Stepping Into the Future:
Employers, Workers, and the Multigenerational Workforce

TRANSAMERICA INSTITUTE®
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About the Authors

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With more than two decades of retirement industry experience, Catherine is a nationally recognized voice on retirement trends. She has testified before Congress on matters related to employer-sponsored retirement plans among small business, which featured the need to raise awareness of the Saver's Credit among those who would benefit most from the important tax credit.

In 2018, Catherine was named an Influencer in Aging by PBS' Next Avenue. In 2016, she was honored with a Hero Award from the Women's Institute for a Secure Retirement (WISER) for her tireless efforts in helping improve retirement security among women. Catherine serves on the Advisory Board Leadership Council of the Milken Institute's Center for the Future of Aging. She co-hosts the *ClearPath: Your Roadmap to Health & Wealth℠* radio show on Baltimore's WYPR, an NPR news station.

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About Transamerica Institute

- Transamerica Institute® is a nonprofit, private foundation dedicated to identifying, researching, and educating the public about retirement security and the intersections of health and financial well-being. It is the parent organization of Transamerica Center for Retirement Studies® which conducts one of the largest and longest-running annual retirement surveys of its kind. For more information, please visit www.transamericainstitute.org/about

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About the Report

Methodology: Employers

- The analysis contained in this report was prepared internally by the research team at Transamerica Institute and Transamerica Center for Retirement Studies (TCRS).
- A 20-minute online survey was conducted within the U.S. by The Harris Poll on behalf of Transamerica Institute and TCRS between November 22 and December 9, 2022 among a nationally representative **sample of 1,876 employers.** Potential respondents were targeted based on job title at for-profit companies and met the following criteria:
  - Employed adults 18+ who are decision makers for employee benefits at their for-profit company
  - Employ one employee or more across all locations
- Data are weighted where necessary by number of employees, revenue, industry, and state to bring them in line with their actual proportions in the population.
- Respondents for this survey were selected from among those who have agreed to participate in our surveys. The sampling precision of Harris online polls is measured by using a Bayesian credible interval. For this study, the sample data is accurate to within + 3.4 percentage points using a 95% confidence level. This credible interval will be wider among subsets of the surveyed population of interest.
- All sample surveys and polls, whether or not they use probability sampling, are subject to other multiple sources of error which are most often not possible to quantify or estimate, including, but not limited to coverage error, error associated with nonresponse, error associated with question wording and response options, and post-survey weighting and adjustments.
- Percentages are rounded to the nearest whole percent.

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Methodology: 23rd Annual Transamerica Retirement Survey (Workers)

- The analysis contained in this report was prepared internally by the research team at Transamerica Institute and Transamerica Center for Retirement Studies (TCRS).
- A 22-minute online survey was conducted within the U.S. by The Harris Poll on behalf of Transamerica Institute and TCRS between November 8 and December 13, 2022 among a nationally representative **sample of 5,725 workers in a for-profit company** employing one or more employees. Respondents in this subsample met the following criteria, based on self-reported employment status:
  - U.S. residents, age 18 and older
  - Full-time or part-time workers in a for-profit company employing one or more employees
- Data are weighted where necessary by age by gender, race/ethnicity, region, education, marital status, household size, household income and propensity to be online to bring them in line with their actual proportions in the population.
- Respondents for this survey were selected from among those who have agreed to participate in our surveys. The sampling precision of Harris online polls is measured by using a Bayesian credible interval. For this study, the sample data is accurate to within + 1.7 percentage points using a 95% confidence level. This credible interval will be wider among subsets of the surveyed population of interest.
- All sample surveys and polls, whether or not they use probability sampling, are subject to other multiple sources of error which are most often not possible to quantify or estimate, including, but not limited to coverage error, error associated with nonresponse, error associated with question wording and response options, and post-survey weighting and adjustments.
- Percentages are rounded to the nearest whole percent.

Terminology and Sample Sizes

This report uses the following terminology:

Employers	Base Size
• *All employers*: 1 or more employees	N=1,876
• *Small company*: 1 to 99 employees	N=1,151
• *Medium company*: 100 to 499 employees	N=225
• *Large company*: 500 or more employees	N=500

Workers	
• *All workers*: 1 or more employees	N=5,725
• *Small company*: 1 to 99 employees	N=2,074
• *Medium company*: 100 to 499 employees	N=1,091
• *Large company*: 500 or more employees	N=2,560

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Key Highlights

Stepping Into the Future: Employers, Workers, and the Multigenerational Workforce, a collaboration between nonprofit Transamerica Institute and Transamerica Center for Retirement Studies (TCRS), examines employers' workforce management-related concerns and how they are enhancing their business practices and benefit offerings to adapt to new post-pandemic realities. Underscoring employers' vital societal role, the report includes detailed findings about their flexible work arrangements, health and welfare benefits, workplace wellness programs, retirement benefits, and best practices for the multigenerational workforce. The report offers recommendations for employers and workers.

This report is based on a survey conducted of more than 1,800 for-profit U.S. companies in late 2022. It provides comparisons among small, medium, and large companies (< 100 employees, 100 to 499 employees, 500+ employees, respectively) and contextual comparisons with a survey of more than 5,700 workers of for-profit companies.

Key Highlights

The Pandemic's Aftermath

Employers are recovering from the pandemic while simultaneously navigating a turbulent economy, competitive labor market, and evolving workplace trends. At the same time, many workers are also recovering from pandemic-related employment setbacks. Some encouraging news is that employers implementing beneficial workforce-related measures in 2022 outnumbered those undertaking cost-cutting measures.

- **Employers' Recovery from the Pandemic.** Fewer than one in three employers (32%) indicate they have either fully recovered (26%) or were not impacted (6%) by the pandemic. Fifty-six percent have somewhat recovered, 9% haven't started to recover, and 3% indicate they may never recover. Large companies are more likely than small and medium companies to indicate they have fully recovered or were not impacted (39%, 31%, 28%, respectively).
- **Positive Signs of Employers' Recovery**. In 2022, seventy percent of employers implemented one or more beneficial measures for their employees, while fewer than half (46%) implemented any cost-cutting measures. For example, 33% of employers increased salaries/wages while only 14% reduced them. More than one in four employers (27%) increased bonuses, while only 17% reduced them. Twenty-four percent of employers implemented/enhanced health care benefits and 20% implemented/enhanced retirement benefits, compared with only 12% that reduced them. Twenty-percent hired additional staff, while only 12% had layoffs or downsizing.
- **Beneficial Measures.** In 2022, seven in 10 employers (70%) had implemented one or more beneficial measures for their employees. The most often cited beneficial measures include increased salaries/wages (33%), increased bonuses (27%), implemented/enhanced employee work-life balance programs (25%), and implemented/enhanced health care benefits (24%). One in five employers hired additional staff (20%) and implemented/enhanced retirement benefits (20%). Eighteen percent implemented retention incentives and 16% reinstated salaries, wages, and/or benefits that were reduced during the pandemic. Medium and large companies are more likely to have implemented beneficial measures than small companies (93%, 90%, 65%, respectively).
- **Cost-Cutting Measures.** In 2022, less than half of employers (46%) had implemented one or more cost-cutting measures. The most often cited cost-cutting measures include reduction or elimination of bonuses (17%), reduction of salaries or wages (14%), and frozen salaries (13%). Twelve percent of employers reduced or eliminated health care benefits, laid off or downsized, and reduced or eliminated retirement benefits. Ten percent implemented employee buyout incentives and 8% furloughed employees. Medium and large companies are more likely to have implemented cost cutting measures than small companies (62%, 60%, 42%, respectively).

Key Highlights

The Pandemic's Aftermath (cont.)

- **Difficulties in Recruiting Efforts.** Four in 10 employers (40%) cite difficulties in recruiting new employees since 2022, including 9% who say it has been very difficult and 31% saying it has been somewhat difficult. One in five employers (20%) have not recruited any new employees in 2022. Medium and large companies are more likely to have found recruiting difficult than small companies (59%, 49%, 37%, respectively). Notably, almost one in four small companies (24%) say they have not recruited any new employees in 2022, compared with 2% of both medium and large companies.
- **Difficulties in Retaining Employees**. Thirty-four percent of employers found it difficult to retain employees in 2022, including 6% that found it very difficult and 28% that found it somewhat difficult. Medium and large companies were more likely to find it difficult than small companies (54%, 45%, 31%, respectively). Thirty-two percent of small companies found it to be not at all difficult.
- **Major Concerns for Company's Leadership.** As of late 2022, most employers (95%) cited one or more major concerns for their company's leadership. Eight in 10 employers (80%) cited economy-related concerns such as inflation (59%), recession (44%), supply chain issues (37%), and/or interest rates (32%). Nearly seven in 10 employers (69%) cited workforce-related concerns such as employee productivity (36%), employee health and safety (35%), employee retention and turnover (34%), ability to recruit new employees (31%), return-to-work policies (25%), and/or diversity, equity, and inclusion (22%). Other major concerns include cybersecurity (31%), organizational and financial stability (30%), demand for products and services (30%), and vaccination policies (23%).
- **Major Concerns for Company's Leadership by Company Size.** Employers across company sizes share one or more major concerns for leadership, including 97% of large, 99% of medium, and 95% of small companies. Inflation is the top major concern across large (56%), medium (60%), and small (59%) companies. Medium and large companies were more likely than small companies to cite these major concerns: employee productivity (53%, 48%, 33%, respectively), employee retention and turnover (53%, 52%, 29%), employee health and safety (51%, 50%, 31%), ability to recruit new employees (51%, 45%, 27%), return-to-work policies (47%, 41%, 21%), cybersecurity (47%, 43%, 28%), and diversity, equity, and inclusion (38%, 33%, 18%). Approximately one-third of companies of all sizes cited organizational and financial stability as well as demands for products and services as major concerns.

Key Highlights

The Pandemic's Aftermath (cont.)

- **Employers' Sense of Responsibility for Employees' Well-Being.** Most employers feel very or somewhat responsible for helping their employees with various aspects of their health and financial well-being. More than eight in 10 employers feel responsible for helping employees keep their skills up-to-date and relevant (88%), achieve work-life balance (83%), maintain mental health (82%), and maintain long-term health and well-being (81%). Seventy percent of employers feel responsible for helping their employees achieve a financially secure retirement.
- **Workers' Changes to Finances Since the Pandemic Began.** More than one in four workers (27%) indicate their financial situation worsened since the pandemic began. Fifty-one percent indicate their financial situation stayed the same and 21% indicate it improved. Workers of small companies are more likely to indicate their situation worsened than those of medium and large companies (31%, 24%, 26%, respectively).
- **Unemployment During the Pandemic.** More than one in four workers (28%) became unemployed at some point during the pandemic, including 16% who were laid off, 7% who were furloughed, 3% who quit voluntarily, 1% who retired early, and 2% who indicated "other." Workers of small and medium companies were more likely than those of large companies to have become unemployed during the pandemic (32%, 31%, 23%, respectively).
- **Negative Employment Impacts Resulting From the Pandemic.** As of late 2022, almost four in 10 workers (38%) had experienced negative employment impacts as a result of the pandemic, including reduced work hours (19%), laid off (13%), reduced salary (11%), and furloughed (9%). Workers at large companies were somewhat less likely than those of medium and small companies to have been negatively impacted (35%, 39%, 41%, respectively). Workers of large companies were more likely than those of medium and small companies to have shifted to remote working (20%, 14%, 14%, respectively). Fifteen percent of all workers increased work hours, a finding that is similar across company sizes.

Most employers feel responsible for helping their employees to keep their job skills up to date, maintain work-life balance, maintain their physical and mental health and well-being, and save for their future retirement. However, many employers are not yet backing up this sense of responsibility through their business practices and benefit offerings, and many are also out of sync with workers' needs.

Key Highlights

Workers' Health & Well-Being and Employers' Benefit Offerings

Workers have a generally positive outlook on life, but most are concerned about their physical and mental health – and employers are concerned, too. A robust compensation and benefits package is a win-win solution. It can help employers attract and retain talent providing employees income, work-life balance, and the ability to save for retirement, while simultaneously protecting their health, well-being, and financial situation. Yet despite the importance that employers and workers place on these benefits, there is a pervasive gap in terms of employers offering them, especially among small employers.

- **Workers' Outlook on Life.** Most workers have positive sentiments about life, such as being generally happy (84%), having close relationships with family and/or friends (83%), enjoying life (81%), and having a strong sense of purpose in life (79%). Seventy-three percent of workers have a positive view of aging and 67% have an active social life. However, a concerning number of workers are experiencing distress, such as often feeling unmotivated and overwhelmed (43%), anxious and depressed (43%), having trouble making ends meet (43%), and feeling isolated and lonely (31%).
- **Employer-Worker Comparison: Work-Life Balance.** Employers may be overestimating their employees' success in managing work-life balance. Ninety-six percent of *employers* feel their employees are successful at managing work-life balance, including 41% that feel they are very successful and 55% that feel they are somewhat successful. However, only 80% of *workers* feel they are successful, including 29% who feel very successful and 51% who feel somewhat successful.
- **Employer Support for Achieving Work-Life Balance.** Employers may be overestimating their level of helpfulness in supporting their employees to achieve work-life balance. More than nine in 10 *employers* (96%) believe they are helpful in supporting their employees, including 45% that believe they are very helpful and 51% that believe they are somewhat helpful. In contrast, far fewer *workers* (75%) indicate their employers are helpful in supporting them achieve work-life balance, including 28% who feel they are very helpful and 47% who feel they are somewhat helpful.
- **Employer-Worker Comparison: Concerns About Physical Health.** The majority of *employers* (86%) are concerned about employees maintaining their physical health, including 45% that are very concerned and 41% that are somewhat concerned. As a point of comparison, nearly seven in 10 *workers* (69%) are concerned about maintaining their physical health, including 30% who are very concerned and 39% who are somewhat concerned.

Key Highlights

Workers' Health & Well-Being and Employers' Benefit Offerings (cont.)

- **Employer-Worker Comparison: Concerns About Mental Health.** The majority of *employers* (85%) are concerned about employees maintaining their mental health, including 46% that are very concerned and 39% that are somewhat concerned. As a point of comparison, more than six in 10 (61%) of *workers* are concerned about maintaining their mental health, including 30% who are very concerned and 31% who are somewhat concerned.
- **Employers' Major Concerns About Mental Health.** Nearly three in four employers (74%) cite one or more major concerns among their company's leadership regarding the mental health of their employees. The most frequently selected major concerns are employees' anxiety (42%), burnout (41%), extreme stress (40%), and depression (36%), followed by substance abuse (21%). Medium and large companies are more likely than small companies have one or more major concerns about their employees' mental health (91%, 86%, 70%, respectively).
- **How Mental Health Issues Are Impacting Employers.** Sixty-three percent of employers cite one or more ways that employees' mental health issues are negatively impacting their company. The most often cited negative impact among all employers is a loss of productivity (46%), followed by absenteeism (30%), turnover (27%), and dysfunctional work environment (21%). Medium and large companies are more likely to cite negative impacts from employees' mental health than small companies (89%, 81%, 58%, respectively).
- **Employers' Views on Compensation, Benefits, and Flexibility.** Employers recognize the importance of compensation and benefits to attract and retain employees. The most frequently cited attributes are salary/pay (66%), flexible work schedule (60%), a safe work environment (51%), paid time off (42%), and the ability to work remotely (42%). Many employers also cite employee benefits (62%) such as health insurance (52%), retirement benefits (38%), and other employee benefits (15%) as being very important in their company's ability to attract and retain employees. Large and medium companies are more likely than small companies to cite these employee benefits as being very important (83%, 83%, 57%, respectively).

Key Highlights

Workers' Health & Well-Being and Employers' Benefit Offerings (cont.)

- **Workers' Value Versus Employers' Offering of Benefits.** Workers and employers are mismatched when it comes to the types of benefits valued by workers and the actual benefit offerings by employers. Most *workers* consider a wide range of benefits as being important, including health insurance (95%), a 401(k) or similar plan (91%), life insurance (85%), and long-term care insurance (81%) among others. However, significantly fewer *employers* offer these types of benefits to their employees. For example, some of the widest gaps include: 77% of *workers* consider a cash balance pension plan as very/somewhat important, yet only 18% of *employers* offer it; 81% of *workers* consider long-term care insurance as very/somewhat important, yet only 26% of *employers* offer it; and 67% of *workers* consider cancer insurance as very/somewhat important, yet only 13% of *employers* offer it. A noteworthy 22% of *employers* do not offer any of these benefits.
- **Employers' Re-evaluation of Benefit Offerings.** More than six in 10 employers (61%) have re-evaluated their health, retirement, and other employee benefit offerings in 2022. Employers across company sizes most frequently cite that employee benefit offerings were re-evaluated to align with employee's current needs (31%), make them more competitive (31%), reduce costs (22%), and for benchmarking purposes (15%). Medium and large companies are more likely to have re-evaluated employee benefit offerings than small companies (89%, 84%, 55%, respectively). Amid workforce shifts, 21% of employers have not re-evaluated their benefits plans and have no plans to do so.
- **Employers' Offering of Health and Welfare Benefits.** Most employers (75%) offer one or more types of health and welfare benefits to their employees. Health insurance (63%) is the most frequently offered benefit, followed by life insurance (42%), a workplace wellness program (34%), an employee assistance program (33%), and disability insurance (30%). Medium and large companies are significantly more likely to offer one or more of these types of benefits than small companies (100%, 99%, 69%, respectively). Three in 10 small company employers (31%) offer none of these benefits.
- **Types of Health Plans Offered With Health Insurance Coverage.** Among employers that offer health insurance to their employees, 56% offer a health savings account (HSA) and/or flexible spending account (FSA). Large and medium companies are significantly more likely to offer these than small companies (75%, 71%, 48%, respectively). Many employers offer preferred provider organizations (PPOs) (58%) and health maintenance organizations (HMOs) (49%).

Key Highlights

Workers' Health & Well-Being and Employers' Benefit Offerings (cont.)

- **Reasons for Not Offering Health Insurance.** Among employers not offering health insurance to their employees, the most frequently cited reasons for not doing so are the company is not big enough (66%) and concern about cost (34%). Few cite concern about administrative complexity and the amount of work involved (14%), management not being interested (12%), and concern about fiduciary liability (11%).
- **Workplace Wellness Program Features.** Among employers that offer a workplace wellness program, the most frequently cited components of the program include mental health support (59%), health screenings/biometric assessments/vaccinations (51%), fitness programs (48%), education on healthy behaviors (45%), and mindfulness, meditation, yoga, or relaxation training (44%). More than one-third of employers use financial incentives (39%) and opportunities to win prizes (36%) for health-related activities. Few employers integrate health promotion into their organization's cultures such as walking meetings and healthy food options (35%).
- **Employers' Views on Workplace Wellness Program Participation.** More than six in 10 employers (64%) indicate the average level of participation in their workplace wellness programs is either very high (25%) or high (39%). Small companies are significantly more likely than large and medium companies to report high levels of participation (74%, 47%, 38%, respectively).
- **Student Loan-Related Benefits.** New employee benefit offerings have emerged in recent years to assist with student loan repayment. Almost four in 10 employers (39%) offer one or more benefits including a contribution to help pay down an employee's student debt (22%), a matching contribution to the 401(k) plan that recognizes student loan repayments (21%), and an app/online service to help employees discover new loan repayment and forgiveness options (20%). Large and medium-sized companies are more likely to offer one or more benefits than small companies (67%, 61%, 33%, respectively). Important note: The SECURE 2.0 Act of 2022 makes it easier for 401(k) or similar plan sponsors to make matching contributions in recognition of employees' qualified student loan payments beginning in 2024.

Large and medium companies offer more comprehensive health and welfare benefits than small companies, a survey finding that is consistent with pre-pandemic trends. However, there is room for growth among companies of all sizes. As employers reevaluate their benefit offerings, they have many options to choose from so they should ensure they are meeting their employees' needs. The employee benefits marketplace is highly competitive, and employers may find new and affordable options that could help them stand out in the evolving employment landscape.

Key Highlights

Workers' Financial Situation and Employers' Retirement Benefit Offerings

Relatively few workers are very confident in their ability to achieve a financially secure retirement. Most face competing financial priorities that make it difficult to save, including the need to pay off debt and build emergency savings. Nevertheless, they are prioritizing retirement savings.

Employer-sponsored retirement plans, including 401(k)s and similar tax-advantaged employee-funded plans, have proven to be one of the most effective ways to facilitate long-term savings among workers. Employers and workers alike recognize the importance of retirement benefits in attracting and retaining talent and job offer acceptance. Consistent with other types of employee benefits, larger companies tend to provide more robust retirement benefit offerings than small companies.

- **Employer-Worker Comparison: Retirement Confidence.** Eight in 10 *employers* (83%) are confident their employees will be able to achieve a financially secure retirement, including 32% that are "very confident" and 51% that are "somewhat confident." In contrast, a smaller majority of *workers* (68%) are confident that they will be able to fully retire with a lifestyle they consider comfortable, including 23% who are "very confident" and 45% who are "somewhat confident."
- **Workers' Competing Financial Priorities.** Almost six in 10 workers (59%) cite paying off one or more types of debt as a financial priority, including credit card (39%), mortgage (29%), other consumer debt (13%), and/or student loans (12%). Fifty-seven percent cite saving for retirement and 42% cite building emergency savings as financial priorities. Workers of medium and large companies are generally more likely to cite these as priorities than workers of small companies. Thirty-two percent of all workers indicate they are just getting by to cover basic living expenses.
- **Emergency Savings.** Emergency savings are needed to cover financial setbacks, such as unemployment, medical bills, home repairs, auto repairs, and other unexpected expenses. Emergency savings could also help prevent workers from dipping into their retirement savings to cover such expenses. However, workers have saved only $5,000 (median) in emergency savings as of late 2022. Workers of large and medium companies have saved more than those of small companies ($6,000, $5,000, $3000, respectively). Of concern, approximately one in six workers (16%) have no emergency savings at all. <u>Important note</u>: Beginning in 2024, SECURE 2.0 helps solve this issue by creating a Pension-Linked Emergency Savings Account (PLESA). It is a new feature for 401(k) or similar plans which permits non-highly compensated employees to save for emergencies on a Roth basis. Additionally, under the new law, withdrawals from retirement accounts that are emergency withdrawals meeting certain requirements will not be subject to the 10% early withdrawal penalty that is generally applicable to those under the age of 59½.

Key Highlights

Workers' Financial Situation and Employers' Retirement Benefit Offerings (cont.)

- **Health Care Savings.** Seventy-six percent of workers are savings for health care expenses. Large and medium company workers are more likely to be saving in one or more types of accounts for health care expenses than small company workers (79%, 77%, 71%, respectively). The most frequently cited means for health care savings among all workers is an individual account (e.g., savings, checking, brokerage, etc.) (56%), followed by an HSA (31%), and/or FSA (19%). Almost one in four workers (24%) are not saving for health care expenses.
- **Retirement-Related Attitudes, Beliefs, and Concerns.** Workers commonly share attitudes, beliefs, and concerns about retirement. More than seven in 10 workers (72%) are concerned that Social Security will not be there for them when they are ready to retire. Sixty-seven percent of would like to receive more information and advice from their employers on how to reach their retirement goals, while 63% indicate they do not know as much as they should about retirement investing. Fifty-seven percent would prefer to rely on outside experts to monitor and manage their retirement savings. More than half of workers feel they do not have enough income to save, and that debt is interfering with their ability to save for retirement (both 53%). Forty-two percent of workers prefer not to think about or concern themselves with retirement investing until they get closer to their retirement date.
- **Expected Sources of Retirement Income.** Workers are expecting diverse sources of retirement income with the most often cited including self-funded savings (78%), Social Security (63%), and income from working (36%). However, there are some differences by company size. Workers of large and medium companies are more likely to cite retirement income from 401(k)s, 403(bs), and IRAs than those of small companies (78%, 71%, 54%, respectively). Workers of large and medium companies are also more likely than those of small companies to cite income from a company-funded pension plan (26%, 21%, 14%, respectively).
- **Expected Primary Source of Retirement Income.** Fifty percent of workers expect their primary source of income in retirement to come from self-funded savings such as 401(k)s, 403(b)s, IRAs (38%) or other savings and investments (12%), and 23% of workers expect to rely on Social Security. Expected reliance on retirement accounts (e.g., 401(k)s, 403(b)s, IRAs) is higher among workers of large and medium companies than those of small companies (45%, 39%, 29%, respectively). Workers of small companies are more likely to expect to rely on income from working, compared with those of medium and large companies (18%, 14%, 12%, respectively).

Key Highlights

Workers' Financial Situation and Employers' Retirement Benefit Offerings (cont.)

- **Employer-Worker Comparison: Importance of Retirement Benefits.** Eighty-one percent of *employers* believe that offering a 401(k) or similar plan is important for attracting and retaining employees, a finding that is consistent with the perspective of workers. Eighty-two percent of *workers* agree that retirement benefits offered by a prospective employer will be a major factor in their final decision-making when job hunting.
- **Employers' Sense of Importance of Retirement Benefits.** Eighty-one percent of employers indicate that offering a retirement plan is important for attracting and retaining talent, including 40% that say it is very important and 41% that say it is somewhat important. However, the findings vary dramatically by company size. Ninety-six percent of large companies and 98% of medium companies say it is important, compared with 78% of small companies. Fifty-nine percent of both medium and large companies indicate it is very important, compared with just 36% of small companies.
- **Retirement Benefit Offerings.** Fifty-eight percent of employers offer a 401(k) or similar employee-funded retirement plan to their employees, including 52% that offer a 401(k) plan and 15% that offer another type of employee self-funded plan (e.g., SEP, SIMPLE, other plans except for 401(k)s). Employee-funded plans are more commonly offered by large and medium companies, compared with small companies (92%, 84%, 51%, respectively). Company-funded defined benefit plans are offered by only 29% of employers. Thirty-four percent of employers do not offer any retirement benefits to their employees. Small companies (41%) are significantly more likely to indicate they do not offer any retirement benefits, compared with medium and large companies (both 2%).
- **Plan Sponsors' Reasons for Offering Retirement Benefits.** Among those that offer some form of retirement benefits, companies of all sizes cite similar reasons for doing so, including helping employees to save and prepare for retirement (55%), increasing job satisfaction among employees (52%), retaining existing employees (50%), inspiring loyalty among employees (45%), offering a competitive employee benefits package (44%), and attracting new employees (43%). Generally, large companies are more likely to cite many of these reasons than small companies.
- **Employers That Are Not Planning to Offer a Plan and Reasons.** Among companies not offering a 401(k) or similar plan, many (42%) say they are *likely* to begin sponsoring a plan in the next two years and 54% of them say they would consider joining a pooled plan arrangement such as a multiple employer plan (MEP), pooled employer plan (PEP), or group of plans (GoP). Among those that are *not likely* to sponsor a plan in the next two years, the most often cited reasons are they are not big enough (76%), they are concerned about cost (31%), and their employees are not interested (13%). Important note: Beginning in 2023, SECURE 2.0 makes it easier and more affordable for small businesses to adopt a qualified retirement plan, whether a stand-alone 401(k) or similar plan, or by joining a multiple employer plan (MEP) or pooled employer plan (PEP).

Key Highlights

Workers' Financial Situation and Employers' Retirement Benefit Offerings (cont.)

- **Retirement Plan Eligibility for Part-Time Employees.** Among employers offering a 401(k) or similar plan, 58% extend eligibility to part-time employees, including small, medium, and large companies (57%, 59%, 60%, respectively). Twenty-five percent do not extend eligibility to part-time employees and 17% do not have part-time employees. Among those not extending eligibility to part-time workers, 25% do not plan to do so in the future. Their most often cited reasons include high turnover rates among part-time employees (47%) and concerns about cost (43%). Important note: The SECURE Act of 2019 requires plan sponsors to extend eligibility to make deferrals to long-term, part-time workers who meet a reduced hours of service requirement over three consecutive years. Employers were required to start tracking these consecutive years of service beginning in 2021, thus long-term, part-time workers meeting this new requirement will first be eligible in 2024. The SECURE 2.0 Act of 2022 reduces the consecutive periods of service to two years, beginning with the 2023 tracking year, and extends the shortened rule to 403(b) plans.
- **Workers' Plan Participation and Salary Deferral Rates.** Almost eight in 10 workers (79%) who are offered a 401(k) or similar plan participate in that plan, including 72% of workers of small companies, 79% of workers of medium companies, and 82% of workers of large companies. Among those who participate in their employers' plans, the median annual salary deferral rate is 10%, but it varies by company size. The deferral rate among workers of small and large companies is 10%, while it is 12% among those of medium companies (medians).
- **Access to a 401(k) or Similar Plan Inspires Savings.** Workers are more likely to save for retirement when they have access to a 401(k) or similar plan through their employer. Almost nine in 10 workers (88%) who have access to an employer-sponsored plan are saving for retirement in the plan and/or outside of work. Among workers who are not offered a plan by their employers, fewer than half (46%) are saving for retirement.
- **Plan Sponsors' Contributions to 401(k) or Similar Plans.** An employer's contribution is one of the most powerful features of a 401(k) or similar plan to incentivize employees to join the plan and build their retirement savings. Ninety-five percent of plan sponsors make an employer contribution as part of their 401(k) or similar plan, including 78% that provide a matching contribution and 20% that provide a contribution not in the form of a match. Small, medium, and large companies are similarly likely to provide an employer contribution (94%, 98%, 97%, respectively). However, medium and large companies (both 86%) are more likely to provide a matching contribution than small companies (75%). Small, medium, and large companies are similarly likely to provide a contribution but not in the form of a match (21%, 16%, 16%, respectively).

Key Highlights

Workers' Financial Situation and Employers' Retirement Benefit Offerings (cont.)

- **Roth 401(k) Offerings.** Seventy-seven percent of plan sponsors offer a Roth 401(k) option. Small, medium, and large companies are similarly likely to offer this plan feature (78%, 75%, 73%, respectively). Important note: Beginning in 2024, SECURE 2.0 will require that, for certain higher income earners, the Catch-Up Contributions must be made on a Roth basis. As a result, plan sponsors offering Catch-Up Contributions but not a Roth feature for regular deferrals may need to also offer the Roth 401(k) feature for all deferrals. Beginning in 2025, SECURE 2.0 increases the IRS Catch-Up Contribution limit for plan participants that have reached ages 60, 61, 62, or 63 (but not at later ages). Beginning in 2024, the new law also allows plans to add a Pension-Linked Emergency Savings Account (PLESA), a new plan feature for 401(k) or similar plans which permits non-highly compensated employees to save for emergencies on a Roth basis. Finally, plans may now permit participants to elect Roth treatment on certain employer contributions.
- **Adoption of Automatic Features Increases With Company Size.** Fifteen percent of plan sponsors have adopted *automatic enrollment* with small, medium, and large company plan sponsors being similarly likely to have done so (14%, 19%, 18%, respectively). Among plan sponsors adopting *automatic enrollment*, the default contribution rate is 8% (median) of an employee's pay. More than three in four plan sponsors adopting automatic enrollment (77%) indicate their employees' response to it has been positive. Eighty percent of plan sponsors have adopted automatic escalation, a feature that automatically increases participants' contribution rates annually. Automatic escalation is similarly found among small, medium, and large companies (81%, 79%, 78%, respectively). Important note: SECURE 2.0 will require employers who adopted 401(k) or 403(b) plans on or after December 29, 2022, to add an automatic enrollment and automatic escalation feature to their plans no later than January 1, 2025, unless an exception applies.
- **Future Plans for Adopting Auto-Enrollment.** Among plan sponsors that do not offer automatic enrollment, six in 10 (63%) plan to do so in the future. Sixteen percent do not plan to offer it and 22% are "not sure." Among those not planning to offer it, the most often cited reasons are the participation rate is already high (51%), concerns about employee resistance (39%), concerns about cost (32%), and concerns about administrative complexity (32%).

Key Highlights

Workers' Financial Situation and Employers' Retirement Benefit Offerings (cont.)

- **Professionally Managed Investment Services.** Professionally managed services such as managed accounts and asset allocation suites, including target date and target risk funds, and model portfolios have become ubiquitous options in 401(k) or similar plans, with 94% of plan sponsors offering one or more of these services. Such offerings enable plan participants to invest in professionally managed services or funds that are tailored to their goals, years to retirement, and/or risk tolerance profile. Medium and large company plan sponsors are somewhat more likely to offer a wider array of these services than small company plan sponsors (98%, 97%, 92%, respectively).
- **Workers' Professionally Managed Account Usage.** "Professionally managed" accounts include model portfolio services, strategic allocation funds, managed account services and/or target date funds. Most plan participants (69%) use a professionally managed offering in their 401(k) or similar plans, including 27% who use model portfolios, 25% who use strategic allocation funds, 24% who use managed account services, and 23% who use target date funds. The usage of professionally managed accounts is relatively consistent among workers across company size: 71% of those at small, 70% of those at medium, and 68% of those at large companies.
- **Workers Tapping Into Retirement Savings.** A concerning percentage of workers are tapping into their retirement savings before they retire. Thirty-seven percent of workers have taken a loan, early withdrawal, and/or hardship withdrawal from their 401(k) or similar plan or IRA, including 30% who have taken a loan and 21% who have taken an early and/or hardship withdrawal. Almost one in five workers (19%) have taken a loan and paid it back in full, while 10% have taken a loan and are paying it back, and 8% have taken a loan and were unable to pay it back. Important note: The SECURE 2.0 Act of 2022 provides an exception to the 10% early withdrawal penalty for "emergency personal expenses" of up to $1,000 beginning in 2024.
- **Reasons for Taking 401(k) Loans.** Among those who have taken a loan from their 401(k) or similar plan, the most frequently cited reason for doing so is a financial emergency (31%). Three in 10 workers cite paying off debt (30%), including credit card debt (29%) and/or other debt (1%). Other reasons include everyday expenses (26%), medical bills (25%), home improvements (23%), the purchase of a vehicle (19%), and unplanned major expenses (19%).

Key Highlights

Workers' Financial Situation and Employers' Retirement Benefit Offerings (cont.)

- **Reasons for Hardship Withdrawals From 401(k)s.** Among those who have taken a hardship withdrawal from a 401(k) or similar plan, the reasons for doing so include paying for certain medical expenses (17%), payments to prevent eviction from one's principal residence (16%), expenses and losses incurred due to a disaster in a federally declared disaster area (15%), payment of tuition and related educational fees (14%), cover costs related to purchase of a principal residence (13%), expenses for qualified repairs to damage of principal residence (12%), and burial or funeral expenses (6%). Important note: SECURE 2.0 permits employers to allow plan participants to self-certify that a hardship withdrawal is being taken for one of the seven safe harbor reasons and that the amount requested does not exceed the amount of the need. Plan administrators can rely on the self-certification unless they have actual knowledge to the contrary.
- **Saving for Retirement Outside of Work.** Nearly two-thirds of workers (65%) are saving for retirement outside of work, such as in an IRA, mutual funds, bank account, etc. Workers at large companies are somewhat more likely to be saving for retirement outside of work, compared with those at medium and small companies (66%, 53%, 59%, respectively).
- **Retirement Savings Needs & Basis of Estimate.** Workers across company sizes estimate they will need to save $500,000 (median) by the time they retire in order to feel financially secure. Almost four in 10 workers (39%) estimate they will need to save more than $1,000,000. Among those providing an estimate, 45% of workers said they guessed the amount needed, while 36% estimated it based on current living expenses, 20% estimated based on expected earnings on investments, 14% used a calculator, 13% read/heard how much is needed, 13% had the amount given to them by a financial advisor, and 10% completed a worksheet.
- **Total Household Savings in Retirement Accounts.** Total household retirement savings is one of the strongest indicators of a worker's retirement outlook. Workers' estimated median total household retirement savings is $65,000. However, a retirement savings gap appears when savings are examined by company size. Workers of small companies have total retirement savings of $36,000, compared with $69,000 among workers of medium companies and $115,000 for workers of large companies (estimated medians).
- **Financial Strategy for Retirement.** Seventy-two percent of workers have a financial strategy for retirement including 29% who have a written plan and 43% have an unwritten plan. Workers at large and medium companies are more likely to have a written plan than those at small companies (32%, 30%, 25%, respectively). Nearly one in three workers of small companies (32%) do not have any financial strategy for retirement.

Key Highlights

Workers' Financial Situation and Employers' Retirement Benefit Offerings (cont.)

- **Lack of Knowledge About Retirement Investing.** More than six in 10 workers (63%) agree with the statement, "I do not know as much as I should about retirement investing," including 24% who strongly agree and 39% who somewhat agree. Only 13% of workers indicate they have a great deal of knowledge regarding asset allocation principles related to retirement investing, while 22% say they know quite a bit and 40% have some knowledge. Twenty-five percent indicate they have no knowledge.
- **Employer-Worker Comparison: Desire for More Advice.** Almost three in four *employers* (74%) agree that most employees would like to receive more information and advice from their company on how to reach their retirement goals, including 29% that strongly agree and 45% that somewhat agree. These findings are aligned with the 67% of *workers* who agree they would like to receive more information advice from their employers on how to reach their retirement goals, including 24% who strongly agree and 43% who somewhat agree.
- **Employer-Worker Comparison: The Saver's Credit.** The Saver's Credit is a tax credit available to eligible taxpayers who are saving for retirement in a qualified retirement plan or IRA. Only 47% of all *employers* are both aware of the Saver's Credit and actively promoting it to their employees, but this increases with company size. Medium and large companies (73%, 69%, respectively) are more likely to be aware of the Saver's Credit and actively promoting it, compared with small companies (41%). Fewer than half of *workers* (49%) are aware of the Saver's Credit. Beginning in 2027, SECURE 2.0 reimagines and replaces the Saver's Credit with the Saver's Match, a matching contribution from the government for retirement savers meeting income eligibility requirements. The Saver's Match will be 50 percent of a worker's retirement plan or IRA contributions up to $2,000, representing a maximum match amount of $1,000.
- **Employers' Offering of Education About Government Benefits.** As part of their retirement planning-related educational offerings, slightly more than six in 10 employers provide information about Social Security (62%) and Medicare (63%) benefits. Medium and large companies are more likely than small companies to provide information about Social Security (87%, 82%, 57%, respectively). Medium and large companies are also more likely than small companies to provide information about Medicare (87%, 79%, 58%, respectively).

Key Highlights

Workers' Financial Situation and Employers' Retirement Benefit Offerings (cont.)

