



18th Annual Transamerica Retirement Survey

Influences of Generation on Retirement Readiness

TRANSAMERICA CENTER
FOR RETIREMENT STUDIES®

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Welcome to the 18th Annual Transamerica Retirement Survey

Welcome to this compendium of insights and findings from the *18th Annual Transamerica Retirement Survey of Workers* from the Transamerica Center for Retirement Studies® (TCRS).

This report is an exploration of retirement preparedness of American workers that offers perspectives on retirement confidence, access to employer-sponsored retirement benefits, savings rates, and planning-related activities. It is comprised of these chapters:

- ***Influences of Demographics on Retirement Preparations.*** These chapters are demographic segmentation analyses by employer size, generation, gender, household income, level of education, and ethnicity. Each chapter presents a concise set of 38-40 key measures for each demographic segment.

We hope that you find this compendium to be a helpful source of retirement-related research and survey data. If you are seeking survey data that you do not find in this report, please contact TCRS at info@transamericacenter.org and we will do our best to assist you.

Thank you.

About Transamerica Center for Retirement Studies®

- Transamerica Center for Retirement Studies® (TCRS) is a division of Transamerica Institute® (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.
- The Institute is funded by contributions from Transamerica Life Insurance Company and its affiliates and may receive funds from unaffiliated third parties.
- TCRS and its representatives cannot give ERISA, tax, investment or legal advice. This material is provided for informational purposes only and should not be construed as ERISA, tax, investment or legal advice. Interested parties must consult and rely solely upon their own independent advisors regarding their particular situation and the concepts presented here.
- Although care has been taken in preparing this material and presenting it accurately, TCRS disclaims any express or implied warranty as to the accuracy of any material contained herein and any liability with respect to it.

About the Survey

- Since 1998, 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.
- The Harris Poll was commissioned to conduct the 18th Annual Retirement Survey for Transamerica Center for Retirement Studies. Transamerica Center for Retirement Studies is not affiliated with The Harris Poll.
- The Harris Poll is one of the longest running surveys in the U.S. tracking public opinion, motivations and social sentiment since 1963 that is now part of Harris Insights & Analytics, a global consulting and market research firm that delivers social intelligence for transformational times. Harris Insights & Analytics works with clients in three primary areas; building twenty-first-century corporate reputation, crafting brand strategy and performance tracking, and earning organic media through public relations research. Our mission is to provide insights and advisory to help leaders make the best decisions possible. To learn more, please visit www.theharrispoll.com.

Worker Survey Methodology

- A 25-minute, online survey was conducted in English between August 9 – October 28, 2017 among a nationally representative sample of 6,372 workers using the Harris online panel. Respondents met the following criteria:
 - U.S. residents, age 18 or older
 - Full-time or part-time workers in a for-profit company employing five 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 5+ 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.
- Data before 2017 is from full-time or part-time workers in a for-profit company employing 10 or more people
- 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.

Demographic Breakout Terminology and Sample Sizes

Demographic characteristics are self-identified by respondents. This report uses the following terminology:

All Workers

- Refers to all workers age 18 and older

Base Size

N=6,372

Company Size

- *Small Company:* 5 to 499 employees
- *Large Company:* 500 or more employees

N=3,428

N=2,944

Generation

- *Millennial:* Born 1979 – 2000
- *Generation X:* Born 1965 – 1978
- *Baby Boomer:* Born 1946 – 1964

N=2,593

N=1,586

N=2,076

Gender

- *Women:*
- *Men:*

N=3,917

N=2,432

Household Income

- *Less than \$50,000:*
- *\$50,000 - \$99,999:*
- *\$100,000 or more:*

N=2,508

N=2,351

N=1,241

Education

- *High School or less:*
- *Some College or Trade School:*
- *College Graduate:*
- *Some Graduate School or Graduate Degree:*

N=1,107

N=1,834

N=2,488

N=943

Race

- *White:*
- *Hispanic:*
- *African American:*
- *Asian/Pacific:*

N=3,949

N=1,037

N=789

N=467



Influences of Generation on Retirement Readiness

Detailed Findings

Influences of Generation on Retirement Readiness

Baby Boomers, Generation X, and Millennials face unique circumstances as well as common challenges in achieving long-term financial security. Baby Boomers (born 1946 to 1964) have re-written societal rules at every stage of their life – and are now trailblazing a new brand of retirement. Generation X (born 1965 and 1978) entered the workforce in the late 1980s and were making their first appearance and defined benefit plans were beginning to disappear. Millennials (born 1979 to 2000) are a digital do-it-yourself generation of retirement savers that will be self-funding a greater portion of their future retirement income compared to older generations. All three generations face risks and opportunities for improving their long-term retirement outlook.

Forty Indicators of Retirement Readiness

- **Confidence in Retiring Comfortably.** More than half of workers are “somewhat” or “very” confident that they will be able to retire comfortably; confidence is highest among Millennials (67 percent) and Baby Boomers (62 percent) and notably lower among Generation X (55 percent). Relatively few workers of all three generations are “very” confident, including 22 percent of Millennials, 14 percent of Generation X, and 16 percent of Baby Boomers.
- **Recovery From the Great Recession.** Many workers across generations have not yet fully recovered from the Great Recession. Financial recovery varies across generations. Millennial workers (27 percent) are most likely to say they were “not impacted,” followed by Generation X (16 percent) and Baby Boomers (14 percent). Generation X (23 percent) are more likely than Baby Boomers (18 percent) and Millennials (17 percent) to say they have “not yet begun to recover” or “may never recover.”
- **Building a Large Enough Nest Egg?** At least half of Generation X (50 percent) and Baby Boomers (53 percent) either “somewhat” or “strongly” agree that they are building a large enough retirement nest egg, and slightly more Millennials (56 percent) agree. Among all three generations, fewer than one in four “strongly” agree.

Influences of Generation on Retirement Readiness

- **Retirement Dreams Include Leisure and Work.** Workers across generations share the same top three retirement dreams: traveling, spending more time with family and friends, and pursuing hobbies. Workers of all generations most frequently cite traveling as a retirement dream, including Millennials (73 percent), Generation X (69 percent), and Baby Boomers (65 percent). The second most frequently cited retirement dream is spending more time with family and friends (59 percent Millennials, 55 percent Generation X, 55 percent Baby Boomers). Interestingly, 36 percent of Millennials, 27 percent of Generation X, and 25 percent of Baby Boomer workers dream of doing some sort of work in retirement.
- **Retirement Beliefs, Preparations, and Involvement.** Across generations, at least three out of four workers agree that their generation will have a much harder time achieving financial security compared to their parent's generation. Generation X (83 percent) and Millennials (80 percent) are more likely than Baby Boomers (65 percent) to be concerned that Social Security will not be there for them when they are ready to retire.
- **Expected Retirement Age.** Sixty-six percent of Baby Boomers expect to either work past age 65 (53 percent) or do not plan to retire (13 percent). Fifty-six percent of Generation X share these expectations including 43 percent who plan to work past age 65 and 13 percent who do not plan to retire. In contrast, the majority of Millennials (58 percent) expect to either retire at age 65 (25 percent) or sooner (33 percent).
- **Planning to Work in Retirement.** More than half of workers across generations plan to continue working after they retire, including 54 percent of Baby Boomers, 54 percent of Generation X, and 58 percent of Millennials. Among those planning to work, most plan to do so on a part-time basis.
- **Reasons for Working in Retirement.** Many workers across the generations who expect to retire after age 65 or work after retirement cite financial reasons (Millennial, 81 percent; Generation X, 85 percent; Baby Boomer, 84 percent) and a smaller majority cite healthy-aging reasons (Millennial, 78 percent; Generation X, 69 percent; Baby Boomer, 74 percent).

Influences of Generation on Retirement Readiness

- **Retirement Transitions: Phased Versus Immediate.** Many workers across the three generations plan to either transition into retirement by changing work patterns (e.g., shifting from full-time to part-time or working in a different capacity) or plan to continue working until they cannot work any longer. Baby Boomers (26 percent) are more likely to plan to immediately stop working when they reach a certain age or savings goal compared to Generation X and Millennials (both 22 percent).
- **Phased Retirement and Compensation-Related Expectations.** Among workers who envision a phased transition into retirement, most have realistic expectations regarding how changes in their work arrangements may affect their job title, compensation, and benefits. The majority of workers across generations who envision a phased transition into retirement expect to receive the same benefits they have now if they were to shift from full-time to part-time work at their current employer. Baby Boomer (83 percent) workers are more likely to believe that if they reduce their work hours at their current employer, they would expect to be paid the same hourly rate that they earn now, followed by slightly fewer Millennial (78 percent) and Generation X workers (76 percent).
- **Perceptions of Older Workers.** Ageism is a common concern in today's society, especially with so many workers planning to extend their working lives beyond age 65. More Baby Boomer and Generation X than Millennial workers have positive perceptions of workers age 50 and older compared to younger workers in today's workforce. Baby Boomer (80 percent) and Generation X (65 percent) believe workers age 50 and older bring more knowledge, wisdom, and life experience, compared to 47 percent of Millennial workers who think this.

Influences of Generation on Retirement Readiness

- **Age That Workers Consider a Person to Be “Old.”** The median age a worker considers a person to be “old” rises with each generation from younger to older (Millennials, 65 years old; Generation X, 70 years old; Baby Boomer, 75 years old). Slightly more than half of Baby Boomers (52 percent) think “it depends on the person,” significantly more than Millennial (33 percent) or Baby Boomer (37 percent) workers.
- **Age That Workers Consider a Person to Be “Too Old” to Work.** Workers across generations have a smaller range of the age they consider to be “too old” to work. Millennial workers believe that the age of 70 (median) is “too old” for a person to work, while Generation X and Baby Boomer workers believe that 75 (median) is “too old” to work. More than half of Baby Boomers (69 percent) and Generation X (54 percent) think “it depends on the person” compared to fewer Millennials (44 percent).
- **Level of Concern About Health in Older Age.** Many workers, regardless of generation, are “very” or “somewhat concerned” about their health in older age, including 75 percent of Generation X, 73 percent of Millennial, and 71 percent of Baby Boomer workers. Interestingly Millennial workers are most likely to be “very concerned” about their health (27 percent), compared to Generation X (24 percent) and Baby Boomers (17 percent).
- **Engagement in Health-Related Activities on a Consistent Basis.** Workers across generations are engaging in health-related activities on a consistent basis. In general, higher proportions of Baby Boomers are doing these activities compared to both Generation X and Millennial workers.
- **Planning to Live to Age ...** Workers across generations share similar expectations regarding the age they are planning to live to with each generation planning to live to the age of 90 (median among those who gave an estimate). Nearly one in five Millennials (18 percent) expect to live to 100+ compared to 13 percent in Generation X and 10 percent in Baby Boomers.

Influences of Generation on Retirement Readiness

- **Current Financial Priorities.** Financial priorities change by life stage although some are common to all “paying off debt” (NET) is the most frequently cited current financial priority across generations, including Baby Boomers workers (59 percent), Generation X (72 percent), and Millennials (67 percent). Baby Boomer workers (72 percent) are more likely to cite saving for retirement as a financial priority compared to Generation X (61 percent) and Millennials (45 percent).
- **Greatest Financial Priority Right Now.** Baby Boomers are most likely to cite “saving for retirement” as their greatest financial priority right now (39 percent), compared to Generation X (21 percent) and Millennials (9 percent).
- **Types of Household Debt.** Debt poses a significant financial risk to workers across generations. Credit card debt is the most common household debt among Millennial (59 percent), Generation X (66 percent), and Baby Boomer (55 percent) workers. Millennial workers are more likely to have student loans, personal loans, or payday loans compared to older workers.
- **Estimated Emergency Savings.** Many workers lack emergency savings that could help cover the cost of a major financial setback (e.g., unemployment, medical bills, home repairs, auto repairs, other). Emergency savings are low across the three generations, including Millennials at \$2,000 (median), Generation X at \$4,000 (median), and Baby Boomers at \$10,000 (median). Moreover, one in four Millennials (27 percent) have saved less than \$1,000. Baby Boomers (27 percent) are more likely to have saved more than \$25,000.
- **Saving for Retirement / Age Started Saving.** The majority of workers across all three generations are saving for retirement through an employer-sponsored plan and/or outside of work. Baby Boomers (85 percent) are most likely to be saving, followed by Generation X (80 percent) and Millennials (71 percent). In terms of the median age that they started saving, Millennials started at a younger age (age 24) compared to Generation X (age 30) and Baby Boomers (age 35).

Influences of Generation on Retirement Readiness

- **Expected Sources of Retirement Income.** Self-funded savings including retirement accounts (e.g., 401(k)s, 403(b)s, IRAs) and other savings and investments are the most frequently cited source of retirement income expected by Millennials (84 percent) and Generation X (81 percent), while Baby Boomers are most likely to expect income from Social Security (91 percent).
- **Expected Primary Source of Income in Retirement.** Millennial (41 percent) and Generation X (41 percent) workers most frequently cite 401(k)s, 403(b)s, or IRAs to be their expected *primary* source of retirement income, while Baby Boomers (37 percent) are more likely to expect to rely on Social Security during retirement. Approximately one in seven Millennials (17 percent) and Generation X (15 percent) expect “working” to be their primary source of retirement income.
- **Importance of Retirement Benefits Compared to Other Benefits.** The vast majority of workers — including 89 percent of Millennials, 91 percent of Generation X, and 85 percent of Baby Boomers — believe that a 401(k) or similar plan is a “somewhat” or “very” important employee benefit. This trend has remained consistent over time.
- **Retirement Benefits Currently Offered.** Most workers are offered a 401(k) or similar plan by their employers. Generation X (75 percent) are more likely to be offered such benefits compared to Millennials (68 percent) and Baby Boomers (71 percent). Few workers are offered a company-funded defined benefit plan.
- **Retirement Plan Participation.** Among workers who are offered a 401(k) or similar plan, Generation X and Baby Boomers (both 85 percent) are more likely to participate in the plan compared to Millennial workers (75 percent).
- **Retirement Plan Contribution Rate.** Among workers who participate in a 401(k) or similar plan, Millennials contribute 10 percent (median) of their annual pay, up from 7 percent (median) last year. Baby boomer workers also contribute 10 percent (median) while Generation X workers contribute 8 percent (median).

Influences of Generation on Retirement Readiness

- **Appeal of Automatic Enrollment.** Automatic enrollment is a retirement plan feature that eliminates the decision-making and action steps normally required of employees to enroll and to start contributing to the plan. It simply automatically enrolls employees into a plan and they only need to take action if they desire to opt out and not contribute to the plan. The majorities of workers across generations find automatic enrollment appealing, including Millennials (82 percent), Generation X (83 percent) and Baby Boomers (77 percent). Millennial workers suggest the highest median appropriate default contribution rate (10 percent) compared to Generation X (6 percent) and Baby Boomers (6 percent).
- **Likelihood of Using Automatic Escalation.** Likelihood to use a feature that automatically increases their contribution by 1% each year is high across the generations. However, more Millennials (78 percent) and Generation X (75 percent) workers indicate they are likely to use the feature than Baby Boomers (71 percent).
- **Use of Professionally Managed Offerings.** “Professionally managed” accounts refers to a managed account service, strategic allocation funds, and/or target date funds. The majority of plan participants across generations use some form of professionally managed offering in their 401(k) or similar plans: 63 percent of Millennials, 60 percent of Generation X, and 53 percent of Baby Boomers.
- **Asset Allocation of Retirement Investments.** Workers across generations most frequently cite that their retirement savings are invested in a relatively equal mix of stocks and investments such as bonds, money market funds and cash; however, more Baby Boomers (47 percent) invest this way compared to Generation X (39 percent) and Millennials (35 percent). A concerning 26 percent of Millennials are “not sure” how their savings are invested.
- **Retirement Plan Leakage: Loans and Withdrawals.** A concerning percentage of workers are dipping into their retirement savings before they retire. “Leakage” from retirement plans in the form of loans and withdrawals can severely inhibit the growth of participants’ long-term retirement savings. Generation X (30 percent) and Baby Boomers (28 percent) workers are more likely to have taken some form of loan, early withdrawal, and/or hardship withdrawal from a 401(k), compared to Millennials (22 percent).

Influences of Generation on Retirement Readiness

- **Total Household Retirement Savings.** Baby Boomer workers have the highest reported total household retirement savings at \$164,000 (estimated median) compared to Generation X (\$72,000) and Millennials (\$37,000). Baby Boomer workers (42 percent) are most likely to have saved \$250,000 or more compared to Generation X (30 percent) and Millennials (21 percent). A worrying 14 percent of Millennials have less than \$5,000 in retirement savings.
- **Estimated Retirement Savings Needs.** Millennial workers believe that they will need to have saved \$400,000 (median) in order to feel financially secure when they retire while Generation X and Baby Boomers feel they will need to have \$500,000 (median).
- **Basis for Estimating Retirement Savings Needs.** Many workers are “guessing” their retirement savings needs, including 48 percent of Millennials, 48 percent of Generation X, and 45 percent of Baby Boomers. Fewer than one in 10 say they have used a retirement calculator to estimate their needs.
- **Retirement Strategy: Written, Unwritten, or None.** Achieving retirement readiness is more than just saving enough; it involves planning for both the expected and, moreover, the unexpected. One of the most important secrets to attaining retirement readiness is having a well-defined written strategy about retirement income needs, costs and expenses, and risk factors. The majority of workers across all generations has a retirement strategy including 66 percent of Baby Boomers, 62 percent of Generation X and 63 percent of Millennials. However, across generations, workers’ retirement strategies are seldom written.
- **Confidence that Financial Strategy Will Enable Travel Goals.** Among workers who dream of traveling in retirement, most are confident their current financial strategy will allow them to meet their travel goals, including 60 percent of Millennials, 54 percent of Generation X, and 62 percent of Baby Boomer workers. However, relatively few across generations are “very” confident (24 percent Millennials, 16 percent Generation X, 20 percent Baby Boomers). Interestingly, some workers say that they haven’t given it much thought: 17 percent Millennials, 9 percent Generation X, 12 percent Baby Boomers.

Influences of Generation on Retirement Readiness

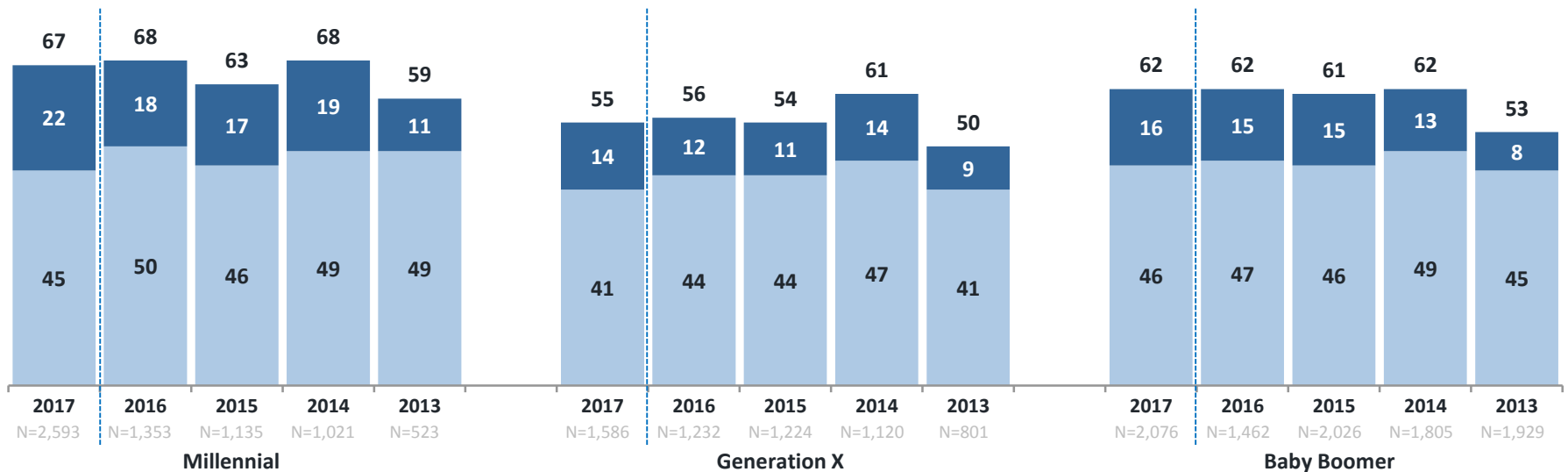
- **Professional Financial Advisor Usage.** Millennials (42 percent), and Baby Boomers (40 percent) are somewhat more likely than Generation X (37 percent) workers to use a financial advisor to help manage retirement savings and investments. Since last year, more Millennial workers use financial advisors.
- **Awareness of Saver's Credit.** The IRS Saver's Credit is a tax credit available to eligible taxpayers who are saving for retirement in a qualified retirement plan or IRA. Level of awareness about the credit is highest among Millennials (42 percent), followed by Generation X (33 percent) and Baby Boomers (28 percent).
- **Awareness of the IRS' Free File Program.** Fewer than half of workers across generations are aware of the IRS' Free File program, which offers federal income tax preparation software for free for eligible tax filers. Awareness of the program decreases slightly by generation, with 46 percent of Millennials, 45 percent of Generation X and 43 percent of Baby Boomers being aware of this IRS program.

