



15th Annual Transamerica Retirement Survey

*Influences of Educational Attainment on
Retirement Preparation*

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

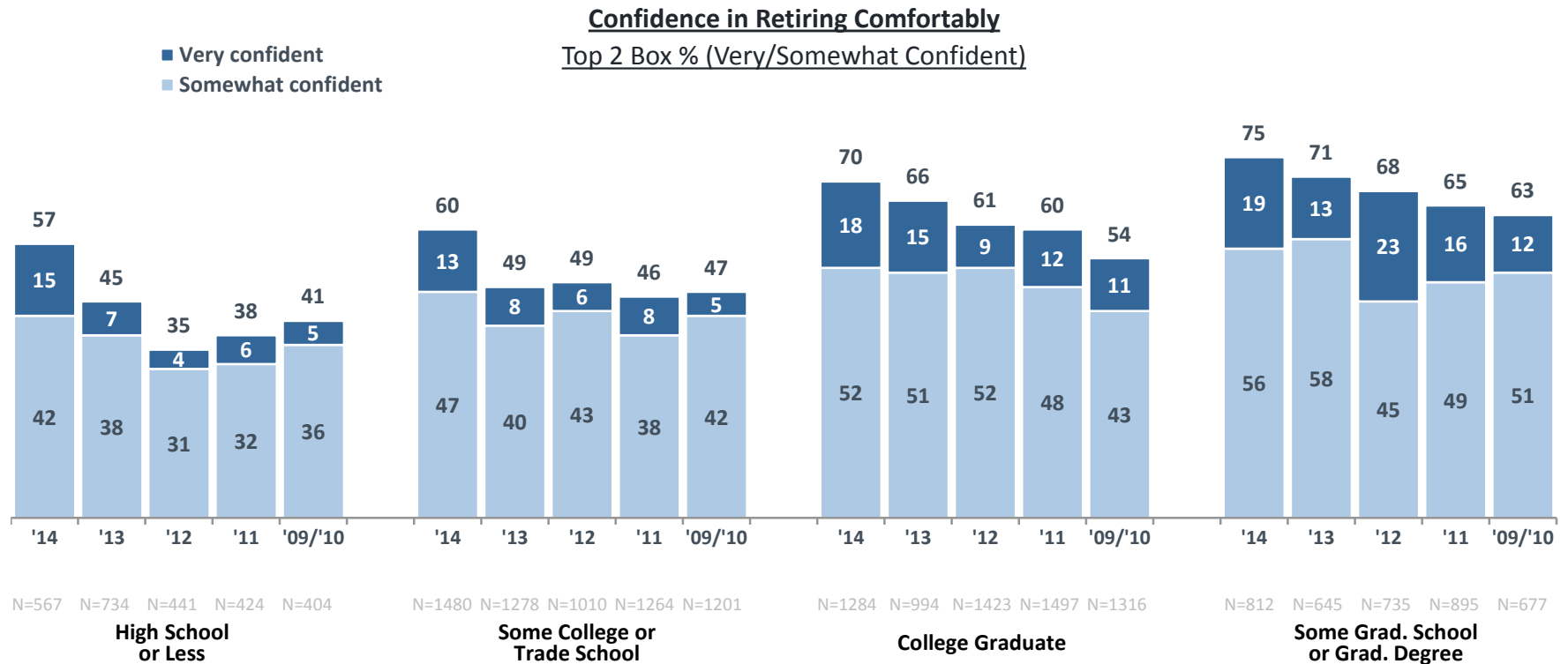


Influences of Educational Attainment on Retirement Preparation

Detailed Findings

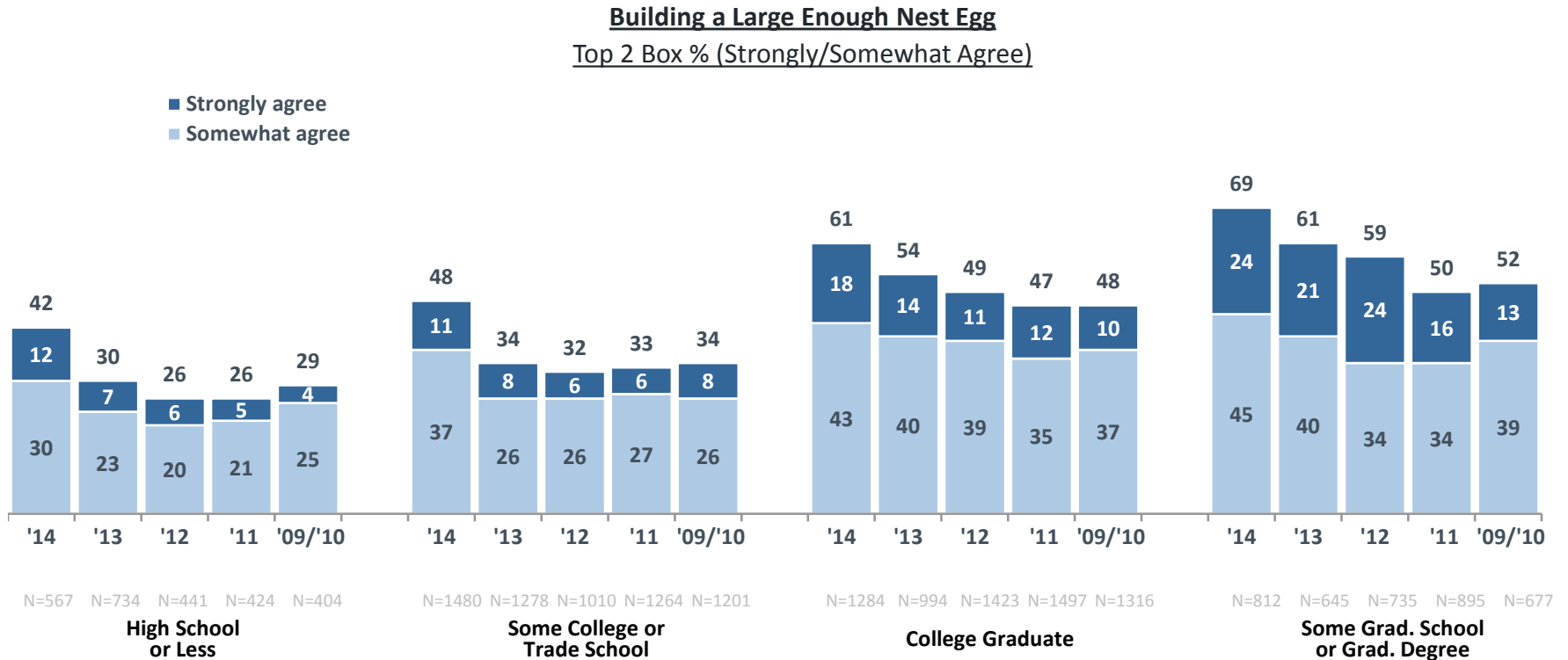
Confidence in Retiring Comfortably

Retirement confidence increases with workers' level of education. Confidence has increased across all education levels.



