



SUCCESS STORIES

Learn how this year's winners met challenges to maintain benefits, attract and retain employees, manage costs and much more.

Associates for International Research, Inc. (AIRINC)

Consolidated Federal Credit Union

Educational Commission for Foreign Medical Graduates

Greeley and Hansen

Home Builders Institute

Postal Credit Union

RED F Marketing

Veridian Credit Union

Water Environment Federation

Western National Mutual Insurance Company



HEADQUARTERS | Cambridge, Mass.
 TYPE OF BUSINESS | Human resources consulting firm focusing on global mobility
 NUMBER OF EMPLOYEES | 89
 FOUNDED | 1954
 WEBSITE | www.air-inc.com
 ADVISORS

- Kevin O'Connor and Robert Williams, Strategic Employee Benefit Services
- Jonathan Wolff, Lightship Wealth Strategies, Inc.

The Benefits of Long-Term Relationships

For 10 years, AIRINC has relied on financial professionals to help them get the most out of their benefits.

Managing benefits isn't easy. Evaluating service providers, administering plans, educating employees, keeping up with the latest regulations and more — all while controlling costs — takes a lot of time and expertise.

That's why AIRINC, as well as the rest of *The Principal 10 Best Companies*—2011, rely on employee benefit financial professionals.

"We have long-standing relationships with our brokers," explains Julia Pilleri, assistant controller at AIRINC. "Because of that, they have a very thorough knowledge of our benefits and how we treat our employees. When we make benefit decisions, they know that we look at not just the numbers but also how employees will be affected."

Their financial professionals are involved in all facets of the benefits they help to manage. AIRINC's retirement financial professional, for instance, helps the company hold group education meetings, which are tailored for employees at different life stages, and offers one-on-one consultations for a discounted fee.

Although Pilleri and her team have the knowledge to manage the benefits on their own, Pilleri recognizes that financial professionals can bring added value. "Having a broker involved takes some of the decision-making responsibility off my shoulders," she explains. "And it gives employees an outside resource to go to for sensitive issues."

What can you learn from AIRINC?



Benefit brokers and other financial professionals can help ease the burden of managing benefits.



The longer you work with a financial professional, the better he or she will understand your company, your benefits and your employees.



Employees may feel more comfortable talking with an outside resource about sensitive issues.



HEADQUARTERS | Portland, Ore.
 TYPE OF BUSINESS | Credit union
 NUMBER OF EMPLOYEES | 39
 FOUNDED | 1954
 WEBSITE | www.consolidatedfcu.com
 ADVISOR
 • William Heestand, Heestand Company

The Turnover Turnaround

Benefits help Consolidated Federal Credit Union buck its industry’s high-turnover trend.

Credit unions are known for high turnover. In fact, many credit unions experience turnover rates in the high teens or even low 20s. That can get expensive — fast. In fact, according to studies by the American Management Association and other experts, turnover costs can range from 25-250 percent of salary for each employee who leaves.*

That’s not the case at Consolidated Federal Credit Union, where the average turnover rate is just 8 percent. One way they keep employees is through their investment in benefits.

“A strong benefits package plays a big role in retention,” says Jenifer Phillips, executive vice president and CFO. These benefits help the credit union set itself apart from other employers:

- 401(k) plan with a fixed, non-matching 8 percent profit sharing contribution

- Cash balance pension plan
- One-on-one meetings with a financial planner who specializes in retirement
- Health care plan with 100 percent employer-paid premiums for employees (50 percent for dependents)
- Health reimbursement account (HRA) that’s 100 percent employer-funded
- Wellness program with preventive screenings

Low turnover helps to retain the credit union’s customers as well. “Our members don’t like to see new employees,” says Larry Ellifritz, the credit union’s president. “If you have happy employees, that translates to happy members. Our investment in benefits is money well spent.”

*“The High Cost of Employee Turnover,” *American Express Open Forum*, April 7, 2010.

What can you learn from **CONSOLIDATED FEDERAL CREDIT UNION?**



Controlling turnover can have a positive impact on the bottom line.



