

— 2023 FRTIB Participant Satisfaction Survey

Presented By

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FEDERAL RETIREMENT THRIFT INVESTMENT BOARD
tsp.gov

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Agenda



Survey Overview



Participant Satisfaction



Potential Features & Participant Suggestions



Conclusions



Appendix

2023 Survey Overview

Survey Fielding Dates

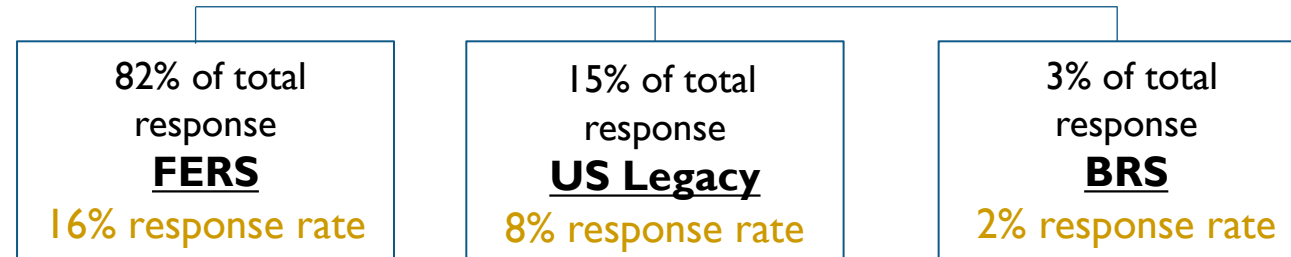
March 27 – May 18, 2023

Participant Groups Surveyed

FERS, US Legacy, BRS

Overall Response Rate

12%

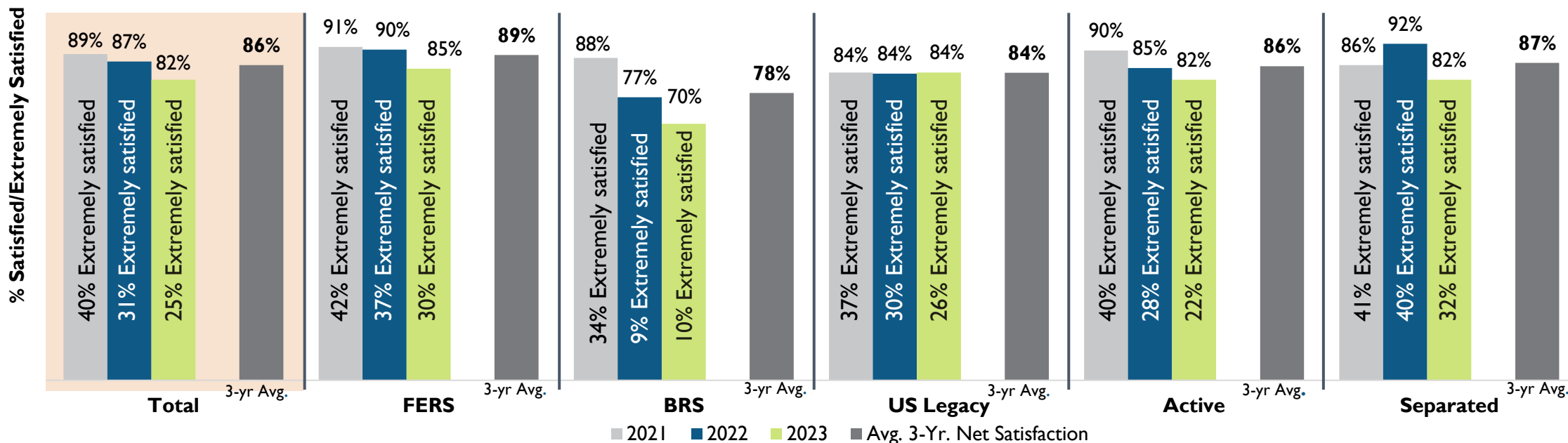


Key Takeaways

- This survey was conducted roughly 10 months after the June 2022 transition to the new record keeper.
- Results will be used as a benchmark as we move beyond the immediate post-transition period. The record keeper has continued to implement improvements in response to participant feedback.
- The BRS response rate continues to trail FERS and US Legacy response rates.

Participant Satisfaction: Trends 2021–2023

How satisfied are you with the TSP overall?



