



# 401(k) Plan Design and Corporate Performance

Research from T. Rowe Price shows significant correlations.

## 20%–80%

**higher** corporate profitability associated with companies that have “great” 401(k) plans

Source: T. Rowe Price, 2018

## Up to 80%

**lower** corporate profitability associated with companies that have “poor” 401(k) plans

Source: T. Rowe Price, 2018

### CORRELATIONS EXIST.

Within and across industries, regardless of company size.

An engaged workforce affects corporate profitability.

Up to **3.8%**

**higher annual returns** for companies that invest in employee satisfaction

Source: London Business School, 2012.

**2.3x greater average 3-year revenue growth** for organizations with highly engaged employees

Source: UNC Kenan-Flagler Business School, 2013.

Employees want access to 401(k) plans.

**94%**

of participants say saving for retirement through their 401(k) plan is a major or minor objective

Source: T. Rowe Price, 2017.

**73%**

of workers say the retirement plan is extremely or very important when staying or choosing a new job

Source: EBRI, 2017.

**19%**

increase in operating income with engaged employees compared with a 33% decrease in companies with disengaged employees

Source: Willis Towers Watson, 2008.

**401(k) plans may play a role in corporate financial performance.**

See what our research found.

[troweprice.com/valueof401k](http://troweprice.com/valueof401k)