



**8<sup>th</sup> Annual  
Transamerica Retirement Survey**

**The Transamerica Center for Retirement Studies**

**February 6, 2007**



# 8<sup>th</sup> Annual Transamerica Retirement Survey

## Table of Contents

▪ <b>The Transamerica Center for Retirement Studies</b>	<b>3</b>
▪ <b>Survey Objectives</b>	<b>4</b>
▪ <b>Worker Survey</b>	<b>5</b>
▪ Methodology & Respondent Profile	6
▪ Executive Summary	8
▪ Selected Highlights	26
▪ <b>Employer Survey</b>	<b>76</b>
▪ Methodology & Respondent Profile	77
▪ Executive Summary	79
▪ Selected Highlights	90
▪ <b>About Harris Interactive</b>	<b>135</b>

# Transamerica Center for Retirement Studies

- **The Transamerica Center for Retirement Studies (“The Center”) is a collaboration of experts assembled by Transamerica Retirement Services<sup>1</sup>**
- **Dedicated to promoting awareness of issues and trends surrounding retirement security in the United States**
- **Research emphasizes employer sponsored retirement plans, small to mid-sized companies and their employees, and the implications of legislative and regulatory changes**
- **Conducts the Annual Transamerica Retirement Survey**
- **For more information about The Center, please refer to <http://www.ta-retirement.com/thecenter>.**

# Survey Objectives

- For the past seven years, the Transamerica Center for Retirement Studies has conducted a national survey of U.S. business employers and workers regarding their attitudes toward retirement. The research emphasizes employer-sponsored retirement plans, issues faced by small to mid-sized companies and their employees, and the implications of legislative and regulatory changes.
- To this end, Harris Interactive was commissioned to conduct the Eighth Annual Retirement Survey. Where appropriate, questions were tracked and some new questions were added to investigate new topics of interest.
- This report represents the findings in two sections: workers and employers.



## Worker Survey



# Methodology

- **A telephone study was conducted among 1,402 American workers, using a nationally representative random sample meeting the following criteria:**
  - Work full-time for pay at a company with at least 10 employees
  - 18 or older
  - Excluding government workers and not-for-profit organizations
- **20 minute telephone interview.**
- **Interviews were conducted between July 27 and Oct. 7, 2006.**
- **Data were weighted to ensure that each quota group had a representative sample based on the number of employees at companies in each employee size range.**
- **Margin of error at the 95% confidence level is +/- 2.6%.**
- **A  in the report indicates a number is significantly higher.**
- **The base size is 671 for large companies (500+ workers) and 731 for small companies (10-499 workers). Other reduced bases are noted throughout the report**

# Reporting the Data

This report uses the following terminology:

- *Small company*: a company with 10 to 499 employees
- *Large company*: a company with 500 or more employees
  
- *Echo Boomer*: a person born between 1979 and 1986
- *Generation Xer*: Born 1965 - 1978
- *Baby Boomer*: Born 1946 - 1964
- *Mature*: Born before 1946

# Profile of Respondents

Gender	%
Male	58%
Female	42%

Age	%
18-27	18%
28-41	35%
42-59	41%
60+	6%

Marital Status	%
Married	66%
Single, never married	21%
Divorced/widowed/separated	9%
Civil union/domestic partnership	3%

Occupation	%
Managerial or business owner	23%
Medical/Professional/Technical	21%
Sales	10%
Clerical/ Service/Administration	14%
Blue-Collar/Production	20%
Truck/Bus driver	1%
Construction	1%
Teacher	1%
Some Other Occupation	5%
DK/REFUSED	2%

Level of Education	%
Less than high school graduate	5%
High school graduate	34%
Some college or trade school	29%
College graduate	21%
Some grad/ school/graduate degree	9%
DK/REFUSED	1%

Ethnicity	%
White, non-Hispanic	71%
Hispanic	12%
African American	11%
Asian/Pacific	2%
Other/mixed	3%
DK/REFUSED	2%

Type of Area Lived In	%
Large city	21%
Small city	26%
Suburbs	26%
Rural area	25%
DK/REFUSED	1%

HH Income	%
Less than \$25,000	8%
\$25,000 to less than \$50,000	22%
\$50,000 to less than \$75,000	22%
\$75,000 to less than \$100,000	16%
\$100,000 to less than \$150,000	16%
\$150,000 or more	8%
DK/REFUSED	9%

HH Amount Saved for Retirement	%
Less than \$5,000	16%
\$5,000 to less than \$10,000	8%
\$10,000 to less than \$25,000	10%
\$25,000 to less than \$50,000	12%
\$50,000 to less than \$100,000	10%
\$100,000 to less than \$250,000	11%
\$250,000 or more	12%
DK/REFUSED	21%

Company's Primary Business	%
Professional services	24%
Service industries	20%
Manufacturing	20%
Transportation/Comm./Utilities	12%
Agriculture/Mining/Construction	11%
Education	2%
Computers/Software	1%
Publishing/Printing	1%
Distribution	1%
Some Other business	6%
DK/REFUSED	2%

Number of Employees	%
10-499 (NET)	50%
10 to 24	13%
25 to 99	18%
100 to 499	18%
500+ (NET)	50%
500 to 999	7%
Over 1,000	44%

Amount in Current Retirement Plan	%
Less than \$5,000	23%
\$5,000 to less than \$10,000	9%
\$10,000 to less than \$25,000	14%
\$25,000 to less than \$50,000	13%
\$50,000 to less than \$100,000	10%
\$100,000 to less than \$250,000	8%
\$250,000 or more	7%
DK/REFUSED	17%

# Executive Summary

## Financial Priorities

- **American workers have a variety of financial priorities in their lives. Sizeable proportions name each of the following as their greatest financial priority right now:**
  - Saving for retirement (23%)
  - Paying off their mortgage (19%)
  - Supporting children and/or parents (18%)
  - Paying off debt (18%)
  - Just getting by, covering basic living expenses (16%)
- **Thus retirement is out there as an important priority, but there are a number of other financial needs that are coming first for most workers.**
  - Naturally, older workers are more likely to be focused on saving for retirement than younger workers.
  - Echo Boomers and Gen-Xers are more likely to be focused on supporting their families.
  - Echo Boomers are more likely to be focused on paying off debt or just getting by.
  - Paying healthcare expenses is the priority for one in ten Matures.
- **Income also has an impact on priorities. Those making \$100,000 or more are able to focus on saving for retirement (42%), while those making less than \$50,000 frequently are focused on just getting by (32%).**

# Executive Summary

## Primary Source of Retirement Income

- **A plurality of workers (43%) expect their 401(k) account and/or IRAs to be their primary source of retirement income. Others are expecting to rely on other savings/investments, their company-funded pension plan, and social security.**
  - Workers at large companies are more likely to expect to rely on their self-funded retirement plans such as 401(k)'s (49% vs. 37%), while workers at small companies are more likely to rely on social security (19% vs. 11%).
  - Matures are much more likely to be relying on Social Security and much less likely to be relying on 401(k) accounts or IRAs.
  - Those with lower incomes are also more likely to be relying on Social Security, which is unfortunate since their SS checks will on average be lower having put less into the system over the years with their lower income.
  - Women are more likely to plan to rely on Social Security while men are more likely to plan to rely on their other savings/investments outside of a retirement plan.

# Executive Summary

## Paying Taxes on Retirement Savings

- **American workers have a preference for the Roth 401(k) method of paying taxes – i.e. paying income taxes now and withdrawing funds at retirement tax free over the traditional 401(k) method of deferring tax payments until one is making withdrawals in retirement (44% vs. 28%).**
  - Matures are particularly likely to prefer paying taxes now rather than later.
  - Higher-income workers are evenly split on this, so there is more recognition in this group of the benefits of tax deferral, while those with lower income would rather pay their taxes now and not have to worry about them later.
  - Men are also more likely to prefer deferring taxes than women are.

# Executive Summary

## Relative Importance of Benefits

- **Workers see healthcare benefits as the most important employee benefit that companies can offer, with nine in ten saying this is a very important benefit. A 401(k) or other self-funded retirement plan is seen as next most important, with seven in ten saying this is very important. Other benefits such as a pension plan, disability insurance and life insurance, are also seen as important, but to a lesser extent (around half of workers say these benefits are very important).**
  - Men and Matures place slightly less importance on healthcare benefits.
  - Workers at large companies place more importance on 401(k) plans as a benefit, while lower income workers place less emphasis on this benefit.
  - Older workers, women, and those at large companies are more likely to say a pension plan is a very important benefit.
  - Matures and those with incomes of \$100,000 or more are less concerned about disability insurance.
  - Women and Baby Boomers are more likely to believe life insurance is a very important benefit.

# Executive Summary

## Benefits Currently Offered

- **Seven in ten workers have a 401(k) plan at their company. Half as many have a company-funded pension plan. A small proportion have a different type of self-funded plan such as SIMPLE or SEP (14%), or have none of these plans available (13%).**
  - Large companies are more likely to offer each one of these retirement plan types, with eight in ten offering a 401(k).
  - Workers with incomes under \$50,000 are twice as likely to work at companies that offer none of these retirement plans than workers with incomes of \$100,000 or more (18% vs. 9%).

# Executive Summary

## Salary vs. Retirement Benefits

- **Workers were presented with two options for a compensation package for a job:**
  - Option A: Excellent retirement benefits, but only meets the minimum salary requirements.
  - Option B: A higher than expected salary, but with poor retirement benefits.
- **Workers are more likely to choose the excellent retirement benefits (59%) over the higher salary (34%). This shows that while workers may not always be preparing for retirement as much as they should be, they do recognize the importance of doing so, and that a good retirement plan can help them in this regard.**
  - Echo Boomers are the only group to choose salary (51%) over retirement benefits (45%), not too surprising given retirement likely seems a distant issue for this age-group.
  - The proportion of workers choosing retirement benefits over the higher salary has increased since 2004 (59% vs. 54%).
- **Interestingly, employers believe potential employees are more likely to choose the higher salary (56%) over the excellent retirement benefits (39%). So employers appear to have some misconceptions about potential employees' priorities.**

# Executive Summary

## Participation in Retirement Plans

- **One quarter of workers who could participate in their company's employee-funded retirement plan, do not.**
  - Echo Boomers are the least likely to participate (43% do not).
  - Income is also a key factor, as those with higher incomes are much more likely to participate, with nearly 9 in 10 workers with an income of \$100,000 or more participating, compared to only 6 in 10 workers who earn less than \$50,000.
- **Among workers who are currently participating in their company-sponsored retirement plans, the median contribution is 8%. One third of workers contribute in the 5%-8% range, while one in four contribute 9%-12% and one in five contribute 0%-4%.**
  - This is also an example of how the rich get richer, as those with higher incomes contribute a higher percentage of their salaries to their retirement plans.

# Executive Summary

## Participation in Retirement Plans (continued)

- **Workers tend to learn about their retirement plan from an enrollment meeting (29%), from management or HR (23%), by asking about it when they were first hired (17%) or by reading brochures and materials (14%).**
  - At large companies, workers are more likely to learn about their plans by reading brochures/materials or by looking online.
  - Echo Boomers are less likely to say they learned the most by attending an enrollment meeting, and more likely to have learned by asking about it when they were first hired or by reading brochures/materials on the plan.
- **Most workers joined their plan by filling out an enrollment form, but a sizeable proportion were automatically enrolled by their employer (23%) or enrolled via the web (15%).**
  - Enrollment via the web is much more common at large companies.
- **Four in five workers receive matching contributions from their employer.**
  - This proportion is higher among employees at large companies (86% vs. 69%).

# Executive Summary

## Participation in Retirement Plans (continued)

- **One in five workers who contribute to their retirement plan have increased the percentage of their contribution in the last 12 months. Only 4% have reduced the percentage of their contribution.**
  - Echo Boomers are less likely to have made any changes.
- **Among workers who have a qualified plan, only one in ten have taken out a loan from their plan. The most frequently cited reasons for the loan are paying off debt, purchase of a primary residence and home improvements.**

# Executive Summary

## Non-Participation in Retirement Plans

- **The main reasons given for not participating in a company-sponsored retirement plan such as a 401(k) are being financially stretched with other financial priorities, having just started with the company/not eligible to join, and having been intending to sign up but just haven't gotten around to it yet.**
- **Most non-participating workers expect to participate in their company's retirement plan at some time in the future.**
  - This is particularly true at large companies and among younger workers.
  - This proportion is up from a year ago, with 66% of non-participants in 2006 saying they will eventually sign up compared to 51% in 2005.
- **Among all workers at companies that offer qualified plans, three in four strongly agree that the company offering a matching contribution is important to them.**

# Executive Summary

## Perceptions of Retirement Plan Features

- **Most workers are satisfied with their retirement plans, with an approximately even split between those who strongly agree they're satisfied and those who somewhat agree. This is true regarding the number of investment options offered, the quality of the investment options offered, and the plan overall.**
  - Workers at smaller companies are slightly less likely to be satisfied with their plans.
  - Echo Boomers and lower income workers are a bit more tepid in their enthusiasm for their companies' retirement plan offerings.
  - Satisfaction is up compared to 2005 (85% vs. 77%).
- **The majority strongly agree that their companies give them the right information to make decisions about their retirement plan.**
  - The percentage who believe their company gives them the right information has increased compared to 2005 (88% vs. 82%).
- **Among all workers, one in five have spoken to their supervisor or HR about retirement benefits in the last 12 months.**
  - Echo Boomers and higher-income employees are more likely to have done so.
  - This proportion has decreased compared to 2005 (22% vs. 33%).
- **Among workers without retirement benefits, nearly half of them would be very likely to leave their current employer for a nearly identical job that offered a retirement plan.**
  - This proportion is up from a year ago (46% vs. 34%). This is a clear signal that companies need to offer retirement plans or risk losing their employees to the competition.

# Executive Summary

## Retirement Savings

- **More than half of workers are currently saving for retirement outside of work. The types of investments most frequently used for retirement savings are: savings accounts, IRAs, mutual funds, stocks, their primary residence and CDs.**
  - An even higher proportion of older workers, workers at large companies and high-income workers are doing so.
- **Nearly half of workers started saving for retirement in their 20's. Another one in four started saving in their 30's, while 13% started in their 40's or later.**
  - Workers at large companies are more likely to have started saving for retirement earlier, i.e. in their 20's.
  - Men started saving at an earlier age than women (average of 27.4 compared to 29.3).

# Executive Summary

## Investing for Retirement

- **The majority of workers feel they have a basic understanding of asset allocation principles as they relate to retirement investing. One quarter believe they have a very good understanding, and 14% believe they have very little or no understanding.**
  - Men have more confidence in their understanding of asset allocation principles than women.
- **Retirement savings allocations vary a great deal, with a plurality (44%) having an equal mix between equities and more stable investments. An approximately equal proportion have mostly equities (24%) vs. those who have mostly bonds, money market funds and other stable investments (21%).**
  - Oddly, Echo Boomers are most likely to be investing conservatively for retirement, which is generally viewed as not the best strategy for long-term investors who have a long time period before they retire.
  - Baby Boomers and Matures are more likely to have an even split in their investments, and Gen-Xers are most likely to be aggressively allocated.
  - Not surprisingly, men tend to be more aggressively allocated than women.

# Executive Summary

## Investing for Retirement (continued)

- **Among workers who are investing for retirement, about one in four have changed their asset allocation or rebalanced their investments in the last 12 months.**
  - Those with an income of \$100,000 or more are more likely to have changed their asset allocation in the last 12 months (34%).
  - Men are also more likely to have made changes in the last 12 months (26% vs. 19%).
- **Two-thirds of workers agree they are currently building a large enough nest egg for retirement, with one third disagreeing.**
  - Among those making less than \$50,000, half believe they are not saving enough for retirement.
  - Workers at large companies are more likely to feel they're on the right track (70% vs. 60%).
  - Men are more likely than women to believe they're building a big enough nest egg (70% vs. 58%).
  - The proportion who feel they are building a large enough next egg has gone up compared to last year (65% vs. 53%).
- **The biggest obstacles keeping workers from saving more are already being stretched – need to cover basic living expenses (35%), other savings priorities such as tuition, house or car (29%), and the need to pay off debt (16%). Interestingly, 6% aren't saving more because they don't know enough about investing.**
  - For those saddled by debt, it is most often excessive credit card debt (48%) or their mortgage (46%). For some, it's auto loans (28%), general loans (21%) or student loans (18%).

# Executive Summary

## Investing for Retirement (continued)

- **Among those who are investing for retirement, most check the status of their accounts either quarterly (42%) or monthly (25%). Nearly two in ten (18%) check the status daily or weekly, while one in ten check rarely or never.**
  - Men, high-income workers, and those at large companies are more likely to check their account status on a frequent basis.
- **The median amount of time spent reviewing retirement accounts is 8 hours per year. Clearly workers are not spending much time reviewing their retirement accounts despite their importance for their future.**
  - Again, men and high-income workers are more likely to spend more time reviewing their retirement accounts.
- **For a slight majority of married workers (55%), their spouse is contributing to a retirement plan of his/her own.**
  - This is more likely to be true for Baby Boomers, those with a higher household income, women, and workers at large companies.
- **Most American workers do not have a professional financial advisor to help manage their retirement investments (39% have one). Advisors are used most often for: specific investment recommendations (82%), general financial planning (49%), calculating a retirement savings goal (46%), and recommending other retirement-related product needs such as health, life, and long-term care insurance.**
  - Workers at small businesses are more likely to have a financial advisor (47% vs. 32%). Matures and high-income workers are also more likely to have an advisor.

# Executive Summary

## Investing for Retirement (continued)

- **One in three workers aren't sure how much money they'll need to have saved by the time they retire. Among those who do have a number in mind, there is a great deal of variance in the amount they believe they'll need. Two in ten say less than \$500,000; one in ten say between \$500,000 and \$1 million; two in ten say between \$1 million and \$3 million, and 14% say \$3 million or more.**
  - Women are more likely to not be sure how much money they'll need to have saved (44% vs. 27%).
- **Among those who have estimated how much money they'll need to save, more than one in three just guessed at the number. Another three in ten estimated the number based on current living expenses, while two in ten either completed a worksheet to calculate the number or were given the amount by a financial advisor.**
- **Three in four workers are confident they'll be able to retire with a comfortable lifestyle, leaving one in four who are not confident about this.**
  - Not surprisingly, those with higher income are considerably more confident about having a comfortable retirement lifestyle. Additionally, men and those working at large companies are more confident on this issue.
  - Echo Boomers are more confident than Baby Boomers that they'll be able to retire comfortably. This is probably more likely an example of youthful overconfidence than reality since Echo Boomers are not paying too much attention to preparing/saving for retirement.

# Executive Summary

## Investing for Retirement (continued)

- **Two-thirds of workers agree they are very involved in monitoring and managing their retirement savings. However, two-thirds also agree they don't know as much as they should about retirement investing.**
  - Men and those with higher incomes are more likely to be very involved in managing their retirement savings, and are less likely to feel they should know more about retirement investing.
  - Workers at large companies are more likely to be very involved in managing their retirement savings, but are equally likely as their small company peers to say they should know more about retirement investing.
- **A slight majority of American workers (55%) would rather rely on outside experts for monitoring their retirement savings. This number has increased compared to last year (50%).**
  - An even higher proportion of women, and workers at small companies feel this way.

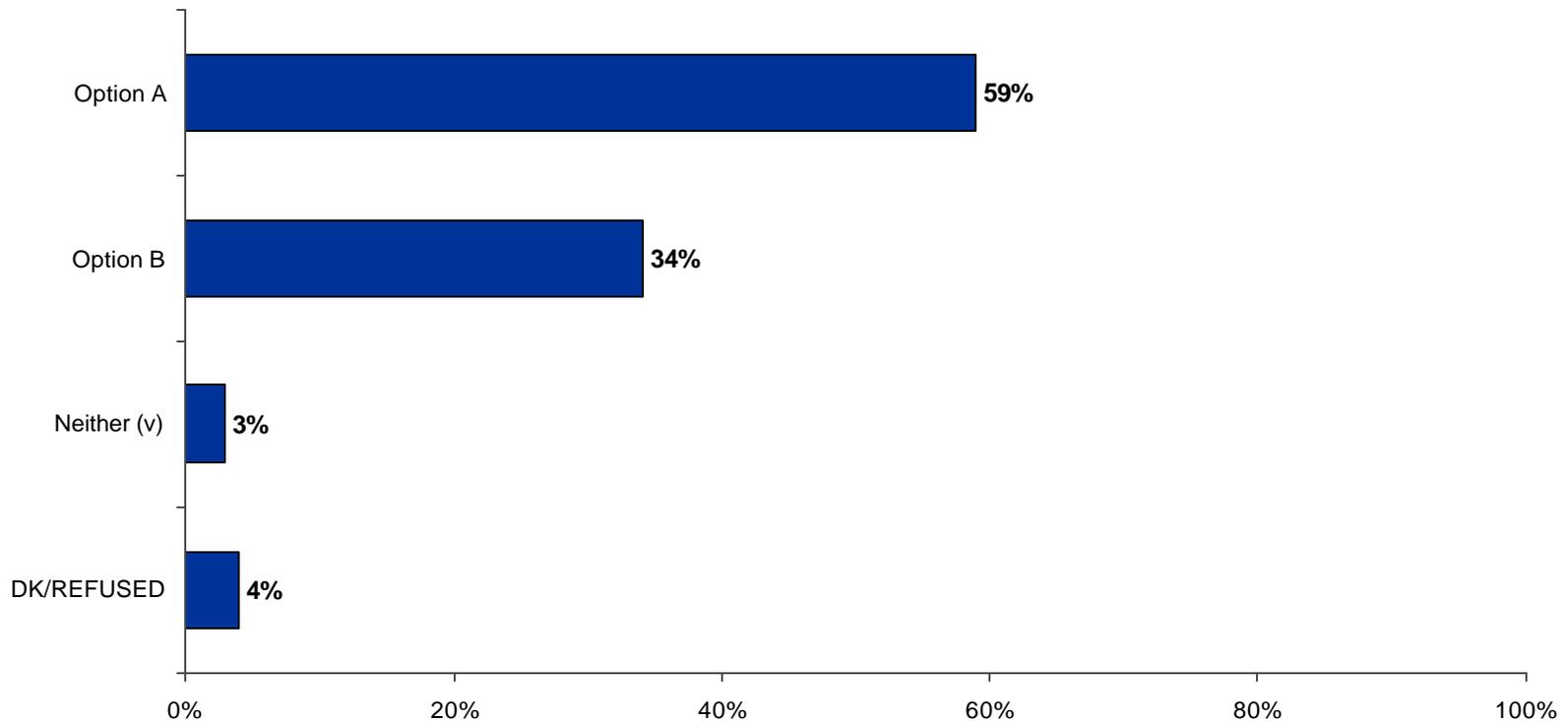
# Executive Summary

## Investing for Retirement (continued)

- **About half of workers feel they could work until they're 65 and still not have saved enough money to retire comfortably, while the other half believe they will have saved enough.**
  - Women, older workers, those with lower incomes and those at small companies are more likely to be worried that they won't have saved enough by age 65.
- **A slight majority (57%) would like to receive more information and advice from their company on how to reach their retirement goals.**
  - Matures are least likely to want more information/advice from their company, while those with lower incomes are more likely to want additional information.
- **One quarter of workers would prefer not to think about retirement until the date nears.**
  - This is true for a higher proportion of lower-income workers (36%) than high-income workers (14%).

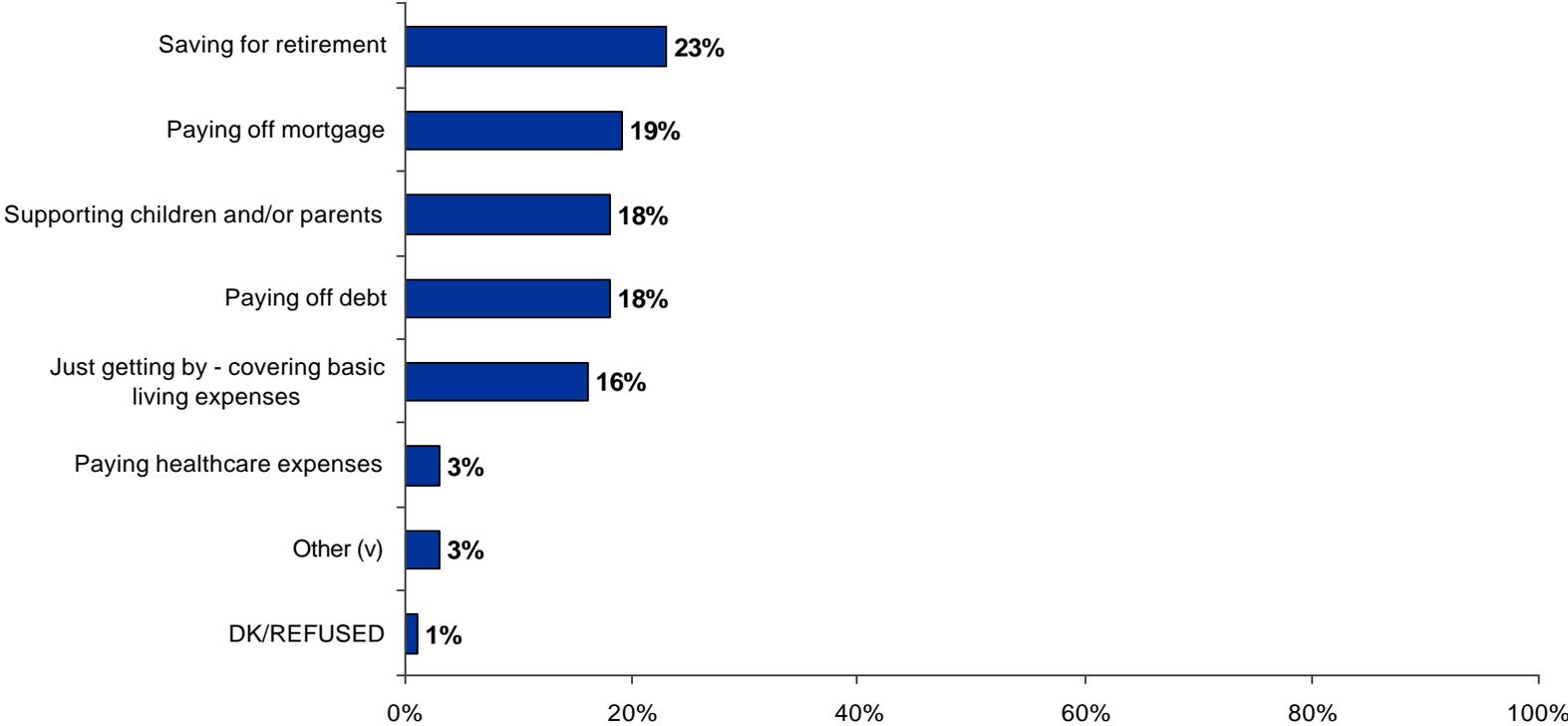
# Salary versus Retirement Benefits: Option of Greater Interest

**Option A: Excellent retirement benefits, but only meets your minimum salary requirements.  
Option B: A higher than expected salary, but with poor retirement benefits.**



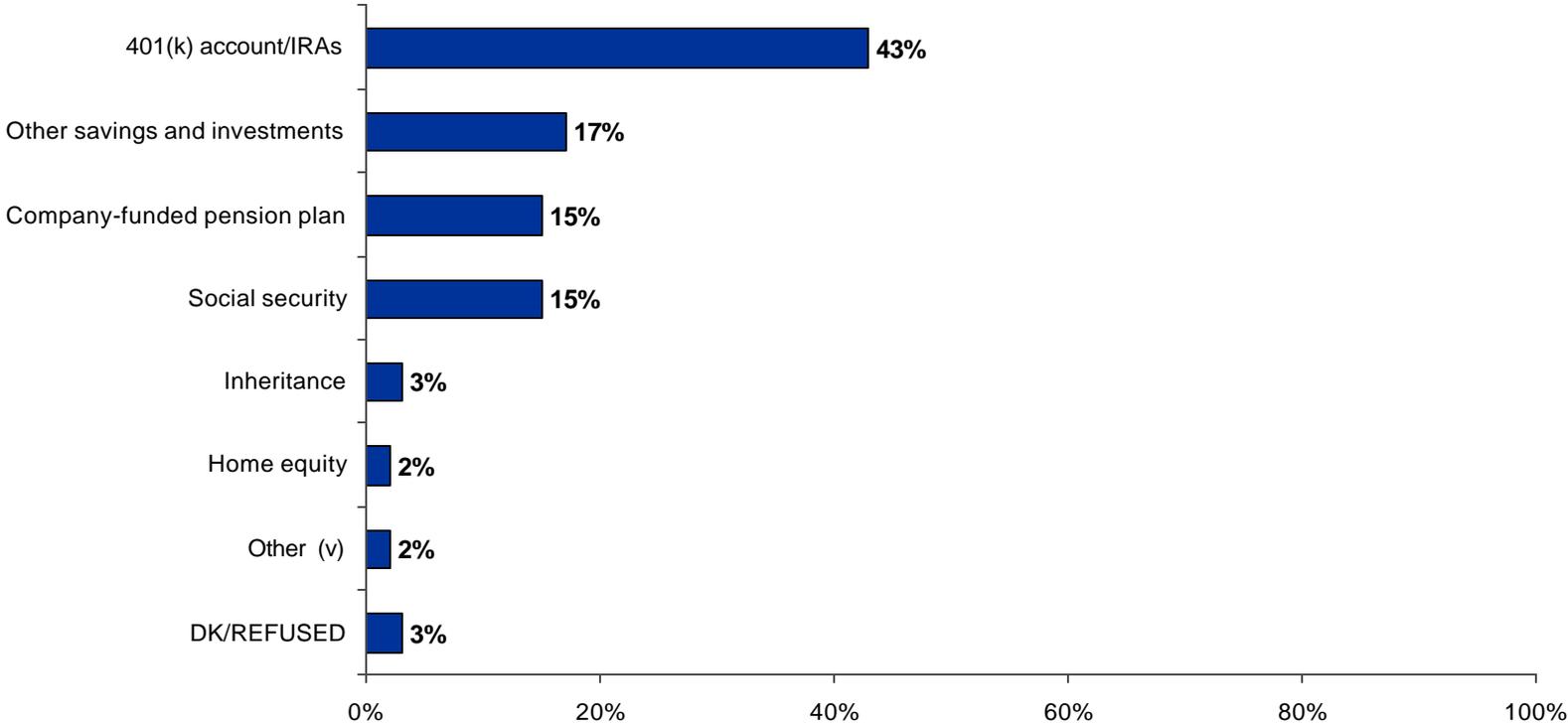
Q830 Which of these two job offers would you be more likely to choose?  
Offer A: Excellent retirement benefits, but only meets your minimum salary requirements.  
Offer B: A higher than expected salary, but poor retirement benefits.  
Base: All Qualified Respondents **N = 1402**

# Greatest Financial Priority



Q500 Which one of the following is your greatest financial priority right now?  
Base: All Qualified Respondents N = 1402

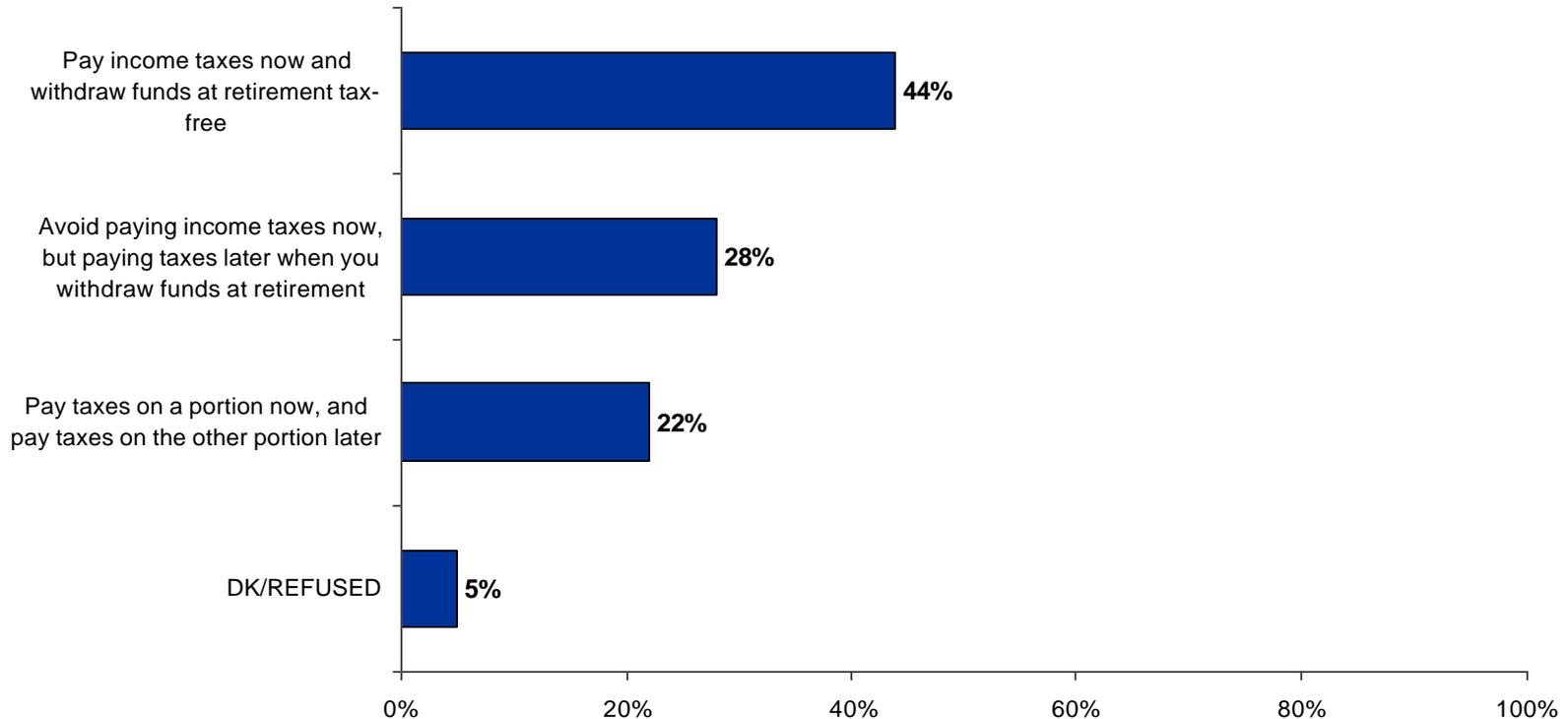
# Primary Source of Income After Retirement



Q550 Which one of the following do you expect to be your primary source of income to cover your living expenses after you retire?

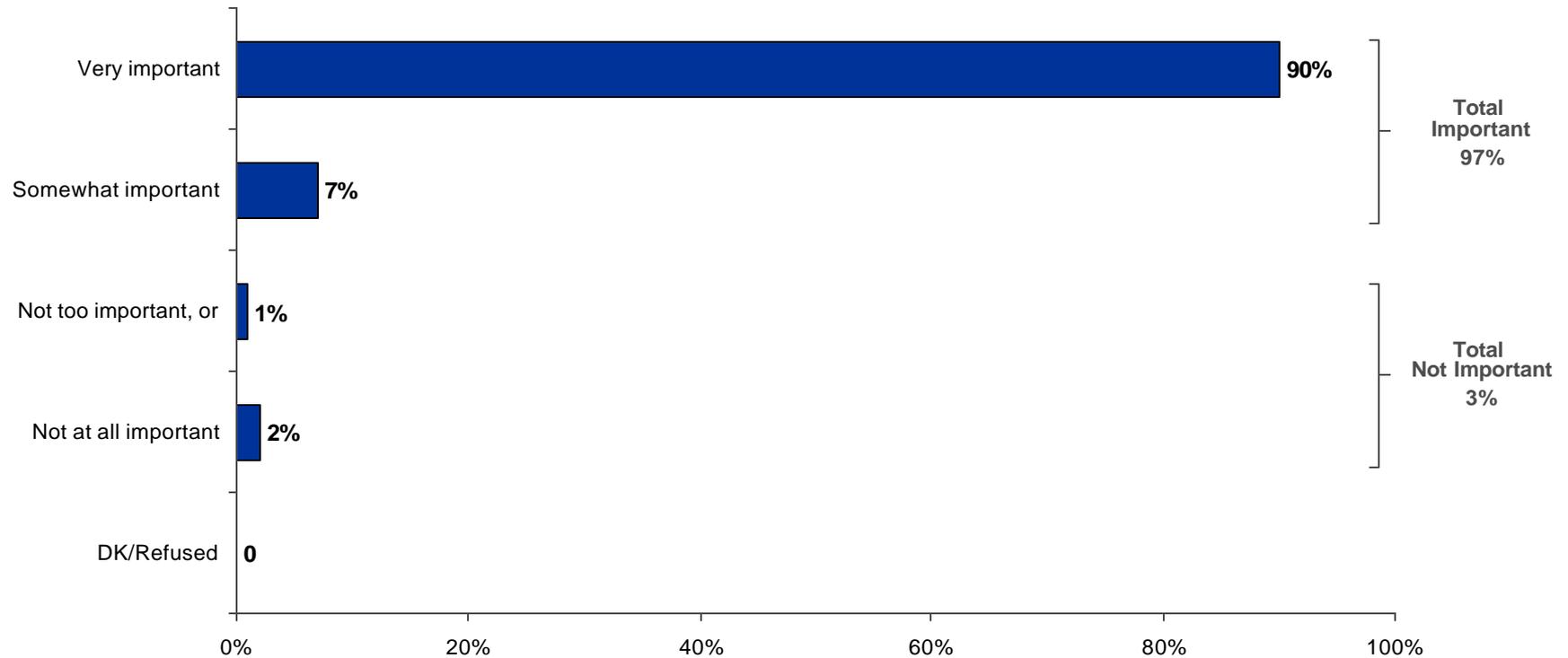
Base: All Qualified Respondents N = 1402

# Preference for Taxes Paid on Retirement Plan Savings



Q560 When saving for retirement through a company-sponsored retirement plan such as a 401(k) or similar plan, would you prefer to:  
Base: All Qualified Respondents **N = 1402**

# Importance of Benefits Offered: Health Insurance

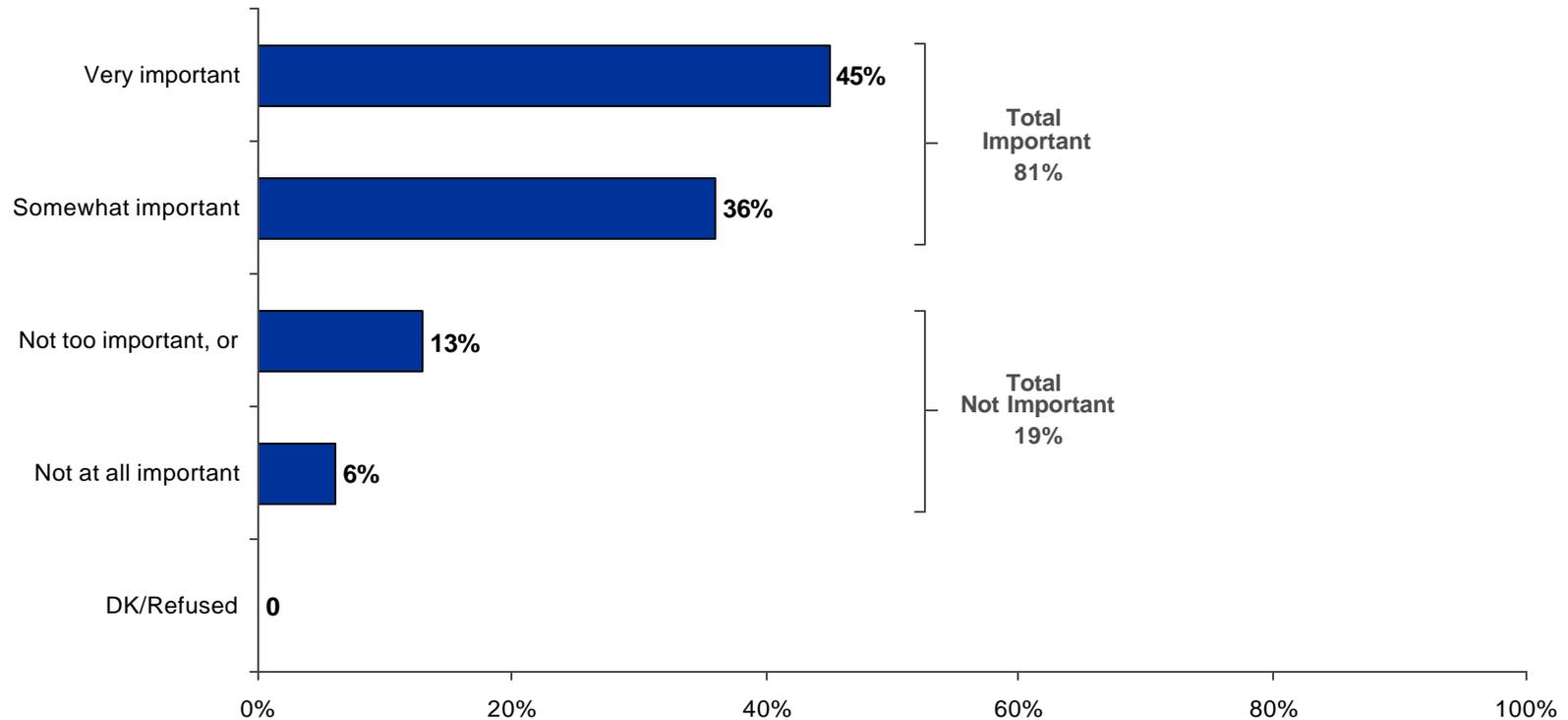


Q571\_1 Businesses typically offer a number of different benefits for their workers. For each of the following, please tell me how important that benefit is to you, personally. Would you say ...

1. Health insurance

Base: All Qualified Respondents N = 1402

# Importance of Benefits Offered: Life Insurance

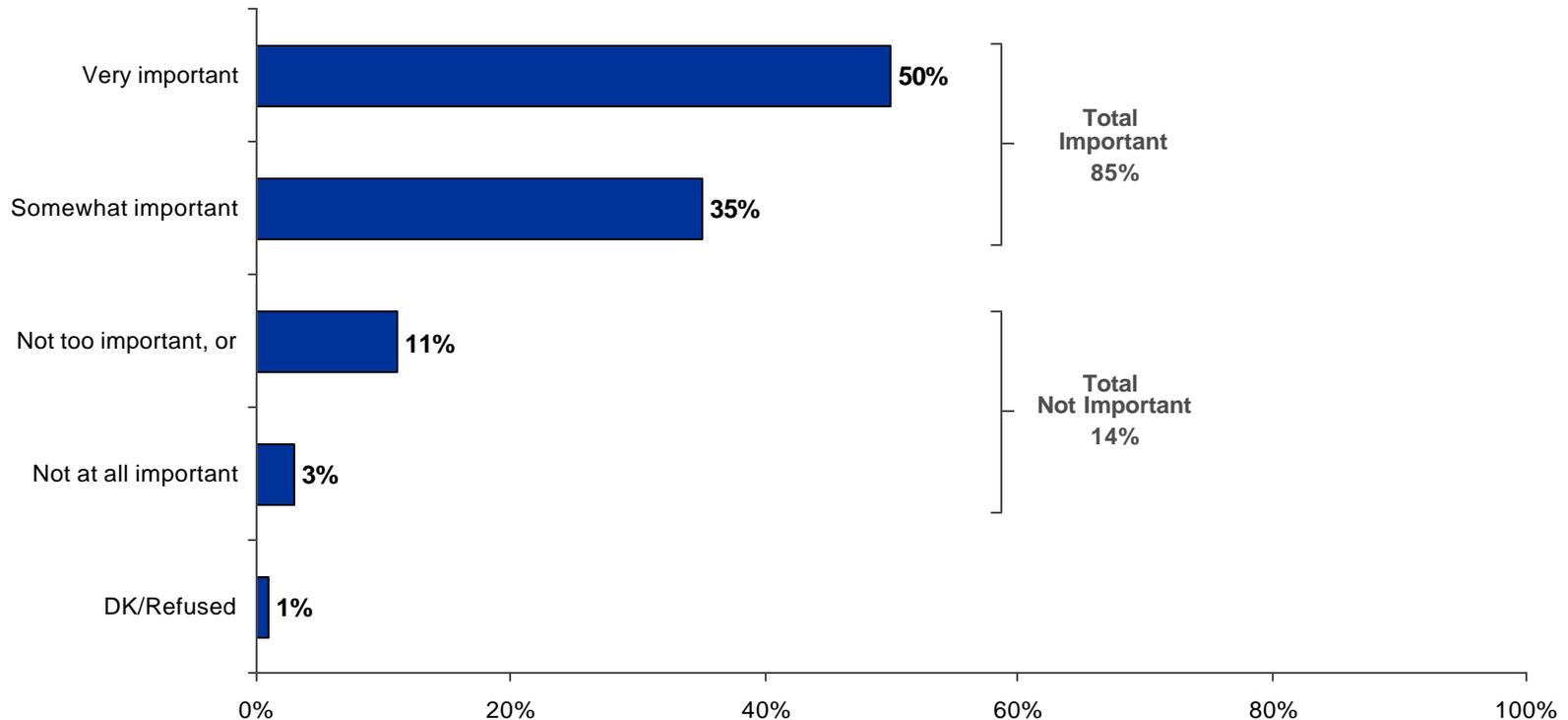


Q571\_2 Businesses typically offer a number of different benefits for their workers. For each of the following, please tell me how important that benefit is to you, personally. Would you say ...

