

Best-of-Breed Products and Services
Customizing the best benefits packages



Today's large, progressive employers seek the best employees to help them produce exceptional products and services for a global marketplace. They look for those people who excel at what they do because these are the employees who will help the company rise to the next level of performance and success. They know the contributions these employees bring to the company are well worth the investment to find, hire and retain them.

Highly qualified, motivated employees will always be in high demand. As the job market tightens, recruiting and retaining talented employees will be crucial to a company's success, and even survival.

What will shape the next generation of employee benefits for these sought after employees? According to two recent studies^{1,2} :

- Benefits do matter. A majority of employers say that using their benefits packages to retain employees is more important than controlling benefits costs. As companies continue to face the challenge of retaining highly qualified employees, benefits are emerging as the key point in their decision making process.
- There is a strong correlation between employees' satisfaction with benefits and loyalty to their employer. Nearly 60 percent of respondents who were highly satisfied with their benefits also said benefits were an important reason in deciding to remain with the company².
- Employees want to be better informed about their benefit choices. That includes educating them about the options and keeping them up to date on their plans.
- Lifestyle benefits are a win for both employees and employers. Employees are seeking more healthy lifestyles, which boosts productivity and attendance for employers.
- Online tools for communicating about and managing benefits are increasing in popularity with employees and employers alike.

To provide innovative benefit programs, progressive employers will seek out the best carriers with the most to offer.

Progressive employers seek excellence

Recent research shows that 11 percent of companies with 50 or more employees nationwide consider themselves “progressive” when it comes to benefits. That number is expected to increase to more than 50 percent of employers by 2010³.

The study described these progressive employers as currently offering competitive benefit plans, understanding their employees’ financial and lifestyle concerns, and highly interested in helping them meet their needs. These employers are especially concerned about helping employees maintain a healthy lifestyle through a range of programs. More importantly, they aren’t just thinking about enhancing their benefits plans, they are taking steps now to reach these goals in the next five years⁴. These steps include introducing flexible workplace arrangements, mental health counseling, and a variety of programs to promote a healthy lifestyle and work/life balance.

In a frequently one-size-fits-all world, customized benefits packages appeal to progressive employers for several reasons:

- They want to recruit, hire and retain the best-of-the-best employees.
- An aging workforce has higher benefits expectations and needs.
- A more diverse employee group consisting of singles, women, older workers, and employees with non-traditional households are making more decisions about their benefits choices.
- Employees are more concerned about their financial security than ever before.
- Companies need to get the best value for their benefits dollar.
- Benefits tailored to employee demographics have greater appeal.

When it comes to hiring the best, 41 percent of employees with young families say the benefits offered were important in their decision to accept their position. When it comes to retaining the best employees, 36 percent of Baby Boomers say benefits are the reason they stay with their company; that number soars to 50 percent for pre-retirees⁵.

More mature workers may have different needs and expectations for their benefits. They may seek elder care, long-term disability, and supplemental medical or extended care. All workers, regardless of age, are seeking a more holistic approach to their lives by combining work, health and wellness.

According to a recent study, 83 percent of employees desire to achieve a healthy lifestyle. While only about 40 percent of progressive employers plan to address this benefit request by 2010⁶, all will continue to seek ways to close this gap with lifestyle programs to help employees manage their health and balance the demands of work and family.

More comprehensive benefit packages are not without cost to employers. Yet, despite expected higher costs and expenses, eight in 10 plan sponsors remain committed to offering competitive benefits plans⁷. The largest companies, those with 10,000 or more employees, are solidly positioned and are unwilling to allow competitors to surpass them in terms of benefits offerings⁸.

As costs for benefits increase, the decision-making process becomes more complex. With employees shouldering a greater part of the cost through contributions and voluntary benefits, companies are soliciting their input not only for what benefits they want, but also which carriers they want to provide those plans. Business areas beyond human resources are also playing a bigger role in the benefits-selection process. With more frequency, finance, risk management and procurement areas are joining human resources in this complex process.

While it might be tempting for companies to settle for an off-the-shelf program that addresses their benefits needs, a customized best-of-breed program may be the best solution for employers and their employees alike.

Some of America's most admired companies, such as FedEx, Southwest Airlines, Johnson & Johnson, and Dell are the best-of-breed in their industry. Their approach to doing business has paid off in terms of customer loyalty, employee satisfaction and long-term success. They have set the standards for their industries by positioning themselves to provide their customers with the value, support and innovation they expect. These standards translate to the life and health insurance industries as well.

