Project Summary

Plan profile

The North Carolina Department of State Treasurer (DST) offers the NC 401(k) and NC 457 Plans (Plans) as part of its efforts to help public servants prepare for retirement. These Plans are provided as an additional savings option to the monthly pension contribution required by all eligible public servants. As of February 28, 2026, the Plans hold more than $20.5 billion in combined assets and serve over 325,000 unique participants. The Plans are administered by DST and overseen by the North Carolina Supplemental Retirement Board of Trustees. Empower provides recordkeeping and communications services.

DST proudly submits this initiative for consideration.

Challenge

In 2025, the NC 401(k) and NC 457 Plans and Empower set out to solve a persistent challenge in the retirement industry: participants were not disengaged because they did not care — they were disengaged because the experience wasn't built for them. Communications were often generic, poorly timed and disconnected from real participant needs.

By shifting from static campaigns to a technology-based responsive, behavior-driven engagement model, the NC 401(k) and NC 457 Plans utilized a system that meets participants in the moments that matter — when they are ready to act, need guidance or are at risk of inaction. The result is not just higher engagement, but measurable behavior change at scale.

The turning point

Before technology-driven automated communications, strategies followed a familiar pattern: scheduled campaigns, broad segmentation and incremental personalization. Even when effective, these efforts often failed to connect with participants in a meaningful way.

The breakthrough came from reframing the problem. Instead of asking what message to send, the team focused on what the participants needed in that moment — and what single action would move them forward.

That shift transformed communication from a broadcast function into a responsive system — one that listens, adapts and delivers guidance when it matters most.

A smarter way to engage

Automated communications are not a campaign — it is an intelligent communication ecosystem.

It uses real-time data and behavioral signals to deliver timely, relevant and highly personalized messages. Communications are triggered by participant actions and needs, not predetermined schedules. A participant without a beneficiary is prompted to add one. Someone newly engaged is guided toward registration or increasing contributions.

Messaging about adding a beneficiary, registering one's account or increasing their savings is simplified, stripped of industry jargon and focused on a single clear action. Participants are not just informed — they are guided directly to the next step, in one click.

This experience extends across channels, with coordinated messaging across email, web and mobile, creating a seamless and consistent journey rather than a series of disconnected touchpoints.

Quote from Treasurer Briner

"Automation has allowed us to meet participants exactly when they need support, delivering timely reminders that help them take meaningful action. At the same time, it frees our staff to focus on strategic campaigns and deeper engagement efforts. This balance of efficiency and personalization is transforming how we serve public employees across North Carolina."

North Carolina
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Project Justification

Why this matters

In a world where attention is limited and financial decisions are often delayed, relevance is everything.

The automated communications engine recognizes that participants do not need more information; they need the right information at the right time, presented in a way that makes action easy. By removing complexity and aligning communication to real-life moments, the NC 401(k) and NC 457 Plans help participants overcome inertia and take meaningful steps forward.

Example of account registration

This ongoing email campaign encourages account registration (enhances account security) among participants who have not yet registered their online account but maintain balances (active >$5 or terminated >$100). Sent to those who have not opted out and are at least 30 days past their initial contribution, messages are timed around key moments — 100, 104 and 315 days after a participant's birthday — to prompt timely action and drive registration.

Designed to evolve

Technology-driven automated communications are built not as a one-time solution, but as a system that continuously improves.

Its modular structure allows new engagement journeys to be introduced quickly, while built-in reporting provides detailed insights into participant behavior. These insights inform ongoing optimization, ensuring that each interaction becomes more effective over time.

From engagement to action*

The impact of these communications is best understood not by clicks or impressions, but in what participants did differently.

Across North Carolina's 401(k) and 457 Plans, the outreach operated at significant scale — delivering more than:

- **2.7 million emails**
- **684,000 post-login actions**

These outcomes reflect meaningful progress. More participants registered their accounts, enabling access to critical tools. More provided email addresses, allowing for continued engagement. More designated beneficiaries, strengthening financial preparedness and protection.

NC 401(k) Plan achieved:

- **+15.03% increase in account registrations**
- **+6.60% increase in email capture**
- **+1.36% increase in beneficiaries on file**

NC 457 Plan achieved:

- **+12.40% increase in account registrations**
- **+4.38% increase in email capture**
- **+1.26% increase in beneficiaries on file**

Across both Plans:

- **+13% increase in contributions YOY**

North Carolina Retirement Systems
NC 401(k) & NC 457 Plans

Just as important, these results were achieved while maintaining exceptional communication performance at scale. Email open rates held near 50%, with strong click-through and login rates, demonstrating that relevance and timing — not volume — were the primary drivers of success.

Conclusion

The NC 401(k) and NC 457 Plans automated communication engine represents a fundamental shift in how financial institutions engage with their customers.

It transforms communication from static messaging into dynamic, personalized guidance — delivered at the moments that matter most. More importantly, it proves that when communication is relevant, timely and actionable, participants respond.

And those decisions are what ultimately drive better financial outcomes.

*Source Empower reporting 2025

North Carolina
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STATE OF NORTH CAROLINA

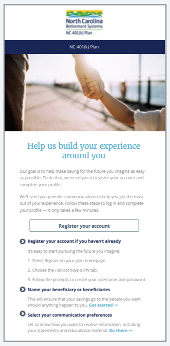
TECH AND CYBERSECURITY

Transforming retirement engagement through intelligent personalization

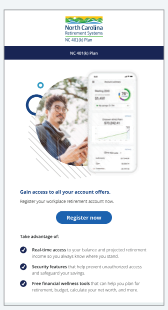
Across North Carolina's 401(k) and 457 Plans, the outreach operated at significant scale and translated directly into measurable behavior change.

Emails

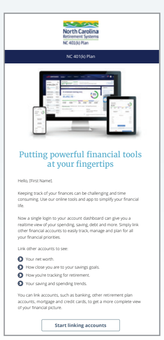
Welcome to the plan



Account registration



Online tools



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ENGAGEMENT

2.7M emails

685K post-login actions

SUCCESSFUL RESULTS

NC 401(k) Plan achieved:

+15% increase in account registrations

+7% increase in email capture

+1% increase in beneficiaries on file

NC 457 Plan achieved:

+12% increase in account registrations

+4% increase in email capture

+1% increase in beneficiaries on file

Across the NC 401(k) Plan and the NC 457 Plan:

+13% increase in contribution increases

Source: Empower data July - December 2025