

IBI & Amazon Present: Innovation in Integration

Seattle Regional Meeting | June 3, 2016

Introduction

IBI and Amazon were joined by more than 80 participants in Seattle for an engaging conversation on the challenges and successes of integrating employee health, productivity and absence management programs. IBI President Dr. Thomas Parry opened with a discussion on the link between workforce health and business performance. Dr. Parry addressed four key issues employers face as they make the business case for managing workforce health and productivity to senior leaders:

- Connecting health investments with business goals
- Understanding the impact of health on productivity
- How CFOs make decisions on investments in health and healthcare
- The tools that exist to help estimate and measure the impact of employer program

Ophelia Galindo, Amazon's Global Director of Leave and Accommodations presented "Using the Voice of the Customer to Guide Program Integration and Innovation," diving deep into the ways HR at Amazon enables employees do their jobs better. How is the customer voice heard? What does this mean for leaves and accommodations, and how Amazon is planning for the future? The following highlights excerpts from Galindo's presentation.

Amazon's Guiding Principle: Customer Obsession Drives Innovation

Amazon's number one leadership principle - be obsessed with the customer - means that leaders start with the customer and work backwards, always working to earn and keep customer trust. How does this manifest in Amazon's HR policies? HR at Amazon continuously engages employees in developing and delivering benefits programs, enabling employees to do their jobs better so they can continue to delight customers and ensure business success.

Amazon's HR teams work backwards from employees' needs to design solutions that work. This means constant communication between different departments- benefits, leaves and accommodations, client services, payroll, and stock - both in the form of regular meetings, and informal brainstorms over coffee. Providing top-level customer service to employees means practicing patience and empathy. HR staff works to answer questions outside of what would traditionally be their department, because they know employees only want to make one phone call.

"We just talk to each other. We can't exist in silos, because our customer doesn't."



Innovation: Maternity and Paternity Leave at Amazon

By interviewing Amazon employees and various stakeholders, Amazon developed a comprehensive paid parental leave approach that takes care of employees and creates business value by letting employees stay focused on the end customer. The team also sought published data on childbirth and parenting rates, as well as statutory benefits around the world. After developing a prototype framework, the HR team determined the cost of delivering the program and iterated on the design to meet objectives. After a year of working with leadership, collecting employee feedback and interviewing various stakeholders, Amazon launched the new global parental leave program in November 2015. The program consists of five components:

Pre-Partum & Post-Partum Leave- Amazon heard a need for pre-partum time off with minimal medical documentation. This allows expectant moms to get the rest and care they need for a healthy pregnancy and birth recovery.

Paid Parental Leave- Amazon's eligible moms, dads and adoptive parents receive paid bonding time with their new babies.

Leave Share- After learning that one size doesn't fit all, and not all families have the same needs, Amazon developed a Leave Share program to allow employees to share their paid parental leave with their partner if the other parent does not get paid leave.

Ramp Back- To address the stress and exhaustion new parents face in returning to work, the "Ramp Back" program to allow employees to return on a part-time basis for 8 weeks following paid parental leave for either 50% time at 50% pay, or 75% time at 75% pay.

Ambassador Program- Drawing on their roots as a customer service organization, Amazon developed a program to provide end-to-end service to employees using the new benefits suite. Case managers and client services staff engage in rich dialogues with employees to alleviate any potential issues and address any concerns.

Designing, developing and deploying these programs required close collaboration and buy-in between leadership, benefits, LOA, client services, payroll, and stock departments, as well as disability vendor partners. Talking to employees was central to the program design in order to ensure a successful rollout and make sure the team was designing a benefits program that employees wanted and could actually use. The model is co-sourced — while Amazon designed the new parental leave program in-house, they continue to use vendor systems to drive the leave and disability transactions.

Other Learnings: Leave and Return to Work

As in many companies, taking leave is generally confusing and employees often receive contradictory information from different players in the process- from HR, benefits teams, vendor partners, or other coworkers. Amazon recognized that any information they provide needs to be simple and to the point, and speak the language of employees.