2. Life insurance

Base: All Qualified Respondents N = 1402

# Importance of Benefits Offered: Disability Insurance

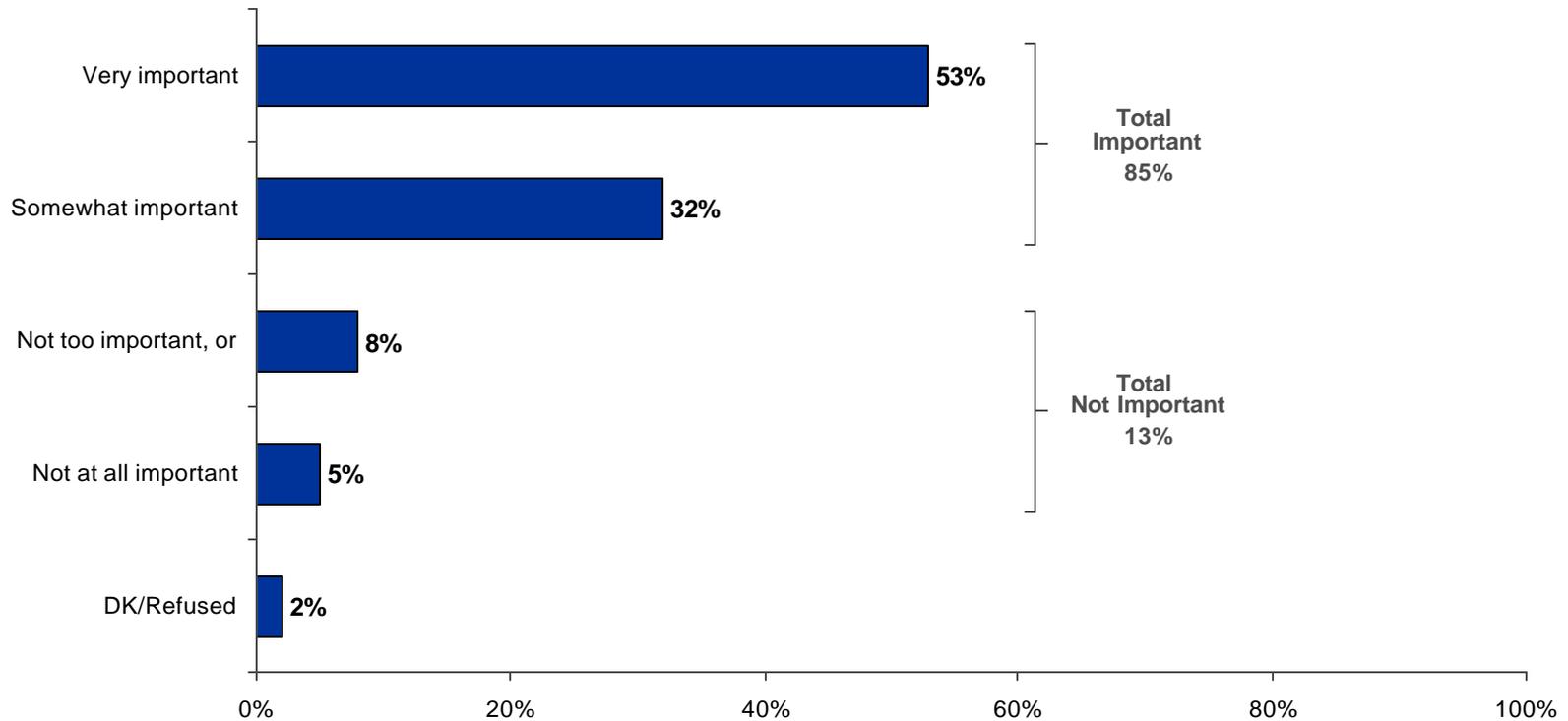


Q571\_3 Businesses typically offer a number of different benefits for their workers. For each of the following, please tell me how important that benefit is to you, personally. Would you say ...

3. Disability insurance

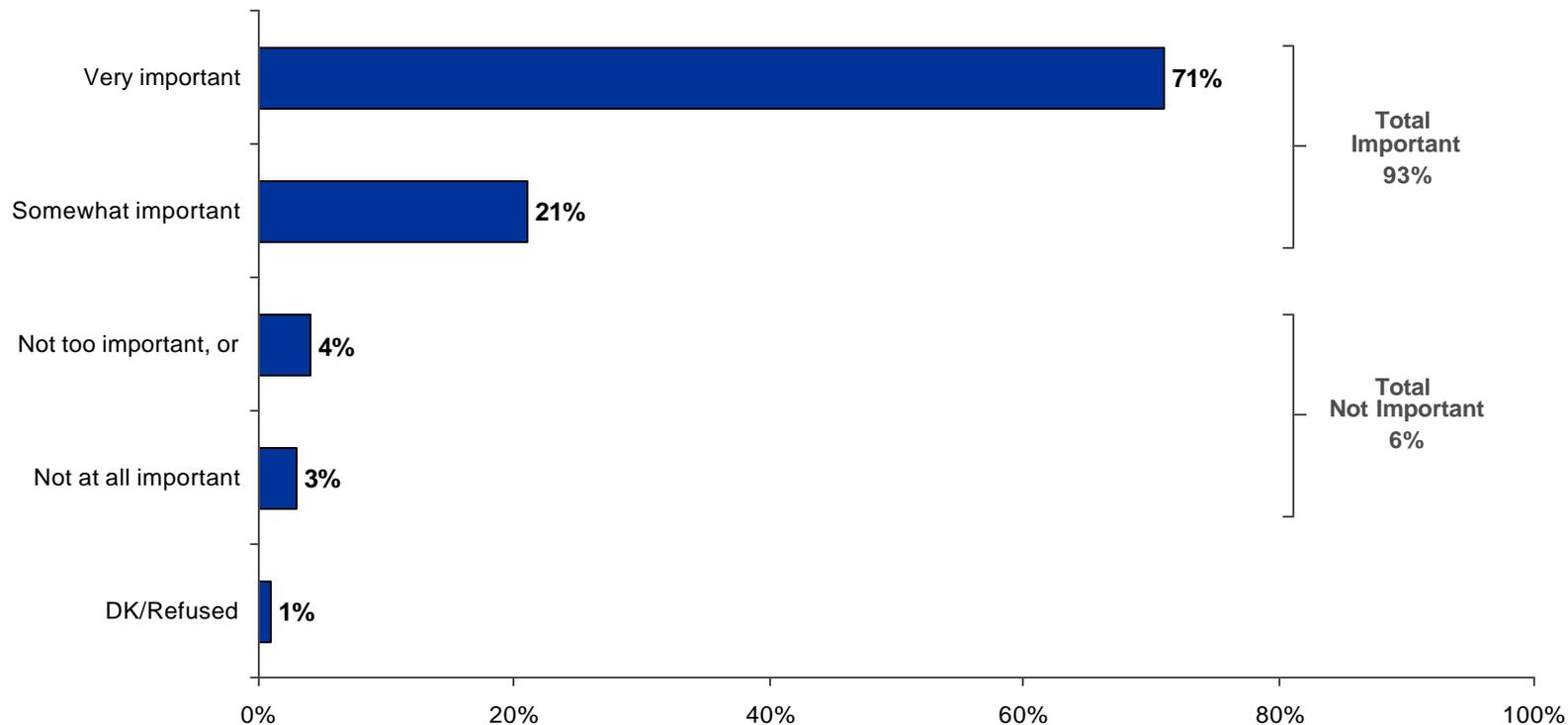
Base: All Qualified Respondents N = 1402

# Importance of Benefits Offered: Company-funded Defined Benefit Pension Plan



Q571\_4 Businesses typically offer a number of different benefits for their workers. For each of the following, please tell me how important that benefit is to you, personally. Would you say ...  
4. A company-funded defined-benefit pension plan  
Base: All Qualified Respondents

# Importance of Benefits Offered: 401(k) or Other Employee Self-Funded Plans

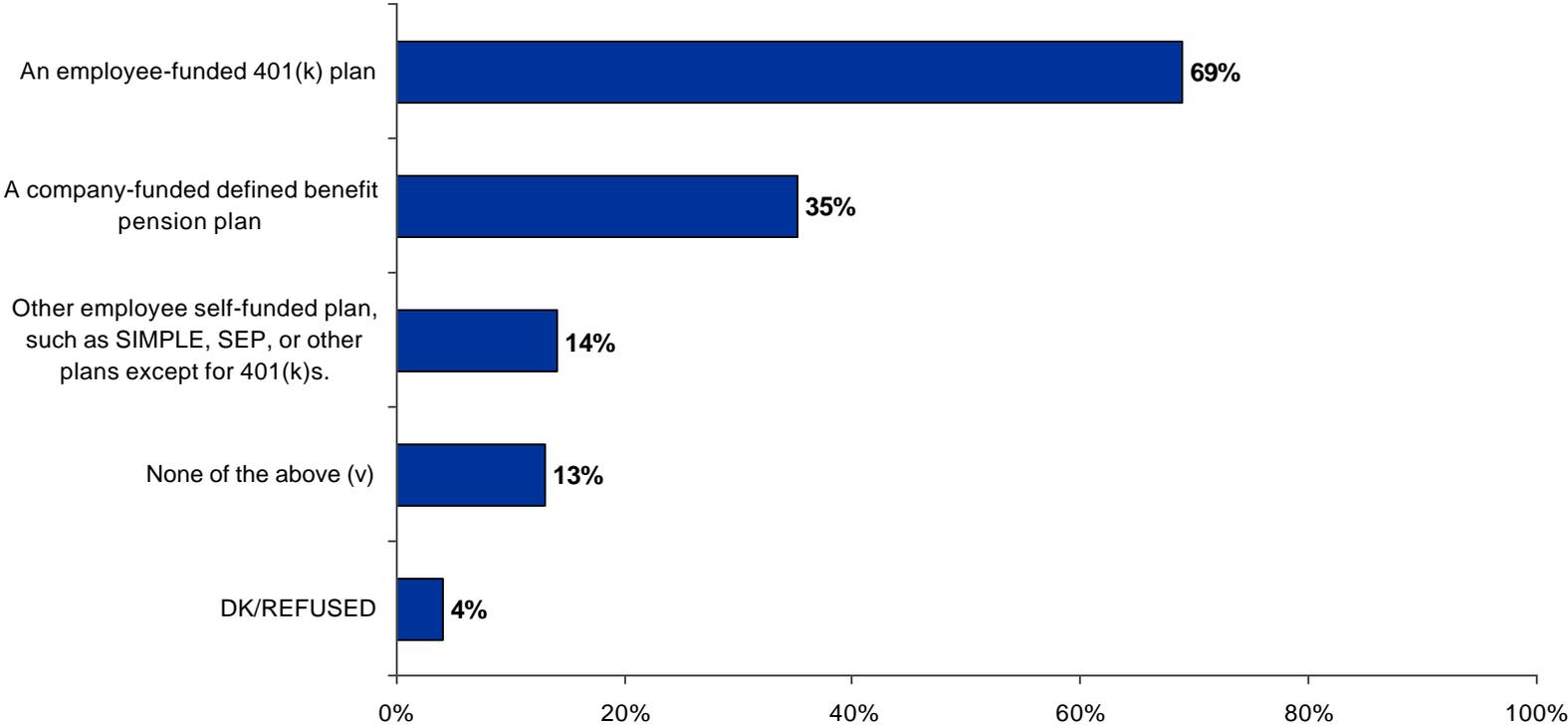


Q571\_5 Businesses typically offer a number of different benefits for their workers. For each of the following, please tell me how important that benefit is to you, personally. Would you say ...

5. A 401(k) or other employee self-funded plan

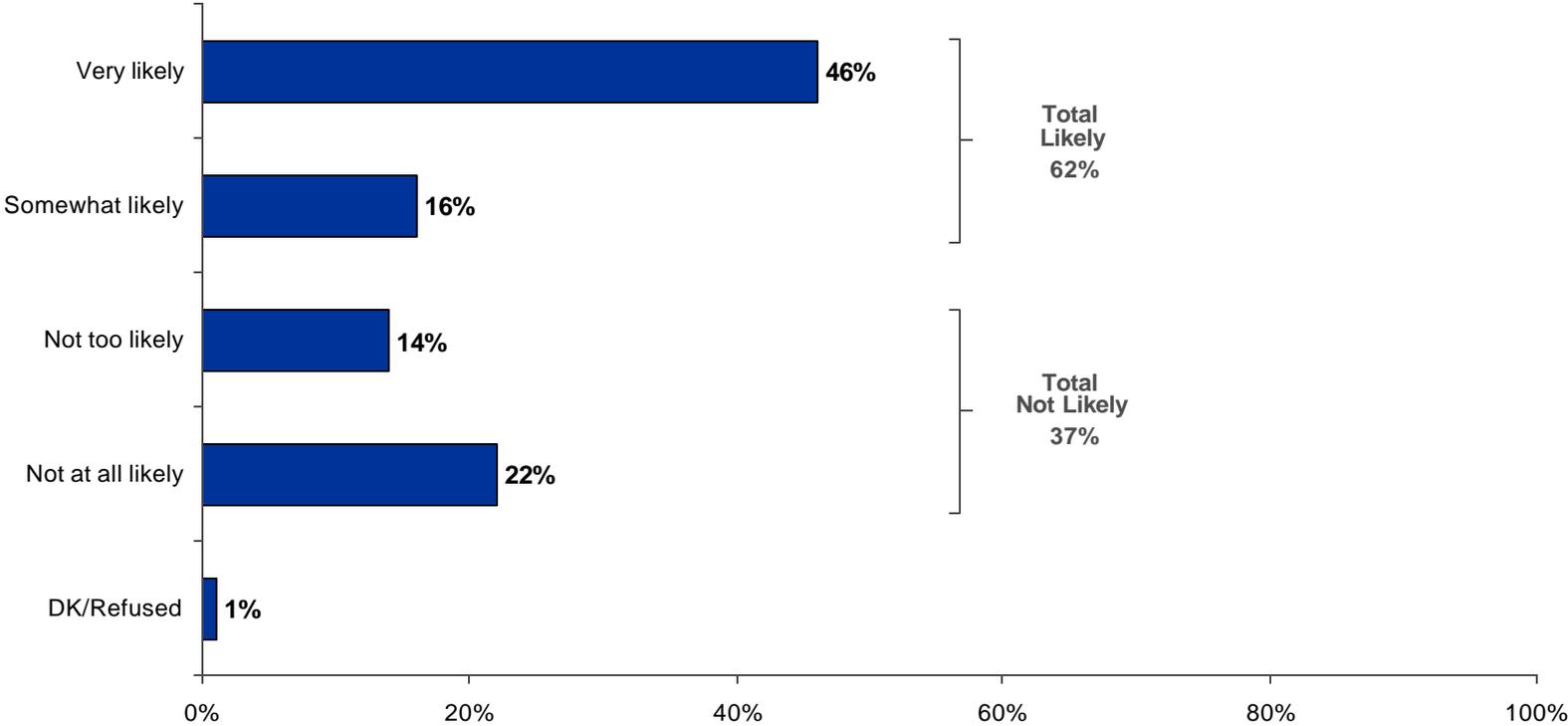
Base: All Qualified Respondents **N = 1402**

# Benefits Currently Offered



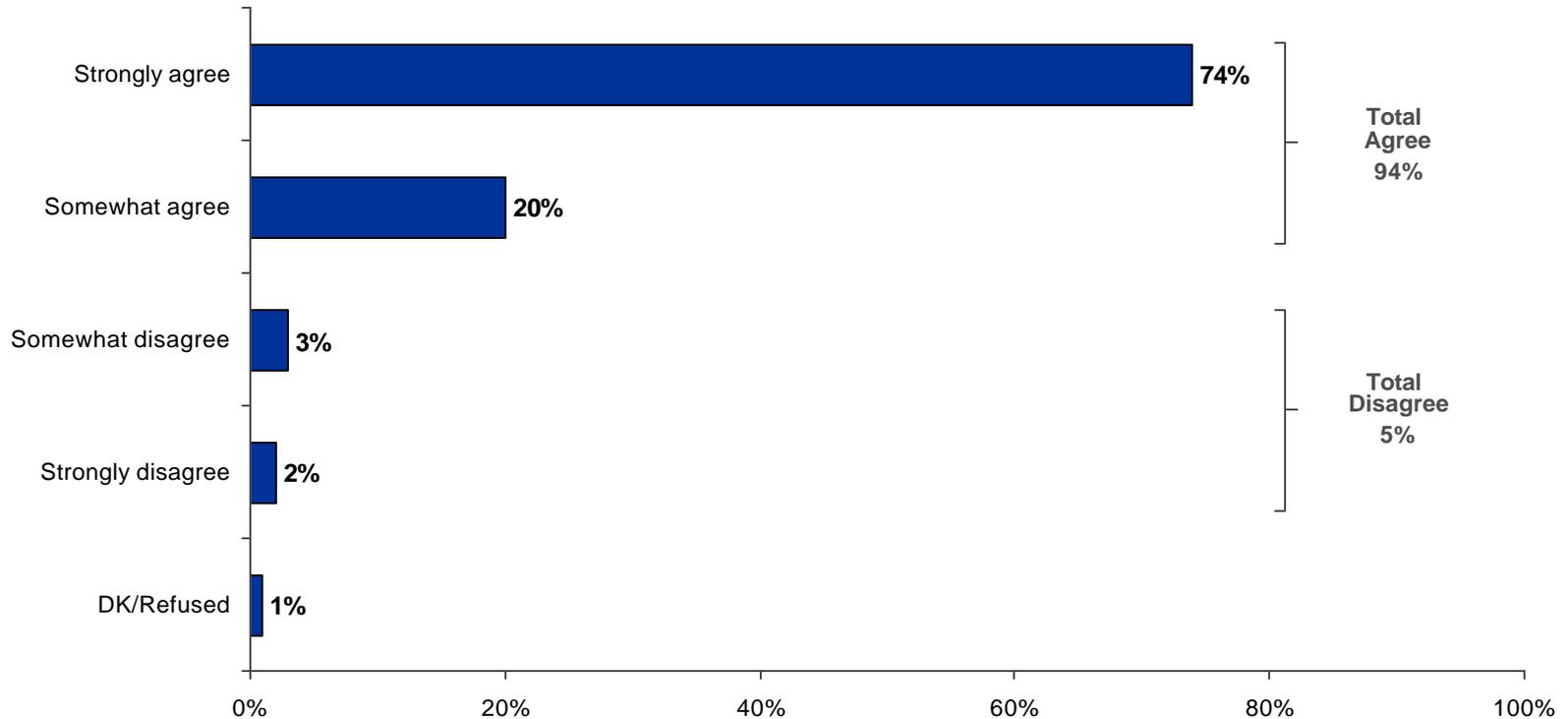
Q580 Which of the following retirement benefits does your company offer?  
Base: All Qualified Respondents N = 1402

# Likelihood of Switching to Company with Retirement Plan



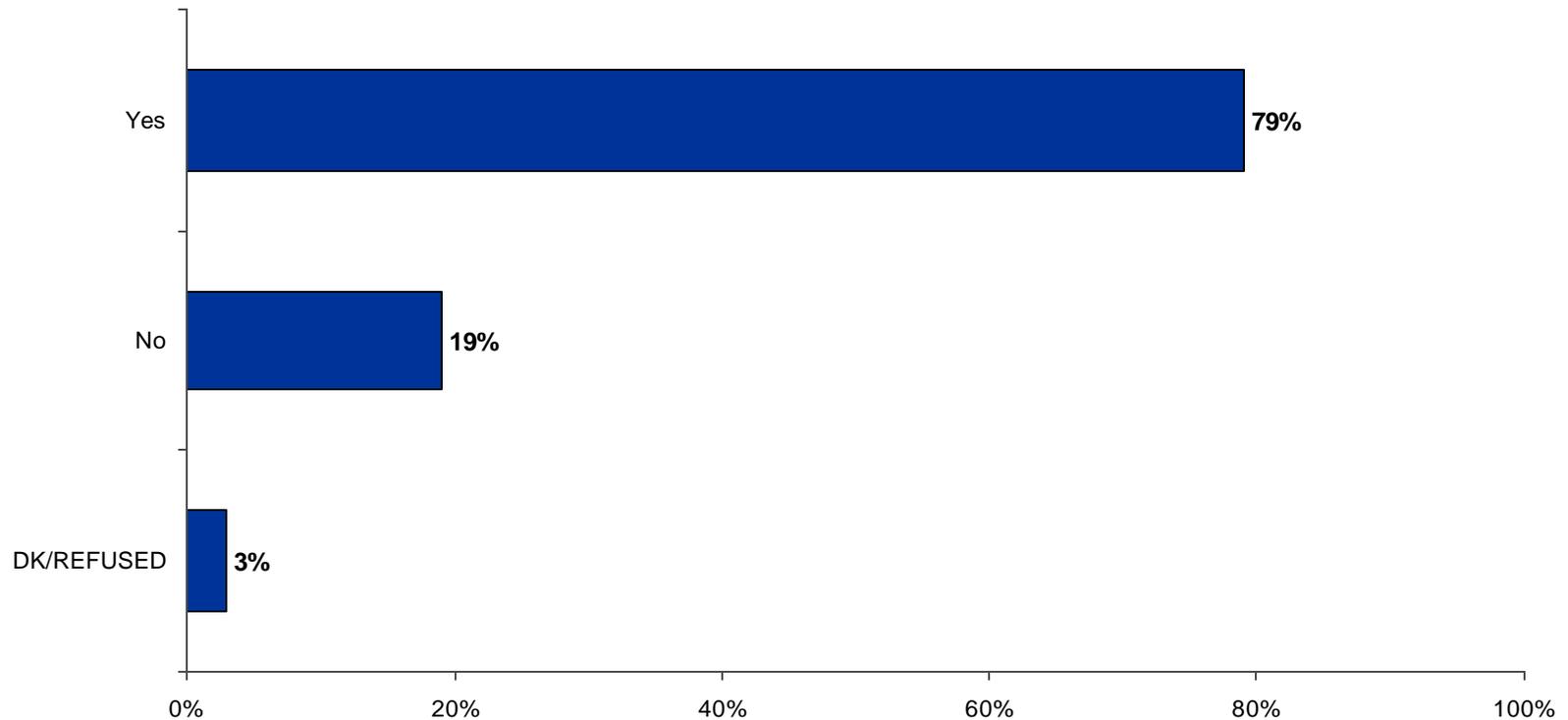
Q730 How likely would you be to leave your current employer to take a nearly identical job, with a similar employer, if that employer offered a retirement plan?  
Base: Employer Doesn't Offer Retirement Plan N = 171

# Importance of Matching Contribution



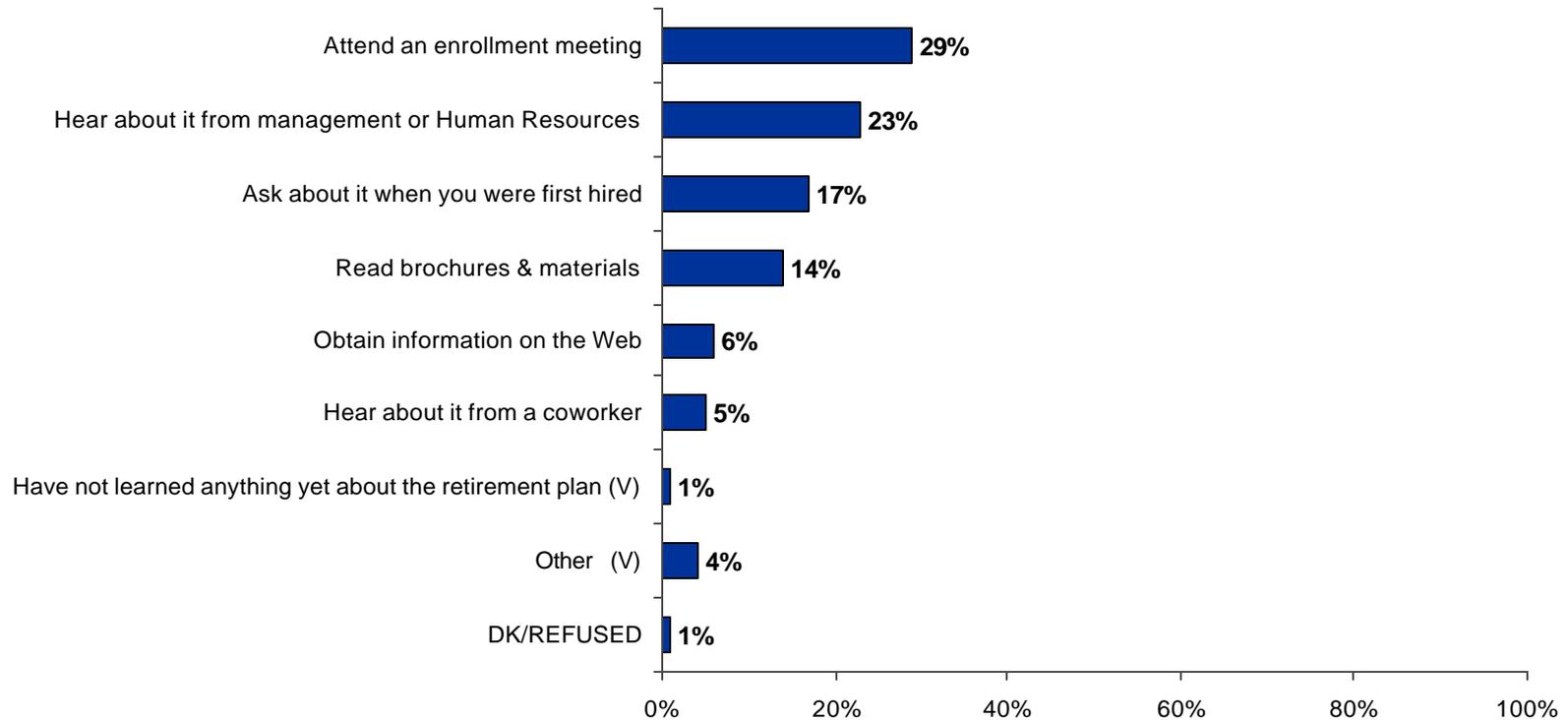
Q690 How important is it to you that the company you work for provides a matching contribution in their retirement savings plan?  
Base: Those With Qualified Plans At Their Company **N = 1057**

# Matching Contribution Offered



Q630 Does your company offer a matching contribution as part of its 401(k) or other company-sponsored retirement plan?  
Base: Those With Qualified Plans At Their Company **N = 1057**

# Sources of Information about Retirement Plan



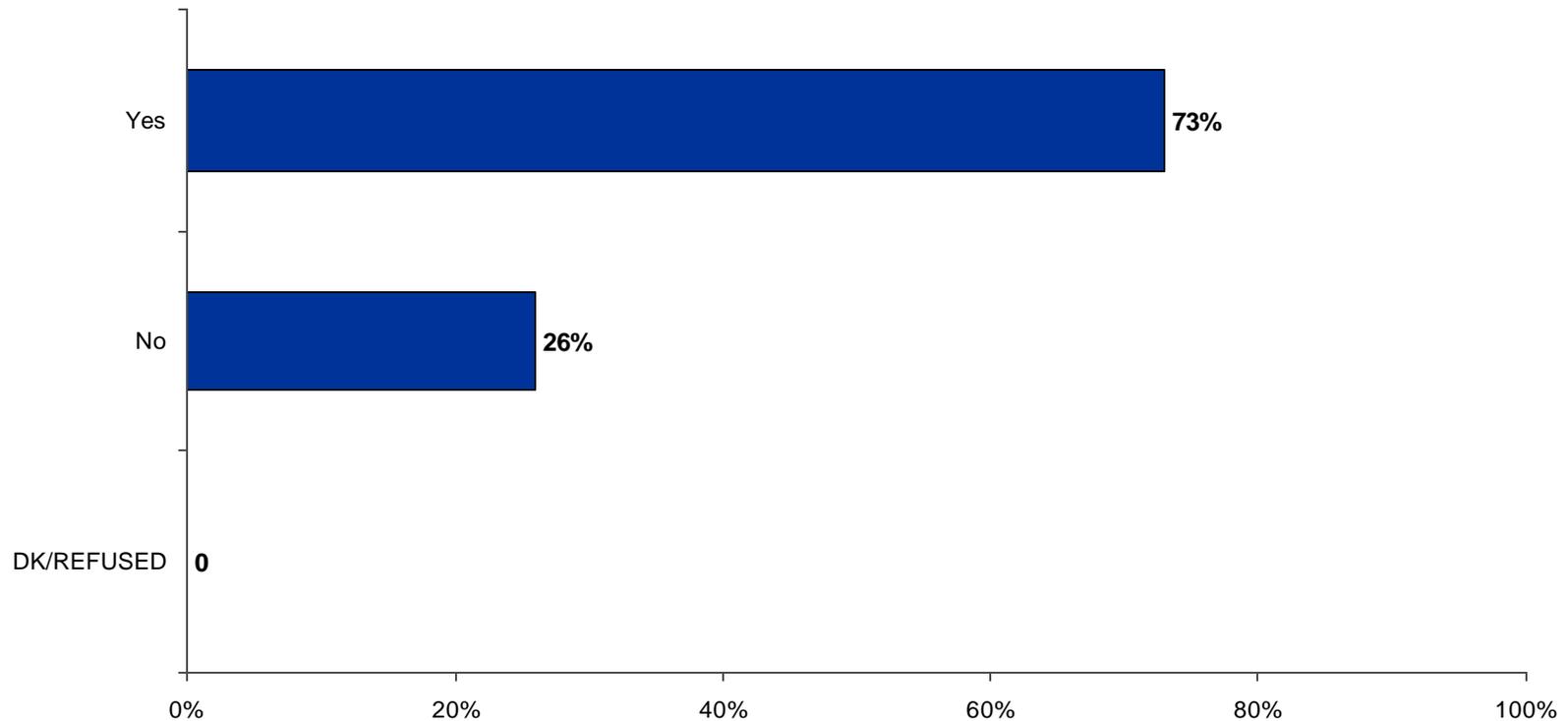
Q610 Where did you learn the most about your company's retirement plan?

Did you...

Base: Those With Qualified Plans At Their Company

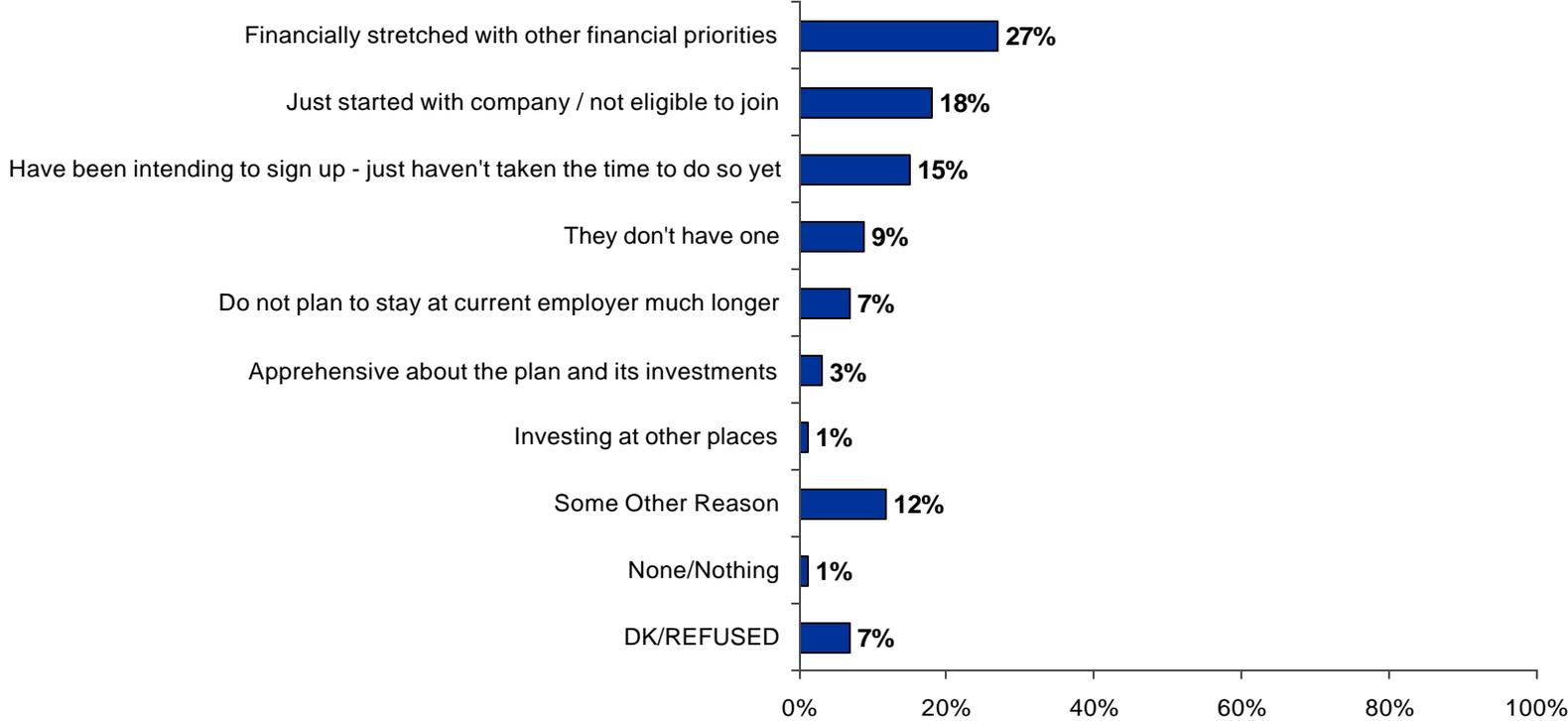
**N = 1057**

# Currently Participate or Have Money Invested in Company's Retirement Plan



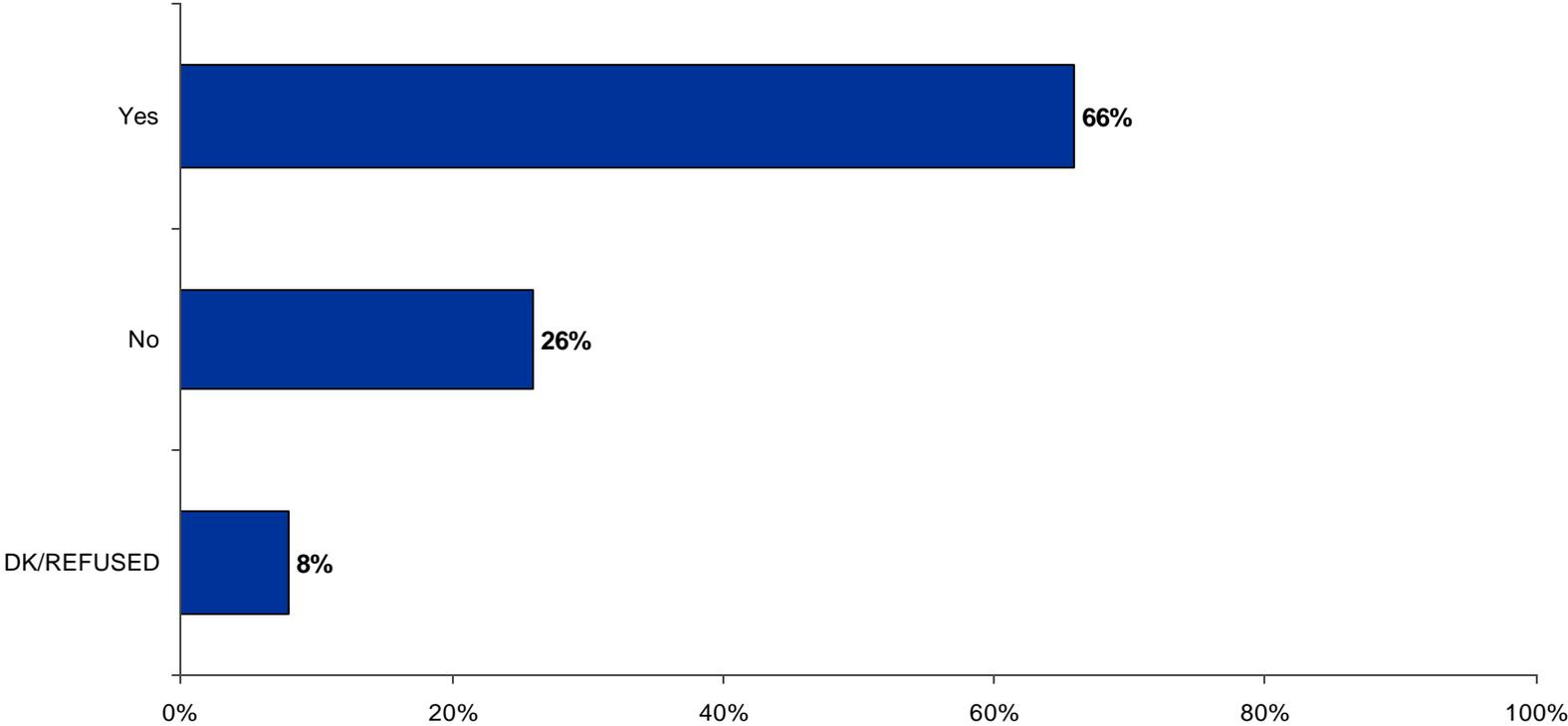
Q590 Do you currently participate in, or have money invested in your company's employee-funded retirement savings plan?  
Base: Those With Qualified Plans At Their Company **N = 1057**

# Reasons for Not Currently Participating in Plan



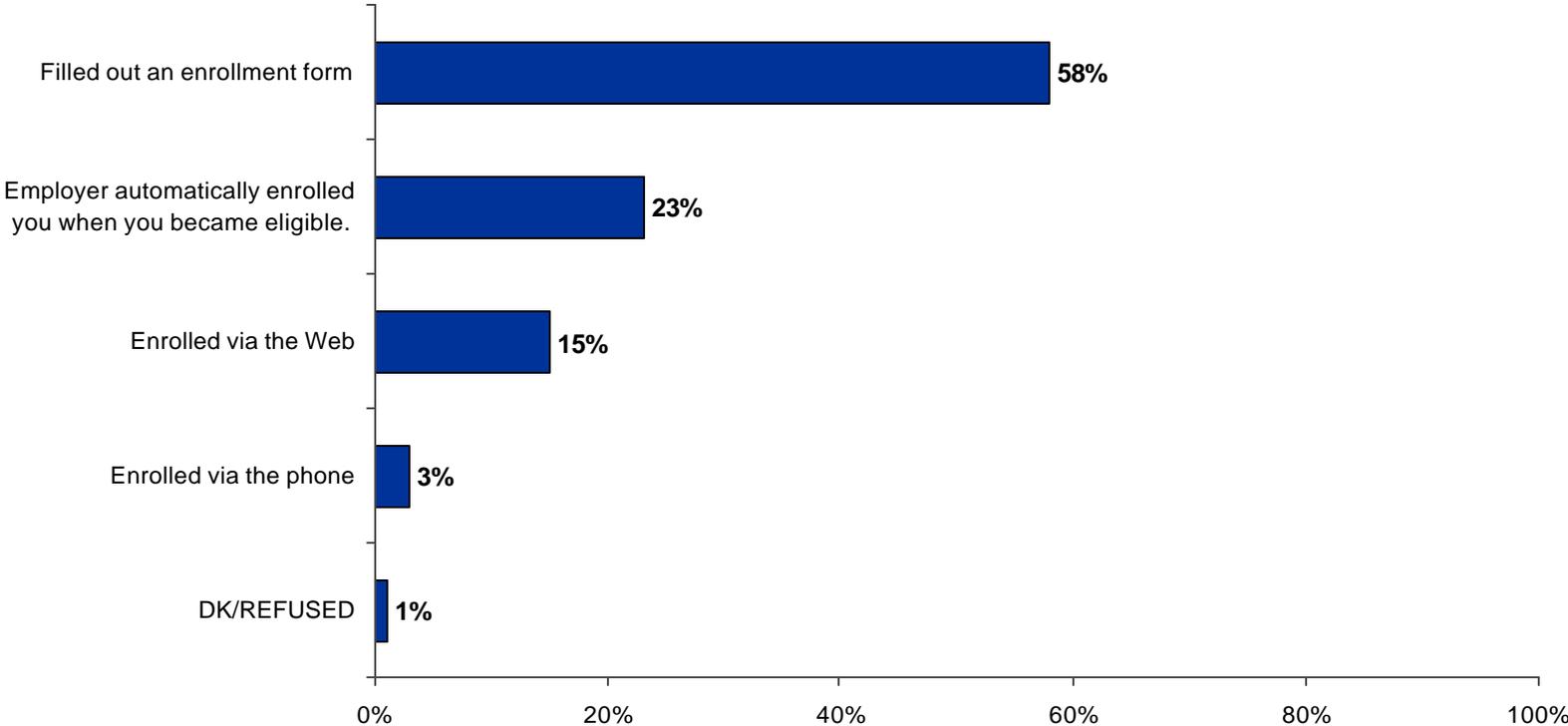
Q670 Which of the following is the main reason you are not currently participating in your company's retirement plan?  
Base: Not Currently Contributing To Plan N = 256

# Plan Participation in the Future



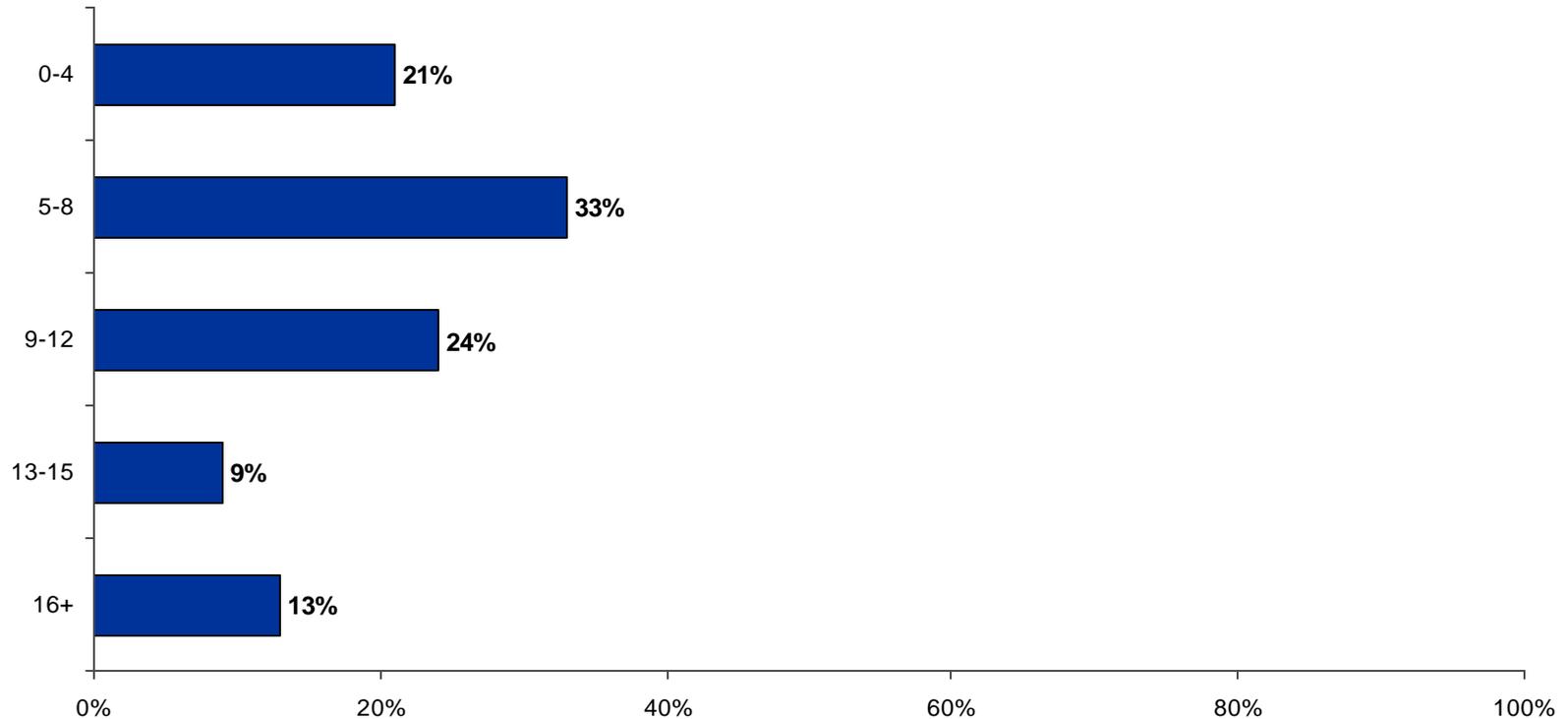
Q680 Do you think you will participate in your company's retirement savings plan in the future?  
Base: Not Currently Contributing To Plan **N = 256**

# Enrollment Method



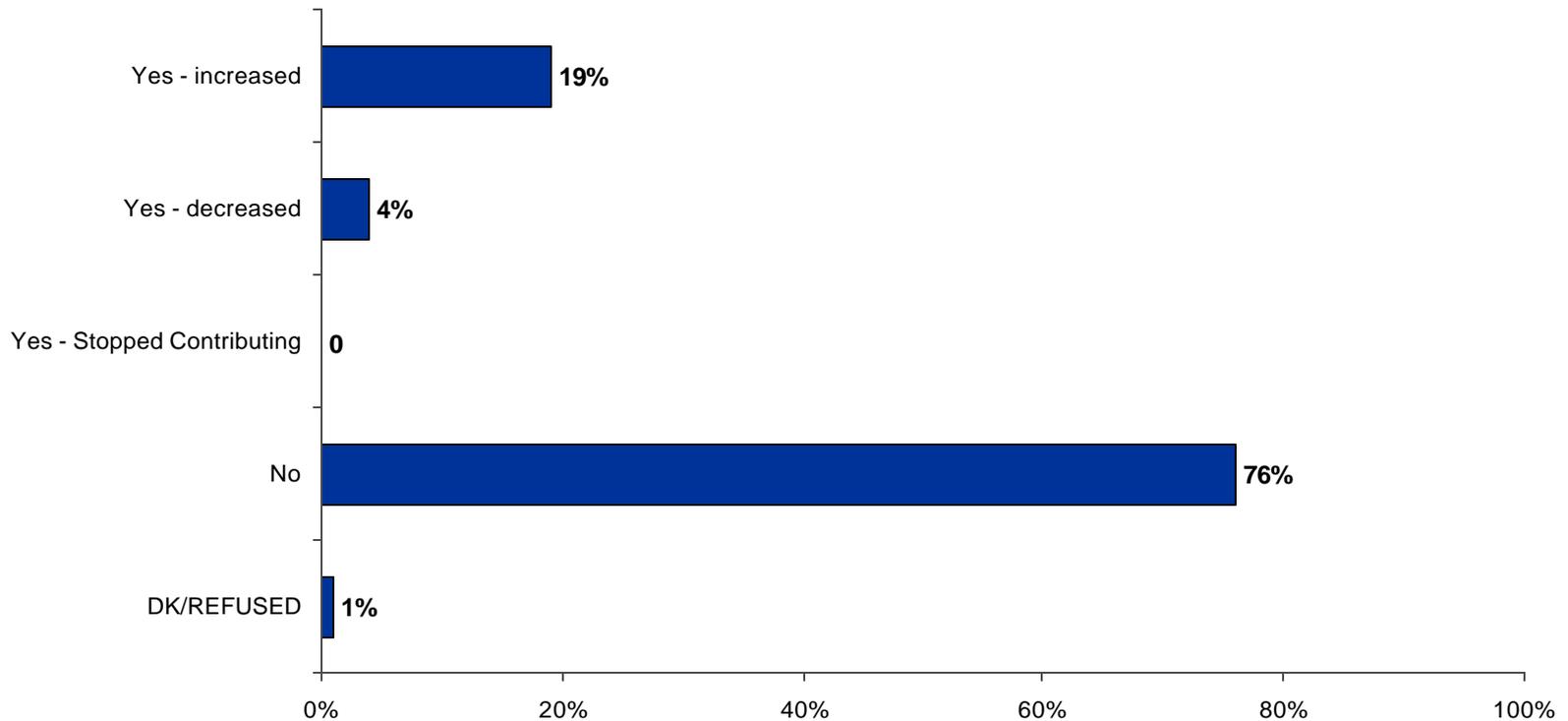
Q620 How did you go about enrolling in your company's retirement plan?  
Base: Those Currently Participating In Their Qualified Plan **N = 797**

