



# **Attitudes Towards Retirement Readiness in 403(b) Plans**

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# Introduction

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PSCA's *Attitudes Towards Retirement Readiness in 403(b) Plans* reflects responses from 381 not-for-profit organizations that currently sponsor a 403(b) plan. Please note that the figures in the survey do not always add up to 100.0 percent due to rounding. Please direct questions or comments to [research@psca.org](mailto:research@psca.org) or 312.419.1863.

## Acknowledgements

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The Plan Sponsor Council of America gratefully acknowledges the assistance provided by the following people and organizations during the production of this survey.

### All Survey Participants

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**Thank you to The Principal Financial Group® for sponsoring this survey.**



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Question 3: Do you provide a holistic financial wellness program (beyond retirement plan education) to employees? (A holistic financial wellness program would include education on health care, debt management, financial planning, college savings, etc., in addition to retirement-related concerns.)

## **Role of the Employer and Participant Outcomes**

Question 4: How does your organization approach the issue of encouraging employees to save for retirement?

Question 5: Do you measure potential participant outcomes (whether they are on track to obtain a specified amount in retirement)?

## **Automatic Enrollment and Outcomes**

Question 6: Do you consider automatic enrollment to be a way of improving retirement outcomes for participants?

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# Education and Wellness Programs

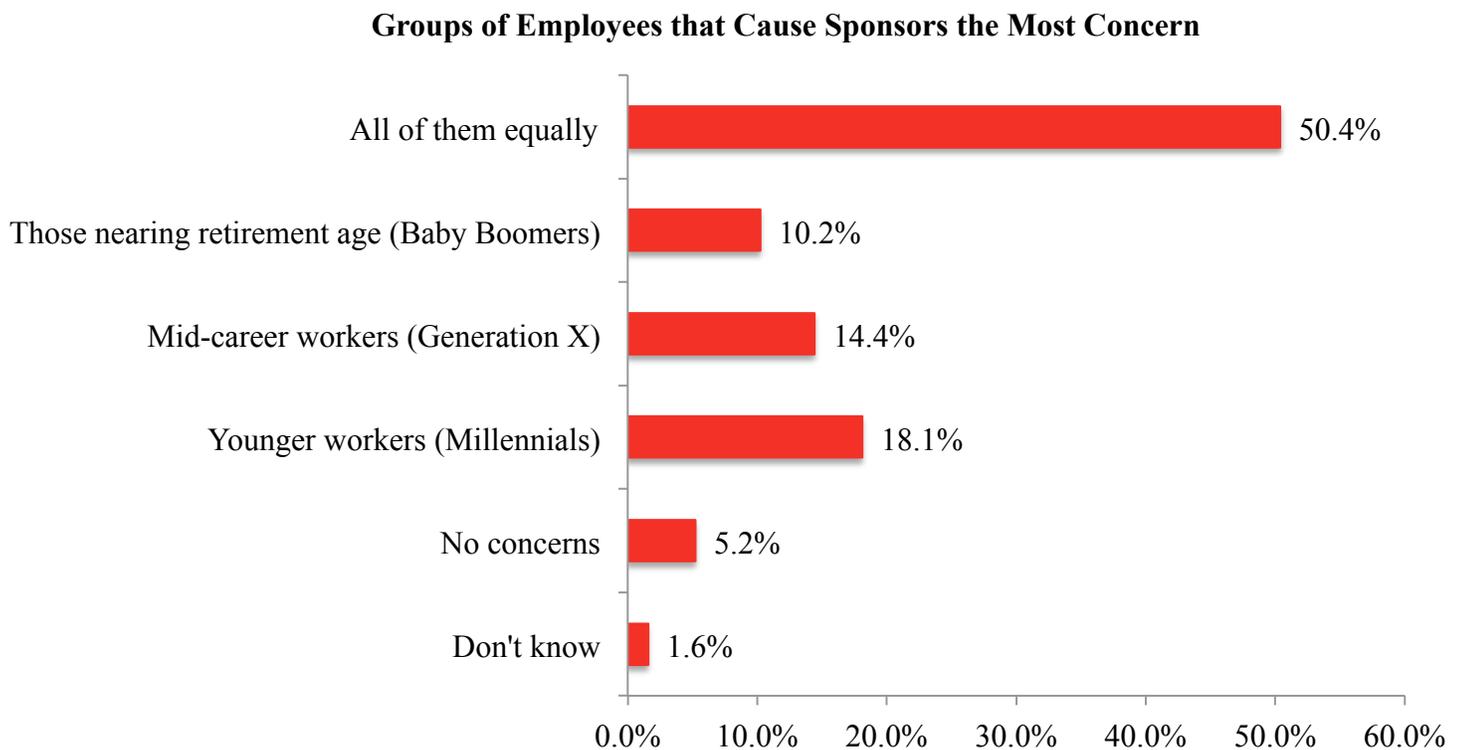
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Half of organizations are equally concerned about all age groups of employees saving enough for retirement – only 5 percent have no concerns. More than half of organizations are not targeting their education efforts to specific employee groups, perhaps because they are equally concerned about the groups. About a quarter of organizations do not have a specific retirement plan education program.

