



### From the Chair – Arnie Silverman

As I think back about the almost ten years that I have been a CACC member, it amazes me how much our organization has grown and changed. From beginnings as a small informal group we have become a meaningful, and I believe influential, part of not only the total rewards profession in the Charlotte area, but also of WorldatWork which represents the profession globally. While we are certainly not the largest of the WorldatWork local network organizations, we do offer more courses annually than other groups other than WorldatWork itself, and as such we have been recognized as a well organized and important part of the organization. This is evidenced by our being able to bring Anne Ruddy, President of WorldatWork, here last year to address our group. Further evidence is WorldatWork's invitation for one of our Board members to join the Local Network Advisory Board, a role which Robin Bernstein, our Vice Chair for 2007, has held for both 2006 and 2007.

Change will continue, both in our profession and for our organization. Hopefully you have had an opportunity to visit our newly redesigned web site, our most obvious change so far this year. If not, please check it out. We have tried to make it more professional, easier to navigate and more informative. Feedback on the changes and suggestions for additional changes or additions are welcome. The annual membership survey, which you should have received by now, will give you that opportunity. Your feedback via the survey is very important to us, because it guides your Board of Directors in the decisions we make. This organization exists to benefit you. Your input is important to help us provide those benefits.

An additional change, which may not yet be as visible as the web site, is our ability to now accept credit card payments for guests at our membership meetings and for new and renewal membership fees. This is something members have been asking about for some time. We are also investigating other new initiatives, such as a mentoring program, which we will be seeking your feedback on in the coming weeks.

Your Board of Directors is a group of volunteer, dedicated professionals, who work hard on behalf of you and the organization. While we only have four membership meetings a year, the Board meets monthly all year. Arranging the member meetings, course offerings, newsletters, web site and other related tasks takes a great deal of time and effort, but our Board members and committee members manage to get it all done. I am proud of this team and know you will be too as we welcome the 2007-2008 CACC year.

If you have questions or concerns please feel free to contact me or any Board member. Contact information can be found on the web site. I look forward to seeing you at our next membership meeting in May.

Regards,

Arnie Silverman

---

### New Members

We are pleased to welcome the following new member:

**Anthony A. Fears** – Human Resources Manager,  
Blumenthal Performing Arts Center

**Karly Allison**-Compensation Consultant, First Charter  
Bank

**Sheryl Solomon**-Director Compensation, Compass  
Group

Please contact Bob Corbett, "Compensation Matters" editor for 2006, at (704) 731-4378, with member news that you would like to share.

**2007 CACC Board Members  
and Committee Chairs**

**CHAIRPERSON**

ARNIE SILVERMAN ..... 704/752-3605

**VICE CHAIRPERSON**

ROBIN BERNSTEIN ..... 704/733-5099

**TREASURER**

AMY POORE..... 704/731-3563

**SECRETARY**

KIM HEFFERNAN ..... 704/330-6672

**MEMBERSHIP DIRECTOR**

DELANE HUNEYCUTT..... 704/336-5700

**EDUCATION DIRECTOR**

DONNA CRAWFORD..... 704/940-1524

**MEMBERSHIP MEETINGS DIRECTOR**

BRANDON CONKLE..... 704/844-3096

**PUBLIC RELATIONS DIRECTOR**

BOB CORBETT ..... 704/731-4378

**DIRECTOR AT-LARGE**

DARYL BENNETT ..... 704/330-5513

**EX-OFFICIO**

LAURA WILLIAMS ..... 704/373-7572

**BUSINESS MANAGER**

NORIE SANCHEZ ..... 704/319-2288

\*\*\*\*\*

**Upcoming Events/Education**

**Membership Meetings (mark your calendars):**

May 16, 2006

**WorldatWork Certification Courses:**

July 30-August 1, 2007 –

**T-12** – Outsourcing and Managing HR Services  
Partners

**C-4** - Base Pay Management

**B-2** - Retirement Plans Design and Management

October 10-12, 2007 –

**T-3** - Quantitative Methods

**C-6A** – Advanced Concepts in Executive  
Compensation

**C-12** – Alternative Reward Systems Improving  
Productivity and Competitiveness

*For more information, or to register,  
contact WorldatWork Customer Relations at (877) 951-  
9191,  
or visit [www.worldatwork.org](http://www.worldatwork.org)*

**CACC Academic Scholarship Program**

The CACC Academic Scholarship Program was created to provide an incentive for, and assist CACC members with, the continuation of their pursuit of higher education in their HR-related career.

