

U.S. employers look to enhance defined contribution plans



Plans continue to evolve



3 in 4 defined contribution (DC) plan sponsors expect to make at least one change to their plan over the next 2 years

After already having made a change in the past 2 years

4 in 5 expect to enhance their employees' experience and financial wellbeing

	Past 2 years	Next 2 years
Employee experience	64%	82%
Financial wellbeing	59%	78%



Nearly two-thirds of sponsors intend to change DC plan design over the next 2 years

To boost savings



28%

expecting to make changes to their plans' automatic deferral features

To build financial resilience



40%

planning/considering adopting an innovative design feature, such as allowing participants to redirect plan contributions to student loans, emergency savings or health savings account (HSAs)



Sponsors see opportunities to support employees' retirement security and financial wellbeing

Over 9 in 10 either have taken or are planning/considering taking the following actions:



Offering access to personalized support

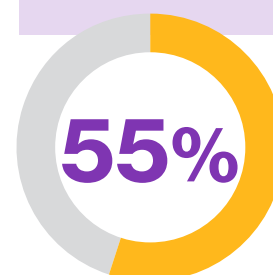


Using targeted communication tailored to specific segments



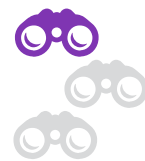
Providing digital tools to help with budgeting and spending

8 in 10 either have integrated or are planning/considering integrating defined contribution plan strategy with financial wellbeing and resilience



55% of sponsors expect to face attraction and retention issues over the next 2 years

Of these employers



1 in 3

regard their DC plan as an important attraction and retention tool and expect to differentiate their plan to compete for talent

Actions you can take now

Leverage available analytics to evaluate how different employee cohorts are engaging with and benefiting from your DC plan

Integrate DC plan strategy with financial wellbeing and resilience, enhancing connection to financial wellbeing programs

Improve your plan design by adding/enhancing automatic deferral features and allowing employees to direct contributions to student loans, emergency savings or HSAs

Provide digital tools to help employees with budgeting and spending

Target communications to specific workforce segments



About the survey: The 2022: Next Evolution of DC Plans Survey was conducted during January and February 2022. A total of 363 U.S. employers that sponsor a DC plan participated in the survey. Respondents employ 8.4 million employees.

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