

TRANSAMERICA CENTER
FOR RETIREMENT STUDIES®

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FOR IMMEDIATE RELEASE

Fourteen Facts About Women's Risky Retirement Outlook

LOS ANGELES (March 4, 2014) – In recognition of International Women's Day and its focus on women's social, political and economic advancement, nonprofit Transamerica Center for Retirement Studies® (TCRS) has released a study, [*Fourteen Facts About Women's Retirement Outlook*](#) (*Fourteen Facts*), to raise awareness of the financial risks women in the United States face and how they can improve their retirement outlook.

"Our [research](#) has found that women around the world are concerned that future generations of retirees will be worse off than current retirees," said Catherine Collinson, president of TCRS. "In the United States, women can take greater control of their financial futures by taking small steps today that can ultimately lead to a giant leap in terms of their long-term retirement readiness."

Based on select findings from the 14th Annual Transamerica Retirement Survey of Workers, *Fourteen Facts* highlights specific areas of opportunity for women (and offers comparisons to men). It also outlines some of the underlying reasons why women are at greater risk than men of not achieving a secure retirement, such as lower incomes, lower lifetime earnings, time out of the workforce to be a parent or caregiver, and longer life expectancies that drive a need for greater savings.

Fourteen Facts about women's retirement outlook are:

1. Only 7 percent of women are "very confident" in their ability to fully retire with a comfortable lifestyle.
2. Forty-three percent of women expect to work past age 70 or do not plan to retire.
3. More than half (52 percent) plan to work after they retire.
4. Most (65 percent) Baby Boomer women do not have a backup plan if forced into retirement sooner than expected.
5. Fifty-three percent expect to self-fund their retirement through 401(k) or similar accounts or other savings and investments.
6. Of women who have or plan to take time out of the workforce to be a caregiver, 74 percent believe it will negatively impact their ability to save for retirement.
7. Forty-five percent of women work part-time so are less likely to have workplace retirement benefits.
8. Sixty-one percent of women are offered a 401(k) or similar plan.

9. Seventy-five percent of women who are offered an employee-funded plan participate in the plan.
10. Six percent is the median contribution of women who participate in their employer's plan.
11. Fifty-five percent of women are saving for retirement outside of work in an IRA, mutual fund, bank account, etc.
12. The majority (59 percent) of women who estimate their financial need guess what their retirement savings needs would be rather than using a calculator or advisor.
13. Only 35 percent of women use a professional financial advisor, most (79 percent) doing so for retirement investment recommendations.
14. Many women (53 percent) want information that is easier to understand.

“How each woman ultimately plans on spending her retirement is unique, but the tools to help attain retirement readiness are common to all,” said Collinson. “Women have made tremendous strides in recent decades in terms of educational attainment and careers. Now is the time to make even greater strides in achieving a financially secure retirement.”

Seven specific steps that women can take to improve their retirement readiness include:

1. Develop a retirement strategy and write it down. Envision your future retirement, formulate a goal for how much you will need to save each year (be sure to include employer-sponsored retirement plans and outside savings). When facing life's important decisions about whether to reduce work hours or take time out of the workforce to be a parent or caregiver, carefully consider the financial trade-offs and options to help mitigate the impact on long-term security.
2. Calculate your retirement savings and income needs – and save at a level to achieve those needs.
3. Consider retirement benefits as part of your total compensation. If your employer doesn't offer you a retirement plan, ask for one.
4. If your employer offers a retirement plan, participate. Be sure that your annual salary deferral takes full advantage of employer matching contributions, if available. Contribute as much as you can.
5. Get educated about retirement investing. Seek professional assistance if needed. Learn about possible ways to help make savings last longer including when to take withdrawals from retirement accounts to minimize taxes and penalties. Take advantage of the Saver's Credit if eligible.
6. Have a backup plan in the event you are unable to work before your planned retirement. Identify potential cost-cutting lifestyle changes such as moving to a smaller home or taking on a roommate(s) and consider insurance products such as disability insurance and life insurance.
7. Importantly, talk about retirement with family and close friends. An open dialogue with trusted loved ones about expectations of either needing to provide or receive financial support should be part of every woman's retirement strategy.

Fourteen Facts [survey report and fact sheet](#) and additional information can be found at www.transamericacenter.org.

About Transamerica Center for Retirement Studies®

The Transamerica Center for Retirement Studies® (TCRS) is a division of Transamerica InstituteSM, a nonprofit, private foundation. TCRS is dedicated to educating the public on emerging trends surrounding retirement security in the U.S. Its research emphasizes employer-sponsored retirement plans, including companies and their employees, unemployed and underemployed workers, and the implications of legislative and regulatory changes. The Transamerica Institute is funded by contributions from Transamerica Life Insurance Company and its affiliates and may receive funds from unaffiliated third parties. For more information about TCRS, visit www.transamericacenter.org.

About the 14th Annual Retirement Survey

This survey was conducted online within the United States by Harris Poll on behalf of Transamerica Center for Retirement Studies between January 21 – February 21, 2013, among a nationally representative sample of 3,651 full-time and part-time workers, including 1,902 women and 1,749 men. Potential respondents were targeted based on employment status and company size. Respondents met the following criteria: U.S. residents, age 18 or older, full-time workers or part-time workers in for-profit companies, and employer size of 10 or more. Results were weighted to account for differences between the population available via the Internet versus by telephone, and to ensure that each quota group had a representative sample based on the number of employees at companies in each employee size range. No estimates of theoretical sampling error can be calculated.

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