

Benefits Insights

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STR Benefits Consulting

Strategic Benefit Planning

Competitive employee benefits packages are essential for attracting and retaining quality employees, but continuing to offer them can be tough with the rising cost of health care squeezing an already tight budget. Cutting benefits may seem like a necessary reality for some companies, but could have serious long-term consequences.

Retaining employees throughout these rocky economic times is vital so that your company remains competitive and positioned favorably in its industry when the economy rebounds. One remedy could be implementing a strategic benefit plan, which will help you find ways to contain or even cut costs while still offering competitive benefits.

What is a strategic benefit plan?

A strategic benefit plan is a three-to-five-year plan crafted by you and your STR Benefits Consulting representative that outlines goals, strategies and action plans in regards to your employee benefits program. In creating the plan, you and your broker will strategically analyze ways to contain costs through various plan improvements. This approach is a methodical and logical long-term approach to benefit planning, as opposed to making decisions year to year, and will provide a thought-out road map for your future benefits.

What are the benefits of implementing one?

At the company level, creating a strategic benefit plan will help greatly with internal budget planning and can also be incorporated into your corporate strategic plan. This will bring HR and employee benefits into larger strategic conversations and ensure that a competitive benefits package continues to be available.

Employees will also see the benefit from a strategic benefit plan in many ways. First of all, by finding ways to cut and contain costs for the company, the employee will likely reap some of the savings as well. In addition, this type of plan will

provide assurance for employees worried about their benefits. Next to job security, employees worry most about their benefits and compensation, namely that they could be reduced or cut at any time.

Studies have shown that workplace morale is strongly linked to the quality of employee benefits, so reassuring employees that their benefits will continue is a beneficial move for companies. The strategic benefits plan can include an employee communication initiative, which will keep employees informed and assured on the future status of their benefits package.

