

Voluntary enrollment is not an implementation step



In the employer-paid benefits arena, success is defined at the account-level sale. After that sale, and after the smiles and the satisfaction, the typical sales rep often hands off the case to an account manager or enrollment coordinator to handle the implementation.

And following the old adage that when you're a hammer, everything looks like a nail, sales reps have added voluntary products to their portfolio, nailing them the same old way. But the results aren't always generating the same types of smiles. Far too often, we see low participation, mediocre employee satisfaction levels, and employer, carrier, and broker disappointment.

These folks attempt to treat the voluntary as an extension of the employer-paid process, often relying on self-enrollment or passive enrollment processes. But today we know that these processes are averaging less than 15 percent participation rates (and for some methods, much less).

The solution lies in recognizing that our employer-paid definitions need to be changed. Voluntary is different; it is not just another "nail." Where employer-paid coverages are sold at the account level, the voluntary coverages aren't sold until the employee buys.

In other words, enrollment of voluntary coverages is not an implementation step. And that means rethinking what we do, who does it, and how we measure success.

WHAT WE DO AND SHOULD DO

In our 2007 study of employers' experiences with voluntary, 52 percent of those who offered voluntary reported that those benefits were self-enrolled on paper by their employees. (And only 27 percent of those employees were completely satisfied with that process.)

Only 33 percent reported that their employees had interaction with any person during the process (but more than half were completely satisfied). This is frightening when you consider that the number of decisions required of employees each year is soaring and, as a

result, the enrollment process is becoming more and more complex. These days, decision-making about benefits is shifting to the employee, yet employees often don't have the information, support or advice needed to make those vitally important decisions. Even when there is "data" for decision-making (often from a booklet or a Web site), many employees understandably want to talk with a trusted advisor concerning their unique situations. And as we've seen in our surveys in recent years, employees are increasingly forced to seek advice from non-experts: family, friends, and co-workers.

As has been shown in a wide range of our research reports over the past two years, employees want and need advice and want it tailored to their personal life situation. Generic information on a Web site doesn't get it done.

The bottom line is that we need to focus on the real goal of voluntary enrollment — to sell needed coverage. We should not be enrolling in order to simply complete paperwork. Instead, it's our job to advise/educate and to help employees make informed decisions about purchasing coverages with their own money, in a way that best meets their needs. For most Americans, these decisions form the bedrock for their family's financial security.

These issues require us to create enrollment options that give employees access to that advice and educational experience. The most common method used today is to have both a group meeting (for general information), followed by one-on-one meetings with each interested employee. Brokers sometimes say that employers are not open to providing this type of access, but our studies show that half of employers are now willing to give employees one-on-one time with an enroller on company time. (And this increasing openness to new enrollment methods holds true across account sizes — reflecting employers' understanding of the growing need for employee education and advice.)

WHO DOES IT...AND WHO SHOULD DO IT

As mentioned earlier, employees are typically left on their own to make decisions about whether to buy, which voluntary product to buy, how much to buy and what features or riders to include. And even in those situations where employees have access to a person, this individual is often

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an "order-taker" or someone that answers administrative questions about completing forms. Group meetings are often focused on describing the features of the offered product, not on the problems that the product can solve. While employees do need to understand what a product covers and, just as importantly, doesn't cover, until they understand the gaps in their current benefits and why and how they might need to fill those gaps, we aren't doing the right job in enrollment.

We need a person or process that can identify needs, understand products and the other benefits and coverages, and can then use a process to assist in decision-making. We need to be perceived as good listeners, empathetic, and knowledgeable, regardless of the particular enrollment methodology used. For those that want and/or need it, personal help should be available, whether on site, over the phone, or through a click-to-chat Internet connection. It's no accident that accounts with 50 percent, 60 percent, or better participation most likely used these types of processes.

HOW WE MEASURE AND SHOULD MEASURE

Today, participation is a key measure of program success — along with premium, premium per buyer, member acquisition, and other measures. Very few companies do much more than this when it comes to measuring the success of enrollments. But if we start thinking about employees as a key customer group, we come up with a whole new range of measures.

We should be measuring employee satisfaction with our enrollment process, our products, our claims system, and more. We should also solicit feedback from employees on our services, future plans, and our strengths and weaknesses.

Other types of businesses do these types of analyses of their customers (to varying degrees), but, because we have misnamed our process and placed these customers in the implementation category, few companies have done this type of research with their ultimate voluntary buyers. Companies need to build processes to measure the attitudes of their employee-level customers (and non-customers) on an ongoing basis.

SO, WHAT'S NEXT?

Let's start by recognizing that the nail analogy is at work and rethinking our attitudes and terminology. Enrollment is not a part of implementation; it is the heart of the sale.

Next, work to understand what our customers expect and want from enrollment. There is plenty of data available.

And finally, restructure the process as needed, redefine who is responsible for it, and measure the things that will point to more smiles, higher satisfaction, and less frustration for everyone.

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