

# Pension Industry Outlook 2026

The Convergence of Regulation,  
Technology, and Financial Wellness.

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Strategic insights for **Plan Sponsors**,  
**Recordkeepers**, and **Industry Fiduciaries**  
navigating the post-SECURE 2.0 landscape.





# 2026 Market Pulse: The Executive Dashboard

## The Readiness Gap

**31%** of employers believe participants are not on track for retirement.

40% of employees live paycheck-to-paycheck.

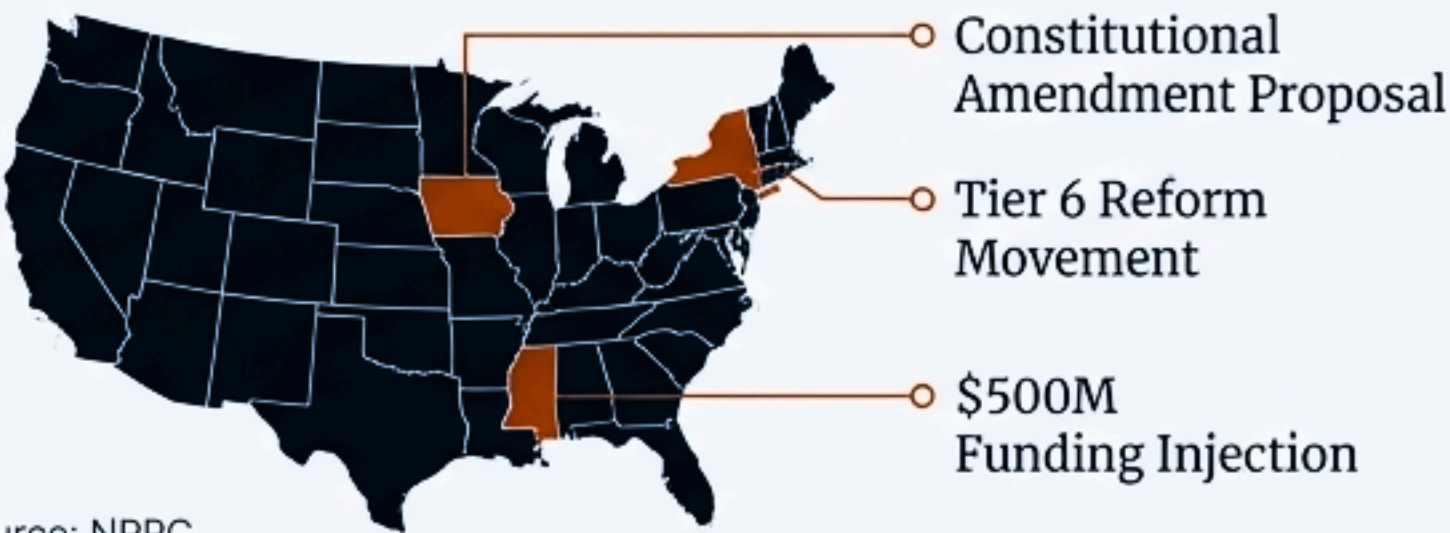
Source: ADP

## The Regulatory Driver

- ⚠️ Critical Deadline: IRS extends SECURE 2.0 amendment deadline to **Dec 31, 2027** (Notice 2026-9).
- ⚠️ Immediate Action: Mandatory Roth Catch-Up effective **Jan 1, 2026**.

