



18th Annual Transamerica Retirement Survey

Influences of Ethnicity on Retirement Readiness

TRANSAMERICA CENTER
FOR RETIREMENT STUDIES®

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Welcome to the 18th Annual Transamerica Retirement Survey

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

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

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

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

Thank you.

About Transamerica Center for Retirement Studies®

- Transamerica Center for Retirement Studies® (TCRS) is a division of Transamerica Institute® (The Institute), a nonprofit, private foundation. TCRS is dedicated to educating the public on emerging trends surrounding retirement security in the United States. Its research emphasizes employer-sponsored retirement plans, including companies and their employees, unemployed and underemployed workers, and the implications of legislative and regulatory changes. For more information about TCRS, please refer to www.transamericacenter.org.
- The Institute is funded by contributions from Transamerica Life Insurance Company and its affiliates and may receive funds from unaffiliated third parties.
- TCRS and its representatives cannot give ERISA, tax, investment or legal advice. This material is provided for informational purposes only and should not be construed as ERISA, tax, investment or legal advice. Interested parties must consult and rely solely upon their own independent advisors regarding their particular situation and the concepts presented here.
- Although care has been taken in preparing this material and presenting it accurately, TCRS disclaims any express or implied warranty as to the accuracy of any material contained herein and any liability with respect to it.

About the Survey

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

Worker Survey Methodology

- A 25-minute, online survey was conducted in English between August 9 – October 28, 2017 among a nationally representative sample of 6,372 workers using the Harris online panel. Respondents met the following criteria:
 - U.S. residents, age 18 or older
 - Full-time or part-time workers in a for-profit company employing five or more people
- Data were weighted as follows:
 - Census data were referenced for education, age by gender, race/ethnicity, region, household income, and number of employees by company size. Results were weighted where necessary to bring them into line with the population of US residents age 18+, employed full time in a for-profit company with 5+ employees or employed part time in a for profit company.
 - The weighting also adjusts for attitudinal and behavioral differences between those who are online versus those who are not, those who join online panels versus those who do not, and those who responded to this survey versus those who did not.
- Data before 2017 is from full-time or part-time workers in a for-profit company employing 10 or more people
- Percentages are rounded to the nearest whole percent. Differences in the sums of combined categories/answers are due to rounding.
- This report focuses on full-time and part-time workers combined.

Demographic Breakout Terminology and Sample Sizes

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

All Workers

- Refers to all workers age 18 and older

Base Size

N=6,372

Company Size

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

N=3,428

N=2,944

Generation

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

N=2,593

N=1,586

N=2,076

Gender

- *Women:*
- *Men:*

N=3,917

N=2,432

Household Income

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

N=2,508

N=2,351

N=1,241

Education

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

N=1,107

N=1,834

N=2,488

N=943

Race

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

N=3,949

N=1,037

N=789

N=467



Influences of Ethnicity on Retirement Readiness

Detailed Findings

Influences of Ethnicity on Retirement Readiness

Retirement expectations are generally similar across ethnicities. Workers of different ethnicities envision a phased transition into retirement and are planning to live well into their eighties. However, there are some disparities by ethnicity. Hispanic and African American workers are less likely to be saving for retirement and to have emergency savings in the event of a major financial setback, compared to White and Asian workers. However, White and Asian workers also face retirement risks. Efforts to improve the retirement outlook of Hispanic and African American workers, such as improving retirement plan participation, should benefit other ethnicities as well.

Thirty-Eight Indicators of Retirement Readiness

- **Confidence in Retiring Comfortably.** The majority of workers across ethnicities are confident that they will be able to fully retire with a comfortable lifestyle: including 61 percent of White, 64 percent of Hispanic, 67 percent of African American, and 63 percent of Asian workers. Relatively few workers of all four ethnic groups are “very” confident, including 18 percent of White, 20 percent of Hispanic, 19 percent of African American, and 13 percent of Asian workers.
- **Recovery From the Great Recession.** In 2017, over four in 10 workers across ethnicities say they were either not impacted or have fully recovered from the Great Recession, including 45 percent of both Hispanics and Asians, 43 percent of Whites, and 42 percent of African Americans. Around one in five workers across ethnicities have not yet begun to recover or may never recover from the Great Recession.
- **Building a Large Enough Nest Egg?** Workers’ agreement that they are building a large enough retirement nest egg varies by ethnicity. Asian workers (60 percent) are most likely to agree that they are building a large enough nest egg, compared to Hispanic and White (both 53 percent), and African American workers (52 percent). For workers of all ethnicities, agreement has increased since 2013, although it has fluctuated over the last five years.

Influences of Ethnicity on Retirement Readiness

- **Retirement Dreams Include Leisure and Work.** Traveling is the most frequently cited retirement dream among workers across ethnicities, including White (67 percent), Hispanic (73 percent), African American (73 percent), and Asian (76 percent). Spending more time with family and friends is the second most frequently cited dream, a finding which is consistent across ethnicities. Interestingly, around one in three workers of all ethnicities dream of working in retirement.
- **Retirement Beliefs, Preparations, and Involvement.** Most workers across ethnicities feel that their generation compared to their parent's generation will have a much harder time achieving financial security in retirement. Similarly, workers across ethnic groups are concerned that Social Security will not be there for them when they are ready to retire, including Hispanic (83 percent), Asian (78 percent), African American (76 percent), and White workers (74 percent).
- **Expected Retirement Age.** The majority of White workers (58 percent) expect to work past age 65 or do not plan to retire. In contrast, the majority of African American (57 percent), Asian (57 percent), and Hispanic workers (54 percent) expect to retire at age 65 or sooner.
- **Planning to Work in Retirement.** Across ethnicities, approximately half of workers plan to work full- or part-time in retirement, including 58 percent of Hispanic, 57 percent of White, 54 percent of African American, and 50 percent of Asian workers. In all cases, most plan to do so part-time.
- **Reasons for Working in Retirement.** Across ethnicities, among workers who plan on retiring after 65 or working in retirement, the most common reasons for doing so are financial: White (84 percent), Hispanic (83 percent), African American (80 percent), and Asian (79 percent). Large majorities also plan to do so for healthy-aging reasons including “being active,” “keeping my brain alert,” “having a sense of purpose,” “enjoying what I do,” and “maintaining social connections.”

Influences of Ethnicity on Retirement Readiness

- **Retirement Transitions: Phased Versus Immediate.** Many workers across ethnicities envision continuing to work as they transition to retirement or have a phased transition into retirement by changing work patterns (e.g., shifting from full-time to part-time or working in a different capacity), including 68 percent of Whites, 69 percent of Hispanics, 63 percent of African Americans, and 66 percent of Asians. Approximately one in five workers across ethnicities plan to immediately stop working when they reach a specific age or savings goal.
- **Phased Retirement and Compensation-Related Expectations.** Among workers who envision a phased transition into retirement, about three in four workers across ethnicities expect that if they reduce their work hours at their current employer, they would be paid the same hourly rate for hours worked that they are earning now. Other expectations about compensation and phased retirement are similar across ethnicities.
- **Perceptions of Older Workers.** Most workers hold positive perceptions of workers age 50 and older compared to younger workers in today's workforce, including White workers (87 percent), Hispanic workers (80 percent), African American workers (77 percent), and to a somewhat lesser extent, Asian workers (62 percent).
- **Age That Workers Consider a Person to Be "Old."** Among respondents who gave an age, interestingly, White and African American workers consider someone to be old at the age of 70 (median), Hispanic workers consider a person to be "old" at 65 (median) and Asian workers at the younger age of 60 (median). Considerable proportions also indicate that it depends on the person with 43 percent of White, 40 percent of African American, 36 percent of Asian and 30 percent of Hispanic workers believing this.
- **Age That Workers Consider a Person to Be "Too Old" to Work.** Large proportions of workers believe that "it depends on the person" whether someone is too old to work: White (60 percent), Hispanic (41 percent), African American (49 percent), and Asian (46 percent). Of those who gave ages, both Asian and African American workers believe someone is too old to work at age 70 (median), Hispanic workers do so at 73 (median), and White workers at age 75 (median).

Influences of Ethnicity on Retirement Readiness

- **Level of Concern About Health in Older Age.** The majority of workers across ethnicities are “very” or “somewhat” concerned about their health in older age, with Asian (77 percent), White (73 percent), and Hispanic workers (76 percent) being more likely than African workers (67 percent) to be concerned about this.
- **Engagement in Health-Related Activities on a Consistent Basis.** When it comes to health-related activities that are done on a consistent bases, White workers are most likely to seek medical attention when needed (58 percent), Hispanic and Asian workers (both 56 percent) are most likely to eat healthfully, and African American workers (55 percent) are most likely to maintain a positive outlook.
- **Planning to Live to Age ...** Among ethnicities, African American workers are planning to live to an age of 95 (median) with 24 percent planning to become centenarians. Hispanic workers are planning to live to age 90 (median) with 19 percent planning to live to age 100+; White workers are planning to live to age 90 (median) with 14 percent planning to live to age 100+; and Asian workers are planning to live to age 85 (median) with 14 percent of them planning to live to age 100+.
- **Types of Household Debt.** The type of household debt most frequently cited by all workers is credit card debt (Hispanic 62 percent; African Americans 59 percent; White 59 percent; Asian 58 percent). The second most common type of debt for White and Asian workers is a mortgage, while for Hispanic and African American workers it is a car loan.
- **Estimated Emergency Savings.** Emergency savings can help cover the cost of a major financial setback (e.g., unemployment, medical bills, home repairs, auto repairs, other); however, workers report having saved relatively little in this regard. White workers have saved \$5,000 (median), Hispanics have saved \$2,000 (median), African Americans have saved \$1,000 (median), and Asian workers have saved \$10,000 (median). At least one in four Hispanic and African American workers have saved less than \$1,000 for such emergencies.

Influences of Ethnicity on Retirement Readiness

- **Saving for Retirement / Age Started Saving.** Savings rates vary among ethnic groups. Asian workers (84 percent) are most likely to be saving for retirement through an employer-sponsored retirement plan and/or outside of work, followed by White workers (80 percent), which are both significantly higher than African American (72 percent) and Hispanic workers (71 percent). In terms of the median age that they started saving, Hispanic and Asian workers started at a relatively younger age (age 25), compared to White (age 29) and African American (age 26) workers.
- **Expected Sources of Retirement Income.** Across ethnicities, the majority of workers expect to have retirement income from self-funded savings including retirement accounts (e.g., 401(k)s, 403(b)s, IRAs) and other savings and investments: 88 percent of Asians, 82 percent of Whites, 82 percent of Hispanics, and 80 percent of African Americans. Expectations of retirement income from Social Security vary somewhat by ethnicity (78 percent of Whites, 71 percent of Asians, 69 percent of African Americans, and 66 percent of Hispanics).
- **Expected Primary Source of Income in Retirement.** When asked about their expected *primary* source of income in retirement – 401(k)s/403(b)/IRAs were the most often identified source across ethnicities. However there are some differences among workers with Asian workers (44 percent) being more likely than Whites (38 percent), Hispanics (37 percent), and African Americans (33 percent) to expect these retirement accounts to be their primary source of income.
- **Importance of Retirement Benefits Compared to Other Benefits.** Approximately nine in 10 workers across ethnicities value a 401(k) or similar employee-funded retirement as an important benefit. They value retirement plans second only to health insurance.
- **Retirement Benefits Currently Offered.** Most workers across ethnic groups are offered a 401(k) or other self-funded plan by their employers. Such access is greatest among Asian workers (79 percent) followed by African American workers (71 percent), Hispanic (70 percent) and White workers (70 percent).

Influences of Ethnicity on Retirement Readiness

- **Retirement Plan Participation.** Among workers who are offered a 401(k) or similar plan, the participation rate varies across ethnic groups. White workers (84 percent) are the most likely to be participating in their employer's plan, followed by Asian (82 percent), African American (75 percent) and Hispanic workers (75 percent). Across all ethnicities, participation in company employee-funded retirement savings plan has increased compared to last year.
- **Retirement Plan Contribution Rate.** Of workers who participate in a 401(k) or similar plan, the median contribution rate is almost the same among workers of different ethnicities: Asian, Hispanic, and African American workers (each 10 percent), followed by White workers (9 percent).
- **Appeal of Automatic Enrollment.** Among different ethnic groups, Hispanic workers (85 percent) are more likely to find a feature that automatically enrolls workers into a 401(k), 403 (b) or similar retirement plan to be "very" or "somewhat" appealing, followed closely by African American workers (82 percent), White workers (80 percent), and Asian workers (78 percent). White workers think the default contribution rate should be 6 percent (median) while all others think it should be 10 percent (median).
- **Likelihood of Using Automatic Escalation.** Hispanic workers (81 percent) are most likely to use a feature that automatically increases their contribution to their retirement plans by 1% each year. Seventy-eight percent of African American, 74 percent of White, and 71 percent of Asian workers say the same.
- **Use of Professionally Managed Offerings.** "Professionally managed" accounts refers to a managed account service, strategic allocation funds, and/or target date funds. Across ethnicities, the majority of retirement plan participants use some form of professionally managed offering in their 401(k) or similar plans: 60 percent of Whites, 64 percent of Hispanics, 51 percent of Asians, and 57 percent of African Americans. Asian workers (57 percent) are more likely to set their own asset allocation percentage among the available funds, compared to White (43 percent), Hispanic (41 percent), and African American (40 percent) workers.

Influences of Ethnicity on Retirement Readiness

- **Asset Allocation of Retirement Investments.** Workers across ethnicities most frequently indicate that their retirement savings are invested in a relatively equal mix of stocks and investments such as bonds, money market funds and cash; White (42 percent), Asian, (38 percent), African American (37 percent), and Hispanic (36 percent) workers. At least one in four Hispanic (27 percent) and African American (25 percent) workers are "not sure" how their savings are invested, significantly more than Asian (18 percent) and White (20 percent) workers.
- **Retirement Plan Leakage: Loans and Withdrawals.** “Leakage” from retirement plans in the form of loans and withdrawals can severely inhibit the growth of participants’ long-term retirement savings. Some workers across ethnicities have taken some form of loan, early withdrawal, and/or hardship withdrawal from a 401(k) or similar plan, including African American workers (39 percent) who are most likely to have done so, followed by Hispanic workers (37 percent), White workers (32 percent), and Asian workers (22 percent).
- **Total Household Retirement Savings.** White and Asian workers have the highest reported total household retirement savings (estimated medians of \$104k and \$81k, respectively). They are also most likely to say that they have saved \$250k or more (34 percent of Whites and 33 percent of Asians). In contrast, Hispanic workers have saved \$48k (estimated median) with 23 percent saving more than \$250k, and African American workers have saved \$29k (estimated median) with 14 percent saving more than \$250k.
- **Estimated Retirement Savings Needs.** Retirement savings needs vary across ethnic groups. Asian workers estimate that they will need to have saved \$1 million (median) by the time they retire in order to feel financially secure. White and Hispanic workers estimate they will need \$500k (median), and African American workers estimate \$250k (median).
- **Basis for Estimating Retirement Savings Needs.** Many workers are “guessing” their retirement savings needs. African American workers (51 percent) and Asian workers (51 percent) are most likely to have guessed compared to White (46 percent) and Hispanic workers (43 percent). Few workers across ethnicities indicate they used a retirement calculator to estimate their savings needs.

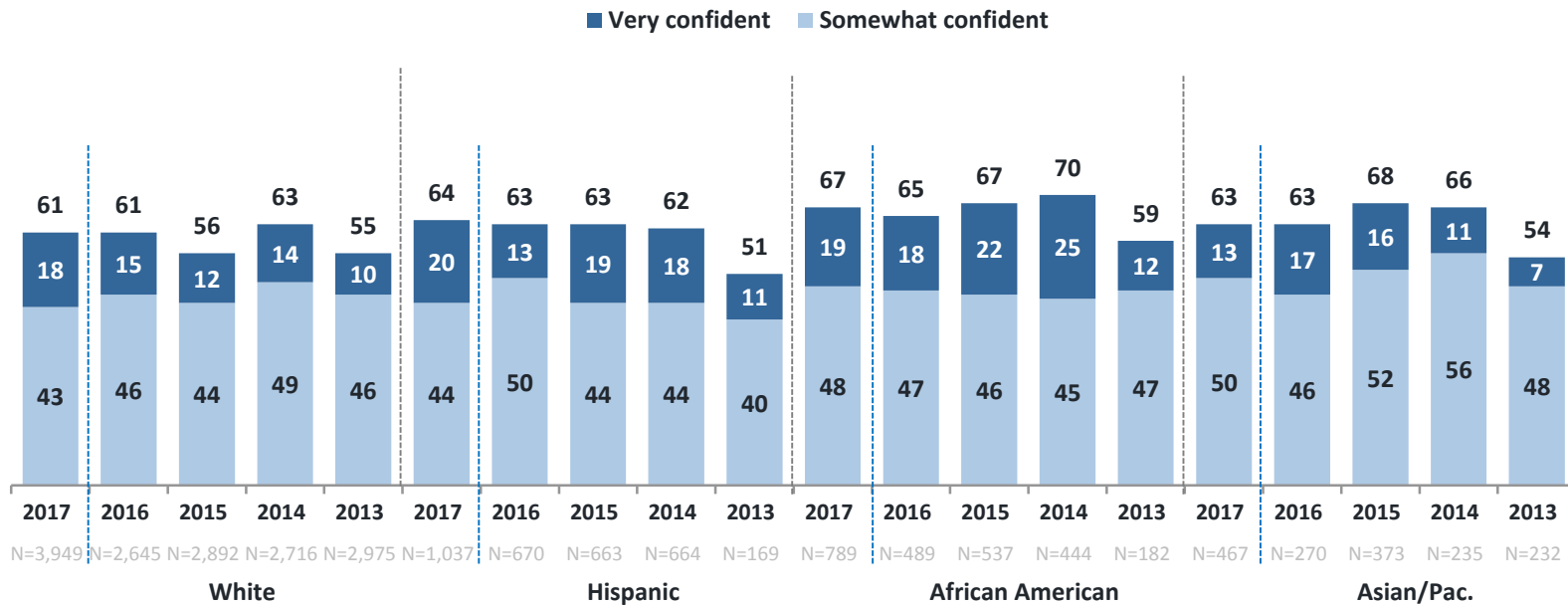
Influences of Ethnicity on Retirement Readiness

- **Retirement Strategy: Written, Unwritten, or None.** The majority of workers across ethnicities have some form of retirement strategy (either written or unwritten), including 63 percent of Whites and Asians, 64 percent of Hispanics, and 65 percent of African Americans. However, although few workers across ethnicities have a written strategy, Hispanics (21 percent) are more likely to have their plan written compared to Whites (16 percent), African Americans (14 percent), and Asians (14 percent).
- **Confidence that Financial Strategy Will Enable Travel Goals.** Among workers who dream of traveling in retirement, the majority are confident their current financial strategy will allow them to meet their travel goals: 58 percent of Whites, 61 percent of Hispanics, 59 percent of African Americans, and 54 percent of Asians. However, relatively few across ethnic groups are “very” confident, and some haven’t given it much thought.
- **Professional Financial Advisor Usage.** Among those who are investing for retirement, Hispanic and White workers (both 41 percent) are more likely to use a professional financial advisor to help manage their retirement savings or investments than Asian (32 percent) and African American (35 percent) workers.
- **Awareness of Saver’s Credit.** The IRS offers a tax credit to eligible taxpayers who are saving for retirement in a qualified retirement plan or IRA, called the Saver’s Credit; however, only about four in ten workers across ethnicities are aware of it. Asian workers (41 percent) are more likely to be aware of the Saver’s Credit, compared to Hispanic (39 percent), White (35 percent) and African American (33 percent) workers. Across all ethnicities, awareness of the Saver’s credit has increased since last year.
- **Awareness of the IRS’ Free File Program.** Fewer than half of workers across ethnicities are aware of the IRS’ Free File Program. African American workers (49 percent) are more likely to be aware of the IRS’ Free File Program, which offers federal income tax preparation software for free to eligible tax filers. Forty-five percent of Hispanic workers, 44 percent of White workers, and 43 percent of Asian workers are aware of the program.

