

9th Annual Transamerica Retirement Survey

Employers

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Objectives, Terminology, Methodology, Respondent Profile

Objectives


- The Transamerica Center for Retirement Studies® (“The Center”) is a non-profit corporation dedicated to educating the public on emerging trends surrounding retirement security in the United States. The Center’s research emphasizes employer-sponsored retirement plans, issues faced by small- to mid-sized companies and their employees, and the implications of legislative and regulatory changes.
- Since 1998 Transamerica has conducted a national phone survey of U.S. business employers and employees regarding their attitudes toward retirement. The overall goals for the study are to illuminate emerging trends, promote awareness, and help educate the public.
- Harris Interactive was commissioned to conduct the 9th Annual Retirement Survey for Transamerica Center for Retirement Studies. Where appropriate, questions were tracked and some new questions were added to investigate new topics of interest. This report represents the findings for employers. A document for employees is issued as a separate report.

Terminology

This report uses the following terminology:

- *Small company*: a company with 10 to 499 employees
- *Large company*: a company with 500 or more employees

Methodology

- A telephone study was conducted among a nationally representative sample of 652 employers. Potential respondents were targeted based on job title and met the following criteria:
 - Business executive who makes decisions about employee benefits at his or her company
 - Employs 10 employees or more
 - Excludes government, education or not-for-profit companies
- 18 minute telephone interviews were conducted between October 11 and November 21, 2007.
- Results were weighted as needed using weighting targets from the Dunn & Bradstreet database for ensuring each quota group had a representative sample based on the number of companies in each employee size range. A full methodology is available.
- Percentages are rounded to the nearest whole percent. Differences in the sums of combined categories/answers are due to rounding.
- Margin of error at the 95% confidence level is +/- 3.79%.
- A  in the report indicates a number is significantly higher between years or between corresponding subgroups.
- The base size is 283 for large companies and 369 for small companies. Other reduced bases are noted throughout the report.

Profile of Respondents

Title	%
Director of HR	33
Benefits Manager	11
Owner	7
President	6
Office Manager	7
Vice President	4
Human Resources Manager	4
General manager	2
CEO/Chairman	2
Other Office mentions*	17
Other HR mentions*	7

Number of Employees	%
10 to 24	57
25 to 99	26
100 to 499	7
500 to 999	4
Over 1,000	7

Industry	%
Manufacturing	38
Professional services	23
Agriculture, mining, construction	10
Service (Retail, Hospitality, Administration)	9
Transportation, Communications, Utilities	9
Some Other business	9

Geography	%
East	18
Midwest	31
South	29
West	22

Revenue	%
Less than \$500,000	1
\$500,000 to \$999,999	9
\$1 million to less than \$5 million	35
\$5 million to less than \$10 million	7
\$10 million to less than \$50 million	9
\$50 million to less than \$200 million	3
\$200 million to less than \$500 million	2
\$500 million to less than \$1 billion	1
\$1 billion or more	2
DK/Refused	30

*Note: Those mentions with 1% or less were re-grouped into either Office Other or HR Other.



Executive Summary

Executive Summary

The Importance of Employee Benefits

- The vast majority of employers (97%) believe that their employees value health insurance as an important benefit. Tellingly, 100% of large company employers say health insurance is important to their employees.
- 401(k) plans are seen as the next most valued benefit by their employees (82%).
 - Large companies are more likely to say a 401(k) plan is important to their employees (97% large, 80% small).
- Employers are less likely to mention disability insurance (79%), life insurance (77%) or a company-funded pension plan (66%) as important benefits to employees. They are least likely to mention long-term care as a benefit with perceived importance among their employees (39%).
 - Large companies are consistently more likely than small companies to believe any of these three benefits are important.
 - Disability insurance (96% large, 76% small)
 - Life insurance (98% large, 74% small)
 - Company-funded pension plan (74% large, 65% small)
 - Long-term care (43% large, 39% small).
- The majority of employers (85%) believe that the employee-funded retirement plan they offer is important to attract and retain employees.
 - Large company employers are more likely than small companies to believe their retirement plan is very important in attracting and retaining employees (95% large, 83% small).
 - The proportion of employers who believe their retirement plan is important in attracting/retaining employees has steadily increased since 2004 and has leveled off during the last two years (75% in 2004, 79% in 2005, 84% in 2006, 85% in 2007).

Executive Summary

The Importance of Employee Benefits, continued

- Employers were presented with two options and were asked which they thought would be of greater interest for a potential employee:
 - Option A: Excellent retirement benefits, but only meets the potential employee's minimum salary requirements.
 - Option B: A higher than expected salary, but with poor retirement benefits.

Overall more than half the employers in this study feel potential employees are more likely to choose the higher salary, *Option B* (55%), over the excellent retirement benefits, *Option A* (41%).

- Significant differences do exist between large companies and small companies. Large companies are more likely to say employees would choose excellent retirement benefits (51% large companies, 39% small companies), whereas smaller companies are more likely to say employees would choose higher salary (57% small, 43% large).
 - These employer beliefs track closely with actual employee data --employees at large companies are more likely than those at small companies to choose excellent retirement benefits over higher salary (56% large, 46% small), whereas those at small companies are more likely than those at large companies to choose higher salary over retirement benefits (54% small, 44% large).

Executive Summary

Retirement Benefit Offerings

401(k) Plans

- 401(k) plans are the most popular retirement benefit plans offered by employers (62%). Less than a fifth of employers offer a company funded pension-plan (19%) or another type of employee self-funded plan such as SIMPLE or SEP (16%).
 - Large companies are more likely than smaller companies to offer 401(k) plans (82% large, 59% small), company-funded defined benefit pension plans (39% large, 17% small), or a separate retirement program for select executives or senior management (29% large, 9% small).
- Slightly over two-thirds (70%) of employers used an outside adviser to help select a retirement plan. Similar to 2006, companies typically used a financial planner/broker as their outside adviser (62% 2007, 57% 2006).
- On average, companies have been offering their 401(k) plans for an average of 12.2 years, and they have been with their current provider for 7.1 years.
 - Not surprisingly, larger companies have offered their 401(k) plans for a longer average period of time than smaller companies (14.9 years for large, 11.8 years for small companies).
- Consistent with 2006 results, a quarter of companies who do not offer 401(k) plans are likely to consider it as a benefit offering to employees in the next two years (24% 2007, 27% 2006).
- Cost is the main reason (48%) companies are not likely to offer a 401(k) plan in the next two years. Other reasons companies are not likely to offer one are lack of interest among employees (31%), company or management is not interested (28%), company is not big enough (21%), company encountering difficult business conditions (10%), and concern about administrative complexity and the amount of work involved (9%).
- The majority of companies (80%) who offer a 401(k) plan have a matching contribution program. This is more prevalent among large companies (87% large, 79% small).
 - A matching contribution program is seen by companies as being important to their employees, particularly among large companies (94% large, 85% small).
 - Compared to 2006, the same percent of employers offering a matching contribution has remained the same (80%). In addition, the perceived importance to their employees has remained consistent (86% in 2007, 87% in 2006).

Executive Summary

Retirement Plan Features

- Regardless of the company's size, almost two-thirds of employers (61%) offer investment guidance or advice as part of their retirement plan. Of those who do not currently offer guidance or advice, a higher percentage of large companies plan to offer advice in the future (18% large, 7% small).
 - The primary reason for not offering investment guidance/advice is the potential liability for the company (45%).
- A quarter (23%) of employers who offer a 401(k) plan have an auto-enrollment provision, and only a few employers (11%) who do not have auto-enrollment are planning to adopt such a provision in the future. Large employers are more likely to be planning to adopt auto-enrollment in the future (27% large, 8% small).
 - Primary reasons for not adopting the provision include already having a high participation rate (34%), followed by a preference for allowing employees to choose (15%), cost (10%), employees not interested (8%), and concern about administrative complexity (6%).
 - Two-thirds (66%) of employers who have auto-enrollment believe their employees have responded positively to automatic enrollment in their company's 401(k) plan. Only three percent say their employees have responded negatively.
 - More than a third (37%) of employers do not know the default contribution rate in their company's 401(k) plan.
 - The average default contribution rate is 8%, the median is 3%.
 - Almost half of companies (48%) have a default investment option that includes a diversified mix of stocks, bonds, and cash. Almost a quarter (24%) of employers say the default investment option includes conservative, low investment risk options such as a Money Market or Stable Value Fund.
 - A quarter of employers (26%) with auto-enrollment automatically increase the contribution rate based on their employees' anniversary date of hire.
- Almost a fifth (19%) of employers who offer 401(k) plans have adopted a Roth 401(k) option. Of those who have not, few plan to adopt one in the future (10%).
 - Primary reasons for not offering a Roth 401(k) option are perceived lack of employee interest (26%), followed by concern about cost (13%), administrative complexity (11%), and lack of awareness of the Roth 401(k) feature (10%).

Executive Summary

Making Changes in 401(k) Plans

- Larger companies are more likely than smaller companies to evaluate their retirement benefits at least once a year (84% large, 66% small). Smaller companies, on the other hand, are much more likely than larger companies to say they never evaluate their benefits offering (14% small, 2% large).
- Almost a quarter of companies (23%) have made changes to their 401(k) plans in the last 12 months. This is especially true among large companies (34% large, 22% small).
- When asked what was changed in the plan, the changes most frequently cited have been:
 - Investment selections/fund choices (60%).
 - Changed plan provider (27%).
 - Added an auto-enrollment feature (23%).
 - Added strategic allocation or target maturity funds (22%).
 - Added a Roth 401(k) option (19%).
 - Added a new plan (18%).
 - Changed vesting schedule (16%).
 - Changed form of company match* (15%).
 - Increased company match (15%).
 - Reduced eligibility waiting period (13%).
 - Added a managed account option (12%).
 - Decreased company match (9%).
 - Increased employee contribution limit (6%).

*An example that may be considered is when an employer switches from matching participant contributions with company stock to matching on a dollar basis.

Executive Summary

Perceptions of Current Retirement Plan Offerings

- The vast majority of employers agree their company (94%) and employees (96%) are satisfied with their company retirement plan.
- Most employers believe that they give employees the information they need regarding their retirement plan (94%), as well as believe their employees are satisfied with the quality of the investment options in their plan (94%).
- Compared to 2006, fewer employers would like more investment options within their plan (41% in 2006, 25% in 2007).
- Three quarters of employers (70%) think that their employees have a clear understanding of the fees associated with participating in the retirement plan. This is particularly true among small companies (72% small, 60% large).

Executive Summary

Perceptions of Current Retirement Plan Offerings, continued

- Employers believe that the plan administrator (23%), followed by plan participants (20%), the plan sponsor (17%), the adviser/consultant who sold the plan (14%), and the investment provider (11%) are most accountable for selecting and monitoring investment options in a retirement plan.
 - Compared to large companies, small companies more frequently believe plan participants are most accountable for selecting and monitoring investment options (21% small, 8% large). Large companies more frequently believe the plan sponsor is most accountable than do small companies (32% large, 25% small).

- Employers believe that the plan provider or administrator (32%), followed by plan sponsor (23%), the plan participants (10%), the adviser/consultant who sold the plan (7%), and the investment provider (5%) are ultimately most responsible for monitoring fees and expenses associated with the retirement plan.
 - Compared to large companies, small companies more frequently believe plan participants are most responsible for monitoring fees and expenses (11% small, 2% large). Large companies more frequently believe the plan sponsor is most responsible than do small companies (44% large, 19% small).

Executive Summary

Perceptions of Employee Involvement with Retirement Planning

- Similar to 2006, slightly more than half (58%) of employers are confident their employees will be able to achieve a comfortable lifestyle in retirement.
- Fewer employers than last year believe their employees are not saving enough to meet their retirement needs (72% 2007, 82% 2006).
- Only half of employers believe that their employees are very involved in monitoring and managing their retirement savings (49%).
- Consistent with last year, most employers agree that employees would rather rely on outside experts to monitor and manage their retirement investments (77% in 2007 and 2006).
- Similar to last year, employers believe employees prefer not to think about retirement investing until their retirement date nears (74% 2007, 77% 2006).
- While the overall percentage of employers who think their employees want more information and advice is consistent with last year's findings (47% 2007, 45% 2006), large companies more frequently believe this (70% large, 44% small).
- Most employers feel their employees do not know as much as they should about retirement investing, however the number has decreased from last year (79% in 2007, 87% in 2006). This is especially true among larger employers (87% large, 78% small).

Executive Summary

Transition to Retirement

- At companies where a 401(k) plan is currently offered, the vast majority take some action to help transition employees to retirement. This is more prevalent at large companies.
 - Allow terminated plan participants to leave their money in the plan* (89% large, 67% small).
 - Provide information on the distribution options available in the plan* (82% large, 65% small).
 - Distribute retirement planning materials (65% large, 48% small).
 - Allow systematic withdrawals by terminated plan participants (59% large, 37% small).
 - Offer financial counseling (50% large, 33% small).
 - Offer an income annuity as a payout option in their plan (40% large, 23% small).
 - Offer pre-retirement seminars (42% large, 19% small).
 - Offer nothing to help employees in this transition (8% large, 0% small).
- The percentage of employers offering each of these methods to help employees transition to retirement has remained stable from last year.
- On the other hand, at companies who do not offer a 401(k) or other employee self-funded retirement plan, the majority (74%) offer nothing to help in this transition. Only a small percentage offer financial counseling (15%), distribute retirement planning materials (16%), or offer pre-retirement seminars (2%).
 - In 2006 there was a directional trend compared to 2005 among companies not currently offering 401(k)s to do more to help employees. This trend continues in 2007.

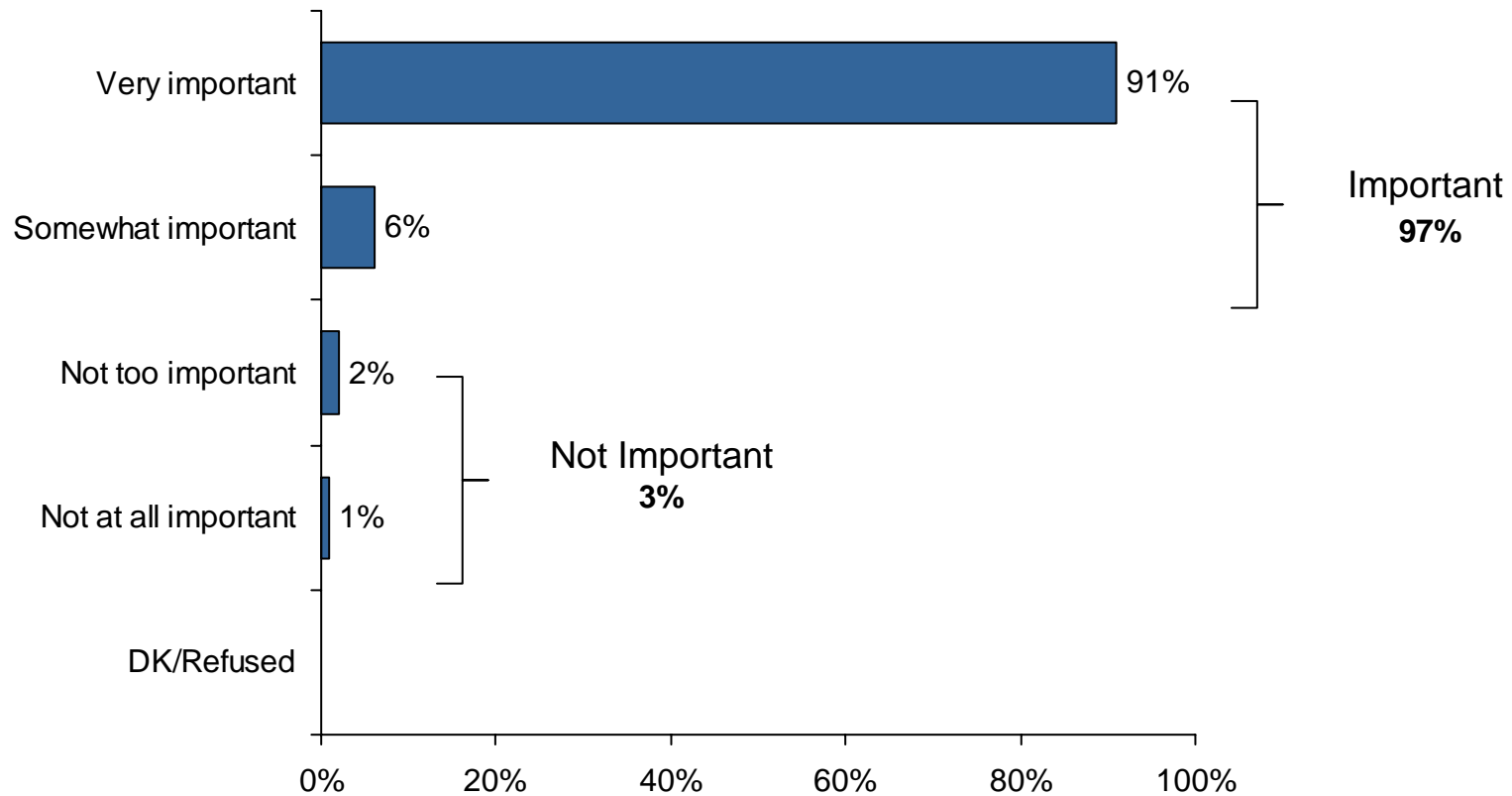
*While regulations concerning terminated participants may require that employers perform these actions, these statistics only reflect employers' responses at the time of the survey.



Detailed Findings

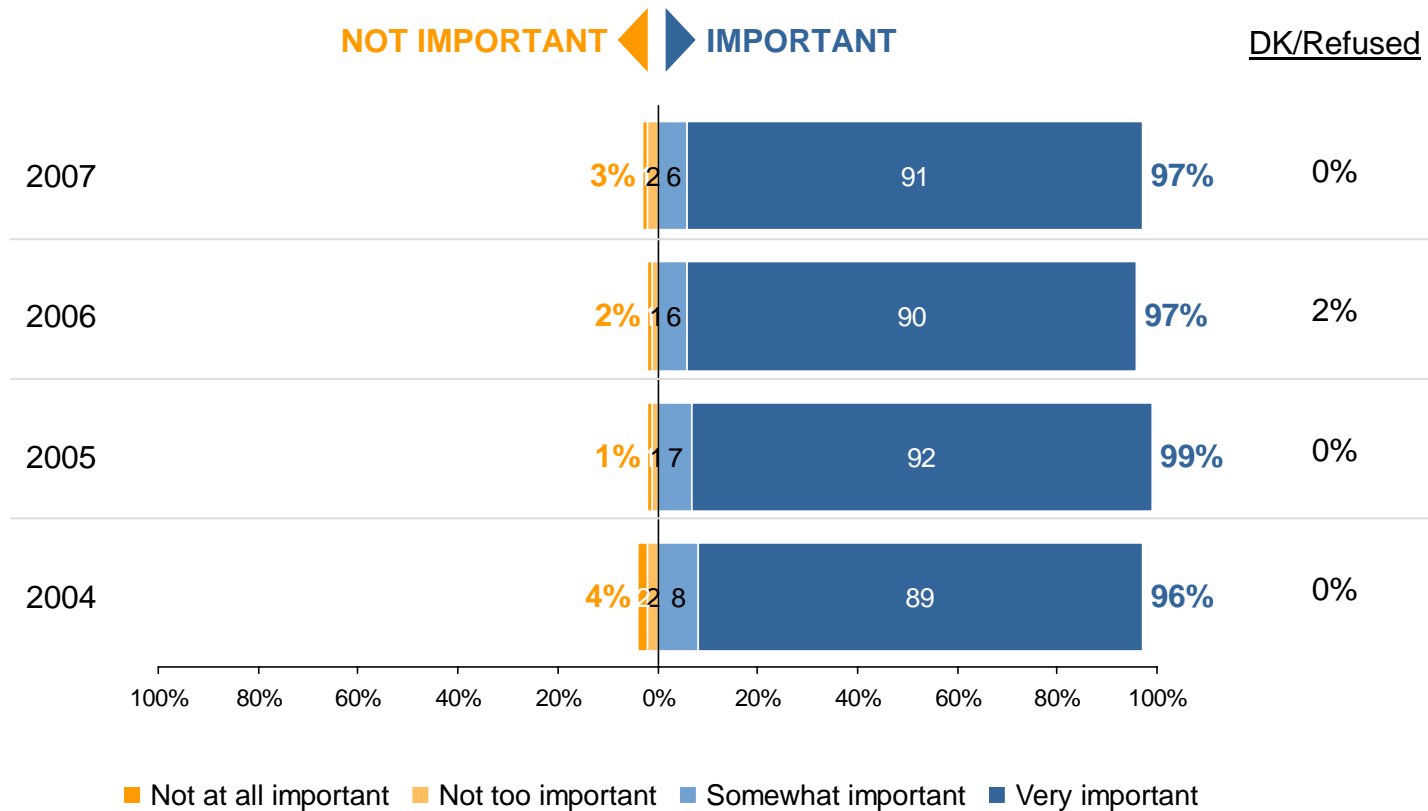
- **Relative Importance of Various Employee Benefits**
- Retirement Benefits Offerings
- Perceptions of Current Retirement Plan Offerings
- Perceptions of Employee Involvement with Retirement Planning

Importance of Benefits Offered: Health Insurance 2007



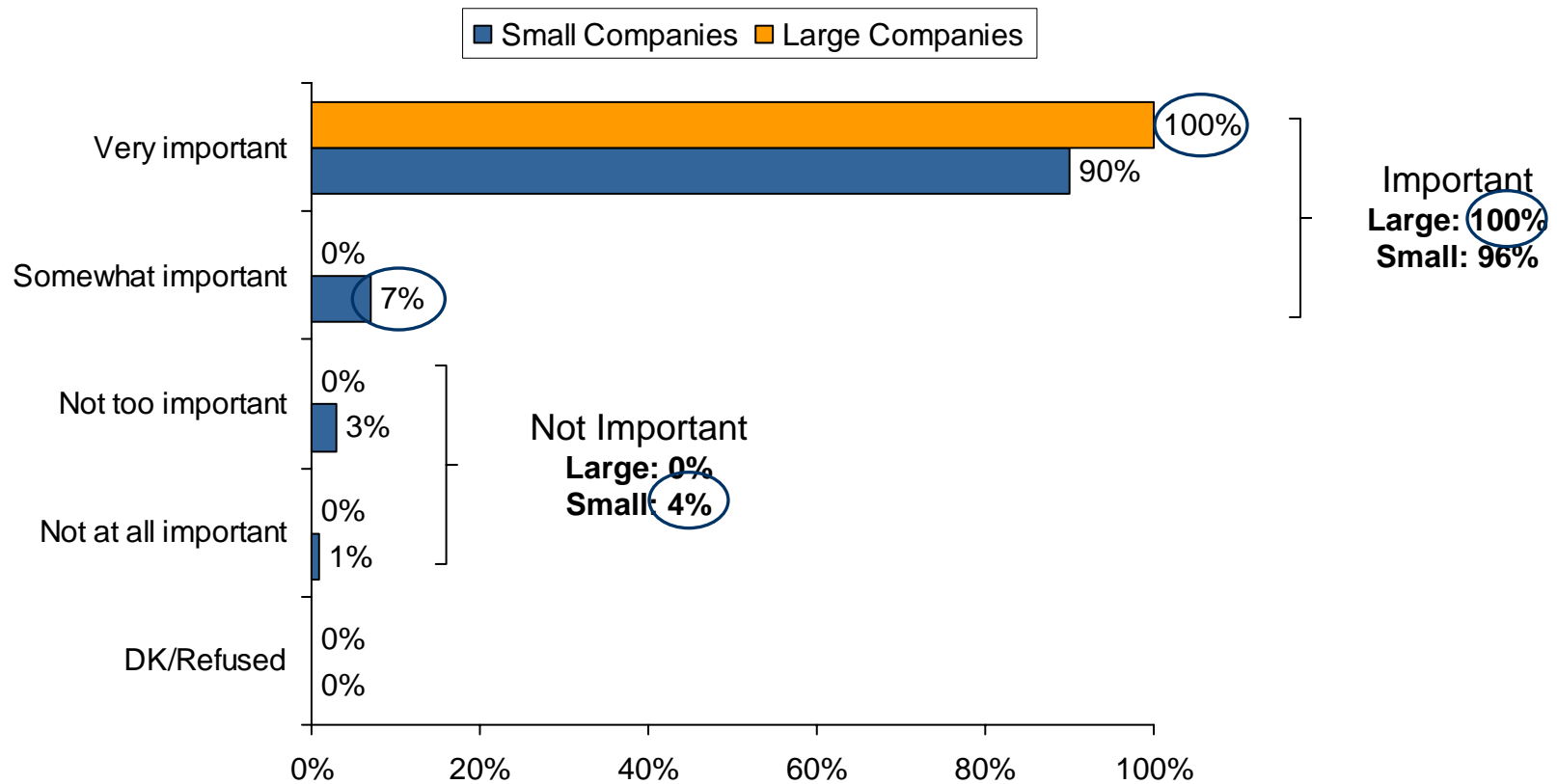
BASE: TOTAL RESPONDENTS, N=652
Q520 Now I'd like to ask specifically about some benefits that you may or may not currently offer your employees. For each one, please tell me how important you think that benefit is, or would be, to your employees. Do you think your company's employees see this benefit as very important, somewhat important, not too important, or not at all important?

Importance of Benefits Offered: Health Insurance Annual Tracking



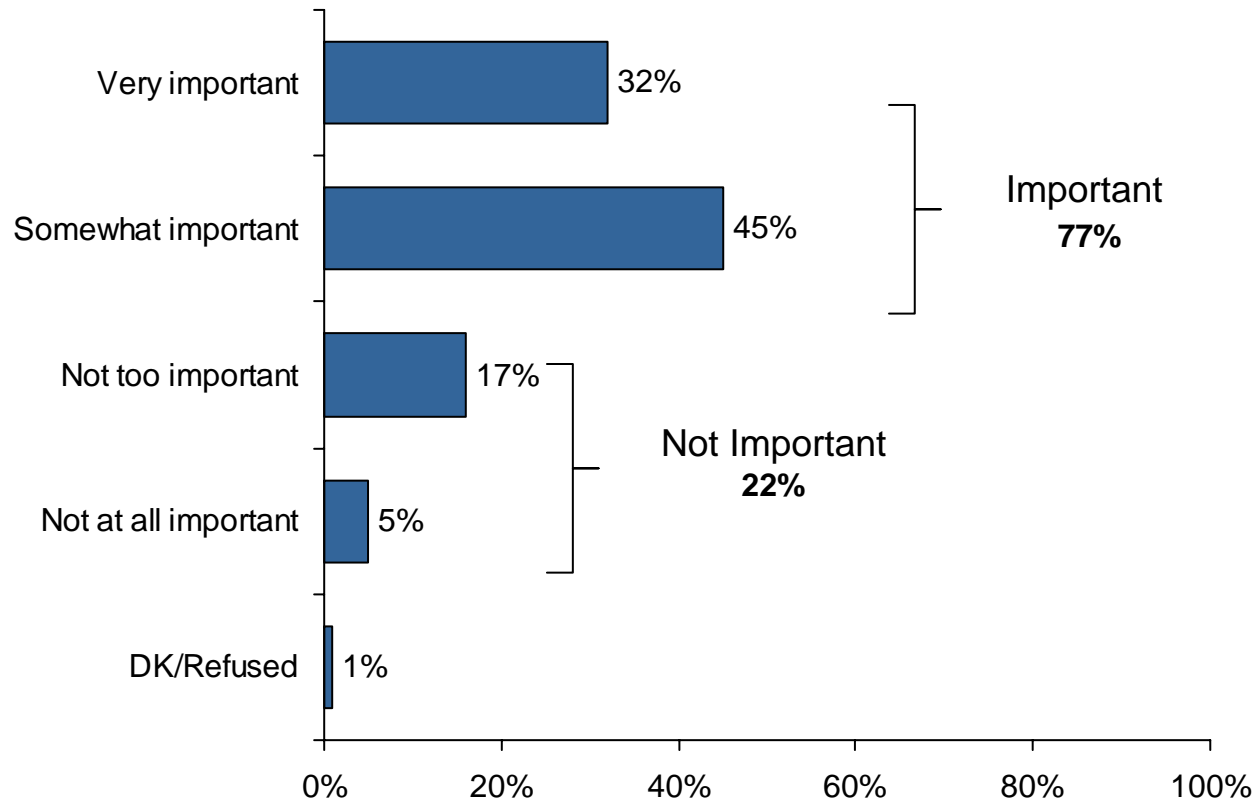
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Importance of Benefits Offered: Health Insurance 2007 – Large vs. Small Companies



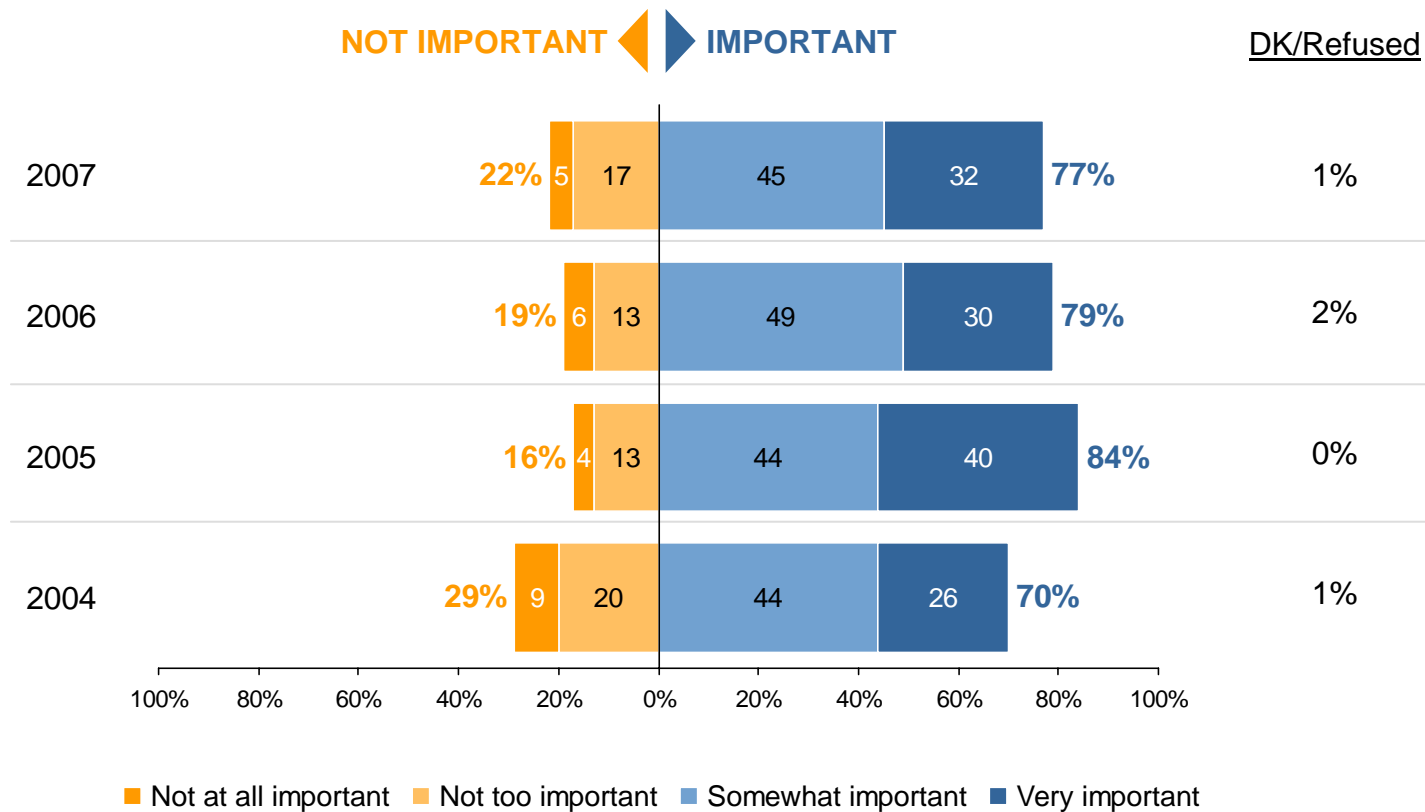
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Importance of Benefits Offered: Life Insurance 2007



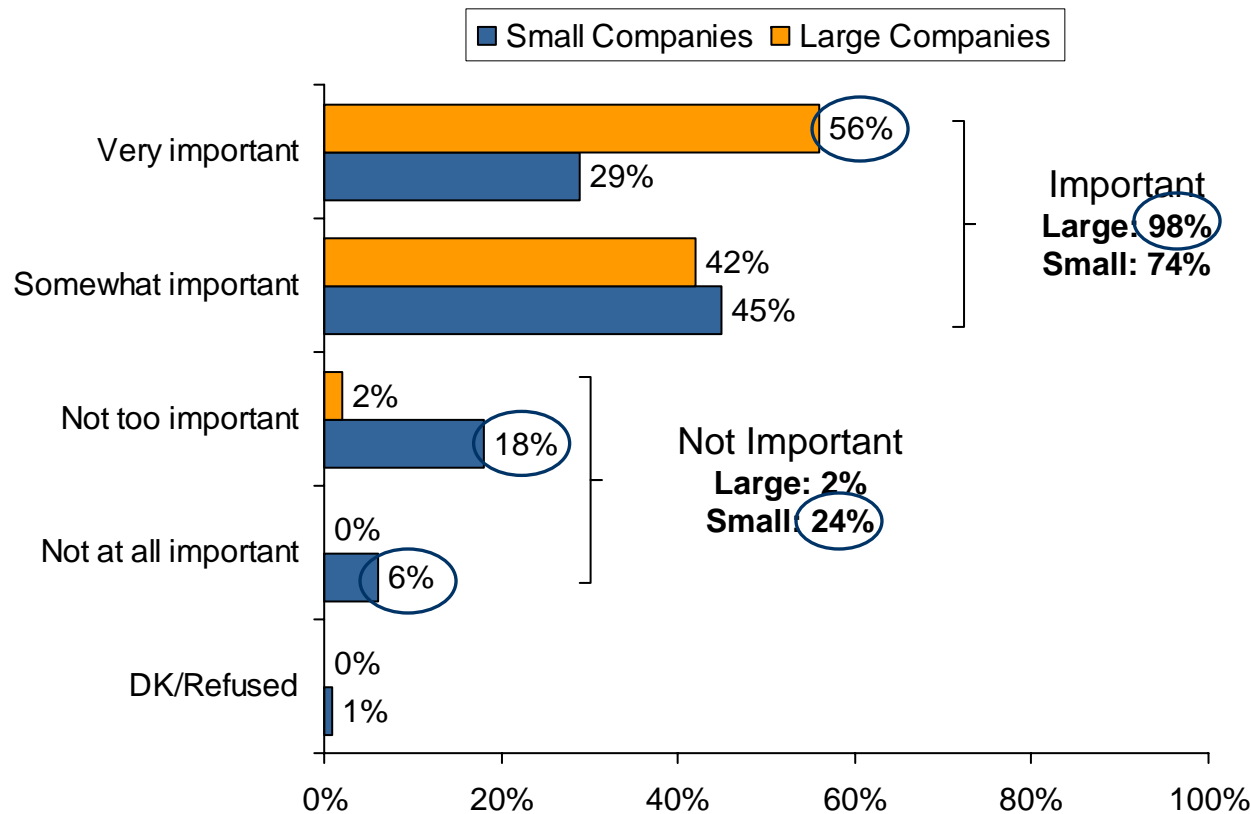
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Importance of Benefits Offered: Life Insurance Annual Tracking



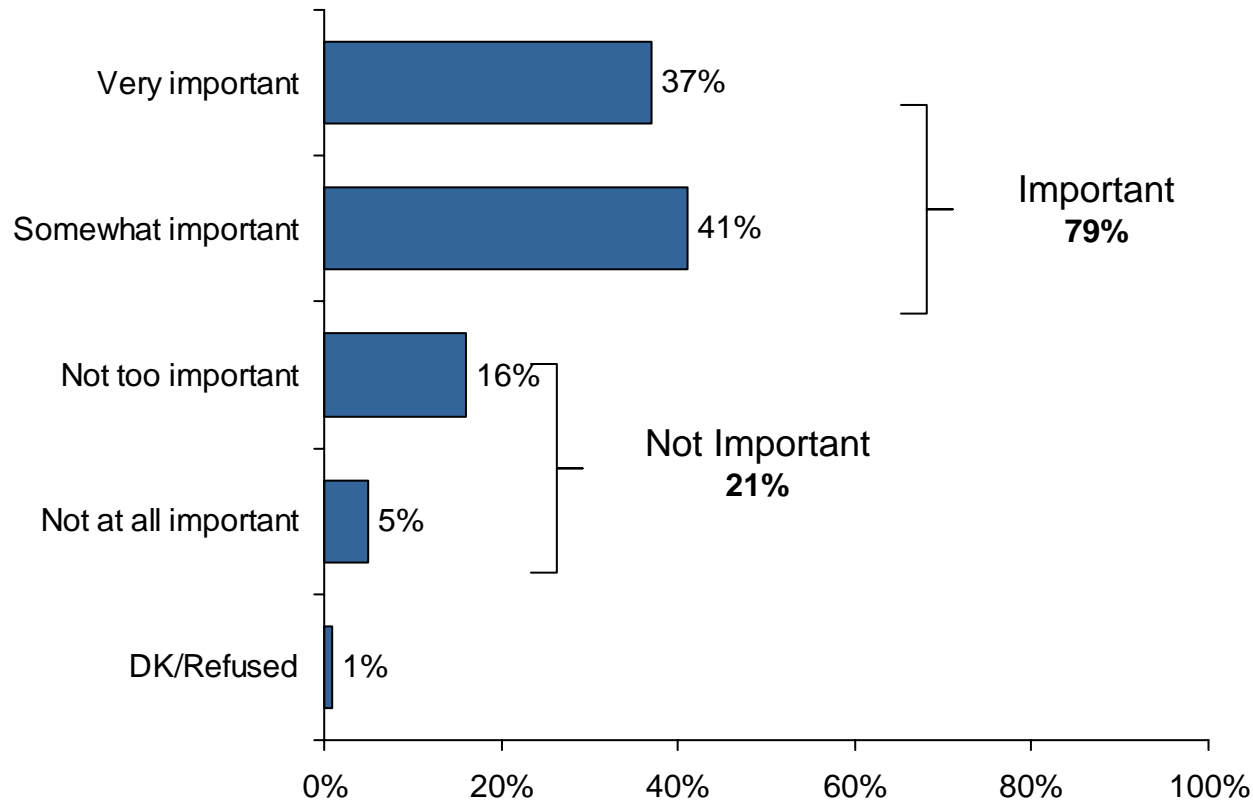
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Importance of Benefits Offered: Life Insurance 2007 – Large vs. Small Companies



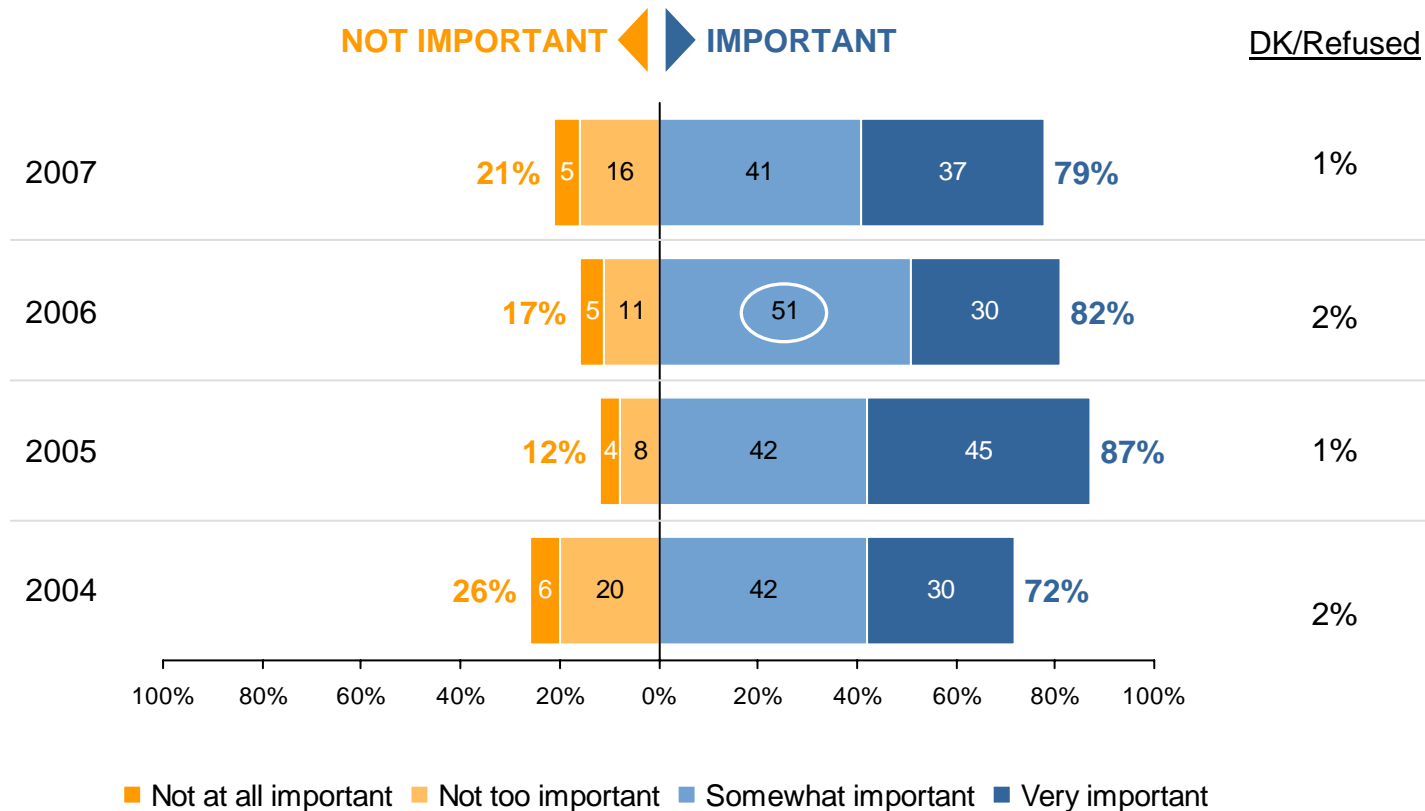
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Importance of Benefits Offered: Disability Insurance 2007



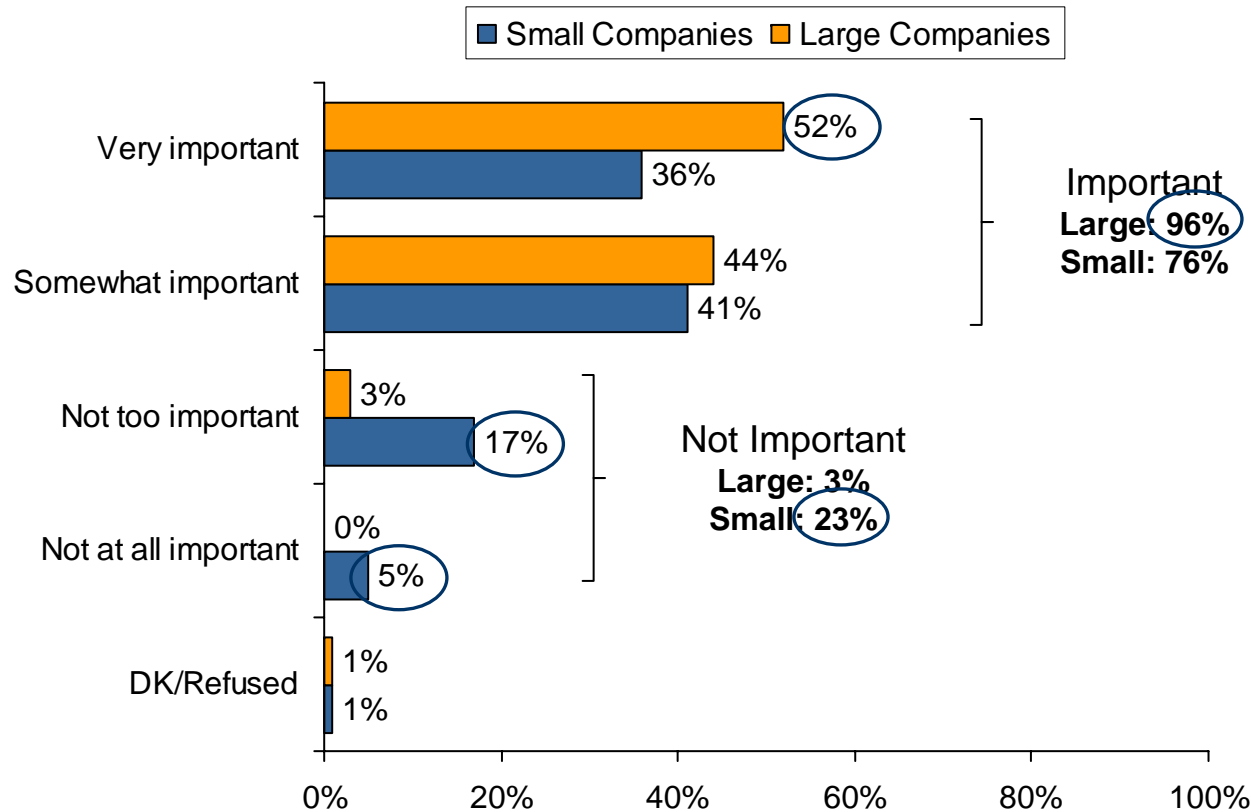
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Importance of Benefits Offered: Disability Insurance Annual Tracking



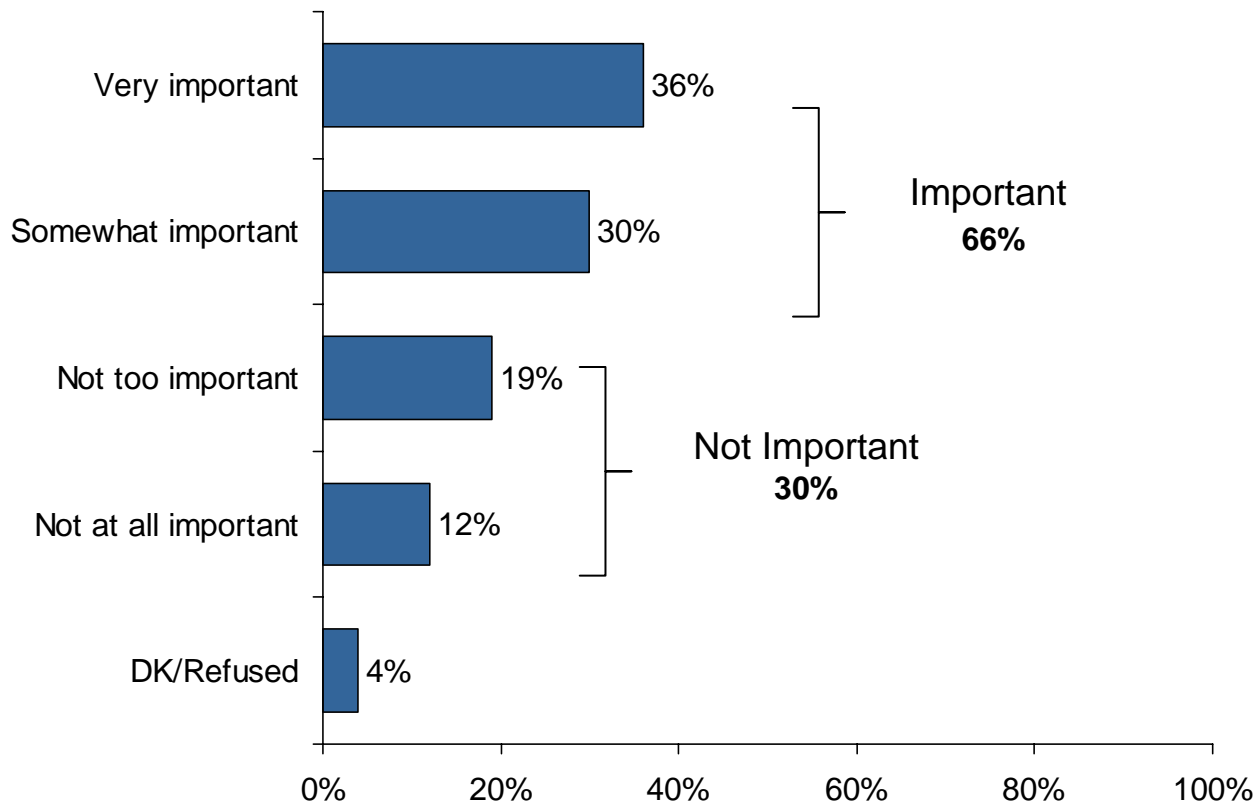
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Importance of Benefits Offered: Disability Insurance 2007 – Large vs. Small Companies



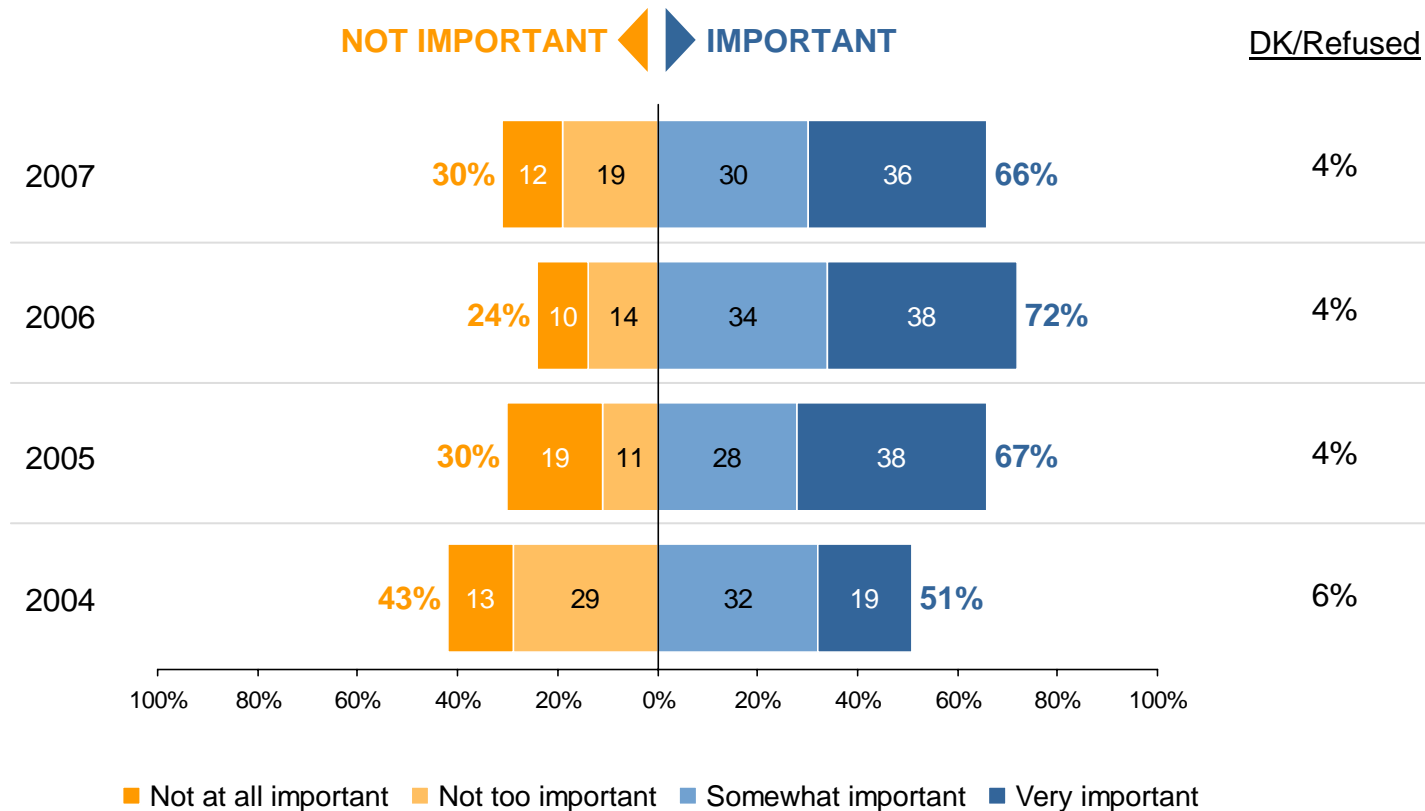
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Importance of Benefits Offered: Company-funded Defined Benefit Pension Plan 2007



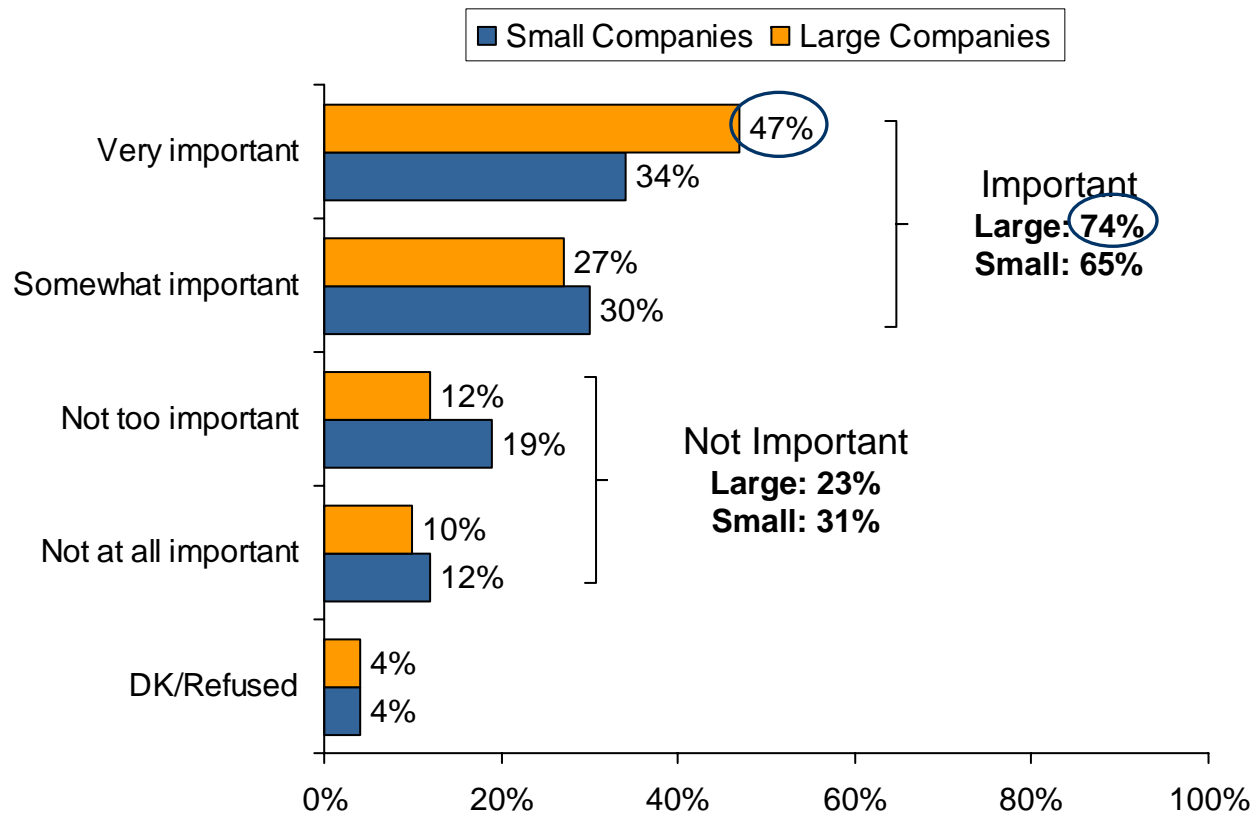
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Importance of Benefits Offered: Company-funded Defined Benefit Pension Plan Annual Tracking



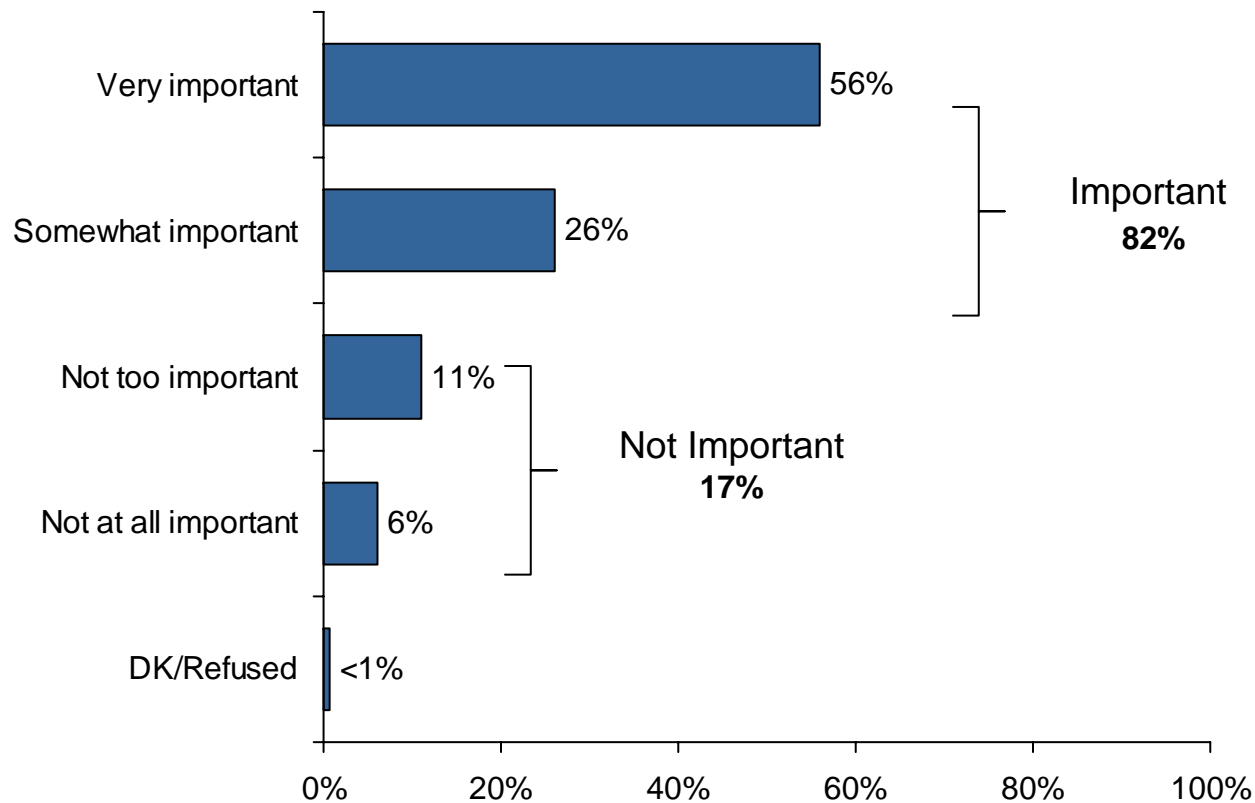
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Importance of Benefits Offered: Company-funded Defined Benefit Pension Plan 2007 – Large vs. Small Companies



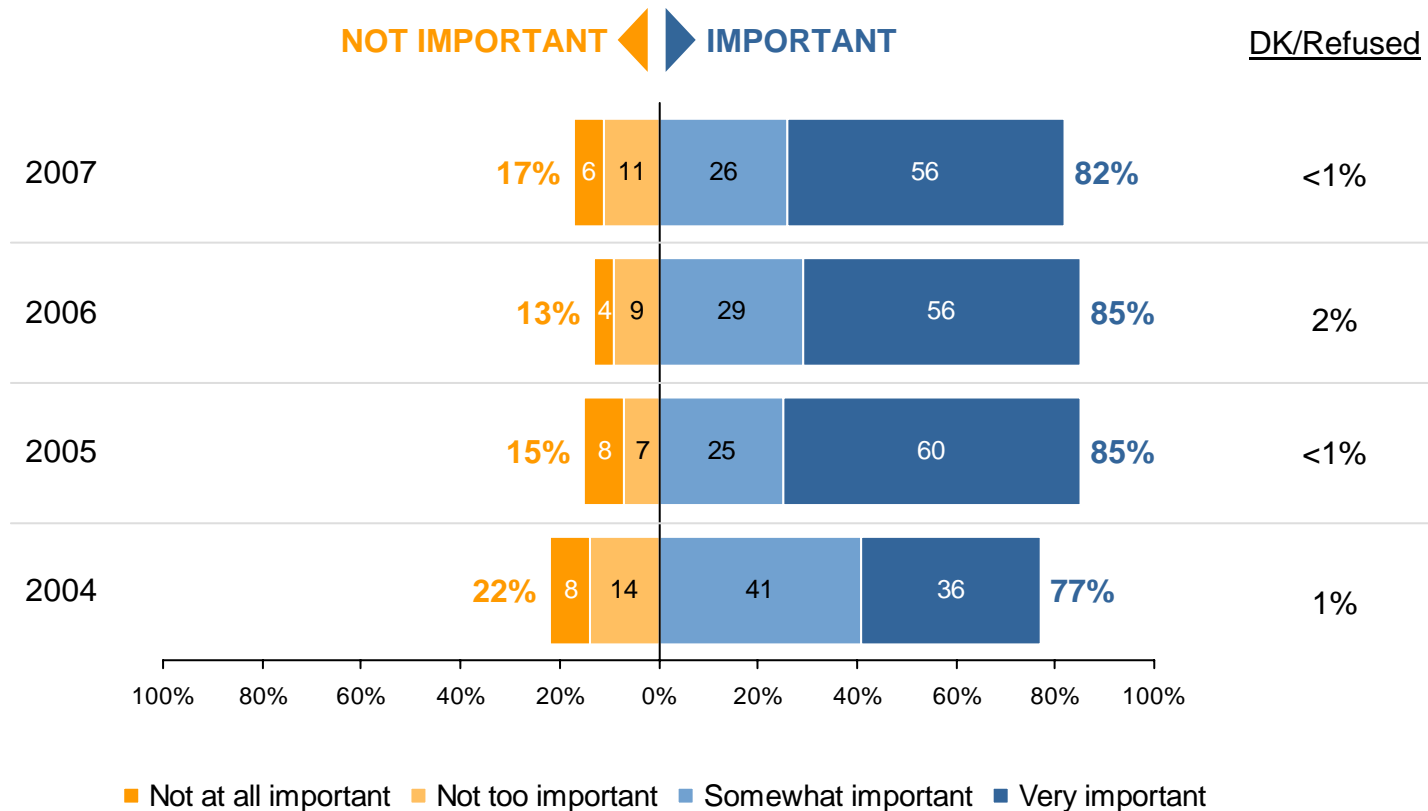
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Importance of Benefits Offered: 401(k) or Other Employee Self-Funded Plans 2007



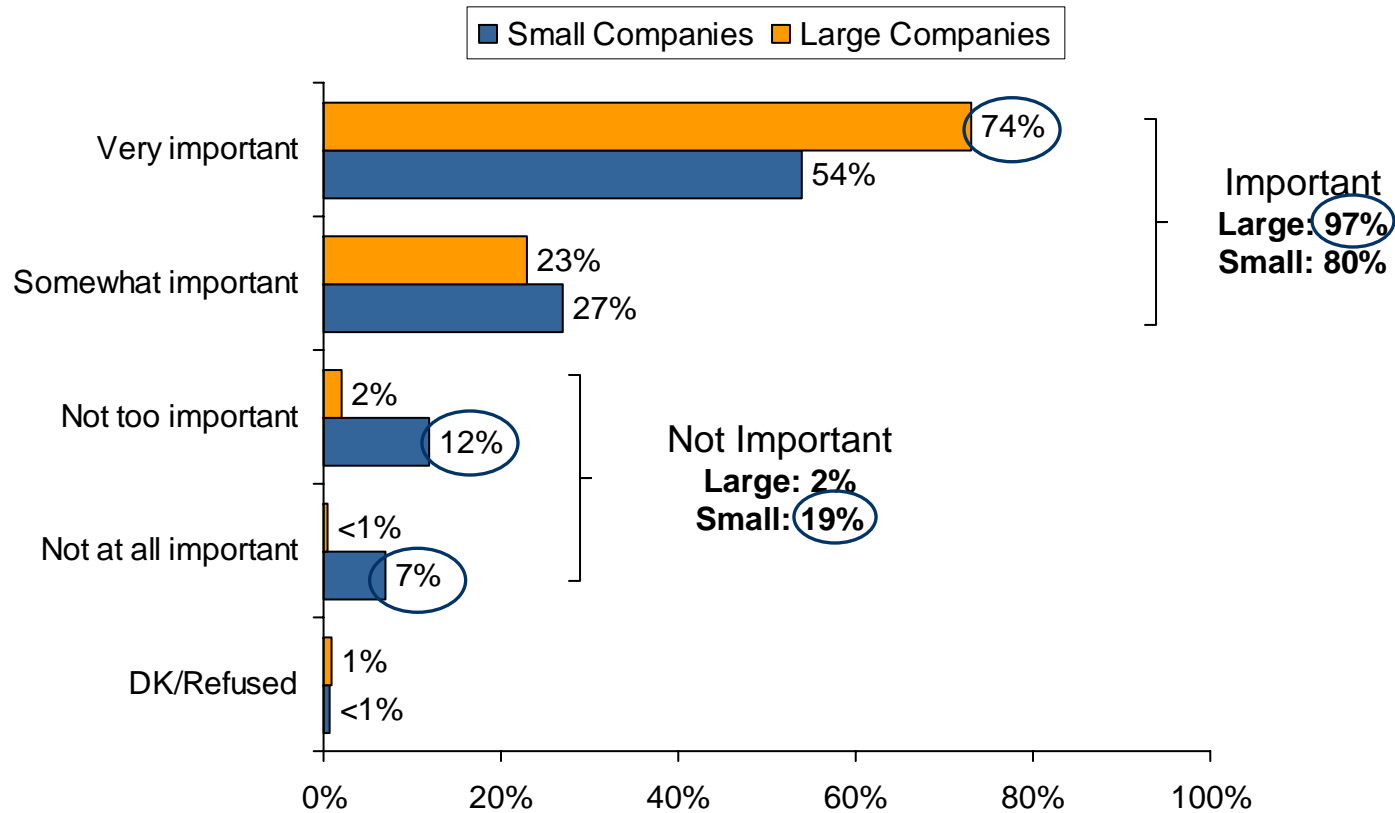
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Importance of Benefits Offered: 401(k) or Other Employee Self-Funded Plans Annual Tracking



