



What Is “Retirement”? Three Generations Prepare for Older Age

19th Annual Transamerica Retirement Survey of Workers

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TRANSAMERICA CENTER
FOR RETIREMENT STUDIES®

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About the Authors

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With two decades of retirement services experience, Catherine has become a nationally recognized voice on retirement trends for the industry. She has testified before Congress on matters related to employer-sponsored retirement plans among small business, which featured the need to raise awareness of the [Saver's Credit](#) among those who would benefit most from the important tax credit.

In 2018, Catherine was named an [Influencer in Aging](#) by PBS' [Next Avenue](#). In 2016, she was honored with a Hero Award from the [Women's Institute for a Secure Retirement](#) (WISER) for her tireless efforts in helping improve retirement security among women. Catherine serves on the Advisory Board of the [Milken Institute's Center for the Future of Aging](#). She co-hosts the [ClearPath: Your Roadmap to Health & Wealth](#) radio show on Baltimore's WYPR, an NPR news station.

Catherine is employed by Transamerica Corporation. Since joining the organization in 1995, she has held a number of positions with responsibilities including in the incorporation of Transamerica Center for Retirement Studies as a nonprofit private foundation in 2007 and its expansion into Transamerica Institute in 2013, as well as the creation of the Aegon Center for Longevity and Retirement in 2015.

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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, retirees 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, Transamerica Center for Retirement Studies® (TCRS) has conducted a national survey 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. It has grown to be one of the longest running and largest national surveys of its kind.

Methodology: 19th Annual Transamerica Retirement Survey of Workers

- The analysis contained in this report was prepared internally by the research team at Transamerica Center for Retirement Studies® (TCRS).
- A 25-minute, online survey was conducted between October 26 and December 11, 2018 among a nationally representative sample of 5,923 workers The Harris Poll on behalf of TCRS. Respondents met the following criteria:
 - U.S. residents, age 18 or older
 - Full-time or part-time workers in a for-profit company employing one (1) or more employees or self-employed
 - **This report is based on 5,168 workers who are not self-employed.**
- The base includes:
 - 2,156 Millennial workers
 - 1,476 Generation X workers
 - 1,477 Baby Boomer workers
 - 59 workers who were born prior to 1946
- 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 U.S. residents age 18+, employed full time or part time in a for-profit company with one (1) or more employees, or self-employed.
 - 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 respond to surveys versus those who do not.
- Percentages are rounded to the nearest whole percent.
- This report focuses on full-time and part-time workers combined.

Terminology

This report uses the following terminology:

Generation

Millennial: Born 1979 - 2000

Generation X: Born 1965 - 1978

Baby Boomer: Born 1946 - 1964

All Workers

Refers to all workers aged 18 and older

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Key Highlights

People have the potential to live longer than any other time in history. This gift of extra time requires that we fundamentally redefine retirement and our life journeys leading up to it.

What Is “Retirement”? Three Generations Prepare for Older Age explores the perspectives, attitudes, and preparations of American workers for longer lives and the meaning of “retirement.” Based on the [19th Annual Transamerica Retirement Survey](#), one of the largest and longest running surveys of its kind, this report examines three generations currently represented in the workforce: Baby Boomers, Generation X, and Millennials.

What does “retirement” mean to you? In selecting from a series of words associated with retirement, Baby Boomers, Generation X, and Millennials most often cite “freedom,” “enjoyment,” and “stress-free.” The three generations share much in common, yet their retirements will be different from previous generations. The retirement landscape is ever-evolving as a result of increases in longevity, the dynamic nature of the workforce and employment trends, the transformation of employer-sponsored retirement benefits, and potential reforms to Social Security benefits.

Seven in 10 workers (72 percent) are looking forward to retirement. Baby Boomers (81 percent) – the generation closest to retirement – are more likely than Generation X (70 percent) and Millennials (68 percent) to feel this way. Achieving success will not necessarily be easy. Seventy-six percent of workers believe that people in their generation will have a much harder time achieving financial security in retirement compared with their parents’ generation, a sentiment that is shared by Millennials (79 percent) and Generation X (81 percent), but to a lesser extent by Baby Boomers (69 percent).

All three generations are already thinking in terms of longer lives. Thirteen percent of workers are planning to live to age 100 or older, a finding that is higher among Millennials (17 percent) than Generation X (11 percent) and Baby Boomers (9 percent). Many workers envision extending their working lives beyond age 65, but relatively few are adequately preparing themselves by focusing on their health, keeping their job skills up to date, and financially planning for a long retirement.



Key Highlights

Millennials: A Digital DIY Retirement Generation

Millennial workers (born 1979 - 2000) are a digital do-it-yourself generation of retirement savers. Millennials are getting an early and strong start with their retirement savings. Seventy-one percent are saving for retirement through an employer-sponsored 401(k) or similar plan and/or outside of work. They began saving for retirement at age 24 (median), an age that is younger than prior generations. Among those who are participating in a 401(k) or similar plan through their employer, Millennials are contributing 10 percent (median) of their annual salaries.

More than half (53 percent) expect their *primary* source of retirement income to be self-funded through retirement accounts (e.g., 401(k)s, 403(b)s, IRAs) or other savings and investments. Millennials have saved \$23,000 in all household retirement accounts (estimated median).

Given their relatively young age, Millennials are surprisingly engaged in the topic of retirement. One in five Millennials (21 percent) frequently discuss savings, investing, and planning for retirement with family and friends, which is significantly higher than for the older generations. Almost three in four (72 percent) indicate they do not know as much as they should about retirement investing – and just as many (72 percent) would like to receive more information and advice from their employers on how to achieve their retirement goals.

Generation X: The Silently Struggling 401(k) Savers

Generation X (born 1965 to 1978) entered the workforce in the late 1980s just as 401(k) plans were making their first appearance and defined benefit plans were beginning to disappear. Generation X workers are the first generation to have had access to 401(k) plans for the majority of their working careers; they have relatively high plan participation rates, but many should be saving more. For better or worse, some have taken loans and early withdrawals. Their retirement confidence is lacking and many are behind on their savings. However, they can still improve their long-term prospects by saving more, investing wisely, and engaging in retirement planning.

Seventy-seven percent of Generation X workers are saving for retirement in a company-sponsored 401(k) or similar plan and/or outside of the workplace. They started saving for retirement at age 30 (median). Among those who participate in a 401(k) or similar plan through their employer, they contribute eight percent (median) of their annual salaries. A concerning 32 percent of all Generation X workers have taken a loan, early withdrawal, and/or hardship withdrawal from their retirement account(s). Just one in seven (14 percent) have a written retirement strategy.

Key Highlights

Generation X: The Silently Struggling 401(k) Savers (cont.)

Generation X workers have saved \$66,000 in all household retirement accounts (estimated median). Only 14 percent are “very confident” that they will be able to fully retire with a comfortable lifestyle.

Baby Boomers: Trailblazers of the New Retirement

Baby Boomers (born 1946 to 1964) have re-written societal rules at every stage of their life – and retirement is no different. They are at the forefront of defining retirement as a new phase in life that can bring freedom, purpose, and enjoyment.

Seven in 10 Baby Boomer workers (69 percent) either expect to or already are working past age 65 or do not plan to retire. However, only 56 percent are focused on staying healthy and only 40 percent are keeping their job skills up to date to help ensure they’ll be able to continue working. Forty-two percent envision a phased transition into retirement, and 63 percent prefer to stay with their current employer while transitioning into retirement. However, this may be easier said than done. Only 29 percent of Baby Boomers indicate their employers offer any sort of flexible retirement transition arrangements.

Many Baby Boomers were already mid-career when the retirement landscape shifted from defined benefit plans to 401(k) or similar plans, so they have not had a full 40-year time horizon to save in 401(k)s. Currently, 78 percent of Baby Boomer workers are saving for retirement in a company-sponsored 401(k) or similar plan and/or outside the workplace, and they started saving at age 35. Among those participating in an employer-sponsored 401(k) or similar plan, they are saving 10 percent (median) of their annual salaries. Baby Boomers have saved \$152,000 in all household retirement accounts (estimated median). Only 26 percent have a backup plan for retirement income if forced into retirement sooner than expected.

Key Highlights

Visions of Aging and “Retirement”

What is retirement? Across generations, workers are looking forward to an active phase in life that includes continued work and time for leisure activities including travel, spending more time with family and friends, pursuing hobbies, and volunteer work. Many envision a flexible transition into retirement that differs from prior generations when retirement was marked by an abrupt stop to work. Workers have positive visions of retirement, albeit with legitimate concerns related to financial security and declining health.

- **Many Plan on Both Long Lives and Long Retirements.** Workers are planning to live to age 90 (median). Almost one in five Millennials (17 percent) are planning to live to age 100 or older, compared with Generation X (11 percent) and Baby Boomers (9 percent). An implication for increased longevity is potentially more time spent in retirement. The survey compared workers’ planned life expectancy with their expected retirement age and found that Millennial workers plan to spend 25 years in retirement (median), a finding that is somewhat higher than Generation X (22 years median) and Baby Boomers (20 years median).
- **How Old Is “Old”? It Depends on the Person.** Workers consider a person to be “old” at age 70 (median), a finding that increases with workers’ age. Of those who provided a specific age, Millennials consider a person to be old at age 65 (median), Generation X consider a person old at age 70 (median) and Baby Boomers consider it to be at age 75 (median). More often, workers say that “old” depends on the person (51 percent), including 43 percent of Millennials, 52 percent of Generation X, and 61 percent of Baby Boomers.
- **At What Age Is a Person “Too Old” to Work?** More than half of workers (59 percent) say it depends on the person. Across generations, Baby Boomers are most likely to say it depends on the person (70 percent), followed by Generation X (60 percent) and Millennials (51 percent). Among those who provided a specific age, workers say age 75 (median) is “too old” to work. Millennials consider a person to be “too old” to work at age 70 (median), while Baby Boomers and Generation X both say age 75 (median).
- **Seventy-Two Percent Are Looking Forward to Retirement,** including 30 percent who are “very much” and 42 percent who are “somewhat” looking forward to it. Baby Boomers (81 percent) are more likely than Generation X (70 percent) and Millennials (68 percent) to be looking forward to retirement.
- **Most Cite Positive Word Associations With “Retirement.”** Eighty-six percent of workers cite positive word associations with “retirement” compared with only 37 percent who cite negative words. “Freedom” (55 percent), “enjoyment” (53 percent), and “stress-free” (43 percent) are the most often-cited positive words, while “financial insecurity” (18 percent), “health decline” (18 percent), and “boredom” (11 percent) are the most often-cited negative words.

Key Highlights

Visions of Aging and “Retirement” (cont.)

- **All Three Generations Cite Positive Word Associations.** Across generations, at least eight in ten workers cite one or more positive word associations with “retirement,” while fewer than four in ten mention negative word associations. Millennials, Generation X, and Baby Boomers commonly share the most frequently cited positive words: “freedom,” “enjoyment,” and “stress-free.” They also commonly share the three most often-cited negative words: “financial insecurity,” “health decline,” and “boredom.”
- **Workers Are Dreaming of an Active Retirement.** Traveling (67 percent) is workers’ most frequently cited retirement dream, followed by spending more time with family and friends (57 percent) and pursuing hobbies (48 percent). A noteworthy 30 percent of workers dream of doing some form of paid work in retirement such as pursuing an encore career (13 percent), starting a business (13 percent), and/or continuing to work in the same field (11 percent). One in four workers (26 percent) dreams of spending their retirement doing volunteer work.
- **Workers Across Generations Share Similar Retirement Dreams.** Workers’ top three retirement dreams – traveling, spending more time with family and friends, and pursuing hobbies – are common across the generations. However, some retirement dreams differ across generations. Baby Boomers (31 percent) are more likely to dream of doing volunteer work, compared with Generation X (25 percent), and Millennials (23 percent). Millennials (34 percent) are more likely to dream of working in retirement (e.g., pursuing an encore career, starting a business, continue working in the same field), compared with Baby Boomers (26 percent) and Generation X (25 percent).
- **Retirement Fears Range from Financial to Health-Related.** The most frequently cited retirement fears are outliving savings and investments (48 percent), a reduction in or elimination of Social Security (44 percent), declining health that requires long-term care (41 percent), and not being able to meet the family’s basic financial needs (40 percent). Approximately one-third of workers fear a lack of access to adequate and affordable healthcare (34 percent) and cognitive decline/dementia/ Alzheimer’s Disease (32 percent). Other fears include feeling isolated and alone (20 percent), finding meaningful ways to spend time and stay involved (20 percent), and being laid off – not being able to retire on their own terms (18 percent).
- **Retirement Fears Are Shared Across Generations.** Across generations, workers share the same top retirement fear: outliving savings and investments. Other fears vary by generation, such as the fear of a reduction in or elimination of Social Security, which is more frequently cited by Baby Boomers (49 percent) and Generation X (48 percent) than by Millennials (39 percent). Baby Boomers are more likely to cite a fear of declining health that requires long-term care (49 percent) than Generation X (41 percent) and Millennials (36 percent). Not being able to meet the family’s basic financial needs is a retirement fear more likely cited by Millennials and Generation X (both 43 percent) compared with Baby Boomers (32 percent).

Key Highlights

Visions of Aging and “Retirement” (cont.)

- **More than Half of Workers Expect to Work Past Age 65.** More than half of workers (54 percent) expect to work past age 65 or do not plan to retire. However, expectations differ across generations: More Baby Boomers (69 percent) either expect to or are already working past age 65, or do not plan to retire than Generation X workers (57 percent) . In contrast, the majority of Millennials (58 percent) plan to retire at 65 or sooner.
- **More than Half of Workers Plan to Work in Retirement.** Fifty-five percent of workers plan to work in retirement, including 41 percent who plan to work part time and 14 percent full time. Just 28 percent do not plan to work after they retire and 17 percent are not sure. Baby Boomers, Generation X, and Millennials share similar expectations of working in retirement; however, Millennials (17 percent) and Generation X (14 percent) are significantly more likely than Baby Boomers (8 percent) to plan to work full time after they retire.
- **Four in Ten Envision a Phased Transition Into Retirement.** Forty-four percent of workers envision a phased transition into retirement during which they will reduce work hours with more leisure time to enjoy life (27 percent), or work in a different capacity that is less demanding and/or brings greater personal satisfaction (17 percent). Twenty-two percent plan to continue working as long as possible until they cannot work anymore. Only 22 percent expect to immediately stop working either when they reach a specific age or savings goal, and 12 percent are not sure. Across generations, these views are generally similar. However, Generation X (26 percent) are more likely to envision continuing to work as long as possible, compared with Baby Boomers (21 percent) and Millennials (19 percent).
- **Most Are Realistic About Compensation in Phased Retirement.** Among workers who envision a phased transition into retirement, most have realistic expectations regarding how changes in their work arrangements may affect their compensation, job title, and benefits. Most agree that if they were to reduce their hours, they would expect to be paid the same hourly rate (82 percent). If they were to take on a new role with fewer responsibilities, the majority would expect their job title to change (80 percent), and would expect to be paid the market rate for duties involved, even if it means a reduction in their level of pay (77 percent). Notably, nearly three in five workers (59 percent) say that if they were to shift from full- to part-time work, they would expect the same level of employee benefits – an expectation that may not be realistic because many employers do not offer benefits to part-time workers.

Key Highlights

Visions of Aging and “Retirement” (cont.)

- **Many Workers Prefer to Transition Into Retirement at Current Employer.** When thinking about working past age 65 or working while transitioning into retirement, about half of workers would prefer to stay with their current employer (52 percent). Baby Boomers (63 percent) are significantly more likely to prefer this, compared with Generation X and Millennials (both 47 percent). In contrast, Millennials are more likely to expect to either change employers or start their own business while transitioning into retirement (both 24 percent), compared with Generation X (16 percent for both) and Baby Boomers (15 and 8 percent, respectively). Approximately one in five workers across generations is not sure how their employment-related scenarios will look when transitioning into retirement.
- **Reasons for Working in Retirement Include Financial and Health.** Among workers who are or plan to work in retirement and/or past age 65, somewhat more would do so for financial reasons (80 percent) than for healthy-aging reasons (72 percent). The top financial reason is because workers want the income (53 percent), while the top healthy-aging reason is to be active (47 percent).
- **Generations Share Common Reasons for Working in Retirement.** Across generations, workers who are or plan to work in retirement and/or past age 65 more frequently cite financial reasons than healthy-aging reasons for doing so. Millennials have the narrowest gap between the two types of reasons, with 78 percent citing financial reasons and 76 percent citing healthy-aging reasons, compared with Generation X (83 percent financial, 67 percent healthy-aging) and Baby Boomers (81 percent financial, and 69 percent healthy-aging).
- **Workers Can Take More Steps to Continue Working Past 65.** Workers need to be healthy enough and have access to employment opportunities in order to fulfill their aspirations and expectations of working past age 65. However, when asked what steps they are taking to help ensure they can continue working, 27 percent of workers say they have not taken any steps. Among those who are taking proactive steps, workers most frequently cite that they are staying healthy (48 percent), performing well at their current job (43 percent) and keeping their skills up to date (40 percent). Baby Boomers are more likely to cite staying healthy (56 percent) and somewhat more likely to cite performing well at their current job (48 percent) than younger workers. In contrast, Millennials are more likely to be networking and meeting new people (23 percent) and going back to school (19 percent) than older workers.

Key Highlights

Visions of Aging and “Retirement” (cont.)

- **Top Criteria for Deciding Where to Live in Retirement Is Affordability.** Where people decide to live in retirement can influence their ability to achieve their dreams and mitigate some fears. When thinking about this, workers most frequently cite affordable cost of living (69 percent) as a very important criterion in their decision-making. It is followed by proximity to family and friends (49 percent), good weather (45 percent), low crime rate (42 percent), access to excellent healthcare and hospitals (38 percent), and leisure and recreational activities (37 percent). More Baby Boomers cite almost all of the criteria as very important compared with the other generations, likely because they are closer to making the decision about where to live in retirement. Ironically, although more than half of workers plan to continue working after they retire, only 23 percent identified employment opportunities as being a very important criterion for deciding where they want to live in retirement.

Workers across generations share similar expectations of extending their working lives and continuing to work in retirement. Another commonality is how they dream of spending their time in retirement. At the same time, the diversity of survey responses illustrates that retirement is a deeply personal chapter in life.

Personal Finances and Retirement Preparations

Workers have a vision of when and how they will retire – and how they will spend their time in retirement. However, across generations, few are adequately financially preparing themselves, and some face significant obstacles. Although a decade has passed since the onset of what is commonly referred to as the Great Recession, many are still recovering and feeling its aftereffects. Adding to their challenges, due to the evolution of the retirement landscape, workers are increasingly expected to self-fund a greater portion of their retirement income and manage their investments and the associated risks. Workers also face competing shorter-term financial priorities, including paying off debt, which make it difficult to save.

- **Many Have Not yet Fully Recovered From the Great Recession.** Only two in five workers (41 percent) indicate that they either were “not impacted” (21 percent) or have “fully recovered” (20 percent) from the Great Recession. Thirty-seven percent have “somewhat recovered,” 14 percent have “not yet begun to recover,” and eight percent feel they may “never recover.” Status of financial recovery from the Great Recession varies by generation. Millennial workers (43 percent) are most likely to indicate they were “not impacted” or have “fully recovered,” followed by 39 percent of Baby Boomers and 38 percent of Generation X. Almost one in four Millennials and Generation X say that they have “not yet begun to recover” or feel they may “never recover” (both 23 percent), compared with 19 percent of Baby Boomers.

Key Highlights

Personal Finances and Retirement Preparations (cont.)

- **Two-Thirds Cite Paying off Debt as a Financial Priority.** Financial priorities change with life stage and personal circumstances, but some are common to all generations. The most frequently cited current financial priority is paying off debt (64 percent) which includes credit card, mortgage, other consumer debt, and/or student loans. Fifty-six percent of all workers cite saving for retirement as a financial priority, with Baby Boomers (70 percent) being most likely to cite this, followed by Generation X (64 percent) and Millennials (42 percent). Other priorities include building savings (54 percent) and just getting by to cover basic living expenses (32 percent), and paying healthcare expenses (23 percent).
- **Workers' Greatest Financial Priority Varies by Generation.** In terms of their *greatest* financial priority right now, saving for retirement is the most cited for all workers (21 percent), and significantly increases with age. It is the top financial priority for Baby Boomers (38 percent) and Generation X (24 percent), with far fewer Millennials (9 percent) citing it. On the other hand, Millennials are more likely to cite a cluster of greatest financial priorities such as just getting by to cover basic living expenses (19 percent), building savings (17 percent), paying off credit card debt (16 percent), or supporting children (15 percent).
- **Household Debt Is Pervasive Across Generations.** The majority (83 percent) of workers carry some form of debt. The most commonly cited forms of debt include credit cards that are carrying a balance (47 percent), mortgages (43 percent) and car loans (38 percent). Millennial workers are more likely to have student loans (25 percent), compared with 13 percent of Generation X and seven percent of Baby Boomers. An alarming seven percent of Millennials have payday loans. Baby Boomers are more likely to indicate that they are debt-free (22 percent), compared with 15 percent of Millennials and 14 percent of Generation X.
- **Dipping Into Retirement Savings Is Not Uncommon.** A concerning percentage of workers are dipping into their retirement savings before they retire. This “leakage” from retirement accounts in the form of loans and withdrawals can severely inhibit the growth of participants’ long-term retirement savings. Almost three in 10 (29 percent) have taken some form of loan, early withdrawal, and/or hardship withdrawal from a 401(k) or similar plan or IRA. Generation X (32 percent) and Millennials (30 percent) are more likely to have taken a loan and/or withdrawal than Baby Boomers (22 percent). The frequency of taking of taking loans (20 percent) is similar to that of taking an early and/or hardship withdrawal (19 percent).
- **Paying off Debt Tops the List of Reasons for Taking 401(k) Loans.** Among those who have taken a loan from their 401(k) or similar plan, the most frequently cited reason for doing so is to pay off debt (32 percent) which includes credit card debt (21 percent) and/or other debt (17 percent). Other reasons for doing so include a financial emergency (21 percent), medical bills (18 percent), and unplanned major expenses (18 percent). Millennials (36 percent) and Baby Boomers (31 percent) are somewhat more likely to cite paying off debt, while Generation X are somewhat less likely at (27 percent).

Key Highlights

Personal Finances and Retirement Preparations (cont.)

- **Reasons for Hardship Withdrawals from 401(k)s.** Among the seven percent of workers who have taken a hardship withdrawal from a 401(k) or similar plan, one in five (22 percent) say their primary reason for doing so is payment to prevent eviction from their principal residence. Baby Boomers (41 percent) and Generation X (32 percent) are more likely to cite this than Millennials (14 percent). Workers' other primary reasons for the hardship withdrawal are payment of tuition or educational fees (16 percent) and payment for certain medical expenses (15 percent). *Please note: the findings for the generations reflect small sample bases and should be considered directional in nature.*
- **Emergency Savings Are Alarmingly Low.** Having emergency savings to cover unexpected major financial setbacks, such as unemployment, medical bills, home repairs, auto repairs and other, could help workers avoid dipping into their retirement savings. However, workers have only \$5,000 (median) in emergency savings, with 32 percent reporting having less than \$5,000. Emergency savings increase with age: Millennial workers have saved \$2,000, Generation X has saved \$5,000 and Baby Boomers have saved \$10,000 (medians).
- **Are Retirement Savings Adequate?** Total household retirement savings among all workers is \$50,000 (estimated median). Baby Boomer workers have the highest retirement savings at \$152,000 compared with Generation X at \$66,000 and Millennials at \$23,000 (estimated medians). The proportion of workers having \$1 to less than \$50,000 in retirement savings directionally decreases with age: 16 percent of Baby Boomers, 27 percent of Generation X, and 37 percent of Millennials. In contrast, the proportion of workers having saved \$250,000 or more increases with age: 12 percent of Millennials, 24 percent of Generation X, and 39 percent of Baby Boomers. Of concern, one in ten workers (11 percent) report having no retirement savings, including 13 percent of Millennials, 10 percent of Generation X, and 9 percent of Baby Boomers.
- **Two-Thirds of Workers Are Confident About Retirement.** Sixty-three percent of workers are confident that they will be able to fully retire with a comfortable lifestyle, including 18 percent who are “very confident” and 45 percent who are “somewhat confident.” Across generations, relatively few Millennials (19 percent), Generation X (14 percent), and Baby Boomers (18 percent) say they are “very confident.”
- **Only Half Think They Are Building a Large Enough Nest Egg.** Only 54 percent of workers agree that they are currently building a large enough retirement nest egg, including 20 percent who “strongly agree” and 34 percent who “somewhat agree.” Of the generations, Generation X workers (16 percent) are somewhat less likely to “strongly agree,” compared with Millennials (23 percent) and Baby Boomers (19 percent).

Key Highlights

Personal Finances and Retirement Preparations (cont.)

- **Most Believe That They Could Not Save Enough by Age 65.** Sixty-six percent of workers agree with the statement, “I could work until age 65 and still not have enough money saved to meet my retirement needs,” including 28 percent who “strongly agree” and 38 percent who “somewhat agree.” More Generation X workers (71 percent) and Millennials (65 percent) agree with the statement, compared with Baby Boomers (58 percent).
- **Most Say They Will Have a Much Harder Time than Their Parents.** Three in four workers (76 percent) agree with the statement, “Compared to my parents’ generation, people in my generation will have a much harder time in achieving financial security,” including 37 percent who “strongly agree” and 39 percent who “somewhat agree.” Younger cohorts, Generation X (81 percent) and Millennials (79 percent), are more likely to agree with this statement, compared with Baby Boomers (69 percent).
- **Three in Ten Expect a Decrease in Their Standard of Living.** Almost three in ten workers (28 percent) are expecting their standard of living to decrease when they retire. More Baby Boomers and Generation X (both 32 percent) expect their standard of living to decrease compared with Millennials (22 percent). Of the three generations, Millennials are most optimistic with 31 percent saying they expect their standard of living to increase when they retire, compared with just 18 percent of Generation X and nine percent of Baby Boomers.
- **Expected Sources of Retirement Income Include Working.** For decades, the United States’ retirement system has been characterized as a “three-legged stool” which includes Social Security, employer pensions, and personal savings. Today’s workers are expecting greater diversity in their sources of retirement income. Notably, 36 percent of workers expect working to be a source of retirement income, adding a fourth component.
- **Workers Are Expecting Diverse Sources of Retirement Income.** Self-funded savings including retirement accounts (e.g., 401(k)s, 403(b)s, IRAs) and other savings and/or investments is the most frequently cited source of expected retirement income by workers across generations (79 percent for all generations). Seventy-one percent of workers expect income from Social Security; however, there is a wide disparity across generations: Baby Boomers (87 percent), Generation X (75 percent), Millennials (58 percent). Thirty-six percent of workers expect retirement income from “working,” with Baby Boomers (31 percent) being least likely to expect that, compared with Millennials (38 percent) and Generation X (37 percent).

Key Highlights

Personal Finances and Retirement Preparations (cont.)

- **Many Baby Boomers Expect to Rely on Social Security.** Baby Boomers (42 percent) are significantly more likely to expect Social Security to be their *primary* source of expected retirement income compared with Generation X (28 percent) and Millennials (19 percent). Millennials (53 percent), and Generation X (49 percent), most frequently cite their expected primary income in retirement to be self-funded savings including 401k(s), 403(b)s, IRAs and/or other savings and investments, compared with Baby Boomers (39 percent). Furthermore, “working” is more often cited by Millennials (17 percent) and Generation X (14 percent), compared with Baby Boomers (8 percent). *Note: 401(k)s did not become readily available until the 1990s, a time when Baby Boomers were already well into their careers; therefore, they have not had as much time to save in them.*
- **Three in Four Workers Are Concerned About Social Security.** Seventy-seven percent of workers agree with the statement, “I am concerned that when I am ready to retire, Social Security will not be there for me,” including 35 percent who “strongly agree” and 42 percent who “somewhat agree.” Generation X (84 percent) and Millennials (80 percent) are more likely to agree than Baby Boomers (65 percent). Generation X (42 percent) and Millennials (38 percent) are also more likely than Baby Boomers (24 percent) to “strongly agree.”
- **Three in Four Workers Are Saving for Retirement.** Seventy-five percent of workers are saving for retirement through employer-sponsored plans, such as a 401(k) or similar plan, and/or outside the workplace. Baby Boomers (78 percent) and Generation X (77 percent) are more likely than Millennials (71 percent) to be saving for retirement. Among those saving for retirement, Millennials started saving at age 24 (median), Generation X started at age 30 (median), and Baby Boomer started at age 35 (median).
- **Majority Are Currently Saving for Retirement Outside of Work.** Fifty-nine percent of workers are saving for retirement outside of work, such as in an IRA, mutual funds, bank account, etc. Baby Boomers (66 percent) are most likely to do so, with Generation X and Millennials being significantly less likely to be saving outside of work (both 56 percent).
- **Workers’ Estimated Retirement Savings Needs.** Workers estimate they will need \$500,000 (median) by the time they retire in order to feel financially secure, a finding that is shared by Generation X and Baby Boomers, but Millennials estimate they will need only \$400,000 (median). Generation X (39 percent) and Baby Boomers (37 percent) are more likely than Millennials (30 percent) to say they will need \$1 million or more by the time they retire in order to feel financially secure.

Key Highlights

Personal Finances and Retirement Preparations (cont.)

- **Many Workers Are Guessing Their Retirement Savings Needs.** Almost half of workers who provided an estimate of their retirement savings needs indicate they guessed those needs (46 percent). Twenty-two percent estimated this goal based on their current living expenses. Just 12 percent used a retirement calculator or completed a worksheet, a finding that is consistent across generations. Generation X workers (51 percent) are slightly more likely to have guessed, while Baby Boomers (24 percent) are slightly more likely to have estimated their needs based on current living expenses.
- **Most Are Very Involved in Monitoring and Managing Their Savings.** Sixty-five percent of workers agree with the statement, “I am currently very involved in monitoring and managing my retirement savings,” with 25 percent “strongly agreeing” and 40 percent “somewhat agreeing.” Workers’ level of agreement increases somewhat with age. Slightly more Baby Boomer workers (67 percent) and Generation X (66 percent) than Millennials (63 percent) agree that they are very involved in monitoring and managing their savings.
- **Workers Most Often Invest in a Mix of Stocks, Bonds, and Cash.** Workers most frequently invest their retirement savings in a relatively equal mix of stocks and investments such as bonds, money market funds, and cash (43 percent), which tends to increase with age: Baby Boomers (47 percent), Generation X (42 percent), Millennials (39 percent). Counter to conventional investing and asset allocation principles, Millennials (22 percent) are somewhat more likely to be invested mostly in bonds, money market funds, cash and other stable investments, compared with Generations X and Baby Boomers (both 18 percent). Eighteen percent of workers say they are “not sure” how their retirement savings are invested, with Generation X (22 percent) somewhat more likely to say so.
- **Only One in Five Has a Written Strategy for Retirement.** Achieving retirement readiness goes beyond simply saving enough; it also involves having a well-defined written strategy. The majority of workers (64 percent) have some form of retirement strategy, but only 19 percent have a written plan (the other 45 percent have a plan but it is not written down). Of the three generations, Millennials (66 percent) and Baby Boomer workers (65 percent) are slightly more likely to have some form of written or unwritten retirement strategy, compared with Generation X (61 percent).
- **Retirement Strategy: Includes A Variety Of Components.** A worker’s retirement strategy must consider a broad range of factors that could impact his/her retirement savings, ability to generate income in retirement, and protection of savings. Many workers with a retirement strategy have considered basic living expenses (58 percent), Social Security and Medicare benefits (51 percent), and a retirement budget (42 percent). However, few have factored in long-term care needs (26 percent), tax planning (20 percent), and estate planning (17 percent), with even fewer having factored in contingency plans (12 percent). Only one in four (24 percent) workers have factored in pursuing their retirement dreams. Of the three generations, Baby Boomers are more likely to have factored in several of the components into their strategies, but they are still lacking.

Key Highlights

Personal Finances and Retirement Preparations (cont.)

- **Few Have a Backup Plan if Retirement Comes Unexpectedly.** Delaying retirement and/or continuing to work in retirement is an effective way to continue generating income, bridge savings shortfalls, and stay active and involved. However, only 26 percent of workers have a backup plan for retirement income if forced into retirement sooner than expected. Millennials (28 percent) and Baby Boomer workers (26 percent) are somewhat more likely to have a backup plan compared with Generation X (21 percent).
- **Frequency (or Infrequency) of Conversations About Retirement.** Retirement is a family matter that calls for important conversations. However, just 16 percent of workers “frequently” discuss saving, investing, and planning for retirement with family and close friends, while 56 percent “occasionally” discuss it, and 28 percent “never” discuss it. Of the three generations, Millennials workers (21 percent) are most likely to “frequently” discuss savings, investing, and planning for retirement with family and friends. In contrast, almost a third of Generation X (31 percent) and Baby Boomers (32 percent) “never” discuss it.
- **Relatively Few Are Very Familiar with Spouse’s/Partner’s Savings.** Among workers who are married or living with a partner, 57 percent say their spouse or partner is saving in a retirement plan and 67 percent are familiar with their spouse’s or partner’s savings, yet only 30 percent are “very familiar.” Level of familiarity of their spouse or partner’s plan increases with age, with Baby Boomers (70 percent) being the most familiar, followed by Generation X (67 percent) and Millennials (62 percent).
- **Two-Thirds Feel They Don’t Know as Much as They Should.** Sixty-seven percent of workers agree with the statement, “I do not know as much as I should about retirement investing,” including 27 percent who “strongly agree” and 40 percent who “somewhat agree.” Level of agreement decreases with age: Millennial workers (72 percent) are more likely to agree when compared with Generation X (67 percent) and Baby Boomers (62 percent).
- **More Than Half Would Prefer to Rely on Outside Experts.** More than half of workers (56 percent) agree with the statement, “I would prefer to rely on outside experts to monitor and manage my retirement savings plan,” including 15 percent who “strongly agree” and 41 percent who “somewhat agree.” Millennials (61 percent) and Generation X workers (58 percent) are more likely to agree than Baby Boomers (47 percent).
- **Almost Four in Ten Workers Use a Professional Financial Advisor.** Thirty-eight percent of workers who are saving and investing for retirement use a professional financial advisor to help them manage their savings and investments. Baby Boomers are most likely to use an advisor (43 percent), followed by Millennials (38 percent) and Generation X (33 percent).

Key Highlights

Personal Finances and Retirement Preparations (cont.)

- **Services Provided by Financial Advisors Vary by Generation.** Among those who use a financial advisor, workers most frequently use them to make retirement investment recommendations (68 percent), followed by general financial planning (47 percent), and calculating a retirement savings goal (46 percent). Across generations, the use of financial advisor services vary. A stronger majority of Baby Boomers (82 percent) use their financial advisors for retirement investment recommendations compared with younger workers. While using their advisor to calculate a retirement savings goals is consistent across the three generations.
- **Many May Be Procrastinating Retirement Investing.** Forty-two percent of workers agree with the statement, “I prefer not to think about or concern myself with retirement investing until I get closer to my retirement date,” including 14 percent who “strongly agree” and 28 percent who “somewhat agree.” As may be expected, younger workers are more likely to be procrastinators than older workers. Millennials (54 percent) and Generation X workers (41 percent) are more likely to agree compared with Baby Boomers (28 percent).

Despite the all-too-real challenge of saving, many workers are overlooking opportunities that could help them improve their long-term financial prospects. In addition to saving on a consistent basis, small steps such as using a retirement calculator to estimate savings needs, creating a budget, engaging in financial planning and formulating a retirement strategy, and learning about retirement investing can make a big difference in the long run. Raising awareness of these opportunities and encouraging workers to take greater action can help them turn their vision of retirement into a reality.

Happiness, Health, and Work-Life Balance

People may indeed have the potential of living longer than any other time in history. However, this gift of longevity is not an entitlement. It requires taking good care of ourselves and managing work-life balance over the decades of our working years so that we can enjoy our time in retirement. Most workers indicate they are in good or excellent health and are concerned about their health in older age. Unfortunately, most are not taking adequate steps to safeguard their health.

- **Workers Are Happy but Some Are Facing Challenges.** Approximately four in five workers are generally happy (87 percent), have close relationships with family and/or friends (86 percent), are enjoying life (85 percent), have a strong sense of purpose in life (81 percent), and are confident in their ability to manage their finances (81 percent). Seventy-six percent of workers have a positive view of aging and 64 percent have an active social life. A concerning 41 percent of workers have trouble making ends meet, 37 percent often feel anxious and depressed, and 26 percent are isolated and lonely.

Key Highlights

Happiness, Health, and Work-Life Balance (cont.)

- **Most Are Enjoying Life yet Many Millennials Are Struggling.** Millennials are more likely to be struggling compared with Generation X and Baby Boomers. Almost half of Millennials have trouble making ends meet (48 percent) and often feel anxious and depressed (48 percent). Thirty-six percent of Millennials feel isolated and lonely.
- **Most Are Successful in Managing Work-Life Balance.** Approximately eight in 10 workers (79 percent) feel that they are successful in currently managing their work-life balance, including 24 percent who are “very” successful and 55 percent who are “somewhat” successful. Baby Boomers (83 percent) are more likely than Millennials and Generation X (both 78 percent) to feel successful.
- **Majority of Workers Describe Themselves as Healthy.** Almost eight in 10 workers describe themselves as being healthy (79 percent). Twenty-one percent describe their general health as “excellent” and 58 percent describe it as “good.” Nineteen percent describe their health as “fair” and two percent as “poor.” Self-described general health is relatively consistent across generations; however, Millennial workers (26 percent) are significantly more likely to cite being in “excellent” health, compared with Generation X (19 percent) and Baby Boomers (16 percent).
- **Seven in Ten Are Concerned About Their Health in Older Age.** Seventy-four percent of workers are either “very” (23 percent) or “somewhat” (51 percent) concerned about their health in older age. Millennials (23 percent) and Generation X (24 percent) are somewhat more likely to be “very concerned” about their health in older age when compared with Baby Boomers (20 percent).
- **Workers Can Do More to Safeguard Their Long-Term Health.** Given the potential implications on long-term health, relatively few workers are engaging in health-related activities on a consistent basis, such as exercising regularly (55 percent), eating healthfully (54 percent), and getting plenty of rest (50 percent). Across generations, Baby Boomers are doing the most health-related activities by far. Only one in five workers (22 percent) say they consider their long-term health when making lifestyle decisions, a finding that is relatively consistent across the three generations: Millennials (23 percent), Generation X (18 percent), and Baby Boomers (23 percent).
- **Almost Three in Ten Workers Are and/or Have Been Caregivers.** Twenty-eight percent of workers have served as a caregiver during the course of their working careers, including 17 percent who have been a caregiver in the past and 12 percent who are currently caregivers. The proportion of workers who are and/or have been caregivers is consistent across the generations: Millennials – 27 percent, Generation X – 28 percent, and Baby Boomers - 29 percent.

Key Highlights

Happiness, Health, and Work-Life Balance (cont.)

- **Nearly Nine in Ten Caregivers Made Work Adjustments.** Among workers who are serving and/or have served as caregivers, 86 percent have made some sort of adjustment to their work situation as a result of becoming a caregiver (e.g., used vacation days, missed days of work, reduced hours, began working an alternative schedule, etc.). Millennials (89 percent) and Generation X (87 percent) are somewhat more likely to have made adjustments compared with Baby Boomers (82 percent).

The good news is that most workers are healthy and are effectively managing work-life balance. However, the survey finds that they can do more to protect their long-term health, so they can continue working as long as desired or necessary and fully enjoy retirement when the time comes. Many workers, if they have not yet already, will be called upon to be caregivers for an aging parent(s). Caregiving often places a strain on caregivers' own health, employment, and financial situation. Given these strains, it is even more important for caregivers to safeguard their financial situation as well as their physical and mental health.

(Transamerica Institute's 2017 [survey of caregivers](#) outlines the risky situation faced by family caregivers.)

The Vital Role of Employers in Helping Workers Prepare for Older Age

Employers play a vital role in helping workers save and invest for retirement. Employer-sponsored retirement benefits such as 401(k) or similar plans have proven to be highly effective at encouraging savings through the convenience of payroll deduction, access to institutional investments and advice, educational offerings, and matching contributions. Employer sponsorship rates of 401(k) or similar plans are already high – yet with room for further growth. Many plan sponsors have the opportunity to enhance their plans with the addition of “automatic” features such as automatic enrollment and automatic escalation. Expanding coverage to part-time workers can also help improve workers' retirement outcomes.

In addition to offering retirement benefits, employers can profoundly influence their workers' financial security and preparations for older age in a number of other meaningful ways. These include offering health and non-retirement benefits, workplace wellness programs, flexible work arrangements to promote work-life balances, retirement planning and counseling services, phased retirement alternatives – and fostering an age-friendly work environment in which workers of all ages are valued and can be successful.

Key Highlights

The Vital Role of Employers in Helping Workers Prepare for Older Age (cont.)

- **The Majority of Workers Highly Value Retirement Benefits.** Employers take note: Workers highly value retirement benefits. Eighty-six percent of workers value a 401(k) or similar retirement plan as an important benefit. Four in five workers (81 percent) say that retirement benefits offered by a prospective employer will be a major factor in their decision whether to accept an offer. Six in ten workers (59 percent) say they would be likely to switch employers for a nearly identical job with a similar employer that offered a retirement plan/a better retirement plan. Flight risk is greatest among the 67 percent of Millennials who share this sentiment. The majority of Generation X (58 percent) would be likely to switch also. Baby Boomers (46 percent) are less likely to switch employers for a retirement plan/a better retirement plan.
- **Two-Thirds Are Offered a 401(k) or Similar Plan.** Sixty-five percent of workers have access to a 401(k) or similar employee-funded retirement plan in the workplace. Generation X workers (70 percent) are most likely to have access to a plan, compared with Millennials (64 percent) and Baby Boomers (62 percent). Of concern is that one-fourth of workers are not offered any retirement benefits.
- **Full-Time Workers Are More Likely to Be Offered a 401(k).** Full-time workers (71 percent) are far more likely to have access to a 401(k) or similar employee-funded plan compared with part-time workers (45 percent). Among part-time workers, Baby Boomers (35 percent) are less likely to have benefits compared with Millennials (49 percent) and Generation X (46 percent).
- **Having Access to a 401(k) Inspires Workers to Save.** Workers who are offered a 401(k) or similar retirement plan by their employer are more likely to save and invest for retirement in the plan and/or outside of work (87 percent) compared with those who do not have access to such plans (50 percent). Baby Boomers who are not offered a workplace plan are somewhat more likely to be saving for retirement (58 percent) than their younger counterparts (Generation X: 49 percent; Millennials: 46 percent).
- **When Offered a Plan, Three in Four Participate.** Seventy-seven percent of workers who are offered a 401(k) or similar plan participate in that plan. Participation rates are highest among Generation X (82 percent) and Baby Boomers (80 percent), with Millennials (73 percent) lagging behind them. Participants are contributing 10 percent (median) of their annual salary into their plans. Contribution rates are highest among Millennials and Baby Boomers at 10 percent each (median) with lower rates among Generation X (8 percent).
- **One-Third Contribute 10 Percent or More to Retirement Plans.** While the majority of workers participating in a 401(k) or similar retirement plan are contributing 10 percent of their salaries or less, 36 percent are saving more than 10 percent. These “super savers” include 38 percent of Millennials, 32 percent of Generation X, and 39 percent of Baby Boomers. Twenty-one percent of plan participants are contributing more than 15 percent of their annual pay into the plan.

