



18th Annual Transamerica Retirement Survey

Five-Year Trend Analysis on American Workers' 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:

- ***Five-Year Trend Analysis on American Workers' Retirement Readiness.*** This chapter contains a comprehensive set of more than 50 key measures of retirement preparedness and five-year trend analysis looking at overall survey findings among workers of for-profit companies. Data prior for 2016 and 2017 are from workers in companies of five or more employees and data prior to that are from workers in companies of 10 or more employees.

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:

<u>All Workers</u>		<u>Base Size</u>
• Refers to all workers age 18 and older		N=6,372
<u>Company Size</u>		
• <i>Small Company:</i>	5 to 499 employees	N=3,428
• <i>Large Company:</i>	500 or more employees	N=2,944
<u>Generation</u>		
• <i>Millennial:</i>	Born 1979 – 2000	N=2,593
• <i>Generation X:</i>	Born 1965 – 1978	N=1,586
• <i>Baby Boomer:</i>	Born 1946 – 1964	N=2,076
<u>Gender</u>		
• <i>Women:</i>		N=3,917
• <i>Men:</i>		N=2,432
<u>Household Income</u>		
• <i>Less than \$50,000:</i>		N=2,508
• <i>\$50,000 - \$99,999:</i>		N=2,351
• <i>\$100,000 or more:</i>		N=1,241
<u>Education</u>		
• <i>High School or less:</i>		N=1,107
• <i>Some College or Trade School:</i>		N=1,834
• <i>College Graduate:</i>		N=2,488
• <i>Some Graduate School or Graduate Degree:</i>		N=943
<u>Race</u>		
• <i>White:</i>		N=3,949
• <i>Hispanic:</i>		N=1,037
• <i>African American:</i>		N=789
• <i>Asian/Pacific:</i>		N=467



Five-Year Trend Analysis on American Workers' Retirement Readiness

Detailed Findings

The American Worker – An Overview

The 18th Annual Transamerica Retirement Survey finds that many American workers are still recovering from what is commonly referred to as the Great Recession. Most are focused on saving for retirement and have varying degrees of confidence they will be able to retire comfortably. This year's survey offers a multi-year trend analysis on approximately 60 indicators of retirement readiness. At Transamerica Center for Retirement Studies, our goal is to raise awareness of the issues faced and inspire positive change.

Key Highlights from this 2017 Survey

- **Retirement Confidence Has Recovered but Plateaued.** In 2017, 62 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 44 percent who are “somewhat confident.” This is an improvement over 2013 and 2015, but consistent with 2016. Slightly more than half of workers (54 percent) agree that they are building a large enough retirement nest egg. This number has increased more than 12 percentage points since 2013.
- **Workers Continuing to Recover From the Great Recession.** Many workers (56 percent) say they have not yet fully recovered financially from the Great Recession, with 37 percent saying that they have “somewhat” recovered, 12 percent saying that they have not yet begun to recover, and seven percent saying that they may never recover from it. In contrast, 44 percent of workers say that they have either fully recovered (24 percent) or were not impacted by Great Recession (20 percent).
- **Retirement Dreams Include Leisure and Work.** Workers have many dreams for retirement, including traveling (70 percent), spending more time with family and friends (57 percent), and/or pursuing hobbies (50 percent). Interestingly, 30 percent of workers dream of doing some form of work in retirement. These are largely unchanged from 2016, with the exception being that slightly more workers cite traveling as a dream in 2017.

The American Worker – An Overview

- **Greatest Retirement Fears Range From Financial to Health.** Workers' most frequently cited retirement fear is “outliving my savings/investments” (52 percent), followed closely by “Social Security will be reduced or cease to exist in the future” (48 percent) and “declining health that requires long-term care” (44 percent). Approximately one-third of workers fear lack of adequate and affordable healthcare (38 percent) and cognitive decline, dementia, Alzheimer’s Disease (35 percent).
- **Retirement Beliefs, Preparations, and Involvement.** Many workers have concerns about their life in retirement — the majority (79 percent) believe their generation will have a much harder time achieving financial security compared to their parents’ generation, and 76 percent are concerned that Social Security will not be there for them when they are ready to retire. These concerns present an opportunity for education, with 68 percent of workers admitting they don’t know as much as they should about retirement investing, and two-thirds looking to their company for more information and advice on how to reach their goals.
- **Expected Standard of Living in Retirement.** In 2017, 62 percent of workers expect that their standard of living will stay the same or increase while in retirement. However, one in three workers expect that they will see a decrease in their standard of living during retirement.
- **Expected Retirement Age.** Workers’ expectations regarding when and how they will retire represent a dramatic change from long-held societal notions about fully retiring at age 65. In 2017, the majority of workers (53 percent) plan to work past age 65 (40 percent) or do not plan to retire (13 percent). These survey findings remain relatively consistent with previous years.
- **Planning to Work in Retirement.** Fifty-six percent of workers plan to continue working in retirement, either part-time (42 percent) or full-time (14 percent). Twenty-four percent do not plan to work in retirement and 20 percent are “not sure.” The proportion of workers who plan to work in retirement has gone up slightly since prior years.

The American Worker – An Overview

- **Reasons for Working in Retirement.** Among workers who plan to work in retirement or past age 65, larger proportions do so because of financial reasons (83 percent) than healthy-aging reasons (75 percent). The top financial reason for doing so is because workers want the income (57 percent), while the top healthy-aging reason is to be active (54 percent).
- **Retirement Transitions: Phased Versus Immediate.** Only 23 percent of workers plan to immediately stop working at a specific point in time. Many (47 percent) are planning to transition into retirement by either shifting from full-time to part-time (30 percent) or moving into a less demanding or more personally satisfying role (17 percent). Another 20 percent plan to continue working as long as possible in their current or similar position until they cannot work any longer, and 10 percent are “not sure” about their transition.
- **Phased Retirement and Compensation-Related Expectations.** Among workers who envision a phased transition into retirement, 79 percent agree that if they reduce their work hours at their current employer they would expect to be paid the same hourly rate for hours worked that they are earning now. Seventy-eight percent agree that if they were to take on a new role with fewer responsibilities at their current employer, they would expect their job title to change, while 71 percent agree that if they took on a role with reduced responsibilities they may have a reduction in pay.
- **Where Transition to Retirement May Take Place.** More than half of workers (54 percent) would prefer to stay with their current employer when working past age 65 as they transition into retirement. Another 20 percent each would like to start their own business or change employers. Nineteen percent of workers are “not sure” what they would prefer.
- **Employer Support for Working Past Age 65.** Seventy-two percent of workers agree that their employer is supportive of their employees working past the age of 65. These findings are consistent since 2014.

The American Worker – An Overview

- **Transitioning to Retirement: How Employers Help.** One in four workers (24 percent) indicate their employer allows flexible work schedules or reduced work hours to employees transitioning into retirement. However, one-quarter of workers (25 percent) state that their employer does not do anything to help employees enter retirement, and 24 percent are “not sure.”
- **“Aging Friendly” Employer.** Just over half of workers (56 percent) consider their employer to be “aging friendly,” significantly more than last year, while one-quarter (23 percent) are “not sure.”
- **Very Important Criteria Re: Where to Live in Retirement.** Seven in ten workers (71 percent) cite an affordable cost of living as a very important criterion for choosing where to live in retirement, a finding that is similar to previous years. Being near family and friends (54 percent) is the second most commonly cited criterion. The survey finds a disconnect in that only 25 percent of workers cite employment opportunities as a very important criterion, while 56 percent plan to work in retirement.
- **Proactive Steps to Continue to Working in Retirement.** When asked what steps they are taking to help ensure they can continue working past age 65 or in retirement, 62 percent of workers say they are staying healthy so that they can continue working, while 56 percent say that they are focusing on performing well at their current job. Only 46 percent say they are keeping their job skills up to date. Even fewer workers are networking and meeting new people (21 percent), scoping out the employment market (18 percent), or going back to school and learning new skills (13 percent).
- **Level of Concern About Health in Older Age.** Almost three in four workers (73 percent) are concerned about their health in older age. Half of workers are somewhat concerned while 23 percent are very concerned.
- **Engagement in Health-Related Activities on a Consistent Basis.** Nearly all workers (96 percent) are doing at least one health-related activity on a consistent basis, with more than half of workers eating healthfully (56 percent), exercising regularly (54 percent), maintaining a positive outlook (53 percent), seeking medical attention when needed (53 percent), and/or avoiding harmful substances (50 percent).

The American Worker – An Overview

- **Perceptions of Older Workers.** Eighty-four percent of workers have a positive perception of workers age 50 and older compared to younger workers in today’s workforce, while 54 percent of workers hold a negative perception. The most common positive perception is that they bring more knowledge, wisdom, and life experience (62 percent), while the most common negative perception is that they have higher healthcare costs (28 percent).
- **Age That Workers Consider a Person to Be “Too Old” to Work.** A majority of workers (54 percent) believe it is not a particular age when they consider a person “too old” to work but “it depends on the person.” Of those who provided an age deeming a person “too old” to work, the median age is 75.
- **Age That Workers Consider a Person to Be “Old.”** Two in five workers (40 percent) believe that there it is not a particular age when they consider a person to be “old,” but rather “it depends on the person.” Of those who provided an age, the median age when workers deem a person to be “old” is 70, with the largest proportion of responses falling between ages 70 and 79 (18 percent).
- **Planning to Live to Age ...** Workers in 2017 are planning to live to age 90 (median), an increase from 86 (median) in 2016. About half (49 percent) are planning to live to age 80 or older. Thirty-two percent are planning to live to age 90 or older. Fourteen percent are planning to 100 or older. And four in ten workers (41 percent) say that they are “not sure.”
- **Current Financial Priorities.** “Paying off debt” (NET) is the most frequently cited current financial priority among workers (66 percent), with paying off credit card debt the most cited within this category (43 percent). Building savings (59 percent), and saving for retirement (57 percent) follow closely. Thirty-four percent cite “just getting by to cover basic living expenses.”

The American Worker – An Overview

- **Greatest Financial Priority.** “Paying off debt” (NET) (29 percent) is the most frequently cited *top* financial priority among workers. Other top priorities are saving for retirement (19 percent) “just getting by – covering basic living expenses” (17 percent), and paying off credit card debt (16 percent).
- **Types of Household Debt.** A large majority (86 percent) of American workers’ households carry at least some form of debt with credit card debt being most prevalent (59 percent), followed by a mortgage (43 percent), or a car loan (40 percent). Only 14 percent of households have no debt.
- **Emergency Savings Are Low.** Many workers have little in terms of emergency savings specifically to cover the cost of major financial setbacks such as unemployment, medical bills, home repairs, auto repairs, and other. Workers have saved \$5,000 (median) to cover such emergencies. Thirty-six percent of workers report having saved less than \$5,000. Only 19 percent say that they have saved more than \$25,000.
- **Saving for Retirement / Age Started Saving.** Seventy-seven percent of workers are saving for retirement through an employer-sponsored retirement plan and/or outside of work. The median age workers begin saving for retirement is age 27. These findings are consistent since 2013.
- **Expected Sources of Retirement Income.** Self-funded savings including retirement accounts (e.g., 401(k)s, 403(b)s, IRAs) and other savings and investment are the most frequently cited sources of retirement income expected by workers (82 percent), followed by Social Security (74 percent). Today’s workers are expecting diverse sources of income, including 39 percent who cite “working” as an expected source of retirement income. Company-funded pension plans (23 percent), home equity (14 percent), and inheritance (11 percent) are less frequently cited by workers.

The American Worker – An Overview

- **Primary Source of Retirement Income.** Many workers expect to self-fund their retirement, either through 401(k)s or similar accounts and/or IRAs (38 percent), or other savings and investments (12 percent). Twenty-six percent of workers plan to rely on Social Security as their *primary* source of income in retirement. This year’s survey found that 14 percent expect that income from “working” will be their primary source of income to cover living expenses when they retire.
- **Importance of Retirement Benefits Compared to Other Benefits.** Workers highly value employer-sponsored retirement benefits — 88 percent of workers say that an employee-funded retirement plan is “very” or “somewhat” important and 72 percent indicate pension plans are important. Health insurance continues to be the most frequently cited important benefit (95 percent).
- **Importance of Retirement Benefits in Job Selection.** The majority of workers (81 percent) agree that the retirement savings programs offered by a prospective employer will be a major factor in their job search decision, a slight increase from previous years.
- **Better Retirement Benefits Versus Higher Salary.** When selecting between two hypothetical job offers, workers are equally likely to say they would select a job with a higher than expected salary, but poor retirement benefits (50 percent) versus a job with excellent retirement benefits, but only meeting minimum salary requirements (50 percent).
- **Workers May Switch Employers for Better Retirement Benefits.** The majority of workers (65 percent) whose employers do *not* offer a retirement plan would be likely to switch jobs for a similar job with a retirement plan. Among all workers, more than half (59 percent) would switch jobs for a better retirement plan. These are up somewhat from previous years.

The American Worker – An Overview

- **Health & Welfare Benefits Currently Offered.** The vast majority of workers (77 percent) are offered health insurance at their company. Life insurance (55 percent) and disability insurance (45 percent) are also commonly offered. These trends have remained relatively consistent over the past five years.
- **Retirement Benefits Currently Offered.** Seventy-one percent of workers are offered employee-funded retirement plans such as 401(k)s and/or other employee-funded plans. A quarter (26 percent) are offered a company-funded pension plan. However, 22 percent of workers are not offered any type of retirement plan.
- **Retirement Plan Participation and Contribution Rates.** Among workers who are offered an employee-funded retirement plan, participation is relatively high at 81 percent, slightly higher than last year. The median percentage of salary being saved in 2017 is 10 percent of annual pay, an increase from prior years.
- **Reasons for Not Participating in Retirement Plan.** Among workers not participating in their company-sponsored plan, the reason most frequently cited is being financially stretched with other financial priorities (33 percent). Almost one in five cite that they save for retirement in other ways (19 percent).
- **Appeal of Automatic Enrollment.** Eight in ten workers (81 percent) find automatic enrollment by their current employer into an employee sponsored retirement plan appealing. If workers were to be automatically enrolled, the median default contribution rate they feel is appropriate is 7 percent.

The American Worker – An Overview

- **Likelihood of Using Automatic Escalation.** Three in four workers (75 percent) are either somewhat likely (44 percent) or very likely (31 percent) to use a feature that would allow their employer to automatically increase the contribution rate in their 401(k) or similar plan by 1% each year, until they choose to discontinue the increase.
- **Understanding of Asset Allocation Principles.** Workers have a limited understanding of asset allocation as it relates to retirement investing, with only one in four workers (24 percent) saying they understand asset allocation principles “quite a bit” or “a great deal.” Thirty-seven percent say they have no understanding of asset allocation principles, which has been increasing over the past five years.
- **Use of Professionally Managed Offerings.** Three in five workers who participate in their employer-sponsored 401(k) or similar plan (59 percent) say they use some sort of automatic allocation approach to investing their retirement plan assets, such as a managed account, strategic allocation fund and/or target date fund. Forty-three percent prefer a more do-it-yourself approach and set their own asset allocation percentages among the available funds. Ten percent are “not sure.”
- **Asset Allocation of Retirement Savings.** Among those who are saving for retirement, 40 percent of workers indicate that their retirement savings are invested in an equal mix of stocks and bonds. A concerning 22 percent of workers are “not sure” how their retirement savings are 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. One in three workers (33 percent) have taken some form of loan, early withdrawal, and/or hardship withdrawal from a 401(k) or similar plan or IRA.

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- **Reasons for Taking Plan Loans.** Among workers who have taken a retirement plan loan, the most frequently cited reason for doing so is to pay off debt (35 percent), including credit card debt (24 percent) and/or other debt (20 percent). Other reasons for taking a loan include a financial emergency (24 percent), medical bills (23 percent), or unplanned major expenses (21 percent).
- **Reasons for Taking Hardship Withdrawals From Plans.** Among workers who have taken a hardship withdrawal from their employer-sponsored retirement plan, one in five (24 percent) say the primary reason for the withdrawal is to prevent eviction from their home, and another 17 percent say it is to pay for certain medical expenses.
- **Saving for Retirement Outside of Work.** The majority of workers (59 percent) are saving for retirement outside of work in an IRA, mutual fund, bank account or other vehicle. This is a slight increase from last year.
- **Household Retirement Savings.** Total household retirement savings among workers is \$71,000 (estimated median), a slight increase from last year. In 2017, 10 percent of workers have saved less than \$5,000 in household retirement accounts, while 25 percent have less than \$25,000 saved. In contrast, 30 percent of workers report having saved more than \$250,000 in household retirement accounts.
- **Information Sources: Retirement Planning & Investing.** Friends and family (35 percent) continue to be the top source of information for workers when it comes to retirement planning and investing. Other popular information sources include financial websites (33 percent), financial planners/brokers (28 percent), and retirement plan provider websites (23 percent).

The American Worker – An Overview

- **Helpfulness of Resources Offered by Retirement Plan Provider.** Among those offered a retirement plan, quarterly statements from the retirement plan provider continue to be seen as the most helpful resource for retirement planning, saving, and investing. This is followed closely by professional advice. Workers are more likely to say mobile apps from the retirement plan provider are helpful this year than last year.
- **Motivators to Learn More About Retirement Investing.** Workers most frequently cite “a good starting point that is easier to understand” and “educational materials that are easier to understand” as potential motivators for learning more about saving and investing for retirement. Both of these are somewhat higher than prior years. Nine percent of workers feel that they are already educated enough and seven percent say that they are just not interested in learning more about retirement.
- **Use a Professional Financial Advisor.** Among workers investing for retirement, 40 percent use a professional advisor to help manage their retirement savings or investments. Of those who use advisors, most do so to get retirement investment recommendations (69 percent), general financial planning (48 percent), and/or to help calculate a retirement goal (47 percent).
- **Estimated Retirement Savings Needs.** Workers estimate they will need to have saved \$500,000 (median) by the time they retire in order to feel financially secure, a survey finding consistent with last year but lower than 2015 and 2014. In 2017, 36 percent of workers estimate they will need \$1 million or more.
- **Basis for Estimating Retirement Savings Needs.** Among workers who provided an estimate of their retirement savings needs, 46 percent say they “guessed” when asked how they arrived at their estimate. Twenty-three percent estimated the amount based on current living expenses. Only seven percent used a retirement calculator.

The American Worker – An Overview

- **Retirement Strategies: Written, Unwritten, or None.** Sixty-three percent of workers have some form of a retirement strategy – but only 16 percent have a written plan, while 47 percent have a plan that is not written down. Conversely, 37 percent of workers do not have a retirement strategy. These findings are consistent with previous years.
- **Retirement Strategies: Factors.** Workers who have a retirement strategy take into account many different factors in their planning, including Social Security and Medicare benefits (58 percent), on-going living expenses (54 percent), and total retirement savings and income needs (49 percent). Workers are not as likely to factor in long-term care needs (30 percent), tax planning (23 percent), or estate planning (19 percent).
- **Confidence that Financial Strategy Will Enable Travel Goals.** Among workers who dream of traveling in retirement, 59 percent are “very” or “somewhat” confident that their current financial strategy will allow them to meet their travel goals throughout retirement. Thirteen percent say that they haven’t given much thought to a financial strategy for travel.
- **Backup Plans if Unable to Work Before Planned Retirement.** The majority of workers (58 percent) do not have a backup plan for retirement income if they are unable to work before their planned retirement. One-quarter (28 percent) do have a backup plan, up slightly from prior years.
- **Awareness of Roth 401(k).** Among workers who are offered a retirement plan, 75 percent are aware of a Roth 401(k) option (including those who are and who are not offered the option).

The American Worker – An Overview

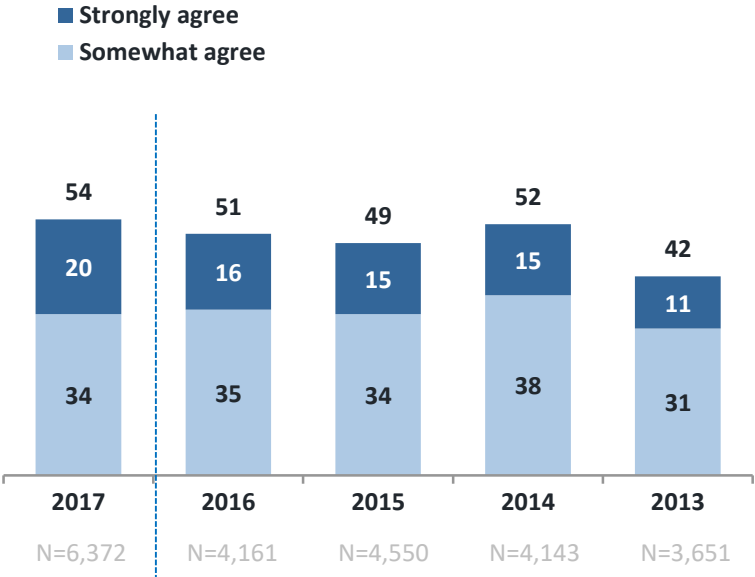
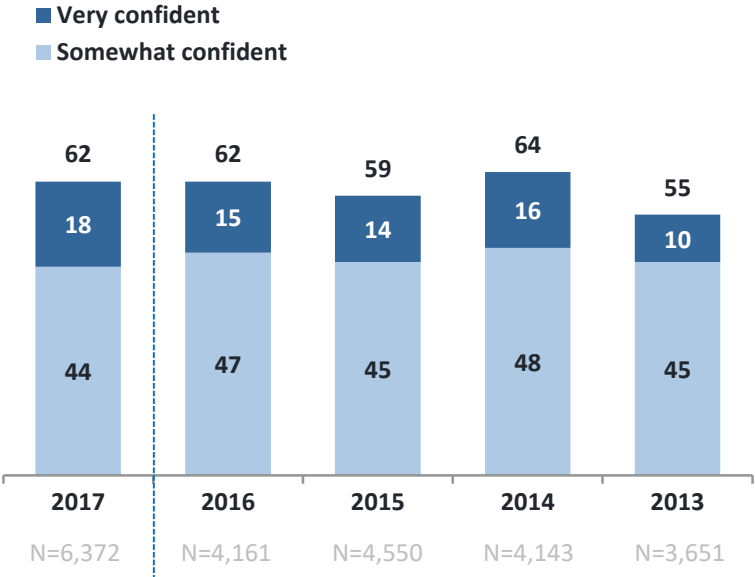
- **Awareness of Saver’s Credit and Catch-Up Contributions.** The Internal Revenue Service offers two meaningful incentives to save for retirement which many workers are unaware of: the Saver’s Credit, a tax credit for eligible taxpayers who are saving for retirement in a qualified retirement plan or 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. Only 36 percent of workers are aware of the Saver’s Credit, although awareness of the Credit is increasing. Only 49 percent of workers are aware of catch-up contributions. Raising awareness of these incentives may prompt workers to save more.
- **Awareness of the IRS’ Free File Program.** Just under half (45 percent) of workers are aware of the IRS’ Free File program that offers federal income tax preparation software for free to eligible tax filers.
- **Understanding of Government Benefits.** Most workers have limited understanding of government benefits that can be utilized in retirement. Case in point: only 20 percent of workers know “a great deal” about Social Security benefits and even fewer know a great deal about Medicare and Medicaid.
- **Frequency of Discussions About Retirement.** Most workers (73 percent) discuss saving, investing and planning for retirement with family and friends. However, only 15 percent do so frequently. Twenty-seven percent of workers say that they never discuss it. This has remained relatively unchanged in the recent years.

Retirement Confidence Has Recovered but Plateaued

In 2017, 62 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 44 percent who are “somewhat confident.” This is an improvement over 2013 and 2015, but consistent with 2016. Slightly more than half of workers (54 percent) agree that they are building a large enough retirement nest egg. This number has increased more than 12 percentage points since 2013.

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

Building a Large Enough 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

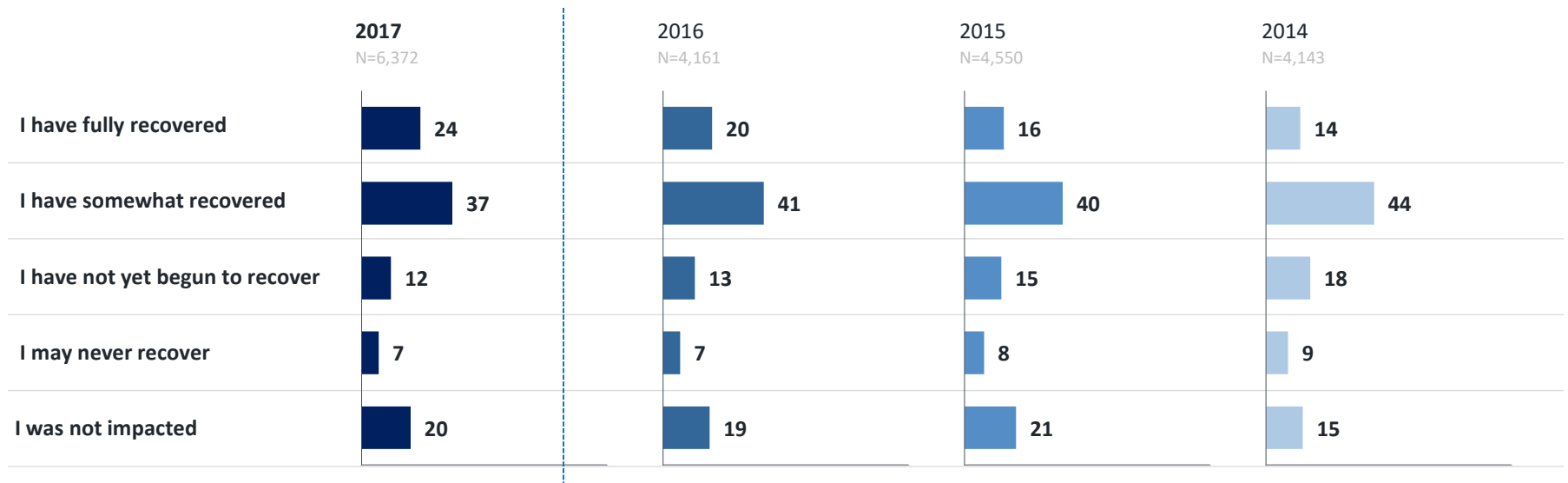
Q880. How confident are you that you will be able to fully retire with a lifestyle you consider comfortable?

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

Workers Continuing to Recover From the Great Recession

Many workers (56 percent) say they have not yet fully recovered financially from the Great Recession, with 37 percent saying that they have “somewhat” recovered, 12 percent saying that they have not yet begun to recover, and seven percent saying that they may never recover from it. In contrast, 44 percent of workers say that they have either fully recovered (24 percent) or were not impacted by Great Recession (20 percent).

Financial Recovery From the Great Recession (%)



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

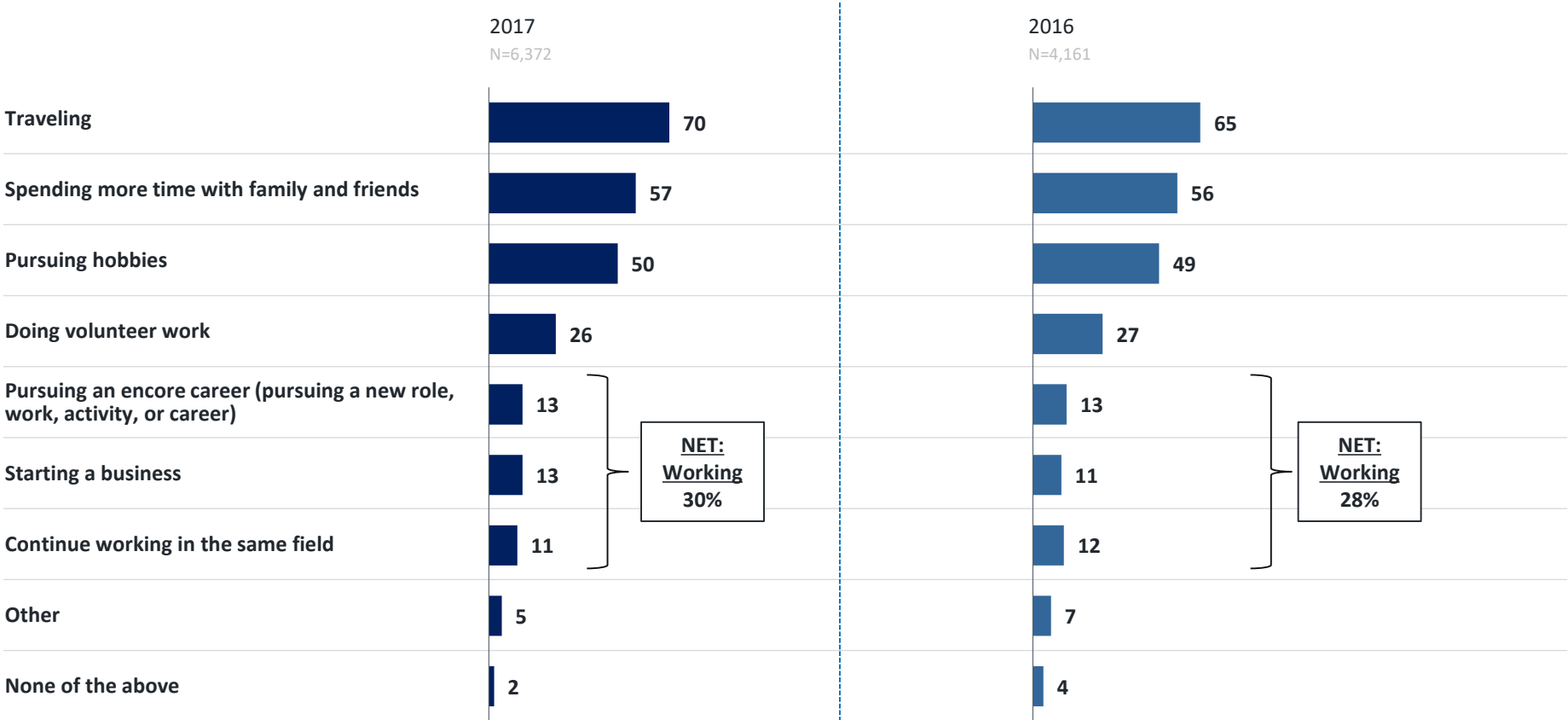
BASE: ALL QUALIFIED RESPONDENTS

Q2655. How would you describe your financial recovery from the deep recession in recent years, which is commonly referred to as the “Great Recession”?

