



16th Annual Transamerica Retirement Survey

Influences of Gender on Retirement Readiness

TRANSAMERICA CENTER
FOR RETIREMENT STUDIES®

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Welcome to the 16th Annual Transamerica Retirement Survey

Welcome to this compendium of insights and findings from the *16th 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:

- ***The American Worker – An Overview.*** This chapter contains a comprehensive set of 50 key measures of retirement preparedness and 5-year trend analysis looking at overall survey findings among workers of for-profit companies of 10 or more employees.
- ***Influences of Demographics on Retirement Readiness.*** These chapters are demographic segmentation analyses by employer size, generation, gender, household income, and level of education. Each chapter presents a concise set of 20 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 the Transamerica Center for Retirement Studies®

- The 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 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 16th Annual Retirement Survey for Transamerica Center for Retirement Studies. Transamerica Center for Retirement Studies is not affiliated with Nielsen.
- Over the last five decades, Harris Polls have become media staples. With comprehensive experience and precise technique in public opinion polling, along with a proven track record of uncovering consumers' motivations and behaviors, The Harris Poll has gained strong brand recognition around the world. For more information contact:
ConsumerInsightsNAInfo@nielsen.com.

Worker Survey Methodology

- A 25-minute, online survey was conducted between February 18 – March 17, 2015 among a nationally representative sample of 4,550 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 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 Gender on Retirement Readiness

Detailed Findings

Influences of Gender on Retirement Readiness

Women are at a greater risk than men of not achieving a financially secure retirement, in part due to lower income, lesser access to retirement benefits, and time out of the workforce to be a parent or caregiver. However, men also face retirement risks. Efforts to help improve women's retirement outlook, such as increasing access to retirement benefits and flexible work arrangements, should benefit men as well.

Twenty Indicators of Retirement Readiness

- **Confidence in Retiring Comfortably.** Retirement confidence is higher among men (64 percent) compared to women (54 percent). Relatively few men (16 percent) and women (12 percent) are “very” confident.
- **Building a Large Enough Nest Egg?** Men (55 percent) are more likely than women (42 percent) to agree that they are building a large enough retirement nest egg.
- **Retirement Beliefs.** Both men (77 percent) and women (83 percent) agree that their generation will have a much harder time in achieving financial security compared to their parent's generation. Women (81 percent) are more likely than men (71 percent) to be concerned that Social Security will not be there for them when they are ready to retire. With regards to their retirement-related preparations, women consistently tend to lag behind men – with one exception, 61 percent of both women and men would like to receive more information and advice from their employer on how to reach their retirement goals.
- **Greatest Financial Priority Right Now.** Men (31 percent) most frequently say that their greatest financial priority is “saving for retirement,” while women (25 percent) most frequently say “just getting by – covering basic living expenses.” Twenty percent of men and women say that “paying off debt” (i.e., credit card) is their top priority.
- **Expected Primary Source of Income in Retirement.** Both men (39 percent) and women (35 percent) most frequently cite a 401(k), 403(b) or IRAs to be their expected primary source of retirement income when they retire. Women (29 percent) are more likely than men (24 percent) to expect Social Security to be their primary source of income. Fourteen percent of women and 12 percent of men expect to rely on “working.”

Influences of Gender on Retirement Readiness

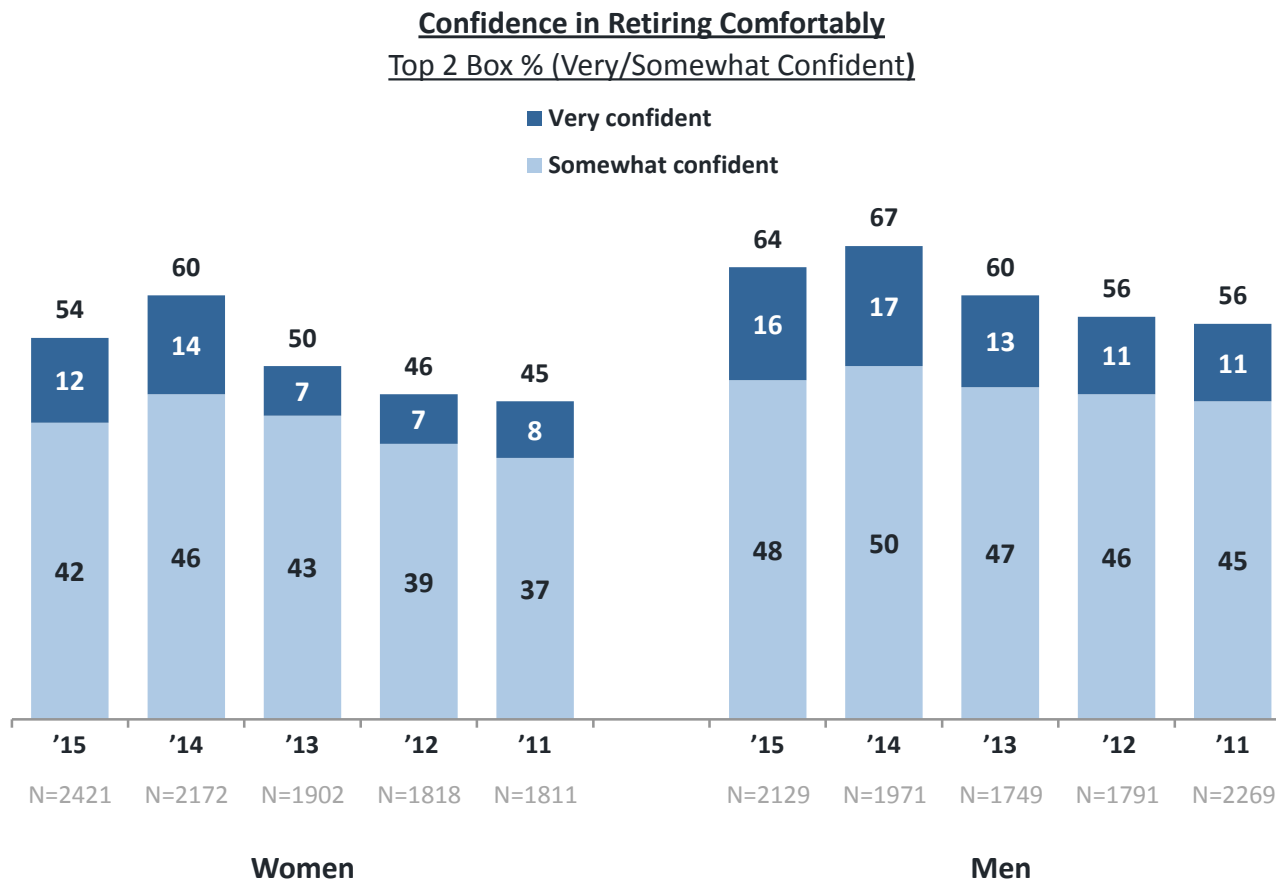
- **Percentage Saving for Retirement.** A large majority of workers are saving for retirement, with men being slightly more likely (79 percent) than women (72 percent) to be saving for retirement through an employer-sponsored plan and/or outside of work.
- **Age They Started to Save.** Among those saving for retirement, men started at a younger age of 27 (median) compared to women who started at age 30 (median).
- **Importance of Retirement Benefits.** The vast majority of men (88 percent) and women (89 percent) believe that a 401(k), 403(b) or similar plan is an important employee benefit.
- **Retirement Benefits Currently Offered.** Most workers are offered a 401(k) or other self-funded plan by their employers; however, access is greater among men (69 percent) compared to women (62 percent). Few workers are offered a traditional company-funded defined benefit plan.
- **Retirement Plan Participation.** Among workers who are offered a 401(k) or similar plan, the participation rate is higher among men (82 percent) compared to women (76 percent).
- **Retirement Plan Contribution Rate.** Among workers who participate in a 401(k) or similar plan, men contribute 8 percent (median) of their annual pay compared to women who contribute 7 percent (median).
- **Estimated Retirement Savings Needs.** Both men and women believe that they will need to have saved \$1 million (median) in order to feel financially secure when they retire. Women (32 percent) are slightly more likely than men (29 percent) to believe they will need to have saved \$2 million or more.
- **Basis for Estimating Retirement Savings Needs.** Many workers are “guessing” their retirement savings needs. Women (62 percent) are more likely than men (46 percent) to say that they “guessed.” Fewer than one in ten women and men say they have used a retirement calculator to estimate their needs.
- **Asset Allocation of Retirement Investments.** Men and women most frequently say that their retirement savings are invested in a relatively equal mix of stocks and investments such as bonds, money market funds and cash; however, the response rate is higher among men (43 percent) than women (39 percent). A concerning 29 percent of women say they are “not sure” how their savings are invested.

