

# Case Studies in Change Management



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# SLB's Story: LTD Plan Design Change



# Polling Question #1

What reasons have held you (or your client) back from making a benefit plan change? (Select up to 3 reasons.)

- A. Budget limitations
- B. Not certain what employees want
- C. Anticipated employee reaction
- D. Does not align with company's strategy and/or priorities
- E. Lack of time and/or resources
- F. Waiting for approval
- G. Another reason
- H. Haven't been held back



**PLAN SPONSORS**

**MOST IMPORTANT THINGS TO IMPROVE HEALTH BENEFITS PLAN**

1	Increased coverage levels to keep pace with inflation	49%
2	Improved coverage options for specialty drugs	29%
3	More benefits/services to manage chronic diseases	28%
4	More benefits/services to prevent illness	24%
5	Improved disability management	22%
6	Reduced coverage options for specialty drugs to free up funds for other benefits	19%
7	More measures to prevent/detect fraud	14%
8	Targeted benefits to support diversity, equity, inclusion and accessibility	13%
9	None of the above are important	5%

However . . .

**60%**

Made no changes to their benefit plans

(Benefits Canada survey, 2021-2023)

Source: 2023 Benefits Canada Healthcare Survey, April 2023. (n=721 plan sponsors)

# About SLB

- Global technology company
- People first
- Provide benefits that meet employees' needs
  - Flex retirement and savings
  - Flex group health and dental
  - Flex long-term disability



## What Did Our Long-Term Disability (LTD) Plan Look Like?

Four options






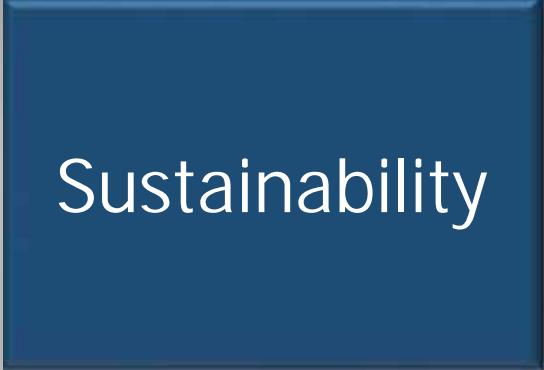
Range of coverage levels

Higher levels of coverage (some above benchmark)

Employee-paid premiums



# Current and Future State

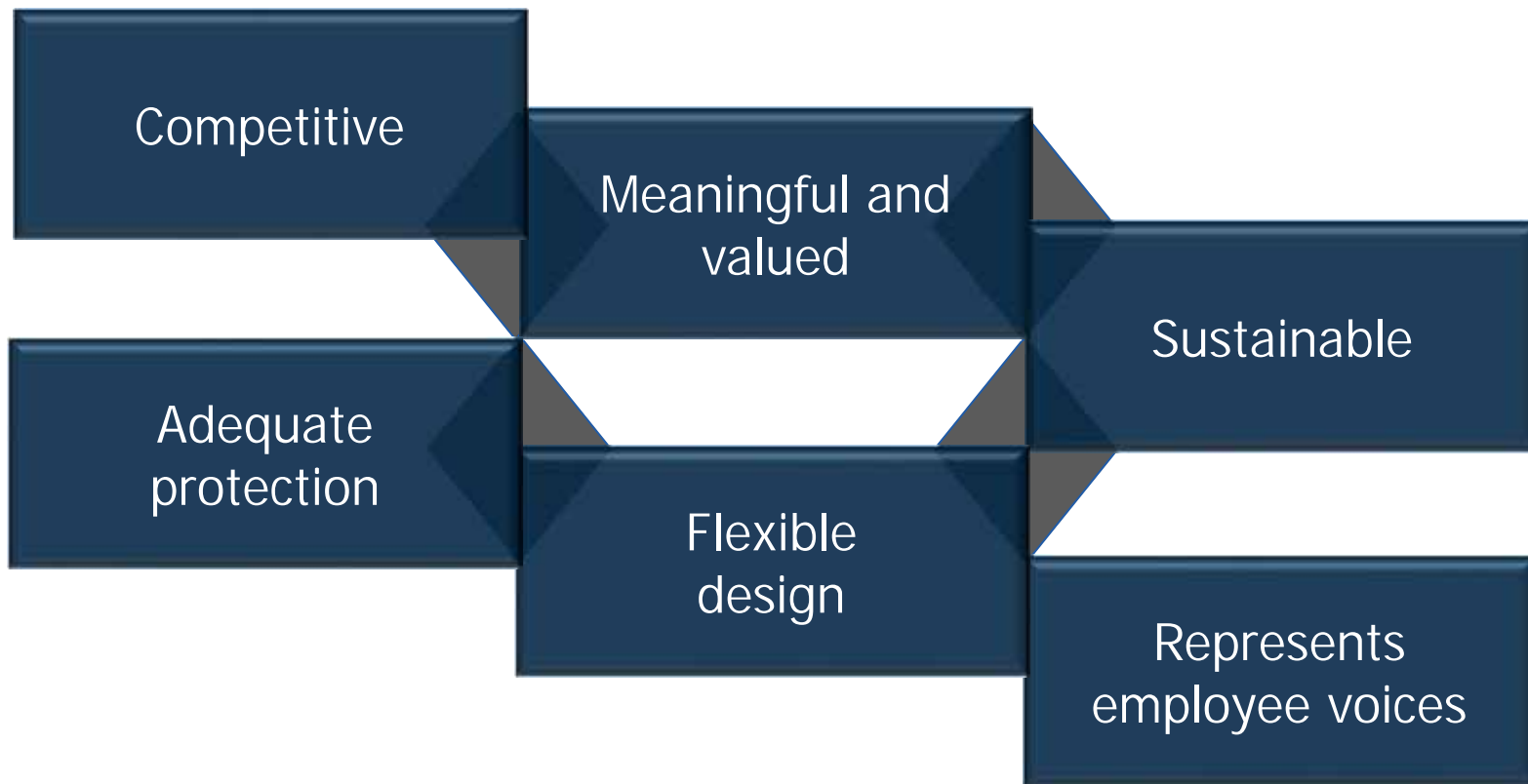
 <p><b>DISABILITY INSURANCE</b></p>	 <p>Premiums</p>	
 <p>Pressure on Reserves</p>		 <p>Sustainability</p>