For those that target education, half target all age groups (usually younger, mid-career, and older workers) while about 40 percent target specific groups only (either younger or older workers specifically). 15 percent target education by gender.

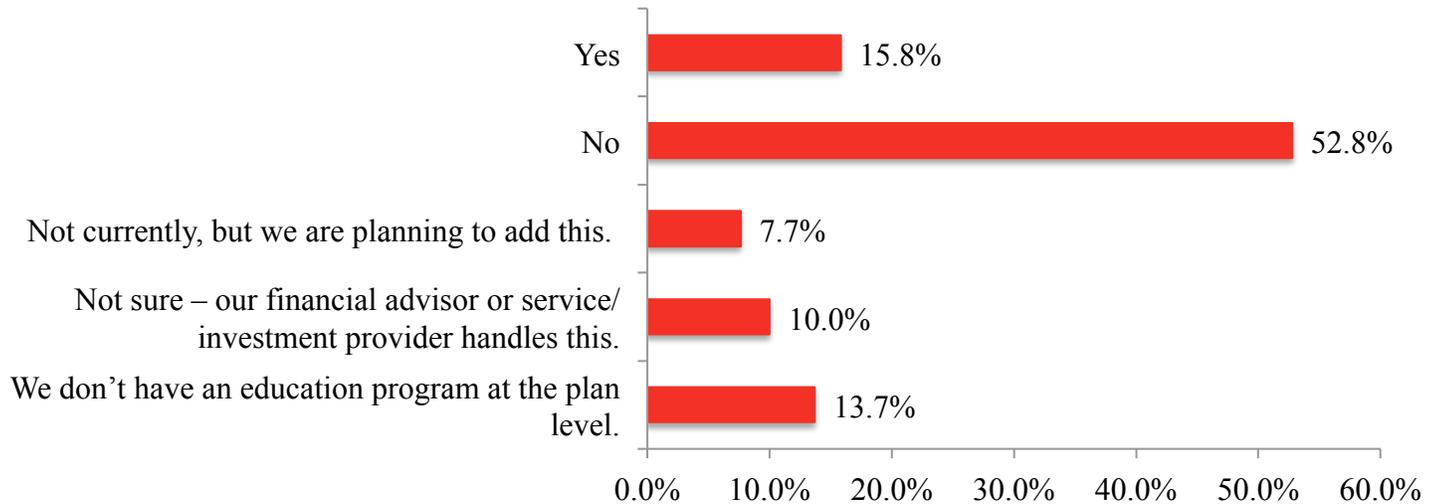
About a quarter of plans offer a comprehensive financial wellness program and twenty percent are considering adding one in the future.

