



Seventeen Facts About Women's Retirement Outlook

Select Findings from the 17th Annual Transamerica Retirement Survey of American Workers

TRANSAMERICA CENTER
FOR RETIREMENT STUDIES®

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Foreword

Women in the 21st century are better educated and enjoy career opportunities that our grandmothers' generation could only dream about. However, even now, a woman's path to a secure retirement is filled with obstacles, such as lower pay and time out of the workforce for parenting or caregiving, which can negatively impact her own long-term financial prospects.

As women continue to lag behind men in terms of saving and planning for retirement, it is even more concerning that women statistically tend to live longer than men, thereby implying an even greater need for savings and preparations.

This year, 2017, marks the 12th consecutive year that the Transamerica Center for Retirement Studies® has published research showing that women are at a greater risk of not achieving a financially secure retirement compared to men.

The goal of our research and outreach regarding women and retirement is two-fold: 1) to raise awareness of the retirement risks that women are facing, and 2) highlight opportunities where women can take greater control of their long-term financial security.

We hope that you will share our research and recommendations, join us in spreading the word, and inspire more Americans to take steps to improve their retirement outlook. Timely actions taken today can ultimately enable women and men to achieve a more comfortable and secure retirement.

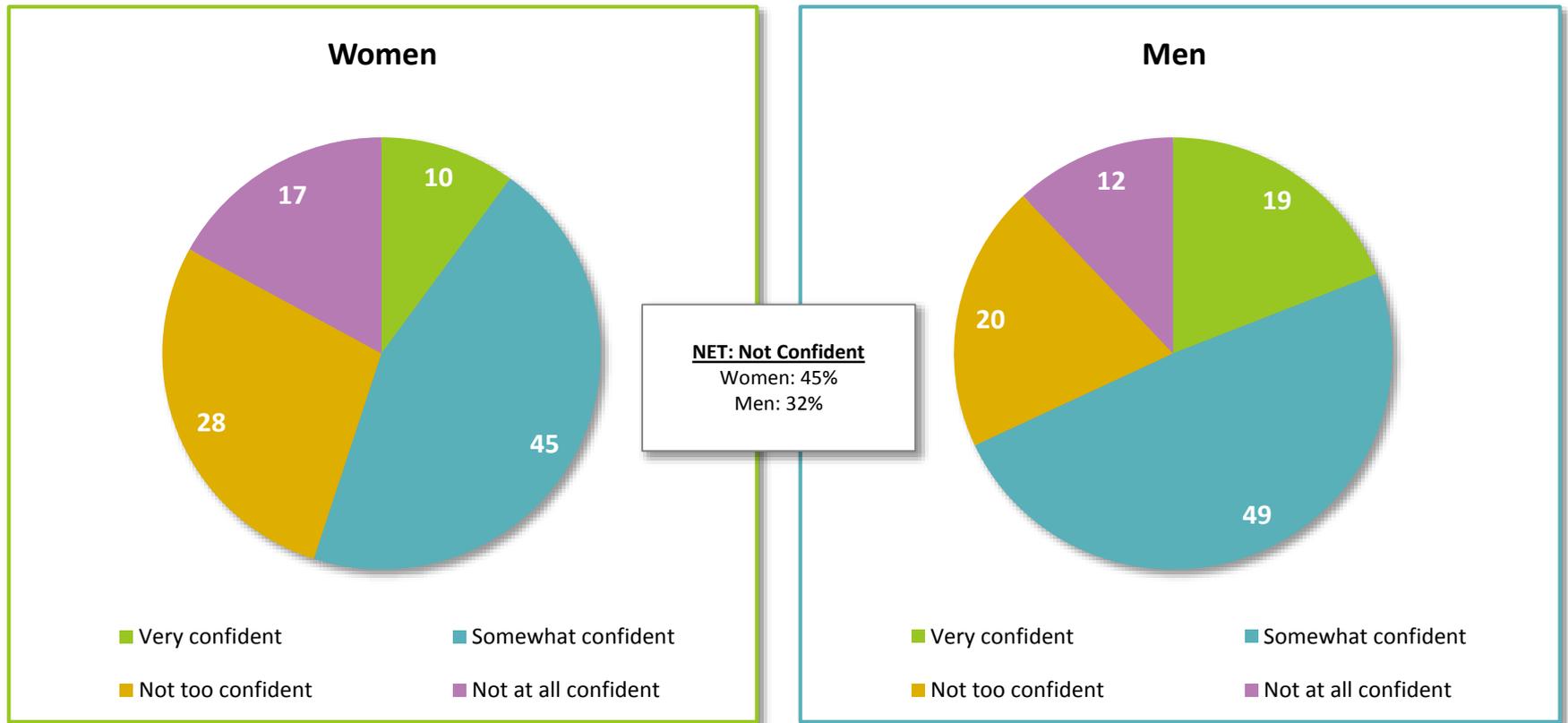
Catherine Collinson

President, Transamerica Institute® and Transamerica Center for Retirement Studies®

Fact #1. Retirement Confidence in Low

Only 10 percent of women are “very confident” in their ability to fully retire with a comfortable lifestyle, compared to 19 percent of men. Nearly half of women (45 percent) are “not too confident” or “not at all confident” compared to only 32 percent of men who share those sentiments.

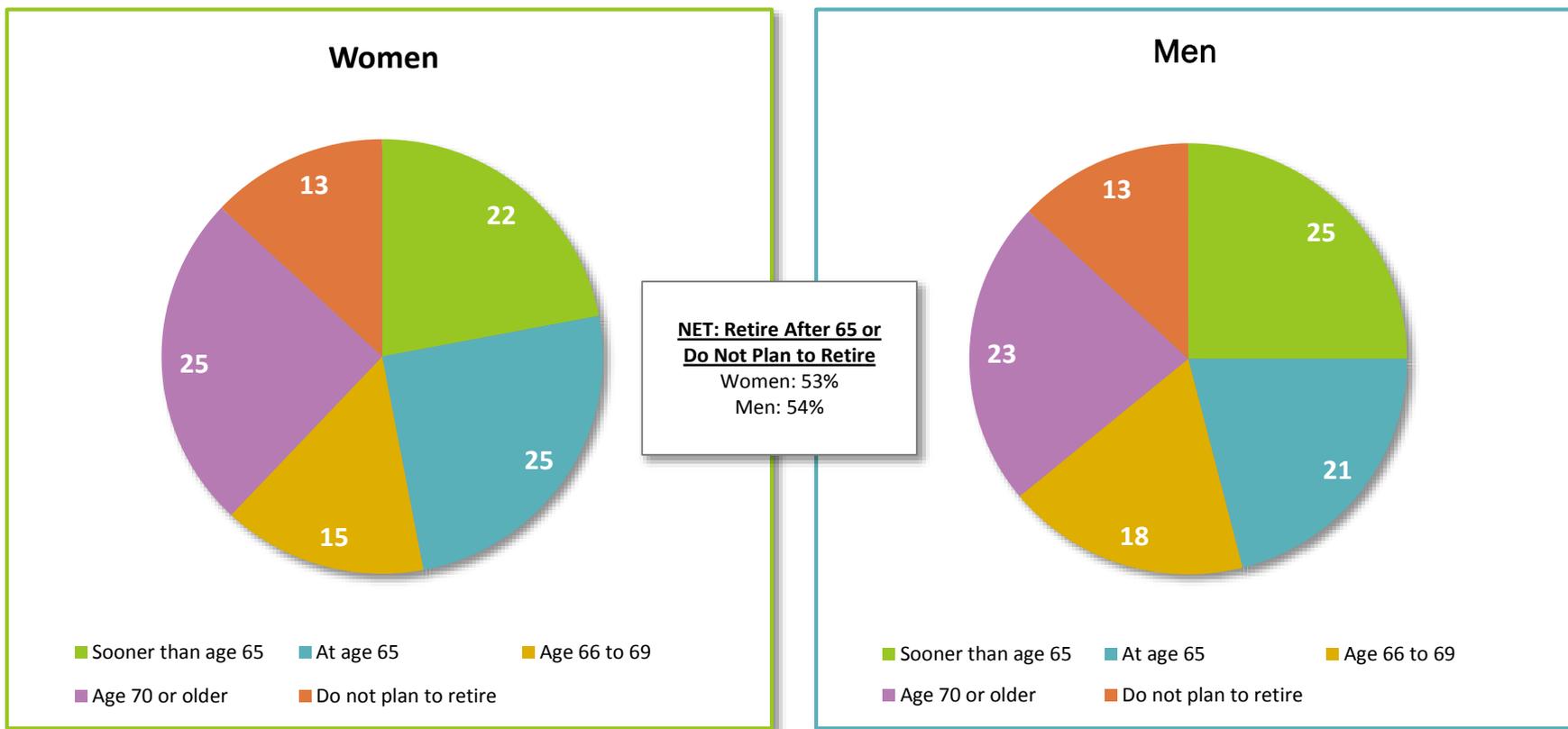
Confidence in Retiring Comfortably (%)



