

Getting Personal: How Data Can Engage Employees

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As HR professionals, both our programs and how we communicate those programs must show meaningful engagement and a return on investment. No longer can we implement programs or communications campaigns without a solid business case and the expectation of measurable results. HR programs are implemented to attract and retain talent, optimize that talent by removing distracting stressors, and encourage higher productivity. Communications campaigns should not just be a compliance check-box; more importantly, they should further the engagement of the employee, building a relationship with the company and providing value... value that's quantifiable and continually measured.

Data—specifically consumer data—is king in 2017. This era of data dominion goes beyond statistical measurement of results. Strategic use of data can now be used to deliver the right message, at the right time to the right individual via the right medium—and thereby boost the likelihood that the message is not only fully “received,” but more importantly, acted upon. Employee communications and messaging about a financial program, for example, need to be relevant to the individual not just as a generic employee, in order to achieve the desired results.

How you best engage Joe—the employee who is over 50 in a salaried position and is not on track for retirement—should be different than the millennial Jane—the hourly worker who is focused on buying her first home, and not necessarily concerned about her retirement. There are other dimensions to Joe and Jane that factor into their decision making and behaviors. Joe doesn't plan on retiring at 65—his need to care for an elderly parent with limited assets while also raising a family has impaired his own ability to prepare for retirement, so he plans on extending his career. Jane, meanwhile has different career goals— she wants to invest in further education to advance her career; at the same time, she wants to ensure that the long-term investments she does make are socially responsible.

Marketing: It's not just for consumer products companies. Analyzing the data based on audience segmentation such as generation, gender, location, etc., is a proven marketing approach used by retailers, but industry leaders such as Amazon and Netflix take that a step further and look at the individual buying history to make personalized recommendations. These recommendations make up 35% of

product sales for Amazon.¹ Netflix digs even deeper into the data—not just on whether the viewer launched the program but to what extent the viewer watched the entire video—to not only recommend, but to determine what new offerings should be added to expand their library, thereby enhancing its appeal to customers and generating additional sales.²

While HR departments don't have the same deep pockets that global retailers do, they do have one important advantage: They have, at their fingertips, a rich set of “consumer” data: employees' income history, marital status, financial balances, investment choices, job performance levels, core and voluntary benefit elections, survey data and more. By layering the audience segmentation data with the individual data available, you can begin to create communication campaigns that engage each employee on a much more relevant level. There can be cost and efficiency limitations for HR departments to utilize the rich member data to its fullest. Plan sponsors should aim to better utilize good payroll technology, where it does exist.

By using this data, employers can also address the employee more holistically, not from the silo of a specific program, but across their physical, financial, and professional needs. If Jane is the single parent of a special needs child and her salary is below the median for her job level, the best way to engage her in saving for her retirement is to first help her address her current needs by promoting those programs that will:

- Help her better care for her child, which in turn will allow her to increase her focus on her career; and,
- Enable her to improve her skills for both her current and potential future positions, thereby putting her on a path to future advancement (and thus increased earnings potential).

By addressing these needs, Jane will be on a path toward greater near-term financial security, thus enabling her to increase her long-term savings.

Expectations have changed. If data is king, then technology is queen. Consider that today the typical 12-year-old Canadian has their own cell phone³ while smart phone use across the population is growing in double digits year over year⁴: technology at our fingertips is the new normal. Phones

¹intelliverse.com/blog/the-power-of-personalized-product-recommendations ²blog.kissmetrics.com/how-netflix-uses-analytics/ ³huffingtonpost.ca/2014/01/22/phones-for-kids_n_4644102.html ⁴catalyst.ca/2015-canadian-smartphone-market/

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layer in the contextual data of knowing where you are, with the consumer data of knowing what you are interested in. Facebook will remind you of the jeans you were looking at from the GAP, or the coffee table from IKEA that caught your eye last week. Music apps will recommend artists you may be interested in and most likely to buy. LinkedIn will recommend those you may want to connect with and show you jobs you could be interested in. Match.com isn't the only app trying to connect you with your heart's desire.

As consumers today, we expect technology to be smarter and more knowledgeable than ever before, and our online experiences should be based on personalized relevant data about us. And, it should be so intuitive and seamless that we don't even stop to question how it works together, it just does! Thus, it's no surprise that employees expect that the technology in their workplace should serve them the way technology does in their everyday lives. Generic, non-personalized approaches to workplace engagement are increasingly falling flat next to the rich experience of data-driven communications.

It doesn't stop there. If you look up a store on your smart phone, the address of the store closest to you should not only appear, but be clickable and open up your navigation app to take you

there. Personalized communications to employees need to do the same: analyze their data, make the recommendations, and then take them to where they can take action on those recommendations. A message cannot just be another "to do" added to their list, but include an intuitive next step of how to achieve that. Whether it is an educational video, training through a webinar, modeling for financial goals or actually changing contributions to the savings plan, the recommendation should be personalized and actionable, and be focused on the best outcome for the individual.

This expectation is not achieved without cost, both of time and money. Data analysis is an area of investment for most organizations. Automating analytics to deliver personalized messaging and measuring the success of those messages requires an upfront investment in defining the target audience and desired outcomes, interpreting the available data, and mapping the data to the message for that audience, then continuing to measure and refine the engagement and outcomes.

But it's worth it. Engaging employees holistically on a personalized level to achieve optimal outcomes creates a more productive workforce that optimizes costs (including program costs) and improves the bottom line of the organization.

Putting Personalized Messaging into Action: One Employers' Journey

Approximately six years ago, a large, regional retailer implemented a progressive initiative to engage their employees to achieve better health outcomes. To pull all the pieces of the program together, they launched a personalized benefits portal for its employees (and their covered spouses/partners). This solution aggregated data from multiple sources, calculated their options and provided users quick, and easy access to their relevant information—from the results of their biometric screenings, to the path to earning the most incentives and the programs that would reduce their health care costs.

They not only displayed the personalized data to the user, but used the data to create a personalized "Action List" where users would be prompted of things they needed to do—to achieve the best physical and financial health outcomes for themselves and their families.

Based on that initial success, the functionality used to drive the Action List is being leveraged to push out highly personalized, actionable messages to support expanding initiatives. They

import data for the defined benefit and defined contribution retirement plan values and created actions to achieve better financial outcomes. Individuals, for example, who aren't contributing to the 401(k) receive prompts to "sign up today"—and are able to do so with just a few clicks.

Data indicators from the health plan are used to message participants who received an unexpectedly large "bill" for a medical procedure to complete online training to better understand how their plan works, and may even be granted a one-time "pass" from having to pay the higher out-of-pocket cost.

Over time, these prompts and the centralized Action List became the number one driver of engagement—with participants frequently completing tasks regardless of whether there was any "incentive" for them to do so. As a result, the employer realized significant increases in both engagement in and the return on investment of various benefit offerings and processes.