



# BROKER/ADVISOR PERSPECTIVES

INSIGHTS FOR AND ABOUT BROKERS/ADVISORS  
ACTIVE IN THE SELF-INSURANCE MARKETPLACE

Written by Wendy Keneipp

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## EMPLOYEE COMMUNICATION IS MORE COMPLICATED THAN YOU THINK

**I** doubt anyone disagrees that having good communication with employees is a core business necessity. But I don't believe everyone really understands and/or appreciates the critical role it plays in employee engagement, and particularly as it relates to the benefits package.

As health plans become more complex within an organization, the communication must also increase along with it. And as generations in the workplace become further separated with vastly different life experiences and expectations, communication must take on a different face and role with the employee population.

Brokers, or advisors, have been communicating benefits packages for decades and relatively little has changed over time. Employee enrollment meetings, printed enrollment guides, benefits websites. Pretty standard stuff that resembles broadcast communication, and a look-it-up-yourself approach.

When we put the importance of benefits into context of the balance sheet for the company and the relative importance to the employees, it begs the question: *Should we be doing more to help our employees understand and value the benefits package so we can better attract and retain team members?*

In talking with brokers, a common complaint is that HR often doesn't want to make a change, citing a lack of willingness from employees. Unfortunately, this is also rarely followed by any hard evidence to back up these claims.

To find out what employees really want and how much change they're willing to accept for a benefits package they perceive as highly valuable, advisors need to be the ones conducting employee surveys, or better yet, employee focus groups, and get the answers direct from the employees.

## WHAT THE DATA SAYS

According to the 2019 MetLife Employee Benefit Trends Study, employees rank benefits as the third most important item when selecting and remaining with a company. First – salary, second – a positive work environment, and third – benefits.

Yet, there's consistently a disconnect between employee perceptions and employer perceptions of what they feel the employees want and value.

This comes out regularly in studies and in anecdotal conversations with brokers. MetLife shares that 67% of employees are satisfied with their benefits, down 4% from last year. And the comparison is 73% of employers believe their employees are satisfied with the benefits they offer.

If they had the opportunity to leave the bias of the employers out of it (i.e., HR doesn't want to disrupt the employees and add work to their plates; Finance doesn't want to do the due diligence to make the changes), and let brokers hold meetings directly with employees well before the renewal cycle begins, the path the employer chooses to take at renewal may be notably different.

Without input from the employees themselves and effective communication on what an "increase in complexity" could be for a health plan, the employers are, at best, making a guess on behalf of an entire population. Realizing the full value of that benefits investment is going to be very hard to attain with this type of approach. Employers need better data, through communication, to make better benefits decisions for their program and financials both.



When employers approach benefits from a perspective that is disconnected from the employee base, then they are typically motivated to make decisions based on cost and the least amount of effort possible.

Unfortunately, this effort to hurry up and get it off their plate includes not making time to properly communicate the benefits package and ensure the recipients know what they have and how to use it effectively. With this approach, it's no wonder employees and employers too often think of benefits as a significant source of frustration.

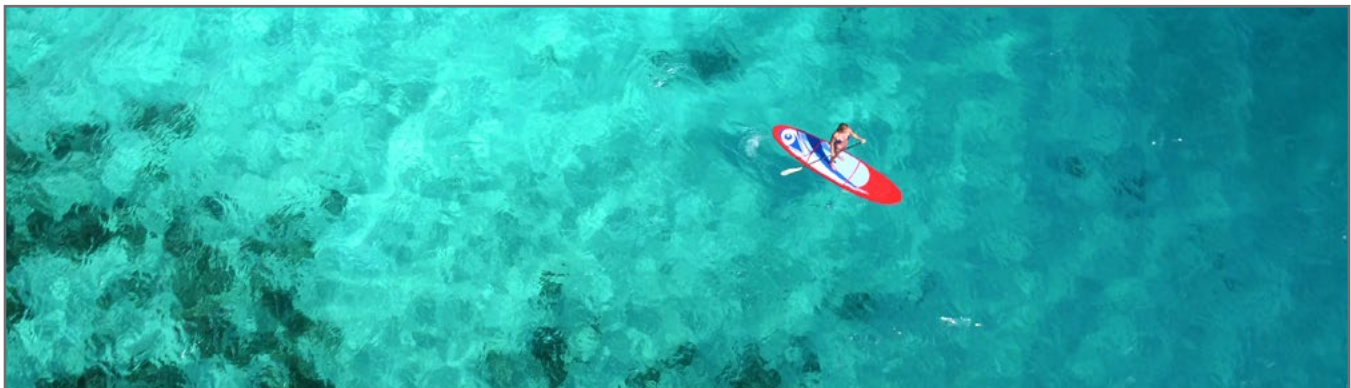
## WE NEED A DIFFERENT TYPE OF MESSAGE

As work and life blend more and more through the use of technology, flexible and remote work options, and the significant diversity in today's jobs, it's no surprise that benefits takes on a more blurred approach as well.

