



The essential benefits education guide

Tips, tactics and resources for small businesses



Cut through the fog

Here's the thing — benefits are complicated. Most employees struggle to understand their benefits.

When employees don't understand their benefits, they're less likely to use or value them. And they're even less likely to make the best choices that meet their needs. Nearly 70% of employees spent less than an hour considering their benefits, according to our recent survey.¹

This is where a strong education and communication strategy can help. Benefits education can cut through the information fog, and help employees understand how to get the most value out of their benefits. And benefits communication can help employees prepare for the education, like talking about benefits with a spouse and scheduling an appointment for 1-to-1 counseling.

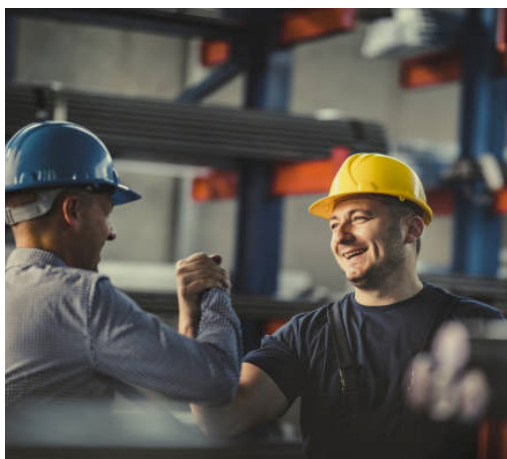
Even in today's shaky economy, competition for skilled workers has gotten tougher across the board. So your benefits offering can be a critical factor in employee retention and recruitment. Particularly if you are a small business competing with large companies and deeper pockets for skilled and experienced workers.

On a related note, benefits education and communication isn't just for open enrollment. Many businesses are using an education and communication strategy throughout the year as a key part of increasing employee engagement with their jobs.



For small businesses, employee engagement can make a huge difference in job satisfaction and productivity. A recent Gallup study showed that businesses with highly engaged employees have lower turnover and absenteeism rates and are 23% more profitable.²

This guide provides a comprehensive review of the tips, tactics and resources that can help businesses step up their education and communication strategy. We have also included a special section on a year-round benefits engagement strategy with limited HR resources in mind.



Nearly one-third of employees who understand their benefits very well intend to stay with their employer for more than 10 years, according to a recent Colonial Life survey.

Online research administered March 23–30, 2020 by Dynata on behalf of Colonial Life among 1,200 U.S. adults.



Benefits education vs. benefits communication

It's hard to say where benefits education ends and benefits communication begins, because in practice, they work so closely together and frequently overlap. What is important to know is that each plays a huge part in employee participation and understanding. Here are two broad definitions to keep in mind while reading this guide.

BENEFITS EDUCATION

Informational materials or experts that help employees understand their benefits, so they can make informed decisions. Examples include 1-to-1 counseling with a benefits counselor and group presentations conducted by a broker or a benefits counselor. Educational materials, such as benefits booklets and a comprehensive benefits website, are a fundamental resource. Short relatable articles or videos about a specific benefit can also be very effective resources.

BENEFITS COMMUNICATION

Helps employees prepare for enrollment by communicating what benefits they have available to them, how they find out more information and when enrollment is taking place. Some examples include emails, digital postcards, text messages, brochures, posters and payroll stuffers.

Know your employees

Before you get started, get to know what your employees' benefits needs are and communication methods they will respond to. Conducting a survey can be very effective to get this information, but they can require resources that smaller businesses may not have.

If you have limited HR resources, you can still ask employees informally what kind of questions they have, what they would like to know and their preferred communication methods (email, texts, videos). Some of your employees' answers may surprise you.

Consider factors such as age, dependents, budget, language and occupation in how you communicate with your employees. For example, most office workers will embrace email, but baby boomers may still like to have printed brochures as well, while millennials may prefer instant messaging, and truck drivers or maintenance crews may like text messaging.



Along with multilingual benefit counselors, Colonial Life offers communication and learning resources in Spanish.

See our digital postcard in Spanish.

Benefits education: the key elements

There are three primary methods of benefits education: 1-to-1 counseling, group presentations or meetings, and self-directed. Each method offers strengths as part of a comprehensive benefits education strategy.

