



Evaluating the Results

PLAN DESIGN CHANGES

Company evolves plan to stay competitive in a tight labor market.






OPPORTUNITY:

A West Coast company was transitioning from data management to technology—a change that would result in the company moving into the tech industry and facing increased labor market challenges.

GOALS:

Modify the firm’s retirement plan design to better compete in the highly competitive San Francisco tech labor market.

RESULTS: AS OF DECEMBER 31, 2020:

-  89.3% participation rate, compared with 82.1% industry average
-  Average plan deferral rate of 10.1%, compared with 8.2% industry average
-  96% of employees saving at or above the company match threshold
-  \$150,324 average account balance, compared with industry average of \$108,989
-  Low loan usage at 2.8%—including during the pandemic—compared with industry average of 14.2%

SOLUTION:

Maintaining the firm’s “People First” value and focusing on employees’ well-being was paramount in modifying and refining the plan. Features were carefully researched and selected to drive better outcomes, such as auto-enrollment and auto-increases, fee leveling for transparency, and company match with immediate vesting. By focusing on employees’ well-being and investing in benefits such as the retirement plan, the client successfully pivoted and stayed competitive against well-known tech giants while driving employee satisfaction.