

Evolving Employee Benefits for Engagement with Shari Simpson and Jordan Peace, CEO and Co-Founder at Fringe

Announcer:

You're listening to HR Mixtape, your podcast with the perfect mix of practical advice, thought-provoking interviews, and stories that just hit different so that work doesn't have to feel, well, like work. Now, your host, Shari Simpson.

Shari Simpson:

Joining me today is Jordan Peace, CEO and co-founder at Fringe. Jordan helps organizations strengthen employee experience through benefits, rewards, and programs that feel personal and actually get used. Jordan, thank you so much for jumping on the podcast with me today.

Jordan Peace:

Thank you, Shari. Excited to be here.

Shari Simpson:

So I have definitely sat in the benefits space before. I would say it's definitely not my passion, but I'd love to hear what got you fired up about benefits as really thinking about it more as this retention lover and not just, you know, like a spreadsheet item.

Jordan Peace:

Yeah, I think it was somebody else's boredom that got me into it. So the story goes, I used to be a financial advisor. I was spending a long time describing to a particular client of mine how her benefits worked and why she should be excited about them and how all like the definitions of long-term disability differ than each other. And I was just really nerding out, you know, on the whole thing. And I had to wake her up at the end of our meeting because she was so disinterested in what I had to say. And I kind of realized, and that wasn't my first experience like that, where people just kind of, you know, checked out.

And I thought, man, benefits are just written in some like alien language that no one understands except for like finance nerds like me. And as a result, people don't really understand them. And if they don't understand them, then how could they really appreciate them? You know? And so what can you do about that? You know, one is you can educate people really, really well, which I tried to do, even on a one-on-one basis, and I still couldn't capture people's attention, right? Or you can offer benefits that are interesting, you know, that actually meet needs in people's lives now, that they don't have to be sick or dead or disabled or 65 years old to benefit from them, you know? And so that's actually how we started. The company fringe and lifestyle benefits and that whole story is all part of that. But that's really what got me interested was just like, man, this feels like it should be more important to people than it is. What's broken here?

Shari Simpson:

Yeah, we run into that a lot. And I think about it from, you know, when you talk about total rewards, right? And you're trying to explain to maybe those who are new in the workforce or new to a company that has a lot of benefit offerings, that concept around total rewards can get pretty complicated. Yeah. When do you think you saw the change? So, you know, I've been in HR over 20 years. And, you know, when I started, benefits was very much medical, dental, vision, EAP. Like, those are the basics. And if you had a company that did, you know, oh, hey, you can wear jeans on Friday, that was like a huge benefit. But there's a shift now. That's not kind of the outlook of the benefit landscape. You know, when did you see that change? And why do you think that that's so important right now?

Jordan Peace:

Yeah, I think the competition got stiffer, you know, I think with most things in the world, something has to change, you know, and I think what happened was, especially with the rise of gig work, with the rise of the ability to not really work for somebody else and be able to kind of work on your own schedule on pace, do what you want, do what you love. It's still not easy to be able to be completely self-employed, but it's way easier than it used to be, right? And a lot of those tools are in place now. So I think people started to

see a job as something, especially really kind of talented go-getter types, the types that we're all trying to hire, they started seeing a job as one option. But not the only option. Right. And so I think we need to approach now employees with a different value prop. It's more than just like dangling a job in front of people and say, Hey, I've got one over here. Who wants the job? It's more like. There's a job within this culture and we're on this mission and we provide these benefits and we treat people this way. And this is how it feels. And there's this whole employer brand element to it now that I think is necessary to attract and keep top talent.

Shari Simpson:

Yeah, I love that that you talked about the brand's perspective, because that's can be really unique to a culture, but it also signals what your organization actually values, you know, how you're spending your money or what you're offering your employees. I think back to we did a benefit survey and I've shared this on the podcast before. This was many years ago now. where we just surveyed the employees, like, hey, what are you interested in? You know, write in options, right? As you know, with any kind of survey, it's like you kind of get inundated with, you know, this is all the things that you're doing bad. Yeah. Plenty of that feedback, right?

Jordan Peace:

Right. Right. But one of the things that really surfaced was our employees wanted pet insurance. And it was one of those aha moments when it comes to looking at benefits differently, that like that's a no cost ad for your organization. But the engagement factor, the productivity, like all those factors that are related to But I think sometimes we get stuck in like the squishy category of employee experience really is a business productivity driver. So as you think about it from that lens, you know, what are what are some things or what are conversations that we're having right now, HR leaders and executive leaders that are kind of minimizing that impact? Right. Because I think sometimes we have to get through that conversation of like we're having a minimalistic conversation about benefits when we should be having a very strategic, very culture driven conversation about it.