Confidence in Retiring Comfortably

The majority of workers across ethnicities are confident that they will be able to fully retire with a comfortable lifestyle: including 61 percent of White, 64 percent of Hispanic, 67 percent of African American, and 63 percent of Asian workers. Relatively few workers of all four ethnic groups are “very” confident, including 18 percent of White, 20 percent of Hispanic, 19 percent of African American, and 13 percent of Asian workers.

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



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

BASE: ALL QUALIFIED RESPONDENTS

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

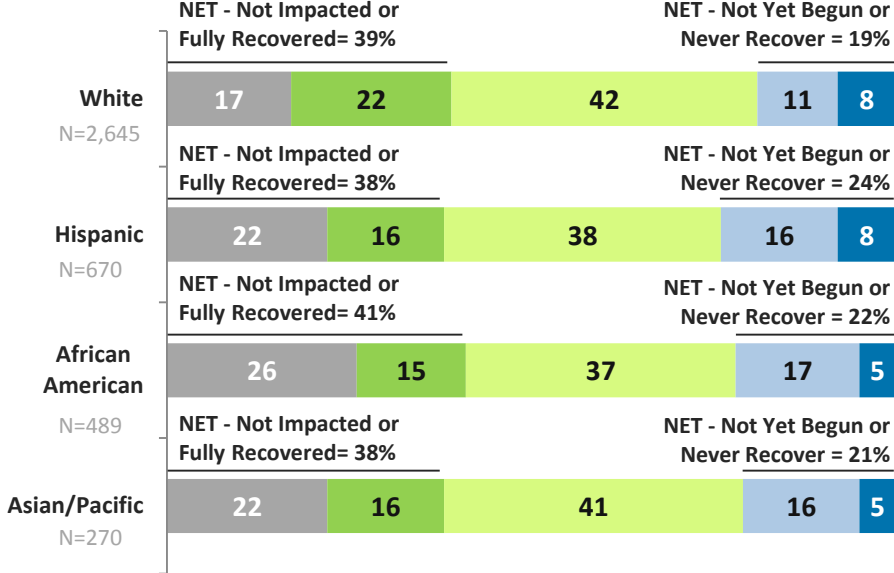
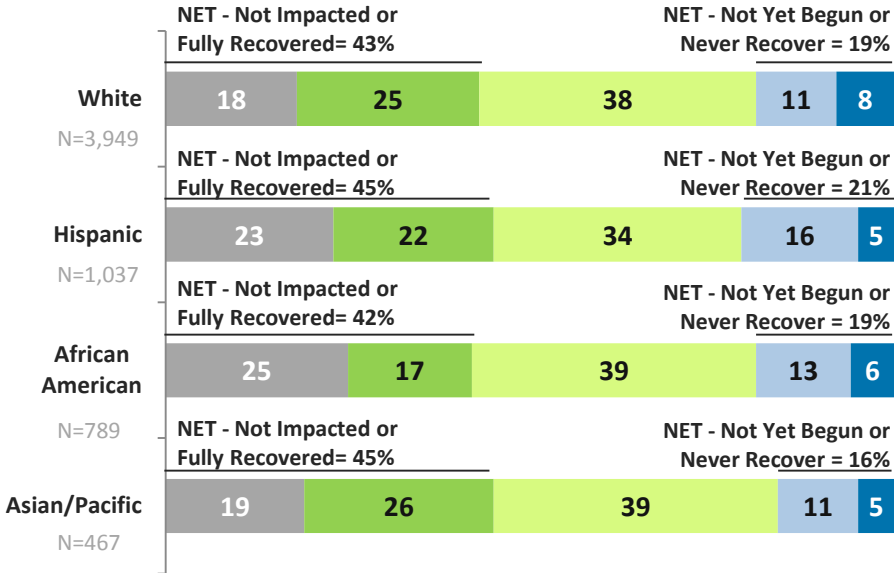
Recovery From the Great Recession

In 2017, more than four in 10 workers across ethnicities say they were either not impacted or have fully recovered from the Great Recession, including 45 percent of both Hispanics and Asians, 43 percent of Whites, and 42 percent of African Americans. Around one in five workers across ethnicities have not yet begun to recover or may never recover from the Great Recession.

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

2017

2016



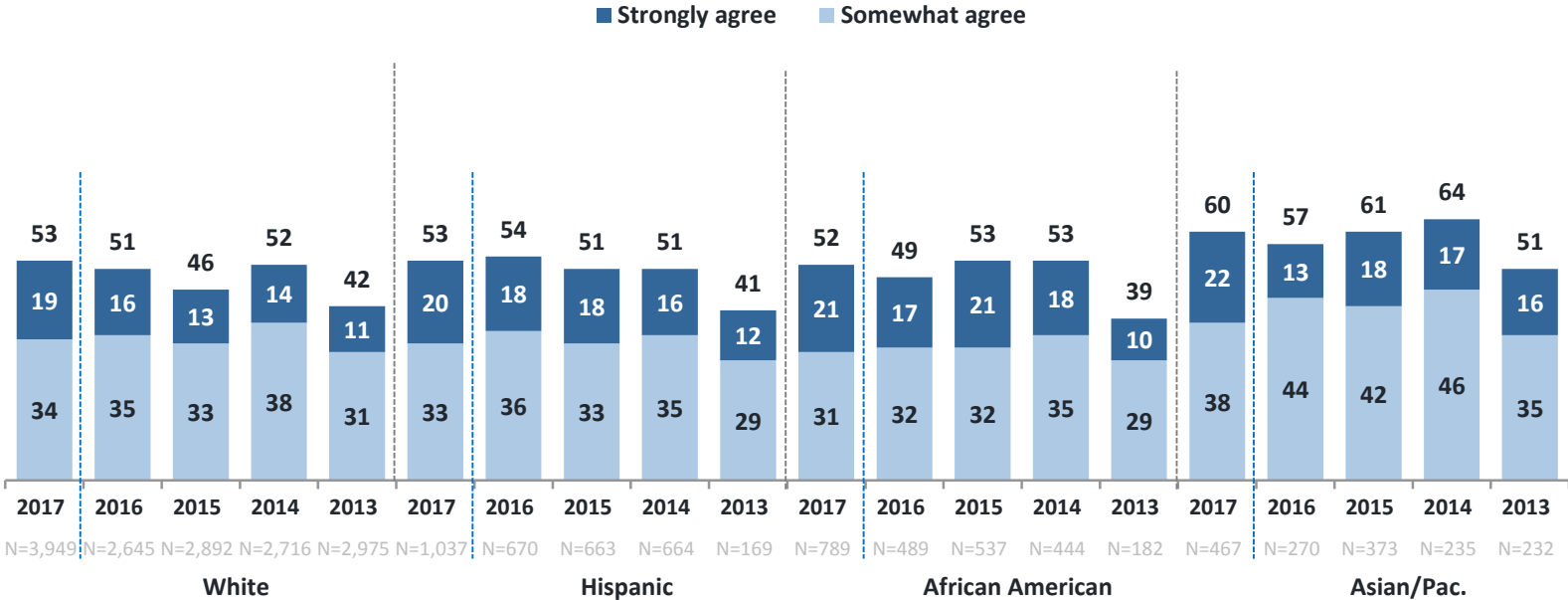
■ I was not impacted ■ I have fully recovered ■ I have somewhat recovered ■ I have not yet begun to recover ■ I may never recover

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

Building a Large Enough Nest Egg?

Workers' agreement that they are building a large enough retirement nest egg varies by ethnicity. Asian workers (60 percent) are most likely to agree that they are building a large enough nest egg, compared to Hispanic, White (both 53 percent), and African American workers (52 percent). For workers of all ethnicities, agreement has increased since 2013, although it has fluctuated over the last five years.

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



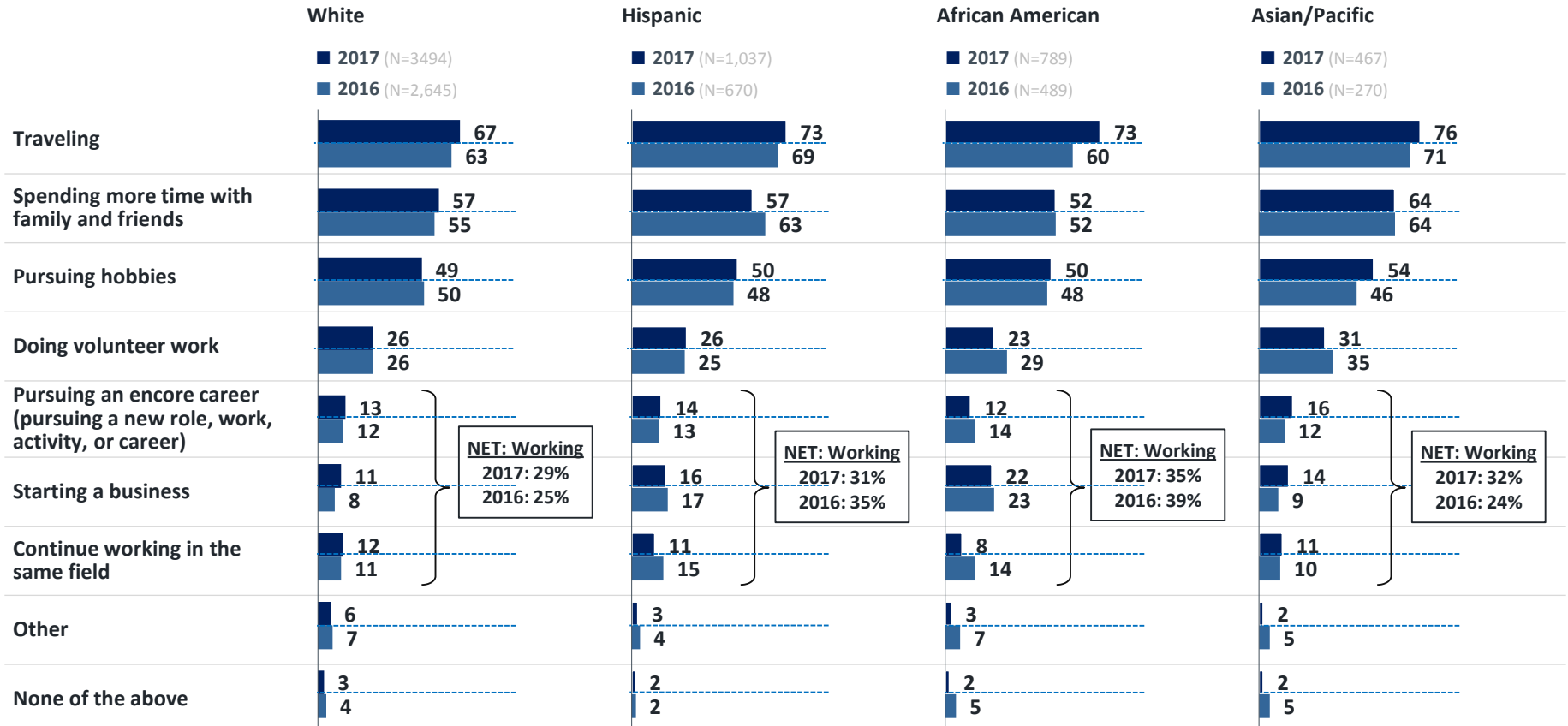
† Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

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

Retirement Dreams Include Leisure and Work

Traveling is the most frequently cited retirement dream among workers across ethnicities, including White (67 percent), Hispanic (73 percent), African American (73 percent), and Asian (76 percent). Spending more time with family and friends is the second most frequently cited dream, a finding which is consistent across ethnicities. Interestingly, around one in three workers of all ethnicities dream of working in retirement.

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



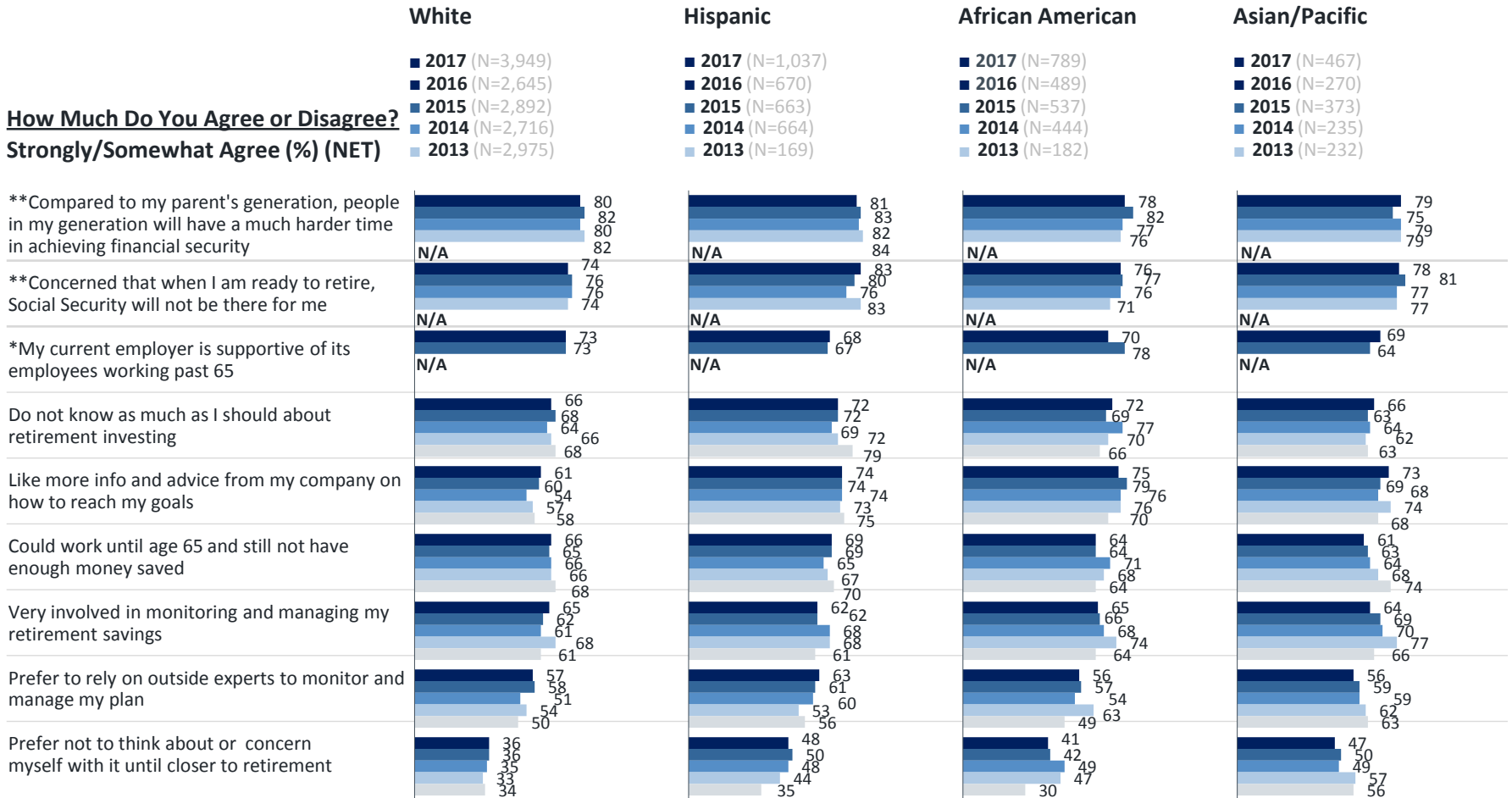
† Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

BASE: ALL QUALIFIED RESPONDENTS

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

Retirement Beliefs, Preparations, and Involvement

Most workers across ethnicities feel that their generation compared to their parent's generation will have a much harder time achieving financial security in retirement. Similarly, workers across ethnic groups are concerned that Social Security will not be there for them when they are ready to retire, including Hispanic (83 percent), Asian (78 percent), African American (76 percent), and White workers (74 percent).