- **Plan Sponsors' Assistance for Financial Transitions to Retirement.** Workers nearing retirement face a myriad of complex decisions regarding transitioning their savings and finances into retirement, and plan sponsors have an important opportunity to work with their retirement plan providers to assist them. Relatively few plan sponsors offer things such as access to a financial advisor (47%), referrals to the company's retirement plan provider (42%), educational resources (38%), retirement planning materials (38%), education about transitioning into retirement (36%), an income annuity as a payout option (35%), referrals to an IRA provider that is not the company's retirement plan provider (35%), seminars about transitioning into retirement (35%), and systematic withdrawals (29%).

Expanding retirement plan coverage so that all workers can save for retirement in the workplace is imperative for improving retirement security. To accomplish this, the main area of focus must continue to be small companies that do not offer a plan. Now, there are more options available in the marketplace than ever before, and small companies can also enjoy meaningful tax incentives for establishing a plan. The recently enacted SECURE 2.0 Act of 2022 makes it even easier and more affordable to sponsor a plan. Another important area of focus for expanding coverage is extending plan eligibility to part-time workers so they can participate in plans offered by their employers – which is another area addressed by SECURE 2.0.

Current plan sponsors should consult with their plan providers about SECURE 2.0 to learn about how the new law impacts their plans including new features and compliance requirements. They should also ensure their employees are taking full advantage of available plan features, investment-related services, planning tools, and educational resources. As much as plan sponsors are doing to help employees save and invest, the survey finds they can do more to support employees who are transitioning into retirement.

Key Highlights

Emerging Best Practices for the Multigenerational Workforce

People have the potential to live longer than ever before, which is prompting a fundamental rethinking of how much time is spent in the workforce relative to retirement. Many workers expect to work beyond traditional retirement age and some are already doing so.

Today, five generations in the workforce bring a diverse array of skills, expertise, and life experiences to their jobs. From Generation Z, Millennials, Generation X, and Baby Boomers to the Silent Generation, today's workers bring extraordinary perspectives. Researchers have found that age diversity in the workplace improves performance and productivity.[1] However, the survey finds that many employers have not yet adapted best practices to tap into this opportunity.

- **Workers' Age Planning to Live.** Today's workers are planning to live to age 88 (median). One in eight workers (13%) are planning to live to age 100 or older. More than one in three workers (35%) are "not sure," a reasonable answer given the nature of the question. The survey compared workers' planned life expectancy with their expected retirement age and found that they plan to spend 25 years in retirement (median). For workers, longevity has implications for the time they spend in the workforce relative to retirement and the mindset for a flexible career path. For employers, it presents an opportunity for fostering the diversity and growth of a multigenerational workforce and providing new alternative pathways into retirement (e.g., reverse mentorships, flexible transitions, formal phased retirement programs).
- **Employer-Worker Comparison: Age-Friendly Company.** While most *employers* (83%) consider their companies to be "age-friendly" by offering opportunities, work arrangements, and training and tools needed for employees of all ages to be successful, only 67% of *workers* consider their employers to be age-friendly. This disconnect is consistent across company size.
- **Employers' DE&I Policy Statement Referencing Age.** Only four in 10 employers (41%) have adopted a formal diversity, equity, and inclusion (DE&I) policy statement that specifically includes age among other commonly included demographic characteristics. Many employers do not have a DE&I policy statement that includes age, including 27% that plan to adopt one in the future and 25% that do not plan to do so. Seven percent are "not sure." Large and medium companies are more likely than small companies to have adopted a DE&I policy statement referencing age (68%, 59%, 35%, respectively).

[1] OECD (2020), *Promoting an Age-Inclusive Workforce: Living, Learning and Earning Longer*, OECD Publishing, Paris, https://doi.org/10.1787/59752153-en.

Key Highlights

Emerging Best Practices for the Multigenerational Workforce (cont.)

- **Employers' Consideration of Age 50+ Job Applicants.** Historically, employers' recruiting practices overlooked older workers, but change may be on the way. Six in 10 employers (61%) gave "a great deal" (24%) or "quite a bit" (37%) of consideration to age 50+ job applicants during recruiting efforts in 2022. Five percent of employers did not consider age 50+ job applicants. Levels of consideration varies across company size. Generally, medium and large companies were more likely to have given "a great deal" or "quite a bit" of consideration to age 50+ applicants than small companies (71%, 69%, 58%, respectively). More small companies indicate their company did not have any age 50+ job applicants, compared with medium and large companies (10%, 2%, 2%, respectively).
- **Emphasis on Professional Development.** More than half of employers (54%) say that their company culture emphasizes professional growth and development among employees of all ages, including those age 50 and older. Few employers emphasize it "great deal" (17%), and more than one in three employers place "quite a bit" (37%) or "some" emphasis on it (34%). Large and medium companies are more likely to emphasize a "great deal" or "quite a bit" on professional development than small companies (68%, 66%, 51%, respectively).
- **Lifelong Learning & Multigenerational Workforce Programs.** Many employers are promoting lifelong learning and fostering a multigenerational workforce. The most frequently cited programs include traditional and/or reverse mentorships (48%), job training (46%), internships for individuals starting their careers and/or individual reentering the workforce (35%), and professional development programs (32%). Only 28% of employers offer specific training that address generational differences and help prevent age discrimination. One in five employers (21%) offer tuition reimbursement for continuing education. Large and medium companies are more likely to offer most types of programs than small companies.
- **Employer-Worker Comparison: Proactive Steps.** Employers offer insights into the steps workers should be taking to help ensure they can work as long as they want and need. *Employers*' top recommendations are to stay healthy (64%), keep their job skills up to date (62%), and perform well at their current job (60%). When asked about what steps they are taking, *workers* most often indicate they are staying healthy so they can continue working (58%), performing well at their current job (54%), and keeping their job skills up to date (49%). About one in four *workers* are networking and meeting new people (26%) and taking classes to learn new skills (24%). Seventeen percent of *workers* are obtaining a new degree, certification, or professional designation. Fifteen percent of *workers* are attending virtual conferences and webinars. Eleven percent of *workers* have not taken any steps.

Key Highlights

Emerging Best Practices for the Multigenerational Workforce (cont.)

- **Employer-Worker Comparison: Flexible Work Arrangements**. Employers recognize the importance of flexible work arrangements (e.g., job-sharing, flexible hours, remote working). More than nine in 10 *employers* (91%) believe that it is important to offer them, including 47% that believe it is very important and 44% that believe it is somewhat important. At the same time, more than eight in 10 *workers* (83%) feel that it is important for their employer to offer flexible work arrangements, including 49% who feel it is very important and 34% who feel it is somewhat important.
- **Employers' Offering of Alternative Working Arrangements.** Employers can help employees navigate an evolving career-retirement path alongside family and caregiving responsibilities by offering various alternative working arrangements. The most frequently offered arrangements are flexible work schedules (58%), ability to adjust work hours as needed (51%), hybrid work arrangements (44%), and ability to take unpaid leave of absence (43%). Only 35% of employers offer the ability to switch from full-time to part-time and vice versa, and 25% offer the opportunity to take a sabbatical. Large and medium companies are generally more likely to offer arrangements than small companies (98%, 96%, 92%, respectively).
- **Workers' Caregiving Experience.** Many workers will be called upon to serve as a caregiver over the course of their working years. Thirty-six percent of workers are currently serving and/or have served as a caregiver in the past for a relative or friend during their career (excluding parenting responsibilities). Among caregiving workers, the most often cited care recipients include a parent (44%), grandparent (20%), child (18%), spouse/partner (17%), and friend or neighbor (13%). Eighty-six percent of caregiving workers have made at least one work-related adjustment ranging from missing days of work and reducing hours to quitting a job altogether.
- **Employers' Caregiving Support Programs.** Employers can do much more to support their caregiving employees. The most frequently offered programs are unpaid leave of absence (40%), paid leave of absence (34%), online resources and/or tools (24%), and an employee assistance program that offers counseling and referral services (24%). About one in five employers offer training on handling caregiving situations for employees (23%) and for managers (21%). Large and medium companies are more likely to offer caregiving support programs than small companies (96%, 95%, 79%, respectively).
- **Employer-Worker Comparison: Expected Retirement Age.** Employers and workers are aligned in their perspectives on working past age 65. More than half of *employers* 53%) agree with the statement, "Many employees at my company expect to work past age 65 or do not plan to retire" and indeed 52% of *workers* expect to retire after age 65 or do not plan to retire.

Key Highlights

Emerging Best Practices for the Multigenerational Workforce (cont.)

- **Employer-Worker Comparison: Working in Retirement.** Two-thirds of *employers* (66%) agree with the statement, "Many employees at my company plan to continue working either full time or part time after they retire," and they are correct. Many *workers* (55%) plan to continue working in retirement, including 18% who plan to work full time and 37% who plan to work part time.
- **Workers' Reasons for Working in Retirement.** Workers who expect to retire after age 65, plan to work in retirement or are already working in retirement cite both financial and healthy aging-related reasons (80%, 78%, respectively). The top financial reason is wanting the income (52%), while the top healthy-aging reason is to be active (50%). Other financial reasons are "concerned that Social Security will be less than expected" (33%), "can't afford to retire" (31%), "need health benefits" (27%), "concern that employer retirement benefits will be less than expected" (17%), and "anxious about volatility in financial markets and investment performance" (16%). Other healthy-aging reasons are to "keep my brain alert" (42%), "enjoy what I do" (39%), "have a sense of purpose" (36%), "maintain social connections" (25%), and "personal development" (18%).
- **Workers' Visions of Transitioning Into Retirement.** Forty-four percent of workers envision transitioning into retirement either by reducing their hours with more time to enjoy life (26%) or working in a different capacity that is either less demanding and/or brings greater personal satisfaction (18%). Fewer than one in four workers (24%) envision they will immediately stop working either when the reach a certain age (13%) or when they have saved a specific amount of money (11%). Twenty-one percent of workers envision they will continue working as long as possible in a current or similar position until they cannot work anymore. Eleven percent are "not sure."
- **Employers' Offering of Phased Retirement Programs.** Thirty-two percent of employers offer a formal phased retirement program for workers who want to transition into retirement. Sixty-four percent of employers do not offer a formal phased retirement program, including 32% that plan to implement a program in the future and 32% that do not plan to do so. Large and medium companies are more likely to offer a phased retirement program than small companies (61%, 58%, 25%, respectively). The most often cited reasons for not offering a phased retirement program are company is not big enough (63%), it is easier to address employees' requests on a case-by-case basis (23%), employees not interested (22%), and operational and administrative complexity (17%).

Key Highlights

Emerging Best Practices for the Multigenerational Workforce (cont.)

- **Employers' Retirement Transition Offerings.** Seven in 10 employers (70%) offer one or more forms of retirement transition assistance. Medium and large companies are more likely than small companies to do so (86%, 81%, 67%, respectively). However, relatively few employers have robust offerings. Only 46% of employers accommodate flexible work schedules and arrangements to help employees transition into retirement. Even fewer enable employees to reduce hours and shift from full-time to part-time (41%), take on jobs that are less stressful or demanding (35%), or participate in succession planning, training, and mentoring (32%). Moreover, employers are missing an opportunity to facilitate smoother transitions when their employees do retire, with only 27% offering retirement-oriented lifestyle and transition planning resources and 26% providing information about encore career opportunities.

Employers have an unprecedented opportunity to foster a multigenerational workforce by implementing best practices that can enrich the employee experience, professional development, work-life balance, and transitions into and out of the workforce for workers of all ages. In today's tight labor market, they also have the potential to tap into the wisdom and value of older workers and experienced employees, a segment of the workforce that has often been historically overlooked.

Call to Action

Employers play a vital societal role by providing employment, employee benefits, supportive business practices, and the ability for workers to save and invest for retirement. By stepping up and seeking out beneficial ways to further support their employees, employers could improve outcomes for current and future members of the workforce. By doing so, they could also improve outcomes for themselves in terms of innovation, productivity, and competitiveness in the marketplace.

Catherine Collinson
CEO and President, Transamerica Institute and Transamerica Center for Retirement Studies

Recommendations for Employers

Employers play a vital societal role in supporting the long-term health and financial well-being of their employees. Stepping into the future, employers have opportunities for enhancing their business practices and benefit offerings to better align with employees' needs – and ultimately, to stand out in today's highly competitive and evolving landscape. Specific opportunities for consideration include:

1. **Offer flexible work arrangements to support work-life balance** ranging from employees' personal responsibilities such as parenting, home-schooling, and caregiving, to professional development such as continuing education and volunteering.
2. **Offer health and welfare benefits that promote physical, mental, and financial health and well-being** such as health, disability, and life insurance; workplace wellness and financial wellness programs; and employee assistance programs.
3. **Sponsor a retirement plan or join a pooled plan arrangement** such as a multiple employer plan (MEP), a pooled employer plan (PEP), or a group of plans (GoP). If a plan is not already in place, take advantage of the tax credit available for starting a retirement plan or joining a MEP, PEP, or GoP.
4. **Consult with your benefits advisors and retirement plan provider to learn about the SECURE 2.0 Act of 2022** and new provisions that may be appropriate for your plan including matching contributions for qualified student loan payments, emergency savings accounts, and designating employer contributions as Roth. Also, learn the new law's plan administration-related rules including self-certification of hardship withdrawals and updated Required Minimum Distribution (RMD) rules.
5. **Extend benefits eligibility to part-time workers**, including health insurance and retirement plan offerings. For part-time workers not offered health insurance, provide information about the options available in the marketplace. For part-time workers who do not qualify as long-term employees for retirement benefits under the SECURE Act and SECURE 2.0, considering providing them with the ability to contribute to an IRA through payroll deduction.
6. **Promote the benefits your company offers**, including health and wellness programs available through your employee benefit providers, and retirement planning and educational resources available through your retirement plan provider. Increasing awareness of these offerings could help employees increase their physical, mental, and financial well-being.
7. **Encourage lifelong learning opportunities for workers of all ages** to keep their skills up to date or learn new skills to help them remain employable in the evolving job market.
8. **Cultivate an age-friendly work environment and adopt diversity, equity and inclusion (DE&I) business practices** that include age among other demographic factors (e.g., gender, race, religion, sexual orientation). Encourage mentorships to support cross-training, professional development, and succession planning across all ages and demographic priorities.
9. **Offer pre-retirees greater levels of assistance in planning their transition into retirement**, including education about retirement income strategies, retirement plan distribution options, and the need for a backup plan if forced into retirement sooner than expected (e.g., due to health issues, job loss, family obligations). Provide information about Social Security and Medicare.
10. **Enable workers to phase into retirement** by allowing for a transition from full-time to part-time, working in different capacities or different locations, or having a more flexible schedule.

Recommendations for Workers

Workers have endured pandemic-related setbacks, a turbulent economy, and constant change, all of which could impede their ability to save and invest for retirement. Stepping into the future, workers could improve their long-term outlook by further safeguarding their health, focusing on employment, managing their money, and planning for longer lives. Action steps include:

1. **Prioritize physical and mental health.** Eat healthy, exercise regularly, and get plenty of rest. Explore ways to manage stress and reduce anxiety. Consider health implications when making lifestyle decisions. Continue to take precautions against COVID-19, as needed.
2. **Pursue professional development to help ensure continued employment now and in the future.** Take proactive steps to stay employed and engage in the new landscape of work by learning new skills, honing current skills, and staying current with employers' needs.
3. **Engage in financial planning to gain a full understanding of your situation.** Create a budget, prioritize expenses, set short- and long-term goals, learn about investing, and develop a financial plan to help improve your fiscal health. Learn how your finances could be impacted by inflation and increased interest rates. If you delayed mortgage or rent payments during the pandemic, learn your obligations regarding past-due payments and explore potential financial assistance that might be available.
4. **Learn about your employers' business practices and benefit offerings** that can support your work-life balance, provide health care coverage and other forms of insurance, encourage workplace wellness, promote financial wellness, and facilitate saving for retirement. Job seekers should take employee benefits into consideration as part of an overall compensation package.
5. **Save and invest for retirement** in an employer-sponsored retirement plan, if available, or contribute to a tax-advantaged account. If employed and offered a 401(k) or similar plan, take advantage of matching employer contributions and defer as much as possible. If not offered a plan, explore options to contribute to a Traditional or Roth IRA.
6. **Calculate retirement savings needs, develop a retirement strategy, and write it down.** Factor in living expenses, health care, government benefits, inflation, investment returns, years in retirement, potential long-term care needs, as well as funds for pursuing retirement dreams. Learn about professionally managed accounts, model portfolios, target date funds, and strategic allocation funds. Seek assistance from your retirement plan provider or a professional financial advisor, if needed.
7. **Take advantage of the Saver's Credit.** Check if you qualify for the Saver's Credit, a tax credit available to eligible taxpayers who contribute to a 401(k) or similar plan, an IRA, or an ABLE account.
8. **Create a backup plan and build emergency savings,** in the event of job loss or in case retirement comes early or unexpectedly due to unforeseen circumstances.
9. **Avoid taking loans and early withdrawals from retirement accounts.** Both can severely inhibit their long-term growth. Before tapping into retirement savings, explore all possible alternatives to determine best option.
10. **Beware of scams.** Be hypervigilant about suspicious text messages, email, calls or ghost job postings.

Stepping Into the Future:
Employers, Workers, and the Multigenerational Workforce

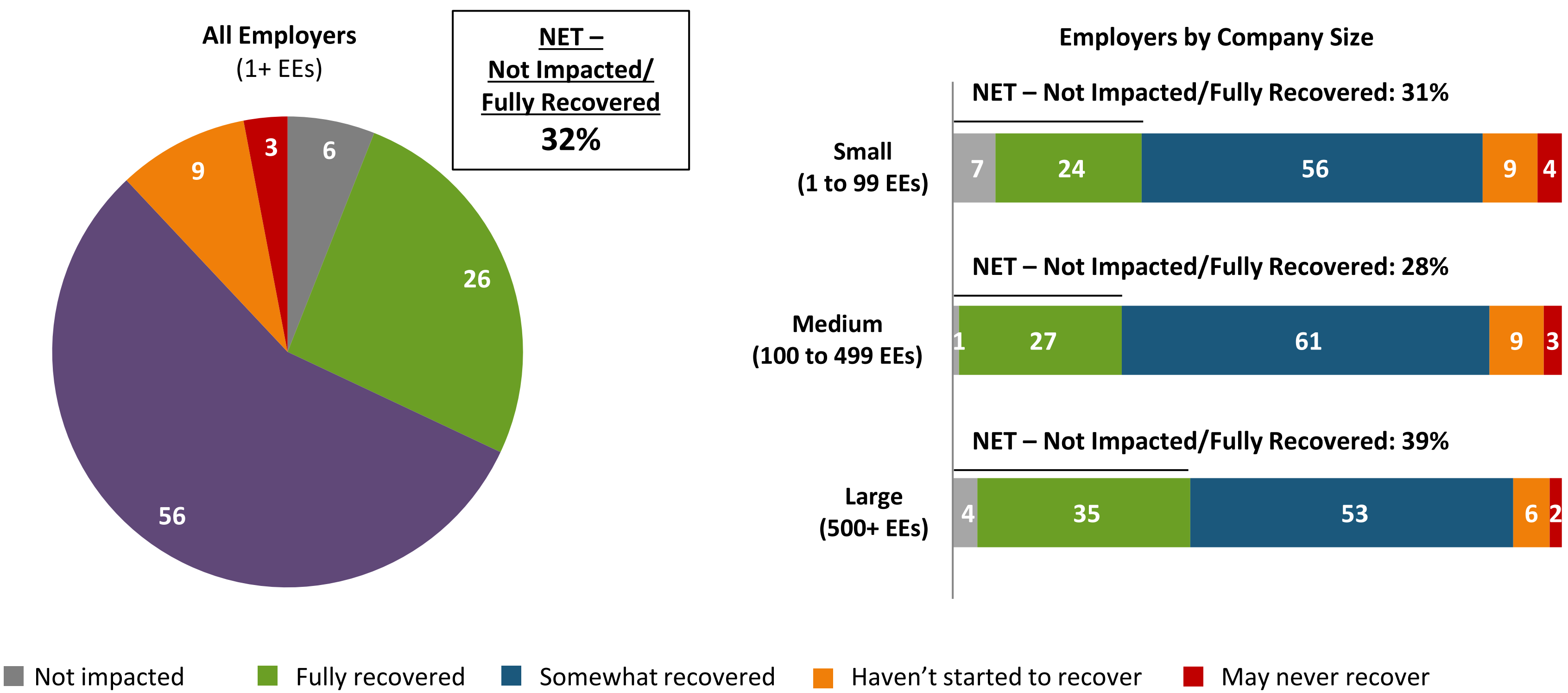
Detailed Findings

The Pandemic's Aftermath

Employers' Recovery From the Pandemic

Fewer than one in three employers (32%) indicate they have either fully recovered (26%) or were not impacted (6%) by the pandemic. Fifty-six percent have somewhat recovered, 9% haven't started to recover, and 3% indicate they may never recover. Large companies are more likely than small and medium companies to indicate they have fully recovered or were not impacted (39%, 31%, 28%, respectively).

How to what extent has your company recovered from the pandemic?



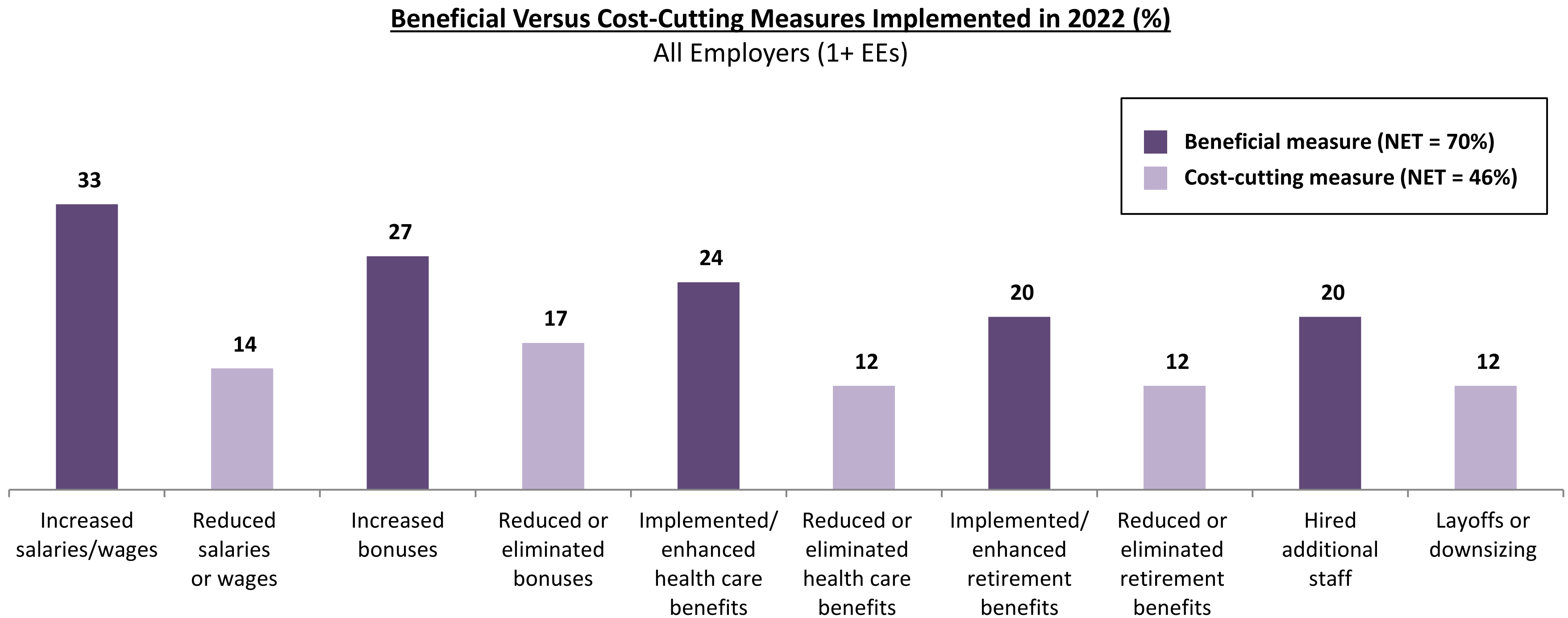
Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q2022L. To what extent has your company recovered from the pandemic?

TRANSAMERICA INSTITUTE® Navigate the Future.℠

Positive Signs of Employers' Recovery

In 2022, seventy percent of employers implemented one or more beneficial measures for their employees, while fewer than half (46%) implemented any cost-cutting measures. For example, 33% of employers increased salaries/wages while only 14% reduced them. More than one in four employers (27%) increased bonuses, while only 17% reduced them. Twenty-four percent of employers implemented/enhanced health care benefits and 20% implemented/enhanced retirement benefits, compared with only 12% that reduced them. Twenty-percent hired additional staff, while only 12% had layoffs or downsizing.



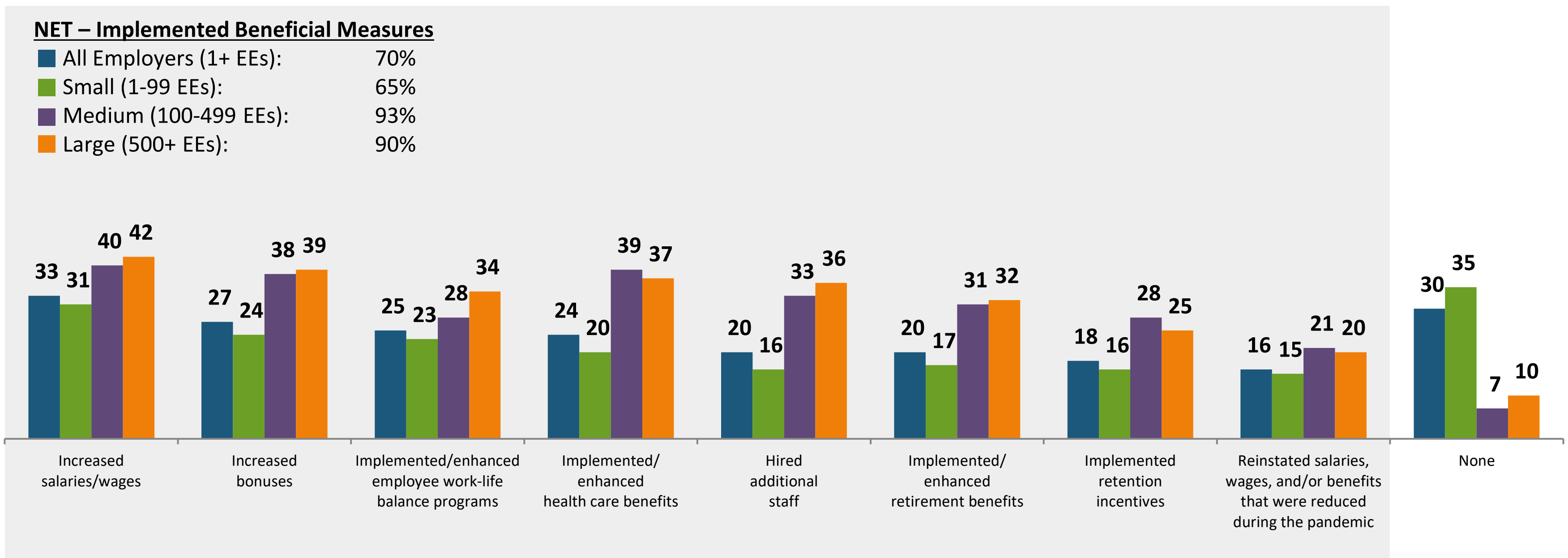
Note: Full responses for these survey questions are shown on pages 37 to 38.

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q7057. Has your company implemented any of the following beneficial measures in 2022? Select all.
Q7025. Has your company implemented any of the following cost-cutting measures in 2022? Select all.

Beneficial Measures

In 2022, seven in 10 employers (70%) had implemented one or more beneficial measures for their employees. The most often cited beneficial measures include increased salaries/wages (33%), increased bonuses (27%), implemented/enhanced employee work-life balance programs (25%), and implemented/enhanced health care benefits (24%). One in five employers hired additional staff (20%) and implemented/enhanced retirement benefits (20%). Eighteen percent implemented retention incentives and 16% reinstated salaries, wages, and/or benefits that were reduced during the pandemic. Medium and large companies are more likely to have implemented beneficial measures than small companies (93%, 90%, 65%, respectively).

Has your company implemented any of the following *beneficial measures* in 2022? (%)



Note: Responses not shown for "Other" (All Employers: <1%, Small: <1%, Medium: <1%, Large: 0%).

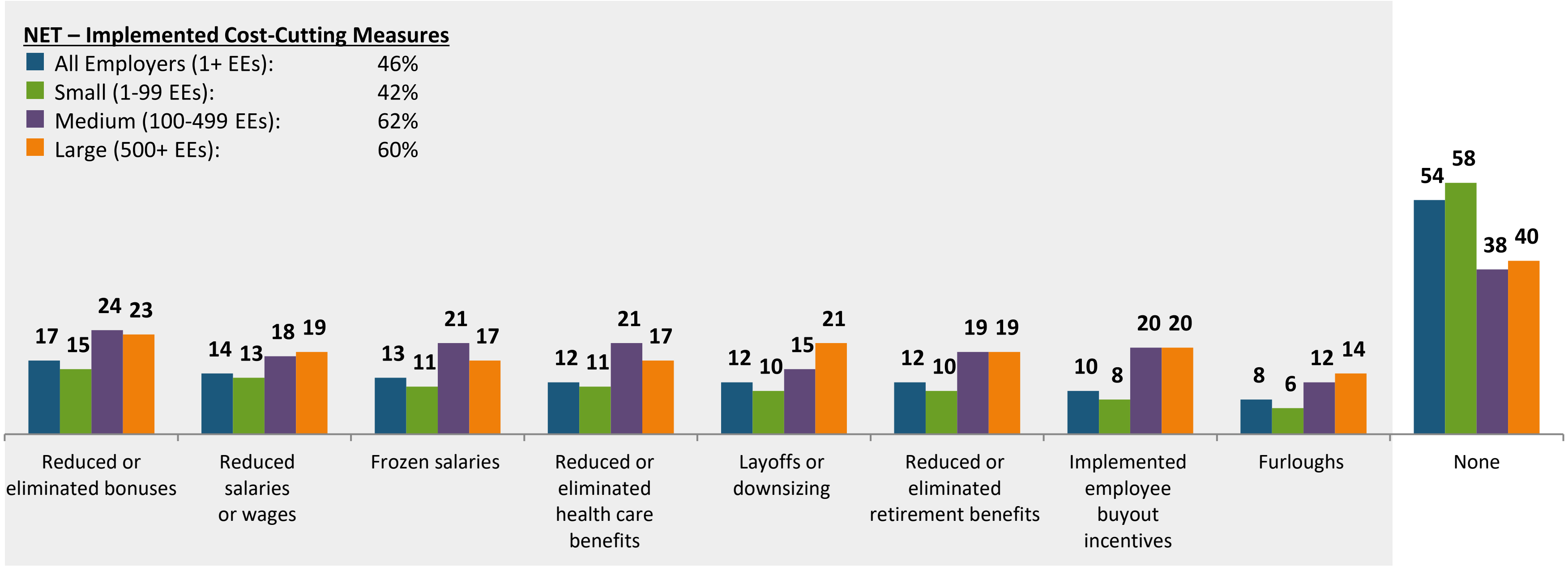
EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q7057. Has your company implemented any of the following beneficial measures in 2022? Select all.

Cost-Cutting Measures

In 2022, less than half of employers (46%) had implemented one or more cost-cutting measures. The most often cited cost-cutting measures include reduction or elimination of bonuses (17%), reduction of salaries or wages (14%), and frozen salaries (13%). Twelve percent of employers reduced or eliminated health care benefits, laid off or downsized, and reduced or eliminated retirement benefits. Ten percent implemented employee buyout incentives and 8% furloughed employees. Medium and large companies are more likely to have implemented cost cutting measures than small companies (62%, 60%, 42%, respectively).

Has your company implemented any of the following *cost-cutting measures* in 2022? (%)



Note: Responses not shown for "Other" (All Employers: 2%, Small: 3%, Medium: 2%, Large: <1%).

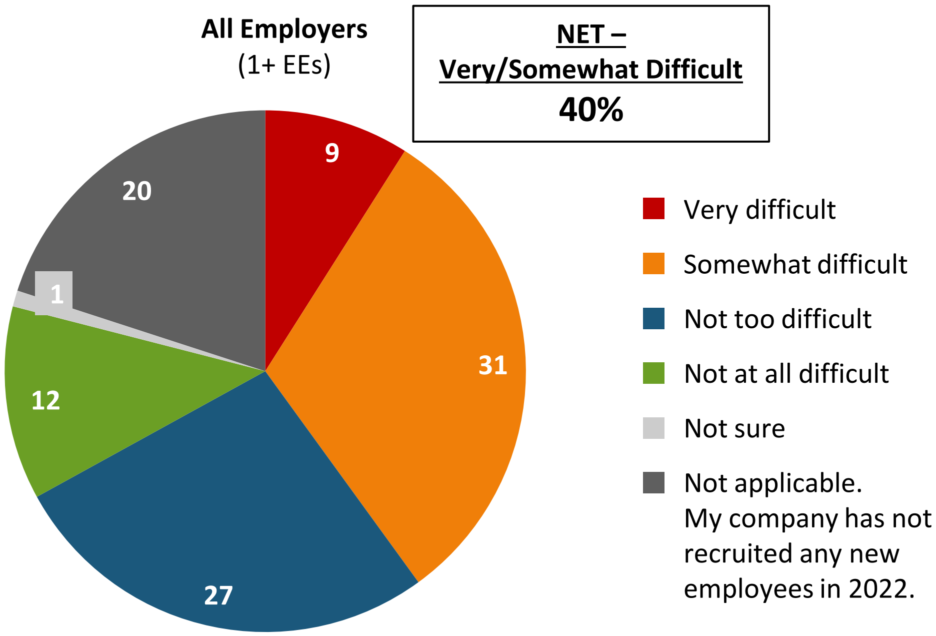
EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

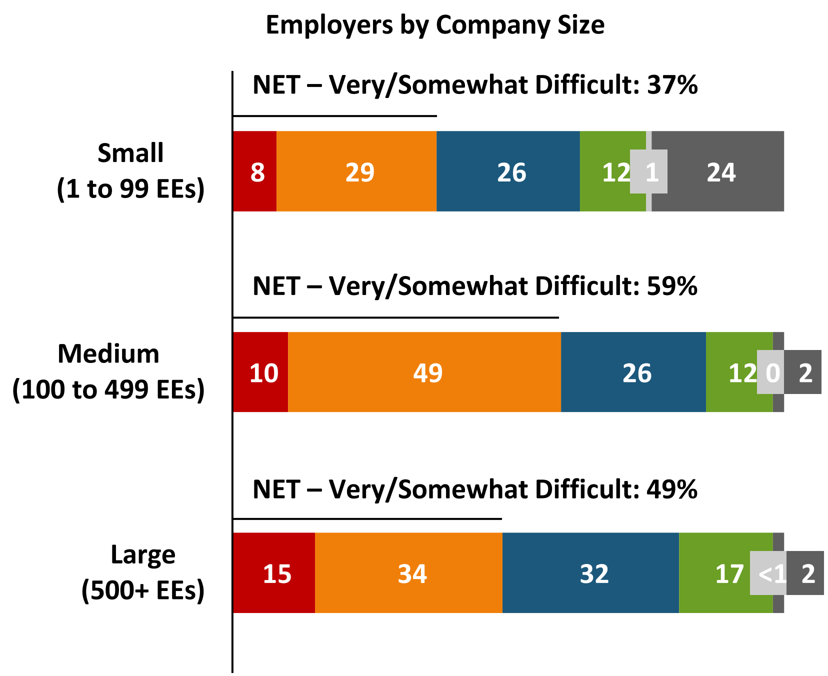
Q7025. Has your company implemented any of the following cost-cutting measures in 2022? Select all.

Difficulties in Recruiting Efforts

Four in 10 employers (40%) cite difficulties in recruiting new employees since 2022, including 9% who say it has been very difficult and 31% saying it has been somewhat difficult. One in five employers (20%) have not recruited any new employees in 2022. Medium and large companies are more likely to have found recruiting difficult than small companies (59%, 49%, 37%, respectively). Notably, almost one in four small companies (24%) say they have not recruited any new employees in 2022, compared with 2% of both medium and large companies.

How difficult has it been for your company to recruit new employees since 2022? (%)





Note: Results may not total to 100% due to rounding.

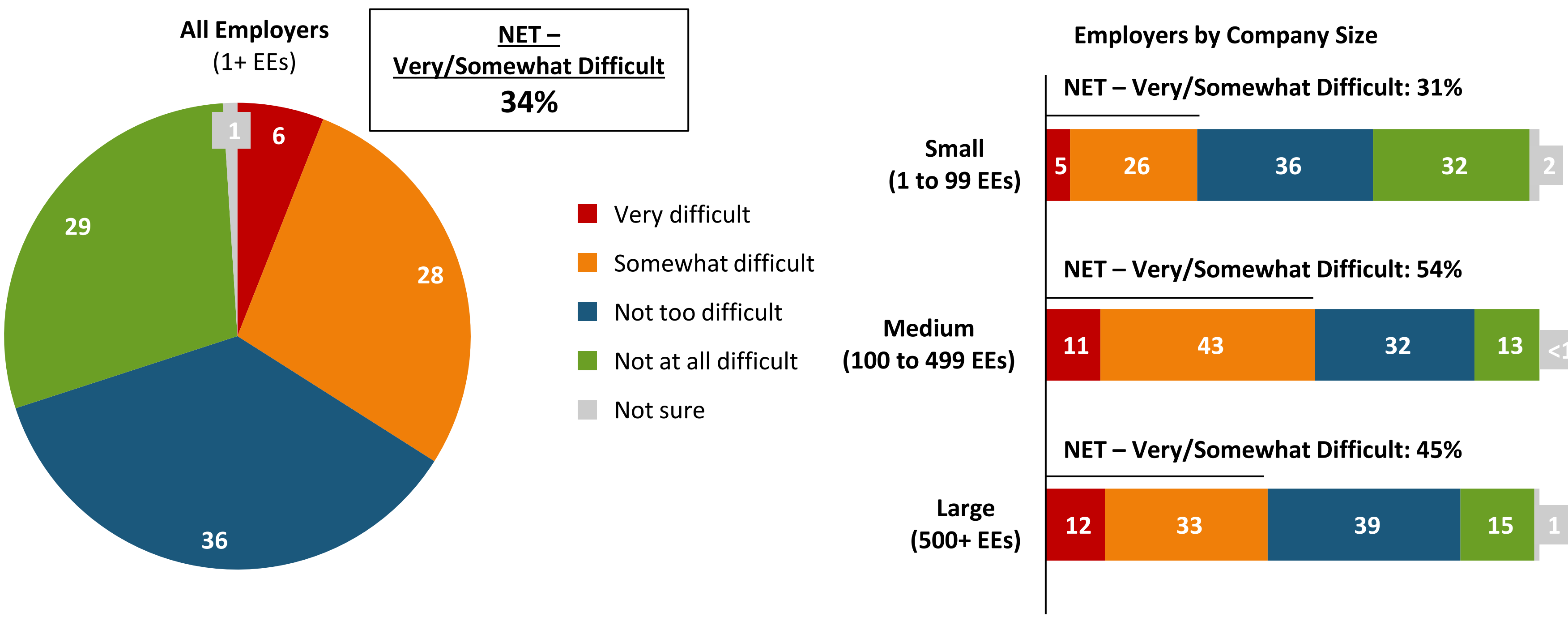
EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q5035. How difficult has it been for your company to recruit new employees since 2022?