## SLB's Long-Term Disability Cost Mitigation Strategies

- ☑ Insurer marketing
- ☑ Renewal rate negotiations/guarantees
- ☑ Investment in prevention (*e.g.*, mental health)
- ☑ Claims management
  - Innovation and best practices
- ☑ 3<sup>rd</sup>-party audits
- ☑ Claims interventions (*e.g.*, reducing wait times)
- ☑ Return-to-work programs/accommodations



## Guiding Principles (“Must Haves”) for SLB’s LTD Plan

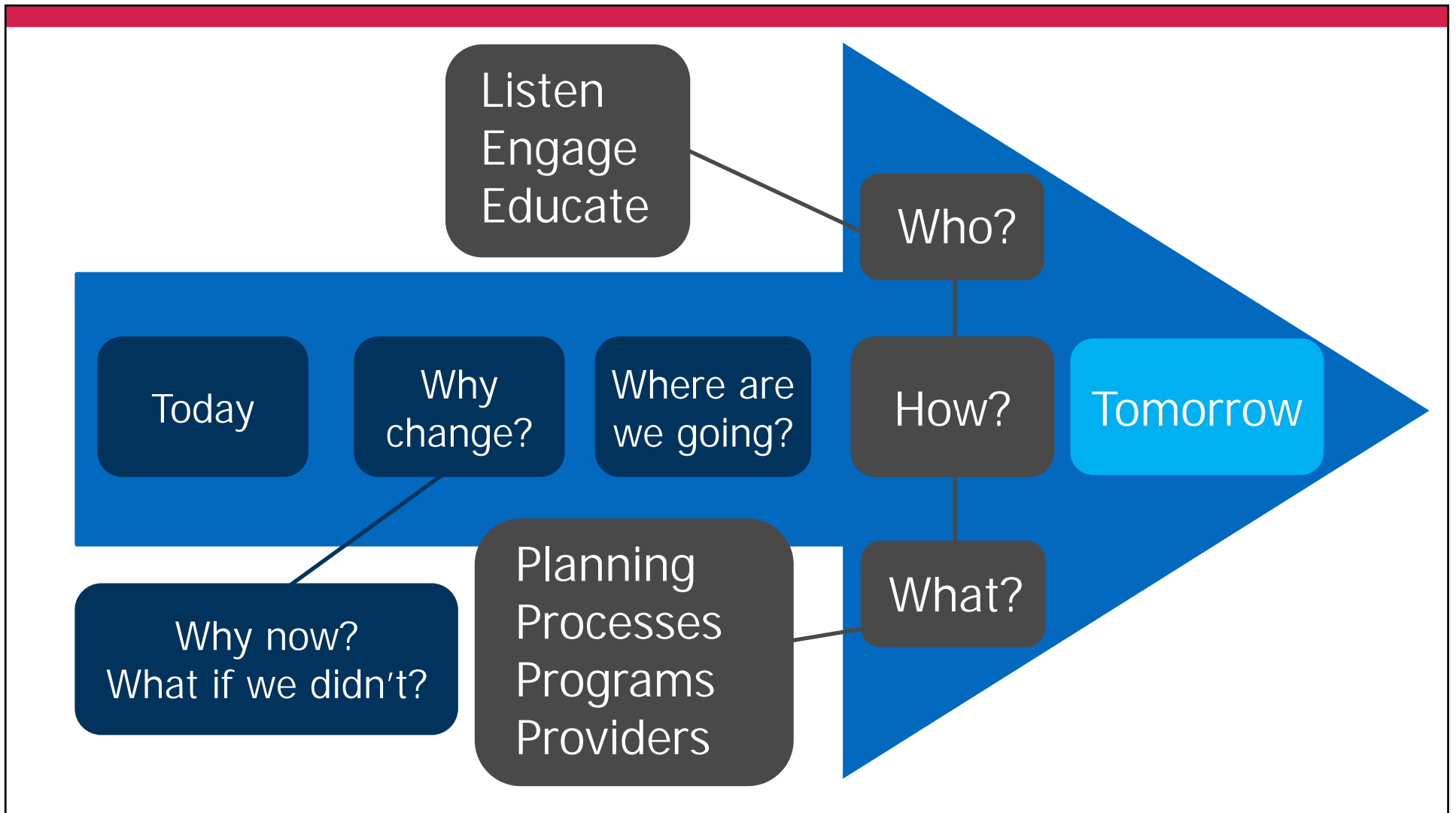




Today

# SLB's Approach to Benefit Plan Changes

Tomorrow



The **people side**  
was the key to our  
successful LTD  
benefit change



## What (We Thought) We Knew

Lower  
premiums

Cost is more  
important than  
coverage

Lower-cost  
options



## Going to the Source

What did employees want and need?

1

Maximum  
LTD duration  
(Age 65 or  
# of years)

