

Benefit Communications Study

**Commissioned by:
Univers Workplace Benefits**



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Introduction

Companies today often maintain that their biggest asset is not the money they generate, but rather their people. Employers recognize the importance of their staff, and a successful business would not be possible without a talented group of employees. As such, building and nurturing relationships with their employees can be seen as an integral role in sustaining a healthy business model. An important component of this working relationship can be seen in the benefit programs that are made available to employees, such as health plans and retirement programs, which are designed to promote the wellbeing of a company's workforce. Simply put, employer sponsored benefit programs can be viewed as an investment in human capital.

With health care costs on the rise, however, employers struggle to maintain the balance between controlling costs while at the same time making sure that their benefits package is favorable enough to attract and retain talented workers. In other words, this equilibrium is becoming increasingly important to a business' success.

Evidence shows that employees who are more knowledgeable about their benefits are more likely to provide high job satisfaction ratings and contribute to lower turnover rates.

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Strata Research, an independent research firm, partnered with Unvers Workplace Benefits in 2007 to perform a series of studies aimed at examining employee benefits and enrollment processes offered by employers in a variety of industries. The first in a series, this study will examine the effectiveness of a variety of implementation methods with respect to existing benefits enrollment procedures in the workplace.

This research is geared towards uncovering ways in which the benefit enrollment process can be made more efficient for both employers and employees, thereby benefiting all parties involved. Additionally, this study will aim to shed light on how these interactions affect employee satisfaction, retention rates, and the costs associated with employee enrollment.

The results presented in this report reflect the data collected from 220 Human Resource professionals at the Society for Human Resource Management's 59th Annual Conference in Las Vegas, NV between June 25, 2007 and June 27, 2007. All respondents who were interviewed participate directly in the administration, enrollment, technology or decision making process for their respective employers.

The analysis of the survey data that follows is intended to uncover existing trends that may provide insight for employers who wish to maximize the efficiency of their employees' benefits enrollment process and the administration of such benefits.

While Unvers Workforce Benefits facilitated respondents' access to this online survey during the SHRM convention, the analysis and presentation of this study's results were executed exclusively by Strata Research, Inc.

Respondent Profile

Position/Role		Employer Size	
Human Resource Generalist	72%	1-200*	28%
HR Director or Manager	9%	201-1000	31%
Administrative	5%	1001-5000	22%
Employee Relations	5%	5001+	20%
Training and Recruiting	2%		
Vice President of HR	2%	Region	
Internal Consultant	2%	Western	35%
Operations Management	1%	Southeast	30%
Other	4%	Midwest	21%
		Northern	15%
Industry		Business Type	
Manufacturing	16%	Local	42%
Health Care	12%	National	25%
Financial/Insurance/Real Estate	11%	International	20%
Not-For-Profit	10%	Regional	13%
Services	9%		
Government	7%		
Education	6%		
Retail Trade	5%		
Technology, Software and Services	4%		
Communications/Utilities	3%		
Wholesale Trade	2%		
Publishing/Broadcasting/Media	2%		
Public Administration	2%		
Construction	2%		
Transportation	2%		
Legal	1%		
Pharmaceutical/Biotech/Life Science	1%		
Hospitality/Travel & Tourism	1%		
Entertainment	1%		
Other	3%		

This respondent profile illustrates the diversity of those who participated in this research study. In the end, human resources professionals employed in a variety of industries varying in region and size were represented.

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* For range 1-200 employees, the lowest number of employees was 25.
 Note: Totals will not always equal 100% due to rounding.

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Executive Summary

**Identifying Trends
& Opportunities**



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Human Capital: Protecting Your Investment

Throughout this report, we've looked at various employer approaches with respect to benefits management and administration. Regardless of what types of benefit options a company offers, evidence shows that employees who are more knowledgeable about their benefits are more likely to provide high job satisfaction ratings and contribute to lower turnover rates. Thus, taking an active roll in making sure employees comprehend the true value of their benefits is critical.

At the core of this objective lies the need for effective communication. Successful communication techniques will ensure that employees are educated about their benefit options, thereby enriching their enrollment experience and benefiting employers and employees alike. This finding, coupled with learning that the area of greatest concern for human resource professionals proved to be attracting and retaining employees, illustrates that while the types of benefits available to employees is critical, the first hurdle is educating employees in general.

The question then becomes, which communication methods are most successful at educating employees. Currently all companies surveyed use multiple methods for communicating employee benefit options during open enrollment and throughout the year.

- The primary methods companies currently utilize are group enrollment meetings and paper enrollment aids. These methods, however, proved to be less successful compared to other communication approaches. Further, not only were these methods, particularly group enrollment meetings, least effective at educating employees; they were also the costliest to execute.
- As an alternative to group enrollment meetings, benefit fairs actually proved to be relatively successful in terms of educating employees based on the level of employee participation and knowledge gained. Compared to group enrollment meetings, benefit fairs were also the least taxing in terms of hours lost and resources spent to execute.
- Communication through direct human interaction, such as one-to-one meetings with a human resource representative, an enrollment specialist or via conference calls proved somewhat effective for smaller sized companies.
- Electronic forms of communication were found to be most effective at educating employees. These systems appear to save employees' time during enrollment, while also lessening the amount of benefit administration hours spent in human resources.

Regardless of what types of benefit options a company offers, evidence shows that employees who are more knowledgeable about their benefits are more likely to provide high job satisfaction ratings and contribute to lower turnover rates.

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Different Methods For Different Sized Companies

As evident in the analysis that follows, company size to a large extent dictates the methods used to communicate benefit options. Some techniques may be more viable for smaller sized companies, while larger companies require alternative methods to achieve effectiveness.

Smaller companies, for instance, are more likely to utilize face-to face communication methods such as meeting with employees in person when they have questions about benefit options. This personal approach has proven to be successful in terms of educating staff and increasing benefits awareness.

As company size grows, however, communication methods shift to becoming more bureaucratic, with a larger emphasis on efficiency. Companies with more employees tend towards benefits fairs and self-service systems as methods of benefits enrollment. While they do not disregard the advantages of more personal methods of communication, these companies must ensure that their resources are being properly allocated.

