



Managing International Employee Benefits

Assignment 1

Recommended Time: 3 hours

1. Explain why international employee benefits need to be managed giving examples of two types of risk the Benefits Manager must take into account, and explain the statement:

“Half the battle of effectively managing employee benefits is knowing what benefits the company has”

by reference to the ownership of policy documents and the existence and management of benefit inventories.

20 marks

2. Define ‘Corporate Governance’ and explain how it relates to employee benefit provision and identify the advantages and disadvantages of employees being involved in Corporate Governance of employee benefit plans, giving two examples of roles employees can play in this task.

20 marks

3. Explain the difference between typical Corporate Governance structures in two countries of your choice.

10 marks

4. Explain how the decision making process in respect of employee benefit provision and financing should reflect Corporate Governance principles.

10 marks

5. In the following examples, highlight the importance of Corporate Governance and give two examples of concrete Corporate Governance measures that may be put in place:
- (i) ABC Manufacturing is a Germany multinational with 50,000 employees in Germany, UK, Switzerland and France. Most employees are in defined benefit schemes although new employees since 2009 are enrolled in defined contribution schemes in some counties
 - (ii) DEF Services is a fast growing American multinational in the software industry. It was formed in 2006 and is represented in over 80 countries worldwide with employee numbers ranging from 20 to 2000.

10 marks

6. Explain the reasons why a Global Benefit Committee may be set up and outline 5 responsibilities that it may take on.

10 marks

7. Identify the labour market issues that need to be taken into account when drawing up an International Benefits Policy.

5 marks

8. Outline local considerations other than labour market issues that should be taken into account when drawing up an International Benefits Policy.

15 marks