Confidence in Retiring Comfortably

More than half of workers are “somewhat” or “very” confident that they will be able to retire comfortably; confidence is highest among Millennials (67 percent) and Baby Boomers (62 percent) and notably lower among Generation X (55 percent). Relatively few workers of all three generations are “very” confident, including 22 percent of Millennials, 14 percent of Generation X, and 16 percent of Baby Boomers.

Confidence in Retiring Comfortably
Very/Somewhat Confident (%) (NET)

■ Very confident ■ Somewhat confident



† Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

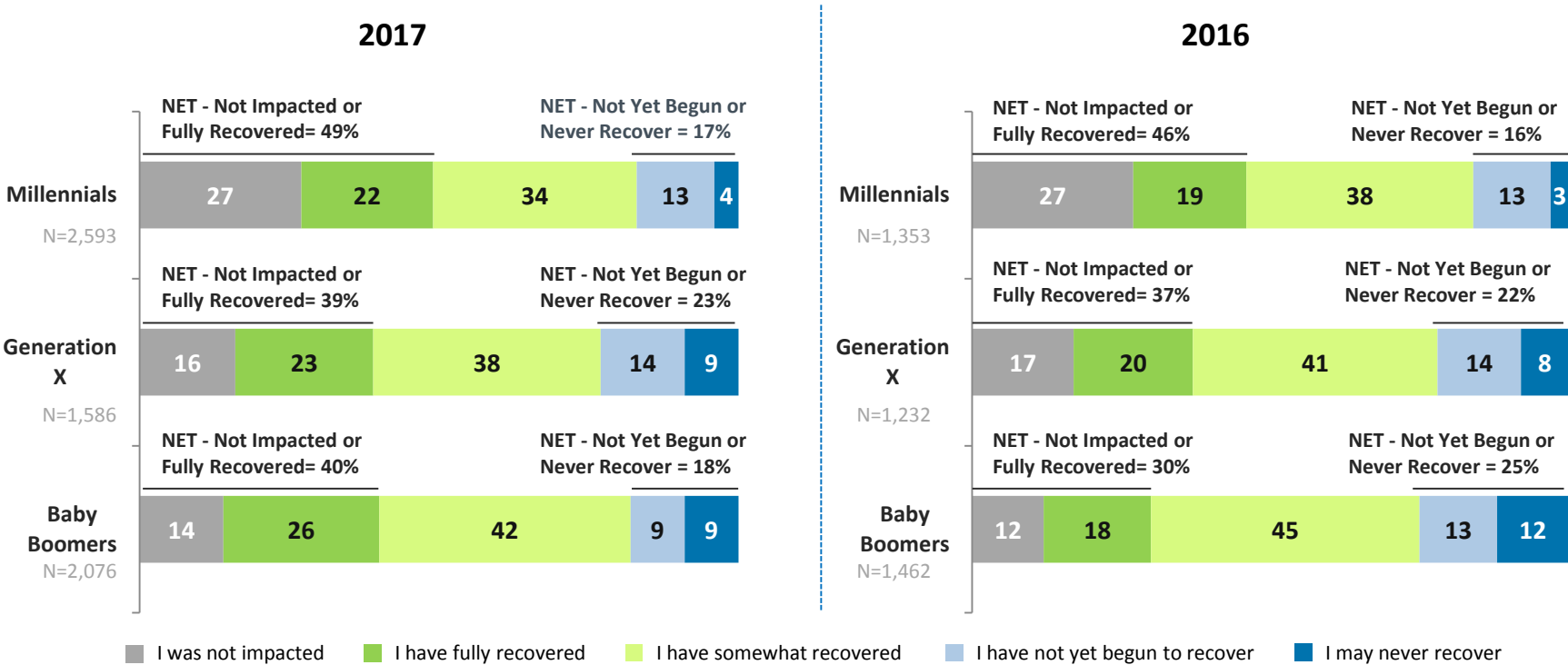
BASE: ALL QUALIFIED RESPONDENTS

Q880. How confident are you that you will be able to fully retire with a lifestyle you consider comfortable?

Recovery From the Great Recession

Many workers across generations have not yet fully recovered from the Great Recession. Financial recovery varies across generations. Millennial workers (27 percent) are most likely to say they were “not impacted,” followed by Generation X (16 percent) and Baby Boomers (14 percent). Generation X (23 percent) are more likely than Baby Boomers (18 percent) and Millennials (17 percent) to say they have “not yet begun to recover” or “may never recover.”

How would you describe your financial recovery from the Great Recession? (%)



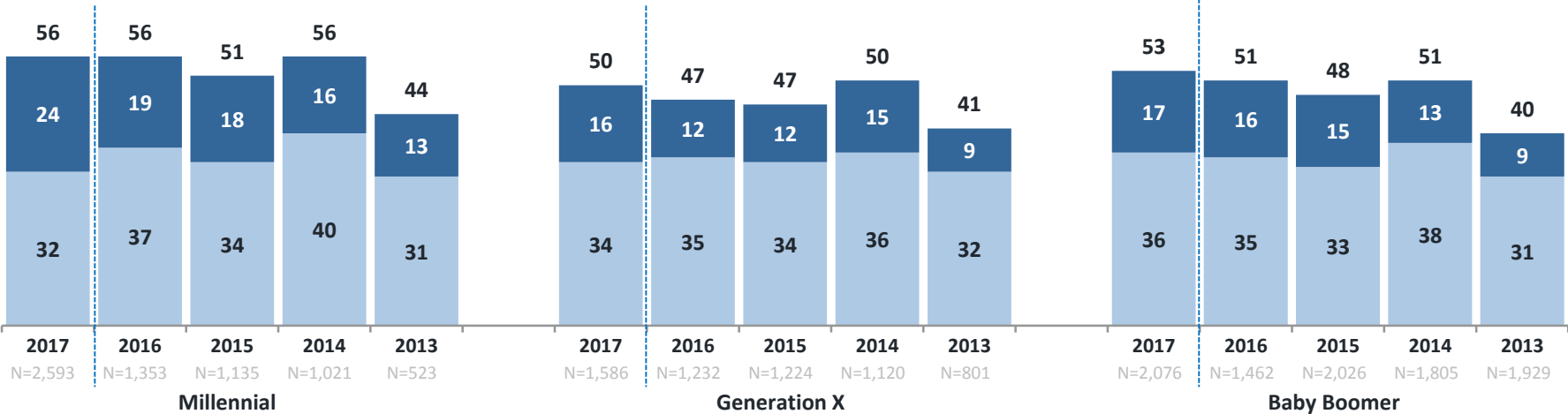
† Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.
 BASE: ALL QUALIFIED RESPONDENTS
 Q2655. How would you describe your financial recovery from the deep recession in recent years, which is commonly referred to as the “Great Recession”?

Building a Large Enough Nest Egg?

At least half of Generation X (50 percent) and Baby Boomers (53 percent) either “somewhat” or “strongly” agree that they are building a large enough retirement nest egg, and slightly more Millennials (56 percent) agree. Among all three generations, fewer than one in four “strongly” agree.

Building a Large Enough Nest Egg
Strongly/Somewhat Agree (%) (NET)

■ Strongly agree ■ Somewhat agree



† Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

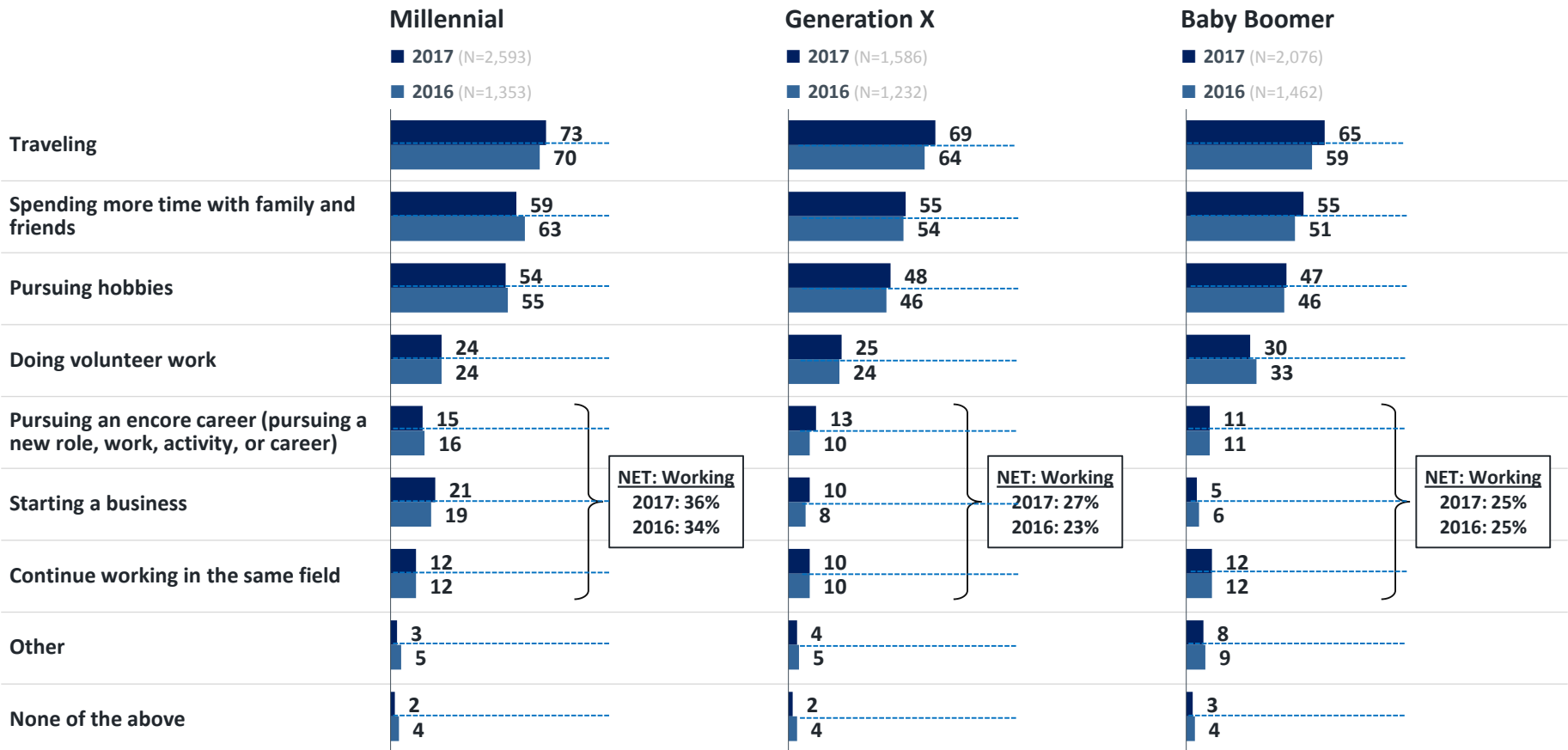
BASE: ALL QUALIFIED RESPONDENTS

Q800. How much do you agree or disagree that you are currently building a large enough retirement nest egg?

Retirement Dreams Include Leisure and Work

Workers across generations share the same top three retirement dreams: traveling, spending more time with family and friends, and pursuing hobbies. Workers of all generations most frequently cite traveling as a retirement dream, including Millennials (73 percent), Generation X (69 percent), and Baby Boomers (65 percent). The second most frequently cited retirement dream is spending more time with family and friends (59 percent Millennials, 55 percent Generation X, 55 percent Baby Boomers). Interestingly, 36 percent of Millennials, 27 percent of Generation X, and 25 percent of Baby Boomer workers dream of doing some sort of work in retirement.

How do you dream of spending your retirement? Please select all that apply. (%)



† Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

BASE: ALL QUALIFIED RESPONDENTS

Q1418. How do you dream of spending your retirement? Select all.

Retirement Beliefs, Preparations, and Involvement

Across generations, at least three out of four workers agree that their generation will have a much harder time achieving financial security compared to their parent's generation. Generation X (83 percent) and Millennials (80 percent) are more likely than Baby Boomers (65 percent) to be concerned that Social Security will not be there for them when they are ready to retire.

How Much Do You Agree or Disagree? Strongly/Somewhat Agree (%) (NET)

**Compared to my parent's generation, people in my generation will have a much harder time in achieving financial security

**I am concerned that when I am ready to retire, Social Security will not be there for me

*My current employer is supportive of its employees working past 65

I do not know as much as I should about retirement investing

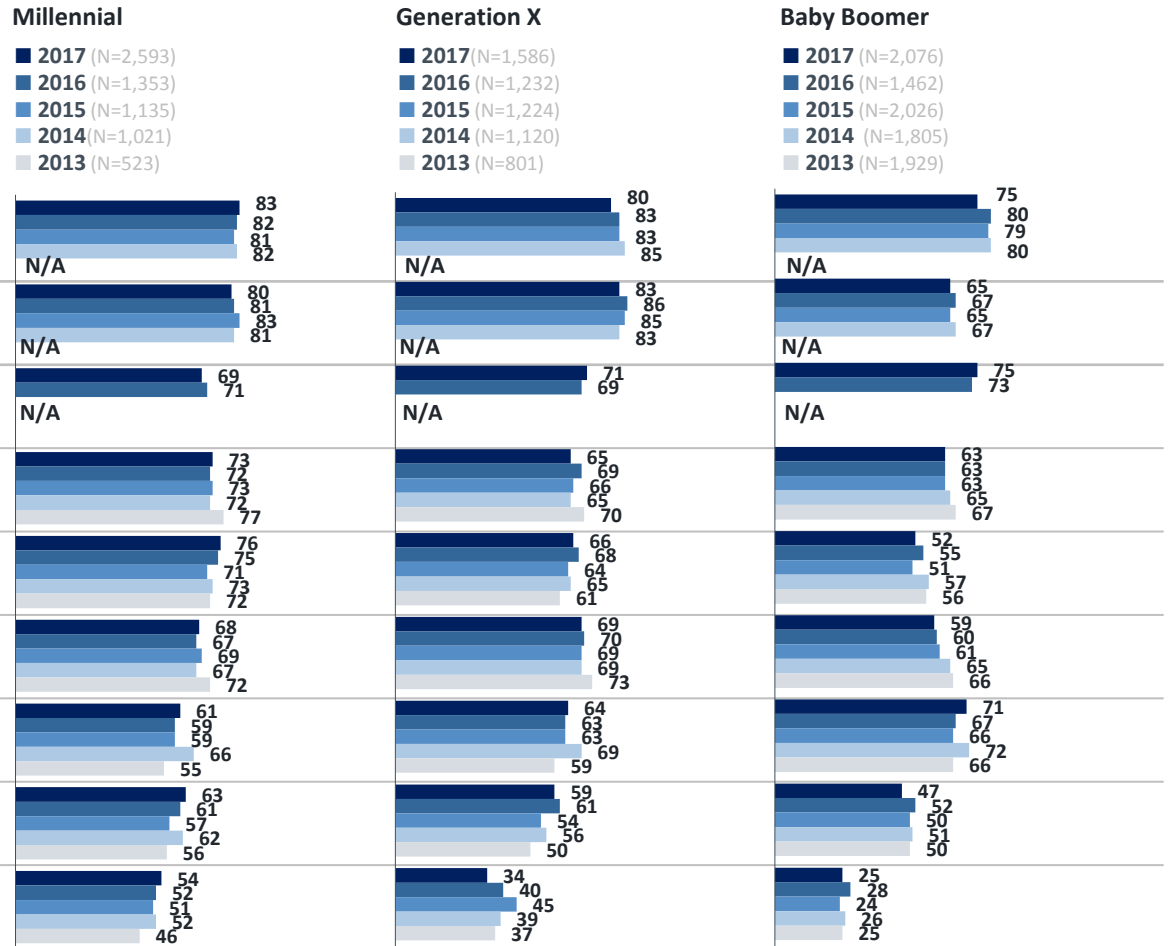
I would like to receive more information and advice from my company on how to reach my retirement goals

I could work until age 65 and still not have enough money saved to meet my retirement needs

I am currently very involved in monitoring and managing my retirement savings

I would prefer to rely on outside experts to monitor and manage my retirement savings plan

I prefer not to think about or concern myself with retirement investing until I get closer to my retirement date



Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

*added in 2016 **added in 2014

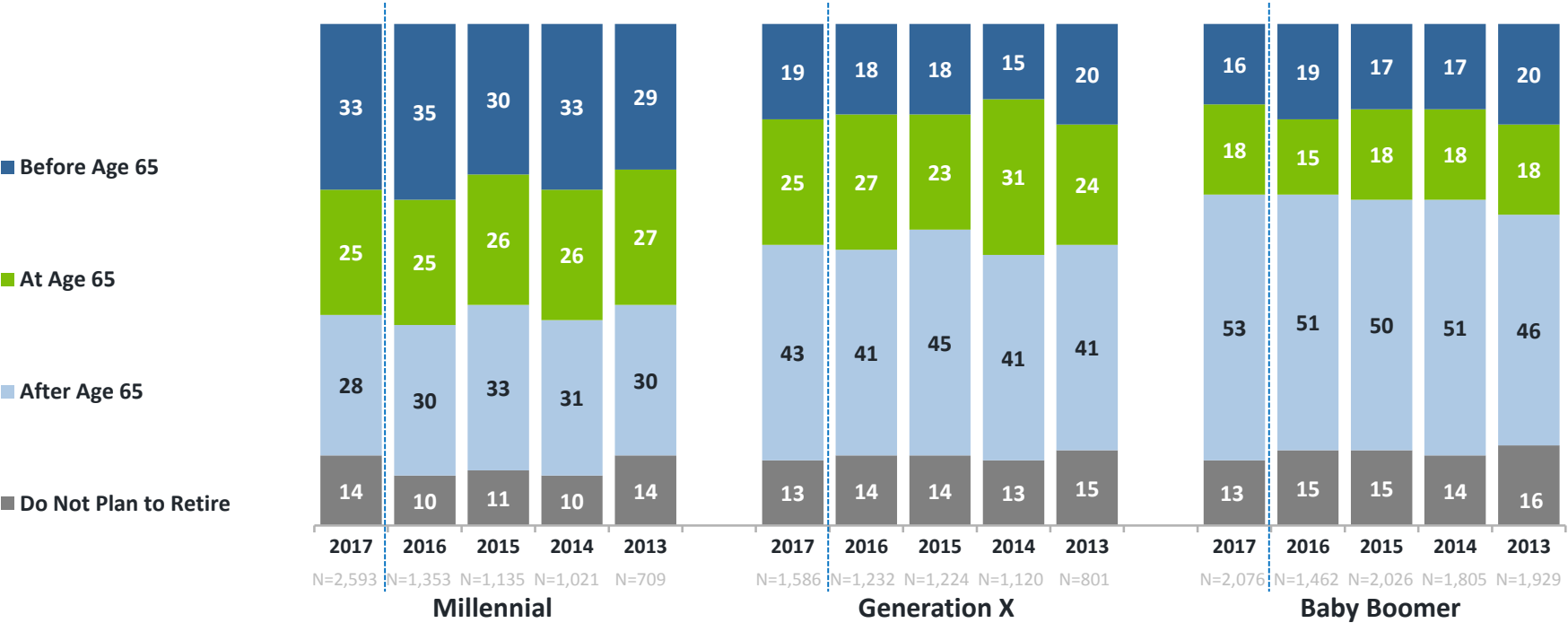
BASE: ALL QUALIFIED RESPONDENTS

Q930. How much do you agree or disagree with each of the following statements regarding retirement investing?

Expected Retirement Age

Sixty-six percent of Baby Boomers expect to either work past age 65 (53 percent) or do not plan to retire (13 percent). Fifty-six percent of Generation X share these expectations including 43 percent who plan to work past age 65 and 13 percent who do not plan to retire. In contrast, the majority of Millennials (58 percent) expect to either retire at age 65 (25 percent) or sooner (33 percent).

