

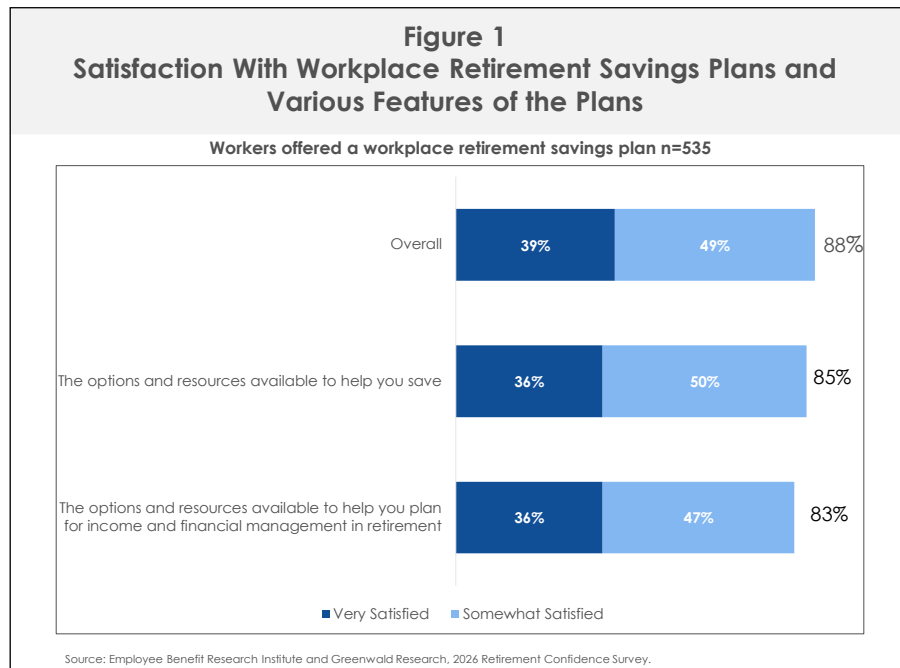
2026 RCS FACT SHEET #6

WORKPLACE RETIREMENT SAVINGS PLANS

How satisfied are workers with their workplace retirement savings plans? What do workplace retirement savings plan participants think would best improve the plans? What actions do participants expect to take with their plans when they retire?

Satisfaction With Workplace Retirement Savings Plans

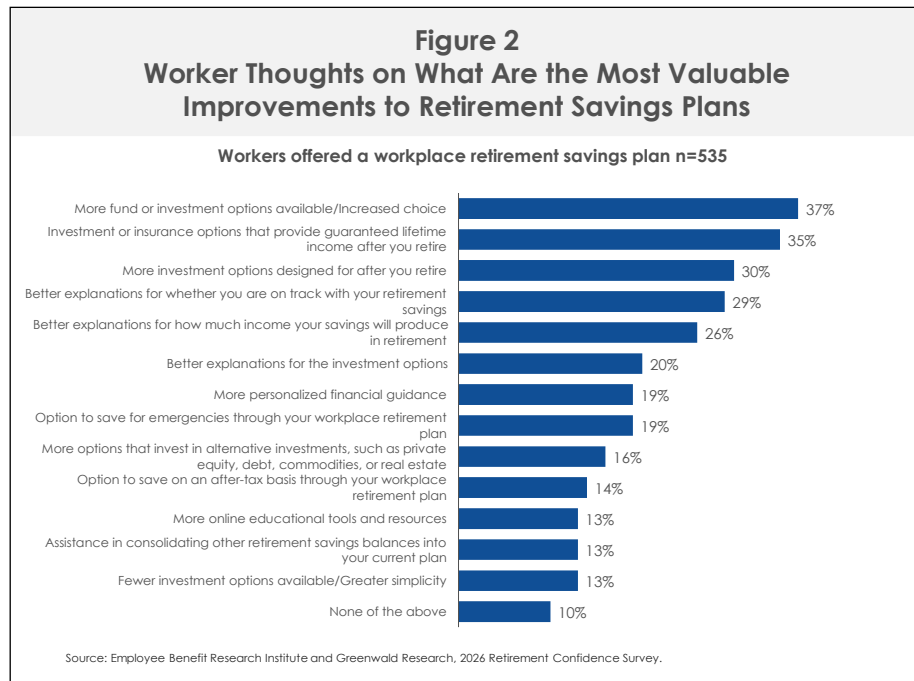
Of workers offered a workplace retirement savings plan, 88 percent say they are satisfied with their workplace retirement plans overall (Figure 1). Furthermore, 85 percent say they are satisfied with the options and resources available to help them save, and 83 percent say they are satisfied with the options and resources available to help them plan for income and financial management in retirement.