Key Highlights

The Vital Role of Employers in Helping Workers Prepare for Older Age (cont.)

- **Millennials Are More Likely to Be Contributing to a Roth 401(k).** Seventy-six percent of workers who are offered a 401(k) or similar plan are aware of the Roth 401(k) option, which enables them to pay income taxes now and take withdrawals at retirement age tax-free. Among those who are aware, 62 percent say they are offered it by their employer including 43 percent who contribute to it. Millennials who are aware are most likely to be offered a Roth 401(k) feature and contribute to it (52 percent), compared with Generation X (42 percent) and Baby Boomers (30 percent).
- **Majority of Participants Use Professionally Managed Offerings.** “Professionally managed” accounts refer to a managed account service, strategic allocation funds, and/or target date funds. The majority of plan participants (56 percent) are using some form of professionally managed offering in their 401(k) or similar plans. Millennials (63 percent) are somewhat more likely to be using these types of accounts than Generation X (48 percent) and Baby Boomers (54 percent).
- **A Large Majority Finds Automatic Enrollment Appealing.** Automatic enrollment is a retirement plan feature that eliminates the decision-making and action steps normally required of employees to enroll and start contributing to their workplace retirement plan. It simply automatically enrolls them into their plan so they only need to take action if they desire to opt out and not contribute to the plan. Across the generations, 80 percent of workers find automatic enrollment appealing, with Generation X (83 percent) and Millennials (80 percent) somewhat more likely to find it appealing than Baby Boomers (77 percent). However, Generation X workers consider an appropriate default contribution rate to be 6 percent, a lower rate than Baby Boomers (8 percent) and Millennials (10 percent). If an employer has not yet adopted automatic enrollment as part of its 401(k) plan, it is a feature worthy of consideration.
- **Most Would Be Likely to Use Automatic Escalation.** The majority of workers (76 percent) say they would be likely to use an automatic feature that would increase their retirement plan contribution by 1 percent each year. Millennials (78 percent) and Generation X (75 percent) are somewhat more likely than Baby Boomers (73 percent) to say they would be likely to use this feature. Some workers (9 percent) are not at all likely to use this feature, a finding that is more common among Baby Boomers (12 percent) and Generation X (11 percent) than Millennials (7 percent). If an employer has not yet adopted automatic escalation as part of its 401(k) plan, it is also a feature worthy of consideration.
- **Two-Thirds Want More Retirement Education and Advice.** The majority of workers (66 percent) would like more education and advice from their employers on how to reach their retirement goals. This desire is highest among Millennials (72 percent), while also strong among Generation X (68 percent) and Baby Boomers (55 percent).

Key Highlights

The Vital Role of Employers in Helping Workers Prepare for Older Age (cont.)

- **Workers Find Their 401(k) Plans' Tools and Resources Helpful.** Workers who are offered a 401(k) or similar plan find many of the plan provider's tools and resources to be helpful. Millennials are likely to find most of the tools offered to be helpful and especially those that are technology-based. Two dramatic examples: (1) 59 percent of Millennials find mobile apps to manage their accounts to be helpful, compared with just 30 percent of Baby Boomers and (2) 42 percent of Millennials find information on social media to be helpful compared with just 18 percent of Baby Boomers.
- **Motivators to Inspire Learning: Make It Easier to Understand.** Employers, with their retirement plan providers, play an invaluable role in offering retirement and financial-related education to their employees. They may be able to fine-tune their offerings even more. When workers were asked what would motivate them to learn more about saving and investing for retirement, the most frequently cited motivators related to making it easier to understand (53 percent), with Millennials (60 percent) being more likely to cite this than Generation X (52 percent) and Baby Boomers (43 percent). "Larger tax breaks and incentives for saving in a retirement plan" and "a financial advisor" were also frequently cited motivators across generations.
- **Incentives to Save: Saver's Credit & Catch-Up Contributions.** Thirty-six percent of workers indicate that greater tax breaks and incentives would be a motivator for them to learn more about saving and investing for retirement. Two meaningful incentives include: the Saver's Credit, a tax credit for eligible taxpayers who save for retirement in a qualified retirement plan or IRA; and catch-up contributions, which allow workers age 50 and older to contribute to a qualified plan an additional amount over and above the plan- or IRA-contribution limit. Yet only 38 percent of workers are aware of the Saver's Credit. All Baby Boomers are now over age 50 and Generation X began turning 50 in 2015. Catch-up contributions are now a noteworthy and relevant incentive for them; however, only 47 percent of Generation X and 63 percent of Baby Boomers are aware of the incentive.
- **Workers Need to Know More About Social Security Benefits.** A strong knowledge of government benefits is important for all future retirees and especially important for workers nearing retirement. Yet only 23 percent of all Baby Boomers know "a great deal" about Social Security benefits. Moreover, among workers who expect Social Security to be their primary source of income when they retire, only 19 percent know a "great deal" about Social Security benefits.
- **Are Today's Employers Aging-Friendly?** Slightly more than half of workers (54 percent) consider their employers to be "aging-friendly" by offering opportunities, work arrangements, and training and tools needed for employees of all ages to be successful in their current role or contribution to the company. Twenty-five percent of workers say their employers are not aging-friendly, and 21 percent are "not sure." Millennial workers are somewhat more likely to characterize their employers as aging-friendly (56 percent) compared with Baby Boomers (53 percent) and Generation X (51 percent).

Key Highlights

The Vital Role of Employers in Helping Workers Prepare for Older Age (cont.)

- **Two-Thirds Say Employers Support Work-Life Balance.** Sixty-six percent of workers say their employers are helpful in supporting them achieve work-life balance, including 22 percent who say they are “very” helpful and 44 percent who say they are “somewhat” helpful. Millennials (69 percent) are more likely than Generation X (66 percent) and Baby Boomers (58 percent) to say that their employers are helpful.
- **Most Are Offered Some Type of Alternative Work Arrangements.** Seventy-six percent of workers indicate their employers offer one or more types alternative work arrangements. The most often-cited types of alternative arrangements are: flexible work schedules (45 percent), the ability to take unpaid leave of absence (39 percent), and the ability to adjust work hours as needed (38 percent). Millennials (83 percent) are more likely to be offered alternative work arrangements compared with Generation X (71 percent) and Baby Boomers (69 percent).
- **Three in Four Say Their Employers Support Working Past Age 65.** Seventy-six percent of workers agree with the statement, “My current employer is supportive of its employees working past age 65,” including 31 percent who “strongly agree” and 45 percent who “somewhat agree.” Baby Boomers workers (38 percent) are more likely to “strongly agree” when compared with Millennials (28 percent) and Generation X (29 percent).
- **Employers Do Little to Facilitate Transitioning Into Retirement.** Workers may encounter difficulties in accomplishing a phased transition into retirement at their current employers. Only 35 percent of workers indicate their employers offer flexible work-related programs such as accommodating flexible work schedules and arrangements (20 percent), enabling employees to reduce work hours and shift from full time to part time (19 percent), and/or enabling employees to take positions that are less stressful or demanding (15 percent) for those who are transitioning into retirement.
- **The Employee Benefits Gap: Importance vs. Offered by Employers.** In addition to retirement benefits, health and welfare benefits can enhance workers’ financial security. These benefits can bring insurance protections, mitigate out-of-pocket healthcare expenses, provide the possibility of additional resources in a time of need, and offer wellness help. Most workers believe these benefits are important; however, a significant gap exists between the percentage of workers who believe they are important and the percentage who are offered them by their employers. This represents an opportunity for employers to increase the competitiveness of their compensation and benefits packages, while helping their employees achieve greater long-term financial security.

Key Highlights

The Vital Role of Employers in Helping Workers Prepare for Older Age (cont.)

- **The Employee Benefits Gap Spans All Three Generations.** The importance of various types of health and welfare benefits varies by generation. While more than 90 percent of workers across all three generations consider health insurance to be important, Millennials are more likely than Generation X and Baby Boomers to find the other types of health and welfare benefits listed to be important. Across generations, a significant gap exists between the percentages of workers who believe they are important compared with the percentage who are offered them by their employers.

Employers play an invaluable role in helping workers prepare for older age and retirement. As the concept and practicality of retirement continues to morph, employers will need support from the retirement industry in the form of updated products and services and may require assistance from policymakers in the form of incentives and/or reforms to address changing times.

What Is “Retirement”?

“Retirement” means different things to different people. It is highly personal in nature. As the landscape continues to evolve, the meaning of retirement will change over time. In the hearts and minds of today’s workers, the word “retirement” is most often associated with “freedom,” despite concerns about whether it is financially attainable.

How do we achieve freedom in this later phase in life? We must successfully extend our working careers while saving, investing, and planning for longer retirements. We must also effectively balance our work and personal lives with time for families, caregiving, recreation, continuing education, while also taking good care of our health.

From a societal perspective, how can we create flexibility for people to live their lives and retire on their own terms? How can we improve financial security among all? How do we foster communities in which everyone can thrive? These are questions begging to be answered at a societal level in a collaborative effort among policymakers, employers, industry, nonprofits, academics, and individuals – and by each of us on a personal level.

What is “retirement”? It’s what we make it.

Catherine Collinson

CEO & President

Transamerica Institute® and Transamerica Center for Retirement Studies®

Recommendations for Workers

Workers should do as much as they possibly can to improve their retirement prospects and achieve their vision of retirement. As the retirement landscape continues to evolve, Baby Boomers, Generation X, and Millennials will likely face different challenges and opportunities. However, the proactive tactics to help prepare are fundamentally common to all. Ten action steps include:

1. **Create a budget** that includes income, living expenses, paying off debt, and financial goals such as building short-term savings and long-term retirement savings.
2. **Save for retirement.** Start saving as early as possible and save consistently over time. At the same time, create an emergency savings fund in order to avoid taking loans and early withdrawals from retirement accounts.
3. **Consider retirement benefits as part of total compensation** when evaluating employment opportunities.
4. **Participate in employer-sponsored retirement plans, if available.** Take full advantage of matching employer contributions and defer as much as possible. If not offered a plan, consider contributing to an IRA consistently.
5. **Calculate retirement savings needs, develop a retirement strategy, and write it down.** Factor in living expenses, healthcare, long-term care needs, and government benefits – as well as funds for pursuing retirement dreams such as travel, time with family, and hobbies. Create a written strategy to meet your goals with assistance from a professional financial advisor, if needed.
6. **Get educated about retirement investing,** including a basic understanding of asset allocation principles and the role of diversification. Learn about professionally managed accounts, target date funds, and strategic allocation funds – and how they can help you meet your retirement goals.
7. **Take advantage of the Saver's Credit and catch-up contributions.** Check if you qualify for the Saver's Credit, a tax credit available to eligible tax payers who contribute to a 401(k) or similar plan, or IRA. If you are age 50 or older, make catch-up contributions through your employer's retirement plan, if available, or through an IRA.
8. **Be proactive to help ensure continued employment even in retirement.** Take proactive steps to stay employed and maximize opportunities by keeping your job skills up to date, staying current on employment trends and marketplace needs, and learning new skills.
9. **Be sure to have a backup plan** in the event of job loss or in case retirement comes early due to an unforeseen circumstance.
10. **Take good care of yourself and safeguard your health.** Consider the long-term health implications when making lifestyle decisions.

Recommendations for Employers

Employers play a vital role in helping Americans save for retirement. Working with HR professionals and employee benefits advisors, employers may help improve their employees' retirement outlook by pursuing these possible opportunities:

1. **Offer a retirement plan or achieve efficiencies by joining a multiple employer plan (MEP).** If a plan is not already in place, take advantage of the tax credit available for starting a retirement plan or joining a MEP.
2. **Offer other health and welfare benefits that can enhance and protect workers' long-term financial security and health.** Benefits such as health, disability, life, and long-term care insurance; workplace wellness and financial wellness programs; and employee assistance programs can help protect employees' long-term health and financial security.
3. **Extend retirement plan eligibility to part-time workers,** or, if not practical, provide workers the ability to contribute to an IRA through payroll deduction.
4. **Consider adding automatic enrollment and escalation features** to increase retirement plan participation and salary deferral rates, if needed.
5. **Limit the number of loans available in the retirement plan.** Educate employees about the ramifications of taking loans and withdrawals from retirement accounts. Educate employees about the need to build savings for emergencies and non-routine expenses to avoid dipping into retirement savings or incurring excessive debt.
6. **Structure matching contribution formulas to promote higher salary deferrals;** e.g., instead of matching 100 percent of the first three percent of deferrals, change the match to 50 percent of the first six percent of deferrals.
7. **Provide education about saving and investing that is easy to understand.** Offer information about the Saver's Credit, calculating a retirement savings goal, and principles of saving and investing. For new hires, provide education about the plan and, if available, the option to roll over their accounts from previous employers into the plan.
8. **Offer pre-retirees greater levels of assistance in planning their transition into retirement,** including education about retirement income strategies for managing savings to last their lifetime; retirement plan distribution options; and the need for a backup plan if forced into retirement sooner than expected (e.g., health issues, job loss, family obligations). Provide information about Social Security and Medicare.
9. **Create opportunities for workers to phase into retirement** by allowing for a transition from full-time to part-time, working in different capacities or different locations, and/or having a more flexible schedules.
10. **Foster an age-friendly work environment and adopt diversity and inclusion business practices** that include age among other demographic factors (e.g., gender, race, religion, sexual orientation).

Recommendations for Policymakers

Workplace retirement savings plans successfully help millions of workers save for retirement. Even so, much more can and should be done to improve the current retirement system. Recommendations for policymakers include:

1. **Preserve and enhance existing tax and other incentives for workers to save for retirement.**
2. **Expand retirement plan coverage for all workers including part-time workers by:**
 - a. Expanding the tax credit for employers to start a plan;
 - b. Implementing reforms to multiple employer plans (MEPs) thereby facilitating the opportunity for employers and sole proprietors/independent contractors to join them; and,
 - c. Providing additional safe harbors for 401(k) and similar plans for purposes of non-discrimination testing.
3. **Encourage employer adoption of automatic enrollment and increase default contribution rates** by establishing a tax credit for adding automatic enrollment to a new or existing plan, as well as removing the contribution cap on automatic enrollment and automatic escalation.
4. **Illustrate savings as retirement income on retirement plan account statements** by requiring statements to show participant account balances in terms of a guaranteed monthly income as well as a lump sum to help educate about savings needs.
5. **Expand the availability of financial advice to workers** by providing additional liability safeguards to employers in offering the advice.
6. **Facilitate retirement savings to last a lifetime.** Proposals that help participants both manage their investment risk and build retirement savings to last their lifetime are encouraged, including facilitating employers' offering of guaranteed retirement income solutions.
7. **Expand the Saver's Credit** by making it refundable and/or raising the income eligibility requirements so that more tax filers are eligible.
8. **Address workers' competing financial needs** with the goal to prevent leakage from retirement accounts and encourage savings. For example, reforms could include permitting employer matching of student loan debt repayments and/or establishing a limited emergency savings account.
9. **Identify and implement public policy reforms** that create new incentives and remove disincentives for employers to retain older workers and offer phased retirement programs.

What Is “Retirement”?
Three Generations Prepare For Older Age
Detailed Findings

A Portrait of Three Generations

Millennials: A Digital DIY Retirement Generation

Millennial workers (born 1979 to 2000) are a digital do-it-yourself generation of retirement savers. Most are concerned that Social Security will not be there for them when they get ready to retire. Unlike their parents' generation, many expect their primary source of retirement income to be self-funded through retirement accounts (e.g., 401(k)s, 403(b)s, IRAs) or other savings and investments. They are getting an early and strong start with their retirement savings, but they need to learn more about investing. And they are hungry for more information on how to achieve their retirement goals.

17%

are planning to live to 100 or older.

Pg. 41

71%

are already saving for retirement in a company-sponsored 401(k) or similar plan, and/or outside the workplace.

Pg. 79

Age 24

is the age (median) that Millennial investors started saving for retirement.

Pg. 79

10

is the percentage of their annual salaries (median) that Millennial participants are contributing to 401(k) or similar plans.

Pg. 109

1 in 5

21 percent frequently discuss savings, investing, and planning for retirement with family and friends.

Pg. 88

53%

expect their primary source of retirement income to be self-funded savings including 401(k)s, 403(b)s, IRAs and/or other savings.

Pg. 77

\$23,000

is the amount saved in all household retirement accounts (median).

Pg. 69

72%

would like to receive more information and advice from their employers on how to achieve their retirement goals.

Pg. 115

Generation X: The Stoic and Struggling 401(k) Savers

Generation X (born 1965 to 1978) entered the workforce in the late 1980s just as 401(k) plans were making their first appearance and defined benefit plans were beginning to disappear. Generation X workers are the first generation to have access to 401(k) plans for the majority of their working careers; they have high plan participation rates, but many should be saving more. For better or worse, some have taken loans and early withdrawals. Their retirement confidence is lacking and many are behind on their savings; however, it's important for them to know that they still have time to catch up before they retire.

Only 14%

are “very confident” that they will be able to fully retire with a comfortable lifestyle.

Pg. 70

77%

are saving for retirement in a company-sponsored 401(k) or similar plan and/or outside the workplace.

Pg. 79

Age 30

is the age (median) that Generation X started saving for retirement.

Pg. 79

Eight

is the percentage of their annual salaries (median) that Generation X participants are contributing to 401(k) or similar plans.

Pg. 109

\$66,000

is the amount saved in all household retirement accounts (median).

Pg. 69

32%

have taken a loan, early withdrawal, and/or hardship withdrawal from their retirement savings

Pg. 65

7 in 10

71 percent feel they could work until age 65 and still not have enough money saved to meet their retirement needs.

Pg. 72

1 in 7

Only 14 percent have a written retirement strategy.

Pg. 85

Baby Boomers: Trailblazers of the New Retirement

Baby Boomers (born 1946 to 1964) are the generation that has re-written societal rules at every stage of their life. Now, they are trailblazing a new brand of retirement. Many were already mid-career when the retirement landscape shifted from defined benefit plans to 401(k) or similar plans. They have not had a full 40-year time horizon to save in 401(k)s. Many were also hit hard during the Great Recession, and, unlike younger generations, they have less time to financially recover before they retire. Baby Boomer workers are planning to work to older ages than previous generations, yet few have a backup plan if forced into retirement unexpectedly.

4 in 5

81 percent are “very much” or “somewhat” looking forward to retirement.

Pg. 44

7 in 10

69 percent either expect to or already are working past age 65 or do not plan to retire.

Pg. 51

63%

prefer to stay with their current employer while transitioning into retirement.

Pg. 55

40%

are keeping their skills up to date to ensure they’ll be able to continue working past 65 or in retirement, if needed.

Pg. 58

78%

are saving for retirement in a company-sponsored 401(k) or similar plan and/or outside the workplace.

Pg. 79

Age 35

is the age (median) that Baby Boomer investors started saving for retirement.

Pg. 109

10

is the percentage of their annual salaries (median) that Baby Boomer participants are contributing to 401(k) or similar plans.

Pg. 109

\$152,000

is the amount saved in all household retirement accounts (median).

Pg. 69

Visions of Aging and “Retirement”

“Retirement” means to me...

Having money saved so that one day you can stop working and do the things you've always wanted to do, like traveling, starting a new career, etc. You have the freedom to do whatever you want or focus on your health and family.

Age 19 Millennial Female

Being my own boss, in charge of what I do and accomplish on a daily basis and responsible for ensuring I can support the activities I'd like to experience.

Age 41 Gen X Female

Master of my own time!

Age 56 Baby Boomer Male

Having the flexibility to make choices instead of having to do something because you're supposed to do it. Travel that we had to put off because we're always working.

Age 56 Baby Boomer Male

Staying healthy, being able to do things without worrying that you won't have enough money for the basics. Hopefully not falling under the old saying, "I have time but no money." But when you worked, you have money but no time. It's just a huge balancing act.

Age 53 Gen X Female

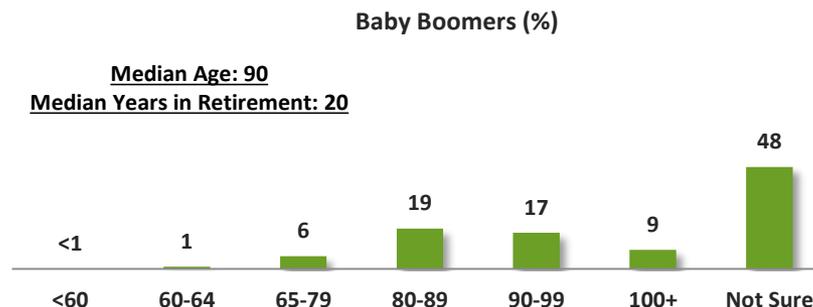
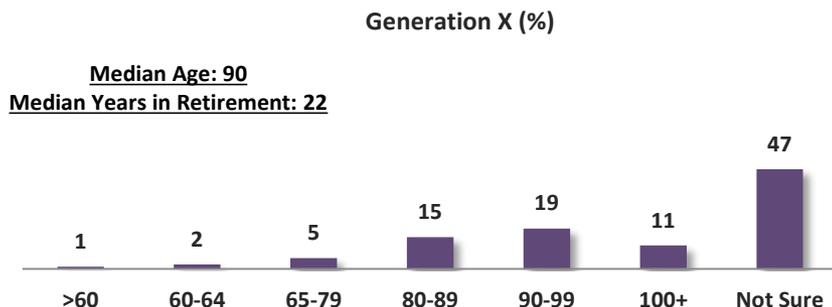
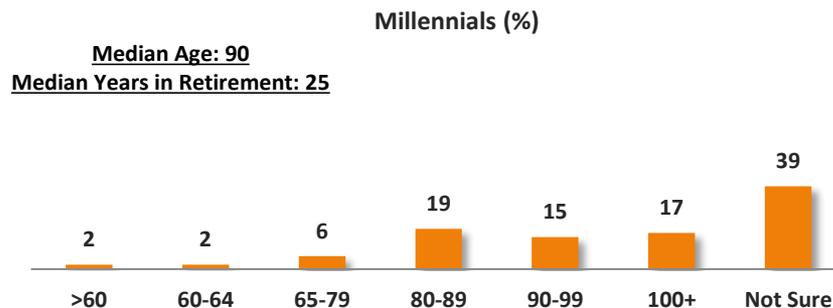
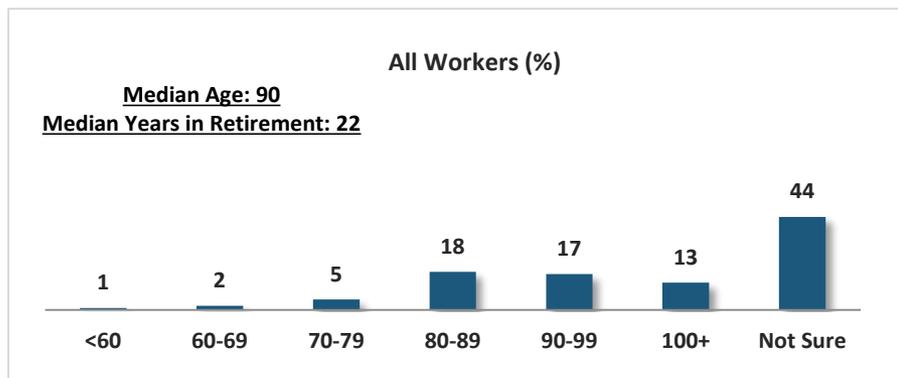
Being able to spend much quality time with family and friends. Being able to help my kids pay for college and not worry about student loan debt like I have to.

Age 35 Millennial Female

Many Plan on Both Long Lives and Long Retirements

Today's workers are planning to live to age 90 (median). Almost one in five Millennials (17 percent) are planning to live to age 100 or older, compared with Generation X (11 percent) and Baby Boomers (9 percent). An implication for increased longevity is potentially more time spent in retirement. The TCRS survey compared workers' planned life expectancy with their expected retirement age and found that Millennial workers plan to spend 25 years in retirement (median), a finding that is somewhat higher than Generation X (22 years median) and Baby Boomers (20 years median).

What age are you planning to live to?



*Note: Median years in retirement calculation includes those who said "don't plan to retire."

BASE: ALL QUALIFIED RESPONDENTS

Q2850. What age are you planning to live to?

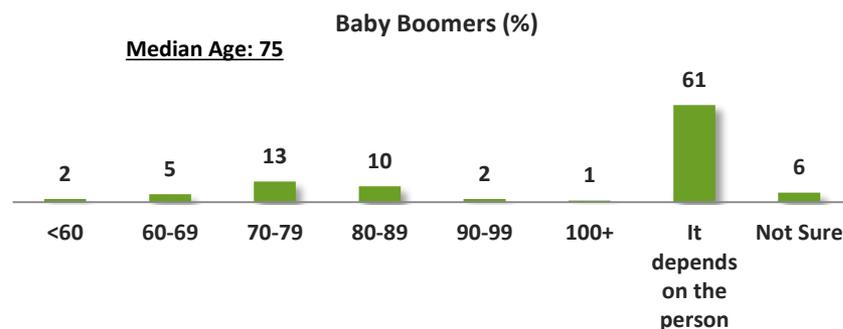
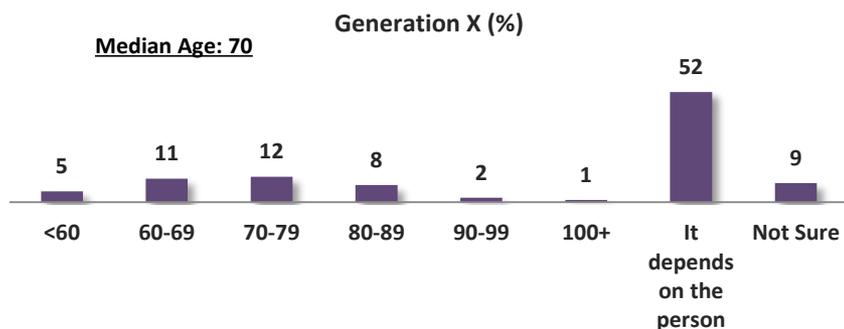
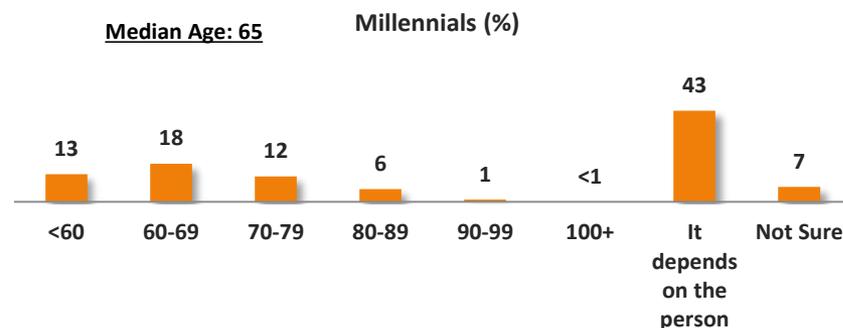
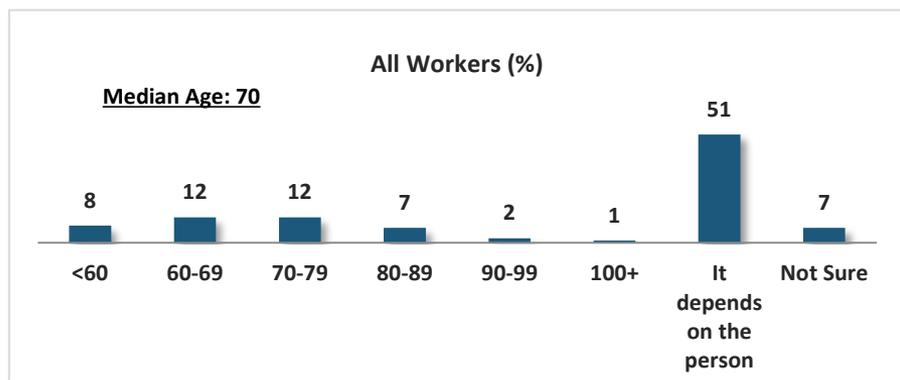
Q910. At what age do you expect to retire?

How Old Is “Old”? It Depends on the Person

Today’s workers consider a person to be “old” at age 70 (median), a finding that increases with workers’ age. Of those who provided a specific age, Millennials consider a person to be old at age 65 (median), Generation X consider a person old at age 70 (median) and Baby Boomers consider it to be at age 75 (median).

More often, workers say that “old” depends on the person (51 percent), including 43 percent of Millennials, 52 percent of Generation X, and 61 percent of Baby Boomers.

Age When a Person Is Considered “Old” (%)

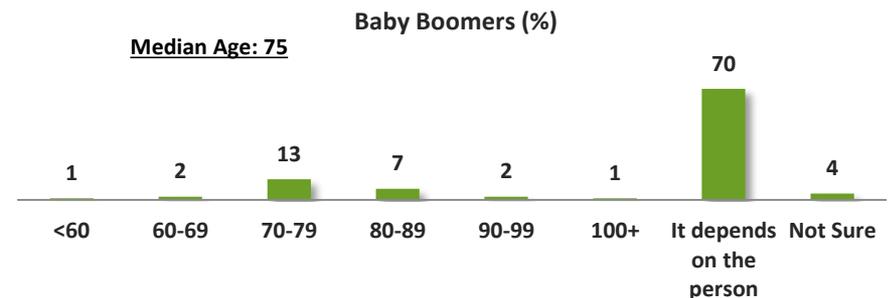
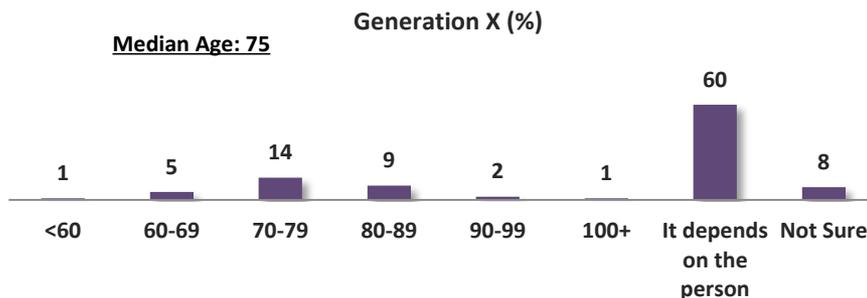
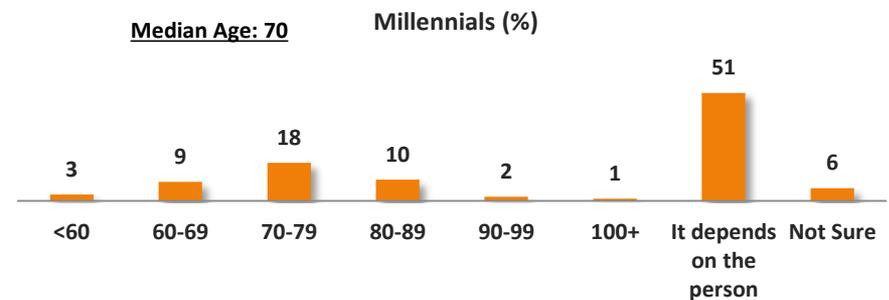
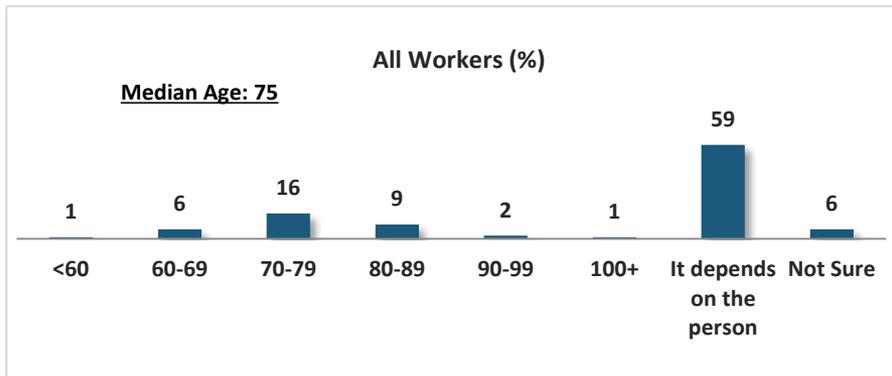


At What Age Is a Person “Too Old” to Work?

When asked the age at which they consider a person to be “too old” to work, more than half of workers (59 percent) say it depends on the person. Across generations, Baby Boomers are most likely to say it depends on the person (70 percent), followed by Generation X (60 percent) and Millennials (51 percent).

Among those who provided a specific age, workers say age 75 (median) is “too old” to work. Millennials consider a person to be “too old” to work at age 70 (median), while Baby Boomers and Generation X both say age 75 (median).

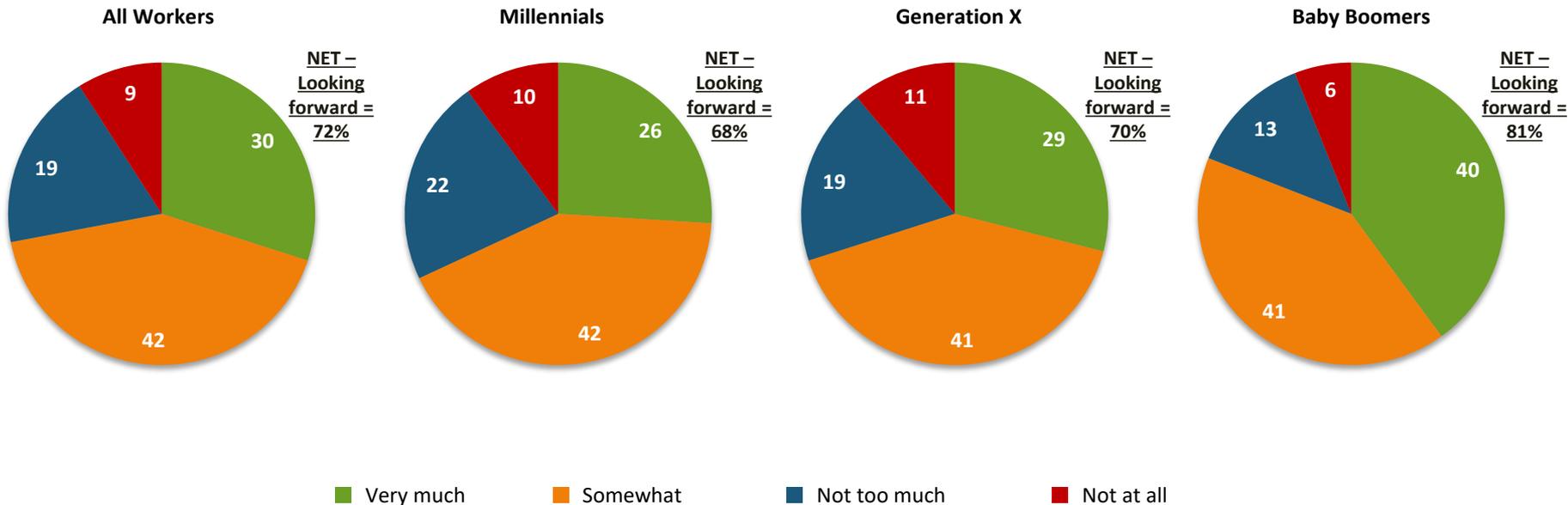
Age When Person Is Considered “Too Old” to Work (%)



Seven in Ten Are Looking Forward to Retirement

Seventy-two percent of workers are looking forward to retirement, including 30 percent who are “very much” and 42 percent who are “somewhat” looking forward to it. Baby Boomers (81 percent) are more likely than Generation X (70 percent) and Millennials (68 percent) to be looking forward to retirement.

How much are you looking forward to retirement? (%)

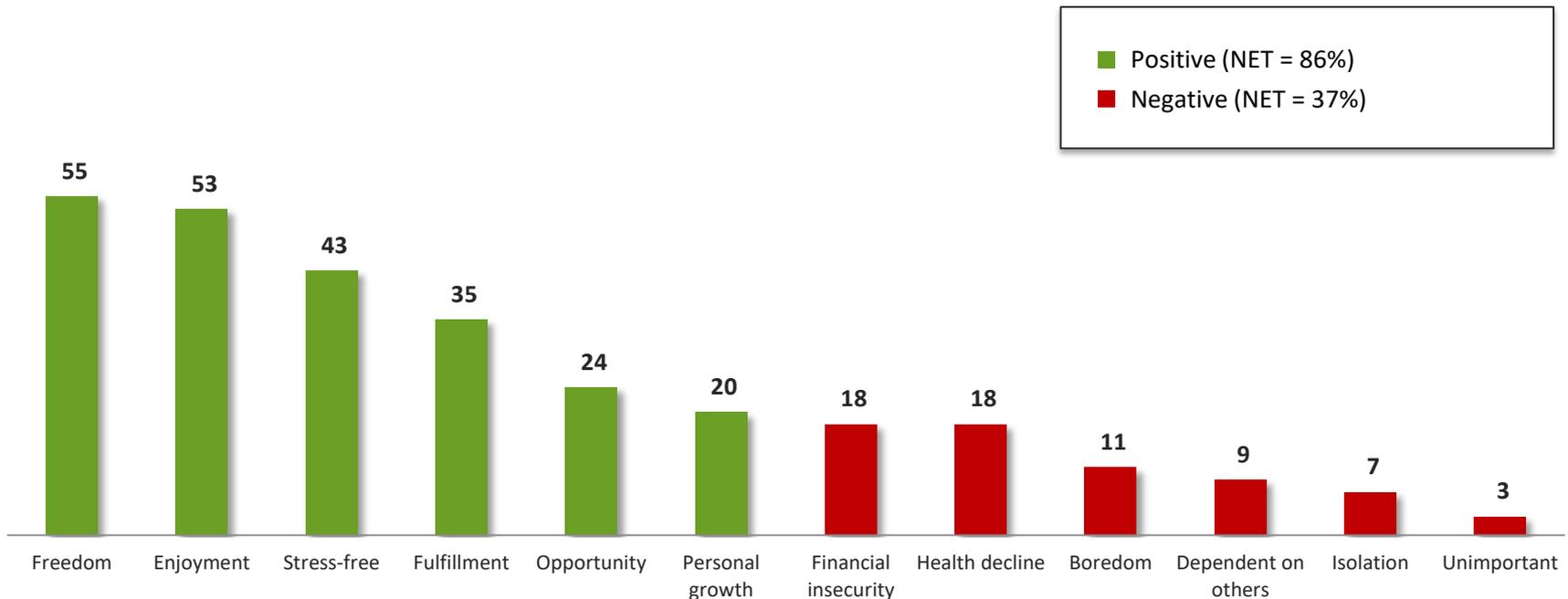


Most Cite Positive Word Associations With “Retirement”

Eighty-six percent of workers cite positive word associations with “retirement” compared with only 37 percent who cite negative words. “Freedom” (55 percent), “enjoyment” (53 percent), and “stress-free” (43 percent) are the most often-cited positive words, while “financial insecurity” (18 percent), “health decline” (18 percent), and “boredom” (11 percent) are the most often-cited negative words.

Which of the following do you personally associate with the word “retirement”?

All Workers (%)



* Excludes “other” with response of 1 percent

All Three Generations Cite Positive Word Associations

Across generations, at least eight in ten workers cite one or more positive word associations with “retirement,” while fewer than four in ten mention negative word associations. Millennials, Generation X, and Baby Boomers commonly share the most frequently cited positive words: “freedom,” “enjoyment,” and “stress-free.” They also commonly share the three most often-cited negative words: “financial insecurity,” “health decline,” and “boredom.”



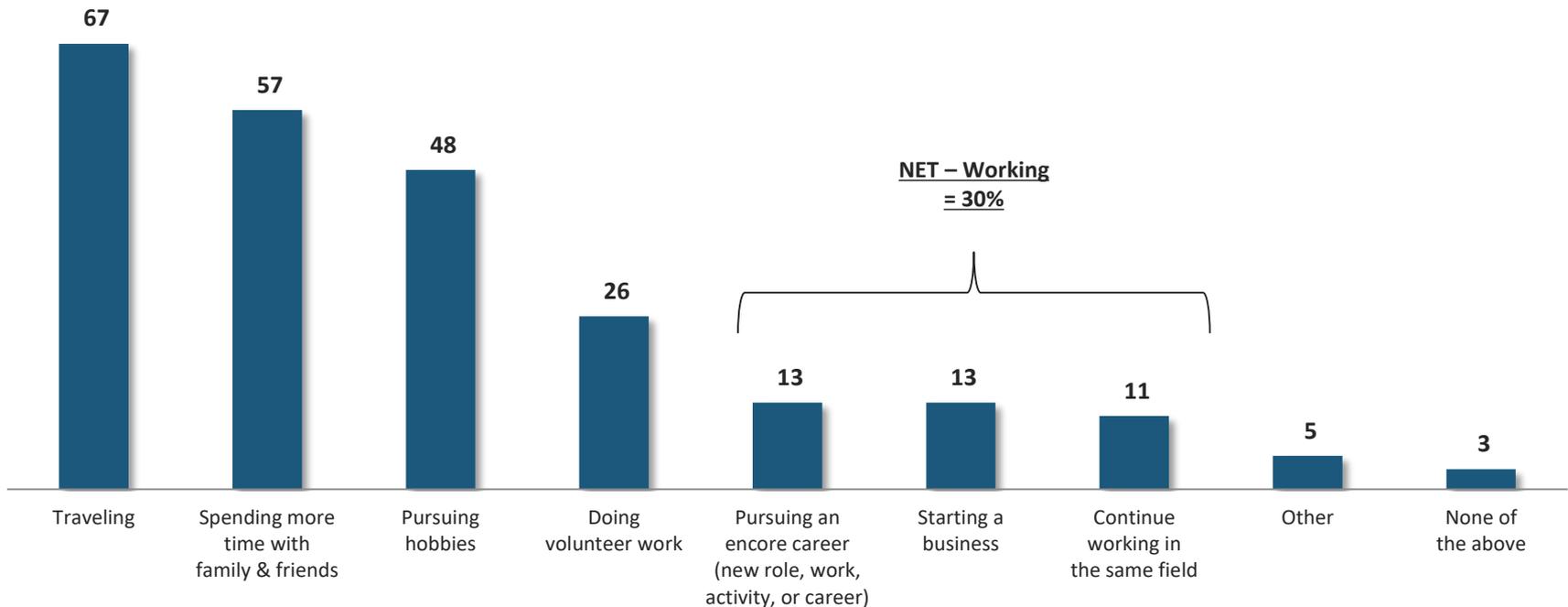
* Excludes “other” with response of 1 percent

Workers Are Dreaming of an Active Retirement

Traveling (67 percent) is workers' most frequently cited retirement dream, followed by spending more time with family and friends (57 percent) and pursuing hobbies (48 percent). A noteworthy 30 percent of workers dream of doing some form of paid work in retirement such as pursuing an encore career (13 percent), starting a business (13 percent), and/or continuing to work in the same field (11 percent). One in four workers (26 percent) dreams of spending their retirement doing volunteer work.