Perhaps of most concern are medium sized companies. Results from the study show that companies who employ between 1001 and 5000 employees are the least successful in communicating and educating employees about their benefit options. Furthermore, companies within this size had the fewest percentage of employees who take advantage of the benefits that are afforded to them. While a variety of circumstances may in fact contribute to this, one probable component may be their heavy reliance on paper enrollment aids, which proved to be one of the less successful methods when enrolling and educating employees with respect to their benefit options.

Ultimately, regardless of employee size, when employees have a full understanding of what's been invested in them, their satisfaction levels are higher, which improves retention rates and reduces turnover. Taking this into consideration, the manner in which benefit plans are communicated and managed are becoming supremely important, and a winning strategy is essential for businesses that want to sustain healthy growth.

Benefits Programs

Employee Participation & Satisfaction with Benefits

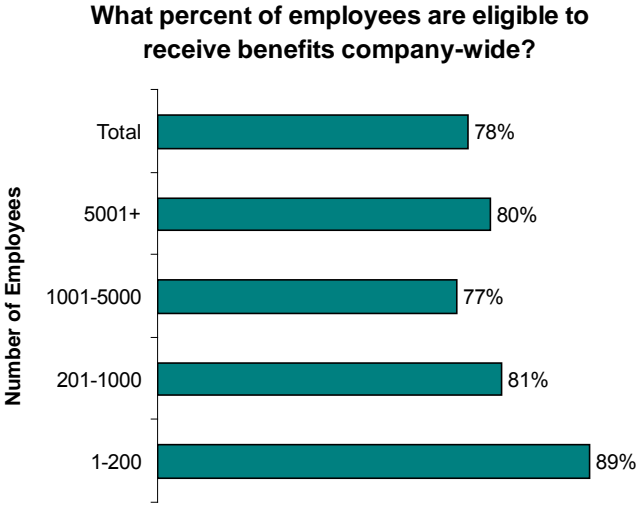


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Benefits Programs

Participants in this study indicated that approximately 78% of their employees company-wide are eligible to receive benefits. This high percentage is not surprising given the relationship between employee satisfaction and employer sponsored benefits.

When examining eligibility by company size, it was evident that companies with fewer than 201 employees had a higher percent of eligible employees than their larger company counterparts. Companies with 1001 to 5000 employees company-wide trended toward having the least percent of employees eligible for benefits.



Benefits Programs

Attractive benefit options serve not only as a tool to help retain employees, but also as an instrument to attract new talent. Often times, a multitude of options are made available to employees, giving them the ability to choose a package that suits their needs best. The most common benefits offered among those surveyed include dental coverage, prescription drug coverage, basic term life, and retirement plans.

Benefits Offered	Company Size			
	1-200	201-1000	1001-5000	5001+
Managed Medical Plan	75%	75%	79%	84%
Indemnity Medical Plan	18%	16%	29%	49%
Consumer Driven Health Plan (CDHP)	8%	13%	15%	21%
Prescription Drug Coverage	95%	91%	98%	100%
Dental Insurance	93%	99%	98%	98%
Vision Insurance	70%	78%	96%	95%
Basic Term Life	87%	91%	100%	95%
Basic AD&D	85%	78%	96%	88%
Healthcare Reimbursement (FSA)	70%	82%	85%	72%
Dependent Care Reimbursement (DSA)	64%	65%	75%	58%
Retirement Plan	90%	93%	92%	91%
Short-Term Disability	70%	81%	81%	91%
Long-Term Disability	87%	90%	85%	86%
Long-Term Care	16%	16%	29%	47%
Employee Assistant Plans	66%	82%	81%	88%
Voluntary Term Life Insurance	57%	72%	88%	79%
Voluntary AD&D	46%	53%	56%	77%
Whole Life Insurance	11%	12%	13%	12%
Universal Life Insurance	2%	7%	13%	7%
Accident Insurance	28%	24%	21%	37%
Critical Illness	15%	12%	27%	26%
Legal Plans	10%	15%	10%	42%
Auto & Homeowners Insurance	8%	4%	13%	26%
Computer Purchase Programs	8%	10%	13%	33%
Financial Planning Assistance	21%	16%	4%	42%
Health Risk Assessment	13%	31%	25%	37%
Personal Time Off	74%	66%	71%	91%
Work/Life Benefits	28%	24%	33%	56%
Continuing Education Programs	56%	53%	63%	88%

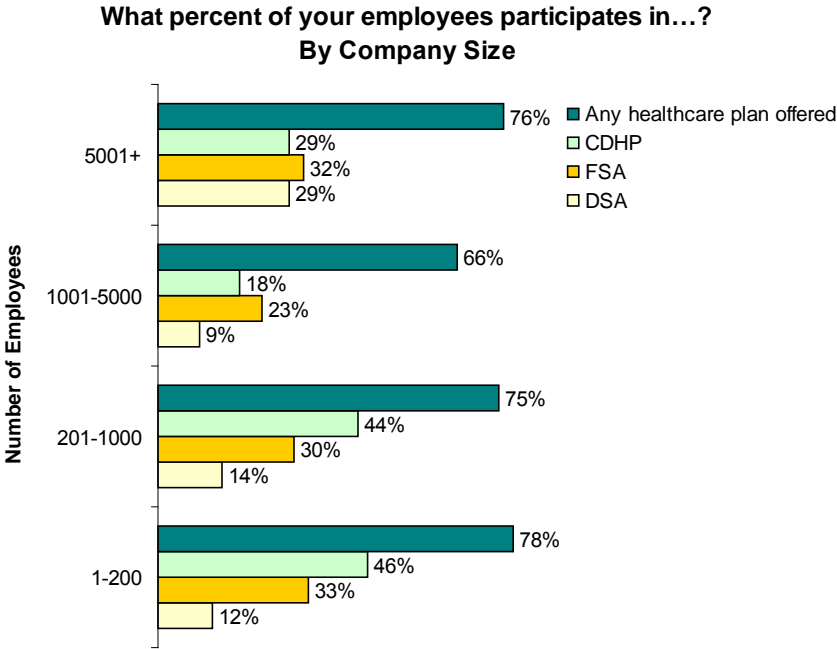
*Responses receiving fewer than 7% in aggregate have been omitted.

