



# 17<sup>th</sup> Annual Transamerica Retirement Survey

*Influences of Ethnicity on Retirement Readiness*

**TRANSAMERICA CENTER**  
FOR RETIREMENT STUDIES®

December 2016

# Welcome to the 17<sup>th</sup> Annual Transamerica Retirement Survey

Welcome to this compendium of insights and findings from the *17<sup>th</sup> 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](mailto: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](http://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](mailto: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 Ethnicity on Retirement Readiness

## *Detailed Findings*

# Influences of Ethnicity on Retirement Readiness

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

## Twenty-Eight Indicators of Retirement Readiness

- **Recovery From the Great Recession.** In 2016, nearly four in ten workers across ethnicities say were either not impacted or have fully recovered from the Great Recession, including 41 percent of African Americans, 39 percent of Whites, and 38 percent of both Hispanics and Asians. However, there are some differences across ethnicities of those who have not yet begun to recover or may never recover: Whites (19 percent), Asians (21 percent), African Americans (22 percent) and Hispanics (24 percent).
- **Confidence in Retiring Comfortably.** The majority of workers across ethnicities are confident that they will be able to fully retire with a comfortable lifestyle: 61 percent of White, 63 percent of Hispanic, 65 percent of African American, and 63 percent of Asian workers. Relatively few workers of all four ethnic groups are “very” confident, including 15 percent of White, 13 percent of Hispanic, 18 percent of African American, and 17 percent of Asian workers.
- **Building a Large Enough Nest Egg?** Workers’ confidence in whether they are building a large enough retirement nest egg varies by ethnicity. Asian workers (57 percent) are most likely to agree that they are building a large enough nest egg, followed by Hispanic (54 percent), White (51 percent), and African American workers (49 percent).



# Influences of Ethnicity on Retirement Readiness

- **Retirement Dreams Include Leisure and Work.** Traveling is the most frequently cited retirement dream among workers across ethnicities, including White (63 percent), Hispanic (69 percent), African American (60 percent), and Asian (71 percent). Spending more time with family and friends is the second most frequently cited dream, a finding which is consistent across ethnicities. Interestingly, many dream of working in retirement.
- **Age Planning to Live to.** Among ethnicities, African American workers are planning to live to an older age of 95 (median) with 29 percent planning to become centenarians. Hispanic workers are planning to live to age 87 (median) with 15 percent planning to live to age 100+, while White and Asian workers are planning to live to age 85 (median) with 14 percent of them planning to live to age 100+.
- **Retirement Beliefs.** Most workers across ethnicities feel that their generation compared to their parent's generation will have a much harder time achieving financial security. This anxiety is also reflected in the large proportions of workers across ethnic groups who are concerned that Social Security will not be there for them when they are ready to retire, including Hispanic (80 percent), Asian (81 percent), and White and African American workers (both 76 percent).
- **Expected Sources of Retirement Income.** Across ethnicities, 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: 84 percent of Asians, 79 percent of Whites, 75 percent of African Americans, and 74 percent of Hispanics. More than one-third of workers across ethnicities expect income from working when they are in retirement.
- **Expected Primary Source of Income in Retirement.** Workers across all ethnic groups continue to share similar expectations for retirement income — 401(k)s or similar accounts. Asian workers (41 percent), followed closely by White and Hispanic workers (both 37 percent), and African Americans (30 percent) expect to do so.

# Influences of Ethnicity on Retirement Readiness

- **Percentage Saving for Retirement/ Age They Started to Save.** Asian workers (86 percent) are most likely to be saving for retirement through an employer-sponsored retirement plan and/or outside of work, followed by White (78 percent), African American (73 percent), and Hispanic workers (70 percent). In terms of the median age that they started saving, African American and Asian workers started at a relatively younger age (age 25), compared to White (age 28) and Hispanic (age 26) workers.
- **Importance of Retirement Benefits Compared to Other Benefits.** Approximately nine in ten workers across ethnicities value a 401(k) or similar employee-funded retirement as an important benefit. They value retirement plans second only to health insurance.
- **Retirement Benefits Currently Offered.** Most workers across ethnic groups are offered a 401(k) or other self-funded plan by their employers. Such access is greatest among Asian workers (79 percent) and least among Hispanic workers (66 percent), and similar among White (71 percent) and African American workers (73 percent).
- **Retirement Plan Participation.** Among workers who are offered a 401(k) or similar plan, the participation rate varies across ethnic groups. White (81 percent) and Asian workers (78 percent) are more likely to be participating in their employer's plan, compared to Hispanic (67 percent) and African American workers (71 percent).
- **Retirement Plan Contribution Rate.** Of workers who participate in a 401(k) or similar plan, the median contribution rate is highest among Asian workers (10 percent), followed by Hispanic and African American (both 8 percent) and White workers (7 percent).
- **Approach to Investing in Retirement Plan.** "Professionally managed" accounts refers to a managed account service, strategic allocation funds, and/or target date funds. Across ethnicities, the majority of plan participants use some form of professionally managed offering in their 401(k) or similar plans: 59 percent Whites, 62 percent of Hispanics, 62 percent of Asians, and 63 percent of African Americans. White (43 percent) and Hispanic workers (40 percent) are slightly more likely to set their own asset allocation percentage among the available funds, compared to African American (34 percent) and Asian workers (36 percent).

# Influences of Ethnicity on Retirement Readiness

- **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, some workers across ethnicities have taken some form of loan, early withdrawal, and/or hardship withdrawal from a 401(k) or similar plan, including African American workers (31 percent) who are most likely to have done so, followed by Hispanic workers (29 percent), White workers (27 percent), and Asian workers (18 percent).
- **Estimated Emergency Savings.** Emergency savings can help cover the cost of a major financial setback (e.g., unemployment, medical bills, home repairs, auto repairs, other); however, workers report having saved relatively little in this regards. White workers have saved \$5,000 (median), Hispanics have saved \$3,000 (median), African Americans have saved \$1,000 (median), and Asian workers have saved \$20,000 (median). More than one in five White, Hispanic, and African American workers have saved less than \$1,000 for such emergencies.
- **Estimated Retirement Savings Needs.** Asian workers estimate that they will need to have saved \$1 million by the time they retire in order to feel financially secure. White and Hispanic workers estimate they will need \$500k (estimated median), and African American workers estimate \$250k.
- **Basis for Estimating Retirement Savings Needs.** Many workers are “guessing their retirement savings needs. African American workers (52 percent) are most likely to have guessed while Asian workers (39 percent) are least likely to have done so. Few workers across ethnic groups indicate that they have used a retirement calculator to estimate their savings needs.
- **Asset Allocation of Retirement Investments.** Workers across ethnicities most frequently indicate that their retirement savings are invested in a relatively equal mix of stocks and investments such as bonds, money market funds and cash; however, the response rate is lower among African American workers (32 percent) compared to White (43 percent), Hispanic (40 percent), and Asian workers (43 percent). More than one in five White, Hispanic, and African American workers are unsure how their savings are invested.

# Influences of Ethnicity on Retirement Readiness

- **Retirement Strategy: Written, Unwritten, or None.** The majority of workers across ethnicities have some form of retirement strategy (either written or unwritten), including 63 percent of Whites and Hispanics, 64 percent of African Americans, and 67 percent of Asians. However, few workers across ethnicities have a written strategy, including Whites and Hispanics (both 17 percent), African Americans (18 percent), and Asians (15 percent).
- **Confidence that Financial Strategy Will Enable Travel Goals.** Among workers who dream of traveling in retirement, the majority are confident their current financial strategy will allow them to meet their travel goals: 59 percent of Whites, 59 percent of Hispanics, and 60 percent of both African Americans and Asians. However, relatively few across ethnic groups are “very” confident and some haven’t given it much thought.
- **Professional Financial Advisor Usage.** Hispanic workers (46 percent) are most likely to use a professional financial advisor to help manage their retirement savings or investments while Asian workers (29 percent) are least likely. Forty-percent of White and 36 percent of African American workers use a financial adviser.
- **Total Household Retirement Savings.** White and Asian workers have the highest reported household retirement savings (estimated medians of \$89k and \$134k, respectively). They are also most likely to say that they have saved \$25k or more (29 percent of Whites and 33 percent of Asians). In contrast, Hispanic workers have saved \$48k and African American workers have saved \$22k.
- **Expected Retirement Age.** The majority of White (58 percent) and Asian workers (51 percent) expect to work past age 65 or do not plan to retire. In contrast, the majority of African American (59 percent) and Hispanic workers (52 percent) expect to retire at age 65 or sooner.
- **Expectations of Working in Retirement.** Across ethnicities, approximately half of workers plan to work full- or part-time in retirement, including 51 percent of Whites, 50 percent of Hispanics, 49 percent of African Americans, and 50 percent of Asian workers.

# Influences of Ethnicity on Retirement Readiness

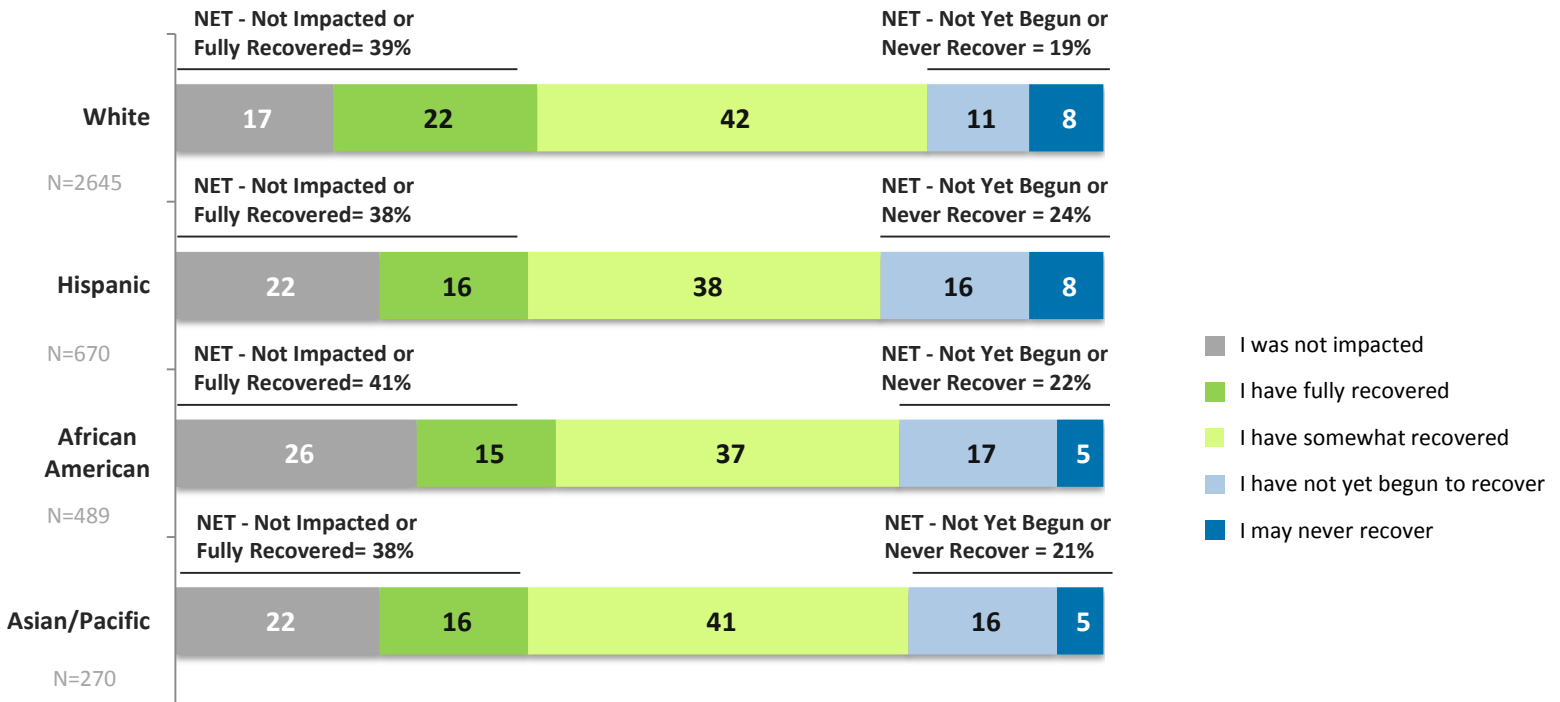
- **Retirement Transitions: Phased Versus Immediate.** Many workers across ethnicities envision a phased transition into retirement by changing work patterns (e.g., shifting from full-time to part-time or working in a different capacity), including 40 percent of Whites, 45 percent of Hispanics, 44 percent of African Americans, and 48 percent of Asians. Approximately one in five workers across ethnicities plan to immediately stop working when they reach a specific age or savings goal.
- **Awareness of the Saver's Credit.** The IRS offers a tax credit to eligible taxpayers who are saving for retirement in a qualified retirement plan or IRA, called the Saver's Credit – yet only about one-third of workers across ethnicities are aware of it. Hispanic (36 percent) and Asian workers (35 percent) are more likely to be aware of the Saver's Credit, compared to White (32 percent) and African American workers (30 percent).
- **Retirement Security Priorities for the New President and Congress.** Workers across ethnicities 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. However, there are noteworthy differences by ethnicity. White workers (63 percent) are more likely to cite fully funding Social Security compared to other ethnicities. Hispanic workers (38 percent) are slightly more likely to cite “educating Americans early by implementing a financial literacy curriculum in school.” African American workers (36 percent) are more likely to cite “creating incentives for individuals to obtain ongoing training and education to keep their job skills up to date and relevant.”

