RETIREMENT INSIGHTS

THE POWER OF BEING PROACTIVE

2019 Defined Contribution Plan Sponsor Survey Findings

How plan sponsors are finding greater success with plan design

J.P.Morgan
Asset Management

OUR FOURTH BIENNIAL DEFINED CONTRIBUTION (DC) PLAN SPONSOR SURVEY OFFERS INSIGHTS INTO THE POWER OF BEING PROACTIVE TO HELP POSITION MORE PARTICIPANTS FOR GREATER RETIREMENT FUNDING SUCCESS. THIS YEAR'S RESEARCH HIGHLIGHTS HOW PROACTIVE PLANS AND PROACTIVE ADVISORS AND CONSULTANTS ARE MORE LIKELY TO OFFER INDUSTRY BEST PRACTICES AND EXPERIENCE HIGHER LEVELS OF OVERALL SATISFACTION ACROSS A BROAD RANGE OF METRICS. WE PRESENT THESE FINDINGS IN FOUR PARTS COVERING PLAN SPONSOR GOALS, PLAN DESIGN, TARGET DATE FUND (TDF) USAGE AND WORKING WITH ADVISORS AND CONSULTANTS.

TABLE OF CONTENTS

METHODOLOGY AND RESPONDENT PROFILE

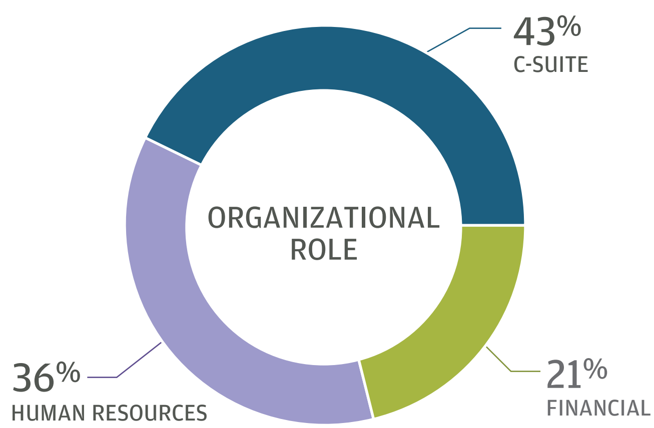
TO STAY IN TUNE WITH THE GOALS, MOTIVATIONS AND PROGRESS of employers as they continue to shape the evolution of their defined contribution (DC) plans, we undertook our fourth plan sponsor survey on this topic. From January through March 2019, we partnered with Mathew Greenwald & Associates, a market research firm based in Washington, D.C., to conduct an online survey of 838 plan sponsors. All respondents are key decision-makers for their organizations' DC plans. All organizations represented have been in business for at least three years, offer a 401(k) or 403(b) plan to their domestic U.S. employees and have at least 10 full-time employees.

Below are breakdowns of our sample of plan sponsors, both by plan assets and by organizational role. Results aggregated across plan size categories were weighted to reflect the size distribution of plans in the U.S. DC plan universe.

RESPONDENT COMPOSITION BY PLAN ASSETS[1]

Plan size (AUM)	Number of respondents	
Less than $1 million	151	
$1 million to just under $10 million	248	
$10 million to just under $50 million	152	
$50 million to just under $250 million	118	
$250 million to just under $1 billion	97	169
$1 billion or more	72	
TOTAL	**838**	

RESPONDENT COMPOSITION BY ORGANIZATIONAL ROLE (% OF TOTAL)[1]



[1] Organizational role definitions: "C-suite" is an owner/partner, chairman, president, CEO, executive director or other general senior management position; "human resources" is a human resources or employee benefits position; "financial" is a CFO, chief investment officer or other financial, investment or treasury position.

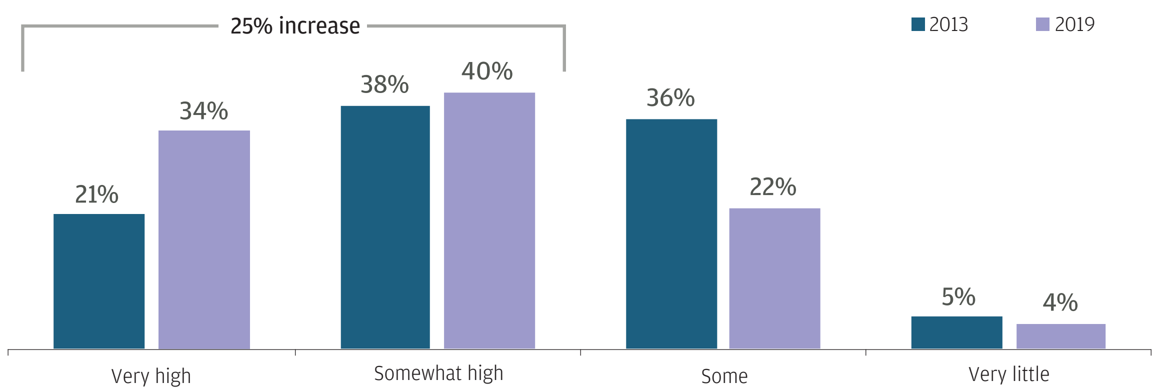
Part One:
Understanding plan sponsor goals

WHAT DO PLAN SPONSORS HOPE TO ACHIEVE WITH THEIR PLANS?

There are a number of reasons a company may want to offer a DC retirement plan, but at a very fundamental level is often the responsibility many companies feel toward helping employees with their overall financial wellness. This sense of duty appears to have grown over the years. Indeed, almost three out of four plan sponsors (74%) now indicate they have a "very high" or "somewhat high" commitment to employees' fiscal health—a 25% increase from 2013, when we conducted our first *DC Plan Sponsor Survey* (**EXHIBIT 1**).

74% of plan sponsors feel a strong sense of responsibility for employee financial wellness, up from 59% in 2013

EXHIBIT 1: AS AN EMPLOYER, WHICH OF THE FOLLOWING BEST DESCRIBES THE LEVEL OF RESPONSIBILITY YOU FEEL FOR THE OVERALL FINANCIAL WELLNESS OF YOUR EMPLOYEES?



Note: 2013: split sample B, n=396; 2019 total n=838. "None" is not shown because of low response.

