



**2015 EDITION**

# **STRATEGIES AND BEST PRACTICES FOR THIRD PARTY ADMINISTRATORS**

**IDEAS, TIPS, AND GUIDELINES TO GROW YOUR BUSINESS**

Inspiring Innovation, Creativity, and Efficiency

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Transamerica Retirement Solutions, LLC is pleased to present you with this third edition *Strategies and Best Practices Guide*.

Transamerica is committed to helping the TPA community improve client retention, streamline customer servicing models, advance human resource performance management, control costs, enhance business efficiency, generate referrals, and obtain new business.

You will certainly benefit from the many wonderful ideas, strategies, and best practices that have been shared by top TPAs across the country.

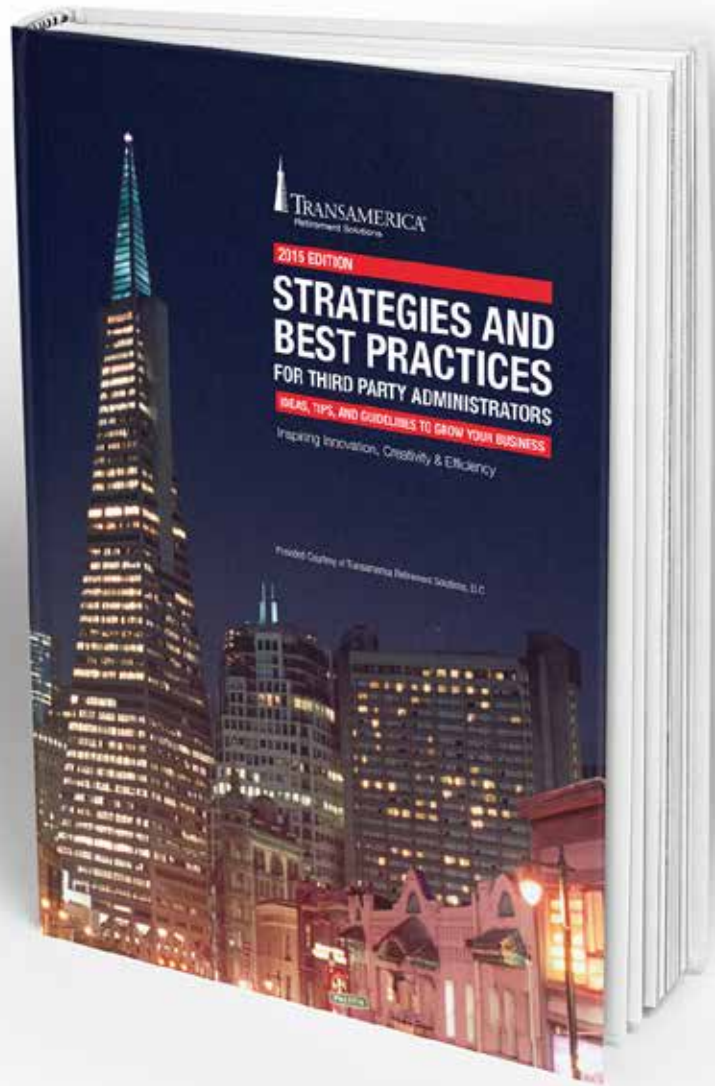
Thank you to every TPA who contributed to this book. We hope you will be inspired again to contribute another best practice to future editions.

If you would like to learn more about Transamerica's industry-leading solutions for TPAs, visit **TA-Retirement.com** to locate your regional TPA Services vice president.

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**ESSENTIAL  
ELEMENTS FOR  
THE GROWTH OF  
YOUR BUSINESS**



# SALES & MARKETING

**sales and mar-ket-ing** (sälz & mär-kø-ting) *n.* Activities that direct the flow of goods and services from producers to consumers; the act or process of selling or purchasing; the process or technique of promoting, selling, and distributing a product or service.

