



The New Role of the Benefits

The employee benefits landscape is changing rapidly. The impact of globalization, technology, and the legal/regulatory environment highlight a few of the major influences contributing to such volatility. Because of that, organizational expectations for the role of the benefits professional is constantly changing to meet needs.

The evolving role of the benefits professional is a continual discussion item among members of

the WorldatWork Benefits Advisory Council (BAC). Recently, a subgroup of the BAC engaged in a dialogue about the role and needed skill sets to be successful now and into the future. Within the dialogue, the members identified three main areas of focus. The future practitioner must be an expert in: laws and regulations; strategic alignment and leadership and the communication and management of feedback while still doing his/her day job of managing total rewards programs.

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08 | 2016

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The Magazine of WorldatWork®

Professional

Be ready to
adapt to new
changes in
the benefits
profession.



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As the role has transcended over the years to become more strategic, it has also forced a balance of long-term goals with the immediate need to address increased requirements demanded of the job. The many provisions of the Patient Protection and Affordable Care Act of 2010 (PPACA) and other regulatory focus areas (e.g., Equal Employment Opportunity Commission [EEOC] regulations on wellness) represent a few huge examples of the increased legal and regulatory activity in recent years. In addition, benefits practitioners must now play a larger role in data privacy with inordinate amounts of data being captured internally, shared externally with a host of service providers and reported to various governmental agencies. Further, increased medical and pharmacy costs now have an impact on earnings per share (EPS), which puts a spotlight on employee benefits.

The resurgence in mergers and acquisitions (M&A) requires benefits practitioners to be experts in M&A diligence, planning and execution to ensure that the infrastructure, people strategies and operational processes create synergies that help move the organization forward.

As BAC member Matthew Harmon recently remarked in a conference call, “The role of today’s practitioner is likened to the advertising slogan ... ‘This isn’t your father’s Oldsmobile.’” He continued, “Managing our people, data, systems and vendor partners in today’s landscape requires agility in bringing the right internal and external parties to the table to ensure compliance, share concise/relevant

insights with senior management, and know which levers to pull, and when, in order to move the business forward.”



Laws and Regulations

Today, there are more audits, more penalties and more data breaches. There is a greater spotlight on organizations’ ability to comply

with PPACA, Health Insurance Portability and Accountability Act (HIPAA), new Fair Labor Standards Act (FLSA) regulations and tiered minimum wage laws. Along with those obligations exists a patchwork of often-contradictory federal, state and local laws and regulations. Noncompliance will increase the organization’s risk and exposure. But with limited internal resources and not being able to be the legal expert on all things benefits, how is the practitioner able to navigate the benefits landmines and protect the interests of all stakeholders?

Benefits professionals need to vet and hire good resources. Council member Ed Bray described the huge government magnifying glass on companies today. “Either you become an internal legal expert or you leverage both the internal and external experts you know. By increasing your circle of influence, you can receive the help you need along the way. Get the low-hanging compliance stuff off the to-do list. Legacy laws aren’t going away.”

Kathy Gantz, another subgroup participant, agreed. “The role today requires a greater focus and discipline to remain current since things are changing much more rapidly,” Gantz said. “The benefits practitioner needs to be very agile

and know when to seek inside assistance and when to seek outside counsel and support.”

Harmon pointed out there is less lead time these days to implement changes and many of the existing technology platforms and systems are not positioned to meet the breakneck speed and variability of requirements. “Total rewards professionals are more responsible than ever for big data and are required to possess the skills of a data scientist to turn emotion into fact-based decision making. With a patchwork of laws and regulations, the compliance burden has become exponentially more complex for multistate employers. Unfortunately, the volume of compliance erodes valuable time that could otherwise be dedicated to strategic planning, education, clinical analytics and population physical and financial health, especially with respect to the Affordable Care Act and paid sick leave legislation.”

According to Tom Sondergeld, BAC chair, “The future practitioner not only seems to have to be knowledgeable of all current laws and regulations impacting benefits plans and their application, but they also need to be knowledgeable and forward-looking regarding evolving legislation.”



