

Business News & Notes

Rebuilding After The Storm: How Some Companies Survived And Thrived

(NAPSA)—As businesses rebuild from the economic storm, lessons can be learned from companies that not only survived but thrived during the worst of the downturn.

A group of those companies say one key to their success is remaining committed to strong employee benefits in good times and bad. In fact, they view benefits as more of an investment than an expense.

The companies have been recognized by a national program for excelling in helping employees feel financially secure: *The Principal 10 Best Companies for Employee Financial Security*.

“Investing in quality people and having them stay with us for the long term helps us produce a better product and a better service,” said Steve McDermott, CEO, PriMed Management Consulting Services, one of *The Principal 10 Best*.

“Folks will remember how you treat them during times of stress. Even though in the short run we may spend more on benefits, in the long run it will pay off for us,” explained Jeff Walker, CEO, Shenandoah Shared Hospital Services, a 10 Best winner.

While the recent recession brought significant financial pressures to bear, the winning companies found the right balance between budgets and benefits. A majority of them devote a high share—30 to 40 percent—of their total compensation budget to benefits.

“*The Principal 10 Best* know that strong benefits can help attract and retain employees, reduce turnover, enhance productivity, increase customer satisfaction and, ultimately, boost the bot-



Investing in employees, especially during difficult times, is an investment in the business.

tom line—even during difficult times,” said Luke Vandermillen, vice president of the Principal Financial Group, sponsor of the 10 Best program.

The companies are benefiting from their investment. The average voluntary turnover rate of *The Principal 10 Best* over the five-year period through 2008 was just under 9 percent. That compares to an average voluntary employee turnover rate of just over 22 percent among all U.S. companies over the same time frame, according to the Bureau of Labor Statistics.

“We are committed to providing the best benefits package we can. How can we expect our employees to take exceptional care of our customers if we aren’t taking exceptional care of our employees?” said Bob Smith, CEO, Psychological Assessment Resources (PAR, Inc.) and 10 Best winner.

The companies are sharing their stories in a new booklet available for free at www.principal.com/10best. Companies that think their benefits best practices deserve national recognition can fill out the entry form available at www.principal.com/10best.