How do you dream of spending your retirement?

All Workers (%)

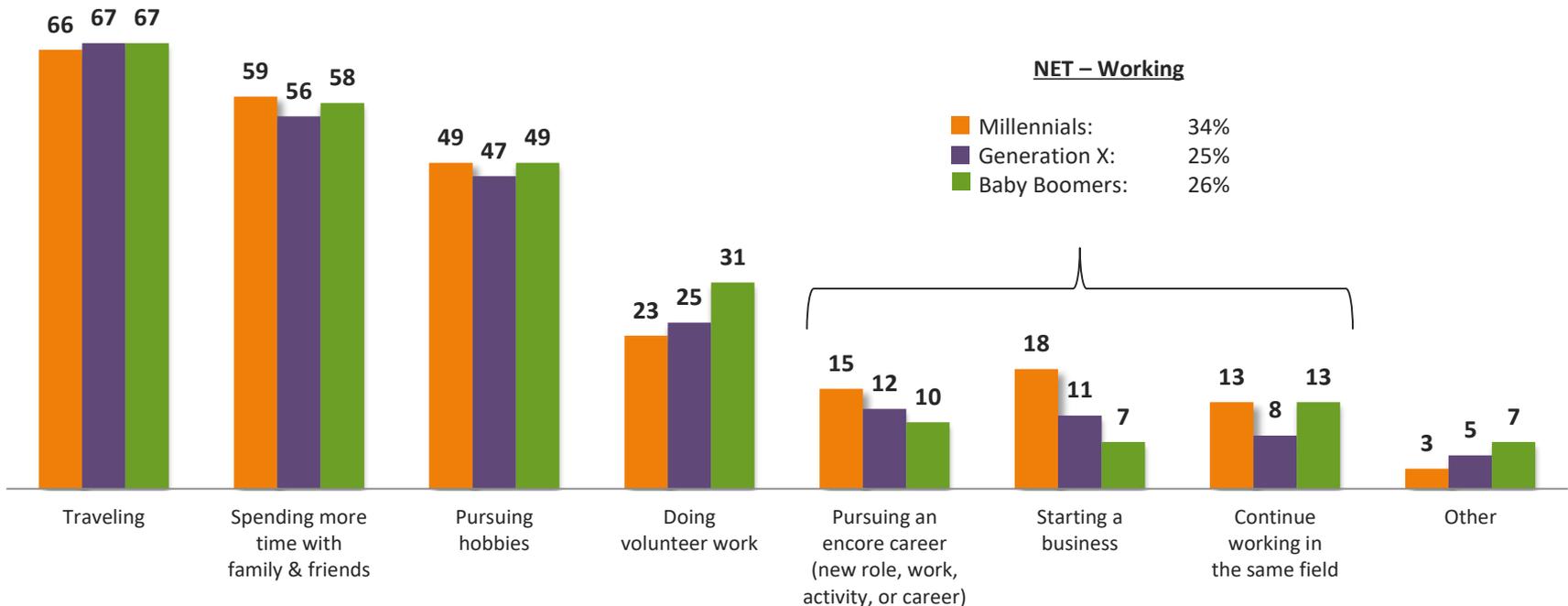


Workers Across Generations Share Similar Retirement Dreams

Workers' top three retirement dreams – traveling, spending more time with family and friends, and pursuing hobbies – are common across the generations. However, some retirement dreams differ across generations. Baby Boomers (31 percent) are more likely to dream of doing volunteer work, compared with Generation X (25 percent), and Millennials (23 percent). Millennials (34 percent) are more likely to dream of working in retirement (e.g., pursuing an encore career, starting a business, continue working in the same field), compared with Baby Boomers (26 percent) and Generation X (25 percent).

How do you dream of spending your retirement?

By Generation (%)



Note: Responses not shown for the less than 5 percent who said "none of the above."

BASE: ALL QUALIFIED RESPONDENTS

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

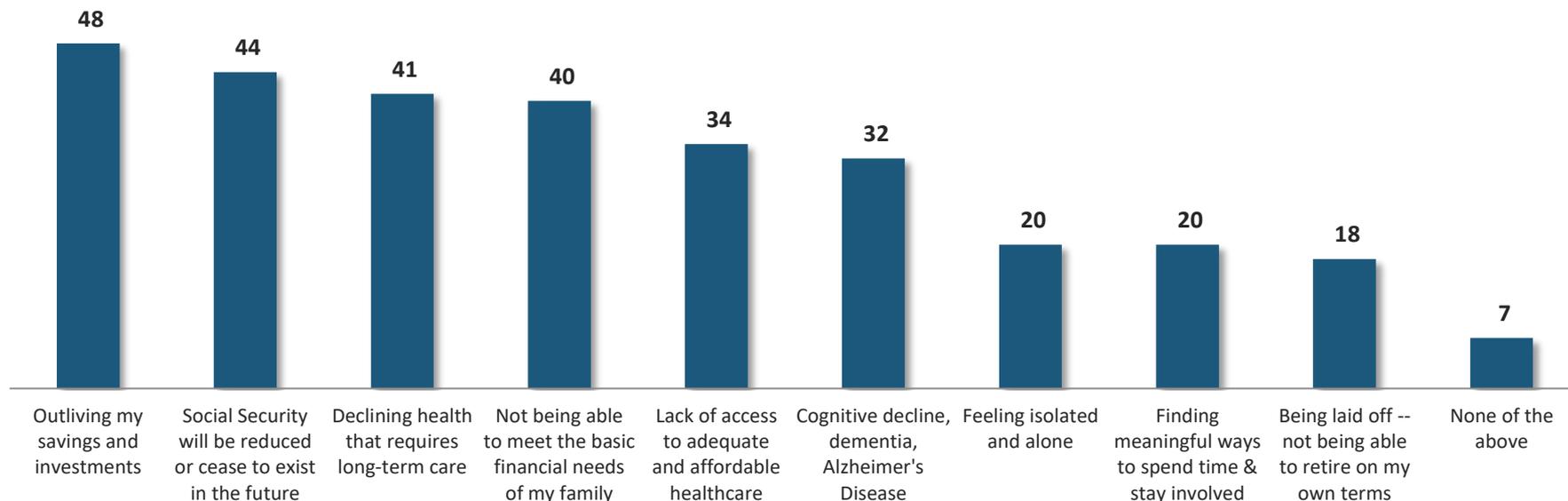
Retirement Fears Range from Financial to Health-Related

The most frequently cited retirement fears are outliving savings and investments (48 percent), a reduction in or elimination of Social Security (44 percent), declining health that requires long-term care (41 percent), and not being able to meet the family's basic financial needs (40 percent).

Approximately one-third of workers fear a lack of access to adequate and affordable healthcare (34 percent) and cognitive decline/dementia/Alzheimer's Disease (32 percent). Other fears include feeling isolated and alone (20 percent), finding meaningful ways to spend time and stay involved (20 percent), and being laid off – not being able to retire on their own terms (18 percent).

What are your greatest fears about retirement?

All Workers (%)

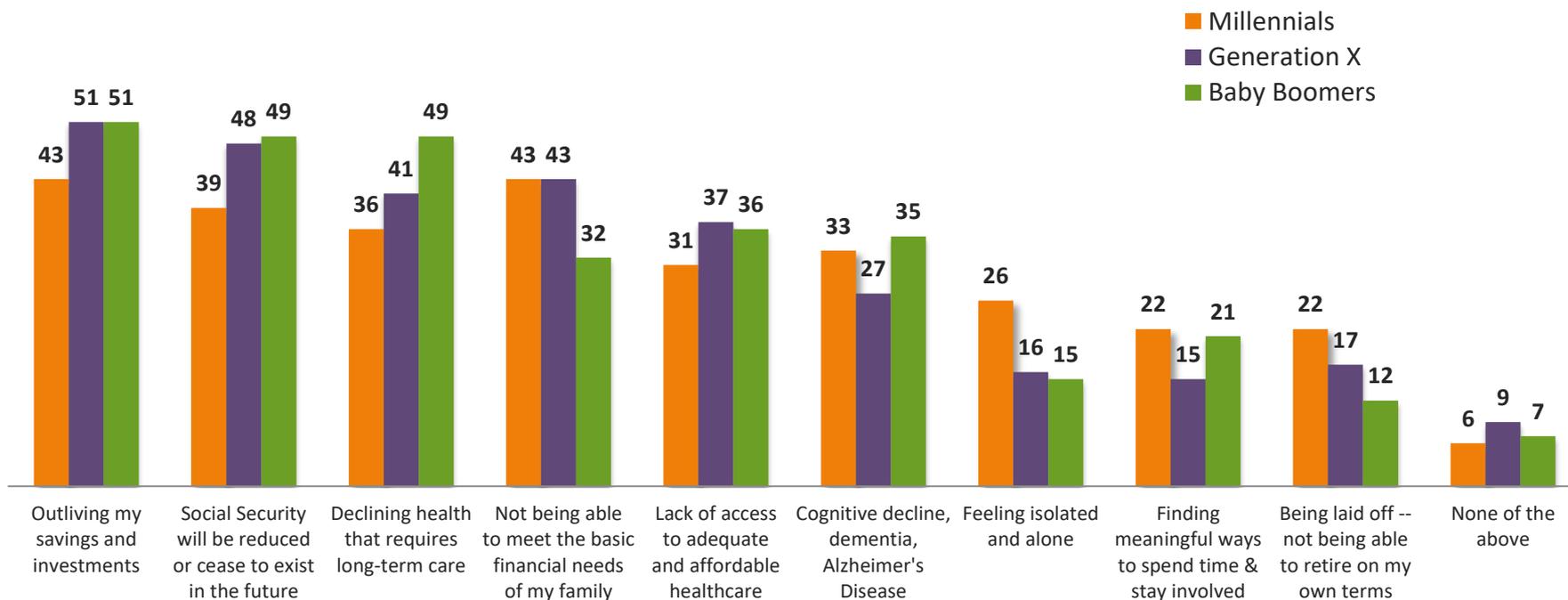


Retirement Fears Are Shared Across Generations

Across generations, workers share the same top retirement fear: outliving savings and investments. Other fears vary by generation, such as the fear of a reduction in or elimination of Social Security, which is more frequently cited by Baby Boomers (49 percent) and Generation X (48 percent) than by Millennials (39 percent). Baby Boomers are more likely to cite a fear of declining health that requires long-term care (49 percent) than Generation X (41 percent) and Millennials (36 percent). Not being able to meet the family's basic financial needs is a retirement fear more likely cited by Millennials and Generation X (both 43 percent) compared with Baby Boomers (32 percent). Not being able to meet the family's basic financial needs is a retirement fear more likely cited by Millennials and Generation X (both 43 percent) compared with Baby Boomers (32 percent).

What are your greatest fears about retirement?

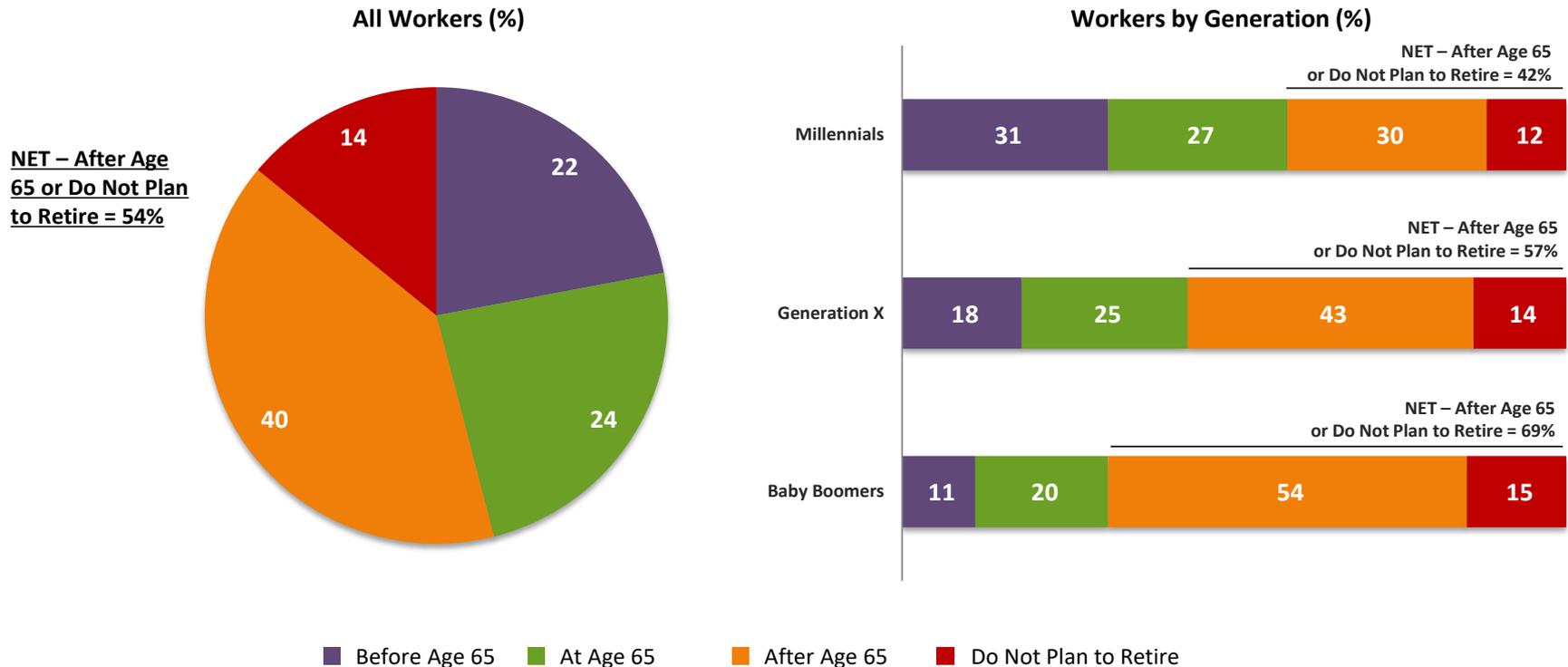
By Generation (%)



More than Half of Workers Expect to Work Past Age 65

More than half of workers (54 percent) expect to work past age 65 or do not plan to retire. However, expectations differ across generations: More Baby Boomers (69 percent) either expect to or are already working past age 65, or do not plan to retire than Generation X workers (57 percent) . In contrast, the majority of Millennials (58 percent) plan to retire at 65 or sooner.

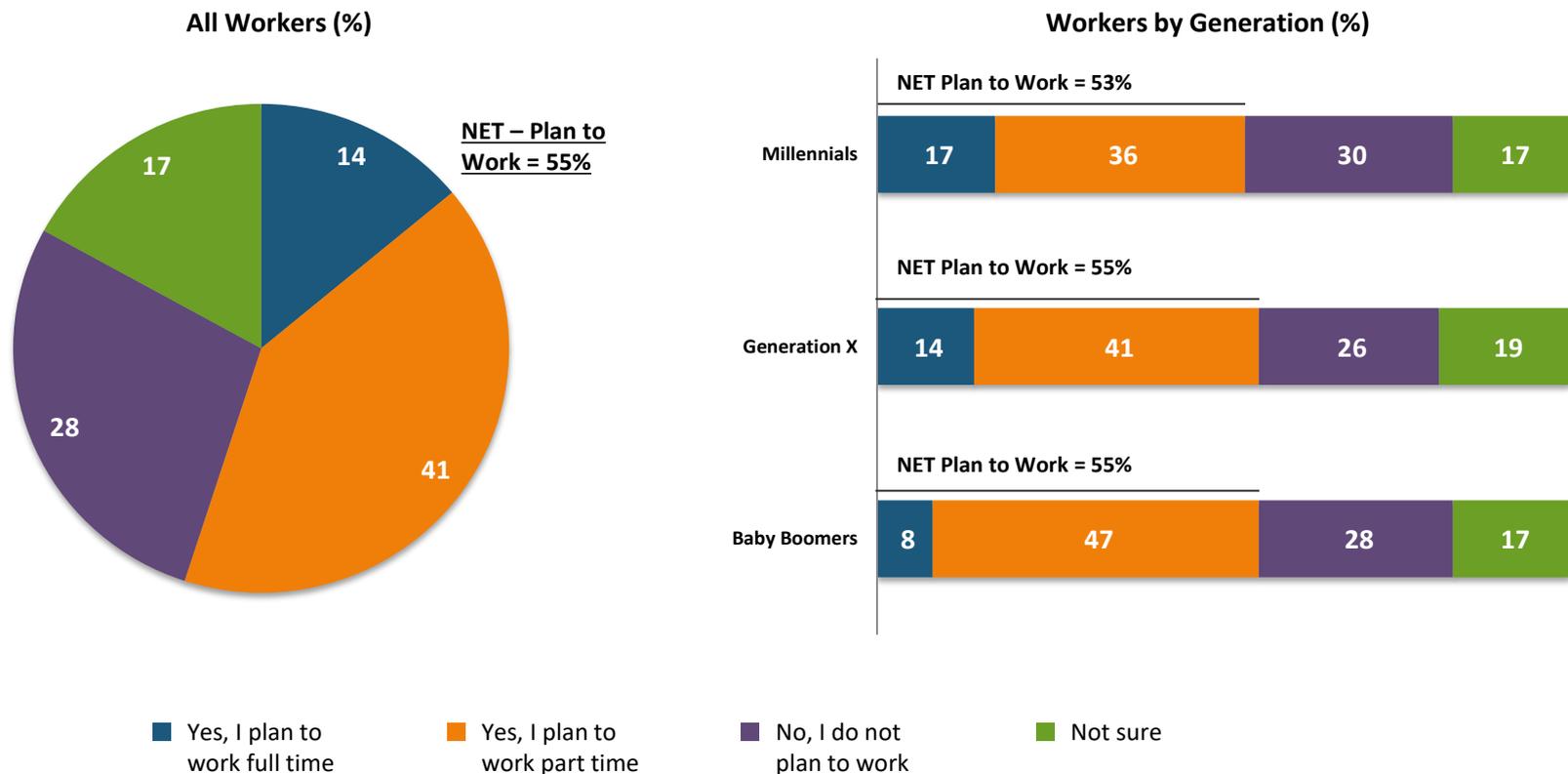
At what age do you expect to retire?



More than Half of Workers Plan to Work in Retirement

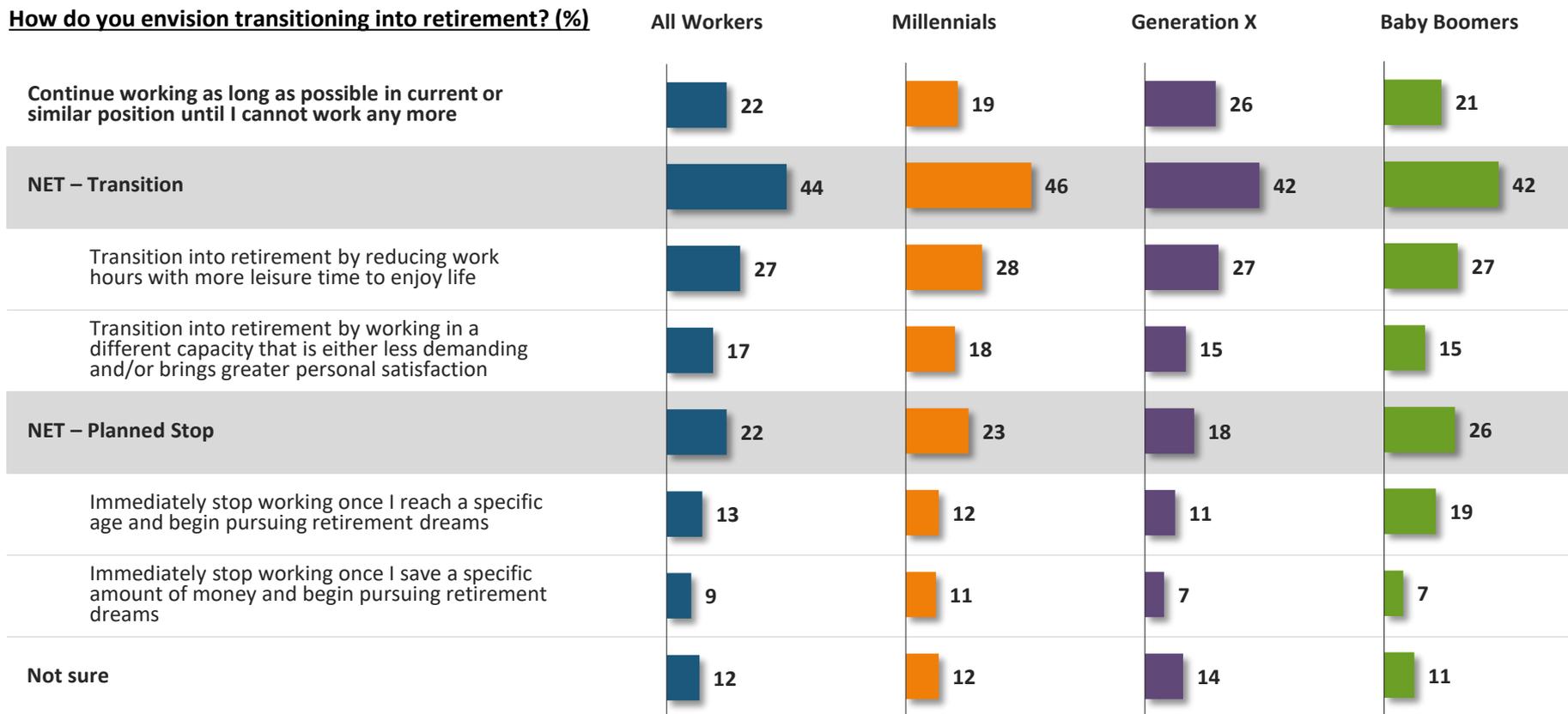
More than half of workers (55 percent) plan to work after they retire, including 41 percent who plan to work part time and 14 percent who plan to work full time. Just 28 percent do not plan to work after they retire and 17 percent are not sure. Baby Boomers, Generation X, and Millennials share similar expectations of working in retirement; however, Millennials (17 percent) and Generation X (14 percent) are significantly more likely than Baby Boomers (8 percent) to plan to work full time after they retire.

Do you plan to work after you retire?



Four in Ten Envision a Phased Transition Into Retirement

Forty-four percent of workers envision a phased transition into retirement during which they will reduce work hours with more leisure time to enjoy life (27 percent), or work in a different capacity that is less demanding and/or brings greater personal satisfaction (17 percent). Twenty-two percent plan to continue working as long as possible until they cannot work any more. Only 22 percent expect to immediately stop working either when they reach a specific age or savings goal, and 12 percent are not sure. Across generations, these views are generally similar. However, Generation X (26 percent) are more likely to envision continuing to work as long as possible, compared with Baby Boomers (21 percent) and Millennials (19 percent).

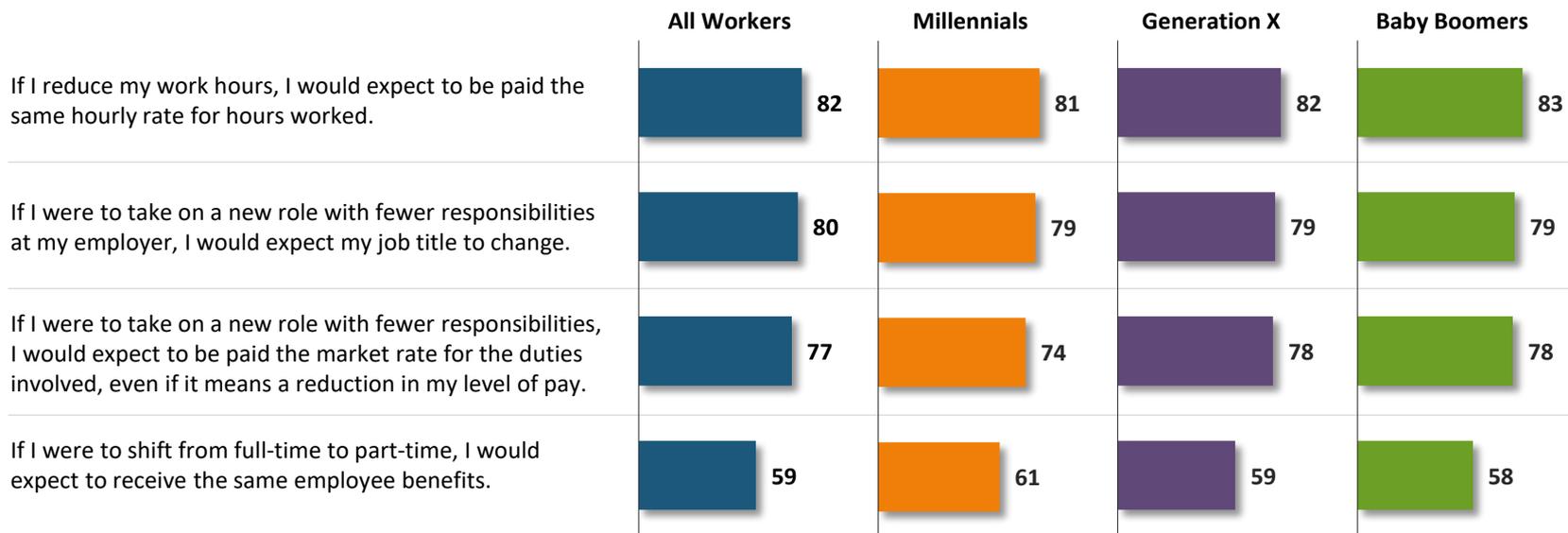


Most Are Realistic About Compensation in Phased Retirement

Among workers who envision a phased transition into retirement, most have realistic expectations regarding how changes in their work arrangements may affect their compensation, job title, and benefits. Most agree that if they were to reduce their hours, they would expect to be paid the same hourly rate (82 percent). If they were to take on a new role with fewer responsibilities, the majority would expect their job title to change (80 percent), and would expect to be paid the market rate for duties involved, even if it means a reduction in their level of pay (77 percent).

Notably, nearly three in five workers (59 percent) say that if they were to shift from full- to part-time work, they would expect the same level of employee benefits – an expectation that may not be realistic because many employers do not offer benefits to part-time workers.

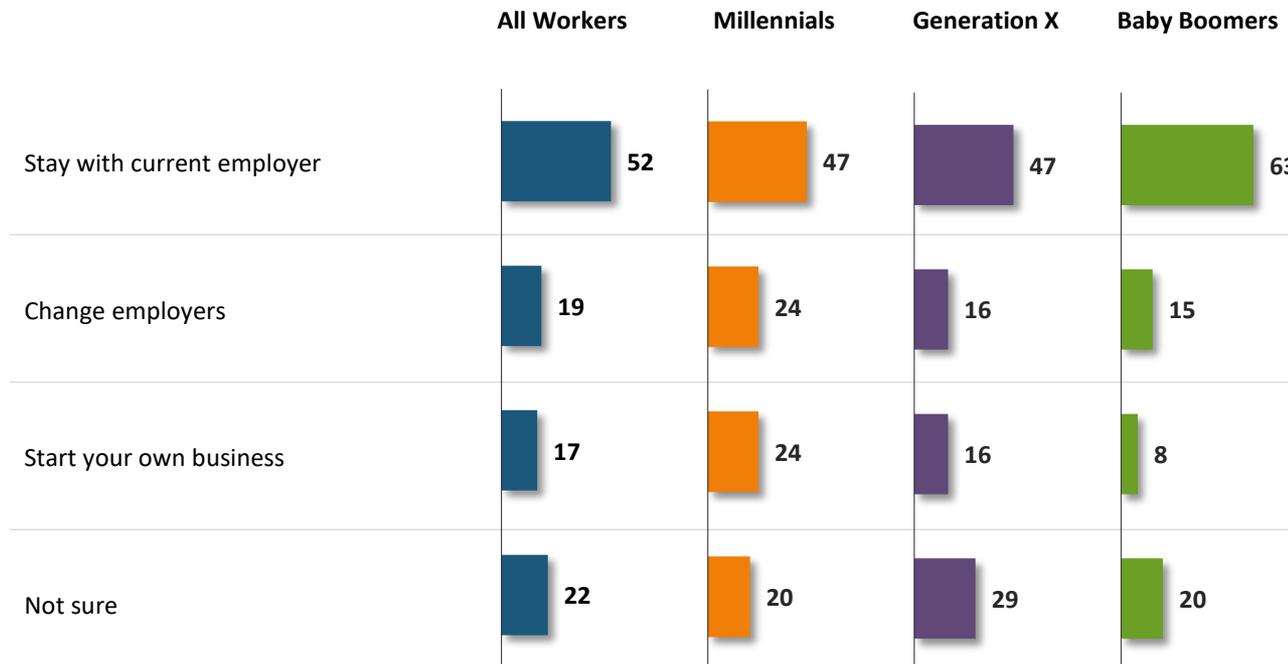
In thinking about your vision of transitioning into retirement, to what extent do you agree or disagree with the following statements? (NET - Agree %)



Many Workers Prefer to Transition Into Retirement at Current Employer

When thinking about working past age 65 or working while transitioning into retirement, about half of workers would prefer to stay with their current employer (52 percent). Baby Boomers (63 percent) are significantly more likely to prefer this, compared with Generation X and Millennials (both 47 percent). In contrast, Millennials are more likely to expect to either change employers or start their own business while transitioning into retirement (both 24 percent), compared with Generation X (16 percent for both) and Baby Boomers (15 and 8 percent, respectively). Approximately one in five workers across generations is not sure how their employment-related scenarios will look when transitioning into retirement.

When you think about working past 65 or working while you transition into retirement, which one of the following would you prefer? Select all. (%)

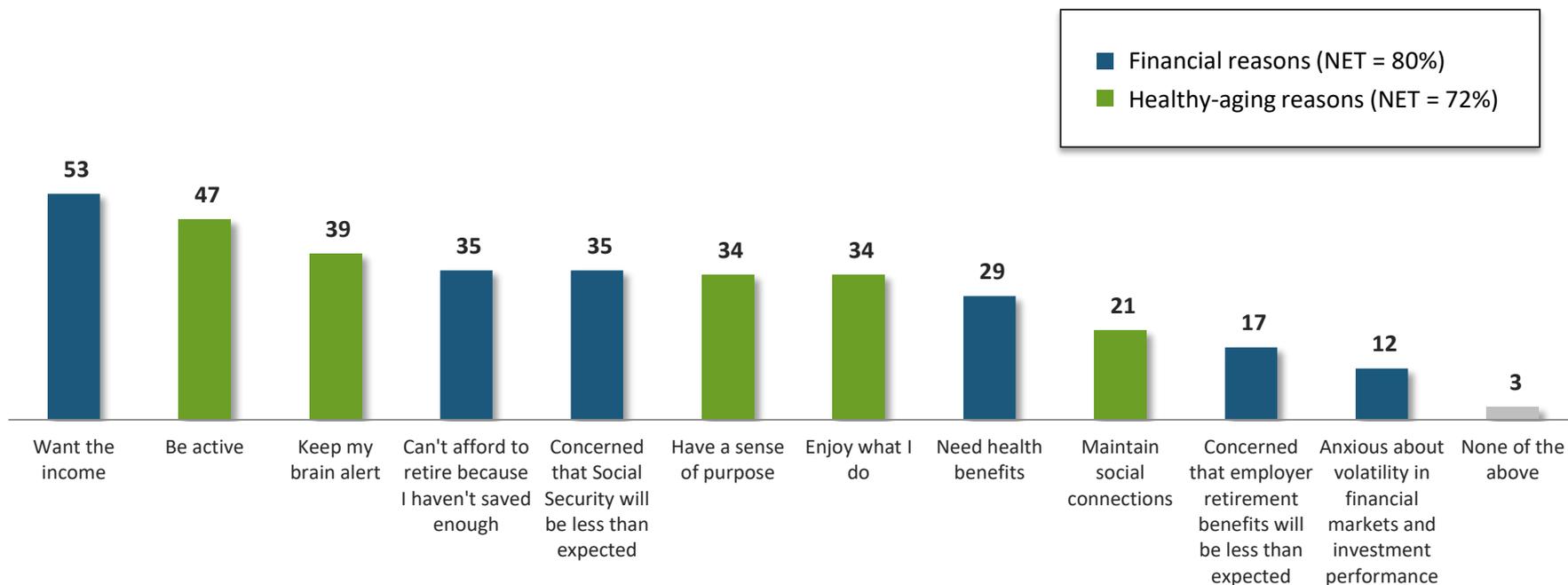


Reasons for Working in Retirement Include Financial and Health

Among workers who are or plan to work in retirement and/or past age 65, somewhat more would do so for financial reasons (80 percent) than for healthy-aging reasons (72 percent). The top financial reason is because workers want the income (53 percent), while the top healthy-aging reason is to be active (47 percent).

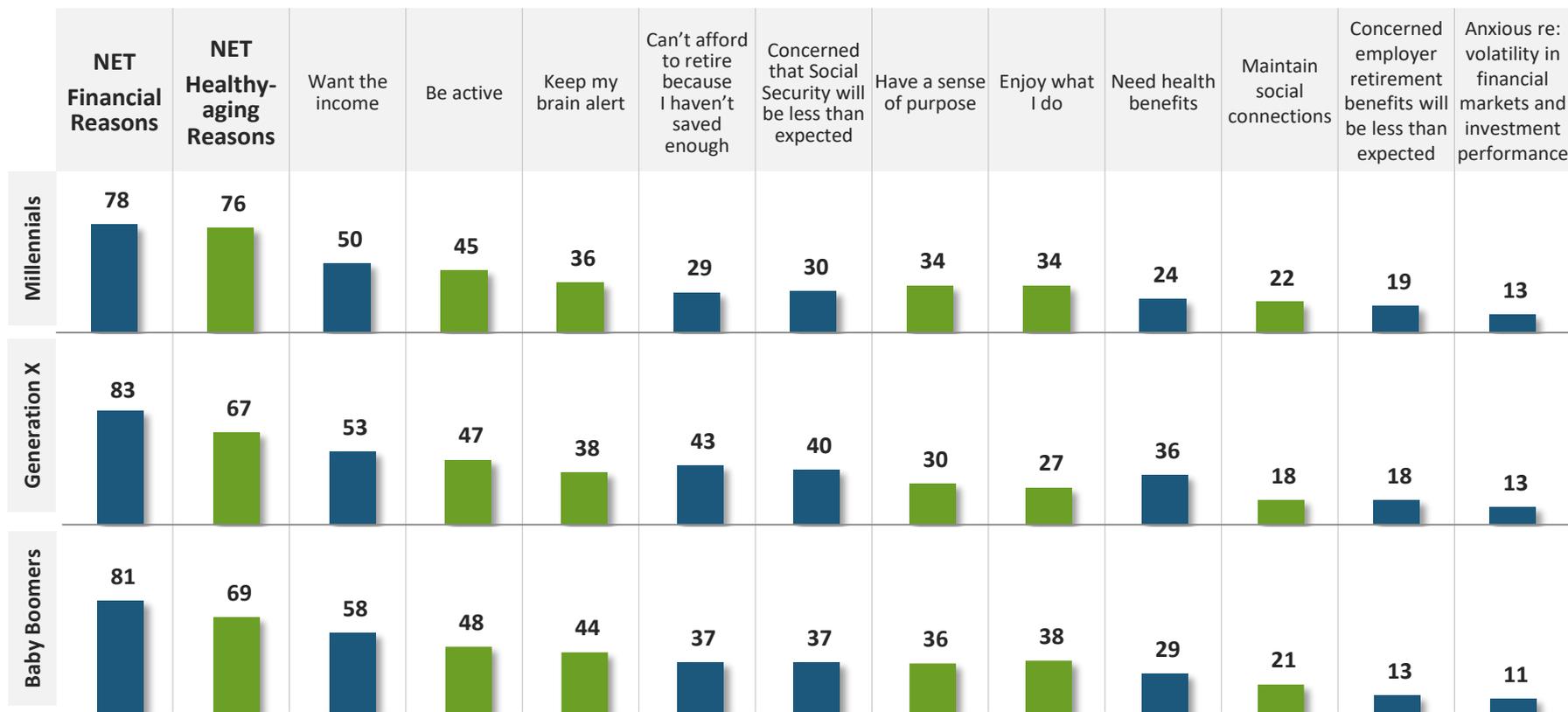
What are your reason(s) for working in retirement or past age 65?

All Workers (%)



Generations Share Common Reasons for Working in Retirement

Across generations, workers who are or plan to work in retirement and/or past age 65 more frequently cite financial reasons than healthy-aging reasons for doing so. Millennials have the narrowest gap between the two types of reasons, with 78 percent citing financial reasons and 76 percent citing healthy-aging reasons, compared with Generation X (83 percent financial, 67 percent healthy-aging) and Baby Boomers (81 percent financial, and 69 percent healthy-aging).



Note: Responses not shown for the less than 5 percent who said "none of the above."

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.

Workers Can Take More Steps to Continue Working Past 65

Workers need to be healthy enough and have access to employment opportunities in order to fulfill their aspirations and expectations of working past age 65. However, when asked what steps they are taking to help ensure they can continue working, 27 percent of workers say they have not taken any steps. Among those who are taking proactive steps, workers most frequently cite that they are staying healthy (48 percent), performing well at their current job (43 percent) and keeping their skills up to date (40 percent). Baby Boomers are more likely to cite staying healthy (56 percent) and somewhat more likely to cite performing well at their current job (48 percent) than younger workers. In contrast, Millennials are more likely to be networking and meeting new people (23 percent) and going back to school to learn a new skill (19 percent) than older cohorts.

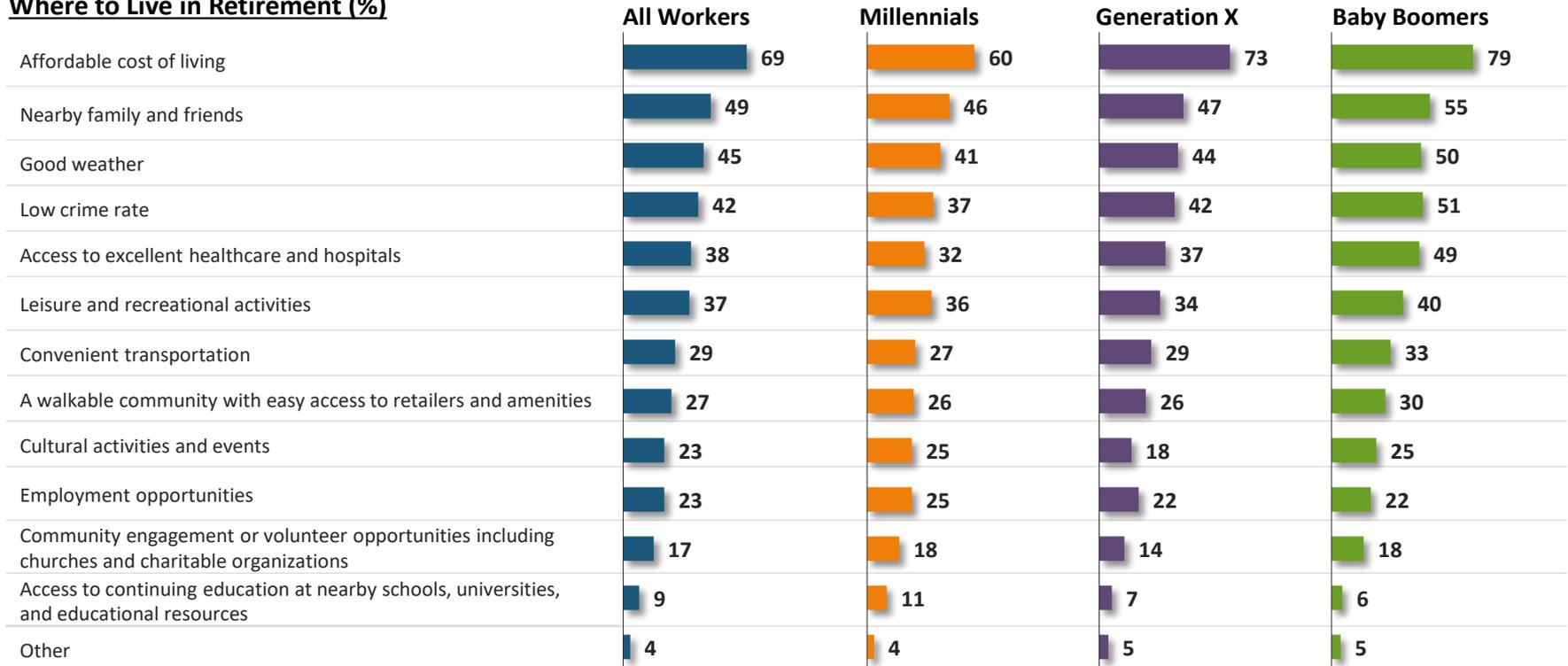
Have you taken any steps to ensure that you'll be able to continue working past 65 or in retirement, if needed? (%)



Top Criteria for Deciding Where to Live in Retirement Is Affordability

Where people decide to live in retirement can influence their ability to achieve their dreams and mitigate some fears. When thinking about this, workers most frequently cite affordable cost of living (69 percent) as a very important criterion in their decision-making. It is followed by proximity to family and friends (49 percent), good weather (45 percent), low crime rate (42 percent), access to excellent healthcare and hospitals (38 percent), and leisure and recreational activities (37 percent). More Baby Boomers cite almost all of the criteria as very important compared with the other generations, likely because they are closer to making the decision about where to live in retirement. Ironically, although more than half of workers plan to continue working after they retire ([see page 52](#)), only 23 percent identified employment opportunities as being a very important criterion for deciding where they want to live in retirement.

