



## IEBA FRANCE - Mind the Gap !

IEBA France's third and last meeting of 2017 was held on December 6<sup>th</sup> using the theme 'Disability and Wellness: minding the gap!'

The meeting was a continuation on the discussion of Corporate Social Responsibility held the previous year featuring Crédit Agricole and the International Labour Organisation. However this time the problem was viewed from a different angle as we examined the financial security of employees facing long-term illness or disability and how this is addressed in global social benefits policies.

The meeting started with a presentation of the highlighted risks and transitioned into the importance of wellness programs. The meeting benefited from presentations of 3 Corporate global socially responsible policies, each in different stages of implementation.

**Paolo Marini**, Director of Global Customer & Distribution Management, Corporate Life & Pensions of Zurich Group started the meeting at 5:30pm by highlighting the results of a 3-year study focusing on income protection gaps (IPGs)<sup>†</sup>.

This study was done by the Smith School of Enterprise and the Environment, Oxford University, and Zurich Group and it investigates how public and private sectors can work together to close IPGs. The study revealed some shocking statistics: 61% of people globally believe their savings would last 6 months, while 30% of people globally have already stopped working longer than 6 months due to illness or disability.

After highlighting the higher risk countries which are more vulnerable to IPGs (Italy, Brazil, Mexico, Spain) and some factors that contribute to IPGs (gig economy, older working population, perception that income protection costs more than it does), Paolo proposed steps that employers could take to address IPGs by providing recommendations to guide individuals as

<sup>†</sup> IPGs are reductions in household income as a consequence of serious illness, disability, or other cause of the primary salary earner, taking all private and public sources of replacement income into account.



well as the top 10 actions to design workplace-based solutions. These included flexible retirement options for older workers, creating contributory EAP plans to support employees during difficult times and to prevent "presenteeism", as well as obtaining an independent assessment of the effectiveness of implemented wellness programs.

Oddly, the study also pointed- out the rising use of health- monitoring apps and revealed that these have the perverse effect of increasing the very stress levels they were meant to minimize! Proceed with caution!

Paolo was followed by **Aurélie Stephan**, Group Compensation & Benefits Manager at Legrand, who presented Legrand's recent corporate social responsibility launch establishing minimum benefit levels across the globe.

Legrand had started with an audit of their benefit programs in late 2015. One year later, they had validated the minimum benefit levels that they wanted to apply related to medical, death/ TPD and maternity/paternity benefits. The maternity leave duration was aligned to the ILO's guidelines of 14 weeks while its salary

coverage level was more generous at 100% of salary versus 2/3 salary. Legrand decided to apply minimum standards that were the same across all countries and employee categories, which was in contrast to the Crédit Agricole country by country approach presented a year ago at another IEBA France meeting.

Aurélie Stephan spent 2017 communicating minimum benefit levels, setting up action plans per country and assessing additional local budgets necessary in order to implement minimum benefit levels between 2018 to 2020. The maternity pillar had already been implemented by December 2017!

**Chrisilla Kohary**, Global Benefits Manager at Danone, then presented two of their global social programs: DanCares and their Global Parental Policy.

DanCares has been in place since 2010 and endeavors to ensure all employees are provided with high quality health care coverage for core risks while taking into account local market practices. They measure quality of service, out of pocket expense and access to good health care. As highlighted in Paolo's presentation, assessment of the program is important to



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ensure it is adapted and aligned: Danone assessed the implementation of this program in 2012 and again in 2017 as well as assessing the extent of wellness and prevention programs already in place. They identified all types of prevention programs including health screening, smoking cessation and flu vaccination programs. The impact of DanCares, although difficult to measure in hard financial terms, is increasing employee engagement, satisfaction with benefits and is improving Danone's branding and attractiveness in the market.

The program also aims at reducing turnover and absenteeism and improving cross-border mobility. Danone's second policy, the Global Parental Policy, is younger than DanCares and has been recognized by the UN Women's HeforShe initiative as "Inaugural Thematic Champion". The program's pledge is to support the first 1000 days of the baby's life, ensuring the health and wellbeing of the baby and working parent throughout pregnancy, the maternity/paternity leave and beyond. Given that there are 20 babies born within Danone per day, this is a far-reaching and well-used policy!

To finish the meeting, **Marc Raymond**, Director of Global Benefits Development at L'Oréal, presented the new launch "Season

2" of L'Oréal's well-known Share & Care program.

In "Season 1" from 2013 - 2015, the Share & Care program had a set of "must-have" benefits, which included minimum 24 months life and disability insurance, major healthcare covering at least 75% of expense, maternity/paternity leave in line with ILO guidelines, and creation of a working environment that instills enjoyment, which is to say - use of flexible work, aid of technology for collaborative work, and for managers - stress prevention programs. By the end of 2016, all 67 countries had all the required 'must-haves'!

Now Season 2, from 2017 to 2020, is meant to improve on this base, adding partial and permanent disability coverage, medical checkups and EAP programs, increased paternity leave plus additional paid or unpaid days to look after sick children, formal flex work policies and stress prevention programs which are extended to all employees. It is ambitious, but given their success in Season 1, I think they will make it!

By the close of the meeting, everyone was quite thirsty and were happy to clink a glass of champagne at our annual Christmas cocktail kindly hosted by Aon.

It was a moment for everyone to exchange information on global socially responsible programs as well as to catch up on all the news with peers, colleagues and friends. ❖

**Karen De Paoli**  
Chair, IEBA France



Karen De Paoli