Strategic Alignment and Leadership

The future benefits practitioner needs to be an expert in strategic alignment and leadership, having the capability to help align total rewards strategies to the overall organizational business strategy. The professional needs to help develop and write that strategy. This entails long-range planning and being able to provide leadership in benefits, but also seeing the connection to the overall objective of the company’s total rewards programs. This involves collaborating with other organizational counterparts to work together to deliver a strong employee value proposition. A great example of this is the cross-functional alignment that has occurred among the total rewards, IT and tax teams as a result of PPACA reporting requirements.

Adding to all this, data, metrics and analytics have become more and more important in HR decision making, especially as technology platforms have made data collection and analysis more accessible. Benefits professionals need to be better equipped to leverage technology, such as presenting dashboards or scorecards on benefits matters.

“To do so involves harnessing data more effectively and providing senior leadership with key metrics and analytics in order to turn information into action,” Sondergeld said. “Offering balanced positions representing benefits and total rewards matters, and telling the story concisely and clearly to different stakeholders is key.”



Communicating and Managing Feedback

The future benefits professional has to be able to communicate up, down and laterally across the organization on a variety of matters from regulatory and/or legal matters affecting total rewards to change management initiatives. Effective communication skills are critical when sharing information with executives, especially being able to speak the language of the CFO and knowing what makes various C-suite leaders tick. It is essential to be able to communicate a host of messages, knowing how to tailor them for the audience, whether that be for support departments such as payroll, finance, accounting and legal, employees of different demographics and generations, retirees, shareholders or the press.

With all the communication channels these days, especially various social media platforms, professionals need to be knowledgeable regarding communication and feedback channels for the business represented. They need to be open to feedback, conduct surveys and harness the results into action, and effectively and efficiently communicate all total rewards programs.

With the increasing presence of Millennials and Generation Z in the workforce, exploring newer channels of communication is critical for success in reaching these generations of employees. These individuals are used to an Amazon-like customer experience and mobile-based applications in their personal life, and expect the same in their professional life. Therefore, practitioners need to understand their workforce’s demographics and tailor their communications strategies to be most relevant to their employees in order to meet business objectives.

Benefits Practitioners Can’t Know It All

The volatility of the business landscape, especially the increasing regulations coupled with the lack of internal resources and the “more

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— Tom Sondergeld *WorldatWork Benefits Advisory Council Chair*

with less” mantra, requires benefits practitioners to identify and align themselves with the right resources to help them continuously learn and stay updated in this new world of employee benefits.


Benefits professionals, for the most part, can’t be technical experts in all areas. With the environment continuously changing, they need to tap into internal and external resources in order to stay on top of everything that is occurring. This means developing good relationships with other subject-matter experts. When using service providers, it is key to ensure they are proactively supplying updates in areas of importance to your organization as well as potentially providing increased administrative support and helping you learn, research and make decisions regarding new service delivery opportunities (whether that be via private health-care exchanges or administrative support for the various provisions of the PPACA and other laws).

Skill Sets Needed to Be Successful

Benefits professionals have to be able to teach themselves and adapt quickly. They must know how to seek advice and counsel from many resources and know when and how to check their knowledge before making key decisions. There is a lot of skill, business acumen and risk management required, as well as understanding culture differences and delivering the right messages at the right time in the right manner. They need to have the necessary confidence and presence to address senior leaders on challenging topics.

Be Flexible and Plan Ahead

Benefits professionals should remain focused on developing and introducing cost-control strategies, as the new world of employee benefits has not changed that key priority for many employers. There simply are some new considerations depending on how the employer has been affected by the many new and complex legal requirements.

“Benefits professionals need to be adaptable, flexible and maneuverable, with a solid footing in the legal/regulatory environment, but with an ear to the ground for the future,” Sondergeld said. “They need to help the organization plan for the future proactively, not reactively.” 

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resources plus

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