

# THE BEST MADE PLANS

Learn which Canadian plan sponsors ranked highest for member satisfaction in this year's *30 Best Pension and Benefits Plans* report.

BY APRIL SCOTT-CLARKE

**THE** Old Boys' Club that once dominated the Canadian workforce has been replaced with a more inclusive group. Today's labour market is a diverse population with a variety of different needs—needs that employers must try to accommodate if they want to continue to attract the best talent in their industries. The organizations listed in Canada's *30 Best Pension and Benefits Plans* ranking know how it's done.

## Topping the Charts

This year's ranking is dominated by the financial industry. Nine financial services organizations made the cut, with five nabbing spots among the top 10.

"[Banking] is a very competitive environment. With the shortage of resources, we all have to make sure we are cutting edge and be conscious of what drives engagement," says Maryse Corbella, director, total rewards and HR systems, with Business Development Bank of Canada (BDC). And she should know—BDC took the No. 1 spot for the second year in a row. "I'm proud that our design meets the needs of all our demographic groups," Corbella adds. "We put a lot of effort into helping people understand the programs."

Other financial institutions that fared well were Wellington West Holdings at No. 5 and Envision Financial in the No. 6 spot. The pharmaceutical, biotechnology and life sciences industry was also well represented, with a total

## GIBSON ENERGY

*This marketer and mover of oil and natural gas has refined its benefits program to meet the needs of its diverse workforce.*

By April Scott-Clarke

**W**ith everyone in the oil patch competing for the same limited resources, the flexible benefits plan and defined contribution (DC) pension plan offered by Gibson Energy make it an attractive organization—and No. 4 in the *30 Best Pension and Benefits Plans* ranking.


### Diverse Options

Gen-Yers make up 13% of the Gibson Energy workforce, generation X workers represent 42%, baby boomers are another 42% and traditionalists, 3%. With such an eclectic group of employees, the midstream operator moved from a traditional benefits plan to a flexible benefits plan six years ago. "The flexible benefits plan was introduced to accommodate the intergenerational groups," says Rick Luciani, vice-president, human resources and administration.

The company-paid plan covers all of the standard items (extended medical, dental, vision care) at the highest level and includes a number of unique components, such as critical illness insurance, a wellness plan and a health care spending account (HCSA). "These things are not standard within our industry. We have some new and innovative pieces in our plan, and a lot of companies haven't gone down that road yet," says Tawnie Soufi, manager, compensation, benefits and HRIS, with Gibson Energy.

If employees want a lower level of coverage or want to opt out of the medical and dental coverage altogether, they can use their leftover flex credits to buy vacation, top up their group registered retirement savings plans (RRSP), add to the wellness account or HCSA, or they can take the excess credits as taxable cash.

At the head office in Calgary, employees have access to the free on-site gym. While that isn't much of a perk for those in field locations such as Hardisty or Moose Jaw, Gibson employees can use the wellness



**Rick Luciani,**  
vice-president,  
human resources  
and administration

plan to buy gym memberships or cover the fees of other sports clubs or teams. "[It's for] anything that shows an ongoing physical activity commitment from the employee," explains Luciani.

Soufi adds that the company is very health-minded. "There is a culture that comes from the top...that really believes healthy employees are productive employees, and we want to encourage our employees to have healthy lifestyles."

### Accommodating Schedules

Just as Gibson Energy recognizes that the health and wellness requirements of its employees vary, it recognizes that the same flexibility is needed to balance their work and personal commitments.

"With the flex hours, you can start as late as 9:30 and end your workday as early as 3:30," Luciani says. "You can start at 7:30 and finish at 3:30 in the afternoon, if that accommodates your schedule." For people with school-aged children and

those who volunteer, take courses or just want to get away early on a long weekend, these work hours are a definite bonus.

"As long as you are here for the core hours of the day, we can work around start and end times," he adds. Gibson Energy is also looking into alternative work arrangements so that employees can work compressed weeks or work from home when necessary.

But the flexibility doesn't stop there. The company also offers flex days. In addition to the minimum three weeks of vacation (up to a maximum of five weeks after 17 years of service), each employee gets an additional day off per month. That's an extra 12 paid days off a year.