Retirement Dreams Include Leisure and Work

Workers have many dreams for retirement, including traveling (70 percent), spending more time with family and friends (57 percent), and/or pursuing hobbies (50 percent). Interestingly, 30 percent of workers dream of doing some form of work in retirement. These are largely unchanged from 2016, with the exception being that slightly more workers cite traveling as a dream in 2017.

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.

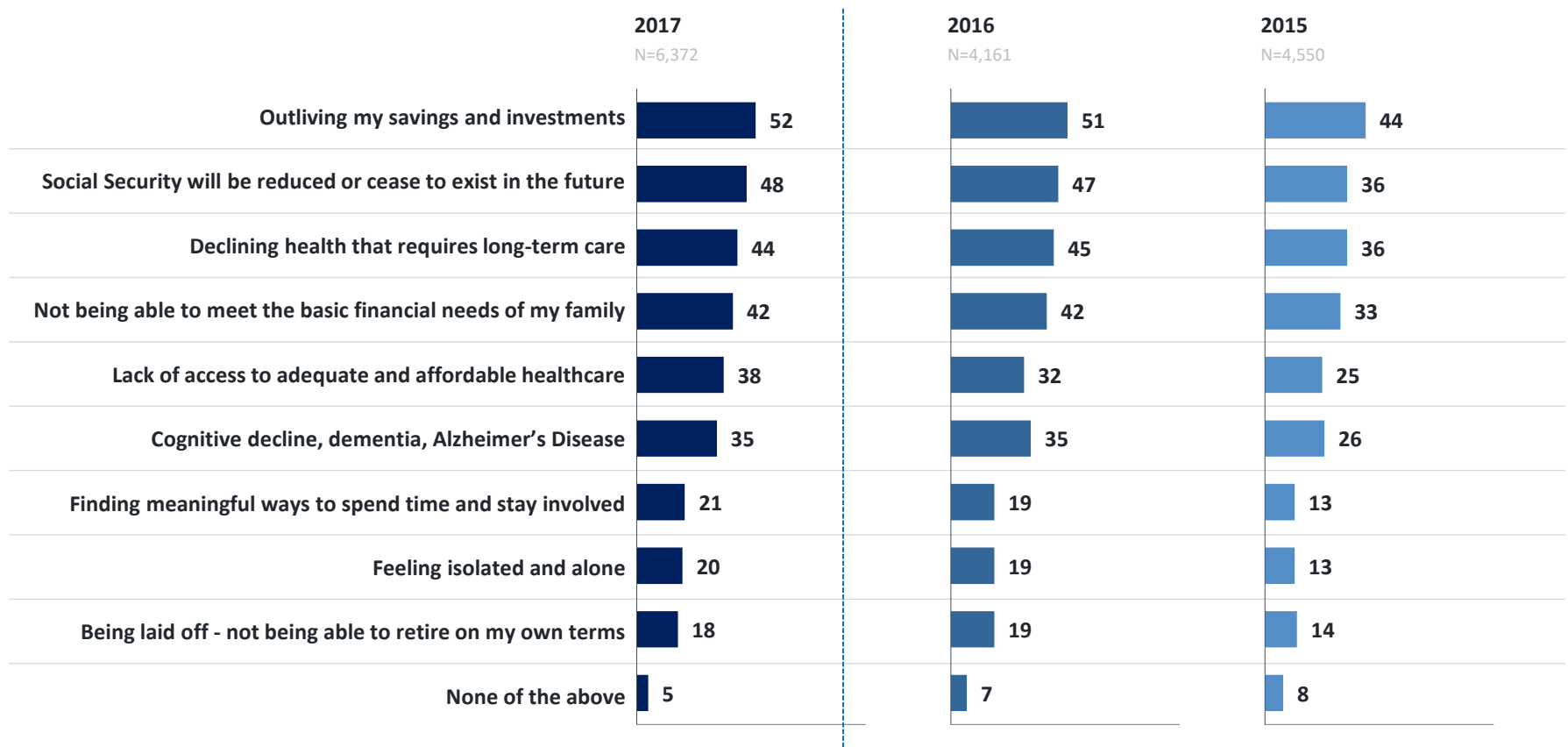
BASE: ALL QUALIFIED RESPONDENTS

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

Greatest Retirement Fears Range From Financial to Health

Workers' most frequently cited retirement fear is "outliving my savings/investments" (52 percent), followed closely by "Social Security will be reduced or cease to exist in the future" (48 percent) and "declining health that requires long-term care" (44 percent). Approximately one-third of workers fear lack of adequate and affordable healthcare (38 percent) and cognitive decline, dementia, Alzheimer's Disease (35 percent).

Workers' Greatest Retirement Fears (%)



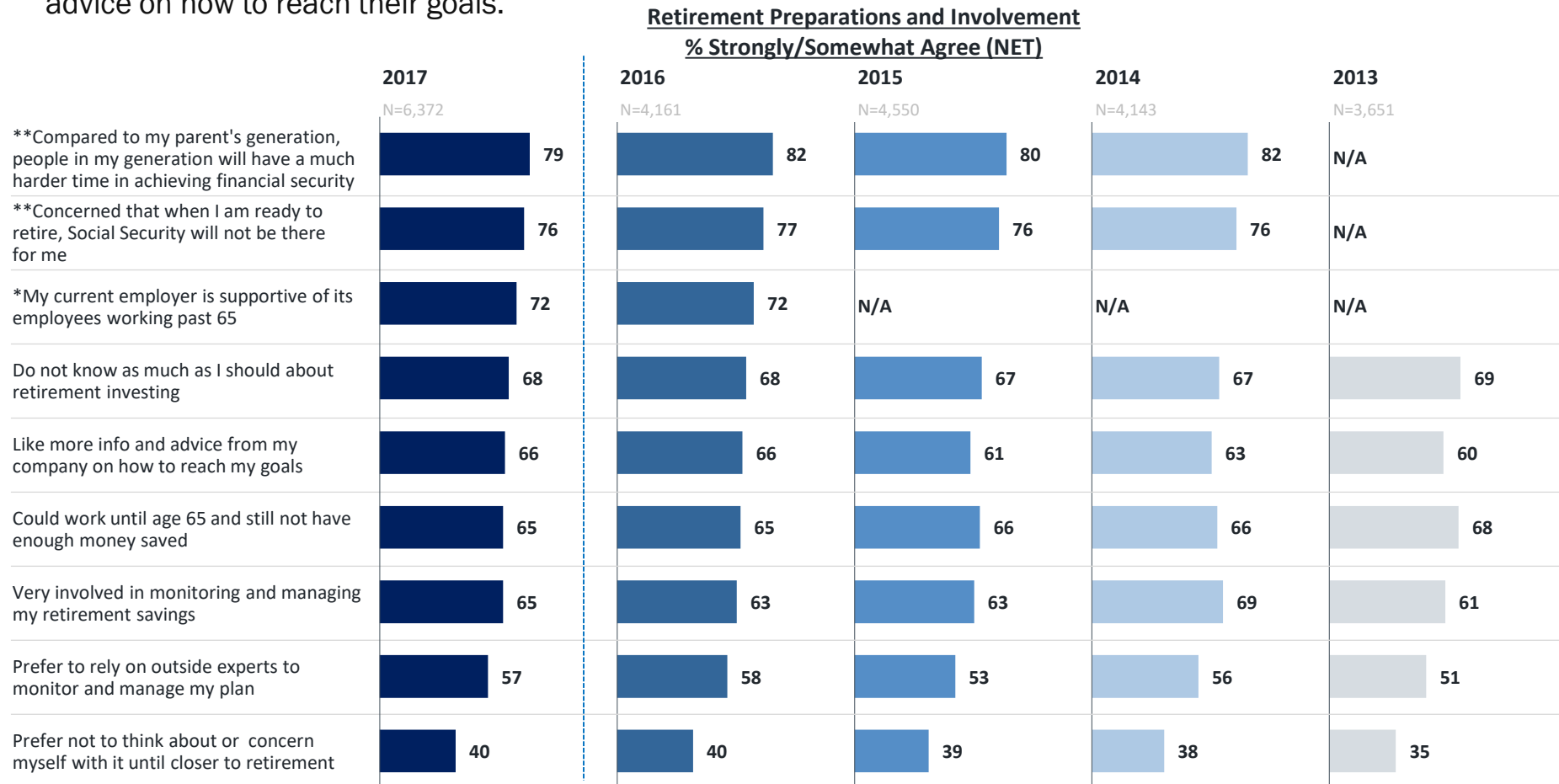
† Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

BASE: ALL QUALIFIED RESPONDENTS

Q1422. What are your greatest fears about retirement? Select all.

Retirement Beliefs, Preparations, and Involvement

Many workers have concerns about their life in retirement – the majority (79 percent) believe their generation will have a much harder time achieving financial security compared to their parents’ generation, and 76 percent are concerned that Social Security will not be there for them when they are ready to retire. These concerns present an opportunity for education, with 68 percent of workers admitting they don’t know as much as they should about retirement investing, and two-thirds looking to their company for more information and advice on how to reach their 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.

*added in 2016 **added in 2014

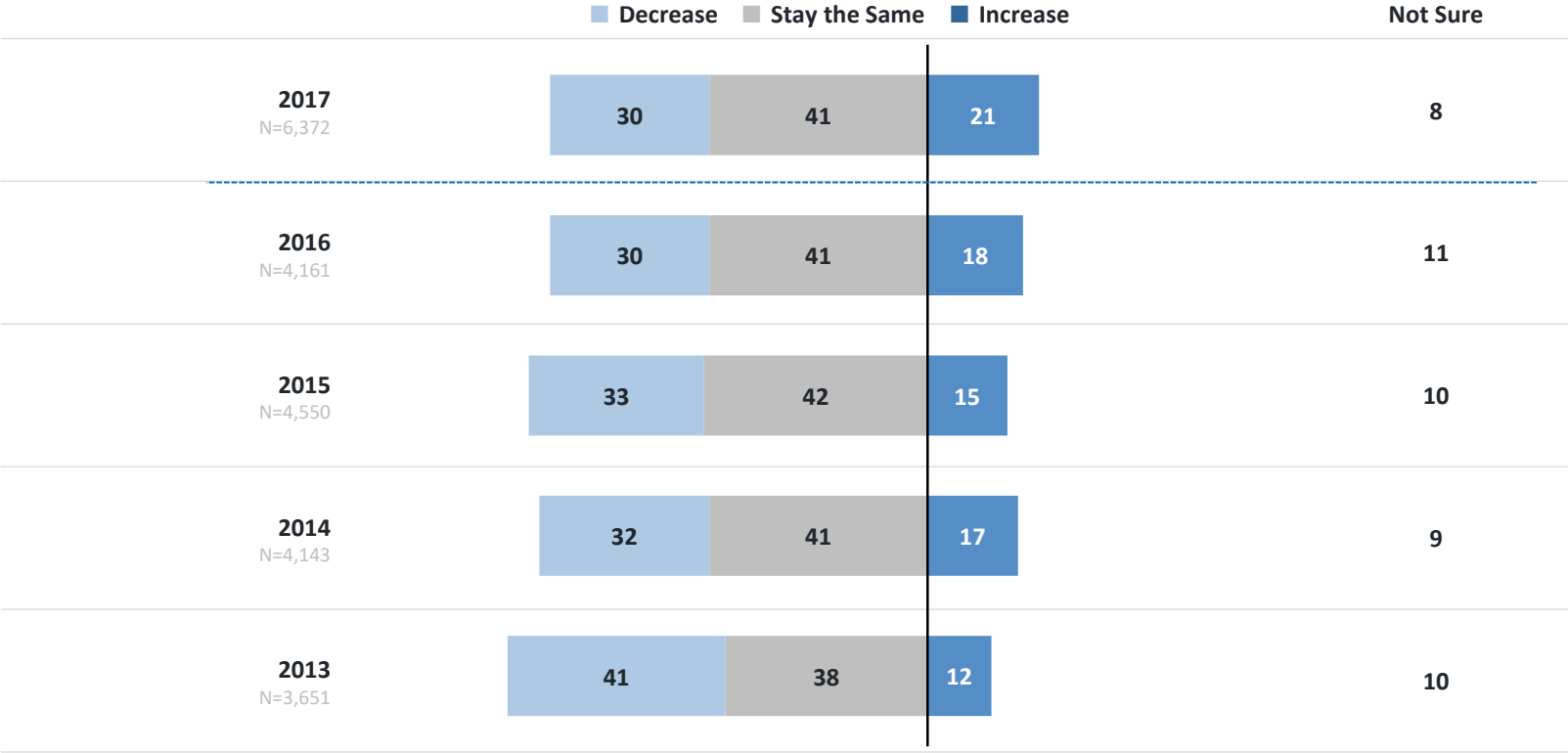
BASE: ALL QUALIFIED RESPONDENTS

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

Expected Standard of Living in Retirement

In 2017, 62 percent of workers expect that their standard of living will stay the same or increase while in retirement. However, one in three workers expect that they will see a decrease in their standard of living during retirement.

Expected Changes in Standard of Living in Retirement (%)



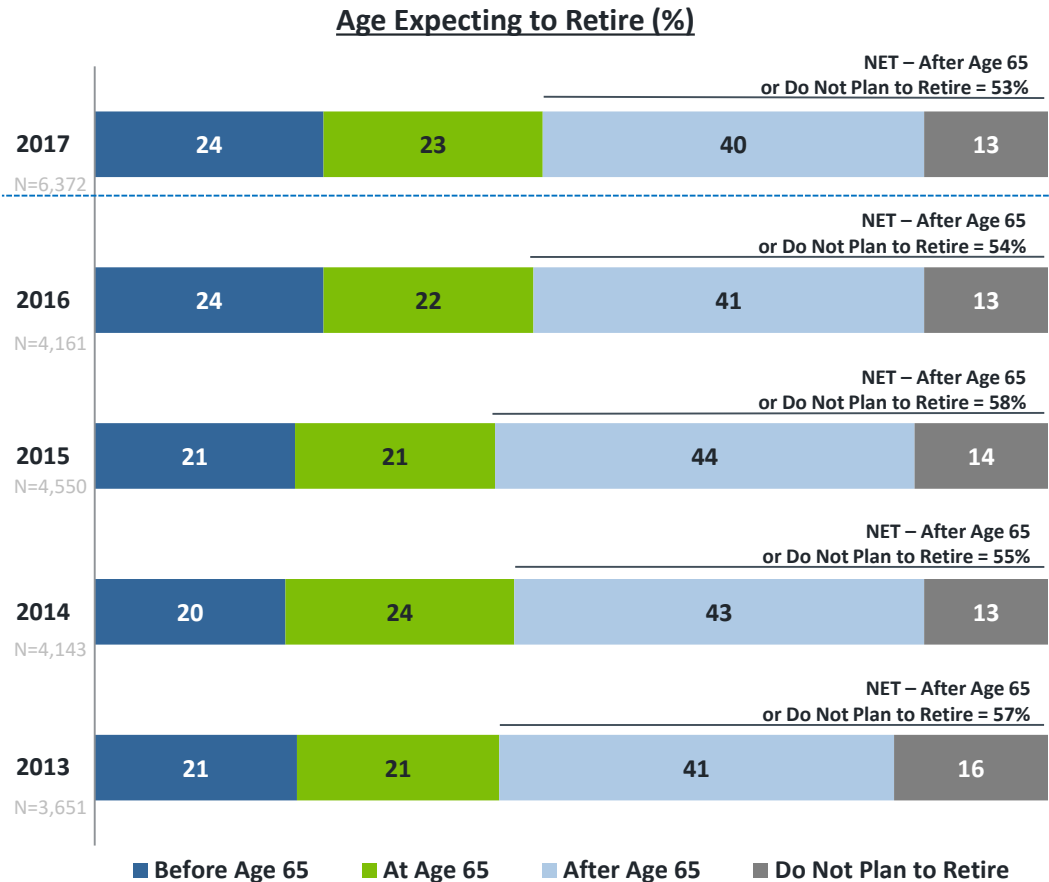
† Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

BASE: ALL QUALIFIED RESPONDENTS

Q1500. Do you expect your standard of living to increase, decrease, or stay the same when you retire?

Expected Retirement Age

Workers' expectations regarding when and how they will retire represent a dramatic change from long-held societal notions about fully retiring at age 65. In 2017, the majority of workers (53 percent) plan to work past age 65 (40 percent) or do not plan to retire (13 percent). These survey findings remain relatively consistent with previous years.



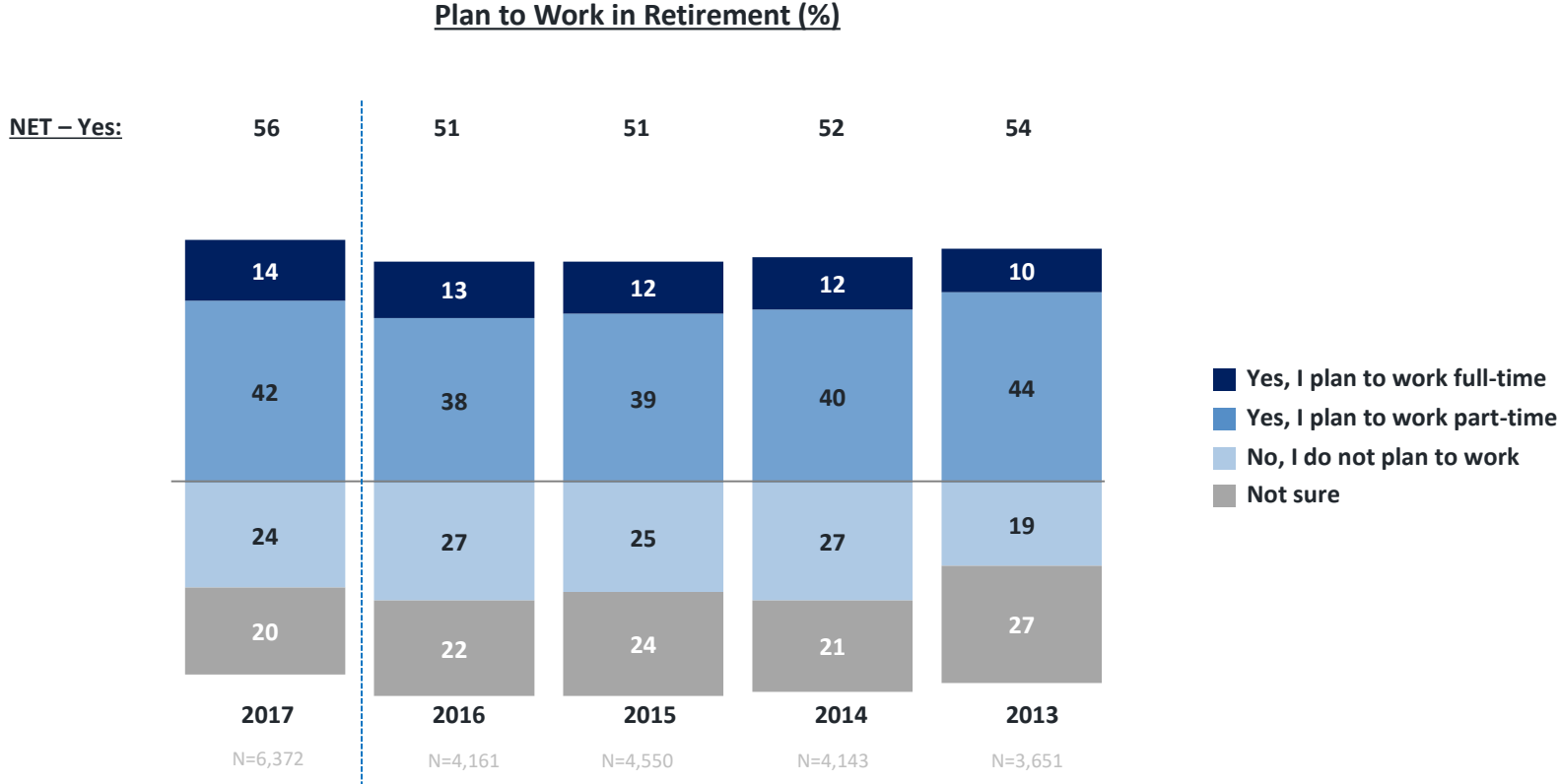
† Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

BASE: ALL QUALIFIED RESPONDENTS

Q910. At what age do you expect to retire?

Planning to Work in Retirement

Fifty-six percent of workers plan to continue working in retirement, either part-time (42 percent) or full-time (14 percent). Twenty-four percent do not plan to work in retirement and 20 percent are “not sure.” The proportion of workers who plan to work in retirement has gone up slightly since prior years.



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

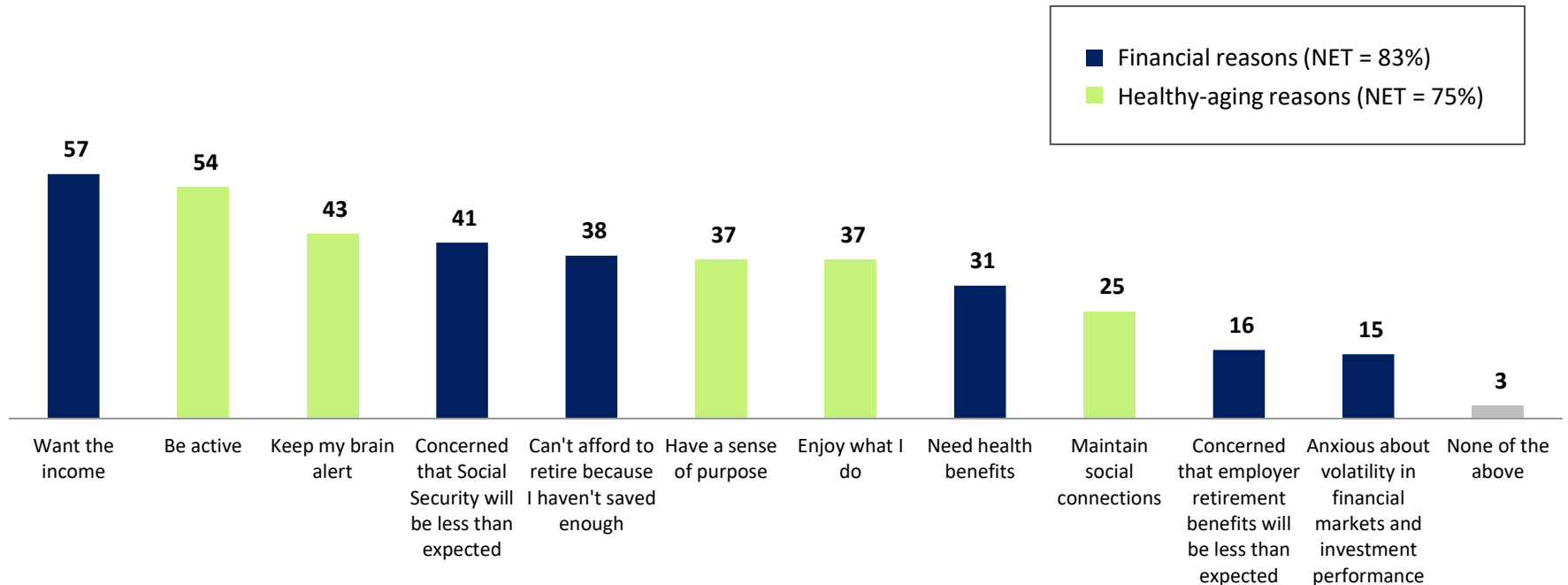
Q1525. Do you plan to work after you retire?

Reasons for Working in Retirement

Among workers who plan to work in retirement or past age 65, larger proportions do so because of financial reasons (83 percent) than healthy-aging reasons (75 percent). The top financial reason for doing so is because workers want the income (57 percent), while the top healthy-aging reason is to be active (54 percent).

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

2017 (N=4,816)



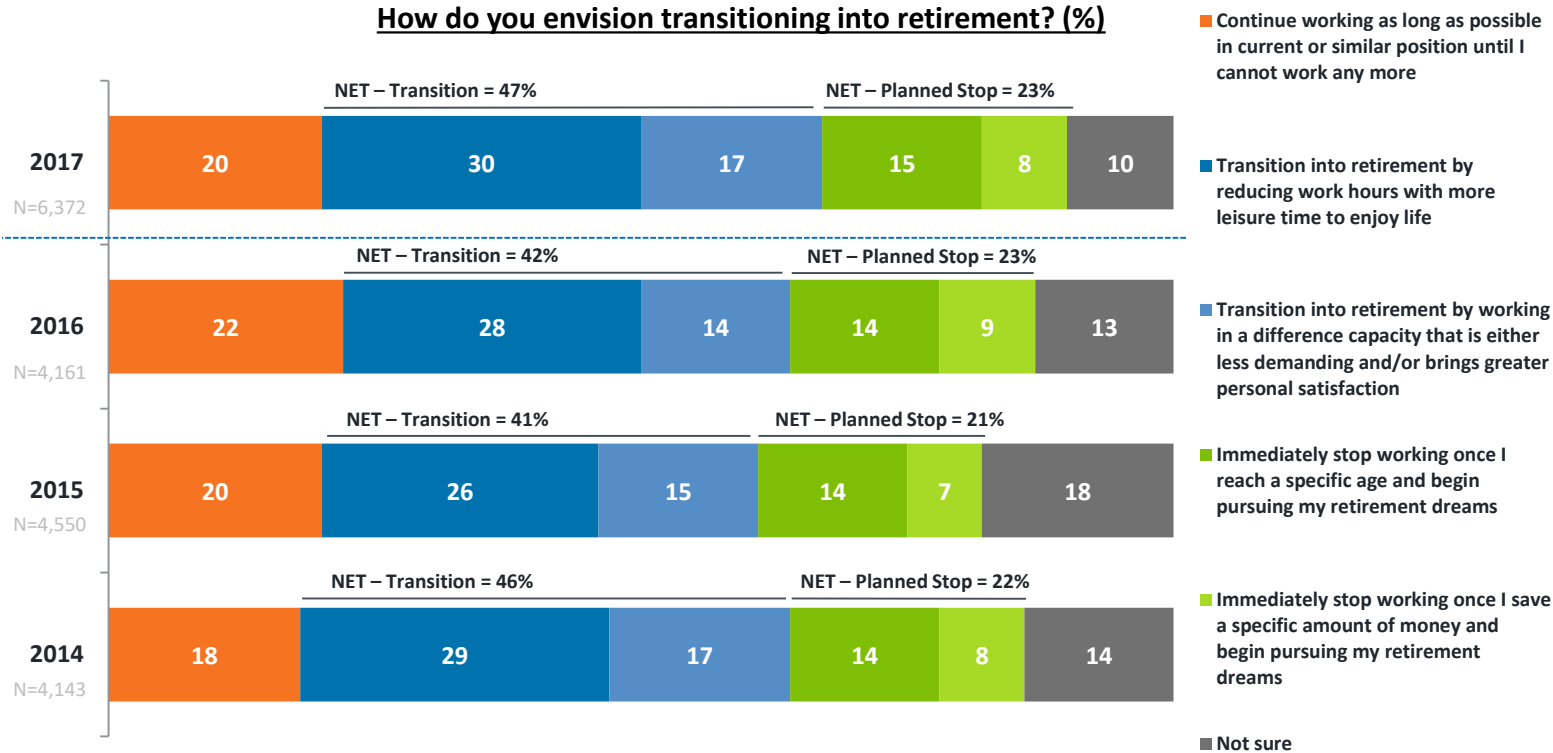
New question added in 2017

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

Only 23 percent of workers plan to immediately stop working at a specific point in time. Many (47 percent) are planning to transition into retirement by either shifting from full-time to part-time (30 percent) or moving into a less demanding or more personally satisfying role (17 percent). Another 20 percent plan to continue working as long as possible in their current or similar position until they cannot work any longer, and 10 percent are “not sure” about their transition.



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

BASE: ALL QUALIFIED RESPONDENTS

Q1545. How do you envision transitioning into retirement?

Phased Retirement and Compensation-Related Expectations

Among workers who envision a phased transition into retirement, 79 percent agree that if they reduce their work hours at their current employer they would expect to be paid the same hourly rate for hours worked that they are earning now. Seventy-eight percent agree that if they were to take on a new role with fewer responsibilities at their current employer, they would expect their job title to change, while 71 percent agree that if they took on a role with reduced responsibilities they may have a reduction in pay.

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



New question added in 2017

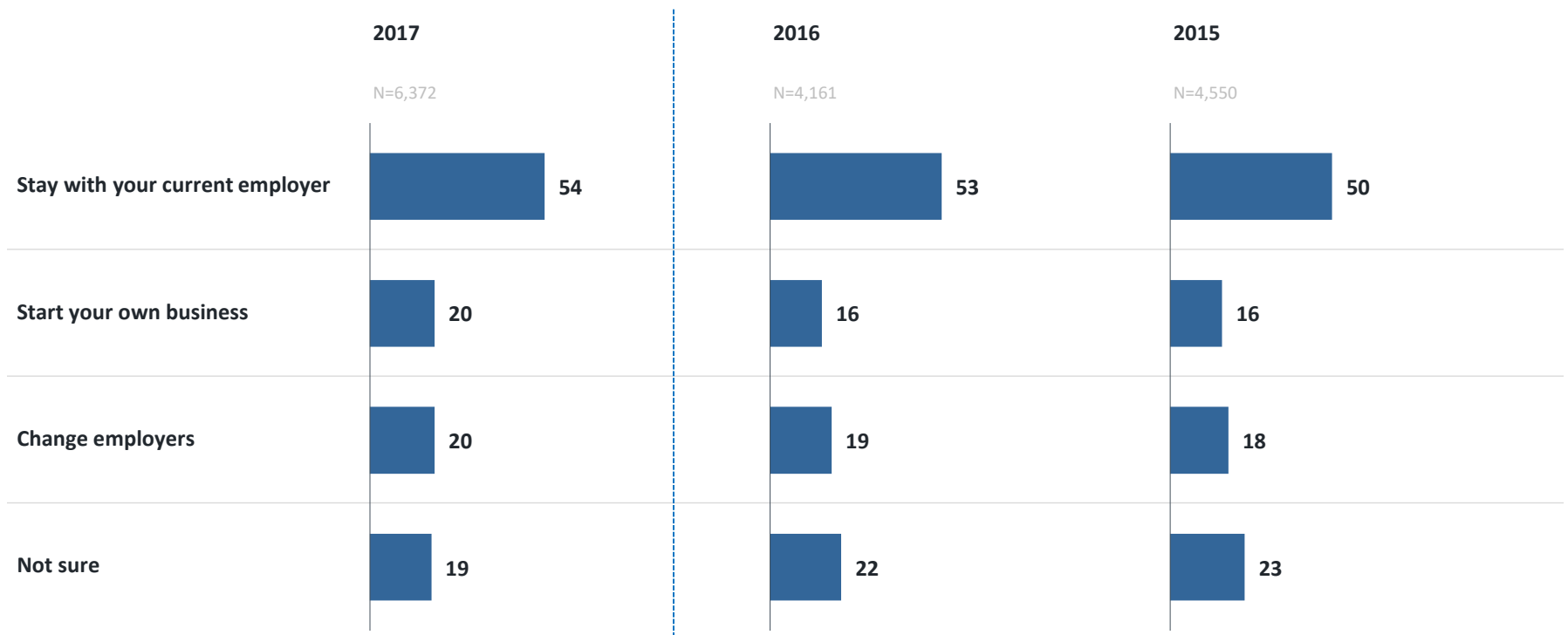
BASE: RESPONDENTS WHO ENVISION A PHASED TRANSITION INTO RETIREMENT

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

Where Transition to Retirement May Take Place

More than half of workers (54 percent) would prefer to stay with their current employer when working past age 65 as they transition into retirement. Another 20 percent each would like to start their own business or change employers. Nineteen percent of workers are “not sure” what they would prefer.