Fact #2. Many Expect to Retire After Age 65 or Not at All

Fifty-three percent of women plan to retire after age 65 (40 percent) or do not plan to retire (13 percent), a similar percentage to that of men (54 percent). One in four women expects to retire at age 65, and 22 percent expect to do so before age 65.

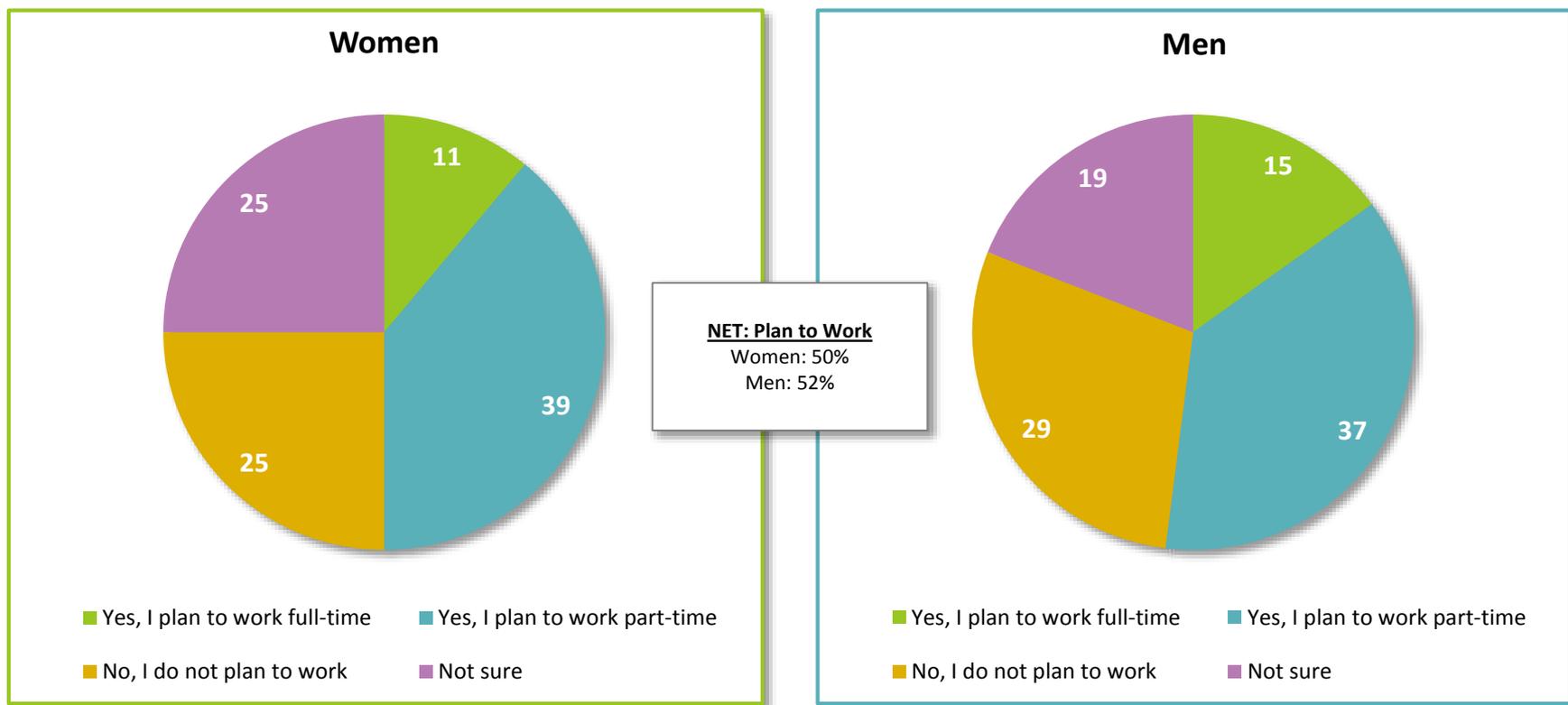
Age Expected to Retire (%)



Fact #3. Half Plan to Work in Retirement

Half of women (50 percent) plan to work after they retire, including 11 percent who plan to work full-time and 39 percent who plan to work part-time. Similarly, 52 percent of men plan to work after they retire, including 15 percent full-time and 37 percent part-time. Continuing to work in retirement can help bridge a savings shortfall; however, it may not be a viable option without taking proactive steps to allow for continued employment in retirement.

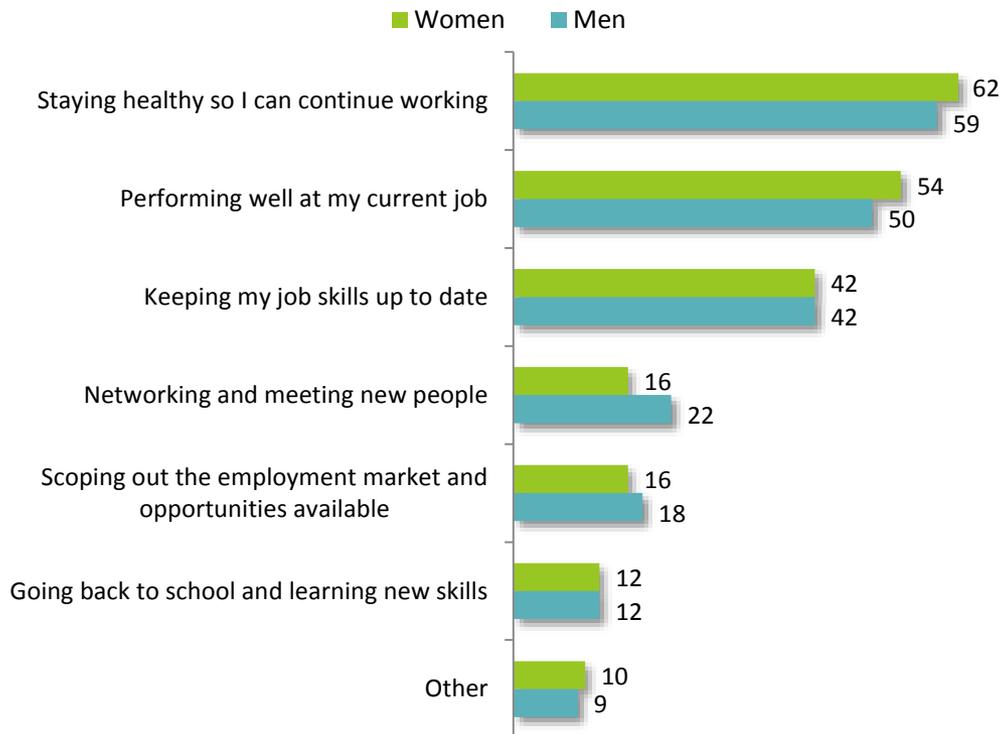
Working After Retirement (%)



Fact #4: Are Women Being Proactive So They Can Work Past 65?