Benefits are effective at keeping quality employees.



Happy employees can lead to happy customers.



HEADQUARTERS | Philadelphia, Pa.
 TYPE OF BUSINESS | Nonprofit organization that certifies international medical graduates
 NUMBER OF EMPLOYEES | 829
 FOUNDED | 1956
 WEBSITE | www.ecfm.org
 ADVISORS
 • Christine Ament and Craig Shechter, Gallagher Benefit Services, Inc.
 • Timothy Ryan, Mercer Health and Benefits

Giving Health Care Costs a 1-2-3 Punch

A combination of plan choices, wellness incentives and employee education helped ECFMG control health care costs.

For the first 54 years of its existence, the Educational Commission for Foreign Medical Graduates (ECFMG) paid for 100 percent of employees' health insurance. But after years of snowballing health care costs, the organization knew things had to change.

Instead of simply asking employees to pay a large portion of their health care costs, however, ECFMG looked at the bigger picture. It revamped several aspects of its health care program to minimize the impact on employees' wallets.

The health care program now includes:

- **A choice of plans based on health care needs.** "Employees who are generally healthy can choose a plan with less out of their paycheck and a slightly higher co-pay at the doctor's office. We have another plan that offers the reverse for high users of the health plan," explains Joe Plush, benefits and training manager at ECFMG.
- **Wellness incentives.** Employees can save on their insurance premiums by participating in biometric screenings and health

risk assessments. And the organization's Total Health Rewards system lets employees accrue points for participating in wellness events and activities. Employees can redeem their points for gift cards, iPods and other goodies.

- **Increased education.** ECFMG made sure employees understood their new choices and the reasons for the changes. "We shared all available information with the staff and told them what we proposed to do given the challenges we were facing," says N. Emmanuel Cassimatis, M.D., ECFMG president and CEO. ECFMG also offers ongoing education about its health care options and wellness program.

Thanks to ECFMG's careful planning, the organization can maintain its health care benefits with minimal cost sharing from employees. And the changes were well-received. "The transparency of information helped," Plush says. "Employees understand how generous the organization has been."

What can you learn from ECFMG?



Be honest with employees about benefit costs. It will help them understand and accept needed changes.



A choice of plans can help employees find the right mix of out-of-pocket costs and plan coverage.



Tying wellness participation to premium discounts can help control costs.



HEADQUARTERS | Chicago, Ill.

TYPE OF BUSINESS | Civil and environmental engineering firm

NUMBER OF EMPLOYEES | 300

FOUNDED | 1914

WEBSITE | www.greeley-hansen.com

ADVISORS

- Ellen Ogan Martel, Ellwood Associates
- Scott Welch, USI

Winning the War for Talent

A standout retirement program helps Greeley and Hansen attract top employees in a competitive industry.

In the world of engineering, it's an employee's market. There are simply not enough engineers to meet the industry's growing demand.

That puts employers like Greeley and Hansen in a challenging position. It's a challenge the firm intends to win, however. And, its using exceptional employee benefits to help do it.

"When you look at our place in the market, we're probably one of only a few entities that not only have a 401(k) plan but also a (defined benefit) pension plan — as well as a suite of other benefits. From a differentiation standpoint, it really does set us apart," explains Andy Richardson, CEO of Greeley and Hansen.

The company's pension plan tends to surprise job candidates, according to Richardson. "When we go through our benefits and mention the pension plan, a lot of people say, 'You do that still?!' So many companies today are freezing their pension plans or having difficulty maintaining their funding status, so we're proud to offer this option."

The company's equally impressive 401(k) plan includes:

- Employer matching contribution
- Annual profit sharing contribution
- Automatic enrollment
- Automatic annual deferral increases
- One-on-one meetings for customized retirement and investment planning

"Our main motivation for offering great benefits is right out of our strategic plan — positioning ourselves as the employer of choice," Richardson says. "We know that if we take care of our people, our people will take care of our clients, and our clients will take care of us. The best way to do that is provide benefits that show our people we genuinely care."