Very Important Criteria for Choosing Where to Live in Retirement (%)



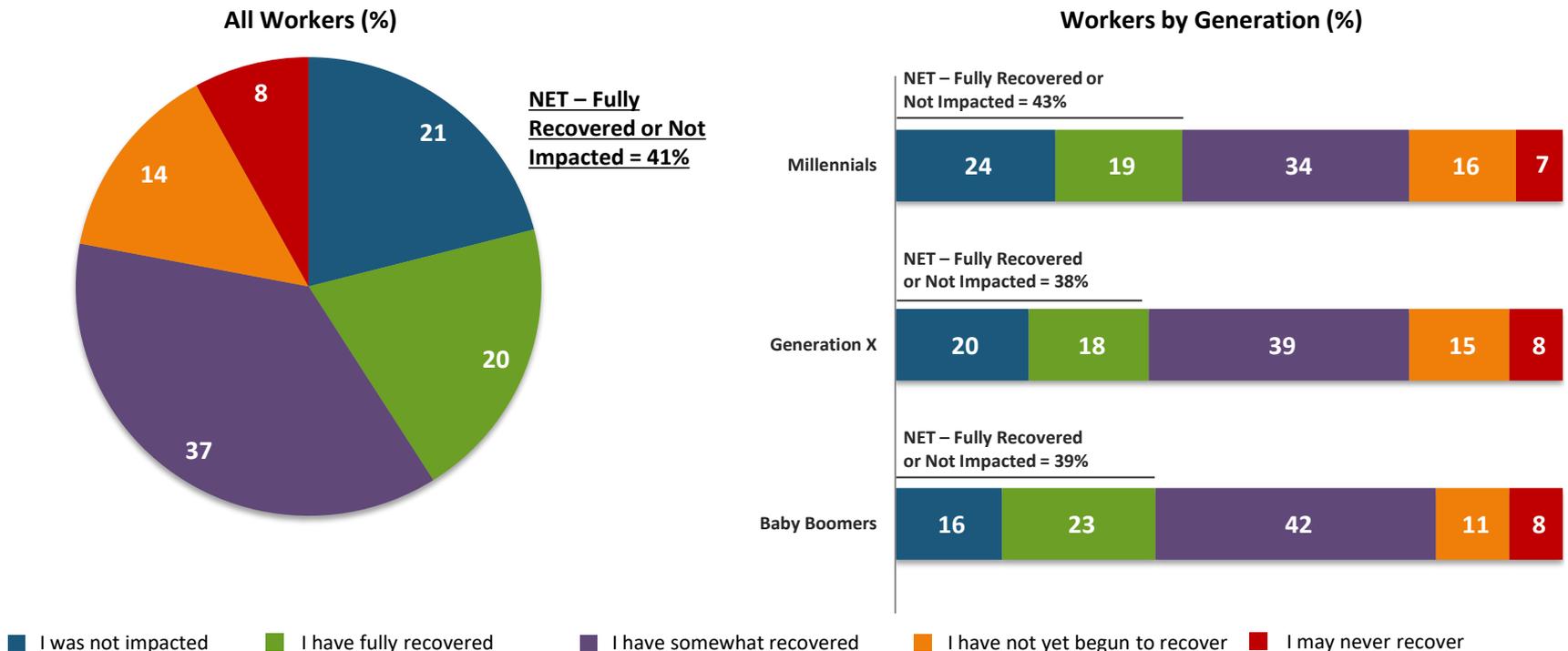
Personal Finances and Retirement Preparations

Many Have Not yet Fully Recovered From the Great Recession

Two in five workers (41 percent) indicate that they either were “not impacted” (21 percent) or have “fully recovered” (20 percent) from the Great Recession. Thirty-seven percent have “somewhat recovered,” 14 percent have “not yet begun to recover,” and eight percent feel they may “never recover.”

Status of financial recovery from the Great Recession varies by generation. Millennial workers (43 percent) are most likely to indicate they were “not impacted” or have “fully recovered,” followed by 39 percent of Baby Boomers and 38 percent of Generation X. Almost one in four Millennials and Generation X say that they have “not yet begun to recover” or feel they may “never recover” (both 23 percent), compared with 19 percent of Baby Boomers.

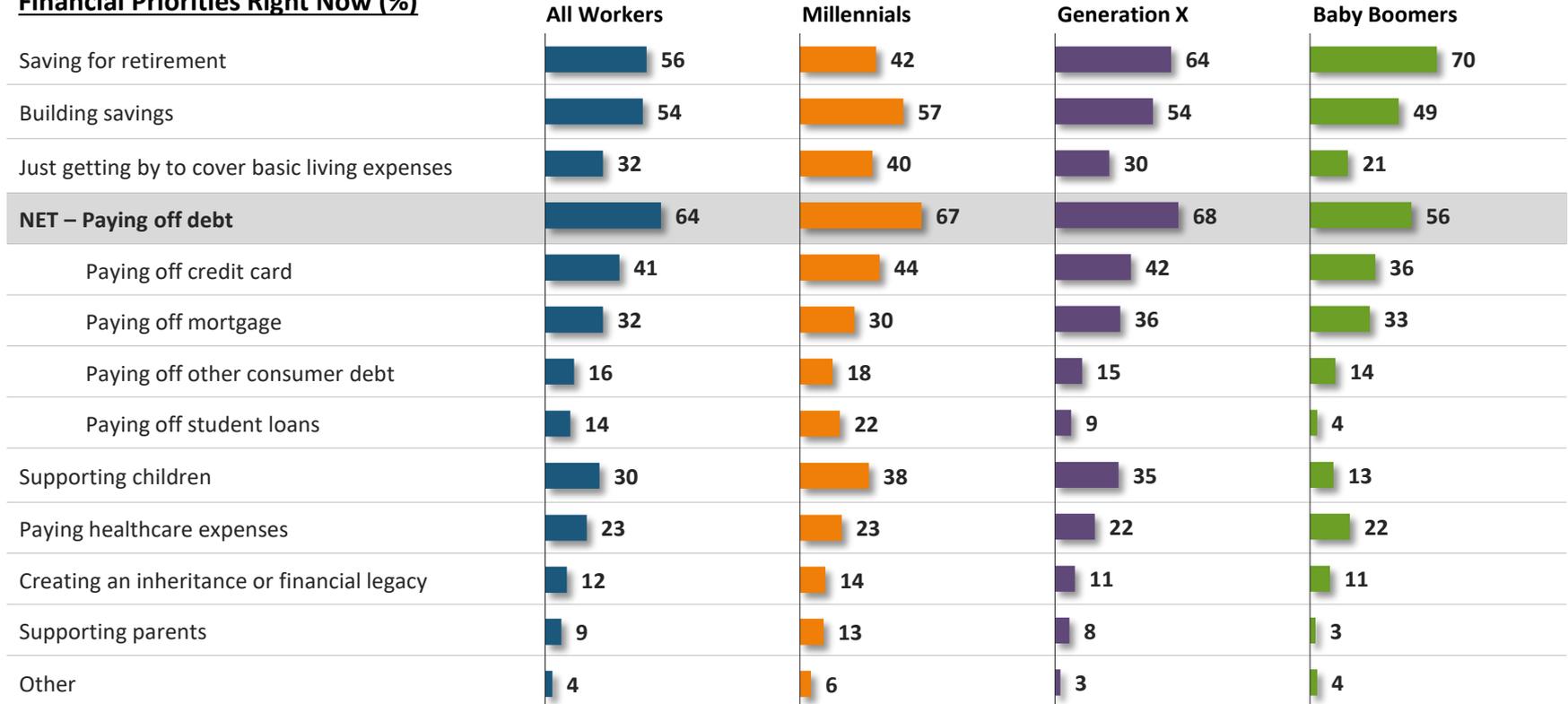
How would you describe your financial recovery from the Great Recession?



Two-Thirds Cite Paying off Debt as a Financial Priority

Financial priorities change with life stage and personal circumstances, but some are common to all generations. The most frequently cited current financial priority is paying off debt (64 percent) which includes credit card, mortgage, other consumer debt, and/or student loans. Fifty-six percent of all workers cite saving for retirement as a financial priority, with Baby Boomers (70 percent) being most likely to cite this, followed by Generation X (64 percent) and Millennials (42 percent). Other priorities include building savings (54 percent) and just getting by to cover basic living expenses (32 percent), and paying healthcare expenses (23 percent).

Financial Priorities Right Now (%)



Workers' Greatest Financial Priority Varies by Generation

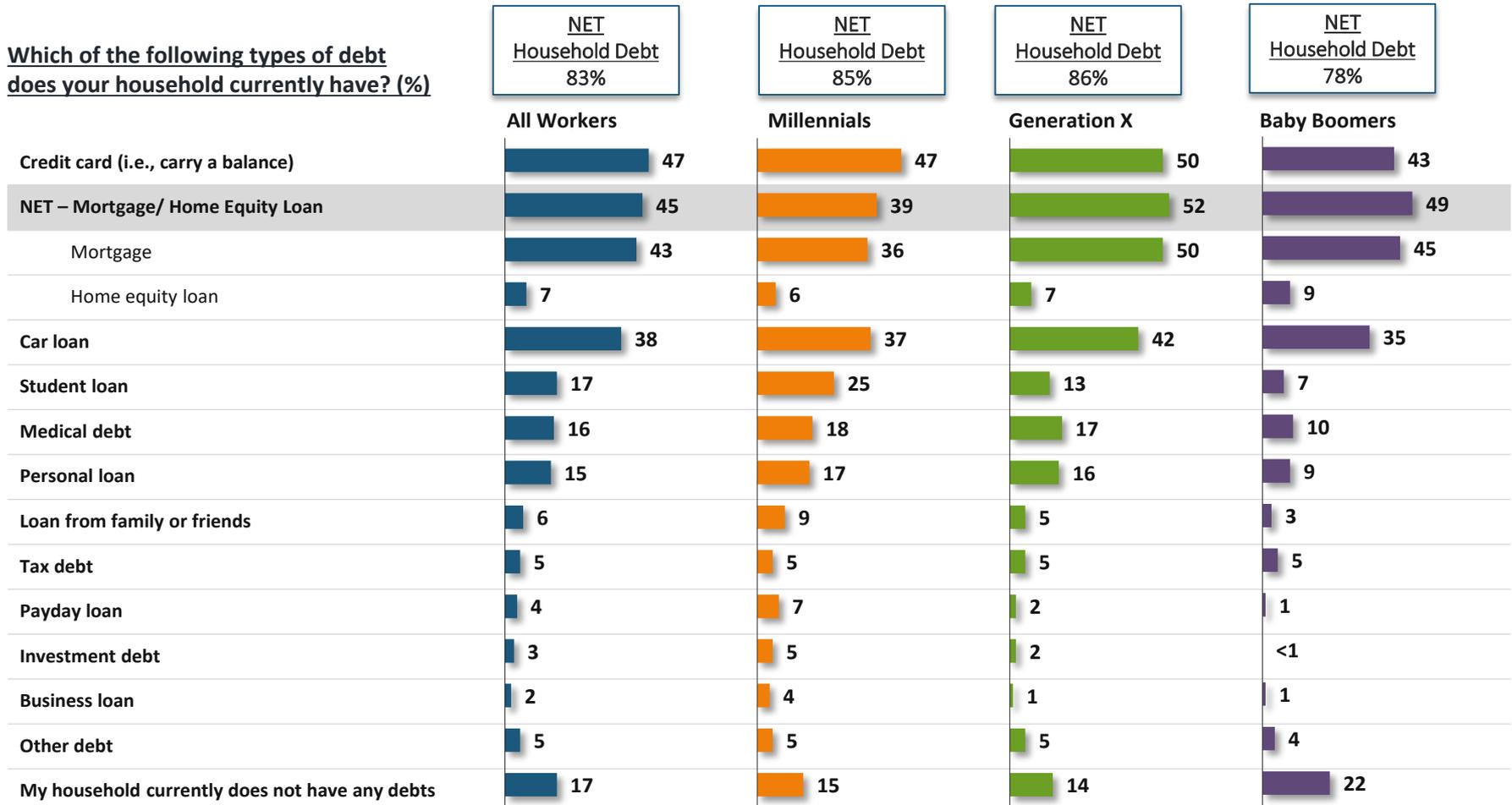
In terms of their *greatest* financial priority right now, saving for retirement is the most cited for all workers (21 percent), and significantly increases with age. It is the top financial priority for Baby Boomers (38 percent) and Generation X (24 percent), with far fewer Millennials (9 percent) citing it. On the other hand, Millennials are more likely to cite a cluster of greatest financial priorities such as just getting by to cover basic living expenses (19 percent), building savings (17 percent), paying off credit card debt (16 percent), or supporting children (15 percent).

Greatest Financial Priority Right Now	All Workers	Millennials	Generation X	Baby Boomers
Saving for retirement	21%	9%	24%	38%
Just getting by to cover basic living expenses	17%	19%	17%	12%
Paying off credit card debt	17%	16%	19%	16%
Building savings	12%	17%	10%	8%
Supporting children	11%	15%	13%	4%
Paying off mortgage	8%	8%	9%	9%
Paying off student loans	3%	6%	2%	1%
Paying healthcare expenses	3%	3%	2%	3%
Creating an inheritance or financial legacy	2%	3%	1%	3%
Paying off other consumer debt	1%	1%	1%	3%
Supporting parents	1%	2%	1%	<1%
Other	4%	1%	1%	3%

Note: Financial priorities selected by 15% or more of the subgroup are highlighted.

Household Debt Is Pervasive Across Generations

The majority (83 percent) of workers carry some form of debt. The most commonly cited forms of debt include credit cards that are carrying a balance (47 percent), mortgages (43 percent) and car loans (38 percent). Millennial workers are more likely to have student loans (25 percent), compared with 13 percent of Generation X and seven percent of Baby Boomers. An alarming seven percent of Millennials have payday loans. Baby Boomers are more likely to indicate that they are debt-free (22 percent), compared with 15 percent of Millennials and 14 percent of Generation X.



Dipping Into Retirement Savings Is Not Uncommon

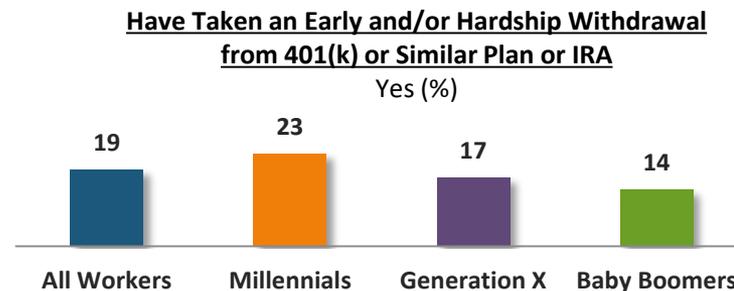
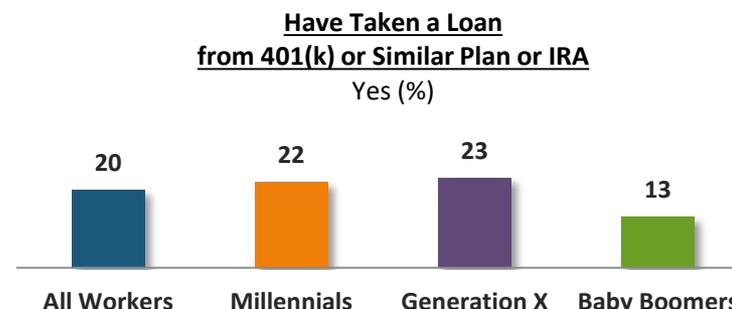
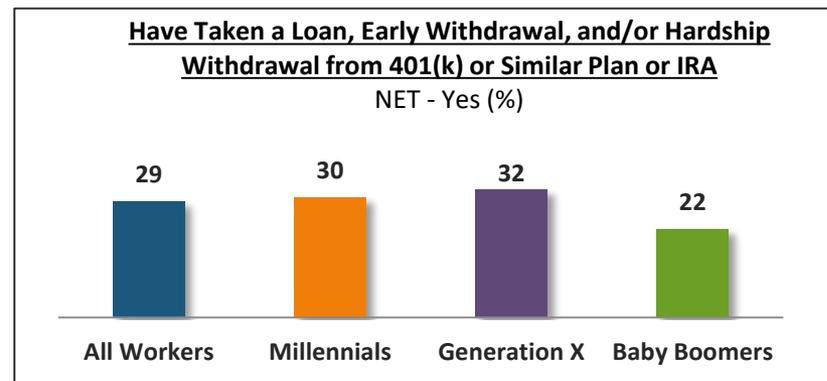
A concerning percentage of workers are dipping into their retirement savings before they retire.

This “leakage” from retirement accounts in the form of loans and withdrawals can severely inhibit the growth of participants’ long-term retirement savings.

Almost three in 10 (29 percent) have taken some form of loan, early withdrawal, and/or hardship withdrawal from a 401(k) or similar plan or IRA:

- Generation X (32 percent) is somewhat more likely to have taken a loan and/or withdrawal.
- Millennials (30 percent) are slightly less likely.
- Baby Boomers (22 percent) are least likely.

The frequency of taking of taking loans (20 percent) is similar to that of taking an early and/or hardship withdrawal (19 percent).



Paying off Debt Tops the List of Reasons for Taking 401(k) Loans

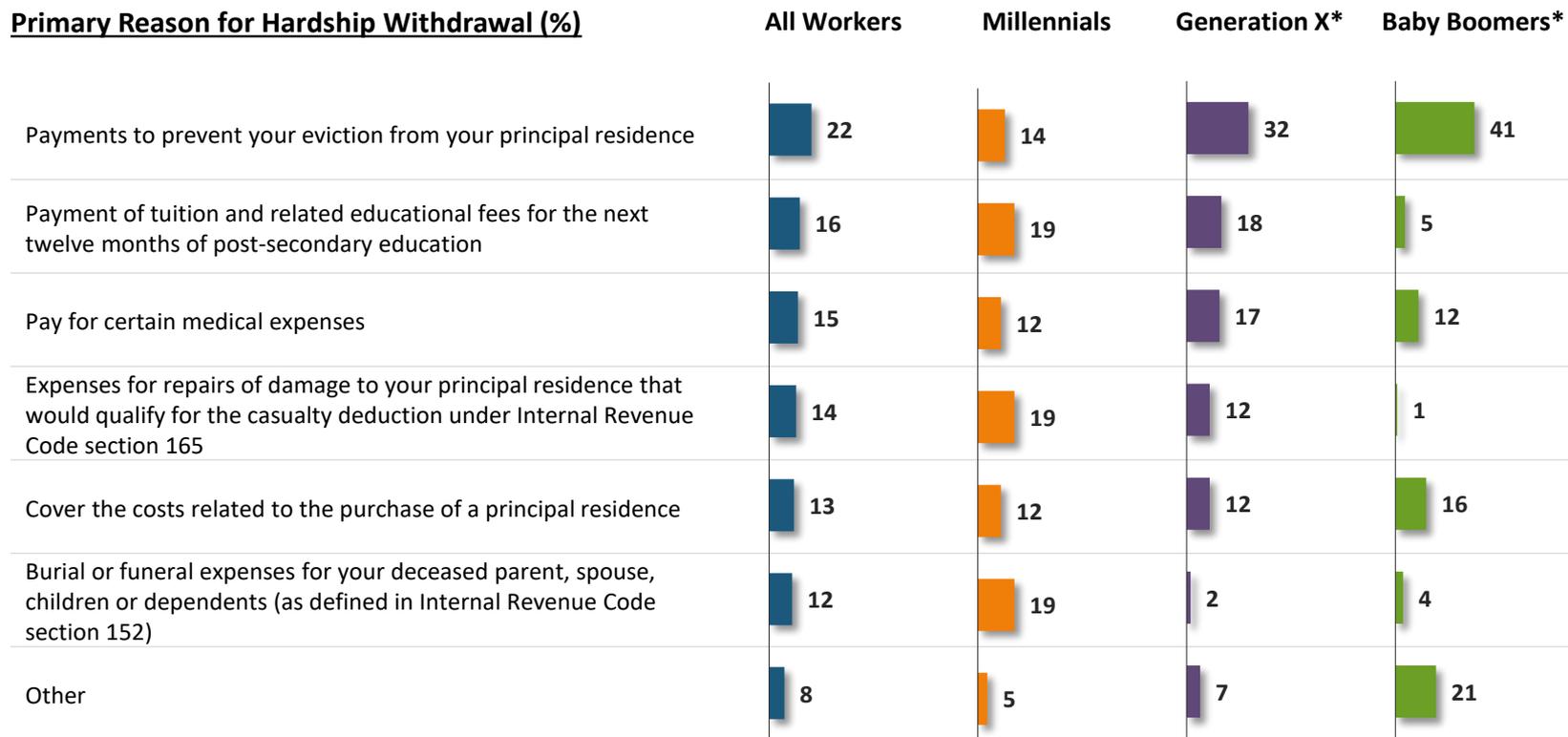
Among those who have taken a loan from their 401(k) or similar plan, the most frequently cited reason for doing so is to pay off debt (32 percent) which includes credit card debt (21 percent) and/or other debt (17 percent). Other reasons for doing so include a financial emergency (21 percent), medical bills (18 percent), and unplanned major expenses (18 percent). Millennials (36 percent) and Baby Boomers (31 percent) are somewhat more likely to cite paying off debt, while Generation X are somewhat less likely at (27 percent).

Reasons for Taking Loan From Retirement Plan (%)	All Workers	Millennials	Generation X	Baby Boomers
NET – Pay Off Debt	32	36	27	31
Pay off credit card debt	21	23	16	25
Pay off other debt	17	19	17	14
A financial emergency	21	23	19	21
Medical bills	18	21	15	14
Unplanned major expenses (e.g., home or car repair, etc.)	18	21	17	11
Purchase of a vehicle	18	19	16	16
Home improvements	17	22	13	10
Everyday expenses	17	21	13	11
Purchase of primary residence	13	16	13	6
College tuition	10	12	6	11
Burial or funeral expense	9	14	5	1
Avoid eviction	8	10	7	4
Some other purpose	5	1	6	17

Reasons for Hardship Withdrawals from 401(k)s

Among the seven percent of workers who have taken a hardship withdrawal from a 401(k) or similar plan, one in five (22 percent) say their primary reason for doing so is payment to prevent eviction from their principal residence. Baby Boomers (41 percent) and Generation X (32 percent) are more likely to cite this than Millennials (14 percent).

Workers' other primary reasons for the hardship withdrawal are payment of tuition or educational fees (16 percent) and payment for certain medical expenses (15 percent). *Please note: the findings for the generations reflect small sample bases and should be considered directional in nature.*

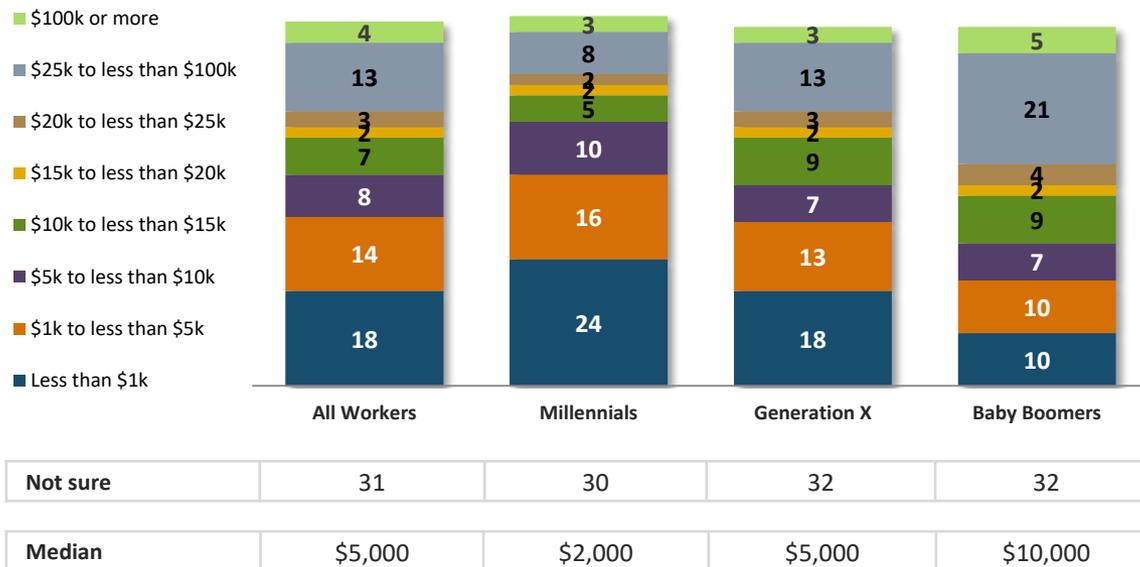


**Note: Base sizes are small with fewer than 100 respondents; exercise caution when interpreting results.*

Emergency Savings Are Alarmingly Low

Having emergency savings to cover unexpected major financial setbacks, such as unemployment, medical bills, home repairs, auto repairs and other, could help workers avoid dipping into their retirement savings. However, workers have only \$5,000 (median) in emergency savings, with 32 percent reporting having less than \$5,000. Emergency savings increase with age: Millennial workers have saved \$2,000, Generation X has saved \$5,000 and Baby Boomers have saved \$10,000 (medians).

Total Household Emergency Savings (%)



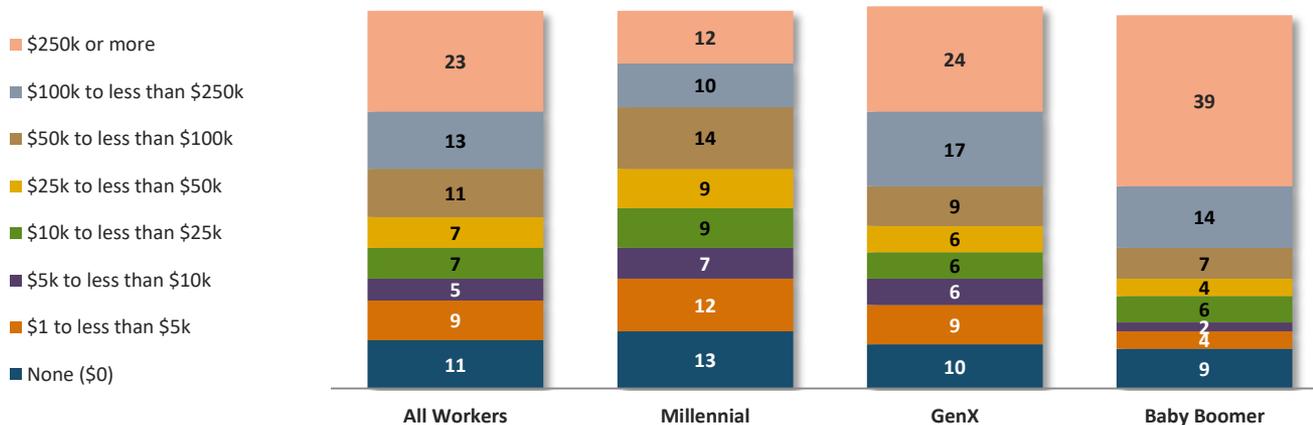
BASE: ALL QUALIFIED RESPONDENTS

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)?

Are Retirement Savings Adequate?

Total household retirement savings among all workers is \$50,000 (estimated median). Baby Boomer workers have the highest retirement savings at \$152,000 compared with Generation X at \$66,000 and Millennials at \$23,000 (estimated medians). The proportion of workers having \$1 to less than \$50,000 in retirement savings directionally decreases with age: 16 percent of Baby Boomers, 27 percent of Generation X, and 37 percent of Millennials. In contrast, the proportion of workers having saved \$250,000 or more increases with age: 12 percent of Millennials, 24 percent of Generation X, and 39 percent of Baby Boomers. Of concern, one in ten workers (11 percent) report having no retirement savings, including 13 percent of Millennials, 10 percent of Generation X, and 9 percent of Baby Boomers.

2018 Total Household Retirement Savings by Generation (%)



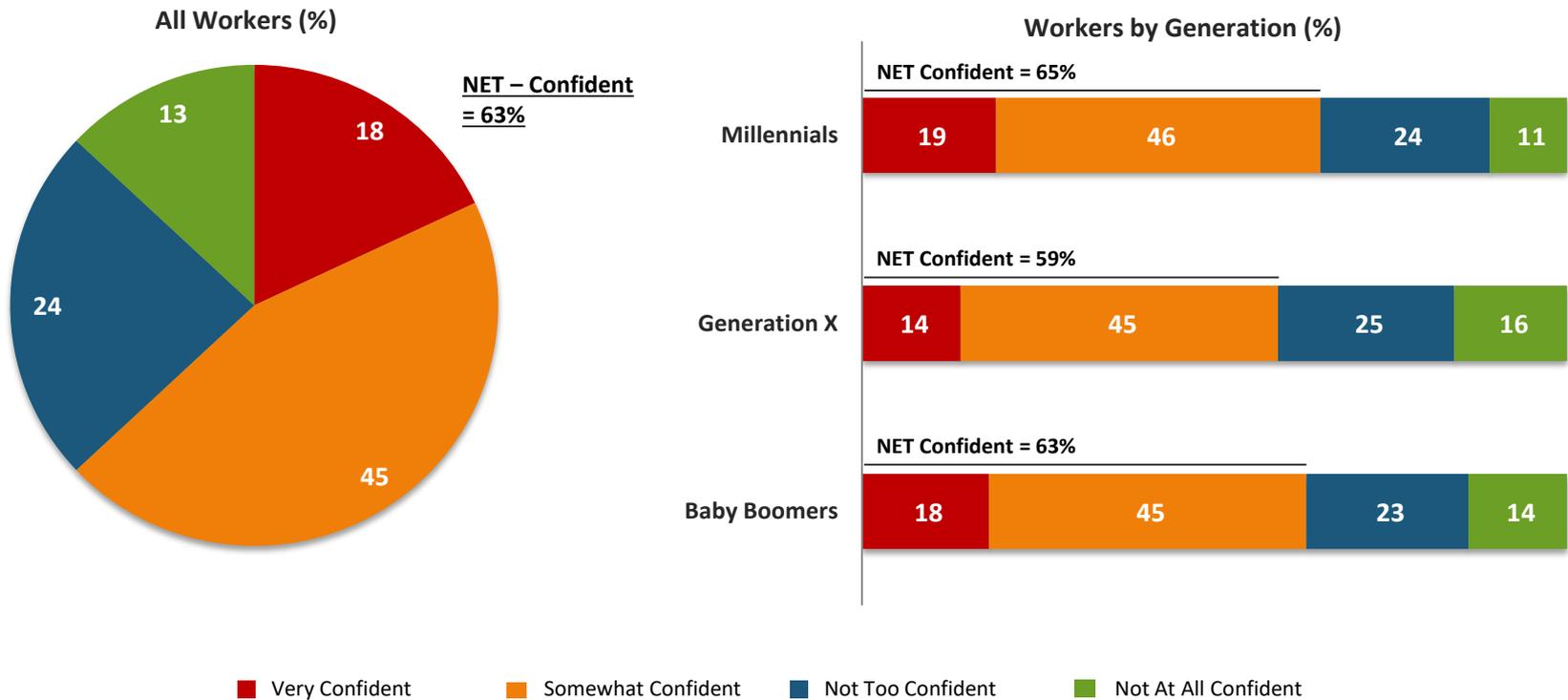
Not sure	9	10	8	7
Decline to answer	5	4	5	8
Estimated Median	\$50,000	\$23,000	\$66,000	\$152,000

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

Two-Thirds of Workers Are Confident About Retirement

Sixty-three percent of workers are confident that they will be able to fully retire with a comfortable lifestyle, including 18 percent who are “very confident” and 45 percent who are “somewhat confident.” Across generations, relatively few Millennials (19 percent), Generation X (14 percent), and Baby Boomers (18 percent) say they are “very confident.”

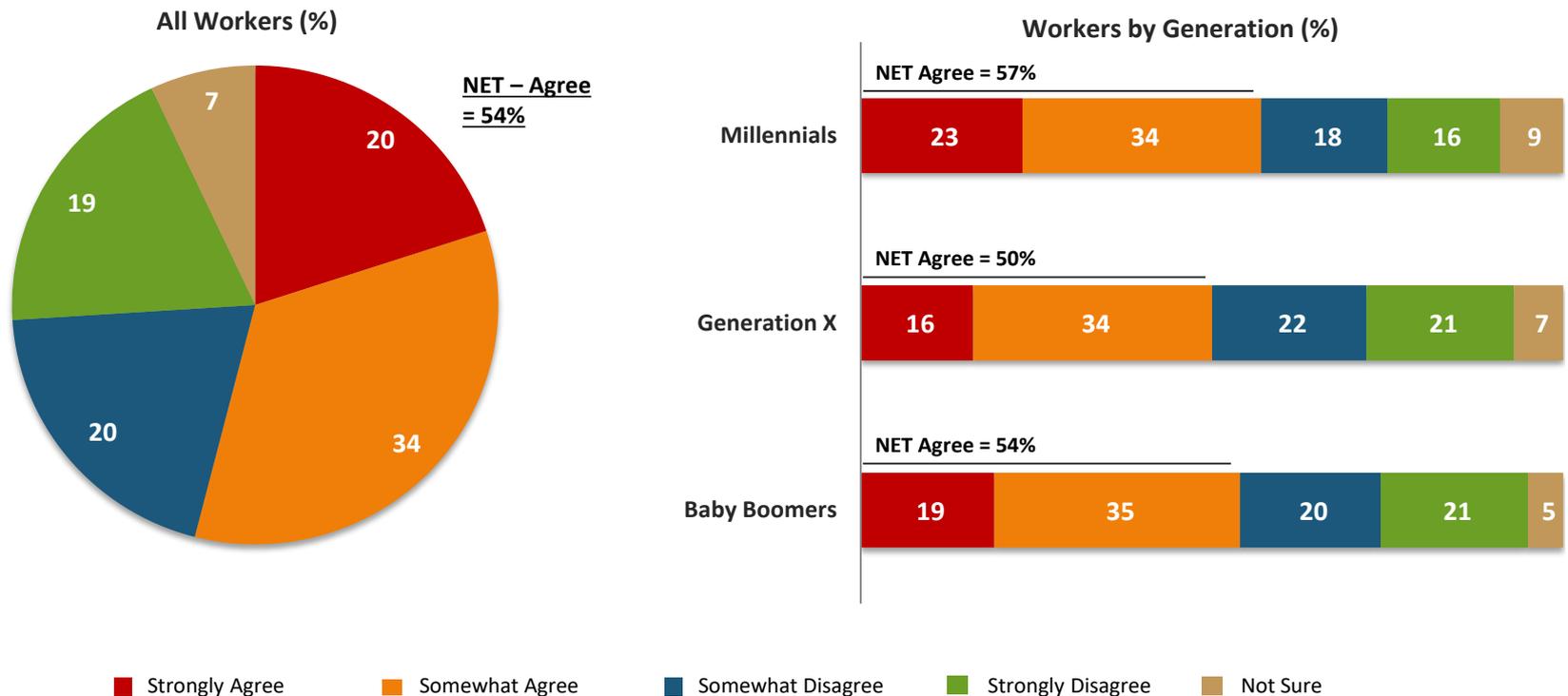
How confident are you that you will be able to fully retire with a lifestyle you consider comfortable? (%)



Only Half Think They Are Building a Large Enough Nest Egg

Only 54 percent of workers agree that they are currently building a large enough retirement nest egg, including 20 percent who “strongly agree” and 34 percent who “somewhat agree.” Of the generations, Generation X workers (16 percent) are somewhat less likely to “strongly agree,” compared with Millennials (23 percent) and Baby Boomers (19 percent).

Building a Large Enough Retirement Nest Egg



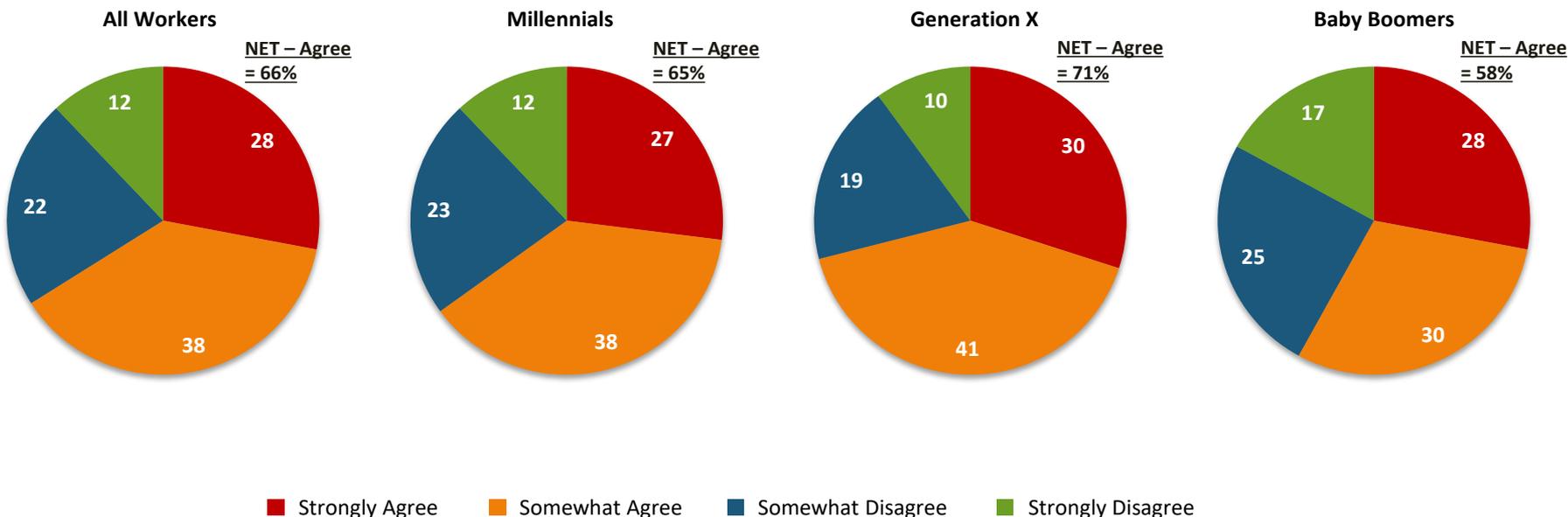
BASE: ALL QUALIFIED RESPONDENTS

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

Most Believe that They Could Not Save Enough by Age 65

Sixty-six percent of workers agree with the statement, “I could work until age 65 and still not have enough money saved to meet my retirement needs,” including 28 percent who “strongly agree” and 38 percent who “somewhat agree.” More Generation X workers (71 percent) and Millennials (65 percent) agree with the statement, compared with Baby Boomers (58 percent).

“I could work until age 65 and still not have enough money saved to meet my retirement needs.” (%)



BASE: ALL QUALIFIED RESPONDENTS

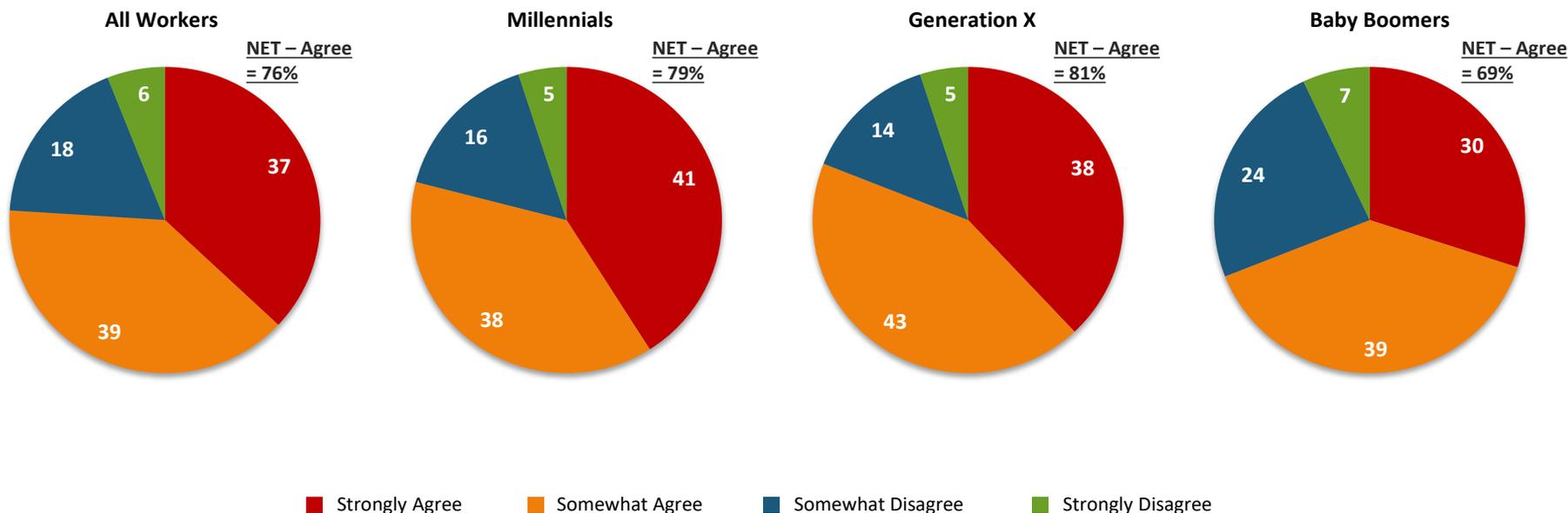
Q931. How much do you agree or disagree with each of the following statements regarding retirement?

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

Most Say They Will Have a Much Harder Time than Their Parents

Three in four workers (76 percent) agree with the statement, “Compared to my parents’ generation, people in my generation will have a much harder time in achieving financial security,” including 37 percent who “strongly agree” and 39 percent who “somewhat agree.” Younger cohorts, Generation X (81 percent) and Millennials (79 percent), are more likely to agree with this statement, compared with Baby Boomers (69 percent).

