

Case Study

CLIENT NAME:

HII (Fortune 500 Aerospace & Defense Company)

STUDY SIZE:

~40,000 HII Employees

PERIOD:

November 1, 2022 through
October 31, 2023

METHODOLOGY:

To compare the results of employees who experienced a SmartPath intervention to the general population, SmartPath conducted three tiers of analysis:

- Compared the level of 401(k) activity between the influenced and uninfluenced populations.
- Compared contribution rates between the influenced and uninfluenced populations before and after controlling for age and income.
- Calculated the short and long-term impact on participant retirement savings.



How SmartPath Drove \$192,000 of Increased Retirement Savings per Year for HII Employees

Overview

In this study, we examined the 401(k) contribution patterns of HII employees. We compared the results of the general population with the results of employees who experienced a SmartPath intervention before taking an action in their 401(k) within the same timeframe.

The study set out to answer three questions:

1. Are employees who engage with SmartPath more active participants in their 401(k)?
2. Do employees who work with SmartPath increase their contributions at a higher rate than those who do not engage?
3. What is the annual and predicted lifetime impact on the HII employees' 401(k) balance (aka retirement savings) after using SmartPath?

Summary of Findings

1 Are employees who engage with SmartPath more active participants in their 401(k)?

Yes. 81.2% of the SmartPath-influenced population took intentional activity in their 401(k) compared to 47.8% of the uninfluenced population which demonstrates a 33 point difference.

2 Do employees who work with SmartPath increase their contributions at a higher rate than those who do not engage?

Yes. SmartPath-influenced employees increased their contributions by \$282 more per employee per year, even after controlling for age and income.

(Note: For those that decreased, SmartPath-influenced employees decreased less than the control group.)

3 What is the annual and predicted lifetime impact on the HII employees' 401(k) balance (aka retirement savings) after using SmartPath?

SmartPath drove an increase in retirement savings of \$192,000 per year for the influenced population. Given the average remaining timeline to retirement (~20 years) and a 6% annual rate of return, this would result in an increase of \$7.1M in lifetime savings.

Definitions

For the purposes of this study, the terms "SmartPath intervention," "influenced," and "uninfluenced" are defined as follows:

SmartPath Intervention – Engaging with SmartPath through a class, financial coaching/advising session, or tool.

Influenced – HII employees who experienced a SmartPath intervention before taking an action in their 401(k) within the defined period.

Uninfluenced – HII employees who did not experience a SmartPath intervention before taking an action in their 401(k) within the defined period.

About HII

HII is a global, all-domain defense provider. HII's mission is to deliver the world's most powerful ships and all-domain solutions in service of the nation, creating the advantage for its customers to protect peace and freedom around the world. As the nation's largest military shipbuilder, and with a more than 135-year history of advancing U.S. national security, HII delivers critical capabilities extending from ships to unmanned systems, cyber, ISR, AI/ML and synthetic training. Headquartered in Virginia, HII's workforce is 44,000 strong. For more information, visit www.hii.com.

About SmartPath

SmartPath is the leading provider of comprehensive financial education solutions in the country. Its robust offering includes daily educational classes, one-on-one coaching, and digital tools that empower individuals on the journey to financial freedom. Founded in 2010 and supporting over 700,000 individuals, SmartPath delivers its financial education solutions in partnership with financial institutions, fintech companies, and employers nationwide. For more information, visit www.joinsmartpath.com.



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