Significantly more likely to offer than companies sized...				
1-5000	1-1000	1-200	1001-5000	201-1000

Benefits Programs

Evidence, however, suggests that not all employees are taking advantage of the benefits that they are being afforded.

Particularly notable is that companies with 1001 to 5000 employees tend to have the lowest participation in benefits offered, while smaller company sizes (1000 employees or fewer) tend to have the highest participation, save dependent care reimbursement.

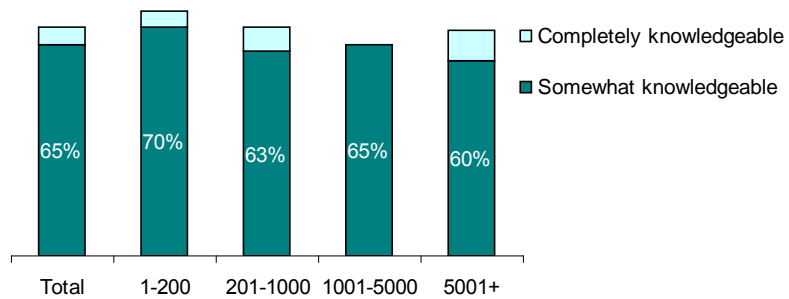


Employees Knowledge of Benefits

Despite the large percentage of employees that are currently enrolled in employer-sponsored benefits programs, results indicate that employees are still not as knowledgeable as they could be with respect to their current benefits and needs for retirement.

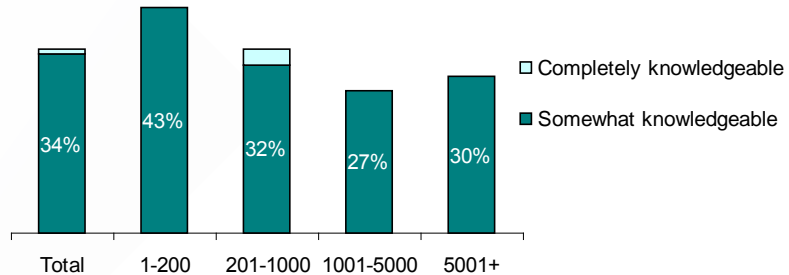
Approximately two-thirds of those surveyed indicated that their employees were somewhat knowledgeable about the benefits available to them, while only 5% felt that their employees were completely knowledgeable.

**How knowledgeable are eligible employees about the benefits available to them?
By Employee Size**



Furthermore, only 35% of participants felt that their employees were knowledgeable about their financial needs for retirement.

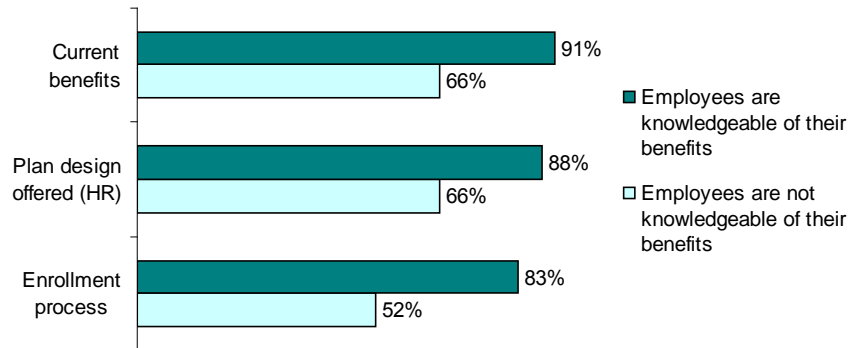
**How knowledgeable are eligible employees about their financial needs for retirement?
By Employee Size**



Employee Retention & Satisfaction

Evidence shows that increasing their workers' understanding of benefits could help employers to boost employee satisfaction levels, which in turn could raise retention rates. The survey results revealed that companies who indicated that their employees were knowledgeable about the benefits available to them were significantly more likely than those whose employees were not knowledgeable to indicate a high level of satisfaction for the following three measures:

How satisfied are your employees with ... ?



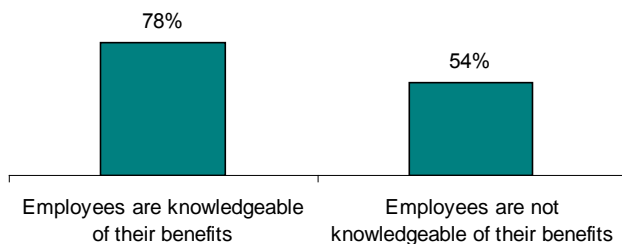
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Employees who are knowledgeable about their benefits are 38% more likely to be satisfied with them.

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In a similar vein, companies who felt their employees were knowledgeable about their benefit plans were also significantly more likely than those who did not to estimate an annual rate of employee turnover at 20% or less.

Percent of companies that experience less than 20% turnover:



These results again demonstrate the significant improvements in employee retention and satisfaction that can be realized when steps are taken to increase employee awareness about the benefits that are available to them.

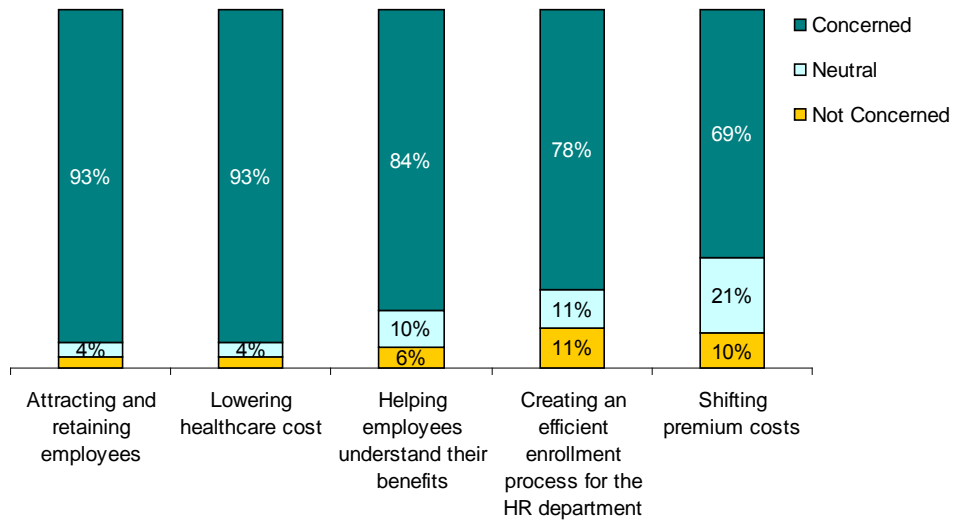
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Employer Concerns

