



HR in the C-Suite: How to Gain Your Seat at the Leadership Table

HR in the C-Suite: How to Gain Your Seat at the Leadership Table

INTRODUCTION

HR is one of the central pillars of every company's success – and with up to five generations of employees in the workplace,¹ employers are now tasked with balancing the widely varying priorities of an increasingly diverse and complex workforce. **Human Resources has become an extremely important differentiator in today's tight talent market, but some companies still struggle with having an equal space for HR at the leadership table.**

While many companies have a Chief Human Resources Officer, some HR departments and benefit teams ultimately report to their company's Chief Financial Officer, which can make demonstrating *measurable* success all the more crucial. Other businesses are powered by one-person HR departments, making automation, efficiency, and accuracy critical to managing and maintaining focus and establishing a leadership position within these organizations.

At-A-Glance Guide *from*
Empyrean Benefit Solutions

Three key ways to craft a compelling case for HR's seat at the leadership table:

1. Demonstrate how HR impacts your business outcomes
2. Help leadership learn what really matters to your workforce
3. Create a benefits experience that keeps employees engaged



Introduction, *Cont'd.*

How can you demonstrate the role HR plays in your employer's success? And how do you gain the support you need to drive strategic initiatives and achieve better outcomes as your business evolves?

This At-A-Glance Guide looks at three key ways you can craft a compelling case for HR's seat at the leadership table – all while helping to strengthen your strategy and build a stronger benefits experience for your employees and your team.



1 | Demonstrate How HR Impacts Your Business Outcomes

As workforce demographics change and employee needs evolve, smart organizations are reframing their view of HR and benefits to stay ahead of the evolving needs of their unique employee groups. This practice helps employers remain attractive and competitive, contributes to the overall health of your company, and keeps your organization adaptive in today's talent market.

By demonstrating the strategic and *bottom line* value HR can bring to your business, you'll also help validate the need for you to take on a stronger leadership position and support your company as it grows.

Though employees may value and prioritize their paychecks over other aspects of their compensation,² pay is *not* the sole element that determines loyalty to an employer. Employee satisfaction is shaped by several factors including benefits and workplace culture, which can be significant strengths or weaknesses depending on your company's particular approach. Given the rapid changes happening within the modern workforce, HR must craft relevant and timely strategies and programs – and also earn the clout and resources to execute these strategies and realistically achieve goals.

Employers that utilize a strategic benefits program to increase recruitment and retention are almost *twice as likely* to maintain a more satisfied workforce and boast better company performance.⁵



1 | Demonstrate How HR Impacts Your Business Outcomes, *Cont'd.*

When examining your current and potential influence within your company, look at employee attraction and retention as a central focal point. Despite advancements in automation, *human* employees are still the lifeline of nearly every business. Ensuring that workers are satisfied and stick around remains one of the major responsibilities managed by HR. Replacing an existing employee is expensive and time consuming, and it can cost an estimated one-third of an employee's annual salary to find a suitable replacement.³

With the boom of social media, employers aren't simply challenged to attract and retain employees that are *actively* looking for new opportunities. As people become increasingly connected via social sharing platforms (think LinkedIn, Glassdoor, and Indeed.com in addition to Facebook), companies must recognize that employees have a host of job listings, employer ratings, and detailed salary and benefits information at their fingertips. Even *satisfied employees* are just one well-placed web ad, email newsletter, or friend's social media post away from easily comparing you to another employer.

This is a significant and new retention risk for employers – and this risk is only likely to increase as long as social sharing platforms remain popular. With the potential for increased turnover now an ever-present concern, companies must proactively face these challenges to maintain a healthy retention and attraction rate. How can HR help?

Consider Millennials, who now make up the majority of employees in the United States.¹ This generation has had an enormous impact on the influence of HR in the workplace in particular. Tech-savvy Millennials are the first generation to experience omnipresent social media and always-on connectivity. And as these younger employees find their footing in the workplace, they are not adverse to short-term tenure at various companies: 60% of Millennials say they are currently open to changing jobs, though the pattern of job-hopping may be common for younger employees in general and not just limited to the most recent generations of workers.⁴



1 | Demonstrate How HR Impacts Your Business Outcomes, *Cont'd.*

As Millennials now transition into their prime working years and Gen-Z joins the workforce,² employers must come to grips with the cost and competency risks that have surfaced as a result of younger employees' job-hopping habits. For these workers, the concept of only working for just one or two employers over the course of their entire career may seem especially outdated and impractical. In fact, 21% of Millennials admit to changing jobs over the course of one year.⁴ The days of climbing the ladder at one company and receiving a gold watch are diminishing, however, as the largest generation of employees seeks out bigger paychecks, better benefits, and a more supportive company culture.