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

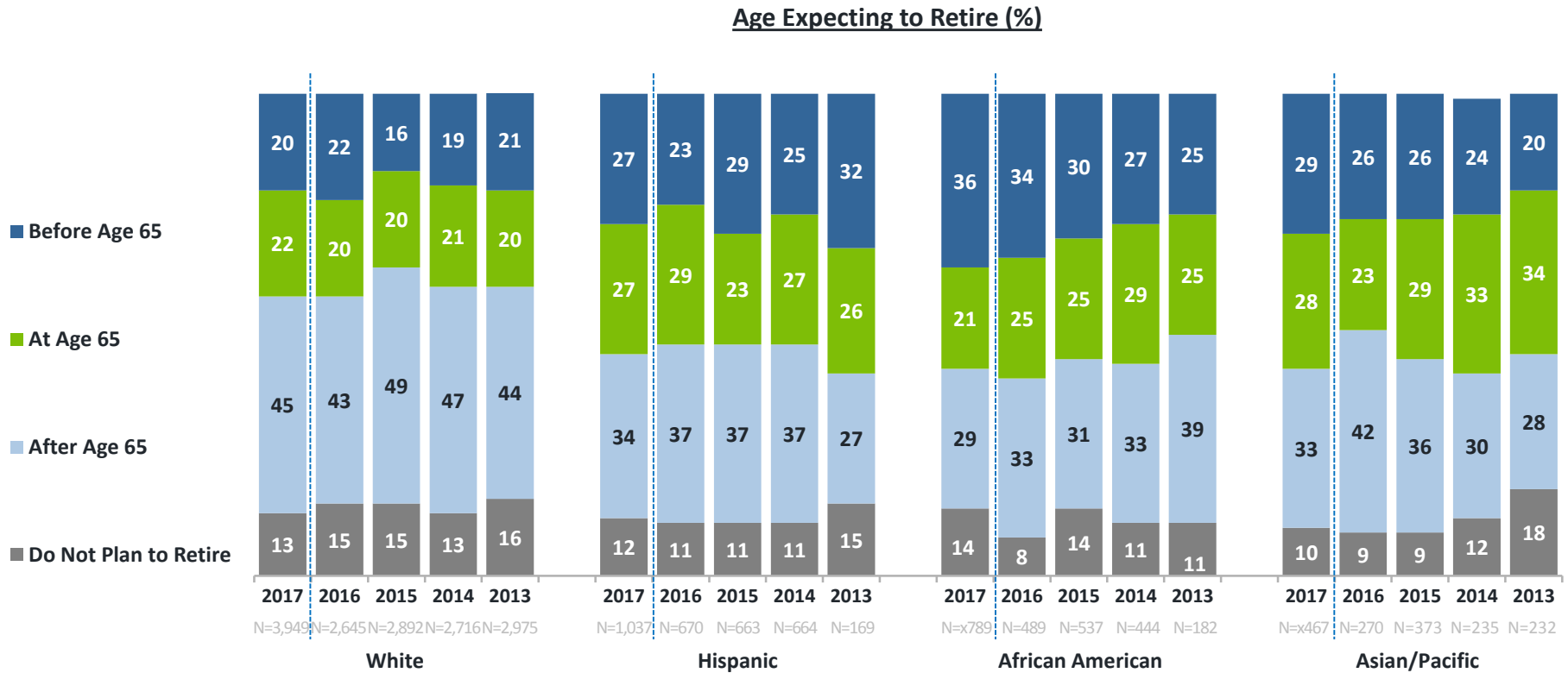
*added in 2016 **added in 2014

BASE: ALL QUALIFIED RESPONDENTS

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

Expected Retirement Age

The majority of White workers (58 percent) expect to work past age 65 or do not plan to retire. In contrast, the majority of African American (57 percent), Asian (57 percent), and Hispanic workers (54 percent) expect to retire at age 65 or sooner.



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

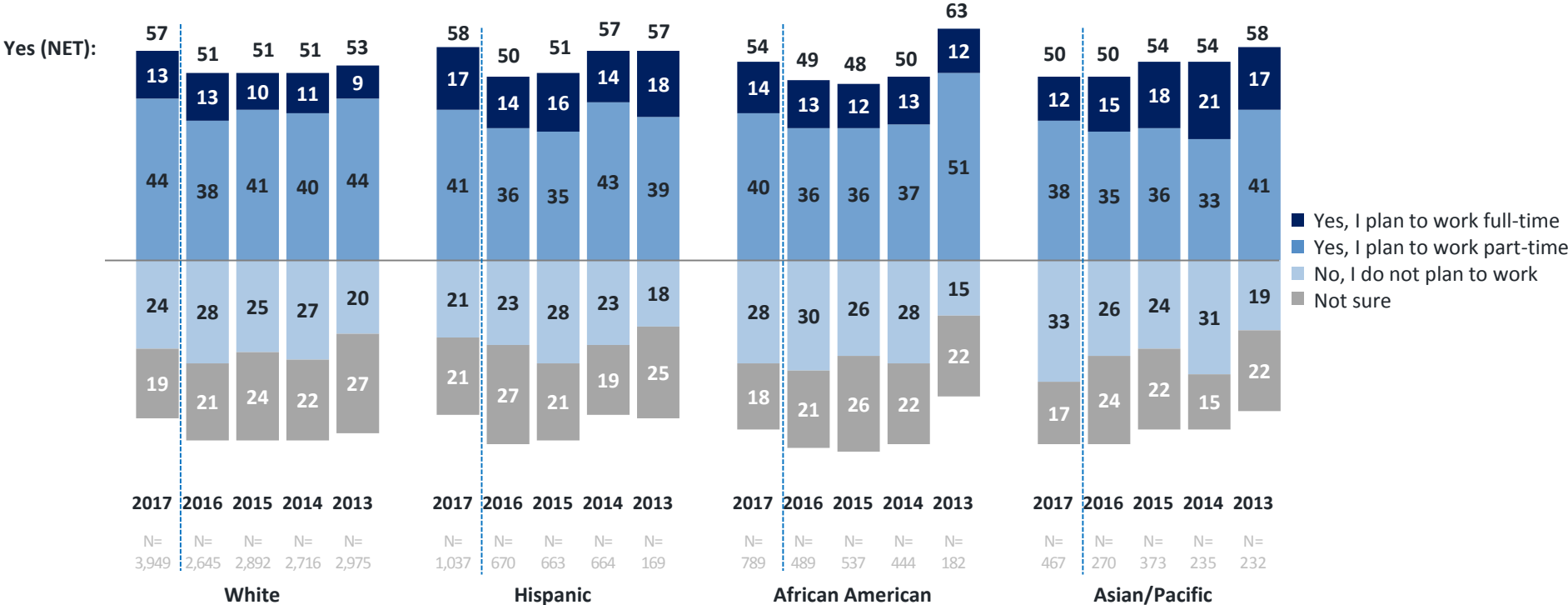
BASE: ALL QUALIFIED RESPONDENTS

Q910. At what age do you expect to retire?

Planning to Work in Retirement

Across ethnicities, approximately half of workers plan to work full- or part-time in retirement, including 58 percent of Hispanic, 57 percent of White, 54 percent of African American, and 50 percent of Asian workers. In all cases, most plan to do so part-time.

Planning to Work in Retirement (%)



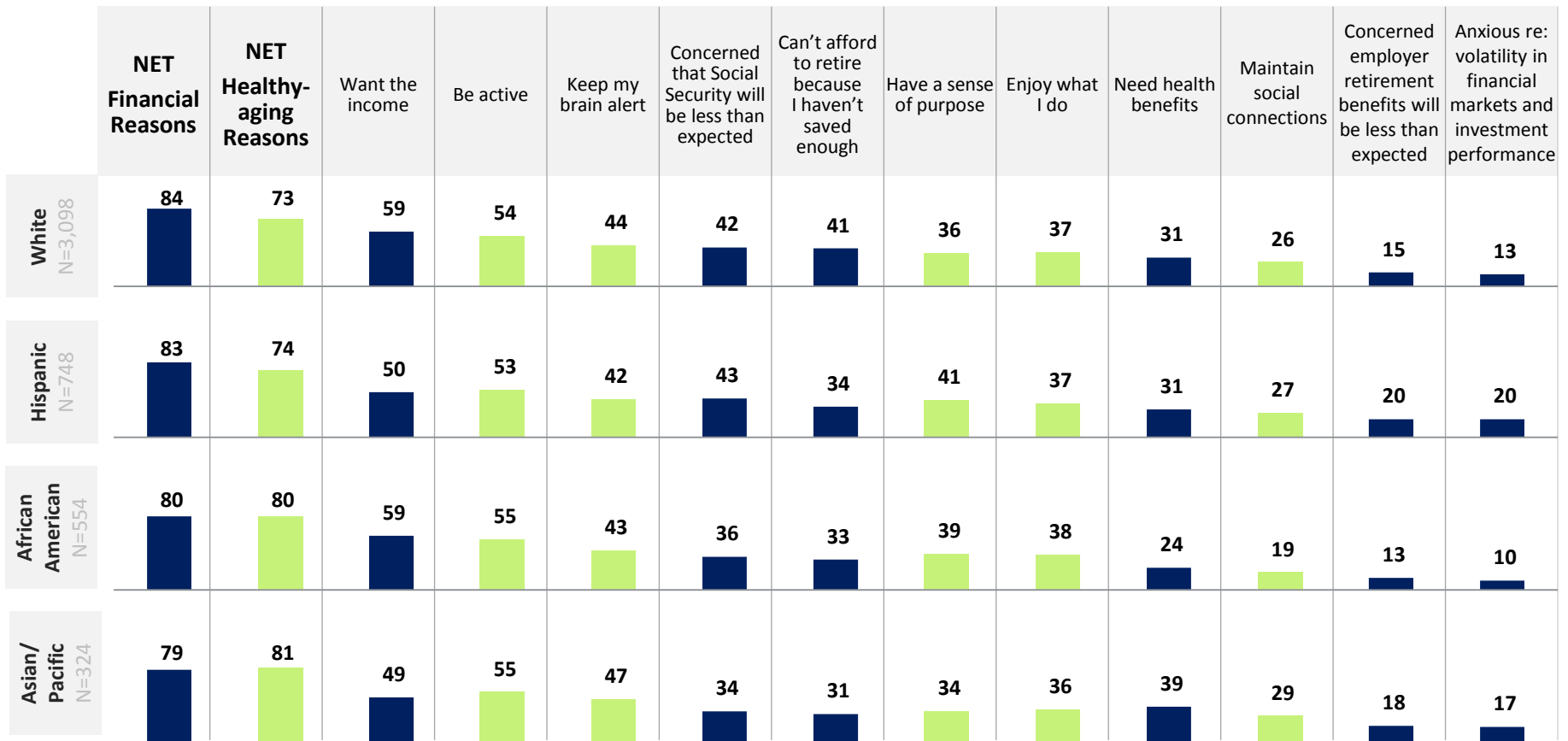
† Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

BASE: ALL QUALIFIED RESPONDENTS

Q1525. Do you plan to work after you retire?

Reasons for Working in Retirement

Across ethnicities, among workers who plan on retiring after 65 or working in retirement, the most common reasons for doing so are financial: White (84 percent), Hispanic (83 percent), African American (80 percent), and Asian (79 percent). Large majorities also plan to do so for healthy-aging reasons including “being active,” “keeping my brain alert,” “having a sense of purpose,” “enjoying what I do,” and “maintaining social connections.”



New question added in 2017

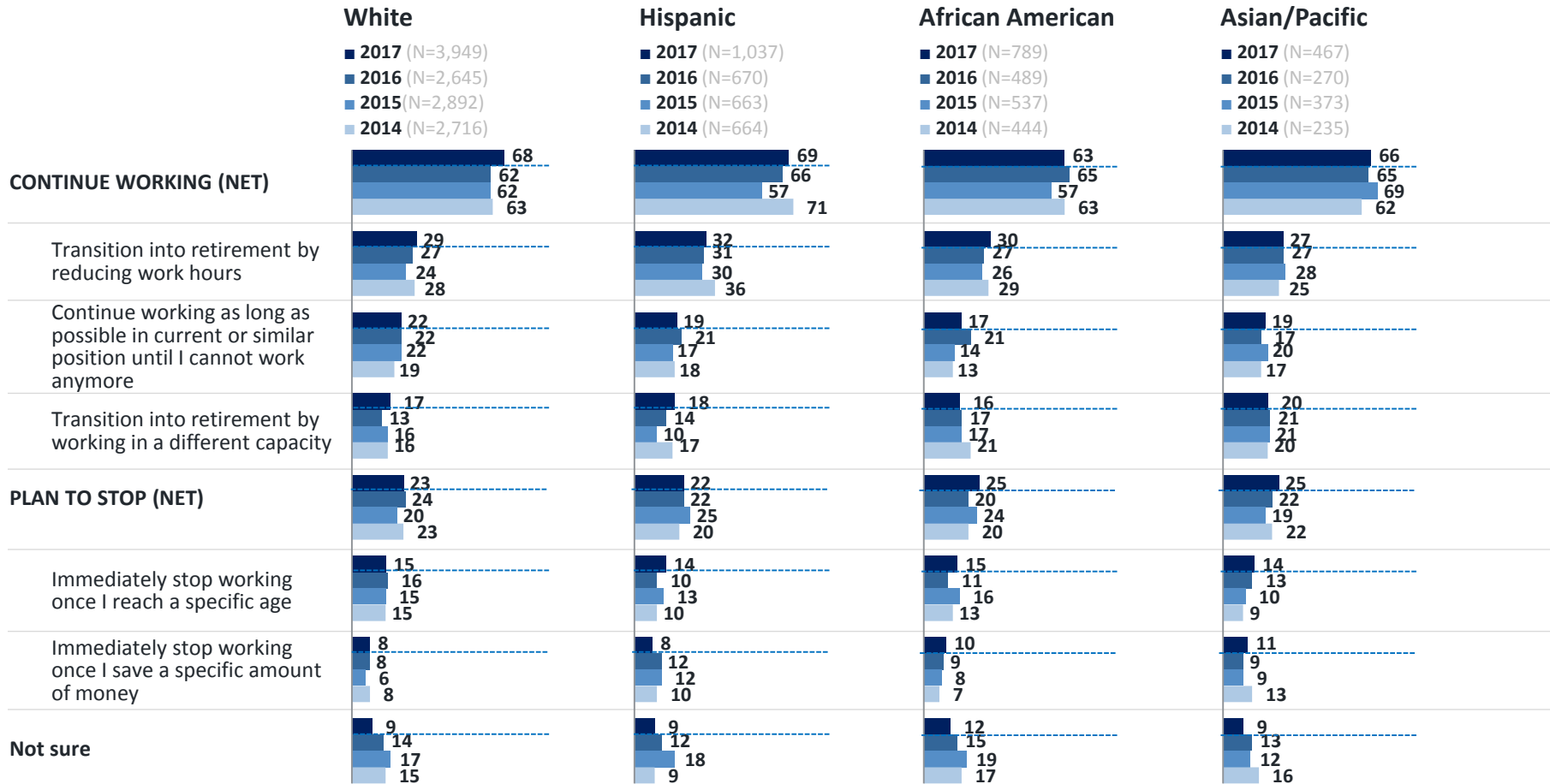
BASE: PLAN ON RETIRING AFTER 65 AND/OR WORKING AFTER RETIREMENT

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

Retirement Transitions: Phased Versus Immediate

Many workers across ethnicities envision continuing to work as they transition to retirement or have a phased transition into retirement by changing work patterns (e.g., shifting from full-time to part-time or working in a different capacity), including 68 percent of Whites, 69 percent of Hispanics, 63 percent of African Americans, and 66 percent of Asians. Approximately one in five workers across ethnicities plan to immediately stop working when they reach a specific age or savings goal.

How do you envision transitioning into retirement? (%)



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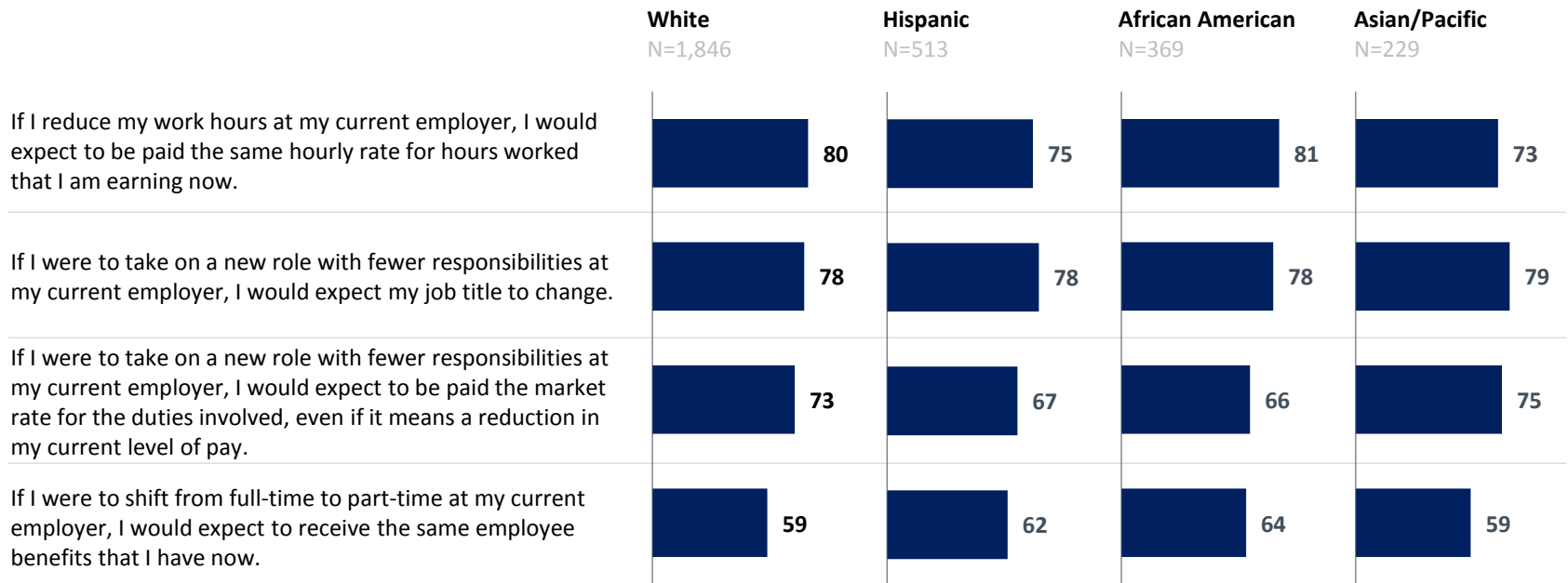
BASE: ALL QUALIFIED RESPONDENTS

Q1545. How do you envision transitioning into retirement?

Phased Retirement and Compensation-Related Expectations

Among workers who envision a phased transition into retirement, about three in four workers across ethnicities expect that if they reduce their work hours at their current employer, they would be paid the same hourly rate for hours worked that they are earning now. Other expectations about compensation and phased retirement are similar across ethnicities.

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



Perceptions of Older Workers

Most workers hold positive perceptions of workers age 50 and older compared to younger workers in today's workforce, including White workers (87 percent), Hispanic workers (80 percent), African American workers (77 percent), and to a somewhat lesser extent, Asian workers (62 percent).