A scholarship, in the amount of \$1,000, will be awarded to qualified members of the Charlotte Area Compensation Council (CACC). The candidate must be a member in good standing with CACC pursuing either an undergraduate or a graduate degree in an HR-related field through an accredited institution of higher learning. Full-time, part-time, online and distance learning programs are acceptable. This scholarship is a one-time, annual award. In future years, previous applicants and past scholarship recipients are eligible to re-apply each year.

Scholarship Applications must be postmarked by **April 15<sup>th</sup>** of each year to be considered for an award. Additional information about the program, and an application, can be found on the CACC website, [www.caccweb.com](http://www.caccweb.com).

If you have any questions about the CACC Academic Scholarship Program, please contact CACC's Business Manger at [businessmanager@caccweb.com](mailto:businessmanager@caccweb.com).

**Quotes**

*“There are two types of ideas: those based on perception and those based on knowledge. Perception is based on opinion; knowledge is based on fact.”*

**Plato**

*I'm proud to pay taxes in the United States; the only thing is, I could be just as proud for half the money."*

**Arthur Godfrey**

## Compensation Quotes

\*\*\*\*\*

*"In a recent independent survey of 800 full-time U.S. workers, aged 18 and older, when it comes to employment, 94% of the respondents said it was either "critical" or "important" that they work for an ethical company. Further, 82% of respondents said they would prefer to be paid less and work for a company with ethical business practices than to receive higher pay at a company with questionable ethics."*

**World At Work – Workspan weekly article dated December 29, 2006**

*"In the past few years, we have seen HR executives become increasingly focused on activities related to cultural transformation," ... "Performance management and 'pay-for-performance' programs are among the important tools in transforming culture..."*

**ORC Worldwide President Robert Freedman**

### 2007 CACC Perfect Attendance Award

CACC is offering up to three CACC (non-Board) members the opportunity to win a FREE WorldatWork Certification Course – all you have to do is attend all four member meetings in 2007, starting with the 2/7/07 Annual Meeting. (If there are more than three Perfect Attendees, the three winners will be selected by random drawing). Winners can use their award to attend a CACC-sponsored certification class and exam in 2008 – an over \$900 value! Simply attend all four meetings and be sure to sign the attendance sheet located at the sign-in table where you pick up your nametag before the meeting. We hope you will be winner this year!

## Our Next Member Meeting: Wednesday, May 16, 2007

Our next **CACC Meeting** will be Wednesday May 16<sup>th</sup>. Please plan on joining us for this informative and interactive presentation. The Hay Group will present a discussion on: "2007 FORTUNE Most Admired Companies: Who they are, how they got there, and other key insights." Since 1997, Hay Group has partnered with FORTUNE to research the Most Admired Companies. This annual study of leading companies gives insight not only into who is doing well, but what practices they follow to achieve – and in most cases, maintain – their position.

In addition to the lists of leaders, each year Hay takes an in-depth look at what separates the best from the rest. Past research studies have focused on a wide range of topics, including attraction and retention of talent, leadership development, performance management, strategy implementation, innovation, and success in operating globally. In 2007, Hay investigated issues related to board governance and effective human capital management. This year's research extends their previous findings in important ways by shedding light on the role boards play in helping companies develop and leverage talent.

The presentation will outline how the study of the World's and America's Most Admired is conducted, provide an overview of the findings, and reveal insights from hay's in-depth look at board governance and effectiveness.

*The meeting will be held at the Westin Charlotte Hotel, 601 South College St., Charlotte.*

*The meeting will begin at 7:45 AM with a breakfast buffet and networking period. The program will begin at 8:30 AM; and will end by 10:00 AM.*

### CACC Website



Be sure to visit our website at [www.caccweb.com](http://www.caccweb.com)

## Wellness Incentives...Designing an Effective Strategy

### Contributed By AON Consulting

It is not easy to change one’s behavior—particularly when it means replacing the foods we enjoy with healthier alternatives, finding time to exercise, giving up smoking, or adopting ways to effectively manage stress in our daily lives.

Fortunately, many employers recognize the direct correlation between the health of their employees and the ability to effectively manage future health care and productivity costs. Consistent with the move to “consumerism,” plan sponsors have begun to modify benefit strategies to include programs that encourage employees to lead healthier lives and make more educated health care purchasing decisions. As a result, wellness and disease management programs have become commonplace in all industries.

