



# Columbus Compensation Association

November 2007

## In This Issue

- Upcoming Breakfast Presentation
- About the Speaker
- Sneak Peak – Upcoming CCA Meeting
- Last Meeting Review
- NEW!! 2008 WorldatWork Courses
- Book Winners
- In The News
- WorldatWork Bookstore
- Membership Benefits
- CCA 2007 Board Members
- About CCA

## Contact Us

<http://www.columbuscomp.org>  
[info@columbuscomp.org](mailto:info@columbuscomp.org)

## Meeting Announcement

### Breakfast Presentation

**Thursday, November 8, 2007**

The Fawcett Center, 2400 Olentangy River Rd.

## In the Trenches: What Works & What Doesn't When It Comes To Rewarding Employees?

**Presenter: Marc Wallace, Hay Group**

### Schedule

|                      |                  |
|----------------------|------------------|
| Registration         | 7:45 - 8:00 a.m. |
| Breakfast            | 8:00 - 8:30 a.m. |
| Keynote Presentation | 8:30 - 9:30 a.m. |



| <u>Cost</u>     | <u>Member</u> | <u>Non-Member</u> | <u>Student</u> |
|-----------------|---------------|-------------------|----------------|
| Meeting Keynote | \$30*         | \$40              | \$10           |

**Registration Due Date: Thursday, November 1, 2007**

\* No meeting cost for those who prepaid membership and meeting package for 2007.

## Program Overview

### In the Trenches: What Works & What Doesn't When It Comes To Rewarding Employees? (Presented at the 2007 WorldatWork Total Rewards Conference)

Total rewards are a major financial investment that directly impacts organizational effectiveness and competitiveness. In this session, Marc Wallace shares the results of a pioneering research study of WorldatWork members that focuses on the characteristics which make an organization's reward system effective. Participants learn the linkages to organizational effectiveness and where to focus their efforts in order to make their organizations' reward programs more effective.

The study methodology was unusual. Most studies ask multiple-choice questions, which are easy for participants to complete and easy for researchers to analyze. But multiple choice questions focus on what the researchers think is important and limit participants' responses. Instead, this study asked open-ended questions that gave compensation professionals the freedom to tell the researchers what they think makes their organizations' rewards effective and what needs to be improved.

This presentation reports on what compensation professionals believe are:

- The most important characteristic or attribute that makes their organization's rewards effective.
- The one or two key things their organizations must do to improve their rewards systems.

## About the Speaker

### Marc Wallace, Hay Group

Marc's expertise covers broad-based incentive and sales incentive design. He also assists clients in establishing strong base pay structures, total rewards approaches and performance management tools. He provides counsel regarding executive compensation and director compensation practices when requested from clients.

#### Delivering results for clients

Marc has worked in a wide variety of industries addressing assessment and pay issues. Marc's recent clients include Tenet Healthcare, Ontario Power Generation, Cessna Aircraft, Bally Total Fitness, Sony, Hitachi, STAR Financial Bank, FBL Financial Group and Eskom South Africa. Marc has assisted clients in the Americas, Europe, Asia and Africa.

#### Areas of expertise

Marc is a Senior Consultant with the Midwest Region of Hay Group. Marc is accountable for regional direction of the Incentive Pay practice as well as projects in general rewards practices and executive compensation. In recent years, Marc's work with clients and research in the field has been published in the World at Work Journal, HR Magazine, the New York Times and other publications. Marc is a frequent speaker nationally on rewards topics in addition to assisting clients to strategically address critical compensation issues.

#### Marc's education and affiliations

Marc received his Bachelor Degree in Economics from the University of Wisconsin in Madison, WI. He has an MBA from the Garvin International School of Management (Thunderbird) in Phoenix, AZ and a Certification in Administration from the College of Applied Economics of the University of Aix-Marseille in Aix-en-Provence, France.

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## September 18th Meeting Review

By Sarah Skala, CCP, PHR

*Can Base Pay Really Reward Performance?* presented by Pat Zingheim and Jay Schuster on September 18th was a very lively discussion. As always, Pat and Jay brought new insights to the pay for performance topic. The figures they highlighted on salary budget increases and structure adjustments really showed what companies see in the market. (action steps to reward performance with base pay were outlined so they can be implemented in any size business. The seminar following the breakfast presentation, *Retaining Talent and Building a Performance Culture Through Pay and Rewards*, went into detail on the total rewards concept to boost performance, with a focus on variable incentives. Throughout the seminar, Pat and Jay answered specific questions from attendees. Overall, both events were valuable to those in the compensation field.

