

Welcome!

The webinar will begin shortly...

3:00
minutes
until the webinar starts

While you wait, here are some fast facts about HR outsourcing:

Companies that outsource HR to a professional employer organization (PEO) are **50% less likely** to go out of business.



The webinar will begin shortly...

2:00
minutes
until the webinar starts

While you wait, here are some fast facts about HR outsourcing:

Companies that use a professional employer organization (PEO) are **28% more satisfied** with their available selection of employee benefits.



"PEOs: Taking Outsourcing a Step Beyond Pays off for Small & Mid-Sized Companies" Aberdeen Group, 2011

The webinar will begin shortly...

While you wait, here are some fast facts about HR outsourcing:

1:00
minute
until the webinar starts

G&A Partners has an average Net Promoter Score (NPS) that is **35x higher** than that of the HR outsourcing industry.



"NPS Benchmarks for B2B" Inavero, 2014



Avoid a 'Turnover Tsunami' by Offering Benefits in High Demand with Existing & Potential Employees

Tony Landry, REBC
Account Executive, Employee Benefits



Before we begin...

We are recording this webinar. The on-demand recording will be available on our website by the end of the week.

This webinar has been pre-certified by the Human Resources Certification Institute (HRCI) and The Society for Human Resource Management (SHRM) for one hour of recertification credit.

If at any time during the presentation you have a question that you'd like us to answer, please send it to us using the "Questions" tab in the GoToWebinar menu bar.

About G&A Partners

G&A Partners delivers world-class HR solutions that help build thriving businesses and make a difference in the lives of the clients and employees we serve.

G&A Partners has a local presence in the following markets:





The Importance of Benefits & Communication: How to Minimize Turnover

Tony Landry, REBC
Account Executive, Employee Benefits



Employee Benefits 101

There are two main reasons we offer employee benefits to our staff in the first place:

We want to recruit and retain talented employees.

Depending on company size, they may be required as per federal regulation.

- With that, information on how the plans are supposed to look is also readily available in the public space – per the ACA: affordability, essential health benefits, etc.

In addition to specific plan design, how you administer benefits must also remain in compliance. For example, ensure everything is run in a nondiscriminatory fashion.

Employee Benefits 101

- Our benefits programs are offered to get and keep great team members
- Compared to 10 years ago, employees can much more easily review the basics of how they are supposed to look
- We can't pick and choose who gets what and when at an individual level.
- Generally speaking, you can't provide exceptions that may possibly show favoritism



Common perspectives

From the Employer's point of view:

“We offer a robust benefits program and spend thousands of dollars per year on each employee that participates.”

From the Employee's point of view:

“I can't believe I have to spend so much of my paycheck on health insurance.”

Poll Question

Do your employees know what you contribute to their medical insurance and other ancillary benefits?

- Yes
- No



It's not what you offer, it's how you present it

Now that we've established the perceptions of both sides, unless everything is totally 100% free someone will take issue with the cost of a benefits package.

So, taking into account the old sales mantra—sell on value, not on price—the single biggest reason for the disconnect between employers and employees on benefits is ineffective communication.

Your staff isn't going to immediately realize how great a benefits package you offer unless you tell them.

- Even worse: If employees don't know what all is available to them and they think they aren't offered something when in fact they are, it can be a bitter pill to swallow.

How & when to communicate benefits to staff

Try one of the following practices to help raise awareness of your benefits program and demonstrate its value:

- Annual enrollment meetings (whether plans change or not)
- Mid-year benefits review, allowing staff to ask question while they are in the thick of their plan year
- New-hire orientation video recording on enrollment meeting
- Onsite or online presentations for specific benefit offerings
- Weekly YouTube videos for "Wellness Wednesday"
- Wellness Fairs to promote non-benefit package items (local gyms, etc.)
- The Hidden Paycheck
 - Create an illustration that shows employees the thousands of dollars they do not have to spend on insurance.

Sounds expensive...

Most of the options can be offered at little to no cost.



Who can help?

Given your situation, there are three to four entities that can help you communicate the value of your benefits program to your staff:

1. Your insurance broker – the person or agency who assists you with placing group insurance
2. Your insurance carriers – the companies that provide health, dental, life insurance, etc.
3. Your payroll vendor
4. If applicable, your professional employer organization (PEO) provider

Your Broker / Agent



Brokers can be a huge resource when delivering your benefits message.

You can lean on them for essentially anything.

They can conduct annual enrollment meetings for you. Let them do it because they are the experts. (And that's what you pay them for, right?!)

Your insurance carrier



Whether it's medical insurance, life insurance, or whatever – they have TONS of information on hand.

Your insurance carrier can provide you with employee-facing content on free services, value-added offerings, and further explanation of specific details within your existing plans.

Insurance carriers have a vested interest in educating your staff about the benefits. They are often willing to help.

Your payroll vendor



They can provide data for you to share regarding the Hidden Paycheck.

At the very least, your payroll team can provide spreadsheet data on what your contributions are to employee benefits as the employer.

They may also be able to provide generalized benchmark data at the monetary level.

Your PEO provider



Professional Employer Organizations have access to all the benefits information you need.

Since they are effectively the employer and benefits broker, they can provide employees with any information they seek and can deliver communications on your behalf.

They can also work with you on tailoring the information to be specific and relevant to your staff's needs.

Lastly, they should be a great resource to gauge how your offerings stack up when compared to local competitors.



• **Now what?**

You know your staff the best

Case study No. 1

- Company offers only one medical plan with a very high deductible.
- They cover 100% of the Employee Only cost and none of the dependent cost (i.e., spouse, family, children).
- Dental and vision are voluntary while life and disability are company-paid.
- Employees love the setup.