In this climate, an attractive and satisfying offering is a priority for smart businesses looking to ensure steady growth and efficiency. Employers must be prepared to embrace the cultural changes and priority shifts occurring within their increasingly diverse and multigenerational workforce.

To do this, **HR must be enabled and empowered to lead the direction of their company's people strategy.** According to one recent study, employers that utilize a strategic benefits program to increase recruitment and retention are almost *twice as likely* to maintain a more satisfied workforce and boast better company performance over those businesses that fail to take a strategic approach.⁵

For companies that have traditionally kept HR on the sidelines, this requires a change in perspective. By guiding leadership towards a better understanding of how HR can drive greater and sustainable success, you'll not only help bolster your department's recognition and value, but also improve the overall health and happiness of your entire organization.



2 | Help Leadership Learn What Really Matters to Your Workforce

It should come as no surprise that employees' financial compensation is the top factor influencing job satisfaction, but there are other means of demonstrating employee appreciation and commitment that can make a meaningful *and lasting* difference to your workforce.

Benefits are one of the most critical elements determining employee satisfaction, second only to pay in terms of importance.² Plus, your benefits strategy and offering greatly affects the image of your company's culture. Benefits are an important indicator of how a company cares for its workers, and strongly impact how current employees and potential hires view and value their employer.

29% of employees are considering leaving their employer in the next year because of their benefits package, while nearly one-third of employees say they were unlikely to search for another employer because they are satisfied with their benefits. And over 90% of all employees say that benefits are an important factor in determining their job satisfaction.⁵

The type of benefits and benefits experience you offer can have overarching effects on your organization's cultural health as well as your employees' individual experiences. As the workplace becomes more diverse and employee expectations grow increasingly sophisticated, this responsibility – and its associated challenges – will also become more important.

Over 90% of employees say that benefits are an important factor in determining their job satisfaction.⁵



2 | Help Leadership Learn What Really Matters to Your Workforce, *Cont'd.*

It's not easy for members of the C-suite to detach from their respective departments' priorities and evaluate the underlying issues and trends that are impacting employees – and that's why it's so crucial to have an HR advocate on your leadership team. It's HR's responsibility to keep a pulse on employees' needs to determine the benefits and concerns that resonate most with your workforce.

Take health care coverage, for example. Today 98% of employers offer at least one of nine types of health care coverage to their employees⁵ – but the plan types offered can differ depending on the unique needs of each company. **It's up to HR to determine the best plans for their workforce's populations, ensure their offering is market competitive and current, and execute an effective communications strategy and benefits experience that will guide employees to make smarter decisions when utilizing increasingly diverse coverages.**

Offering the right benefits alongside the right *resources* will show employees that their company (and by extension, their company's leadership team) understands their needs both *in* and *out* of the office. In demonstrating the support you provide to employees as they grow and develop within your organization, you'll also provide reassurance that your organization views employees not just as workers, *but as people, too.*

This is crucial to ensuring that your employees (and especially job-hopping Millennials) see your company as more than just a career “stepping stone,” which can help maintain a smooth and cost-effective recruitment and retention engine.

HR leadership requires a thorough understanding of the issues affecting your employees and business, and also means providing measurable actions to help address or alleviate concerns as they arise. Keeping tabs on these issues and their effects on employees will help HR gain perspective when developing competitive *and compassionate* benefit strategies moving forward.



2 | Help Leadership Learn What Really Matters to Your Workforce, *Cont'd.*

To start, take a close look at your workforce statistics and populations, including average employee age, typical length of employment, and location if your business has multiple offices or worksites. Are there any patterns you identify and want to change (such as a high-turnover rate within a particular employee population, low benefits adoption, or low enrollment engagement)?

When in doubt, it may be easiest to simply *ask* employees what they need. Consider utilizing anonymous online surveys if you're not already doing so. Surveys can provide initial benchmarks and helpful perspective into the minds of your employees to get valuable feedback that might otherwise not be candidly shared. If using a survey, be sure to regularly re-evaluate the questions and format to ensure you're receiving the most insightful and relevant responses to inform your strategy and goals.

Staying on top of the latest benefit trends will also help keep your HR team up-to-date with the issues and market trends that might be silently impacting your business.

