



XBOX – The Future of Employee Benefits Customer Service

By Joe Markland, Co-Founder and Principal,
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A few weeks ago, my son asked me if he could use my laptop for his regular Tuesday night drum lesson. I could not imagine why he needed my laptop for a drum lesson. It turned out that his drum teacher was on the road and he was going to be giving his lesson via the internet using Google video chat. So, he took my laptop into our basement and set it on a chair in front of the drum set. Using the built in camera, speaker, and microphone, along with a wireless high-speed internet connection, my son played the drums while his teacher watched, listened, and instructed, from his hotel room 700 miles away.

A few days later, I was talking to an insurance company sales representative about the use of web-based benefits enrollment technologies. He commented that one of the drawbacks of web-based, self-service enrollment systems was that participation in voluntary plans was significantly lower when compared to face-to-face enrollment meetings with a professional enroller.

It occurred to me that there were some interesting similarities between the two situations—and some profound differences. While my son’s drum teacher leveraged technology to create a “face-to-face” drum lesson and generate revenue, the sales rep considered the technology an obstacle, which reduced revenue. It has been my experience that those in the benefits business, though not afraid to invest in technology, often struggle with applying the right technology to the right situation. Let’s address how brokers can leverage technology to improve customer service and generate more business.

For benefits brokers, leveraging technology is moving away from a “nice-to-have” strategy and more towards a “have -to-have.” With insurance products becoming more commoditized, and some form of

healthcare reform on the horizon, benefits advisors will have to adapt to a changing market. This new market is likely to result in both flat

or reduced commissionable revenue and a shift towards fee for service revenue. If that is the case, brokers will need to become more efficient, managing more customers with the same or fewer employees, while improving and expanding customer service. One way to do this and remain

competitive is by investing in technology.

So how does XBOX get into this discussion? Well, be patient, I will get there.

There are dozens of processes in a benefits brokerage operation that can become more efficient with technology; I will focus on just a few. Let’s start with a common process for most brokerage firms, the

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customer service call. When it comes to customer service, most brokers are very responsive. In fact, when one asks brokers how they are different, the average broker's response is that they provide superior service. This presents two problems to the brokerage firm that is truly trying to differentiate itself. First, I have yet to meet a broker that didn't say they provide superior service. Second, most brokers are not able to quantify the service they provide. The typical service call is documented with paper notes or simply by typing notes into some database type system. Most cannot produce a report on the types of calls, response times by their staff, or which insurance companies are having the most versus least number of issues.

Not having reportable information may not be a problem with clients where a strong relationship exists. But, what happens when your contact leaves the firm and a new HR person takes over? It is at that time a broker's value may come into question. It is also a time at which the broker has a tremendous opportunity to demonstrate their true value.



For a new HR person the information you have can be leveraged to make that person's transition into a new job easier. However, according to John McKean in his book, "Information Masters: Secrets of the Customer Race", only 5% of the body of knowledge about a client is available digitally and indeed only 20% of the knowledge is recorded at all." For many brokers this is often the case. Therefore, though they may have provided great service, they can't prove it to a new HR person. Thus, they lose a competitive advantage over a broker who may be prospecting the same employer.

Another risk point for brokers is when a key employee leaves the firm. In organizations where information is not tracked all knowledge walks out the door with that person when they leave. This not only puts you at risk of losing your asset, but may result in a lapse of service to a customer. Information existing only in the minds of your staff is not a reliable service model.

A major problem for many firms is that they don't have an adequate system for simplifying the tracking of information. I once asked a

service rep at a broker's office what her number one technology need was. Her response was very telling. She said her primary method of communication with clients on service issues was e-mail. She said it took her 11 mouse clicks to save an e-mail to her system, and she saved 60 e-mails a day. That's 660 clicks! She spent an average of 45 minutes a day saving e-mails. While this person saved all her e-mails, another service person at the same firm said she did not save her e-mail correspondence because it took too long. The owner of this large regional firm thought they were all set with technology. The problem for his staff was the technology was the wrong technology. In a business environment with ever increasing demands for both greater productivity and quality, this may not be tolerable.

So, how does one make it easier to manage data and improve service? This brings us back to my son and his XBOX. , On most nights, XBOX is the primary tool my son uses to communicate with his friends. For those of you who aren't familiar with XBOX, it is an internet based video game console that runs through a TV. It allows friends, each in their own home, to gather in chat rooms (up to 8 friends at a time) and talk via a headset. If they want to play a video game they can play the same

game. Two friends can also connect via video and see each other on each other's TV screen.

Now move this technology into the business world. Imagine a broker's client being on their "buddy" list. All clients should be on the buddy list. If a client needs to reach you they wouldn't call and leave a message or send an e-mail. They could see if you are "present" simply by looking at your name in their Outlook. A green light by your name would signal you are available. Better yet, they could see the names of your service team and click on the name of any available person. Once clicked, a message would appear on the available service person's screen asking to talk. If accepted, the service person would be instantly talking to your customer via the internet. This instant access eliminates any phone tag, saving substantial time. You could bring another person such as an insurance company claims office rep into the conversation if you would like. Viewing your client's computer screen or even seeing the caller would be possible as well, further personalizing the experience. You could record the conversation and save it to a client file in your computer. Once the service issue is resolved, an e-mail could automatically be generated and sent by the system to the client

thanking them for their business with no manual intervention.

Although this technology exists today, I have yet to run into a broker that provides this type of service. The combination of Microsoft Products called Office Communicator and Microsoft Office live is what I call XBOX for business. Other software firms have similar technologies.

Now let's go back to the issue of voluntary benefits enrollment. You can be a broker in New York helping an employee in Texas through the open enrollment process. The employee can sit at a kiosk computer at work, put on a headset and click on the green dot on the screen to talk to and see a sales person in your office. If you want to show them where to click to enroll, you can share their screen and even click for them. You can jointly go through their insurance needs calculator on the screen too. From 1200 miles away you can do a personal face-to-face voluntary enrollment, answer questions for the employee, and have the data transmitted into the insurance companies system automatically. This use of XBOX like technology will improve voluntary enrollment results while significantly reducing the costs associated with in person face-to-face enrollments.

It didn't take long for a group of teenagers to leverage technology to conduct nightly conference calls without picking up a phone and paying an extra fee. In just a few years, Microsoft has changed their behavior and created a new method of communication. It is not hard to imagine that businesses will adopt these same technologies in the next year or two. And for those that do, there are a whole bunch of college kids using these technologies in their dorms right now that will come well prepared to communicate in the new business world. What's more, these same kids are also the insurance buyers of tomorrow.

About the Author

Joe Markland is a Principal of HR Technology Advisors and Past President of Benefits Technology Group (BTG). HRT is an insurance and technology consulting firm focused primarily on helping insurance brokers, companies, third-party vendors, and their customers, with evaluating and implementing technology solutions and e-commerce strategies. Joe spent 12 years in Group Insurance Sales and Sales Management before starting an insurance distribution technology company in January 1998. In February 2001, Joe founded BTG with a transition to HRT in August 2006.