

Reflections on the Silver Linings of a Year Full of Twists and Turns

This time last year, I spoke of the “benefits ecosystem” in my President’s Letter and the importance of like-minded organizations banding together to create an environment where plan sponsors, providers, and policymakers are in the best possible position to make sound decisions around retirement, financial wellness, and health benefits solutions. I never imagined the challenges that would face that ecosystem in the following months. Indeed, 2020 turned out to be a year in which it was essential to look for silver linings as we navigated a plethora of unexpected twists and turns.

One silver lining of 2020 was that, despite the pandemic turmoil, EBRI was able to successfully partner with NAGDCA in establishing the first-ever public plan defined contribution database. With the help of founding partners Capital Group, Invesco, and Nationwide; supporting partners ICMA-RC, Prudential, and Voya; and advisory partners Callan, Segal, and NASRA, we were able to assemble plan-level and participant-level data on 2.3 million state, city, local, and subdivision participants, representing \$113.9 billion in assets and 213 plans. EBRI’s Jack VanDerhei presented our initial research on our January 28, 2021, webinar, [“The Current State of Public Defined Contribution Plans: Findings from the Public Retirement Research Lab,”](#) which was one of our best-attended webinars ever.



Another silver lining was found unexpectedly thanks to the COVID-19-related travel ban. EBRI was able to translate time usually spent on the road into time spent on research. We published 27 *Issue Briefs*, 32 *Fast Facts*, and 25 press releases on topics including spending in retirement, debt of the elderly and minorities, health savings account (HSA) trends, the future of health benefits, the impact of consistent participation in 401(k) plans, how having both an IRA and a 401(k) changes the retirement picture, trends in cost sharing of medical services, and workplace emergency savings.

Even as we conducted this research, which was based on existing EBRI databases, we were able to produce our first-ever research joining J.P. Morgan’s consumer data with the EBRI/ICI 401(k) Database. The inaugural paper was titled [“The 3% difference: What leads to higher retirement savings rates?”](#) It offered the first holistic view of household spending and saving based on actual observed behaviors, and it showed that spending patterns of those who save at lower-than-median rates in their 401(k) plans are very different from the “middle” savers or those who save at median rates within their 401(k).

We also published our initial Public Retirement Research Lab (PRRL) research study, [“Trends in Public-Sector Employee Tenure,”](#) which showed how significantly employee tenure, or the amount of time an individual has been in his or her current job, varies between workers in the private and public sectors — and how that has important potential implications in terms of the appropriate retirement plan design.

In last year's far-less-than-perfect environment, we also found our research focus dramatically change. Unbeknownst to us when we offered our research agenda for board approval in early December 2019, in 2020 we would end up focusing our research on "[How Much More Secure Does the SECURE Act Make American Workers: Evidence From EBRI's Retirement Security Projection Model®](#)," "[COBRA: A Closer Look at Who Enrolls and the Case for Subsidies](#)," and "[Impact of the COVID-19 Pandemic on Retirement Income Adequacy: Evidence From EBRI's Retirement Security Projection Model®](#)."

It's clearly impossible to find a silver lining in the events that led to the Black Lives Matter movement last year, but the mandate from EBRI members as a result of these tragedies was clear: We needed to focus on research that explored the well-being of minorities. Accordingly, EBRI launched a number of initiatives on this front, starting with a session at our December Policy Forum titled "[The Full Picture: Retirement, Financial Wellness, and Health Benefit Considerations of Minorities in the U.S.](#)" Next, we designed the EBRI/Greenwald Research 2021 Retirement Confidence Survey to compare the retirement confidence of African American and Latinx workers and retirees to that of their white counterparts. The 2021 Workplace Wellness Survey will also have the same focus. As a result, I'm happy to report that sponsorship of these surveys has soared, underscoring the importance of this effort. We are updating our Retirement Security Projection Model® with recently released Survey of Consumer Finance data on minorities so that we can evaluate the impact of such legislation as SECURE 2.0 on the retirement income adequacy of various races. Further, we will dedicate our April American Savings Education Council (ASEC) Partners Meeting — which is open to everyone — to the topic of the financial security of minorities.

One silver lining in 2020 — surprisingly — came in the form of virtual meetings. Like everyone else, EBRI found itself scrambling last year to conduct our in-person Policy Forums, Board Meetings, Research Committee Meetings, Regional Workshops, Public Policy Advisory Council Meetings, and ASEC Meetings via Zoom. We quickly realized that there was some upside: Without the necessity of travel, we had a lot more flexibility in attracting speakers. For example, one of the highlights of our September Financial Wellbeing Research Center Symposium was a testimonial from a recipient of a workplace financial wellness program, which I featured in a recent [blog](#). It's doubtful this individual could have spared two days from her schedule to travel to Washington, D.C., to attend the session in person. But it was one of the clear highlights of the Symposium, allowing attendees to hear firsthand the impact of such a program on an individual's life.

Our Zoom meetings also attracted the attendance of people who might not have traveled to Washington, D.C., otherwise. Indeed, we experienced the highest attendance in many years at our July ASEC Meeting. And one of the sessions that attracted the most attention was "[Caregiving and COVID-19](#)." Catherine Collinson of the Transamerica Institute made the point that a third of workers serve as caregivers during their life and that 87 percent make some adjustment to their employment, often with important consequences to their own financial security. We used the opportunity of that meeting to preview our new ASEC [website](#), which we officially unveiled in the latter part of the year. Caregiving will be a topic of our new podcast series, which, along with ASEC's new blog, will highlight the many efforts and success stories of our ASEC Partners when it comes to improving the savings and overall financial security of Americans.

It's been three years since I became EBRI's President and CEO, and I certainly expected some twists and turns along the way. But never in my wildest dreams did I imagine I would navigate EBRI through a pandemic. Still, the final silver lining of 2020 was that EBRI came out of it stronger, more visible, and more vibrant. Our research is more robust than ever, we had amazing interactions with our members, and the scope and breadth of our partnerships have reached new heights. We look forward to a bright — and hopefully calmer — 2021.

Lori Lucas

President and CEO