

# Retailer expands to full outsourcing

A case study: Large retail company expands to full pension outsourcing services for improved customer service and reduced risk



## At a Glance

**Client:** A large retailer specializing in outdoor recreation.

**Challenge:** This company was a cosourced pension administration client, using the WTW system to perform administration in-house. Due to staff changes and challenges keeping up with demand, they wanted to improve customer service and reduce compliance risk by fully outsourcing administration to WTW.

**Approach:** As their actuary and trusted advisor, we helped the client develop a compelling business case to move to a fully outsourced model, noting that the cost was competitive with their current approach while significantly reducing risk and improving the experience for the client and their participants. Because our pension system was already in place, we could easily expand our services to include administration and our high-touch service center.

**Result:** Moving to a fully outsourced solution provided a positive employee experience, improved operational efficiency and enabled future de-risking actions.

**This large retailer operates retail stores across the U.S. and online – their reputation for customer services is well known and frequently recognized in their industry and by customers. That commitment to customer service extends to their own employees and pension participants.**

## The Challenge

The company had been providing pension administration through a cosourced arrangement, using WTW's system and performing administration activities in-house. They were having challenges keeping up with requests from participants, and with the departure of a key internal resource they wanted to reimagine their approach and explore a move to full pension outsourcing, with WTW providing the system, call center and administration. They needed a strong business case and turned to their WTW team as a trusted advisor to help them make the move to a new delivery model.

## The Solution

We helped the client put together a compelling business case to move to a fully outsourced solution. The new model would be cost-competitive with their cosourced approach, while at the same time improving the participant experience, reducing compliance risk with our quality assurance processes, and facilitating future de-risking activities. With our system already in place, we could easily expand our services to include administration and our high-touch service center.

## The Results

The client has experienced a significantly reduced administrative burden and improved operational efficiency. Participants have reported a very positive experience, with faster response times and high-quality service from our customer service representatives – turnaround times on requests are now days instead of weeks, and we average more than 95% participant satisfaction. Moving to outsourcing has also reduced compliance risk, with all administration activities subject to our comprehensive quality assurance processes, and our team ensures continuity of service with our extensive plan knowledge and resources.

Within 5 years of going to full outsourcing, the client decided to pursue a plan termination. WTW was the full outsourcing provider supporting the plan termination including leading the benefit calculations and related participant election process as well as coordinating the transfer of any participants who did not elect a lump sum to the selected insurance carrier. Through this process, WTW was able to seamlessly partner with the client to settle approximately 7,000 participants and \$500M in liabilities.

### About WTW

At WTW (NASDAQ: WTW), we provide data-driven, insight-led solutions in the areas of people, risk and capital. Leveraging the global view and local expertise of our colleagues serving 140 countries and markets, we help you sharpen your strategy, enhance organizational resilience, motivate your workforce and maximize performance. Working shoulder to shoulder with you, we uncover opportunities for sustainable success — and provide perspective that moves you. Learn more at [wtwco.com](https://wtwco.com).



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