

Full Withdrawal Exit Survey Results

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Full Withdrawal Exit Survey Overview

Focus of survey

Reasons participants take full withdrawals

Fielding dates of survey

January-September 2024

Participant group surveyed

All participants who took full withdrawals who have an email on file

Response rate

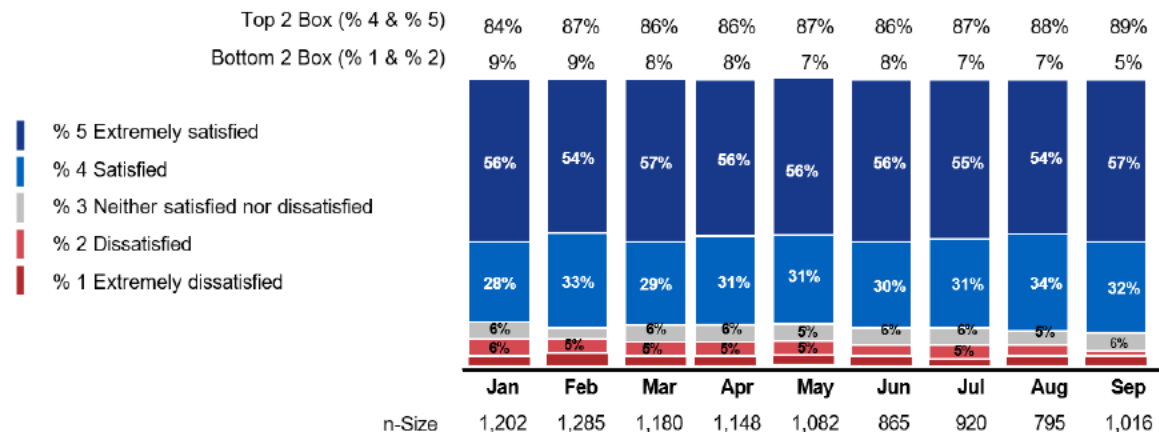
5.4%

Key Takeaways

- Email-only survey.
- Surveys sent out twice each month to those taking full withdrawals.
- Approximately 20,000 surveys sent each month, and 800-1300 responses were received each month.
- Estimate that this survey reached 90+% of all participants taking full withdrawals.

Satisfaction of Departing Participants

Considering all aspects of your experience with the TSP, how satisfied were you with the Thrift Savings Plan overall?



Note: Rounding may affect totals.

Key Takeaways

- The vast majority of respondents reported being satisfied with their TSP experience (87% - Extremely Satisfied or Satisfied).

Departing Satisfaction: Career Stage and Retirement Group

Considering all aspects of your experience with the TSP, how satisfied were you with the Thrift Savings Plan overall?

	OVERALL	CAREER STAGE			RETIREMENT GROUP					
	Overall Results	Early (< 35)	Middle (35-49)	Late (50+)	FERS	BRS-Active Duty	BRS-Reserve	Non-BRS-Active Duty	Non-BRS-Reserve	CSRS
% 5 Extremely satisfied	56%	48%	47%	58%	57%	45%	55%	49%	48%	57%
% 4 Satisfied	31%	28%	33%	31%	31%	31%	29%	32%	32%	32%
% 3 Neither satisfied nor dissatisfied	6%	9%	8%	5%	5%	8%	5%	8%	10%	5%
% 2 Dissatisfied	5%	7%	6%	4%	4%	6%	7%	6%	6%	5%
% 1 Extremely dissatisfied	3%	7%	5%	2%	2%	9%	4%	5%	4%	2%