# Percentage of Salary Toward Retirement This Year



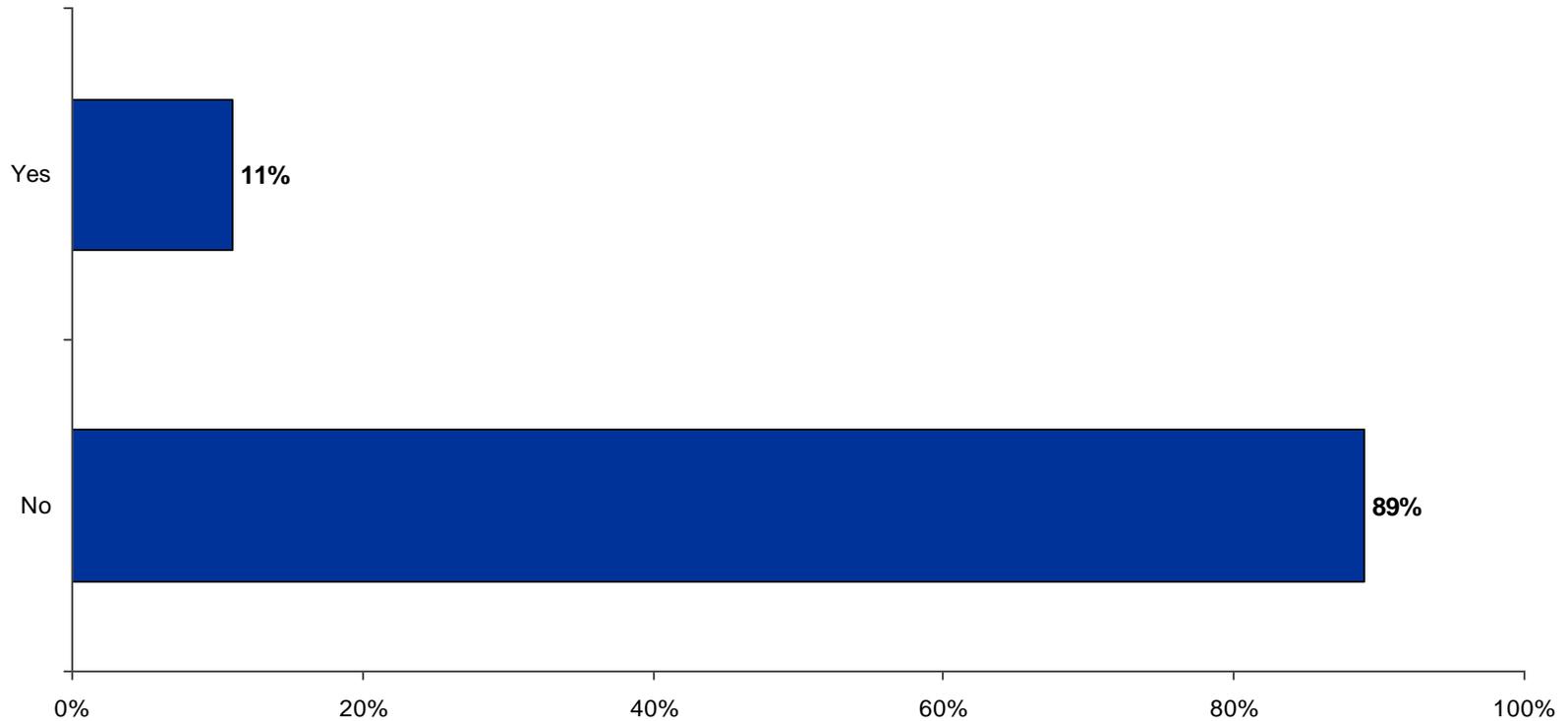
Q600 What percentage of your salary are you saving for retirement through your company-sponsored plan this year?  
Base: Those Currently Participating In Their Qualified Plan **N = 797**

# Changed Percentage of Contribution in Past 12 Months



Q640 Have you changed the percentage of your income you put into your retirement savings plan in the last twelve months?  
Base: Those Currently Participating In Their Qualified Plan **N = 797**

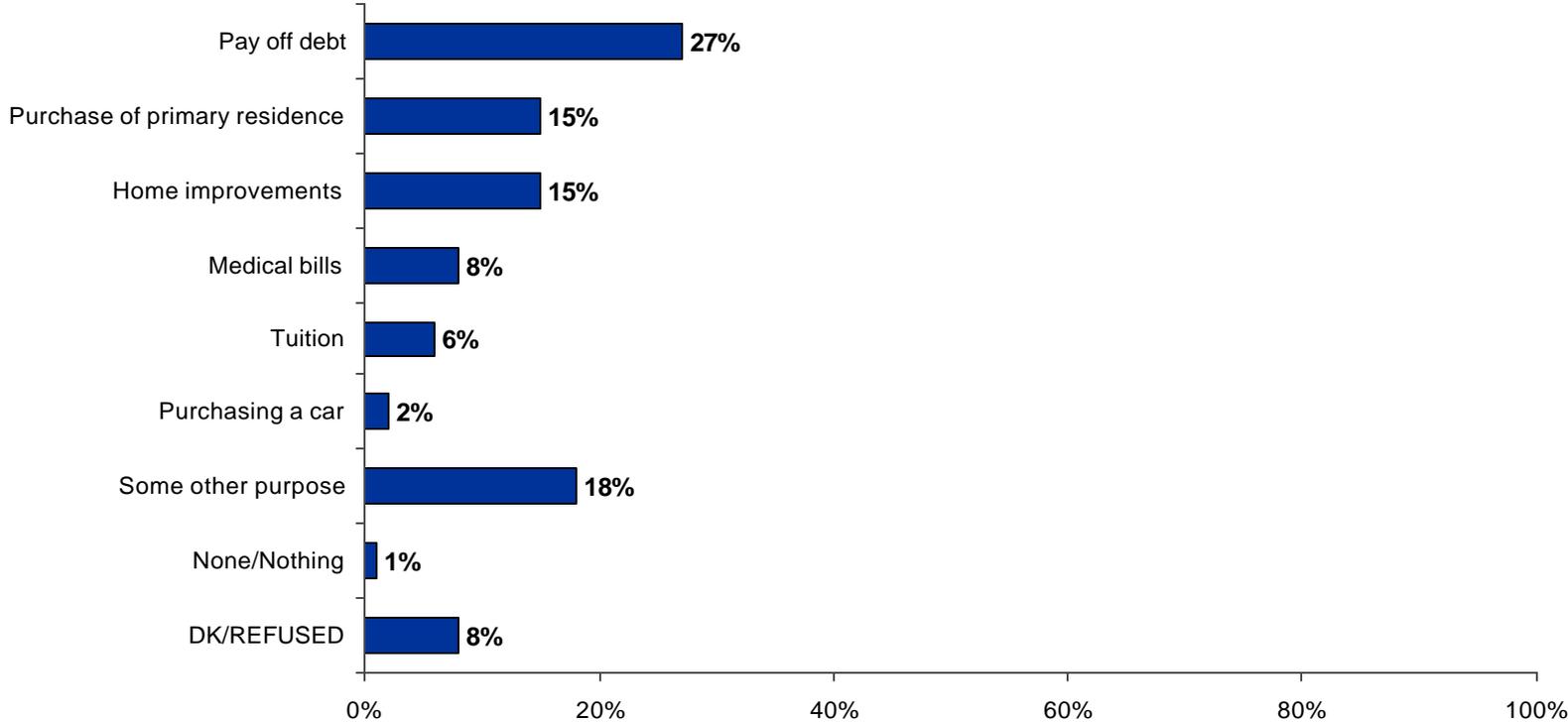
# Taken Loan from Retirement Plan



Q650 Have you taken out a loan from your retirement plan?  
Base: Those Currently Participating In Their Qualified Plan

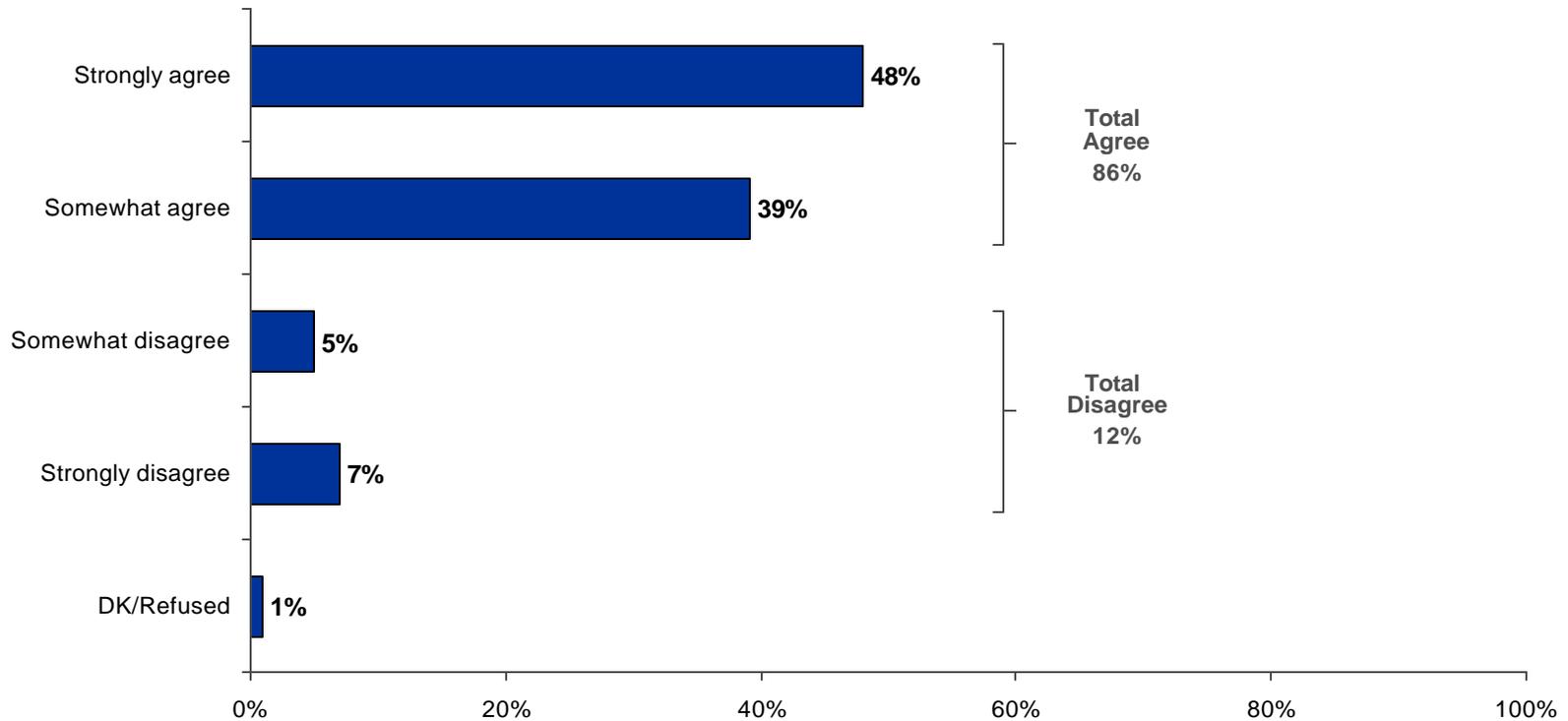
**N = 797**

# Reason for Taking Loan



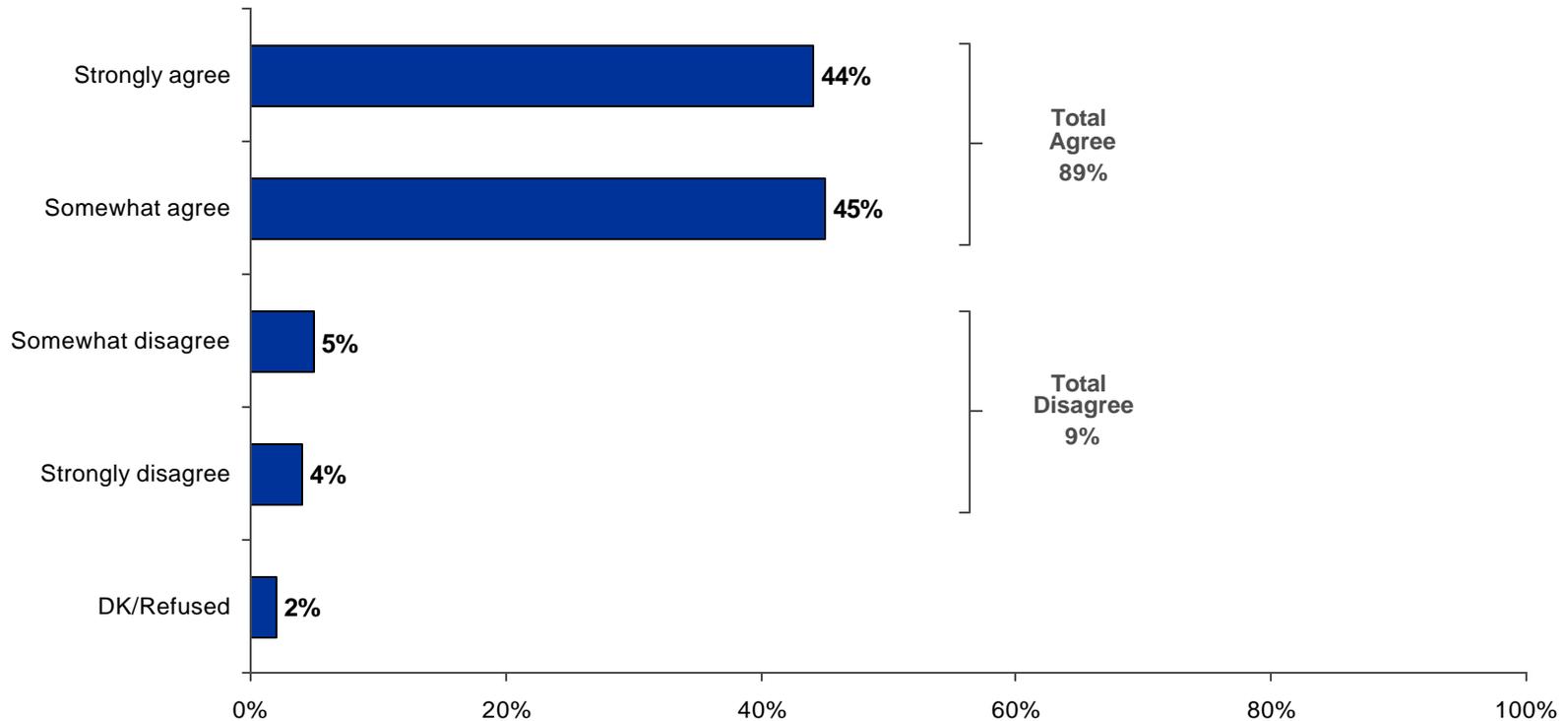
Q660 For what purpose did you take out a loan?  
Base: Have Taken Out Loan N = 89

# Statement Agreement: Satisfied with Retirement Plan



Q720 For the following statement, please give level of agreement.  
I am satisfied with the retirement plan my company offers.  
Base: Those With Qualified Plans At Their Company **N = 1057**

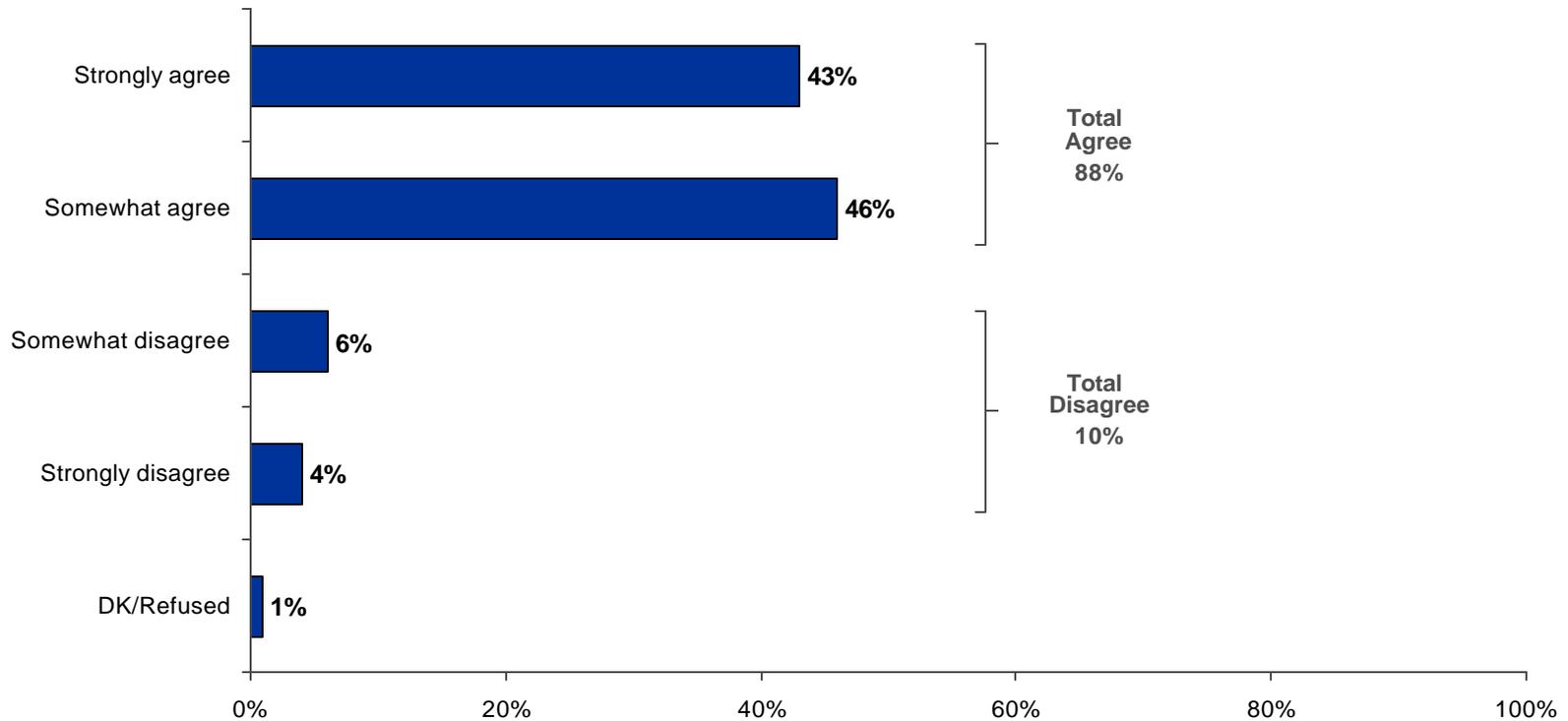
# Statement Agreement: Satisfied with Number of Options



Q700 For the following statement, please give level of agreement.  
I am satisfied with the number of investment options available  
to me within the retirement plan.

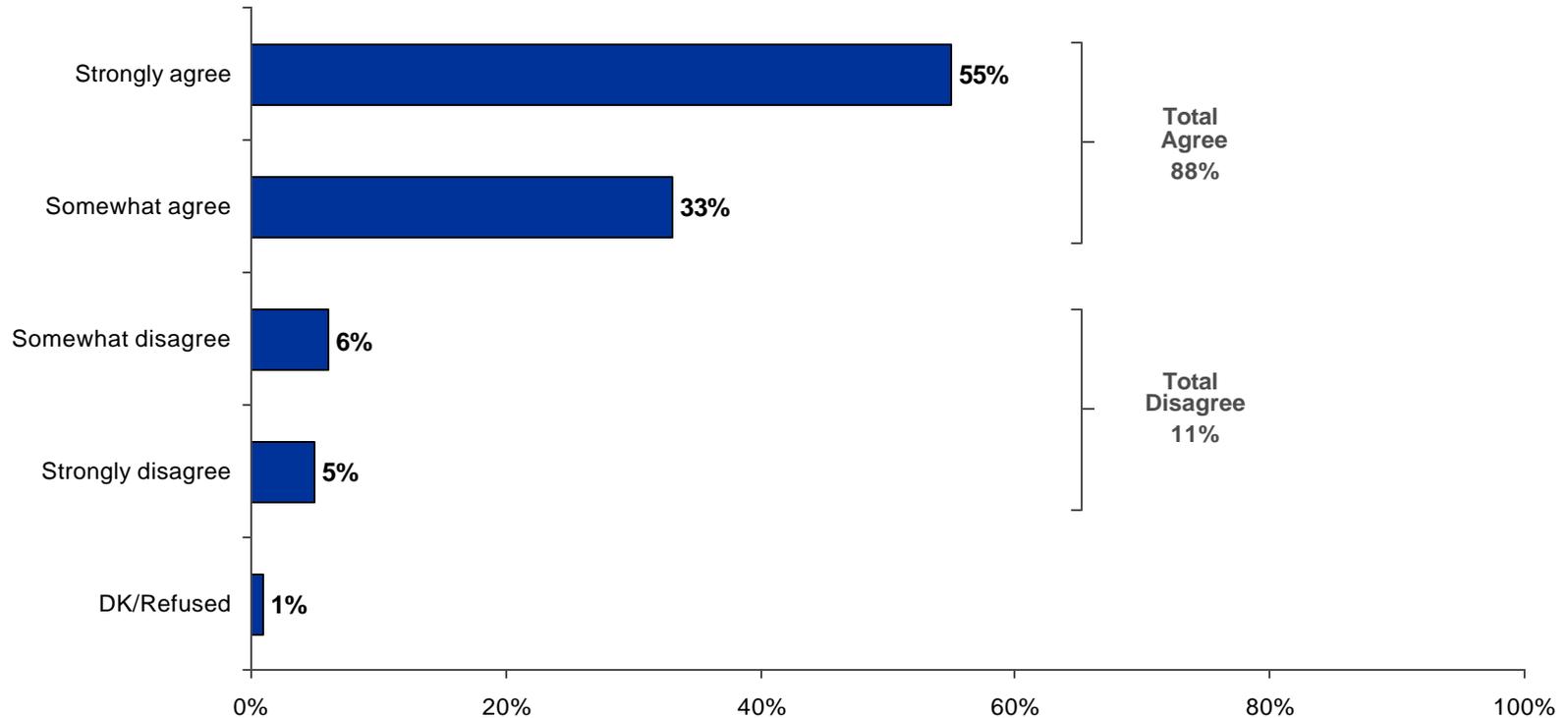
Base: Those With Qualified Plans At Their Company **N = 1057**

# Statement Agreement: Satisfied with Quality of Options



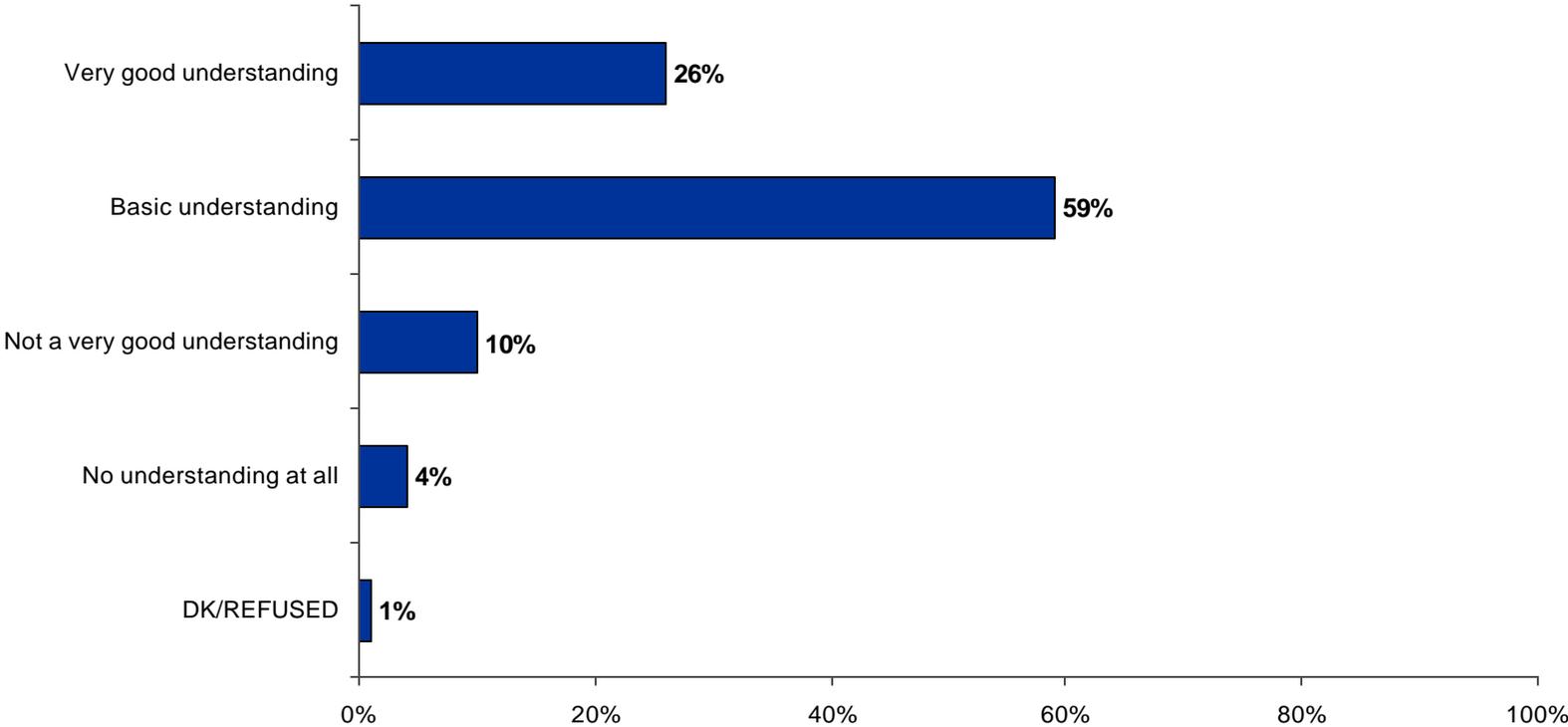
Q705 For the following statement, please give level of agreement.  
I am satisfied with the quality of investment options available  
to me within the retirement plan.  
Base: Those With Qualified Plans At Their Company **N = 1057**

# Statement Agreement: Gives Right Information



Q710 For the following statement, please give level of agreement.  
My company gives me the right information I need to make  
decisions about the retirement plan.  
Base: Those With Qualified Plans At Their Company **N = 1057**

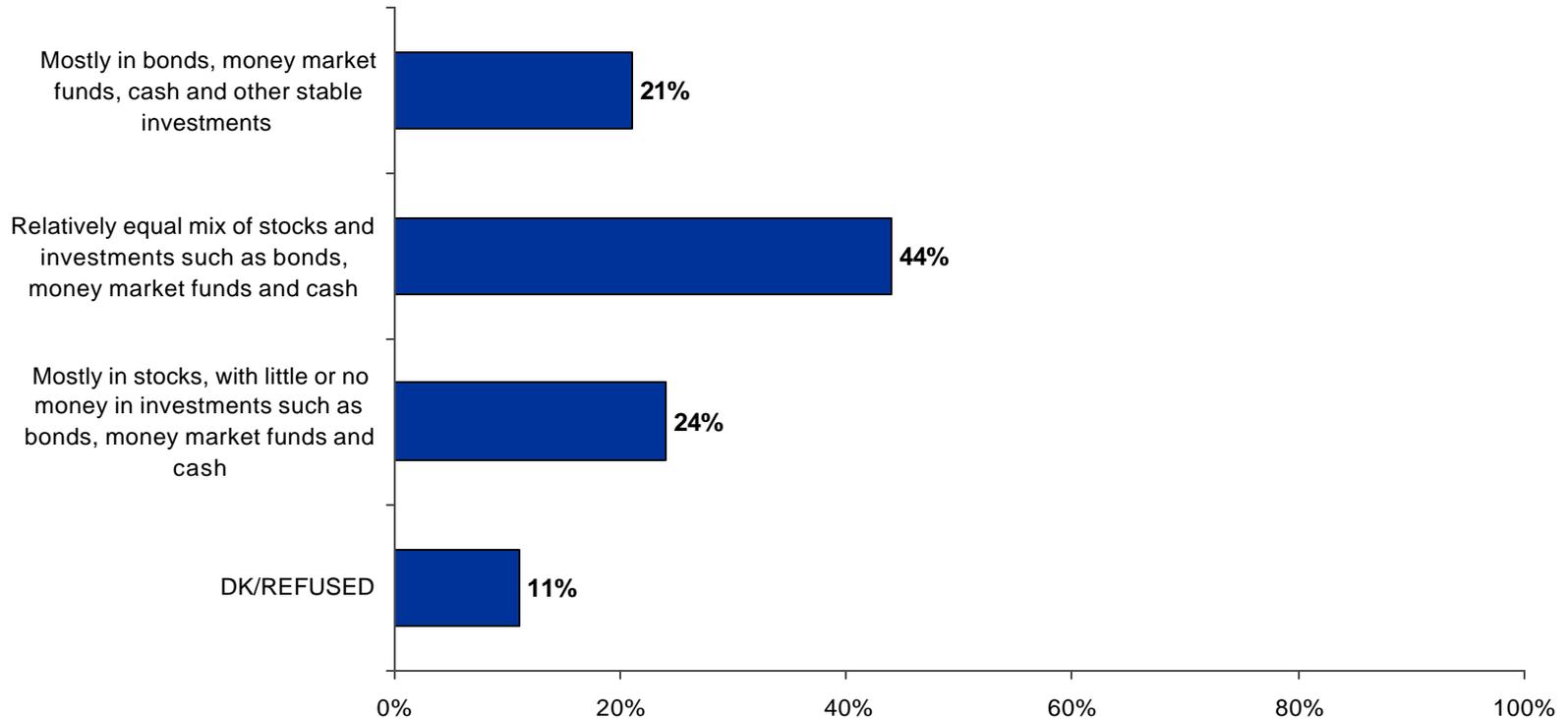
# Level of Understanding Asset Allocation



Q760 Regarding asset allocation principles as they relate to retirement investing, would you say you have a... ?  
Base: All Qualified Respondents

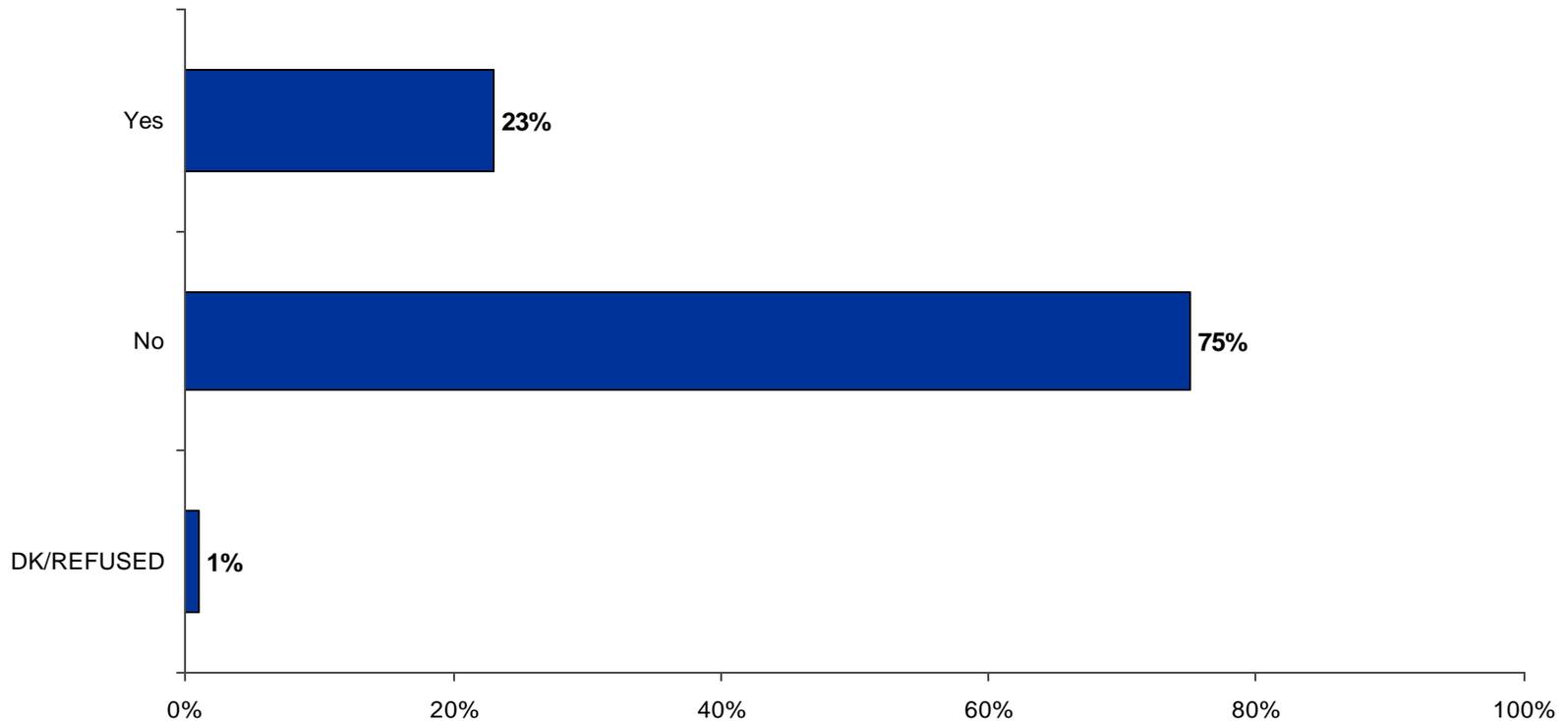
**N = 1402**

# Current Retirement Savings Allocation



Q770 How is your retirement savings invested?  
Base: Investing For Retirement N = 1141

# Changed Asset Allocation/ Rebalanced in Past 12 Months

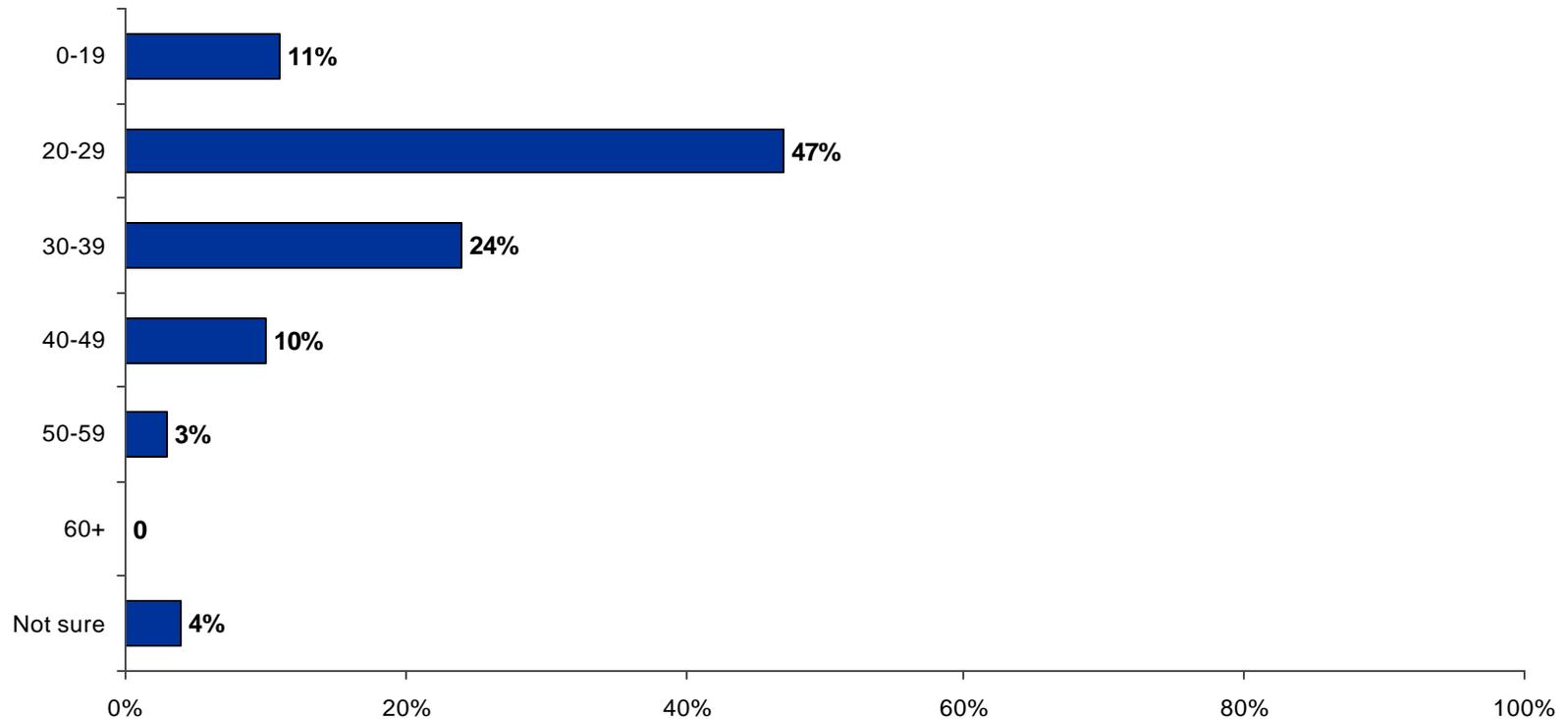


Q780 Have you changed your asset allocation or rebalanced your retirement savings investments in the last 12 months?

Base: Investing For Retirement

**N = 1141**

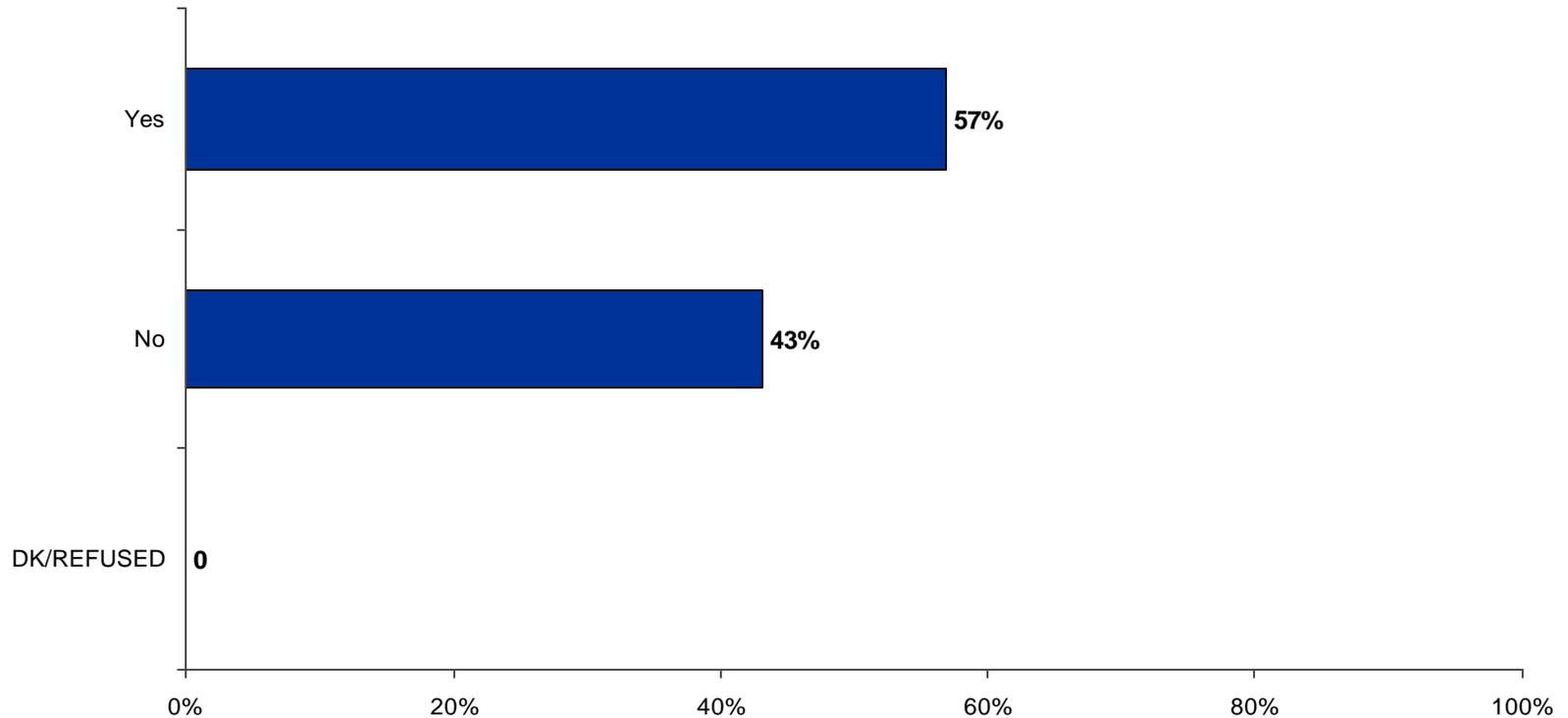
# Age Started Saving for Retirement



Q790 At what age did you first start saving for retirement?  
Base: Investing For Retirement

**N = 1141**

# Currently Saving for Retirement Outside of Work

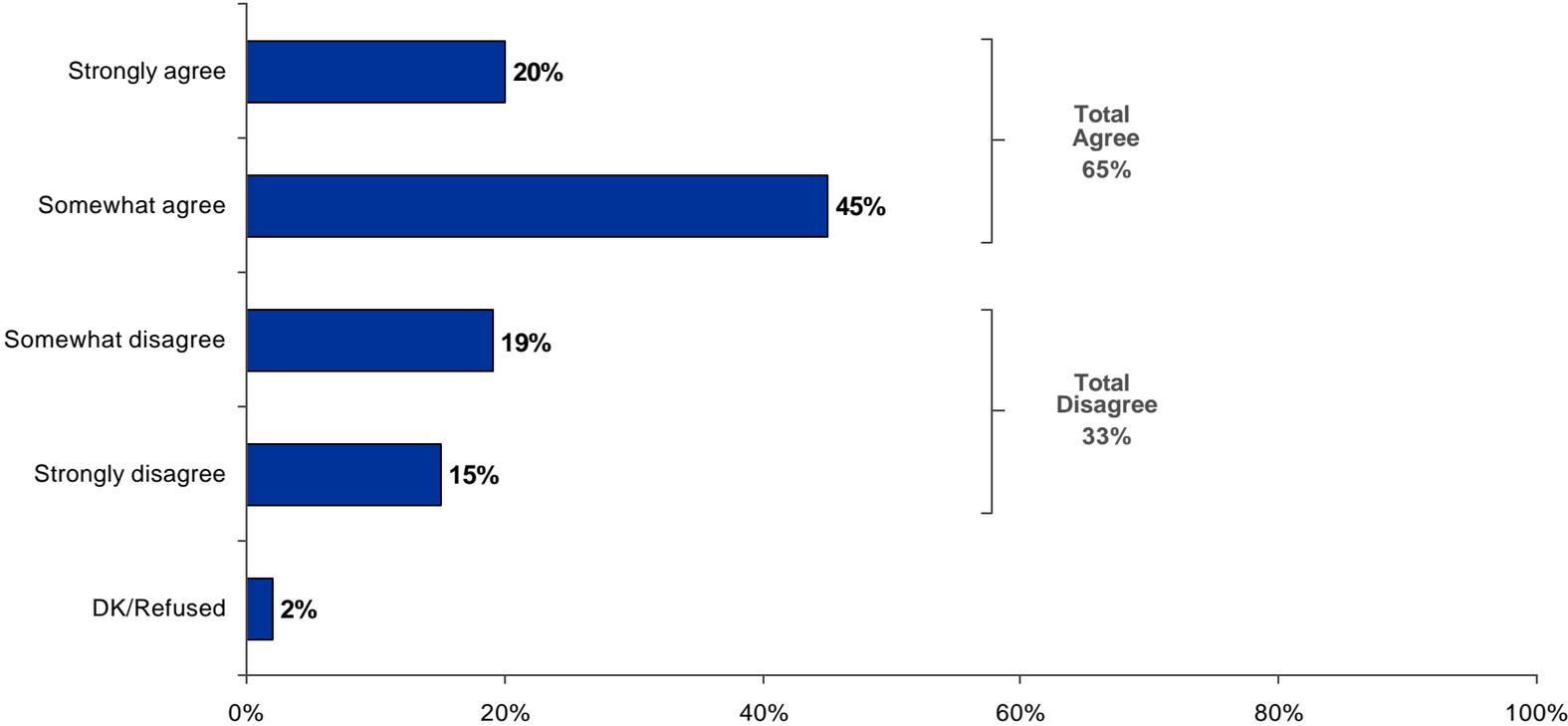


Q740 Are you currently saving for retirement outside of work, such as in an IRA, mutual funds, bank account, etc.?