## Question 1: Which group of employees causes you the most concern whether they are saving enough for retirement?



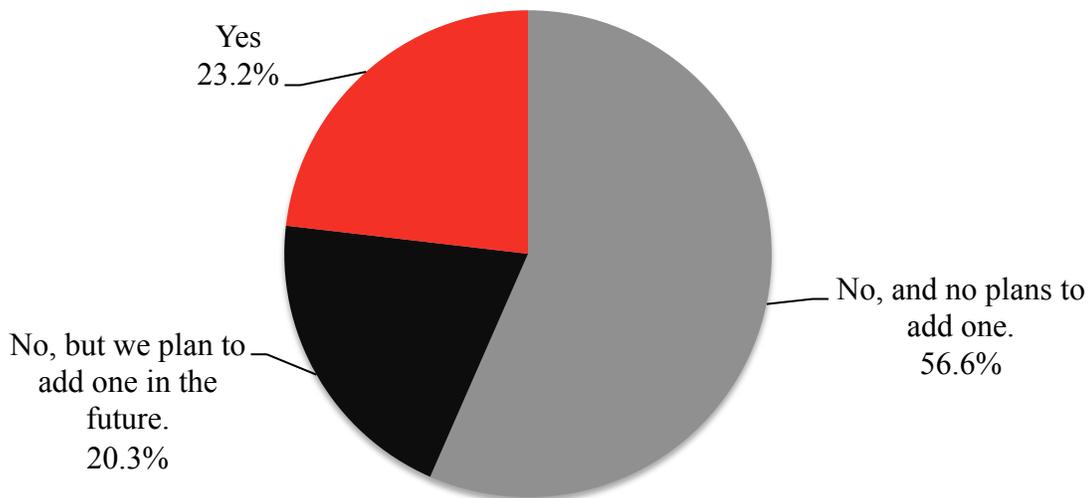
**Question 2: Do you target your 403(b) plan education to specific demographics (younger workers vs. older workers, etc.)?**

**Education Targeted to Employee Segment**



**Question 3: Do you provide a holistic financial wellness program (beyond retirement plan education) to employees? (A holistic financial wellness program would include education on health care, debt management, financial planning, college savings, etc., in addition to retirement-related concerns.)**

**Percentage of Companies that Offer a Financial Wellness Program**



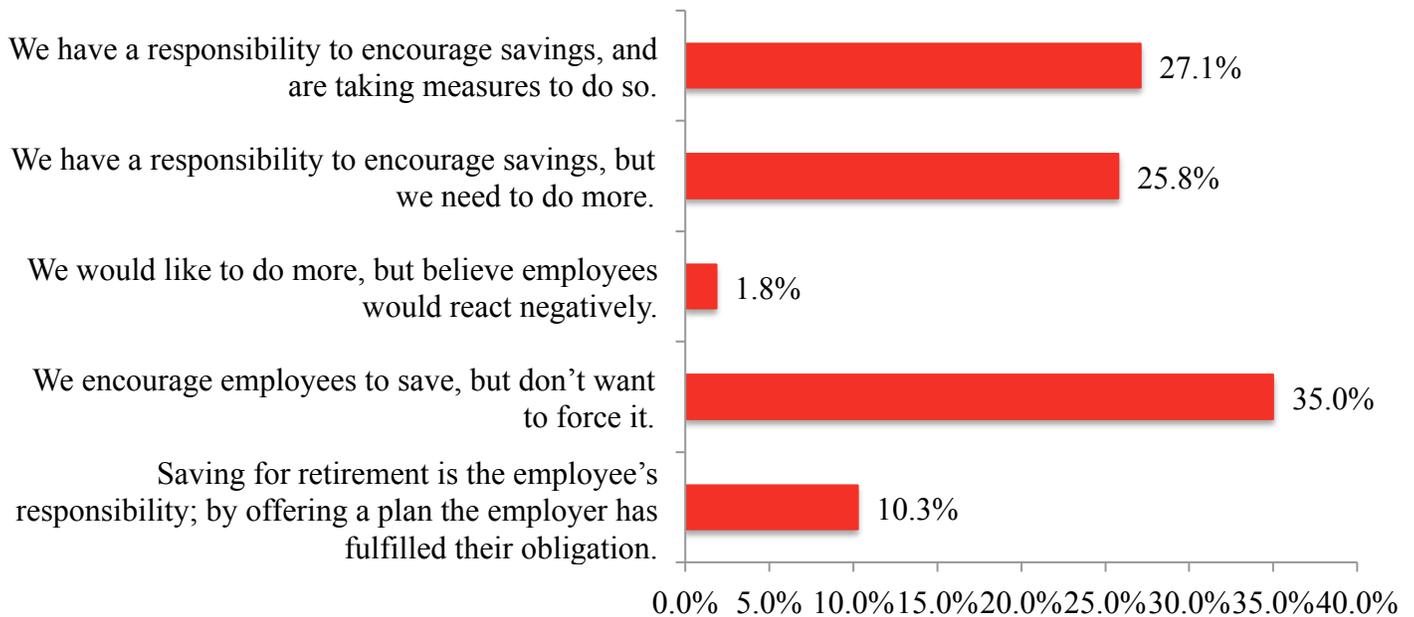
# Role of the Employer and Participant Outcomes