The team found that transitioning from leave back to work with accommodation requires special expertise. To address this, Amazon has a team deployed in the field to facilitate the accommodation process. The HR team recognizes that sometimes their customer service fails to meet the standards they set for themselves. They continue to listen, grow and improve their program design, delivery and support employees.

Looking to the Future: Where is HR at Amazon Headed?

HR at Amazon emphasizes measurement during the pilot phase to see if the programs are having the intended effects, looking for improved turn-around time and increased employee satisfaction over time.

“We’re always looking for creative ways to design and deliver programs.”

Additionally, the team looks for reductions in administrative costs. Often times, innovation comes from simply realigning programs that already exist and tying them to business performance and productivity. For example, Amazon’s EAP program and telemedicine service is underutilized, and is looking to the Ambassador Program to help employees realize what resources are available to them.

Amazon continues to improve their co-sourced models, sharing workflow and systems to drive improvements in HR’s customer service. The team continues add concierge services to the Ambassador Program, and is always looking forward to “the next big thing.”

Q&A with HR at Amazon

In the final hour of the event, participants engaged in an open question and answer session with Amazon’s Ophelia Galindo, Global Director of Leave and Accommodation; Dene Sparrman, Senior Manager of Global Benefits; and Adrienne Paler, Manager of Strategy and Design for Leave & Accommodations.

Sparrman described the fast growth her team and the organization have faced over the last six years and the need to adapt to changing circumstances. She reiterated the collaborative, team-oriented approach to benefits, and encouraged attendees to brainstorm with other teams and colleagues across their own organizations to see the big picture.

Paler highlighted that the product design model the team uses ensures that the programs delivered are effective and easy to access. The team looks at phases of use and regularly reevaluates whether or not employees needs are being met. By asking “Five Whys”, they can dive deep into the problem to treat the root cause instead of just the symptoms.

“Without talking to your stakeholders, you can’t understand what the problem actually is. Therefore the solution you design won’t work.”



Questions from the Audience:

How can you scale similar programs in smaller companies - in even more frugal environments?

Experiments can be nearly free. Break down big programs into smaller pieces and test components of solutions with small groups. Regardless of size, all companies still have the same metrics to work with. If you show improved employee satisfaction or performance, or increased compliance, you can show program success.

How do you support employees coming back to work after parental leave?

In addition to the Ramp Back program which helps employees balance family and work life, the Ambassadors refer employees to EAP and other resources, like finding childcare. The Ambassador Program will continue to glean insights from employees on how to best support return to work and experiment with different offerings.

What are the trends of ADA accommodations?

Demand for accommodations is increasing. The Amazon team is currently taking inventory of their accommodation approach globally. "People have complicated lives," said Galindo. "You don't just have a broken leg, but you may also struggle because you're on 60% disability pay. Perhaps you can't pay for childcare with your reduced wages, so your kids are home with you, so your leg will heal more slowly. Employees don't exist in silos, and neither can we." In addition to continuing to collaborate and integrate policies and programs, the team is looking at unintended consequences of some policies. Galindo said:

We try to make it easier for employees by going digital and telling them they can download and complete forms before going to the doctor. What do you do if you don't have a computer at home? You may have to pay to print your FMLA packet. What happens when employees are directed to self-selecting online programs? What exists to make it easier for employees to access information may be a barrier for others, especially those without internet access, or with pay by minute smartphone plans. We're working through these barriers to meet all employee needs.

What are the benefits to Amazon to offer these programs? How are you tracking program success with programs like paid parental leave?

Employee satisfaction is tracked on a monthly basis. The paid parental leave policy has only been in effect for 6 months, and Amazon will look at trends in turnover, attraction and retention further out.

How did you scale up the Ambassador Program? Were there any challenges?

First, the soft launch of the program ended up being a great strategy to help work out the kinks. It took a full six weeks before the Ambassador team was complete and comfortable with the case load.