*In this section, please note that data is unavailable for two indicators – Current Financial Priorities (Q2639) and Greatest Financial Priority Right Now (Q2640) – due to very small base sizes.*

# Recovery From the Great Recession

In 2016, nearly four in ten workers across ethnicities say were either not impacted or have fully recovered from the Great Recession, including 41 percent of African Americans, 39 percent of Whites, and 38 percent of both Hispanics and Asians. However, there are some differences across ethnicities of those who have not yet begun to recover or may never recover: Whites (19 percent), Asians (21 percent), African Americans (22 percent) and Hispanics (24 percent).

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



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

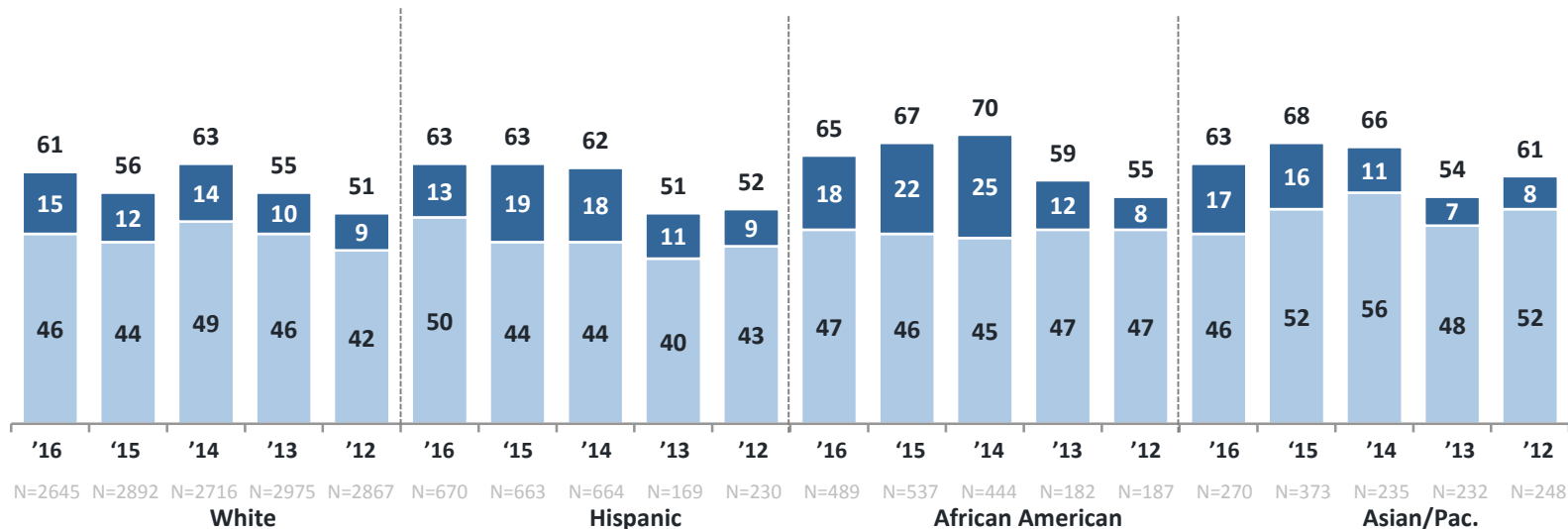


# Confidence in Retiring Comfortably

The majority of workers across ethnicities are confident that they will be able to fully retire with a comfortable lifestyle: 61 percent of White, 63 percent of Hispanic, 65 percent of African American, and 63 percent of Asian workers. Relatively few workers of all four ethnic groups are “very” confident, including 15 percent of White, 13 percent of Hispanic, 18 percent of African American, and 17 percent of Asian workers.

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

■ Very confident ■ Somewhat confident



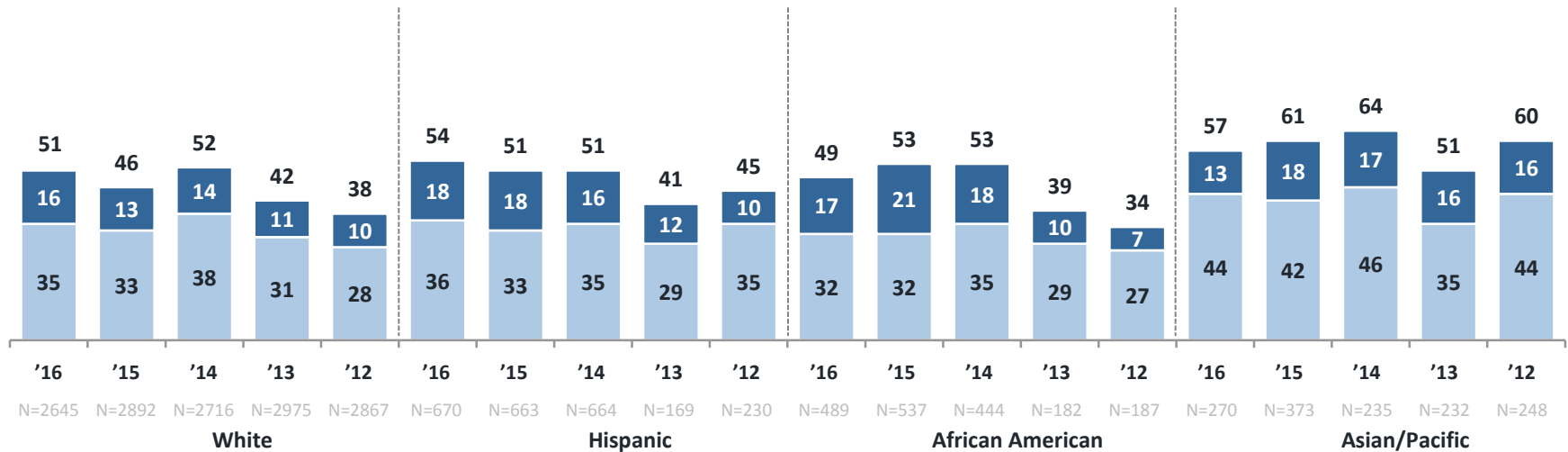
# Building a Large Enough Nest Egg?

Workers' confidence in whether they are building a large enough retirement nest egg varies by ethnicity. Asian workers (57 percent) are most likely to agree that they are building a large enough nest egg, followed by Hispanic (54 percent), White (51 percent), and African American workers (49 percent). Among White, Hispanic, and African American workers, confidence has increased in the past five years, while among Asians it has remained relatively consistent.

## Building a Large Enough Retirement Nest Egg

Strongly/Somewhat Agree (%) (NET)

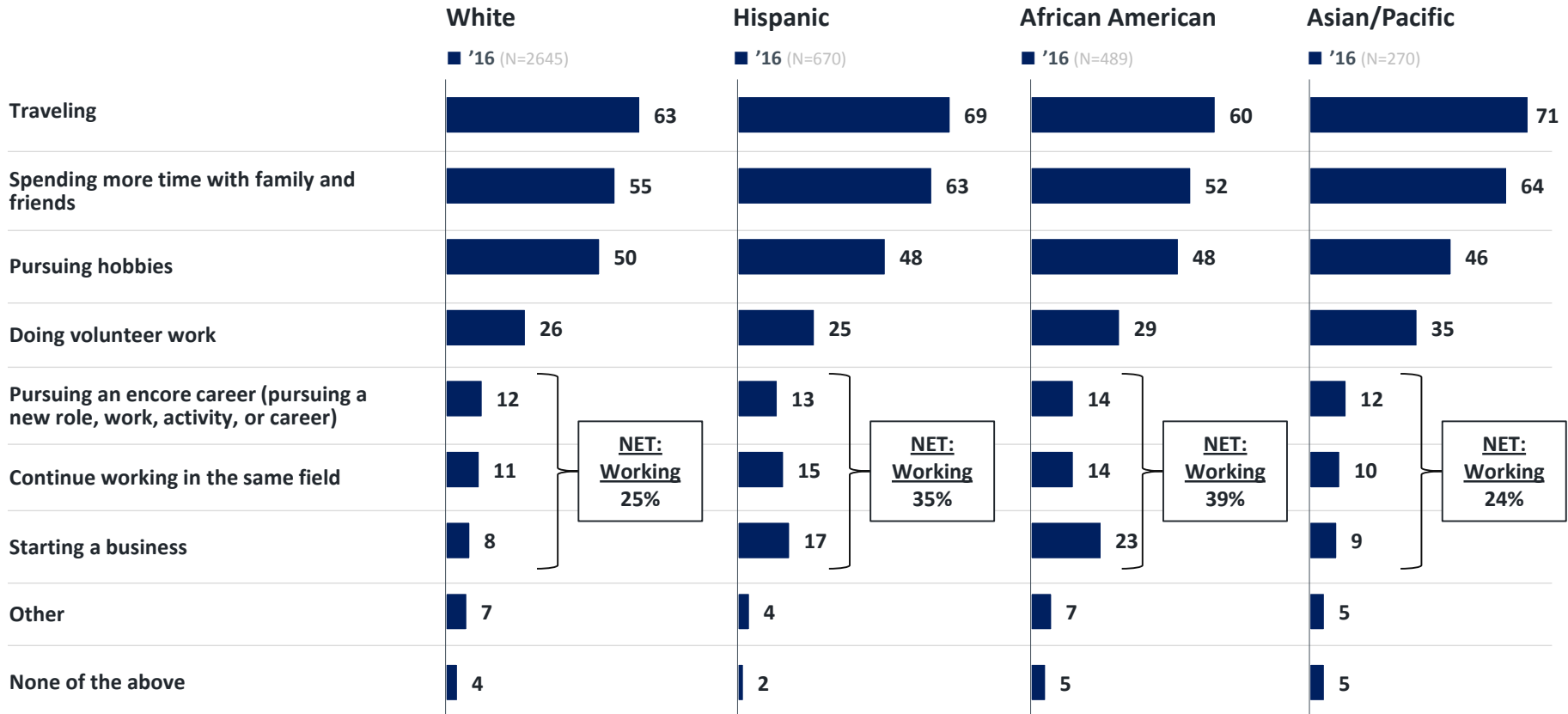
■ Strongly agree ■ Somewhat agree



# Retirement Dreams Include Leisure and Work

Traveling is the most frequently cited retirement dream among workers across ethnicities, including White (63 percent), Hispanic (69 percent), African American (60 percent), and Asian (71 percent). Spending more time with family and friends is the second most frequently cited dream, a finding which is consistent across ethnicities. Interestingly, many dream of working in retirement.

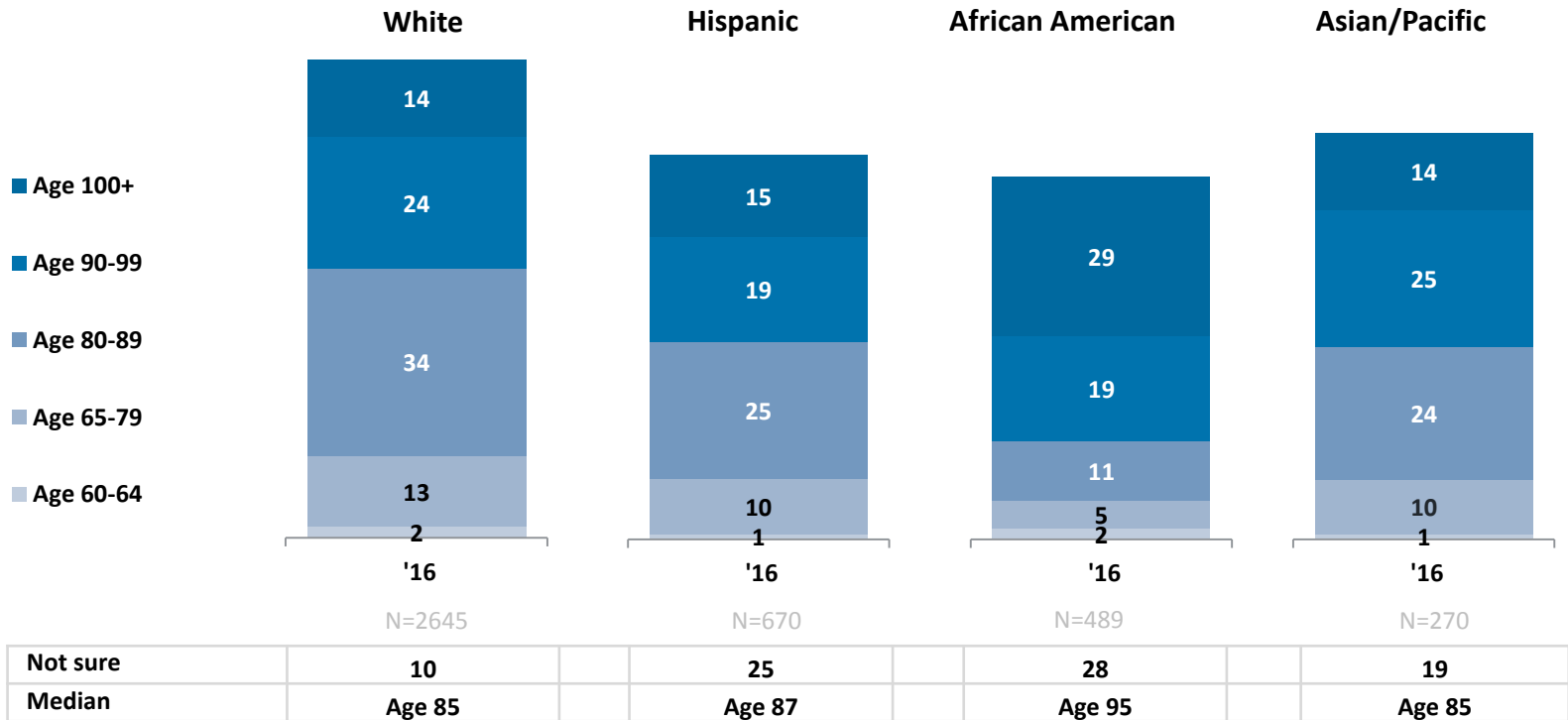
**How do you dream of spending your retirement?**  
Please select all that apply. (%)



