

Benefits Strategic Plan

Jim Heffernan
Driscoll's Strawberry Associates, Inc.
Benefits Manager

Driscoll's
ONLY THE FINEST BERRIES™

Why do you offer employee benefits?

- Recruitment/retention
- We have to...don't we?
- Need to have healthy employees so they show-up for work.
- Right thing to do.

Why? What's in it for the Company?

- Two primary reasons:
 - Employee Engagement
 - Benefits touches employees and their families more than any other area of HR
 - “Engaged” employees will put forth additional effort
 - Stay in business
 - Healthcare costs represent a larger and larger share of company expenses
 - Premium cost (per employee)
 - 2012: \$10,522
 - 2013: \$11,188 (projected*)
 - Wellness spend continues

*SHRM (10/2012)

What's in it for employees?

- Primarily: Security
 - For them and their families
- Other potential incentives:
 - Opportunities to take time-off to volunteer at their child's school?
 - Vacation and Sick time or PTO

How do we get “Employee Engagement”?

- Employee Engagement occurs: When employees perceive that their employer recognizes their personal needs and seeks to add value to their life.
- Why is this important?
 - More productive employees
 - Employees will expend additional energy towards their work – give back to the employer.
 - Feel more connected to the organization, trust builds.

Definitions of Strategy

- Business Strategy: A long-term plan of action taken by a company that is designed to achieve a particular goal or set of goals or objectives.
- Imagining the future and creating a plan to realize the vision.
- Getting from point A to point B.

Basic Components of a Strategic Plan

- Vision – If you were to see a future state of the Benefits Plan, what would it look like?
- Mission – What is your stated purpose?
- Goals – Important steps in achieving the Vision.
 - Metrics – measurements to determine when you have achieved your goals

Aligning with the Business Strategy

- Example of grower that specializes in green house production
 - Business Strategy: *To increase operating efficiencies by reducing costs by 5% annual and grow our business by 100% over the next 5 years.*
 - How can Benefits support the business strategy?
 - Maybe by making sure you hire the best and brightest to achieve the efficiencies desired.
 - Example : The Benefits program will enhance our ability to hire and retain the top candidates in green house management.

Keep your statements simple and focused



Operational to Strategic Transformation of HR

Operational (Employee Focus)		Strategic (Organizational focus)
<i>Reactive</i>	↔	<i>Proactive</i>
Collecting HR Data	↔	Measuring HR with Metrics
Responding to goals and objectives set by executives	↔	Setting Strategic HR Goals and Objectives
Complying with laws, policies, and procedures	↔	Developing and revising policies and procedures
Administering employee benefits programs	↔	Evaluating benefits strategically
Designing training programs	↔	Identifying organizational training needs
Staffing jobs by recruiting and selecting employees	↔	HR planning & linking with external staffing resources
Administering base compensation plans	↔	Developing compensation plans focusing on employee performance and retention

Where to start?

- Benefits or Wellness Strategic Plan?
- Start with the end in mind. What's your Vision?
- How long a period will your plan cover?
- Who should create it?
 - HR members only?
 - Team approach?
 - Broker/Consultant? Health Carriers?
- Executive Buy-in

Goals

- How many?
 - What will you realistically be able to achieve?
 - Important steps that, if not accomplished, will prevent you from realizing your vision.
- Metrics: How you know you are achieving your goals.
 - What will you be able to measure and how will you measure?

Template for Benefits Strategy

- Vision: Our employees consider our firm one of the top five places to work in our industry.
- Mission: To provide a benefits package that recognizes the critical needs of employees by providing a full-range of services and opportunities that will improve employee's lives.
- Goals:
 1. Identify key factors that top 20 firms in our industry have in common in their benefits program.
 2. Prioritize and budget most important programs.
 3. Establish a benchmark by creating a benefits survey.