A majority of women are taking proactive steps to help ensure they can continue working past age 65. Sixty-two percent are staying healthy, while 54 percent are performing well at their current job and 42 percent are keeping their job skills up to date. However, responses were lower for networking (16 percent of women, 22 percent of men), scoping out the employment market (16 percent women, 18 percent men), and going back to school (12 percent both women and men). All in all, 91 percent of women have taken at least one of the six steps identified. More than half (55 percent) have taken at least two steps, 33 percent three steps, 14 percent four steps, six percent five steps – but only two percent of women have taken all six steps.

Proactive Steps to Remain Employed (%)



Number of Proactive Steps Taken to Remain Employed Past 65 or in Retirement (%)	Women	Men
At least one step	91%	93%
At least two steps	55%	55%
At least three steps	33%	34%
At least four steps	14%	13%
At least five Steps	6%	5%
All steps	2%	2%

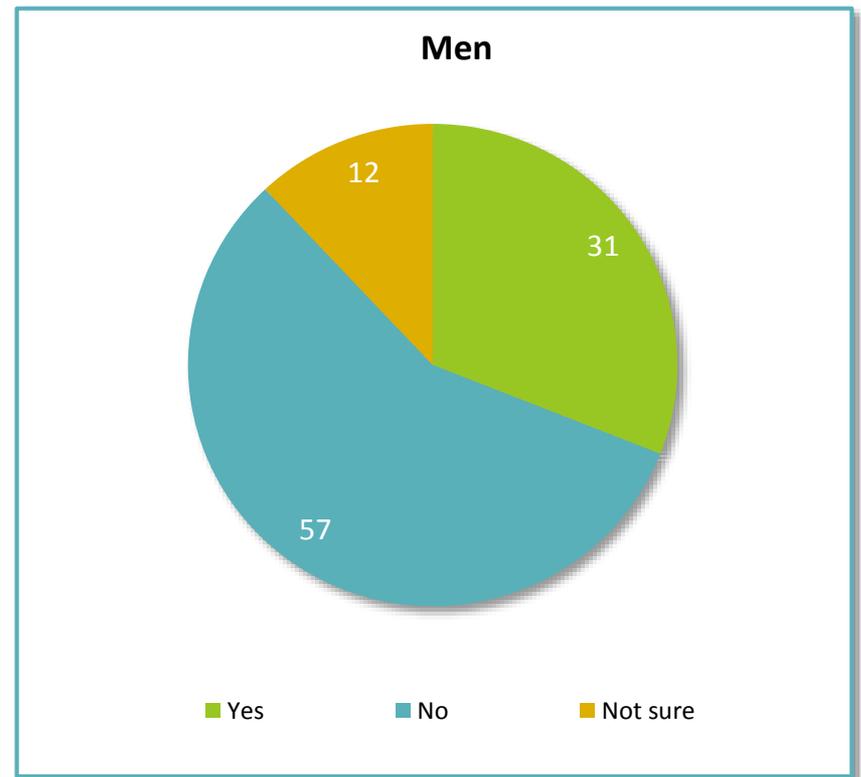
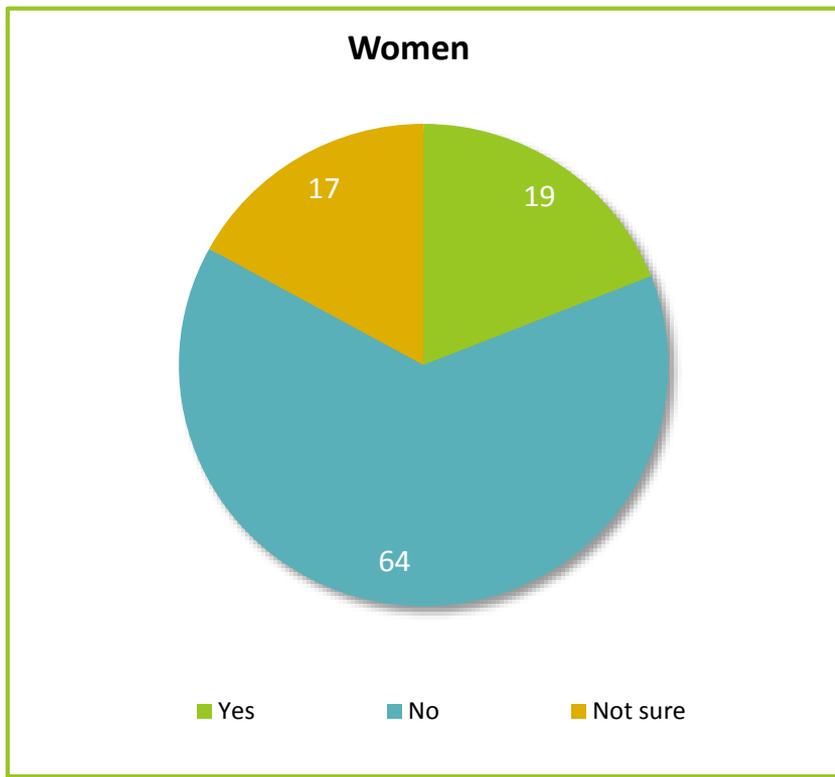
BASE: Workers – All Qualified Respondents

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.

Fact #5. Most Lack a Plan B If Forced Into Retirement Sooner Than Planned

An alarmingly low percentage of women (19 percent) and men (31 percent) have a backup plan if forced into retirement sooner than expected. While delaying retirement and taking proactive steps to enable continued employment during retirement, it is vitally important to have a backup plan if forced into retirement sooner than expected (for example, due to a job loss, health issues, family obligations).

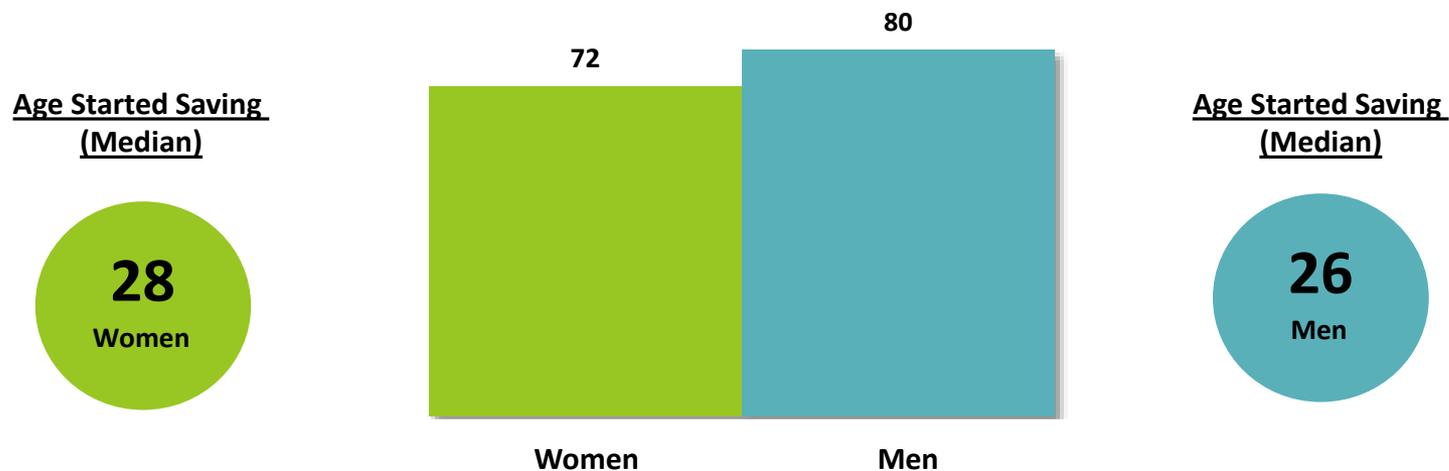
Have a Backup Plan If Retire Sooner Than Expected (%)



Fact #6: Seven in 10 Women Are Saving for Retirement

Seventy-two percent of women are saving for retirement through employer-sponsored plans (e.g., 401(k) or similar plans) and/or outside the workplace (e.g., in IRAs or mutual funds), compared to 80 percent of men. Women retirement investors started saving for retirement at age 28 (median), while men investors got an earlier start at age 26 (median)

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



BASE: Workers – 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: Workers – All Qualified Respondents

