

# ***Benefits Marketing Online Magazine***

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## **Included In This Issue**

- 14 Great Articles
- 89 Great Providers Of Products and Services For Benefits Marketing Professionals.

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***Great New Weapons in the War on Turnover -  
- Better Benefit Communication by Ron  
Kleiman, President, BenefitVision***

Most organizations find employee turnover frustrating – and expensive. The investment into recruitment and training is one factor. But the cost of lowered customer satisfaction or losing customers from dealing with less

experienced personnel is incalculable.

What can be done? One thing is spend a lot of money upping pay and benefits to a point people just won't leave. But that can be a tough sell in the executive offices.

Two recent studies have suggested there is a better way...a much better way.

### ***Better Benefit Communication***

Earlier this year a Watson Wyatt survey showed that companies doing a better job of making sure their employees understand their benefits have a lower turnover rate than companies with better benefits but lower employee understanding of those benefits.

Clearly, spending money and effort on communicating benefits got more bang for the buck than spending money on the benefits alone.

### ***Voluntary Benefits Work***

The second salvo in the war on turnover comes from a recent study done by BenefitVision, Inc., a firm that specializes in benefit communication and enrollment. The company typically includes voluntary benefits when enrolling benefits for its clients. Looking at the one-year persistency of enrollment in voluntary benefits and comparing it to the overall turnover for each group, they found a positive link between enrollment in voluntary benefits and lower turnover.

"The power of voluntary benefits to act as 'golden handcuffs' works across the board with essentially all of our clients," states Ron Kleiman, BenefitVision president.

In looking at turnover data for one of their clients, Pep Boys, BenefitVision found that after two years, 76% of the employees who signed up for voluntary benefits were still employed at the company versus 52% of employees over all.

For another client, a nationwide household goods retailer with employees in 46 states, the numbers showed that 83% of the employees who signed up for voluntary benefits were still on the job at the end of the year versus 70% for the employees in general.

In both of these cases the results are absolutely clear, employees enrolled in voluntary benefits are significantly more likely to stay on the job than those not enrolled.

Pep Boys Benefits Manager Sean King notes, "This is terrific. Turnover is expensive. The cost of replacing employees directly impacts our bottom line both in direct cost and in customer satisfaction. The combination of better benefit communication and voluntary benefits obviously has an impact."

### ***Doubling the Firepower***

BenefitVision has a unique approach that not only boosts an organization's benefit communication success and provides voluntary benefits; it does so without cost to the employer. Their process doubles an employers' benefit investment by substantially reducing turnover without taking added expense to the executive suite.

### ***Self-Service is an Oxymoron***

"The wave of communication today is web-based self-service," Kleiman notes. "There are two problems with that. The first is that self-service is an oxymoron. If you're doing it yourself, it is not service. There's no one to help you with questions or concerns. The second is that these systems may be great at recording decisions, but they do little to help employees make decisions. They are just not a substitute for an effective communication program. If they didn't read the information on paper, they're not going to read it on a website."

BenefitVision has developed a system that blends the best of technology with the best of personal service. Working with over 30 major client organizations, most with 3500 or more employees, they provide a call center solution in which employees call to enroll for their benefits. They connect to a live benefit representative who explains the benefit plans and assists in the enrollment process. The output from this process has all the efficiencies of the computerized systems, but the interface to the employee is a live person.

Funding for this process comes by offering voluntary benefits as part of the menu of benefits already available to the employees. By using this approach, BenefitVision provides an outstanding level of personalized communication, more choices for employees to consider, and considerably lowers costs for the employer.

### ***Turnover Turned Over***

"We know this works," Kleiman notes. "The numbers are consistent for all our clients. Looking at persistency numbers on the voluntary benefits we enroll, we're having a real impact on the bottom lines of our clients."

Offering voluntary benefits that provide employees more options, combined with the impact of better communication, as evidenced by the Watson Wyatt report is a great opportunity to turn an organizations turnover numbers right around.



#### *ABOUT THE AUTHOR*

##### ***About BenefitVision***

BenefitVision is a firm focused on blending leading-edge technology with old-fashioned one-on-one personal assistance to bring about outstanding benefit communication and enrollment. Ron Kleiman's leadership of BenefitVision is built on more than twenty years in the benefit enrollment business. Before that, he led the communication practice for Mercer Consulting, was a communication consultant with Hewitt Associates, managed employee communication for GE and for Ford, and was a TV reporter for the ABC affiliate in Dallas. His degree is in Journalism from Southern Methodist University.

You can learn more about BenefitVision at:  
<http://www.benefitvision.com/> or by calling (866) 204-8068.