“Compared to my parents’ generation, people in my generation will have a much harder time in achieving financial security.” (%)



BASE: ALL QUALIFIED RESPONDENTS

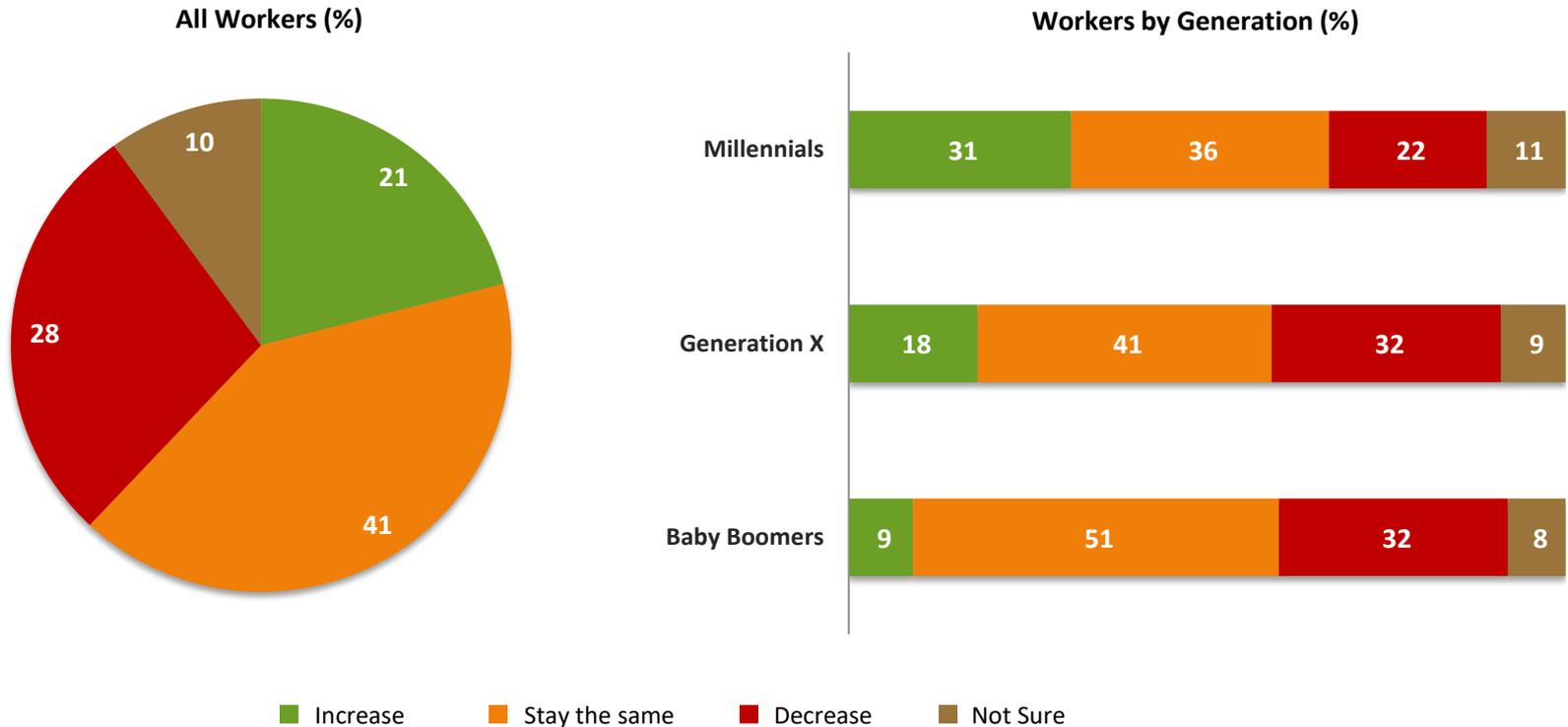
Q931. How much do you agree or disagree with each of the following statements regarding retirement?

“Compared to my parents’ generation, people in my generation will have a much harder time in achieving financial security.”

Three in Ten Expect a Decrease in Their Standard of Living

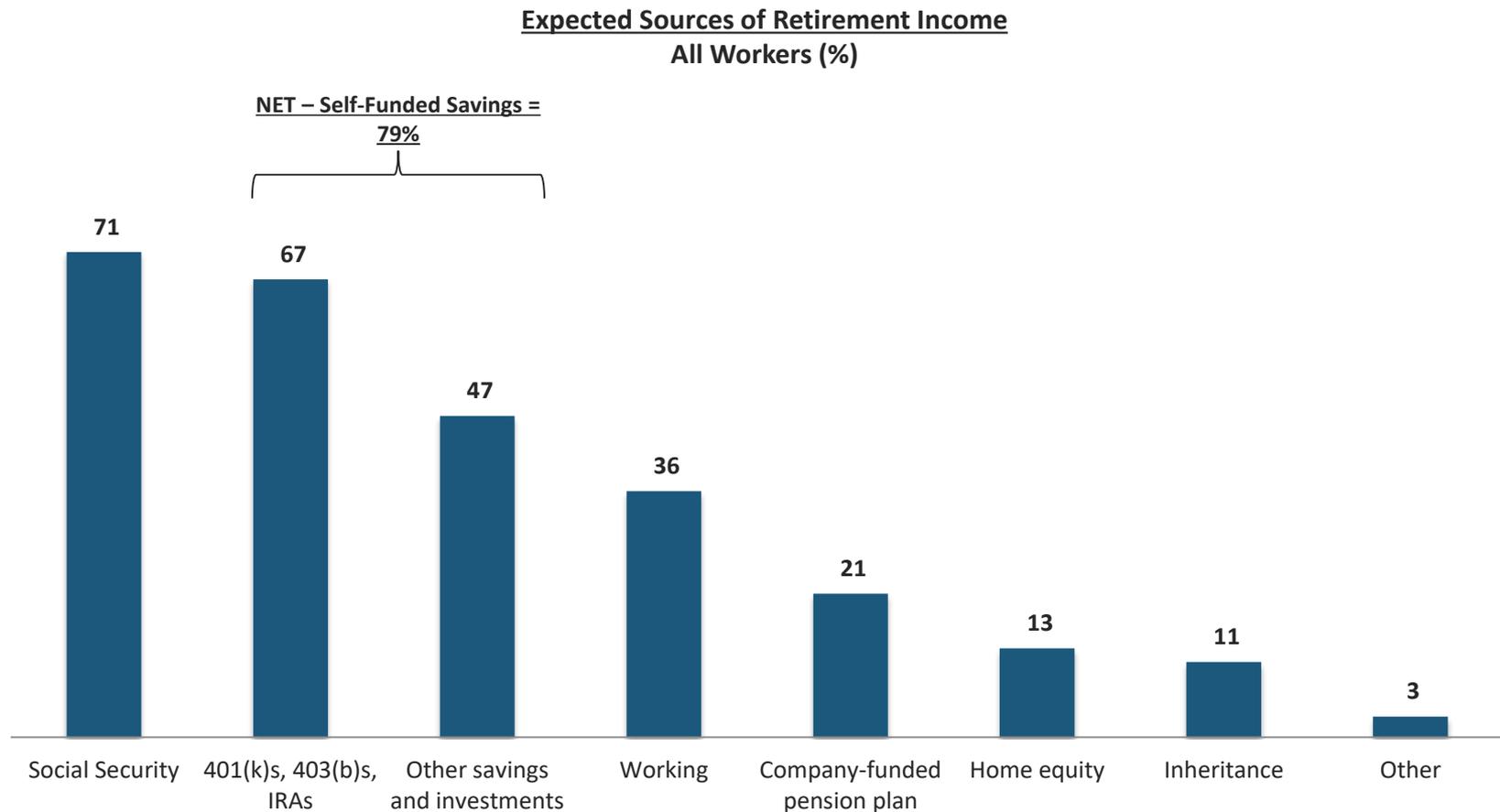
Almost three in ten workers (28 percent) are expecting their standard of living to decrease when they retire. More Baby Boomers and Generation X (both 32 percent) expect their standard of living to decrease compared with Millennials (22 percent). Of the three generations, Millennials are most optimistic with 31 percent saying they expect their standard of living to increase when they retire, compared with just 18 percent of Generation X and nine percent of Baby Boomers.

Do you expect your standard of living to increase, decrease, or stay the same when you retire?



Expected Sources of Retirement Income Include Working

For decades, the United States' retirement system has been characterized as a "three-legged stool" which includes Social Security, employer pensions, and personal savings. Today's workers are expecting greater diversity in their sources of retirement income. Notably, 36 percent of workers expect working to be a source of retirement income, adding a fourth component.

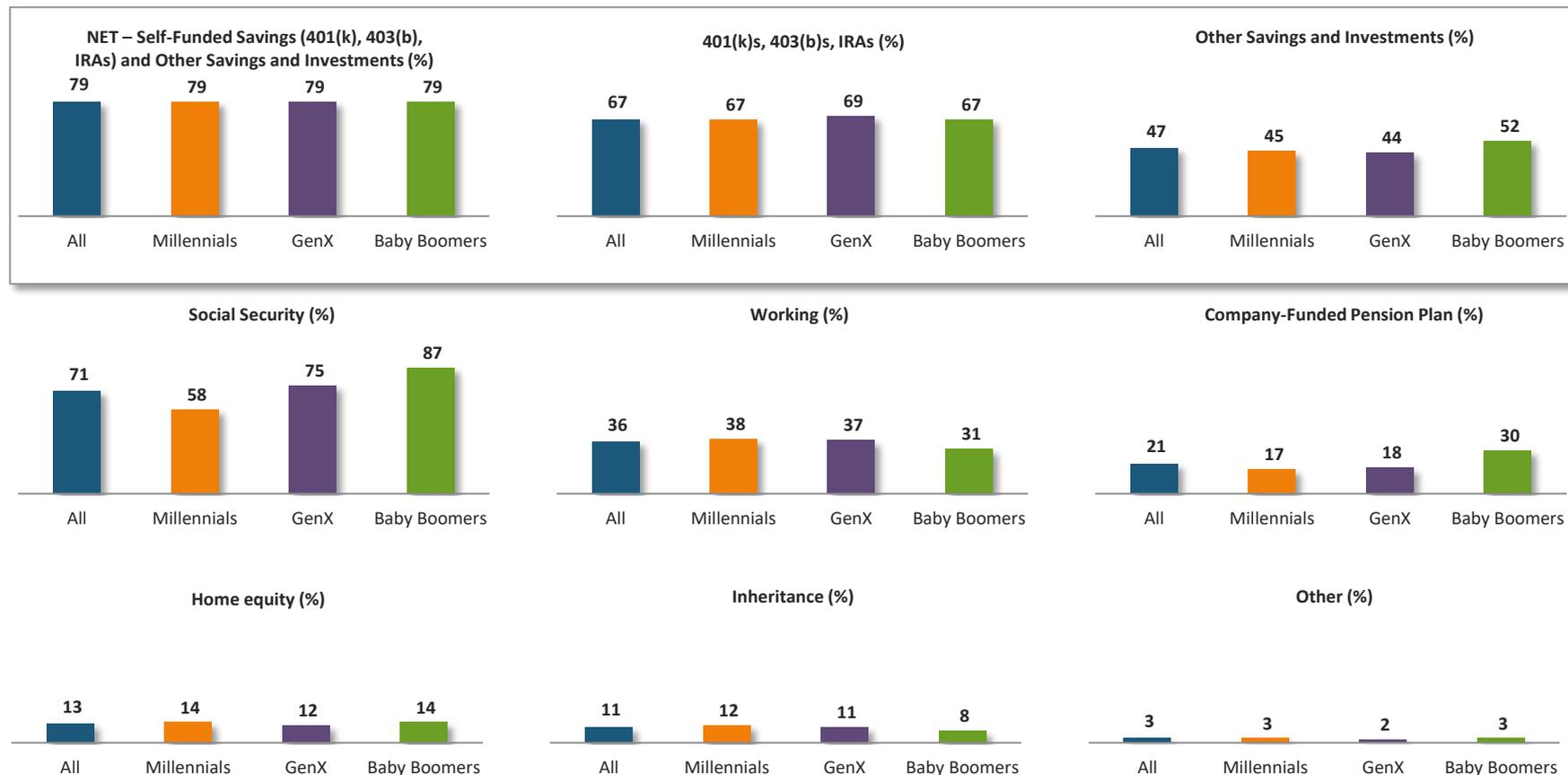


BASE: ALL QUALIFIED RESPONDENTS

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

Workers Are Expecting Diverse Sources of Retirement Income

Self-funded savings including retirement accounts (e.g., 401(k)s, 403(b)s, IRAs) and other savings and/or investments is the most frequently cited source of expected retirement income by workers across generations (79 percent for all generations). Seventy-one percent of workers expect income from Social Security; however, there is a wide disparity across generations: Baby Boomers (87 percent), Generation X (75 percent), Millennials (58 percent). Thirty-six percent of workers expect retirement income from “working,” with Baby Boomers (31 percent) being least likely to expect that, compared with Millennials (38 percent) and Generation X (37 percent).



BASE: ALL QUALIFIED RESPONDENTS

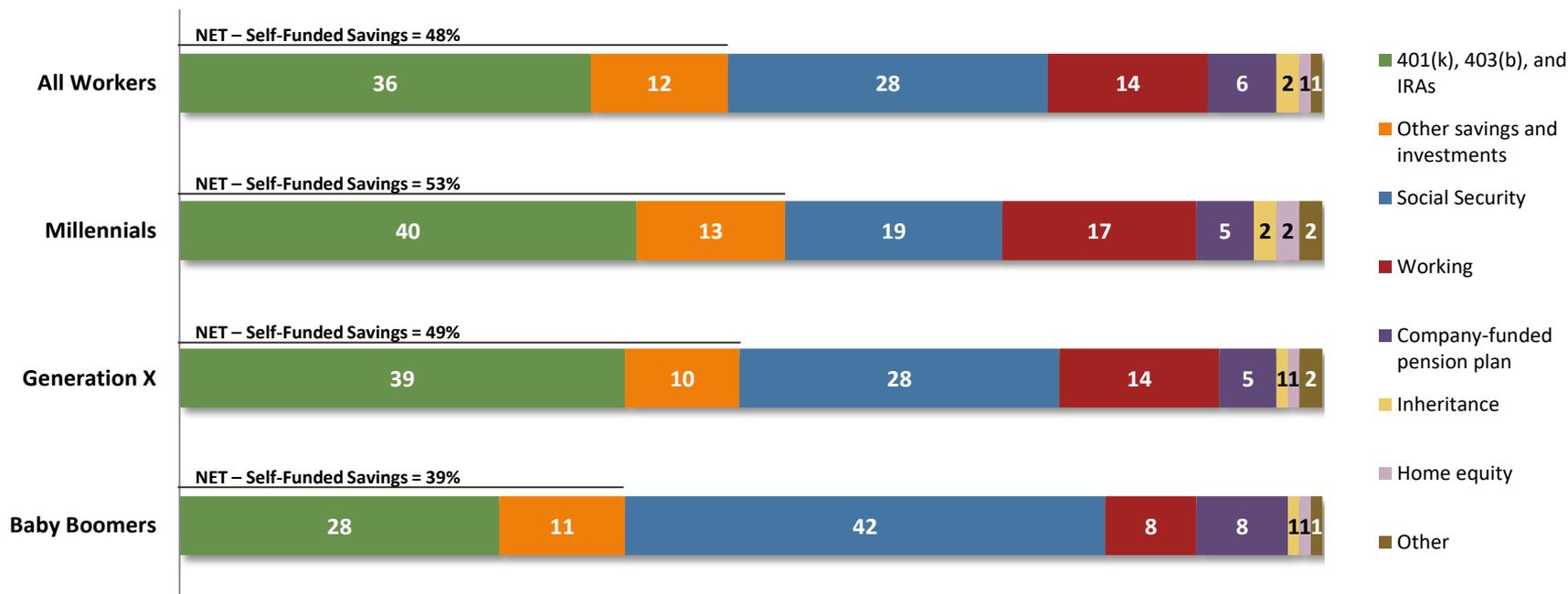
Q1145. Which of the following do you expect to be sources of income to cover your living expenses after you retire? Select all.

Many Baby Boomers Expect to Rely on Social Security

Baby Boomers (42 percent) are significantly more likely to expect Social Security to be their *primary* source of expected retirement income compared with Generation X (28 percent) and Millennials (19 percent).

Millennials (53 percent), and Generation X (49 percent), most frequently cite their expected primary income in retirement to be self-funded savings including 401k(s), 403(b)s, IRAs and/or other savings and investments, compared with Baby Boomers (39 percent). Furthermore, “working” is more often cited by Millennials (17 percent) and Generation X (14 percent), compared with Baby Boomers (8 percent). *Note: 401(k)s did not become readily available until the 1990s, a time at which Baby Boomers were already well into their careers and, therefore, they have not had as much time to save in them.*

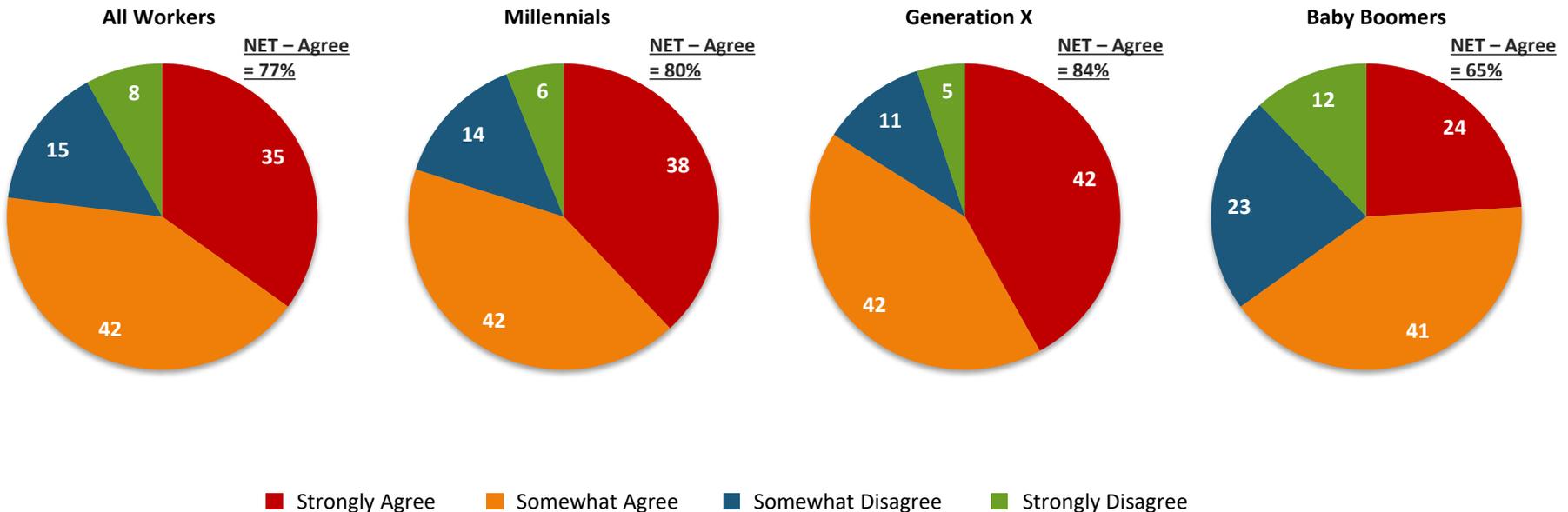
Primary Source of Retirement Income (%)



Three in Four Workers Are Concerned About Social Security

Seventy-seven percent of workers agree with the statement, “I am concerned that when I am ready to retire, Social Security will not be there for me,” including 35 percent who “strongly agree” and 42 percent who “somewhat agree.” Generation X (84 percent) and Millennials (80 percent) are more likely to agree than Baby Boomers (65 percent). Generation X (42 percent) and Millennials (38 percent) are also more likely than Baby Boomers (24 percent) to “strongly agree.”

“I am concerned that when I am ready to retire, Social Security will not be there for me.” (%)



BASE: ALL QUALIFIED RESPONDENTS

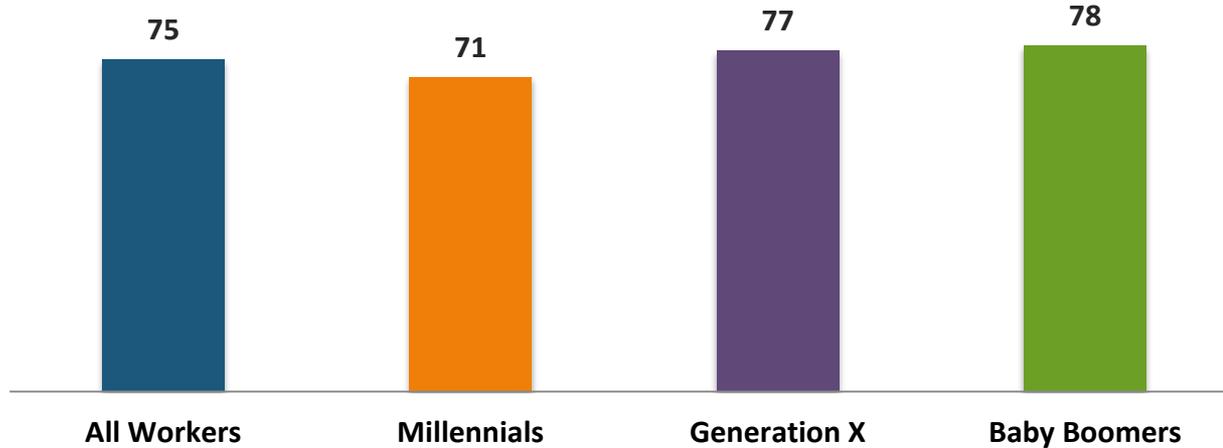
Q931. How much do you agree or disagree with each of the following statements regarding retirement?

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

Three in Four Workers Are Saving for Retirement

Seventy-five percent of workers are saving for retirement through employer-sponsored plans, such as a 401(k) or similar plan, and/or outside the workplace. Baby Boomers (78 percent) and Generation X (77 percent) are more likely than Millennials (71 percent) to be saving for retirement. Among those saving for retirement, Millennials started saving at age 24 (median), Generation X started at age 30 (median), and Baby Boomer started at age 35 (median).

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



Age Started Saving (Median)	All Workers	Millennials	Generation X	Baby Boomers
	27 years	24 years	30 years	35 years

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.?

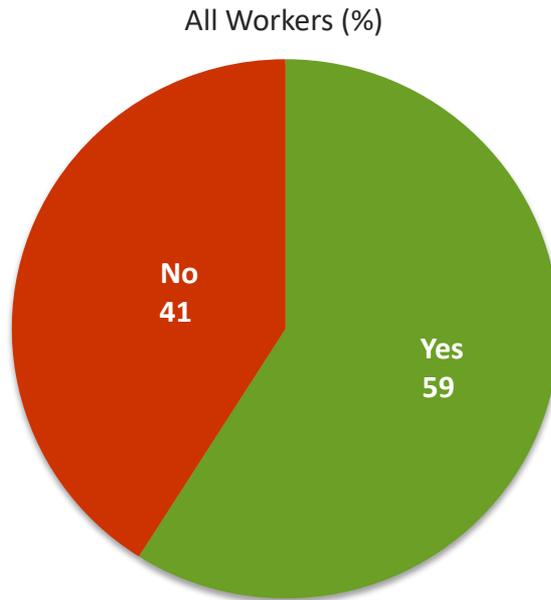
BASE: INVESTING FOR RETIREMENT

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

Majority Are Currently Saving for Retirement Outside of Work

Fifty-nine percent of workers are saving for retirement outside of work, such as in an IRA, mutual funds, bank account, etc. Baby Boomers (66 percent) are most likely to do so, with Generation X and Millennials being significantly less likely to be saving outside of work (both 56 percent).

Saving for Retirement Outside of Work



Generation	Saving Outside of Work (Yes %)
Millennials	56%
Generation X	56%
Baby Boomers	66%

Workers' Estimated Retirement Savings Needs

Today's workers estimate they will need \$500,000 (median) by the time they retire in order to feel financially secure, a finding that is shared by Generation X and Baby Boomers, but Millennials estimate they will need only \$400,000 (median). Generation X (39 percent) and Baby Boomers (37 percent) are more likely than Millennials (30 percent) to say they will need \$1 million or more by the time they retire in order to feel financially secure.

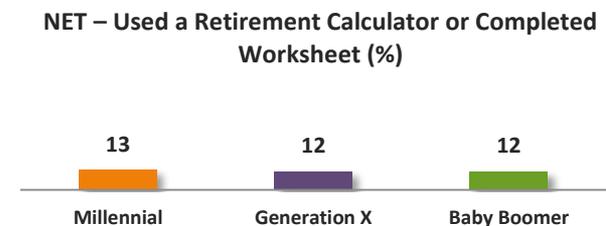
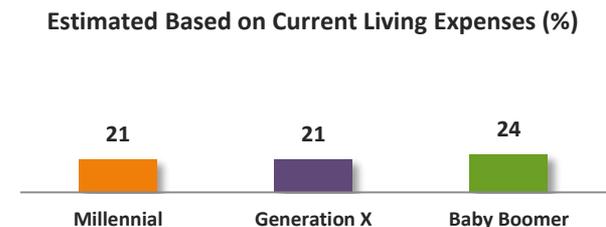
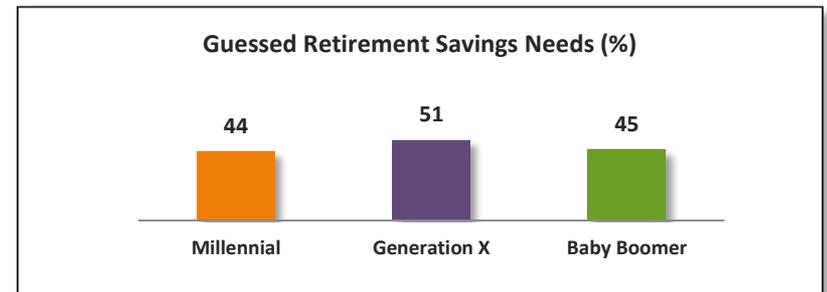
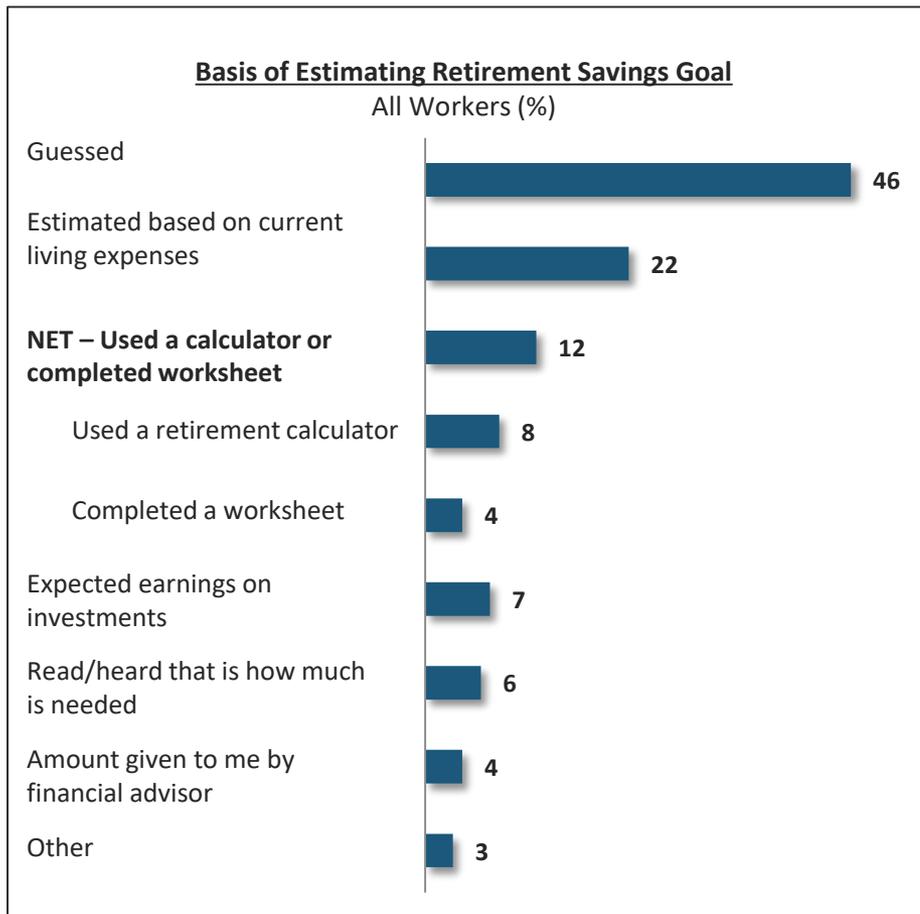
Estimated Retirement Savings Needs	All Workers	Millennials	Generation X	Baby Boomers
< \$500k	45%	51%	39%	39%
\$500k to \$1m	21%	19%	22%	24%
\$1m to \$2m	19%	15%	23%	23%
\$2m or More	15%	15%	16%	14%
Median	\$500,000	\$400,000	\$500,000	\$500,000

BASE: ALL QUALIFIED RESPONDENTS

Q890. Thinking in terms 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?

Many Workers Are Guessing Their Retirement Savings Needs

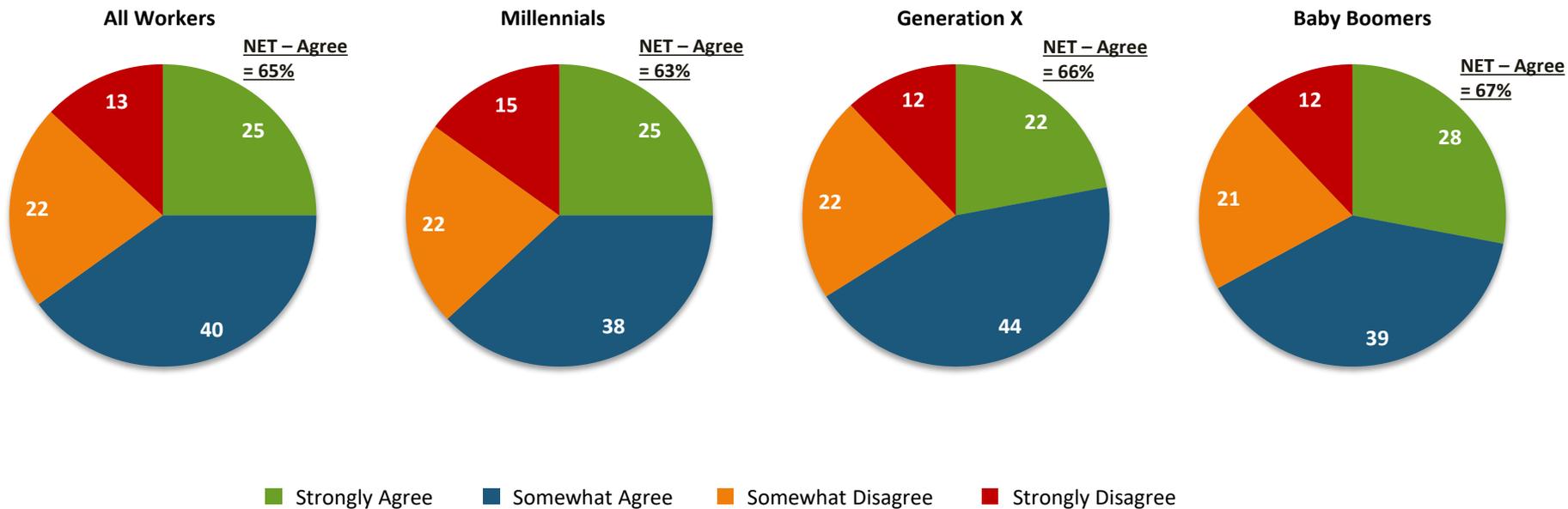
Almost half of workers who provided an estimate of their retirement savings needs indicate they guessed those needs (46 percent). Twenty-two percent estimated this goal based on their current living expenses. Just 12 percent used a retirement calculator or completed a worksheet, a finding that is consistent across generations. Generation X workers (51 percent) are slightly more likely to have guessed, while Baby Boomers (24 percent) are slightly more likely to have estimated their needs based on current living expenses.



Most Are Very Involved in Monitoring and Managing Their Savings

Sixty-five percent of workers agree with the statement, “I am currently very involved in monitoring and managing my retirement savings,” with 25 percent “strongly agreeing” and 40 percent “somewhat agreeing.” Workers’ level of agreement increases somewhat with age. Slightly more Baby Boomer workers (67 percent) and Generation X (66 percent) than Millennials (63 percent) agree that they are very involved in monitoring and managing their savings.

“I am currently very involved in monitoring and managing my retirement savings.” (%)



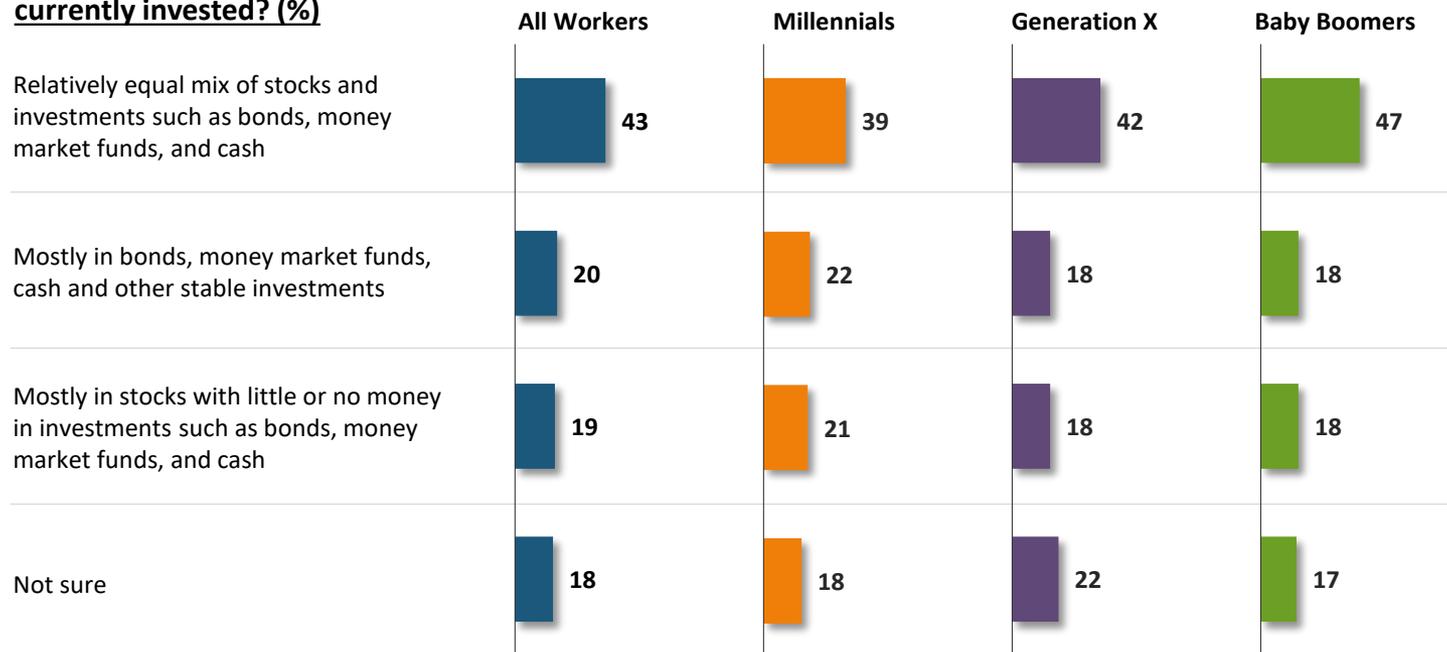
BASE: ALL QUALIFIED RESPONDENTS

Q931. How much do you agree or disagree with each of the following statements regarding retirement?
 “I am currently very involved in monitoring and managing my retirement savings.”

Workers Most Often Invest in a Mix of Stocks, Bonds, and Cash

Workers most frequently invest their retirement savings in a relatively equal mix of stocks and investments such as bonds, money market funds, and cash (43 percent), which tends to increase with age: Baby Boomers (47 percent), Generation X (42 percent), Millennials (39 percent). Counter to conventional investing and asset allocation principles, Millennials (22 percent) are somewhat more likely to be invested mostly in bonds, money market funds, cash and other stable investments, compared with Generations X and Baby Boomers (both 18 percent). Eighteen percent of workers say they are “not sure” how their retirement savings are invested, with Generation X (22 percent) somewhat more likely to say so.

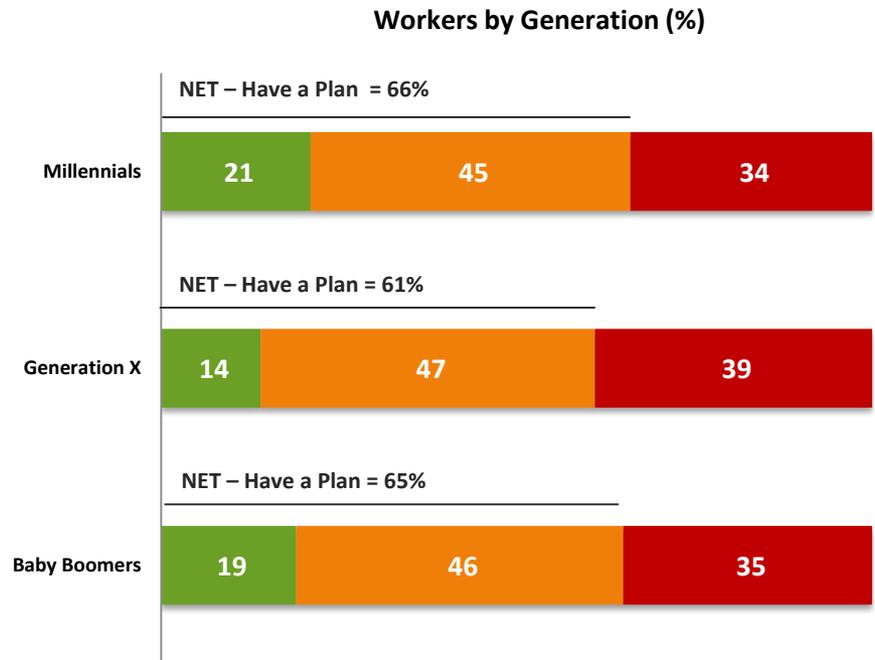
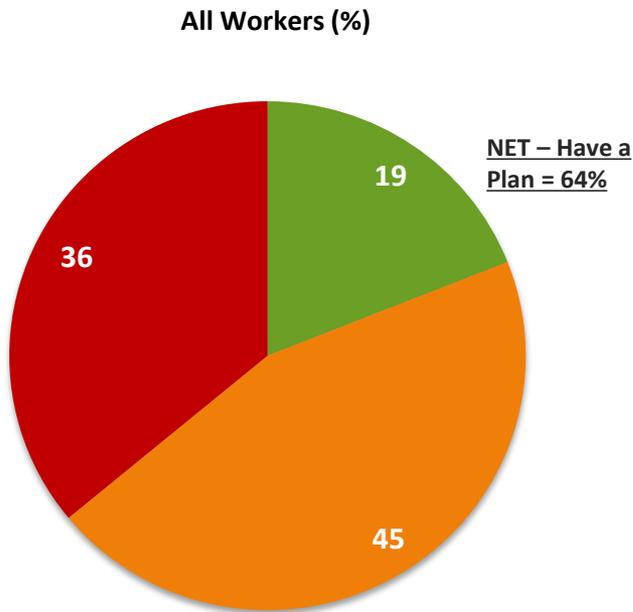
How are your retirement savings currently invested? (%)



Only One in Five Has a Written Strategy for Retirement

Achieving retirement readiness goes beyond simply saving enough; it also involves having a well-defined written strategy. The majority of workers (64 percent) have some form of retirement strategy, but only 19 percent have a written plan (the other 45 percent have a plan but it is not written down). Of the three generations, Millennials (66 percent) and Baby Boomer workers (65 percent) are slightly more likely to have some form of written or unwritten retirement strategy, compared with Generation X (61 percent).

How would you describe your retirement strategy?



■ Have a Written Plan
 ■ Have a Plan but Not Written Down
 ■ Do Not Have a Plan

Retirement Strategy: Includes A Variety Of Components

A worker's retirement strategy must consider a broad range of factors that could impact his/her retirement savings, ability to generate income in retirement, and protection of savings. Many workers with a retirement strategy have considered basic living expenses (58 percent), Social Security and Medicare benefits (51 percent), and a retirement budget (42 percent). However, few have factored in long-term care needs (26 percent), tax planning (20 percent), and estate planning (17 percent), with even fewer having factored in contingency plans (12 percent). Only one in four (24 percent) workers have factored in pursuing their retirement dreams. Of the three generations Baby Boomers are more likely to have factored in several of the components into their strategies, but they are still lacking.

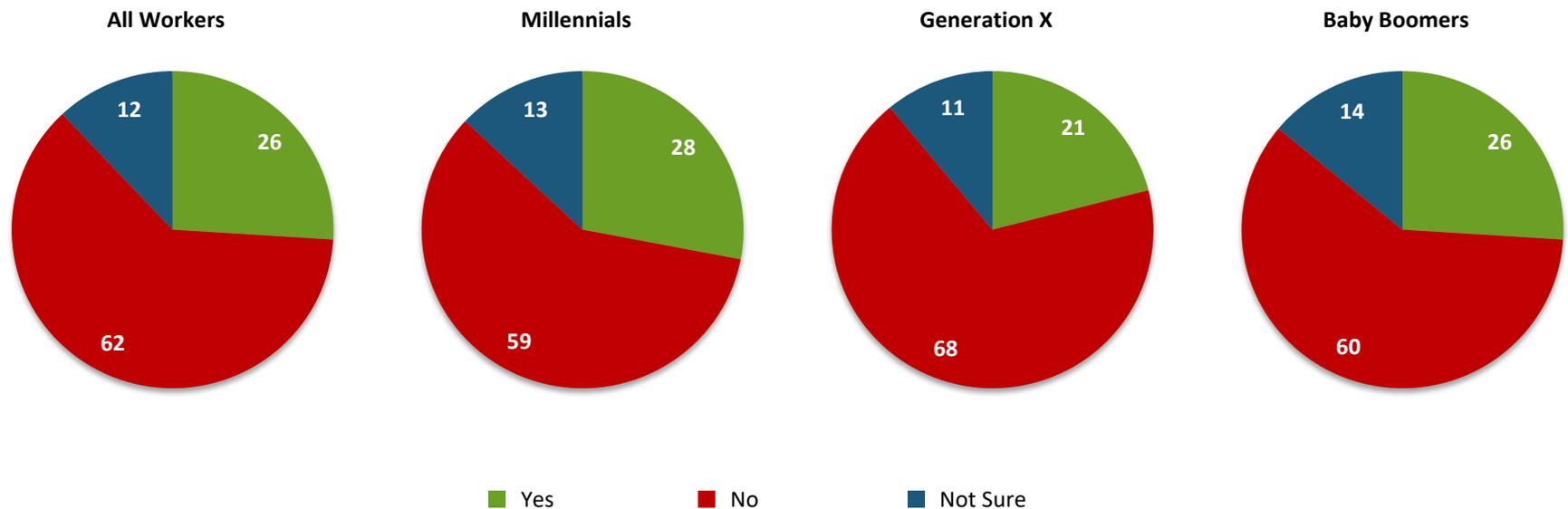
Components of Strategy	All Workers	Millennials	Generation X	Baby Boomers
Basic living expenses	58%	52%	58%	69%
Social Security and Medicare benefits	51%	36%	51%	72%
A retirement budget that includes basic living expenses	42%	35%	40%	55%
Total retirement savings and income needs	39%	33%	40%	50%
Investment returns	35%	31%	37%	40%
A plan to help ensure my savings last throughout my retirement	35%	30%	35%	42%
Paying off mortgage	34%	34%	37%	33%
Ongoing healthcare costs	32%	26%	31%	44%
Inflation	27%	25%	28%	29%
Long-term care needs	26%	29%	24%	23%
Pursuing retirement dreams	24%	22%	21%	30%
Tax planning	20%	21%	19%	21%
Paying off non-mortgage debt	20%	22%	16%	20%
Estate planning	17%	16%	18%	18%
Contingency plans for retiring sooner than expected and/or savings shortfalls	12%	14%	12%	7%
Other	2%	2%	2%	3%
Not sure	4%	4%	3%	4%

Note: Components of retirement strategy selected by 40% or more of the subgroup are highlighted

Few Have a Backup Plan if Retirement Comes Unexpectedly

Delaying retirement and/or continuing to work in retirement is an effective way to continue generating income, bridge savings shortfalls, and stay active and involved. However, only 26 percent of workers have a backup plan for retirement income if forced into retirement sooner than expected. Millennials (28 percent) and Baby Boomer workers (26 percent) are somewhat more likely to have a backup plan compared with Generation X (21 percent).