1-TO-1 BENEFITS COUNSELING: THE HUMAN TOUCH

There is no other education method as effective as 1-to-1 counseling which plays a key part in open enrollment. Whether it's in-person, virtual or telephonic, 1-to-1 brings a personalized touch that can't be matched by any other means.

HOW IT WORKS

A benefits counselor asks questions about an employee's needs and goals and provides guidance on how their benefits (major medical and voluntary) work together. The privacy of a 1-to-1 session enables employees to share personal details and ask questions they may not feel comfortable doing in a group setting. The fog clears when a counselor breaks down complex benefits in everyday language and provides personalized recommendations so that an employee feels confident in making the right choices for their family.

"Employees who have talked to a benefits counselor in a 1-to-1 setting have the highest level of satisfaction and engagement, whether it's in-person, virtual or telephonic," said Kaleb Unverfehrt, AVP of Enrollment Strategy at Colonial Life.

Options for 1-to-1 counseling include:



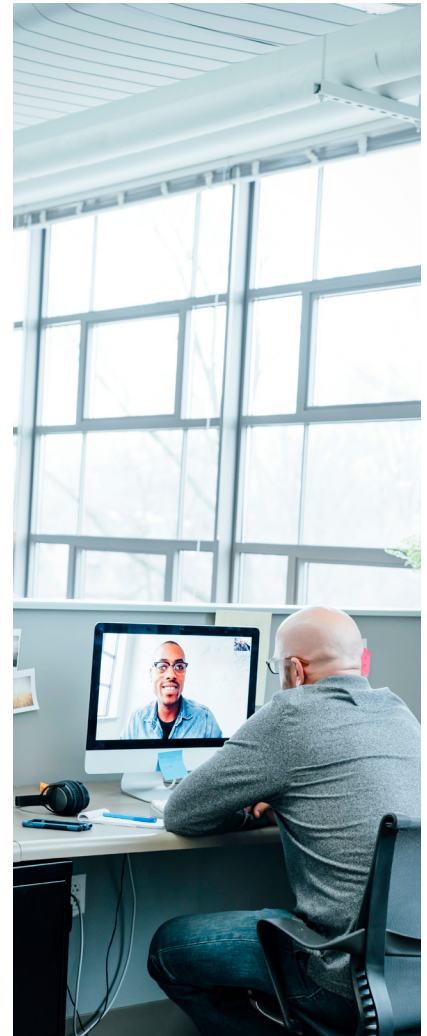
VIRTUAL: Just like video conferencing, a benefits counselor meets with employees using secure virtual enrollment tools.



IN-PERSON: A benefits counselor meets with employees at the worksite with safety protocols in place.



TELEPHONIC: A benefits counselor connects with employees by telephone.



30%

Nearly 30% of 1-to-1 counseling sessions were conducted by virtual or telephonic methods by mid-2021.³

During the height of the COVID pandemic, the vast majority of our clients switched from face-to-face enrollment to virtual and telephonic, and it was very successful with employees. As more workers are getting vaccinated, we're expecting more employers will go back to in-person counseling. But we also expect that many employers will want to stick with virtual and telephonic this fall and into 2022, because it's so convenient and workers feel taken care of.

— Dana Bagwell, Director of Enrollment Communication at Colonial Life

93%

of employees surveyed by Colonial Life found 1-on-1 benefits counseling sessions to be valuable.*

Virtual and telephonic 1-to-1 counseling is much more convenient for employees working remotely, at several locations or covering multiple shifts, as well as new employees throughout the year.

Virtual counseling also provides family members a chance to participate at a date and time that works for them. Another advantage to telephonic counseling is that it provides a stress-free option for employees who are tech-averse or have limited access to technology.

In the absence of benefits counseling, nearly 70% of employees spent less than an hour considering

their benefits.¹ On the other hand, many employees come out of a 1-to-1 that only took 30 minutes with a much better understanding than they would have on their own.

"One of the best things companies can do to increase employee participation in benefits counseling sessions is to encourage them to do them during their normal working hours," said Julie Meade, Regional Enrollment Consultant at Colonial Life. "If employees are required to schedule counseling during their lunch break or right before or after their shift — they are much less likely to attend. Even it's right at 5:00 p.m., employees just want to go home."



TECHNOLOGY WITH A HUMAN TOUCH

Virtual technology allows us to connect, but it's our people that make those connections matter.