"For the young people coming into the workplace, they're looking for a more flexible work environment, more time off, and more career opportunity and advancement. We try to develop our programs with those ideas in mind," says Luciani.

**"FOR THE YOUNG PEOPLE COMING INTO THE WORKPLACE, THEY'RE LOOKING FOR A MORE FLEXIBLE WORK ENVIRONMENT, MORE TIME OFF, AND MORE CAREER OPPORTUNITY AND ADVANCEMENT. WE TRY TO DEVELOP OUR PROGRAMS WITH THOSE IDEAS IN MIND."**

### Promising Pension

Gibson Energy has an employer-matched DC plan with a 6% minimum contribution. But, unlike the benefits and working arrangements at the company, the pension plan is not flexible. In fact, it's mandatory.

"There was a strong feeling from the pension committee that we had a responsibility as a corporation to help employees start [better preparing for retirement]," says Luciani, about why the plan became mandatory. He adds that, despite the amount of flexibility employees enjoy in other areas of the company, most people accepted the new provision. "There were some who didn't want to put 6% of their salary to the pension plan. For those individuals, we allowed them to start their contributions at 3% and, over a period of time, move up to the 6% level. We compromised."

Flexibility and compromise are essential in any good employer-employee relationship, as is the ability to recognize differences among people, their lifestyles and their needs—skills that Gibson Energy has honed.

"We look at it as, every individual is unique," says Soufi. "Our concern is that, if every person is an individual, how can we accommodate them? To me, that is how we meet the diverse needs of our workforce—by treating everyone as a unique person." **BC**

## HOW THE LIST WAS SELECTED

We turned to our research partner, Hewitt Associates, to select the organizations listed in Canada's *30 Best Pension and Benefits Plans* ranking. During the last year, Hewitt conducted extensive employee research among more than 150,000 Canadian workers in more than 200 organizations, identifying those in which the employees expressed high levels of engagement and satisfaction with their benefits programs. The employers listed here may not always have the most innovative programs, but they are the ones that employees are most happy with. As part of the criteria, organizations had to meet a minimum level of employee engagement, which explains why many of these organizations have also been named in Hewitt's *50 Best Employers in Canada* study.

of four companies in the ranking. "Pharmaceuticals and financials, including banks, insurance companies and credit unions—those are industries that have had talent challenges for a long time," says Neil Crawford, principal with Hewitt Associates and leader of the *30 Best Pension and Benefits Plans* study. "They've been very focused and very intentional about what's going on in the work environment and making change."

On an individual level, Intuit Canada and Gibson Energy stood out for having benefits programs that were easy to use. Gibson Energy also shone for giving employees a sufficient amount of choice, as did AstraZeneca, Envision Financial, and Prospera Credit Union and Insurance Agency. Envision and Prospera also scored well in communicating benefits programs. JTI-MacDonald, L'Union Canadienne and Intuit were the highest scoring for communicating retirement savings programs.

### How the 30 Best Compare

When it comes to having employees that are happy with their pension and benefits plans, the companies among the *30 Best* are leading by example.

According to the data gathered by Hewitt, on average, 84% of employees working for companies in the *30 Best* agreed or strongly agreed that their benefits meet their needs and the needs of their families. The overall Canadian average is 67%.

When asked if the benefits program was easy to use, 82% of those working in the *30 Best* companies said they agree or strongly agree, while only 69% of employees overall said the same.

When asked if "My benefits program is important in my decision to stay with this organization," 73% of employees among the *30 Best* companies agreed or strongly agreed. The average across all employees is 59%.

When asked if the organization's communications have helped employees gain a good understanding of their benefits programs, 80% of employees in the *30 Best* agreed or strongly agreed with the statement. When asked the same about communicating retirement savings programs, 69% agreed or strongly agreed. On the whole, the Canadian average is 64% for benefits communications and only 55% for pension/retirement communications.

These results show the importance of thoroughly communicating HR programs and keeping workers engaged. Offering pension and benefits programs that meet employees' specific needs leads to happier employees. And, satisfied employees who understand the value of the benefits offered are more likely to stay with the organization.

