Nationwide

Nationwide credits its motivated and engaged workforce for helping it become one of the world’s largest insurance and financial services firms.

The company takes great pride in the effort its people put forth and, in turn, wants them to be prepared for retirement. Nationwide provides several ways to accumulate retirement benefits. One of these, Nationwide’s 401(k) plan, was being used by a respectable, but unspectacular, 77 percent of employees. With the belief that a larger portion could benefit from its 401(k) offering Nationwide asked Aon to help drive participation by educating employees on their needs, as well as help to track the success of the program.

Working together, Aon and Nationwide implemented a strategy to increase 401(k) participation through increased educational outreach coupled with their auto enroll/auto increase feature. This included personalized retirement planning communication to better educate associates about their retirement options and how to take full advantage of the existing plans. Part of this education process included total compensation statements and the accompanying Personalized Retirement Education & Planning (PREP) analysis to help associates determine their retirement readiness.

With auto enroll/auto increase, associates are automatically enrolled in the 401(k) plan at a small rate of deferral, unless they specifically choose to opt out. Those participants with a low rate of deferral have their rates automatically and incrementally increased, over time.

With implementation of the auto increase/auto enroll feature, participation in Nationwide’s savings plan jumped to 95 percent, and the average deferral rate increased from 5.8 percent to 6.8 percent. Perhaps most exciting is that the personalized communication approach in no small way contributed to the more than 1,000 employees increasing their deferrals on their own.

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