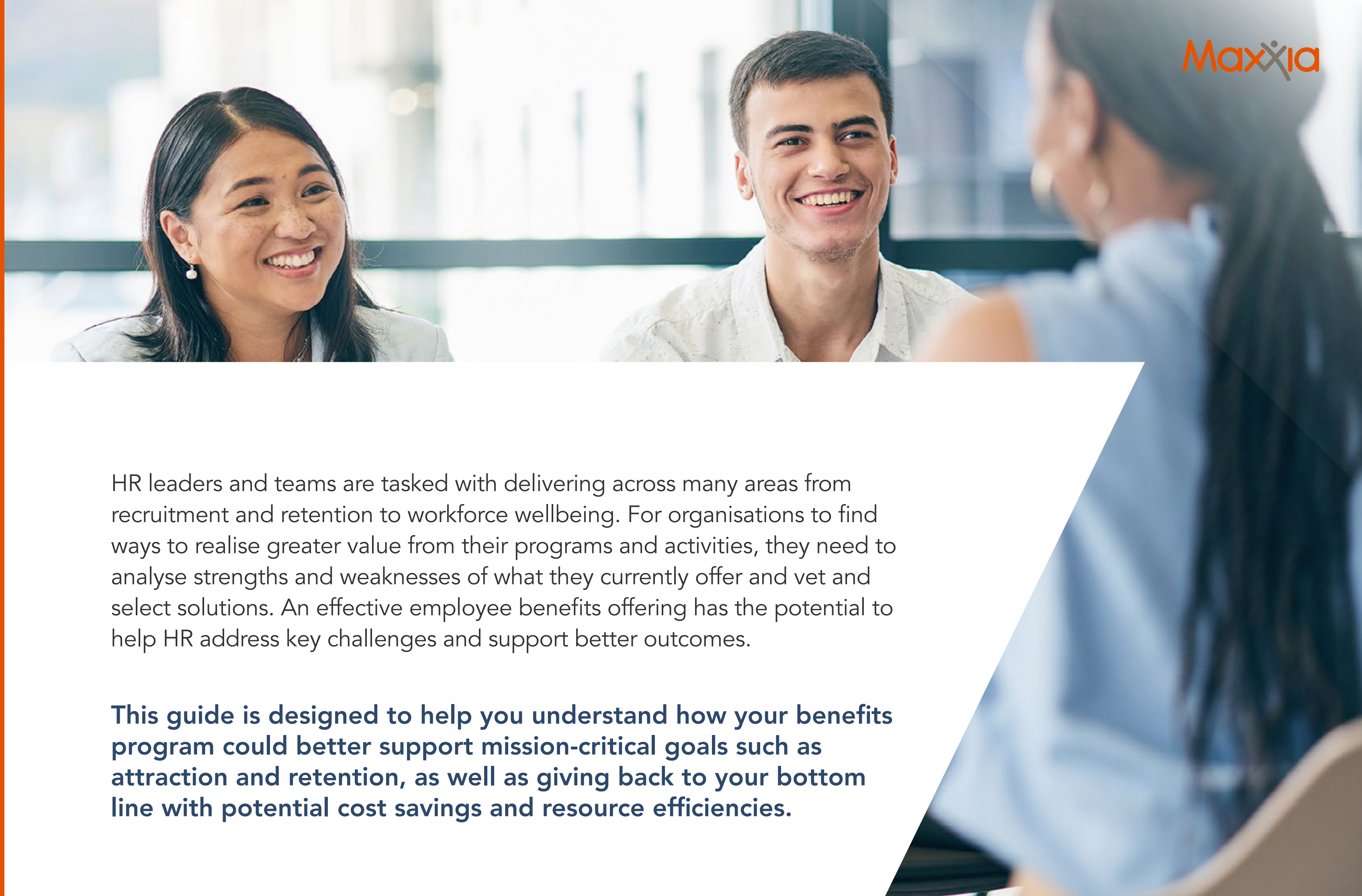
<sup>4</sup> HRD, Australian jobseekers want to know how green your business really is, October 2022

<sup>5</sup> Electric Vehicle Council, State of Electric Vehicles Report, July 2023



# The power of employee benefits to engage your workforce

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HR leaders and teams are tasked with delivering across many areas from recruitment and retention to workforce wellbeing. For organisations to find ways to realise greater value from their programs and activities, they need to analyse strengths and weaknesses of what they currently offer and vet and select solutions. An effective employee benefits offering has the potential to help HR address key challenges and support better outcomes.