For example, over one-third of employees admit that financial worries have distracted them while at work.⁶ And with 78% of Americans living paycheck-to-paycheck,⁷ 65% of employees say they are not prepared to spend more than \$1,000 in the event of an illness or accident.²

Student loan debt is another significant burden that can impact employees' wealth wellbeing and dictate many of their financial decisions. Across the country, the total student debt held is now estimated at \$1.4 trillion. Student loan debt isn't limited to just younger workers: An estimated 3.4 million parents share \$81.5 billion of that debt after taking out loans to help their children pay for college.⁸

And while medical coverage is a critical core benefit, many workers are seeking to take a more proactive approach to managing their health, wellness, and financial future by minimizing their health risks and adopting healthier behaviors. This is hardly surprising: An estimated 40% of Americans are obese,⁹ while nearly one-fifth of employees say that health issues have negatively affected their productivity at work.¹⁰



2 | Help Leadership Learn What Really Matters to Your Workforce, *Cont'd.*

Progressive employers are intelligently navigating the complex intersection of employee health and wealth, especially as employees take on more cost responsibility for their health coverage through consumer-driven offerings such as high deductible health plans (HDHPs) and health savings accounts (HSAs).

Employees' health and financial concerns are exactly where HR can help. Utilizing open communication channels such as anonymous surveys and suggestion boxes alongside simple yet *impactful* offerings (think inclusive and incentivizing wellness programs, financial workshops, and student loan repayment benefits) can help keep employees happy while giving your business a key advantage over your competition.

A main hurdle for many HR teams can be getting executive buy-in for their strategy and plans – and this can be particularly tricky as most organizations are often seeking to cut costs (or get better value on current investments). Providing the right frame of reference for your benefits strategy can make it easier for your executive or investor team to understand the value and outcomes that your benefits offering and employee engagement experience will deliver. Backing up your strategy with robust data, employee feedback, and probable benchmarks will build the big picture and make a more complete case for your benefits decisions.

The benefits you provide aren't the only factor impacting how well your strategy is received, however. For employees to confidently understand and interact with their options, your benefits *experience* must complement your offering and empower your employees and team *year-round*. The benefits experience is not just a once-a-year event, you must start accounting for the benefits experience before, during, and post enrollment.



3 | Create a Benefits Experience that Keeps Employees Engaged

A smart benefits strategy doesn't stop with the coverage being offered. Today, 75% of employees say they don't fully understand their benefits,² but a comprehensive and tailored benefits experience can help alleviate this complexity and confusion.

To cut through common misconceptions and ensure your strategy delivers a return on your investment, look for a partner that wholly supports your benefits education, enrollment, and administration goals. **A comprehensive benefits enrollment and administration technology partner will make life easier for both your employees and your team – and will also deliver measurable results that illustrate HR's impact on your business.**

It may be daunting to try and understand the differences between benefits technology solutions, especially for company leaders that are unfamiliar with these types of platforms or who are solely focused on bottom-line costs. When considering potential vendors, it's important to remember that not all technology platforms are architected the same way. The quality of a system's front-end and back-end capabilities and processes are integral to your overall benefits experience, and can widely differ between providers.

Your benefits administration platform largely defines the benefits experience for both your employees and HR team.



3 | Create a Benefits Experience that Keeps Employees Engaged, *Cont'd.*

Think of your benefits offering like the products at your favorite store. While the items you ultimately purchase are certainly important, there's likely much more to the shopping experience than simply picking things up off the shelf. The store's layout, informative displays, and helpful staff all contribute to a positive and *engaging* shopping experience that leaves you satisfied with your purchase and keeps you coming back. It's equally important that back-end processes are in order as well: Inventory must be up-to-date, pricing should be as advertised, and transactional systems need to be running smoothly at all times.

Your benefits administration platform, much like a store, largely defines the benefits experience for both your employees and HR team. Both the participant-facing front-end and administrative back-end must be aligned and accurate (no matter which products or programs are being offered). The experience should provide participants with an easy, intuitive, and informative way to engage and enroll in their benefits. Your HR team should also be able to communicate with participants, run reports, and gather data through your benefits administration system with ease.

A smart benefits experience will not only empower employees during Annual Enrollment and throughout the plan year, but will also effectively automate processes and provide insights that your team can utilize to get more done.

As you work to establish HR's leadership position, you'll need to provide data that supports your initiatives and outlines your success – whether it be showing improvement in enrollment participation, plan adoption metrics, or wellness program and savings account engagement, for example.

Maintaining data integrity is one of the most critical responsibilities of any benefits administration partner: Without reliably scalable technology backed by rules-based processes and gatekeeping measures, your team could be left scrambling with frustrating data errors, dissatisfied participants, and compounding headaches that can diminish HR's impact down the road.



3 | Create a Benefits Experience that Keeps Employees Engaged, *Cont'd.*

Service is another key component that can help define HR's position as a business leader. Few things in HR are one-size-fits-all, and your benefits administration solution is no exception. Given the near-endless combination of employee populations, plans, strategies, and company cultures, it's crucial that you are supported by a dedicated and knowledgeable team of experts that are familiar with *your* unique offering.

