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Meetings preferred to drive home benefit messages

By Leah Carlson

Corporations still prefer in-person meetings when it comes to imparting key benefits information to workers.

In fact, group meetings trump all other communication formats in their perceived value as a communication method for employers, according to Wells Fargo, a San Francisco-based financial services company that surveyed 414 firms with 339,105 benefits-eligible employees.

At least 75% of companies deem group meetings significantly valuable, compared to 69% for one-on-one meetings, 54% for personalized benefit statements, 52% for other written communications (like corporate newsletters, bulletins, payroll stuffers and memos) and 45% for Web-based communications (like Web sites, intranets, and e-mails), the survey shows.

Dennis Donahue, national benefits practice leader for Accordia, an insurance brokerage and a subsidiary of Wells Fargo, says, "Nothing is more effective than employee meetings for effective health plan enrollment. During the enrollment process, employees benefit most by receiving initial information on the Internet, but they need the personal touch through group or person-to-person meetings to ensure that they understand their benefits."

Meetings also generate immediate feedback that employers and workers appreciate, he adds.



Tom Smith of Benesync advises employers to use personalized benefit statements with plenty of graphics.

Ann Black, the communications manager for the Virginia Retirement System, agrees: "Employees still value the face-to-face and the group meetings. They always savor the face-to-face interaction. They learn from each other in those settings. They learn faster in group meetings than from [online forums]."

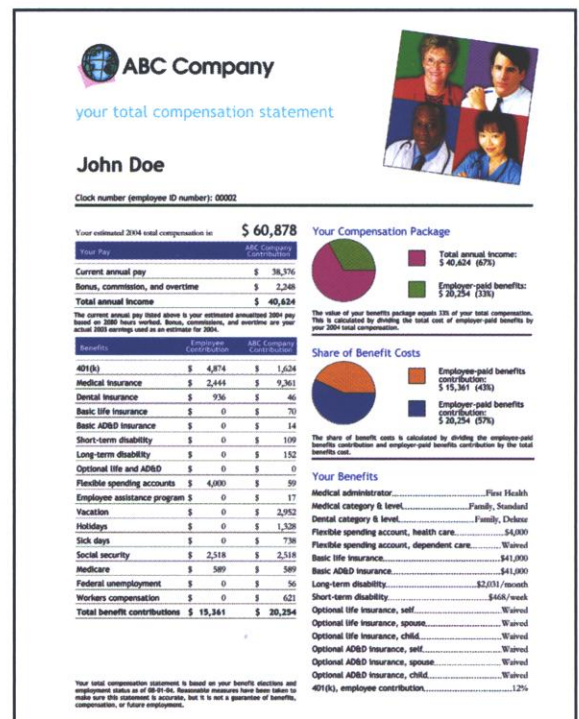
Employers have long recognized that communication plays a crucial role in get-

ting benefits to boost retention and productivity. With health insurance costs soaring, that goal is even more urgent.

Black cautions against using just one communication venue. "A really effective benefit communications program uses every available tool," she comments.

Communicating benefit costs

Most employers sense a lack of aware-



ness of benefit costs in their workforce. Only 14% of employers believe their employees “probably” have a reasonable grasp of benefit costs, while 56% say “slightly” and 30% say “not at all,” the survey indicates.

Black confirms that workers consistently underestimate what their employer pays for benefits.

Consequently, some employers have taken steps to fill this knowledge gap. About 41% of firms educate employees about benefit costs at meetings, while 31% do so in personalized benefit statements and 5% do so through an intranet or another company-wide forum. Surprisingly, 23% don’t share benefit cost information with employees.

Workers better understand the value of their benefits when their employer uses personalized benefits statements or the Internet as the primary means of communicating with employees, Wells Fargo reports.

Black notes that personalized benefit statements work well because they are comprehensive, specific and customized for the individual.

Tom Smith, president of Benesync, a Franklin, Tenn.-based firm that produces personalized benefit statements, recommends using statements that are simple, highly visual and easy to understand. He says such statements can help shift workers from an “entitlement mindset” to a consumer attitude.

Getting the Message Across

Employers said that the following were significantly valuable in communicating benefits information

75% Group meetings

69% One-on-one meetings

54% Personalized benefit statements

52% Other written communications

45% Web-based communications

Source: Wells Fargo, 2005

Meanwhile, Kathie Tange-dupré, a communications consultant with BPS&M, the benefits consulting group for Wells Fargo, explains, “Personalized benefits statements seem to be the best way to let employees know how much a particular benefit costs, but they don’t provide detailed plan information. For that, you need a summary plan description, which could be available in print or online.

Making summary plan descriptions and forms available online is cost-effective for employers because they don’t need to spend money on inventory and storage, and [it’s] convenient for employees and HR.”

Company size appears to influence reliance on the Internet to communicate benefits messages.

Companies with more than 500 employees are four times more likely to provide Internet-based communications than smaller firms, according to Wells Fargo.

“Smaller employers simply may not be giving enough credit to the impact of the Internet,” Donahue suggests.

No matter what size the firm is, Donahue recommends taking communications into account at budgeting time.

“Not enough employers are reminding themselves to put into their benefit budgets a communications expense,” he says. —L.C.



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