



Fifteen Facts About Women's Retirement Outlook

Select Findings from the 15th Annual Transamerica Retirement Survey of Workers

March 2015

TRANSAMERICA CENTER
FOR RETIREMENT STUDIES®

TCRS 1260-0315

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Foreword

Today's women are better educated and enjoy career opportunities that our grandmothers' generation could only dream about. However, even today, a woman's path to a financially secure retirement is filled with roadblocks and detours, such as lower pay and time out of the workforce for parenting or caregiving, which can negatively impact her own long-term retirement preparedness.

A bitter irony is that women are lagging behind men in terms of saving and planning for retirement and yet, statistically speaking, women tend to live longer which implies an even greater need for savings and preparations.

2015 marks the 10th year that the Transamerica Center for Retirement Studies® has published research showing that women are at greater risk of not achieving a financially secure retirement compared to men.

The goal of our research on 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.

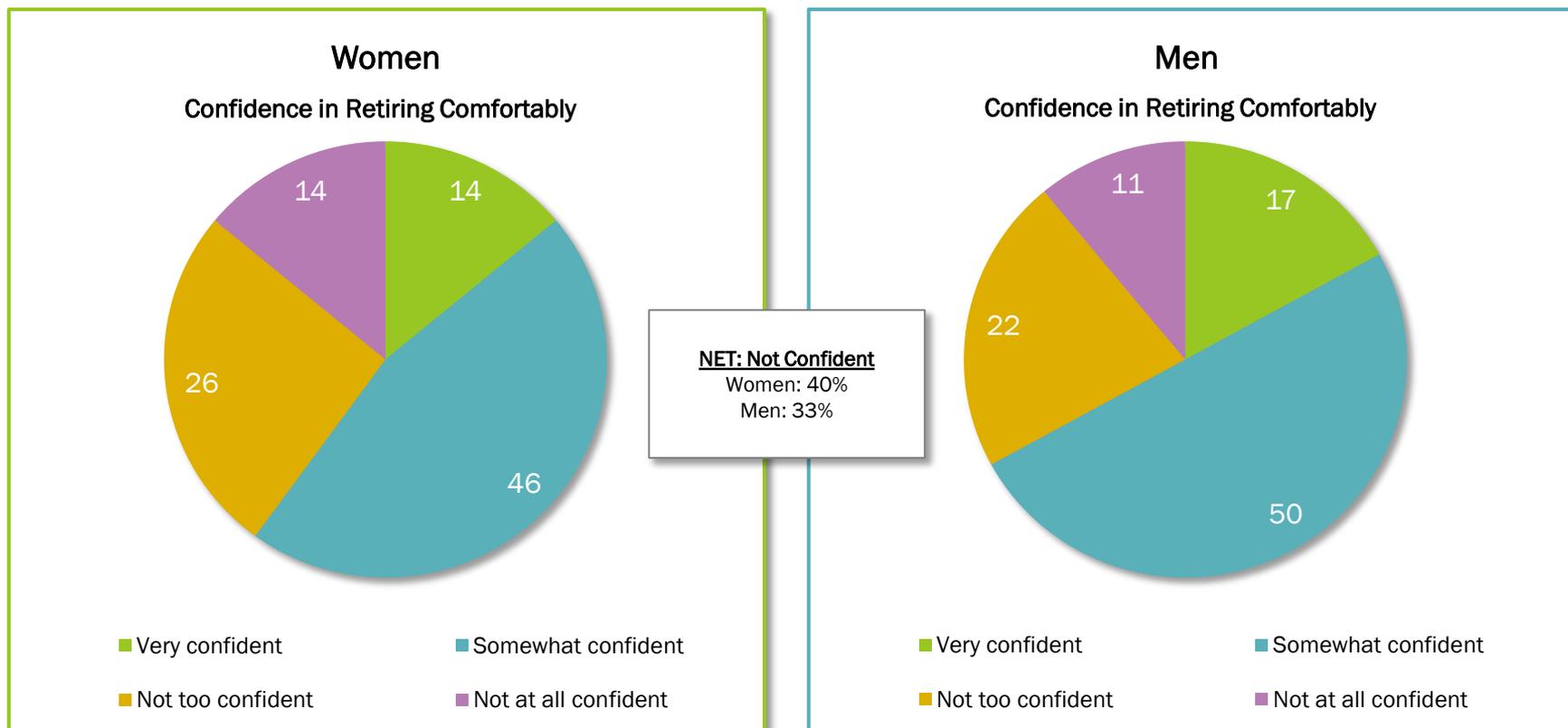
We hope that you will share our research and recommendations, spread the word, and inspire more Americans to take steps to improve their retirement outlook. Timely actions taken today can ultimately enable women and men to achieve a more comfortable and secure retirement.

