



Reward in the NHS

GOOD PRACTICE AND INNOVATION TAKING PLACE ACROSS THE NHS ON REWARD

May 2017

CONTENTS

3 INTRODUCTION

4 USING REWARD TO SUPPORT ORGANISATIONAL PRIORITIES

6 BENEFITS AND REWARDS

7 COMMUNICATING REWARD

11 THE OVERALL REWARD OFFER

14 TESTING AND EVALUATING REWARD

15 INFORMATION AND RESOURCES

INTRODUCTION

There is a huge amount of good practice and innovation taking place across the NHS on reward. We wanted to share the key themes that have emerged through the NHS Employers Total Reward Engagement Network (TREN) over the past year with you.

We established TREN in February 2016. The network provides an opportunity for organisations from across the NHS to come together to share experiences and hear about what other organisations are doing in reward.

In this report, we share the key areas being taken forward and look at how organisations are changing their approach to reward.

We have included quotes from our TREN members throughout the report to share what they have gained from being part of the network.

“It makes me realise what we could achieve.”

“A great way of networking and developing new approaches to reward.”

In early 2016, we carried out a survey across the NHS to identify the approaches being taken by organisations. The survey highlighted that there are a variety of reward practices in the NHS but organisations do not necessarily have a reward strategy to support these. Instead, reward tends to be part of another strategy. However, there is clearly a desire to use reward as a tool in a more strategic way.

A focus for us has therefore been to develop resources to support organisations with their approach to reward and how it can help to meet organisational priorities, such as recruitment and retention.

USING REWARD TO SUPPORT ORGANISATIONAL PRIORITIES

“Inspires you to think outside of your thinking process.”

Recruitment and retention are the biggest challenges that employers in the NHS are facing. Reward can be a useful tool in helping to meet these challenges by ensuring staff fully appreciate and understand the value of working for your organisation.

RECRUITMENT

Organisations have highlighted some of the difficulties they face with recruiting new staff. This is often due to geographical challenges and competition from other organisations recruiting from the same pool.



Recruitment and retention premia (RRP) and relocation packages are sometimes used to attract staff. This tends to be limited to difficult to recruit posts and are most commonly used within the nursing profession, and in physically, mentally and emotionally demanding roles. They are also used where location of services makes recruitment and retention more challenging, such as rural or isolated areas. RRP tends to be restricted to substantive posts and can be up to 7 per cent of salary. Organisations are exploring ways in which they could work more collaboratively to increase the number of staff they recruit without using just RRP.

Refer a friend schemes are used by some organisations, often to overcome difficulties recruiting to specific occupations. Incentives range from monetary reward to additional annual leave.

It is hoped this will also increase the retention of new starters. These schemes are used successfully in specific situations and often only for specified periods of time.

There are also challenges in helping international recruits settle into their new surroundings. This has brought innovation from organisations, including using social media such as closed Facebook groups to link new and existing staff, provide accommodation, and pay new international recruits from the day they arrive as opposed to the day they commence employment. This has helped those employees understand their value to the organisation and adjust to their new environment.

RETENTION

With up to 70 per cent of annual budgets spent on staffing, and with awareness that recruitment can be costly, organisations are considering how reward could be used as a tool to aid retention.

Organisations are increasingly looking at more creative ways of retaining staff, with a focus on non-monetary reward initiatives. One approach includes a 'holiday of a lifetime' scheme where staff can accrue up to five days' annual leave each year, for up to five years, and take all the leave at once.

5 USING REWARD TO SUPPORT ORGANISATIONAL PRIORITIES

This allows staff to have an extended holiday and return to their role. In terms of nurse retention, one example of innovation includes introducing a nurse retention manager to understand why nurses may want to leave the organisation, what they value about their employment and then looking at implementing changes to help to retain these staff.

Retaining staff at the top of their band who have been adversely affected by changes to pension and tax legislation, has been a challenge for some organisations. Retention bonuses have been used to incentivise staff to remain in post and with the organisation. Although these have been successful in some circumstances, these are used less frequently. Organisations are also looking at non-monetary rewards to motivate and retain these groups of staff.