Influences of Gender on Retirement Readiness

- **Retirement Strategy: Written, Unwritten, or None.** Men (65 percent) are more likely to have some form of a retirement strategy compared to women (50 percent). However, few men (16 percent) or women (11 percent) actually have a written plan.
- **Professional Advisor Usage.** Men (34 percent) and women (36 percent) are similarly likely to use a professional financial advisor to help them manage their retirement savings or investments.
- **Total Household Retirement Savings.** Men have more than double the household retirement savings than women. Men report having saved an estimated median of \$88,000 compared to just \$41,000 among women. Men (28 percent) are also almost twice as likely as women (15 percent) to say that they have saved \$250,000 or more in total household retirement accounts
- **Expected Retirement Age.** The majority of men (59 percent) and women (56 percent) expect to work past age 65 or do not plan to retire. Nineteen percent of men and 24 percent of women expect to retire at age 65. Approximately one in five men and women plan to retire before age 65.
- **Expectations of Working in Retirement.** Slightly more than half of men (52 percent) and women (51 percent) plan to continue working after they retire, at least on a part-time basis.
- **Retirement Transitions: Phased Versus Immediate.** Many men (41 percent) and women (40 percent) are planning 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 planning to continue working until they can't work any longer. Men (24 percent) are more likely to be planning to immediately stop working when they reach a certain age or savings goal compared to women (19 percent). Nineteen percent of men and 22 percent of women plan to continue working as long as possible in their current or similar position until they cannot work any more.

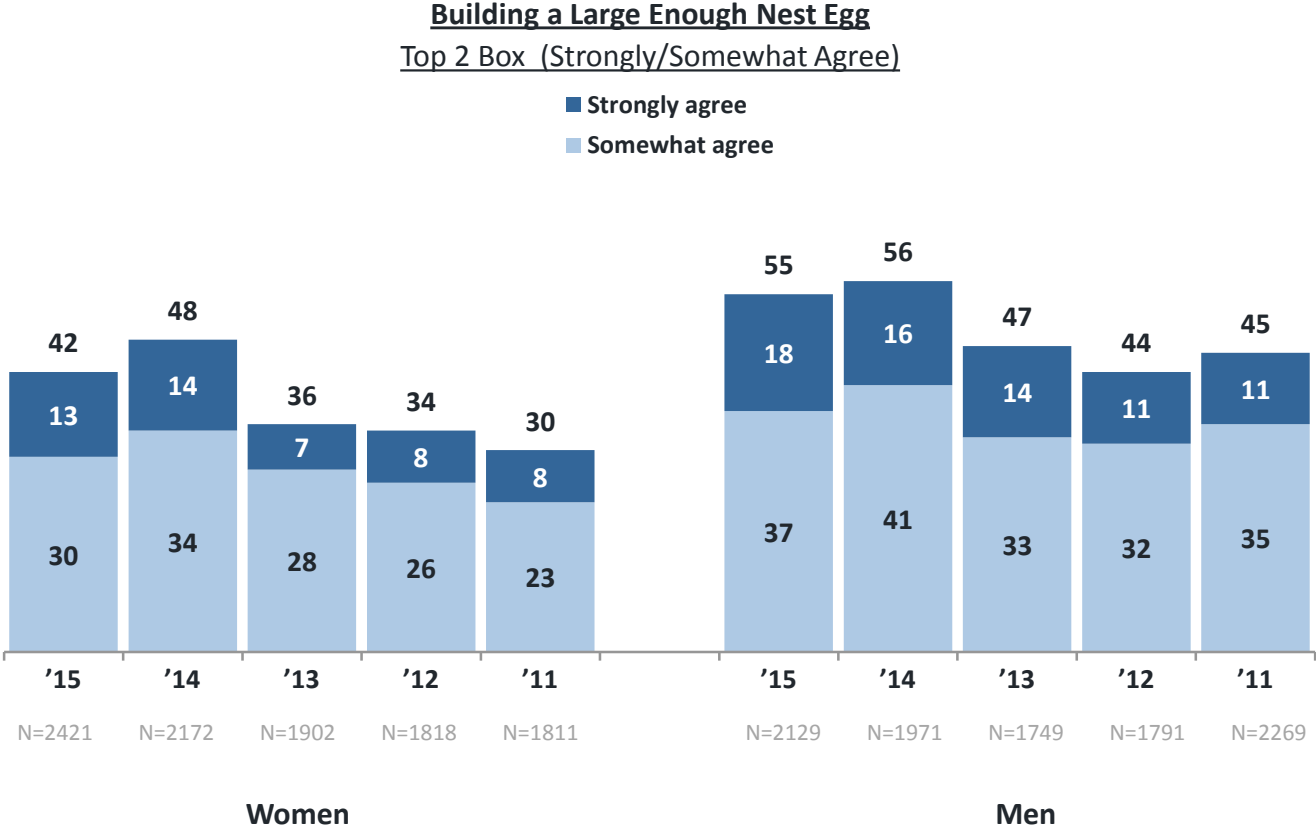
Confidence in Retiring Comfortably

Retirement confidence is higher among men (64 percent) compared to women (54 percent). Relatively few men (16 percent) and women (12 percent) are “very” confident. Among both men and women, levels of retirement confidence rose from 2011 to 2014 and then dropped in the past year.



Building a Large Enough Nest Egg?

Men (55 percent) are more likely than women (42 percent) to either “somewhat” or “strongly” agree that they are building a large enough retirement nest egg. Relatively few men (18 percent) and women (13 percent) say they “strongly” agree. Level of agreement rose between 2011 and 2014 and then dropped in the past year.



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

Retirement Beliefs

Both men (77 percent) and women (83 percent) agree that their generation will have a much harder time in achieving financial security compared to their parent's generation. Women (81 percent) are more likely than men (71 percent) to be concerned that Social Security will not be there for them when they are ready to retire. With regards to their retirement-related preparations, women consistently tend to lag behind men – with one exception, 61 percent of both women and men would like to receive more information and advice from their employer on how to reach their retirement goals.

Top 2 Box
(Strongly/Somewhat Agree)

* 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

Do not know as much as I should about retirement investing

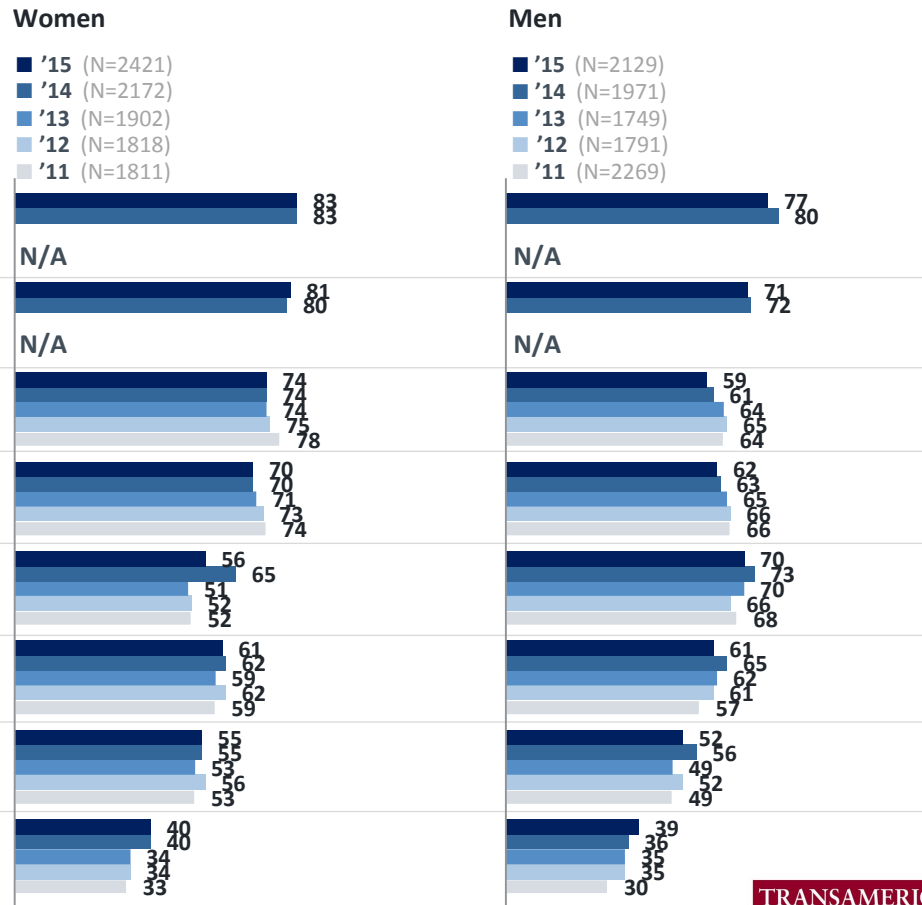
Could work until age 65 and still not have enough money saved