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

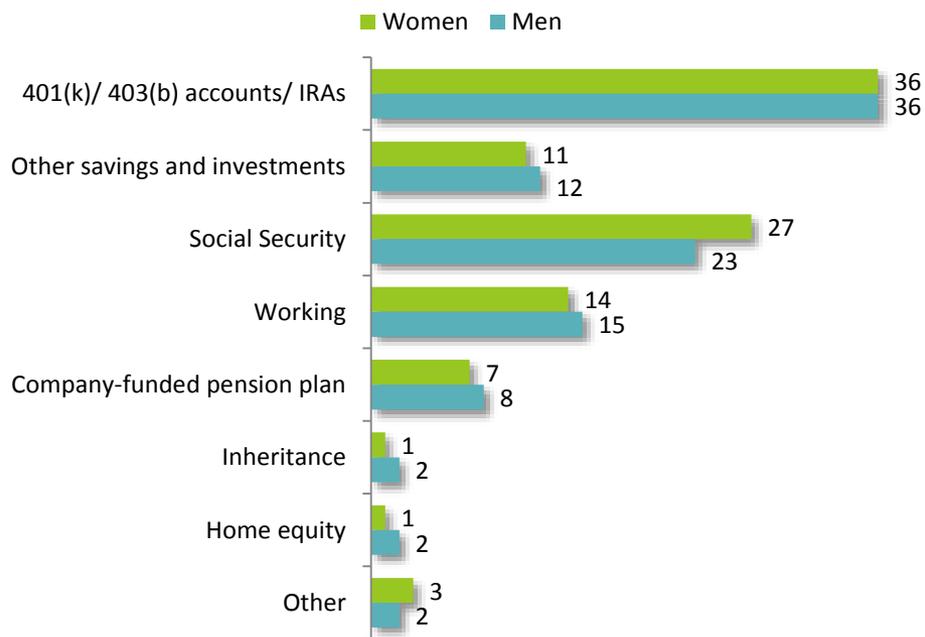
BASE: Workers – Investing For Retirement

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

Fact #7. Many Plan to Self-Fund Their Retirement

Nearly half of women (47 percent) expect to self-fund their retirement primarily through 401(k)/403(b) accounts/IRAs (36 percent) or other savings and investments (11 percent). Twenty-seven percent of women expect Social Security to be their primary source of retirement income, compared to 23 percent of men. Fourteen percent of women expect income from working to be their primary source of income in retirement.

What Do You Expect to be Your Primary Source of Income in Retirement? (%)



NET: Self-Fund
 Women: 47%
 Men: 48%

BASE: Workers – All Qualified Respondents

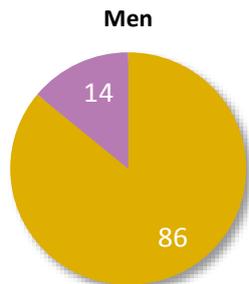
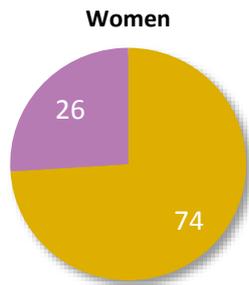
Q1150. Which one of the following do you expect to be your primary source of income to cover your living expenses after you retire?

Fact #8. Women Are Less Likely Offered Retirement Benefits

One in four women (26 percent) work part-time compared to only 14 percent of men. This strongly influences women's access to retirement benefits in the workplace because part-time workers overall are less likely to be offered a plan. Forty-two percent of women part-timers are offered a 401(k) or similar plan compared to 77 percent of women full-timers.

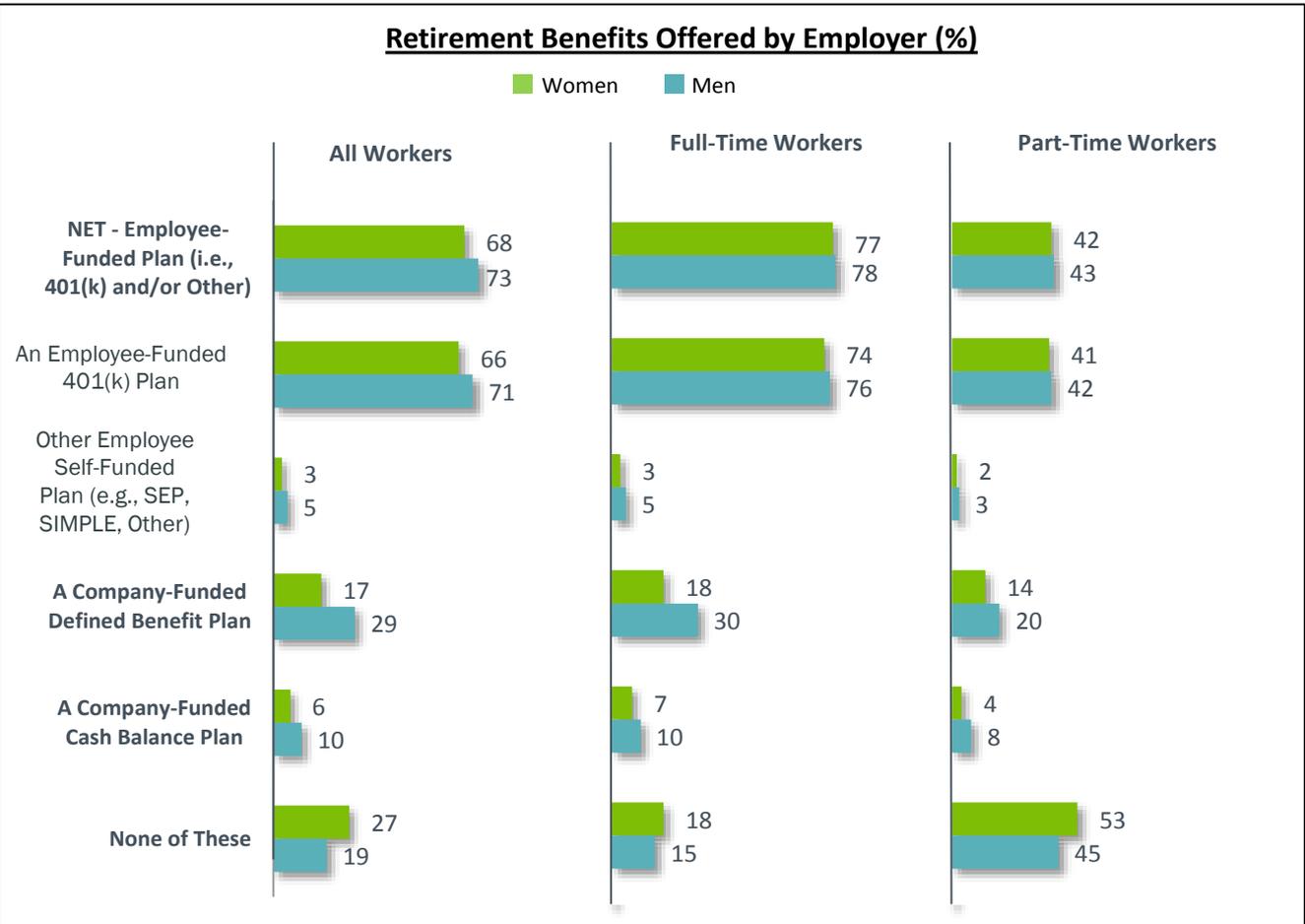
Employment Status by Gender (%)

■ Full-time ■ Part-time



Retirement Benefits Offered by Employer (%)

■ Women ■ Men



BASE: Workers – All Qualified Respondents

Q1600. Which of the following best describes your employment status?