When asked to rate the level of concern among the same issues regarding employee benefits, lowering healthcare costs and attracting and retaining employees topped the list, receiving identical ratings with respect to the level of concern.

These results demonstrate that companies are well-aware of the fine balance that needs to be maintained between minimizing costs while at the same time ensuring that their benefit options are favorable enough to attract new people and keep current employees satisfied.

How concerned are you regarding the following issues:

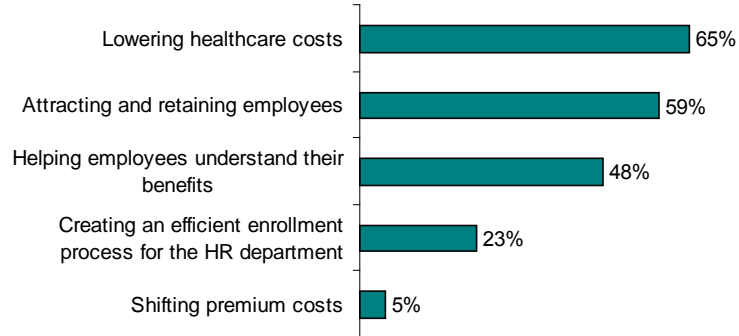


Tracking similarly, those who utilize a self-service enrollment system were less concerned with creating an efficient enrollment process for the human resources department, and tended to be more concerned with attracting and retaining employees.

Employer Concerns

When asked to rate the 2 issues of most concern with regards to employee benefits, results tracked similarly, as approximately two-thirds of respondents provided mentions related to lowering healthcare costs, while attracting and retaining employees was a close second.

Which of the following issues are the top two concerns of your human resources department?



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Differences were again evident among company size in terms of their top concerns. Larger companies (those with more than 5000 employees) were significantly less likely to be concerned with lowering health care costs, but more concerned with attracting and retaining new employees and creating an efficient enrollment process for the human resources department.

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Benefit Communication

Channels:
Assessing the Current Situation

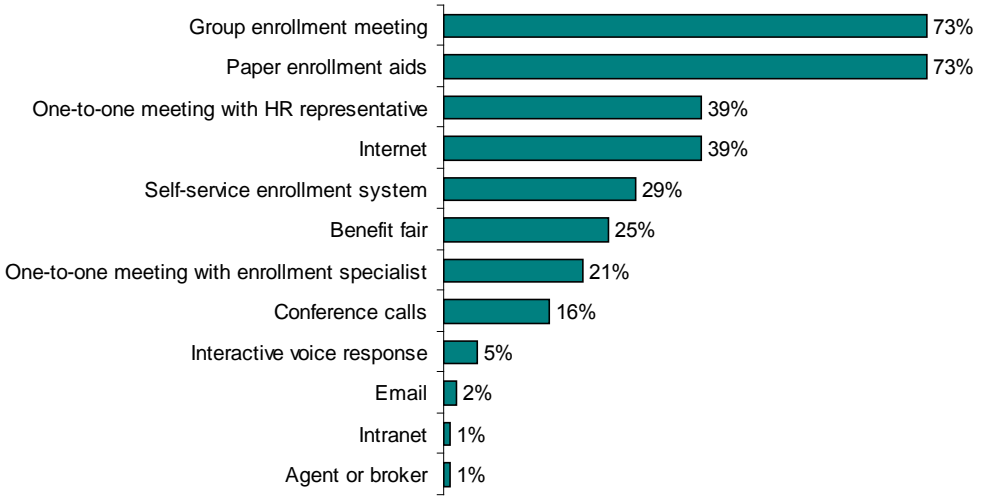


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Current Enrollment Communication Methods

Considering that employees' knowledge of their benefits have been shown to directly impact employee satisfaction and retention, communicating these benefits to employees is obviously important.

How do you communicate with and/or enroll employees regarding their benefit options?



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While a variety of methods are used to inform and register employees during open enrollment, the most common methods utilized by employers in general are group enrollment meetings and paper enrollment aids.

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Current Enrollment Communication Methods

While group enrollment meetings and paper enrollment aids were the most common enrollment methods among companies in aggregate, there were distinct differences in communication preferences among companies based on size.

While few differences exist among companies with 1000 employees or less, there were distinct differences in enrollment communication methods among companies with larger employee sizes.

- In specific, companies with 1001 to 5000 employees rely much more heavily on paper enrollment aids, group enrollment meetings and benefit fairs, and less on one-to-one interaction or the internet.
- Companies who employ more than 5000 employees and/or are international in scope tend to communicate with their employees more so via the internet, self-service enrollment systems, and benefit fairs and are less reliant on paper enrollment aids and group enrollment meetings.

How do you communicate with and/or enroll employees regarding their benefit options? (By Employer Size)

	Total	1-200	201-1000	1001-5000	5001+
Paper enrollment aids	73%	70%	70%	83%	67%
Group enrollment meeting	73%	75%	76%	73%	63%
One-to-one meeting with HR representative	39%	44%	36%	33%	44%
Internet	39%	25%	42%	29%	67%
Self-service enrollment system	29%	8%	24%	31%	63%
Benefit fair	25%	8%	19%	38%	42%
One-to-one meeting with enrollment specialist	21%	18%	19%	23%	26%
Conference calls	16%	11%	22%	13%	19%
IVR	5%	2%	1%	2%	16%

Costs Associated with Benefit Programs

While a good benefits package is certainly important for employers and employees alike, the soft dollars spent implementing and managing these programs can be costly. A large amount of Human Resource hours are devoted to a variety of different tasks related to benefits administration. Among these various tasks, those surveyed indicated a significant amount of time is spent on group enrollment meetings and post enrollment processing and administration.