Catherine Collinson

President, Transamerica Institute and Transamerica Center for Retirement Studies

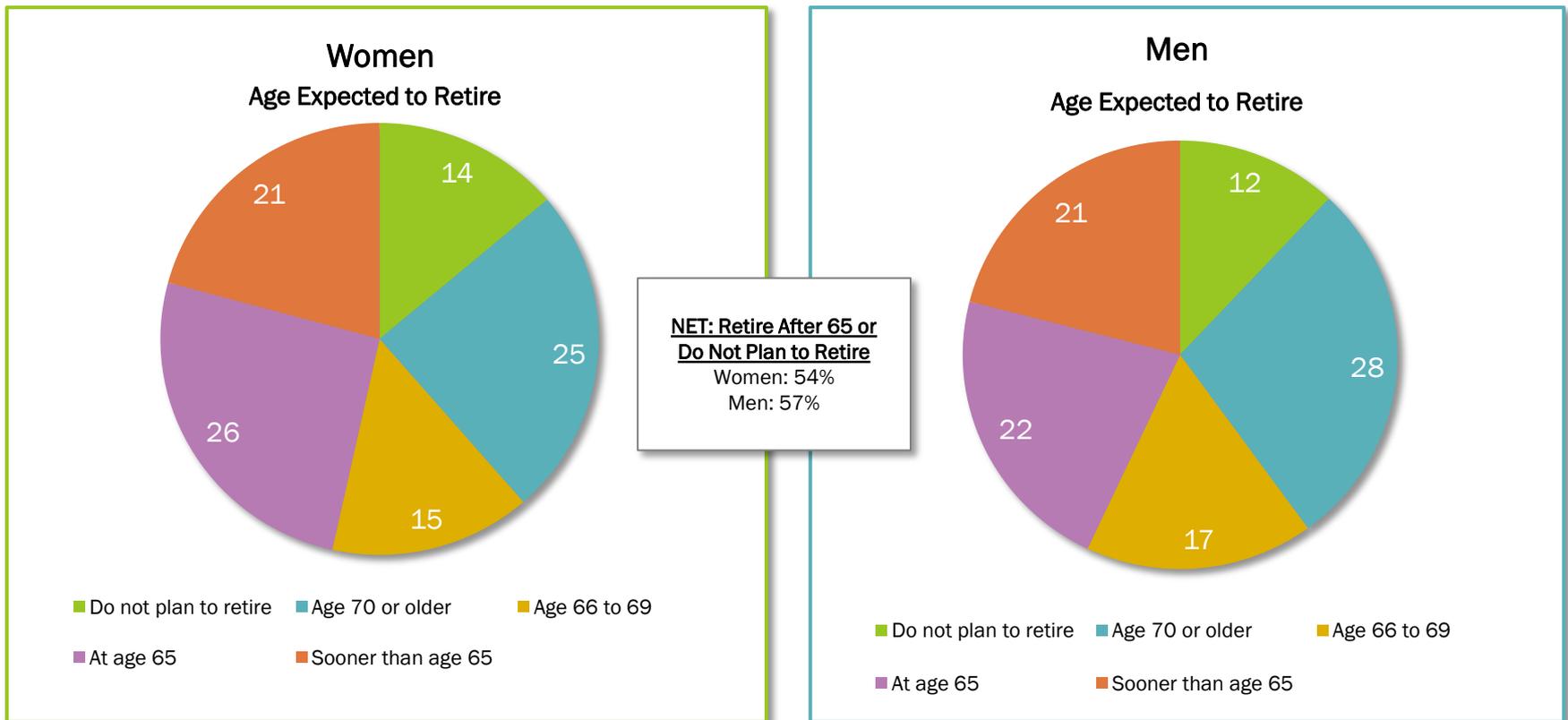
Fact #1. Few Women Are Confident About Retirement

Only 14 percent of women are “very confident” in their ability to fully retire with a comfortable lifestyle, compared to 17 percent of men. Two in five women (40 percent) are “not too confident” or “not at all confident” compared to only 33 percent of men who share those sentiments.



