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SEI Quick Poll: Pension Sponsors Make Controlling Volatility and Implementing Liability Driven Investing Top Priorities for 2013

Survey Reveals the Top Ten Priorities for Corporate Pension Plan Sponsors

OAKS, PA -- (Marketwire) -- 01/17/13 -- According to an annual Quick Poll by SEI (NASDAQ: SEIC), corporate pension plan sponsors view controlling funding status volatility as the top priority in pension management for the fourth year in a row. Plan sponsors identified the need to implement a liability driven investing (LDI) strategy as the second most important priority for their organizations, up two spots from last year's poll. Providing senior management and board members with a long-term pension strategy rounded out the top three priorities for plan sponsors in 2013.

"Having felt the impact of low interest rates on their pension liabilities again last year, many plan sponsors will focus on risk management and liability reduction strategies to combat volatility and improve plan funding in 2013," said Jon Waite, Director, Investment Management Advice and Chief Actuary, SEI's Institutional Group. "As pension investment management grows in complexity, plan sponsors are seeking more sophisticated strategies to reduce pension risks and mitigate the impact of pension expense on overall corporate finances."

Poll participants were also asked to identify which specific risk reduction strategies they are considering for the upcoming year. Plan sponsors continue to reaffirm the importance of an LDI strategy in managing their pension, with 63 percent of participants selecting it as the top risk reduction strategy for 2013. Almost half (48 percent) of poll participants said they would consider lump sum payments to term-vested participants. Annuitization ranked as the least popular risk reduction strategy at 14 percent.

Conducted in December 2012, the Quick Poll surveyed 55 executives overseeing U.S. corporate defined benefit plans ranging from $25 million to $10 billion in assets. None of the participating organizations were institutional clients of SEI. For the complete list of top ten priorities and full poll summary, please visit: www.seic.com/DBOutlook2013.

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SEI's Institutional Group is the first and largest global provider of outsourced fiduciary management investment services. The company began offering these services in 1992 and today acts as a fiduciary manager to 450 retirement, nonprofit and healthcare clients in seven different countries. Through a flexible model designed to help our clients achieve financial goals, we provide asset allocation advice and modeling, investment management, risk monitoring and stress testing, active liability-focused investing and integrated goals-based reporting. For more information visit: http://www.seic.com/institutions.

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