

Who gets the most benefit from benefits? The new benefits paradox

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With continuing record low unemployment, companies struggle to find and keep the talent they need. Potential employees are in the driver's seat when it comes to being selective about finding the right job. At the same time, employees have high expectations and increasingly rely on the benefits and services employers offer beyond just a paycheck. This kind of paradox—a situation in which two sides of an argument seem at odds, but ultimately both are true—must be managed carefully. By setting the proper expectations, delivering an engaging employee experience, and driving adoption, you can turn your benefits offering from an implied obligation to an acknowledged advantage as an employer.

The obligation/advantage paradox

Benefits like health care, wellness programs, and tuition reimbursement can cost your organization plenty. However, it's become standard practice in many industries to include these types of benefits in any job offer. To differentiate your employer brand, not only are you enhancing what you offer, but you also are working to improve people's experience when they enroll in and use these benefits. No matter how differentiated or powerful the benefits you offer are, if you can't get people to use them, your organization will never achieve a significant return on its investment. And benefits have a cost to employees as well. While you offer access and often subsidize the cost of benefits, employees still feel like a big chunk is coming out of their paycheck. In the end everyone feels like they're paying too much and is not always sure what they're getting in return.

You may also face the challenges of delivering benefits that meet the needs of four or even five generations in the workforce. Within and across generations there are different needs for programs themselves, different ways people want to educate themselves about the offerings, and different expectations on the level of service and how benefits will be managed and delivered. Plus, you rely on this education to help people understand the continued rising costs of benefits—and very often employees' increasing share in paying for those benefits.

The way for individuals and organizations to fully appreciate their benefits is through the education you provide, the expectations you set, and the experiences you create. It goes beyond simply rethinking open enrollment. Enrollment is an activity, but benefit management and the benefits experience happen every day. And the more you offer, the more important it is to have a common user interface. Superior experience with benefits throughout the year goes hand-in-hand with adoption and ultimately value delivered from your benefits program—both in terms of dollars and competitive advantage for talent.

The common/uncommon paradox

When creating the right user experience around benefits, you must also navigate the common/uncommon paradox. Organizations must decide from a policy, administrative, and branding standpoint which parts of the benefits program are common across the organization and which are unique to a given geography, role, or personal circumstance.

As consumers, we are increasingly given the opportunity to personalize our interactions with financial information, professional services, even feedback on clothing, restaurants, and dog sitters. Yet we want to know that the system is fair and that everyone is working from a common set of data. This desire for personalization drives significant investment in the benefit space, behind only price. Take, for example, the three most commonly cited benefits offerings from Aptitude's culture survey: medical/dental, time off, and retirement planning.

Most commonly offered benefits

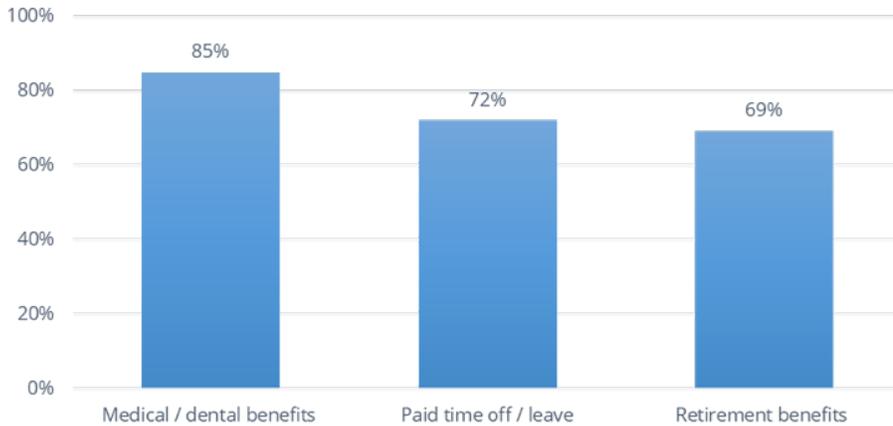


Figure 1.

Source: Aptitude Research Partners, HR Impact Study, 2018. All rights reserved.

Individuals want transparency to know that everyone is working from the same playbook when it comes to how the organization will support and offer benefits in these categories. But the decision about how to use the benefits is very personal. And it is this exact personalization of the common offering that drives both adoption as well as satisfaction with the benefit offering itself. If a benefit is not being used and appreciated, it is indeed like the proverbial tree falling in the woods.

A somewhat newer crop of benefits offerings also permeates the mainstream now—tuition reimbursement and student loan repayment; a bevy of health and wellness benefits from gym memberships to workplace yoga to meditation apps; micro investing; and more. When you want to differentiate your organization, these offerings are compelling. To be effective, though, you have to deliver them through a user experience that employees consider familiar and accessible. Working with a provider to help manage these multiple programs is increasingly common. It can be incredibly time-consuming curating and maintain a list of options that let people find their own value in their benefits. And that's in addition to your helping these same employees navigate through the routine benefits issues and needs throughout the year.

