

THE BEST WAY TO INCREASE PROGRAM PARTICIPATION

The Power of Auto-Enrollment

MANY PEOPLE ARE ON “AUTO-PILOT” WHEN MAKING BENEFITS CHOICES

Employees neglect to enroll if it is opt-in, even if they actually would have preferred to start saving. Auto-enrollment helps overcome this.



AUTO-ENROLLMENT PRESERVES PEOPLE'S AUTONOMY

While people trust their HR professionals and appreciate the nudge from auto-enrollment, they also appreciate still having control with the ability to opt out and decide how much to save.



AUTO-ENROLLMENT IS COMMON

It's successfully used in Medicare contributions, generic medication prescriptions, many 401(k) plans, and more.



PEOPLE LIKE AUTO-ENROLLMENT

Many employees want their employer to auto-enroll them into building savings. Research shows that the employer is one of the most trusted sources but employees are looking for more than just providing information.



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AUTOMATIC ENROLLMENT

The Best Way to Drive Financial Health

PEOPLE LIKE IT

95%

Of participants who were automatically enrolled in a defined contribution plan are satisfied, even among those who prefer a do it yourself investment approach to retirement.¹

IT'S COMMON

65%

Of large employers automatically enroll employees into 401k plans. Automatic enrollment is all around us: contributing to Medicare, generic medication prescriptions, national organ donor programs, appointment reminders, and more! They make our lives easier.²

IT WORKS

2X

Increase in employees saving for retirement after automatic enrollment. In almost every domain, research shows that automatic enrollment is the most powerful way to help people reach their goals by making it easier to do what they want.³

PEOPLE WANT IT

77%

Of state and local government employees say they would stick with a public sector supplemental retirement plan if automatically enrolled. Most people continue with the benefits they are automatically enrolled in (for retirement, emergency savings, or goal-based savings).⁴

1. 2018 DEFINED CONTRIBUTION PLAN PARTICIPANT SURVEY FINDINGS. (2018). JP MORGAN ASSET MANAGEMENT.

2. PEW CHARITABLE TRUSTS. (2018, SEPTEMBER 4). AUTOMATIC ENROLLMENT FOR RETIREMENT SAVINGS: AN INCREASINGLY AVAILABLE OPTION WITH A LARGE IMPACT.

3. AUTOMATIC ENROLMENT: THE POWER OF THE DEFAULT. (2018). VANGUARD RESEARCH.

4. NUDGING DEFERRAL RATES WITHIN PUBLIC SECTOR SUPPLEMENTAL RETIREMENT PLANS. (2019). CENTER FOR STATE AND LOCAL GOVERNMENT EXCELLENCE.



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