**This guide is designed to help you understand how your benefits program could better support mission-critical goals such as attraction and retention, as well as giving back to your bottom line with potential cost savings and resource efficiencies.**



## HR challenges

## How employee benefits can help

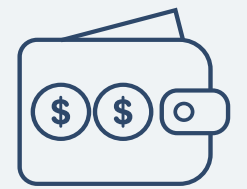


### Engaging a remote workforce

In a hybrid workplace, HR teams are challenged to deliver a consistent, positive employee experience and keep engagement levels high.



A flexible approach to delivering benefits gives organisations a way to engage with all employees, including those spending more time working away from the office.



### Offering incentives and rewards

An extended period of low to modest wage growth has limited opportunities for organisations to recognise and reward employees.



Better engagement with a broad range of benefits such as salary packaging, novated leasing and rewards can help improve employees' financial and lifestyle outcomes.



### Attracting talent

Talent shortages are a growing risk for many organisations.



Raising the bar with benefits can help organisations differentiate their offer.



### Being an adaptive and efficient organisational function

In the new world of work HR teams have even more to deliver to their people and leadership team.



Digital solutions for employee benefits and effective outsourcing can lighten the load on both HR teams and finance and payroll.



### Strengthening your EVP

In a competitive market, an EVP needs to translate to meaningful conversations with current employees and potential candidates both in person and online.



Employee benefits provide a tangible proof point for your EVP.



# How a best practice approach delivers value

When your employee benefits offer is elevated from ordinary to outstanding, it can do a lot more for your talent strategy than you might expect. From supporting your ESG credentials with electric car novated leases, to reducing complexity and overhead for your business, building your benefits offer on these best practice pillars can deliver greater value for everyone, all for no extra cost.





## Pillar 1

# Program efficiencies

An efficient employee benefits program not only delivers value but also ensures smooth operation without making demands on organisational resources. Communications, payroll, and reconciliation tasks can create significant workloads, adding both complexity and risk.

Many government agencies will be selecting from a preferred supplier panel. Access to these pre-qualified partners can save on the cost and resources required during procurement and ensure that due diligence has been completed to ensure the provider meets required standards.



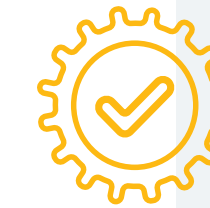
## Program efficiencies checklist ✓

### Best practice benefits program features



#### Aligned with pay cycles

Look for a tailored solution that aligns with your pay cycle to simplify payroll reconciliation and reporting.



#### Outsource employee queries

An external customer service team can respond to employee queries about benefits, freeing up capacity for your HR team.



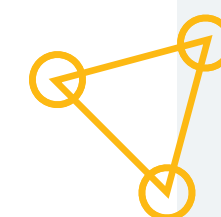
#### Dedicated finance and payroll support team

Expert support for your internal teams saves time on implementing and troubleshooting benefits and rewards programs.



#### Expert compliance support on tax liabilities

A provider with in-house tax specialists can advise on compliance and limit risks associated with changes to legislation and offer support with FBT year-end reporting requirements, GST and input tax credits.



#### Automated reporting

Access to instant reporting on program performance to assess effectiveness including promotions, new benefits and more.



#### FBT liability

A best practice solution has dedicated systems, procedures and teams to manage, collect, track and report FBT, and ensure timely, accurate and ATO-accepted reporting.

The Maxxia transition team collaborates closely with HR and payroll departments to pinpoint and address any pain points and alleviate day-to-day administrative pressures associated with running a program. Our primary commitment is to tailor our services to align with your specific operational needs. With our extensive experience in the sector, we ensure integration that complements your existing systems and processes. While we offer a customised approach, we leverage the advantages of our large-scale operations and secure technology.



## Pillar 2

# Program promotion



To fully realise the potential of benefits, participation is key. Higher participation in salary packaging can deliver value to more employees through discounts and potential savings on their tax liability.

## Program promotion checklist ✓

### Best practice benefits program features



#### Auto-setup for employee onboarding

Maximise participation with easy take-up of salary packaging, rewards and other benefits.



#### Live and on-demand webinars

Self-service access to information so employees can better understand the value in benefits – in particular salary packaging which is often not well understood.



#### Communications and content tailored for employee segments

Personalised content across benefits promotion campaigns and offers, plus call centre support to help employees optimising their choice of benefits.

### Maximising your program launch

Maxxia provides a suite of launch communications. Engagement metrics are collated and shared to track the success of the launch. Having worked with over 400 government clients we understand how to make the most of the opportunity to launch your benefits program.