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

	White N=3,949	Hispanic N=1,037	African American N=789	Asian/Pacific N=467
NET – Positive perceptions	87	80	77	78
Bring more knowledge, wisdom, and life experience	67	54	52	52
Are more responsible, reliable, and dependable	64	46	47	44
Are a valuable resource for training and mentoring	55	40	44	41
Are an important source of institutional knowledge	46	37	34	36
Are more adept at problem-solving	39	25	28	23
Are better at getting along with others in a team environment	35	26	26	22
NET – Negative perceptions	53	57	51	62
Have higher healthcare costs	29	26	23	31
Command higher wages and salaries	21	19	14	24
Are less open to learning and new ideas	17	23	19	25
Have higher disability costs	13	17	15	19
Have outdated skill sets	10	19	13	21
Are less productive	7	13	13	17
Other	1	1	1	<1
None	7	7	12	9

New question added in 2017

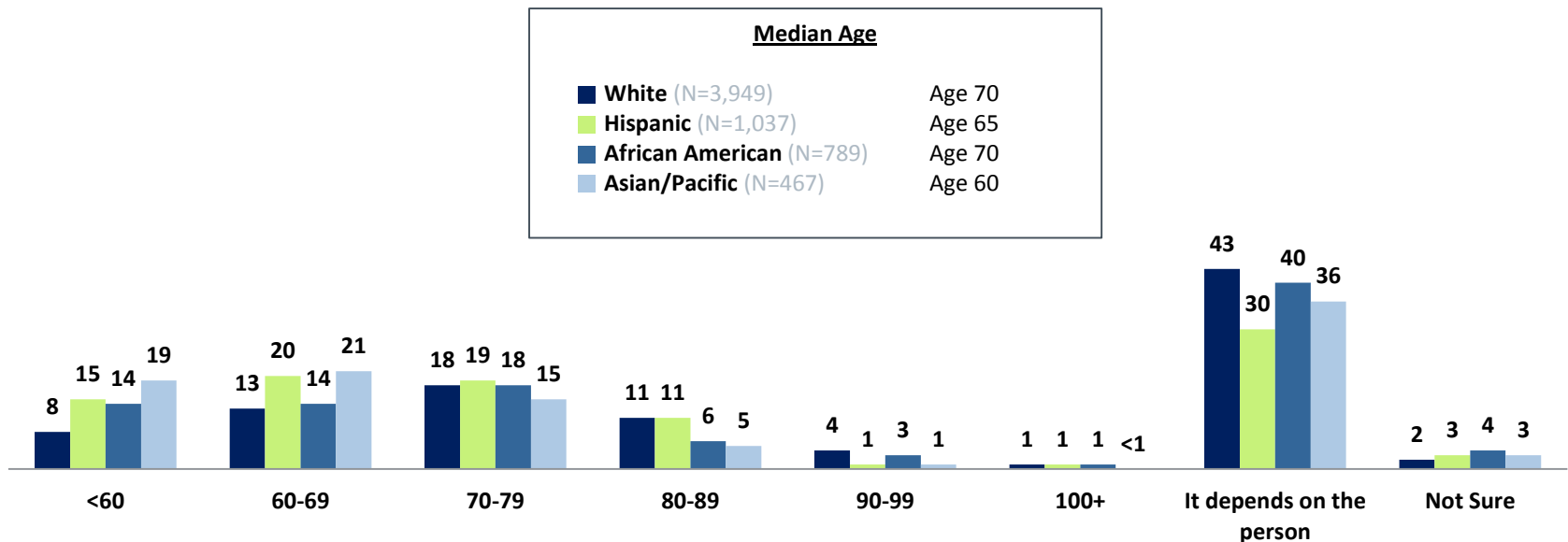
BASE: ALL QUALIFIED RESPONDENTS

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

Age That Workers Consider a Person to Be “Old”

Among respondents who gave an age, interestingly, White and African American workers consider someone to be old at the age of 70 (median), Hispanic workers consider a person to be “old” at 65 (median) and Asian workers at the younger age of 60 (median). Considerable proportions also indicate that it depends on the person with 43 percent of White, 40 percent of African American, 36 percent of Asian and 30 percent of Hispanic workers believing this.

Age When Person is Considered “Old” (%)



New question added in 2017

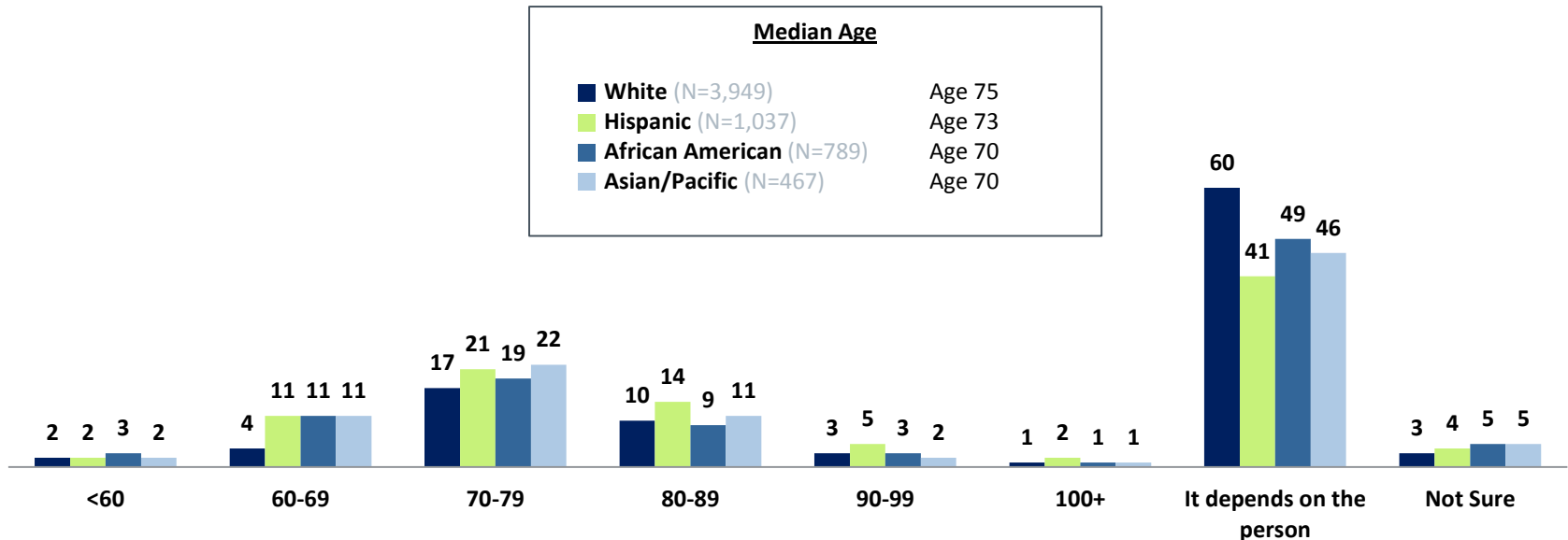
BASE: ALL QUALIFIED RESPONDENTS

Q1526. At what age do you consider a person to be “old”?

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

Large proportions of workers believe that “it depends on the person” whether someone is too old to work: White (60 percent), Hispanic (41 percent), African American (49 percent), and Asian (46 percent). Of those who gave ages, both Asian and African American workers believe someone is too old to work at age 70 (median), Hispanic workers do so at 73 (median), and White workers at age 75 (median).

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



Median Age	
White (N=3,949)	Age 75
Hispanic (N=1,037)	Age 73
African American (N=789)	Age 70
Asian/Pacific (N=467)	Age 70

New question added in 2017

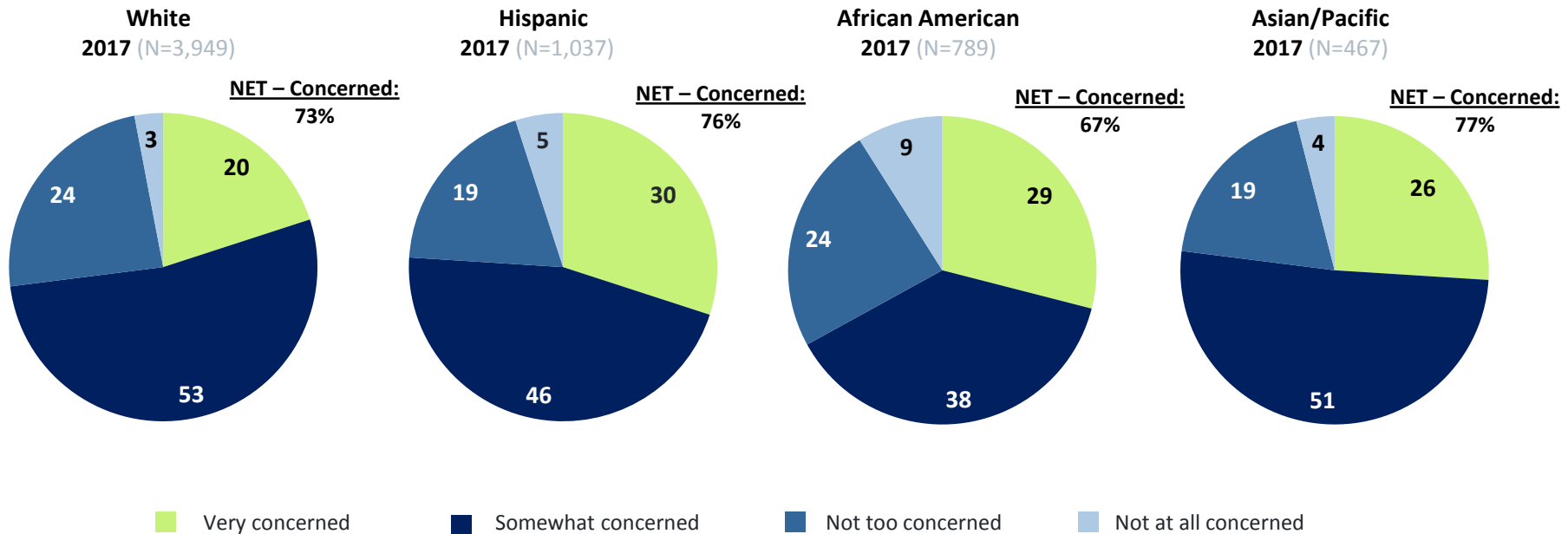
BASE: ALL QUALIFIED RESPONDENTS

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

Level of Concern About Health in Older Age

The majority of workers across ethnicities are “very” or “somewhat” concerned about their health in older age, with Asian (77 percent), White (73 percent), and Hispanic workers (76 percent) being more likely than African workers (67 percent) to be concerned about this.

Concerned About Health in Older Age (%)



New question added in 2017

BASE: ALL QUALIFIED RESPONDENTS

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

Engagement in Health-Related Activities on a Consistent Basis

When it comes to health-related activities that are done on a consistent bases, White workers are most likely to seek medical attention when needed (58 percent), Hispanic and Asian workers (both 56 percent) are most likely to eat healthfully, and African American workers (55 percent) are most likely to maintain a positive outlook.

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

	White N=3,949	Hispanic N=1,037	African American N=789	Asian/Pacific N=467
Eating healthfully	57	56	51	56
Exercising regularly	54	55	52	56
Maintaining a positive outlook	56	48	55	40
Seeking medical attention when needed	58	47	44	39
Avoiding harmful substances (e.g., cigarettes, alcohol, illicit drugs, etc.)	51	45	50	48
Getting plenty of rest	50	49	52	43
Getting routine physicals and recommended health screenings	53	40	42	43
Managing stress	45	43	47	41
Considering long-term health when making lifestyle decisions	26	22	27	27
Practicing mindfulness and meditation	18	24	21	18
Other	0	1	0	0
Nothing	4	5	4	5

New question added in 2017

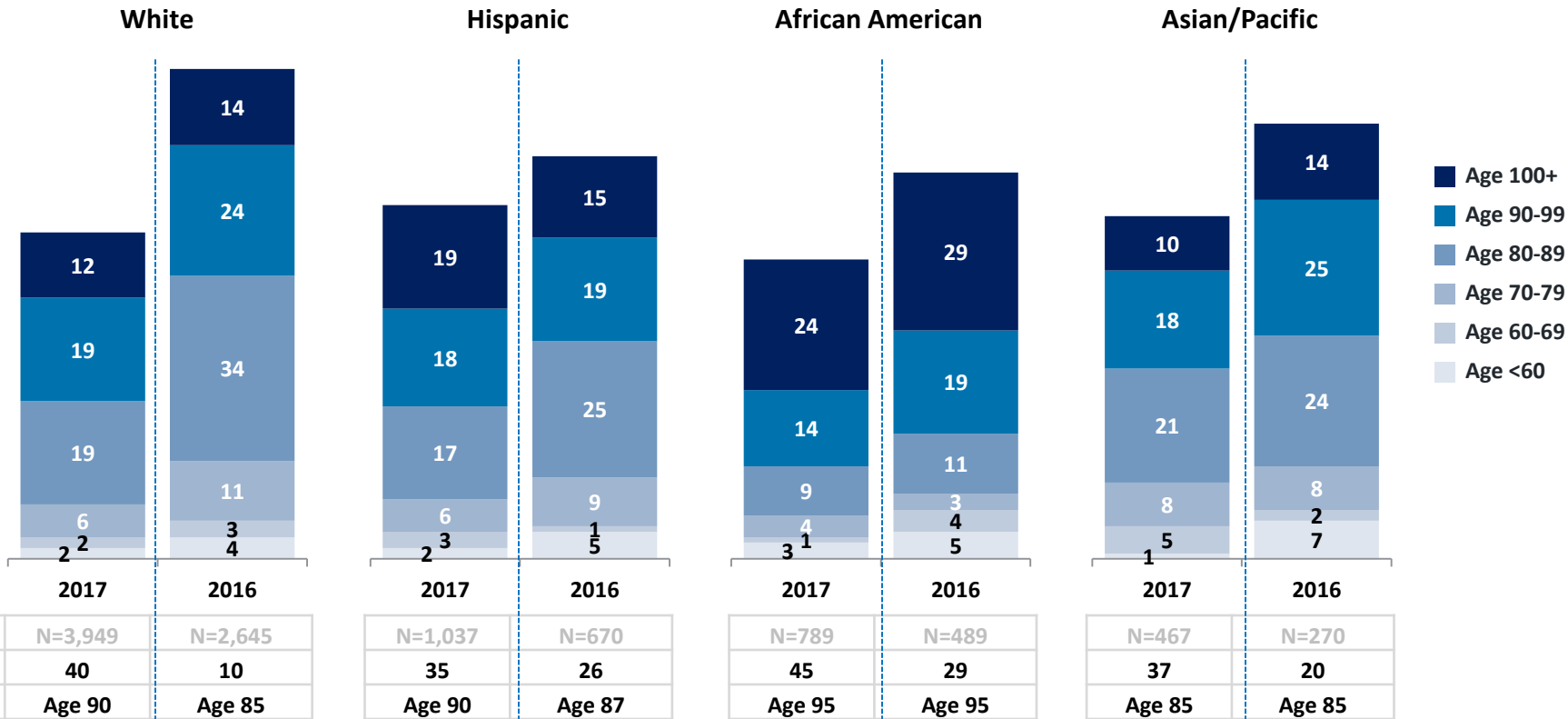
BASE: ALL QUALIFIED RESPONDENTS

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

Planning to Live to Age ...

Among ethnicities, African American workers are planning to live to an age of 95 (median) with 24 percent planning to become centenarians. Hispanic workers are planning to live to age 90 (median) with 19 percent planning to live to age 100+, White workers are planning to live to age 90 (median) with 14 percent planning to live to age 100+, while Asian workers are planning to live to age 85 (median) with 14 percent of them planning to live to age 100+.

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



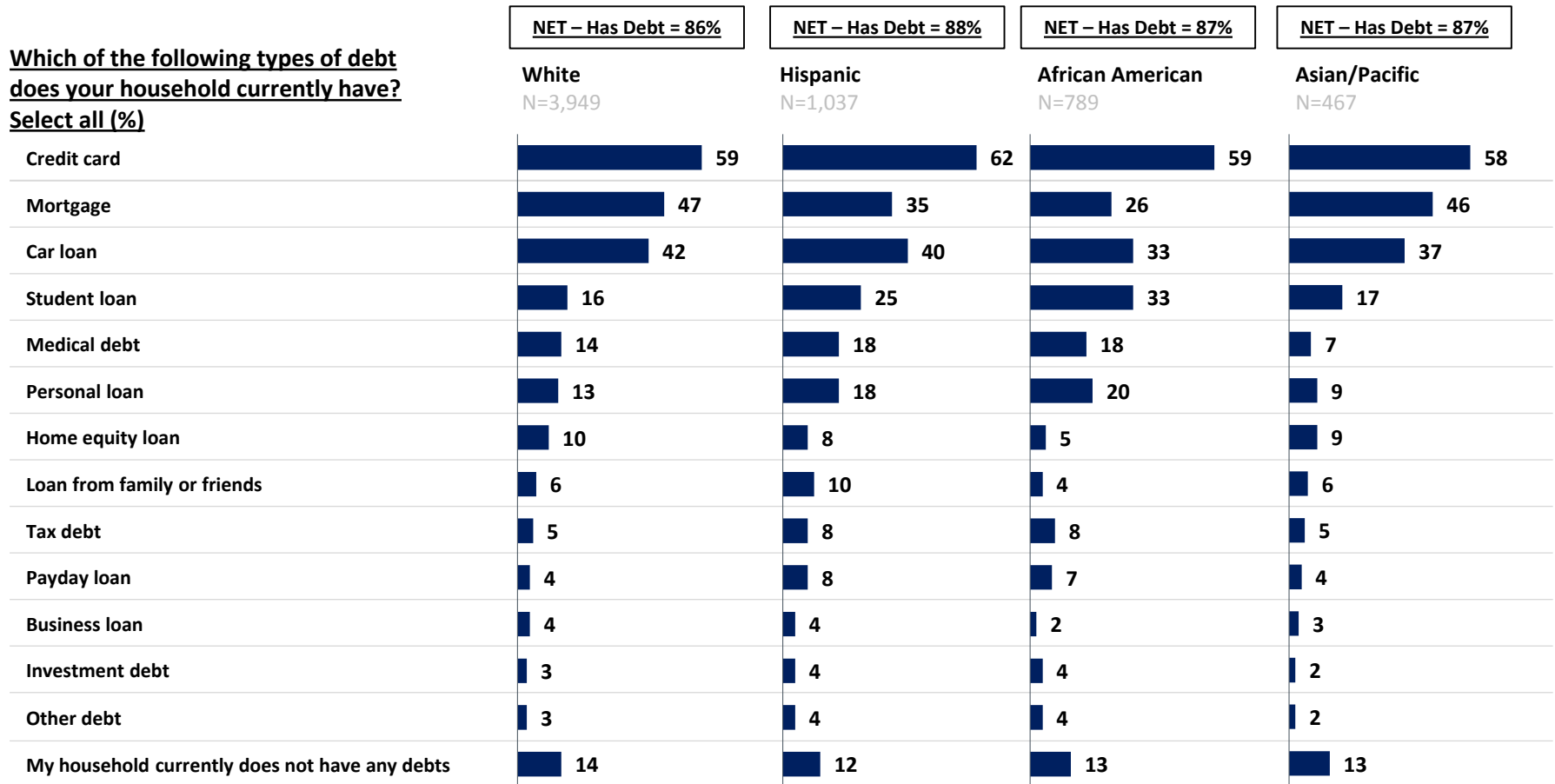
† Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

BASE: ALL QUALIFIED RESPONDENTS

Q2850. What age are you planning to live to?

