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## Employers Restore 'Match,' But Worry About Retirement Readiness

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By Editor Test     *Wed, Feb 10, 2010*

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*Only 18% of employers were "very confident" about their employees having enough retirement income, Hewitt survey shows.*

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The percentage of employers who are confident about their workers' ability to retire with enough assets fell to 54% this year from 66% in 2009, according to a new Hewitt Associates study of 162 large and midsize U.S. employers.

Only 18% were "very confident" about their employees having enough income to last throughout retirement. But 80% of employers that suspended or reduced their 401(k) matching contributions in 2009 said they plan to restore the match this year, the study showed.

According to the survey:

- 59% of the employers now offer automatic enrollment, up from 51% in 2009.
- 78% of the employers offer target-date fund options, up slightly from 77% in 2009.
- 46% of the employers that do not already offer automatic rebalancing are "very" or somewhat likely to add that feature to their plans this year.
- 38% said they are very or somewhat likely to add automatic contribution escalation.

"In the last 18 months, employees' 401(k) accounts took a serious financial hit due to the severe market downturn," Pamela Hess, a Hewitt retirement research specialist, said in a statement about the survey results.

"While there has been marked growth in 401(k) balances since the market recovery began, we still see too many workers not saving and investing in a way that will help them achieve their retirement goals," she added.

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