



Exploring Alternative Compensation

Kate Duffy - WCAX News

Burlington, Vermont - April 29, 2009

Two dozen business managers and human resource directors attended a workshop Wednesday on how to retain employees and remain profitable -- two challenges in tough economic times.

"There's value-added perks you can add to somebody's benefits that don't necessarily cost any money to your business," said Tara Pfeiffer-Norrell of Vermont Businesses for Social Responsibility, which co-sponsored the workshop.

Organizers offered tips to help businesses explore alternative, non-cash compensation for their employees.

"Some of the options are things like moving to combined time off," said Colin Robinson of the Vermont Livable Wage Campaign. "Instead of having specific vacation time, specific sick time, specific personal time, putting it all together and saying you have three weeks combined time off for the year and you use them how you want."

Robinson suggested that companies that can't raise employees' pay may be able to help cut their employees' expenses through programs such as carpool incentives, telecommuting and flex time.

"If you're working from home, that's another situation where employees' bottom line is directly benefited because they don't have to worry about those commuting costs," he said.

Ellen Kahler of the Vermont Sustainable Jobs Fund told participants that there must be communication between employer and employee to understand what non-monetary perks would make sense.

"You can't eat retirement," she said. "If you've got school loans now, thinking about retirement 40 years from now as a benefit -- which would you rather have?"

Justin Worthley, general manager of Rhino Foods, says it's ultimately cheaper to keep the company's 110 employees happy than lose them and have to hire new ones.

"We want to pay people fairly and equitably for their work but still make sure we're looking holistically at other workplace supports we can provide," he said. "People like cash, for sure. But we've also found that some of the other approaches have made as big or even bigger an impact because it allows us to retain employees. And right now having a job is probably more important to people than getting a raise."

More tips for creative compensation and how it can help businesses retain employees can be found online at

http://vbsr.org/index.php/pages/static/cat/introduction_to_the_livable_jobs_toolkit/.