# Age Planning to Live to

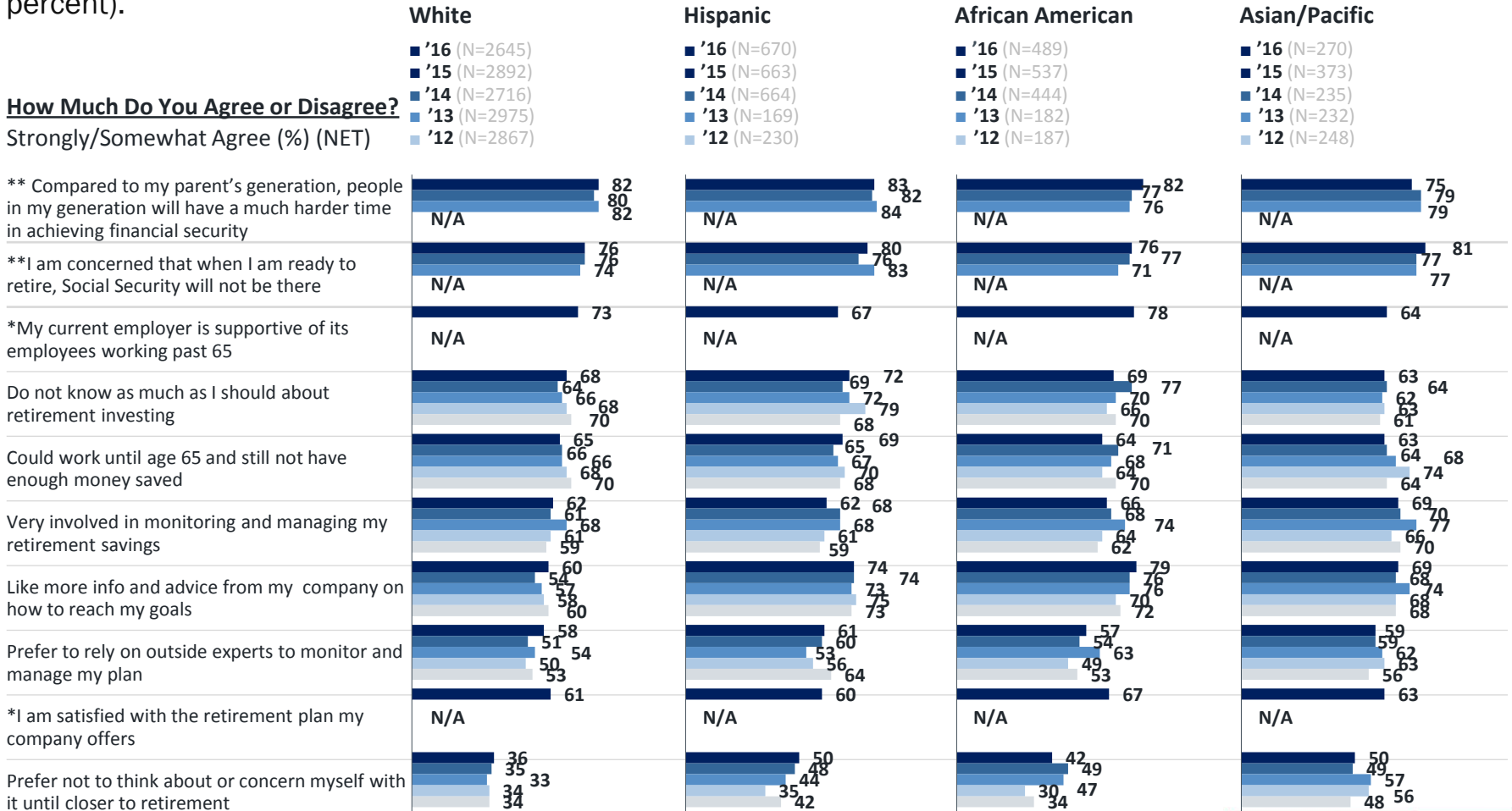
Among ethnicities, African American workers are planning to live to an older age of 95 (median) with 29 percent planning to become centenarians. Hispanic workers are planning to live to age 87 (median) with 15 percent planning to live to age 100+, while White and Asian workers are planning to live to age 85 (median) with 14 percent of them planning to live to age 100+.

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



# Retirement Beliefs

Most workers across ethnicities feel that their generation compared to their parent's generation will have a much harder time achieving financial security. This anxiety is also reflected in the large proportions of workers across ethnic groups who are concerned that Social Security will not be there when they are ready to retire, including Hispanic (80 percent), Asian (81 percent), and White and African American workers (both 76 percent).



\*added in 2016 \*\*added in 2014

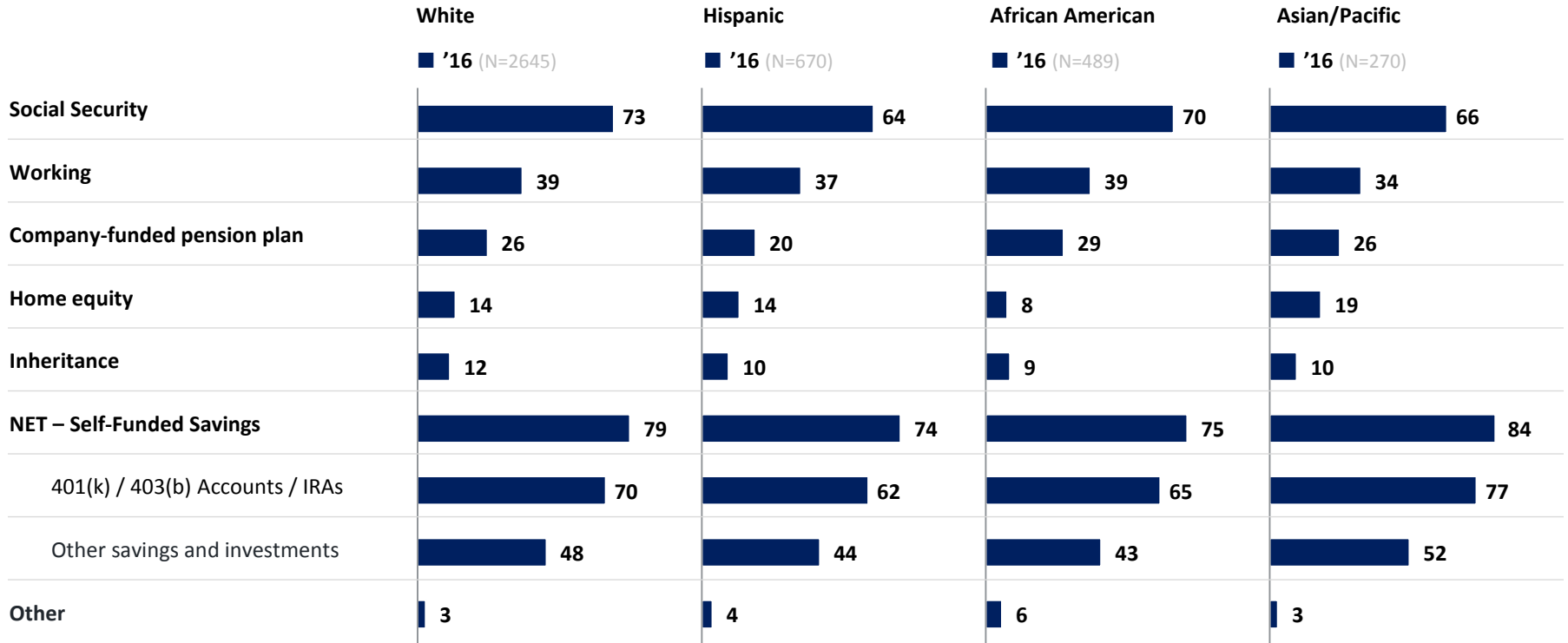
BASE: ALL QUALIFIED RESPONDENTS

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

# Expected Sources of Retirement Income

Across ethnicities, 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: 84 percent of Asians, 79 percent of Whites, 75 percent of African Americans, and 74 percent of Hispanics. More than one-third of workers across ethnicities expect income from working when they are in retirement.

**Expected Sources of Income During Retirement (%)**

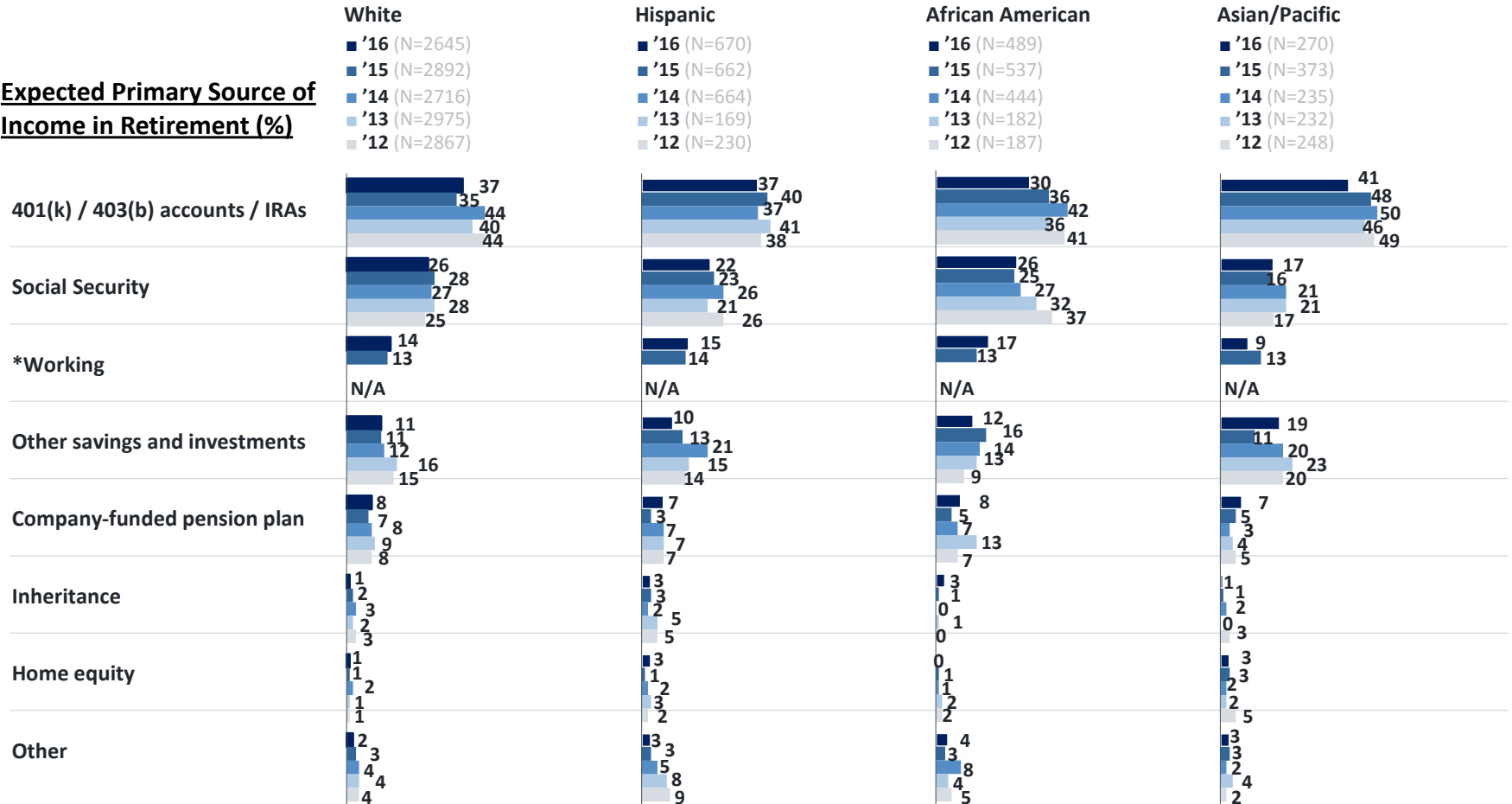




# Expected Primary Source of Income in Retirement

Workers across all ethnic groups continue to share similar expectations for retirement income – 401(k)s or similar accounts. Asian workers (41 percent), followed closely by White and Hispanic workers (both 37 percent), and African Americans (30 percent) expect to do so.

## Expected Primary Source of Income in Retirement (%)



\*added in 2015

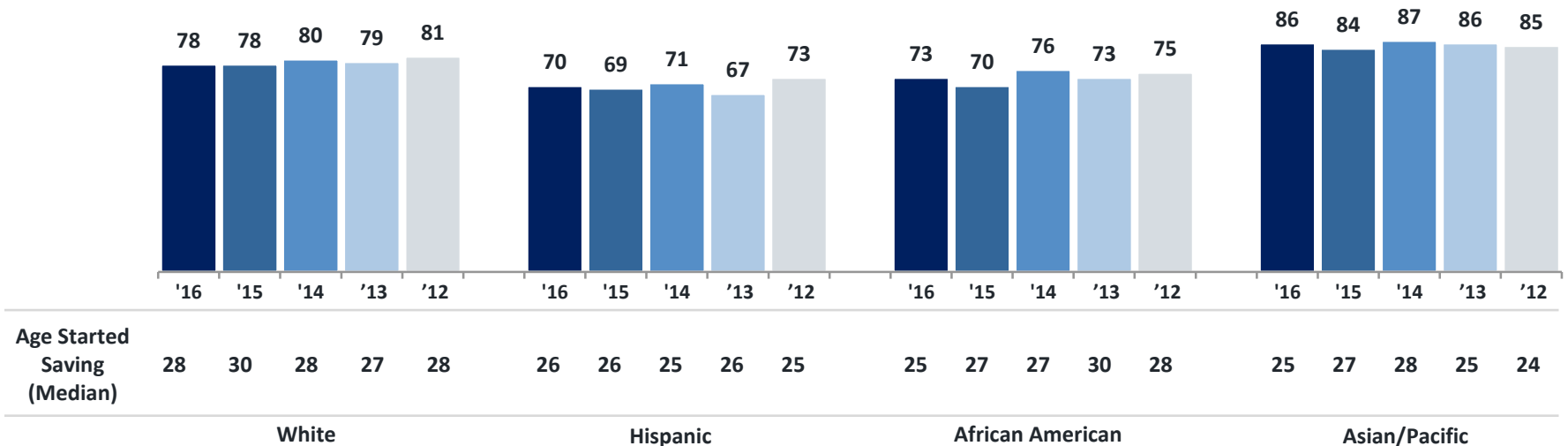
BASE: ALL QUALIFIED RESPONDENTS

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 vary among ethnic groups. Asian workers (86 percent) are most likely to be saving for retirement through an employer-sponsored retirement plan and/or outside of work, followed by White (78 percent), African American (73 percent), and Hispanic workers (70 percent). In terms of the median age that they started saving, African American and Asian workers started at a relatively younger age (age 25), compared to White (age 28) and Hispanic (age 26) workers.