How much time is spent during open enrollment on...? (Mean number of hours spent by Employer Size)

		1-200	201-1000	1001+
HR Hours	Planning	26	33	49
	Benefits website	6	8	11
	Open enrollment print design	5	9	13
	Group enrollment meetings	8	37	102
	Individual enrollment meetings	10	23	48
	Benefit fair	5	8	16
	Enrollment	17	17	50
	Post enrollment processing & administration	34	40	85
	Plan design or benefit enrollment questions	23	26	74
	Cost, rate, or premium inquiries	6	13	38
	Dependent eligibility related questions	3	11	20
	Demographic change questions	2	3	15
	Other	1	10	7
	Employee Hours	Group enrollment meetings	7	38
Individual enrollment meetings		4	10	1074
Benefit fair		**	11	48
Enrollment		8	31	167
Other		2	2	7
Total hours spent on enrollment activities		167	330	3403

When estimating the costs spent in employee hours with respect to benefit administration and enrollment, those surveyed indicated that the majority of employee hours lost were devoted to group enrollment meetings.

How does this affect the cost of benefit enrollment? For a company with 1001+ employees this means respondents estimate the labor costs associated with open enrollment to be roughly \$66,897.79*.

* Values calculated utilizing an HR salary of \$25.43 per hour and employee salary of \$18.62 per hour, based on the salary reported by the U.S. Department of Labor, Bureaus of Labor Statistics, with the raw mean hours reported.

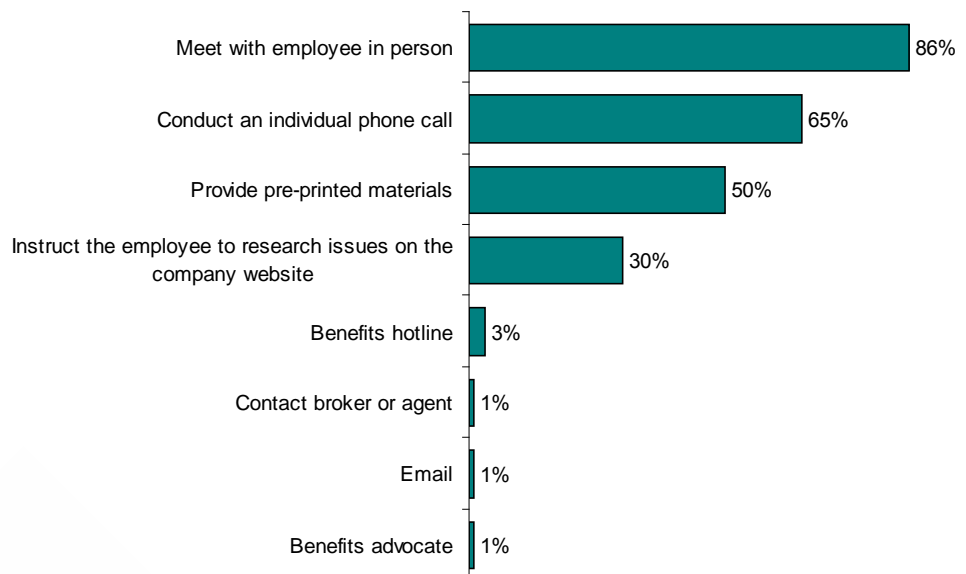
** Reported mean was less than .5%

Follow-up Communication

Though printed materials distributed during group enrollment meetings or benefit fairs are undoubtedly effective at educating workers about the benefit options available to them, it would be unrealistic to assume that all of the pertinent information regarding an employer's benefits program can be fully understood in such a limited amount of time. Further assistance is often needed when additional questions arise. It was found that in such instances, employee questions are most often answered via an in-person meeting with a human resources representative or by conducting an individual phone call.

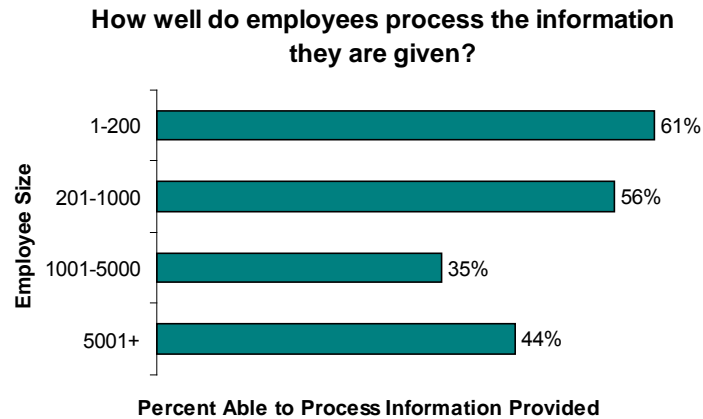
- Mirroring earlier findings, companies with more than 5000 employees tended to be more reliant on instructing employees to research issues on the company website when compared to those with fewer employees.

When employees have questions concerning benefit information, does a representative from your human resources department:



Follow-up Communication

Regardless of how an employee received benefit enrollment information initially or how their follow-up questions are addressed, approximately one-half of those surveyed indicated that their employees were only somewhat able to process the materials and/or information that they've received.



What deserves obvious mention is that when asked how well they felt employees processed the information they were given, not one participant in this study felt employees were able to process all of the information completely. Furthermore, as the company grows in size, the confidence level in how well an employee is going to process the information drops, most notably among companies with 1001 to 5000 employees.

Employees of smaller sized companies appear to be better at processing benefits information, a result that can likely be attributed to smaller companies' more frequent use of a more hands-on, one-to-one approach when addressing employee questions about their benefit plans rather than utilizing less personal methods.

Workers among larger companies, specifically those with 1001-5000 employees, seem to have more difficulty processing benefits information. This is perhaps a result of a much heavier reliance on more informal communication methods, such as paper enrollment aids.