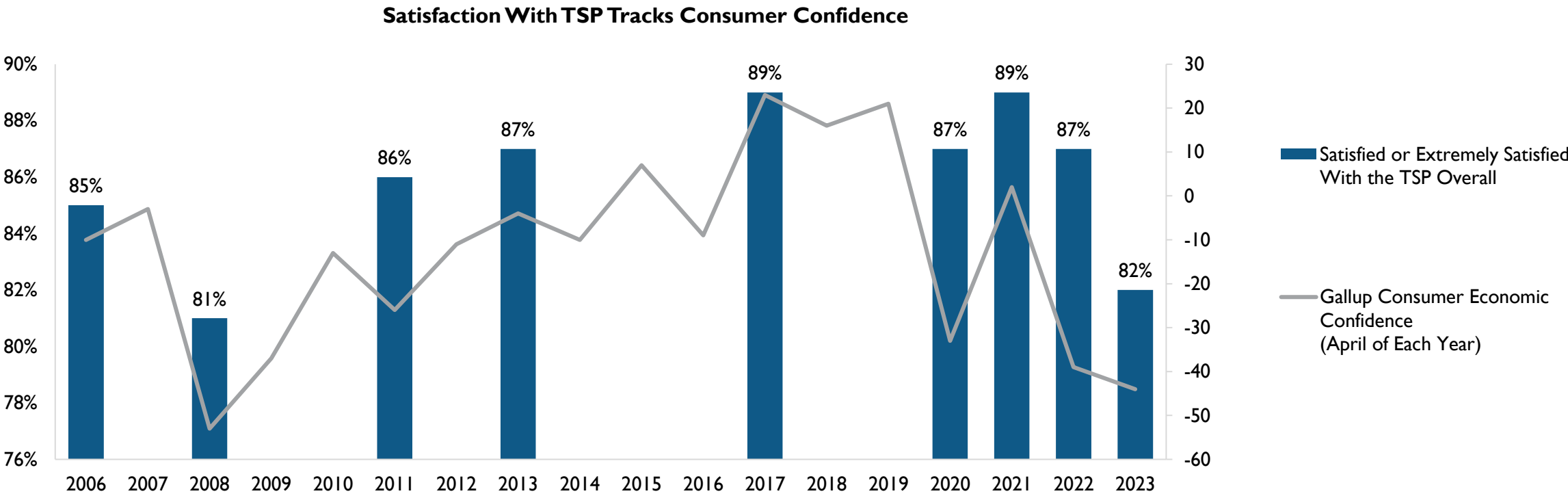
Key Takeaways

- Overall 82% satisfaction rate remains on par with EBRI benchmark for plan satisfaction.
- Satisfaction rates show declines over the past 2 years with the exception of US Legacy, which has held steady.
- BRS has particularly lower levels of satisfaction compared to other groups.



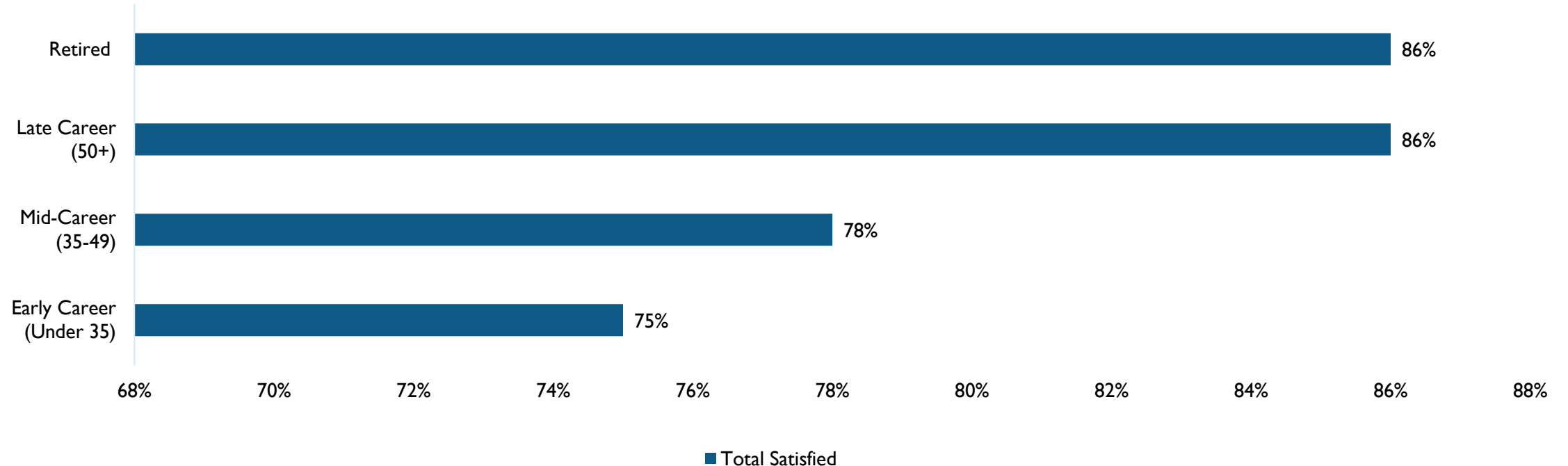
Thrift Savings Plan

Satisfaction With TSP Correlates with Consumer Confidence



Pearson R Correlation Coefficient: .77

Participant Satisfaction by Career Stage



Key Takeaways

- Satisfaction with the TSP gradually increases with career stage; Retired participants are much more likely to be satisfied with the TSP.
- Early Career participants indicate lower satisfaction with the TSP.

Participant Satisfaction With Specific Aspects of the TSP Experience

| CONSIDERING ALL ASPECTS OF YOUR EXPERIENCE, HOW SATISFIED ARE YOU WITH EACH OF THE FOLLOWING? | | | Total Satisfied (Satisfied/Extremely Satisfied) | | |
|---|---|-----------------------------------|---|------|------|
| | | ■ Satisfied ■ Extremely Satisfied | 2021 | 2022 | 2023 |
| Overall | The Thrift Savings Plan Overall | 56% 25% | 89% | 87% | 82%↓ |
| Investments/ Withdrawals | Security of your account on tsp.gov** | 53% 34% | 89% | 89% | 87%↓ |
| | Variety of investment options | 49% 24% | 77% | 76% | 73%↓ |
| | Ability to take a loan from TSP account (Active only) | 38% 25% | 74% | 62%↓ | 63% |
| | Flexibility of withdrawal options | 36% 20% | 67% | 61% | 57%↓ |
| | Ability to transfer money FROM other retirement plans | 38% 20% | 61% | 56%↓ | 58% |
| | Ability to transfer money TO other retirement plans | 34% 17% | 56% | 53% | 52% |
| Communication | Annual account statement** | 56% 29% | 88% | 88% | 85%↓ |
| | Plan information on TSP website (tsp.gov)** | 52% 22% | 82% | 81% | 74%↓ |
| | Access to My Account | 46% 27% | 78% | 78% | 73%↓ |