According to the MetLife study, employees are expecting more from employers. They want their employers to be a source of information, resources, and education for how to manage their health, wellness, and finances.

Good communication is at the core of this. When employers don't communicate effectively with employees about the benefits offerings, employees are left with a disconnect between the products and how they can be helpful to their personal lives.

When we leave things to the imagination, we hardly ever get the results we're looking for. Employees will typically underestimate the value of the products because they don't understand how they really work or how they work in conjunction with all the other items. When we don't understand something clearly, human nature is to just ignore it and stick with what we know.



### Mind over risk.

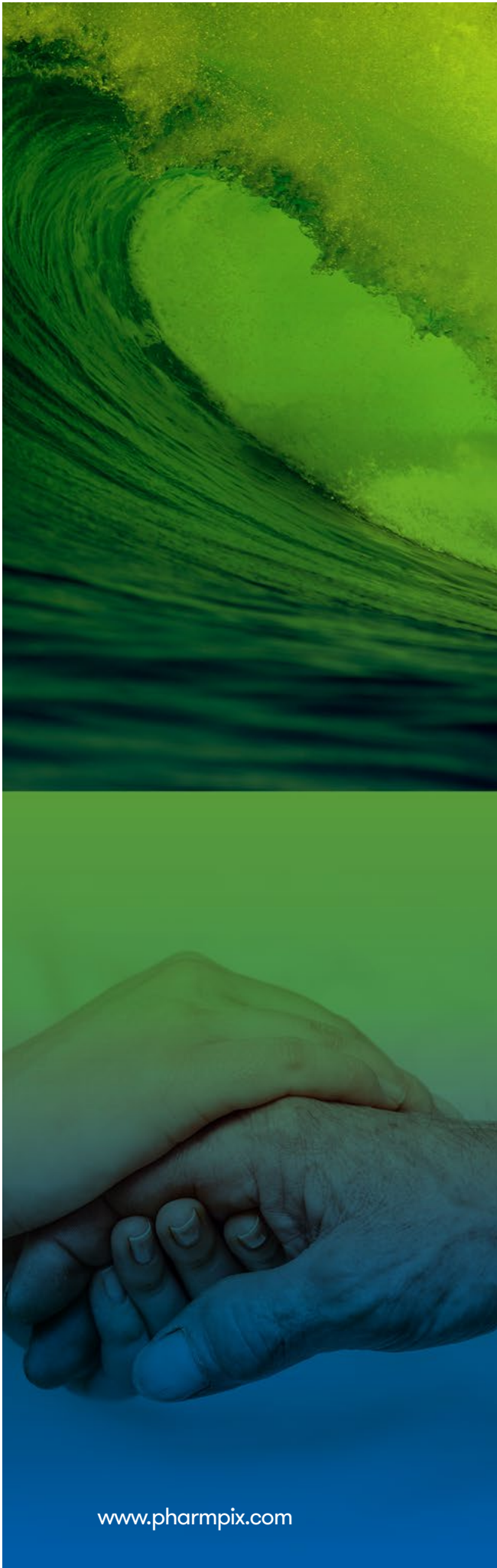
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Advisers must help employers with this communication to draw very clear lines in a way that hasn't traditionally been done. Let's use finances and financial security as an example. When you pair a group of benefits together with explanations of how they work to protect an individual and their family from financial ruin, it starts to paint a new picture for the employee.

- Healthcare can get very expensive, very quickly. That's why we have health insurance to cover costs and protect upper spending limits.
- Health, accident, and mental health issues arise that could cause us to be unable to work, and thus the need for disability insurance to protect our income and our ability to pay bills and maintain the basics of housing, food, transportation.
- Unexpected events unfortunately occur where we lose loved ones and it's a crushing blow emotionally and potentially financially. Which is why we need life insurance.
- Retirement looms large and the financial burden is daunting, leaving many not even knowing where to start. This is where retirement programs come into play.

Of course, there are many other options for offerings, but this is a quick look at how we draw these ideas together. Here's an example for how this could be communicated to the employees:

“There are many ways that Americans can get really upside down with their finances very quickly and may never be able to recover. As an employer, we want to play a part in helping you have as complete a financial safety net as possible. This is a collection of benefits that we offer to help you create as many overlapping lines in that net as we can.”

