



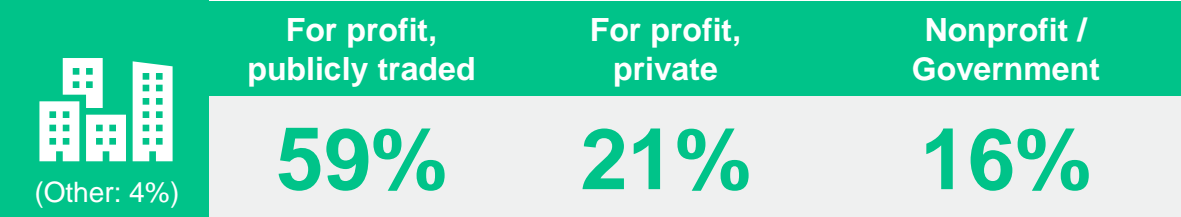
# 2022: The Next Evolution of DC Plans Survey

United States

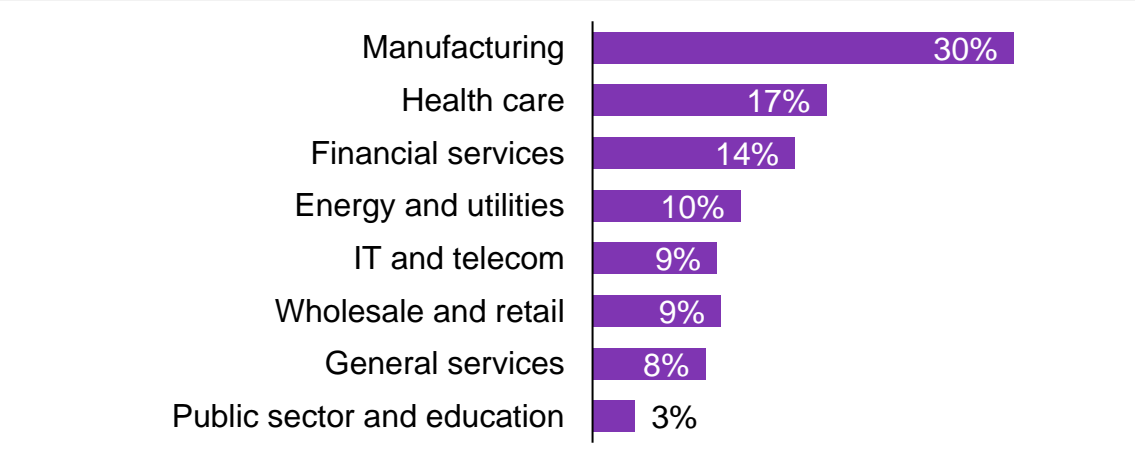
February 2022