Attrition rates prior to start date can be high, and organisations are trying to reduce this by ensuring they communicate regularly with new starters, from offer letter through to start date, via channels such as social media or smartphone apps. Ensuring induction reflects the recruitment process in relation to reward, values, behaviours and culture is also a focus. Some organisations are reviewing their new starter journey to assess where changes can be made and increased reward communication can be included.

In a blog written for our website, North Tees and Hartlepool NHS Foundation Trust shares how it's improving its new starter journey, and the activities it's been taking forward since joining the network.

[Read the full blog on our website.](#)



Organisations also use salary sacrifice arrangements as a retention tool, such as offering a three-year salary sacrifice car lease scheme. This is seen as a way to encourage loyalty for at least the term of the agreement while providing a benefit that is valued by employees.

East London NHS Foundation Trust decided to undertake a review of its overall reward offer, in part, to address retention issues with new employees leaving within the first year of employment.



[Find out more by reading the case study on our website.](#)

REDUCING AGENCY SPEND

The use of reward to help reduce agency spend regularly occurs in the service. Examples of innovation include using weekly payments for substantive post holders who take on additional hours through their trust bank. Financial incentives include paying substantive post holders for a fifth bank shift on completion of their fourth shift.





A pilot of selling annual leave at one organisation led to 4,000 hours sold back, reducing the requirement for agency staff. One organisation released a branded poster to highlight the top five reasons for joining the trust. This was designed to encourage bank and agency staff to become permanent staff members and was also used externally for recruitment purposes.

BENEFITS AND REWARD

TREN members have shared a wide variety of rewards they offer.

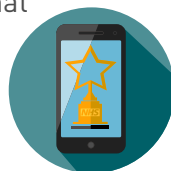
<p>Salary sacrifice Childcare vouchers NHS Pension scheme Home electronics Cycle to work scheme Flexible working Car lease scheme Car parking Financial wellbeing Accommodation Buy/sell annual leave Housing Travel benefits Family friendly Pay & conditions Discounts</p>	<p></p> <p>Learning and development Recognition schemes Discounted season tickets Physiotherapy services Financial education Long service awards Refer a friend Health and wellbeing Fast track referrals Occupational health Shuttle bus service On-site nurseries Annual leave Counselling</p>	<p></p> <p></p> <p></p>
---	--	---

HOW ORGANISATIONS ARE USING REWARD

- 1 Most organisations offer some form of salary sacrifice, the most popular being childcare vouchers and cycle to work schemes. 
- 2 Buying and selling annual leave is a fairly new benefit for organisations. It is often linked to health and wellbeing initiatives as a way to increase employee control over work-life balance. It can also support the reduction in agency spend.
- 3 Employees can accrue annual leave over a prolonged period and use this leave to take an extended holiday.
- 4 Organisations are keen to introduce benefits that reduce travel costs for staff.
- 5 Non-monetary rewards are popular with organisations and valued by staff.
- 6 Recognition schemes and long service awards are offered throughout organisations, though the approach varies.
- 7 Refer a friend schemes are a relatively new benefit offered by organisations to their staff and new candidates. These vary from monetary to annual leave.
- 8 Health and wellbeing has emerged as a focus for reward in many organisations. 

COMMUNICATING REWARD

Evidence tells us that many NHS employees are not aware of the range of rewards and benefits offered by their employer. It's therefore more important than ever to make the most of what you're offering and how you are communicating it. If your employees understand the benefits available to them, they will place a higher value on their overall reward package and will be able to make informed decisions.



There are a wide range of benefits offered across the NHS but most organisations feel their communication of these could be improved, particularly communication of the entire reward offer. Only a small number of organisations have a communication plan specifically for reward with some involving their communications teams for specific pieces of work as required. It would be useful to seek advice and involve communication teams in any plans for reward communications.