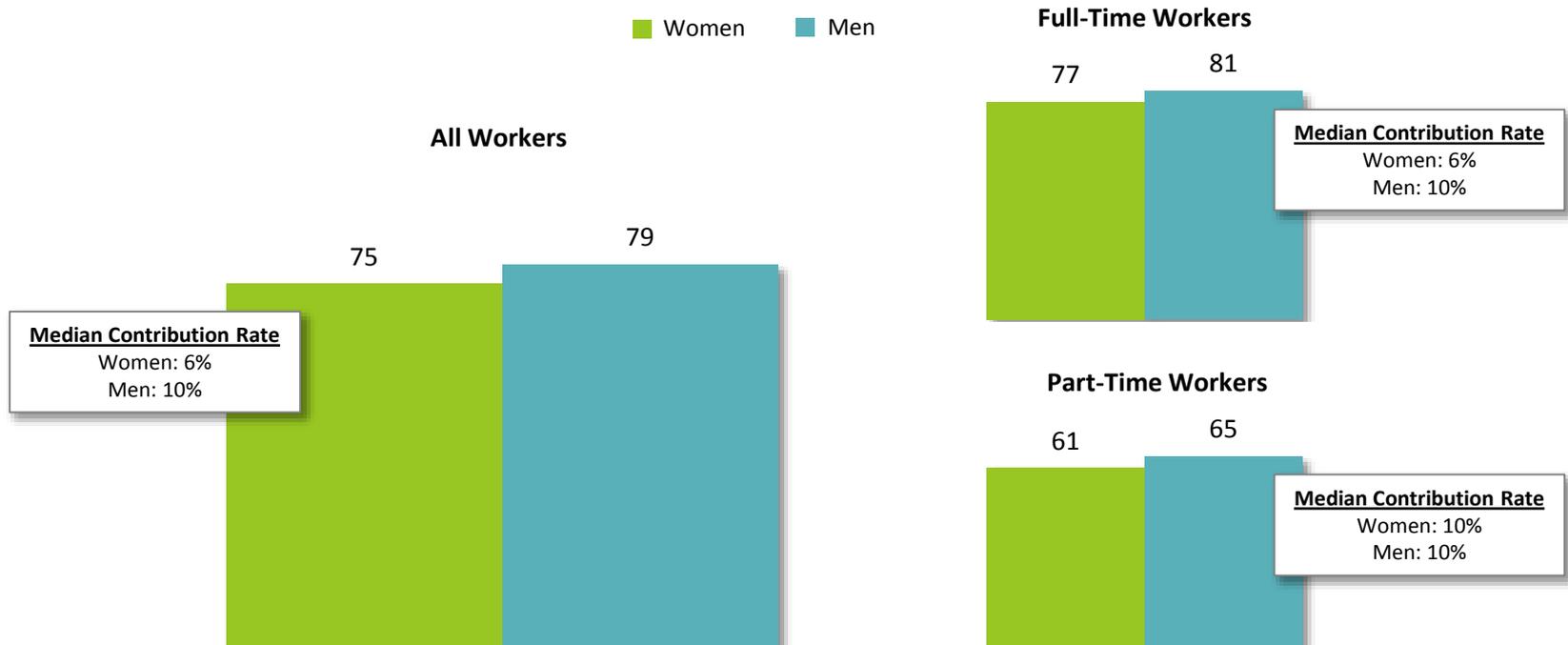
BASE: Workers – All Qualified Respondents

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

Fact #9. Most Participate in a 401(k) or Similar Plan, If Offered One

Among those offered a 401(k) or similar plan, women’s participation rate lags that of men (75 percent and 79 percent, respectively), with women contributing only 6 percent (median) of their annual salary compared to men contributing 10 percent. Only 61 percent of women who work part-time who are offered a 401(k) or similar plan participate in the plan, albeit at a higher median contribution rate of 10 percent, compared to 6 percent for women who work full-time.

Participate in Company’s Employee-Funded Retirement Savings Plan (% indicate “Yes”)



BASE: Workers – Those With Qualified Plans Offered To Them

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

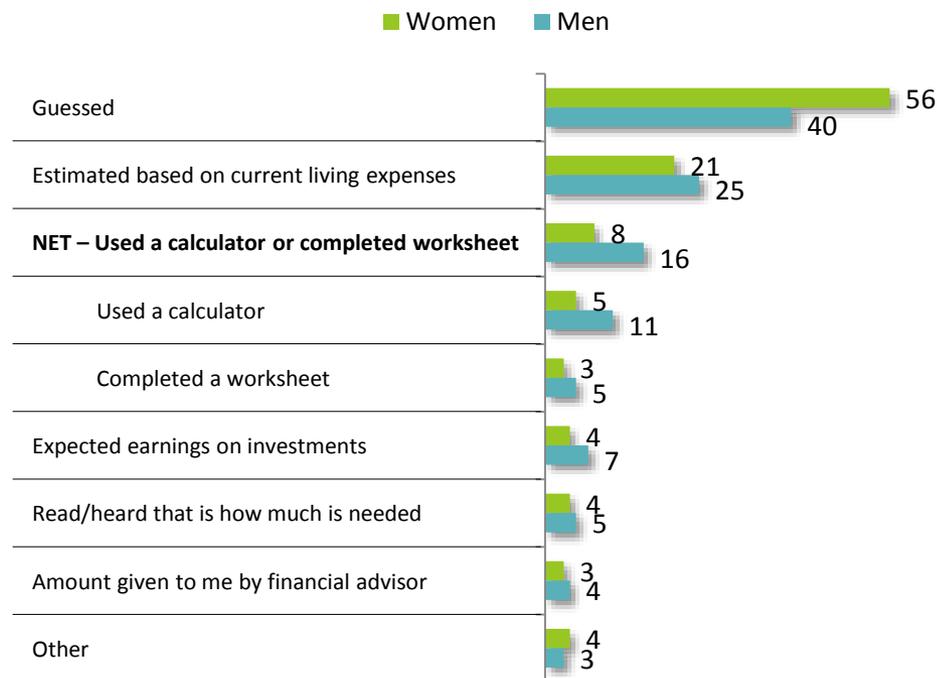
Q601. What percentage of your salary are you saving for retirement through your company-sponsored plan this year?

Fact #10. Many Women Guess Their Retirement Savings Needs

Statistically, women live longer than men and, therefore, need to save more to support their extended post-work, retirement years. Women estimate that they will need to have saved \$500,000 (median) to feel financially secure when they retire, an estimate shared by men. Among those who estimated their savings needs, 56 percent of women say they “guessed” at what the figure should be and only eight percent said they had used a calculator or completed a worksheet. Men are far less likely to have guessed (40 percent) and more likely to have used a calculator or completed a worksheet (16 percent).

Estimated Retirement Savings Needs	Women	Men
Less than \$100k	22%	18%
\$100k to \$499k	26%	20%
\$500k to \$999k	19%	23%
\$1m to \$1.99m	17%	24%
\$2m or more	16%	15%
Median	\$500,000	\$500,000

Basis of Estimated Retirement Savings Needs (%)



BASE: Workers – All Qualified Respondents

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

BASE: Workers – Provided Estimate Of Money Needed For Retirement

Q900. How did you arrive at that number?

Fact #11. Total Household Retirement Savings Is Low

Women report far lower total household retirement savings than men – women report an estimated median of \$34,000 compared to \$115,000 among men. Women (16 percent) are also half as likely as men (33 percent) to say that they have saved \$250,000 or more in total household retirement accounts. Savings shortfalls may be prompting many to work past age 65 and to plan to continue working in retirement.

Total Household Retirement Savings by Gender (%)



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

Fact #12. Emergency Savings Are Low

Women are woefully short of emergency savings that could help cover the cost of major financial setbacks (e.g., unemployment, medical bills, home repairs, auto repairs, other). Women report having an estimated median of \$2,000 emergency savings, compared to \$10,000 among men. Women are likely to have saved less than \$1,000 in emergency savings (26 percent), while men are most likely to have saved \$25,000 to less than \$100,000 (21 percent). Twenty-five percent of women and 22 percent of men aren't sure how much they have in emergency savings, which points to the need to take assessment of household finances.

