

## HR Answers: Benefits Planning Programs

### Five tips for credit unions

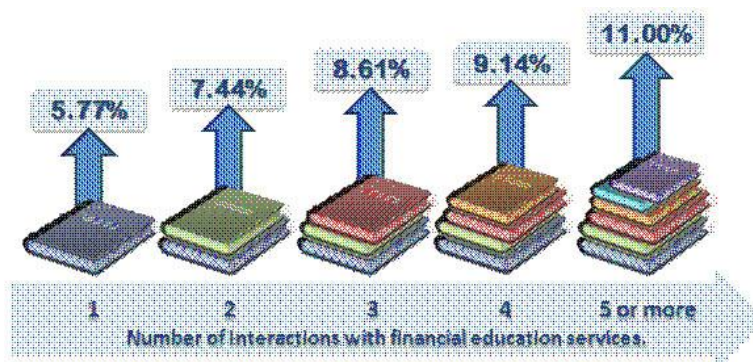
Credit unions and their HR departments have had to deal with a lot of changes to company benefits with the recent economy. For HR the task of communicating the changes has been a tough one- many employees are needing to fund more of their own health care and their own retirement and some have lost pensions and other benefits they deemed valuable to meeting future financial goals. On top of it, they may have little understanding of how to handle these changes on their own.

In the past, employers have communicated benefits by handing employees a manual and expecting them to understand all their options. But today's benefits landscape is much different. It's in employers' best interest to focus on helping employees understand how to use their benefits in a way that helps them meet their financial goals, rather than just telling them what they have available.

There are several things to consider in offering a benefits planning program that can help HR communicate negative changes to employee benefits:

1) **Change the internal perspective.** Instead of thinking about benefits from the company's perspective, employers should view them the way their employees do- how do they relate to their lives? Their futures? Their wealth? Employees use their benefits to save for retirement and meet financial goals, so the more employers can relate their communication about benefits to how their employees use them, the more employees will use and appreciate them.

2) **Make benefits planning a process not an event.** When benefits are part of an ongoing wellness or education program, employees have a better chance at success in making the best decisions about how to apply them to their lives. Companies have seen retirement plan deferral rates rise over time with their financial wellness programs. The more interactions employees have with financial wellness and benefits communication, the more they defer in their retirement plan. Below, this chart illustrates one leading insurance provider's results:



*An employee who participated in one financial wellness service deferred on average, 5.77 percent into his or her retirement plan. The more services an employee participated in, the higher the average deferral rate.*

Be sure to offer benefits planning communication all year long. Teach your employees how their benefits can be applied to their financial goals and how to build wealth through benefits education. Employees who have been part of comprehensive benefits planning programs at their workplace have been proven to participate more in their benefits. 92 percent of employees on average make at least one positive change to their finances after attending a benefits workshop and have a better understanding of how to manage their benefits.

**3) Use multiple channels to reach employees.** Different employees have different learning styles. Handing employees the benefits manual will only reach a few who actually like to read manuals cover to cover to learn about their benefits. Communicate benefits changes and ways employees can manage their benefits through a multi-channel program so you reach every employee in the way they learn. Be sure to have an intranet or online resource center and provide workshops and one-on-one benefits planning for those who need more depth.

**4) Make using benefits easy.** Saving for retirement and using benefits is easier for employees when they don't have to see the money leave their pockets. Set up auto-enrollment and auto-escalation to make it easy for employees to save without feeling a pinch since the money is taken out of their paychecks directly.

**5) Make benefits communication fun.** It may seem hard to make communicating benefits fun when there are negative changes to them for employees, but developing a program that engages employees and motivates them to take action with their own finances helps them not only participate in them, but appreciate the benefits they do have.

HR can still express how much they value their employees with benefits planning, even when they're communicating changes that mean more costs to them; it just takes a little bit of perspective.

For a PFD of *Benefits Planning: A Forward Thinking Approach*, a PowerPoint presentation on benefits planning, [click here](#).

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