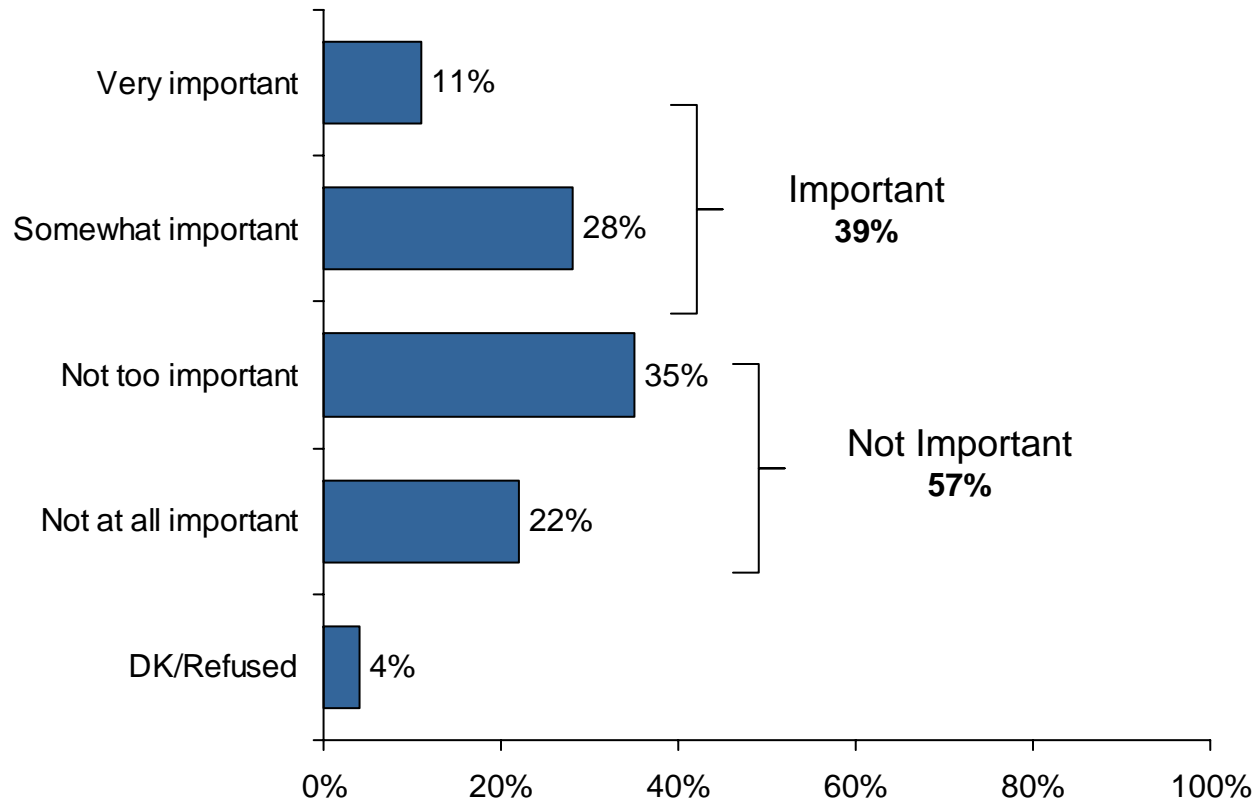
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Importance of Benefits Offered: 401(k) or Other Employee Self-Funded Plans 2007 – Large vs. Small Companies



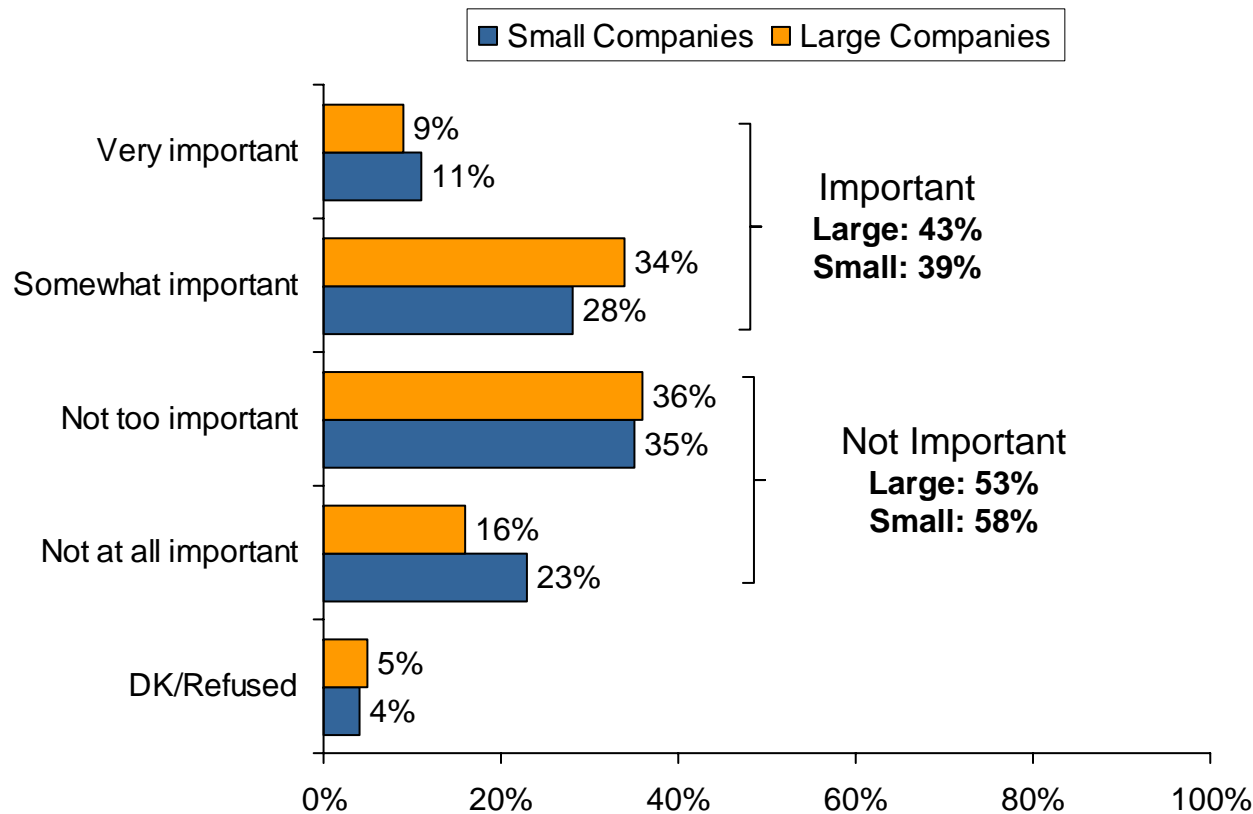
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Importance of Benefits Offered: Long-term Care Insurance 2007



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Importance of Benefits Offered: Long-term Care Insurance 2007 – Large vs. Small Companies



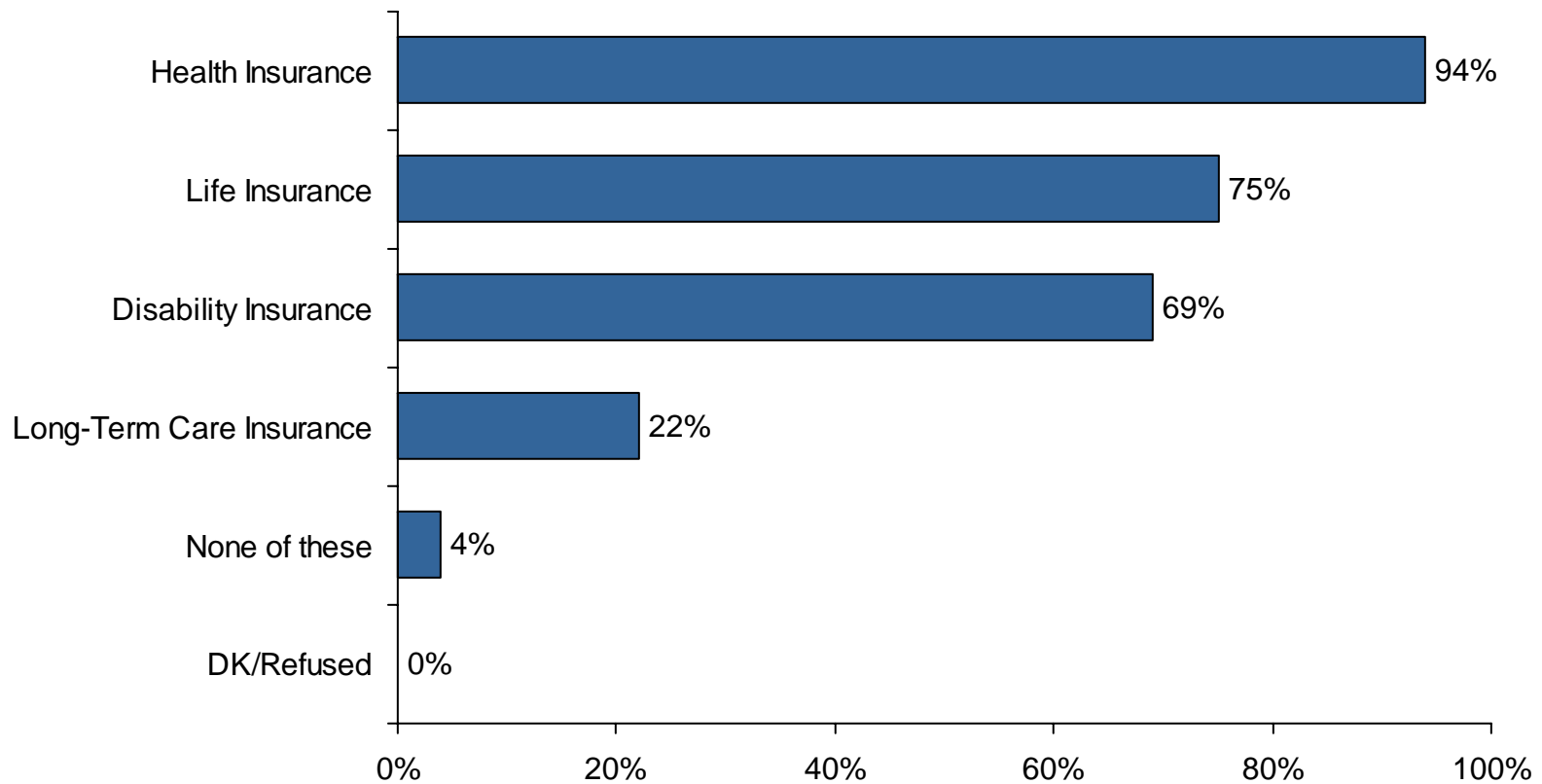
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Detailed Findings

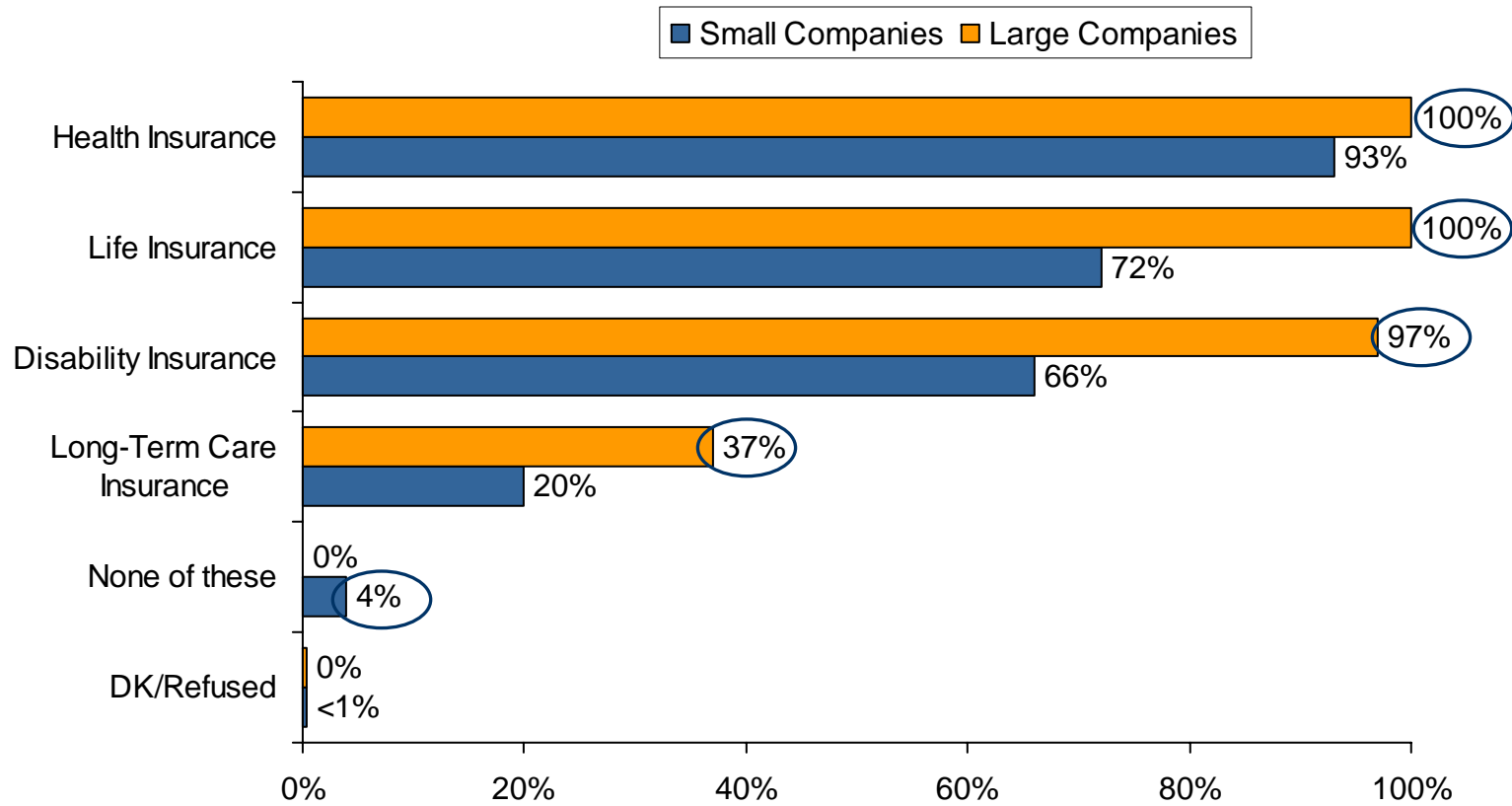
- Relative Importance of Various Employee Benefits
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Benefits Currently Offered 2007



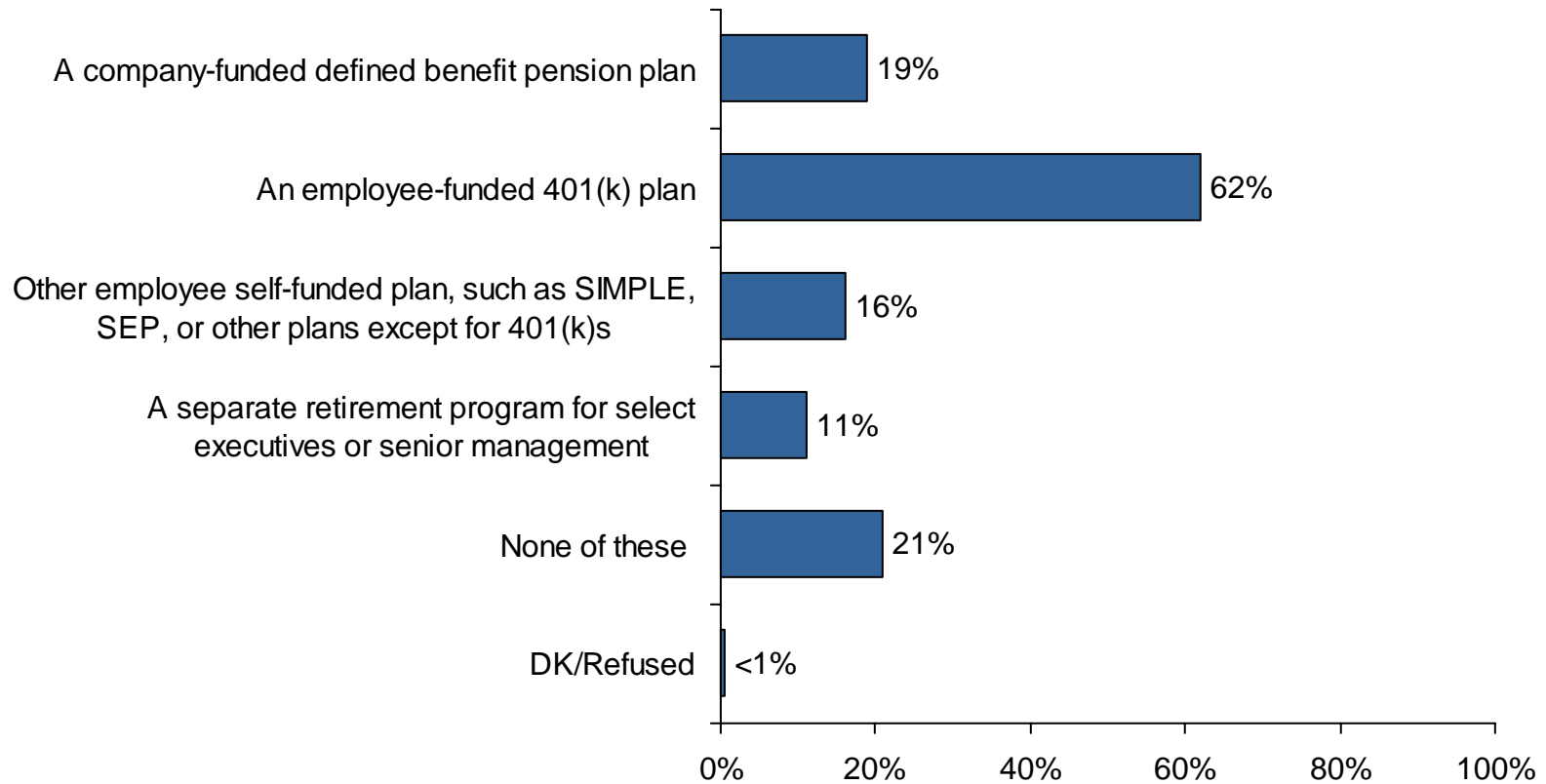
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Q1021. Now we would like to ask you what benefits your company currently offers to its employees. Does your company currently offer...? CHOOSE ALL THAT APPLY.

Benefits Currently Offered 2007 – Large vs. Small Companies



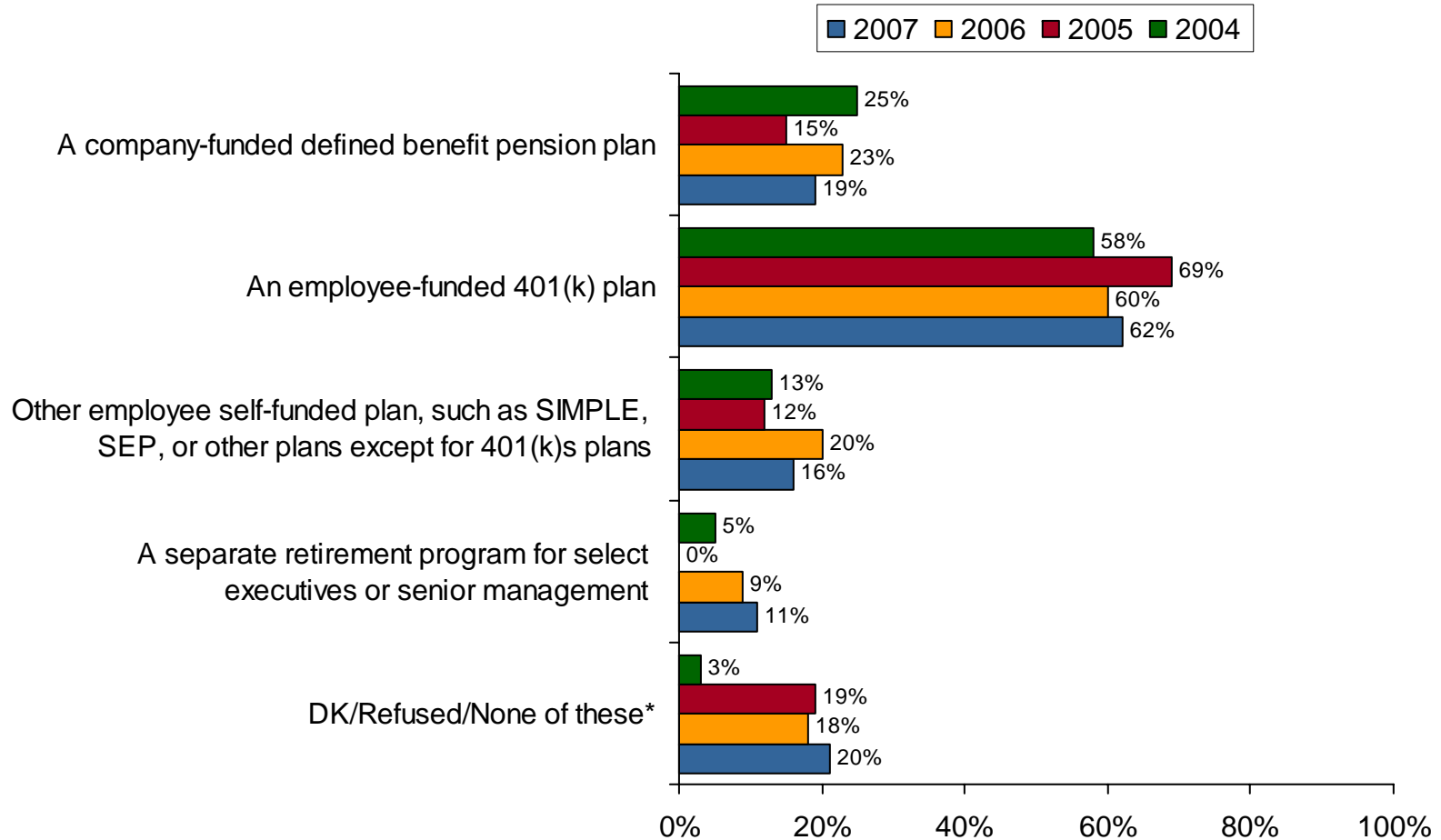
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Retirement Benefits Currently Offered 2007



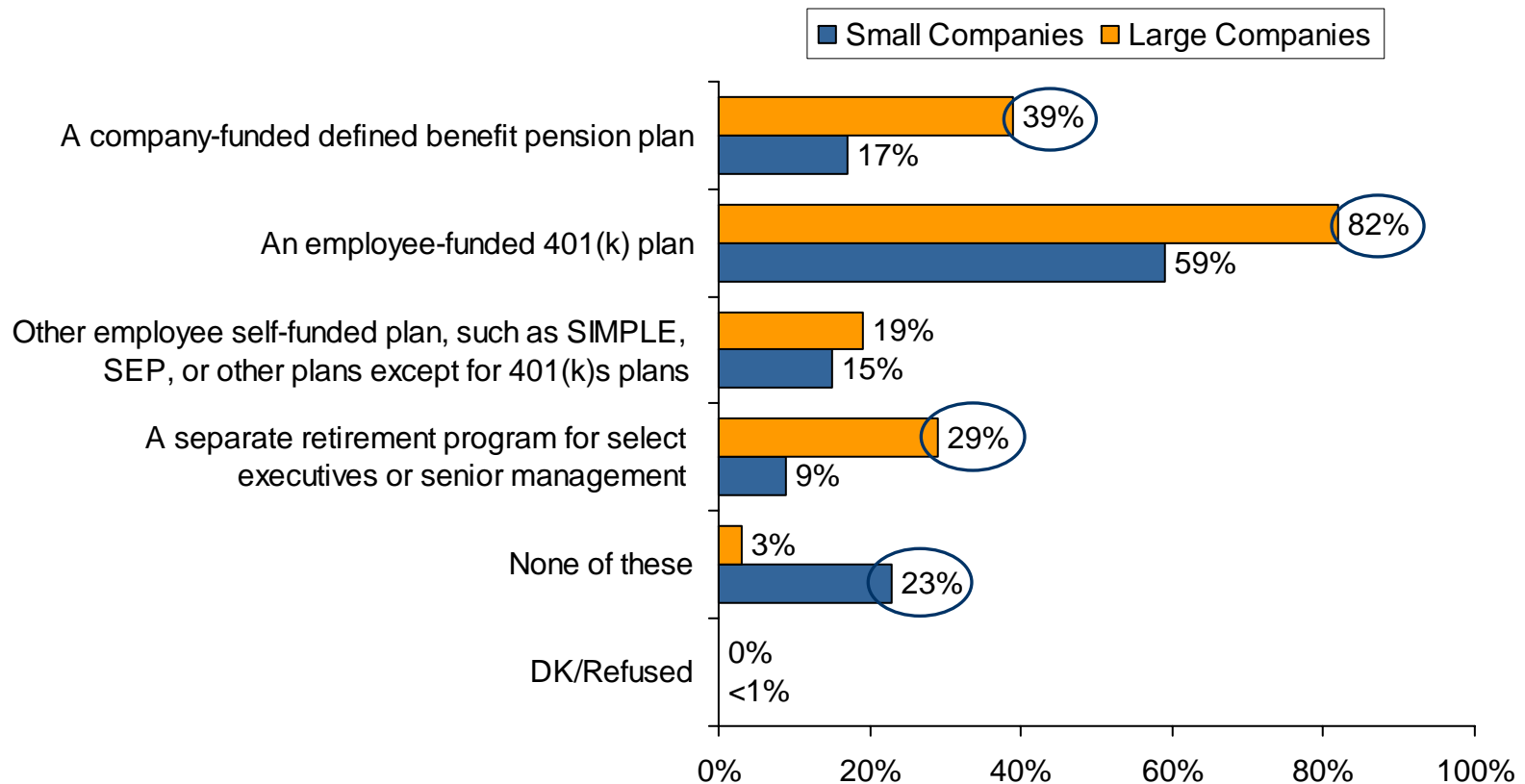
BASE: TOTAL RESPONDENTS, N=652
Q530. Which of the following retirement benefits does your company offer? CHOOSE ALL THAT APPLY.

Retirement Benefits Currently Offered Annual Tracking



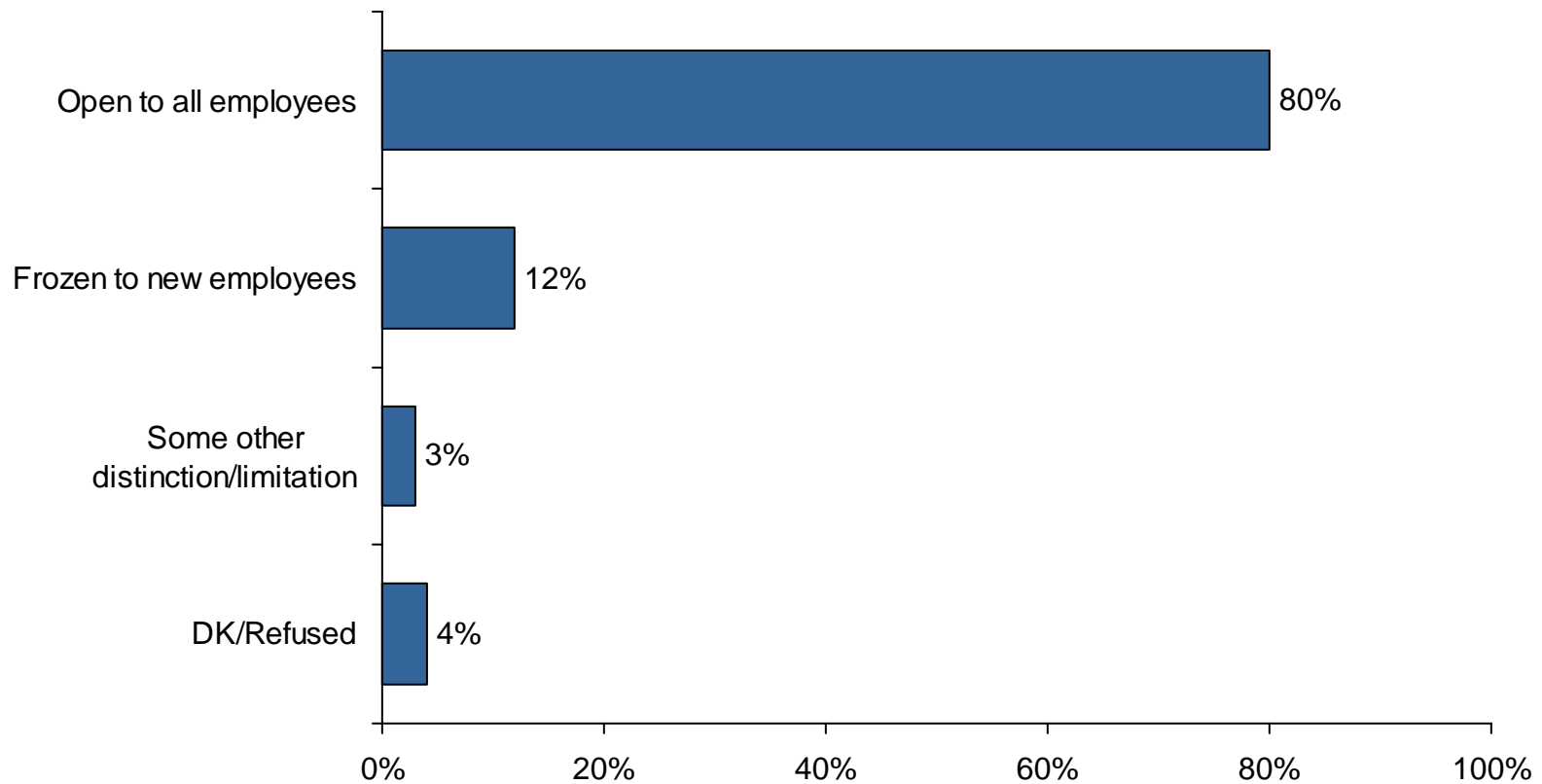
BASE: TOTAL RESPONDENTS – 2007, N=652; 2006, N=659; 2005, N=603; 2004, N=601
 Q530. Which of the following retirement benefits does your company offer? CHOOSE ALL THAT APPLY.
 Note: Significant testing was only conducted between 2006 and 2007.
 *None of the above” was first offered as an option in 2007.

Retirement Benefits Currently Offered 2007 – Large vs. Small Companies



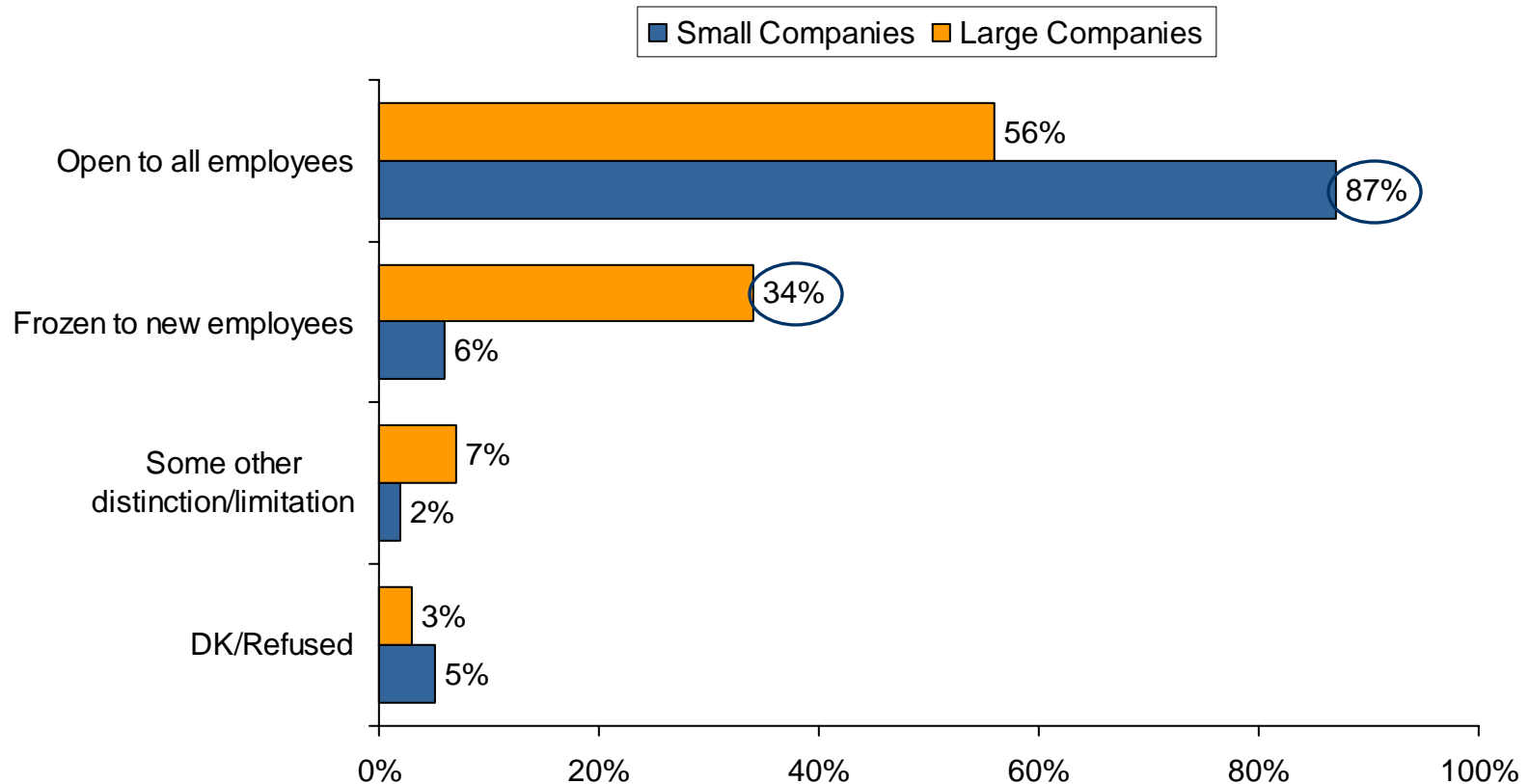
BASE: TOTAL RESPONDENTS – Total, N=652; Small, N=369; Large, N=283
Q530. Which of the following retirement benefits does your company offer? CHOOSE ALL THAT APPLY.

Status of Company-funded Defined Benefit Pension Plan 2007



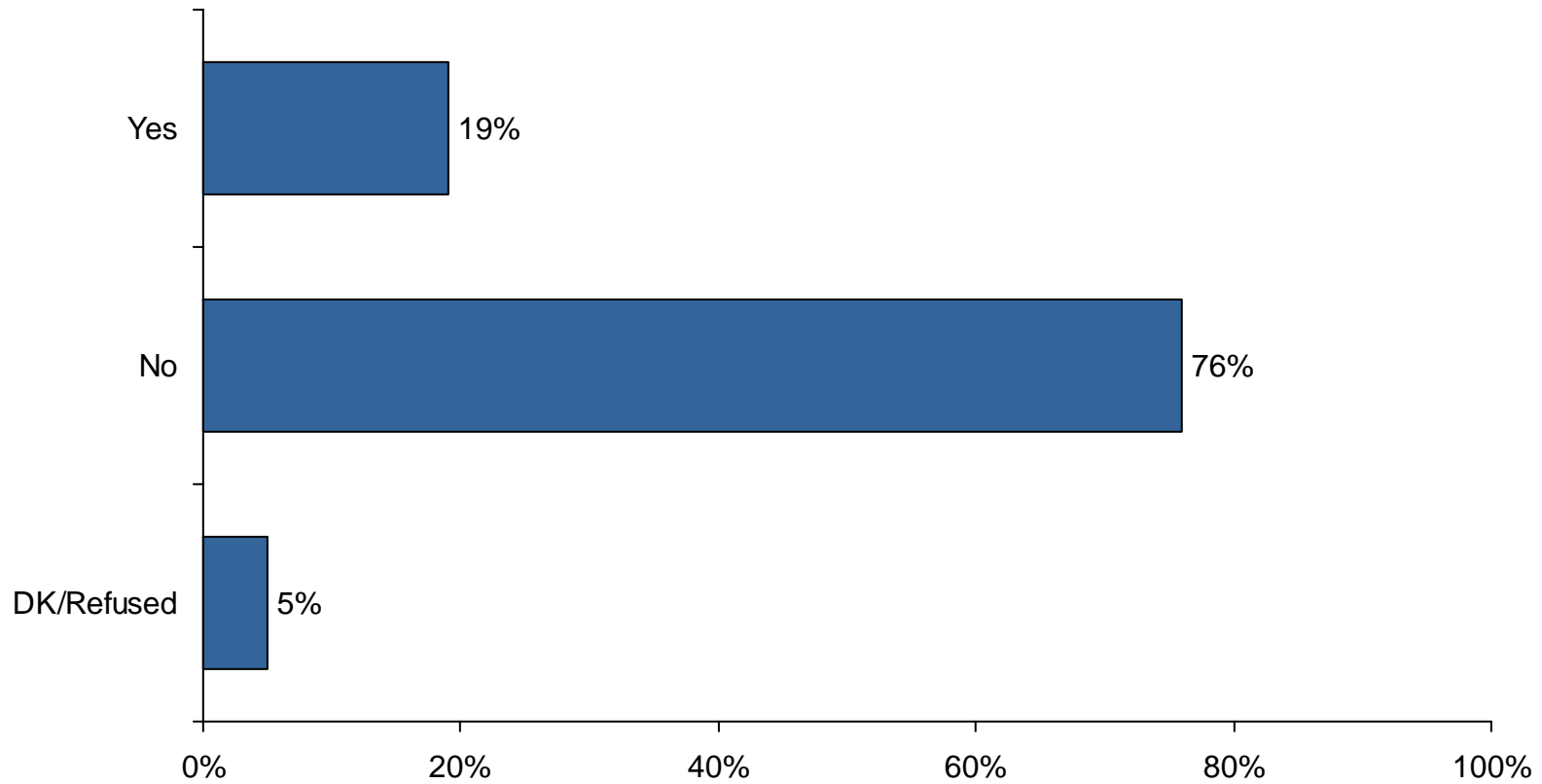
BASE: OFFERS COMPANY-FUNDED DEFINED BENEFIT PLAN, N=184
Q1010. Is your company-funded defined benefit pension plan open to all employees, or frozen to new employees?

Status of Company-funded Defined Benefit Pension Plan 2007 – Large vs. Small Companies



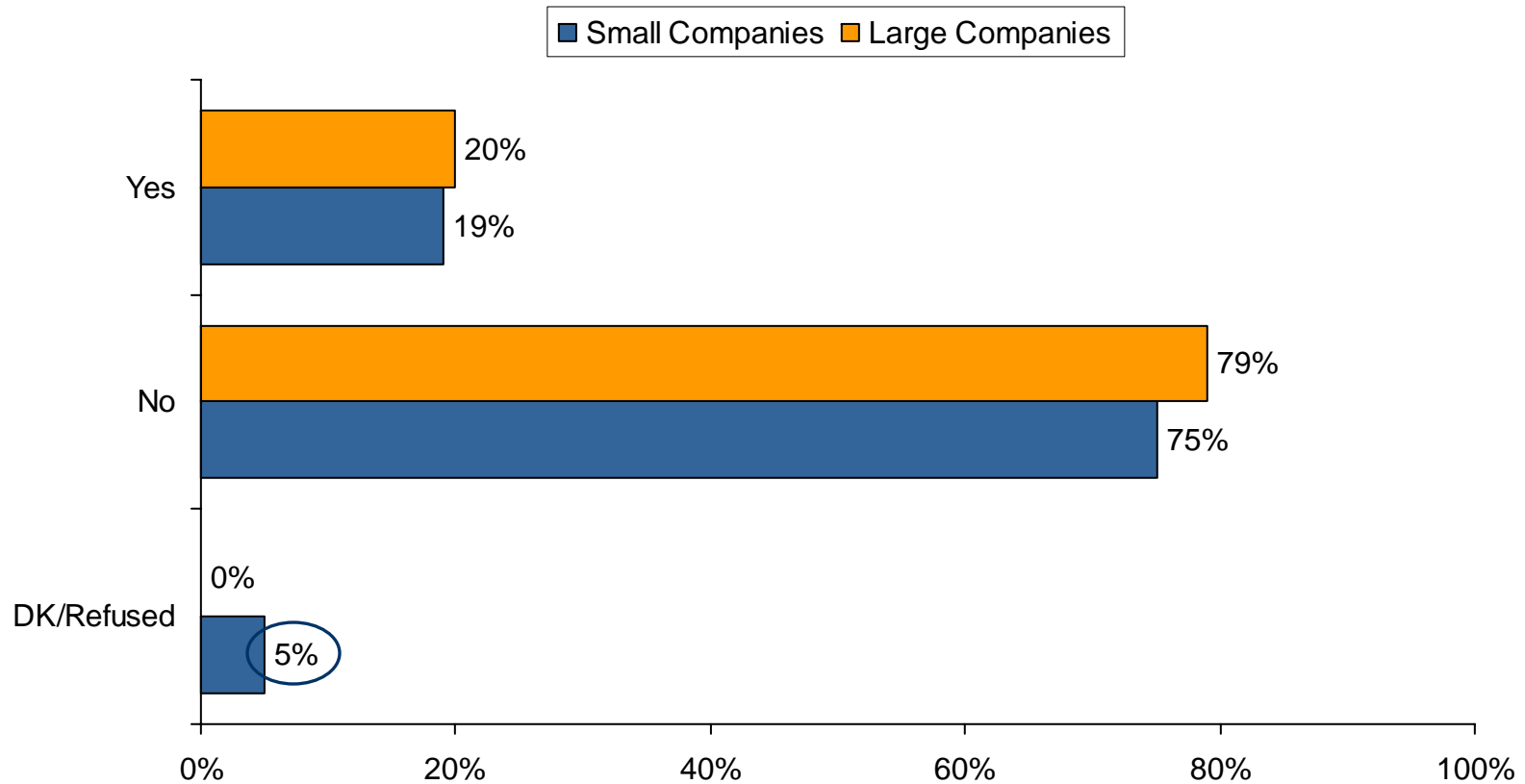
BASE: OFFERS COMPANY-FUNDED DEFINED BENEFIT PLAN – Total, N=184; Small, N=74; Large, N=110
Q1010. Is your company-funded defined benefit pension plan open to all employees, or frozen to new employees?

Company Currently Offers Roth 401(k) Option 2007



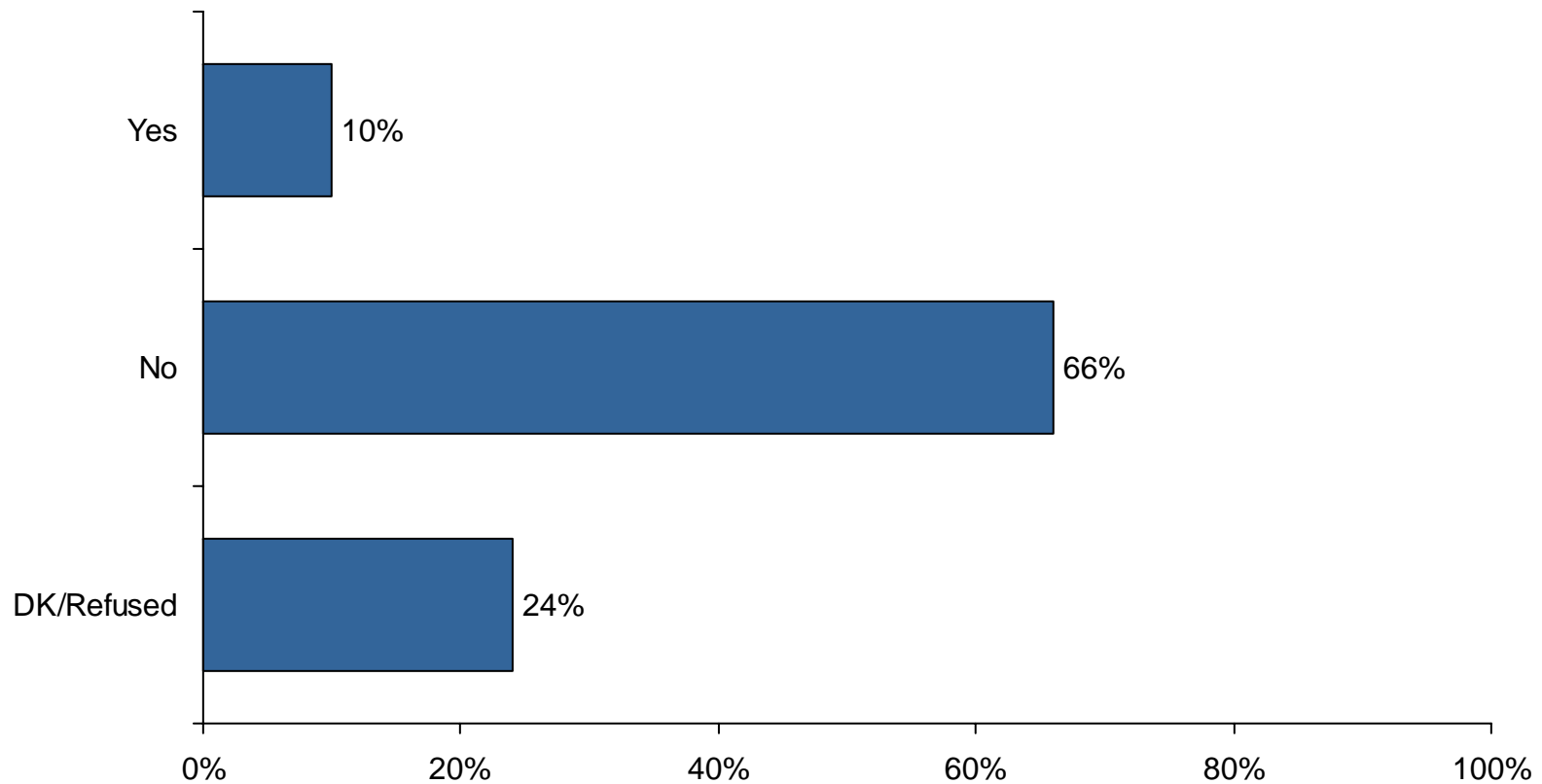
BASE: OFFERS 401(k) PLAN, N=507
Q540. Has your company adopted the Roth 401(k) option?

Company Currently Offers Roth 401(k) Option 2007 – Large vs. Small Companies



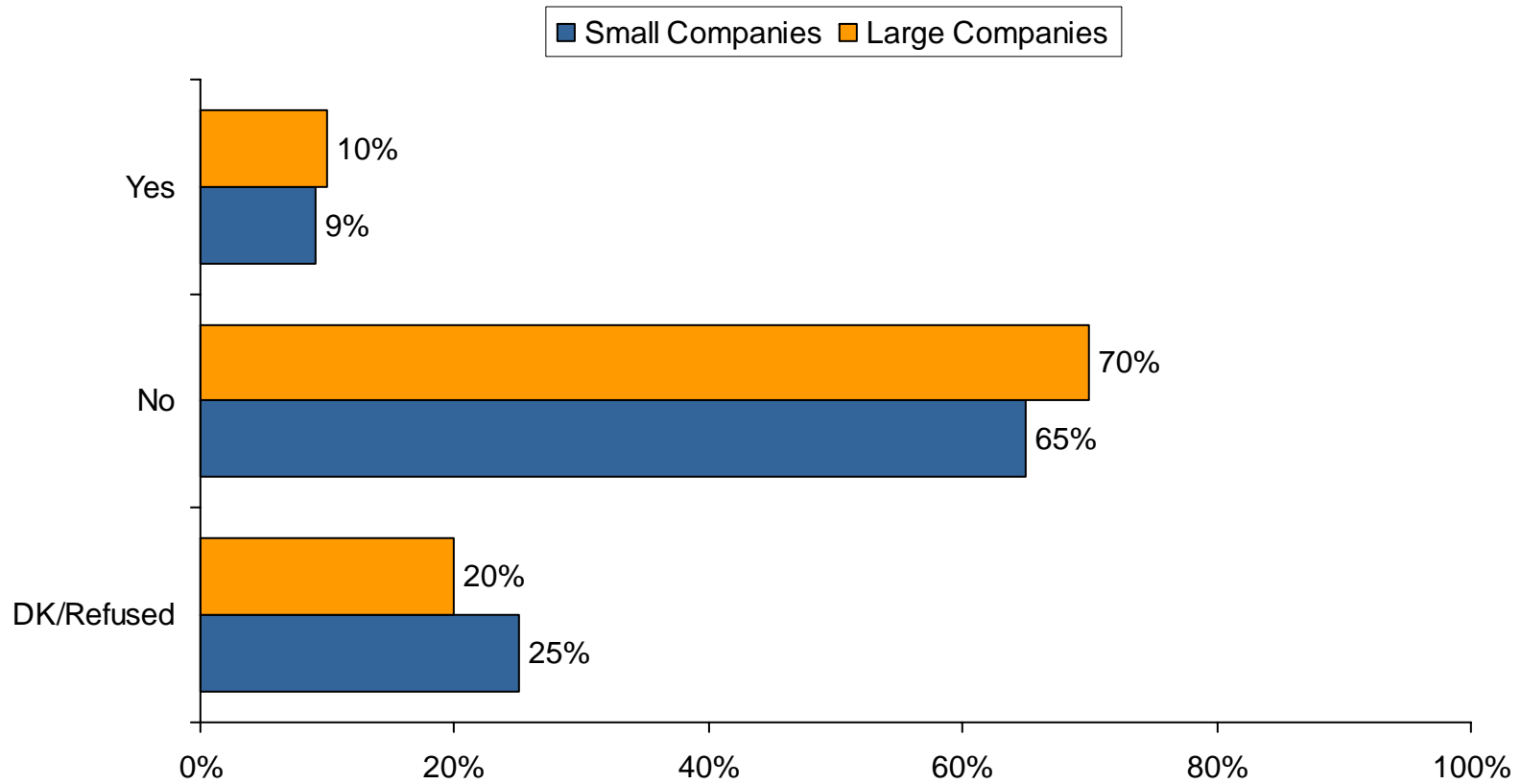
BASE: OFFERS 401(k) PLAN – Total, N=507; Small, N=275; Large, N=232
Q540. Has your company adopted the Roth 401(k) option?

Company Plans to Adopt a Roth 401(k) Option in the Future 2007



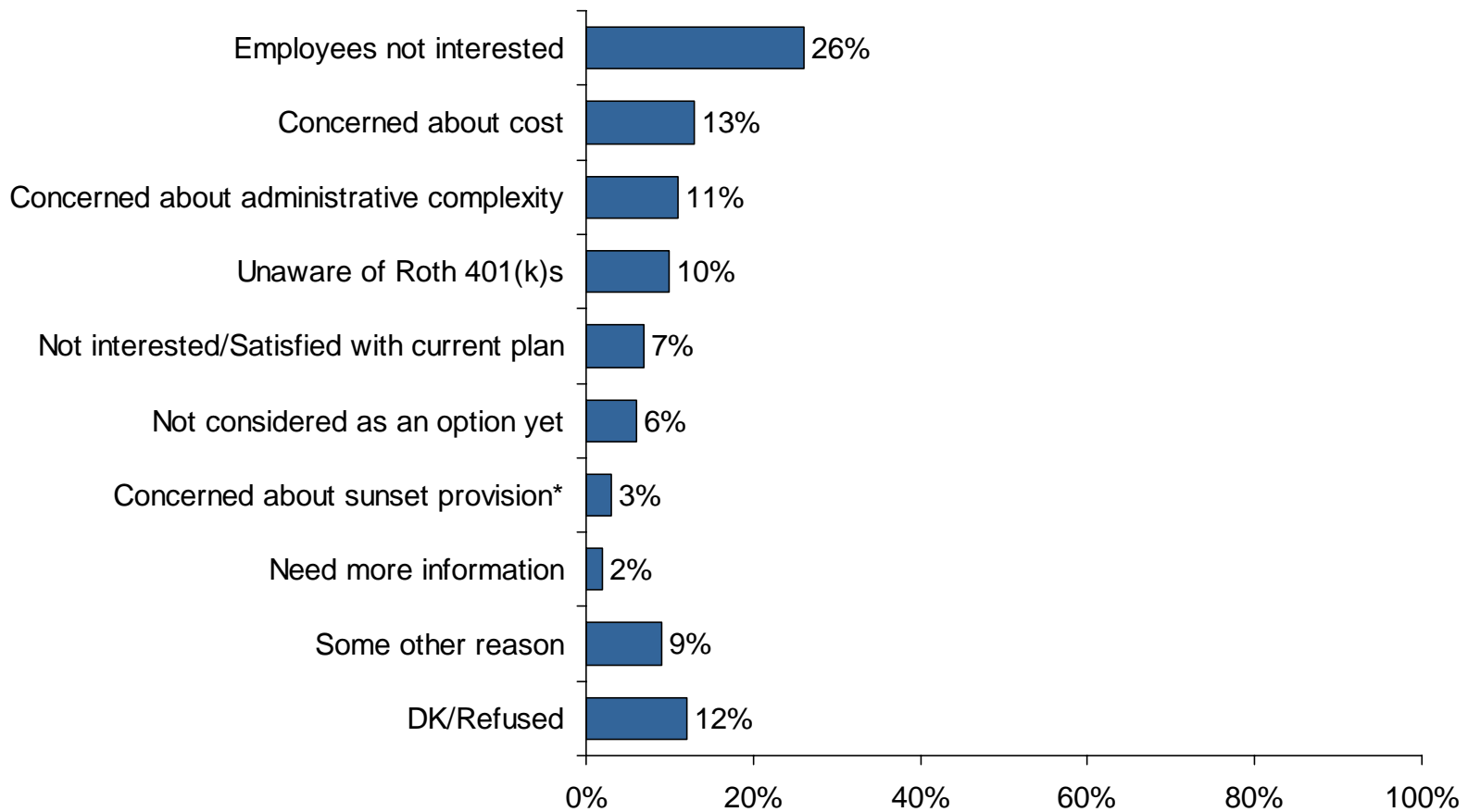
BASE: DOES NOT OFFER ROTH 401(k) PLAN, N=396
Q550. Does your company plan to adopt a Roth 401(k) option in the future?

Company Plans to Adopt a Roth 401(k) Option in the Future 2007 – Large vs. Small Companies



BASE: DOES NOT OFFER ROTH 401(k) PLAN – Total, N=396; Small, N=212; Large, N=184
Q550. Does your company plan to adopt a Roth 401(k) option in the future?

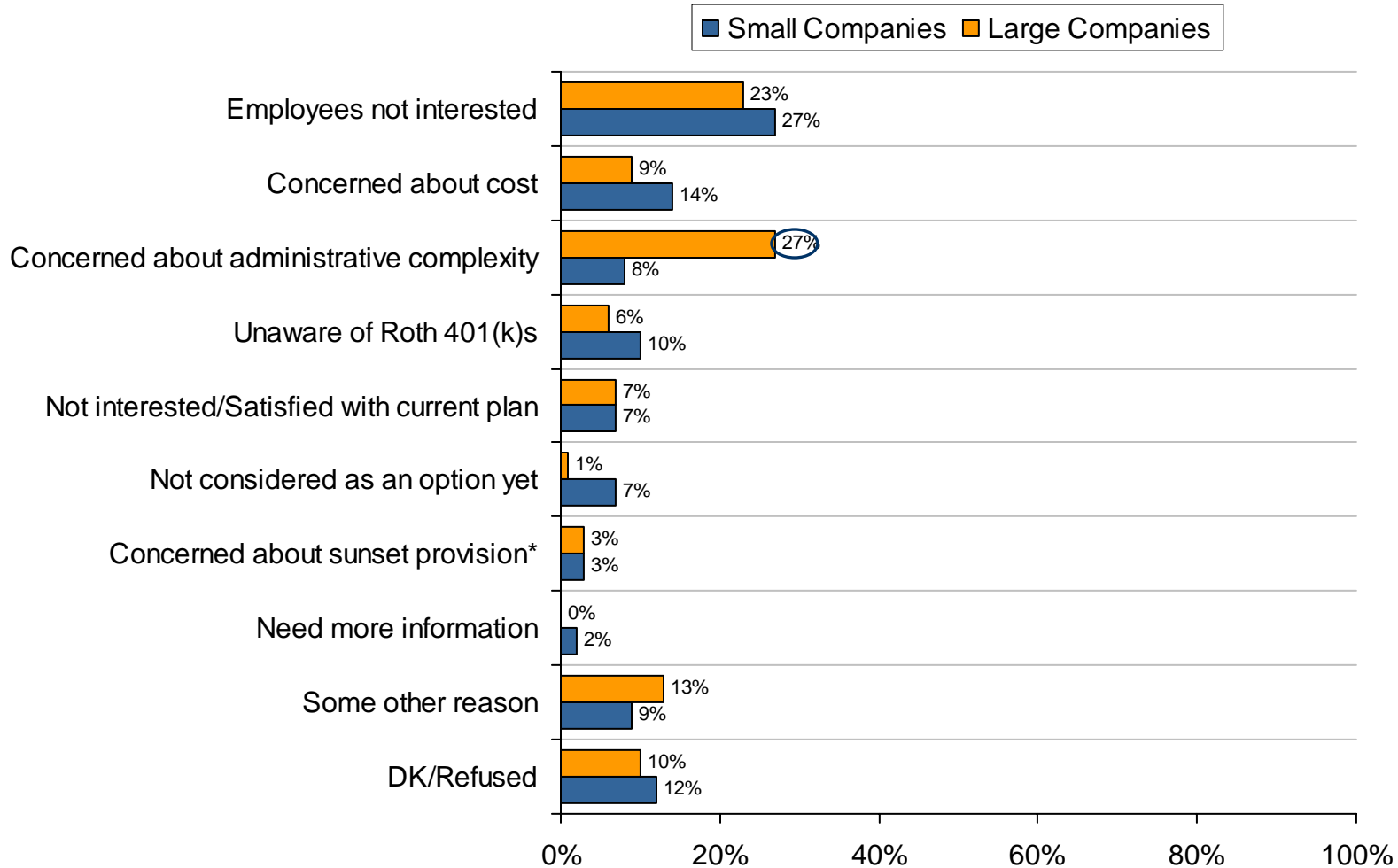
Reasons For Not Adopting Roth 401(k) in the Future 2007



*The Pension Protection Act eliminated the sunset provisions, however there may be a few employers who are unaware.

BASE: HAS NO PLANS TO OFFER ROTH 401(k) PLAN, N=278
Q560. What would you say is the main reason your company is not planning to adopt a Roth 401(k) in the future? CHOOSE ONE.

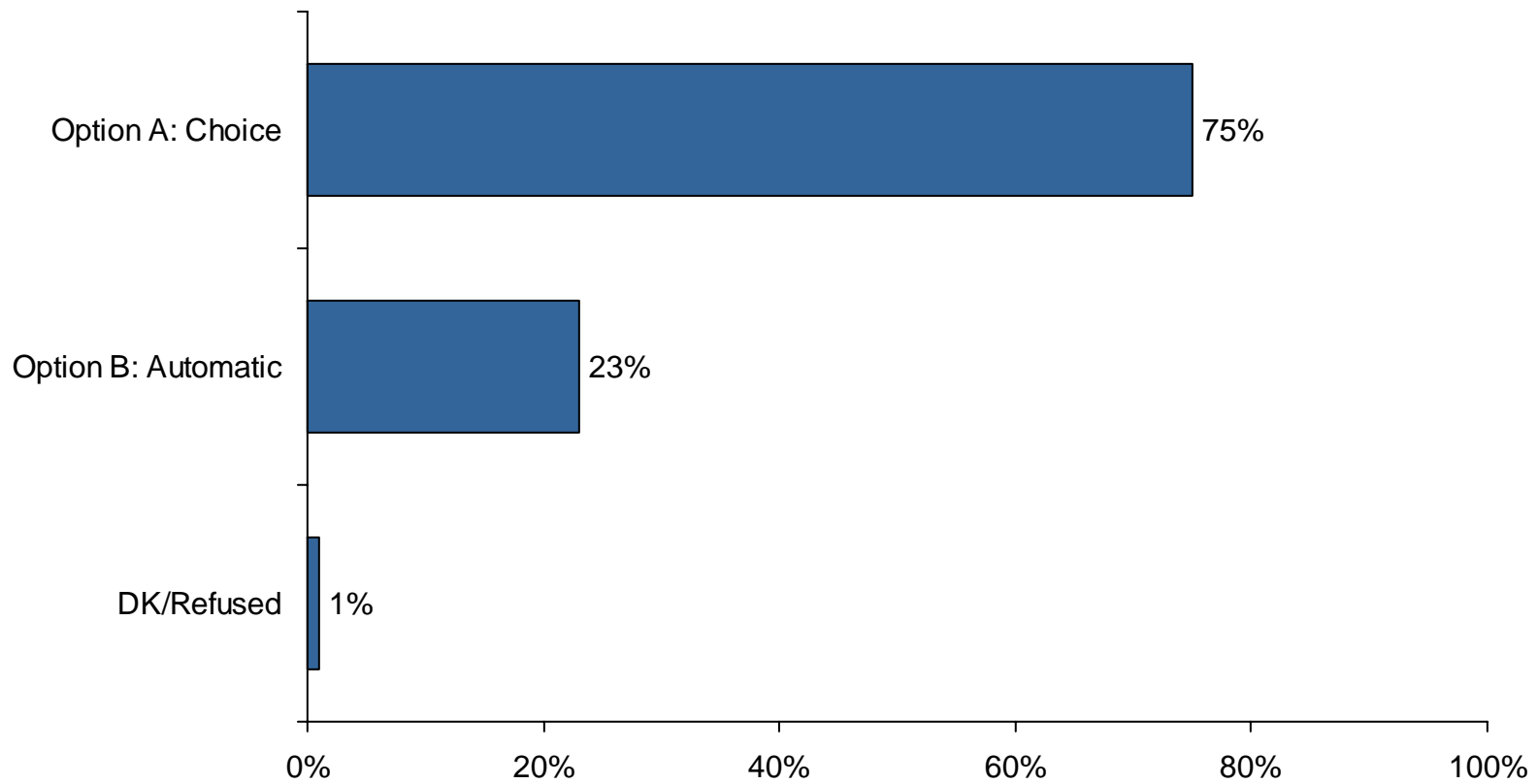
Reasons For Not Adopting Roth 401(k) in the Future 2007 – Large vs. Small Companies



*The Pension Protection Act eliminated the sunset provisions, however there may be a few employers who are unaware.

BASE: HAS NO PLANS TO OFFER ROTH 401(k) PLAN – Total, N=278; Small, N=149; Large, N=129
Q560. What would you say is the main reason your company is not planning to adopt a Roth 401(k) in the future? CHOOSE ONE.

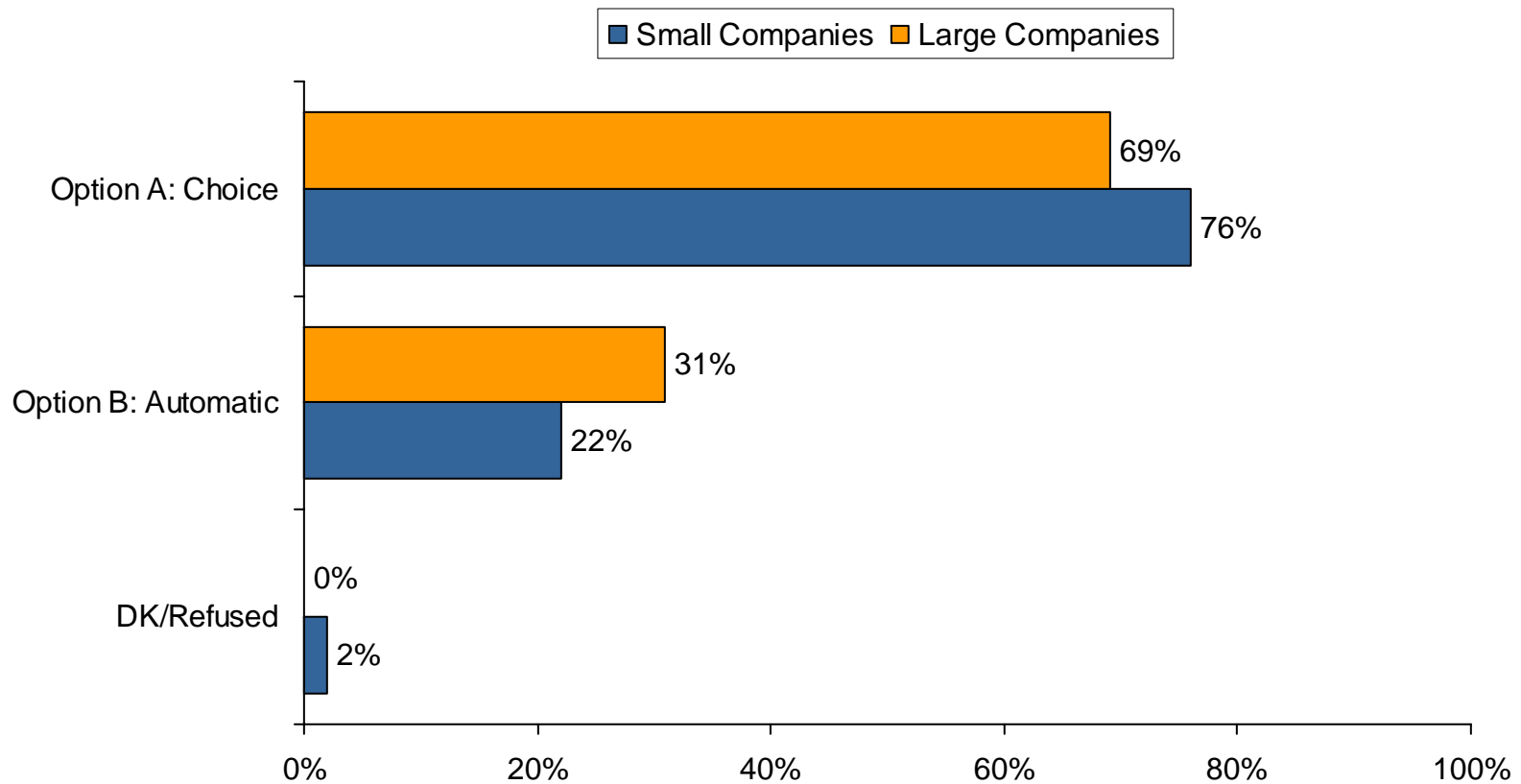
Enrollment: Given Choice or Automatic 2007



BASE: OFFERS 401(k) PLAN, N=507

Q1025. When a new employee qualifies to join the employee-funded 401(k) plan, are they (A) initially given a choice to participate or not participate in the plan, or (B) automatically enrolled in the plan with the choice to opt out at a later date?

