Retirement

Defined Contribution Retirement Plans Should Look and Feel More Like Defined Benefit Plans

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Defined contribution (DC) plans have, to this point, delivered uneven and sometimes inadequate results. We believe that DC sponsors can do much better in the future by maintaining the many important advantages of DC plans while simultaneously employing the best features of defined benefit (DB) plans. We discuss the origins, structure and ideas behind both DB and DC plans and show how outcomes for investors using DC plans can be improved in future decades.

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