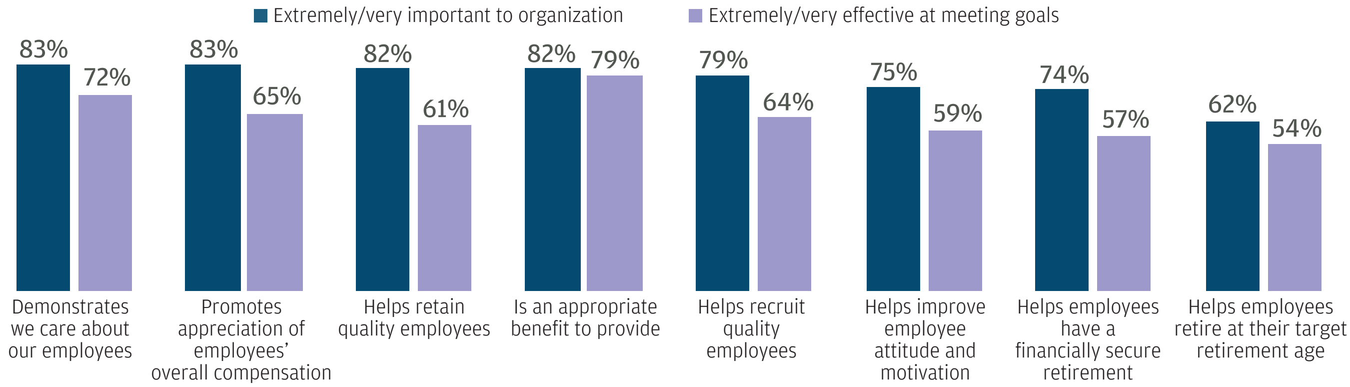
Source: J.P. Morgan Plan Sponsor Research 2013, 2019.

In terms of specific DC plan goals, more than 80% of plan sponsors note that showing employees they care, overall employee compensation levels, employee retention and recruitment, and the prevalence of DC plans as a company benefit are all important reasons they offer their plan. Employee morale and retirement financial security are also frequently noted as highly important, though to a slightly lesser extent.

There is often a sizable gap, however, between the importance plan sponsors place on their goals and how successful they believe their plans are in achieving them. Notably fewer consider their plans "extremely" or

Many plans are falling short in achieving their goals

EXHIBIT 2: HOW IMPORTANT TO YOUR ORGANIZATION ARE EACH OF THE FOLLOWING GOALS FOR YOUR DC PLAN? HOW EFFECTIVE HAS YOUR DC PLAN BEEN IN MEETING THESE GOALS?



Source: J.P. Morgan Plan Sponsor Research 2019.

"very" effective, and these success rates appear linked to how plan sponsors philosophically approach structuring and managing their plans, as discussed in the sections that follow (**EXHIBIT 2**).

CONTRASTING PHILOSOPHIES: PROACTIVE OR HANDS-OFF?

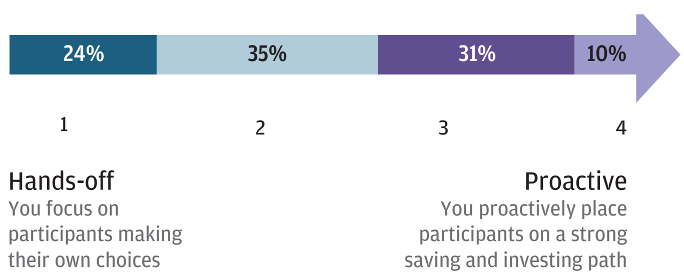
A key component of plan design is how to approach participant decision-making. There are two main high level philosophies plan sponsors tend to take toward participant decisions:

- **More hands-off:** These plan sponsors believe a plan should primarily rely on participants to make their own decisions about how best to use it, including whether to participate, how much to contribute and how to invest.
- **More proactive:** These plan sponsors believe in taking a more active approach, helping to position participants for greater retirement funding success through programs such as automatic enrollment, automatic contribution escalation, personalized communications and helping with investment decisions, usually by encouraging investment in the plan's target date fund (TDF).

In this year's survey, 59% of plan sponsors say they focus on participants making their own choices, while 41% believe in proactively placing participants on a strong saving and investment path (**EXHIBIT 3**). Of note, sponsors of larger plans (those with more than $250 million in assets) are 50% more likely to identify as proactive compared with sponsors of smaller plans (61% vs. 41%).

A slight majority of plans consider themselves more hands-off when it comes to helping participants make plan choices

EXHIBIT 3: ON A FOUR-POINT SCALE, WHICH ONE OF THE FOLLOWING COMES CLOSEST TO YOUR ORGANIZATION'S PHILOSOPHY ON DRIVING PARTICIPANT DECISIONS?

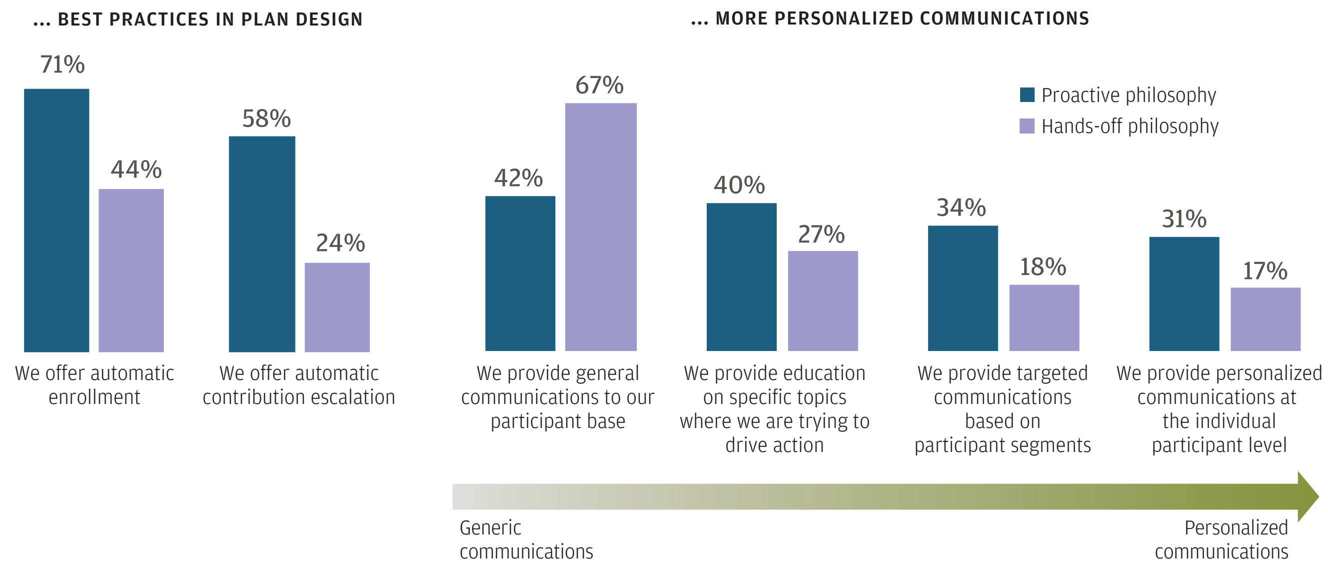


Source: J.P. Morgan Plan Sponsor Research 2019.