What can you learn from **GREELEY AND HANSEN?**

✓ Benefits can give your company the edge it needs to attract top talent in a competitive market.

✓ Having a defined benefit plan within your retirement program can be a "wow" factor.

✓ Top-tier employers offer automatic features and one-on-one guidance to help employees get the most out of their retirement benefits.



HEADQUARTERS | Washington, D.C.

TYPE OF BUSINESS | Residential construction training and education organization

NUMBER OF EMPLOYEES | 282

FOUNDED | 1967

WEBSITE | www.hbi.org

ADVISORS

- Glen Buco, West Financial Services, Inc.
- Todd A. Miller, Miller & Shook Co.'s

Building Financial Security One Employee at a Time

Home Builders Institute provides employees with expert, one-on-one financial guidance.

“Our employees are not financial planners. They’re teachers in the construction business, and they’re troubled by what they see in the news about the economy.” That, according to Fred Humphreys, CEO of Home Builders Institute, is precisely why the organization offers its employees individual financial guidance.

“We have one of the top financial professionals in the country come in each year and have one-on-one conversations with our employees. This is something that could easily cost employees \$1,000 to \$2,500 if they got this on their own, and we provide it at no additional cost,” explains Faye Nock, the organization’s vice president of human resources.

The advisor helps employees with retirement planning, investing, saving for college and a variety of other topics. And because employees aren’t necessarily the financial decision-makers in their families, spouses can participate in the meetings as well. Employees can also contact the advisor throughout the year with questions.

“We get very strong, positive feedback on the meetings,” says Nock. “The fact that we can offer employees stable, thoughtful financial advice and planning on a consistent basis — year after year — is very important. It takes financial professionals who will sit down with employees and their spouses and help them put things in perspective in terms of what they’re earning, what they’re saving. That’s an incredible benefit to employees.”

What can you learn from **HOME BUILDERS INSTITUTE?**



One-on-one meetings with an outside financial professional can help employees achieve long-term financial security, at no additional cost.



Open one-on-one meetings up to employees’ spouses.



Bringing in an independent financial advisor can help calm employees’ fears about the economy.



- HEADQUARTERS | Woodbury, Minn.
- TYPE OF BUSINESS | Credit union
- NUMBER OF EMPLOYEES | 136
- FOUNDED | 1926
- WEBSITE | www.postalcu.org
- ADVISORS
 - Chad Lay, CUNA Mutual Group
 - Jim Odegard, Strategic Employee Benefit Services
 - Field Olson, Horizon Agency, Inc.

Smoothing the Way for an HSA

Before Postal Credit Union rolled out its new health savings account, one-on-one meetings were held with each employee to explain the plan.

In the fight against rising health care costs, health savings accounts (HSAs) are proving to be effective weapons.

But as any human resources professional knows, benefit changes — even adding an HSA alongside a traditional health care plan — can make employees a little nervous. That’s why Postal Credit Union went the extra mile to educate employees when rolling out its HSA in 2008.

“Employees were definitely hesitant at first,” says Jeanine Swanson, the credit union’s senior vice president of human resources. “But we brought in our staff, our provider and our advisor to educate employees.

“We went on-site to each branch and met individually with every employee who wanted to meet,” Swanson continues. “We explained how the HSA worked and what it might cost the employee. And we showed them how to use a worksheet to help with their planning. Education is the most important thing you can do, so we spent a lot of time working with employees.”

As a result of the credit union’s efforts, the addition of the HSA went very smoothly. “I’ve had employees who’ve said how happy they are with the HSA,” Swanson says. “And today, we have 65 percent of employees participating in the HSA and more than \$160,000 in the accounts. Those dollars would have gone to the carriers in the past.”

What can you learn from **POSTAL CREDIT UNION?**



Benefit changes can be a worry for employees.



Thorough education can help employees accept and value new benefit options.



Implemented properly, HSAs can help control health care costs.



HEADQUARTERS | Charlotte, N.C.

