

# Pooled Plans Gaining Attention

A key feature of the SECURE Act is the establishment of Pooled Employer Plans (PEPs), which allow plan sponsors to pool their retirement resources with those of other employers and delegate most running-the-plan responsibilities to a third party. As a result, plan sponsors benefit from economies of scale, more efficient and diversified investment portfolios, and reduced administrative burdens and fiduciary risks.

While pooled plans have been in existence long before the SECURE Act, Mercer believes that the pandemic will serve as the catalyst for many plan sponsors to transition to pooled plans, including PEPs. In fact, a recent poll of retirement plan sponsors conducted by Mercer revealed that close to 20% of mid-to-large size organizations are open to joining a pooled plan and another 40% would like to explore pooled plans, as well as other ways to delegate investment and administrative fiduciary roles when market conditions improve.

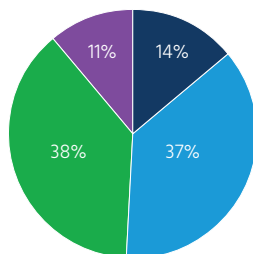


## Which benefits of pooled plans do you view as essential? (Choose all that apply)

- 65.9% reduced administrative workload
- 66.5% mitigation of fiduciary risk
- 69.3% lower participant fees
- 57.0% a well-diversified investment lineup
- 45.8% a great participant experience



## Given what has happened in 2020 so far, how much time do you have to spend on your retirement plan?



- plenty
- less than I'd like
- about the right amount
- far too little



## Following the webinar discussion, which statement(s) resonate with you? (Choose all that apply)

- 17.6% I'd like to explore pooled plans further
- 15.4% I want to maintain my own sponsored plan but consider outsourcing more of my *administrative* fiduciary roles
- 23.1% I want to maintain my own sponsored plan but consider outsourcing more of my *investment* fiduciary roles
- 26.4% I want to maintain my own sponsored plan and retain all related responsibilities
- 42.9% I'm interested in exploring some of these options, but not in the current market situation

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