Age Expecting to Retire (%)



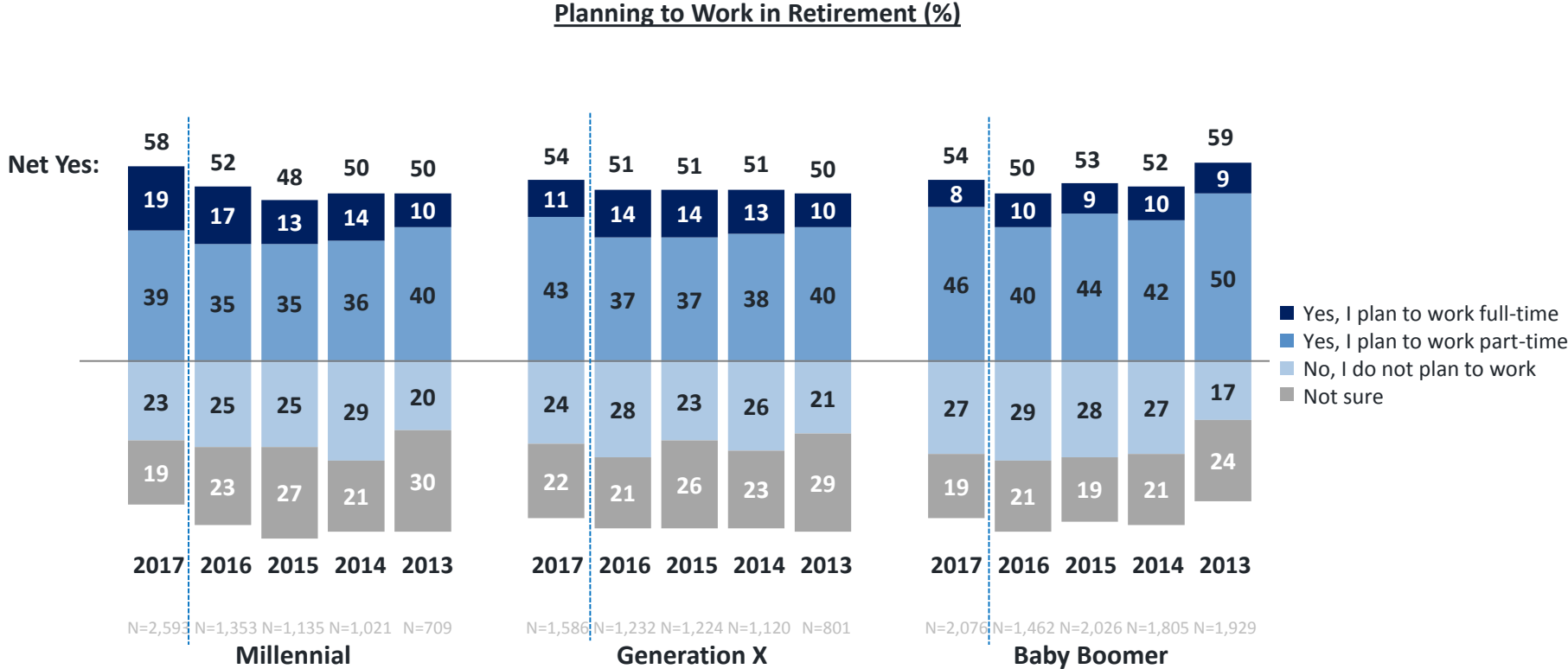
Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

BASE: ALL QUALIFIED RESPONDENTS

Q910. At what age do you expect to retire?

Planning to Work in Retirement

More than half of workers across generations plan to continue working after they retire, including 54 percent of Baby Boomers, 54 percent of Generation X, and 58 percent of Millennials. Among those planning to work, most plan to do so on a part-time basis.



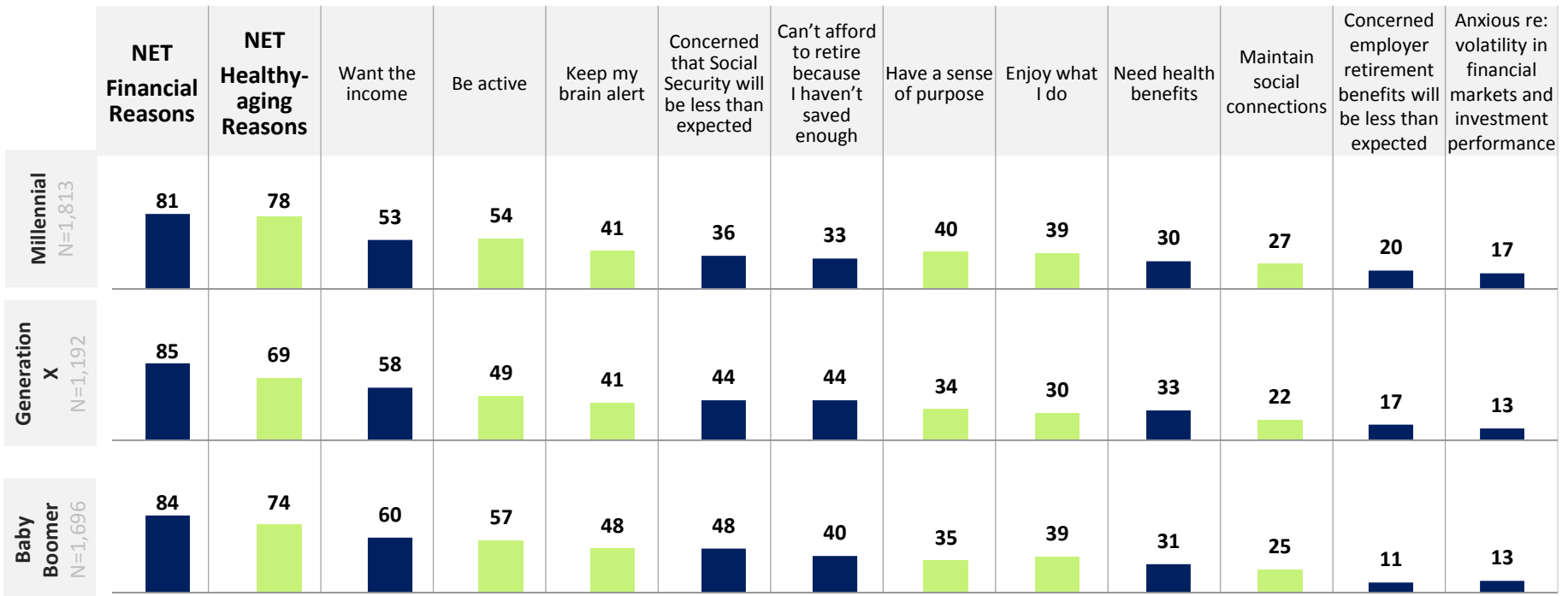
Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

BASE: ALL QUALIFIED RESPONDENTS

Q1525. Do you plan to work after you retire?

Reasons for Working in Retirement

Many workers across the generations who expect to retire after age 65 or to work after retirement cite financial reasons (Millennial, 81 percent; Generation X, 85 percent; Baby Boomer, 84 percent) and a smaller majority cite healthy-aging reasons (Millennial, 78 percent; Generation X, 69 percent; Baby Boomer, 74 percent).



New question added in 2017

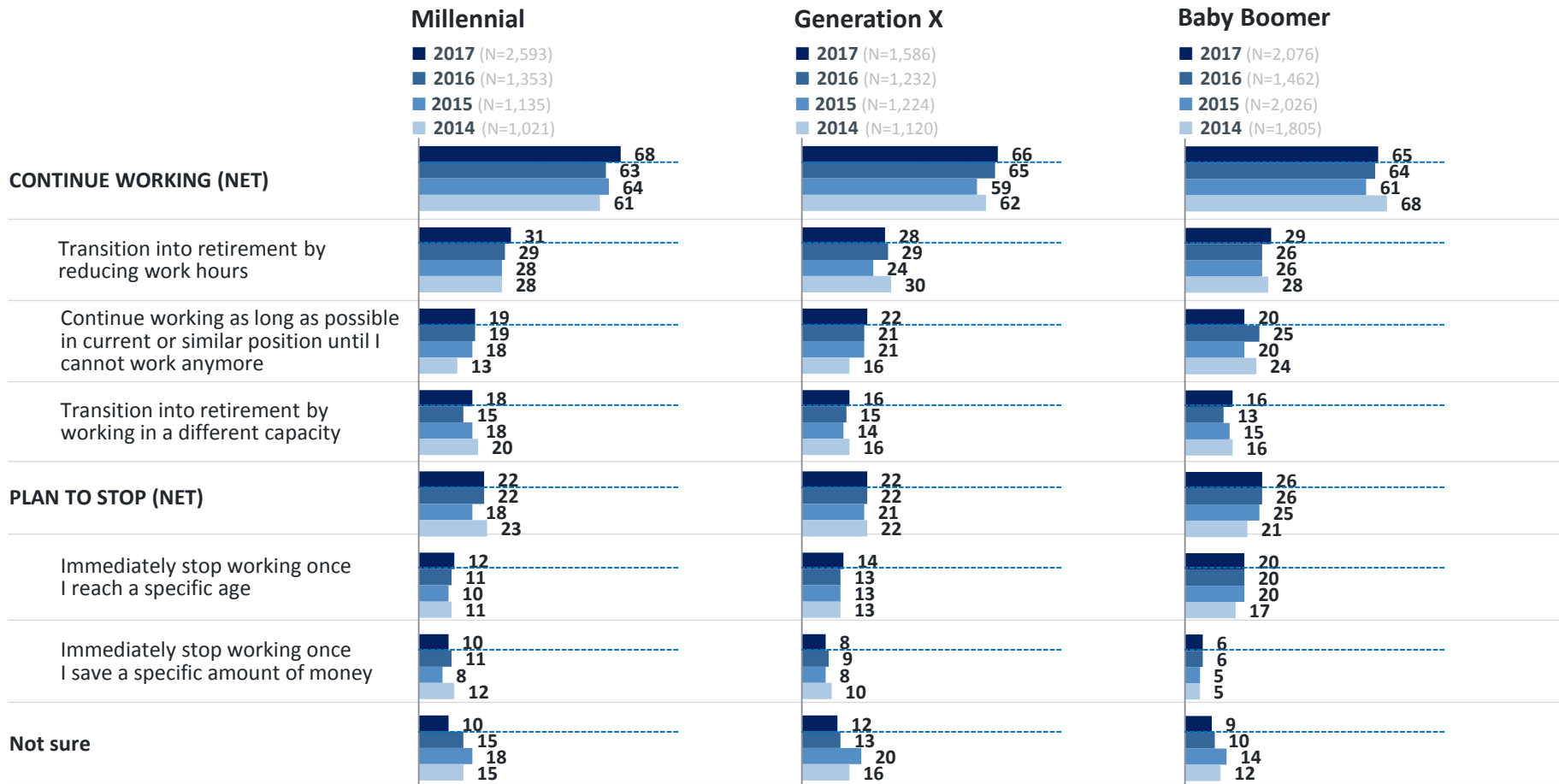
BASE: PLAN ON RETIRING AFTER 65 AND/OR WORKING AFTER RETIREMENT

Q1530x1. What are your reason(s) for working in retirement or past age 65? Select all.

Retirement Transitions: Phased Versus Immediate

Many workers across the three generations plan to either transition into retirement by changing work patterns (e.g., shifting from full-time to part-time or working in a different capacity) or plan to continue working until they cannot work any longer. Baby Boomers (26 percent) are more likely to be planning to immediately stop working when they reach a certain age or savings goal compared to Generation X and Millennials (both 22 percent).

How do you envision transitioning into retirement? (%)



† Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

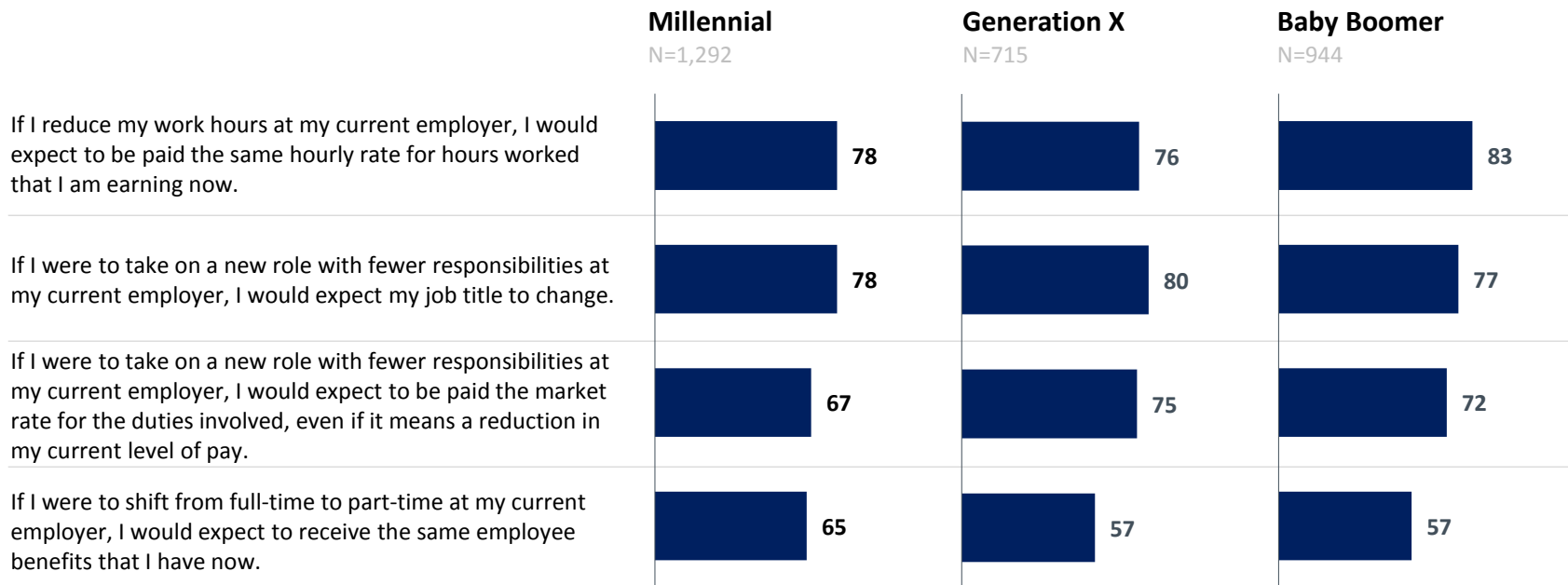
BASE: ALL QUALIFIED RESPONDENTS

Q1545. How do you envision transitioning into retirement?

Phased Retirement and Compensation-Related Expectations

Among workers who envision a phased transition into retirement, most have realistic expectations regarding how changes in their work arrangements may affect their job title, compensation, and benefits. The majority of workers across generations who envision a phased transition into retirement expect to receive the same benefits they have now if they were to shift from full-time to part-time work at their current employer. Baby Boomer workers (83 percent) are more likely to believe that if they reduce their work hours at their current employer, they would expect to be paid the same hourly rate that they earn now, followed by slightly less Millennial (78 percent) and Generation X workers (76 percent).

In thinking about your vision of transitioning into retirement, to what extent do you agree or disagree with the following statements? (NET - Agree %)



New question added in 2017

BASE: RESPONDENTS WHO ENVISION A PHASED TRANSITION INTO RETIREMENT

Q1546. In thinking about your vision of transitioning into retirement, to what extent do you agree or disagree with the following statements?

Perceptions of Older Workers

Ageism is a common concern in today's society, especially with so many workers planning to extend their working lives beyond age 65. More Baby Boomer and Generation X workers than Millennial workers have positive perceptions of workers age 50 and older compared to younger workers in today's workforce. Baby Boomers (80 percent) and Generation X (65 percent) believe workers age 50 and older bring more knowledge, wisdom, and life experience, compared to 47 percent of Millennial workers who think this.

Perceptions of workers age 50+ compared to younger workers in today's workforce? (%)

	Millennial N=2,593	Generation X N=1,586	Baby Boomer N=2,076
NET – Positive perceptions	77	83	94
Bring more knowledge, wisdom, and life experience	47	65	80
Are more responsible, reliable, and dependable	40	60	80
Are a valuable resource for training and mentoring	38	48	69
Are an important source of institutional knowledge	33	41	58
Are more adept at problem-solving	23	33	51
Are better at getting along with others in a team environment	22	31	44
NET – Negative perceptions	61	52	47
Have higher healthcare costs	25	30	30
Command higher wages and salaries	20	20	22
Are less open to learning and new ideas	27	16	12
Have higher disability costs	17	15	9
Have outdated skill sets	18	13	6
Are less productive	14	9	3
Other	1	1	1
None	10	9	3

New question added in 2017

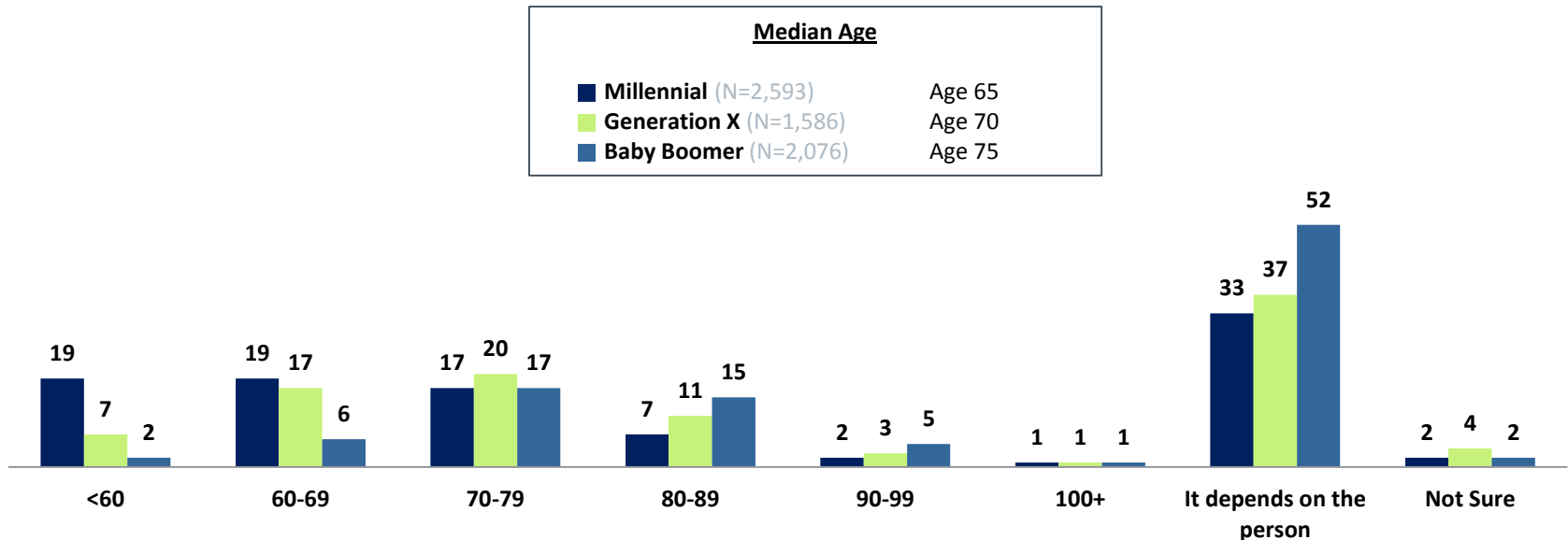
BASE: ALL QUALIFIED RESPONDENTS

Q1528. What are your perceptions of workers age 50 and older compared to younger workers in today's workforce? Select all.

Age That Workers Consider a Person to Be “Old”

The median age a worker considers a person to be “old” rises with each generation from younger to older (Millennials, median 65 years old; Generation X, median 70 years old; Baby Boomer, median 75 years old). Slightly more than half of Baby Boomers (52 percent) think “it depends on the person,” significantly more than Millennial (33 percent) or Baby Boomer (37 percent) workers.

Age When Person is Considered “Old” (%)

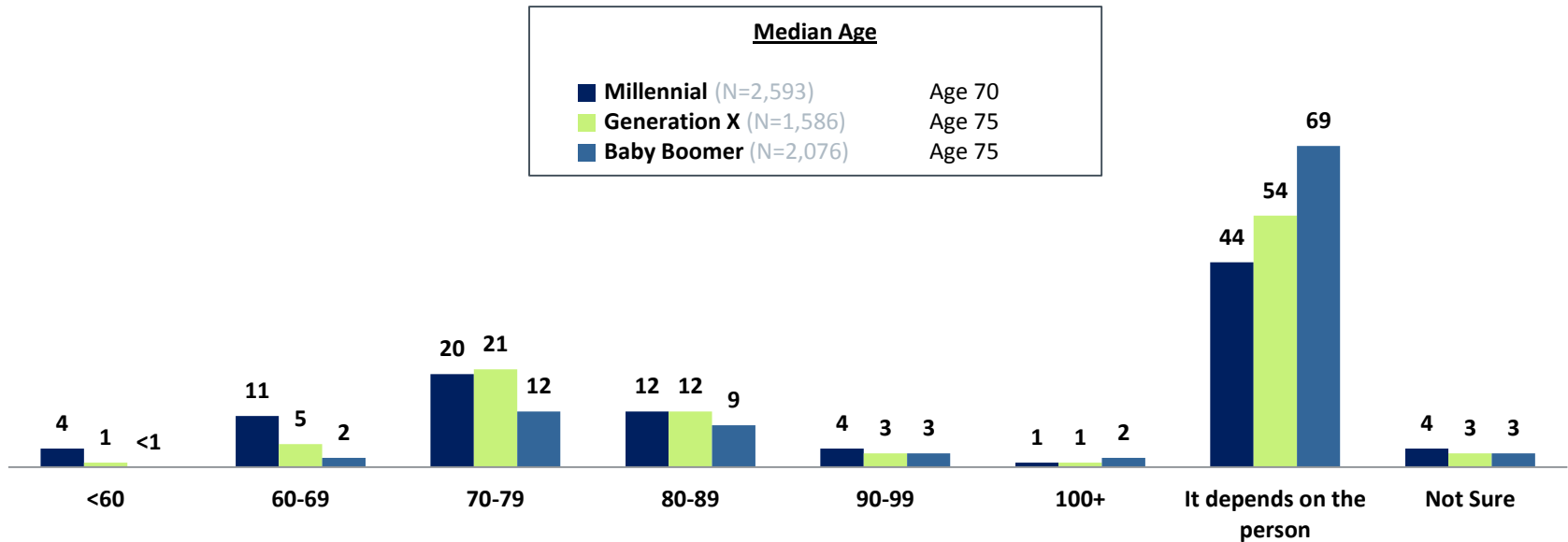


Median Age	
■ Millennial (N=2,593)	Age 65
■ Generation X (N=1,586)	Age 70
■ Baby Boomer (N=2,076)	Age 75

Age That Workers Consider a Person to Be “Too Old” to Work

Workers across generations have a smaller range of the age they consider to be “too old” to work. Millennial workers believe that the age of 70 (median) is “too old” for a person to work, while Generation X and Baby Boomer workers believe that 75 (median) is “too old” to work. More than half of Baby Boomers (69 percent) and Generation X (54 percent) think “it depends on the person” compared to Millennials (44 percent).

