



15th Annual Transamerica Retirement Survey

Influences of Company Size on Retirement Preparations

TRANSAMERICA CENTER
FOR RETIREMENT STUDIES®

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About the Transamerica Center for Retirement Studies®

- The Transamerica Center for Retirement Studies® (TCRS) is a division of Transamerica InstituteSM (The Institute), a nonprofit, private foundation. TCRS is dedicated to educating the public on emerging trends surrounding retirement security in the United States. Its research emphasizes employer-sponsored retirement plans, including companies and their employees, unemployed and underemployed workers, and the implications of legislative and regulatory changes. For more information about TCRS, please refer to www.transamericacenter.org.
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About the Survey

- Since 1998, the Transamerica Center for Retirement Studies® has conducted national surveys of U.S. business employers and workers regarding their attitudes toward retirement. The overall goals for the study are to illuminate emerging trends, promote awareness, and help educate the public.
- Nielsen and the Harris Poll were commissioned to conduct the 15th Annual Retirement Survey for Transamerica Center for Retirement Studies. Transamerica Center for Retirement Studies is not affiliated with Nielsen.
- About Nielsen & The Harris Poll: On February 3, 2014, Nielsen acquired Harris Interactive and The Harris Poll. Nielsen Holdings N.V. (NYSE: NLSN) is a global information and measurement company with leading market positions in marketing and consumer information, television and other media measurement, online intelligence and mobile measurement. Nielsen has a presence in approximately 100 countries, with headquarters in New York, USA and Diemen, the Netherlands. For more information, visit www.nielsen.com.

Worker Survey Methodology

- A 22-minute, online survey was conducted between February 21 – March 17, 2014 among a nationally representative sample of 4,143 workers using the Harris Poll. Respondents met the following criteria:
 - U.S. residents, age 18 or older
 - Full-time or part-time workers in a for-profit company employing 10 or more people
- Data were weighted as follows:
 - Census data were referenced for education, age by gender, race/ethnicity, region, household income, and number of employees by company size. Results were weighted where necessary to bring them into line with the population of US residents age 18+, employed full time in a for-profit company with 10+ employees or employed part time in a for profit company.
 - The weighting also adjusts for attitudinal and behavioral differences between those who are online versus those who are not, those who join online panels versus those who do not, and those who responded to this survey versus those who did not.
- Percentages are rounded to the nearest whole percent. Differences in the sums of combined categories/answers are due to rounding.
- This report focuses on full-time and part-time workers combined.

Terminology

This report uses the following terminology:

Generation

- *Millennial:* Born 1979 - 1996
- *Generation X:* Born 1965 - 1978
- *Baby Boomer:* Born 1946 - 1964