Very involved in monitoring and managing my retirement savings

Like more info and advice from my company on how to reach my goals

Prefer to rely on outside experts to monitor and manage my plan

Prefer not to think about or concern myself with it until closer to retirement



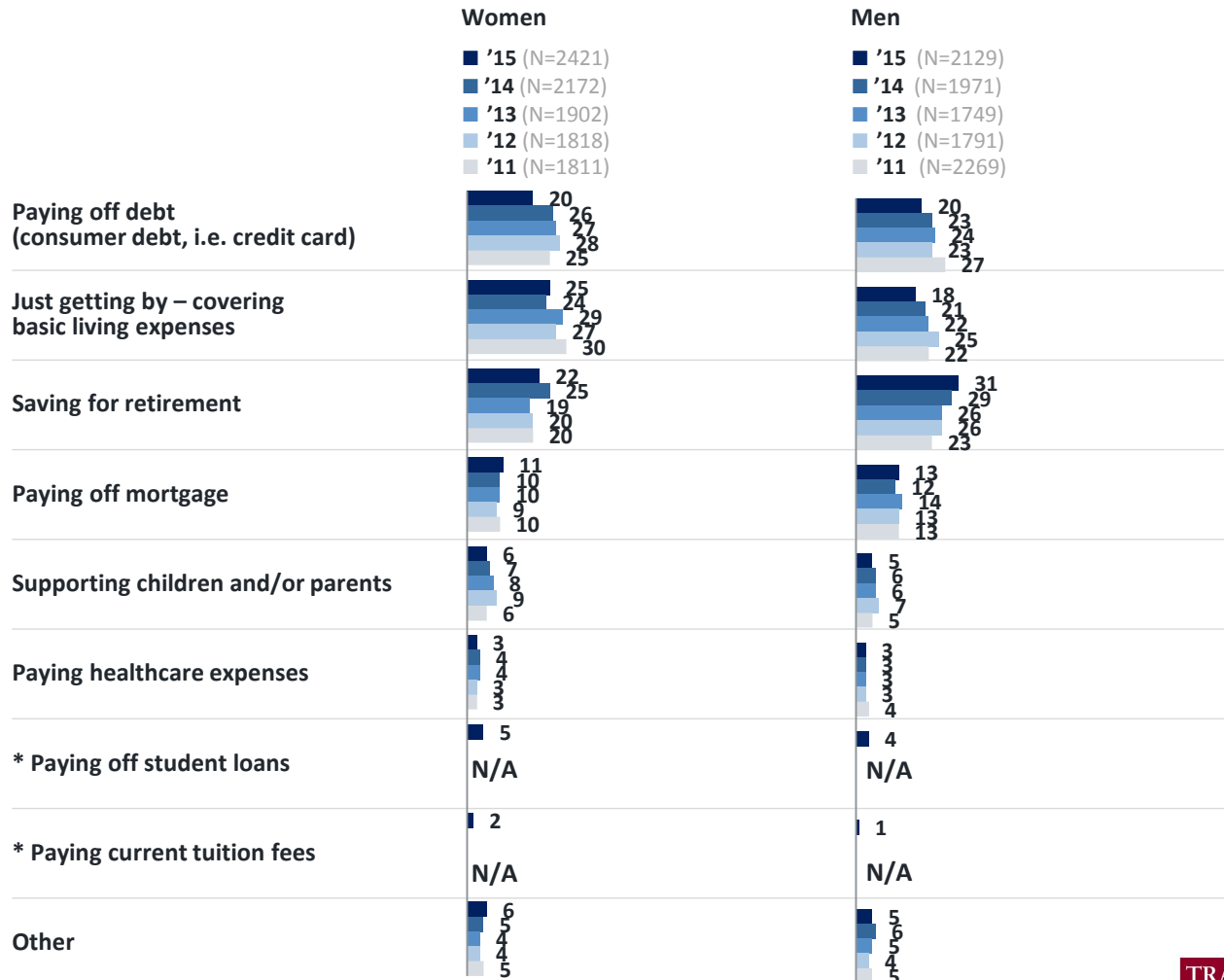
*added in 2014

BASE: All Qualified Respondents

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

Greatest Financial Priority Right Now

Men (31 percent) most frequently say that their greatest financial priority is “saving for retirement,” while women (25 percent) most frequently say “just getting by – covering basic living expenses.” Twenty percent of men and women say that “paying off debt” (i.e., credit card) is their top priority.

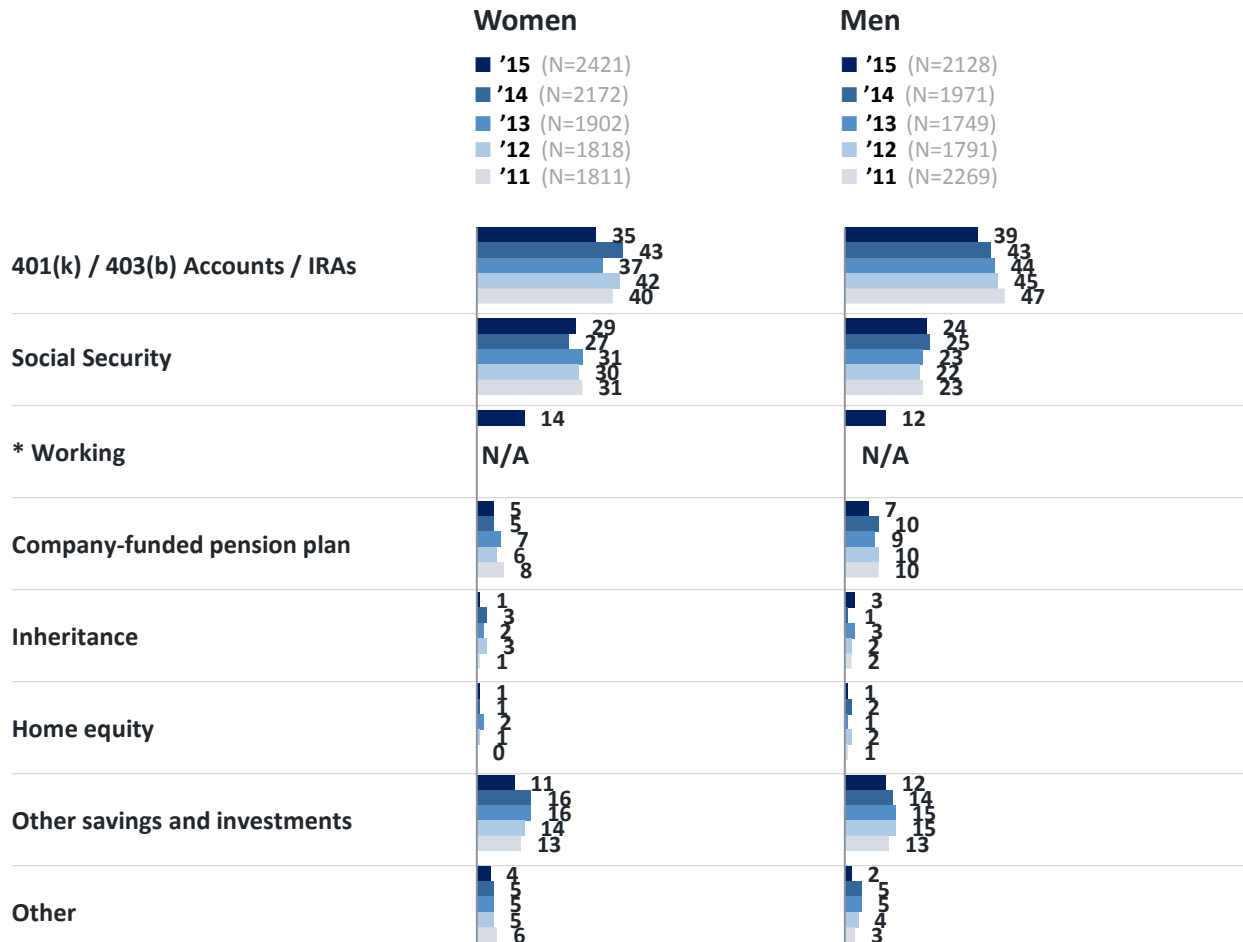


*added in 2015

BASE: All Qualified Respondents Q2640. Which one of the following is your greatest financial priority right now?

Expected Primary Source of Income in Retirement

Both men (39 percent) and women (35 percent) most frequently cite a 401(k), 403(b) or IRAs to be their expected primary source of retirement income when they retire. Women (29 percent) are more likely than men (24 percent) to expect Social Security to be their primary source of income. Fourteen percent of women and 12 percent of men expect to rely on “working.”