TYPE OF BUSINESS | Marketing communications firm

NUMBER OF EMPLOYEES | 51

FOUNDED | 1999

WEBSITE | www.redf.com

ADVISORS

- Scott A. Fligel, Fligel Financial Services
- Suzanne (Suzy) K. Johnson, Strategic Employee Benefit Services of the Carolinas, Inc.

Treating Employees Like Customers

RED F Marketing uses a tailored benefit program to lure talent from larger companies.

With just over 50 employees, RED F Marketing is far from being the biggest employer in Charlotte, North Carolina — especially compared to the many Fortune 500 companies (such as Bank of America and Lowe’s) that call Charlotte home. For a firm that relies on top creative talent, that poses a tough recruiting situation.

Or so you’d think.

In reality, RED F Marketing does quite well, thanks to its carefully crafted employee benefit program. “As a medium-sized company, we can’t always compete with larger companies on salary. Benefits are how we compete for talent. As a result, we’re able to attract top talent who may decide that working for a large organization is no longer their cup of tea,” says Sara Garcés, the company’s CEO.

To do that, RED F Marketing applies its knowledge of attracting and keeping customers to the task of attracting and keeping employees. As the company’s president, Dan Roselli, explains, “A lot of companies spend money on benefits they think employees will value or that they themselves value. But they have to understand that employees are like customers. You have to find what employees value.”

That customized approach to benefits serves as an equalizer between small and large employers. “Ten years ago, people used to say the reason you go to a big company is great benefits that you can’t get anywhere else,” says Roselli. “That’s not true anymore. A new order is emerging where any company of any size can have a competitive advantage by how they structure their benefits.”

What can you learn from RED F?



Benefits can help smaller organizations compete against Fortune 500 companies for talent.



Effective benefit programs are designed for employees’ unique needs.



Companies that can’t compete on salary can differentiate the organization through employee benefits.



HEADQUARTERS | Waterloo, IA

TYPE OF BUSINESS | Credit union

NUMBER OF EMPLOYEES | 517

FOUNDED | 1934

WEBSITE | www.veridiancu.org

ADVISORS

- John P. Monaghan, Group Benefits Design Corporation
- Michael J. Roche, CUNA Mutual Group
- Sharon Severson, CUNA Mutual Group

A Confidence Booster

Veridian Credit Union’s extensive wellness program helps employees feel — and work — better.

After just a few years, the benefits of Veridian Credit Union’s wellness program are plain to see. Employees are changing their lifestyles — exercising more, watching what they eat, taking care of health issues and feeling great.

“One employee told us it’s been a lifestyle change for herself and her family. She said she didn’t know she would enjoy exercising so much. It’s been a confidence booster. These are all great things that will carry over into her work,” says Renee Christoffer, senior vice president of administration for Veridian.

That’s exactly why the credit union started its wellness program in the first place. “We feel if we have healthier, more satisfied employees, the productivity and cost improvements will come,” Christoffer says.

Veridian’s successful wellness program includes:

- A wellness coordinator (provided at no additional cost through their broker) who works with employees in groups and individually

- Health screenings with customized recommendations for each employee
- Weight loss and stay-fit challenges
- On-site smoking cessation program
- Company volleyball and softball teams
- Thorough communication

The wellness coordinator works with the credit union’s wellness committee to help manage the program. “Our broker’s wellness coordinator has a master’s degree in public health. She coordinates the education, and she can work with employees who have chronic conditions,” explains Christoffer.

The credit union’s leadership is very pleased with the results of the wellness program. “We want employees here — healthy and happy,” Christoffer says, “and we’re confident the program will make a difference in health care costs.”

What can you learn from **VERIDIAN CREDIT UNION?**



A company-sponsored wellness program can help employees — and their families — live healthier lives.



Healthier employees are happier and more productive.



Benefit brokers may offer resources to help manage the wellness program.