Base: All Qualified Respondents

**N = 1042**

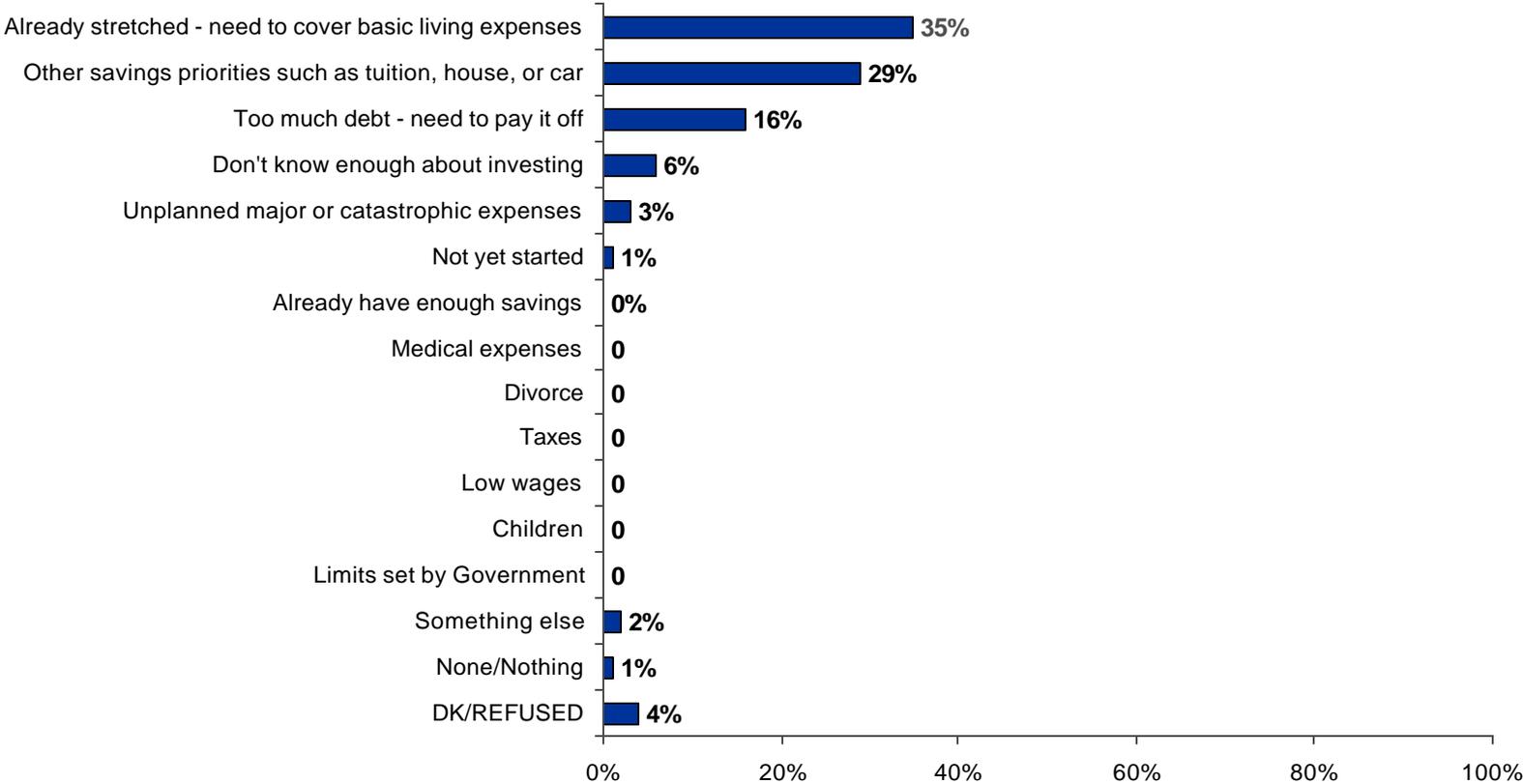
# Level of Agreement: Currently Building a Large Enough Retirement Nest Egg



Q800 How much do you agree or disagree that you are currently building a large enough retirement nest egg?  
Base: All Qualified Respondents

**N = 1402**

# Major Obstacle to Saving More for Retirement

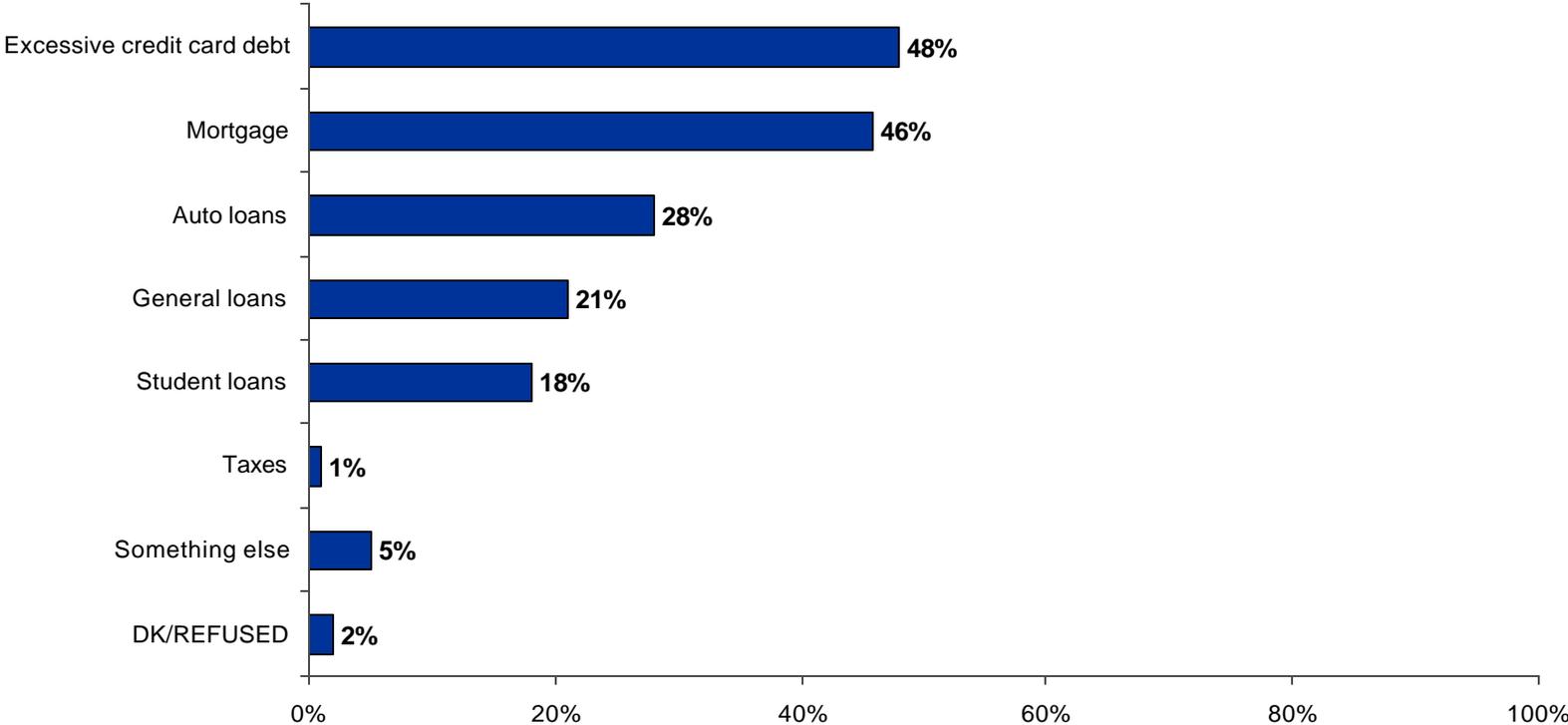


Q810 What one factor or financial priority is most preventing you from saving more for your retirement?

Base: All Qualified Respondents

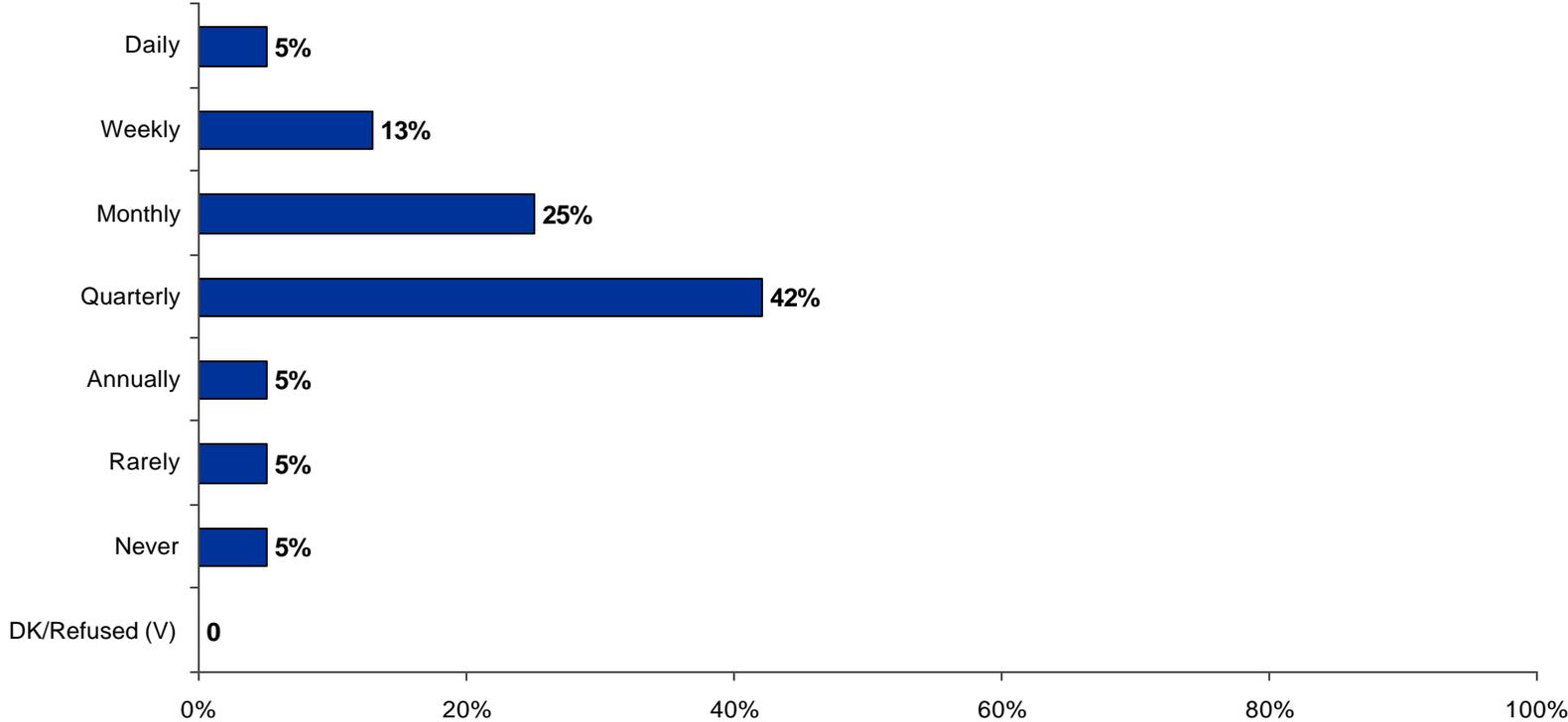
N = 1402

# Nature of Debt



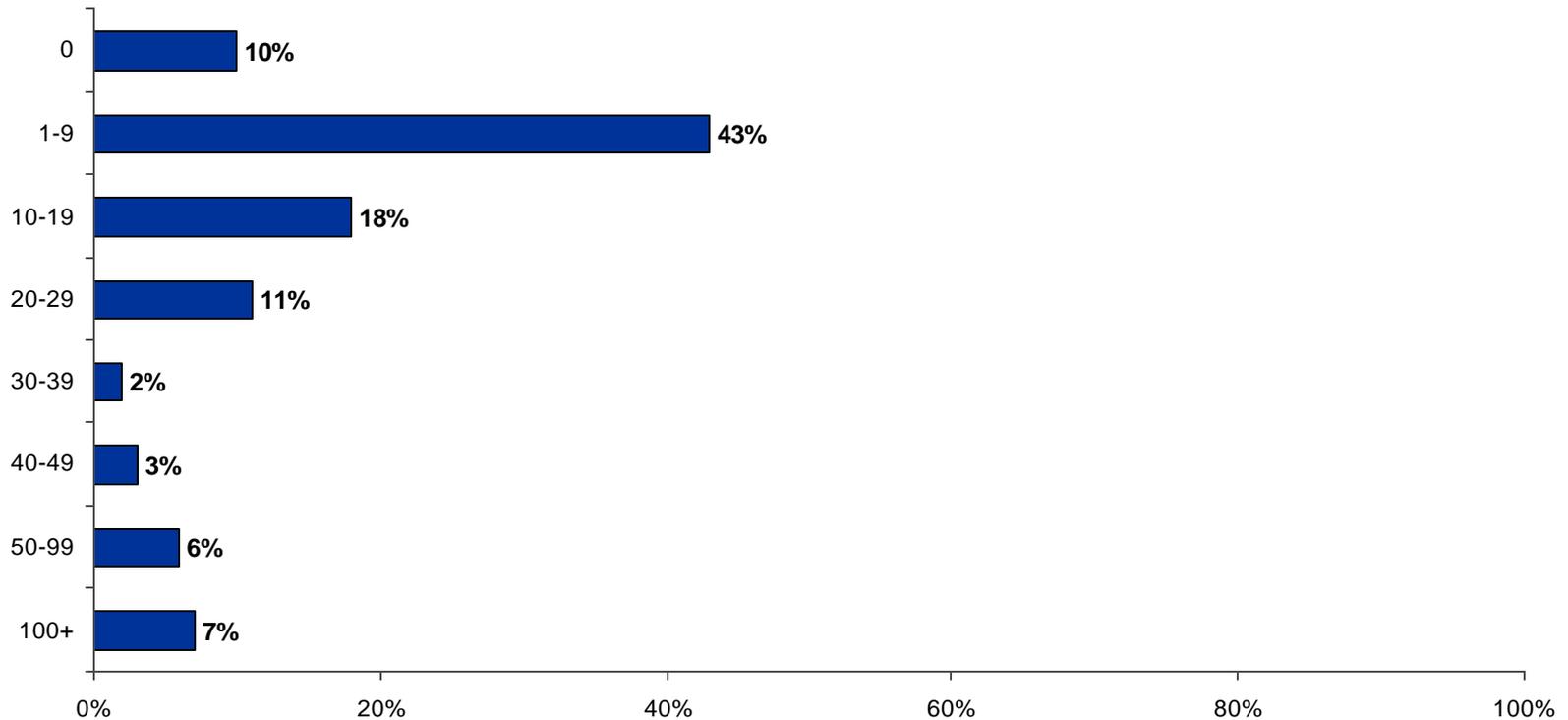
Q820 What is the nature of your debt?  
Base: Has Too Much Debt N = 219

# Frequency Retirement Accounts Are Checked



Q835 How frequently do you check the status of your retirement accounts?  
Base: Investing For Retirement **N = 1141**

# Amount of Hours Per Year Spent Reviewing Retirement Accounts

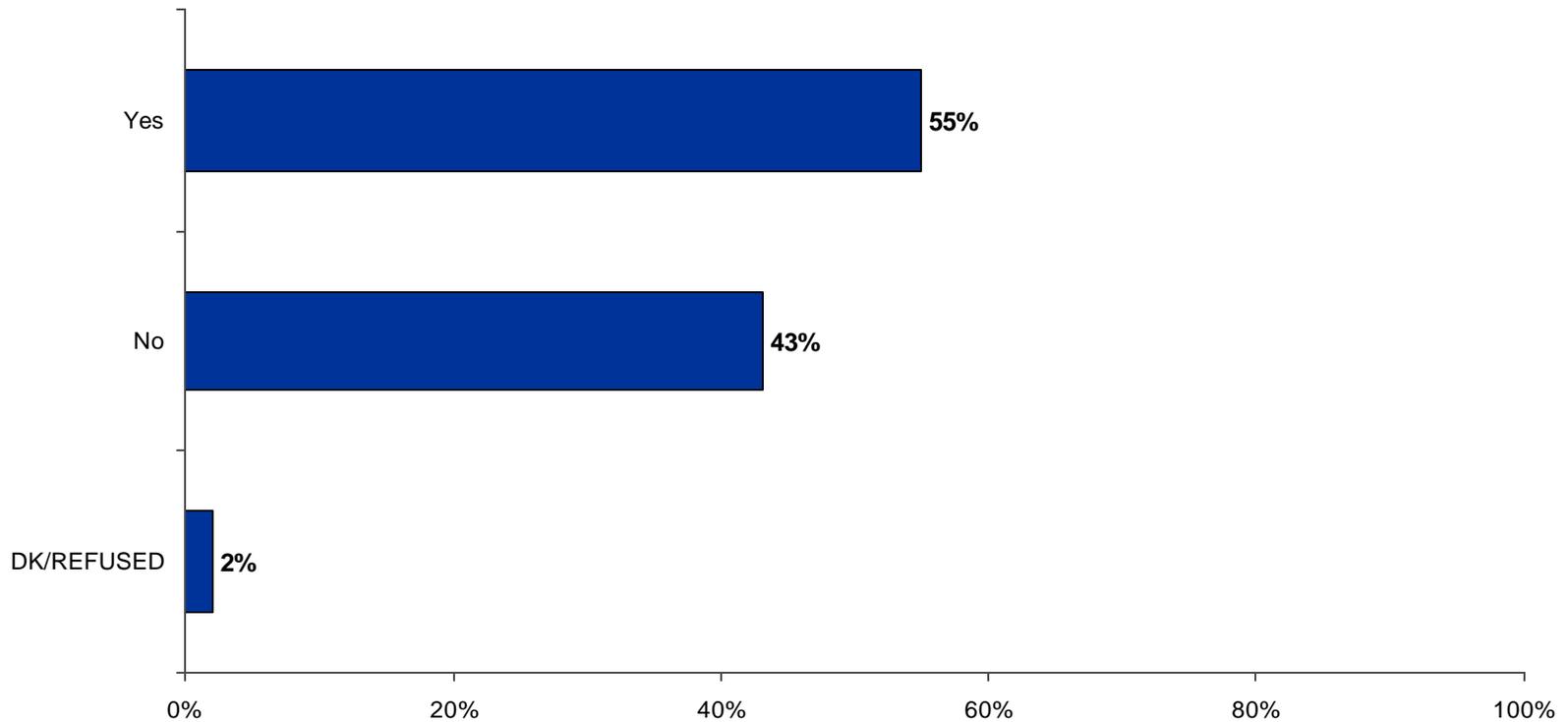


Q840 About how many hours per year do you spend reviewing and making decisions about your retirement savings accounts?

Base: Investing For Retirement

**N = 1141**

# Spouse/Partner Contributes to Own Plan

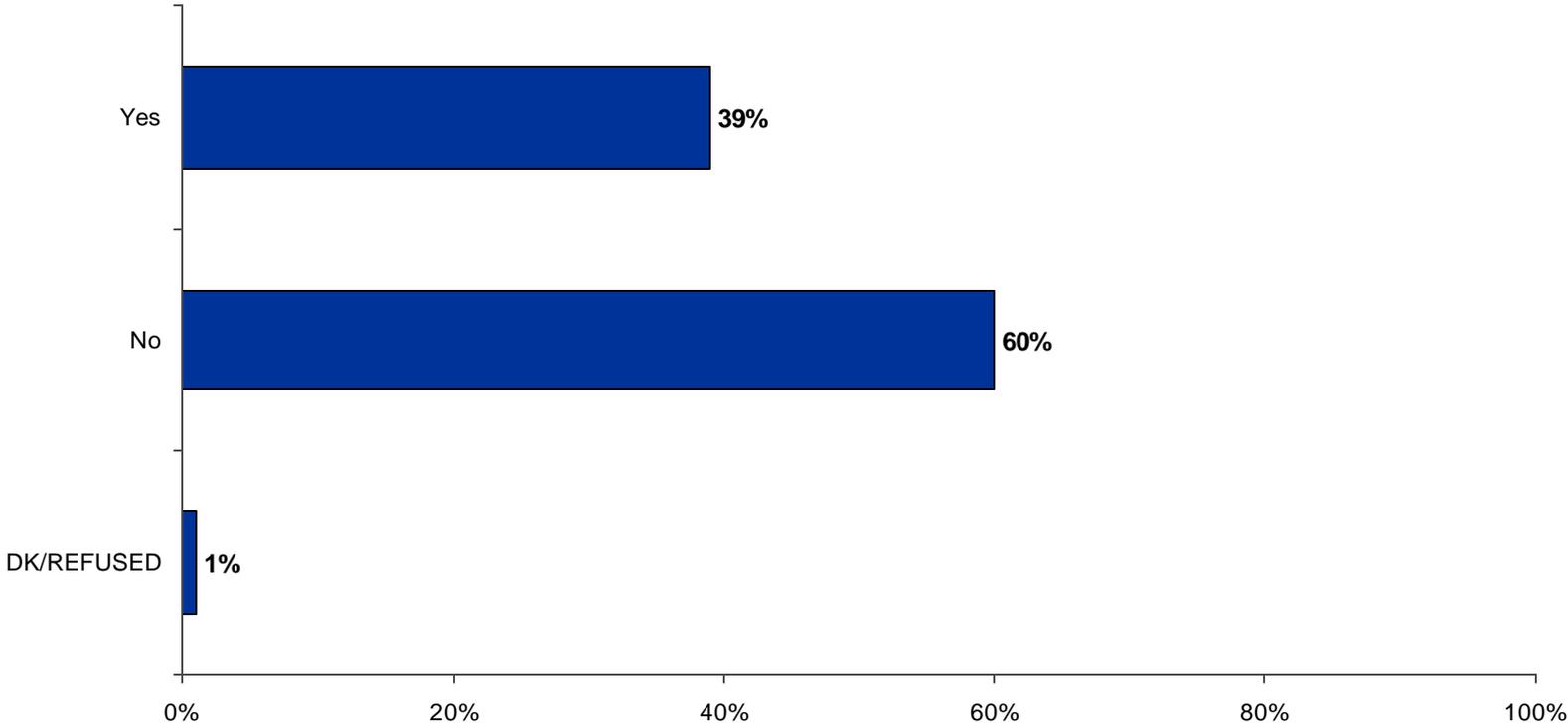


Q850 Is your spouse or partner currently putting money into a retirement plan of his or her own?

Base: Married Or In Civil Union

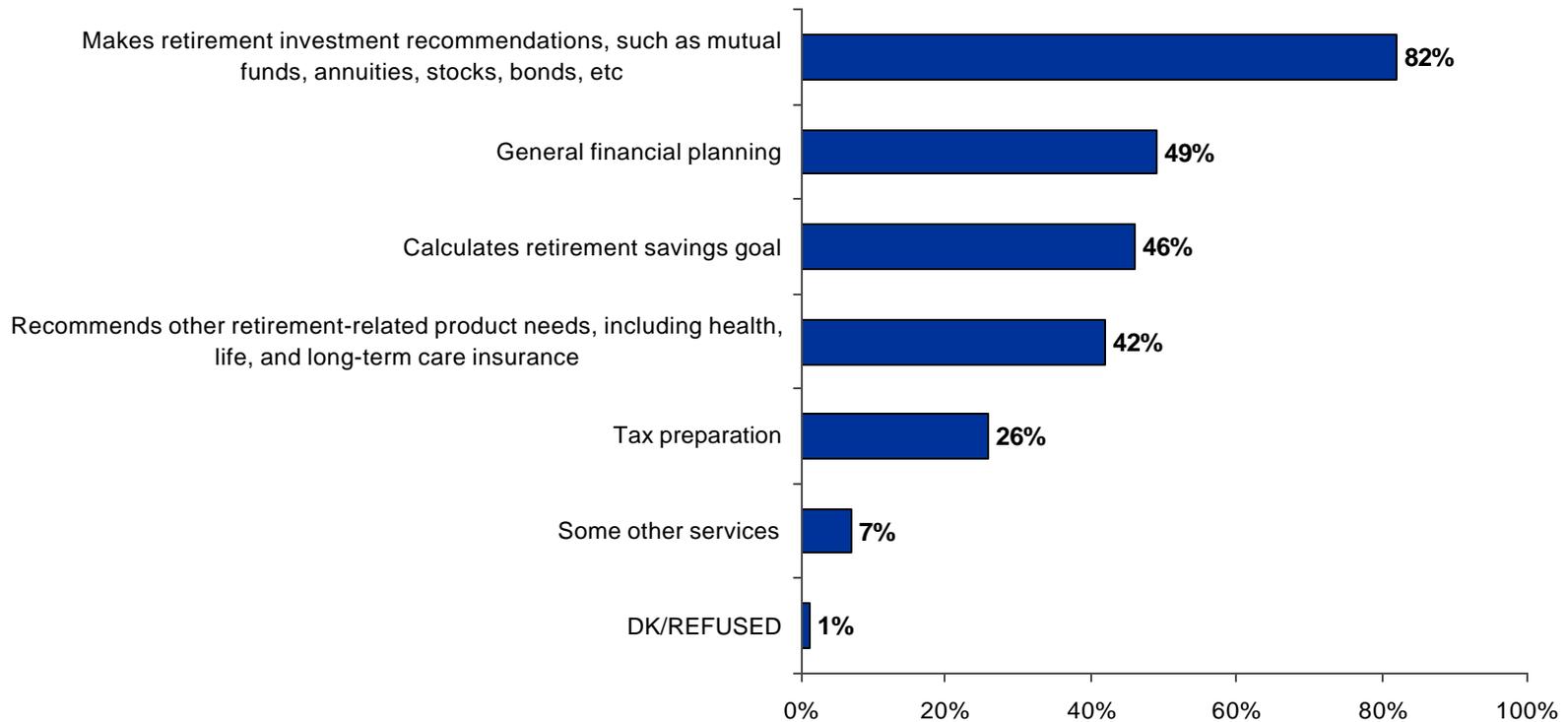
**N = 948**

# Have a Professional Financial Advisor



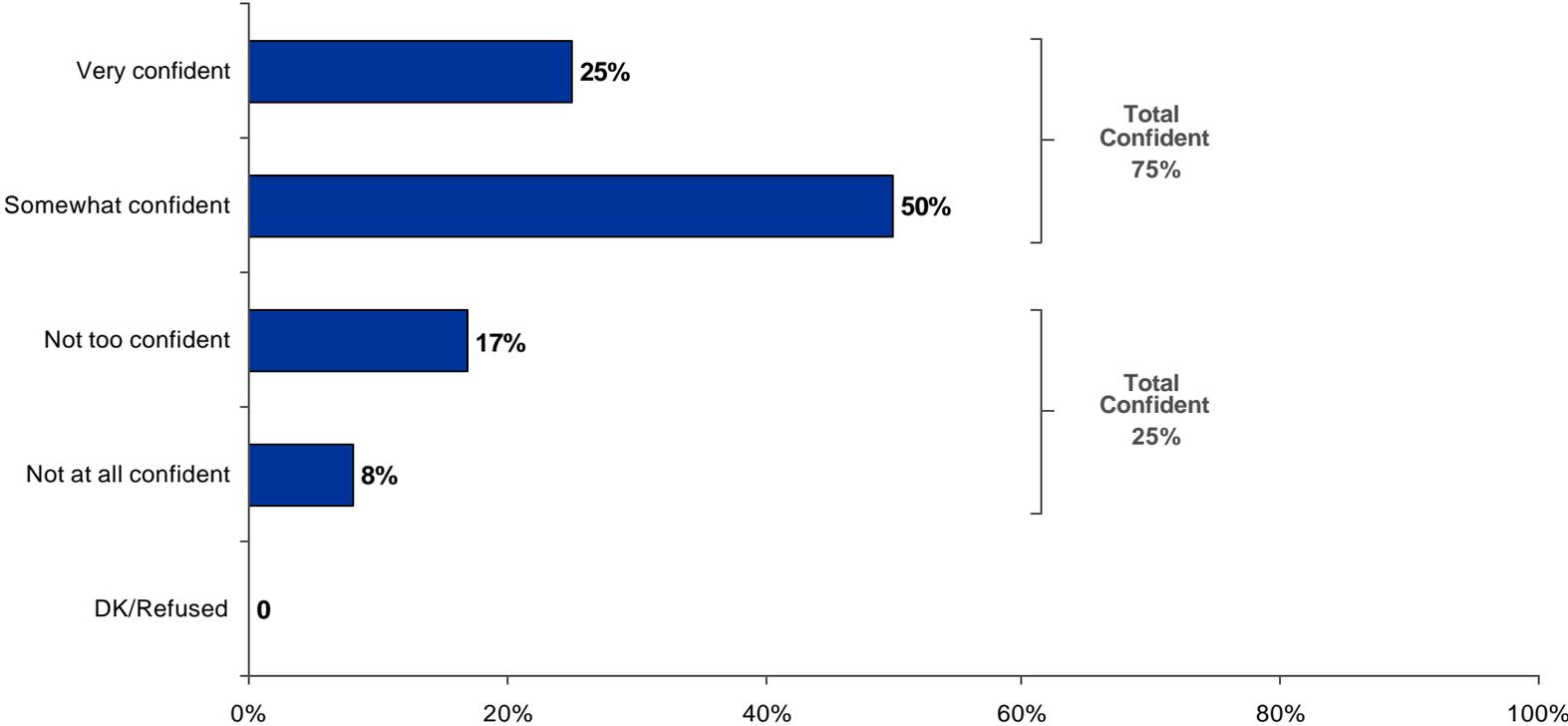
Q860 Do you use a professional financial advisor to help manage your retirement savings or investments?  
Base: Investing For Retirement **N = 1141**

# Services of a Professional Financial Advisor



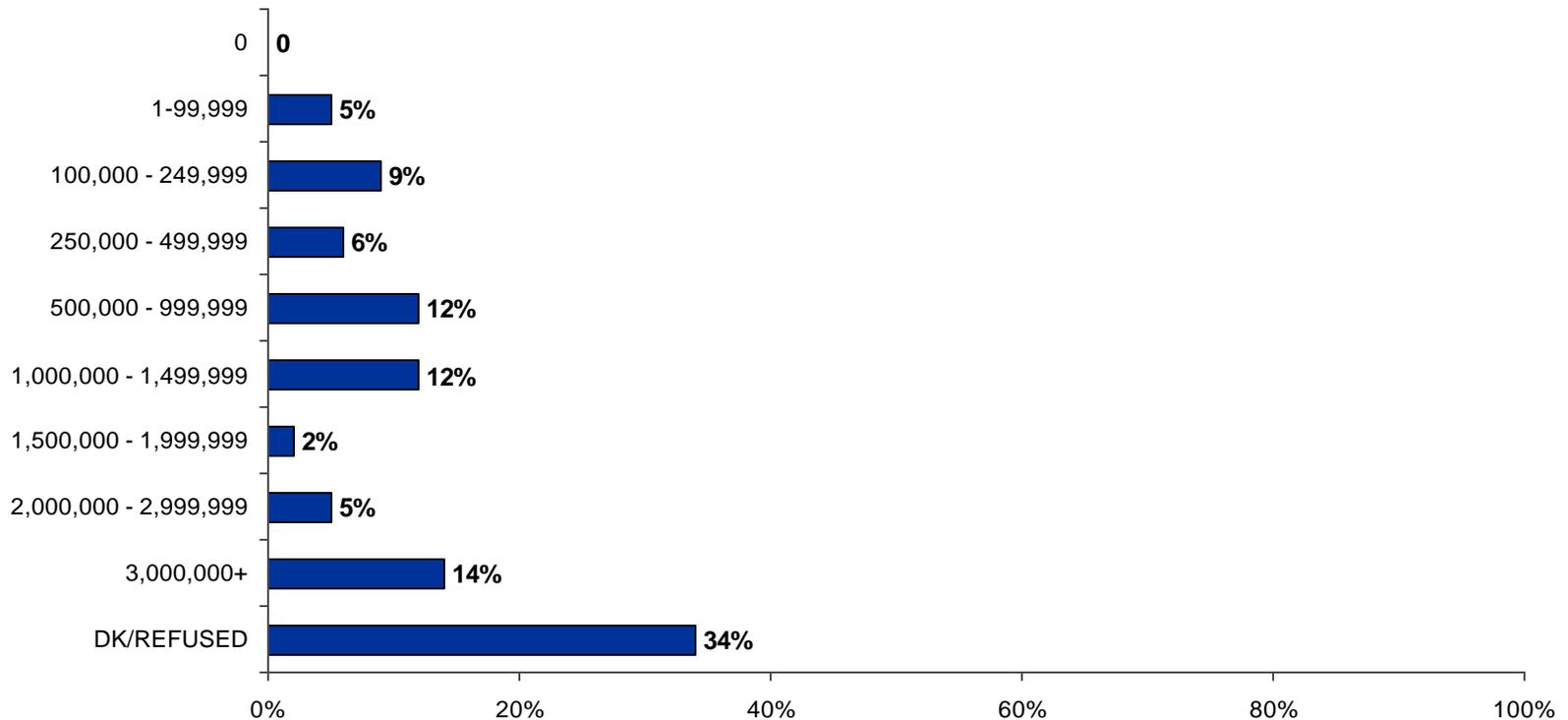
Q870 For what types of services do you use your professional financial advisor?  
Base: Use Financial Advisor **N = 486**

# Confidence in Retiring with Comfortable Lifestyle



Q880 How confident are you that you will be able to retire with a lifestyle you consider as comfortable?  
Base: All Qualified Respondents N = 1402

# Amount of Money Needed to Be Saved by Retirement

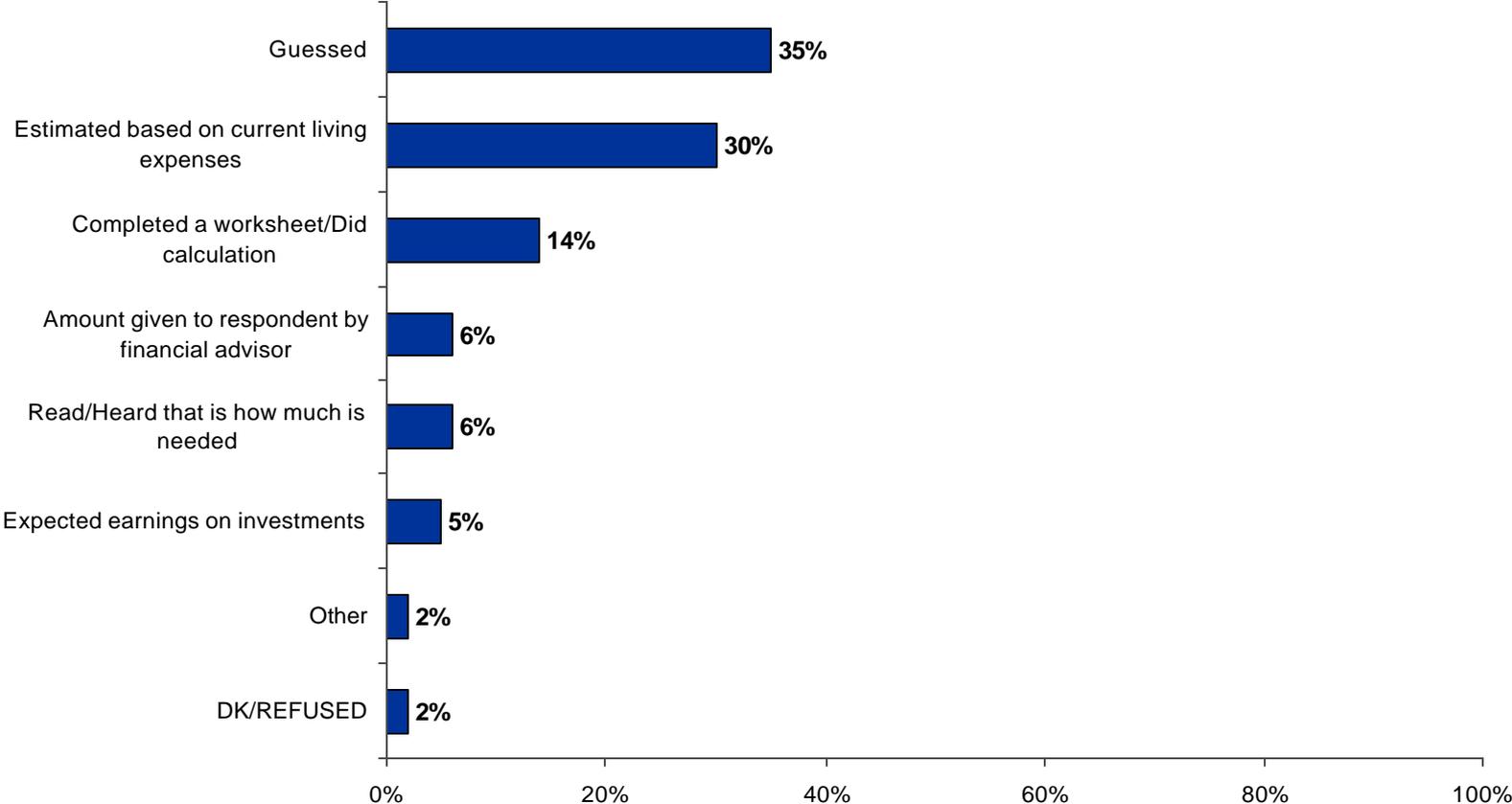


Q890 How much money do you believe you will need to have saved by the time you retire in order to feel secure?

Base: All Qualified Respondents

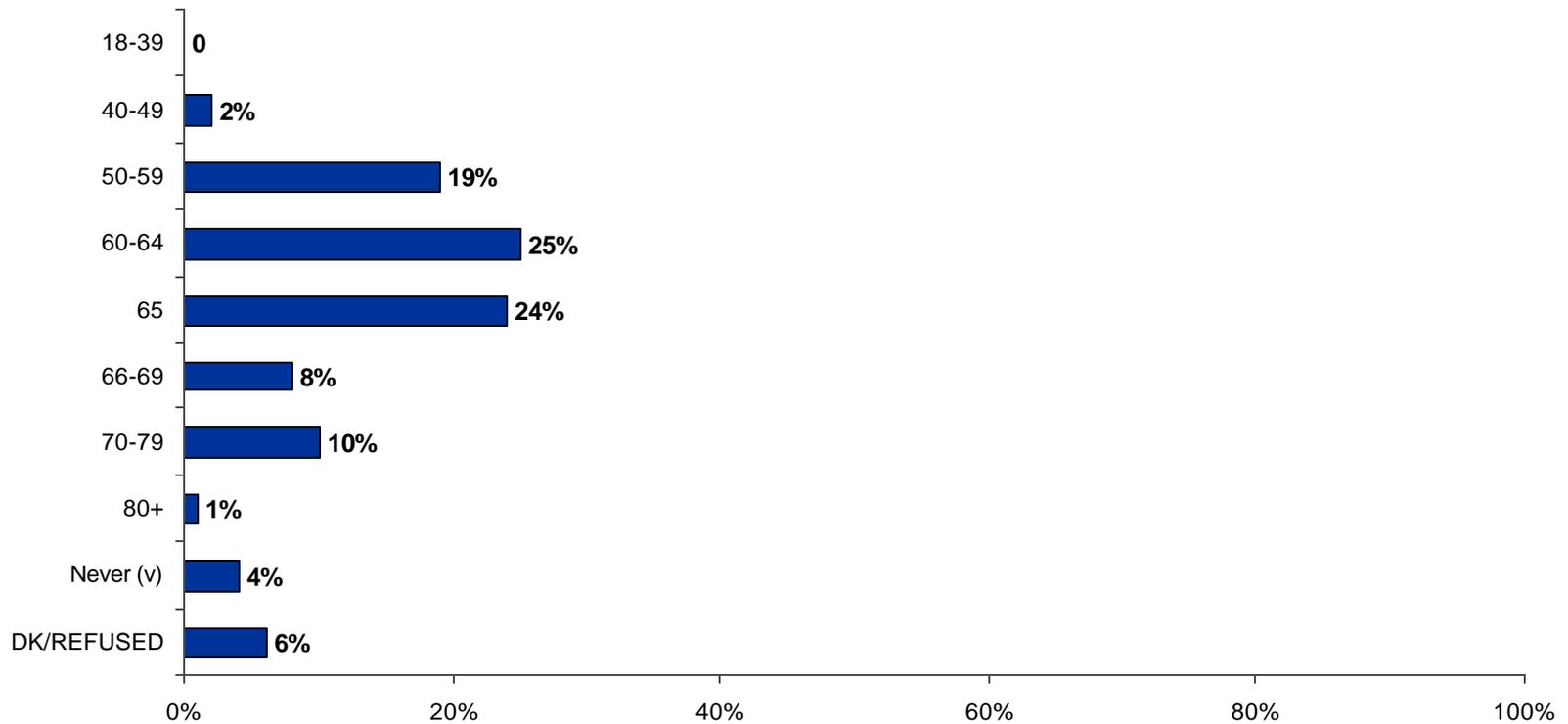
N = 1402

# Estimate of Retirement Savings Needed Based on...



Q900 How did you arrive at that number?  
Base: Provided Estimate Of Money Needed N = 885

# Age Expected to Retire

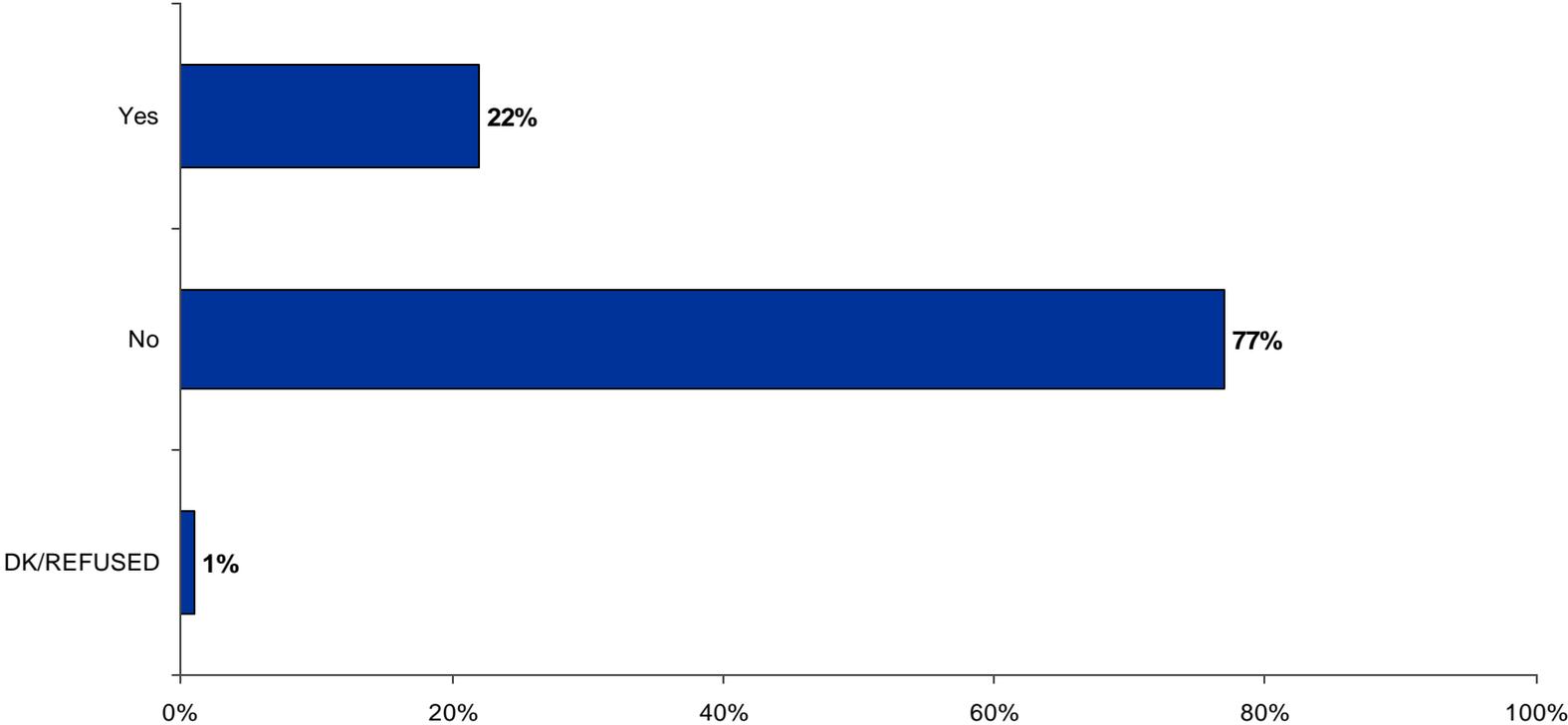


Q910 At what age do you expect to retire?