Difficulties in Retaining Employees

Thirty-four percent of employers found it difficult to retain employees in 2022, including 6% that found it very difficult and 28% that found it somewhat difficult. Medium and large companies were more likely to find it difficult than small companies (54%, 45%, 31%, respectively). Thirty-two percent of small companies found it to be not at all difficult.

How difficult has it been for your company to retain employees in 2022? (%)



Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q2022K. How difficult has it been for your company to retain employees in 2022?

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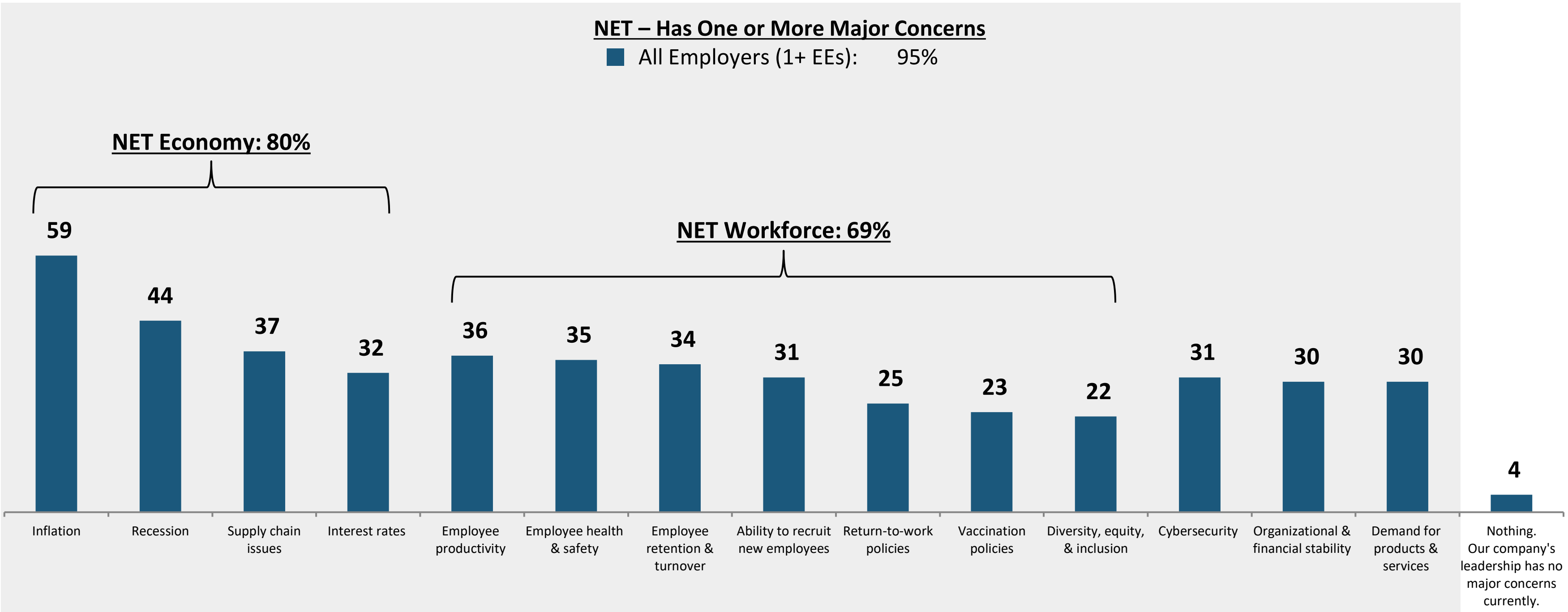
Major Concerns for Company's Leadership

As of late 2022, most employers (95%) cited one or more major concerns for their company's leadership. Eight in 10 employers (80%) cited economy-related concerns such as inflation (59%), recession (44%), supply chain issues (37%), and/or interest rates (32%). Nearly seven in 10 employers (69%) cited workforce-related concerns such as employee productivity (36%), employee health and safety (35%), employee retention and turnover (34%), ability to recruit new employees (31%), return-to-work policies (25%), and/or diversity, equity, and inclusion (22%). Other major concerns include cybersecurity (31%), organizational and financial stability (30%), demand for products and services (30%), and vaccination policies (23%).

Which of the following are currently major concerns for your company's leadership? (%)



Note: Responses not shown for "Other" (All Employers: 1%).

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

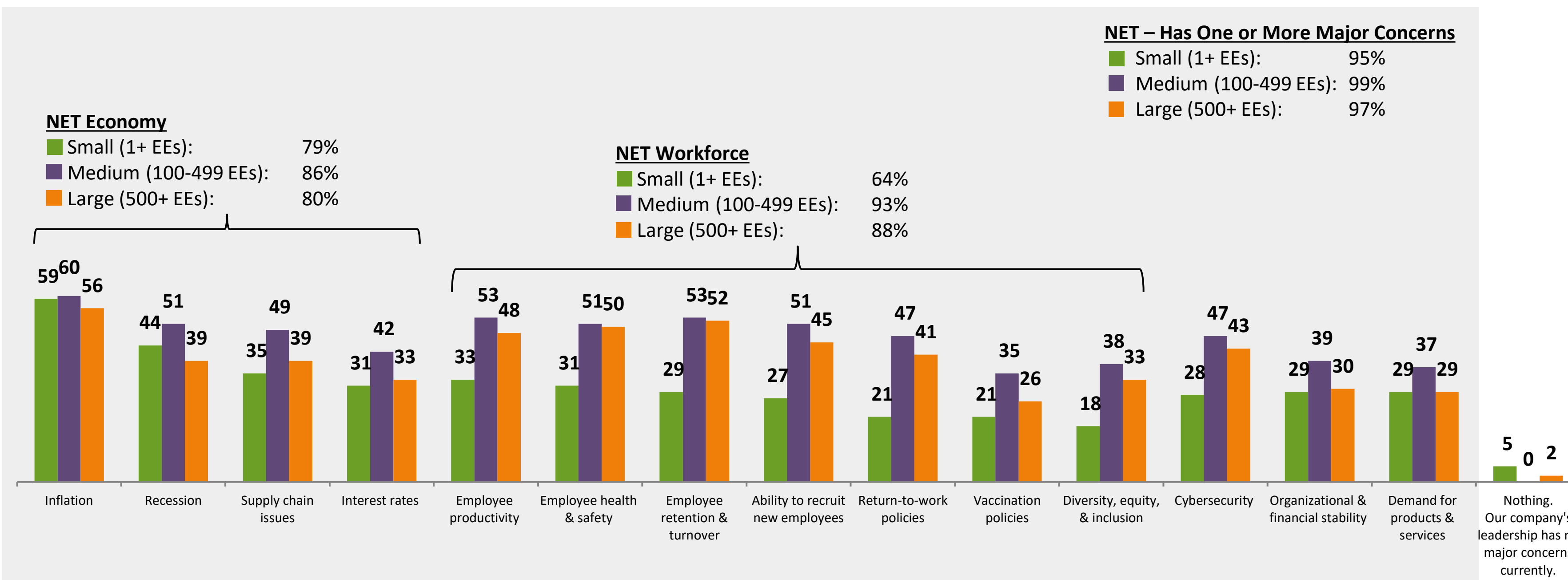
Q6015. Which of the following are currently major concerns for your company's leadership? Select all.

Major Concerns for Company's Leadership by Company Size

Employers across company sizes share one or more major concerns for leadership, including 97% of large, 99% of medium, and 95% of small companies. Inflation is the top major concern across large (56%), medium (60%), and small (59%) companies. Medium and large companies were more likely than small companies to cite these major concerns: employee productivity (53%, 48%, 33%, respectively), employee retention and turnover (53%, 52%, 29%), employee health and safety (51%, 50%, 31%), ability to recruit new employees (51%, 45%, 27%), return-to-work policies (47%, 41%, 21%), cybersecurity (47%, 43%, 28%), and diversity, equity, and inclusion (38%, 33%, 18%). Approximately one-third of companies of all sizes cited organizational and financial stability as well as demands for products and services as major concerns.

Which of the following are currently major concerns for your company's leadership? (%)

Employers by Company Size



Note: Responses not shown for "Other" (Small: 1%, Medium: 1%, Large: 1%).

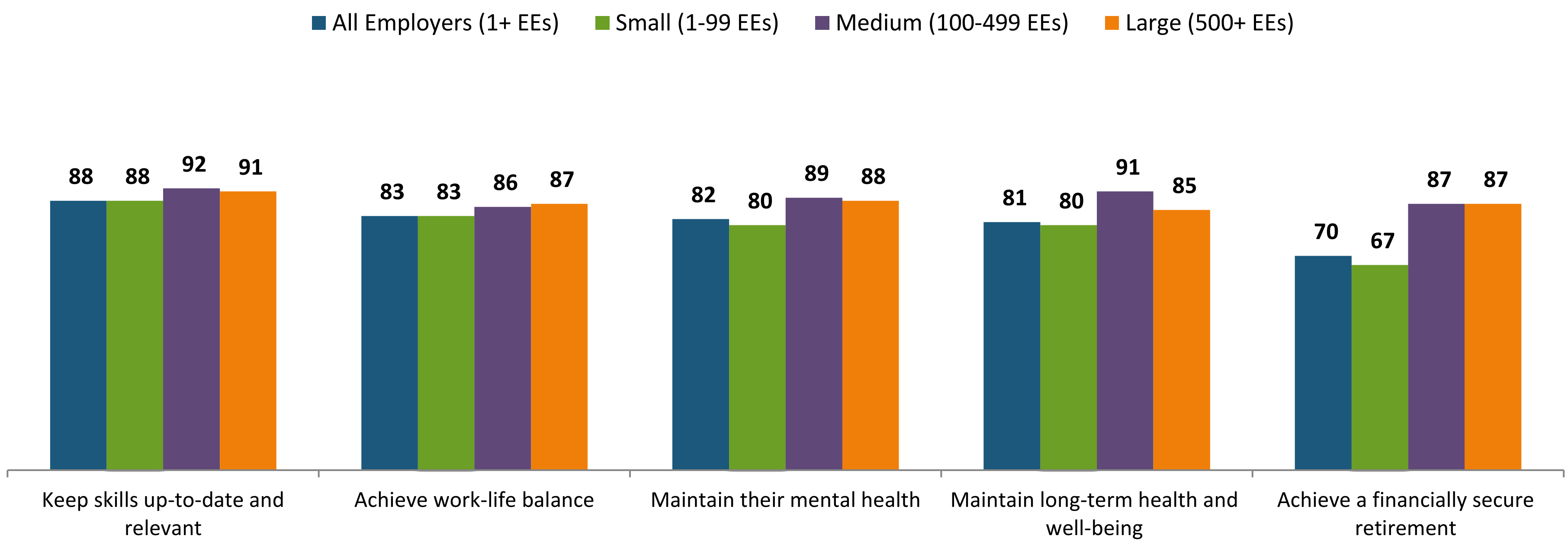
EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q6015. Which of the following are currently major concerns for your company's leadership? Select all.

Employers' Sense of Responsibility for Employees' Well-Being

Most employers feel very or somewhat responsible for helping their employees with various aspects of their health and financial well-being. More than eight in 10 employers feel responsible for helping employees keep their skills up-to-date and relevant (88%), achieve work-life balance (83%), maintain mental health (82%), and maintain long-term health and well-being (81%). Seventy percent of employers feel responsible for helping their employees achieve a financially secure retirement.

How responsible does your company feel for helping its employees...? (%)
NET – Very/Somewhat Responsible



Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q3650B. How responsible does your company feel for helping its employees…?

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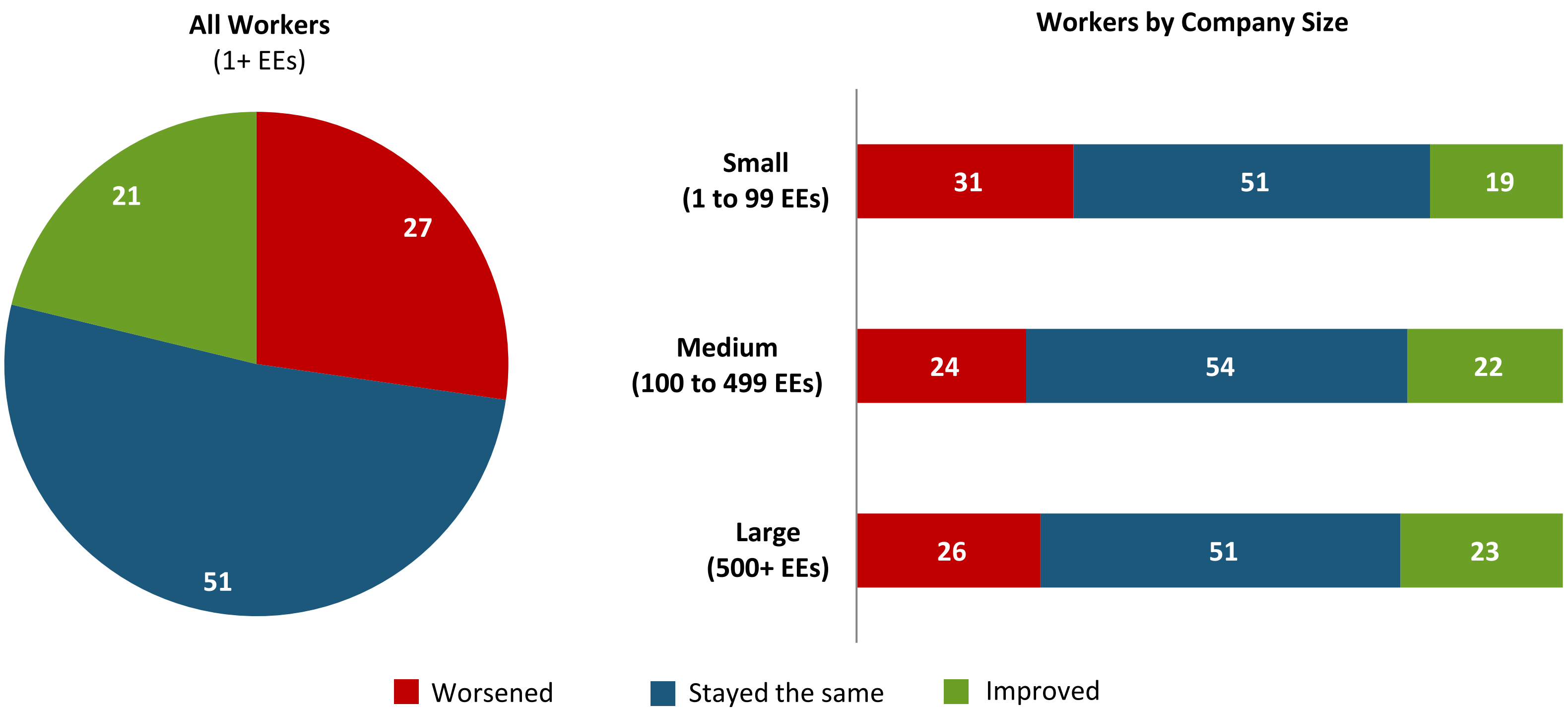
Workers' Changes to Finances Since the Pandemic Began

More than one in four workers (27%) indicate their financial situation worsened since the pandemic began. Fifty-one percent indicate their financial situation stayed the same and 21% indicate it improved. Workers of small companies are more likely to indicate their situation worsened than those of medium and large companies (31%, 24%, 26%, respectively).

How has your financial situation changed since the pandemic began?



Note: Results may not total to 100% due to rounding.

WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q9006. How has your financial situation changed since the pandemic began?

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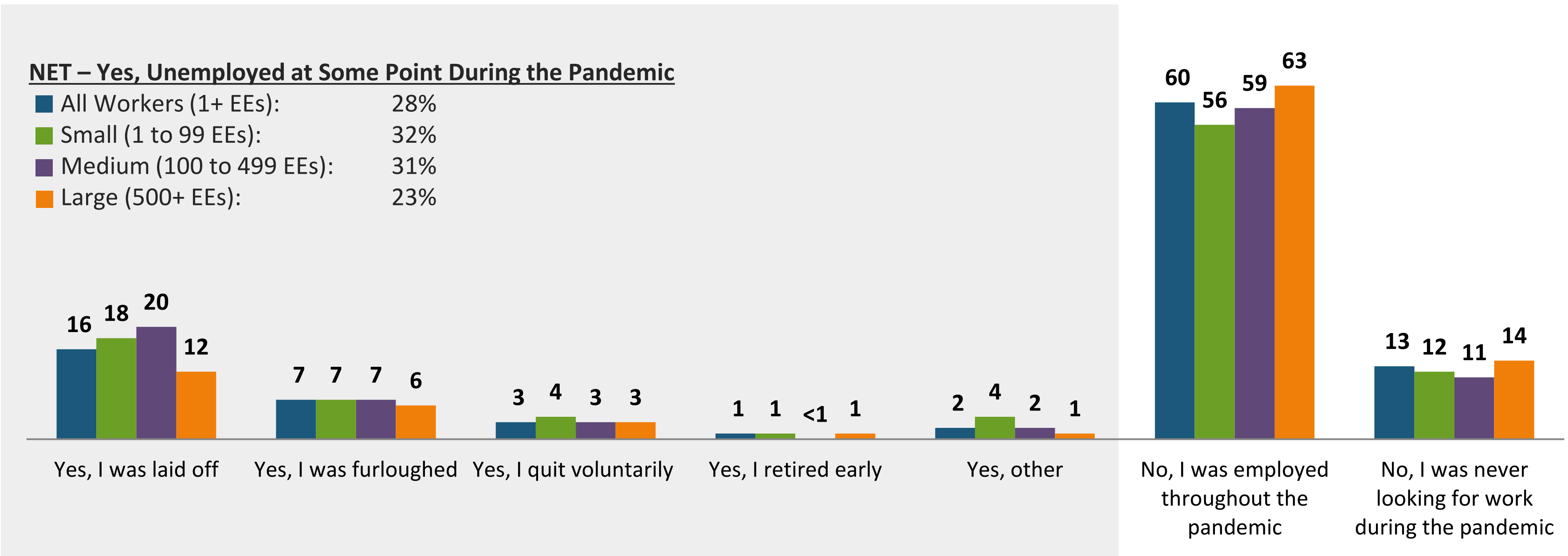
Unemployment During the Pandemic

More than one in four workers (28%) became unemployed at some point during the pandemic, including 16% who were laid off, 7% who were furloughed, 3% who quit voluntarily, 1% who retired early, and 2% who indicated “other.” Workers of small and medium companies were more likely than those of large companies to have become unemployed during the pandemic (32%, 31%, 23%, respectively).

Did you ever become unemployed during the pandemic? (%)



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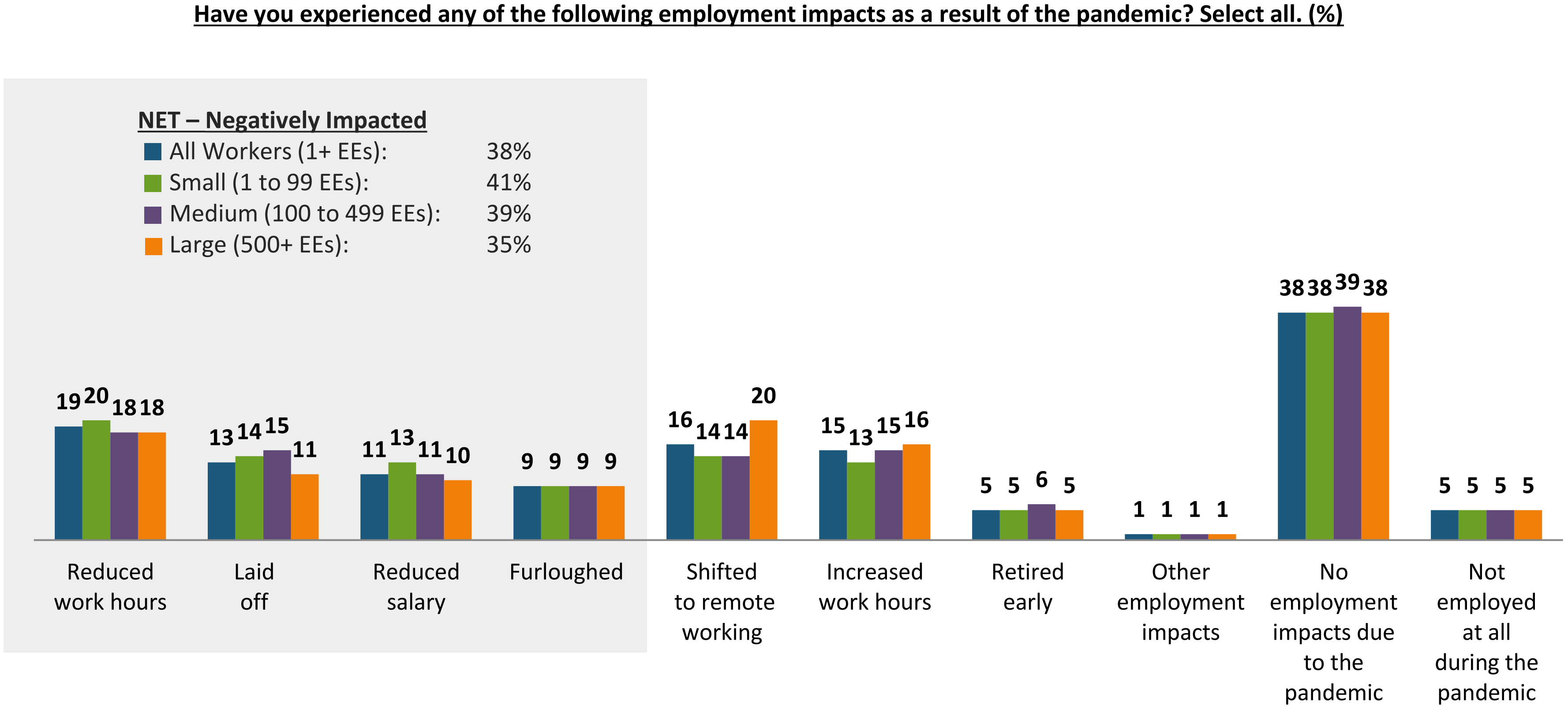
WORKER: 23RD ND ANNUAL SURVEY – ALL QUALIFIED RESPONDENTS
Q1605A. Did you ever become unemployed during the pandemic? Select all.

Negative Employment Impacts Resulting From the Pandemic

As of late 2022, almost four in 10 workers (38%) had experienced negative employment impacts as a result of the pandemic, including reduced work hours (19%), laid off (13%), reduced salary (11%), and furloughed (9%). Workers at large companies were somewhat less likely than those of medium and small companies to have been negatively impacted (35%, 39%, 41%, respectively). Workers of large companies were more likely than those of medium and small companies to have shifted to remote working (20%, 14%, 14%, respectively). Fifteen percent of all workers increased work hours, a finding that is similar across company sizes.



WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

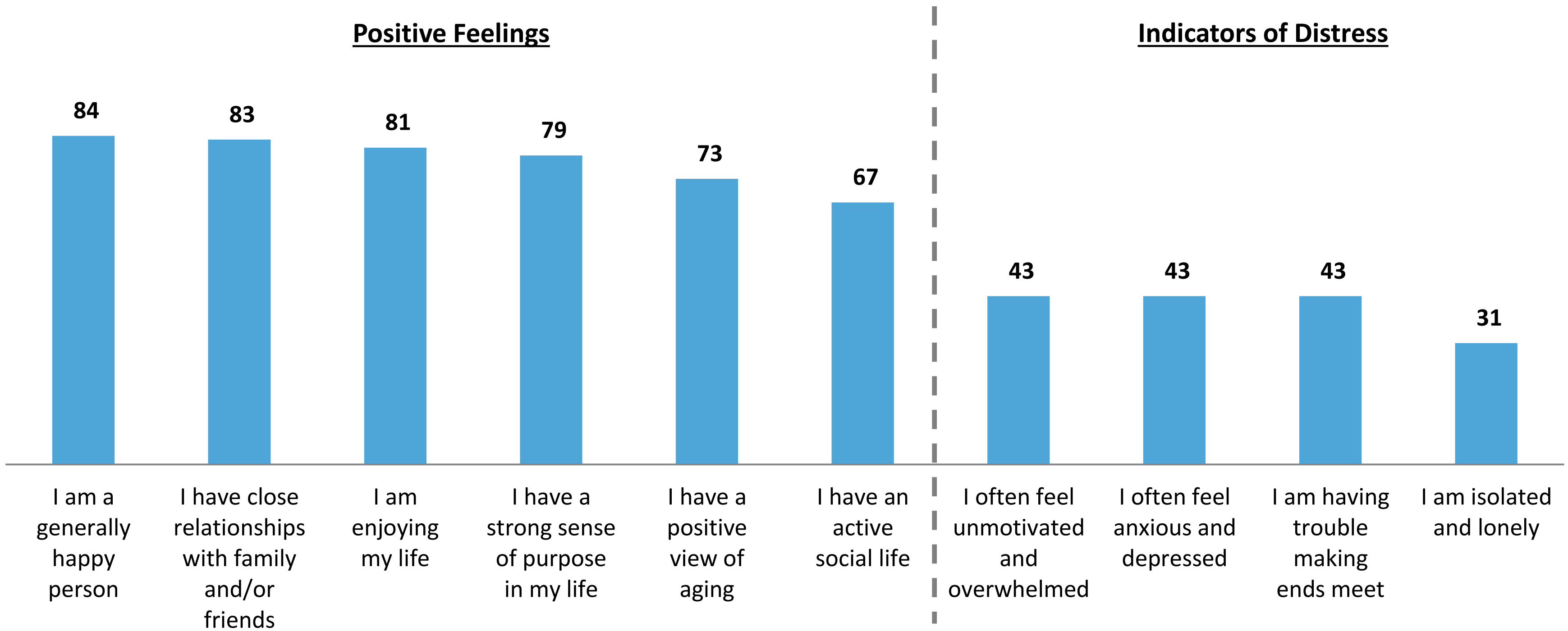
Q8826. Have you experienced any of the following employment impacts as a result of the pandemic?. Select all.

Workers' Health & Well-Being and Employers' Benefit Offerings

Workers' Outlook on Life

Most workers have positive sentiments about life, such as being generally happy (84%), having close relationships with family and/or friends (83%), enjoying life (81%), and having a strong sense of purpose in life (79%). Seventy-three percent of workers have a positive view of aging and 67% have an active social life. However, a concerning number of workers are experiencing distress, such as often feeling unmotivated and overwhelmed (43%), anxious and depressed (43%), having trouble making ends meet (43%), and feeling isolated and lonely (31%).

How much do you agree or disagree with the following statements? (NET – Strongly/Somewhat Agree) (%)
All Workers (1+ EEs)



WORKER BASE: 23RD ANNUAL SURVEY ALL QUALIFIED RESPONDENTS
Q5025. How much do you agree or disagree with the following statements?

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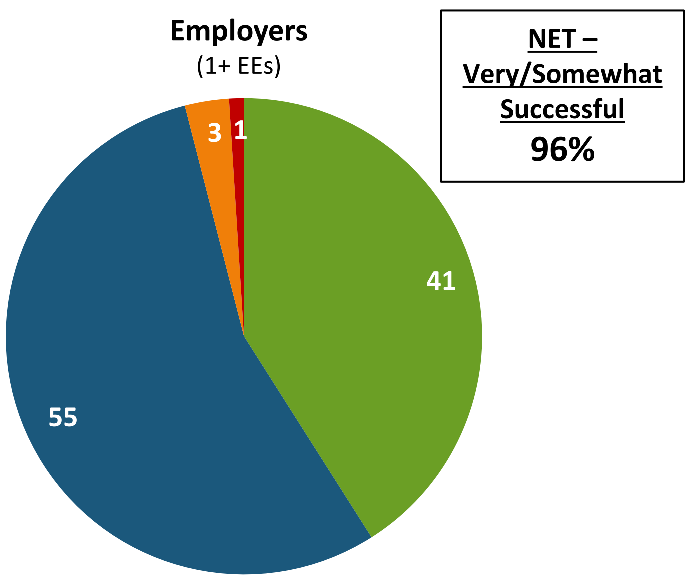
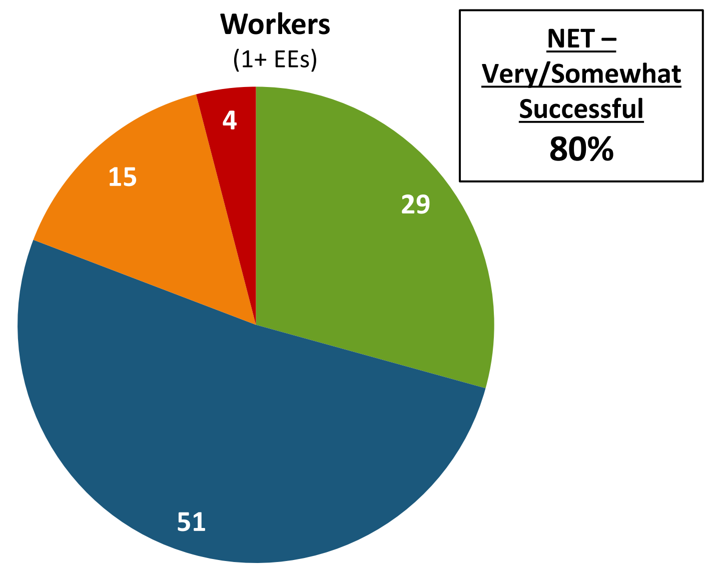
Employer-Worker Comparison: Work-Life Balance

Employers may be overestimating their employees' success in managing work-life balance. Ninety-six percent of *employers* feel their employees are successful at managing work-life balance, including 41% that feel they are very successful and 55% that feel they are somewhat successful. However, only 80% of *workers* feel they are successful, including 29% who feel very successful and 51% who feel somewhat successful.

Feel Their Employees Are Successful at Managing Work-Life Balance (%)



Feel They Are Successfully Managing Work-Life Balance (%)



Very successful | Somewhat successful | Not too successful | Not at all successful

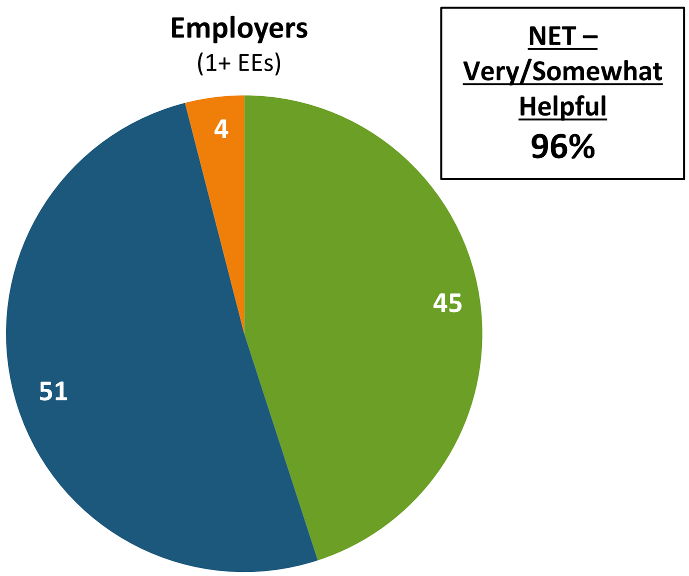
Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q5045. We would like to ask you about your employees' work-life balance, which refers to an individual's ability to manage employment or professional obligations with personal priorities of work, such as family, household, health, exercise, social activities, parenting, caregiving, going back to school, and transitioning to retirement. How successful are your employees at currently managing their work-life balance?
WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q5015. How successful do you feel that you are currently managing your work-life balance?

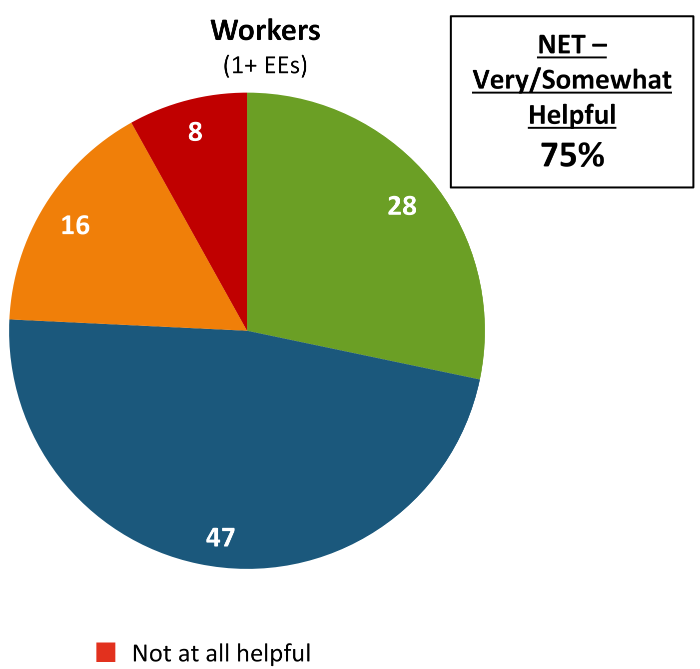
Employer Support for Achieving Work-Life Balance

Employers may be overestimating their level of helpfulness in supporting their employees to achieve work-life balance. More than nine in 10 *employers* (96%) believe they are helpful in supporting their employees, including 45% that believe they are very helpful and 51% that believe they are somewhat helpful. In contrast, far fewer *workers* (75%) indicate their employers are helpful in supporting them achieve work-life balance, including 28% who feel they are very helpful and 47% who feel they are somewhat helpful.

Employers' Helpfulness in Supporting Their Employees to Achieve Work-Life Balance (%)



Workers' Stated Helpfulness of Their Employers in Supporting Them Achieve Work-Life Balance (%)

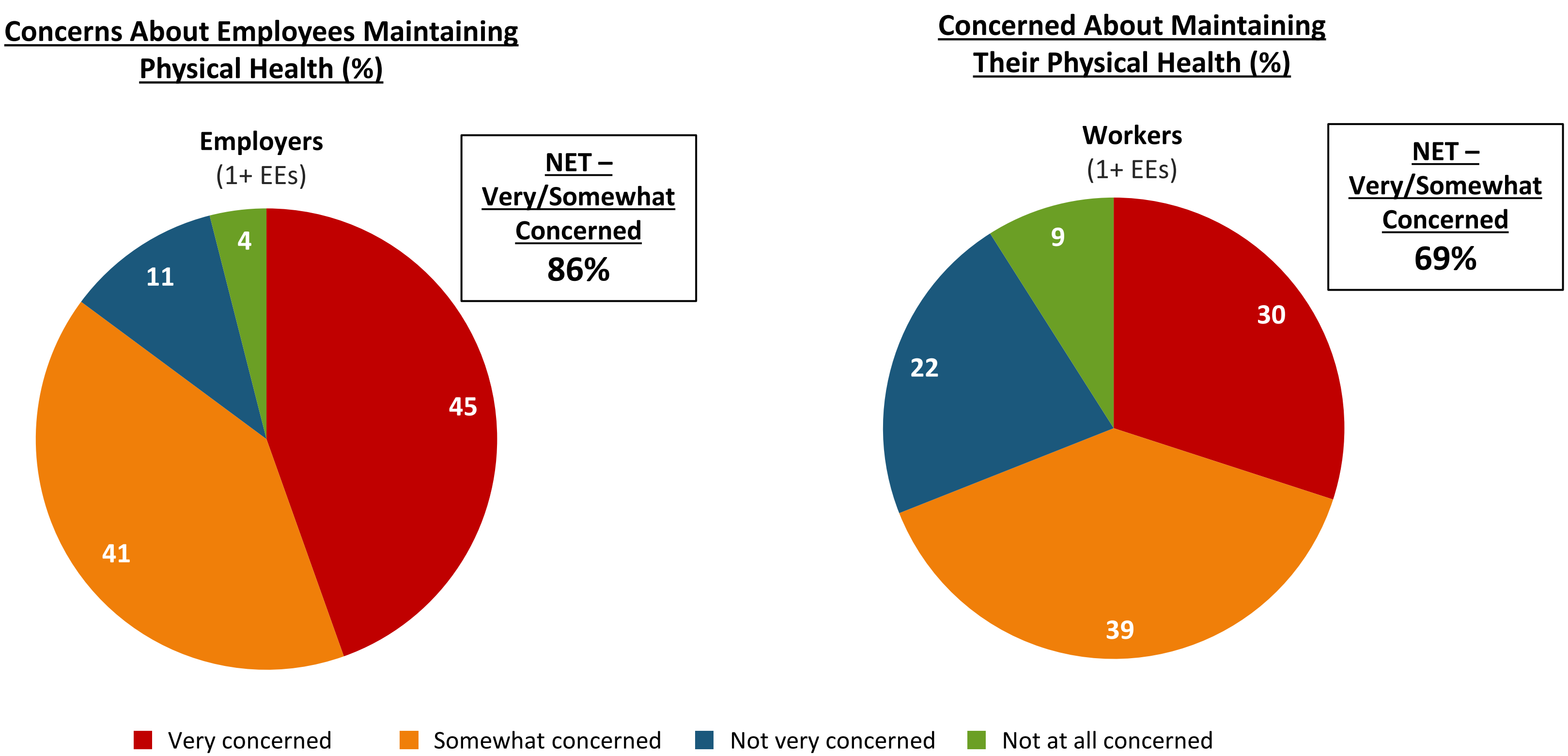


Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q5050. As an employer, how helpful is your company in supporting its employees to achieve work-life balance?
WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q5021. How helpful is your employer in supporting you to achieve work-life balance?

Employer-Worker Comparison: Concerns About Physical Health

The majority of *employers* (86%) are concerned about employees maintaining their physical health, including 45% that are very concerned and 41% that are somewhat concerned. As a point of comparison, nearly seven in 10 *workers* (69%) are concerned about maintaining their physical health, including 30% who are very concerned and 39% who are somewhat concerned.



