

**CASE STUDY**

HOSPITAL

**RETOOLING RETIREMENT PROGRAM  
IMPROVES RECRUITING AND RETENTION****Issue or Challenge:**

A mid-sized Southern New England Hospital was struggling to attract and retain high quality employees. Studies suggested that the Hospital's pay structure was much more competitive than those of other area hospitals and local employers. The Hospital's own studies and exit interviews identified low average-years-of-service among current employees, and that employees had little appreciation for or knowledge of their contributory defined benefit retirement plan.

**Sibson Consulting's Approach:**

Sibson and the Hospital's Retirement Committee worked together to:

- Understand the organization's business objectives and strategy (before addressing plan design evaluation and alternatives)
- Evaluate the Hospital's current retirement programs against the Committee's retirement philosophy ("gap analysis") and highlight aspects of the current retirement programs that required modification
- Develop alternative retirement plan designs (i.e., cash balance, pension equity, etc.) and evaluate designs against the Hospital's strategic philosophy
- Select possible best designs
- Evaluate financial and demographic impact of new designs
- Modify designs based on financial and demographic impact, and select final design structure
- Re-evaluate final design against strategic retirement philosophy and business drivers
- Create an implementation protocol and employee communications campaign

**Results:**

- By developing a retirement strategy that reflected the Hospital's business needs, the organization can now better attract quality talent and retain key long-service employees
- Positive employee feedback about the retirement program employee understanding and appreciation of the retirement program increased significantly