Their website [www.paypeople.com](http://www.paypeople.com) has articles that can be downloaded. Also, you can visit the following link [http://www.schuster-zingheim.com/SZATRB\\_Aug\\_2007.htm](http://www.schuster-zingheim.com/SZATRB_Aug_2007.htm) to sign up for their *SZA Total Rewards Bulletin*.

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## Sneak Peak - February Meeting Announcement

**Topic: Health, Wellness, and Cost Containment**

**Presenter: Dr. Dee Edington**

**Save the Date: Tuesday, February 5th – Breakfast Meeting**

Please save the date for the Columbus Compensation Association's February Breakfast Meeting. More details to follow.

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## Professional Development 2008 WorldatWork Courses

Below is a listing of the NEW 2008 WorldatWork courses offered in Columbus, OH.

April 21 – 23, 2008

B1: Fundamentals of Employee Benefits  
C1: Regulatory Environment

July 9 – 11, 2008

C4: Base Pay Management  
T11: Fundamentals of Equity Rewards

October 6 – 8, 2008

T3: Quantitative Methods  
C5: Elements of Sales Compensation

Suggestions for upcoming professional development classes? Simply email Amanda Linard, CCA Professional Development Chair at [amanda.linard@cardinal.com](mailto:amanda.linard@cardinal.com).

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## September 18th Meeting Book Winners!

Congratulations to our September 18th Breakfast Presentation Book Winners!

Winners received copies of **High Performance Pay: Fast Forward to Business Success** by Patricia K. Zingheim and Jay R. Schuster AND **Pay People Right** by issued byW@W.

### **November 8th Meeting Prizes:**

Don't forget to drop off your business cards at the registration desk on November 8<sup>th</sup> to be entered in a drawing to receive a popular compensation or benefits book.



## In the News

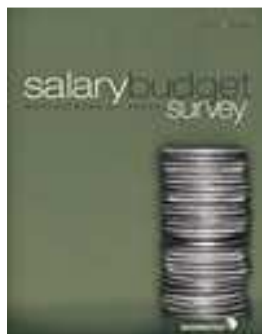
- The Department of Labor has unveiled a final rule establishing qualified default investment alternatives, making it easier for employers to enroll workers automatically in their 401(k) and other defined-contribution plans. The department projects that the final rule, which resulted from the Pension Protection Act (PPA), will increase retirement savings in 401(k)-type plans by as much as \$134 billion by 2034. The regulation implements PPA provisions providing relief to plan fiduciaries who invest the assets of participants who do not provide investment direction (such as automatically enrolled workers) in qualified default investment alternatives (QDIAs). The QDIAs described in the rule will encourage the investment of employee assets in investment vehicles appropriate for long-term retirement savings. ([www.compensation.blr.com](http://www.compensation.blr.com))
  
- The Internal Revenue Service (IRS) has announced that the transition relief for compliance with the final regulations under section 409A of the Internal Revenue Code (409A) has been extended generally for one year. Section 409A was effective on January 1, 2005 and all affected nonqualified deferred compensation plans have been required to comply with the statute since that date. Under prior guidance, these plans were required to comply in operation with the final regulations beginning in 2008. Notice 2007-86, issued October 22, generally extends the transitional period for compliance with the final regulations to December 31, 2008. The notice also confirms that the Treasury Department and the IRS expect to issue guidance regarding a correction program as soon as possible. The regulations provide guidance regarding the requirements for deferral elections and payment timing under section 409A. The regulations were in response to legislation enacted by Congress in 2004 to address concerns involving reported abuses of nonqualified deferred compensation plans. ([www.compensation.blr.com](http://www.compensation.blr.com))
  
- The average corporate health benefit expenditure in 2008 will be \$9,312 per employee—an increase of 7 percent over 2007—with annual per-employee contributions exceeding \$2,000, according to Towers Perrin's 2008 Health Care Cost Survey. In flat dollar terms, 2008 gross health care expenditures are expected to rise by an average of \$577 per employee, to an average total cost of \$9,312. Employers are expecting to subsidize 78 percent of next year's premium costs, and employees will have to cover the remaining 22 percent, plus usage-based co-pays, deductibles and co-insurance. But while the cost trend is broadly holding steady, there are significant cost differences for companies that are actively—and effectively—managing program performance. While nearly a quarter of the survey respondents continue to struggle with double-digit cost increases, nearly half of the high performers are managing to get their increases much closer to the medical CPI of about 4 percent. ([www.shrm.org](http://www.shrm.org))

**Please Note:** This material is provided as general information and is not a substitute for legal or other professional advice.

