# Focusing on the heart of your mission

Caring for the employees that care for your patients

Their paychecks are essential, but your **clinicians and staff rely on you for much more**—like helping them on their journey toward retirement. Now, the challenges of the pandemic, coupled with their debt and concerns about income, can keep your employees from saving properly…

**Only 27%**

of workers are confident they will **never run out of money** in retirement.[1]

**$301K**

The average a couple retiring in 2019 will need to cover **healthcare expenses in retirement.**[2]

**25%**

of employees who feel health and wellness programs are so difficult that **they're relegated to "hoping for the best"**[3]

## And your world is changing rapidly too…

Defined benefit plans are **weighing down your balance sheet**

**Your employees' lack of confidence and knowledge** mean you're spending more time and effort educating them

**Market uncertainty may create an increased risk** that your employees will outlive their retirement savings

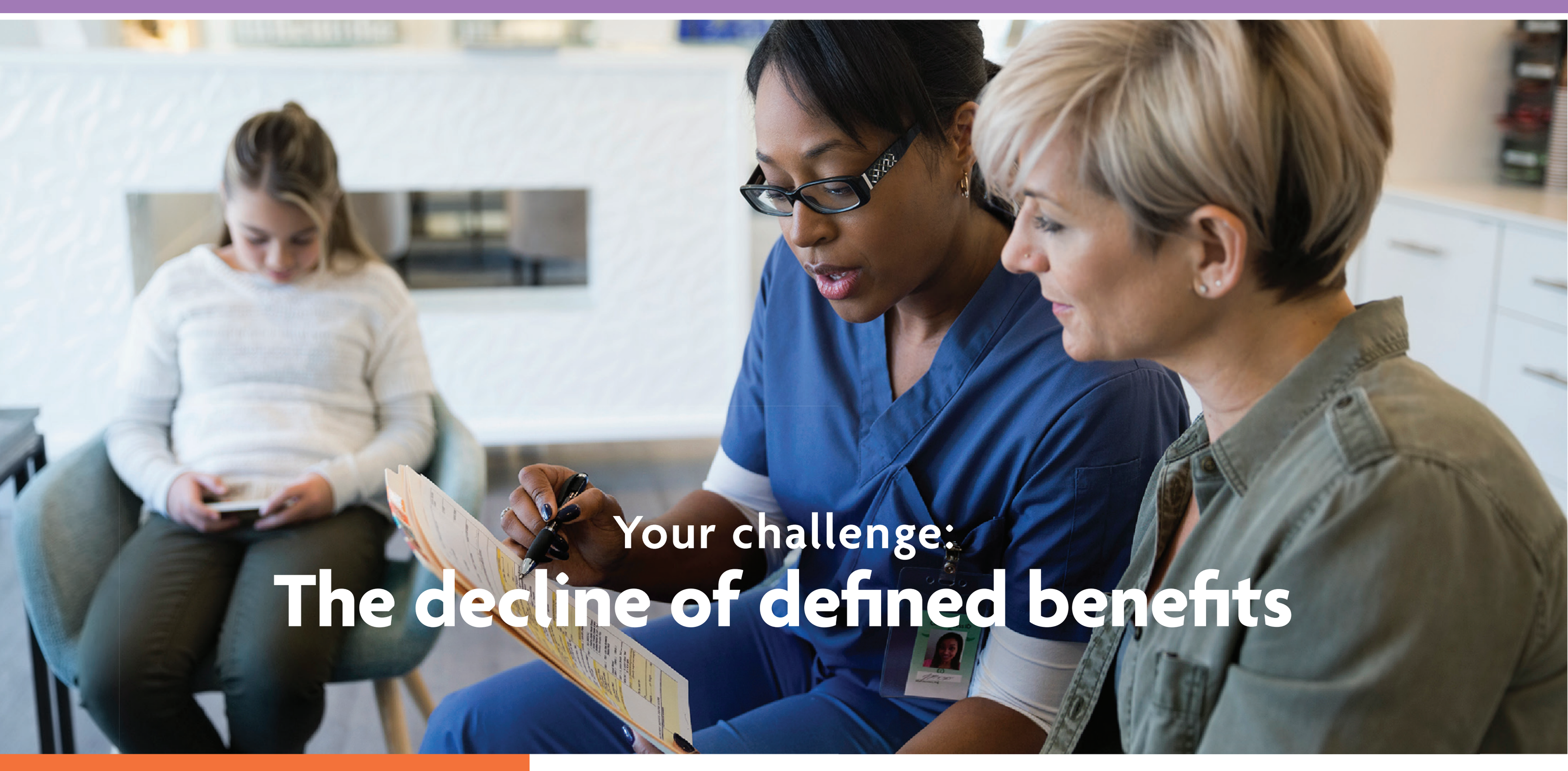
Success isn't about inputs—it's about the outcome: a steady stream of retirement income.