Company Size

- *Small Company:* 10 to 499 employees
- *Large Company:* 500 or more employees

All Workers

- Refers to all workers age 18 and older

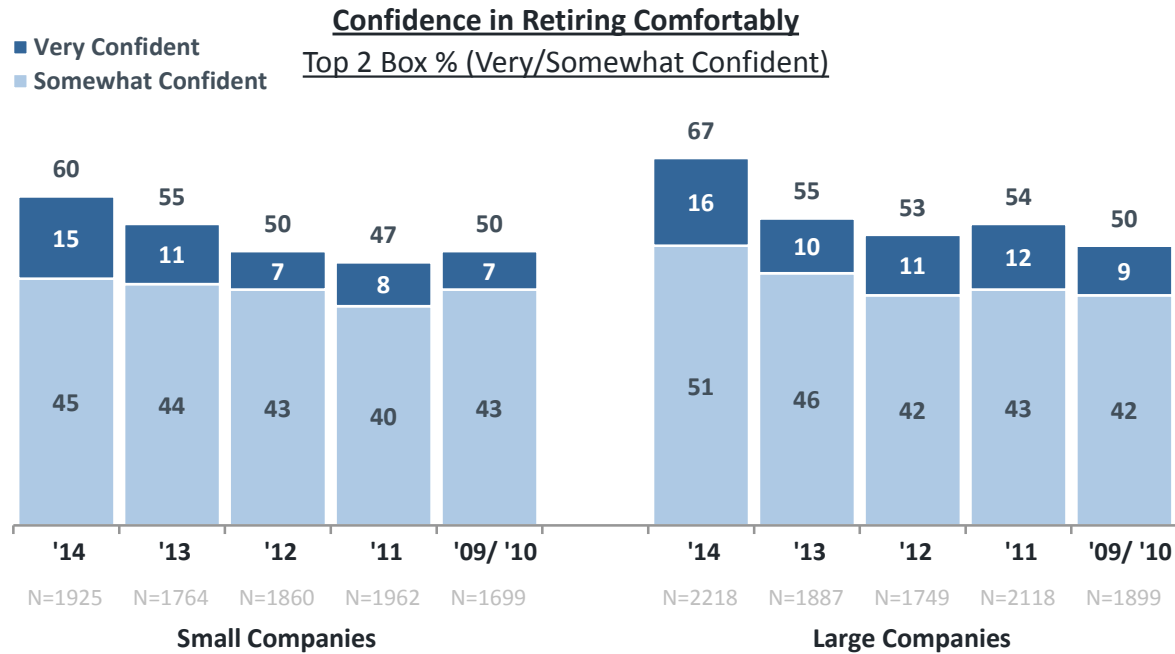


Influences of Company Size on Retirement Preparations

Detailed Findings

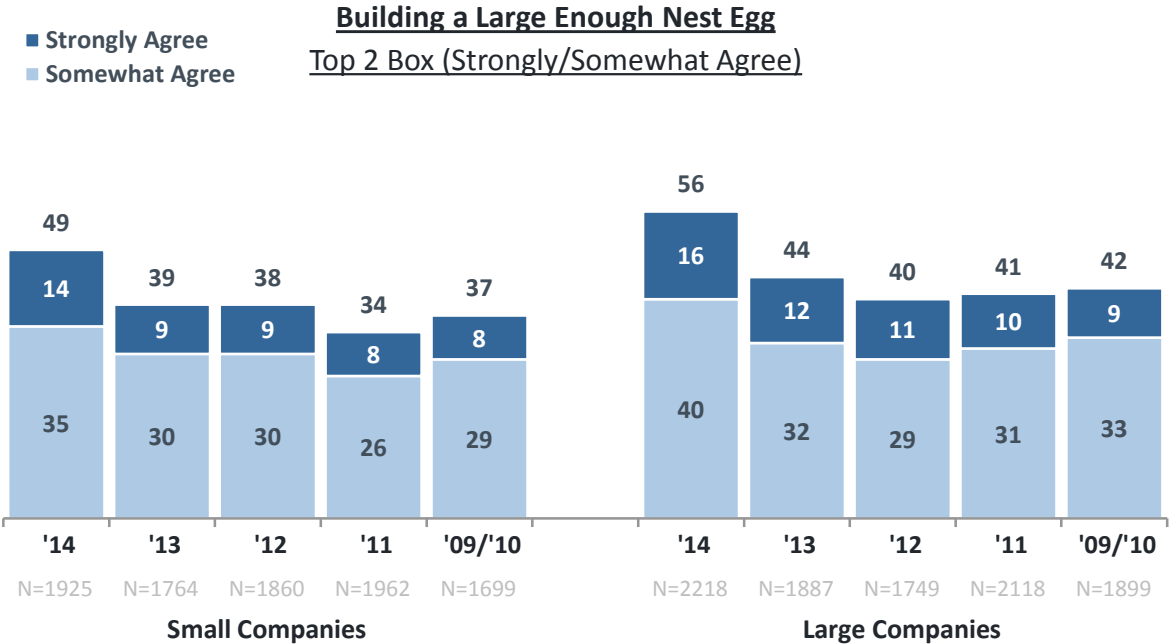
Confidence in Retiring Comfortably

Since last year, confidence in being able to retire comfortably has risen among workers in both small and larger companies. Workers in large companies continue to be more confident they will be able to retire comfortably.



Building a Large Enough Nest Egg

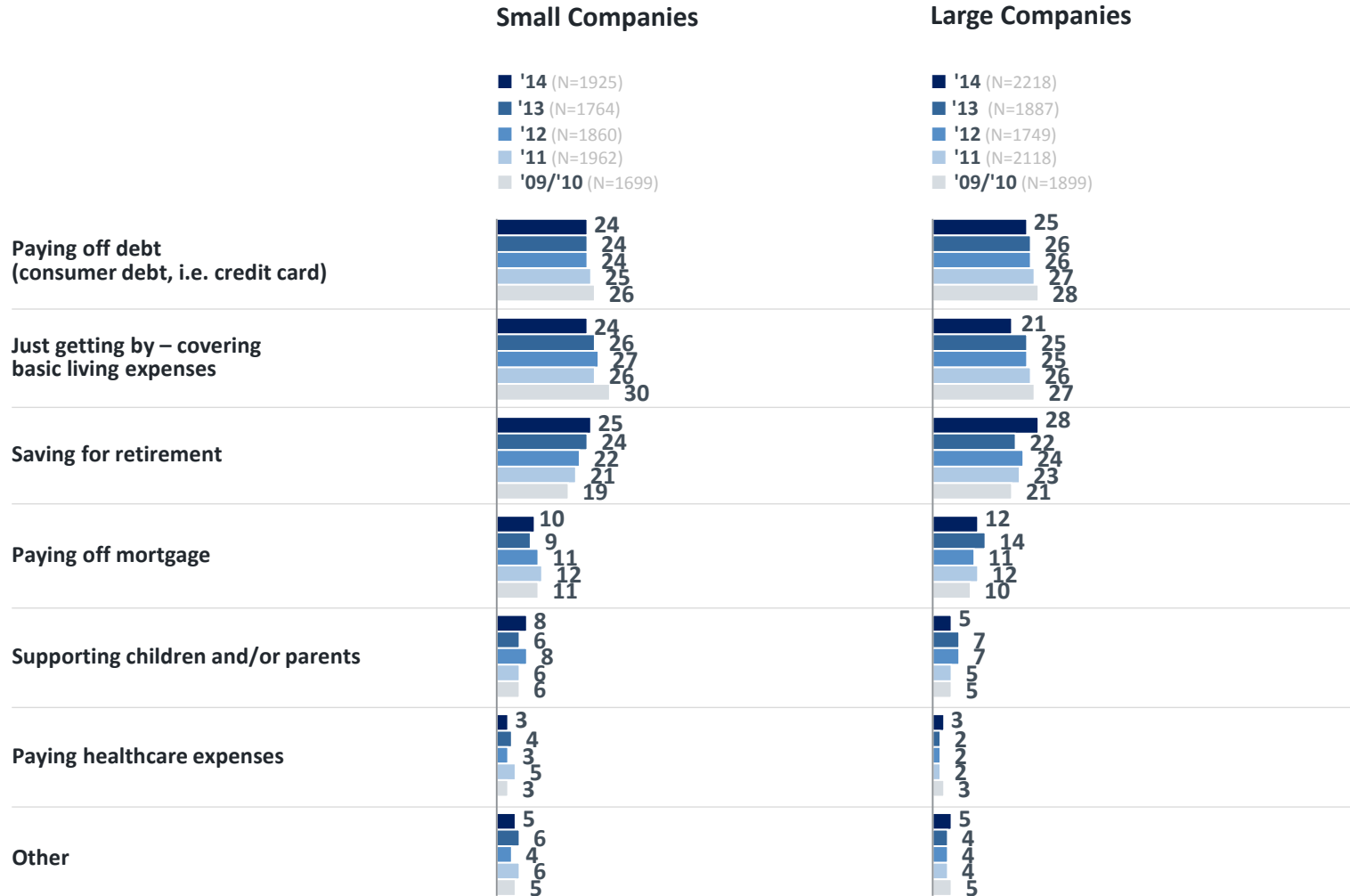
More workers in large companies continue to agree they are building a large enough nest egg. The level of agreement has increased significantly since last year for workers in both company sizes.



BASE: Full and Part-time
Q800. How much do you agree or disagree that you are currently building a large enough retirement nest egg?