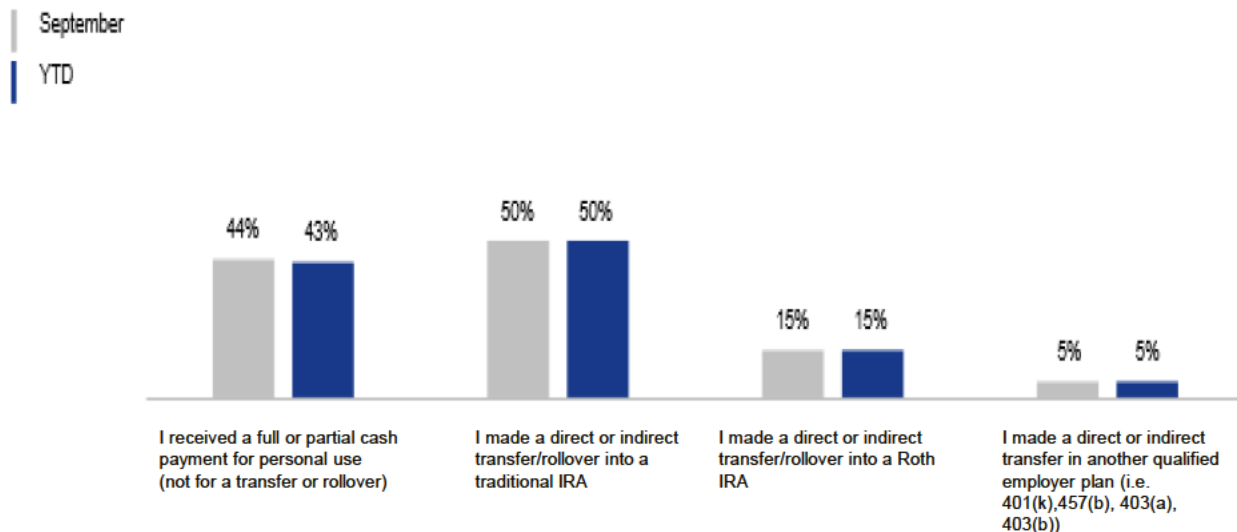
Note: Rounding may affect totals.

Key Takeaways

- Satisfaction of those taking full withdrawals is somewhat consistent across demographic groups, with BRS active duty & US-Legacy being less satisfied.

How Participants Receive Distributions

Which of the following applies to you regarding your withdrawal from your TSP account?



Key Takeaways

- Rolling over to a traditional IRA and receiving cash payments are the most reported transactions.
- About 15% roll over to a Roth IRA while fewer transfer to another employer plan.

How Participants Receive Distributions: Career Stage & Retirement Group

Which of the following applies to you regarding your withdrawal from your TSP account?

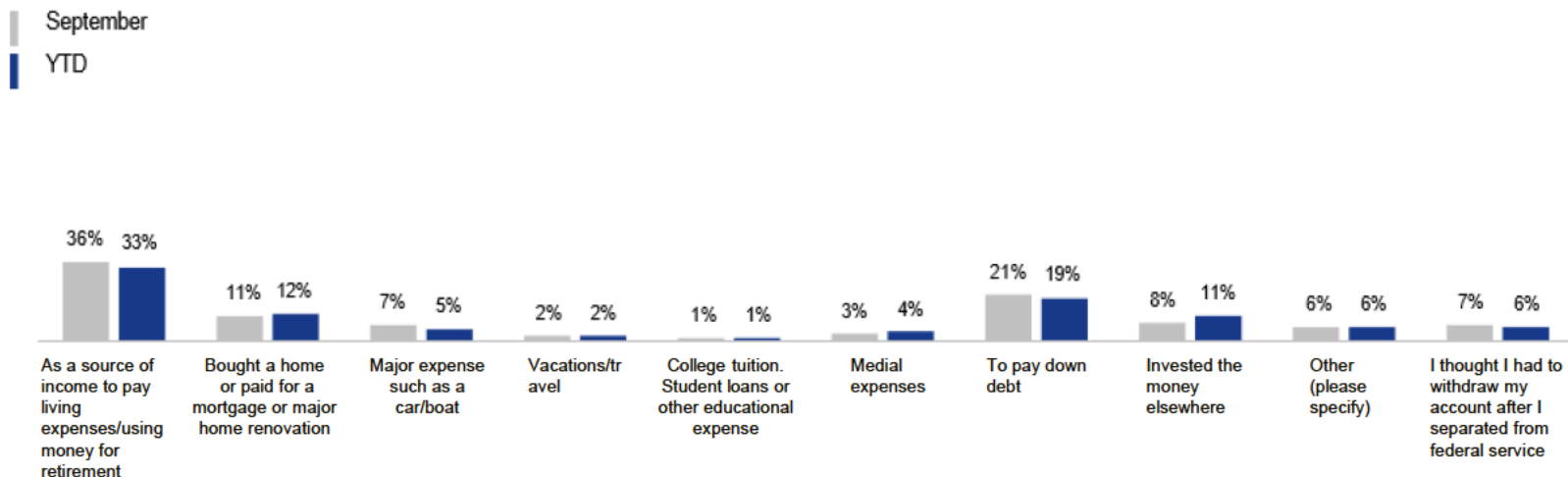
	OVERALL	CAREER STAGE			RETIREMENT GROUP					
	Overall Results	Early (< 35)	Middle (35-49)	Late (50+)	FERS	BRS-Active Duty	BRS-Reserve	Non-BRS-Active Duty	Non-BRS-Reserve	CSRS
I received a full or partial cash payment for personal use (not for a transfer or rollover)	43%	63%	56%	38%	42%	64%	61%	43%	50%	32%
I made a direct or indirect transfer/rollover into a traditional IRA	50%	19%	30%	57%	52%	18%	24%	42%	35%	65%
I made a direct or indirect transfer/rollover into a ROTH IRA	15%	22%	19%	13%	13%	25%	27%	28%	23%	6%
I made a direct or indirect transfer into another qualified employer plan (i.e., 401(k), 457(b), 403(a), 403(b))	5%	9%	10%	3%	4%	9%	8%	8%	13%	3%