*added in 2015

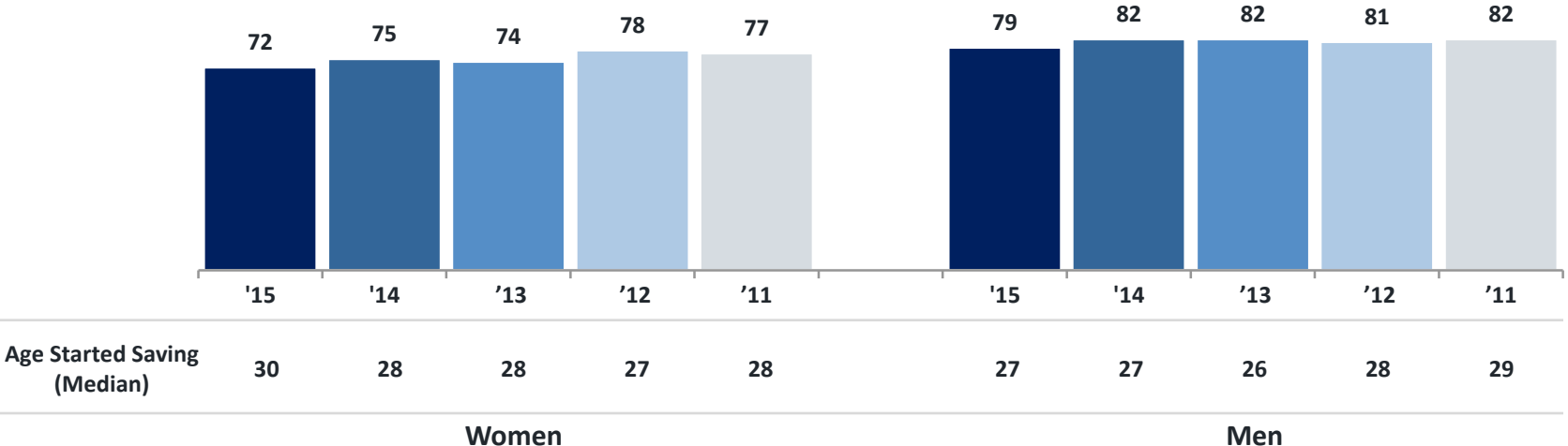
BASE: All Qualified Respondents

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

Percentage Saving for Retirement / Age They Started to Save

A large majority of workers are saving for retirement, with men being slightly more likely (79 percent) than women (72 percent) to be saving for retirement through an employer-sponsored plan and/or outside of work. In terms of the median age they started saving, men (age 27) started at a younger age compared to women (age 30).

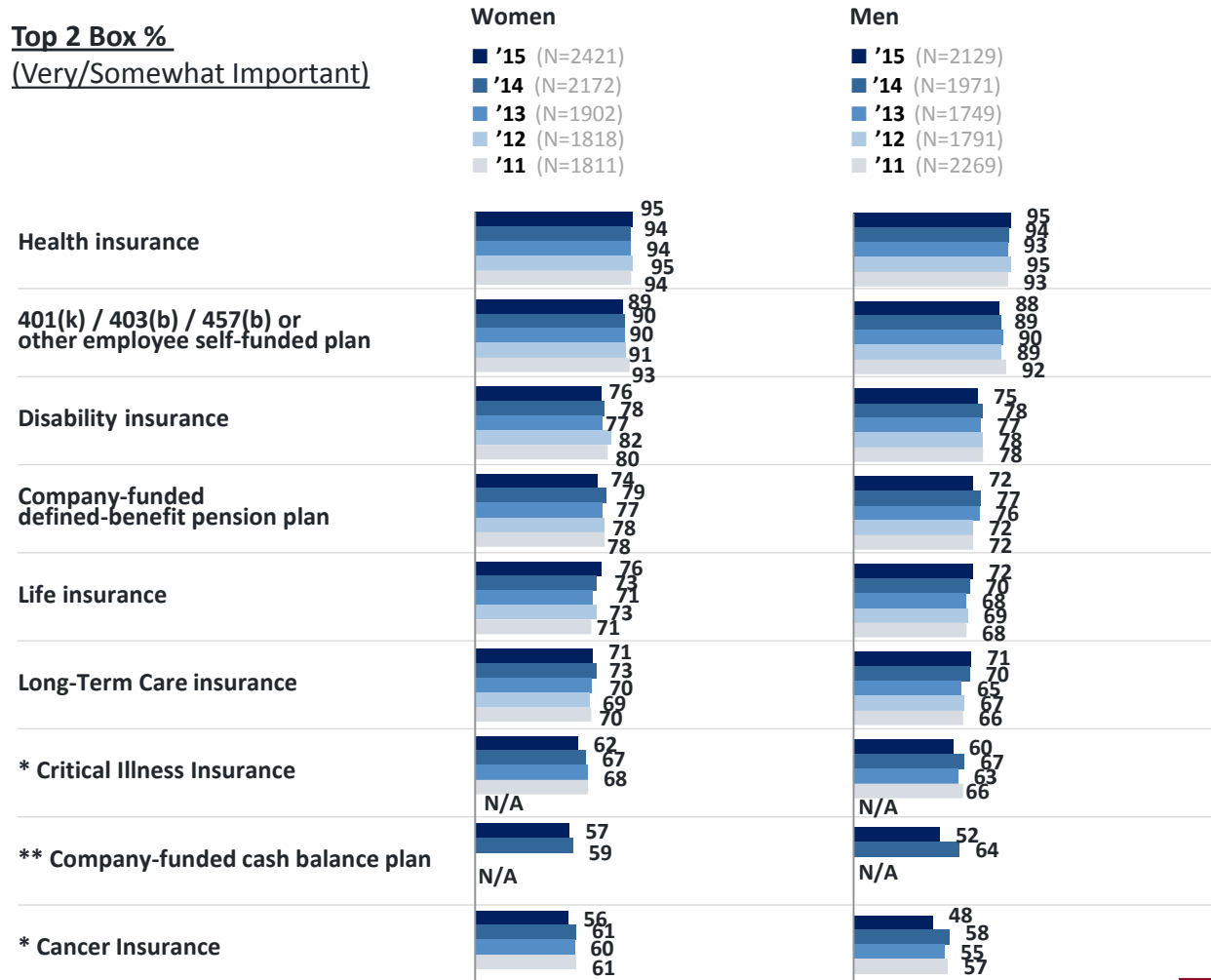
Workers Who Are Saving For Retirement Through an Employer-Sponsored Retirement Plan And/Or Outside of Work (%)



BASE: [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?

Importance of Retirement Benefits

The vast majority of men (88 percent) and women (89 percent) believe that a 401(k), 403(b) or similar plan is a “somewhat” or “very” important employee benefit. This trend has remained consistent over the past five years.



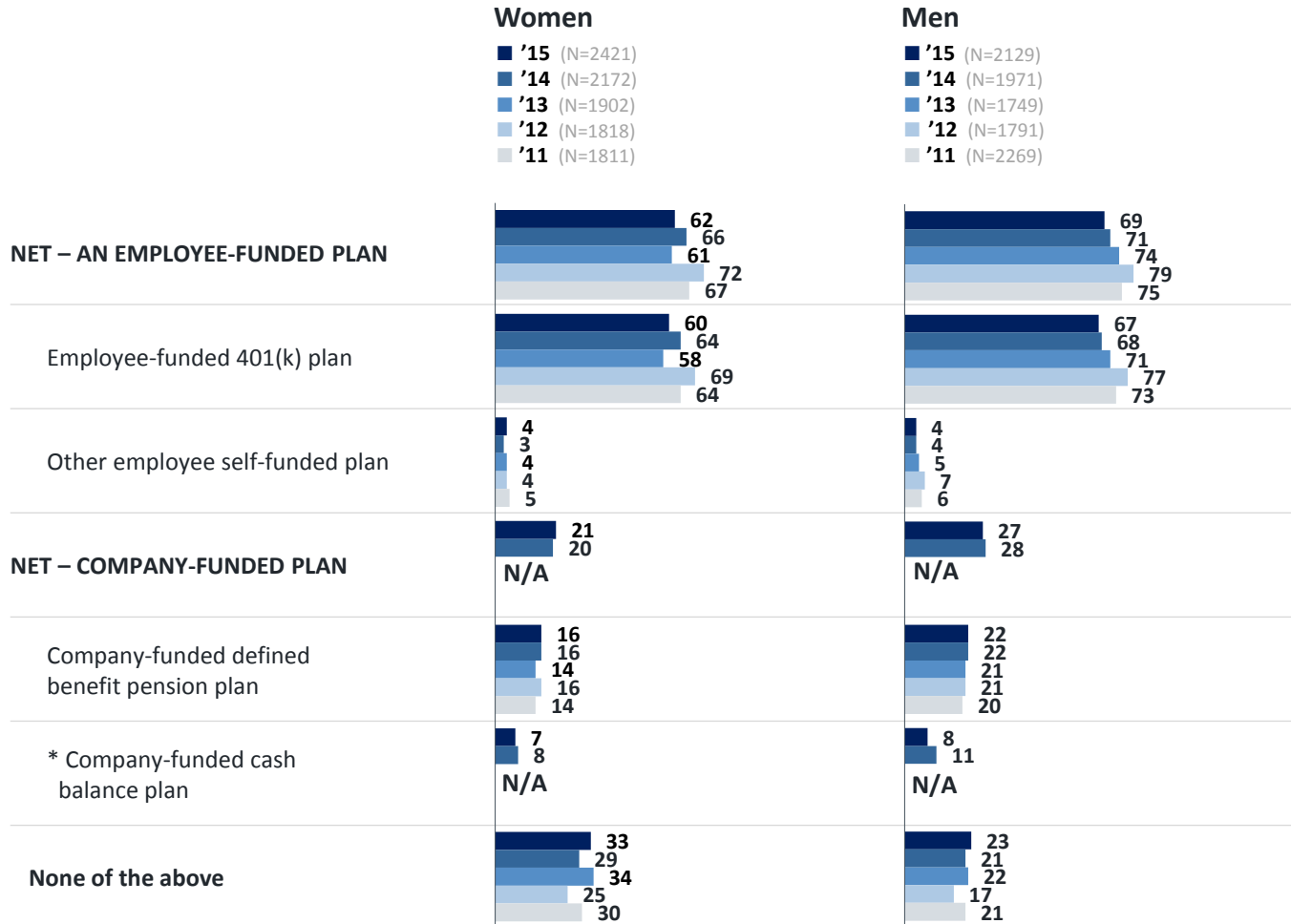
*added in 2012; **added in 2014

BASE: All Qualified Respondents

Q1170. 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 other self-funded plan by their employers; however, access is greater among men (69 percent) compared to women (62 percent). Few workers are offered a traditional company-funded defined benefit plan. Retirement benefit offerings have fluctuated slightly over the last five years.