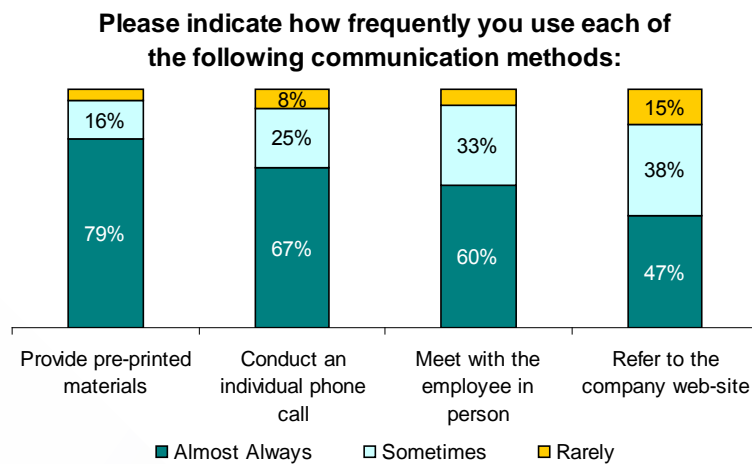
This suggests that a one-to-one approach could be considered a favorable method as it relates to helping employees process benefit information.

Follow-up Communication

Though a variety of methods are used to answer employee questions concerning benefits information, when thinking of the frequency of benefit communication methods used, companies indicated that they most often provide pre-printed materials to their employees.

Smaller companies, those with fewer than 1000 employees, tend to have more personal interaction with their employees, conducting individual phone calls and in person meetings significantly more often than their larger sized company counterparts. Conversely, companies utilizing the self-service system and those with over 5000 employees tend to communicate less frequently in person and more via company website referrals.

One continuing trend witnessed is how companies with 1001 to 5000 employees communicate. As previously noted, companies that fall within this employee size rely more on paper enrollment aids and group meetings than in person communication methods or referrals to the internet during the open enrollment period. Adding to this finding is companies within this employee size are less likely than their smaller counterparts to meet in person and less likely than their larger counterparts to provide referrals to the company website. In this finding a trend is beginning to emerge that will become more apparent throughout this report, that companies within this size tend to communicate the least with their employees and there are ramifications to doing so.



Evaluating Communication

Methods:
In-Depth Discovery



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Evaluating Communication Methods

Better communication, awareness, and educating employees about their benefits are clearly steps that can be taken to maximize the return from benefit plans through improving employee satisfaction. But from a financial standpoint, what can be done to further educate employees while improving the efficiency of these processes? In attempts to make the administration of benefits enrollment more adept, companies often employ a benefits broker or consultant to educate their employees about the choices available to them. Additionally, a considerable amount of employers are beginning to implement self-service online enrollment systems.

Individually evaluating each type of communication method, from group meetings and utilizing brokers or consultants, to more automated methods such as self-service enrollment systems and referrals to the company's website, can provide a greater understanding of the execution needs, reaction to, and efficacy of each method.

While companies use multiple methods to communicate with their employees, examining employees' perceived knowledge of available benefits by the types of communication methods utilized does reveal certain trends, suggesting which methods are more successful at educating employees.

Companies that utilize self-service enrollment systems, the Internet, and benefit fairs fared highest in terms of having knowledgeable employees. In specific, and most notably, companies with self-service enrollment systems had a substantially higher percent of employees that completely understand their benefits. Conversely, companies that use paper enrollment aids and group enrollment meetings appeared to achieve a lower level of success in terms of educating employees.

As earlier acknowledged, most companies communicate using more than one of these methods and as such, looking at their perceived level of knowledge overall, is in fact the result of a variety of methods their company may employ. Though certain methods may be more conducive to certain companies depending on size and infrastructure, the ultimate goal is to select a combination of methods that will produce the best results in terms of improving efficiency and increasing employee awareness.

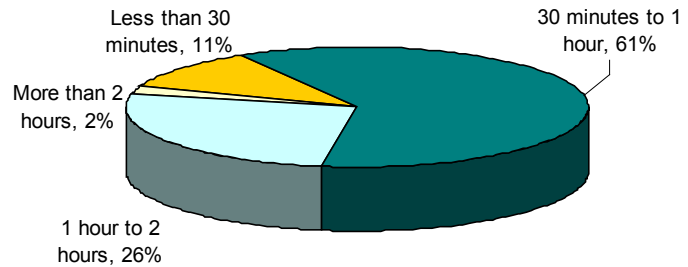
Group Enrollment Meetings

Looking at group enrollment meetings in specific, we've learned they are one of the most widely used methods of communicating with and/or enrolling employees regarding their benefits options, and it is also understood to be one of the costliest methods in terms of hours lost.

The majority of participants indicated that the typical length of a group enrollment meeting is between 30 minutes and 1 hour.

In terms of evaluating the overall efficacy of group enrollment, it is difficult as there are multiple factors impacting group enrollment meetings, such as the resources provided, number of participants and the length of each meeting.

On average, how long do group enrollment meetings last?



That said, examining the results of companies with 1001 to 5000 employees, as a case study, provides the greatest insight, as companies falling within this category rely most heavily on group enrollment meetings and least on one-to-one personal communication and web-based solutions, as previously noted.

- Companies with 1001 to 5000 employees are significantly more likely to conduct these meetings within 30 minutes to 1 hour (77%).
- These companies also tend to have the least amount of confidence that their employees are able to process all of the information provided.
- They also have the fewest percent of employees who take advantage of the benefits that are offered to them.
- Employees among these companies are also perceived by their internal human resource professionals to be the least knowledgeable about the benefits offered to them or their financial needs for retirement.