Have a Backup Plan if Retire Sooner Than Expected (%)



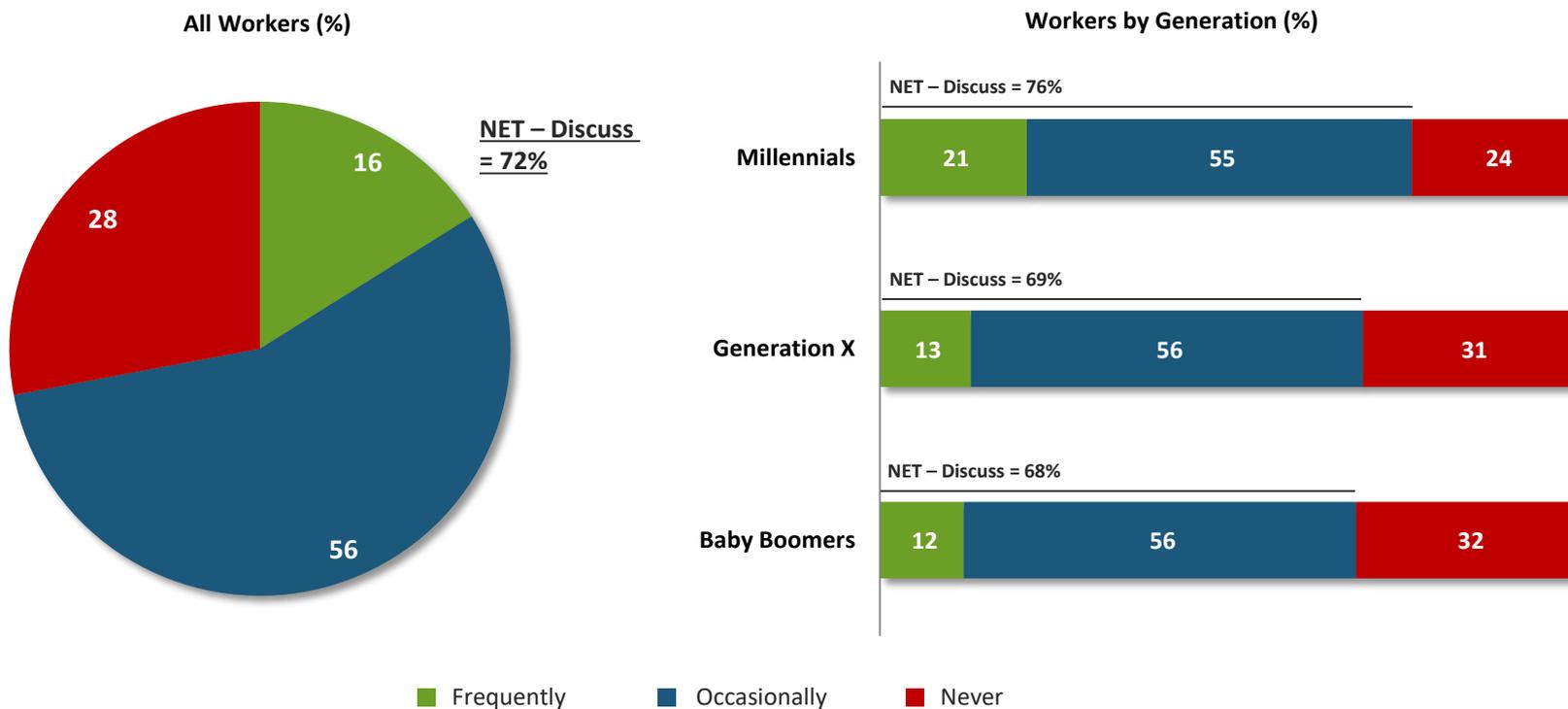
BASE: ALL QUALIFIED RESPONDENTS

Q1535. In the event you are unable to work before your planned retirement, do you have a backup plan for retirement income?

Frequency (or Infrequency) of Conversations About Retirement

Retirement is a family matter that calls for important conversations. However, just 16 percent of workers “frequently” discuss saving, investing, and planning for retirement with family and close friends, while 56 percent “occasionally” discuss it, and 28 percent “never” discuss it. Of the three generations, Millennials workers (21 percent) are most likely to “frequently” discuss savings, investing, and planning for retirement with family and friends. In contrast, almost a third of Generation X (31 percent) and Baby Boomers (32 percent) “never” discuss it.

How frequently do you discuss saving, investing, and planning for retirement with family and close friends?

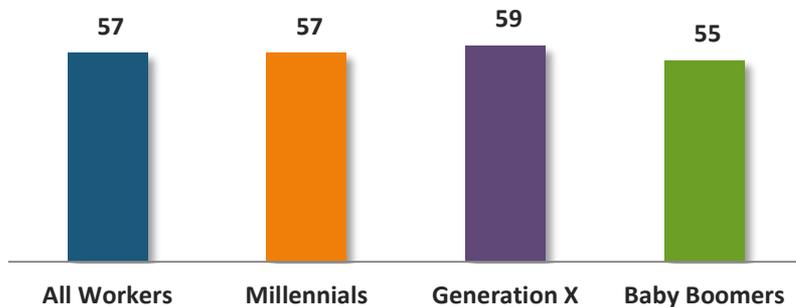


Relatively Few Are Very Familiar with Spouse's/Partner's Savings

Among workers who are married or living with a partner, 57 percent say their spouse or partner is saving in a retirement plan and 67 percent are familiar with their spouse's or partner's savings, yet only 30 percent are "very familiar." Level of familiarity of their spouse or partner's plan increases with age, with Baby Boomers (70 percent) being the most familiar, followed by Generation X (67 percent) and Millennials (62 percent).

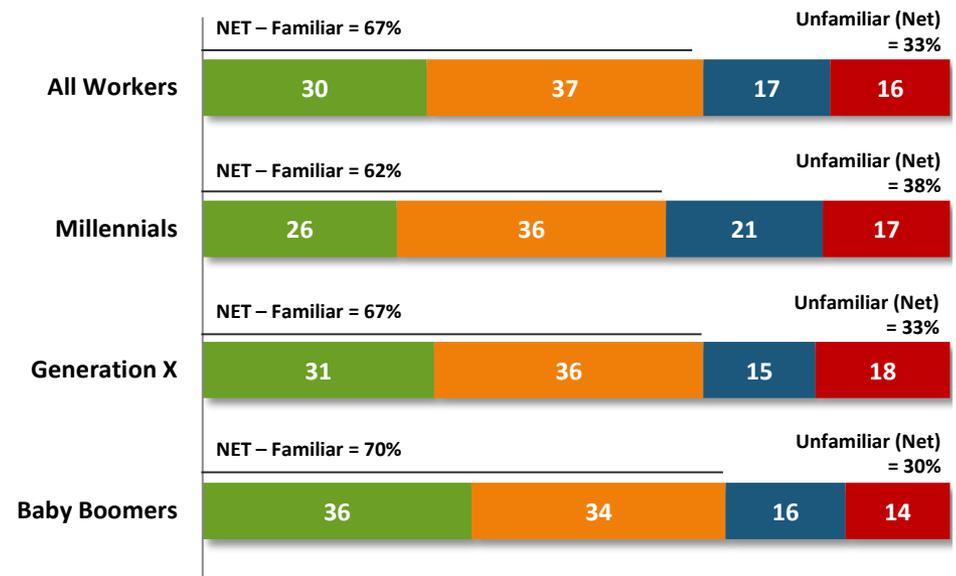
Is spouse/partner saving in a retirement plan?

Yes (%)



Level of Familiarity with Spouse's/Partner's Retirement Savings (%)

Savings (%)



■ Very Familiar ■ Somewhat Familiar ■ Not too Familiar ■ Not at all Familiar

BASE: MARRIED OR LIVING WITH PARTNER

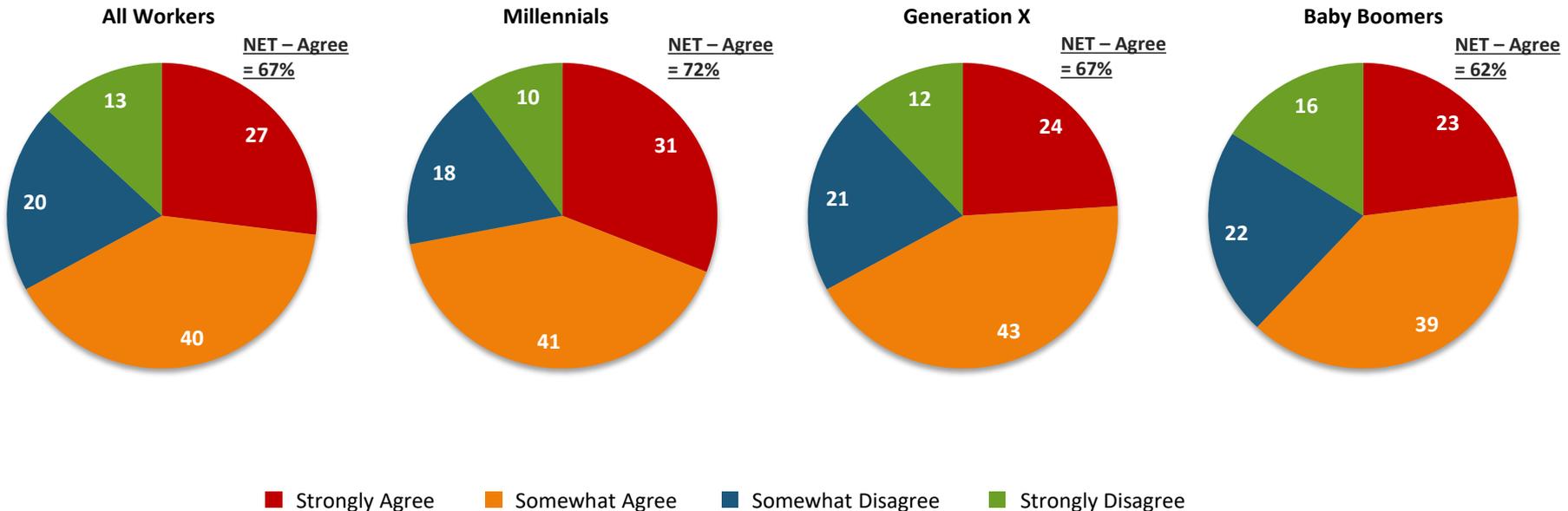
Q850. Is your spouse or partner currently putting money into a retirement plan of his or her own?

Q1520. How familiar are you with your spouse's or partner's retirement plan and savings?

Two-Thirds Feel They Don't Know as Much as They Should

Sixty-seven percent of workers agree with the statement, “I do not know as much as I should about retirement investing,” including 27 percent who “strongly agree” and 40 percent who “somewhat agree.” Level of agreement decreases with age: Millennial workers (72 percent) are more likely to agree when compared with Generation X (67 percent) and Baby Boomers (62 percent).

“I do not know as much as I should about retirement investing.” (%)



BASE: ALL QUALIFIED RESPONDENTS

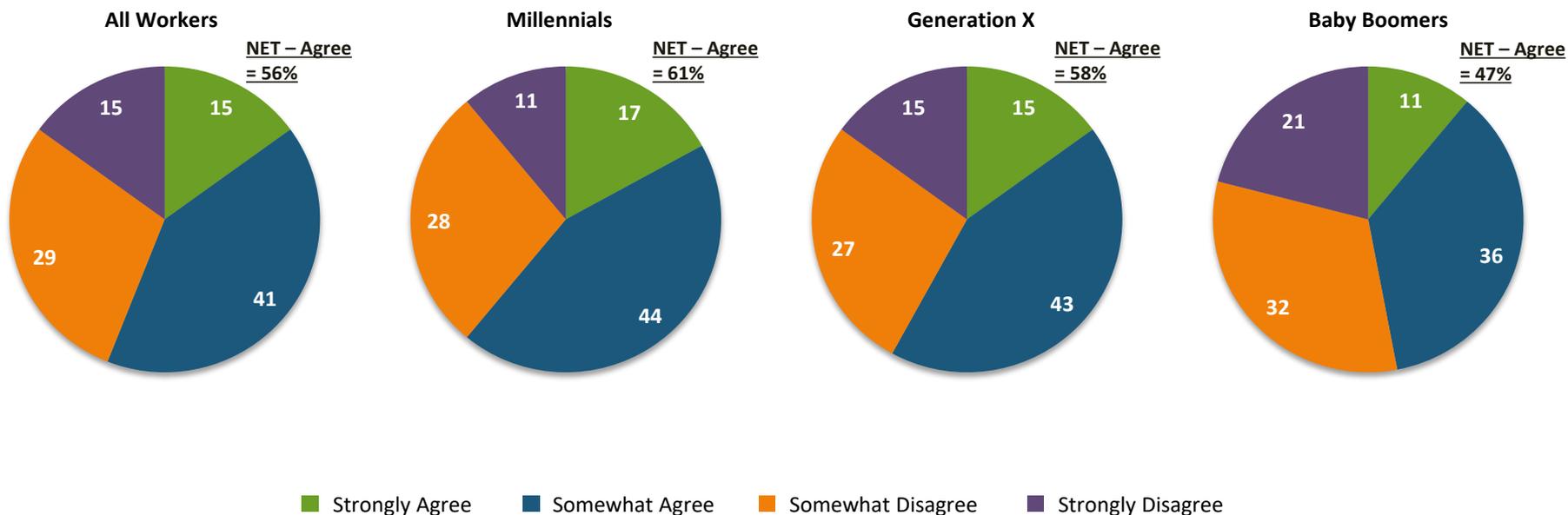
Q931. How much do you agree or disagree with each of the following statements regarding retirement?

“I do not know as much as I should about retirement investing.”

More Than Half Would Prefer to Rely on Outside Experts

More than half of workers (56 percent) agree with the statement, “I would prefer to rely on outside experts to monitor and manage my retirement savings plan,” including 15 percent who “strongly agree” and 41 percent who “somewhat agree.” Millennials (61 percent) and Generation X workers (58 percent) are more likely to agree than Baby Boomers (47 percent).

“I would prefer to rely on outside experts to monitor and manage my retirement savings plan.” (%)



BASE: ALL QUALIFIED RESPONDENTS

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

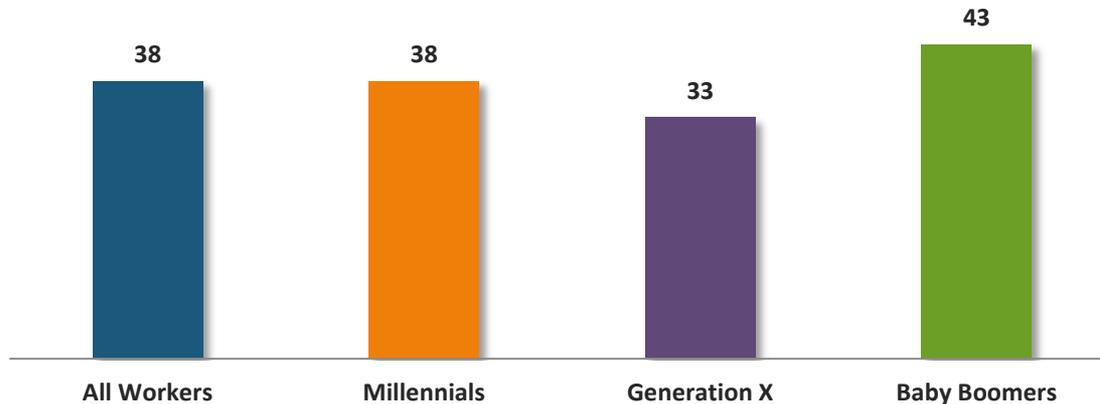
“I would prefer to rely on outside experts to monitor and manage my retirement savings plan.”

Almost Four in Ten Workers Use a Professional Financial Advisor

Thirty-eight percent of workers who are saving and investing for retirement use a professional financial advisor to help them manage their savings and investments. Baby Boomers are most likely to use an advisor (43 percent), followed by Millennials (38 percent) and Generation X (33 percent).

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

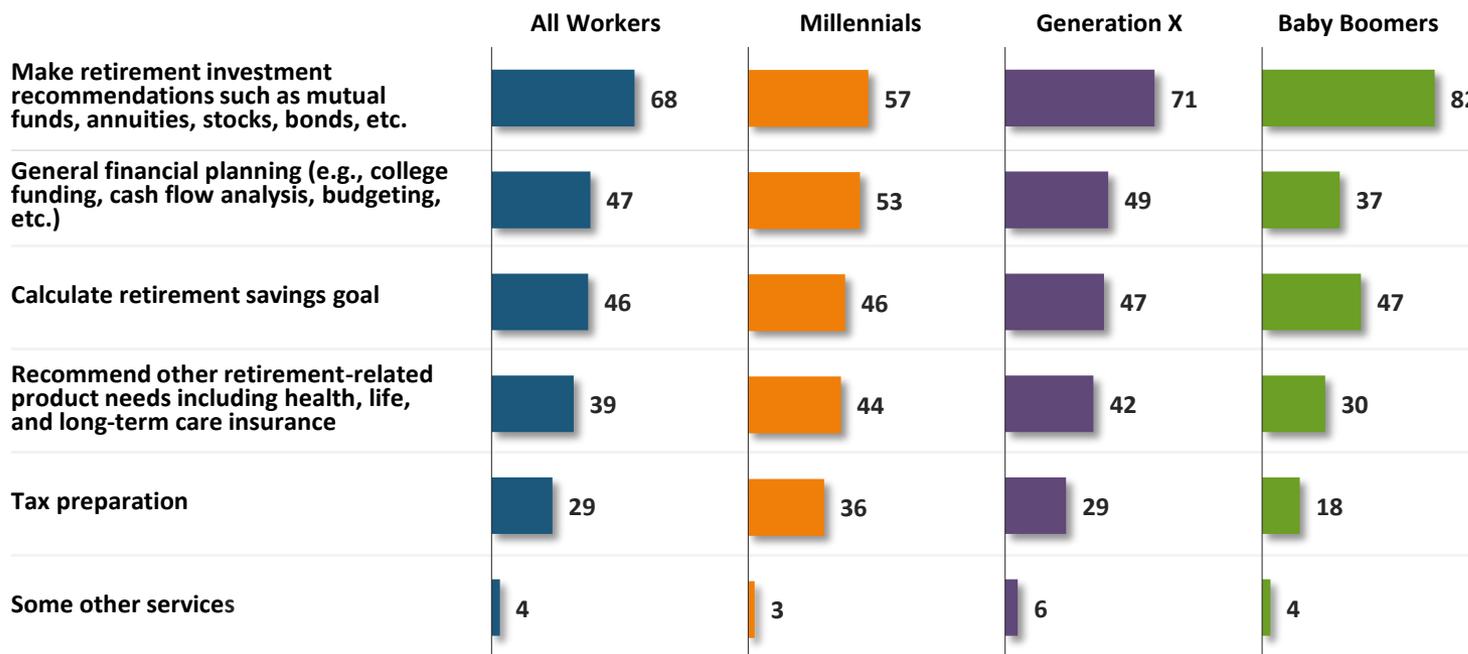
Yes (%)



Services Provided by Financial Advisors Vary by Generation

Among those who use a financial advisor, workers most frequently use them to make retirement investment recommendations (68 percent), followed by general financial planning (47 percent), and calculating a retirement savings goal (46 percent). Across generations, the use of financial advisor services vary. A stronger majority of Baby Boomers (82 percent) use their financial advisors for retirement investment recommendations compared with younger workers. While using their advisor to calculate a retirement savings goals is consistent across the three generations.

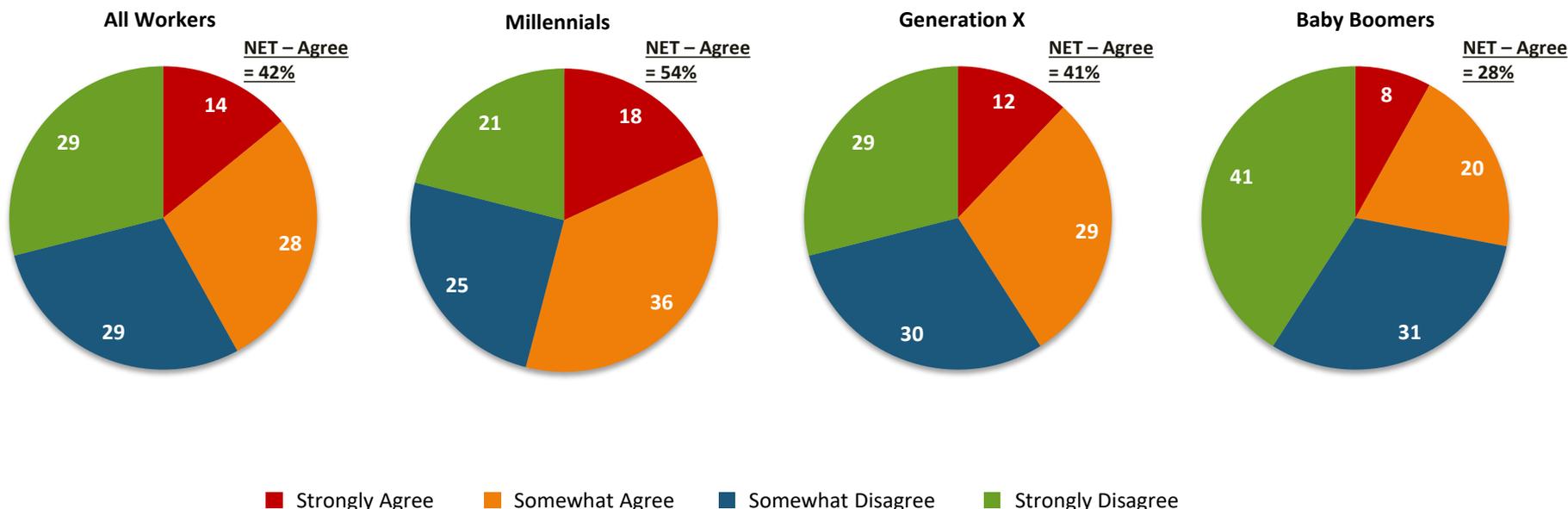
What types of services do you use your professional financial advisor to perform? (%)



Many May Be Procrastinating Retirement Investing

Forty-two percent of workers agree with the statement, “I prefer not to think about or concern myself with retirement investing until I get closer to my retirement date,” including 14 percent who “strongly agree” and 28 percent who “somewhat agree.” As may be expected, younger workers are more likely to be procrastinators than older workers. Millennials (54 percent) and Generation X workers (41 percent) are more likely to agree compared with Baby Boomers (28 percent).

“I prefer not to think about or concern myself with retirement investing until I get closer to my retirement date.” (%)



BASE: ALL QUALIFIED RESPONDENTS

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

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

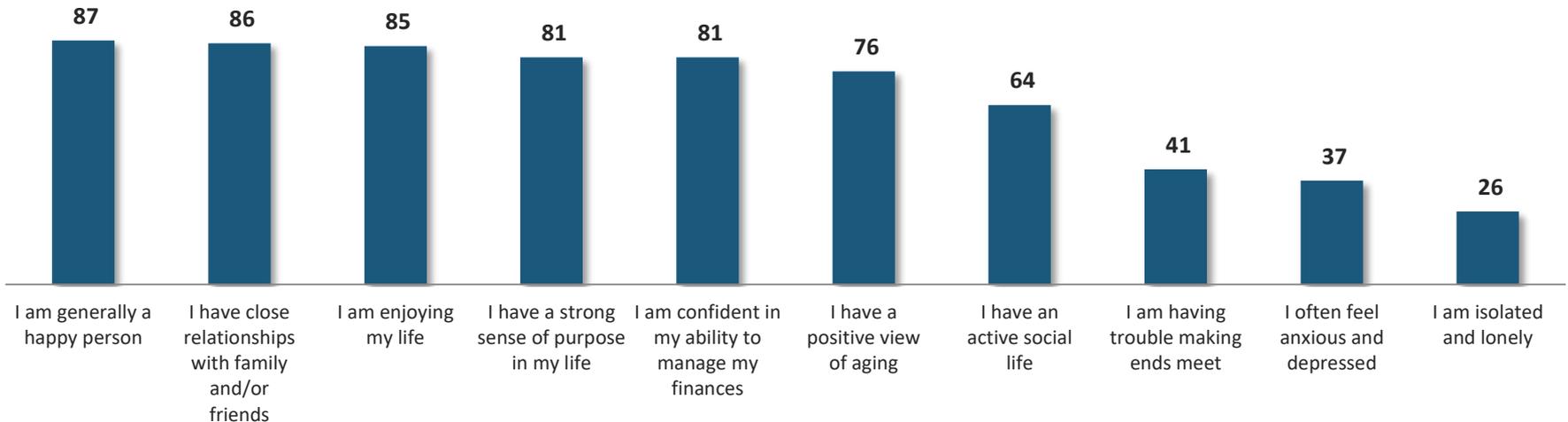
Happiness, Health, and Work-Life Balance

Workers Are Happy but Some Are Facing Challenges

Approximately four in five workers are generally happy (87 percent), have close relationships with family and/or friends (86 percent), are enjoying life (85 percent), have a strong sense of purpose in life (81 percent), and are confident in their ability to manage their finances (81 percent). Seventy-six percent of workers have a positive view of aging and 64 percent have an active social life. A concerning 41 percent of workers have trouble making ends meet, 37 percent often feel anxious and depressed, and 26 percent are isolated and lonely.

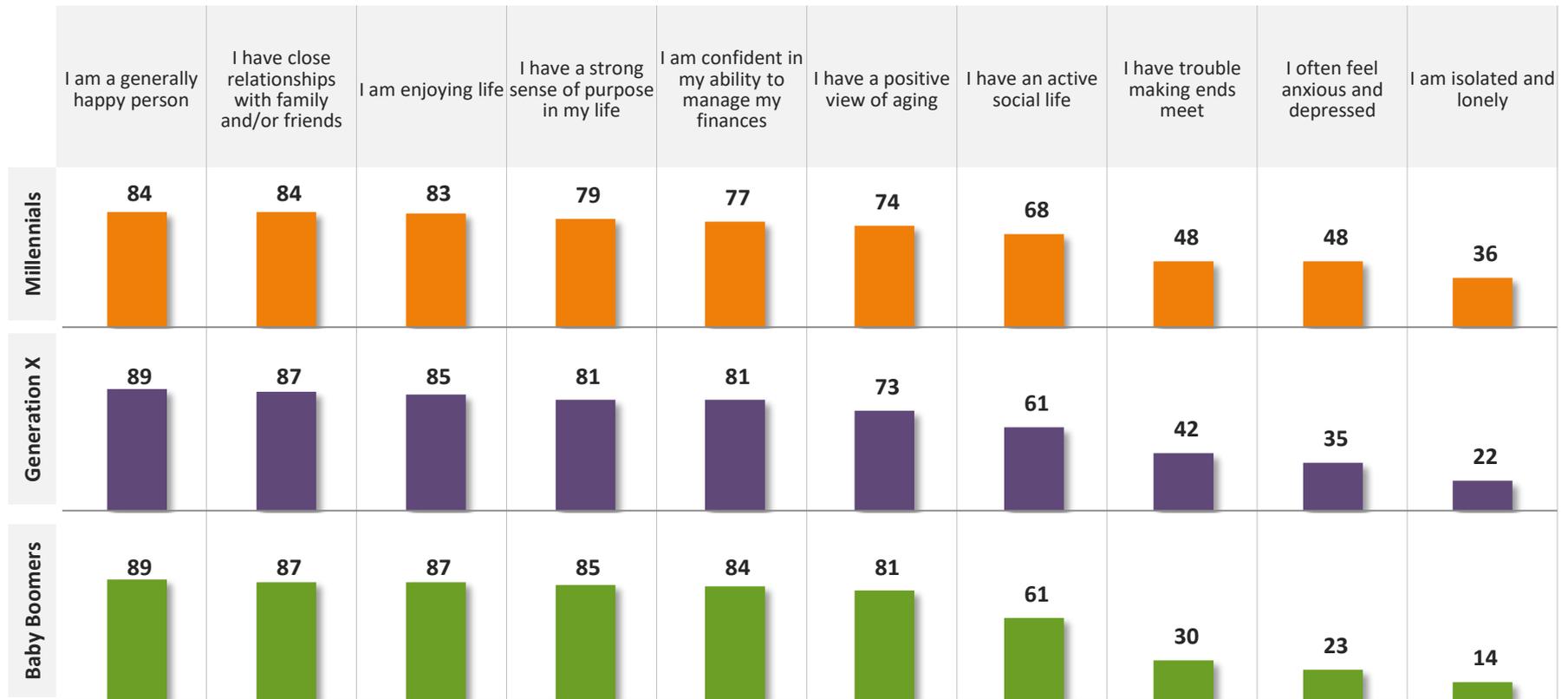
How much do you agree or disagree with the following statements? (NET – Strongly/Somewhat Agree)

All Workers (%)



Most Are Enjoying Life yet Many Millennials Are Struggling

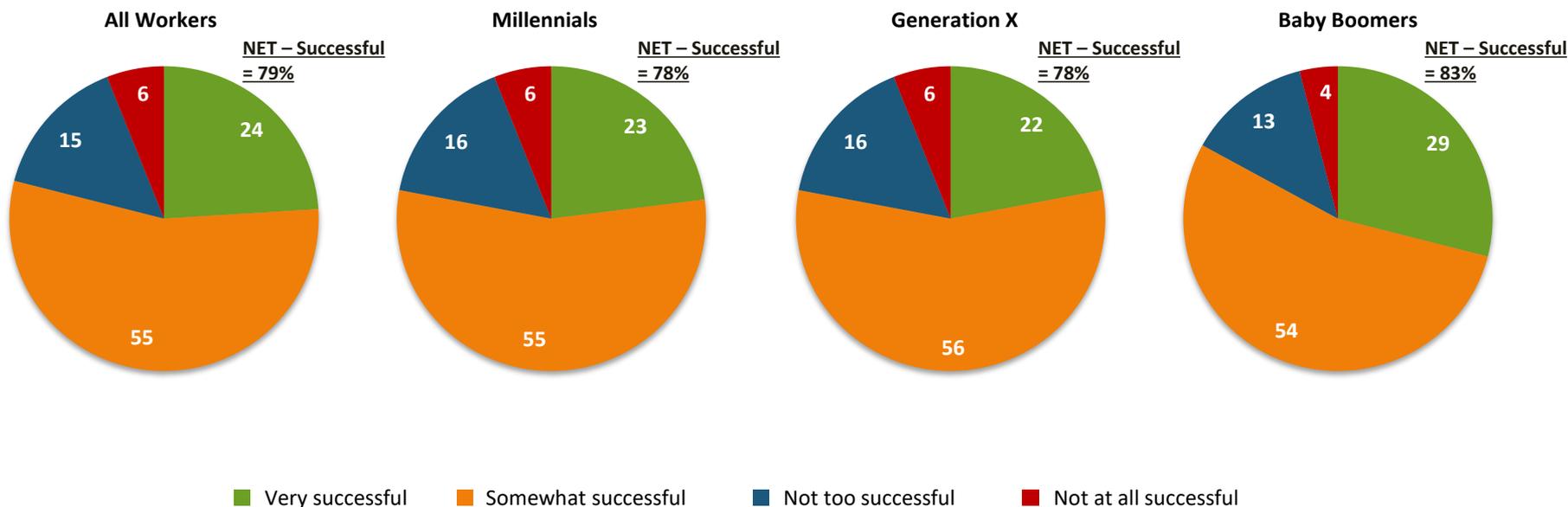
Across generations, more than four in five workers are generally happy, have close relationships with family and/or friends, and are enjoying life. However, Millennials are more likely to be struggling compared with Generation X and Baby Boomers. Almost half of Millennials have trouble making ends meet (48 percent) and often feel anxious and depressed (48 percent). Thirty-six percent of Millennials feel isolated and lonely.



Most Are Successful in Managing Work-Life Balance

Approximately eight in 10 workers feel that they are successful in currently managing their work-life balance, including 24 percent who are “very” successful and 55 percent who are “somewhat” successful. Baby Boomers (83 percent) are more likely than Millennials and Generation X (both 78 percent) to feel successful.

How successful do you feel that you are currently managing your work-life balance? (%)



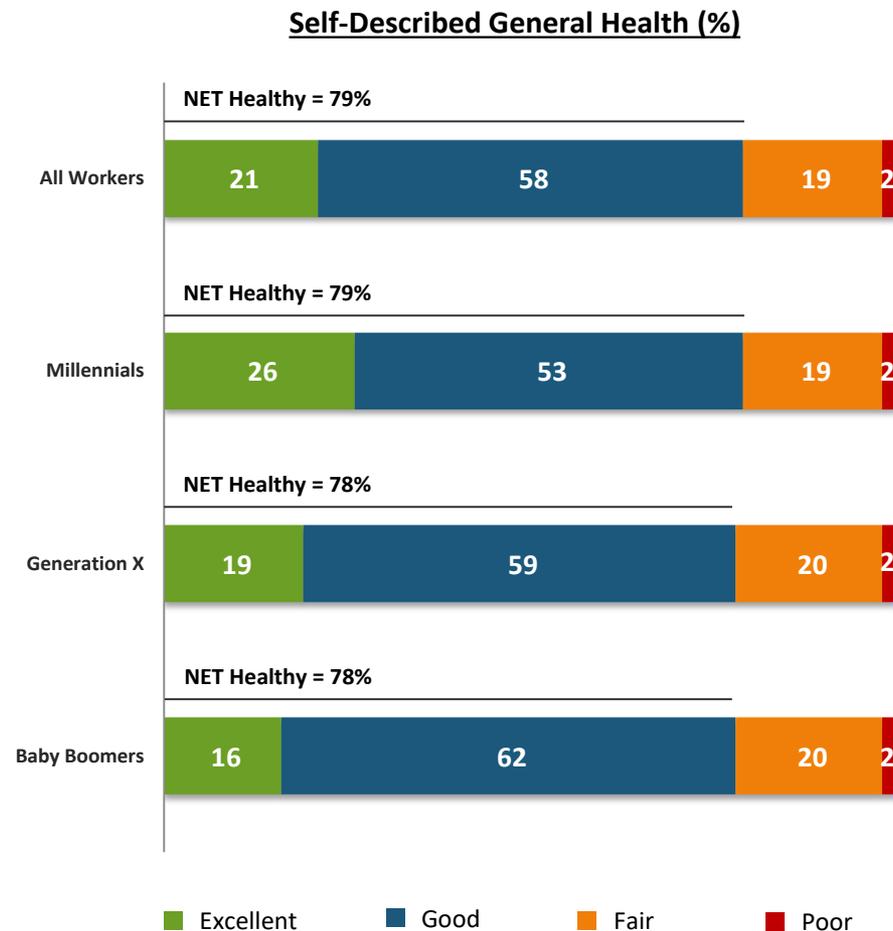
BASE: ALL QUALIFIED RESPONDENTS

Q5015. How successful do you feel that you are currently managing your work-life balance?

Majority of Workers Describe Themselves as Healthy

Almost eight in 10 workers describe themselves as being healthy (79 percent). Twenty-one percent describe their general health as “excellent” and 58 percent describe it as “good.” Nineteen percent describe their health as “fair” and two percent as “poor.”

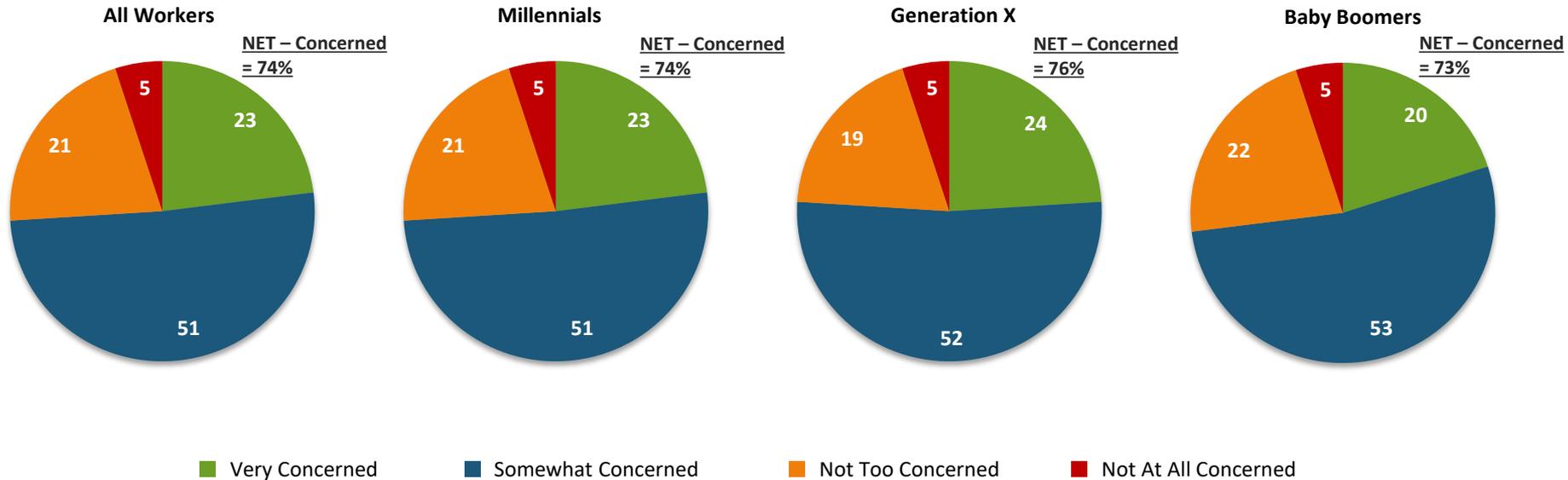
Self-described general health is relatively consistent across generations; however, Millennial workers (26 percent) are significantly more likely to cite being in “excellent” health, compared with Generation X (19 percent) and Baby Boomers (16 percent).



Seven in Ten Are Concerned About Their Health in Older Age

Seventy-four percent of workers are either “very” (23 percent) or “somewhat” (51 percent) concerned about their health in older age. Millennials (23 percent) and Generation X (24 percent) are somewhat more likely to be “very concerned” about their health in older age when compared with Baby Boomers (20 percent).

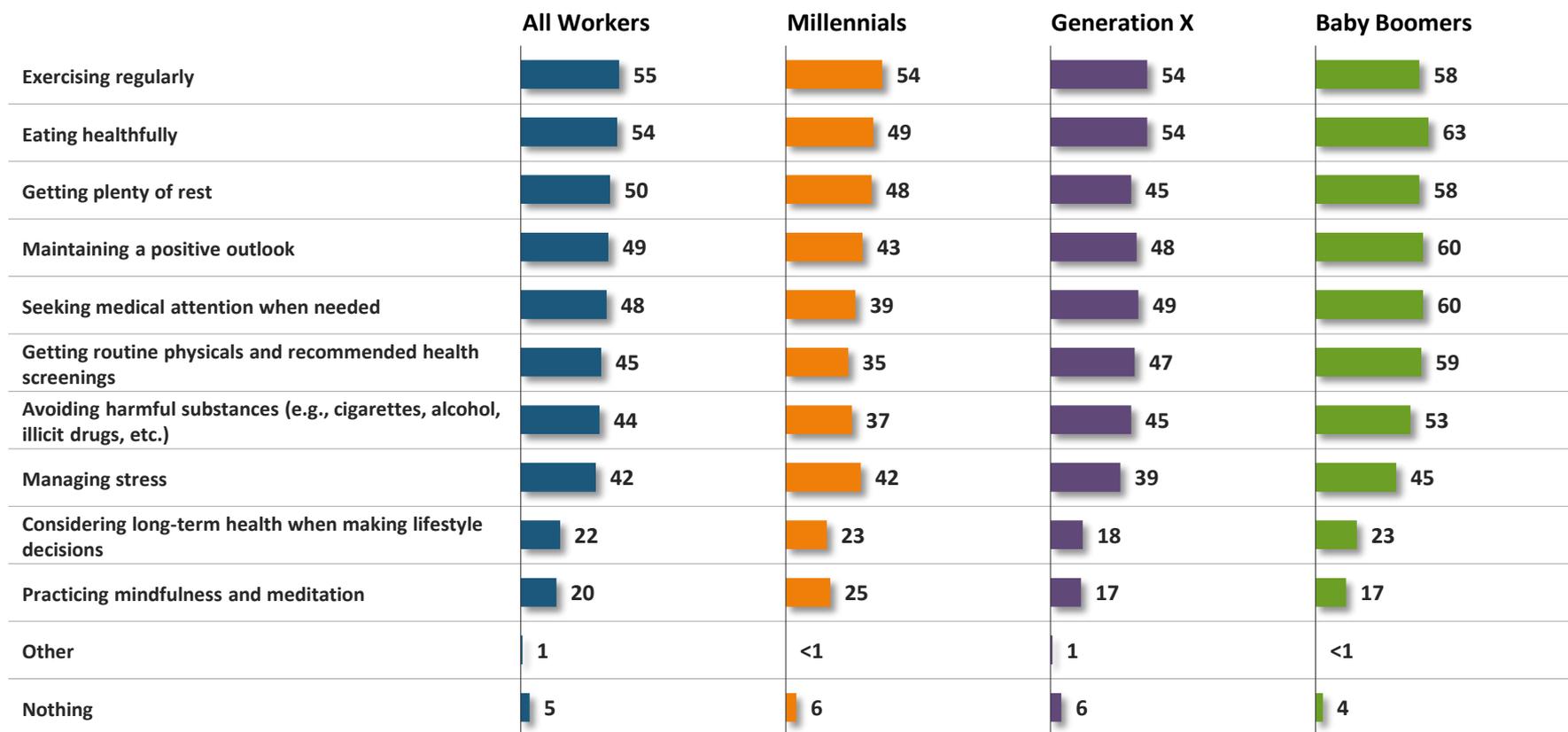
Concerned About Health in Older Age (%)



Workers Can Do More to Safeguard Their Long-Term Health

Given the potential implications on long-term health, relatively few workers are engaging in health-related activities on a consistent basis, such as exercising regularly (55 percent), eating healthfully (54 percent), and getting plenty of rest (50 percent). Across generations, Baby Boomers are doing the most health-related activities by far. Only one in five workers (22 percent) say they consider their long-term health when making lifestyle decisions, a finding that is relatively consistent across the three generations: Millennials (23 percent), Generation X (18 percent), and Baby Boomers (23 percent).