Note: ↑↓ indicate significant increase/decrease from prior year; Due to rounding, bar segments may sum to the total satisfied, +/-1 percentage point

**Top driver of satisfaction



Key Takeaways

- Following the trend in overall satisfaction: Satisfaction of many underlying aspects has declined.
- Satisfaction has remained steady overall, and increased slightly in two areas: Ability to take a loan from TSP account & Ability to transfer money FROM other retirement plans.
- Account security and annual statements remain the highest-rated aspects.
- Plan information on TSP website saw the steepest decline.

Participant Satisfaction by Retirement System

CONSIDERING ALL ASPECTS OF YOUR EXPERIENCE, HOW SATISFIED ARE YOU WITH EACH OF THE FOLLOWING?

(Among participants who have used each)

| % Satisfied/Extremely Satisfied | FRTIB OVERALL | FERS | BRS | US Legacy |
|---|-------------------------|-------------------------|-----------------------|-----------------------|
| The Thrift Savings Plan Overall | 82% (n=4,092) | 85% (n=3,366) | 70% (n=112) | 84% (n=614) |
| Security of your account on tsp.gov** | 87% | 86% | 87% | 89% |
| Variety of investment options | 73% | 74% | 67% | 73% |
| Ability to take a loan from TSP account (Active only) | 63% | 71% | 45% | 51% |
| Flexibility of withdrawal options | 57% | 66% | 28% | 56% |
| Ability to transfer money FROM other retirement plans | 58% | 57% | 61% | 55% |
| Ability to transfer money TO other retirement plans | 52% | 54% | 48% | 50% |
| Annual account statement** | 85% | 86% | 74% | 89% |
| Plan information on TSP website (tsp.gov)** | 74% | 76% | 65% | 78% |
| Access to My Account | 73% | 75% | 61% | 74% |

Note: Blue shading indicates lower ratings relative to other groups

**Top driver of satisfaction



Key Takeaways

- BRS participants are the least satisfied with many offerings—especially the ability to take a loan and flexibility of withdrawal options. (Of note, the option for participants to have two general purpose loans was added as a plan feature in June 2022.)
- BRS also least satisfied with flexibility of withdrawals. This continues to be the lowest rated area of all aspects across all groups.

Participant Satisfaction by Income

CONSIDERING ALL ASPECTS OF YOUR EXPERIENCE, HOW SATISFIED ARE YOU WITH EACH OF THE FOLLOWING?
(Among participants who have used each)

| <i>% Satisfied/Extremely Satisfied</i> | FRTIB OVERALL | <\$25,000 or Less | \$25,001– \$40,000 | \$40,001– \$60,000 | \$60,001– \$80,000 | \$80,001– \$100,000 | \$100,001– \$150,000 | \$150,001 or More |
|---|--------------------------|---------------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------------------|---------------------------------|------------------------------|
| The Thrift Savings Plan Overall | 82% (n=4,092) | 66% (n=223) | 79% (n=299) | 82% (n=586) | 82% (n=637) | 89% (n=591) | 86% (n=877) | 87% (n=572) |
| Security of your account on tsp.gov** | 87% | 85% | 89% | 86% | 87% | 91% | 86% | 89% |
| Variety of investment options | 73% | 63% | 71% | 64% | 77% | 79% | 77% | 74% |
| Ability to take a loan from TSP account (Active only) | 63% | 35% | 67% | 55% | 72% | 70% | 68% | 73% |
| Flexibility of withdrawal options | 57% | 41% | 41% | 56% | 58% | 64% | 65% | 63% |
| Ability to transfer money FROM other retirement plans | 58% | 63% | 52% | 51% | 56% | 61% | 57% | 63% |
| Ability to transfer money TO other retirement plans | 52% | 42% | 51% | 50% | 47% | 57% | 54% | 57% |
| Annual account statement** | 85% | 82% | 83% | 82% | 85% | 87% | 85% | 88% |
| Plan information on TSP website (tsp.gov)** | 74% | 64% | 71% | 75% | 77% | 78% | 78% | 76% |
| Access to My Account | 73% | 67% | 61% | 66% | 77% | 83% | 73% | 77% |

Note: Blue shading indicates lower ratings relative to other groups
**Top driver of satisfaction



Key Takeaways

- Participants who make less than \$40,000 are the least satisfied with many offerings — especially the ability to take a loan, flexibility of withdrawal options, and the ability to transfer money TO other retirement plans.
- Flexibility of withdrawals and ability to transfer money TO other retirement plans have low ratings across all income groups.

