

# Workers and Retirement Programs: What are they Thinking?



*Research Summary*

# Workplace plans are a highly valued benefit



All workers should have access to a retirement plan at their workplace.

**75% Agree**

**WORKERS WANT** to save for retirement through their employers.

Americans feel that being able to save for retirement through their workplace is a key benefit and “right” of workforce participation.



Workers have a responsibility to save for their retirement.

**77% Agree**

**PEOPLE UNDERSTAND THAT** they are responsible for saving for their own retirements.

American workers accept and understand the need for individuals to take responsibility for their retirement.



Employers should be required to offer a retirement plan to their employees.

**53% Agree**

**MOST WORKERS FEEL** employers should be required to offer a retirement plan.

Few workers — less than a third — feel that employees should be let off the hook when it comes to offering a retirement plan to their employees. More than half feel employers should offer retirement plans.



**WORKERS FEEL** employers should also contribute to their employees' retirement accounts.

6 in 10 feel that employers should also contribute to workplace retirement plans.

Employers should contribute money to their employees' retirement plans.

**60% Agree**



**MANY WORKERS AGREE** governments should require employers to offer retirement plans.

Workers are supportive of requiring employers to offer retirement plans in the workplace. Six in ten feel that states and/or the Federal government should require employers to make plans available.

My state government should require employers to offer a retirement plan to employees.

**59% Agree**



The Federal Government should require employers to offer a retirement plan to employees.

**60% Agree**



**WORKERS WHO** don't have plans say they would be more likely to save if a payroll deduction option was available

Payroll deduction makes saving for retirement automatic, and workers who don't have workplace plans available to them say this feature would make it more likely that they would save for retirement.

I would be more likely to save for retirement if I could through payroll deduction.

**61% Agree**



## Workers value key features of defined contribution plans:

The assurance of knowing that the investments are chosen with my best interests in mind



The ability of my employer to contribute (to my account)



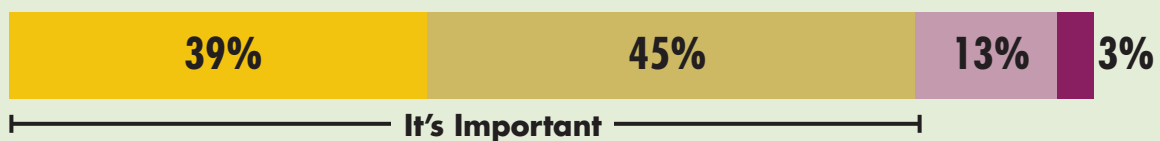
A variety of investments to choose from



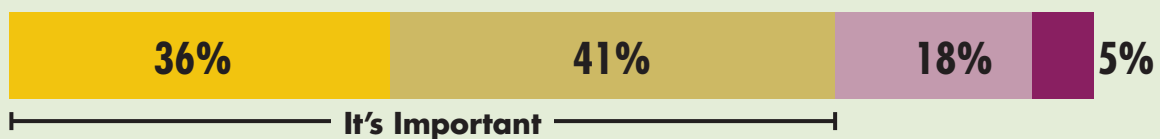
The ability to contribute more than \$5,000 per year



Educational meetings and materials



The ability to take a loan in case of emergency



Very important  Somewhat important  Not very important  Not at all important 

## Workers express varying degrees of confidence in different types of institutions to administer their retirement plans

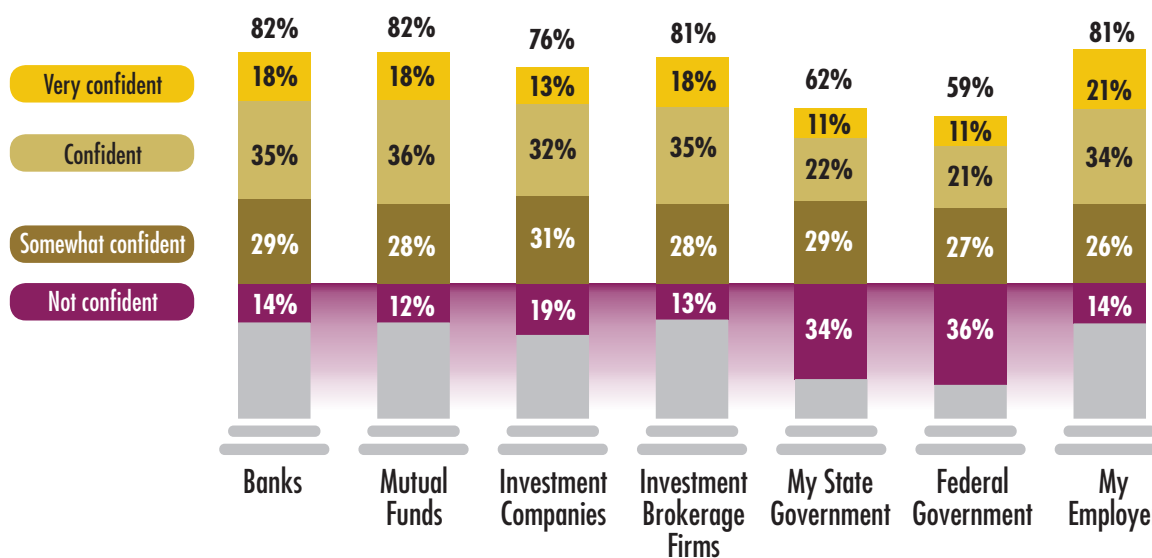
Workers are generally confident that various types of financial institutions and entities can manage their retirement plans. Their highest levels of confidence are in their employers banks, mutual fund companies, investment houses and – to a slightly lesser degree – insurance companies. They are significantly less likely to feel confidence that governmental entities, at either the Federal or state

level, are well equipped to administer their retirement savings – and a little more than a third express no confidence at all in the ability of these governmental entities to administer retirement programs.

Few workers express very high confidence in any of the listed entities. Only about a fifth admit to high confidence in most listed institutions.

Familiarity breeds confidence. Workers express high confidence in their own employers to administer retirement plans. Ironically, these employers, in offering retirement programs, likely are working with one or more of the listed financial institutions to design and manage the plan – a subtlety that may be lost on many employees who identify their workplace plans with their employers.

### Worker confidence in Institutions to administer retirement programs\*



\*Does not include responses of "not sure"

### METHODOLOGY

LIMRA Secure Retirement Institute's 2016 Consumer Survey was fielded in May 2016 to a nationally representative sample of more than 5,200 Americans. The results reported in this report are based on 2,498 full-time and part-time workers.

Full Results: [http://www.limra.com/Research/Abstracts/2016/The\\_Benefits\\_of\\_Retirement\\_Planning\\_\(2016\).aspx](http://www.limra.com/Research/Abstracts/2016/The_Benefits_of_Retirement_Planning_(2016).aspx)



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