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# CANADA'S 30 BEST PENSION AND BENEFITS PLANS

## 1 Business Development

**Bank of Canada**, Montreal  
Offers financial, investment and consulting services to small businesses.  
**Industry:** Banks

## 2 AstraZeneca Canada

Mississauga, Ont.  
Provides research and development in areas such as gastrointestinal and oncology.  
**Industry:** Pharma, Biotech and Life Sciences

## 3 L'Union Canadienne

Quebec  
Offers personal and commercial insurance products.  
**Industry:** Insurance

## 4 Gibson Energy Ltd.

Calgary  
Markets, transports and distributes oil and natural gas.  
**Industry:** Energy

## 5 Wellington West

**Holdings Inc.**, Winnipeg  
Offers financial and investing services.  
**Industry:** Diversified Financials

## 6 Envision Financial

Langley, B.C.  
Offers financial products and services for both personal and business accounts.  
**Industry:** Diversified Financials

## 7 EllisDon Corporation

London, Ont.  
Offers a range of construction services including public infrastructure.  
**Industry:** Capital Goods

## 8 JTI-Macdonald Corp.

Mississauga, Ont.  
Manufactures cigarette brands such as Camel, Salem and Winston.  
**Industry:** Food, Beverage and Tobacco

## 9 CONEXUS

Regina  
Offers credit union banking services, financial planning, real estate and mortgage brokerage.  
**Industry:** Diversified Financials

## 10 Prospera Credit Union and

**Insurance Agency**, Abbotsford, B.C.  
Provides financial products and services for individuals and businesses.  
**Industry:** Diversified Financials

## 11 Intuit Canada

Edmonton  
Develops e-finance, small business accounting and tax preparation software.  
**Industry:** Software and Services

## 12 PCL Constructors Inc.

Edmonton  
Provides contractor services in commercial buildings, civil infrastructure, and heavy industrial construction.  
**Industry:** Capital Goods

## 13 Northern Savings

**Credit Union**, Prince Rupert, B.C.  
Offers personal and commercial banking and insurance and investment services.  
**Industry:** Diversified Financials

## 14 National Bank of Canada

Montreal  
Offers financial services to businesses and individuals.  
**Industry:** Banks

## 15 Midwest Surveys Inc.

Calgary  
Provides geomatics services for oil and gas, construction and municipal applications.  
**Industry:** Energy

## 16 Canadian Western Bank

Edmonton  
Offers financial products and services for both personal and business accounts.  
**Industry:** Banks

## 17 Ceridian Canada Ltd.

Mississauga, Ont.  
Provides HR and payroll solutions.  
**Industry:** Commercial Services and Supplies

## 18 OMERS

Toronto  
Administers the pension plan for Ontario municipal employees.  
**Industry:** Diversified Financials

## 19 Abbott Canada

St-Laurent, Que.  
Researches and develops pharmaceutical, medical and nutritional products.  
**Industry:** Pharma, Biotech and Life Sciences

## 20 GlaxoSmithKline Inc.

Mississauga, Ont.  
Markets prescription medications, vaccines and various health products.  
**Industry:** Pharma, Biotech and Life Sciences

## 21 Novartis Pharmaceuticals

**Canada Inc.**, Dorval, Que.  
Researches and develops pharmaceuticals, nutrition, eye care, and animal health products and services.  
**Industry:** Pharma, Biotech and Life Sciences

## 22 BC Biomedical

**Laboratories Ltd.**, Surrey, B.C.  
Provides medical diagnostic services.  
**Industry:** Healthcare Equipment and Services

## 23 Business Objects

Vancouver  
Provides business intelligence software.  
**Industry:** Software and Services

## 24 Aecon Group Inc.

Toronto  
Provides public construction and infrastructure development services.  
**Industry:** Capital Goods

## 25 ATB Financial

Edmonton  
Offers financial services for individuals and businesses, including the agri-industry.  
**Industry:** Diversified Financials