Trusts generally use a variety of communication channels and some consider the preferred communication routes of their staff to ensure their message is received by all employees. However, it can be a challenge for organisations spread across a larger geographical area and over a number of sites to communicate the offer to staff. This can be a particular issue where organisations have community-based workers who do not have consistent or direct access to a computer.

COMMUNICATION CHANNELS

Rewards and benefits are communicated by employers through various routes.

Benefit champions



Roadshows



Intranet



Total reward statements



Website



Newsletters



Staff handbook



Benefit leaflet



NHS Jobs

Screensavers

Posters

Payslip leaflets

Social media

Emails

Smartphone app



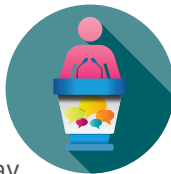
STAFF BENEFITS ALL IN ONE PLACE



Organisations have a multitude of benefits available but these are not communicated as effectively as they could be. It has become a focus for some to house their reward information in one place, including wider benefits such as those relating to health and wellbeing. The overall information is then used for recruitment, by managers, on trusts' external websites and on intranets.

Where the information is not in one place, it can lead to an increased work load in terms of answering questions from staff and employees who are less aware and engaged with the benefits available. The use of NHS Jobs to promote the entire reward offer is not widely utilised which is surprising given this is a single way to raise awareness with potential recruits.

BENEFIT ROADSHOWS



Benefit roadshows are a popular way to highlight the overall reward offer to staff and engage with them about the range of benefits. Roadshows have been used as a way to launch new benefits, smartphone apps and reward branding. Information from staff surveys suggest that these are a good way to help employees become more familiar with the reward offer and branding. The roadshows are often self-funded with the support of suppliers.

Dorset HealthCare University NHS Foundation Trust promoted staff benefits through a series of interactive events.



[Find out more by reading the case study.](#)

The introduction of benefit champions among existing staff was an innovative approach taken by Mid Yorkshire Hospitals NHS Trust and has resulted in increased awareness of the reward offer.



[Read the case study to find out more.](#)

TOTAL REWARD STATEMENTS (TRS)

Total Reward Statements **NHS**
Totally about you

TRS provides a useful way to communicate with staff about the total value of their reward package including pay and pension benefits. TRS can be tailored to include any local benefits that are unique to each organisation.

TRS is communicated in a range of ways each year when refreshed statements are first available and also via reminders throughout the year. The resources provided by NHS Business Services Authority, such as the posters and screensavers, are well used.

Where an organisation's access route is through Government Gateway, some provide advanced notice of the log-in process so that staff are able to access statements more easily when they become available.

Nottinghamshire Healthcare NHS Foundation Trust encouraged its staff to access their statements, achieving a 48 per cent access rate in 2015-16, which put it in the top five trusts for that period.



[Find out more by reading the blog on our website.](#)



SMARTPHONE APPS

The use of smartphones apps to promote trust information and benefits is increasing. The apps tend to be developed through an external company. The intention of the apps is to provide up-to-date information, increase awareness of the offer and be available to staff that do not have regular access to a computer.

“Very informative, every time I attend I get new ideas.”

REWARD BRANDING

Branding of the reward offer has become a key area so that staff are more familiar with this and recognise information when it is communicated. This branding is used on all communication with staff, such as on the intranet or newsletters.



SOCIAL MEDIA



Although some organisations actively promote the use of social media, this is not widely utilised to promote staff benefits. The most popular channels include Twitter, Facebook and Snapchat.

Where an organisation was able to use its relationship with local press to increase coverage of positive stories from the trust, this improved staff survey results. The use of social media was key to this approach.

BENEFIT PLATFORMS

Benefit platforms have not been widely introduced. Where they have been, it is used as a way for employees to view information and access the benefits that are available. Organisations also use the data from these to inform their approach, target communications and assess how popular benefits are.

“ The honest and open sharing of initiatives and experiences is invaluable.”

NEW EMPLOYEES



The use of on-boarding and induction to communicate reward is an area that organisations have begun to look at. The induction process and new starter journey varies across organisations. It is felt that the reward offer could be promoted more effectively during this time to ensure what was communicated during the recruitment phase is reflected when the new employee begins employment. New starter packs are often provided which include details of staff benefits. Some organisation check back in with staff, via email or survey, after a set period of time to ask how their first few months have gone.

