



2017 FRTIB Participant Satisfaction Survey: Internal Preview

October 23, 2017



Project Overview

- The Federal Retirement Thrift Investment Board (FRTIB)'s mission is to administer the Thrift Savings Plan (TSP) — a retirement savings and investment plan for Federal civilian employees and members of the Uniformed Services — in the interest of the participants and beneficiaries.
- The TSP is the largest directed defined-contribution plan in the world, with over 5 million participants and \$500 billion in assets.
- FRTIB undertakes periodic participant satisfaction assessments to assist with strategic planning, understand the behaviors and perceptions of participants to aid in decision making, gauge new features, implement educational program modifications and product/benefit development.
- This is the fifth administration of the TSP satisfaction survey. Prior surveys were undertaken in 2006, 2008, 2011 and 2013. Gallup was hired to redesign and conduct the 2017 survey.

Survey Design and Implementation

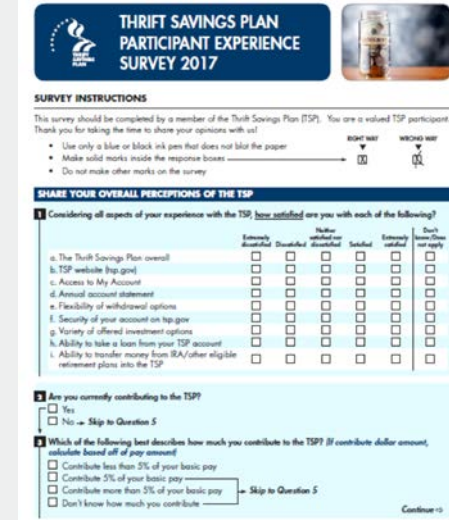
SURVEY

SAMPLE

FIELDING

RESPONSE

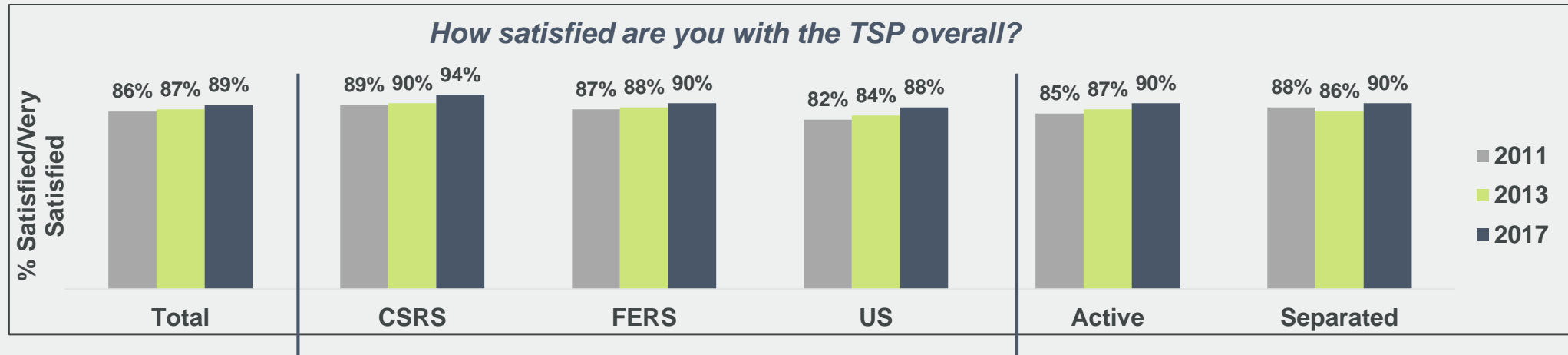
- Surveys were significantly redesigned for better flow, a different look and to accommodate more questions.
- Participants were stratified (by age, employment status, service years/branch and contribution) within retirement systems to ensure sufficient sample sizes for analysis.
- Dates: April 1 – May 15, 2017.
 - 4 touchpoints to encourage participation. Paper survey with online options mailed to participants. Emails sent to participants with email available (34%). Mail and web reminders sent to all.
- 17% completed surveys vs. 11% in 2013.



