

Survey of Small Business Owners in Michigan on Retirement Savings

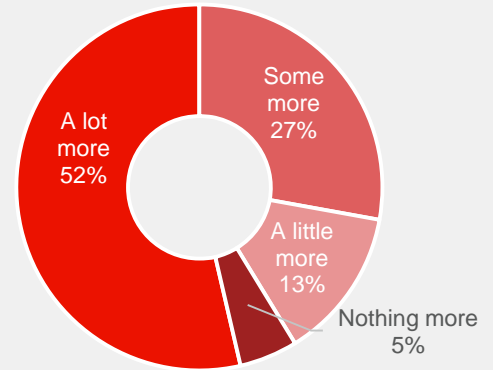


Small Business Owners in Michigan Want More Residents to Save for Retirement

Nearly all (92%) Michigan small business owners think more should be done to encourage Michigan residents to save for retirement, with half saying a lot more should be done. Moreover, six in ten (62%) are concerned about their employees not having enough money to cover health care or living expenses when they retire, with a quarter (25%) of them saying they are very concerned.

Most (82%) small business owners in this survey are also concerned as taxpayers that Michigan residents who do not save enough money for retirement could end up being reliant on public assistance programs (Very concerned: 39%; Somewhat concerned: 43%).

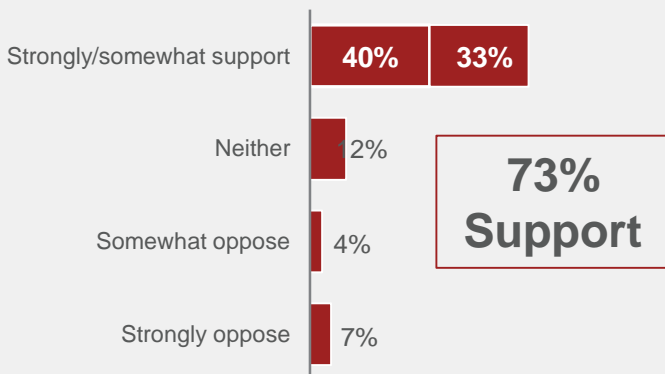
More Should be Done to Encourage Michigan Residents to Save for Retirement
(n=548 Michigan Small Business Owners)



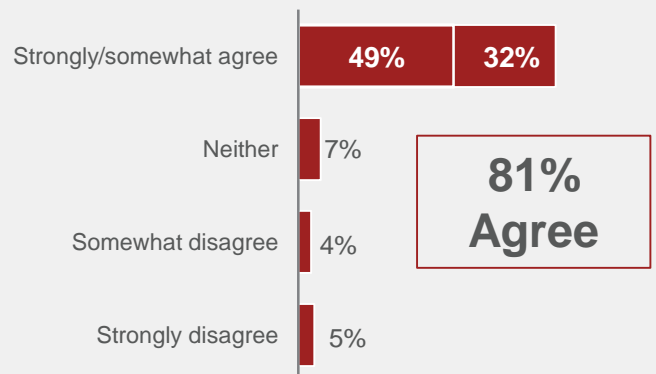
Michigan Small Business Owners Would Support a Public-Private Savings Option

Nearly three quarters of Michigan small business owners say they would support a privately managed, plug-and-play retirement savings option that would help small businesses offer employees a way to save for retirement. Additionally, most small business owners agree that state lawmakers should support a bill to make it easier for small business owners to access a retirement savings option for their employees and themselves.

Support/Oppose Having a Michigan Retirement Savings Option
(n=548 Michigan Small Business Owners)