GROUP MEETINGS – A GOOD BUILDING BLOCK

Group meetings provide a valuable forum to discuss a wide range of benefits and enable employees to ask and consider questions by their co-workers. These are frequently conducted by brokers or benefit counselors on the jobsite and may include time slots from different carriers. Virtual group meetings have become more common since the height of the COVID-19 era, as businesses realize how easy they are to use for multiple job locations.

The group setting and time limits mean that employees may not get the in-depth understanding as they would in a 1-to-1. But they also offer employees another touchpoint to hear and absorb information as a lead up meeting to 1-to-1 counseling sessions.

SELF-DIRECTED EDUCATION

Some employees prefer to study information on their own or to supplement their 1-to-1 sessions. This is where educational resources like a dedicated benefits website, benefits booklets, explainer articles and videos are invaluable. See below for the section on high-impact education materials for more detail.

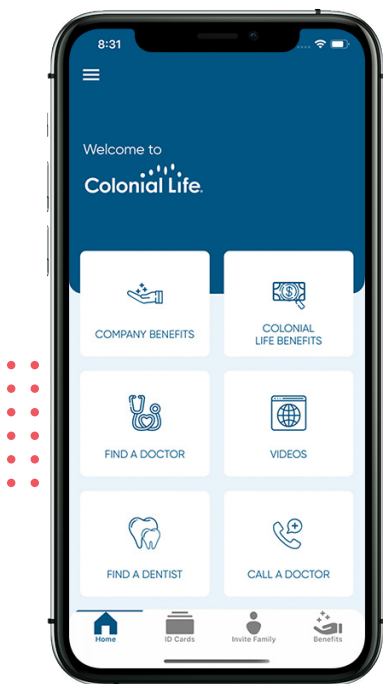


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Today we have five generations in the workforce, including baby boomers, millennials, Gen X and Z. Each group has very different learning styles, lifestyle preferences and financial priorities, so it's critical to have a communication strategy that uses multiple channels and styles that resonate with them.

— Rob Quell, VP of Broker and Special Market Development at Colonial Life

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Colonial Life for Policyholders app

Education: high impact resources

Educational resources are essential in helping employees understand their benefits. Benefits booklets and benefits learning websites are two high impact resources that can be used during enrollment and throughout the year. Another effective resource that sometimes falls under the radar is the benefits statement. Let's take a look at each one.

BENEFITS LEARNING WEBSITE

Also called a benefits website, this is a dedicated website or intranet site with information on all available benefits. Nearly 60% of employees say a single website to review and manage benefits is helpful, according to a recent benefit survey.⁵

The benefits website should include information and tools that provide recommendations for changing needs and life events such as marriage, birth, death and a significant medical event. Many benefits websites include portals to differentiate categories of benefits, such as major medical, wellness programs and voluntary benefits.



PRINT AND DIGITAL BENEFITS BOOKLETS

A comprehensive benefits booklet with short descriptions of all your available benefits is a fundamental learning resource. Providing the benefits booklet in both digital and print will complement each other and give employees options.

Many workers prefer digital benefits booklets because they can share them with their spouses and family members and easily refer to them during 1-to-1 counseling. Like digital postcards, many digital benefits booklets use embedded videos, images or voice-overs and links to external websites.

As much as email and mobile devices have become routine, some workers still prefer a printed benefits booklet to read and make notes. These are also good to have on hand for 1-to-1 counseling.

BENEFITS STATEMENT

A total benefits statement provided to your employees at annual enrollment is a simple, effective method to show the overall value of their benefits. It's generated by your carrier or broker and breaks down what you're spending and what employees are contributing on each benefit, including major medical coverage.

Benefits statements provided by Colonial Life can be adapted to show holidays, vacation, sick or paid time off, as well as major medical and voluntary benefits.

Company spotlight: Fear of Missing Out

One company provided a Benefits Statement with a twist. The company added a section on benefits that employees didn't sign up for and what they were worth, so they could see what they were missing out on. At the next enrollment, many of their employees signed up for benefits they had declined previously.





Communication: lead up to benefits counseling

An essential part of educating your employees about their benefits is the communication that takes place before the enrollment period.

