

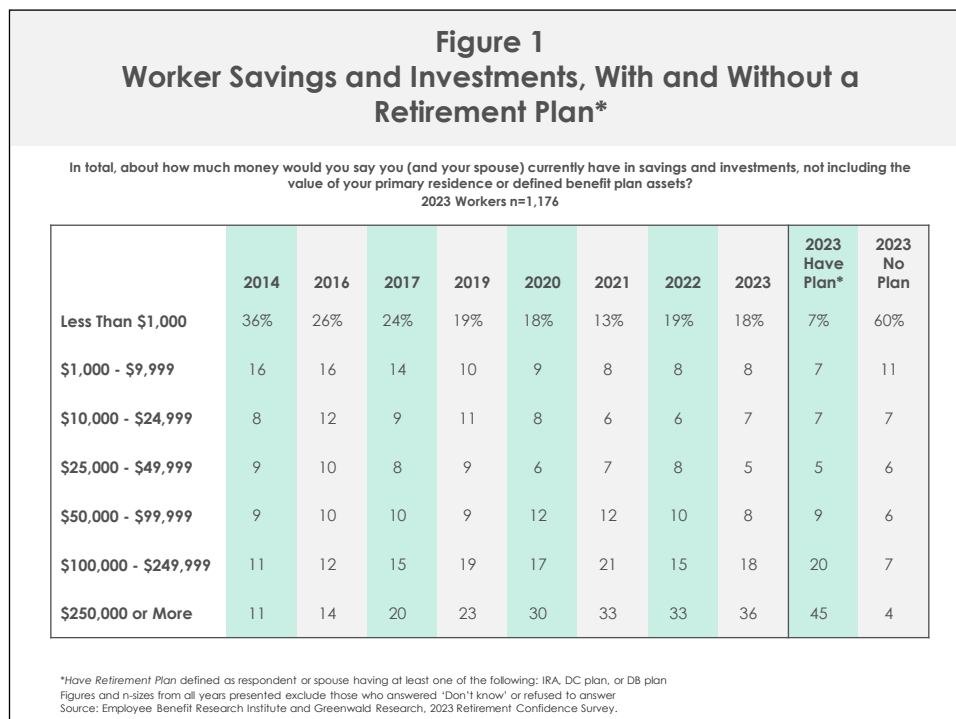
2023 RCS FACT SHEET #6

**WORKPLACE RETIREMENT SAVINGS PLANS
IMPACT ON ASSETS AND SATISFACTION**

Are the levels of assets held by households having retirement plans larger than those without a plan? How satisfied are workers with workplace retirement savings plans? What do workplace retirement savings plan participants think would best improve the plans?

Savings and Investments With and Without a Retirement Plan

Among workers who provided the value of their savings and investments outside of the value of their home and any defined benefit plan assets, 36 percent report that they have \$250,000 or more in assets, and 25 percent have less than \$10,000 (Figure 1). However, the savings and investments between those with and without a retirement plan (defined contribution plan, individual retirement account (IRA), or defined benefit plan) are starkly different. For those with a retirement plan, only 14 percent report less than \$10,000 in savings and investments, and 45 percent have \$250,000 or more. In contrast, 71 percent of those without a retirement plan have less than \$10,000 in savings and investments, and only 4 percent have \$250,000 or more.



The difference between savings and investments of retirees with and without a retirement plan is just as glaring. Sixty percent of retirees with a retirement plan report having \$250,000 or more in savings and investments, while only 8 percent have less than \$10,000. Retirees without a retirement plan were much more likely to have less than \$10,000 in savings and investments at 63 percent. Only 5 percent of retirees without a retirement plan have \$250,000 or more in savings and investments (Figure 2).

Figure 2
Retiree Savings and Investments, With and Without a Retirement Plan*

In total, about how much money would you say you (and your spouse) currently have in savings and investments, not including the value of your primary residence or defined benefit plan assets?
 2023 Retirees n=1,087

	2014	2016	2017	2019	2020	2021	2022	2023	2023 Have Plan*	2023 No Plan
Less than \$1,000	29%	27%	21%	14%	21%	15%	17%	15%	5%	48%
\$1,000 - \$9,999	17	15	8	8	11	9	8	6	3	15
\$10,000 - \$24,999	12	13	6	5	4	5	4	7	5	12
\$25,000 - \$49,999	8	7	3	5	6	7	5	5	4	9
\$50,000 - \$99,999	7	9	7	6	8	9	7	6	7	5
\$100,000 - \$249,999	11	10	16	18	11	13	13	14	16	7
\$250,000 or more	17	19	38	43	38	42	46	47	60	5

*Have Retirement Plan defined as respondent or spouse having at least one of the following: IRA, DC plan, or DB plan
 Figures and n-sizes from all years presented exclude those who answered 'Don't know' or refused to answer
 Source: Employee Benefit Research Institute and Greenwald Research, 2023 Retirement Confidence Survey.