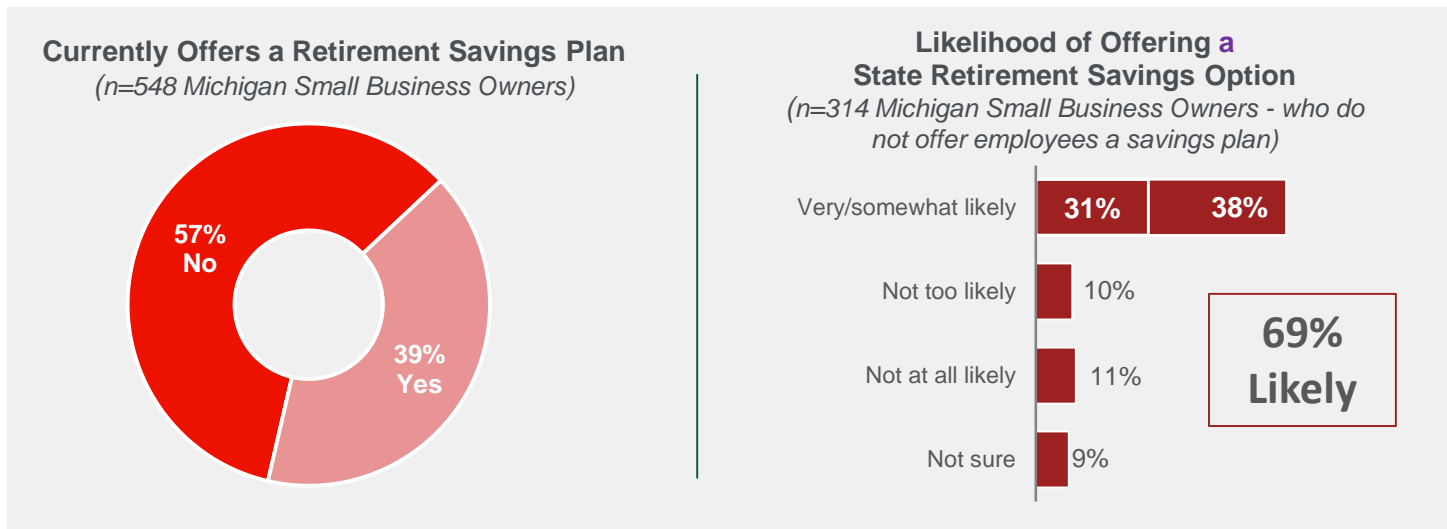


Agree/Disagree Lawmakers Should Support a Michigan Retirement Savings Option
(n=548 Michigan Small Business Owners)



Michigan Small Business Owners Would Be Likely to Offer Such a Retirement Savings Option

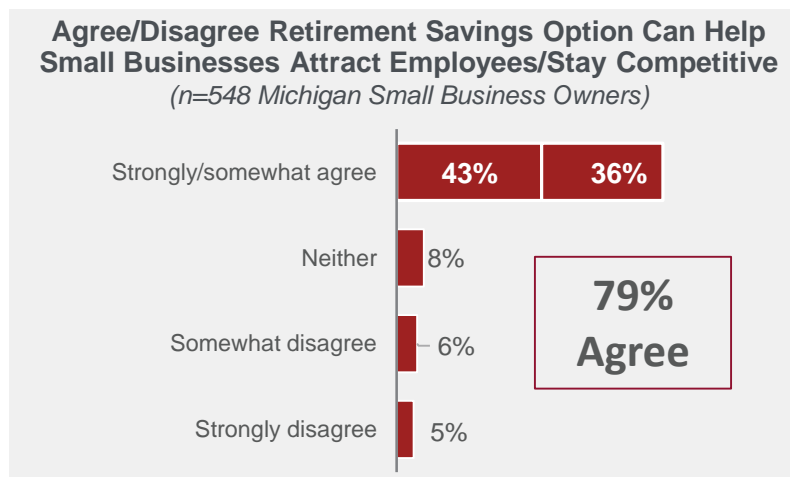
Nearly six in ten small business owners in Michigan responding to this survey say they do not offer a retirement savings plan, and many say they would face challenges providing a workplace savings plan for their employees. Most (72%) of these business owners say retirement savings plans are **too costly** and almost half (46%) say they are concerned about how **complicated they are to operate**. Another four in ten (39%) say a retirement savings plan would be **too time consuming** to operate. However, when asked how likely they would be to offer their employees access to the state retirement savings option described in the survey, over two-thirds say they would be likely to offer it.



A Retirement Savings Option Can Attract Employees and Help Their Business Stay Competitive

Most small business owners in Michigan agree that being able to offer a voluntary, portable, retirement savings program helps local small businesses attract and retain quality employees and stay competitive.

Among those small business owners in Michigan who *do* offer a retirement savings plan to their employees, nearly a third (34%) indicate that the main reason they offer it is *because it is the right thing to do*. In addition, over a quarter (29%) say they offer an employee savings *to attract and/or retain quality employees*.



DEMOGRAPHICS: n=548 small business owners or company decision makers with 1-150 additional employees within the state of Michigan; Business Size: Less than 5 employees: 50%; 5-9 additional employees: 20%; 10-49 additional employee: 26%; 50-150 additional employees: 6%; 2022 Business Revenue: Less than \$100K = 45%; \$100K – less than \$500K = 24%; \$500K or more = 21%; Political ideology: Conservative: 54%; Liberal: 8%; Moderate: 22%; None: 10%

METHODOLOGY: AARP commissioned Alan Newman Research (ANR) to field this 2023 Michigan Small Business Owner Survey between April 21 and May 16, 2023. Interviews were conducted by cell and landline phone among 548 small business owners or decision makers about employee benefits at companies with 1-150 additional employees. The margin of error for this sample is ± 4.4 percent. The sample came from a Data Axel business list and is weighted using the 2020 Economic Census from the U.S. Census Bureau (based on industry, number of employees, and county). Note: 'not sure' was only reported if it was five percent or more.



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