Where Transition to Retirement May Take Place (%) Prefer to happen



† 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.

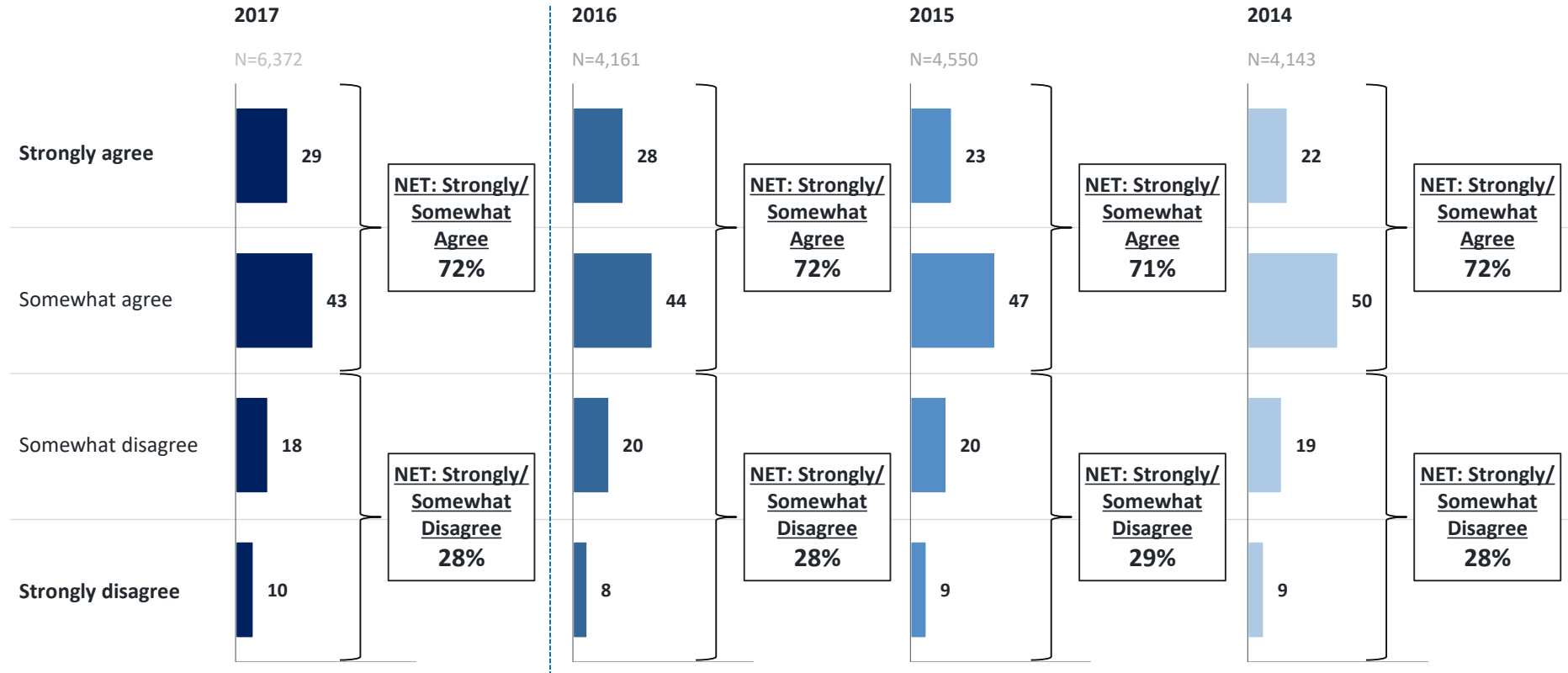
BASE: ALL QUALIFIED RESPONDENTS

Q2700. When you think about working past age 65 or working while you transition into retirement, which of the following would you prefer? Select all.

Employer Support for Working Past Age 65

Seventy-two percent of workers agree that their employer is supportive of their employees working past the age of 65. These findings are consistent since 2014.

Agree that Employer is Supportive of Employees Working Past 65 (%)



! 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.

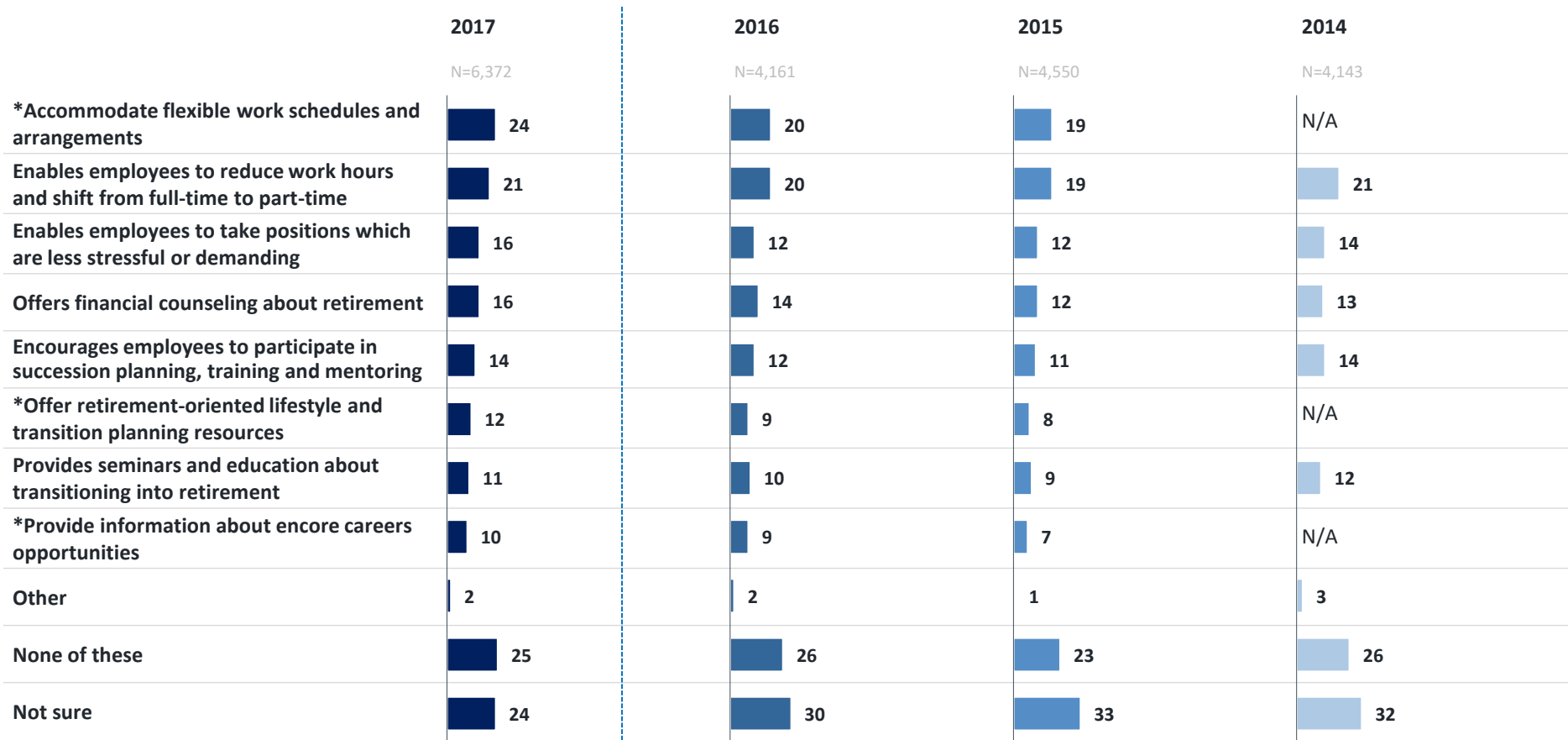
BASE: ALL QUALIFIED RESPONDENTS

Q930. 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."

Transitioning to Retirement: How Employers Help

One in four workers (24 percent) indicate their employer allows flexible work schedules or reduced work hours to employees transitioning into retirement. However, one-quarter of workers (25 percent) state that their employer does not do anything to help employees enter retirement, and 24 percent are “not sure.”

How Employers Assist Workers With Transitioning Into Retirement (%)



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

*added in 2015

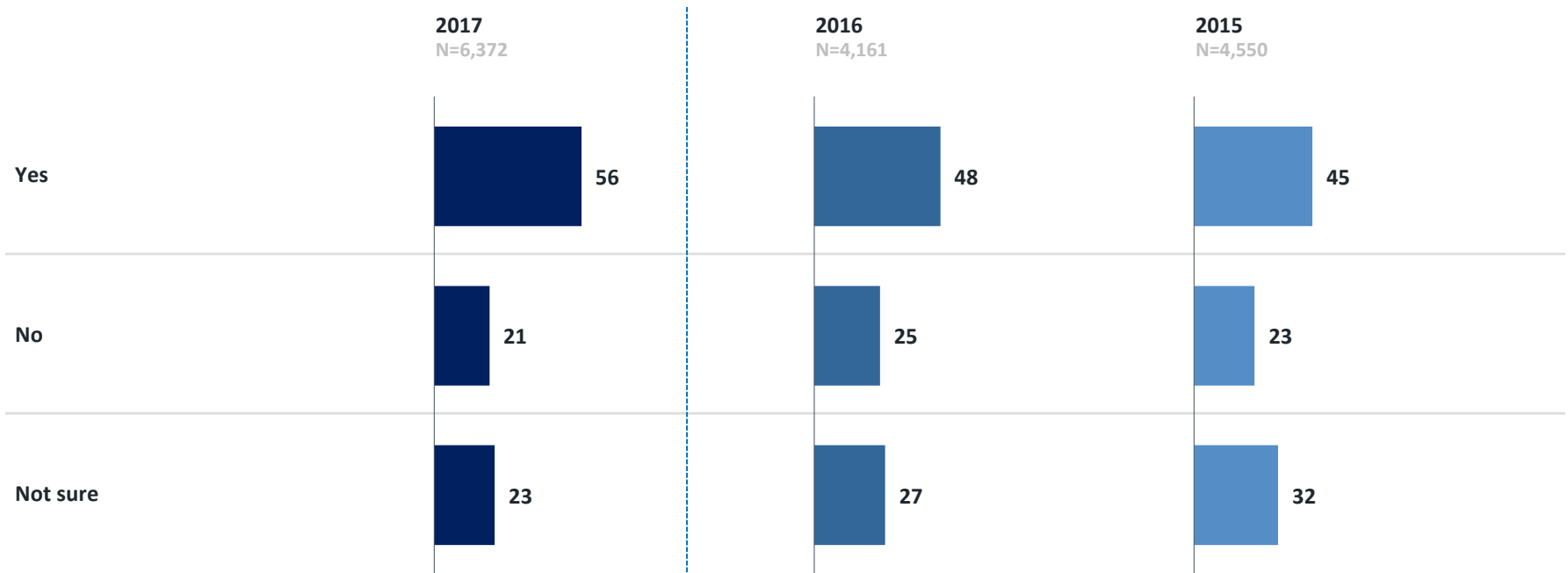
BASE: ALL QUALIFIED RESPONDENTS

Q1533. In which of the following ways, if any, does your current employer help its employees who are transitioning into retirement? Select all.

“Aging Friendly” Employer

Just over half of workers (56 percent) consider their employer to be “aging friendly,” significantly more than last year, while one-quarter (23 percent) are “not sure.”

“Aging Friendly” Employers (%)



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.

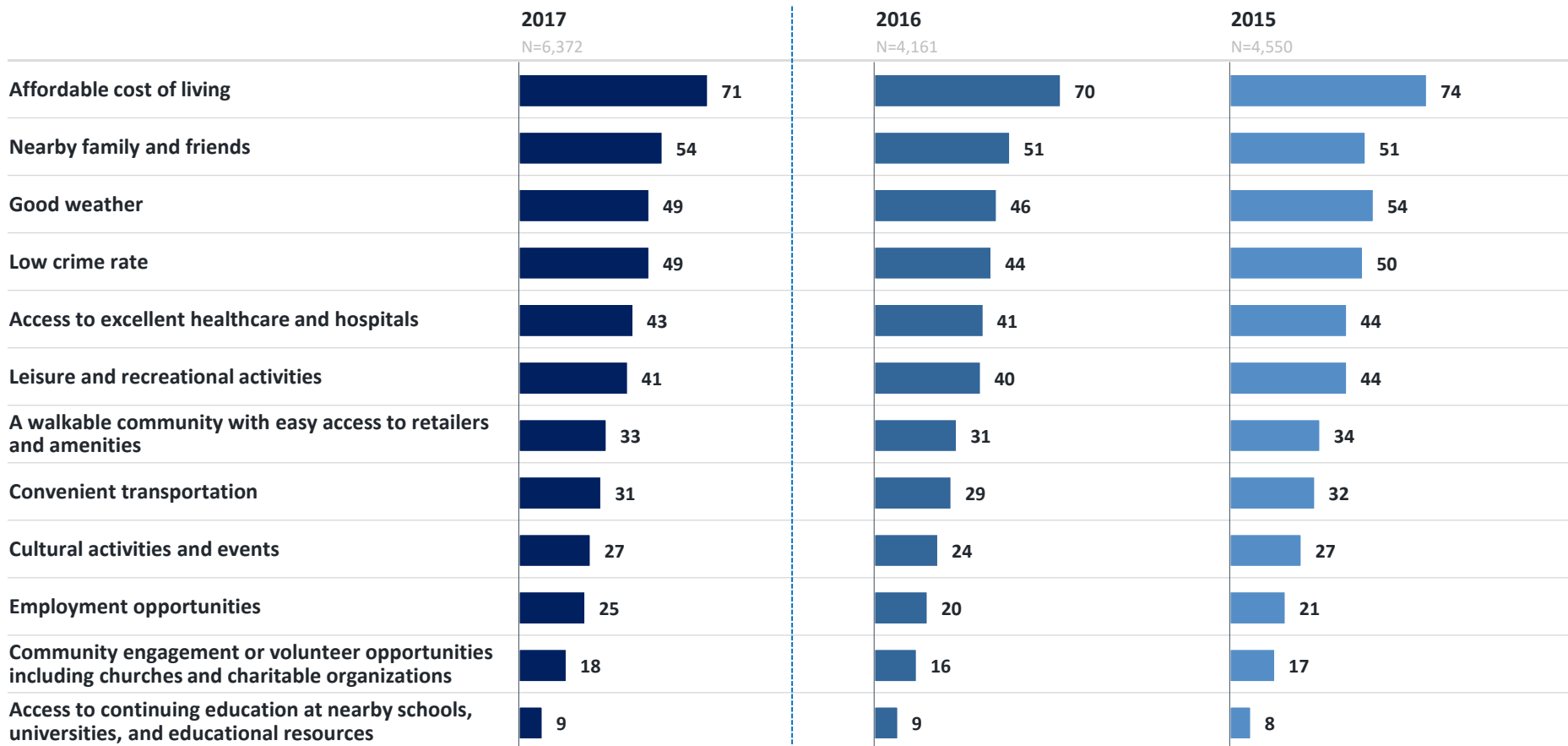
BASE: ALL QUALIFIED RESPONDENTS

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)?

Very Important Criteria Re: Where to Live in Retirement

Seven in ten workers (71 percent) cite an affordable cost of living as a very important criterion for choosing where to live in retirement, a finding that is similar to previous years. Being near family and friends (54 percent) is the second most commonly cited criterion. The survey finds a disconnect in that only 25 percent of workers cite employment opportunities as a very important criterion, while 56 percent plan to work in retirement.

Very Important Criteria in Choosing Where to Live 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.

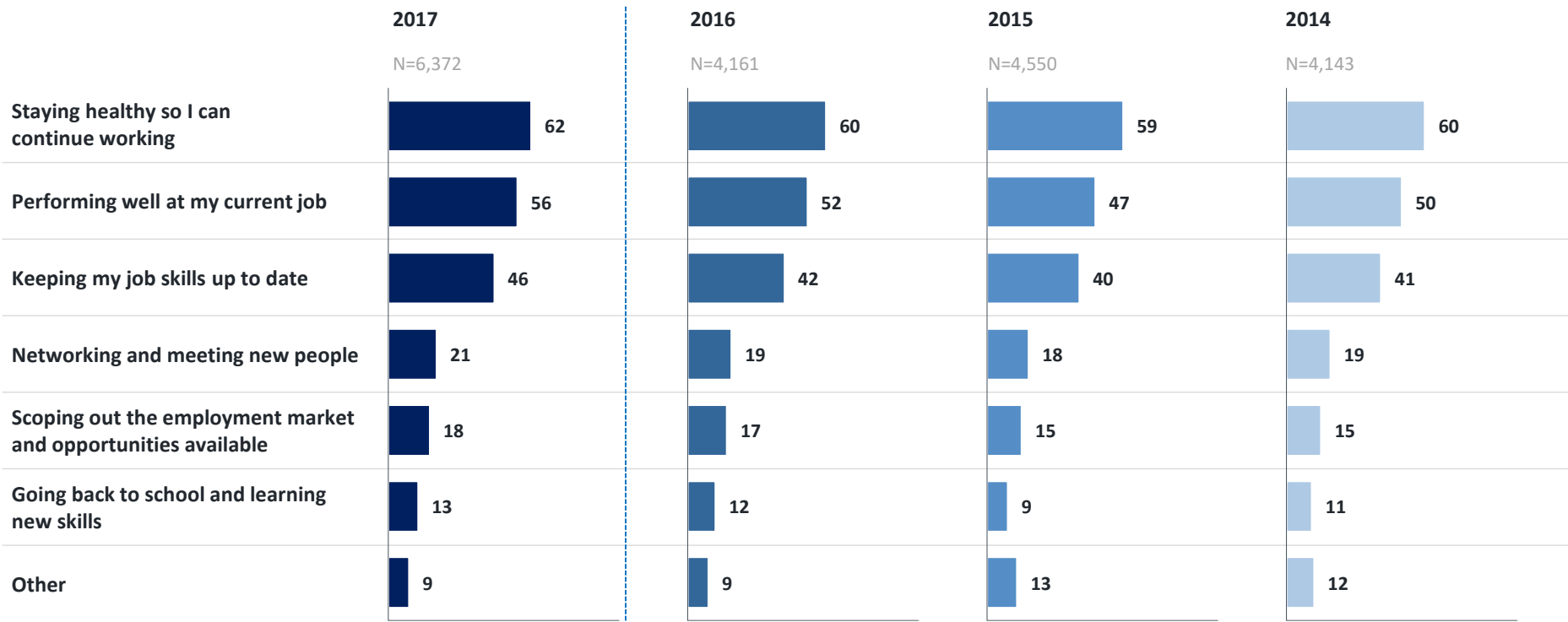
BASE: ALL QUALIFIED RESPONDENTS

Q2725. When thinking about where you want to live in retirement, which of the following criteria will be very important in your decision-making? Select all.

Proactive Steps to Continue to Working in Retirement

When asked what steps they are taking to help ensure they can continue working past age 65 or in retirement, 62 percent of workers say they are staying healthy so that they can continue working, while 56 percent say that they are focusing on performing well at their current job. Only 46 percent say they are keeping their job skills up to date. Even fewer workers are networking and meeting new people (21 percent), scoping out the employment market (18 percent), or going back to school and learning new skills (13 percent).

Steps to Continue to Work After 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.

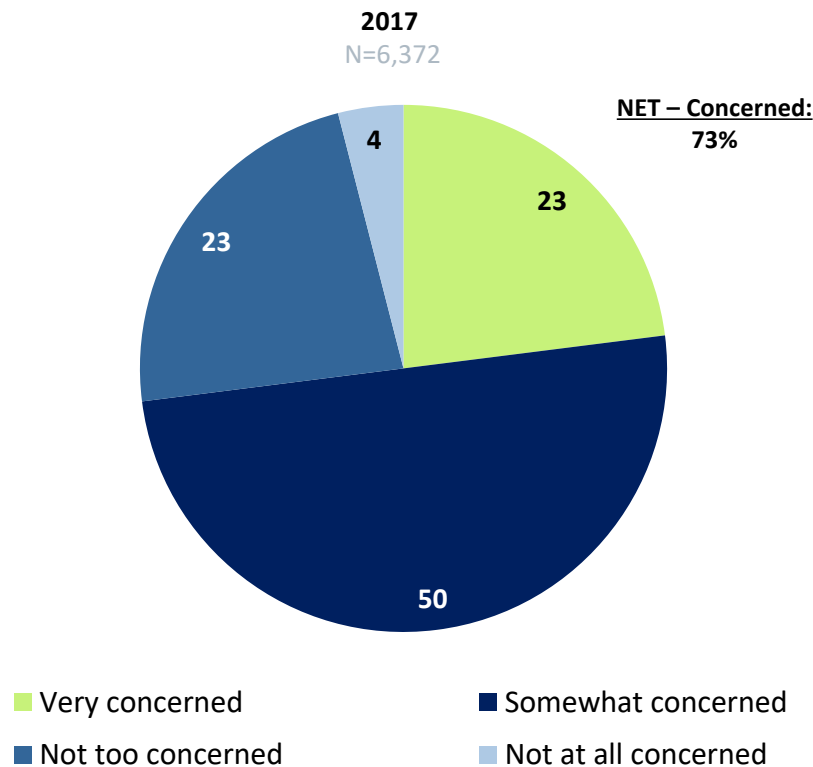
BASE: ALL QUALIFIED RESPONDENTS

Q1531. Have you taken any steps to help ensure that you'll be able to continue working past age 65 or in retirement, if needed? Select all.

Level of Concern About Health in Older Age

Almost three in four workers (73 percent) are concerned about their health in older age. Half of workers are somewhat concerned while 23 percent are very concerned.

Concerned About Health in Older Age (%)



New question added in 2017

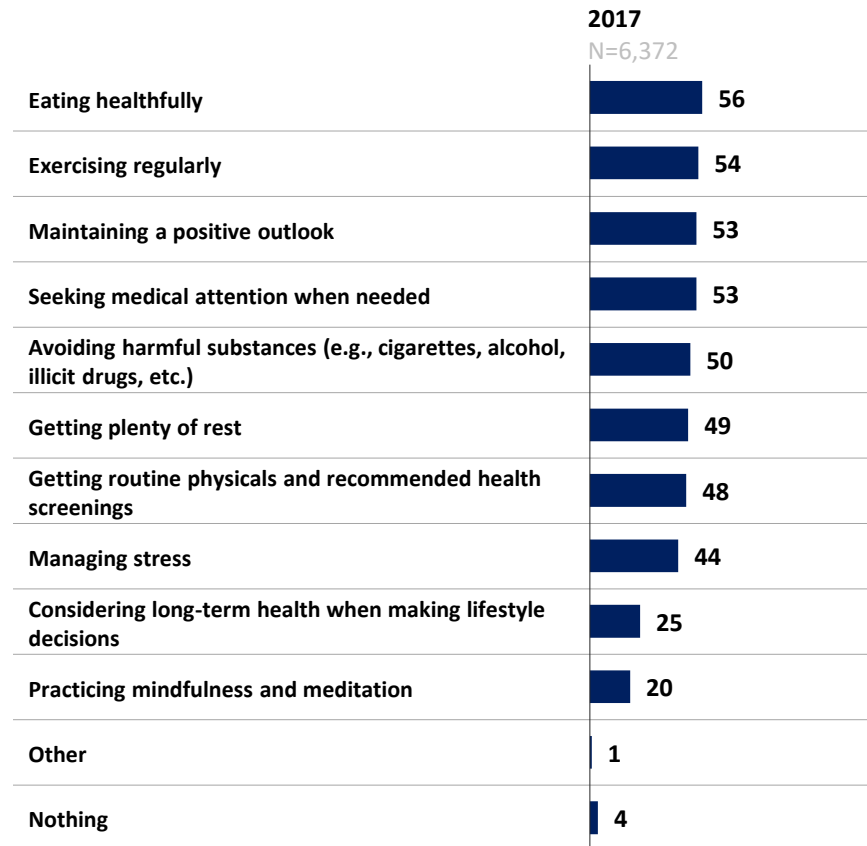
BASE: ALL QUALIFIED RESPONDENTS

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

Engagement in Health-Related Activities on a Consistent Basis

Almost all workers (96 percent) are doing at least one health-related activity on a consistent basis, with more than half of workers eating healthfully (56 percent), exercising regularly (54 percent), maintaining a positive outlook (53 percent), seeking medical attention when needed (53 percent), and/or avoiding harmful substances (50 percent).

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



New question added in 2017

BASE: ALL QUALIFIED RESPONDENTS

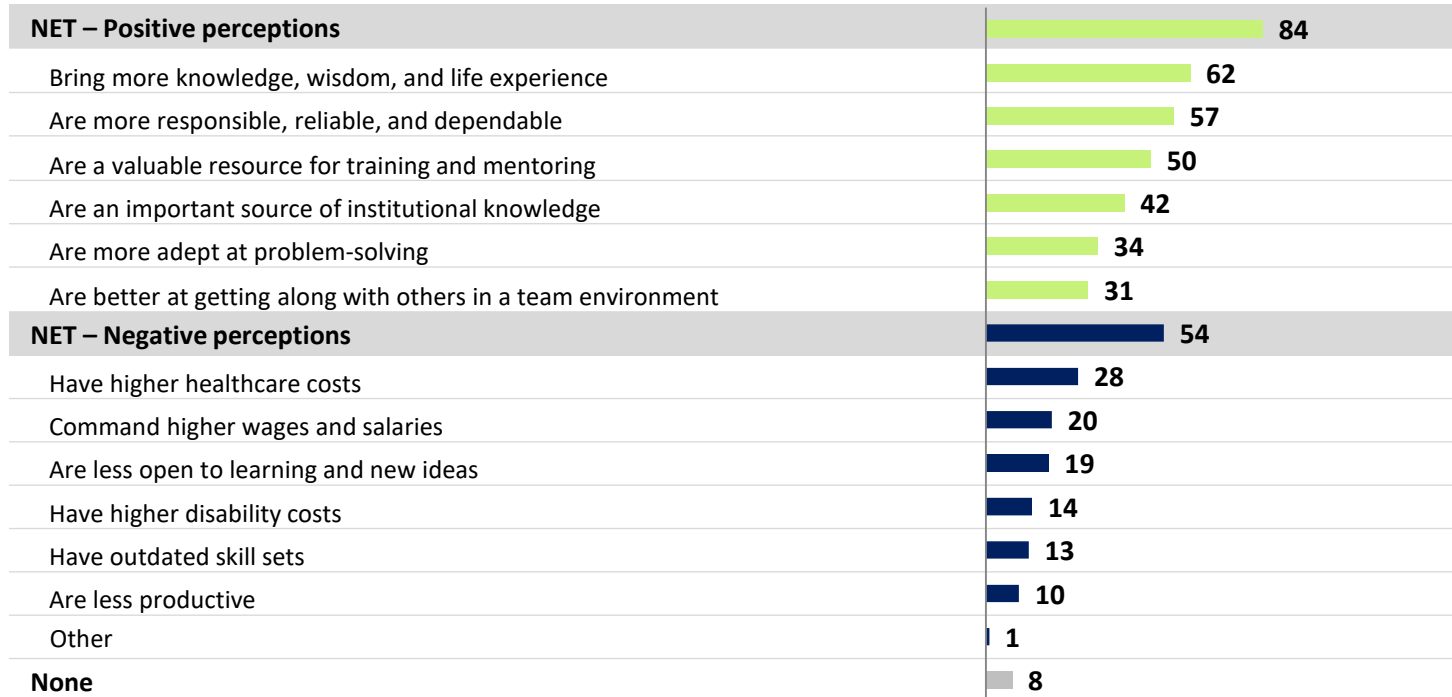
Q1446. Which of the following health-related activities are you doing on a consistent basis? Select all.

Perceptions of Older Workers

Eighty-four percent of workers have a positive perception of workers age 50 and older compared to younger workers in today's workforce, while 54 percent of workers hold a negative perception. The most common positive perception is that they bring more knowledge, wisdom, and life experience (62 percent), while the most common negative perception is that they have higher healthcare costs (28 percent).

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

2017
N=6,372



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.

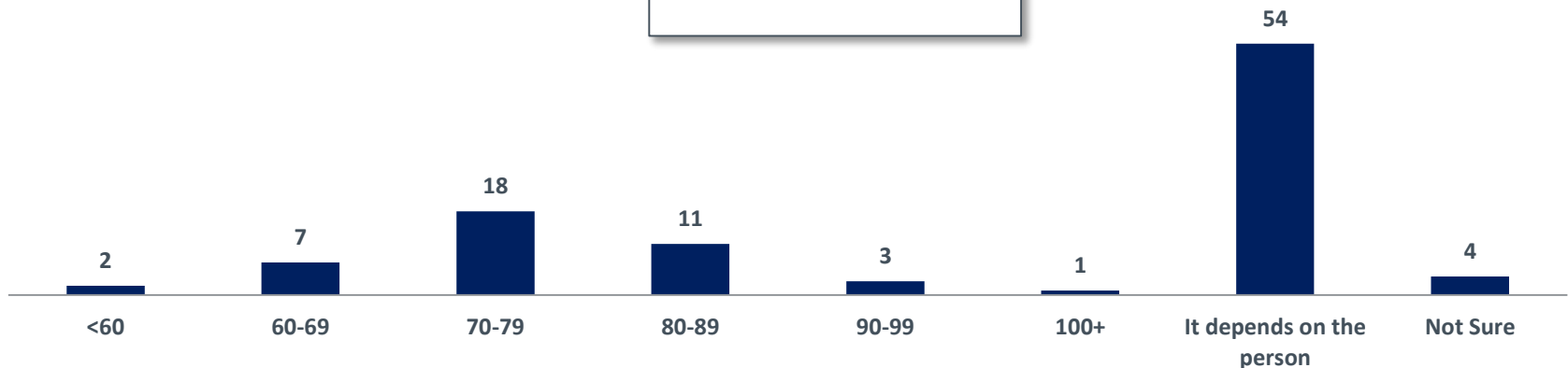
Age That Workers Consider a Person to Be “Too Old” to Work

A majority of workers (54 percent) believe it is not a particular age when they consider a person “too old” to work but “it depends on the person.” Of those who provided an age deeming a person “too old” to work, the median age is 75.

