



A Work in Progress: Collaboration in Canada's Benefit and Pension Industry

Bill McCollam

Thank you. It's my pleasure to be with you tonight.

I really enjoy events like this. They remind me how much Sun Life Financial's business benefits from the professional generosity of Canadian plan sponsors.

You share a great deal with your providers, even those who represent organizations you don't currently do business with. You recognize that as a customer, you have a voice. An important voice.

We learn from professionals like you every time we meet. We take your input seriously, and look forward to applying your insight to our products and services. For example, your input on how we can continue to add value to our integrated Group Benefits-Group Retirement Services client experience is greatly appreciated.

You also share with your peers, through associations like CPBI and ACPM. I believe that our industry's success is due in large part to the unique professional generosity of HR and Finance executives like you. To put it in HR terms: *You work well with others.*

This is what I've come to speak with you about tonight: collaboration. Plan sponsors and providers working together for the benefit of Canadian plan members. We are optimistic about the future of collaboration in our industry. There are three trends to watch:

1. Providers will open up their business unit silos and promote collaboration across their organizations. This is the only way to achieve true, holistic customer-centricity in today's complex business environment.
2. Providers will collaborate with one another on behalf of mutual clients and prospects. This will become a baseline expectation of plan sponsors and members. An assumption, even. Suppliers unable or unwilling to collaborate will lose business.
3. Providers will consult with customers more than they already do. You are going to find yourself with an opportunity to exert influence more than ever, in ways you may never have expected. Product development, pricing, service delivery and more.

Trend number one: Providers will collaborate internally.

Plan sponsors have traditionally been served by business units, within organizations. These units focus on a specific market like group benefits or group retirement services. As our industry matured, this was an effective way to provide quality products and services. The unit's focus and expertise were its strengths.

Today, we're working hard to improve the plan member experience in every way possible. Providers are making it easier to access services across multiple business units. In our case, that includes Group Benefits, Group Retirement Services and more recently our Individual Insurance and Investments unit.

Plan members want easy, seamless access to additional products and services like financial advice to complement employer-funded plans. This requires providers to look beyond their organizational silos, and re-envision their business from the customer's perspective. That's a big change. And an important one.

Trend number two: Providers will collaborate with one another, on behalf of mutual clients and prospects.

Consumer expectations are driving this. Your plan members think about their benefit and pension plans as one single component of their compensation. And so they want one point of access. To expect them to keep track of multiple website addresses, multiple telephone numbers, not to mention multiple IDs and passwords is unreasonable. And unnecessary.

Your employees should be able to access all of their benefit and pension plans in one place. And you shouldn't have to build it.

In fact, our industry has made important headway on this. Alliances have been struck to create virtual hubs in which members can access the services of multiple providers, online or on the phone. Together, we can provide members a single view of their total plan.

This isn't easy to build. But those providers that have made the effort are demonstrating a commitment to collaboration that contributes directly to the plan member experience. We think there will be much more of this in the future.

By the way, this does not mean that service providers need to expand aggressively into new lines of business. This is about bringing together those companies each client chooses to work with. The development of these partnerships will require an investment from each provider, to build the necessary infrastructure that will facilitate this new level of service delivery. Clearly though, it will be money well spent.

Trend number three: Providers will collaborate with their customers more than ever before.

Our industry has done a pretty good job of this historically. Client councils, customer surveys and more are all standard among leading providers. Our customers make excellent use of these consultation vehicles.

We can learn from other industries though to facilitate even greater collaboration. Social media is being used by companies around the world to open avenues for a robust dialogue between organizations, customers and prospective customers.

Traditionally, websites have offered one-way communication – from the organization to the person, usually. Social media tools are turning that model on its head.

Today, individuals can communicate to mass audiences more effectively than ever. Blogs and other web-based forums provide users an easy way to make their views heard. This is leading organizations to redouble their efforts to be open and responsive to the communities they serve.

Social media is progressive, and lasting. It is not a fad. It is a new way of talking to, and collaborating with, customers and other business partners. Our industry hasn't done much in this space yet, but it is coming quickly.

Here's a prediction: Soon, you will have so many opportunities to influence industry suppliers that you will need to manage the amount of time you spend doing so. Some of you may have already made this decision.

Collaboration – within provider organizations, with other providers and with customers – will be a major differentiator for suppliers in our business going forward. This will strengthen our industry, and improve the services we work so hard together to provide plan members.

We're committed to collaboration at Sun Life Financial, in each of these three forms. That's one of the reasons why we're more optimistic about our business than ever before.