### Role of Incentives

Experts agree that incentives should be included as an integral part of a comprehensive wellness strategy. Effectively designed incentive programs can significantly increase participation in wellness programs because they create awareness; give individuals the extra “nudge” they need to get started; reward participants for initial efforts toward behavior change; and strengthen the communications message.

The challenge employers face is designing an incentive program that has broad appeal across the employee population, without unnecessarily eroding potential return on investment (ROI).

### Types of Incentives

Incentives come in many forms, with rewards typically based on participation in, or completion of, certain programs such as Health Risk Assessments (HRA) and lifestyle behavior courses. A few employers have begun to develop multi-faceted scorecards where individuals can earn points based on certain activities and/or biometrics. These points then qualify the individual for lower medical plan deductibles and/or lower employee contributions.

More common marketplace initiatives include:

- Discounted health plan premiums

- Raffles, drawings, and prizes
- Paid time off
- Use of paid company time for program participation (e.g., weight loss, smoking cessation)
- Workplace recognition of teams or individuals
- Paid parking or special reserved parking space
- Discounted or free “healthy” meals in the cafeteria
- Employer contributions to 401(k), health savings account, flexible spending account, or health reimbursement account programs
- Health incentives (e.g., wellness credits, reimbursement of gym memberships, pedometers)

### Wellness Incentives – Decision Matrix

<b><i>Eligibility</i></b>	<ul style="list-style-type: none"> <li>• Employees enrolled in a self-insured plan option</li> <li>• Employees enrolled in an insured HMO</li> <li>• Others (e.g., spouses, retirees, opt-outs)</li> </ul>
<b><i>Type of Behavior to Reward</i></b>	<ul style="list-style-type: none"> <li>• Completion of a Health Risk Assessment (HRA)</li> <li>• Participation in lifestyle management program</li> <li>• Completion of lifestyle management program</li> <li>• Should employees already following a healthy lifestyle be rewarded, or only those identified as moderate or high risk? If the latter, how will risk be determined (e.g., single vs. multiple risk factors)?</li> <li>• Is it desirable to reward progress in the right direction, or only attainment of certain biometric levels (e.g., cholesterol below 200, BMI less than 25)?</li> </ul>

**Wellness Incentives – Decision Matrix**

<b>Type/Level of Incentive</b>	<ul style="list-style-type: none"> <li>• Is choice appropriate (e.g., cash, wellness credits, reduced contributions)?</li> <li>• Do different populations require different types of incentives (e.g., actives vs. retirees, management vs. bargained)?</li> <li>• Would a focus group or survey help identify motivational needs?</li> <li>• Should incentives differ by location?</li> </ul>
<b>Administration</b>	<ul style="list-style-type: none"> <li>• How much internal tracking is required?</li> <li>• Is vendor assistance desirable and necessary?</li> <li>• Will a scorecard be used to measure and track results?</li> <li>• If linked to medical plan contributions, can payroll process change?</li> </ul>
<b>HIPAA Compliance</b>	<ul style="list-style-type: none"> <li>• Does the incentive approach involve health factors to determine eligibility or contributions (e.g., health status, claims experience, receipt of health care, medical history, genetic information, evidence of insurability, disability)?</li> <li>• If so, does the approach comply with HIPAA guidelines?</li> </ul>
<b>Communication</b>	<ul style="list-style-type: none"> <li>• What is the best way to get the message out?</li> <li>• What has worked effectively in the past with other programs?</li> <li>• How will we keep the message alive throughout the year?</li> <li>• How can we effectively engage spouses?</li> </ul>
<b>Results vs. Expectations</b>	<ul style="list-style-type: none"> <li>• How will we measure the success of the program and the role incentives played?</li> </ul>

**Incentive Program Design**

Designing an effective incentive program entails a bit of trial and error. Here are some considerations:

- What works in one company may not work in another.
- It is helpful to include choice, where possible. Some employees will be motivated by drawings in which they have a reasonable chance of winning a prize, whereas others need to know that there is a reward for every individual who participates.
- Certain types of incentives (e.g., waived or lower copays, lower premiums) tie the cost of health care to an individual’s health behavior, consistent with the philosophy of “consumerism.”
- It is generally not a good idea to offer inordinately low incentives in year one with the fallback position of increasing them in year two.
- Incentives add cost to wellness programs, so employers should try to understand their value, in aggregate, prior to implementation.
- Vendor ROI projections typically do not account for the cost of incentives.