How plan sponsors see their philosophical role naturally affects how they approach managing their plan. Generally speaking, proactive-philosophy plan sponsors are more likely to utilize industry best practices in terms of getting participants into the plan, helping them to contribute more and targeting communication efforts (**EXHIBIT 4**).

Proactive-philosophy plan sponsors are more apt to take advantage of advancements in plan design and communications

EXHIBIT 4: DESCRIBE YOUR PLAN'S APPROACH TO THE FOLLOWING: PROACTIVE PLANS ARE MORE LIKELY TO OFFER …



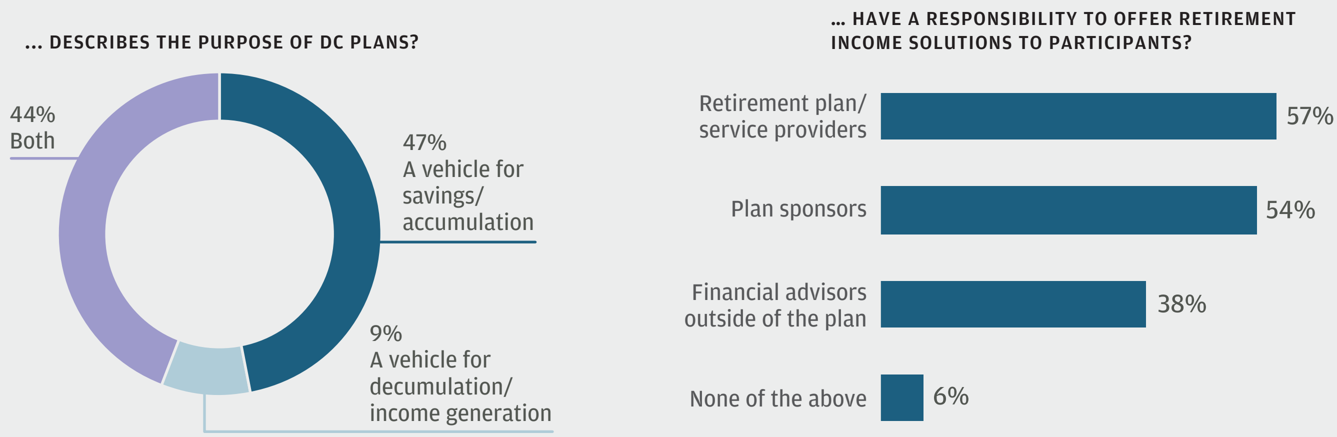
Source: J.P. Morgan Plan Sponsor Research 2019.

EMERGING TREND: RETIREMENT INCOME SOLUTIONS

While our past surveys have focused primarily on accumulation strategies, today many plan sponsors also see providing retirement income solutions to help with decumulation as a plan responsibility. This year, we asked specifically about the role of retirement income in DC plans and found that 53% believe these plans should be vehicles for retirement income generation. Moreover, 54% believe they as plan sponsors have a level of responsibility to offer retirement income solutions to participants. Given the growing number of participants anticipated to soon start entering retirement based on demographic trends, we expect this to be an exciting area of development and will continue to evaluate it in future research.

A slight majority of plan sponsors see DC plans as vehicles for decumulation and believe they have a responsibility to offer retirement income solutions

EXHIBIT 5: WHICH OF THE FOLLOWING…



Note: 2019 total n=838; have a responsibility to offer retirement income solutions to participants, n=380.

Source: J.P. Morgan Plan Sponsor Research 2019.

Plans with proactive philosophies tend to consider themselves more effective in achieving their goals

EXHIBIT 6: HOW EFFECTIVE HAS YOUR DC PLAN BEEN IN MEETING THE FOLLOWING GOALS? (% RESPONDING "EXTREMELY" OR "VERY EFFECTIVE")

Source: J.P. Morgan Plan Sponsor Research 2019.

PROACTIVE-PHILOSOPHY PLANS ARE MORE LIKELY TO SEE THEIR PLANS AS SUCCESSFUL

Interestingly, plan sponsors who follow a proactive philosophy are consistently more likely to consider their plans successful in achieving their goals. This is particularly true with goals related to participant financial well-being. For example, approximately 70% of proactive-philosophy plan sponsors believe their plans are "extremely effective" or "very effective" in helping to ensure participants achieve a financially secure retirement and are able to retire at their targeted ages—a more than 50% increase over hands-off-philosophy plans (**EXHIBIT 6**).

Our related *2018 DC Plan Participant Research* shows participants also usually appreciate more proactive guidance. For example, 79% believe their employers should encourage employees to contribute to their company retirement plans, and 58% believe their employers should provide a viewpoint on how much to contribute.

IMPLICATIONS

This year's survey research suggests that there is a clear disconnect between the large number of plan sponsors who feel a high level of responsibility for employee overall financial wellness and the much lower number proactively positioning participants for saving and investing success. While usage of automatic plan features has grown considerably since our first survey, many plan sponsors still seem reluctant to take a more proactive approach to plan design, as shown by some of our findings in "Part Two: Building momentum with plan design."

However, taking a more proactive philosophical approach appears to offer a strong win-win for both participants and plan sponsors. We have repeatedly found that the majority of participants crave more guidance in making retirement saving and investing decisions, and consistently rate a high level of satisfaction with proactive plan actions, such as automatic enrollment, automatic contribution escalation and re-enrollment initiatives. With this year's survey results, we now also see that proactively minded plan sponsors are more likely to believe they are achieving success with their plans than plan sponsors who follow a more hands-off philosophy when it comes to participant decision-making.

In our view, the increase in the share of organizations with a proactive placement philosophy may be driving some of the progress we see in our latest survey results. Should this philosophy continue to gain ground, it may have the potential to speed the pace of DC plan evolution.

