



17th Annual Transamerica Retirement Survey

Influences of Educational Attainment on Retirement Readiness

TRANSAMERICA CENTER
FOR RETIREMENT STUDIES®

December 2016

Welcome to the 17th Annual Transamerica Retirement Survey

Welcome to this compendium of insights and findings from the *17th 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:

- ***The American Worker – An Overview.*** This chapter contains a comprehensive set of more than 50 key measures of retirement preparedness and 5-year trend analysis looking at overall survey findings among workers of for-profit companies of 10 or more employees.
- ***Influences of Demographics on Retirement Preparations.*** These chapters are demographic segmentation analyses by employer size, generation, gender, household income, level of education, and ethnicity. Each chapter presents a concise set of approximately 30 key measures for each demographic segment.

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

Thank you.

About 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, 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, the 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.
- Nielsen and the Harris Poll were commissioned to conduct the 17th Annual Retirement Survey for Transamerica Center for Retirement Studies. Transamerica Center for Retirement Studies is not affiliated with Nielsen.
- Over the last five decades, Harris Polls have become media staples around the world. With comprehensive experience and precise technique in public opinion polling, along with a proven track record of uncovering consumers' motivations and behaviors, The Harris Poll has gained strong brand recognition around the world. For more information, contact: ConsumerInsightsNAInfo@Nielsen.com.

Worker Survey Methodology

- A 25-minute, online survey was conducted between April 8 – May 6, 2016 among a nationally representative sample of 4,161 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 10 or more people
- A supplementary survey among 1,198 workers, with the same criteria as above, was fielded from August 1 – 8, 2016 for a subset of questions. Those questions have been marked in the report where they appear.
- 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 10+ 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.
- 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.

Terminology

This report uses the following terminology:

Generation

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

Company Size

- *Small Company:* 10 to 499 employees
- *Large Company:* 500 or more employees

All Workers

- Refers to all workers age 18 and older



Influences of Educational Attainment on Retirement Readiness

Detailed Findings

Influences of Educational Attainment on Retirement Readiness

Retirement readiness increases with higher educational attainment. College graduates are more likely to have access to retirement benefits, have higher plan participation rates, and contribute more than non-college graduates – which leads to higher lifetime savings at retirement. While workers across levels of educational attainment are at risk, non-college graduates are at much greater risk of not achieving a financially secure retirement.

Thirty Indicators of Retirement Readiness

- **Recovery From the Great Recession.** Financial recovery from the Great Recession increases with educational attainment. Workers with a high school education or less (23 percent) and those with some college or trade school (26 percent) are more likely to say they have not yet begun to recover or they may never recover, compared to workers with higher levels of educational attainment. Workers with a college or post-graduate degree (both 45 percent) are more likely to say that they were not impacted or have fully recovered than those with lower levels of educational attainment.
- **Confidence in Retiring Comfortably.** Retirement confidence increases with workers' level of education. College graduates (71 percent) and those with some graduate or advanced degree (73 percent) are more likely to be confident about their future retirement compared to workers with only some college or trade school education (60 percent) and those with high school diploma or less (51 percent).
- **Building a Large Enough Nest Egg?** Workers' confidence in building a large enough nest egg increases with educational attainment, and workers with a college degree are more confident than those without.
- **Retirement Dreams Include Leisure and Work.** Traveling is the most frequently cited retirement dream among workers with some higher education, including those with some college or trade school (65 percent), college graduates (73 percent), and those with some graduate school or post-graduate degree (73 percent). Workers with a high school education or less (57 percent) most frequently cited spending more time with family and friends as a retirement dream. Interestingly, many workers dream of working in retirement.

Influences of Educational Attainment on Retirement Readiness

- **Age Planning to Live to.** The age that workers are planning to live to increases with educational attainment. Workers with a high school diploma or less are planning to live to age 85 (median), while those with some college and college graduates are planning to live to 87 (median), and those with some graduate school or a post-graduate degree are planning to live to an older age of 90 (median). Approximately one in seven workers across levels of educational attainment are planning to live to 100 or older.
- **Retirement Beliefs.** Involvement in retirement investing increases across education levels; however, regardless of their level of education, strong majorities feel that their generation will have a tough time achieving financial security and that Social Security will not be there when they are ready to retire.
- **Current Financial Priorities.** “Saving for retirement” is the most frequently cited priority among workers with higher levels of education, including college graduates (74 percent) and those with a post-graduate degree (67 percent). In contrast “just getting by – covering basic living expenses” is most frequently cited among those with a high school diploma or less (60 percent) and those with some college or trade school (50 percent).
- **Greatest Financial Priority Right Now.** “Saving for retirement” is the most frequently cited top financial priority among those with a college or post-graduate degree. In contrast, those with some college (or less) or a trade school education are more likely to cite “just getting by” or “paying off debt.”
- **Expected Sources of Retirement Income.** Across levels of educational attainment, the majority of workers expect retirement income from self-funded savings including retirement accounts (e.g., 401(k)s, 403(b)s, IRAs) and other savings and investments: 88 percent of post-graduates, 87 percent of college graduates, 78 percent of those with some college or trade school, and 65 percent of those with a high school diploma or less. More than one-third of workers across levels of educational attainment are expecting income from working to be a source of retirement income.

Influences of Educational Attainment on Retirement Readiness

- **Expected Primary Source of Income in Retirement.** Workers with higher levels of educational attainment are more likely to expect to rely on retirement accounts (e.g., 401(k)s, 403(b)s, or IRAs) as their expected primary source of income in retirement, including 47 percent of college graduates and 44 percent of those with a post-graduate degree. Non-college graduates tend to expect to rely on Social Security, including 30 percent of those with some college or trade school and 29 percent of those with a high school education or less. Non-college graduates are also more likely to expect to rely on income from “working.”
- **Percentage Saving for Retirement/ Age They Started to Save.** Savings rates increase with higher educational attainment. College graduates (86 percent) and those with a post-graduate degree (91 percent) are more likely to be saving compared to those with some college or trade school (72 percent) and those with a high school diploma or less (67 percent). Aligning with this trend, college graduates started saving at an earlier age (25 median), compared to those with some college or trade school (28 median) and those with a high school diploma or less (30 median).
- **Importance of Retirement Benefits Compared to Other Benefits.** More than 83 percent of workers across all levels of educational attainment value a 401(k), 403(b), 457(b) or similar plan as an important employee benefit. Workers with higher levels of educational attainment are slightly more likely to value such benefits.
- **Retirement Benefits Currently Offered.** While most workers have access to employer-sponsored retirement benefits, those with higher educational attainment are more likely to be offered a plan compared to those with lower educational levels. An alarming 33 percent of workers with a high school education or less and 26 percent of those with some college or trade school are not offered retirement benefits.
- **Retirement Plan Participation.** Among workers who are offered a 401(k) or similar plan, the participation rate increases with level of educational attainment. Eighty-four percent of workers with a post-graduate degree participate in their employer’s plan, compared to 77 percent of those with a high school education or less.

Influences of Educational Attainment on Retirement Readiness

- **Retirement Plan Contribution Rate.** Among workers who participate in a 401(k) or similar plan, those with higher educational attainment continue to contribute more compared to those in lower educational levels. College graduates contribute 8 percent and those with a post-graduate degree contribute 10 percent (median); in contrast, workers with some college or trade school contribute 7 percent and those with a high school education or less contribute 6 percent (median).
- **Approach to Investing in Retirement Plan.** “Professionally managed” accounts refers to a managed account service, strategic allocation funds, and/or target date funds. Regardless of level of educational attainment, the majority of plan participants use some form of professionally managed offering in their 401(k) or similar plans: 57 percent of workers with a high school diploma or less, 61 percent of those with some college or trade school, 63 percent of college graduates, and 57 percent of those with some graduate school or a post-graduate degree. Workers with higher educational attainment are more likely to set their own asset allocation percentage among the available funds.
- **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. Among participants who are currently participating in a plan, more than one in five workers across levels of educational attainment have taken some form of loan, early withdrawal, and/or hardship withdrawal from a 401(k) or similar plan. Workers with a high school diploma or less are more likely to have done so compared to those with higher levels of educational attainment.
- **Estimated Emergency Savings.** Emergency savings can help cover the cost of a major financial setback (e.g., unemployment, medical bills, home repairs, auto repairs, other); however, many workers have saved little. Workers with a high school education or less have saved just \$1,000 (median). Those with some college or trade school have saved \$4,000 (median). College graduates have saved \$10,000 (median). And workers with some graduate school or a graduate degree have saved \$25,000 (median) for such emergencies.

Influences of Educational Attainment on Retirement Readiness

- **Estimated Retirement Savings Needs.** Workers' estimated retirement savings needs increase with higher educational attainment. College graduates estimate that they will need \$900k and workers with a post-graduate degree estimate \$1 million (estimated medians). In contrast, those with some college or trade school estimate that they will need \$500k and those with a high school education or less estimate \$250k (estimated medians).
- **Basis for Estimating Retirement Savings Needs.** The percentage of workers guessing their retirement savings needs decreases with educational attainment. Those with a high school education or less (56 percent) are most likely to have guess compared to those with a post-graduate degree (33 percent). Few workers across education levels have used a retirement calculator.
- **Asset Allocation of Retirement Investments.** Across educational levels, workers most frequently say their retirement savings are invested in a relatively equal mix of stocks and investments such as bonds, money market funds and cash. The response rate is higher among those with a college education (46 percent) or those with a post-graduate degree (48 percent), compared to those with some college or trade school (37 percent) and those with a high school education or less (39 percent). Nearly one-third (32 percent) of workers with a high school education or less are unsure about how their savings are invested.
- **Retirement Strategy: Written, Unwritten, or None.** The likelihood of workers having a retirement strategy increases with higher educational attainment – with more educated workers being more likely to have a strategy. Seventy-two percent of college graduates and 75 percent of workers with a post-graduate degree have a strategy, compared to only 52 percent of those with a high school diploma or less and 61 percent of those with some college or trade school. However, relatively few workers have yet to put their plans down in writing.

Influences of Educational Attainment on Retirement Readiness

- **Confidence that Financial Strategy Will Enable Travel Goals.** Among those who dream of traveling in retirement, workers' confidence that their current financial strategy will enable travel goals varies dramatically by level of educational attainment. The majority of workers with college degree or more are confident compared to just half of workers with high school to some college education. Relatively few workers across educational levels are "very" confident. Some workers haven't given it much thought, a finding that is more common among workers with high school diploma or less (23 percent).
- **Professional Financial Advisor Usage.** Use of a professional financial advisor increases with higher educational attainment. College graduates (43 percent) and workers with a post-graduate degree (48 percent) are more likely to use a financial advisor, compared to workers with only some college or trade school (34 percent) or those with a high school education or less (35 percent).
- **Total Household Retirement Savings.** Household retirement savings increase with higher educational attainment. College graduates have saved \$143,000 and workers with a post-graduate degree have saved \$176,000 (estimated medians). In contrast, workers with some college or trade school have saved \$47,000 and those with a high school education or less have saved \$23,000 (estimated medians). Forty-one percent of workers with a post-graduate degree have saved \$250,000 or more compared to just 14 percent of those with a high school education or less.
- **Expected Retirement Age.** Most workers across levels of educational attainment expect to retire after age 65 or do not plan to retire, including 58 percent of those with a high school education or less, 55 percent of those with some college or trade school, 51 percent of college graduates, and 51 percent of those with a post-graduate degree. Additionally, 20 percent of workers with a high school education or less do not plan to retire — an expectation that decreases with higher levels of education.
- **Expectations of Working in Retirement.** Approximately half of workers plan to continue working in retirement, which is relatively consistent across levels of educational attainment. Workers with a graduate level of education (56 percent) are most likely to plan to work in retirement and those with high school education or less (51 percent) are least likely. Among workers planning to work in retirement, most plan to do so on a part-time basis.

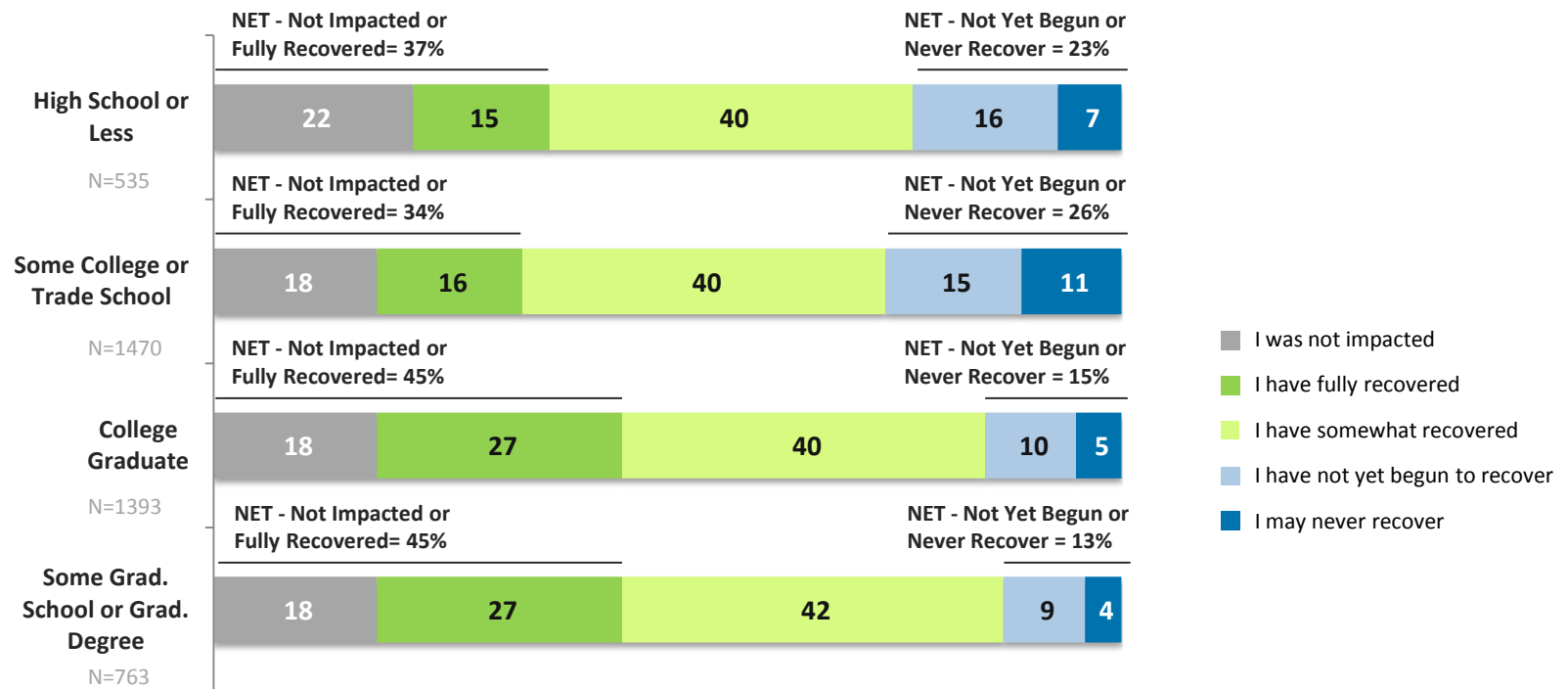
Influences of Educational Attainment on Retirement Readiness

- **Retirement Transitions: Phased Versus Immediate.** Workers with a post-graduate degree (48 percent) are most likely to expect a phased transition into retirement by changing work patterns (e.g., shifting from full- to part-time or working in a different capacity) – while workers with a high school education or less are more likely to say they plan to continue working until they can't work any longer (31 percent) or “not sure” (16 percent).
- **Awareness of the Saver's Credit.** Level of awareness about the IRS Saver's Credit – a tax credit available to eligible taxpayers who are saving for retirement in a qualified retirement plan or IRA – increases with higher educational attainment. College graduates (39 percent) and workers with some graduate school or a post-graduate degree (43 percent) are more likely to be aware of the Saver's Credit, compared to workers with some college or trade school (32 percent) and those with a high school education or less (24 percent).
- **Retirement Security Priorities for the New President and Congress.** Workers across levels of educational attainment most frequently cite fully funding Social Security as a priority for the new President and Congress to help Americans prepare for a financially secure retirement: 56 percent of those with high school diploma or less, 64 percent of those with some college or trade school, 55 percent of college graduates, and 53 percent of post-graduates. Other top cited responses include “encouraging 401(k) plans to offer the option to pay retirement benefits in a form that guarantees retirees a set monthly income for life,” and “encouraging employers with a 401(k) or similar plan to enable their part-time workers to participate in the plan.”