In-Service W/D & Loan Eligibility / Restrictions

In-Service Withdrawals

| Financial Hardship | Age 59 1/2 |
|--|--|
| Must have financial need – self attestation that need meets requirements | Must be 59 1/2 - Only vested balance is eligible for withdrawal |
| Minimum Withdrawal Amount: \$1000 | Minimum withdrawal amount: \$1000 (or full vested amount if less than \$1000) |
| Maximum Withdrawal Amount: Full balance of own contributions and earnings | Maximum withdrawal amount: Full vested balance |
| Can only take from “Active” TSP account(s) if more than one TSP account | Can only take from “Active” TSP account(s) if more than one TSP account |
| 10% early withdrawal penalty may apply if under 59 1/2 | Can take up to four 59 1/2 withdrawals per calendar year |
| Taxable as income if taken from traditional balance | Taxable as income if taken from traditional balance |

Loans

| General Purpose | Residential |
|--|---|
| Processing fee: \$50 | Process fee: \$100 |
| Must be in pay status and cannot be separated or retired | Same as for General Purpose loan |
| Must not have repaid any loan in full within past 30 days | Same as for General Purpose loan |
| Minimum Loan Amount: \$1000 (must have at least \$1000 of own contributions/earnings in account) | Same as for General Purpose loan |
| Maximum Loan Amount: is lesser of: | Same as for General Purpose loan |
| <p>Your own contributions and earnings</p> <p>50% of the portion of your total account balance that is made up of your own contributions and earnings or \$10,000, whichever is greater, minus any outstanding loan balance</p> <p>\$50,000 minus your highest outstanding loan balance, if any, during the last 12 months</p> | |
| Loan repayment period: 12-60 months | Loan repayment period: 61-180 months |

Drivers of Overall Satisfaction

| Aspect of TSP | How Many Times More Likely to Be Extremely Satisfied Overall if Extremely Satisfied With Aspect |
|---|---|
| Overall Satisfaction With Plan Info on TSP Website (tsp.gov) | 8.6 |
| Timeliness of Rolled Over/Transferred Balances Out of TSP | 8.2 |
| Timeliness of Rolled Over/Transferred Balances Into TSP | 8.1 |
| Overall Satisfaction With Annual Account Statement | 7.9 |
| Overall Satisfaction With Security of Account on tsp.gov | 7.4 |
| Overall Satisfaction With Flexibility of Withdrawal Options | 7.4 |
| Overall Satisfaction With Timeliness of Withdrawal | 7.3 |
| Overall Usefulness of Interaction: My Account Access on tsp.gov | 7.1 |
| Overall Usefulness of Interaction: ThriftLine Automated System | 7.0 |
| Overall Satisfaction With Access to My Account | 6.9 |

Note: Grey shading indicates top 5 driver of satisfaction



Key Takeaways

- “Annual account statement” and “Plan info on TSP website (tsp.gov)” remain top drivers in 2023.

Change in Satisfaction in Top Drivers from 2022–2023

| Aspect of TSP | Net Satisfaction/Usefulness 2022 | Net Satisfaction/Usefulness 2023 | Change in Net Satisfaction/Usefulness 2022–2023 |
|---|----------------------------------|----------------------------------|---|
| Timeliness of Rolled Over/Transferred Balances Out of TSP | 60% | 45% | -15↓ |
| Timeliness of Rolled Over/Transferred Balances Into TSP | 60% | 45% | -15↓ |
| Overall Satisfaction With Timeliness of Withdrawal | 78% | 64% | -14↓ |
| Overall Satisfaction With Plan Info on TSP Website (tsp.gov) | 81% | 74% | -7↓ |
| Overall Satisfaction With Access to My Account | 78% | 73% | -5↓ |
| Overall Satisfaction With Flexibility of Withdrawal Options | 61% | 57% | -4↓ |
| Overall Satisfaction With Annual Account Statement | 88% | 85% | -3↓ |
| Overall Usefulness of Interaction: ThriftLine Automated System | 76% | 73% | -3↓ |
| Overall Satisfaction With Security of Account on tsp.gov | 89% | 87% | -2↓ |
| Overall Usefulness of Interaction: My Account Access on tsp.gov | 94% | 93% | -1 |

Note: ↑↓ indicate significant increase/decrease from prior year : Grey shading indicates top 5 driver of satisfaction



Key Takeaways

- All top drivers have had a downward trend in their average net satisfaction/usefulness scores over the past year.
- The top drivers with the largest decreases in satisfaction since 2022 are timeliness of rolled over/transferred balances out of TSP and rolled over/transferred balances into TSP (-15 points each), and timeliness of withdrawal (-14 points).

Usefulness of Communications Channels

Considering each of the following ways you have heard from or interacted with the TSP in the past 6 months, rate the overall usefulness of each:

| | % Used | | | | | Net Useful | | |
|---|--------|-------------------|-----------------|-----------------|------------------|------------|------|------|
| | | Not at All Useful | Not Very Useful | Somewhat Useful | Extremely Useful | 2021 | 2022 | 2023 |
| General plan information on tsp.gov | 73% | 7% | 49% | 42% | | 94% | 95% | 91%↓ |
| Annual statement | 86% | 5% | 41% | 53% | | 96% | 98% | 94%↓ |
| My Account access on tsp.gov | 79% | 5% | 37% | 56% | | 95% | 94% | 93% |
| ThriftLine to speak live to a representative | 28% | 9% | 12% | 36% | 43% | 88% | 87% | 79%↓ |
| Informational emails from the TSP | 64% | 9% | 57% | 32% | | 86% | 89% | 88% |
| TSP booklets/brochures | 61% | 17% | 50% | 30% | | 84% | 85% | 80%↓ |
| ThriftLine to access automated telephone system | 24% | 10% | 16% | 40% | 33% | 83% | 76%↓ | 73%↓ |

Note: ↑↓ indicate significant increase/decrease from prior year; Due to rounding, percentages may sum to 100% +/-1%; Percentages shown when greater than 3%

