

How to choose the most effective medium for your employee communications, or The three "Rs" to effective communication.

It's time to face the facts. Not only is communications a critical component of any successful benefit plan, but well designed and executed communications can influence behaviour, shape perceptions and impact performance. And yet, so many of us place communications at the bottom of the list.

Communications is available in many mediums, from bulletins, brochures and booklets, posters or education seminars with visual support, to emails and interactive web tools. Each one of these has its rightful place in any communication campaign. But how do you know which methods will work for you?

The need to communicate effectively exists in all areas of business, however, for our purposes we will focus on communicating employee benefits. Regardless of the business area, whether internal or external, the rules are the same.

We can summarize these rules by using three "Rs" RESEARCH, *more* RESEARCH and REVIEW

Employees are bombarded by information at work and at home. In fact, it is estimated that employees are hit with almost 3,000 messages each day! Research increases the probability that your chosen method of communication is one that has the ability to cut through all of that noise.

You want your communication efforts to hit the mark and be of benefit to each employee. Effective communication requires understanding your target population and how it operates. It also requires aligning with your corporate culture. We must never forget that employee communications is a form of internal marketing and should not be implemented without evaluating your audience.

Not knowing the territory and not reflecting its customs can lead to trouble.

For example: A large multinational company replaced a half dozen employee newsletters serving different subsidiaries with a single publication. The new publication was a four-colour magazine, released every two months.



Employees in the field reacted negatively to the slick magazine style publication, passing it off as too expensive and not timely enough (the previous publication had been issued bi-monthly.) Eventually the magazine was abandoned and replaced with a less costly bi-monthly tabloid. A costly way to finally come up with the right medium.

Geographically diverse employees and mobile or transient workers should also be considered when choosing your medium. If you are contemplating e-mail as your choice of communicating, consider that your mobile employees may have difficulty accessing this method and traditional print may work best. While on the other hand, a multilingual workforce can have a dramatic impact on a communication budget if the medium is traditional print, with slightly less impact if the medium is electronic. It's essential that communication solu-

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tions are as a result of analyzing your audience.

Research methods to help in analyzing the needs of your audience include:

1. **Employee surveys** which allow an organization to understand employee perceptions. They deliver an effective means of measuring, and acting upon, employees' current beliefs. Performed on an annual basis, an employee survey can provide a very valuable source of actionable data.

2. **Focus groups** would enable you to get a general response or a cross section of employee views. Although not as individual as surveys, sometimes focus groups are more cost effective and timely.

3. **Analyzing benefit initiatives, enrolment results and/or plan utilization.** This method is somewhat after the fact and can arguably fall into the review category. It's important to

look into though, when choosing the right medium.

REVIEW

Communication is an ongoing process. Employee demographics are constantly changing, and as a result your methods of communication may need to change. An employee survey conducted three years ago may not provide enough effective data to give direction today.

Always make it a point to review what didn't work, what did work and what worked well.

Research and Review are essential steps in effective communication. However, an understanding of the many different communication options available is important as you move forward in creating your campaign. There are pros and cons for each medium, and we intend to explore these further in later issues of CommuniK. **K**

Now That You Have a Flex Plan, What Do You Do With It?

For our readers out there with Flex Plans, there is no doubt about the amount of work and money that likely went into your new plan.

Flex Plans are very valuable and expensive entities. You likely also spent much time setting objectives for your new program, including using a carefully thought out design aimed at meeting the specific needs of your population.

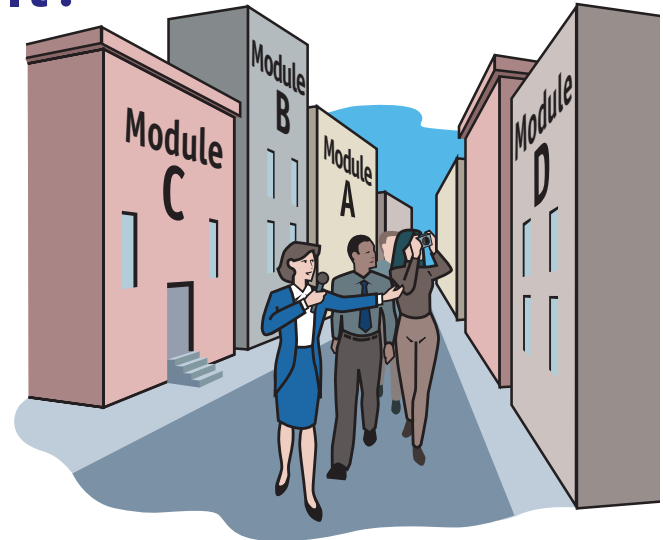
But, the introduction of a Flex Plan is just that – a beginning. For you to actually achieve your goals, you need to learn to use your new benefit plan as a source of valuable information. Just because you offer your employees choice doesn't mean that they will immediately know how to get the most out of it. It takes time and diligence to guide employees through a benefits shopping centre. Old habits die hard.

To find out if your plan, and most likely your communication strategy, is working, you need to know if your assumptions about how your employees would select coverage actually happened. So how and why do you do this? Here are some tips:

Why should you do this? There are many assumptions made in the design and pricing of any Flex Plan, many of which are influenced by how the employee population is expected to make choices. The results of the employees' actions directly affect the value and importantly, the eventual costs of each option and the overall plan itself.

If you don't pay attention to the results of enrollment patterns, you may find yourself facing an unwanted financial issue at your next plan renewal. Financial instability

To achieve your objectives, you need to keep guiding employees through education.



can crush a Flex Plan and move you far away from your original objectives.