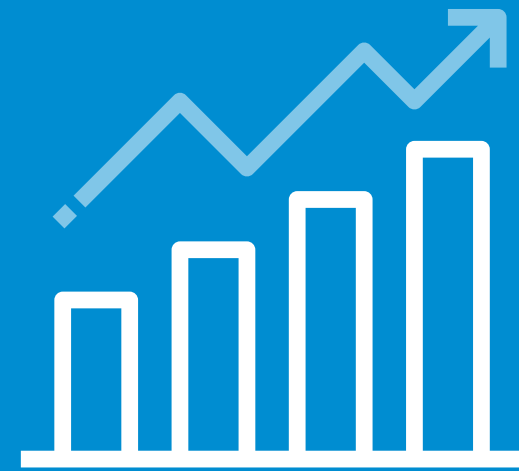
### Maxxia Employer Connect

Make data-driven decisions using real program participation data, such as the number of active salary packages, current leases, and the distribution of benefits among your employees. Our benefits management platform supports you and your team to make strategic decisions that deliver positive outcomes.



## Pillar 3

# Performance management



A benefits program should be a benchmark in talent attraction and retention. The challenge lies in the metrics. When capturing and reporting on data from their benefits program, research shows the majority of organisations struggle to keep track. Consolidating a benefits program and outsourcing to a single provider can create the opportunity to draw on their tools and practices for performance measurement and program reporting.

Research shows 70% would take a month or longer to come up with a final figure for their annual spend on benefits<sup>6</sup>.

## Performance management checklist ✓

### Best practice benefits program features



#### Dedicated program support

Work with experts who will get to know your organisation and how your program can better support strategic and financial goals.



#### Annual program planning

External experts in benefits, asset financing, fleet management and salary packaging can provide critical inputs to strategic business planning.



#### Performance tracking against industry transactional KPIs

Frame clear and specific goals for program savings/value and measure progress against these.



#### Surveys and analysis of take-up

Monitor quantitative and qualitative data and benefit from recommendations to improve strategic and financial outcomes.



#### Performance guarantees

By taking a partnership approach to employee benefits, a provider may offer guarantees on agreed, industry-appropriate, participation targets for salary packaged benefits.

Great performance starts with clear communication. Maxxia delivers dedicated communications and education and provides metrics to track engagement, supporting continuous improvement.

<sup>6</sup> Mercer Marsh Benefits, *The age of adaptability: A digital-first approach to benefits in a post-pandemic world*, 2022

# Six critical performance metrics for your benefits program

Robust performance tracking and benchmarking are essential when it comes to demonstrating return on investment for your employee benefits program. With the right information, it's easy to show the dollar value your program is delivering for employees. Plus, you'll have the data you need to make strategic decisions that maximise value for your people.

By taking an industry benchmarking approach, Maxxia can go one step further in our commitment to evaluating the success of a benefits program. We partner with clients to develop a set of strategic and operational KPIs to support better financial and risk outcomes for HR, payroll and finance as well as targeting improved customer service and satisfaction levels for employees.

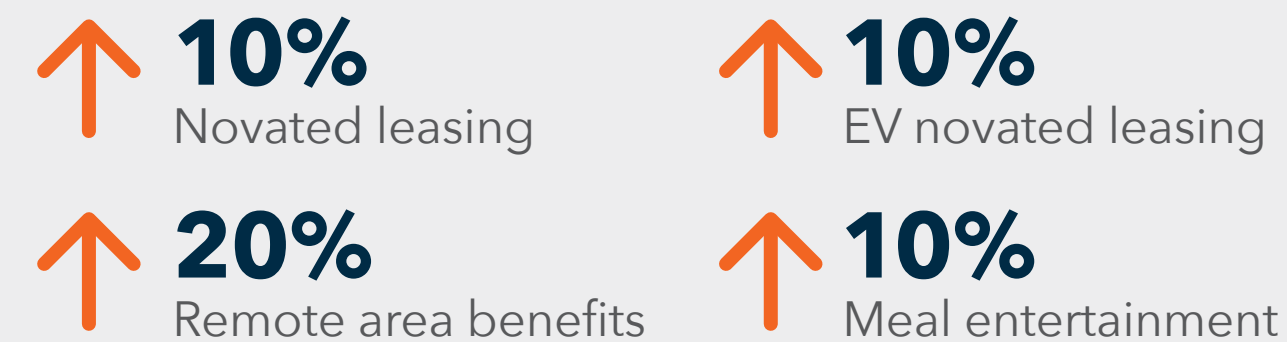
In this sample report, we highlight six key performance criteria that can provide critical insights on ROI and the total value of your program.

The information included below is for illustration purposes only.

