



Activity 2 Case Study

Your group is in charge of Human Resources in a large corporation. Your corporation offers a retirement savings program. Your group is in charge of presenting this savings program to new employees. You are considering two ways to present the plan to employees. The two ways are shown below.

Offer #1	Offer #2
<p>Welcome to FunCorp company. As a new employee, we are pleased to offer you a retirement savings plan. The company will match your contributions to your savings plan dollar for dollar up to 5% of your annual salary. Please contact the human resources department at extension 52 should you wish to contribute to establish a savings plan.</p>	<p>Welcome to FunCorp company. As a new employee, we are pleased to offer you a retirement savings plan. The company will match your contributions to your savings plan dollar for dollar up to 5% of your annual salary. In two weeks, we will automatically begin deducting 5% from your paycheck, match it with another 5%, and deposit the sum into your retirement savings account unless you contact human resources at extension 52 and request otherwise.</p>

In trying to decide which way to present the information, your group should discuss the following questions.

1. Are the two offers monetarily the same for the employees?
2. Do the two offers communicate the same information for the employees?
3. Will it matter in terms of employee participation which way the offer is presented? Why or why not?
4. The finance department has asked you to predict the percentage of employees that will be participating in the retirement program. Please provide an estimate, and if your group believes the way the offer is presented matters to the results, estimate a percentage for each of the choices.

In ten minutes, one member of your group should be prepared to give a one minute presentation to the CEO of the corporation in which they explain your group's recommendation for how the retirement saving plan should be presented to employees.