## 26 Deloitte & Touche LLP

Toronto  
Offers auditing, merger and acquisition, and enterprise risk services.  
**Industry:** Commercial Services and Supplies

## 27 Nexen Inc.

Calgary  
Searches for, develops, produces and markets natural gas, crude oil and power.  
**Industry:** Energy

## 28 Dillon Consulting Limited

Toronto  
Offers professional services.  
**Industry:** Commercial Services and Supplies

## 29 Procter & Gamble

Toronto  
Provides consumer goods in areas including beauty, health, wellness and pet care.  
**Industry:** Household and Personal Products

## 30 The Co-operators

Guelph, Ont.  
Offers group, individual, business and farm insurance.  
**Industry:** Insurance

For a more detailed ranking, visit [www.benefitscanada.com/extras](http://www.benefitscanada.com/extras).

# CERIDIAN

Employees like choice, and this HR and payroll solutions company offers it in all aspects of its work environment.

By April Scott-Clarke

For Sylvia Klarer, director of talent management, with Ceridian Canada, her morning commute is about 30 seconds—maybe a bit longer if she stops for a coffee when she passes through the kitchen. Klarer, like 300 of the company's 1,480 employees, has a "virtual" position.

The program, recently highlighted at Hewitt Associates' 50 Best Employers conference, is "not only a productivity enhancer for us, it's also a huge retention tool," says Klarer.

When she first started with the company almost three years ago, Klarer made the daily drive from her home in Ancaster, Ont. to the Mississauga, Ont. office. "On a good day, it was an hour-and-a-half commute; if there was an accident, it was

two hours one way," she recalls.

Once in the office, she would close her door, sit at her desk and work. Because Klarer's role focuses on process in the workplace, she deals with all 11 offices across the country, and most of her meetings are done over the phone or via Internet. Some days, the only face-to-face interactions Klarer had were with the people she passed on the way to the water cooler.

"[Going virtual] seemed like a natural progression," she says, admitting that driving every day was starting to become too onerous and hindered her ability to create a reasonable balance between her home and work responsibilities. "Working virtually allows me to better manage my time and my responsibilities."

Since going virtual after her first year, Klarer's productivity has skyrocketed and she's been able to establish an excellent work/life balance. "I have aging parents in the community and small children. The fact that I can plug in at seven in the morning and unplug at 10 [minutes] to five gives me time to get around the corner to my kids' school and get them into after-school programs, and to take my parents to their doctor appointments," she explains. "I spend a lot of time travelling [for work], and I wouldn't be able to manage it all if I wasn't working from home."

The virtual program has been in effect at Ceridian for four years. It was implemented due to issues with office space in the larger locations and the need to retain valuable talent that would otherwise have been lost when restructuring caused smaller locations to close. Currently, 20% of the Ceridian workforce is in the program.

Although some may think that "working from home" is code for watching TV, caring for children or doing housework, Klarer says that isn't the case at Ceridian. The company monitors the work output of the virtual staff as they would for any other staff member, and those working from home need to meet the same objectives and quotas as their in-office colleagues.

For Ceridian employees, being away from the office doesn't mean being out of



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Sylvia Klarer, director of talent management

touch. In fact, research from Hewitt indicates that the virtual employees have higher engagement scores than the rest of the Ceridian workforce—87% are strongly engaged, compared to 79% of employees with more traditional work arrangements. And the performance results show that the program is a success. "Our virtual people are getting a disproportionate amount of rewards and recognition," says Klarer.

People in virtual positions are still very much a part of the Ceridian team and are eligible for the same benefits and retirement savings programs as those in traditional roles. Ceridian has a defined contribution pension plan to which the employer contributes 4% of employee earnings, and employees have the option of making additional contributions. The company also has a group registered retirement savings plan (RRSP) and a deferred profit sharing plan (DPSP).

"The DPSP is part of the total rewards system," says Reg Kehler, manager, benefits, with Ceridian. Five percent of the net operating profit is allocated to employees based on the number of hours worked. Full-time employees can choose to take up to 50% of this bonus in cash or have all of it deposited in a pension-like vehicle. As per focus group feedback, "the DPSP is one of the vehicles that, in the employees' minds, distinguish us

from other companies," says Klarer.

