

# The *Benefits* of Communicating *Benefits* Self-Service



By Amy Crosby, Workscape, Inc.

**I**n an economy of skyrocketing healthcare costs and escalating concerns over investments and retirement savings, it's easy to understand why employees often consider a comprehensive benefits package as important, if not more crucial, than salary. While the paycheck pays the bills, when it's time to visit the doctor or a hospital, even for a preventative visit, people are reassured by the knowledge that a simple co-pay and a signature is all that's required.

The various parts of a health and welfare benefits package are, indeed, part of the total compensation afforded to an employee. It's impossible to calculate the intangible value of current and future feelings of security afforded by health insurance and 401k plan management, but these services, and others such as flexible spending plans, represent a large portion of the employee compensation package.

For companies, administering a multifaceted health and welfare benefits program is time consuming and costly. Labor-intensive transactions, such as open enrollment and benefits administration, involve multiple work-

flows, resources, and deadlines, which prove particularly challenging when today's HR managers are being given more responsibility with fewer resources. As a result, more companies are turning to technology to automate benefits administration, thus enabling them to take on more strategic tasks.

However, the challenge with implementing any new technology, such as an automated benefits administration solution is guaranteeing its use by employees. Without employee adoption of the technology, companies cannot realize both hard and soft returns on the investment. Adoption of an automated self-service solution, such as one to support employee health and welfare benefits administration, is directly influenced by how well organizations communicate information to employees and how well employees understand that information. Properly communicating the "what's in it for me" of an automated solution correctly sets expectations and prevents employee misperceptions.

Remember the baseball movie "Field of Dreams?" In that film, the main character is told to plow his pre-

cious cornfield and replace it with a baseball field, assured by a firm voice that, "If you build it, they will come." Does the same principal apply to a newly automated benefits system? Should an employer believe that if they simply invest the time and money to build such a system, that employees would embrace it? The answer is a resounding no. Without a clear, concise communication program that both promotes and educates the value of the new system, employees will revert to the old solution which they are familiar with – inevitably returning the burden to the HR department, obviating technology's mission.

It seems obvious that when a company chooses an outsourced HR solution, such as a Web-based application for benefits enrollment and administration, that employees will quickly understand the flexibility that comes with being able to access their own information online. Employees can, and should, be educated on the many benefits of HR self-service. However, it's not an overnight process. It requires the appropriate level of communication and training to help a company's

employee population maximize the systems and fully understand the myriad of reasons why for example, online self-service for benefits administration, is a better solution.

### The Case for Outsourced Benefits

Outsourcing benefits administration enables companies to cut costs and offer increased services to the employee community. In fact, by 2007, most Global 2000 firms will outsource at least 33 percent of their HR administrative tasks, according to industry research compiled in 2002 and 2003 by Gartner Group and the META Group. By giving managers and employees the tools and information they need to make their benefits decisions, the HR department is free from administrative overload. By implementing an integrated Web-based solution that automates all aspects of health and welfare benefits administration – enrollment, eligibility management, call center, employee communications, vendor management, and COBRA/HIPAA/FSA administration – HR can reallocate resources to other higher-level strategic tasks while improving the quality of service offered to employees, and the quality of data delivered to carriers and vendors.

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One major benefit of moving to Web-based self-service HR access is the “always available” aspect of the system. Similar to shopping online, an employee can make changes like adding a new family member to a health plan or updating an address when they move, 24/7. With the economy changing every day, an employee might want to monitor their 401k investments with the ability to make

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changes or check profits and losses. With “always on” online access to their HR information, employees take control, make their own choices and keep track of their own benefits.

Of course, HR has challenges to contend with, such as managing employee comfort levels with new technologies, motivating change and refining existing workflows. Perhaps there’s a concern that the idea of “self-service” HR will conjure negative connotations for employees – lack of attention from an on-site HR manager or a loss of existing benefits. If so, it’s imperative that the company organize and unveil a multi-level communications program that will build momentum and excitement among employees and help ensure the

the level of service they require.

