

The service challenge

Plan sponsors are demanding their service providers work together more closely to create an improved and integrated experience for the plan member.

By Dominique Mailloux

BENEFITS AND PENSION PLAN SPONSORS PLAY A CRITICALLY important role as champions of employer-sponsored retirement savings plans, drug and other benefits plans. Their hard work has a profound effect on the

present and future well-being of millions of plan members from coast to coast. But it doesn't come easily, particularly in these times of rising plan costs and tight budgets.

Perhaps more than ever, plan sponsors are looking closely at their benefits and pension programs for evidence of a return on investment. Does the money spent translate into improved talent attraction and retention rates, and, by extension, increased organizational productivity and profitability? It is up to the

service provider community to help ensure these plans realize the business goals for which they are intended. It's what drives us to continually develop improved services.

It is in this progressive spirit that I submit that benefits and pension industry providers can do a better job of aiding plan sponsors in their efforts to execute on program strategy. It is time for providers, including group insurers, consultants, technology providers, human resources business process outsourcers and others, to work more closely together to integrate benefits and pension services on behalf of Canadian plan sponsors. Employers don't view the various aspects of their benefits and pension strategy separately. Increasingly, neither do their providers.

This is a significant step forward for the industry in this country, one that could set a new benchmark for a client experience truly dedicated to the needs of plan members and plan sponsors. It is not without precedent either. In the U.S. and here at home, initial steps have been taken to bridge the gaps between providers serving mutual clients. Recent advances in technology—including the Customer Information File—mean providers can come together in a manner never before seen in Canada.

How will this new cooperative environment oper-

ate? Imagine for example an organization that sponsors a number of different benefits and pension plans. Say that as a matter of policy, this organization relies on separate best-in-class providers for each.

The industry is now in a position to strike alliances between these companies on behalf of the client, creating a hub in which their preferred providers cooperate. This gives plan members a view of their total plan. All of their benefits and pension plans could be accessible to them via one single entry point (per channel). And what's really exciting is that providers can offer members access to all of their plans via one single sign-in process. That means for the first time, members need just one access identification number and password in order to access all of their plans, whether on the Web or via call centres.

For plan sponsors, this technology will mean a far greater ability to execute on their benefits and pension program strategy. For plan members, it will mean easier access to information and a better appreciation for their plans. The process and technology itself could be used as a way to attract and retain employees by the plan sponsor.

None of this means that service providers need to expand into new lines of business. This is all about promoting collaboration and bringing together those companies each client chooses to work with.

The development of these partnerships will require an investment on the part of each of the providers, to build the necessary technological infrastructure to facilitate this new level of service delivery. Clearly though, it will be money well spent.

This represents a significant shift in the way providers relate to plan sponsors in Canada. The industry is being called upon to redouble its commitment to client-focused initiatives. Clients want their providers to work together and develop these new partnerships on their behalf. Ultimately, doing so will be in the best interests of everyone—plan sponsors and providers.

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