



## TIAA-CREF Perfect Match Survey Executive Summary

July 22, 2014



Financial Services

## TIAA-CREF Survey Finds Women, Low Earners Least Likely to Receive Full Retirement Savings Match from Employers

*Employees are leaving free money on the table if they don't make the most of savings match programs*

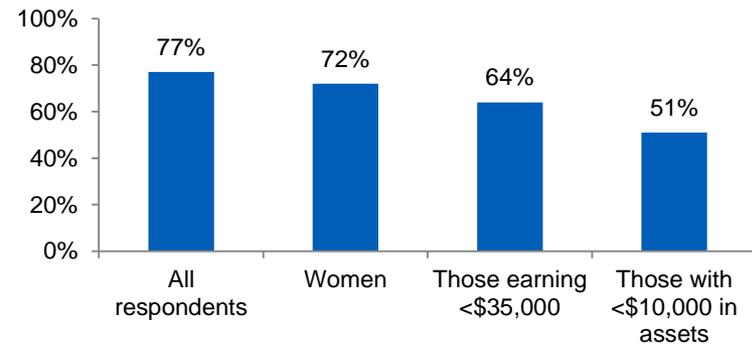
A new survey by TIAA-CREF shows that 78 percent of Americans who contribute to an employer-sponsored retirement plan receive matching contributions from their employer, and 77 percent of those who have matching contributions save enough to receive the full employer match.

However, only 72 percent of women contribute enough to receive the full employer match, compared with 82 percent of men, and only 64 percent of those earning less than \$35,000 a year receive the full match. In addition, only 51 percent of those with less than \$10,000 in assets receive the full match.

The findings come from TIAA-CREF's Perfect Match Survey, which was conducted among a sample of 1,000 adults who are currently contributing to a retirement plan, conducted by an independent research firm between May 19, 2014 and May 28, 2014.

The following pages outline Americans' attitudes and behaviors related to employer-matched retirement plan contributions.

Do you contribute the maximum amount that your employer will match?

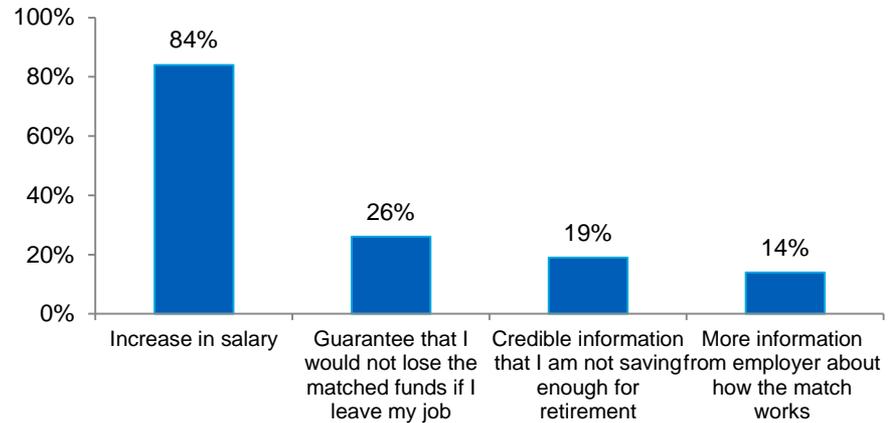


## Motivating Employees to Increase Retirement Plan Contributions

Not surprisingly, the majority of respondents (84 percent) said an increase in salary would make them consider increasing their retirement plan contributions to receive the full employer match, followed by a guarantee they would not lose matched funds if they left their current job (26 percent).

Men were more likely than women (88 percent vs. 81 percent) to say an increase in salary would cause them to consider increasing their contribution, while women were more likely than men (17 percent vs. 10 percent) to say they would consider an increase if they had more information about how the match works.

Which of the following would prompt you to consider increasing your contribution to meet the match?