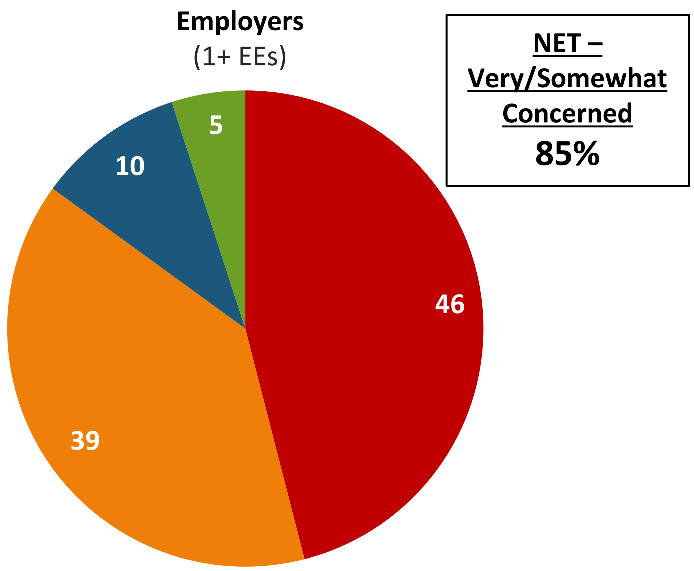
Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q1447. How concerned is your company about employees maintaining the following? Physical health.
WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q1447. How concerned are you about maintaining the following? Physical health

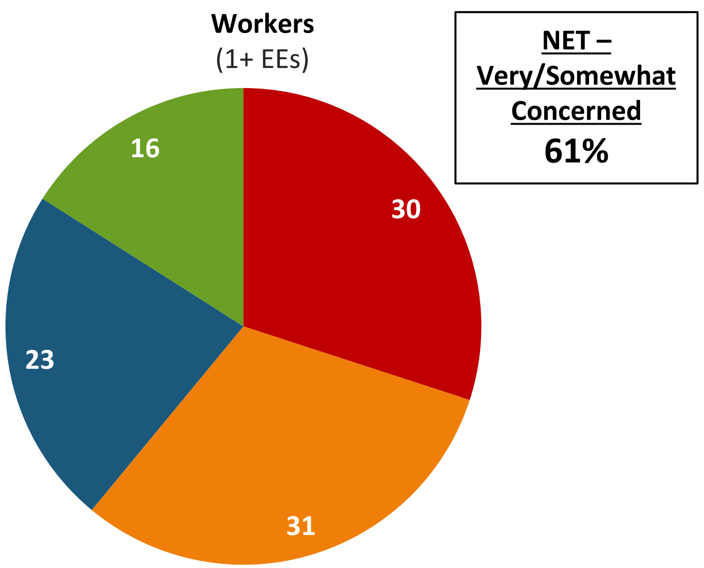
Employer-Worker Comparison: Concerns About Mental Health

The majority of *employers* (85%) are concerned about employees maintaining their mental health, including 46% that are very concerned and 39% that are somewhat concerned. As a point of comparison, more than six in 10 (61%) of *workers* are concerned about maintaining their mental health, including 30% who are very concerned and 31% who are somewhat concerned.

Concerns About Employees Maintaining Mental Health (%)



Concerned About Maintaining Their Mental Health (%)



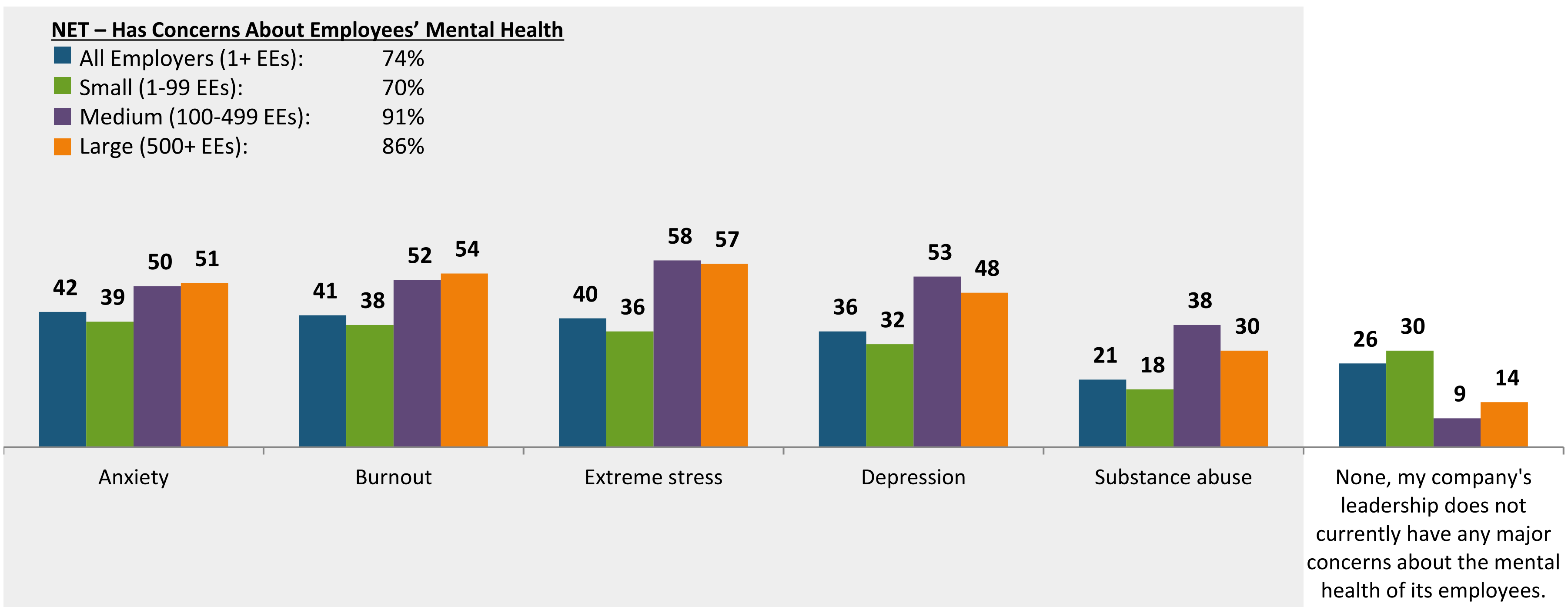
Very concerned | Somewhat concerned | Not very concerned | Not at all concerned

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q1447. How concerned is your company about employees maintaining the following? Mental health.
WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q1447. How concerned are you about maintaining the following? Mental health

Employers' Major Concerns About Mental Health

Nearly three in four employers (74%) cite one or more major concerns among their company's leadership regarding the mental health of their employees. The most frequently selected major concerns are employees' anxiety (42%), burnout (41%), extreme stress (40%), and depression (36%), followed by substance abuse (21%). Medium and large companies are more likely than small companies have one or more major concerns about their employees' mental health (91%, 86%, 70%, respectively).

In thinking about the mental health of your employees, which of the following are major concerns to your company's leadership? (%)



Note: Responses not shown for "Other" (All Employers: <1%, Small: <1%, Medium: 1%, Large: 1%).

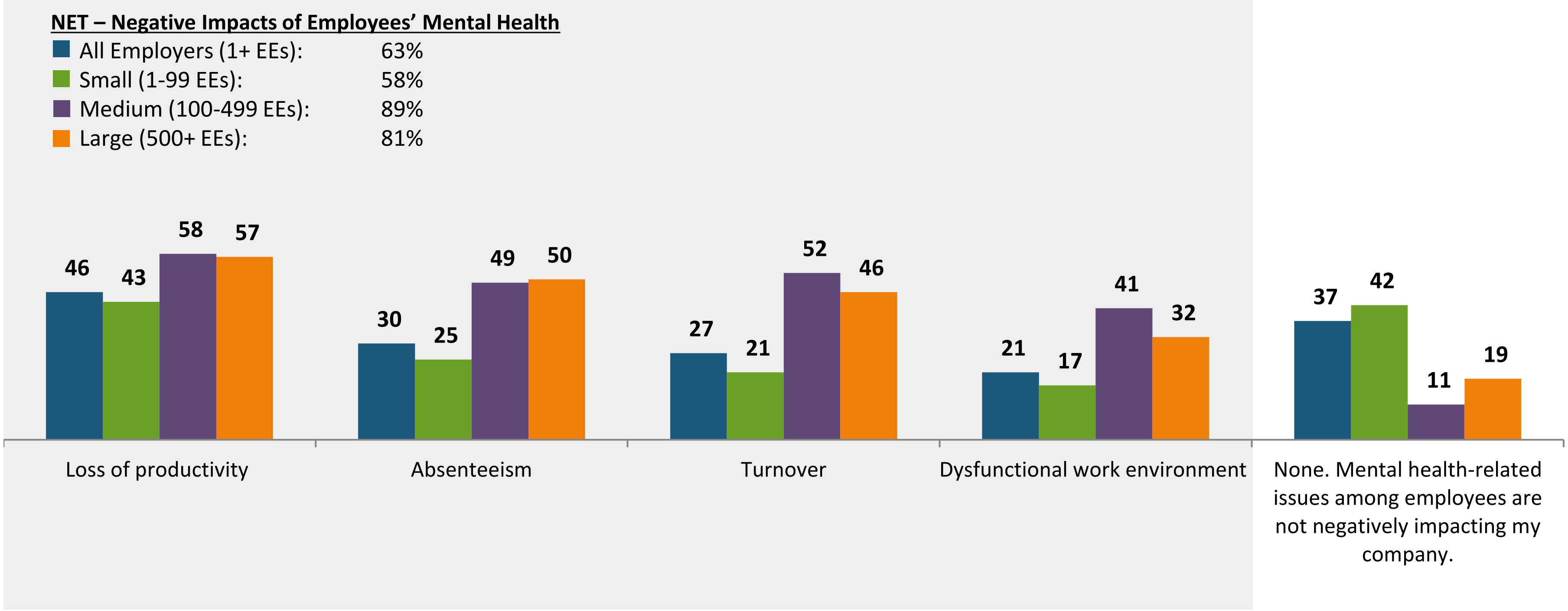
EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q6030. In thinking about the mental health of your employees, which of the following are major concerns to your company's leadership? Select all.

How Mental Health Issues Are Impacting Employers

Sixty-three percent of employers cite one or more ways that employees' mental health issues are negatively impacting their company. The most often cited negative impact among all employers is a loss of productivity (46%), followed by absenteeism (30%), turnover (27%), and dysfunctional work environment (21%). Medium and large companies are more likely to cite negative impacts from employees' mental health than small companies (89%, 81%, 58%, respectively).

How are mental health-related issues among employees negatively impacting your company? (%)



Note: Responses not shown for "Other" (All Employers: 1%, Small: 1%, Medium: 0%, Large: 0%).

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q6037. How are mental health-related issues among employees negatively impacting your company? Select all.

Employers' Views on Compensation, Benefits, and Flexibility

Employers recognize the importance of compensation and benefits to attract and retain employees. The most frequently cited attributes are salary/pay (66%), flexible work schedule (60%), a safe work environment (51%), paid time off (42%), and the ability to work remotely (42%). Many employers also cite employee benefits (62%) such as health insurance (52%), retirement benefits (38%), and other employee benefits (15%) as being very important in their company's ability to attract and retain employees. Large and medium companies are more likely than small companies to cite these employee benefits as being very important (83%, 83%, 57%, respectively).

Attributes That Are Very Important for Company's Ability to Attract and Retain Employees (%)	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
NET – Employee Benefits	62	57	83	83
Health insurance	52	48	69	72
Retirement benefits	38	32	58	61
Other employee benefits (e.g., workplace wellness, financial wellness, and employee assistance programs; life, disability, supplemental insurance, and pet insurance)	15	13	18	23
Salary/pay	66	65	64	70
Flexible work schedule	60	61	50	58
A safe work environment	51	50	48	57
Paid time off (e.g., vacation days, sick days, holidays)	42	38	58	56
Ability to work remotely (e.g., work from home or anywhere)	42	40	46	50
Company's reputation	38	36	47	50
Professional development opportunities (e.g., training, educational reimbursement, career advancement)	33	29	45	49
Ability to work somewhere on-site (e.g., office, company location, WeWork)	29	27	46	34

Note: Responses not shown for "Other" (All Employers: 3%, Small: 3%, Medium: 0%, Large: 0%).

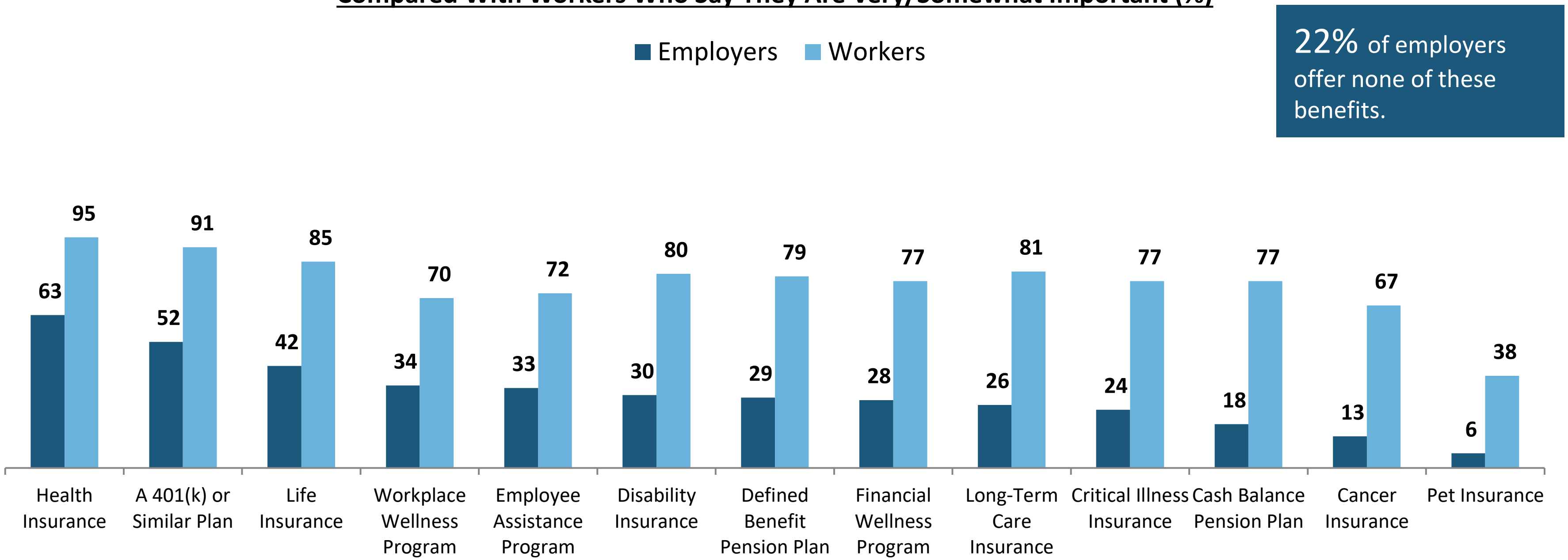
EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q716. Which of the following are very important for your company's ability to attract and retain employees? Select all.

Workers' Value Versus Employers' Offering of Benefits

Workers and employers are mismatched when it comes to the types of benefits valued by workers and the actual benefit offerings by employers. Most *workers* consider a wide range of benefits as being important, including health insurance (95%), a 401(k) or similar plan (91%), life insurance (85%), and long-term care insurance (81%) among others. However, significantly fewer *employers* offer these types of benefits to their employees. For example, some of the widest gaps include: 77% of *workers* consider a cash balance pension plan as very/somewhat important, yet only 18% of *employers* offer it; 81% of *workers* consider long-term care insurance as very/somewhat important, yet only 26% of *employers* offer it; and 67% of *workers* consider cancer insurance as very/somewhat important, yet only 13% of *employers* offer it. A noteworthy 22% of *employers* do not offer any of these benefits.

Employers' Offering of Health and Welfare Benefits
Compared With Workers Who Say They Are Very/Somewhat Important (%)



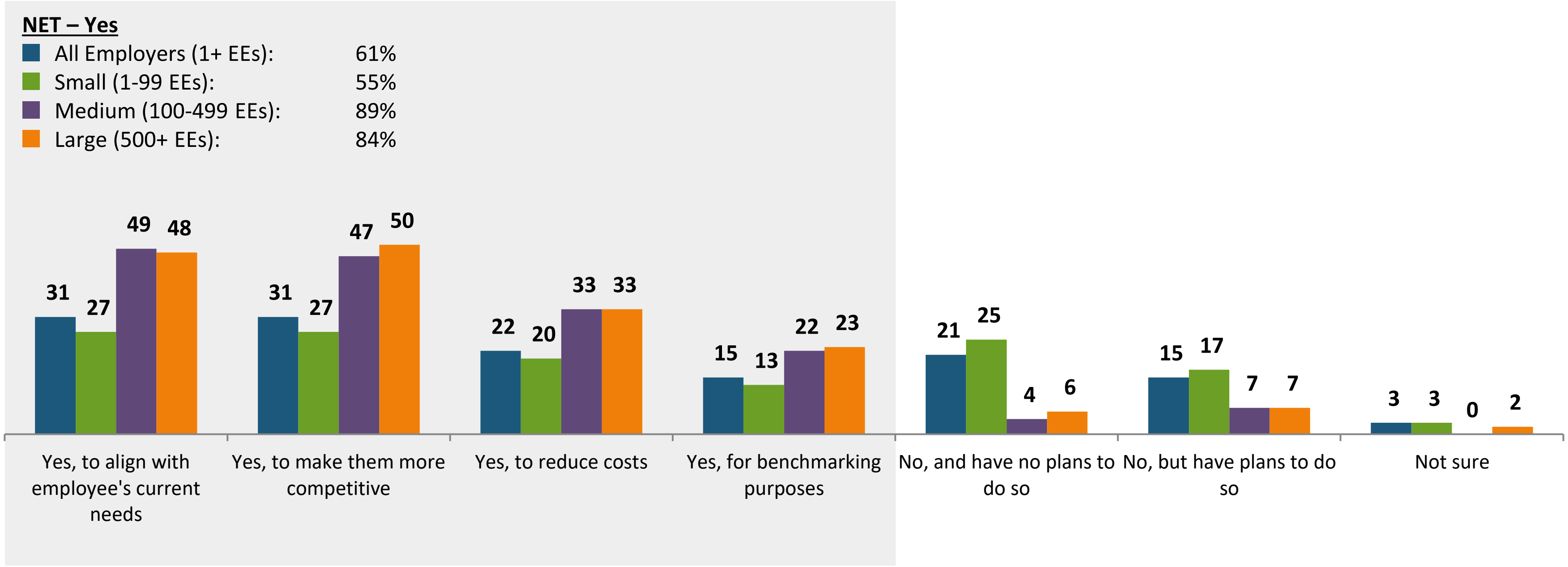
Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q1021. Does your company currently offer any of the following? Select all.
Q530. Which of the following retirement benefits does your company offer? Select all that apply.
WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q1170. Benefits typically offer a number of different benefits to their workers. For each of the following, please tell us how important that benefit is to you personally.

Employers' Re-evaluation of Benefit Offerings

More than six in 10 employers (61%) have re-evaluated their health, retirement, and other employee benefit offerings in 2022. Employers across company sizes most frequently cite that employee benefit offerings were re-evaluated to align with employee's current needs (31%), make them more competitive (31%), reduce costs (22%), and for benchmarking purposes (15%). Medium and large companies are more likely to have re-evaluated employee benefit offerings than small companies (89%, 84%, 55%, respectively). Amid workforce shifts, 21% of employers have not re-evaluated their benefits plans and have no plans to do so.

Has your company re-evaluated its health, retirement, and other employee benefit offerings in 2022? (%)



EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q7055. Has your company re-evaluated its health, retirement, and other employee benefit offerings in 2022? Select all.

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Employers' Offering of Health and Welfare Benefits

Most employers (75%) offer one or more types of health and welfare benefits to their employees. Health insurance (63%) is the most frequently offered benefit, followed by life insurance (42%), a workplace wellness program (34%), an employee assistance program (33%), and disability insurance (30%). Medium and large companies are significantly more likely to offer one or more of these types of benefits than small companies (100%, 99%, 69%, respectively). Three in 10 small company employers (31%) offer none of these benefits.

Health and Welfare Benefits Offered (%)	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
NET – Offers Health and Welfare Benefits	75	69	100	99
Health Insurance	63	57	88	89
Life Insurance	42	35	63	75
Workplace Wellness Program	34	28	47	58
Employee Assistance Program	33	26	51	64
Disability Insurance	30	23	54	60
Financial Wellness Program	28	22	46	50
Long-Term Care Insurance	26	21	40	47
Critical Illness Insurance	24	19	44	43
Cancer Insurance	13	10	18	27
Pet Insurance	6	3	11	17
None of these	25	31	0	1

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q1021. Which of the following does your company currently offer? Select all.

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Types of Health Plans Offered With Health Insurance Coverage

Among employers that offer health insurance to their employees, 56% offer a health savings account (HSA) and/or flexible spending account (FSA). Large and medium companies are significantly more likely to offer these than small companies (75%, 71%, 48%, respectively). Many employers offer preferred provider organizations (PPOs) (58%) and health maintenance organizations (HMOs) (49%).

Types of Health Plans Included in Health Insurance Coverage (%)	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
NET – HSA/FSA	56	48	71	75
Health Savings Account (HSA)	45	38	58	62
Flexible Spending Account (FSA)	33	27	45	50
Preferred Provider Organization (PPO)	58	55	65	62
Health Maintenance Organization (HMO)	49	46	59	58
High Deductible Health Plan (HDHP)	31	27	35	41
Other	<1	<1	0	1

EMPLOYER BASE: PROVIDES HEALTH INSURANCE

Q6025. Which types of health plans are included in your health insurance coverage? Select all.

Reasons for Not Offering Health Insurance

Among employers not offering health insurance to their employees, the most frequently cited reasons for not doing so are the company is not big enough (66%) and concern about cost (34%). Few cite concern about administrative complexity and the amount of work involved (14%), management not being interested (12%), and concern about fiduciary liability (11%).

Reasons for Not Offering Health Insurance (%)	**All Employers (1+ EEs)**
Not big enough	66
Concern about cost	34
Concern about administrative complexity and amount of work involved	14
Management is not interested	12
Concern about fiduciary liability	11
Encountering business difficulties	10
Other	8
Don’t know	2

Note: Responses by company size not shown due to small base.

EMPLOYER BASE: COMPANY DOESN’T PROVIDE HEALTH INSURANCE

Q6020. What are the reasons that your company does not offer health insurance? Select all.

Workplace Wellness Program Features

Among employers that offer a workplace wellness program, the most frequently cited components of the program include mental health support (59%), health screenings/biometric assessments/vaccinations (51%), fitness programs (48%), education on healthy behaviors (45%), and mindfulness, meditation, yoga, or relaxation training (44%). More than one-third of employers use financial incentives (39%) and opportunities to win prizes (36%) for health-related activities. Few employers integrate health promotion into their organization's cultures such as walking meetings and healthy food options (35%).

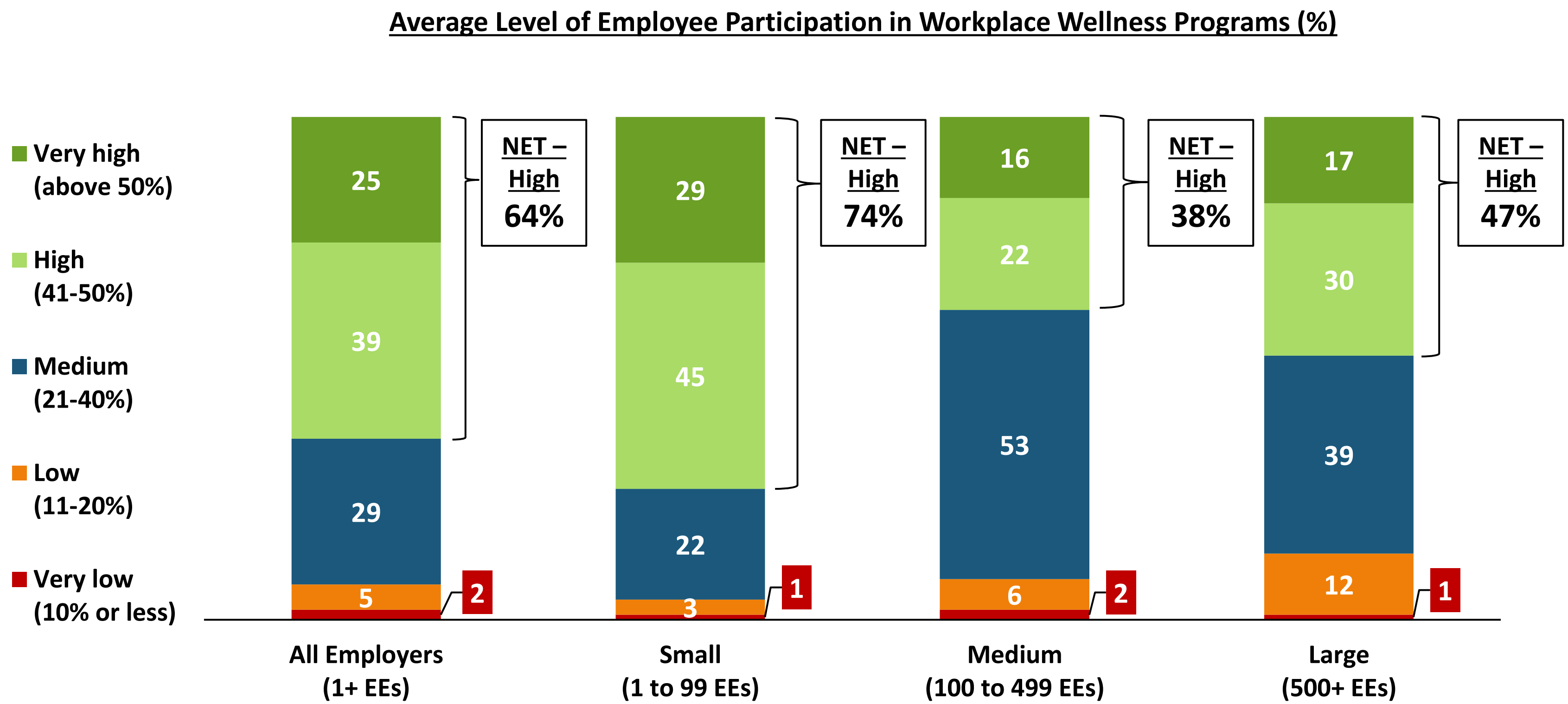
Elements of Company's Workplace Wellness Program (%)	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
Mental health support (e.g., stress management, therapy)	59	55	68	68
Health screenings, biometric assessments, vaccinations	51	47	56	63
Fitness programs (e.g., on-site gym, gym or equipment subsidies)	48	45	39	55
Education on healthy behaviors (e.g., via intranet, e-mails, webinars)	45	41	44	54
Mindfulness, meditation, yoga, or relaxation training	44	45	52	42
Lifestyle change programs (e.g., smoking cessation, weight management)	43	39	42	53
Tools to set and track wellness goals (e.g., wearable device, online program)	41	40	43	42
Ergonomic workstations (e.g., standing desks, adjustable furniture)	40	38	41	43
Financial incentives for health-related activities	39	36	44	44
Programs for substance or alcohol abuse	39	37	36	44
Opportunities to win prizes for health-related activities	36	35	34	40
Integration of health promotion into your organization's culture (e.g., walking meetings, healthy food options)	35	32	45	41
None	1	1	0	<1

Note: Responses of 40% or more are highlighted. Does not reflect responses of "Not sure" which was zero for all company sizes.

EMPLOYER BASE: OFFERS A WORKPLACE WELLNESS PROGRAM
Q822. Which of the following elements are offered as part of your workplace wellness program? Select all.

Employers' Views on Workplace Wellness Program Participation

More than six in 10 employers (64%) indicate the average level of participation in their workplace wellness programs is either very high (25%) or high (39%). Small companies are significantly more likely than large and medium companies to report high levels of participation (74%, 47%, 38%, respectively).



Note: Responses not shown for "Not Sure" (All Employers: <1%, Small: 0%, Medium: 0%, Large: 1%). Results may not total to 100% due to rounding.

EMPLOYER BASE: OFFERS A WORKPLACE WELLNESS PROGRAM

Q822a. What percentage best describes the average level of employee participation in any workplace wellness program you offer?

Student Loan-Related Benefits

New employee benefit offerings have emerged in recent years to assist with student loan repayment. Almost four in 10 employers (39%) offer one or more benefits including a contribution to help pay down an employee's student debt (22%), a matching contribution to the 401(k) plan that recognizes student loan repayments (21%), and an app/online service to help employees discover new loan repayment and forgiveness options (20%). Large and medium-sized companies are more likely to offer one or more benefits than small companies (67%, 61%, 33%, respectively). Important note: The SECURE 2.0 Act of 2022 makes it easier for 401(k) or similar plan sponsors to make matching contributions in recognition of employees' qualified student loan payments beginning in 2024.

Does your company offer any student loan-related benefits to its employees? (%)	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
NET – Yes	39	33	61	67
Yes, we offer a contribution to help pay down an employee's student debt	22	18	38	41
Yes, we offer a matching contribution to the 401(k) plan that recognizes student loan repayments	21	18	28	37
Yes, we offer an app / online service to help employees discover new loan repayment and forgiveness options	20	17	25	34
NET – No	58	64	38	29
No, we are unaware of these types of benefits	7	7	5	4
No, but we are interested in offering a student loan benefit(s) in the future	16	15	21	14
No, and we are not interested in offering a student loan benefit(s) in the future	35	41	13	11
Not sure	3	3	1	4

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

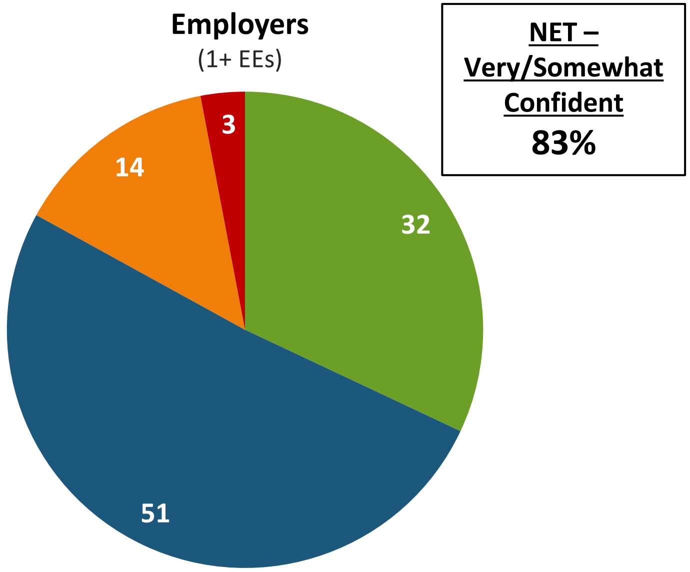
Q2022M. Does your company offer any student loan-related benefits to its employees?

Workers' Finances and Employers' Retirement Benefit Offerings

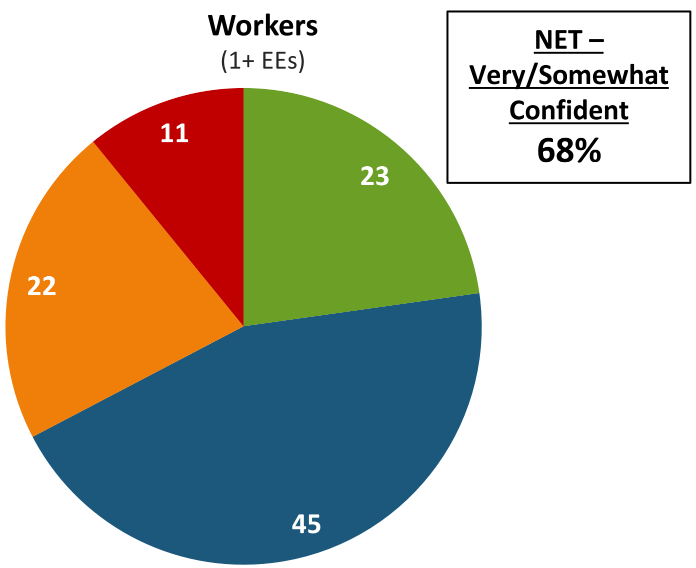
Employer-Worker Comparison: Retirement Confidence

Eight in 10 *employers* (83%) are confident their employees will be able to achieve a financially secure retirement, including 32% that are "very confident" and 51% that are "somewhat confident." In contrast, a smaller majority of *workers* (68%) are confident that they will be able to fully retire with a lifestyle they consider comfortable, including 23% who are "very confident" and 45% who are "somewhat confident."

Confidence That Their Employees Will Be Able To Achieve a Financially Secure Retirement (%)



Confidence in Fully Retiring With a Comfortable Lifestyle (%)



Very confident | Somewhat confident | Not too confident | Not at all Confident

Note: Results may not add up to 100% due to rounding.

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q800. How confident are you that your employees will be able to achieve a financially secure retirement?
WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q880. How confident are you that you will be able to fully retire with a lifestyle you consider comfortable?

Workers' Competing Financial Priorities

Almost six in 10 workers (59%) cite paying off one or more types of debt as a financial priority, including credit card (39%), mortgage (29%), other consumer debt (13%), and/or student loans (12%). Fifty-seven percent cite saving for retirement and 42% cite building emergency savings as financial priorities. Workers of medium and large companies are generally more likely to cite these as priorities than workers of small companies. Thirty-two percent of all workers indicate they are just getting by to cover basic living expenses.

Financial Priorities Right Now (%)	All Workers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
NET – Paying off debt	59	56	61	60
Paying off credit card	39	35	44	41
Paying off mortgage	29	26	30	31
Paying off other consumer debt	13	12	14	13
Paying off student loans	12	12	13	11
Saving for retirement	57	50	58	63
Building emergency savings	42	38	41	45
Just getting by to cover basic living expenses	32	36	34	29
Supporting children	32	29	33	34
Paying health care expenses	22	19	23	23
Creating an inheritance or financial legacy	17	15	16	19
Contributing to an education fund (for my children, grandchildren, or other	17	13	17	20
Supporting parents	13	12	14	13
Paying long-term care expenses	9	8	10	9
Supporting grandchildren	4	4	5	4
Other	4	5	4	4

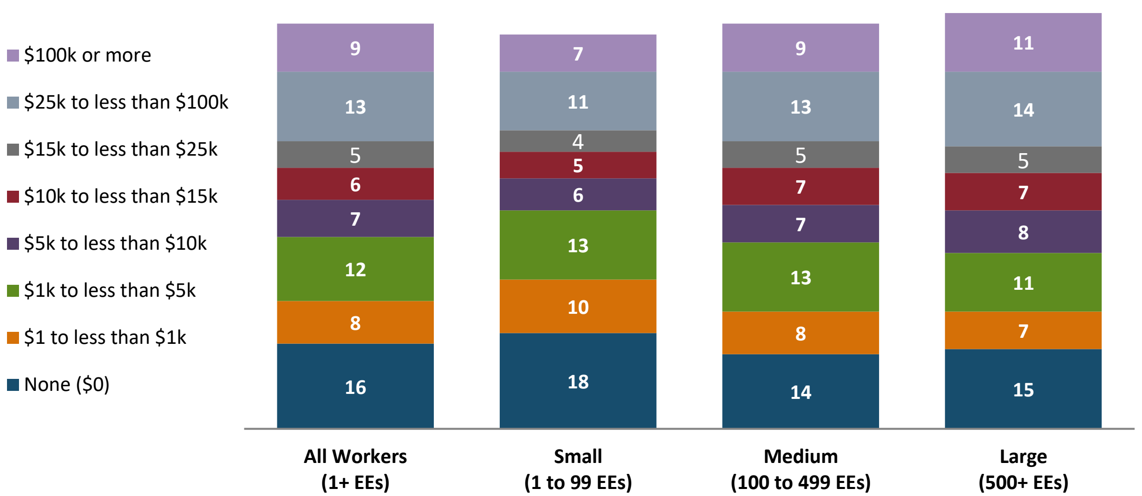
WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q2639. Which of the following are your financial priorities right now? Select all.

Emergency Savings

Emergency savings are needed to cover financial setbacks, such as unemployment, medical bills, home repairs, auto repairs, and other unexpected expenses. Emergency savings could also help prevent workers from dipping into their retirement savings to cover such expenses. However, workers have saved only $5,000 (median) in emergency savings as of late 2022. Workers of large and medium companies have saved more than those of small companies ($6,000, $5,000, $3000, respectively). Of concern, approximately one in six workers (16%) have no emergency savings at all. Important note: Beginning in 2024, SECURE 2.0 helps solve this issue by creating a Pension-Linked Emergency Savings Account (PLESA). It is a new feature for 401(k) or similar plans which permits non-highly compensated employees to save for emergencies on a Roth basis. Additionally, under the new law, withdrawals from retirement accounts that are emergency withdrawals meeting certain requirements will not be subject to the 10% early withdrawal penalty that is generally applicable to those under the age of 59½.

