



Watson Wyatt Worldwide

Innovative Human Resources Solutions That Drive Shareholder Value

Attracting and retaining critical talent, rising cost and volatility of employee benefits, greater scrutiny on executive pay, maintaining employee engagement. These are the issues that increase pressure on a company's bottom line. Watson Wyatt helps nearly two thirds of the *Fortune* 500 — including the 10 largest firms — deal with these challenges.

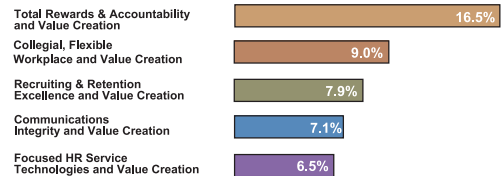
Global Knowledge, Local Solutions

As a global consulting firm, Watson Wyatt partners with clients to develop employee benefit packages, human capital strategies and related technology solutions to better align a client's HR program with its business objectives. With 94 offices around the world, Watson Wyatt serves both local companies and multinational corporations. "At Watson Wyatt, we focus on finding creative, practical solutions that meet our clients' complex needs. Our business solutions are designed to drive shareholder value," says Patricia O'Connor, managing consultant for Watson Wyatt in Boston.

The firm's Boston office is one of the company's largest in the United States. Nearly 200 consultants serve clients throughout New England and Upstate New York. "Our clients represent a variety of industries such as health care, retail, financial services and manufacturing," says O'Connor. "Most of our clients have sophisticated human resources needs and look forward to having Watson Wyatt on their team to help address these issues."

Relationships are something Watson Wyatt takes very seriously. In fact, the company's core value is "Putting Clients First." This value is demonstrated at every level of the organization and is exemplified by the vast number of long-standing client relationships Watson Wyatt enjoys. Many of the firm's Boston-based clients began partnering with Watson Wyatt 20, 30 and even 50 years ago.

Key Links Between Human Capital and Shareholder Value



Significant Improvement → 47% Increase in Market Value

Source: Watson Wyatt's Human Capital Index™

Data-Driven Approach

Throughout the industry, Watson Wyatt is known for its groundbreaking research and creative evidence-based solutions. Each year, Watson Wyatt releases research that uncovers key data used to identify current and future industry trends. For example, Watson Wyatt's Human Capital Index® was the first to identify the HR practices and policies with the strongest correlation to shareholder value. It found that companies with superior human capital practices achieve total returns to shareholders three times those achieved by companies with inferior practices. In addition, Watson Wyatt's research focuses on how worker attitudes, employee health benefits, compensation programs and employee communications affect the bottom line.

"We take pride in our innovative ideas. Our efforts are focused on using data to solve problems," says O'Connor. "And our unparalleled research allows us to provide practical, fact-based recommendations to our clients."

With the Boston office's dedication to serving New England and Watson Wyatt's global strength, the firm is well positioned today and in the future to support its clients wherever they do business.

To learn more, please call 781-237-3900.



How Watson Wyatt Helped Institute Change and Preserve a Valued Culture at Dartmouth-Hitchcock

Dartmouth-Hitchcock, a nationally recognized academic medical center that employs over 8,000 physicians, staff, and administrators, recently engaged in a retirement program redesign to:

- Achieve more predictable costs
- Appeal to today's workforce
- Honor its commitment to its existing physicians and staff
- Offer a competitive program that rewarded longevity, and
- Unify the program for physicians and staff

To ensure these objectives were met, and to examine the impact to differently situated employees, Dartmouth-Hitchcock partnered with Watson Wyatt to institute the program change. The process included the following steps:

- Refine program objectives
- Review a broad range of solutions
- Analyze cost implications of various designs
- Model the employee impact of program changes
- Develop a comprehensive communication plan
- Deliver an employee self-service modeling tool

In May 2006, the employees received the details of the new program, which included a choice between the current and new programs. Most employees have completed their elections, with almost 60 percent electing the new program, exceeding the organization's goal of 50 percent. Staying on target with the strategic objectives, preserving the organization's valued culture, and a thorough communication plan have all been credited to the success of Dartmouth-Hitchcock's retirement program redesign.