Recovery From the Great Recession

Financial recovery from the Great Recession increases with educational attainment. Workers with a high school education or less (23 percent) and those with some college or trade school (26 percent) are more likely to say they have not yet begun to recover or they may never recover, compared to workers with higher levels of educational attainment. Workers with a college or post-graduate degree (both 45 percent) are more likely to say that they were not impacted or have fully recovered than those with lower levels of educational attainment.

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



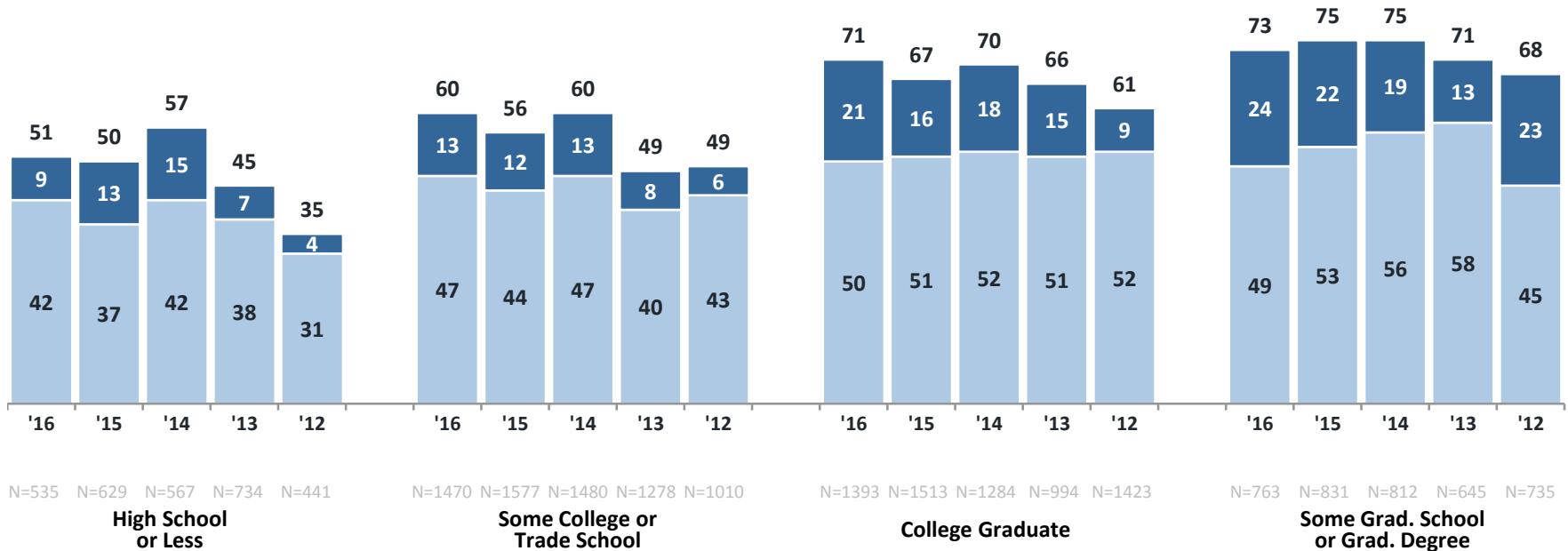
Confidence in Retiring Comfortably

Retirement confidence increases with workers' level of education. College graduates (71 percent) and those with some graduate or advanced degree (73 percent) are more likely to be confident about their future retirement compared to workers with only some college or trade school education (60 percent) and those with high school diploma or less (51 percent). Across levels of education, retirement confidence is higher than it was in 2012, even increased slightly with the exception of workers with at least some graduate school education.

Confidence in Retiring Comfortably

Very/Somewhat Confident (%) (NET)

Very confident Somewhat confident

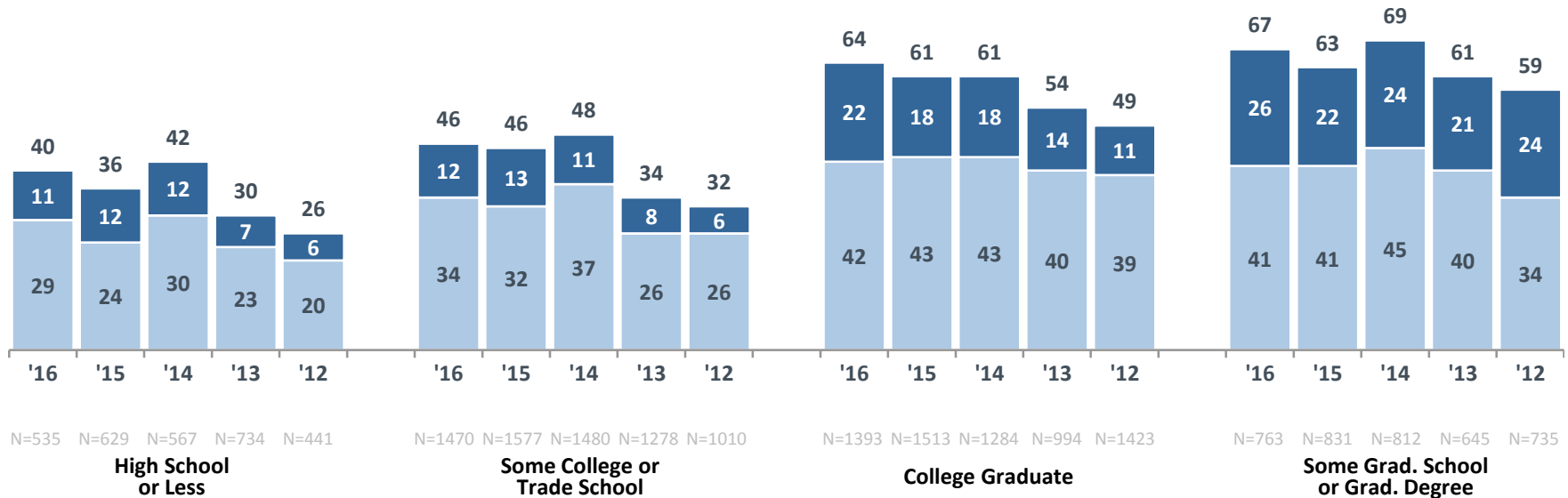


Building a Large Enough Nest Egg?

Workers' confidence in building a large enough nest egg increases with educational attainment, and workers with a college degree are more confident than those without. Confidence in building a large enough nest egg increased across all education levels with the exception of those with some college or trade school, which decreased slightly.

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

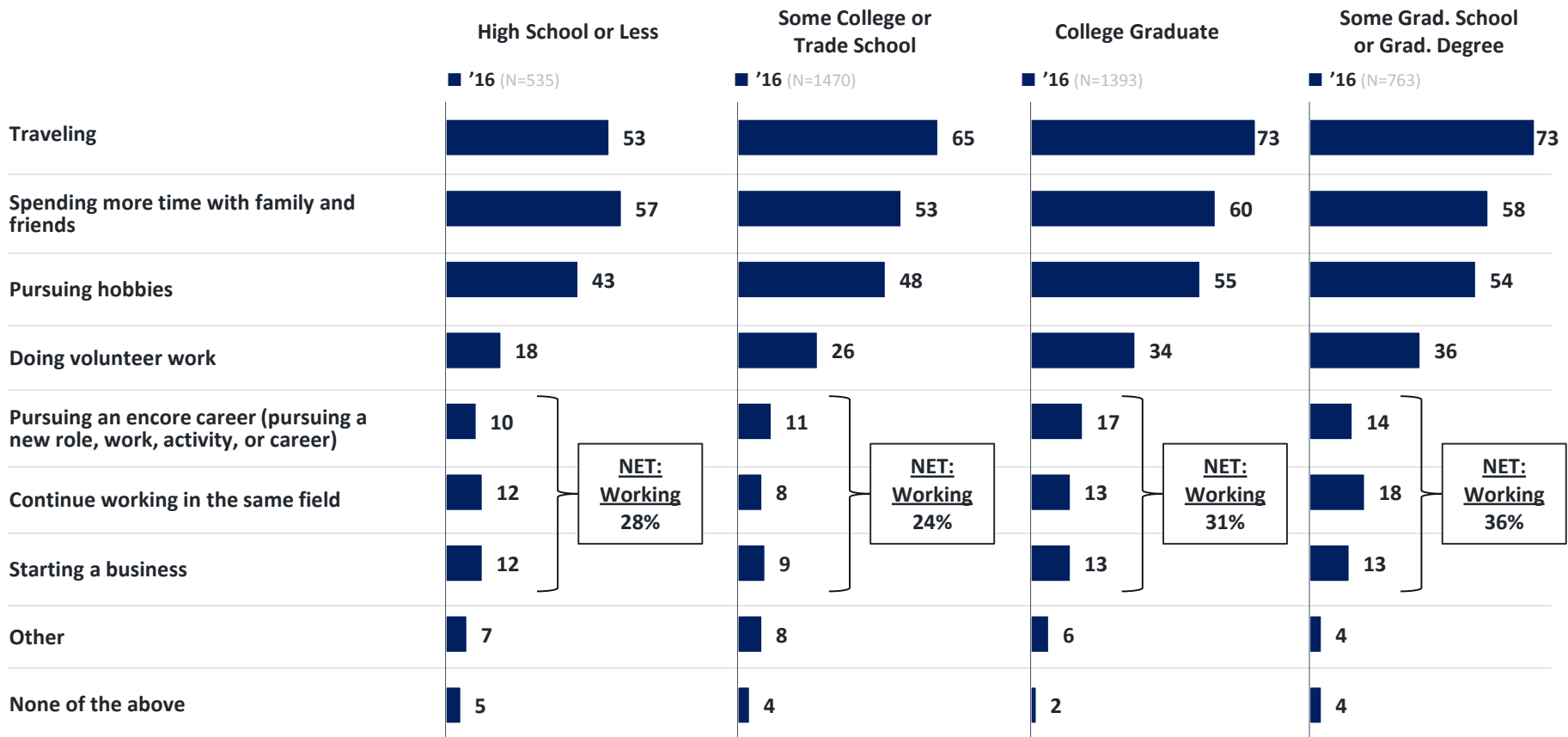
■ Strongly agree ■ Somewhat agree



Retirement Dreams Include Leisure and Work

Traveling is the most frequently cited retirement dream among workers with some higher education, including those with some college or trade school (65 percent), college graduates (73 percent), and those with some graduate school or post-graduate degree (73 percent). Workers with a high school education or less (57 percent) most frequently cited spending more time with family and friends as a retirement dream. Interestingly, many workers dream of working in retirement.

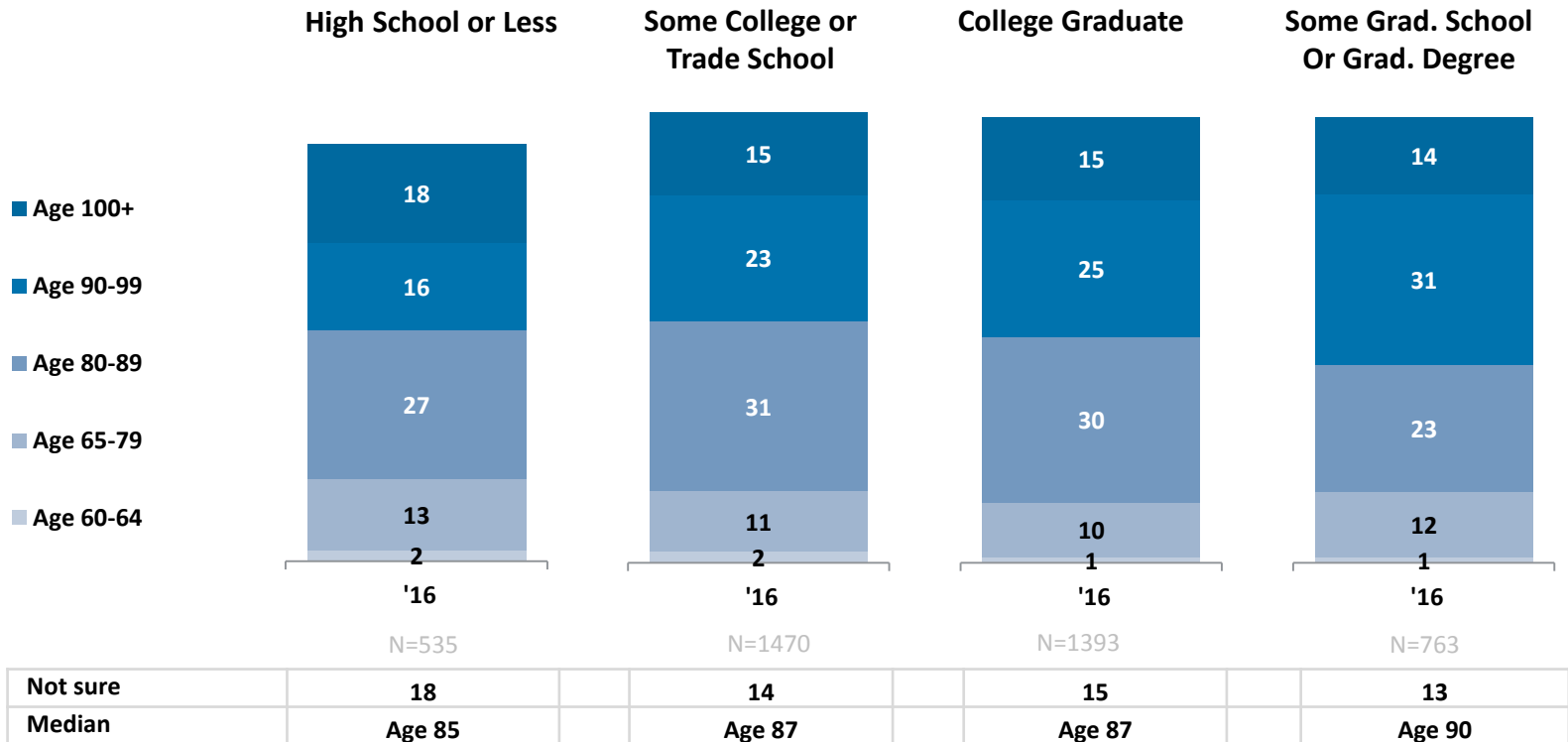
How do you dream of spending your retirement?
Please select all that apply. (%)



Age Planning to Live to

The age that workers are planning to live to increases with educational attainment. Workers with a high school diploma or less are planning to live to age 85 (median), while those with some college and college graduates are planning to live to 87 (median), and those with some graduate school or a post-graduate degree are planning to live to an older age of 90 (median). Approximately one in seven workers across levels of educational attainment are planning to live to 100 or older.