Jordan Peace:

Yeah, it's interesting. I think a lot of it comes down to the language that we use. So you'll hear a lot of people describe employee experience or the types of benefits that I'm interested in that are nontraditional as soft value, or they'll describe them as entitlement benefits, which I really, really hate that expression. Yeah. That just implies like, oh, these soft little people, they expect the moon and they should just be happy with their salary and suck it up. It's just this kind of machismo thing that comes out in some of the language that we use around benefits that I really dislike. I think the truth is closer to Yeah, companies can't afford to give every employee the moon, right? Obviously. But there's a lot to be said in any relationship, whether it's employer-employee or a friendship or a marriage or whatever, to paying attention to what the person on the other side of the table values and what makes them feel seen and heard and appreciated. And then providing at least some of that thing or those things that make a person feel that way. I think that's a perfectly reasonable expectation for an employee to have that, hey, you invited me into this organization. You said you wanted me to be here. Yes, there's this salary transaction thing that's happening, right? But on top of that, how is it that you're caring for me? How is it that you're showing that you care about more than just the productivity that I bring to the table, but that I'm a human? You know, with maybe a family and needs and a life, and how are you addressing those things? I think we need to talk more about that. Again, recognizing there are limits, but it's not really about the money. As you pointed out, it's not always expensive to provide the things that people are looking for, right? It just takes some intentionality and some effort. And instead of shaming people for having needs and wanting things, maybe we could just listen and respond and try to provide the best culture and the best environment we possibly can. And guess what? People will stick around when you do that. Right. And it's not just benefits. It's, it's really the culture as a whole, but the benefits are evidence. They are evidence that the leadership cares and is concerned with the needs and even the desires of their employees, you know.

Shari Simpson:

How do we have that conversation with our finance executives? And this is

why this is important, I think, right now. We're seeing these benefit increases. And I don't know off the top of my head, you probably do, kind of what the average percentage increase right now. I know it's something astronomical. Back in the day when I was working in doing this, it was like 3%. I could consider, I could plan on 3%. I know it is not 3% anymore. So, so you have this added cost of just the table stakes, right? Medical dental vision, like the things that we talked about. And then you have the ancillary benefits that have cost to them, and then obviously your no-cost benefits. So how do we have a more holistic conversation with our executive teams and our finance teams specifically about that give and take where we want to spend more money and where we have more cost? And how do we balance that all on, you know, on the spreadsheet in a way that that meets the needs of our employees in the way that we want to show up? Right. Again, not every organization is going to offer the moon to everybody or even, you know, half the moon. Your organization might be different.

Jordan Peace:

Yeah. I mean, I've, I've many thoughts on that question. Um, one of which maybe might be a little unpopular, but let's say that I could have a hundred employees and I could provide them with subpar benefits and benefits that I'm not super proud of, but the table stakes are in place and everybody's like, eh, that's great. Thanks. Everybody else gave me that too. You know, whoop-dee-doo. Right. Or I could have 95 employees. And I could provide them with the things that I, that really make a big difference, you know, with the things that they would feel like, man, these, these people really take care of me. I feel seen. I feel part of a culture. I feel part of something bigger than myself. I feel recognized. I feel rewarded. I would rather have 95 people. That's one thought I have. Think about your budget from the perspective of how much more productive are happy employees than unhappy employees? According to an MIT study that was done, four times more productive. Four times. Not 40%, not 14% or some weak stat like that. 400 times more productive, right? So to me, it's like, what are we talking about here, finance people? Like, this is the difference between life and death of the company. Do you have employees who really want to be here, who recruit their friends because they're so proud to be here, who are really passionate about the mission, and

therefore it translates to the way they show up with prospects, the way they show up with clients. The way they show up with your various partners, channel partners of various sorts, that is what's making your business go, right? It's the quality of the people and then the attitude with which those people show up and the benefits that we give them and the culture that we create around those benefits are directly tied to, not just tied to, they are driving the business outcomes. And I think we, I think we forget that. And ironically, in the age of AI, I think that employees are worried about their value and thinking like, Hey, am I, I'm going to get replaced? Am I still valuable? This, this and that. But the truth is what AI is going to do first is it's going to make sure that all of us have the exact same tools and we end up building all the same products. Right. Because it's really easy to copy features now and go, Oh yeah, I'll build one of those too. Well, the difference is going to be the brand. The difference is going to be the customer service. The difference is going to be the trust that you build with prospects and customers and brands and partners, et cetera, et cetera. And who's doing that. Employees, happy, bought in, excited employees, or bitter, cynical, looking for the door employees. Which one do you want showing up to your business meetings that are dictating the outcome of your whole corporation? I want the former, not the latter. So it's funny that we're still trying to convince finance to spend money on this thing, because I'm like, what else are you going to spend it on? You've saved a whole bunch of money, I'm sure, lately on tools, not to mention remote work is saving companies a ton of money. Reinvest it into your people, for goodness sake. That is the difference between life and death, is the way that I would put it.