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

2017 (N=6,372)

Median: Age 75



New question added in 2017

BASE: ALL QUALIFIED RESPONDENTS

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

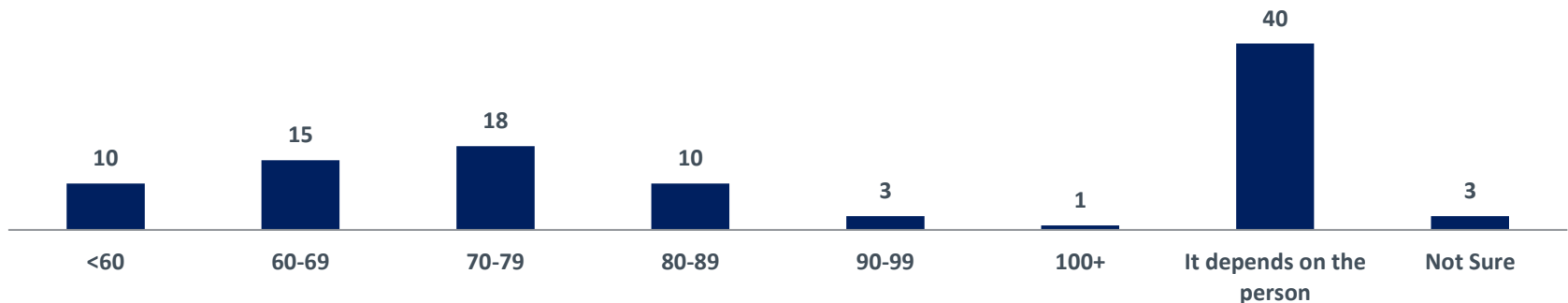
Age That Workers Consider a Person to Be “Old”

Two in five workers (40 percent) believe that there it is not a particular age when they consider a person to be “old,” but rather “it depends on the person.” Of those who provided an age, the median age when workers deem a person to be “old” is 70, with the largest proportion of responses falling between ages 70 and 79 (18 percent)

Age When Person Is Considered “Old” (%)

2017 (N=6,372)

Median: Age 70



New question added in 2017

BASE: ALL QUALIFIED RESPONDENTS

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

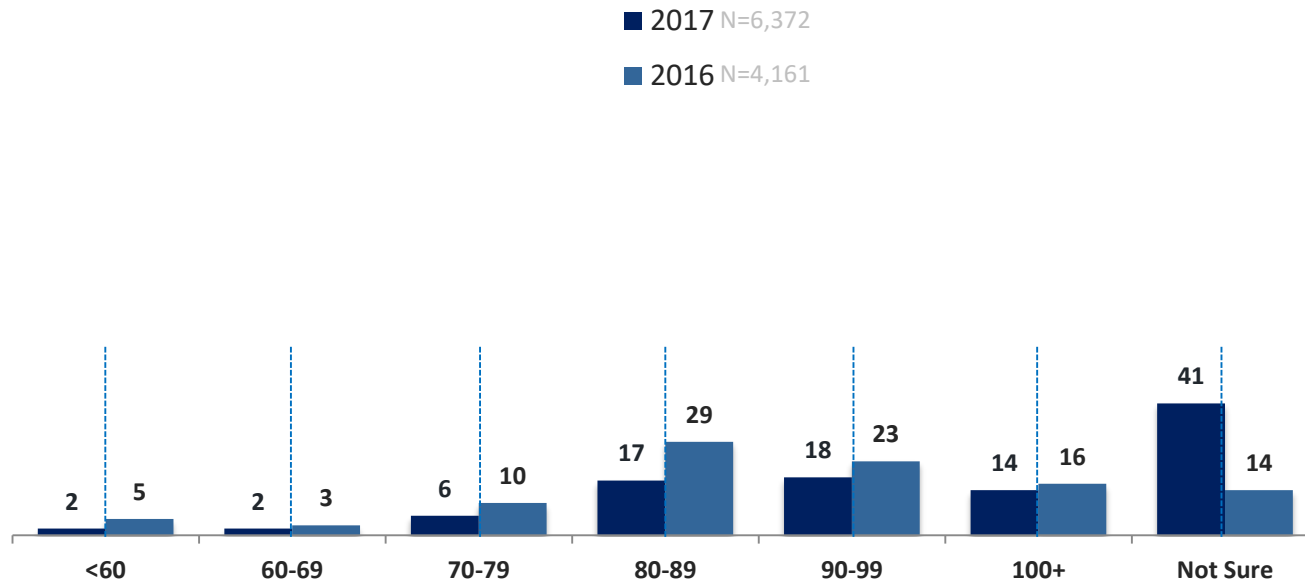
Planning to Live to Age ...

Workers in 2017 are planning to live to age 90 (median), an increase from 86 (median) in 2016. About half (49 percent) are planning to live to age 80 or older. Thirty-two percent are planning to live to age 90 or older. Fourteen percent are planning to 100 or older. And four in ten workers (41 percent) say that they are “not sure.”

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

2017: Median Age: 90

2016: Median Age: 86



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

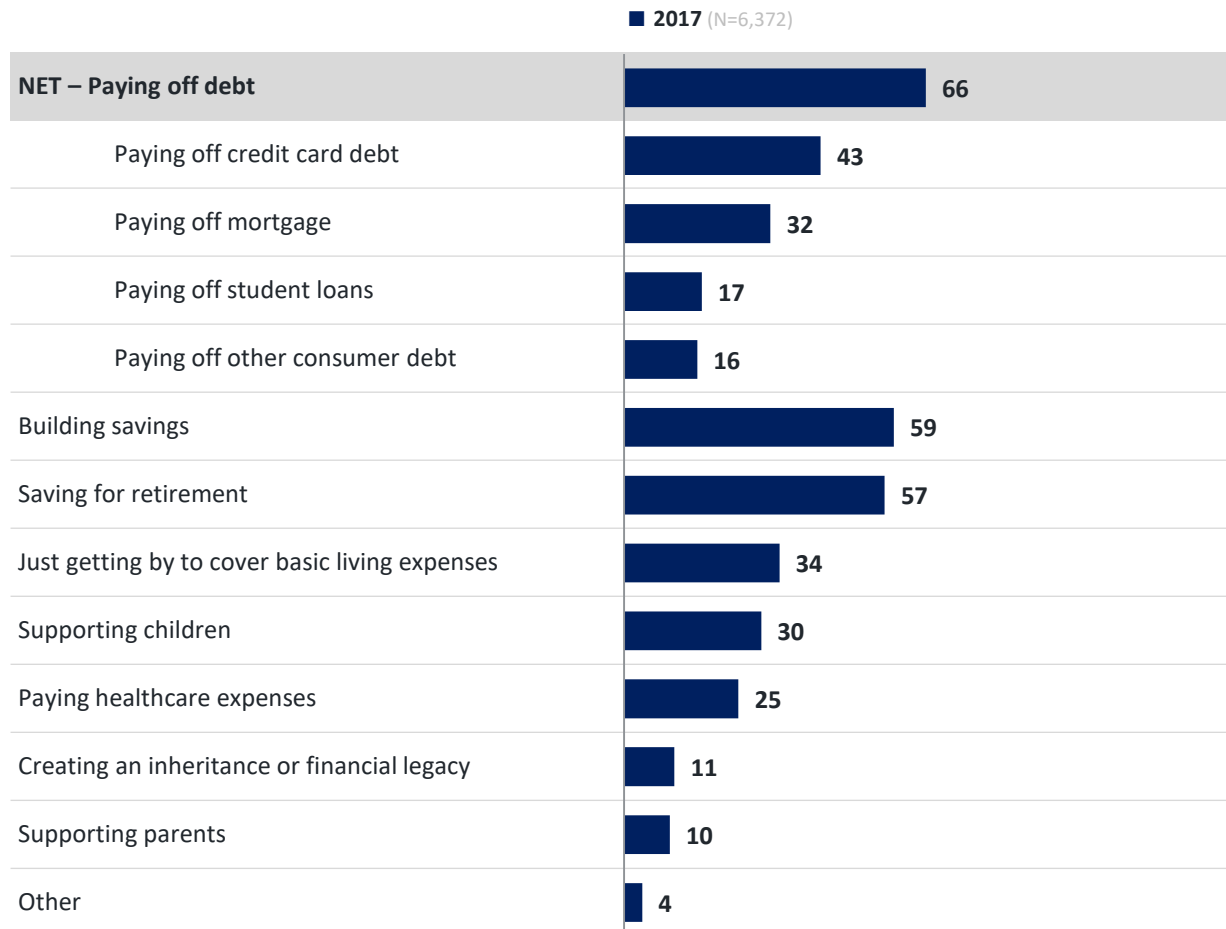
BASE: ALL QUALIFIED RESPONDENTS

Q2850. What age are you planning to live to?

Current Financial Priorities

“Paying off debt” (NET) is the most frequently cited current financial priority among workers (66 percent), with paying off credit card debt the most cited within this category (43 percent). Building savings (59 percent), and saving for retirement (57 percent) follow closely. Thirty-four percent cite “just getting by to cover basic living expenses.”

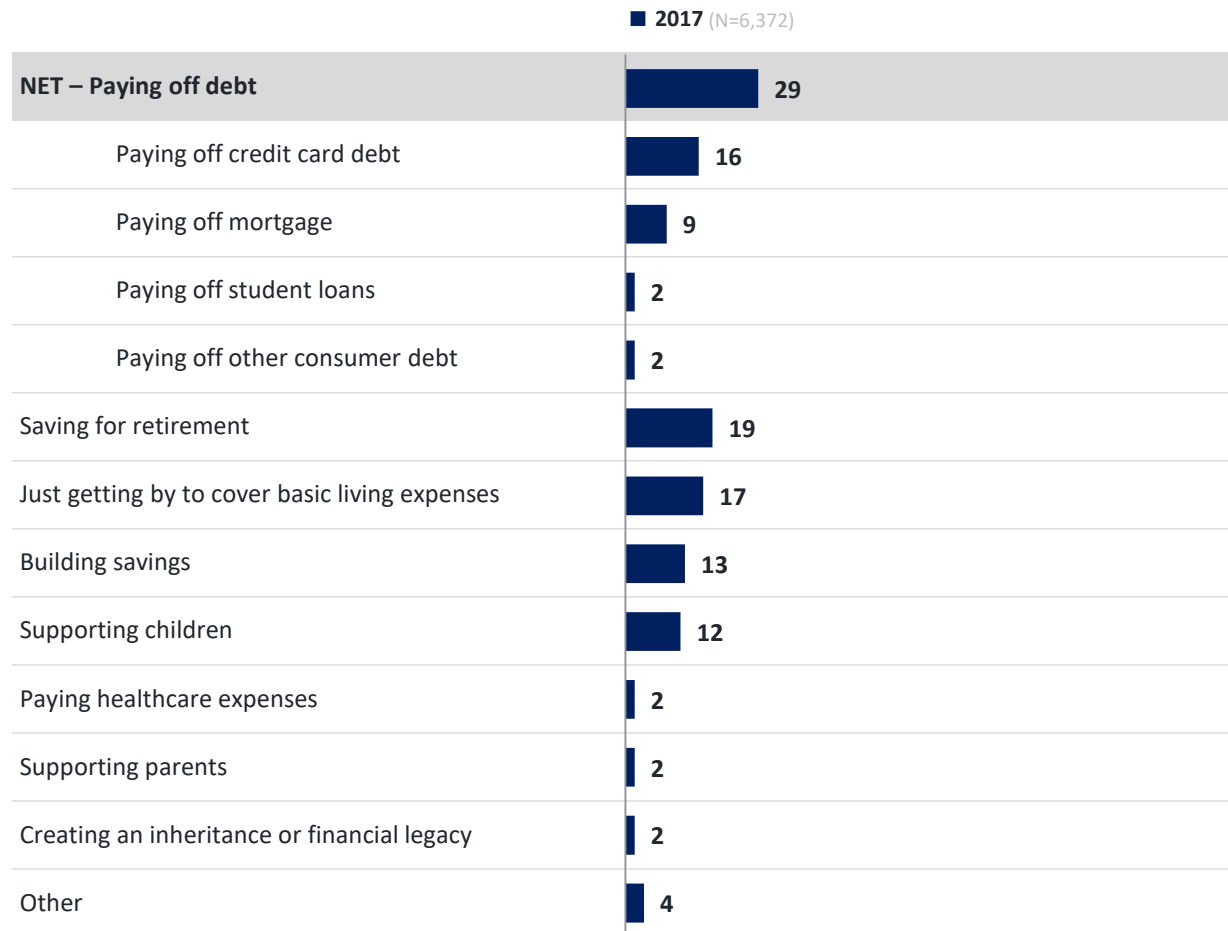
Current Financial Priorities (%)



Greatest Financial Priority

“Paying off debt” (NET) (29 percent) is the most frequently cited *top* financial priority among workers. Other top priorities are saving for retirement (19 percent) “just getting by – covering basic living expenses” (17 percent), and paying off credit card debt (16 percent).

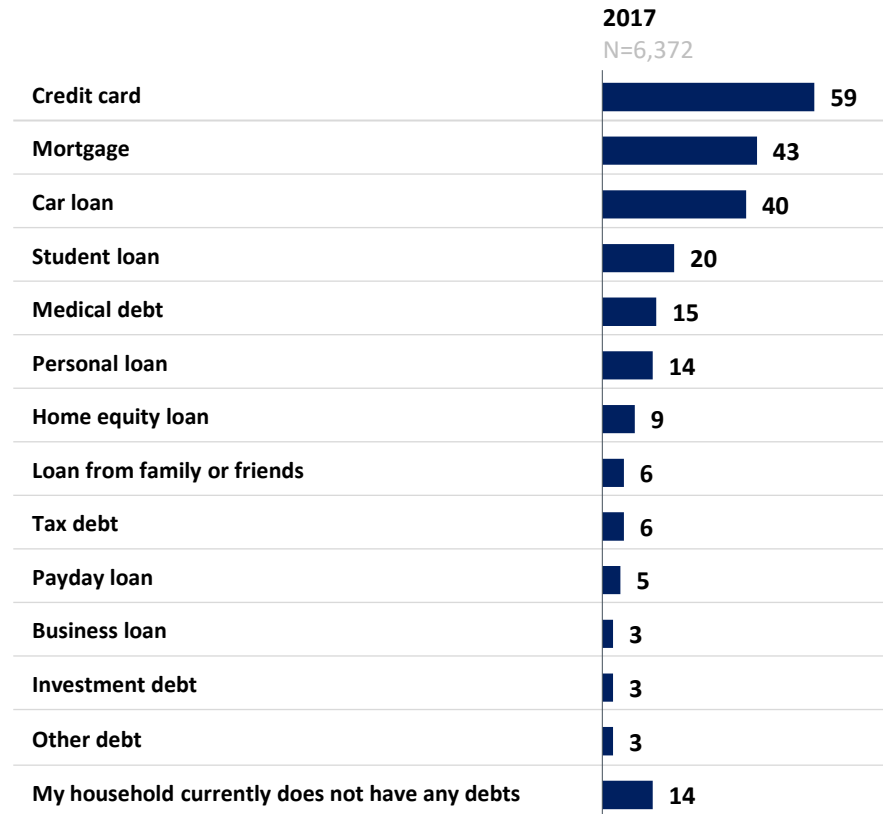
Single Greatest Financial Priority Right Now (%)



Types of Household Debt

A large majority (86 percent) of American workers' households carry at least some form of debt with credit card debt being most prevalent (59 percent), followed by a mortgage (43 percent), or a car loan (40 percent). Only 14 percent of households have no debt.

Which of the following types of debt does your household currently have?
Select all (%)



NET – Has Debt
 2017 = 86%

New question added in 2017

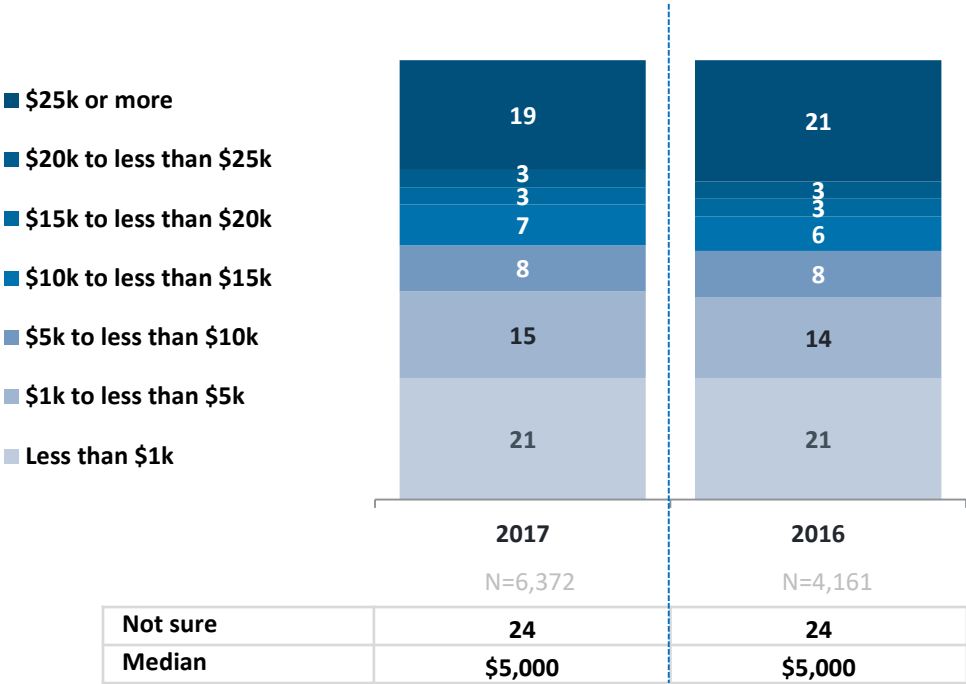
BASE: ALL QUALIFIED RESPONDENTS

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

Emergency Savings Are Low

Many workers have little in terms of emergency savings specifically to cover the cost of major financial setbacks such as unemployment, medical bills, home repairs, auto repairs, and other. Workers have saved \$5,000 (median) to cover such emergencies. Thirty-six percent of workers report having saved less than \$5,000. Only 19 percent say that they have saved more than \$25,000.

Estimated Emergency 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.

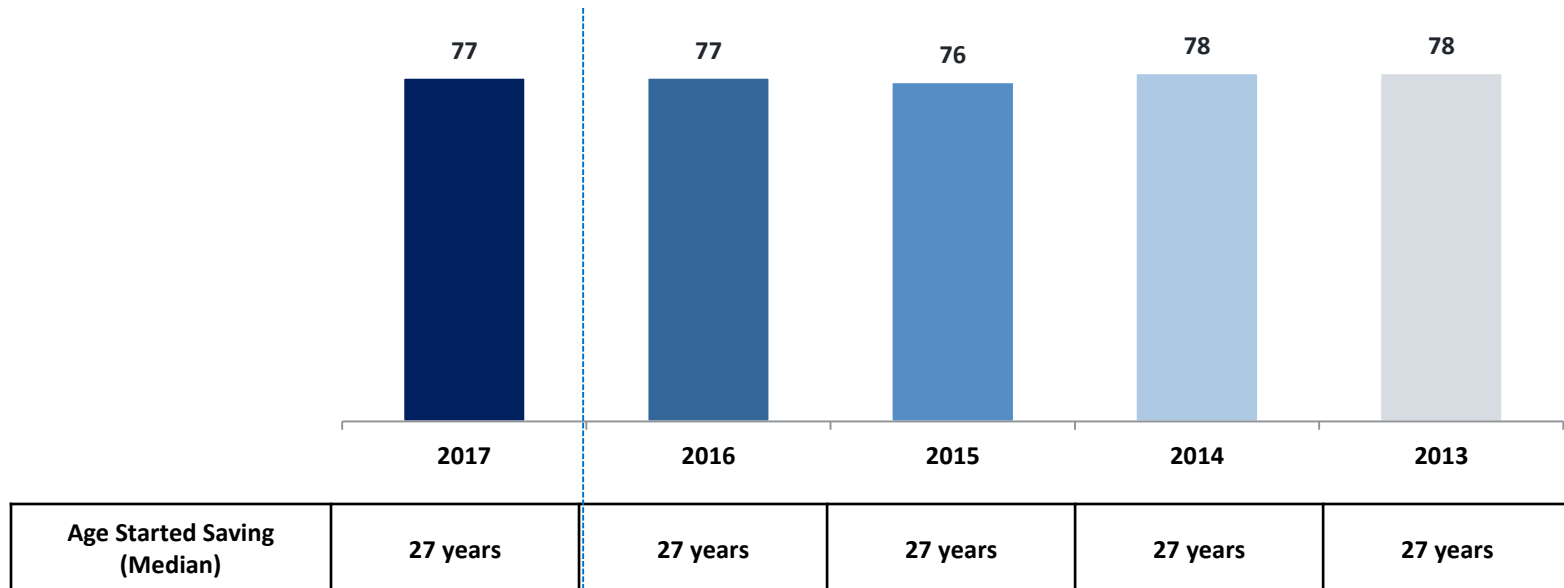
BASE: ALL QUALIFIED RESPONDENTS

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

Seventy-seven percent of workers are saving for retirement through an employer-sponsored retirement plan and/or outside of work. The median age workers begin saving for retirement is age 27. These findings are consistent since 2013.

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



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

BASE: THOSE CURRENTLY OFFERED QUALIFIED PLAN

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

BASE: ALL QUALIFIED RESPONDENTS

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

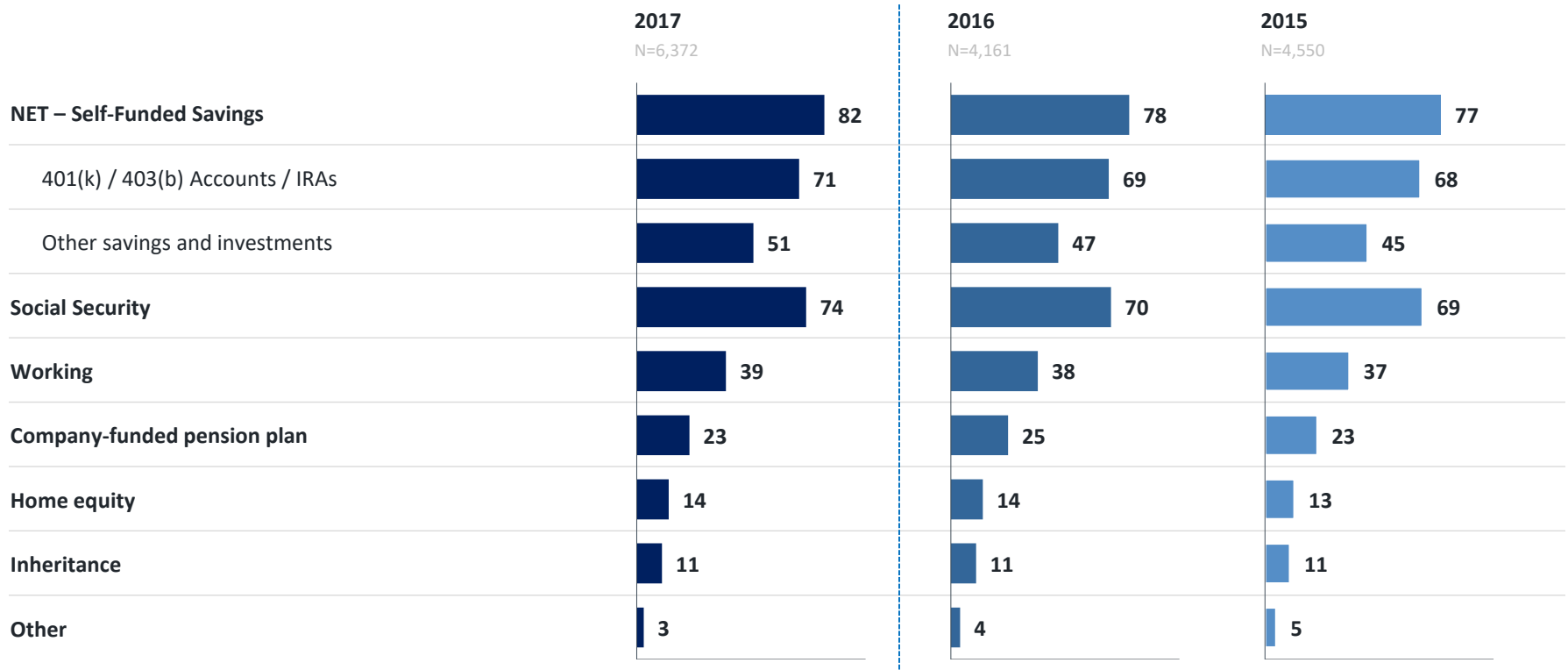
BASE: INVESTING FOR RETIREMENT

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

Expected Sources of Retirement Income

Self-funded savings including retirement accounts (e.g., 401(k)s, 403(b)s, IRAs) and other savings and investment are the most frequently cited sources of retirement income expected by workers (82 percent), followed by Social Security (74 percent). Today’s workers are expecting diverse sources of income, including 39 percent who cite “working” as an expected source of retirement income. Company-funded pension plans (23 percent), home equity (14 percent), and inheritance (11 percent) are less frequently cited by workers.

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.

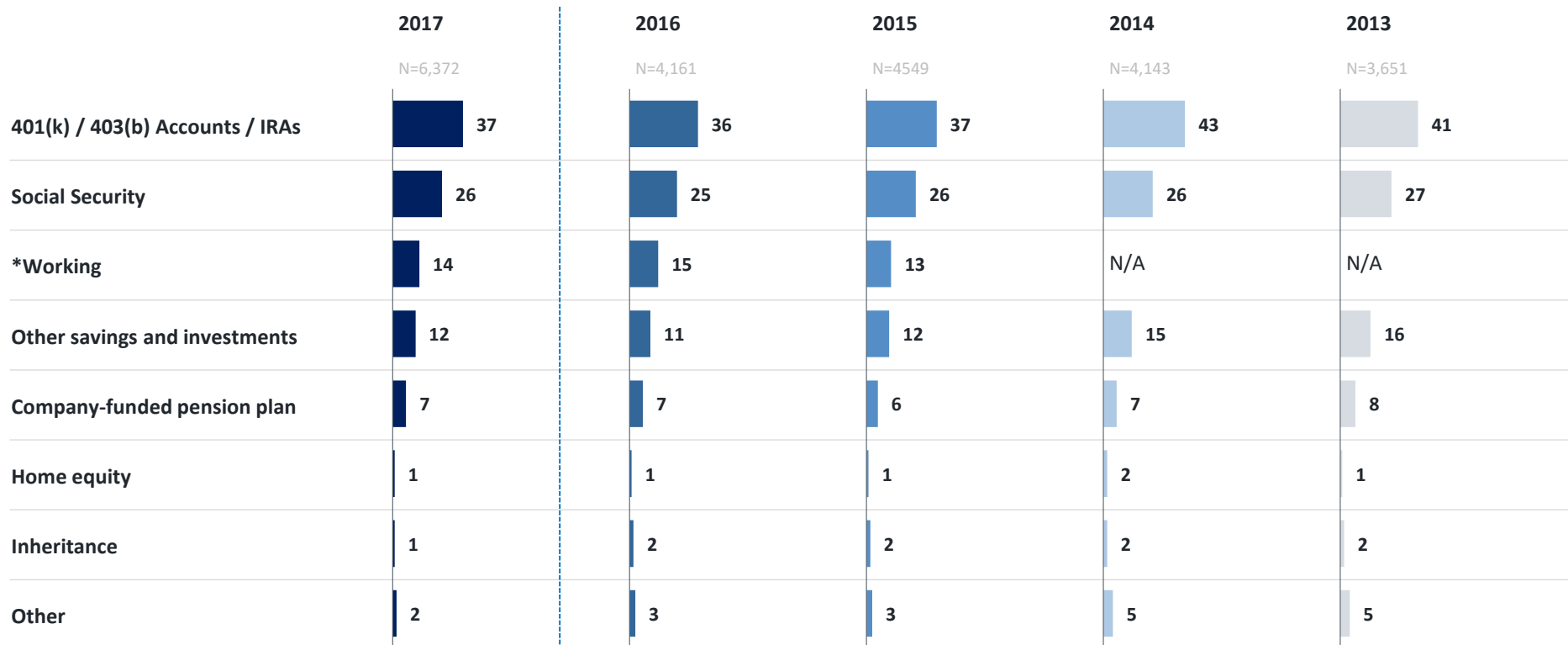
BASE: ALL QUALIFIED RESPONDENTS

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

Primary Source of Retirement Income

Many workers expect to self-fund their retirement, either through 401(k)s or similar accounts and/or IRAs (37 percent), or other savings and investments (12 percent). Twenty-six percent of workers plan to rely on Social Security as their *primary* source of income in retirement. This year's survey found that 14 percent expect that income from "working" will be their primary source of income to cover living expenses when they retire.