	Total Sampled	Completed Surveys	2017 Response Rate	2013 Response Rate	2017 Response Rate (Mail Only Invite)	2017 Response Rate (Mail + Email Invites)
Total	39,000	6,725	17%	11%	10%	32%

Satisfaction with the TSP

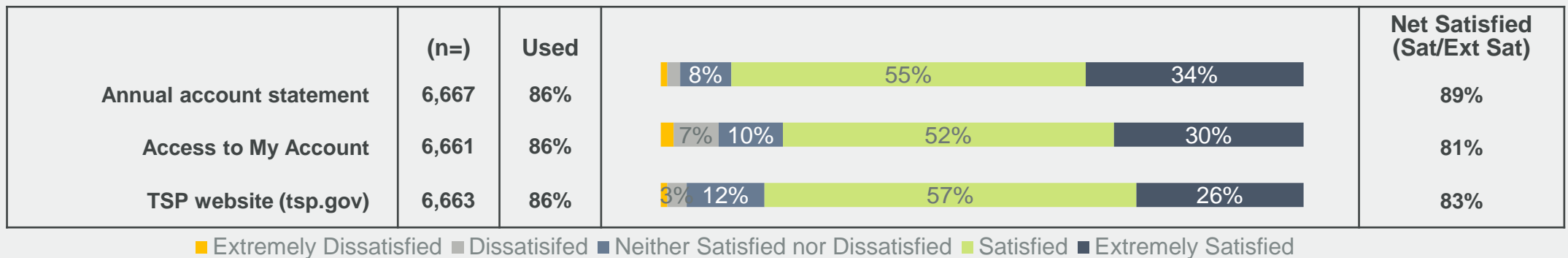
- Nearly nine in 10 TSP participants are satisfied (54%) or extremely satisfied (35%) with the TSP overall.
- Current levels of overall satisfaction with the TSP are on par with 2017 Gallup national findings (91%) of investor satisfaction with their 401(k).



- Factors impacting overall satisfaction with the TSP include **access to My Account, TSP.gov** and **ability to take loans**.

TSP Communications

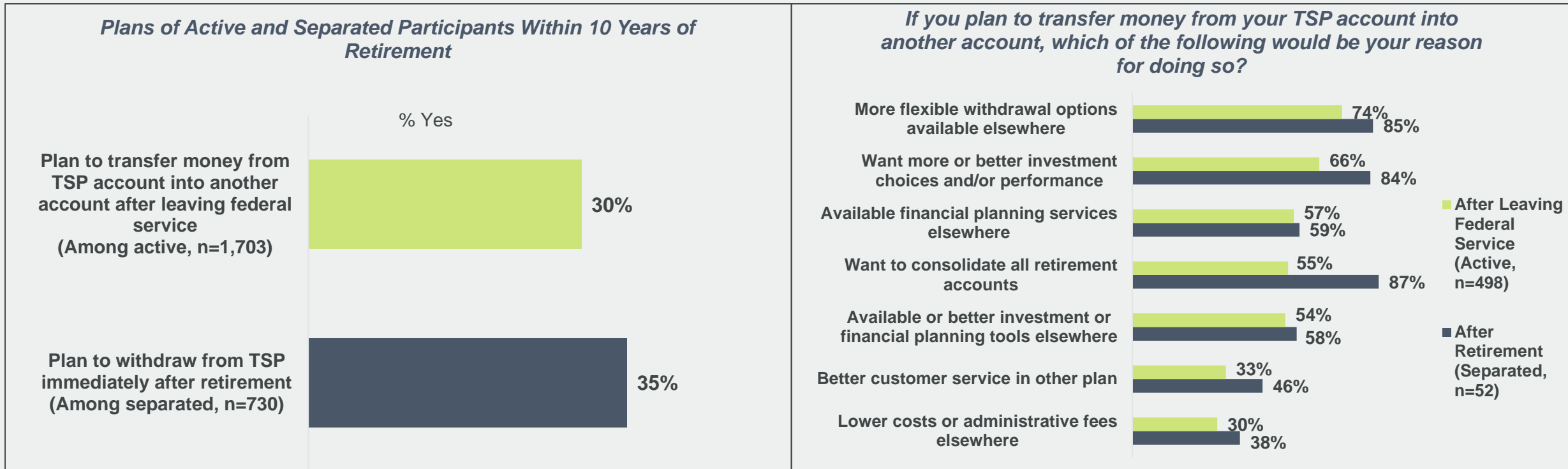
- More than eight in 10 of the participants use TSP.gov (either My Account or the general site) and most are somewhat satisfied with TSP.gov overall: **26% are extremely satisfied.**
- Participants would **like more advice assistance**, including retirement calculators, **combined statement** of all government pensions and benefits, **online financial advisors** and **mobile transaction** capabilities (especially Uniformed Services).



- The **annual statement is well received** by the 86% of participants who read it. Three in 10 indicated they learned something in the statement that made them take action, including **changing which funds** they invest in or **increasing their investment amount.**

Staying with the TSP

- **Three in 10** active participants nearing retirement age* say they **will transfer funds** from the TSP upon retirement.