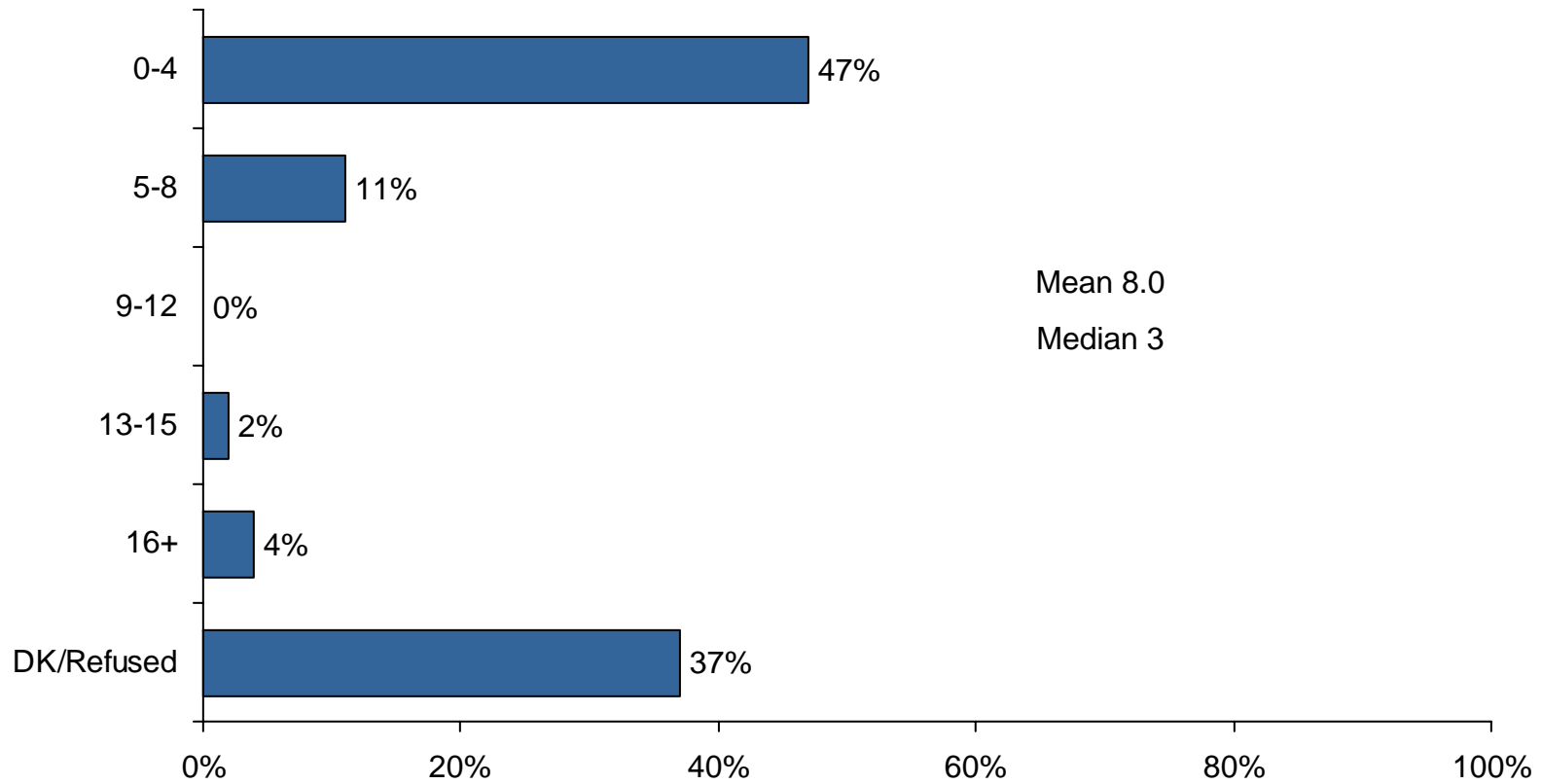
Enrollment: Given Choice or Automatic 2007 – Large vs. Small Companies



BASE: OFFERS 401(k) PLAN – Total, N=507; Small, N=275; Large, N=232

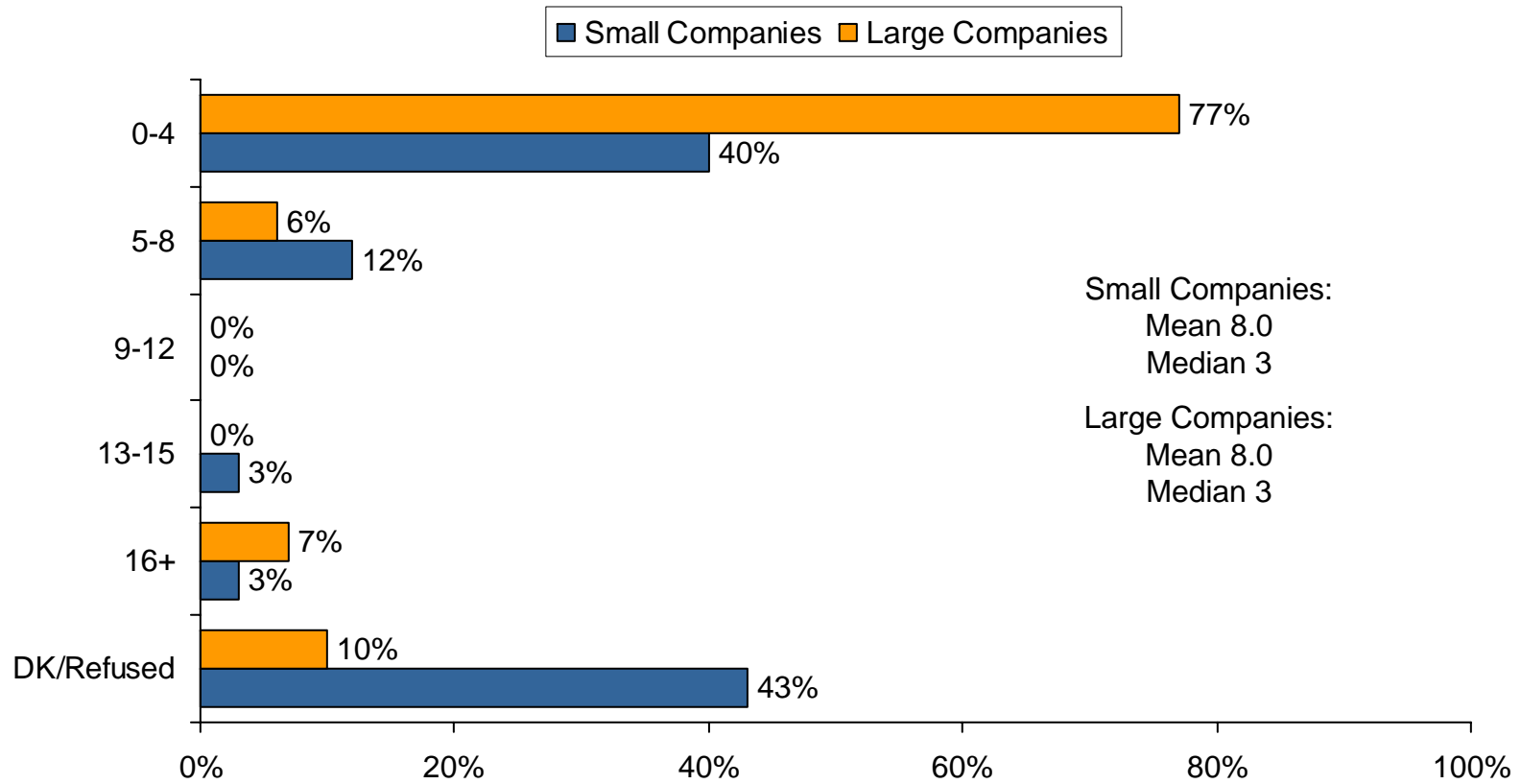
Q1025. When a new employee qualifies to join the employee-funded 401(k) plan, are they (A) initially given a choice to participate or not participate in the plan, or (B) automatically enrolled in the plan with the choice to opt out at a later date?

Default 401(k) Plan Contribution Rate 2007



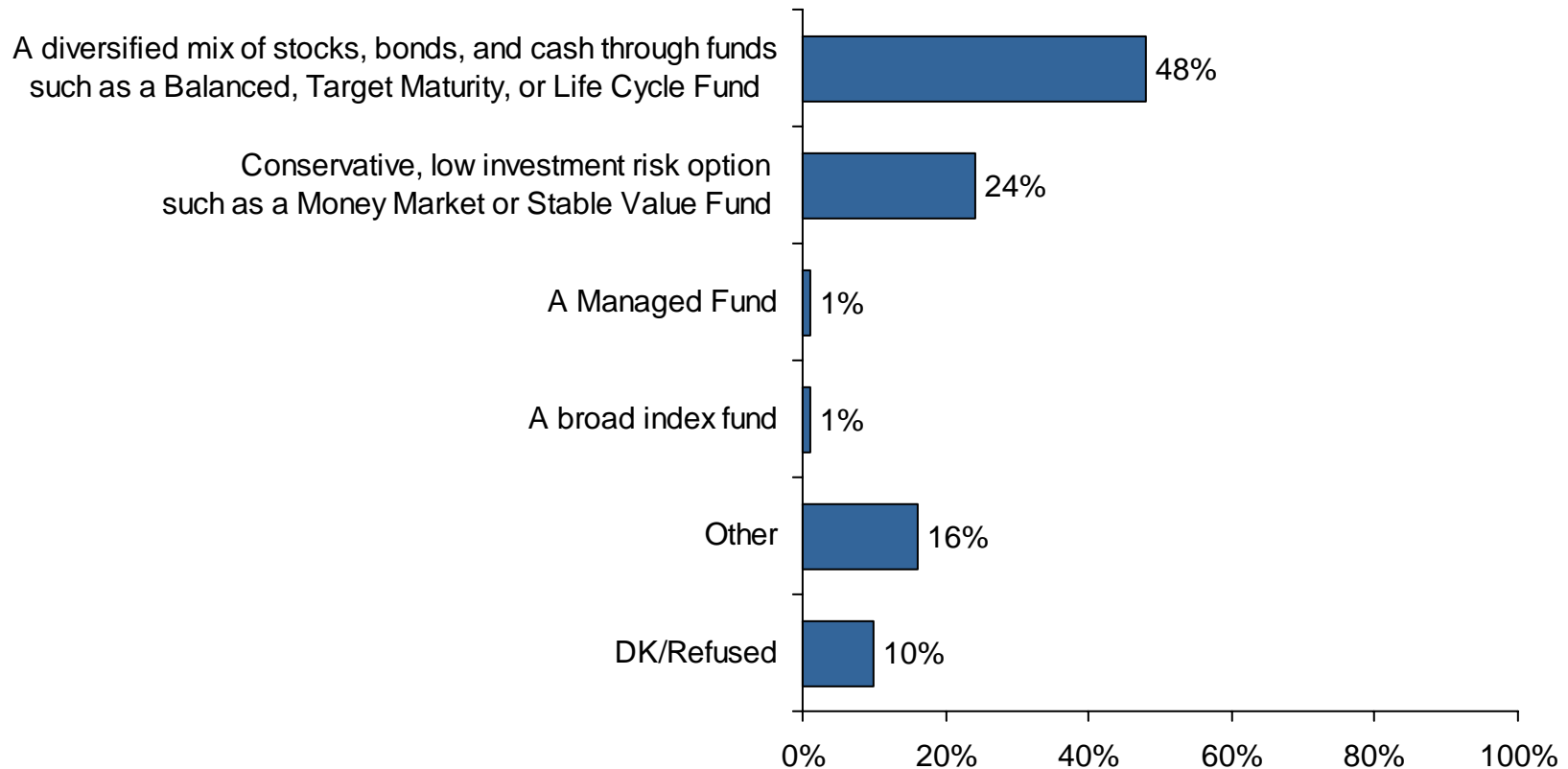
BASE: AUTOMATICALLY ENROLLS NEW EMPLOYEES INTO THE RETIREMENT PLAN, N=128
Q1027. What is the default employee-funded 401(k) plan contribution rate (excluding the company match)?

Default 401(k) Plan Contribution Rate 2007 – Large vs. Small Companies



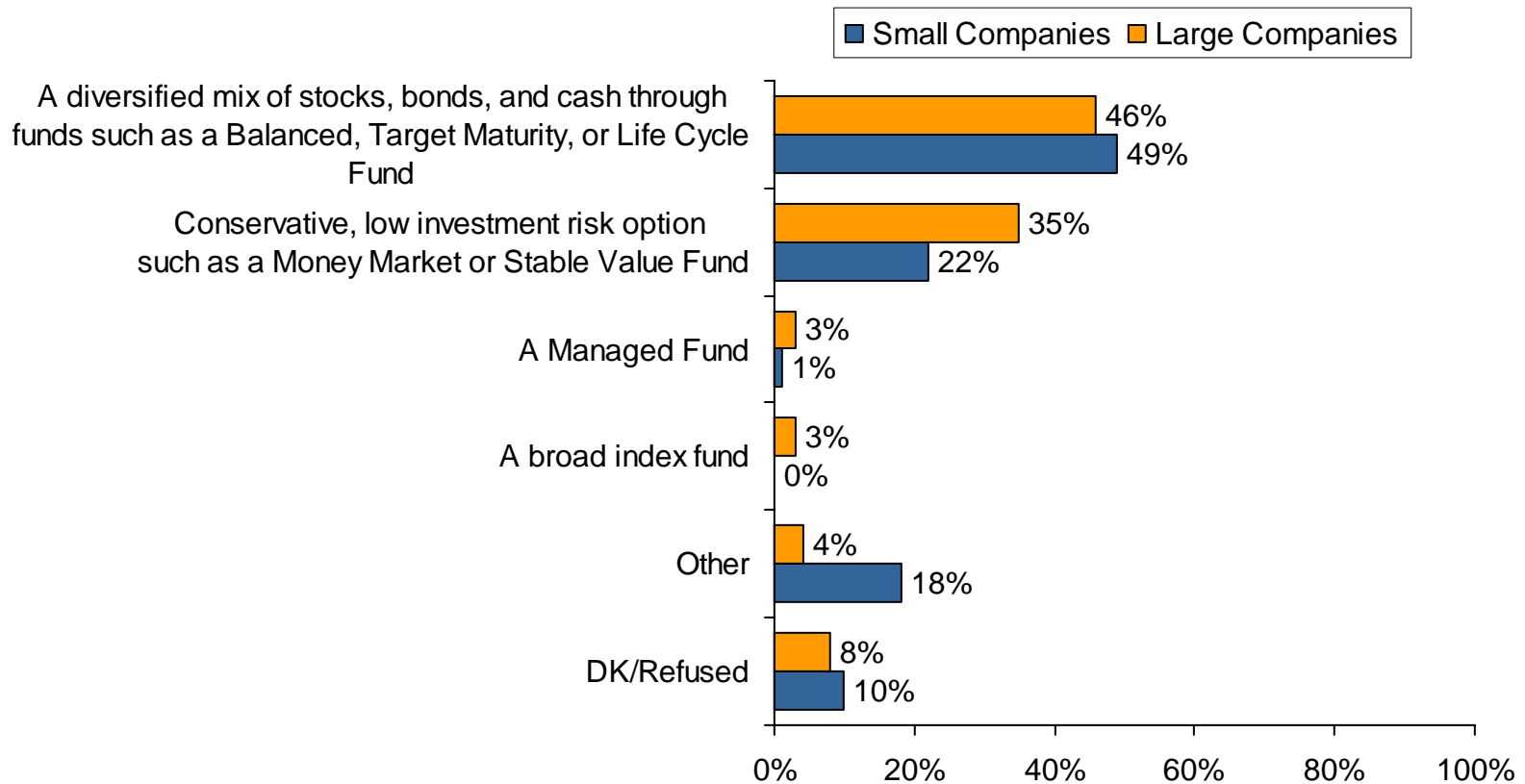
BASE: AUTOMATICALLY ENROLLS NEW EMPLOYEES INTO THE RETIREMENT PLAN – Total, N=128; Small, N=57; Large, N=71
Q1027. What is the default employee-funded 401(k) plan contribution rate (excluding the company match)?

Default Investment Option for 401(k) 2007



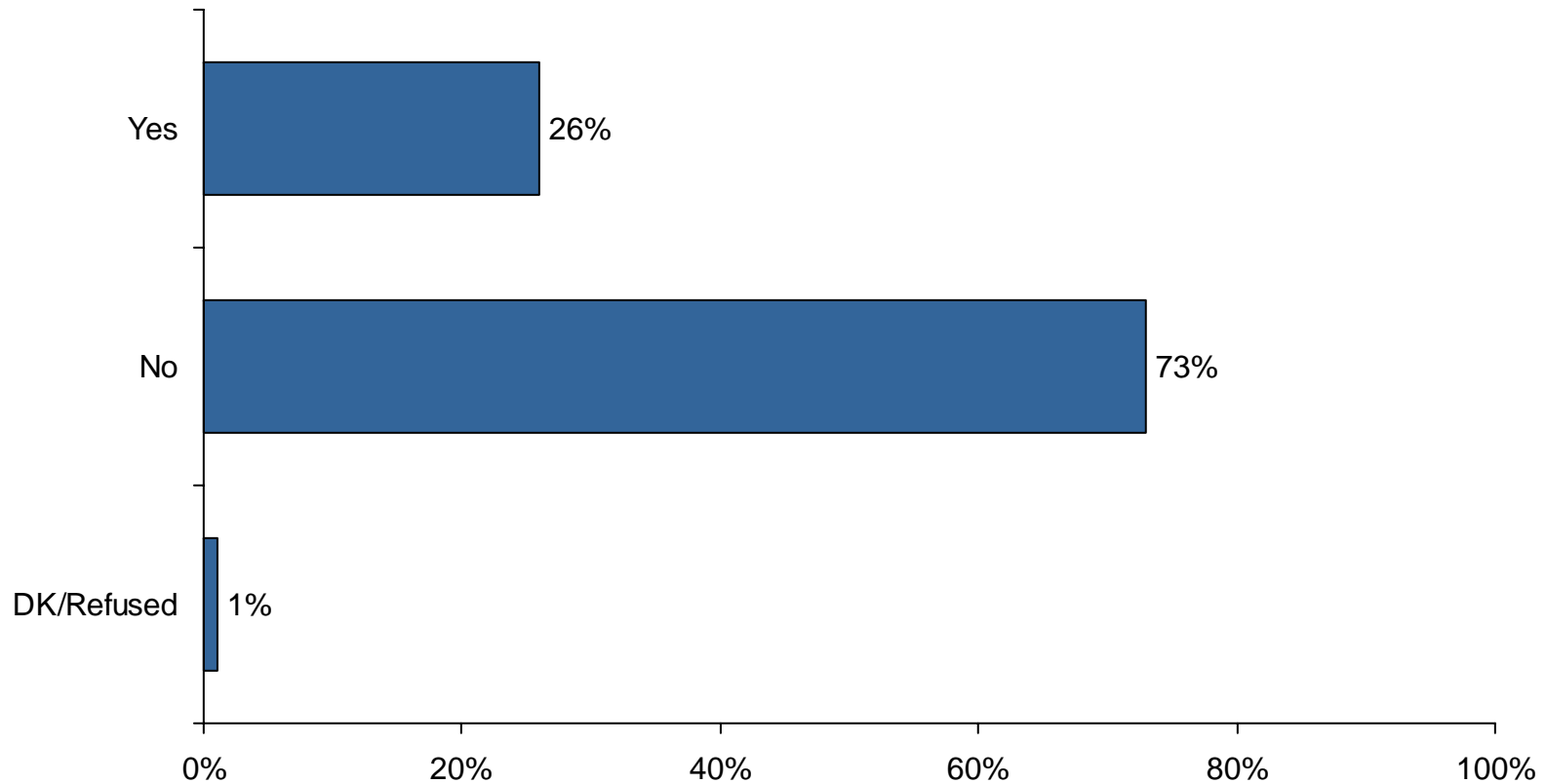
BASE: AUTOMATICALLY ENROLLS NEW EMPLOYEES INTO THE RETIREMENT PLAN, N=128
Q1029. What is the default investment option for the employee-funded 401(k) plan?

Default Investment Option for 401(k) 2007 – Large vs. Small Companies



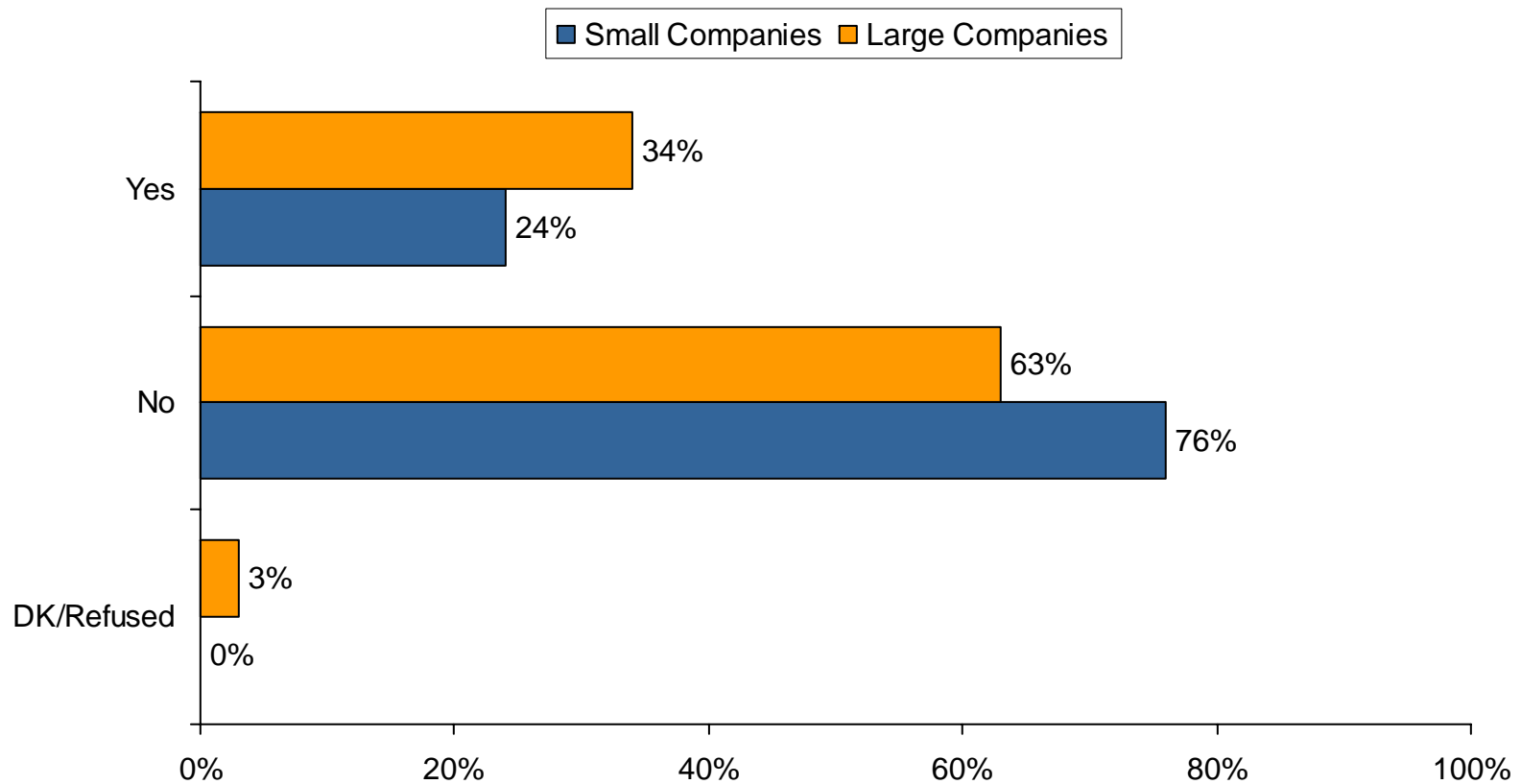
BASE: AUTOMATICALLY ENROLLS NEW EMPLOYEES INTO THE RETIREMENT PLAN – Total, N=128; Small, N=57; Large, N=71 Q1029. What is the default investment option for the employee-funded 401(k) plan?

Automatic Increase of Contribution Rates 2007



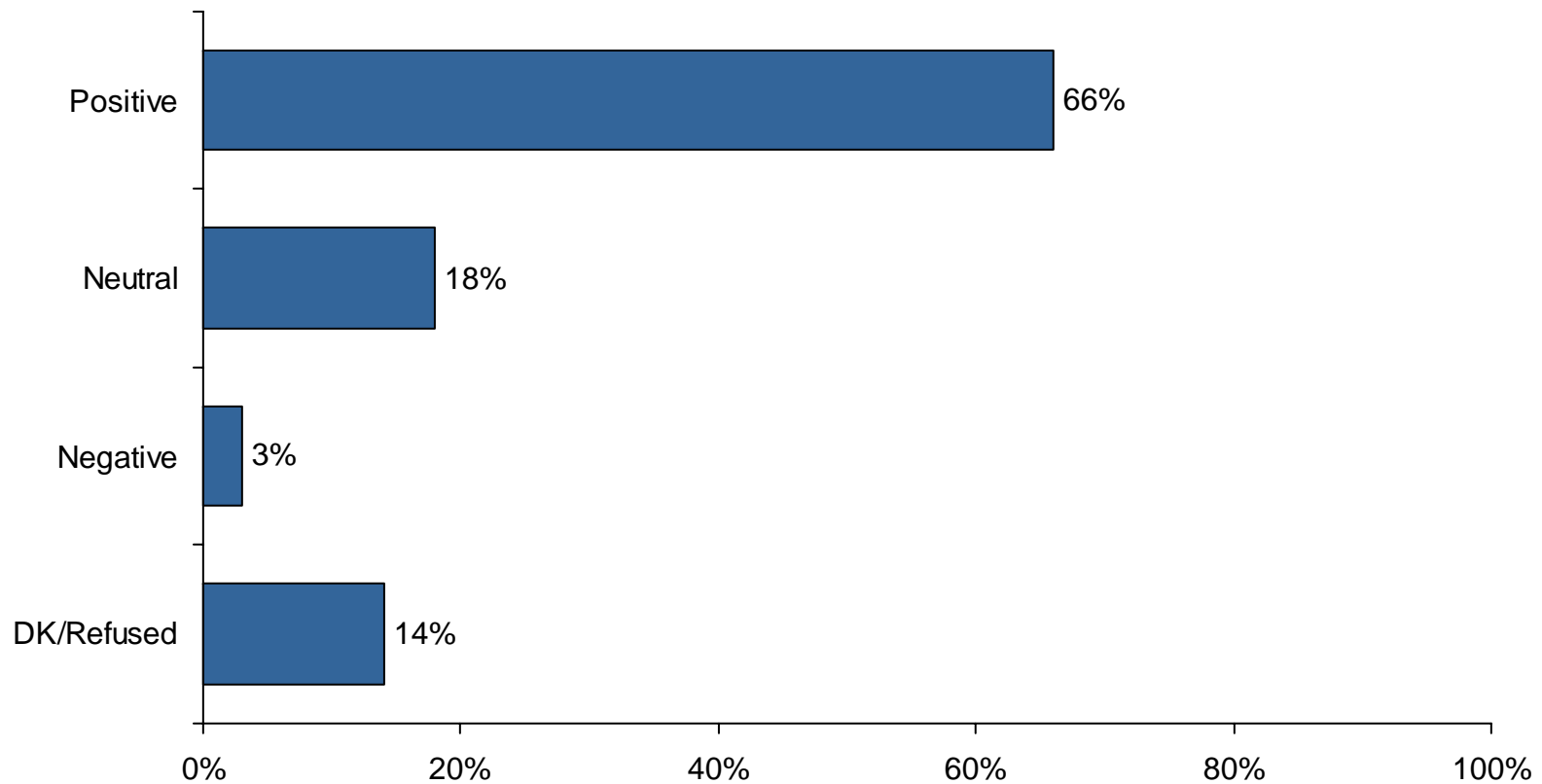
BASE: AUTOMATICALLY ENROLLS NEW EMPLOYEES INTO THE RETIREMENT PLAN, N=128
Q1031. Does your plan have a provision to automatically increase participants' contribution rates on their anniversary date of hire? (Or anniversary of first contribution to the plan)

Automatic Increase of Contribution Rates 2007 – Large vs. Small Companies



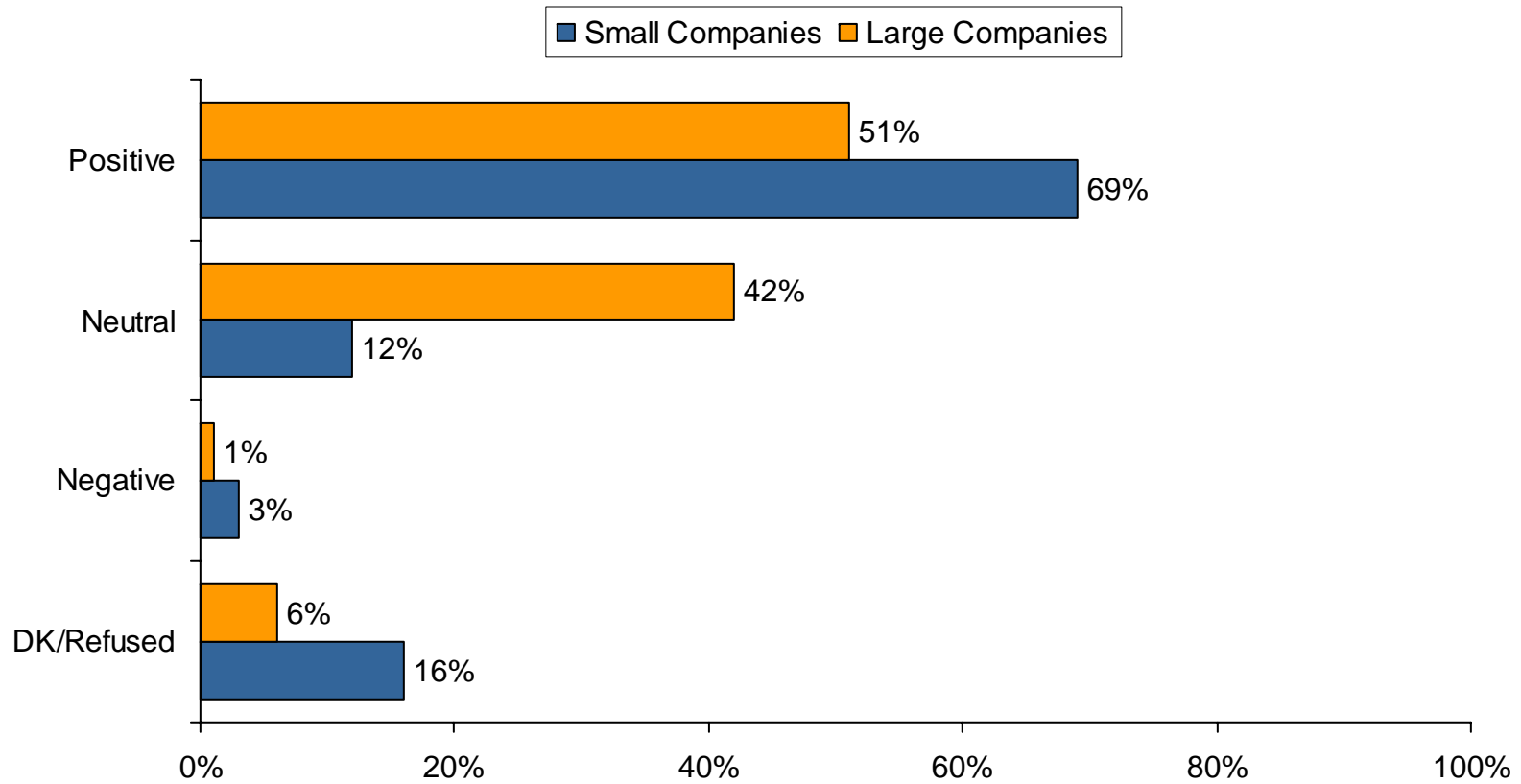
BASE: AUTOMATICALLY ENROLLS NEW EMPLOYEES INTO THE RETIREMENT PLAN – Total, N=128; Small, N=57; Large, N=71
Q1031. Does your plan have a provision to automatically increase participants' contribution rates on their anniversary date of hire?
(Or anniversary of first contribution to the plan)

Employee Response to Automatic Enrollment 2007



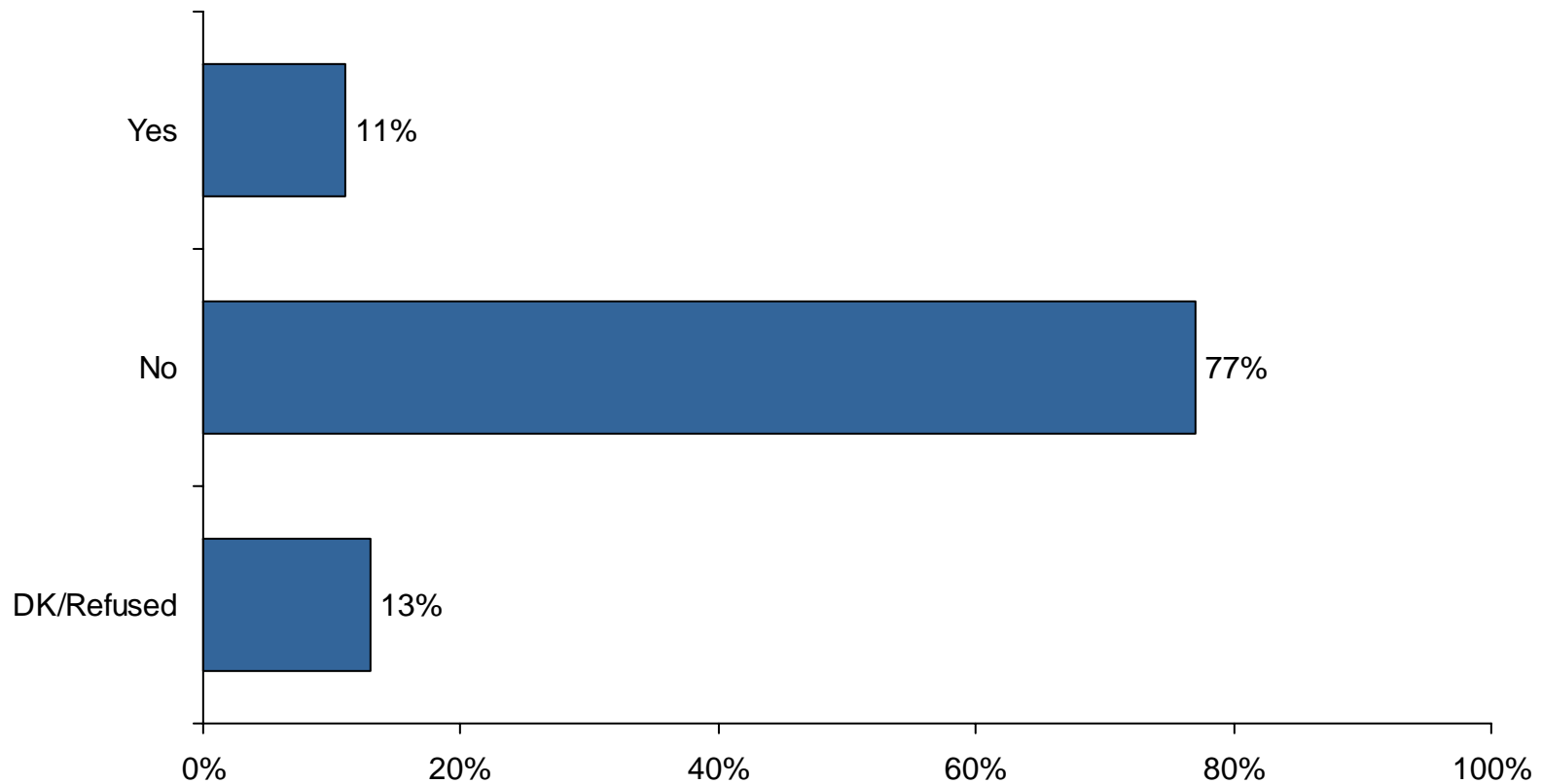
BASE: AUTOMATICALLY ENROLLS NEW EMPLOYEES INTO THE RETIREMENT PLAN, N=128
Q1033. Generally, has your employees' response to being automatically enrolled been...?

Employee Response to Automatic Enrollment 2007 – Large vs. Small Companies



BASE: AUTOMATICALLY ENROLLS NEW EMPLOYEES INTO THE RETIREMENT PLAN – Total, N=128; Small, N=57; Large, N=71
Q1033. Generally, has your employees' response to being automatically enrolled been...?

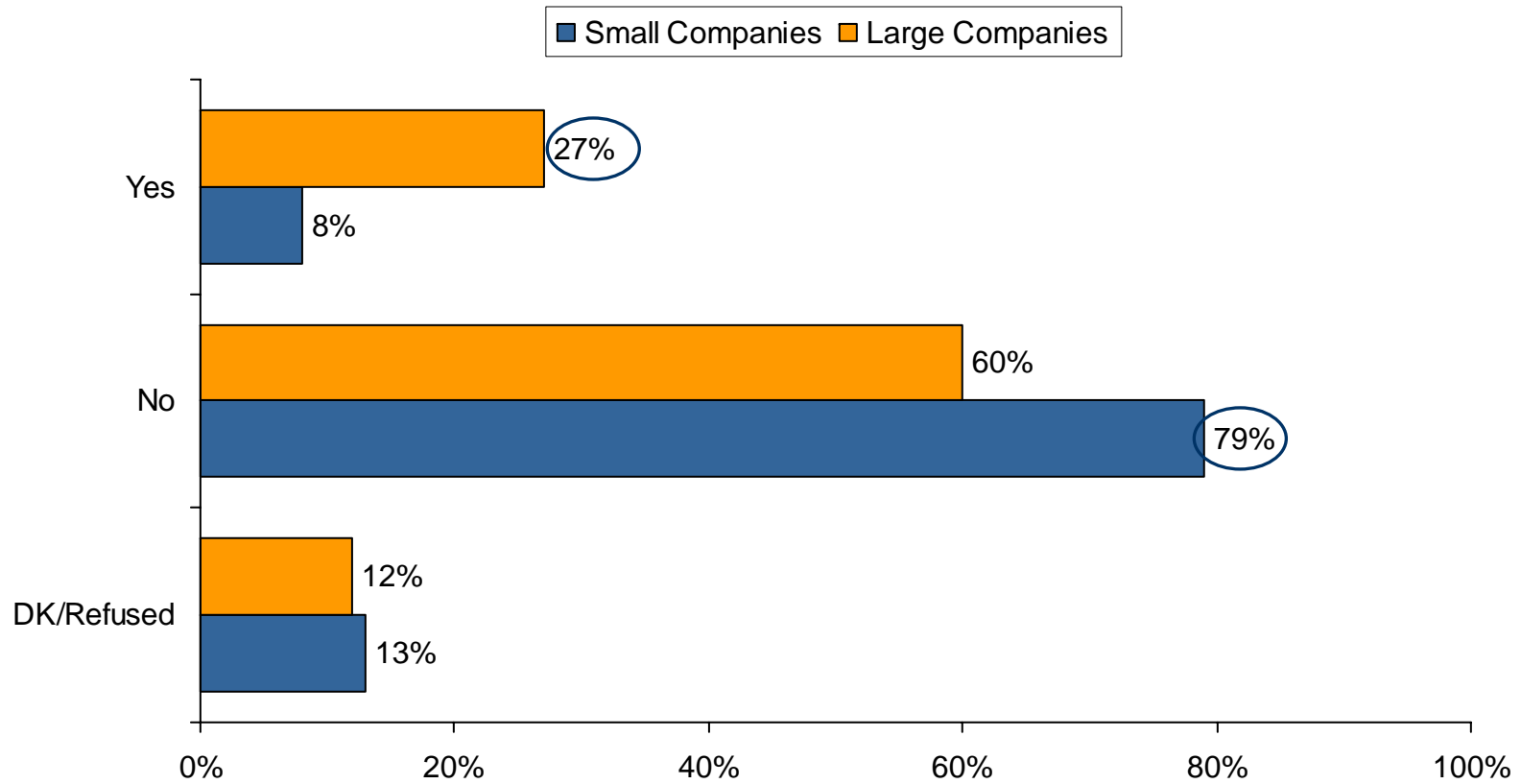
Company Plans to Adopt Provision for Automatic Enrollment 2007



BASE: DOES NOT AUTOMATICALLY ENROLL, N=377
Q580. Does your company plan to adopt an automatic enrollment provision in the future?

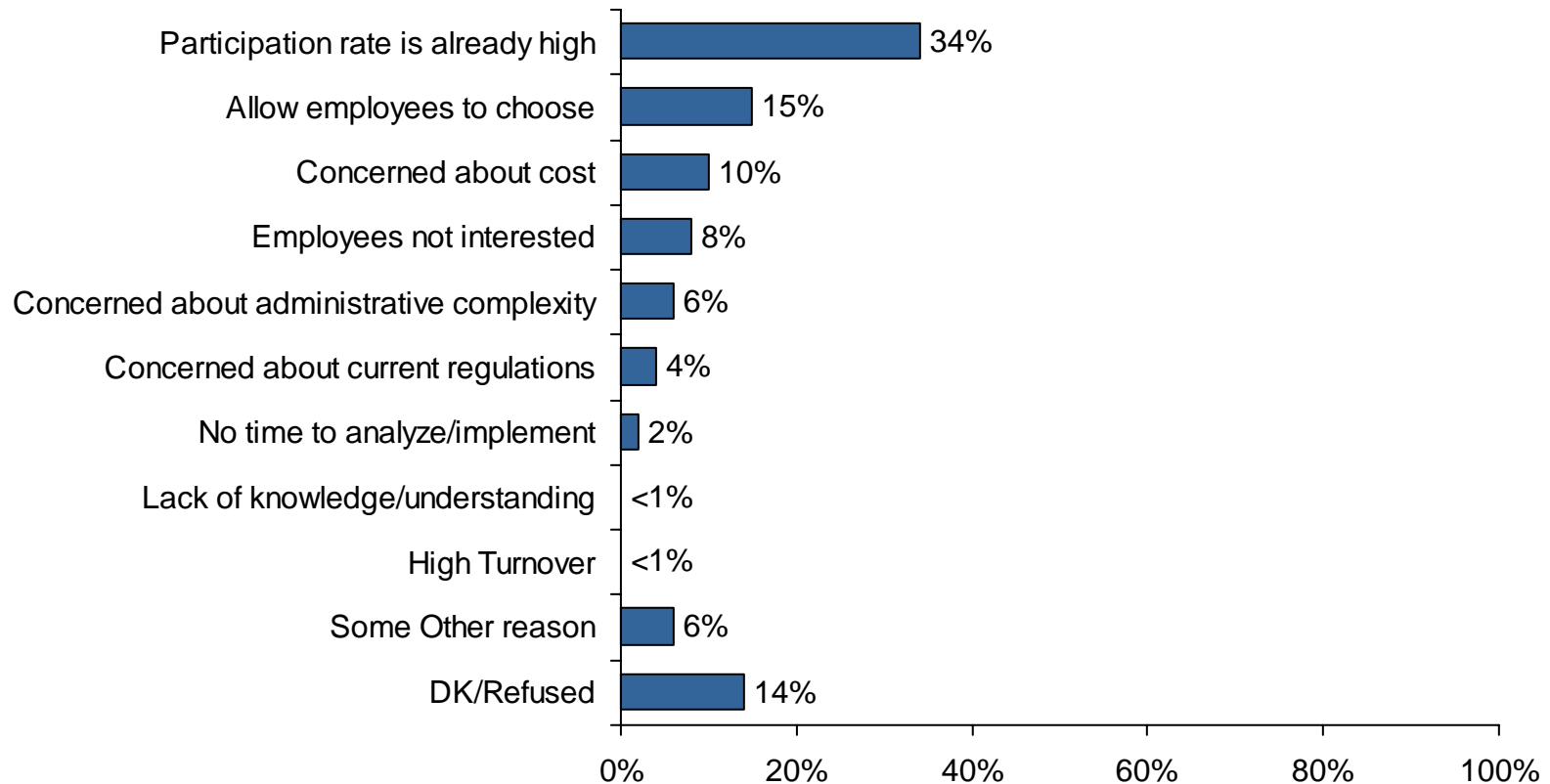
Company Plans to Adopt Provision for Automatic Enrollment

2007 – Large vs. Small Companies



BASE: DOES NOT AUTOMATICALLY ENROLL – Total, N=377; Small, N=216; Large, N=161
Q580. Does your company plan to adopt an automatic enrollment provision in the future?

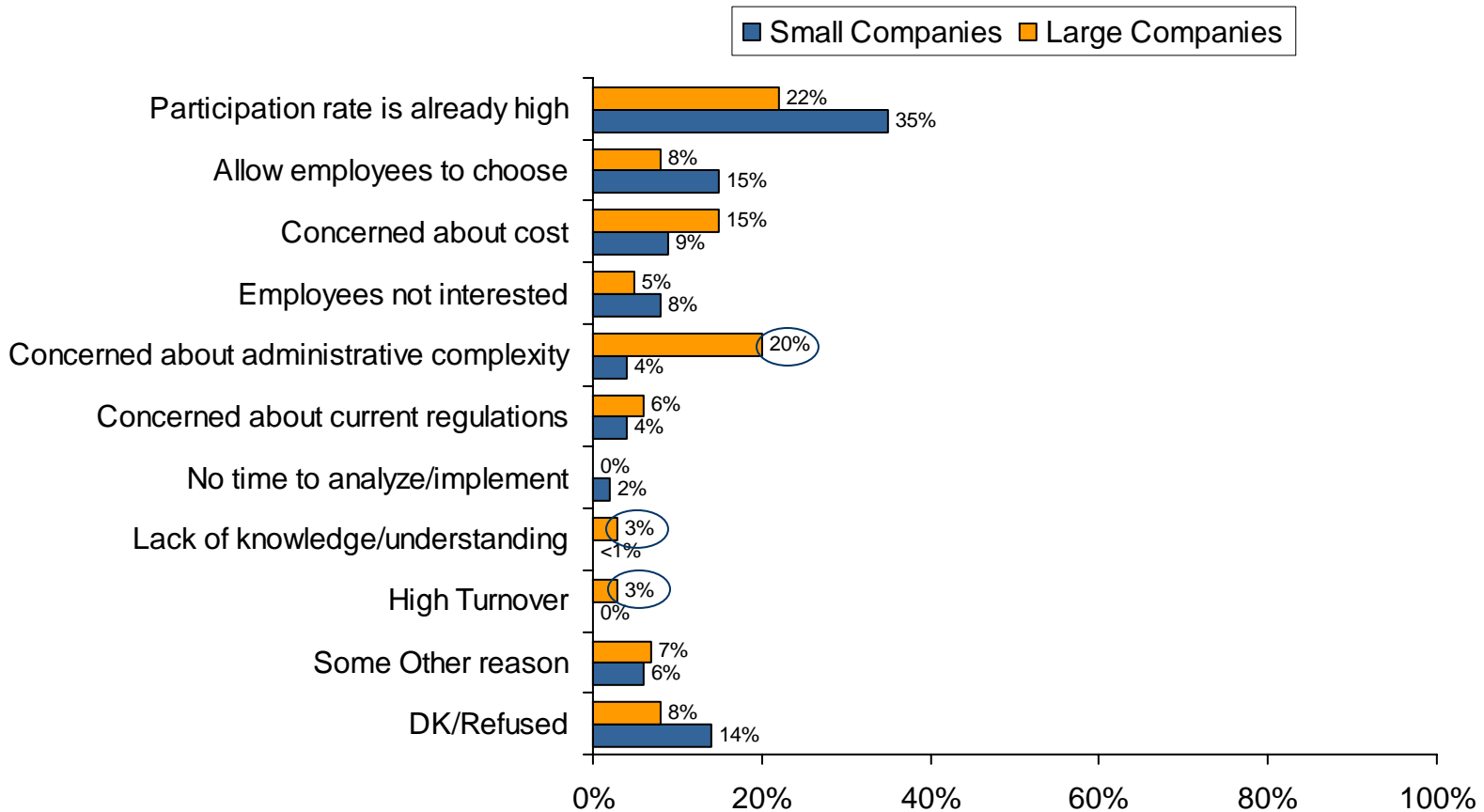
Reasons For Not Adopting Automatic Enrollment in the Future 2007



BASE: HAS NO PLANS TO AUTO ENROLL, N=262
Q590. What would you say is the main reason your company is not planning to adopt an automatic enrollment provision in the future?
CHOOSE ONE.

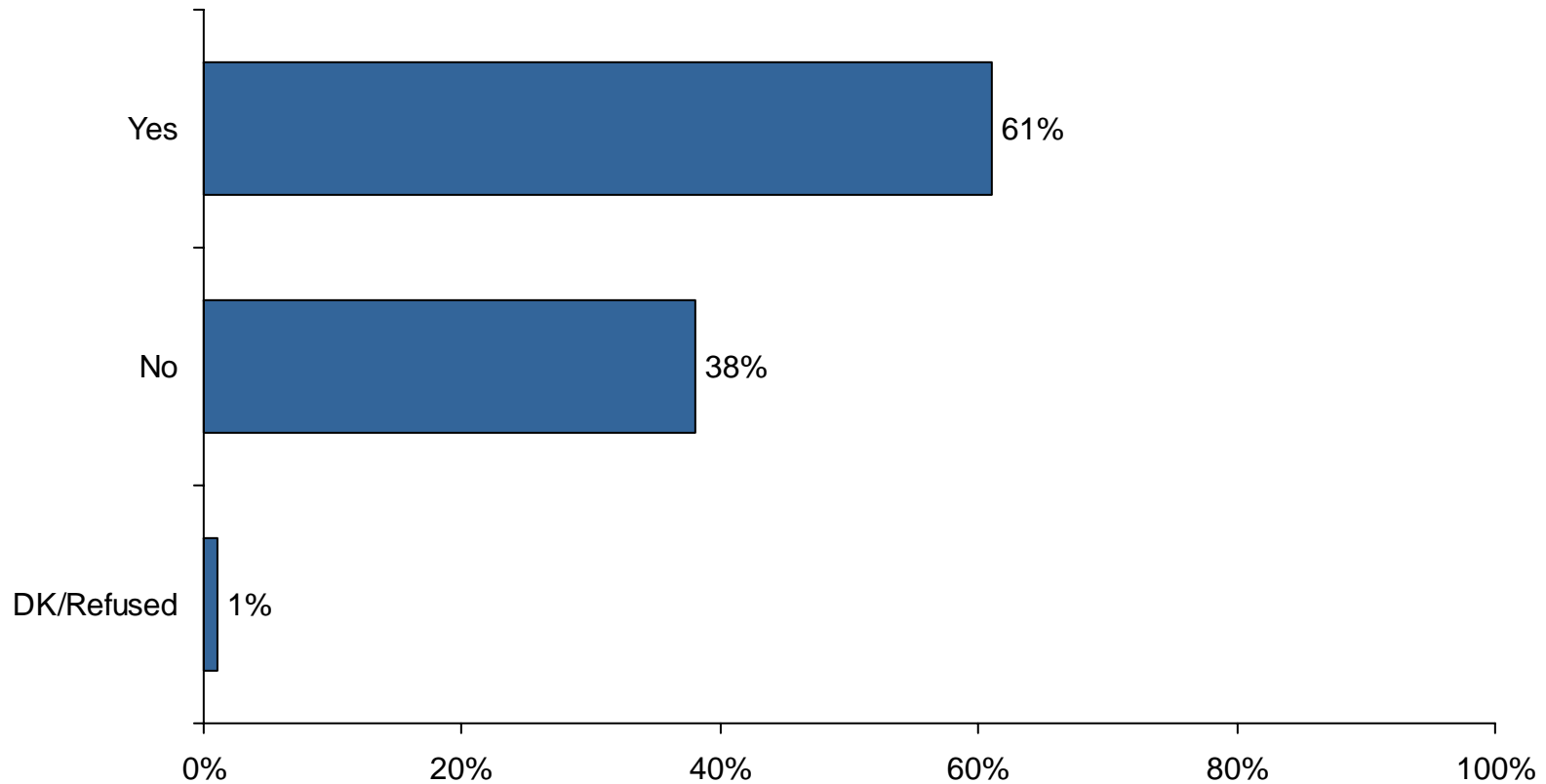
Reasons For Not Adopting Automatic Enrollment in the Future

2007 – Large vs. Small Companies



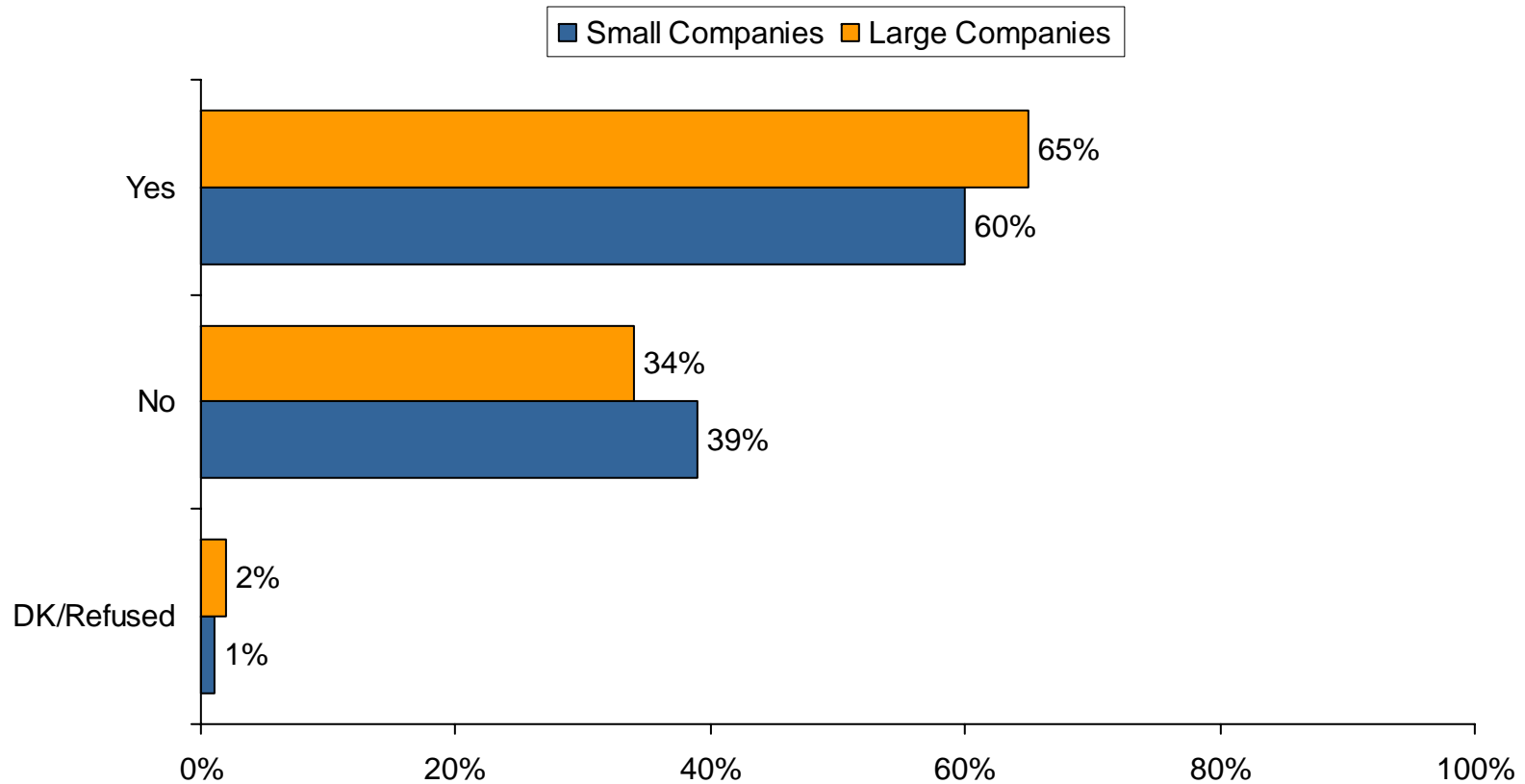
BASE: HAS NO PLANS TO AUTO ENROLL – Total, N=262; Small, N=165; Large, N=97
 Q590. What would you say is the main reason your company is not planning to adopt an automatic enrollment provision in the future?
 CHOOSE ONE.

Company Currently Offers Investment Guidance/Advice 2007



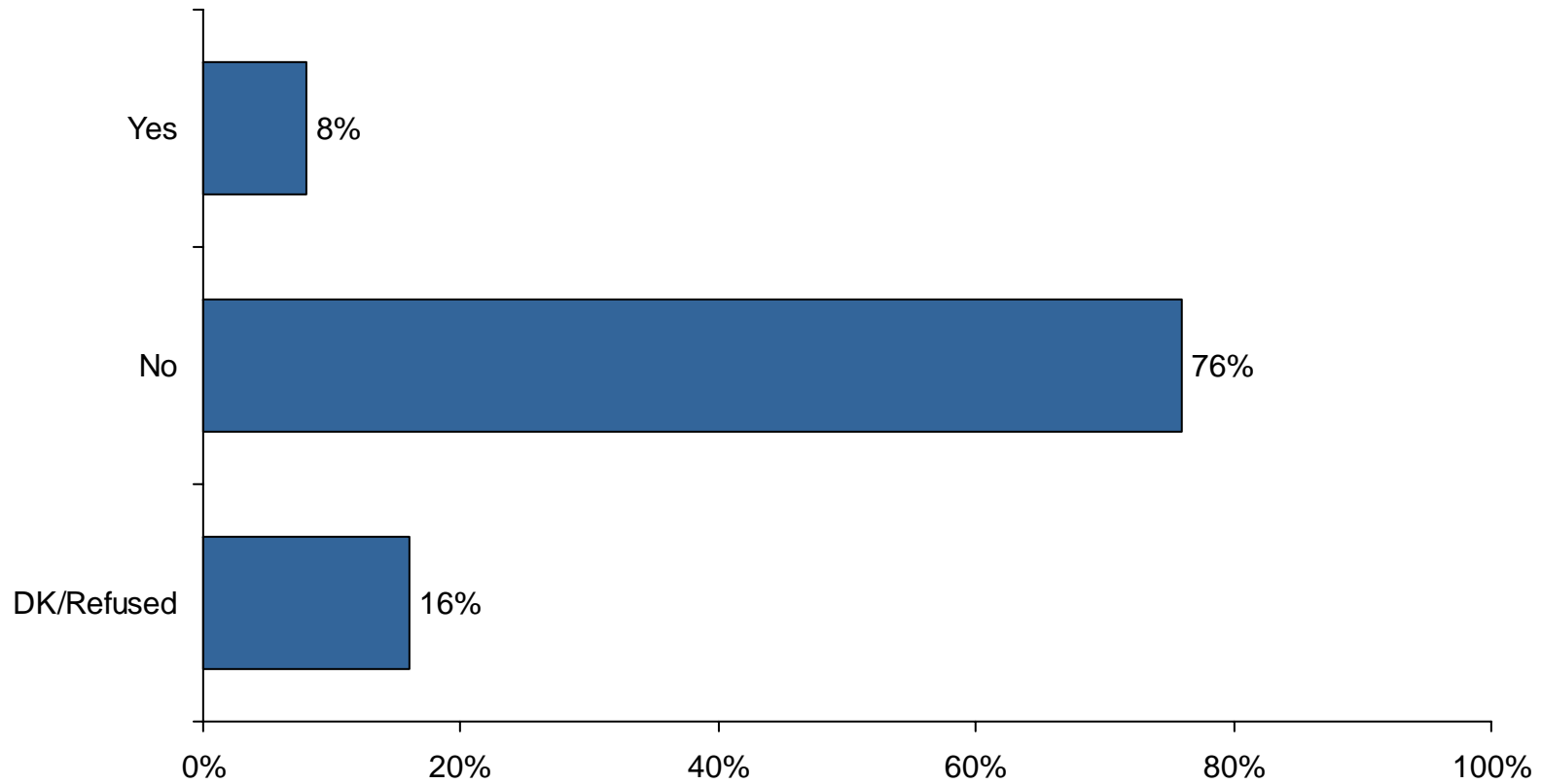
BASE: OFFERS 401(k) PLAN OR OTHER EMPLOYEE FUNDED PLAN, N=567
Q592. Does your company currently offer investment guidance or advice for employees as part of your retirement plan?

Company Currently Offers Investment Guidance/Advice 2007 – Large vs. Small Companies



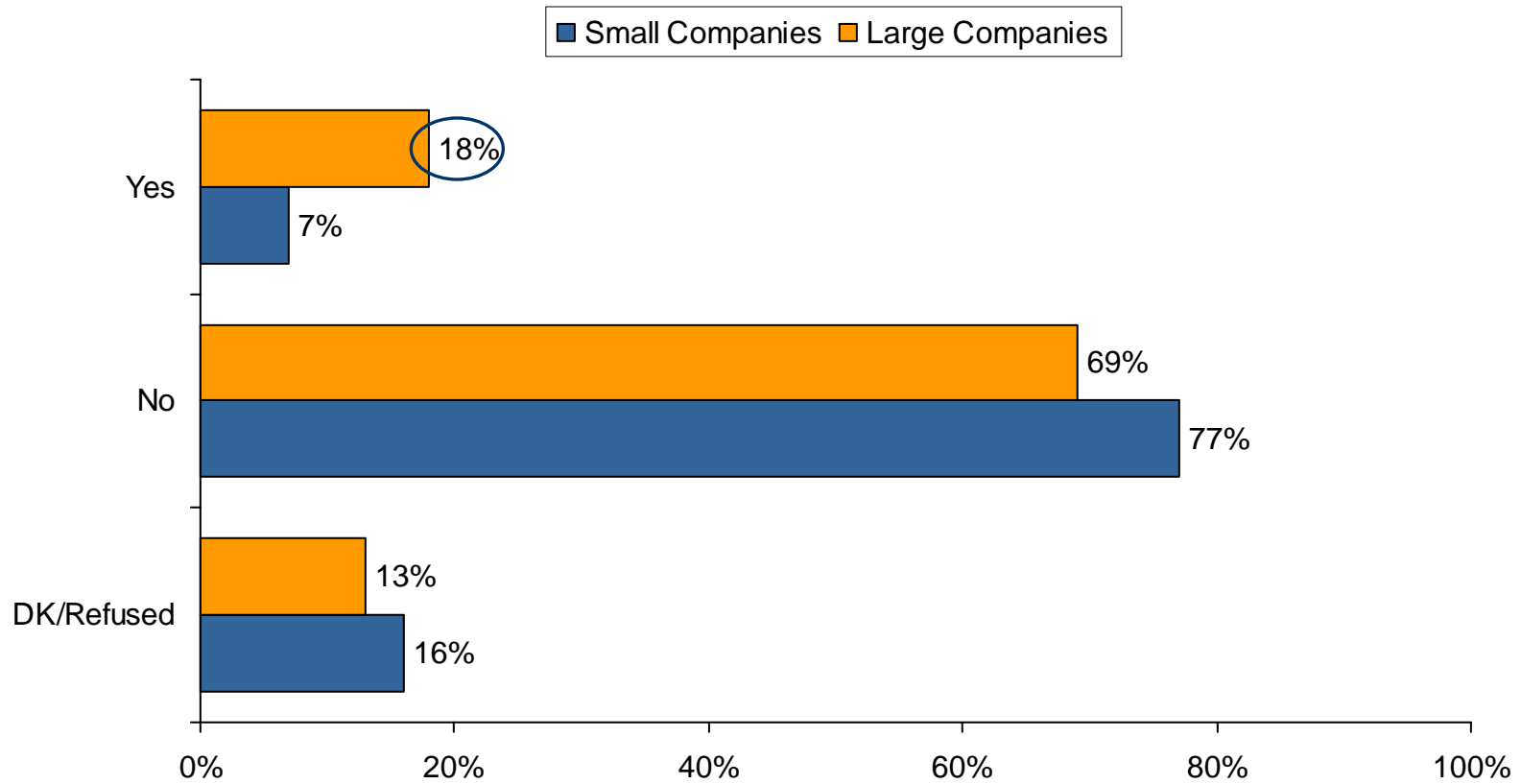
BASE: OFFERS 401(k) PLAN OR OTHER EMPLOYEE FUNDED PLAN – Total, N=567; Small, N=304; Large, N=263
Q592. Does your company currently offer investment guidance or advice for employees as part of your retirement plan?

Company Plans to Offer Investment Guidance/Advice 2007



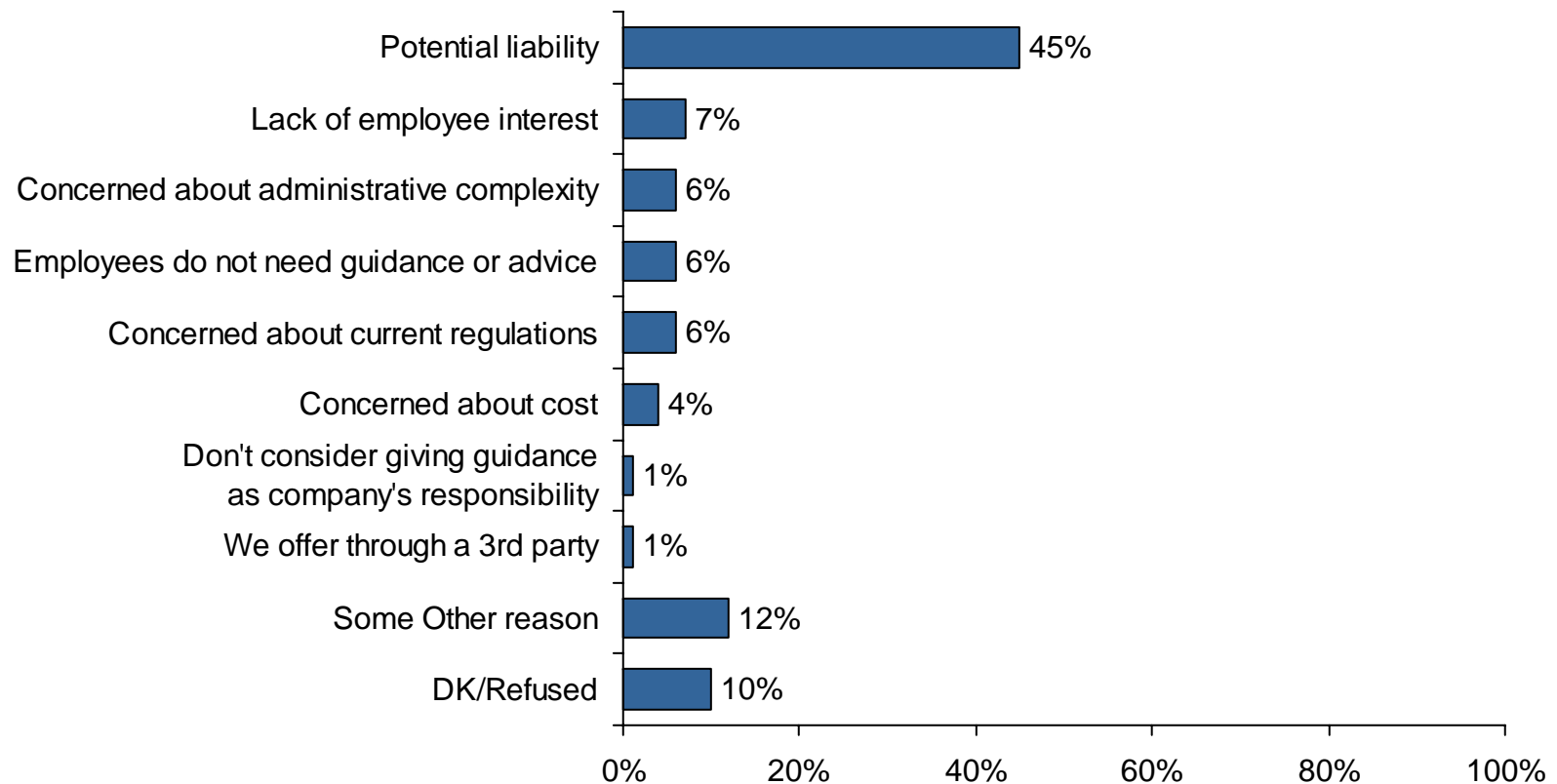
BASE: DOES NOT OFFER ADVICE, N=192
Q594. Does your company plan to offer investment guidance or advice for employees in the future?