Types of Household Debt

The type of household debt most frequently cited by all workers is credit card debt (Hispanic 62 percent; African Americans 59 percent; White 59 percent; Asian 58 percent). The second most common type of debt for White and Asian workers is a mortgage, while for Hispanic and African American workers it is a car loan.



New question added in 2017

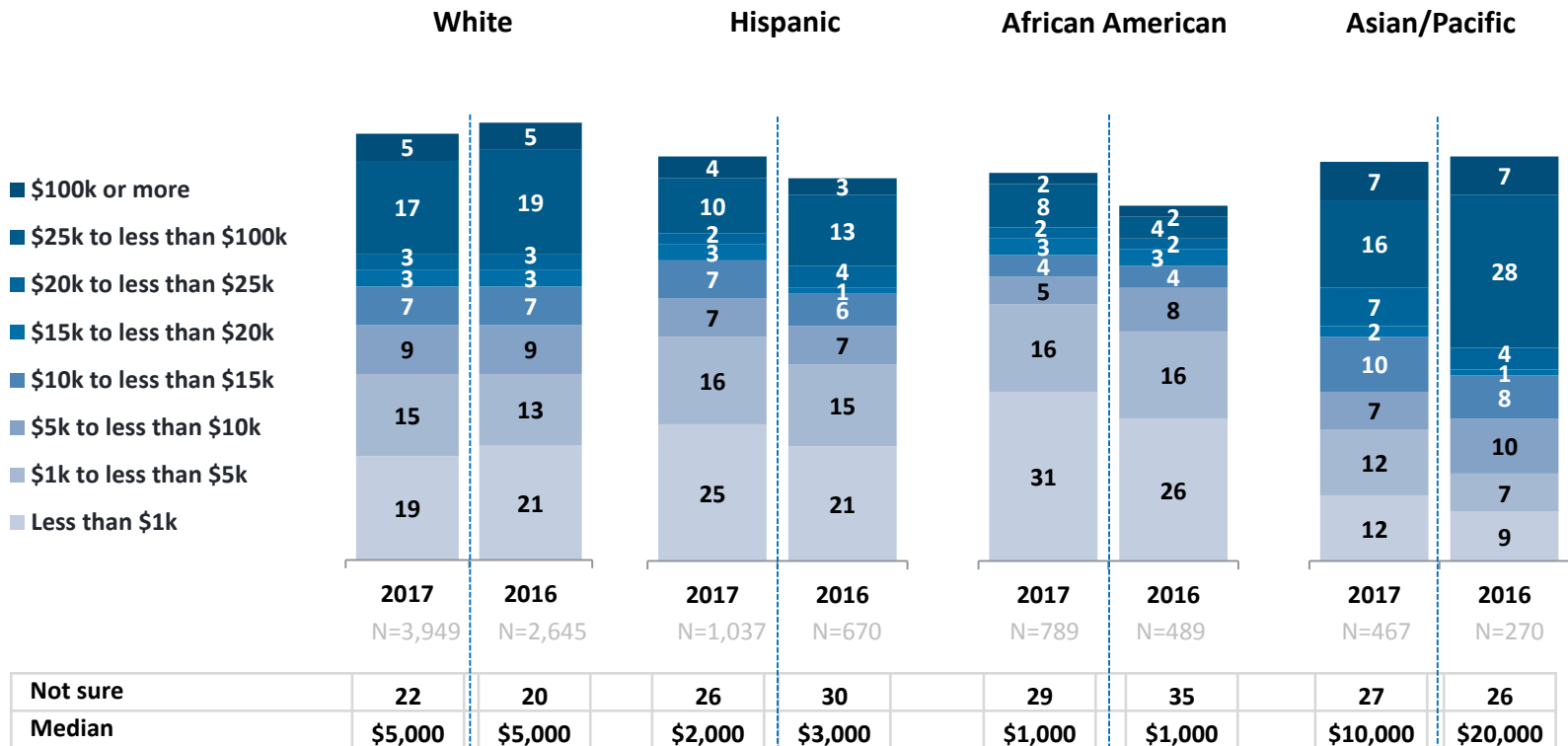
BASE: ALL QUALIFIED RESPONDENTS

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

Estimated Emergency Savings

Emergency savings can help cover the cost of a major financial setback (e.g., unemployment, medical bills, home repairs, auto repairs, other); however, workers report having saved relatively little in this regard. White workers have saved \$5,000 (median), Hispanics have saved \$2,000 (median), African Americans have saved \$1,000 (median), and Asian workers have saved \$10,000 (median). At least one in four Hispanic and African American workers have saved less than \$1,000 for such emergencies.

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



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

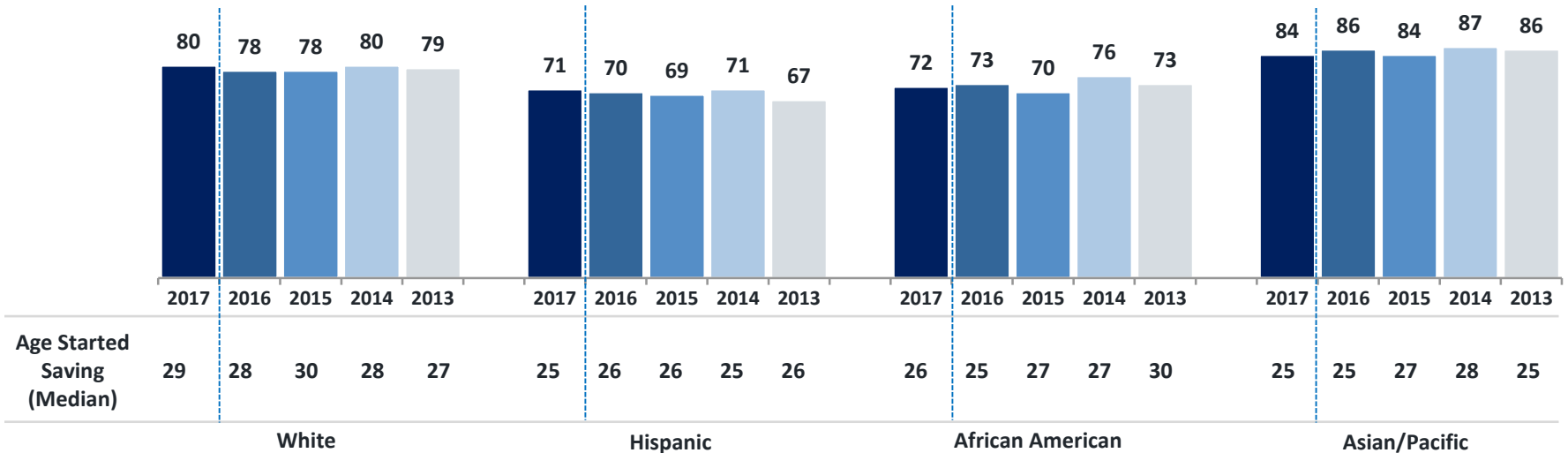
BASE: ALL QUALIFIED RESPONDENTS

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

Saving for Retirement / Age Started Saving

Savings rates vary among ethnic groups. Asian workers (84 percent) are most likely to be saving for retirement through an employer-sponsored retirement plan and/or outside of work, followed by White workers (80 percent), which are both significantly higher than African American (72 percent) and Hispanic workers (71 percent). In terms of the median age that they started saving, Hispanic and Asian workers started at a relatively younger age (age 25), compared to White (age 29) and African American (age 26) workers.

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



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

BASE: THOSE CURRENTLY OFFERED QUALIFIED PLAN

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

BASE: ALL QUALIFIED RESPONDENTS

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

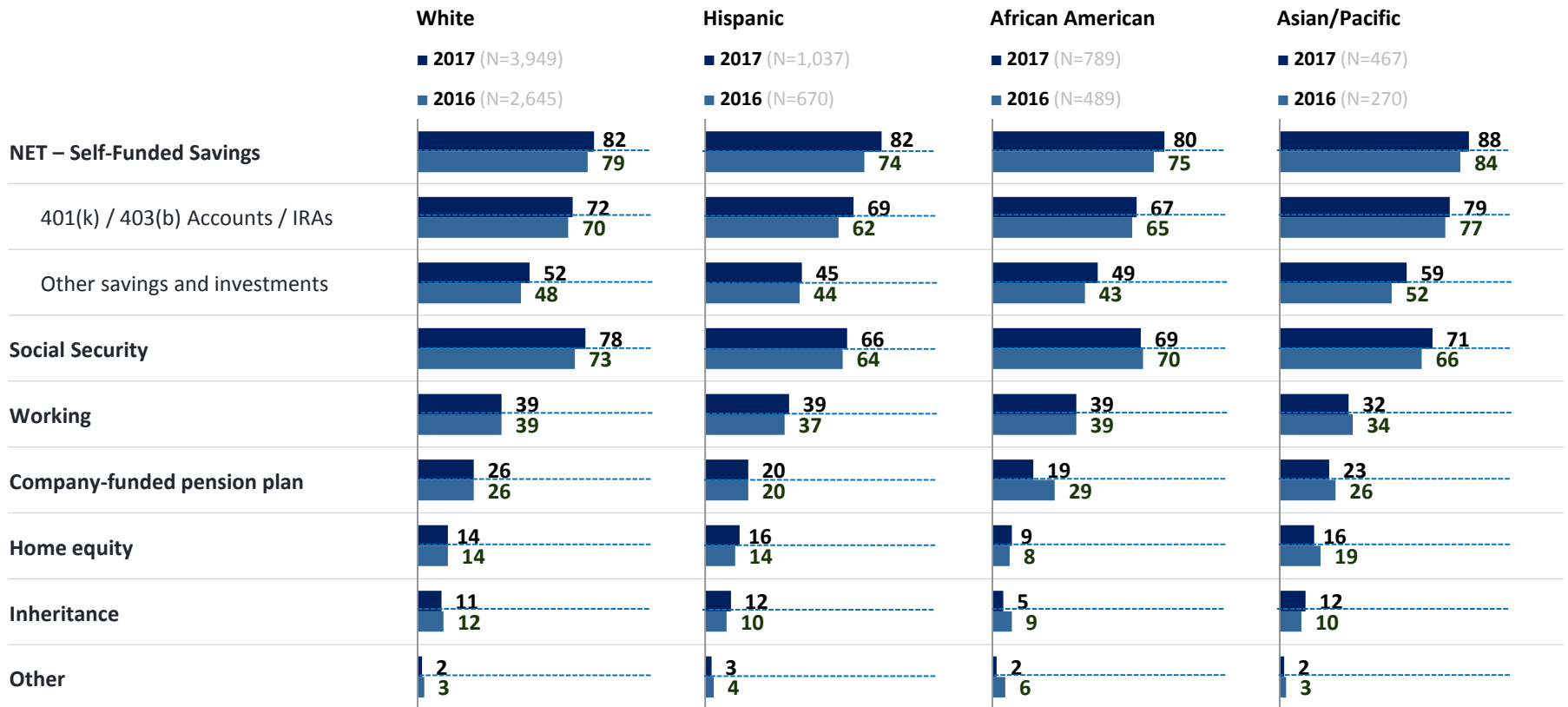
BASE: INVESTING FOR RETIREMENT

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

Expected Sources of Retirement Income

Across ethnicities, the majority of workers expect to have retirement income from self-funded savings including retirement accounts (e.g., 401(k)s, 403(b)s, IRAs) and other savings and investments: 88 percent of Asians, 82 percent of Whites, 82 percent of Hispanics, and 80 percent of African Americans. Expectations of retirement income from Social Security vary somewhat by ethnicity (78 percent of Whites, 71 percent of Asians, 69 percent of African Americans, and 66 percent of Hispanics).

Expected Sources of Income During Retirement (%)



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

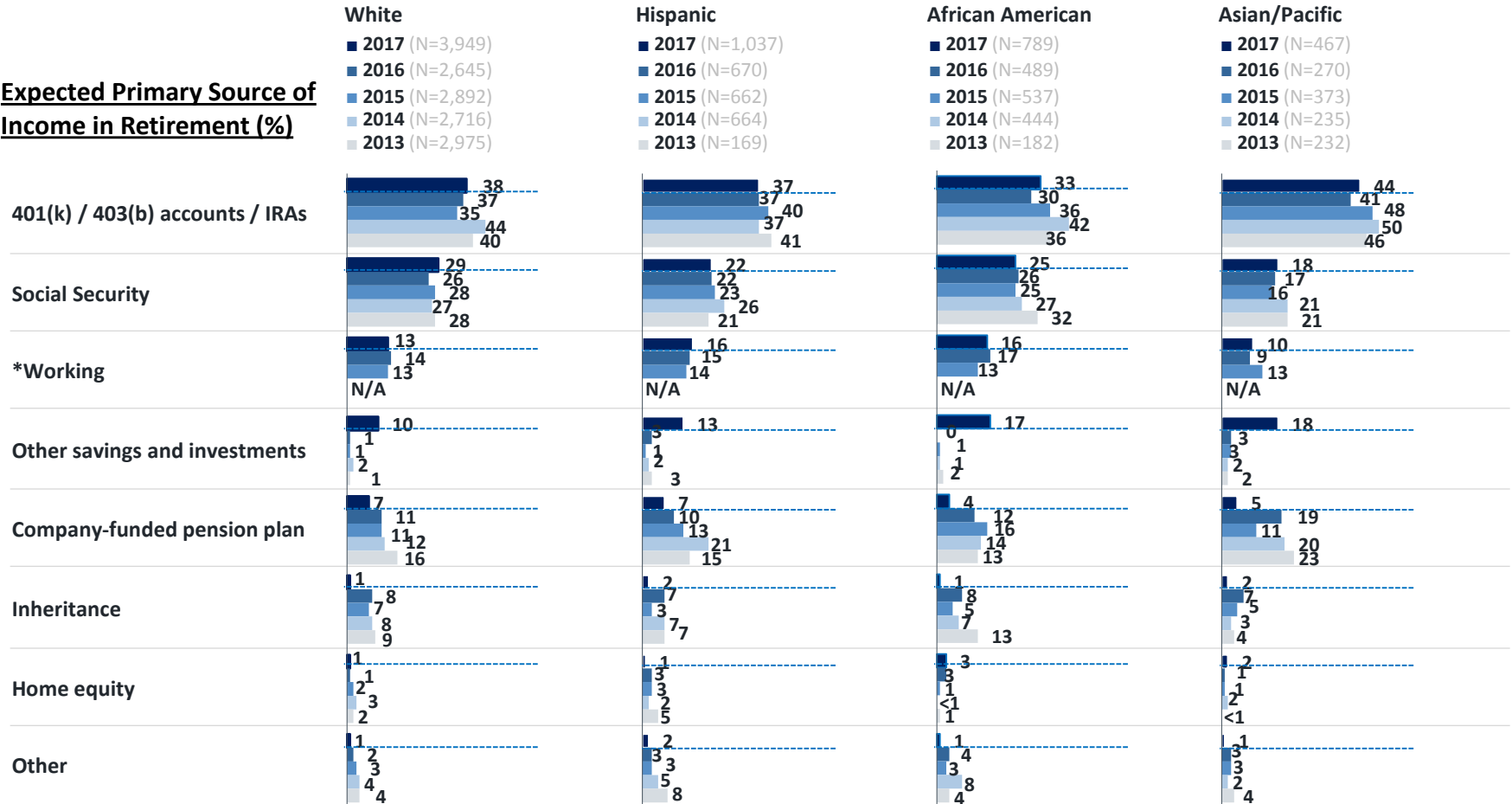
BASE: ALL QUALIFIED RESPONDENTS

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

Expected Primary Source of Income in Retirement

When asked about their expected *primary* source of income in retirement—401(k)s/403(b)/IRAs were the most often identified source across ethnicities. However there are some differences among workers with, Asians (44 percent) being more likely than Whites (38 percent), Hispanic workers (37 percent), and African Americans (33 percent) to expect these retirement accounts to be their primary source of income.

Expected Primary Source of Income in Retirement (%)



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

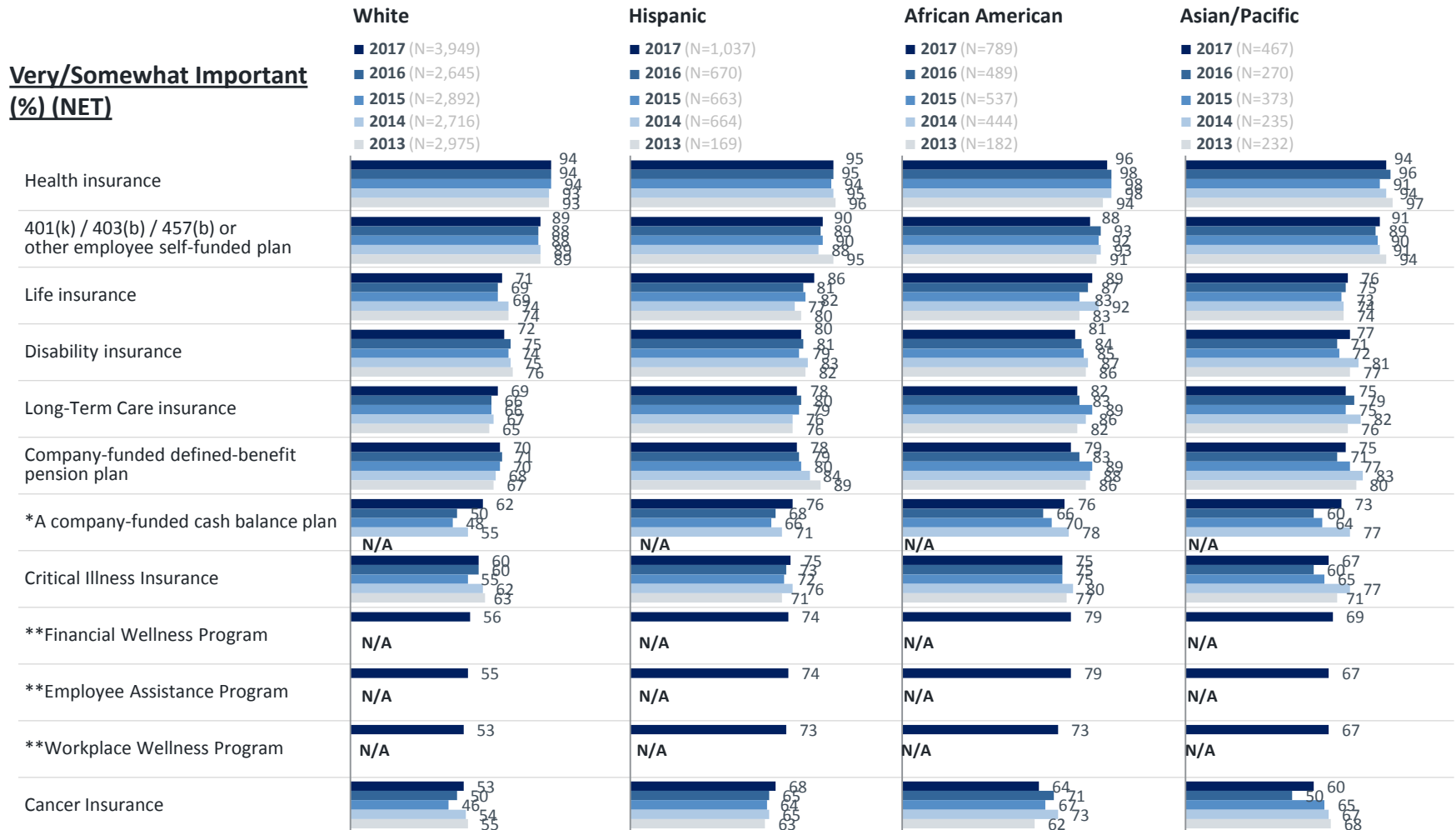
*added in 2015

BASE: ALL QUALIFIED RESPONDENTS

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

Importance of Retirement Benefits Compared to Other Benefits

Approximately nine in 10 workers across ethnicities value a 401(k) or similar employee-funded retirement as an important benefit. They value retirement plans second only to health insurance.