All Flex Plans require attention to education in a small or large way. The pattern of choice within your plan can also tell you how well your education process and materials are working. Over the long term, choice patterns give you clear indicators of specific needs for targeted communication. To achieve your objectives in any long term and tangible way, you need to keep guiding employ-

ees through education to the best result for them and your organization.

How can you do this? By doing some relatively simple tasks every year or two.

1. Start a "Post Enrollment Study" process that you regularly conduct after every open enrollment, or if you don't do regular enrollments, annually or bi-annually —

preferably before your annual renewal.

2. Review how your employees made choices and compare the results to your original assumptions. How well do they match, and if they don't, where and why don't they? Examine whether you need to modify the plan to respond properly to employee actions.

3. Prepare for your renewal. Ensure that you determine any significant financial impact on your option pricing that would occur because of employee selection patterns.

4. Target communications at the weaknesses. Soon after re-enrollment, find any obvious areas of weakness in the way employees used the Flex Plan and develop a communication piece aimed at improving education.

To keep your Flex Plan healthy and valued by all who use it, set up that annual process where you take a hard look at how and who makes what choices. Your employees' use of a Flex Plan is a source of much valued information. Make sure your organization is getting the most out of your investment. Stop, look, listen, and learn. The future success of your Flex Plan will be almost guaranteed. **K**



We have a winner!

Congratulations to **Morrison Lamothe Inc.**, winner of our Fall contest, and **Thank You** to everyone who participated.

Have a Safe and Happy Holiday! 

K + a Viewpoint

TV Ads for Prescription Drugs

You are wrong if you think this is going to be another drug company bashing article. It is however, an article about some recent behaviours stemming from drug companies who are now touting their drugs on major television networks.

Lately, you may have noticed ads from drug companies featuring happy people who have found a new lease on life because of some new wonder drug. These ads cover every type of ailment from splashing stomach acid to the male libido. But, while we watch these happy people skipping through the park, the ad tells us in a blur of rapid speech about all the potential side effects of this wonder drug.

Why have drug companies decided to market prescription drugs using TV ads? Is this the result of medical schools and practitioners clamping down on aggressive marketing by drug companies? Perhaps, but whatever the truth, here are some thoughts about this type of advertising:

1. People can't get these drugs without a doctor's visit, lab tests, diagnosis, and a prescribed course of treatment. The ads make it seem simple – just contact your

doctor and get the drug — a long way from reality. Why enforce this kind of simplistic and ignorant thinking?

2. By hearing just a few symptoms on TV, you could have a disease that needs this drug! Is it responsible or reasonable to encourage self-diagnosis from a TV ad using a few pointed symptoms that could describe a hundred different ailments?

3. What about the social stigma now resulting from these ads. We're sure you've probably heard someone make jokes about the rapid stream of ugly side effects noted in them. "If you take this drug you will be happy but your arms may turn blue and fall off." Do we really need to make prescription drugs and the seriousness of their potential side effects a social joke?

There is no question about the potential good and need of prescription drugs. However, there is a lot to say about the drug companies using TV ads to promote prescription drugs. Bottom line is that it's irresponsible and damaging.

In our campaign to create aware and responsible consumers of health care, who help to control rising costs, these ads send us in the other direction. Remember the old saying, "If it looks like a dog, walks like a dog and barks like a dog, it's a dog"? This is definitely a dog in the form of 30 seconds of TV air time. **K**

Picking the Right Benefits Expert

Regardless of the size of a consulting firm, corporate advice is a personal service. Choosing which firm and person(s) you entrust with the management of your group benefit plan is therefore not only an important business decision, but a personal one as well.

There are basic criteria that all group benefit plan advisors must possess.

Expertise – in all areas of group benefit plans, corporate human resources and related service suppliers.

Objectivity – the ability to form and give opinions free of an outside influence.

people they like and respect.

Your search for a consulting firm should start with a list of what your organization needs and wants from a benefits expert. If you don't clearly understand what services different experts/firms provide, it may be time to get educated. Speak to experts in the industry and other Human Resource professionals. Most would be pleased to assist you.

Consider service standards and expectations required of your advisors, and document them. Not only will this help you in your search, the selected consulting firms will greatly appreciate these clear directives.

Use a formal "request for proposal" in your search for a consulting expert. Provide information about your organization with an emphasis on your culture, values,



Trustworthiness – the necessary level of respect given the highly confidential and impactful nature of the subject matter.

Specialty – the business of group benefits has as many specialty areas as lawyers or accountants. For example, there are large and small case group benefit experts, risk and individual insurance experts, and disability managers, to name a few. What type of expert do you need?


From an expert's perspective, it is important to remember that each consulting firm forms the philosophical style and approach to its services. Each is as unique as your organization is in its own industry. In addition to the style and approach of each firm, the competence and style of experts chosen to manage your account can also vary greatly. A good match results from partnering the style of the consulting firm with your organization's needs and culture, right down to the team of experts from within the consulting firm. Though a greatly simplified statement – people work harder and better with

and Human Resources team. List your service expectations and standards, followed by some pointed questions about the firm, its staff and its clients. Do live interviews with the finalist, tour their offices, and meet the real team – not their sales team but the real team.

Finally – the most important and valuable interview, client references. Develop a short list of reference questions and rank each by importance.

At the very end, when all things seem equal, who can you best work long term with?

Words to the wise – don't be lured by promises of guaranteed savings. Unless you are an individual insurance agent, a corporate advisor's job is not to find you savings. It is to bring you the guidance necessary to manage your plan to its fullest expectations – in all areas including financial management.

Invest the time in selecting your expert advisor. The meeting of the right minds will guarantee you a successful investment and valued relationship. Good luck! 

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