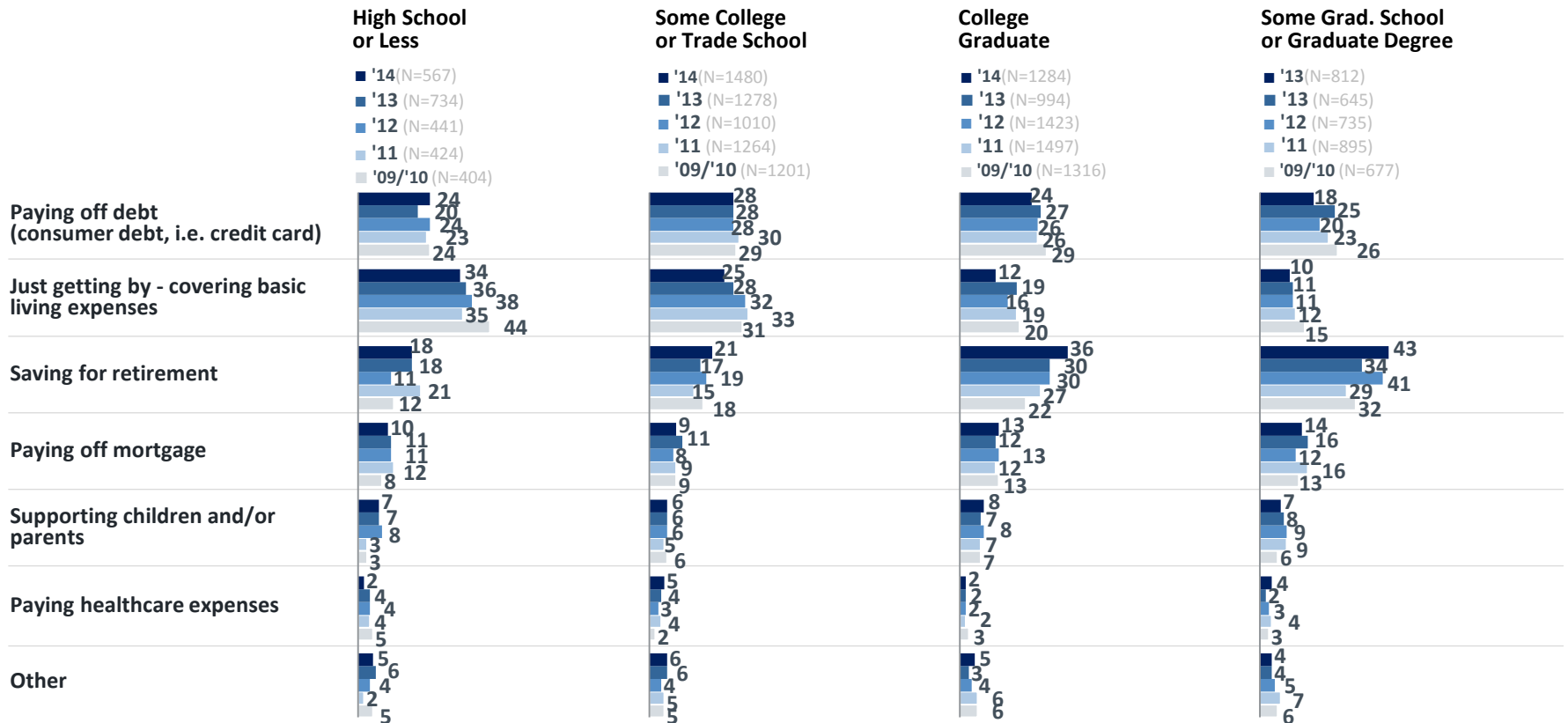
Building a Large Enough Nest Egg

Workers' confidence in building a large enough nest egg increases with educational attainment. Workers with a college degree are more confident than those without. Notably, this year confidence rebounded at a higher rate among those without a college degree.