Appropriately designed wellness incentives will increase program participation and opportunities for behavior change—ultimately resulting in healthier, happier, and more productive employees.

***For more information on this topic, contact Aon Consulting at 1.800.438.6487.***

**Exclusive WorldatWork Conference Incentive for CACC (WorldatWork Local Network) Members**

Dear Charlotte Area Compensation Council Member:

WorldatWork and CACC invite you to attend the WorldatWork Total Rewards Conference & Exhibition 2007, May 6-9 Orlando, Fla. Join more than 2,000 of your colleagues from around the world and learn innovative approaches to initiating compensation, benefits, work-life and total rewards programs that engage your workforce and contribute to business success. From distinguished keynote speakers and innovative workshops to an exhibit hall filled with the latest products and services—you'll be sure to acquire

the knowledge and tools you need to attract, motivate and retain a talented workforce.

In partnership with CACC, WorldatWork is pleased to offer you exclusive conference registration fees.

**Register after March 30, 2007**

\* WorldatWork member exclusive registration fee: \$1,595 USD (save \$100)

\* CACC and WorldatWork member exclusive registration fee: \$1,495 USD (save \$100) Priority Code: WLNCNF07REG

\* Join Now Offer with conference fee: \$1,720 USD (save up to \$195)! Priority Code: WLNCNF07RGJN

*To be eligible for the reduced conference registration fees, please use the appropriate priority code listed above when registering.*

To learn more about the WorldatWork conference, visit [www.worldatwork.org/orlando2007](http://www.worldatwork.org/orlando2007). These exclusive incentives are valid through May 6, 2007 so take advantage of one of these exciting offers today by calling 877/951-9191.

Sincerely,  
CACC Board of Directors

P.S. If you have already registered, you still are eligible to receive the discount. Please contact WorldatWork's Customer Advisors team, let them know of the situation, they are a WorldatWork member and CACC local network member and should receive a discount to the WorldatWork conference. Give the advisor the appropriate marketing code below:

***Current member WorldatWork and local network: WLNCNF07REG***

Joined WorldatWork at time of registration: WLNCNF07RGJN

---

**Member Profile–Daryl Bennett SPHR, CCP, GRP, CBP**

Daryl Bennett Vice President, Human Resources for TransAmerica Reinsurance headquartered here in Charlotte, NC is another new addition to the CACC Board. Daryl's duties for the CACC are not as defined as other board members, as he takes the role of Director At-Large. In the coming months however, his role will be quite visible as he leads the efforts to create a Mentoring Program within the CACC.

Daryl, a graduate of Western Carolina began his HR career in 1981 with Best Western International in Winston-Salem. Daryl fondly remembers a unique perk of working for Best Western, complimentary rooms. After a while he joined American Express and their Credit Card Center as an HR Representative. It was then on to Novant Health care as the Corporate Recruiting Manager. Coca Cola Bottling in Greensboro was his next stop as the Division HR Manager. GE Capital in High Point soon came calling and Daryl accepted the position of Vice President, Human Resources. His final stop is with his current employer, TransAmerica Reinsurance here in Charlotte where he fills the role as Vice President, Human Resources.

As Daryl moved his way up the HR ladder, he found time to complete his Masters Degree in Political Science with a concentration in Labor Relations from Appalachian State University. Daryl also managed to convince his college sweetheart Doris to say yes to his proposal of marriage. Together they have a son Brandon who attends Western Carolina on and off and as all young people these days, is trying to discover his path in life.

Although Daryl works here in Charlotte, he considers Kernersville, NC home and commutes between the two. He can often be found fishing and meditating on his 7 acres of property which also has a bass pond. Daryl refers to this lifestyle as being a "Bachelor Monday through Thursday & married with children on the weekend".

Daryl plays golf for fun, but also really enjoys white water rafting for the excitement. His most memorable experience on the water? The time they went down the Gauley River which has class 5 rapids as well as a 12 foot waterfall. The river was quite challenging, but the waterfall was the real experience. As their raft went over the waterfall it hit a rock and catapulted their guide through the air like a man shot from a cannon. He and the other paddlers eventually floated downstream and swam ashore...exhausted!

Please feel free to meet and talk with Daryl at the upcoming meeting on May 16<sup>th</sup> about the Mentoring program.

---