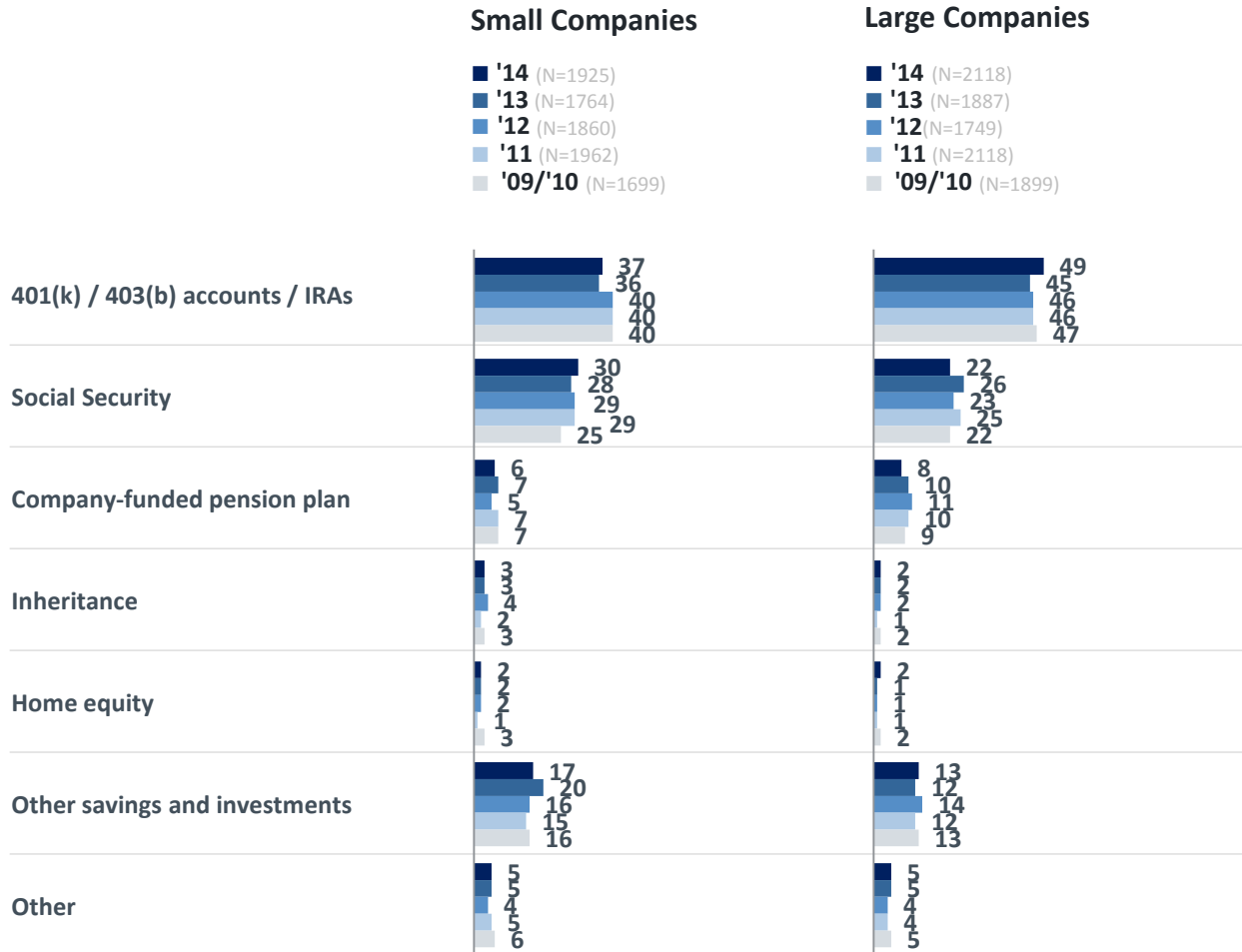
Greatest Financial Priority

Financial priorities are fairly consistent from last year with “paying off debt,” “getting by,” and “saving for retirement” as the top three most chosen priorities.



Primary Source of Retirement Income

Workers in small companies are more likely to expect to rely on Social Security, other savings/investments, and inheritance as their primary source of income in retirement. In contrast, workers in large companies are more likely to expect to rely on 401(k) or similar plans and pension plans.



Retirement Benefits: Importance Compared to Other Benefits

Similar to previous years, more workers in large companies indicate health insurance, a self-funded plan, disability insurance, a defined-benefit plan, and life insurance than their counterparts in small companies.

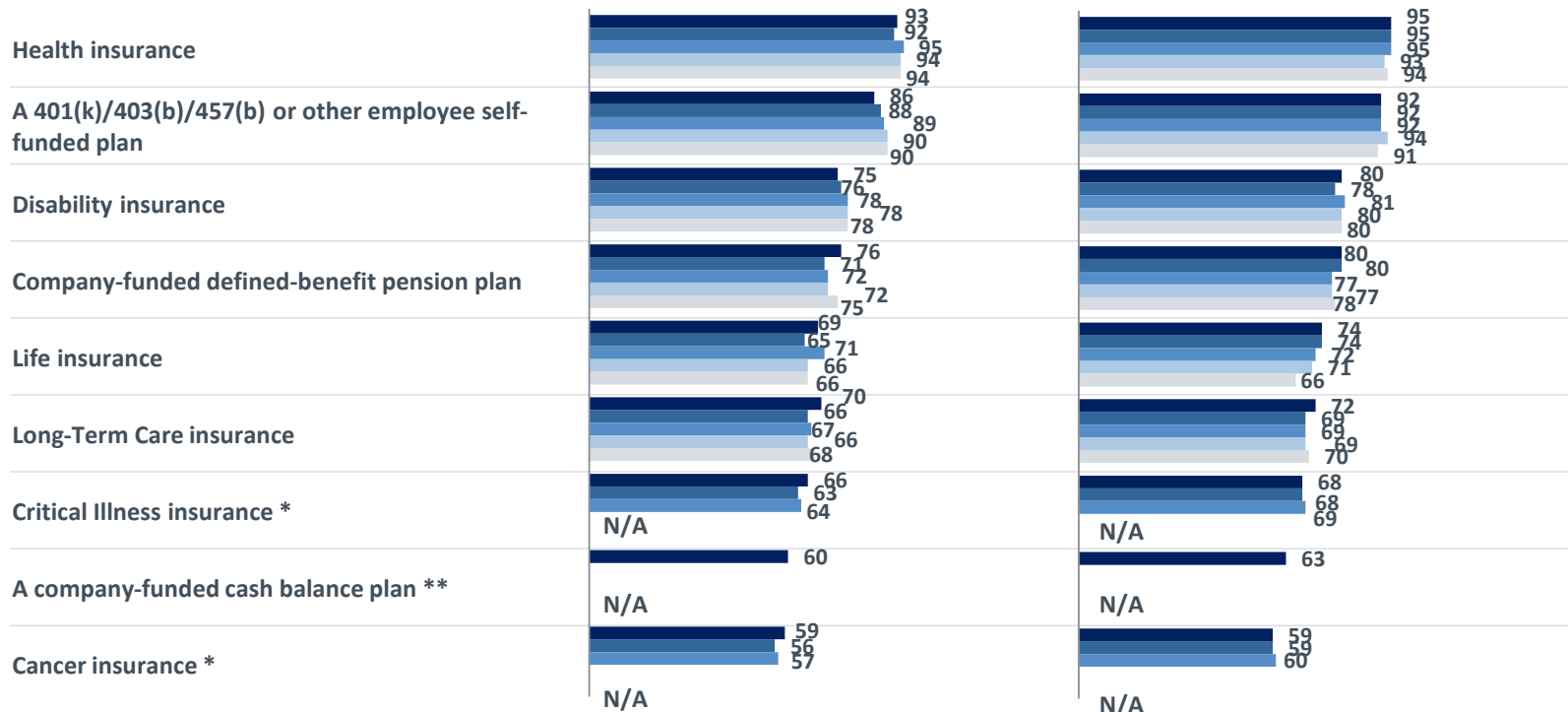
Top 2 Box %
(Very/Somewhat Important)

