

EMPLOYEE RETIREMENT PLANS: INCREASING PARTICIPATION AND
CONTRIBUTION LEVELS IN VOLUNTARY RETIREMENT PLANS VIA MESSAGE
FRAMING AND SELF-EFFICACY

By Melissa Dawn Willett

Dr. Glenn Leshner, Thesis Supervisor

ABSTRACT

Many Americans are ill-prepared for retirement. Either they are not saving or do not have access to retirement plans and/or retirement plan education. National trends suggest companies are moving away from employer-sponsored retirement plans and toward employees managing their own accounts. The concern with this shift is that many employees lack financial savvy to make educated investment decisions; and, when the time comes for retirement, workers will not be financially prepared, resulting in a need to continue working. This continuation may be in conflict with their personal needs and desires, as well as the employer's workplace needs. However, employers are in a unique position to influence, and potentially reverse the negative outcome of this trend. Many employers offer internal communications and have the ability to control the message framing of those communications. This study analyzes how gain and loss frame messages impact retirement savings behavior intention for employees at the University of Missouri. It also evaluates the influence of self-efficacy as a mediating variable for that behavior intention.

KEYWORDS: retirement, savings, prospect theory, message framing