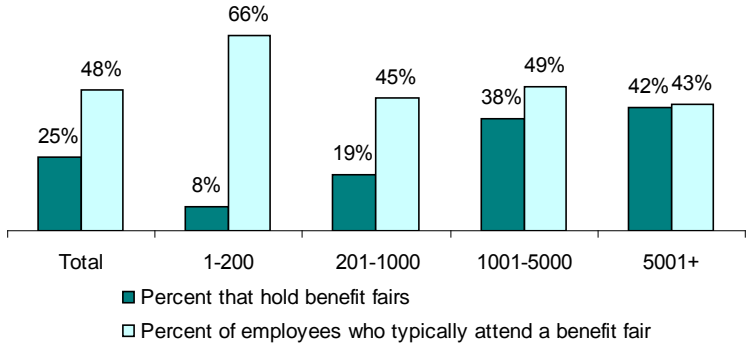
Roughly utilizing companies with this employee size as a case study, coupled with the high cost of conducting these group enrollment meetings, it is difficult to recommend this communication method as one of the top ways to successfully educate employees about their benefit options.

Benefit Fairs

In an attempt to educate employees and further facilitate the benefits enrollment process, companies often utilize supplemental procedures such as sponsoring benefit fairs.

As previously mentioned, 25% of companies communicate with and/or enroll employees in benefit programs through benefit fairs. While this is the average of all companies surveyed, the percent of those holding benefit fairs increase with company size. Again, on average, just under half of all employees attend benefit fairs when given the opportunity.

Percent of companies who hold benefit fairs, and the percent of employees who attend them:



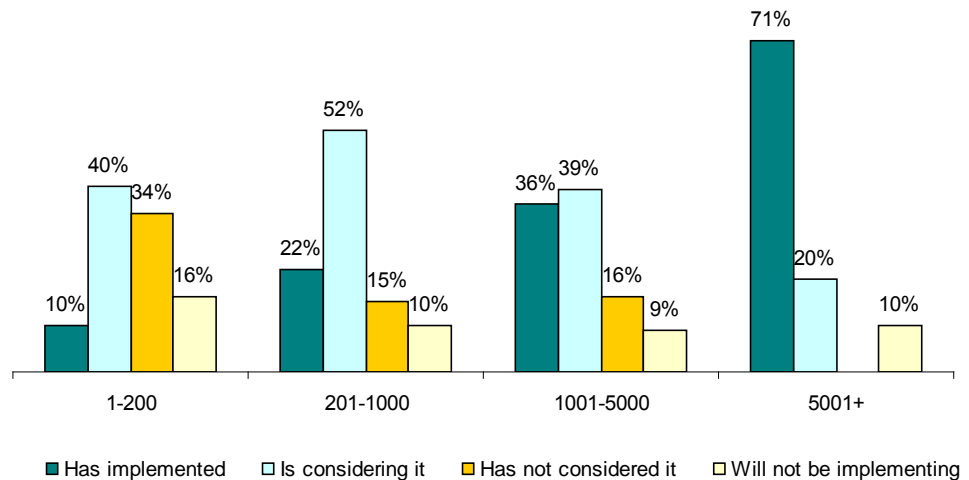
The findings suggest a high level of knowledge regarding their benefits among those employees who may have attended these fairs, suggesting this method is a potentially resource-efficient way to communicate with employees. However, given the number of employees who do in fact attend such fairs, maximizing employees' knowledge of benefits would clearly require a supplemental method as well.

Self-Service Enrollment Systems

Self-service enrollment systems allow employees the flexibility to participate in the enrollment process via the web from the office, home, or anywhere they have internet access. Approximately one-third of those surveyed indicated that their employer already has a self-service enrollment system in place, while another 40% in aggregate are considering the possibility of implementing such a system.

As evident below, the likelihood of using self-service systems increases as company size grows, suggesting that the value of such systems becomes greater with more employees as cost per employee decreases.

Which of the following statements best describes the possibility of implementing a self-service open enrollment system?

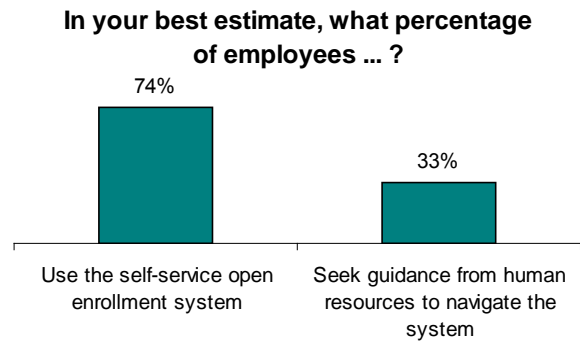


Among the companies who considered but will not be implementing the self-service system, the primary reasons provided were due to lack of computer access or literacy. Other concerns centered on an unwillingness from senior management due to cost factors.

Self-Service Enrollment Systems

Of those surveyed who have implemented a self-service system, the majority (64%) implemented them less than 2 years ago and 94% of their employees currently have the system available to them.

In addition, 70% of companies using this method indicate the average amount of time in a typical session that the employee is logged into the self-service system is less than 30 minutes.



Companies utilizing a self-service enrollment system tend to be international companies and/or those with more than 5000 employees. Given this, not surprisingly, when examining communication methods by company size, the largest companies have similar communication patterns as those using self-service enrollment systems.

One-to-One Direct Human Interaction

Evidence throughout this study indicates that smaller sized companies have employees who are better educated about the benefits available to them, are more likely to take advantage of those benefits, and are more likely to be satisfied with the plan design offered by their employer.

Given these findings it is clear that there is an opportunity to use these smaller sized companies as a case study with the goal of learning how they achieve a high level of success when communicating with their employees. In specific:

- Earlier it was reported that companies with 1001-5000 employees were the least successful at educating their employees, and that these companies tended to rely most heavily on paper enrollment aids and group enrollment meetings.
- Also evident was that companies with 5001 or more employees were much more successful at communicating to their employees and that this success was widely driven by web-based solutions, such as self-service enrollment systems and directing employees to the company website.
- However, the most successful employee sizes, those with fewer than 1000 employees, take a completely different approach for how they communicate with their employees by relying heavily on direct human interaction.

.....

Therefore, these findings suggest that communicating through direct human interaction has a direct, positive impact on employees with regard to educating them about their benefit options.