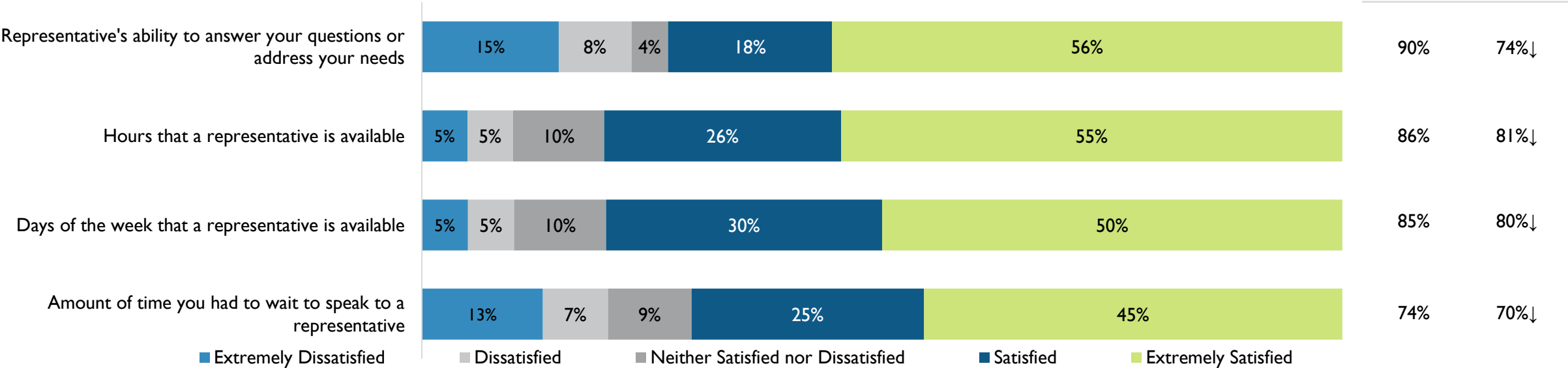


Key Takeaways

- Annual statements, My Account, and general plan information on tsp.gov continue to be most used and most useful.
- More than one fourth used the ThriftLine; roughly three-fourths found the live representative and automated telephone system useful.
- Net usefulness of all communications channels dropped, with the largest decrease being for speaking to a ThriftLine representative.

Satisfaction With ThriftLine

If you called the ThriftLine in the past three (3) months and spoke to a Participant Service Representative, please indicate your satisfaction with the following:
(n=542)



Note: ↑↓ indicate significant increase/decrease from prior year; Due to rounding, percentages may sum to 100% +/- 1%; Percentages shown when greater than 3%



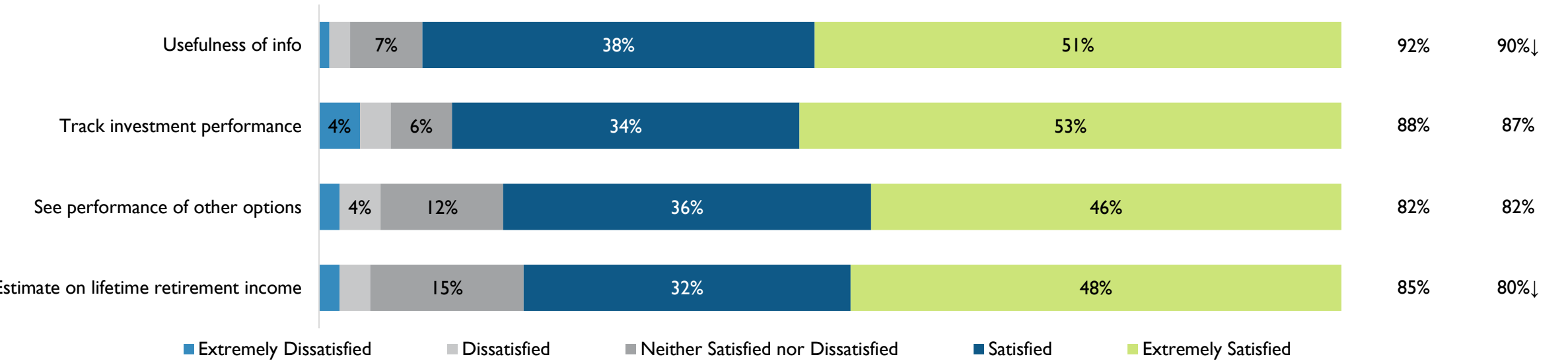
Key Takeaways

- Eight in 10 callers are satisfied with the availability of representatives in terms of hours and days of the week.
- More participants are extremely dissatisfied with the representative's ability to answer questions (15%) and time they had to wait (13%), and these perspectives may explain decrease in usefulness from 2022 to 2023.

Satisfaction With Annual Account Statement

Net Satisfaction
(Satisfied/
Extremely Sat.)