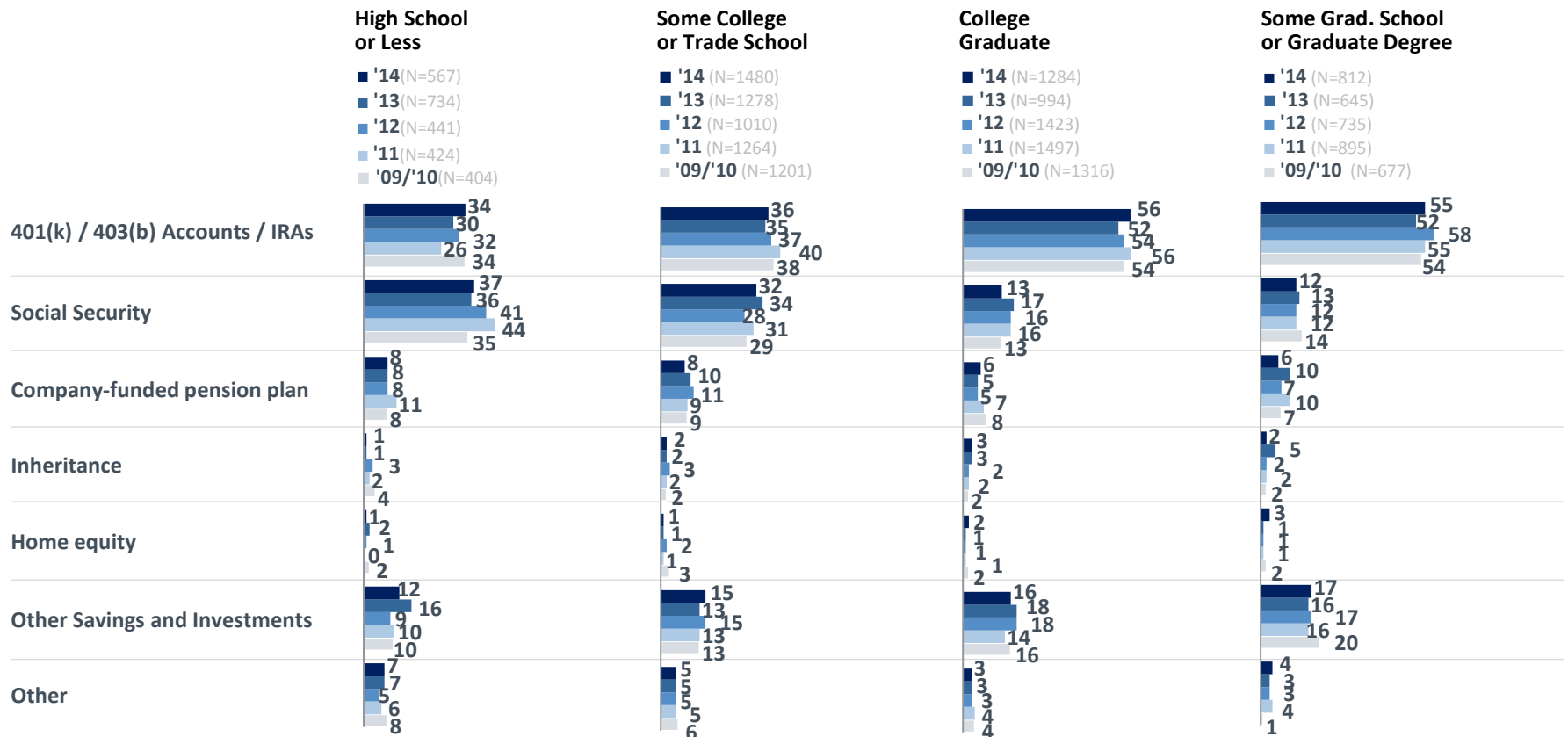
Greatest Financial Priority

“Saving for retirement” is the most frequently cited top financial priority among those with a college or post-graduate degree. In contrast, those with some college (or less) or a trade school education are more likely to cite “just getting by” or “paying off debt.”



Primary Source of Retirement Income

Workers with a high school education or less are at least twice as likely as those with a college education (or more) to expect to rely on Social Security as their primary source of retirement income. In contrast, the majority of those with a college or post-graduate education expect to rely on their 401(k), 403(b) and/or IRA as the primary source of their retirement income.

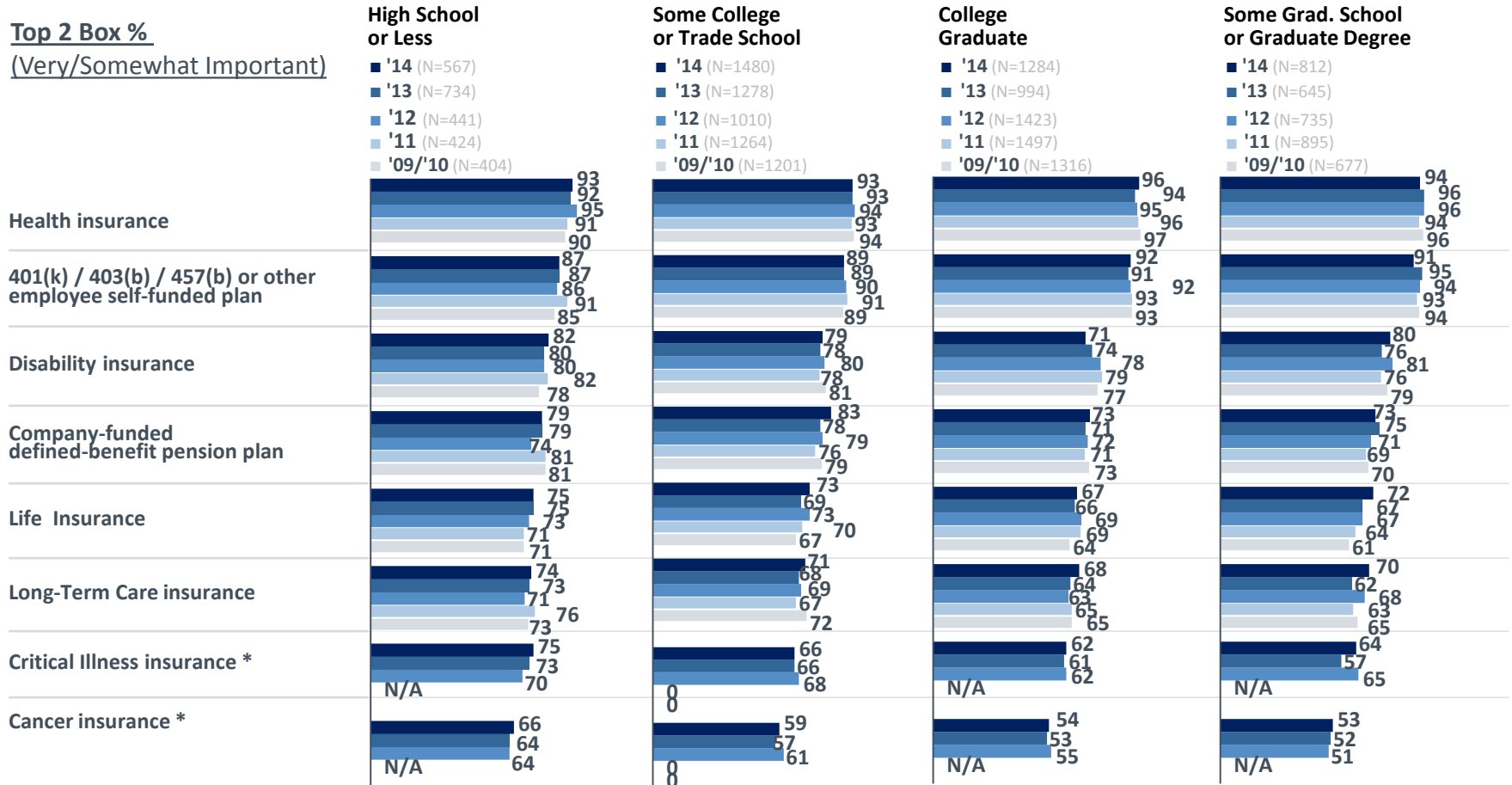


Retirement Benefits: Importance Compared to Other Benefits

For the most part, importance of retirement benefits is consistent across education levels.

Top 2 Box %

(Very/Somewhat Important)