Sources: GlobalData, Human Interest

## Public Sector Tension



Source: NPPC

## Tech Adoption

**39%**  
Effectiveness rate for mobile enrollment apps in driving participation.

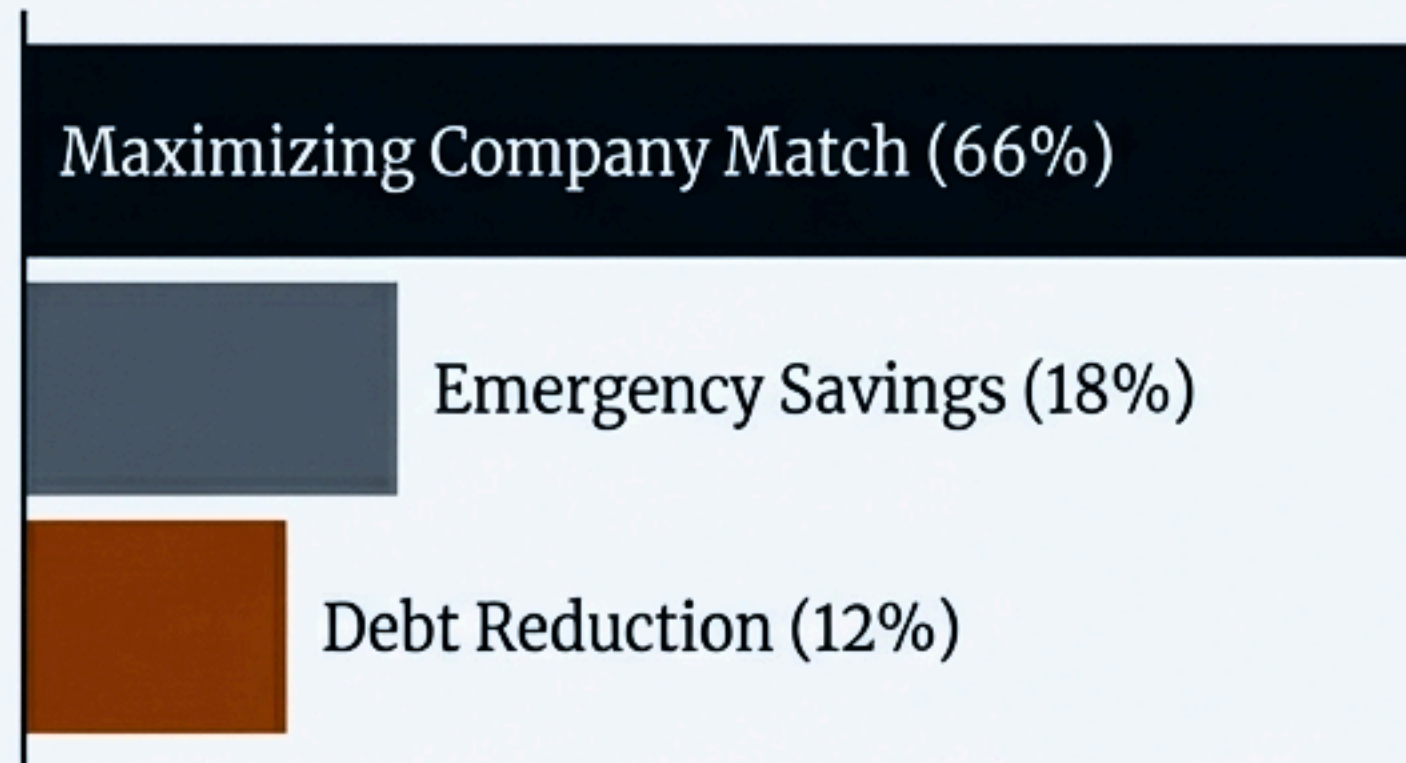
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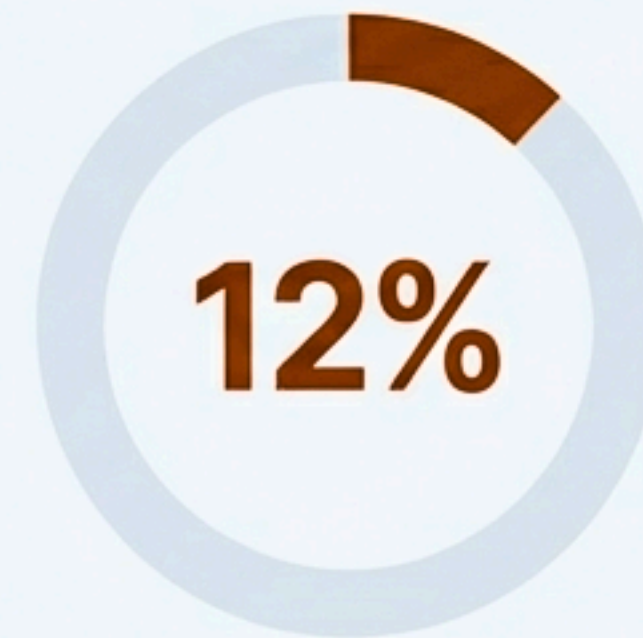
# The Economic Backdrop: Designing for a Financially Fragile Workforce

Retirement is no longer a standalone goal. With 1 in 4 workers describing their finances negatively, sponsors are prioritizing liquidity.