# US Defined Contribution Pulse Survey 2022

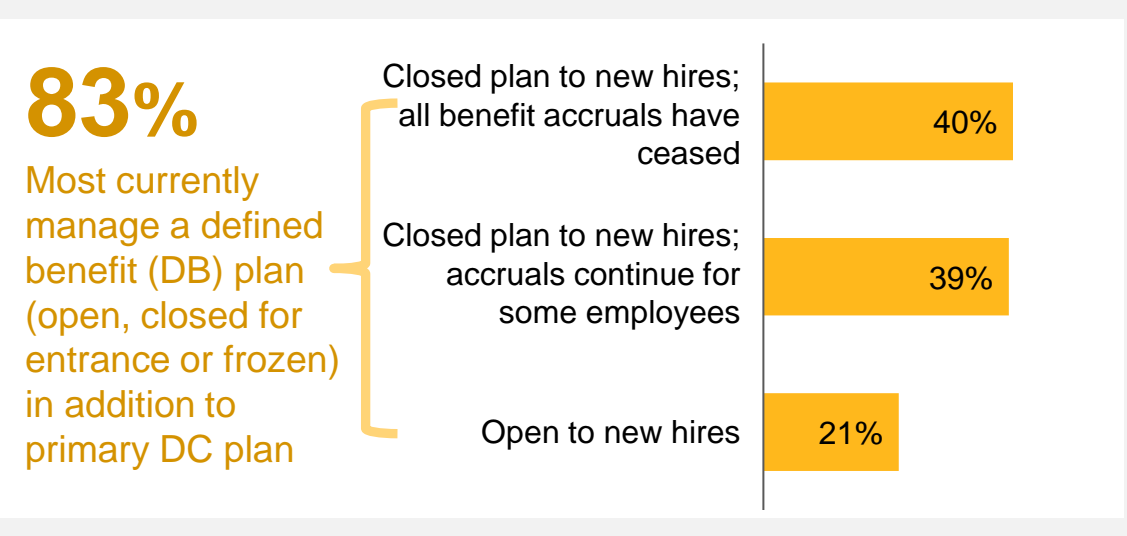
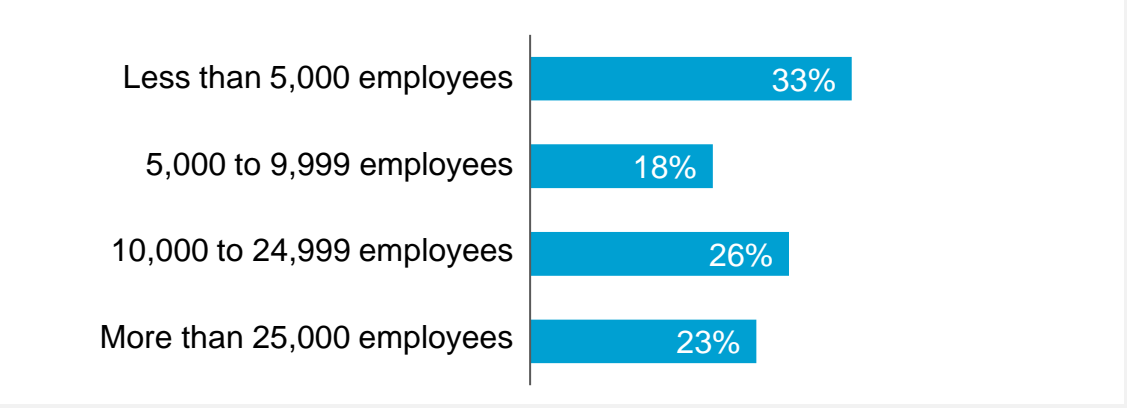
## About the survey