Age When Person is Considered “Too Old” to Work (%)



New question added in 2017

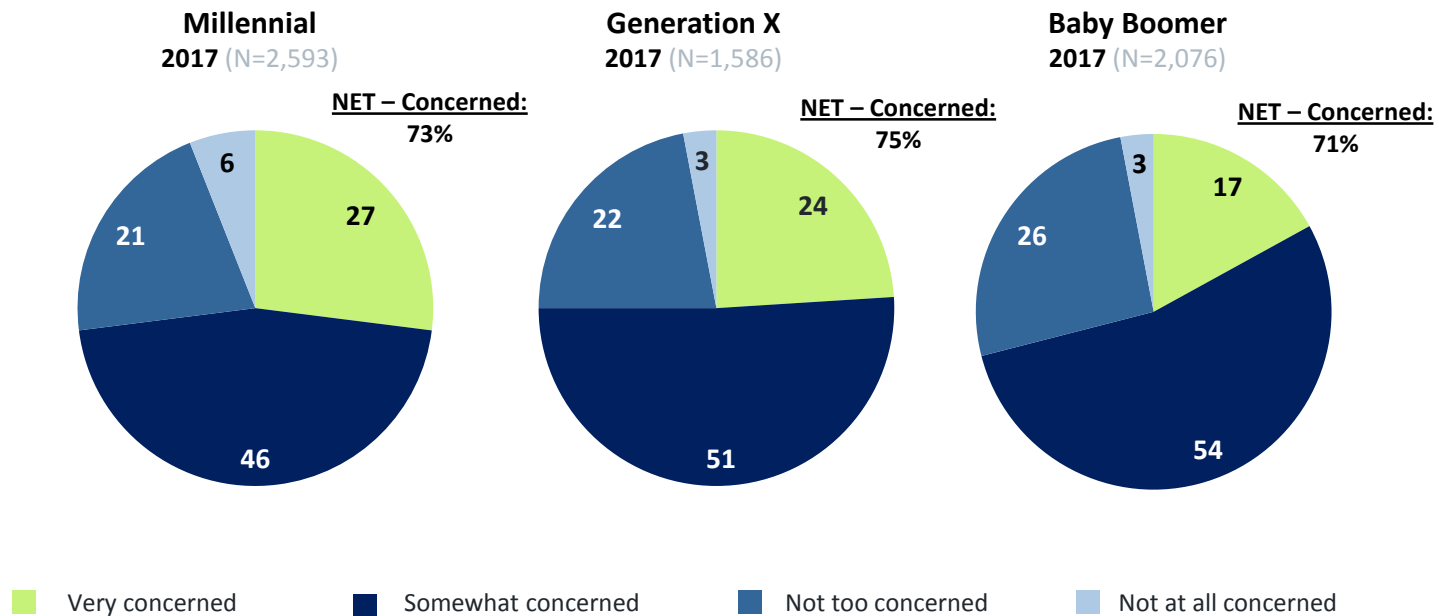
BASE: ALL QUALIFIED RESPONDENTS

Q1527. At what age do you consider a person to be “too old” to work?

Level of Concern About Health in Older Age

Many workers, regardless of generation, are “very” or “somewhat” concerned about their health in older age, including 75 percent of Generation X, 73 percent of Millennial, and 71 percent of Baby Boomer workers. Interestingly, Millennial workers are most likely to be “very concerned” about their health (27 percent) compared to Generation X (24 percent) and Baby Boomers (17 percent).

Concerned About Health in Older Age (%)



New question added in 2017

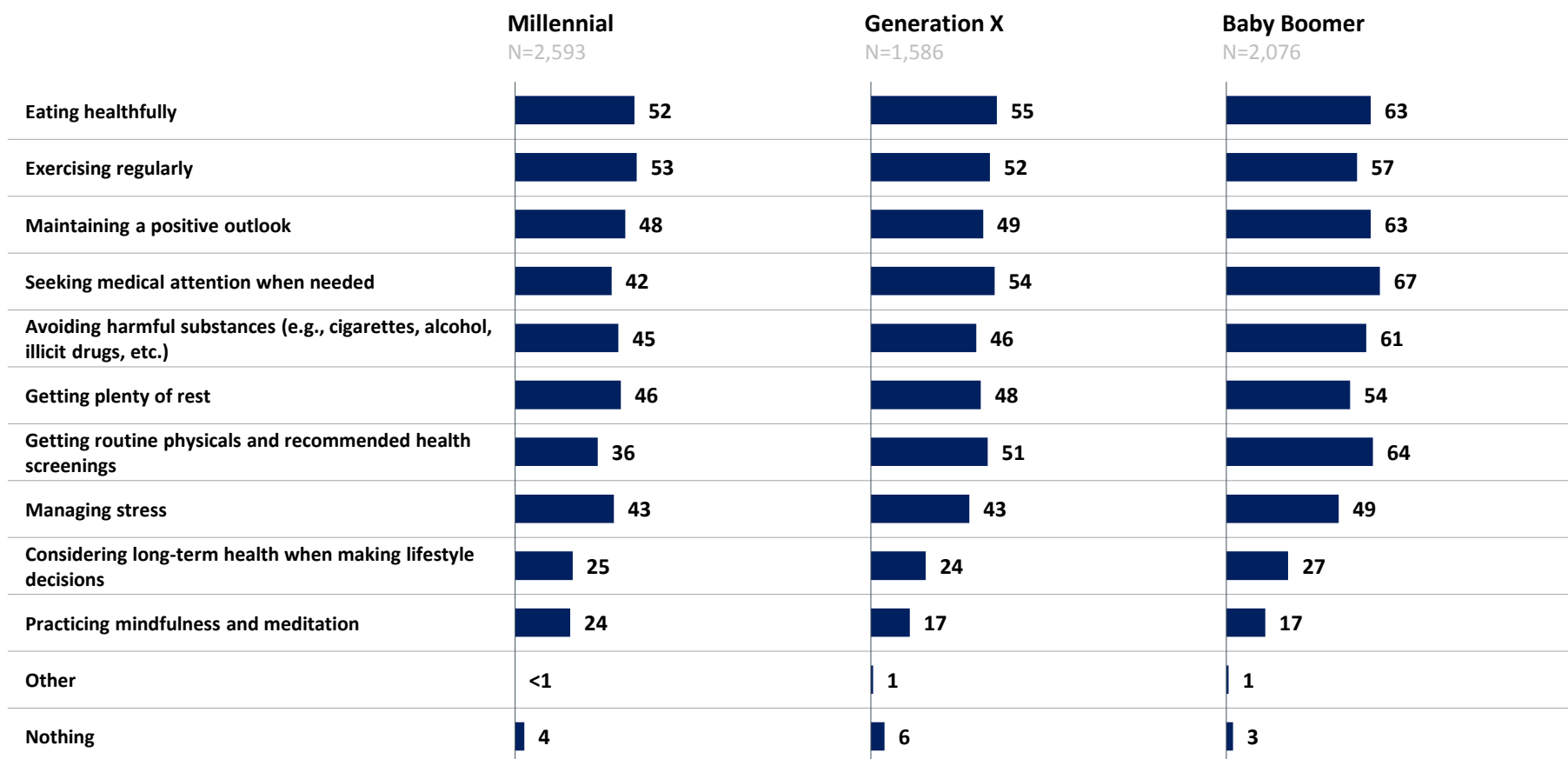
BASE: ALL QUALIFIED RESPONDENTS

Q1445X1. How concerned are you about your health in older age?

Engagement in Health-Related Activities on a Consistent Basis

Workers across generations are engaging in health-related activities on a consistent basis. In general, higher proportions of Baby Boomers are doing these activities compared to both Generation X and Millennial workers.

Engaging in Health-Related Activities on a Consistent Basis (%)



New question added in 2017

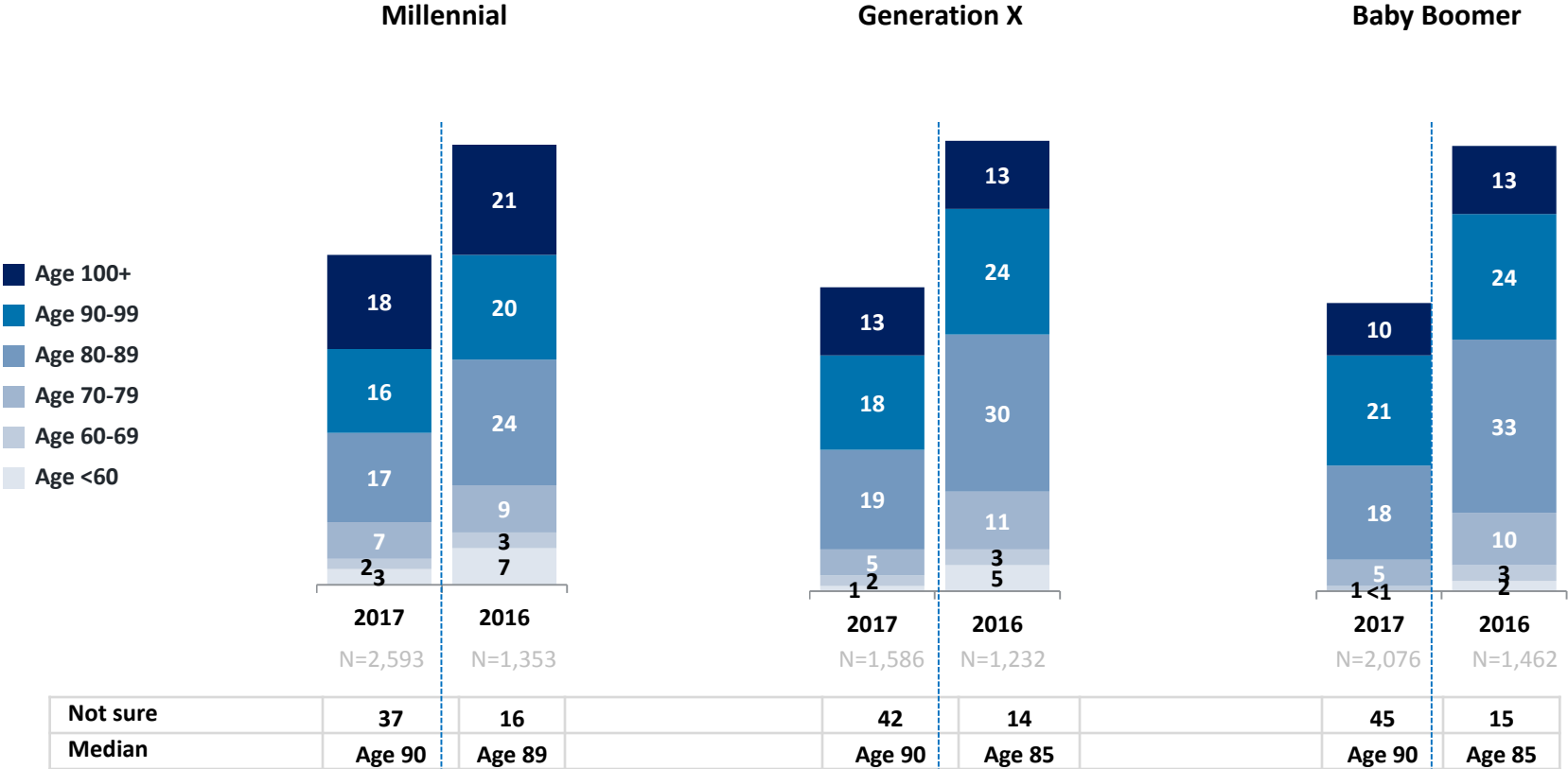
BASE: ALL QUALIFIED RESPONDENTS

Q1446. Which of the following health-related activities are you doing on a consistent basis? Select all.

Planning to Live to Age ...

Workers across generations share similar expectations regarding the age they are planning to live to with each generation planning to live to the age of 90 (median among those who gave an estimate). Nearly one in five Millennials (18 percent) expect to live to 100+ compared to 13 percent in Generation X and 10 percent in Baby Boomers.

What age are you planning to live to? (%)



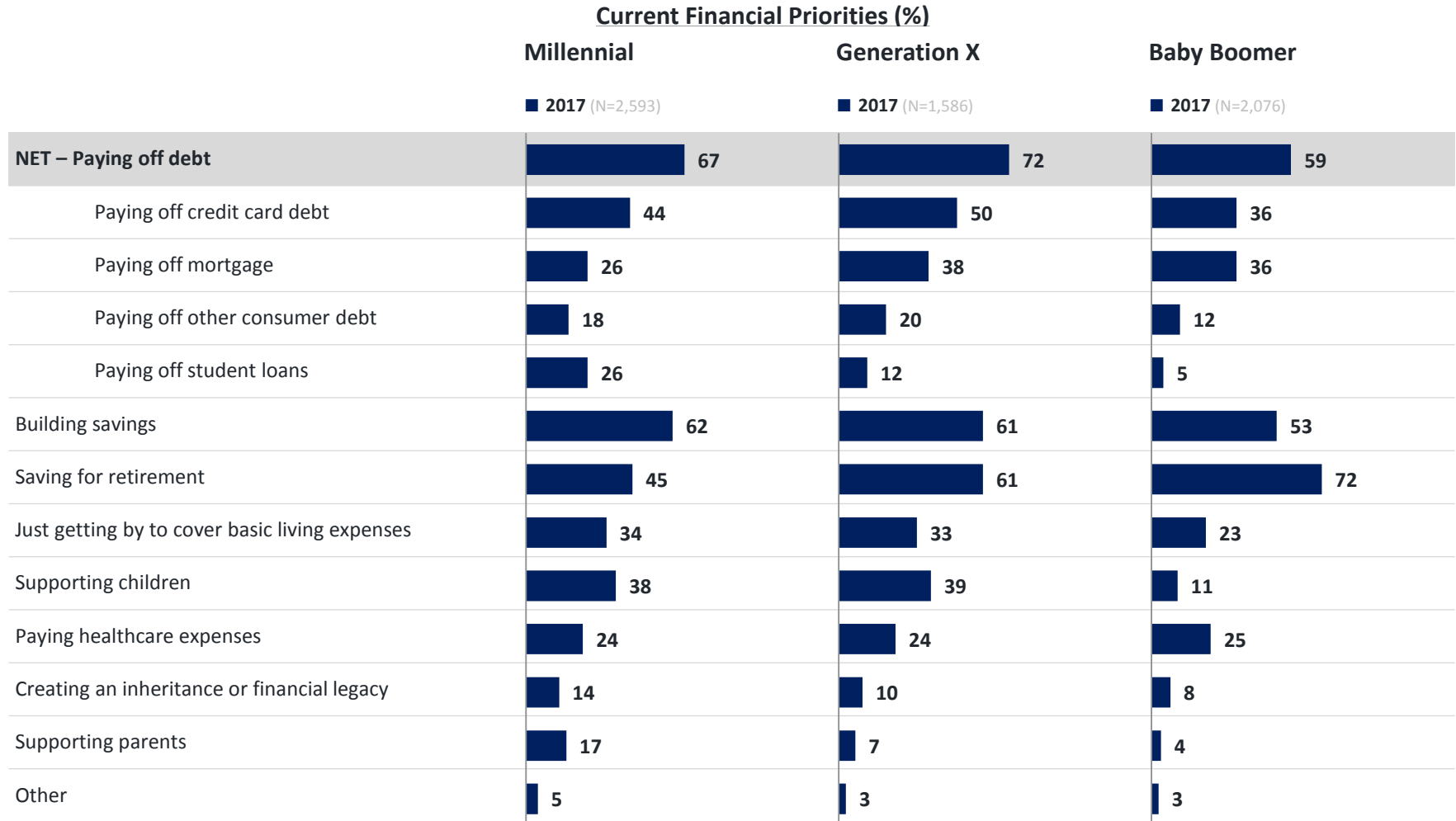
† Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

BASE: ALL QUALIFIED RESPONDENTS

Q2850. What age are you planning to live to?

Current Financial Priorities

Financial priorities change by life stage although “paying off debt” (NET) is the most frequently cited current financial priority across generations, including Baby Boomers workers (59 percent), Generation X (72 percent), and Millennials (67 percent). Baby Boomer workers (72 percent) are more likely to cite saving for retirement as a financial priority compared to Generation X (61 percent) and Millennials (45 percent).



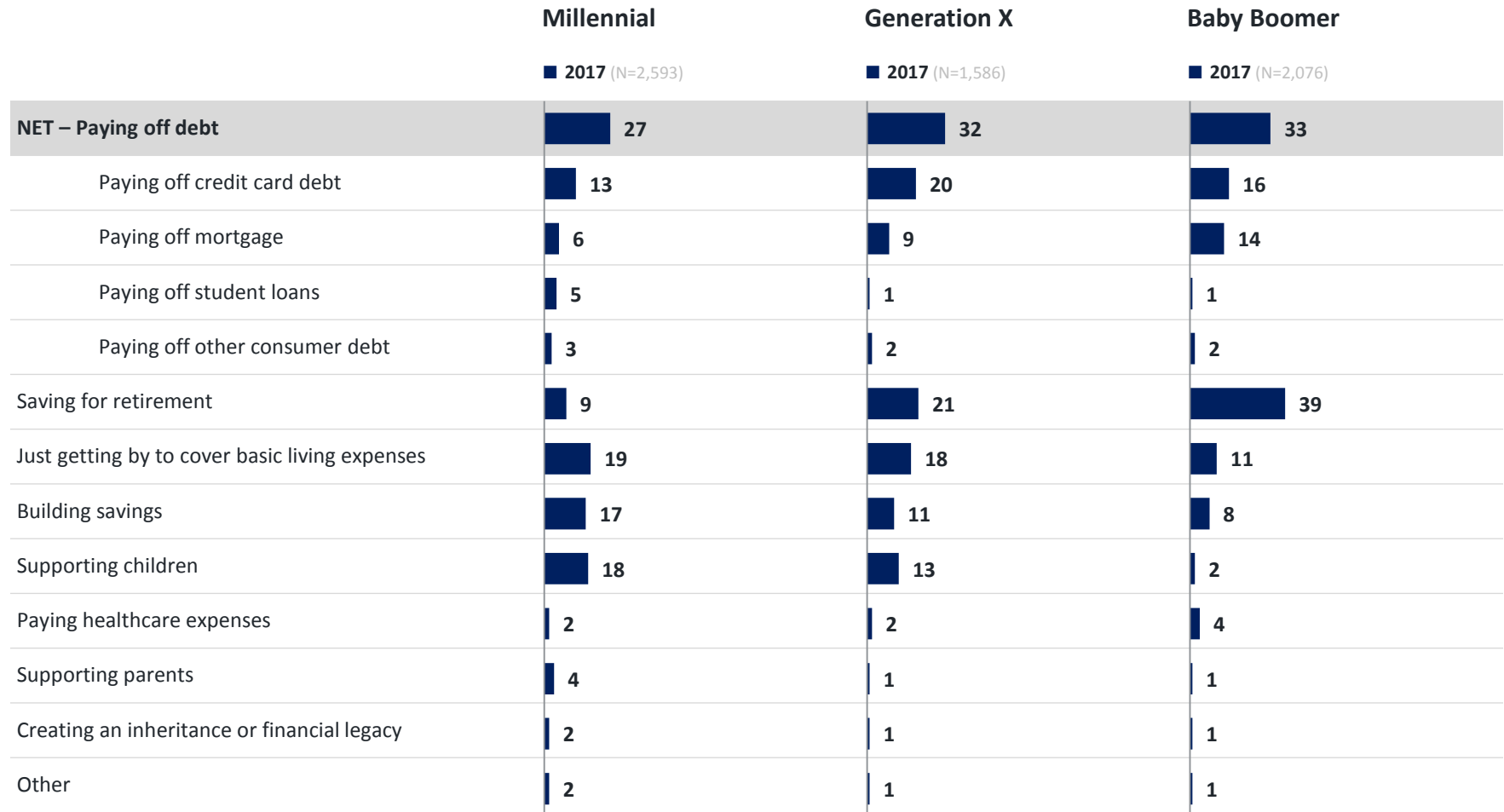
BASE: ALL QUALIFIED RESPONDENTS

Q2639. Which of the following are your financial priorities right now? Select all.