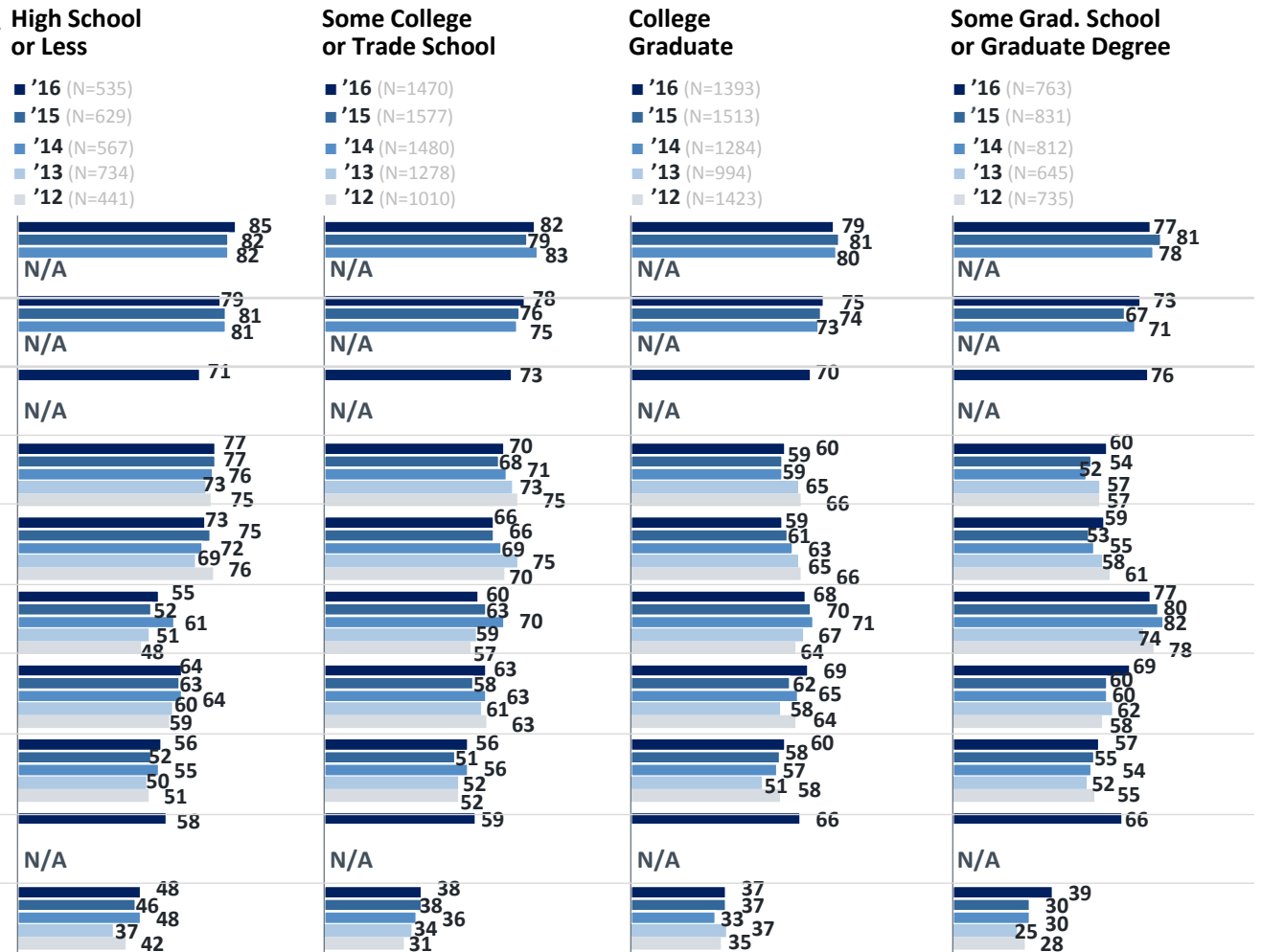
What age are you planning to live to? (%)



Retirement Beliefs

Involvement in retirement investing increases across education levels; however, regardless of their level of education, strong majorities feel that their generation will have a tough time achieving financial security and that Social Security will not be there when they are ready to retire.

How Much Do You Agree or Disagree? Strongly/Somewhat Agree (%) (NET)



*added in 2016 **added in 2014

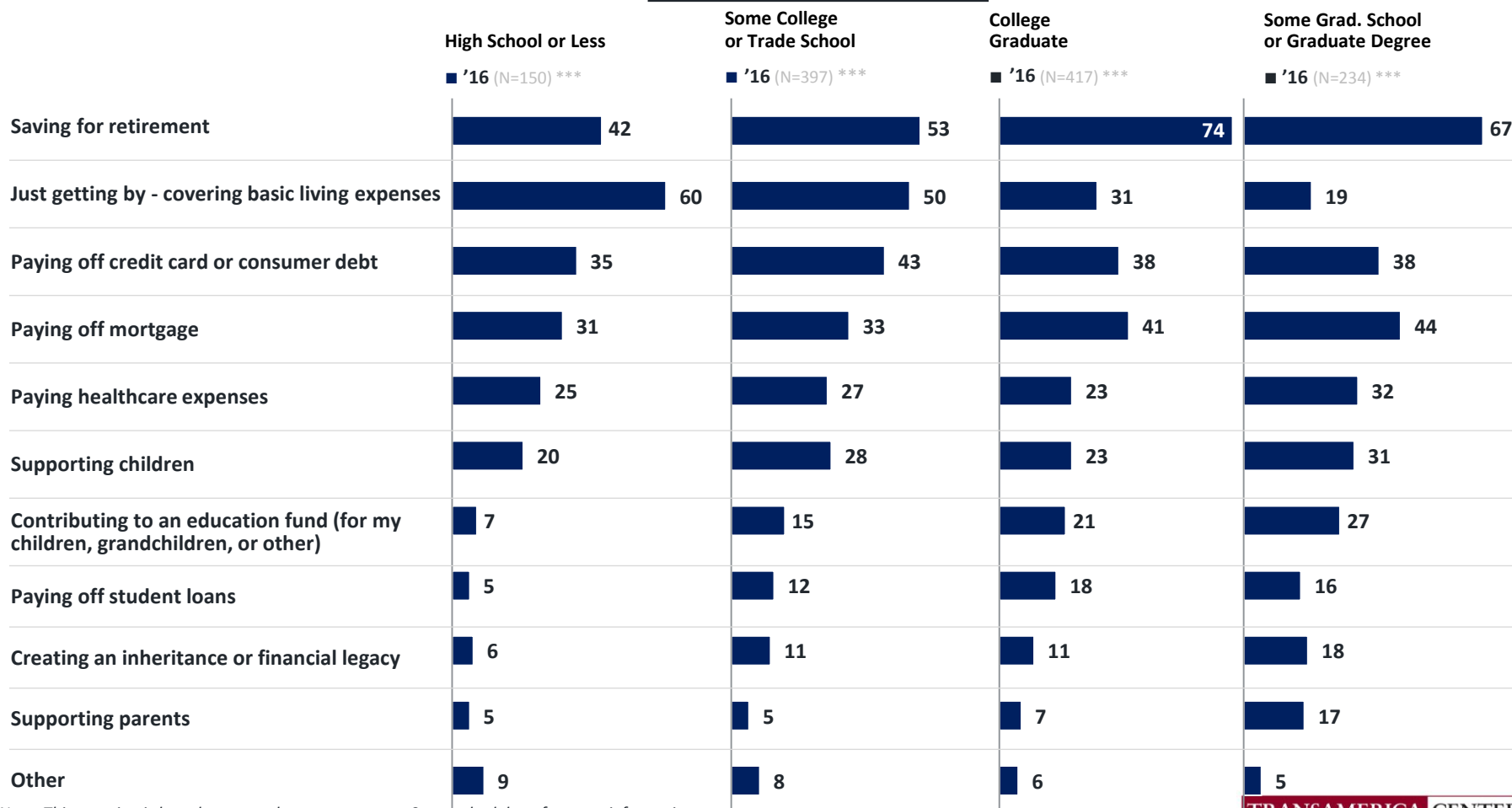
BASE: ALL QUALIFIED RESPONDENTS

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

Current Financial Priorities

“Saving for retirement” is the most frequently cited priority among workers with higher levels of education, including college graduates (74 percent) and those with a post-graduate degree (67 percent). In contrast “just getting by – covering basic living expenses” is most frequently cited among those with a high school diploma or less (60 percent) and those with some college or trade school (50 percent).

Current Financial Priorities (%)



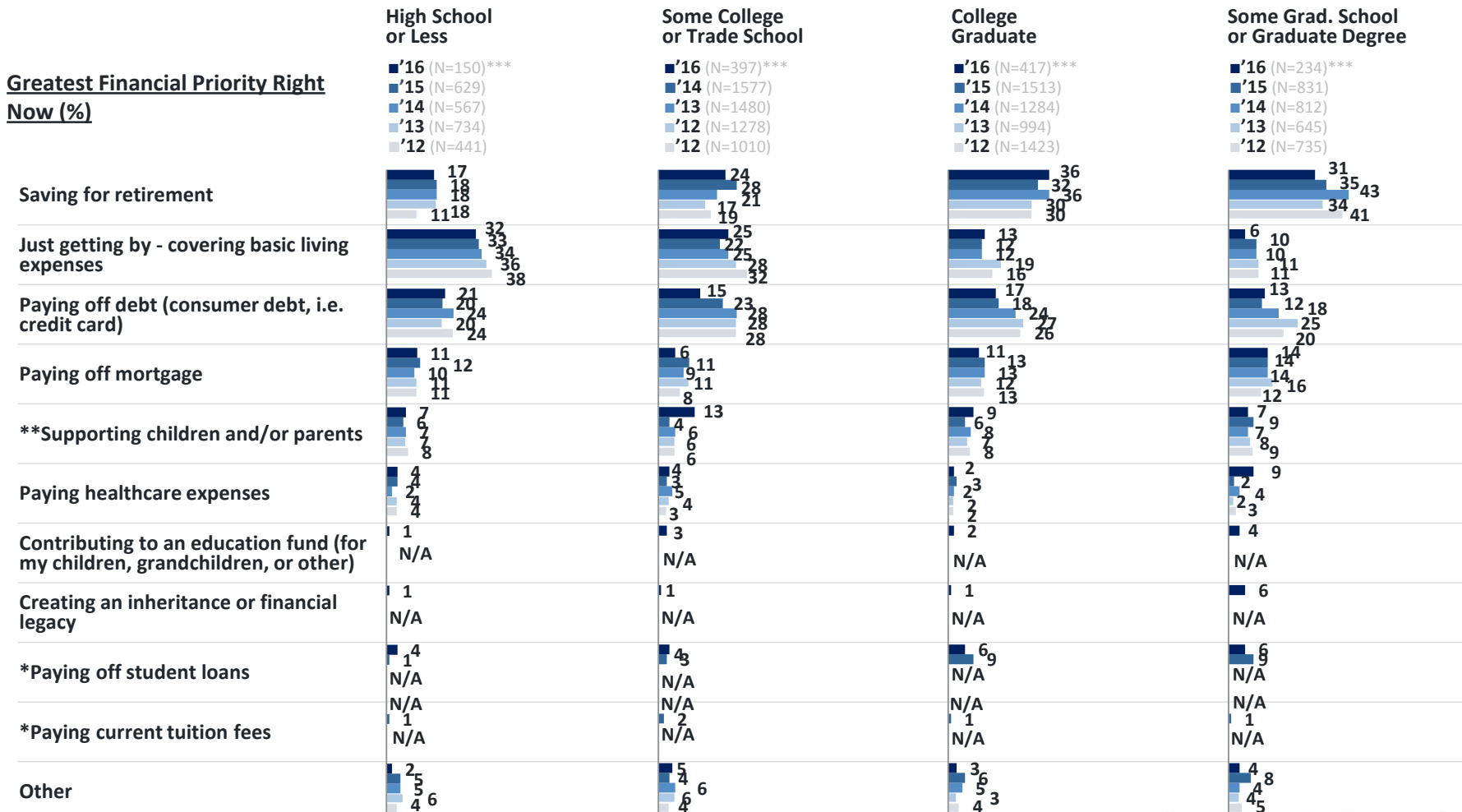
***Note: This question is based on a supplementary survey. See methodology for more information.

BASE: ALL QUALIFIED RESPONDENTS

Q2639. Which of the following are your financial priorities right now? Select all.

Greatest Financial Priority Right Now

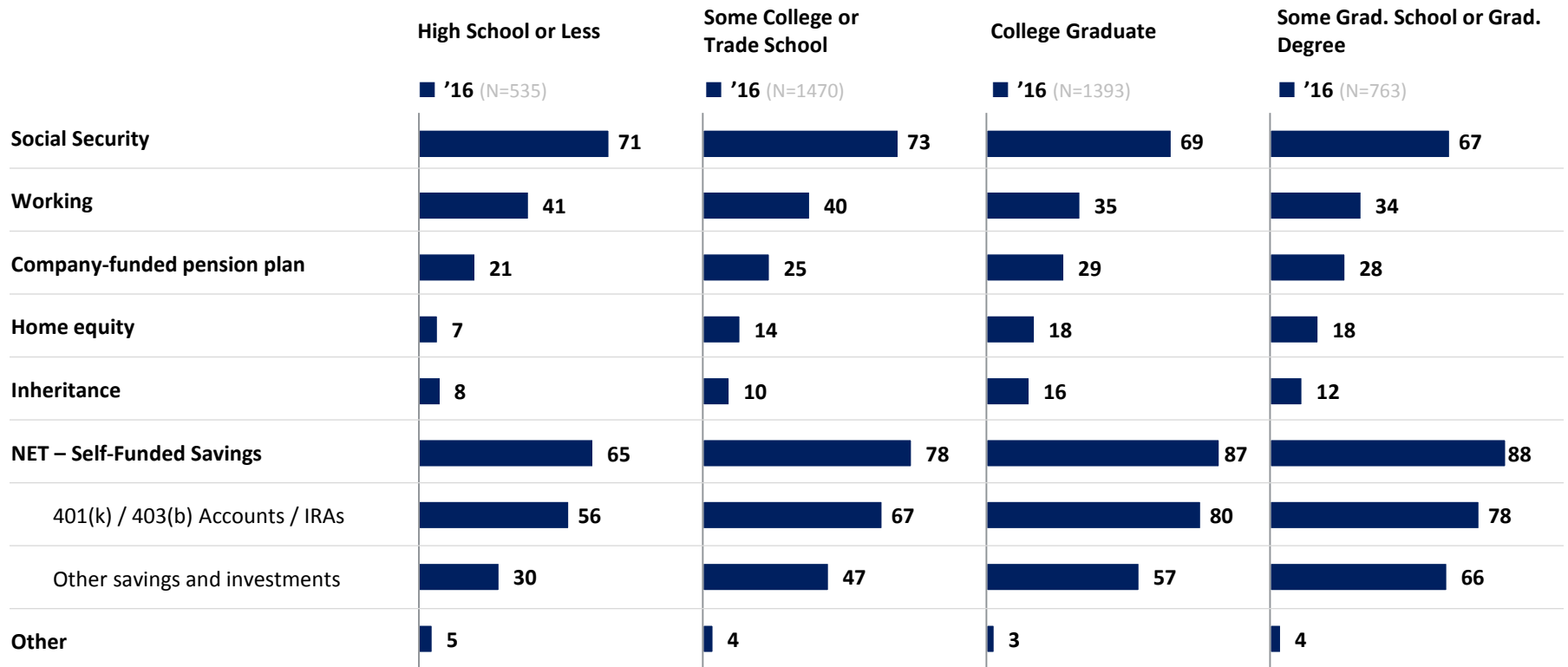
“Saving for retirement” is the most frequently cited top financial priority among those with a college or post-graduate degree. In contrast, those with some college (or less) or a trade school education are more likely to cite “just getting by” or “paying off debt.”