Small Companies

■ '14 (N=1925)
■ '13 (N=1764)
■ '12 (N=1860)
■ '11 (N=1962)
■ '09/'10 (N=1699)

Large Companies

■ '14 (N=2218)
■ '13 (N=1887)
■ '12 (N=1749)
■ '11 (N=2118)
■ '09/'10 (N=1899)



*added in 2012; **added in 2014

BASE: Full and Part-time

Q1171. Businesses typically offer a number of different benefits for their workers.

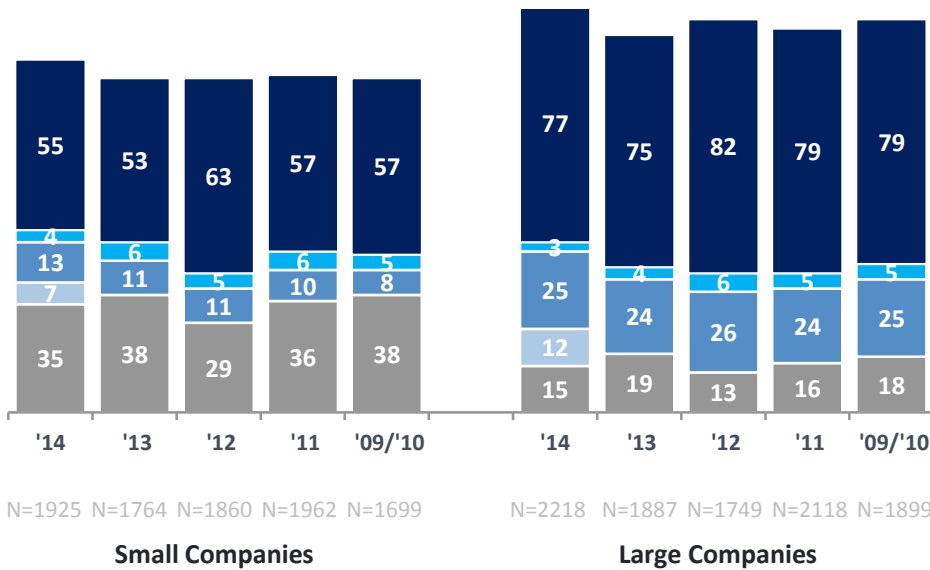
For each of the following, please tell us how important that benefit is to you, personally.

Retirement Benefits Currently Offered and Plan Participation

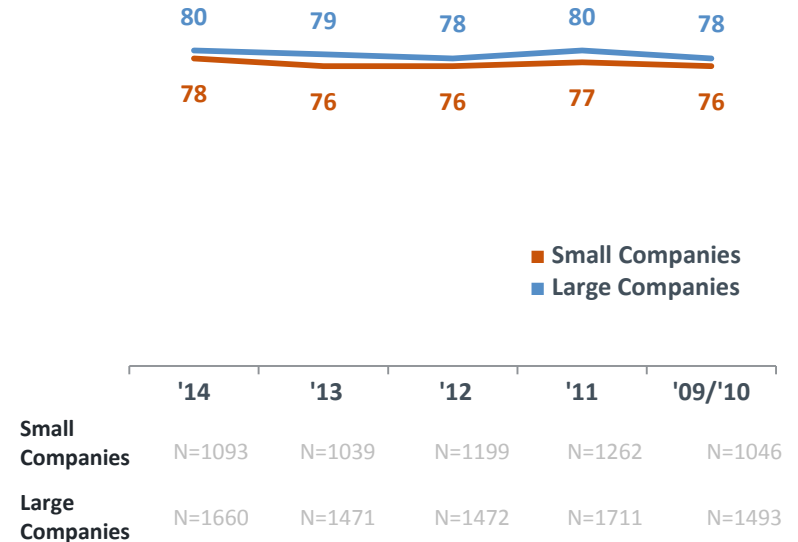
Workers in large companies continue to have more retirement plans available to them. Workers in small companies continue to lag slightly behind workers in large companies in participation in an employee-funded plan when available.

Retirement Plan Offered by Current Employer (%)

- An employee-funded 401(k) plan
- Other employee self-funded plan
- A company-funded defined benefit pension plan
- A company funded cash balance plan *
- None of the above



Currently Participate In, or Have Money Invested in Company's Employee-funded Retirement Savings Plan, % Indicate "Yes"



*added in 2014

BASE: Full and Part-time

Q1180. Which of the following retirement benefits does your company currently offer to you, personally? Select all that apply.