**It's time to shift your focus.**

But to help your employees achieve the right outcomes and set them on a clear path to a successful retirement, you need to overcome

## 3 major challenges:

**Benefit decline** | **Diverse workforce** | **Not focused on outcomes**



Your challenge:

## The decline of defined benefits

The use of defined benefit plans is declining all around you, and unlike healthcare benefits, where you require everyone to revisit their plan each year, your employees may take a "set it and forget it" approach to their retirement.

**$645B**

Healthcare liabilities are projected to rise, culminating in an **estimated shortfall**.[4]

**67%**

of Americans say having a guarantee of monthly income for the rest of their lives is important to them.[5]

And your employees are likely to trust that the default option in your retirement plan is safe; however, most of these options come with no guarantees.

Your Way Forward:

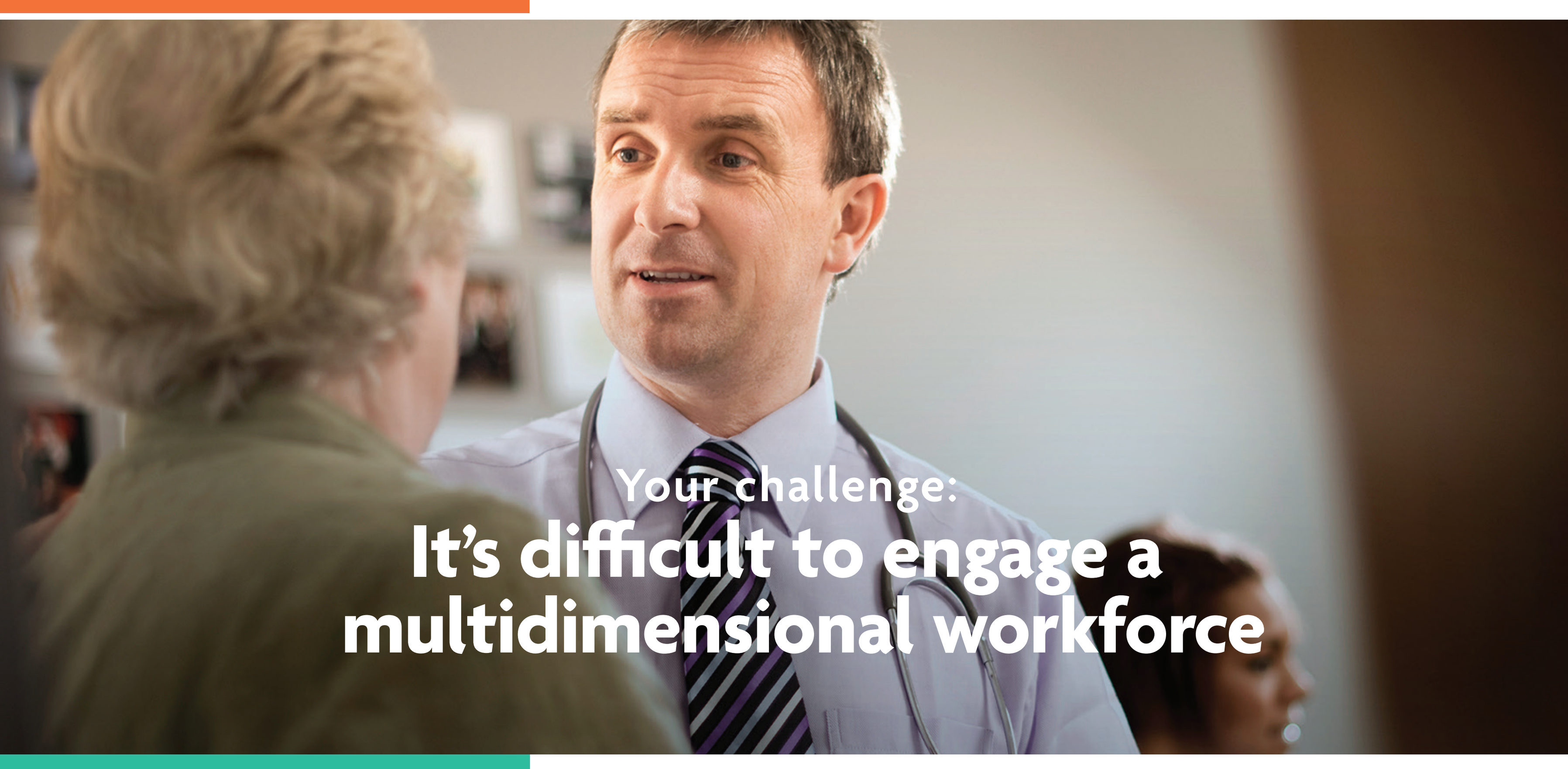
### What if you could offer "personal pensions"?