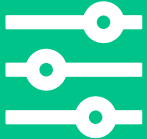
### Industry



### Employees

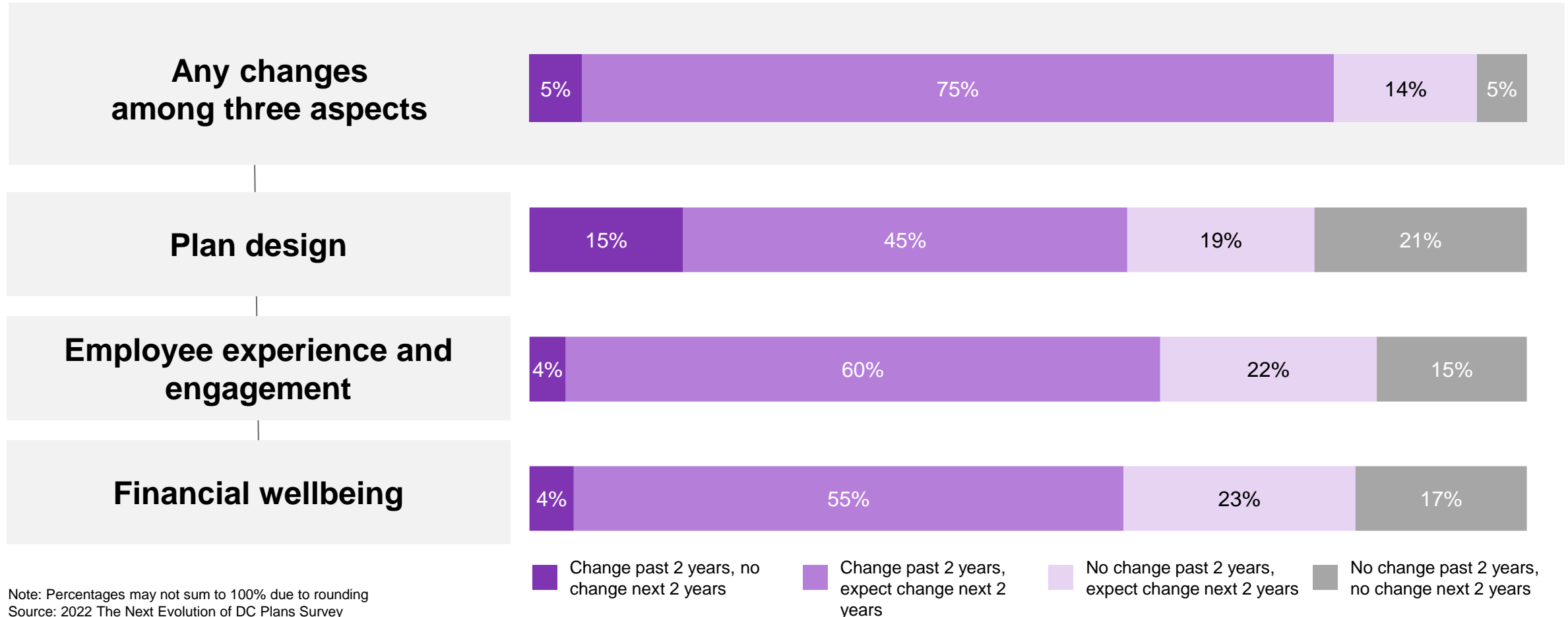


# Highlights

	<b>Evolution</b>	Evolution of DC plans continues as 3 out of 4 sponsors expect to change their DC plan in next two years after already having made a change in last two years
	<b>Design/Features</b>	Most expected changes in DC plan design over next two years involve adding/enhancing features, with almost one third focusing on auto deferral features and 40% interested in other innovative design features
	<b>Enhancements</b>	Sponsors continue to explore ways to capitalize on evolving opportunities to integrate DC plan strategy with enhanced financial wellbeing and resilience support
	<b>Significant Gaps</b>	Significant gaps expected in priorities over next two years between sponsors connecting DC plan with attraction/retention and those that are not, with former group focusing on using DC plan to enhance employee engagement for retention, raise importance of attracting new talent and aligning DE&I goals
	<b>Differentiation</b>	More than half of sponsors expect attraction retention issues over next two years, with one third of those sponsors viewing their DC plan as an important tool for attracting and retaining employees

## 3 out of 4 sponsors plan to make at least one change to their DC plan over next 2 years after already making a change in the last two years

Did your organization make changes to the following aspects of your defined contribution plan over the last two (2) years? Will your organization make changes to the following aspects of your defined contribution plan over the next two (2) years?



Note: Percentages may not sum to 100% due to rounding  
Source: 2022 The Next Evolution of DC Plans Survey