Greatest Financial Priority Right Now

Baby Boomers are most likely to cite “saving for retirement” as their greatest financial priority right now (39 percent), compared to Generation X (21 percent) and Millennials (9 percent).

Greatest Financial Priority Right Now (%)

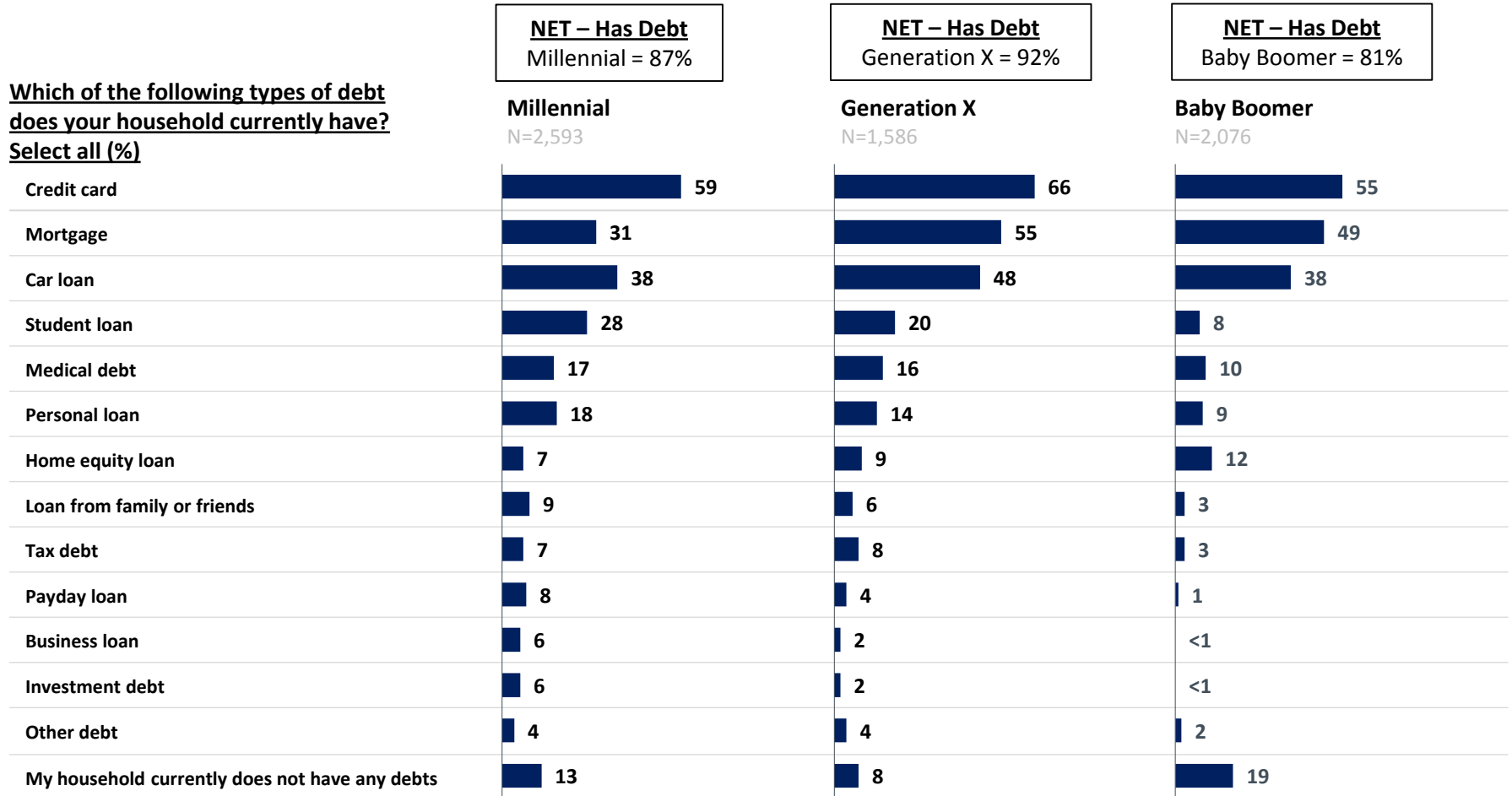


BASE: ALL QUALIFIED RESPONDENTS

Q2640. Which one of the following is your greatest financial priority right now?

Types of Household Debt

Debt poses a significant financial risk to workers across generations. Credit card debt is the most common household debt among Millennial (59 percent), Generation X (66 percent), and Baby Boomer (55 percent) workers. Millennial workers are more likely to have student loans, personal loans, or payday loans compared to older workers.



New question added in 2017

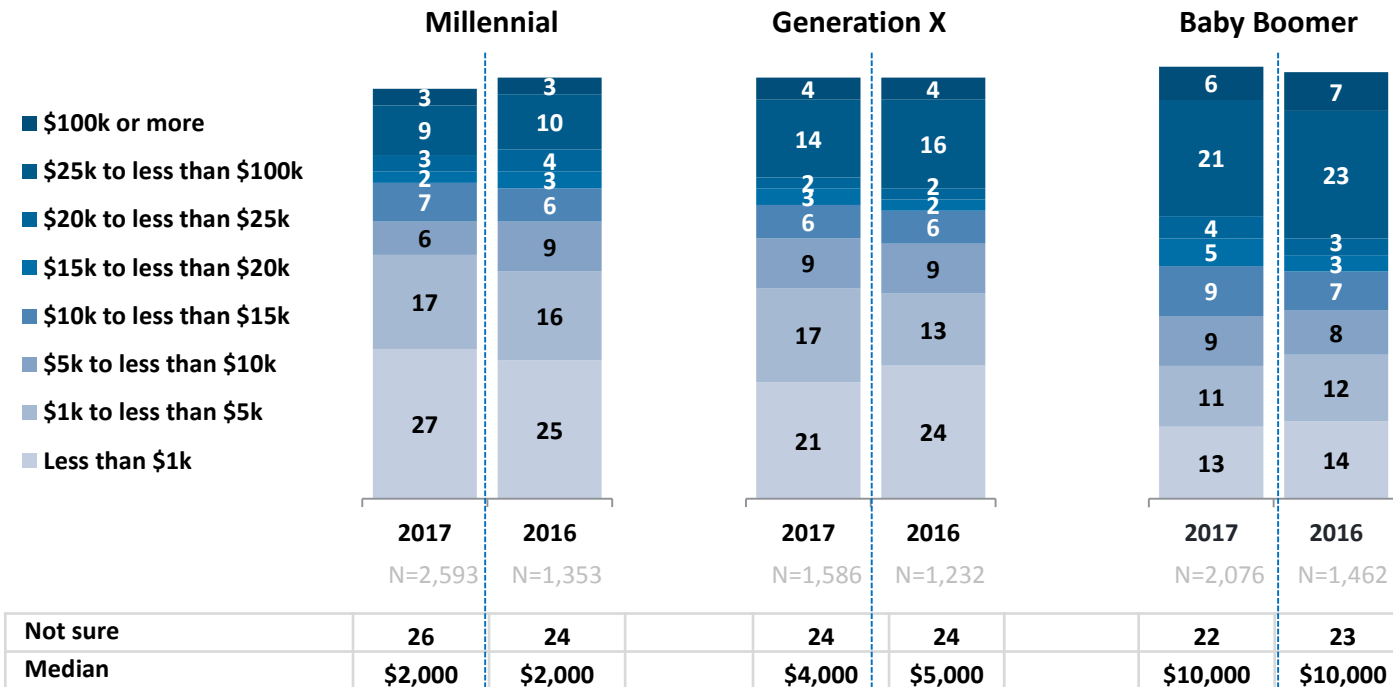
BASE: ALL QUALIFIED RESPONDENTS

Q1286. Which of the following types of debt does your household currently have? Select all.

Estimated Emergency Savings

Many workers lack emergency savings that could help cover the cost of a major financial setback (e.g., unemployment, medical bills, home repairs, auto repairs, other). Emergency savings are low across the three generations, including Millennials at \$2,000 (median), Generation X at \$4,000 (median), and Baby Boomers at \$10,000 (median). Moreover, one in four Millennials (27 percent) have saved less than \$1,000. Baby Boomers (27 percent) are more likely to have saved more than \$25,000.

How much do you have in emergency savings to cover the cost of unexpected major financial setbacks? (%)



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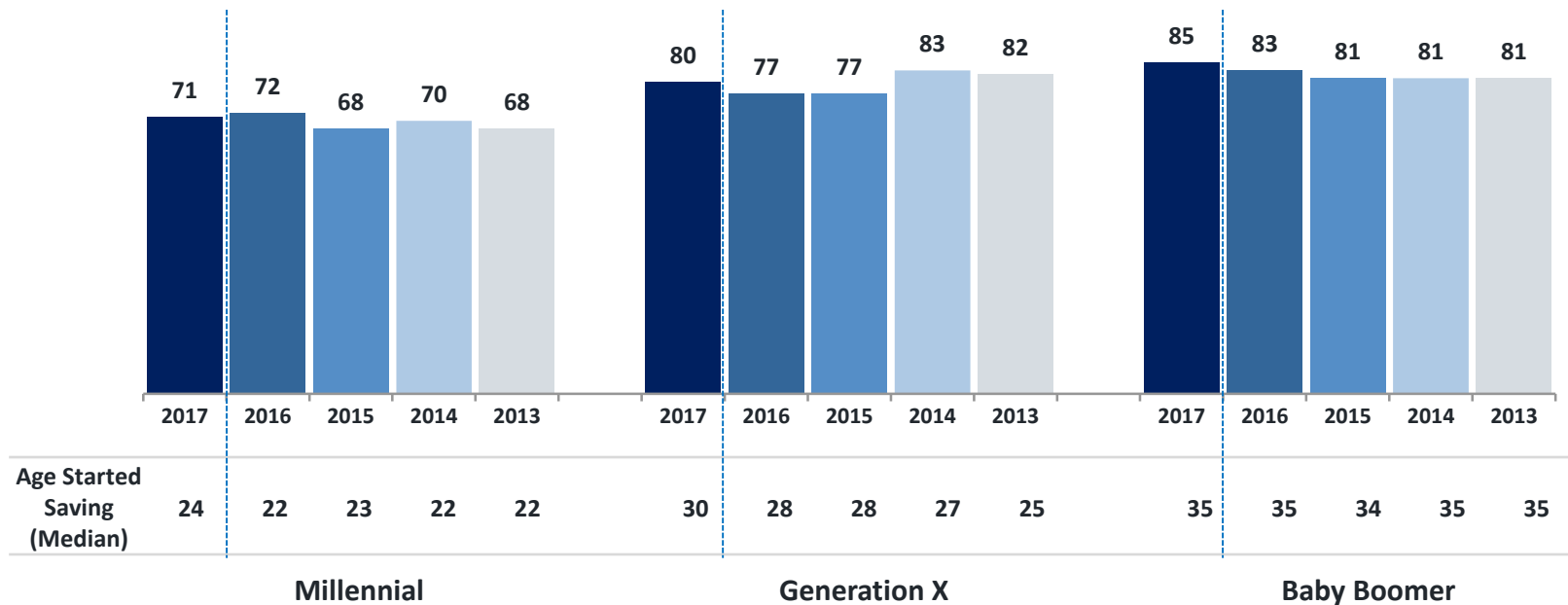
BASE: ALL QUALIFIED RESPONDENTS

Q2825. How much do you have in emergency savings specifically to cover the cost of unexpected major financial setbacks (e.g., unemployment, medical bills, home repairs, auto repairs, other)?

Saving for Retirement / Age Started Saving

The majority of workers across all three generations are saving for retirement through an employer-sponsored plan and/or outside of work. Baby Boomers (85 percent) are most likely to be saving, followed by Generation X (80 percent) and Millennials (71 percent). In terms of the median age that they started saving, Millennials started at a younger age (age 24) compared to Generation X (age 30) and Baby Boomers (age 35).

Workers Who Are Saving For Retirement Through an Employer-Sponsored Retirement Plan And/Or Outside of Work (%)



† Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

BASE: THOSE CURRENTLY OFFERED QUALIFIED PLAN

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

BASE: ALL QUALIFIED RESPONDENTS

Q740. Are you currently saving for retirement outside of work, such as in an IRA, mutual funds, bank account, etc.?

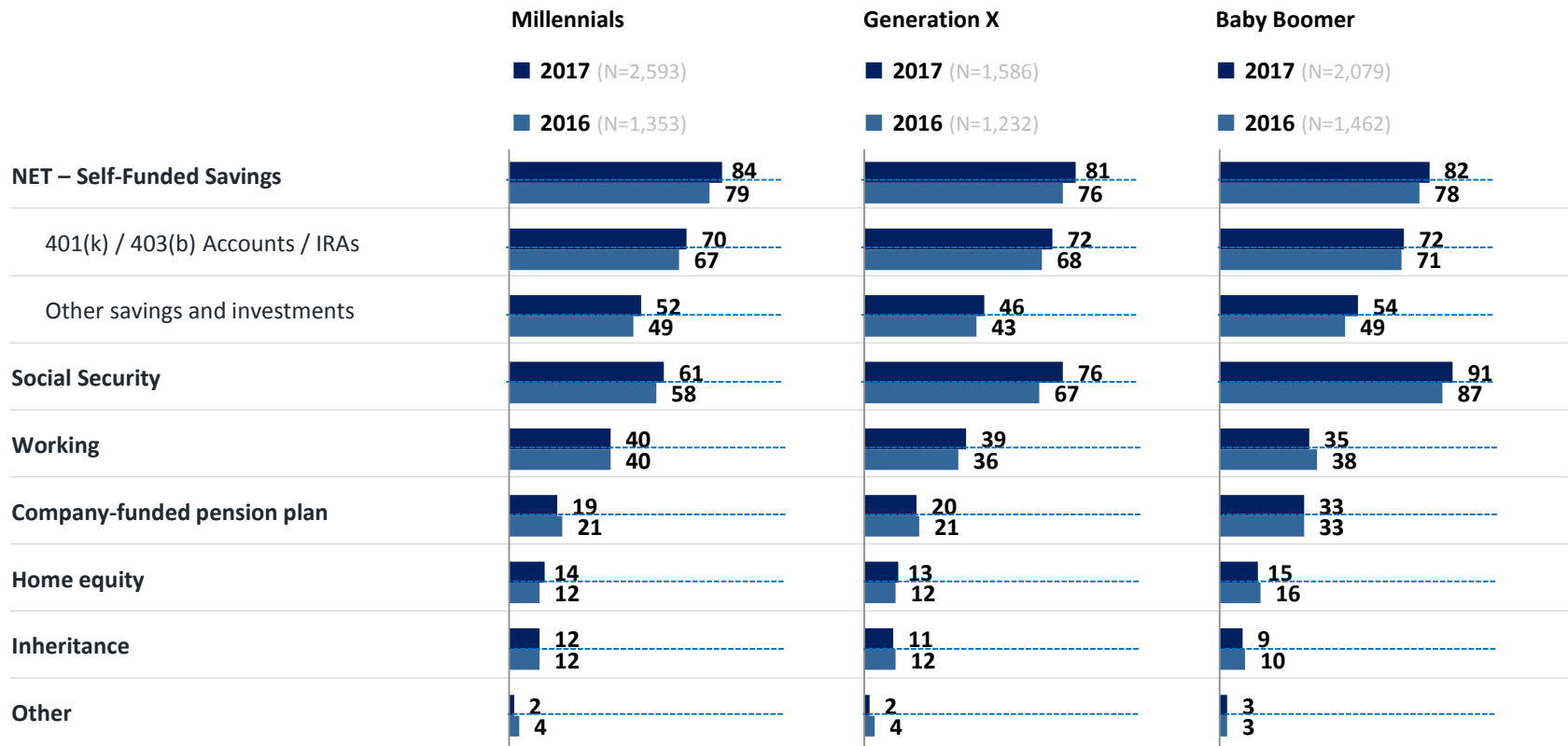
BASE: INVESTING FOR RETIREMENT

Q790. At what age did you first start saving for retirement?

Expected Sources of Retirement Income

Self-funded savings including retirement accounts (e.g., 401(k)s, 403(b)s, IRAs) and other savings and investments are the most frequently cited source of retirement income expected by Millennials (84 percent) and Generation X (81 percent), while Baby Boomers are most likely to expect income from Social Security (91 percent).

Expected Sources of Income During Retirement (%)



Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

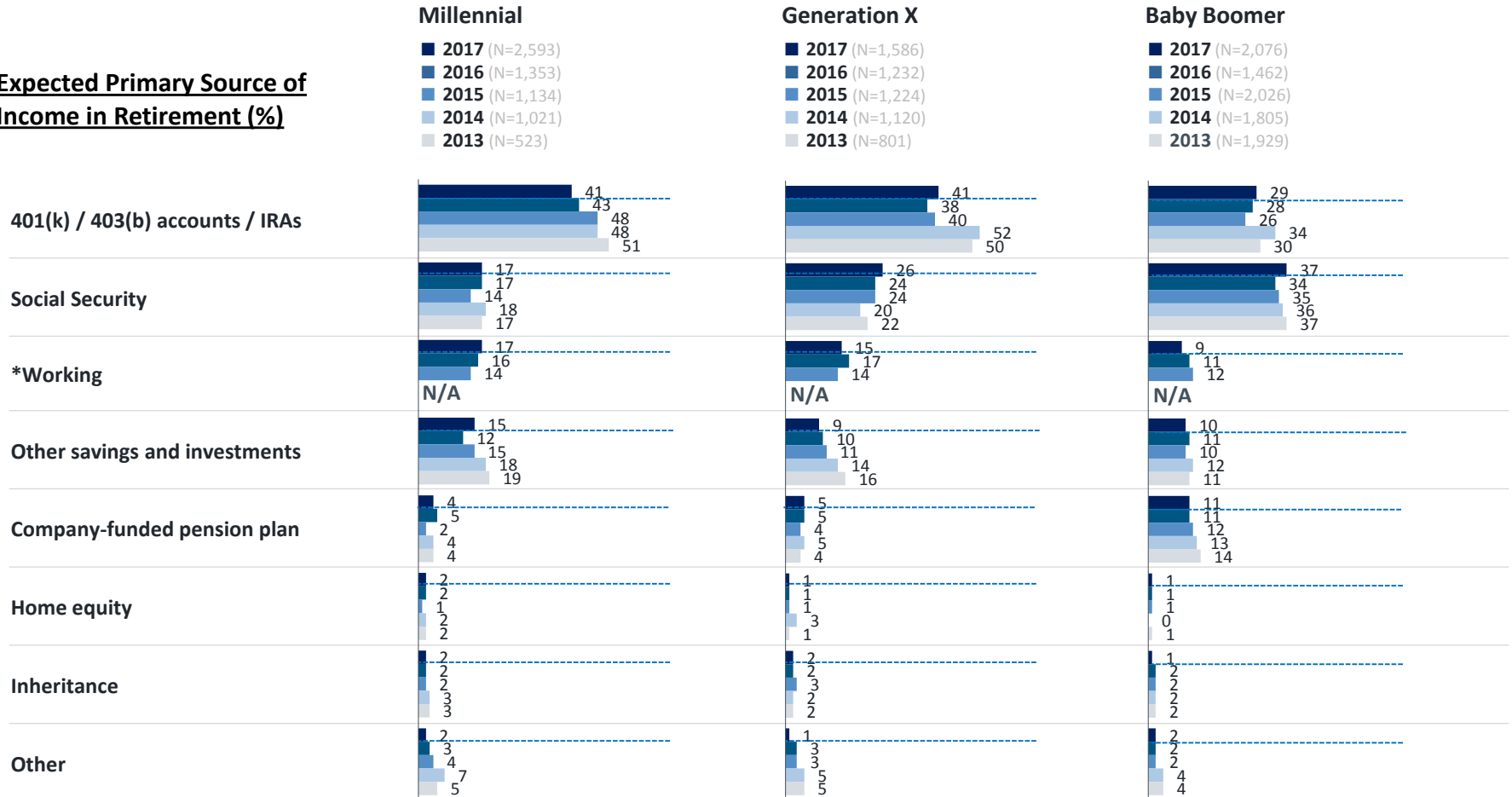
BASE: ALL QUALIFIED RESPONDENTS

Q1145. Which one of the following do you expect to be sources of income to cover your living expenses after you retire? Select all.

Expected Primary Source of Income in Retirement

Millennial (41 percent) and Generation X (41 percent) workers most frequently cite 401(k)s, 403(b)s, or IRAs to be their expected *primary* source of retirement income, while Baby Boomers (37 percent) are more likely to expect to rely on Social Security during retirement. Approximately one in seven Millennials (17 percent) and Generation X (15 percent) expect “working” to be their primary source of retirement income.

