



University case study

Choosing SRK with TIAA improved employee engagement by 20%

It's hard to overstate the importance of an employee engagement and communications strategy to the goal of increasing retirement readiness. Before 2017, when the university had multiple recordkeepers, the intent was there to execute an effective participant communications strategy. But there were gaps hampering the effort.

For example, mobile logins and the number of contributing participants were fractions of what they are today. Meanwhile, not all participants had valid email addresses in the system, and the percentage of participants able to make digital transactions was not where it needed to be for the university to hit its retirement plan goals.

In addition, there was a lack of continuity with the messaging, which made it difficult to track results. For the results-driven team spearheading the effort, this made measuring the effectiveness of the communications strategy a challenge.

Before the university shifted administrative and recordkeeping responsibilities solely to TIAA, it was difficult to decipher where participants stood in terms of retirement readiness—and how to engage them in a personalized way to provide advice that addressed their situational needs.

The university found itself limited in a multivendor situation. The team responsible for ensuring retirement readiness was restricted from doing many of the things it wanted to do because it had to check them against the other vendors.

With only 28% of employees taking advantage of advice services prior to the switch to a single recordkeeper, the numbers revealed room for improvement as far as positioning participants for retirement readiness.

Working with TIAA, the university was able to significantly increase engagement and the number of contributing participants.



A more integrated and collaborative approach

Hoping to improve communications, re-energize the plan, and boost income replacement rates and retirement readiness, the university issued an RFP to seven 403(b) vendors in 2017. It prioritized five goals as it evaluated potential partners. These goals included:

- Shifting administrative/recordkeeping responsibilities to a single vendor with significant higher education experience
- Streamlining the investment menu with highly ranked choices
- Conducting a smooth transition with personalized support for employees
- Developing strategic and targeted employee engagement
- Delivering objective investment advice to participants¹

After choosing TIAA to help it execute against this five-pronged strategy, the university embarked on a six-month transition from a different vendor as master administrator to TIAA as sole recordkeeper (SRK). It was the first step in establishing a clearly defined communications strategy as the new standard.

The communications plan was carefully executed. In addition to creating a custom brand to relaunch and re-energize the plan, TIAA deployed an announcement letter and created a comprehensive transition guide that outlined the genesis of the decision as well as key dates and actions that needed to be taken. It also conducted group seminars and one-on-one meetings across various locations. In fact, throughout the course of the rollout, the financial consulting team provided 12 workshops and 73 days of counseling.

The effort as a whole was positioned—and received—as a benefit to employees. The university made clear that assets were not being forced over. Participants could make new contributions going forward and consolidate if they chose. This was communicated clearly in the letter and the transition guide, as well as the transition seminars.



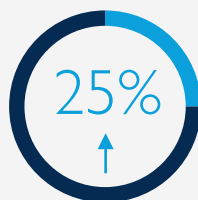
Partnership benefits:



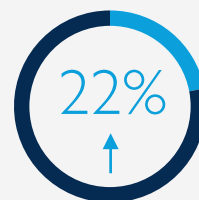
Increased participants' voluntary contributions by

5%

2018 to 2019 (64% vs 69%)



Increased use of advice services by 25% from 2018 to 2019



Increased advice usage by new hires by 22% from 2018 to 2019

1. Objective advice refers to the third-party advice we deliver to plan participants with respect to their employer-sponsored plan options under applicable Department of Labor guidance where approved by the plan fiduciary/sponsor.

The university now has one point of contact for retirement readiness, giving them much more control over the consistency and effectiveness of participant communications.

Improved communications, deeper engagement, better results

Since transitioning to TIAA as the sole recordkeeper, the university has enjoyed a more integrated and collaborative relationship, with greater efficiency and reduced paperwork. Working with TIAA's relationship manager and communications consultant, it has been able to build out a financial wellness calendar and improve its ability to develop strategic communication initiatives based on university retirement plan data. And, by adopting TIAA's outsourced services, the university has decreased its human resources burden and streamlined key processes.

Meanwhile, in 2019, the TIAA financial consultant serving the university provided 298 counseling sessions and conducted six workshops.

As for results, the new streamlined plan's income replacement ratio increased to 92% in 2018—the first full year with TIAA as the university's sole retirement plan provider—and to 93% in 2019. Other successes include more participants making voluntary contributions from 2018 to 2019, with a higher average contribution rate, as well as increased usage of advice services, with 35% of employees receiving advice in 2019, up from 28% in 2018. Meanwhile, new hires increased their use of advice by 22% from 2018 to 2019.



Results experienced by the university may not be typical of all plans. Individual results and investment value will vary.

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