## Salary packaging participation rate



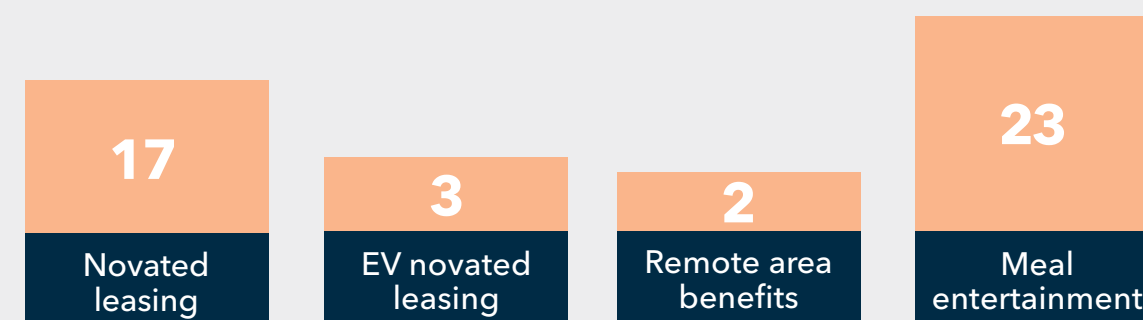
## Program participation growth



## Tax savings



## Number of new salary packaging participants



## Novated lease vehicle orders



## Total mobile app registrations





# Pillar 4

## Benefits suite



As a specialist with decades of experience delivering employee benefits across state and federal government, Maxxia offer in-depth knowledge and the support organisations need to optimise their range of benefits for their industry and workforce demographics.

## Benefits suite checklist ✓

Best practice benefits program features



### Rewards include options for different segments

Popular across all sectors, rewards and discounts for a wide range of retailers and services are an important part of a competitive remuneration and benefits package.



### Full suite of ATO approved salary packaging benefits

Offer a comprehensive suite of cost-effective benefits to make the most of potential tax savings for government employees.

## What public sector employees can salary package right now



Maximise retirement savings with salary sacrificed voluntary super contributions.



Pay for portable devices and education expenses from pre-tax salary.



Help remote employees package their mortgage and rent with remote area benefits.



Save money on work related expenses including parking and some memberships.



Extended benefits, like Maxxia's rewards program and vast buyer network access, can boost your EVP.

## Pillar 5

# Customer experience

Delivering an exceptional customer service experience as part of a benefits offer is important for maintaining a positive employer brand. Maxxia take a holistic approach to getting employees up to speed on benefit choices.



## Customer experience checklist ✓

### Best practice benefits program features



#### Multi-channel employee engagement including:

- Online self-service options
- Online chat, call back and booking for a remote, guided experience

Easy access to a fully integrated benefits and rewards program delivers greater financial value to employees.

Multiple touch points provide the digital-first experience employees expect while a customer care team can address the most complex enquiries.



#### Access to employee package information via mobile app and online portal

Employees can monitor savings, discounts and rewards, and receive push notifications for opportunities to make extra savings or use rewards.



#### One point of contact for HR, payroll and finance as well as employees

Access to a dedicated customer relations team for high-quality service experience and swift resolution of queries and issues.