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## WorldatWork Bookstore

The following books are recommended by WorldatWork and are available for purchase at their website - [www.worldatwork.org](http://www.worldatwork.org)



### **2007-08 Salary Budget Survey**

World@Work Press

List \$210.00 USD (Members: \$150.00 USD)



**Pre-order today!**

### **Managing Employee Health Care Costs**

**A Collection of Articles from WorldatWork**

World@Work Press

List \$39.95 USD (Members: \$29.95 USD)

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## The Benefits of Columbus Compensation Association Membership

The benefits of CCA Membership:

- Discounted WorldatWork Certification Courses
- Discounted Meeting & Seminar Fees
- Membership Directory
- Discounted Meeting & Seminar Fees at WorldatWork Local Network Groups in our region
- Excellent Networking Opportunities
- Member Newsletters
- Enhancement of Professional Knowledge & Skills
- Complimentary Job Postings on CCA Website
- Individual Membership that Transfers with the Member

### 2007 Membership Dues & Meeting Fees

Option 1: Pay for dues and meeting fees separately: \$50 for membership dues, \$30 per meeting

Option 2: Pre-pay an all-inclusive package to include membership dues and all regular CCA meetings for a total cost of \$170. (Note: This does not include fees for any seminars or workshops that might be scheduled in 2007.)

## *Columbus Compensation Association 2007 Board Members*

|   |  |
|---|--|
| <p><b>PRESIDENT</b><br/> <b>Mary Ellis</b><br/>         Population Health Manager<br/>         Ohio Department of Administration Services<br/>         30 E Broad St, 28<sup>th</sup> Floor<br/>         Columbus, OH 43215<br/>         614-644-1802<br/>         mary.ellis@das.state.oh.us</p> | <p><b>VICE PRESIDENT PROGRAMMING</b><br/> <b>David Giesman, CCP, PHR</b><br/>         Director of People Services<br/>         Donatos Pizza<br/>         935 Taylor Station Rd<br/>         Columbus, OH 43230<br/>         614-416-7829<br/>         dgiesman@Donatos.com</p>  |
| <p><b>VICE PRESIDENT MEMBERSHIP</b><br/> <b>Sarah K. Skala, CCP, PHR</b><br/>         Compensation Consultant<br/>         614-563-0453<br/>         sskala@wowway.com</p>  | <p><b>SECRETARY</b><br/> <b>Michael Kalan</b><br/>         Compensation Consultant<br/>         Ohio State University Medical Center<br/>         Dept: Human Resources Shared Services<br/>         660 Ackerman Rd PO BOX 183100<br/>         Columbus, OH 43218-3100<br/>         614-293-7996<br/>         Michael.kalan@osumc.edu</p> |
| <p><b>TREASURER</b><br/> <b>Rupal Brich</b><br/>         Compensation Consultant<br/>         Sterling Commerce, Inc.<br/>         4600 Lakehurst Ct<br/>         Dublin, OH 43016<br/>         614-791-5715<br/>         Rupal_brich@stercomm.com</p>  | <p><b>COMMUNICATIONS</b><br/> <b>Teri Martise, PHR</b><br/>         Sr. Compensation Analyst<br/>         Limited Brands<br/>         3 Limited Pkwy<br/>         Columbus, OH 43230<br/>         614-415-8167<br/>         tmartise@limitedbrands.com</p>   |
| <p><b>PROFESSIONAL DEVELOPMENT</b><br/> <b>Amanda Linard, CCP, PHR</b><br/>         Compensation Director<br/>         Cardinal Health<br/>         7000 Cardinal Place<br/>         Dublin, OH 43017<br/>         614-757-7735<br/>         amanda.linard@cardinalhealth.com</p>                 | <p><b>TECHNOLOGY</b><br/> <b>Sally Wiesman</b><br/>         Director of Global Compensation<br/>         Hexion Specialty Chemicals<br/>         Sally.Weisman@Hexion.com</p>  |
| <p><b>FACILITIES</b><br/> <b>Julie Hurley</b><br/>         Sr. Compensation Consultant<br/>         Cardinal Health<br/>         7000 Cardinal Pl<br/>         Dublin, OH 43017<br/>         614-757-4487<br/>         Julie.hurley@cardinalhealth.com</p>  |  |

### *About Columbus Compensation Association*

A major purpose of the Columbus Compensation Association (CCA) is to enhance and promote the total compensation profession through the participation of members in seminars for their career growth and personal benefit. To serve this purpose, CCA is pleased to sponsor WordatWork seminars.

Is there anything you would like to see in upcoming issues of our newsletter? Please send feedback to [info@columbuscomp.org](mailto:info@columbuscomp.org).