Expected Sources of Retirement Income

Across levels of educational attainment, the majority of workers expect retirement income from self-funded savings including retirement accounts (e.g., 401(k)s, 403(b)s, IRAs) and other savings and investments: 88 percent of post-graduates, 87 percent of college graduates, 78 percent of those with some college or trade school, and 65 percent of those with a high school diploma or less. More than one-third of workers across levels of educational attainment are expecting income from working to be a source of retirement income.

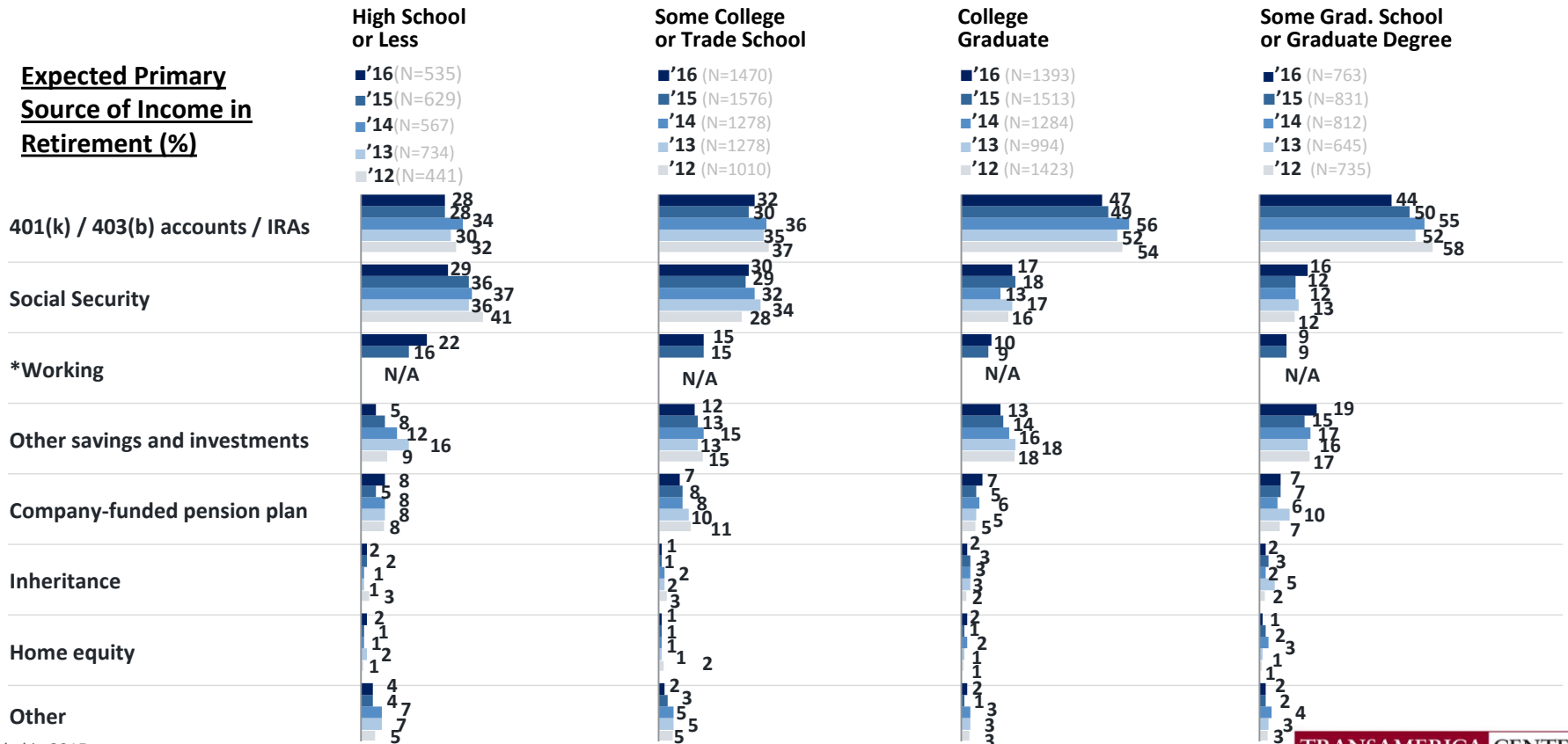
Expected Sources of Income During Retirement (%)



Expected Primary Source of Income in Retirement

Workers with higher levels of educational attainment are more likely to expect to rely on retirement accounts (e.g., 401(k)s, 403(b)s, or IRAs) as their expected primary source of income in retirement, including 47 percent of college graduates and 44 percent of those with a post-graduate degree. Non-college graduates tend to expect to rely on Social Security, including 30 percent of those with some college or trade school and 29 percent of those with some college or trade school and 29 percent of those with a high school education or less. Non-college graduates are also more likely to expect to rely on income from “working.”

Expected Primary Source of Income in Retirement (%)



*added in 2015

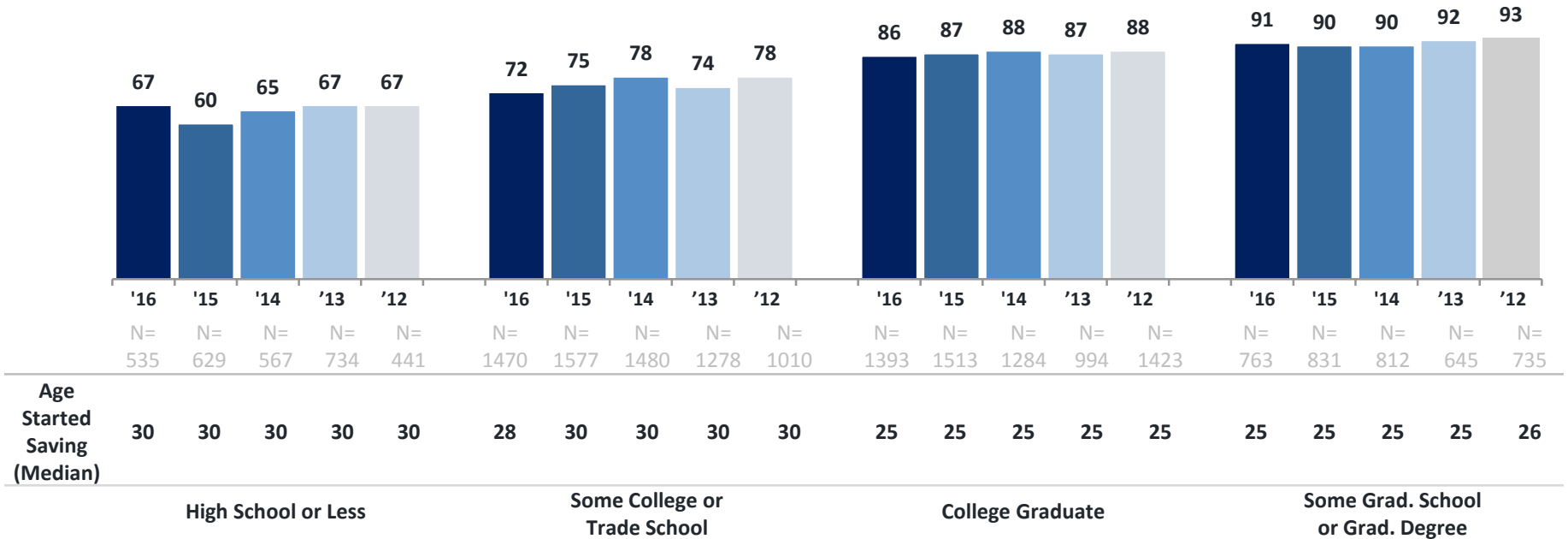
BASE: ALL QUALIFIED RESPONDENTS

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

Percentage Saving for Retirement/ Age They Started to Save

Savings rates increase with higher educational attainment. College graduates (86 percent) and those with a post-graduate degree (91 percent) are more likely to be saving compared to those with some college or trade school (72 percent) and those with a high school diploma or less (67 percent). Aligning with this trend, college graduates started saving at an earlier age (25 median), compared to those with some college or trade school (28 median) and those with a high school diploma or less (30 median).

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



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

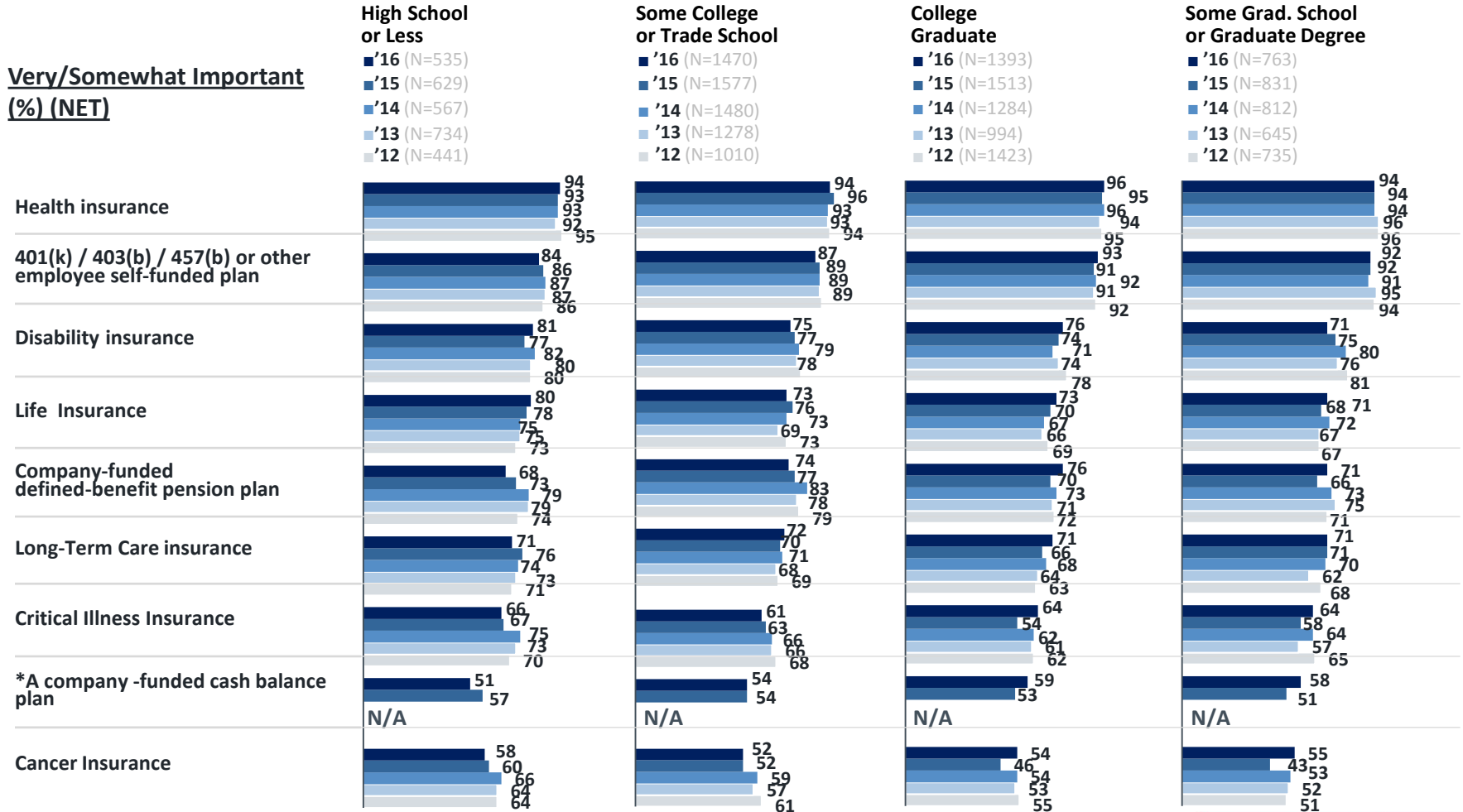
Q740. Are you currently saving for retirement outside of work, such as in an IRA, mutual funds, bank account, etc.?

BASE: INVESTING FOR RETIREMENT

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

Importance of Retirement Benefits Compared to Other Benefits

More than 83 percent of workers across all levels of educational attainment value a 401(k), 403(b), 457(b) or similar plan as an important employee benefit. Workers with higher levels of educational attainment are slightly more likely to value such benefits, a steady trend over the past five years.



*added in 2014

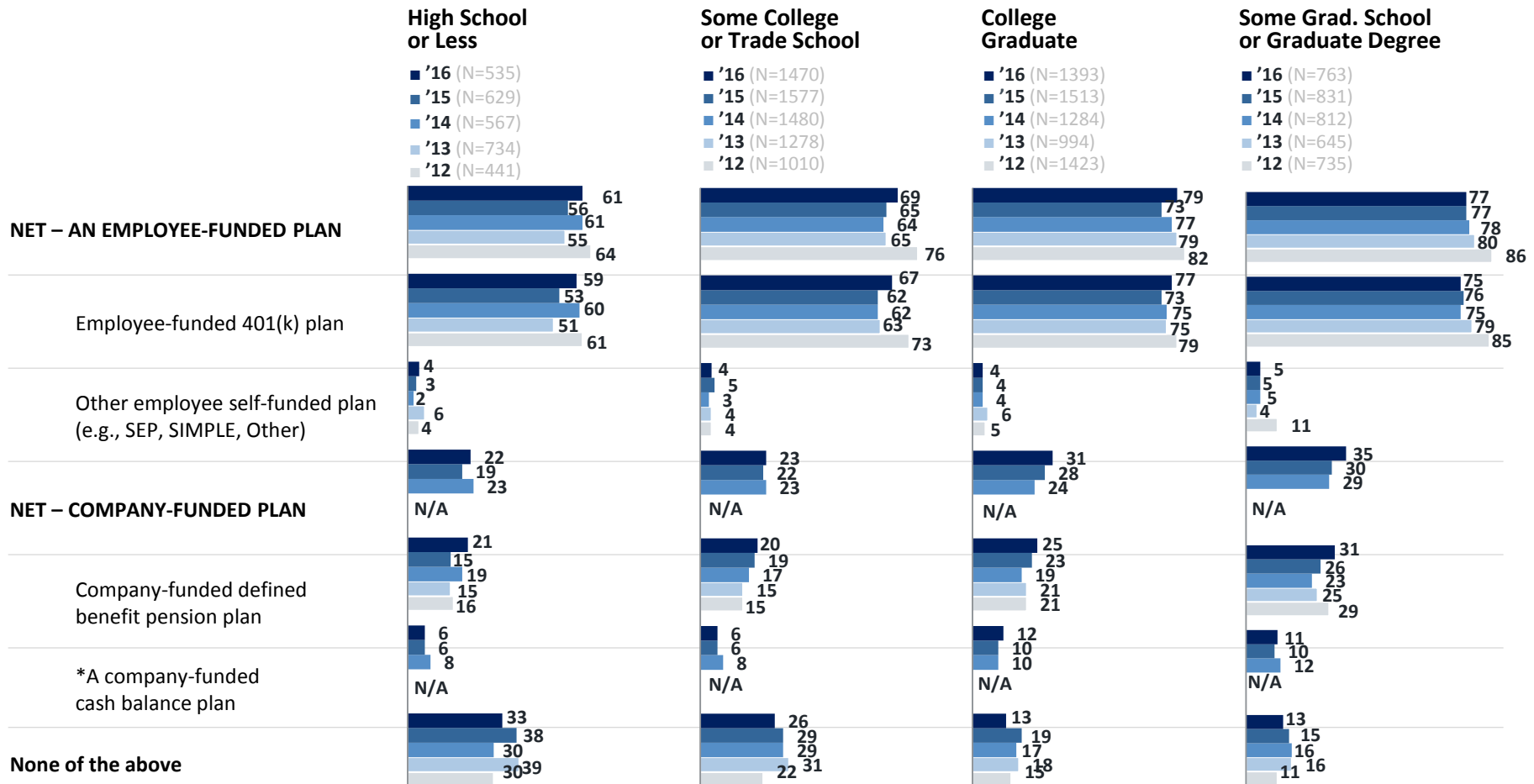
BASE: ALL QUALIFIED RESPONDENTS

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

Retirement Benefits Currently Offered

While most workers have access to employer-sponsored retirement benefits, those with higher educational attainment are more likely to be offered a plan compared to those with lower educational levels. An alarming 33 percent of workers with a high school education or less and 26 percent of those with some college or trade school are not offered retirement benefits.

