



Press Release

Netspar: €250,000 for Research into the Effectiveness of Decision Aids for Pension Participants

The Board of Directors of Netspar, a science research foundation and knowledge network, has decided to award a grant in the amount of €250,000 for a study into the effectiveness of existing interactive online decision aids for pension scheme participants. The study will look into how well these aids help people with varying levels of financial literacy make reasoned pension and retirement decisions. Research is slated to begin in January 2019.

The study being performed by Hans Hoeken, Leo Lentz, and Adriaan Kalwij of Utrecht University will examine the effectiveness of various so-called Pension Decision Aids (PDAs) that already exist. PDAs guide people in making well-informed retirement decisions through a series of questions and information presentation. By looking at certain fixed criteria (e.g., explicit notification of the decision being made; information on options, risks, opportunities, and uncertainties; and the provision of personalized recommendations), researchers will examine whether the PDAs produce the desired effect and whether that effect differs according to a person's degree of literacy and cognitive abilities.

Similar studies in the medical field have revealed that decision-making aids lead to better decisions and more knowledge, more accurate risk assessment, and greater confidence about the choices made. This project will attempt to determine whether PDAs can have a similar effect in the pensions domain and what we can learn from the design of the aids used on the medical field.

About Netspar

Netspar (Network for Studies on Pensions, Aging and Retirement) is a think tank and knowledge network dedicated to promoting a better understanding of the economic and social consequences of pensions, aging, and retirement in the Netherlands and Europe. Netspar contributes actively to the social discourse on such matters among policymakers, scholars, and pension and insurance professionals by both developing knowledge through independent scientific research and sharing that knowledge through publications, events, and education programs.

NOTE TO THE EDITORS (not for publication)

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