

Women Leaders

A Thought Leader on Retirement

An Interview with Elaine A. Sarsynski,
Executive Vice President of MassMutual's Retirement Services Division,
and Chairman and Chief Executive Officer, MassMutual International LLC

EDITORS' NOTE Elaine Sarsynski has led her division through three consecutive years of record-breaking sales growth since taking the helm in 2008. Under her leadership, the firm's retirement business achieved its highest annual retirement plan sales in its more than 65-year history, and reached a new record in assets under management, which have risen to \$58 billion as of the end of 2011. Her strategic focus and commitment to service excellence has helped MassMutual's Retirement Services Division achieve



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record levels of customer satisfaction and retention leading to numerous industry awards. She has been recognized by 401kWire as one of the top 100 most influential people in the American retirement industry. In addition to her current role, Sarsynski is CEO of MassMutual International LLC and a director of several MassMutual subsidiaries, including MassMutual Asia Limited and MassMutual Life Insurance Company (Japan). She is also a director of the Employee Benefit Research Institute. Sarsynski holds a B.A. in economics from Smith College and an M.B.A. from Columbia University. She joined MassMutual in 2005 as Senior Vice President and Chief Administrative Officer. She was appointed Chairman and CEO of MassMutual International LLC in July 2006. In January 2008, Sarsynski accepted leadership responsibility for the company's Retirement Services Division.

COMPANY BRIEF Founded in 1851, Massachusetts Mutual Life Insurance Company (MassMutual) is a leading mutual life insurance company headquartered in Springfield, Massachusetts. With whole life insurance as its foundation, MassMutual provides products to help meet the financial needs of clients, such as life insurance, disability income insurance, long term care insurance, retirement/401(k) plan services, and annuities. MassMutual's Retirement Services Division has been serving retirement plans for more than 65 years and serves approximately 1.6 million participants.

What are the strengths of MassMutual's Retirement Services business and why has it been a leader in this area?

We pride ourselves on our industry leadership and were honored recently when *Fund Industry Intelligence*, a premium publication of Euromoney Institutional Investor, named MassMutual "Retirement Leader of the Year". I

credit our leadership to three fundamental pillars that comprise our retirement services business.

One is mutuality. MassMutual is a mutual life insurance company, owned and operated for the benefit of our policyholders. This lets us take a long-term view of our business and invest in the business lines and new technologies that deliver value to our customers.

Another is our advisor-centric model. We chose this model because we believe in the central role of the financial advisor in providing employers and their employees with retirement benefit plans that meet their financial and business needs. We are taking the lead in making sure all parties are up-to-date on the fiduciary obligations of the retirement plan sponsor.

The third is our commitment to addressing broader issues critical to our industry. For instance, we are changing the plan sponsor dialogue from a static conversation about how many participants are enrolled in your plan to plan health, which is defined as how many individuals in your company are on track to retire with the desired level of replacement income.

Is it tough to differentiate when products and services often sound similar?

Any company can creatively differentiate itself and a key differentiator for us is how we work with advisors. Traditionally, many advisors focused on the "three Fs": fees associated with the plan, the fiduciary dialogue with the plan sponsor, and the fund options offered in the plan. That's not enough.

We work with our advisors to help them be a "PHD" or Plan Health Differentiator. That means expanding their focus beyond fees, funds, and fiduciary responsibilities to encompass a broader definition of plan health.

Our advisors are focused on making sure employers know how many of their employees are on track for a secure retirement. For employers that don't know the answer to this question, our team helps them get the data they need and recommends plan changes that will get participants to take the necessary action.

Another factor that differentiates us is our people. While much has changed at MassMutual over our 160-year history, our dedication to our people has not. We have created an environment where exceeding customer expectations is a priority and we're committed to acting with integrity, valuing

people and their ideas, and working collaboratively to get the best results for our clients.

Is the "PHD" approach better understood as the need to educate participants?

This approach means advisors need to understand how effective the plan is at preparing participants for retirement and how to help plan sponsors improve upon those results to the benefit of the business and plan participants.

Much of this involves cutting-edge tools offered by our company. One tool, RetireSmart Ready, is a Web-based application that allows employees enrolled in the plan to insert variables and see the probability that they can retire with sufficient income. Another tool allows the plan sponsor to determine what percentage of employees, whether in the plan or not, are on track to retire with sufficient replacement income.

Our advisors worked with a number of our plan sponsors to assess their current level of plan health and suggest and implement ways to improve both the plan structures and the educational content provided to participants. Though many of these changes carried no costs, this process helped 260 employers go from having approximately 40 percent of employees on track for a secure retirement to 65 percent.

This is why we have retention rates as high as we do in our book of business, which is roughly 7,800 plan sponsors today, as well as the highest client satisfaction and referral rates in our division history.

What role does innovation play in your culture?

I believe that innovation stems from focus and commitment, two ideals that dominate our corporate culture. We run this business for a distinct purpose: to help our participants achieve a happy, fulfilling retirement. We come to work each day to ensure that MassMutual's 1.6 million participants are preparing themselves to retire with comfort, dignity, and self-respect. My responsibility is to make sure each and every one of our employees has a clear understanding of these collective goals. This has driven innovation at MassMutual, from handheld devices used in enrollment meetings to online tools that help people calculate how far off they are from their retirement goals. It's what led us to change the dialogue in the industry so that companies like MassMutual can address key issues, like the health of retirement plans, the shrinking social safety net of entitlement programs or whether American workers are on track to retire comfortably. And ultimately, that's what has enabled us and our clients to be successful. ●