Company Plans to Offer Investment Guidance/Advice 2007 – Large vs. Small Companies



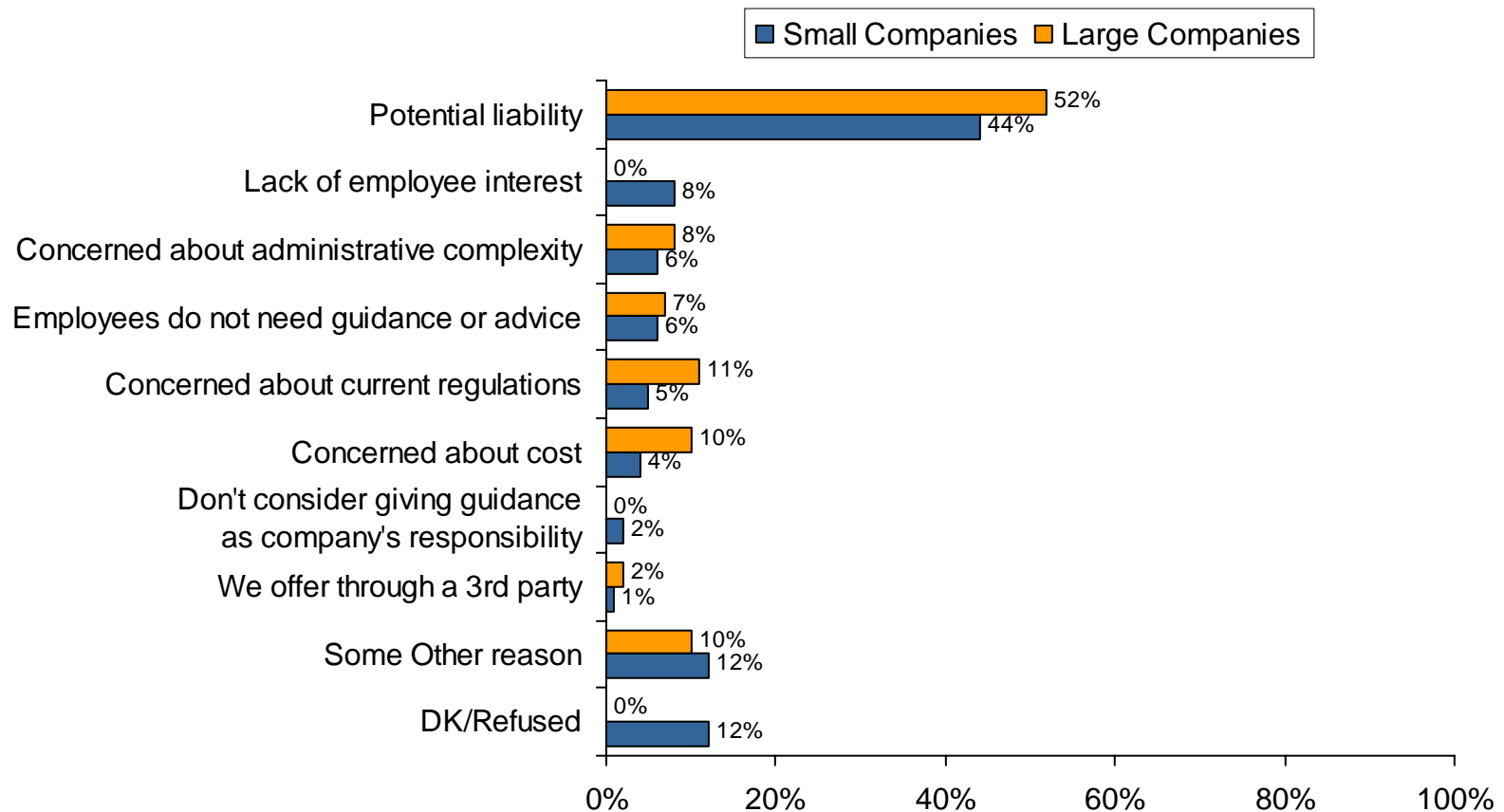
BASE: DOES NOT OFFER ADVICE; – Total, N=192; Small, N=103; Large, N=89
Q594. Does your company plan to offer investment guidance or advice for employees in the future?

Reasons Not Offering Investment Guidance/Advice 2007



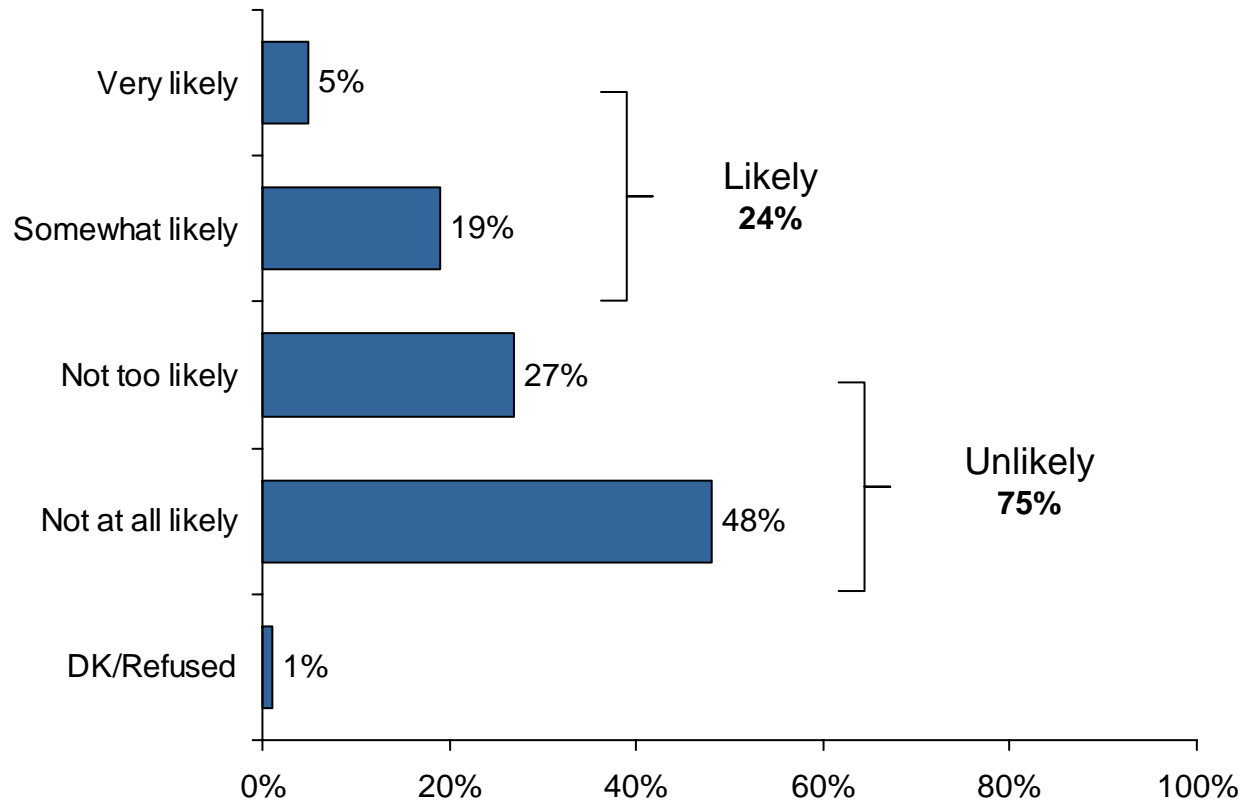
BASE: HAS NO PLANS TO OFFER ADVICE, N=141
Q596. What would you say is the main reason your company is not planning to offer investment guidance or advice for employees in the future?

Reasons Not Offering Investment Guidance/Advice 2007 – Large vs. Small Companies



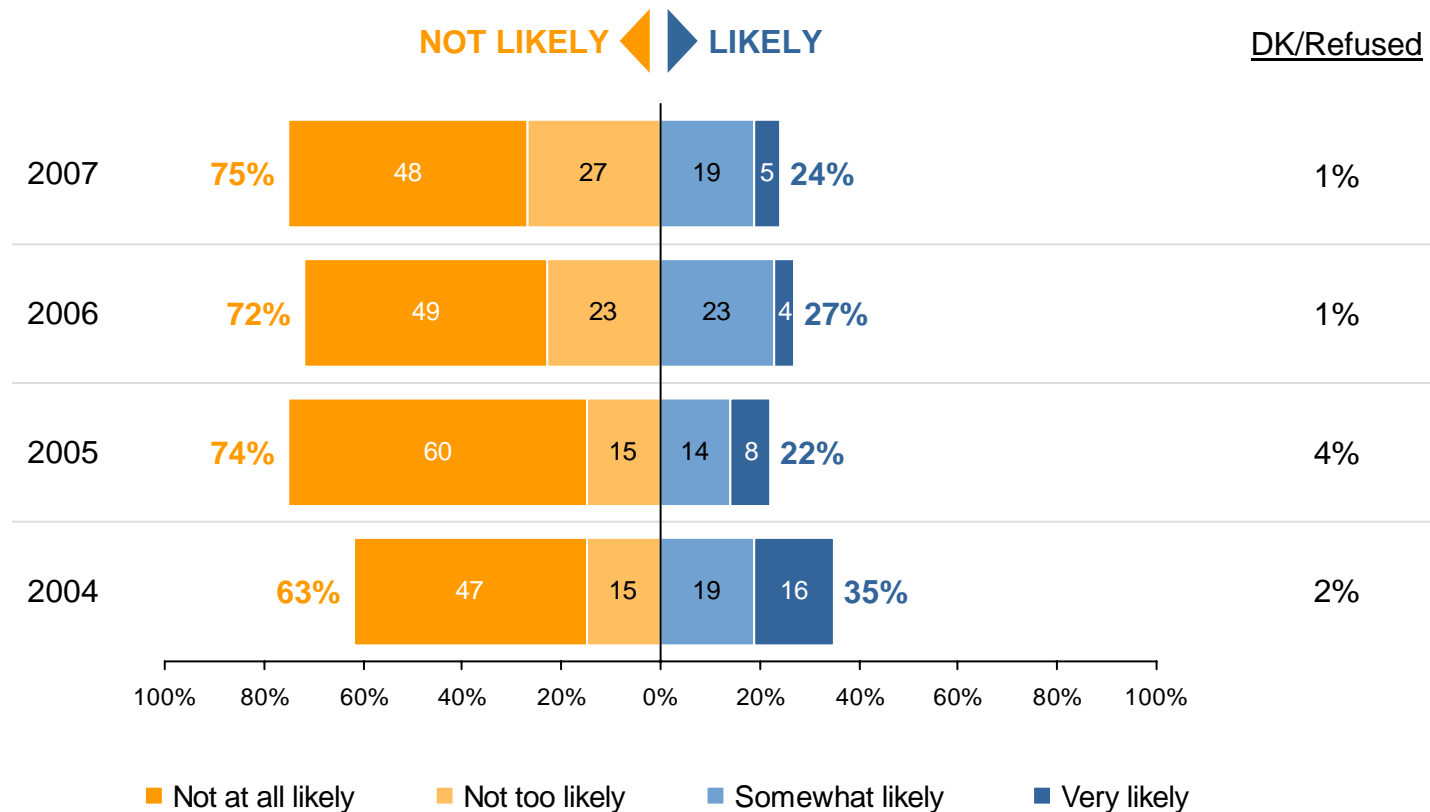
BASE: HAS NO PLANS TO OFFER ADVICE – Total, N=141; Small, N=80; Large, N=61
 Q596. What would you say is the main reason your company is not planning to offer investment guidance or advice for employees in the future?

Likelihood of Offering an Employee-funded Retirement Plan 2007



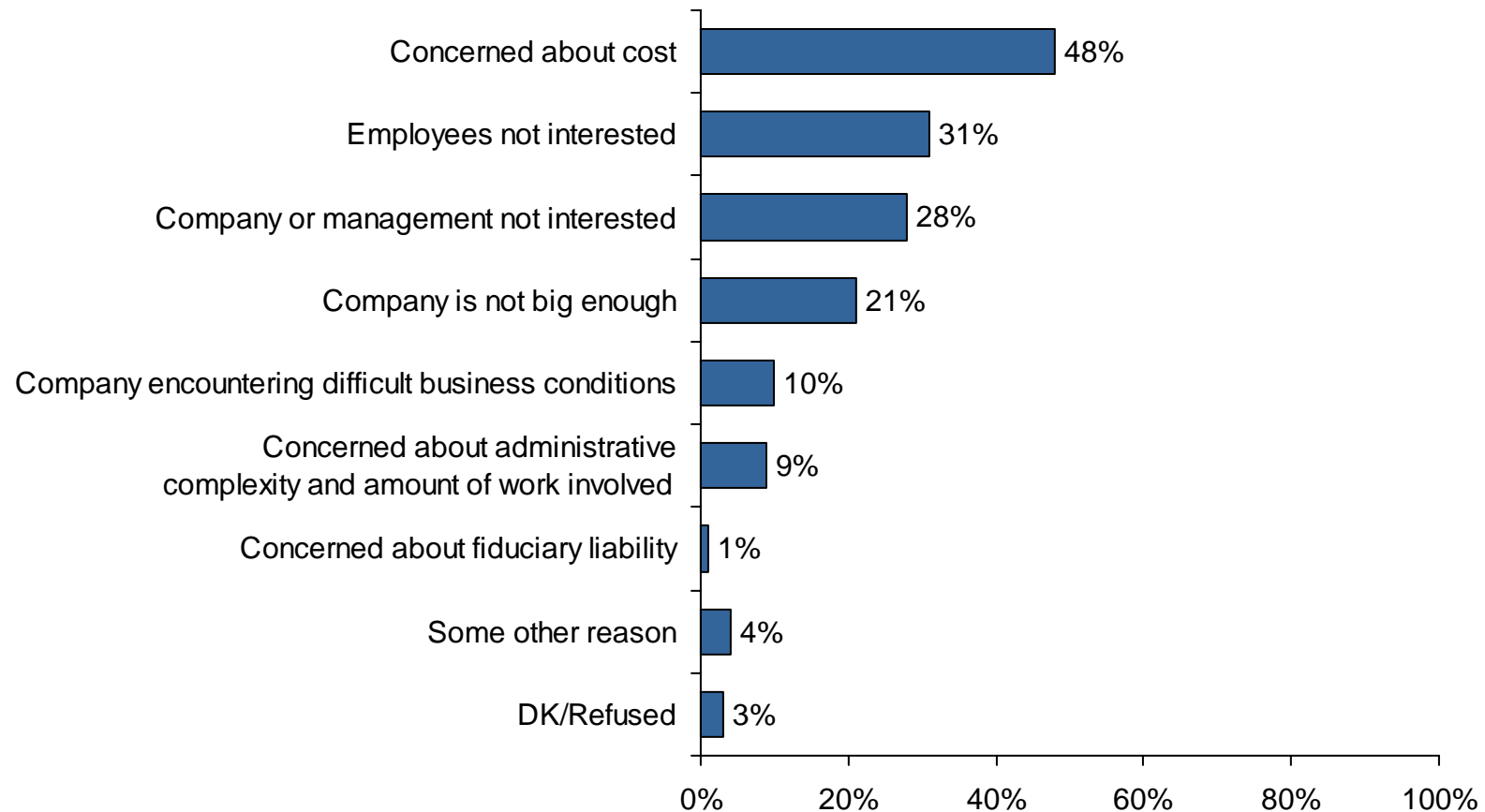
BASE: DOES NOT OFFER 401(k) NOR OTHER SELF-FUNDED PLAN, N=85
Q600. How likely is your company to begin offering an employee-funded retirement plan package like a 401(k) to its employees in the next two years? Would you say very likely, somewhat likely, not too likely, or not at all likely?

Likelihood of Offering an Employee-funded Retirement Plan Annual Tracking



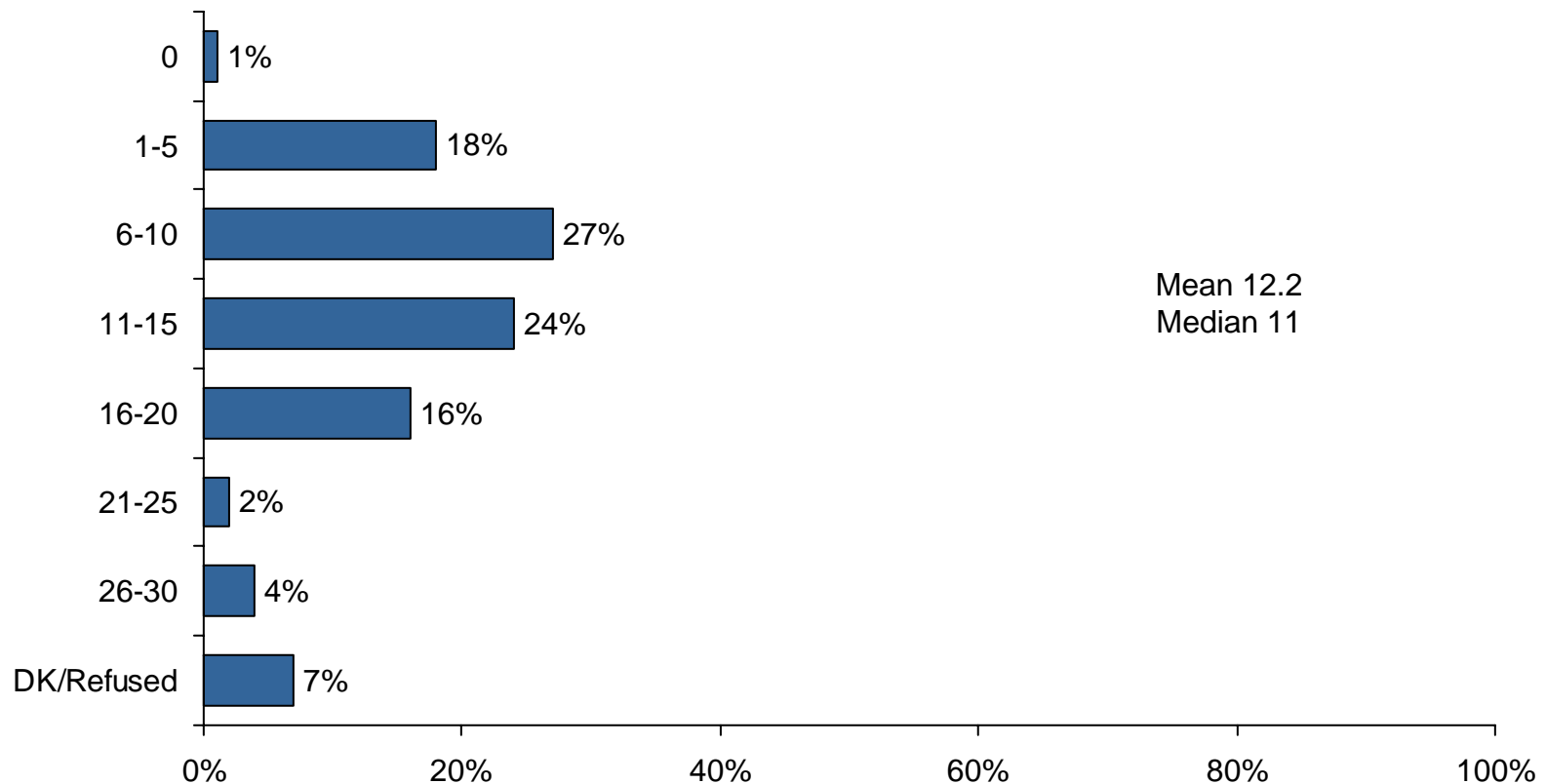
BASE: DOES NOT OFFER 401(k) NOR OTHER SELF FUNDED PLAN – 2007, N=85; 2006, N=86; 2005, N=132; 2004, N=97
 Q600. How likely is your company to begin offering an employee-funded retirement plan package like a 401(k) to its employees in the next two years? Would you say very likely, somewhat likely, not too likely, or not at all likely?
 Note: Significant testing was only conducted between 2006 and 2007.

Reasons Not Likely to Offer an Employee-funded Retirement Plan in the Next Two Years 2007



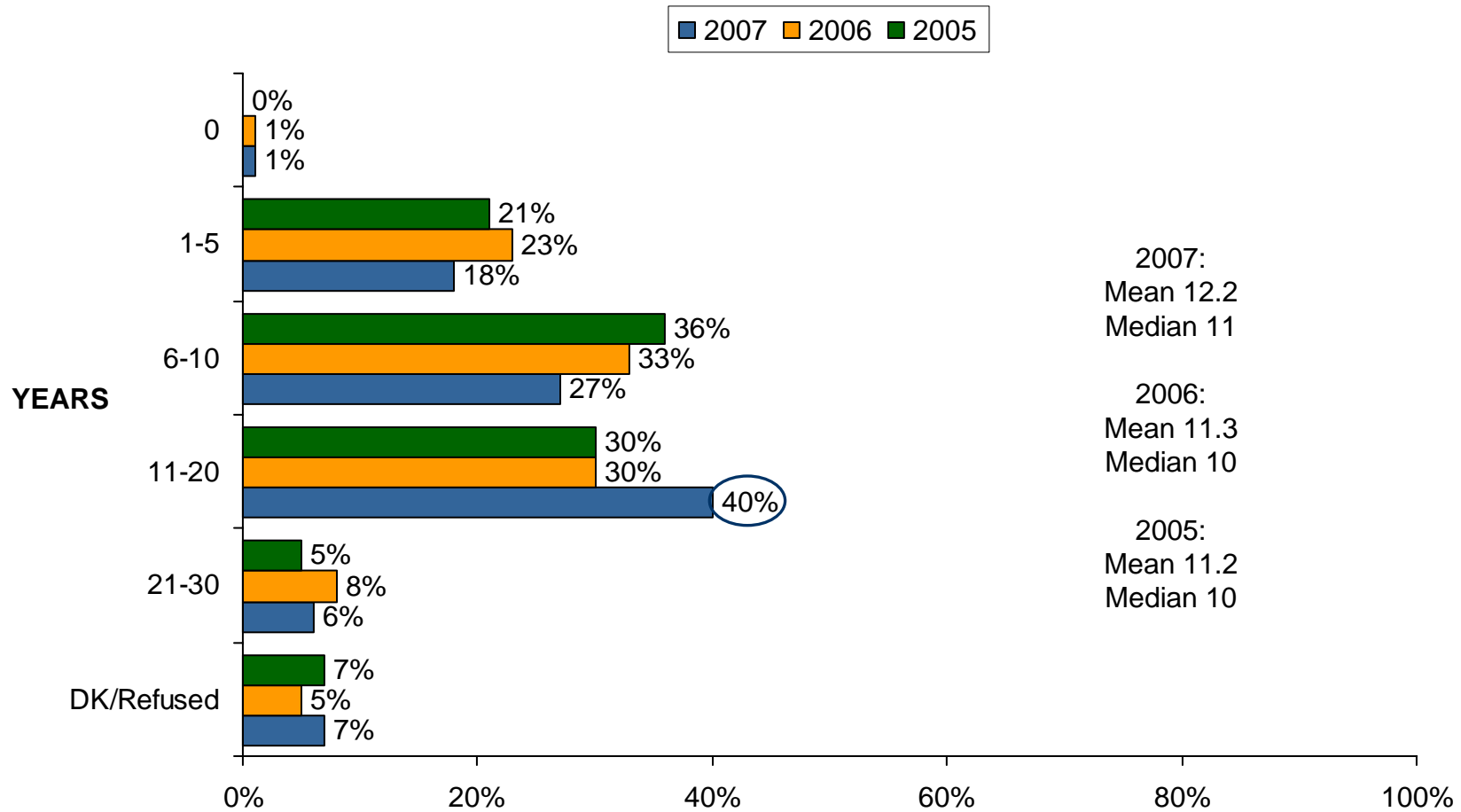
BASE: NOT LIKELY TO OFFER 401(k) IN NEXT 2 YEARS, N=59
Q610. Why is your company not likely to offer a plan in the next two years? CHOOSE ALL THAT APPLY.

Length of Time 401(k) or Other Employee-funded Retirement Plan Has Been Offered at Company 2007 (Years)



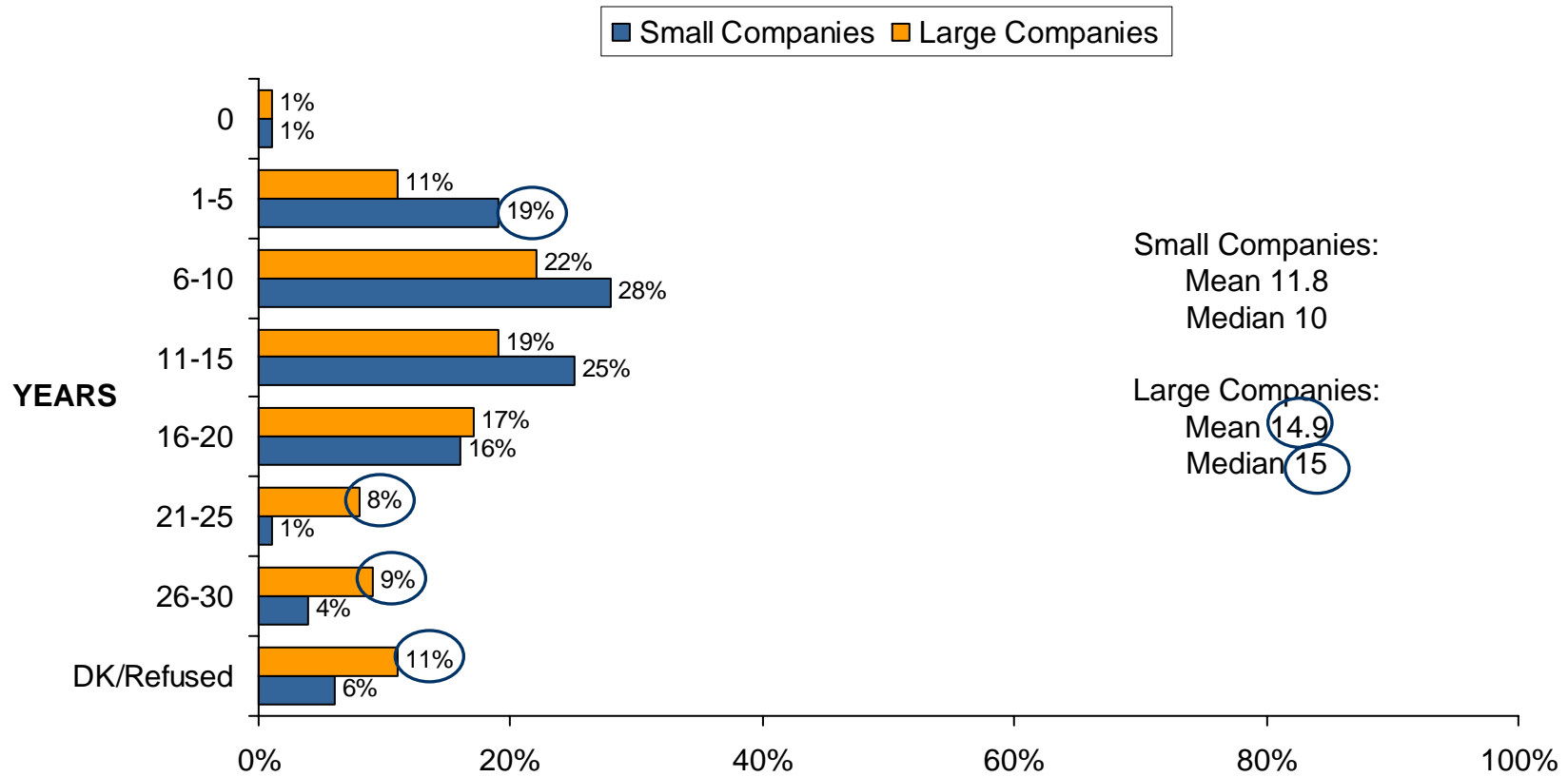
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN, N=567
Q620. How long have you offered a 401(k) or other employee-funded retirement plan at your company?

Length of Time 401(k) or Other Employee-funded Retirement Plan Has Been Offered at Company Annual Tracking



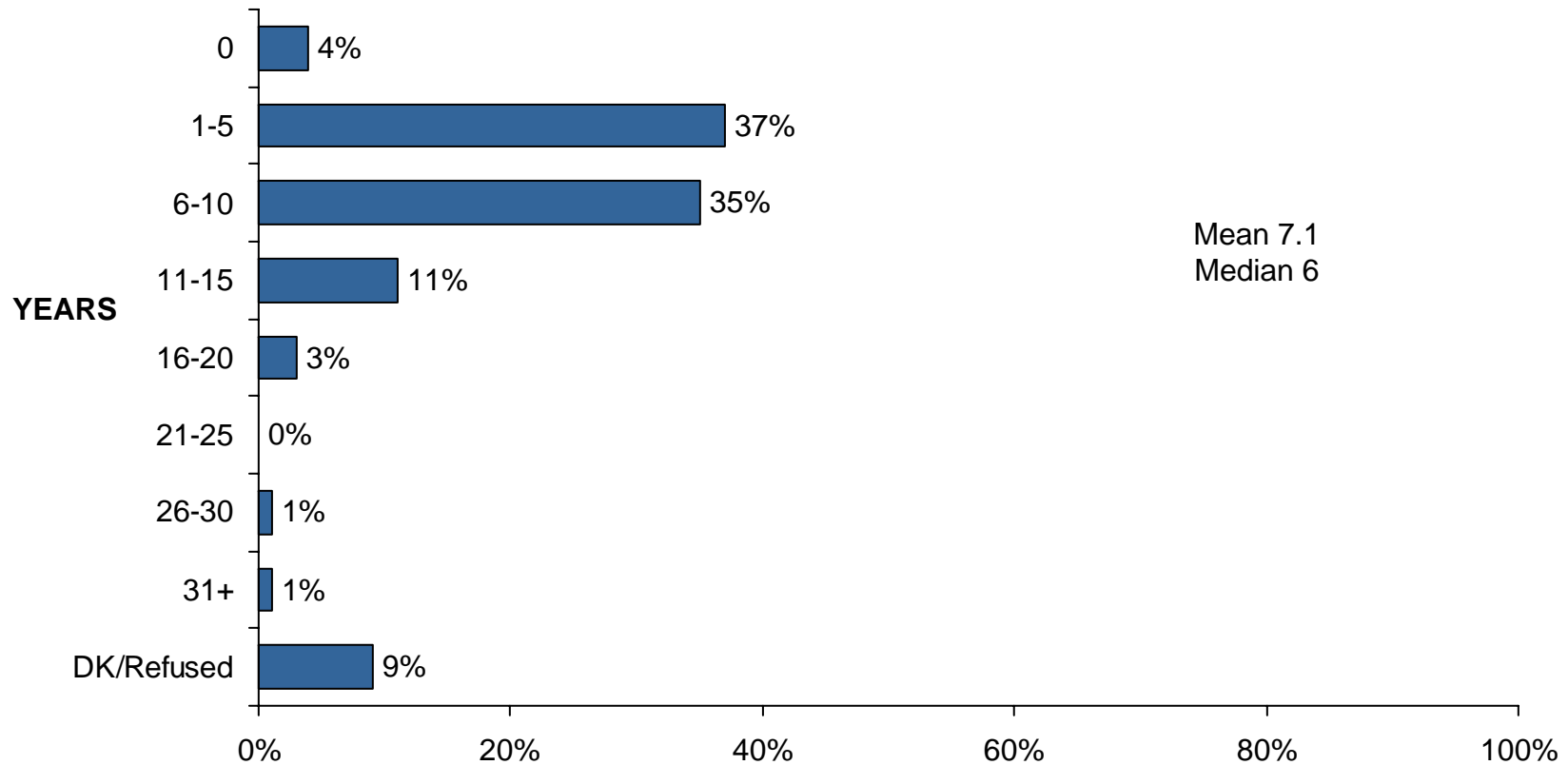
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN, – 2007, N=567; 2006, N=573; 2005, N=471
 Q620. How long have you offered a 401(k) or other employee-funded retirement plan at your company?
 Note: Significant testing was only conducted between 2006 and 2007.

Length of Time 401(k) or Other Employee-funded Retirement Plan Has Been Offered at Company 2007 – Large vs. Small Companies



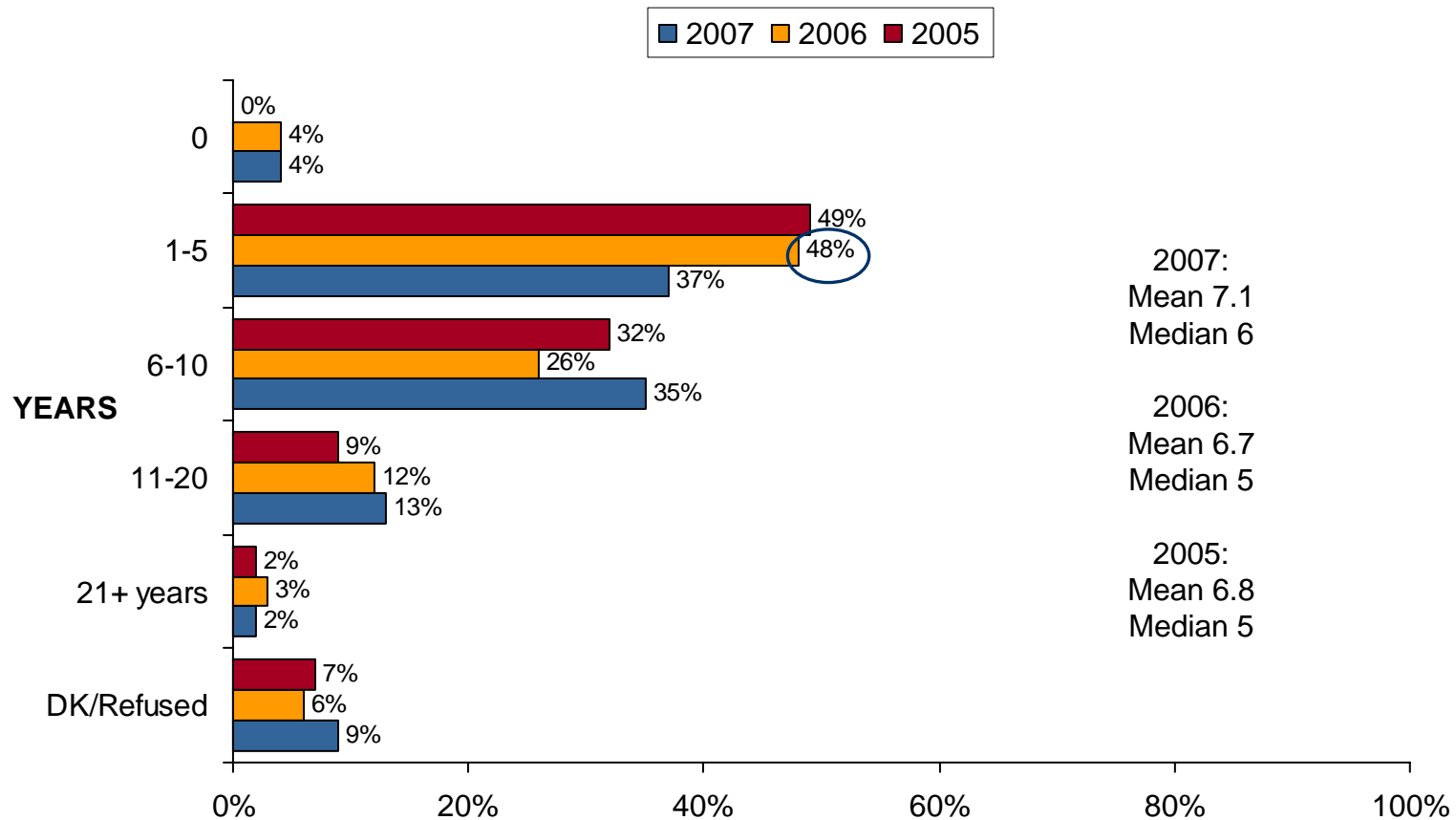
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – Total, N=567; Small, N=304; Large, N=263
 Q620. How long have you offered a 401(k) or other employee-funded retirement plan at your company?

Length of Time with Current Plan Administrator 2007



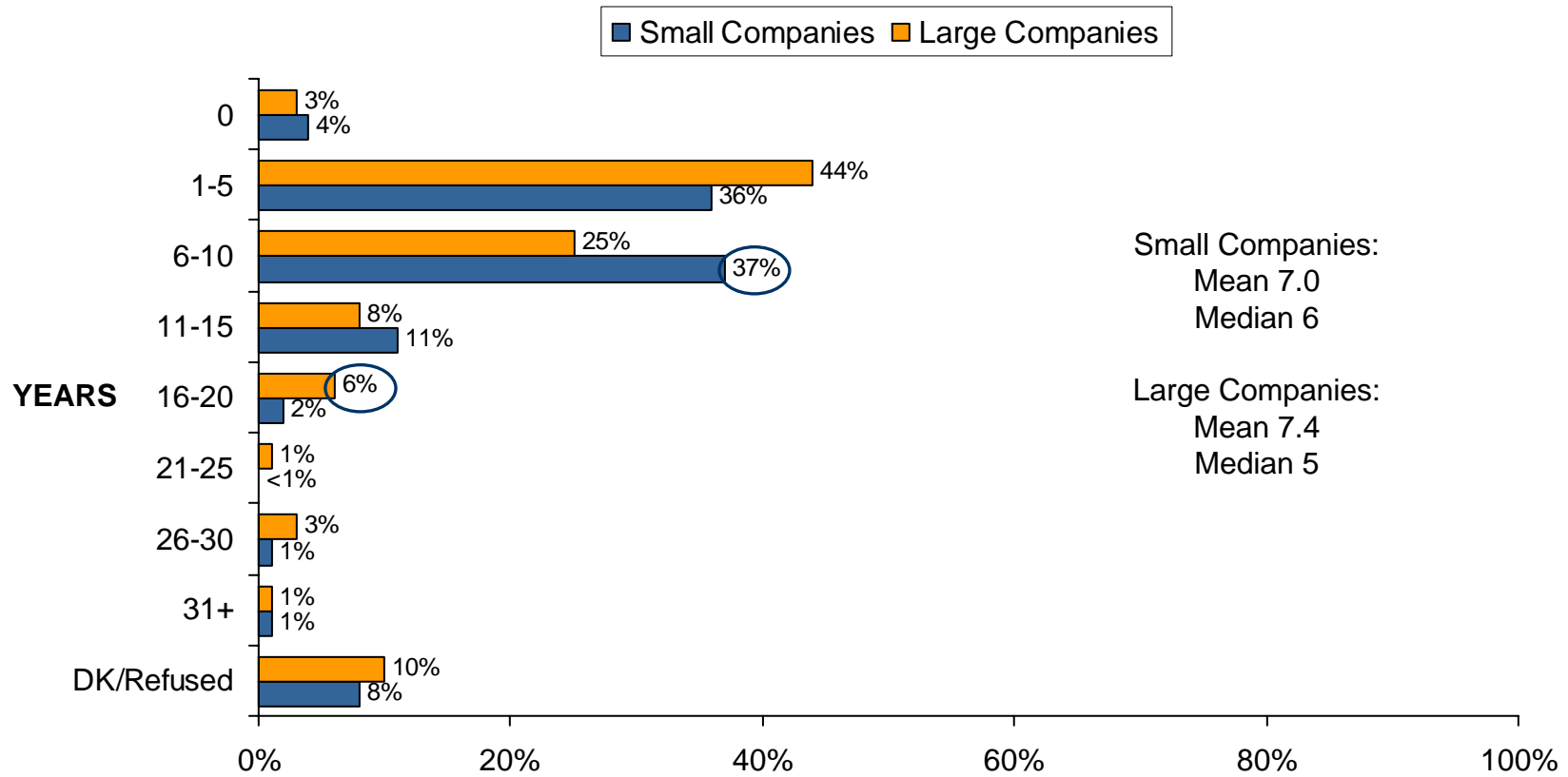
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN, N=567
Q630. How long have you used your current retirement plan administrator?

Length of Time with Current Plan Administrator Annual Tracking



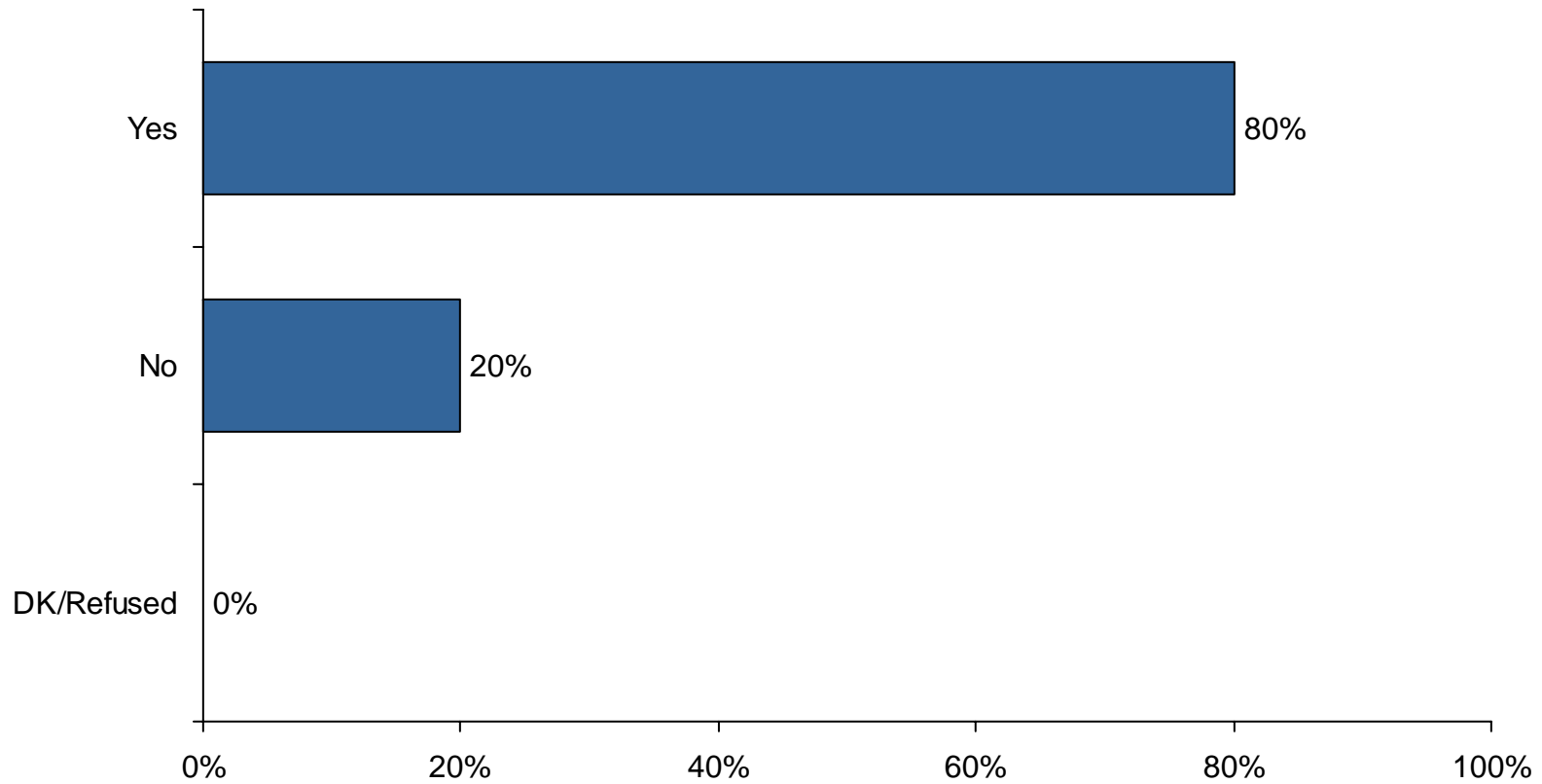
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – 2007, N=567; 2006, N=573; 2005, N=471
 Q630. How long have you used your current retirement plan administrator?
 Note: Significant testing was only conducted between 2006 and 2007.

Length of Time with Current Plan Administrator 2007 – Large vs. Small Companies



BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – Total, N=567; Small, N=304; Large, N=263
Q630. How long have you used your current retirement plan administrator?

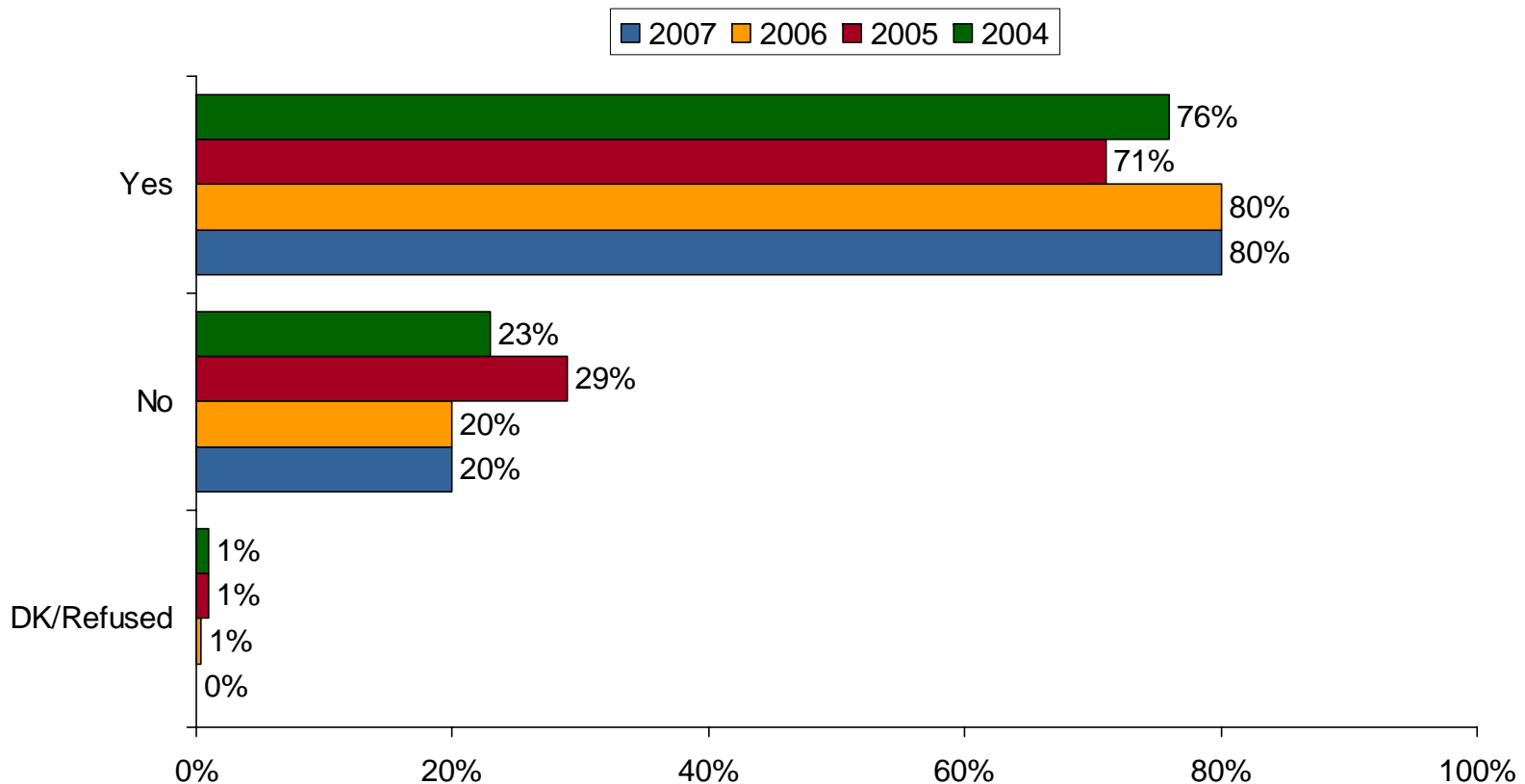
Company Currently Offers Matching Contribution 2007



BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN, N=567

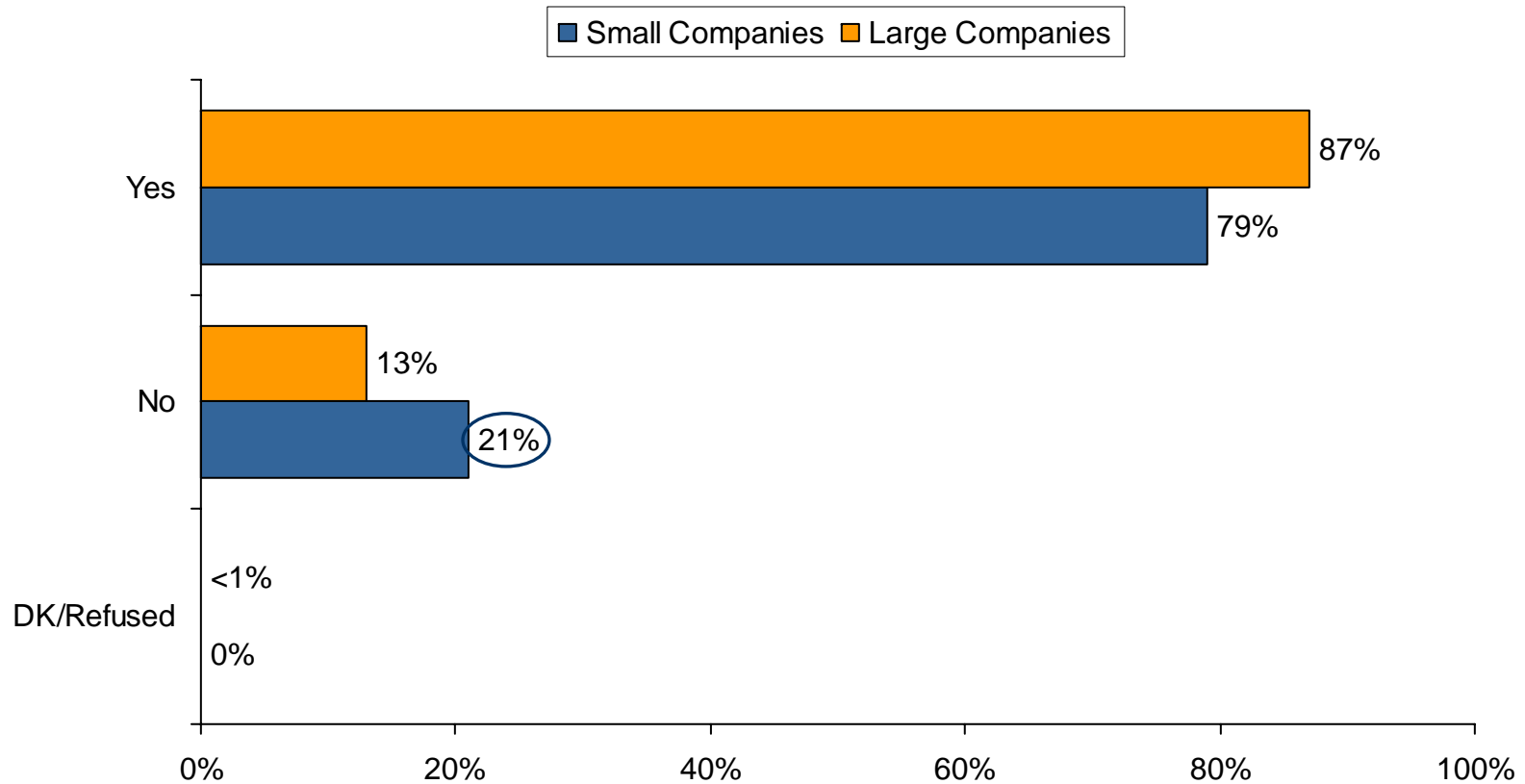
Q640. Does your company offer a matching contribution as part of its 401(k) or other company-sponsored retirement plan?

Company Currently Offers Matching Contribution Annual Tracking



BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – 2007, N=567; 2006, N=573; 2005, N=471; 2004, N=504
Q640. Does your company offer a matching contribution as part of its 401(k) or other company-sponsored retirement plan?
Note: Significant testing was only conducted between 2006 and 2007.

Company Currently Offers Matching Contribution 2007 – Large vs. Small Companies



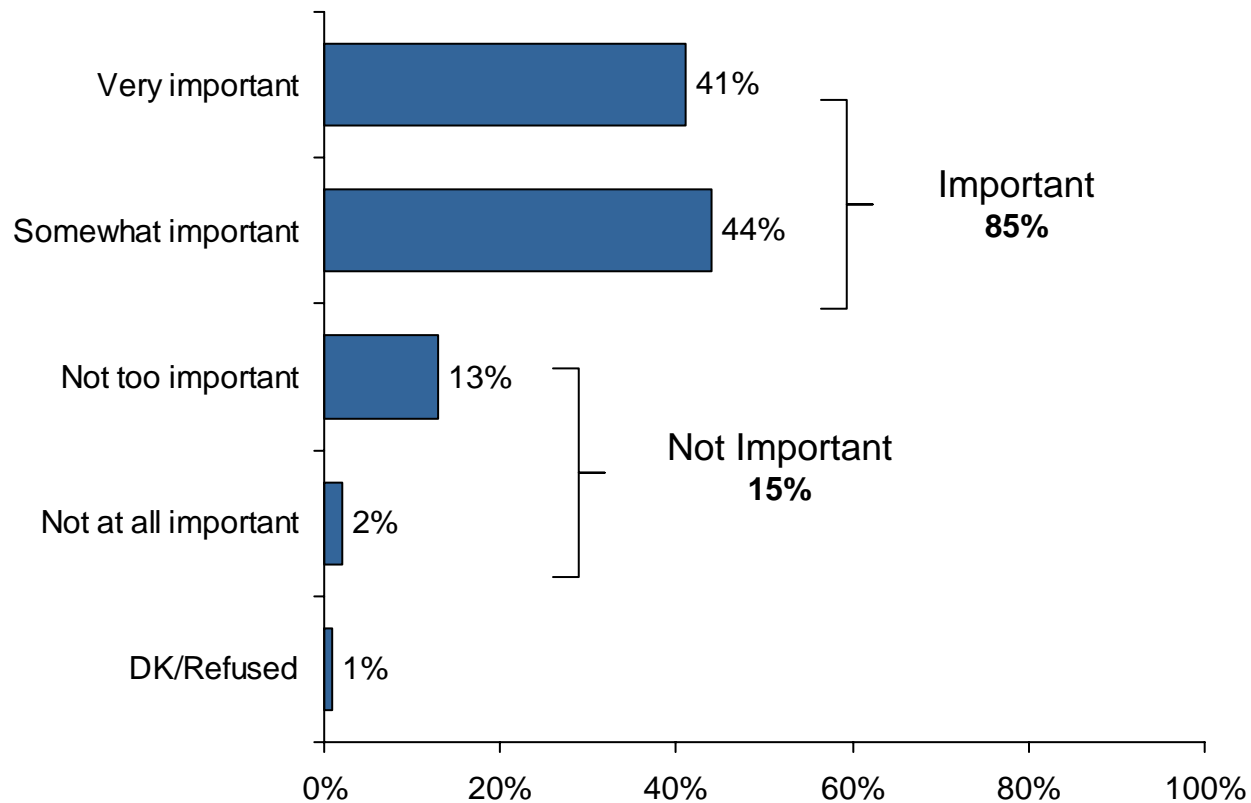
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – Total, N=567; Small, N=304; Large, N=263
Q640. Does your company offer a matching contribution as part of its 401(k) or other company-sponsored retirement plan?



Detailed Findings

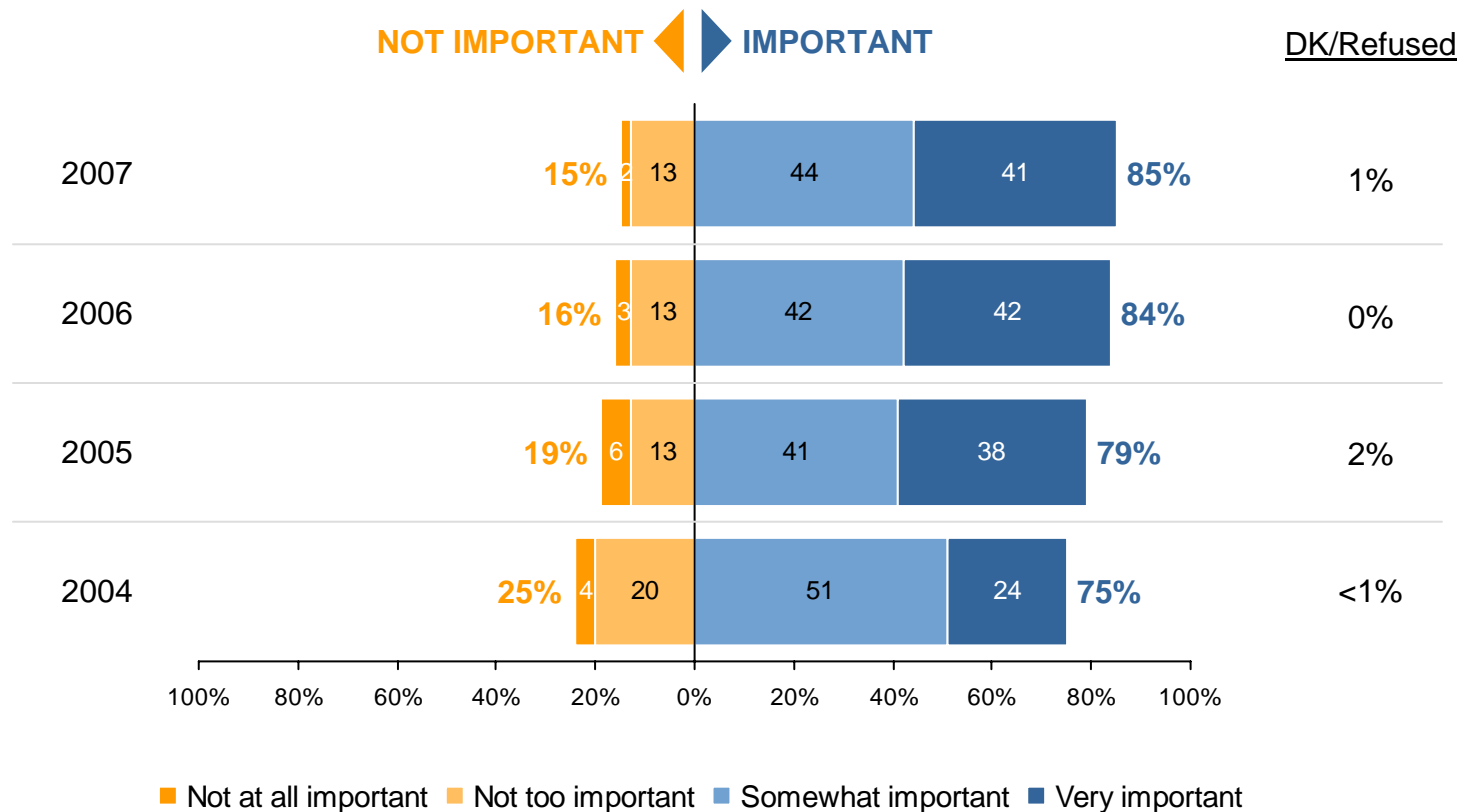
- Relative Importance of Various Employee Benefits
- Retirement Benefits Offerings
- **Perceptions of Current Retirement Plan Offerings**
- Perceptions of Employee Involvement with Retirement Planning

Importance of Retirement Plan Package in Attracting/Retaining Employees 2007



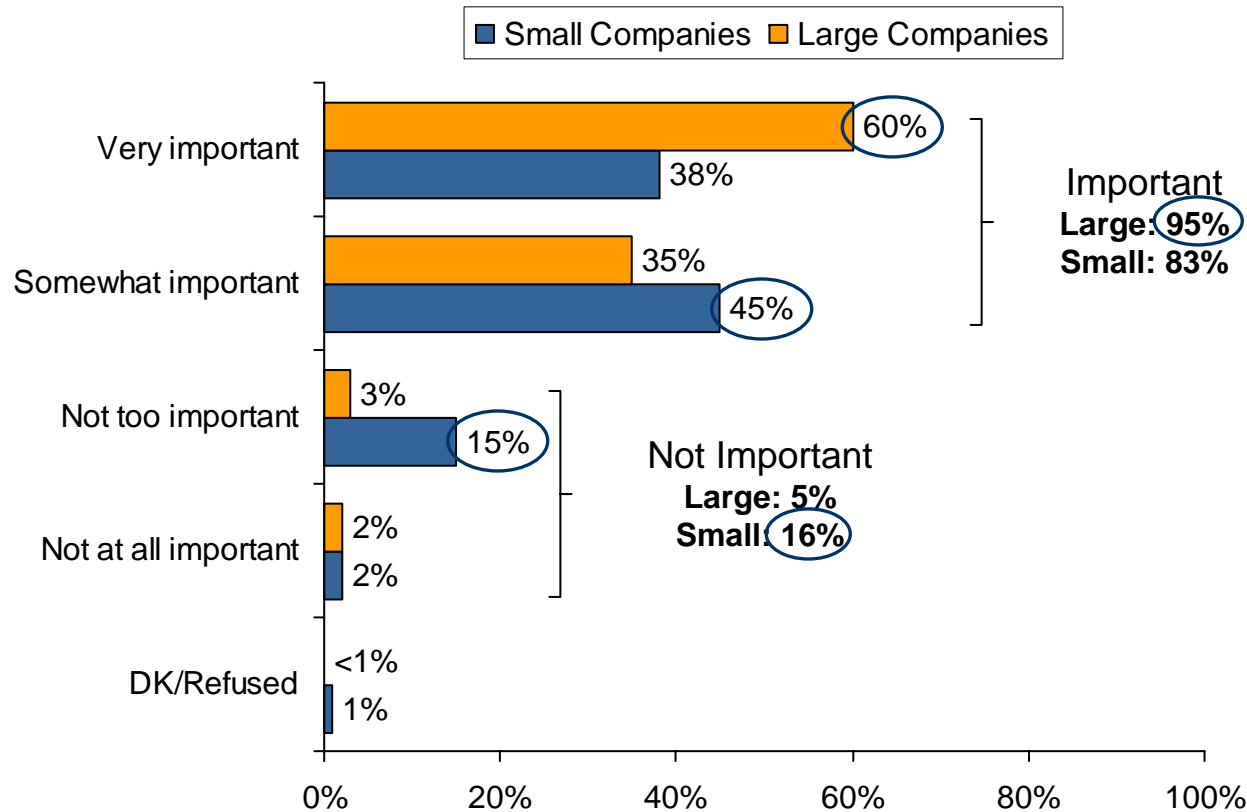
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN, N=567
Q650. How important would you say your company's employee-funded retirement plan package is to your ability to attract and retain employees?

Importance of Retirement Plan Package in Attracting/Retaining Employees Annual Tracking



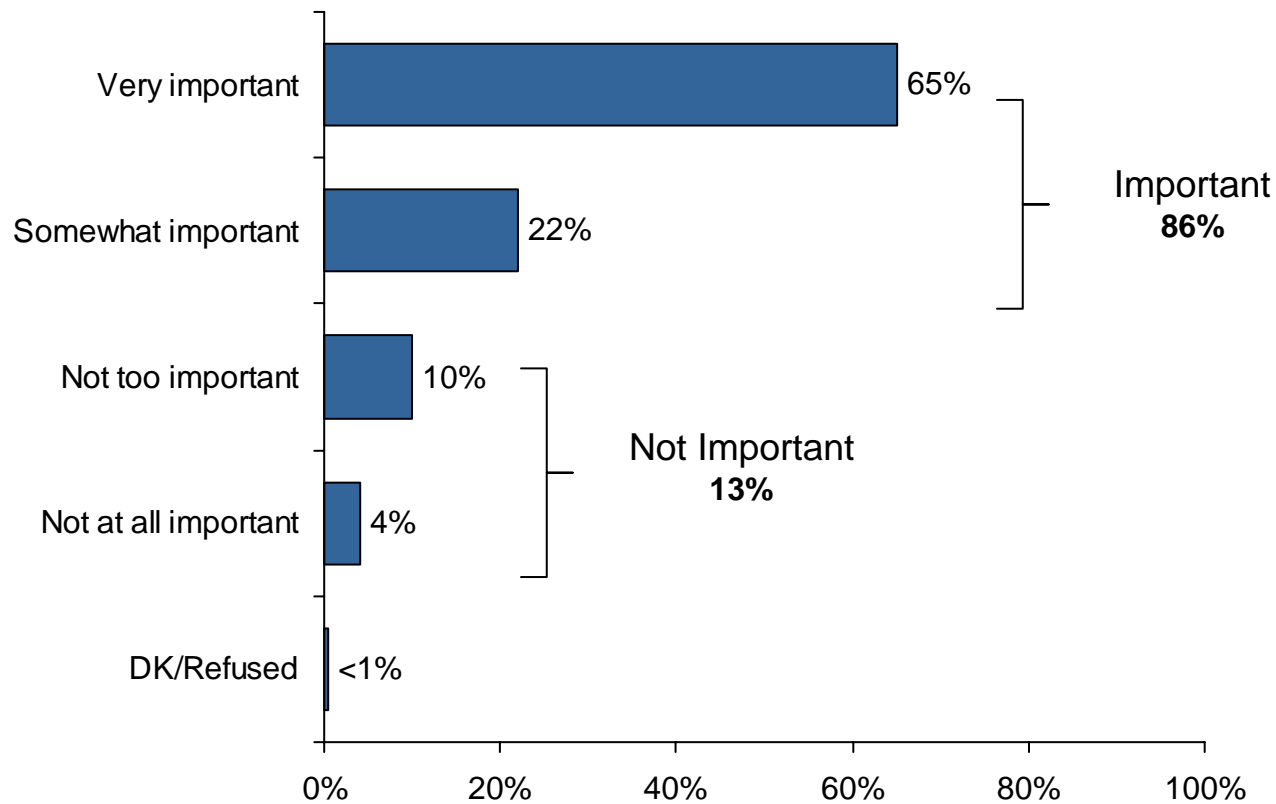
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – 2007, N=567; 2006, N=573; 2005, N=471; 2004, N=504
 Q650. How important would you say your company's employee-funded retirement plan package is to your ability to attract and retain employees?
 Note: Significant testing was only conducted between 2006 and 2007.

Importance of Retirement Plan Package in Attracting/Retaining Employees 2007 – Large vs. Small Companies



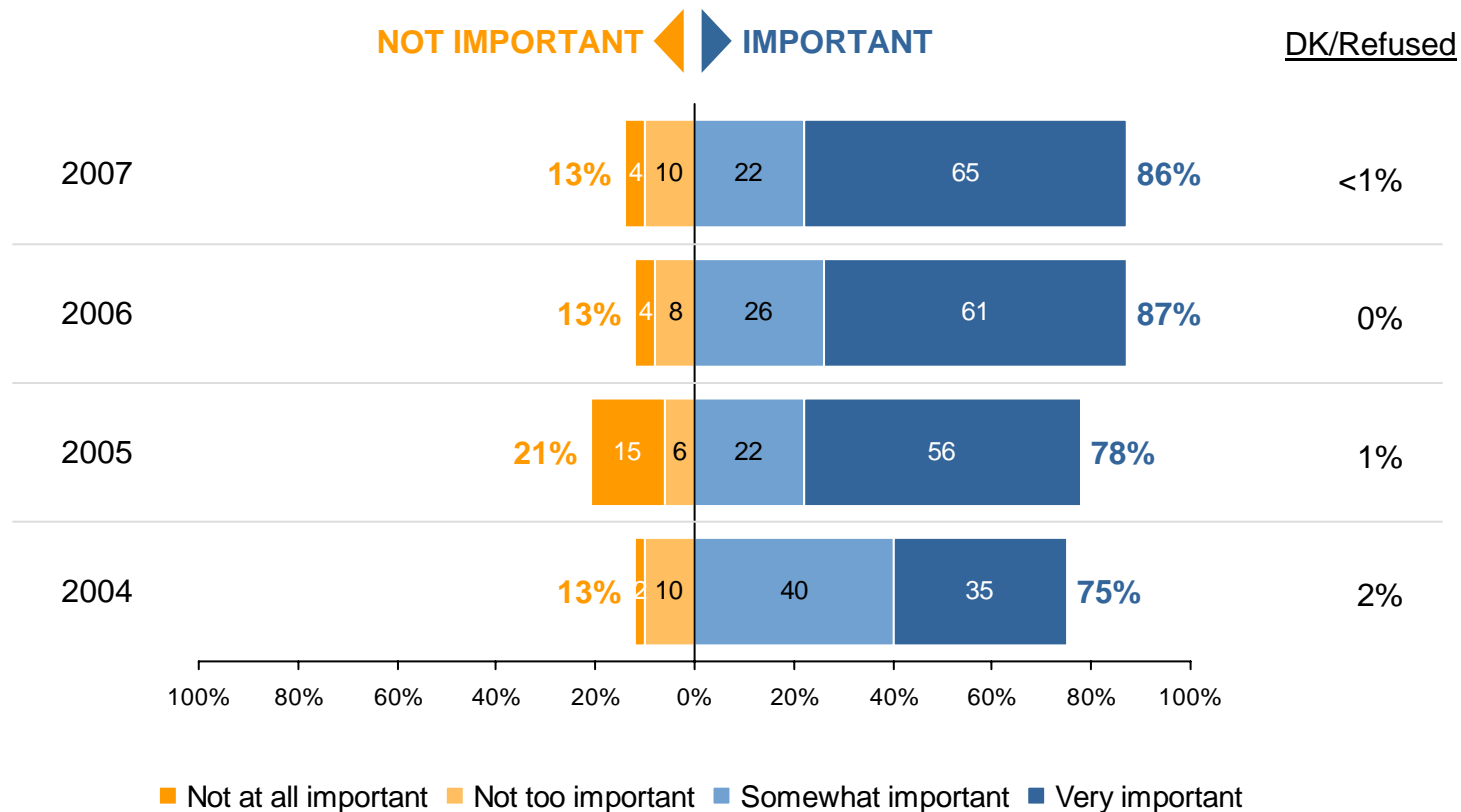
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – Total, N=567; Small, N=304; Large, N=263
 Q650. How important would you say your company's employee-funded retirement plan package is to your ability to attract and retain employees?