**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

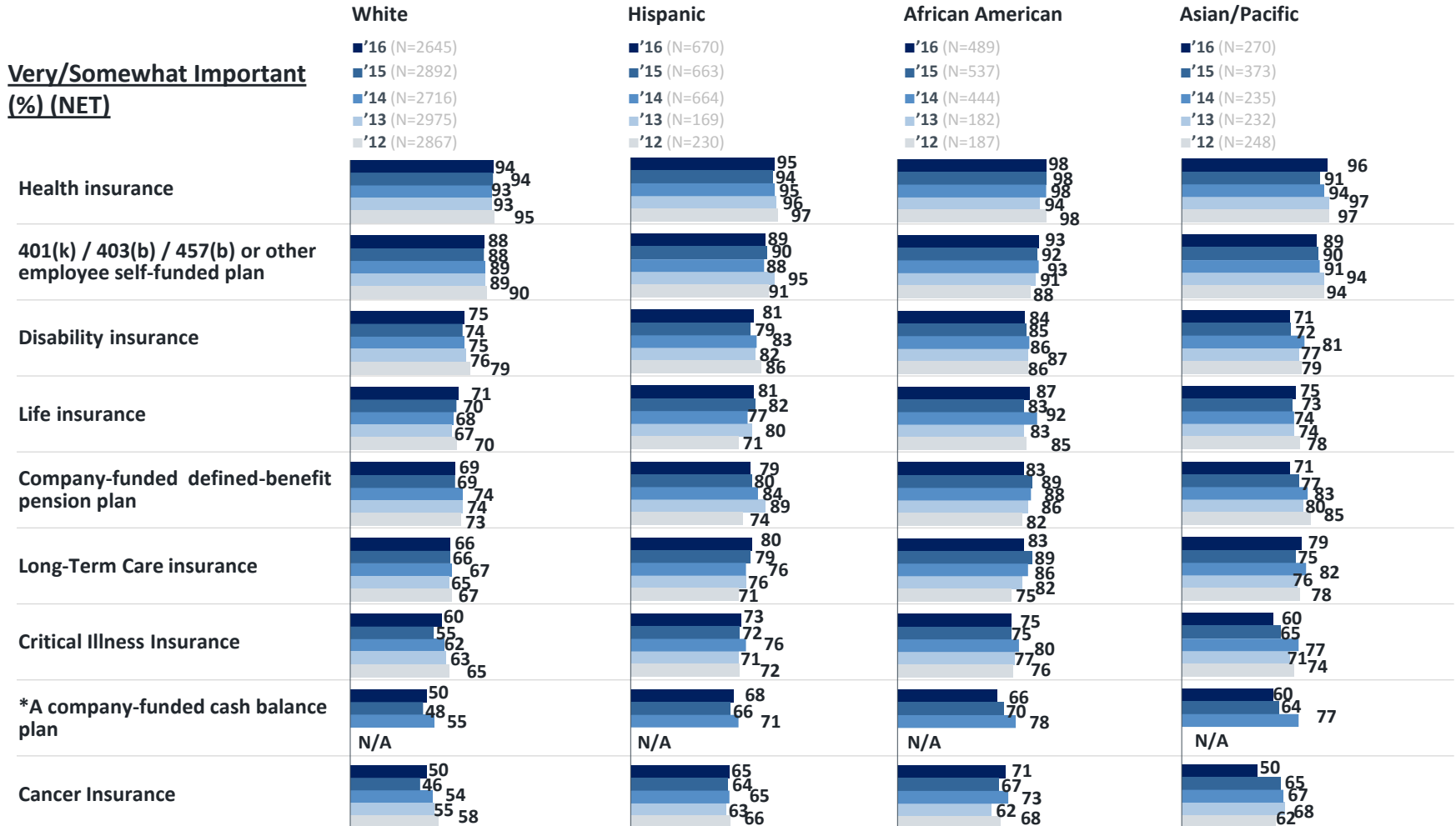
Q740. Are you currently saving for retirement outside of work, such as in an IRA, mutual funds, bank account, etc.?

BASE: INVESTING FOR RETIREMENT

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

# Importance of Retirement Benefits Compared to Other Benefits

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



\*added in 2014

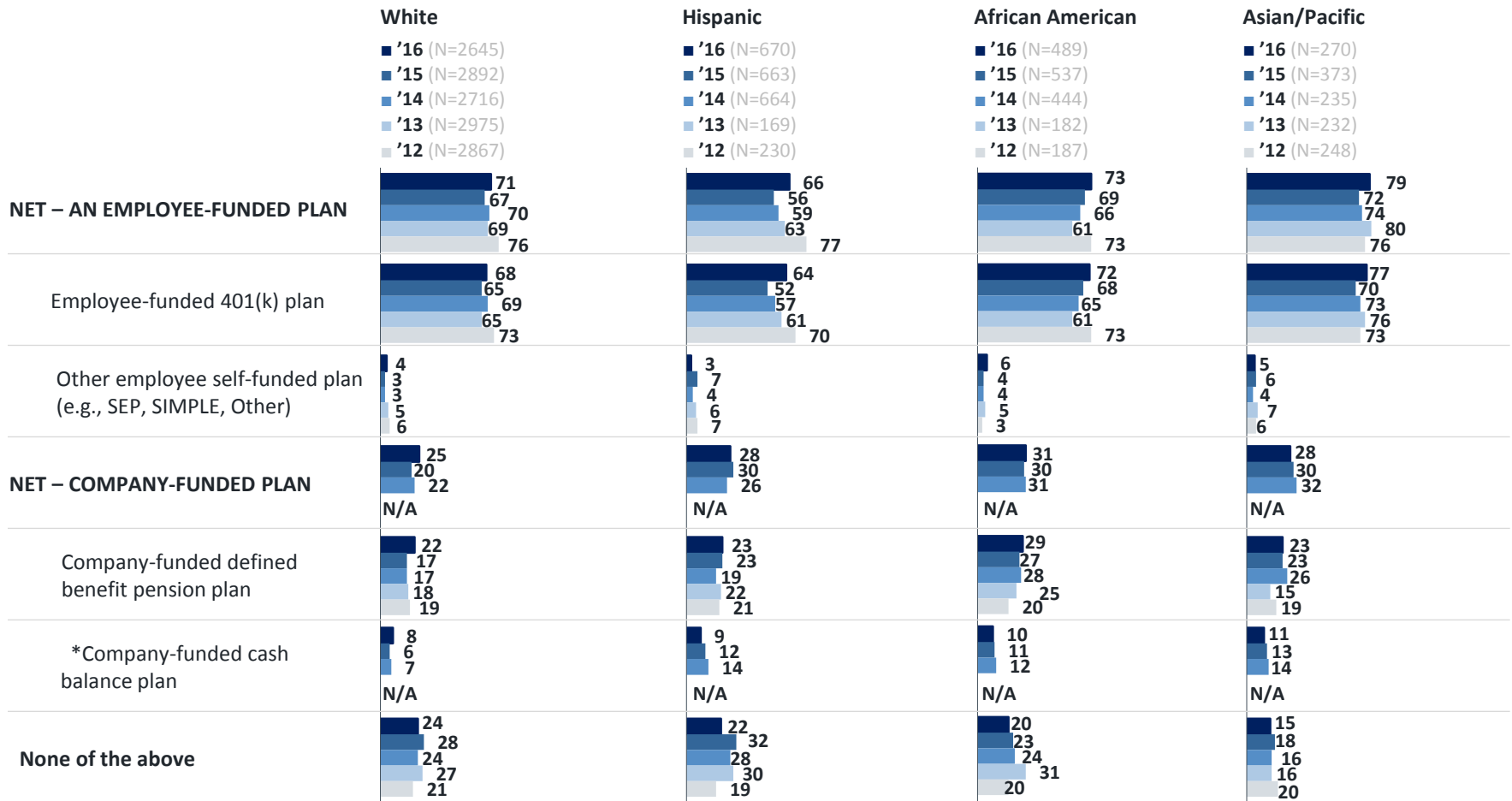
BASE: ALL QUALIFIED RESPONDENTS

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

# Retirement Benefits Currently Offered

Most workers across ethnic groups are offered a 401(k) or other self-funded plan by their employers. Such access is greatest among Asian workers (79 percent) and least among Hispanic workers (66 percent), and similar among White (71 percent) and African American workers (73 percent).

**Employer-Sponsored Retirement Benefits Currently Offered (%)**



\*added in 2014

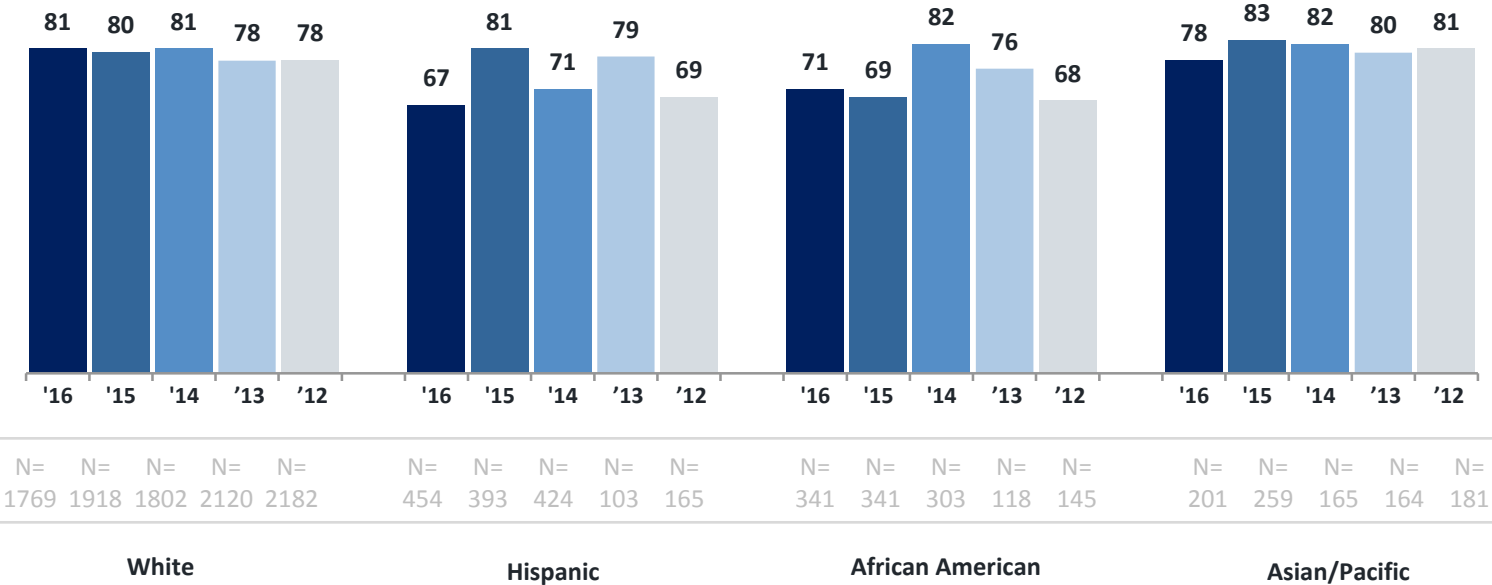
BASE: ALL QUALIFIED RESPONDENTS

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 varies across ethnic groups. White (81 percent) and Asian workers (78 percent) are more likely to be participating in their employer’s plan, compared to Hispanic (67 percent) and African American workers (71 percent). Retirement plan participation rates have remained relatively consistent over the past five years with fluctuations for Hispanic and African American workers.

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

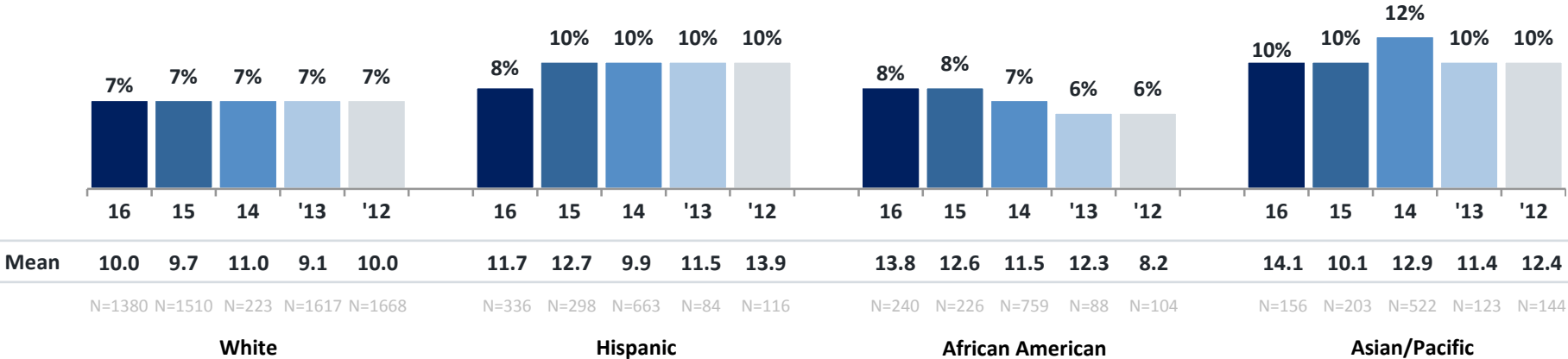


BASE: THOSE CURRENTLY OFFERED QUALIFIED PLAN  
Q1190. Do you currently participate in, or have money invested in your company’s employee-funded retirement savings plan?