*added in 2014

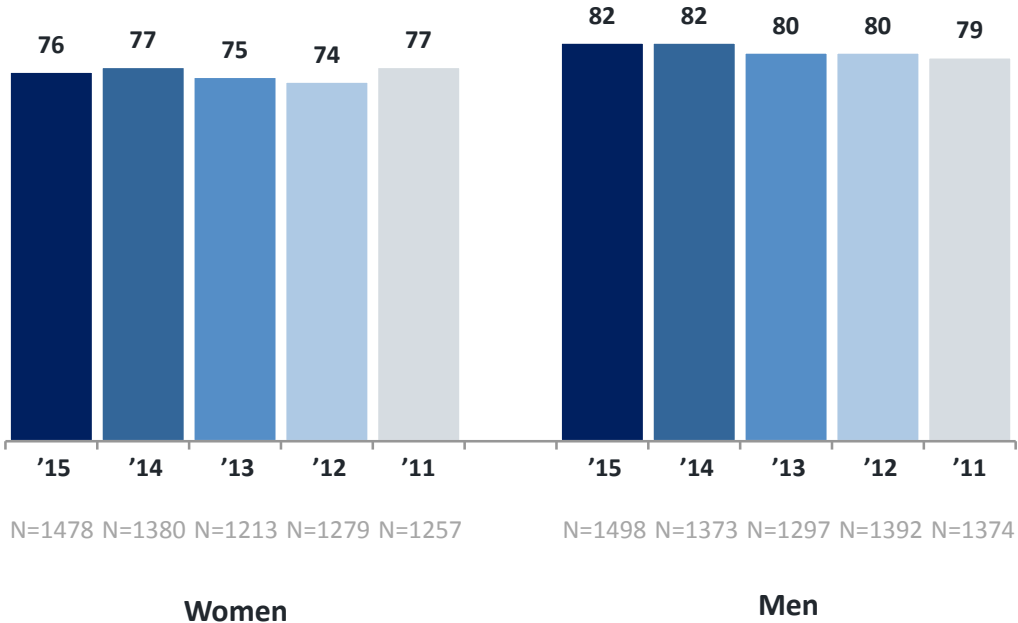
BASE: All Qualified Respondents

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

Retirement Plan Participation

Among workers who are offered a 401(k) or similar plan, the participation rate is higher among men (82 percent) compared to women (76 percent). This trend has remained relatively consistent over the past five years.

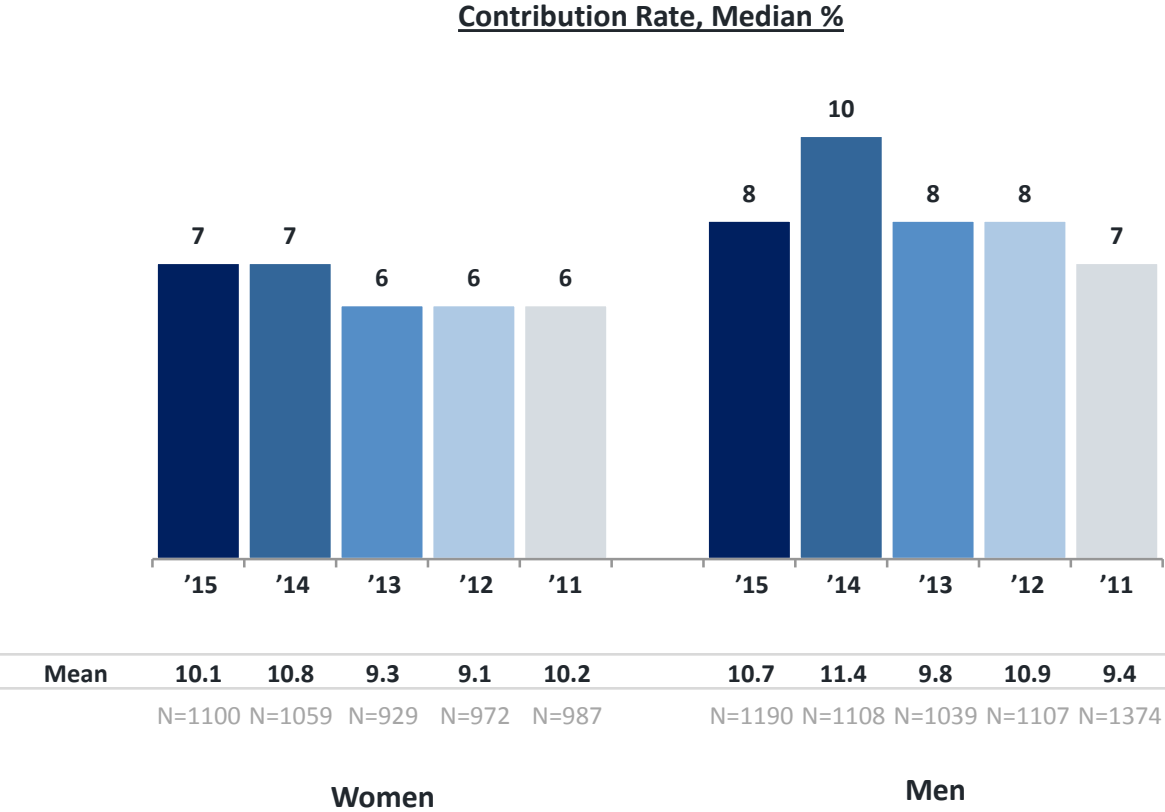
Participation in Company’s Employee-funded Retirement Savings Plan,
% Indicate “Yes”



BASE: 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?

Retirement Plan Contribution Rates

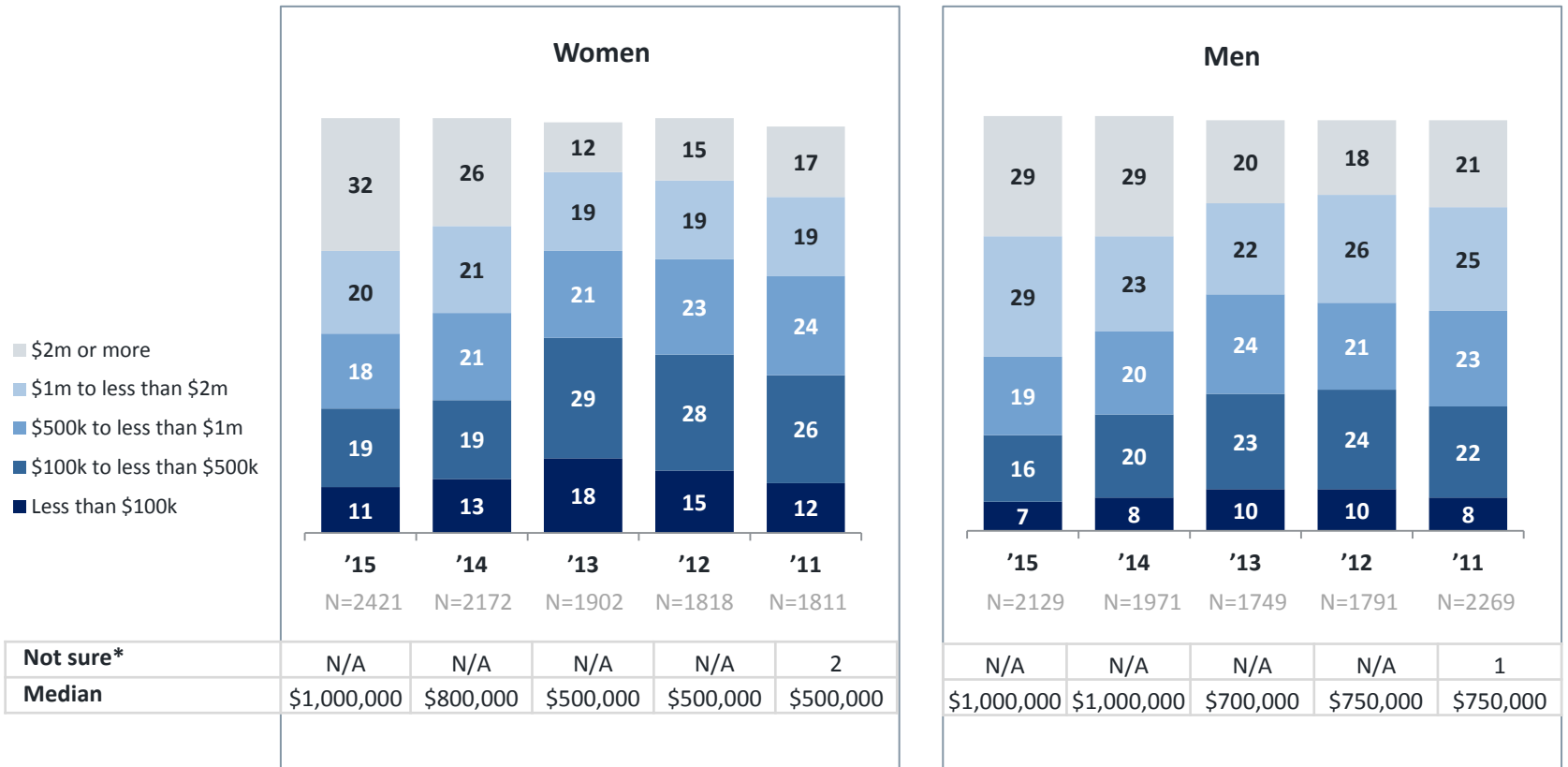
Among workers who participate in a 401(k) or similar plan, men contribute 8 percent (median) of their annual pay compared to women who contribute 7 percent (median). Over the past five years, the median contribution rate has been consistently higher among men than women. However, the mean contribution rates are directionally similar.