Case Study No. 2

- Company offers several medical plans ranging in price and options.
- Company pays for 85% of all tiers, for ANY plan the employee chooses (i.e., the subsidized dependent coverage).
- Dental, vision, life, and disability are paid by the company.
- Even given the huge investment by the company, employees didn't like the benefits package.

Expanding on Case Study No. 2

They spent much more money per employee than the first group, but the perception of the staff was negative because they did not see the value.

Global reports can be informative but may not provide something you can use.

Keep it simple – a few comparative notes on what other groups are doing in the city / region might prove more useful than a highly stylized national report with thousands of data points.

Poll Question

Do you offer tax advantaged programs such as FSA or HSA to your staff?

- Yes
- No



“What benefit offerings should I consider?”

The best benefits program is the one that is ideally suited to your staff.

In terms of importance:

1. Medical insurance
2. Life insurance & Disability insurance
3. Everything else (i.e., flexible spending accounts*, health savings accounts*, vision, and dental insurance)

*Tax-advantage programs that require additional employee education and support.

Ranking explanation

Over the years, the value of various insurance products has gotten convoluted and the message of what really has an impact has changed.

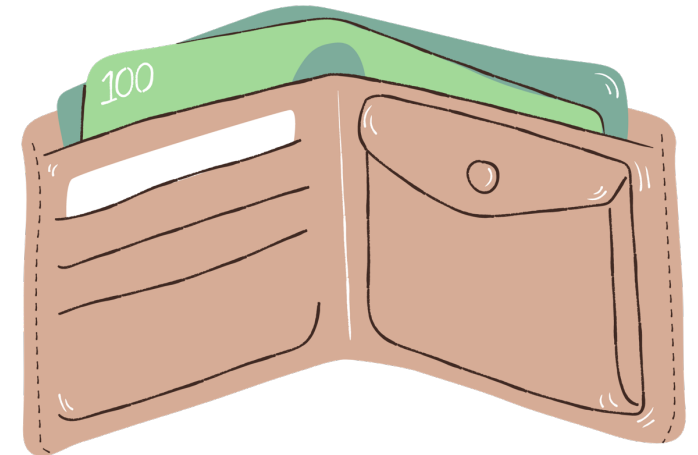
Medical insurance
protects you.



Life insurance
protects your family.



Disability protects your
financial well-being



Shopping for medical plans

Consider a “Good, better, best” approach:

Good – an HDHP plan. Typically, these are lower-cost plans ideal for younger / single staff members who simply want catastrophic insurance coverage.

Better – A mid-level deductible plan that more importantly has copays for routine care. This will work for the employee that needs to see a doctor at their convenience or may want to have adequate family coverage.

Best – A low-deductible, “Cadillac” plan for the employee that wants a super-rich plan.

Shopping for medical plans (cont.)

Employer Contributions:

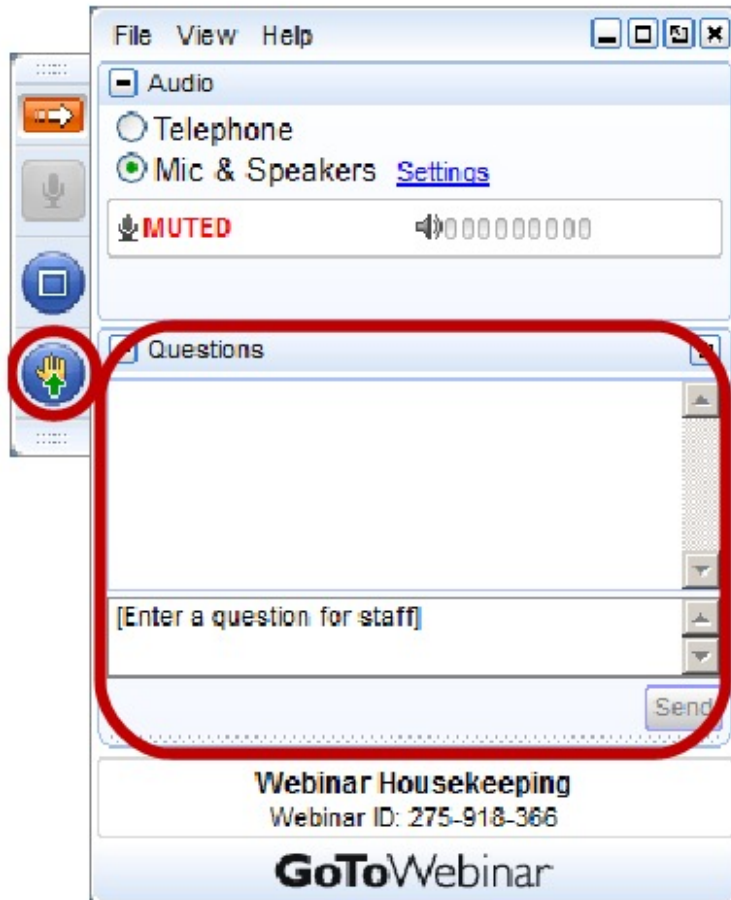
- Don't forget our case studies or the "How" presentation.
- You can't make everything free, but you can provide great benefits on a budget.
- Paying for 100% of the "Employee Cost" can often be affordable.
- Consider contributing a small amount to an employee's HSA.
- Communication is key.

In conclusion

It's not what you say, it's how you say it.

- One size *does not* fit all when it comes to benefit plans.
- The employer that can use its benefits to retain staff is almost always the one that educates the staff on what is available to them, demonstrates its importance, and shows them how to effectively use everything.
- Like we mentioned earlier, sell on value, not on price!

Questions



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If we don't get to your questions during the Q&A session of this presentation, you can email them to info@gnapartners.com.

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