



How on-demand pay fits into the 5 pillars of your Total Rewards strategy 🍊

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Introduction

Developing and implementing a Total Rewards program has become a central HR focus and with good reason — Total Rewards programs focus on the employee and on the employee experience in the workplace, but, ultimately, they benefit the employer.

In an increasingly competitive landscape, having a sound Total Rewards strategy will help you to attract, engage and retain employees because, if you're taking care of your employees and they're happy, why would they want to go elsewhere?

A Total Rewards program comprises monetary and non monetary remuneration for an employee's job. The five pillars of a Total Rewards Program include:

- ✓ **Compensation**
- ✓ **Benefits**
- ✓ **Employee Well-being**
- ✓ **Employee Growth and Development**
- ✓ **Employee Rewards and Recognition**

Back in the day, employees were satisfied if the companies they worked for provided them with good pay and good benefits. But times have changed, and these benefits are no longer enough as different employee demographics in the workplace are redefining expectations and the needs of a company to help nurture their health, wealth and careers. This, in turn, has led to defining what companies must address in a Total Rewards plan.

DailyPay's on-demand pay experience is the strong foundation for every Total Rewards program. Why? Because it addresses critical issues that every business faces with a solution that:

- ✓ **Reduces turnover**
- ✓ **Accelerates hiring**
- ✓ **Improves employee experience**
- ✓ **Increases employee productivity**

The purpose of this eBook is to show you how DailyPay can help you provide a better Total Rewards employee experience under each of the five pillars, while benefiting you as well — all at no cost to your company

Compensation not only covers the amount of pay that an employee receives, it also includes the frequency of that pay. According to the [U.S. Bureau of Labor Statistics](#), 42% of companies in the U.S. pay on a bi-weekly pay schedule, the most common pay period length.

If your employees are some of the almost [80% of Americans who live paycheck to paycheck](#), getting paid every two weeks may not be often enough. In fact, more often than we feel comfortable acknowledging, millions of Americans are unable to go to the grocery store, pay their bills, keep up with their rent, or even pay for gas to get to work before their next paycheck arrives.

Your employees who face emergencies or need to pay bills before their next payday often are forced to resort to payday loans, credit cards or overdraft fees to make ends meet.

According to this [HuffPost article](#):

- ✓ 60% of adults admit to having no budget
- ✓ Fewer than half of Americans have savings for emergencies
- ✓ Over one-third of Americans pay only the minimum on their credit card balance
- ✓ The average family has \$15,000 in credit card debt and \$33,000 in student loans



As business leaders, is there anything you can do to help our employees, and will what you do help the company in return? Yes, you can achieve both of these objectives by compensating differently. You do this by providing employees with an on-demand pay benefit that gives them access to their earned pay between paydays and reduces financial stress, which negatively impacts productivity.

The traditional payday was established to benefit the employer by providing regular intervals for calculating payroll and remitting taxes. It certainly wasn't established with any thought to what works best for employees and their families.

Compensation

With DailyPay, you still process payroll on your regular schedule, just as you always have, but your employees can access their earned pay whenever they want. This ability to get paid on their own terms as they earn it, through DailyPay's PAY product, gives your employees control over their pay, helps them to avoid racking up more debt and affords them a safety net for emergencies.

While an employee's compensation may remain the same, the ability to get it when needed is certainly a better experience.



Many companies offer the typical array of benefits — medical, dental, vision, disability and the like, but a majority are starting to take a more holistic approach to benefits.

According to a [Willis Towers Watson survey](#), 69% of employers said that voluntary benefits would be an important part of their rewards strategy in the next three to five years.

DailyPay is a voluntary benefit that costs employers nothing to implement, and yet the impact that it has on employees and employers is measurable.

Benefits to employees

- ✓ Ability to access up to 100% of their net earned pay
- ✓ Instant or next-day access for a transparent ATM-like fee
- ✓ Ability to transfer earnings to any bank account, debit card or pay card
- ✓ Prevents cash-flow timing issues from escalating into bigger financial problems
- ✓ Savings of \$1,205 in overdraft fees, late fees and payday loan interest

Benefits to employers

- ✓ No changes to payroll processes
- ✓ No cost to employer
- ✓ Improves employee engagement and reduces absenteeism
- ✓ Reduces turnover, on average, 45% among DailyPay users
- ✓ Increases recruiting funnel and reduces time to fill open positions by 52%, on average

Do any of the paid benefits you offer employees result in stats like these? For zero cost to your company, you can offer DailyPay as a voluntary benefit and dramatically increase employee tenure, engagement and productivity.

Employees today are looking for work-life balance, the ability to work remotely, flexible work schedules and instant access to their pay. In their personal spaces, they access food, cars and money with the push of a smartphone button. They now seek those same types of experiences in their workplace. You can provide that to them with DailyPay.

