

# SUCCESS STORY

## AUTOMOTIVE ORGANIZATION



### THE BACKGROUND

Through mergers, acquisitions, and sustained business performance, this automotive services organization enjoyed exponential annual revenue growth and steady expansion in a short period of time. While the explosive growth was the product of a successful business model, it also presented challenges related to the organization's retirement plan:

1. The existing plan and traditional annual enrollment process wasn't conducive to a workforce with high turnover and frequent rehiring of former plan participants.
2. An inadequate recordkeeping system led to a poor enrollment experience, inaccurate data, and potential compliance violations.

These hurdles presented an opportunity to start fresh with a new retirement plan provider. Eager to resolve longstanding inefficiency, evolve its program, and inspire employees to maximize the benefits of the retirement plan, the organization connected with Transamerica.

### THE RESOLUTION

A retirement plan tailored to fit a client's unique employee base and overall objectives can deliver unparalleled operational and administrative efficiencies. More importantly, it can lead to better retirement outcomes for plan participants. Before recommending a course of action, Transamerica's insights-driven approach started with asking the right questions — and listening to the answers. By understanding the nuances of the business, its operations, and its employees, Transamerica's team was able to identify gaps and expose bottlenecks in the system. These learnings helped us address the root cause of the issues and guided our path forward.

### OPTIMIZED PLAN DESIGN

Transamerica proposed a proactive, flexible plan design that reflected our client's business model, staffing practices, and growth strategy. The robust new plan featured agile enrollment and automation to improve the employee experience and encourage plan participation. The changes made it easier to onboard new employees — and easier for employees to participate in their retirement plan.

### AUTOMATION

A growing enterprise with a steady surge of new hires in locations across the country needs efficient, effective onboarding. Transamerica recommended automating processes wherever possible to add resiliency, minimize the plan sponsor's administrative burden, and make the experience easy for new employees.

Auto-enrolling all employees at a 2% deferral rate helped boost participation rates and make the enrollment process easier, particularly for new hires not currently investing in their retirement. It also off-loaded time-consuming tasks for HR.

### THE CLIENT

**SPONSOR:** Automotive organization

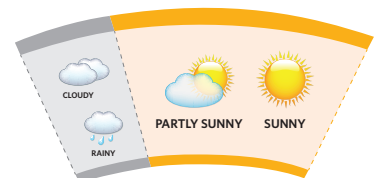
**GROUP:** 25,000+ employees

**PLAN:** 401(k)

**FOCUS:** Optimize plan design and operational efficiencies

# 64%

of employees who set up a profile have a positive retirement forecast<sup>1</sup>



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By adding auto-escalation at 1% annually (up to 15%), we built momentum and eliminated inertia that often prevents employees from adequately saving for retirement.

Automatic payroll deductions through seamless integration with our client's payroll vendor connected behind-the-scenes data feeds, simplifying administrative processes and improving the employee experience.

## SHORING UP THE DATA INFRASTRUCTURE

To realize the program's full potential, it was critical to ensure administrative efficiency and accuracy. Fed by a mix of sources and systems, the organization's employee records were riddled with errors. The unreliable data hampered enrollment, participation, reporting, compliance — even retirement outcomes. Working in close collaboration, Transamerica supported our client through the arduous task of hands-on data cleanup. After multiple rounds detecting, replacing, and correcting participant data, we were able to resolve 97.3% of the 11,000 data errors.

## A WORKING MODEL WITH RIGOR

Central to the success of this engagement was a well-defined, collaborative working model between Transamerica and our client. Through a combination of meticulous project management, strong communication, and professional camaraderie, our collective team kept in sync from Day 1 through plan transition, launch, and beyond. Staying connected to the business gave us the agility and speed to pivot when needed, tackle long-standing issues, and quickly identify and address any new concerns.



# 92.2%

participation rate<sup>1</sup>



# 97.3%

reduction in errors after  
transitioning the plan

## ABOUT TRANSAMERICA

**TOP 10**  
PROVIDER IN THE U.S.<sup>2</sup>

**4.1 MILLION**  
PARTICIPANTS<sup>3</sup>

**85+ YEARS'**  
EXPERIENCE

<sup>1</sup> As of June 30, 2022.

<sup>2</sup> "2022 Recordkeeping Survey," PLANSPONSOR, July 2022

<sup>3</sup> As of December 31, 2021

**Important: The projections or other information generated by the engine regarding the likelihood of various investment outcomes are hypothetical, do not reflect actual investment results, and do not guarantee future results. Results derived from the tool may vary with each use and over time.**

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