2022 Total Household Emergency Savings (%)



	All Workers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
Not sure	24	26	24	22
Median (including $0)	$5,000	$3,000	$5,000	$6,000

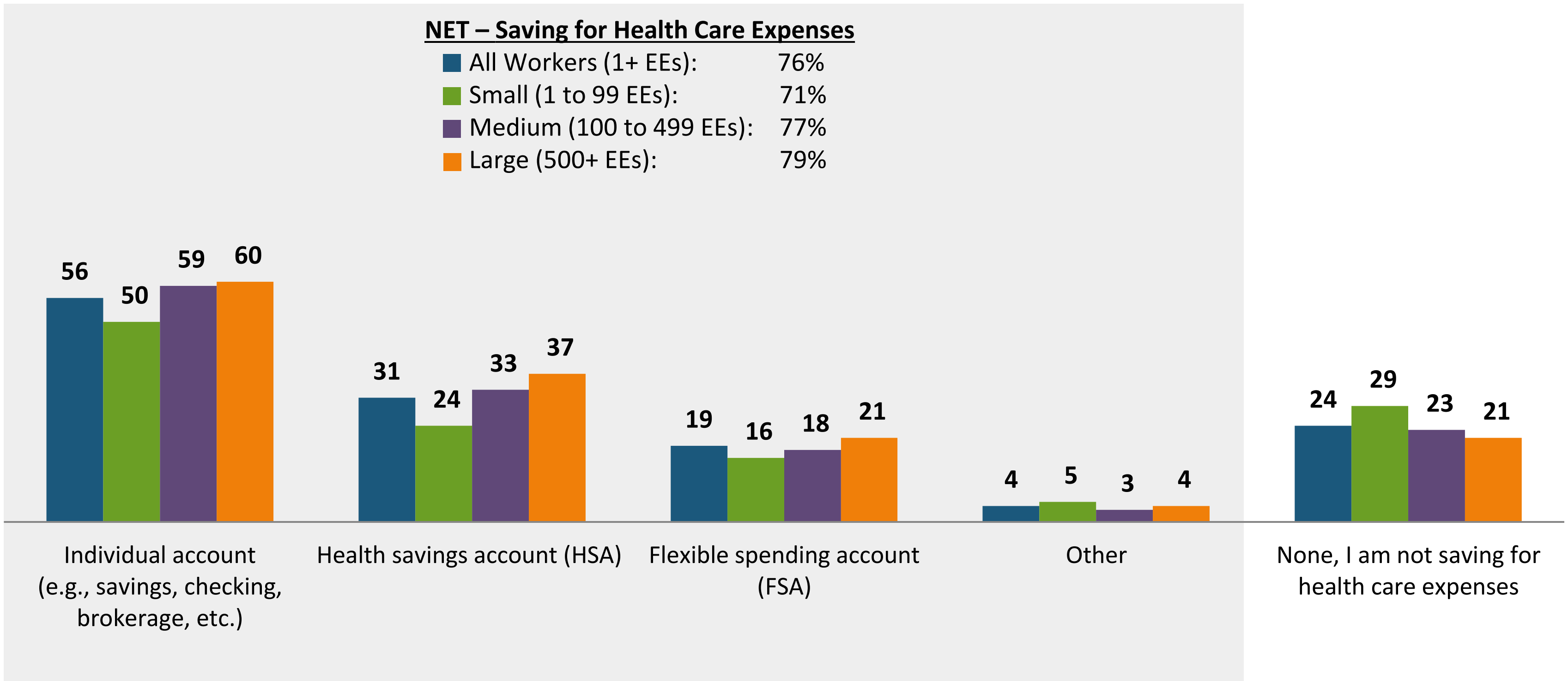
WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q2825. How much do you have in emergency savings specifically to cover the cost of unexpected major financial setbacks (e.g., unemployment, medical bills, home repairs, auto repairs, other)?

Health Care Savings

Seventy-six percent of workers are savings for health care expenses. Large and medium company workers are more likely to be saving in one or more types of accounts for health care expenses than small company workers (79%, 77%, 71%, respectively). The most frequently cited means for health care savings among all workers is an individual account (e.g., savings, checking, brokerage, etc.) (56%), followed by an HSA (31%), and/or FSA (19%). Almost one in four workers (24%) are not saving for health care expenses.

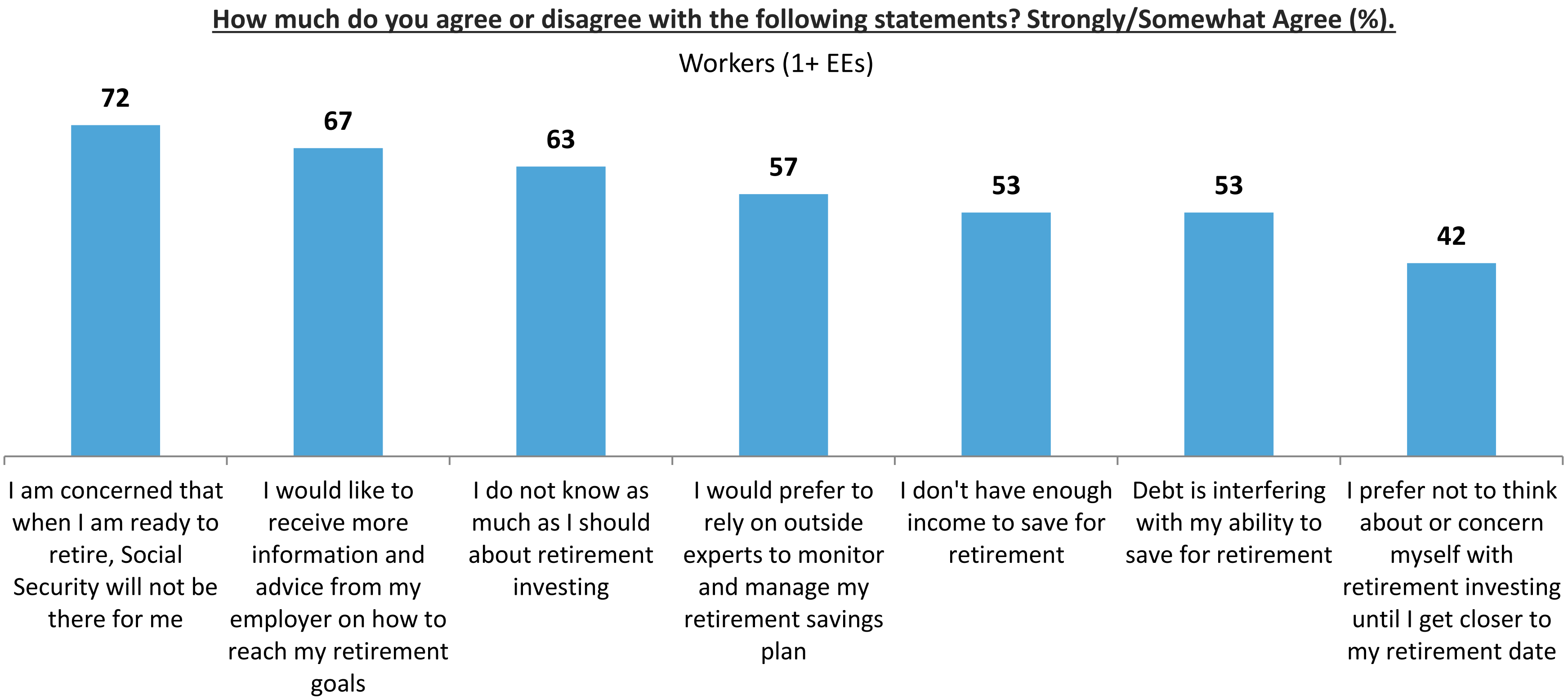
In which of the following accounts, if any, are you saving or have funds saved to pay for health care expenses? Select all. (%)



WORKER BASE: 23RD ANNUAL SURVEY – ALL QUALIFIED RESPONDENTS
Q755H. In which of the following accounts, if any, are you currently saving or have funds saved to pay for health care expenses? Select all.

Retirement-Related Attitudes, Beliefs, and Concerns

Workers commonly share attitudes, beliefs, and concerns about retirement. More than seven in 10 workers (72%) are concerned that Social Security will not be there for them when they are ready to retire. Sixty-seven percent of would like to receive more information and advice from their employers on how to reach their retirement goals, while 63% indicate they do not know as much as they should about retirement investing. Fifty-seven percent would prefer to rely on outside experts to monitor and manage their retirement savings. More than half of workers feel they do not have enough income to save, and that debt is interfering with their ability to save for retirement (both 53%). Forty-two percent of workers prefer not to think about or concern themselves with retirement investing until they get closer to their retirement date.



WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q930. How much do you agree or disagree with each of the following statements regarding retirement?

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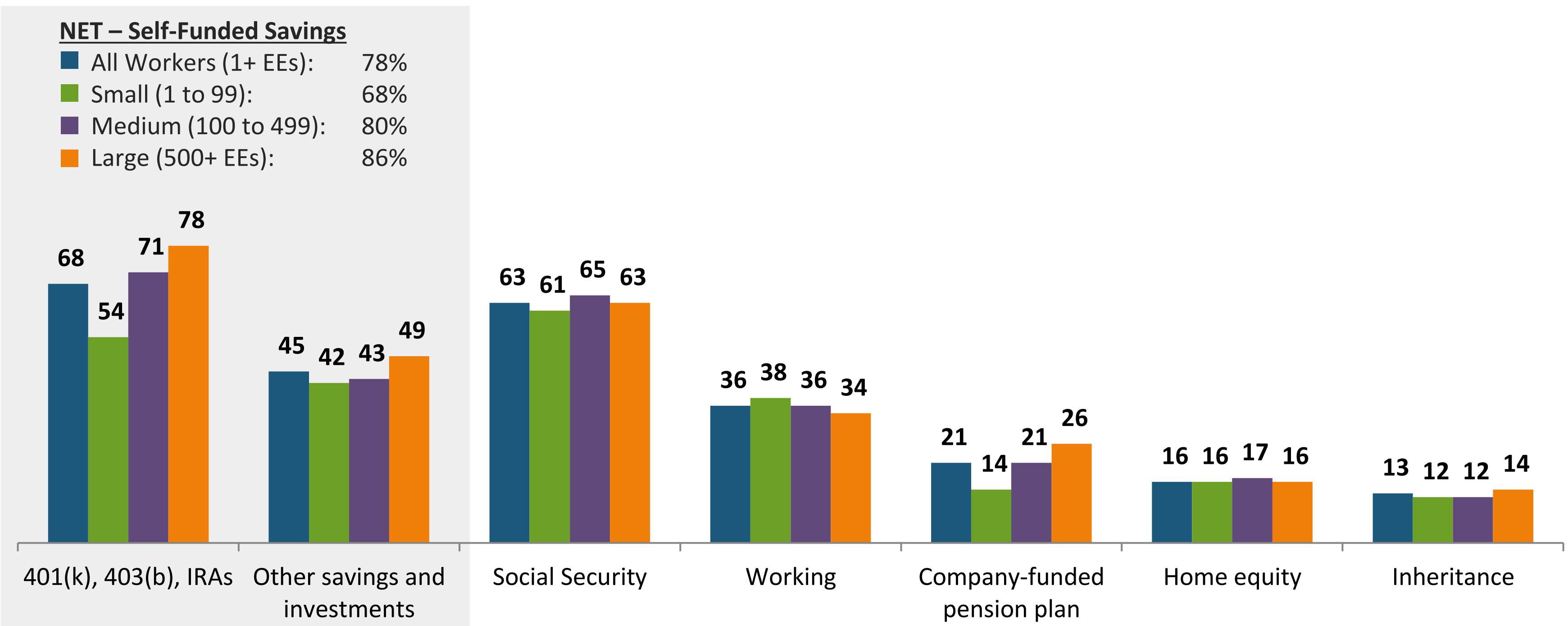
Expected Sources of Retirement Income

Workers are expecting diverse sources of retirement income with the most often cited including self-funded savings (78%), Social Security (63%), and income from working (36%). However, there are some differences by company size. Workers of large and medium companies are more likely to cite retirement income from 401(k)s, 403(bs), and IRAs than those of small companies (78%, 71%, 54%, respectively). Workers of large and medium companies are also more likely than those of small companies to cite income from a company-funded pension plan (26%, 21%, 14%, respectively).

Which of the following do you expect to be sources of income to cover your living expenses after you retire? (%)



Note: Chart excludes "Other" response which is 1% among workers across company sizes.

WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q1145. Which of the following do you expect to be sources of income to cover your living expenses after you retire? Select all.

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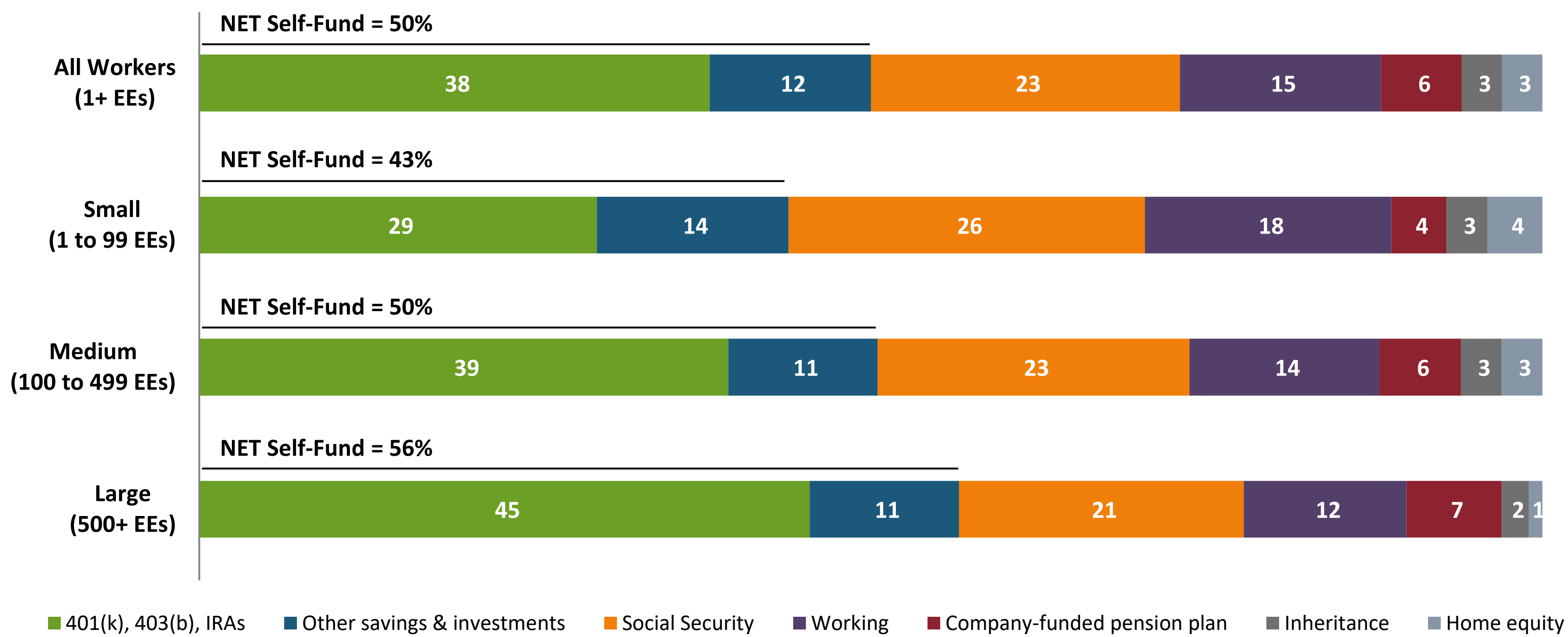
Expected Primary Source of Retirement Income

Fifty percent of workers expect their primary source of income in retirement to come from self-funded savings such as 401(k)s, 403(b)s, IRAs (38%) or other savings and investments (12%), and 23% of workers expect to rely on Social Security. Expected reliance on retirement accounts (e.g., 401(k)s, 403(b)s, IRAs) is higher among workers of large and medium companies than those of small companies (45%, 39%, 29%, respectively). Workers of small companies are more likely to expect to rely on income from working, compared with those of medium and large companies (18%, 14%, 12%, respectively).

What Do You Expect to Be Your Primary Source of Income in Retirement? (%)



Notes: Chart excludes "Other" response which is 1% or less among workers across company sizes. Results may not total to 100% due to rounding.

WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q1150. Which one of the following do you expect to be your primary source of income to cover your living expenses after you retire?

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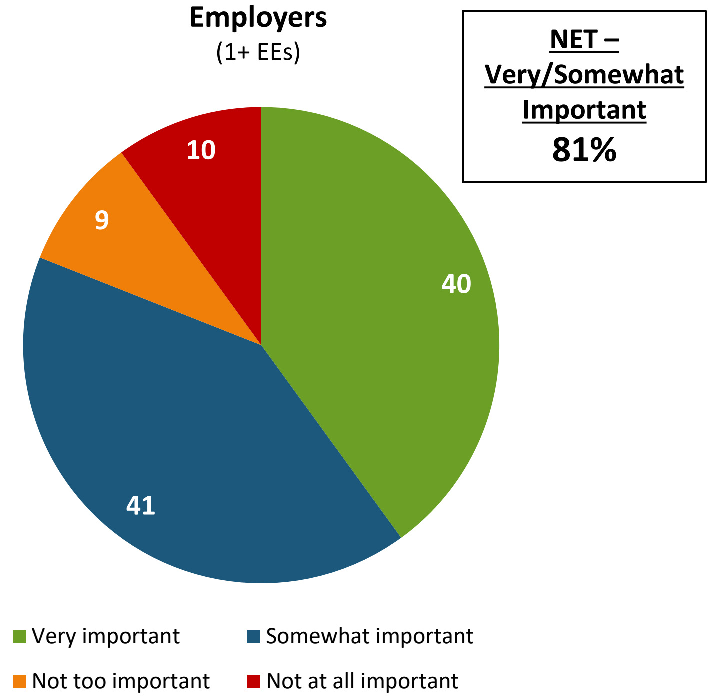
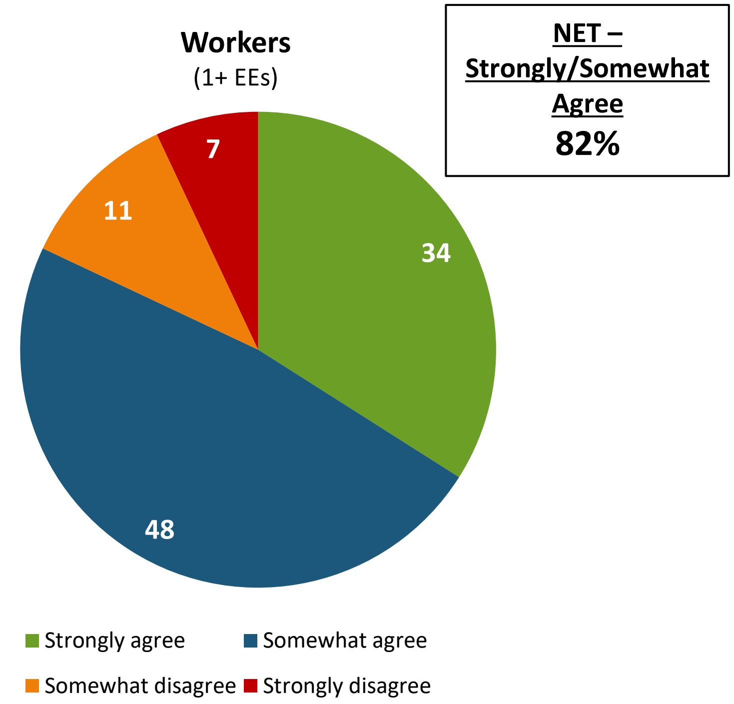
Employer-Worker Comparison: Importance of Retirement Benefits

Eighty-one percent of *employers* believe that offering a 401(k) or similar plan is important for attracting and retaining employees, a finding that is consistent with the perspective of workers. Eighty-two percent of *workers* agree that retirement benefits offered by a prospective employer will be a major factor in their final decision-making when job hunting.

Importance of Employee-Funded Retirement Plan in Attracting and Retaining Employees (%)



The next time I look for a job, all things being equal, the retirement benefits offered by the prospective employer will be a major factor in my final decision." (% Level of Agreement)



Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q650. How important would you say a company's/your company's employee-funded retirement plan package is to your ability to attract and retain employees?
WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q831. How much do you agree or disagree… "The next time I look for a job, all things being equal, the retirement benefits offered by the prospective employer will be a major factor in my final decision."

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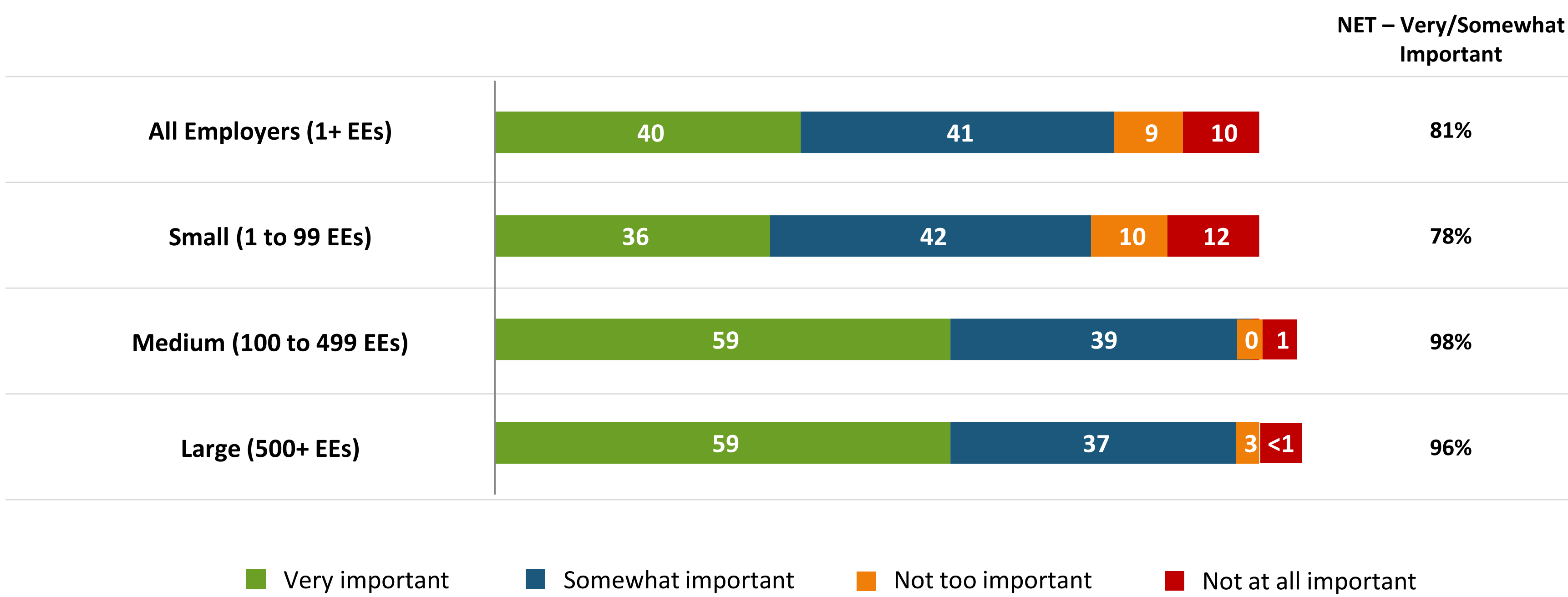
Employers' Sense of Importance of Retirement Benefits

Eighty-one percent of employers indicate that offering a retirement plan is important for attracting and retaining talent, including 40% that say it is very important and 41% that say it is somewhat important. However, the findings vary dramatically by company size. Ninety-six percent of large companies and 98% of medium companies say it is important, compared with 78% of small companies. Fifty-nine percent of both medium and large companies indicate it is very important, compared with just 36% of small companies.

Importance of Retirement Plans in Attracting and Retaining Employees (%)



Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q650. How important would you say a/your company's employee-funded retirement plan package is to its/your ability to attract and retain employees?

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Retirement Benefit Offerings

Fifty-eight percent of employers offer a 401(k) or similar employee-funded retirement plan to their employees, including 52% that offer a 401(k) plan and 15% that offer another type of employee self-funded plan (e.g., SEP, SIMPLE, other plans except for 401(k)s). Employee-funded plans are more commonly offered by large and medium companies, compared with small companies (92%, 84%, 51%, respectively). Company-funded defined benefit plans are offered by only 29% of employers. Thirty-four percent of employers do not offer any retirement benefits to their employees. Small companies (41%) are significantly more likely to indicate they do not offer any retirement benefits, compared with medium and large companies (both 2%).

Retirement Benefits Offered to Employees (%)	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
NET – Employee-Funded Plan	58	51	84	92
Employee-funded 401(k) plan	52	44	79	87
Other employee self-funded plan (e.g., SEP, SIMPLE, Other Plans Except for 401(k)s)	15	13	18	23
Company-funded defined benefit pension plan	29	25	44	45
Company-funded cash balance pension plan	18	16	22	24
Separate retirement program for select executives or senior management	14	11	28	30
None. My company does not offer any retirement benefits.	34	41	2	2

Note: Responses for "Other" not shown which is 1% or less for employers of all sizes.

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q530. Which of the following retirement benefits does your company offer? Select all that apply.

Plan Sponsors' Reasons for Offering Retirement Benefits

Among those that offer some form of retirement benefits, companies of all sizes cite similar reasons for doing so, including helping employees to save and prepare for retirement (55%), increasing job satisfaction among employees (52%), retaining existing employees (50%), inspiring loyalty among employees (45%), offering a competitive employee benefits package (44%), and attracting new employees (43%). Generally, large companies are more likely to cite many of these reasons than small companies.

Reasons for Offering Retirement Benefits (%)	**All Employers (1+ EEs)**	**Small (1 to 99 EEs)**	**Medium (100 to 499 EEs)**	**Large (500+ EEs)**
Help employees save and prepare for retirement	55	52	62	60
Increase job satisfaction among employees	52	49	52	61
Retain existing employees	50	47	56	57
Inspire loyalty among employees	45	43	49	52
Offer a competitive employee benefits package	44	40	49	57
Attract new employees	43	39	49	57
Enhance the company's reputation as an employer	38	33	49	49
Take advantage of tax benefits associated with sponsoring a plan	36	33	40	41
Enable the owners/senior management of your company save for retirement	35	35	30	35

Note: Responses for "Other" and "Not Sure" are 1% or less and are not shown.

EMPLOYER BASE: OFFERS RETIREMENT BENEFITS

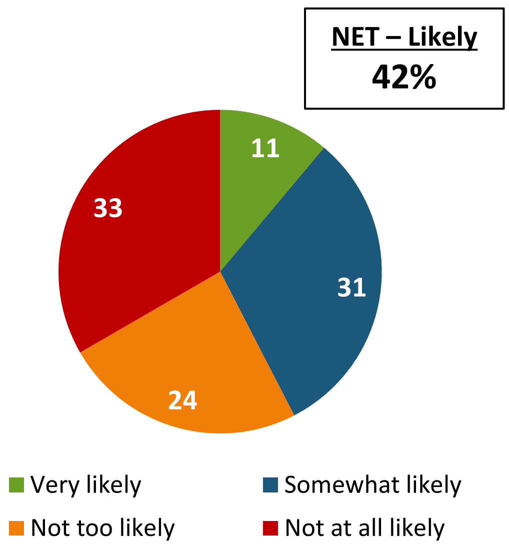
Q5000. What are your company's reasons for offering retirement benefits? Select all that apply.

Employers That Are Not Planning to Offer a Plan and Reasons

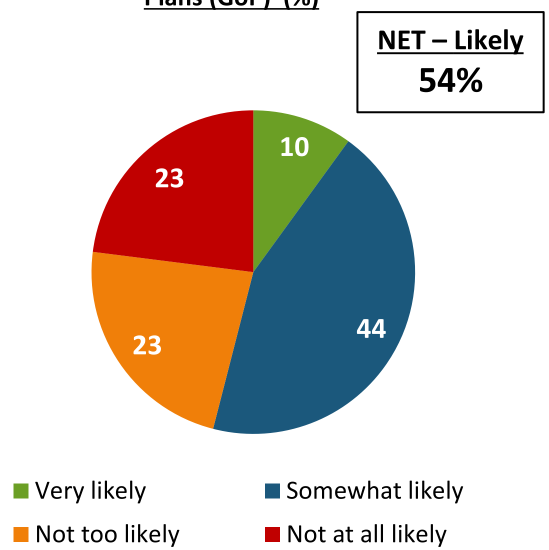
Among companies not offering a 401(k) or similar plan, many (42%) say they are *likely* to begin sponsoring a plan in the next two years and 54% of them say they would consider joining a pooled plan arrangement such as a multiple employer plan (MEP), pooled employer plan (PEP), or group of plans (GoP). Among those that are *not likely* to sponsor a plan in the next two years, the most often cited reasons are they are not big enough (76%), they are concerned about cost (31%), and their employees are not interested (13%). Important note: Beginning in 2023, SECURE 2.0 makes it easier and more affordable for small businesses to adopt a qualified retirement plan, whether a stand-alone 401(k) or similar plan, or by joining a multiple employer plan (MEP) or pooled employer plan (PEP).

All Employers (1+ EEs)

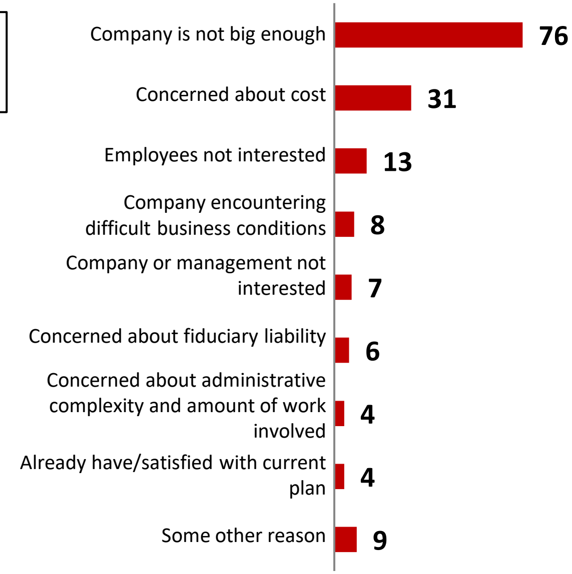
Likelihood to Begin Sponsoring a 401(k) or Similar Plan Within the Next Two Years (%)



As an Alternative, Likelihood to Consider Joining a Multiple Employer Plan (MEP), Pooled Employer Plan (PEP), Group of Plans (GoP) (%)



Most Frequently Cited Reasons for NOT Planning to Offer a Plan (%)



Note: Results may not total to 100% due to rounding.

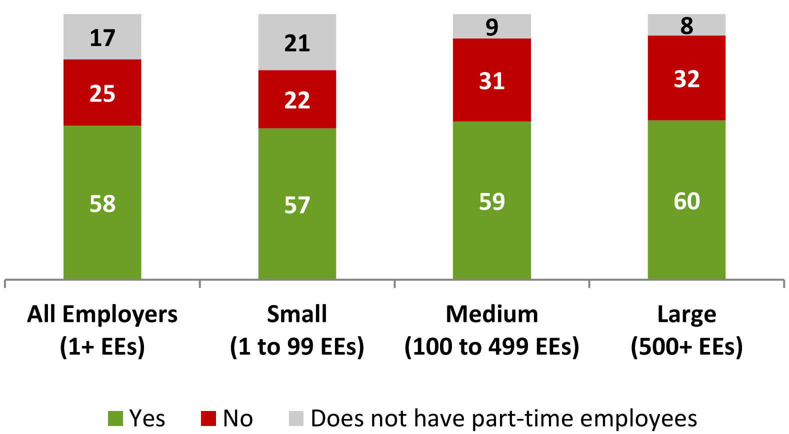
EMPLOYER BASE: DOES NOT OFFER 401(K) NOR OTHER SELF-FUNDED PLAN
Q600. How likely is your company to begin offering an employee-funded retirement plan package like a 401(k) to its employees in the next two years?
Q1605. As an alternative to establishing a stand-alone 401(k) plan, if your company had the ability to join a multiple employer plan, a pooled employer plan (PEP), or a group of plans (GoP) that is offered by a reputable vendor who handles many of the fiduciary and administrative duties at a reasonable cost, how likely would you be to consider it?
EMPLOYER BASE: DOES NOT OFFER 401(K) OR OTHER SELF-FUNDED PLAN; NOT LIKELY TO OFFER 401(K) OR OTHER PLAN IN THE NEXT TWO YEARS
Q610. Why is your company not likely to offer a plan in the next two years? Select all.

Retirement Plan Eligibility for Part-Time Employees

Among employers offering a 401(k) or similar plan, 58% extend eligibility to part-time employees, including small, medium, and large companies (57%, 59%, 60%, respectively). Twenty-five percent do not extend eligibility to part-time employees and 17% do not have part-time employees. Among those not extending eligibility to part-time workers, 25% do not plan to do so in the future. Their most often cited reasons include high turnover rates among part-time employees (47%) and concerns about cost (43%). Important note: The SECURE Act of 2019 requires plan sponsors to extend eligibility to make deferrals to long-term, part-time workers who meet a reduced hours of service requirement over three consecutive years. Employers were required to start tracking these consecutive years of service beginning in 2021, thus long-term, part-time workers meeting this new requirement will first be eligible in 2024. The SECURE 2.0 Act of 2022 reduces the consecutive periods of service to two years, beginning with the 2023 tracking year, and extends the shortened rule to 403(b) plans.

Employers Extend Eligibility to Part-Time Employees to Participate in 401(k) or Similar Plan (Among Those That Offer a Plan)

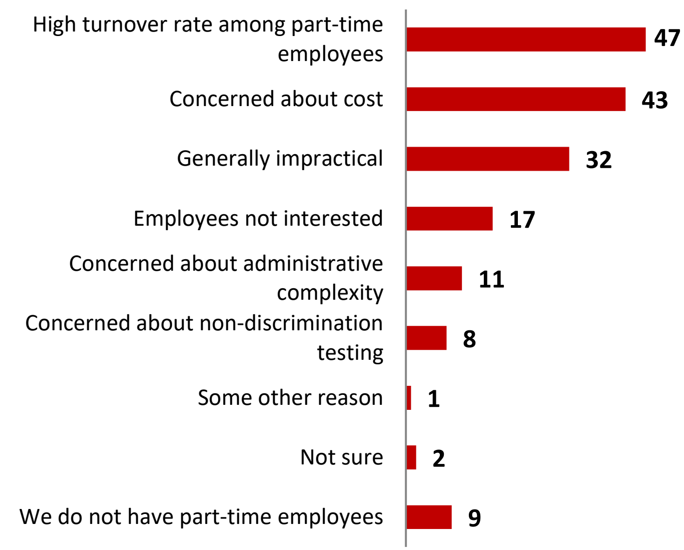
Yes (%)



Note: Results may not total to 100% due to rounding.

*Among plan sponsors not extending eligibility to part-time workers, **25%** do not plan to do so in the future.*

Reasons for NOT Planning to Extend Eligibility to Their Part-Time Employees (%)

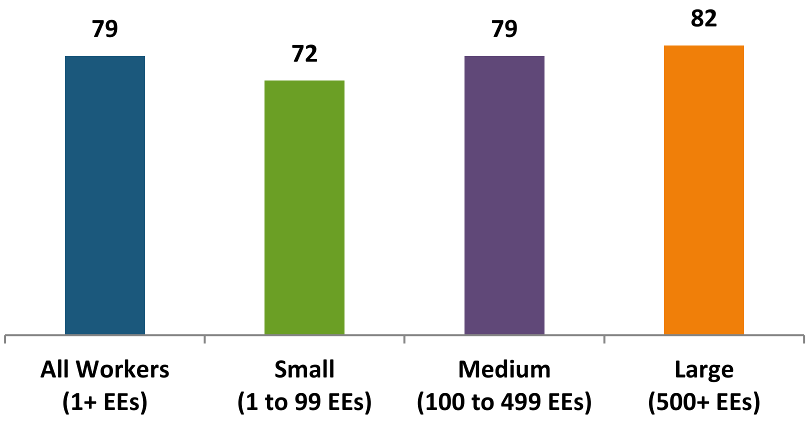


EMPLOYER BASE: OFFERS EMPLOYEE-FUNDED RETIREMENT PLAN
Q1650. Are any part-time employees currently eligible to participate in the employee-funded 401(k) or similar retirement plan?
EMPLOYER BASE: OFFERS EMPLOYEE-FUNDED RETIREMENT PLAN; DOES NOT EXTEND ELIGIBILITY TO PART-TIME EMPLOYEES
Q1660. Does your company plan to extend 401(k) eligibility to any part-time employees in the future?
EMPLOYER BASE: OFFERS EMPLOYEE-FUNDED RETIREMENT PLAN; DOES NOT EXTEND ELIGIBILITY TO PART-TIME EMPLOYEES; HAS NO PLANS TO EXTEND ELIGIBILITY TO PART-TIME EMPLOYEES
Q1655. Which of the following best describes why your company is not planning to extend 401(k) eligibility to any part-time employees in the future? Select all.

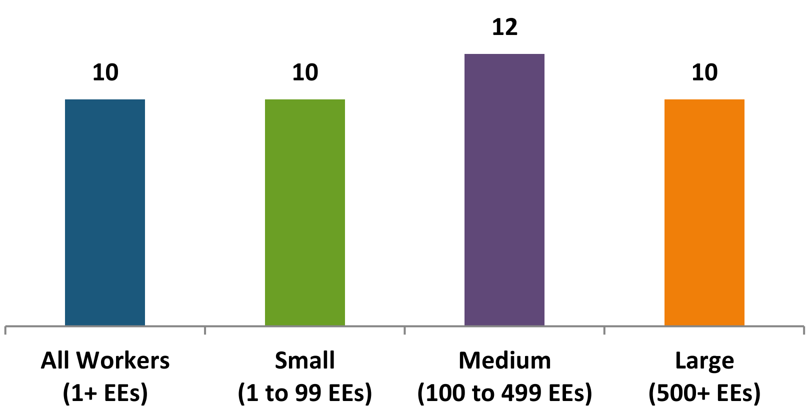
Workers' Plan Participation and Salary Deferral Rates

Almost eight in 10 workers (79%) who are offered a 401(k) or similar plan participate in that plan, including 72% of workers of small companies, 79% of workers of medium companies, and 82% of workers of large companies. Among those who participate in their employers' plans, the median annual salary deferral rate is 10%, but it varies by company size. The deferral rate among workers of small and large companies is 10%, while it is 12% among those of medium companies (medians).

Participation Rate in 401(k) or Similar Plan (%)



Median Percentage of Annual Salary Saved in Plan (%)



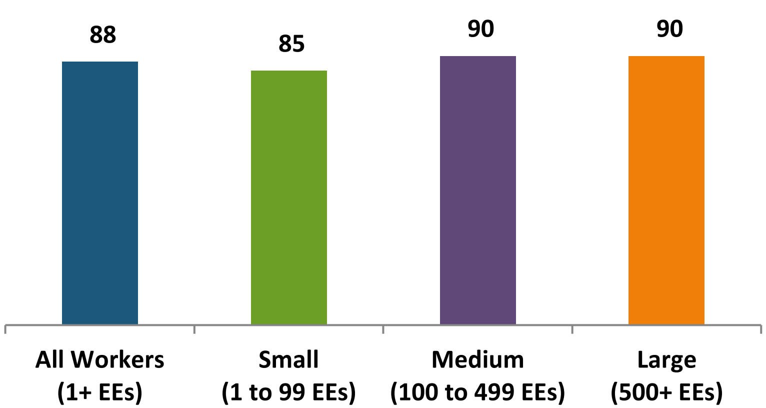
WORKER BASE: CURRENTLY OFFERED QUALIFIED PLAN
Q1190. Do you currently participate in, or have money invested in your company's employee-funded retirement savings plan?
WORKER BASE: CURRENTLY OFFERED QUALIFIED PLAN; CURRENTLY PARTICIPATING IN THEIR QUALIFIED PLAN
Q601. What percentage of your salary are you saving for retirement through your company-sponsored plan this year?

