

5 Myths About Enrollment That Employers Need to Forget

It's not difficult to build a benefits program that's not valued, utilized or cost-effective. All you have to do is believe some of today's common myths about benefits and enrollment. But there's good news: You can create a stronger, more competitive benefits program just by dispelling those myths.

Myth #1: Employees understand the benefits available to them.

Reality: Only a third of employees understand their benefits very well, according to a recent survey of 1,500 full-time U.S. employees. And employees who don't understand their benefits don't value them, or the significant investment their employer makes in them.

This can lead to major problems, because lack of engagement with the benefits program leads to lower morale and higher turnover, the survey showed. Employees who spend less than an hour considering their benefits at enrollment time are significantly more likely to:

- Feel dissatisfied in their jobs
- Think their employer doesn't care about them
- Leave their current jobs within the next six months

Ask how much time is typically spend to recruit, hire and train a new employee, and you will quickly see the impact on the bottom line when employees don't understand their benefits.

Myth 2: Employees take the time needed to research their benefits.

Reality: Sadly, this isn't true, either. In fact, 69 percent of employees spend an hour or less considering their benefits annually, according to the survey. Even worse, a third say they spend less than 30 minutes learning about benefits their employer provides.

It's not enough to simply offer a comprehensive, competitive benefits package. To make that investment pay off, the benefits program must be backed by an equally comprehensive education and communication program. Better education drives greater engagement — and higher participation levels that help your business succeed, too.

An effective benefits communication plan will reach employees and allow them to access information when and where they want, and may include group and individual meetings, call centers and online chats, website or portals, and print and digital materials offered over a period of several weeks.

Myth #3: My millennial employees prefer to research their benefits online.

Reality: Only 10 percent of millennials turn to the Internet to learn about employee benefits at enrollment time, according the survey. That doesn't mean they don't have questions and want help figuring out their needs and benefits options — rather, it means most employees want to talk with a live human being. In fact, more than three-fourths of employees in the survey said they turn to other people, such as their HR department, coworkers, family members and friends, for advice.

Yet that strategy may not be effective. The survey showed only 40 percent of employees named HR professionals as their go-to source to learn about benefits — with older employees more likely to do so than younger

employees. While more people turn to HR professionals than any other source, it still means the majority of employees aren't taking advantage of the most knowledgeable resource. And understaffed, overburdened HR staff may not have the time and expertise to help employees determine their individual needs and understand the types of coverage that best meet those needs. The result is an even wider gap in benefits education for millions of America's workers.

Myth #4: Individual meetings aren't necessary to communicate my benefits.

Reality: Research shows one-to-one sessions are the most effective benefits education technique. According to the survey, virtually all — 93 percent— of employees who've participated in one-to-one benefits counseling sessions found them valuable. Yet only 15 percent of employees are offered this kind of personalized benefits enrollment experience.

The reason why may reveal other myths: It's too expensive, or my company is too small to benefit from or qualify for this kind of service. The truth is this kind of personal support isn't available just to larger employers with bigger budgets. A top-tier benefits partner will communicate with employees individually in all accounts to ensure they understand all their employer's benefits—not just those the provider offers—as part of their included services at no direct charge.

Myth #5: The core benefits I offer my employees are enough.

Reality: If you aren't offering a comprehensive benefits package that includes core benefits such as major medical as well as voluntary benefits such as dental, vision, life, disability and critical illness coverage, they're not going to be competitive when it comes to attracting and keeping top

talent. A Willis Towers Watson survey² showed the vast majority — 79 percent — of employers offer voluntary benefits to enrich existing core benefits and offer more personalized options.

What's not a myth: You don't have to be an expert in voluntary benefits, communication and enrollment to have access to effective solutions. All you need is an expert benefits partner who can complement your portfolio and your toolkit. Look for a partner that can provide both a wide array of voluntary benefits and the experienced, licensed, knowledgeable benefits counselors to communicate and enroll them.

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