HEADQUARTERS | Alexandria, Va.
 TYPE OF BUSINESS | Association for water quality professionals
 NUMBER OF EMPLOYEES | 97
 FOUNDED | 1928
 WEBSITE | www.wef.org
 ADVISORS
 • Paul Love, Foster Soltoff & Love, Ltd.
 • Laurie Siegal, Keller Benefit

Getting Engaged

Staying in touch with employees' wants and needs makes for more effective — and efficient — benefits at Water Environment Federation.

Most companies recognize the importance of employees' on-the-job engagement. But just as important to an organization's success — and the return on its investment in employee benefits — is the company's engagement with employees.

"It's so important to spend the time on your culture," explains Jeff Eger, executive director, Water Environment Federation. "Demonstrate your commitment by walking the talk — listening to employees, responding if there's a program they're interested in and being honest with them if you can't provide it."

It all comes down to communication, according to Eger. "It happens on a formal and informal basis," he says. "Our human resources staff seeks feedback and asks questions. They make sure information is shared. And they're quick to respond to employees' requests and comments."

Julia Eller, Water Environment Federation's human resources director, explains the variety of resources the organization

uses to get — and share — information:

- "We survey our employees annually on their satisfaction with benefits and any problems. Then we address those early in the year so we're prepared for renewals."
- "We're a close-knit community, so we do a lot of one-on-ones with employees."
- "We do a lot of written communication. As we find a need, we constantly add information."
- "We publish a bi-monthly newsletter. Ninety-six percent of employees say they read it."

A high level of engagement with employees can help control costs by making sure the right benefits are offered and that employees understand the benefits. "We offered a managed care option because it appealed to some of our staff," Eger says. "We heavily promoted those options, and that helped us control expenses."

What can you learn from WATER ENVIRONMENT FEDERATION?

✓ Engagement with employees can help control benefit costs.

✓ Two-way communication is key to engagement with employees.

✓ Use a variety of methods to get — and share — information with employees.



HEADQUARTERS | Edina, Minn.
 TYPE OF BUSINESS | Property and casualty insurance company
 NUMBER OF EMPLOYEES | 374
 FOUNDED | 1900
 WEBSITE | www.wnins.com
 ADVISORS

- PK Kriha, RFJ, a Marsh & McLennan Agency LLC Company
- Debra Newman, Newman Long Term Care
- John F. Ryan, Acumen Financial Advisors, LLC

When the Going Gets Tough

Western National Mutual Insurance Company uses stability to help employees through hard financial times.

If the economy has your employees' nerves on edge, pick another time to shake up your benefits. That's the advice of Stuart Henderson, JD, CPCU, president and CEO of Western National Mutual Insurance Company.

"Be as stable as you can with benefits. People don't like change, and they hate changes to their benefits," says Henderson. "We survey employees about what's important. One big thing is stability, so we keep the benefits stable."

"We decided to make no change to what we charge for benefits," continues Henderson. "We've reduced the average raise to 2 percent instead of 4 percent, but we try to be very slow to make any change to the benefits, because people are counting on that."

Another way the company helped employees through the recession was by implementing a loan program. "We realized that some of our employees could be one broken furnace or car repair away from real financial problems," says Henderson.

To give employees access to a financial cushion, the company instituted a short-term, no-interest loan program. Employees can borrow between \$250 - \$1,500 and pay it back via payroll deduction. "Within five minutes of announcing it, we had a loan out," says Henderson.

If employees need one-on-one financial guidance, they can get it through the company. Western National's retirement plan broker is also a financial advisor. "He's available anytime by phone or in person," Henderson says. "It's a tremendous help."

Henderson believes that when employees can count on their benefits, they're more engaged at work. "Employees care about you if you care about them," he says. "Benefits are proof. And engaged employees give you something over and above what's minimally required of them. That's their interest and their innovation."

What can you learn from **WESTERN NATIONAL MUTUAL INSURANCE COMPANY?**

✓ Stable benefits can help employees focus on their jobs.

✓ If you show your employees you care about them, they'll care about the company.

✓ One-on-one financial guidance can help employees manage their worries — and their money — through good times and bad.