# Retirement Plan Contribution Rate

Of workers who participate in a 401(k) or similar plan, the median contribution rate is highest among Asian workers (10 percent), followed by Hispanic and African American (both 8 percent) and White workers (7 percent). Retirement plan contribution rates have been relatively consistent over the past five years, with the exception of Hispanic workers who have shown a decline this year.

**Contribution Rate, Median %**



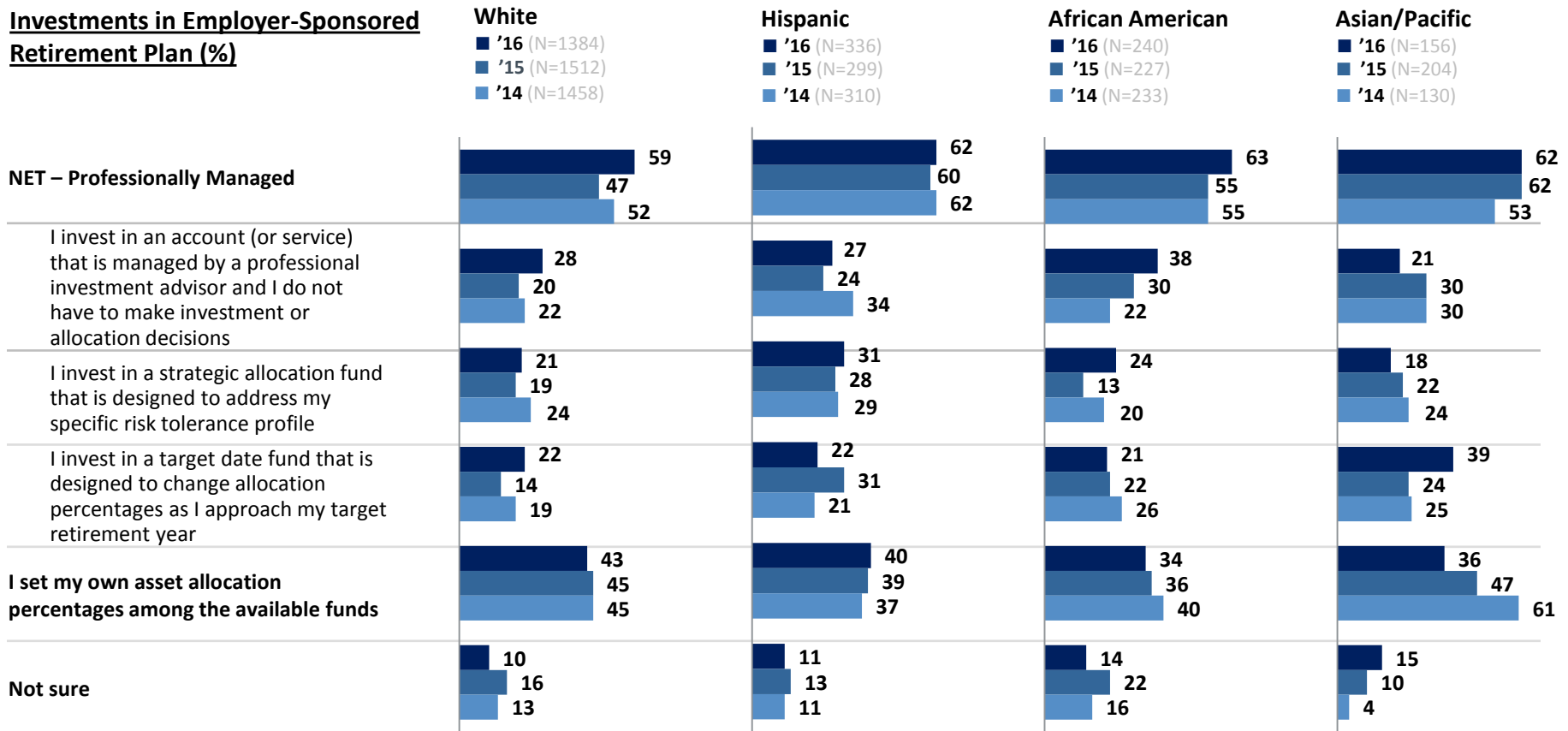
BASE: CURRENTLY PARTICIPATES IN QUALIFIED PLAN  
 Q601. What percentage of your salary are you saving for retirement through your company-sponsored plan this year?



# Approach to Investing in Retirement Plan

“Professionally managed” accounts refers to a managed account service, strategic allocation funds, and/or target date funds. Across ethnicities, the majority of plan participants use some form of professionally managed offering in their 401(k) or similar plans: 59 percent Whites, 62 percent of Hispanics, 62 percent of Asians, and 63 percent of African Americans. White (43 percent) and Hispanic workers (40 percent) are slightly more likely to set their own asset allocation percentage among the available funds, compared to African American (34 percent) and Asian workers (36 percent).

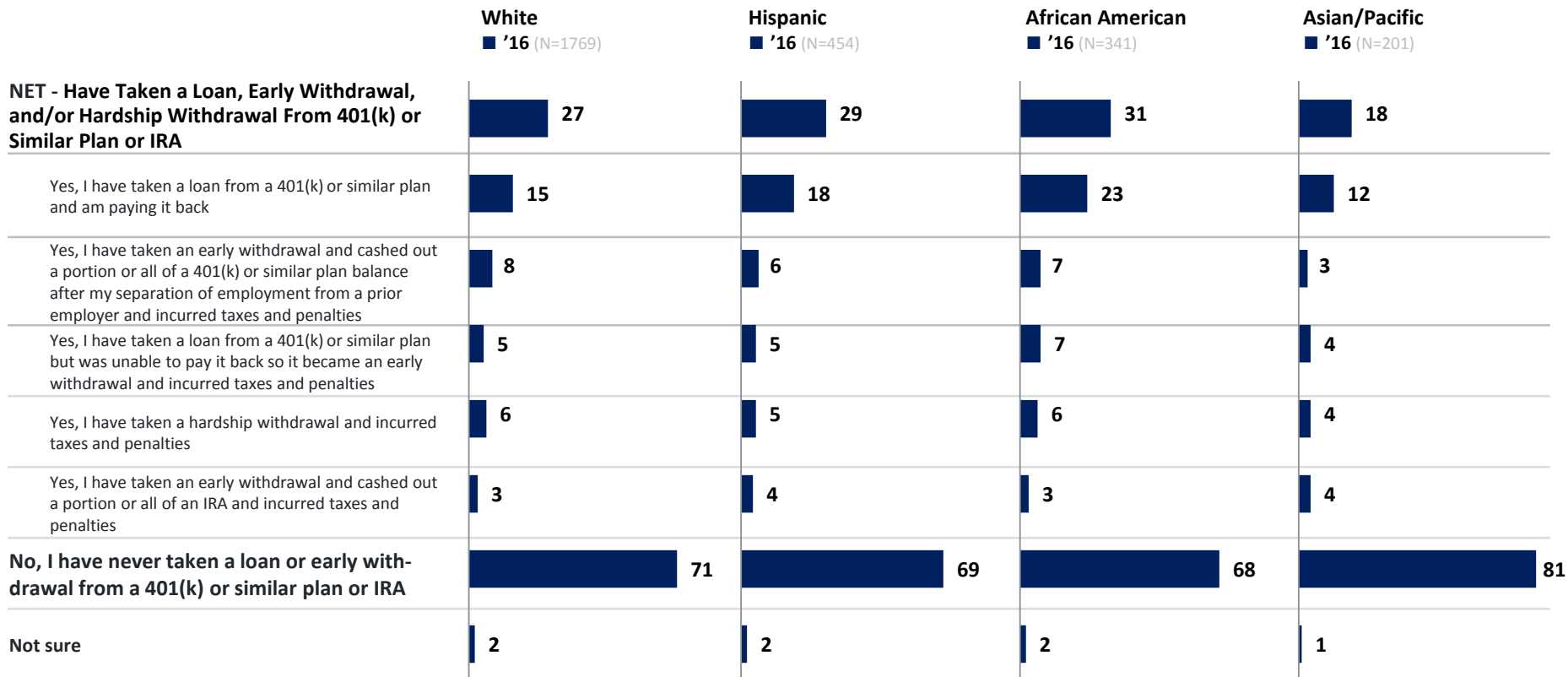
## Investments in Employer-Sponsored Retirement Plan (%)



# 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, some workers across ethnicities have taken some form of loan, early withdrawal, and/or hardship withdrawal from a 401(k) or similar plan, including African American workers (31 percent) who are most likely to have done so, followed by Hispanic workers (29 percent), White workers (27 percent), and Asian workers (18 percent).

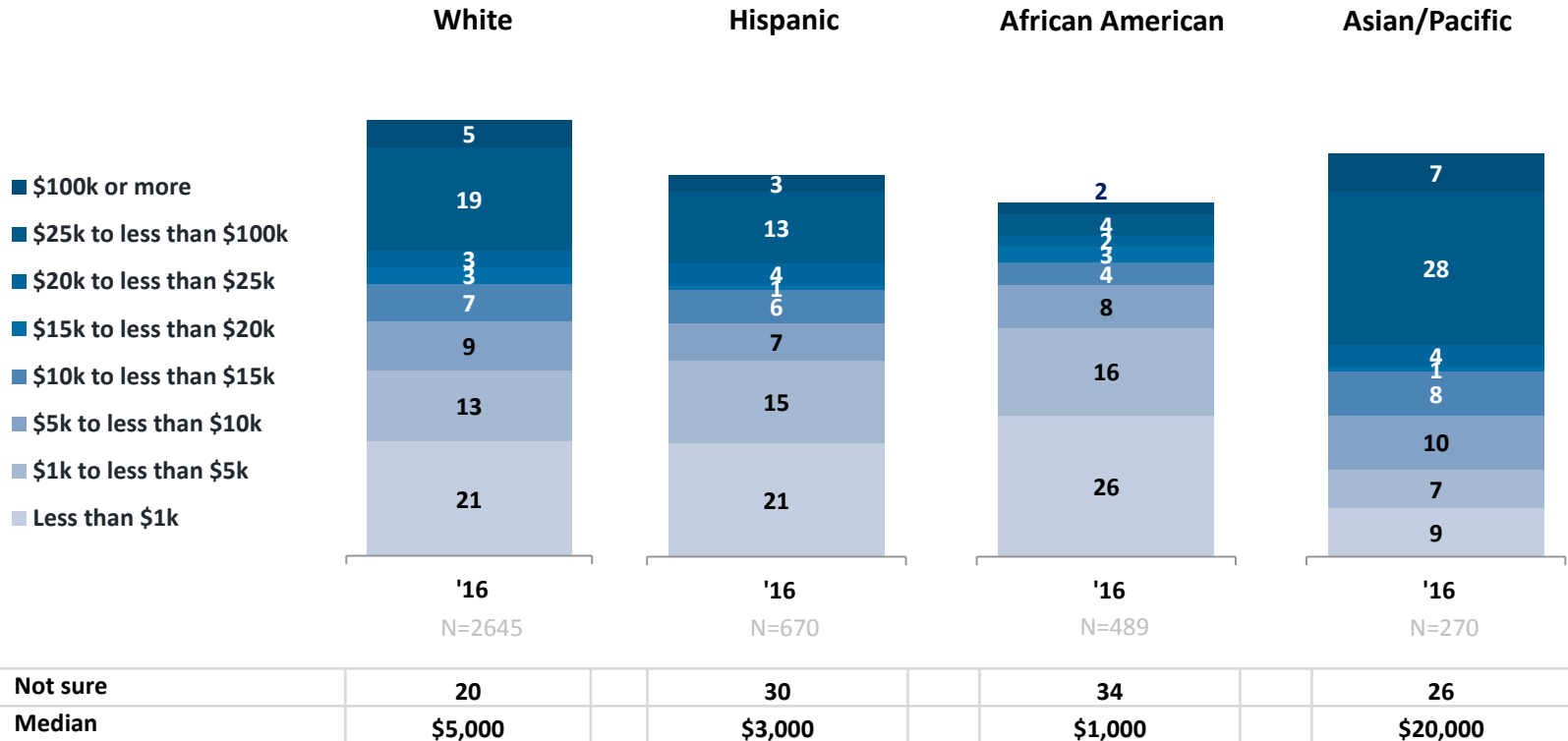
## Have you ever taken any form of loan or early withdrawal from a qualified retirement account such as a 401(k) or similar plan or IRA? (%)



# Estimated Emergency Savings

Emergency savings can help cover the cost of a major financial setback (e.g., unemployment, medical bills, home repairs, auto repairs, other); however, workers report having saved relatively little in this regards. White workers have saved \$5,000 (median), Hispanics have saved \$3,000 (median), African Americans have saved \$1,000 (median), and Asian workers have saved \$20,000 (median). More than one in five White, Hispanic, and African American workers have saved less than \$1,000 for such emergencies.