## Employer Priorities for 2026



## Worker Confidence (Ages 25-35)

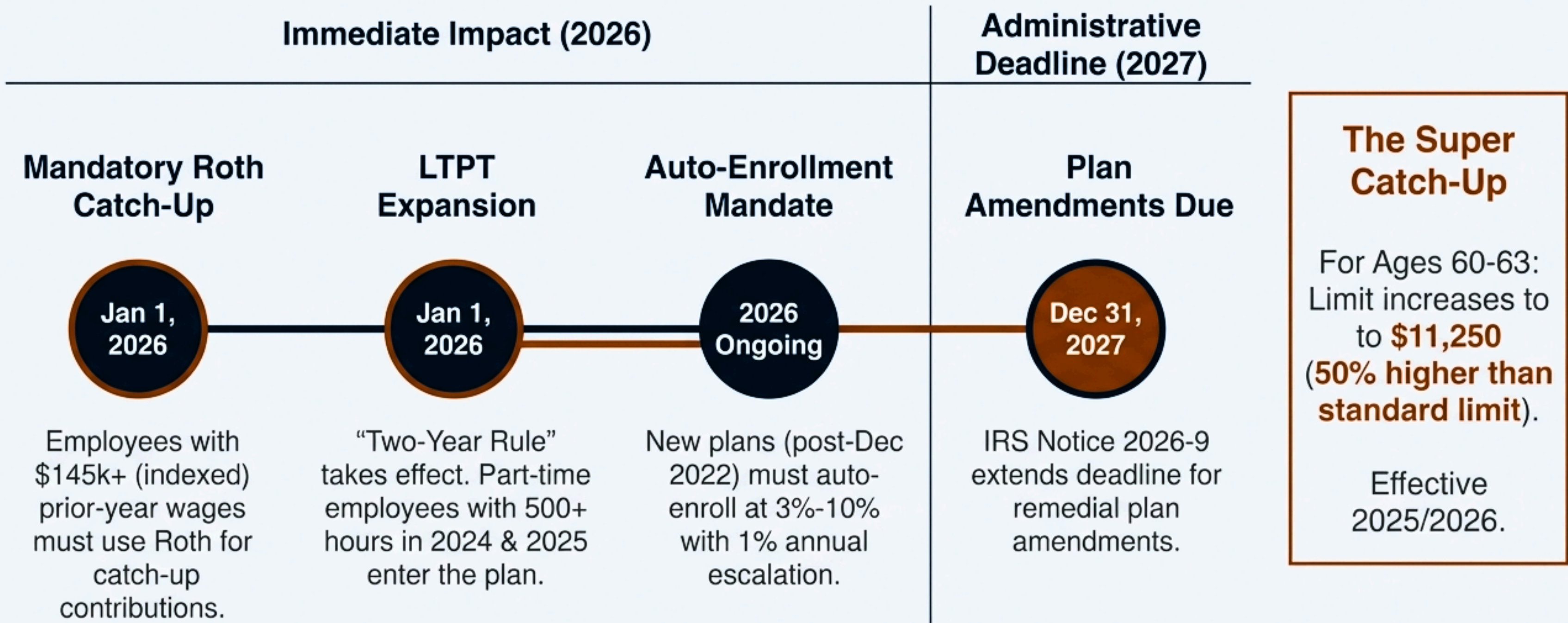


Only 12% of workers aged 25-35 feel confident in their financial situation.

**Trend Note:** 15% of employers are considering increasing company match specifically as an enrollment driver.



# Regulatory Landscape: Navigating SECURE 2.0 Implementation





# Operational Efficiency: The Push for Automation and Outsourcing

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## Front-End: Digital Experience



**+39%**

Increase in plan participation via mobile enrollment apps.

- National online database established for lost retirement accounts.

## Back-End: Compliance Burden



**Paper Statements Return:**  
Plans must provide one paper benefit statement annually unless participants opt-out electronically.

**Outsourcing Trend:** Sponsors increasingly outsourcing fiduciary responsibilities to mitigate risk.

**Improving website content alone increases enrollment by 26%.**



# Audience Segmentation: Designing for Inclusion

## The Female Professional



**55%** of women report feeling overwhelmed or worried about finances.

### Behavior:

Spending more on living expenses, saving less for the future.

### Strategy:

Targeted wellness education on Social Security maximization and compounding interest.

## The LTPT Worker (Long-Term Part-Time)



### Context:

**New Eligibility Rule (2026):** Employees with 500 hours/year for two consecutive years (2024, 2025) must be allowed to contribute.

### Compliance Note:

Separate Top-Heavy testing is now allowed for excludable employees to protect plan sponsors.



# 2026 Compliance & Administration Checklist

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## Update Safe Harbor Notices (Sec 402(f))

Adopt IRS Notice 2026-13 updates. Distribute two distinct notices: one for Non-Roth, one for Roth accounts.

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## Audit Payroll for Roth Catch-Up

Verify systems flag employees with **>\$145k** (indexed) prior-year wages to enforce mandatory Roth catch-up.

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## Review Top-Heavy Testing

Utilize new provisions to separate excludable (LTPT) employees from the main testing group.

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## Prepare Plan Amendments

Draft retroactive amendments for discretionary changes. Final deadline extended to **Dec 31, 2027**.

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