Part Two:
Building momentum with plan design

CONTINUED ADOPTION OF AUTOMATIC FEATURES

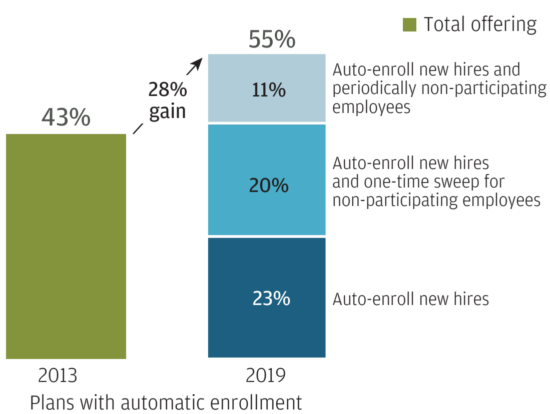
With proactive plan design programs, such as automatic enrollment and automatic contribution escalation, plan sponsors can offer effective strategies to help position more participants on stronger retirement investment paths. The safe harbor protections offered by these features, when used in conjunction with a plan's qualified default investment alternative (QDIA), help make them a powerful choice for plan sponsors looking to increase participation rates and help their employees gradually step up contributions to more appropriate saving levels than many participants elect on their own.

This year's research shows that 55% of plan sponsors now offer automatic enrollment, up 28% from our first survey, in 2013 (**EXHIBIT 7**).

- 23% automatically enroll only new hires
- 20% automatically enroll new hires and have conducted a one-time sweep for employees not participating in the plan
- 11% automatically enroll new hires and periodically automatically enroll employees not participating in the plan

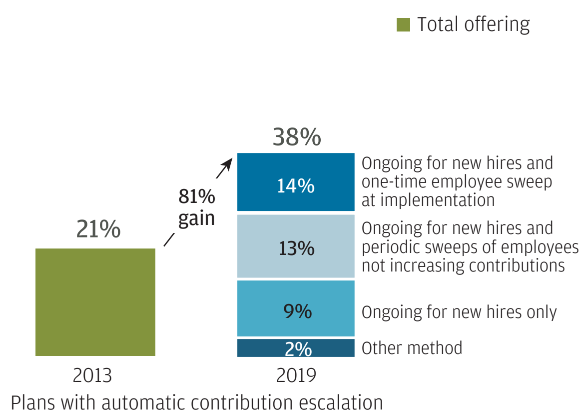
More than half of plan sponsors offer automatic enrollment for new hires, with most of those also sweeping non-participating employees into the plan

EXHIBIT 7: WHAT METHOD OF AUTOMATIC ENROLLMENT, IF ANY, DOES YOUR PLAN OFFER?



Significantly more plan sponsors offer automatic contribution escalation than in 2013

EXHIBIT 8: WHAT METHOD OF AUTOMATIC CONTRIBUTION ESCALATION, IF ANY, DOES YOUR PLAN OFFER?



Note: 2013 total n=796; 2019 total n=838.

Source: J.P. Morgan Plan Sponsor Research 2013, 2019.

Fewer plan sponsors—38%—offer automatic contribution escalation, though this represents a remarkable 81% increase from the 21% of plan sponsors offering this type of plan feature in 2013 (**EXHIBIT 8**).

- 14% automatically escalate contributions for new hires and conducted a one-time sweep of all participants when the program was started
- 13% do so for new hires and periodically sweep participants who are not increasing contributions
- 9% do so for new hires only

CONCERNS APPEAR LARGELY MISPLACED

Plan sponsors who choose not to offer automatic features often cite similar concerns. The No. 1 reason is the belief that participants are responsible for saving on their own. Although this reflects a valid philosophical view, most of the other concerns appear largely unfounded, based on our research.

Top reasons for not offering automatic enrollment:	Top reasons for not offering automatic contribution escalation:
• Employees are responsible for saving on their own (39%) • We would get too much employee pushback (19%) • One contribution rate isn't right for everyone (19%) • Too much fiduciary risk (9%)	• Employees are responsible for saving on their own (37%) • We would get too much employee pushback (20%) • One contribution rate isn't right for everyone (14%) • Too much fiduciary risk (7%)

Concern: Fear of employee pushback

Reality: Our *2018 DC Plan Participant Research* shows that most participants believe their employer should encourage employees to contribute to the plan and are in favor or neutral about automatic enrollment and automatic contribution escalation. Moreover, 95% of those automatically enrolled in their plans and 97% of those whose contributions were automatically increased on an annual basis say they are satisfied.

Concern: One contribution rate isn't right for everyone

Reality: For most, any contribution rate is better than nothing, and 33% of automatically enrolled participants admit it is unlikely they would be in the plan otherwise. However, getting participants into the plan is only half the battle, since saving too little remains the norm. Half of plan sponsors in this year's survey report their participants contribute 5% or less, and four out of five (81%) acknowledge that this is too low.

Concern: Too much fiduciary risk

Reality: The Pension Protection Act of 2006 created safe harbors for both automatic enrollment and automatic escalation programs when used in conjunction with a plan's QDIA.

PLAN RE-ENROLLMENTS: MORE DISCUSSIONS, BUT LITTLE ACTION

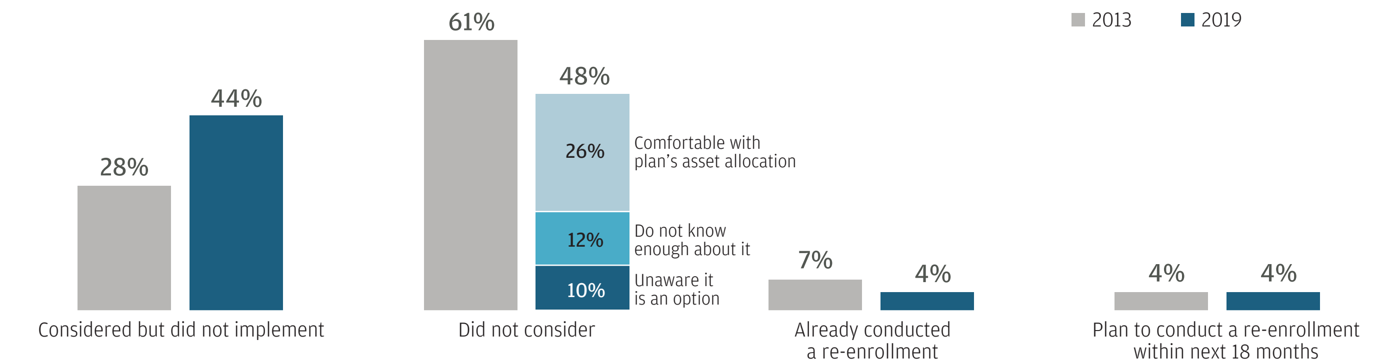
A plan re-enrollment is a one-time process by which all existing participant assets and contributions are defaulted into the plan's QDIA, unless a participant opts out. This initiative also enjoys safe harbor protections and can make sense for plan sponsors concerned that their participants may not be implementing prudent asset allocations from their core menu investment selections, a common problem for many plans.