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

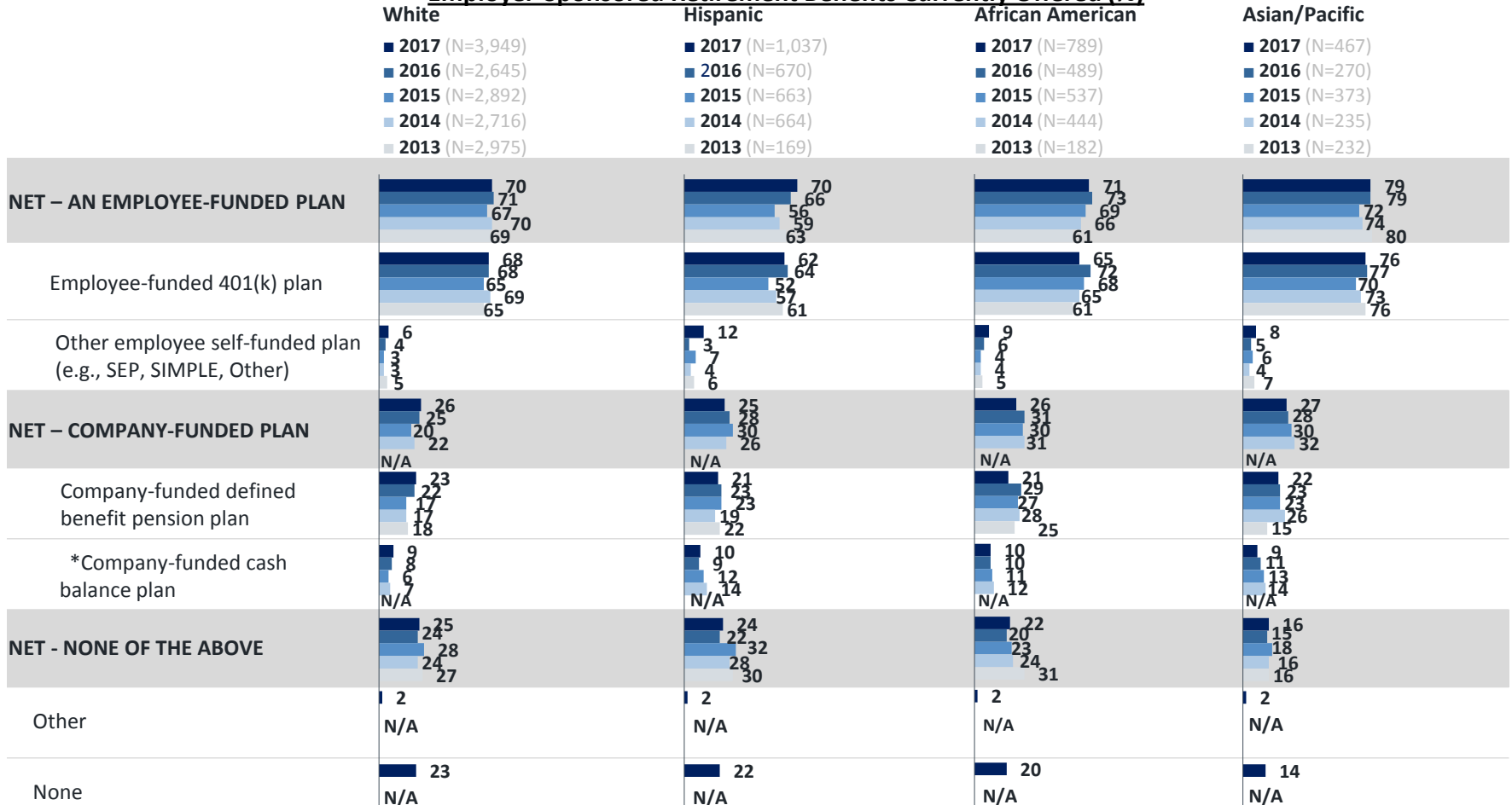
*added in 2014

BASE: ALL QUALIFIED RESPONDENTS Q1170. Businesses typically offer a number of different benefits for their workers. For each of the following, please tell us how important that benefit is to you, personally.

Retirement Benefits Currently Offered

Most workers across ethnic groups are offered a 401(k) or other self-funded plan by their employers. Such access is greatest among Asian workers (79 percent) followed by African American workers (71 percent), Hispanic (70 percent) and White workers (70 percent).

Employer-Sponsored Retirement Benefits Currently Offered (%)



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

*added in 2014

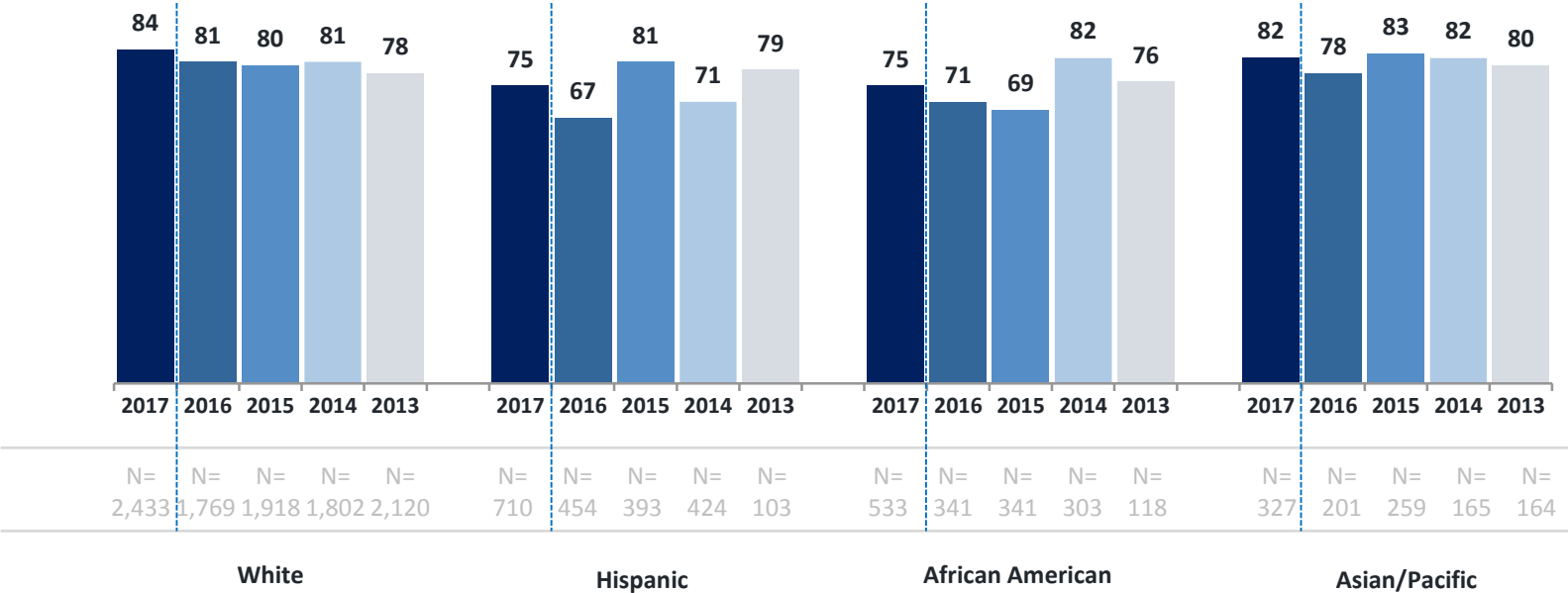
BASE: ALL QUALIFIED RESPONDENTS

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

Retirement Plan Participation

Among workers who are offered a 401(k) or similar plan, the participation rate varies across ethnic groups. White workers (84 percent) are the most likely to be participating in their employer’s plan, followed by Asian (82 percent), African American (75 percent) and Hispanic workers (75 percent). Across all ethnicities, participation in company employee-funded retirement savings plan has increased compared to last year.

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



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

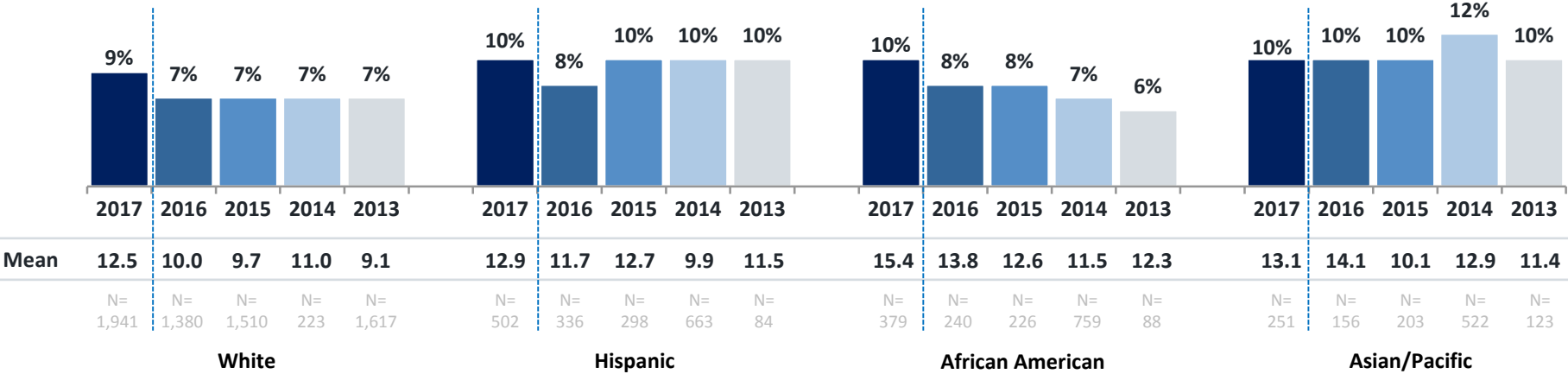
BASE: THOSE CURRENTLY OFFERED QUALIFIED PLAN

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

Retirement Plan Contribution Rate

Of workers who participate in a 401(k) or similar plan, the median contribution rate is almost the same among workers of different ethnicities: Asian, Hispanic, and African American workers (each 10 percent), followed by White workers (9 percent).

Contribution Rate, Median



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

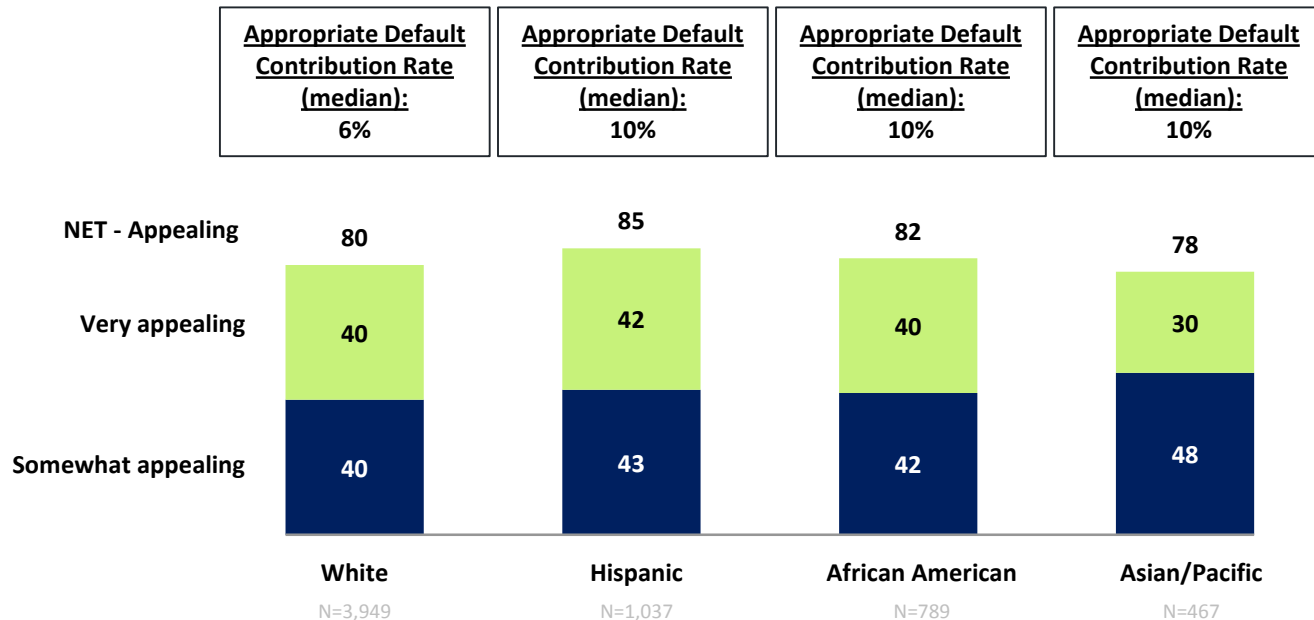
BASE: CURRENTLY PARTICIPATES IN QUALIFIED PLAN

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

Appeal of Automatic Enrollment

Among different ethnic groups, Hispanic workers (85 percent) are more likely to find a feature that automatically enrolls workers into a 401(k), 403 (b) or similar retirement plan to be “very” or “somewhat” appealing, followed closely by African American workers (82 percent), White workers (80 percent), and Asian workers (78 percent). White workers think the default contribution rate should be 6 percent (median) while all others think it should be 10 percent (median).

Appeal of Automatic Enrollment (%)



New question added in 2017

BASE: ALL QUALIFIED RESPONDENTS

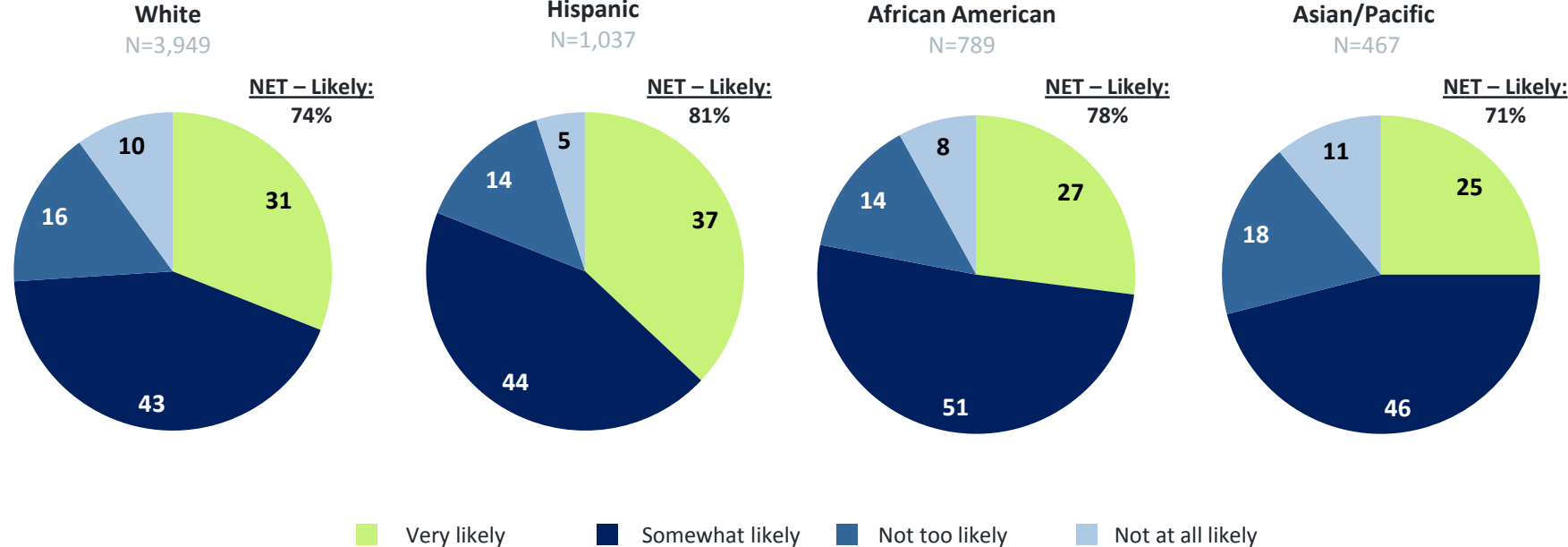
Q635. Imagine that your current employer automatically enrolled you into a 401(k), 403(b) or similar retirement plan, deducting a percentage of each paycheck, and investing it for your future retirement. How appealing would this seem to you?

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

Likelihood of Using Automatic Escalation

Hispanic workers (81 percent) are somewhat more likely to use a feature that automatically increases their contribution to their retirement plans by 1% each year, compared to the 78 percent of African American, 74 percent of White, and 71 percent of Asian workers who say the same.