Attracting customers to your business is necessary for its continued existence. You can have the best service in the business, but without sales and marketing, there will be little to no demand for it. The best practices that follow have been provided by some of the most successful third party administration firms in the business.

## CREATE BUSINESS PLANS WITH KEY ADVISORS AND VENDOR PARTNERS.

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### Be a Goal Setter

**BEST PRACTICE** Create business plans with key advisors and vendor partners that outline mutual goals. The plans should discuss individual annual goals for each party in terms of number of plans, total assets, and annual revenue goals. We then create joint goals relating to not only the amount of business we anticipate closing together, but how to get there.

This includes setting an expectation for the number of joint proposals, new introductions, and joint meetings or training events throughout the year. We schedule 30 minutes each quarter to review our plan and progress.

**RESULT** The result of our planning has been very positive, and we have seen a clear growth in sales when we've implemented these plans with our partners. It really creates a level of accountability for both sides and fosters collaborative partnerships. The key to making this work is in the follow-through and scheduling of periodic reviews. This gives both sides a chance to evaluate their efforts and successes to date.

#### CONTRIBUTED BY

Justin Bonestroo  
TPA Owner and Executive Vice President  
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**A MISSION-CRITICAL  
NECESSITY FOR THE  
SUSTAINABILITY OF  
YOUR BUSINESS**

# TECHNOLOGY

**tech·nol·o·gy** (tek-'nă-lə-jē) *n.* *The practical application of knowledge, especially in a particular area; a manner of accomplishing a task, especially using technical processes, methods, or knowledge.*

Technology can be a double-edged sword. When implemented flawlessly, technology can help make doing business with your firm pleasurable and easy. When technology fails, it can result in a not-so-nice post to your Facebook or LinkedIn® page. Technology has played a vital role in revolutionizing our world. In present day, life without technology is simply not complete. Similarly, no business is complete without smart technologies.

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## Go for Emerging Technologies

**BEST PRACTICE** Leverage technology. As a virtual company with no brick and mortar, our staff works from home in multiple states, and we are able to work very efficiently as a team across all time zones.

**ADDITIONAL DETAILS** We use software like Dropbox, Slack, and Asana.

- Dropbox hosts our files securely and encrypts data in the cloud. With established naming and filing procedures, one administrator can pick up exactly where another left off.
- Slack is used for quick, secure instant messaging. Without the security headaches of Facebook and other messaging services, Slack allows us to send direct messages and set up private groups. Even the best administrator can forget the 402(g) limit from 2012. This is a great way to reach out to the team with a 30-second question or resolve issues.
- Asana is used for larger, team-oriented projects. Think of it as a virtual white board to share ideas, assign tasks, and monitor progress.

**RESULT** Being a paperless company doesn't have to be scary. Using effective communication tools has allowed our firm to grow rapidly without the overhead of brick and mortar offices. We have also been able to attract and retain talented and experienced plan administrators without having them relocate from their friends and family.

All of this dramatically impacts our bottom-line profitability as well as our work-life balance. As a small start-up TPA, we are finding that leveraging emerging technologies makes not only sense, but it makes money.

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## THE CENTRAL NERVOUS SYSTEM OF YOUR BUSINESS

### EMPLOYEE MOTIVATION, COMPENSATION, AND HIRING

**emp·loy·ee re·la·tions** (əm-plô i-əə ri-ləy-shuh) *n.*  
*Managing employer-employee relationships. Generally, employee relations is a term used to describe a company's efforts to prevent and resolve problems arising from situations at work.*

Finding and retaining the right employees is a challenge every business faces. When you find the right fit, you'll do whatever it takes to keep them motivated, fairly compensated, and happy. There is a reason for this: Employees don't help your brand, they are your brand. They are essential in defining a customer experience and a primary reason your business will succeed.

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## Provide an Open Forum

**BEST PRACTICE** We hold informal “brown bag” training sessions bi-monthly with our administrators. This allows them a platform to discuss any issues on such topics relating to plan design, plan problems and solutions, software issues, seminar feedback, etc.