## The Long-Term Implications of Missing the Full Match

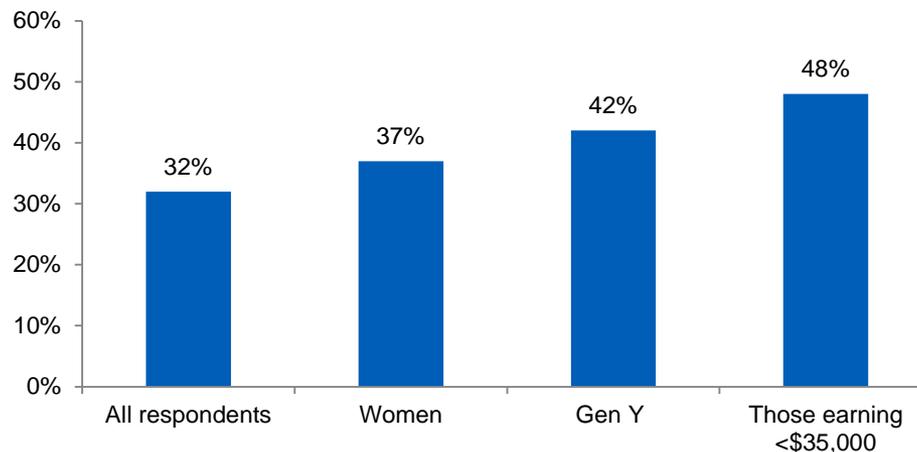
Many Americans may not know what they're missing if they don't contribute enough to their employer-sponsored retirement plans to get the full match.

TIAA-CREF asked survey respondents how much they would earn from their employer match alone under the following circumstances:

- They are 35 years old
- They earn \$50,000 per year
- Their employer will fully match their retirement contributions up to 3 percent of their salary
- Their salary remains the same for the next 30 years, until age 65
- They contribute enough each year to get the match
- Their investments earn a return of 3 percent per year

Under these circumstances, the employer contribution would be worth \$72,518 by the time they were 65. However, one-third (32 percent) of respondents thought it would be worth less than \$50,000. Women, Gen Y respondents and those earning less than \$35,000 a year were even more likely to underestimate how much the employer contributions will translate into retirement.

Respondents who think employer contributions in this scenario would amount to less than \$50,000



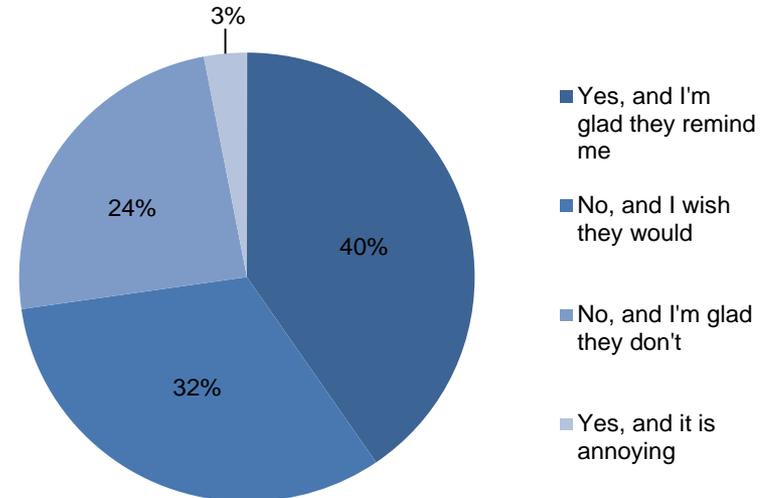
## Helping Employees Maximize Their Match

The survey found that employees would welcome more information from their employers on making the most of their retirement plan match.

Nineteen percent of respondents said they would consider increasing contributions to their retirement accounts if they learned from their employer that they are not saving enough for retirement, and 14 percent reported that more information from an employer about how the match works would have a similar effect.

The survey results also revealed that 40 percent of employees who are not currently contributing enough to get the maximum matching funds from their employers said they get reminders to do so and are happy to receive them. An additional 32 percent of employees do not receive reminders from their employer but said they wish they did.

Does your employer send you reminders about their matching of your retirement contributions?



Source: TIAA-CREF 2014 Perfect Match Survey

# TIAA-CREF Offers a Variety of Retirement Solutions

TIAA-CREF has prepared articles for [plan sponsors](#) and [individuals](#) on maximizing the employer match.

Additional resources for individuals can be found in the TIAA-CREF [Advice and Guidance Center](#).

*The findings come from TIAA-CREF's Perfect Match Survey, which was conducted among a sample of 1,000 adults who are currently contributing to a retirement plan, conducted by an independent research firm between May 19, 2014 and May 28, 2014.*

*The survey was conducted by KRC Research online among a sample of 1,000 employed adults, age 18 years and older, currently contributing to an employer-sponsored retirement plan. Data was weighted by key demographic variables to ensure the sample is representative of the employed population contributing to defined-contribution plans.*

*Respondents for this survey were selected from among those who have volunteered to participate in online surveys and polls. Because the sample is based on those who initially self-selected for participation, no estimates of sampling error can be calculated. All sample surveys and polls may be subject to multiple sources of error, including, but not limited to, sampling error, coverage error, error associated with nonresponse, error associated with question wording and response options.*

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