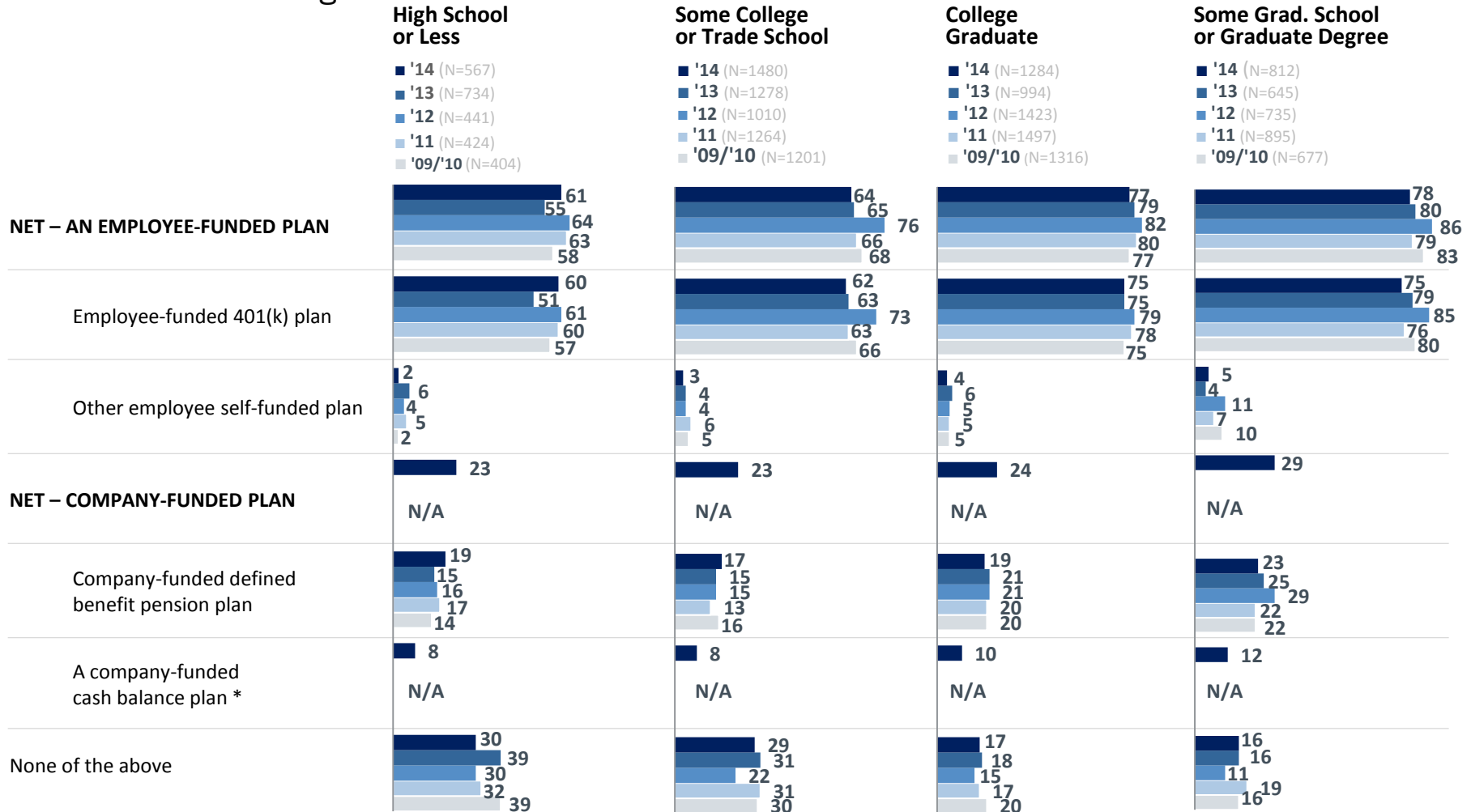
*Note: Choices added in '12 Wave

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. www.transamericacenter.org

Retirement Benefits Currently Offered

Workers' access to employer-sponsored retirement benefits increases with their level of educational attainment. Workers with a college degree are more likely to have benefits compared to those without a degree.



*added in 2014

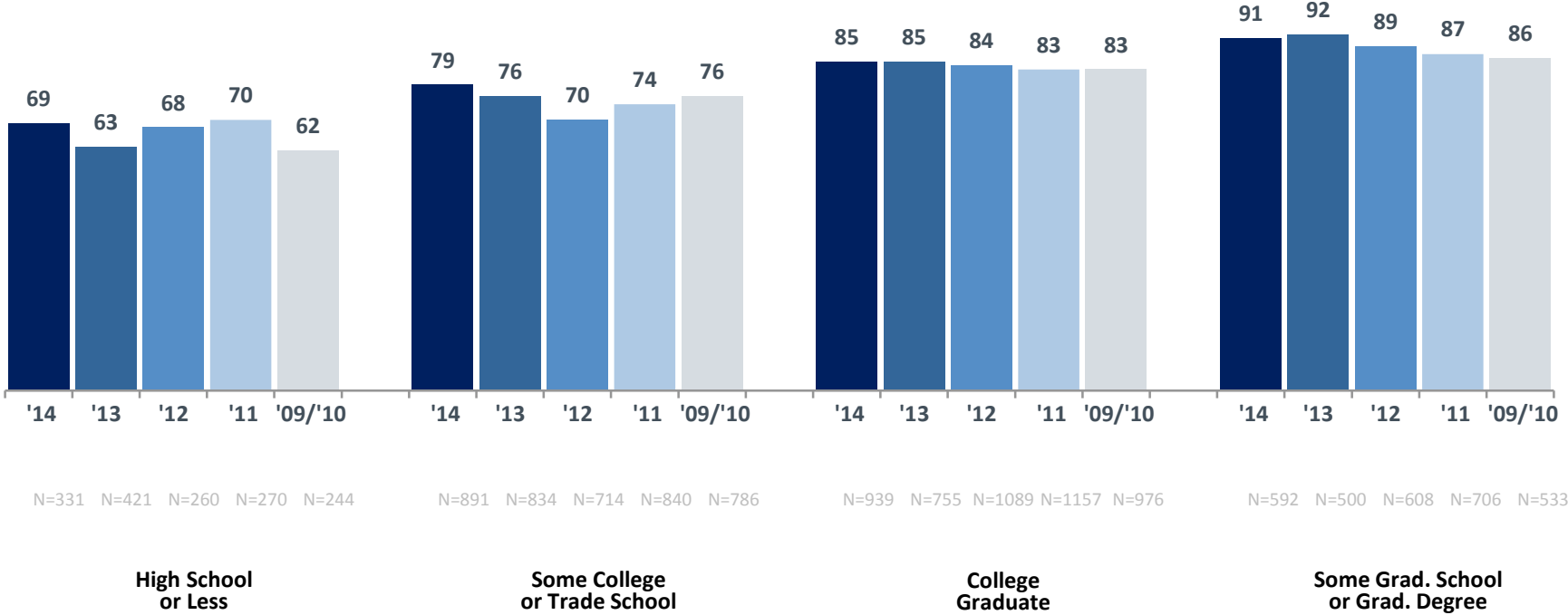
BASE: Full and Part-time

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

Retirement Plan Participation

The majority of workers across all education levels participate in their companies' retirement plans. However, workers with a college education or higher are significantly more likely to participate.

