

Counting invisible costs

BeneSync opens employees' eyes to how firms open their wallets

BY JUDY SARLES
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A local company is translating headlines of soaring insurance premiums into hard numbers that let workers see how much their employers spend on benefits.

Cool Springs-based BeneSync LLC last year rolled out HiddenPaycheck.com, a customized employee benefit statement available in hard copy and online. HiddenPaycheck.com collects all the data tied to a company's entire benefit package, including 401(k) contributions and health insurance premiums.

BeneSync was founded by Tom Smith and Matt Cowan, who is also president of Cowan Benefit Services Inc., an employee benefit outsourcing firm. Smith runs the day-to-day operations of BeneSync as president.

"We shared ideas early on about these types of programs," says Smith.

More than 50 clients — with as few as 15 and as many as 170,000 employees — across the country now use the fee-based service.

According to the U.S. Chamber of Commerce, four out of five employees don't understand their benefit package or its value.

"Our employees have trouble seeing their real benefits," says Clarissa Smith, benefits supervisor at Smyrna-based Cumberland Swan, a BeneSync customer with about 800 full-time employees.

HiddenPaycheck.com shows employees the value of benefits. For instance, it could illustrate to an employee looking at a better-paying job that their present position may be a better deal if the potential new employer doesn't provide the same level of benefits.

"The main reason our clients have done it is to retain their employees," says Cowan. "They want them to realize that there's a lot more to their compensation than just a paycheck."

It's a lot of work for employers to try to put together their own benefit statements in an effective manner.

"I've seen some companies present a summary that reflects their total compensation package," says Chad Bearry, senior compensation analyst



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Tom Smith, left, and Matt Cowan have in the past year signed up more than 50 companies to their hiddenpaycheck.com product, which crystallizes the cost of benefits.

at Willis. "It typically includes base pay and a wide range of benefits, as well as other perks the company provides. This can be a good way to illustrate the different forms of compensation provided to each employee."

BeneSync's principals pitch themselves as a cheaper alternative to such in-house work and say HiddenPaycheck.com is a flexible program that can be updated with an electronic data feed.

"The benefit statements are so informative," says Cumberland Swan's Smith. "They're very colorful, very eye-catching."

There are some do-it-yourself software vendors for benefit statement production in the marketplace, but they require employers to manipulate data themselves. BeneSync's Smith and Cowan say they also face competition from high-end benefit communication firms.

The online version of HiddenPaycheck.com is available to HR departments or individuals. Employees can view their elections or find answers to questions about benefits.

HiddenPaycheck.com's price is based on the

number of employees and a company's plan design. The HiddenPaycheck.com site features a template and a quote request function that generates an electronic proposal showing the fees within 24 hours.

Employers can choose to receive a look-back statement, a look-forward statement or a combination of the two. The look-back statement provides historical data, which employers may prefer if they have a heavy bonus system and don't want to project bonuses. The look-forward statement can be done at mid-year to annualize all current compensation and current elections.

BeneSync has 12 employees. Helped in part by Hiddenpaycheck.com, the company expects to grow by 50 percent this year. Smith and Cowan also are working on several new products. One being tested is a self-service tool that allows smaller companies to produce their own benefit statements.

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