2

Definition of  
covered  
earnings

3

Percentage  
pay  
replacement

4

Cost of living  
adjustment

- Included/not included
- % level



## What We Heard

Employees  
value this  
coverage

They want  
protection and  
peace of mind

Cost is important,  
but doesn't  
outweigh  
adequate coverage



# Multi-tasking Our Employee Survey

Employee input on plan design

Inform and identify awareness  
gaps/opportunities for education

Build buy-in

Demonstrate our values

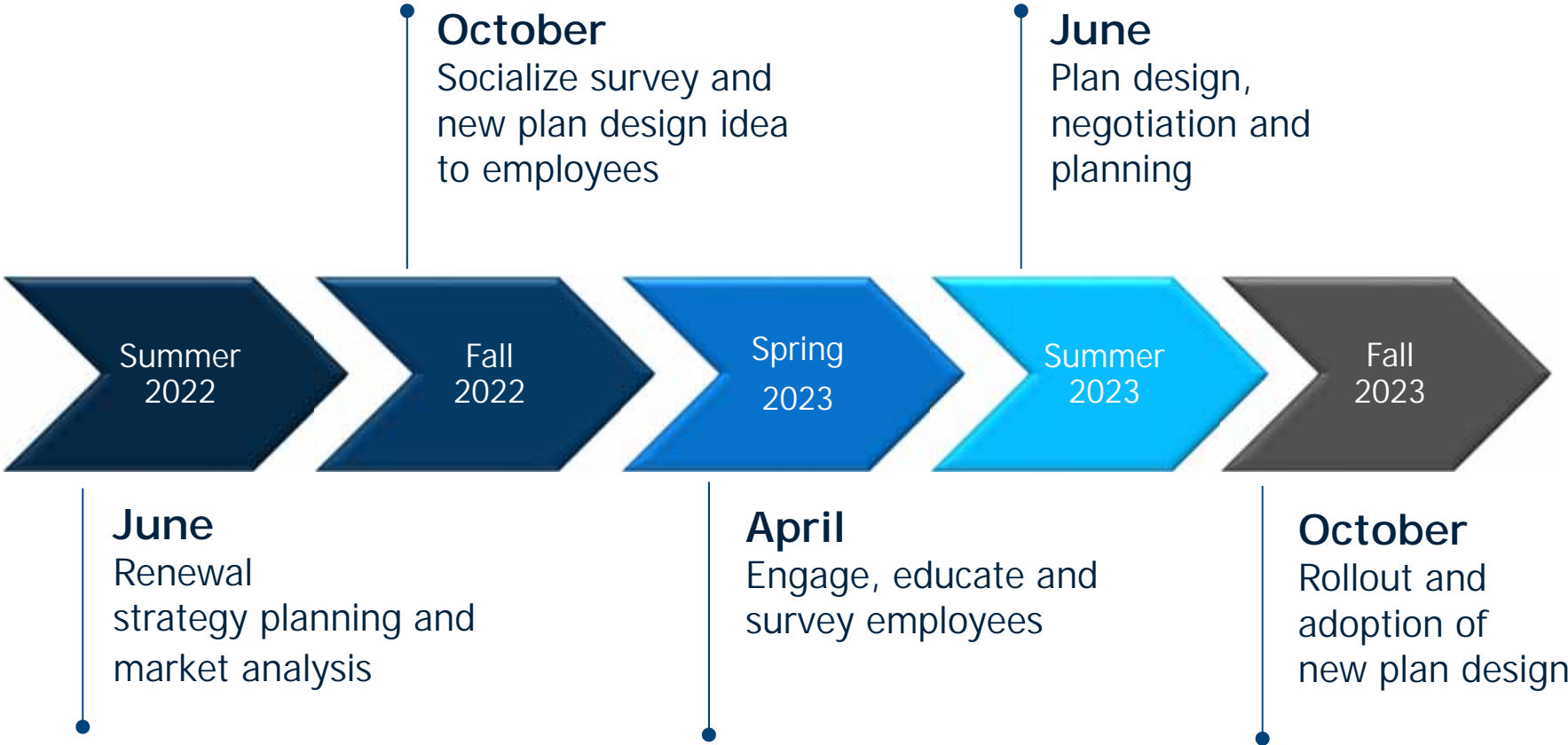
Increase trust and engagement

Measure how our group has changed

# Effective Employee Surveys

- 1 Representative sample—Use incentives to drive participation
- 2 Well-designed questions for usable data and to avoid response biases
- 3 Work backwards: Define the data you need, to know the questions to ask
- 4 Only ask about things “on the table”
- 5 Share the results

# Time To Change—Engage, Educate and Adopt



## Benefit Communication Planning

<b>Who</b>	Applies To	Persona/Audience: All employees, HR, managers, select group
<b>What</b>	Communication	What is the medium? Website, poster, video, postcards . . .
<b>Why</b>	Desired Results	So what? What do you hope to achieve by this communication?
<b>Where</b>	Where To Look	How is it delivered? Where will the audience receive or find it?
<b>How</b>	Fulfillment By	Who is completing the communication? Internal or an external vendor?
<b>When</b>	Release Date	Date it will be shared or will occur

## Where Do Your Employees Go for Information?

70%



of employees surveyed said their supervisors are the preferred senders of personal impact messages <sup>1</sup>

<sup>1</sup> Survey source: Prosci Inc. Best Practices in Change Management (2020)

# Communication to Build Engagement

- Top factor driving resistance? Not understanding “why”
- Communicate early, frequently and transparently
- Not just the facts, but also relatable personal scenarios
- Engage champions and advocates that your employees already trust and will go to with questions



# SLB's Results and Learnings

- Validated plan design
  - LTD enrollment aligned with the survey results
- Transparency built trust
  - Early engagement, clear expectations and frequent communication





# SLB's Results and Learnings

- Employees adopted (rather than resisted) the change
  - Employee input influenced the LTD plan design to better meet their needs



# Key Takeaways

- Change is an opportunity to engage and educate
- Transparency, empathy and relatable communication are key to building trust and buy-in
- Socialize changes early and frequently, sharing your “why”, goals, timelines and member impact