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



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

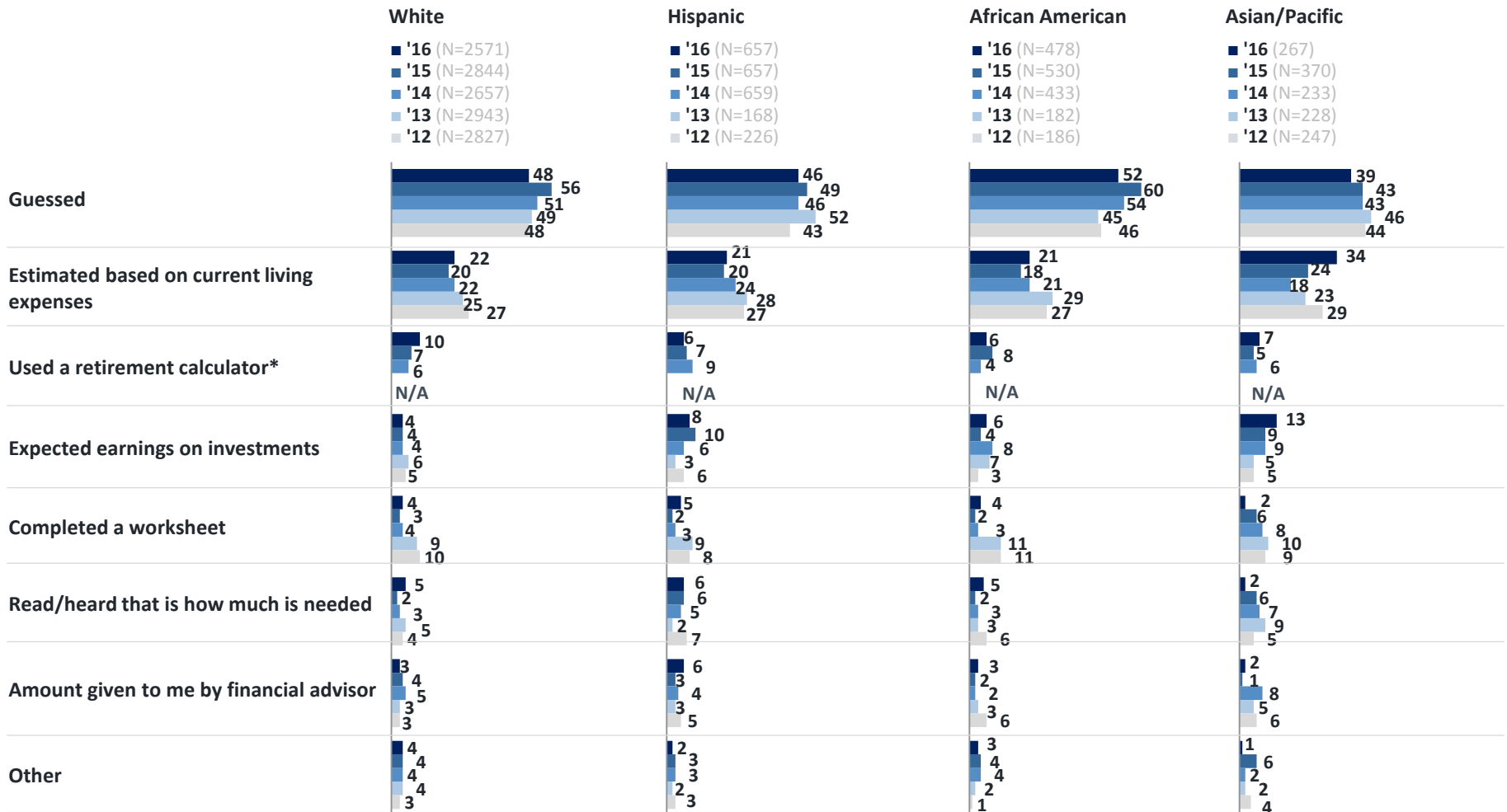
Retirement savings needs vary across ethnic groups. Asian workers estimate that they will need to have saved \$1 million by the time they retire in order to feel financially secure. White and Hispanic workers estimate they will need \$500k (estimated median), and African American workers estimate \$250k. This trend has been relatively consistent, with the exception of White, Hispanic, and African American workers who have decreased their estimated retirement savings needs this year.

	White					Hispanic					African American					Asian/Pacific				
	'16 N=2645	'15 N=2892	'14 N=2716	'13 N=2975	'12 N=2867	'16 N=670	'15 N=663	'14 N=664	'13 N=169	'12 N=230	'16 N=489	'15 N=537	'14 N=444	'13 N=182	'12 N=187	'16 N=270	'15 N=373	'14 N=235	'13 N=232	'12 N=248
\$2m or more	16	29	27	16	17	13	30	24	17	17	10	27	27	11	9	32	36	39	27	29
\$1m to less than \$2m	22	26	23	22	23	19	23	18	16	22	13	22	14	10	14	27	23	35	29	23
\$500k to less than \$1m	23	20	22	23	23	19	18	19	27	19	17	15	19	25	17	18	17	10	15	18
\$100k to less than \$500k	21	18	18	26	27	24	15	26	26	21	32	21	23	31	34	11	11	9	20	15
Less than \$100k	18	7	9	13	10	25	14	12	15	20	28	15	17	23	26	12	13	7	10	14
Median	\$500k	\$1m	\$1m	\$500k	\$500k	\$500k	\$1m	\$650k	\$500k	\$500k	\$250k	\$850k	\$500k	\$300k	\$250k	\$1m	\$1m	\$1m	\$1m	\$1m

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

# Basis for Estimating Retirement Savings Needs

Many workers are “guessing their retirement savings needs. African American workers (52 percent) are most likely to have guessed while Asian workers (39 percent) are least likely to have done so. Few workers across ethnic groups indicate that they have used a retirement calculator to estimate their savings needs.



\*added in 2014

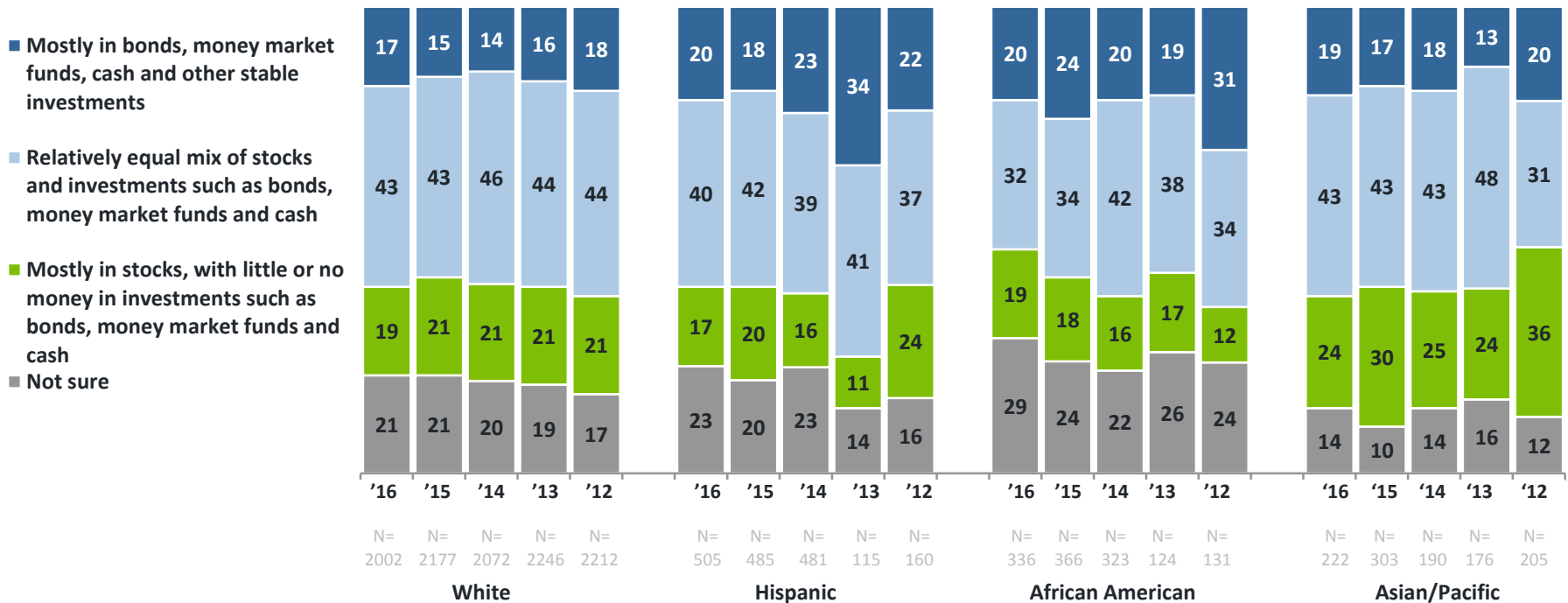
BASE: PROVIDED ESTIMATE OF MONEY NEEDED FOR RETIREMENT

Q900. How did you arrive at that number?

# Asset Allocation of Retirement Investments

Workers across ethnicities most frequently indicate that their retirement savings are invested in a relatively equal mix of stocks and investments such as bonds, money market funds and cash; however, the response rate is lower among African American workers (32 percent) compared to White (43 percent), Hispanic (40 percent), and Asian workers (43 percent). More than one in five White, Hispanic, and African American workers are unsure how their savings are invested. Asset allocation-related trends have been relatively consistent in recent years, with slight increases in workers are “not sure” found among Hispanic, African American, and Asian workers this year.

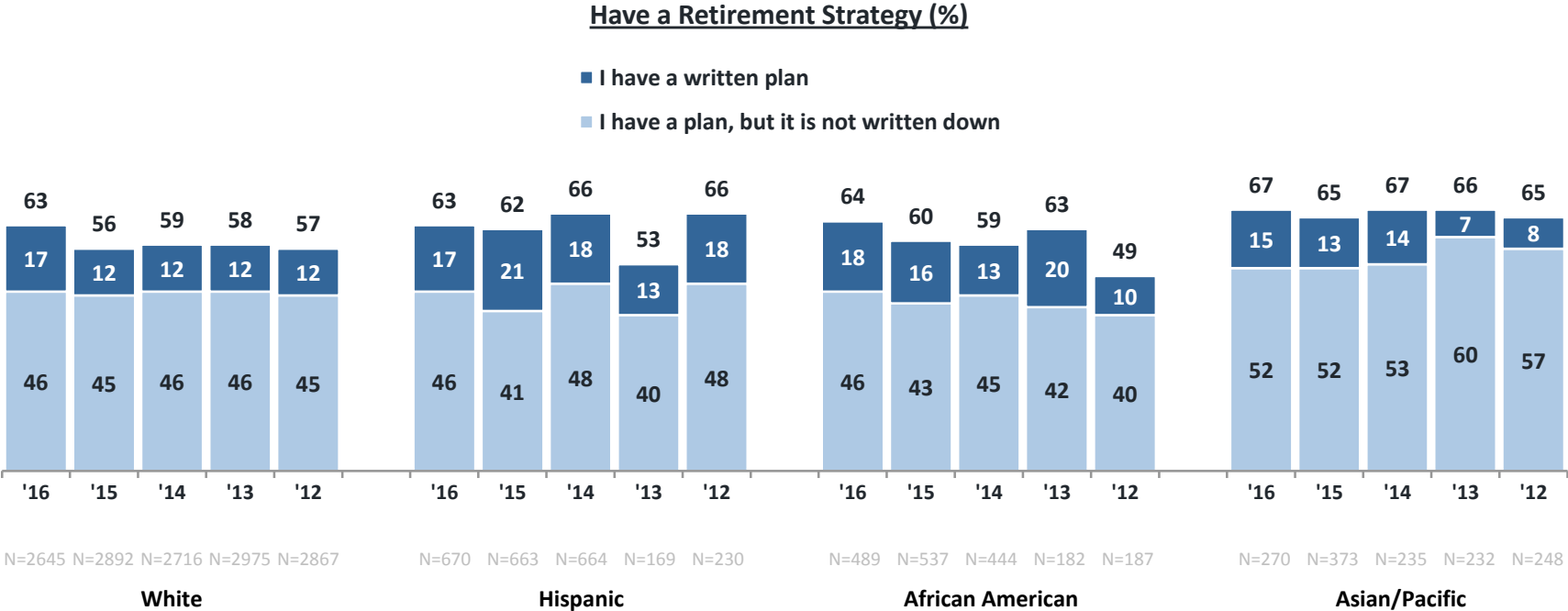
**How Retirement Savings Are Invested (%)**



\*Note: Small base size; interpret with caution

# Retirement Strategy: Written, Unwritten, or None

The majority of workers across ethnicities have some form of retirement strategy (either written or unwritten), including 63 percent of Whites and Hispanics, 64 percent of African Americans, and 67 percent of Asians. However, few workers across ethnicities have a written strategy, including Whites and Hispanics (both 17 percent), African Americans (18 percent), and Asians (15 percent).