BASE: 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

Both men and women believe that they will need to have saved \$1 million (median) in order to feel financially secure when they retire. Women (32 percent) are slightly more likely than men (29 percent) to believe they will need to have saved \$2 million or more. Estimated savings needs rose among both men and women over the past five years.



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

*N/A = not asked in 2012 - 2015

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. Women (62 percent) are more likely than men (46 percent) to say that they “guessed.” This trend has been consistent for the past five years. Fewer than one in ten women and men say they have used a retirement calculator to estimate their needs.



*added in 2014

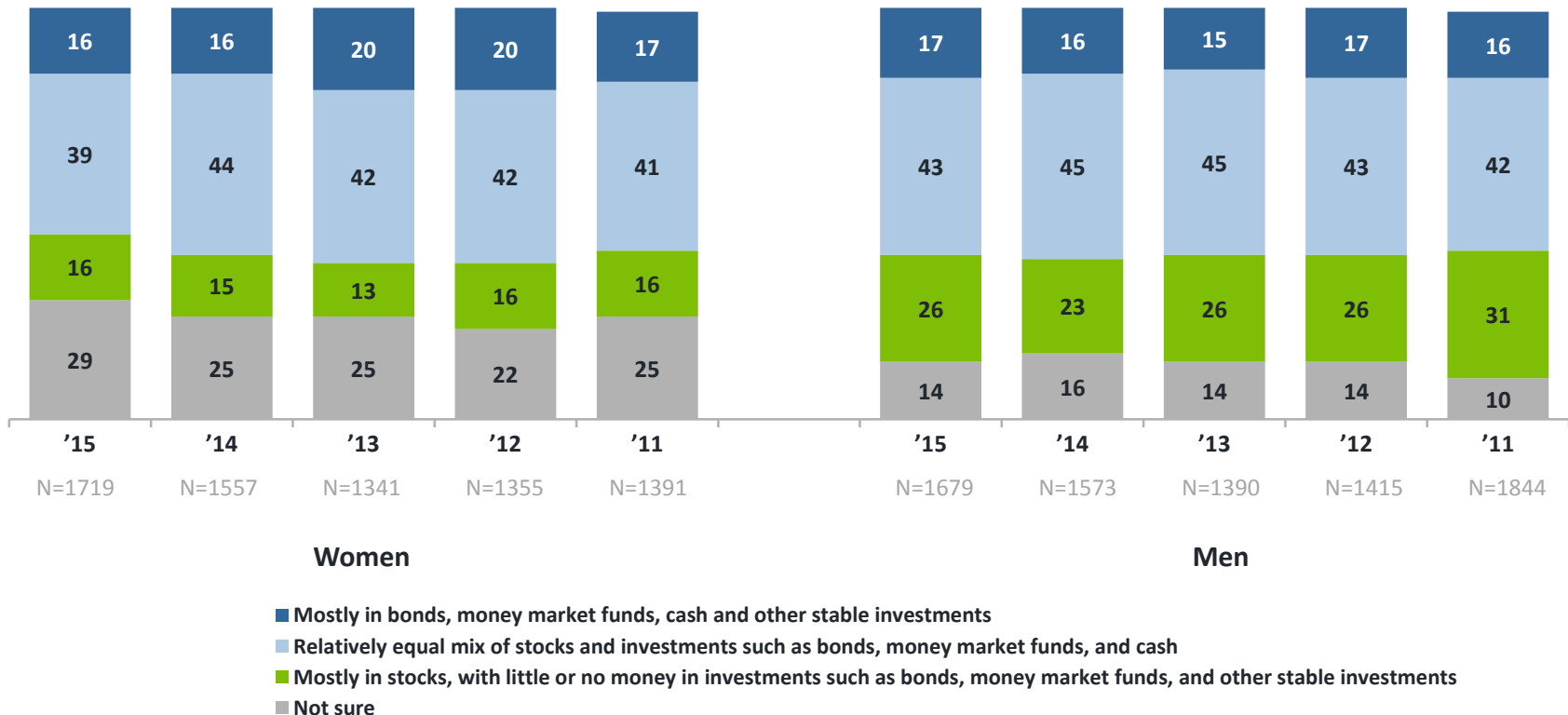
BASE: Provided Estimate Of Money Needed

Q900. How did you arrive at that number?

Asset Allocation of Retirement Investments

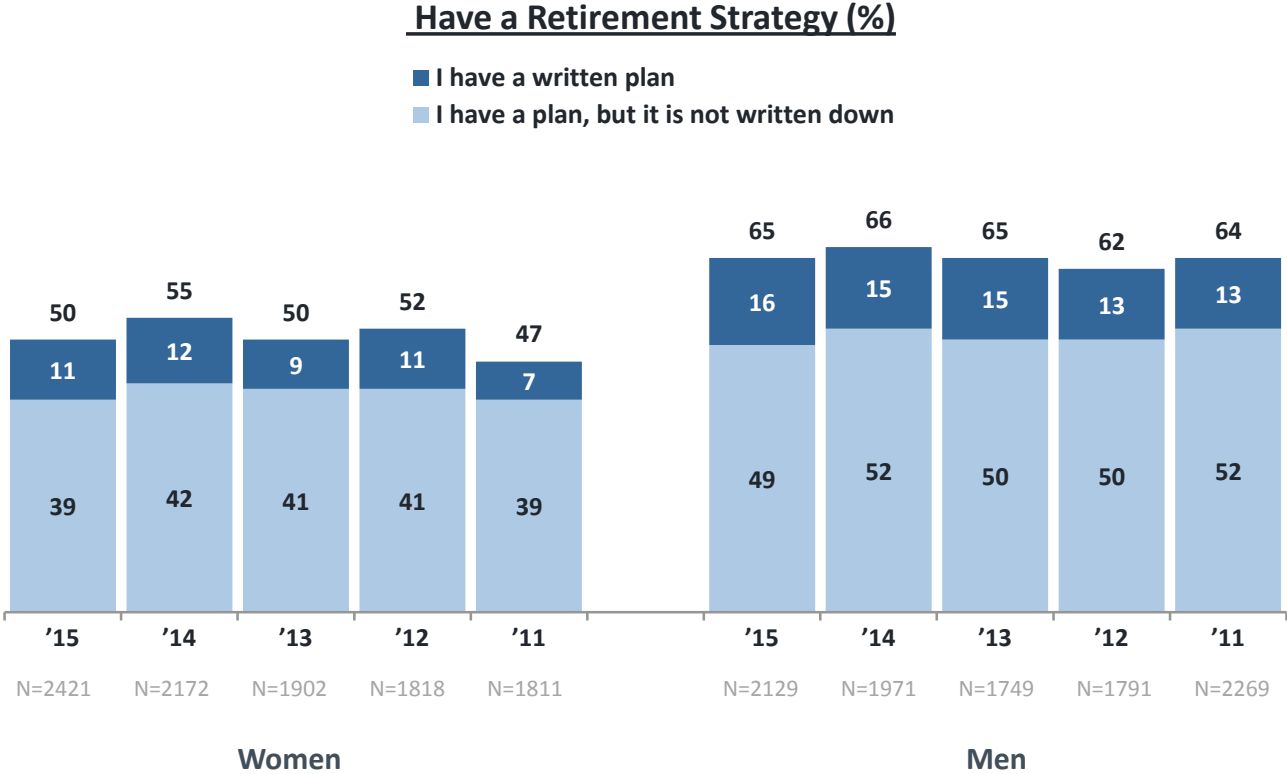
Men and women most frequently say that their retirement savings are invested in a relatively equal mix of stocks and investments such as bonds, money market funds and cash; however, the response rate is higher among men (43 percent) than women (39 percent). A concerning 29 percent of women say they are “not sure” how their savings are invested. Asset allocation-related trends have been directionally consistent in recent years.