Confidence in Choosing the Right Retirement Products

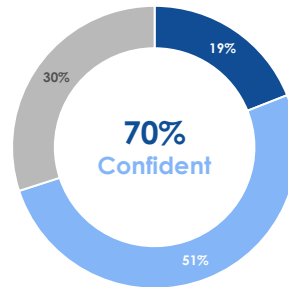
Seventy percent of workers are very or somewhat confident in their ability to choose the right retirement products or investments for their situation. However, only 19 percent are very confident (Figure 3). Workers with any retirement plan are more likely to be confident in their ability to choose the right retirement products for their situation than those without a retirement plan (78 percent vs. 43 percent).

Figure 3
Worker Confidence in Ability to Choose the Right Retirement Products

How confident are you (and your spouse)...?
 Workers n=1,320

In your ability to choose the right retirement products or investments for your situation

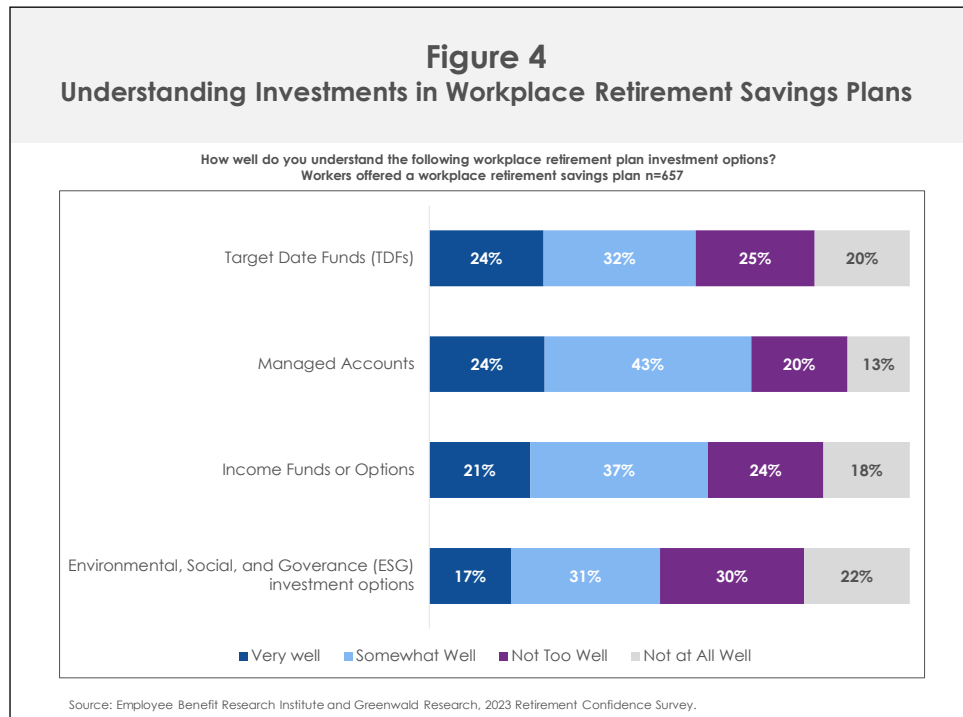
■ Very Confident ■ Somewhat Confident ■ Not Confident



Source: Employee Benefit Research Institute and Greenwald Research, 2023 Retirement Confidence Survey.