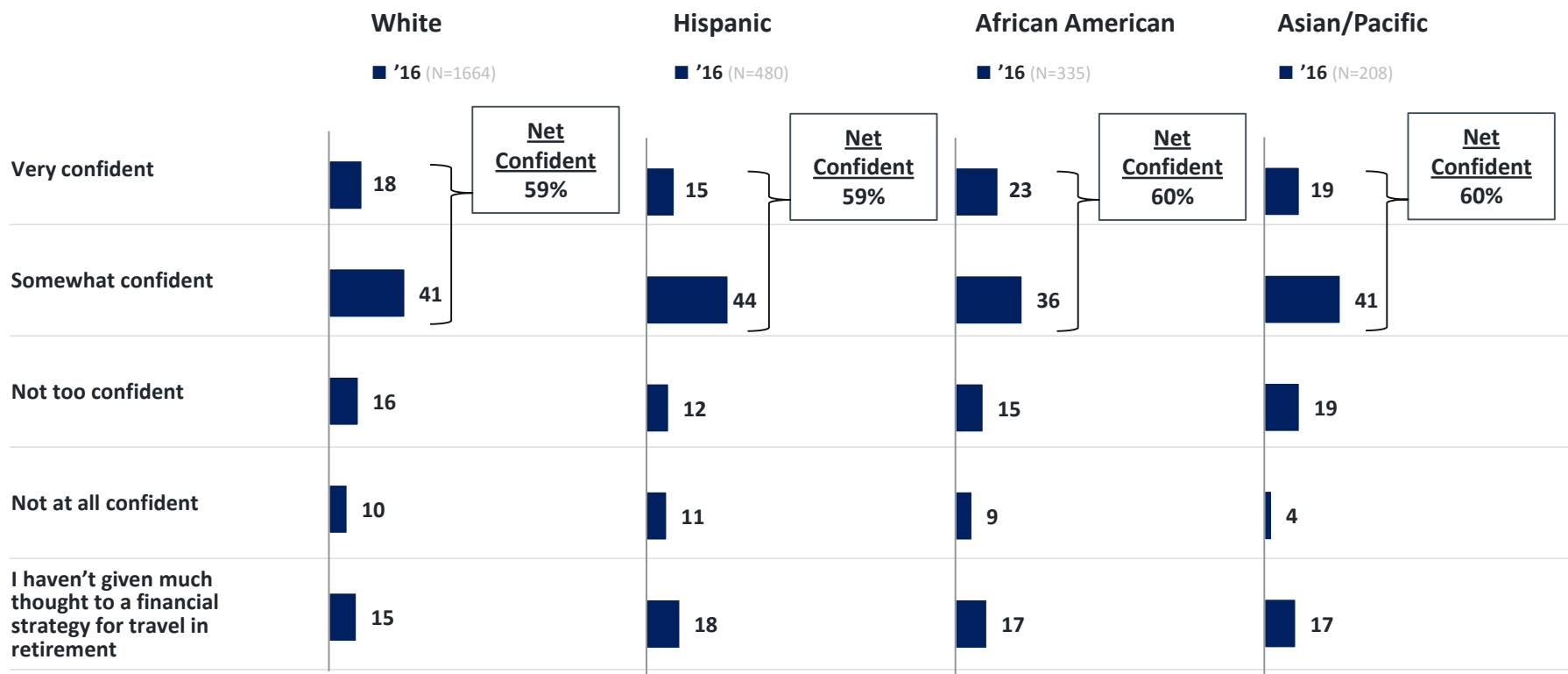


BASE: ALL QUALIFIED RESPONDENTS  
 Q1155. Which of the following best describes your retirement strategy?

# Confidence that Financial Strategy Will Enable Travel Goals

Among workers who dream of traveling in retirement, the majority are confident their current financial strategy will allow them to meet their travel goals: 59 percent of Whites, 59 percent of Hispanics, and 60 percent of both African Americans and Asians. However, relatively few across ethnic groups are “very” confident and some haven’t given it much thought.

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



BASE: THOSE WHO DREAM OF TRAVELING IN RETIREMENT

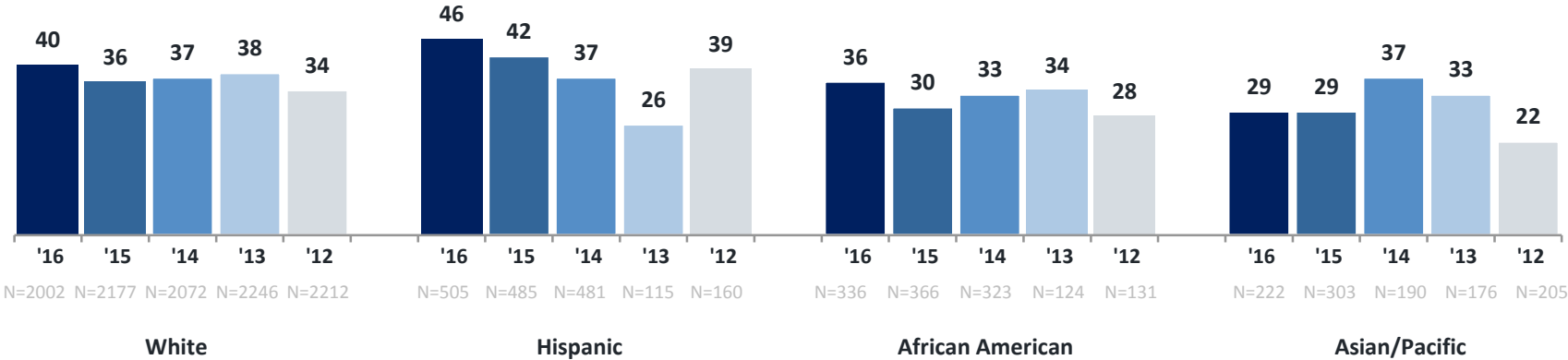
Q2845. How confident are you that your current financial strategy will allow you to meet your travel goals throughout retirement?



# Professional Financial Advisor Usage

Hispanic workers (46 percent) are most likely to use a professional financial advisor to help manage their retirement savings or investments while Asian workers (29 percent) are least likely. Forty-percent of White and 36 percent of African American workers use a financial adviser. White, Hispanic and African American workers saw slightly increased levels of professional financial advisor use from last year.

**Use a Professional Financial Advisor,**  
% Indicate "Yes"

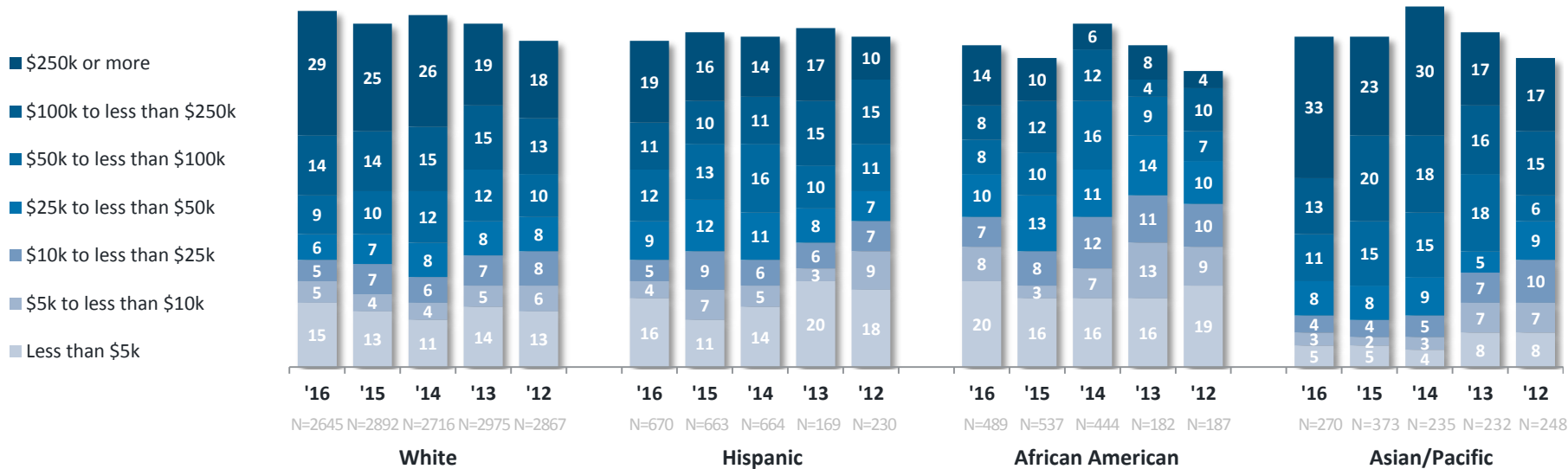


BASE: INVESTING FOR RETIREMENT Q860. Do you use a professional financial advisor to help manage your retirement savings or investments?

# Total Household Retirement Savings

White and Asian workers have the highest reported household retirement savings (estimated medians of \$89k and \$134k, respectively). They are also most likely to say that they have saved \$25k or more (29 percent of Whites and 33 percent of Asians). In contrast, Hispanic workers have saved \$48k and African American workers have saved \$22k. Household retirement savings have increased directionally over the years.

**Total Household Retirement Savings (%)**

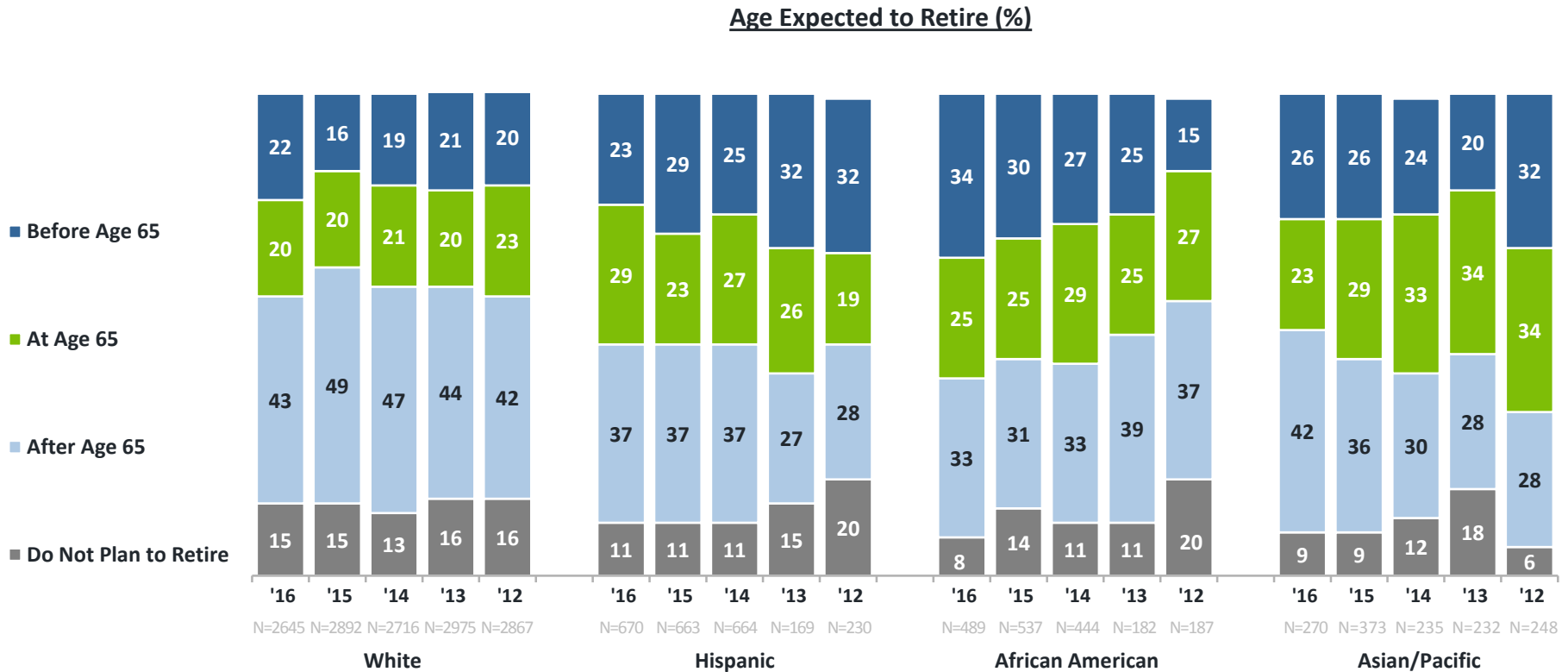


<b>Not sure</b>	8	10	9	10	11		14	14	10	14	13		14	15	11	12	18		12	10	6	12	15
<b>Decline to answer</b>	9	10	9	11	13		10	8	13	8	10		11	13	8	11	15		11	13	9	11	13
<b>Estimated Median</b>	\$89k	\$76k	\$75k	\$57k	\$48k		\$48k	\$39k	\$43k	\$48k	\$31k		\$22k	\$30k	\$27k	\$15k	\$14k		\$134k	\$100k	\$106k	\$63k	\$48k

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

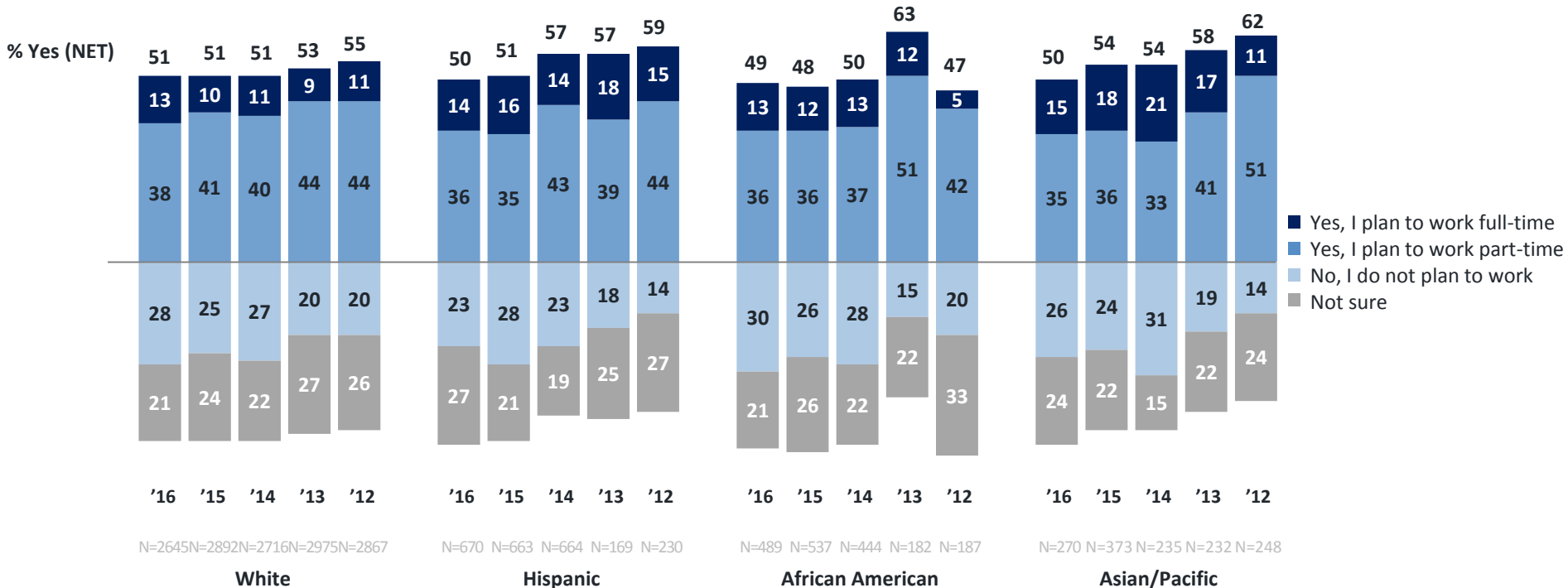
The majority of White (58 percent) and Asian workers (51 percent) expect to work past age 65 or do not plan to retire. In contrast, the majority of African American (59 percent) and Hispanic workers (52 percent) expect to retire at age 65 or sooner.