Single Greatest Financial Priority Right Now (%)



† 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

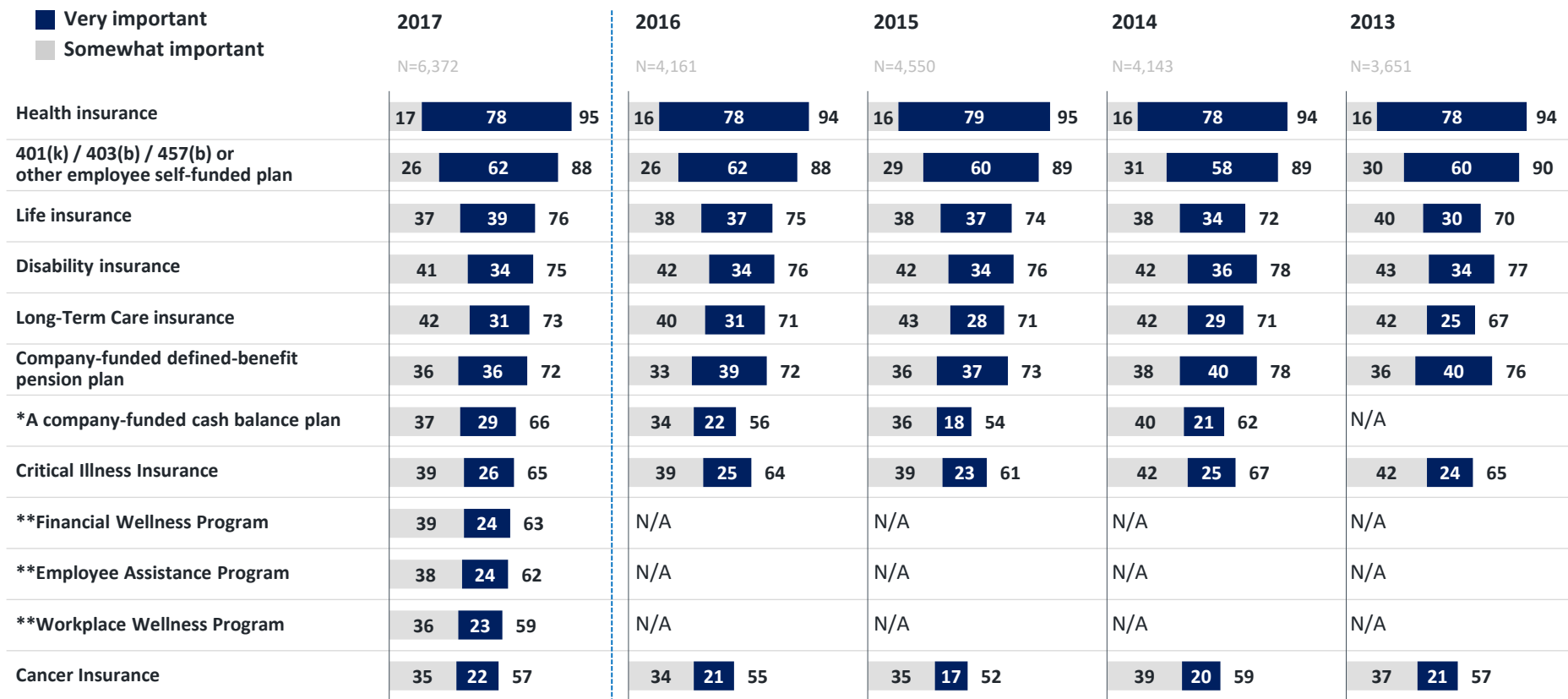
BASE: ALL QUALIFIED RESPONDENTS

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

Workers highly value employer-sponsored retirement benefits — 88 percent of workers say that an employee-funded retirement plan is “very” or “somewhat” important and 72 percent indicate pension plans are important. Health insurance continues to be the most frequently cited important benefit (95 percent).

Top 2 Box % – (Very/Somewhat Important)



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

*added in 2014; **added in 2017

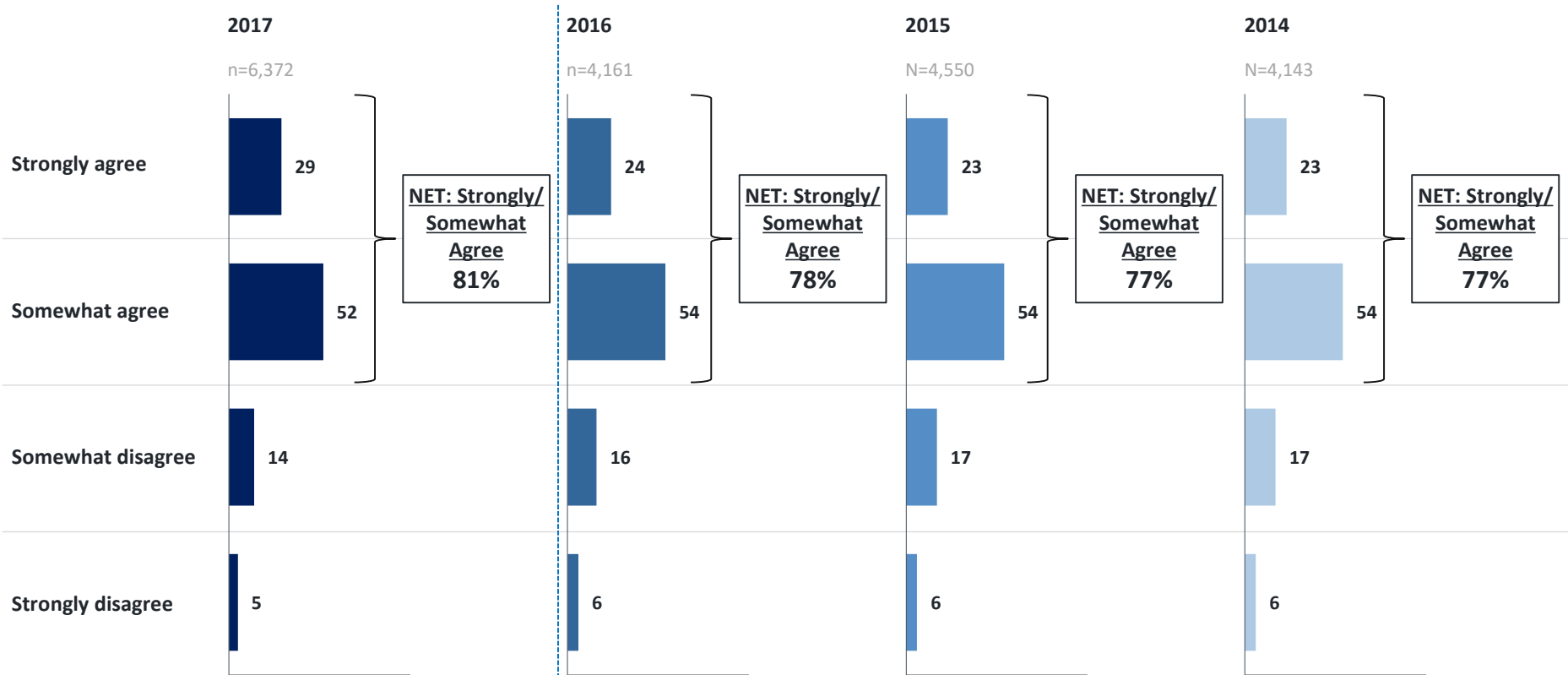
BASE: ALL QUALIFIED RESPONDENTS

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.

Importance of Retirement Benefits in Job Selection

The majority of workers (81 percent) agree that the retirement savings programs offered by a prospective employer will be a major factor in their job search decision, a slight increase from previous years.

“The next time I look for a job, all things being equal, the retirement savings programs offered by the prospective employer will be a major factor in my final decision” (%)



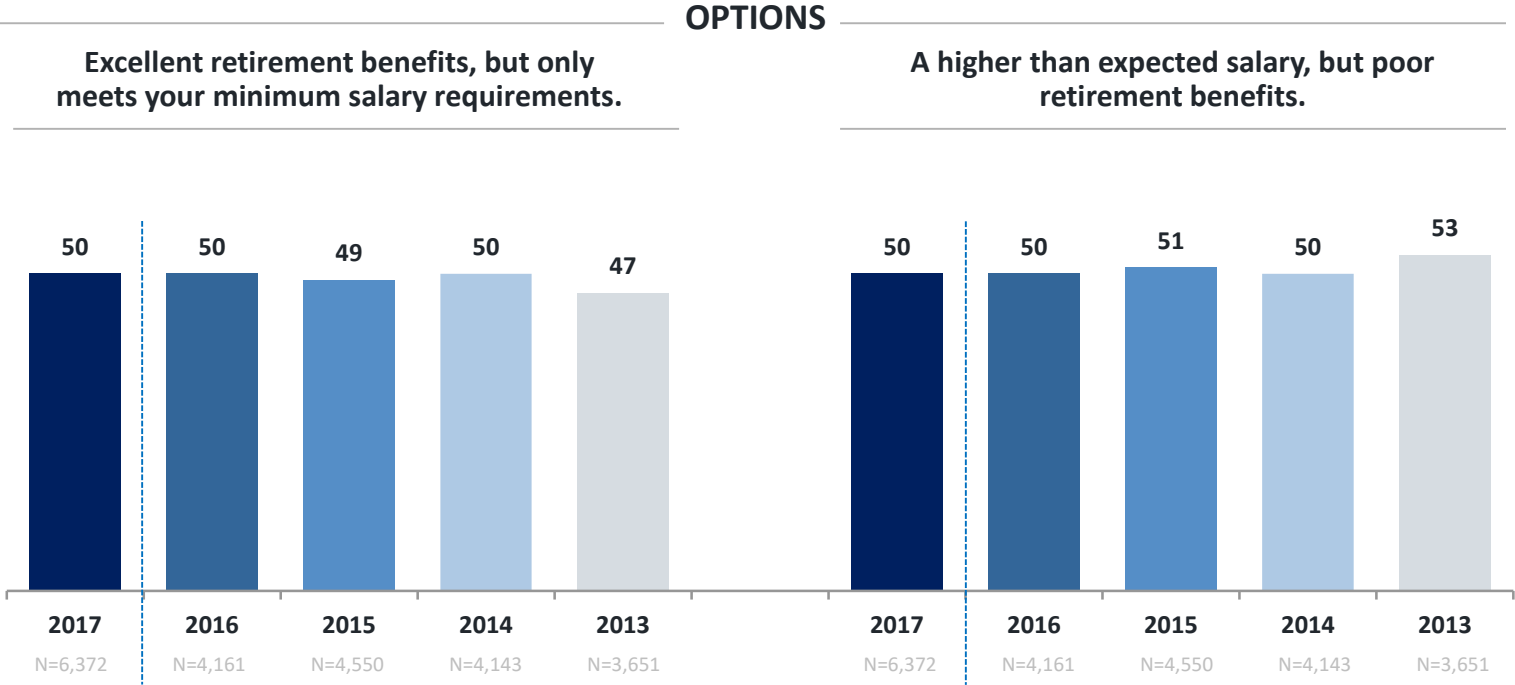
† Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

BASE: ALL QUALIFIED RESPONDENTS

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 savings programs offered by the prospective employer will be a major factor in my final decision”

Better Retirement Benefits Versus Higher Salary

When selecting between two hypothetical job offers, workers are equally likely to say they would select a job with a higher than expected salary, but poor retirement benefits (50 percent) versus a job with excellent retirement benefits, but only meeting minimum salary requirements (50 percent).



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

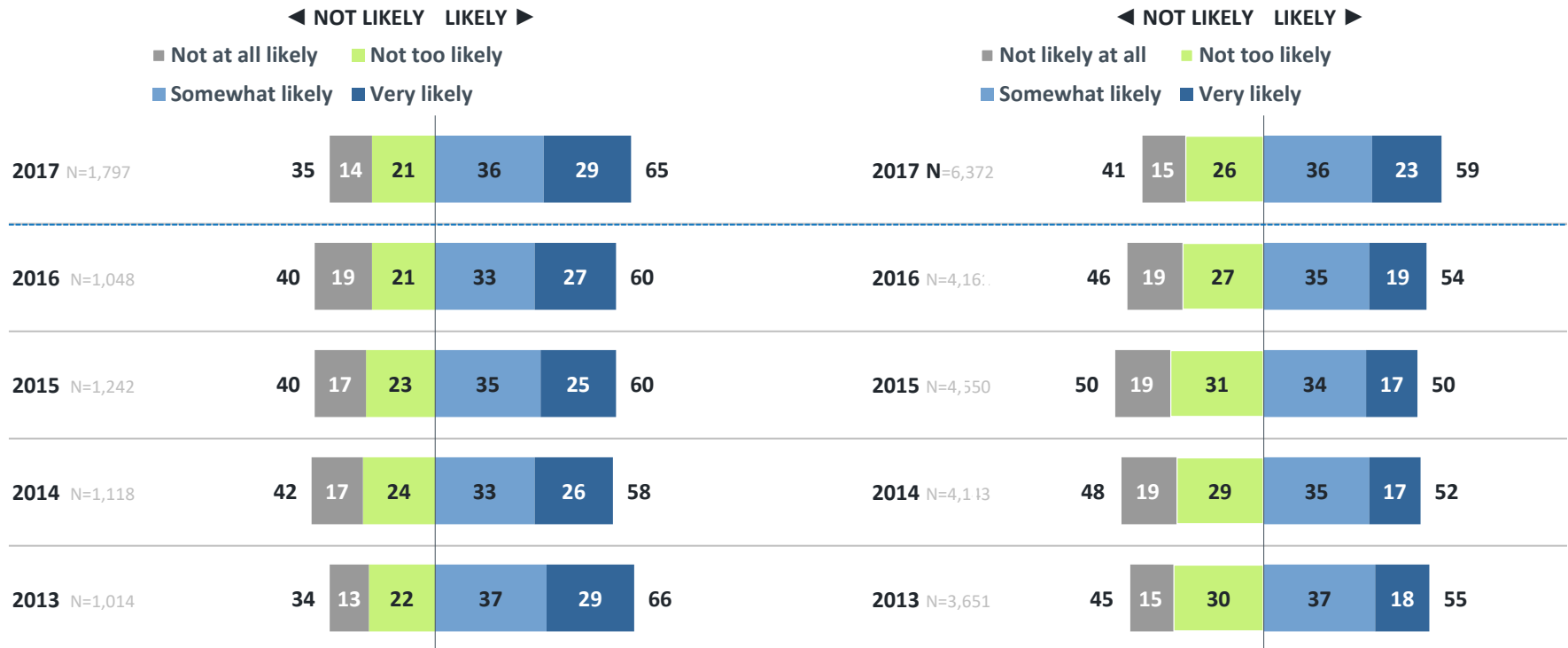
Q830. Suppose that two job offers come your way. Which of the following job offers would you select?

Workers May Switch Employers for Better Retirement Benefits

The majority of workers (65 percent) whose employers do *not* offer a retirement plan would be likely to switch jobs for a similar job with a retirement plan. Among all workers, more than half (59 percent) would switch jobs for a better retirement plan. These are up somewhat from previous years.

Among Those Whose Employer Doesn't Offer Retirement Plan (%)

Among All Workers (%)



† 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.

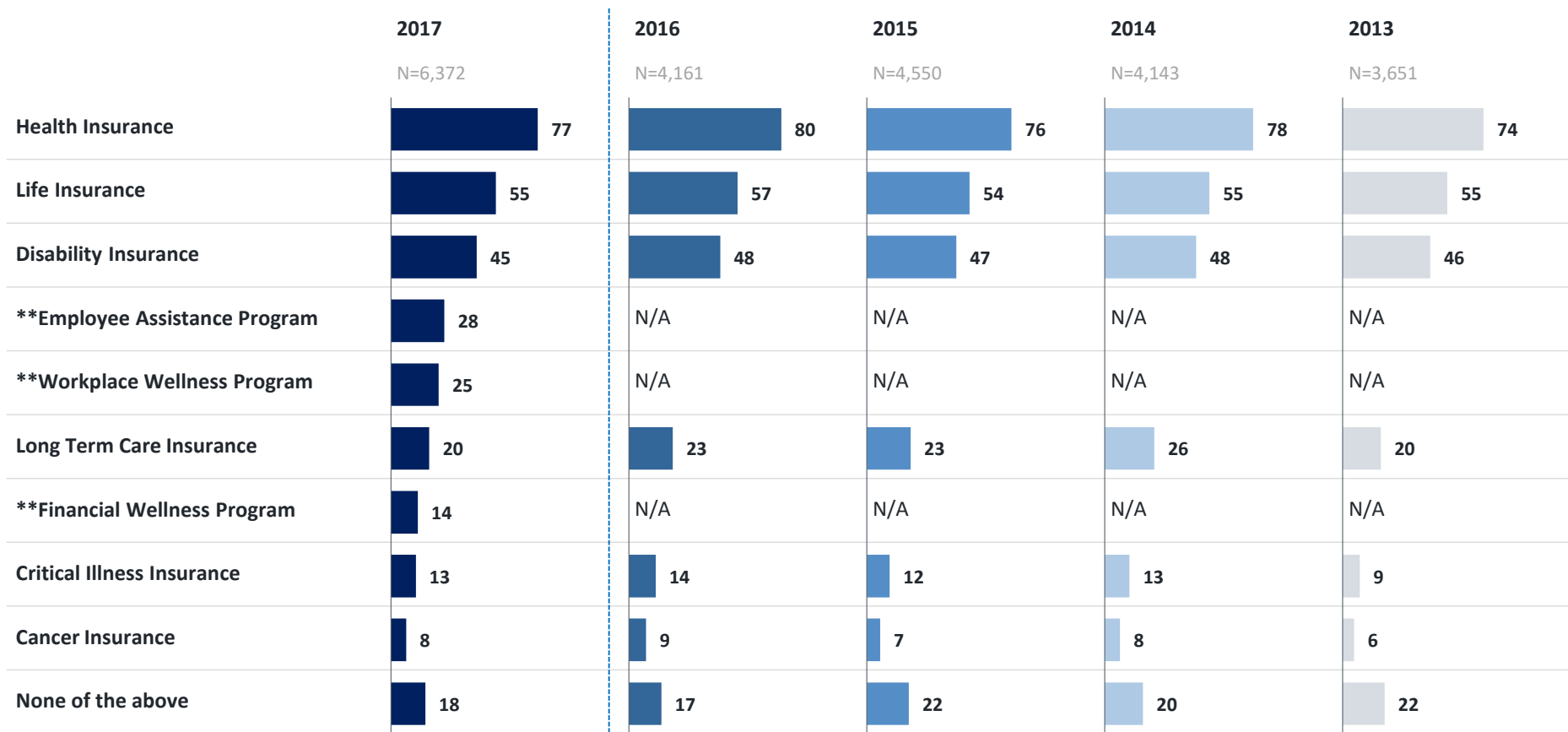
BASE: ALL QUALIFIED RESPONDENTS

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 retirement plan/a better retirement plan than that offered by your current employer]?

Health & Welfare Benefits Currently Offered

The vast majority of workers (77 percent) are offered health insurance at their company. Life insurance (55 percent) and disability insurance (45 percent) are also commonly offered. These trends have remained relatively consistent over the past five years.

Which of the following benefits does your company offer you, personally? Select all. (%)



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

**added in 2017

BASE: ALL QUALIFIED RESPONDENTS

Q1175. Which of the following benefits does your company offer you, personally? Select all.

Retirement Benefits Currently Offered

Seventy-one percent of workers are offered employee-funded retirement plans such as 401(k)s and/or other employee-funded plans. A quarter (26 percent) are offered a company-funded pension plan. However, 22 percent of workers are not offered any type of retirement plan.

Retirement Benefits Currently Offered (%)

	2017 N=6,372	2016 N=4,161	2015 N=4,550	2014 N=4,143	2013 N=3,651
NET - EMPLOYEE-FUNDED PLAN	71	71	66	68	68
Employee-funded 401(k) plan	67	68	64	66	65
Other employee self-funded plan (e.g., SEP, SIMPLE, Other)	7	4	4	3	5
NET - COMPANY-FUNDED PLAN	26	26	24	24	N/A
Company-funded defined benefit pension plan	22	23	20	19	18
*Company-funded cash balance plan	9	8	8	9	N/A
NET - NONE OF THE ABOVE	24	23	28	25	28
Other	2	N/A	N/A	N/A	N/A
None	22	N/A	N/A	N/A	N/A

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

*added in 2014

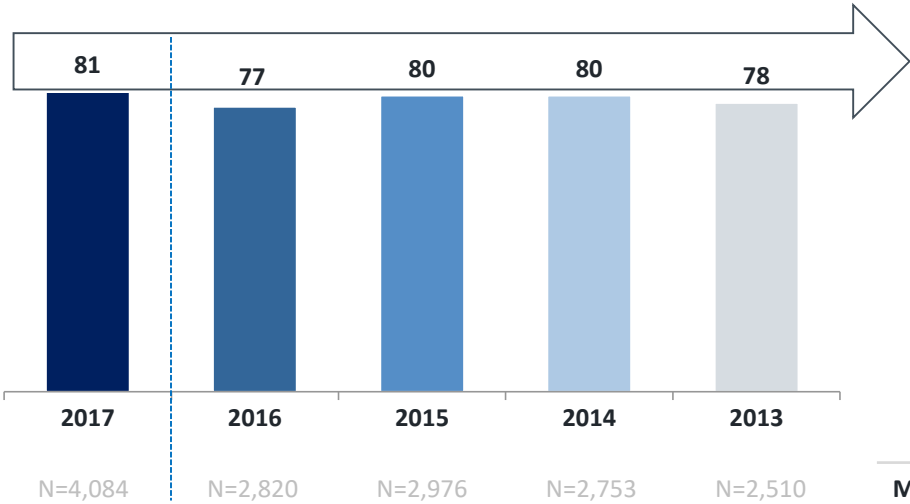
BASE: ALL QUALIFIED RESPONDENTS

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

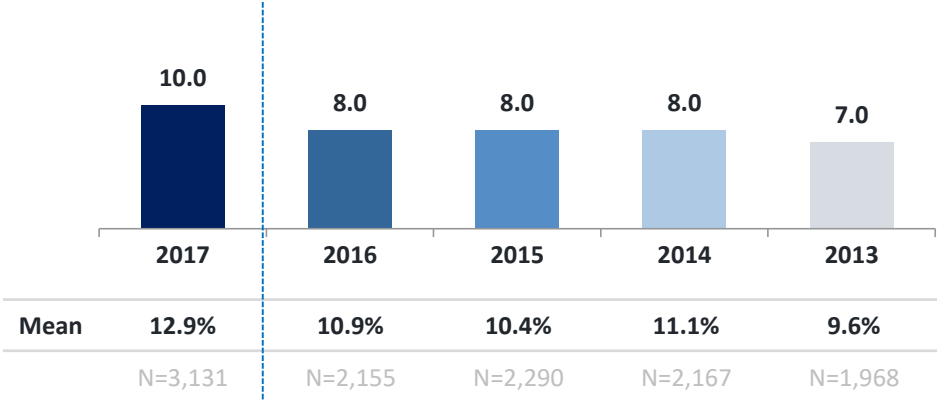
Retirement Plan Participation and Contribution Rates

Among workers who are offered an employee-funded retirement plan, participation is relatively high at 81 percent, slightly higher than last year. The median percentage of salary being saved in 2017 is 10 percent of annual pay, an increase from prior years.

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



Median Percentage of Salary Being Saved Among Those Participating (%)



! 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 WITH QUALIFIED PLANS CURRENTLY OFFERED TO THEM

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

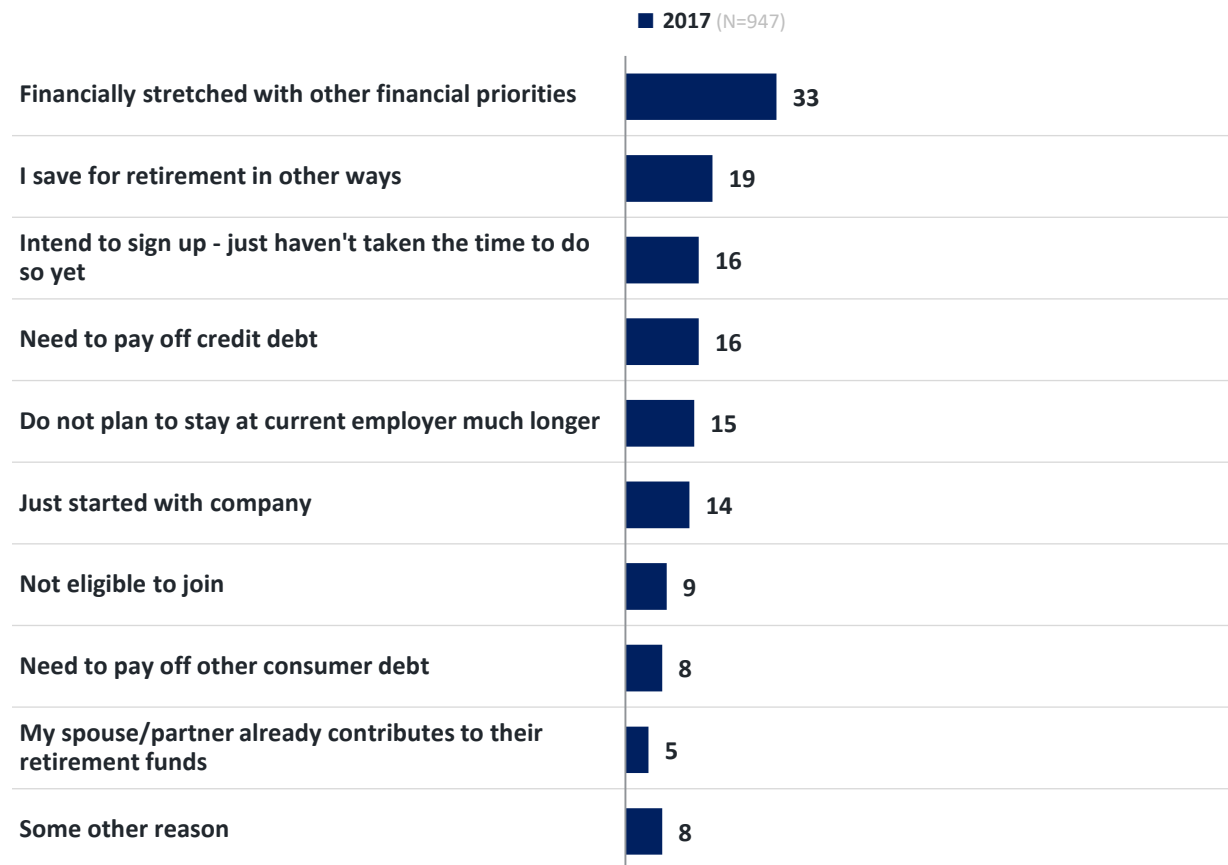
BASE: THOSE CURRENTLY PARTICIPATING IN THEIR QUALIFIED PLAN

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

Reasons for Not Participating in Retirement Plan

Among workers not participating in their company-sponsored plan, the reason most frequently cited is being financially stretched with other financial priorities (33 percent). Almost one in five cite that they save for retirement in other ways (19 percent).

Reasons for Not Participating in Retirement Plan (%)



BASE: THOSE NOT CURRENTLY CONTRIBUTING TO PLAN

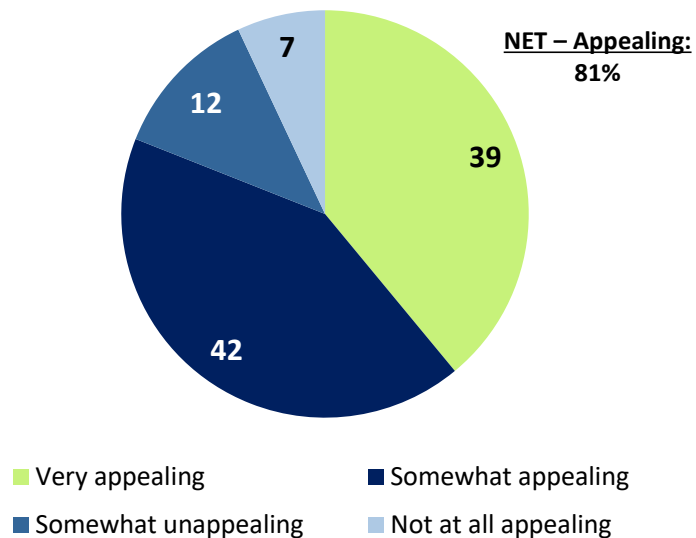
Q670. Which of the following is the main reason you are not currently participating in your company's retirement plan? Select all.

Appeal of Automatic Enrollment

Eight in ten workers (81 percent) find automatic enrollment by their current employer into an employee sponsored retirement plan appealing. If workers were to be automatically enrolled, the median default contribution rate they feel is appropriate is 7 percent.

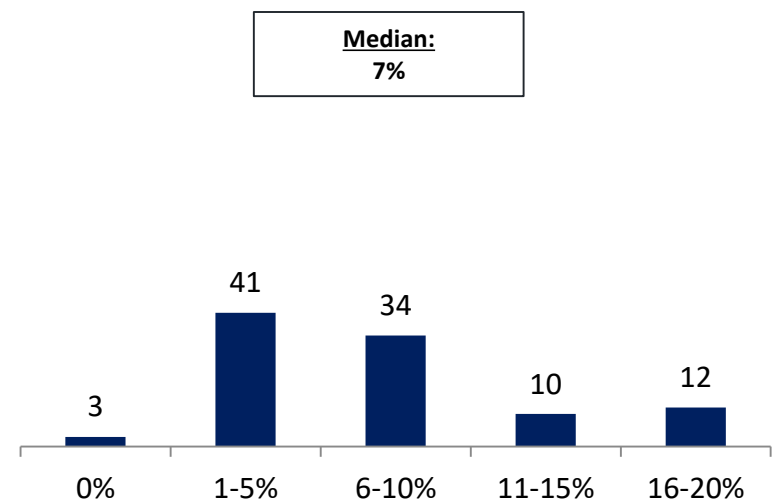
Appeal of Automatic Enrollment (%)

2017 (N=6,372)



Appropriate Default Contribution Rate (%)

2017 (N=6,372)



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?

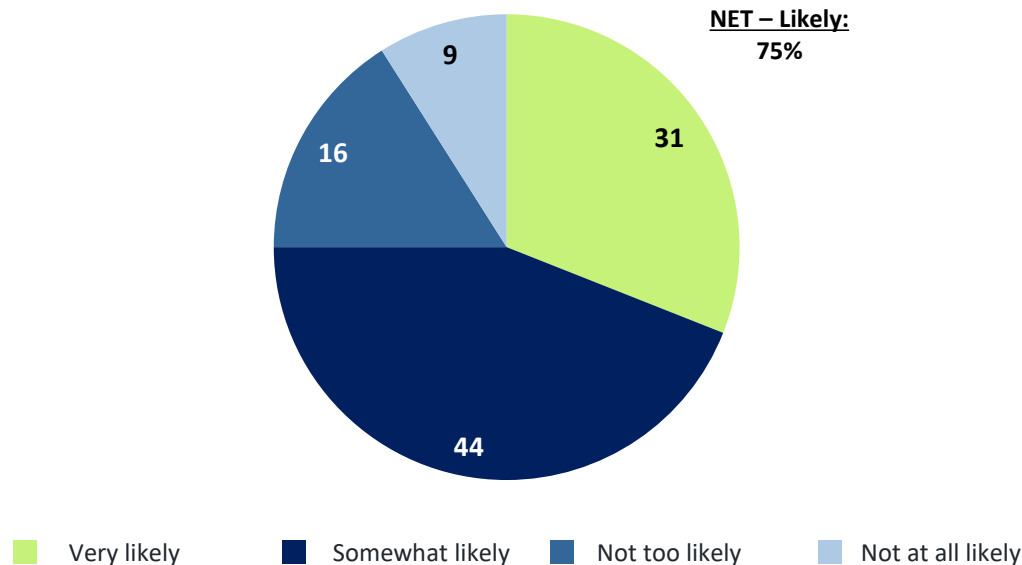
Q636. Imagine that your current employer automatically enrolled you into a 401(k), 403(b) or similar retirement plan, what would you consider to be an appropriate percentage to deduct from your paycheck to be invested for your future retirement?

