

Managing Employee reward cost (incl. car costs)

Your challenges

The Belgian system of automatic wage indexation combined with the highest inflation rates in most recent years will lead to spectacular wage indexation, salary increases and thus increases in employer's costs in Belgium.

How I can help?

Companies and employers are not entirely helpless in this situation and there are many ways for employers to mitigate their total cost burden even when being confronted with these mandatory salary increases. The most important things to consider when mitigating the total employer's cost from an HR perspective are:

- Revamping the **Compensation & Benefit package** (e.g. anticipating the increases when calculating merit increases and bonuses, CBA90 bonuses related to energy saving measures, etc.)
- Implementing efficient **hybrid working** practices (e.g. review of telework policies, work schedules and mobility practices, downsizing of office space, etc.)
- **Reshaping the workforce** (e.g. define agile workforce strategies and implement flexible employment structures, etc.)
- **Managing headcount impact** (e.g. apply for temporary unemployment or in a worst-case scenario analyse different methods of headcount reduction)
- Etc.

Needless to say, PwC and PwC Legal would be more than happy to join you in a constructive debate around this subject and think together on how to deal with the sudden and spectacular increase of employer's costs.