

How Participants & Asset Managers Lose 401(k) Assets

By No Author      Thu, Nov 19, 2020

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Missing Participants	Baby Boomers born between 1957 and 1964 held an average of 11.7 jobs from ages 18 to 48.
401(k) Loan Leakage	Attrition through loan leakage was estimated at \$7.3 billion per year in 2018, a Deloitte study showed.
Rollover of Assets Out of the Plan	Over half of traditional IRA-owning households had IRA assets from employer-sponsored retirement plans; 82% rolled over their entire retirement account.
Participants Leaving Plan at Retirement	88% felt they could improve investment performance outside the plan, 82% felt they could get better choices, and 39% wanted to purchase a product not available in their plan
Resistance to In-Plan Annuities	Even with the SECURE Act safe-harbor, adding an annuity provider to the plan will require analysis new to many plan sponsors and their advisers.
Source: Defined Contribution Institutional Investors Association, April 2020.	