- Likely leavers state **flexibility of withdrawal options** and more or **better investment choices/ performance** as top influencers of their plan to leave the TSP upon retirement.

Contributions

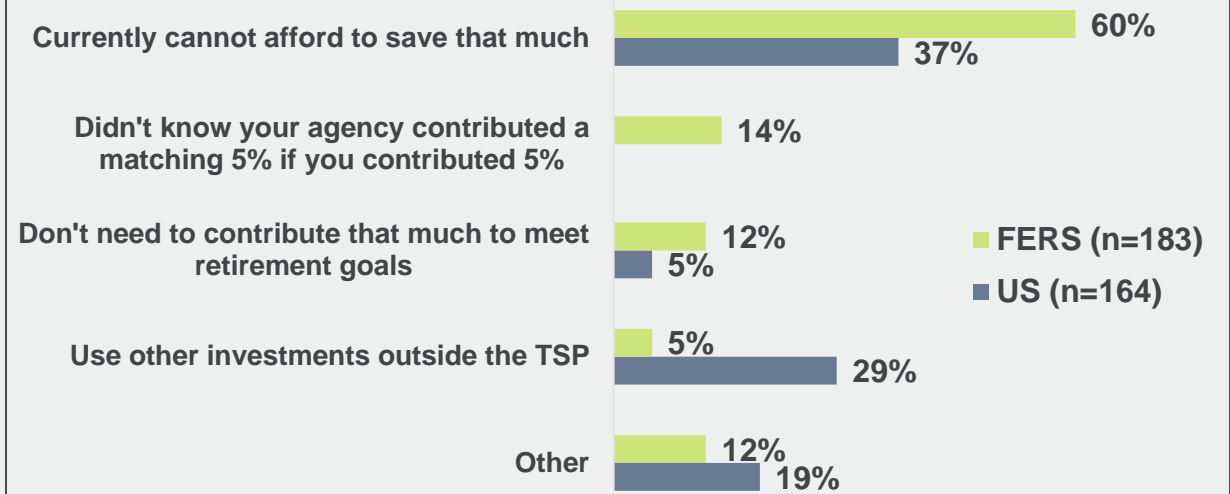
- Based on self reporting, eight in 10 participants are **contributing at least 5%** of their basic income into the TSP, **7% are not contributing** and 12% are contributing less than 5% of basic pay
 - One in seven FERS who contribute less than 5% say they didn't know matching funds were available.
- The majority of low contributors indicate they **can't afford to save 5% of their income**.

**Contribution Amount to TSP*
(Among Active Participants)**

	Total TSP	CSRS (n=271)	FERS (n=2,164)	US (n=1,331)
Not contributing	7%	18%	7%	8%
< 5% basic pay	12%	15%	12%	13%
5% of basic pay	25%	13%	29%	14%
> 5% of basic pay	53%	48%	50%	64%
Unsure of amount	2%	6%	3%	2%

Please explain why you are currently contributing less than 5% of your basic pay?

Active Participants who do not contribute at least 5% (n=389)



What Participants Want from the TSP

- Participants are looking for simplicity in their retirement plan including a desire to **consolidate other retirement accounts into the TSP** (59% agree), and having an estimate of all federal retirement income resources **all in one statement** (53% top choice).
- Younger participants have different request to meet their needs, desiring **online advice, tools** and **better mobile capabilities**.