The consistency/variety paradox

Different people learn in different ways, of course. The concept plays the same with benefits. When you communicate about benefits, it's important to stay consistent with your message but offer it in various formats. And mobile access is a must. Besides those who work remotely or in the field or on shifts or without a desktop, more people than not handle much of their business through their smartphone.

Sources for benefits information



Figure 2.

Source: Aptitude Research Partners, Culture Study, 2017. All rights reserved.

While a third to half of all organizations use some guides to ensure they are prepared, most offer a wide variety of methods. But these methods must be grouped logically and allow people a user journey as they enroll, use, and report on their own benefits experience. Aptitude's research also found that organizations with the highest levels of engagement were more likely to take a personalized, modern, interactive approach to benefits education.

Engaged organizations use a different approach

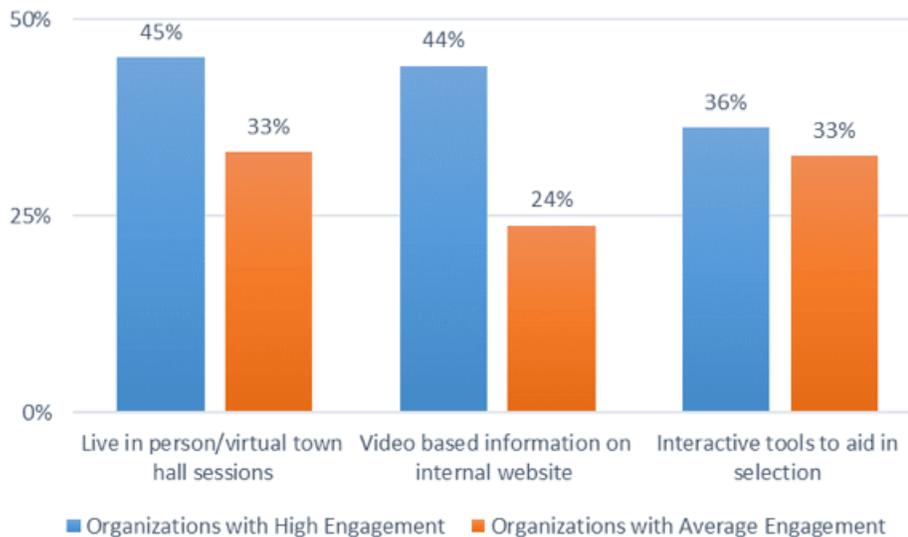


Figure 3.

Source: Aptitude Research Partners, Culture Study, 2017. All rights reserved.

The communication/understanding paradox

You may think you've communicated enough, but it is never enough until everyone has all the information they need to make the most of their benefit choices. But when there is understanding and appreciation for benefits, it changes the relationship between the employer and employee.

Business impact of benefits understanding

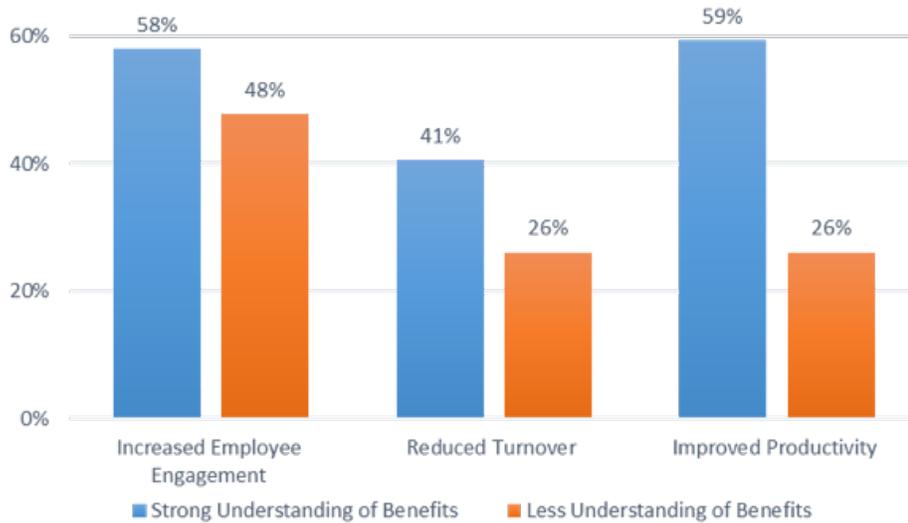


Figure 4.

Source: Aptitude Research Partners, Culture Study, 2017. All rights reserved.

There is a strong indication that organizations that focus on transparency and communication throughout the benefits process are more likely to improve engagement. That cascades into improved turnover and productivity. By delivering key messages frequently in multiple formats, you can easily navigate the various paradoxes of the modern business world and demonstrate real business impact.

Conclusion

If your organization is struggling to see a return on its benefits, consider rethinking how people enroll and interact with benefits. Widening the breadth of your offering can be useful, but you can get more for your current offering by focusing on a consistent user experience.

For more information or to schedule a demonstration:

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