# Expectations of Working in Retirement

Across ethnicities, approximately half of workers plan to work full- or part-time in retirement, including 51 percent of Whites, 50 percent of Hispanics, 49 percent of African Americans, and 50 percent of Asian workers. Expectations of working in retirement have for the most part decreased over the past five years.

**Working After Retirement (%)**

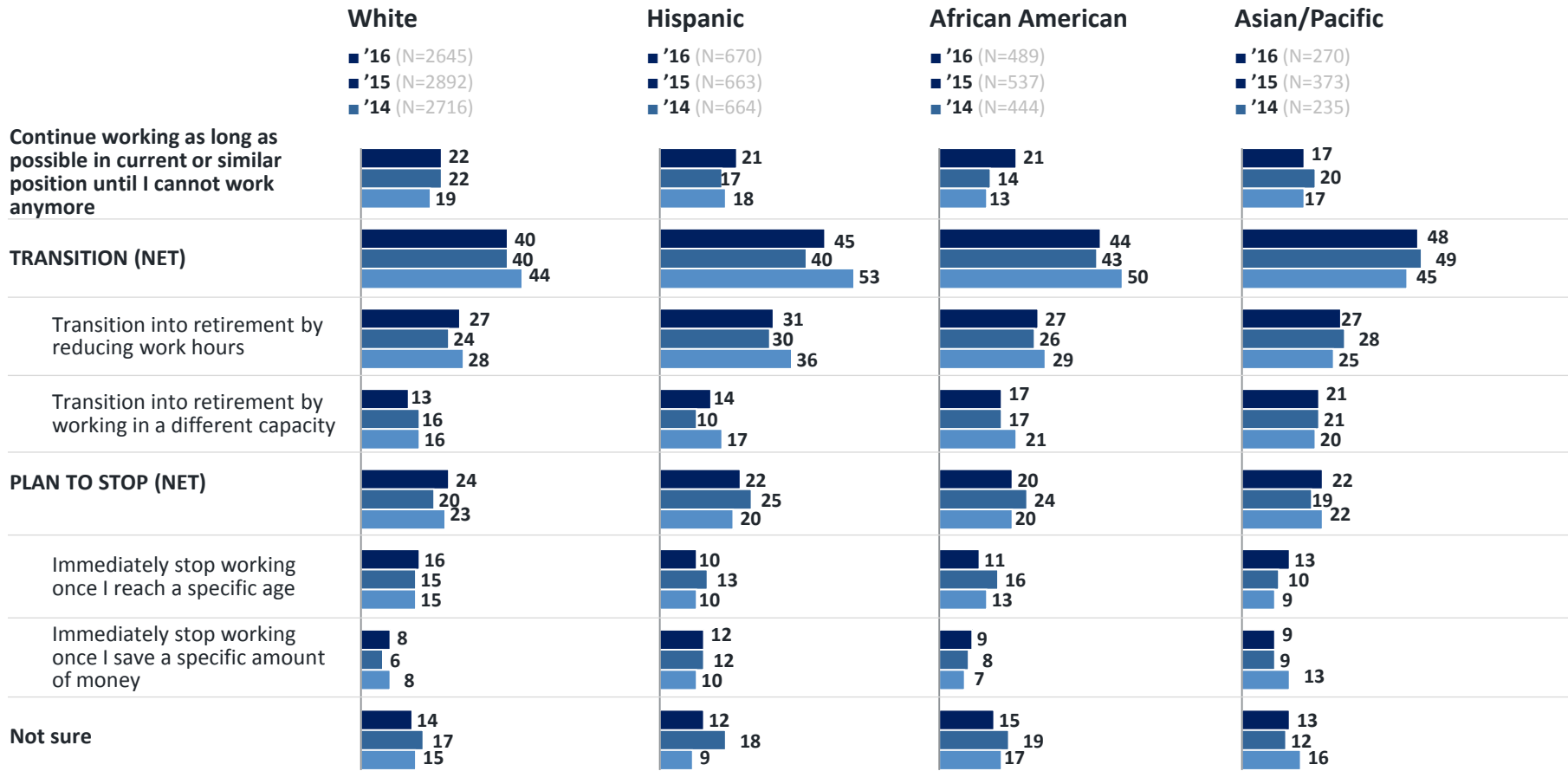


BASE: ALL QUALIFIED RESPONDENTS  
Q1525. Do you plan to work after you retire?

# Retirement Transitions: Phased Versus Immediate

Many workers across ethnicities 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), including 40 percent of Whites, 45 percent of Hispanics, 44 percent of African Americans, and 48 percent of Asians. Approximately one in five workers across ethnicities plan to immediately stop working when they reach a specific age or savings goal.

**How do you envision transitioning into retirement? (%)**



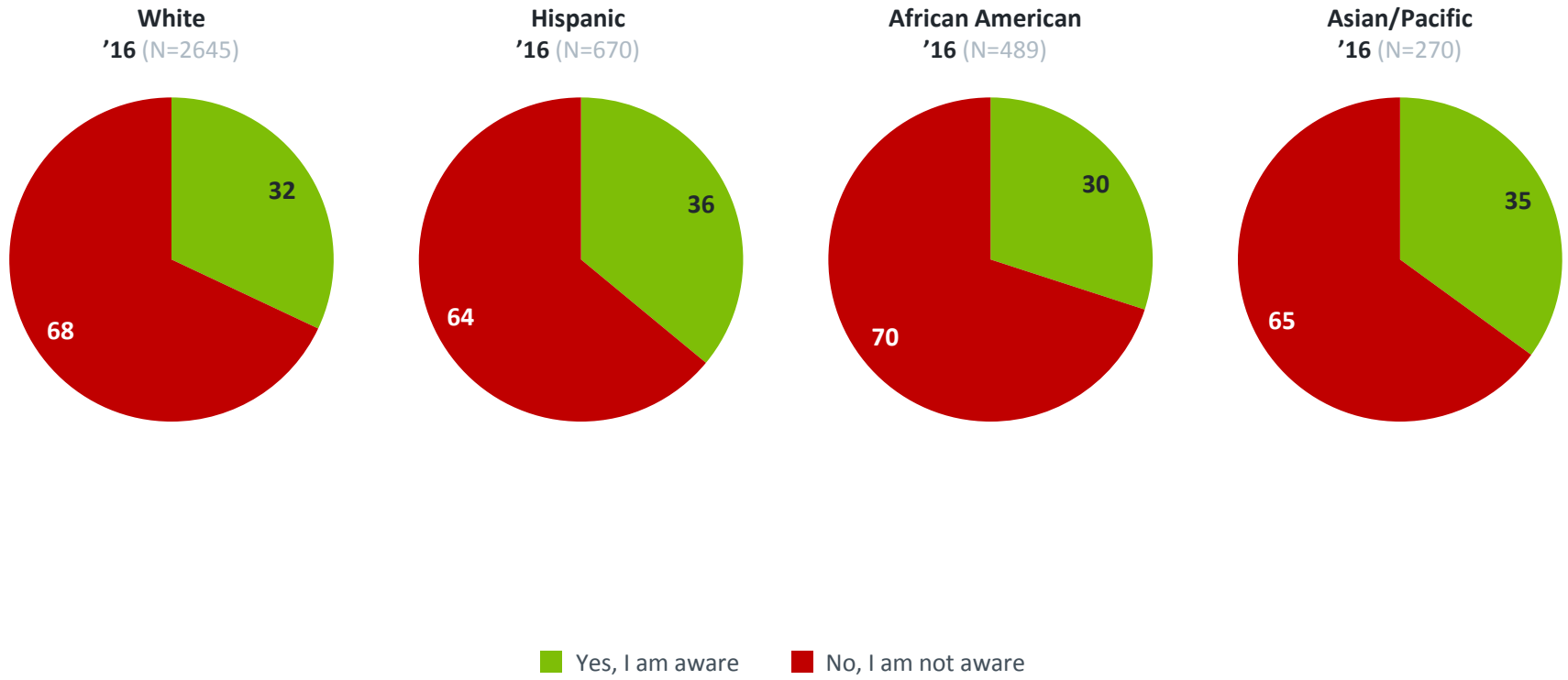
New in 2014.

BASE: ALL QUALIFIED RESPONDENTS

Q1545. How do you envision transitioning into retirement?

# Awareness of the Saver's Credit

The IRS offers a tax credit to eligible taxpayers who are saving for retirement in a qualified retirement plan or IRA, called the Saver's Credit – yet only about one-third of workers across ethnicities are aware of it. Hispanic (36 percent) and Asian workers (35 percent) are more likely to be aware of the Saver's Credit, compared to White (32 percent) and African American workers (30 percent).



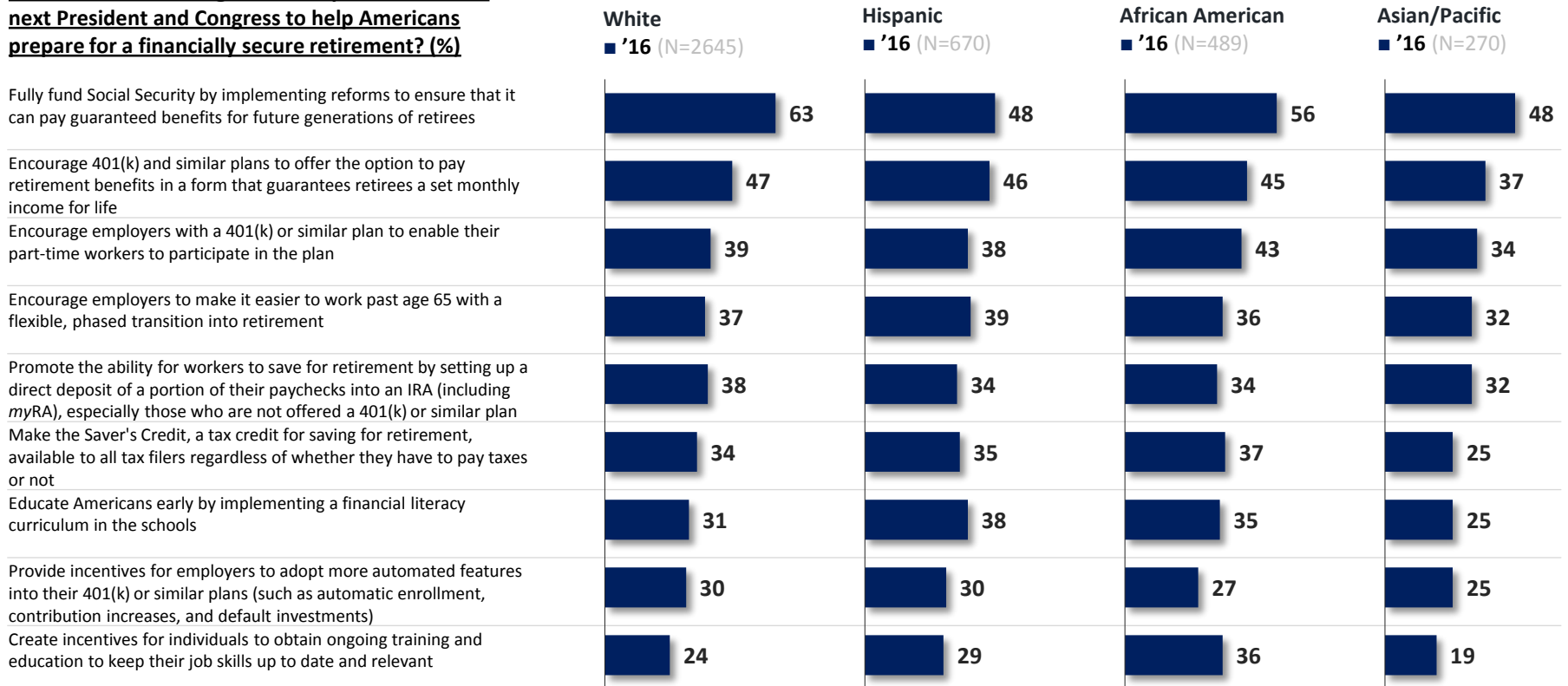
BASE: ALL QUALIFIED RESPONDENTS

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 ethnicities 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. However, there are noteworthy differences by ethnicity. White workers (63 percent) are more likely to cite fully funding Social Security compared to other ethnicities. Hispanic workers (38 percent) are slightly more likely to cite “educating Americans early by implementing a financial literacy curriculum in school.” African American workers (36 percent) are more likely to cite “creating incentives for individuals to obtain ongoing training and education to keep their job skills up to date and relevant.”

## 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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