

The new rules for pension communication implemented in practice

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The new Pension Communication Act came into effect on 1 July 2016. One of the main ideas was to provide information on pensions in layers. Pension 1-2-3 has been developed for this purpose. After reading layer 1, members are familiar with the most important aspects of their pension scheme. They can then decide if they would like to find out more. If so, they can click on the link to layer 2 (your pension in 30 minutes) or layer 3, which contains specific documents concerning pensions. From 1 July 2016, each pension organization must provide its own Pension 1-2-3. To what extent has this concept been implemented in practice?

In order to answer this question, we analyzed the websites of the twenty largest pension organizations in the Netherlands. The findability using Google was reasonably good: we were able to find Pension 1-2-3 information for seventeen out of twenty pension organizations. However, Pension 1-2-3 was only directly visible on nine out of twenty organizations' own websites. Two of the pension organizations have completely redesigned their websites according to the Pension 1-2-3 model, which optimizes findability. To assess user-friendliness, we checked whether the pension organizations make it clear to users that they are on the Pension 1-2-3 page and, if so, which layer they are reading. Eight out of twenty pension organizations do make this clear to users. The concept of providing layered information is only effective if users are able to navigate between the different layers of Pension 1-2-3. We therefore checked if this was possible on the different sites. Eight out of twenty organizations allow users to navigate between the first two layers, and nine organizations allow users to navigate within the extensive information in layer 2. Four organizations also allow users to search within the third layer. Most organizations simply provide a list of mandatory documents in layer 3 that users can read themselves. Our conclusion is that most of the pension organizations could still improve the user-friendliness of Pension 1-2-3 considerably.

Finally, we evaluated the quality of the information provided by trying to find the answer to four authentic questions from members. The quality of the information provided is poor: not one question was answered by all twenty organizations in their Pension 1-2-3. There also seems to be a great deal of duplication: a lot of the information is available in Pension 1-2-3 and on the organization's website.

Based on the results of this research, we have drawn up a number of recommendations for pension organizations. We suggest that pension organizations integrate the first layer of Pension 1-2-3 more with the rest of their website and ensure the third layer is linked more

closely to the rest of Pension 1-2-3. Organizations could improve the user-friendliness of Pension 1-2-3 by making it easier for users to navigate between the layers and within layer 2. This will enable users to find the information that is relevant to their situation more easily, making the website more tailored to the needs of individual users.

We have also drawn up recommendations for the umbrella organizations, the Authority for the Financial Markets (AFM) and the government. We second the advice provided by the AFM, that pension insurers make Pension 1-2-3 available to users without them having to log in, as the documents do not contain any personal information. We recommend that research is carried out into the way in which the insurance companies present Pension 1-2-3. We also advocate creating policy space for pension organizations to improve Pension 1-2-3 based on practical experience. Future committees do not need to make the rules for pension communication more extensive or more detailed. However, they do need to decide whether certain legal information provision requirements can be relaxed or waived under certain conditions.