Employer-Sponsored Retirement Benefits Currently Offered (%)



*added in 2014

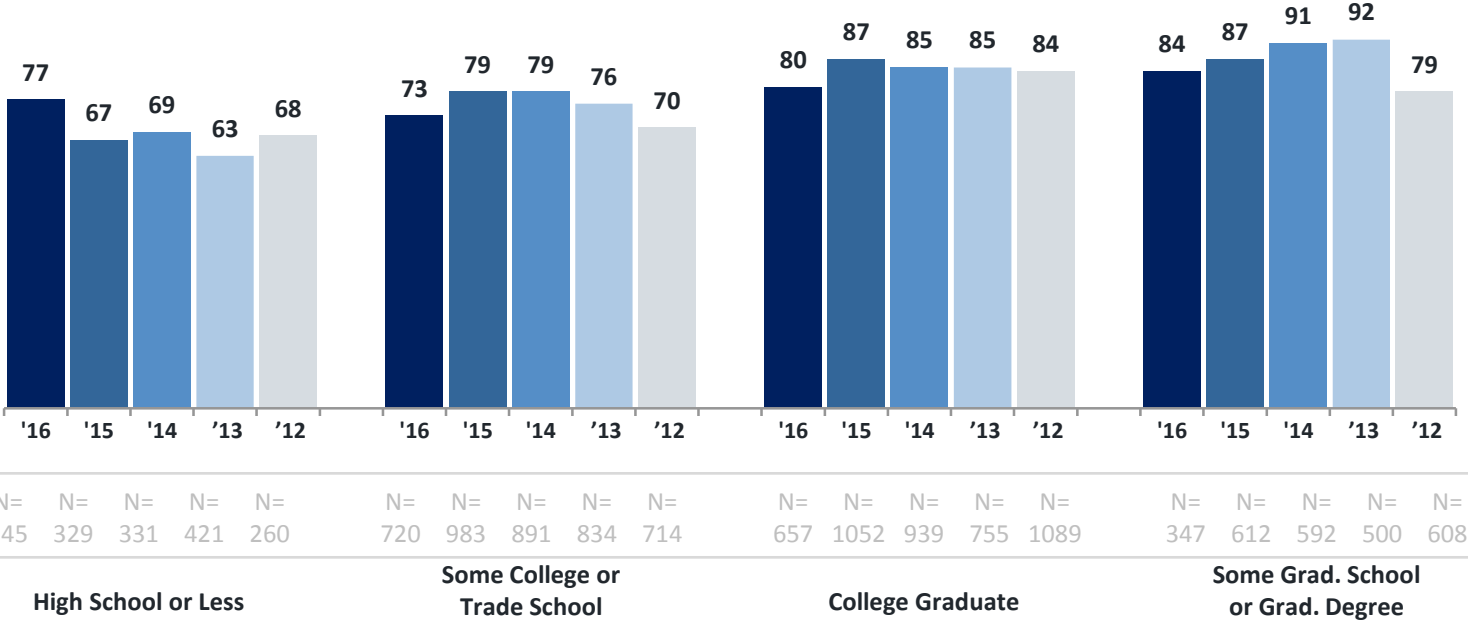
BASE: ALL QUALIFIED RESPONDENTS

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

Retirement Plan Participation

Among workers who are offered a 401(k) or similar plan, the participation rate increases with level of educational attainment. Eighty-four percent of workers with a post-graduate degree participate in their employer’s plan, compared to 77 percent of those with a high school education or less. Participation rates have been relatively consistent in recent years — except for a significant increase found this year among workers with a high school education or less.

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



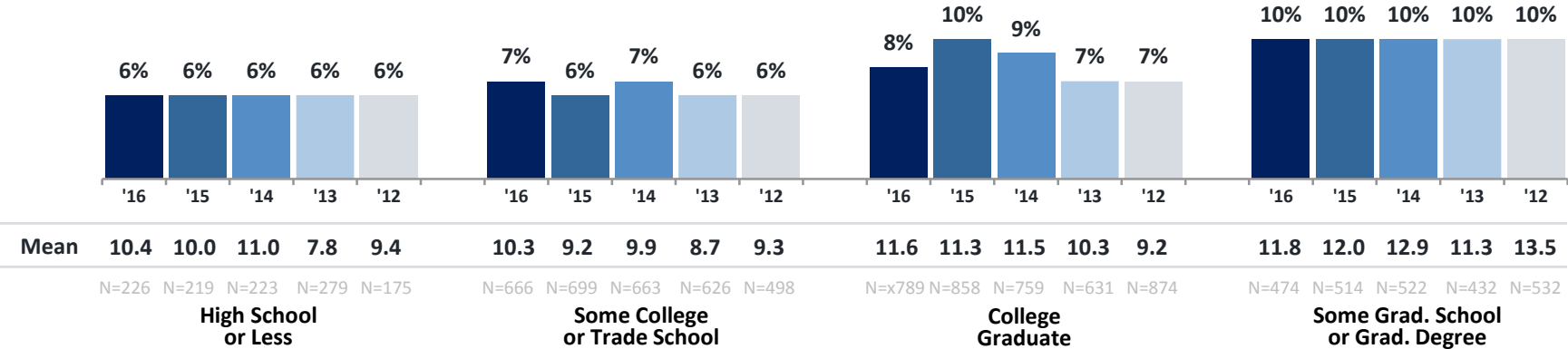
BASE: THOSE CURRENTLY OFFERED QUALIFIED PLAN

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

Retirement Plan Contribution Rate

Among workers who participate in a 401(k) or similar plan, those with higher educational attainment continue to contribute more compared to those in lower educational levels. College graduates contribute 8 percent and those with a post-graduate degree contribute 10 percent (median); in contrast, workers with some college or trade school contribute 7 percent and those with a high school education or less contribute 6 percent (median). Retirement plan contribution rates have remained relatively consistent over the past five years with slight fluctuations for some college and college graduates.

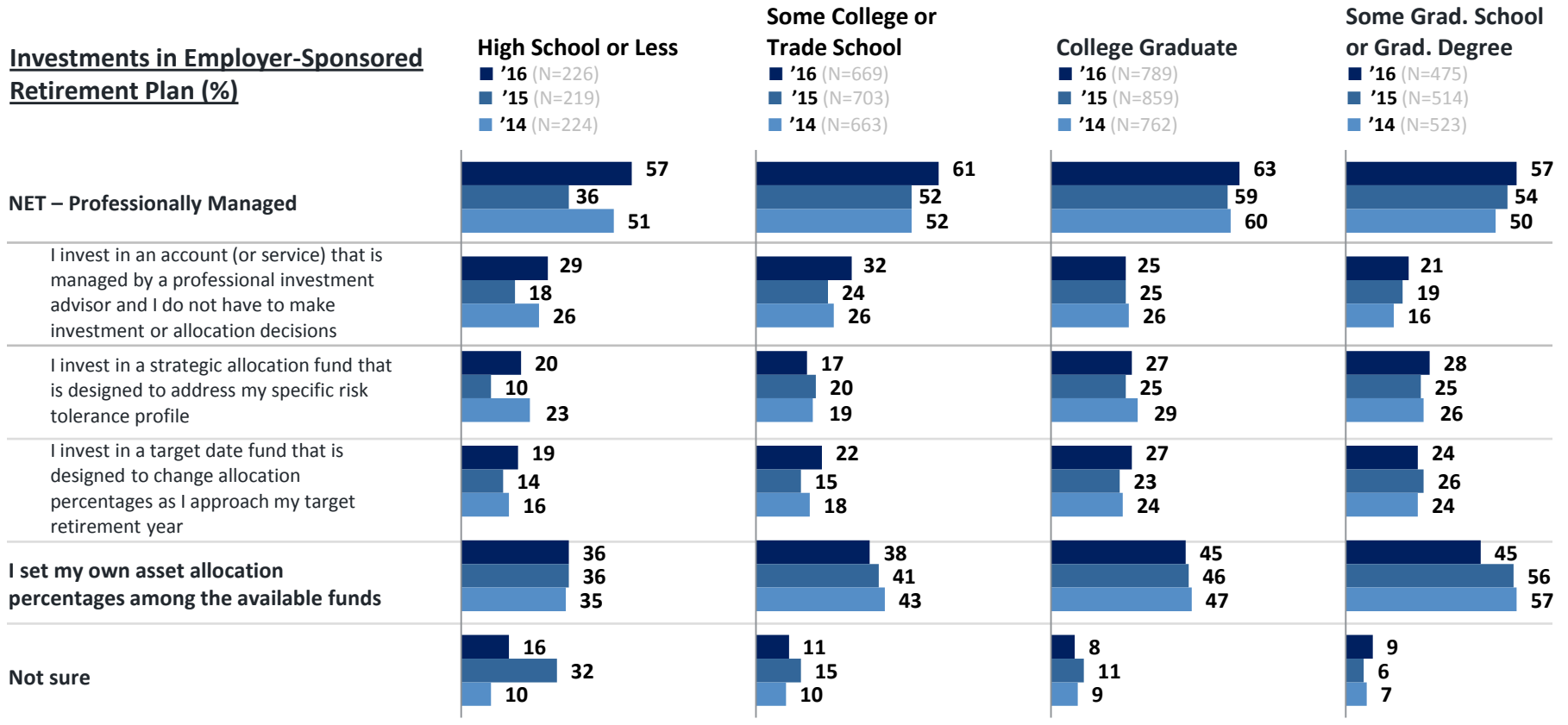
Contribution Rate, Median %



BASE: CURRENTLY PARTICIPATES IN QUALIFIED PLAN
 Q601. What percentage of your salary are you saving for retirement through your company-sponsored plan this year?

Approach to Investing in Retirement Plan

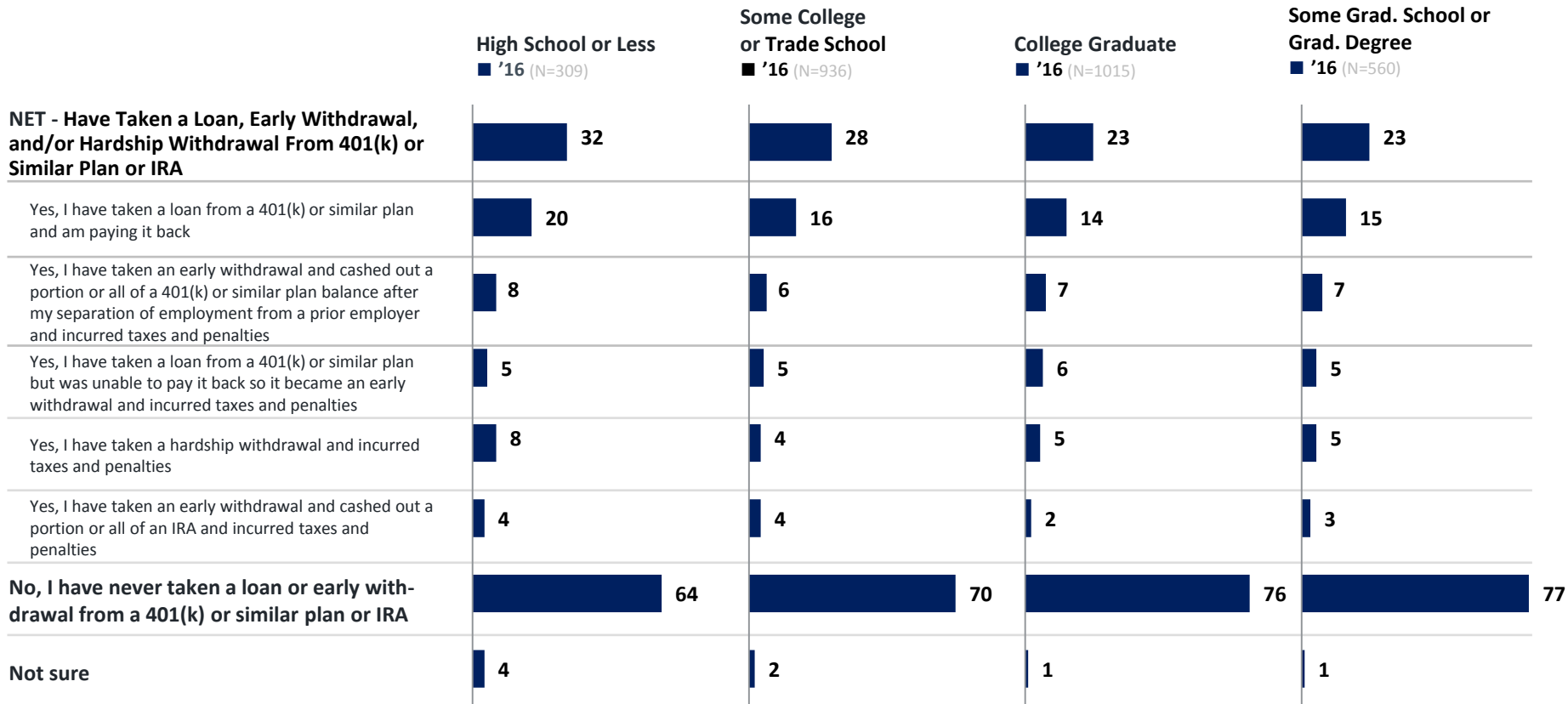
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Retirement Plan Leakage: Loans and Withdrawals

“Leakage” from retirement plans in the form of loans and withdrawals can severely inhibit the growth of participants’ long-term retirement savings. Among participants who are currently participating in a plan, more than one in five workers across levels of educational attainment have taken some form of loan, early withdrawal, and/or hardship withdrawal from a 401(k) or similar plan. Workers with a high school diploma or less are more likely to have done so compared to those with higher levels of educational attainment.