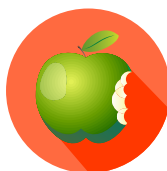
“ Excellent network to keep abreast of national and regional trends, sharing knowledge and good practice.”

THE OVERALL REWARD OFFER

The overall reward offer for employees can include a broad range of benefits such as health and wellbeing, learning and career development opportunities, support from managers, the culture of the organisation, and pay and conditions. It is important for employees to understand the full range of benefits available to them, including the financial and non-financial.

HEALTH AND WELLBEING

Health and wellbeing has emerged as a focus for many organisations. It is an important part of the reward offer, however, it is not often communicated as being part of the offer so can be viewed by staff as separate. Having an overall reward brand which includes health and wellbeing, has helped some organisations overcome this.



Health and wellbeing initiatives are seen as an effective method of showing staff they are valued by their employer. They are often well received initiatives that staff can become involved in. For example, giving staff an additional half an hour per week to use to support their wellbeing, for example, taking an extended lunch break to take part in an exercise class or go for a walk. Results indicate that the initiative has been well received and senior staff have led by example to encourage staff to make use of this additional time.

Organisations are also working towards the health and wellbeing commissioning for quality and innovation framework (CQUIN) payment framework.

There are a wide range of health and wellbeing initiatives provided by organisations, including:

- offering free health checks
- access to fast track physiotherapy referrals
- resilience training
- sports activity clubs and sessions such as walking, running, cycling, pilates and yoga
- physiotherapy – some fast-track referrals
- psychological and talking therapies such as counselling or mindfulness classes
- mental health first aider training courses
- physical therapies such as reflexology, massage, chiropractic services and chiropody
- maternity workshops
- occupational health
- smoking cessation clinics
- weight loss clinics or dietetics referral options
- mediation services are beginning to become more prevalent.

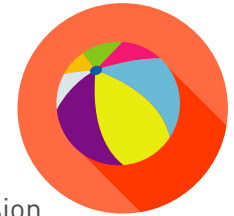
LEARNING AND DEVELOPMENT

Promoting the learning and development opportunities available is a vital part of ensuring staff are aware and understand how they can access them. Highlighting this effectively from recruitment, through the new employee process and to the existing workforce, is an important part of communicating the overall reward offer. This has also become a focus for organisations.



PAY AND CONDITIONS

An employee's pay and conditions of employment form an important part of the overall reward offer and includes areas such as access to the NHS Pension Scheme, annual leave allowance, flexible working arrangements, and family friendly leave and benefits. Organisations are increasingly starting to communicate these benefits as part of their overall reward package and consider ways to be more flexible in their approach, such as around terms and conditions.



There are many learning and development opportunities available within organisations:

- work experience
- apprenticeship schemes
- preceptorships and mentoring/coaching
- stretch projects
- talent management
- specialist qualifications
- secondments.

“The network is proving a huge resource for sharing knowledge and experience.”

“This is a very valuable network to share practice and establish contacts.”

RECOGNITION SCHEMES

Recognising the achievements of staff can be a useful tool to help increase staff morale, staff engagement and reducing staff turnover. Understanding how your workforce like to be recognised will help you align your schemes with what staff value.



Recognition schemes are widely used by organisations. Schemes include:

- employee of the month
- team of the month
- annual award ceremonies
- long service awards
- retirement awards
- thank you cards
- newsletter articles
- simple thank you messages
- scrolling screens in staff areas with visible thank you messages
- volunteer awards
- thank you flowers.

Some organisations who surveyed their staff, or used focus groups to ask how they would like to be recognised, found that most like a simple thank you as opposed to an award. A number of organisations have opted for recognition schemes such as thank you cards, flowers or visits from members of the senior team. However, evaluation of the annual award event at one organisation showed that 94 per cent of respondents felt more engaged and valued following the event. This highlights the importance of understanding your workforce.