**ADDITIONAL DETAILS** We limit the “brown bag” session to one hour and have a moderator track the agenda and take notes.

Since we have a staff of about 20 administrators (plus a few employees working remotely who attend either in person or via webcam), this promotes the exchange and free flow of ideas, engagement, and interaction among our administrators who typically wouldn't see each other during the course of a typical day.

**RESULT** Some of our newer employees may feel a bit apprehensive about asking a question at a regular staff meeting but these brown-bag sessions are relaxed and help them overcome any anxiety. I've seen increased participation across the board and decreased burden on any one administrator to pick a topic and lead a training.

### CONTRIBUTED BY

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UNHAPPY CLIENTS  
EQUAL LOST REVENUE

# CUSTOMER SERVICE

**cus·tom·er ser·vice** (kəs-tə-mər sər-vəs) *n.* a series of activities designed to enhance the level of customer satisfaction.

Successful customer service is the oxygen that breathes life into your business. It can mean increasing the perceived value of a service, hand-delivering reports, recognizing employees who provide excellent customer service, providing client reminder notices, and more. Successful customer service is ultimately the feeling that a product or service has met the customer's expectation.



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## Be Colorful

**BEST PRACTICE** Use color-coded files to organize pertinent information.

**ADDITIONAL DETAILS** For most plans, information trickles in throughout the year, and on an annual basis data is combined when we're ready to complete plan year-end reports and testing. Using color-coded files helps to quickly find needed information.

- Red files contain ongoing information on specific legal and administrative issues.
- Green files contain customized forms, disclosure notices, and engagement contracts.
- Blue files contain copies of correspondence that will be issued again in the next plan year such as requests for year-end information.
- Manila files contain current year correspondence such as distribution paperwork, and client-specific questions about vesting, eligibility, and plan changes.


**RESULT** Organization of client information is vital and to promptly service a client, we need to know every part of how their plan is administered as well as the plan history.

While the plan document and prior year's full report is usually the go-to, having additional details organized throughout the year not only comes in handy but keeps the year-end paper sorting process one step ahead!

### CONTRIBUTED BY

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**VENDORS, YOUR  
SECRET WEAPON  
IN DEVELOPING  
NEW BUSINESS**

# VENDOR RELATIONS

**ven·dor (ven-dôr)** *n.* A person or company offering something for sale.

In a challenging economy, vendors can oftentimes be a guiding light to increased sales and customer opportunity. Vendors will typically understand your value proposition and strengths—this makes them excellent sources of referrals. Your success is their success. Nurture these relationships through open communication and information exchange.

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## Create a Team Mentality

**BEST PRACTICE** Teamwork is key. At BSGI, we work diligently to form strong partnerships with our vendors. When we present our services to a prospect, they feel at ease knowing we have a long history of working confidently with our vendors.

A teamwork attitude builds trusting relationships throughout the industry.

**ADDITIONAL DETAILS** Our focus is on how we can best serve our clients while ensuring the plan is meeting the needs of its participants. We also invite open feedback from our vendors and are proactive when it comes to attending webinars, meetings, and educational forums.

**RESULT** We've received positive feedback from our clients as well as from the vendors we work with. This is extremely instrumental in the set-up and conversion process as well. Since our vendors are familiar with us, they can more easily determine if we are a good fit for a prospective client, as well as quickly resolve any issues that may arise.

### CONTRIBUTED BY


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**A TEAMWORK ATTITUDE BUILDS  
TRUSTING RELATIONSHIPS  
THROUGHOUT THE INDUSTRY.**





**A STREAMLINED  
APPROACH MAKES FOR  
BETTER PROCESSES  
AND PROCEDURE**

# OFFICE MANAGEMENT

**man·age·ment (ma-nij-mənt)** *n.* The act of managing; the conducting or supervising an office; the judicious use of means to accomplish an end; the collective body of those who manage or direct the enterprise.