## Changes to auto deferral features and employer contributions expected over next two years

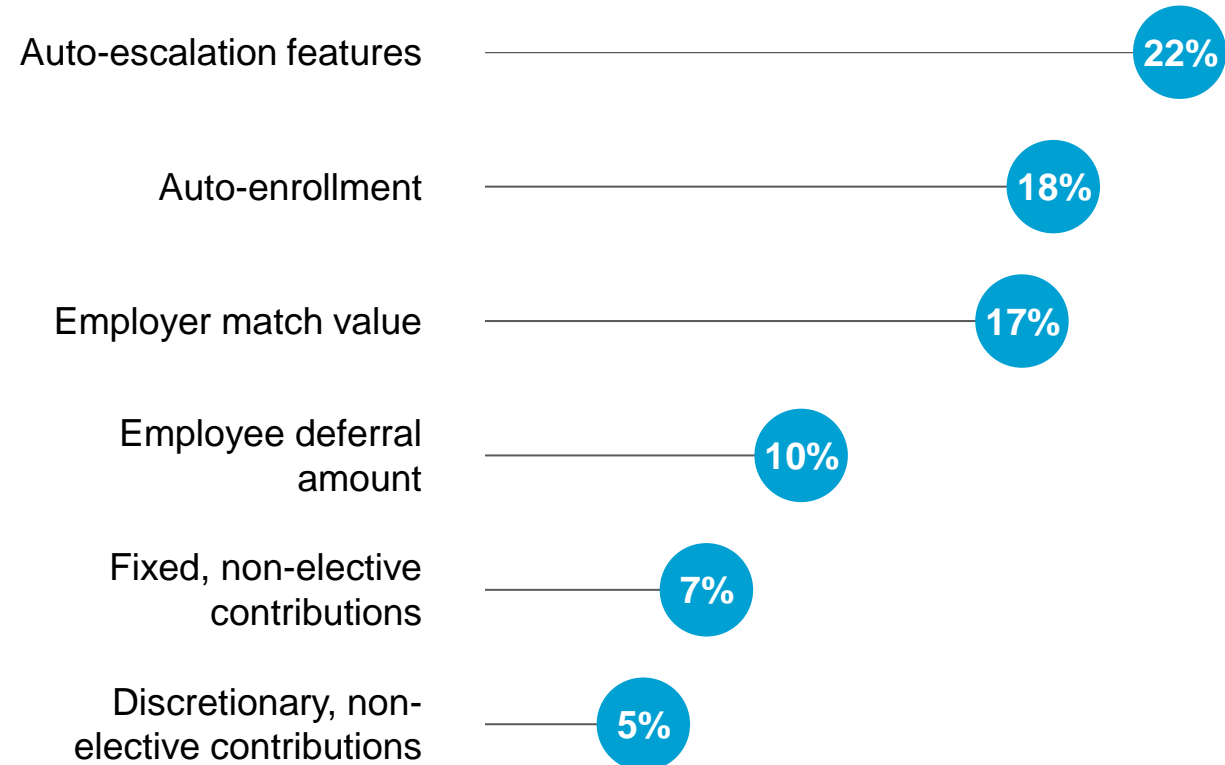
# 28%

of sponsors are considering enhancing their **automatic deferral features**

# 23%

of sponsors considering changes to a **plan contribution feature**, looking to enhance employees' retirement savings support

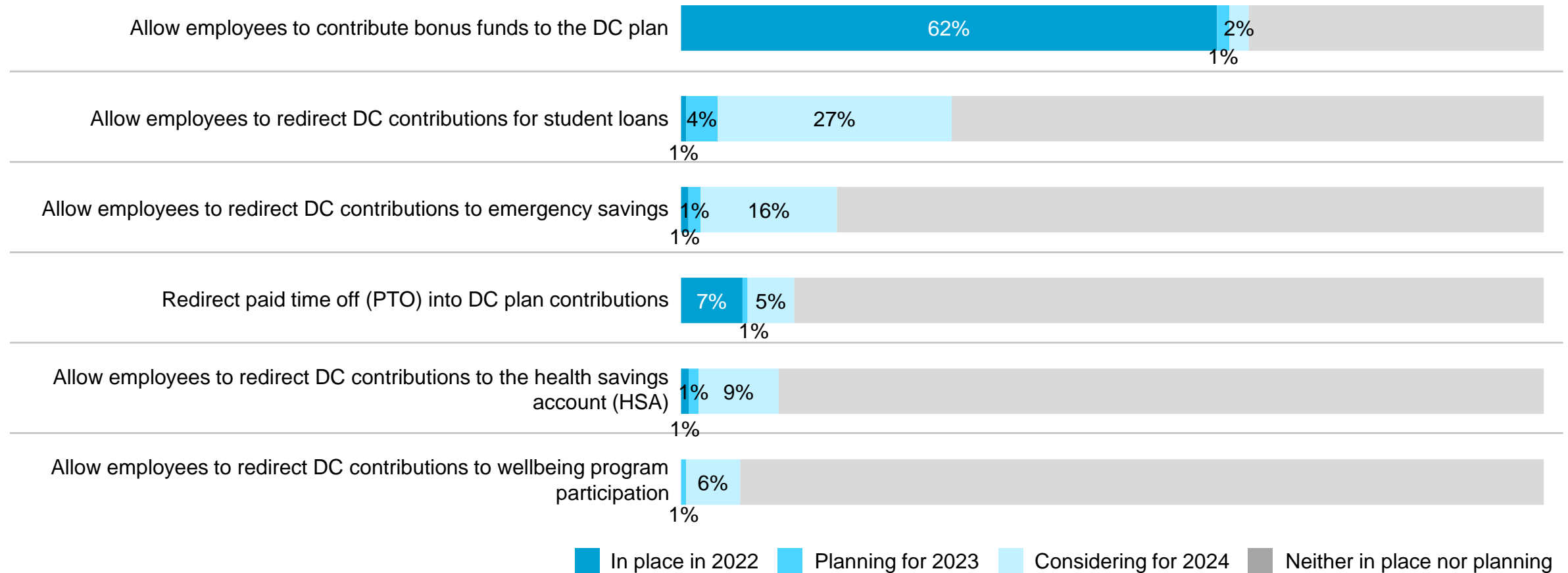
### % of sponsors are considering adopting changes over the next two years