Participation in Company's Employee-funded Retirement Savings Plan,
% Indicate "Yes"

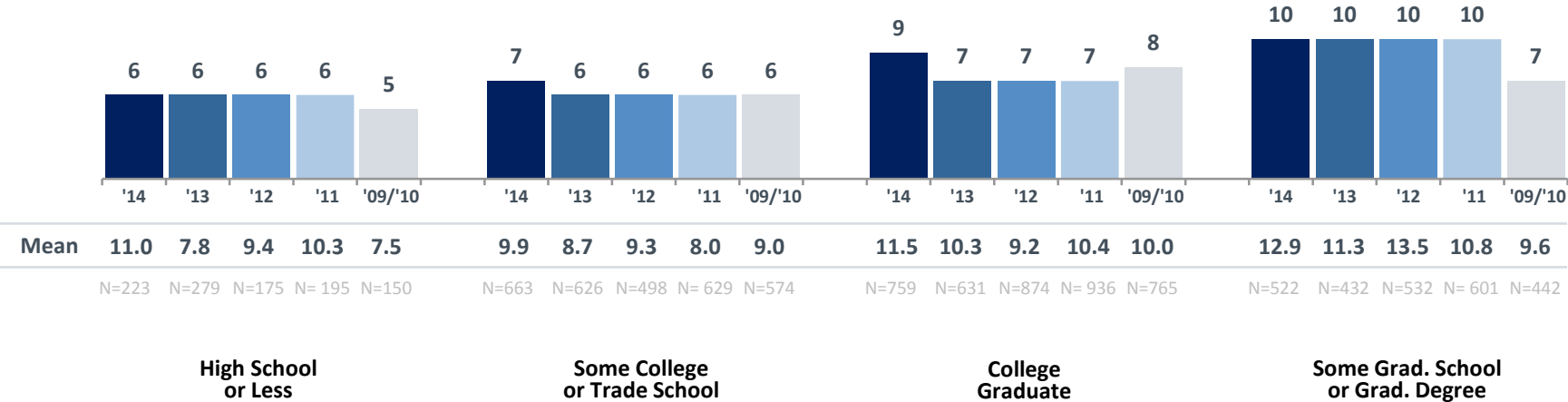


BASE: Full and Part-time; Those With Qualified Plans Currently Offered To Them
Q1190. Do you currently participate in, or have money invested in your company's employee-funded retirement savings plan?

Plan Contribution Rates

Retirement plan contribution rates decreased among all education levels since last year with the exception of college graduates showing an increase. Those with higher education levels contribute more.

Contribution Rate, Median %



BASE: Full and Part-time; Currently Participating In Their Qualified Plan
 Q601. What percentage of your salary are you saving for retirement through your company-sponsored plan this year?

Estimated Retirement Savings Needs

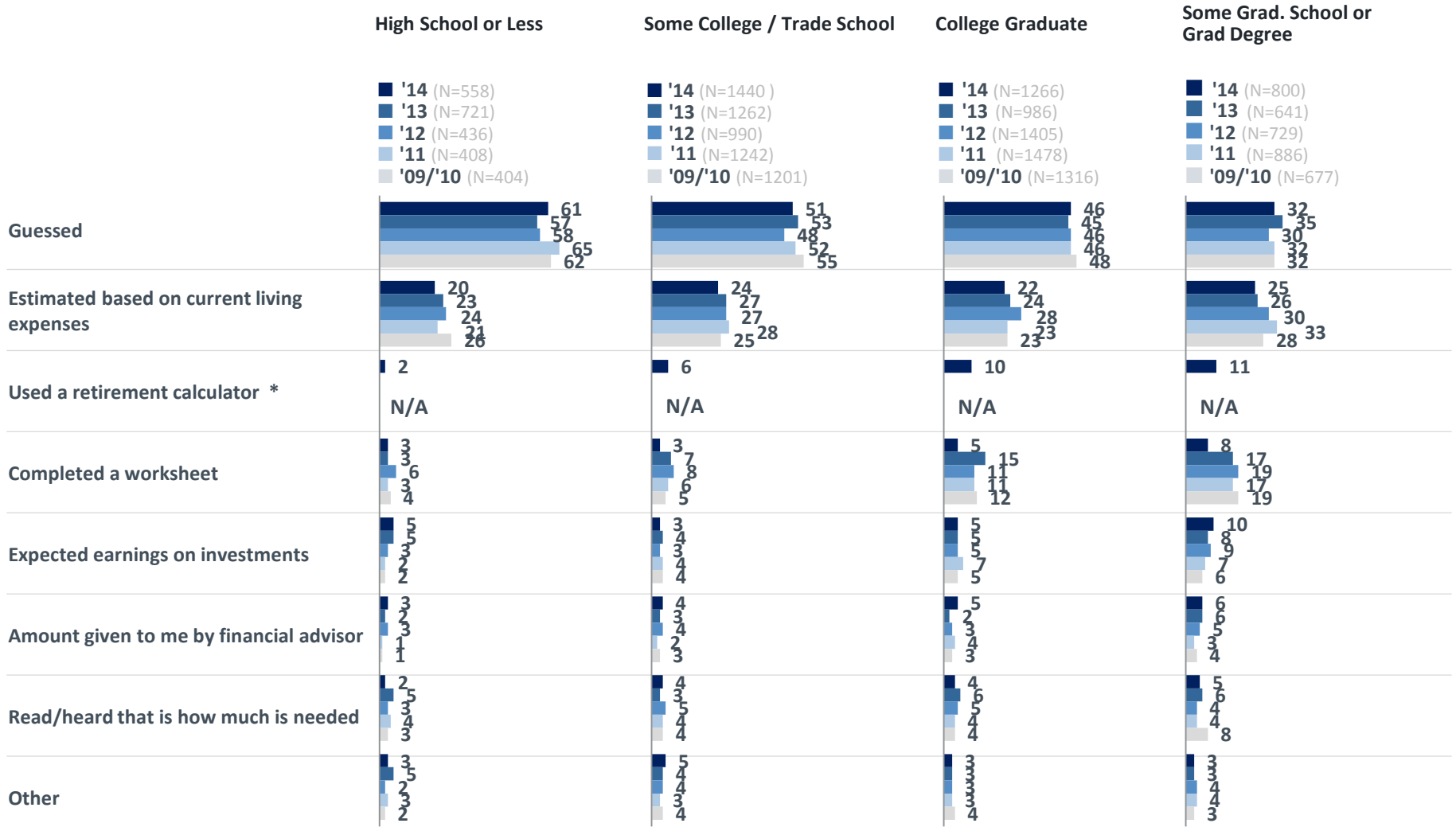
Estimated retirement savings needs increase with higher educational attainment. More than a third of workers with a college education (or more) estimate they will need to have saved \$1 million (median) in order to feel financially secure. In contrast, workers with a high school education or less estimate they will only need \$500,000 (median).