Send your employees a variety of materials about two to three weeks ahead of time. Materials could include emails, digital postcards, texts, as well as printed posters and brochures. This gets the information to your employees at the most relevant and impactful time ahead of enrollment.

EMAILS AND DIGITAL TOOLS

Emails are one of the most effective ways to communicate with your employees, particularly if they contain a digital postcard (a snapshot of information with links to additional content).

You'll want to put some thought into writing these emails. If they have too much information, many employees aren't going to read them. So keep the messages short and simple for the employee to scan quickly. Some employees will find a typed out hyperlink to the digital postcard more intuitive than a clickable image so include both. If you're short on time or unsure on how to write an effective email, ask your broker or benefits carrier for assistance.

Many businesses find their sweet spot with a series of three emails, kicking off two weeks before enrollment starts. This gives employees time to consider their options and talk to their spouses.

Example: three email series

- 1 **Two weeks before enrollment:** Enrollment is coming, sign up for benefits counseling
- 2 **First day of enrollment:** Enrollment has started, have you signed up for benefits counseling?
- 3 **Last week of enrollment:** Enrollment is almost over, don't miss your chance

Pro tip 1: Be consistent in your branding. "We had a client that used a third-party service to send out their emails with the digital postcards. But many employees didn't know if it was a legitimate email, so they were hitting the phishing button in Outlook. We overcame that by including an image in the email that was the same as the posters around the building. That signaled to employees that it was authentic."

— Adam Tepe, Senior Implementation Manager at Colonial Life

Pro tip 2: Be transparent about your benefits offering. If employees have asked for a benefit, but your business can't offer it or a certain benefit has been reduced, be candid about it and tell them why. Your openness will build trust with your employees.

Pro tip 3: If response rates are low, consider resending the email with a different subject line or at different time of the day.

DIGITAL POSTCARDS

A digital postcard is a visually compelling format for many employees. The design and information can be adapted to fit a specific business. Helpful content includes enrollment dates, new benefit offerings, changes in benefits coverage, locations for 1-to-1 counseling sessions and a link to the online appointment scheduler.

Digital postcards are also a very effective format to embed short videos that employees can view on their schedules.

Remember, don't just send the digital postcard to your employees by email without a message on what it's about. Employees are more likely to use it when it's endorsed by you and embedded in a short, reader-friendly email.

ONLINE SCHEDULING

If you've ever booked an appointment online at a hair salon or reserved a swim lane at an athletic club, you may already be familiar with an online scheduling tool. Frequently used in digital postcards and digital benefits booklets, an online scheduling tool enables employees to book their 1-to-1 counseling sessions at a date and time that is convenient to their schedules.



*View a sample
digital postcard*



Communication for all seasons

While benefits education is a key part of annual enrollment, businesses should also think about communicating this information to their employees throughout the year. Because employees' lives are constantly changing in ways that might affect their benefits needs.

"Throughout the year, employees are getting married, divorced, have children, lose loved ones, or experience life-changing medical events," said Rob Quell, VP at Colonial Life. "For all of these major events in life, it's important for employees to re-evaluate their health and financial plans and if they need to adjust them."

Another advantage for a year-round approach — employees are more likely to use their benefits, which means they're more likely to value them. That also means that employees who don't use their benefits are less likely to value them.

Also, be aware there is a delicate balance in how frequently you send out messages throughout the year. Too many emails can lead to email fatigue, explained Dana Bagwell, Director of Enrollment Communication at Colonial Life.

"A good rule of thumb is three touchpoints (email, texts, video links, social media posts) for a specific message, and increasing or decreasing that number depending on the employees' needs," said Bagwell. "Employees like content that helps them with their everyday lives, such as reminders to file a wellness claim or to access their account online to view benefit plans or claim status."

With these factors in mind, here are five effective tactics to communication and education throughout the year.



5 tactics for communication/ education

- 1 Develop quarterly themes
- 2 Keep messages short and simple
- 3 Use a variety of platforms
- 4 Repurpose enrollment materials
- 5 Engage new employees



1 DEVELOPING THEMES BY QUARTER

Developing communication around a central theme for each quarter can be a very effective tactic. And by keeping each message simple and concise, employees are more likely to read them.

See below for an example of quarterly themes that are easily adaptable for different companies and industries.