Source: 2022 The Next Evolution of DC Plans Survey

## Roughly 4 of 10 sponsors planning or considering adopting at least one of following innovative strategies

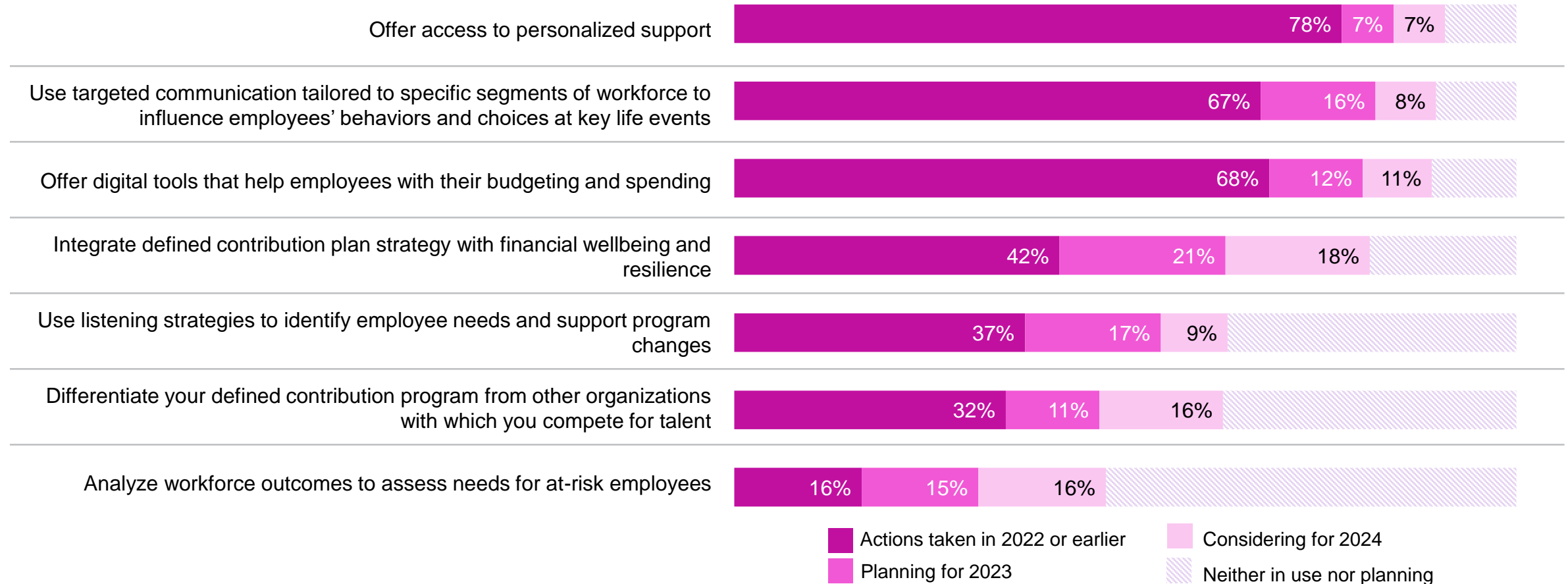
Does your organization already have in place or is considering to implement any of the following contribution strategies for its defined contribution plan in the next few years?



Note: Percentages may not sum to 100% due to rounding. "Not applicable" removed.  
 Source: 2022 The Next Evolution of DC Plans Survey

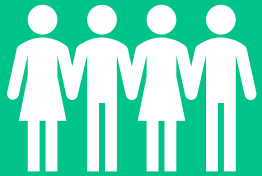
## Sponsors continue to explore ways to integrate DC strategy with financial wellbeing and resilience support

Which of the following actions has your organization taken in the last few years or does it plan to take in the next few years around the defined contribution program to support employees' retirement security or financial wellbeing? Please select one response for each item.

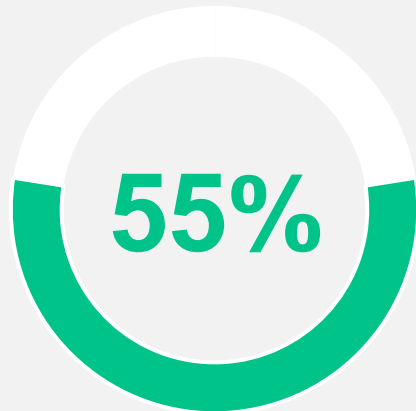


Source: 2022 The Next Evolution of DC Plans Survey

# Roughly one third of sponsors expecting attraction and retention issues consider their DC plan as an important tool



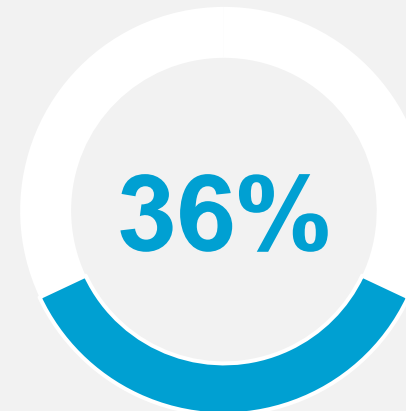
## Dealing with attraction and retention issues



