RETIREMENT SERVICES

ADP ACHIEVE

Powering informed participant decisions with data-inspired benchmarking

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Always Designing for People®

Planning for retirement involves difficult financial decisions, leaving many workers unsure about where to start and what to do next.

THE MAJORITY FIND PREPARING FOR RETIREMENT TO BE STRESSFUL, AND LESS THAN HALF HAVE CALCULATED HOW MUCH INCOME THEY WILL NEED FOR A SECURE FUTURE.[1]

To help tackle these challenges and improve retirement outcomes, ADP commissioned a user research study on participant behavior and decision-making related to retirement saving. Findings revealed that many participants lack investment confidence — and it prevents them from taking steps to plan for the future.

PARTICIPANTS NEED RETIREMENT PLANNING ASSISTANCE

60%
have **not calculated** their retirement income needs

80%
want **employer assistance** with calculating their retirement needs

61%
feel preparing for retirement is **stressful**

SOURCE: 2020 Retirement Confidence Survey. EBRI, April 2020.

Learnings from the ADP research helped shape the personalization component of the Achieve employee education program — to engage workers with technology and data to solve challenges, simplify retirement planning, and help participants make choices that may lead to more successful retirement outcomes. Achieve leverages the ADP Data Cloud to create meaningful, personalized insights that can help participants more confidently make tough financial decisions. Drawing upon aggregated and timely data from nearly 30 million U.S. workers in more than 90,000 organizations, we group this data into clusters and use data analytics, plus machine learning, to derive personalized insights. This allows us to create peer profile-based benchmarks and provide relevant insights to help make it even easier for workers to confidently make informed decisions and plan for what's next.

Peer information can influence decisions

We make complex retirement planning decisions easier with a personalized messaging program that helps participants when they need it most — as they're making critical choices about saving for retirement. The messaging answers a common question: what do other people like me do when it comes to saving for retirement? Instead of getting overwhelmed and stuck, we prompt them with data-inspired answers they can use to guide their own retirement plan decisions. Here's how it works:

- At critical decision points along the retirement planning journey, we provide participants with relevant data insights that are reflective of decisions made by savers under similar circumstances.
- These insights are derived by leveraging data-driven intelligence based on the savings actions of millions of similar retirement plan participants and advanced machine learning models.
- Eligible participants can compare their decisions to their peers' and take action in the moment.
- These insights are integrated into our mobile applications and digital enrollment experience, participant website, and the MyADP Retirement Snapshot® tool to reassure participants about their decisions and encourage them to act.

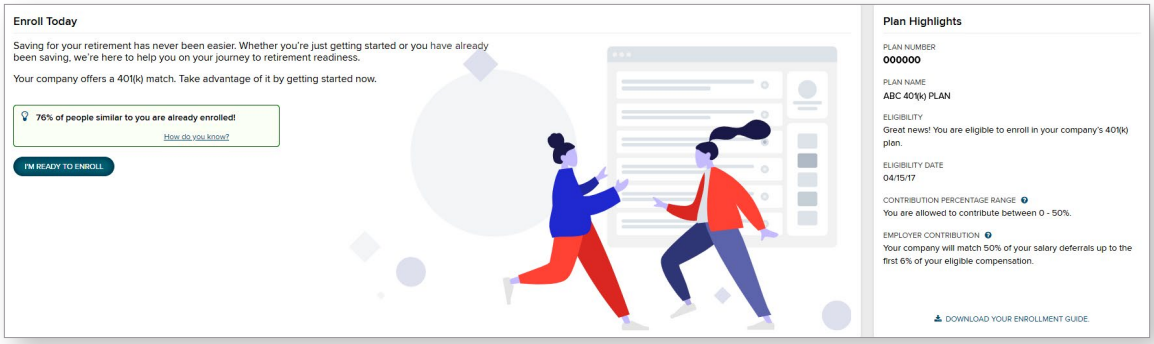
The personalized messaging leverages plan and individual data. Plan features, individual behaviors and personal characteristics are used to inform and guide participants throughout their retirement journey.

PEER BENCHMARKS ARE CALCULATED USING DEMOGRAPHIC AND EMPLOYMENT INFORMATION INCLUDING:

- Age
- Gender
- Employment tenure
- Compensation
- Marital status
- Hourly or salaried status

