

Benefits Corner Office



Faye Saenz
 Director of Employee Benefits
 GameStop
 Grapevine, Texas

No more playing games

GameStop's Saenz took the bold step of revamping benefits communications, moving to mandatory enrollment. The result? Clean data and increased savings.

BY ANDREA DAVIS

When Faye Saenz joined GameStop 13 years ago, the video game and entertainment software retailer had about 400 stores in the United States. Today, the company boasts more than 6,000 retail stores in 17 countries worldwide, with 12,000 full-time staff and 25,000 part-time employees.

"It was one of the best decisions I ever made, coming to GameStop in its infancy," she says. "I've been here through all the acquisitions and growth."

Serving as the company's director of employee benefits since 2007, Saenz is responsible for corporate benefit strategies, plan design, cost and administration

of GameStop's benefits, retirement and relocation plans. Her broad scope of expertise and commitment to the best for GameStop employees made her an easy selection for *EBN's* Judges' Choice Benny Award.

"I came into employee benefits because I was working in HR and I had made some personal errors when it came to understanding health care and a pension plan I had with a previous employer," she says.

"So through my own mistakes, I became interested in employee benefits. I tell everybody in my orientation classes: Don't make the mistakes I've made!"

Dealing with a predominantly young workforce that is well-versed in the latest technology and communication methods is challenging for Saenz and her team of four. The average age of participants in GameStop's health care plan, for example, is 27. "The biggest obstacle is hav-

ing such a young workforce understand what the benefit offerings are," she says. "A lot of times, it's their first time having to choose a benefits plan. They've been on their parents' plan and have never really had to consider what types of coverage they need."

When GameStop decided to revamp its benefits communication strategy, Saenz knew she had to step up her game.

"People would get the big white [enrollment] envelope in the mail, and it was the responsibility of the employee to go through the packet and pick what they want," she recalls. "That just wasn't doing it for us."

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Illustration by Peter Stemmer/Outchoney



GameStop

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She tried e-mail campaigns to encourage enrollment but had little success. Then, in the early summer of 2009, she went out for lunch with GameStop's director of social media. "He'd been out at one of our stores and one of our associates said to him: 'E-mail, yeah. That's what my parents do,' she says with a laugh. "And I thought, 'Wow.' I knew then I had to change my communication approach."

You've got mail ... and e-mail, and text messages and tweets

In talking to store employees to get a feel for their lifestyles, Saenz realized that many associates — especially those who live in apartments — don't check their mailboxes regularly. "They handle everything online, so a lot of the information they get in their mailbox at their apartments is junk mail," she says. "And if they're only checking their mail every couple of weeks, you've lost half of the open enrollment period by then."

Working in partnership with enrollment provider Univers Workplace Solutions, Saenz completely revamped the look and feel of GameStop's enrollment communications. Everything from envelopes to e-mail blasts to reminder postcards to the enrollment booklet follows a different theme each year. All

communication pieces have a similar look so that when employees see the materials, they know exactly what it's about.

"You have to make something that's catchy and appealing on their level," says Saenz, who describes the 2009 communications as having a tribal sort of feel. "It really involves a lot of graphics."

Rebranding communications included e-mails and automated telephone messages, text messages, online videos, Facebook and Twitter pages, flash presentations and printed materials, including posters, custom postcards, PDF flyers and booklets, wellness communication pieces and a summary annual report.

Additional technology included:

- A call center staffed by Univers for about 9,500 retail employees to call in during a specified week of the four-week enrollment period.
- A paperless enrollment and employee data capture in Univers' system.
- Automated follow-up with auto-dialed phone message reminders to individual employees and e-mails to store managers.
- Outbound calls to follow up during the final week of the enrollment period.

On top of the rebranding effort, GameStop also decided to implement a mandatory enrollment. Saenz had fought the idea of mandatory enrollment for years because of its perceived administrative burden. In

addition, she was reluctant to push employees too far. "Our thought was: We got them to sign up the first time. Let's not push it," she says.

But she decided to look at mandatory enrollment as an opportunity to really clean up the company's employee database. "We get so much returned mail from bad addresses," she says, adding that GameStop also wanted to ensure it was compliant with new Medicare regulatory requirements. "Even though [employees] may not take the benefits package, we still needed to report dependent information to Medicare."

Mandatory enrollment pays off

GameStop made a concerted effort to meet with every single employee and not to roll over the previous year's benefit selections. Although it was a difficult undertaking, Saenz and her team were able to get in touch with all but 20 of the company's 12,900 eligible employees.

As a result of the campaign, the company saw significant increases in participation in all of its benefits products, including an unprecedented 38% increase in medical plan participation, a 162% increase in flexible spending account participation, a 100% increase in accident insurance plan participation and a 211% increase in life insurance participation.

In addition, GameStop was able to re-

move \$5 million worth of benefits options that were undervalued or not being used on the plan.

The benefits of going to a mandatory enrollment have been two-fold. One, it has increased employees' understanding of what the company is providing toward their total rewards package. Two, it's helped the company reduce its tax liability.

"Premiums are withheld are on a pretax basis," explains Saenz. "The more pretax deductions that are taken from an associate's pay means the company has a lower tax liability to match on FICA taxes. Just the increased enrollment in our FSA alone saved us \$100,000 on tax liability."

This year, the company also decided to eliminate its disease management program, in part because it wasn't seeing a return on investment. Instead, the company is pumping those dollars into front-end wellness initiatives. Saenz and her team have developed story boards that illustrate data from the company's health plan in a meaningful way.

"There's one that says 'only one in 20 of GameStop's plan participants gets a regular check up' and another one that says 'eight cents of every dollar in GameStop sales goes to pay for health care,'" says Saenz. "It's taking these messages and relating them back to our associates so they can understand what it's costing us as a company for our health care." —A.D.