	High School or Less				Some College or Trade School				College Graduate				Some Grad. School or Grad. Degree			
	'14 N=567	'13 N=734	'12 N=441	'11 N=424	'14 N=1480	'13 N=1278	'12 N=1010	'11 N=1264	'14 N=1284	'13 N=994	'12 N=1423	'11 N=1497	'14 N=812	'13 N=645	'12 N=735	'11 N=895
\$2m or more	23	7	8	10	23	12	13	13	35	25	20	24	37	29	32	34
\$1m to less than \$2m	16	16	14	14	21	18	22	20	27	25	29	28	29	29	31	28
\$500k to less than \$1m	21	19	22	20	23	26	25	28	19	24	22	23	16	21	18	21
\$100k to less than \$500k	26	37	36	38	21	29	30	26	14	18	20	17	13	14	13	13
Less than \$100k	15	21	20	16	12	15	11	11	5	9	9	8	5	7	6	3
Not sure	0	0	0	3	0	0	0	2	0	0	0	1	0	0	0	1
Median	\$500k	\$250k	\$250k	\$300k	\$750k	\$500k	\$500k	\$500k	\$1m	\$900k	\$800k	\$1m	\$1m	\$1m	\$1m	\$1m

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

Basis of Estimated Retirement Savings Needs

The majority of workers with some college education (or less) guessed their estimated retirement savings needs. Those with a college education (or more) are more likely to have completed a worksheet to calculate that amount.



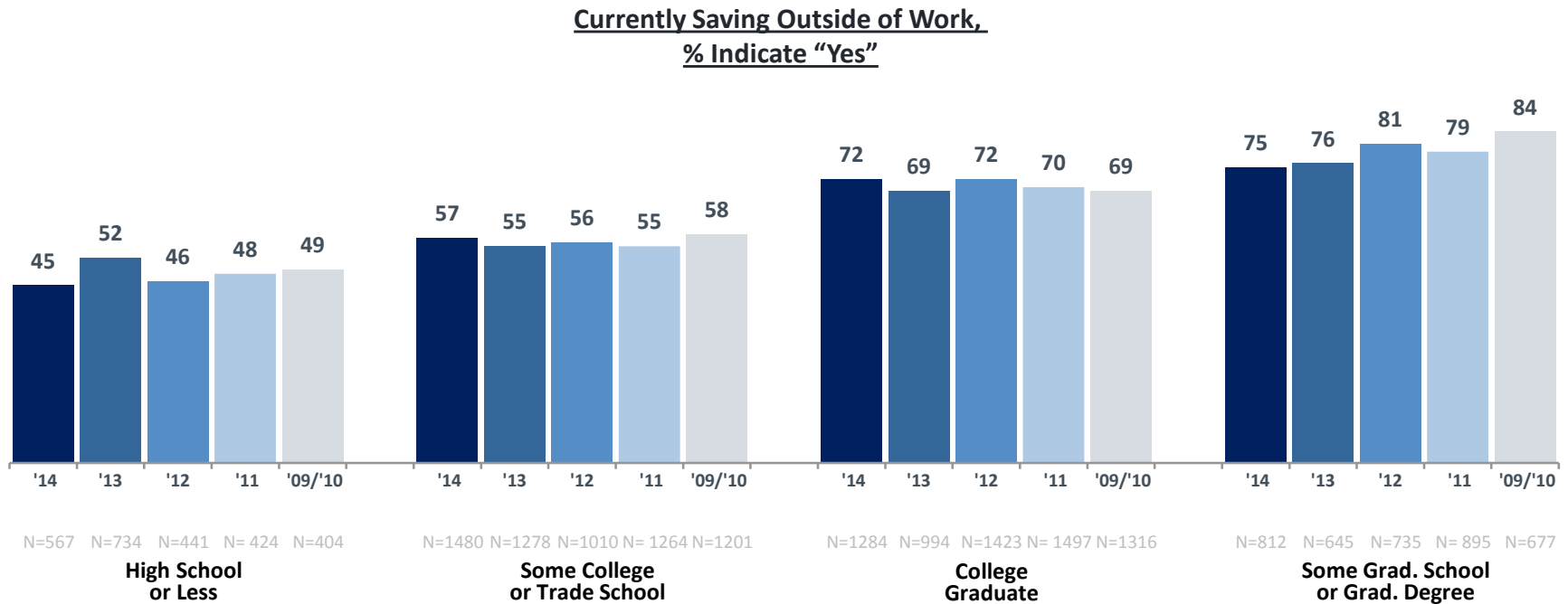
*added in 2014

BASE: Full and Part-time; Provided Estimate of Money Needed

Q900. How did you arrive at that number?

Saving Outside the Workplace

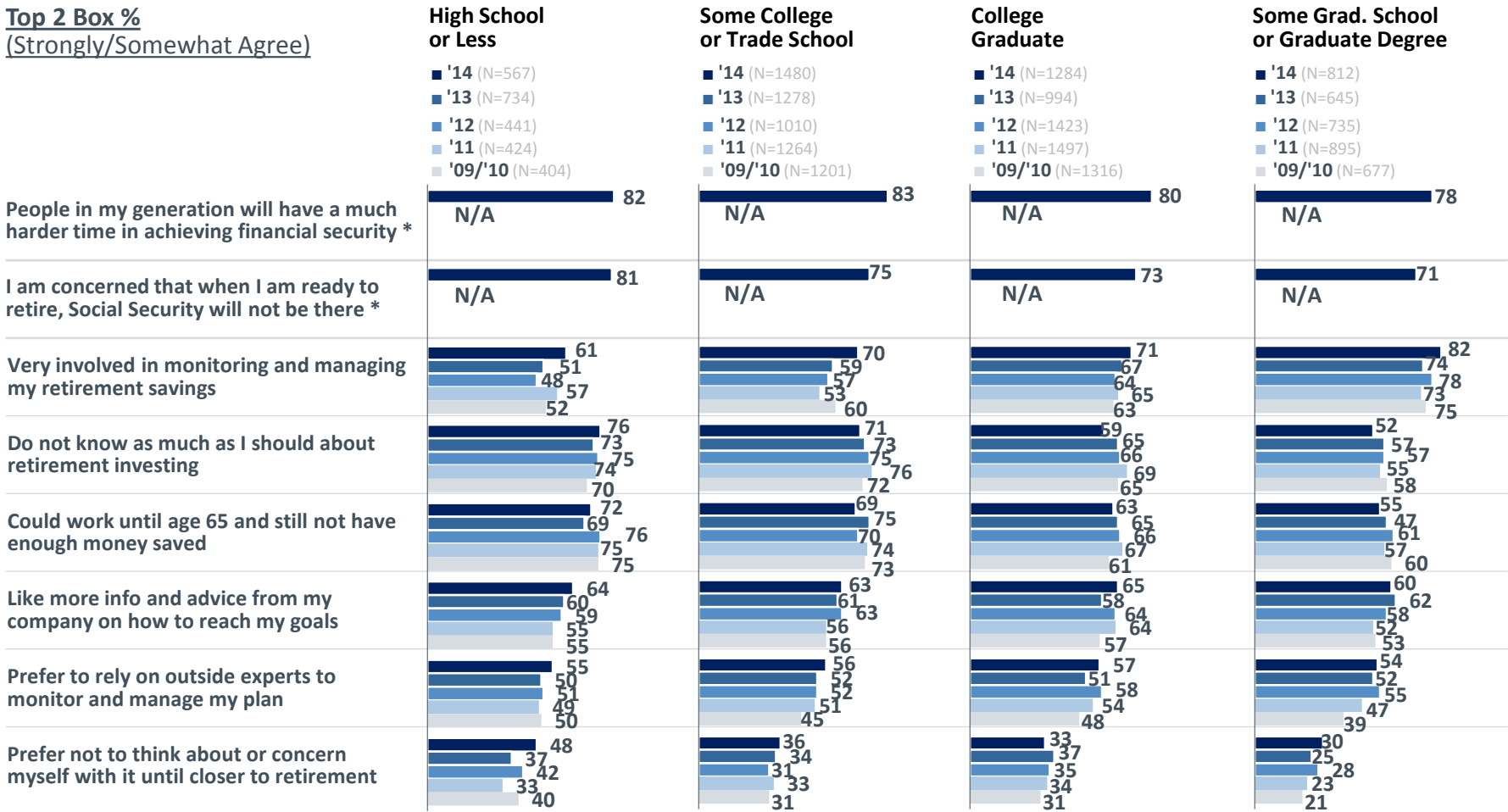
The number of workers saving for retirement outside of the workplace increases with level of education attainment. College graduates are significantly more likely to be saving for retirement outside of work than non-graduates.



