

Entrepreneurs, what is the best social security for your employees?

Are you an entrepreneur? Maddyness has created a true kit of different steps to follow in creating, growing, and even selling your own startup. From hiring to protecting your brand and moving on to financing your innovation, you will find tips and good practices so that you can easily find your way in the entrepreneurship labyrinth. In this article: several recommendations about your employees' social security.

Temps de lecture : minute

13 May 2020

Too Long? Here's the key takeaways

- Declaring your employees is the best way to guarantee basic social security: health insurance, unemployment, retirement collection, etc
- It is a good idea to offer a complementary mutual fund to your employees. This is generally defined through company agreements
- You can offer them additional benefits, like a life insurance policy, but this isn't mandatory
- Sweet talk the freelancers that you work with regularly by offering them benefits adapted to their situation

What the insurance companies take care of

Good news: from the moment you declare your employees, they automatically get “basic” social security benefits. This is the goal of some employer's and/or employee's premiums, which allow you to finance

different coverage benefits.

Health, disability, and life insurance

Health insurance is the reimbursement of healthcare according to the social security scale (with or without hospitalisation), compensation for sick leave, as well as the costs linked to maternity or paternity leave (medical costs, salary pay, etc.)

The insurance company that the employees are a part of will also pay for a disability pension if the employee has a reduced capability to work. Finally, it will also pay out life insurance to the employee's family (partner, children, parents) in the instance of passing. These services are managed by the insurance company that you choose.

Worker's compensation and employer's liability insurance

This is a specific part of health insurance, which also depends on the employer's premium and is supervised by your insurance company. It covers the costs of sick leave associated with a work-related incident or illness - or an income in case of permanent disability or the passing of an employee.

Unemployment insurance

Just like health insurance, unemployment insurance is also automatically part of the coverage for employees and supported by employer premiums. The coverage of unemployment insurance depends on the duration and amount of premiums, according to the length of employment. This service is linked to the [Job Centre](#) and your private insurance company.

Family allowances

Family allowances correspond to a compensation from employer's premium. Family benefits for parents, additional allowances for large families, birth grants, grants for young children childcare, or back-to-school allowances are all part of this type of social allowances. These are overseen by many public health and family services.

Old-age pension (aka retirement contributions)

Premiums for employee retirement are mandatory and are automatically distributed among the employer (employer premium) and the employees (employee premium). They verify the period of employment of the employee and accumulate until the employee reaches the age of retirement.

Declare your employees. This gives everyone a peace of mind: for you, so you don't get fined or even convicted, and for your employees so that they will have the basic social security benefits and protections. Simple, basic.

What you also can offer them

Employers can also offer group health insurance or complementary mutual funds. This allows members to be refunded for expenses that health insurance isn't accountable for such as doctor's visits, hospital costs, eye care, dental, or any costs associated with alternative medicine.

As an employer, you can sign an agreement with an insurance agency that could offer these services to your employees. However, the employer is also held accountable for at least 50% of the costs. In general, the

agreements are drawn up by the company, learn more about which agency will be best for you.

The “little extras”

You can also offer optional supplementary benefits to your employees, this means a larger coverage for maternity leave, disabilities, or passing. This is by no means mandatory unless your insurance agency requires it. It is just something extra to offer your employees.

In startups, the “little extras” are appreciated. Don't hesitate to ask your employees if these types of benefits would interest them. There are many ways to keep employees loyal, better pick a good one!

What about independent employees?

More and more startups work regularly with independent employees, either for one-time needs or because their economic model doesn't allow for full-time employees, such as ridesharing companies, or platforms for food delivery. Knowing that social security for independent employees has become very important, Uber and Deliveroo both announced last year that they would put in place mechanisms to offer social security for people who work through their platforms.

On the startup side, Alan or Wemind launched offers dedicated to independent employees to better protect them. If you work regularly with freelancers, it might be a good idea to offer them social security benefits, so they aren't tempted to work for your competition.



À lire aussi
[How to insure your startup](#)

Article écrit par Maddyness