Likelihood of Using Automatic Escalation

Three in four workers (75 percent) are either somewhat likely (44 percent) or very likely (31 percent) to use a feature that would allow their employer to automatically increase the contribution rate in their 401(k) or similar plan by 1% each year, until they choose to discontinue the increase.

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

2017 (N=6,372)



New question added in 2017

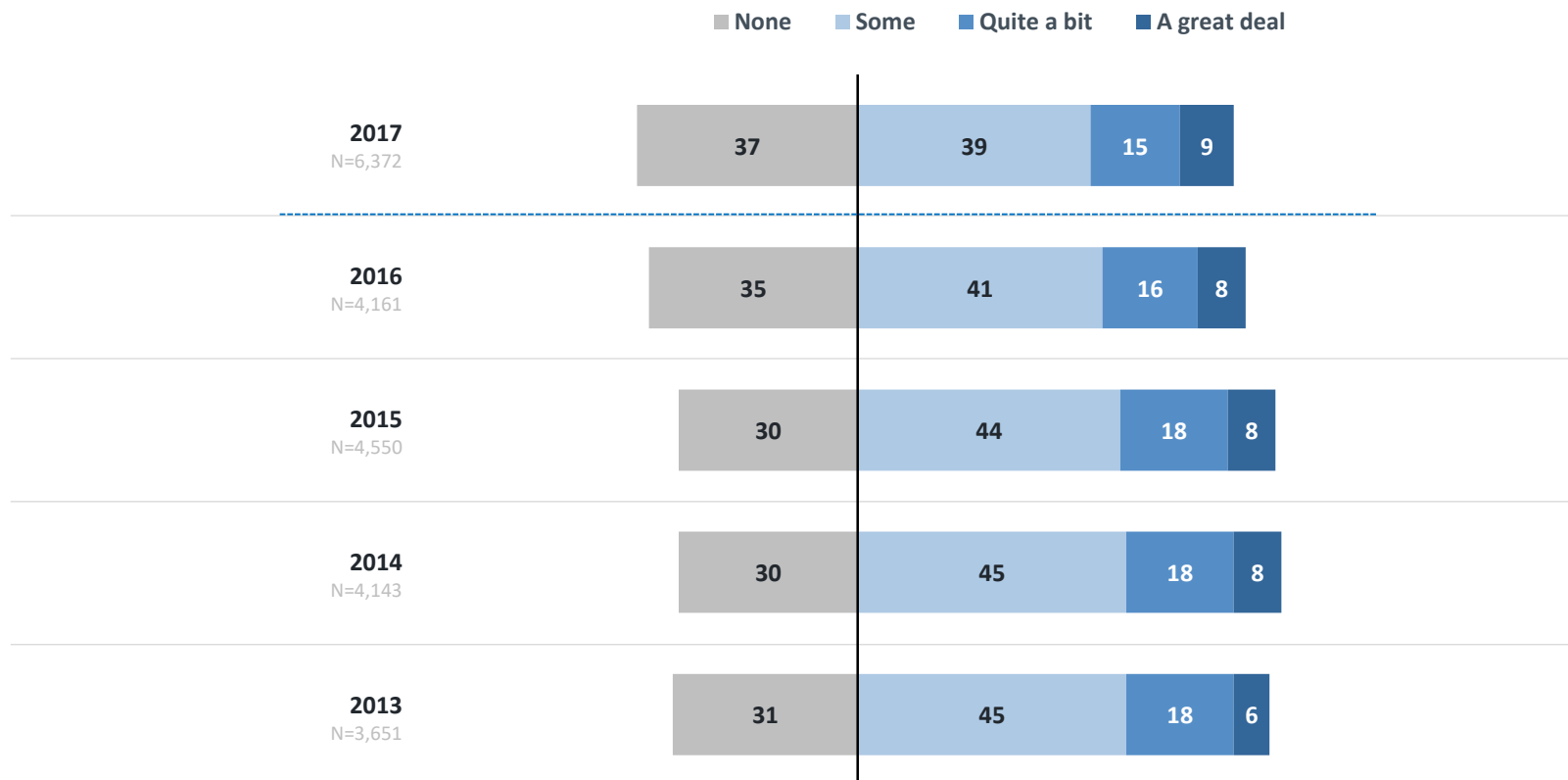
BASE: ALL QUALIFIED RESPONDENTS

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?

Understanding of Asset Allocation Principles

Workers have a limited understanding of asset allocation as it relates to retirement investing, with only one in four workers (24 percent) saying they understand asset allocation principles “quite a bit” or “a great deal.” Thirty-seven percent say they have no understanding of asset allocation principles, which has been increasing over the past five years.

Understanding of Asset Allocation Principles (%)



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.

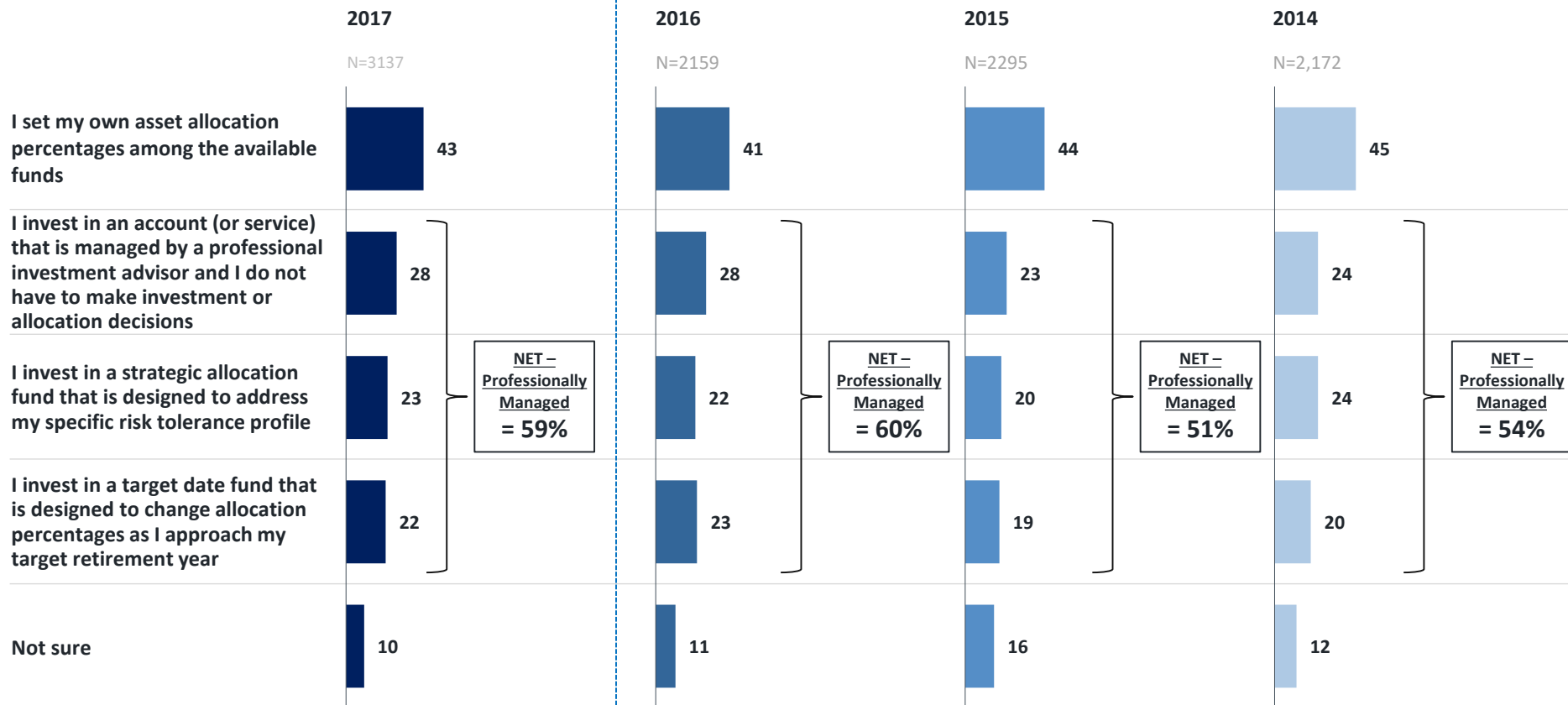
BASE: ALL QUALIFIED RESPONDENTS

Q760. How good of an understanding do you have regarding asset allocation principles as they relate to retirement investing?

Use of Professionally Managed Offerings

Three in five workers who participate in their employer-sponsored 401(k) or similar plan (59 percent) say they use some sort of automatic allocation approach to investing their retirement plan assets, such as a managed account, strategic allocation fund and/or target date fund. Forty-three percent prefer a more do-it-yourself approach and set their own asset allocation percentages among the available funds. Ten percent are “not sure.”

Investments 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.

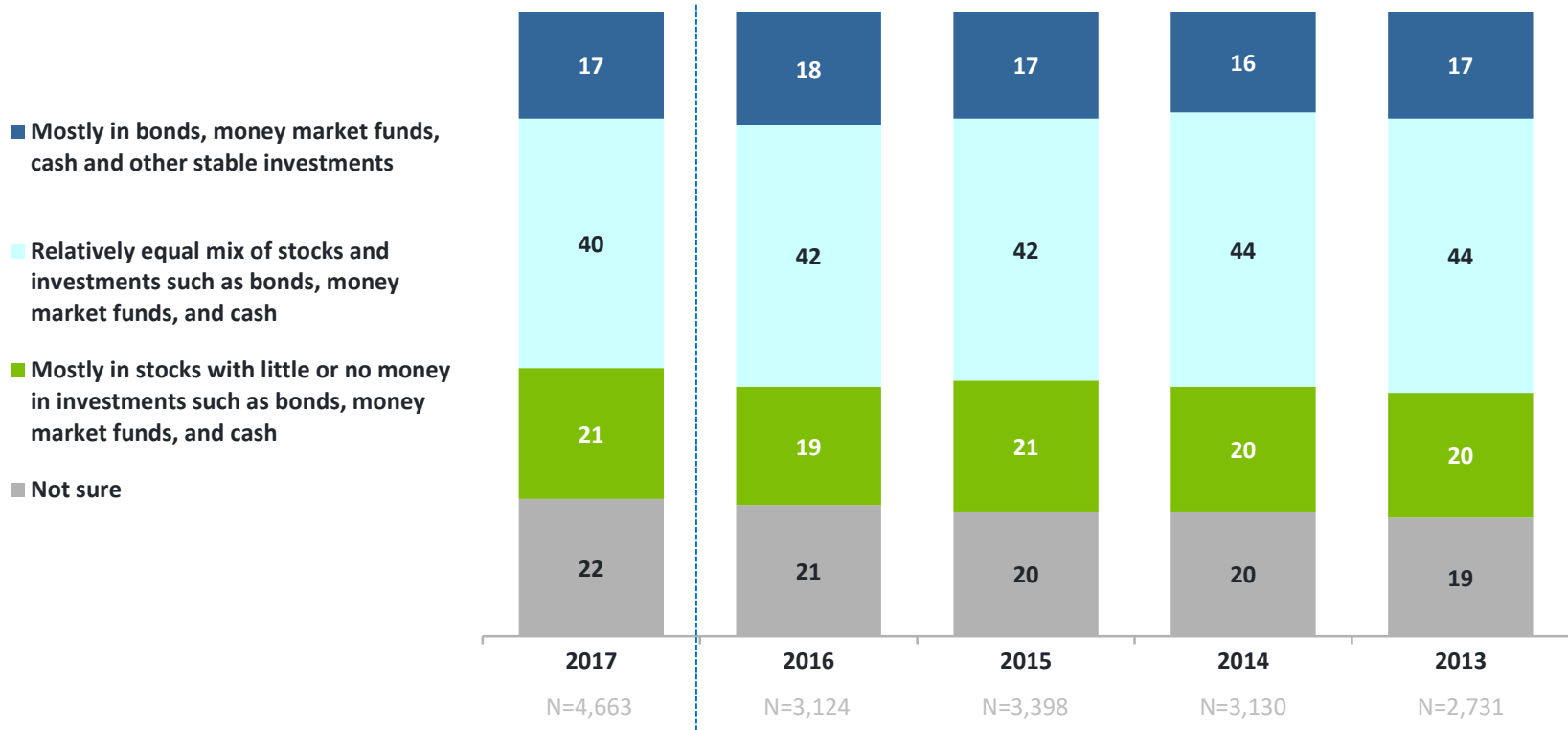
BASE: THOSE PARTICIPATING IN QUALIFIED PLAN

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

Asset Allocation of Retirement Savings

Among those who are saving for retirement, 40 percent of workers indicate that their retirement savings are invested in an equal mix of stocks and bonds. A concerning 22 percent of workers are “not sure” how their retirement savings are invested.

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.

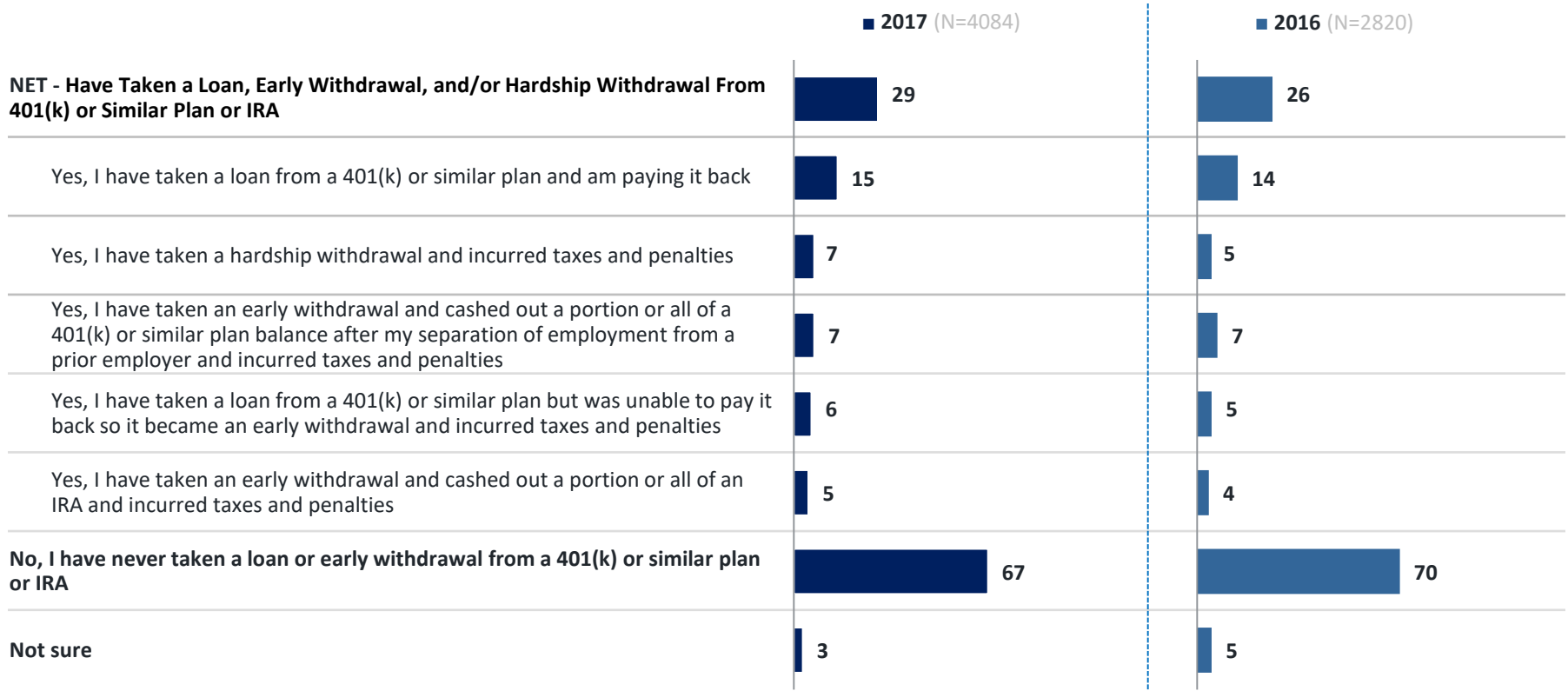
BASE: INVESTING FOR RETIREMENT

Q770. How are 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. About one in three workers (29 percent) have taken some form of loan, early withdrawal, and/or hardship withdrawal from a 401(k) or similar plan or IRA.

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? (%)



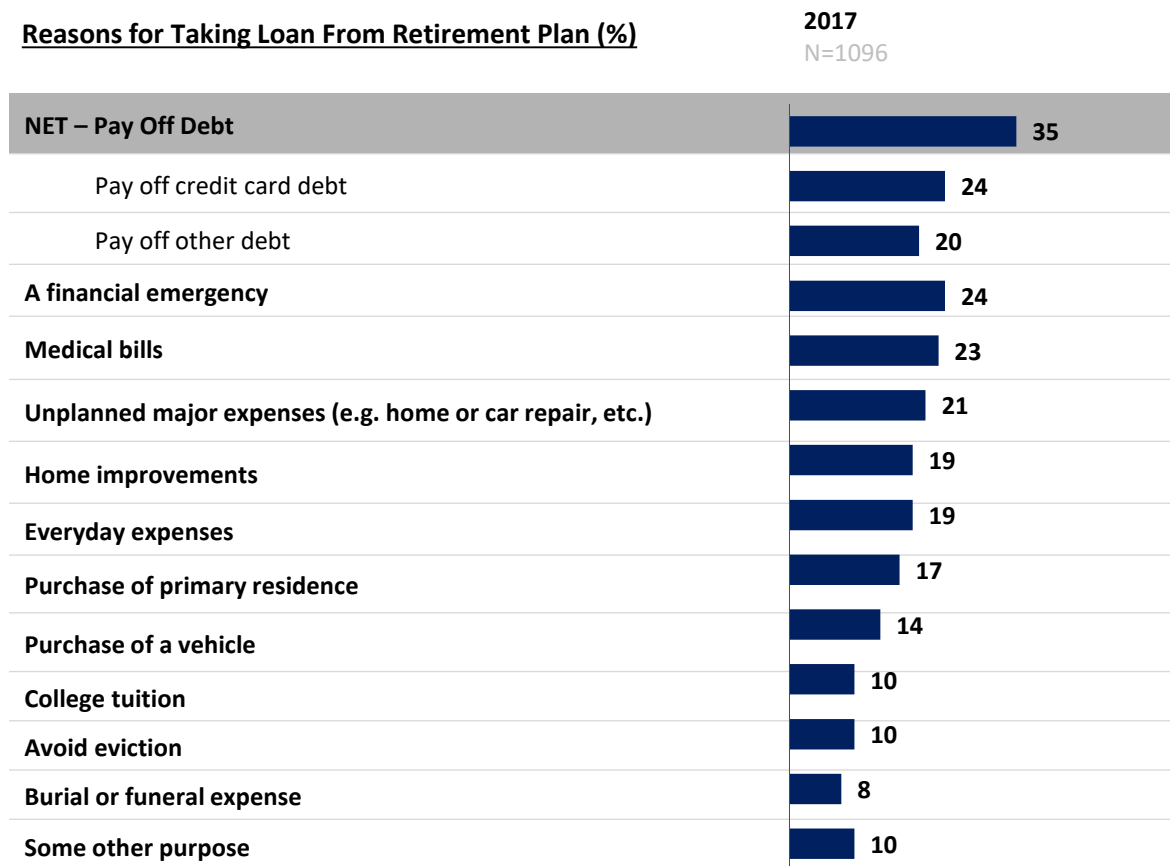
! Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

BASE: ALL QUALIFIED RESPONDENTS

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.

Reasons for Taking Plan Loans

Among workers who have taken a retirement plan loan, the most frequently cited reason for doing so is to pay off debt (35 percent), including credit card debt (24 percent) and/or other debt (20 percent). Other reasons for taking a loan include a financial emergency (24 percent), medical bills (23 percent), or unplanned major expenses (21 percent).

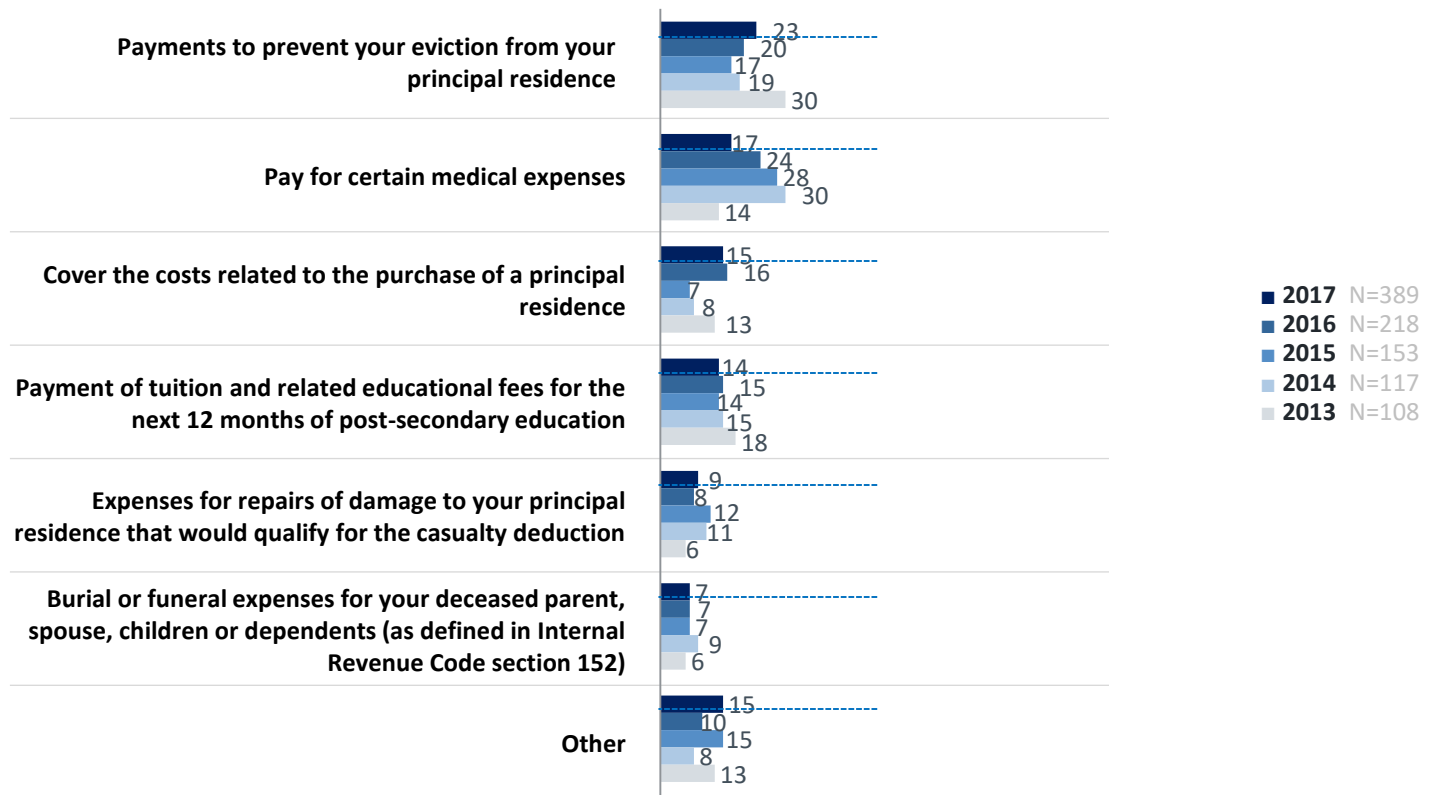


Reasons for Taking Hardship Withdrawals From Plans

Among workers who have taken a hardship withdrawal from their employer-sponsored retirement plan, about one in five (23 percent) say the primary reason for the withdrawal is to prevent eviction from their home, and another 17 percent say it is to pay for certain medical expenses.

Primary Reason for Hardship Withdrawal (%)

Note: Findings from prior years should be considered directional due to small base.



■ 2017 N=389
 ■ 2016 N=218
 ■ 2015 N=153
 ■ 2014 N=117
 ■ 2013 N=108

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.

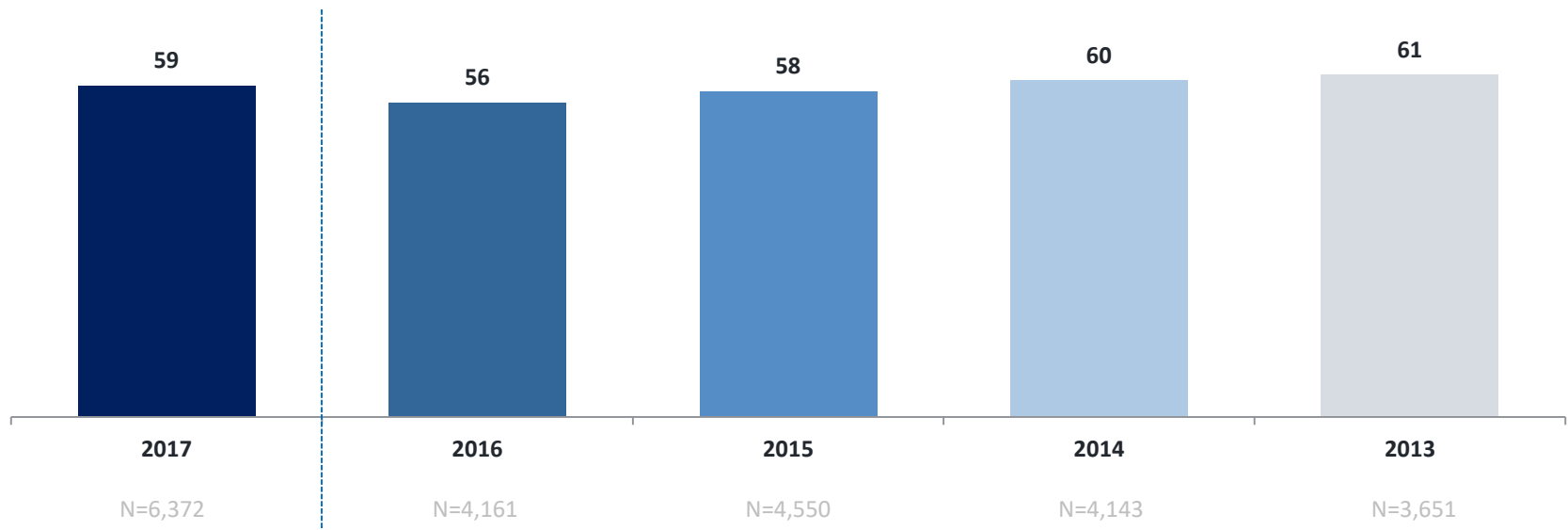
BASE: THOSE WHO HAVE TAKEN A HARDSHIP WITHDRAWAL

Q1465. What is the primary reason you have taken a hardship withdrawal from your employee-funded retirement savings plan?

Saving for Retirement Outside of Work

The majority of workers (59 percent) are saving for retirement outside of work in an IRA, mutual fund, bank account or other vehicle. This is a slight increase from last year.

Currently Saving for Retirement Outside of Work
% 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.

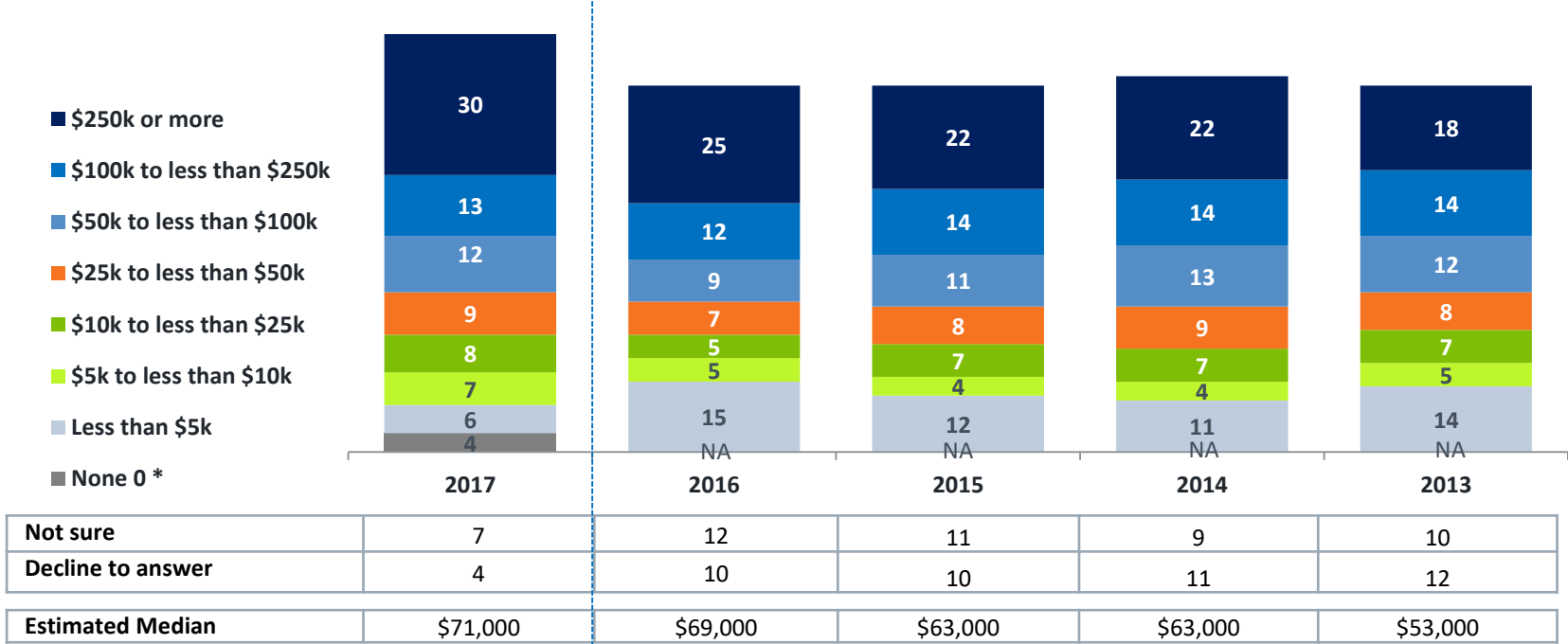
BASE: ALL QUALIFIED RESPONDENTS

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

Household Retirement Savings

Total household retirement savings among workers is \$71,000 (estimated median), a slight increase from last year. In 2017, 10 percent of workers have saved less than \$5,000 in household retirement accounts, while 25 percent have less than \$25,000 saved. In contrast, 30 percent of workers report having saved more than \$250,000 in household retirement accounts.

