



STONEBRIDGE
FINANCIAL GROUP



Case Study: Construction

**Optimizing participant education and plan design
to improve participant outcomes**

The Challenge

Participation in the employee stock ownership plan (ESOP) and 401(k) plan was low, and the firm's participant education program needed to be improved and enhanced. There was no coordinated communication between the plans, and participants didn't understand the plans' advantages.

The Recommended Solution

Automatic enrollment into the 401(k) plan, with automatic escalation, is recommended, as is the implementation of a coordinated education plan for both the ESOP and the 401(k). The strategy would create positive outcomes for plan participants by driving increased deferrals.

Group meetings would be held multiple times throughout the year at each of the company's five main locations, along with webinars for employees at remote locations.

One-on-one meetings would also be made available to participants, allowing them to sit down with retirement experts to boost their confidence in their financial health.

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The Recommended Solution (cont'd)

Targeted communications to participants older than 50 would assist them in achieving their retirement goals. Helping participants retire on time would also save the company money in the long term by reducing the higher costs associated with employees age 65 and older.

To help soon-to-be-retirees prepare for the transition, meetings with participants who are within five years of retirement, as well as with their spouses, would help couples make these important decisions together.

CLIENT PROFILE:

INDUSTRY TYPE: Construction

GEOGRAPHY: Pennsylvania, Ohio, Maryland

NUMBER OF EMPLOYEES: 420

PLAN TYPE: 401(k) / ESOP

Expected Results

- Participation after enrollments increased.
- The number of employees on track to retire successfully increased.
- Multiple well-attended meetings were held per year at various locations.
- Webinars were offered for remote employees.
- Employee action plans included steps to better participant outcomes, including:
 - increasing deferral contribution
 - diversifying investments
 - taking advantage of Roth contributions
 - electing for do-it-for-me investments
 - paying down high-interest debt

**Disclaimer: Each individual firm's situation is unique. The case study illustrated is for educational purposes.*

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