Prior to implementing any company-wide system, especially one that will have such far-reaching effects on a company’s workforce, it’s imperative that detailed research be conducted about the current environment. What does the employee population look like and does the company have experience with online systems? In order to effectively rollout a Web-based benefits administrative solution, the outsourced provider must understand the landscape. For example, a manufacturing company has a very different employee population in contrast to a knowledge worker organization, such as a software company, and access to personal computers and the Internet will also vary dramatically as a result. If the appropriate steps aren’t taken to offer kiosks and other “after hours” access channels, the percentage of system adoption by the manufacturing employees will be less than desired.

### Building Consensus

Generally speaking, introducing the concept of automated benefits administration should be done one to two months before implementation to ensure successful rollout. And repetition is key. Employees need to hear and read information multiple times before they can truly absorb and understand its impact. They need to see it in literature such as brochures or onsite posters, read it in e-mails or on the company’s intranet site, and hear it in employee meetings.

A good communications campaign needs to first build awareness throughout the employee population. The key

new plan is adopted. It is important that HR managers are able to communicate that assistance is not being taken away, but rather being extended for their convenience and that previous resources such as an HR call center, will continue to be available. This level of communication not only prevents negative misconceptions, but also instills confidence that the solution can address employee needs and provide

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is to create “buzz” and generate excitement about the upcoming launch of a new self-service solution that will offer employees both power and choice. With awareness comes consensus building. If employees begin to understand the many benefits of the new program, they will also be more accepting of the company’s overall vision for reducing costs while increasing employee benefits.

Once there is a wave of interest among employees, the next step toward successful adoption of the new online program is to launch a detailed education program. Employees need to know why they should use the Web-based program and what rewards they can derive. Finally, employees need to be given the tools to “go to work.” An abundance of information and encouragement is needed to teach employees what functionality is provided by the new systems and how to use it, including training sessions and on-site demonstrations, if necessary.

One communications opportunity for a company rolling out a Web-based employee benefits solution is that it presents an occasion to re-brand the company benefits program. What’s old is new again. It’s the perfect venue to educate employees on the varied benefits available, making sure they understand the value in the context of their total compensation – both tangible and intangible.

For example, a national home building company with 5,000 employees, rolled out a new enrollment Web site while providing new branding for the company’s benefits program. In this case, by developing a new creative

image – *Benefits By Design* – complete with a new benefits logo, the company reinforced the new and exciting benefits offering available to employees. The new employee benefits portal put increased flexibility and choice at employees’ fingertips, and four years later the brand is still going strong.

Additionally, a global digital imaging and photographic equipment company with approximately 5,000 employees, wanted to convey the message to employees that an online solution is efficient and easy to use. “Service Made Simple” did the trick and following an intensive employee adoption campaign, the company has been happily using the program for three years.

Both enterprises successfully implemented an automated self-service solution because it was supported by a comprehensive communications program that eased the employee base into awareness, anticipation, and understanding of the features of the system.

### Selecting a Vendor

Because of the measurable impact that technology can provide in reducing total expense, more companies are automating their HR processes. When partnering with an automated benefits administration vendor, it is vital to choose a company that knows your market and competition. Do they have

the HR domain expertise needed to implement an effective solution? Additionally, choose a firm that has successfully worked with organizations of your company’s size.

Lastly, it is extremely important to make sure that the company you choose is able to effectively rollout the employee awareness and communications program as well as manage and track implementation of the program to ensure positive return on investment for the company.

With a solid communications plan in place, a company can ease employees into the changes that come with the implementation of a Web-based self-service HR solution. Once the stage is set, the “audience” will come to understand and accept that change. And, in this case, a change that allows a company to cut costs and drive ROI while allowing employees to take control of their own benefits transactions makes sound economic sense.

### About the Author

As manager of Communications Services for Workscope, Inc., Amy Crosby has been instrumental in assisting clients with communications strategies for employee adoption of online services. Over the past three years, many Workscope clients have benefited from her expertise and proven track record of developing and delivering employee adoption campaigns aimed at ensuring positive return on investment. Prior to joining Workscope, Amy spent seven years with Fidelity Investments where she provided communications consulting to outsourced benefits clients. Today more than 180 corporations deploy Workscope’s benefits and workforce management solutions. For more information, visit [www.workscope.com](http://www.workscope.com) or call (888) 605-9620.

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