

..... FEBRUARY 2007

Redefining Retirement

Employers to Embrace Multicultural Marketing, Improve 'Disconnect' in 401(k) Education

AS THE WORKFORCE becomes more culturally diverse, plan sponsors and employers need to understand how each group perceives retirement and the future in order to increase participation rates among people of color, especially African Americans and Latinos, according to Andres Tapia, chief diversity officer, Hewitt Associates.

In addition, results from the Eighth Annual Transamerica Retirement Survey reveal a major disconnect in how employers and their employees view the

importance of retirement benefits. "As more employees count on employer-sponsored plans as their primary source of retirement income, it's crucial that employers and employees communicate when making decisions about their retirement plan," says Catherine Collinson, retirement and market trends expert for Transamerica Center for Retirement Studies.

Collinson notes that many employees now expect a 401(k) plan with an employer-matching contribution to be part of their overall compensation package. "The survey found that employees are more likely to take another job that offers a better retirement benefits package," says Collinson. "Communicating with

(Continued on page 2)



Financing Benefits

'Progressive' Employers Find Better Ways To Finance Employee Benefits in Future

DESPITE CONCERNS about increasing costs, most companies remain committed to offering a competitive benefits package. What's more, a growing number are determined to find ways to finance those benefits beyond cost sharing, according to Prudential Financial's *Study of Employee Benefits: 2006 and Beyond*.



Over the next five years, the study found that benefit programs will stay, but they won't remain the same. "A lot of companies are chasing costs, but sometimes the costs run faster," says Al Hemond, Prudential senior vice president, disability risk management. "What we're seeing is that a growing number of companies are *(Continued on page 2)*

Learning from 'The Best'

Benefits Can Improve Business Success

EMPLOYERS REALIZE strong benefits can attract great talent and retain key employees, thus reducing turnover cost. Some, like those recently recognized for successfully balancing employee benefits with corporate performance, even understand that benefits done right can improve the company's bottom line.



Those firms in *The Principal 10 Best Companies for Employee Financial Security – 2006* took innovative approaches to wellness programs, automatic enrollment features, employee stock ownership plans, and defined benefit retirement plans, for

example, by focusing on the three "E"s of employee benefits: (1) **Educate** employees – Give them the information and tools they need to make informed decisions; (2) **Engage** them in the process – Motivate employees to take charge of their benefits and their financial futures; and (3) **Ensure ease-of-use** – Take away the complexity and the fear of making mistakes with simple, do-it-for-me features that allow employees to get the most out of their benefits.

"The commitment of *The Principal 10 Best Companies – 2006* to education, engagement, and ease of use has made a tremendous impact on the value both employers and employees receive from their benefits. As a result, their ability to attract the very best employees, reduce turnover, and boost productivity has made these companies the envy of their competitors," says Renee Schaaf, vice president, Principal Financial Group.

See www.principal.com/theprincipal10best/bestpractices.htm for education best practices, interactive checklists, and benchmark charts. ■

Redefining Retirement

(Continued from page 1)

employees about how to achieve the retirement goals can go a long way toward improving employees' perception of their retirement plan benefit."



To address the savings issue, Tapia says that, according to cultural studies, Latinos tend to have a shorter time horizon about the future than Whites and

Asians. "When Latinos are asked to define the future, they tend to respond, 'the next three to five years,'" Tapia says. Whites, by comparison, typically will say "the next generation," and Asians, "the next century."

When it comes to culturally sensitive retirement communications, Tapia says that retirement plans should be marketed in a culturally competent way, creating communications that move diverse employees to action. Therefore, a 401(k) education program that does not take into account these general multicultural perspectives about the future is only "scratching the surface."

According to the U.S. Census Bureau, the Latino community is the largest and fastest-growing minority group (42.7 million) in the country. African Americans are the second largest minority group (39.7 million), followed by Asians (14.4 million), American Indians/Alaska natives (4.5 million), and native Hawaiians and other Pacific Islanders (990,000). One in three U.S. residents (33%) belongs to a racial or ethnic minority group, a figure which is expected to reach 40% by 2050. Thus, creating unique materials and messages that all employees can relate to impacts employees' awareness of retirement benefits and helps maximize retirement savings. ■

Financing Benefits . . . *(Continued from page 1)*

looking at the root causes of costs and taking control of them going forward. We refer to them as 'Progressives.'"



While Progressives offer benefits that are competitive within their industry/size segment, understand employees' greatest financial and lifestyle concerns, and are highly interested in helping employees address their needs (particularly in maintaining a healthy lifestyle, providing access to mental health counseling, retirement planning, and work-life balance programs), these employers look to the future rather than in the rearview mirror, says Gene Lanzoni, Prudential vice president of Global Marketing Research.

"It's surprising how many employers are not focused on promoting a healthy environment," says Hemond. "Obesity is a huge issue. Smoking carries enormous costs. Mental health counseling is another area companies should focus on. The employers that try to keep employees healthy in both mind and body are the ones who get it."