Shari Simpson:

Well, and a key component for that for our HR folks is to make sure that you're going into these conversations and using the language of finance. You know, I talked to somebody just earlier today about that, that this language that sometimes HR uses isn't strategic enough. And I'm being very frank. You know, we're not coming to the table in the same way. And granted, we don't have the same, the same background always. And so there is a level of education that we have to give ourselves sometimes. But that's part of getting to know the business, right? What matters to your C-suite, right? Learn that

language. That being said, you know, in your experience, what are the metrics we should be watching that really are signaling that business perspective that these benefits, A, are the right offerings, that they're being utilized the way we think they're going to be utilized or that we anticipated they would be utilized, and they are impacting things like productivity and delivery and client experience and those kinds of things?

Jordan Peace:

Yeah. You know, I think. We, you know, as a company, as an HR tech company, obviously we're providing programs like rewards and recognition and wellness and challenges and swag and all this sort of thing. And the stats that I think most of the leaders want to look at, that they ask us about, are engagement and utilization. That's pretty much what they want to talk about all the time is engagement and utilization. And those stats are fantastic for us. And so we're happy to brag about those and talk about those. But for me, I would rather know the sentiment data personally. I would rather know the, what everyone wants to call the soft stuff. I want to know what, how everyone feels about what they've been given. I want to know the stories and the anecdotes and man, that benefit really helped me. Or because of that, I was able to take this trip that I didn't think I was going to be able to do. or whatever, or because we're having all these wellness challenges and I'm getting my steps in and I'm getting healthier. And I'm so thankful that we're doing that. And thank you for making this part of the culture. That's the stuff that's actually moving the needle. And so I always recommend like you need to not just do like an annual survey. You need to ask your people all the time, you know, how are we doing? How is this feeling? How are you enjoying this? Do you like the, the software we're working with? Is there too many of them? Are there too, you know, whatever the case may be. I always feel like we're just, we're not asking enough feeling questions so that we actually know like the, I hate to use a very unprofessional word, but the vibe. You know, like what is the vibe? What is the culture of the organization? Do people actually want to be here? And are the things that we're spending money on producing that feeling? Because you can that feeling you can leverage into so much productivity and loyalty and recruiting and passion that all comes out of that. Whereas something like engagement can be deceiving. So, for example,

during during covid, in particular, when like everybody was at home, You can see engagement was actually pretty high. Did people respond to their emails right away? Heck yeah, they did. They had nothing else going on. Right. Or did they show up to meetings on time? Yeah, they sure did. You know, but were they well? Like, were they doing okay? Did they, were their social needs being met? You know, were they, were they just overall, their wellness scores were in the dumpster. So if you just look at engagement, go, Hey, we're succeeding. You may not be looking deep enough, you know, and that's why I think sentiment is so important because no matter what's going on, what all your other data says, find out what people are trying to tell you about the impact of the programs that you're, that you're rolling out. And I think that will, that will speak volumes.

Shari Simpson:

Well, you know, in HR, we always hope that there's that, you know, that one employee who's always willing to come and give us the vibe, right? The real vibe of what's going on. Yeah. So, you know, it goes back to creating a culture of feedback, right? If you don't have a culture of feedback, if you don't have psychological safety, which I talked a lot about, you're going to miss out on these opportunities for people to give you these real, genuine stories. Good and bad. Like, hey, you know, I utilized the tuition reimbursement and I got my degree and I got a promotion. Great story, right? Or, hey, I was having a hard time and I tried to use our EAP and I ended up with a provider that didn't meet my needs. And that doesn't get surfaced unless we are open for that level of feedback and collaboration when it comes to, you know, our benefits offerings. You know, I'm curious to switch gears just a little to talk tactical. You know, what are some quick wins or perks that you've seen organizations implement right now that are really punching that needle for like engagement and retention?