Importance of Matching Contributions to Employees 2007



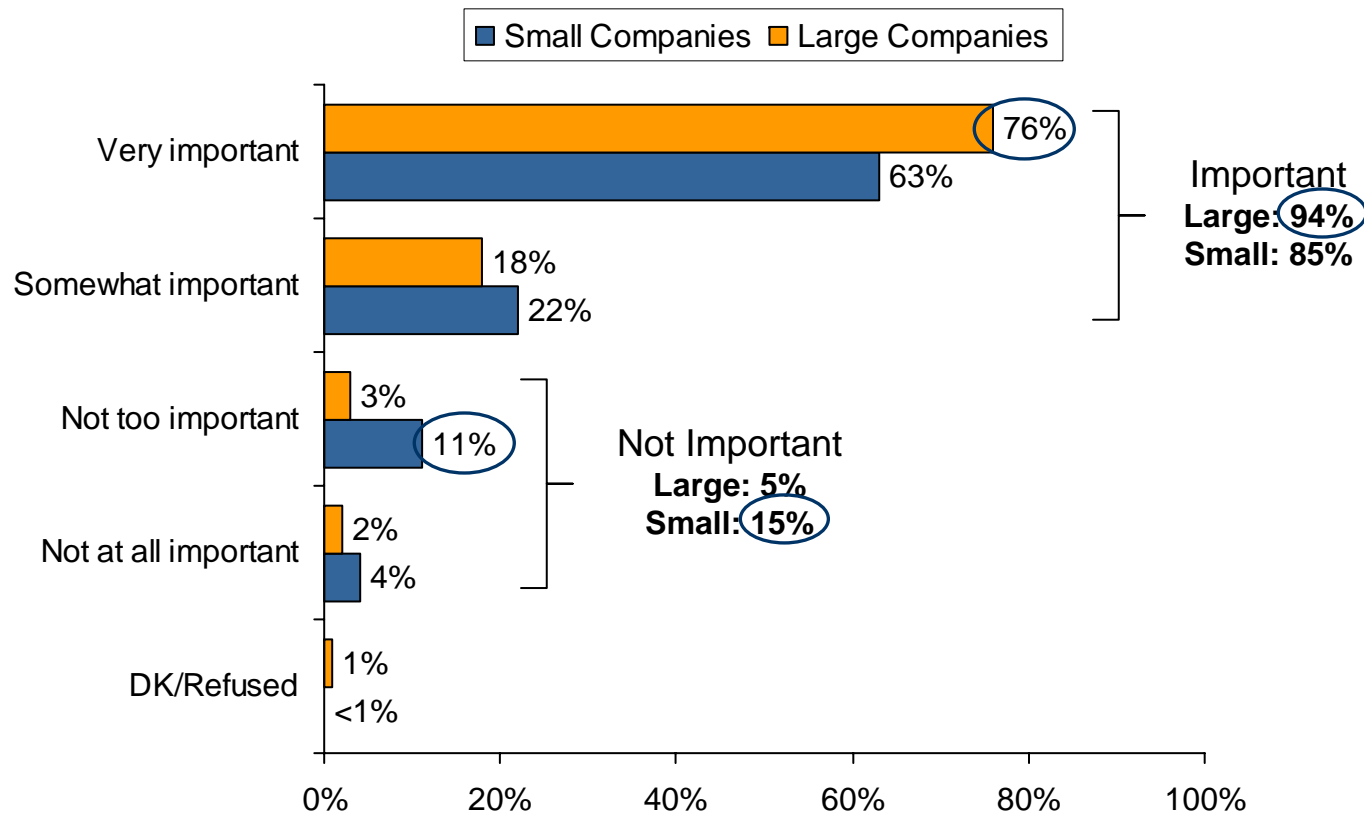
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN, N=567
Q660. How important is it to your employees that their company provides a matching contribution in their retirement savings plan?

Importance of Matching Contributions to Employees Annual Tracking



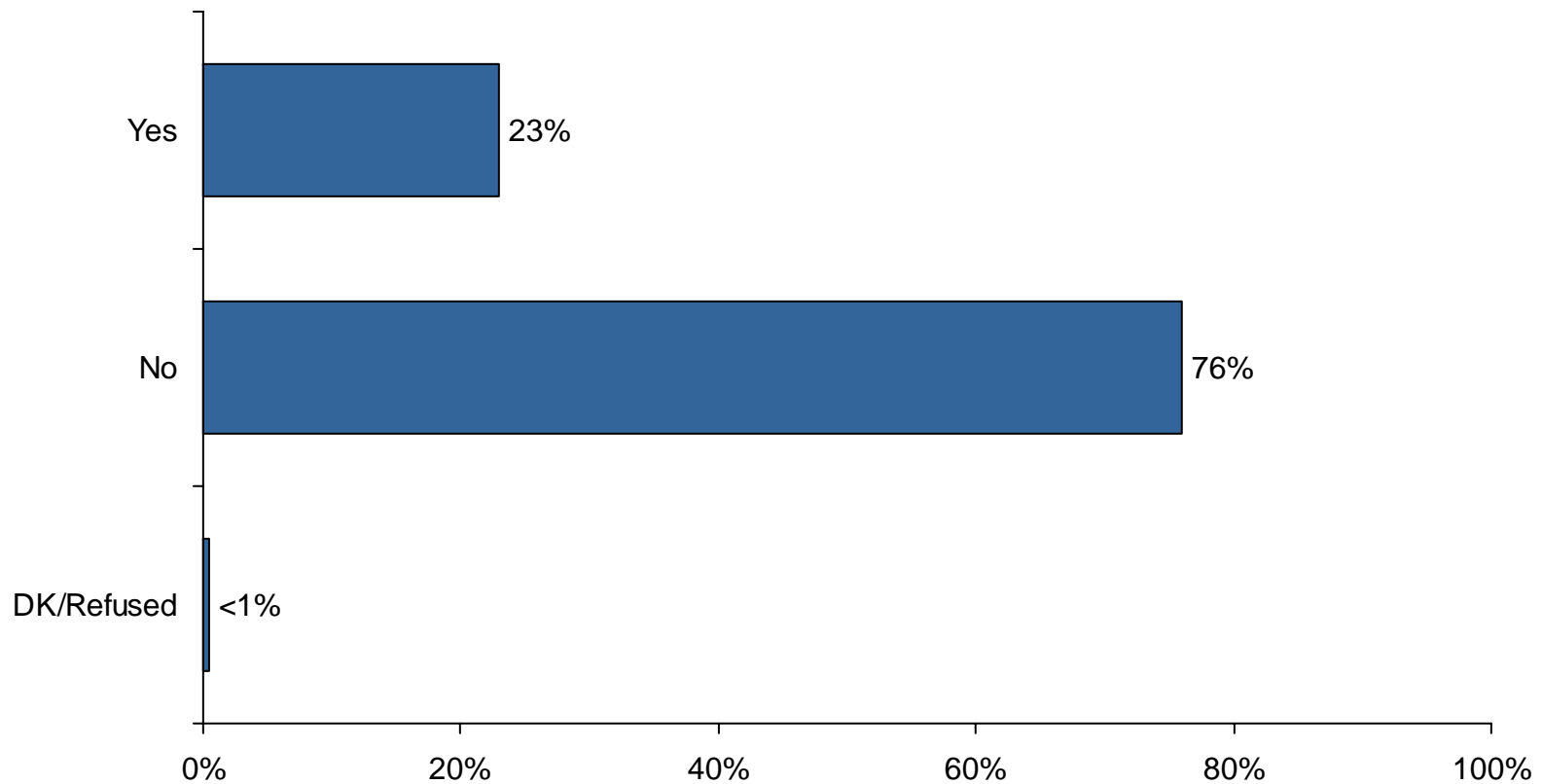
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – 2007, N=567; 2006, N=573; 2005, N=471; 2004, N=504
 Q660. How important is it to your employees that their company provides a matching contribution in their retirement savings plan?
 Note: Significant testing was only conducted between 2006 and 2007.

Importance of Matching Contributions to Employees 2007 – Large vs. Small Companies



BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – Total, N=567; Small, N=304; Large, N=263
Q660. How important is it to your employees that their company provides a matching contribution in their retirement savings plan?

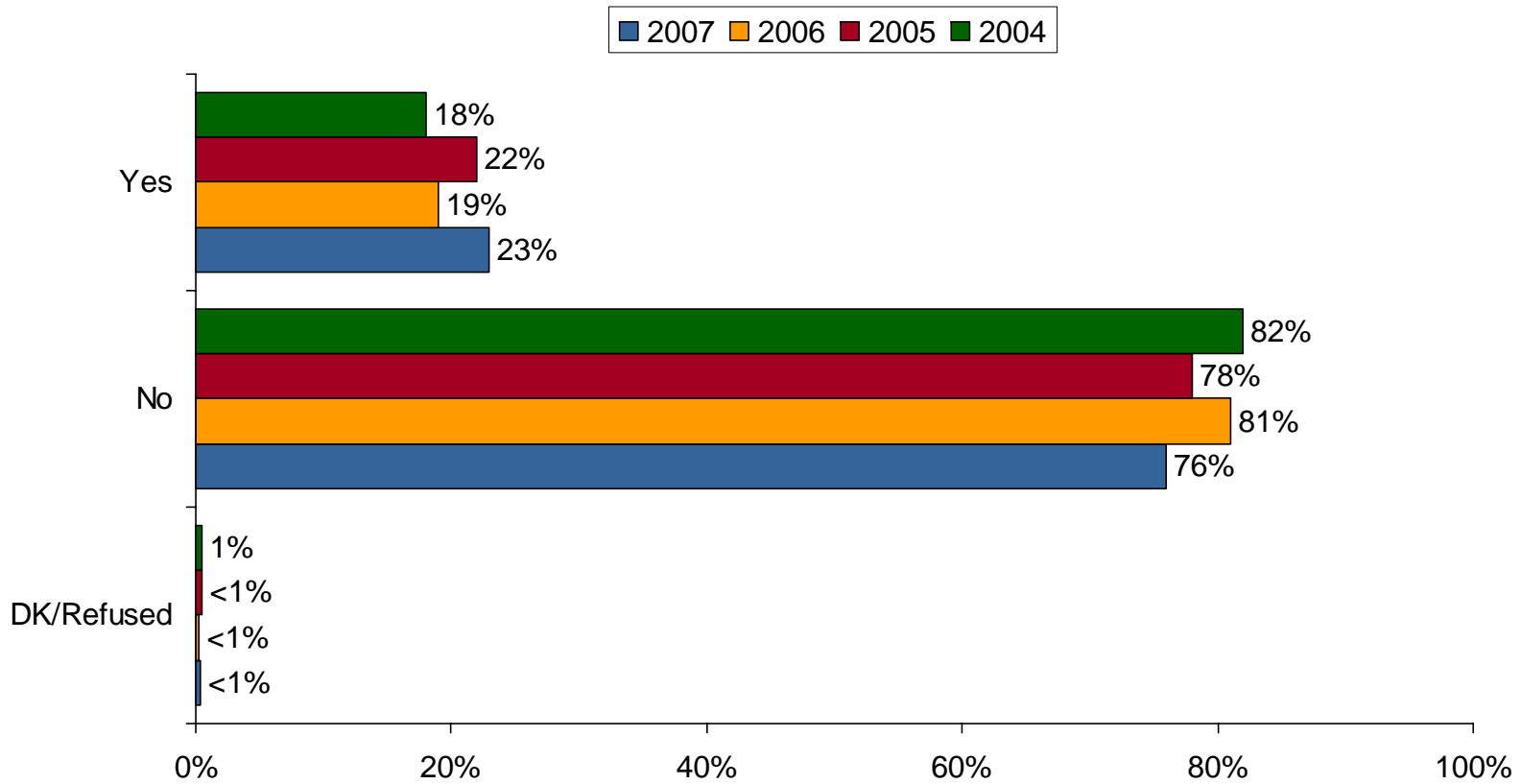
Changes to Plan in Past 12 Months 2007



BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN, N=567

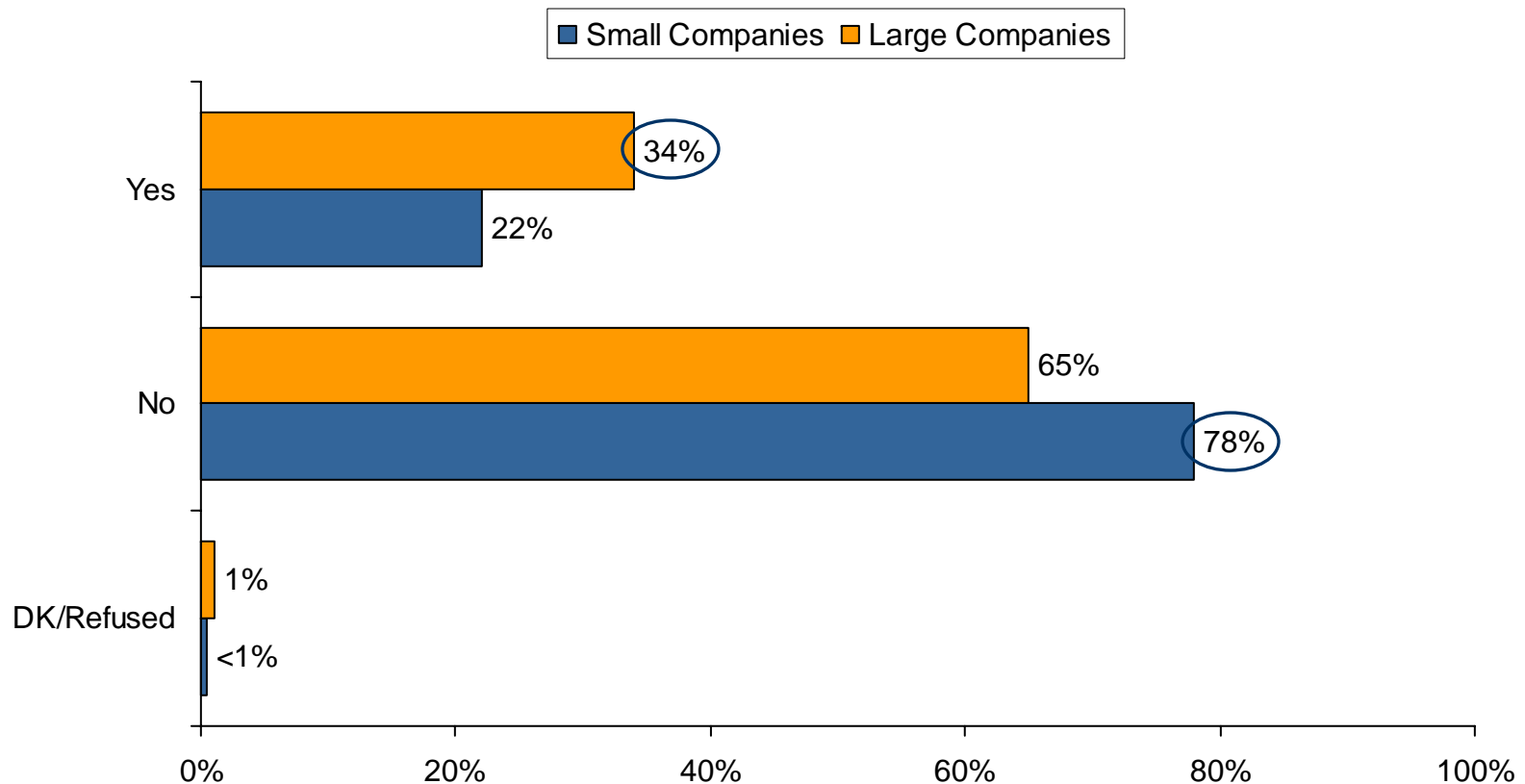
Q670. In the past 12 months, has your company made any changes to its 401(k) plan or other employee self-funded plan?

Changes to Plan in Past 12 Months Annual Tracking



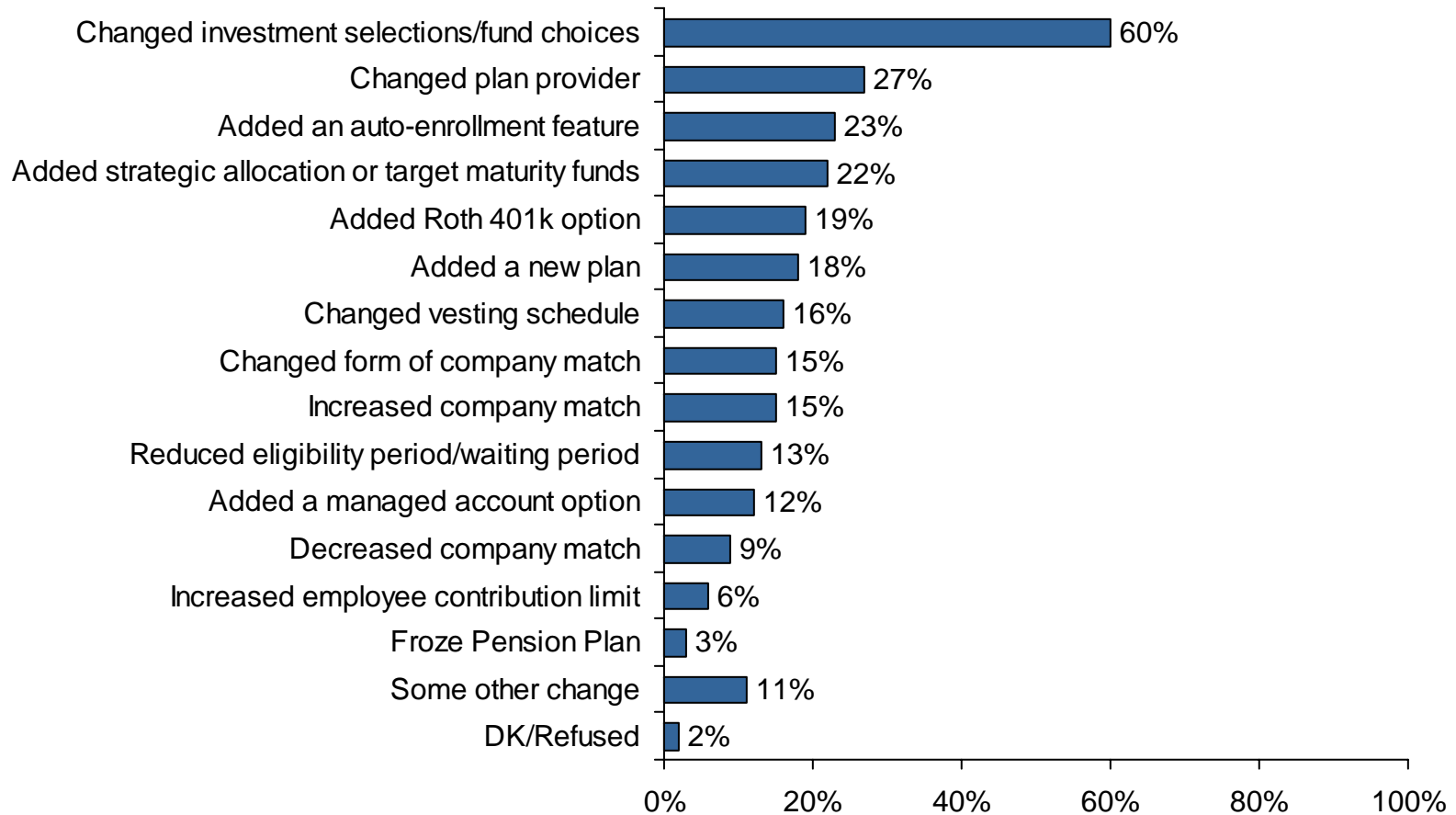
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – 2007, N=567; 2006, N=573; 2005, N=471; 2004, N=504 Q670. In the past 12 months, has your company made any changes to its 401(k) plan or other employee self-funded plan?
Note: Significant testing was only conducted between 2006 and 2007.

Changes to Plan in Past 12 Months 2007 – Large vs. Small Companies



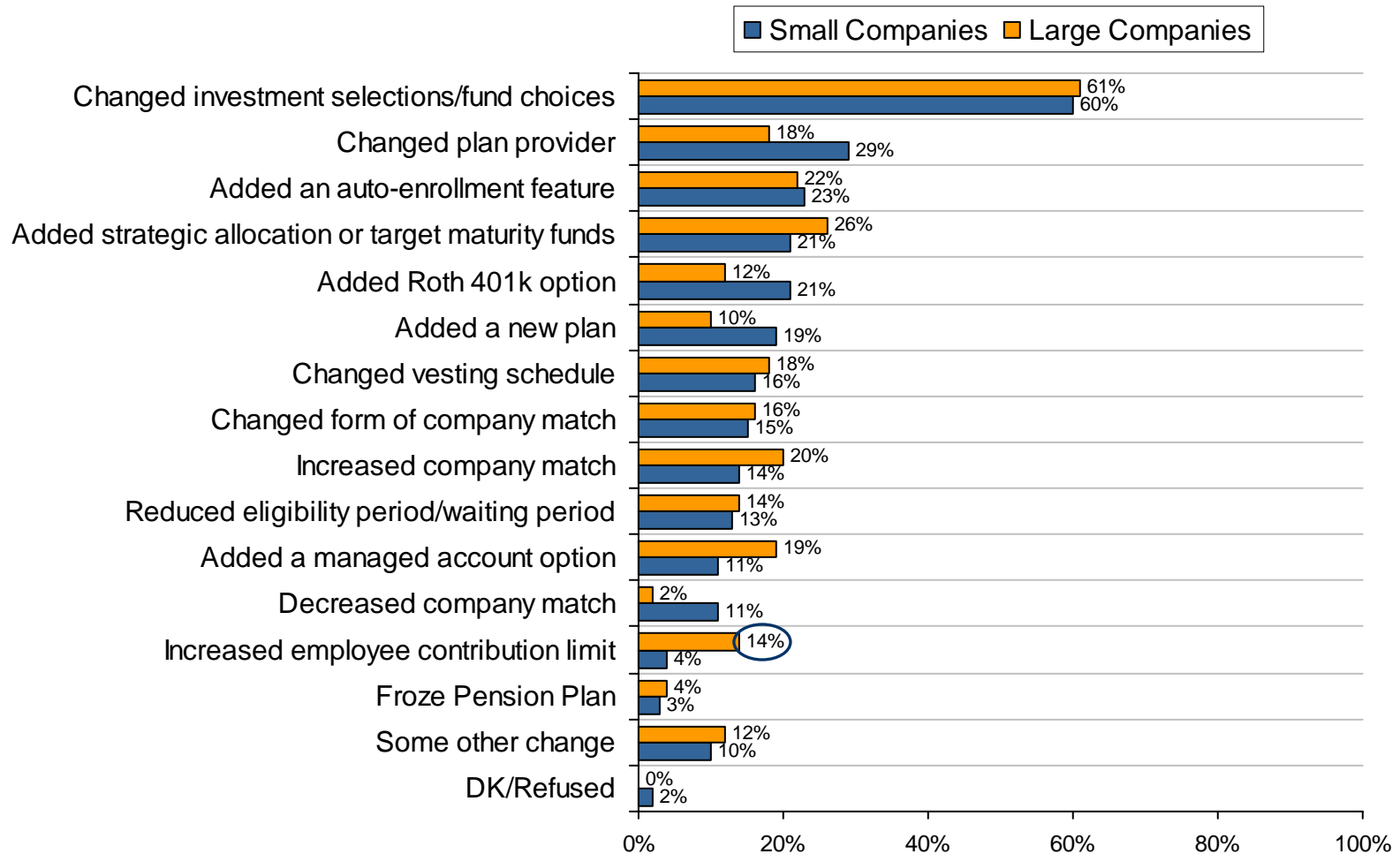
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – Total, N=567; Small, N=304; Large, N=263
Q670. In the past 12 months, has your company made any changes to its 401(k) plan or other employee self-funded plan?

Changes to Plan in Past 12 Months 2007



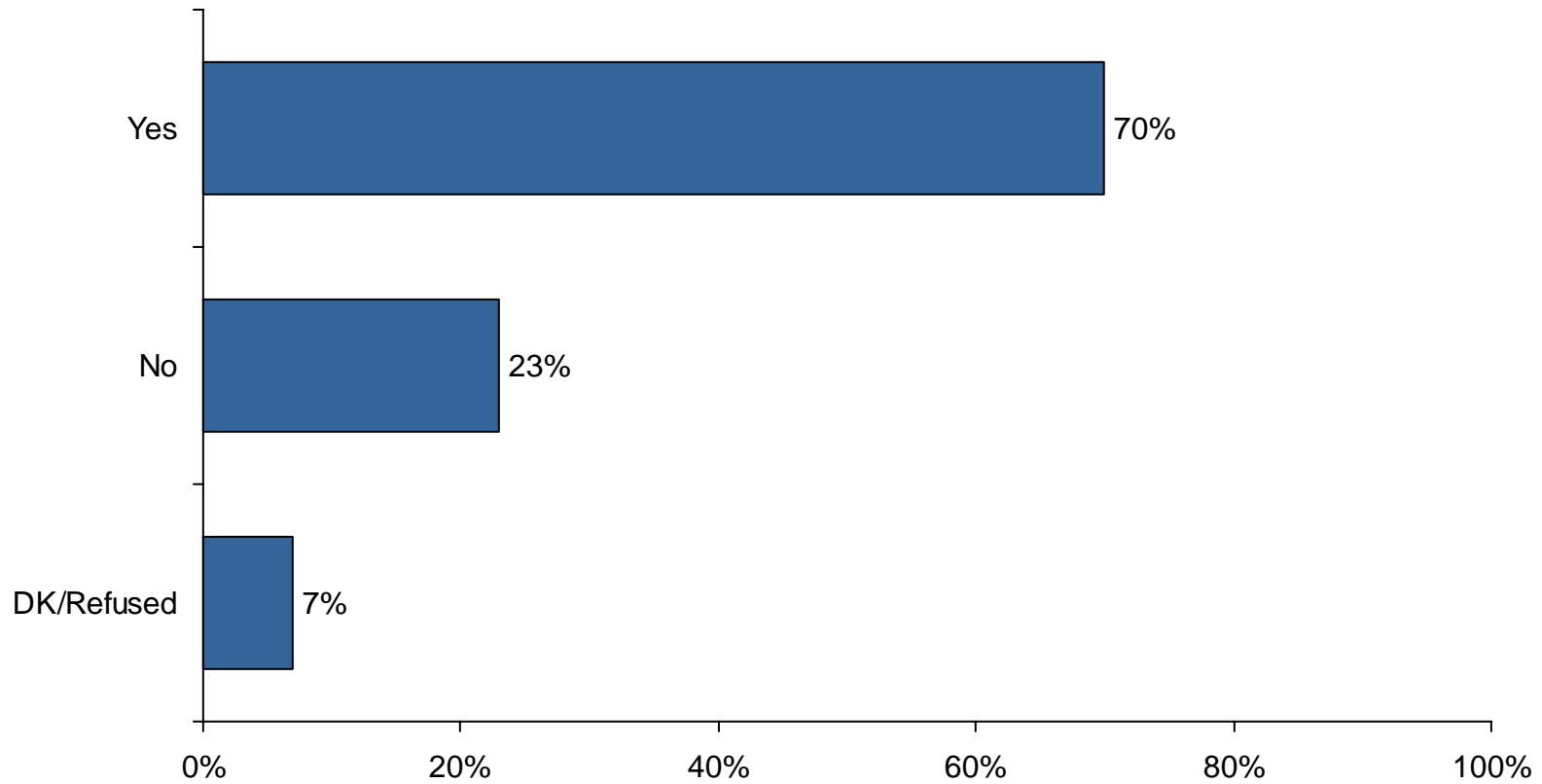
BASE: MADE CHANGES TO PLAN IN LAST YEAR, N=177
Q680. What was changed in the plan? CHOOSE ALL THAT APPLY

Changes to Plan in Past 12 Months 2007 – Large vs. Small Companies



BASE: MADE CHANGES TO PLAN IN LAST YEAR – Total, N=177; Small, N=87; Large, N=90
Q680. What was changed in the plan? CHOOSE ALL THAT APPLY

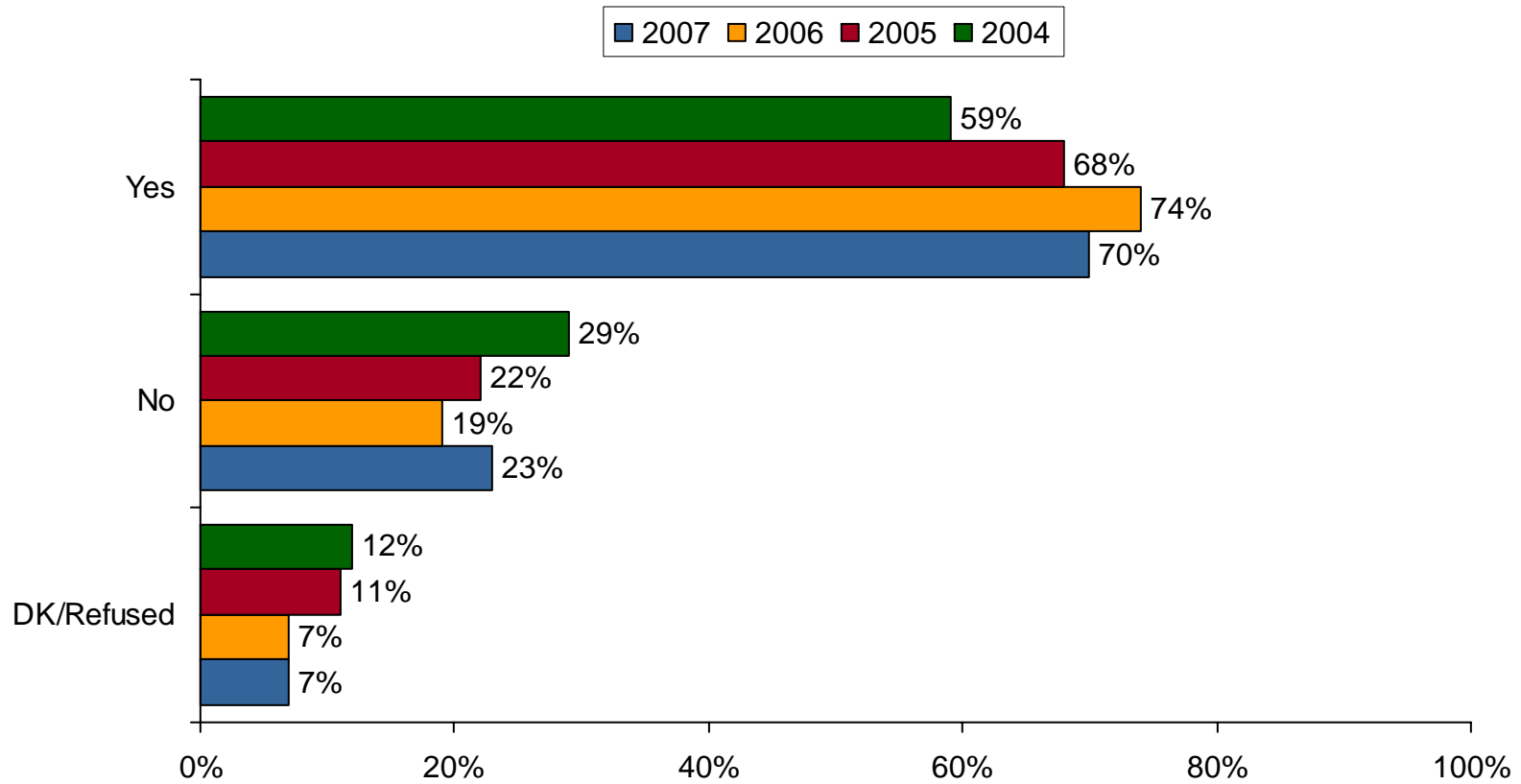
Used Outside Adviser to Help Select Retirement Plan 2007



BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN, N=567
Q690. Did you use an outside adviser to help you select your retirement plan?

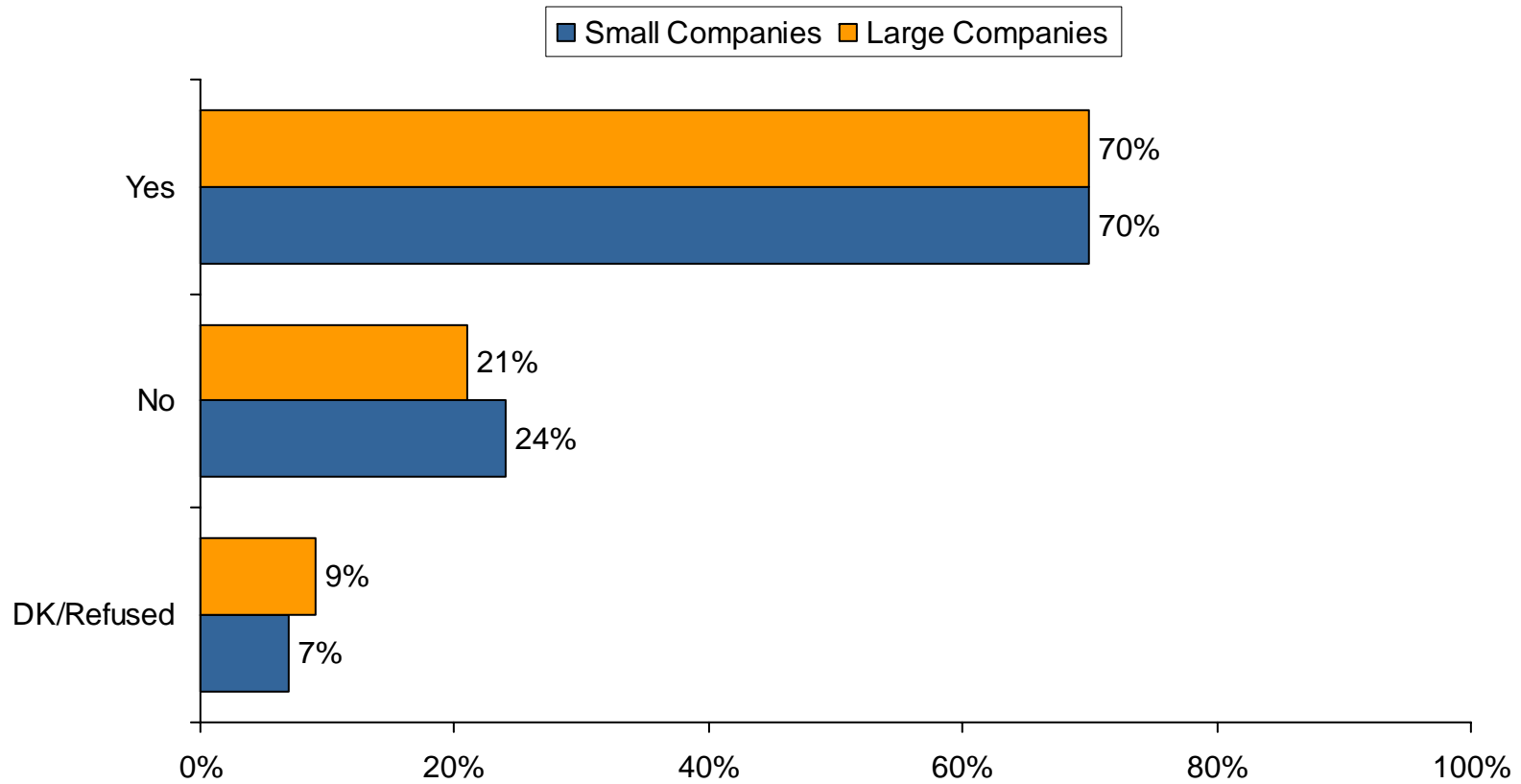
Used Outside Adviser to Help Select Retirement Plan

Annual Tracking



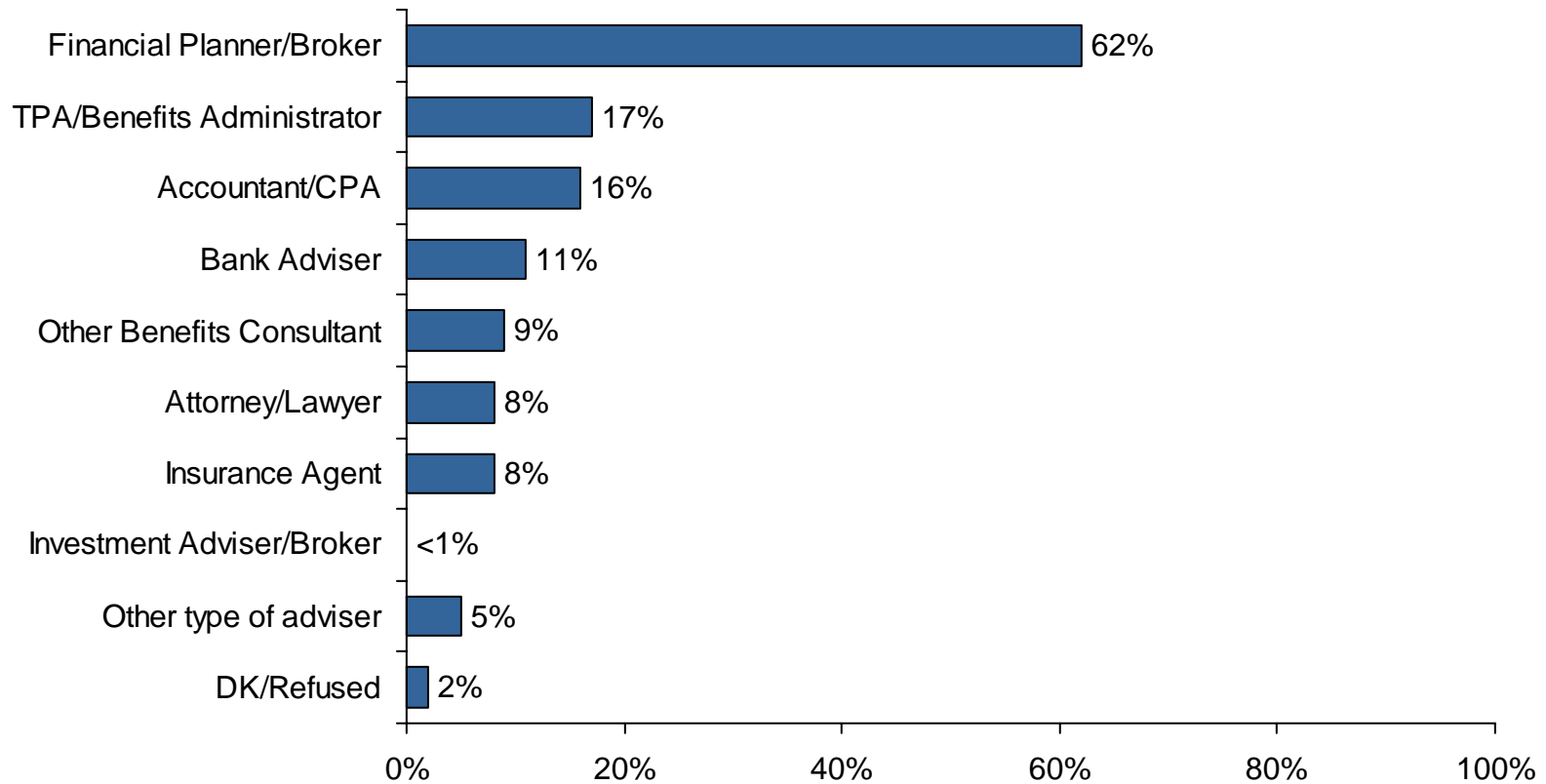
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – 2007, N=567; 2006, N=573; 2005, N=471; 2004, N=504
 Q690. Did you use an outside adviser to help you select your retirement plan?
 Note: Significant testing was only conducted between 2006 and 2007.

Used Outside Adviser to Help Select Retirement Plan 2007 – Large vs. Small Companies



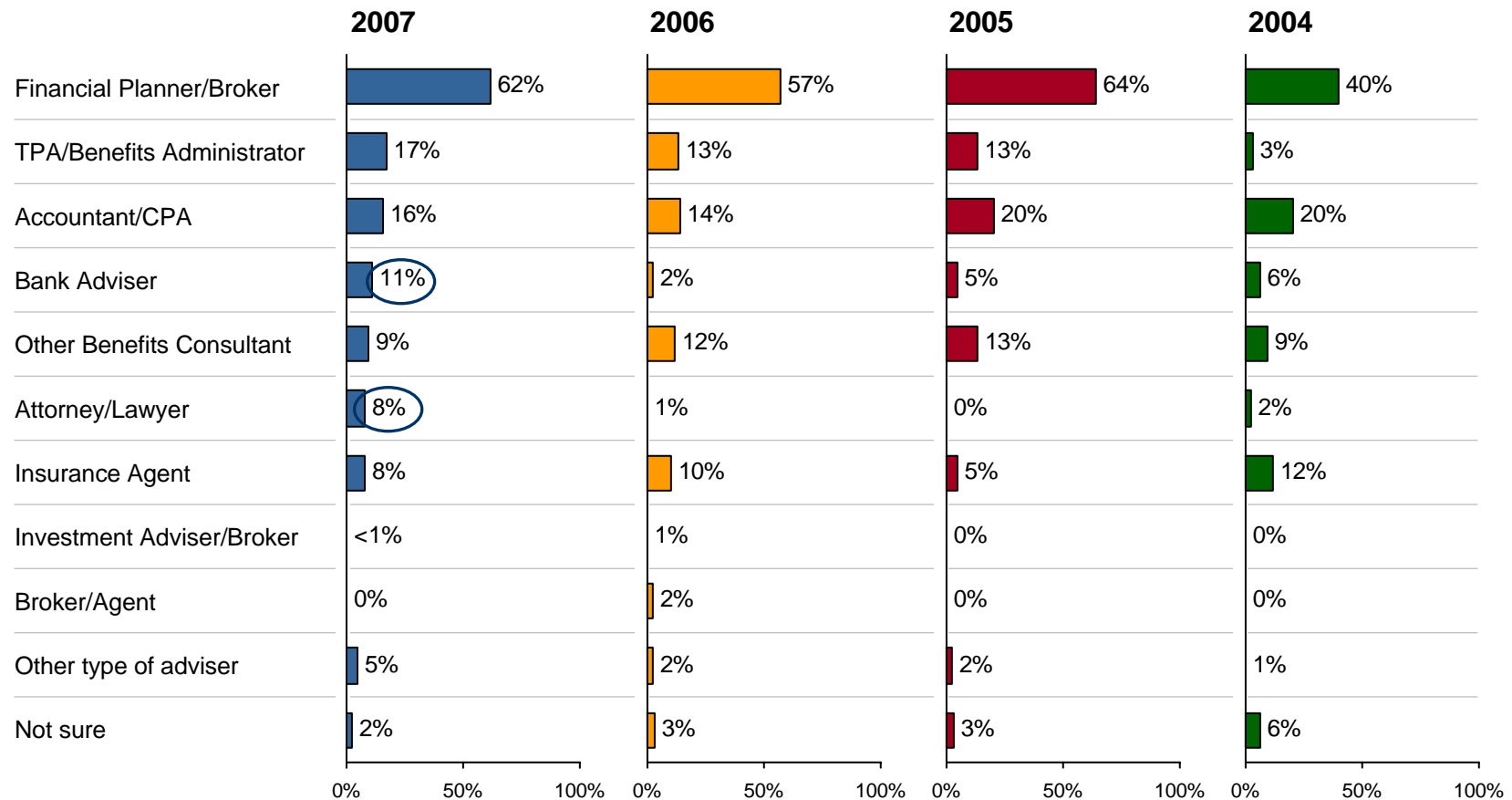
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – Total, N=567; Small, N=304; Large, N=263
Q690. Did you use an outside adviser to help you select your retirement plan?

Type of Adviser Used 2007



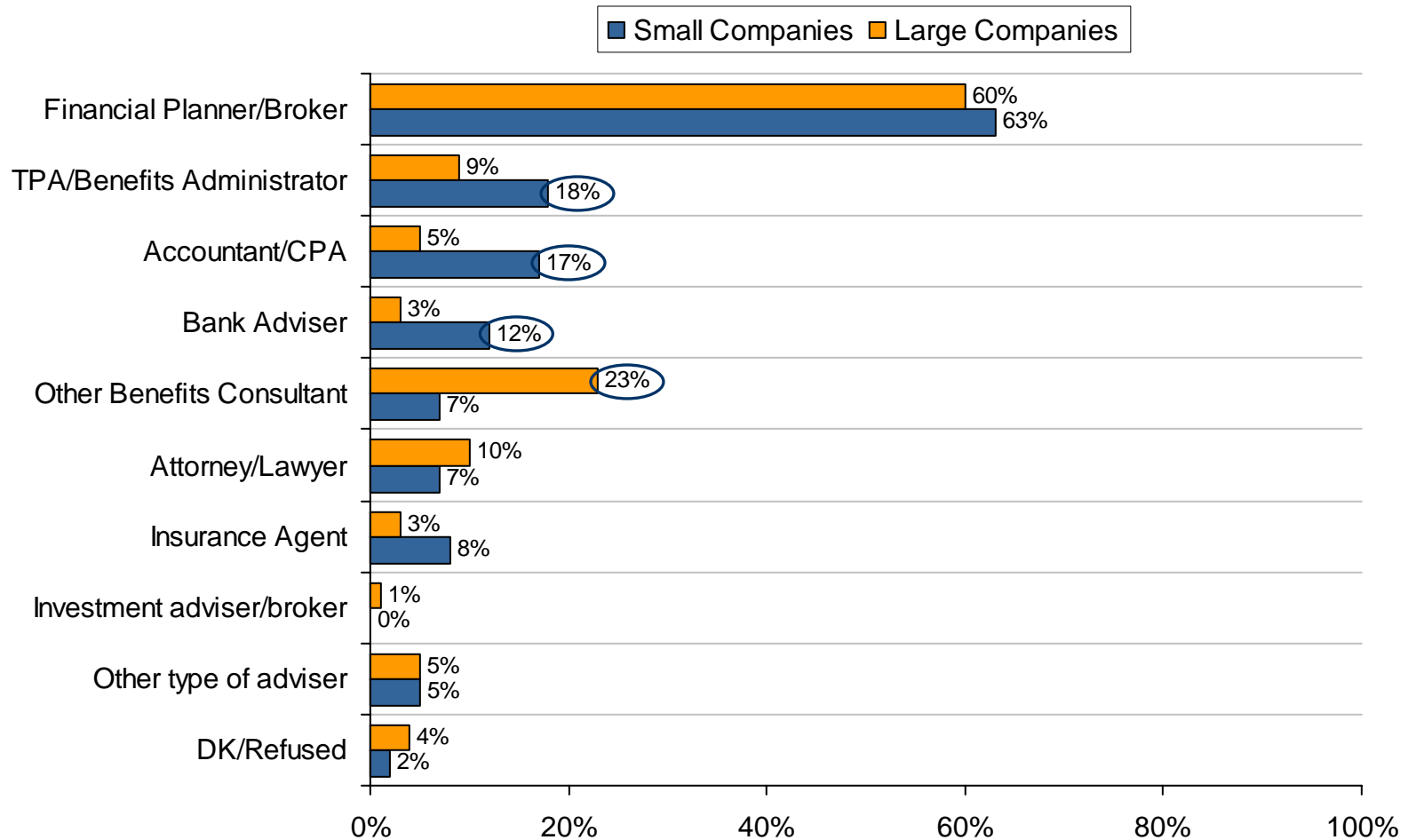
BASE: USED OUTSIDE ADVISER TO HELP SELECT PLAN, N=395
Q700. What type of adviser did you use? SELECT ALL THAT APPLY

Type of Adviser Used Annual Tracking



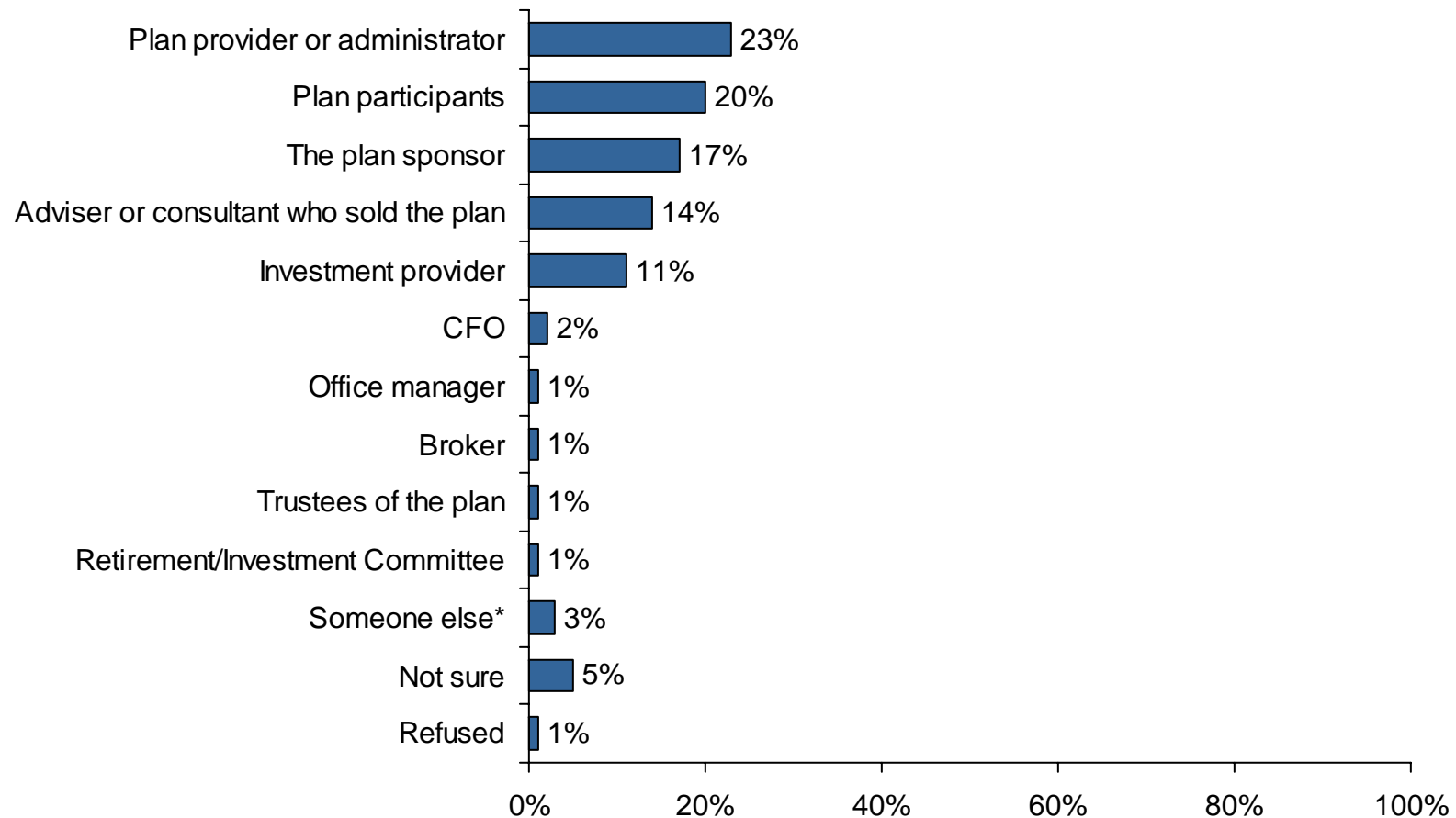
BASE: USED OUTSIDE ADVISER TO HELP SELECT PLAN – 2007, N=395; 2006, N=370; 2005, N=319; 2004, N=260
 Q700. What type of adviser did you use? SELECT ALL THAT APPLY
 Note: Significant testing was only conducted between 2006 and 2007.

Type of Adviser Used 2007 – Large vs. Small Companies



BASE: USED OUTSIDE ADVISER TO HELP SELECT PLAN – Total, N=395; Small, N=212; Large, N=183
Q700. What type of adviser did you use? SELECT ALL THAT APPLY

Person Most Accountable for Selecting/Monitoring Investment Options in Retirement Plan 2007

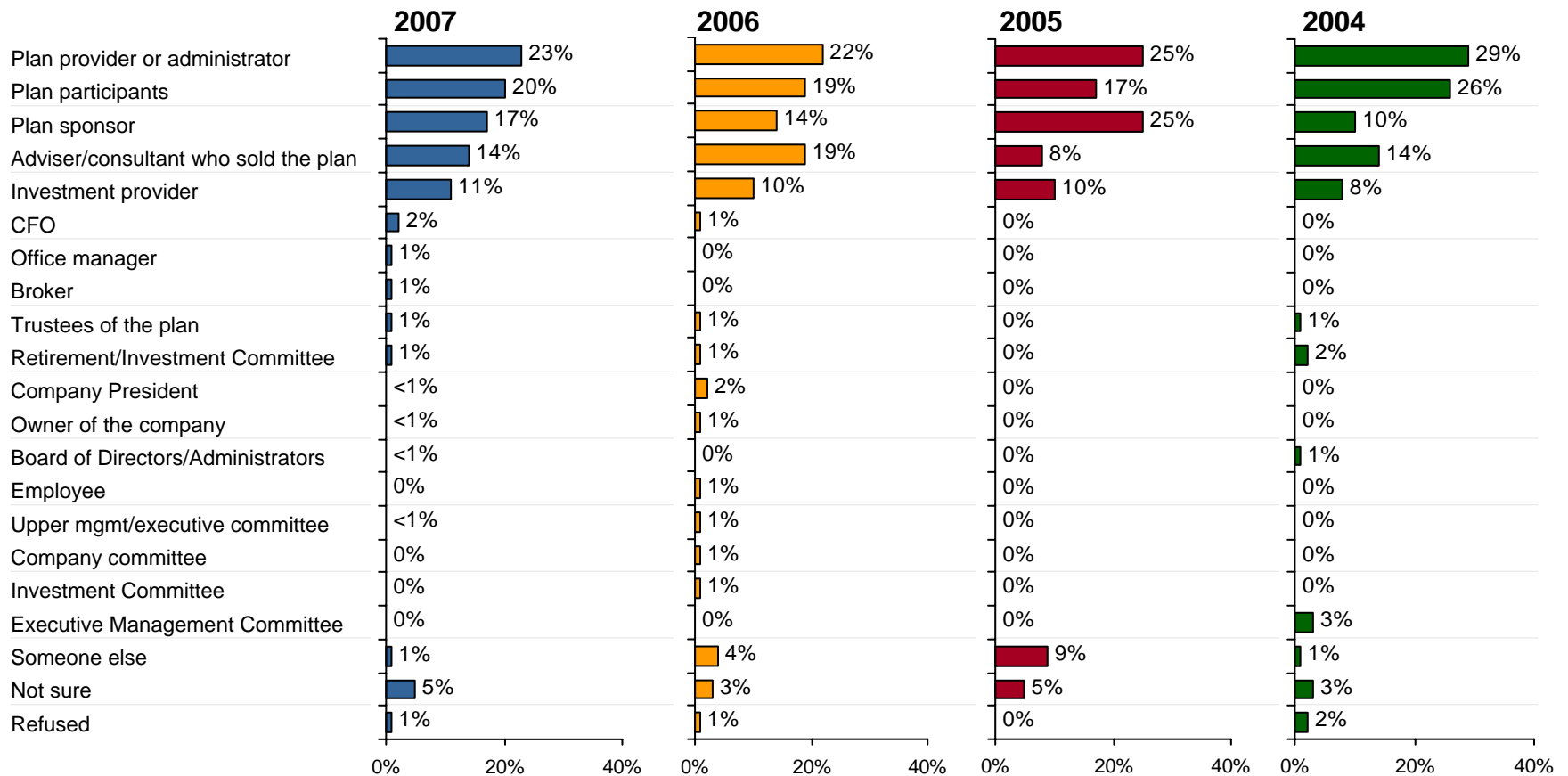


BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN, N=567

Q710. Who from the following list is most accountable for selecting and monitoring the investment options in your company's retirement plan?

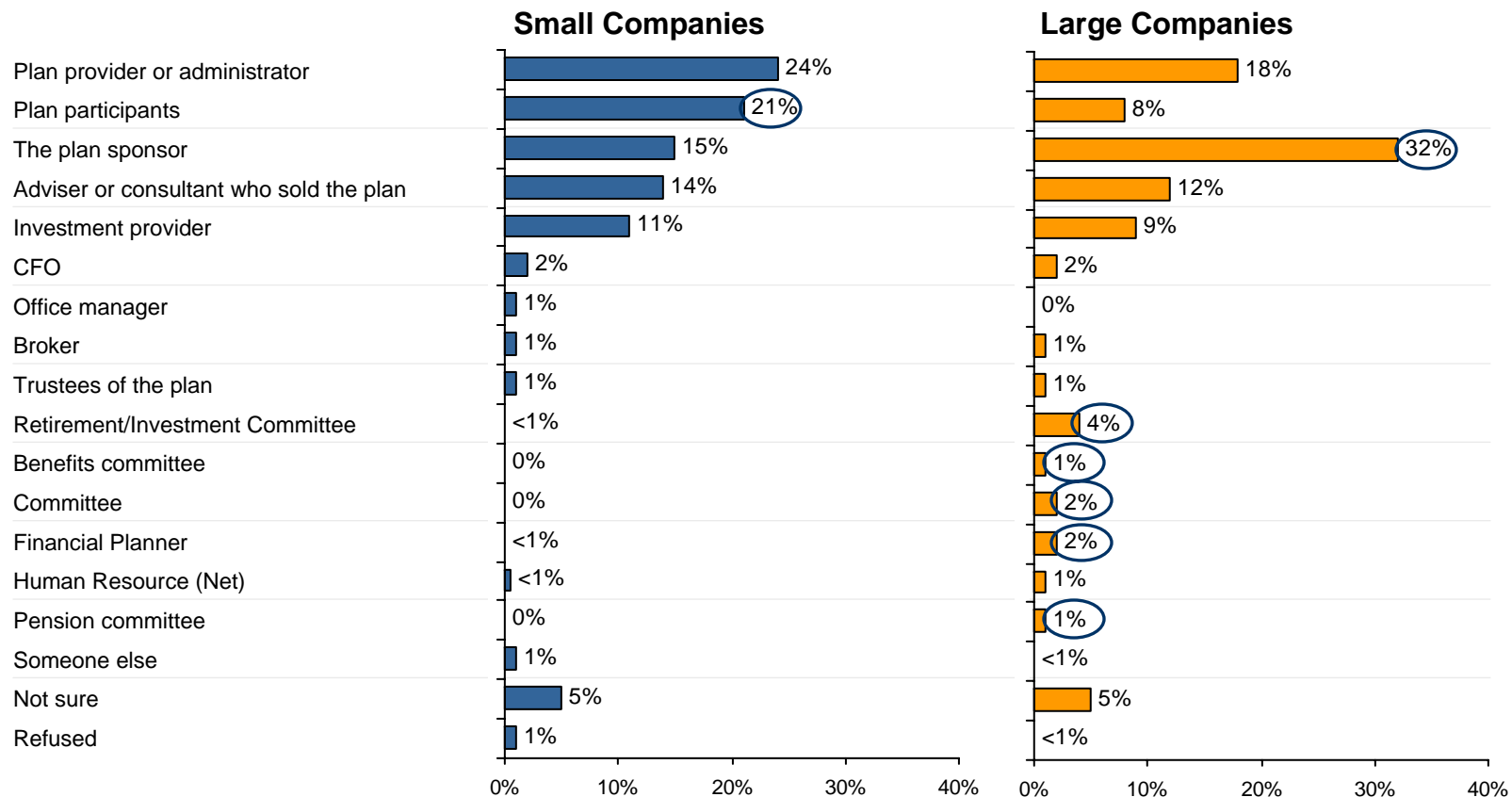
*This includes responses for "someone else" combined with all other options with response totals of less than 1% each.

Person Most Accountable for Selecting/Monitoring Investment Options in Retirement Plan Annual Tracking



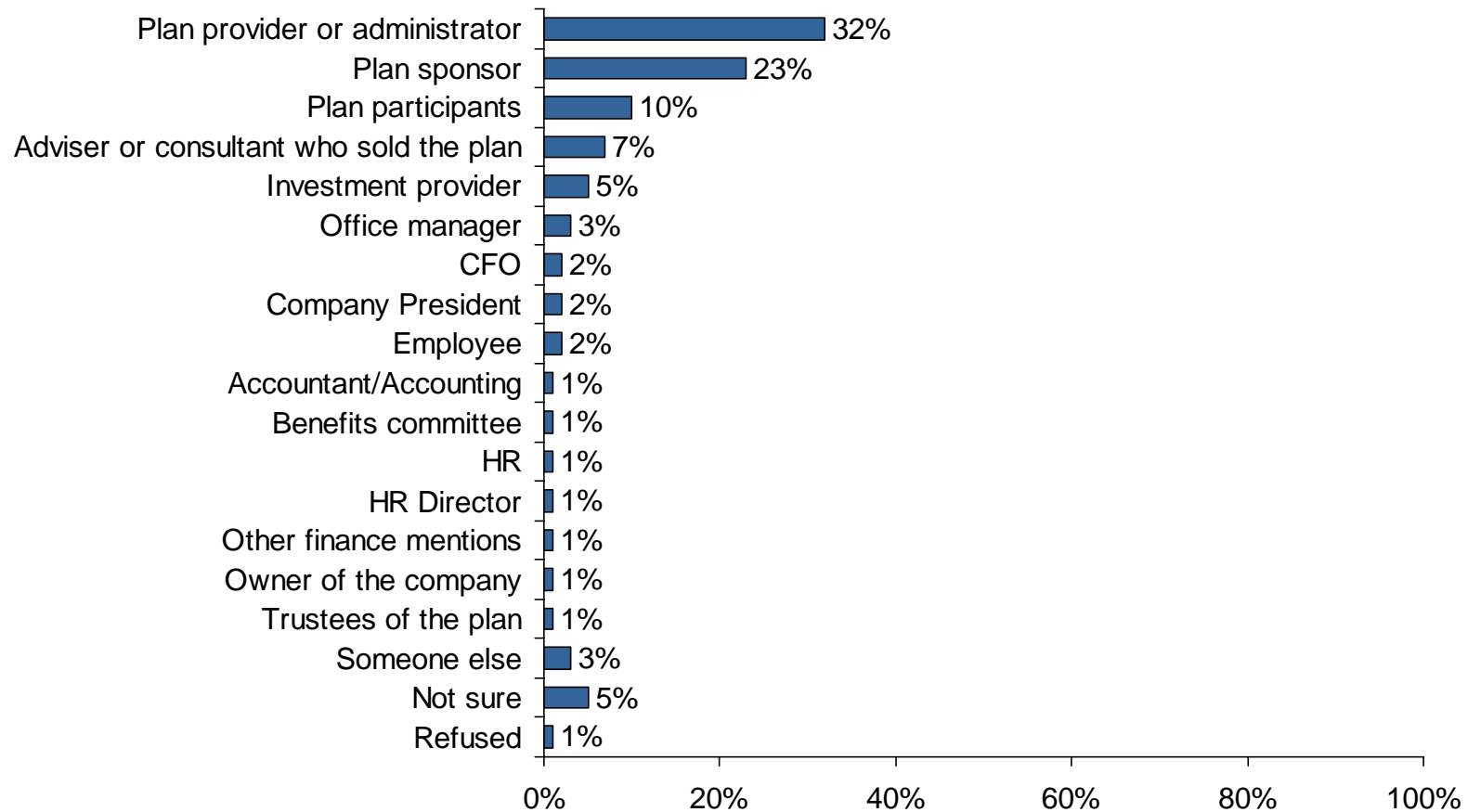
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – 2007, N=567 2006, N=573; 2005, N=471; 2004, N=504
 Q710. Who from the following list is most accountable for selecting and monitoring the investment options in your company's retirement plan?
 Note: Significant testing was only conducted between 2006 and 2007.

Person Most Accountable for Selecting/Monitoring Investment Options in Retirement Plan 2007 – Large vs. Small Companies



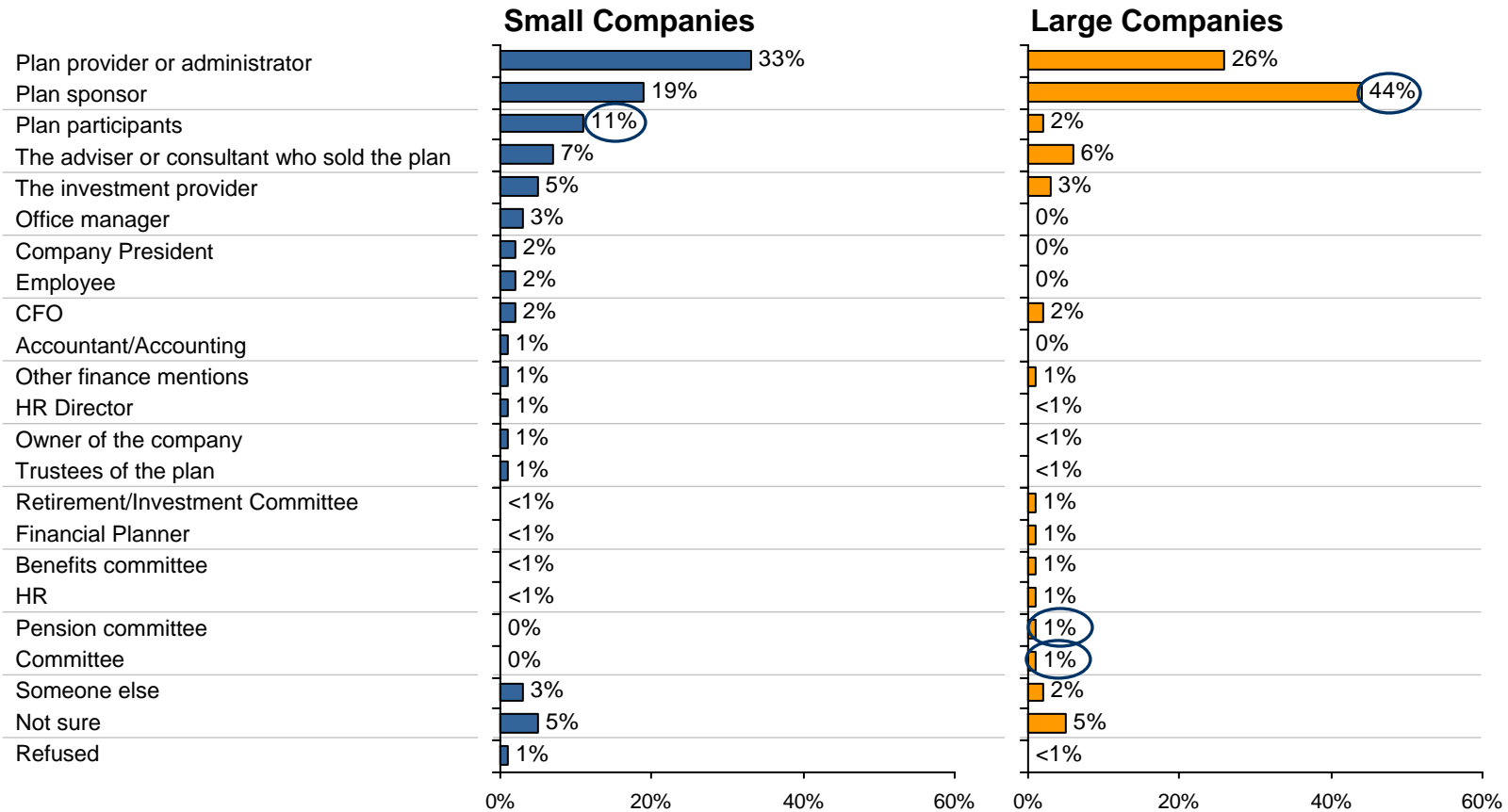
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – Total, N=567; Small, N=304; Large, N=263
Q710. Who from the following list is most accountable for selecting and monitoring the investment options in your company's retirement plan?