According to an [EY September 2020 report](#), 70% of individuals experience financial stress regularly and nearly 75% of those who experience financial difficulties suffer from a decline in their health and well-being.

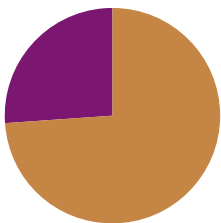
What happens when employees who are experiencing financial stress come to work? They are distracted, unproductive, increasingly absent, poor performers. And this results in turnover and increased costs to your company.

Want to alleviate some of that stress and make employees more productive? Implement DailyPay. With access to their pay as they earn it, your employees can meet unexpected expenses, deal with emergencies and pay bills on time. In fact, according to a [recent survey](#) that DailyPay conducted among users:

85% of users said DailyPay makes them better able to budget and pay large monthly bills like rent, utilities, car payment, etc. (vs. only 4% say that it makes them less able)

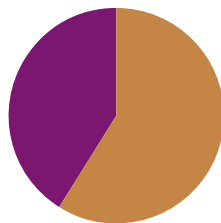
In addition, the DailyPay Pay Balance™ feature gives your employees insight into the amount of money they have already made, which allows them to better budget their pay. It can help them decide whether they need to pick up an extra shift to pay their bills next week. With the ability to better align their income with their expenses, employees are happier and more productive.

It's clear that offering on-demand pay with DailyPay is an especially effective way to improve an employee's well-being.



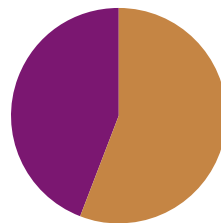
74%

Said DailyPay has helped reduce their financial stress



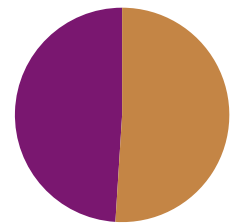
59%

Said DailyPay motivates them to go to work



56%

Said DailyPay motivates them to pick up more shifts or work longer hours



51%

Said DailyPay has helped improve their financial health

Employee Growth and Development

The Growth and Development pillar of a Total Rewards program typically refers to ongoing training and development, which are important to retain employees and often allow them to take the next steps in their career.

But it could be argued that employee financial development might fall under this pillar as well — it's the kind of development that allows employees to take steps to actually start saving — saving for retirement, saving for a vacation, saving for an emergency.



DailyPay's [SAVE](#) feature allows employees to save money from their paycheck, before payday, in an interest-bearing account of their choosing, helping them to start on a path to better financial well-being. Many employees don't know how to begin to save, but we make it easy for them to put aside a certain amount of money from every paycheck and then watch their savings grow.

As mentioned previously, having access to their earned income also helps employees save, on average, \$1,205 on overdraft fees, late fees and fees related to payday loans. In [the same user survey](#), 50% of survey respondents stated that DailyPay has helped them be more disciplined about spending and 46% said DailyPay has helped them to save more.

According to [a recent Harris Poll](#), commissioned by DailyPay, more than one-third of employed Americans (36%) rely on financial assistance programs offered by their employer for financial assistance/advice.

Want to give your employees the financial assistance they need to develop better financial habits? DailyPay is the right choice.



Total Rewards, of course, includes an Employee Recognition pillar because recognizing employees for a job well done, or for picking up an extra shift, or for achieving a goal increases motivation, productivity and retention! But a rewards program needs to be compliant and giving out gift cards, a reward strategy often used by managers to incentivize an employee to pick up a hard-to-fill shift, for example, often isn't.

DailyPay's [REWARD](#) product allows managers to disburse compliant spot bonus awards that recognize an employee for a job well done or serve as an incentive to cover undesirable shifts. And REWARD payments are reported back to payroll via a reporting dashboard, which enables your company to ensure tax compliance.

REWARD inspires employees to perform at their best and creates another powerful employee experience — which is what a Total Rewards program is really all about!

Conclusion

Designing and implementing a comprehensive Total Rewards Program can result in happier, more engaged and more productive employees — employees who want to stay with you because you're providing them with the meaningful benefits they want.

DailyPay currently partners with hundreds of companies and their millions of employees, and the stories they tell about how this benefit has changed their companies and the lives of their employees is what motivates us as a company to keep doing what we do — every single day.

Companies who choose to act now and offer this life-altering benefit to their employees will reap the following benefits*:

- ✓ **45% average reduction in turnover among DailyPay users**
- ✓ **Twice as many applications for job openings that advertise DailyPay**
- ✓ **73% improvement in your employees' opinion of you as a company**
- ✓ **56% increase in employee motivation to pick up more shifts or work longer hours.**

The fact that your company can roll out DailyPay at no cost, with no risk, and with minimal disruption makes it a no-brainer benefit that you can no longer ignore.

**DailyPay User Surveys*



Please contact us to learn
what DailyPay can do for your
company and your employees.

Thank you for reading

[Get a No-Obligation Demo](#)

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