



Washington Voluntary Accounts - Focus Groups November 13, 2001

The focus groups: EOI contracted with Evans-McDonough to conduct two focus groups on Washington Voluntary Accounts, EOI's proposal for universal pension access for Washington workers. Participants in both groups were small business owners and managers in King County, one group representing businesses with 5 to 25 employees, the other with 25 to 100 employees. The businesses included a range of professional and service occupations, salary and hourly workers, including a computer company, a wood door manufacturer, a feed store, a real estate agency, an architectural firm, a telephone answering service, and two courier services.

Key findings:

- One third of the smallest businesses and 4 of 5 of the larger businesses currently had some kind of retirement program for employees.
- All participants thought that retirement savings programs were important, assigning values between 7 and 11 on a scale of 1 to 10.
- Businesses that didn't offer retirement programs cited administrative difficulties, costs for small companies, difficulties in comparing options, and lack of interest by employees.
- 17 out of 18 participants supported Washington Voluntary Accounts even if employers were required to make and forward payroll deductions for workers who wanted to participate, 7 with reservations.
- Particularly attractive aspects of WVAs:
 - transferability for a mobile workforce
 - providing an entry place for younger, less knowledgeable workers
 - low costs and fewer administrative hassles for businesses
 - a range of investment options that are pre-screened
 - giving small businesses a way to fulfill their responsibilities as employers
- Reservations about WVAs:
 - state mandate (but benefits generally outweighed)
 - skeptical about state government (though also believed state administration would make program more accessible to workers who needed it most)
 - larger professional firms saw no need for their employees
 - government competition with private companies