



News release

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Hobbs takes online flexible benefits to 900 retail staff with limited PC access

Hobbs, one of the most successful names on the UK high street, is innovatively taking online flexible benefits to its 1000 staff, 900 of which do not regularly use a PC at work. It is thought that Hobbs, which is implementing the programme with Vebnet, is the first privately-owned UK retailer to adopt flex to attract and retain staff.

Hobbs operates 94 stores in the UK, Southern Ireland and Jersey. Stores are standalone or concessions and they vary in size. Whilst Hobbs capture detailed information on store operations using sophisticated technology it encourages staff to be shop floor focused by limiting access to a PC. Each store has between 3 and 35 employees, of which ninety-four percent are women.

Hobbs prides itself as market leaders. It wanted to retain the aspirational element of its brand and support its aim to be an employer of choice and had

discussed its options with PricewaterhouseCoopers. Amit Chowdhury, Hobbs' Head of HR and Training, explains, "People are generally becoming more promiscuous with their employment options. There are lots of good retailers out there and while we usually attract quality employees, we wanted to show that working here is an excellent choice for them. Flex is also a good retention tool and although staff tend to be loyal, we wanted to acknowledge and reward this".

"We presented a challenge to the technology providers who came to see us," continues Chowdhury. "Where some companies came with good, flashy websites, Vebnet came with an understanding of our situation, a pragmatic approach and a blank piece of paper to create from. They understood that we needed to take flex to 900 employees who don't normally need to use a PC, so standard web communications wouldn't work. They found a way to implement online flex for us."

The solution to delivering flex to so many employees without PC or internet access, according to Chowdhury, came from Vebnet. "They helped us to think about our employees and how we could capture their imagination. One hundred employees in the head office can now access the Hobbs Choices website, and all 1000 received a booklet which explains their Choices. The booklet asks each employee without PC access to call a Help Desk, managed by Vebnet, so they can ask questions and make selections over the phone".

A secondary problem identified by Hobbs was that many employees hadn't thought about benefits, whether this was their pension or dental care. Hobbs combined focus groups with Vebnet's experience so the entire package tuned into employees' needs. On top of the core benefits, three flexible choices are available; childcare vouchers, Hobbs FlexPension and dental cover, with more to be added in 2007. On top of this, a voluntary benefits programme offers travel, leisure, motoring, health and retail options.

A third challenge was to manage the implications behind the flexible programme, including the tax rules and legislation. PricewaterhouseCoopers project-managed this process, from the feasibility study, identifying suitable technology partners, planning the appropriate communications programme, to managing the tax clearance for the salary sacrifice scheme. John Harding, Director in PricewaterhouseCoopers Human Resource Services Group said, "Implementing flexible benefits in a retail environment presented a number of interesting challenges, not all of which were tax related. Hobbs decision to focus on getting the basics right, providing staff with the benefits they valued most highly, has meant that the flex scheme was able to be designed and implemented in a way that met the staff's aspirations".

Gerry O'Neill, Vebnet CEO, comments, "The Hobbs implementation illustrates how we use our expertise to find innovative and practical solutions for our customers. Hobbs needed a unique flex programme that would meet their challenges and the needs of their staff. We thought about it differently, broke down the PC barrier, and are delivering to their organisational needs".

For more information, contact Vebnet at its London or Edinburgh offices via www.vebnet.com, or London – 020 7073 2710 or Edinburgh – 0131 270 5500.

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About Vebnet

Vebnet specialises in the development, deployment and support of internet based technology for flexible benefits and total reward statements. Founded in 2000 and subsequently listed on AIM (2003), Vebnet has rapidly become the leading provider of this technology. Through significant, specialist experience of the employee benefits market, Vebnet is able to identify the real business case behind implementing flexible benefits. This ensures that clients are able to achieve a rapid return on investment. Vebnet launched its FIX&FLEX product in 2002, which is now distributed via leading benefit consultants and a range of other strategic partners. **Customers include The AA, Britannia Building Society, Heineken, Informa, JPMorgan, Nationwide, PWC, KPMG, SonyBMG and Virgin.**

www.vebnet.co.uk

- » For Organisations, Vebnet solutions offer a branded vehicle to communicate the value of their total rewards, help differentiate themselves from competitors, harmonise terms and conditions and deliver tangible results to the bottom line.
- » For HR, Vebnet solutions simplify benefits administration and strengthen reporting and management capabilities, aiding the campaign to recruit, motivate and retain employees.
- » For employees, Vebnet solutions enable organisations to provide appealing and valued benefit choices and show individuals just how much investment is made into their benefit packages. Access is available 24/7 with internet connection for an intuitive and engaging experience.
- » For global companies, Vebnet solutions provide the functionality to offer benefits to employees internationally, online and in multi-currency formats.
- » A cost-neutral voluntary benefits programme from Vebnet bundles tax efficient salary sacrifice arrangements together, to offer employees more benefit choices.