In addition, your employees should have access to similarly dedicated and personalized benefits assistance via your benefits administration partner, which can help participants make sense of their options without draining your internal resources. This may include live, one-on-one support from a dedicated customer service representative, as well as personalized decision support tools like an easy-to-use recommendation engine or plan-specific videos and resources. Strong service support will ensure your benefits solution and experience stay aligned with the needs of your company and workforce as they evolve.

Your benefits administration technology partner should also provide consultative services to optimize and adjust aspects of your employees' online shopping experience to help meet your particular goals. These services, offered by in-house Strategic Account Advisors (SAAs), can help boost your initiatives' potential and deliver the results HR and your C-suite are looking to achieve – including growing strategic plan adoption, lowering costs, and increasing employee satisfaction. Leveraging this expertise will provide expert insight into your benefits experience and help set you and your team up for success.



Conclusion

The human element of business is always evolving, and employers are constantly challenged to stay ahead of the next big curve in employee needs and expectations. As companies experience rapid changes due to changing workforce demographics and the latest technology, the stakes will only get higher – but HR can help employers tackle this challenge head-on.

Smart employers recognize that HR leadership is necessary for success in an increasingly competitive and complex talent market, but providing the resources and building this reputation can call for changing perspectives around the value that Human Resources brings to the table.

Between juggling daily tasks and managing big-picture priorities, it's important to keep track of the impact that your team has on your company's success – and be able to demonstrate that impact as you steer HR into the spotlight. The good news is that this doesn't have to be difficult or time-consuming with the right support. By leveraging a smart framework, supportive technology, and the expertise of a proven partner, you'll help improve your company, make your job easier, and elevate the place of HR within your business.



References

1. Moss, Desda. "5 Generations + 7 Values = Endless Opportunities." Society for Human Resource Management. Alexandria, VA. June 20, 2017.
<https://www.shrm.org/hr-today/news/hr-news/conference-today/pages/5-generations-7-values-endless-opportunities.aspx>
2. "2017 Aflac WorkForces Report: Employee Overview." Aflac, Inc. Columbus, GA. February 2017.
<https://www.aflac.com/docs/awr/pdf/2017-overview/2017-aflac-workforces-report-employee-overview.pdf>
3. "2018 Retention Report: Truth and Trends in Turnover." Work Institute. Franklin, TN. May 2018.
<http://www.workinstitute.com/retentionreport2018>
4. Alton, Larry. "Millennials Aren't Job Hopping, Young People Are: 5 Things to Keep in Mind." Forbes. Jersey City, NJ. January 22, 2018.
<https://www.forbes.com/sites/larryalton/2018/01/22/millennials-arent-job-hopping-young-people-are-5-things-to-keep-in-mind/>
5. "2018 Employee Benefits: The Evolution of Benefits." The Society for Human Resource Management. Alexandria, VA. June 2018.
<https://www.shrm.org/hr-today/trends-and-forecasting/research-and-surveys/pages/2018-employee-benefits.aspx>
6. "Employee Financial Health: How Companies Can Invest in Workplace Wellness." Center for Financial Services Innovation. Chicago, IL. May 2017.
<https://cfsinnovation.org/research/employee-financial-health/>
7. Dickler, Jessica. "Most Americans Live Paycheck to Paycheck." CNBC. Englewood Cliffs, NJ. August 24, 2017.
<https://www.cnbc.com/2017/08/24/most-americans-live-paycheck-to-paycheck.html>
8. "A Look at the Shocking Student Loan Debt Statistics for 2018." Student Loan Hero. Austin, TX. May 1, 2018.
<https://studentloanhero.com/student-loan-debt-statistics/>
9. Richtel, M. and Jacobs, A. "American Adults Just Keep Getting Fatter." The New York Times. New York, NY. March 23, 2018.
<https://www.nytimes.com/2018/03/23/health/obesity-us-adults.html>
10. "2017 Work and Well-being Survey." American Psychological Association Center for Organizational Excellence. Washington, DC. May 2017.
<http://www.apaexcellence.org/assets/general/2017-work-and-wellbeing-survey-results.pdf>



About Empyrean

Empyrean Benefit Solutions manages employee health and welfare benefits programs, combining the industry's most modern, client-adaptive, and configurable benefits technology platform with expert, responsive service to deliver Hi-Touch Benefits Administration. Empyrean provides market-leading enrollment, eligibility management, ACA reporting, and other plan administration services that empower employers, insurance brokers, and healthcare exchanges to meet ever-evolving benefit challenges. Founded in 2006, Empyrean's integrated platform serves over three million annual participants across a wide spectrum of sizes, industries, and complexities.

Visit www.GoEmpyrean.com for more information.

**At-A-Glance Guide *from*
Empyrean Benefit Solutions**

To learn more,
visit our website at
www.GoEmpyrean.com