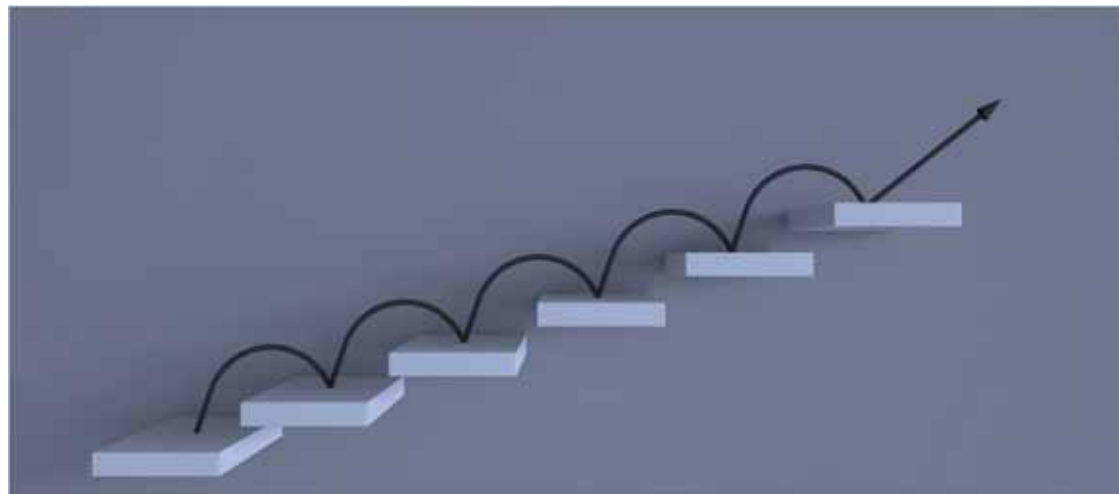
# Key Takeaways

- Employee surveys are a powerful tool to educate, build trust and gain buy-in
- People leaders can be a great testing ground for messages and advocates for change



# Key Takeaways

- The time and energy you put into the success of a current change will directly influence the success of a future change





# **UAP's Story: Compensation and Career Structure Change**



## Polling Question #2

(word cloud)

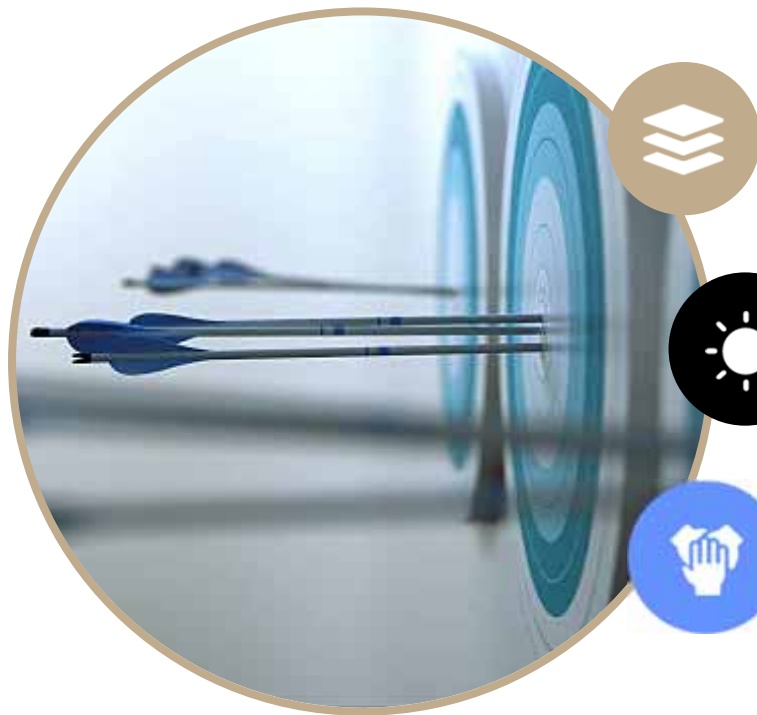
**What do you perceive as the primary factors contributing to unwanted voluntary employee turnover within your organization?**

# Challenges



- Complex salary structure
  - Impediment to communication and understanding of career progression
- 2020 engagement survey
  - “There are attractive career opportunities for me at this company.”
- Labour shortage

# Solution: Integrated Approach to Talent, Career and Compensation Management



## Simplify salary structure

- Better understanding and operational efficiency
- Increased transparency

## Highlight career progression opportunities

## Provide optimal support to managers through change management

- Develop communication, and simple and effective tools



## How We Managed the Changes: New Salary Structure



1. Creation of a steering committee
2. Implementation of a new modern and streamlined salary structure
3. Approval by steering committee
4. Sessions with leaders of each VP to onboard in project and confirm positioning of each job
5. Revision of compensation policy
6. Onboarding of employee relation business partners (ERBPs)

## How We Managed the Changes: New Salary Structure



7. Mandatory training sessions for managers
8. Complete FAQs to support managers in discussions with team members
9. Newsletter to announce changes and new salary structure to employees
10. Communication of career level on individual compensation statement

A hand holding an open vintage compass against a blurred background of a person and a landscape. The compass is the central focus, with its needle pointing towards the top. The background shows a person's shoulder and a landscape with trees and mountains.

