

Week 4 - Summary

Post a 50-200 word response summarizing the topics discussed during the week by clicking on Reply

Response #1

Week four has been a very informative week of learning for me. Our discussions included the defined benefit and defined contribution pension plans. I learned about the differences of the two plans and it is information that I will definitely be able to apply in my future. We also discussed the components of pension expense. I really enjoyed week four and can't believe we are headed for our final week of this class. I look forward to week five and really enjoyed our discussions during week four.

Response #2

This week objective was exciting than the first few weeks because I never paid to much attention to pension plans. Viewing the significance of pension plans from an employer and employee standpoint made me think about how secure of my retirement plans are. Knowing the drawbacks and benefits of defined contribution plan and defined benefit plans is important for an employee to make the right choice that best fits their budget and their future after retirement. As an investor there is a lot to consider when deciding to invest in a company stock that has pension plans because if the company is missing their earning targets or pension target their is need to be skeptical about the company satisfying their long-term liability obligations and earning potential. From this week learning materials I can actually apply to my real life financial situation and also knowing what information to base my decision from helps cut through the smoke screens they may be confusing.

Response #3

In Week 4 we studied the different pension plans and components of pension expense. We established the different and similarities between a defined contribution and a defined benefit plan. Employers contribute in a defined contribution to the pension based on a formula, on the other hand, employers determine the amount that will be contribute for promised benefits in the future in a defined benefit plan. My company uses the defined contribution plan but much of the information we studied did help me understand the mechanics and what is involved in the two plans. Regarding the components of pension expenses I learned that they are affected by the gains and losses of the different types of contribution and benefit plans. I look forward to the last week of this class and the final exam.

Response #4

This week was fun for me again! I really enjoyed learning about and discussing the different types of pensions and how they apply to today's employer and employee. Because this is my first job that offered a retirement plan, I really didn't know much about how a typical contribution plan worked. However, this week really allowed me to focus on the pros and cons of the contribution and benefit plans. I really enjoyed applying our discussions to personal experience I have as well.