

Increased engagement drives improved participant outcomes

Scenario: The Challenge

Engaging employees in retirement planning and savings is no small feat. But it is much easier when plan design promotes action.

Consider one southeast K-12 school district. The plan had poor engagement, low enrollment and minimal contributions.

The participation rate stood at 18% when Corebridge started discussing plan design changes with the district's retirement plan board in early 2019. That's not the only statistic worth noting, though. There were also zero rollovers-in. And total plan assets weren't nearly as high as they should have been for a plan with 4,687 employees.

But that all changed when the client partnered with Corebridge to implement some significant changes.

Approach: The Solution

"Reimagining the possibilities can be difficult, but our client realized more was needed to help employees turn their retirement dreams into reality," explains Jamie Story, Divisional Vice President, Corebridge.

"The district's leadership deserves credit for making some really big—and meaningful—updates to their retirement plan."

What were the changes?

1. Add auto-enrollment for new hires
2. Offer one-time open enrollment for all employees
3. Move to Corebridge as the plan's single provider

To the district's credit, they implemented all three changes plus an extensive communication campaign.

Action is everything

Once the district implemented changes, they saw:

- Rising enrollment
- Increasing contributions
- Rollovers-in

CASE STUDY

“With so many important changes being made to the plan at one time, it was critical that every employee understood exactly what was taking place,” explains Story.

To that end, Corebridge distributed several mailings outlining the details of the initiative, and—more importantly—utilized its extensive onsite advisor presence to offer group and individual meetings at each of the district’s 45 locations.

The Results

Before moving to Corebridge as single provider, the district faced complex issues regarding communication, paperwork and participant education. Now, managing the plan—and communicating with employees—is simpler and more effective.

Most importantly, the results reveal that employees are taking steps to build a more secure financial future:

- Enrollment jumped from 18% to 92.5%
- Total contributions increased from \$206,000 to \$969,000
- Total plan assets went from \$557,000 to \$1.8 million
- Rollovers-in rose from \$0 to \$12,700
- Student loan forgiveness education helped employees save millions of dollars in repayments

What's Next?

Our team will continue to partner with the client to evaluate engagement and enrollment, and implement additional strategies if necessary. Driving positive action is our goal.

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