

A man in a blue denim shirt is looking at a tablet in an office setting. A large, semi-transparent purple circle is overlaid on the left side of the image, containing the text "Employee Benefits and the Future Workforce" in white, bold, sans-serif font.

**Employee Benefits and
the Future Workforce**

Large employers typically spend a lot of time and resources designing and optimizing benefits offerings for their employees. It involves many strategic and budgetary decisions to be taken by the employer before partnering with vendors, who can provide the right benefits solutions at the right cost with the right quality of service. Employers offering well-rounded benefits packages gain a significant advantage in terms of attracting and retaining their workforce. Traditional benefits like Medical, Dental, Vision, Life insurance, Disability, Retirement, Absence and other tax-saving benefits like HSA, FSA etc., are offered by most employers. There is a growing trend of offering additional emerging benefits like unlimited PTO, Pet insurance, Legal plans, Wellness programs that reward healthy lifestyles, paid sabbaticals etc., increasingly influencing employees' commitment and loyalty toward their employers.

The need to reimagine benefits

It's all about communication. While the average employer offers around 30-40 different benefits programs/plans to their employees, the percentage of employees actually using them is very low.

For example, in the case of health insurance, many employees believe their medical insurance alone will cover all health-related situations. Hence, they don't plan for out-of-pocket costs (such as deductibles or unexpected accidents and disabilities) or the impact those costs can have on daily life. One of the key reasons causing this is the employee's lack of understanding of the benefits choices available, as the communication on the benefits is not personalized and therefore isn't easily grasped by the average employee.

On the technology side, employers continue to

have outdated benefits applications scattered across siloed, non-connected systems and are heavily reliant on the skills of the admin staff. The admins are caught up in handling day-to-day system issues rather than focusing on more value adding activities. The platforms often lack the level of automation, user experience and intuitiveness required to enhance employee experience and engagement and ensure higher enrollment rates and informed elections made by the employees.

So how do employers create this ideal experience for their employees to drive increased engagement and benefits appreciation?

Self-service – Digital experience for Millennials and the Gen Z workforce

Technology is changing the way we interact with the world. Therefore, your employee expectations are changing too. A well-designed and intuitive user interface providing online participant experience on any device with a full range of self-service capabilities is the 'new normal'. Users should feel guided at every step regarding the Plans, Eligibility, Enrollment rules and the cost of benefits elected by them. A system that supports automated, data-driven, personalized guidance to the employees all year round also plays a key role in promoting engagement. Employers should focus on communicating the relevance of the benefits packages they offer, including how those benefits can help in specific scenarios and events in employees' lives. Employers can explain how supplemental and emerging benefits can secure you from the limitations of regular medical plans (like the ever confusing coverage, copays, deductibles, service dates, billing dates and so on) that can result in unexpected financial stress. The above is not possible without intuitive design and navigation.

Robust benefits management technology platform – Get the foundation right

You may have complex plan designs and requirements that make for difficult ongoing management. The benefits system should be scalable and flexible enough to handle a rapidly changing environment of constant regulatory and legislative changes. Benefits administration plays a large role in the success of your strategy and a feature rich, scalable and robust technology platform is the cornerstone of Benefits management.

The Benefits platform should effectively capture and transmit enrollment data required by different insurance vendors to process the benefits. Complex rules and scenarios related to benefits changes, eligibility, certification requirements, rates and coverage calculations due to life events should get accurately transacted and reported to the benefits vendors.



'Impress' the employees during Open Enrollment

Only half of all employees are very confident that they made the right decisions during their last annual enrollment. Employers dread this time of the year in terms of the pressure of getting the enrollments captured and relaying them to vendors. They need to make sure they provide enrollment opportunities to every eligible employee during the open enrollment window while also ensuring that the changes effective for the next plan year are implemented, and thoroughly tested, before releasing the system to the entire workforce. Following are the best practices recommended for successfully managing open enrollment:

- **System setups and updates** - Ensure all plan changes (New plans, Terminating plans, Rate updates etc.) are configured and finalized at least a month prior to open enrollment testing.
 - **Open enrollment setups** - Ensure all setups related to rates and coverage dates are accurate. Special attention must be paid to Flexible spending accounts which start afresh every year and are not carried over
 - Conduct detailed discussions at least 3 months prior to open enrollment with each vendor on the annual enrollment data expectations and review the schedule and design of the interface programs to cater to such requirements.
- Plan for at least 2 trial open enrollment cycles
 - **Cycle 1** - Test open enrollment end-to-end process along with payroll runs to ensure accurate deductions. Select dedicated users to test plan functionality, system navigation, data accuracy and provide feedback to improve user experience
 - **Cycle 2** - Run open enrollment for the entire population to help analyze and tune system performance. Test annual enrollment interfaces to rectify any Data / Programming issues and obtain vendor sign off
 - Ensure action plan is in place to identify and resolve in-progress and conflicting life events which occur dynamically

The recommendations in this article come from Wipro's experience in recent Benefits system implementations. For instance, Wipro recently helped a global healthcare and diagnostics services provider in the US leverage the power of Oracle HCM Benefits solution for over 50,000 USA employees including 2020 open enrollment.

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Sumit brings over 14 years of experience in ERP Applications Consulting, Implementation, Upgrade and Product Development. He holds a Bachelor of Technology degree from Vellore Institute of Technology, Vellore and a Master's in Business Administration degree from University of Leeds, UK.

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