Expected Primary Source of Income in Retirement (%)



† Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

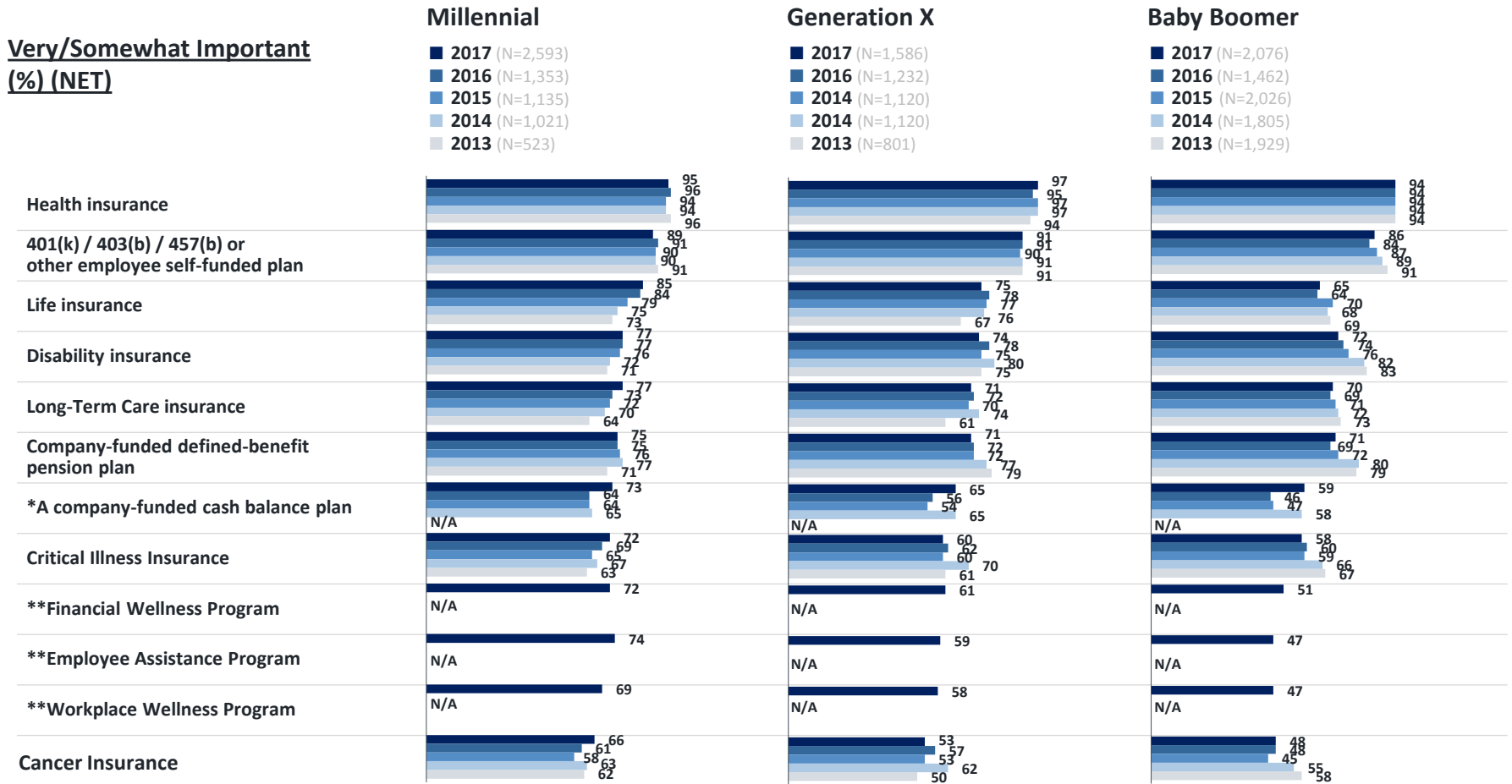
*added in 2015

BASE: ALL QUALIFIED RESPONDENTS

Q1150. Which one of the following do you expect to be your primary source of income to cover your living expenses after you retire?

Importance of Retirement Benefits Compared to Other Benefits

The vast majority of workers — including 89 percent of Millennials, 91 percent of Generation X, and 85 percent of Baby Boomers — believe that a 401(k) or similar plan is a “somewhat” or “very” important employee benefit. This trend has remained consistent over time.



† Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

*added in 2014; **added in 2017

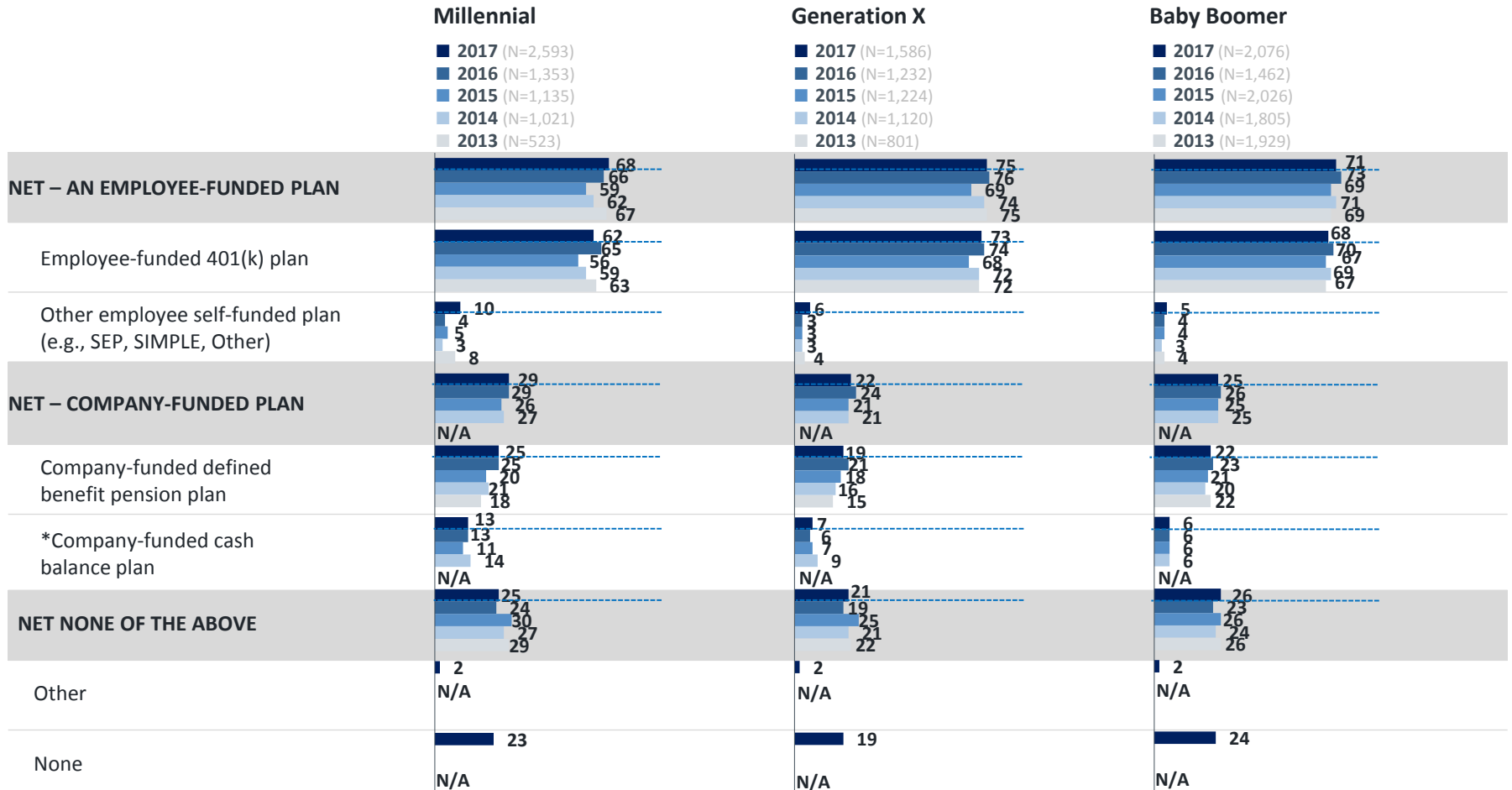
BASE: ALL QUALIFIED RESPONDENTS

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

Most workers are offered a 401(k) or similar plan by their employers. Generation X (75 percent) are more likely to be offered such benefits compared to Millennials (68 percent) and Baby Boomers (71 percent). Few workers are offered a company-funded defined benefit plan.

Employer-Sponsored Retirement Benefits Currently Offered (%)



† Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

*added in 2014

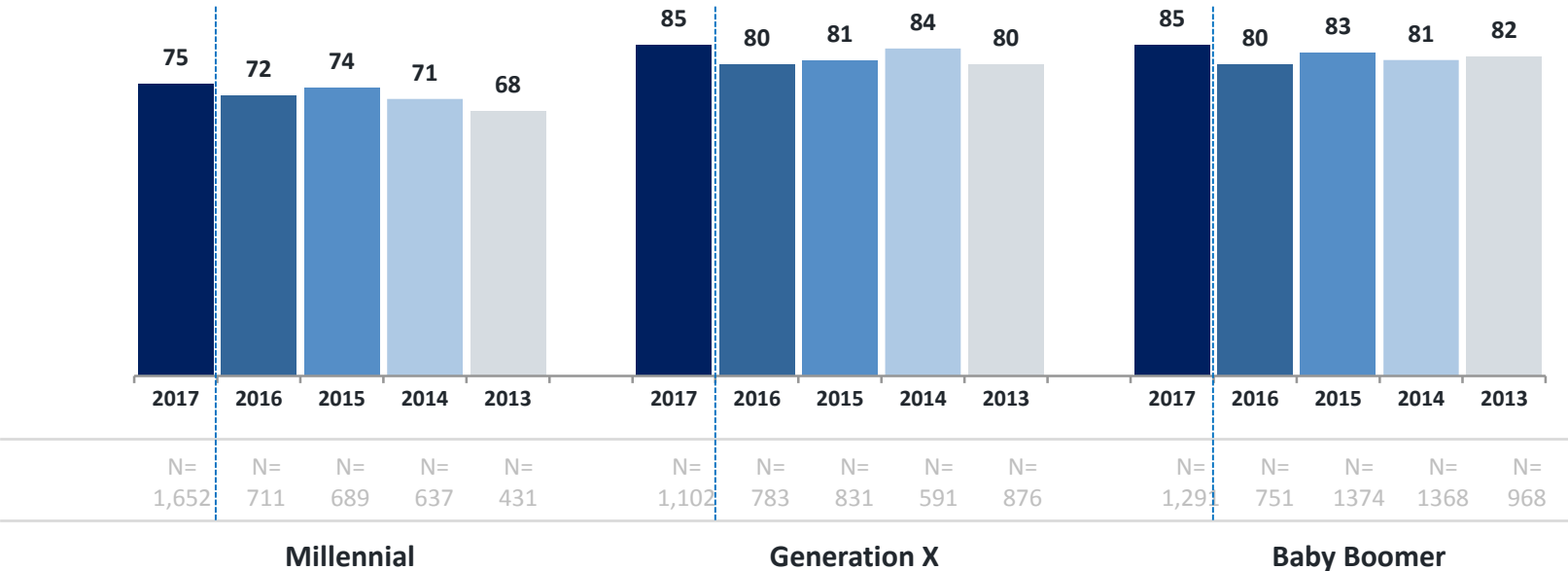
BASE: ALL QUALIFIED RESPONDENTS

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

Retirement Plan Participation

Among workers who are offered a 401(k) or similar plan, Generation X and Baby Boomer workers (both 85 percent) are more likely than Millennial workers (75 percent) to participate in their employer’s plan.

**Participation in Company’s Employee-funded Retirement Savings Plan,
% Indicate “Yes”**



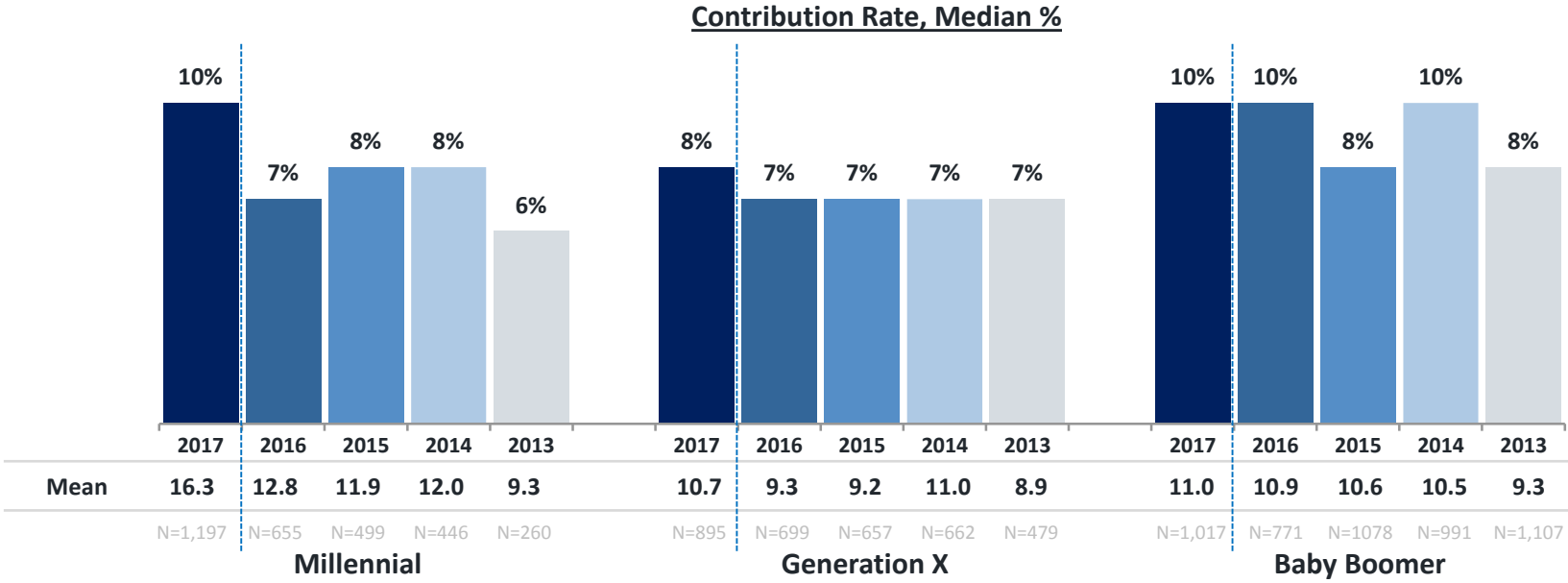
Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

BASE: THOSE CURRENTLY OFFERED QUALIFIED PLAN

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

Retirement Plan Contribution Rate

Among workers who participate in a 401(k) or similar plan, Millennials contribute 10 percent (median) of their annual pay, up from 7 percent (median) last year. Baby boomer workers also contribute 10 percent (median) while Generation X workers contribute 8 percent (median).



Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

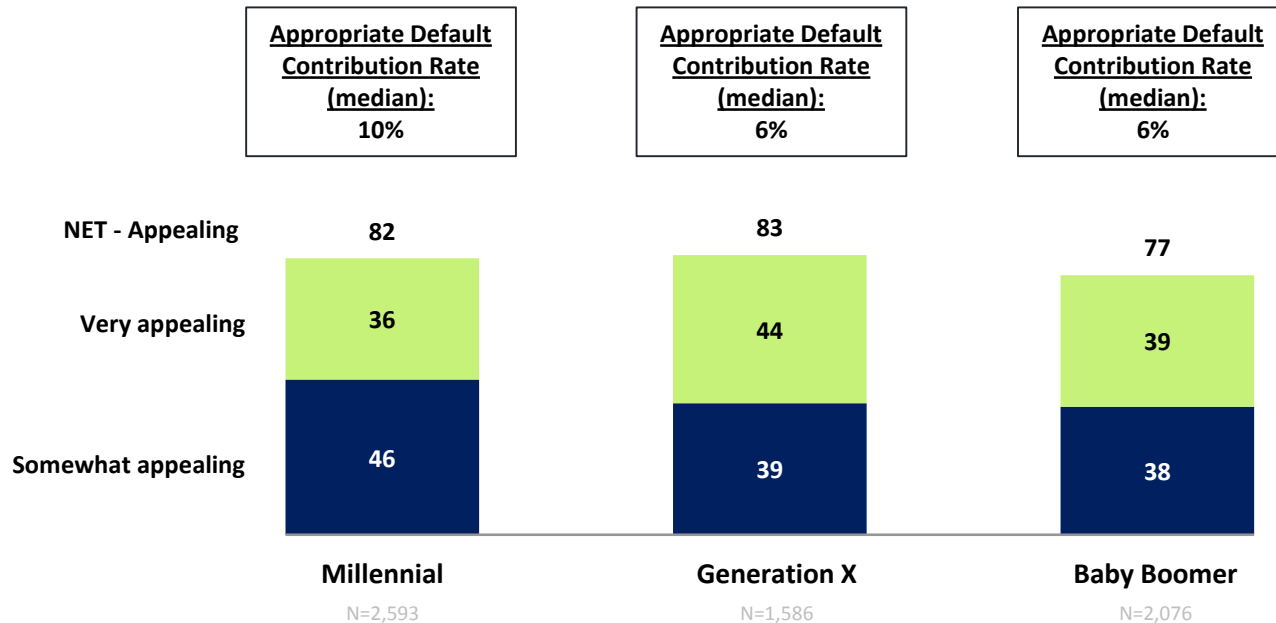
BASE: CURRENTLY PARTICIPATES IN QUALIFIED PLAN

Q601. What percentage of your salary are you saving for retirement through your company-sponsored plan this year?

Appeal of Automatic Enrollment

Automatic enrollment is a retirement plan feature that eliminates the decision-making and action steps normally required of employees to enroll and to start contributing to the plan. It simply automatically enrolls employees into a plan and they only need to take action if they desire to opt out and not contribute to the plan. The majorities of workers across generations find automatic enrollment appealing, including Millennials (82 percent) and Generation X (83 percent) and Baby Boomers (77 percent). Millennial workers suggest the highest median appropriate default contribution rate (10 percent) compared to Generation X (6 percent) and Baby Boomers (6 percent).

Appeal of Automatic Enrollment (%)



New question added in 2017

BASE: ALL QUALIFIED RESPONDENTS

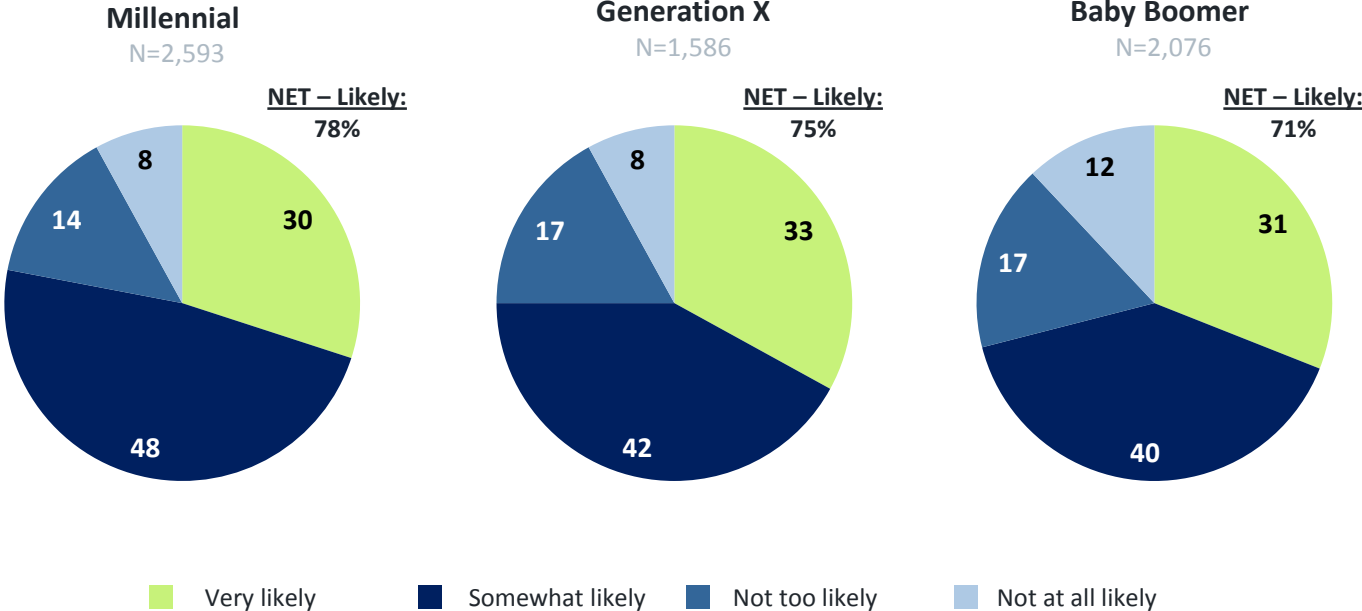
Q635. Imagine that your current employer automatically enrolled you into a 401(k), 403(b) or similar retirement plan, deducting a percentage of each paycheck, and investing it for your future retirement. How appealing would this seem to you?

Q636. Imagine that your current employer automatically enrolled you into a 401(k), 403(b) or similar retirement plan, what would you consider to be an appropriate percentage to deduct from your paycheck to be invested for your future retirement?

Likelihood of Using Automatic Escalation

Likelihood to use a feature that automatically increases their contribution by 1% each year is high across the generations. However, significantly more Millennial (78 percent) and Generation X (75 percent) workers than Baby Boomers (71 percent) indicate they would be likely to use the feature.