Jordan Peace:

Yeah. OK. I don't want to I don't want to toot my own horn. I wasn't planning on that. But I will say there are tools similar to one that you might see on the logo behind me or exactly that are aggregating a lot of these employee programs together into one place. So if you'd imagine in the past you would

have needed a login to like say read a recognition that someone had sent you and then a different one to go and like cash out that reward and then a different one to sign up for the wellness challenge and then a different one to like get your birthday incentive. It's just kind of all over the place, right? And as a result, it costs a lot because there's a PEPM associated with each of those. Just know, if you're listening, there are tools that have thought about this and they're pulling all these things together for three purposes. One, to save PEPM. You know, two, to simplify the administration of all of that. Cause that's a lot to manage as you know, I'm sure a lot of your listeners know quite well. Um, and then three to, to greatly amplify the employee experience. Right. So that, that engagement is not just engagement over here, engagement over there, engagement over there, but actually engagement that all talks to each other, feeds in together one data set. one employee experience, I think that helps tremendously because it, I think as an employee, sometimes you feel like, okay, well we have us and then we might have like our Slack channel or our Teams channel and that's where we have our communication. And then there's like tool A, tool B, tool C, tool D, tool E. And that's just for like sales and marketing. And then there's all the operational tools and then there's all the HR tools. And it's just so much that at the very least, I think for HR, can HR condense it down into as few tools as possible so that people can actually like talk to each other and communicate and and see like the you know the total rewards or at least see kind of the the cultural offerings that are there in one spot and I think that's tremendously helpful. I was gonna say too something you said earlier about HR folks and I don't disagree with you but you know we want to be kind to especially the folks that we're you know, that we're selling into as an HR tech company, like we have to go sell an HR person, which is always very easy because they love the product. They're excited. They love people. They're people, people, we're people, people. That's the easy part. But then they've got to go sell the CFO. And so one of the things that I would suggest to listeners is. Let, if you're trying, especially if you're trying to roll out a piece of software or you're trying to roll out something where you have a salesperson that you like and you like their product and you want their product and you're in, let them help you. They're salespeople. That's what they do, right? Like they craft the arguments

and they speak CFO and you know, and they can put that one pager in front of you that you're just like. Bam, you know, like drop it on their desk. Right. We got it. We got to utilize the skill sets that are available to us, you know, and I try to train all of my people just like you are a consultant. Your job is to go in and find a champion. And then you and the champion, you go together. to that CFO, whether it's actually together or just feeding some information and waiting for the call afterwards. But just a piece of advice on that is to tap into that salesperson, expect more of them. Say, hey, if you want the sale, help me make it. You know, that's their job.

Shari Simpson:

Well, and you brought up so many good points about, you know, consolidated tools. That is a strategic path for HR to think about in not just the table stakes, but in totality, right? Obviously, I work for a tech company as well, and that is one of our biggest things is like, you know, having one platform that can integrate with the things that you actually use and simplify your employee's life. It's huge. It's huge. You know, this conversation has gone really quick. We've touched base on a lot of things. I'd love to hear your perspective as we close out. You know, what do you think benefits, and I'm going to use that term loosely because who knows, we might call it something different. What are the next two to three years look like in this space, do you think?

Jordan Peace:

Oh, I think it's, I think it's going further and further into personalization. You can't fight the culture, you know, for years now, like I'm even young enough to have gone into a Starbucks as a teenager and given like a 17 word description of the drink that I want. Right. Because things were already so bespoke and so personalized, right. Whereas like my parents that there, well, there were no coffee shops to begin with, but if there were, it would have been. Small, medium, or large. These would have been your choices, right? And now it's like extra calf, no whip, and blonde espresso. I can't even keep up with all of it, right? So we're a culture full of personalization, customization. Employees are going to demand that in the workplace. They just, you know, especially the younger generations, they don't have so much of like a work-home, separate, severed idea. You know, they're much more of like, there's

just life and work is part of that. So why would it feel so foreign and so different at work? And why would my choices be so limited? Whereas everything else in the world is, you know, completely bespoke to me. So I think that's probably more of what we'll see. And as opposed to like rolling out, Hey, here's pet insurance for everyone. It's Hey, here's pet insurance for all of you that wanted it. And here's that massage membership for all of you that wanted it. And here's the childcare help for all of you that needed it. Right. And it's everyone choosing and selecting their own subset of benefits that are appropriate to their life and their stage of life and income and geography and all of that good stuff. So I think more and more of that and finding the tools to facilitate that is the hard part. But those tools are being built and some of them are built already. So I think that's what's coming.

Shari Simpson:

Well, I'm excited about more personalization. I am. I'm a Gen Xer, but I definitely love the vibe of the personalization that Gen Z is pushing us for. You know, it's so good. So, Jordan, this was a great conversation. Love the work that you're doing. Thanks for jumping on the podcast with me for a few minutes.

Jordan Peace:

I really enjoyed it, Shari. The time just flew by.