How satisfied are you with each of the following on your annual statement?
(n=3,479)



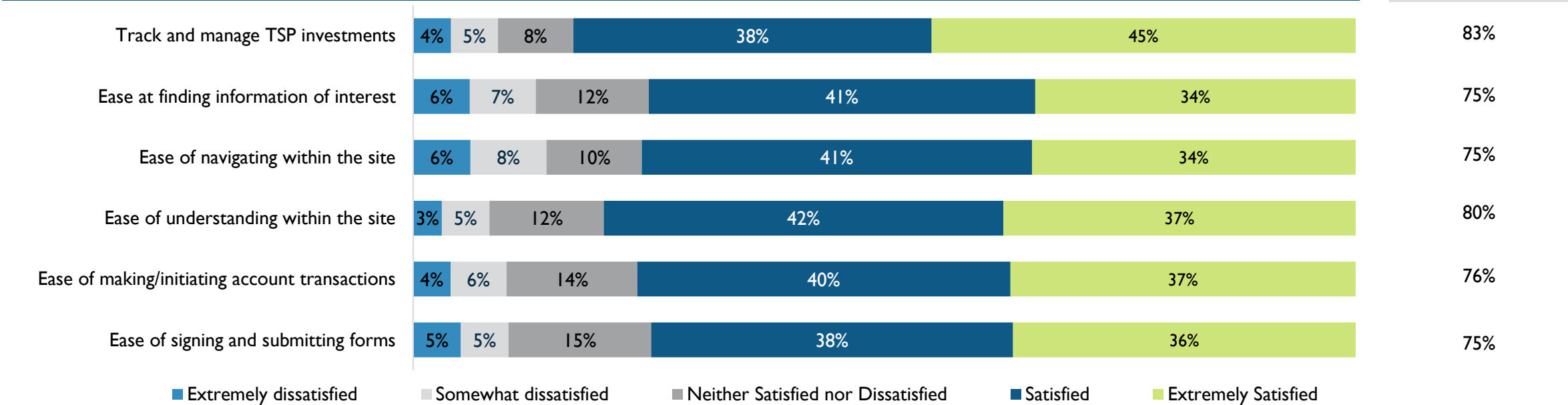
Note: ↑↓ indicate significant increase/decrease from prior year; Due to rounding, percentages may sum to 100% +/-1%; Percentages shown when greater than 3%

Key Takeaways

- Net satisfaction remained strong: 9 in 10 think statement information is useful.
- At least 8 in 10 are satisfied with other aspects of their statements.

Satisfaction With the Following Aspects of My Account

Of those who have logged in to their My Account on TSP.gov since completing the one-time process to set up their new login:
(n=3,288)



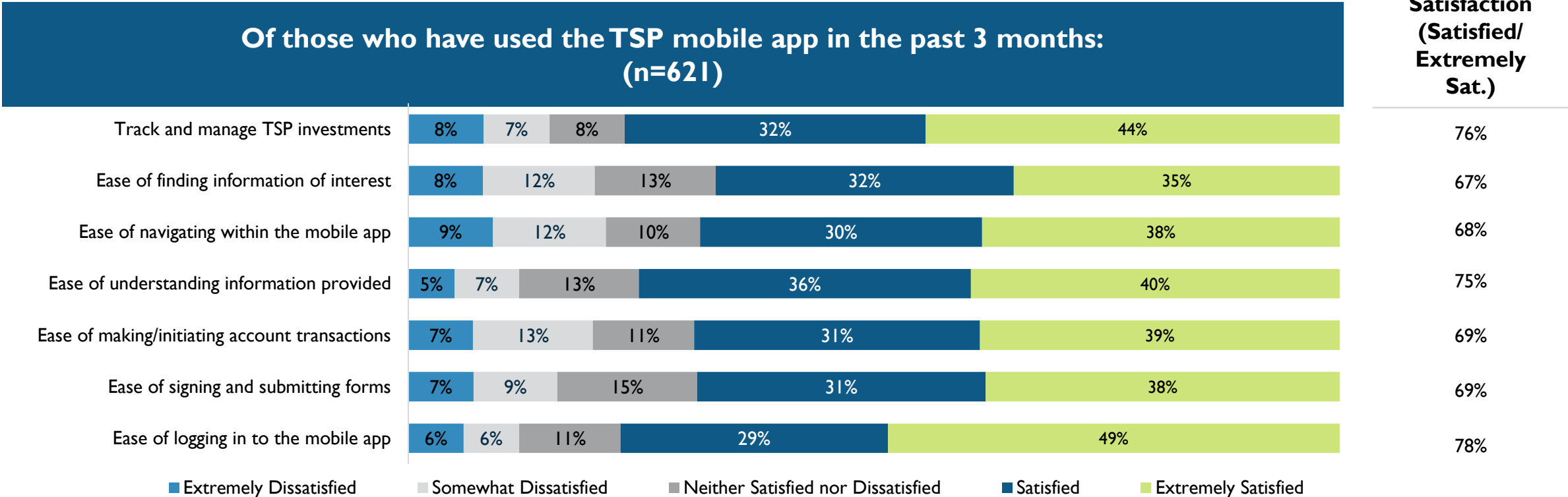
Note: Due to rounding, percentages may sum to 100% +/-1%; Percentages shown when greater than 3%



Key Takeaways

- Satisfaction is high across most aspects of My Account.
- Satisfaction is highest for tracking and managing TSP investments.

Satisfaction With the Following Aspects of the TSP Mobile App



Note: Due to rounding, percentages may sum to 100% +/-1%; Percentages shown when greater than 3%



Key Takeaways

- Satisfaction is high and mostly similar across aspects of the TSP Mobile App.
- Satisfaction is highest for the aspects of Ease of logging in to the mobile app and Tracking and managing TSP investments.