Base: All Qualified Respondents

N = 1402

# Spoken to Supervisor/HR about Retirement Benefits

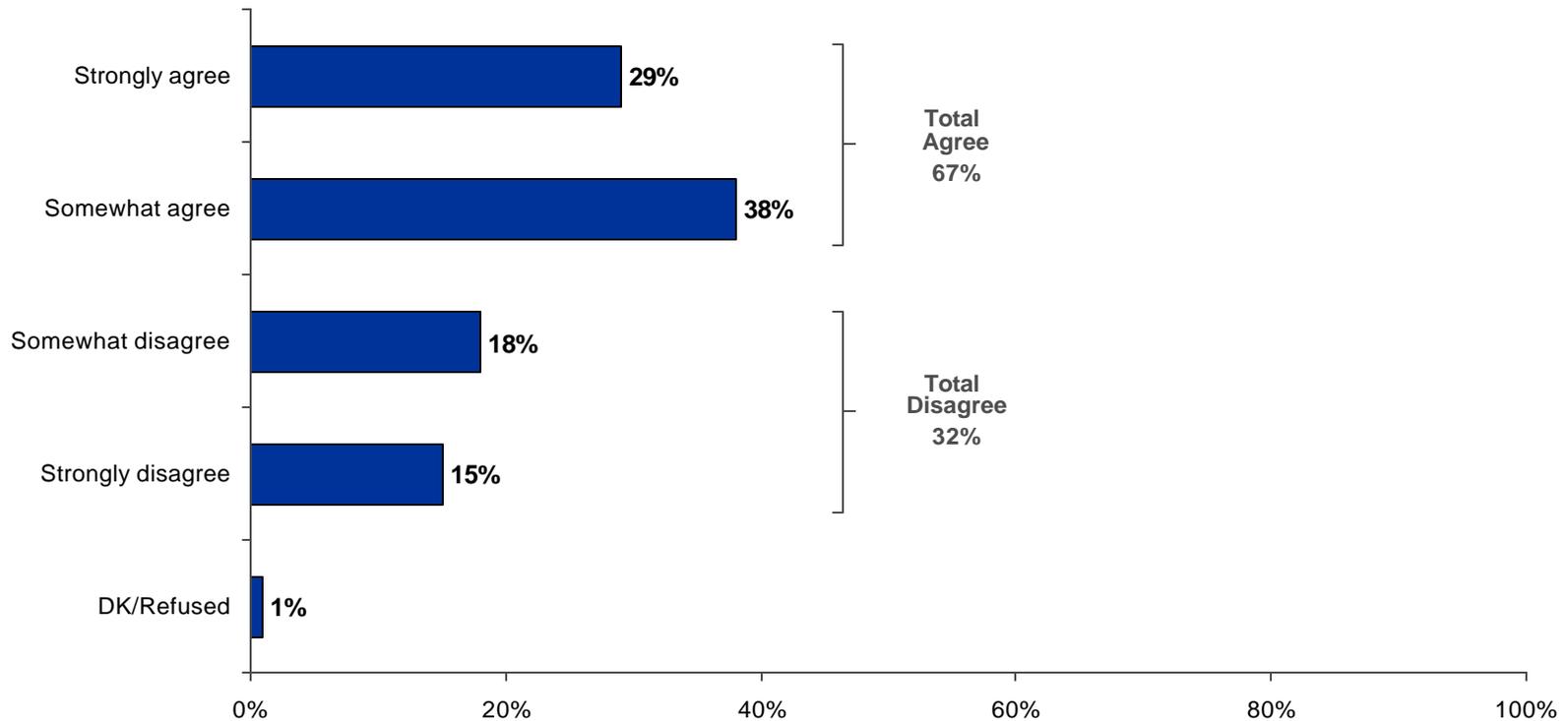


Q920 In the past 12 months, have you spoken with your immediate supervisor or the HR department about retirement benefits?

Base: All Qualified Respondents

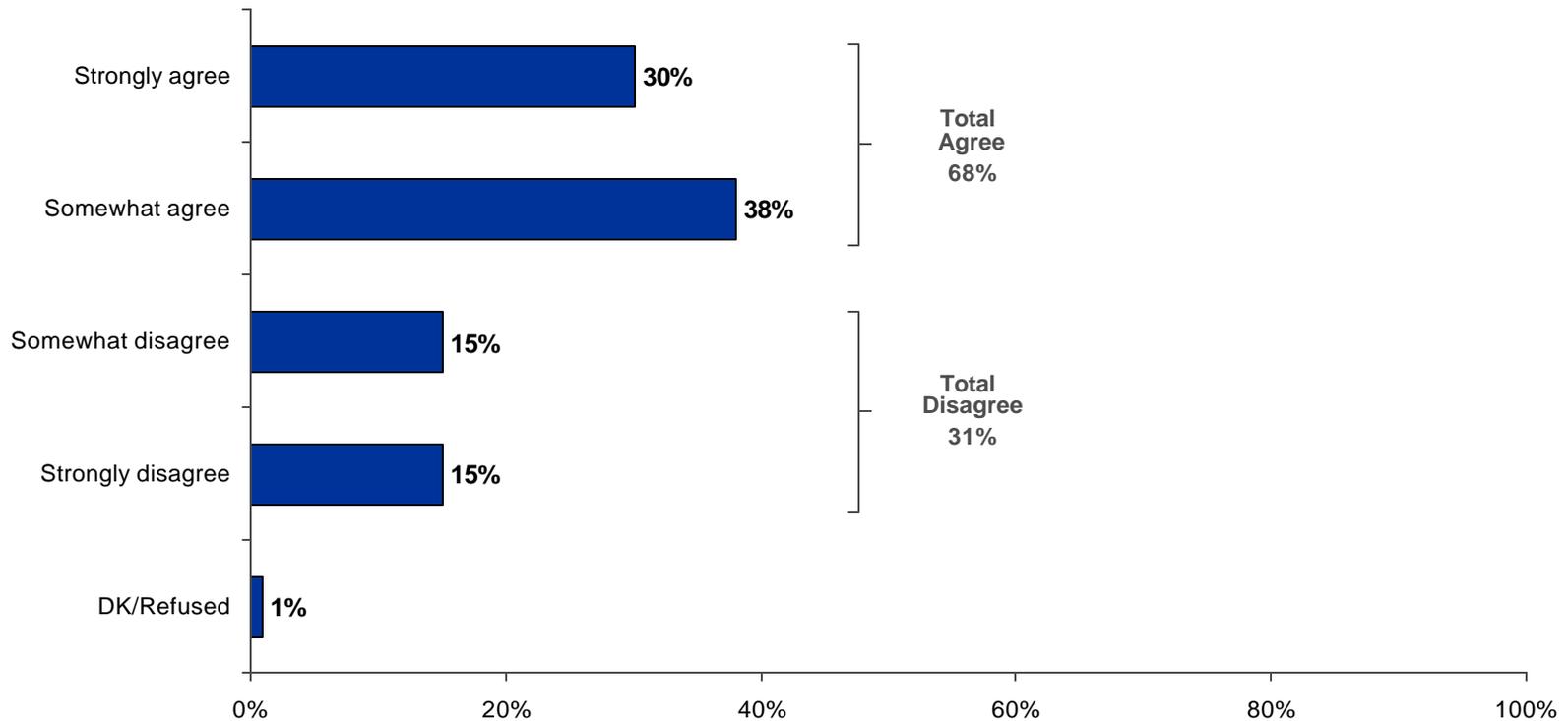
N = 1402

# Statement Agreement: Very Involved in Monitoring/Managing Retirement Savings



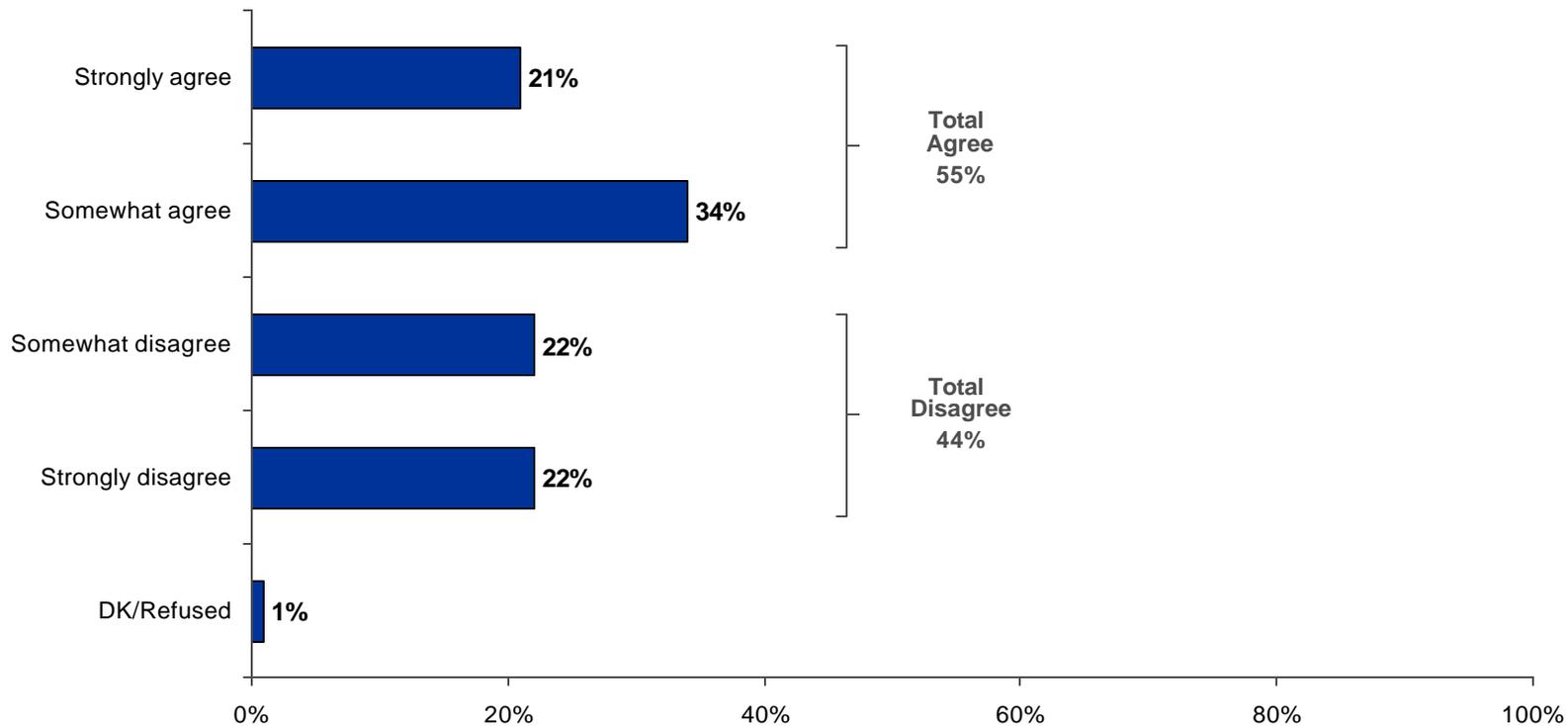
Q930 For the following statement, please give level of agreement.  
I am currently very involved in monitoring and managing my retirement savings.  
Base: All Qualified Respondents **N = 1402**

# Statement Agreement: Don't Know as Much as I Should



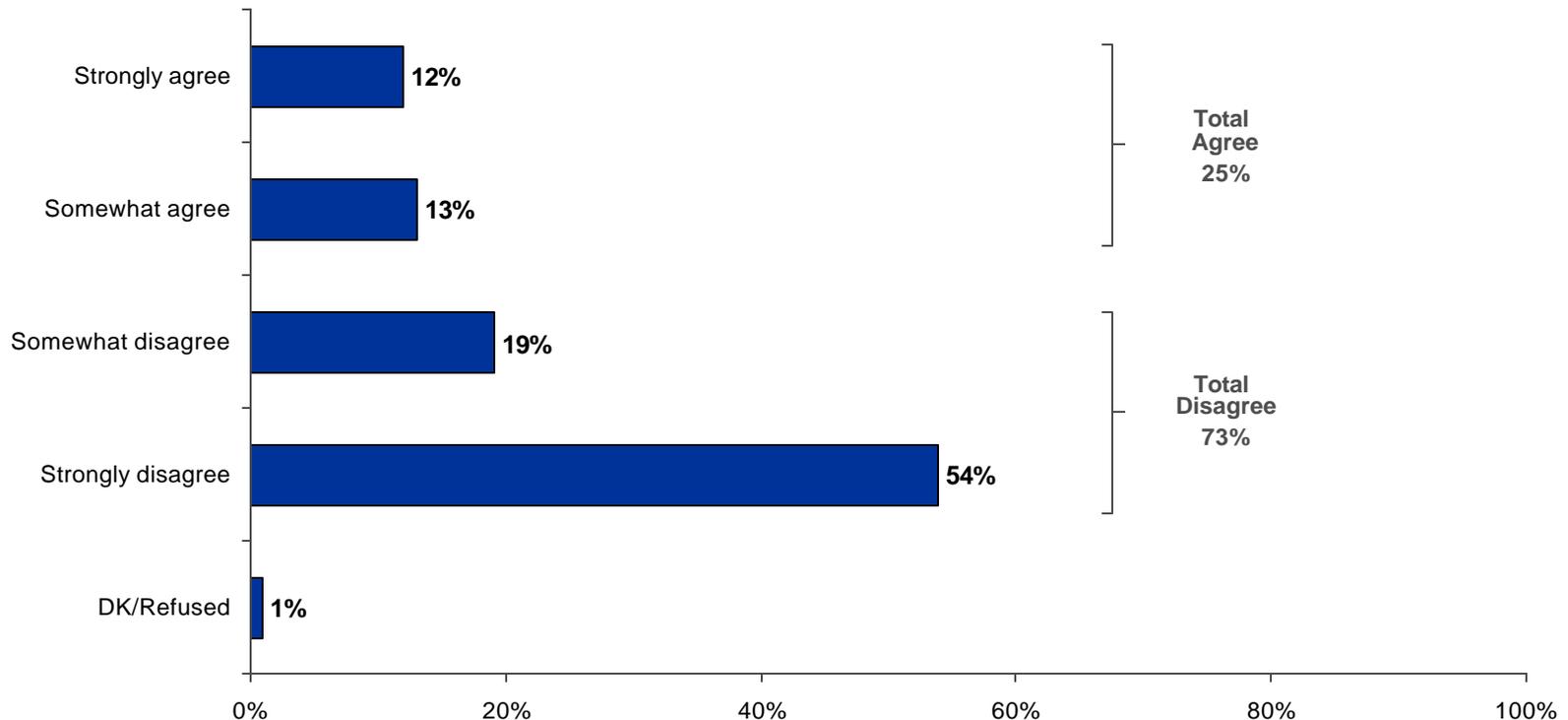
Q940 For the following statement, please give level of agreement.  
I do not know as much as I should about retirement investing.  
Base: All Qualified Respondents **N = 1402**

# Statement Agreement: Rely on Outside Experts



Q950 For the following statement, please give level of agreement.  
I would prefer to rely on outside experts to monitor and  
manage my retirement savings plan.  
Base: All Qualified Respondents

# Statement Agreement: Prefer Not to Think about Retirement Until Date Nears

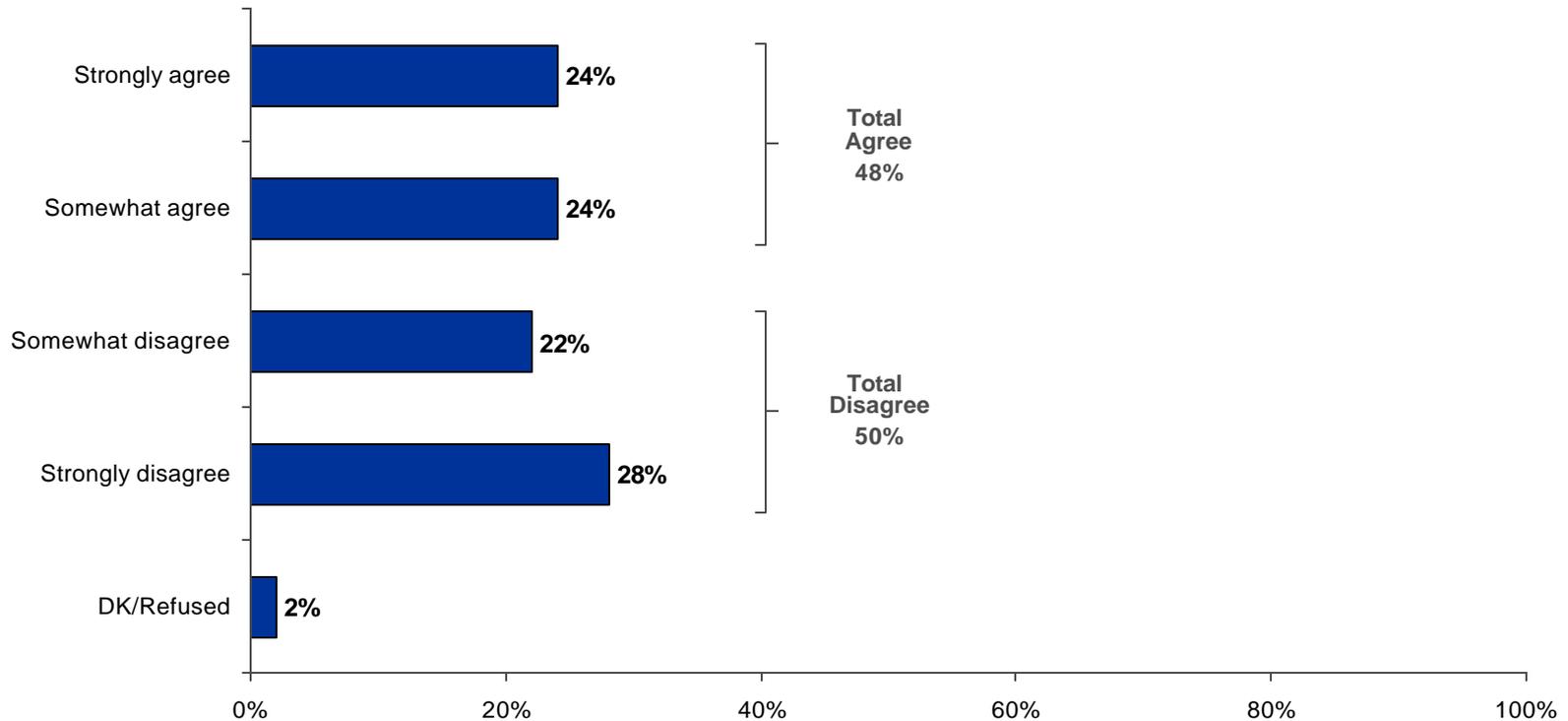


Q960 For the following statement, please give level of agreement.  
I prefer not to think about or concern myself with retirement investing until I get closer to my retirement date.

Base: All Qualified Respondents

N = 1402

# Statement Agreement: Not Saving Enough

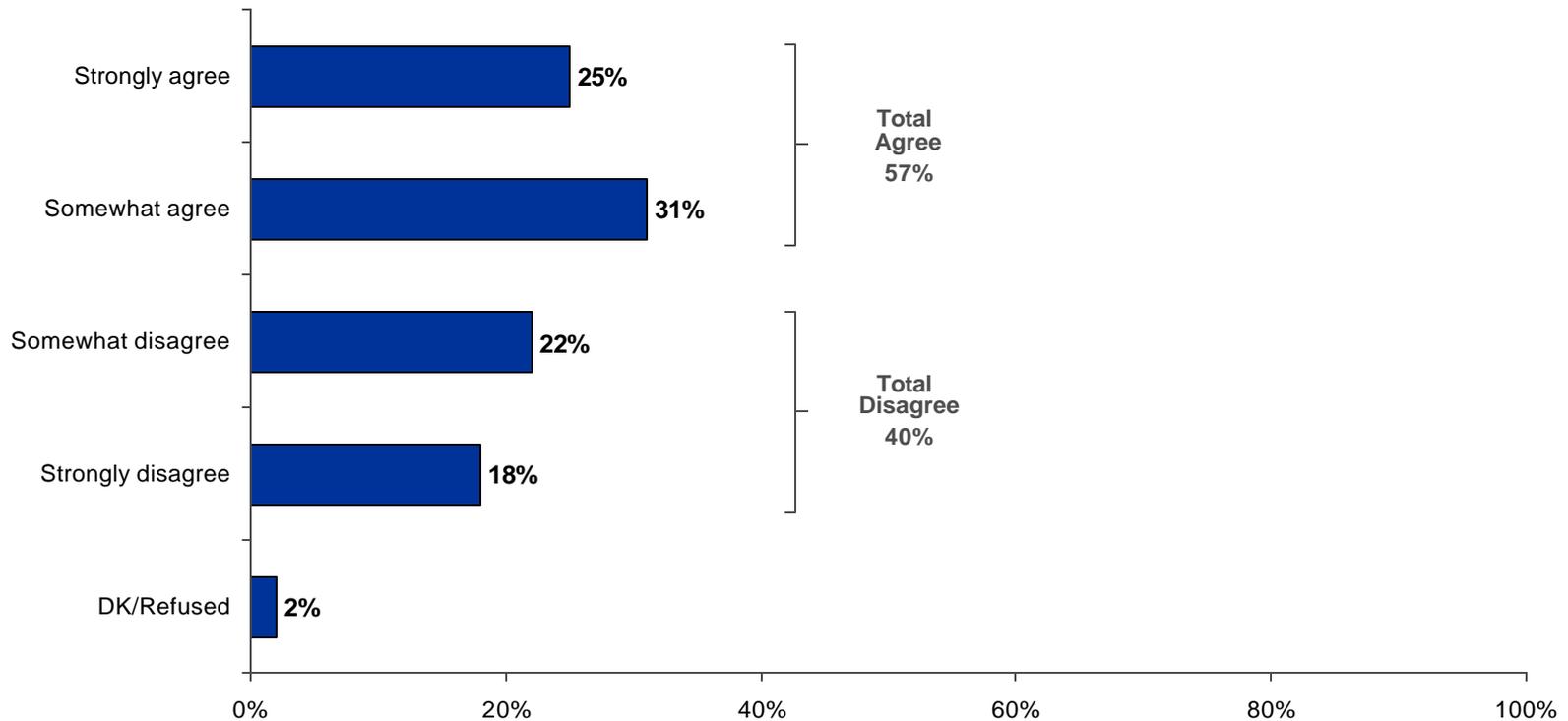


Q970 For the following statement, please give level of agreement.  
I could work until age 65 and still not have enough money  
saved to meet my retirement needs.

Base: All Qualified Respondents

**N = 1402**

# Statement Agreement: Want More Information/Advice



Q990 For the following statement, please give level of agreement.  
I would like to receive more information and advice from my  
company on how to reach my retirement goals.

Base: All Qualified Respondents

**N = 1402**



## Employer Survey



# Methodology

- **A telephone study was conducted among 659 owners/heads of small businesses and benefits executive decision-makers in larger companies, using a nationally representative random sample meeting the following criteria:**
  - Business executive who makes decisions about employee benefits at their company.
  - Employs 10 employees or more.
  - Excluding government, education or not-for-profit companies.
- **18 minute telephone interview.**
- **Interviews were conducted between July 25 and Oct. 10, 2006.**
- **Data were weighted to ensure that each quota group had a representative sample based on the number of companies in each employee size range.**
- **Margin of error at the 95% confidence level is +/- 3.8%.**
- **A  in the report indicates a number is significantly higher.**
- **The base size is 300 for large companies and 359 for small companies. Other reduced bases are noted throughout the report.**

# Profile of Respondents

Title	%
Office/general manager	15
Director of HR	14
President	10
Vice President	8
Benefits manager	8
HR manager	7
HR administrator	7
Owner	6
Benefits administrator	5
CFO/Controller	4
CEO/Chairman	2
Other	14
Number of Employees	%
10 to 24	56
25 to 99	26
100 to 499	6
500 to 999	4
Over 1,000	7

Industry	%
Manufacturing	42
Professional services	19
Service (retail, hospitality, administration, etc)	15
Agriculture, mining, construction	12
Transportation, communications, or utilities	3
Other	9
Geography	%
East	20
Midwest	33
South	29
West	18

Revenue	%
Less than \$500,000	5
\$500,000 to \$999,999	5
\$1 million to less than \$5 million	33
\$5 million to less than \$10 million	7
\$10 million to less than \$50 million	9
\$50 million to less than \$200 million	3
\$200 million to less than \$500 million	2
\$500 million to less than \$1 billion	1
\$1 billion or more	2
DK/Refused	34

# Executive Summary

## Relative Importance of Various Employee Benefits

- **Employers see health insurance as the most important benefit they offer their employees (90% say very important and 97% say very/somewhat important).**
  - Fully 99% of large company employers say health insurance is very important to their employees.
  - A 401(k) plan is seen as the next most important benefit (56% say very important and 85% say very/somewhat important).
  - Large companies are more likely to say a 401(k) plan is very important to their employees (75% vs. 53%).
  - Employers are less likely to say that a company funded pension plan (38%), disability insurance (30%) and life insurance (30%) are very important benefits to their employees.

# Executive Summary

## Relative Importance of Various Employee Benefits (continued)

- **The vast majority of employers (84%) believe that the employee-funded retirement plan they offer is important to their ability to attract and retain employees. Four in ten (42%) say their retirement plan is very important in this regard.**
  - Large company employers are more likely to say their retirement plan is very important in attracting and retaining employees (52% vs. 40%).
  - The proportion of employers who believe their retirement plan is important in attracting/retaining employees has increased over the last 2 years (75% in 2004, 79% in 2005, 84% in 2006).
- **Employers were presented with two options for a potential employee:**
  - Option A: Excellent retirement benefits, but only meets the potential employee's minimum salary requirements.
  - Option B: A higher than expected salary, but with poor retirement benefits.
- **Employers believe potential employees are more likely to choose the higher salary (56%) over the excellent retirement benefits (39%). However, from our survey among employees, employees are actually more likely to choose the excellent retirement benefits (59%) over the higher salary (34%).**

# Executive Summary

## 401(k) Plans

- **401(k) plans are by far the most popular retirement benefits plan offered by employers. Three in five employers (60%) currently offer a 401(k) plan, compared with fewer than one in four who offer a company funded pension-plan (23%) or another type of employee self-funded plan such as SIMPLE or SEP (20%).**
  - The vast majority of large companies offer a 401(k) plan (88%, compared to only 56% for small companies).
  - Usage of non-401(k) employee self-funded plans has increased significantly in the last year (20% vs. 12%).
- **Among companies who don't currently offer 401(k) plans, large employers are much more apt to say they are very likely to offer one in the next 2 years (36% vs. 3%).**
  - Reasons that small company employers cite for not being likely to offer a 401(k) in the near future are: company not being big enough (43%), company management not interested (41%), cost concerns (34%) and employees not being interested (34%).
  - In 2006, companies without a 401(k) plan are more likely to consider offering one in the next 2 years (27%) than they were in 2005 (22%).

# Executive Summary

## 401(k) Plans (Continued)

- Among companies that offer a 401(k) plan, four in five (80%) offer a matching contribution. This percentage is similar among large (85%) and small (79%) companies. This feature is seen by employers as being important to their employees (61% say very important, 87% say very or somewhat important). Large company employers are significantly more likely to say the company match is very important to their employees (74% vs. 59%).
  - The proportion of employers offering a matching contribution has increased significantly in the last year (80% vs. 71%). The perceived importance to their employees has also gone up (87% vs. 78%).

# Executive Summary

## Retirement Plan Features

- **Approximately half of companies (51%) offer investment guidance or advice as part of their retirement plan, including three in five (60%) large companies.**
  - The primary reason for not offering investment guidance/advice is the potential liability for the company (56%).
  - Employers are split on where they'd like investment guidance to come from: their retirement plan provider (31%), a third party (28%), or no preference (33%).
- **Among employers who offer a 401(k) plan, three in ten (30%) have an auto-enrollment provision.**
  - Few employers (9%) who don't have auto-enrollment are planning to adopt such a provision in the future. Primary reasons for this include already having a high participation rate (25%), cost (16%), employees not interested (12%), administrative complexity (9%) and preference for allowing employees to choose (8%).
- **Among employers who offer a 401(k) plan, very few (9%) currently offer a Roth 401(k) option, and few others (13%) plan to adopt a Roth in the future.**
  - Primary reasons for not offering a Roth 401(k) are perceived lack of employee interest (29%), administrative complexity (19%), lack of awareness of Roth 401(k) plans (14%) and cost (12%).

# Executive Summary

## Making Changes in 401(k) Plans

- **Companies have been offering their 401(k) plans for an average of 11.3 years, although one in four (24%) have offered them for 5 years or fewer and another one in three (33%) have offered them from 6-10 years.**
  - Not surprisingly, large companies have offered their 401(k) plans for a longer period of time on average (15.3 years vs. 10.6 years for small companies).
  
- **Companies have had their current 401(k) provider for an average of 6.7 years, with 52% having been with their provider 5 years or fewer.**
  
- **One in five companies (19%) has made changes to their 401(k) plans in the last 12 months. Among large companies, this proportion is much higher (44% vs. 15% in small companies). The changes most frequently made have been:**
  - Investment selections/fund choices (44%).
  - Increased employee contribution limit (28%).
  - Changed plan provider (20%).
  - Reduced eligibility waiting period (18%).
  - Changed form of company match (18%).
  - Increased company match (18%).
  - Added a managed account option (16%).
  - Added strategic allocation or target maturity funds (13%).
  - Added an auto-enrollment feature (13%).
  - Changed vesting schedule (10%).

# Executive Summary

## Making Changes in 401(k) Plans (continued)

- **Three in four employers (74%) used an outside advisor to help select a retirement plan. Small company employers were significantly more likely to use an outside advisor for this purpose (77% vs. 61%). The outside advisor was usually a financial planner/broker (57%).**
  - More and more companies are using an outside advisor when selecting a retirement plan compared to previous years (2006: 74%, 2005: 68%, 2004: 59%).
- **Employers are split on who should be most accountable for selecting and monitoring investment options in a retirement plan. Popular choices include: the plan administrator (22%), plan participants (19%), advisor/consultant who sold the plan (19%), the plan sponsor (14%) and the investment provider (10%).**
  - The advisor or consultant who sold the plan is more likely to be seen as most accountable than in the past (2006: 19% vs. 2005: 8%).

# Executive Summary

## Perceptions of Current Retirement Plans

- The majority of employers strongly agree they are satisfied with their retirement plan provider (73%). Employers also believe their employees are satisfied with their company retirement plan, although less strongly (56%).
- Most employers strongly agree that they give employees the information they need regarding their retirement plan (59%). Employers believe their employees are satisfied with the quality of the investment options in their plan (96% strongly/somewhat agree), but four in ten (41%) agree that their employees would like more investment options within the plan. This proportion has increased slightly, but significantly, from 2005, when it was 29%.
- The plurality of employers (47%) evaluates their retirement benefits about once a year. However, a sizeable proportion (16%) says they never evaluate their retirement benefits offering.

# Executive Summary

## Perceptions of Employees Involvement with Retirement Planning

- **Employers are mixed on how involved their employees are in monitoring and managing their retirement savings. Only one in ten employers (10%) strongly agree that their employees are very involved in monitoring/managing their retirement savings, and approximately half of employers (52%) disagree with this statement. Employers feel their employees don't know as much as they should about retirement investing (55% strongly agree, 87% strongly/somewhat agree). Most employers agree (77% strongly/somewhat) that most employees would rather rely on outside experts to monitor and manage their retirement investments, and that employees prefer not to think about retirement investing until their retirement date nears (77% strongly/somewhat agree).**
  - **Employers are more likely to believe employees don't know as much as they should compared to a year ago (87% vs. 77%).**
- **The perception is employees are even less involved than they were a year ago. In 2006, 52% of employers said their employees are not very involved in managing/monitoring their retirement investments, compared to only 43% in 2005. Additionally, employers are more likely to say their employees would prefer to rely on outside experts (77%) than they were in 2005 (68%) and 2004 (64%).**

# Executive Summary

## Perceptions of Employees Involvement with Retirement Planning (continued)

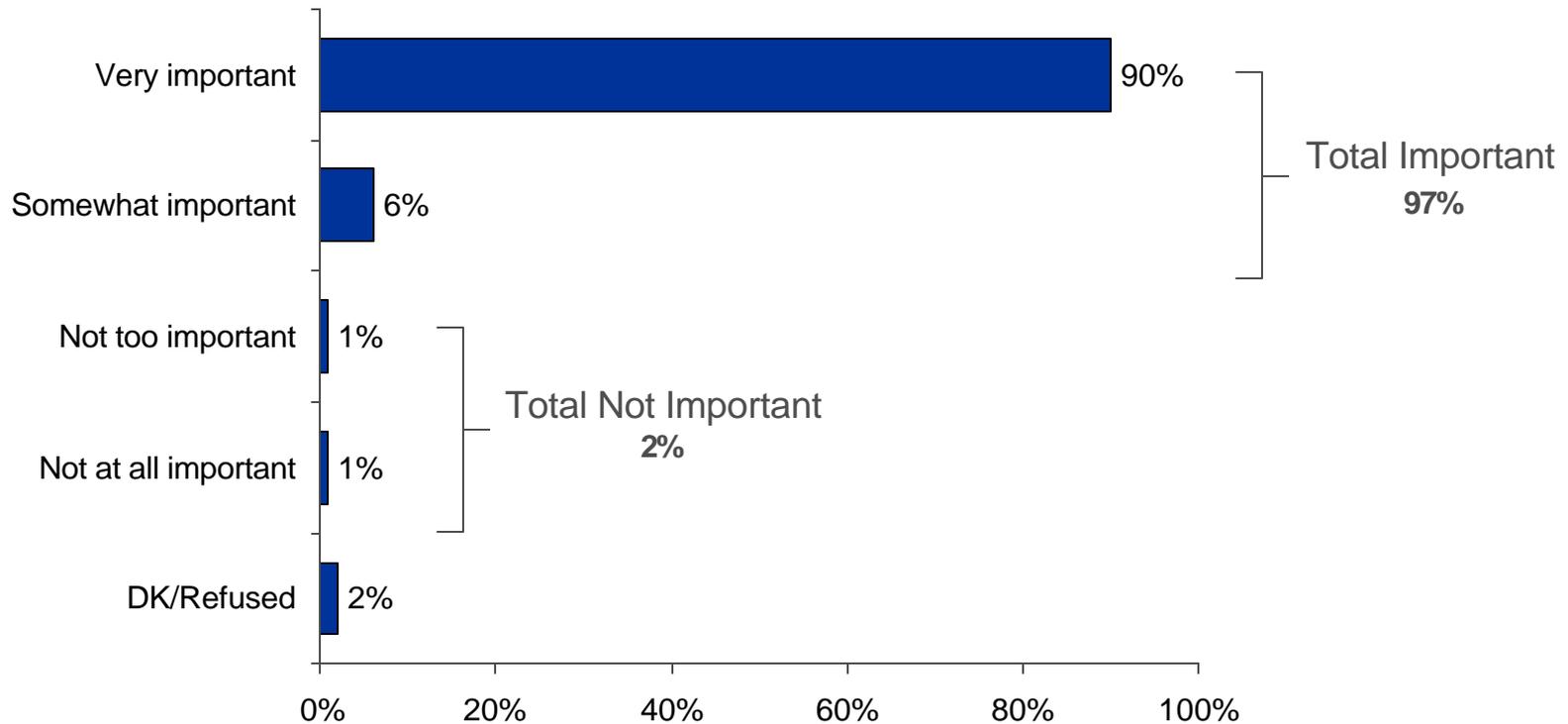
- **Employers are also mixed on how confident they are that their employees will have a comfortable retirement lifestyle. While a majority (53%) say they are somewhat confident, a sizeable proportion are not too confident (26%), and a greater proportion are not at all confident (11%) than are very confident (6%).**
  - Small company employers are more likely to be not at all confident (12% vs. 4%).
- **Nearly half of employers strongly agree (47%) that their employees are not saving enough to meet their retirement needs. There are mixed opinions on whether or not employees want more information and advice from their company on how to reach their retirement goals (45% agree, 51% disagree).**
  - The perception that employees aren't saving enough has grown over the last 2 years (82% vs. 73% in 2004).
- **This is a troubling trend where employers feel their employees don't know as much as they should about retirement investing, and aren't saving enough for retirement, yet they perceive their employees becoming less and less interested in paying attention to their retirement investments.**

# Executive Summary

## Transition to Retirement

- **At companies where a 401(k) plan is currently offered, the vast majority take some action to help transition employees to retirement:**
  - Seven in ten (72%) allow terminated plan participants to leave their money in the plan if their balances are greater than \$5,000.
  - Nearly seven in ten (69%) provide information on the distribution options available in the plan.
  - 54% distribute retirement planning materials.
  - 47% allow systematic withdrawals by terminated plan participants.
  - 37% offer financial counseling.
  - 27% offer an income annuity as a payout option in their plan.
  - 23% offer pre-retirement seminars.
  - Only 7% offer nothing to help employees in this transition.
- **The proportion of employers offering each of these ways to help employees transition to retirement has increased significantly compared to 2005.**
- **On the other hand, at companies who don't offer a 401(k) or other employee self-funded retirement plan, the vast majority (77%) offer nothing to help in this transition. Only a small proportion distribute retirement planning materials (22%), offer financial counseling (12%) or offer pre-retirement seminars (5%).**
  - These numbers actually represent improvement from 2005, when 92% of companies without a 401(k) or employee-funded retirement plan offered nothing to help employees transition to retirement.

# Importance of Benefits Offered: Health Insurance

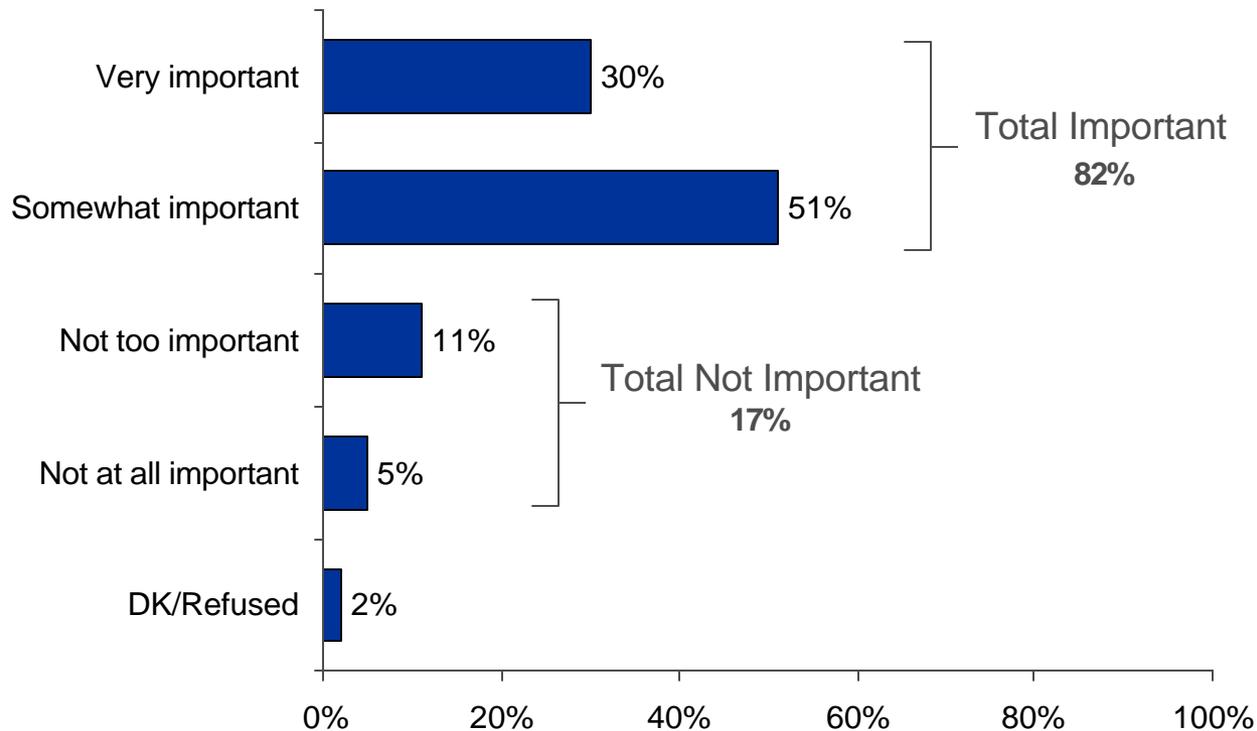


Q521\_1 Please tell me how important you think that benefit is, or would be, to your employees.  
Do you think your company's employees see this benefit as very important, somewhat important, not too important, or not at all important?

1. Health insurance

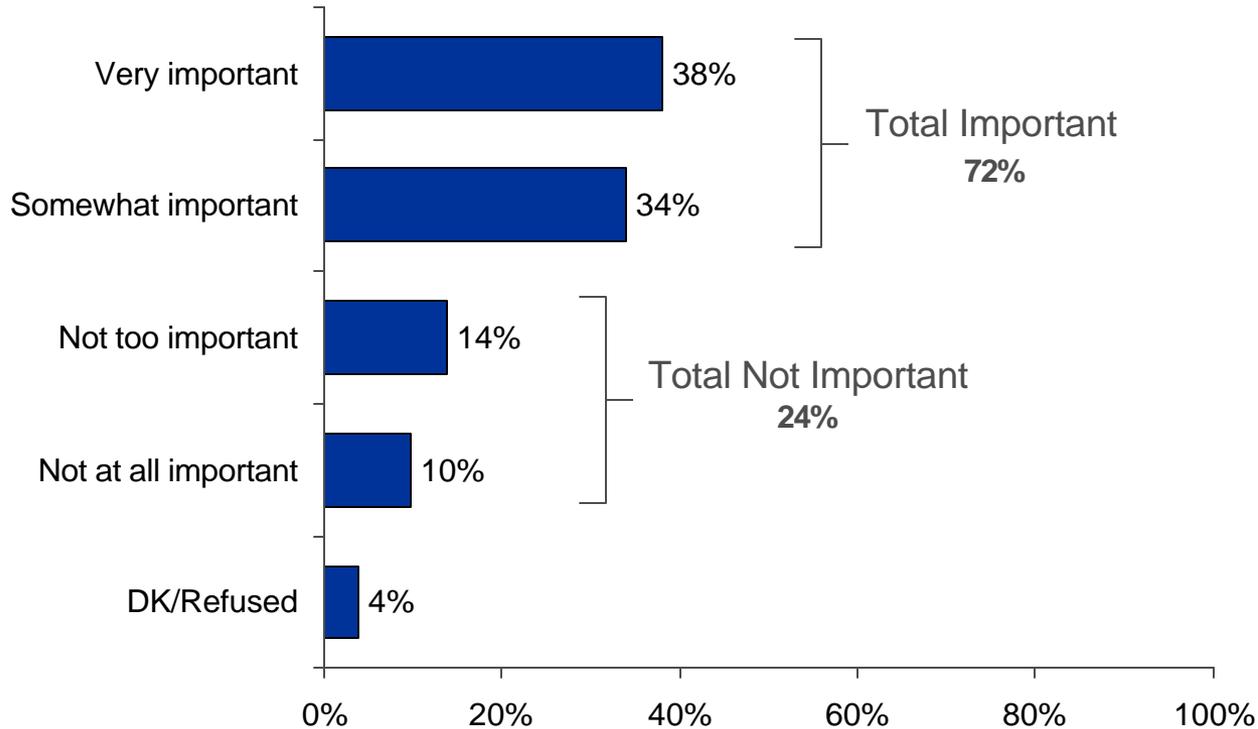
Base: Qualified Respondents , n=659

# Importance of Benefits Offered: Disability Insurance



Q521\_3 Please tell me how important you think that benefit is, or would be, to your employees.  
Do you think your company's employees see this benefit as very important, somewhat important,  
not too important, or not at all important?  
3. Disability insurance  
Base: Qualified Respondents , n=659

# Importance of Benefits Offered: Company-funded Defined Benefit Pension Plan

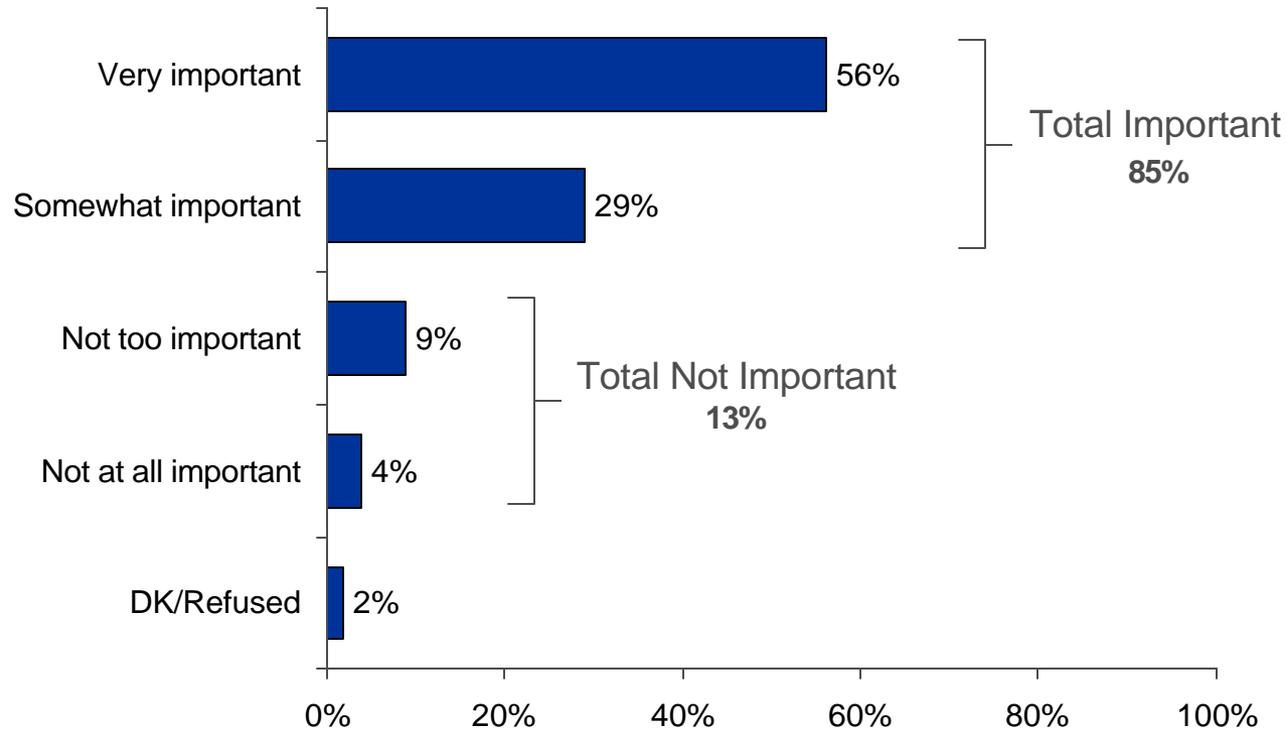


Q521\_4 Please tell me how important you think that benefit is, or would be, to your employees.  
Do you think your company's employees see this benefit as very important, somewhat important,  
not too important, or not at all important?