There appears to be greater awareness of plan re-enrollment as an option in this year's survey results compared with six years ago, with more plan sponsors now saying that they have thought about conducting one. Though actual implementation remains low at just 4%, a much higher 44% report that they at least considered doing so but decided against it—a 57% increase from the 28% in 2013 (**EXHIBIT 9**).

Reasons for choosing not to implement re-enrollment include fear of employee pushback, too much work, too much fiduciary risk and lack of recordkeeper support. However, these concerns also seem largely misplaced. Our *2018 DC Plan Participant Research* found nearly all participants who had gone through a re-enrollment, where their funds were moved to a TDF, were satisfied. Re-enrollments also enjoy safe harbor protections, and most recordkeepers are well equipped to implement them.

More plan sponsors have considered re-enrollments compared with 2013, but few have actually decided to conduct one

EXHIBIT 9: WHICH OF THE FOLLOWING BEST DESCRIBES YOUR CURRENT VIEW REGARDING A ONE-TIME RE-ENROLLMENT OF ALL PARTICIPANT ACCOUNTS?



Note: 2013 total n=796; 2019 total n=838.

Source: J.P. Morgan Plan Sponsor Research 2013, 2019.

Similar to the automatic feature concerns, the fear of employee pushback may be groundless. Both participants and plan sponsors who have gone through plan re-enrollments report high levels of satisfaction. Safe harbor protections also help to buffer fiduciary risk.

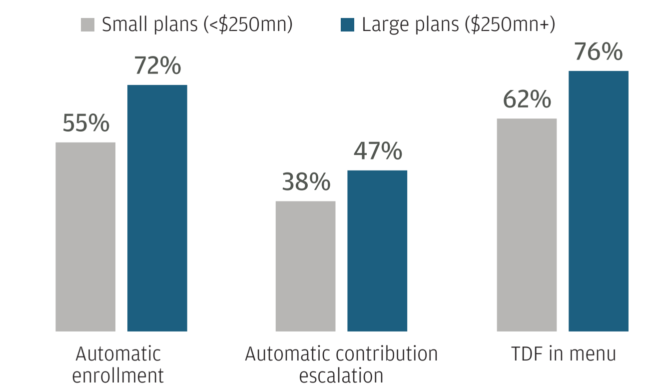
There likewise seems to be an opportunity to help educate a sizable number of plan sponsors about the potential benefits of re-enrollment. Approximately one out of five (22%) have not considered a plan re-enrollment because they do not believe they know enough about it or are unaware it is an option.

LARGE PLANS STILL LEADING THE WAY IN INNOVATION

Similar to findings from our past surveys, larger plans continue to be more likely to offer auto-features compared with smaller plans. More than 70% of larger plans offer automatic enrollment vs. 55% of smaller plans, and 47% offer automatic contribution escalation vs. 38% of smaller plans. Larger plans also more frequently offer TDFs in their lineup, at 76% vs. 62% (**EXHIBIT 10**).

Larger plans are more likely than smaller plans to offer proactive plan design programs

EXHIBIT 10: PLAN SPONSORS OFFERING AUTO-FEATURES AND TDFS, BY PLAN SIZE



Note: Small plans n=669; large plans n=169.

Source: J.P. Morgan Plan Sponsor Research 2019.

IMPLICATIONS

There are clear gains in the number of plan sponsors positioning participants on a stronger retirement savings path through proactive plan design features. Getting more participants into the plan through default programs and then actively increasing their contributions on an ongoing basis make it easy to help employees help themselves when it comes to their retirement savings.

Automatic contribution escalation is a key part of these efforts. Our recent *Ready! Fire! Aim? 2018* research on how participant savings behaviors interact with TDF design found that without automatic contribution escalation, many automatically enrolled participants simply keep their contributions at a minimal rate, around 3%, across their entire careers—far below the general 10% rule-of-thumb retirement savings rate recommended by many industry experts.

However, when automatic enrollment and automatic contribution escalation are used together, these programs can be powerful in driving positive plan results. The plan can increase participation rates and usually overall satisfaction levels as well, while participants benefit from accumulating increased contribution assets to help build more secure levels of retirement funding. This positive impact can be especially powerful for younger employees, increasing the odds they start investing early, with inertia helping to keep them on a prudent savings course over a lifetime of building retirement wealth.

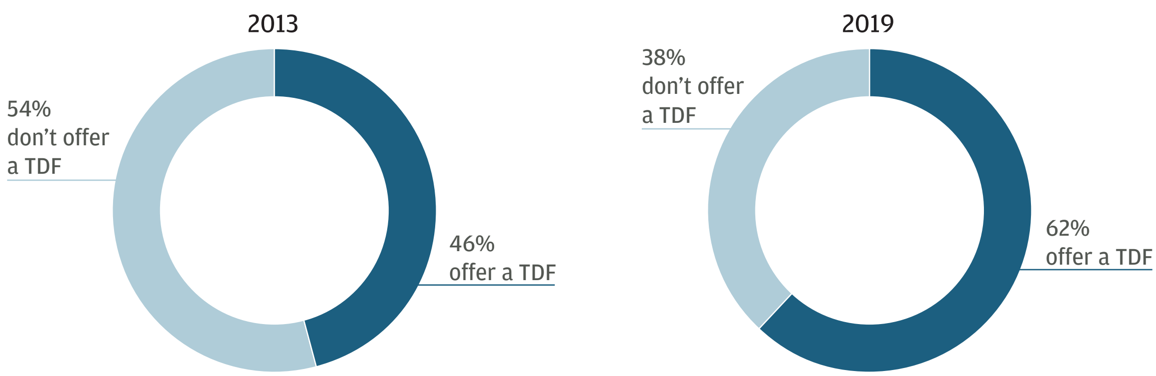
Part Three:
Selecting the right target date fund

TDF USAGE REMAINS HIGH ...