Looking for outstanding group life options

Borrowing a definition from the technology industry, the best-of-breed approach seeks easy-to-integrate solutions where the product strengths are aligned with the needs and requirements of the organization.

A superior group life industry leader should offer:

- **Products** to provide the choices and price options that appeal to employers and employees.
- **Value-added services** that include customized programs to communicate benefits information and help employees make informed decisions.
- **Long-term relationships** that provide responsive service and stability as well as synergy between organizations.
- **Customer service** that builds loyalty through superior care and attention to customers.
- **Technology** that supports busy administrators and allows employees to help themselves.
- **Innovation** that meets changing marketplace needs.
- **Strong values** that build client trust and market share.

Delivering premier group life options

We have historically set the industry standards for group life insurance service — and continue innovating to take them to the next level. Employers and employees can depend on us to be the group life carrier that provides the progressive options they expect and demand.

We offer:

Products

Employers can select from group term or cash-value life insurance. Both of these products will help companies recruit and retain employees, and provide them with the financial security they need.

Value-added services

Healthy employees are more productive and spend less time away from the office due to illness. As a leading group life insurance provider, our goals include helping companies promote healthy lifestyles and keep their employees healthy. We have teamed up with Ceridian LifeWorks to offer a premier employee health and wellness program, with measurable ROI, alongside our group life benefits programs.*

Consumers spend more time deciding to buy a pair of shoes or high-definition television than choosing their employee benefits. When they do consider their benefits options, they want solid information to help them make a good choice. We provide the information employers and employees need to make educated benefits decisions in the format they choose – in print, online or in person. And, to help cut through the clutter of benefits messages and busy schedules, we personalize materials to improve response and participation.

Customer service

Our retention rate is 99 percent**, the highest client retention rate among leading companies in the group life insurance industry. In a recent customer satisfaction survey, 100 percent of respondents said they were satisfied with the overall quality of service we provided.

Long-term relationships

Best-of-breed carriers develop long-term relationships not only with their clients, but also with other quality service providers. To find solutions for clients, we engage partners to provide dental, health and wellness, will preparation, beneficiary financial counseling, diversity credits, and global pooling. As a life carrier, we will match the definition of a disability on a premium waiver to the one used by the disability carrier.

Technology

As a leader in web enhancements for group life insurance, we added such customer-inspired features as “real-time” medical underwriting in 60 seconds or less, online quoting and transaction history for cash value accounts, sending underwriting status updates via e-mail, online beneficiary management for all benefits and more.

Innovation

We work with an employer to streamline the delivery of products and services for short-staffed benefits departments and for employees who want to be more proactive in managing their accounts. We pioneered online enrollment for large employee groups and we continually upgrade our systems based on customer feedback.

Strong values

We continue to live by our central values. These values include financial strength, client focus and doing what is right for the client. In all of our activities, we adhere to a philosophy of mutual respect and conduct that excels.

For more information

To learn more, contact the group sales manager in your region or call our national sales office at 1-800-606-LIFE (5433) or visit www.lifebenefits.com.

Sources:

1, 3, 4, 6, 7, 8 Study of Employee Benefits: 2006 & Beyond, The Prudential Insurance Company of America, Inc., 2006.
2, 5, Study of Employee Benefits Trends, MetLife, 2007.

**Health and wellness services are offered and administered by Ceridian LifeWorks who is solely responsible for their content and provision. The services are not affiliated with Minnesota Life, Securian Life, nor its policyholders and may be discontinued at any time. Ceridian is one of the top human resources outsourcing companies in each of its markets, and offers a broad range of human resource services. With a 30-year history of providing health and productivity solutions — including EAP, Work/Life, and Health and Wellness programs — Ceridian has a reputation of innovation, quality, and customer service excellence.*

** As of December 31, 2006

Minnesota Life Insurance Company

A Securian Company

Securian Life Insurance Company

A New York admitted insurer

400 Robert Street North, St. Paul, MN 55101-2098
1.800.606.LIFE (5433) • 651.665.7898 Fax
www.lifebenefits.com

Variable Products are distributed by **Securian Financial Services, Inc.**
Securities Dealer, Member FINRA/SIPC. • 1.888.237.1838

©2007 Securian Financial Group, Inc. All rights reserved.

F62382-16 Rev 2-2009
A00658-0209