4. Company-funded defined benefit pension plan

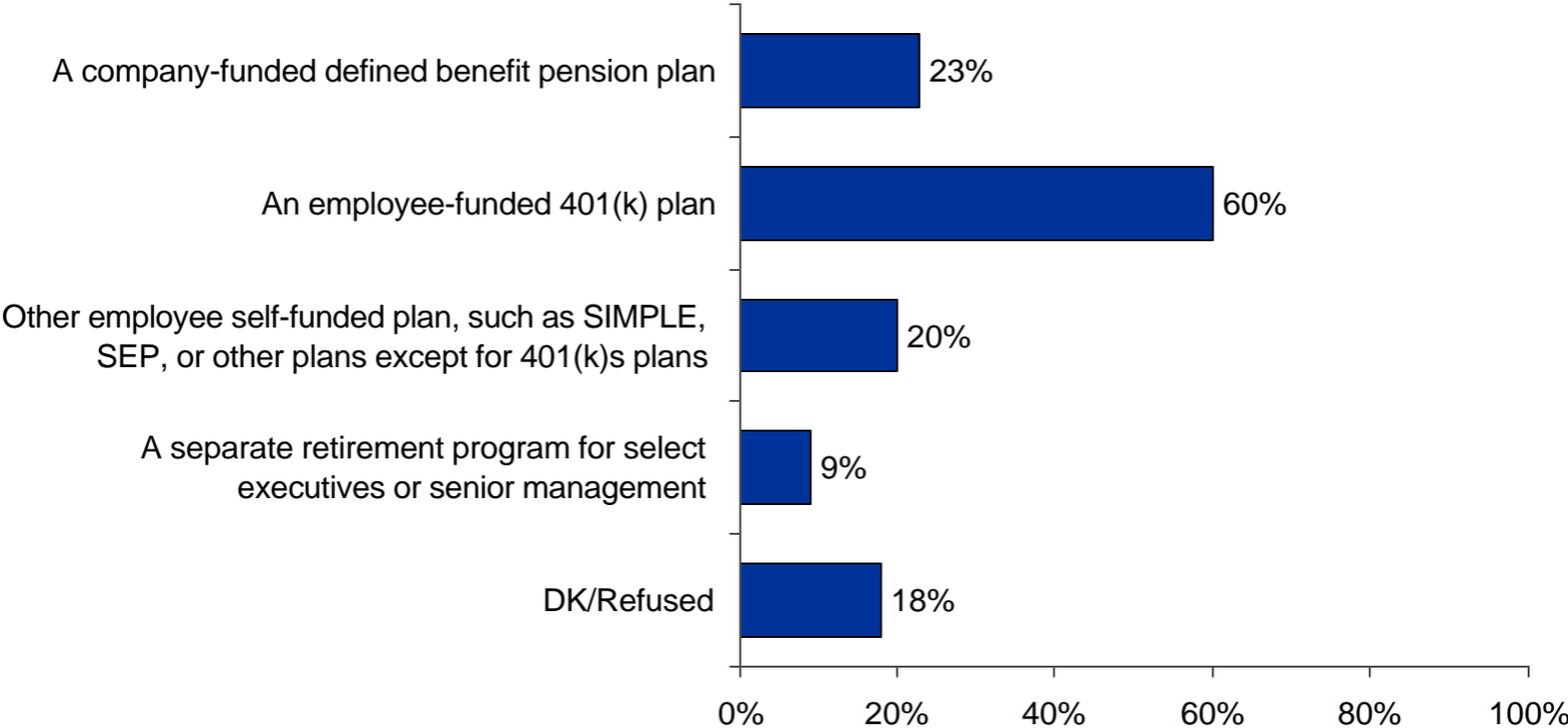
Base: Qualified Respondents , n=659

# Importance of Benefits Offered: 401(k) or Other Employee Self-Funded Plans



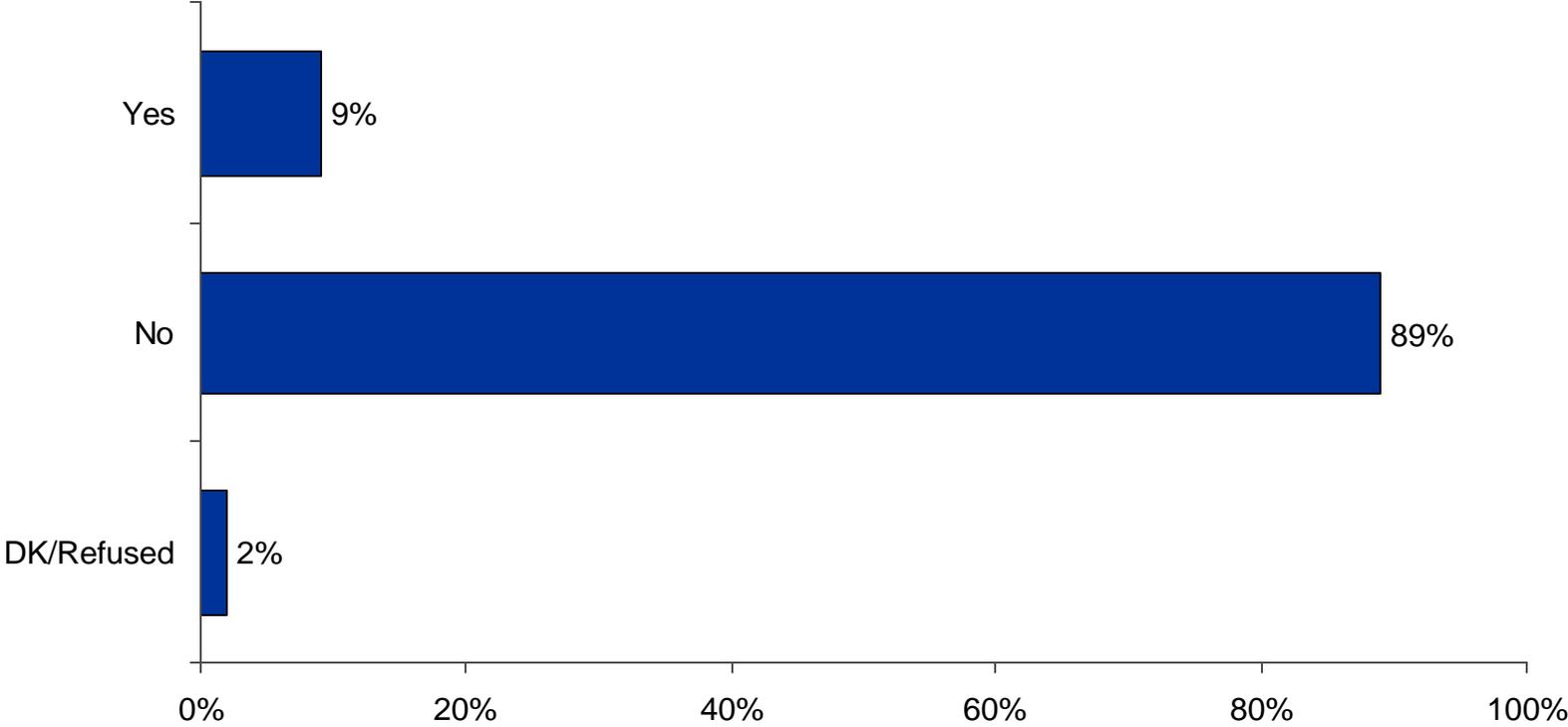
Q521\_5 Please tell me how important you think that benefit is, or would be, to your employees.  
Do you think your company's employees see this benefit as very important, somewhat important,  
not too important, or not at all important?  
5. 401(k) or other employee-self funded plans including SIMPLE and SEP plans  
Base: Qualified Respondents , n=659

# Benefits Currently Offered



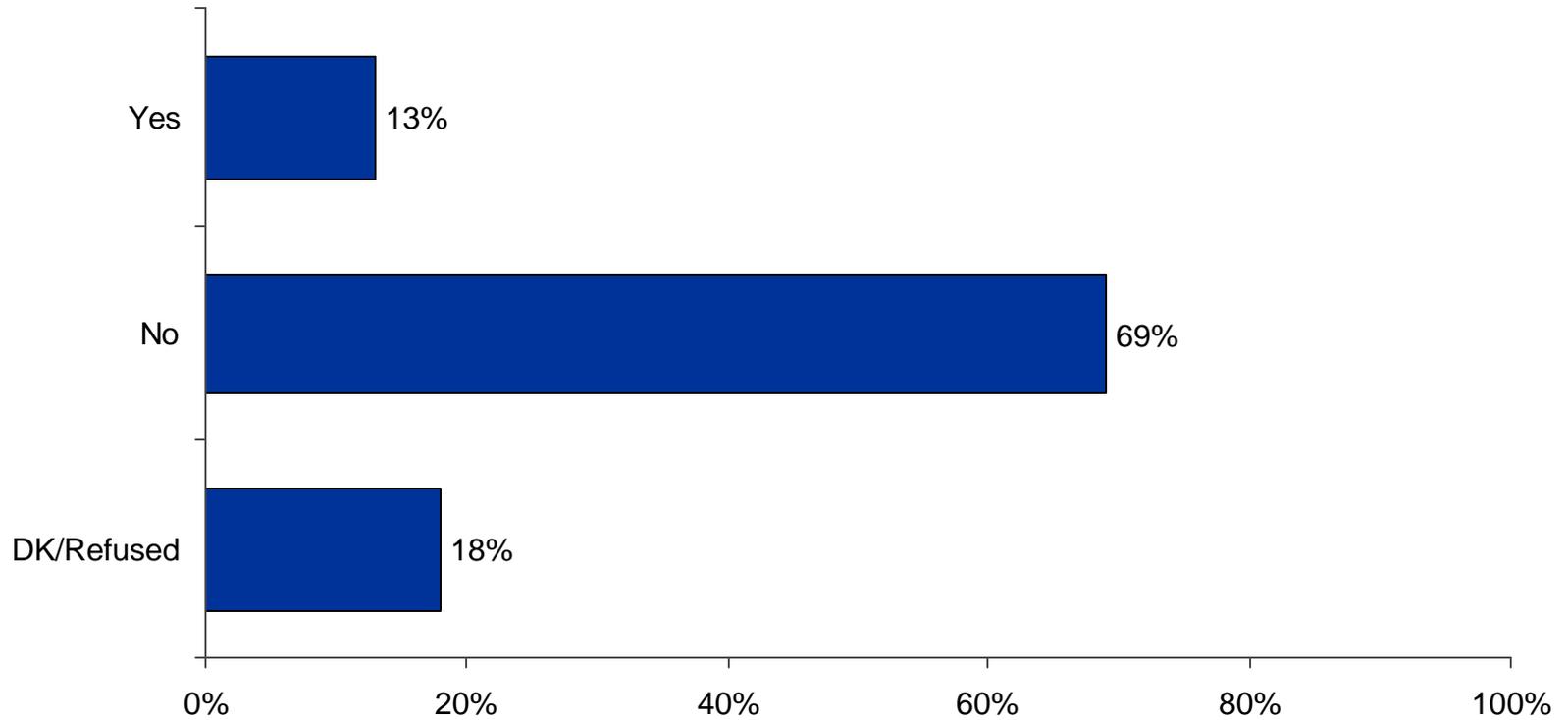
Q530 Which of the following retirement benefits does your company offer?  
Base: Qualified Respondents , n=659

# Company Currently Offers Roth 401(k)



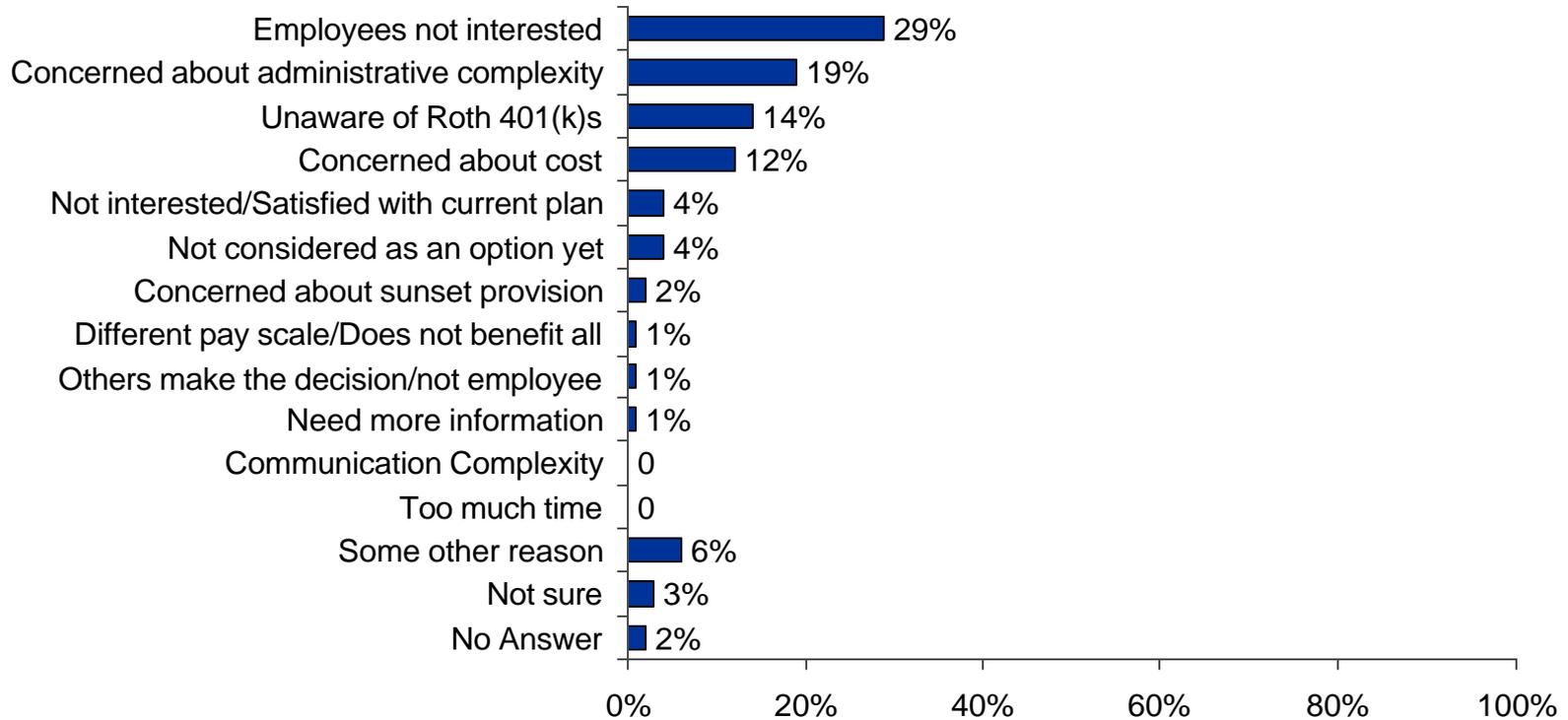
Q540 Has your company adopted a ROTH 401(k)?  
Base: Offers 401(k) Plan , n=515

# Company Plans to Adopt Roth 401(k) in the Future



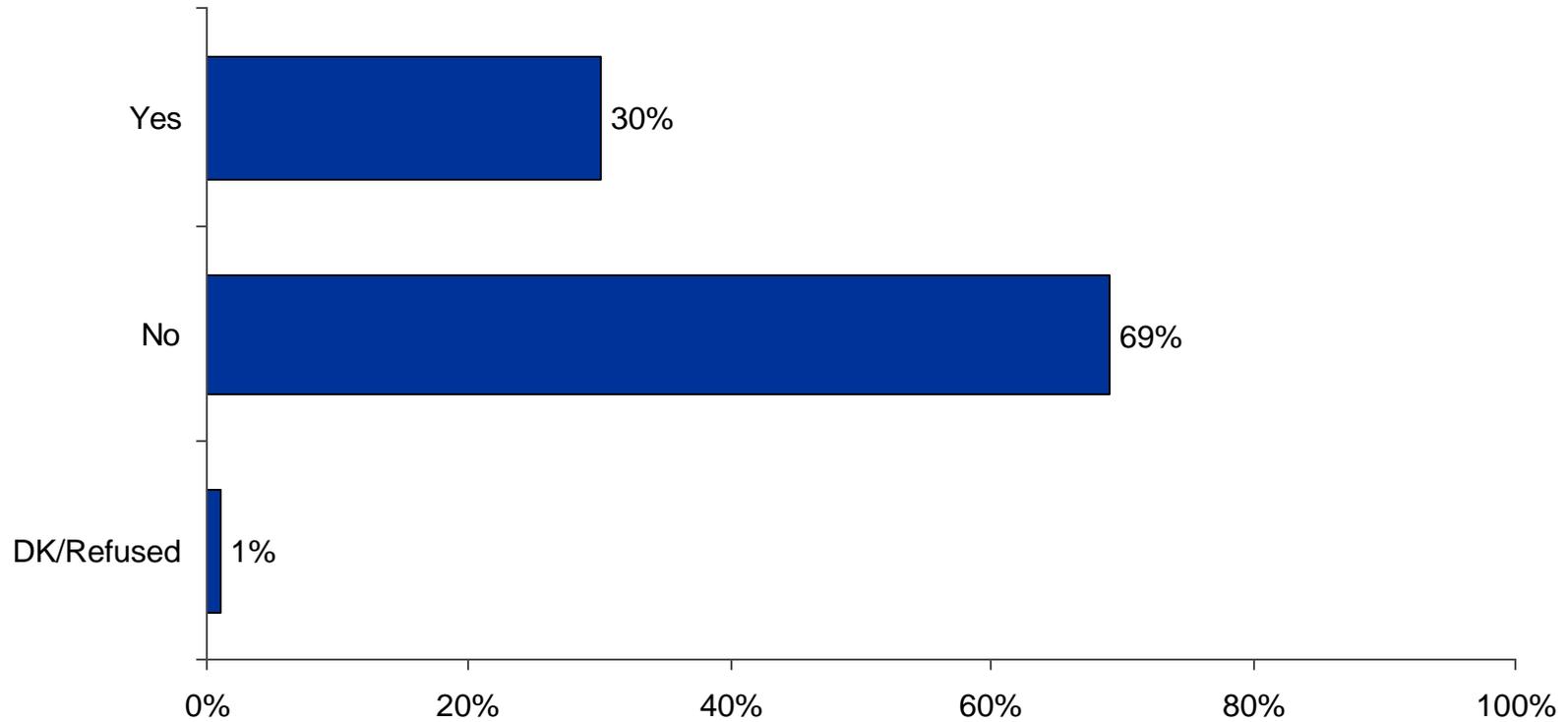
Q550 Does your company plan to adopt a ROTH 401(k) in the future?  
Base: Does Not Offer ROTH 401(k) Plan, n=460

# Reasons Not Adopting Roth 401(k) in the Future



Q560 What would you say is the main reason your company is not planning to adopt a ROTH 401(k) in the future?  
Base: Has No Plans To Offer ROTH 401(k) Plan , n=309

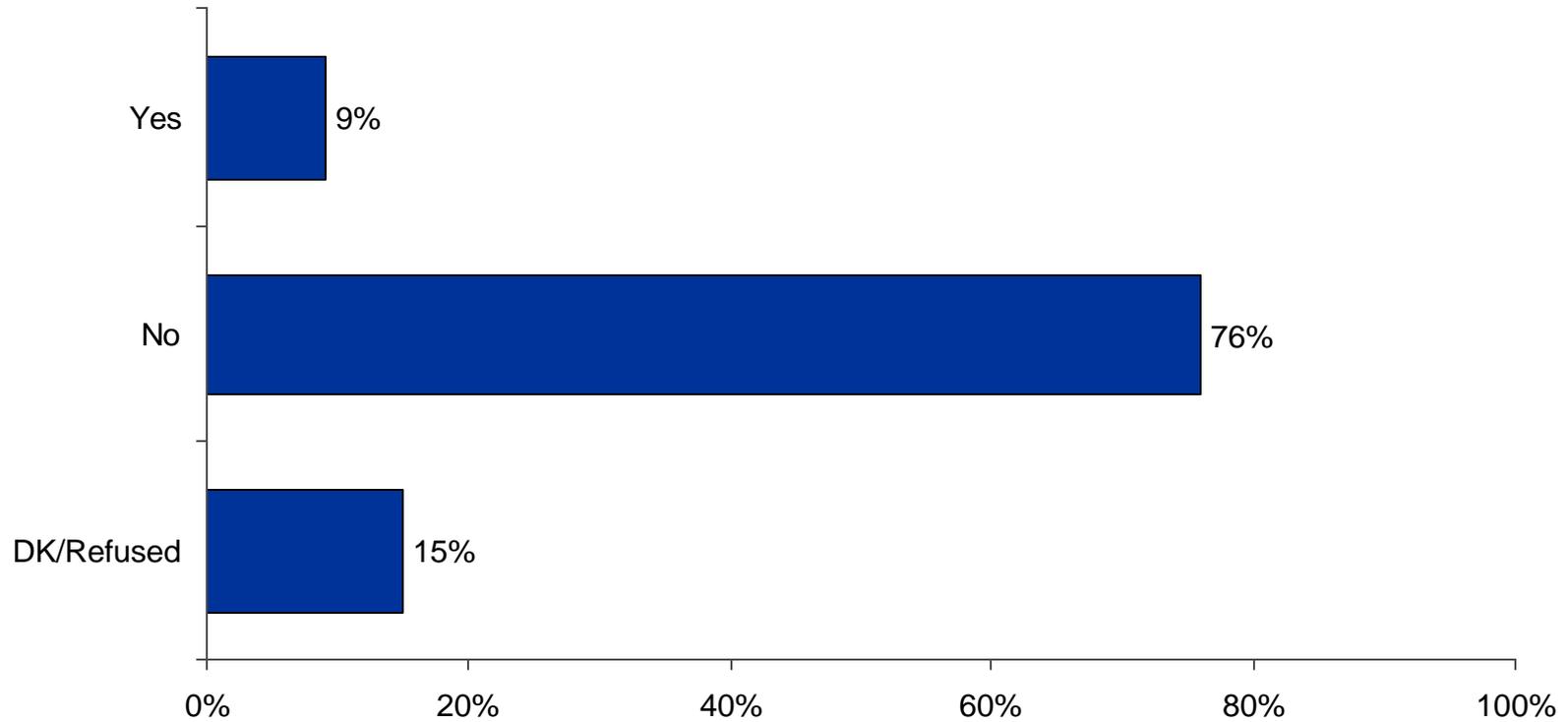
# Company Currently Has Provision for Automatic Enrollment



Q570 Has your company adopted a provision that would automatically enroll employees into the retirement plan?

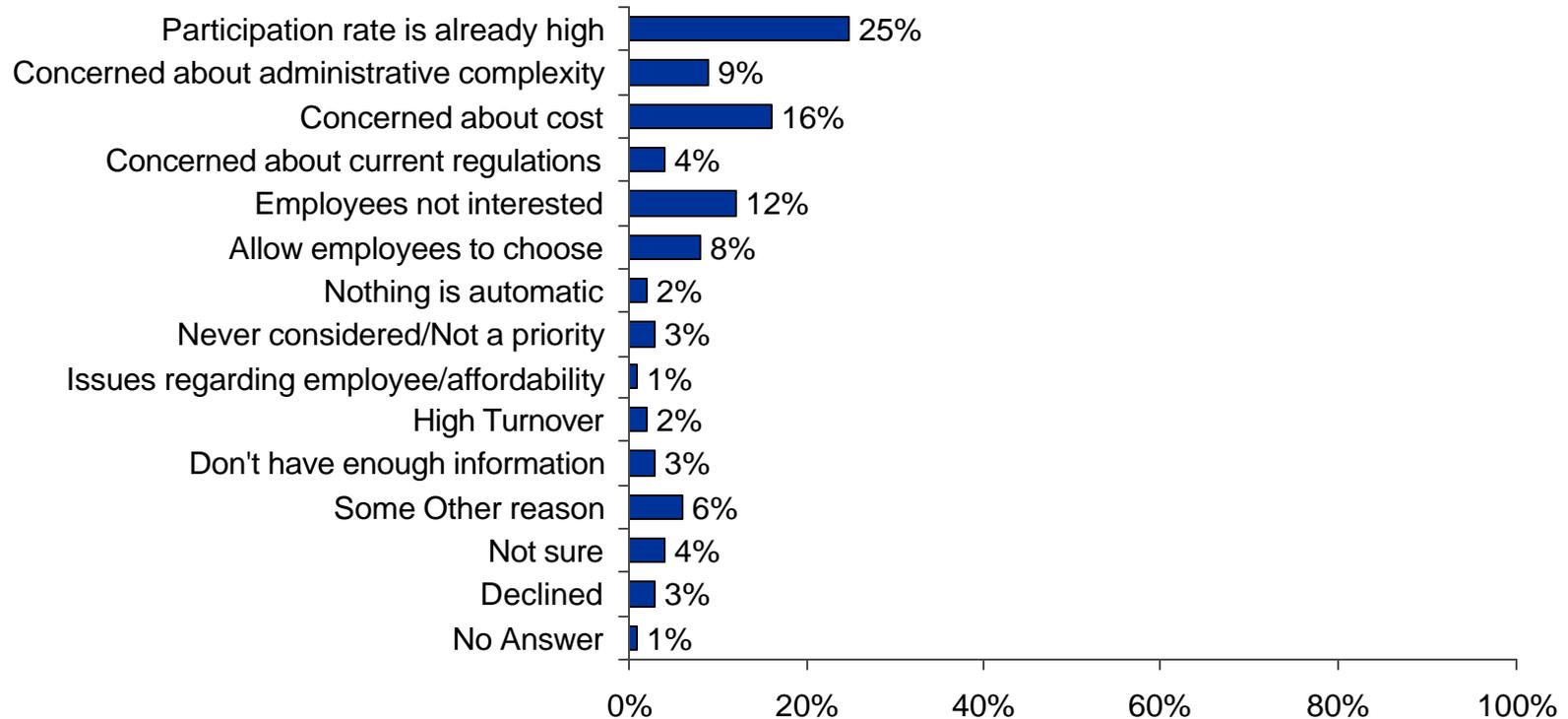
Base: Offers 401(k) Plan , n=515

# Company Plans to Adopt Provision for Automatic Enrollment



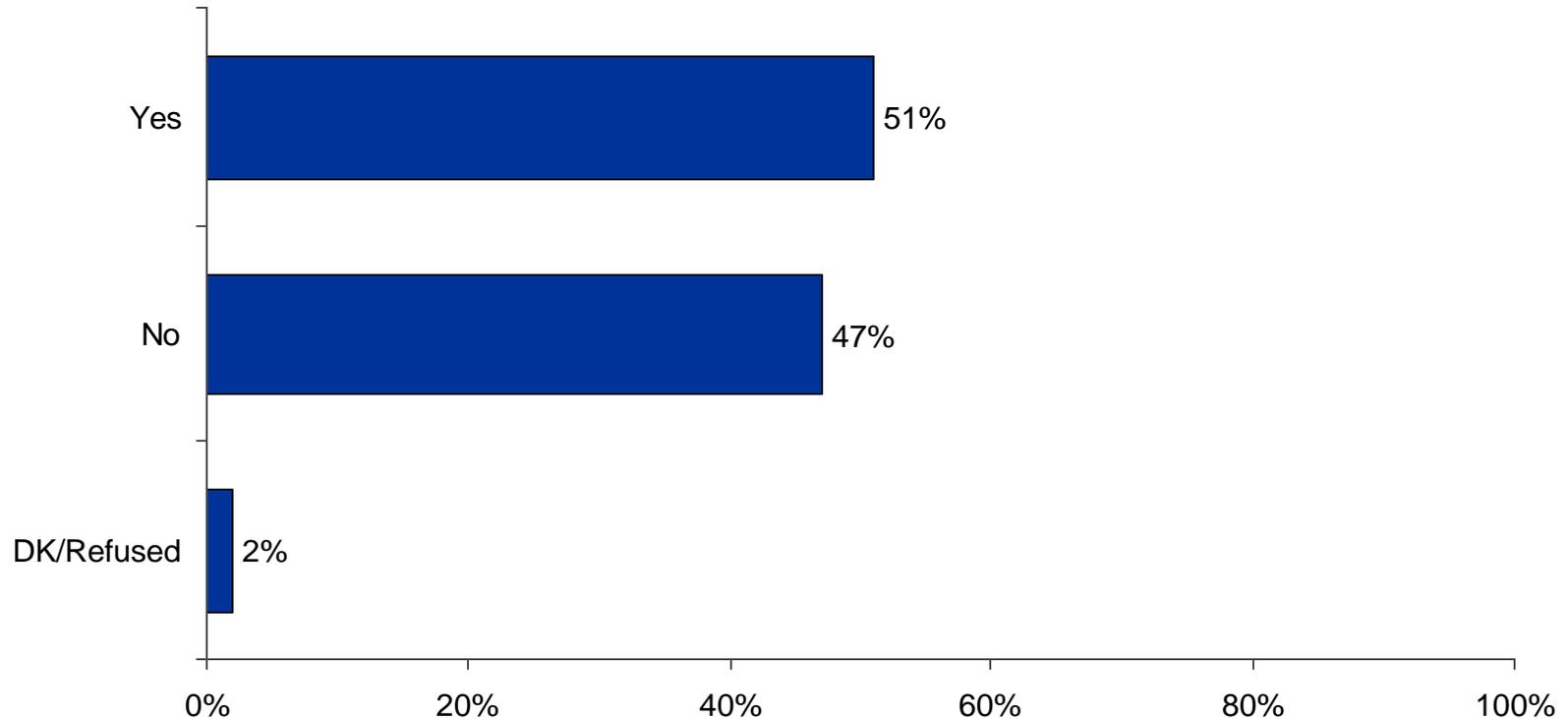
Q580 Does your company plan to adopt an automatic enrollment provision in the future?  
Base: Does Not Automatically Enroll, n=340

# Reasons Not Adopting Automatic Enrollment in the Future



Q590 What would you say is the main reason your company is not planning to adopt an automatic enrollment provision in the future?  
Base: Has No Plans To Auto Enroll , n=218

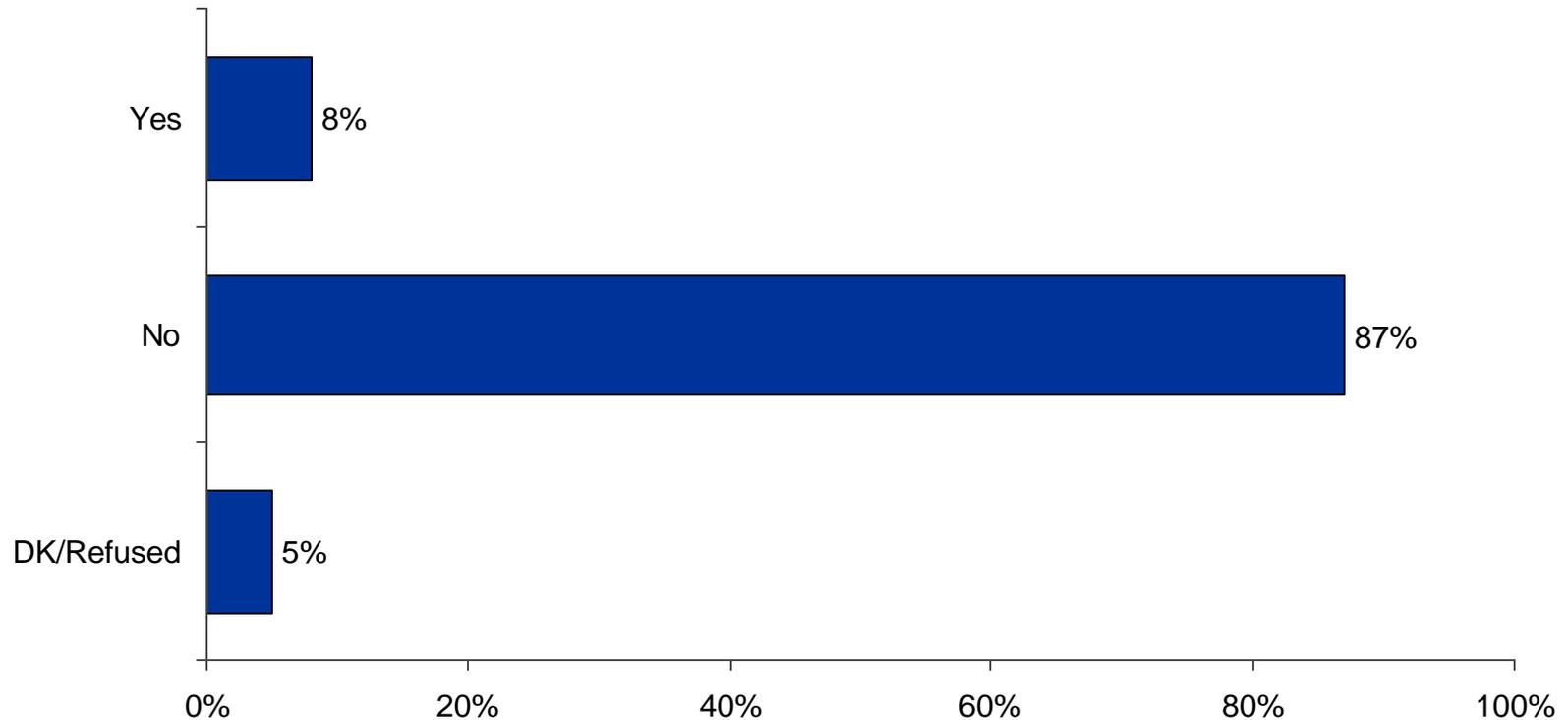
# Company Currently Offers Investment Guidance/Advice



Q592 Does your company currently offer investment guidance or advice for employees as part of your retirement plan?

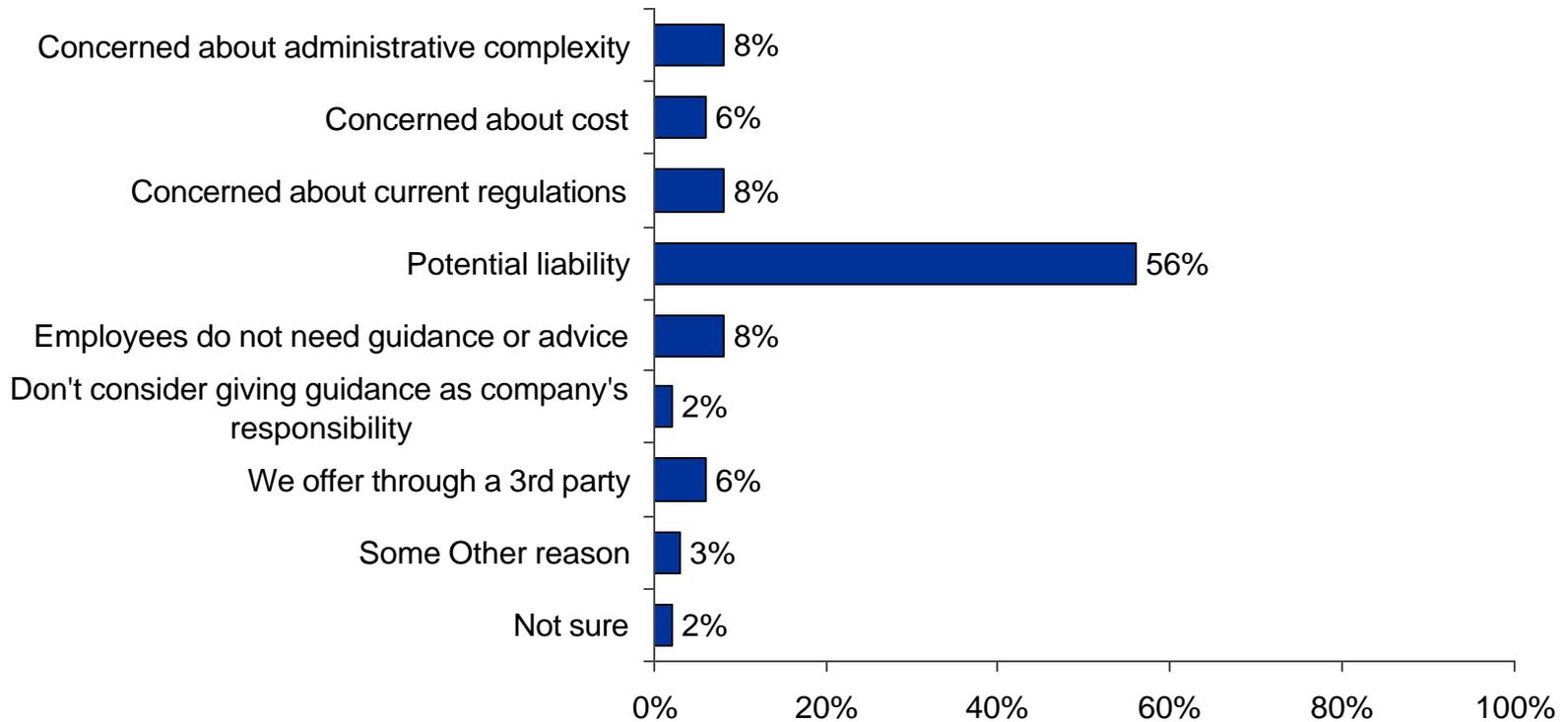
Base: Offers 401(k) Plan Or Other Employee Funded Plan , n=573

# Company Plans to Offer Investment Guidance/Advice



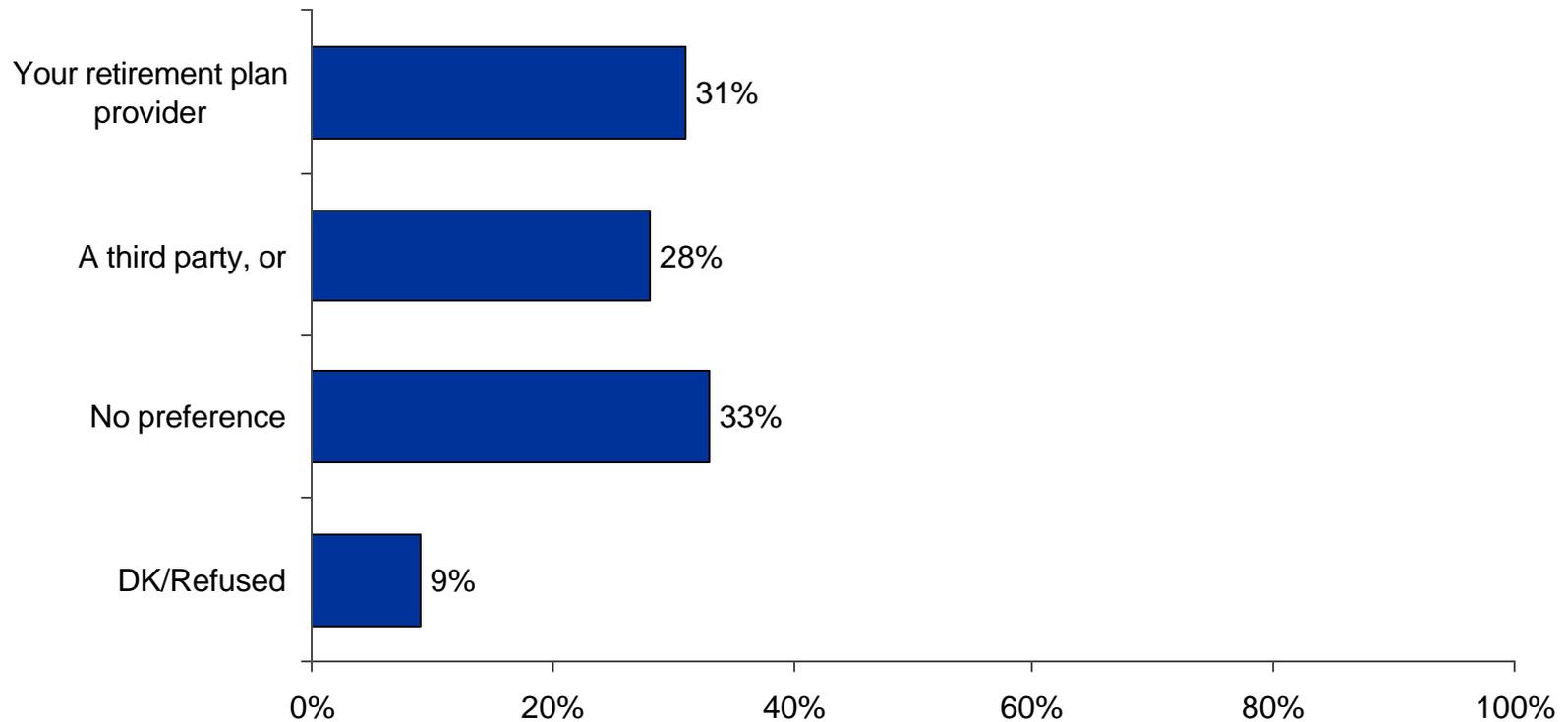
Q594 Does your company plan to offer investment guidance or advice for employees in the future?  
Base: Does Not Offer Advice , n=233

# Reasons Not Offering Investment Guidance/Advice



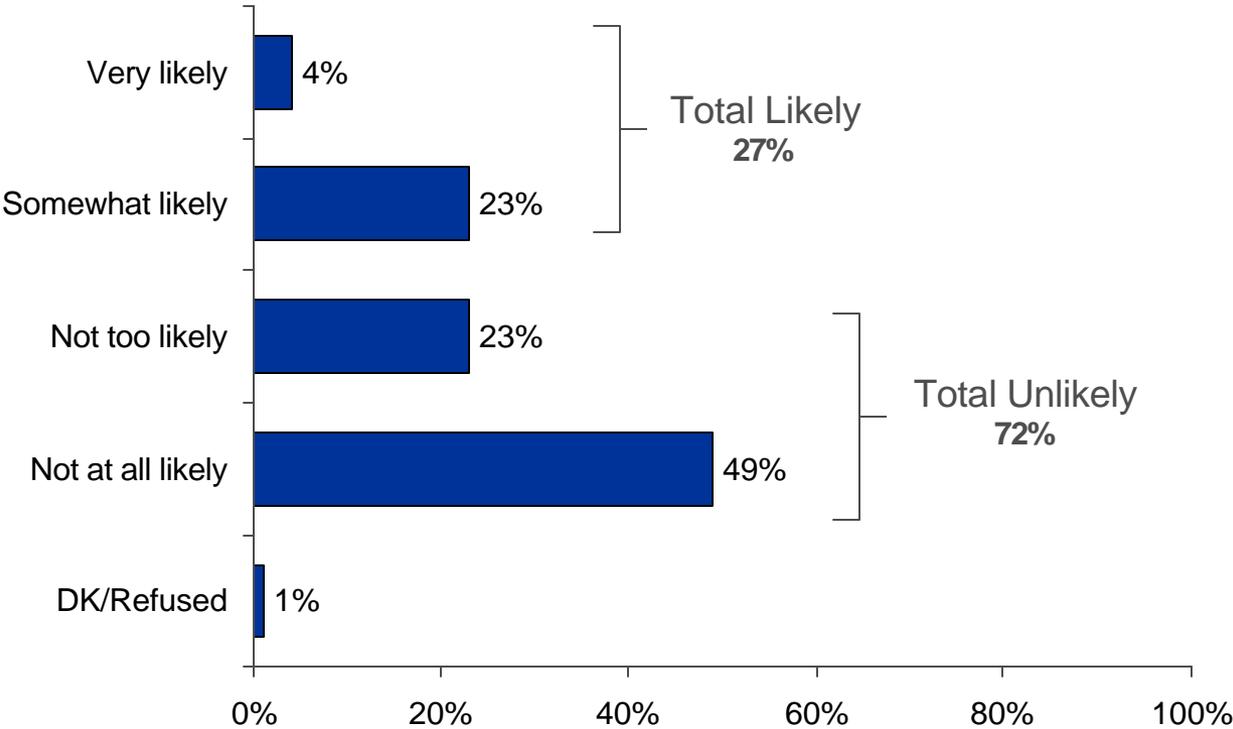
Q596 What would you say is the main reason your company is not planning to offer investment guidance or advice for employees in the future?  
Base: Has No Plans To Offer Advice , n=170

# Company Preference for Usage of Guidance/Advice



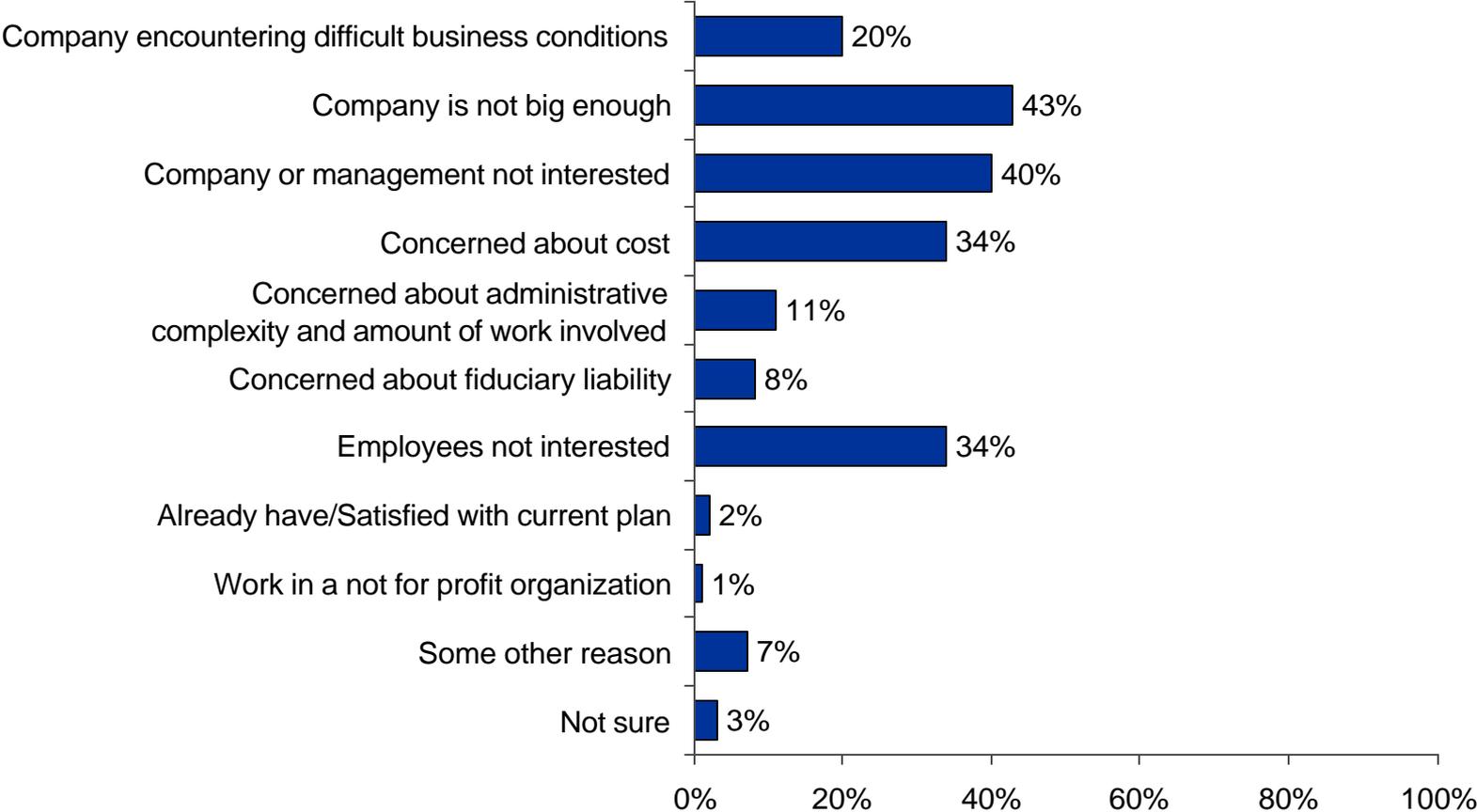
Q598 Would your company prefer to offer investment guidance or advice to retirement plan participants - assuming equal cost  
Base: Offers 401(k) Plan Or Other Employee Funded Plan And Either Offers Or Plans To Offer Advice To Employees In The Future , n=373