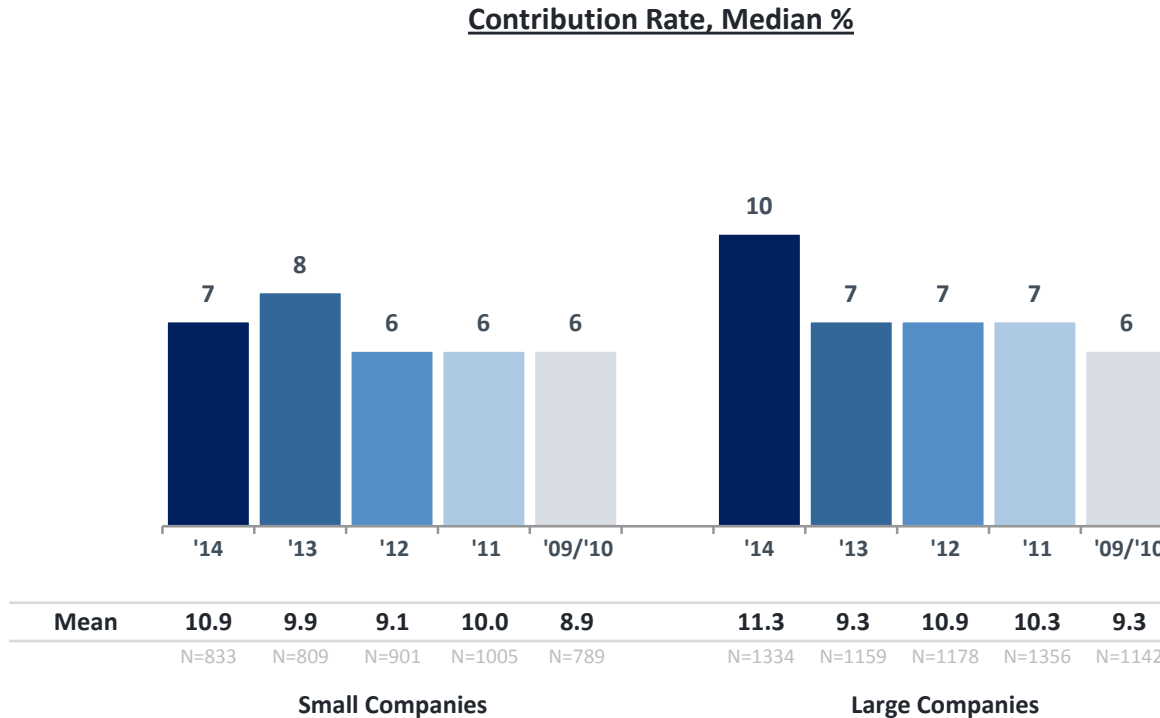
BASE: Full and Part-time; Those With Qualified Plans Currently Offered To Them

Q1190. Do you currently participate in, or have money invested in your company's employee-funded retirement savings plan?

Plan Contribution Rates

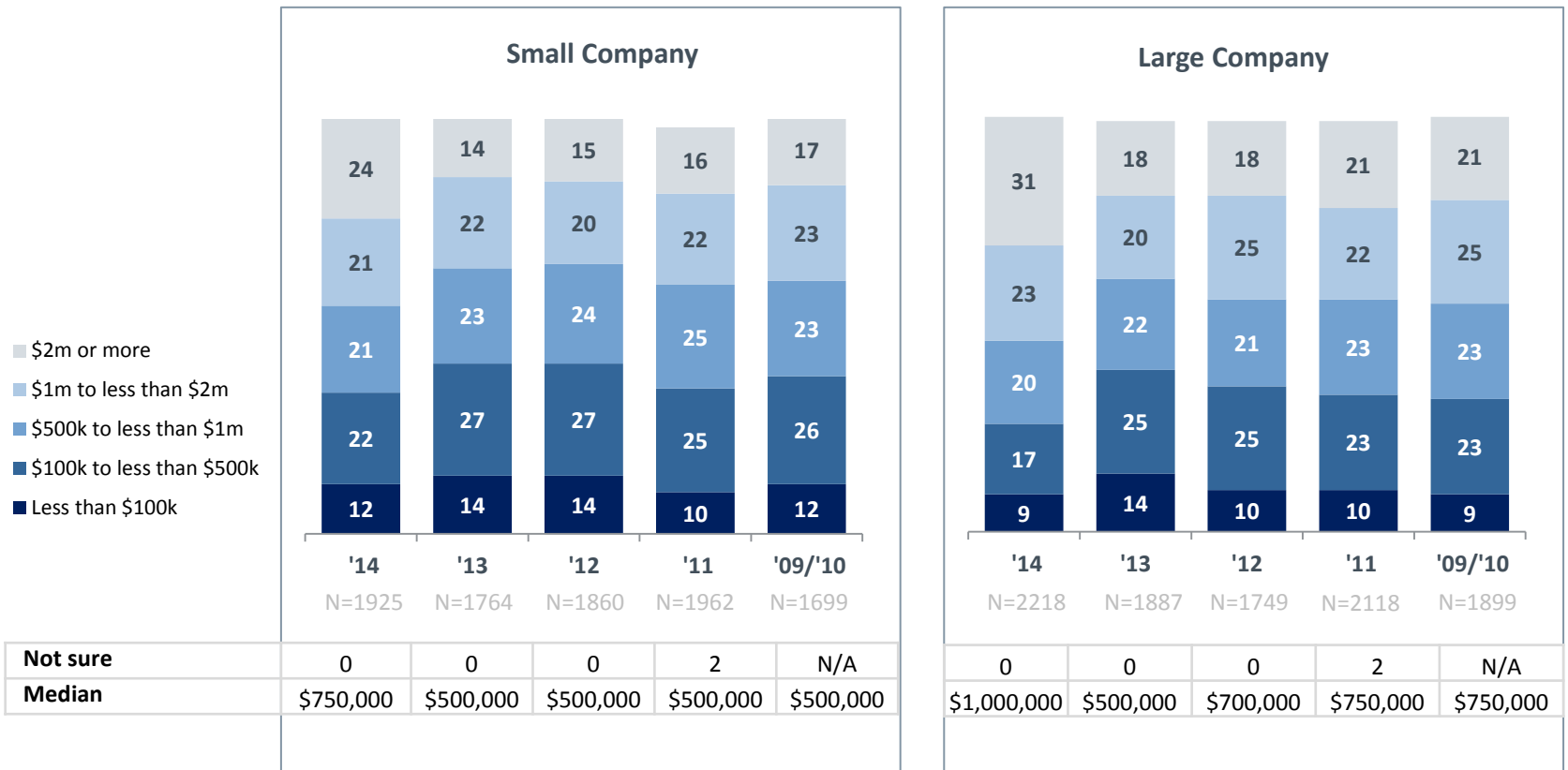
The median contribution rate is directionally higher among large company workers than small company workers.