27.1 percent of employers feel that they have a responsibility to encourage savings, and a quarter think they do but would like to do more. A third of respondents encourage savings but don't want to force it, and only ten percent feel that their responsibility is only to offer a plan and the rest is up to the employee.

Ten percent of employers are monitoring potential participant outcomes. These employers are providing access to modeling and income stream projections offered through their plan provider.

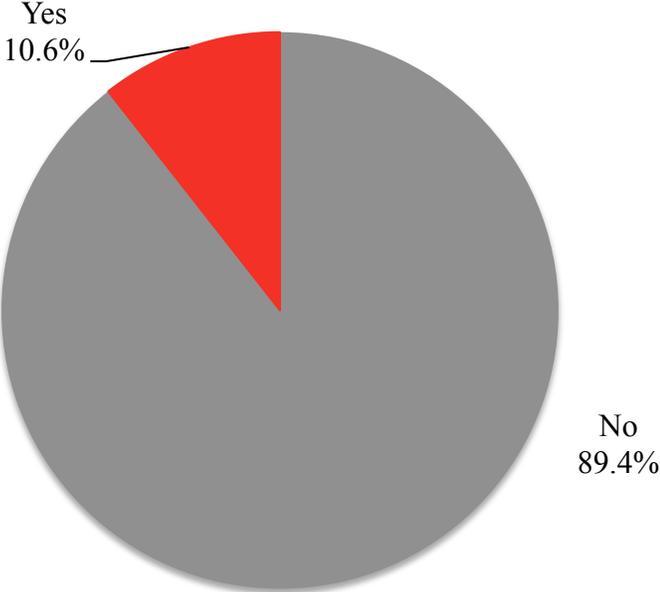
## Question 4: How does your organization approach the issue of encouraging employees to save for retirement?

**Role of the Employer in Helping Employees Save for Retirement**



**Question 5: Do you measure potential participant outcomes (whether they are on track to obtain a specified amount in retirement)?**

**Percentage of Plans that Measure Participant Outcomes**

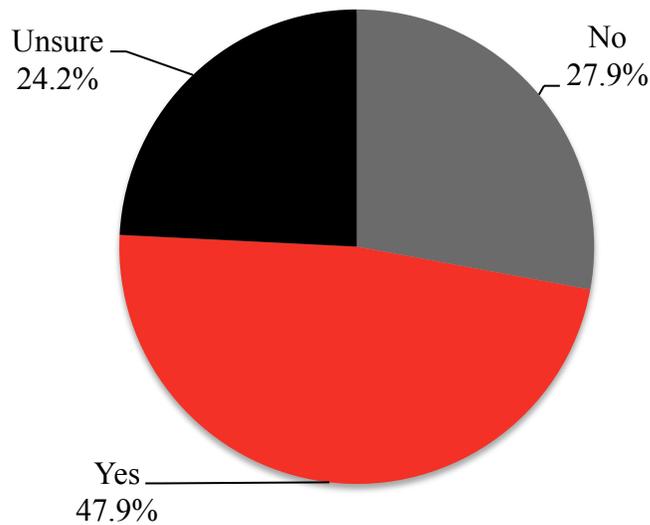


# Automatic Enrollment and Outcomes

About half of plans consider automatic enrollment to be a way of improving participant outcomes, and half do not or are unsure. 27.5 percent of respondents indicated that they have an automatic enrollment feature.

**Question 6: Do you consider automatic enrollment to be a way of improving retirement outcomes for participants?**

**Percentage of Plans that Consider Automatic Enrollment as Increasing Participant Outcomes**



**Question 7: Does your plan include an automatic enrollment feature?**

**Percentage of Plans that Offer Automatic Enrollment**