Emergency Savings by Gender (%)

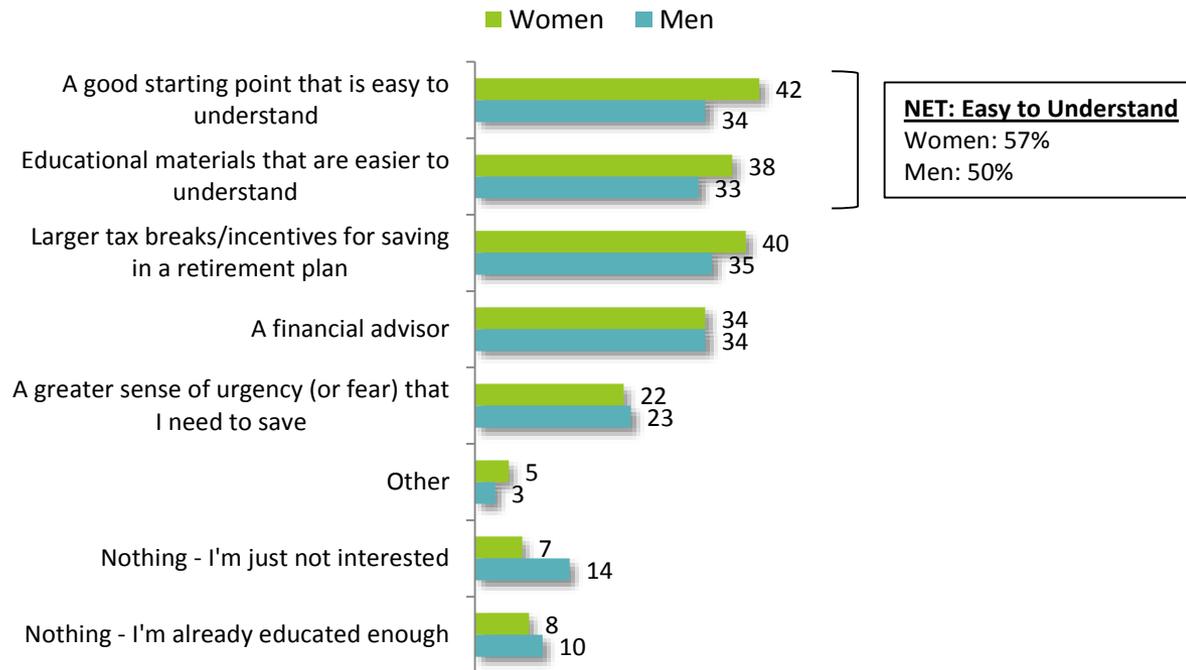


Note: The median is estimated based on the approximate midpoint of the range of each response category. Non-responses are excluded from the estimate.

Fact #13. Motivators to Learn More – Make It Easier to Understand

When asked what would motivate them to learn more about saving and investing for retirement, 57 percent of women say information that is easier to understand, followed by “larger tax breaks and incentives for saving in a retirement plan” (40 percent) and “a financial advisor” (34 percent).

Motivations to Learn More about Saving and Investing for Retirement



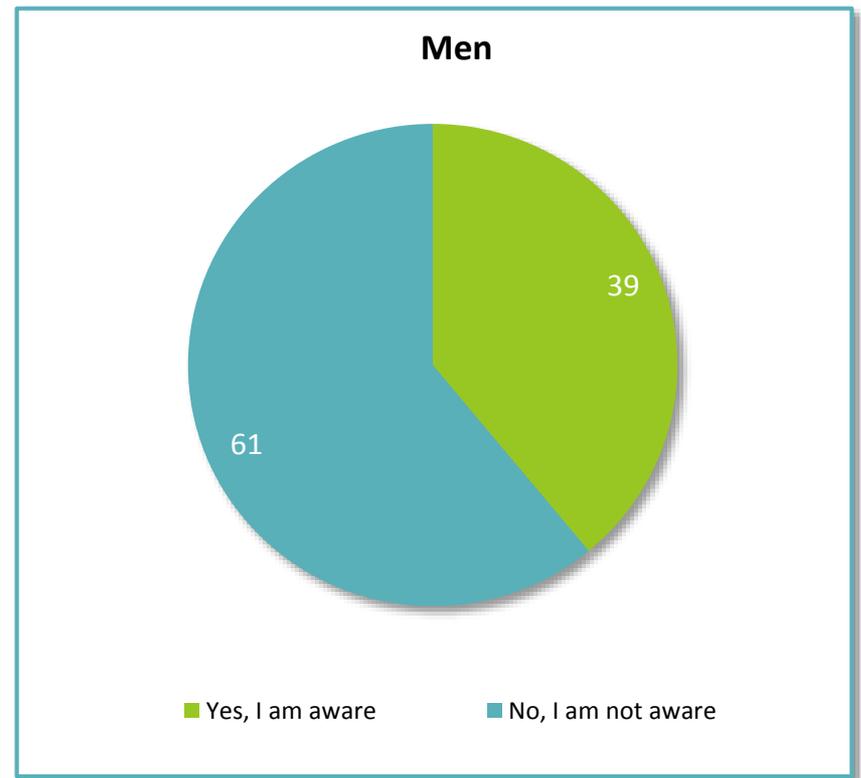
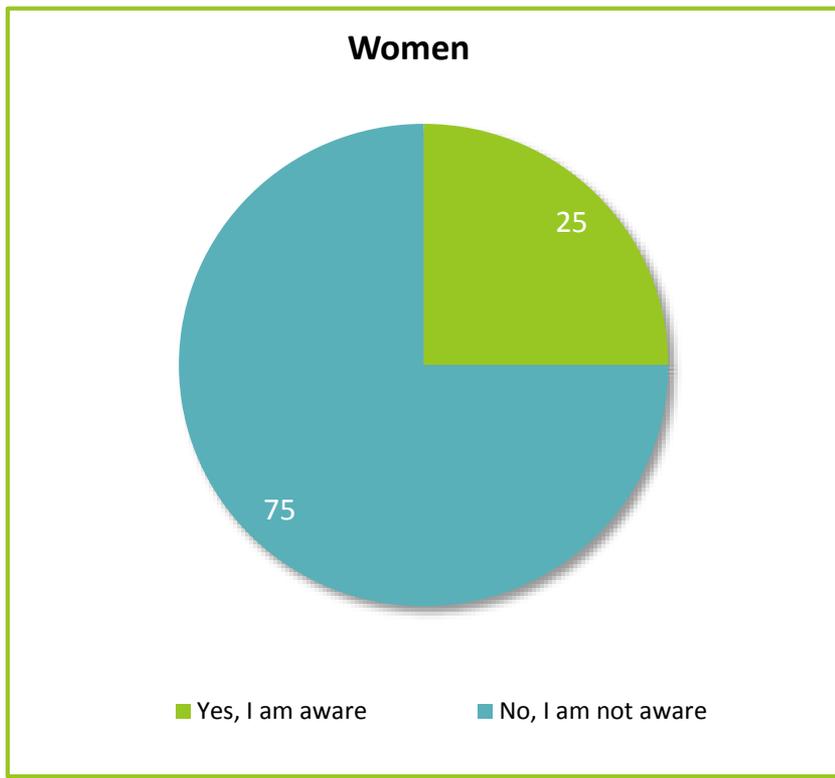
BASE: Workers – All Qualified Respondents

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

Fact #14. Most Don't Know About the Saver's Credit

The Saver's Credit is a tax credit available to eligible taxpayers who are saving for retirement in a qualified retirement plan or IRA and might just be the nudge many need to get started. However, only a quarter of working women are aware of the Saver's Credit and 39 percent of working men are aware of it. Many workers who are saving for retirement may be missing out on the Saver's Credit because of they are unaware of it.