Retirement Preparation and Involvement

Three in five workers – regardless of education level – would like more information from their companies on how to reach their retirement goals. Involvement with retirement savings goes up with increased educational attainment.

Top 2 Box % (Strongly/Somewhat Agree)



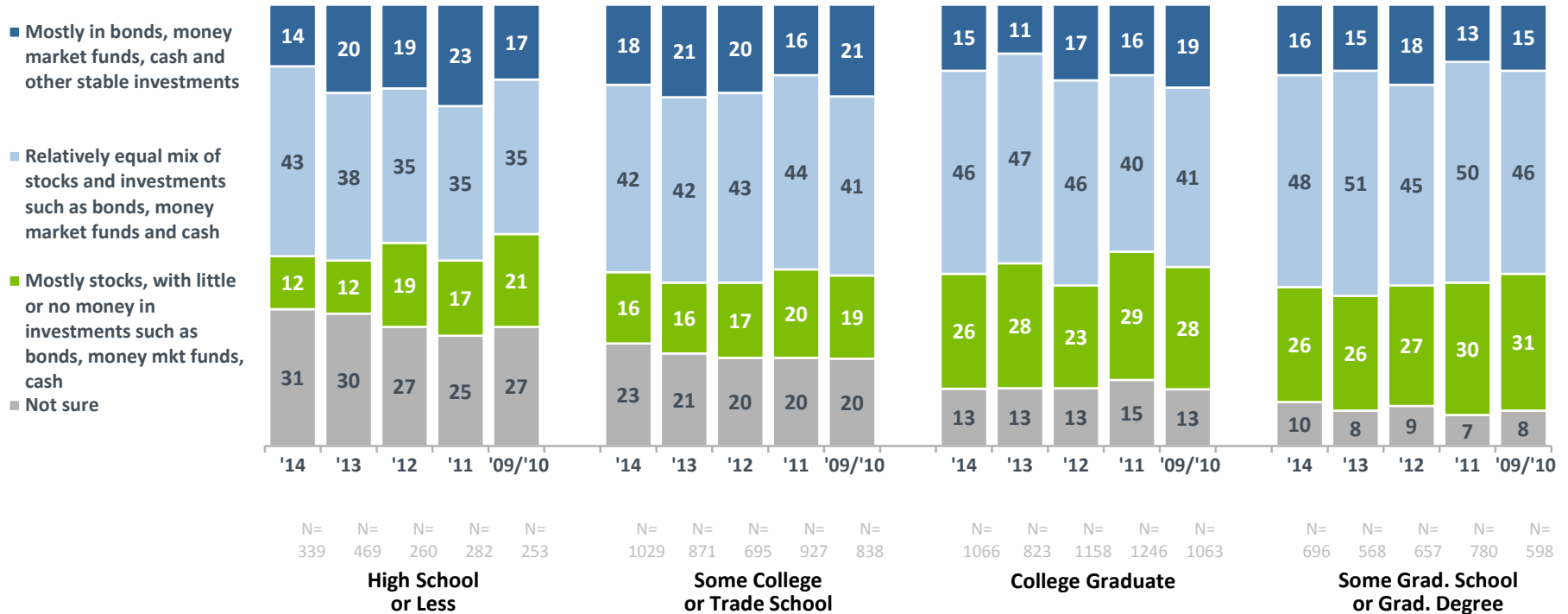
*added in 2014

BASE: Full and Part-time

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

Asset Allocation

Those with a high school education or less are most unsure about how their retirement savings are invested compared to those with higher educations. Workers at all education levels are most likely to have a diverse retirement portfolio, consisting of a mix of stocks and fixed-income/cash.



Most Influential Sources of Information

Financial planners play a larger role in decision making for workers with some post-graduate education (27 percent). Friends and family continue to be one of the major influences among those without a college degree (15 percent).

Single Most Influential Source (%)

	High School or Less				Some College or Trade School				College Graduate				Some Grad. School or Grad. Degree			
	'14 N=567	'13 N=734	'12 N=441	'11 N=424	'14 N=1480	'13 N=1278	'12 N=1010	'11 N=1264	'14 N=1284	'13 N=994	'12 N=1423	'11 N=1497	'14 N=812	'13 N=645	'12 N=735	'11 N=895
Financial planner/broker	14	16	13	14	19	21	18	20	24	22	25	22	27	28	24	27
Friends/Family	15	18	18	17	15	15	17	16	13	16	14	18	13	13	12	9
Financial websites	6	5	6	10	9	7	5	9	14	11	11	16	15	12	12	19
Retirement plan provider website	5	5	5	9	8	8	9	11	8	9	9	10	5	9	5	8
Employer	6	6	10	4	4	3	4	5	4	3	3	4	2	2	2	2
Online newspapers, magazines, and blogs *	4	2	4	N/A	3	4	3	N/A	5	4	3	N/A	5	6	10	N/A
Financial-related tv shows	4	2	2	2	2	2	4	1	2	1	2	3	4	2	3	3
Retirement calculators	2	1	2	2	2	2	4	3	4	2	4	2	2	2	3	6
Accountant	3	4	3	1	3	3	2	2	2	2	2	2	3	3	3	2
Print newspapers/magazines	1	1	2	3	2	3	3	5	2	3	3	4	5	8	6	6
Plan provider printed material	1	3	1	4	3	3	4	3	2	3	3	3	1	3	2	3
Insurance agent	2	1	1	2	1	<1	25	<1	0	2	1	<1	0	1	<1	<1
Lawyer	0	<1	2	0	1	<1	<1	<1	1	1	1	<1	0	<1	<1	<1
Social media *	0	1	<1	N/A	0	<1	<1	N/A	0	<1	<1	N/A	0	<1	<1	N/A
Other	4	4	2	4	4	3	3	3	4	4	3	2	4	2	3	5
None	32	30	29	28	22	21	21	20	14	15	15	13	13	9	15	11

