# Case Study

## Smart use of data increases retirement plan enrollment and contributions

Can smart use of data really drive improved retirement outcomes? For one large, healthcare system—the answer is a resounding "Yes!"

**Industry:** Healthcare

**Employees:** Nearly 8,500

**Type of Plan:** 403(b)

**Region:** Atlantic

### Scenario

In looking at the specifics of the organization's generous 403(b) plan, it was difficult for the employer to understand why more employees weren't taking advantage of the offering. Even though all of the system's employees were eligible to participate in the plan—and there was an annual three percent contribution for all employees plus a 50 percent match up to six percent of compensation—voluntary participation was only hovering around 75 percent.

With an eye on improving employee financial wellness, the employer wanted more. To that end, AIG Retirement Services partnered with them to create a targeted data-driven strategy that identified specific employee audiences who were underutilizing plan benefits, and then offered a personalized financial wellness solution.

### Strategy

At the center of the plan analysis was the goal of identifying which of the healthcare system's locations had the largest population of non-participating employees. Once AIG Retirement Services' proprietary algorithm revealed the two primary locations, a secondary department level review focused on finding the top non-participating departments at each location.

The data indicated there were 227 employees who weren't participating in the plan. Among these employees, a next-level data drill-down also revealed the specific department where each employee worked. For example, there were 77 non-participants in the Environmental Services Department at one campus.

"The departments were divided by the advisor team to assist in workload sharing and ensure all departments received equal opportunity to meet with an advisor. The advisors attended department meetings, cafeteria hours, and more to engage employees one-on-one and encourage action toward saving. To help supplement their efforts, AIG Retirement Services sent targeted messages to these select employee groups encouraging them to save for their future in their employer-sponsored retirement plan. This deeper dive into the data was critical because we knew our peer-to-peer program—called FutureFIT® Circles—would be an ideal solution for motivating non-engaged employees to take action," explained Yarmon Kennedy, Vice President of Strategic Planning.

As part of the peer-to-peer engagement initiative, the organization's human resources department helped AIG Retirement Services identify department leaders and other influencers who could act as "financial" role models.

These influencers were within the same salary band as the non-participants and were contributing at least six percent of compensation to the 403(b) plan.

## Results

Over a 12-week period, the targeted approach led to impressive results of 40% employee engagement in the identified departments:

**34% increase** in personal counseling sessions

**9.25% increase** in enrollments/restarts

**9.25% increase** in advisor-led contribution increases

"To know that the targeted data-driven solution was able to motivate specific groups of employees to take positive actions for an improved financial future is extremely satisfying," said Kennedy. "This employer clearly cares about its employees' financial wellness."

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