

## Announcing: The Principal 10 Best Companies for Employee Financial Security 2007

### Judges Laud Employee Benefits Trends Toward Wellness and One-on-One Benefit Guidance

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Des Moines, Iowa) - The Principal Financial Group® today announced the 2007 winners of [The Principal® 10 Best Companies for Employee Financial Security](#). The independent [panel of judges](#)—all experts in employee benefits—praised the winners for their consistent, holistic approach to providing a broad range of benefits. Judges also noted increased trends toward wellness initiatives, face-to-face benefits and financial guidance at the worksite and continued commitment to auto savings tools.

The national program, now in its sixth year, honors growing businesses (five to 1,000 employees) which offer excellent benefits that give employees an edge in achieving long-term financial security.

“*The Principal 10 Best Companies* understand and demonstrate that taking care of employees *is* taking care of business,” said Renee Schaaf, vice president at the [Principal Financial Group](#). “These companies face the same challenges as any other business today—skyrocketing health care costs, stiff competition for recruiting the best employees, and the ever-present pressure to do more with fewer resources. But through wise investments in employee benefits they’ve faced those challenges—and are helping to ensure their employees’ financial security. We are proud to [showcase them](#) as role models for other growing companies.”

This year’s winners come from a variety of industries, including public policy, mining, government consulting, financial services, and petroleum. The companies range in size from 21 to more than 750 full and part-time employees.

[The Principal 10 Best Companies—2007 are](#): **Badger Mining Corporation**, Berlin, Wisc.; **Business Roundtable**, Washington, D.C.; **Cobb Strecker Dunphy & Zimmermann, Inc.**, Minneapolis, Minn.; **LMI**, McLean, Va.; **National Futures Association**, Chicago, Ill.; **Placid Refining Company, LLC**, Dallas, Tex.; **PMSLIC Insurance Company**, Mechanicsburg, Pa.; **ProAssurance Corporation**, Birmingham, Ala.; **Society Insurance**, Fond du Lac, Wisc.; and **The Surplus Line Association of California**, San Francisco, Calif.

[Judges noted](#) that, in return for outstanding benefits, employees of *The Principal 10 Best Companies* are showing increased commitment and loyalty to their employers. The winners have turnover rates significantly lower than others in their industries, with an average annual voluntary turnover rate of 7.7 percent, compared to the national average of 21.6 percent.

“Employers that recognize the needs of their employees and really try to bring value through a benefits program are much more successful as organizations,” said David Wray, member of the judging panel and president, Profit Sharing/401(k) Council of America. “*The Principal 10 Best Companies* program provides a wonderful slate of examples for other organizations around the country.” [Watch video interview](#).

[View profiles](#) of the 2007 winners. A summary of best practices gleaned from the winners will be published in a [best practices guide](#) in January 2008. “*The Principal 10 Best Companies* program is an extraordinarily effective way of highlighting, for all employers, the best practices they can follow if they want to be the ideal place to work and the winner in the job market,” said Dallas Salisbury, president and CEO, Employee Benefit Research Institute, and member of the judging panel.

#### Key trends

When comparing this year’s winners to those from previous years, judges identified several key trends among *The Principal 10 Best Companies*:

**Significant growth in commitment to wellness:** The majority of winning companies provide extensive wellness programs including health screenings, disease management and incentives to encourage healthy lifestyles. “All the evidence would suggest that those will not only be healthier employees but more productive because they know the company cares about them,” explained Tim Welsh, director, McKinsey & Company, and judging panel member. [Watch video interview](#).

**More one-on-one benefits guidance:** All of *The Principal 10 Best Companies—2007* offer some form of one-on-one financial or benefits guidance. “It’s not enough to save. It takes planning to figure out how to make it work and these employers are providing that,” said Dan McCarthy, consulting actuary at Milliman USA and judging panel member. [Watch video interview](#).

**Continued use of “auto pilot” and “do-it-for-me” retirement savings options:** The majority of this year’s winners offer some kind of auto savings tools with 80 percent making lifecycle funds available in their retirement plans. “By

offering benefits like automatic enrollment or contribution acceleration, it makes it easier for employees to get into the program to begin with, and to continue to save at the proper amount going forward.” said Nevin Adams, editor-in-chief, *PLANSPONSOR Magazine*, and member of the judging panel. [Watch video interview.](#)

“I think the importance of *The Principal 10 Best Companies* program is that it demonstrates how companies that provide this kind of financial security really do become employers of choice,” said Corey Rosen, executive director, National Center for Employee Ownership, and judging panel member. [Watch video interview.](#)

### **[Expert Judges Determine Winners](#)**

A distinguished judging panel of business leaders and employee benefit experts worked with [Mathew Greenwald & Associates](#), a premier market research company, to choose the winners. The names of the entrants were shielded from the judges until after they selected their winners.

The program judges included: Nevin Adams, editor-in-chief, *PLANSPONSOR Magazine* and *PLANSPONSOR.com*, Debbie Jaudon, director of Human Resources, Argon ST, one of *The Principal 10 Best Companies—2006*, Dan McCarthy, consulting actuary, Milliman, Inc., CJ McKoy, director of Human Resources and Corporate Learning, ITAGroup, Inc., one of *The Principal 10 Best Companies—2006*, Corey Rosen, executive director & founder, National Center for Employee Ownership, Dallas Salisbury, president and CEO, Employee Benefit Research Institute, Timothy A Welsh, director, McKinsey & Company and David L. Wray, president, The Profit Sharing/401(k) Council of America.

### **Judging Criteria**

Companies were evaluated based on employee benefits the judges deemed most important in contributing to employee long-term financial security including retirement plans; strong medical coverage; wellness programs; long-term disability options; group life insurance; accidental death and dismemberment coverage; and effective communication methods to help employees maximize the benefit options. Judges selected winning companies based on the breadth of their benefits offerings—how well they cover major life events such as retirement and disability; and the depth of their benefits offerings—how much the company contributes in terms of matches or premiums.

### ***The Principal 10 Best Companies—2007 Benefits Snapshot***

See a [snapshot of employee benefits](#) that cover medical, retirement and insurance coverage as well as education and communication offered by the winners.

### **[About the Program](#)**

*The Principal 10 Best Companies for Employee Financial Security* is a nationwide program that recognizes small and medium-size companies, between five to 1,000 employees, that excel in providing for employee financial security. To qualify, all entrants must have been based in the United States and have provided a broad range of employee benefits for at least five years. Qualifying companies must have, at a minimum, offered “traditional” employee benefits, such as those relating to retirement, health, life or disability. For more information, visit *The Principal 10 Best* Web site at <http://www.principal.com/theprincipal10best/index.htm>.

### **[About the Principal Financial Group](#)**

The Principal Financial Group (The Principal ®) is a leader in offering businesses, individuals and institutional clients a wide range of financial products and services, including retirement and investment services, life and health insurance, and banking through its diverse family of financial services companies. A member of the Fortune 500, the Principal Financial Group has \$282.1 billion in assets under management and serves some 18.1 million customers worldwide from offices in Asia, Australia, Europe, Latin America and the United States. Principal Financial Group, Inc. is traded on the New York Stock Exchange under the ticker symbol PFG.