Total Household Retirement Savings (%)



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

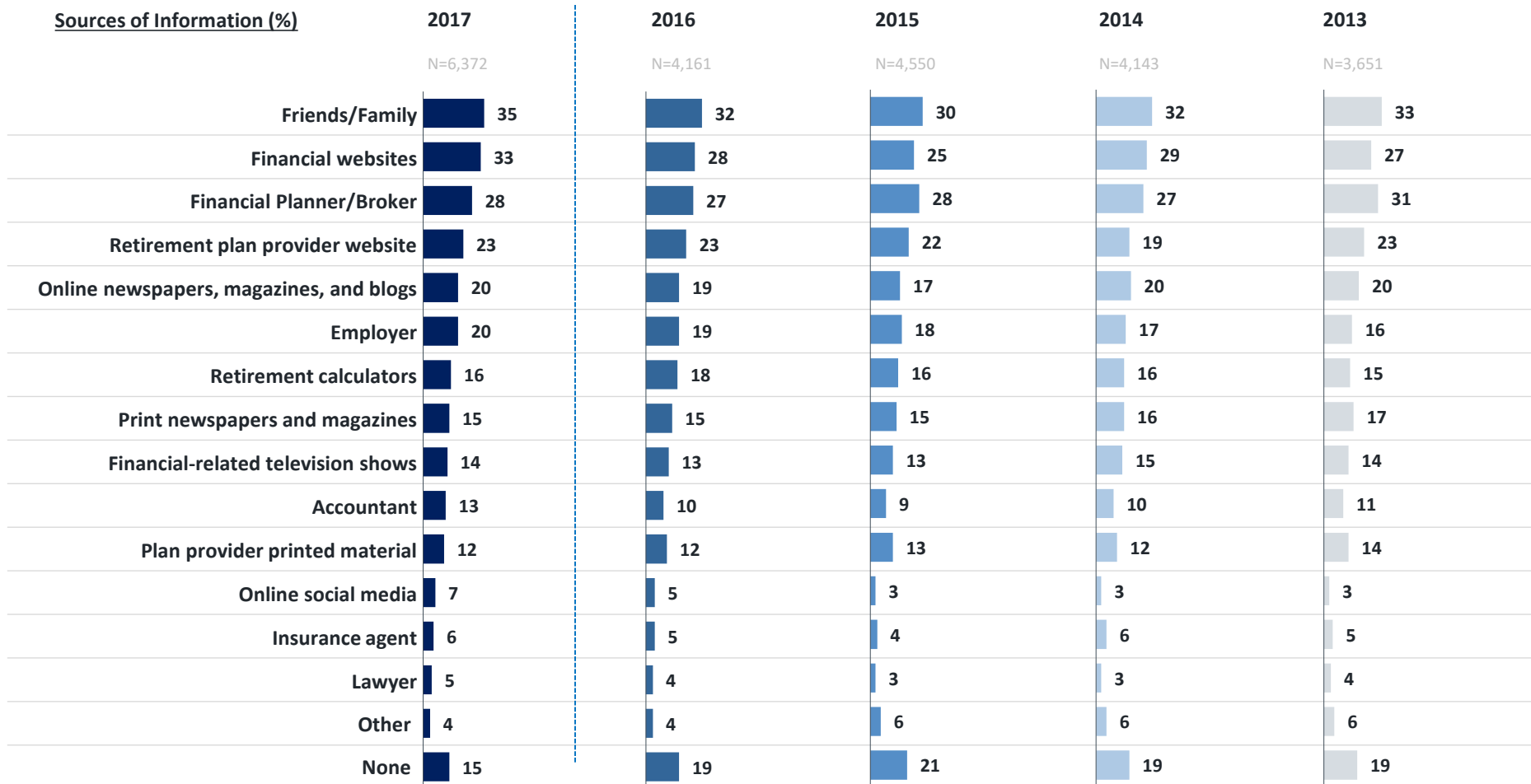
! Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.
 *added in 2017

BASE: ALL QUALIFIED RESPONDENTS

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

Information Sources: Retirement Planning & Investing

Friends and family (35 percent) continue to be the top source of information for workers when it comes to retirement planning and investing. Other popular information sources include financial websites (33 percent), financial planners/brokers (28 percent), and retirement plan provider websites (23 percent).



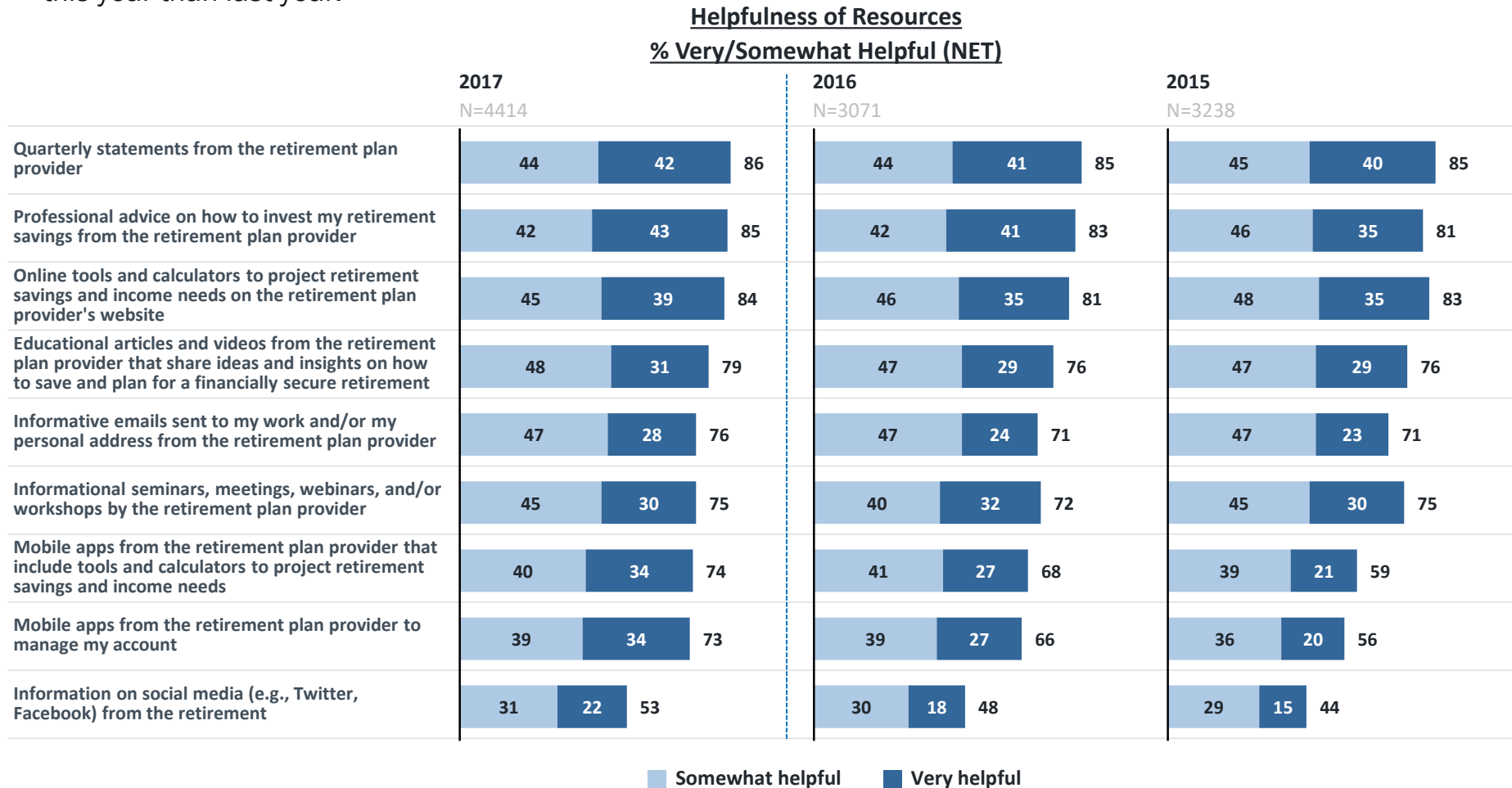
Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

BASE: ALL QUALIFIED RESPONDENTS

Q825. What sources of information do you rely on for retirement planning and investing? Select all.

Helpfulness of Resources Offered by Retirement Plan Provider

Among those offered a retirement plan, quarterly statements from the retirement plan provider continue to be seen as the most helpful resource for retirement planning, saving, and investing. This is followed closely by professional advice. Workers are more likely to say mobile apps from the retirement plan provider are helpful this year than last year.



† 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.

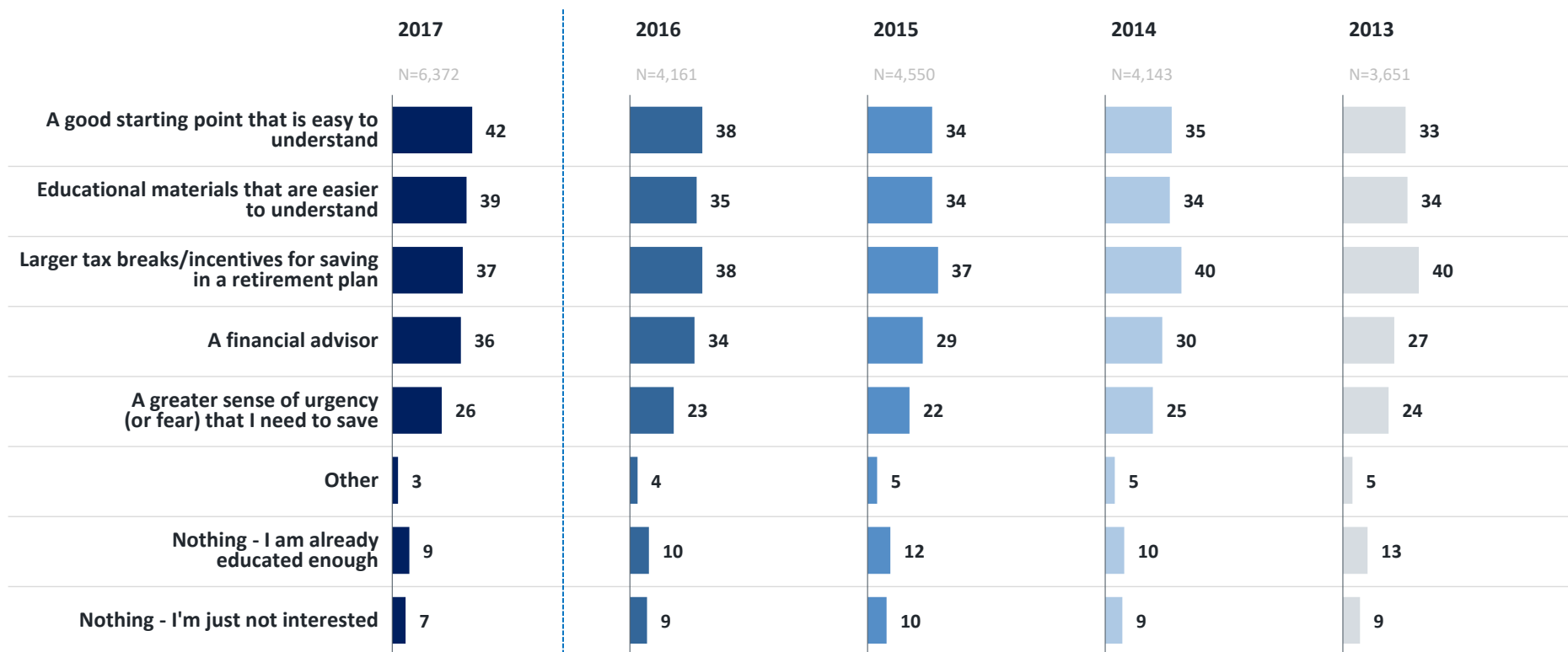
BASE: THOSE OFFERED A RETIREMENT PLAN

Q2035. 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 Learn More About Retirement Investing

Workers most frequently cite “a good starting point that is easier to understand” and “educational materials that are easier to understand” as potential motivators for learning more about saving and investing for retirement. Both of these are somewhat higher than prior years. Nine percent of workers feel that they are already educated enough and seven percent say that they are just not interested in learning more about retirement.

Motivators to Learn More About Saving and Investing For 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.

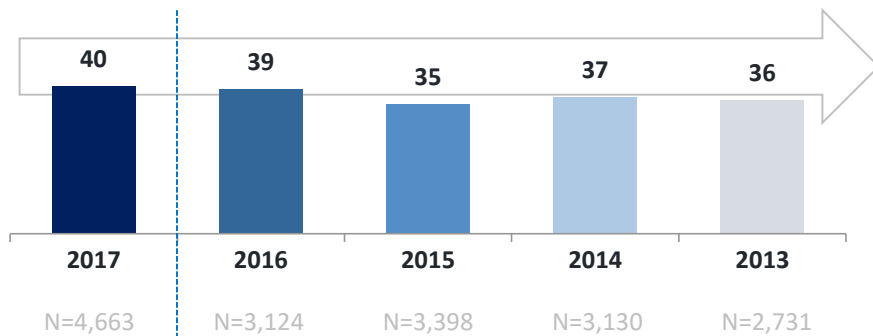
BASE: ALL QUALIFIED RESPONDENTS

Q2040. What would motivate you to learn more about saving and investing for retirement? Select all.

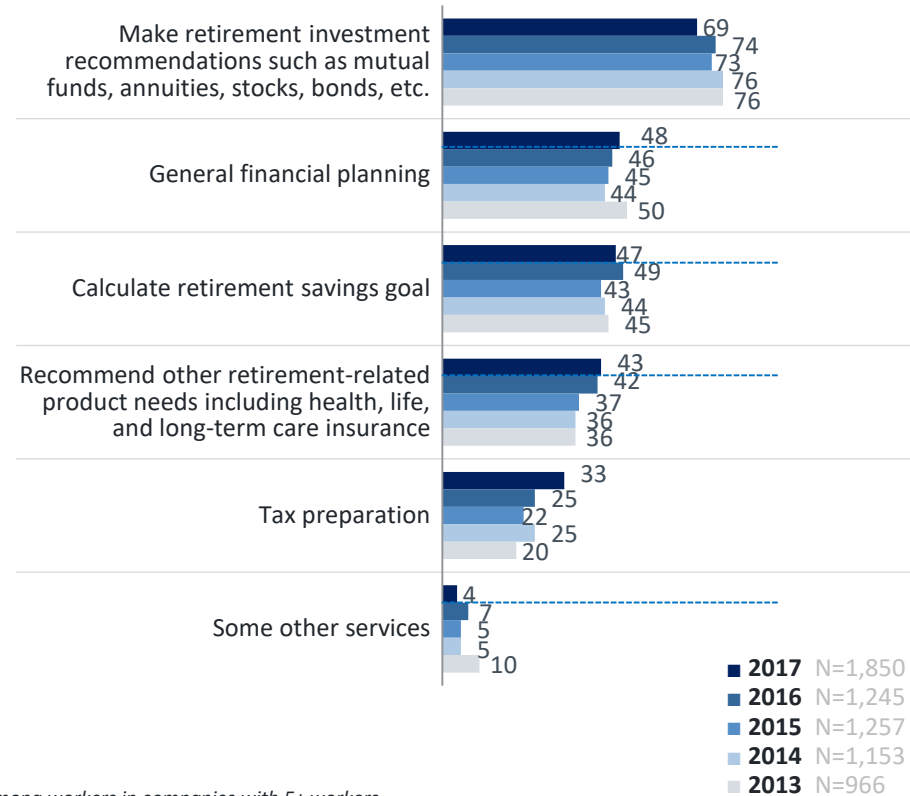
Use a Professional Financial Advisor

Among workers investing for retirement, 40 percent use a professional advisor to help manage their retirement savings or investments. Of those who use advisors, most do so to get retirement investment recommendations (69 percent), general financial planning (48 percent), and/or to help calculate a retirement goal (47 percent).

Use a Professional Financial Advisor to Help Manage Your Retirement Savings or Investments, % Indicate “Yes”



Types of Services Financial Advisor Performs (%)



■ 2017 N=1,850
 ■ 2016 N=1,245
 ■ 2015 N=1,257
 ■ 2014 N=1,153
 ■ 2013 N=966

† 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?

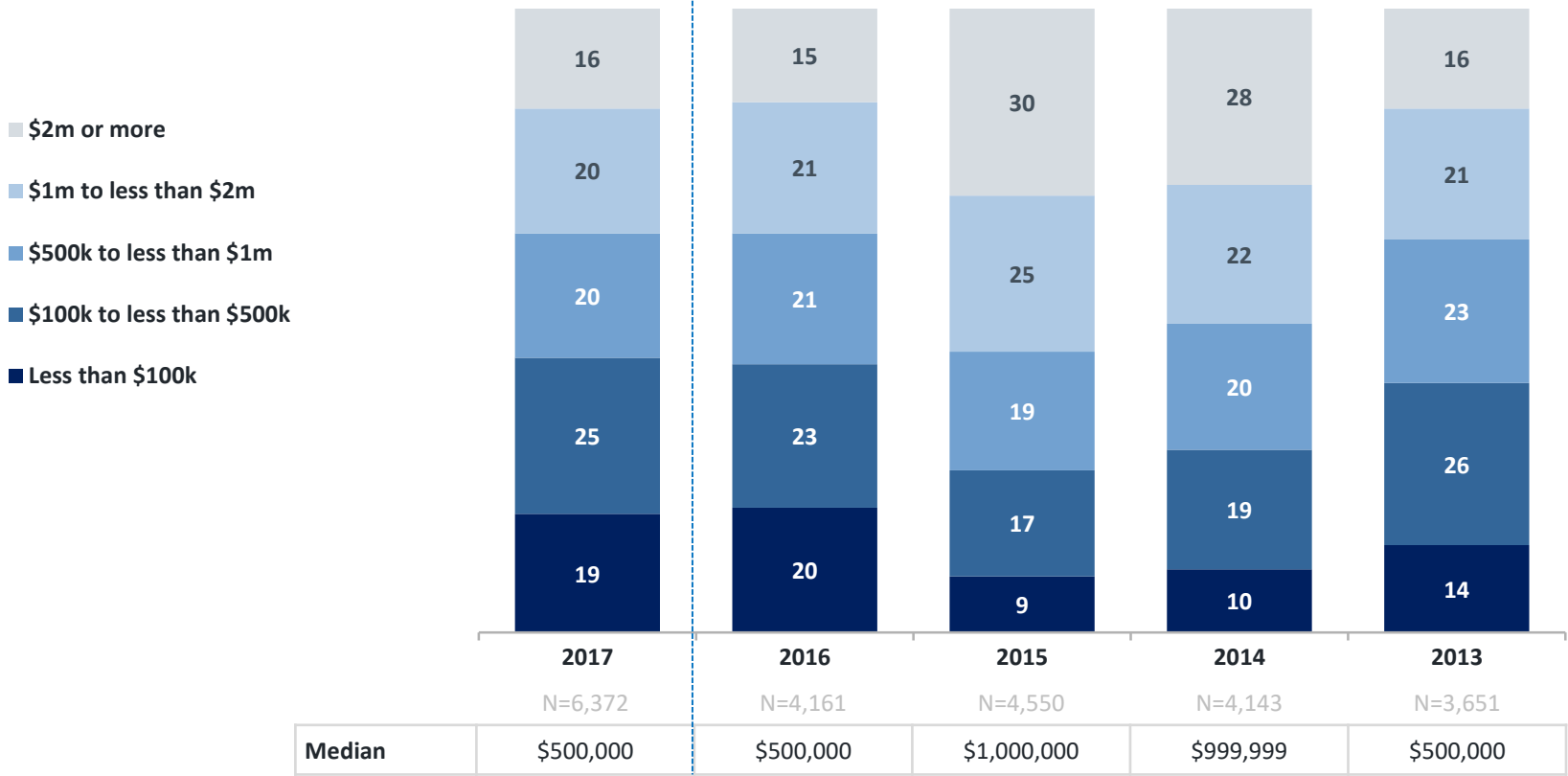
BASE: USE FINANCIAL ADVISOR

Q870. What types of services do you use your professional financial advisor to perform? Select all.

Estimated Retirement Savings Needs

Workers estimate they will need to have saved \$500,000 (median) by the time they retire in order to feel financially secure, a survey finding consistent with last year but lower than 2015 and 2014. In 2017, 36 percent of workers estimate they will need \$1 million or more.

Estimated Retirement Savings Needs (%)



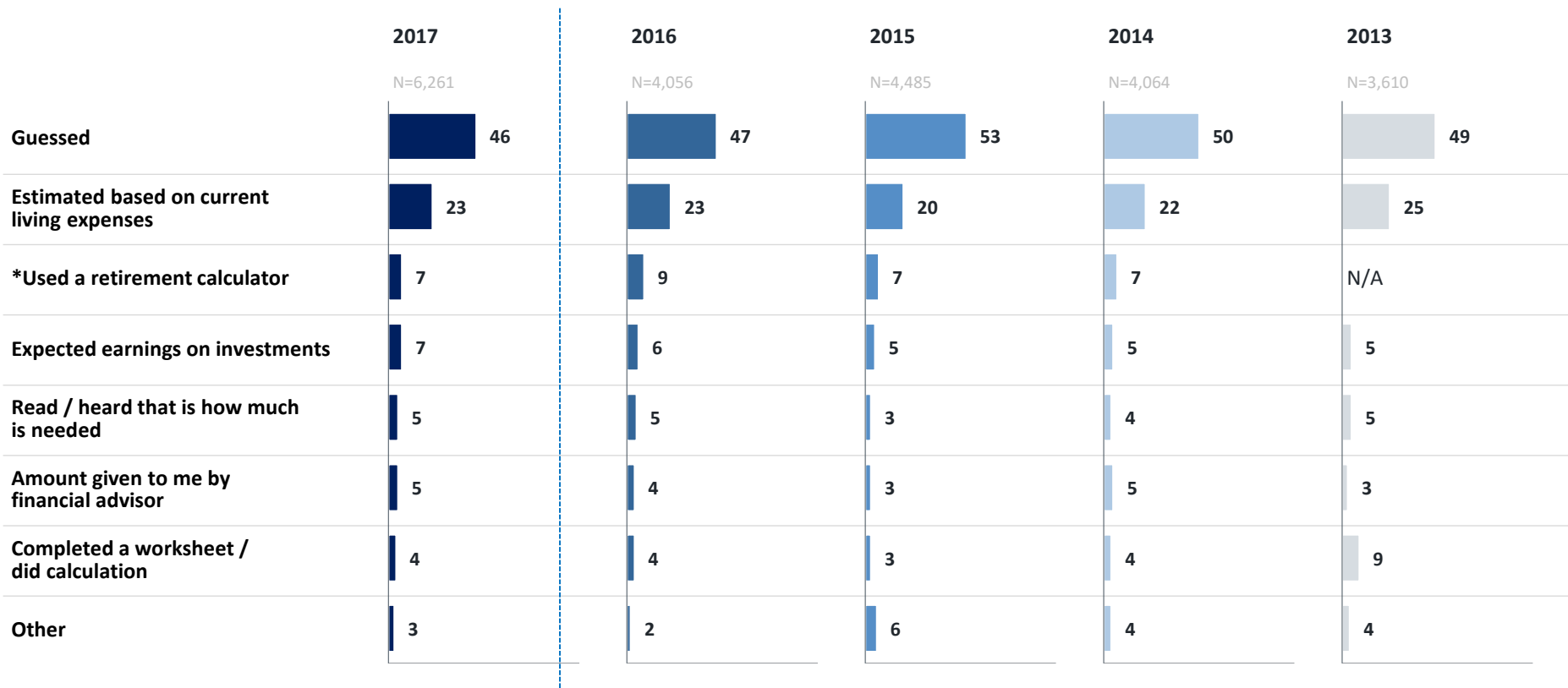
Note: The median is estimated based on the approximate midpoint of the range of each response category. Non-responses are excluded from the estimate.

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

Among workers who provided an estimate of their retirement savings needs, 46 percent say they “guessed” when asked how they arrived at their estimate. Twenty-three percent estimated the amount based on current living expenses. Only seven percent used a retirement calculator.

How Workers Estimated Their Retirement Savings Needs (%)



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

**added in 2014*

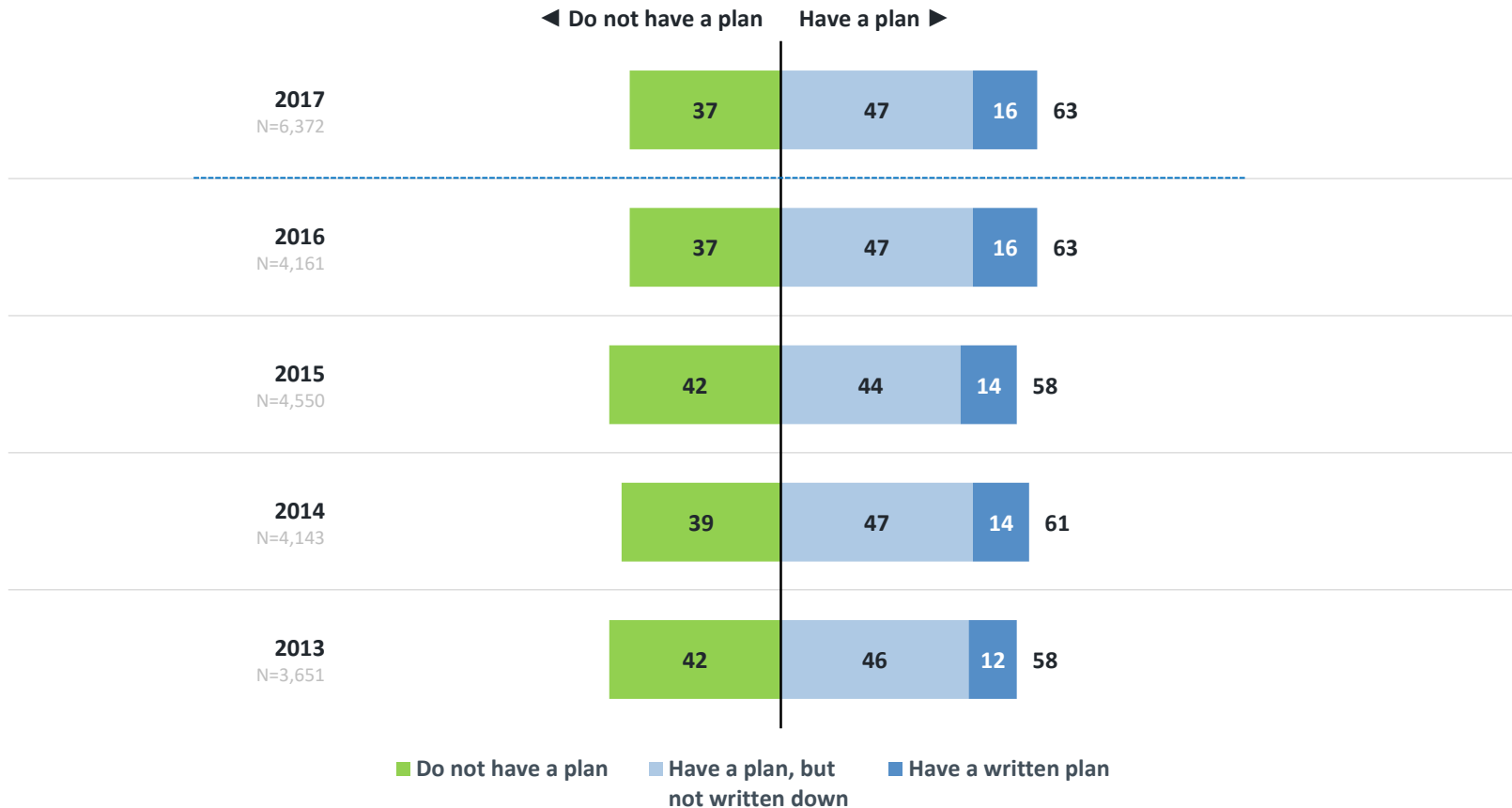
BASE: PROVIDED ESTIMATE OF MONEY NEEDED FOR RETIREMENT

Q900. How did you arrive at that number?

Retirement Strategies: Written, Unwritten, or None

Sixty-three percent of workers have some form of a retirement strategy – but only 16 percent have a written plan, while 47 percent have a plan that is not written down. Conversely, 37 percent of workers do not have a retirement strategy. These findings are consistent with previous years.