Access to a 401(k) or Similar Plan Inspires Savings

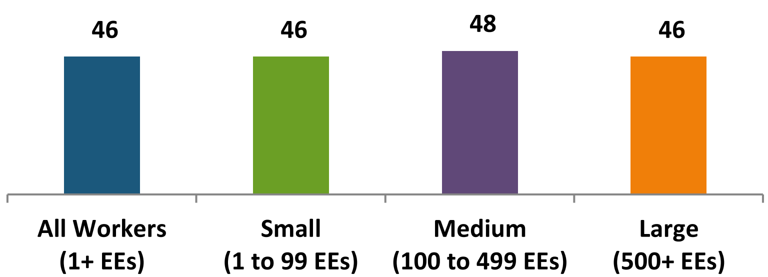
Workers are more likely to save for retirement when they have access to a 401(k) or similar plan through their employer. Almost nine in 10 workers (88%) who have access to an employer-sponsored plan are saving for retirement in the plan and/or outside of work. Among workers who are not offered a plan by their employers, fewer than half (46%) are saving for retirement.

Saving for Retirement in an Employer-Sponsored Plan and/or Outside of Work

Among Those Offered a 401(k) or Similar Plan (%)



Among Those Not Offered a 401(k) or Similar Plan (%)



WORKER BASE: CURRENTLY OFFERED QUALIFIED PLAN/ NOT CURRENTLY OFERED QUALIFIED PLAN
Q1190. Do you currently participate in, or have money invested in your company's employee-funded retirement savings plan?
Q740. Are you currently saving for retirement outside of work, such as in an IRA, mutual funds, bank account, etc.?

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Plan Sponsors' Contributions to 401(k) or Similar Plans

An employer's contribution is one of the most powerful features of a 401(k) or similar plan to incentivize employees to join the plan and build their retirement savings. Ninety-five percent of plan sponsors make an employer contribution as part of their 401(k) or similar plan, including 78% that provide a matching contribution and 20% that provide a contribution not in the form of a match. Small, medium, and large companies are similarly likely to provide an employer contribution (94%, 98%, 97%, respectively). However, medium and large companies (both 86%) are more likely to provide a matching contribution than small companies (75%). Small, medium, and large companies are similarly likely to provide a contribution but not in the form of a match (21%, 16%, 16%, respectively).

Retirement Benefits Offered to Employees (%)	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
NET – Provides Employer Contribution	95	94	98	97
Yes, we provide a company match to the employee's contribution	78	75	86	86
Yes, we provide a contribution, but not in the form of a match	20	21	16	16
No	5	6	2	3

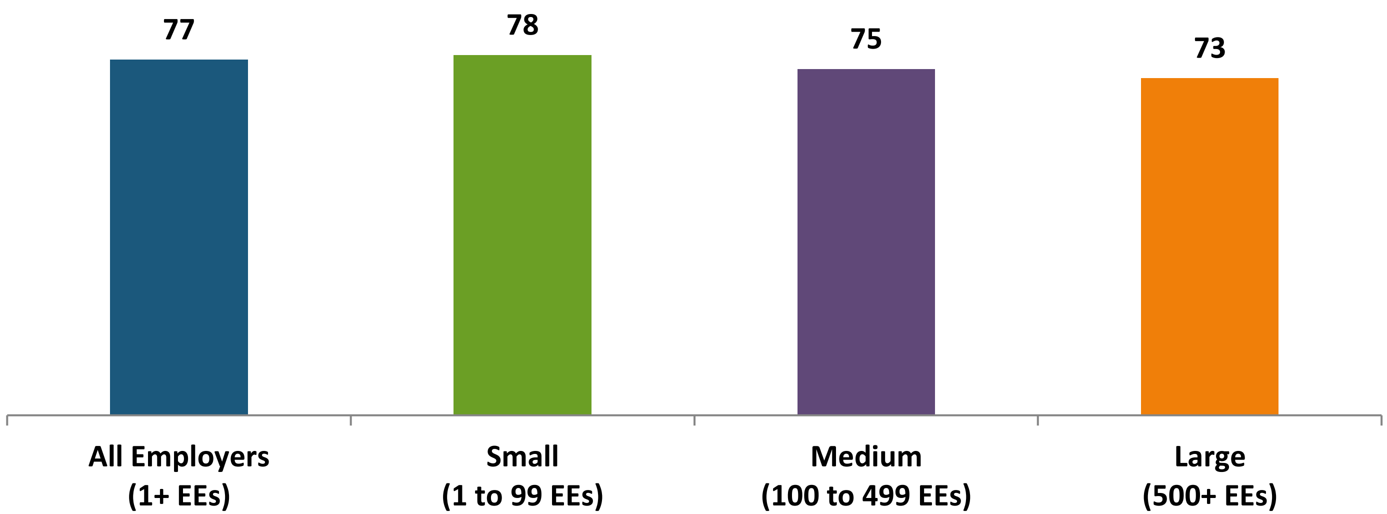
Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: OFFERS 401(K) PLAN OR OTHER SELF-FUNDED PLAN
Q640. Does your company make an employer contribution to its 401(k) or other company-sponsored retirement plan? Select all.

Roth 401(k) Offerings

Seventy-seven percent of plan sponsors offer a Roth 401(k) option. Small, medium, and large companies are similarly likely to offer this plan feature (78%, 75%, 73%, respectively). Important note: Beginning in 2024, SECURE 2.0 will require that, for certain higher income earners, the Catch-Up Contributions must be made on a Roth basis. As a result, plan sponsors offering Catch-Up Contributions but not a Roth feature for regular deferrals may need to also offer the Roth 401(k) feature for all deferrals. Beginning in 2025, SECURE 2.0 increases the IRS Catch-Up Contribution limit for plan participants that have reached ages 60, 61, 62, or 63 (but not at later ages). Beginning in 2024, the new law also allows plans to add a Pension-Linked Emergency Savings Account (PLESA), a new plan feature for 401(k) or similar plans which permits non-highly compensated employees to save for emergencies on a Roth basis. Finally, plans may now permit participants to elect Roth treatment on certain employer contributions.

Offers Roth 401(k) Option
Yes (%)



EMPLOYER BASE: OFFERS 401(K) PLAN
Q540. Has your company adopted a Roth 401(k) option?

Adoption of Automatic Features Increases With Company Size

Fifteen percent of plan sponsors have adopted *automatic enrollment* with small, medium, and large company plan sponsors being similarly likely to have done so (14%, 19%, 18%, respectively).

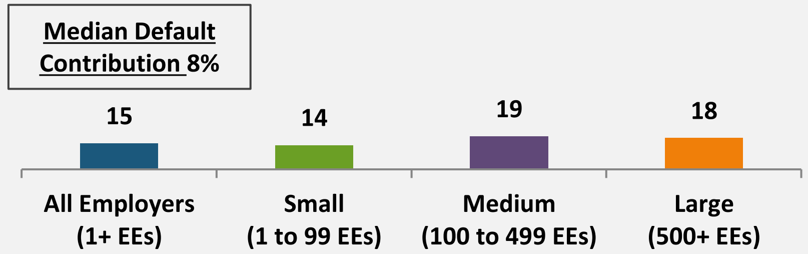
Among plan sponsors adopting *automatic enrollment*, the default contribution rate is 8% (median) of an employee's pay.

More than three in four plan sponsors adopting automatic enrollment (77%) indicate their employees' response to it has been positive.

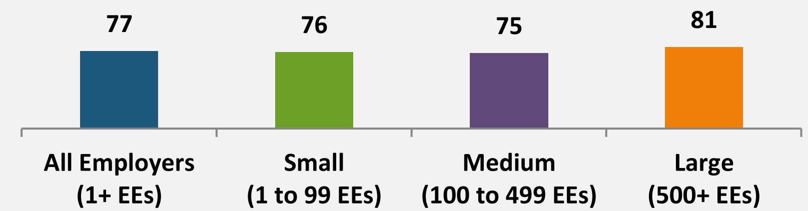
Eighty percent of plan sponsors have adopted automatic escalation, a feature that automatically increases participants' contribution rates annually. Automatic escalation is similarly found among small, medium, and large companies (81%, 79%, 78%, respectively).

Important note: SECURE 2.0 will require employers who adopted 401(k) or 403(b) plans on or after December 29, 2022, to add an automatic enrollment and automatic escalation feature to their plans no later than January 1, 2025, unless an exception applies.

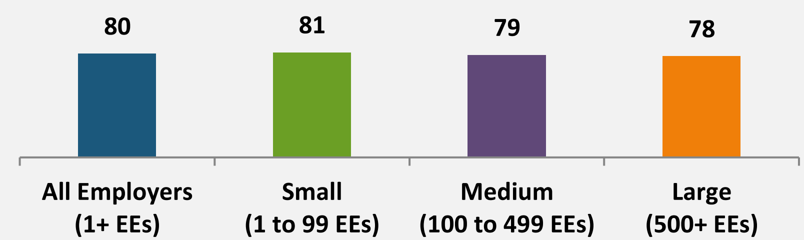
Automatically Enrolls Newly Eligible Employees Into the 401(k) Plan (%)



Employees' Response to Auto-Enrollment "Positive" (%)



Automatically Increases Participants' Contribution Rates Annually (%)



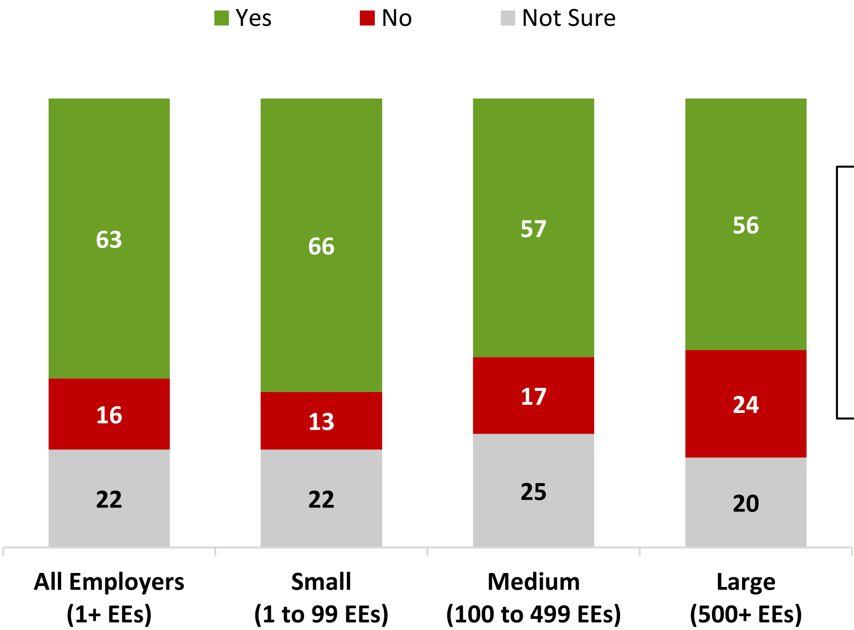
EMPLOYER BASE: OFFERS 401(K) PLAN
Q1025. When a new employee qualifies to join the employee-funded 401(k) plan, are they (A) initially given a choice to participate or not participate in the plan, or (B) automatically enrolled in the plan with the choice to opt out at a later date?
Q1031. Does your employee-funded 401(k) plan have a provision to automatically increase participants' contribution rates annually, such as on a date set forth by the plan, their anniversary date of hire, or anniversary of first contribution to the plan?
EMPLOYER BASE: AUTOMATICALLY ENROLLS NEW EMPLOYEES INTO THE 401(K) PLAN
Q1027. What is the default employee-funded 401(k) plan contribution rate (excluding the company match)?
Q1033. Generally, has your employees' response to being automatically enrolled in the employee-funded 401(k) plan been …

Future Plans for Adopting Auto-Enrollment

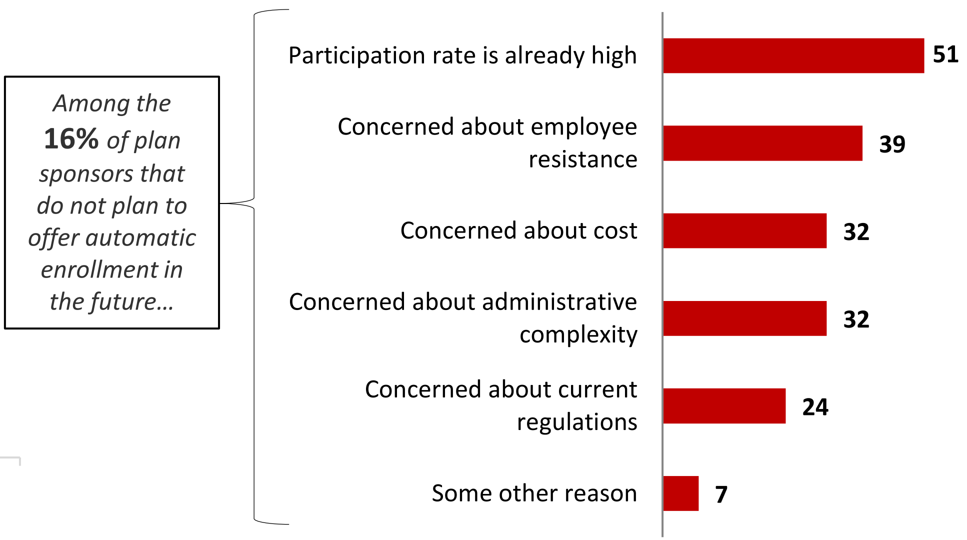
Among plan sponsors that do not offer automatic enrollment, six in 10 (63%) plan to do so in the future. Sixteen percent do not plan to offer it and 22% are “not sure.”

Among those not planning to offer it, the most often cited reasons are the participation rate is already high (51%), concerns about employee resistance (39%), concerns about cost (32%), and concerns about administrative complexity (32%).

Plans to Adopt Automatic Enrollment in the Future (%)



Most Frequently Cited Reasons for NOT Planning to Offer Automatic Enrollment in the Future (%)



Note: Results may not total to 100% due to rounding.

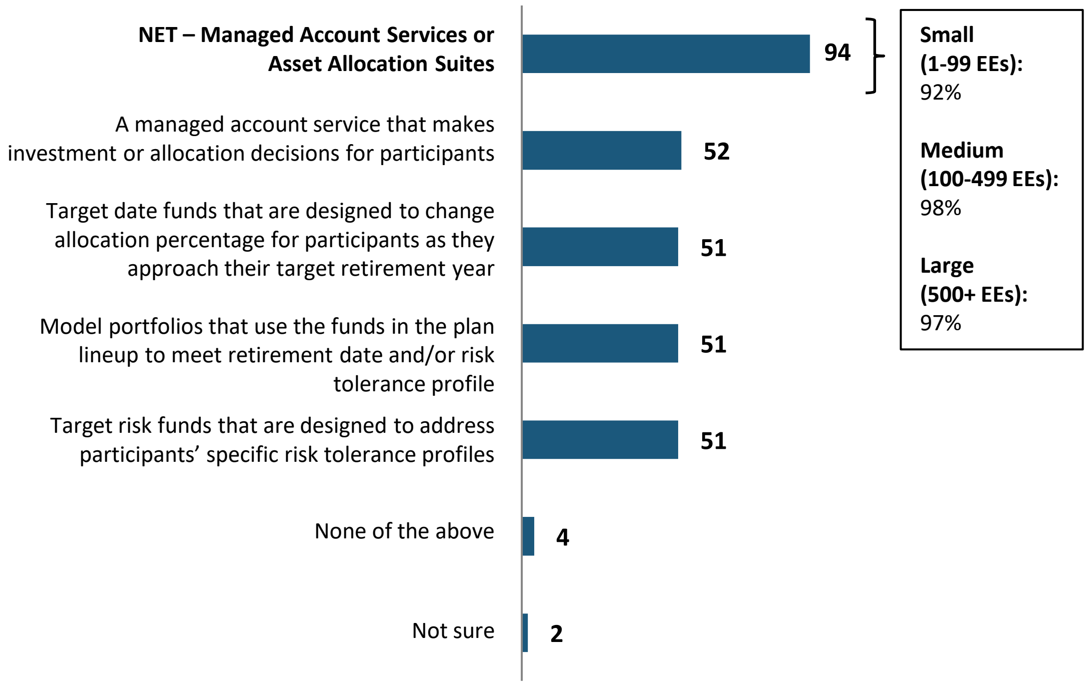
EMPLOYER BASE: DOES NOT AUTOMATICALLY ENROLL NEW EMPLOYEES INTO THE 401(K) PLAN
Q580. Does your company plan to adopt automatic enrollment in the future?
EMPLOYER BASE: DOES NOT HAVE PLANS TO ADOPT AUTOMATIC PROVISIONS IN THE FUTURE
Q590. For which of the following reasons is your company not planning to adopt an automatic enrollment provision in the future? Select all.

Professionally Managed Investment Services

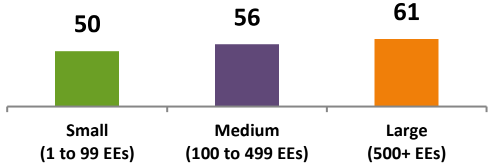
Professionally managed services such as managed accounts and asset allocation suites, including target date and target risk funds, and model portfolios have become ubiquitous options in 401(k) or similar plans, with 94% of plan sponsors offering one or more of these services. Such offerings enable plan participants to invest in professionally managed services or funds that are tailored to their goals, years to retirement, and/or risk tolerance profile. Medium and large company plan sponsors are somewhat more likely to offer a wider array of these services than small company plan sponsors (98%, 97%, 92%, respectively).

Offer Professionally Managed Account Services or Asset Allocation Suites for Investments (%)

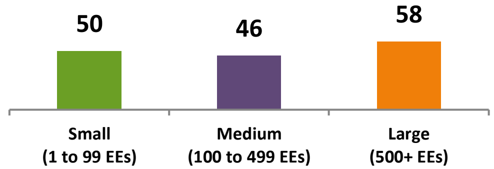
All Plan Sponsors (1+ EEs)



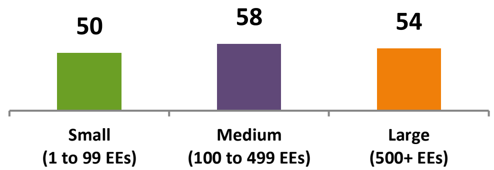
Managed Account / Service (%)



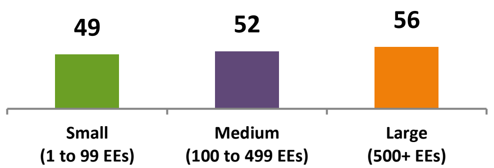
Target Date Funds (%)



Model Portfolios (%)



Strategic Allocation Funds (%)



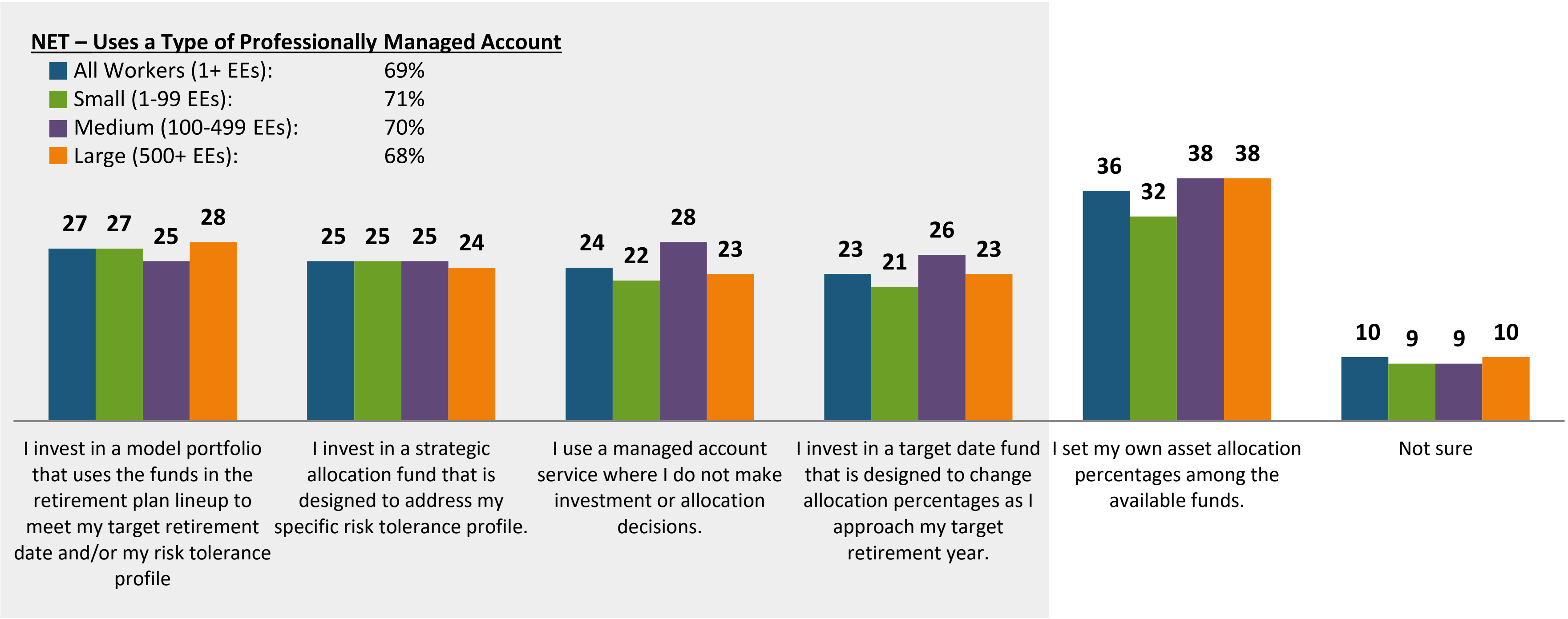
EMPLOYER BASE: OFFERS 401(K) OR OTHER EMPLOYEE-FUNDED PLAN

Q3591. Which of the following professionally managed services or asset allocation suites does your plan's investments include? Select all.

Workers' Professionally Managed Account Usage

"Professionally managed" accounts include model portfolio services, strategic allocation funds, managed account services and/or target date funds. Most plan participants (69%) use a professionally managed offering in their 401(k) or similar plans, including 27% who use model portfolios, 25% who use strategic allocation funds, 24% who use managed account services, and 23% who use target date funds. The usage of professionally managed accounts is relatively consistent among workers across company size: 71% of those at small, 70% of those at medium, and 68% of those at large companies.

What is your current approach to investing in your employer-sponsored retirement plan? (%)



WORKER BASE: 23RD ANNUAL SURVEY – THOSE PARTICIPATING IN A QUALIFIED PLAN

Q1466. What is your current approach to investing in your employer-sponsored retirement plan? Select all

Workers Tapping Into Retirement Savings

A concerning percentage of workers are tapping into their retirement savings before they retire. Thirty-seven percent of workers have taken a loan, early withdrawal, and/or hardship withdrawal from their 401(k) or similar plan or IRA, including 30% who have taken a loan and 21% who have taken an early and/or hardship withdrawal. Almost one in five workers (19%) have taken a loan and paid it back in full, while 10% have taken a loan and are paying it back, and 8% have taken a loan and were unable to pay it back. Important note: The SECURE 2.0 Act of 2022 provides an exception to the 10% early withdrawal penalty for "emergency personal expenses" of up to $1,000 beginning in 2024.

Taken Loan, Early Withdrawal, Hardship Withdrawal (%)	All Workers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
TOTAL NET – Have Taken a Loan, Early Withdrawal, and/or Hardship Withdrawal From 401(k) or Similar Plan or IRA	**37**	**33**	**39**	**39**
NET – Have Taken a Loan	**30**	**23**	**33**	**33**
NET – Have Taken an Early and/or Hardship Withdrawal	**21**	**20**	**24**	**21**
Yes, I have taken a loan from a 401(k) or similar plan and paid it back in full	19	14	21	22
Yes, I have taken a loan from a 401(k) or similar plan and am paying it back	10	8	12	11
Yes, I have taken a loan from a 401(k) or similar plan but was unable to pay it back so it became an early withdrawal and incurred taxes and penalties	8	7	10	9
Yes, I have taken a hardship withdrawal and incurred taxes and penalties	9	8	11	9
Yes, I have taken an early withdrawal and cashed out a portion or all of a 401(k) or similar plan balance after my separation of employment from a prior employer and incurred taxes and penalties	8	7	10	8
Yes, I have taken an early withdrawal and cashed out a portion or all of an IRA and incurred taxes and penalties	5	4	5	4
No, I have never taken a loan or early withdrawal from a 401(k) or similar plan or IRA	58	60	56	58
Not sure	5	7	5	3

WORKER BASE: 23RD ANNUAL SURVEY – ALL QUALIFIED RESPONDENTS
Q754X1. Have you ever taken any form of loan or early withdrawal from a qualified retirement account such as a 401(k) or similar plan or IRA? Select all.

Reasons for Taking 401(k) Loans

Among those who have taken a loan from their 401(k) or similar plan, the most frequently cited reason for doing so is a financial emergency (31%). Three in 10 workers cite paying off debt (30%), including credit card debt (29%) and/or other debt (1%). Other reasons include everyday expenses (26%), medical bills (25%), home improvements (23%), the purchase of a vehicle (19%), and unplanned major expenses (19%).

Reasons for Taking Loan From Retirement Plan (%)	All Workers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
A financial emergency	31	27	31	33
NET – Paying off debt	30	27	34	31
Pay off credit card debt	29	26	33	29
Pay off other debt	1	1	1	2
Everyday expenses	26	25	27	25
Medical bills	25	21	27	26
Home improvements	23	19	24	25
Purchase of a vehicle	19	19	21	18
Unplanned major expenses (e.g., home or car repair, etc.)	19	19	19	19
Purchase of primary residence	17	16	17	18
College tuition	15	19	13	13
Avoid eviction	15	14	18	14
Burial or funeral expense	12	14	13	10
Some other purpose	14	11	18	15

WORKER BASE: 23RD ANNUAL SURVEY - THOSE WHO HAVE TAKEN A LOAN
Q659. For what purpose(s) did you take out a loan(s)? Select all.

Reasons for Hardship Withdrawals From 401(k)s

Among those who have taken a hardship withdrawal from a 401(k) or similar plan, the reasons for doing so include paying for certain medical expenses (17%), payments to prevent eviction from one's principal residence (16%), expenses and losses incurred due to a disaster in a federally declared disaster area (15%), payment of tuition and related educational fees (14%), cover costs related to purchase of a principal residence (13%), expenses for qualified repairs to damage of principal residence (12%), and burial or funeral expenses (6%). Important note: SECURE 2.0 permits employers to allow plan participants to self-certify that a hardship withdrawal is being taken for one of the seven safe harbor reasons and that the amount requested does not exceed the amount of the need. Plan administrators can rely on the self-certification unless they have actual knowledge to the contrary.

Primary Reason for Hardship Withdrawal (%)	All Workers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
Pay for certain medical expenses for you, your spouse, children, dependents, or primary beneficiaries under the plan	17	19	14	17
Payments to prevent your eviction from your principal residence	16	22	10	14
Expenses and losses (including loss of income) incurred due to a disaster located in a federally declared disaster area that included your principal residence or principal place of employment	15	14	15	16
Payment of tuition and related educational fees for the next 12 months of post-secondary education for you, your spouse, children, dependents, or primary beneficiaries under the plan	14	8	22	15
Cover the costs related to the purchase of a principal residence	13	15	12	13
Expenses for repairs of damage to your principal residence that would qualify for the casualty deduction under the Internal Revenue Code	12	9	15	13
Burial or funeral expenses for your spouse, children, dependents, or primary beneficiaries under the plan	6	6	3	8
Other	6	6	9	4

Note: Results may not total to 100% due to rounding.

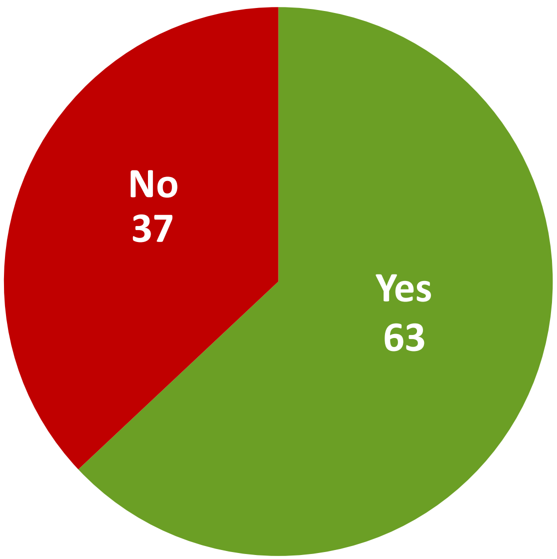
WORKFORCE BASE: 23RD ANNUAL SURVEY - THOSE WHO HAVE TAKEN A HARDSHIP WITHDRAWAL

Q1465. What is the primary reason you have taken a hardship withdrawal from your employee-funded retirement savings plan?

Saving for Retirement Outside of Work

Nearly two-thirds of workers (65%) are saving for retirement outside of work, such as in an IRA, mutual funds, bank account, etc. Workers at large companies are somewhat more likely to be saving for retirement outside of work, compared with those at medium and small companies (66%, 53%, 59%, respectively).

Saving for Retirement Outside of Work (%)
Workers (1+ EEs)



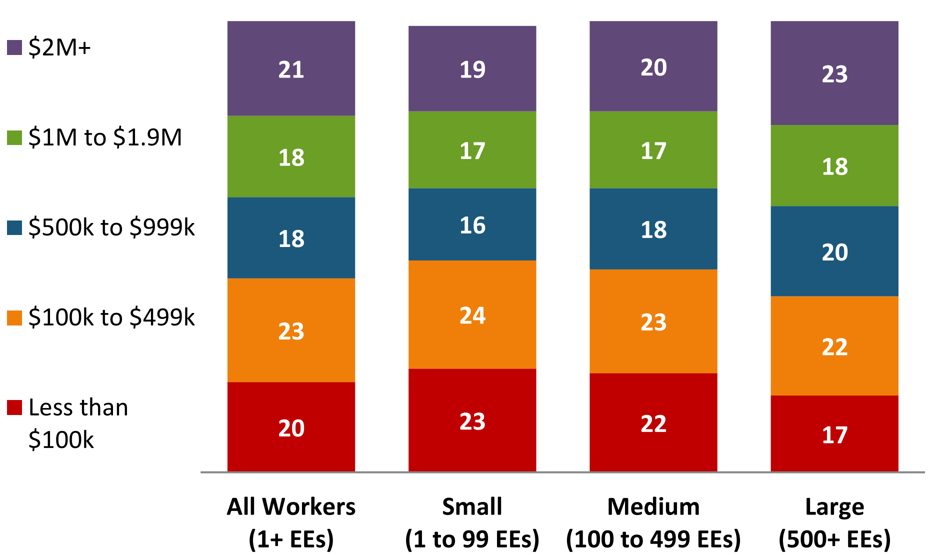
Company Size	Saving for Retirement Outside of Work (Yes %)
Small (1 to 99 EEs)	59%
Medium (100 to 499 EEs)	63%
Large (500+ EEs)	66%

WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q740. Are you currently saving for retirement outside of work, such as in an IRA, mutual funds, bank account, etc. ?

Retirement Savings Needs & Basis of Estimate

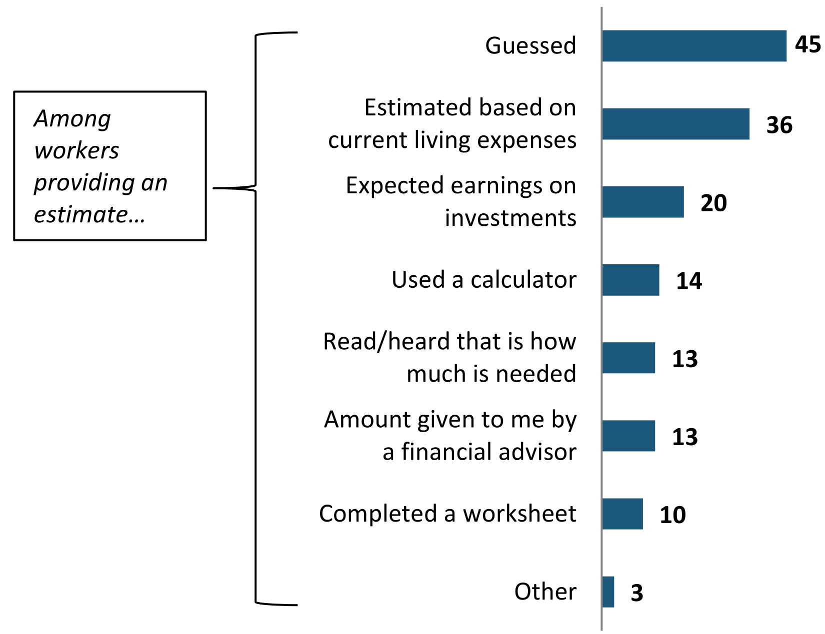
Workers across company sizes estimate they will need to save $500,000 (median) by the time they retire in order to feel financially secure. Almost four in 10 workers (39%) estimate they will need to save more than $1,000,000. Among those providing an estimate, 45% of workers said they guessed the amount needed, while 36% estimated it based on current living expenses, 20% estimated based on expected earnings on investments, 14% used a calculator, 13% read/heard how much is needed, 13% had the amount given to them by a financial advisor, and 10% completed a worksheet.

Estimated Retirement Savings Needs (%)



Median	$500,000	$500,000	$500,000	$500,000

Basis of Estimate (%)



WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q890. Thinking in terms of what money can buy today, how much money do you believe that you will need to have saved by the time you retire in order to feel financially secure? Even if you are not sure, give us your best estimate.
Q900. How did you arrive at that number? Please select all that apply.

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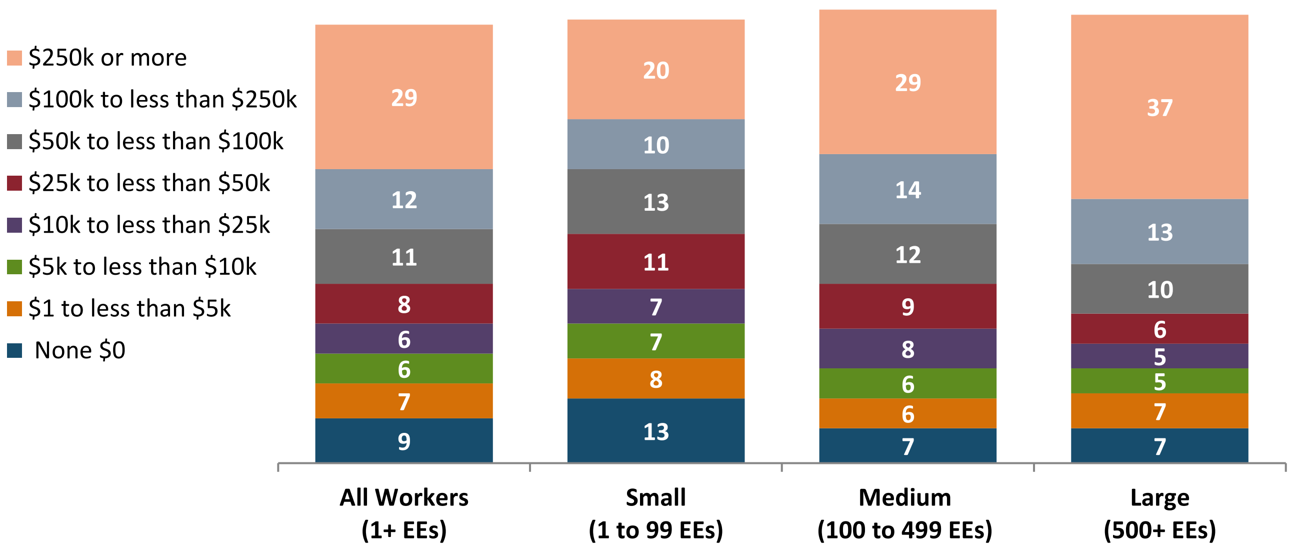
Total Household Savings in Retirement Accounts

Total household retirement savings is one of the strongest indicators of a worker's retirement outlook. Workers' estimated median total household retirement savings is $65,000. However, a retirement savings gap appears when savings are examined by company size. Workers of small companies have total retirement savings of $36,000, compared with $69,000 among workers of medium companies and $115,000 for workers of large companies (estimated medians).

Total Household Savings in Retirement Accounts (%)



	All Workers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
Not sure	8	9	6	7
Decline to answer	3	3	3	3
Estimated Median	$65,000	$36,000	$69,000	$115,000

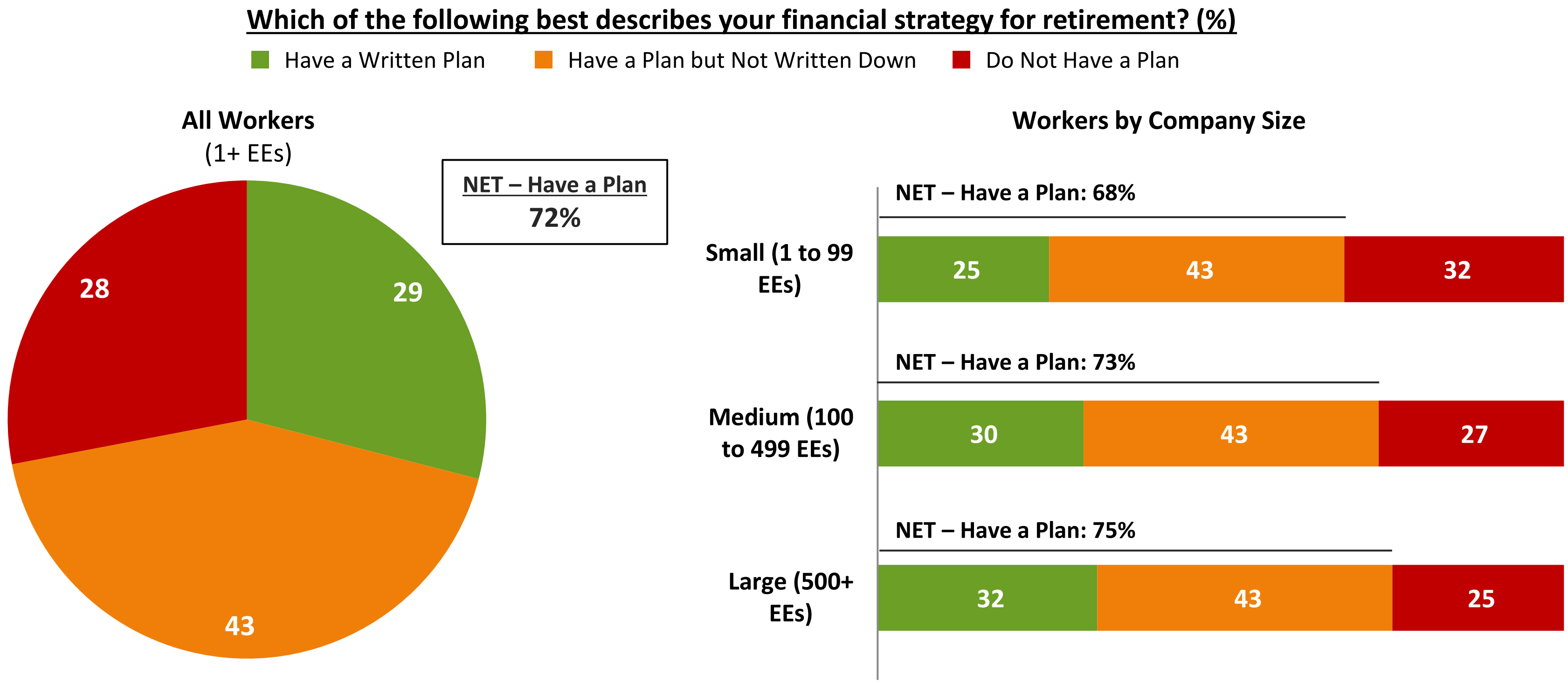
Note: (1) The median is estimated based on the approximate midpoint of the range of each response category. Non-responses are excluded from the estimate. (2) Results may not total to 100% due to rounding.