Key Takeaways

- BRS respondents (both active and reserve*) are more likely to report taking cash distributions than FERS & CSRS.
- All Service members are more likely to report transferring to a Roth IRA or other qualified plan than FERS or CSRS.

Primary Reasons for Cash Withdrawals

Which one of the following is the primary reason you chose to take a full or partial cash withdrawal?



Key Takeaways

- Paying living expenses and debt are the most common uses for cash distributions.
- About 6% of all participants taking cash W/Ds believe they must withdraw their accounts when separating.

Primary Reasons for Cash Withdrawals: Career Stage & Retirement Group

Which one of the following is the primary reason you chose to take a full or partial cash withdrawal (among those who took one)?

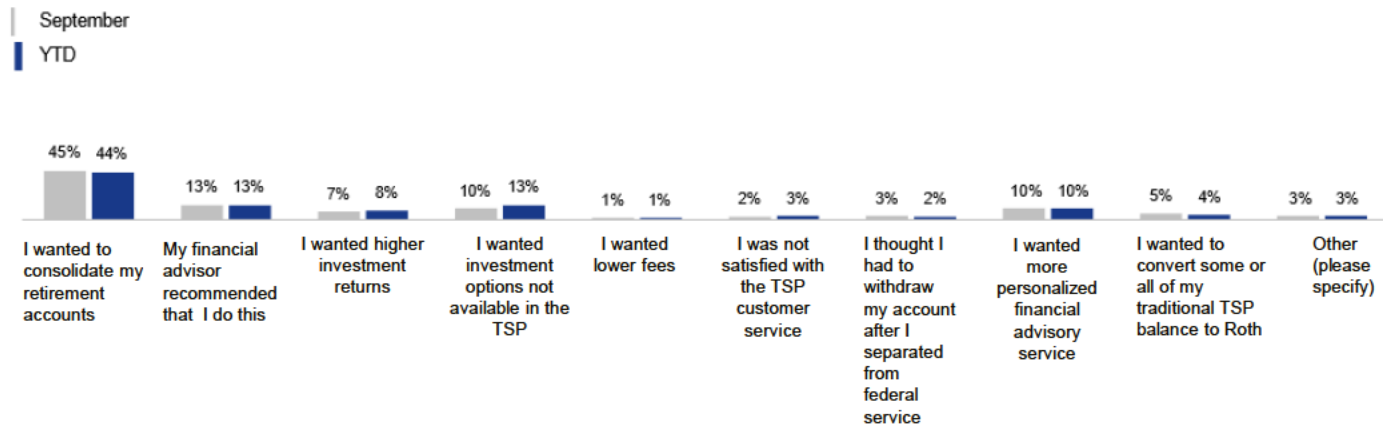
	OVERALL	CAREER STAGE			RETIREMENT GROUP					
	Overall Results	Early (< 35)	Middle (36-49)	Late (50+)	FERS	BRS-Active Duty	BRS- [*] Reserve	Non-BRS-Active Duty	Non-BRS-Reserve	CSRS
As a source of income to pay living expenses/using money for retirement	33%	31%	32%	34%	36%	31%	33%	23%	23%	28%
Bought a home or paid for a mortgage or major home renovation	12%	8%	9%	14%	12%	8%	7%	18%	13%	14%
Major expense such as a car/boat	5%	4%	4%	6%	5%	5%	4%	7%	6%	3%
Vacations/travel	2%	2%	1%	3%	2%	1%	0%	2%	2%	3%
College tuition, student loans or other educational expenses	1%	3%	2%	1%	1%	3%	2%	2%	1%	0%
Medical expenses	4%	4%	4%	3%	4%	4%	0%	3%	1%	4%
To pay down debt	19%	26%	23%	17%	18%	26%	38%	24%	22%	13%
Invested the money elsewhere	11%	10%	9%	12%	9%	12%	13%	15%	13%	19%
Other (please specify):	6%	5%	6%	6%	5%	4%	2%	6%	13%	13%
I thought I had to withdraw my account after I separated from federal service	6%	7%	10%	5%	7%	4%	0%	1%	6%	2%