Potential Features & Participant Suggestions

Likelihood of Using Potential TSP Offerings

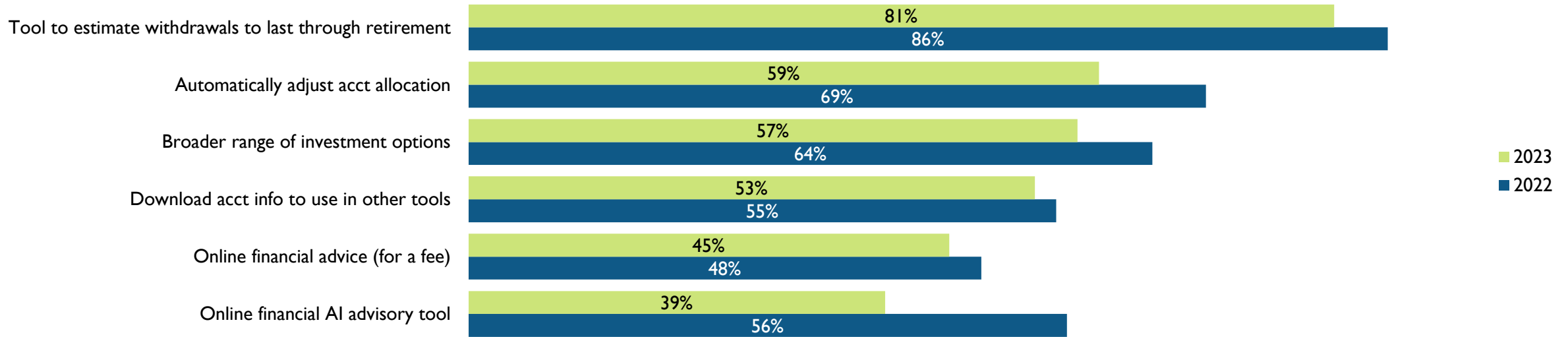
Understanding of Consequences of Doing an In-Plan ROTH Conversion

Likelihood of Doing ROTH Conversion

Participant Suggestions: Retirement Planning

Likelihood of Usage of Potential TSP Offerings

How likely would you be to use the following if offered by the TSP?
(% Who answered likely or extremely likely)

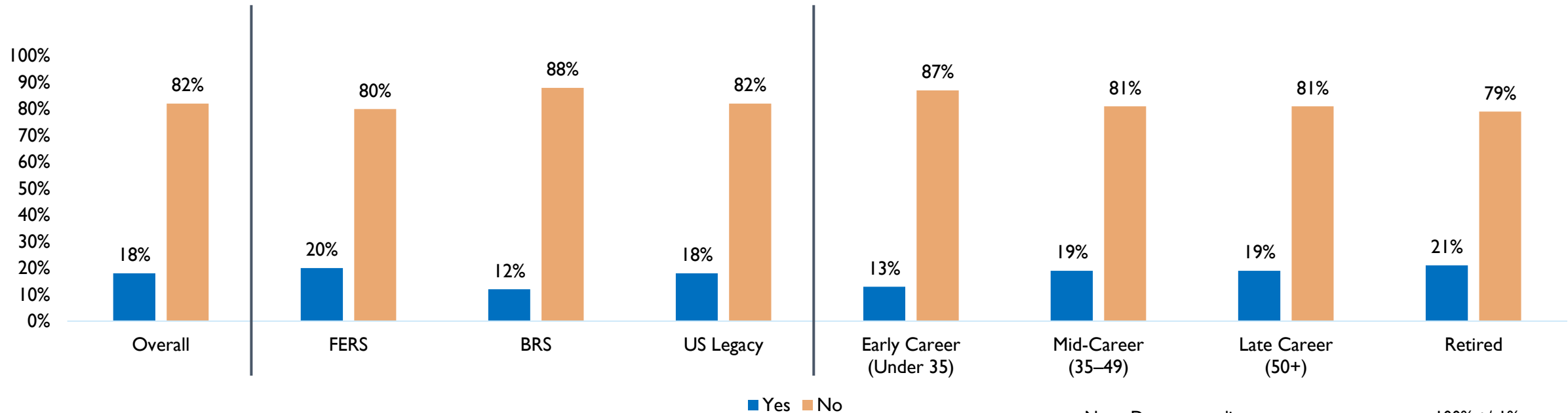


Key Takeaways

- Participants are most likely to use a consolidated federal retirement benefit statement and tools to help with withdrawal decisions.
- Participants are least likely to say they would use financial advisory services—either via an online financial advisor or AI assisted advisory tool.

Do You Know What an In-Plan ROTH Conversion is?