Awareness of the Saver's Credit (%)



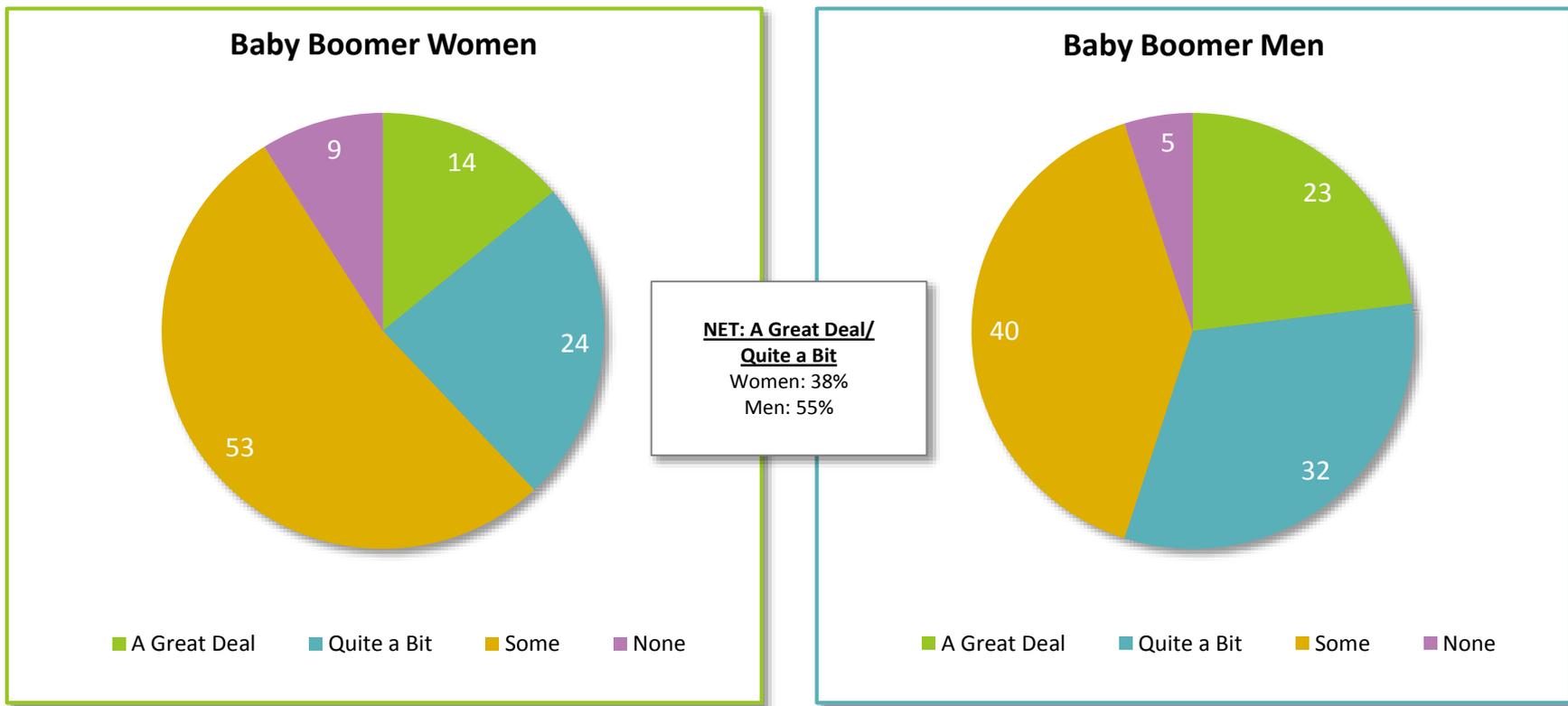
BASE: Workers – All Qualified Respondents

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

Fact #15. Few Baby Boomers Know a Great Deal About Social Security Benefits

Having a strong knowledge of government benefits is important for all future retirees, especially for women nearing retirement. However, only 38 percent of Baby Boomer women say they know “a great deal” or “quite a bit” about Social Security benefits, compared to 55 percent of Baby Boomer men.

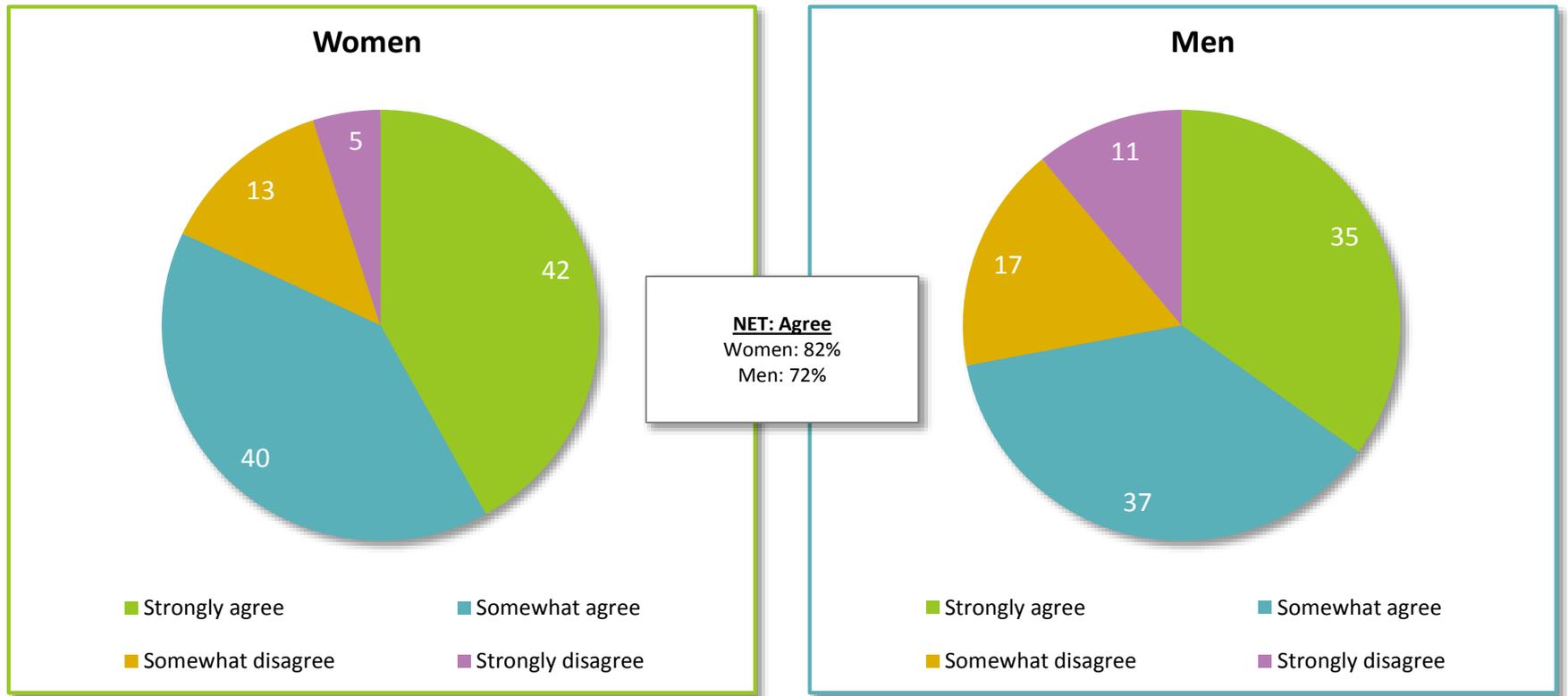
Level of Understanding Re: Social Security (%)



Fact #16. Many Are Concerned About Future of Social Security

Eighty-two percent of women are concerned that Social Security will not be there for them when they are ready to retire (compared to 72 percent of men), including 42 percent who “strongly agree” and 40 percent who “somewhat agree” (compared to 35 percent and 37 percent of men, respectively).