By designing a custom default investment that includes an income component—and doing it in the context of a defined contribution plan—you can minimize the worry about taking on the same kind of financial liability.

**Design a custom qualified default investment alternative (QDIA) that supports both accumulation and guaranteed lifetime income**

**Measure retirement readiness and income replacement gaps**

**Get a clear sense of the return on your investment in retirement benefits and offer your participants a clearer sense of their monthly retirement income.**



Your challenge:

## It's difficult to engage a multidimensional workforce

When you think about financial well-being, your employees are earning a wide range of salaries. The ability to save for retirement may be completely different for cafeteria workers than IT professionals, or for nurses than lead surgeons.

**62%**

of respondents said they have **put off saving for retirement or other investments** as a direct result of the need to pay down their student loan debt.[6]

Your Way Forward:

### What if you could show each employee a clear path to retirement?

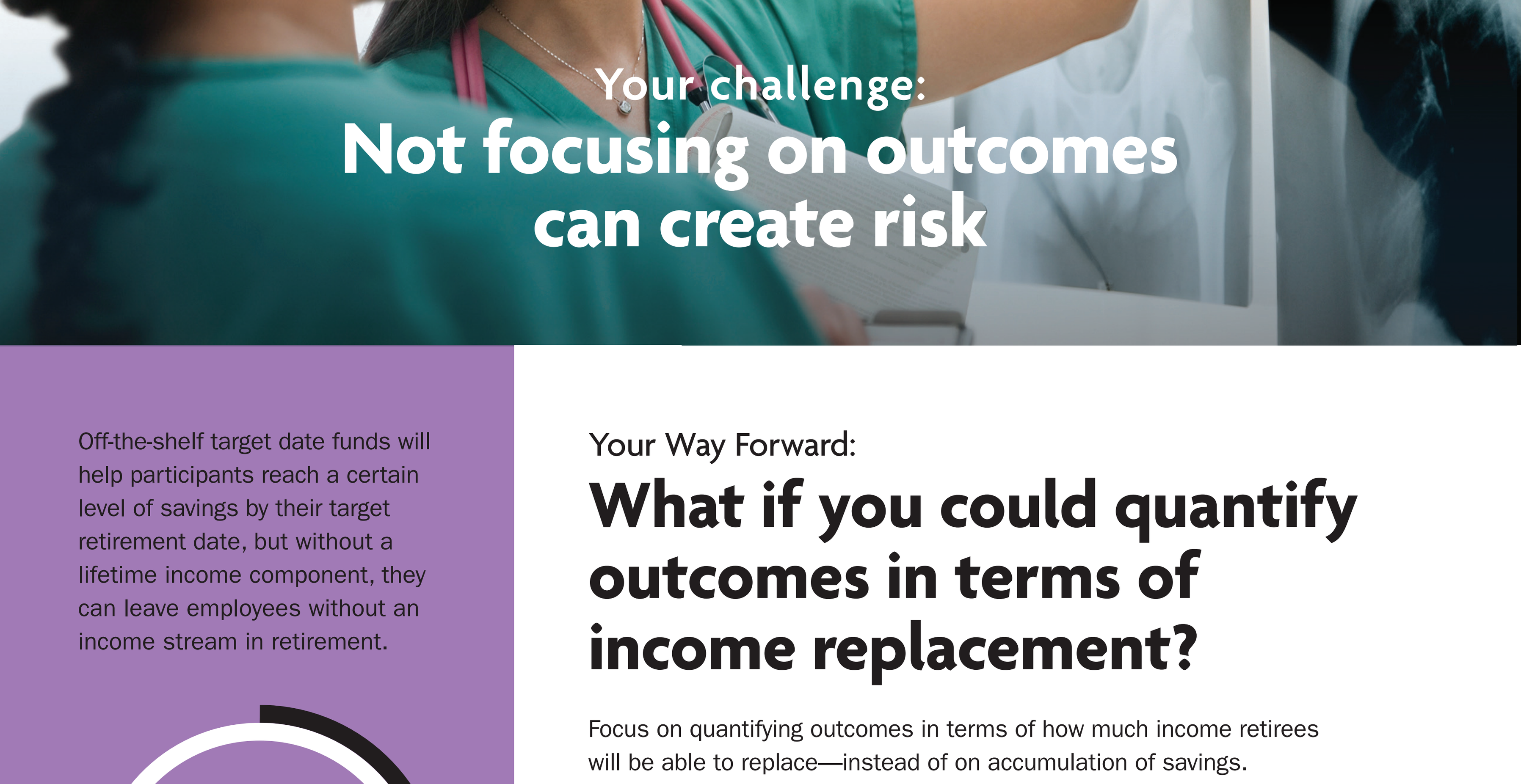
Knowledge and options are critical for your employees. By focusing on research-based engagement strategies, you'll communicate more effectively.

**Engage the right people the right way**

**Establish a personal action plan for each employee's financial goals**

**Address the complex financial concerns of doctors and executives**

**Help boost the financial well-being and literacy of your diverse employee base.**



Your challenge:

## Not focusing on outcomes can create risk

Off-the-shelf target date funds will help participants reach a certain level of savings by their target retirement date, but without a lifetime income component, they can leave employees without an income stream in retirement.

**75%**

of defined contribution plan flows will be directed to target date funds.[7]

Your Way Forward:

### What if you could quantify outcomes in terms of income replacement?

Focus on quantifying outcomes in terms of how much income retirees will be able to replace—instead of on accumulation of savings.

**Level the playing field for employees who didn't have the opportunity to participate in your DB plan**

**Measure retirement readiness and income replacement gaps**

**Establish a personal action plan for each employee's financial goals**

**Reduce the risk of employees reaching retirement and realizing they're not adequately prepared.**

## When it comes to retirement, the outcome you want is a steady stream of income.

With TIAA, you can set your employees on a clear path to retirement through the ability to default properly, engage appropriately and focus on outcomes as measured by projected income replacement.

**Learn more today**


[1] TIAA's 2019 Lifetime Income Survey.
[2] EBRI Issue Brief, May 16, 2019.
[3] Physical, Mental and Financial Wellness Viewed as Equally Important, PLANSPONSOR Magazine, Aug. 2018.
[4] https://www.healthleaadersmedia.com/finance/national-pension-crisis-coming-storm-hospitals.
[5] TIAA's 2019 Lifetime Income Survey.
[6] Retirement Delayed: The Impact of Student Debt on the Daily Lives of Older Americans, American Student Assistance, 2017.
[7] The Cerulli Edge U.S. Retirement Edition: Improving Participant Outcomes; Issue 43; 2Q17.





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