The average contribution rate among workers in large companies increased significantly compared to last year.



Estimated Retirement Savings Needs

Workers in large companies report higher estimates of their retirement savings needs. They believe they will need \$1 million (estimated median) compared to workers in small companies who believe they will need \$750,000 (estimated median).



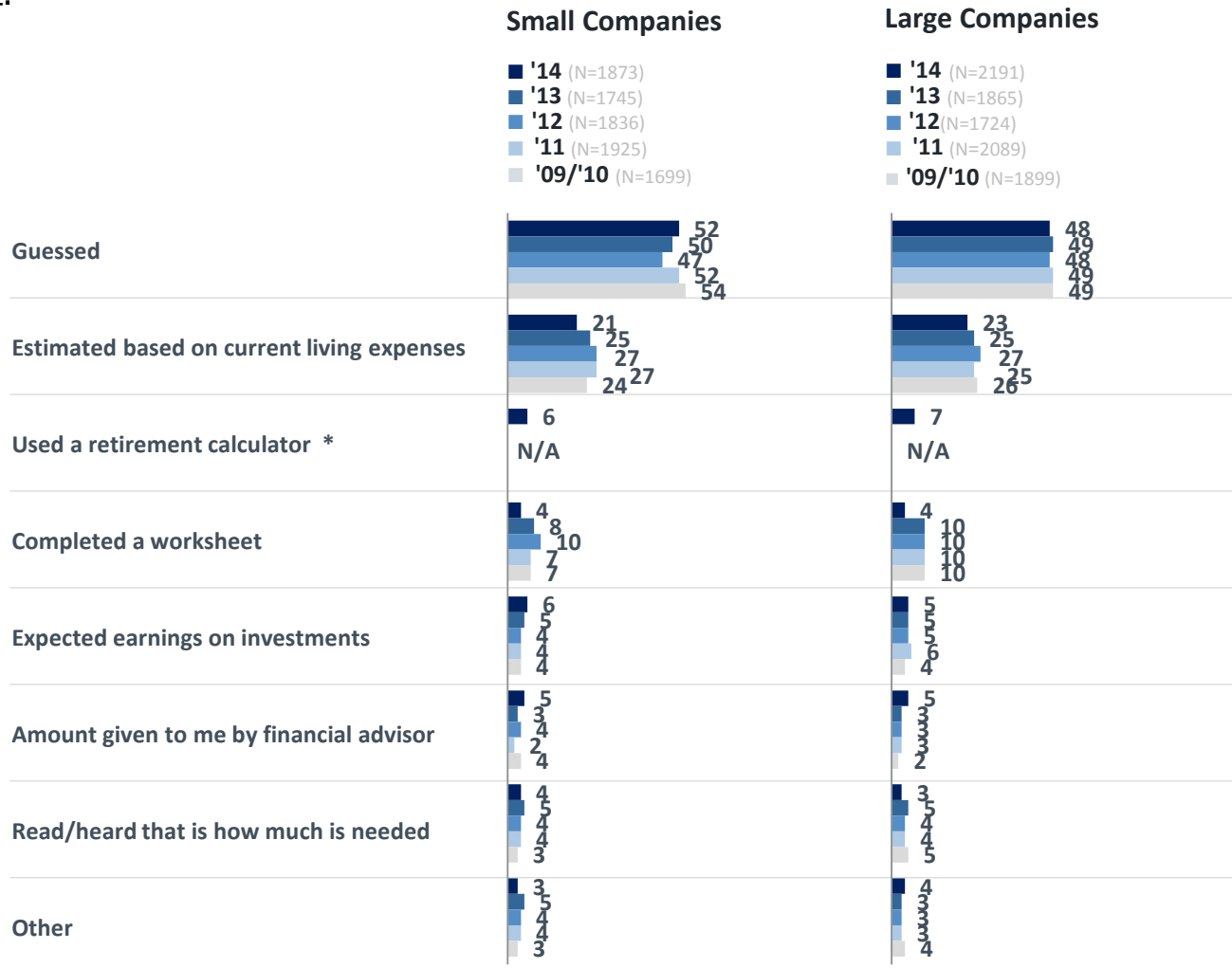
Note: The median is estimated based on the approximate midpoint of the range of each response category. Non-responses are excluded from the estimate.

BASE: Full and Part-time

Q890. Thinking of what money can buy today, how much money do you believe you will need to have saved by the time you retire in order to feel financially secure?

Basis of Estimated Retirement Savings Needs

Of those who provided an estimate, a majority of workers in small and large companies guessed the amount of money they will need in retirement. Less than a quarter estimated the amount based on their current living expenses. Many have yet to use a retirement calculator or worksheet.



*added in 2014

BASE: Full and Part-time; Provided Estimate of Money Needed Q900. How did you arrive at that number?

Retirement Preparation and Involvement

Workers in small and large companies both have high levels of agreement that people in their generation will have a much harder time in achieving financial security compared to their parent's generation and being concerned that Social Security will not be there when they retire.