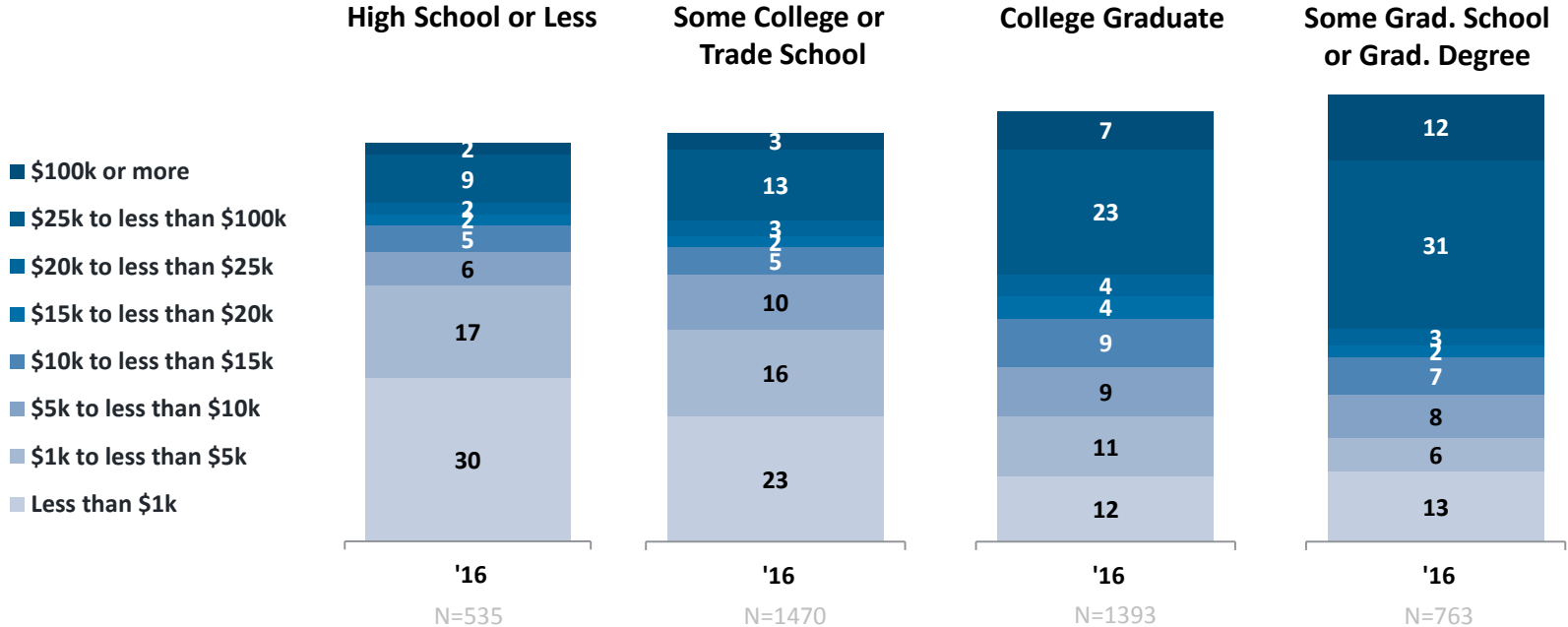
Have you ever taken any form of loan or early withdrawal from a qualified retirement account such as a 401(k) or similar plan or IRA? (%)



Estimated Emergency Savings

Emergency savings can help cover the cost of a major financial setback (e.g., unemployment, medical bills, home repairs, auto repairs, other); however, many workers have saved little. Workers with a high school education or less have saved just \$1,000 (median). Those with some college or trade school have saved \$4,000 (median). College graduates have saved \$10,000 (median). And workers with some graduate school or a graduate degree have saved \$25,000 (median) for such emergencies.

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



Not sure	27	25	22	18
Median	\$1,000	\$4,000	\$10,000	\$25,000

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)?

Estimated Retirement Savings Needs

Workers' estimated retirement savings needs increase with higher educational attainment. College graduates estimate that they will need \$900k and workers with a post-graduate degree estimate \$1 million (estimated medians). In contrast, those with some college or trade school estimate that they will need \$500k and those with a high school education or less estimate \$250k (estimated medians).

	High School or Less					Some College or Trade School					College Graduate					Some Grad. School or Grad. Degree				
	'16 N=535	'15 N=629	'14 N=567	'13 N=734	'12 N=441	'16 N=1470	'15 N=1577	'14 N=1480	'13 N=1278	'12 N=1010	'16 N=1393	'15 N=1513	'14 N=1284	'13 N=994	'12 N=1423	'16 N=763	'15 N=831	'14 N=812	'13 N=645	'12 N=735
\$2m or more	11	27	23	7	8	10	26	23	12	13	21	34	35	25	20	29	42	37	29	32
\$1m to less than \$2m	13	18	16	16	14	19	23	21	18	22	28	32	27	25	29	28	31	29	29	31
\$500k to less than \$1m	21	17	21	19	22	24	21	23	26	25	20	18	19	24	22	17	16	16	21	18
\$100k to less than \$500k	25	25	26	37	36	29	20	21	29	30	17	11	14	18	20	12	7	13	14	13
Less than \$100k	30	13	15	21	20	18	10	12	15	11	14	5	5	9	9	14	4	5	7	6
Median	\$250k	\$600k	\$500k	\$250k	\$250k	\$500k	\$888k	\$750k	\$500k	\$500k	\$900k	\$1m	\$1m	\$900k	\$800k	\$1m	\$1.4m	\$1m	\$1m	\$1m

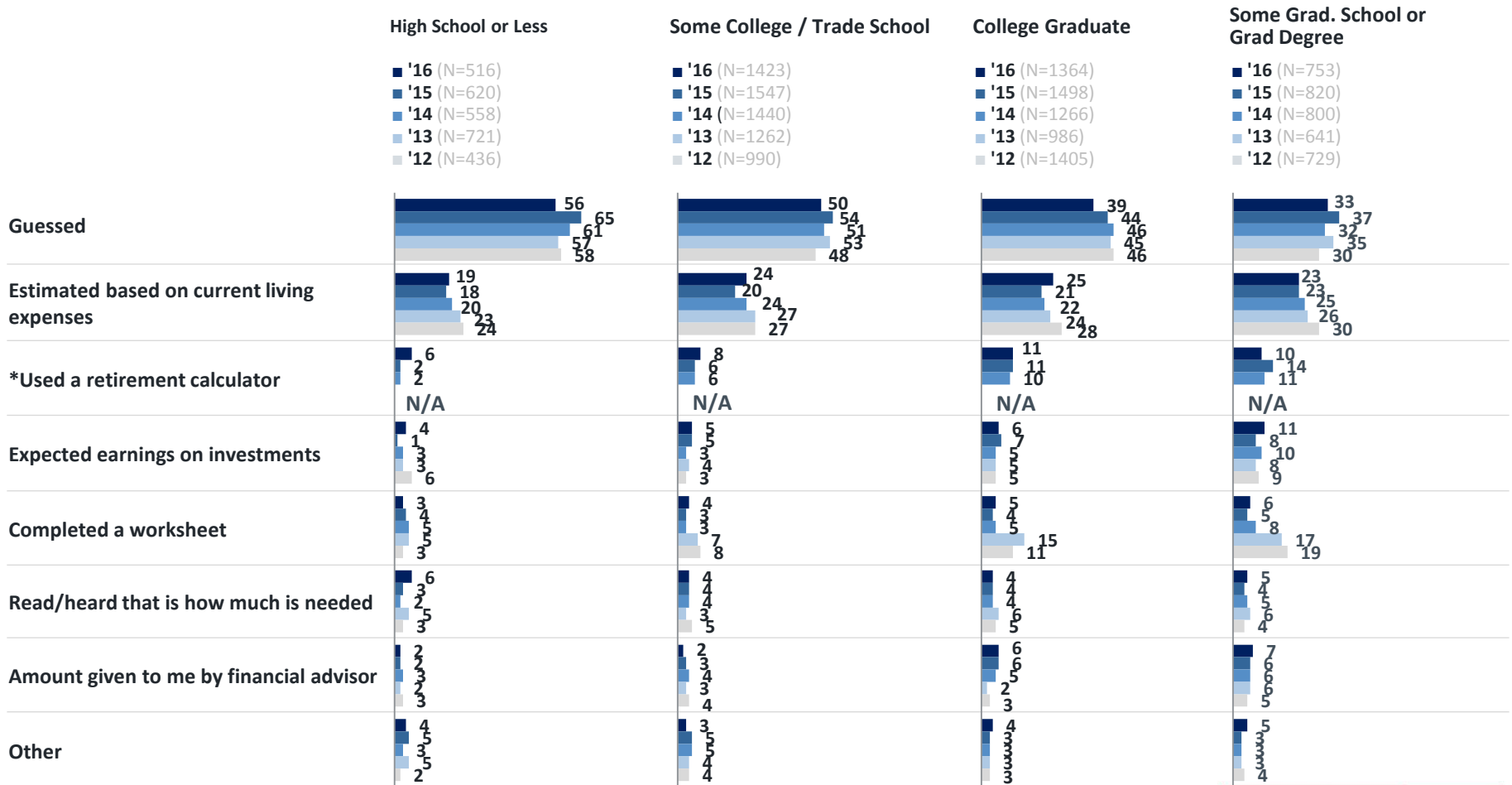
Note: The median is estimated based on the approximate midpoint of the range of each response category.

BASE: ALL QUALIFIED RESPONDENTS

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

Basis for Estimating Retirement Savings Needs

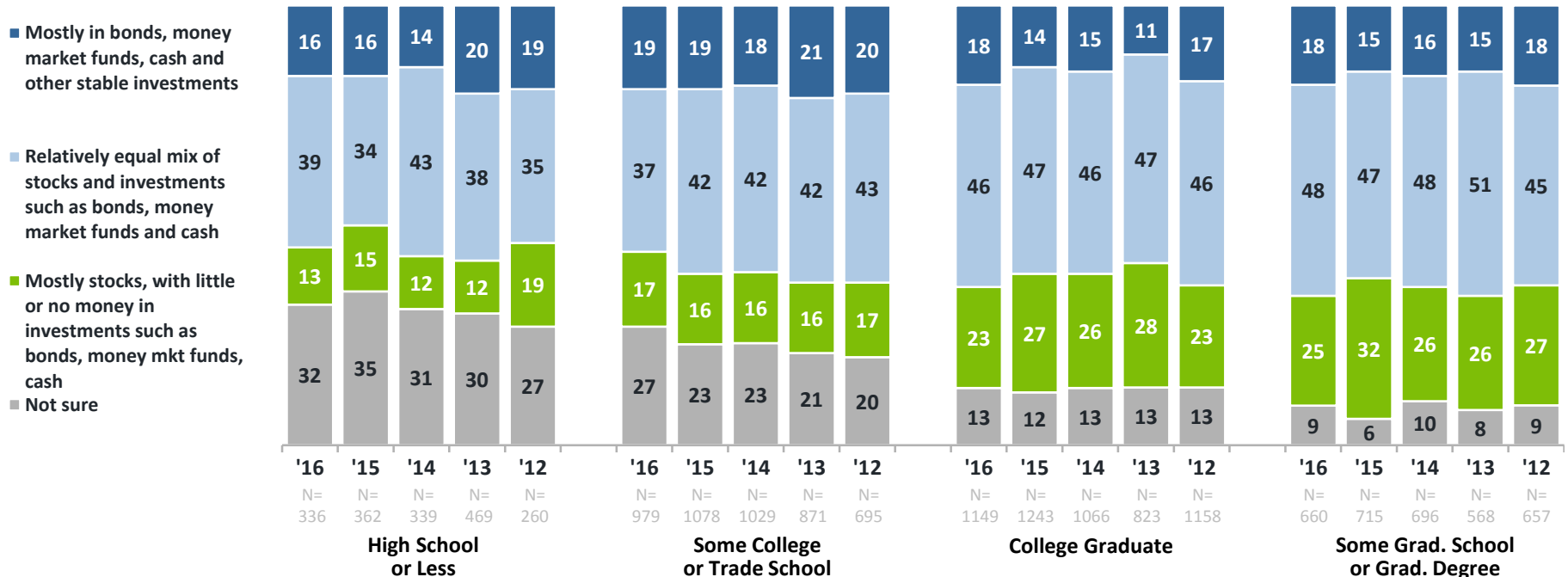
The percentage of workers guessing their retirement savings needs decreases with educational attainment. Those with a high school education or less (56 percent) are most likely to have guess compared to those with a post-graduate degree (33 percent). Few workers across education levels have used a retirement calculator.



Asset Allocation of Retirement Investments

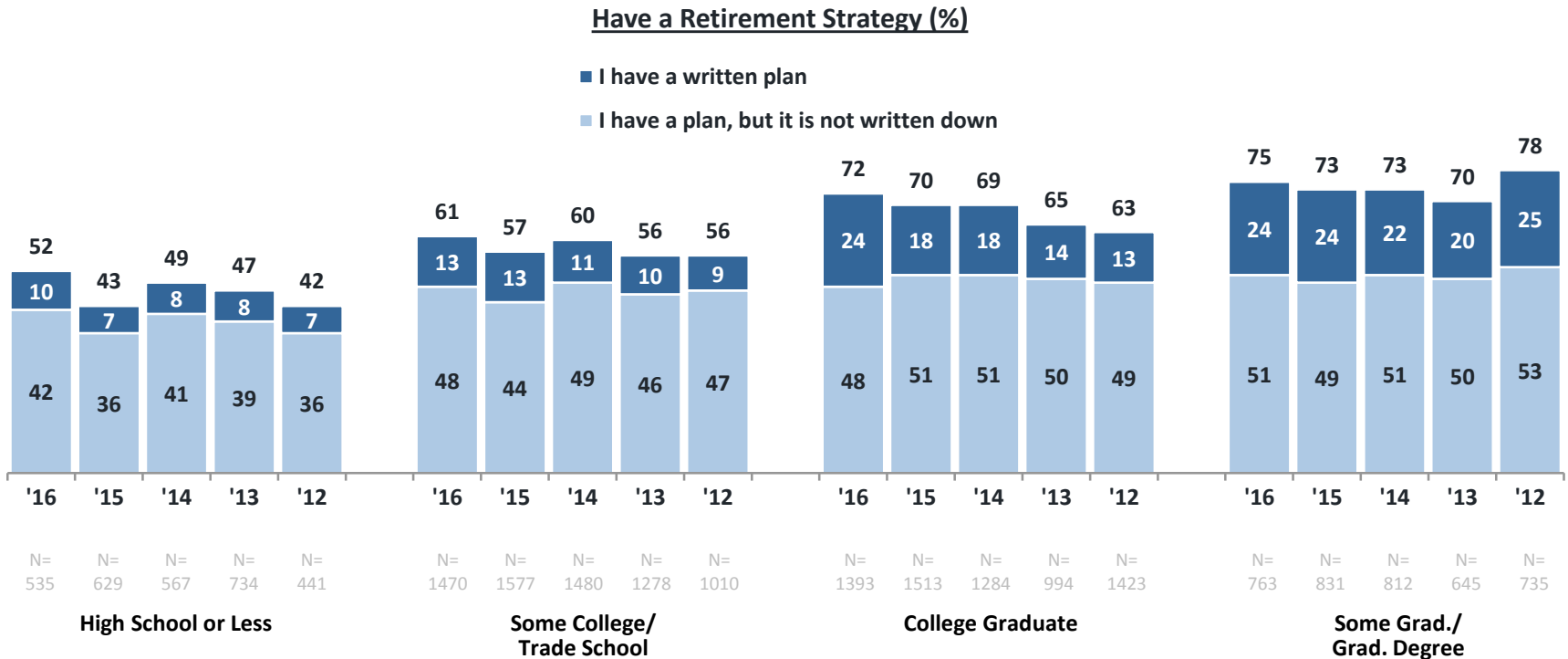
Across educational levels, workers most frequently say their retirement savings are invested in a relatively equal mix of stocks and investments such as bonds, money market funds and cash. The response rate is higher among those with a college education (46 percent) or those with a post-graduate degree (48 percent), compared to those with some college or trade school (37 percent) and those with a high school education or less (39 percent). Nearly one-third (32 percent) of workers with a high school education or less are unsure about how their savings are invested. Asset allocation-related trends have been relatively consistent over the past five years.