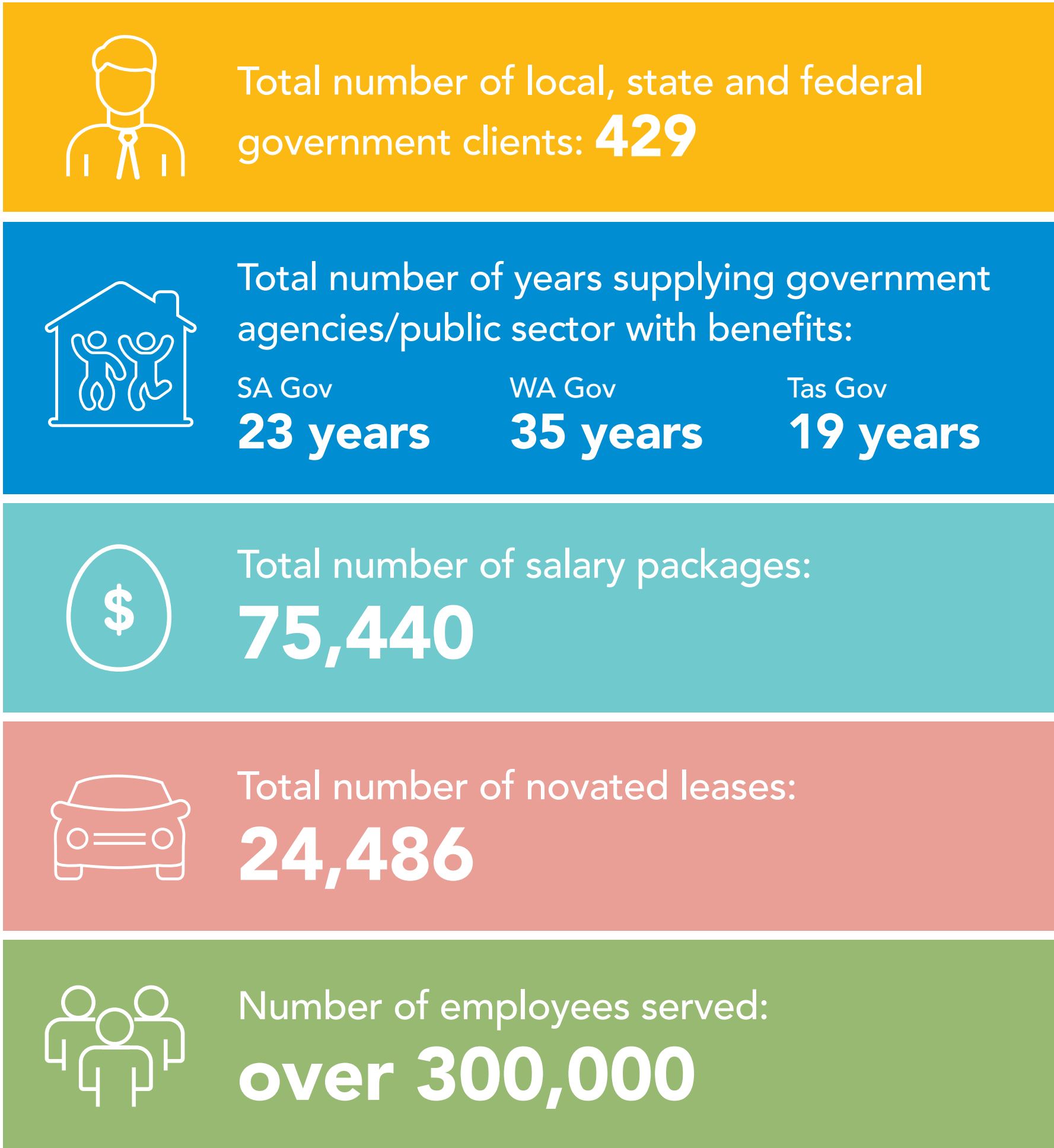
### Proven track record in exceptional customer service



MAXXIA



# A trusted public sector partner



As at April 2023

## Sustainability at Maxxia

Maxxia, as part of the MMS Group, adopts its sustainability strategy and aims to create positive environmental and social outcomes throughout our business and operations. Our priorities include reducing the carbon footprint of our operations, assisting our clients and customers in their transition to a low carbon future and supporting the financial wellbeing and social inclusion of Australian employees.

As part of our sustainability strategy, we have set the following environmental objectives:

1. Achieve net zero carbon emissions for our direct operations (Scope 1, 2 and 3 emissions) by 2030.
  2. Source 100% of group electricity for controllable sites from renewable energy by 2025.
  3. Support our fleet management clients and novated leasing customers to reduce their carbon emissions through the promotion of low emission products and services.
  4. Assess and manage climate-related risk and opportunities for the Group in accordance with the Task-force on Climate-related Financial Disclosure (TCFD) Framework.
- For more information, you can read our latest [Sustainability Report](#).

# About us

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At Maxxia we're on a mission to enhance the impact of employee benefits for Australian organisations.

Using proven methods to find the performance gaps in your program, Maxxia helps your organisation deliver more value to your people, through competitive and measurable employee benefits programs. Our goal is to ensure that you are measuring up to the best-in-class programs available.

Employee benefits are an easy way to strengthen your employee value proposition and engage with financial wellbeing for your workforce. Key to our approach is our complimentary benefits assessment, which benchmarks you against industry peers, identifies inefficiencies in your program and assesses the unrealised financial value your employees could be benefiting from.

[Book your free benefits assessment](#)

Armed with this information, we can design a tailored program to help you optimise the value you deliver, and the outcomes for your employees and your business. We work with organisations of all shapes and sizes, from large corporates and SMEs, to health, not-for-profit and government. When you partner with Maxxia, our team of specialists are with you every step of the way, to help maximise engagement with your employees, and provide guidance on complex issues. Our fully resourced programs may also save your organisation time and money, and free your team up to focus on what they do best.

### Get in touch

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