BUILDING THE BUSINESS CASE FOR GLOBAL BENEFITS MANAGEMENT AND EMPLOYEE ENGAGEMENT SOFTWARE
Technology has revolutionised every part of the global supply chain, transforming how businesses interact with products, people and processes. With increasing automation and a never-ending thirst for enhanced return on investment, the HR, Benefits and Finance Operations functions are under more pressure than ever before to add to the bottom line.

Global benefits management offers a unique opportunity to deliver both initial and long-term savings whilst also offering a compelling platform for promoting effective employee engagement and building global identity.

Since 2000 Thomsons have been innovating in the benefits software space, helping our clients to overcome the key challenges in employee benefits management, administration and employee engagement. We have driven beneficial change through implementing global benefits software for some of the world’s leading employers, including 6 of the world’s top 10 software companies, 4 of the world’s top pharmaceutical companies and 5 of the world’s leading banks. Our cloud-based global benefits management and employee engagement software, Darwin™, is live in over 60 countries and 15 languages.

This white paper provides insight into the key challenges that our clients have faced in their benefits administration journeys and how they have been overcome.

The four central pillars of our clients’ strategic benefit targets are:

- Administrative Efficiency
- Workforce Engagement
- Cost Control
- Risk Management

By implementing Darwin™ - our cloud-based global benefits management and employee engagement software - our clients have streamlined benefits administration, driven high levels of employee engagement, seen a better return on investment for their benefits spend and reduced their exposure to risk.

### ADMINISTRATIVE EFFICIENCY

Benefits management is inherently complex, often involving some degree of manual administration, multiple systems and many different benefits, varying both from country to country and from benefit to benefit. Administrators have to deal with internal systems (e.g. HRIS, Payroll), external systems (e.g. vendor portals, tax portals) and local systems (e.g. intranets, shared folders), it's unsurprising that there is typically confusion, repetition and mismanagement involved.

Benefits management falls into two categories; that which is completed by the employer and that which is completed by the employee. In both cases the challenges stem from unnecessary time spent completing administration, which is typically due to the lack of empowerment through information. Time spent seeking administrative support, such as chasing, double checking, manually updating multiple sources and error handling is a direct drain on productivity.

For the employer, a centralised solution offers:

**Scalability:** As the business changes through organic or acquisitive growth, processes are challenged. With the speed of such changes increasing, having to manage disparate populations who may have differing entitlements, rules and eligibilities, even different benefit set-ups entirely, creates risk and complexity. Hiring additional resources is expensive and can even be unfeasible in the short-term, so a rules-based solution that works for 1 to 1 million users offers certainty and security.

**Support for shared services:** Centralised benefits administration supports shared services. With standardised processes that eradicate or reduce paper, businesses can centralise their support functions and a centralised resource means that multi-location or multi-country support can be delivered from a single solution. A clear, centrally accessible audit trail of employee benefit decisions and administrator interactions mitigates governance risk.
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**Enabling complexity:** Many organisations want to implement co-pay or flexible benefit arrangements in order to drive engagement and/or manage costs. Technology enables such arrangements to be easily communicated to employees and means there is no additional administration overhead.

**Direct time saving:** HR and Benefits teams are able to spend time on value adding activity rather than routine administration. Time spent addressing and resolving queries and the volume of queries received are reduced through either employee self-service or easy access to information through the administration functionality.

**Indirect time saving:** There are many stakeholders in the employee benefits journey, from recruitment to line managers, payroll and finance. Centralised management dramatically reduces the time involved from automated on-boarding through to reconciliations.

For the employee, the benefits journey is clearer and more effectively managed with a centralised solution:

**On-boarding:** Employees spend significant amounts of time engaged in benefits related administration during their first month with an organisation. Paper form completion and disjointed enrolment in multiple benefits plans can challenge an employee’s expectations of their future career, and processes are often inconsistent with the organisation’s approach to other aspects of the joining process. Using a single solution allows the employer to control the on-boarding process and streamline the experience for their employees.

**Information management:** For many businesses, benefits communication is piecemeal, with multiple providers, multiple sources of information, online and offline communications and often, a bewildering range of generic information. By introducing a company controlled, single source of information, the employee knows exactly where to go for all their benefit related information.

**Actions and requests:** Employees need different things from their benefits at different stages in their lives. From claiming on a policy to adding a new dependent, their interaction with their benefits is ongoing throughout their careers. Automation of employee details and benefit selection feeds into both internal and provider systems. An intuitive user interface with intelligent notifications of key actions required reduces the time, effort and stress involved in benefits for employees.
EMPLOYEE ENGAGEMENT

Benefit provision is one of the largest business costs for the majority of organisations. There is a challenge for employers to ensure that their employees truly value the package offered, and recognise the investment that the company makes in its reward spend.