# Likelihood of Offering an Employee-funded Retirement Plan



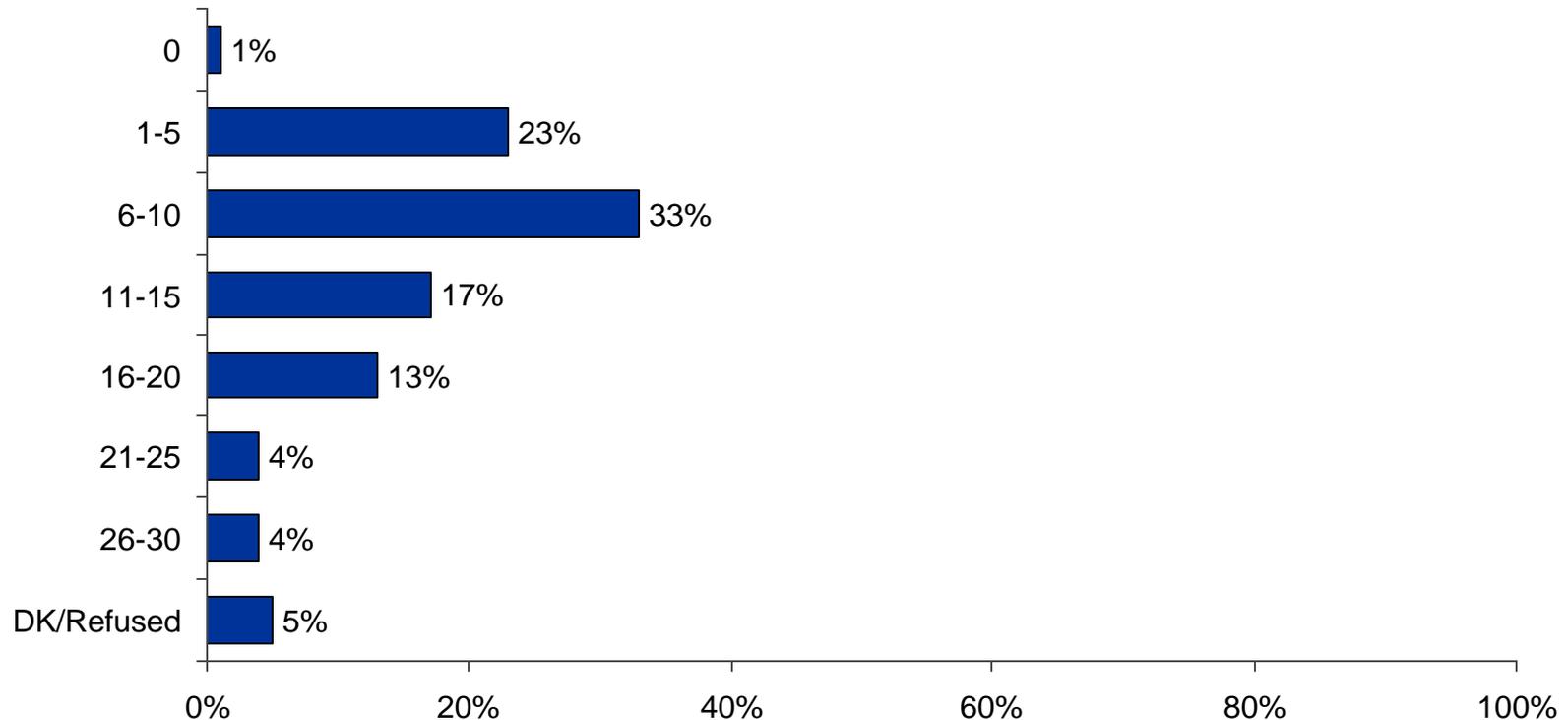
Q600 How likely is your company to begin offering an employee-funded retirement plan package like a 401(k) to its employees in the next two years?  
Base: Does Not Offer 401(k) Nor Other Self Funded Plan, n=86

# Reasons Not Likely to Offer an Employee-funded Retirement Plan in the Next Two Years



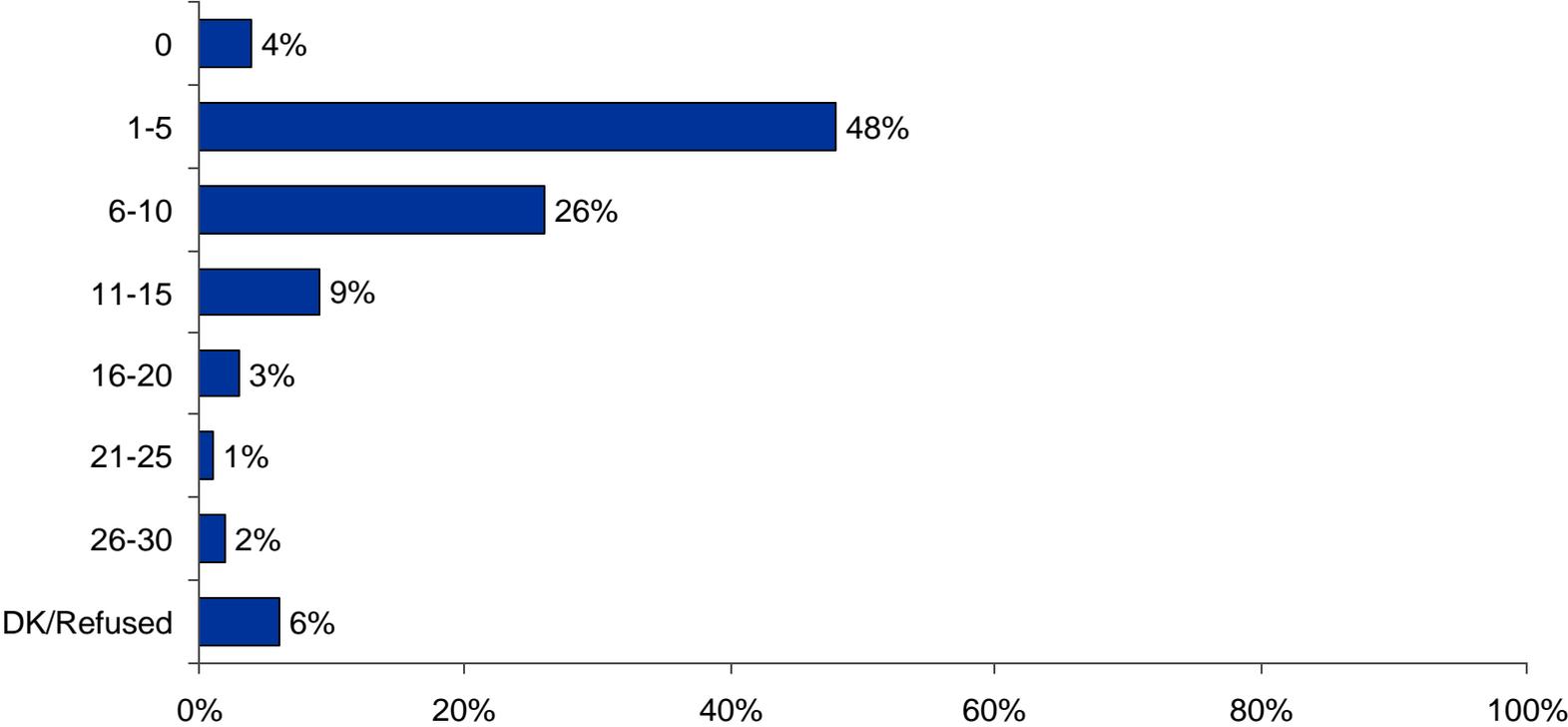
Q610 Why is your company not likely to offer a plan in the next two years?  
Base: Not Likely To Offer 401(k) In Next 2 Years , n=59

# Length of Time 401(k) or Other Employee-funded Retirement Plan Has Been Offered at Company



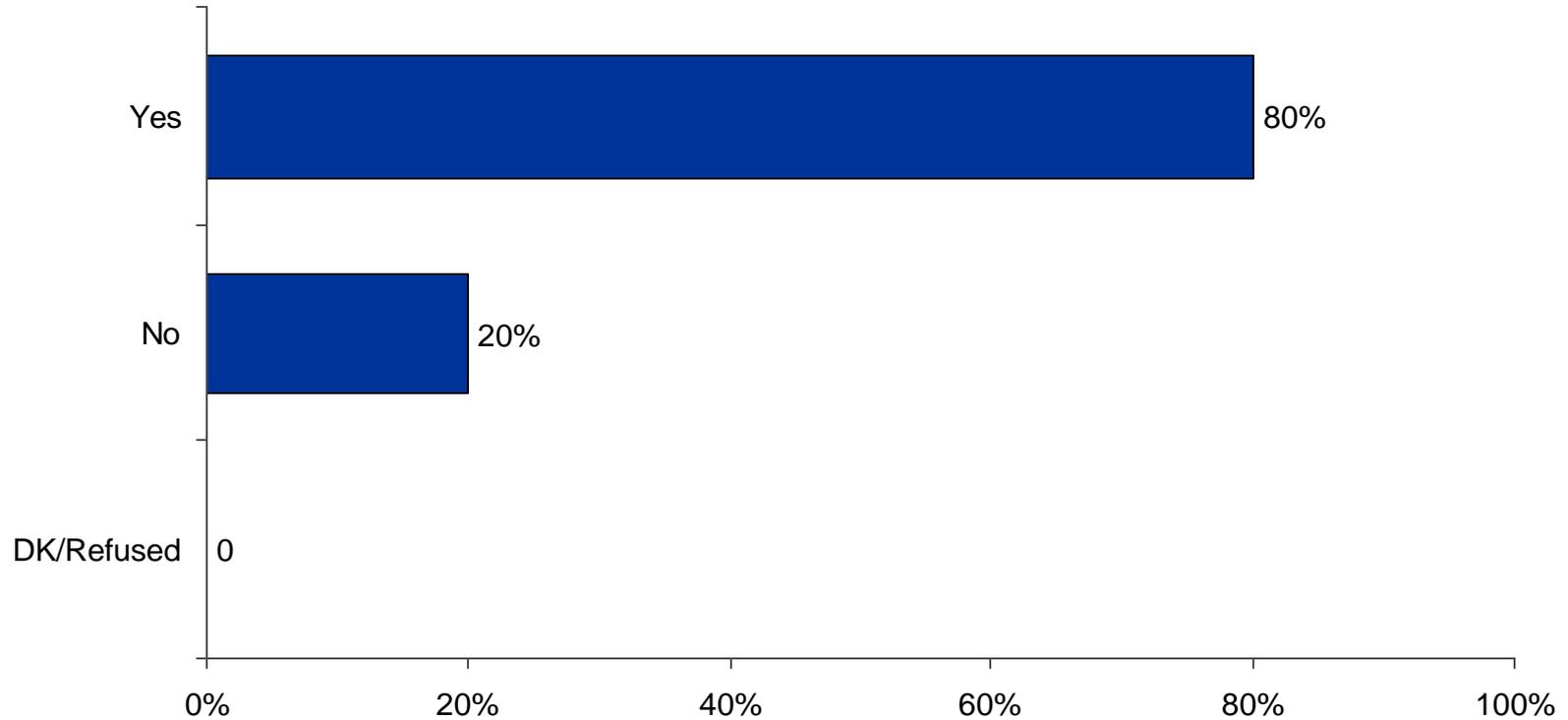
Q620 How long have you offered a 401(k) or other employee-funded retirement plan at your company?  
Base: Offers 401(k) Plan Or Other Self-Funded Plan , n=573

# Length of Time with Current Plan Administrator



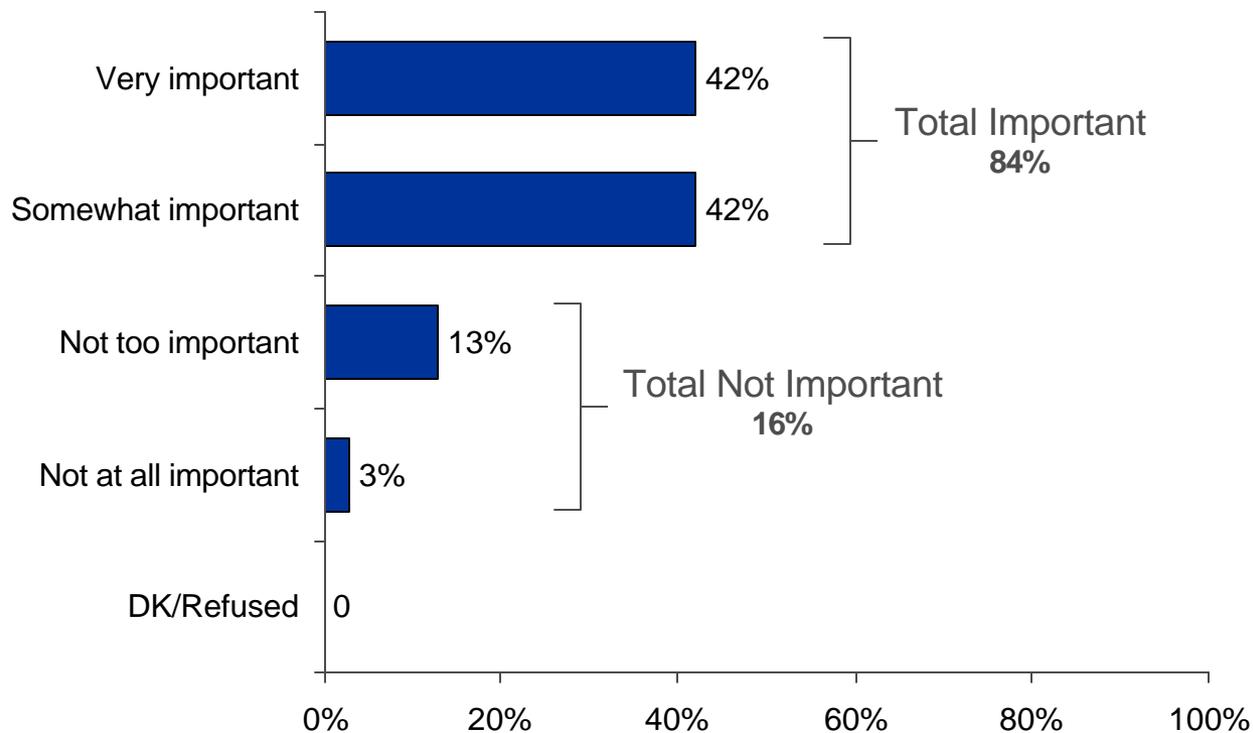
Q630 How long have you used your current retirement plan administrator?  
Base: Offers 401(k) Plan Or Other Self-Funded Plan , n=573

# Company Currently Offers Matching Contribution



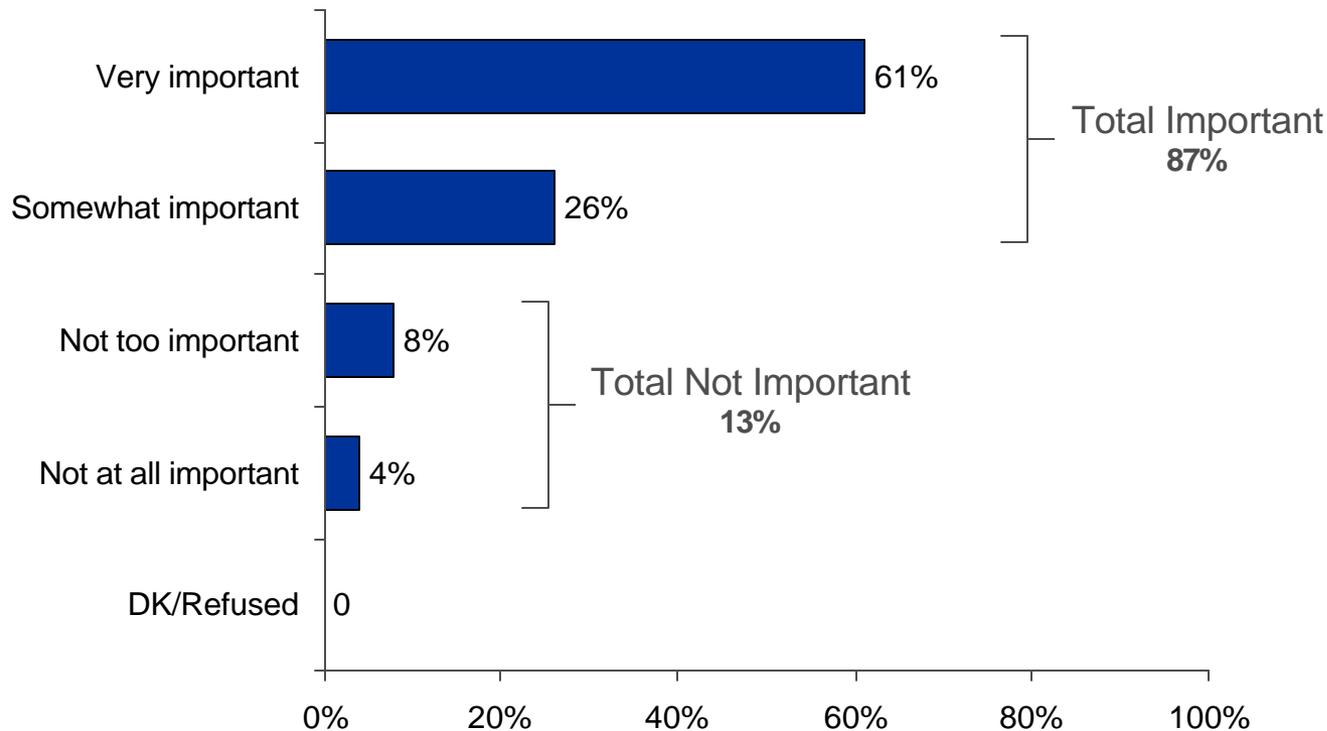
Q640 Does your company offer a matching contribution as part of its 401(k) or other company-sponsored retirement plan?  
Base: Offers 401(k) Plan Or Other Self-Funded Plan , n=573

# Importance of Retirement Plan Package in Attracting/Retaining Employees



Q650 How important would you say your company's employee-funded retirement plan package is to your ability to attract and retain employees?  
Base: Offers 401(k) Plan Or Other Self-Funded Plan , n=573

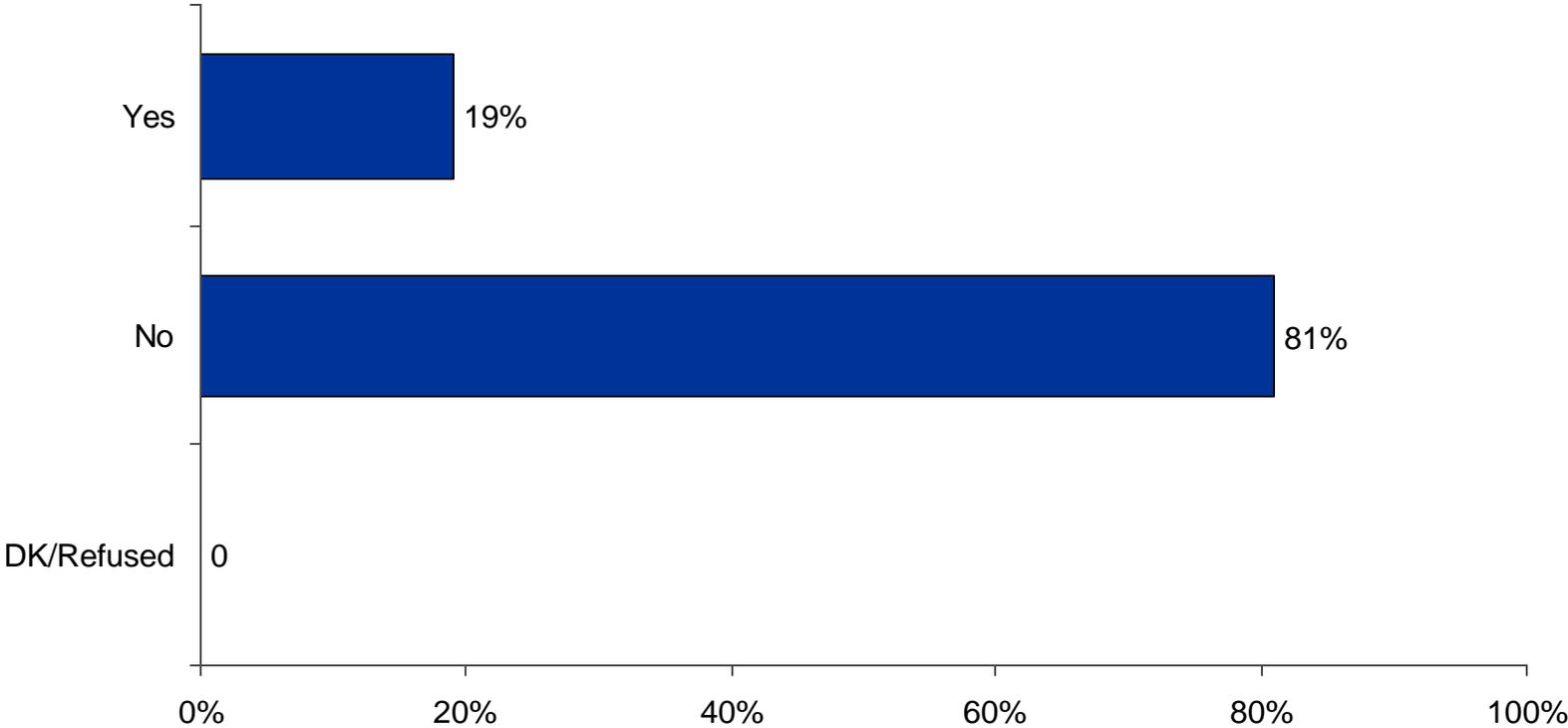
# Importance of Matching Contribution to Employees



Q660 How important is it to your employees that their company provides a matching contribution in their retirement savings plan?

Base: Offers 401(k) Plan Or Other Self-Funded Plan , n=573

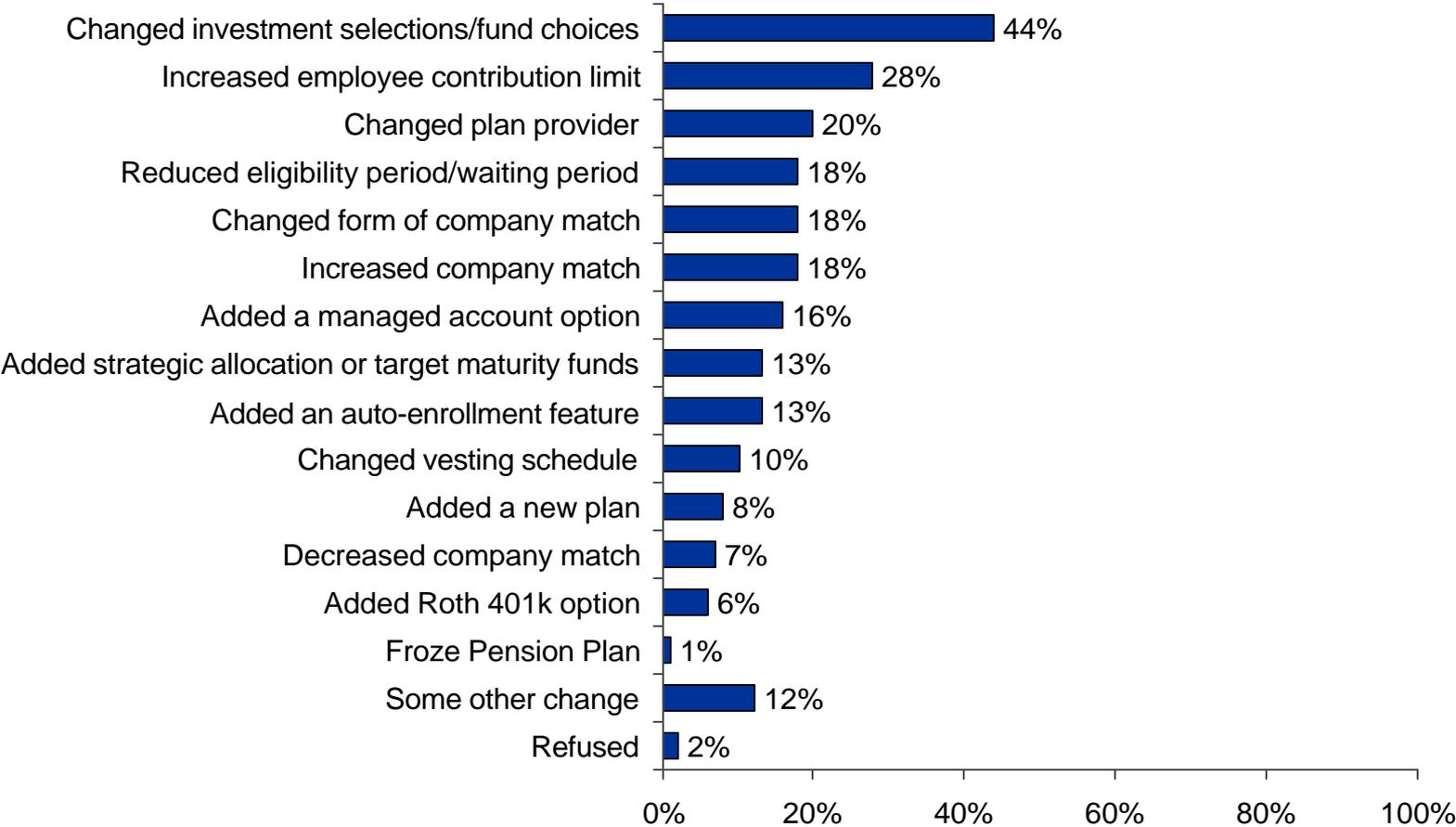
# Changes to Plan in Past 12 Months



Q670 In the past 12 months, has your company made any changes to its 401(k) plan or other employee self-funded plan?

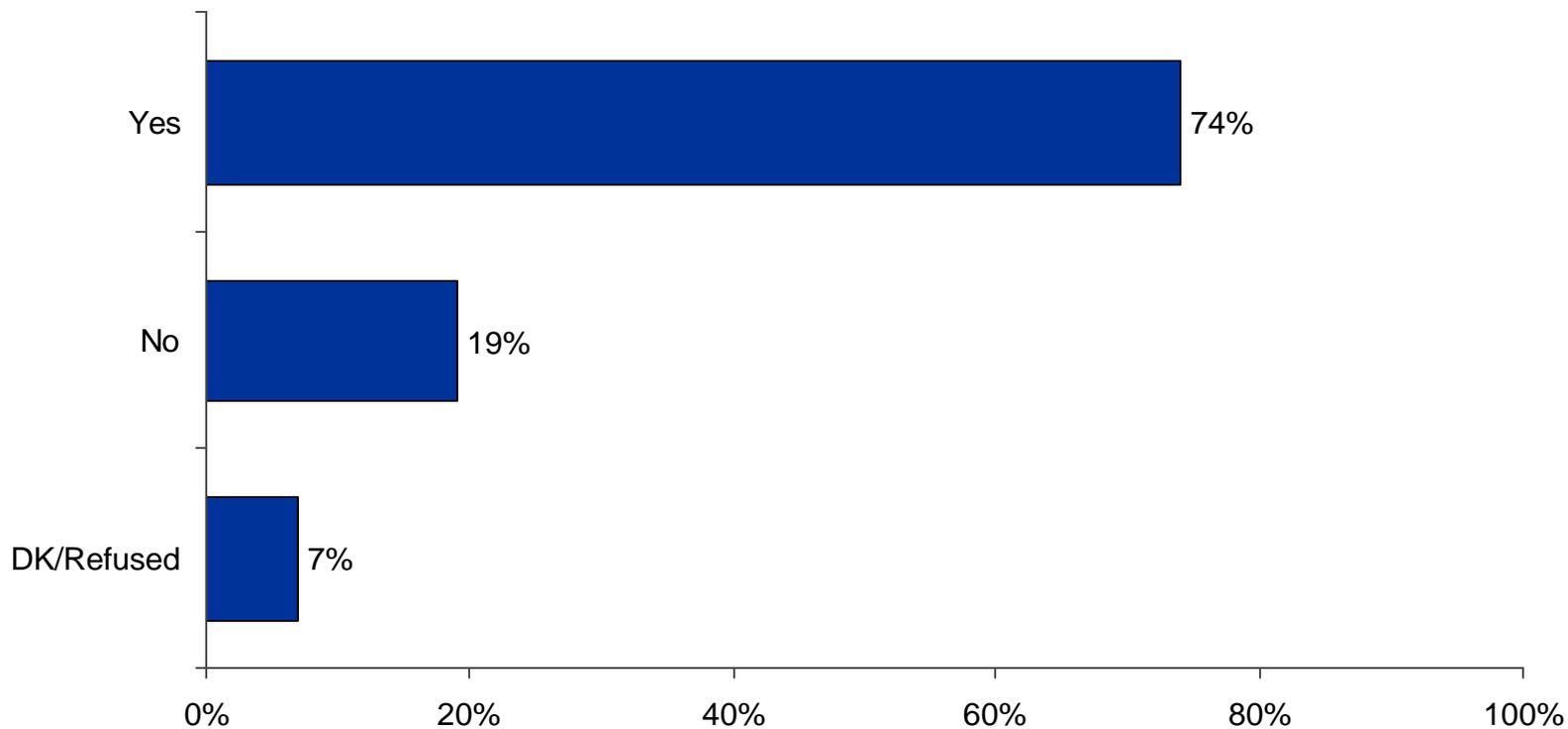
Base: Offers 401(k) Plan Or Other Self-Funded Plan , n=573

# Changes to Plan in Past 12 Months



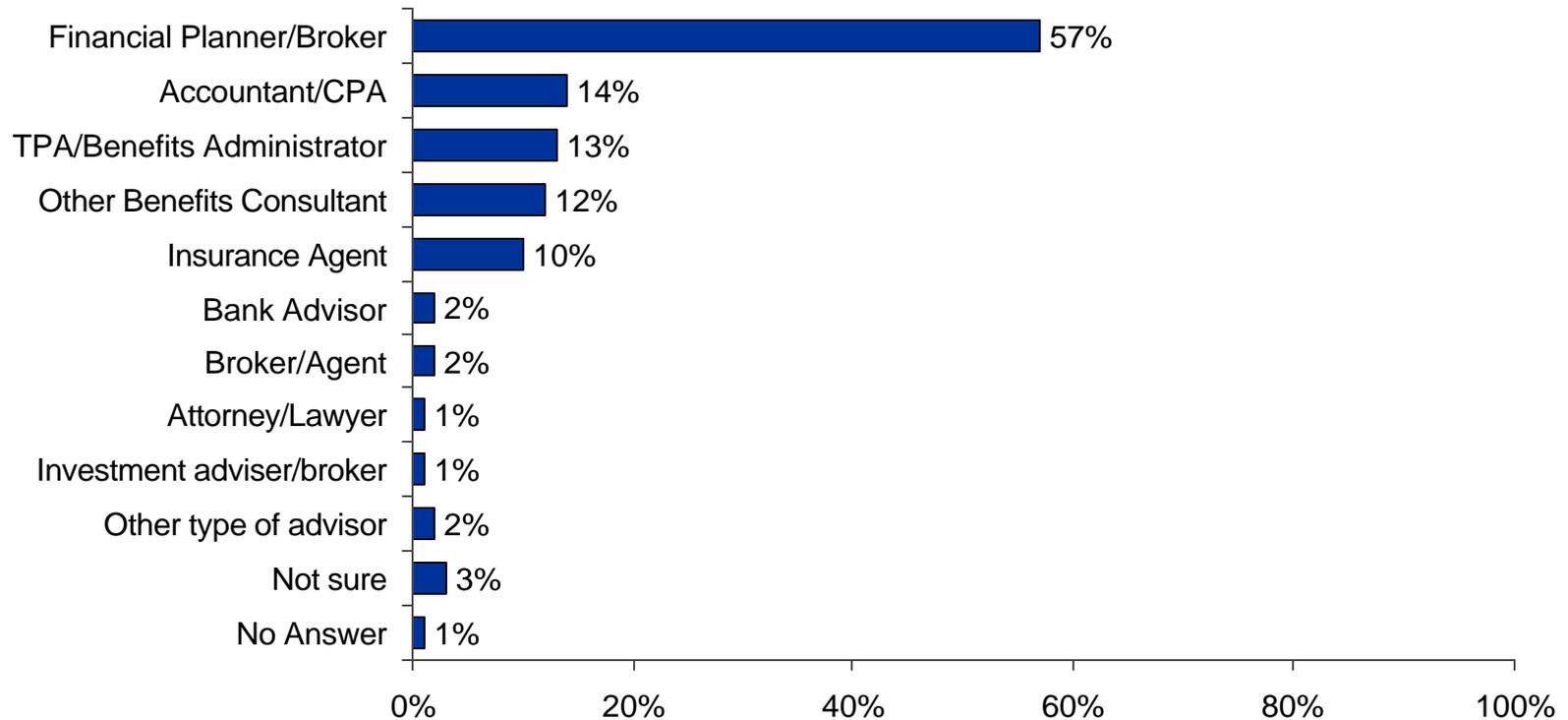
Q680 What was changed in the plan?  
Base: Made Changes To Plan In Last Year , n=187

# Used Outside Advisor to Help Select Retirement Plan



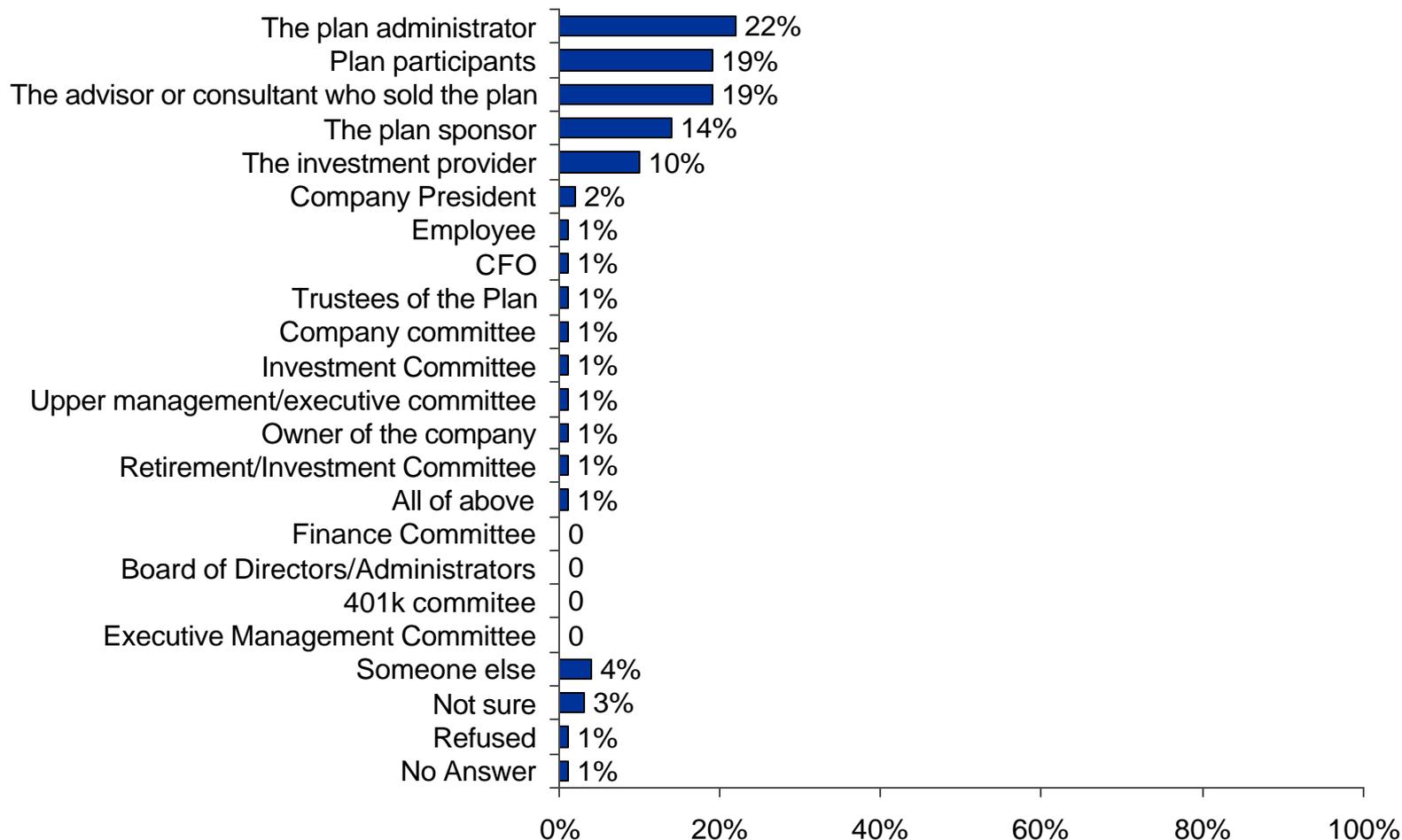
Q690 Did you use an outside advisor to help you select your retirement plan?  
Base: Offers 401(k) Plan Or Other Self-Funded Plan , n=573

# Type of Advisor Used



Q700 What type of advisor did you use?  
Base: Used Outside Advisor To Help Select Plan , n=370

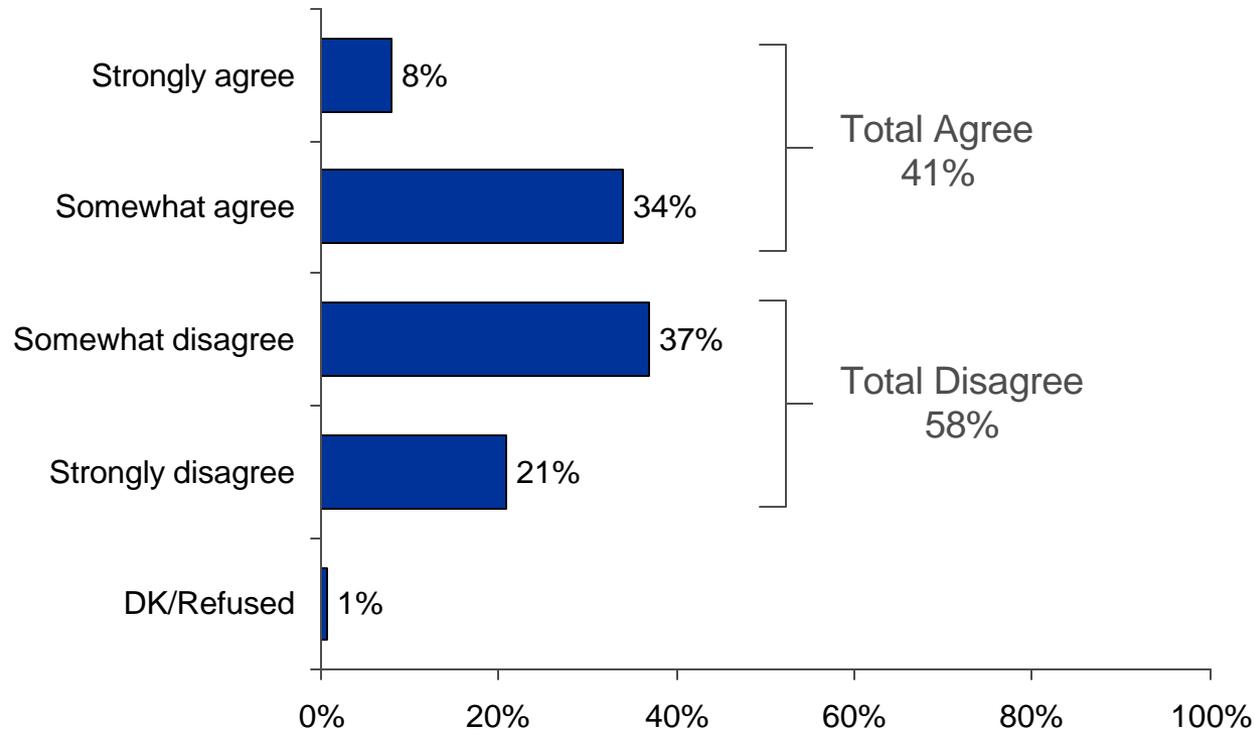
# Person Most Accountable for Selecting/Monitoring Investment Options in Retirement Plan



Q710 In your opinion, who is most accountable for selecting and monitoring the investment options in your company's retirement plan?