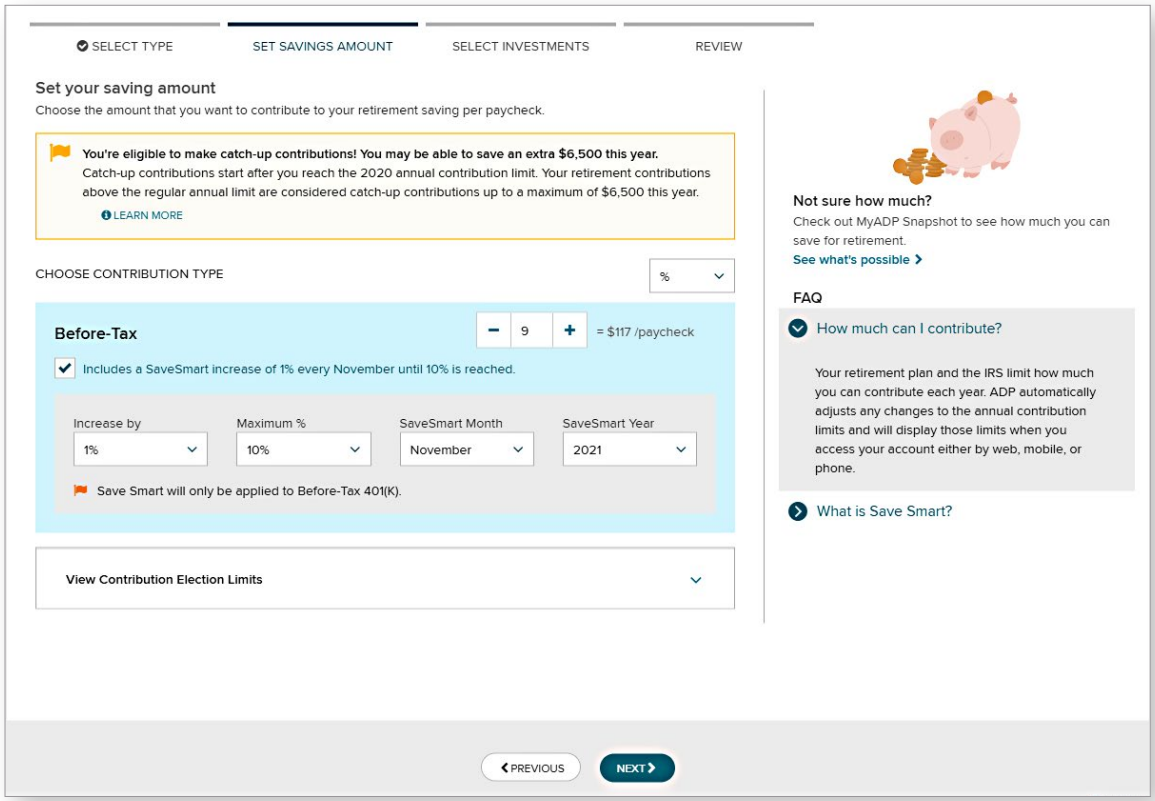
How it works

We support workers throughout their journey to retirement with guided experiences that help them make smart decisions right from the start. This includes messaging that encourages them to join the plan as soon as they can, maximize employer contributions, understand savings decisions of their peers, and learn how much they need to save for a secure future.



Guided enrollment experience

For those employees who need a little more assistance when enrolling, we've created a guided experience to help support them. Our personalized enrollment journey includes relevant messaging tailored to meet the participants personalized needs and encourage them to begin saving. This is where we utilize our data-driven peer benchmarking to help to guide eligible employees with selecting an adequate savings rate. By leveraging this data, we're able to provide employees with real and relevant insights into how much people like them are contributing to their 401(k) plans and whether they are contributing enough to reach their goals.



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As participants move through the enrollment process, messages at critical decision points can help drive positive savings choices. The messaging provides insights about peer decisions generated from workers with similar demographic and employment data including age, gender, marital status, compensation, and employment tenure and status.

Plus, our MyADP Retirement Snapshot tool leverages data-driven intelligence to help guide employees with their enrollment decisions. Messaging about:

- General retirement savings targets and statistics about peer savings rates offer participants comparative benchmarks they can use to determine their own savings rate.
- Plan matching contributions (if available), encourages participants to maximize their match benefit by meeting the requirements.

Continued support through the retirement journey

Enrollment support is just the start. Because participants need help and assistance throughout the retirement journey, peer messages will be enabled to guide them and make informed decisions. For example, encouraging participants to increase savings, take full advantage of the match and use plan features that automate plan savings management can help participants improve their future retirement outlook.

Illustrations are representative of technological features only and are not meant to reflect any specific investment strategies nor any account or investment options.

A personal experience that motivates and encourages action

The ADP Achieve education components work together to make the journey to retirement readiness easy for your employees. Benefits of the program include:

- Making decisions easier
- A simplified, personal retirement planning experience
- Communicating the potential next step in the savings journey
- Engaging and motivating action
- Improving decision-making and confidence

Let's Talk.

To find out how ADP can inspire a financially sound workforce with an engaging employee education experience, contact your ADP sales representative or visit us at adp.com/401k.

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