

# The Power Of Call-to-Action Communication

By: Diane McElroy

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The e-world is growing by leaps and bounds. As result, Capital Accumulation Plan (CAP) providers are offering personalized websites, real-time statements, retirement calculators, webinars, e-learning modules, and an array of other materials. At the same time, CAP sponsors are going the extra mile by partnering with providers and financial planning experts to offer retirement planning seminars, face-to-face investment sessions, and more specialized communication.

The single goal of all these efforts is to help employees save adequately for retirement. Never-

all this stuff and expect me to decide. I don't have 20 hours to read all this stuff."

The vast array of communication options means that employees are literally overwhelmed with information. There is so much material, plan members don't know how to make sense of it all. Volume overload in this electronic age is a barrier to getting important messages across.

When it comes to inspiring employees to take informed action, more communication is not better. In fact, less is better – provided it's effective. Consider a few examples where short, hard-hitting com-



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### DC PLANS

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theless, apathy – or, at least, inactivity – remains high amongst plan members. Many employees are not actively making investment decisions, not maximizing available employer contributions under company match provisions, and, in general, are simply not saving enough to fund their retirement.

#### Lack Of Concern

But limited plan involvement does not necessarily indicate a lack of concern. Data gathered from employees as part of Aon Hewitt's 'Best Employers in Canada' study shows that only 35 per cent thought they were saving enough for retirement, 42 per cent believed they weren't saving enough, and 23 per cent had no idea. Many plan members are crying out for help in making decisions and taking actions. They want simple, straightforward, understandable communication. They want easy, short, personalized guidance. As one employee put it, "Don't give me

munication changed behaviour.

#### #1 - One Minute Makes A Difference In Motivating Employees To Maximize Contributions

HR leaders from Aon Canada Inc. were troubled by the fact that some plan members were not maximizing the employer match under the company's savings program. What did HR do?

Members not maximizing their contribution were sent a short, personalized, targeted statement that showed them how many dollars they left on the table. The first thing employees saw upon opening their mail statement was a buck slip that showed the actual dollar amount that could be theirs if they increased their contribution to take full advantage of the company match.

"I knew I needed to do something that would make an impact, something to get their attention," says Linda Bicho Vachon, national manager, pension and benefits.

What happened? Dozens of employees changed their contribution level.

## #2 - One-page Communication Drives Dramatic Results

Sobeys Inc. wanted to make sure plan members understood the importance of making additional voluntary contributions to the pension plan (the convenience of payroll deduction; immediate tax savings; impact to overall retirement savings). Employees needed to understand how this could impact their retirement savings.

David Tutty, director – national pension programs and services, says Sobeys was interested in promoting the voluntary contribution feature to improve upon member uptake. There was a need to get their attention, but how?

Focus groups were conducted with employees across the country and the surprising result showed that many did not know they had the option of contributing more! One employee said, “Making voluntary contributions was the best advice my manager gave me 18 years ago.” Sobeys wanted to make sure all employees got this message early in their careers.

What did Tutty do? He spearheaded the development of an electronic payroll stuffer – one page that positioned the benefits of making additional voluntary contributions. It showed how contributing a small amount every pay would impact future savings. Sobeys delivered a focused, simple, visual message that was designed to get employees’ attention.

The result was hundreds of employees decided to make additional voluntary contributions for the first time within just a couple of weeks of receiving the message from Sobeys. Mission accomplished!

## Engaging A CAP Audience

The moral of these stories is that plan communicators need to take a step back and design communication that is targeted, personalized, and very streamlined! Some may think doing so is impossible, given all they need to communicate. However, success lies not in doing away with the detail completely, but in incorporating short, meaningful messaging.

This type of communication can and does have dramatic results. Dianne Park, program manager, education at Sun Life Financial, refers to this approach as “nudge” communication. Following a recent mail campaign to employees’ homes, she saw a 60 per cent increase in plan membership, just from one poster that visually showed the benefits of joining.

From Park’s perspective, print, face-to-face, and e-communication all need to be incorporated. “We still use a lot of print; it isn’t going away any time soon. E-communication, of course, has its advantages, especially the ‘real time’ benefits. But you still need to get personal.” Diane says that e-mail and print represent the most effective media for member communication with e-mail number one.

What’s especially great about electronic delivery? Electronic pension communication is easy to access (86 per cent of Canadians have access to the Internet), personally tailored to the individual, and com-

pletely secure. In less than a minute, plan sponsors can deliver short, meaningful, targeted communication that opens the member’s eyes.

Employers are embracing electronic communication like never before. According to Aon Hewitt’s ‘2011 Canadian Talent Survey,’ 53 per cent use electronic forms of communication more than any other form and 42 per cent have committed to a major investment in enhancing electronic communication over the next three years. E-mail was also the number one communication vehicle for employers who participated in the survey.

## E-Communication Has Many Benefits

Secure access 24 hours a day. Personalized websites. Relevant, meaningful push-and-pull communication. The ability to layer communication, starting off with a short, impactful message that allows the employee to drill down to further detail. These are just a few of the benefits of e-communication.

Younger employees are being targeted and encouraged to enroll in pension plans through social media channels such as Twitter and Facebook. E-shots alert members to changes in information or matters of interest. The software behind these e-shots enables the provider to track what members are accessing, giving valuable information to enhance future communication.

Member mailboxes can be set up so that confidential documents can be posted and accessed by members. These mailboxes have the same security as online banking sites. The information is personalized, specific to the employee, and represents real time values.

One of the really neat features of electronic communication is the ability to segment the population and deliver targeted, meaningful communication based on demographics. Doing so results in targeted communication that can further engage employees in managing their savings accounts.

Once the electronic platforms are set up, costs are reduced, given that there is no need to spend as much money on printing and mailing. Even though providers are not totally moving away from print yet, the banking industry is a good indicator of what is to come. Now many people access their account information and statements online. This is something that no one could have envisioned, even five years ago.

There is every indication that e-communication will keep evolving, allowing plan sponsors to produce more impactful, personalized, and demographically targeted messaging. What CAP sponsors need to realize is that increasing member communication using all available media is not going to improve engagement. That goal is more likely to be achieved by strategically utilizing appropriate media to provide relevant, bite-sized messages that inform and inspire members to take action. ■

*Diane McElroy is a senior vice-president in Aon Hewitt’s Toronto office ([diane.mcelroy@aonhewitt.com](mailto:diane.mcelroy@aonhewitt.com)).*