WORKER BASE: 23RD ANNUAL SURVEY – ALL QUALIFIED RESPONDENTS

Q1300. Approximately how much money does your household have saved in all of your retirement accounts? Please include IRAs, 401(k)s, 403(b)s, and any other savings for retirement to which you and/or your spouse or partner have contributed funds.

Financial Strategy for Retirement

Seventy-two percent of workers have a financial strategy for retirement including 29% who have a written plan and 43% have an unwritten plan. Workers at large and medium companies are more likely to have a written plan than those at small companies (32%, 30%, 25%, respectively). Nearly one in three workers of small companies (32%) do not have any financial strategy for retirement.



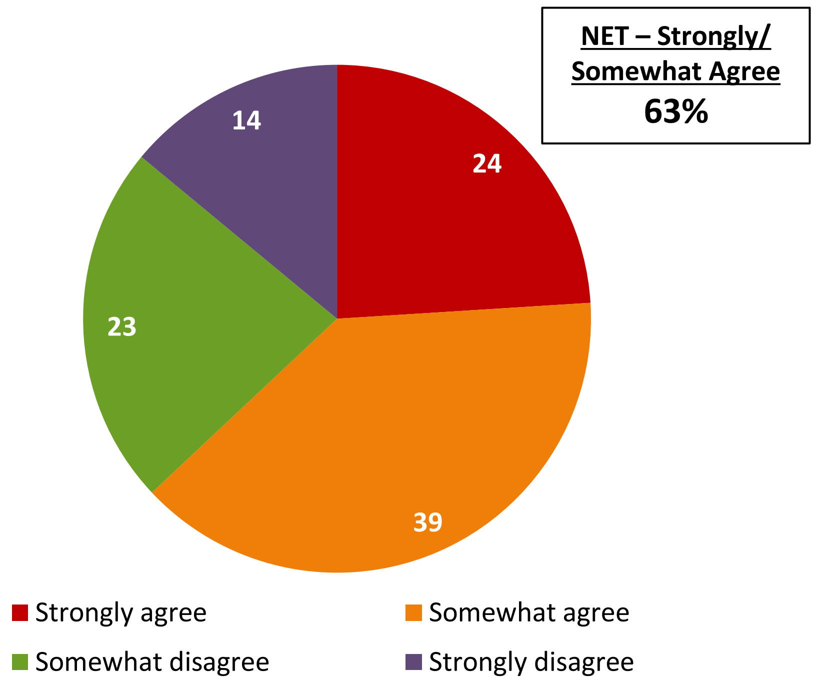
WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q1155. Which of the following best describes your financial strategy for retirement?

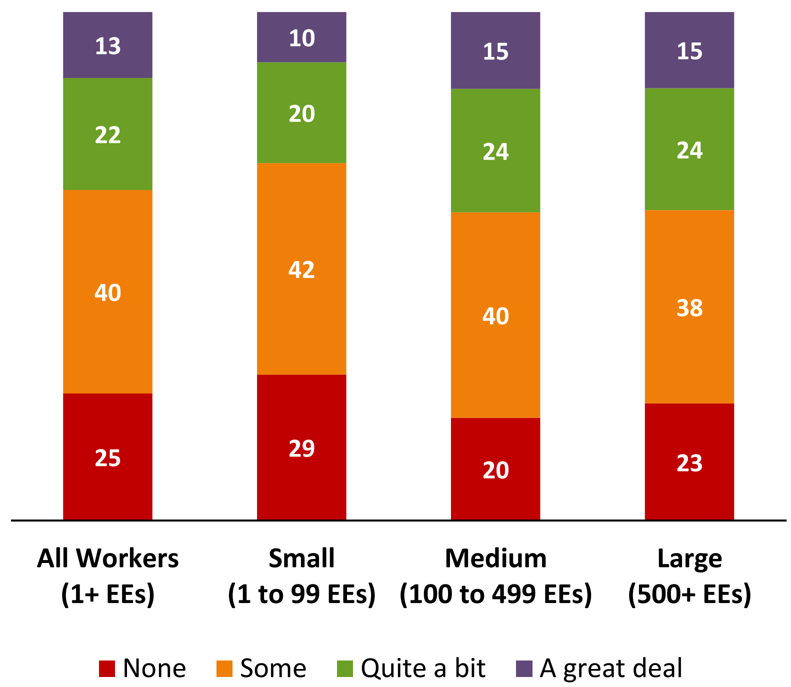
Lack of Knowledge About Retirement Investing

More than six in 10 workers (63%) agree with the statement, "I do not know as much as I should about retirement investing," including 24% who strongly agree and 39% who somewhat agree. Only 13% of workers indicate they have a great deal of knowledge regarding asset allocation principles related to retirement investing, while 22% say they know quite a bit and 40% have some knowledge. Twenty-five percent indicate they have no knowledge.

"I do not know as much as I should about retirement investing." (% Level of Agreement)
All Workers (1+ EEs)



Workers' Level of Understanding About Asset Allocation Principles for Retirement Investing (%)



Note: Results may not total to 100% due to rounding.

WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q930. How much do you agree or disagree with each of the following statements regarding retirement? "I do not know as much as I should about retirement investing."
Q760. How much of an understanding do you have regarding asset allocation principles as they relate to retirement investing?

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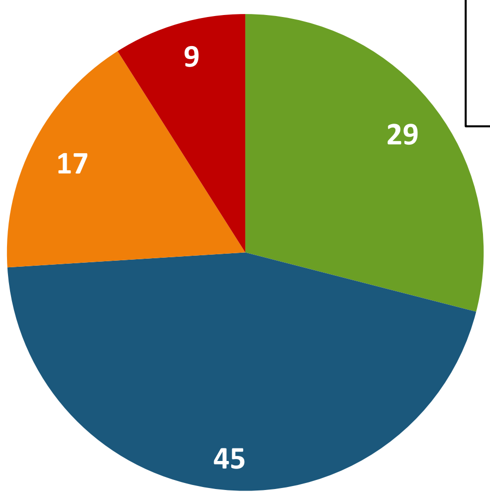
Employer-Worker Comparison: Desire for More Advice

Almost three in four *employers* (74%) agree that most employees would like to receive more information and advice from their company on how to reach their retirement goals, including 29% that strongly agree and 45% that somewhat agree. These findings are aligned with the 67% of *workers* who agree they would like to receive more information advice from their employers on how to reach their retirement goals, including 24% who strongly agree and 43% who somewhat agree.

"Most employees at my company would like to receive more information and advice from the company on how to reach their retirement goals." (% Level of Agreement)

Employers

(1+ EEs)



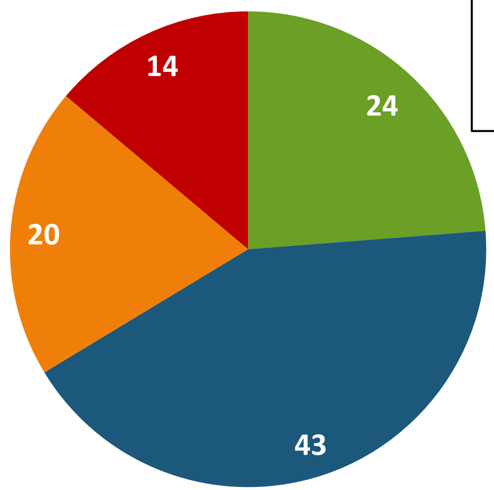
NET – Strongly/Somewhat Agree

74%

"I would like to receive more information and advice from my employer on how to reach my retirement goals." (% Level of Agreement)

Workers

(1+ EEs)



NET – Strongly/Somewhat Agree

67%

Strongly agree | Somewhat agree | Somewhat disagree | Strongly disagree

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q860. For each of the following statements, how much to you agree or disagree? "Most employees at my company would like to receive more information and advice from the company on how to reach their retirement goals."

WORKER BASE: 23RD ANNUAL SURVEY – ALL QUALIFIED RESPONDENTS

Q930. How much do you agree or disagree with each of the following statements regarding retirement? I would like to receive more information and advice from my employer on how to reach my retirement goals.

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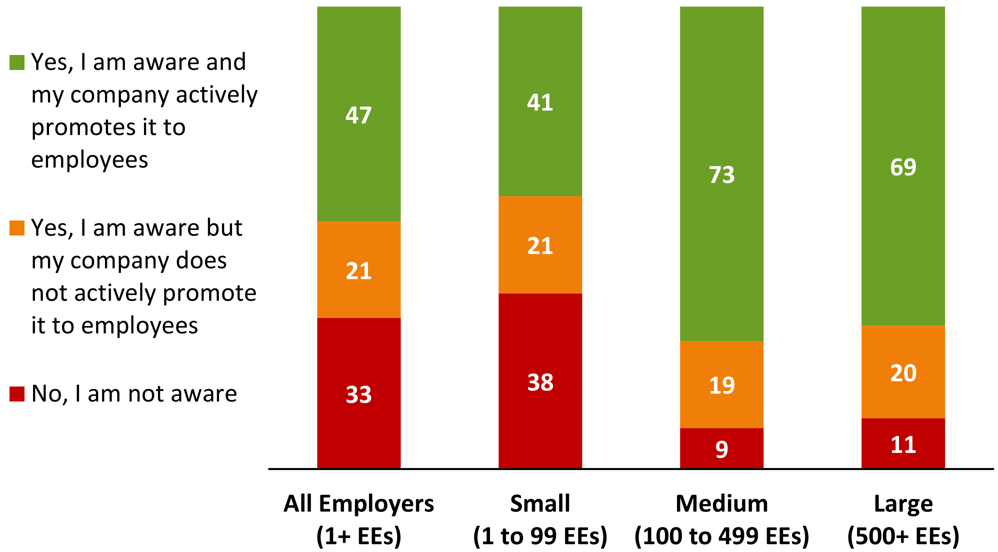
Employer-Worker Comparison: The Saver's Credit

The Saver's Credit is a tax credit available to eligible taxpayers who are saving for retirement in a qualified retirement plan or IRA. Only 47% of all *employers* are both aware of the Saver's Credit and actively promoting it to their employees, but this increases with company size. Medium and large companies (73%, 69%, respectively) are more likely to be aware of the Saver's Credit and actively promoting it, compared with small companies (41%). Fewer than half of *workers* (49%) are aware of the Saver's Credit. Beginning in 2027, SECURE 2.0 reimagines and replaces the Saver's Credit with the Saver's Match, a matching contribution from the government for retirement savers meeting income eligibility requirements. The Saver's Match will be 50 percent of a worker's retirement plan or IRA contributions up to $2,000, representing a maximum match amount of $1,000.

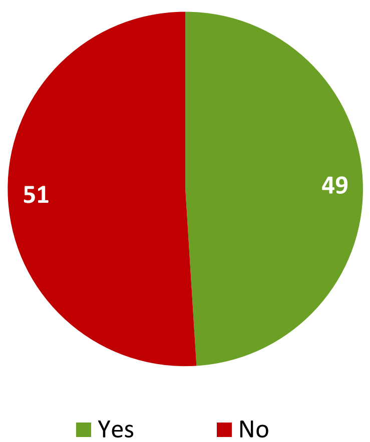
Employers' Level of Awareness of the Saver's Credit and Efforts to Promote It (%)

All Employers (1+ EEs)



Workers' Awareness of the Saver's Credit (%)

All Workers (1+ EEs)



Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q3607. Are you aware of a tax credit called the "Saver's Credit," which is available to individuals and households, who meet certain income requirements, for making contributions to an IRA or a company-sponsored retirement plan such as a 401(k) plan or 403(b) plan?

WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q1120. Are you aware of a tax credit called the "Saver's Credit," which is available to individuals and households, who meet certain income requirements, for making contributions to an IRA or a company-sponsored retirement plan such as a 401(k) plan or 403(b) plan?

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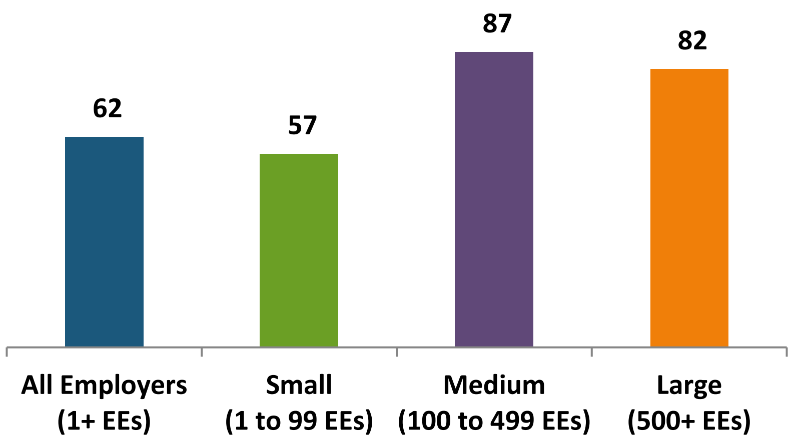
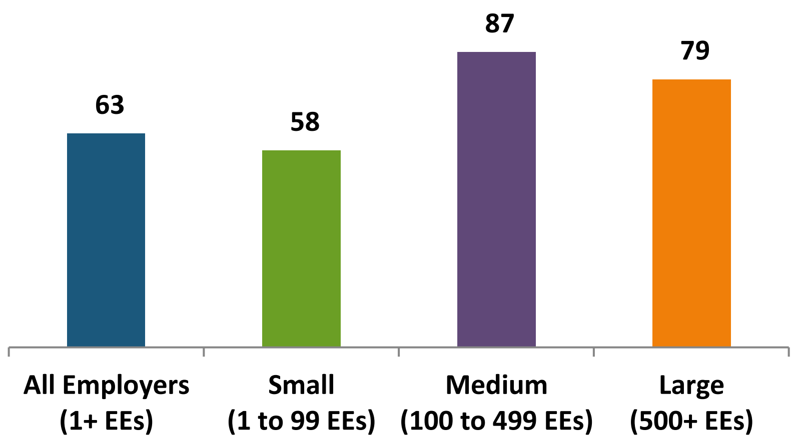
Employers' Offering of Education About Government Benefits

As part of their retirement planning-related educational offerings, slightly more than six in 10 employers provide information about Social Security (62%) and Medicare (63%) benefits. Medium and large companies are more likely than small companies to provide information about Social Security (87%, 82%, 57%, respectively). Medium and large companies are also more likely than small companies to provide information about Medicare (87%, 79%, 58%, respectively).

Provides Information About Social Security Benefits
Yes (%)



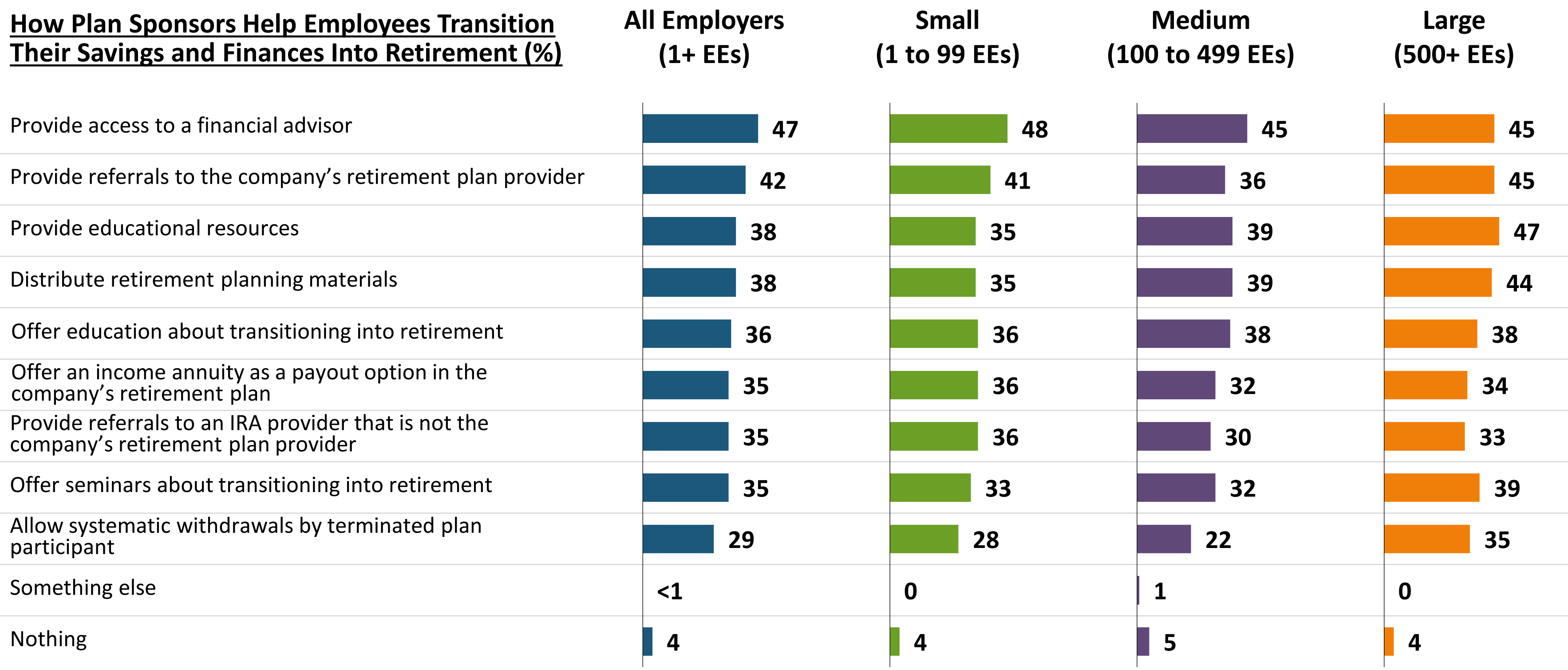
Provides Information About Medicare Benefits
Yes (%)



EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q3610. Does your company currently provide information to employees about Social Security and Medicare benefits as part of retirement planning education?

Plan Sponsors' Assistance for Financial Transitions to Retirement

Workers nearing retirement face a myriad of complex decisions regarding transitioning their savings and finances into retirement, and plan sponsors have an important opportunity to work with their retirement plan providers to assist them. Relatively few plan sponsors offer things such as access to a financial advisor (47%), referrals to the company's retirement plan provider (42%), educational resources (38%), retirement planning materials (38%), education about transitioning into retirement (36%), an income annuity as a payout option (35%), referrals to an IRA provider that is not the company's retirement plan provider (35%), seminars about transitioning into retirement (35%), and systematic withdrawals (29%).



Note: While regulations concerning terminated participants may require that companies perform some of these actions, these statistics only reflect companies' responses to the survey.

EMPLOYER BASE: OFFERS 401(K)

Q770. Does your company and/or retirement provider do any of the following to help employees transition their savings and finances into retirement? Select all.

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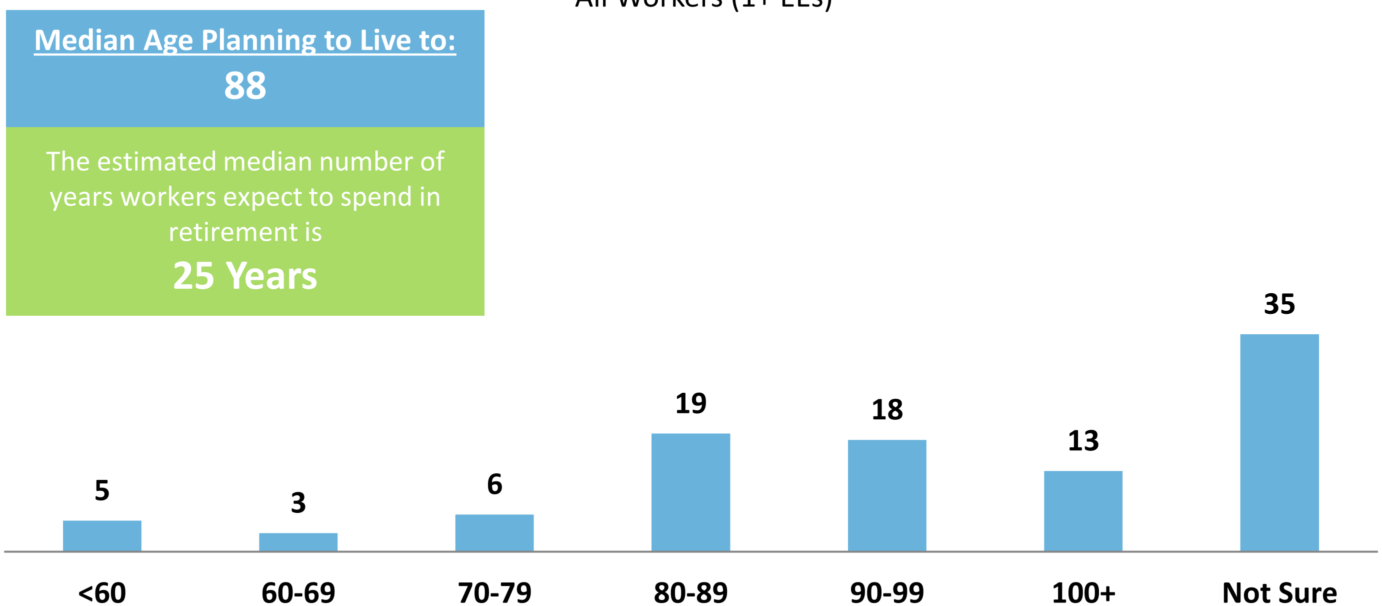
Emerging Best Practices for the Multigenerational Workforce

Workers' Age Planning to Live

Today's workers are planning to live to age 88 (median). One in eight workers (13%) are planning to live to age 100 or older. More than one in three workers (35%) are "not sure," a reasonable answer given the nature of the question. The survey compared workers' planned life expectancy with their expected retirement age and found that they plan to spend 25 years in retirement (median). For workers, longevity has implications for the time they spend in the workforce relative to retirement and the mindset for a flexible career path. For employers, it presents an opportunity for fostering the diversity and growth of a multigenerational workforce and providing new alternative pathways into retirement (e.g., reverse mentorships, flexible transitions, formal phased retirement programs).

What age are you planning to live to? (%)
All Workers (1+ EEs)



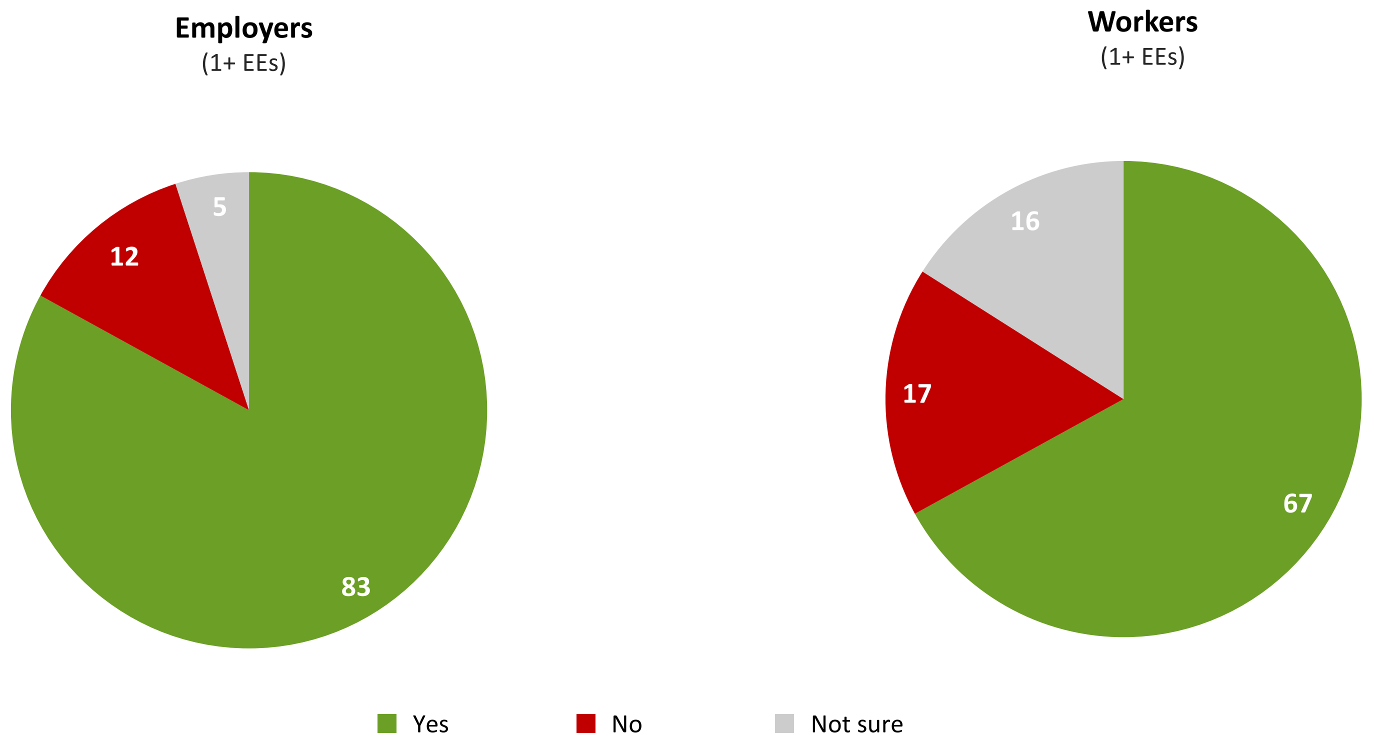
Note: Median years in retirement calculation includes those who said "don't plan to retire." Results may not total to 100% due to rounding.

WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q2850. What age are you planning to live to?
Q2850/Q910, Q915. Special calculation for estimated years spent in retirement.

Employer-Worker Comparison: Age-Friendly Company

While most *employers* (83%) consider their companies to be “age-friendly” by offering opportunities, work arrangements, and training and tools needed for employees of all ages to be successful, only 67% of *workers* consider their employers to be age-friendly. This disconnect is consistent across company size.

Considers Their Company/Employer to Be Age-Friendly (%)

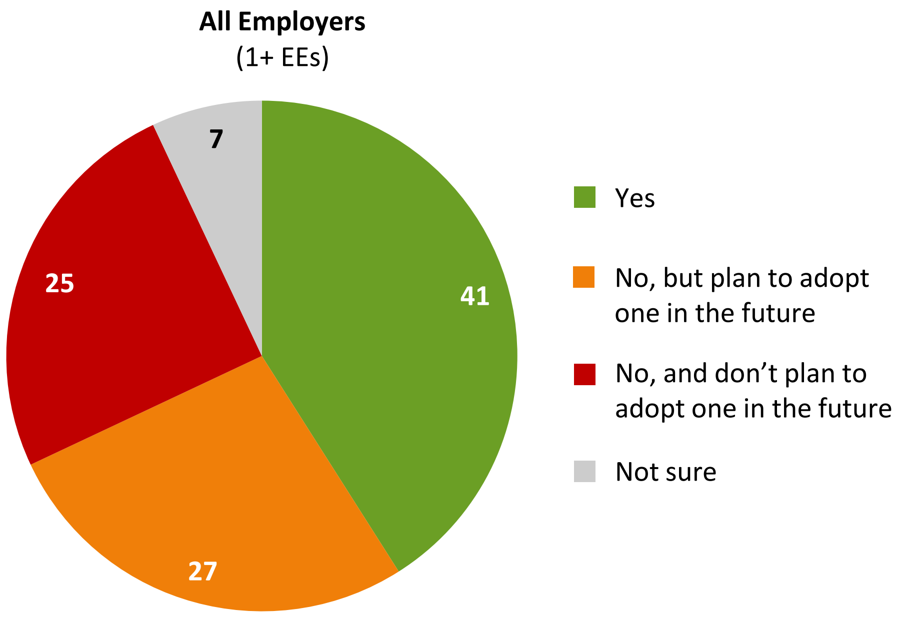


EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q4016. Does your company consider itself to be an “age-friendly” employer by offering opportunities, work arrangements, and training and tools needed for employees of all ages to be successful)?
WORKER BASE: 23RD ANNUAL SURVEY – ALL QUALIFIED RESPONDENTS
Q2745. Do you consider your employer to be “age-friendly” (e.g., offering opportunities, work arrangements, and training and tools needed for employees of all ages to be successful in their current role or contribution to the company)?

Employers' DE&I Policy Statement Referencing Age

Only four in 10 employers (41%) have adopted a formal diversity, equity, and inclusion (DE&I) policy statement that specifically includes age among other commonly included demographic characteristics. Many employers do not have a DE&I policy statement that includes age, including 27% that plan to adopt one in the future and 25% that do not plan to do so. Seven percent are "not sure." Large and medium companies are more likely than small companies to have adopted a DE&I policy statement referencing age (68%, 59%, 35%, respectively).

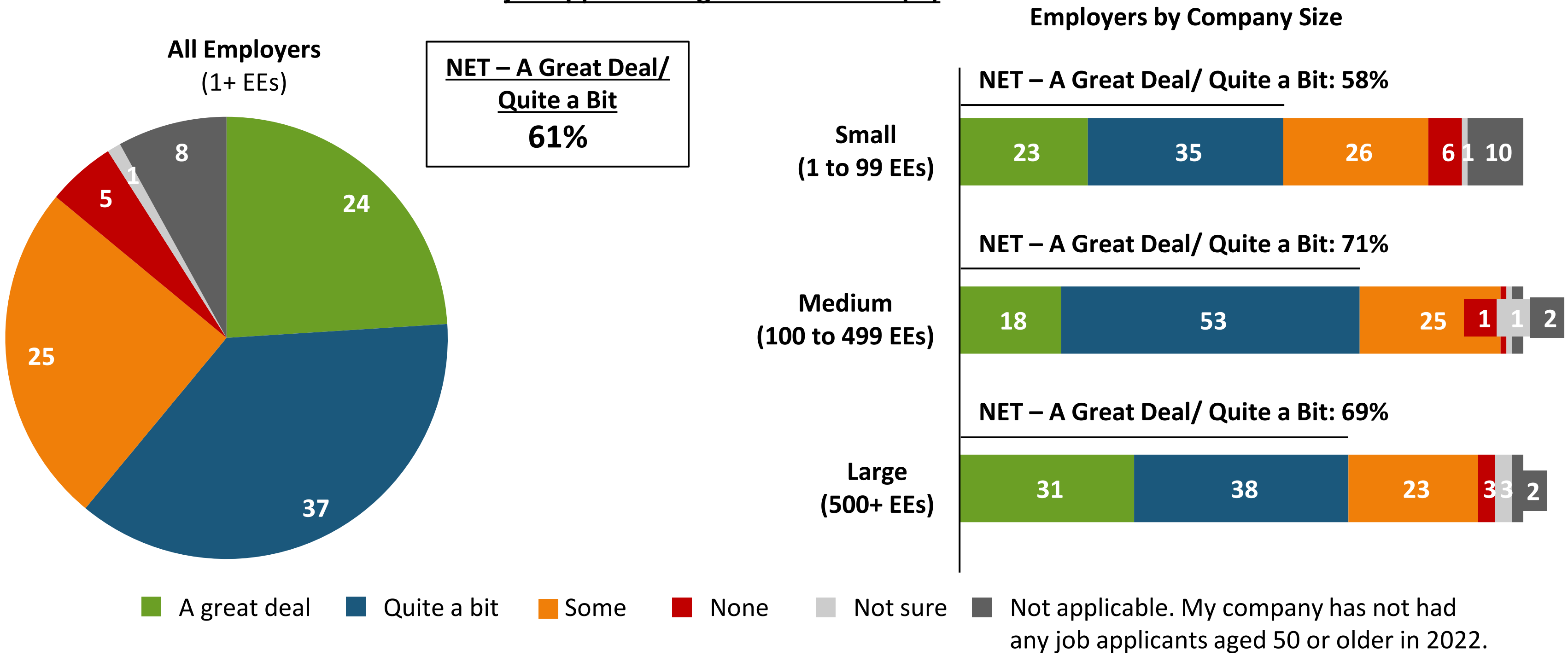
Has your company adopted a formal diversity, equity, and inclusion policy statement that specifically includes age among other commonly included demographic characteristics? (%)



Employers' Consideration of Age 50+ Job Applicants

Historically, employers' recruiting practices overlooked older workers, but change may be on the way. Six in 10 employers (61%) gave "a great deal" (24%) or "quite a bit" (37%) of consideration to age 50+ job applicants during recruiting efforts in 2022. Five percent of employers did not consider age 50+ job applicants. Levels of consideration varies across company size. Generally, medium and large companies were more likely to have given "a great deal" or "quite a bit" of consideration to age 50+ applicants than small companies (71%, 69%, 58%, respectively). More small companies indicate their company did not have any age 50+ job applicants, compared with medium and large companies (10%, 2%, 2%, respectively).

When thinking about your company's recruiting efforts in 2022, how much consideration has been given to job applicants age 50 and older?(%)



Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: HAS RECRUITED NEW EMPLOYEES

Q5041. When thinking about your company's recruiting efforts in 2022, how much consideration has been given to job applicants age 50 and older?

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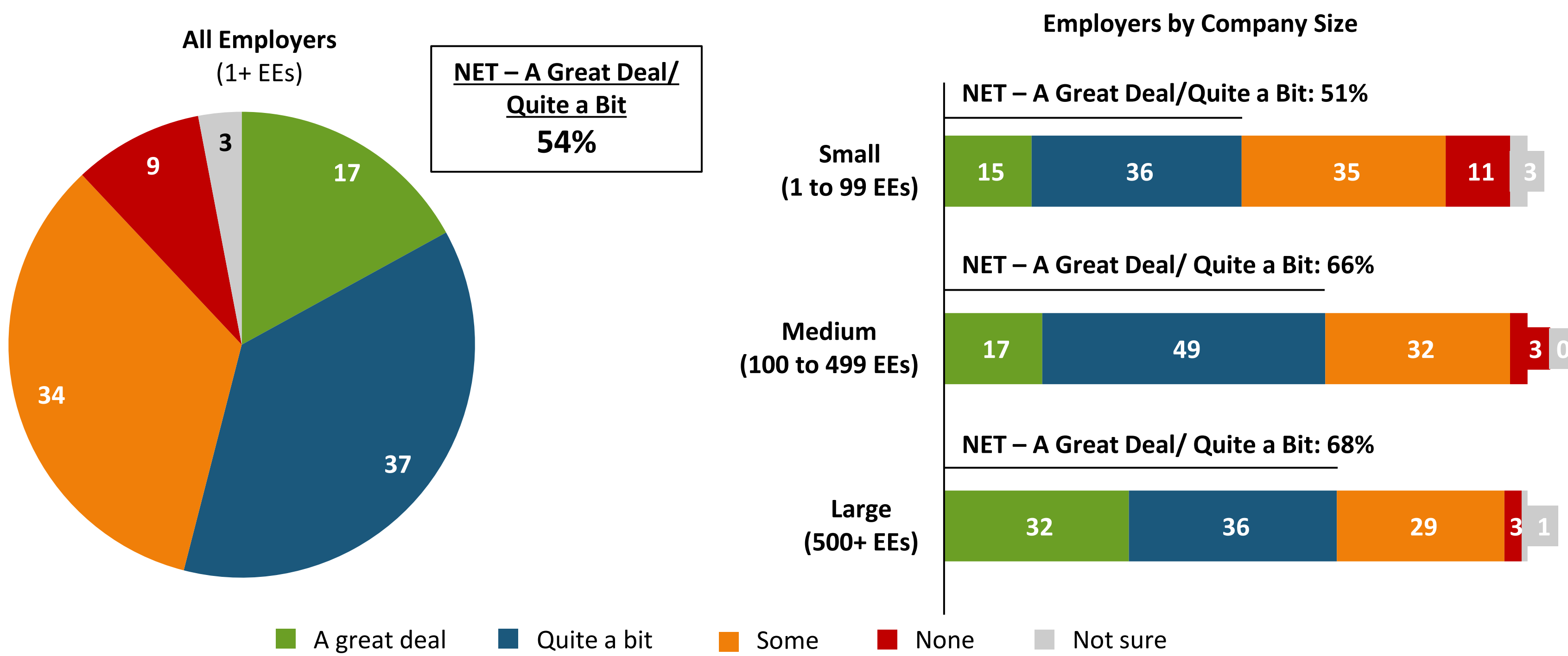
Emphasis on Professional Development

More than half of employers (54%) say that their company culture emphasizes professional growth and development among employees of all ages, including those age 50 and older. Few employers emphasize it "great deal" (17%), and more than one in three employers place "quite a bit" (37%) or "some" emphasis on it (34%). Large and medium companies are more likely to emphasize a "great deal" or "quite a bit" on professional development than small companies (68%, 66%, 51%, respectively).

In thinking about your company's culture, how much emphasis is placed on professional growth and development among employees of all ages, including those age 50 and older? (%)



Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q5031. In thinking about your company's culture, how much emphasis is placed on professional growth and development among employees of all ages, including those age 50 and older?