Pair this message up with some visuals and you're offering a more complete financial picture and increasing the incentive for employees to begin taking ownership of their own financial wellbeing. When employees recognize they have the needs and accept ownership of those needs, the chances of them placing value on the benefits increases appreciably.

## **BUT THERE'S A MAJOR DISCONNECT WITH THIS APPROACH – EMPLOYERS AREN'T READY**

The Open Enrollment Readiness Benchmark (OERB) is a monthly survey that tracks employers' readiness in four key areas leading up to open enrollment. From the consistently low scores in the communication topics, it becomes apparent that there isn't sufficient attention paid to the communication of the program. Which is an unfortunate too-busy-to-get-better excuse because employees tend to value their benefits more when they understand them better.

Out of a score of 100 in each area, some of the communication topics in the survey were well into the red (below 40), on the green-yellow-red scoring system.

- Planning/designing employee communications – 15
- Answering employee questions – 23
- Documenting worker feedback – 19
- Reviewing enrollment engagement metrics – 16
- Reviewing worker feedback – 18
- Soliciting additional feedback – 16
- Planning year-round employee engagement – 26

While these numbers vary from month to month, the communication numbers steadfastly remain some of the lowest.

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But the numbers reflecting the tactical preparation of plan designs and advisor selection maintain some of the highest scores.

## COMMUNICATION IS AN INDUSTRY STRUGGLE

The differences in the scores are indicative of a larger problem with communication across the entire industry – employers have been taught ineffective ways to make buying decisions and manage their benefit programs.

This leads to employers making important decisions on plan design and price and simply lumping in the advisor selection as a part of it. While plans may be similar across advisors, the approach an advisor and their partners take to communication and execution of the programs is going to vary widely. And that leaves a gaping hole for the employees when it comes to understanding the benefits offered.

Employee sentiments tend to mirror results of the OERB. A study from Maestro Health confirms the lack of communications, showing that up to 35% of employees don't really understand their healthcare coverage and/or medical bills. And 62% don't feel their employers are a resource for related questions.

When employers pour thousands of dollars into their employees and it comes back unappreciated, unused, and a source of friction,

it has the unfortunate opportunity to negatively influence the employers' sentiment toward benefits and possibly even their employees.

## ALL THE MOVING PARTS

Brokers and advisors have the opportunity to bring these groups together with an effective communication program. But good programs today are not one-stop-shops. We've got too much diversity in the workforce to create a single channel program that will address all workers.

We need to communicate in person, in writing, through video, and it needs to be shared in various electronic and print formats. It should come via websites and apps. It should be available 24/7 through Q&A and chat bots, it should include direct access to advisors, concierge, and doctors.

Adding to this, a strong program today now has the added burden of taking personalization into consideration. Your employees may be most interested in personal finances, or physical or mental well-being, or dependent care.

Each employee is going to have their own priorities and circumstances and doesn't want to hear a shotgun approach to year-round communication. As an example, talking to everyone about eldercare is not going to be valued by everyone. But for team members who have aging parents, this may be a high priority and of high value.



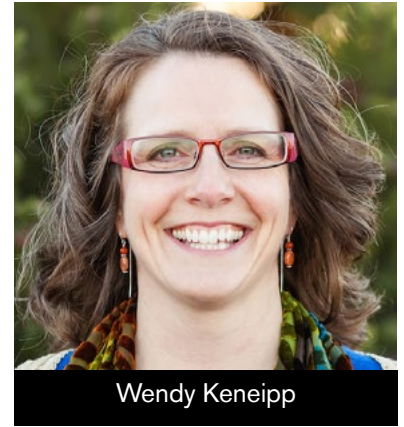


When you learn their areas of interest, you can customize communications to the groups for which they're relevant. This can include both general education and product information, which could have the added benefit of increasing or expanding coverage, as well as teaching them how to effectively use what they currently have.

Clearly, creating successful communication has become much more complicated over the years. And, yes, these are tall orders to create communication and education programs taking all of these factors into consideration, but it can be done.

For advisors, they need to be prepared to vet vendors, organize a comprehensive program, learn how to create effective messaging, and manage the programs for the employers. And they need to charge accordingly.

And for the employers, not only do they need to be prepared to make the investment of both time and money, but they need to make the investment in the right advisor with the right program. Taking the time and making the investment into teaching employees how to get the most from their benefits will benefit everyone. ■



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Wendy Keneipp, partner at Q4intelligence, is a business strategy and marketing/sales coach, working with independent agencies to transform them from legacy sales organizations into modern, client-focused advisory firms. In an industry starved for effective marketing, Wendy delivers a clear advantage by helping agencies create their own results-oriented messages that connect with their buyers and develop marketing and sales systems to take advantage of the new ways buyers seek out answers.



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