Quarter 1: Employee Wealth

Kick off the new year with messaging about financial protection, planning with life insurance, disability coverage and financial budgetary tools. For businesses with high-deductible health plans, discuss how voluntary benefits can help pay for a \$5,000 deductible or higher if the employee has a serious illness and went to the hospital. Other popular topics include tapping into disability coverage or the key differences between whole and term life insurance.



Quarter 2: Health and Wellbeing

The onset of spring in the second quarter is the perfect time to switch up the messaging to health and wellbeing. Suggested topics include health screenings, wellness fairs, routine dental and vision preventive care and employee health advocate services.



Quarter 3: Work/Life Balance

In the third quarter, spotlight information that will support employees' work/life balance. Information about complimentary benefits or services that helps employees save money or time can add real value to their everyday lives, such as using their paid time off, Employment Assistance Program (EAP) and legal services. Another great topic includes reminders about discounts on gym memberships, cell phones or other services.



Quarter 4: Open Enrollment

In the fourth quarter, focus on messages about open enrollment that will help educate and prepare employees for 1-to-1 benefits counseling.

Over the previous three quarters, some benefit features may have slipped employees' minds, so this is a good time to send refresher content. For example, changes in employees' benefits coverage, and reminders about expiration dates on guaranteed issue and using the money in their flexible spending accounts.

Another way to spotlight benefit information is to use a fixed or moving banner on the benefits website.



2 KEEP IT SHORT AND SIMPLE

During open enrollment, employees can feel overwhelmed by the enormous amounts of benefit information they receive. During the other 11 months, employees won't have as much pressure to make decisions on several benefits in a short period of time, so there is more opportunity to get their attention on a single topic.

You will want to use a similar strategy for these emails as described on page 8. Keep messages short and reader-friendly, such as tips about a specific benefit or easy-to-use tools. And remember to be candid about not offering a benefit or a reduction and tell them why. Employees will appreciate your honest answers.

3 USE A VARIETY OF PLATFORMS

Use communication platforms that fit how employees work (office, on the road, retail, factory) and access. For office workers, emails and digital postcards will make sense. But for other types of workers like construction, home health and truck drivers, text messages with links to educational videos or a central hub of benefit information. One company may reach their tech-savvy employees with social media, but another company may get a better response using email and printed posters in the break room.

So consider your employees' preferences and a mix of formats in benefit communications. And don't forget to include your traditional methods in how you normally communicate information.

Using a benefits website is a key learning resource in a year-round communication strategy.

See page 6 for more details on how they work.

4 REPURPOSE ENROLLMENT MATERIALS

Many HR professionals don't have the time or resources to create new messaging. Take a shortcut by repurposing open enrollment materials, such as brochures, digital postcards and links to informational videos and links to articles. Ask your broker or insurance carrier if they have additional content and tools that can be easily adapted.

Once the year's communication themes and materials have been set up, companies can recycle the same content the following year, with only some minor adjustments.



of small businesses had only one person managing all of the HR functions in our recent survey.⁶

5 NEW EMPLOYEES

New employees are generally the most open to learning about their benefits when they start a job. Instead of waiting until open enrollment, schedule employee orientations periodically throughout the year. Include information about benefit materials, website information and options for virtual or telephonic benefits counseling, and make sure to provide key dates and deadlines for benefits with guaranteed issue.



Conclusion: putting all the pieces together

Employees are more aware than ever of how vulnerable their health and financial wellbeing can be.

They want practical information about their health insurance and voluntary benefits to make informed decisions that fit their lives. And they want to know how to use their benefits, so they can get the most value out of their benefit dollars.

For most small businesses that are already spread thin, setting up a communication and education strategy will be challenging. So here are a few pieces to think about as you build your education and communication strategy.

CREATE A REALISTIC PLAN

Make a list of the employees and determine resources that can be tapped easily. Evaluate what tactics you can put in place in the first three, six and 12 months. If time is very limited, prioritize your more time-consuming or difficult tactics and choose one or two to start in the initial three-month phase.

Remember to take some time to get to know your employees' varying needs, as not everyone will need the same benefits. And consider asking your employees for feedback periodically, even if it's just informally.

