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Happy 401k Day! What Do These Recordkeepers Have Planned?

Recordkeepers across the country are reminding participants to introduce savings planning into their daily routines to set themselves up for success for with *National 401(k) Day*. The holiday, celebrated in commemoration of President Ford signing ERISA into law in 1972, offers an opportunity for the retirement plan community to encourage financial responsibility. This year, the holiday falls [tomorrow](#): Friday, September 6.

Here's what executives at different recordkeepers have to say about the holiday.

Voya

"Everyday is 401(k) Day here at Voya," shared **Bill Harmon**, president of corporate 401(k) markets at **Voya**. "The holiday is a reminder, a wonderful reminder, but financial planning is a marathon, particularly as we are entering a potentially turbulent market."

Voya's attention is turned to [behavioral finance research](#). After insight research, the *Voya Behavioral Finance Institute for Innovation* tracked 52 million digital interactions from plan participants. From there, their behavioral research department turned data into action. "We asked ourselves, 'What are participants looking for, how do they react to it, and how do we drive positive behavior from it?'" said Harmon.

The team altered design placement for their websites and made changes to the plan design for their participants. "Take [auto enrollment](#) as an example," Harmon suggested. "The default rate is three percent ... That is hard at three percent, but if you raise it to six, seven, or even 10 percent, you don't see participants back out. The opt out rate remains the same until you enter a double digit percentage."

Voya has also committed itself to focusing on caregiver plan preparation. According to Harmon, one in every five Americans

are caregivers. "Through *Voya Cares* we are addressing the caregiver crisis. We have programs, resources, and education that serve as a giant component to ensuring caregivers stay involved in being both emotionally and financially prepared to retire on time."

OneAmerica

The **OneAmerica** team created and distributed flyers for their plan sponsors to share with participants. The content the firm created was derived from the practices they've developed from a constant line of communication with their advisory councils and behavioral finance research teams.

"This day is an opportunity to remind employees about the importance of investing for their future by contributing to ... their organization's retirement plan — whether it is a 401(k) or 403(b) or 457 or other tax exempt retirement plans," **Lynne Smith**, head of retirement services strategy and business development, shared with **401kWire**.

PAi

The **PAi** team shared 401(k) Day features via social media and through email campaigns. Founder and CEO **Michael Kiley** says, "Together, with education, exposure, and events like 401(k) Day, we can create a world where all workers are able to own their retirement readiness. Together, we can make a difference."

Pentegra

Richard Rausser, senior vice president of **Pentegra**, urges his participants to think of the long term rewards that saving for retirement can deliver. "While saving requires sacrifice, focus on the rewards by visualizing the retirement that you want. Taking that first step can be the hardest, but once you have a plan, your odds of retiring comfortably can only increase."

Rausser acknowledges that saving enough money to comfortably retire can be an overwhelming task. But his team believes that small actions yield big results. Rausser breaks these concepts down stating, "Analyze your current expenses to see where you can save more. Small savings really add up: a gourmet cup of

coffee can cost \$5. Multiply that by 40 years of work, and you have spent \$52,000. Assuming a 6 percent compound annual growth rate, that could equate to \$152,000 — money spent on coffee that could have been saved for retirement."

Vestwell

The **Vestwell** team recently surveyed eligible employees who opted out of contributing to their company's plans. When asked what would make them more likely to contribute, the most popular response was better education. The survey is expected to be released along with the resurrection of some advice-based articles from the year to stay engaged on Friday. "Every day is 401(k) day around here, but we're fans of anything that draws additional attention to how we fix an antiquated system and make it easier for everyone to save for retirement," the firm's client services chief, **Ann-Marie Gorczyca**, shared.

Some of the firm's advice articles can be found [here](#), [here](#), [here](#), and [here](#).

Lincoln Financial Group

The team at **Lincoln Financial Group** ran a survey, the *2019 Retirement Power Study*, that found more than half of plan participants are not saving enough for their retirement. "401(k) Day is a great time for all participants to ensure they are prioritizing their future and increasing their contributions, in order to set themselves up for a financially secure retirement," **Jamie Ohl**, executive vice president and president of retirement plan services at LFG, shared with **401kWire**.

Capital Group

"National 401(k) Day should serve as a reminder to plan sponsors that encouraging plan participants to save via a 401(k) can make the difference between an investor realizing their financial goals, or not," says **Toni Brown**, senior vice president of retirement strategy at **Capital Group**. "Plan sponsors have an opportunity to play a bigger role and can do so with partners like Capital Group. This could help hundreds of thousands of Americans to retire comfortably, send their children to college, and more."

401kWire wishes everyone a Happy 401(k) Day!

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[Back to Top](#)