Lifelong Learning & Multigenerational Workforce Programs

Many employers are promoting lifelong learning and fostering a multigenerational workforce. The most frequently cited programs include traditional and/or reverse mentorships (48%), job training (46%), internships for individuals starting their careers and/or individual reentering the workforce (35%), and professional development programs (32%). Only 28% of employers offer specific training that address generational differences and help prevent age discrimination. One in five employers (21%) offer tuition reimbursement for continuing education. Large and medium companies are more likely to offer most types of programs than small companies.

Programs to Promote Lifelong Learning and Foster a Multigenerational Workforce (%)	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
NET – Mentorships	48	45	66	62
Mentorships (e.g., typically between older and younger employees)	36	34	49	47
Reverse or mutual mentorships (e.g., intergenerational sharing of skills and expertise)	23	21	28	31
NET – Internships	35	31	48	55
Internships for individuals who are starting their careers (e.g., students, recent graduates)	23	19	31	40
Internships for individuals who are reentering the workforce (e.g., veterans, stay-at-home parents, retirees)	23	19	32	36
Job training	46	44	50	54
Professional development programs	32	28	42	53
Specific training programs that address generational differences and help prevent age discrimination	28	24	41	41
Tuition reimbursement for continuing education	21	18	35	36
A multigenerational Employee Resource Group (ERG)	19	17	29	30
None	17	21	2	2

Note: Responses not shown for "Other initiatives" (All Employers: 1%, Small: 1%, Medium: 0%, Large: 0%).

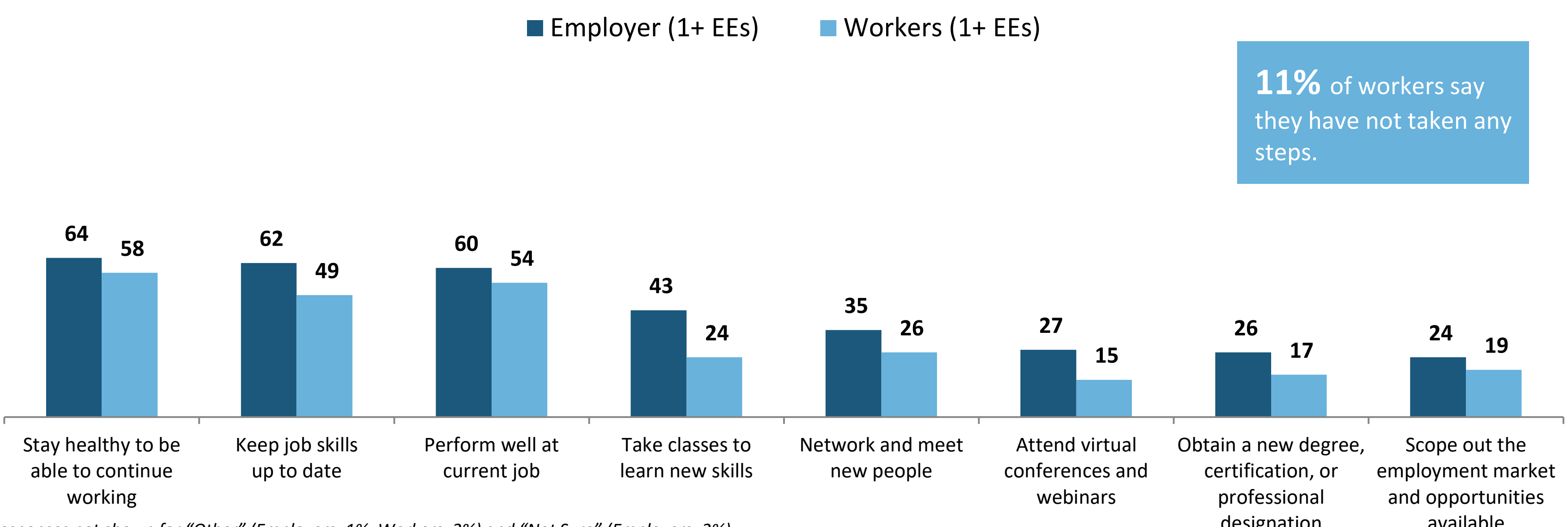
EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q5026. Which of the following does your company have in place to promote lifelong learning and foster a multigenerational workforce? Select all.

Employer-Worker Comparison: Proactive Steps

Employers offer insights into the steps workers should be taking to help ensure they can work as long as they want and need. *Employers*' top recommendations are to stay healthy (64%), keep their job skills up to date (62%), and perform well at their current job (60%). When asked about what steps they are taking, *workers* most often indicate they are staying healthy so they can continue working (58%), performing well at their current job (54%), and keeping their job skills up to date (49%). About one in four *workers* are networking and meeting new people (26%) and taking classes to learn new skills (24%). Seventeen percent of *workers* are obtaining a new degree, certification, or professional designation. Fifteen percent of *workers* are attending virtual conferences and webinars. Eleven percent of *workers* have not taken any steps.

Employers' Recommended Steps Workers Should be Taking to Ensure They Will Be Able to Work as Long as They Want and Need / Steps Workers Are Taking (%)



Note: Responses not shown for "Other" (Employers: 1%, Workers: 2%) and "Not Sure" (Employers: 2%).

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q4025. What steps should your employees take to help ensure that they will be able to work as long as they want and need? Select all.
WORKER BASE: 23RD ANNUAL SURVEY – ALL QUALIFIED RESPONDENTS
Q1531. Which of the following steps, if any, have you taken to help ensure that you'll be able to work as long as you want and need? Select all.

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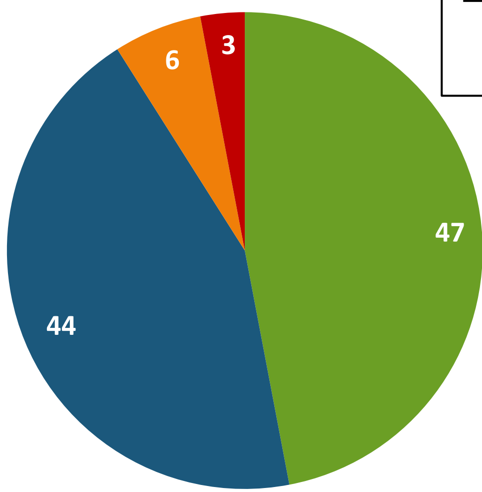
Employer-Worker Comparison: Flexible Work Arrangements

Employers recognize the importance of flexible work arrangements (e.g., job-sharing, flexible hours, remote working). More than nine in 10 *employers* (91%) believe that it is important to offer them, including 47% that believe it is very important and 44% that believe it is somewhat important. At the same time, more than eight in 10 *workers* (83%) feel that it is important for their employer to offer flexible work arrangements, including 49% who feel it is very important and 34% who feel it is somewhat important.

Importance That Employers Offer Flexible Work Arrangements (%)

Employers
(1+ EEs)

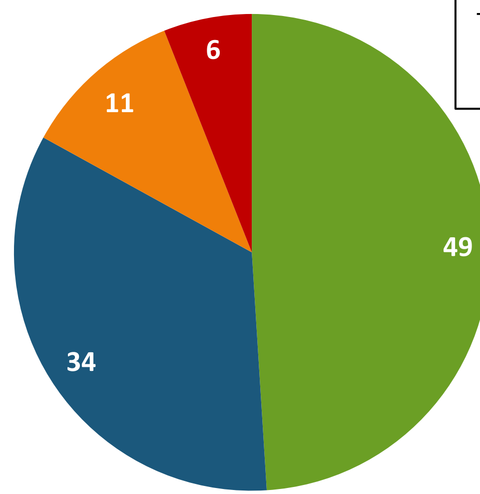
NET – Very/Somewhat Important
91%



Importance That Employers Offer Flexible Work Arrangements (%)

Workers
(1+ EEs)

NET – Very/Somewhat Important
83%



Very important | Somewhat important | Not too important | Not at all important

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q2022N. How important is it that employers offer flexible work arrangements (e.g., job-sharing, flexible hours, remote working)?
WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q2022E. How important is it that your employer offers flexible work arrangements (e.g., job-sharing, flexible hours, remote working)?

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Employers' Offering of Alternative Working Arrangements

Employers can help employees navigate an evolving career-retirement path alongside family and caregiving responsibilities by offering various alternative working arrangements. The most frequently offered arrangements are flexible work schedules (58%), ability to adjust work hours as needed (51%), hybrid work arrangements (44%), and ability to take unpaid leave of absence (43%). Only 35% of employers offer the ability to switch from full-time to part-time and vice versa, and 25% offer the opportunity to take a sabbatical. Large and medium companies are generally more likely to offer arrangements than small companies (98%, 96%, 92%, respectively).

Types of Alternative Working Arrangements (%)	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
NET – Offers Alternative Working Arrangements	93	92	96	98
Flexible work schedules	58	58	56	60
Ability to adjust work hours as needed	51	51	44	51
Hybrid work arrangements (e.g., mix of working on-site and working remotely)	44	40	53	61
Ability to take unpaid leave of absence	43	41	49	51
Ability to work somewhere on-site (e.g., office, company location, WeWork)	38	35	51	49
Ability to exclusively work remotely	36	34	43	44
Ability to switch from full-time to part-time and vice versa	35	33	41	42
Opportunity to take a sabbatical	25	24	29	32
Ability to take on work that is less demanding	23	22	27	30
Compressed work weeks	21	19	26	26
Job sharing	18	16	20	24
None. My company doesn't offer any alternative working arrangements.	7	8	4	2

Note: Responses not shown for "Other" (All Employers: 1%, Small: 1%, Medium: 0%, Large: 0%).

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

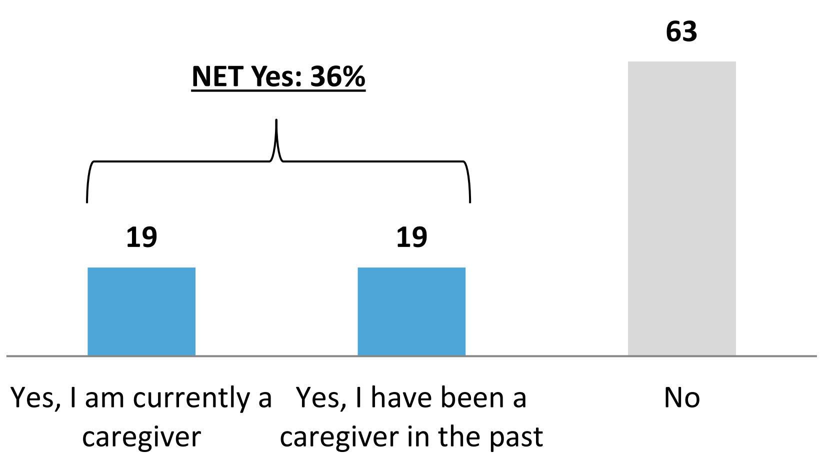
Q5040. Which of these work-related arrangements does your company offer to its employees? Select all.

Workers' Caregiving Experience

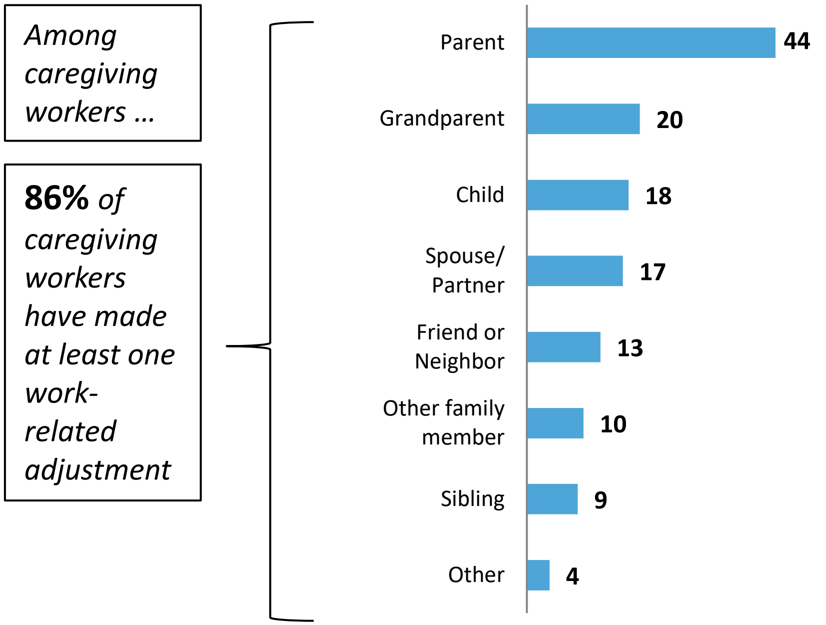
Many workers will be called upon to serve as a caregiver over the course of their working years. Thirty-six percent of workers are currently serving and/or have served as a caregiver in the past for a relative or friend during their career (excluding parenting responsibilities). Among caregiving workers, the most often cited care recipients include a parent (44%), grandparent (20%), child (18%), spouse/partner (17%), and friend or neighbor (13%). Eighty-six percent of caregiving workers have made at least one work-related adjustment ranging from missing days of work and reducing hours to quitting a job altogether.

Are you currently serving or have you served as a caregiver for a relative or friend during the course of your working career? (%)

Workers (1+ EEs)



Relationship to the Care Recipient(s) (%)



Notes: Chart excludes "not sure" response of 1%.

WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q2500X1. Are you currently serving or have you served as a caregiver for a relative or friend during the course of your working career? Please exclude parenting responsibilities. Please select all that apply.
WORKER BASE: 23RD ANNUAL SURVEY - CAREGIVERS
Q700. What is your relationship to the person(s) you are or have served as a caregiver for? Please select all that apply.
Q2505x1. Which of the following have you done as a result of becoming a caregiver? Select all.

Employers' Caregiving Support Programs

Employers can do much more to support their caregiving employees. The most frequently offered programs are unpaid leave of absence (40%), paid leave of absence (34%), online resources and/or tools (24%), and an employee assistance program that offers counseling and referral services (24%). About one in five employers offer training on handling caregiving situations for employees (23%) and for managers (21%). Large and medium companies are more likely to offer caregiving support programs than small companies (96%, 95%, 79%, respectively).

Programs to Help Employees Balance Caregiving Obligations (%)	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
NET – Offers Caregiving Support Programs	82	79	95	96
Unpaid leave of absence	40	40	38	42
Paid leave of absence	34	31	47	47
Online resources and/or tools to support caregivers	24	22	31	34
An employee assistance program that offers counseling and referral services	24	21	36	36
Training for employees on how to handle caregiving situations (e.g., their own, co-workers)	23	20	31	36
Training for managers to learn how to handle situations with caregiving employees	21	18	32	32
A benefit that offers referrals to backup care (e.g., a caregiver, in-home care, adult day care)	21	18	32	33
Financial planning sessions or workshops on eldercare issues	19	16	29	36
A benefit that offers discounts or subsidies for backup care (e.g., a caregiver, in-home care, adult day care)	19	16	36	30
Employee-based caregiver support group(s)	17	14	23	31
A formal caregiving policy statement	16	13	25	28
None	15	18	4	3

Note: Responses not shown for "Other" (All Employers: 2%, Small: 2%, Medium: 1%, Large: <1%) and "Not sure" (All Employers: 2%, Small: 3%, Medium: 1%, Large: 2%).

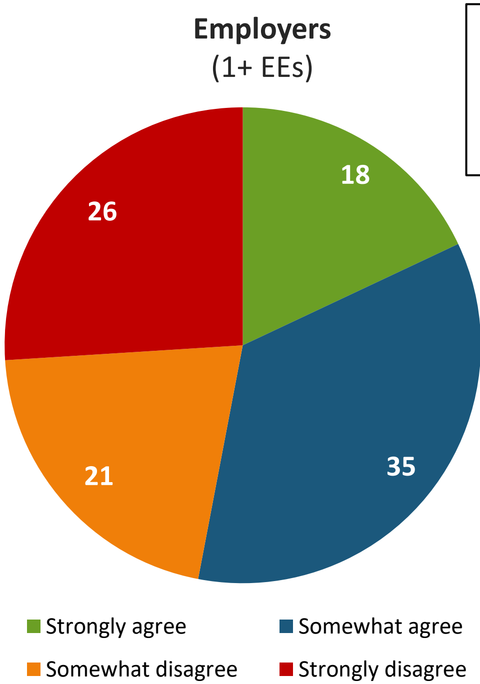
EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q4030. At one time or another, employees may face the need to balance their work responsibilities with caregiving for an aging parent or loved one (separate from raising children). Which of the following programs, if any, does your company offer to help its employees balance their obligations? Select all.

Employer-Worker Comparison: Expected Retirement Age

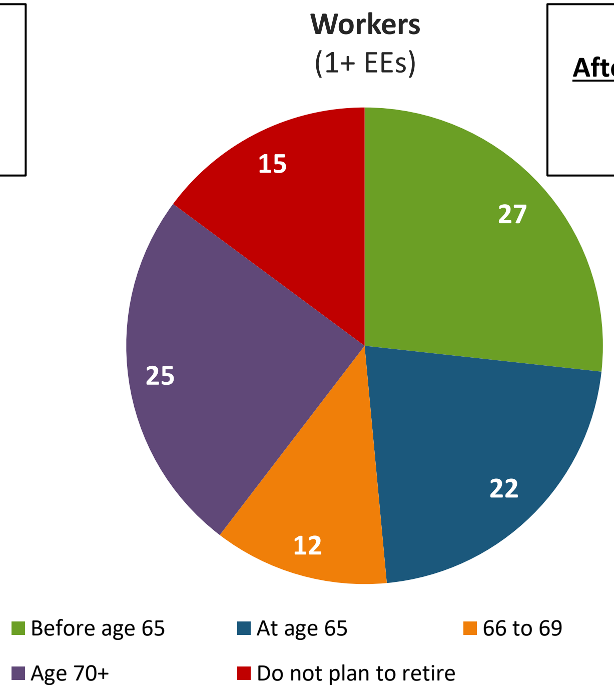
Employers and workers are aligned in their perspectives on working past age 65. More than half of *employers* 53%) agree with the statement, “Many employees at my company expect to work past age 65 or do not plan to retire” and indeed 52% of *workers* expect to retire after age 65 or do not plan to retire.

“Many Employees at My Company Expect to Work Past Age 65 or Do Not Plan to Retire.” (% Level of Agreement)



NET – Strongly/Somewhat Agree
53%

Expected Retirement Age (%)



NET – After Age 65 or Do Not Plan to Retire
52%

Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q4000. How much do you agree or disagree… “Many employees at my company expect to work past age 65 or do not plan to retire.”
WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q910. At what age do you expect to retire?

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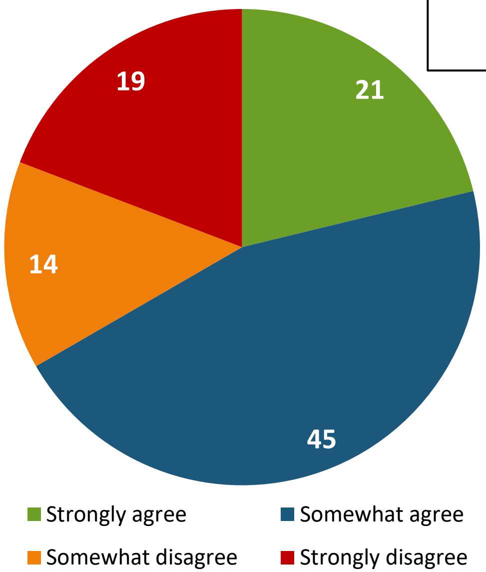
Employer-Worker Comparison: Working in Retirement

Two-thirds of *employers* (66%) agree with the statement, "Many employees at my company plan to continue working either full time or part time after they retire," and they are correct. Many *workers* (55%) plan to continue working in retirement, including 18% who plan to work full time and 37% who plan to work part time.

"Many Employees at My Company Plan to Continue Working Either Full-Time or Part-Time After They Retire." (% Level of Agreement)

Employers
(1+ EEs)

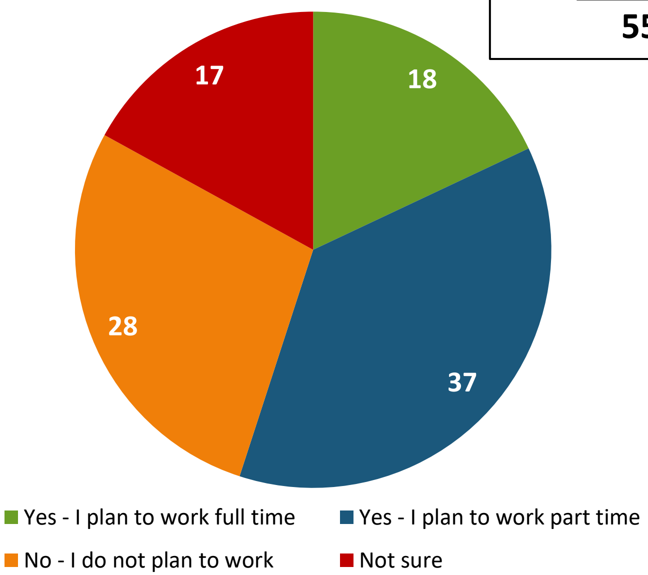
NET – Strongly/Somewhat Agree
66%



Planning to Work in Retirement (%)

Workers (%)
(1+ EEs)

NET – Plan to Work Full-Time or Part-Time
55%



Note: Results may not total to 100% due to rounding.

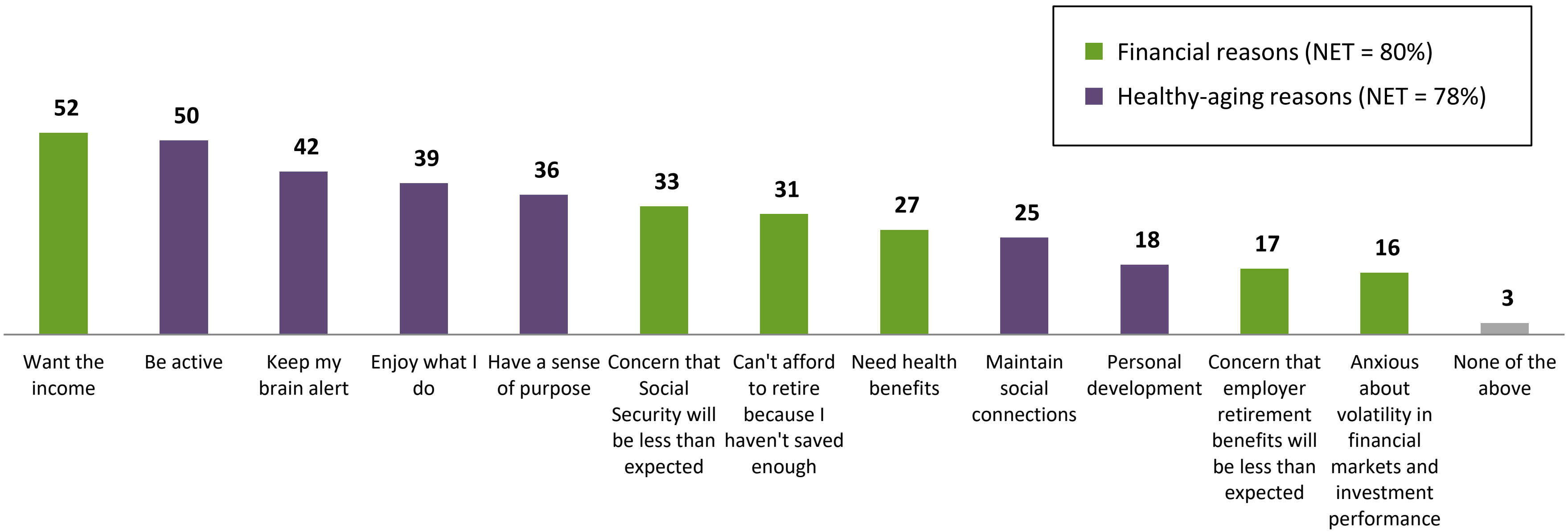
EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q4005. How much do you agree or disagree… "Many employees at my company plan to continue working either full-time or part-time after they retire."
WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q1525. Do you plan to work after you retire?

Workers' Reasons for Working in Retirement

Workers who expect to retire after age 65, plan to work in retirement or are already working in retirement cite both financial and healthy aging-related reasons (80%, 78%, respectively). The top financial reason is wanting the income (52%), while the top healthy-aging reason is to be active (50%). Other financial reasons are "concerned that Social Security will be less than expected" (33%), "can't afford to retire" (31%), "need health benefits" (27%), "concern that employer retirement benefits will be less than expected" (17%), and "anxious about volatility in financial markets and investment performance" (16%). Other healthy-aging reasons are to "keep my brain alert" (42%), "enjoy what I do" (39%), "have a sense of purpose" (36%), "maintain social connections" (25%), and "personal development" (18%).

What are your reason(s) for working in retirement or past age 65? Select all. (%)

All Workers (1+ EEs)



WORKER BASE: 23RD ANNUAL SURVEY - PLAN ON RETIRING AFTER 65 OR WORKING AFTER RETIREMENT

Q1530x1. What are your reason(s) for working in retirement or past age 65? Select all.

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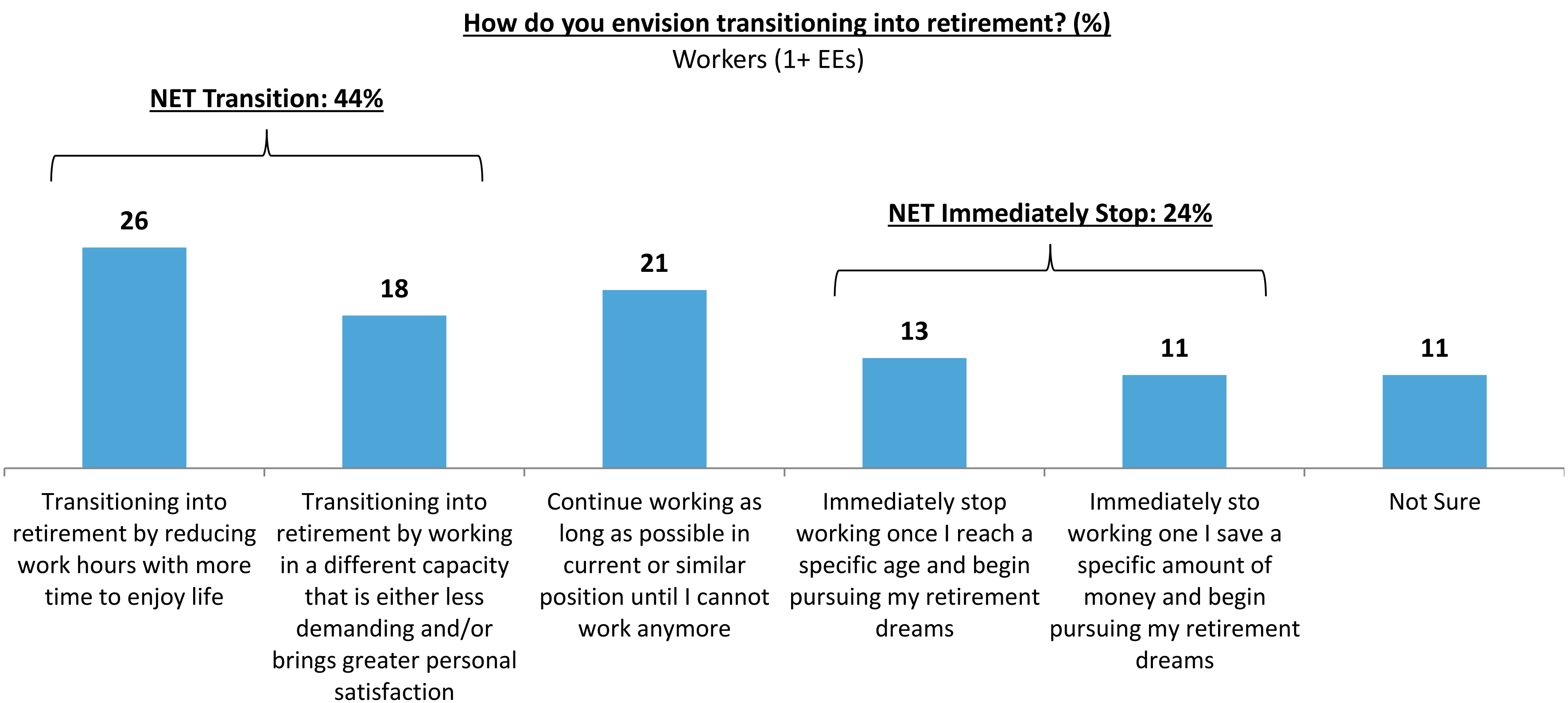
Workers’ Visions of Transitioning Into Retirement

Forty-four percent of workers envision transitioning into retirement either by reducing their hours with more time to enjoy life (26%) or working in a different capacity that is either less demanding and/or brings greater personal satisfaction (18%). Fewer than one in four workers (24%) envision they will immediately stop working either when the reach a certain age (13%) or when they have saved a specific amount of money (11%). Twenty-one percent of workers envision they will continue working as long as possible in a current or similar position until they cannot work anymore. Eleven percent are “not sure.”



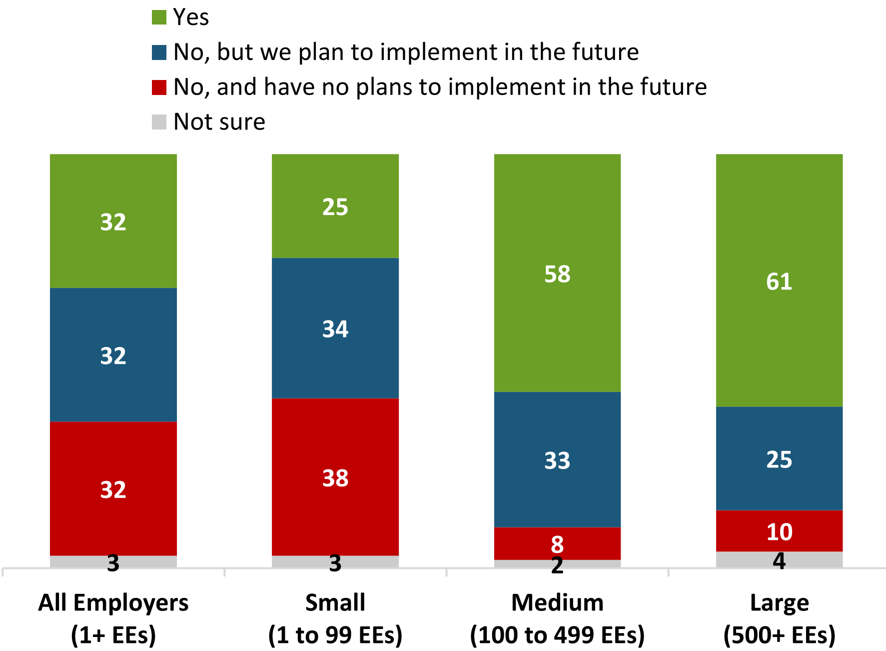
WORKER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q1545. How do you envision transitioning into retirement?

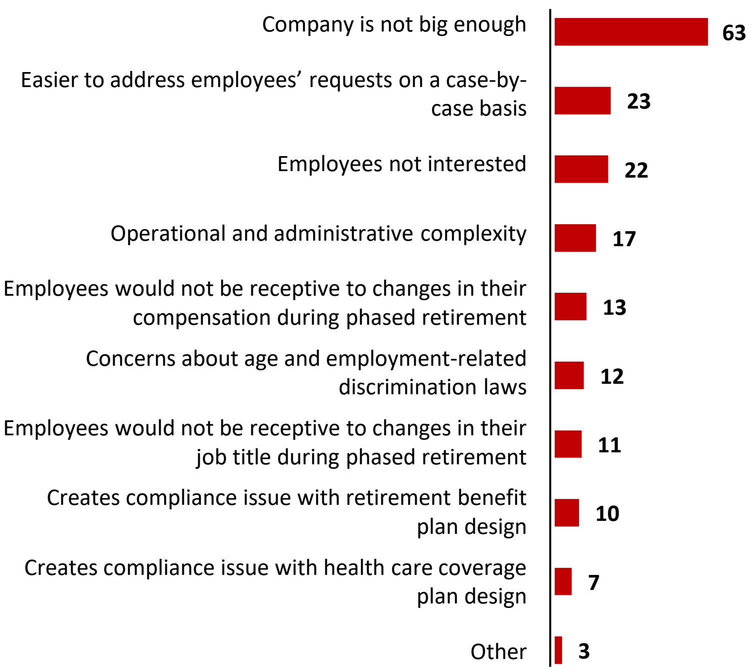
Employers' Offering of Phased Retirement Programs

Thirty-two percent of employers offer a formal phased retirement program for workers who want to transition into retirement. Sixty-four percent of employers do not offer a formal phased retirement program, including 32% that plan to implement a program in the future and 32% that do not plan to do so. Large and medium companies are more likely to offer a phased retirement program than small companies (61%, 58%, 25%, respectively). The most often cited reasons for not offering a phased retirement program are company is not big enough (63%), it is easier to address employees' requests on a case-by-case basis (23%), employees not interested (22%), and operational and administrative complexity (17%).

Offering a Formal Phased Retirement Program (%)



Reasons for Not Offering a Formal Phased Retirement Program for Employees Who Wish to Transition into Retirement (%)



Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q5005. Does your company have a formal phased retirement program with specific provisions and requirements for employees who want to transition into retirement ?

EMPLOYER BASE: DOES NOT OFFER PHASED RETIREMENT PROGRAM

Q5007. For which of the following reasons does your company not offer a formal phased retirement program with specific provisions and requirements for employees who wish to transition into retirement? Select all that apply.

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Employers’ Retirement Transition Offerings

Seven in 10 employers (70%) offer one or more forms of retirement transition assistance. Medium and large companies are more likely than small companies to do so (86%, 81%, 67%, respectively). However, relatively few employers have robust offerings. Only 46% of employers accommodate flexible work schedules and arrangements to help employees transition into retirement. Even fewer enable employees to reduce hours and shift from full-time to part-time (41%), take on jobs that are less stressful or demanding (35%), or participate in succession planning, training, and mentoring (32%). Moreover, employers are missing an opportunity to facilitate smoother transitions when their employees do retire, with only 27% offering retirement-oriented lifestyle and transition planning resources and 26% providing information about encore career opportunities.

Work-Related Programs to Help Employees Transition into Retirement (%)	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
NET – Offers Flexible Retirement Transitions Programs	70	67	86	81
Accommodate flexible work schedules and arrangements	46	44	56	49
Enable employees to reduce hours and shift from full-time to part-time	41	39	52	50
Enable employees to take on jobs which are less stressful or demanding	35	33	44	43
Encourage employees to participate in succession planning, training and mentoring	32	28	45	48
Offer retirement-oriented lifestyle and transition planning resources	27	23	38	45
Provide information about encore career opportunities	26	22	35	42
Other	1	1	0	<1
None	23	27	4	5

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q3615. Which of the following work-related programs, if any, does your company have in place to help its employees transition into retirement? Select all.

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Appendix

A Portrait of Employers by Company Size

Characteristics		All Employers (%) (1+ EEs) n=1,876	Small (%) (1 to 99 EEs) n=1,151	Medium (%) (100 to 499 EEs) n=225	Large (%) (500+ EEs) n=500
Location	Urban	50	49	48	60
	Suburban	39	38	54	41
	Rural	18	20	11	13
Industry	Service industries	40	42	35	41
	Professional services	29	29	24	30
	Agriculture, mining, or construction	14	16	11	6
	Transportation, communications, or utilities	6	5	7	7
	Manufacturing	6	4	19	10
	Education	1	1	2	2
	Some other type of business	4	4	2	4
Years in Business	0 to 9 years	51	59	21	15
	10 to 19 years	24	22	31	27
	20 to 29 years	11	9	28	20
	30 to 49 years	8	7	12	14
	50+ years	5	2	8	24
	Median	9	7	17	20
Most Employees Currently Work …	Hybrid arrangement	39	38	39	39
	Remotely	20	21	13	17
	Leave home to go to work	42	41	48	44
Percentage of Company's Workforce is Part-Time Employees	0%	36	42	10	10
	1-24%	40	37	57	51
	25-50%	14	12	26	22
	51-99%	8	8	6	14
	100%	2	2	0	2
	Median	24	24	24	24
Employee Composition	Balanced mix of employees of all ages	64	62	65	78
	More older than younger employees	19	22	8	5
	More younger than older employees	17	16	27	16
Percentage of Company's Workforce is Age 65+	0%	34	40	6	6
	1-29%	41	34	65	66
	30-49%	6	5	5	9
	50-79%	5	7	2	3
	80-100%	3	4	0	<1
	Not sure	11	10	22	16
	Median (including 0%)	5	4	10	10

Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q6035. Location, Q1645. Industry, Q4035. Years in Business, Q6050. Work Arrangements, Q3665. Percentage of Company's Workforce is Part-Time Employees, Q3655. Employee Composition, Q5020. Percentage of Company's Workforce is Age 65+

A Portrait of Workers by Company Size

Characteristics		All Workers (%) (1+ EEs) n=5,725	Small (%) (1 to 99 EEs) n=2,074	Medium (%) (100 to 499 EEs) n=1,091	Large (%) (500+ EEs) n=2,560
Employment Status	Full-time	88	82	90	92
	Part-time	12	18	10	8
Gender*	Male	54	52	58	55
	Female	45	47	42	44
	Transgender	1	1	1	1
Generations	Generation Z (Age 18-24)	14	18	13	11
	Millennials (Age 25-40)	40	37	41	41
	Generation X (Age 41-56)	30	28	30	31
	Baby Boomers (Age 57-75)	16	16	15	16
	Silents (Age 76+)	<1	1	1	<1
	Median Age	40	39	40	40
Marital Status	Married/Living with partner	52	44	52	58
	Divorced/Separated/Widowed	13	14	15	12
	Never married	35	42	33	31
Educational Attainment	Less than college degree	63	74	63	53
	College degree or more	37	26	37	47
Annual Household Income	Less than $50,000	18	25	18	12
	$50,000 to $99,999	32	34	35	28
	$100,000+	49	38	46	59
	Decline to Answer	2	3	1	2
	Estimated Median	$87,000	$70,000	$82,000	$105,000
LGBTQ+ Status	LGBTQ+	10	11	9	10
	Did not identify as LGBTQ+	89	87	90	89
	Decline to Answer	1	2	1	1
Race/Ethnicity	White	60	58	58	63
	Black/African American	11	11	13	11
	Asian/Pacific Islander	6	5	7	7
	Hispanic	19	23	19	16
	Other	3	3	3	3
Urbanicity	Urban	37	35	39	38
	Suburban	46	44	45	48
	Rural	17	21	16	14

Note: Results may not total to 100% due to rounding.

* Gender: Responses 1% or less for "Other" and "Prefer not to answer" are not shown.

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