How Retirement Savings Are Invested? (%)



Retirement Strategy: Written, Unwritten, or None

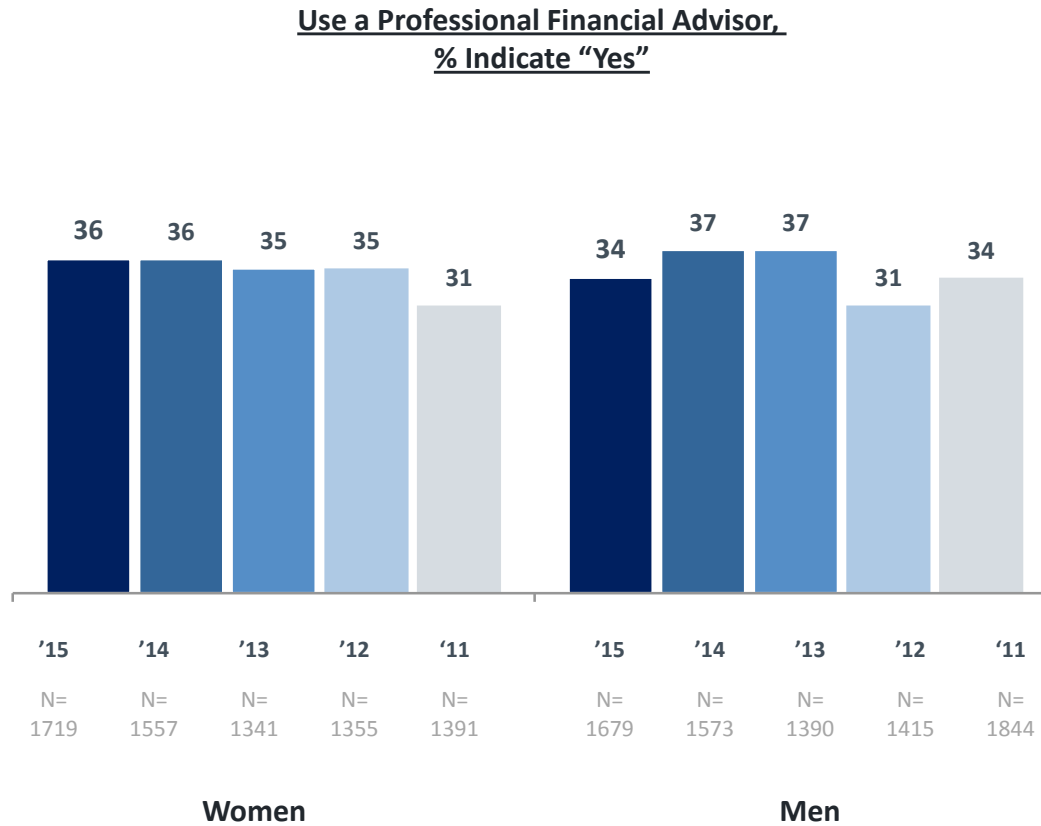
Men (65 percent) are more likely to have some form of a retirement strategy compared to women (50 percent). However, few men (16 percent) or women (11 percent) actually have a written plan. Over the past five years, men have been consistently more likely than women to have some form of retirement strategy.



BASE: All Qualified Respondents
 Q1155. Which of the following best describes your retirement strategy?

Professional Financial Advisor Usage

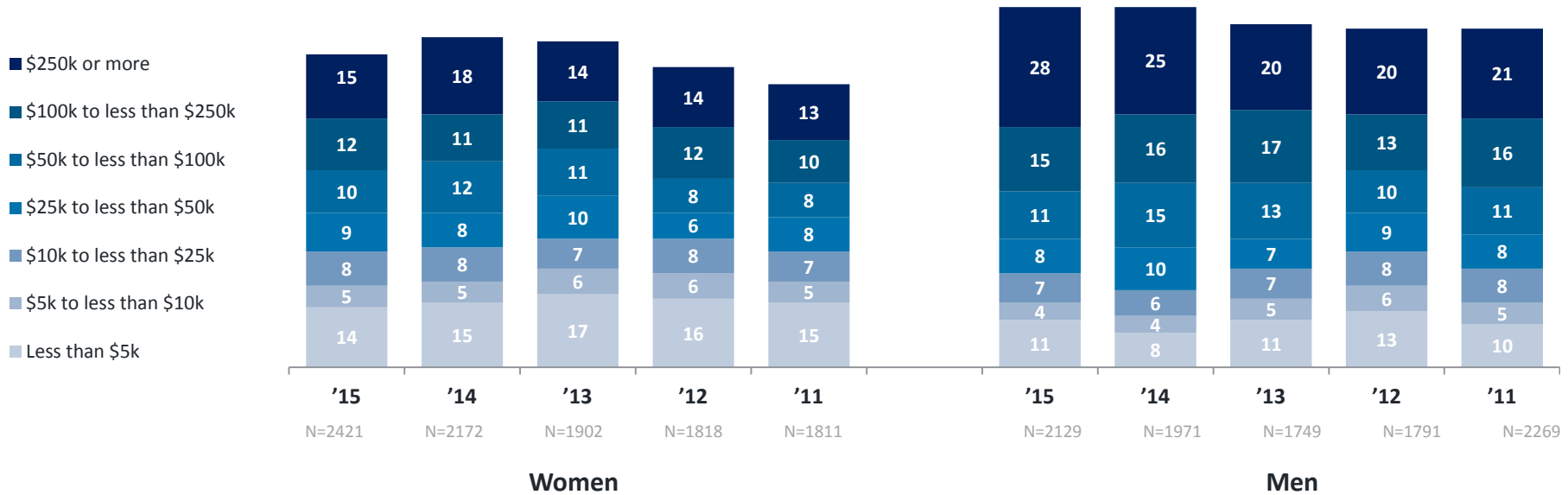
Men (34 percent) and women (36 percent) are similarly likely to use a professional financial advisor to help them manage their retirement savings or investments. This trend has remained relatively consistent for the past five years.



Total Household Retirement Savings

Men have more than double the household retirement savings than women. Men report having saved an estimated median of \$88,000 compared to just \$41,000 among women. Men (28 percent) are also almost twice as likely as women (15 percent) to say that they have saved \$250,000 or more in total household retirement accounts. Over the past five years, men have consistently reported higher levels of household retirement savings compared to women.

Total Household Retirement Savings by Gender (%)



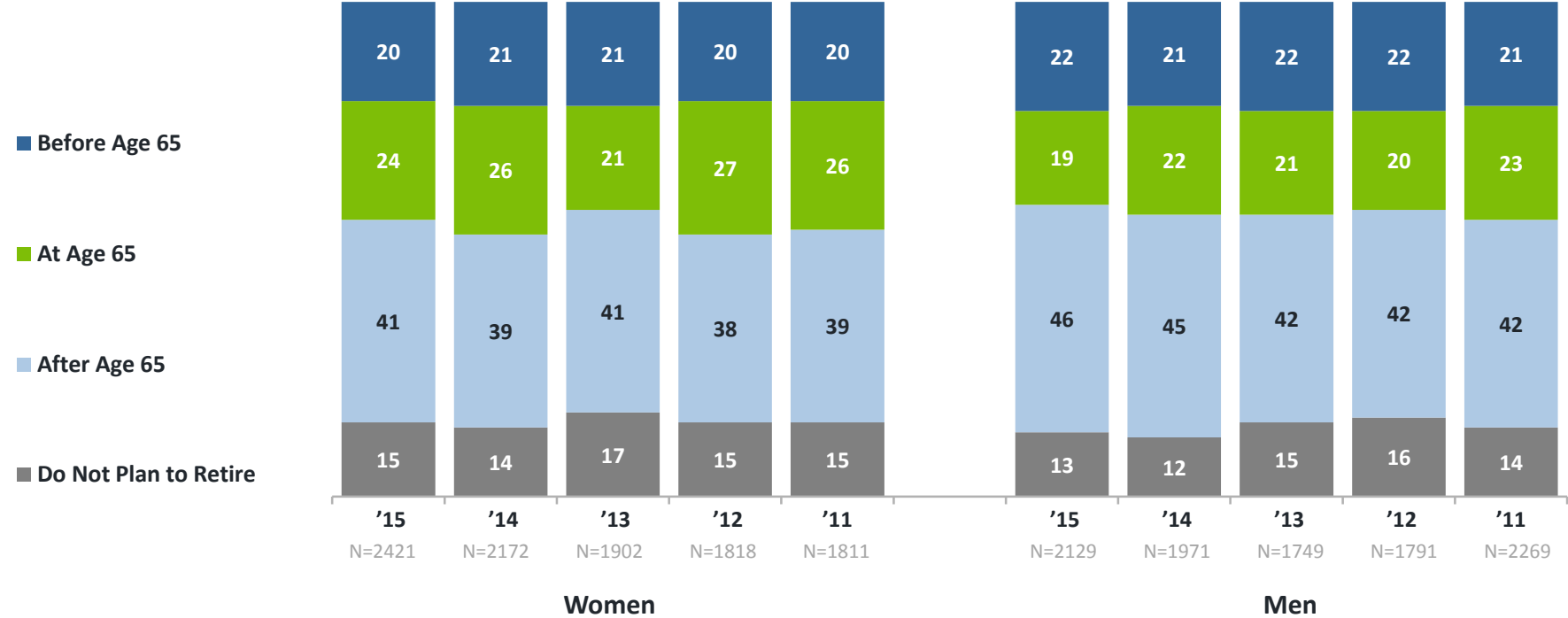
Not sure	15	10	12	15	18		7	8	9	9	8
Decline to answer	12	13	12	15	16		9	8	11	12	13
Estimated Median	\$41,000	\$47,000	\$34,000	\$34,000	\$33,000		\$88,000	\$74,000	\$68,000	\$50,000	\$63,000

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

Expected Retirement Age

The majority of men (59 percent) and women (56 percent) expect to work past age 65 or do not plan to retire. Nineteen percent of men and 24 percent of women expect to retire at age 65. Approximately one in five men and women plan to retire before age 65. This trend has remained consistent for the past five years.