Likelihood of Using a Feature That Automatically Increases Contribution by 1% Each Year, Until You Choose to Discontinue (%)



New question added in 2017

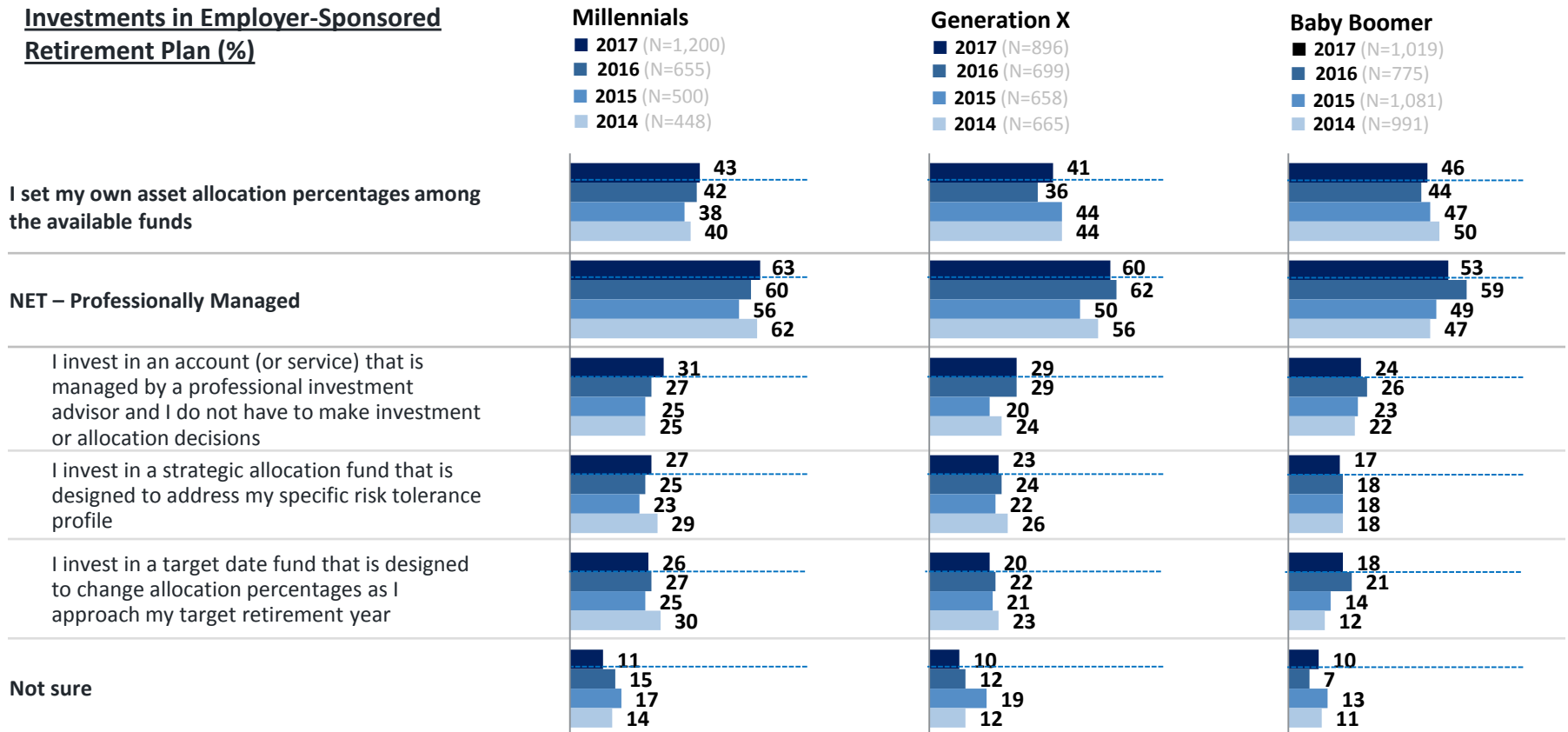
BASE: ALL QUALIFIED RESPONDENTS

Q702. How likely would you be to use a feature in a 401(k) or similar plan where your employer would automatically increase your contribution rate (as a percentage of your salary) to the plan by 1% each year, until you choose to discontinue this increase?

Use of Professionally Managed Offerings

“Professionally managed” accounts refers to a managed account service, strategic allocation funds, and/or target date funds. The majority of plan participants across generations use some form of professionally managed offering in their 401(k) or similar plans: 63 percent of Millennials, 60 percent of Generation X, and 53 percent of Baby Boomers.

Investments in Employer-Sponsored Retirement Plan (%)



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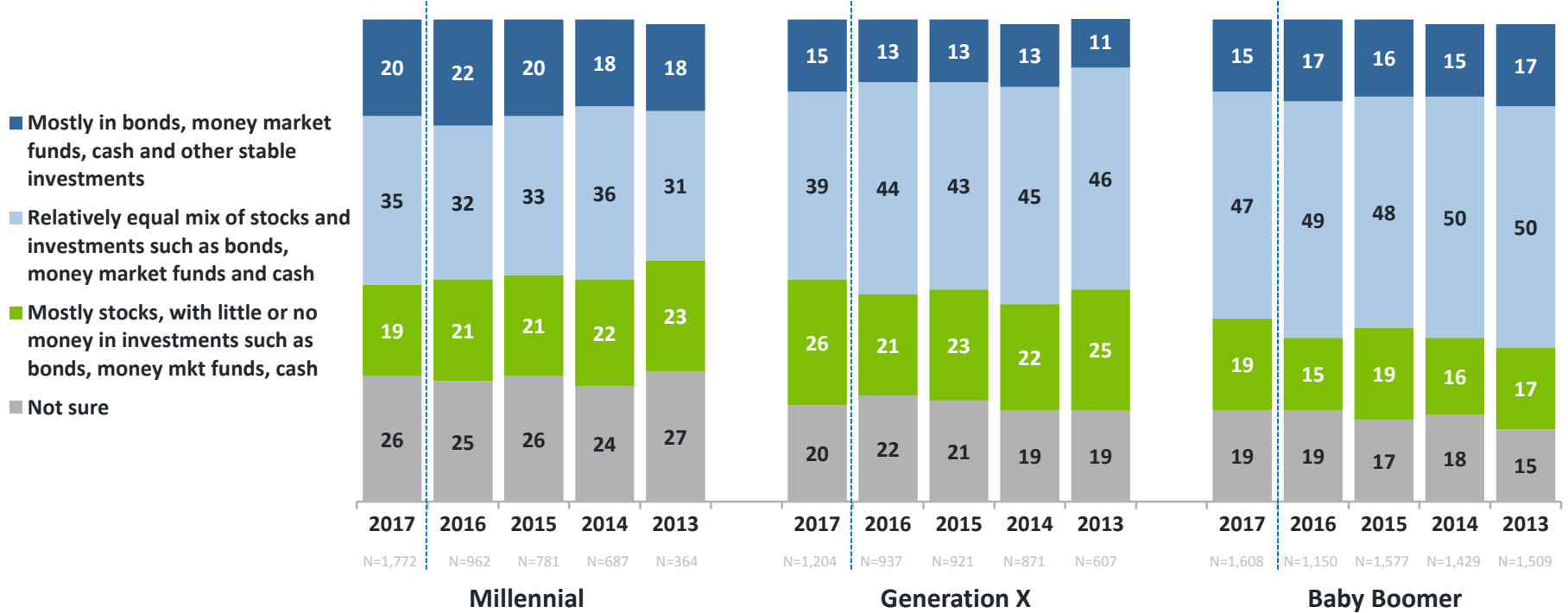
BASE: PARTICIPATING IN QUALIFIED PLAN

Q1466. What is your current approach to investing in your employer-sponsored retirement plan? Select all.

Asset Allocation of Retirement Investments

Workers across generations most frequently cite that their retirement savings are invested in a relatively equal mix of stocks and investments such as bonds, money market funds and cash; however, more Baby Boomers (47 percent) invest this way compared to Generation X (39 percent) and Millennials (35 percent). A concerning 26 percent of Millennials are “not sure” how their savings are invested.

How Retirement Savings Are Invested (%)



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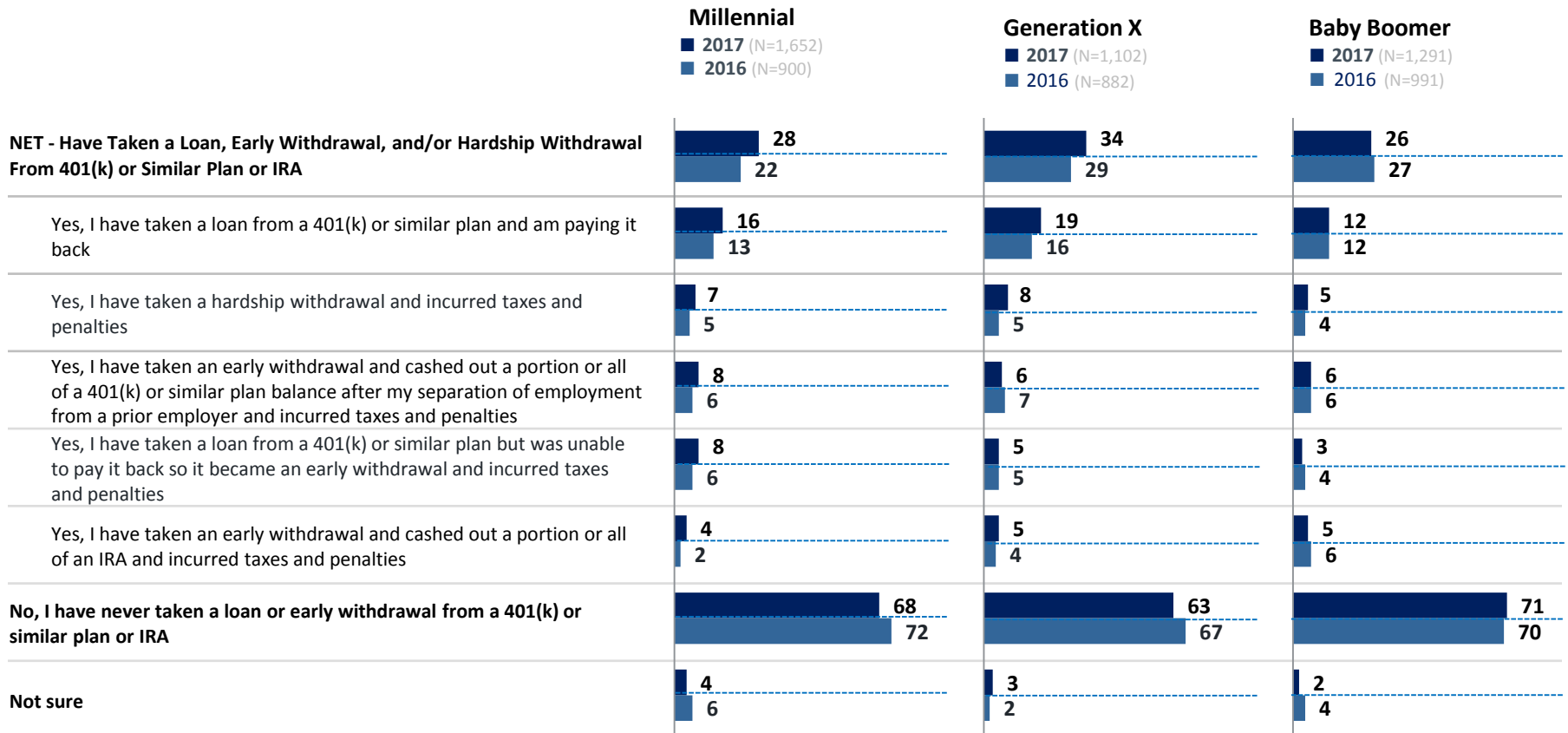
BASE: INVESTING FOR RETIREMENT

Q770. How is your retirement savings invested?

Retirement Plan Leakage: Loans and Withdrawals

A concerning percentage of workers are dipping into their retirement savings before they retire. “Leakage” from retirement plans in the form of loans and withdrawals can severely inhibit the growth of participants’ long-term retirement savings. Generation X (30 percent) and Baby Boomers (28 percent) workers are more likely to have taken some form of loan, early withdrawal, and/or hardship withdrawal from a 401(k), compared to Millennials (22 percent).

Have you ever taken any form of loan or early withdrawal from a qualified retirement account such as a 401(k) or similar plan or IRA? (%)



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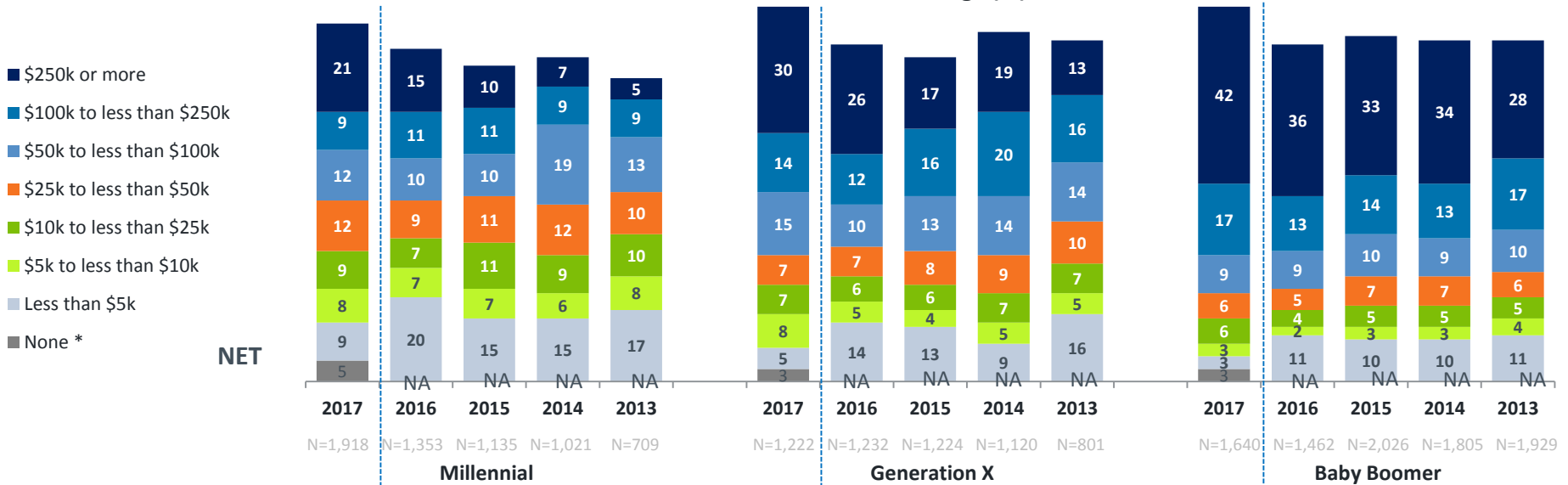
BASE: All Qualified Respondents

Q754. Have you ever taken any form of loan or early withdrawal from a qualified retirement account such as a 401(k) or similar plan or IRA? Select all.

Total Household Retirement Savings

Baby Boomer workers have the highest reported total household retirement savings at \$164,000 (estimated median) compared to Generation X (\$72,000) and Millennials (\$37,000). Baby Boomer workers (42 percent) are most likely to have saved \$250k or more compared to Generation X (30 percent) and Millennials (21 percent). A worrying 14 percent of Millennials have less than \$5k in retirement savings.

Total Household Retirement Savings (%)



Not sure	12	13	17	14	19		8	10	11	8	8		7	8	7	7	6
Decline to answer	3	8	8	9	9		3	10	12	9	11		7	12	11	12	13
Estimated Median	\$37,000	\$31,000	\$25,000	\$32,000	\$19,000		\$72,000	\$69,000	\$61,000	\$70,000	\$45,000		\$164,000	\$147,000	\$132,000	\$127,000	\$103,000

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

! Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

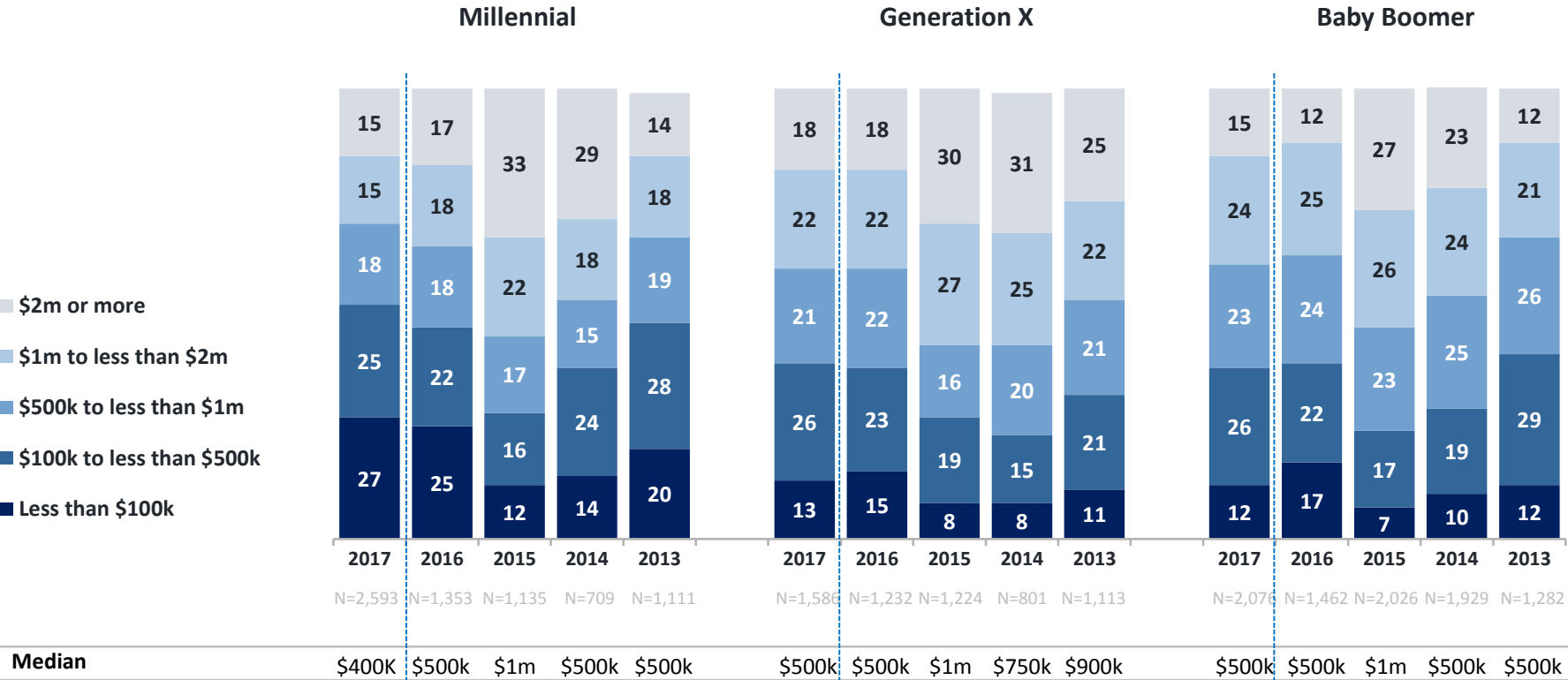
*added in 2017

BASE: ALL QUALIFIED RESPONDENTS

Q1300. Approximately how much money does your household have saved in all of your retirement accounts? Please include IRAs, 401(k)s, 403(b)s, and any other savings for retirement to which you and/or your spouse or partner have contributed funds.

Estimated Retirement Savings Needs

Millennial workers believe that they will need to have saved \$400,000 (median) in order to feel financially secure when they retire while Generation X and Baby Boomers feel they will need to have \$500,000 (median).