Improvements to Retirement Savings Plans

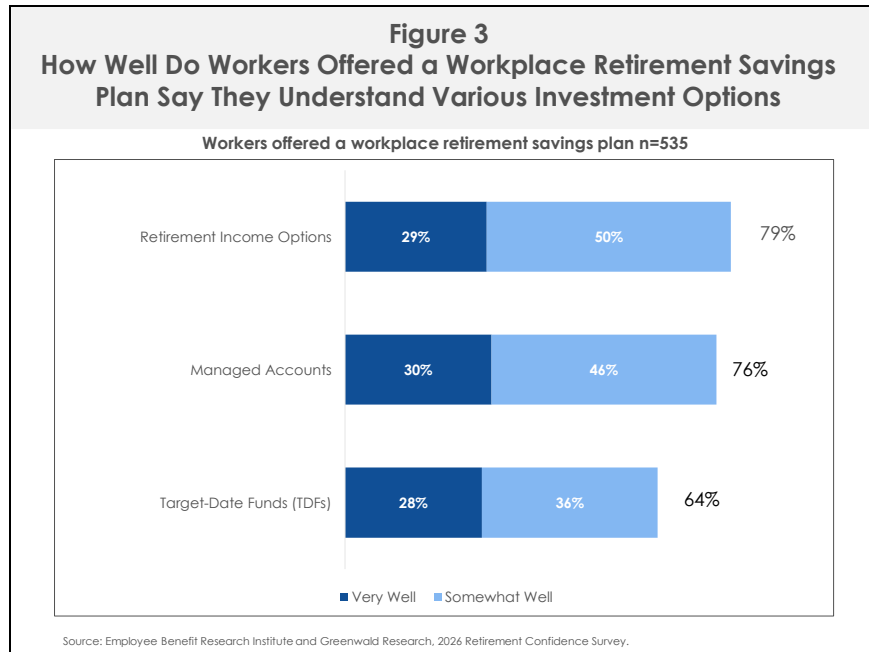
When workers who are offered a workplace retirement savings plan are asked what the most valuable improvements to their workplace retirement savings plan are, the most cited improvements are more fund or investment options available/increased choice (37 percent) and investment or insurance options that provide guaranteed lifetime income after they retire (35 percent). A number of suggested improvements are just below those two, such as more investment options designed for after they retire (30

percent), better explanations for whether they are on track with their retirement savings (29 percent), better explanations for how much income their savings will produce in retirement (26 percent), better explanations for the investment options (20 percent), more personalized education (19 percent), and the option to save for emergencies through their workplace retirement plan (19 percent). More options that invest in alternative investments, such as private equity, debt, commodities, or real estate (16 percent); the option to save on an after-tax basis through their workplace retirement plan (14 percent); more online educational tools (13 percent); assistance in consolidating other retirement savings balances into their current plan (13 percent); and fewer investment options/greater simplicity (13 percent) are among the improvements cited least often (Figure 2). Ten percent of these workers choose none of the improvements offered.