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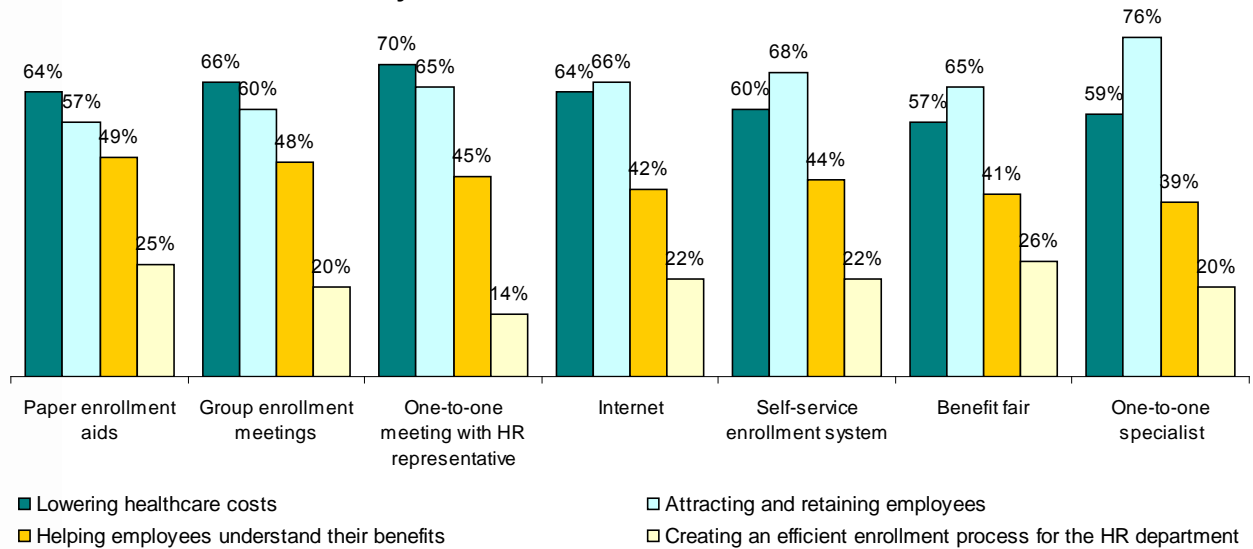
One-third of companies who employ one-to-one meetings with a human resource representative also utilize one-to-one meetings with an enrollment specialist as a communication method. These companies are also significantly more likely to meet with their employees in person if they have any questions concerning their benefit information.

One-to-One Direct Human Interaction

Additionally, companies who employ an enrollment specialist are significantly more likely to be concerned about attracting and retaining employees when compared to those using any other type of communication method.

Which of the following issues are the top two concerns of your human resources department?

By Enrollment Communication Method



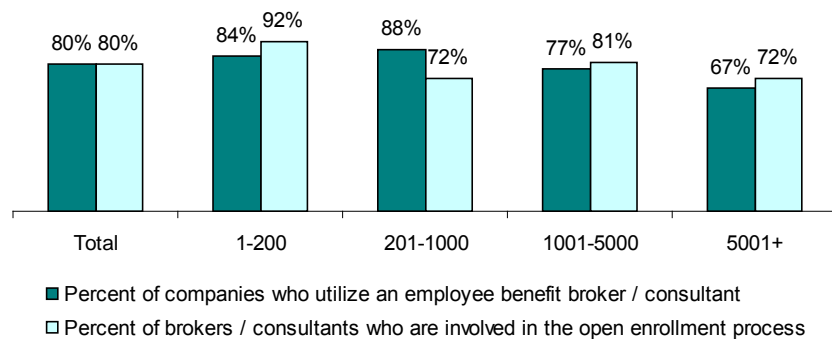
Beyond the differences evident in this study, it is clear that smaller sized companies rely more heavily on direct human interaction more than their larger counterparts. These companies are also the most successful at educating their employees, which often translates into higher enrollment rates, satisfaction levels and lower turn-over.

Benefits Broker/Consultant

The last communication method to be analyzed is the use of benefit brokers or consultants. While the results of this study have thus far reported few results surrounding the use of brokers, there is still a benefit in evaluating their efficacy.

In order to help employees make sense of the options available to them, companies frequently work with a benefits broker or consultant during the open enrollment period. Survey results showed that four out of five companies work with a benefits broker or consultant, and that among those, 80% have brokers/consultants who are actively involved in their employees' benefits enrollment process. These brokers have been working with their companies typically more than 3 years.

**Identifying broker / consultant involvement:
By Company Size**

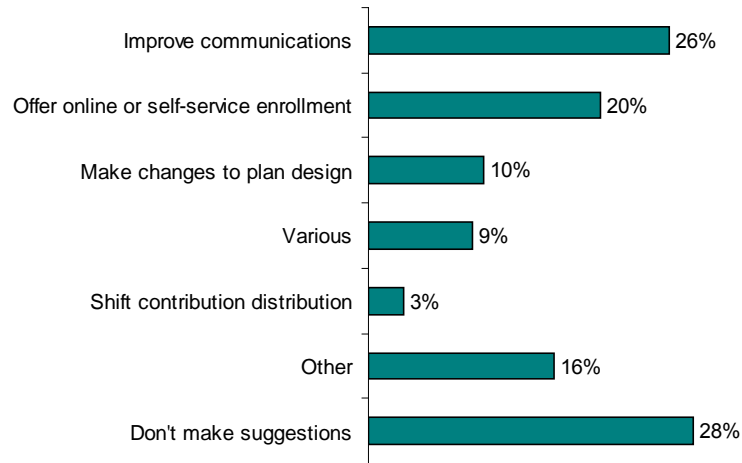


When examining all of the data provided in this study, little differences were found between those companies in terms of employees' knowledge or use of their benefits options among those who use a benefits broker or consultant compared to those who do not.

Benefits Broker/Consultant

When asked what suggestions their broker/consultant has made regarding the best practices for open enrollment, participants in the survey most often mentioned suggestions related to better communication and offering online or self-service enrollment capabilities.

What suggestions has your broker / consultant made regarding the best practices for open enrollment benefits for your employer?



Nearly 30% of brokers/consultants provide no insight or suggestions to respondents as it relates to best practices for enrollment.