# Our Career Map

More visibility to trace your path



# How We Managed the Changes: Career Map

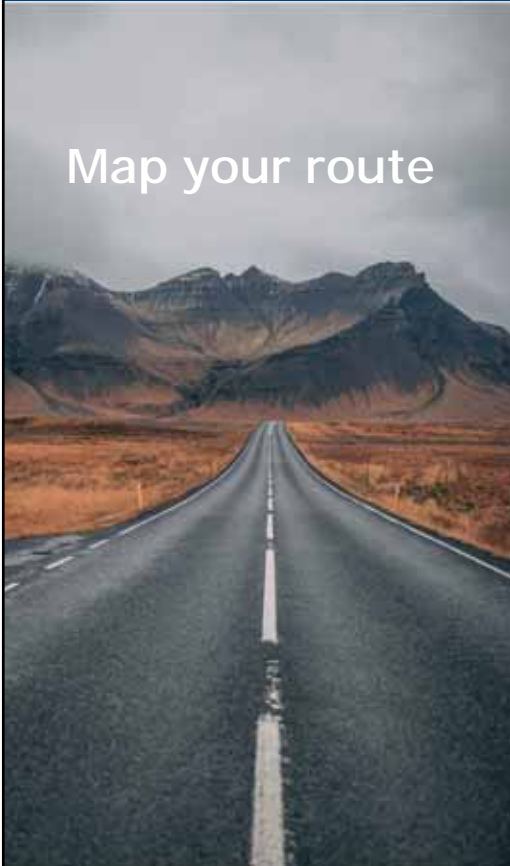
Map your route



1. Explore career development paths and identify transferable skills across job functions (with leaders)
2. Showcase specific examples of internal mobility opportunities (with leaders)
3. Onboard leaders
4. Onboard ERBPs
5. Provide information sessions and complete FAQs to support managers in their discussions

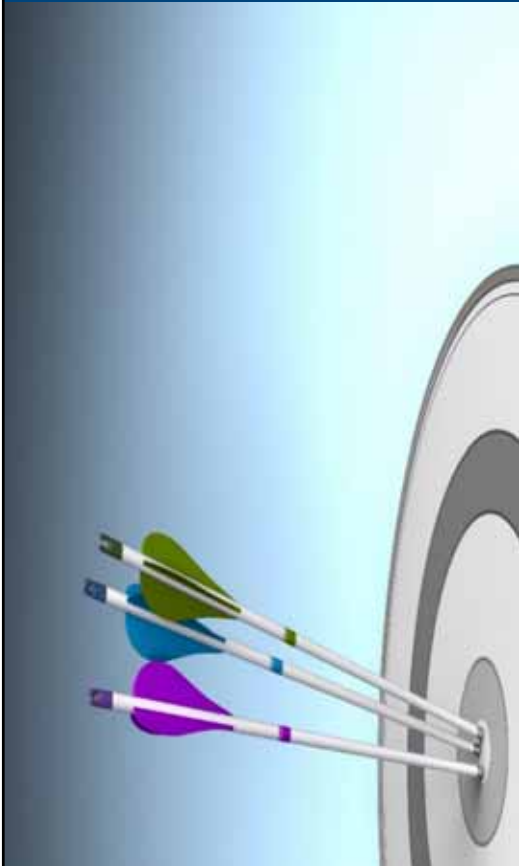
# How We Managed the Changes: Career Map

Map your route



6. All-employee launch of career map
  - Video from VP, HR
    - Reinforce the benefits of career map to individual and UAP, reinforcing reasons to embrace it
    - Explain objectives and process
  - Career map tool deployed on our intranet
7. Use of tool for mid-year reviews and establishing annual development objectives
8. Career coach to support employees in their development

# Results



- Highly positive feedback on transparency and communication
- Enhanced comprehension of career and compensation management
- Increased managerial openness to employee movement to another team
- 10% improvement in 2022 engagement survey results

# Key Takeaways

- Prioritize leadership onboarding and keep them engaged in sponsorship/ambassadorship
- Make it as easy as possible for managers
- Communication is key!

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Session Evaluation



Program Evaluation





**Thank You**