Person Ultimately Responsible for Monitoring Fees and Expenses Associated With Retirement Plan 2007



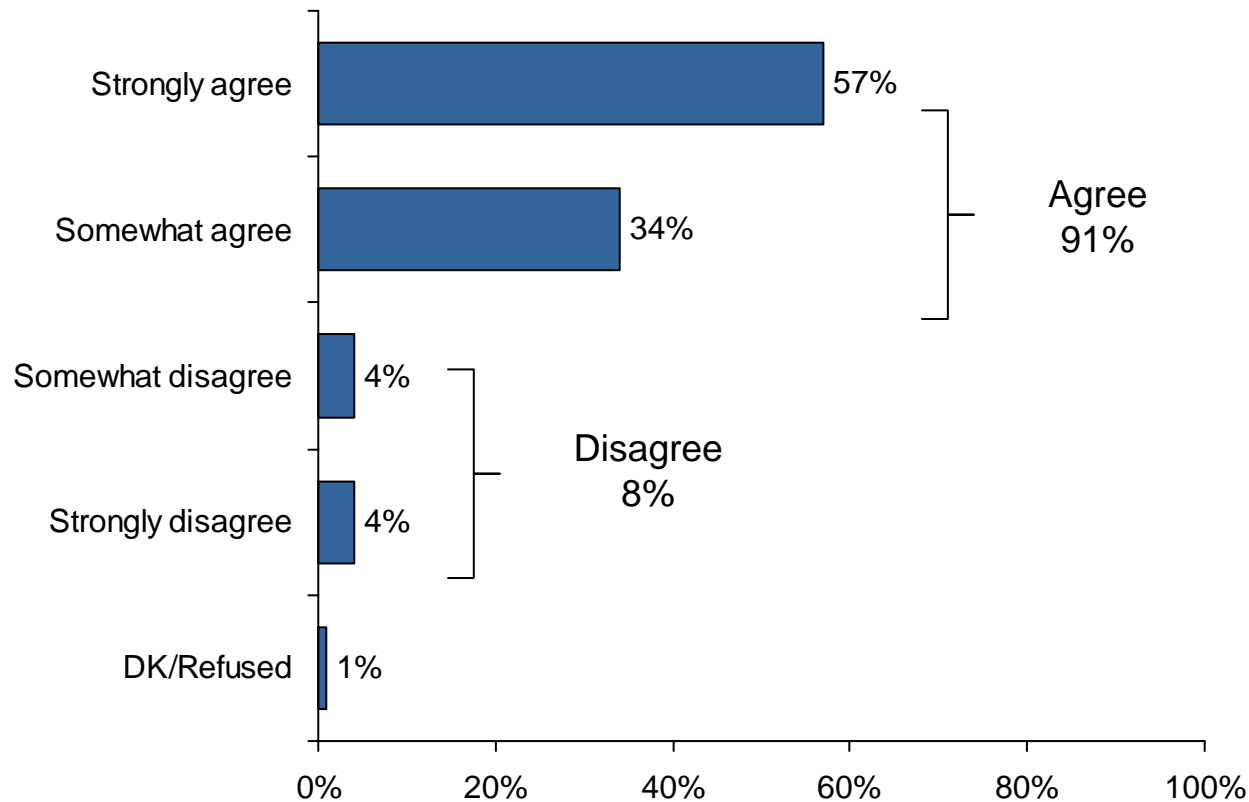
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN, N=567
Q1035. Who is ultimately responsible for monitoring fees and expenses associated with the retirement plan?

Person Ultimately Responsible for Monitoring Fees and Expenses Associated With Retirement Plan 2007 – Large vs. Small Companies



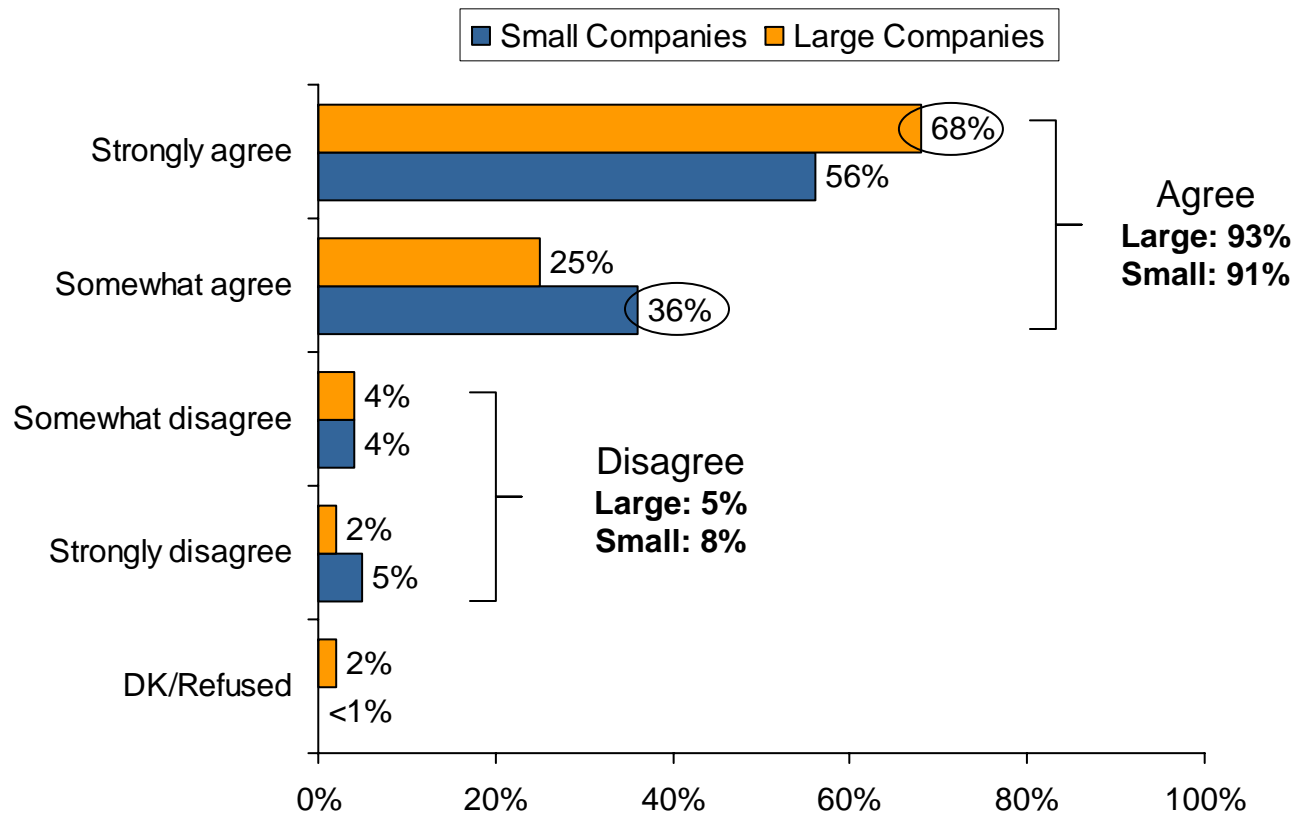
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – Total, N=567; Small, N=304; Large, N=263
 Q1035. Who is ultimately responsible for monitoring fees and expenses associated with the retirement plan?

Statement Agreement: Company Has Clear Understanding of Fees/Expenses for the Plan 2007



BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN, N=567
Q1039. People at our company, who are responsible for overseeing the company's retirement plan, have a clear understanding of the fees and expenses associated with the retirement plan.

Statement Agreement: Company Has Clear Understanding of Fees/Expenses for the Plan 2007 – Large vs. Small Companies



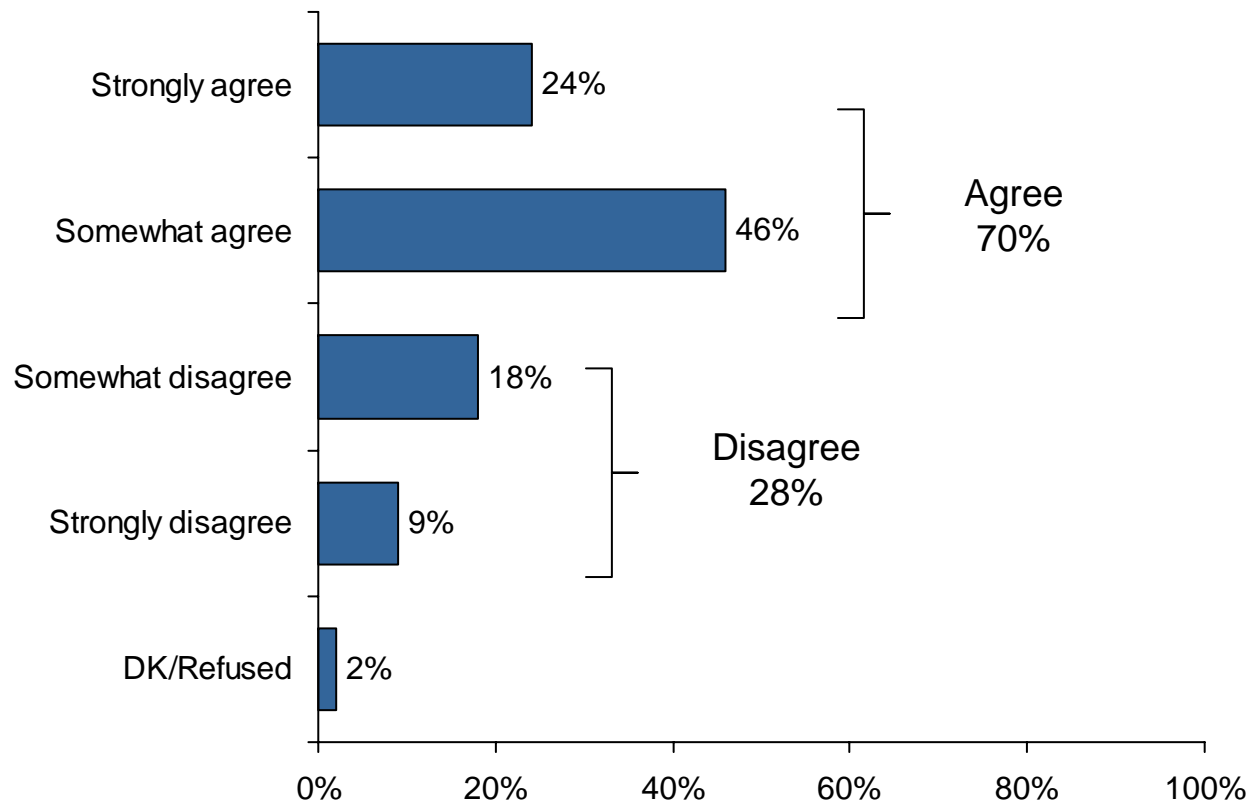
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – Total, N=567; Small, N=304; Large, N=263
 Q1039. People at our company, who are responsible for overseeing the company's retirement plan, have a clear understanding of the fees and expenses associated with the retirement plan.



Detailed Findings

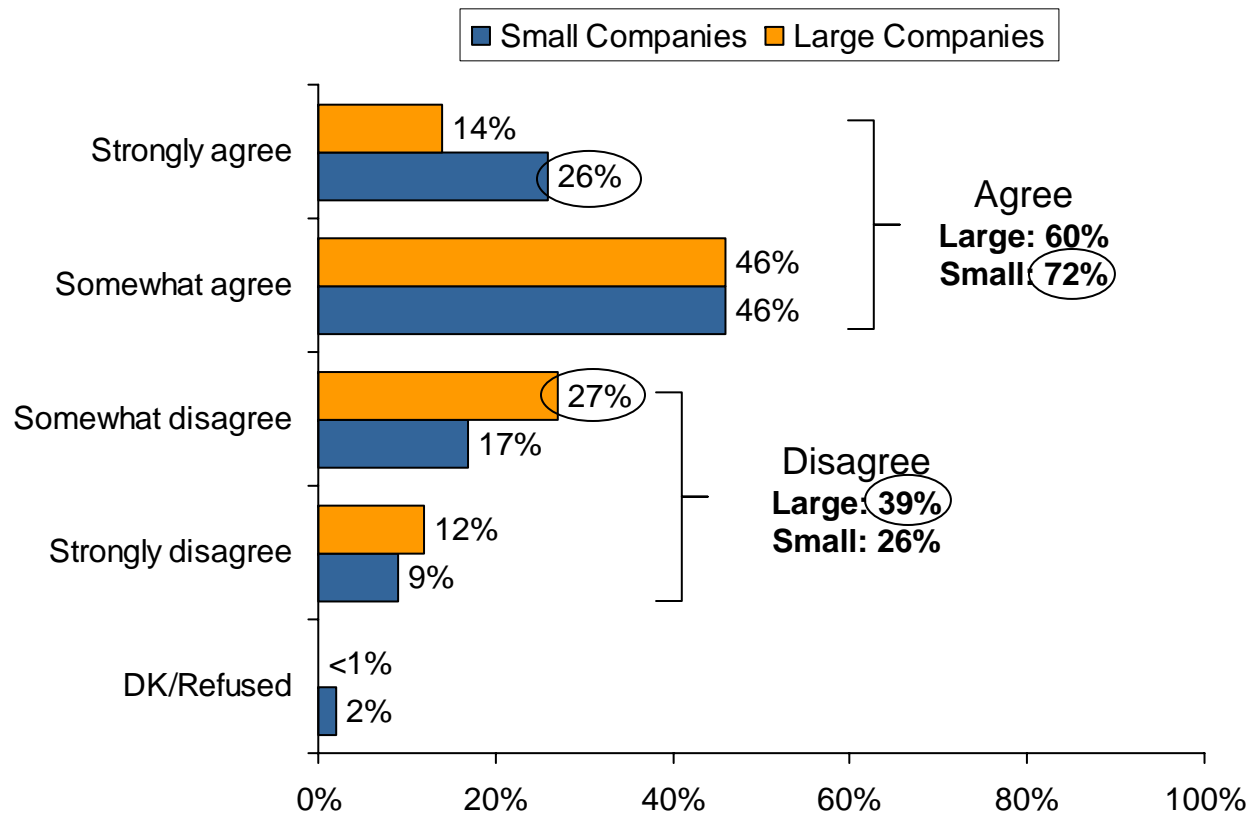
- Relative Importance of Various Employee Benefits
- Retirement Benefits Offerings
- Perceptions of Current Retirement Plan Offerings
- **Perceptions of Employee Involvement with Retirement Planning**

Statement Agreement: Employees Have Clear Understanding of Fees Associated with the Plan 2007



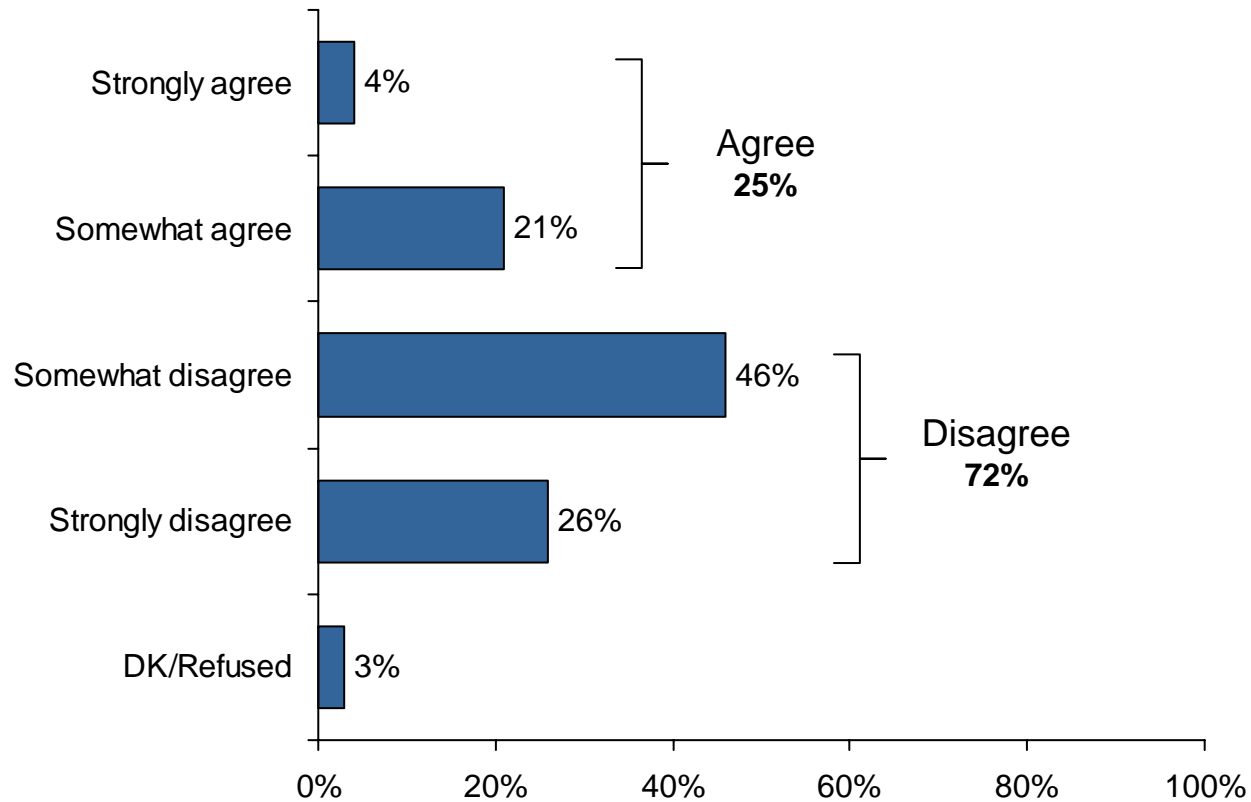
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN, N=567
Q1041. Our employees have a clear understanding of the fees associated with participating in the retirement plan

Statement Agreement: Employees Have Clear Understanding of Fees Associated with the Plan 2007 – Large vs. Small Companies



BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – Total, N=567; Small, N=304; Large, N=263 Q1041. Our employees have a clear understanding of the fees associated with participating in the retirement plan

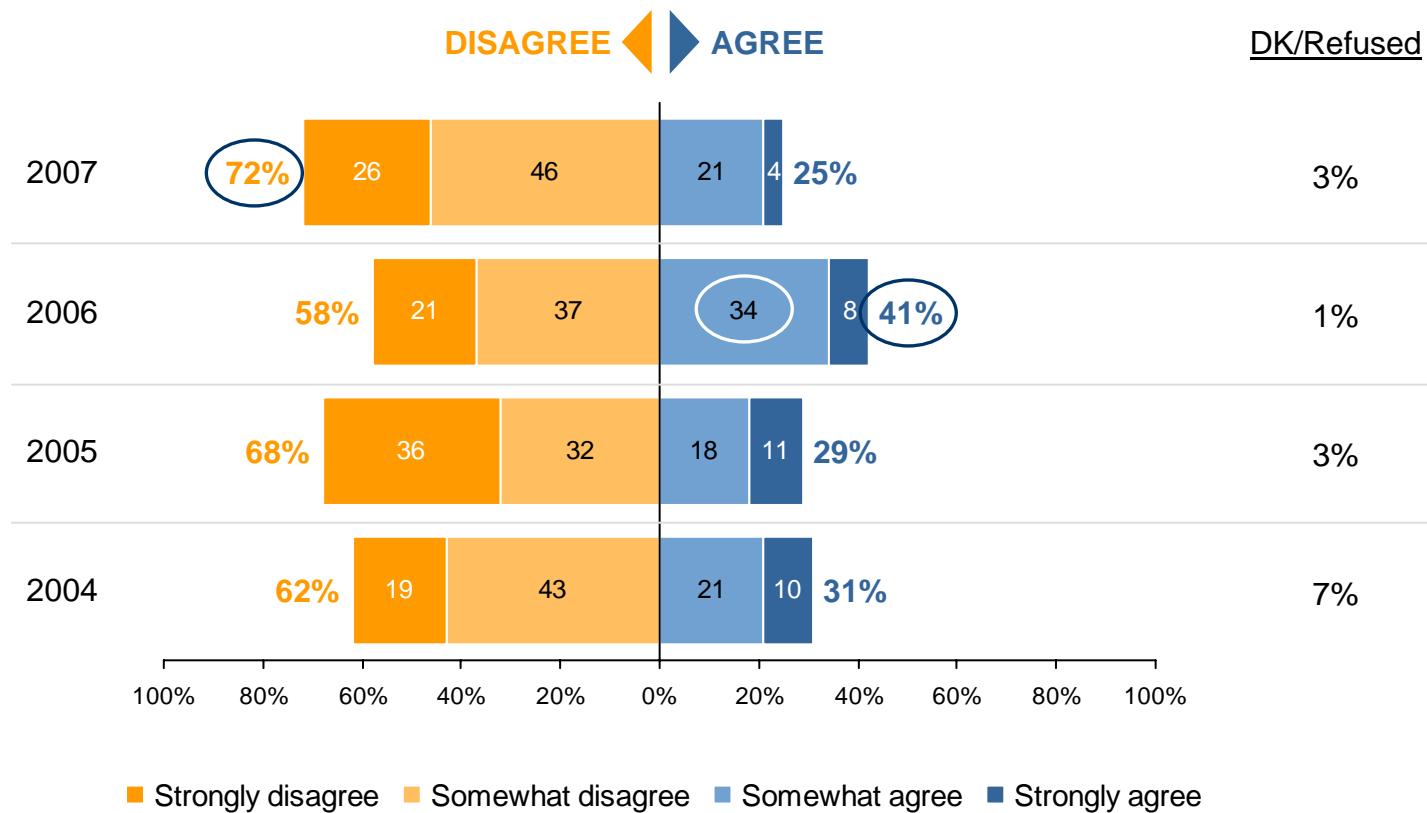
Statement Agreement: Want More Investment Options 2007



BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN, N=567
Q720. Most employees in our company would like more investment options available to them within the retirement plan.

Statement Agreement: Want More Investment Options

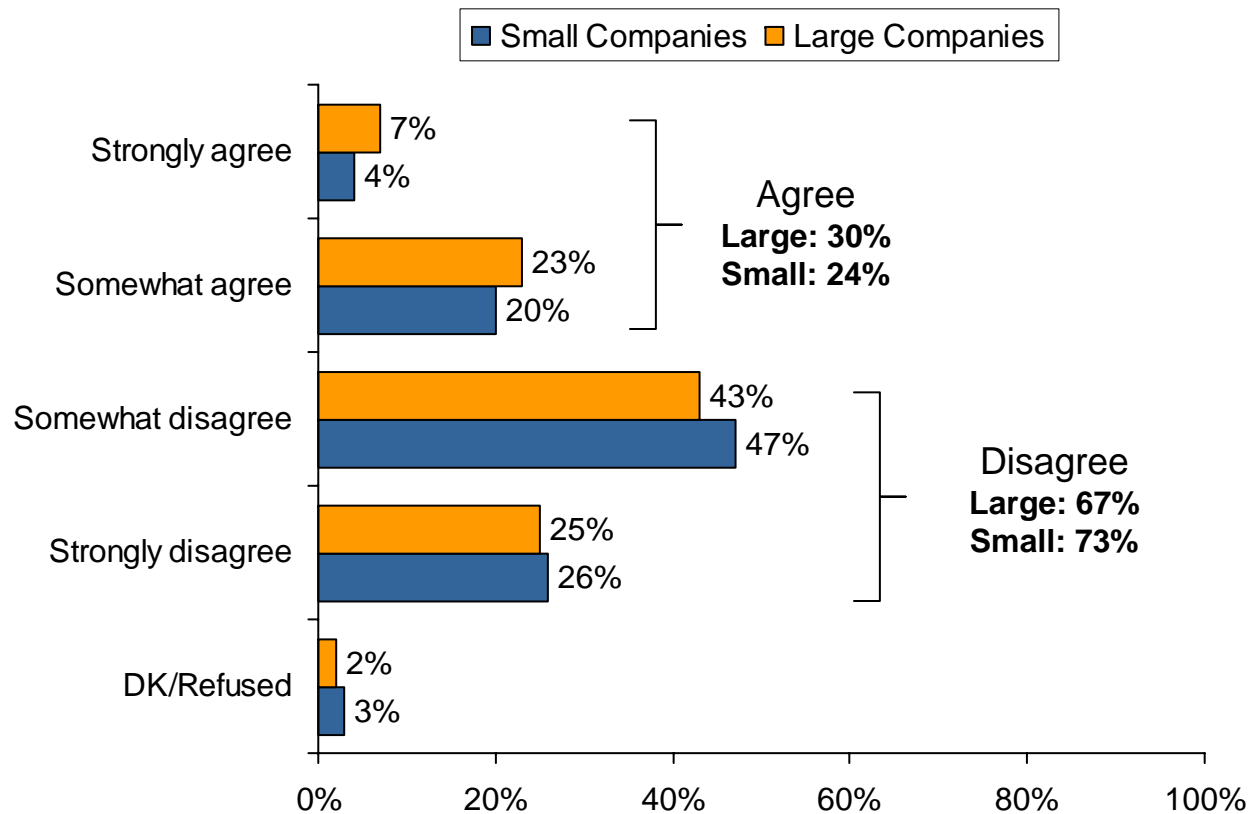
Annual Tracking



BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – 2007, N=567; 2006, N=573; 2005, N=471; 2004, N=504 Q720. Most employees in our company would like more investment options available to them within the retirement plan. Note: Significant testing was only conducted between 2006 and 2007.

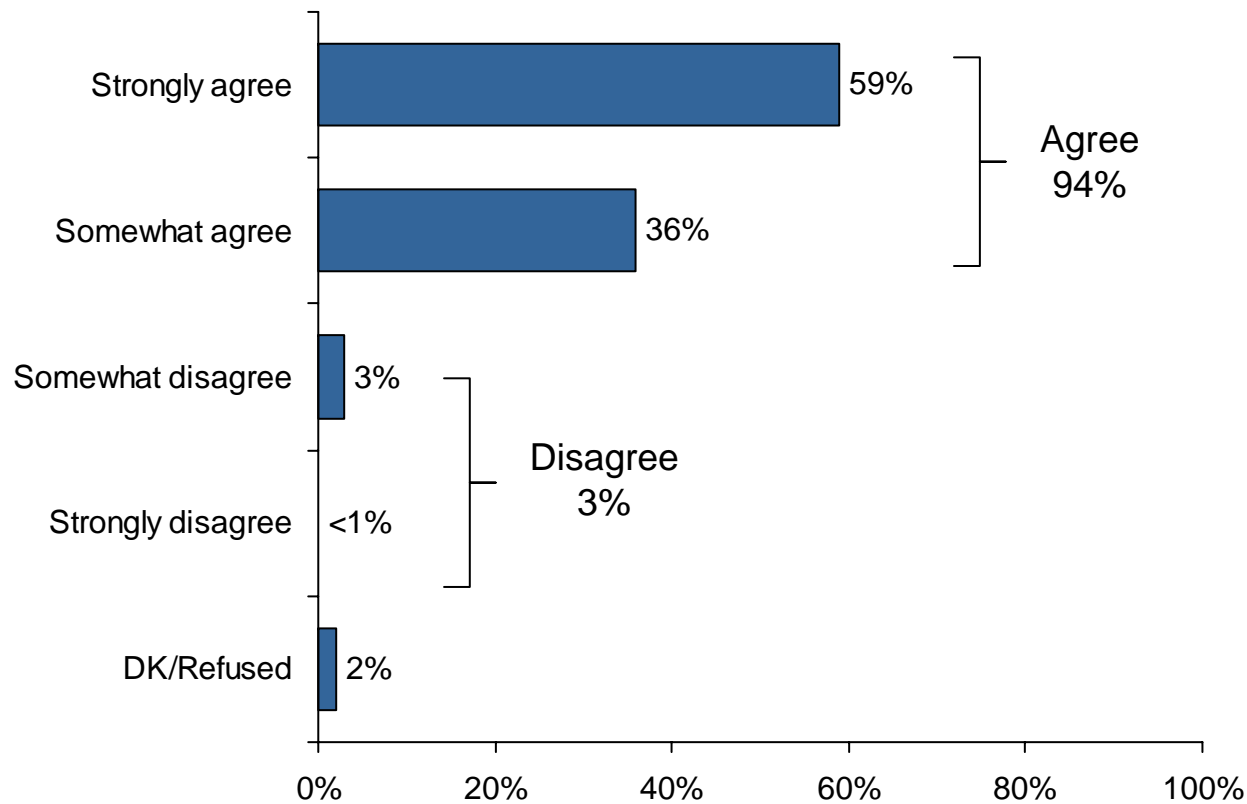
Statement Agreement: Want More Investment Options

2007 – Large vs. Small Companies



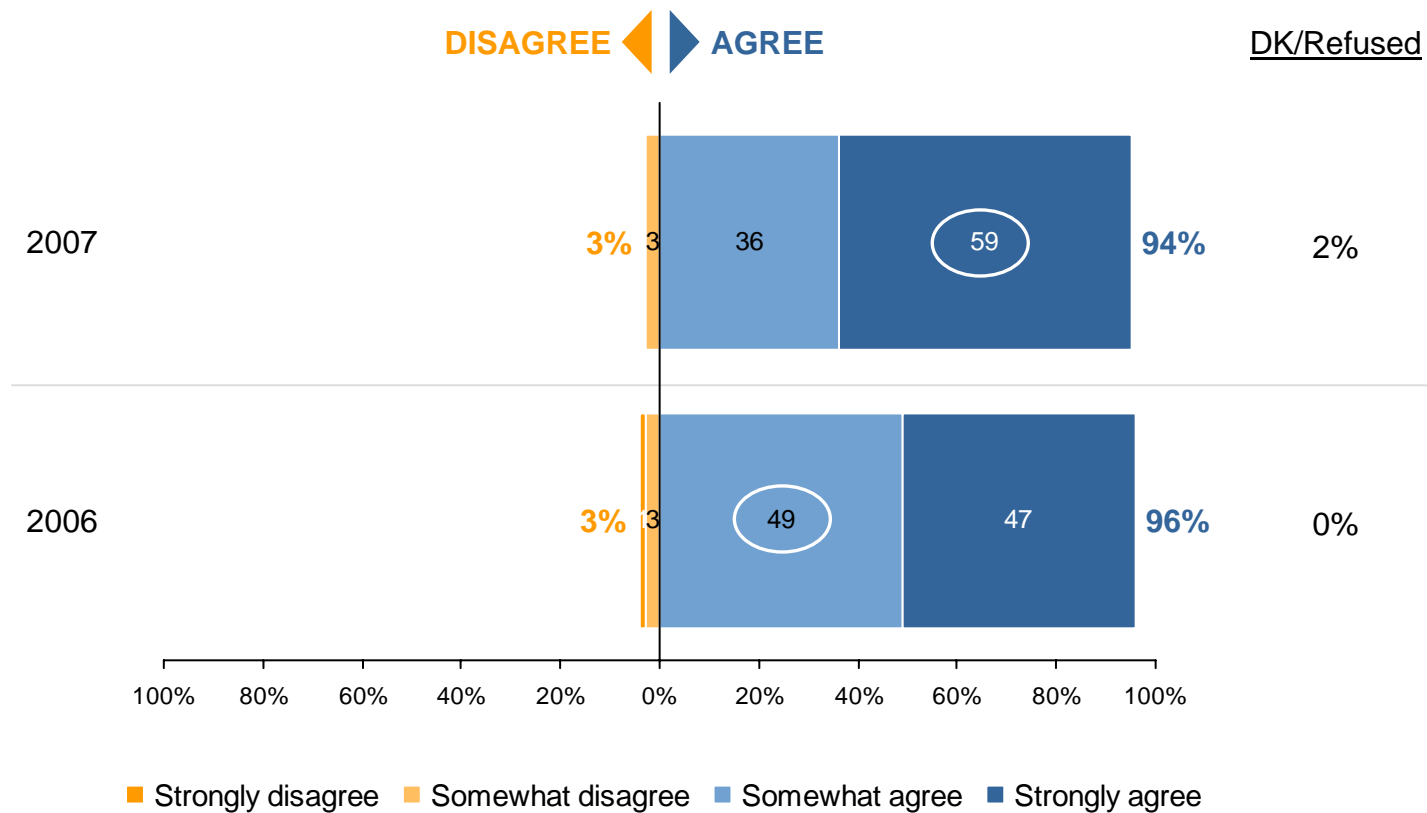
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – Total, N=567; Small, N=304; Large, N=263 Q720. Most employees in our company would like more investment options available to them within the retirement plan.

Statement Agreement: Satisfied with Quality of Options 2007



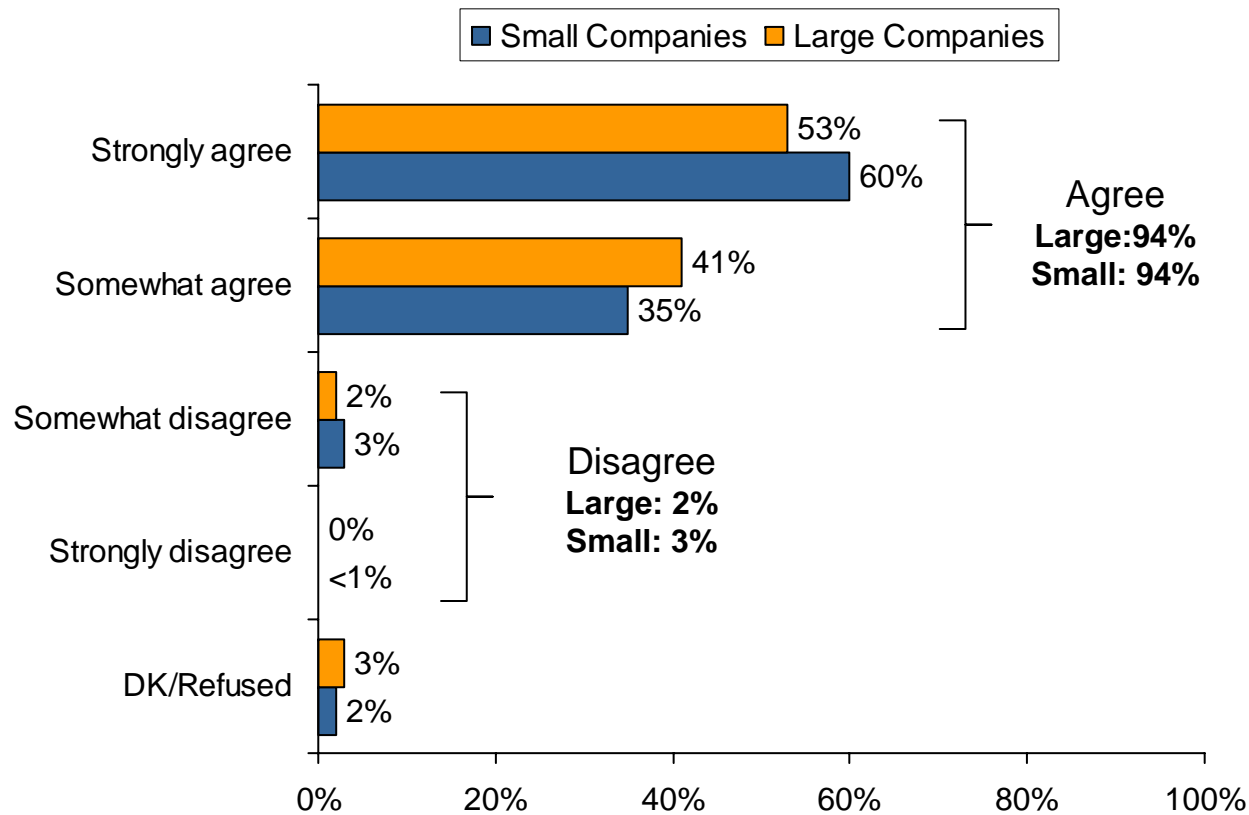
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN, N=567
Q725. Most employees in our company are satisfied with the quality of the investment options within the retirement plan.

Statement Agreement: Satisfied with Quality of Options Annual Tracking



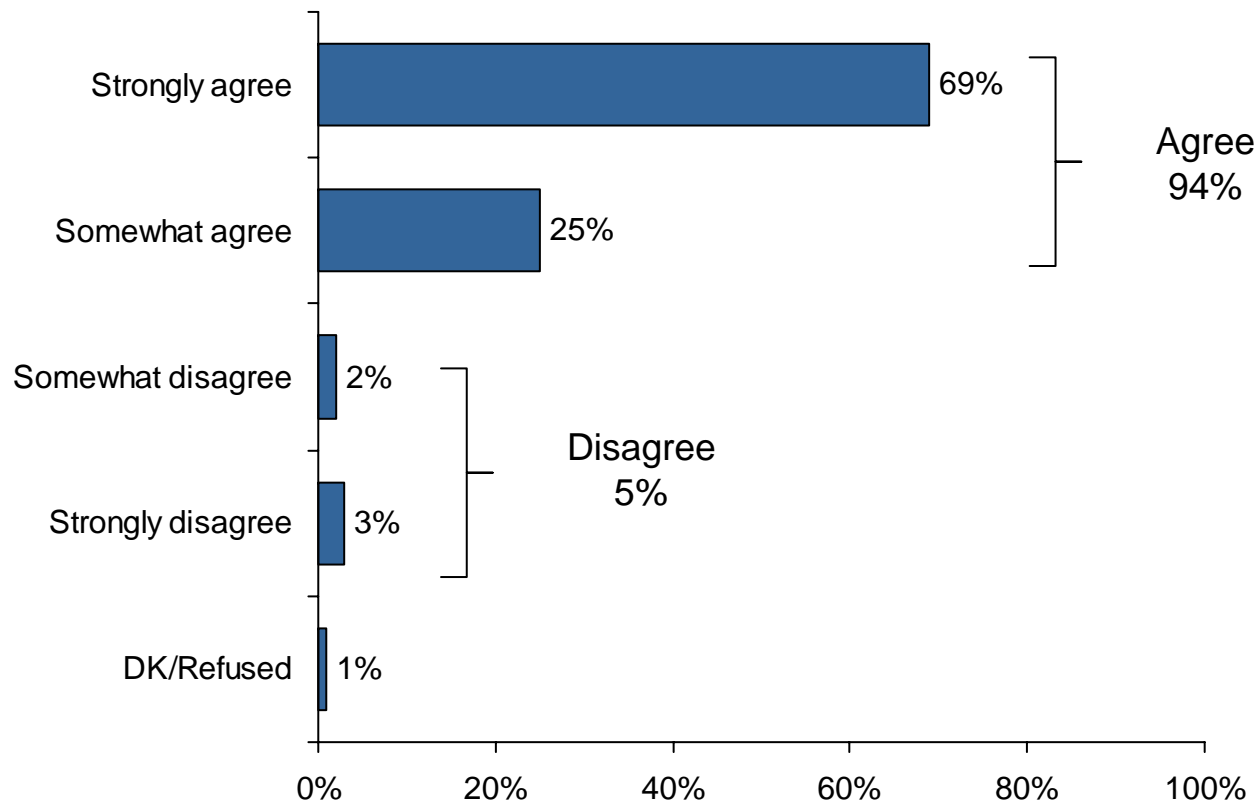
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – 2007, N=567; 2006, N=573
 Q725. Most employees in our company are satisfied with the quality of the investment options within the retirement plan.
 Note: Significant testing was only conducted between 2006 and 2007.

Statement Agreement: Satisfied with Quality of Options 2007 – Large vs. Small Companies



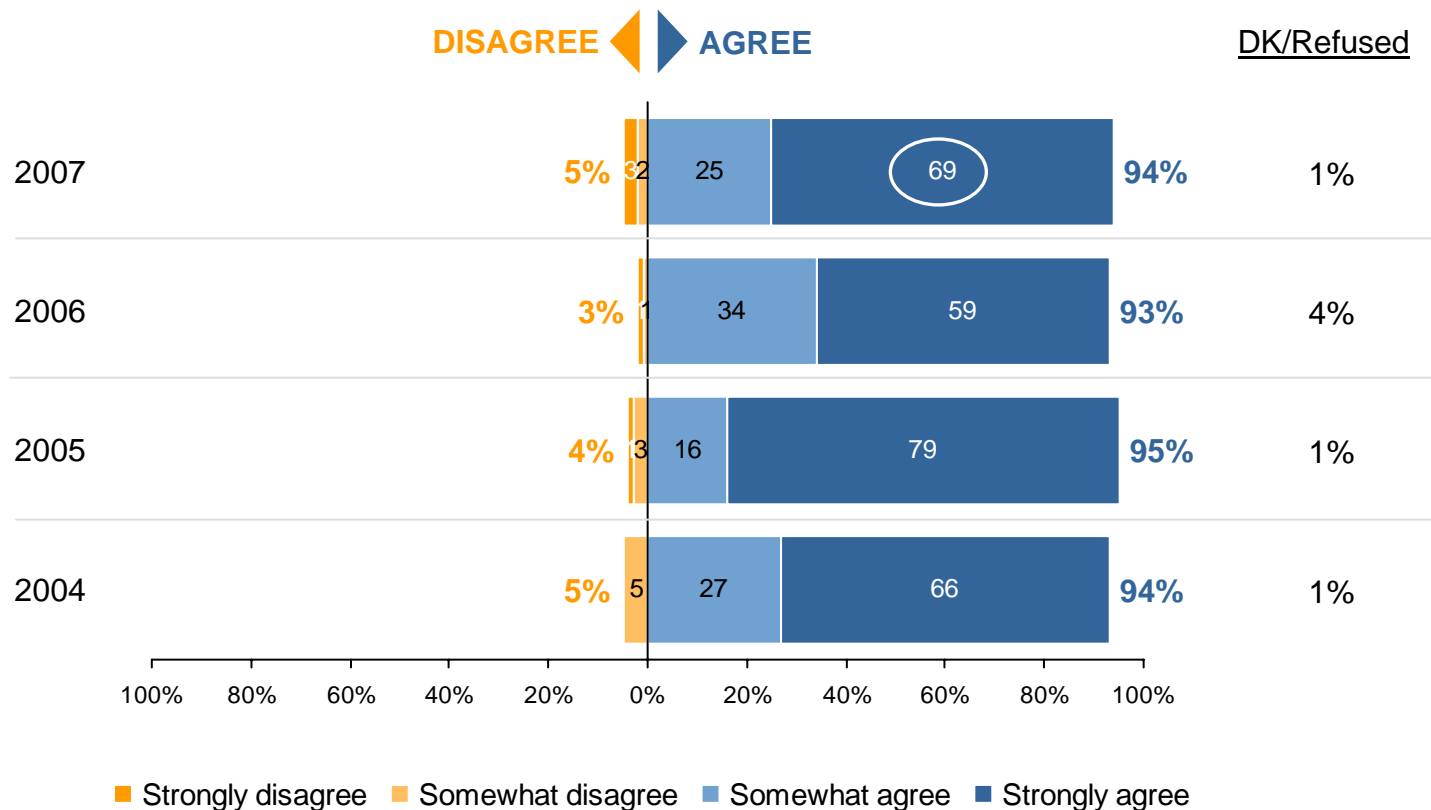
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – Total, N=567; Small, N=304; Large, N=263 Q725. Most employees in our company are satisfied with the quality of the investment options within the retirement plan.

Statement Agreement: Give Employees Info They Need 2007



BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN, N=567
Q730. Our company gives employees the right information they need to make decisions about the retirement plan.

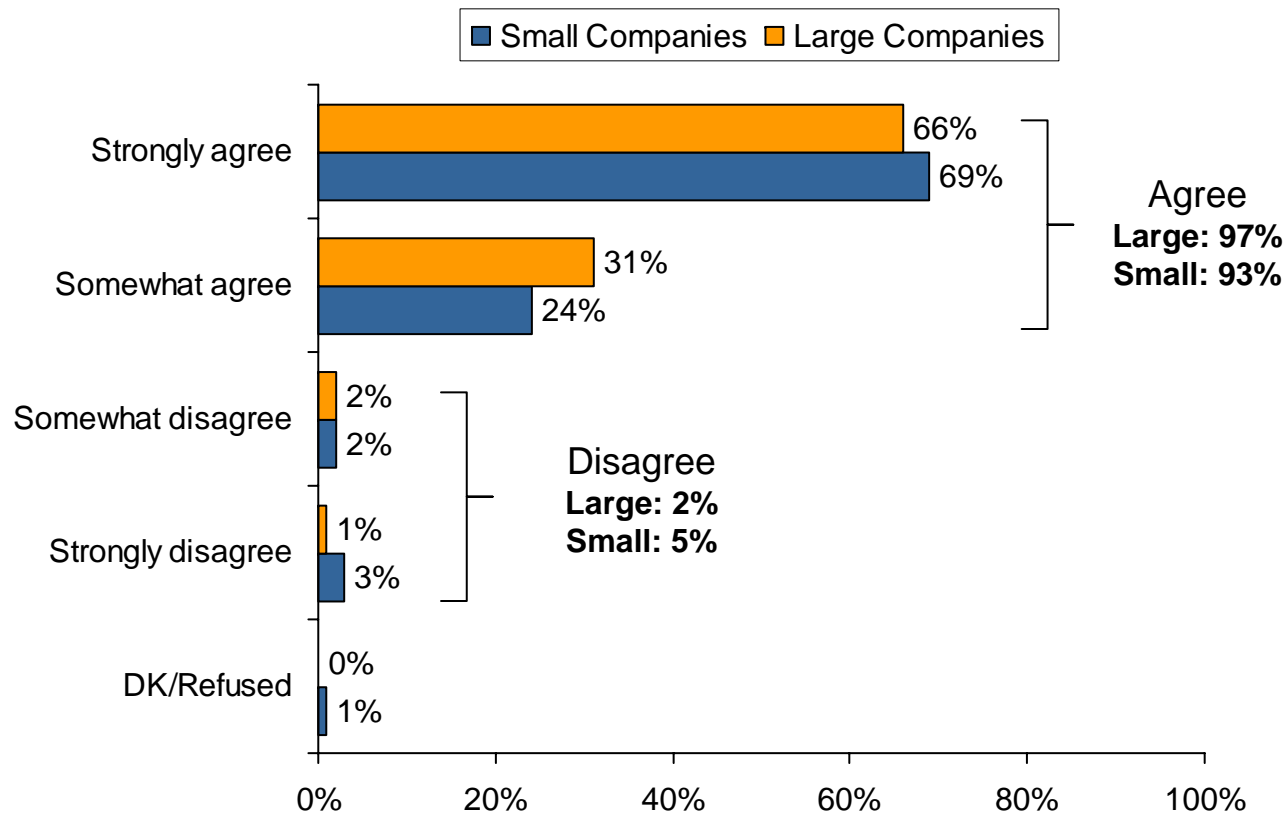
Statement Agreement: Give Employees Info They Need Annual Tracking



BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – 2007, N=567; 2006, N=573; 2005, N=471; 2004, N=504 Q730. Our company gives employees the right information they need to make decisions about the retirement plan.
 Note: Significant testing was only conducted between 2006 and 2007.

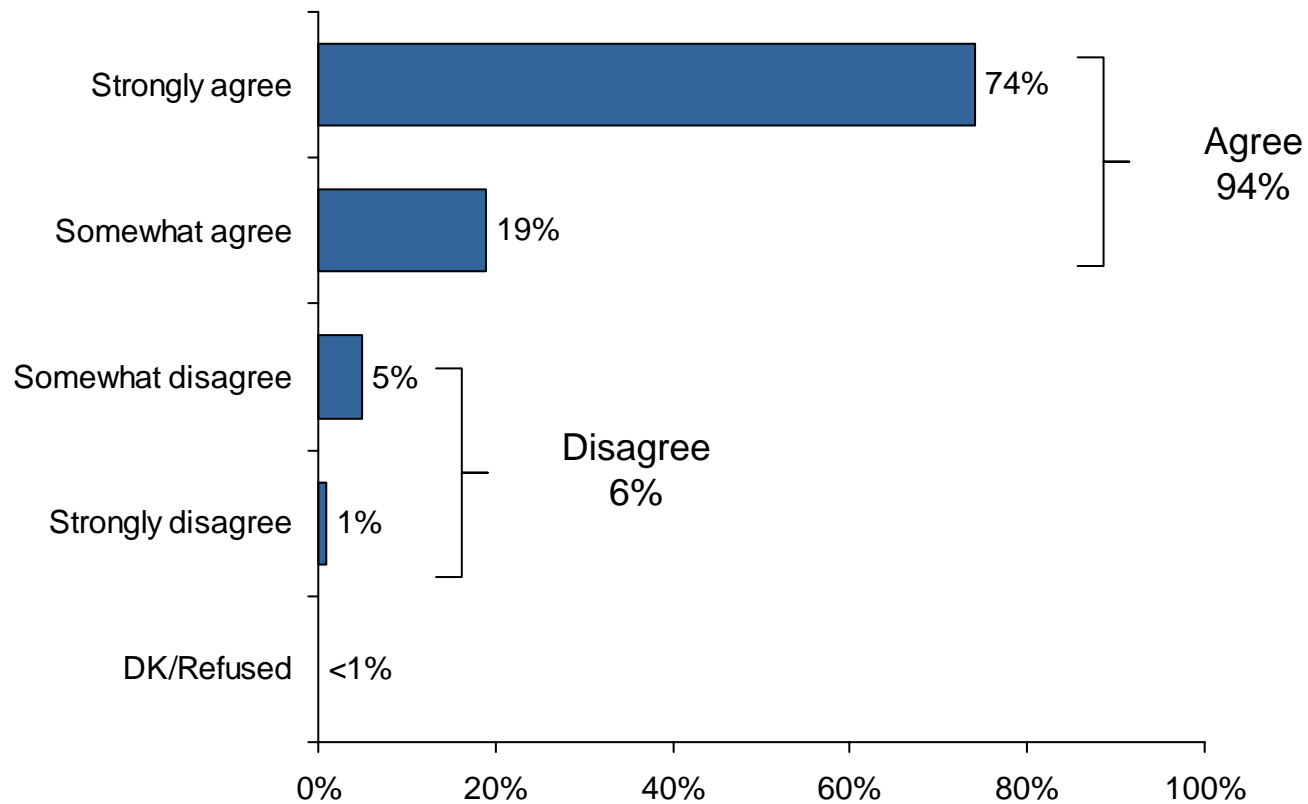
Statement Agreement: Give Employees Info They Need

2007 – Large vs. Small Companies



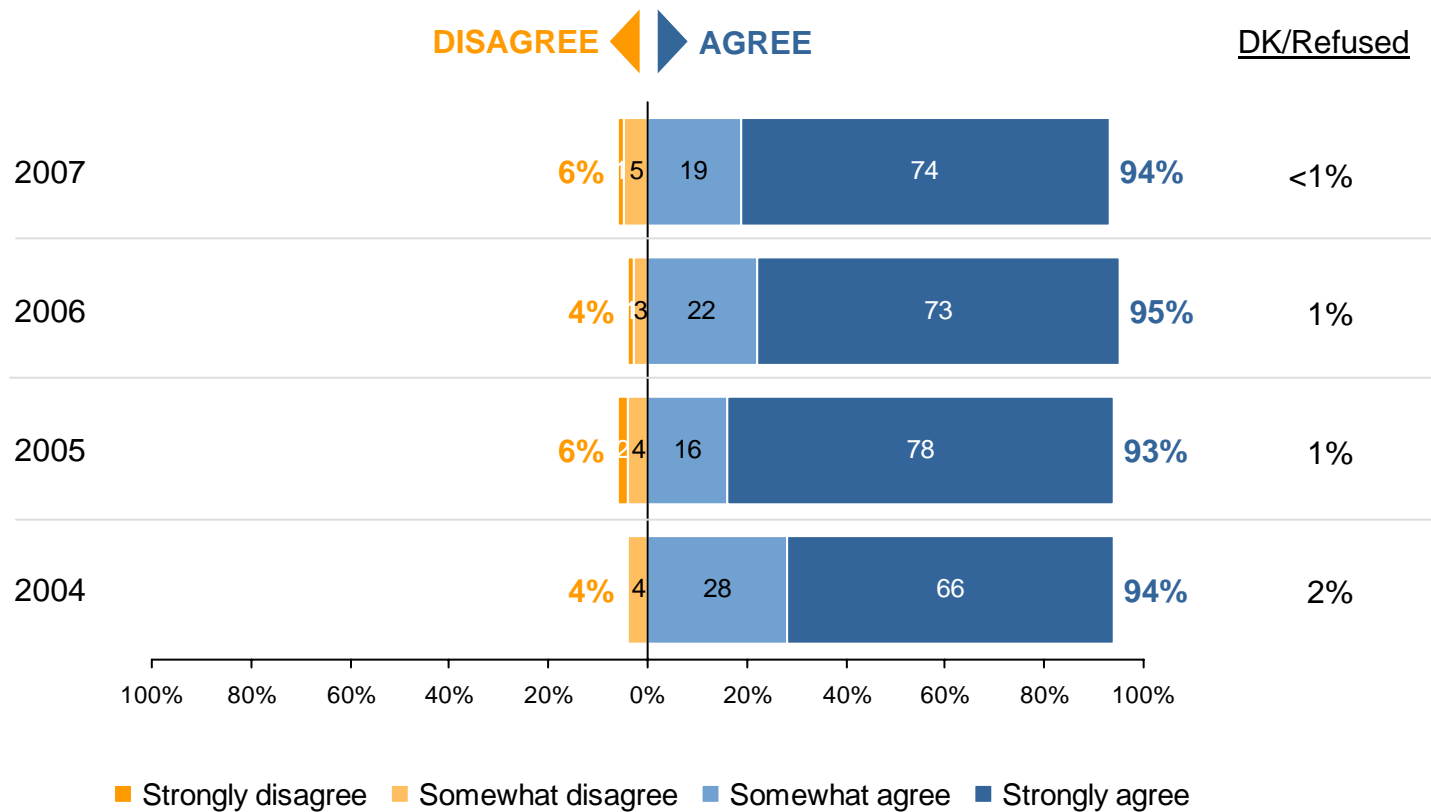
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – Total, N=567; Small, N=304; Large, N=263 Q730. Our company gives employees the right information they need to make decisions about the retirement plan.

Statement Agreement: Satisfied with Plan Provider 2007



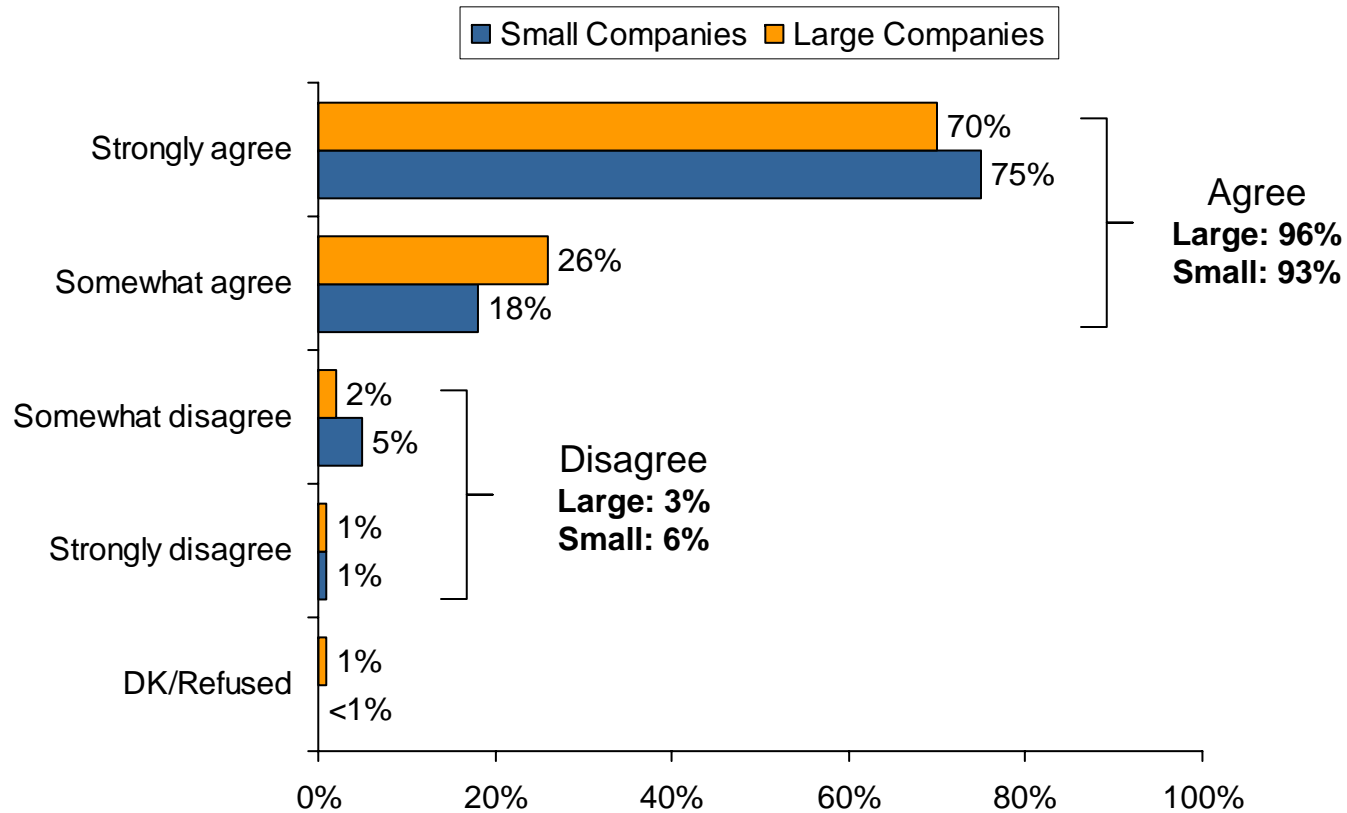
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN, N=567
Q740. Our company is satisfied with our retirement plan provider.

Statement Agreement: Satisfied with Plan Provider Annual Tracking



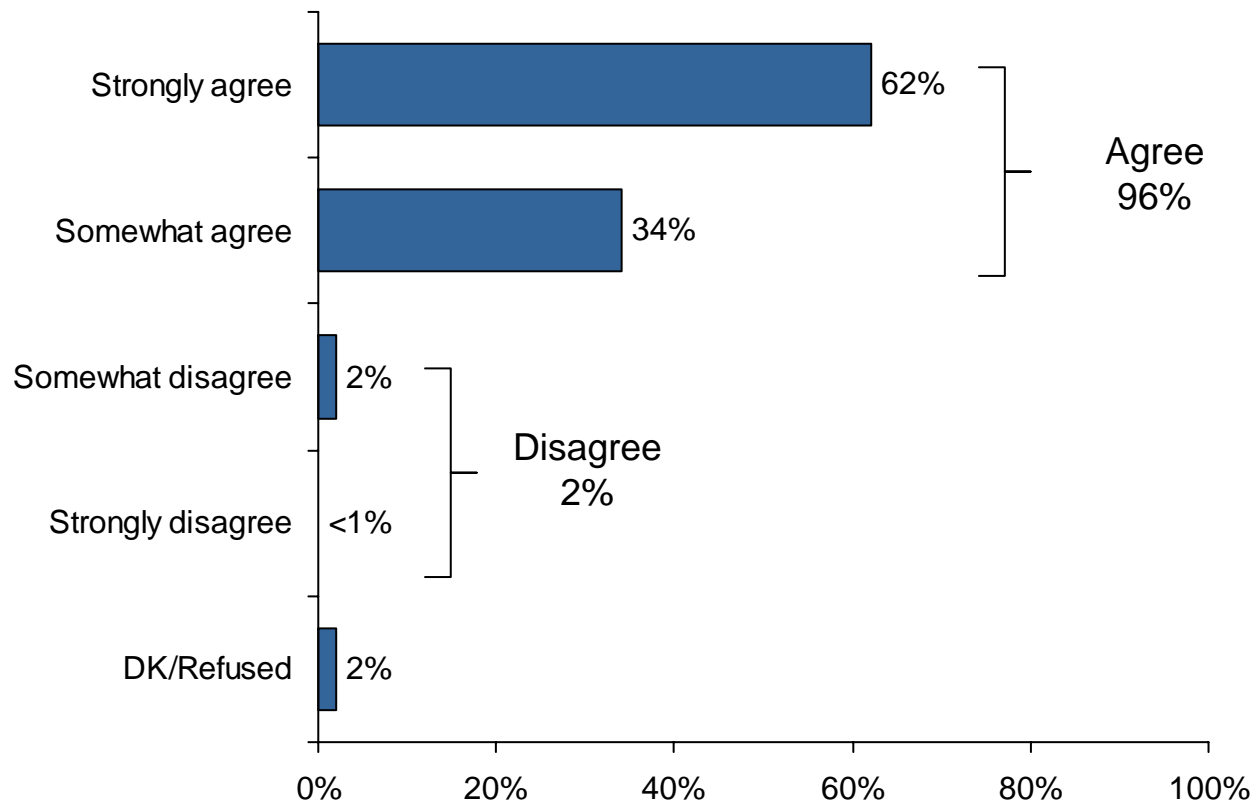
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – 2007, N=567; 2006, N=573; 2005, N=471; 2004, N=504 Q740. Our company is satisfied with our retirement plan provider.
 Note: Significant testing was only conducted between 2006 and 2007.

Statement Agreement: Satisfied with Plan Provider 2007 – Large vs. Small Companies



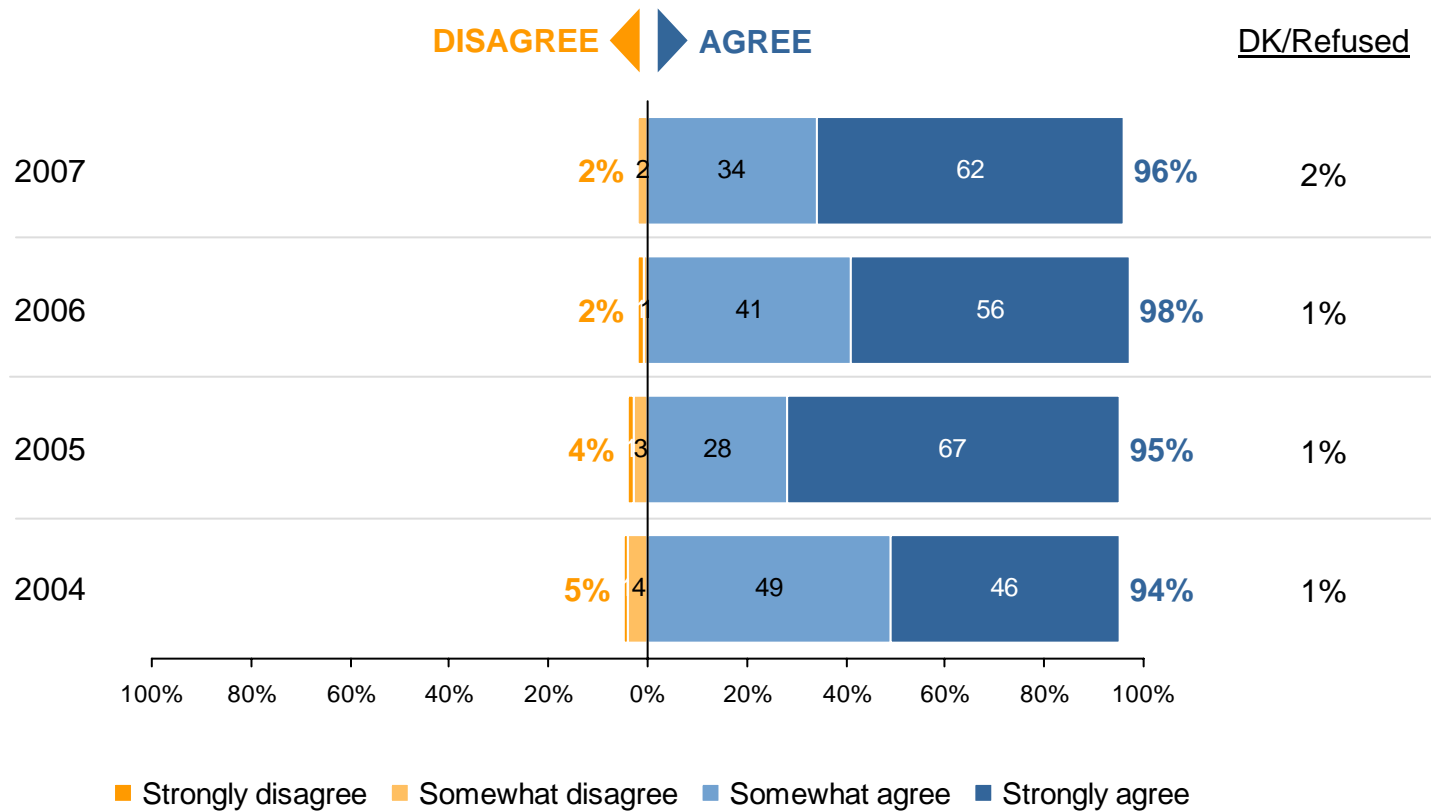
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – Total, N=567; Small, N=304; Large, N=263
Q740. Our company is satisfied with our retirement plan provider.

Statement Agreement: Satisfied with Retirement Plan 2007



BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN, N=567
Q750. Our employees are satisfied with the retirement plan the company offers.

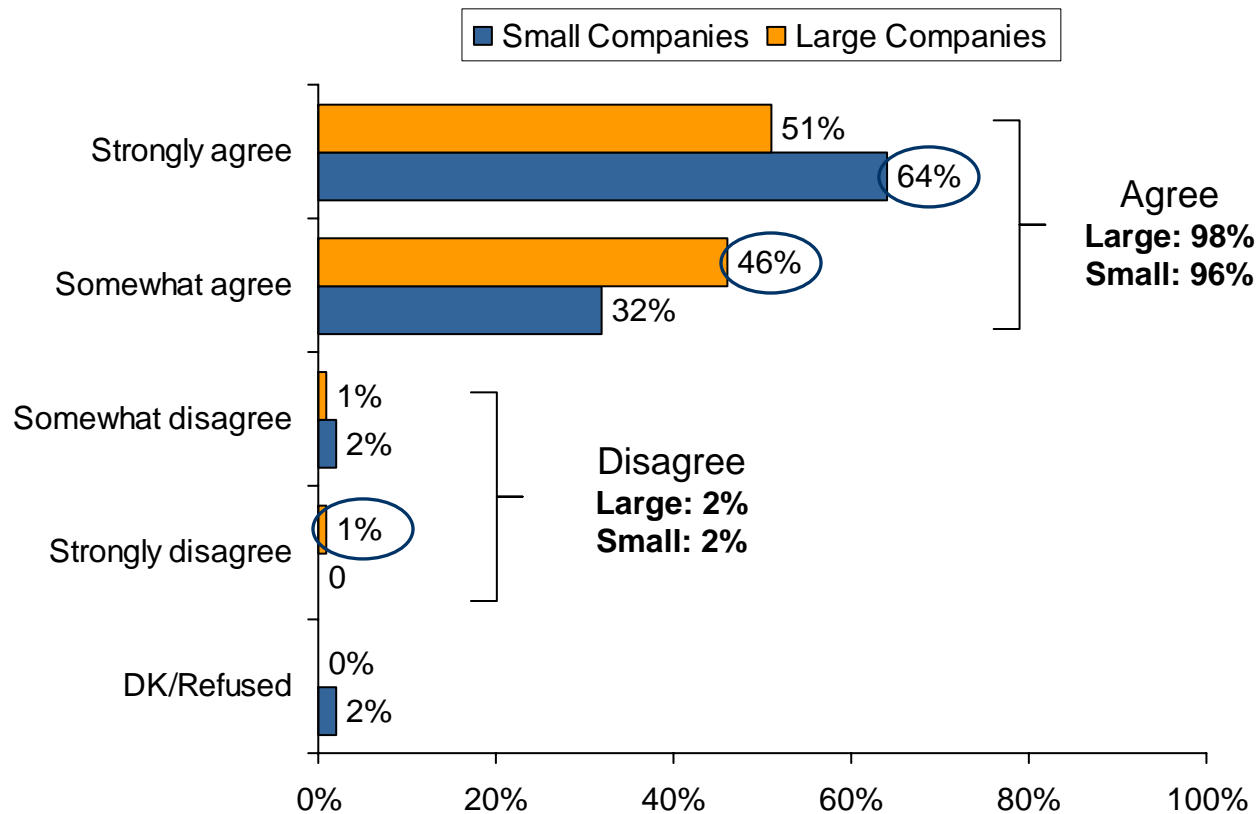
Statement Agreement: Satisfied with Retirement Plan Annual Tracking



BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – 2007, N=567; 2006, N=573; 2005, N=471; 2004, N=504
 Q750. Our employees are satisfied with the retirement plan the company offers.
 Note: Significant testing was only conducted between 2006 and 2007.

