

Solutions Spotlight

March 2010

What Financial Lessons Did Americans Learn in the Past Decade?

The Principal Financial Well Being Index was completed in the fourth quarter of 2009. The report revealed much about how employees were feeling about their financial state, the events of the past couple of years and their plans for the future. Key findings include:

- **Events that impacted your financial well being.** The number one impact listed was the price of gasoline in 2008, followed by both the drop in real estate prices and the financial markets.
- **Economic Perceptions at the end of 2009.** Opinions varied, but 37 percent of employees said they felt better off now than at the beginning of 2009. On the other hand, 44 percent of employees noted that they were “cautious” about the future and 17 percent of employees were “pessimistic.”
- **Strategic steps for the future.** Not surprisingly, 74 percent of employees plan on spending less in the future. Thirty-two percent of employees plan to set aside an emergency fund and 33 percent of employees plan to pay off credit card debt. Finally, participants plan on using more online resources to monitor their accounts on a regular basis.

So what does all this mean for your plan? Most participants are still cautious to pessimistic about their future. Education is paramount to promoting better understanding and participation. Contact Forrest Ross at fross@wha.org for specific ideas on educating your participants about your plan.

Source: Retirement Plan Advisory Group, “Retirement Report,” February 2010

When Did You Last Review Your Non-Qualified Plan?

In lieu of economic events, many companies are turning to non-qualified plans in an effort to reward and retain key employees. Non-qualified plans offer greater plan design flexibility and cost control. With overall 401(k) plan participation decreasing and many plan sponsors re-evaluating their company match, a non-qualified plan is a key benefit worth exploring. Much has changed in the non-qualified environment over the past few years and WHA Financial Solutions offers independent consulting to non-qualified plans as well. Our services range from investment analysis, plan design, funding vehicle, employee communications and more. If you have interest in learning more about the benefits of a non-qualified plan or would like us to evaluate your current plan, please contact Forrest Ross at fross@wha.org.

Source: Retirement Plan Advisory Group, “Retirement Report,” February 2010

Work Trends in 2010

As businesses begin to hire in greater numbers this year, Manpower, Inc. has identified a number of hot trends that are likely to impact your business this year. From virtual workplace solutions, to flexible schedules and knowledge management - these trends will help your company be more successful in 2010.

The Agile Workforce

You will always have a place for your top talent. However, your workplace structure may need to look different than it did in the past. This new structure might include hiring contract workers or outsourcing projects or even whole functions of your business. Allowing employees to have more flexible schedules and telecommute rather than travel can make a significant difference in employee satisfaction and productivity. Evaluate your company from the top down to recalibrate who is making the business run, and consider all your available labor options in deciding how all your essential workers can be best utilized and accommodated.

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Virtual Work

Embracing technology can increase productivity, enhance service and expand the geographic area in which your business operates. Creating a virtual workplace by providing employees with remote access to a company's information network and computer systems allows a business to keep valuable employees, forge collaboration and improve efficiency. You can also create virtual meetings by combining real-time desktop sharing with phone conferencing so your employees can "meet" without having to travel. Business managers should explore these technology options when reassessing their workplace requirements and plans for the future.

Retaining Knowledge

The retirement of the vast baby boomer generation in today's workforce can mean a mass exodus of information that is vital to a company's success. How are you going to ensure that the valuable information residing with your employees is shared and preserved? Well before a worker retires, employers should put systems into place that facilitate the transfer of employee knowledge. This process is referred to as knowledge management.

Knowledge management does not wait for casual transition meetings to take place. Instead, employees should produce, organize and build an information database so that new employees do not have to duplicate prior efforts, waste time and money, or worse, lose the information permanently. These systems are especially important for employees with vitally important information related to a company's proprietary technology, as well as sales and marketing information and strategies. There should also be a continuous, sustained effort to make this information easily accessible. Businesses that do not yet have knowledge management systems in place should develop strategies to best preserve information in a structured, organized way.

As you move forward in 2010, stay ahead of the competition by realistically assessing your company, adapting to change and tap into trends that will allow your company to thrive and grow.

Article courtesy of HR and Benefits Essentials

How Does Your Dental Plan Stack Up?

Knowing how your benefit plans compare to other groups can be helpful when evaluating your current plan. The following information, which comes from a variety of sources, offers some insight into the current buying patterns of groups with dental coverage.

Services	Percentage of groups with coverage
Annual max of \$1,000	52%
Annual max of \$1,500	28%
Annual max greater than \$1,500	8%
Annual max greater than \$1,000, but less than \$1,500	10%
Annual max less than \$1,000	2%
Coinsurance of 100/80/50	70%
Greater than 100/80/50	9%
Less than 100/80/50	21%
Endo/Perio in Basic	70%
Endo/Perio in Major	7%
Endo/Perio Split	23%
Orthodontia for adult & child	40%
Orthodontia for children only	30%
No ortho coverage at all	30%
U & C 90th or higher	63%
U & C 85th	3%
U & C 80th	12%
U & C 75th	2%
U & C 50	1%
Scheduled benefits	19%

For help evaluating your current benefit plans, contact a member of WHA Financial Solutions benefit team at 800-362-7121 or whafs@wha.org.

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