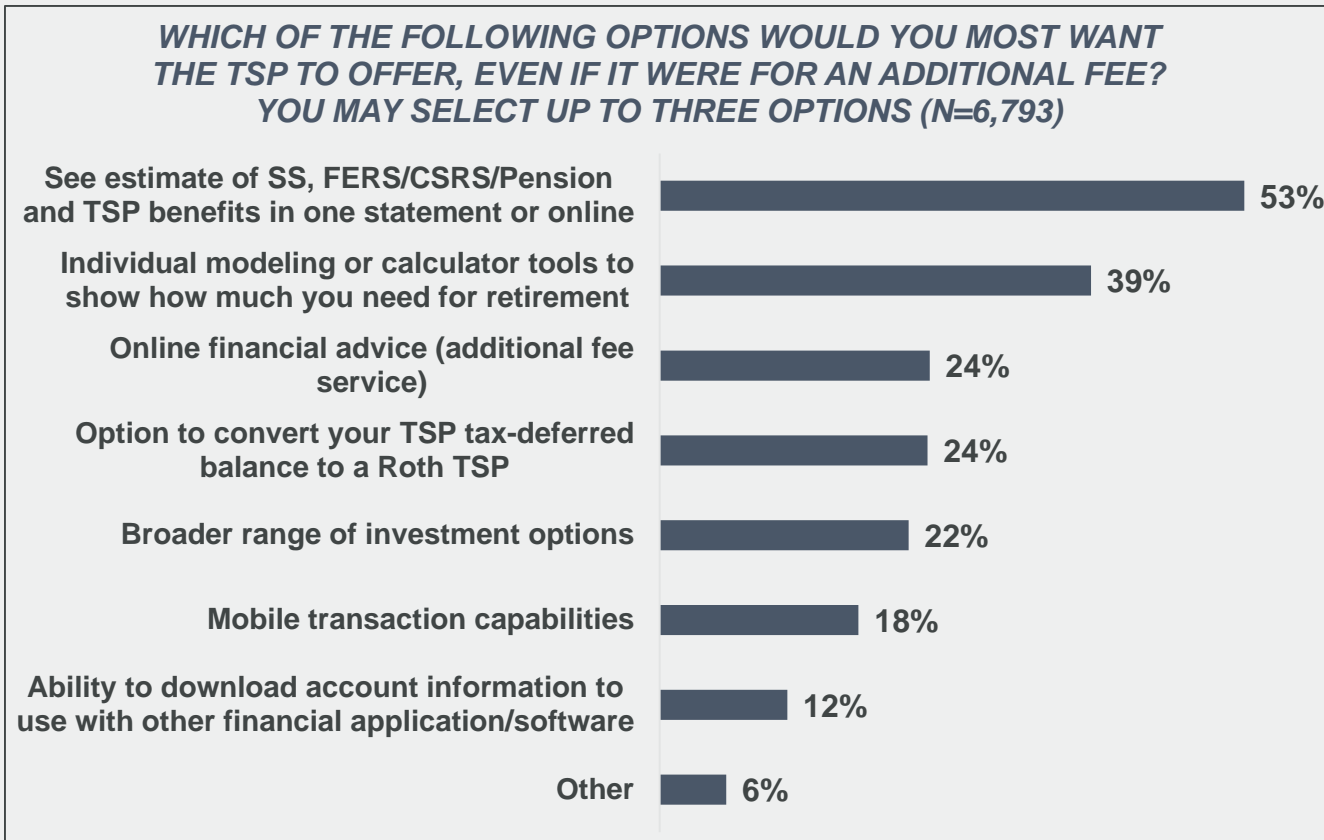
Which of the following options would you MOST want the TSP to offer, even if it were for an additional fee? (n=6,793)	AGE						
	Total (n=6,793)	Under 30 Years Old (n=347)	30 to 39 Years Old (n=905)	40 to 49 Years Old (n=1,017)	50 to 59 Years Old (n=1,565)	60 to 69 Years Old (n=1,814)	70+ Years Old (n=825)
See an estimate of your Social Security, FERS/CSRS/Military and TSP benefits in one statement or online	53%	42%	55%	61%	65%	55%	36%
Individual modeling or calculator tools to show how much you need for retirement	39%	41%	52%	49%	39%	25%	16%
Online financial advice (additional fee service)	24%	26%	31%	27%	23%	21%	16%
Option to convert your TSP tax-deferred balance to a Roth TSP	24%	20%	27%	25%	26%	28%	24%
Broader range of investment options	22%	27%	28%	23%	22%	20%	18%
Mobile transaction capabilities	18%	34%	26%	21%	12%	9%	5%
Ability to download account information to use with other financial application/software	12%	16%	13%	11%	11%	11%	9%

Green shading denotes highest-rated items; red lowest rated



What Participants Want from the TSP

- Participants in general, are looking for both **options and advice for investments** in their retirement system, including a **consolidated report** of Federal benefits, **modeling** for retirement needs and **calculator tools**.
- They are **least satisfied** with flexibility of **withdrawal options** and **ability to transfer** into the TSP.



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

Category	Total
The Thrift Savings Plan overall	90% (n=6,653)
Variety of offered investments	77%
Ability to take a loan from TSP account (Among active participants)	75%
Flexibility of withdrawal options	62%
Ability to transfer money from IRA/other eligible retirement plan into the TSP	64%
Annual account statement	89%
Access to My Account	81%
TSP website (tsp.gov)	83%



Preparing for the Blended Retirement System (BRS)

- Uniformed Services participants are **less satisfied with many plan offerings** than other plan participants, so addressing their plan needs may be necessary to increase participation.