Closing the reward gap: Demonstrating the value of an organisation’s investment in its employees – in benefits – dramatically increases employees’ engagement with and appreciation for their total reward packages. Global benefits software with an intuitive employee-facing portal allows businesses to demonstrate the total value of benefits provision on an individual employee level.

Understanding benefits: Communication and understanding of benefits is key to driving engagement. Different employees require different methods of communication and in an age where we communicate in a myriad of ways from online to offline, from at our desks to while we’re on the move through our phones and mobile devices, benefit communication needs to follow suit. By having a centralised, global benefits administration platform, substantial cost savings can be delivered. From email, to mail-merge, to SMS message, to online video guides, an intuitive, joined-up user experience gives employees the ability to choose how they want to be communicated with, and this can be automatically managed down to an individual level.

Global consistency and identity: There is a growing belief in the importance of consistent branding and identity to successful businesses. Instantly identifiable and values led, reward brands are central to organisations’ commitments to their employees. The challenge facing many businesses is in creating a unified global approach. A global benefits administration platform offers the ability to control the global reward message and offer a consistent experience for internationally located employees. Whether enrolling in 401k in the US, the provident fund in India or auto-enrolling into a pension scheme in the UK, the employee journey, branding and messaging remains consistent. Local language and currency support means that consistency doesn’t have to come with additional work for the HR and Benefits team.

COST CONTROL

The cost of benefit provision is increasing and the Benefits, HR and Finance functions are continually faced with the challenge to achieve more with less, and to justify every penny or cent spent. With brokers, providers, politicians and even the environment influencing the cost of benefit provision, wresting back control to the business is crucial.

Direct benefit cost: Benefit provision is costly. Whether managed directly with a provider, through a broker or provisioned in-house, the continual challenge of cost control is felt throughout every business function. Efficiency is easily achieved using a global benefits administration platform, giving employers the confidence that the right employees are covered at the right point in time. Beyond internal savings, for many providers there are savings in using an automated administration solution which means that in turn, preferential rates are received.

Challenging brokers & cost reconciliation: Where brokers control information and are responsible for the benefits administration process they risk the potential of becoming entrenched in an organisation’s processes. Centralised benefits administration gives employers a single source of truth for benefits data, giving employers the independence, authority and data they need to challenge brokers and providers. As a consequence the Reward Team can be confident that they are paying the correct amount for the benefits provided.

Trends: Employee data is one of any employer’s most valuable assets. Understanding key trends and metrics are key to being able to adapt to changing business needs. With centralised benefits administration and instant automated reporting, companies have the insight they need to understand trends from cost of employment, to insurance rates, to international migration costs and make informed and effective decisions.

Harmonisation & acquisition: Harmonising a new population into an organisation can be a time and resource consuming exercise. With differing entitlements, processes and data availability, having a centralised benefits administration solution ensures that change is robustly handled and cost-effectively delivered. New groups of employees can be easily added and benefits harmonised at the right time.
RISK MANAGEMENT

Risk management is a key concern in modern business – data security is paramount, highlighted by high-profile examples of organisations losing employee data.

Managing multiple data sources: Employee benefits data in most businesses resides in a multitude of locations, from HRIS, to payroll, to provider systems, to spreadsheets on junior administrator’s desktops. Using a centralised benefits administration platform gives employers a single source of truth, that ensures the right employees receive the right benefits at the right time while controlling who has access to what data.

Audit: Global benefits management software that automatically records employee benefit interactions from elections to signatures provides peace of mind for employees and a full audit trail for the HR and Benefits team. With increasing state involvement in benefits from retirement to healthcare, country-specific reporting requirements are also easily managed from a centralised source.

Data Security: Data security is something that employees take for granted when they share their valuable information with the employer. With so many parties involved in the benefits administration journey, there is a significant burden on the employer to ensure that this process is secure. Global benefits management software alleviates this burden through robust processes and an internationally recognised certification, such as ISO 27001. This puts a wrapper around the entire benefit administration process.

CONVERTING STRATEGY INTO RESULTS

The value of global benefits management and employee engagement software is significant. Improving employee engagement and building a stronger employer brand can have huge positive knock-on effects, such as speeding up recruitment, improving employee retention and reducing the amount of time and money spent hiring and training new staff. Streamlining benefits management and administration enables employees to spend their time on value-adding tasks, rather than routine tasks that can easily be automated with the right software, and controlling risk protects an employer’s resources – its data and reputation.

Thomsons Online Benefits can demonstrate a proven return on investment through the use of Darwin™, our cloud-based benefits management and employee engagement software.