Office operations are the foundation on which your business is built. Office operations may relate to a host of things, including how you conduct client outreach, handle distribution requests, and get personnel input on procedures and processes. Office management can be everything from forecasting your bandwidth for new business to choosing how you keep staff up to date with the ever-changing regulatory landscape. Office management improvements, no matter how small, are important for ongoing success.

**YOU MUST DETERMINE  
THE BEST USE OF YOUR TIME.**



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## Find a Consultant

**BEST PRACTICE** Being a small business owner, you tend to wear many hats and handle multiple tasks to make sure things are done the right way. However, at some point you must determine the best use of your time and empower appropriate individuals within the firm. Engage the services of an outside strategist.

**ADDITIONAL DETAILS** While recently working with a consultant on our succession planning, several tasks were brought to my attention as simply not a good use of my time so we outsourced them—saving me over three hours per month and six hours at year-end.

In addition, we also created a management team and delegated the supervision of staff directly to them.

The management team also meets monthly to discuss office operations as well as future planning, and these meetings have provided excellent suggestions that might otherwise have gone unheard and have improved the bottom line.

**RESULT** Creating a management team provided immediate benefits for both owners and employees. As owners we received frontline feedback and suggestions for improving operations and support of our initiatives.

The managers, in turn, are more engaged and focused on the operations, not just their book of business. Hiring a payroll company to process payroll was a home run and the monthly cost is less than \$90 per month.

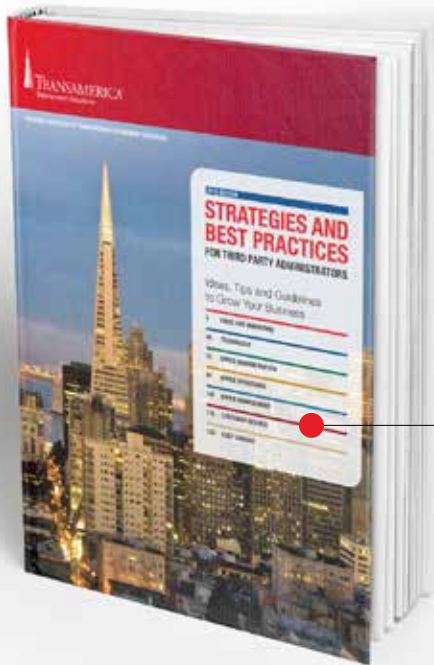
Find a consultant.

### CONTRIBUTED BY

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# MORE BEST PRACTICES



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2014

# **PRAISE FOR**

## **Transamerica's Strategies and Best Practices Guide for TPAs**

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“...I think you guys did an excellent job with the TPA Best Practices Guide. I read through the whole thing, every word. I found it to be very interesting, thought-provoking and a great value. Thank you very much for all the time and energy that went into this book. It was very well done.”

**J.D. Carlson**

President and CEO, Plan Design Consultants, Inc.

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“Just wanted you to know how much I appreciate the TPA Best Practices Guide! I just took a few minutes to flip through the pages and ended up spending twice the time expected picking up eight ideas that I plan to revisit and consider incorporating into our systems. Thank you for such a great resource.”

**Barbara Leadem, QKA, QPA**

Vice President, Atlantic Pension Services, Inc.

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“The TPA Best Practices Guide is an amazing collection of useful insights from so many TPAs. Peer to peer sharing of best practices is just another way that this amazing community of TPAs works together to help each other achieve success.

A big thank you to Transamerica, a great partner to TPAs. It is great to read them all and discover things that I have successfully implemented and other ideas that I am certain I will try. It is priceless to be able to have such a resource and I am very appreciative of all the TPAs who took the time to share their best practices.”

**Michelle M. Marsh, QKA**

President and Owner, Retirement Plan Concepts & Services, Inc.



**Scan the QR Code to  
submit your very own  
unique best practice!**

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