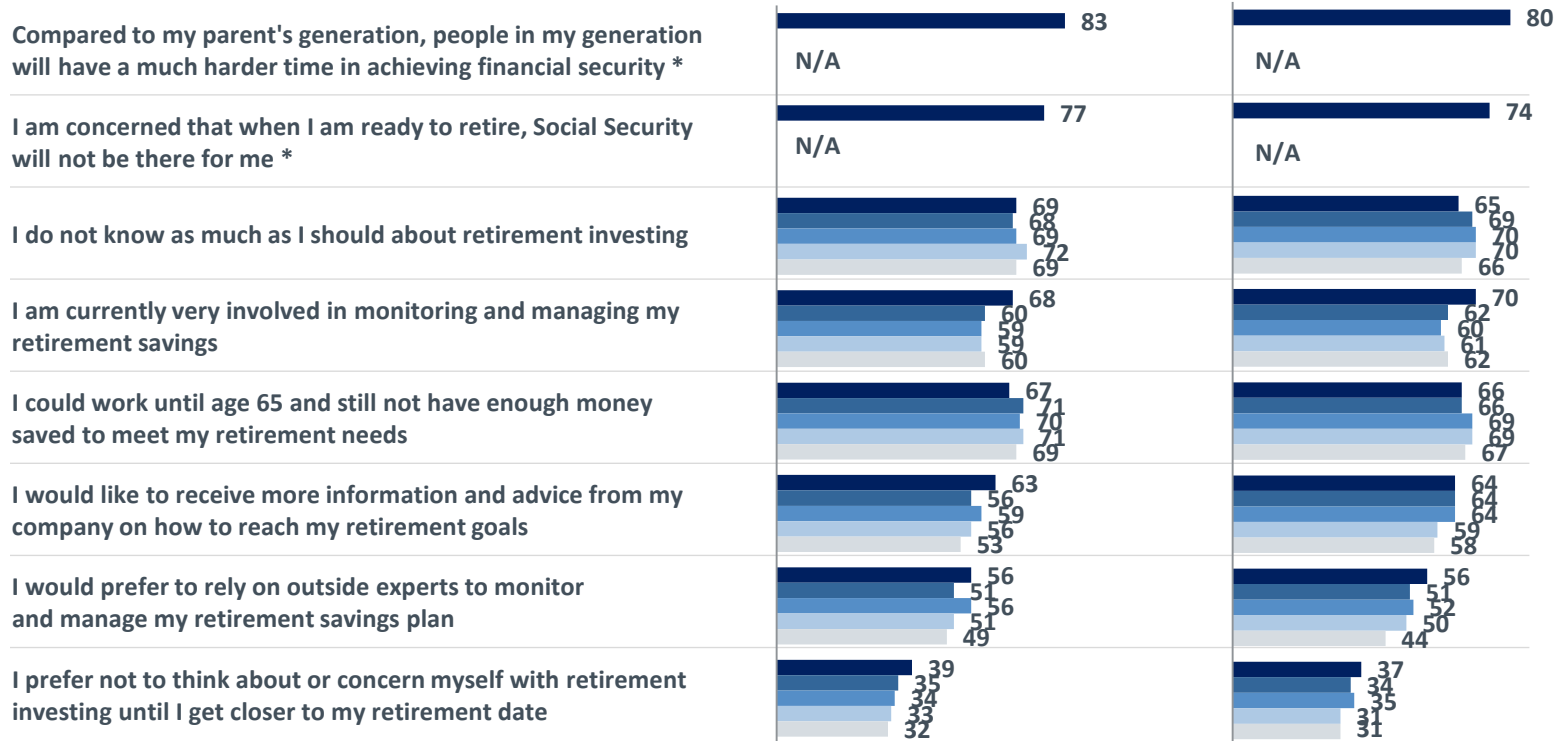
Top 2 Box %
(Strongly/Somewhat Agree)

Small Companies

■ '14 (N=1925)
■ '13 (N=1764)
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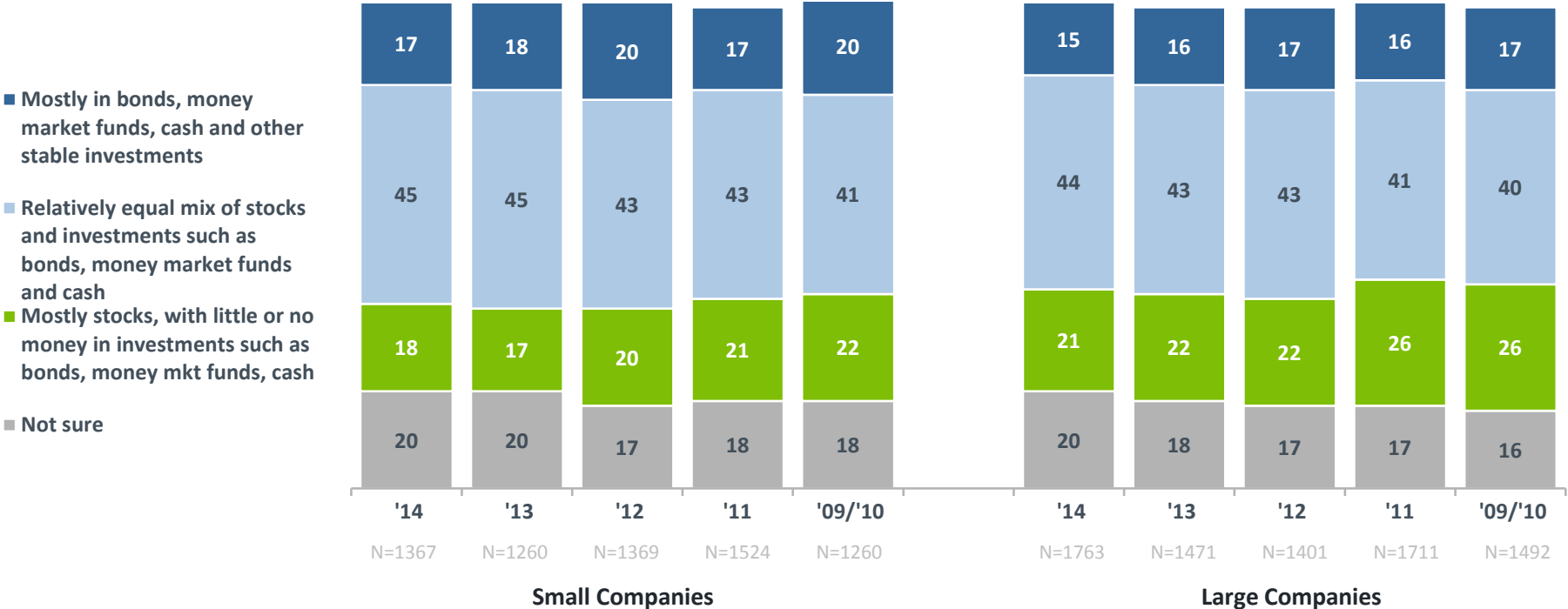
*added in 2014

BASE: Full and Part-time

Q931. How much do you agree or disagree with each of the following statements regarding retirement investing?

Retirement Investments: Asset Allocation

Asset allocation among workers in small and large companies continue to be similar to each other and fairly steady year-over-year.



BASE: Full and Part-time; Investing for retirement Q770. How is your retirement savings invested?

Information Sources: Retirement Planning & Investing

Workers in small companies are more likely to be influenced by a financial planner/broker or accountant, while workers in large companies are more likely to cite their employer as the most influential in their decisions.

