



THE 5 TIPS:

1. DON'T OVERLOOK THE IMPORTANCE OF DATA SECURITY
2. PREPARE FOR THE UNINTENDED CONSEQUENCES OF THE ACA
3. BUILD A BENEFITS STRATEGY THAT ALIGNS WITH AND STRENGTHENS YOUR CULTURE
4. IMPROVE EMPLOYEE ENGAGEMENT BY INCREASING TRANSPARENCY
5. PARTNER EFFECTIVELY TO MANAGE COMPLEXITY

5 TIPS FOR HR TO PREPARE FOR THE ROAD AHEAD

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With the demographics and expectations of the U.S. workforce shifting, it's never been more critical or challenging for companies to future-proof their HR strategies. And benefits will continue to play a huge role in determining how companies plan to spend money on their employees.

Among U.S. companies with more than 2,500 employees, benefits account for almost 40 percent of what is spent on employees. That piece of the pie gets closer to 60 percent for companies with 1,000-2,500 employees.

You can't prepare for the future of HR unless you aggressively address benefits. Businessolver offers five tips for HR to prepare itself for the near term.

1. DON'T OVERLOOK THE IMPORTANCE OF DATA SECURITY

Newsworthy data breaches over the last year hit benefits administration as much as any other industry:

- Anthem — 80 million records
- The U.S. Department of Personnel Management — 21.5 million records
- Premera Blue Cross — 11.2 million records

It's mission-critical that HR closely examines the data security practices of its benefits administration vendors. Equally important is that HR can trust the people behind the technology as much as the technology itself. Human error plays a role in 84 percent of organizational incidents related to security breaches.



2. PREPARE FOR THE UNINTENDED CONSEQUENCES OF THE ACA

As organizations manage their workforces and work hours more closely to control costs and maintain compliance with the Affordable Care Act (ACA), you will see an increase in contingent workers (non-FTEs). By 2020, only half of Fortune 500 workforces will be FTEs. How will you prepare for this reality?

Whatever your strategy, HR will need to do more to communicate choices and changes to employees. For example, the MyChoiceSM recommendation engine from Businessolver is a dynamic tool that asks employees simple questions in plain language about their feelings around insurance and tolerance for financial risk.

Businessolver put MyChoice to work for a 13,000-employee organization and found that:

- People spent 30 percent more time evaluating benefit options than they had before MyChoice.
- More than 3 in 4 (77 percent) of the employees who used the tool chose the benefit recommendation they received, regardless of price point. Sometimes the recommended choice was not the lowest-cost option.

3. BUILD A BENEFITS STRATEGY THAT ALIGNS WITH AND STRENGTHENS YOUR CULTURE

Benefits are an important and often overlooked component of employment brand and organizational culture. You need to clearly define:

- Your benefits strategy with your employees
- Your employee population
- The types of employees you are trying to attract and retain

The answers to those questions can vary. So can the success of your benefits program, depending on your goals.

“I know a lot of employers are looking for that well-rounded employee,” said Jennifer Daniel, Businessolver vice president of carrier development. “They want someone who feels they’re balanced from the physical perspective as well as the emotional, financial, and, honestly, career perspectives. How can employers help employees achieve that type of balance?”

4. IMPROVE EMPLOYEE ENGAGEMENT BY INCREASING TRANSPARENCY

Grab on to the “one wallet” concept. Give employees a complete picture of benefit offerings and expenses that support the whole person — their financial, emotional, and overall health needs. With that data and insight, you can better plan for the future and have a more positively engaged employee population.

Most tools give employees an incomplete picture of their total “wallet spend.” For example, an employee might look at a high-deductible plan and be attracted by the lower premium. But you’re not being totally transparent with that employee if you don’t clearly present the cost of out-of-pocket expenses and ask the employee if they feel they can afford the plan.

Your recommendation engine needs to ask the right questions to truly support employees. It also needs to include options for gap coverage, if an employee feels they can’t afford what appears to be the lower-cost option. “Transparency requires a system that offers a holistic recommendation of benefits,” said Jon Shanahan, Businessolver president and CEO.

5. PARTNER EFFECTIVELY TO MANAGE COMPLEXITY

The changes occurring in benefits modeling and administration are too big for HR to go it alone. You need to partner with experts. But you need to do it carefully.

The benefits industry continues to create new products and move down a path of consumerism. It’s become smarter about health management and wellness. The bounty of data is only going to grow. If you’re going to drive employee satisfaction and overall wellness, you need partners that can really support more options, wider choices, and the greater complexity for your benefits team.

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