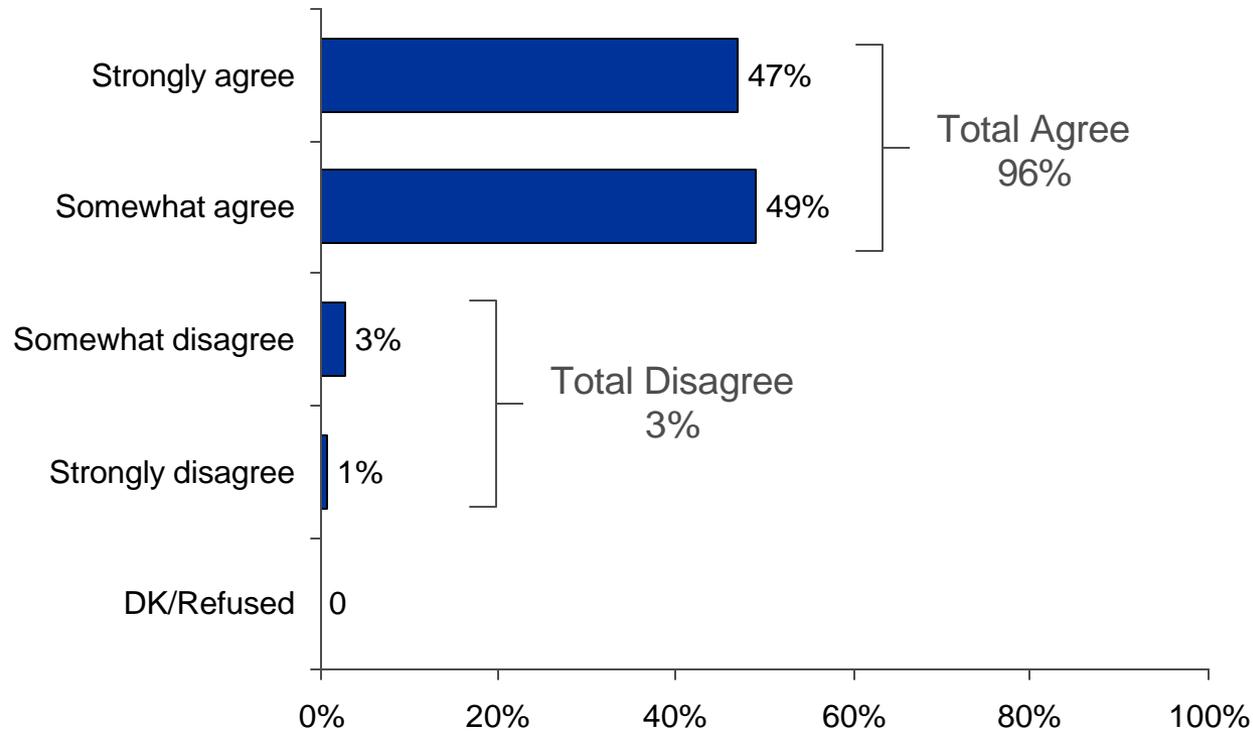
Base: Offers 401(k) Plan Or Other Self-Funded Plan , n=573

# Statement Agreement: Want More Investment Options



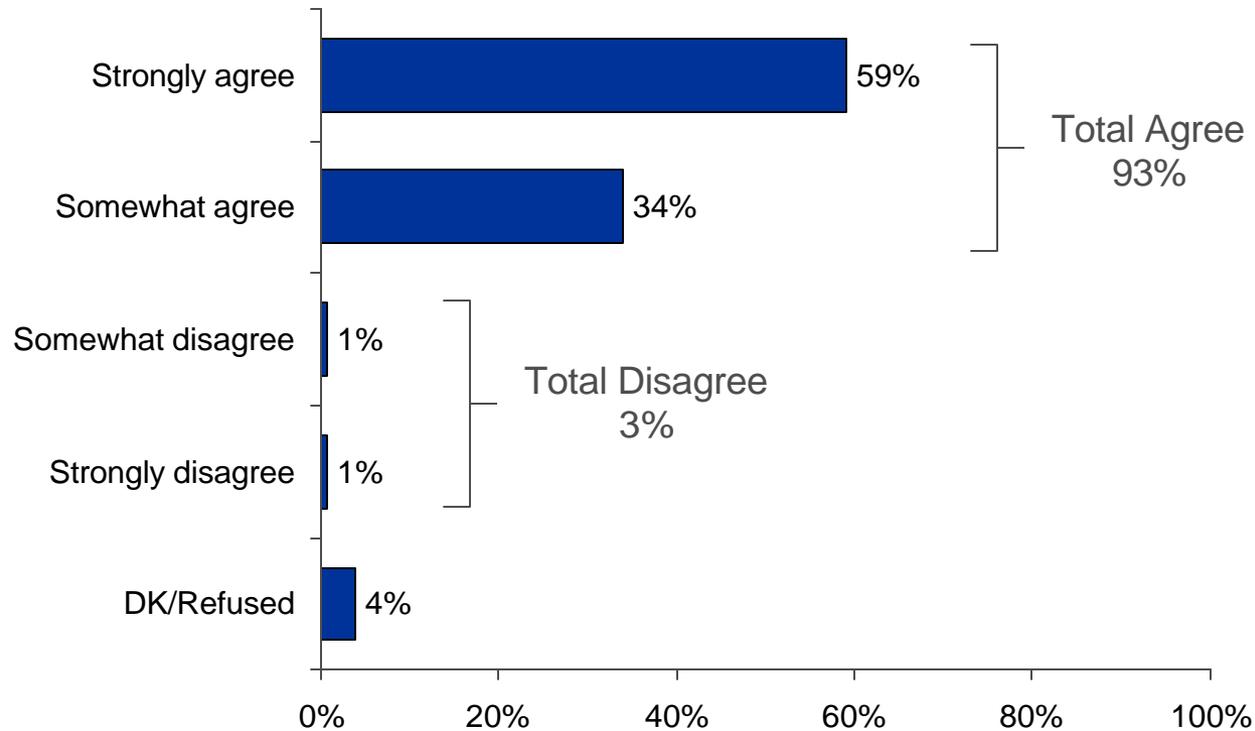
Q720 Most employees in our company would like more investment options available to them within the retirement plan.  
Base: Offers 401(k) Plan Or Other Self-Funded Plan , n=573

# Statement Agreement: Satisfied with Quality of Options



Q725 Most employees in our company are satisfied with the quality of the investment options within the retirement plan.  
Base: Offers 401(k) Plan Or Other Self-Funded Plan , n=573

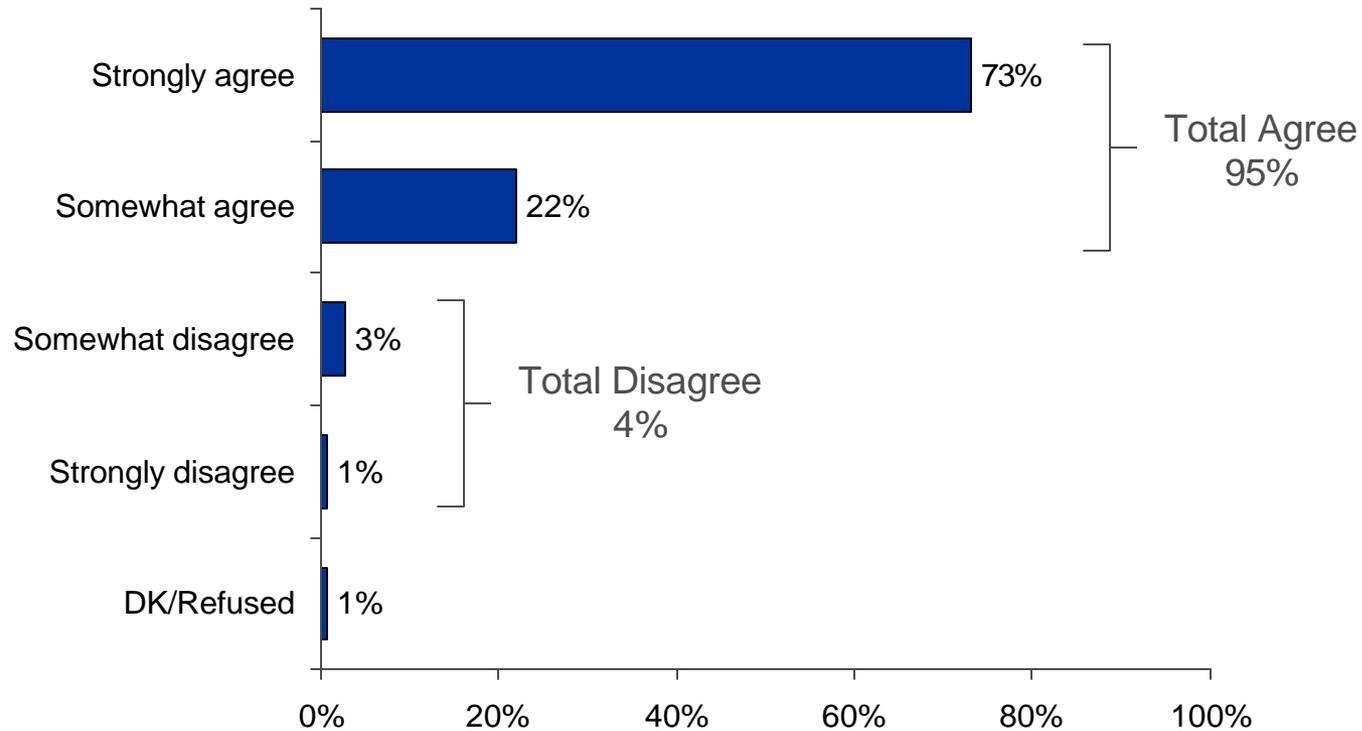
# Statement Agreement: Give Employees Info They Need



Q730 Our company gives employees the right information they need to make decisions about the retirement plan.

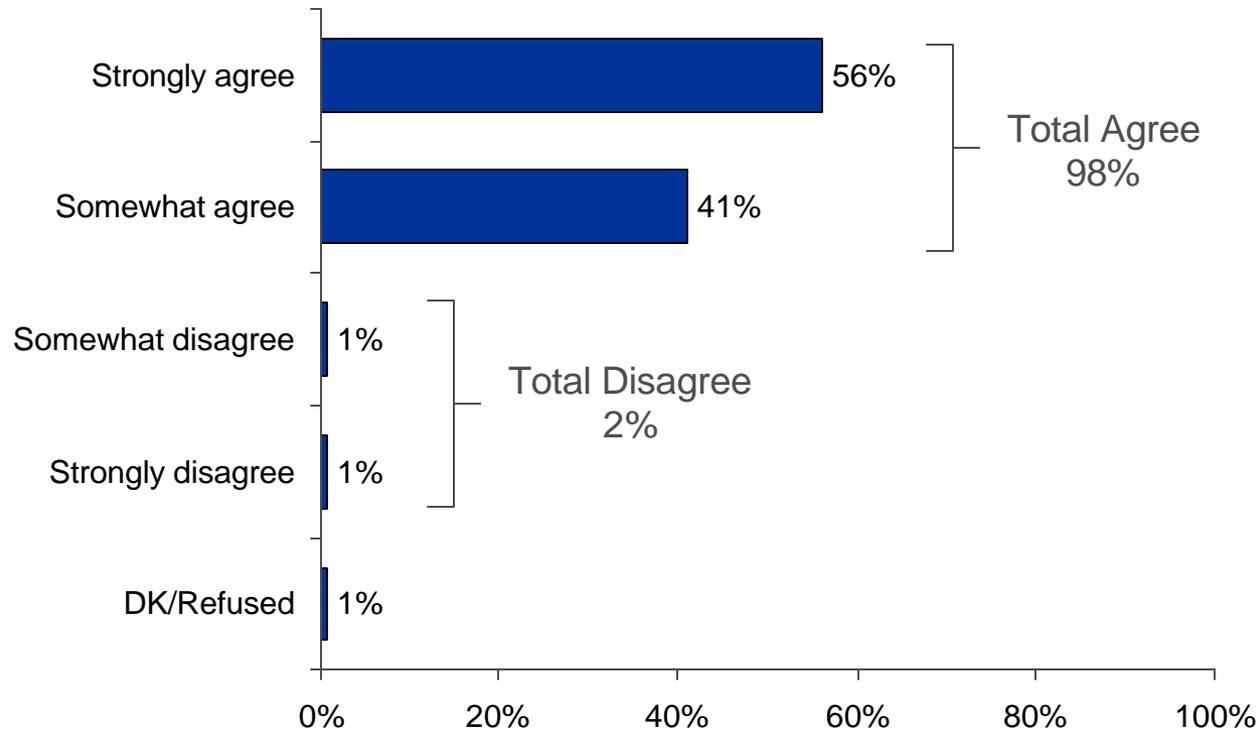
Base: Offers 401(k) Plan Or Other Self-Funded Plan , n=573

# Statement Agreement: Satisfied with Plan Provider



Q740 Our company is satisfied with our retirement plan provider.  
Base: Offers 401(k) Plan Or Other Self-Funded Plan , n=573

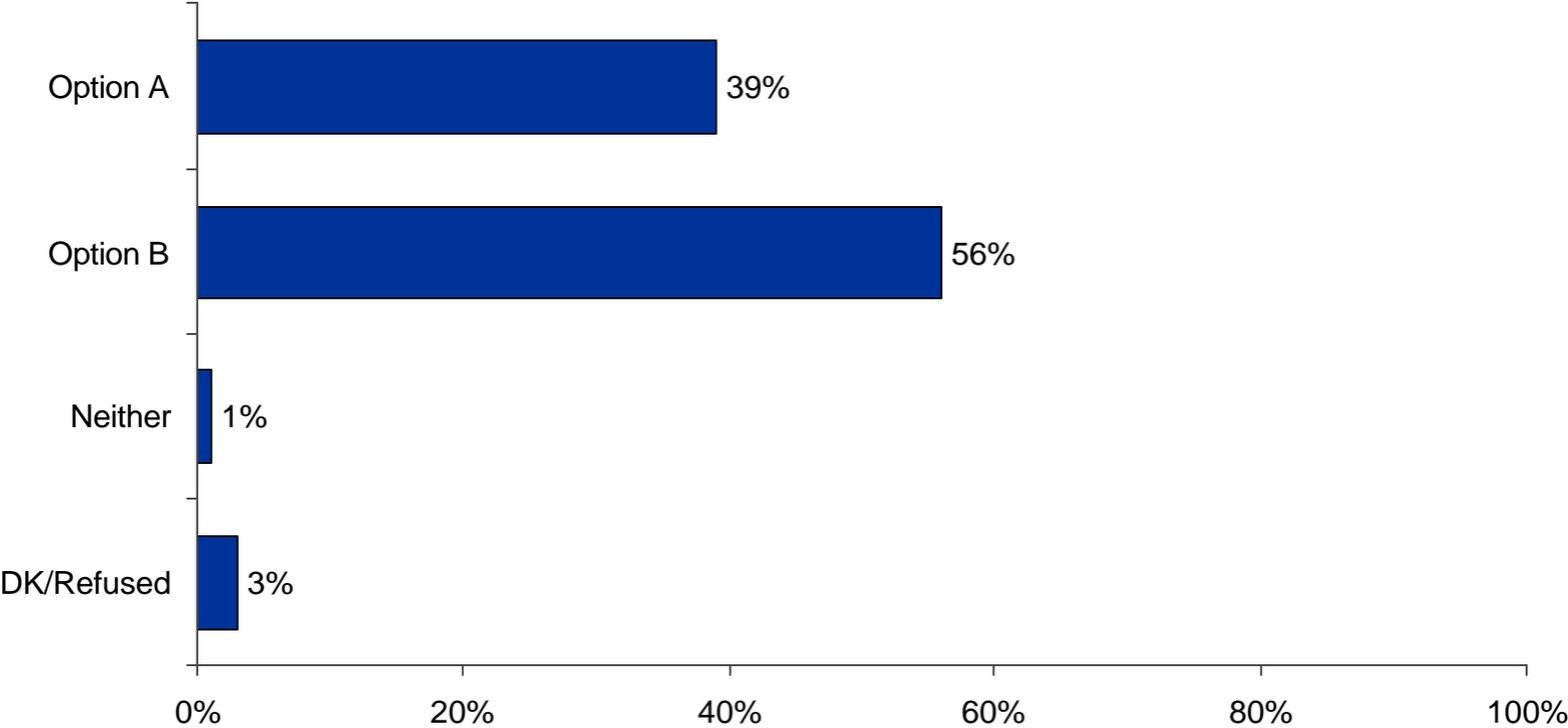
# Statement Agreement: Satisfied with Retirement Plan



Q750 Our employees are satisfied with the retirement plan the company offers.  
Base: Offers 401(k) Plan Or Other Self-Funded Plan , n=573

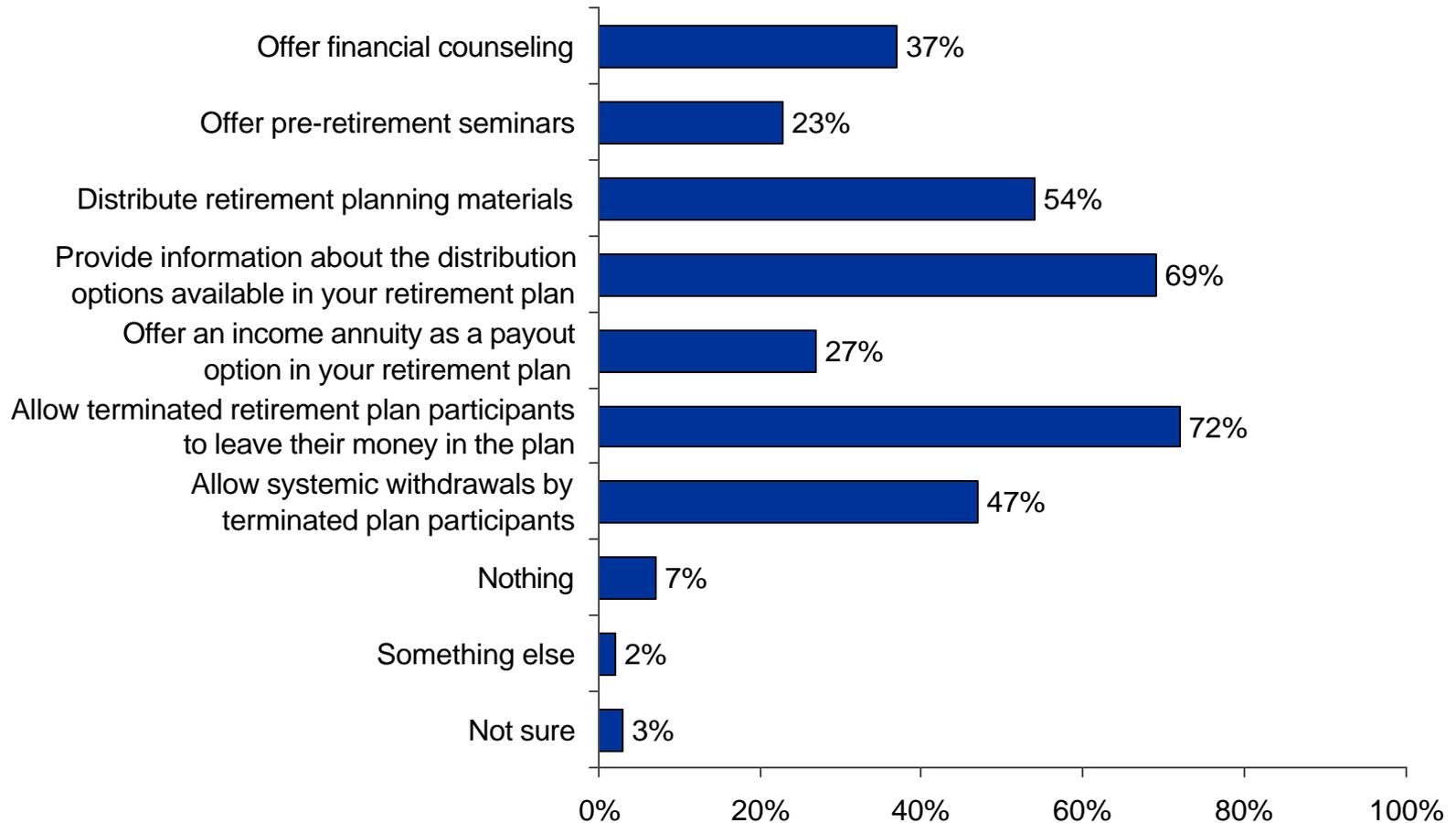
# Option of Greater Interest to a Potential Employee

Option A: Excellent retirement benefits, but only meets the potential employee's minimum salary requirements.  
Option B: A higher than expected salary, but with poor retirement benefits.



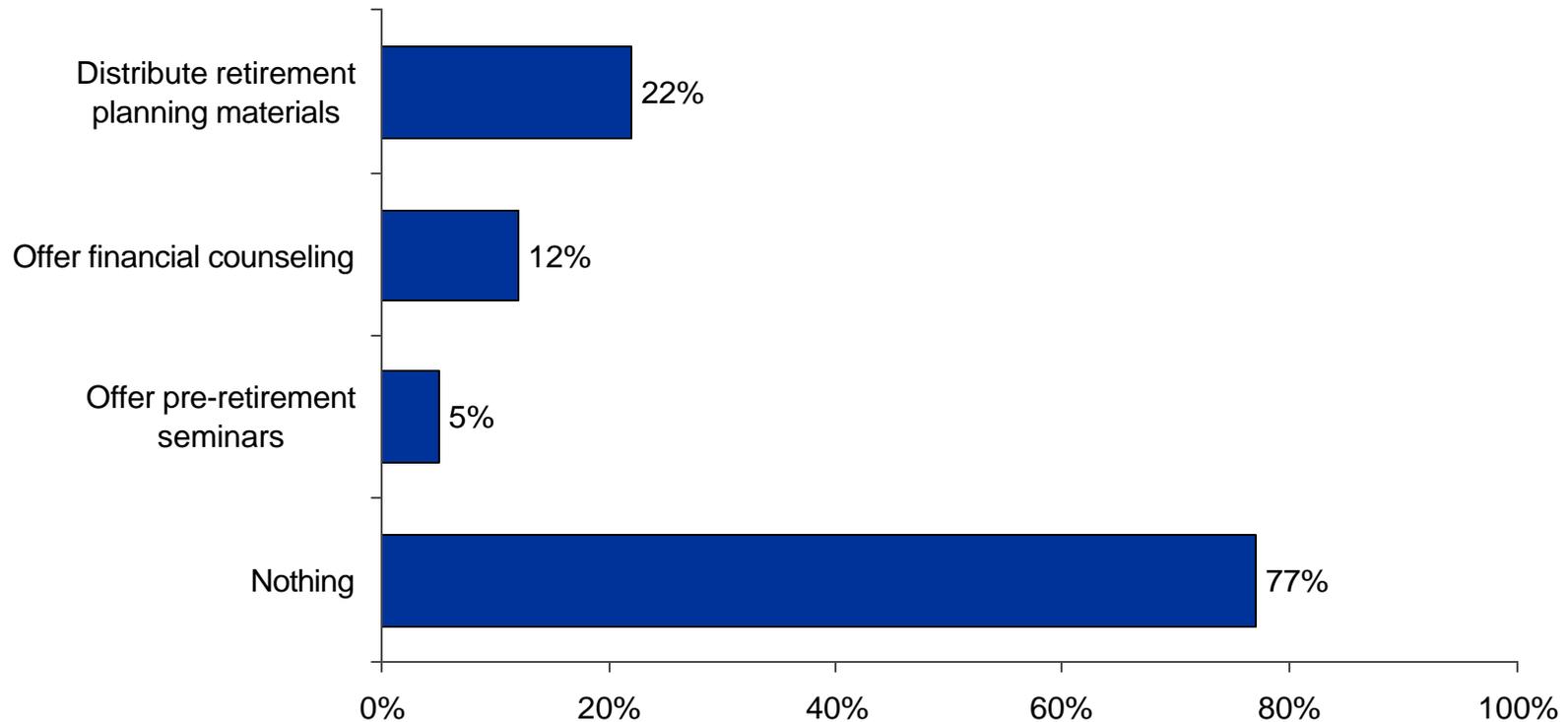
Q760 Which one do you feel would be of greater interest to a potential employee?  
Base: Qualified Respondents , n=659

# Actions Taken to Help Employees Transition to Retirement



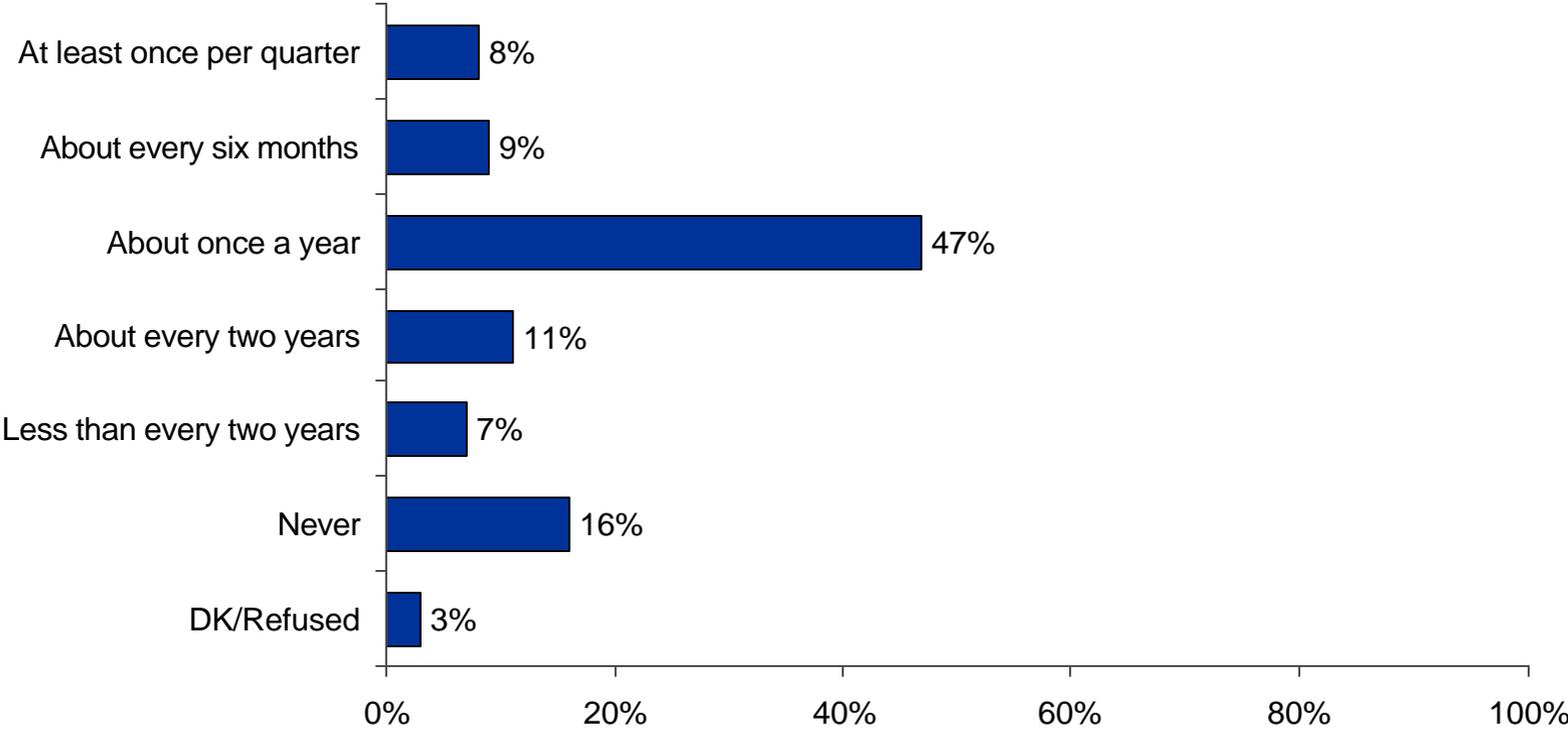
Q770 Does your company do any of the following to help employees transition to retirement?  
Base: Offers 401(k) Plan Or Other Self-Funded Plan , n=573

# Actions Taken to Help Employees Transition to Retirement When No 401(k) or Other Self-funded Plan Is Offered



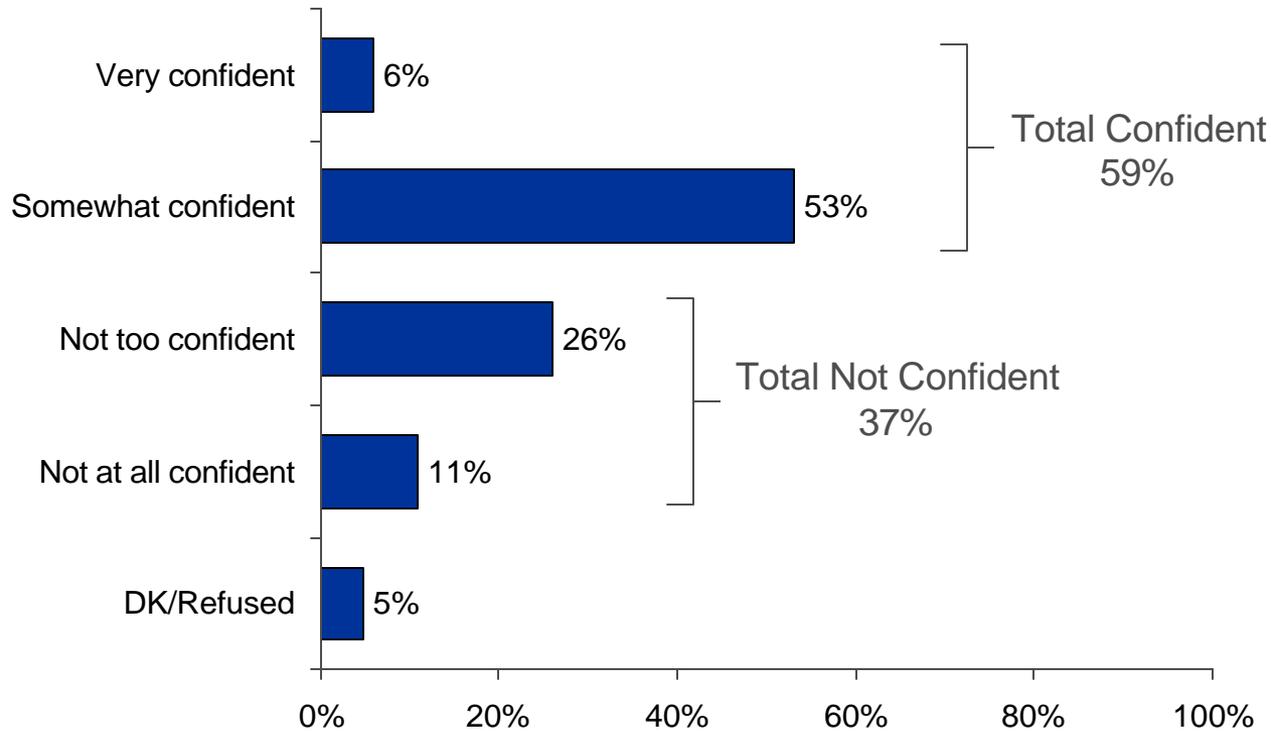
Q780 Does your company do any of the following to help employees transition to retirement?  
Base: Does Not Offer 401(k) Nor Other Self Funded Plan , n=86

# Frequency Retirement Benefits Are Evaluated



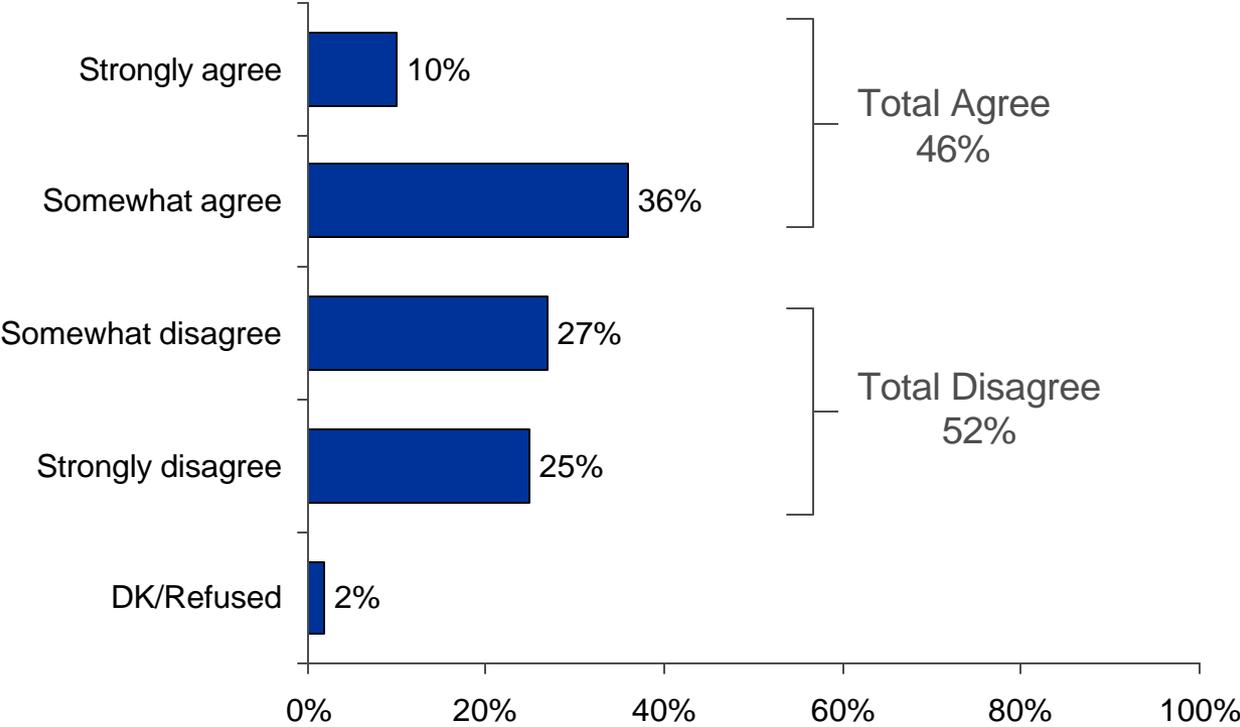
Q790 How frequently does your company evaluate the retirement benefits offered to employees?  
Base: Qualified Respondents , n=659

# Level of Confidence Employees May Have of Achieving a Comfortable Lifestyle



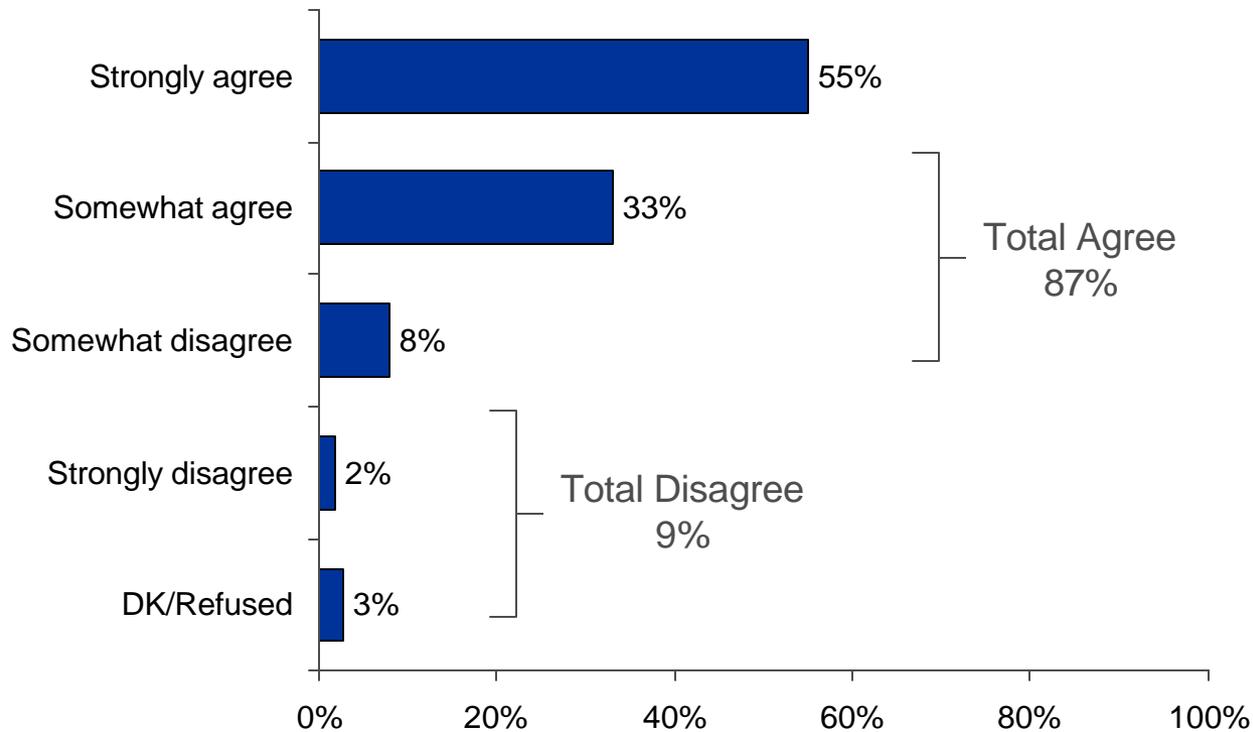
Q800 How confident do you feel your employees are that they will be able to achieve a comfortable lifestyle in their retirement?  
Base: Qualified Respondents , n=659

# Statement Agreement: Employees Very Involved



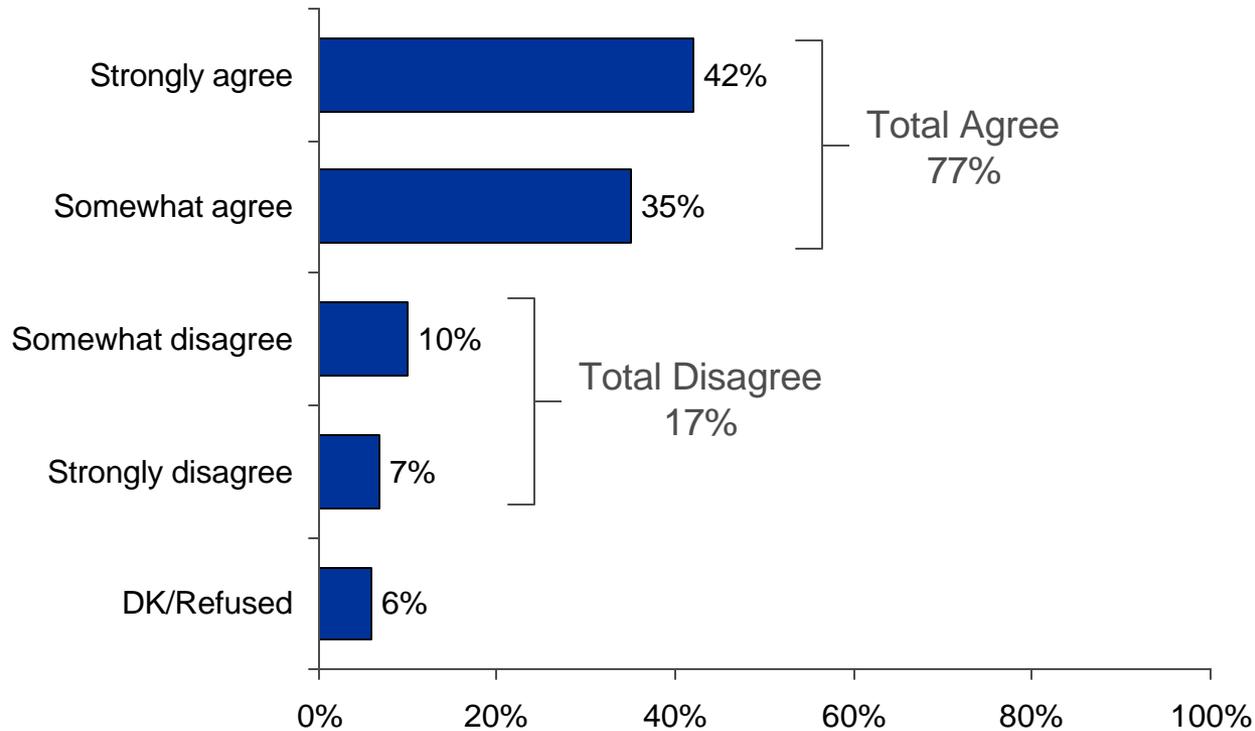
Q810 Employees at my company are generally very involved in monitoring and managing their retirement savings.  
Base: Qualified Respondents , n=659

# Statement Agreement: Employees Don't Know as Much as They Should



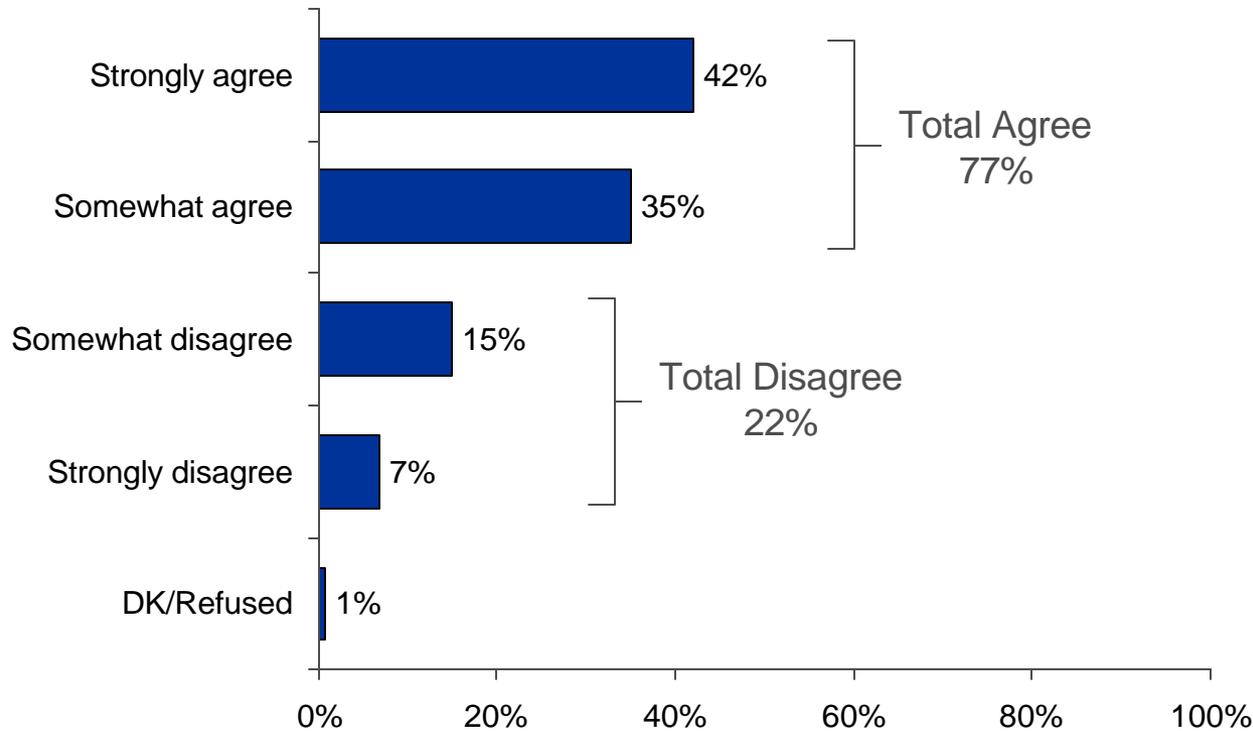
Q820 Most employees at my company do not know as much as they should about retirement investing.  
Base: Qualified Respondents , n=659

# Statement Agreement: Rely on Outside Experts 2006



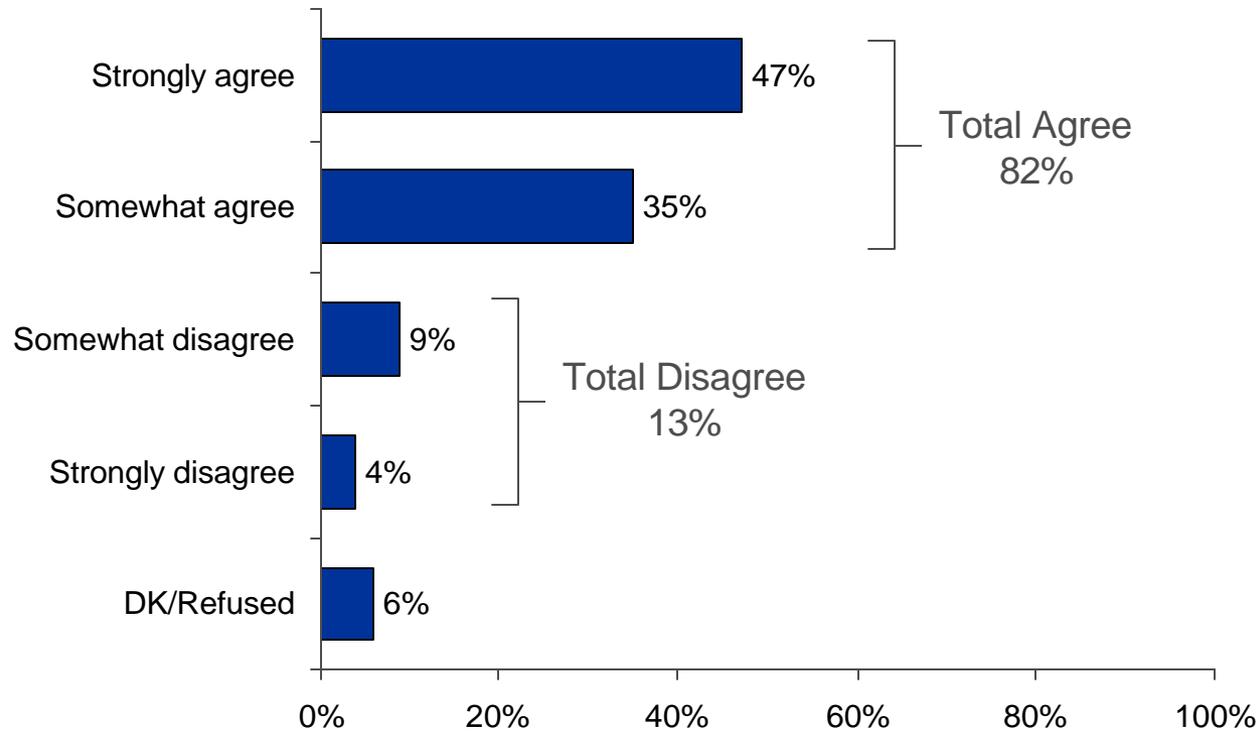
Q830 Most employees at my company would prefer to rely on outside experts to monitor and manage their retirement savings.  
Base: Qualified Respondents , n=659

# Statement Agreement: Employees Prefer Not to Think about Retirement Until Date Nears



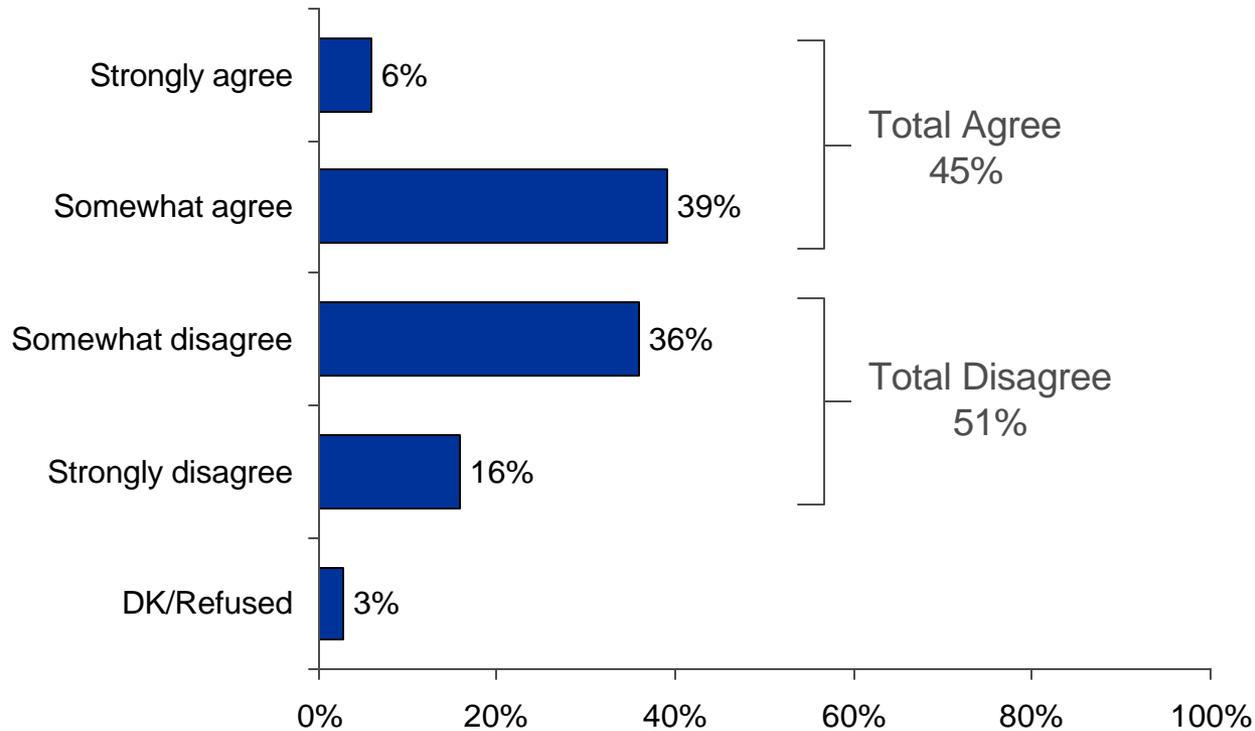
Q840 Most employees at my company prefer not to think about or concern themselves with retirement investing until they get closer to their retirement date.  
Base: Qualified Respondents

# Statement Agreement: Employees Not Saving Enough



Q850 Most employees at my company could work until age 65 and still not save enough to meet their retirement needs.  
Base: Qualified Respondents

# Statement Agreement: Employees Want More Information



Q860 Most employees at my company would like to receive more information and advice from the company on how to reach their retirement goals.  
Base: Qualified Respondents

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