Employee Education Case Study

Solving the Problem of Low Deferral Rates

Client Industry: Food Production
Number of Employees: 80
Plan Size: $2.5 Million

Challenge and Goal:
Highly Compensated Employees (HCSs) were receiving annual refunds because of low deferral rates among the Non-highly Compensated employees (NHCs). BB&T recognized the problem and created a new communication strategy with the plan sponsor to raise participation and deferral rates.

Strategy:
An education campaign was conducted for all employees to explain the importance of saving for retirement, encourage action, and increase deferral rates. BB&T met with all employees, conducting four in-person meetings – in English and Spanish – and two webinar meetings. Presentations included detailed tips and instruction to encourage participation and proper asset allocation.

Actionable Results:
- Employee participation increased by 10%
- 12% of employees increased their contributions