Knowledge About Workplace Retirement Investment Options

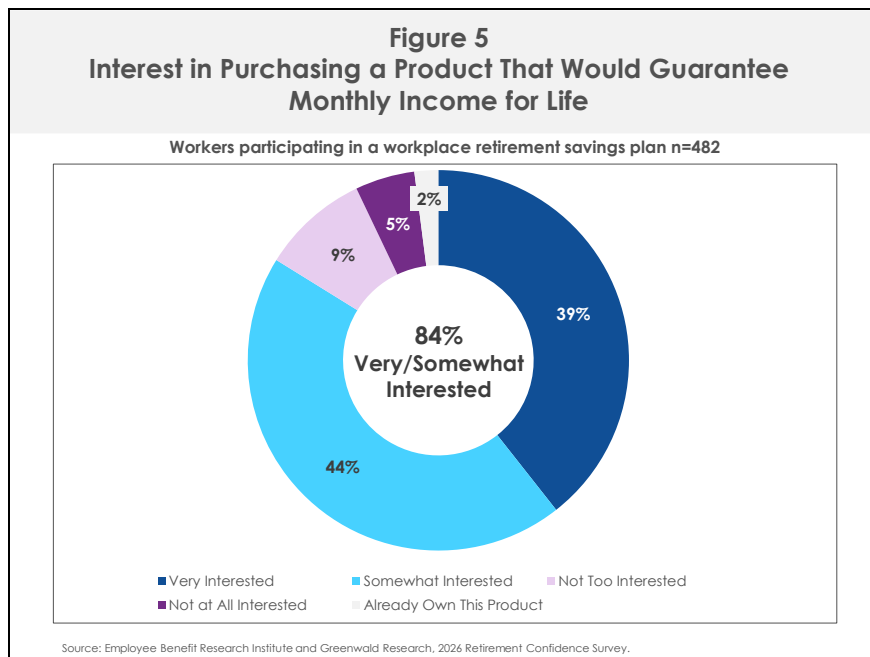
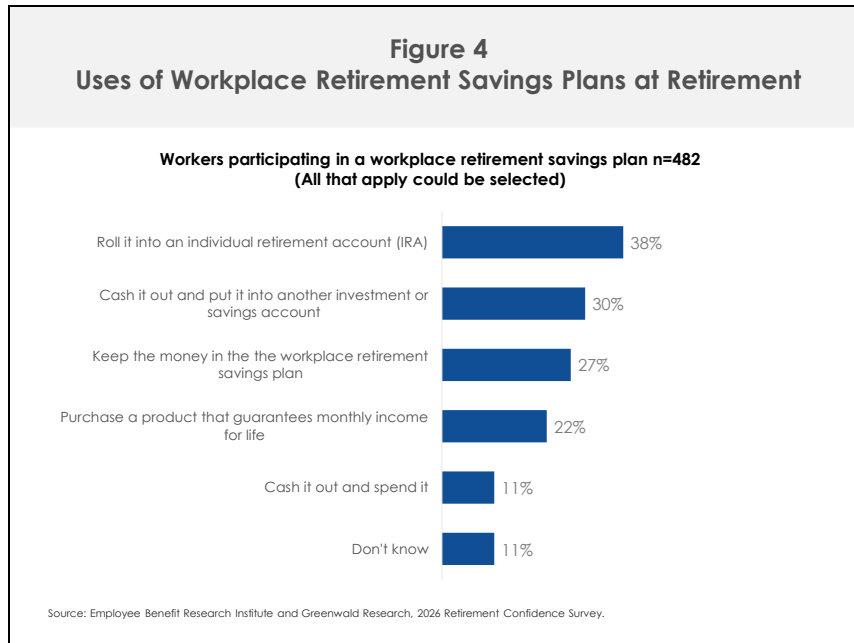
Workers offered a workplace retirement savings plan are highly likely to report that they understand various investment options either somewhat well or very well (Figure 3). Specifically, 79 percent of these workers say they at least somewhat understand retirement income options, and 76 percent understand managed accounts. Interestingly, a lesser percentage (64 percent) say they understand target-date funds (TDFs), despite them being more commonly offered in workplace retirement savings plans than the other two options.



Expectations for Workplace Savings Plan Use at Retirement

Workers participating in a workplace retirement savings plan, when asked what they are most likely to do with the money in their retirement savings plan when they retire, most commonly say they will roll it into an individual retirement account (IRA) (38 percent). This is followed by cash it out and put it into another investment or savings account (30 percent), keep the money in the workplace retirement savings plan (27 percent), and purchase a product that guarantees monthly income for life (22 percent). The choice least likely selected is cash it out and spend it (11 percent), while an equal amount say they do not know what they would do with the money (Figure 4).

In terms of the interest that workers participating in a workplace retirement savings plan have in using some or all of their retirement savings to purchase a financial product that would guarantee them monthly income for life, 39 percent say they are very interested and another 44 percent say they are somewhat interested (Figure 5). Only 5 percent say they are not at all interested.



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