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

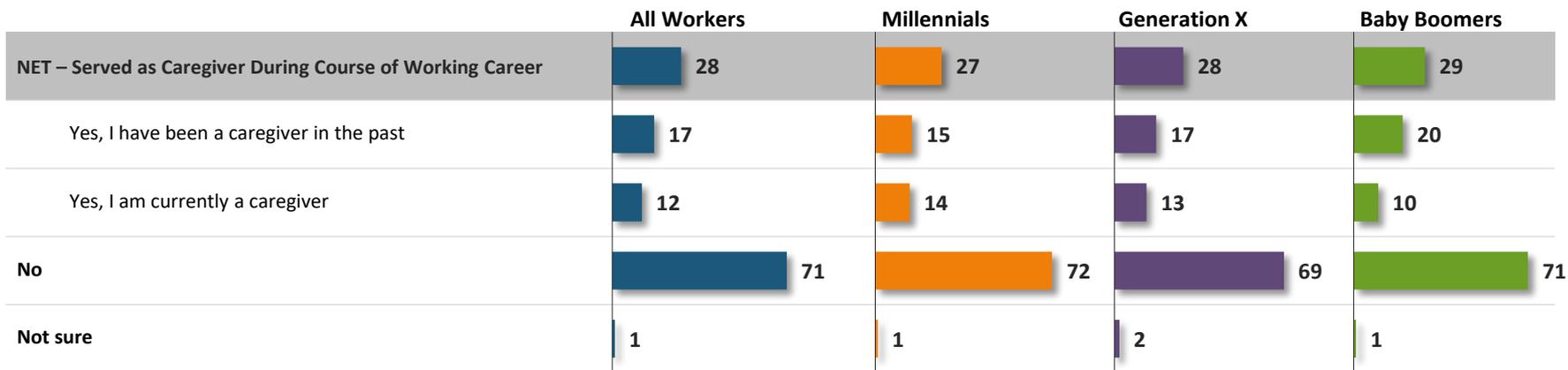


Almost Three in Ten Workers Are and/or Have Been Caregivers

Twenty-eight percent of workers have served as a caregiver during the course of their working careers, including 17 percent who have been a caregiver in the past and 12 percent who are currently caregivers. The proportion of workers who are and/or have been caregivers is consistent across the generations: Millennials – 27 percent, Generation X – 28 percent, and Baby Boomers – 29 percent.

Are you currently serving or have you served as a caregiver for a relative or friend during the course of your working career (excluding parenting responsibilities)?

Workers (%)



BASE: ALL QUALIFIED RESPONDENTS

Q2500x1. Are you currently serving or have you served as a caregiver for a relative or friend during the course of your working career (excluding parenting responsibilities)? Select all.

Nearly Nine in Ten Caregivers Made Work Adjustments

Among workers who are serving and/or have served as caregivers, 86 percent have made some sort of adjustment to their work situation as a result of becoming a caregiver (e.g., used vacation days, missed days of work, reduced hours, began working an alternative schedule, etc.). Millennials (89 percent) and Generation X (87 percent) are somewhat more likely to have made adjustments compared with Baby Boomers (82 percent).

Work-related adjustments as a result of becoming a caregiver*	All Workers	Millennials	Generation X	Baby Boomers
NET- Made one or more adjustments	86%	89%	87%	82%
Used vacation, sick days, and/or personal days off to be caregiver	37%	30%	39%	44%
Missed days of work	36%	27%	45%	40%
Reduced my hours	20%	25%	19%	15%
Began working an alternative schedule	15%	16%	15%	13%
Taken an unpaid leave of absence from my employer <u>not covered</u> by the Family and Medical Leave Act (FMLA)	14%	17%	13%	10%
Reduced job responsibilities	14%	14%	15%	10%
Began to work remotely	13%	15%	11%	11%
Taken a paid leave of absence from my employer	13%	17%	11%	8%
Took on additional hours to pay for cost of caregiving	13%	18%	10%	8%
Taken an unpaid leave of absence from my employer <u>covered</u> by the Family and Medical Leave Act (FMLA)	12%	14%	12%	10%
Switched to a less demanding job	12%	16%	9%	8%
Quit a job	11%	13%	14%	4%
Transferred to a different location within my company	7%	12%	4%	1%
Started or transitioned to working as a contractor, freelancer, or in the sharing economy	6%	10%	4%	3%

* Excludes "none," "I was not working when I started caregiving," and responses of less than 10 percent across all three generations (i.e., forgone a promotion, retired early, other)

***The Vital Role of Employers in Helping Workers
Prepare for Older Age***

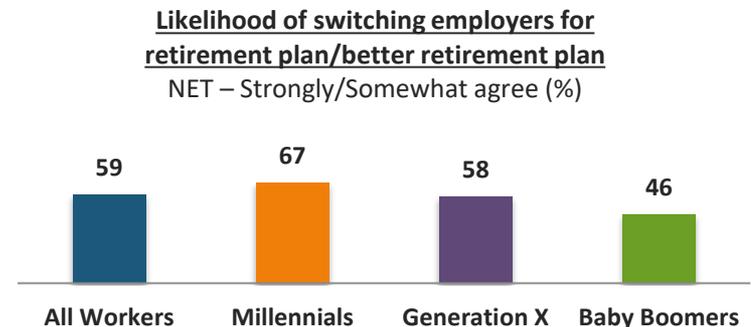
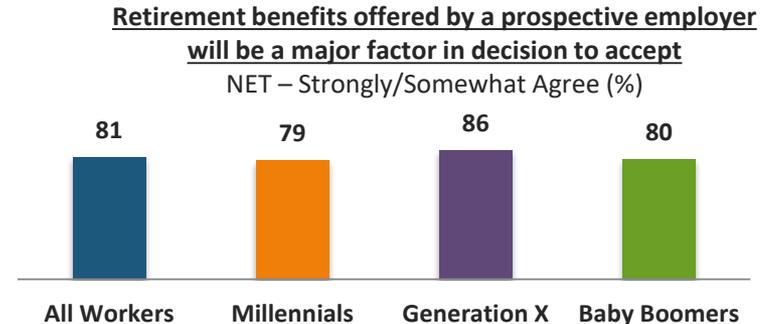
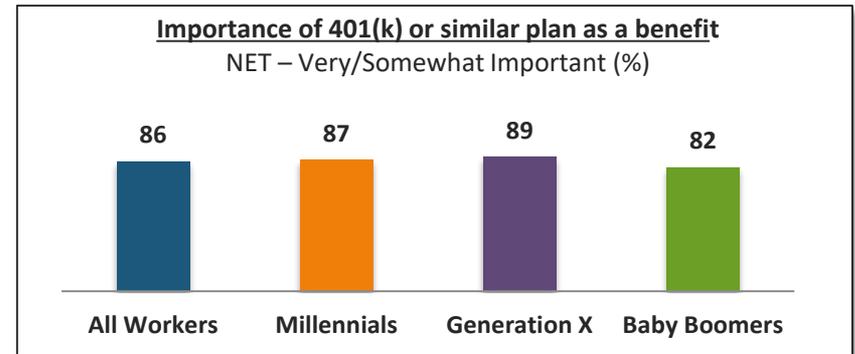
The Majority of Workers Highly Value Retirement Benefits

Employers take note: Workers highly value retirement benefits.

Eighty-six percent of workers value a 401(k) or similar retirement plan as an important benefit.

Four in five workers (81 percent) say that retirement benefits offered by a prospective employer will be a major factor in their decision whether to accept an offer.

Six in ten workers (59 percent) say they would be likely to switch employers for a nearly identical job with a similar employer that offered a retirement plan/a better retirement plan. Flight risk is greatest among the 67 percent of Millennials who share this sentiment. The majority of Generation X (58 percent) would be likely to switch also. Baby Boomers (46 percent) are less likely to switch employers for a retirement plan/a better retirement plan.



BASE: ALL QUALIFIED RESPONDENTS

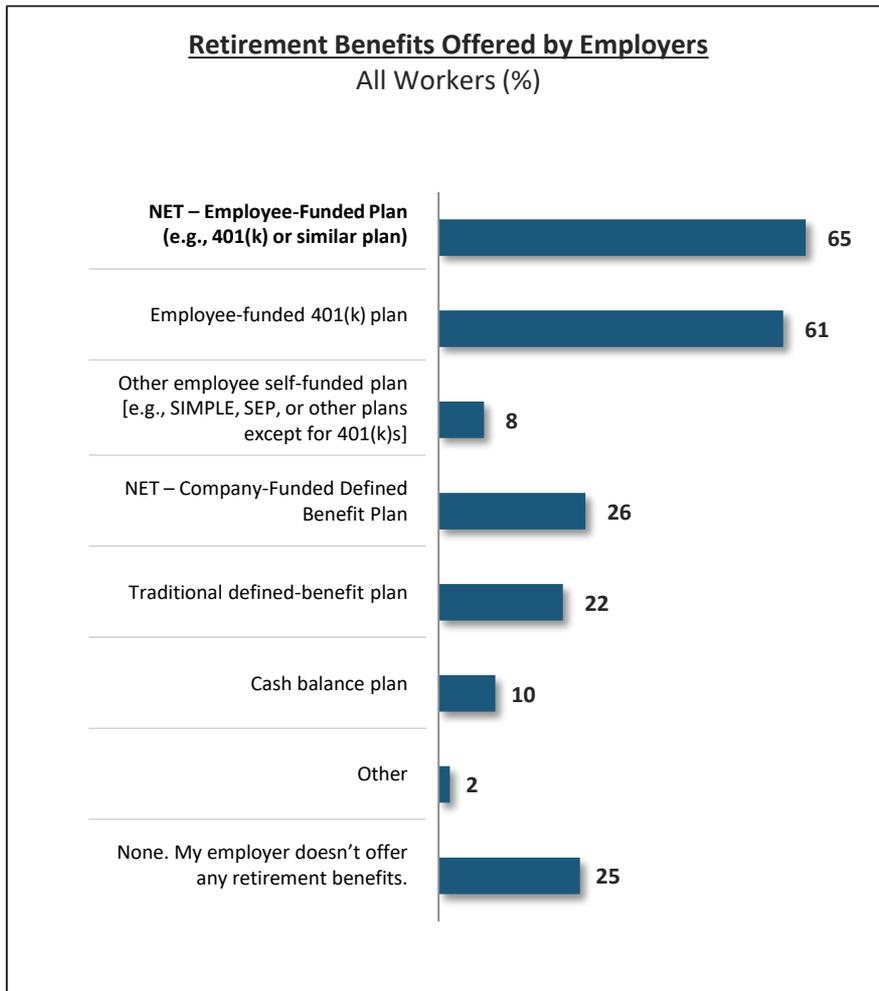
Q1171. Please tell us how important that benefit is to you, personally. "A 401(k)/403(b)/457(b) or other employee self-funded plan."

Q831. How much do you agree or disagree with the following statement? "The next time I look for a job, all things being equal, the retirement benefits offered by the prospective employer will be a major factor in my final decision."

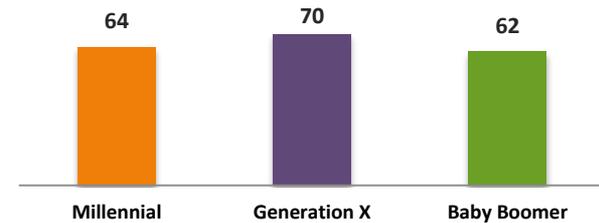
Q730. How likely would you be to leave your current employer to take a nearly identical job, with a similar employer, if that employer offered you a (better) retirement plan (than offered by your current employer)?

Two-Thirds Are Offered a 401(k) or Similar Plan

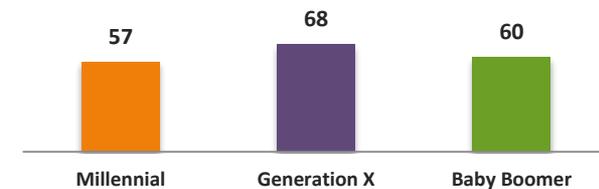
Sixty-five percent of workers have access to a 401(k) or similar employee-funded retirement plan in the workplace. Generation X workers (70 percent) are most likely to have access to a plan, compared with Millennials (64 percent) and Baby Boomers (62 percent). Of concern is that one-fourth of workers are not offered any retirement benefits.



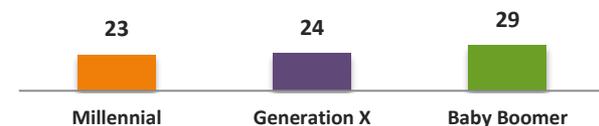
NET – Employee-Funded Plan (e.g., 401(k) or Other) (%)



An Employee-Funded 401(k) Plan (%)



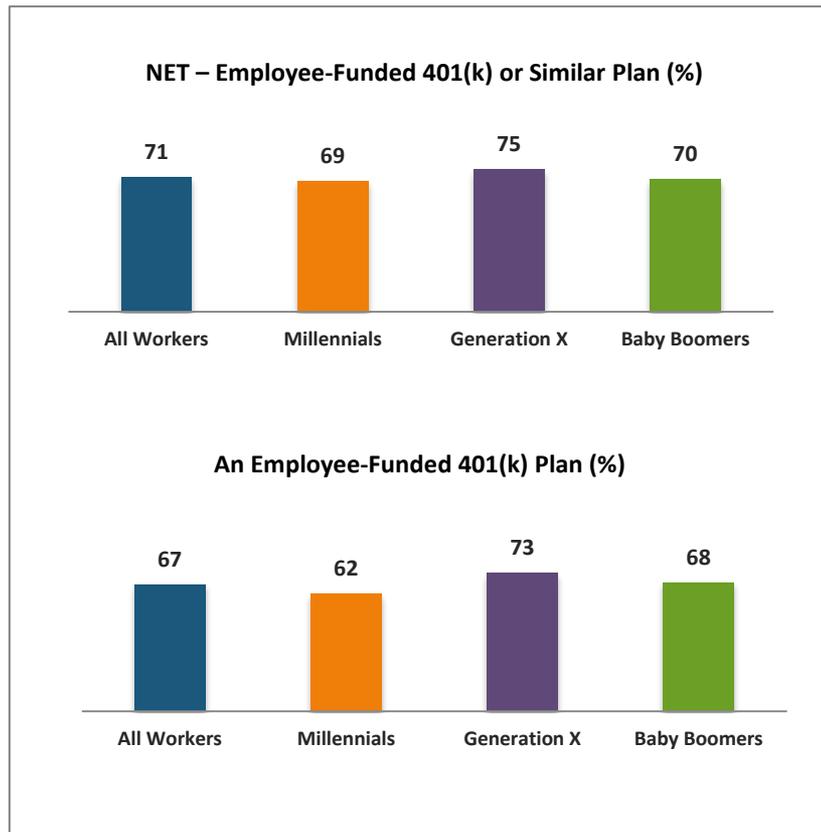
None. My employer doesn't offer any retirement benefits. (%)



Full-Time Workers Are More Likely to Be Offered a 401(k)

Full-time workers (71 percent) are far more likely to have access to a 401(k) or similar employee-funded plan compared with part-time workers (45 percent). Among part-time workers, Baby Boomers (35 percent) are less likely to have benefits compared with Millennials (49 percent) and Generation X (46 percent).

Full-Time Workers



Part-Time Workers

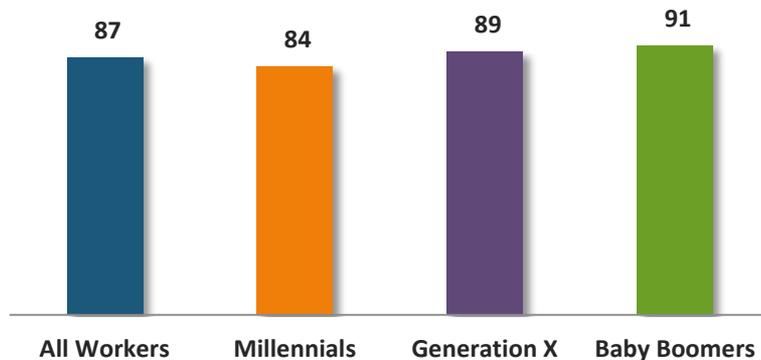


Having Access to a 401(k) Inspires Workers to Save

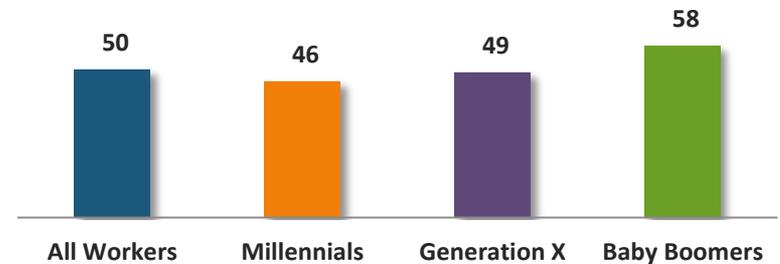
Workers who are offered a 401(k) or similar retirement plan by their employer are more likely to save and invest for retirement in the plan and/or outside of work (87 percent) compared with those who do not have access to such plans (50 percent). Baby Boomers who are not offered a workplace plan are somewhat more likely to be saving for retirement (58 percent) than their younger counterparts (Generation X: 49 percent; Millennials: 46 percent).

Saving for Retirement (in an Employer-Sponsored Plan and/or Outside of Work)

Among Those **Offered** a 401(k) or Similar Plan (%)



Among Those **Not Offered** a 401(k) or Similar Plan (%)



BASE: CURRENTLY OFFERED QUALIFIED PLAN / NOT CURRENTLY OFFERED QUALIFIED PLAN

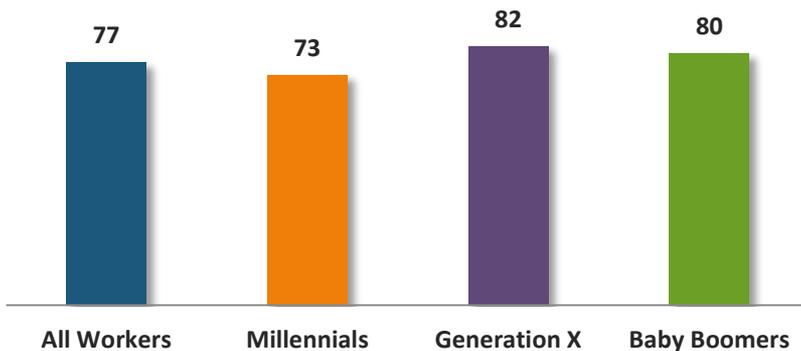
Q1190. Do you currently participate in, or have money invested in your company's employee-funded retirement savings plan?

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

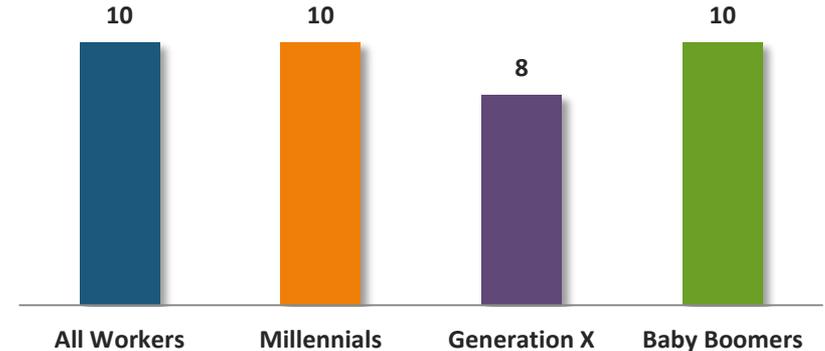
When Offered a Plan, Three in Four Participate

Seventy-seven percent of workers who are offered a 401(k) or similar plan participate in that plan. Participation rates are highest among Generation X (82 percent) and Baby Boomers (80 percent), with Millennials (73 percent) lagging behind them. Participants are contributing 10 percent (median) of their annual salary into their plans. Contribution rates are highest among Millennials and Baby Boomers at 10 percent each (median) with lower rates among Generation X (8 percent).

Participates in 401(k) or Similar Plan
Yes (%)



Percentage of Annual Salary Saved in Plan
Median (%)



BASE: CURRENTLY OFFERED QUALIFIED PLAN

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

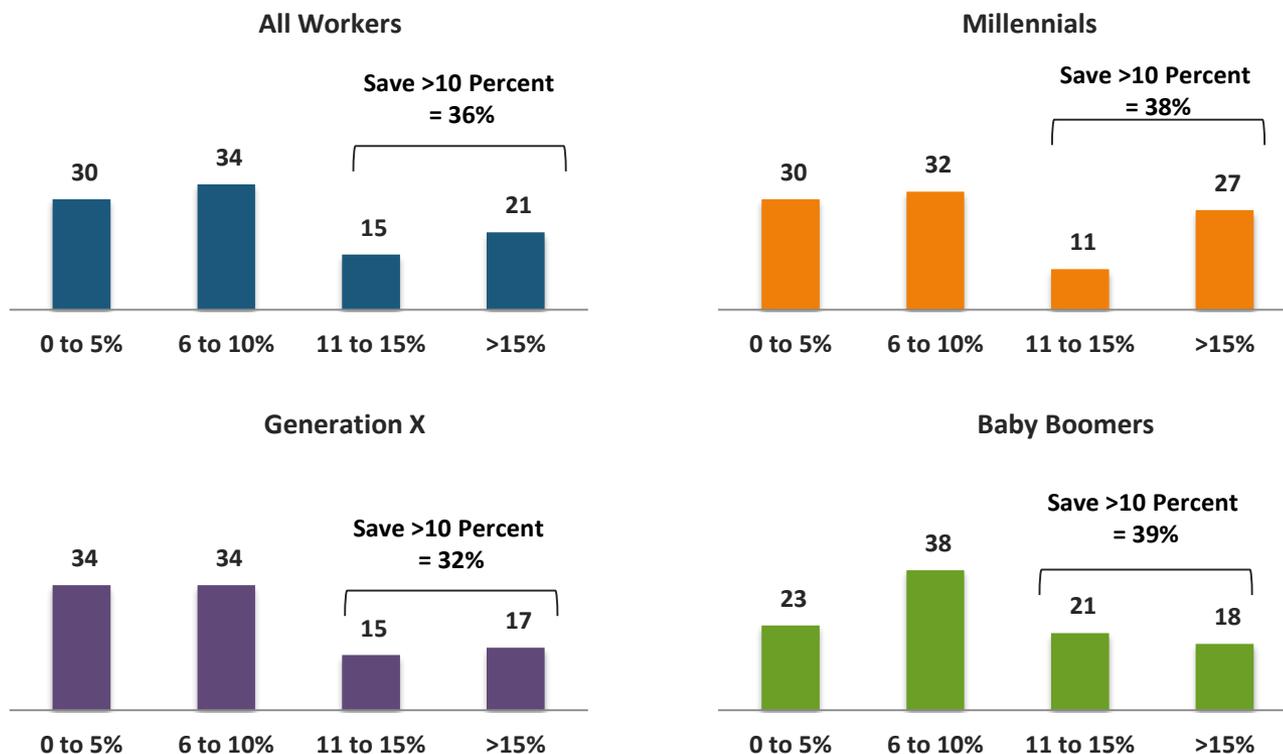
BASE: CURRENTLY PARTICIPATES IN QUALIFIED PLAN

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

One-Third Contribute 10 Percent or More to Retirement Plans

While the majority of workers participating in a 401(k) or similar retirement plan are contributing 10 percent of their salaries or less, 36 percent are saving more than 10 percent. These “super savers” include 38 percent of Millennials, 32 percent of Generation X, and 39 percent of Baby Boomers. Twenty-one percent of plan participants are contributing more than 15 percent of their annual pay into the plan.

What percentage of your salary are you contributing to your company-sponsored plan this year? (%)

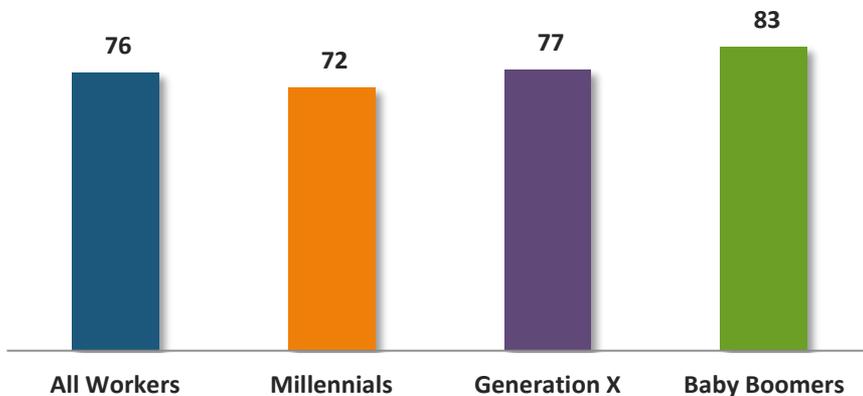


Millennials Are More Likely to Be Contributing to a Roth 401(k)

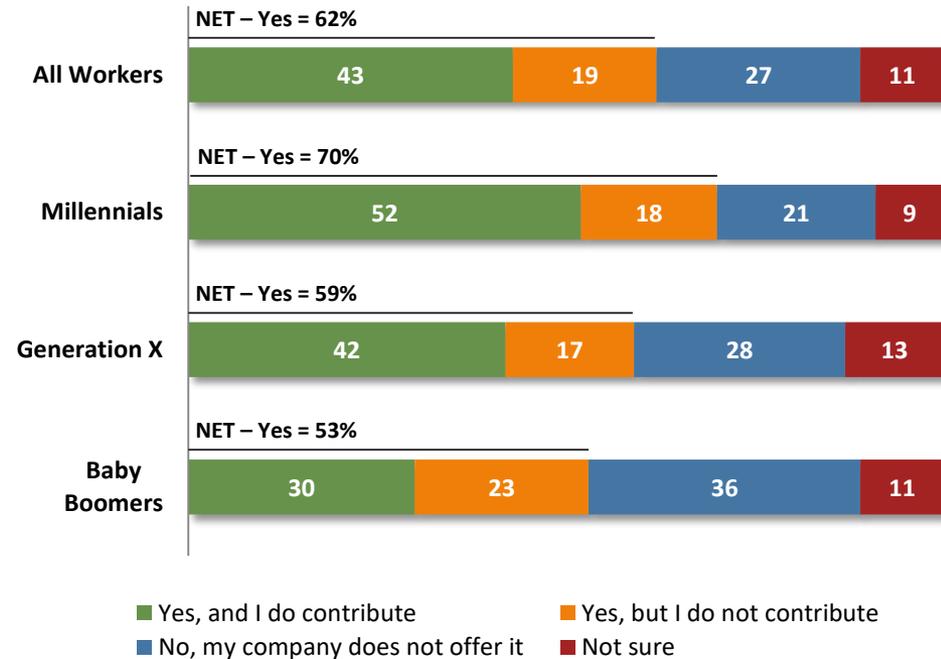
Seventy-six percent of workers who are offered a 401(k) or similar plan are aware of the Roth 401(k) option, which enables them to pay income taxes now and take withdrawals at retirement age tax-free. Among those who are aware, 62 percent say they are offered it by their employer including 43 percent who contribute to it. Millennials who are aware are most likely to be offered a Roth 401(k) feature and contribute to it (52 percent), compared with Generation X (42 percent) and Baby Boomers (30 percent).

Are you aware of the Roth 401(k) option?

Yes (%)



Does your employer offer a Roth 401(k) option to you, personally? (%)



■ Yes, and I do contribute ■ Yes, but I do not contribute
■ No, my company does not offer it ■ Not sure

BASE: CURRENTLY OFFERED QUALIFIED PLAN
 Q605. Are you aware of the Roth 401(k)/403(b) option?

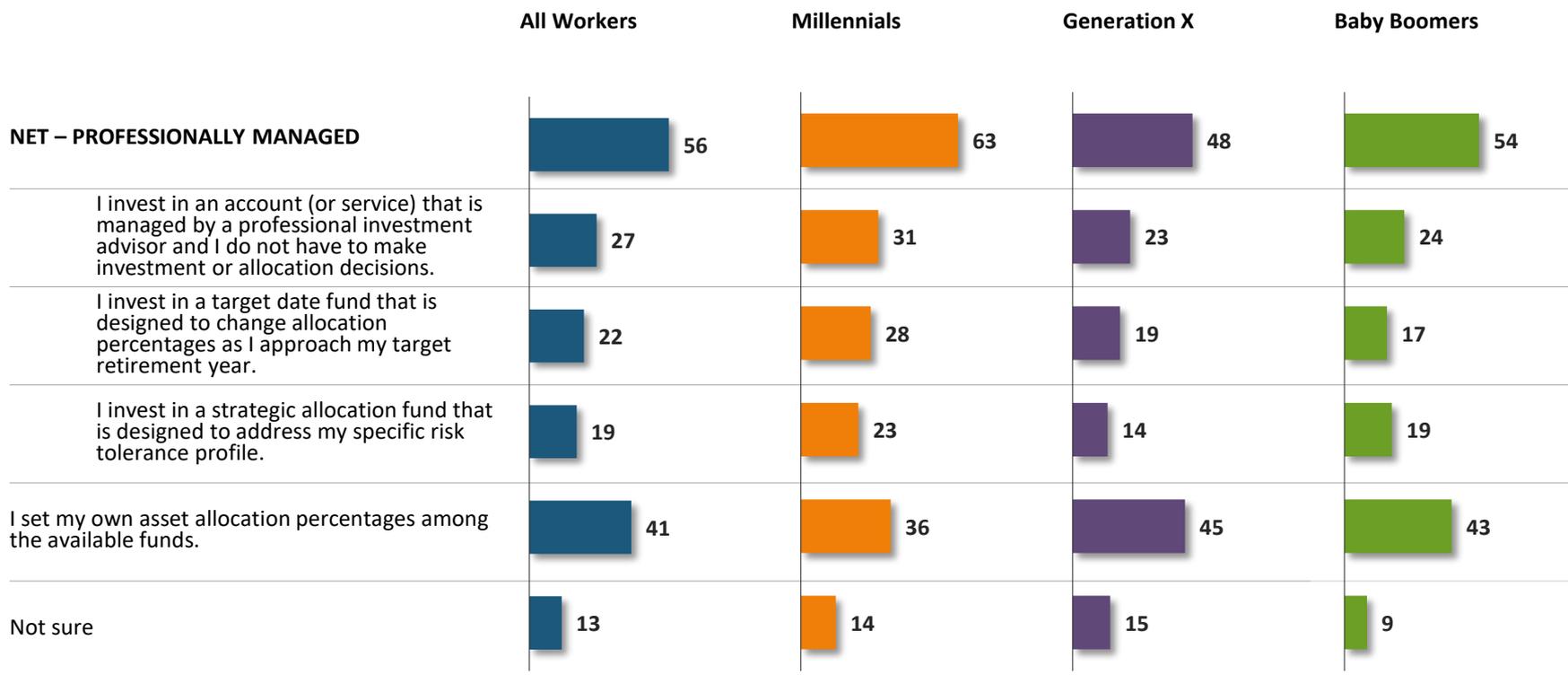
BASE: AWARE OF ROTH 401(K) OPTION

Q610. Does your employer offer a Roth 401(k) option to you, personally?

Majority of Participants Use Professionally Managed Offerings

“Professionally managed” accounts refer to a managed account service, strategic allocation funds, and/or target date funds. The majority of plan participants (56 percent) are using some form of professionally managed offering in their 401(k) or similar plans. Millennials (63 percent) are somewhat more likely to be using these types of accounts than Generation X (48 percent) and Baby Boomers (54 percent).

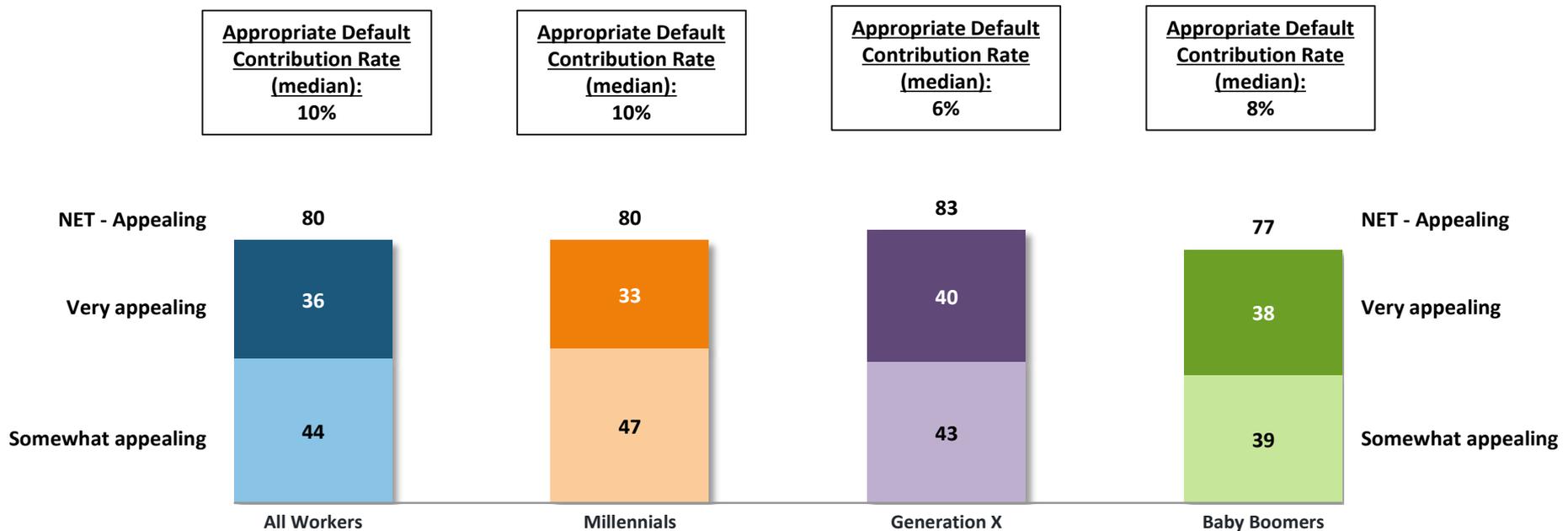
What is your current approach to investing in your employer-sponsored retirement plan? (%)



A Large Majority Finds Automatic Enrollment Appealing

Automatic enrollment is a retirement plan feature that eliminates the decision-making and action steps normally required of employees to enroll and start contributing to their workplace retirement plan. It simply automatically enrolls them into their plan so they only need to take action if they desire to opt out and not contribute to the plan. Across the generations, 80 percent of workers find automatic enrollment appealing, with Generation X (83 percent) and Millennials (80 percent) somewhat more likely to find it appealing than Baby Boomers (77 percent). However, Generation X workers consider an appropriate default contribution rate to be 6 percent, a lower rate than Baby Boomers (8 percent) and Millennials (10 percent). If an employer has not yet adopted automatic enrollment as part of its 401(k) plan, it is a feature worthy of consideration.

Appeal of Automatic Enrollment (%)



BASE: ALL QUALIFIED RESPONDENTS

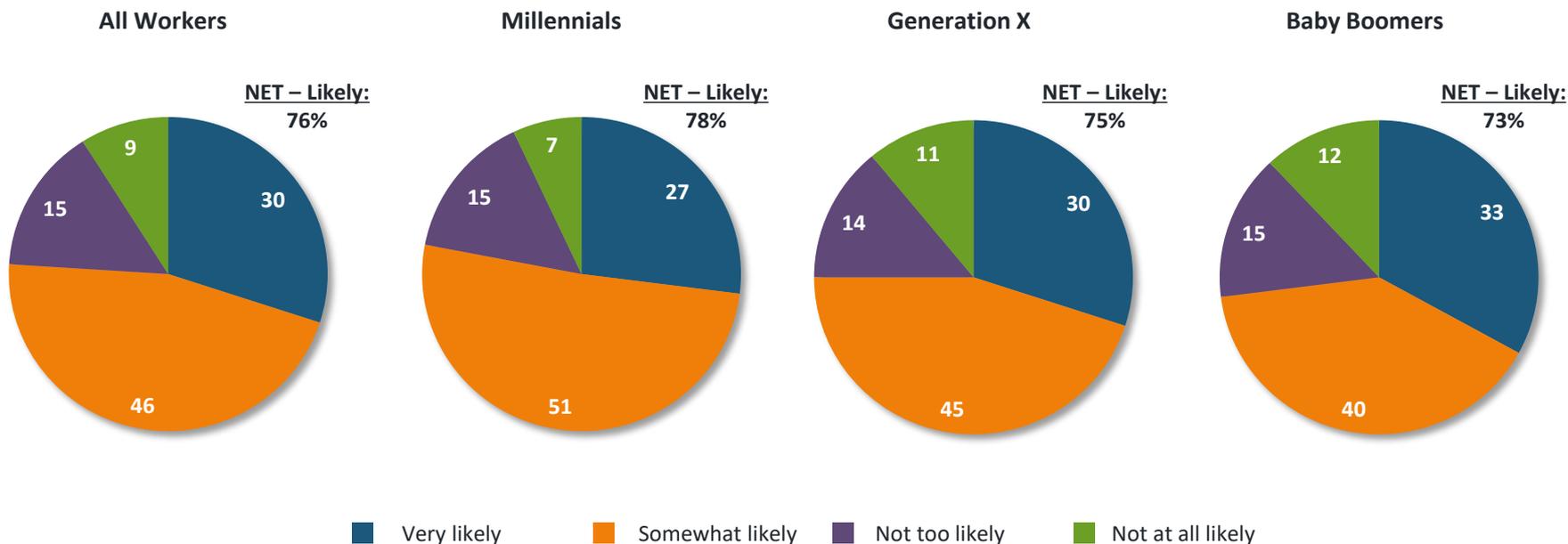
Q635. Imagine that your current employer automatically enrolled you into a 401(k), 403(b) or similar retirement plan, deducting a percentage of each paycheck, and investing it for your future retirement. How appealing would this seem to you?

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?

Most Would Be Likely to Use Automatic Escalation

The majority of workers (76 percent) say they would be likely to use an automatic feature that would increase their retirement plan contribution by 1 percent each year. Millennials (78 percent) and Generation X (75 percent) are somewhat more likely than Baby Boomers (73 percent) to say they would be likely to use this feature. Some workers (9 percent) are not at all likely to use this feature, a finding that is more common among Baby Boomers (12 percent) and Generation X (11 percent) than Millennials (7 percent). If an employer has not yet adopted automatic escalation as part of its 401(k) plan, it is also a feature worthy of consideration.

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



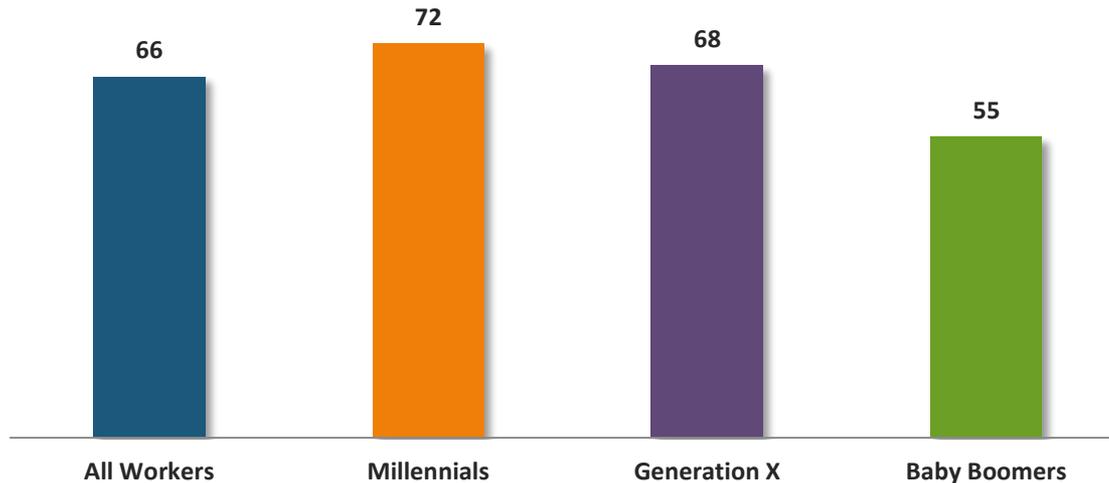
BASE: ALL QUALIFIED RESPONDENTS

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?

Two-Thirds Want More Retirement Education and Advice

The majority of workers (66 percent) would like more education and advice from their employers on how to reach their retirement goals. This desire is highest among Millennials (72 percent), while also strong among Generation X (68 percent) and Baby Boomers (55 percent).

“I would like to receive more information and advice from my company on how to reach my retirement goals.”
NET – Strongly/Somewhat Agree (%)



BASE: ALL QUALIFIED RESPONDENTS

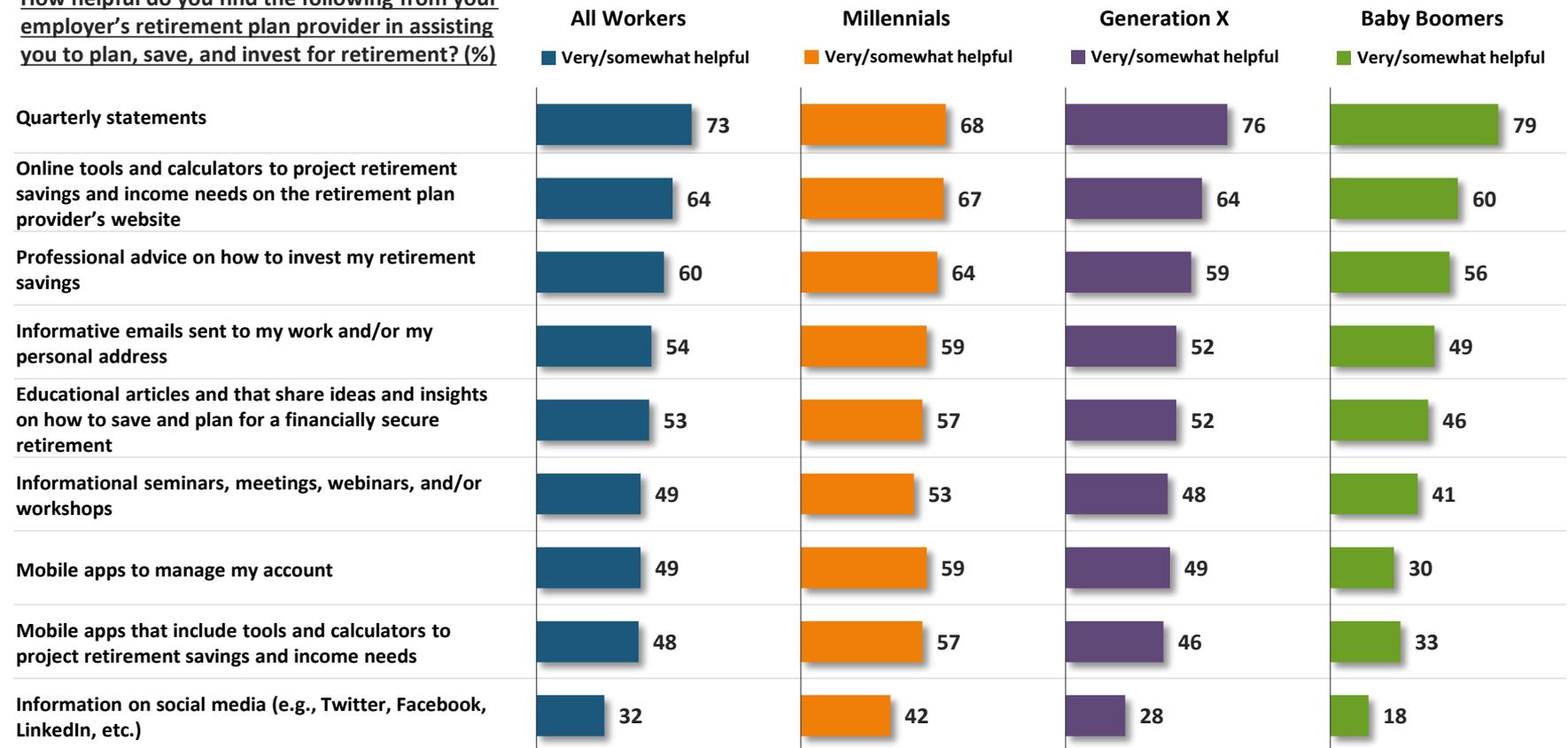
Q931. How much do you agree or disagree with each of the following statements regarding retirement?