How Retirement Savings Are Invested (%)



Retirement Strategy: Written, Unwritten, or None

The likelihood of workers having a retirement strategy increases with higher educational attainment – with more educated workers being more likely to have a strategy. Seventy-two percent of college graduates and 75 percent of workers with a post-graduate degree have a strategy, compared to only 52 percent of those with a high school diploma or less and 61 percent of those with some college or trade school. However, relatively few workers have yet to put their plans down in writing. The percentage of workers citing that they have a retirement strategy has increased across educational levels compared to last year.



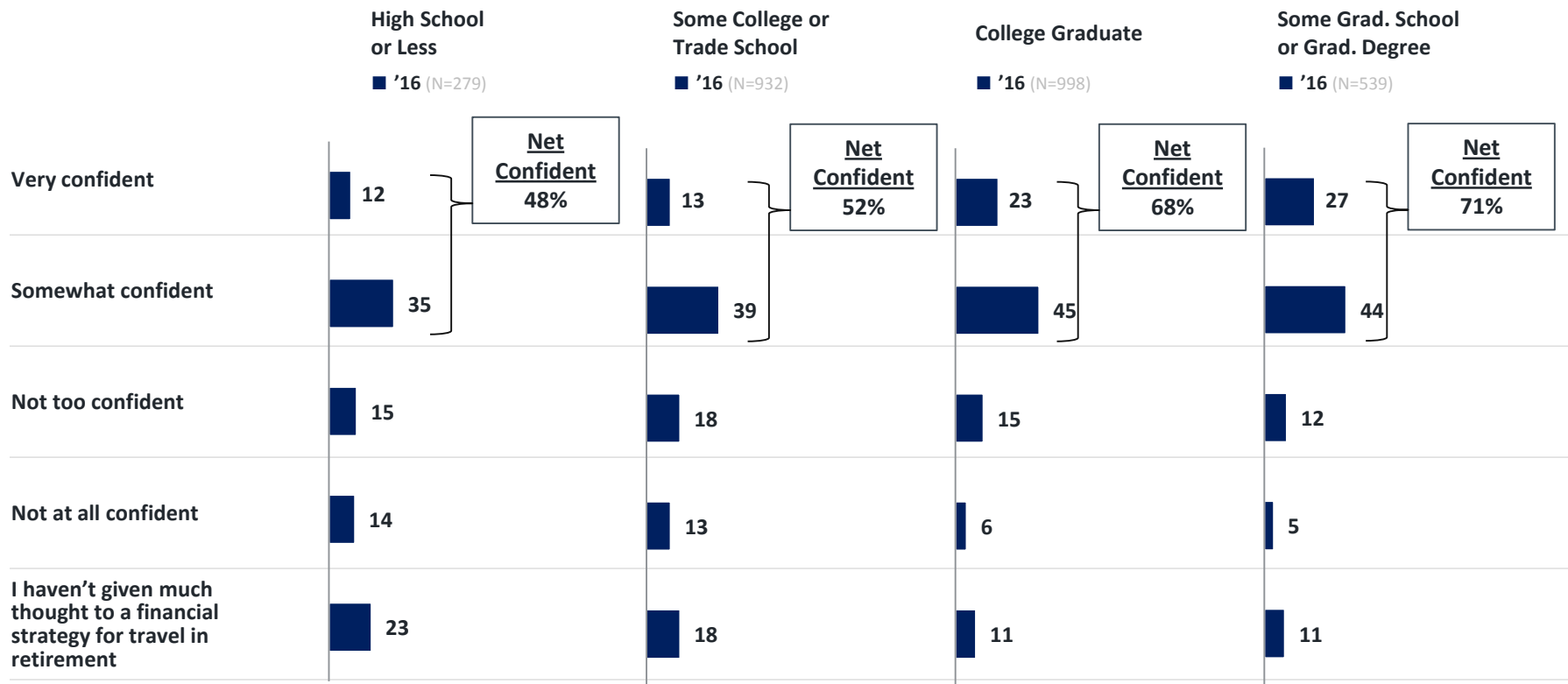
BASE: ALL QUALIFIED RESPONDENTS

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

Confidence that Financial Strategy Will Enable Travel Goals

Among those who dream of traveling in retirement, workers' confidence that their current financial strategy will enable travel goals varies dramatically by level of educational attainment. The majority of workers with college degree or more are confident compared to just half of workers with high school to some college education. Relatively few workers across educational levels are "very" confident. Some workers haven't given it much thought, a finding that is more common among workers with high school diploma or less (23 percent).

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



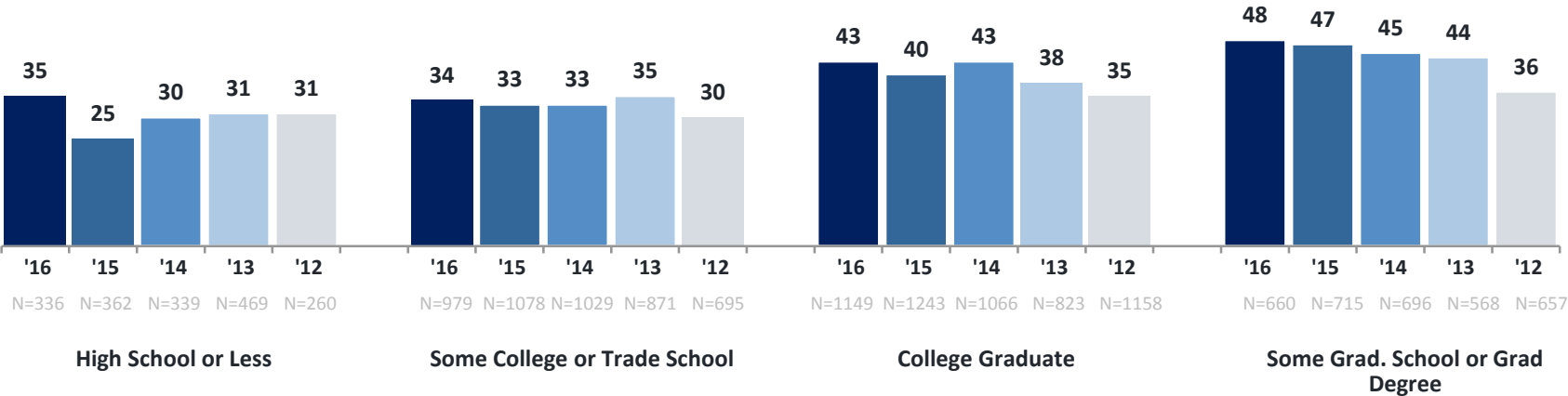
BASE: THOSE WHO DREAM OF TRAVELING IN RETIREMENT

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

Professional Financial Advisor Usage

Use of a professional financial advisor increases with higher educational attainment. College graduates (43 percent) and workers with a post-graduate degree (48 percent) are more likely to use a financial advisor, compared to workers with only some college or trade school (34 percent) or those with a high school education or less (35 percent). Advisor usage trends have been consistent for the past five years with the exception of an increase found among workers with a high school education or less this year.

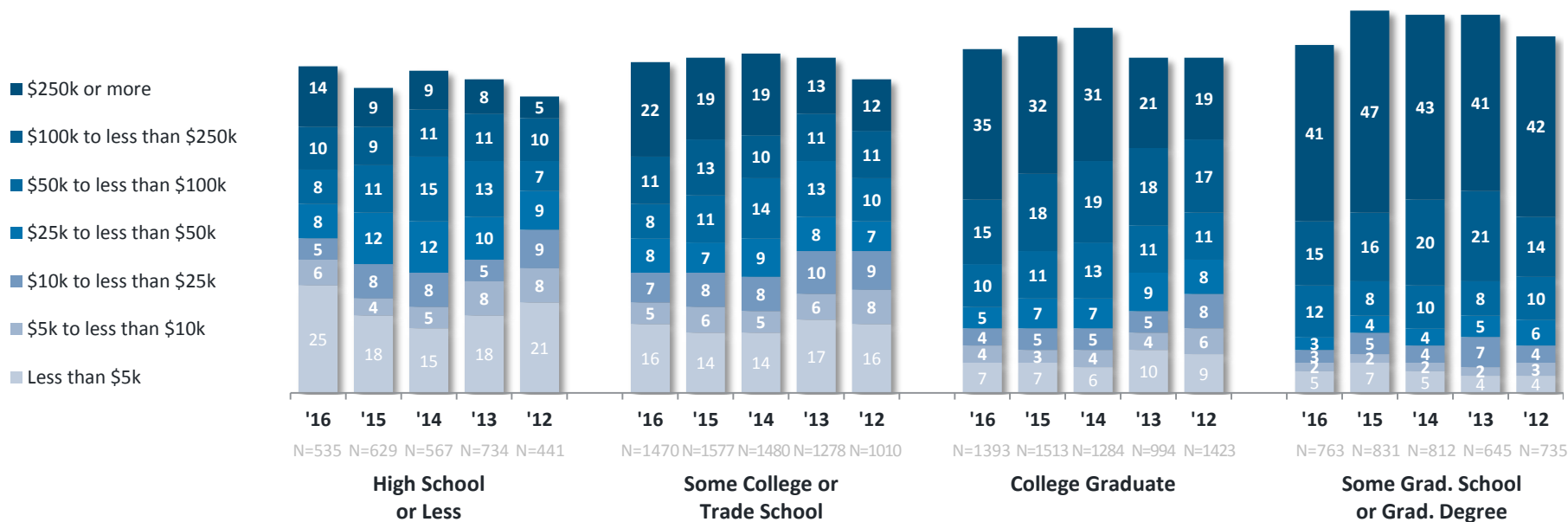
Use a Professional Financial Advisor,
% Indicate "Yes"



Total Household Retirement Savings

Household retirement savings increase with higher educational attainment. College graduates have saved \$143,000 and workers with a post-graduate degree have saved \$176,000 (estimated medians). In contrast, workers with some college or trade school have saved \$47,000 and those with a high school education or less have saved \$23,000 (estimated medians). Forty-one percent of workers with a post-graduate degree have saved \$250,000 or more compared to just 14 percent of those with a high school education or less.

Total Household Retirement Savings (%)

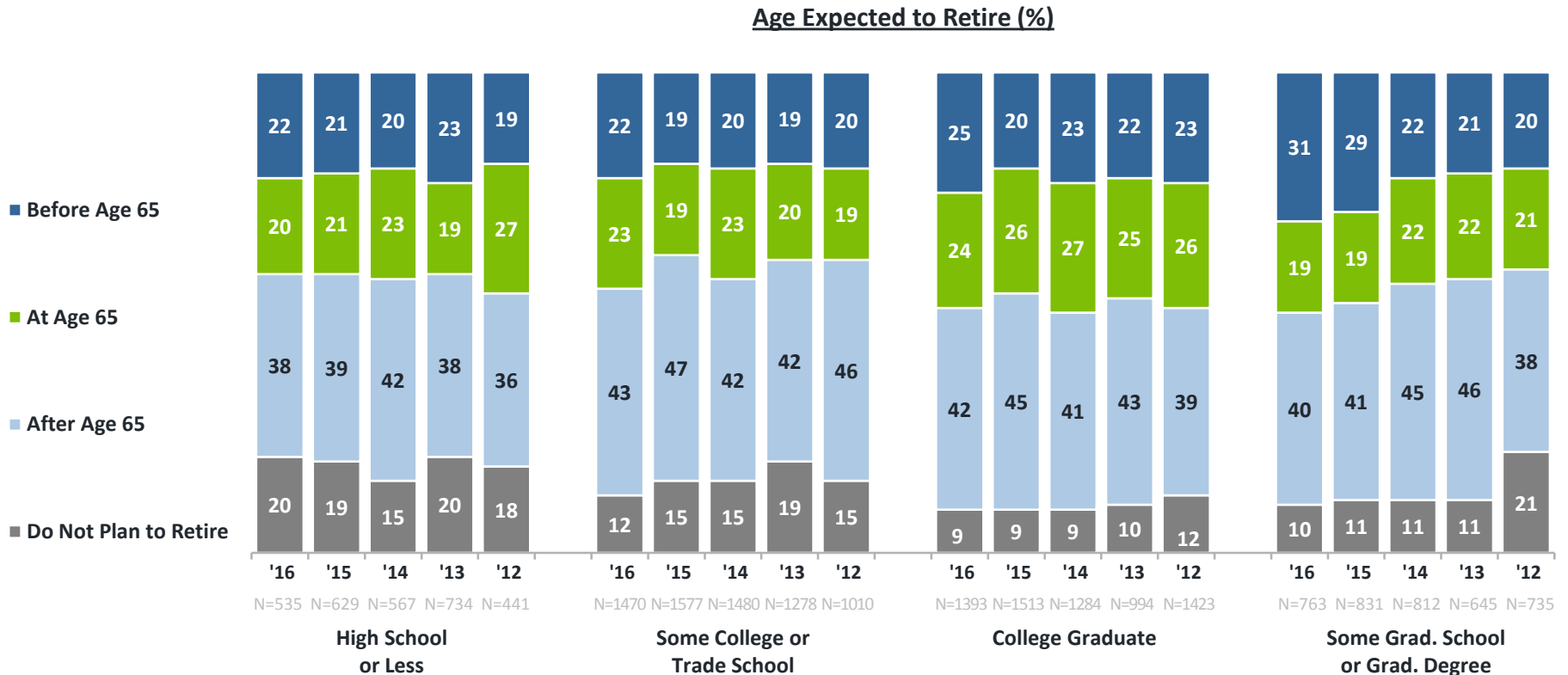


Not sure	13	16	12	13	18	15	11	11	11	13	10	8	7	10	9	10	5	4	5	4
Decline to answer	11	13	13	14	13	8	11	10	11	14	10	9	8	12	13	9	6	8	7	13
Estimated Median	\$23k	\$27k	\$31k	\$28k	\$14k	\$47k	\$51k	\$47k	\$33k	\$25k	\$143k	\$117k	\$114k	\$79k	\$66k	\$176k	\$178k	\$169k	\$157k	\$176k