Providing participants with the easy-to-access, professionally managed asset allocation benefits of TDFs remains popular with many plan sponsors. This year, 62% indicated their plans offer TDF series—notably higher than in 2013, when only 46% did (**EXHIBIT 11**).

Most plans offer a TDF

EXHIBIT 11: TOTAL PLANS WITH A TDF



Note: 2013 total n=796; 2018 total n=838.

Source: J.P. Morgan Plan Sponsor Research 2019.

Additionally, plan sponsors who said they offer a qualified default investment alternative overwhelmingly use a TDF to fill that role.

... AS DOES CONFIDENCE IN THE PLAN'S TDF SELECTION PROCESS

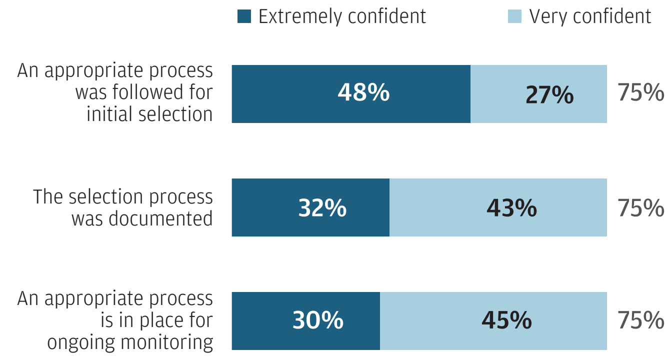
Three out of four plan sponsors (75%) are highly confident regarding their TDF selection and monitoring process. This is an encouraging finding, given today's wide selection of more than 65 TDF suites available and their often significant differences in glide path design and portfolio construction—and by extension different risk-reward characteristics and potential impact on participant outcomes.[1] The majority of these plans are also documenting their process, a critical part of demonstrating prudent due diligence from a fiduciary perspective (**EXHIBIT 12**).

However, only 68% say they understand the methodology used to construct the TDFs they offer in their plans. That means almost one-third (31%) understand their TDF series' methodologies only "somewhat,"

[1] Morningstar, March 31, 2019.

Most plan sponsors believe they are effective in their TDF due diligence

EXHIBIT 12: AS IT RELATES TO THE TDF OFFERED IN YOUR PLAN, HOW CONFIDENT ARE YOU THAT:



Note: Have target date fund, n=584.

Source: J.P. Morgan Plan Sponsor Research 2019.

"a little" or "not at all." These responses are similar to those in 2013 and suggest that a meaningful number of plan sponsors continue to lack appropriate knowledge about TDF design, despite considerable education efforts by policy makers, TDF providers and the retirement planning industry overall (**EXHIBIT 13**).

MANY ARE OVERLOOKING KEY EVALUATION CRITERIA

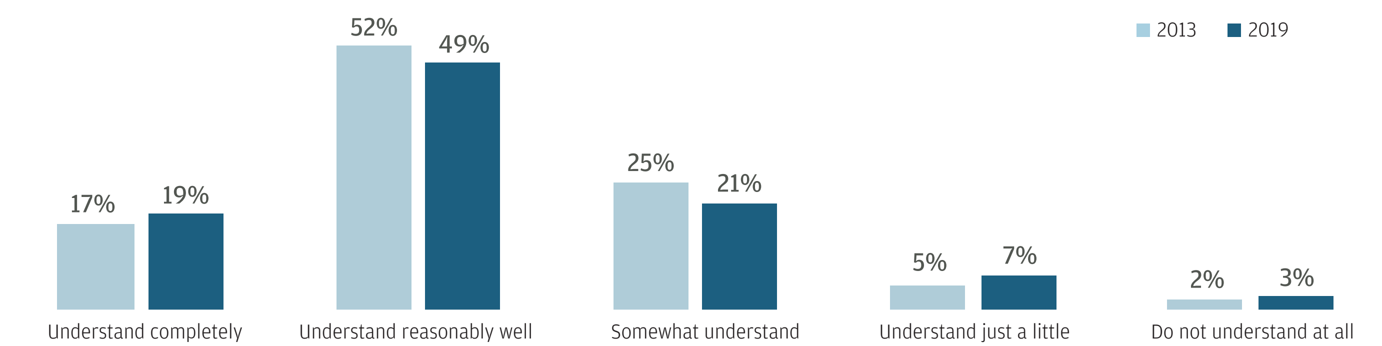
When asked about the criteria they use in TDF selection, plan sponsors most frequently rate performance and fees as "extremely important" or "very important," in line with findings from past years. Other key factors, however, continue to be much less often cited. For example, fewer than 50% see glide path structure or participant demographics as highly important, despite both being identified as core evaluation considerations in the DOL's February 2013 *Target Date Retirement Funds—Tips for ERISA Plan Fiduciaries* (**EXHIBIT 14**).

Plan sponsors naturally need to consider performance and fees when selecting a TDF strategy. From a fiduciary perspective, it is also crucial to understand how fundamental differences in glide path structure and other components of TDF design are likely to interact with participant characteristics and affect potential retirement outcomes. Further, 10 years of historically high equity returns may offer a somewhat distorted picture of how more aggressive TDF designs may perform in the future. As such, it will likely become increasingly important to dig deeper, beyond past returns, to understand how a TDF may perform across a fuller range of investment climates and whether that offers a strong fit with participant needs, given the current late-stage market cycle.

Another potential red flag in this year's findings is that nearly three in five plan sponsors use a TDF that is a proprietary offering from their provider/recordkeeper. While this is not necessarily problematic on its own, almost half—45%—of these plan sponsors did not evaluate any other TDF options. Without shopping around, they may be omitting a crucial evaluation step and potentially missing a TDF strategy that could be a better choice for their plan (**EXHIBIT 15**).