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



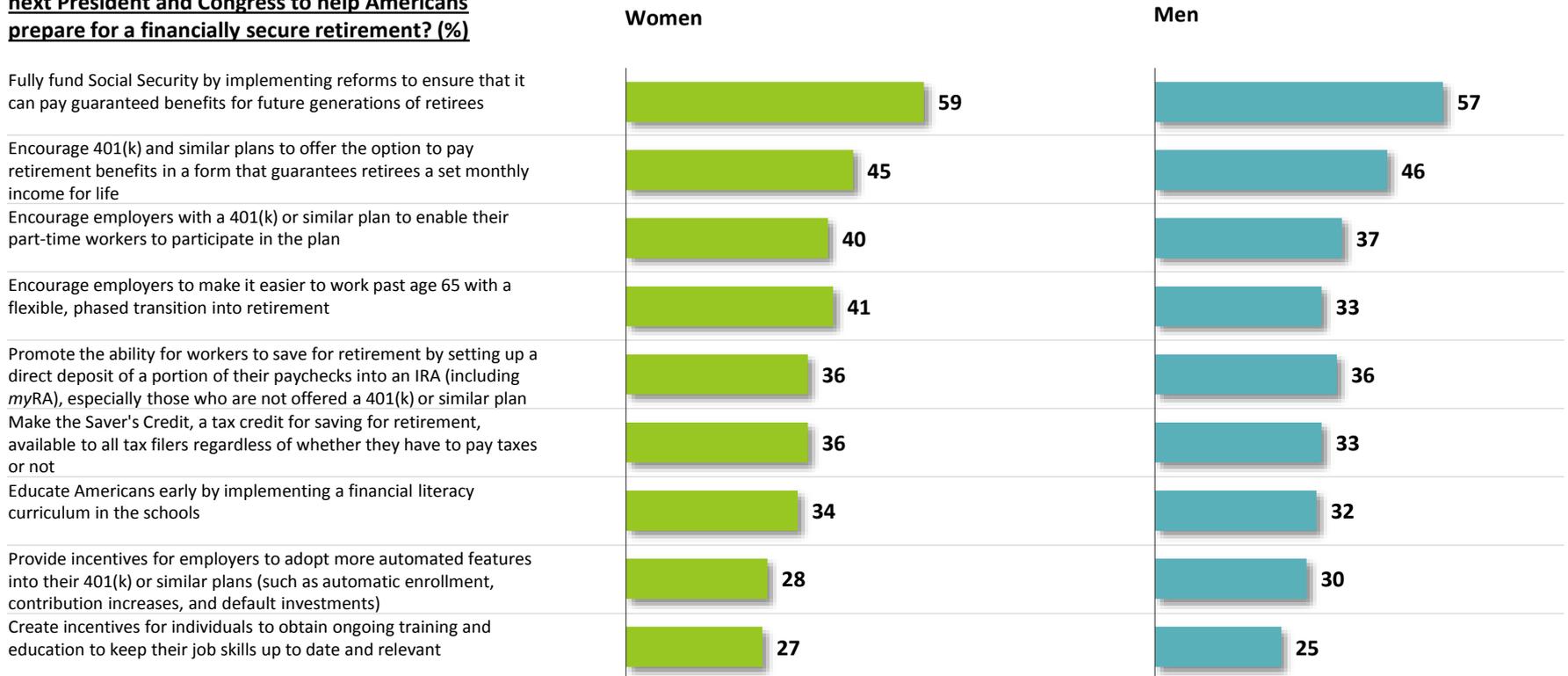
BASE: Workers – All Qualified Respondents

Q931. How much do you agree or disagree with each of the following statements regarding investing? “I am concerned that when I am ready to retire, Social Security will not be there for me.”

Fact #17. Retirement Priorities for the President and Congress

Women’s top retirement security-related priority for the new President and Congress is “fully funding Social Security by implementing reforms to ensure that it can pay guaranteed benefits for future generations of retirees” (59 percent). In terms of priorities, women and men generally agree. However, women are significantly more likely than men to cite the priority of “encouraging employers to make it easier to work past age 65 with a flexible, phased transition into retirement” (41 percent vs. 33 percent, respectively).

Which of the following should be priorities for the next President and Congress to help Americans prepare for a financially secure retirement? (%)



Note: Responses not shown for less than five percent who said “other.”

BASE: Workers – All Qualified Respondents

Q1427. With the November 2016 election in mind, which of the following should be priorities for the next President and Congress to help Americans prepare for a financially secure retirement? Select all.

Eight Tips for Women to Take Charge of Their Retirement

The good news is that small steps, when taken together, can add up to great strides in retirement preparedness. Retirement will be unique for each woman, but the tools to help achieve retirement readiness are common to all. Now is the time for every woman to focus on achieving financially a secure retirement:

1. Start saving for retirement and get into the habit of saving on a regular, consistent basis. Save as much as you can, knowing that both small and large amounts add up over time.
2. If your employer offers a retirement plan, participate. Be sure that your contribution rate takes full advantage of employer matching contributions, if available. Take advantage of the IRS Saver's Credit if eligible. Consider taking advantage of catch-up contributions if you are age 50 or older.
3. Develop a retirement strategy and write it down. Envision your future retirement and use an online calculator to estimate your long-term savings needs. Then formulate a goal for how much you will need to save each year (be sure to include employer-sponsored retirement plans and outside savings) – and hold yourself accountable for saving.
4. 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 – such as shifting to part-time work – to help mitigate the impact on long-term financial security.
5. Maintain your ability to continue working past age 65. Keep your job skills up to date or learn new ones. Many employers, community colleges and nonprofits offer classes in the latest technologies and careers. Networking groups offer opportunities to meet more people in particular professions.
6. Become personally involved in your family finances ranging from daily budgeting to long-term planning. Discuss retirement saving and planning with family and close friends. An open dialogue with family members about expectations of either needing to provide or receive financial support should be part of every woman's retirement strategy.
7. Get educated about retirement investing. Learn about possible ways to help make savings last longer including when to take withdrawals from retirement accounts to minimize taxes and penalties, and the best time to start Social Security to maximize benefits. Seek professional assistance if needed.
8. Have a backup plan in the event of unforeseen circumstances such as separation, divorce, loss of a partner, or being unable to work before your planned retirement. Consider emergency savings; insurance products such as disability insurance and life insurance; and possibly ways to cut costs if needed, such as moving to a smaller home, taking on a roommate(s) or scaling back transportation costs. Keep job skills up-to-date.

Appendix

About the Author

[Catherine Collinson](#) is a champion of everyday people including those who are at risk of not achieving a financially secure retirement. She currently serves as president of nonprofit [Transamerica Institute®](#) and [Transamerica Center for Retirement Studies®](#). In May 2015, she was also named executive director of [Aegon Center for Longevity and Retirement](#).

With two decades of experience, Catherine has become a nationally recognized voice on retirement-related trends. She is an expert on women and retirement and has published reports on the topic for more than 10 years. She has testified before Congress on matters related to employer-sponsored retirement plans among small business, which have featured the need to raise awareness of the Saver's Credit.

Catherine oversees research, publications, and outreach initiatives including the Annual Transamerica Retirement Survey. She is regularly quoted in top media outlets on retirement-related topics, including: Time, Forbes, CNBC, and Yahoo! Finance. She co-hosts [ClearPath: Your Roadmap to Health & Wealth](#) on WYPR, Baltimore's NPR station. In 2015, Catherine was named an advisory board member of the [Milken Institute's Center for the Future of Aging](#). She was a 2016 [WISER Hero Award](#) recipient in recognition of her contributions to helping improve retirement security for women.

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

About the Transamerica Center for Retirement Studies®

- The Transamerica Center for Retirement Studies® (TCRS) is a division of Transamerica Institute® (The Institute), a nonprofit, private foundation. TCRS is dedicated to educating the public on emerging trends surrounding retirement security in the United States. Its research emphasizes employer-sponsored retirement plans, including companies and their employees, 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 and Methodology

- Since 1998, the Transamerica Center for Retirement Studies® (TCRS) 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.
- Harris Poll was commissioned to conduct the 17th Annual Retirement Survey for TCRS. TCRS is not affiliated with Harris Poll.
- A 25-minute, online survey was conducted between April 11 and May 12, 2016 among a nationally representative sample of 4,161 workers including 2,315 women and 1,837 men using the Harris online panel. Respondents met the following criteria:
 - U.S. residents, age 18 or older.
 - Full-time or part-time workers in a for-profit company employing 10 or more people.
- Data were weighted as follows:
 - To account for differences between the population available via the Internet versus by telephone.
 - To ensure that each quota group had a representative sample based on the number of employees at companies in each employee size range.
- Percentages are rounded to the nearest whole percent. Differences in the sums of combined categories/answers are due to rounding.

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