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Great benefits attract great employees. But how can an employer make its benefits package stand out from the crowd? Signing bonus? Personal time? Stock options? Those might have been noteworthy decades ago, but today they are often checkbox items.

WHAT ABOUT CRYPTOASSET REWARDS?

Whether or not you think Bitcoin, Ethereum, and/or other cryptoassets are a good idea, the fact remains that global crypto adoption greatly resembles Internet adoption in the 1990s. A December 2021 survey by CNBC found that 83% of millennial millionaires own cryptocurrency and intended to accumulate more in 2022. Despite infamous price volatility, awareness and adoption of crypto continues to climb. In late April, financial planning and investing titan Fidelity announced it would “allow investors to add Bitcoin to

their 401(k) retirement savings and investment plans” later in 2022. Regardless of the reasons, trend data shows this is what “digital natives” born after 1980—and an increasing number of those born earlier—want.

Bitcoin and cryptocurrencies are new enough in the mainstream that they can stand out as novel while still being a serious incentive to those interested in having diverse assets and high growth potential. If you are competing for talent, especially young talent, consider motivating them with what they want now, not what their parents wanted 25 years ago.

At Thrive HR, we have been coaching companies on using crypto in staff recruitment. For example, cryptocurrencies can be a powerful sign-on bonus for clients to offer, but it is important to offer options. Some enthusiasts will only want bitcoin. Others may favor

cryptocurrencies for blockchains more associated with non-fungible token (NFT) transactions, such as Ethereum or Solana. And some may prefer more speculative, meme-oriented crypto, such as Dogecoin or Shiba Inu. This is not to say a company should offer everything. (This would be impossible, as there are thousands of cryptocurrencies.) But a selection of at least three or four of the “majors” might show prospective hires that the company is flexible and accommodating of different priorities.

Cryptocurrency is incredibly attractive to candidates, especially millennials, both as an investment asset and a method of payment. Those that have a passion around crypto see it as a way to improve the living standards for people all over the world.

If your corporation is interested in using cryptocurrency as a sign-on bonus or to pay

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employees (over half of Generation Z reports wanting their job to be at least partially paid in crypto), the following information may be instrumental in helping with that goal.

In this new work world, labor shortages and huge skills gaps exist across the country. The ways in which we work, receive benefits, and ultimately get paid are changing. Before COVID-19, who would have believed that employees could demand to be allowed to work from home and never return to the office? Companies such as Cisco, LinkedIn, and others allowing permanent work-from-home situations was unimaginable.

Working from home is only the first example of how the traditional employee/employer model has changed. While the pandemic changed where we work, the cryptocurrency explosion also started to transform how employees get paid.

Getting paid in crypto may have seemed far-fetched just a year ago. But last summer, El Salvador made headlines when it became the world's first country to declare Bitcoin, the king of today's cryptocurrencies, legal tender. The Salvadoran government has invested more than \$225 million in dozens of Bitcoin ATMs across the country and has of-

fered every citizen \$30 worth of free bitcoin.

Bitcoin's valuation has fluctuated greatly month to month, although its long-term trend has been remarkably "up and to the right." The reasons are varied and complex. They involve the nature of Bitcoin itself—its fundamental model of decentralization, immutability, fixed supply and minting schedule, unassailable security via cryptography, and the overwhelming energy cost that would be required to hack the global blockchain ledger. They involve over a decade of proof in the market, showing that while Bitcoin is volatile, it inevitably comes back from crashes bigger and stronger than before. And perhaps most of all, they involve a narrative shift in 2021 in which Bitcoin acceptance is moving from fringe early adopters to mainstream institutions spanning hedge funds, pension funds, public companies, nations, the largest banks, and now Wall Street.

As of this writing, Bitcoin has a market capitalization nearing \$1 trillion in an environment where inflation is high and real fixed income yields are negative. Increasing numbers of economists expect Bitcoin's market cap to climb into the tens of trillions of dollars in coming years. The writing is on

the wall, and individuals from all social levels and industries are noticing. Millions of people are realizing that inflation and monetary supply expansion are eroding the value of every dollar held while Bitcoin continues to show significant gains, both as a long-term store of value and (via a technology called the Lightning Network) as an everyday medium of exchange. More and more people want to be paid in an appreciating currency, and, today, the go-to option is Bitcoin.

Case in point: Carolina Panthers offensive tackle Russell Okung now receives half of his \$13 million NFL salary in bitcoin. Okung indicated that he desired this back in 2019 and acknowledged that his team, the Panthers, had complied in late 2020, back when one Bitcoin was worth about \$30,000. The Panthers did not hold Bitcoin directly, so the team issued U.S. dollars (USD) through a third-party service called Strike, which converted USD into Bitcoin and deposited it into Okung's private Bitcoin "wallet."

Okung was the first to use a then-experimental Strike feature now known as Pay Me in Bitcoin. With this feature, users can link their Strike account to a bank account and, every time a bank deposit gets

made, a percentage amount of the user's choice converts to Bitcoin and transfers into the user's wallet. Others have since followed Okung's example.

Crypto payment options are exploding. Publicly traded exchange Coinbase offers its Commerce platform for merchants. Bitpay and many others offer a range of services for businesses to accept and pay out with bitcoin. Note that these are still early days, and fees can range from virtually nothing (as with Strike) to several percent, so research accordingly.

If you imagine a bell curve, U.S. Bitcoin adoption currently stands at about 10%, which is just before that steep upward slope on the left. We expect adoption to increase rapidly in the months and years ahead, and payment queries from workers to grow from murmurs into a clamor. It is now a question of when, not if. In anticipation of that shift, here are some suggestions to help you prepare:

- Have key management and executives learn what Bitcoin is and how it intersects with corporate fiscal priorities. A two-hour interview with MicroStrategy CEO Michael Saylor provides a fascinating overview of how he steered his publicly traded company into embracing Bitcoin in 2020 and his thought process around why the asset belonged on his balance sheet in the current economic environment. For broader 101-level learning about Bitcoin, consider the "beginners" playlist from long-time Bitcoin advocate **Andreas Antonopoulos**.
- Start a fact-finding and strategy team. Pull payroll, tax, and legal together and begin discussions. Decide whether you will pay workers in crypto, which crypto (we recommend Bitcoin, but there are

many options), and if/how those payments should flow through an outside service.

- Have conversations with your payroll provider regarding whether they can support you in the crypto adoption process. If not, do they recommend and integrate with other services that do?

In our experience, at this point in crypto's still-early adoption, many people resist the technology because it is unfamiliar. One of the best things you can do is take an hour or so to try it out for yourself. Open an exchange account, such as on Coinbase, Kraken, or Gemini. Watch their tutorials, put a few dollars in, and buy a little bitcoin. Try out a Strike account or a different multi-crypto wallet, such as Exodus. Transfer some value between locations. Demystify the process for yourself and you will better understand the value crypto can bring to your workers and organization.