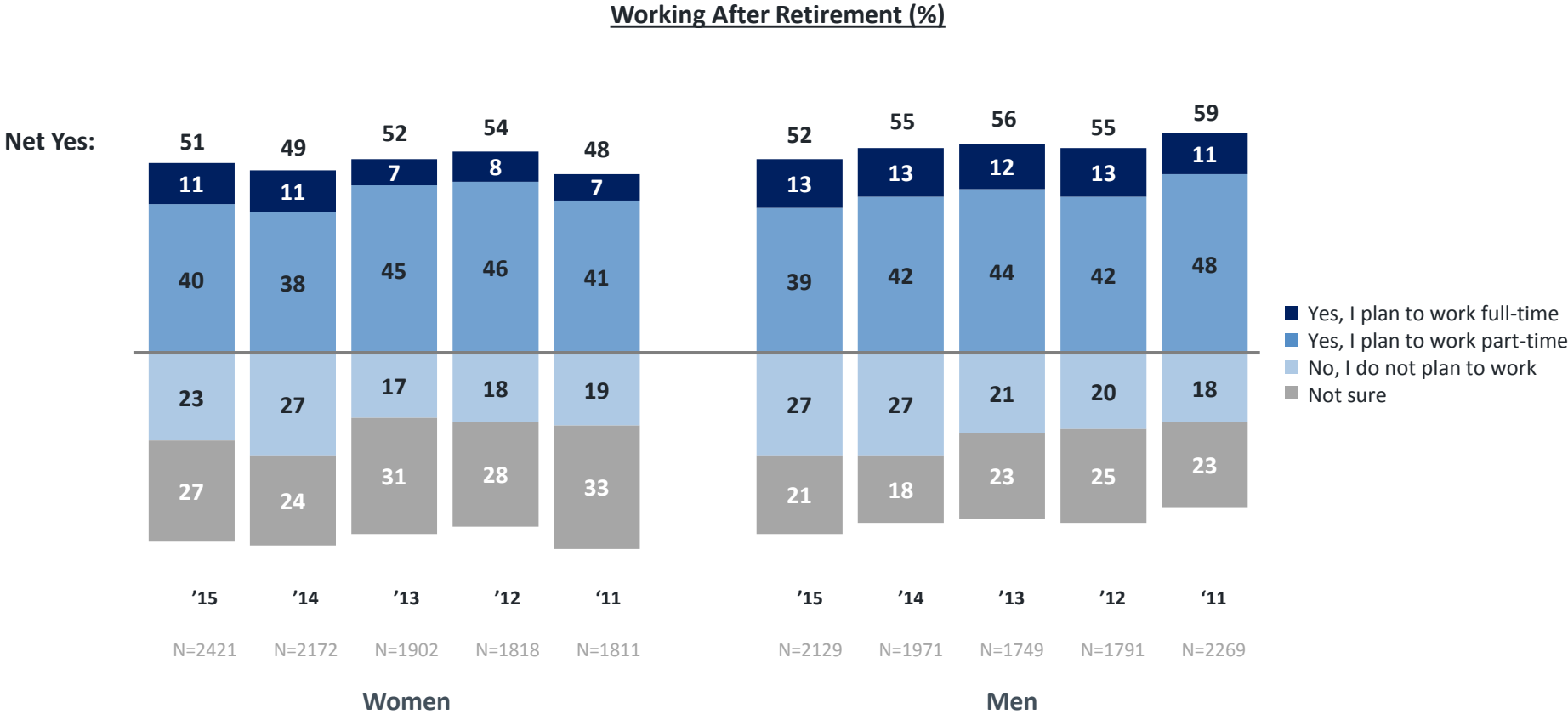
Age Expected to Retire (%)



BASE: All Qualified Respondents
Q910. At what age do you expect to retire?

Expectations of Working in Retirement

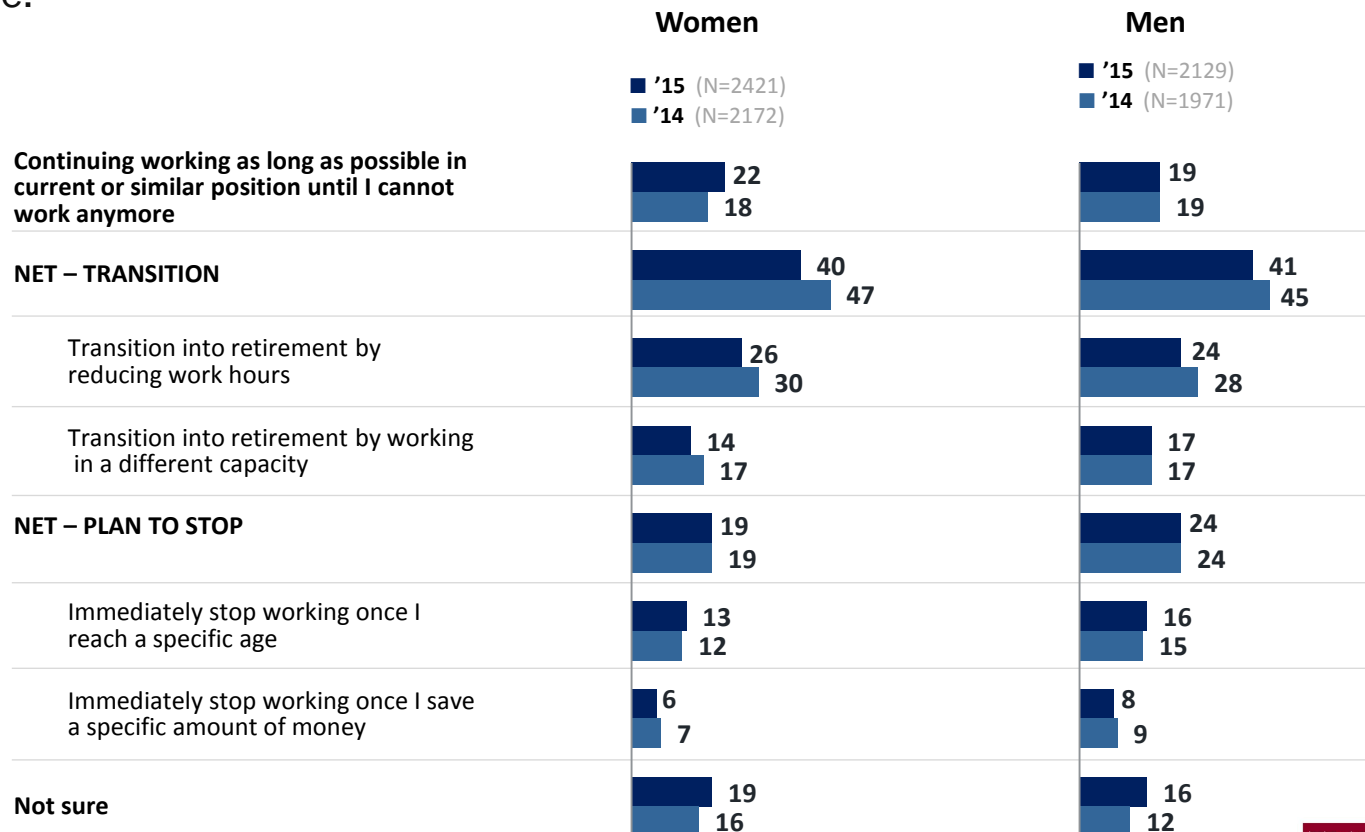
Slightly more than half of men (52 percent) and women (51 percent) plan to continue working after they retire, at least on a part-time basis. Over the past five years, men have become less likely to plan to work in retirement, while women’s plans have remained relatively consistent.



BASE: All Qualified Respondents
Q1525. Do you plan to work after you retire?

Retirement Transitions: Phased Versus Immediate

Many men (41 percent) and women (40 percent) are planning 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 planning to continue working until they can't work any longer. Men (24 percent) are more likely to be planning to immediately stop working when they reach a certain age or savings goal compared to women (19 percent). Nineteen percent of men and 22 percent of women plan to continue working as long as possible in their current or similar position until they cannot work any more.



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