Workers' Retirement Strategies (%)



■ Do not have a plan
 ■ Have a plan, but not written down
 ■ Have a written plan

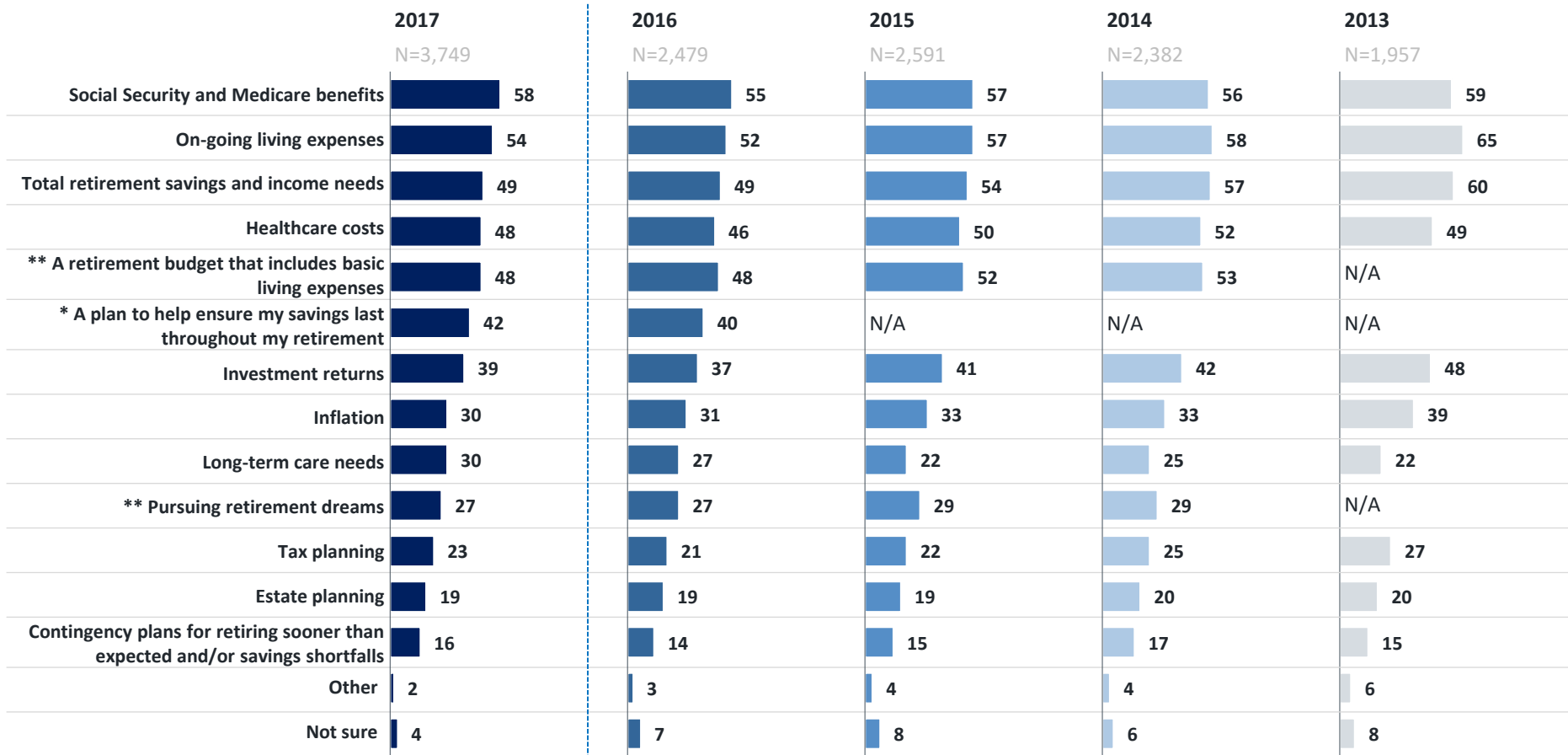
† Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

BASE: ALL QUALIFIED RESPONDENTS

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

Retirement Strategies: Factors

Workers who have a retirement strategy take into account many different factors in their planning, including Social Security and Medicare benefits (58 percent), on-going living expenses (54 percent), and total retirement savings and income needs (49 percent). Workers are not as likely to factor in long-term care needs (30 percent), tax planning (23 percent), or estate planning (19 percent).



† 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

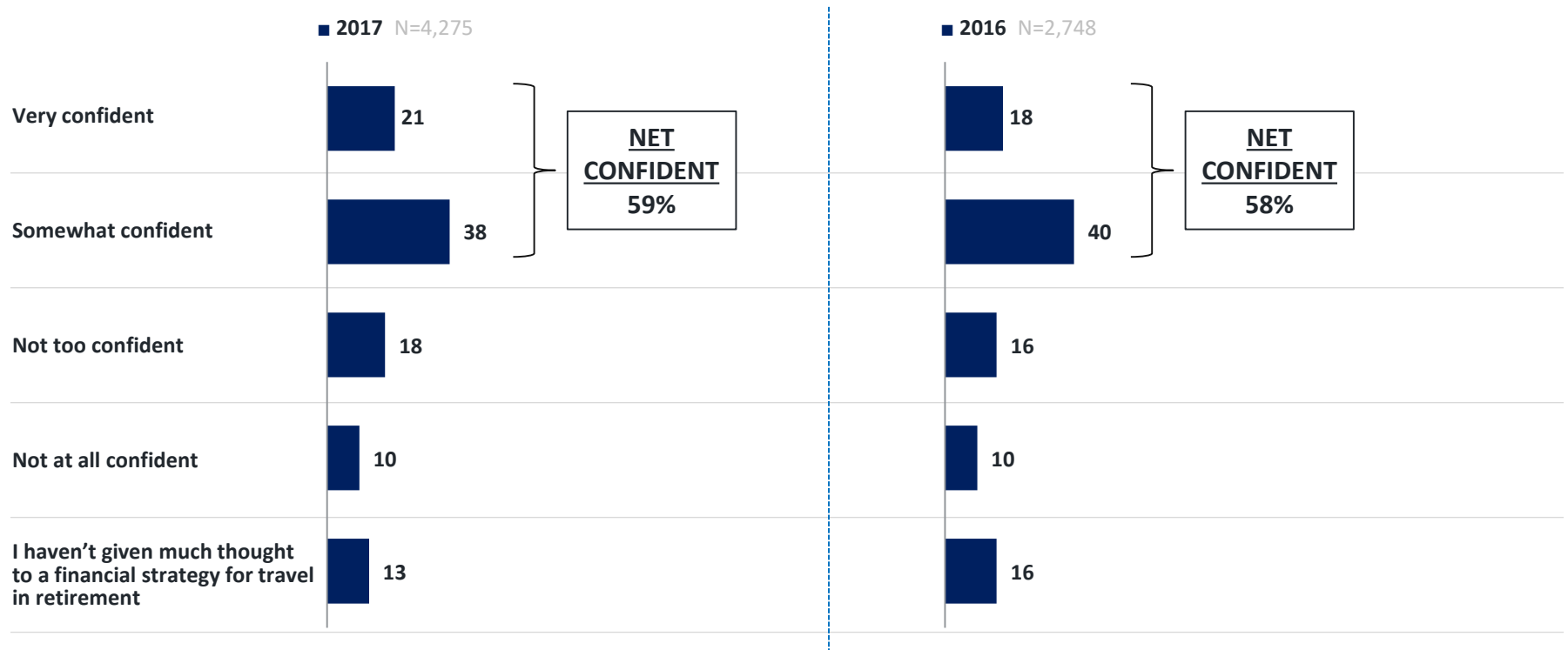
BASE: HAS RETIREMENT STRATEGY

Q1510. Which of the following have you factored into your retirement strategy? Select all.

Confidence that Financial Strategy Will Enable Travel Goals

Among workers who dream of traveling in retirement, 59 percent are “very” or “somewhat” confident that their current financial strategy will allow them to meet their travel goals throughout retirement. Thirteen percent say that they haven’t given much thought to a financial strategy for travel.

Confidence That Current Financial Strategy Will Allow Meeting Retirement Travel-Related 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.

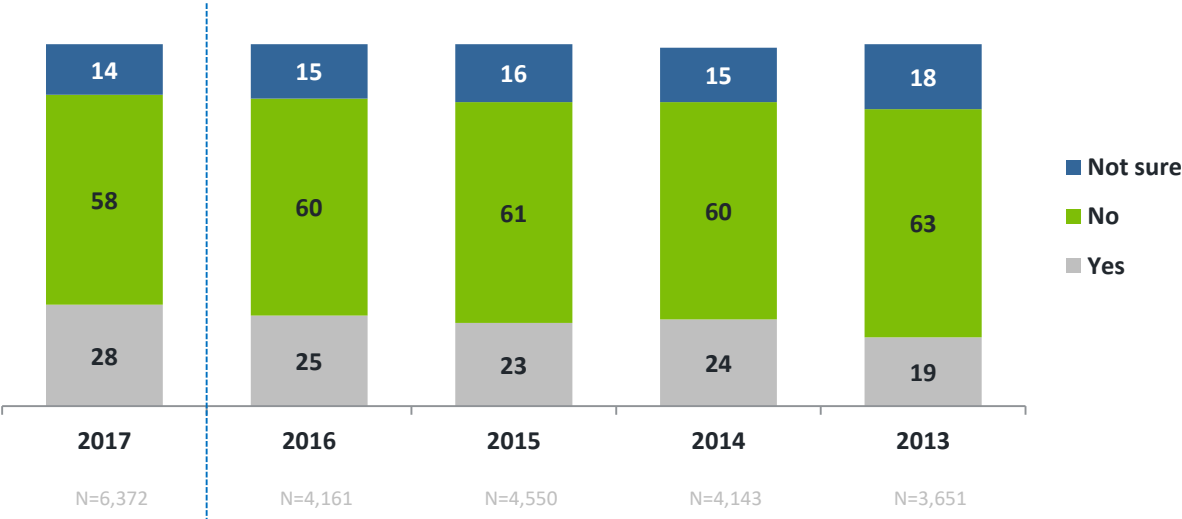
BASE: WORKERS WHO DREAM OF TRAVELING IN RETIREMENT

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

Backup Plans if Unable to Work Before Planned Retirement

The majority of workers (58 percent) do not have a backup plan for retirement income if they are unable to work before their planned retirement. One-quarter (28 percent) do have a backup plan, up slightly from prior years.

Backup Plan for Retirement Income if Unable to Work Before Planned Retirement (%)



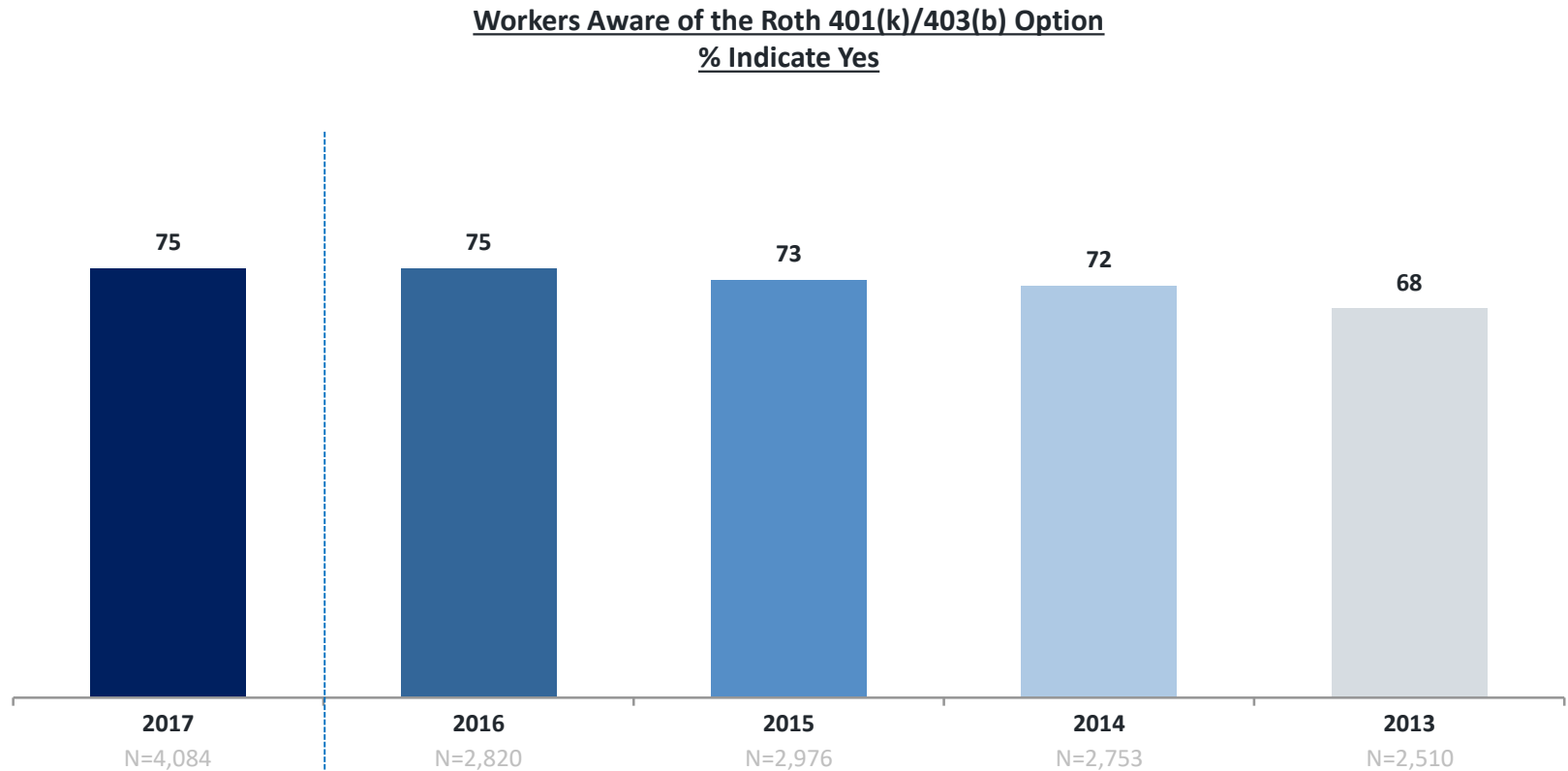
† Data prior to 2017 shows results among workers in companies with 10+ workers. Data for 2017 shows results among workers in companies with 5+ workers.

BASE: ALL QUALIFIED RESPONDENTS

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

Awareness of Roth 401(k)

Among workers who are offered a retirement plan, 75 percent are aware of a Roth 401(k) option (including those who are and who are not offered the option).



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.

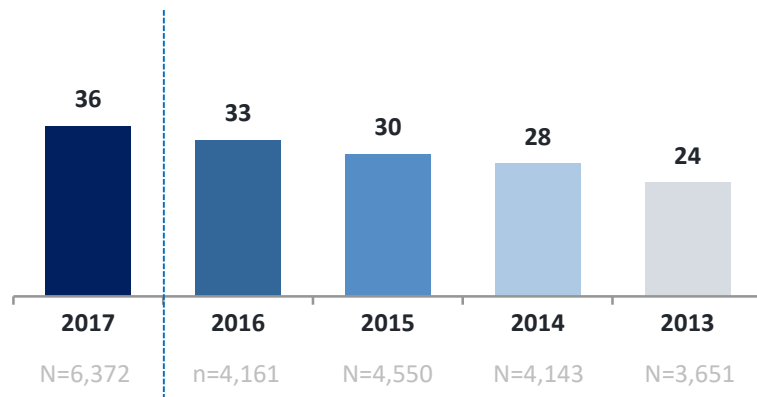
BASE: THOSE WITH QUALIFIED PLANS CURRENTLY OFFERED TO THEM

Q605. Are you aware of the Roth 401(k)/403(b) option? (Allows you to make post-tax contributions to your 401(k)/403(b).)

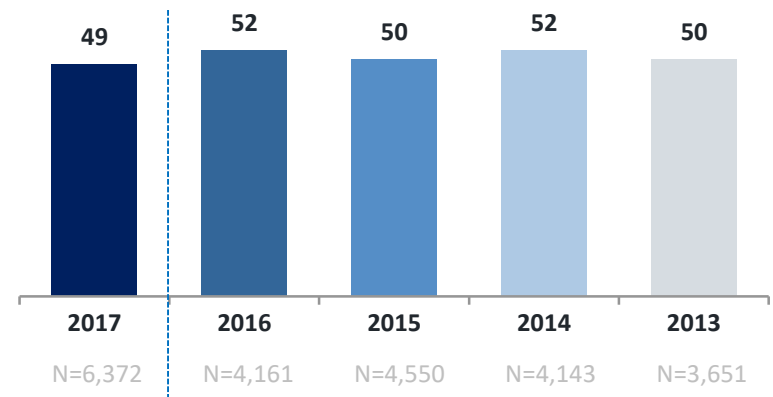
Awareness of Saver's Credit and Catch-Up Contributions

The Internal Revenue Service offers two meaningful incentives to save for retirement which many workers are unaware of: the Saver's Credit, a tax credit for eligible taxpayers who are saving 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. Only 36 percent of workers are aware of the Saver's Credit, although awareness of the Credit is increasing. Only 49 percent of workers are aware of catch-up contributions. Raising awareness of these incentives may prompt workers to save more.

Aware of Saver's Credit,
% Indicate "Yes"



Aware of Catch-Up Contributions,
% 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.

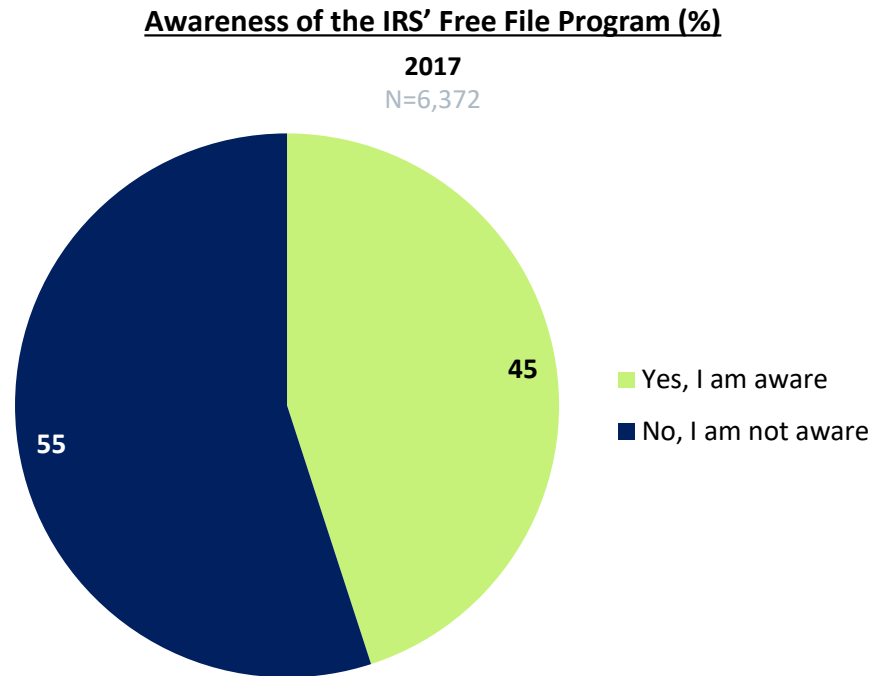
BASE: ALL QUALIFIED RESPONDENTS

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?

Awareness of the IRS' Free File Program

Just under half (45 percent) of workers are aware of the IRS' Free File program that offers federal income tax preparation software for free to eligible tax filers.



New question added in 2017

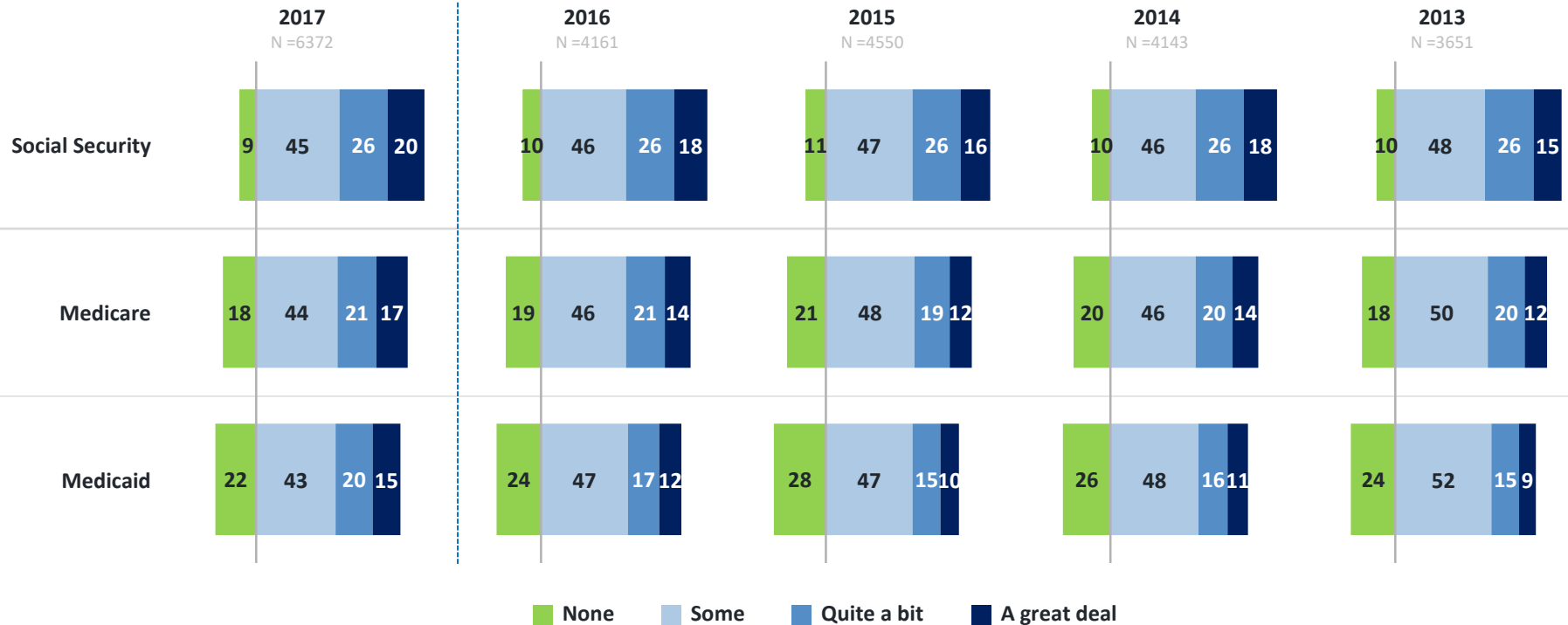
BASE: ALL QUALIFIED RESPONDENTS

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

Understanding of Government Benefits

Most workers have limited understanding of government benefits that can be utilized in retirement. Case in point: only 20 percent of workers know “a great deal” about Social Security benefits and even fewer know a great deal about Medicare and Medicaid.

Understanding of Retirement-Related Government Benefits (%)



† 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.

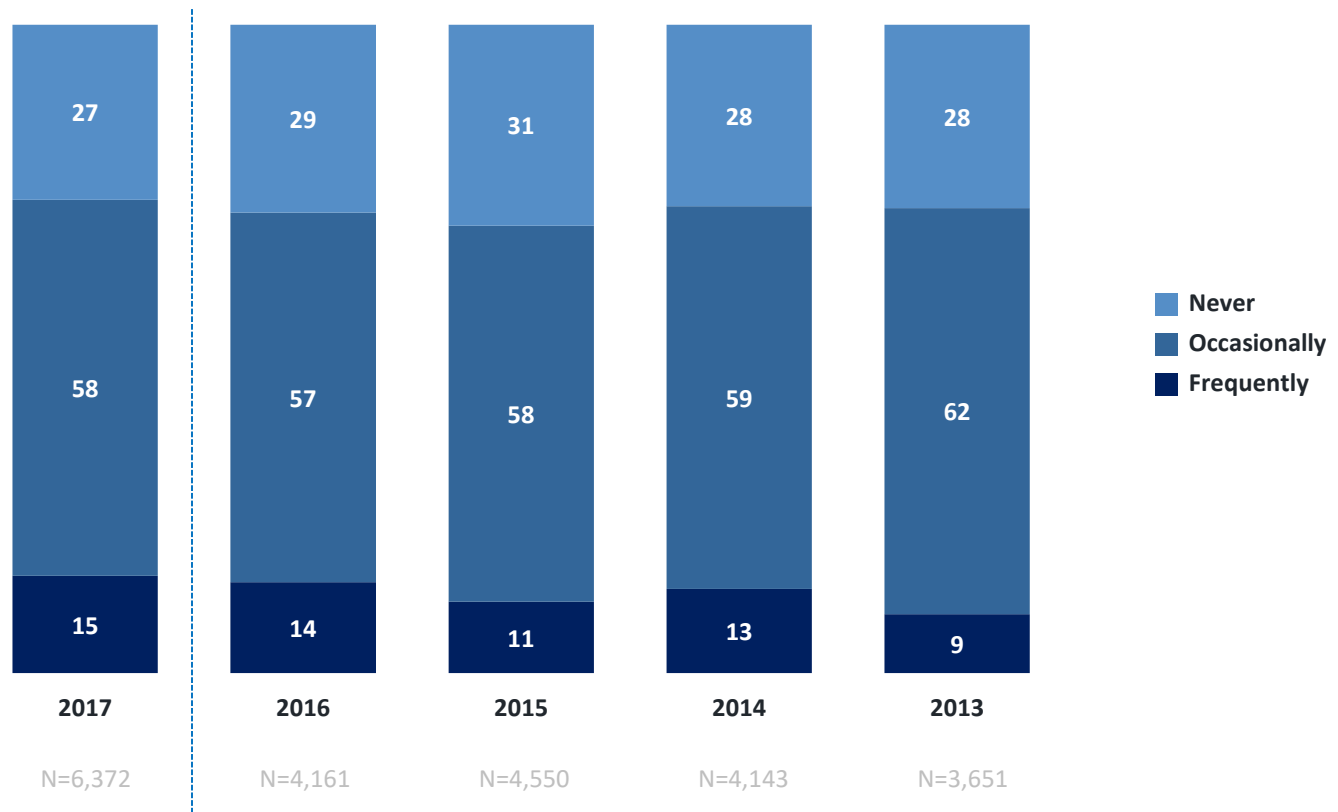
BASE: ALL QUALIFIED RESPONDENTS

Q1540. How good of an understanding do you have of the following government benefits?

Frequency of Discussions About Retirement

Most workers (73 percent) discuss saving, investing and planning for retirement with family and friends. However, only 15 percent do so frequently. Twenty-seven percent of workers say that they never discuss it. This has remained relatively unchanged in the recent years.

Frequency of Discussing Retirement with Family and Friends (%)



† 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

Q1515. How frequently do you discuss saving, investing and planning for retirement with family and friends?

Appendix

Respondent Profiles

*Comparison of Full- and Part-Time
Workers*

Profile of Respondents – Total Respondents

	Full- & Part-time N=6372	Full-time N=4390	Part-time N=1982
Gender			
Male	52%	57%	35%
Female	48%	43%	65%
Age			
18 - 19	2%	1%	7%
20 – 24	7%	5%	13%
25 – 29	12%	13%	11%
30 – 34	12%	13%	7%
35 – 39	12%	13%	8%
40 – 44	10%	11%	7%
45 – 49	11%	11%	8%
50 – 54	9%	9%	7%
55 – 59	12%	13%	10%
60 – 64	7%	7%	7%
65 and over	6%	4%	15%
MEAN	42.8	42.7	42.9
MEDIAN	42	42	42
Ethnicity			
White, non-Hispanic	61%	62%	62%
Hispanic	19%	19%	18%
African American	11%	11%	13%
Asian/Pacific	7%	7%	5%
Other/Mixed	1%	1%	1%
Decline to answer	1%	*	1%

	Full- & Part-time N=6372	Full-time N=4390	Part-time N=1982
Level of Education			
Less than high school graduate	*	*	1%
High school graduate	30%	28%	35%
Some college or trade school	30%	29%	36%
College graduate	28%	30%	21%
Some grad. school/grad. Degree	12%	13%	7%
Marital Status			
Married or civil union	56%	58%	49%
Single, never married	25%	23%	33%
Divorced/widowed/separated	10%	10%	10%
Living with Partner	9%	9%	8%
Sexual Orientation			
Heterosexual	90%	91%	88%
Gay	3%	3%	2%
Bisexual	4%	3%	6%
Lesbian	1%	1%	1%
Other	*	*	1%
Not Sure	*	*	*
Decline to answer	2%	2%	2%

*<1%

Profile of Respondents – Total Respondents, continued

	Full- & Part-time N=6372	Full-time N=4390	Part-time N=1982		Full- & Part-time N=6372	Full-time N=4390	Part-time N=1982
HH Income				Amount in Current Employer's Retirement Plan <i>(Those with qualified plans currently offered to them)</i>	(N=4084)	(N=3247)	(N=837)
Less than \$25,000	8%	5%	18%	None	9%	7%	20%
\$25,000 to less than \$50,000	19%	18%	23%	\$1 to less than \$5,000	10%	9%	17%
\$50,000 to less than \$75,000	19%	20%	18%	\$5,000 to less than \$10,000	6%	6%	7%
\$75,000 to less than \$100,000	16%	17%	14%	\$10,000 to less than \$25,000	9%	9%	8%
\$100,000 to less than \$150,000	21%	23%	14%	\$25,000 to less than \$50,000	9%	10%	8%
\$150,000 or more	12%	14%	6%	\$50,000 to less than \$100,000	12%	13%	8%
Not sure	0%	0%	0%	\$100,000 to less than \$250,000	13%	14%	7%
Decline to answer	5%	3%	7%	\$250,000 or more	20%	22%	10%
MEAN	\$81.9	\$86.4	\$63.6	Not sure	7%	6%	10%
MEDIAN	\$64.8	\$69.9	\$45.2	Decline to answer	5%	4%	5%
HH Amount Saved for Retirement	(N=4875)	(N=3525)	(N=1350)	MEAN	\$164.8	\$174.4	\$100.5
None	4%	3%	8%	MEDIAN	\$41.0	\$49.1	\$6.7
\$1 to less than \$5,000	6%	6%	8%	Company's Primary Business			
\$5,000 to less than \$10,000	7%	7%	6%	Professional services	23%	25%	15%
\$10,000 to less than \$25,000	8%	8%	8%	Service industries	18%	14%	33%
\$25,000 to less than \$50,000	9%	9%	8%	Manufacturing	12%	14%	5%
\$50,000 to less than \$100,000	12%	13%	10%	Transportation/Comm./Utilities	7%	8%	4%
\$100,000 to less than \$250,000	13%	13%	10%	Agriculture/Mining/Construction	4%	4%	4%
\$250,000 or more	30%	32%	22%	Some other type of business	36%	35%	39%
Not sure	8%	7%	13%	Number of Employees			
Decline to answer	3%	2%	7%	5-499 (NET)	50%	50%	51%
MEAN	\$260.0	\$269.9	\$217.2	5 to 9	9%	8%	13%
MEDIAN	\$70.7	\$77.3	\$45.2	10 to 24	10%	9%	13%
Occupation				25 to 99	17%	17%	15%
Professional/Medical/Technical	17%	19%	11%	100 to 499	15%	16%	9%
Managerial or business owner	17%	20%	4%	500+ (NET)	50%	50%	49%
Clerical/ Service/Administration	29%	26%	37%	500 to 999	7%	6%	7%
Blue-Collar/Production	9%	10%	6%	1,000 or more	43%	43%	43%
Sales	11%	9%	17%	MEAN	753	758.6	731.2
Teacher/Education	1%	1%	1%	MEDIAN	293	295	282
Some Other Occupation	16%	15%	24%				

*<1%

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Jaime Greco

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Bryan Mayaen

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Matan Neuman

Cindy Nodorft

Jay Orlandi

Maurice Perkins

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