Key Takeaways

- BRS (active and reserve*) participants are least likely to use cash withdrawals for mortgage or home repairs.
- BRS and US-Legacy active duty are more likely to report using cash withdrawals to pay down debt.

Primary Reasons for Transfers

Which one of the following is the primary reason you chose to transfer the funds into an IRA or other qualified retirement plan (401(k), 457(b), 403(b), etc.)? (Choose one item.)



Key Takeaways

- Wanting to consolidate accounts is by far the most common reason for transferring (44%).
- Of those wanting to consolidate accounts, almost half said a financial advisor suggested doing so.
- Recommendations from advisors, wanting more investment options and personalized advisory services were the next most common reasons.
- Few (3%) cited dissatisfaction with TSP customer service as a reason for transferring out of the TSP.

Primary Reasons for Transfers: Career Stage & Retirement Group

Which one of the following is the primary reason you chose to transfer the funds into an IRA or other qualified retirement plan (401(k), 457(b), 403(b), etc.)?

	OVERALL	CAREER STAGE			RETIREMENT GROUP					
	Overall Results	Early (< 35)	Middle (35-49)	Late (50+)	FERS	BRS-Active Duty	BRS- [*] Reserve	Non-BRS-Active Duty	Non-BRS-Reserve	CSRS
I wanted to consolidate my retirement accounts.	44%	53%	51%	42%	42%	40%	61%	49%	54%	47%
My financial advisor recommended that I do this.	13%	7%	10%	14%	14%	8%	3%	11%	8%	12%
I wanted higher investment returns.	8%	5%	9%	8%	8%	6%	10%	8%	8%	6%
I wanted investment options not available in the TSP.	13%	8%	12%	13%	13%	12%	6%	13%	10%	13%
I was not satisfied with TSP customer service.	3%	4%	3%	3%	3%	5%	10%	2%	3%	4%
I thought I had to withdraw my account after I separated from federal service.	2%	10%	5%	2%	2%	12%	3%	4%	4%	1%
I wanted more personalized financial advisory services.	10%	5%	4%	11%	11%	7%	3%	5%	6%	8%
I wanted to convert some, or all, of my traditional TSP balance to Roth.	4%	3%	3%	4%	3%	6%	0%	6%	6%	4%

Key Takeaways

- The majority of BRS reservists who take full withdrawals are doing so to consolidate their accounts.
- 12% of active duty BRS respondents thought they had to withdraw their TSP accounts after separating.