55% of sponsors expect to deal with **attraction and retention issues** over the next 2 years



## Consider DC plan an important tool



Among those expecting attraction and retention issues, 36% **consider their DC plan an important tool for attracting and retaining employees over the next year**

Note: Percentages may not sum to 100% due to rounding  
 Source: 2022 The Next Evolution of DC Plans Survey



## Significant gaps in DC plan priorities over next two years between sponsors connecting DC plan with attraction and retention and those that are not

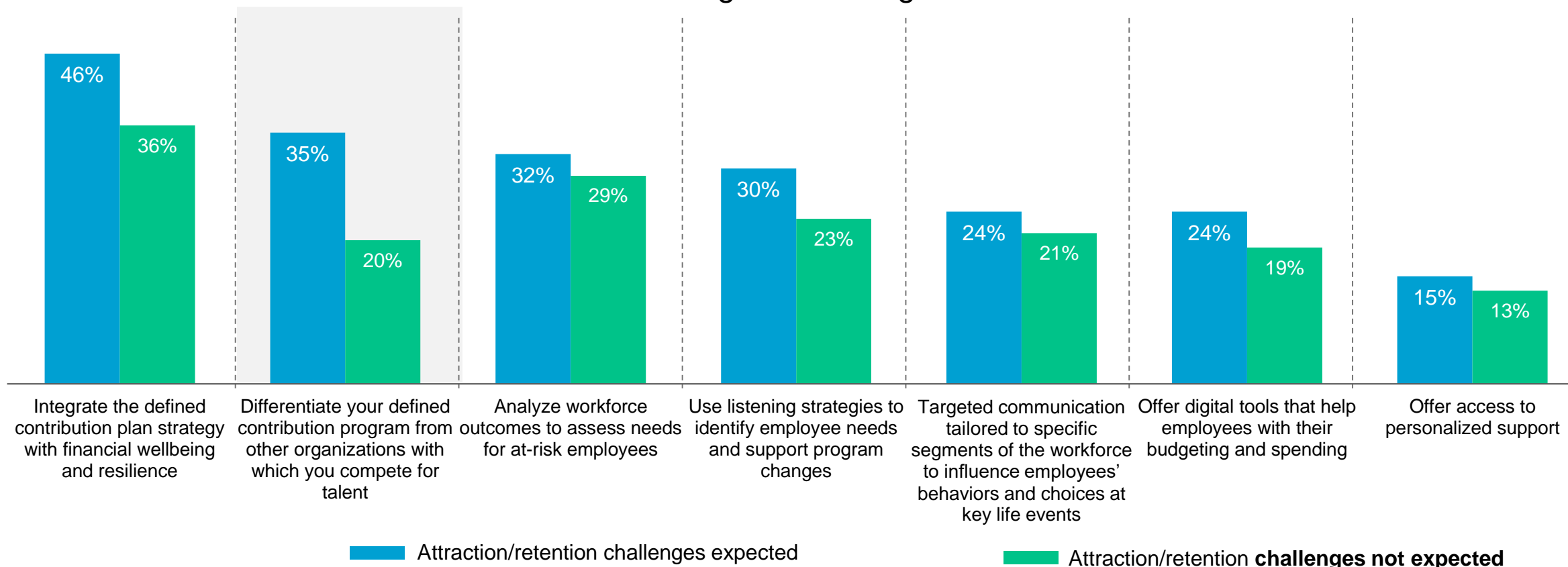
Will the following be a priority to a great extent to your defined contribution plan strategy over the next two (2) years?			
	DC plan will be an important tool for attracting and retaining employees over the next year	DC plan will <b>not be</b> an important tool for attracting and retaining employees over the next year:	Gap
Enhance engagement of employees for retention	62%	40%	+22
Raise importance of attracting new talent	60%	31%	+29
Enhance connection to financial wellbeing programs	59%	59%	0
Enhance employee communication	57%	54%	+3
Align plan with diversity, equity and inclusion goals	48%	28%	+20
Enhance digital employee experience	47%	38%	+9
Enhance support for decumulation phase (e.g., lifetime income, retirement transition strategies)	36%	27%	+9
Manage plan costs to total rewards goals	31%	22%	+9
Increase level of benefits to enhance employees' financial security	25%	13%	+12
Align plan with Environmental, Social and Governance (ESG) goals	25%	15%	+10
Revisit design to support low income employees	18%	13%	+5
Revisit balance between employer and employee responsibility for retirement savings	16%	9%	+7
Redesign benefit to provide employees with greater flexibility/choice	13%	10%	+3