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

Workers Find Their 401(k) Plans' Tools and Resources Helpful

Workers who are offered a 401(k) or similar plan find many of the plan provider's tools and resources to be helpful. Millennials are likely to find most of the tools offered to be helpful and especially those that are technology-based. Two dramatic examples: (1) 59 percent of Millennials find mobile apps to manage their accounts to be helpful, compared with just 30 percent of Baby Boomers and (2) 42 percent of Millennials find information on social media to be helpful compared with just 18 percent of Baby Boomers.

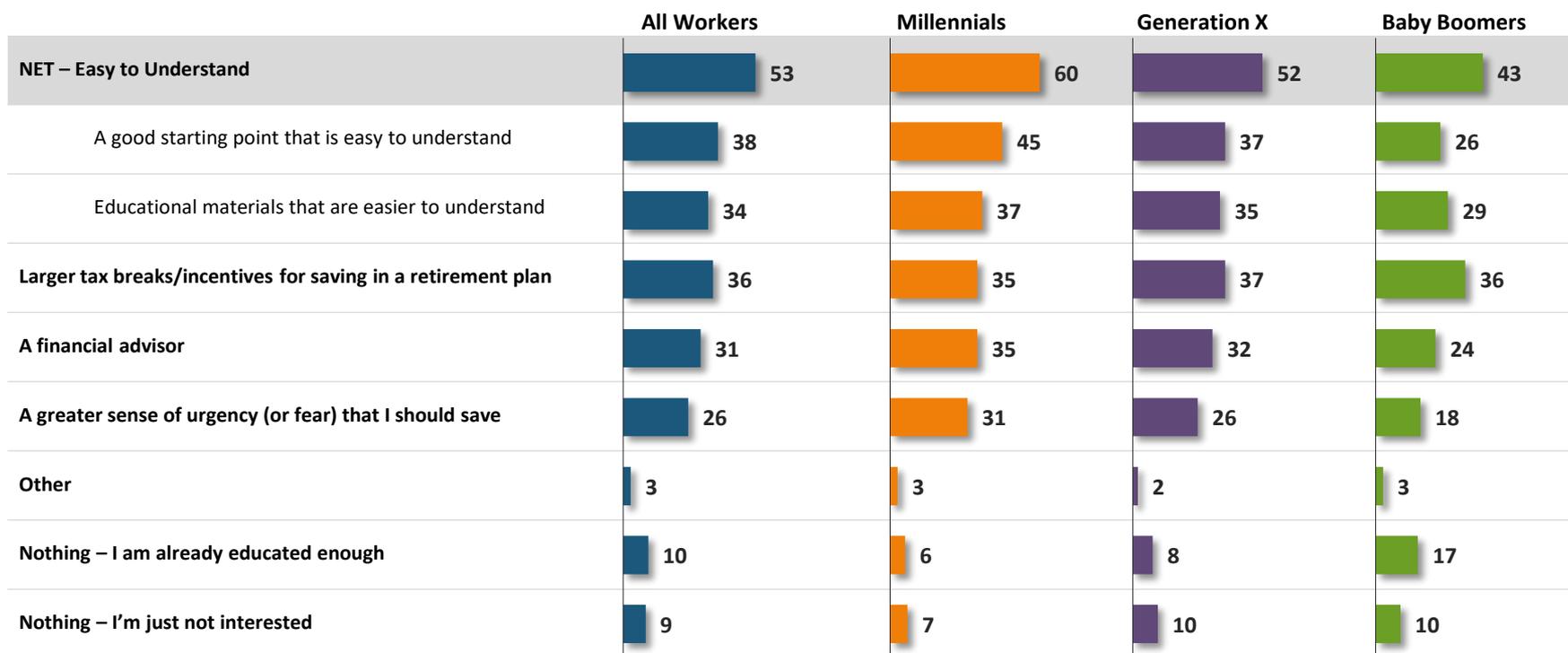
How helpful do you find the following from your employer's retirement plan provider in assisting you to plan, save, and invest for retirement? (%)



Motivators to Inspire Learning: Make It Easier to Understand

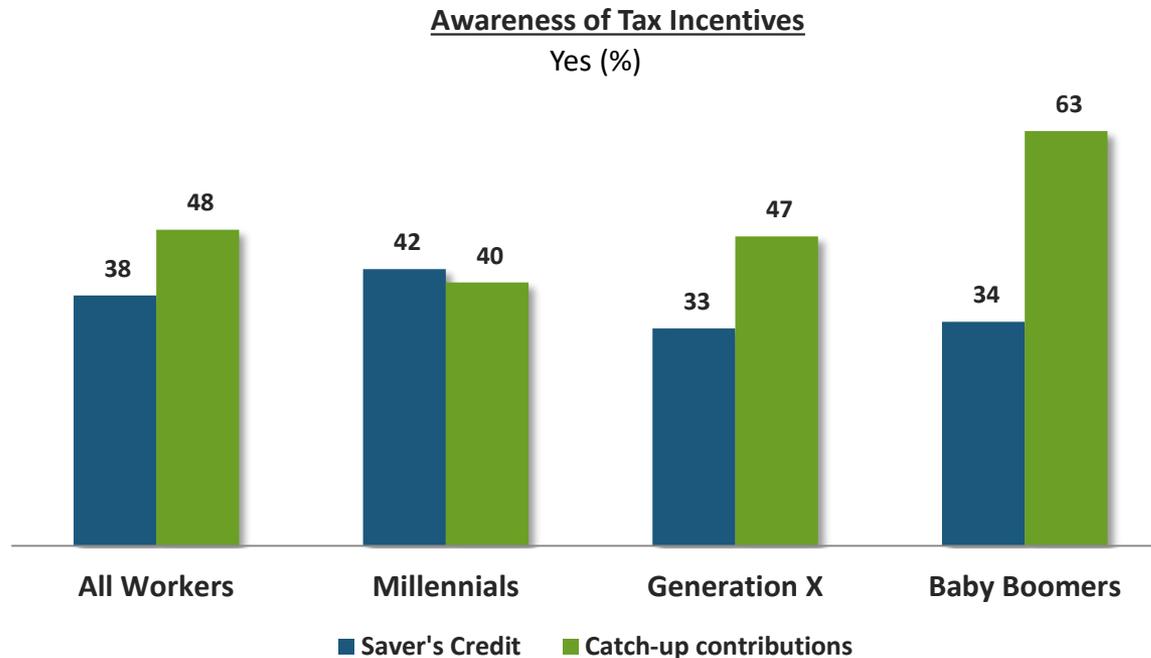
Employers, with their retirement plan providers, play an invaluable role in offering retirement and financial-related education to their employees. They may be able to fine-tune their offerings even more. When workers were asked what would motivate them to learn more about saving and investing for retirement, the most frequently cited motivators related to making it easier to understand (53 percent), with Millennials (60 percent) being more likely to cite this than Generation X (52 percent) and Baby Boomers (43 percent). “Larger tax breaks and incentives for saving in a retirement plan” and “a financial advisor” were also frequently cited motivators across generations. Several specific opportunities for employers to raise awareness are highlighted on the following two pages.

What would motivate you to learn more about saving and investing for retirement? (%)



Incentives to Save: Saver's Credit & Catch-Up Contributions

Thirty-six percent of workers indicate that greater tax breaks and incentives would be a motivator for them to learn more about saving and investing for retirement (see page 117). Two meaningful incentives include: the Saver's Credit, a tax credit for eligible taxpayers who save for retirement in a qualified retirement plan or IRA; and catch-up contributions, which allow workers age 50 and older to contribute to a qualified plan an additional amount over and above the plan- or IRA-contribution limit. Yet only 38 percent of workers are aware of the Saver's Credit. All Baby Boomers are now over age 50 and Generation X began turning 50 in 2015. Catch-up contributions are now a noteworthy and relevant incentive for them; however, only 47 percent of Generation X and 63 percent of Baby Boomers are aware of the incentive.



BASE: ALL QUALIFIED RESPONDENTS

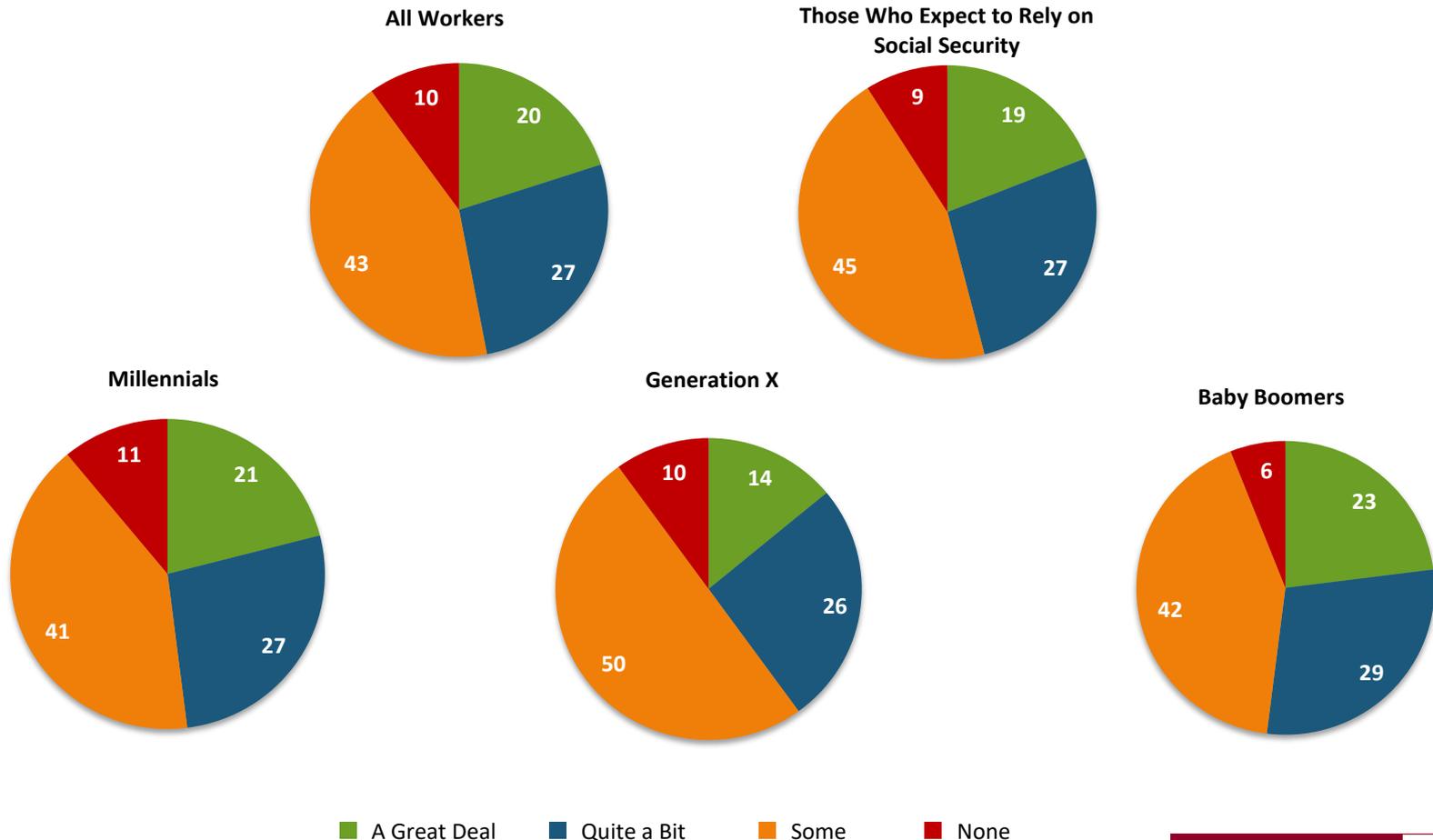
Q1120. Are you aware of a tax credit called the "Saver's Credit," which is available to individuals and households, who meet certain income requirements, for making contributions to an IRA or a company-sponsored retirement plan such as a 401(k) plan or 403(b) plan?

Q1000. Are you aware that people age 50 and older may be allowed to make catch-up contributions to their 401(k)/403(b)/457(b) plan or IRA?

Workers Need to Know More About Social Security Benefits

A strong knowledge of government benefits is important for all future retirees and especially important for workers nearing retirement. Yet only 23 percent of all Baby Boomers know “a great deal” about Social Security benefits. Moreover, among workers who expect Social Security to be their primary source of income when they retire, only 19 percent know a “great deal” about Social Security benefits.

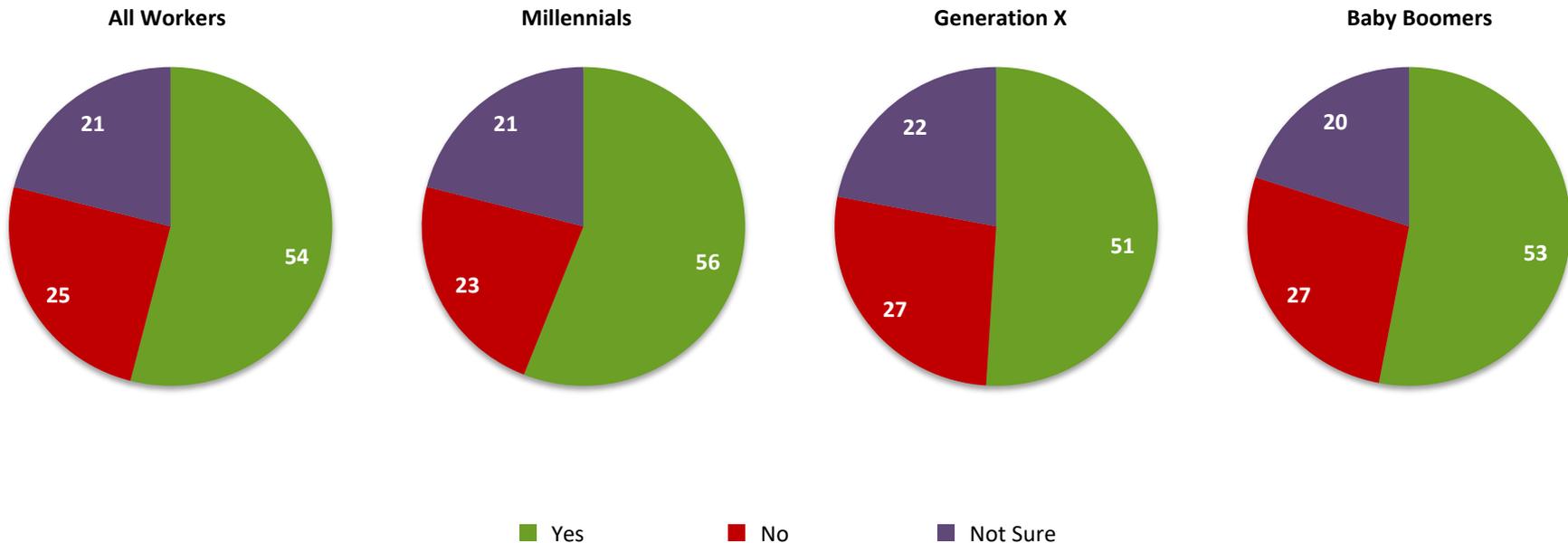
Level of Understanding re: Social Security Benefits (%)



Are Today's Employers Aging-Friendly?

Slightly more than half of workers (54 percent) consider their employers to be “aging-friendly” by offering opportunities, work arrangements, and training and tools needed for employees of all ages to be successful in their current role or contribution to the company. Twenty-five percent of workers say their employers are not aging-friendly, and 21 percent are “not sure.” Millennial workers are somewhat more likely to characterize their employers as aging-friendly (56 percent) compared with Baby Boomers (53 percent) and Generation X (51 percent).

Do you consider your employer to be “aging friendly”? (%)



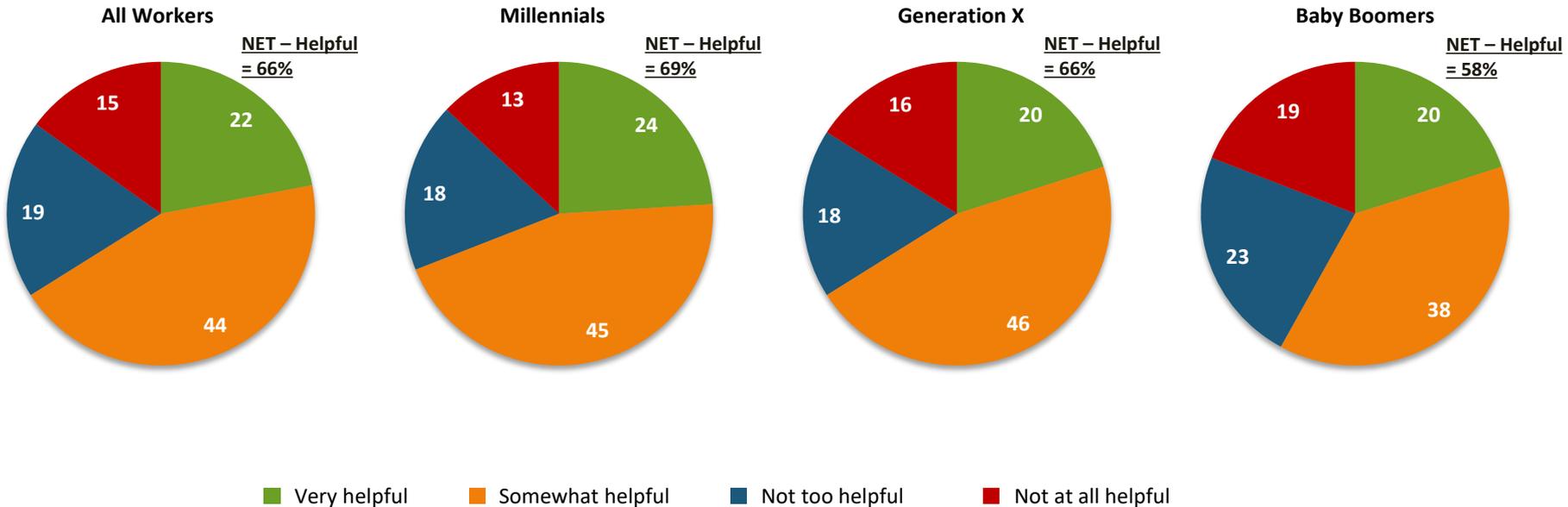
BASE: ALL QUALIFIED RESPONDENTS

Q2745. Do you consider your employer to be “aging friendly” (for example offering opportunities, work arrangements, and training and tools needed for employees of all ages to be successful in their current role or contribution to the company)?

Two-Thirds Say Employers Support Work-Life Balance

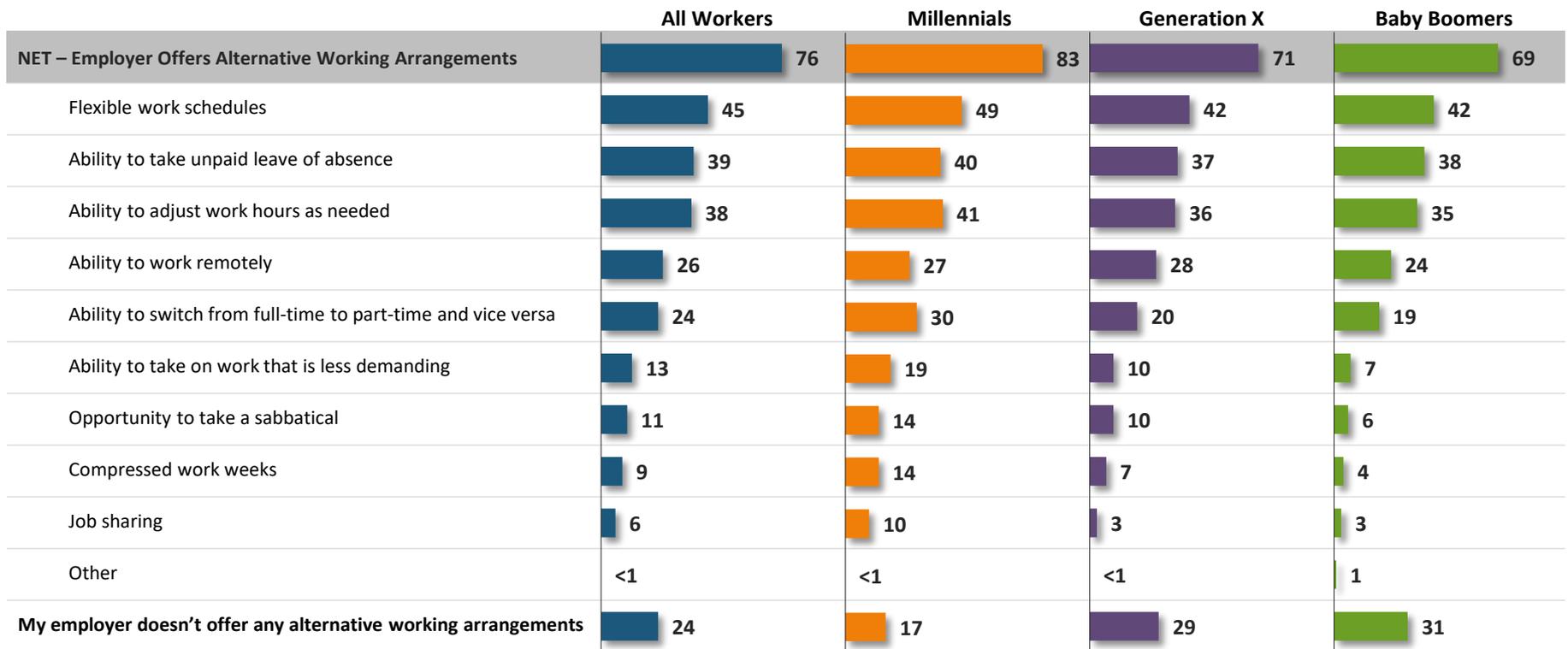
Sixty-six percent of workers say their employers are helpful in supporting them achieve work-life balance, including 22 percent who say they are “very” helpful and 44 percent who say they are “somewhat” helpful. Millennials (69 percent) are more likely than Generation X (66 percent) and Baby Boomers (58 percent) to say that their employers are helpful.

How helpful is your employer in supporting you to achieve work-life balance? (%)



Most Are Offered Some Type of Alternative Work Arrangements

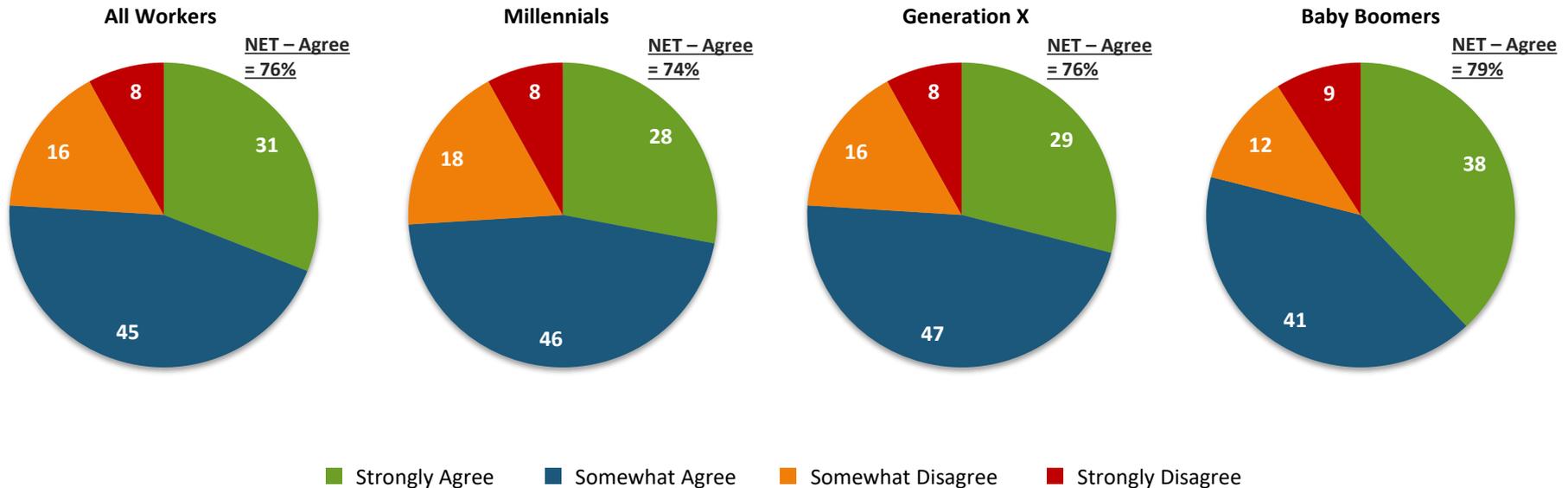
Seventy-six percent of workers indicate their employers offer one or more types alternative work arrangements. The most often-cited types of alternative arrangements are: flexible work schedules (45 percent), the ability to take unpaid leave of absence (39 percent), and the ability to adjust work hours as needed (38 percent). Millennials (83 percent) are more likely to be offered alternative work arrangements compared with Generation X (71 percent) and Baby Boomers (69 percent).



Three in Four Say Their Employers Support Working Past Age 65

Seventy-six percent of workers agree with the statement, “My current employer is supportive of its employees working past age 65,” including 31 percent who “strongly agree” and 45 percent who “somewhat agree.” Baby Boomers workers (38 percent) are more likely to “strongly agree” when compared with Millennials (28 percent) and Generation X (29 percent).

“My current employer is supportive of its employees working past age 65.” (%)



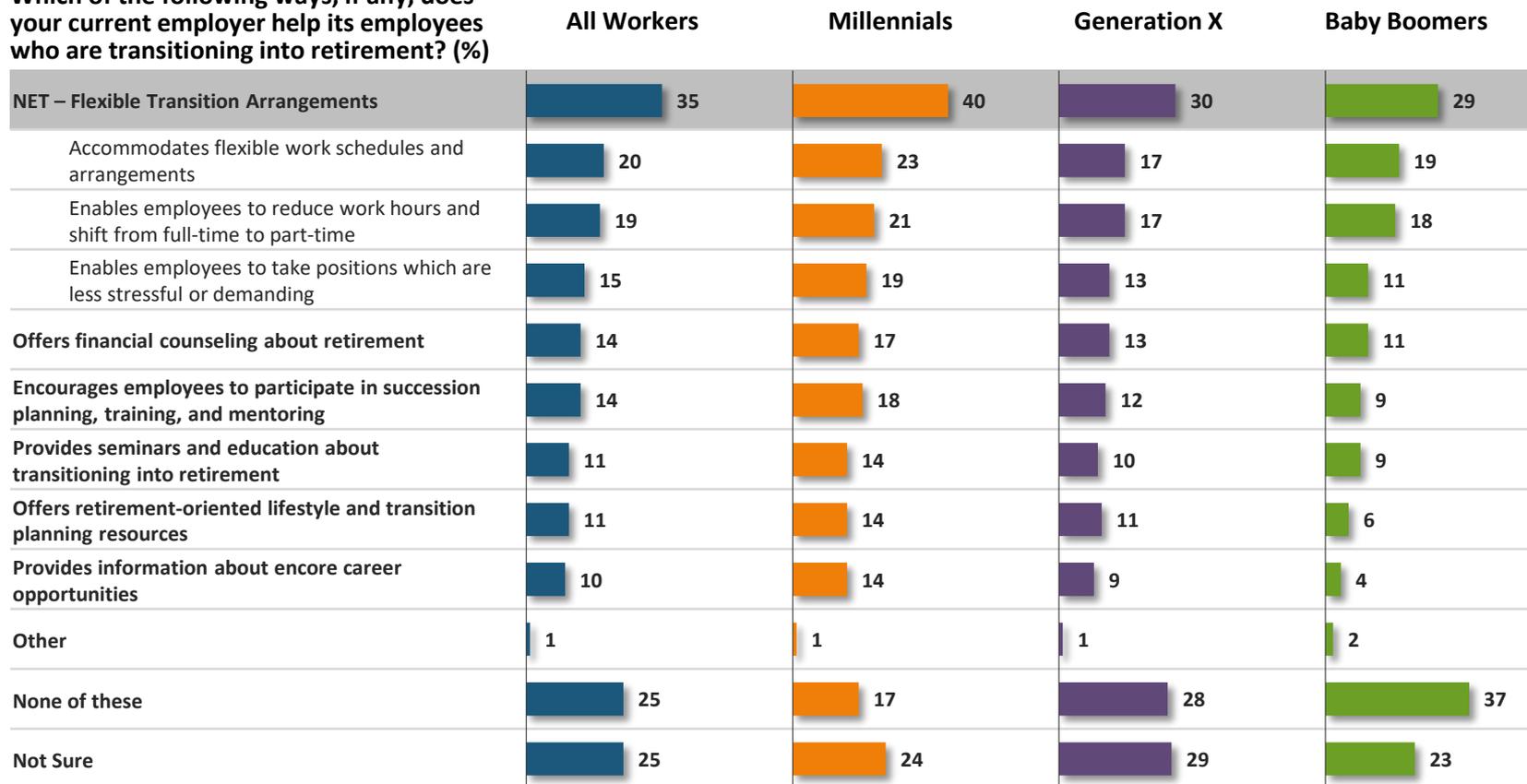
BASE: ALL QUALIFIED RESPONDENTS

Q931. How much do you agree or disagree with each of the following statements regarding retirement?
 “My current employer is supportive of its employees working past 65.”

Employers Do Little to Facilitate Transitioning Into Retirement

Workers may encounter difficulties in accomplishing a phased transition into retirement at their current employers. Only 35 percent of workers indicate their employers offer flexible work-related programs such as accommodating flexible work schedules and arrangements (20 percent), enabling employees to reduce work hours and shift from full-time to part-time work (19 percent), and/or enabling employees to take positions that are less stressful or demanding (15 percent) for those who are transitioning into retirement.

Which of the following ways, if any, does your current employer help its employees who are transitioning into retirement? (%)



The Employee Benefits Gap: Importance vs. Offered by Employers

In addition to retirement benefits, health and welfare benefits can enhance workers' financial security. These benefits can bring insurance protections, mitigate out-of-pocket healthcare expenses, provide the possibility of additional resources in a time of need, and offer wellness help. Most workers believe these benefits are important; however, a significant gap exists between the percentage of workers who believe they are important and the percentage who are offered them by their employers. This represents an opportunity for employers to increase the competitiveness of their compensation and benefits packages, while helping their employees achieve greater long-term financial security.

Type of Employee Benefit	All Workers		
	Important (NET) – Very/Somewhat Important	Offered by Employer	The Gap: Importance vs. Offered
Health Insurance	94%	75%	-19
Life Insurance	79%	51%	-28
Disability Insurance	77%	44%	-33
Long-Term Care Insurance	74%	25%	-49
Critical Illness Insurance	66%	16%	-50
Employee Assistance Program	64%	30%	-34
Financial Wellness Program	63%	16%	-47
Workplace Wellness Program	60%	28%	-32
Cancer Insurance	59%	10%	-49

BASE: ALL QUALIFIED RESPONDENTS

Q1171. For each of the following, please tell us how important that benefit is to you, personally.

Q1175. Which of the following does your company offer to you, personally?

The Employee Benefits Gap Spans All Three Generations

The importance of various types of health and welfare benefits varies by generation. While more than 90 percent of workers across all three generations consider health insurance to be important, Millennials are more likely than Generation X and Baby Boomers to find the other types of health and welfare benefits listed to be important. Across generations, a significant gap exists between the percentages of workers who believe they are important compared with the percentage who are offered them by their employers.

Type of Employee Benefit	Millennials			Generation X			Baby Boomers		
	NET Important	Offered by Employer	The Gap: Importance vs. Offered	NET Important	Offered by Employer	The Gap: Importance vs. Offered	NET Important	Offered by Employer	The Gap: Importance vs. Offered
Health Insurance	93%	77%	-16	96%	77%	-19	93%	72%	-21
Life Insurance	84%	48%	-36	79%	55%	-24	70%	52%	-18
Disability Insurance	77%	38%	-39	80%	49%	-31	73%	48%	-25
Long-Term Care Insurance	76%	25%	-51	73%	28%	-45	71%	23%	-48
Critical Illness Insurance	70%	18%	-52	64%	16%	-48	60%	15%	-45
Employee Assistance Program	72%	28%	-44	64%	32%	-32	51%	33%	-18
Financial Wellness Program	71%	20%	-51	61%	15%	-46	52%	13%	-39
Workplace Wellness Program	68%	27%	-41	58%	28%	-30	47%	27%	-20
Cancer Insurance	64%	12%	-52	56%	9%	-47	51%	8%	-43

BASE: ALL QUALIFIED RESPONDENTS

Q1171. For each of the following, please tell us how important that benefit is to you, personally.

Q1175. Which of the following does your company offer to you, personally?

Appendix

Millennials: “Retirement” means to me...

Age 19, Female: Having money saved so that one day you can stop working and do the things you’ve always wanted to do, like traveling, starting a new career, etc. You have the freedom to do whatever you want or focus on your health and family.

Age 24, Female: Retirement means to me, my hard work and dedication of the past years have been worth it and meaningful. I get to pass along the knowledge and spend money on my family as my parents did for me.

Age 25, Female: A retirement plan that consists of savings and investments, allowing me to live off the interest when I retire.

Age 29, Male: The final leg of life where wisdom and peace come together to prepare the future generation.

Age 30, Female: Retirement doesn't have a clear meaning any more to me. It was supposed to be a restful time for hobbies and time with loved ones. Now, it may mean being shackled to dying or unreliable systems like Social Security and Medicare. Uncertainty if I'll be financially stable and if I'll be discriminated against because of my age.

Age 30, Male: Retirement is being financially free, no debt at all. Being able to still work, but I will be in charge of how many hours I want to work. Being able to take an extravagant vacations, for example overseas for a month. Spending more time with my family and friends.

Age 34, Male: Money can be made at any time, but keeping your body in full working order is another story. I'd like to be able to wake up in the mornings and not worry about taking 20 pills to get me through the day. I don't want to rely on walking or breathing devices. Being mobile is the goal.

Age 34, Male: A transition to a less rigid period of life.

Age 34, Male: Freedom from the current employment model, which traps people into spending their healthiest years working to make someone else money.

Age 35, Male: Retirement doesn't mean stop working, but rather working exclusively on *me* projects, including any number of personal passion projects.

Age 35, Female: Being able to spend quality time with family and friends. Being able to help my kids pay for college and not worry about student loan debt like I have to.

Age 36, Male: It will mean catching up on missed opportunity from lack of time.

Age 37, Male: Retirement to me is an ideal. As a child, it appeared to be an inevitable right. But as I've grown up and the world has changed, it seems further and further out of my grasp. I would love to be able to spend my final days doing only the things that matter most to me, but I don't yet feel confident that I will have the financial freedom to completely retire. Fears about not being healthy enough to work as I want or need to; concerns about ageism and facing discrimination.

Age 37, Female: It's a thing of my parents' generation when people had 30-year careers with the same business. Not underemployed trying to make ends meet like this generation is doing.

Age 37, Female: I want to live comfortably, but I am not taking the appropriate steps to achieve that right now.

Age 39, Female: It means having a little more freedom to enjoy my life and do things I had always been meaning to do, like travel and pursue hobbies. Working is optional but, it along with volunteering, would be a great way to still feel vital and needed.

Generation X: “Retirement” means to me...

Age 40, Male: I'm afraid of retirement. It means I'm old and more susceptible to medical problems. It also means I'm not sure if I'll have saved enough to retire in the first place.

Age 41, Female: Retirement means not having to work anymore but wondering where the money is coming from, because it's going to go out faster than it comes in. You have more time, but fewer financial resources.

Age 41, Female: You're old and people are just going to throw you in a home so they don't have to take care of you, and getting screwed by Social Security. The government keeps taking money from hard working people. We worked for it and paid into it. How is it not ours? And also having the burden of health expenses because Medicare screws you too. Look at all the poor senior citizens now. Look how miserable they are. Poor things are getting screwed left and right.

Age 41, Female: Being my own boss, in charge of what I do and accomplish on a daily basis and responsible for ensuring I can support the activities I'd like to experience.

Age 42, Female: Financial distress. But it also means freedom to travel, volunteer, spend time healing the body since the work I do is physically challenging at times.

Age 42, Female: Slower pace, having the freedom and time to enjoy leisure activities, more availability to provide assistance to family and friends.

Age 45, Male: It means I have to find a different job that I can do as I age.

Age 45, Female: Being able to do what I want within the confines of my physical, mental and monetary capabilities.

Age 46, Male: Going to the doctor every day.

Age 46, Female: A way to enjoy your remaining years. Making peace with life, being with loved ones, no longer having to worry about the everyday stressors and making time to reflect on what my contributions in life were. Did I make a difference and did I actually fulfill what I believed to be my purpose in life.

Age 49, Female: Retirement means being forced out of work.

Age 50, Female: Getting old, friends dying off, lack of money, desperation to find caregivers, and running out of money when going into nursing home. Welfare.

Age 52, Male: Aging gracefully while enjoying the fruits of your labor as you work less and enjoy life completely.

Age 53, Female: Staying healthy, being able to do things without worrying that you won't have enough money for the basics. Hopefully not falling under the old saying, "I have time but no money." But when you worked, you have money but no time. It's just a huge balancing act.

Age 53, Female: Having the freedom to explore new opportunities and experiences. Having the ability to travel and do spontaneous things. Not having to get up early or in bad weather to go to work. Not having to drive in rush hour traffic going to or from work.

Age 53, Male: Worry and stress because being a Gen Xer, we were the first generation not to have pensions.

Age 53, Female: Retirement is to relax, travel and enjoy life with family, after many years of hard work and missing out on some special family activities.

Baby Boomers: “Retirement” means to me...

Age 55, Male: Opportunity to not have to work because of age.

Age 56, Male: Master of my own time!

Age 57, Female: Time to do hobbies, write that horror novel, and spend time with spouse. We are raising our young grandchildren, so I want to be as involved with their upbringing as much as possible. When I'm seventy, they will need a lot of guidance because they will be teenagers.

Age 58, Male: Being able to live off of the interest that your money earns, without touching the principal.

Age 58, Female: Having the flexibility to make choices instead of having to do something because you're supposed to do it. Travel that we had to put off because we're always working.

Age 59, Female: Retirement is like a dream for me. Sometimes it a lovely dream where I'm running an antique shop on a crisp fall day. Other times when another expense comes along and I need to dip into my savings, it's a nightmare. Most of the time it seems unreal, fragmented and impossible to arrive at.

Age 59, Male: Leaving the stress and demands of a corporate environment where your efforts are never fully appreciated and company loyalty is not rewarded.

Age 61, Female: My aging parents right now, ages 88 and 86, are defining my perception of retirement. The outlook is not reassuring with assisted living, physical and mental health issues, financial unpreparedness, and social inactivity. If this is my retirement future then retirement to me means a bleak existence.

Age 62, Male: Retirement means the end of everything: having money, health insurance, a purpose, and access to community and friendships.

Age 62, Male: Time to hang it up, as the work has become too difficult and stressful.

Age 63, Male: Getting old and being considered out-of-date when it comes to modern things.

Age 63, Male: Teaching others the knowledge you've gained over the years to make them better people by volunteering. Volunteering also at local hospital facilities where the staff saved your life twice in the last four years.

Age 63, Female: At this time my poor health has made it impossible to earn any money and I was forced into apply for Social Security disabled benefits. I used to dream of being able to travel and spend more time with friends and family. I still dream but sometime I feel like retirement is a nightmare. I have not given up yet!

Age 63, Male: A concept created by Roosevelt to push Social Security. In ages past like Roman, Greek, and the Middle Ages no person retired. The old did jobs that were less demanding but every person participated in life. We are forcing old useful people to become enclaves of do nothings who waste money instead of doing useful things. I would rather die than be one of them.

Age 66, Female: Retirement is what you make it. There are many things you can do to keep yourself busy and active. You can't look at it like your life is over because work is not the only thing that defines you. You need to be flexible and open towards making necessary lifestyle changes, without feeling sorry for yourself. Too many people refuse to make lifestyle changes such as downsizing their home or buying a cheaper car. If you have plenty of money then you can, but things change when you retire. I welcome change with flexibility.

A Portrait of Workers by Generation

Characteristics		All Workers (%) n=5,168	Millennials (%) n=2,156	Generation X (%) n=1,476	Baby Boomers (%) n=1,477
Gender	Male	51	50	51	53
	Female	48	50	48	47
	Transgender	1	1	1	<1
	Other	<1	<1	1	<1
	Prefer not to answer	1	1	1	<1
Marital Status	Married/ Living with partner	65	57	70	70
	Divorced/Separated/Widowed	10	4	14	19
	Never married	25	39	16	11
Work Status	Full Time	78	76	83	77
	Part Time	22	24	17	23
Underemployment	Yes, I consider myself underemployed	20	20	22	19
	No	73	71	73	77
	Not sure	7	9	5	4
Number of Jobs Currently Held	One	85	81	88	88
	Two or more	15	19	12	12
Level of Education	Less Than High School Diploma	3	5	3	1
	High School Diploma	32	35	26	33
	Some College or Trade School	33	31	34	37
	College Graduate or More	32	29	37	29
Annual Household Income	Less than \$25,000	7	10	7	4
	\$25,000 to \$49,999	20	21	18	18
	\$50,000 to \$99,999	36	39	35	32
	\$100,000+	34	27	40	42
	Decline to Answer	3	3	0	4
	Estimated Median	\$66,000	\$59,000	\$74,000	\$76,000
General Health (Self-Described)	Excellent	21	26	19	16
	Good	58	53	59	62
	Fair	19	19	20	20
	Poor	2	2	2	2
Sexuality	LGBT	8	9	8	6
	Did not identify as LGBT	90	89	90	92
	Decline to Answer	2	2	2	2

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