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



New question added in 2017

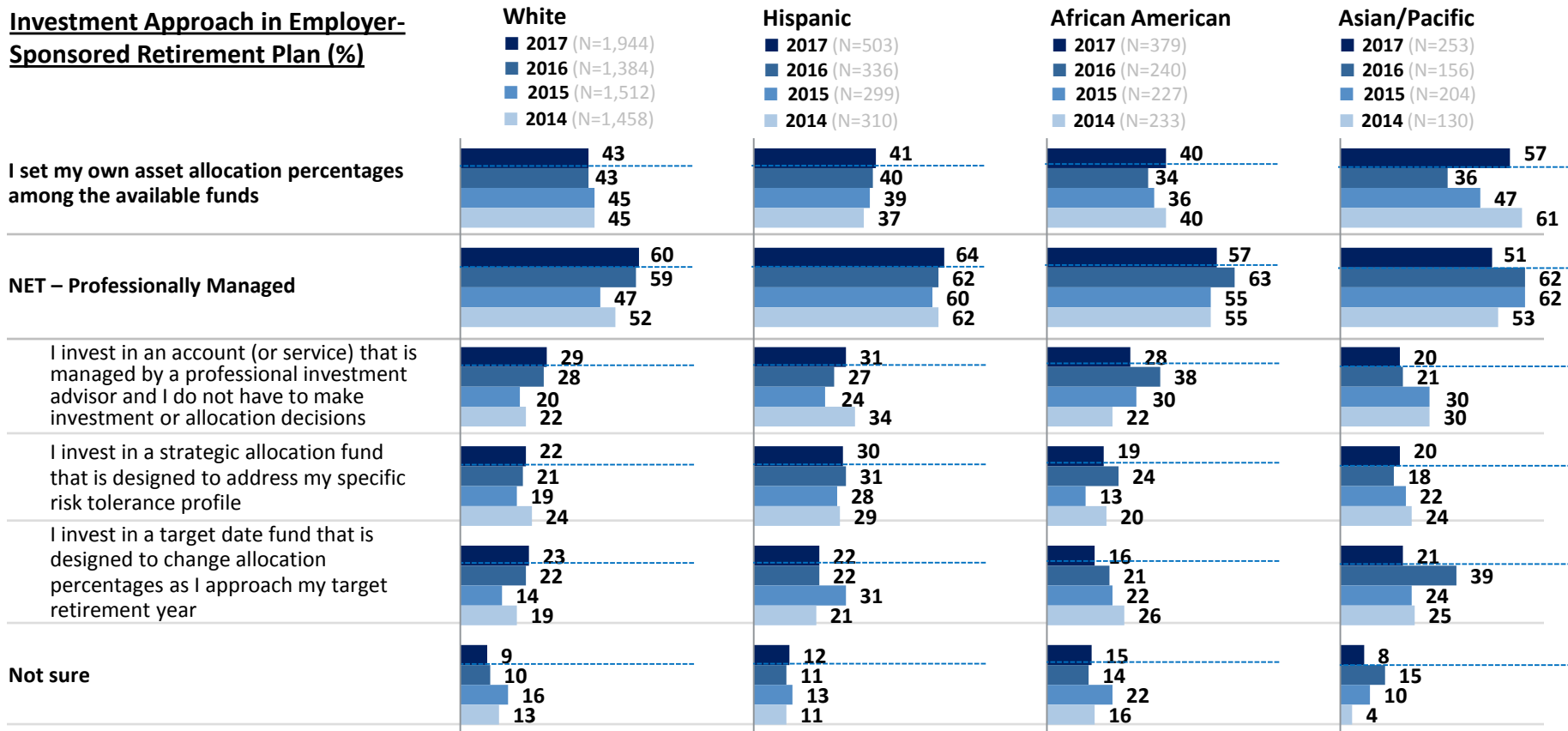
BASE: ALL QUALIFIED RESPONDENTS

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

Use of Professionally Managed Offerings

“Professionally managed” accounts refers to a managed account service, strategic allocation funds, and/or target date funds. Across ethnicities, the majority of retirement plan participants use some form of professionally managed offering in their 401(k) or similar plans: 60 percent of Whites, 64 percent of Hispanics, 51 percent of Asians, and 57 percent of African Americans. Asian workers (57 percent) are more likely to set their own asset allocation percentage among the available funds, compared to White (43 percent), Hispanic (41 percent), and African American (40 percent) workers.

Investment Approach in Employer-Sponsored Retirement Plan (%)



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

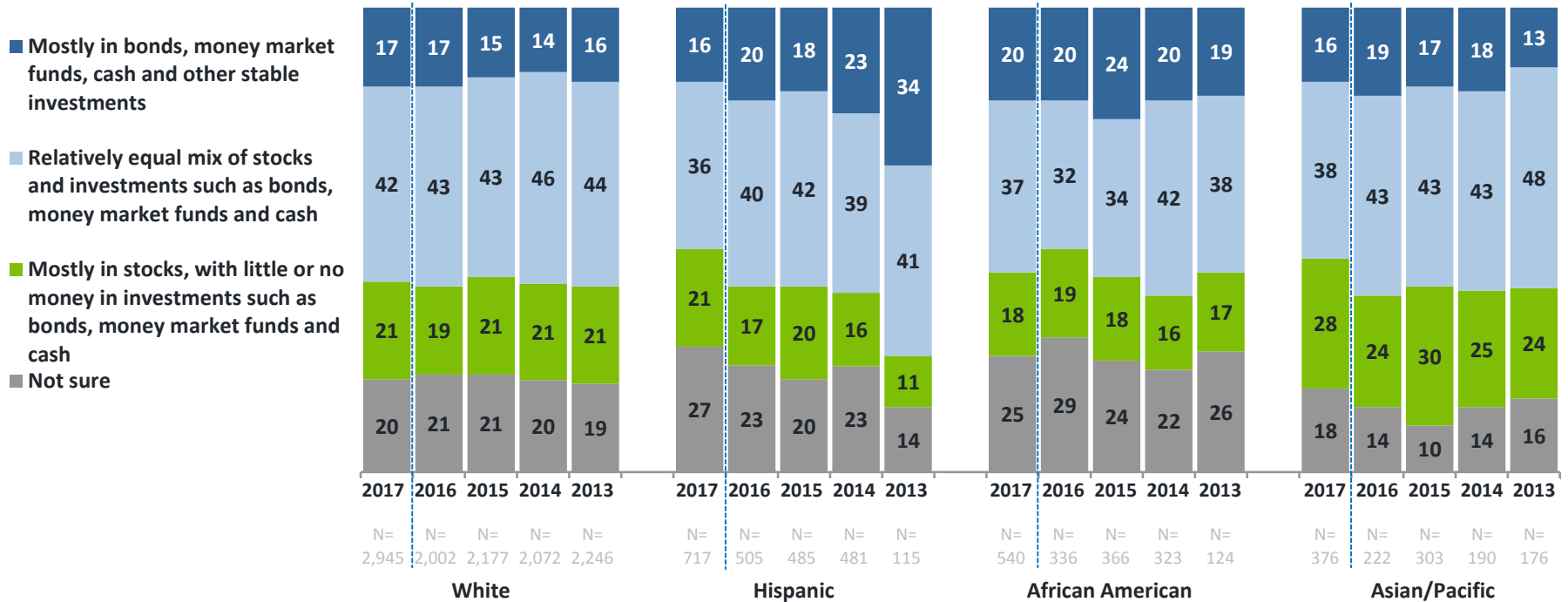
BASE: PARTICIPATING IN QUALIFIED PLAN

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

Asset Allocation of Retirement Investments

Workers across ethnicities most frequently indicate that their retirement savings are invested in a relatively equal mix of stocks and investments such as bonds, money market funds and cash; White (42 percent), Asian, (38 percent), African American (37 percent), and Hispanic (36 percent) workers. At least one in four Hispanic (27 percent) and African American (25 percent) workers are "not sure" how their savings are invested, significantly more than Asian (18 percent) and White (20 percent) workers.

How Retirement Savings Are Invested (%)



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

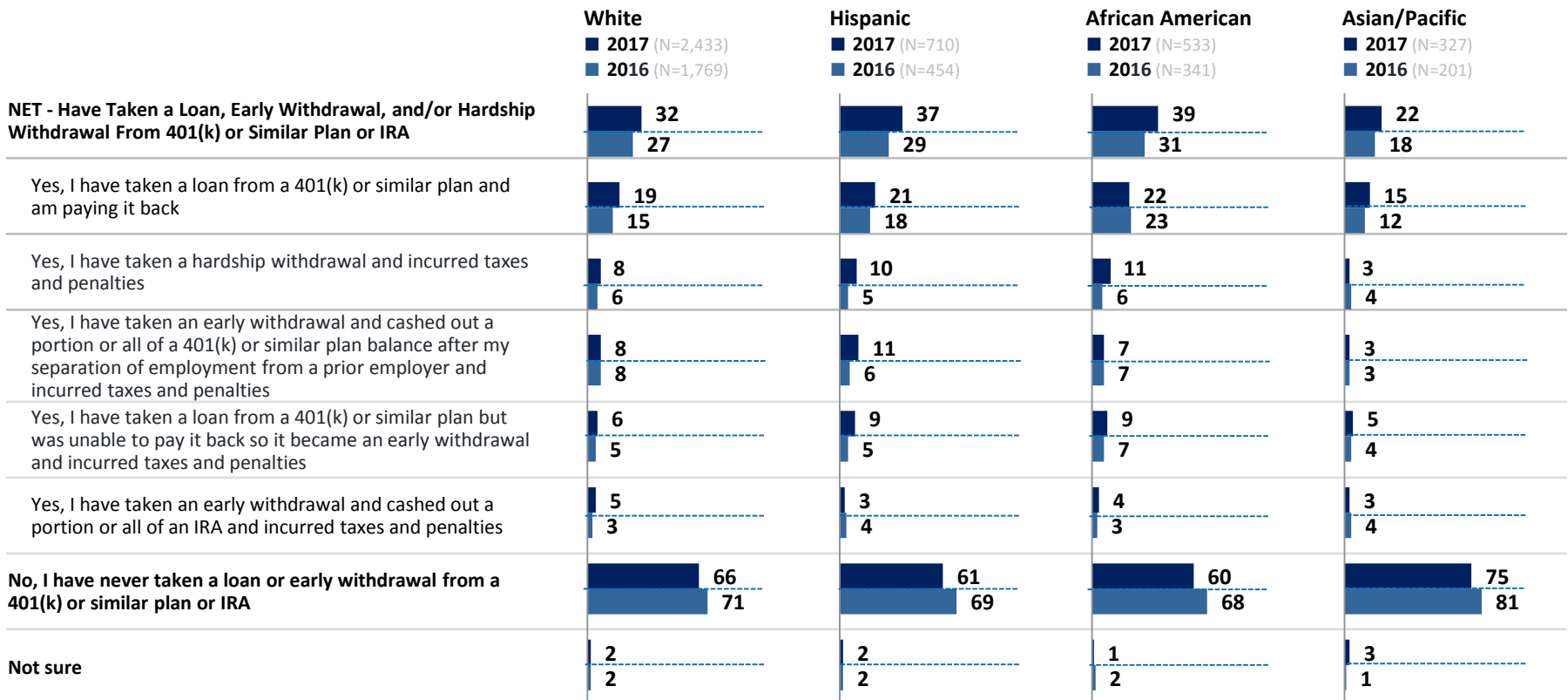
BASE: INVESTING FOR RETIREMENT

Q770. How is your retirement savings invested?

Retirement Plan Leakage: Loans and Withdrawals

“Leakage” from retirement plans in the form of loans and withdrawals can severely inhibit the growth of participants’ long-term retirement savings. Some workers across ethnicities have taken some form of loan, early withdrawal, and/or hardship withdrawal from a 401(k) or similar plan, including African American workers (39 percent) who are most likely to have done so, followed by Hispanic workers (37 percent), White workers (32 percent), and Asian workers (22 percent).

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



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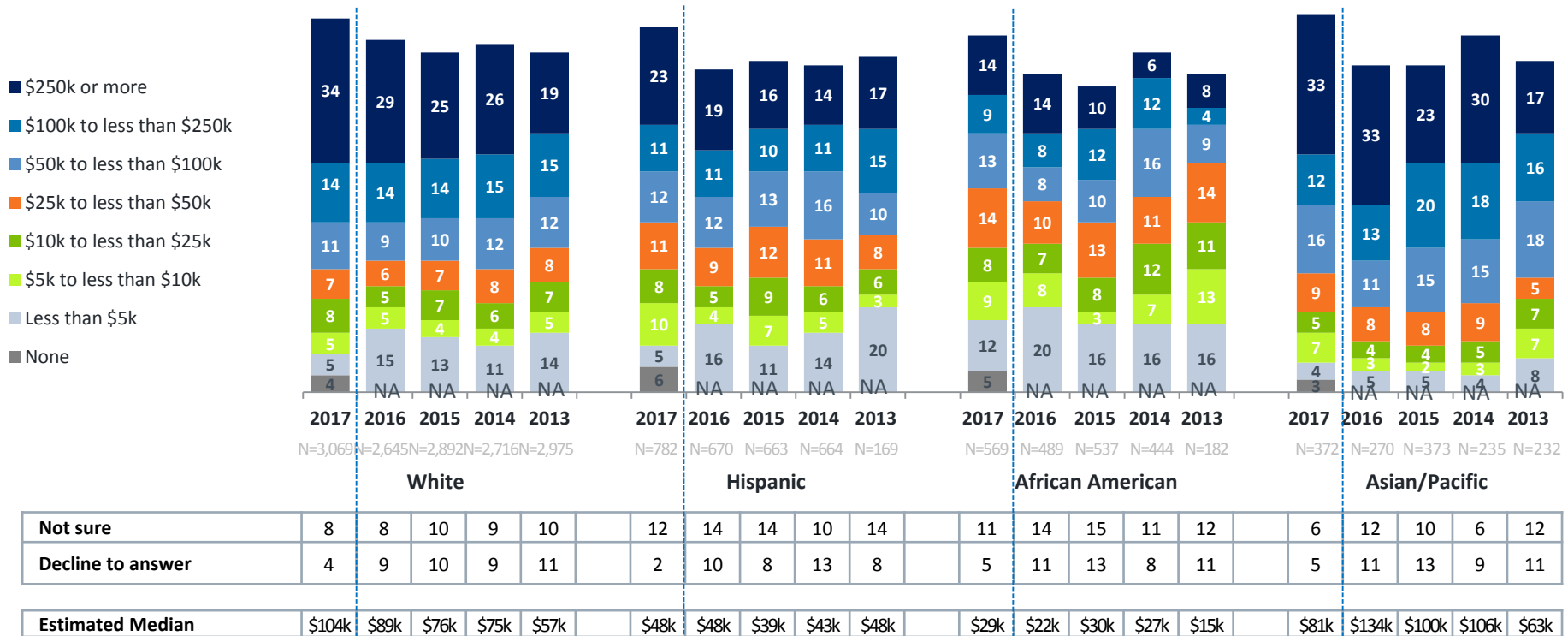
BASE: ALL QUALIFIED RESPONDENTS

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

Total Household Retirement Savings

White and Asian workers have the highest reported total household retirement savings (estimated medians of \$104k and \$81k, respectively). They are also most likely to say that they have saved \$250k or more (34 percent of Whites and 33 percent of Asians). In contrast, Hispanic workers have saved \$48k with 23 percent saving more than \$250k, and African American workers have saved \$29k with 14 percent saving more than \$250k.

Total Household Retirement Savings (%)



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

*added in 2017

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

BASE: ALL QUALIFIED RESPONDENTS

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

Estimated Retirement Savings Needs

Retirement savings needs vary across ethnic groups. Asian workers estimate that they will need to have saved \$1 million (median) by the time they retire in order to feel financially secure. White and Hispanic workers estimate they will need \$500k (median), and African American workers estimate \$250k (median).

	White					Hispanic					African American					Asian/Pacific				
	2017 <small>N=3,949</small>	2016 <small>N=2,645</small>	2015 <small>N=2,892</small>	2014 <small>N=2,716</small>	2013 <small>N=2,975</small>	2017 <small>N=1,037</small>	2016 <small>N=670</small>	2015 <small>N=663</small>	2014 <small>N=664</small>	2013 <small>N=169</small>	2017 <small>N=789</small>	2016 <small>N=489</small>	2015 <small>N=537</small>	2014 <small>N=444</small>	2013 <small>N=182</small>	2017 <small>N=467</small>	2016 <small>N=270</small>	2015 <small>N=373</small>	2014 <small>N=235</small>	2013 <small>N=232</small>
\$2m or more	15	16	29	27	16	15	13	30	24	17	14	10	27	27	11	28	32	36	39	27
\$1m to less than \$2m	22	22	26	23	22	16	19	23	18	16	8	13	22	14	10	25	27	23	35	29
\$500k to less than \$1m	21	23	20	22	23	19	19	18	19	27	18	17	15	19	25	15	18	17	10	15
\$100k to less than \$500k	26	21	18	18	26	27	24	15	26	26	32	32	21	23	31	16	11	11	9	20
Less than \$100k	16	18	7	9	13	23	25	14	12	15	28	28	15	17	23	16	12	13	7	10
Median	\$500k	\$500k	\$1m	\$1m	\$500k	\$500k	\$500k	\$1m	\$650k	\$500k	\$250k	\$250k	\$850k	\$500k	\$300k	\$1m	\$1m	\$1m	\$1m	\$1m

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

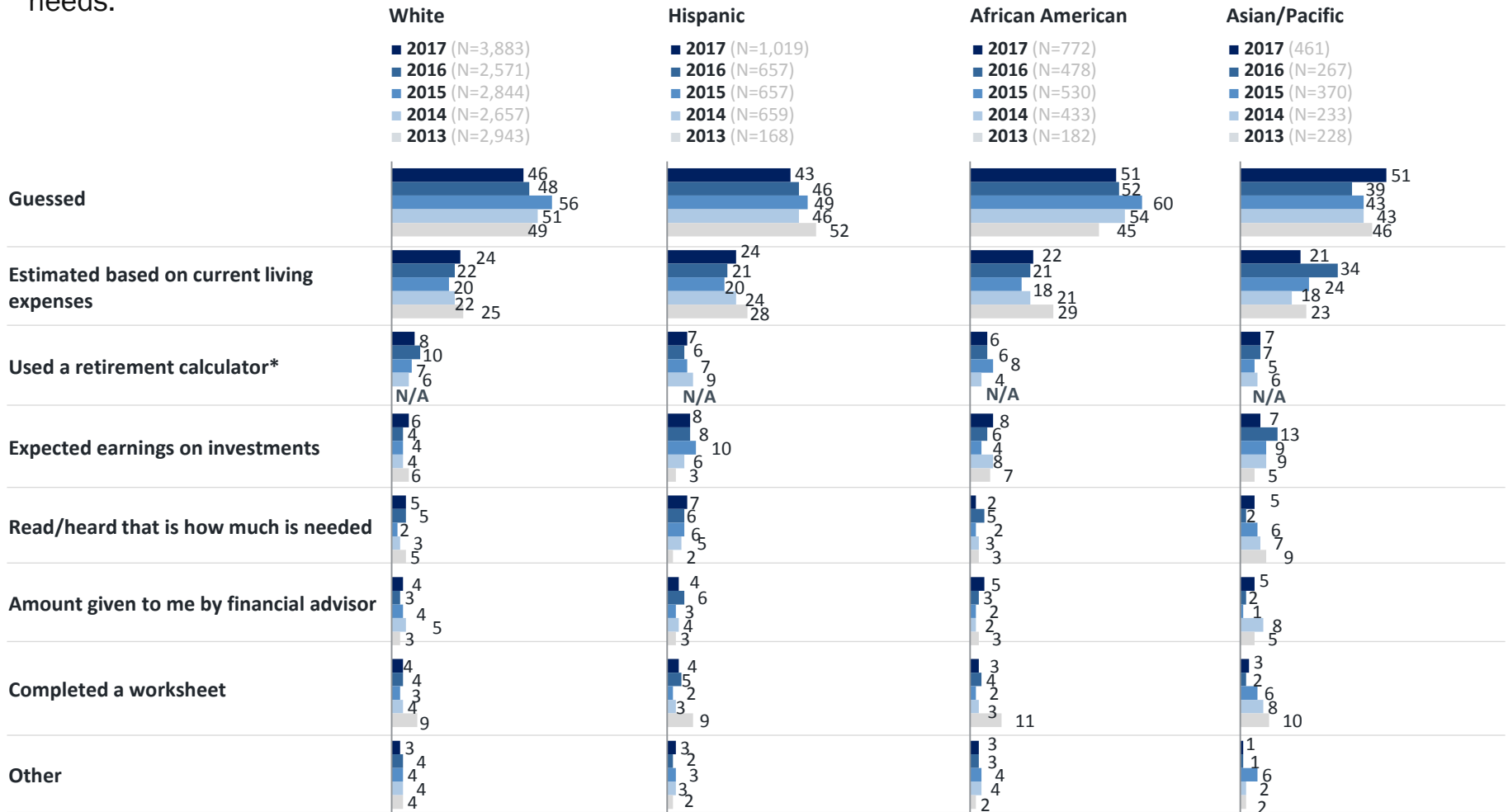
Note: The median is estimated based on the approximate midpoint of the range of each response category.