Ceridian also offers employees a flexible benefits plan complemented with a health care spending account (HCSA), a personal spending account and a \$300 fitness subsidy. Employees get enough flex credits to cover the third tier of health and dental coverage (out of the five tiers that the company offers). Excess credits can be transferred into the employee's personal spending account, HCSA or group RRSP. The option to transfer flex credits to the group RRSP or personal spending account is new this year.

"I think what defines us is the choices we offer employees," says Kehler. "We have a diverse workplace. People have many different preferences. Giving them the ability to choose what works is the way Ceridian accommodates them."

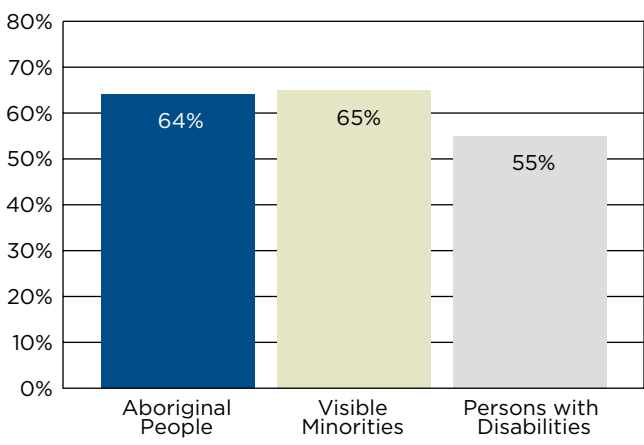
From work arrangements to retirement savings and benefits, the employees at Ceridian are empowered to make the decisions that best suit their personal and working needs. It's really no surprise that this company is included in the *30 Best Pension and Benefits Plans* ranking. **BC**

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## Startling Discovery

The responses gathered from people working with disabilities were significantly more negative than those of the average Canadian worker. People with disabilities were much less engaged (55%) than the average employee (64%). They were also less satisfied with their benefits. Only 55% said that their benefits plans met their needs and the needs of their families well, 58% said their benefits programs were easy to use, 54% said they had sufficient choice in their benefits plans, 56% felt the organization's communications helped them gain a good understanding of their benefits, and 47% said the same about retirement savings communications. In each category, the numbers

## ENGAGEMENT BY EMPLOYMENT EQUITY ACT GROUP



were from seven to 13 points lower than the Canadian averages.

"Here is a clear issue," says Crawford. "Here is a group of people who are feeling disenfranchised compared to the average population. This was a surprise to me, and I am guessing this is a surprise to many employers." He suggests that employers spend time with employees who have disabilities to learn their challenges and reasons for feeling less engaged and less satisfied, and then address those issues. Doing so will become even more important as the baby boomer generation ages. "As we go forward with the broadening definition of disability, and the breadth of conditions...and as the workforce gets older, it means we are going to have more disabled people in the workforce," he adds.

## Lessons Learned

The companies in the *30 Best* ranking are in tune with the needs and desires of their workforces, and other Canadian organizations can learn some important lessons from their strategies.

**Talk Retirement** – When employees across Canada were asked if the organization's communications helped them gain a good understanding of their pension and retirement savings programs, the overall average was 55%. Those in the *30 Best* scored around 70%. This was the lowest scoring category.

"While the employers in the *30 Best Pension and Benefits Plans* survey do it well, there is still a fair bit of room for improvement," says Crawford. He adds that companies need to take into account how they communicate with people of different cultures and age brackets. "How we, in North America, traditionally see providing and protecting our families in the future is very different than those from other countries and cultures."

**Focus on Delivery** – A program design that meets the needs of your workforce is just one part of having successful benefits

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# COMMUNICATION IS KEY

By April Scott-Clarke

**P**CL Constructors Inc. and Northern Savings Credit Union offer very different services in two very different industries. One provides contractor services in commercial buildings, civil infrastructure, and heavy industrial construction; the other provides investment and banking options to businesses and individuals. PCL's organization in Canada has almost 2,000 employees while Northern Savings' payroll carries fewer than 200 names. However, both companies have a traditional benefits plan with blanket coverage and a defined contribution (DC) pension plan.