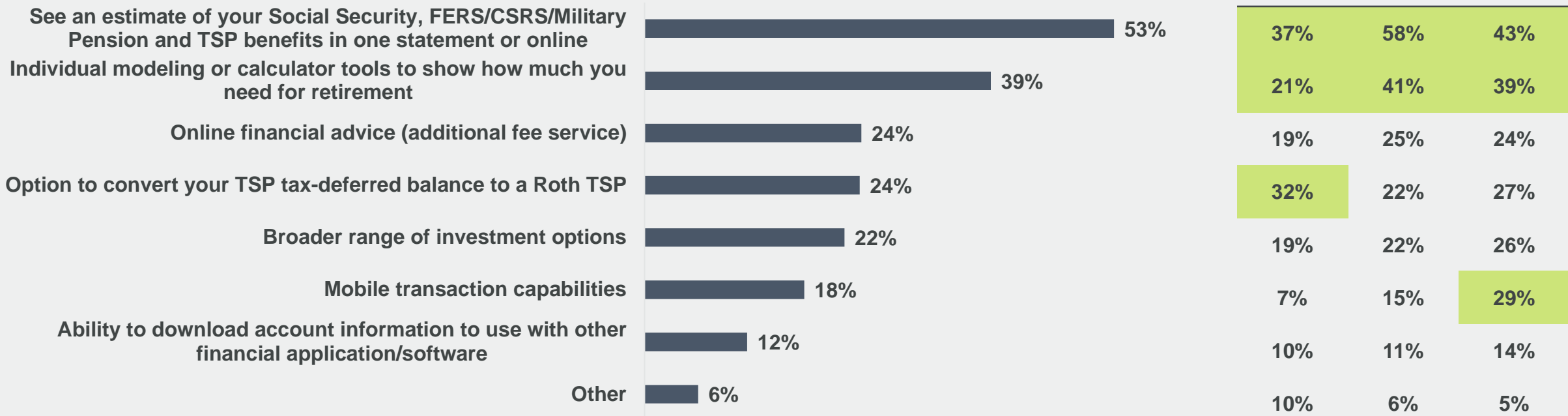
CONSIDERING ALL ASPECTS OF YOUR EXPERIENCE, HOW SATISFIED ARE YOU WITH EACH OF THE FOLLOWING?	% SATISFIED/EXTREMELY SATISFIED (Among Participants Who Have Used Each)			
	Total	CSRS	FERS	US
The Thrift Savings Plan overall	90% (n=6,653)	94% (n=1,594)	90% (n=2,923)	88% (n=2,136)
Variety of offered investments	77%	86%	76%	76%
Ability to take a loan from TSP account (Among active participants)	75%	75%	76%	68%
Flexibility of withdrawal options	62%	65%	63%	55%
Ability to transfer money from IRA/other eligible retirement plan into the TSP	64%	61%	63%	66%
Annual account statement	89%	96%	90%	86%
Access to My Account	81%	89%	84%	71%
TSP website (tsp.gov)	83%	88%	85%	77%

Shading denotes lowest rated items

Addressing Uniformed Services Participant Needs

- Uniformed Services participants want to see a consolidated report of federal retirement income sources online or in one statement and individual modeling or calculator tools to estimate what they need for retirement.
- Additionally, they have a strong desire for more mobile capabilities.

Which of the following options would you MOST want the TSP to offer, even if it were for an additional fee? You may select up to three options (n=6,793)



Shading denotes highest rated items



Summary and Recommendations

Findings	Recommendation
<p>Many participants believe withdrawal options are limited and plan to remove funds upon retirement as they don't feel the TSP offers sufficient flexibility of withdrawal, investment, or consolidation options.</p>	<ul style="list-style-type: none"> Eliminate statutory limits/restrictions on participant withdrawal options.
<p>Annual statements are frequently read and highly rated.</p>	<ul style="list-style-type: none"> Since so many read them, consider including a calculation of likely retirement income requirement based on participant's age/years of service. Consider statements as a potential place to offer consolidated statement of Federal retirement funds, if viable.
<p>TSP.gov is a key source of information and account access, but is not rated as highly as statements.</p>	<ul style="list-style-type: none"> More information that ties specifically to them by way of personalized investment planning and tool options such as retirement calculators based on participant actual financials.
<p>Uniformed Services participants are less satisfied with many plan offerings and have specific requests for what the plan can offer them.</p>	<ul style="list-style-type: none"> Improve ThriftLine access as it relates to time zones and hours. Conduct targeted outreach to educate Uniformed Services participants on existing mobile capabilities.

Questions?