*Choices added in '12 Wave

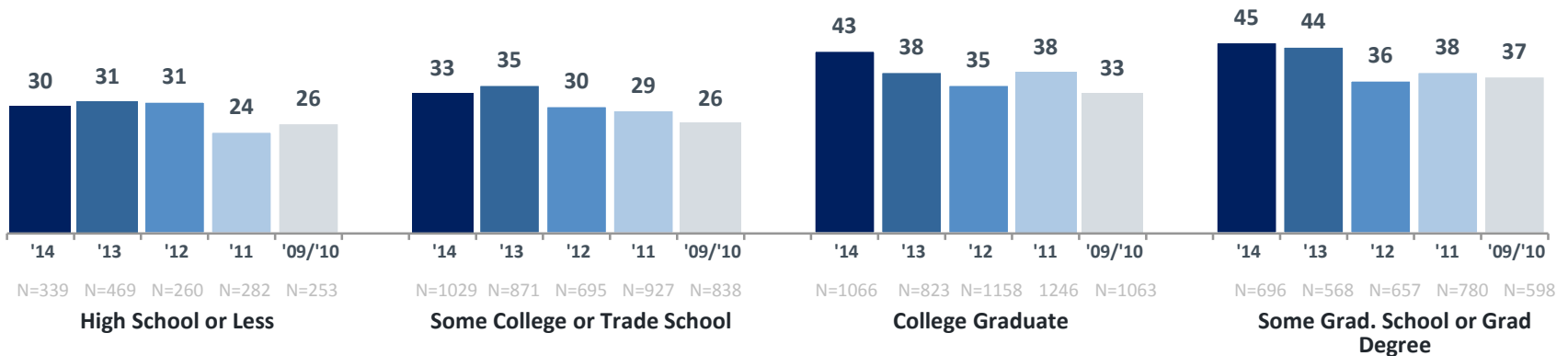
BASE: Full and Part-time

Q826. Of these sources, which one influences your decisions the most?

Use a Professional Financial Advisor

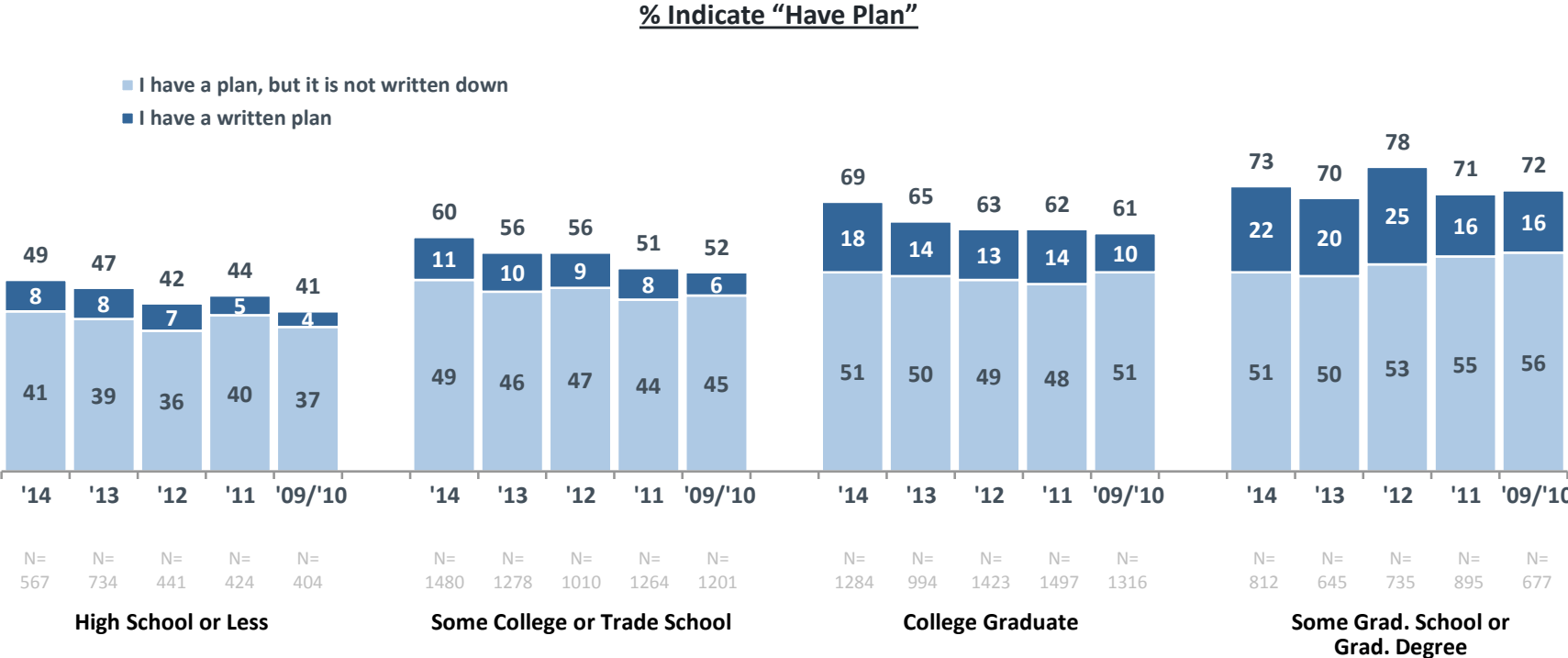
Workers' use of a professional advisor increases with levels of education. Among those investing for retirement, 45 percent of workers with some post-graduate education use an advisor compared to 30 percent of workers with a high school education or less.

Use a Professional Financial Advisor,
% Indicate "Yes"



Retirement Strategy: Written Plans

The likelihood of having a retirement plan increases with workers' level of education – with more educated workers being more likely to have a plan. However, most workers have not yet put their plan down in writing.



BASE: Full and Part-time
 Q1155. Which of the following best describes your retirement strategy?

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