How can these plans be so similar yet meet the needs of different workforces? It's all about communication.

"We aren't out there in front with the trendy benefits. We offer a solid, comprehensive plan that looks after our employees' welfare," explains Naomi Gould, manager, employment services, HR and professional development, with PCL. "We respond to their feedback and their input. We are willing to listen and willing to look at what we are offering employees to make sure that [the plans are] still meeting their needs."

Ellen Little, manager, human resources, with Northern Savings in Prince Rupert (a small community in northern British Columbia), echoes Gould's sentiments. "What we do is provide a well-rounded basic plan. I really believe that employees truly appreciate it, but it's not specifically targeted," she says. "We have done a lot of communication about what we have and what it costs for us to provide it."

## Benefits in Brief

PCL provides its employees with a traditional benefits plan that is 75% employer-paid. The plan includes health, dental and vision care coverage as well as a health care spending account (HCSA). Unused HCSA funds can be transferred into the group registered retirement savings plan (RRSP). PCL also has a DC pension plan in which it gives a 100% match on employee contributions, with company contributions capped at 5%.

The company has wellness committees at each district across the country, each with its own initiatives. For example, the committee at the head office has arranged for a massage therapist and reflexologist to come in on a rotating basis. PCL also offers third-party discounts on gym memberships. "As a company, we are very much in support of wellness," says Gould.

At Northern Savings, employees also enjoy a traditional benefits plan and a DC plan with a 100% employer match up to 5% in the first five years of service, 6% in years six to 10, and 7% from 11 years of service onward.

Some of the other perks that Northern Savings offers include an education reimbursement program that covers the cost of professional development courses and what the company calls "employee space." Two of the company's six locations have already implemented the employee space initiative—both spaces are exercise/games rooms equipped with items such as exercise bikes and Ping-Pong tables. "We provide the space; they decide what to do with it. It's really employee-driven," explains Little.

## Getting Satisfaction

The benefits and pension plans offered by PCL and Northern Savings are not Cadillac plans, but both companies have received high satisfaction scores from employees regarding

these benefits. Why? Because they help their employees understand the value of their benefits. These companies do more than just listen to what employees want; they take an active approach in informing employees of what they have and what they are eligible for.

At Northern Savings, the communication starts before a job offer is made. "When I interview perspective employees, I don't just talk about pay. I talk about pay and benefits and education," says Little, adding that when people are hired on, "benefits information is at our employees' fingertips through our intranet."

It's a similar situation at PCL. During employee orientation, new hires receive a detailed benefits package and the opportunity to ask questions in a one-on-one meeting. "We provide detailed information about all of our benefits via our company intranet site," says Gould. PCL also issues company-wide bulletins whenever a change is made regarding benefits.

Even more important, benefits communication evolves according to employees' needs. "We are actually in the process of collecting feedback from employees about our benefits communication and which components they would like more information about, and how they would like to receive that information," she adds.

Despite the differences between the two companies and the plan details, both maintain the same focus on good communications practices—and, given their status on the *30 Best Pension and Benefits Plans* list, it's clear that employees are taking notice. **BC**

# ASTRAZENECA CANADA

When AstraZeneca employees speak, the company listens.

By April Scott-Clarke

Pharmaceutical companies typically employ a variety of people from different professional and cultural backgrounds, and their desires are just as diverse. To ensure they are attracting the best talent, companies have to get an edge on the competition. For AstraZeneca, that edge is its ability to take action and show employees that their needs and wants matter.

As part of a total rewards survey conducted in 2005, employees were asked to compare the value they placed on various benefits components. According to Bev Haines, lifestyle solutions manager, with AstraZeneca, employees expressed an interest in the opportunity to buy extra vacation days and to purchase company stock.

AstraZeneca reviewed the results and

took action. Now, employees can purchase up to five extra days of vacation, as opposed to the three days previously allowed.

The company also implemented an employee stock purchase plan in January 2008. "When we got that feedback, we wanted to make sure our program was maintaining its competitive nature," says Haines. "By adding in a new benefit, it shows the company is listening to employee feedback."