Source: 2022 The Next Evolution of DC Plans Survey

## Differentiating DC plan from competitors is expected to help combat talent issues

Which of the following actions is your organization planning to take in the next few years around the defined contribution program to support employees' retirement security or financial wellbeing? Please select one response for each item.

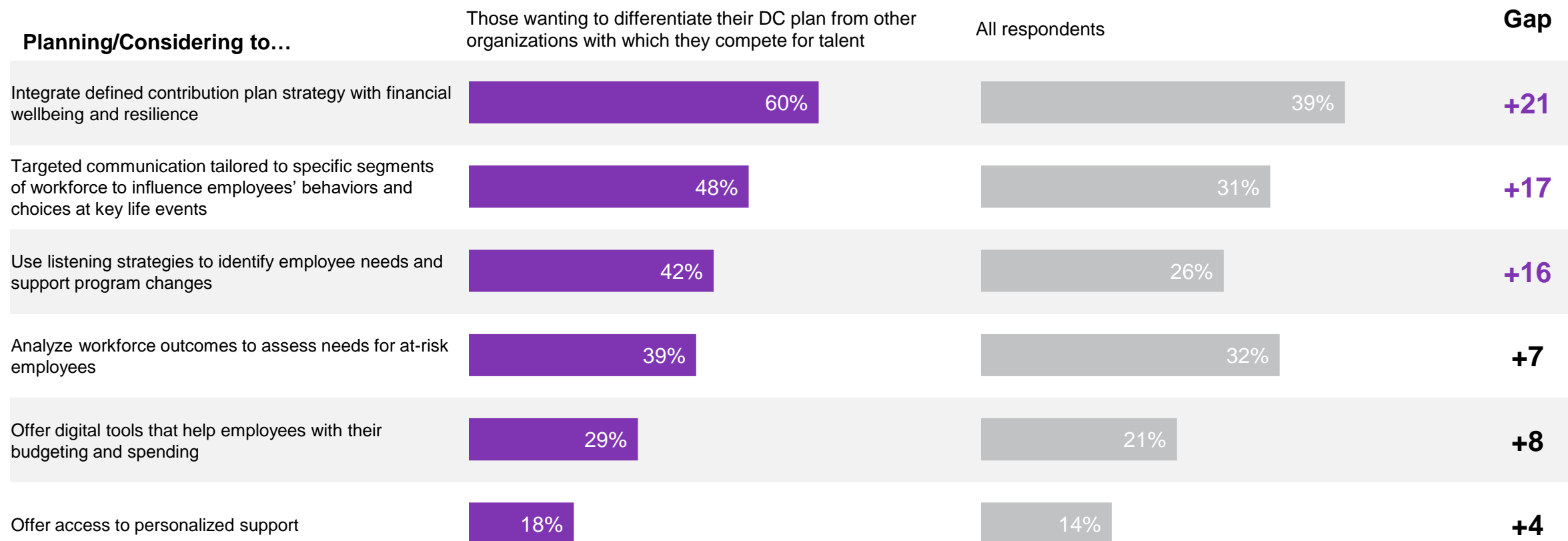
### Planning/Considering



Note: Percentages may not sum to 100% due to rounding  
 Source: 2022 The Next Evolution of DC Plans Survey

## Sponsors wanting to differentiate DC plan from competitors' plans are looking to enhance employee experience

Which of the following actions is your organization planning to take in the next few years around the defined contribution program to support employees' retirement security or financial wellbeing? Please select one response for each item.



Note: Percentages may not sum to 100% due to rounding  
 Source: 2022 The Next Evolution of DC Plans Survey