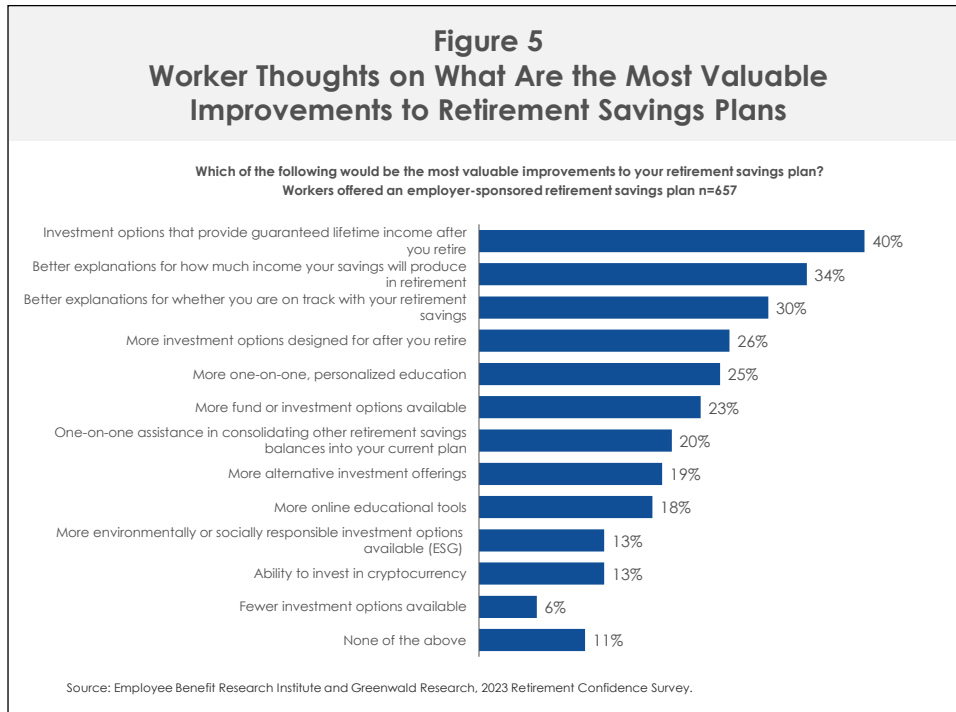
Investments in Retirement Savings Plans

Of workers offered a workplace retirement savings plan, 56 percent say they understand target date funds (TDFs) in general at least somewhat well (Figure 4). Furthermore, these workers are more likely to say that they understand managed accounts than they are to say they understand income funds or environmental, social, and governance (ESG) investment options.



Improvements to Retirement Savings Plans

When workers who are offered a workplace retirement savings plans are asked what the most valuable improvements to their workplace retirement savings plan are, the most cited improvements are investment options that provide guaranteed lifetime income after you retire (40 percent), better explanations for how much income their savings will produce in retirement (34 percent), better explanations for whether you are on track with your retirement savings (30 percent), and more investment options designed for after you retire (26 percent). About 1 in 5 of these workers also cite more one-on-one, personalized education (25 percent); more fund or investment options available (23 percent); one-on-one assistance in consolidating other retirement savings balances into your current plan (21 percent); more alternative investment offerings (private equity, real estate, etc.) (19 percent); and more online educational tools (18 percent). Fewer investment options (6 percent) is the least often cited improvement, but 11 percent of these workers choose none of the choices (Figure 5).

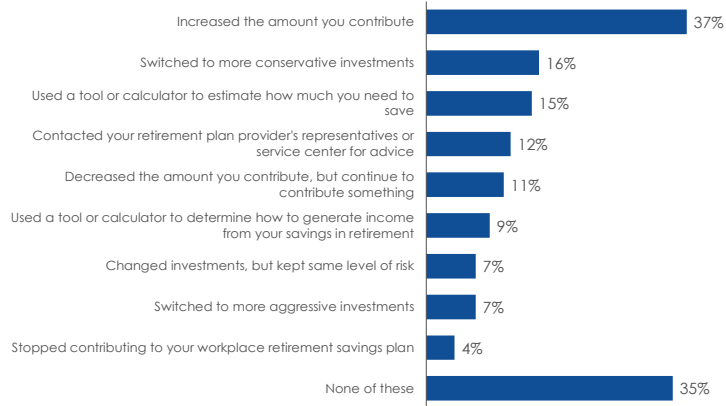


Actions Made in Workplace Savings Plans in the Past Year

Thirty-seven percent of workers who are offered a workplace retirement savings plan report having increased their contributions in the past year, while 11 percent decreased the amount they contributed but continued to contribute and another 4 percent stopped contributing (Figure 6). Among the other actions offered, 16 percent of these workers report having switched to more conservative investments, 15 percent used a tool or calculator to estimate how much they need to save, and 12 percent contacted their retirement plan provider's representatives or service center for advice. However, 35 percent say they did none of these actions in the past year.

Figure 6
Actions Made in Workplace Retirement Savings Plan in the Past Year

Which, if any, of the following have you done in the past year with your workplace retirement plan? *Select all that apply.*
Workers offered a workplace retirement savings plan n=657, Percentage taking that action



Source: Employee Benefit Research Institute and Greenwald Research, 2023 Retirement Confidence Survey.

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