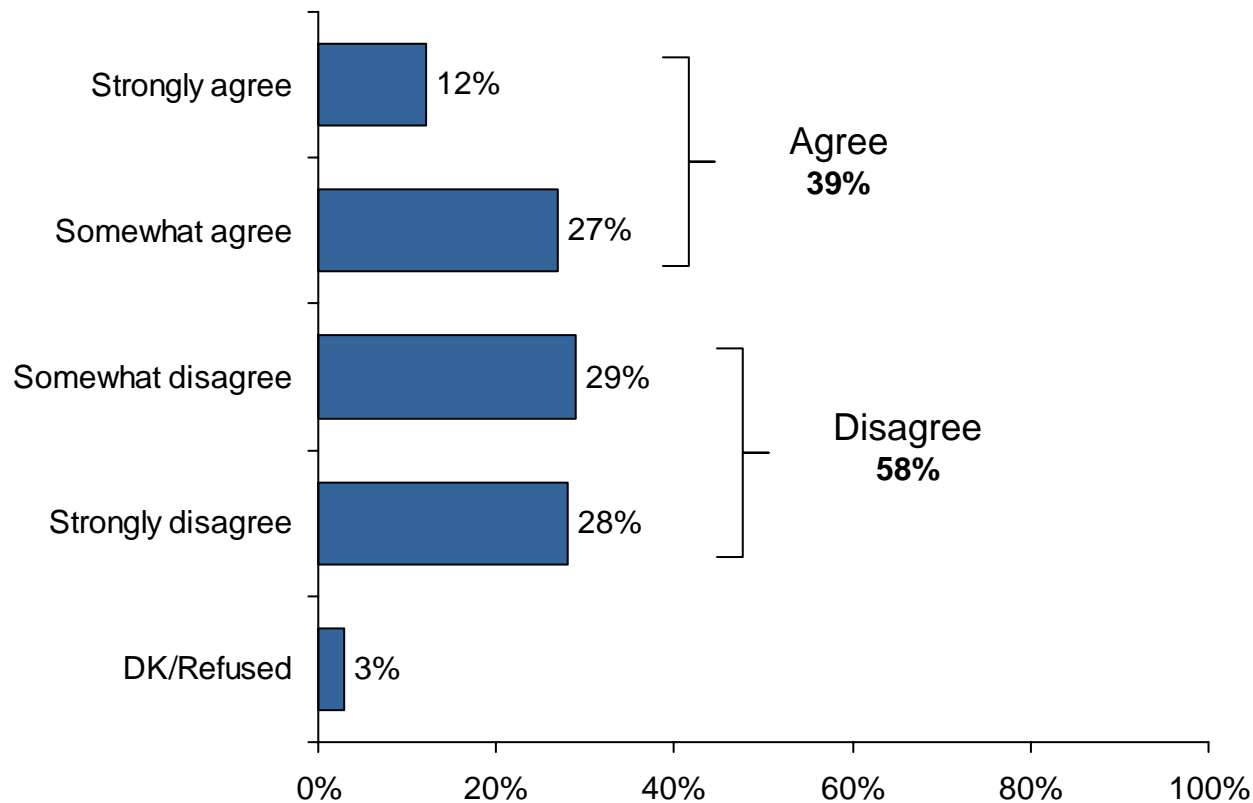
Statement Agreement: Satisfied with Retirement Plan

2007 – Large vs. Small Companies



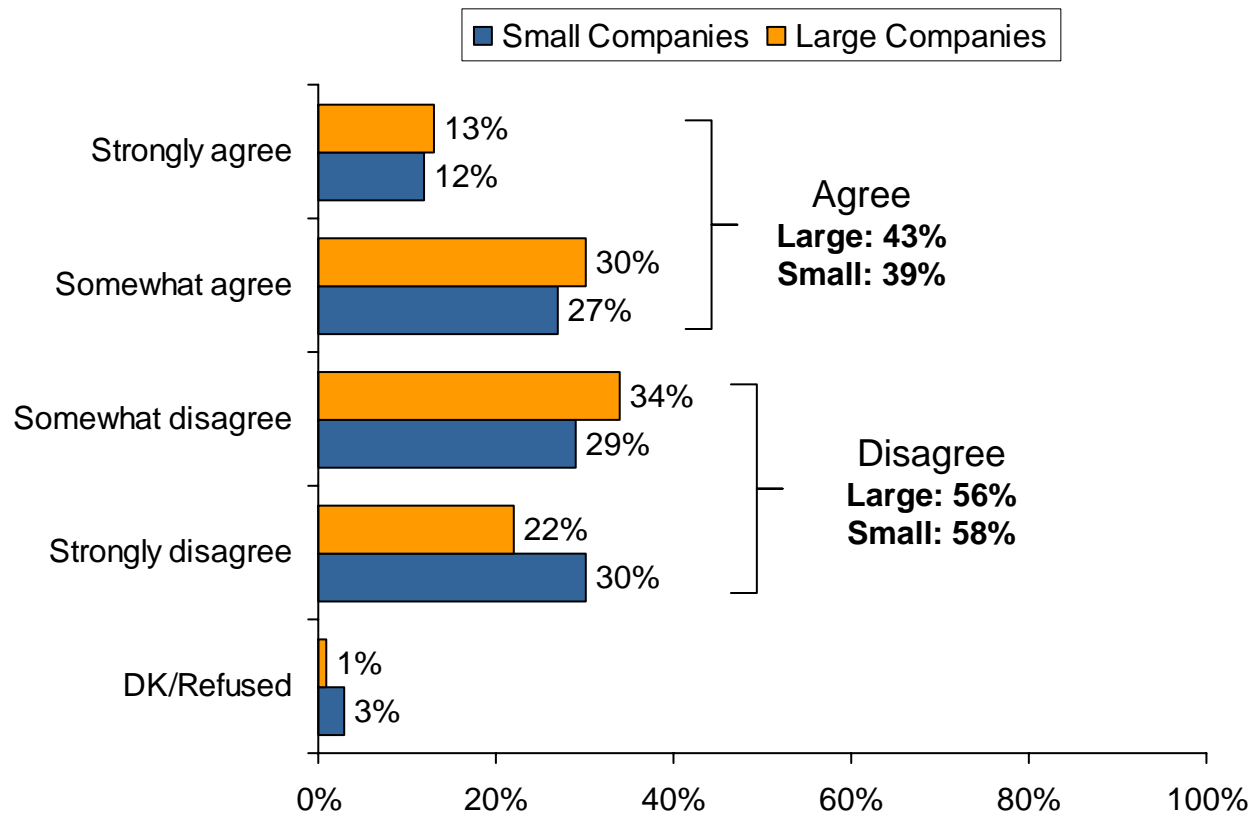
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – Total, N=567; Small, N=304; Large, N=263
Q750. Our employees are satisfied with the retirement plan the company offers.

Statement Agreement: Would Like More Info from Provider about Plan Fees and Expenses 2007



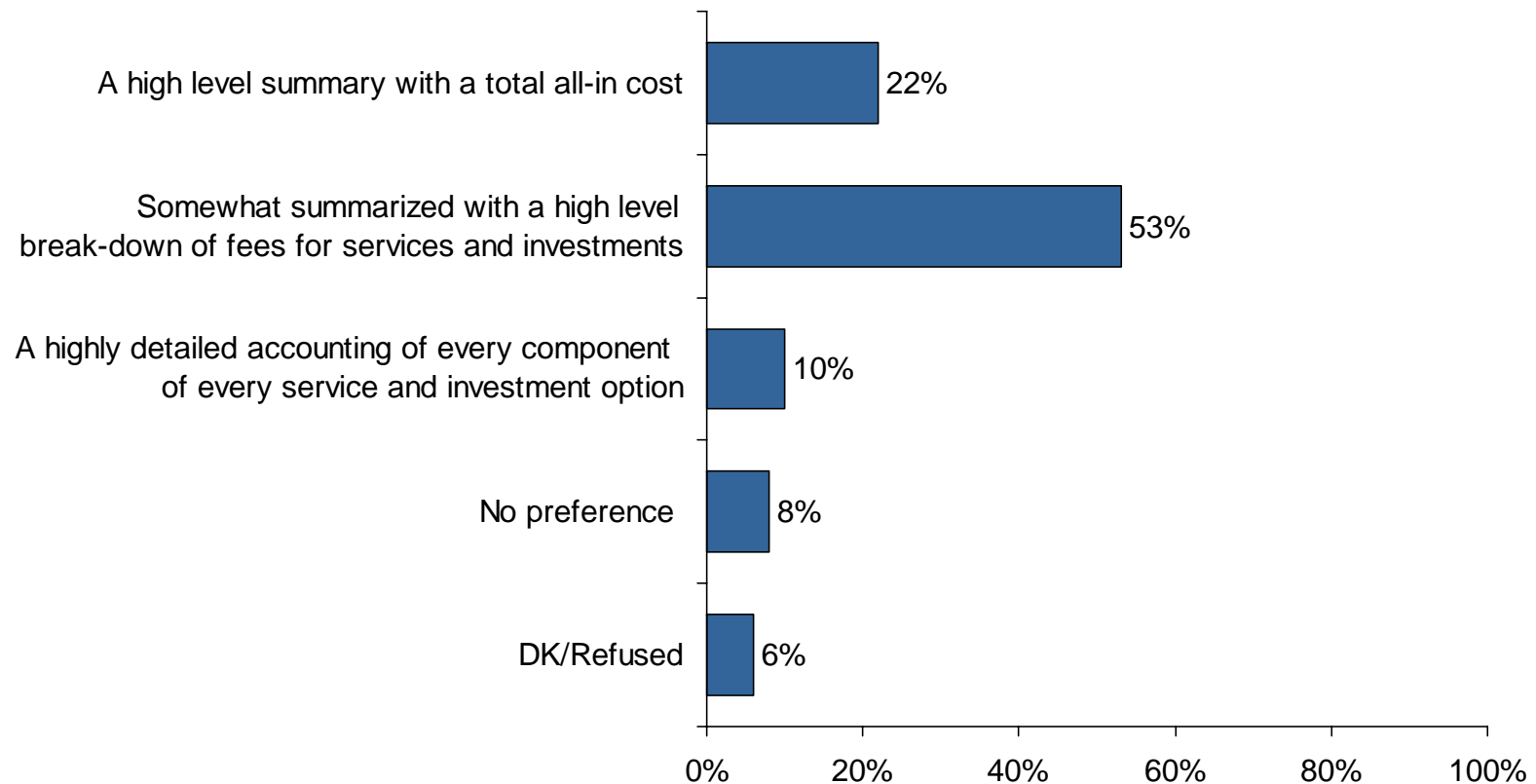
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN, N=567
Q1045. I would like to receive more information from my retirement plan provider about the fees and expenses associated with the retirement plan.

Statement Agreement: Would Like More Info from Provider about Plan Fees and Expenses 2007 – Large vs. Small Companies



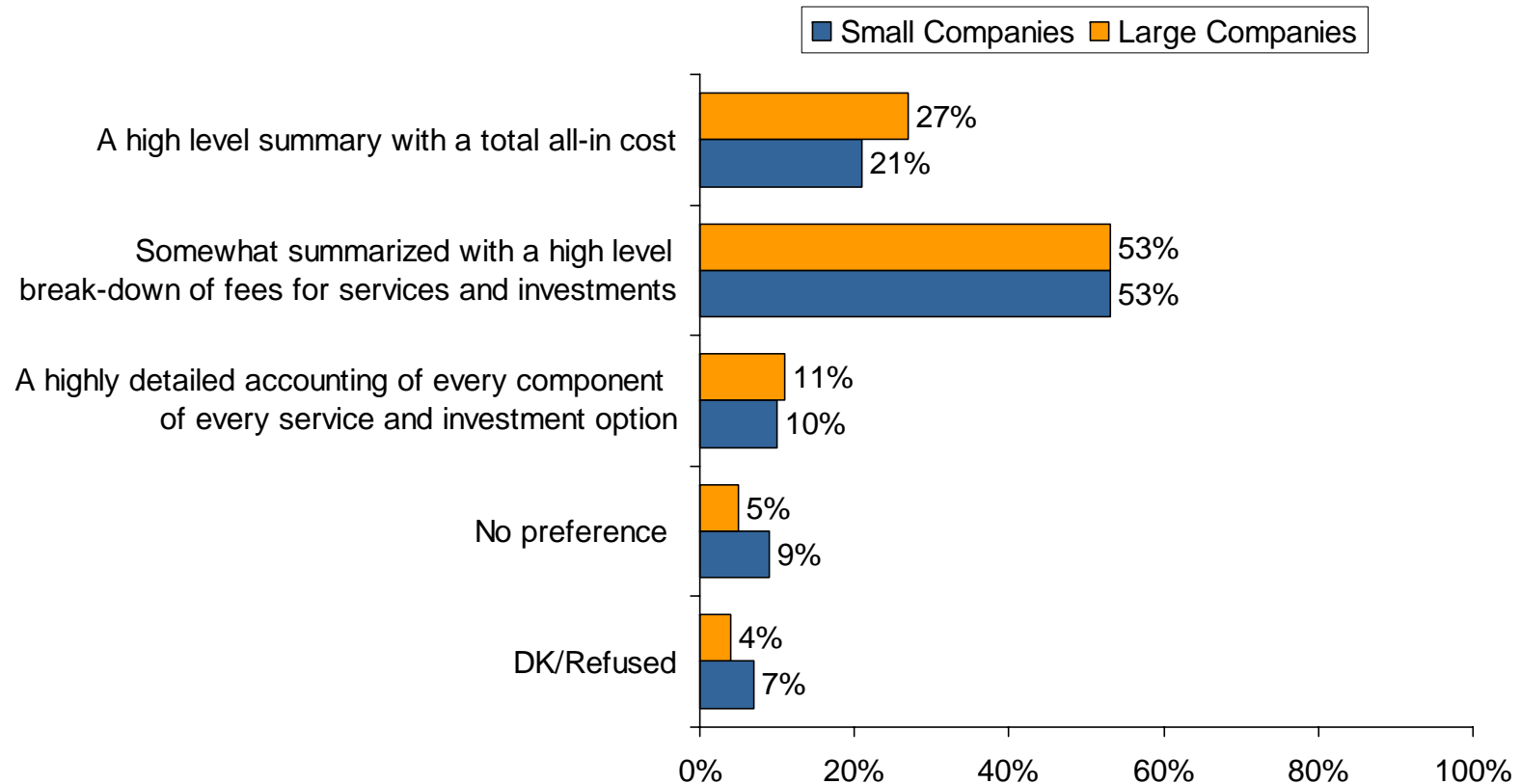
BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – Total, N=567; Small, N=304; Large, N=263
Q1045. I would like to receive more information from my retirement plan provider about the fees and expenses associated with the retirement plan.

Level of Detail Employees Would Prefer in Receiving Info about Plan Fees 2007



BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN, N=567
Q1047. When it comes to disclosing plan fees to participants, what level of detail would your employees prefer in receiving information about the fees associated with participating in your company's retirement plan?

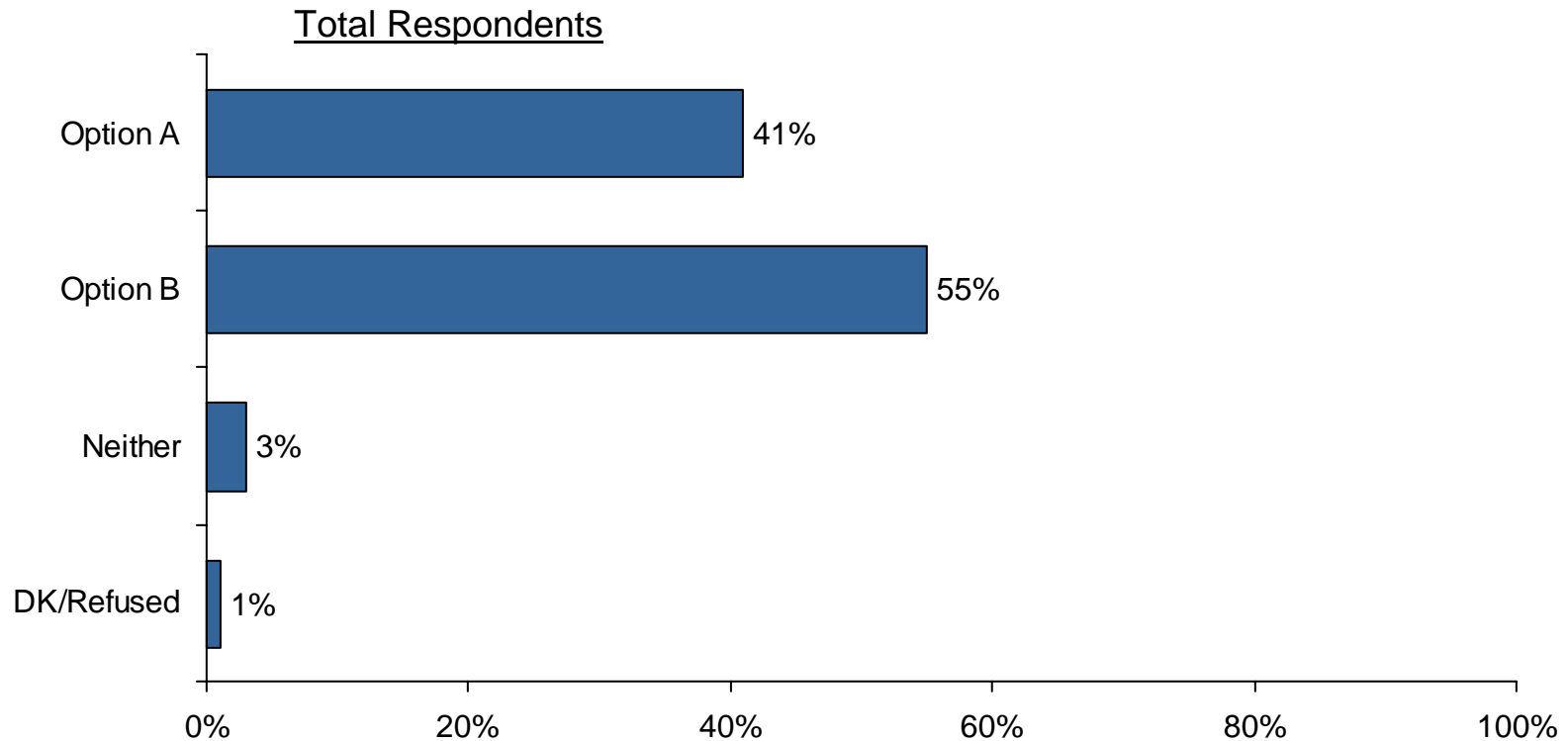
Level of Detail Employees Would Prefer in Receiving Info about Plan Fees 2007– Large vs. Small Companies



BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – Total, N=567; Small, N=304; Large, N=263 Q1047. When it comes to disclosing plan fees to participants, what level of detail would your employees prefer in receiving information about the fees associated with participating in your company's retirement plan?

Option of Greater Interest to a Potential Employee 2007

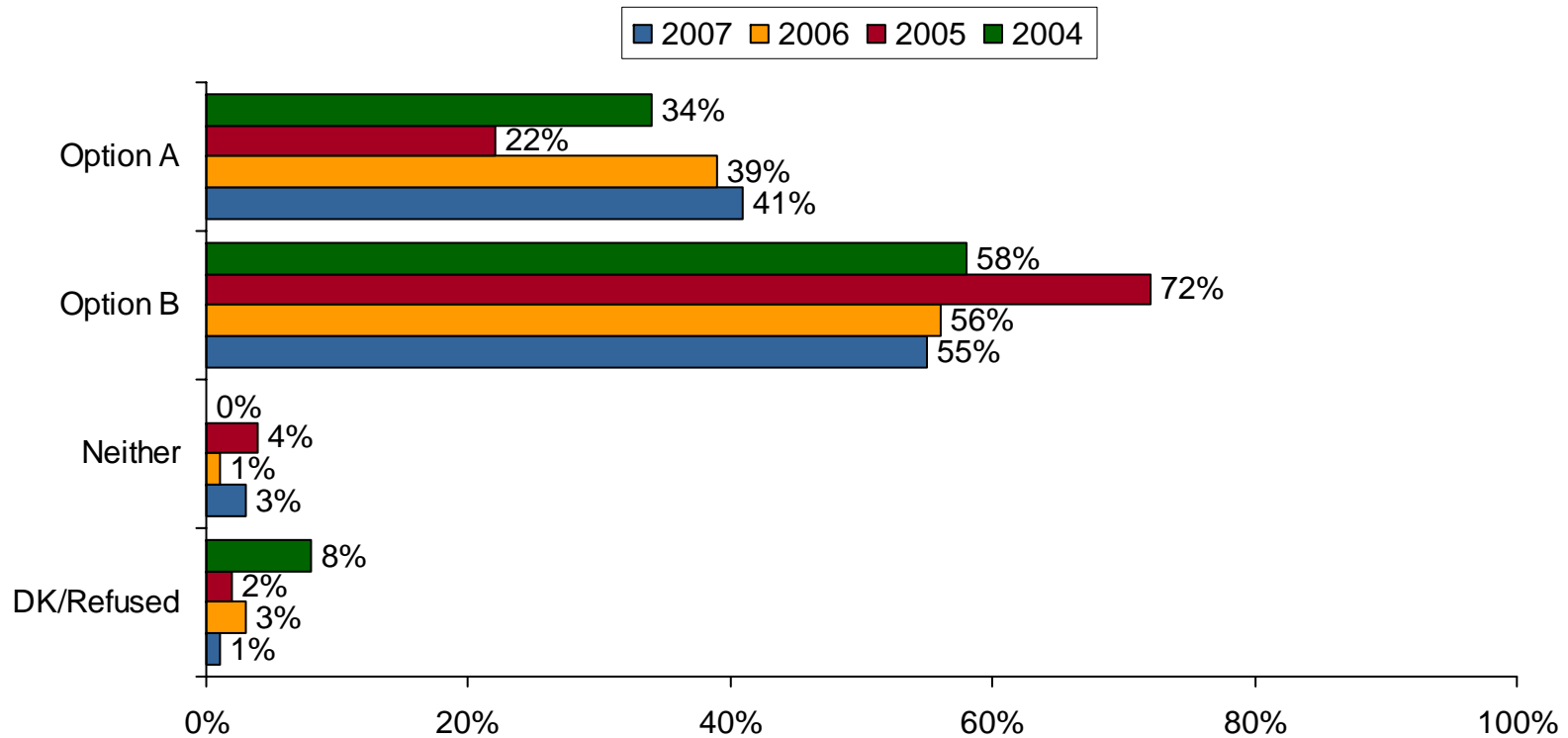
Option A: Excellent retirement benefits, but only meets the potential employee's minimum salary requirements.
Option B: A higher than expected salary, but with poor retirement benefits.



BASE: TOTAL RESPONDENTS, N=652
Q760. Suppose you could offer the following two choices in a job offer to a potential employee.
Which one do you feel would be of greater interest to a potential employee?

Option of Greater Interest to a Potential Employee Annual Tracking

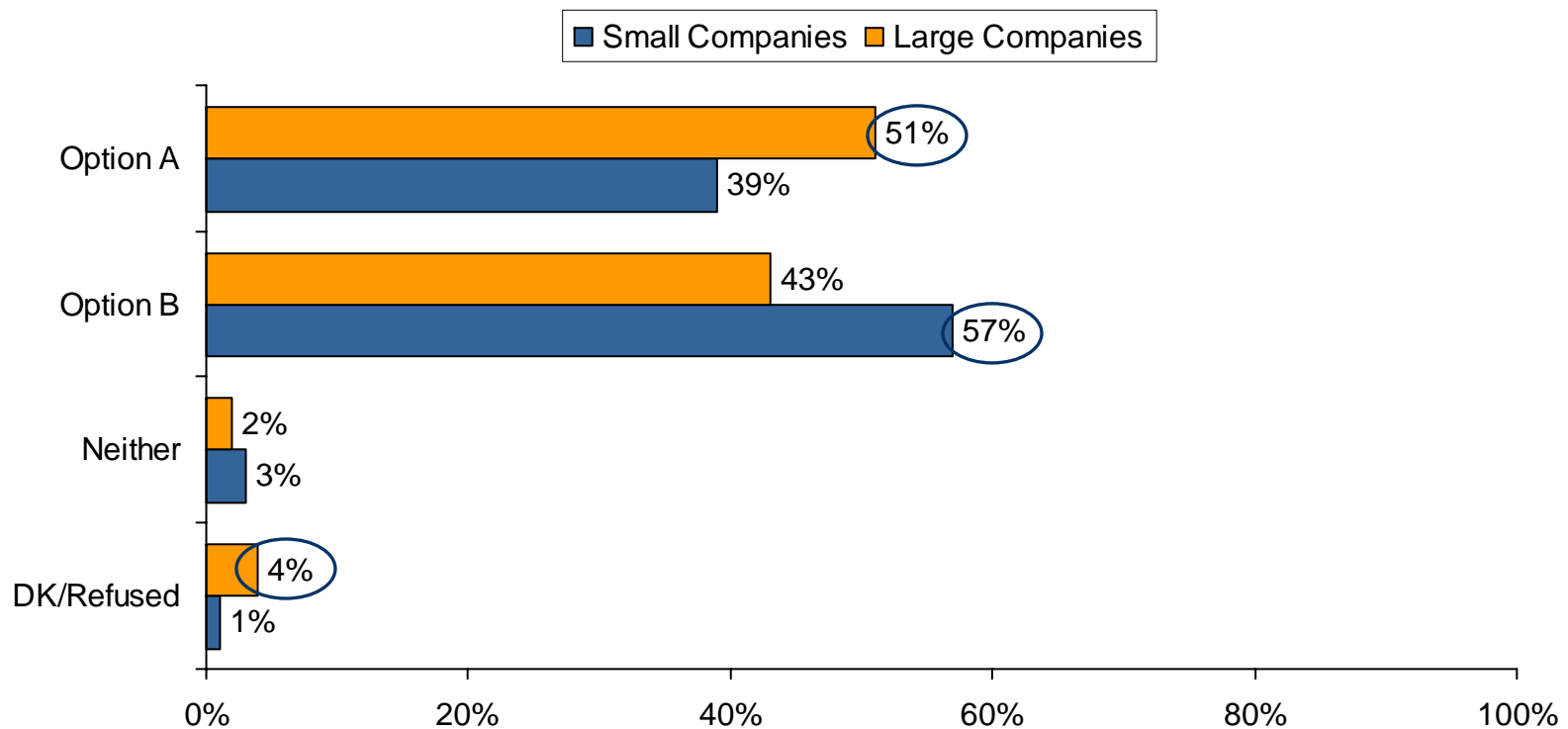
Option A: Excellent retirement benefits, but only meets the potential employee's minimum salary requirements.
Option B: A higher than expected salary, but with poor retirement benefits.



BASE: TOTAL RESPONDENTS – 2007, N=652; 2006, N=659; 2005, N=603; 2004, N=601 Q760. Suppose you could offer the following two choices in a job offer to a potential employee. Which one do you feel would be of greater interest to a potential employee?
 Note: Significant testing was only conducted between 2006 and 2007.

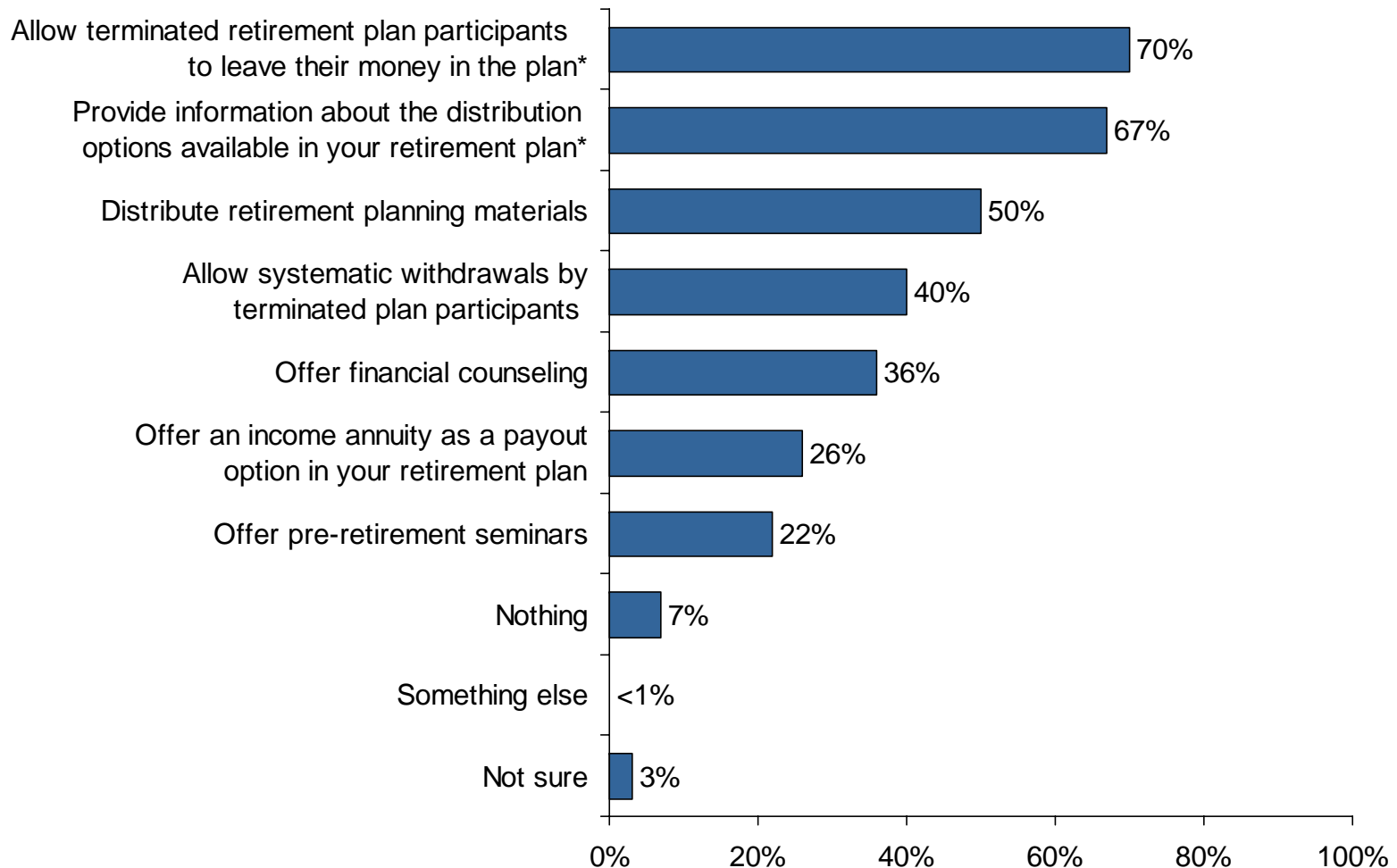
Option of Greater Interest to a Potential Employee 2007 – Large vs. Small Companies

Option A: Excellent retirement benefits, but only meets the potential employee's minimum salary requirements.
Option B: A higher than expected salary, but with poor retirement benefits.



BASE: TOTAL RESPONDENTS – Total, N=652; Small, N=369; Large, N=283
Q760. Suppose you could offer the following two choices in a job offer to a potential employee.
Which one do you feel would be of greater interest to a potential employee?

Actions Taken to Help Employees Transition to Retirement 2007



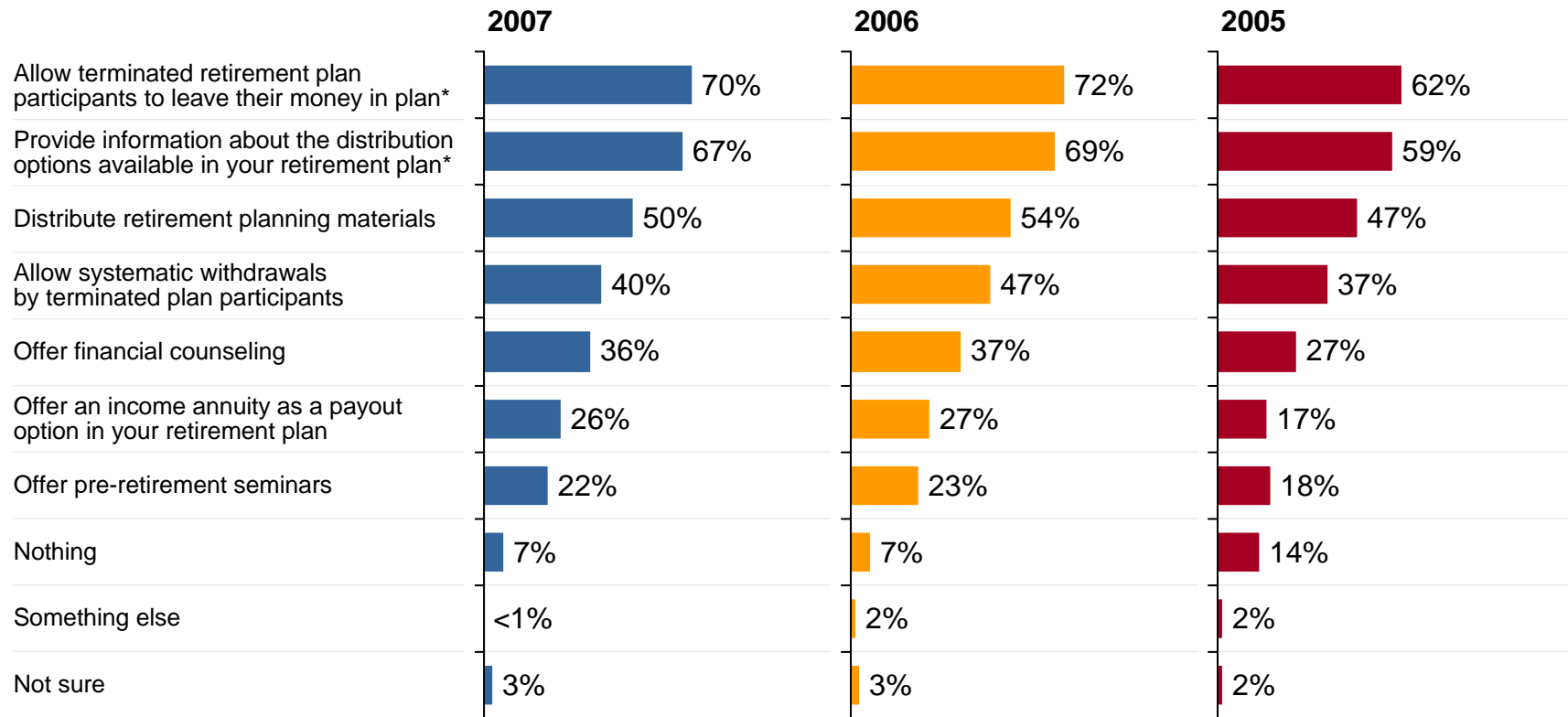
*While regulations concerning terminated participants may require that employers perform these actions, these statistics only reflect employers' responses at the time of the survey.

BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN, N=567

Q770. Does your company do any of the following to help employees transition to retirement? CHOOSE ALL THAT APPLY

Actions Taken to Help Employees Transition to Retirement

Annual Tracking

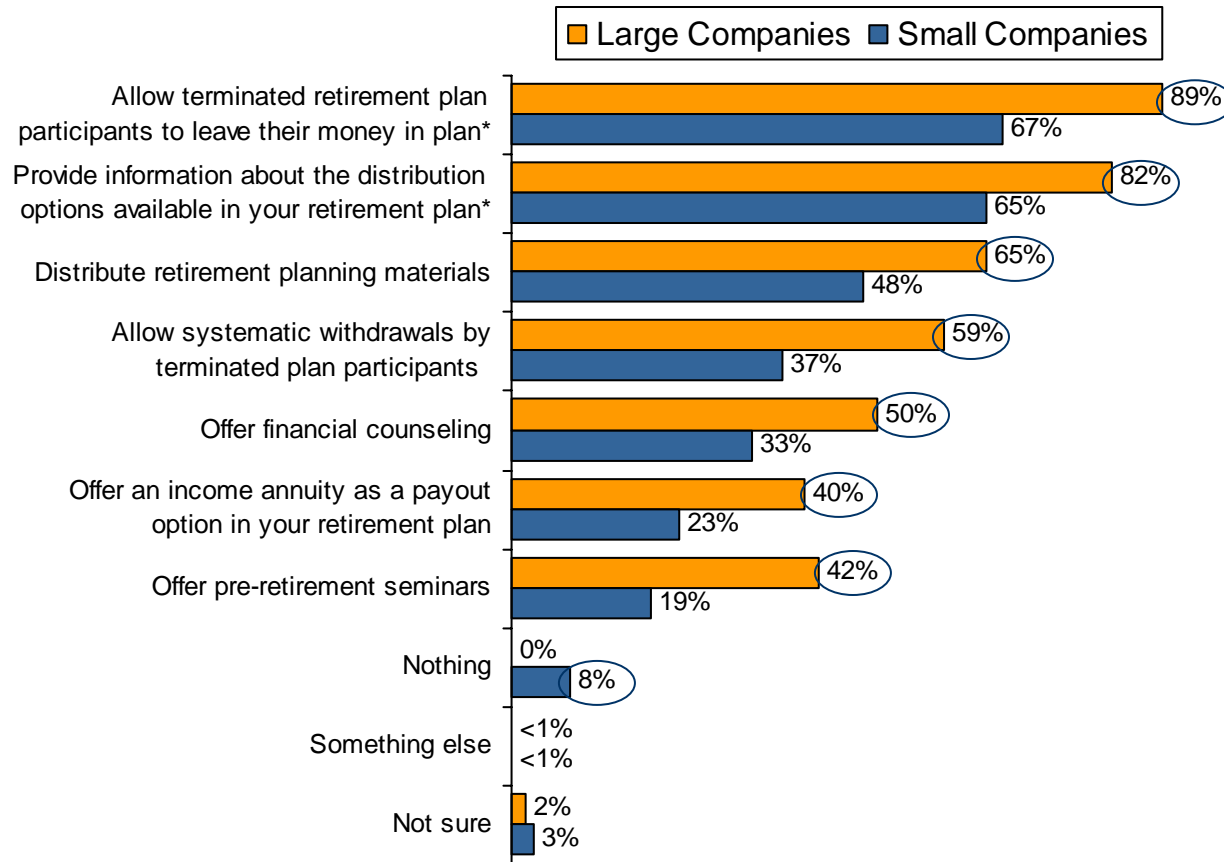


*While regulations concerning terminated participants may require that employers perform these actions, these statistics only reflect employers' responses at the time of the survey.

BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – 2007, N=567; 2006, N=573; 2005, N=471; 2004, N=504 Q770. Does your company do any of the following to help employees transition to retirement? CHOOSE ALL THAT APPLY

Actions Taken to Help Employees Transition to Retirement

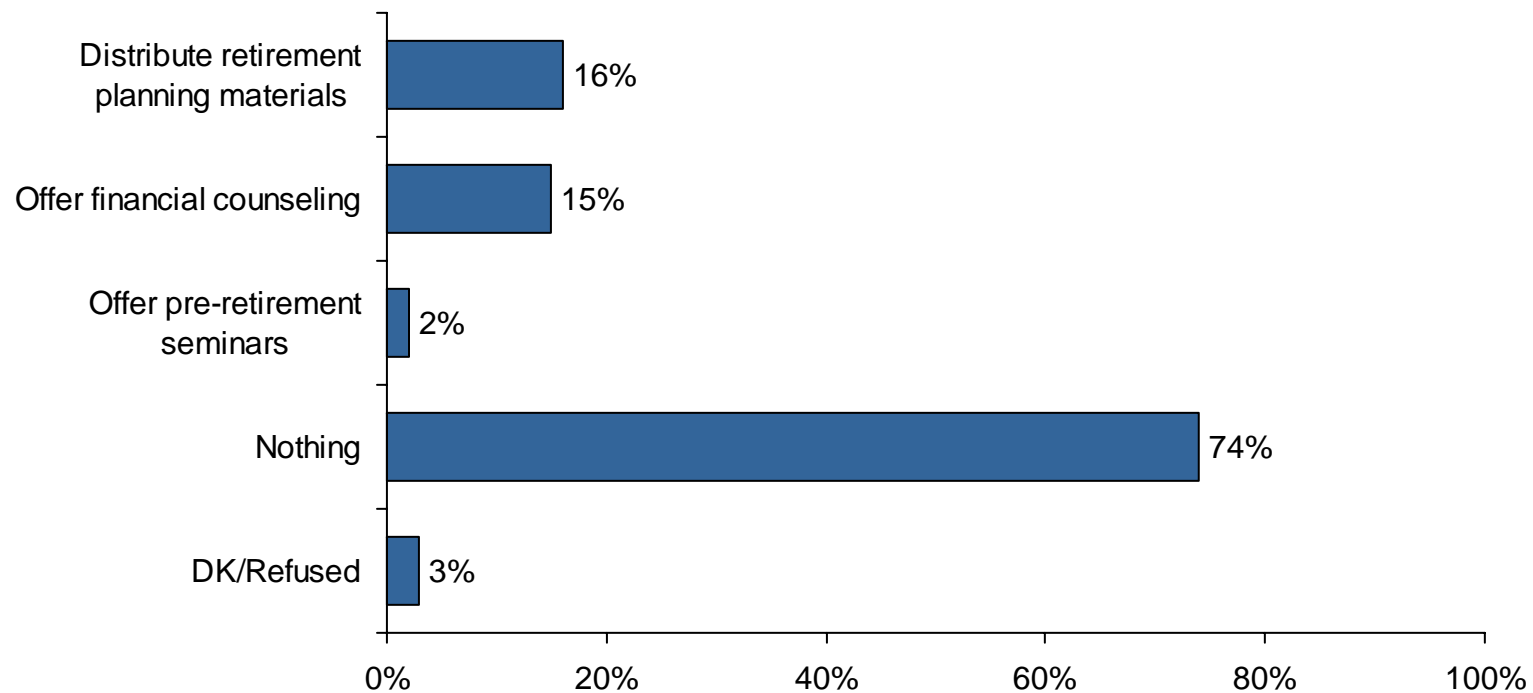
2007 – Large vs. Small Companies



*While regulations concerning terminated participants may require that employers perform these actions, these statistics only reflect employers' responses at the time of the survey.

BASE: OFFERS 401(k) PLAN OR OTHER SELF-FUNDED PLAN – Total, N=567; Small, N=304; Large, N=263
 Q770. Does your company do any of the following to help employees transition to retirement? CHOOSE ALL THAT APPLY

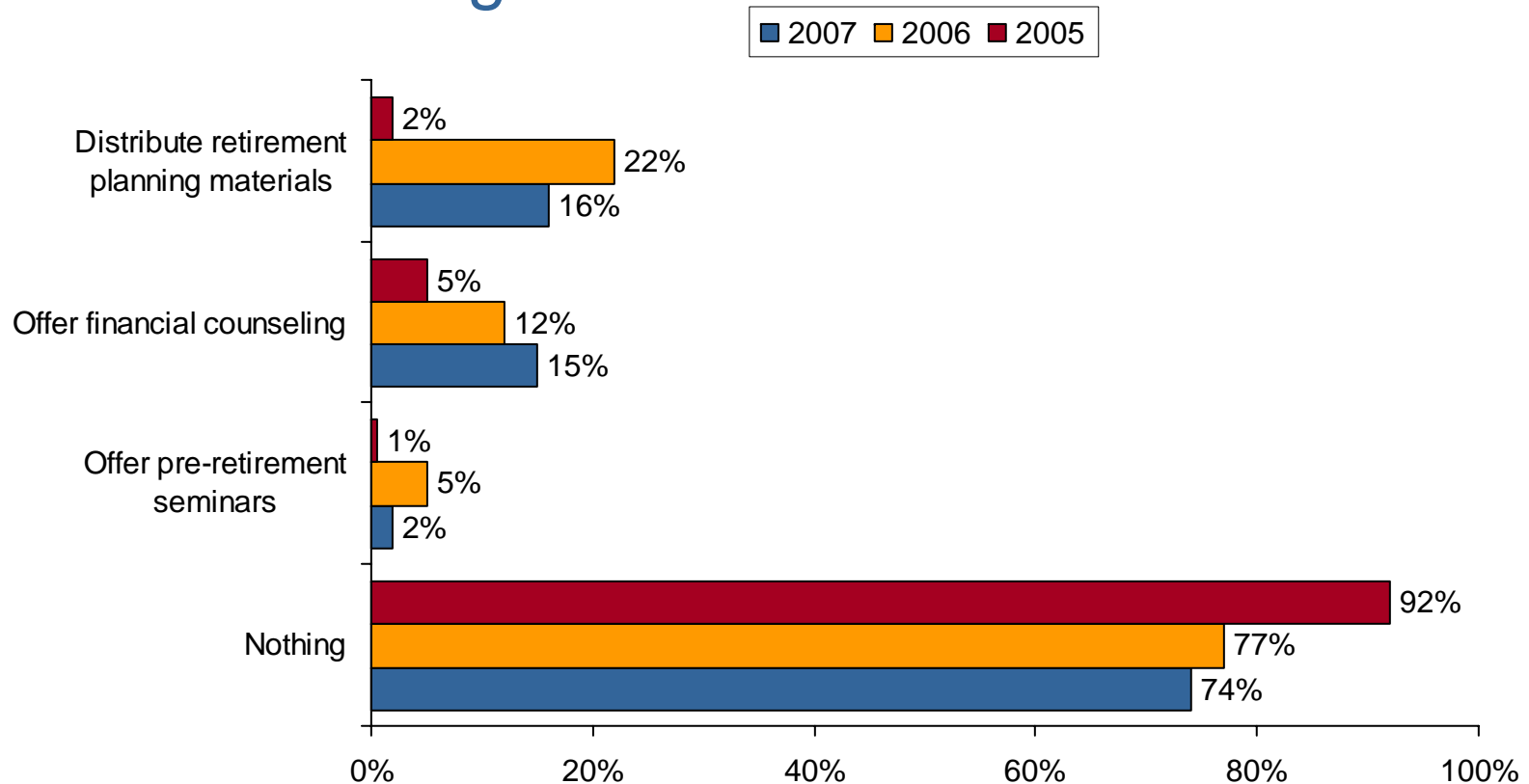
Actions Taken to Help Employees Transition to Retirement When No 401(k) or Other Self-funded Plan Is Offered 2007



BASE: DOES NOT OFFER 401(k) NOR OTHER SELF FUNDED PLAN , N=85
Q780. Does your company do any of the following to help employees transition to retirement? Choose ALL that apply.

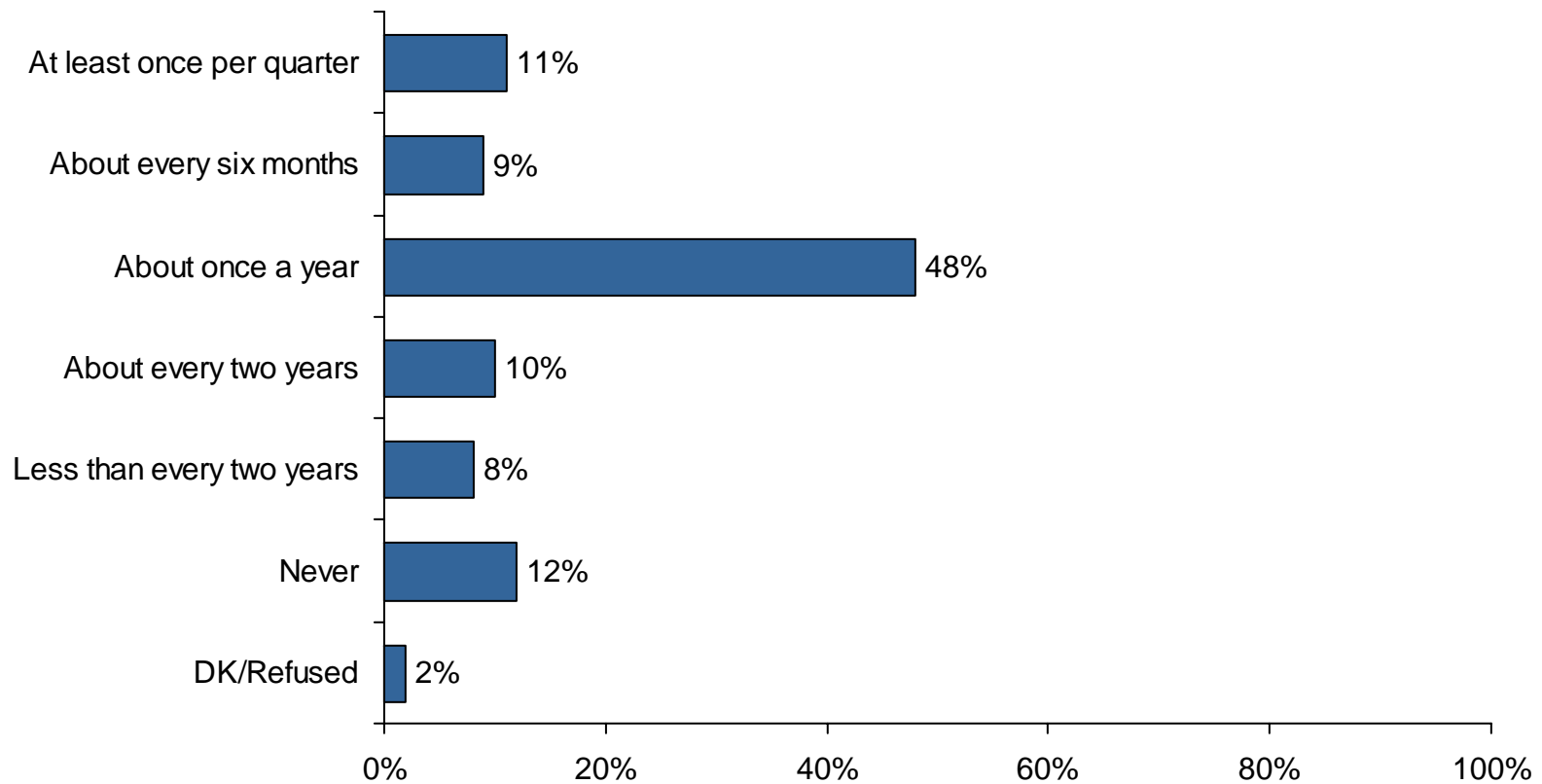
Actions Taken to Help Employees Transition to Retirement When No 401(k) or Other Self-funded Plan Is Offered

Annual Tracking



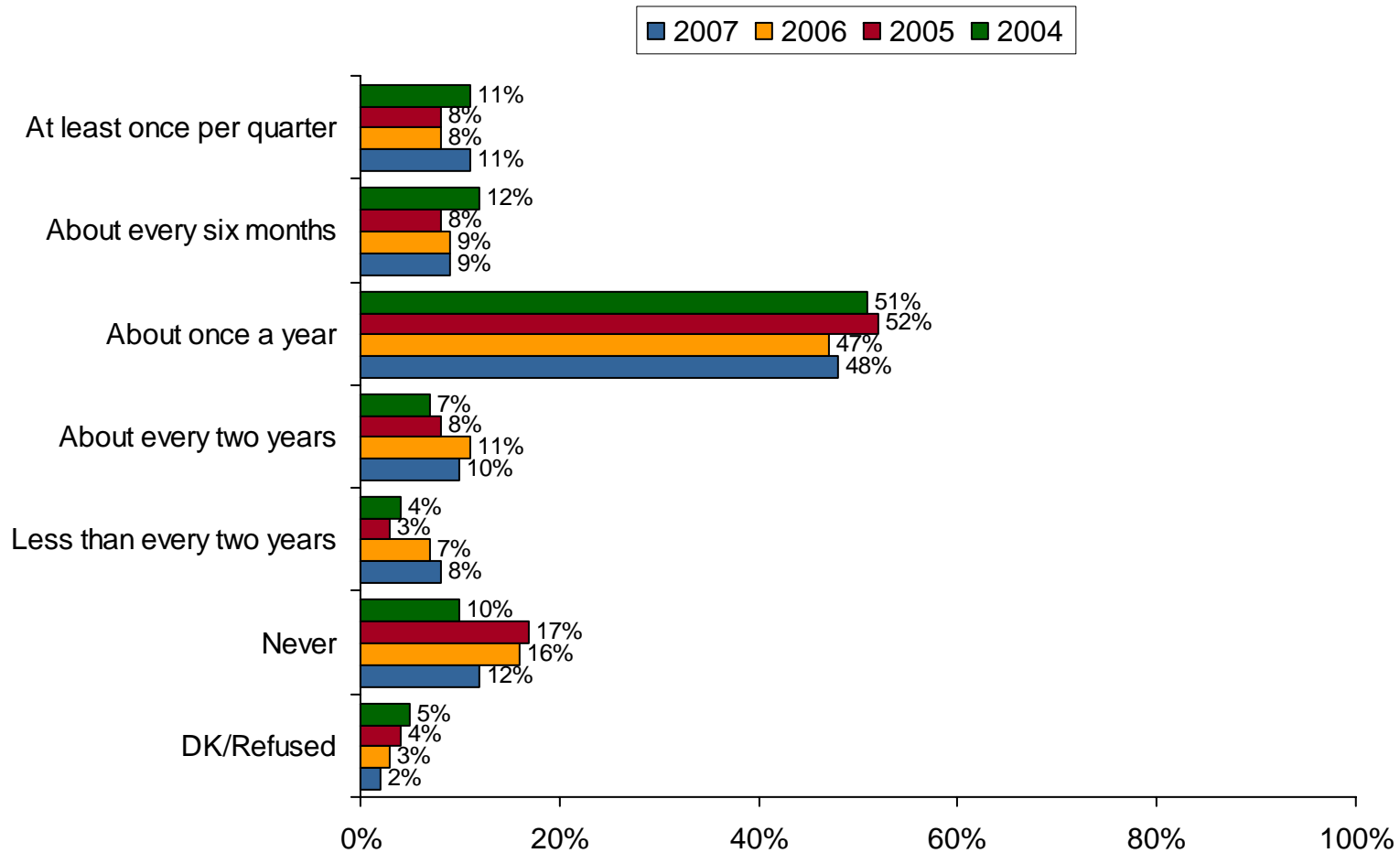
BASE: DOES NOT OFFER 401(k) NOR OTHER SELF FUNDED PLAN – 2007, N=85; 2006, N=86; 2005, N=42
 Q780. Does your company do any of the following to help employees transition to retirement? Choose ALL that apply.
 Note: Significant testing was only conducted between 2006 and 2007.

Frequency Retirement Benefits Are Evaluated 2007



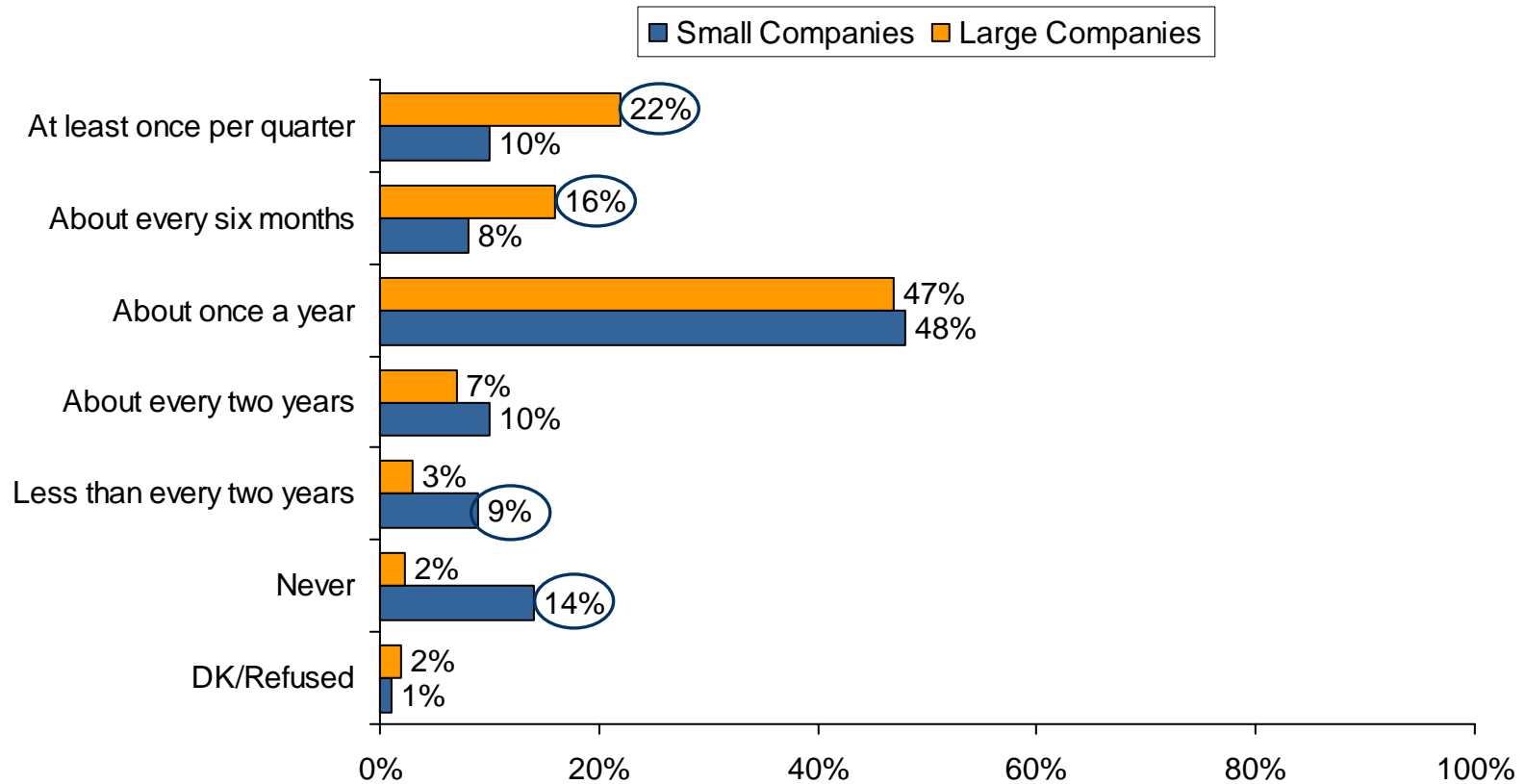
BASE: TOTAL RESPONDENTS, N=652
Q790. How frequently does your company evaluate the retirement benefits offered to employees?

Frequency Retirement Benefits Are Evaluated Annual Tracking



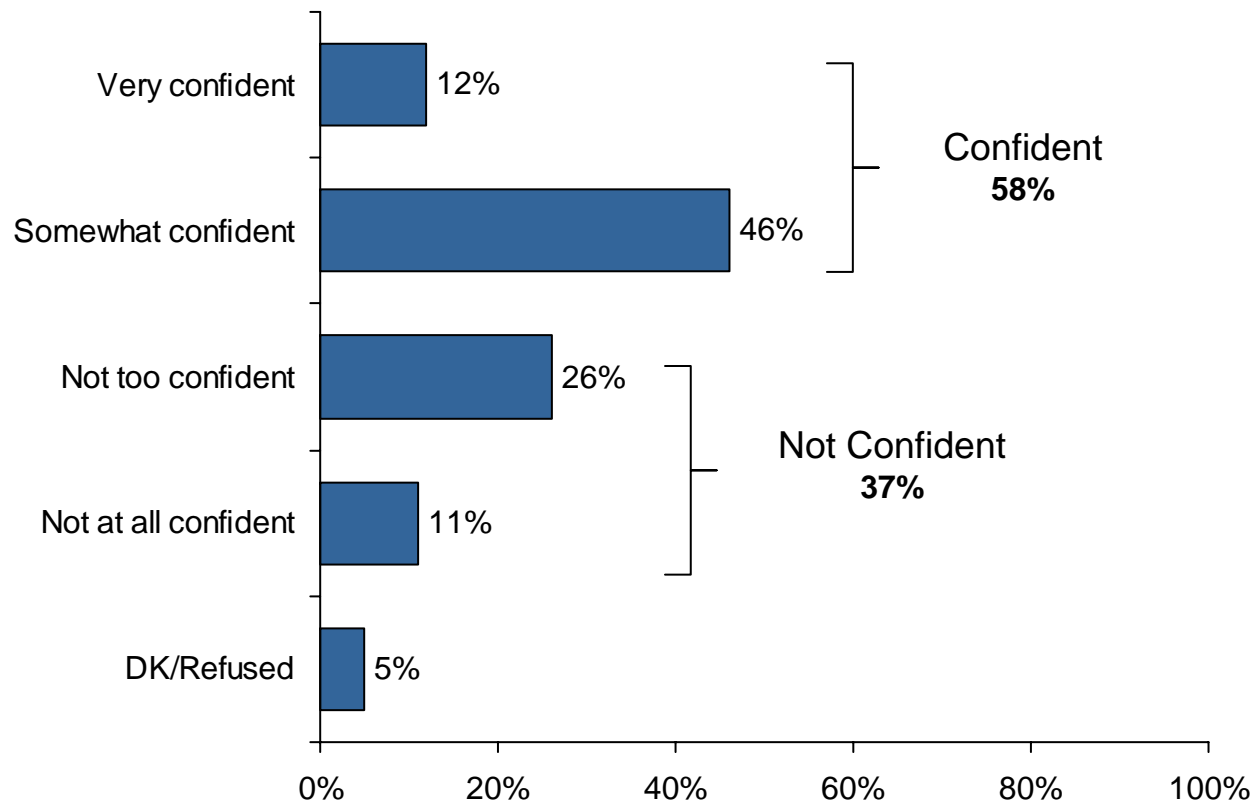
BASE: TOTAL RESPONDENTS – 2007, N=652; 2006, N=659; 2005, N=603; 2004, N=601
 Q790. How frequently does your company evaluate the retirement benefits offered to employees?
 Note: Significant testing was only conducted between 2006 and 2007.

Frequency Retirement Benefits Are Evaluated 2007 – Large vs. Small Companies



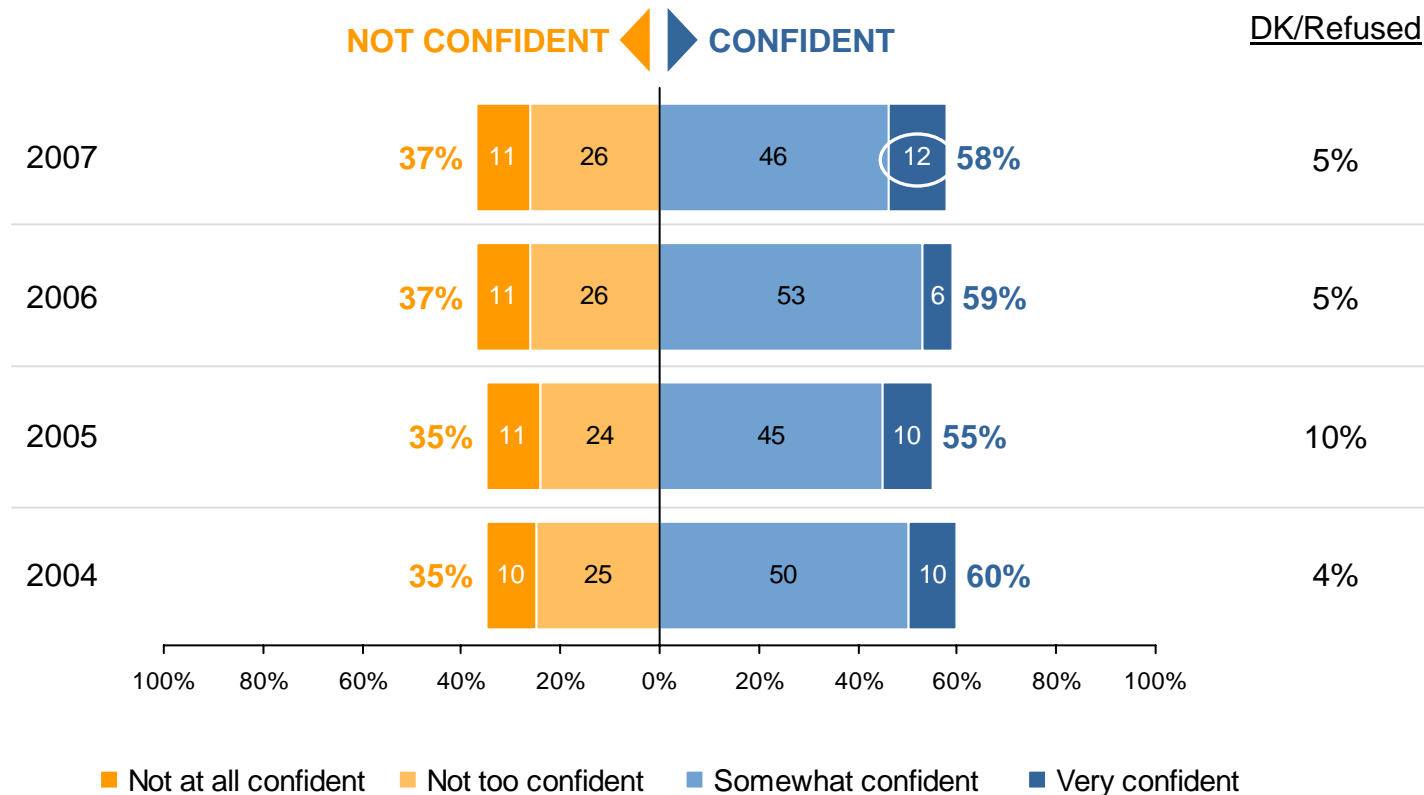
BASE: TOTAL RESPONDENTS – Total, N=652; Small, N=369; Large, N=283
Q790. How frequently does your company evaluate the retirement benefits offered to employees?