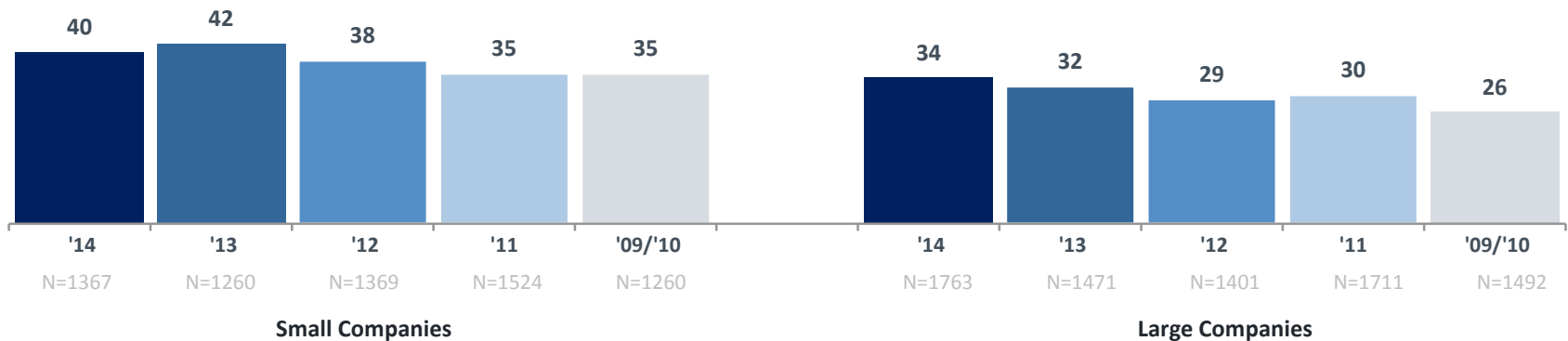
Single Most Influential Source (%)

	Small Companies			Large Companies		
	'14 N=1925	'13 N=1764	'12 N=1860	'14 N=2218	'13 N=1887	'12 N=1749
Financial Planner/Broker	22	24	21	18	18	19
Friends/Family	15	16	17	14	15	15
Financial websites	10	7	8	11	10	8
Retirement plan provider website	5	6	6	8	9	8
Employer	3	4	4	5	3	6
Online newspapers, magazines, and blogs	4	3	3	4	4	5
Financial-related tv shows	3	2	3	3	2	3
Retirement calculators	2	2	3	3	2	4
Accountant	4	4	2	2	3	2
Print newspapers/magazines	3	3	3	2	4	4
Plan provider printed material	1	3	2	2	4	2
Insurance agent	1	1	1	1	1	1
Lawyer	1	1	1	0	0	0
Online social media	0	1	0	0	0	0
Other	4	4	3	4	3	3
None	23	21	20	21	21	21

Use a Professional Financial Advisor

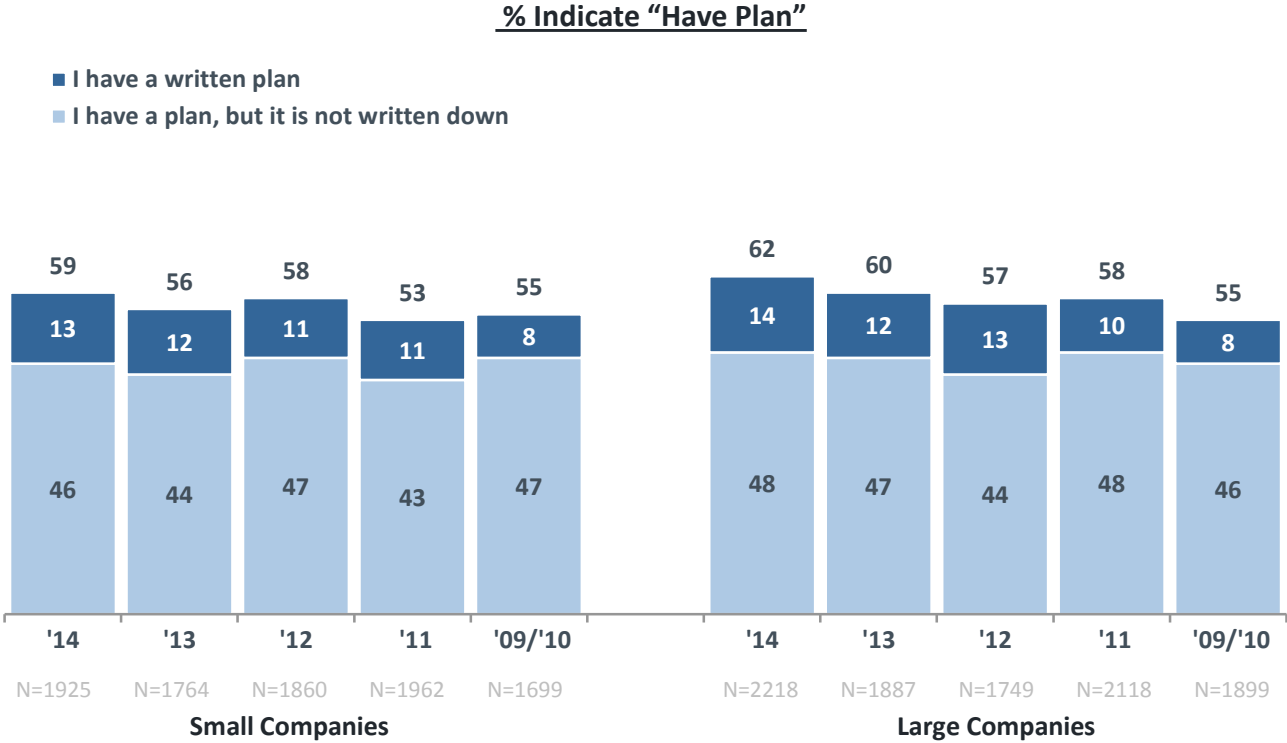
Consistent with prior years, small company workers are more likely to use a professional financial advisor to help manage their retirement savings or investments.

Use a Professional Financial Advisor,
% Indicate “Yes”



Retirement Strategy: Written Plan

While workers in small companies are more likely to use a financial planner, the levels of workers in small and large companies who have a plan for retirement are fairly similar.



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