

Why Start a Retirement Plan for Your Employees?



Only 34% of construction workers are participating in an employer-sponsored retirement plan. Yet, according to a Payscale study, the most desired benefits among construction workers are retirement benefits.

- Today's employees are stressed out about their ability to save money, which can cause problems with their productivity.



● **Only 1 in 10** have saved money for retirement.

Of employees without a plan



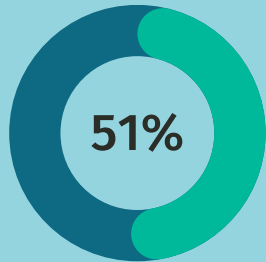
Trim Your Tax Bill

Contractors can save money by offering a bona fide benefit plan. **Using the fringe portion of the prevailing wage to provide benefits means that the amount is not subject to payroll costs.** Conservatively, these taxes represent an additional \$.25 on each dollar paid as cash wages. There may even be eligible tax credits for expenses associated with starting a 401(k) plan



Provide for Your Employees

As a business owner, you want to take care of your employees. So, why not offer a retirement plan to help them now and in their retirement years? **A retirement plan is also an excellent tool for keeping valuable employees**, as well as helping them attain a more financially sound future. Educate them on the benefits of a 401(k) plan, and remind them that this is their money to keep!



Retirement benefits may give a recruiting advantage

Filling jobs is a major concern of the construction industry. Long-term, financially beneficial benefits can set you apart in the employee hunt. According to a survey by Willis Towers Watson, **51% of employees joined their employer largely because it offered a retirement plan.** Offering a 401(k) shows potential candidates that you care about your employees' financial well-being – even into retirement.

You Can Invest In Your Own Retirement

As a business owner (even if you're self-employed), **you can usually invest more through a business retirement plan than through an IRA.** For the owners of profitable businesses, a 401(k) is a great way to secure a retirement with the same standard of living they enjoy today. The key is to take full advantage of your plan.



Consider this tip when starting a new retirement plan with your company: Help employees learn about investing. Share webinars from the plan sponsor or host educational events such as lunch-and-learns, where you give employees an opportunity to learn more about financial wellness and investing.