

Improving Benefits ROI Through More Effective Communication

Company Overview

This northern New Jersey financial services prospect with 175 employees was experiencing rapid growth, expanding outside the tri-state area for the first time.

Key Challenges

In our initial meeting, the prospect explained to us that in spite of enjoying tremendous business success, they were also struggling with controlling the costs associated with that growth. Specifically, regarding employee benefits, they felt that their rich program was not achieving the proper return on their investment. After extensively reviewing the details of their program, the employee utilization data and results from a worker survey we asked that they conduct, we found that indeed their benefit program was comprehensive in scope, but there was a low rate of employee participation in many of their benefit programs. Specifically, we found that many employees had a limited understanding of the full scope of benefits available to them.

MBA Solution Presented

Our team put together a proposal to improve benefit communications to ensure that employees fully understood and utilized their benefits. Our approach consisted of the following strategies:

- Customized, targeted communications...creating personalized benefit guides for each employee. These guides highlighted the specific benefits that were most relevant to each employee based on their life stage and needs.
- Regular workshops and seminars...on various benefits related topics, such as health and wellness, flexible spending accounts, financial literacy programs and retirement planning.
- Digital resources...including an expanded intranet portal featuring interactive tools, videos, and FAQs to help employees easily access and understand their benefits.
- Feedback mechanisms...to allow employees to ask questions, seek clarification and provide suggestions. In this way, the human resources department would be able to use the feedback to continuously improve the communication strategy.

Measurable Results

After taking over as the company's new benefit broker, we immediately implemented our strategy, which yielded a significant improvement in the company's ROI for its benefit program. In the first year alone, there was an increased utilization in the company's FSA and HSA plans, with more employees hitting their maximum 401k contributions. An increase in employees taking advantage of preventive care services led to early detection of health issues, further reducing the company's long-term health care costs. All told, the company estimated that the strategies produced savings of over \$150,000 in the first two years.