Level of Confidence Employees May Have of Achieving a Comfortable Lifestyle 2007



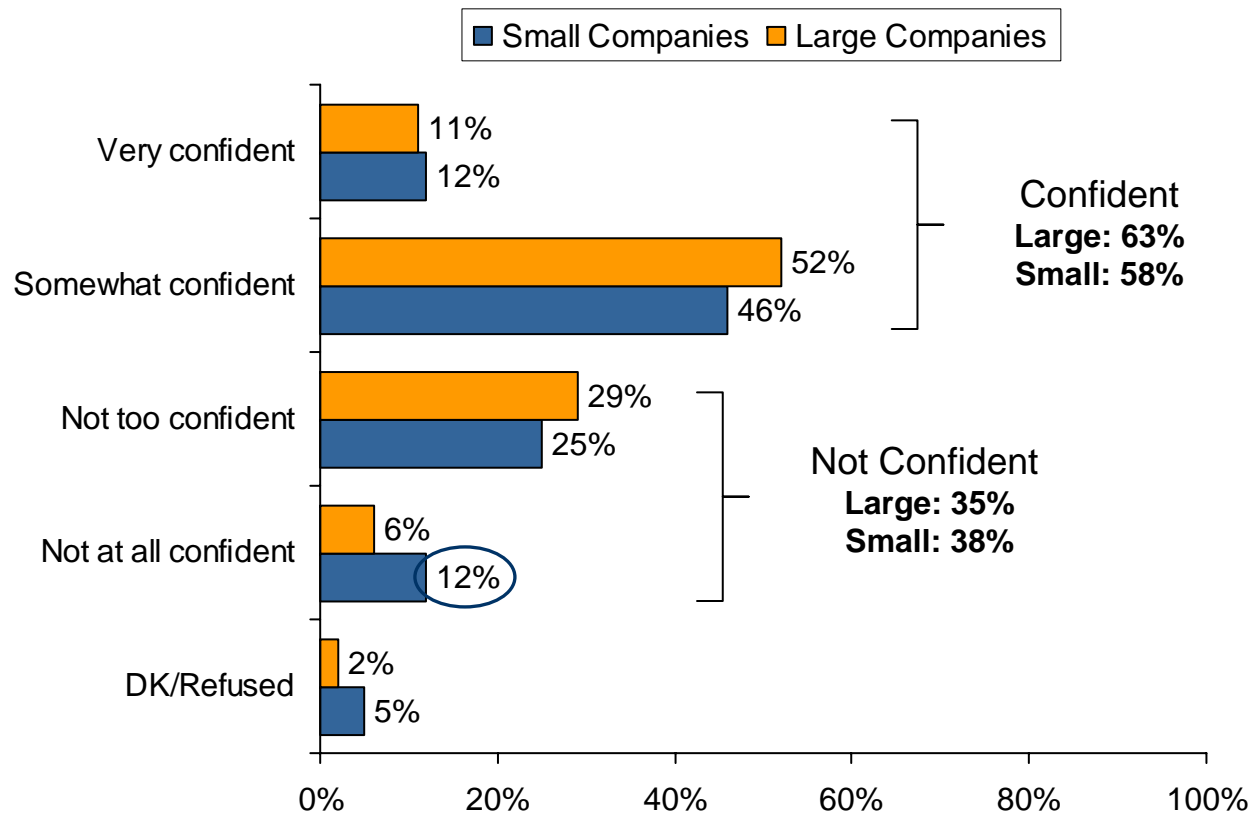
BASE: TOTAL RESPONDENTS, N=652
Q800. How confident do you feel your employees are that they will be able to achieve a comfortable lifestyle in their retirement?
Are you very confident, somewhat confident, not too confident, or not at all confident?

Level of Confidence Employees May Have of Achieving a Comfortable Lifestyle Annual Tracking



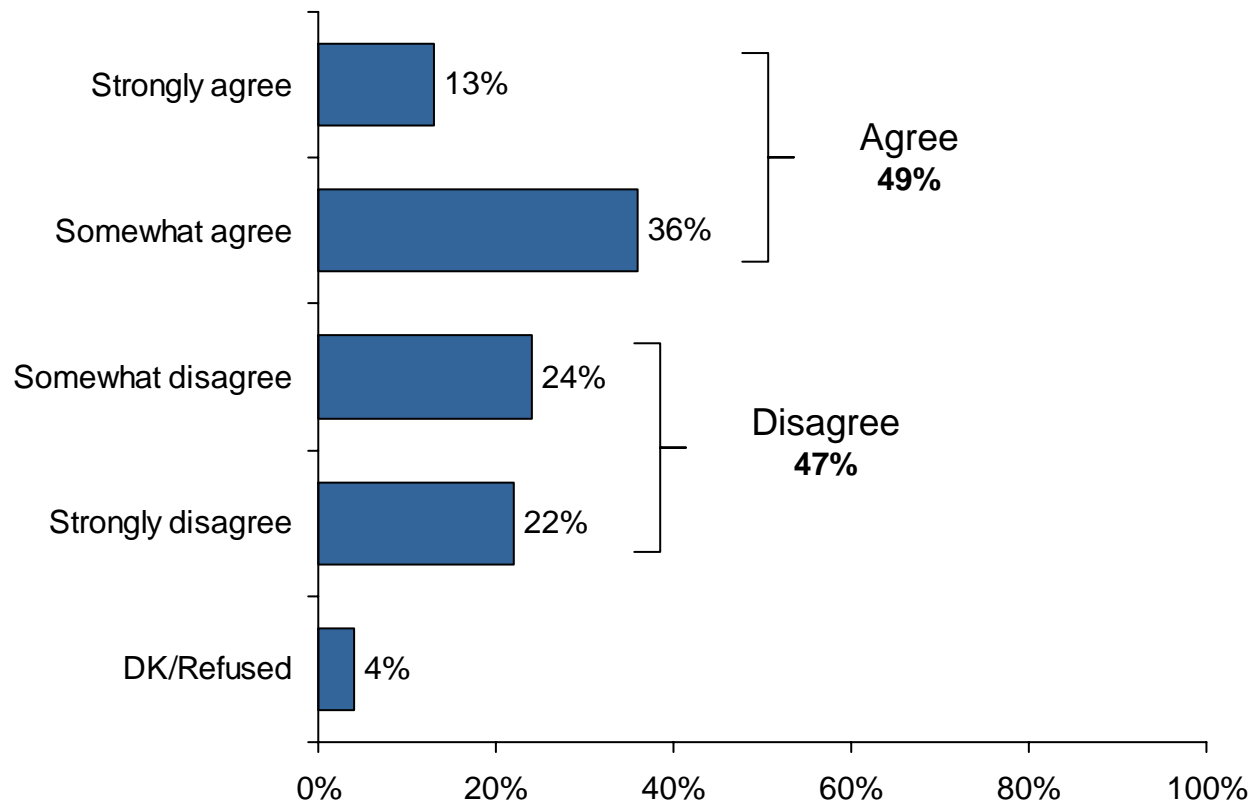
BASE: TOTAL RESPONDENTS – 2007, N=652; 2006, N=659; 2005, N=603; 2004, N=601
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 Are you very confident, somewhat confident, not too confident, or not at all confident?
 Note: Significant testing was only conducted between 2006 and 2007.

Level of Confidence Employees May Have of Achieving a Comfortable Lifestyle 2007 – Large vs. Small Companies



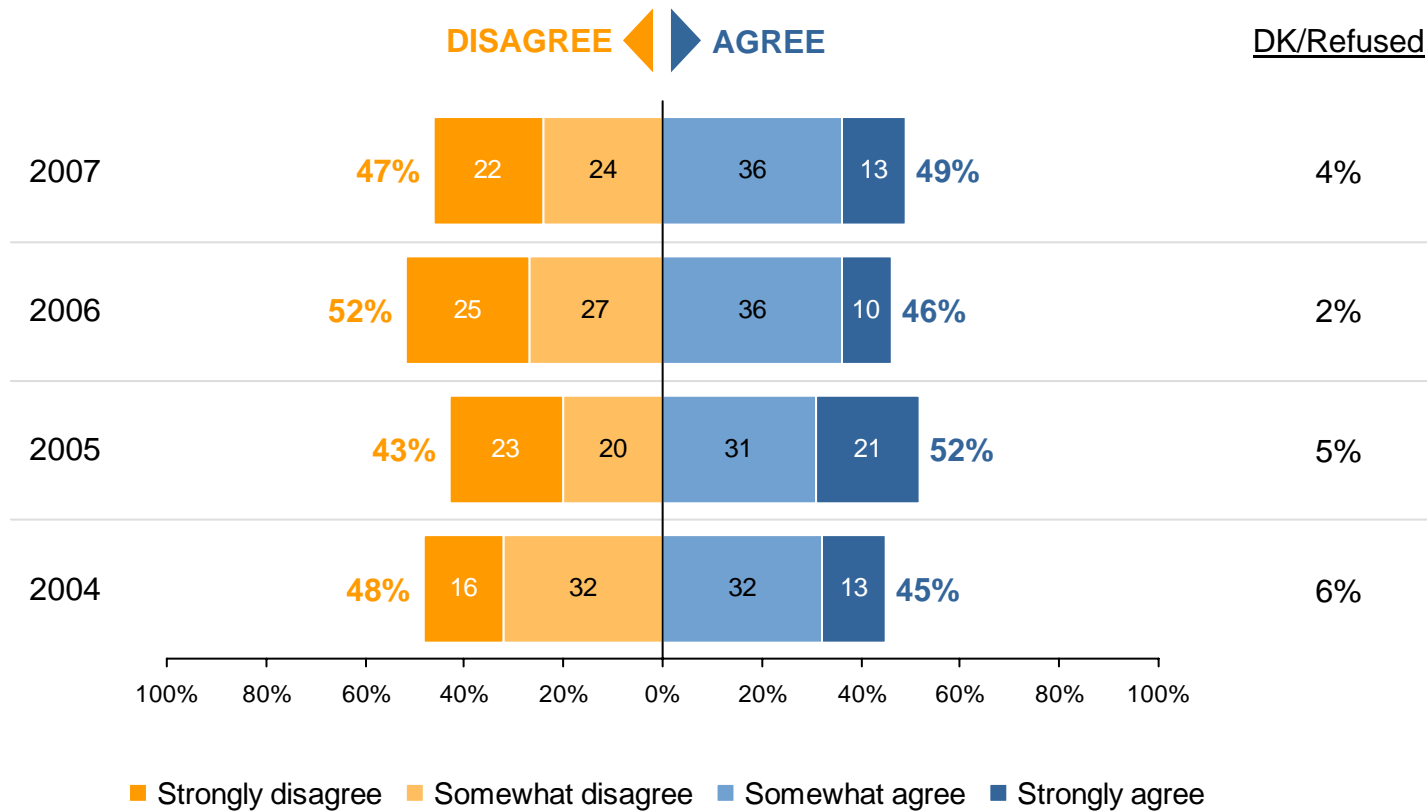
BASE: TOTAL RESPONDENTS – Total, N=652; Small, N=369; Large, N=283
 Q800. How confident do you feel your employees are that they will be able to achieve a comfortable lifestyle in their retirement?
 Are you very confident, somewhat confident, not too confident, or not at all confident?

Statement Agreement: Employees Very Involved 2007



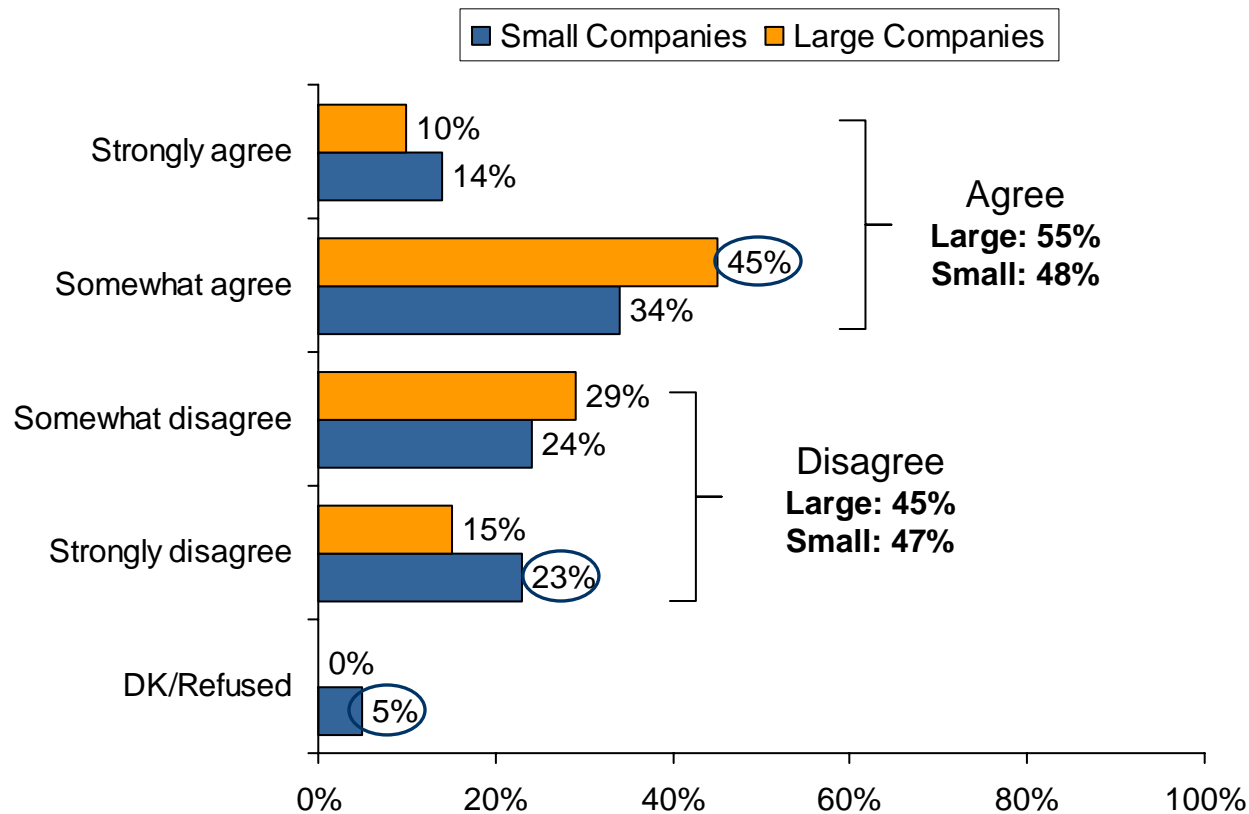
BASE: TOTAL RESPONDENTS, N=652
Q810. Employees at my company are generally very involved in monitoring and managing their retirement savings.

Statement Agreement: Employees Very Involved Annual Tracking



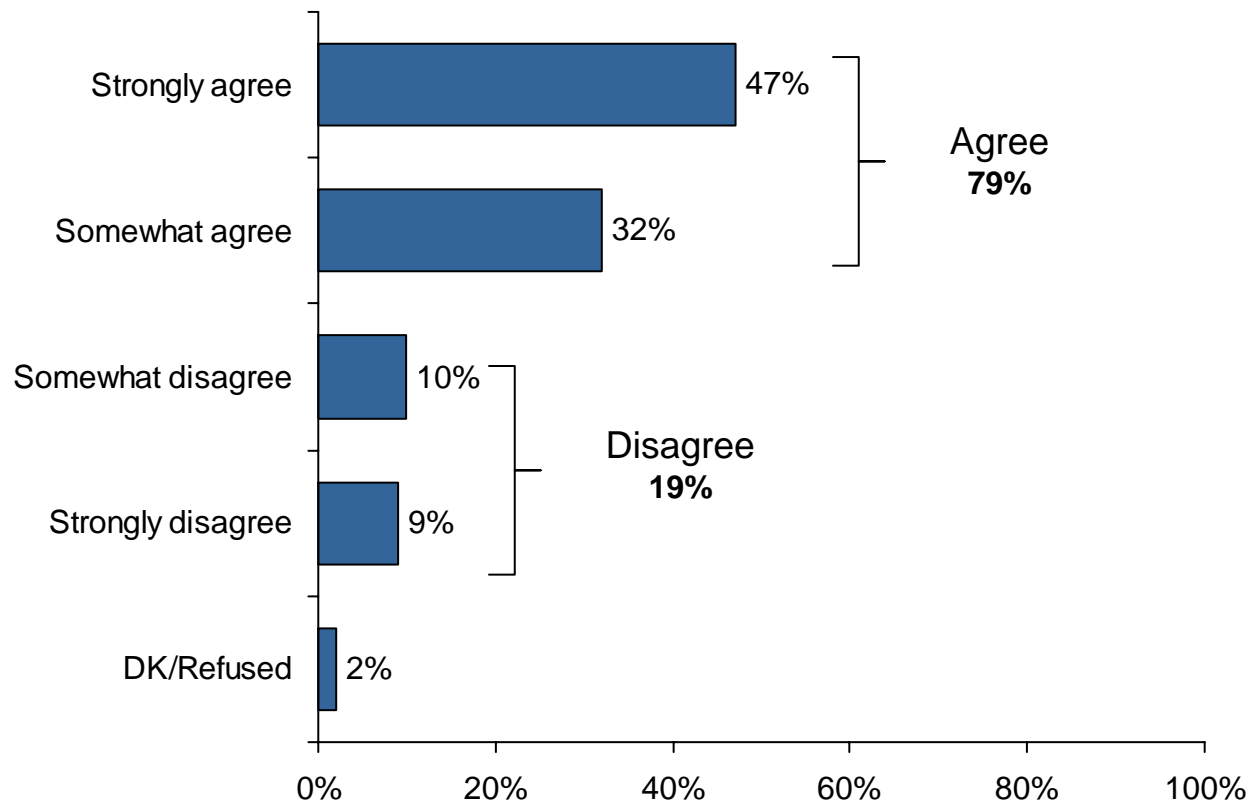
BASE: TOTAL RESPONDENTS – 2007, N=652; 2006, N=659; 2005, N=603; 2004, N=601
 Q810. Employees at my company are generally very involved in monitoring and managing their retirement savings.
 Note: Significant testing was only conducted between 2006 and 2007.

Statement Agreement: Employees Very Involved 2007 – Large vs. Small Companies



BASE: TOTAL RESPONDENTS – Total, N=652; Small, N=369; Large, N=283
 Q810. Employees at my company are generally very involved in monitoring and managing their retirement savings.

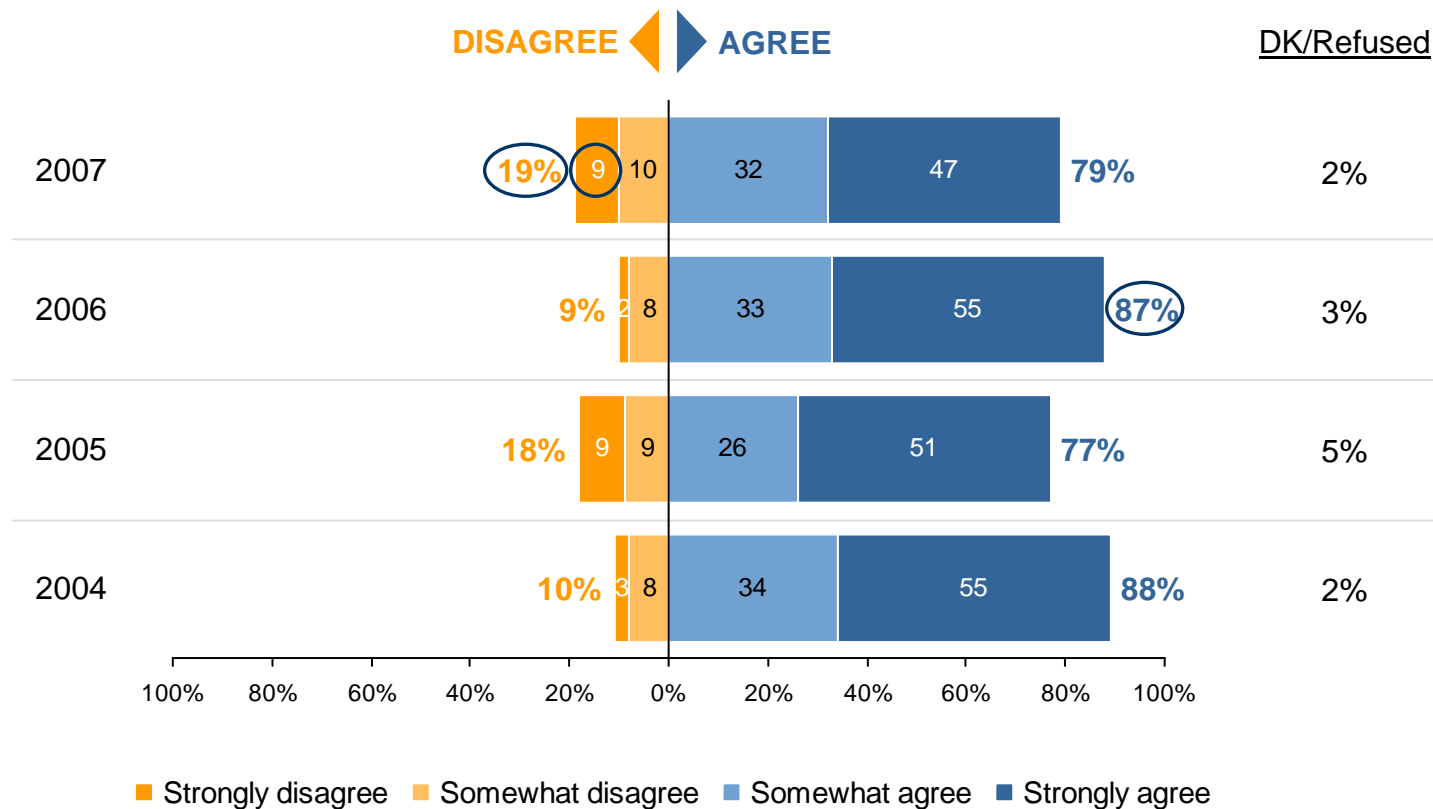
Statement Agreement: Employees Don't Know as Much as They Should 2007



BASE: TOTAL RESPONDENTS, N=652
Q820. Most employees at my company do not know as much as they should about retirement investing.

Statement Agreement: Employees Don't Know as Much as They Should

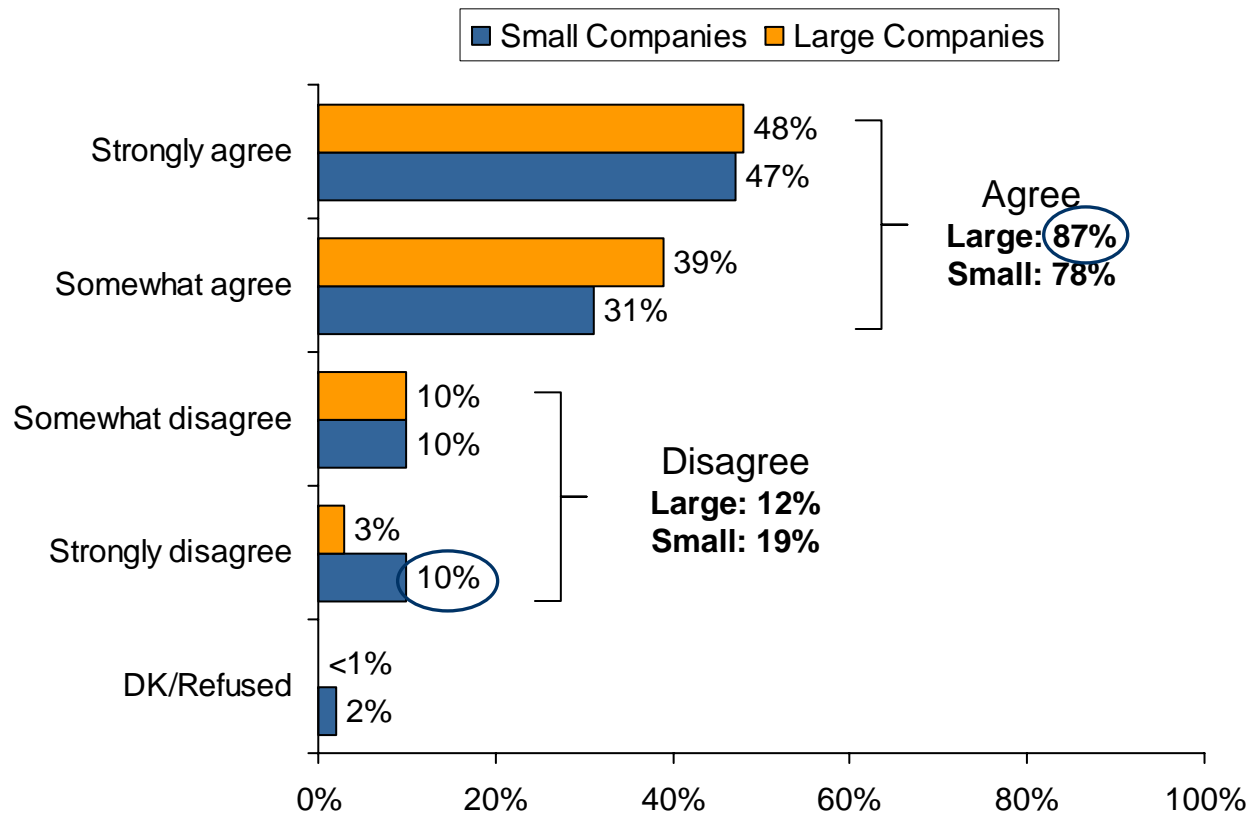
Annual Tracking



BASE: TOTAL RESPONDENTS – 2007, N=652; 2006, N=659; 2005, N=603; 2004, N=601
 Q820. Most employees at my company do not know as much as they should about retirement investing.
 Note: Significant testing was only conducted between 2006 and 2007.

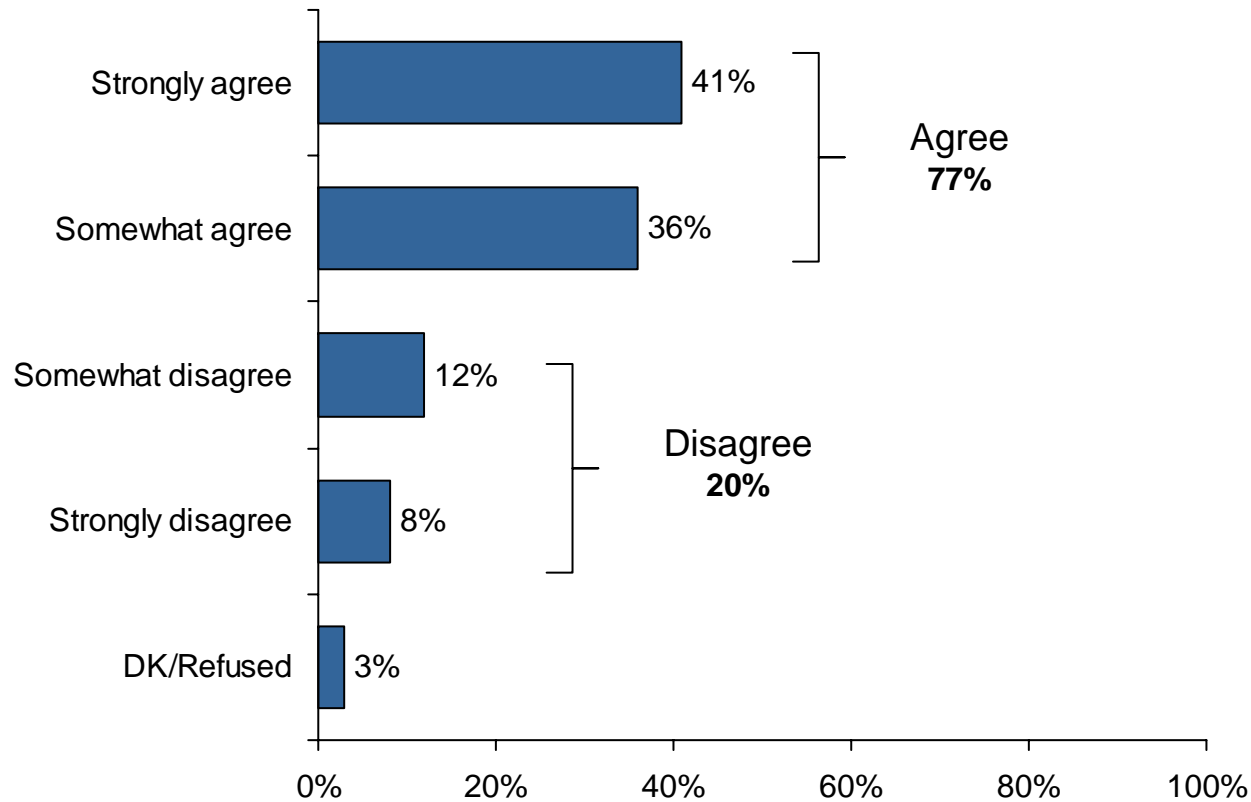
Statement Agreement: Employees Don't Know as Much as They Should

2007 – Large vs. Small Companies



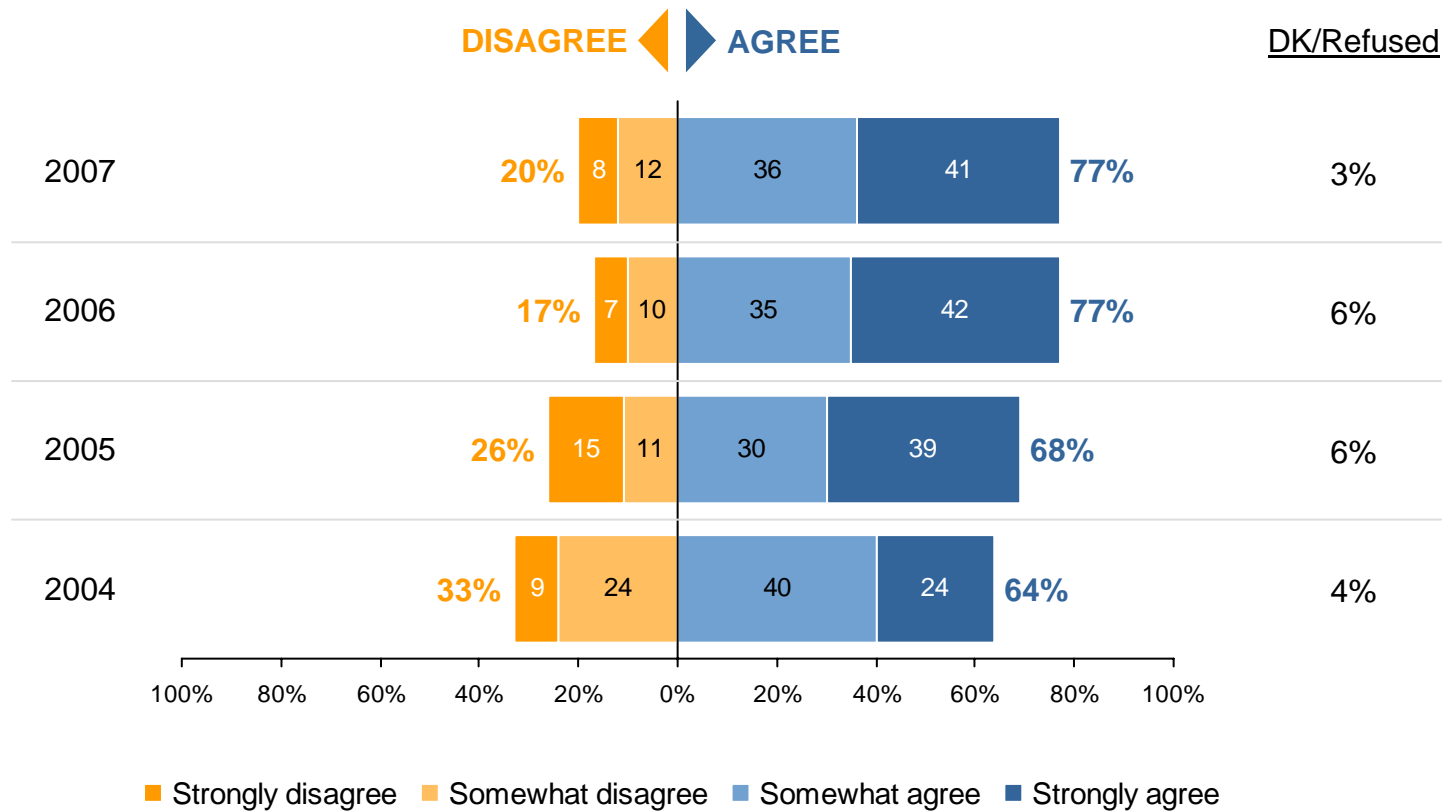
BASE: TOTAL RESPONDENTS – Total, N=652; Small, N=369; Large, N=283
 Q820. Most employees at my company do not know as much as they should about retirement investing.

Statement Agreement: Rely on Outside Experts 2007



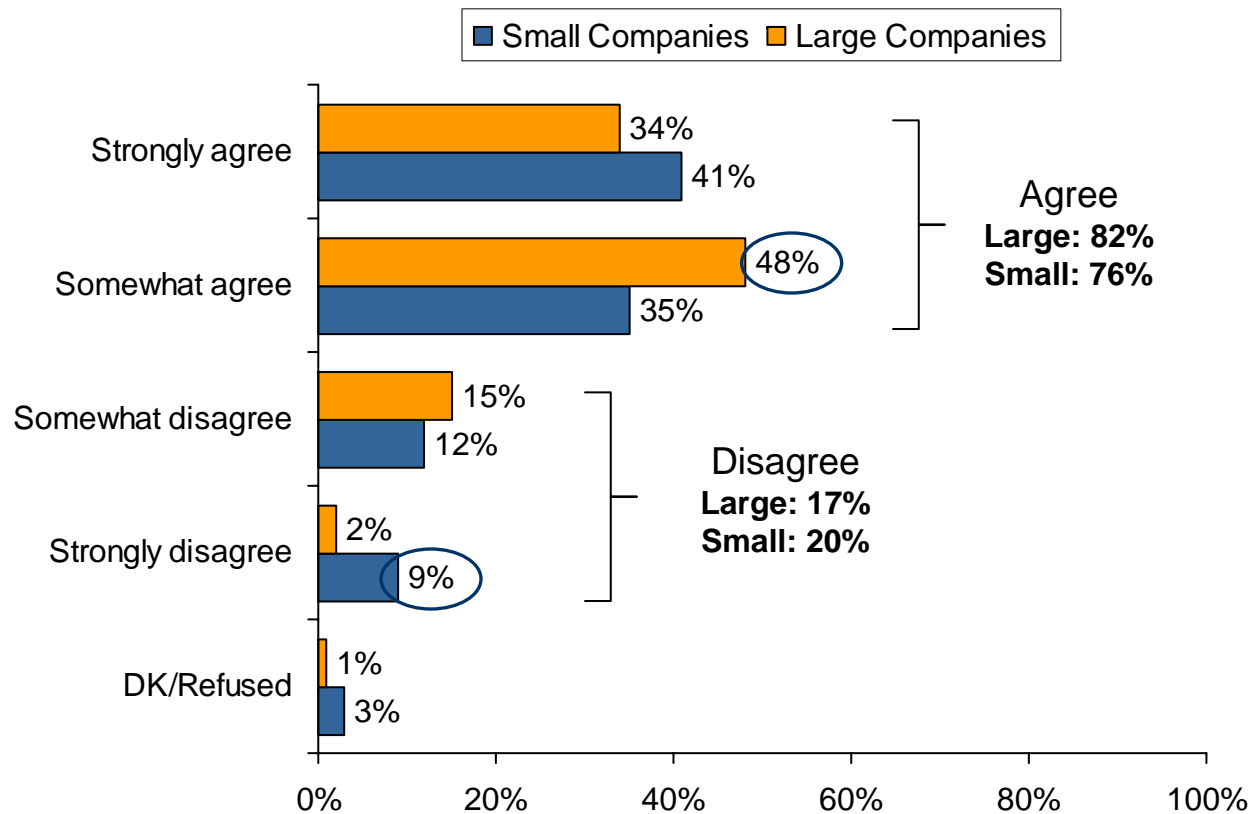
Q830. Most employees at my company would prefer to rely on outside experts to monitor and manage their retirement savings. BASE: TOTAL RESPONDENTS, N=652

Statement Agreement: Rely on Outside Experts Annual Tracking



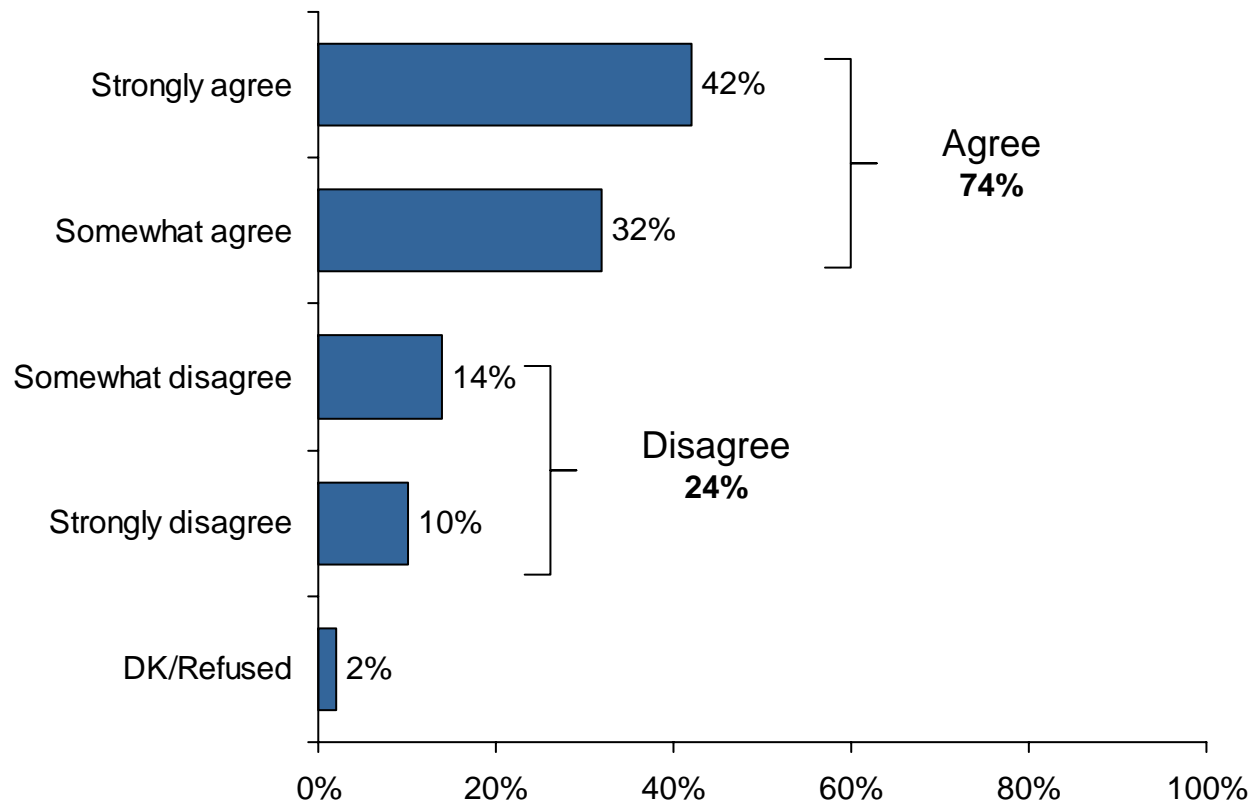
BASE: TOTAL RESPONDENTS – 2007, N=652; 2006, N=659; 2005, N=603; 2004, N=601
 Q830. Most employees at my company would prefer to rely on outside experts to monitor and manage their retirement savings.
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Statement Agreement: Rely on Outside Experts 2007 – Large vs. Small Companies



BASE: TOTAL RESPONDENTS – Total, N=652; Small, N=369; Large, N=283
 Q830. Most employees at my company would prefer to rely on outside experts to monitor and manage their retirement savings.

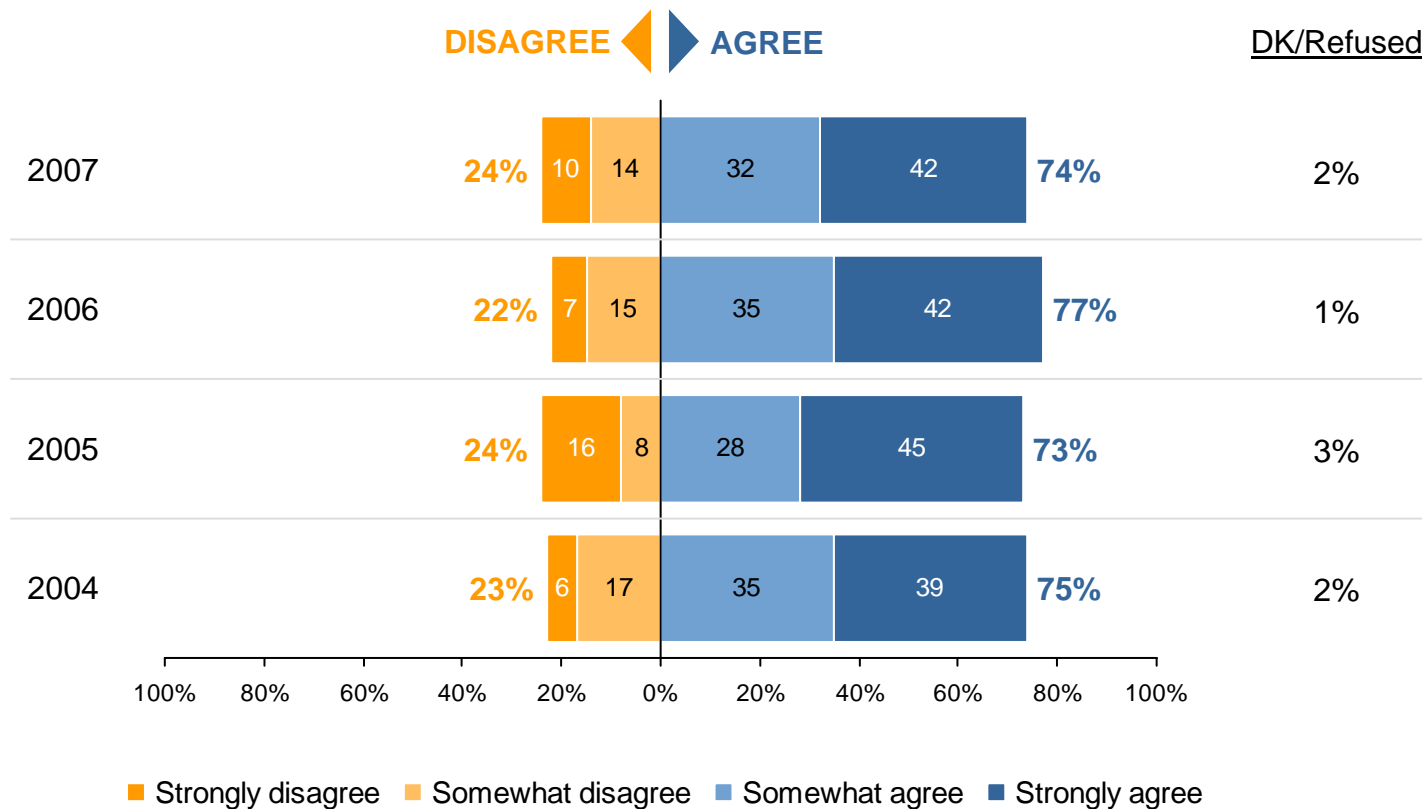
Statement Agreement: Employees Prefer Not to Think about Retirement Until Date Nears 2007



BASE: TOTAL RESPONDENTS, N=652
Q840. Most employees at my company prefer not to think about or concern themselves with retirement investing until they get closer to their retirement date.

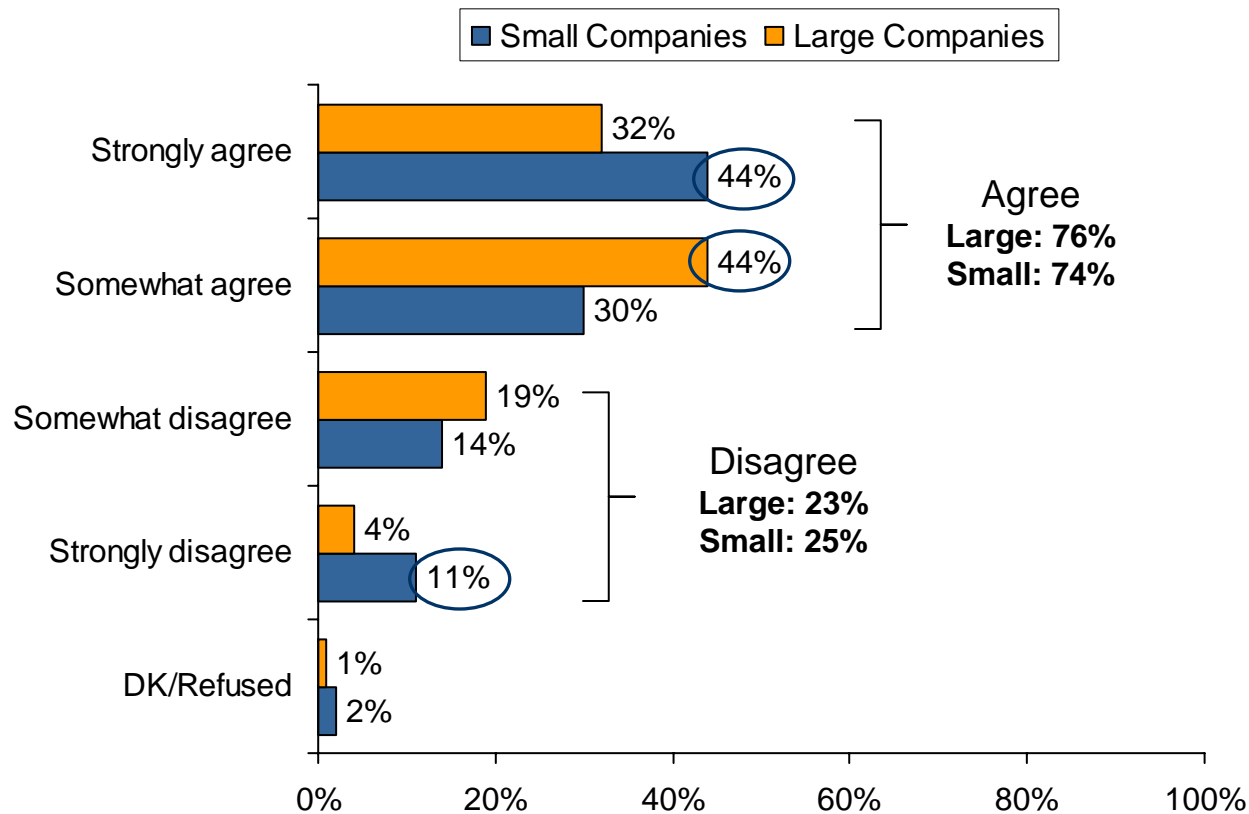
Statement Agreement: Employees Prefer Not to Think about Retirement Until Date Nears

Annual Tracking



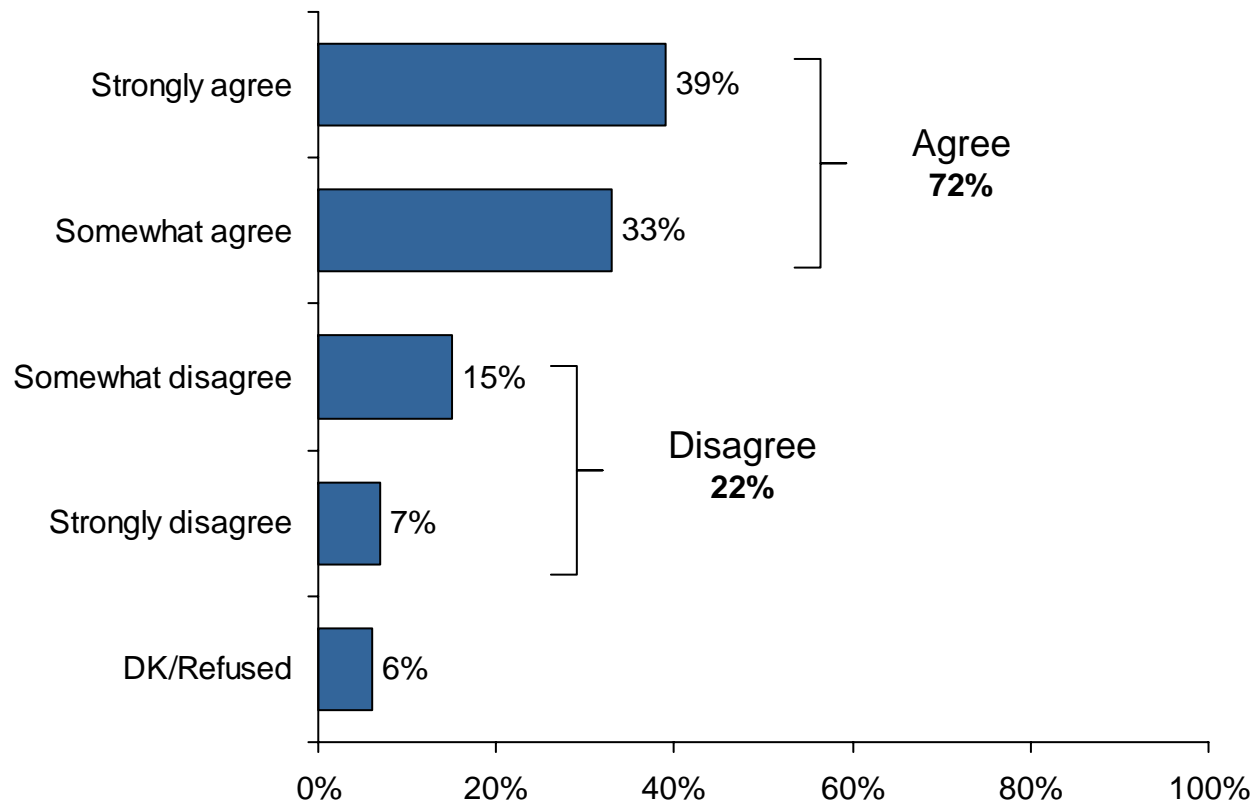
BASE: TOTAL RESPONDENTS – 2007, N=652; 2006, N=659; 2005, N=603; 2004, N=601 Q840. Most employees at my company prefer not to think about or concern themselves with retirement investing until they get closer to their retirement date. Note: Significant testing was only conducted between 2006 and 2007.

Statement Agreement: Employees Prefer Not to Think about Retirement Until Date Nears 2007 – Large vs. Small Companies



BASE: TOTAL RESPONDENTS – Total, N=652; Small, N=369; Large, N=283
 Q840. Most employees at my company prefer not to think about or concern themselves with retirement investing until they get closer to their retirement date.

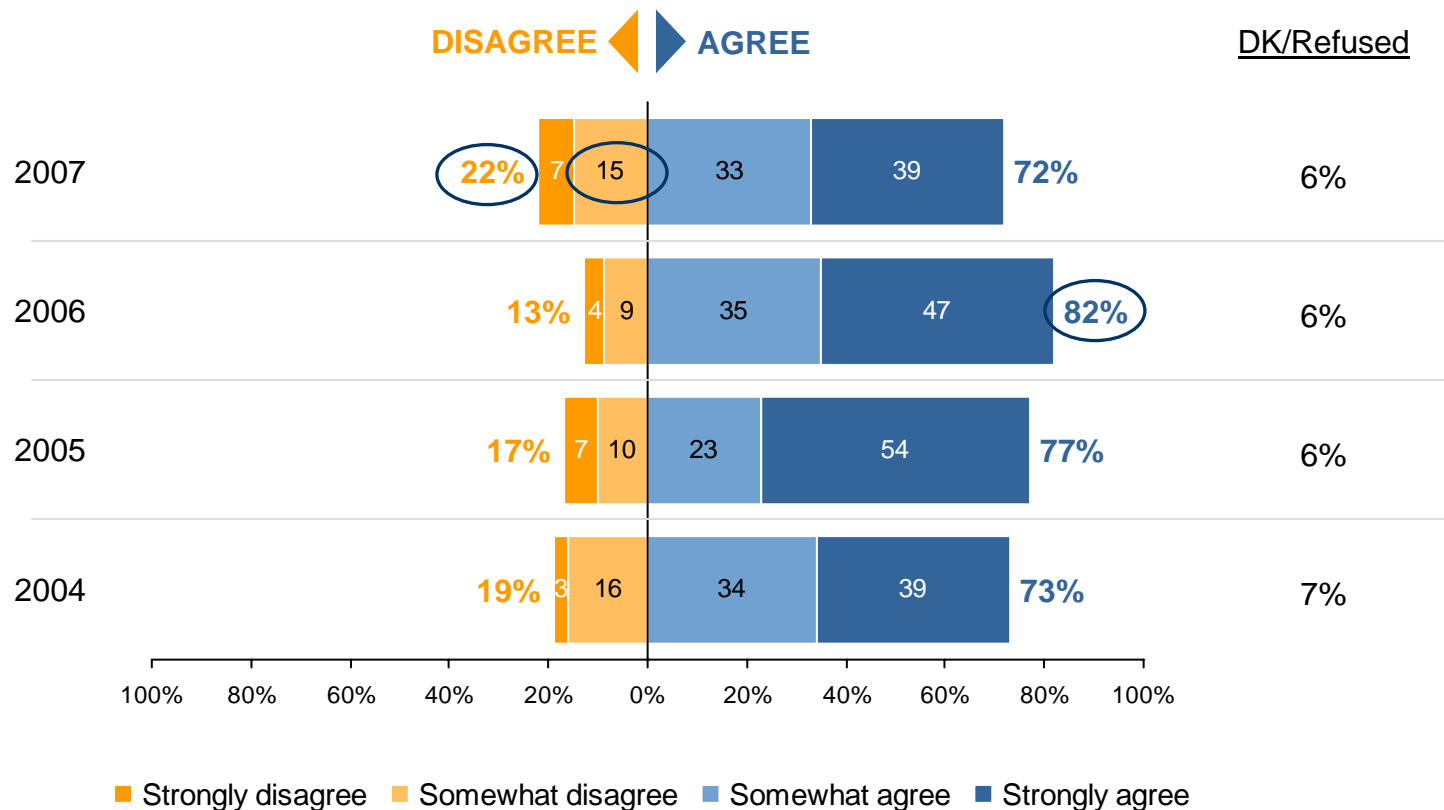
Statement Agreement: Employees Not Saving Enough 2007



BASE: TOTAL RESPONDENTS, N=652
Q850. Most employees at my company could work until age 65 and still not save enough to meet their retirement needs.

Statement Agreement: Employees Not Saving Enough

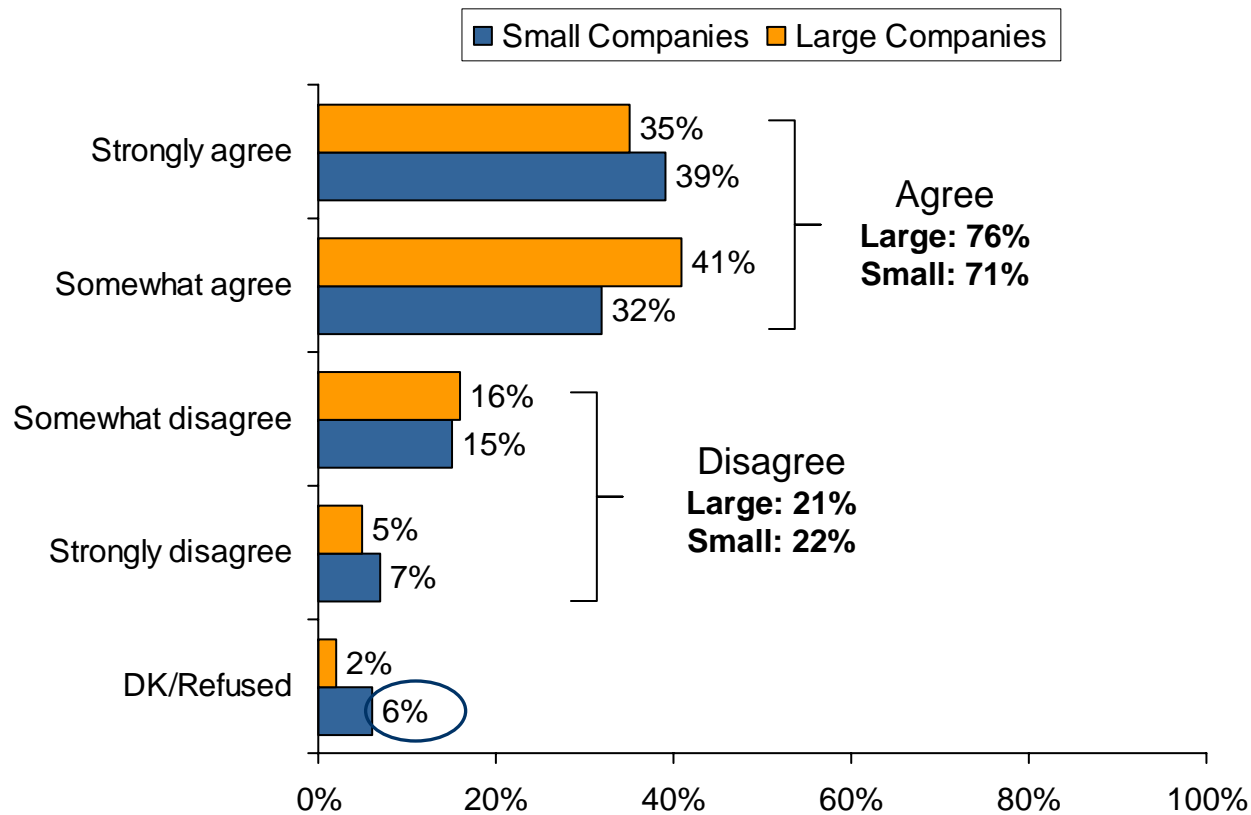
Annual Tracking



BASE: TOTAL RESPONDENTS – 2007, N=652; 2006, N=659; 2005, N=603; 2004, N=601
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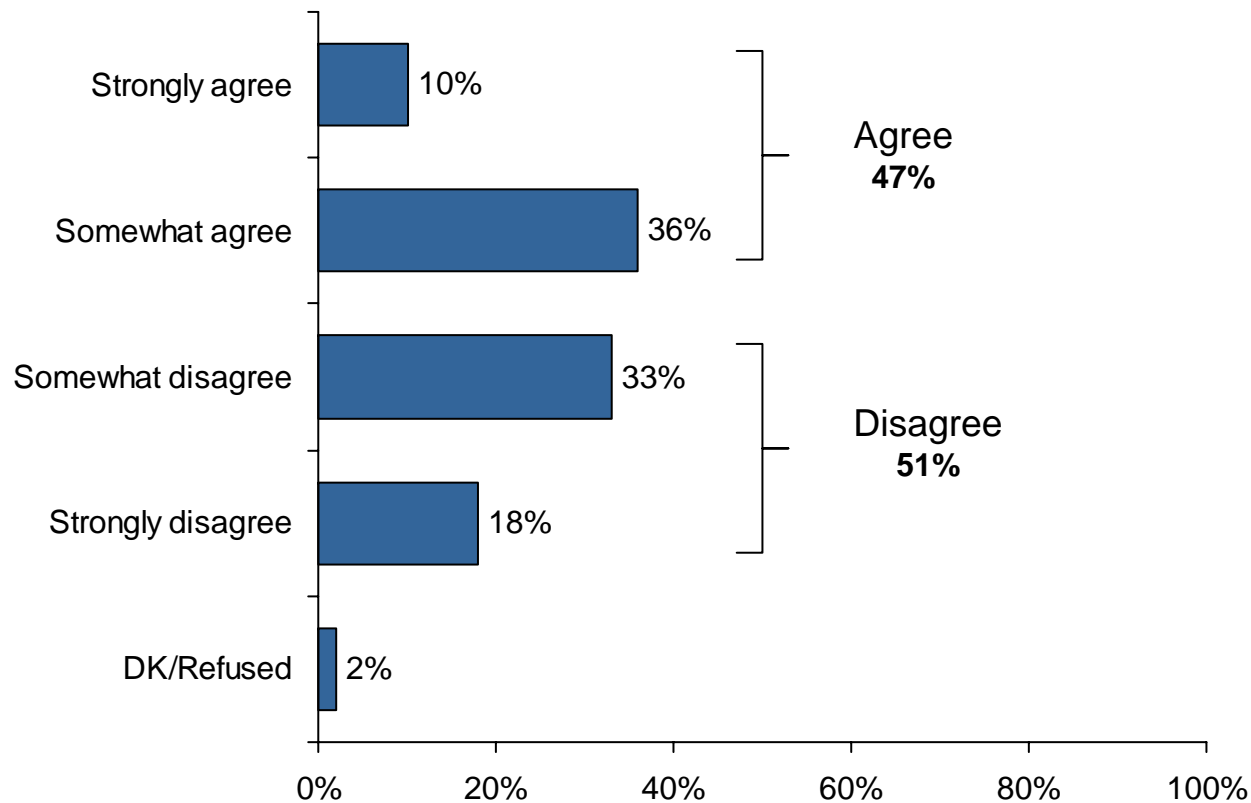
Statement Agreement: Employees Not Saving Enough

2007 – Large vs. Small Companies



BASE: TOTAL RESPONDENTS – Total, N=652; Small, N=369; Large, N=283
 Q850. Most employees at my company could work until age 65 and still not save enough to meet their retirement needs.

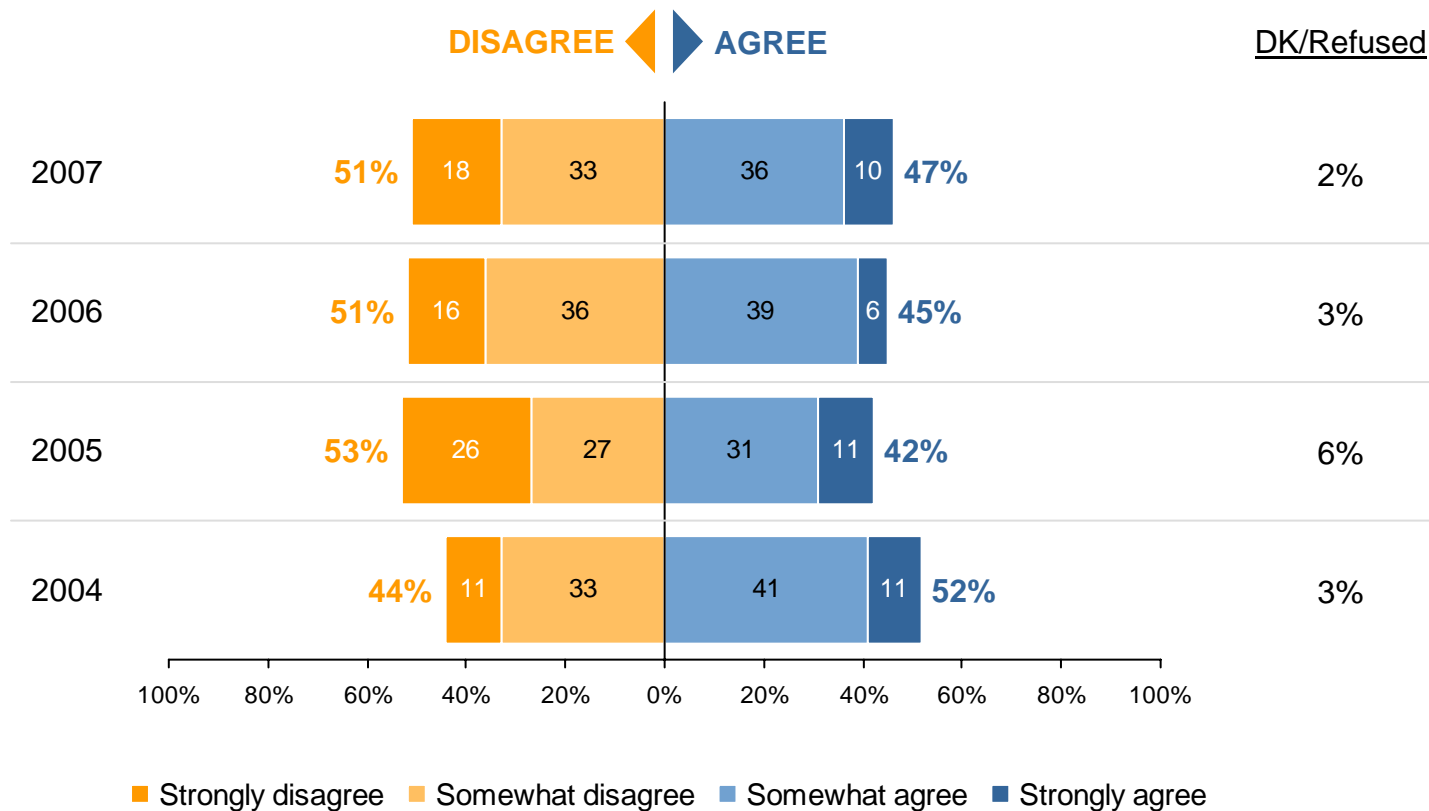
Statement Agreement: Employees Want More Information 2007



BASE: TOTAL RESPONDENTS, N=652
Q860. Most employees at my company would like to receive more information and advice from the company on how to reach their retirement goals.

Statement Agreement: Employees Want More Information

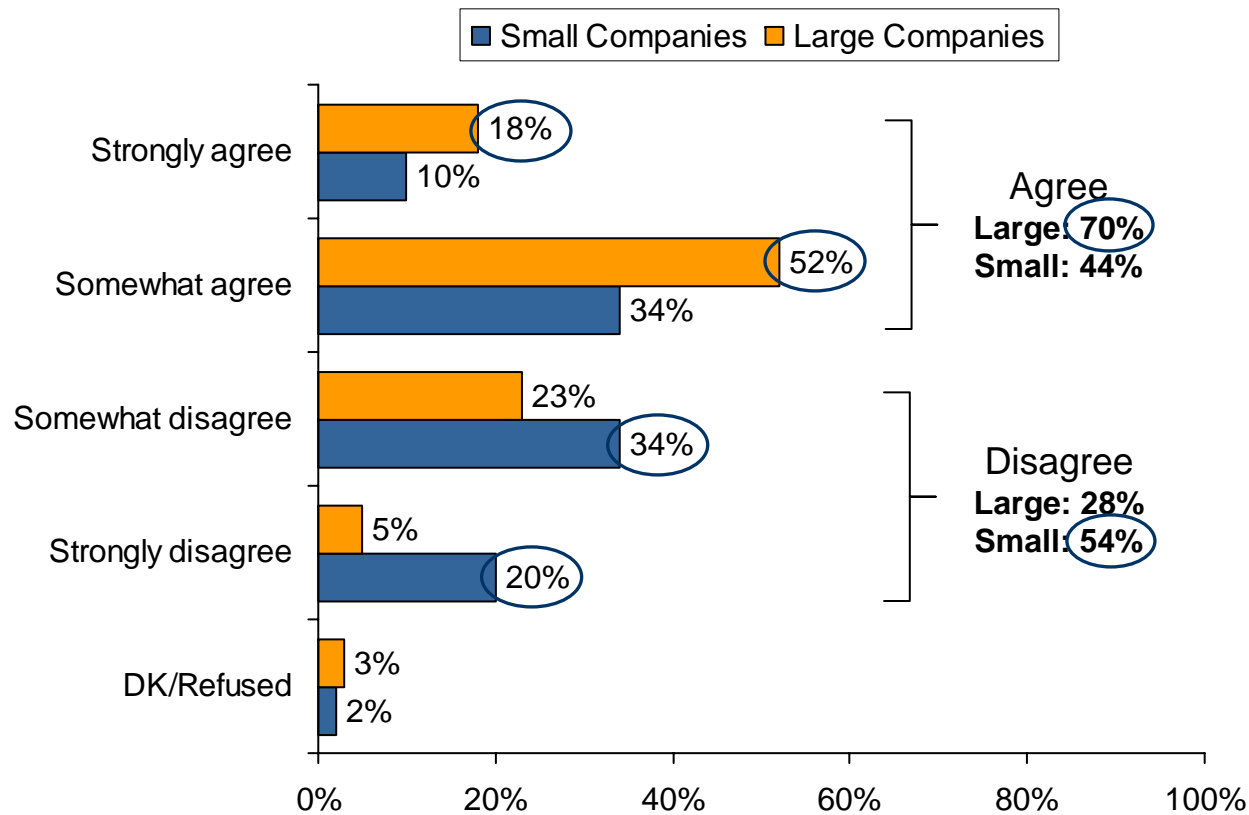
Annual Tracking



BASE: TOTAL RESPONDENTS – 2007, N=652; 2006, N=659; 2005, N=603; 2004, N=601
 Q860. Most employees at my company would like to receive more information and advice from the company on how to reach their retirement goals.
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Statement Agreement: Employees Want More Information

2007 – Large vs. Small Companies



BASE: TOTAL RESPONDENTS – Total, N=652; Small, N=369; Large, N=283
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