By Key Groups



Note: Due to rounding, percentages may sum to 100% +/-1%

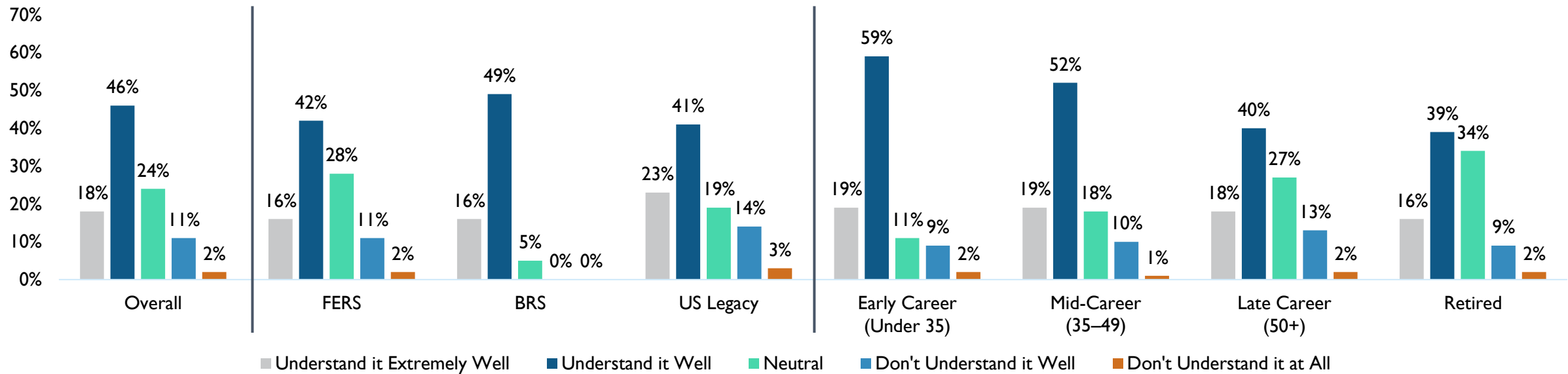


Key Takeaways

- Across all key groups, most participants do not understand what an in-plan ROTH conversion is.
- Early Career participants are less likely to know what an in-plan ROTH Conversion is.

Understanding Tax Consequences of In-Plan ROTH Conversion by Key Groups

How well do you understand the tax consequences of doing an in-plan ROTH conversion if that option were made available to you?



Note: Due to rounding, percentages may sum to 100% +/-1%

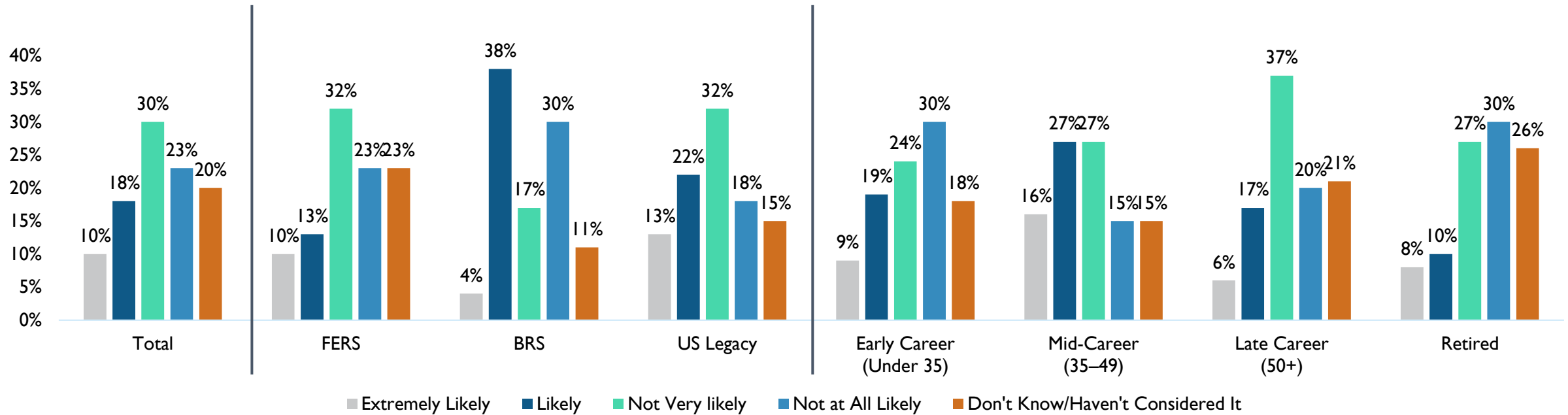


Key Takeaways

- Roughly two-thirds of all participants who knew what a Roth conversion was say they understand tax consequences.
- Understanding of tax consequences declines with career tenure.

Likelihood to Do ROTH Conversion by Key Group

How likely would you be to do an in-plan ROTH conversion (now or in the future) if you had the option?



Note: Due to rounding, percentages may sum to 100% +/-1%



Key Takeaways

- 28% of all participants say they would be at least likely to do an in-plan conversion.
- BRS participants and mid-careerists are more likely than other groups to say they would do an in-plan ROTH conversion if given the option.

- Late Career participants are least likely to do a conversion.

Participant Suggestions: Retirement Planning

**What ONE thing could the TSP do to better meet your retirement savings and planning needs?
(Among 1,876 comments)**

| | | 2022 |
|--|-----|------|
| Better instructions/information/tutorials | 12% | 9% |
| Improve website/interface/make it more user-friendly | 9% | 5% |
| More investment options | 7% | 7% |
| Provide investment advice/retirement plan | 7% | 6% |
| Better return | 6% | 1% |
| More transaction availability/transfers/deposits/withdrawals | 5% | 6% |
| Easier access/login/CAC capability/easier password reset | 5% | 5% |
| Be able to participate after retirement | 3% | 3% |
| Have more tools/calculators/prediction capabilities | 3% | 5% |



Key Takeaways

- Participants with a suggestion for the TSP mostly request better instructions/information and advice, followed by improving the website interface and making it more user-friendly.
- Positive comments represented 7% of the suggestions.

Conclusions

2023 Satisfaction Survey

Conclusions: 2023 Satisfaction Survey

- TSP satisfaction has decreased since 2022, from 87% net satisfaction to 82% but remains on par with EBRI's benchmark of DC plan satisfaction.
- Account security and annual statements continue to be the most highly rated aspects of the plan.
- Top drivers of overall satisfaction are: "Plan info on the TSP website (tsp.gov)," "Ability to rollover/transfer balances into and out of the TSP;" and "Account statements."
- BRS participants lag behind other groups in both response rate and satisfaction. BRS are least satisfied with the ability to take loans and flexibility of withdrawal options. We plan to conduct additional outreach to this cohort to better understand their perceptions around their TSP accounts.

Questions?