



Executive Benefit Plans: Has the Pendulum Swung Too Far?

A Series Examining the Changes and Growing Challenges
in Executives' Retirement Plans -- and How to Address Them

A Guide to Executive Benefit Technology

Whether a company offers a deferred compensation match, a series of executive benefit plans, or is just getting started with design and implementation, it is extremely important to have high-quality, advanced technology to implement a plan.

Today, many companies want a common access point for all of their executive benefit plans so they can see information specifically about both the non-qualified plan and the qualified plan.

Current, aggregated data is important. Dashboard illustrations that provide clear and concise summaries of an executive's financial standing and recent changes also are in high demand.

Given the sensitivity of executive benefits information and the apparent hacking attacks many companies are suffering, protecting data is very important both for competitive purposes and avoiding embarrassment.

At the same time, because many companies run diverse operations with time-pressed executives

often on the road, ensuring secure and private access to plan information becomes especially challenging.

When it comes to executive benefits technology, there are three areas where excellence should be the standard.

Customized Approach

No matter how complex the company's executive benefits or the number of participants, plan sponsors want the administration and related technology to be user-friendly. In practical terms, this usually means:

- A professionally staffed client service center that addresses the concerns of participants and plan sponsors.
- Online tools and resources to streamline plan administration.
- A full suite of communications approaches to educate executives about non-qualified plans, including webcasts, videoconferences, and teleconferences.
- Online enrollment and performance statements.

Provider's Knowledge and Skills

To keep up with continuous changes in plans pertaining to variations in investment values, allocations, or distributions, plan sponsors often want to work with firms that have experience in the specialized area of non-qualified plan administration.

With stricter compliance issues and regulations that must be carefully watched, expert technical administration and systems are essential.

For accounting and financial reporting purposes, it is also important that technology applications on non-qualified benefits are integrating with the

corresponding systems and processes at companies. The plan provider should have well-established relationships with the insurance companies and mutual funds that are involved with the executive benefits to ensure timely and accurate information.

Solid Infrastructure

Another critical area to address is an ample, scalable data center for the technology. Required items include a power supply that is not interruptible, backup power, and fire protection (through an inert gas suppression system).

To make sure your company is using the most appropriate technology for its executive benefits, please contact your Todd consultant or visit our website at www.toddorg.com.



www.toddorg.com

A Todd University Press Bulletin, Copyright 2011, The Todd Organization, All Rights Reserved. The Todd Organization does not engage in the practice of law or accounting. Anything contained herein dealing with legal, tax or accounting matters should be discussed with your legal, tax and accounting advisors. The Todd Organization is independently owned and operated and not affiliated with The Northwestern Mutual Life Insurance Company, Milwaukee, WI or its affiliates.