But these are just two of the perks that have earned the company its No. 2 spot in the *30 Best Pension and Benefits Plans* ranking. In the ongoing quest to attract and retain the best in the industry, AstraZeneca has strategically aligned its flexible benefits program with its retirement savings options.

The company gives employees enough flex dollars to cover the top level of dental and medical insurance, and two times their salary in life insurance and accidental death and dismemberment. Employees can put excess flex dollars into a health care spending account, a personal spending account or the optional savings plan. They can also use them to purchase company stock.

AstraZeneca employees have a defined contribution (DC) pension plan to which the company makes basic contributions of 5%. Employees can contribute up to 6% to the optional savings plan and get a 50% company match, which goes toward the employee pool of flex credits and the DC plan. "In the pharma industry, there are very competitive benefits and retirement savings programs. What may be unique about ours is that our flexible benefits are intertwined with our retirement savings," says Haines.

Another interesting aspect of the AstraZeneca benefits program is that employees can use the personal spending account to pay for "lifestyle costs" as well, such as tax preparation, childcare and airfare for family vacations.

"We understand there isn't a one-size-fits-all program. That's why the flex benefits program is so successful. Individuals can choose their level of coverage based on their needs...[and] there's a lot of flexibility with the flex credits," explains Haines.

It's this type of flexible thinking that keeps employees engaged and helps AstraZeneca remain an employer of choice. **BC**

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and retirement programs. Delivery plays a big role in a program's success. "Don't put all your money into the program design," advises Crawford. "Put money into your delivery system and the communication around the benefits. You can get a much better return on your investment if you do that." Try to look at all of the aspects of managing the benefits and retirement programs.

**Create a Positive Environment** – Make employees feel valued. Strive to provide a flexible workplace. These initiatives will reap better rewards for a company than just providing solid benefits and retirement savings programs. "If you're creating the right kind of work environment overall, that is going to help increase satisfaction with benefits," says Crawford. "Employees aren't going to judge the benefits separate from everything else that is going on in the work environment."

## Looking Ahead

The workforce and employee needs have changed over the past five to 10 years. Tim Clarke, Canadian practice leader for benefits consulting with Hewitt, says three major trends have emerged.

**1. Increased Choice** – We are a consumer-based society that expects to have choice in our lives, and benefits plans are no exception. "Flexible benefits plans are becoming commonplace. Most large employers in Canada either have or have contemplated [moving to] a flexible benefits plan. With some of the improvements in technology around administration, I think we will start to see [flexible plans] in smaller organizations as well," says Clarke. "Flex plans can increase employee satisfaction, and in a lot of cases, because of the education that goes along with these types of plans, flex plans can lead to cost reductions in the long term."

**2. Health Promotion** – Employers are shifting toward providing tools and incentives for employees to stay healthy, rather than just looking to benefits to cover expenses when they get sick. One factor behind the wellness push, as Clarke explains, is that employers will start to see increasing health and disability costs as the baby boomers age. "Employers will have more of an incentive to help their employees stay healthy in the first place."

**3. Cost Control** – The cost of providing benefits plans is increasing faster than inflation, so employers need to continue to look at ways to manage plans in a cost-responsible manner. "It's really about getting the bang for your buck," says Clarke, adding that companies are focusing on giving employees what they need at a manageable cost. "Sometimes, that means distinguishing between what employees need and what they want." For example, an employer may cover generic drugs instead of brand name products. Also, due to changes in tax legislation, providing retiree benefits has become more costly.

Clarke says there has been a noticeable reduction in retiree benefits, as a means to control costs, and he expects this trend to continue.

The Canadian workforce is a dynamic, eclectic mix of people. Employers need to provide retirement savings and benefits options that reflect that mix if they want to be competitive. As the baby boomers leave the workforce, attracting and retaining employees is going to become even more difficult. However, the *30 Best* ranking shows that employees do notice and appreciate customized plans that are communicated well, making these plans valuable HR tools. **BC**

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GEORGE

Bev Haines,  
lifestyle solutions  
manager