

# αβχδ

2003 Pensions Convention  
What do clients want?

Linda Oxberry  
Honeywell  
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To start with

- Honeywell in the UK
  - Honeywell Retirement Plan - DB
  - 2100 active members
  - 2600 deferreds
  - 2100 pensioners
- GPP 230 members

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And then.....

- Honeywell merges with AlliedSignal in 1999
  - AlliedSignal UK Retirement Plan - DC
  - 1500 active members
  - 900 deferred members
  - Numerous small closed DB plans
- Need to integrate..
- Plus deal with new business activities

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What do clients want?

- Start at the beginning, what do we need?
- Consider the interested parties
- Understand the pressures we face
- Be aware of the long term
- What we want is clear

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What do we need from the actuary?

- General ongoing Scheme requirements
  - Accounting
  - Funding
  - Transfer values/pension quotes
- Special projects
  - Acquisitions
  - Outsourcing/Disposals
  - Scheme design

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What do we need from the actuary?

- Whatever the subject
  - Clear information
  - Detailed
  - Balanced
  - Any what ifs?
  - Is this standard? If not why not?
- Be pro-active – get involved!

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Who's interested?

- The company
  - High value, low cost
- The Trustees
  - High value, protected and delivered
- The member
  - Maximum value, increasing every year

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What are the pressures?

- The company
  - The reporting cycle
  - The bottom line
  - The contented employee
  - The motivated employee

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What are the pressures?

- The Trustees
  - Safe management of Plan assets
  - Protection of members' benefits
  - Follow the regulations
  - Voluntary codes of best practise
  - Who pays?

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What are the pressures?

- The member
  - DB good DC bad
  - Early retirement
  - Projected benefits/options
  - Investment
  - State provision

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The long term

- The decisions we make today are hard to change
- We need to know the implications
- How to explain to members
- How responsible are we?

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The answer is clear

- There is a duty of care
  - We need to have a full understanding
  - Devise a way forward
  - Company buy in and commitment
  - Member appreciation and ownership
- Help us to get it right!

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