More than 30% of plan sponsors still do not have a solid understanding of the specifics used in their TDF designs

EXHIBIT 13: PLEASE RATE YOUR LEVEL OF UNDERSTANDING OF THE METHODOLOGY USED TO CONSTRUCT THE TDF IN YOUR PLAN

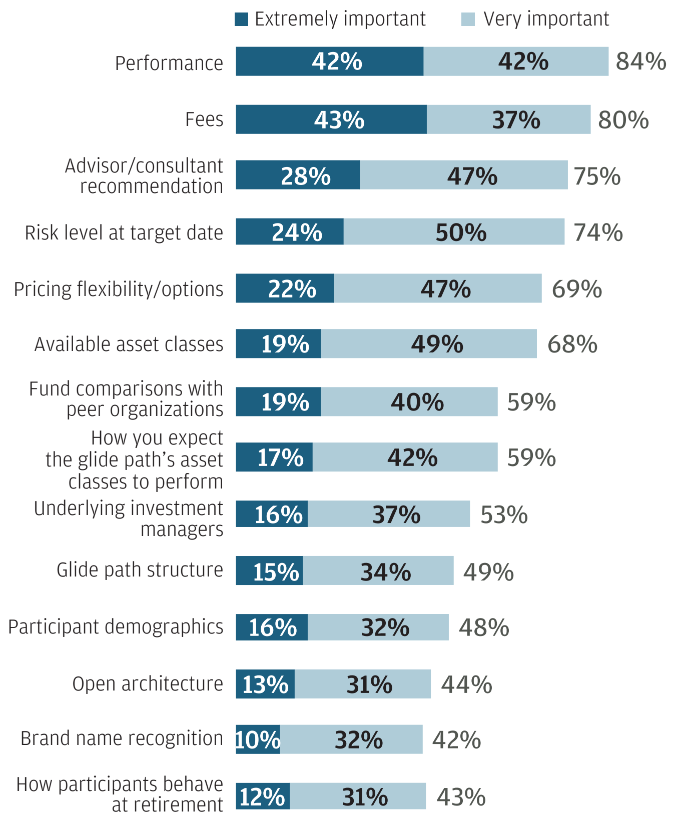


Note: Have target date fund, 2013 n=440, 2019 n=584.

Source: J.P. Morgan Plan Sponsor Research 2013, 2019.

Performance and fees continue to dominate how plans evaluate TDFs, while important factors such as demographics and glide path structure still lag

EXHIBIT 14: HOW IMPORTANT WERE EACH OF THE FOLLOWING CRITERIA WHEN SELECTING YOUR TDFS?



Note: Have target date fund, n=584. All numbers are rounded to the nearest full percentage.

Source: J.P. Morgan Plan Sponsor Research 2019.

IMPLICATIONS

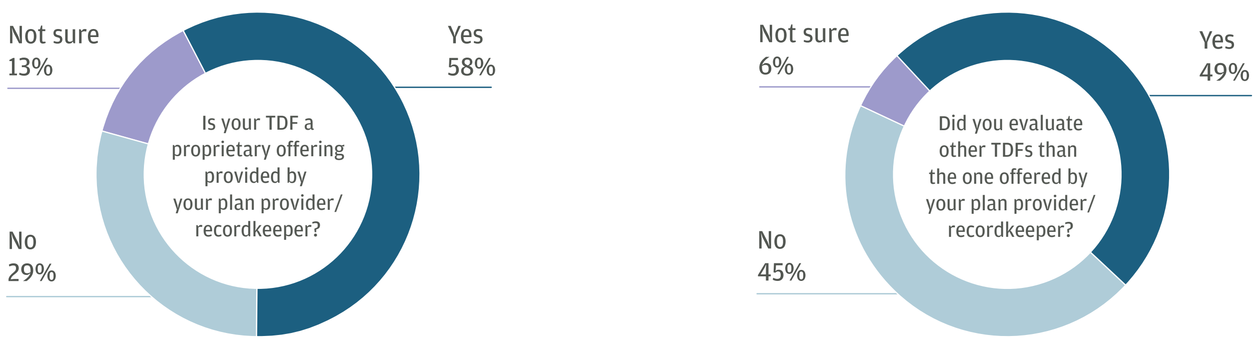
The broad adoption of TDFs has been a major positive development for plans and participants. Nevertheless, this year's survey findings suggest that there is room for continuing education on the importance of clearly understanding and effectively evaluating the TDF strategies plan sponsors select for their plans, especially when they are used as a QDIA. Although most plan sponsors are confident in their strategy knowledge and selection process, a sizable number lack an acceptable level of basic awareness about how the TDFs they choose are constructed and the likely implications of what that might mean for potential retirement outcomes.

Many plan sponsors, especially for smaller plans, also appear to be discounting a range of key evaluation criteria and over-relying on performance or fees, or simply choosing the strategy offered by their plan provider/recordkeeper to select their TDFs. Offering the right TDF fit for a plan can be one of the most important decisions plan sponsors make in helping to place participants on a more secure retirement path. Given the different approaches to TDF design available today, it is crucial to look closely under the hood of these strategies to make sure any selected series is well aligned with a plan's specific goals and participant needs.

This is an area where using a proactive advisor can be extremely useful. In "Part Four: Working with advisors and consultants," we discuss how plan sponsors working with proactive advisors/consultants are much more likely to be confident in their TDF selection and monitoring.

A slight majority use the proprietary TDFs offered by their plan providers/recordkeepers, with many not considering any other options

EXHIBIT 15: PLAN PROVIDER/RECORDKEEPER PROPRIETARY TDF USAGE



Note: Have target date fund, n=584; have proprietary target date fund offered by plan provider/recordkeeper, n=352.

Source: J.P. Morgan Plan Sponsor Research 2019.

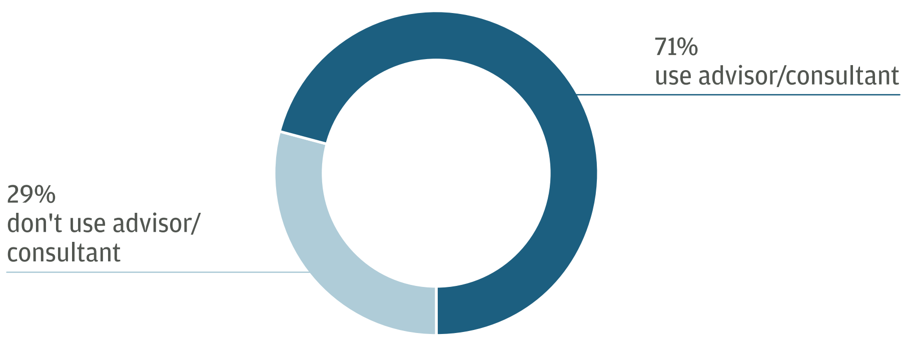
Part Four:
Working with advisors and consultants

MOST PLANS WORK WITH ADVISORS/CONSULTANTS AND ARE GENERALLY SATISFIED

Most plan sponsors—71%—use advisor/consultant, and 67% are satisfied with their relationships. However, fewer than one in four (24%) express extreme satisfaction (**EXHIBIT 16**).