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

Expected Retirement Age

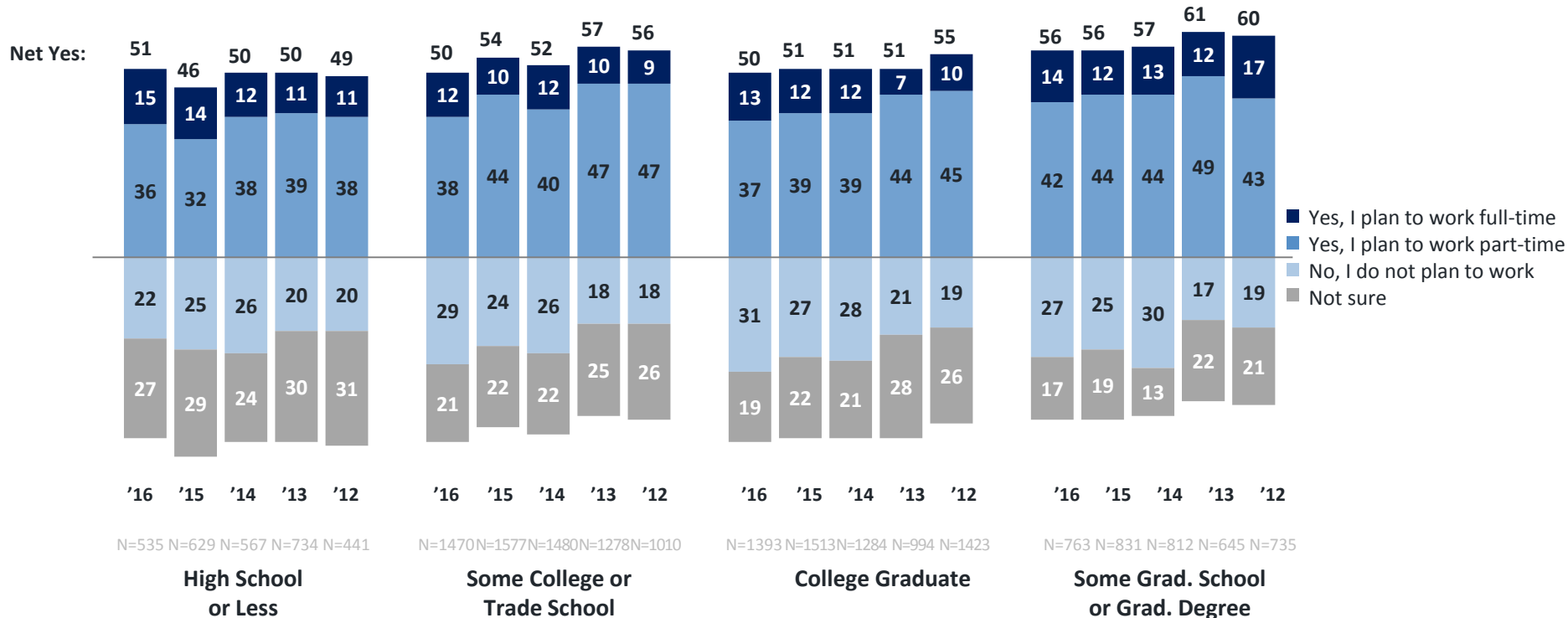
Most workers across levels of educational attainment expect to retire after age 65 or do not plan to retire, including 58 percent of those with a high school education or less, 55 percent of those with some college or trade school, 51 percent of college graduates, and 51 percent of those with a post-graduate degree. Additionally, 20 percent of workers with a high school education or less do not plan to retire — an expectation that decreases with higher levels of education.



Expectations of Working in Retirement

Approximately half of workers plan to continue working in retirement, which is relatively consistent across levels of educational attainment. Workers with a graduate level of education (56 percent) are most likely to plan to work in retirement and those with high school education or less (51 percent) are least likely. Among workers planning to work in retirement, most plan to do so on a part-time basis. This trend has been relatively consistent over the past five years.

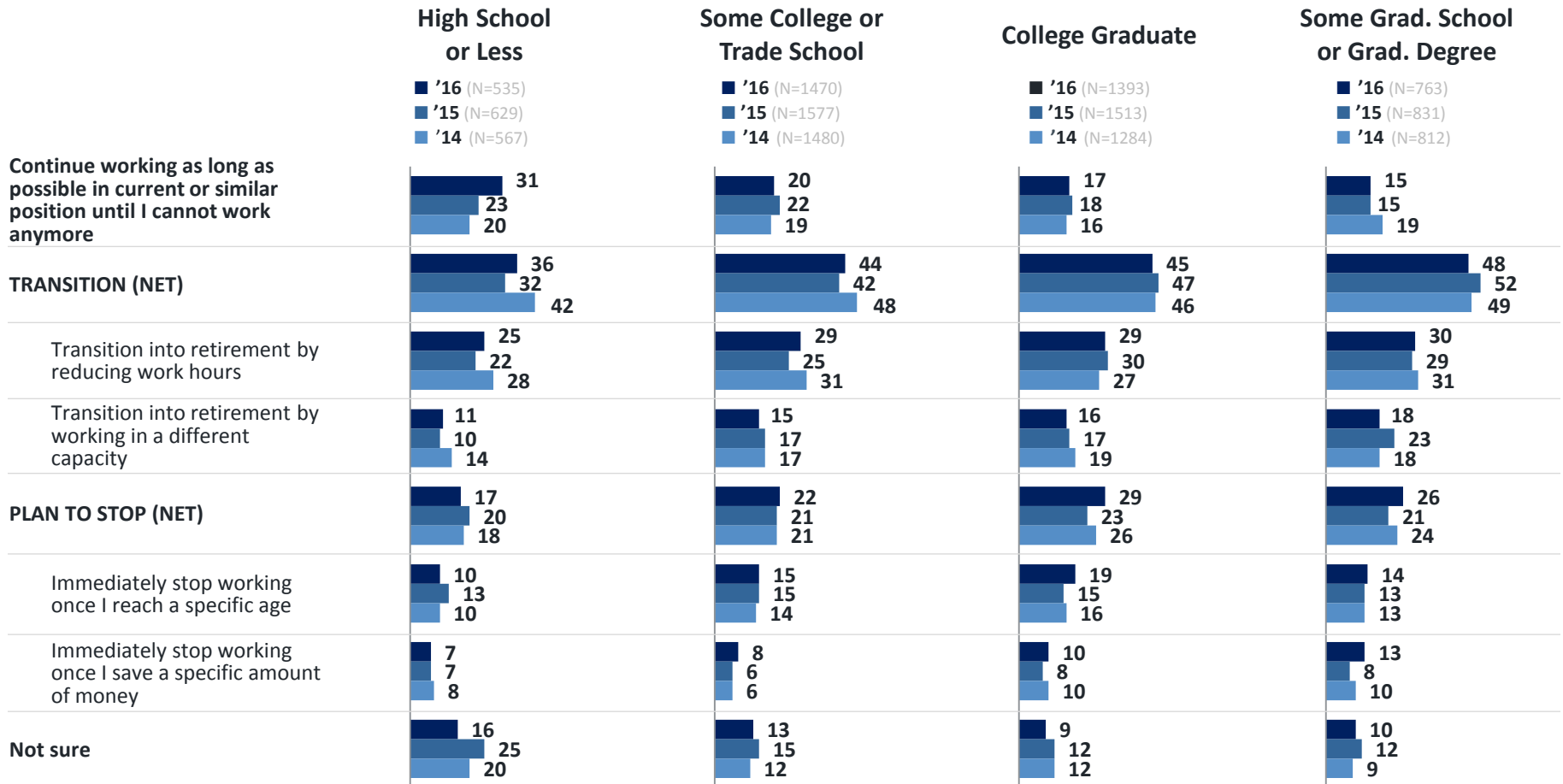
Working After Retirement (%)



Retirement Transitions: Phased Versus Immediate

Many workers envision a phased transition into retirement by changing work patterns (e.g., shifting from full-time to part-time or working in a different capacity). Workers with a post-graduate degree (48 percent) are most likely to expect this phased transition – while workers with a high school education or less are more likely to say they plan to continue working until they can't work any longer (31 percent) or “not sure” (16 percent).

How do you envision transitioning into retirement? (%)



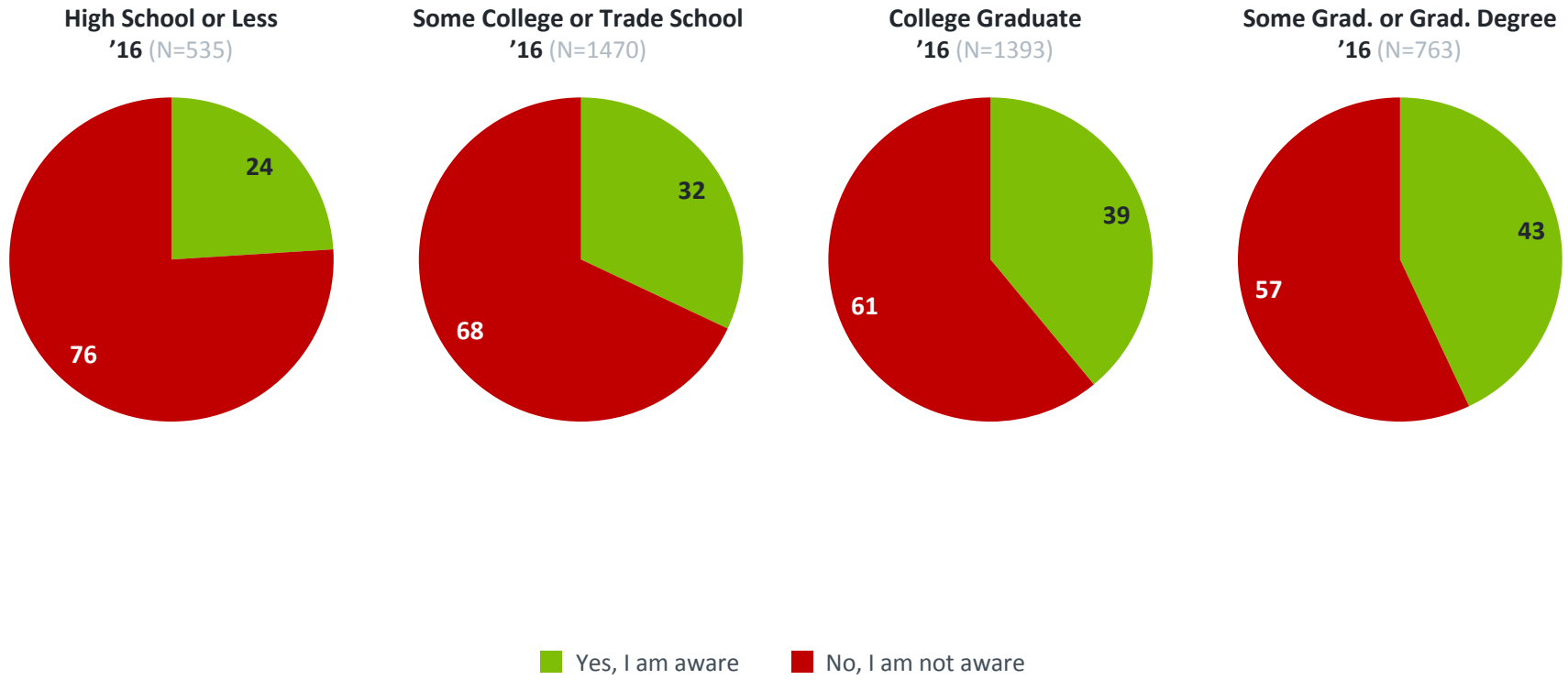
New in 2014.

BASE: ALL QUALIFIED RESPONDENTS

Q1545. How do you envision transitioning into retirement?

Awareness of the Saver's Credit

Level of awareness about the IRS Saver's Credit – a tax credit available to eligible taxpayers who are saving for retirement in a qualified retirement plan or IRA – increases with higher educational attainment. College graduates (39 percent) and workers with some graduate school or a post-graduate degree (43 percent) are more likely to be aware of the Saver's Credit, compared to workers with some college or trade school (32 percent) and those with a high school education or less (24 percent).



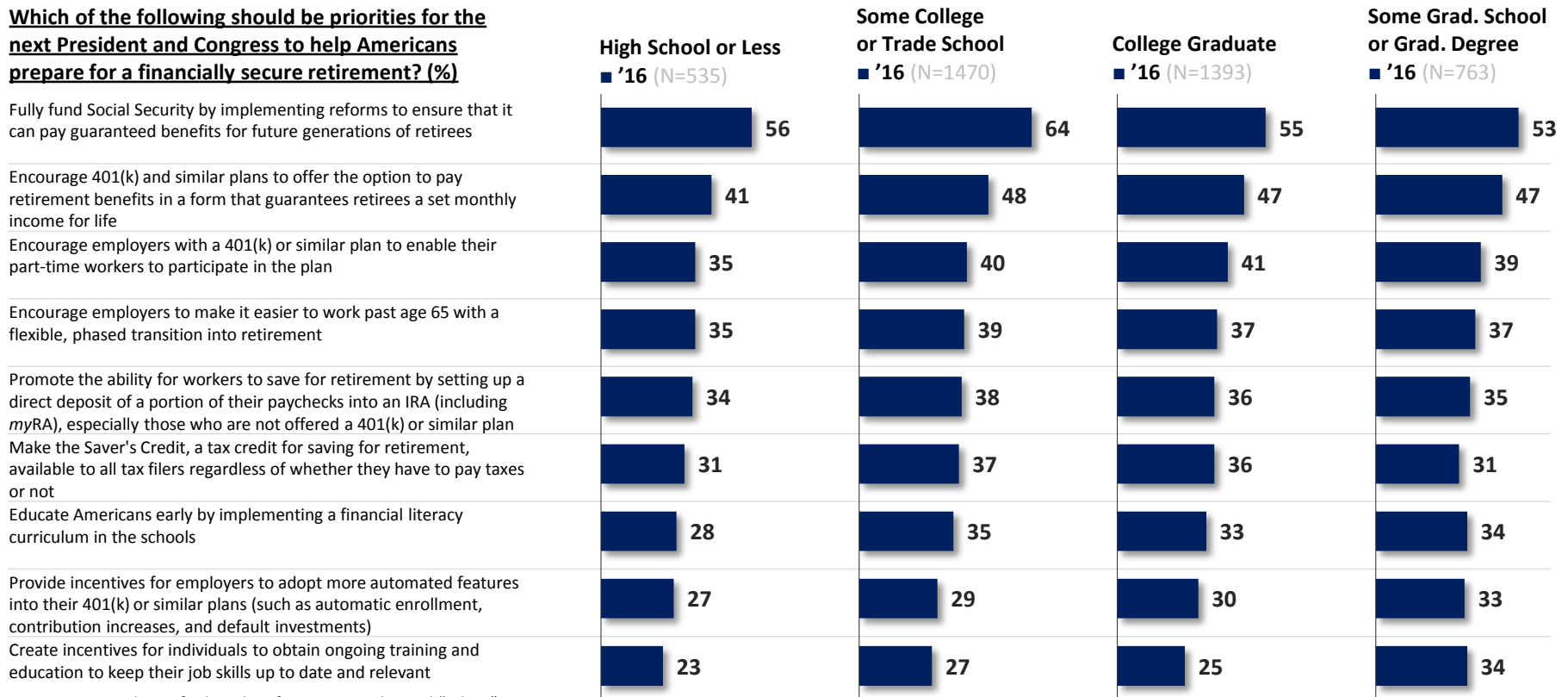
BASE: ALL QUALIFIED RESPONDENTS

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?

Retirement Security Priorities for the New President and Congress

Workers across levels of educational attainment most frequently cite fully funding Social Security as a priority for the new President and Congress to help Americans prepare for a financially secure retirement: 56 percent of those with high school diploma or less, 64 percent of those with some college or trade school, 55 percent of college graduates, and 53 percent of post-graduates. Other top cited responses include “encouraging 401(k) plans to offer the option to pay retirement benefits in a form that guarantees retirees a set monthly income for life,” and “encouraging employers with a 401(k) or similar plan to enable their part-time workers to participate in the plan.”

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: 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.

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