BASE: ALL QUALIFIED RESPONDENTS

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

Basis for Estimating Retirement Savings Needs

Many workers are “guessing” their retirement savings needs. African American workers (51 percent) and Asian workers (51 percent) are most likely to have guessed compared to White (46 percent) and Hispanic workers (43 percent). Few workers across ethnicities indicate they used a retirement calculator to estimate their savings needs.



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

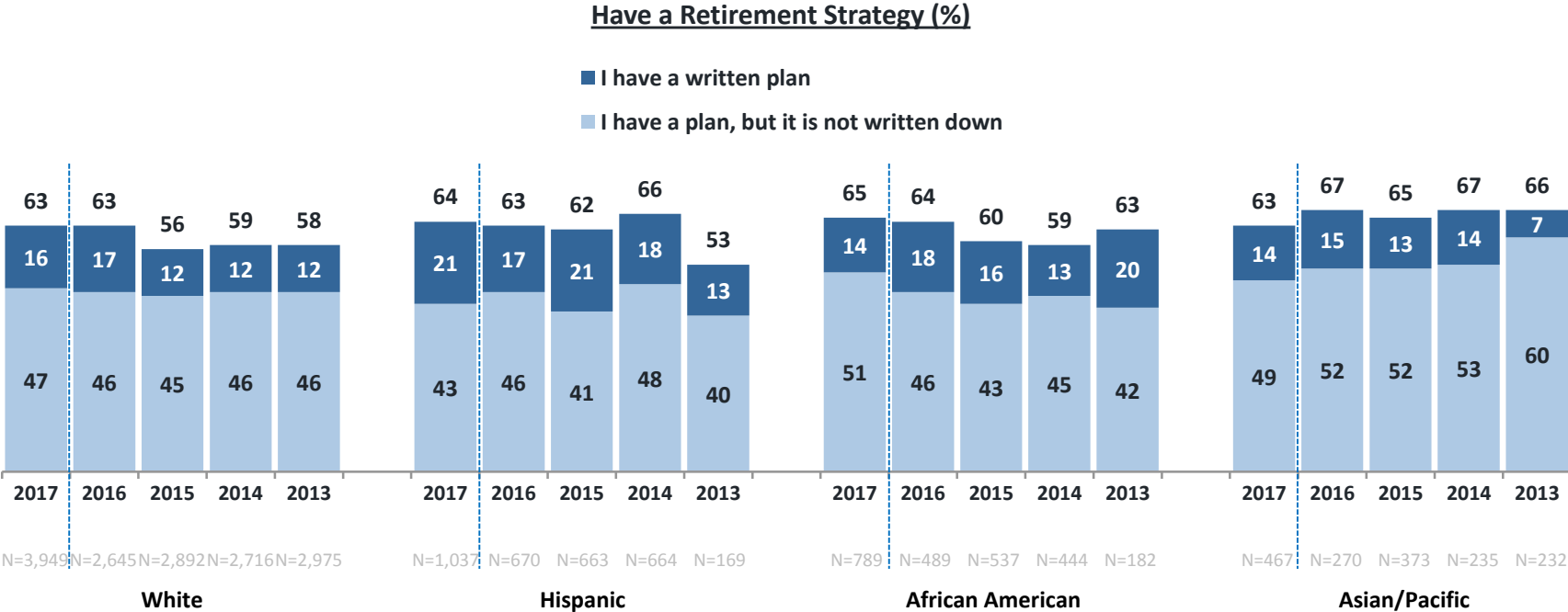
*added in 2014

BASE: PROVIDED ESTIMATE OF MONEY NEEDED FOR RETIREMENT

Q900. How did you arrive at that number?

Retirement Strategy: Written, Unwritten, or None

The majority of workers across ethnicities have some form of retirement strategy (either written or unwritten), including 63 percent of Whites and Asians, 64 percent of Hispanics, and 65 percent of African Americans. However, although few workers across ethnicities have a written strategy, Hispanics (21 percent) are more likely to have their plan written compared to Whites (16 percent), African Americans (14 percent), and Asians (14 percent).



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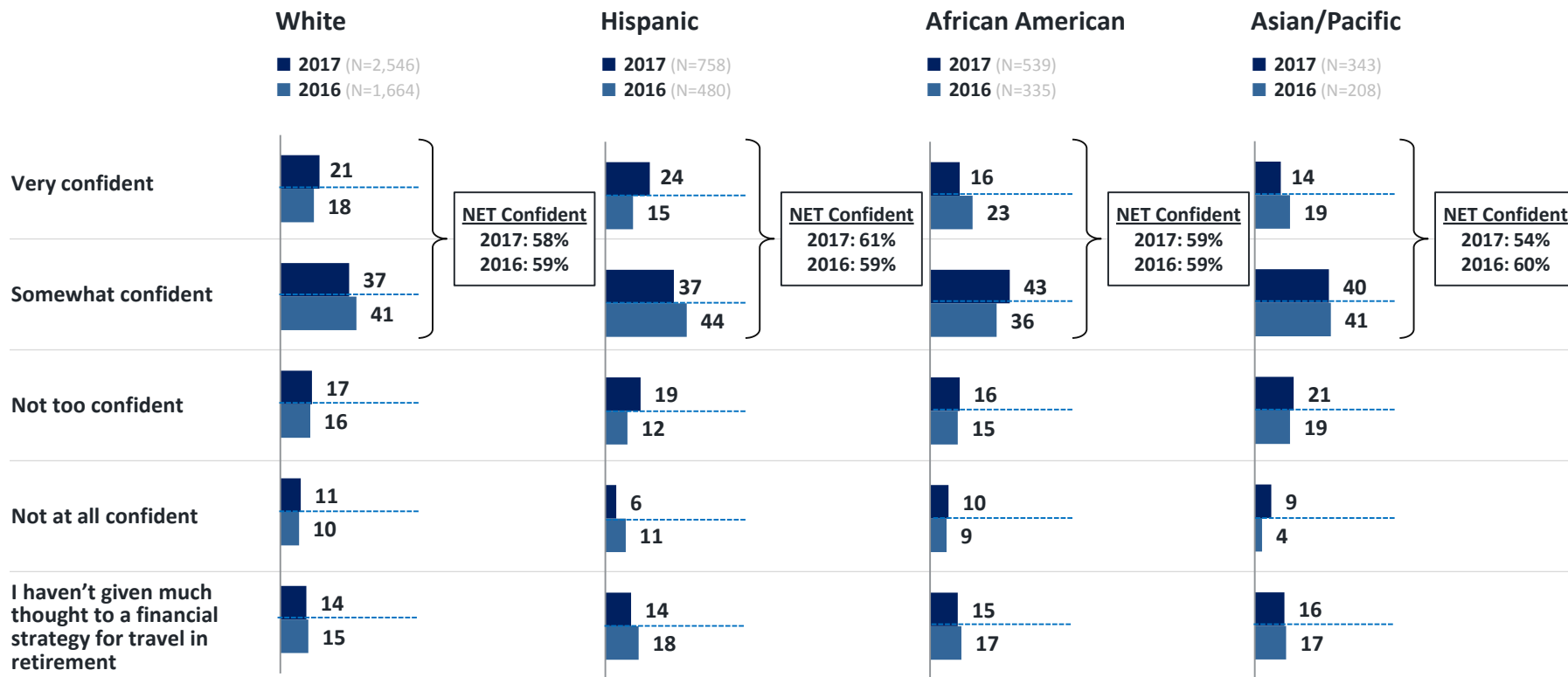
BASE: ALL QUALIFIED RESPONDENTS

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

Confidence that Financial Strategy Will Enable Travel Goals

Among workers who dream of traveling in retirement, the majority are confident their current financial strategy will allow them to meet their travel goals: 58 percent of Whites, 61 percent of Hispanics, 59 percent of African Americans, and 54 percent of Asians. However, relatively few across ethnic groups are “very” confident, and some haven’t given it much thought.

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



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

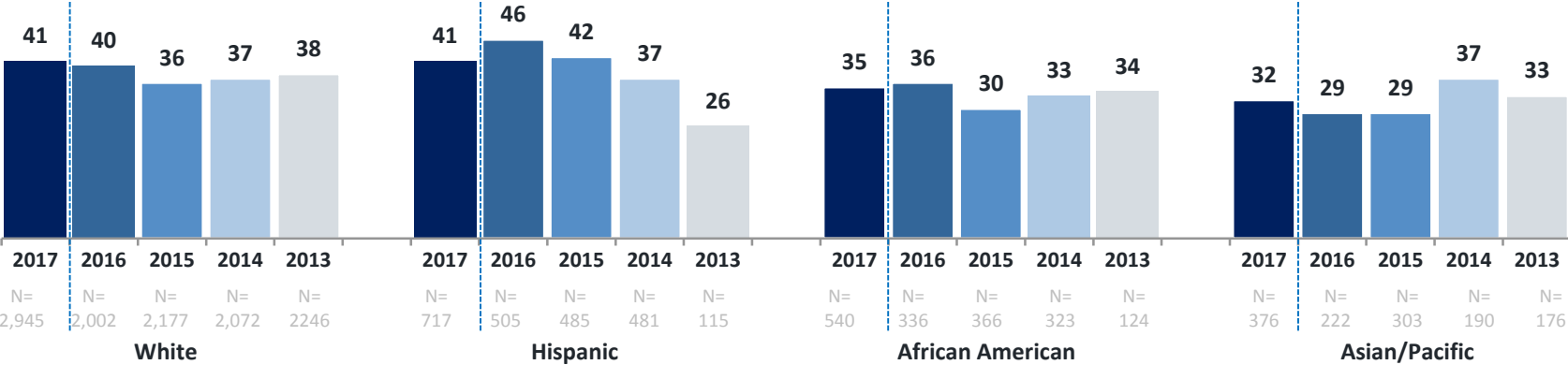
BASE: THOSE WHO DREAM OF TRAVELING IN RETIREMENT

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

Professional Financial Advisor Usage

Among those who are investing for retirement, Hispanic and White workers (both 41 percent) are more likely to use a professional financial advisor to help manage their retirement savings or investments than Asian (32 percent) and African American (35 percent) workers.

Use a Professional Financial Advisor
 % Indicate "Yes"



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

BASE: INVESTING FOR RETIREMENT

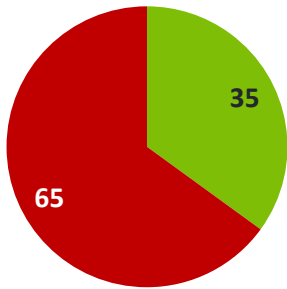
Q860. Do you use a professional financial advisor to help manage your retirement savings or investments?

Awareness of the Saver's Credit

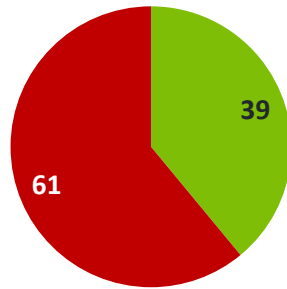
The IRS offers a tax credit to eligible taxpayers who are saving for retirement in a qualified retirement plan or IRA, called the Saver's Credit; however, only about four in ten workers across ethnicities are aware of it. Asian workers (41 percent) are more likely to be aware of the Saver's Credit, compared to Hispanic (39 percent), White (35 percent) and African American (33 percent) workers. Across all ethnicities, awareness of the Saver's credit has increased since last year.

2017

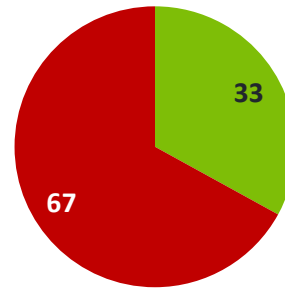
White
2017 (N=3,949)



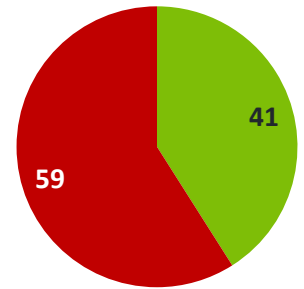
Hispanic
2017 (N=1,037)



African American
2017 (N=789)

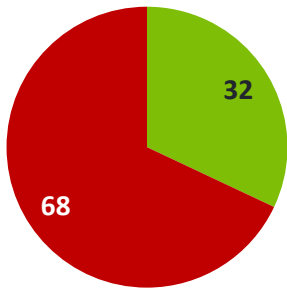


Asian/Pacific
2017 (N=467)

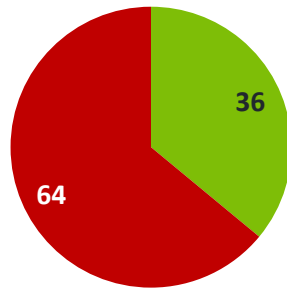


2016

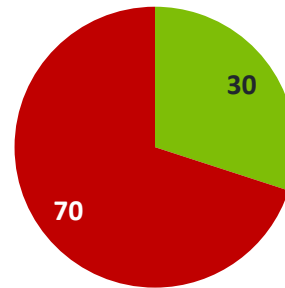
White
2016 (N=2,645)



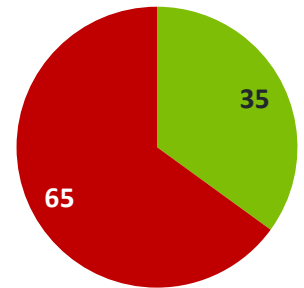
Hispanic
2016 (N=670)



African American
2016 (N=489)



Asian/Pacific
2016 (N=270)



■ Yes, I am aware ■ No, I am not aware

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

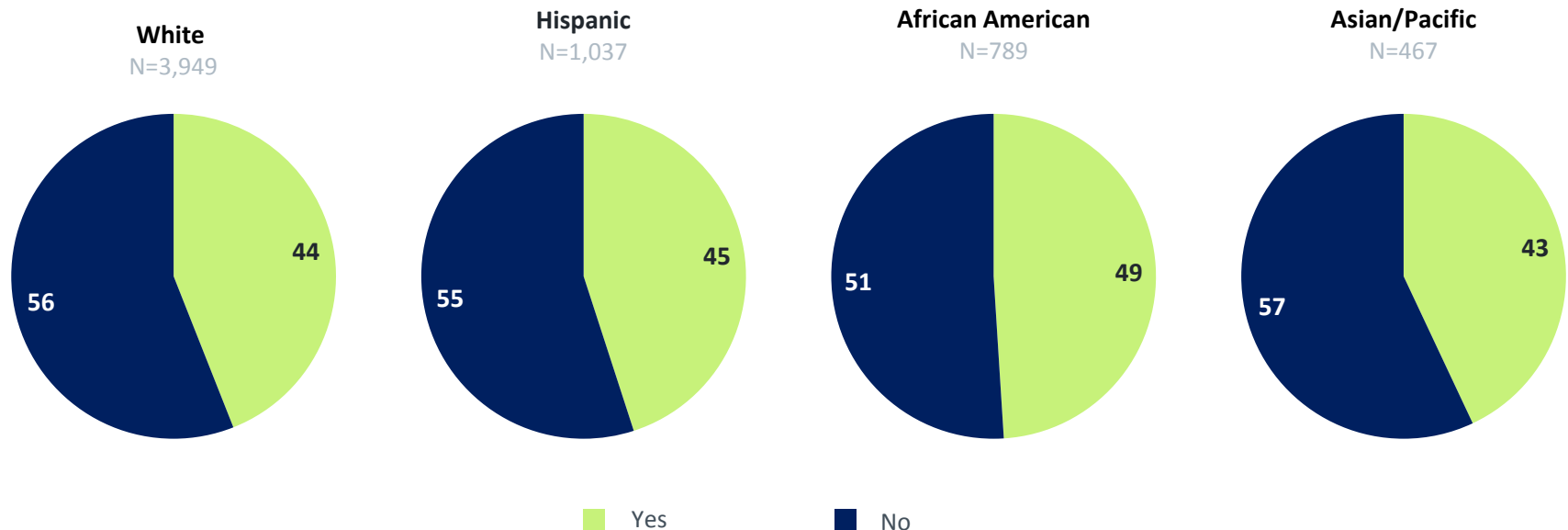
BASE: ALL QUALIFIED RESPONDENTS

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

Awareness of the IRS' Free File Program

Fewer than half of workers across ethnicities are aware of the IRS' Free File Program. African American workers (49 percent) are more likely to be aware of the IRS' Free File Program, which offers federal income tax preparation software for free to eligible tax filers. Forty-five percent of Hispanic workers, 44 percent of White workers, and 43 percent of Asian workers are aware of the program.

Awareness of the IRS' Free File Program (%)



New question added in 2017

BASE: ALL QUALIFIED RESPONDENTS

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

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