

Effectively Communicate the Value of Benefits to Employees

The modern business landscape can prove a complicated terrain to navigate. Today, companies are trying to make the best decisions about resource allocation. When faced with premium increases, should they reduce benefits, lay off workers, or forego pay increases? They want to keep employees happy and motivated, but that can be hard to do.

Employees' sense of dissatisfaction adds to the employer's challenge. Employees can experience huge increases in their benefit contributions if rising insurance costs are passed on to them. They may also see watered-down benefit packages and feel short-changed. For most, the realization of the total cost of benefits does not happen until the person's employment is terminated, and they are surprised to discover that COBRA premiums can be \$500, \$1,000 or even more. At that point, an appreciation of the benefit package is too late.

It's important to realize that there are two sides to an employee benefits solution – employers want workers to be satisfied and productive, and employees want security and the benefits they feel they deserve. Striking a balance is essential – but not without its difficulties.

The first step is for the employer to get employees involved in the decision-making process. By giving employees the opportunity to feel that they are involved in the process, they know that their needs and desires matter. By understanding what employees want in a health care plan, employers will have a better idea of which decisions to make at renewal.

Employee focus groups are a great way for employers to obtain this feedback. Employers can gather employees from different departments to discuss what they like or dislike about benefits. With that information, employers have a better idea of which options to select for the upcoming year, and if some benefits must be dropped, which ones are least valued by the employees.

Surveys are another excellent way to obtain the same information. Surveys can be put online to simplify the process for all involved and provide easy access to all employees. To encourage and increase employee participation in the survey, employers can set up a raffle where the winner will come from the pool of participants. Again, the information collected can be used to make decisions that are in-line with employee thinking.

The need for employees to understand the costs of health care is critical. They should not only understand costs in terms of any changes at renewal time, but also have an informed idea of what is happening throughout the year.

Employers can keep workers informed by helping them understand the benefits of generic versus brand name prescription drugs, the benefits of urgent care versus emergency visits, and what the cost of health care truly is.

Employers can establish interactive tools so that both they and the employees will be better able to make informed decisions about plan options. With the ability to use an online tool to enter specific information about the needs of the family, the employee can determine whether the PPO or HMO is better for them. Or, the employer can provide static tools so that the costs and terms of one plan can easily be compared to another.

In addition to understanding their health care plans, employees greatly benefit from feeling that they are an essential part of the overall decision-making process. Simply by participating, employees will gain a better understanding of costs and options. Additionally, they'll acquire greater appreciation for the benefits package provided by the employer.