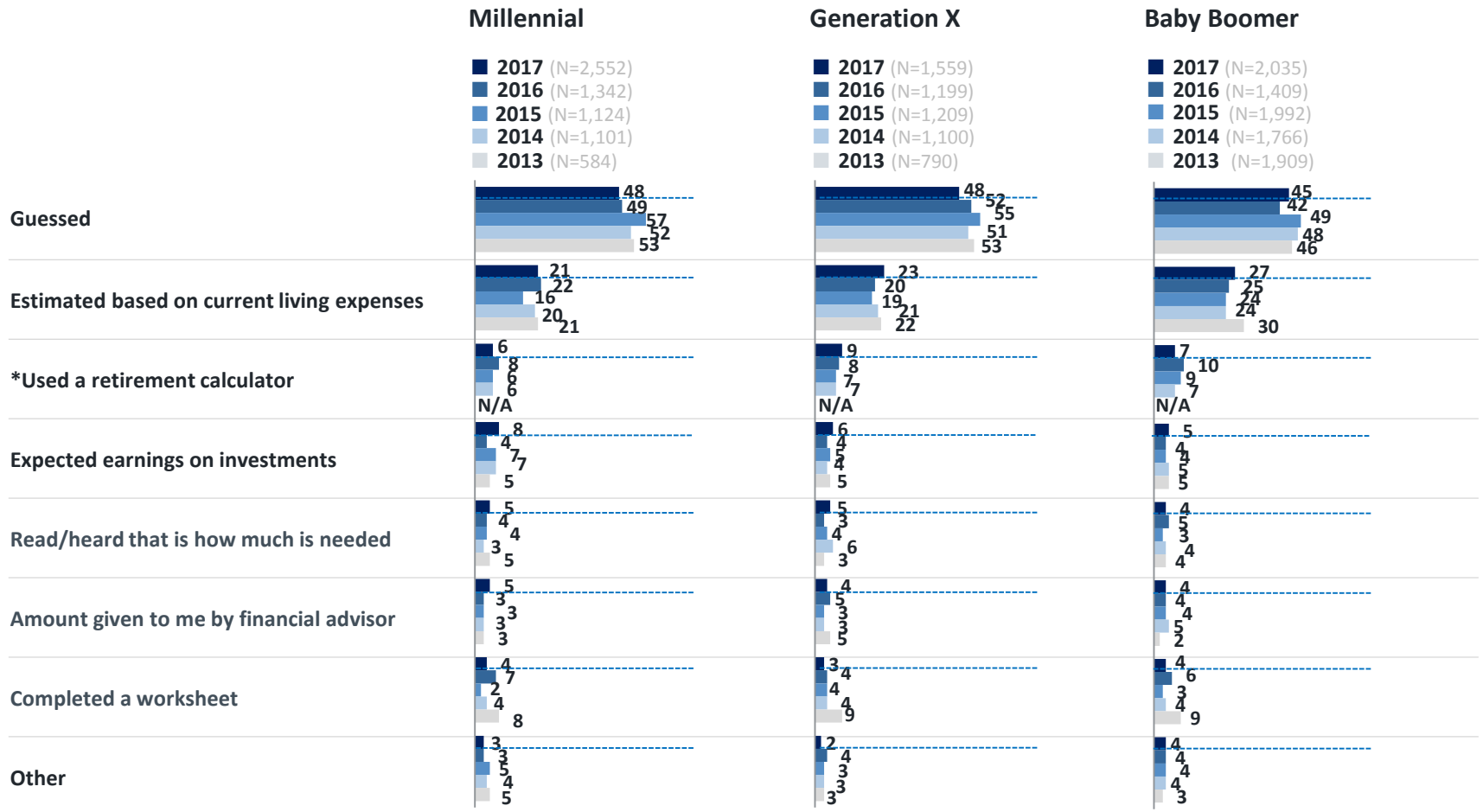


Note: The median is estimated based on the approximate midpoint of the range of each response category.

Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.
 BASE: ALL QUALIFIED RESPONDENTS
 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 for Estimating Retirement Savings Needs

Many workers are “guessing” their retirement savings needs, including 48 percent of Millennials, 48 percent of Generation X, and 45 percent of Baby Boomers. Fewer than one in ten say they used a retirement calculator to estimate their needs.



Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

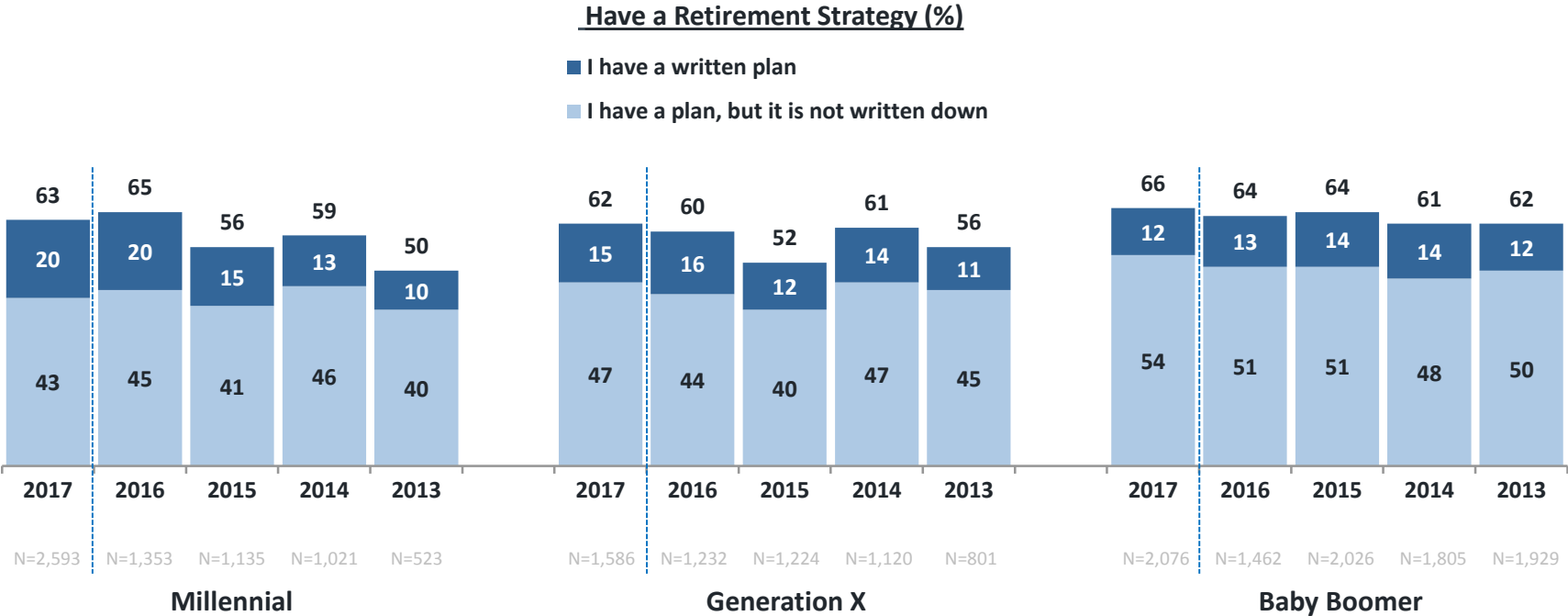
*added in 2014

BASE: PROVIDED ESTIMATE OF MONEY NEEDED FOR RETIREMENT

Q900. How did you arrive at that number?

Retirement Strategy: Written, Unwritten, or None

Achieving retirement readiness is more than just saving enough; it involves planning for both the expected and, moreover, the unexpected. One of the most important secrets to attaining retirement readiness is having a well-defined written strategy about retirement income needs, costs and expenses, and risk factors. The majority of workers across all generations has a retirement strategy including 66 percent of Baby Boomers, 62 percent of Generation X and 63 percent of Millennials. However, across all generations, workers' retirement strategies are seldom written.



Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

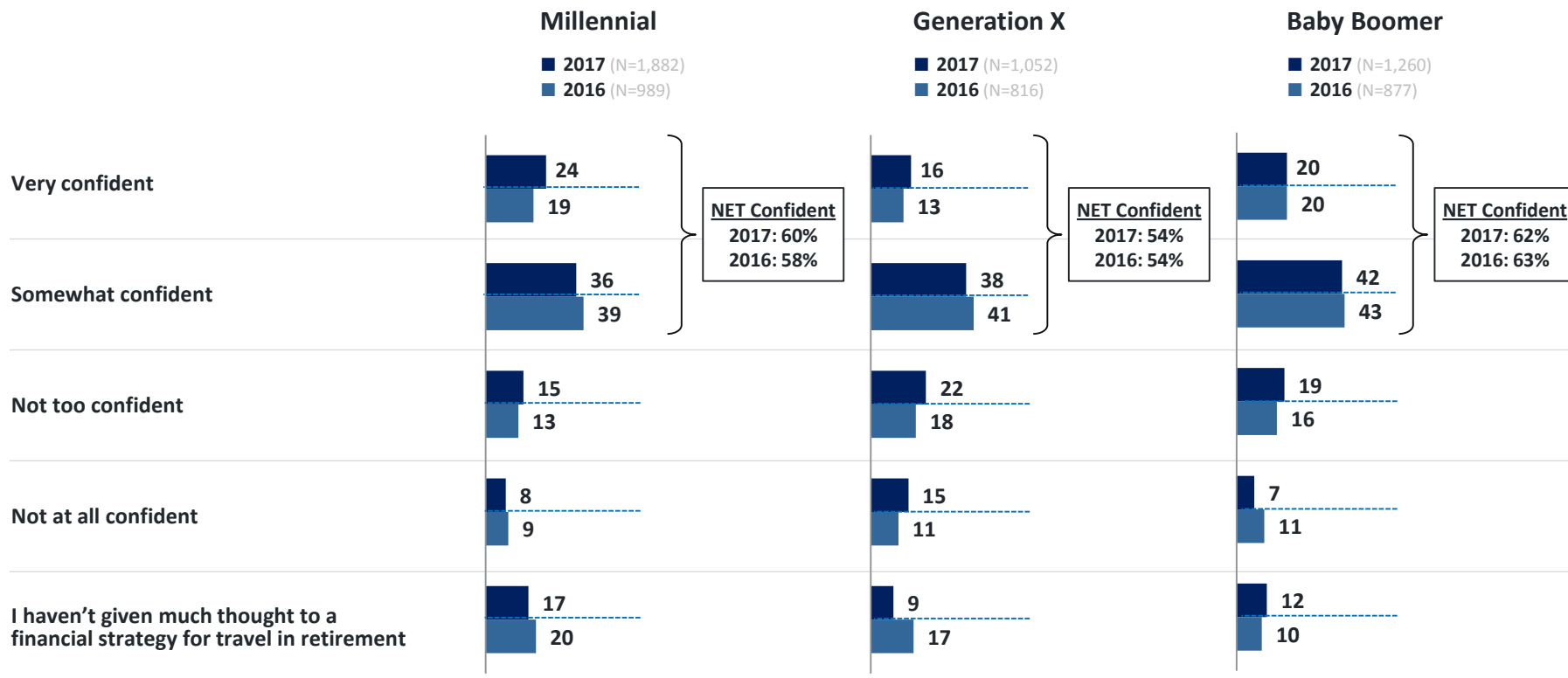
BASE: ALL QUALIFIED RESPONDENTS

Q1155. Which of the following best describes your retirement strategy?

Confidence that Financial Strategy Will Enable Travel Goals

Among workers who dream of traveling in retirement, most are confident their current financial strategy will allow them to meet their travel goals, including 60 percent of Millennials, 54 percent of Generation X, and 62 percent of Baby Boomer workers. However, relatively few across generations are “very” confident (24 percent Millennials, 16 percent Generation X, 20 percent Baby Boomers). Interestingly, some workers say that they haven’t given it much thought: 17 percent Millennials, 9 percent Generation X, 12 percent Baby Boomers.

Confidence That Current Financial Strategy Will Meet Retirement Travel Goals (%)



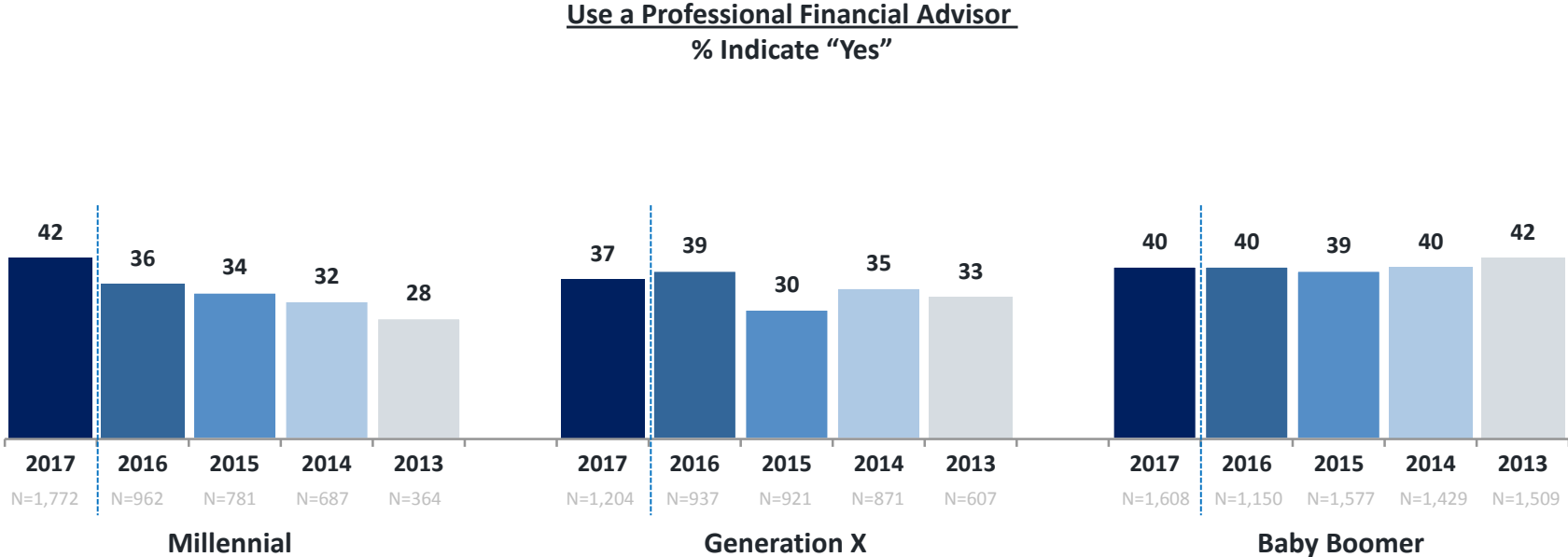
† Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

BASE: THOSE WHO DREAM OF TRAVELING IN RETIREMENT

Q2845. How confident are you that your current financial strategy will allow you to meet your travel goals throughout retirement?

Professional Financial Advisor Usage

Millennials (42 percent), and Baby Boomers (40 percent) are somewhat more likely than Generation X (37 percent) workers to use a financial advisor to help manage retirement savings and investments. Since last year, more Millennial workers use financial advisors.



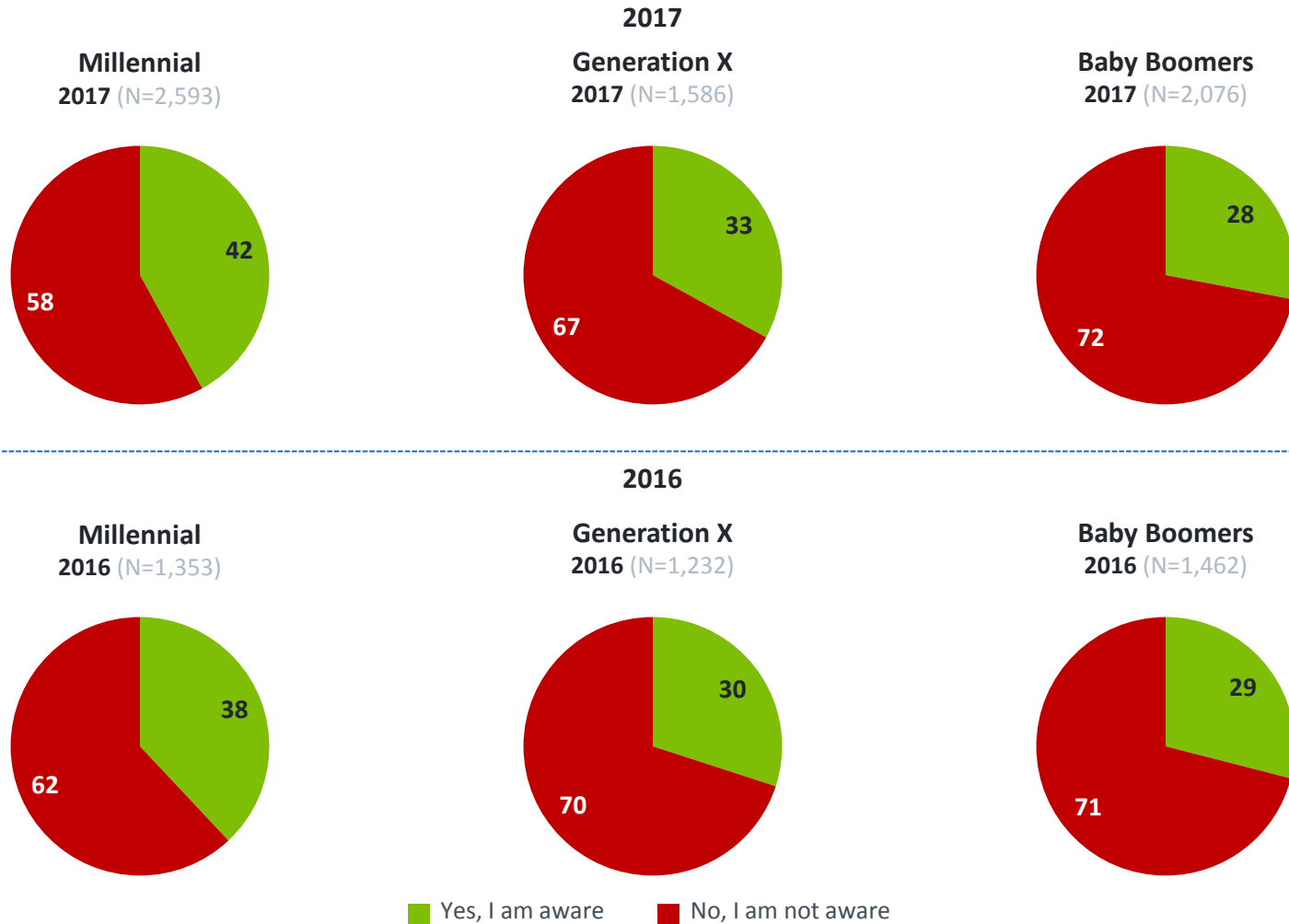
Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

BASE: INVESTING FOR RETIREMENT

Q860. Do you use a professional financial advisor to help manage your retirement savings or investments?

Awareness of the Saver's Credit

The IRS Saver's Credit is a tax credit available to eligible taxpayers who are saving for retirement in a qualified retirement plan or IRA. Level of awareness about the credit is highest among Millennials (42 percent), followed by Generation X (33 percent) and Baby Boomers (28 percent).



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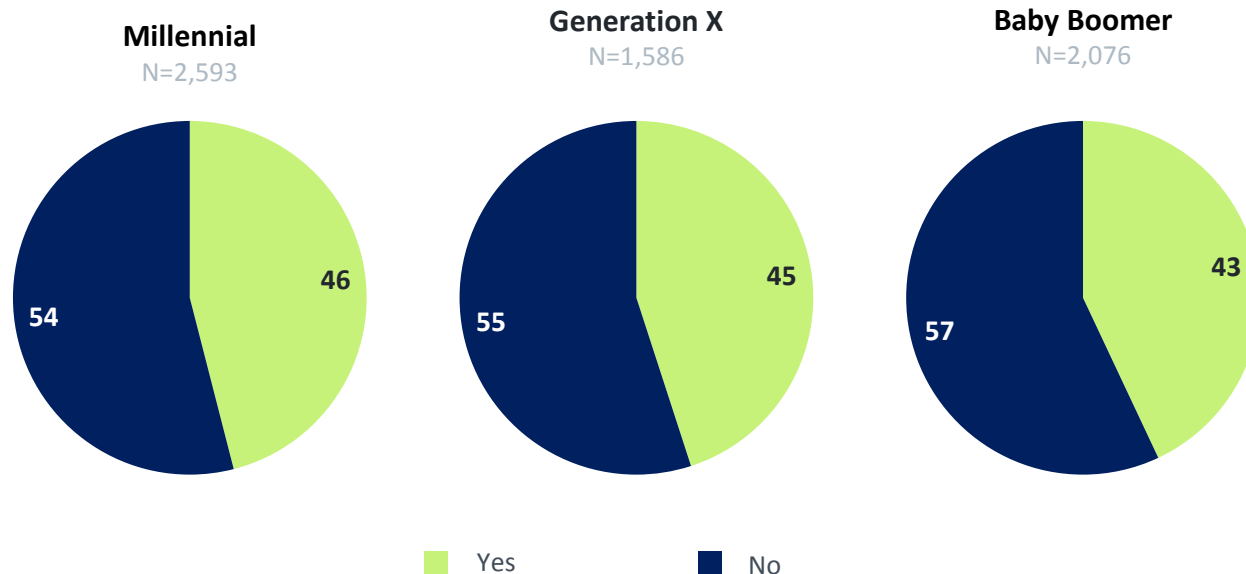
BASE: ALL QUALIFIED RESPONDENTS

Q1120. Are you aware of a tax credit called the "Saver's Credit," which is available to individuals and households, who meet certain income requirements, for making contributions to an IRA or a company-sponsored retirement plan such as a 401(k) plan or 403(b) plan?

Awareness of the IRS' Free File Program

Fewer than half of workers across generations are aware of the IRS' Free File program which offers federal income tax preparation software for free for eligible tax filers. Awareness of the program decreases slightly by generation, with 46 percent of Millennials, 45 percent of Generation X and 43 percent of Baby Boomers being aware of this IRS program.

Awareness of the IRS' Free File Program (%)



New question added in 2017

BASE: ALL QUALIFIED RESPONDENTS

Q2821. Are you aware of the IRS' Free File program that offers federal income tax preparation software for free for eligible tax filers?

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