Advisor/consultant usage is high

EXHIBIT 16: DO YOU USE A FINANCIAL ADVISOR, PLAN ADVISOR OR CONSULTANT FOR YOUR PLAN?



Note: Has an advisor/consultant, n=615. All numbers are rounded to the nearest full percentage.

Source: J.P. Morgan Plan Sponsor Research 2019.

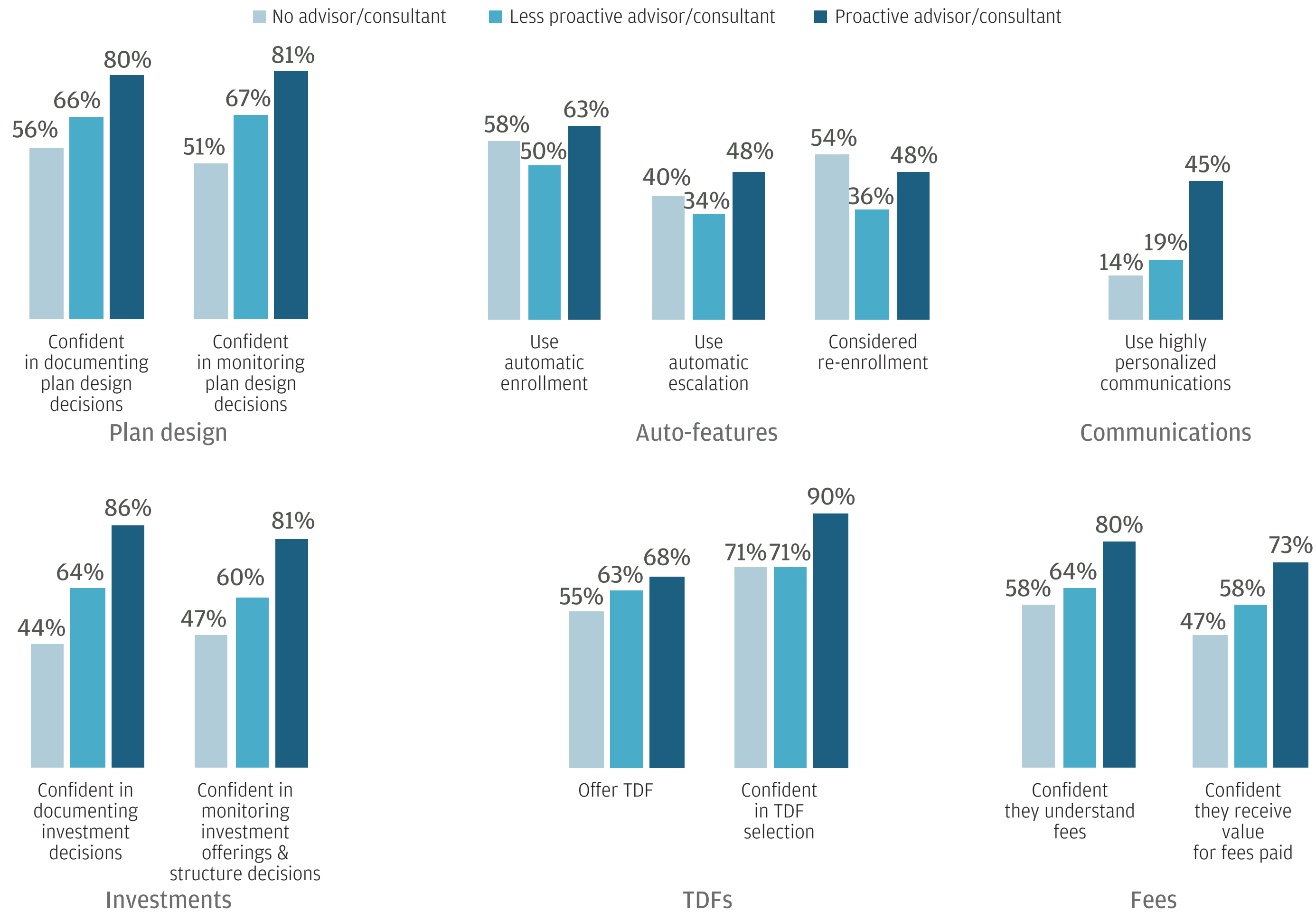
VALUE IN BEING PROACTIVE

Plan sponsors who work with advisors/consultants that proactively suggest new ideas and share best practices to evolve the plan are more likely to be extremely satisfied with the relationship—41% vs. 17% of plan sponsors with advisors/consultants who do not offer these types of insights.

Plan sponsors with proactive advisors/consultants also tend to be much more confident in plan decisions and understanding of fees, as well as more apt to offer proactive plan features. Furthermore, 73% are confident they receive value for the fees they are paying, compared with 58% for plan sponsors with less proactive advisors/consultants and 47% for plan sponsors without (**EXHIBIT 17**).

Plan sponsors with proactive advisors/consultants are more secure about their decisions and are more often proactive themselves in plan design

EXHIBIT 17: KEY DIFFERENCES BY ADVISOR/CONSULTANT USAGE AND PROACTIVENESS



Note: Does not have an advisor/consultant, n=233; has less proactive advisor/consultant, n=400; has proactive advisor/consultant, n=215.

Source: J.P. Morgan Plan Sponsor Research 2019.

IMPLICATIONS

Our research from this year's survey shows that advisors and consultants have a real opportunity to differentiate their services by being proactive. Plan sponsors report they get tremendous value from working with partners they consider proactive, both in terms of how satisfied they are with the relationship and with their overall plan decisions and plan design. Yet only 27% say their advisors/consultants proactively suggest new ideas and share best practices to advance the plan. This relatively limited number offers a real chance for advisors and consultants who do consistently bring new insights to the table. Taking a more proactive approach can add meaningful value to their client relationships and potentially tap into new ways to expand their businesses.

THE POWER OF BEING PROACTIVE

At J.P. Morgan Asset Management, we are committed to supporting the continuing evolution of DC plans. Our biennial plan sponsor and participant surveys help us to stay on top of trends and developments impacting DC plans, understand the challenges faced by plan sponsors and their participants, and remain in the forefront of the financial industry's response to the need for greater retirement security.

FOR ADDITIONAL INSIGHTS FROM THIS SURVEY, OR TO EXPLORE THE RESEARCH BY PLAN SIZE AND THEME, VISIT OUR INTERACTIVE WEBSITE AT JPMORGAN.COM/DCRESEARCH

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