In addition, Progressive firms are more willing to use targeted benefits communication and personalization "so that the right information is getting to the right people at the right time," says Lanzoni. The survey shows that they are also more in sync with employee financial and lifestyle needs and more responsive to diversity trends. ■

Spectacular Snowshoe Trip Brings Team Gemini Together Again

Team Gemini enjoyed a healthy turn out for its first annual snowshoe trek. Thirty folks in all boarded the bus bleary eyed and bushy tailed at 7:30 on Saturday morning, February 10. Fueled by muffins, coffee and companionship, the crowd chatted and chuckled all the way to Estes Park. In Estes, The Warming House and Footpaths of the World provided snowshoes, poles and trail guides. Then it was on to Rocky Mountain National Park for the real fun. Participants were able to choose just the right route and intensity level to suit their individual needs. And so, four groups set out on the trails in good spirits under light snow. Upon the groups' return to Bear Lake trailhead – the rendezvous point, the mood had evidently experienced an increased in elevation commensurate with the altitude. The ride home was peppered with lively reminiscences of fun tumbles, minor tribulations and beautiful surroundings – as well as a few well-earned Zs.



As David Rabb, Gemini Group, Inc. Individual Health Consultant, summed it up, "It was exhilarating -- an excellent opportunity to have an initial snowshoe experience in a spectacular venue. The quick adjustment to the shoes and the thrill of coming down through powder was all great. But the best part was the getting to know people and experiencing the camaraderie of Team Gemini. ... I would encourage those that didn't participate to consider doing so in the future."

For more information about Team Gemini events, contact Team Captain Michael Jolie at 720-207-2332 or Michael.Jolie@GeminiGrp.com.

Do you have part-time or non-eligible employees not covered on your group health plan? Gemini Group, Inc. can help!

Recent changes to Colorado insurance law have made it easier to get these workers health insurance coverage. Gemini Group, Inc. can show you how to best use these changes to your advantage.

Benefits at no cost to the employer- Under the new guidelines, a company can now help workers obtain affordable individual health insurance coverage at no cost to the employer.

Helps eliminate COBRA problems- An employer can now help terminated employees obtain an option to COBRA that usually will cost less and move them off the group plan.

Cover dependants no longer eligible for a group health plan- When a dependant graduates or reaches an age where they are no longer eligible for a group plan, an employer can help by contacting Gemini Group, Inc. to get them covered on an individual health plan. It's easy to apply for individual health coverage at www.geminigrp.com. Call Gemini Group, Inc. at (303) 757-1234 to find out how our team of consultants can help find exciting new solutions to all your benefit needs. ■

The HRinsider SM bulletin is brought to you each month courtesy of **Gemini Group Inc.**, a UBA member.

For more information, contact us at info@geminigrp.com

Or visit our website:
<http://www.geminigrp.com>

..... Bulletin Briefs

- ◆ *OSHA Reminds Employers to Post Workplace Injury Summaries*
Employers must post from February 1 to April 30, 2007 a summary (Form 300A) of the total number of job-related injuries and illnesses that occurred in 2006 as logged on OSHA Form 300. Employers with 10 or fewer employees and employers in certain industry groups are exempt from this recordkeeping and posting requirement.
- ◆ *OSHA Releases Pandemic Guidance*
OSHA's *Guidance on Preparing Workplaces for an Influenza Pandemic* divides workplaces into four levels of risk ranging from low to very high based on proximity of workers to infected people. The guidance offers specific recommendations for each risk level as well as some general advice. The guidance is available at www.osha.gov.
- ◆ *FDA Approves First Nonprescription Diet Drug*
The first over-the-counter weight-loss pill, Alli, is a half-dose version of a prescription medicine Xenical. The FDA says Alli should be used by overweight adults, combined with a reduced-calorie, low-fat diet and exercise. GlaxoSmithKline will sell a book about Alli and weight loss before the drug hits the stores this summer. Alli will cost about \$2/day.
- ◆ *DOL Mandates Electronic Filing for Form 5500 in 2008*
Beginning on or after January 1, 2008, the DOL has made e-filing mandatory for the Form 5500 and Short Form 5500. In addition, the DOL has proposed eliminating Schedules E (ESOP Information) and SSA (Annual Registration Statement Identifying Separated Participants with Deferred Vested Benefits) in anticipation of the e-filing mandate. ■

Voluntary Products to Complement Your Core Package

Find out how Gemini Group can help you implement a voluntary benefits package that will complement your company's core benefits. Three of the most important objectives for an employer in managing personnel issues are:

- Attracting and retaining loyal workers
- Providing employees choice and security in their benefits package
- Managing the organizations dollars

Voluntary benefits have proven to be important offerings that address each of the three objectives. Selecting the right benefits, communicating them properly and administering them efficiently is the Gemini advantage.

Gemini is licensed with over 20 of the largest voluntary companies in the country thus allowing us to pick the carrier and product to fit your company's needs. We seek to achieve the right balance that ultimately helps your organization better manage costs and attract and retain loyal workers. ■

