Plan-Level and Firm-Level Attributes and Employees' Contributions to 401(k) Plans

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ABSTRACT
This study examines the determinants of employee contributions to 401(k) plans from the perspective of corporate policy and employer matching. Based on a sample of 756 401(k) plans from 2000 through 2004, we identify several significantly positive factors related to employees' contribution decisions. These factors include the presence of an employer match, especially matching by cash, the firm's growth opportunity, corporate dividend payment, stock return performance, and employees' autonomy to change their investment arbitrarily.

Keywords: 401(k) Plans; Matching Policy; Employee Contributions

REFERENCES
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