Organisations continue to communicate the recognition staff receive in a variety of ways, such as on noticeboards, social media and scrolling screens in staff areas. In one organisation, staff choose how they are recognised, which has included being given a certificate or having their photo in the trust magazine.

Long service awards often include monetary reward, however, organisations that use pin badges and certificates to recognise long service describe how popular these are with staff. Staff feel very proud to wear their pin badges. Most organisations recognise service to the organisation and a small number recognise overall NHS service.

TESTING AND EVALUATING THE REWARD OFFER

It is important to test your approach to understand how effective your reward activities are. This will help you to better communicate your activities and their value. Although organisations do not extensively test or evaluate their approaches, there is clearly a desire to take this forward to help inform future approaches to reward and ensure the offer is what staff value.

TESTING

Generally, organisations either test the desirability of rewards with a small cross section of the workforce or through surveys. Focus groups or listening exercises provide invaluable feedback directly from staff on what they value. There has been demonstrable changes introduced following this feedback, such as re-branding or the introduction of new benefits. There are some organisations that pilot potential benefits before launching these with sections of the workforce.

Some organisations have begun to carry out a review of their reward offer to aid their recruitment and retention challenges and to ensure the offer reflects what staff want and value. This includes analysing the existing offer, canvassing for staff opinions on what benefits they value and which new benefits they would like to see introduced.

“It’s an excellent network for sharing good practice, I always come away with a long list of great ideas.”

EVALUATING

Evaluation is undertaken on rewards and benefits by some organisations. Feedback from staff informs approaches and is sought through various methods. Organisations realise the importance of feeding back to staff so that they understand any changes to benefits or how their feedback has helped to influence change.

Where an evaluation has taken place on new initiatives, this information and data has been important to identify how staff feel, the level of take up and to understand who is accessing the benefits. Organisations that have benefit platforms also use the data from these to assess the levels of take up and any profit generated. A useful way to seek feedback from staff is during benefit roadshows while employees are already engaged with the reward offer. This can be simple in approach but quickly assess the impact of any initiatives.

Mid Yorkshire Hospitals NHS Trust evaluated the effectiveness of a new method of communicating staff benefits and rewards across its workforce with benefit champions.



[Read the full blog on our website.](#)

INFORMATION AND RESOURCES



We have produced a range of resources to help communicate the value of the overall reward offer, including how to use reward to help meet workforce challenges such as recruitment and retention and to share some of the good practice from within the NHS. These have been developed with feedback from the network to ensure the resources we produce fit with an organisation's needs.

COMMUNICATING REWARD

- ✔ Communicating your reward offer
- ✔ Communicating reward across your multi-generational workforce
- ✔ The role of managers in communicating reward
- ✔ Communicating reward to new employees
- ✔ Employee benefits leaflet template
- ✔ The value of the NHS Pension Scheme poster
- ✔ Total Reward Statements local benefits checklist

REWARD TO SUPPORT ORGANISATIONAL PRIORITIES

- ✔ Using reward in recruitment
- ✔ Things to consider when designing a refer a friend scheme

CASE STUDIES AND BLOGS

- ✔ Using benefit champions to promote staff rewards
- ✔ Reviewing staff benefits and reward
- ✔ Promoting staff benefits through events
- ✔ How our benefit champions promote staff rewards – the evaluation
- ✔ How we increased our Total Reward Statements access rate

To join the NHS Employers Total Reward Engagement Network, email [✔ reward@nhsemployers.org](mailto:reward@nhsemployers.org)

Find out more about reward and access further resources at [✔ www.nhsemployers.org/reward](http://www.nhsemployers.org/reward)
Tell us what you think about our products and resources at [✔ reward@nhsemployers.org](mailto:reward@nhsemployers.org)



 www.nhsemployers.org/reward
 reward@nhsemployers.org
 @nhsemployers

Produced by the NHS Confederation publications team. Published May 2017. © NHS Confederation 2017.
This document may not be reproduced in whole or in part without permission.
The NHS Confederation Company Ltd. registered in England.
Company limited by guarantee: number 5252407