

SECURE CHOICE IMPLEMENTATION CONSIDERATIONS

EQUITABLE ACCESS TO SECURE CHOICE: ADDRESSING THE BARRIERS TO RETIREMENT SAVINGS FOR ILLINOIS WORKERS

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For additional information, please see the full report, [Equitable Access to Secure Choice: Addressing the Barriers to Retirement Savings for Illinois Workers](http://www.heartlandalliance.org/research), available at www.heartlandalliance.org/research.



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ADDRESSING THE BARRIERS TO SAVING FOR LOW-INCOME WORKERS

By implementing Secure Choice, Illinois is leading the national effort to create space for a retirement savings plan for low-income workers. There are some clear steps that should be taken into consideration when implementing the program.

SECURE CHOICE IMPLEMENTATION CONSIDERATIONS

- **Make Program Features Clear:** Low-income workers experience income volatility. It will be crucial to explain program features, such as the amount and frequency of deductions and fees associated with leakage with absolute clarity.
- **Limit the Number of Investment Options and Provide Guidance:** Retirement plans can be confusing, and too many investment options further complicate the picture. Fewer options and more guidance about the differences between options is vital.
- **Take Advantage of Tax Season:** Piggyback on tax season to increase saving during periods of high cash flow. Partner with programs that offer free tax preparation help.
- **Include Portability Discussions in Exit Interviews:** It is imperative that participants understand their retirement savings can be transferred to different employers. Build messaging into exit interviews for employees to understand the next steps of managing their account.

FINANCIAL PLANNING CONSIDERATIONS

- **Address Lack of Financial Planning Supports:** Offer financial planning support, training, and access to information about Secure Choice. Clearly define the support roles of employers, human resources managers, and account managers. Clarify stakeholder roles.
- **Refer Workers to Institutions that Assist with Emergency Savings Accounts:** Although emergency savings accounts are beyond the scope of Secure Choice, their beneficial impact on low-income workers is clear. Provide additional information for employees on vetted institutions that can provide guidance on emergency savings accounts.
- **Remind Workers about Portability:** Low-income workers and immigrants should clearly understand that their retirement savings plan will move with them if they find a new job with a qualified employer.
- **Demonstrate how to Navigate Secure Choice Online:** Provide demonstrations on how to navigate Secure Choice's online site so employees can access the information they need.

MESSAGING CONSIDERATIONS



- **Write Accessibly:** Avoid financial jargon. Messaging should be crafted at an accessible reading level and in multiple languages for all potential participants.
- **Clarify Roles:** Low-income workers need to clearly understand the difference between who enrolls them in their retirement account and who manages the account. Consider a 24 hour support line to support participants with non-standard schedules.
- **Define ‘Meaningful Information’:** Craft statements that meet employees where they are. Focus on income replacement as the outcome.
- **Be Persistent:** Persistent and diverse outreach and messaging can increase take-up rates and understanding of retirement plans.
- **Be Creative with Messaging:** Be as clear, motivational, and relatable as possible. Consider messaging through smartphones, social media, and more – but don’t forget about paper.
- **Be Culturally Relevant:** Meet participants with the most barriers where they are: engage with women, immigrants, workers of color, and low-income workers in a culturally relevant manner. Provide all messaging in multiple languages.
- **Diversify Outreach:** Consider timeliness (i.e., tax season, holidays) and location (i.e. public transportation, trusted institutions, community organizations, etc.) of messaging.

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