CHOOSE A BENEFITS PARTNER

You don't have to build an education and communication strategy from scratch. There are brokers, agents and carriers that offer high quality education and communication resources that can be adapted to make them your own. What's more, they're often free or at a low cost. With this in mind, here are three capabilities to consider when choosing your benefits provider:

- 1 **Focused on educating employees:** Employees know when a provider is more interested in making commissions than in helping them make informed decisions. You want a provider that is focused on education, not on making a sale.
- 2 **Education and communication resources:** Providers that are focused on education will also have resources that can be customized with your company logo and colors. Providers that offer customizable benefits websites, digital booklets, digital postcards and other resources can add so much value that it's like adding another HR person to your staff.
- 3 **English and Spanish-speaking benefit counselors:** Employees are sharing very personal information, so it's important they can relate to and trust their benefits counselors. You want a benefits partner that has both English and Spanish-speaking counselors available.



Colonial Life has 6,300 benefits counselors nationwide, including Spanish-speaking counselors.⁷



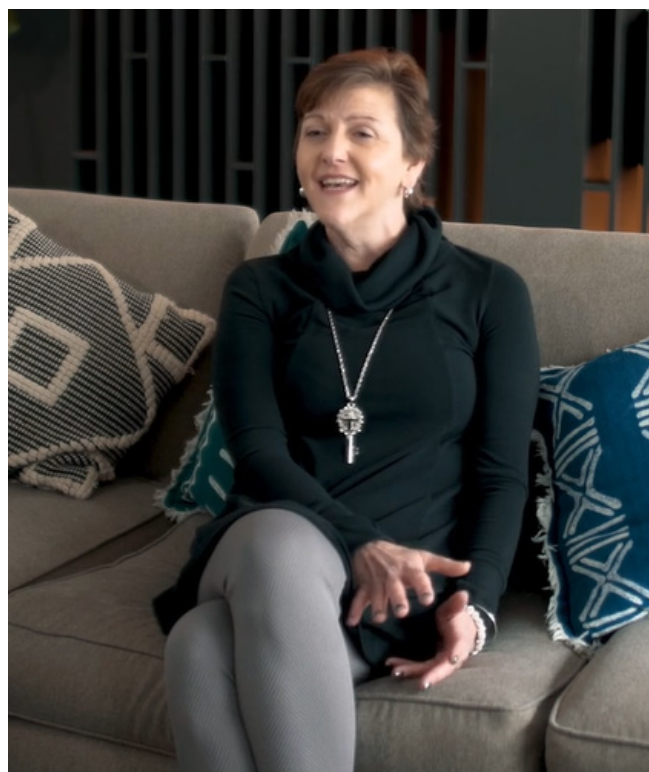
MAKE BENEFITS A PART OF YOUR CULTURE

When the owner and managers make benefits a top priority, employees will feel their employer cares about their wellbeing, their families and their job satisfaction. Make discussions about benefits a normal part of the company's culture. Ask your line managers to talk about benefits informally with employees. Make sure benefits information is readily accessible. And be on the lookout for more opportunities to engage employees with their benefits throughout the year.

There are many things competing for employees' attention. They are juggling families, caregiving duties, bills and worries about the ongoing public health crisis. They're inundated with emails, social media and advertising in every corner of their lives. It's easy to see how workers can put off thinking about benefits they don't fully understand.

Even if you have to start small, be persistent in your communication and education efforts, and your employees' knowledge and participation in their benefits will steadily increase. This will encourage a better understanding of your commitment to employees' health and financial wellbeing. And in the long run, strengthen your employees' engagement with their benefits.

Colonial Life can help your business start a customized communication and education strategy without adding to your bottom line.



Paula shares her story.

Paula says her 30-minute, 1-to-1 counseling session had a tremendous impact on her life.

1. Colonial Life, Consumer Survey, 2019. 1505 U.S. consumers working full-time responded to the survey from January 29-February 1, 2019.
2. Gallup Study: Employee Engagement and Performance, 2021. Accessed July 2021.
3. Colonial Life, internal data, 2021.
4. Colonial Life, Consumer Survey, 2019. 1505 U.S. consumers working full-time responded to the survey from January 29-February 1, 2019.
5. Willis Towers Watson, 2020 Global Benefits Attitudes Survey, 2021.
6. Colonial Life, Employer Survey, 2020. 321 U.S. employers with 250 or fewer employees responded to the survey from November 30-December 11, 2020.
7. Colonial Life, internal data, 2020.

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