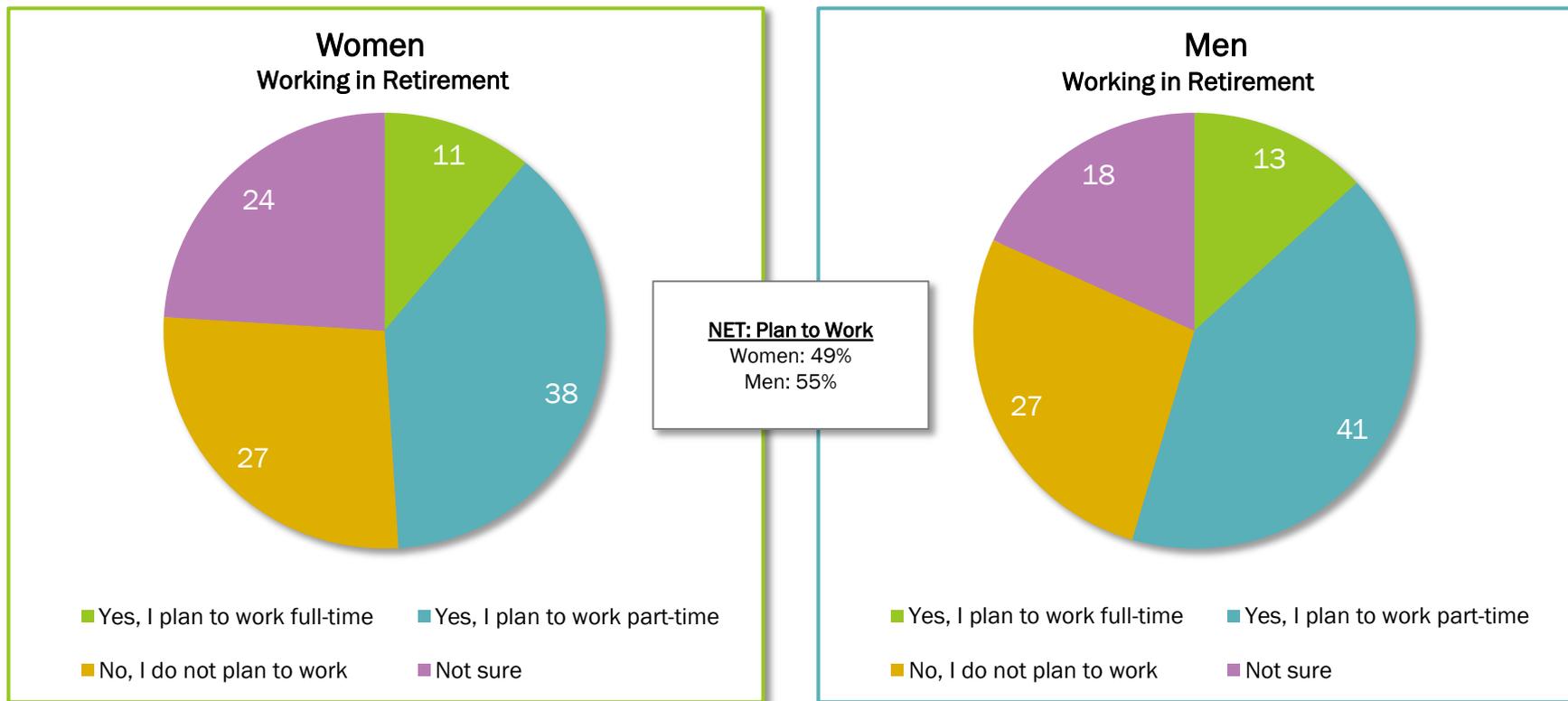
Fact #2. Most Women Plan to Retire After Age 65 or Not at All

Fifty-four percent of women plan to retire after age 65 or do not plan to retire, a slightly lower percentage than men (57 percent). About one in four women expects to either retire at 65 (26 percent) or before age 65 (21 percent).



Fact #3. Most Women Plan to Continue Working in Retirement

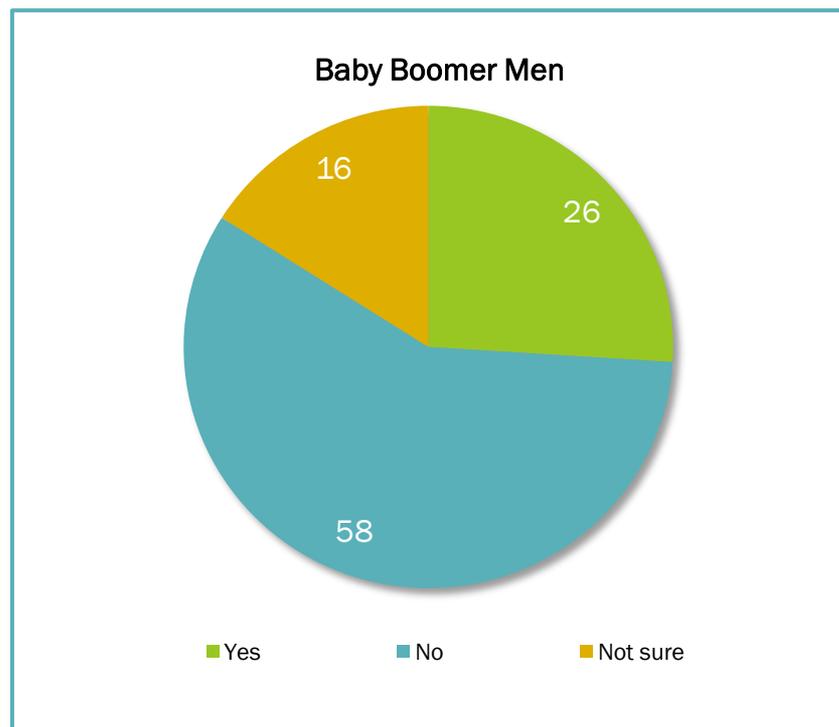
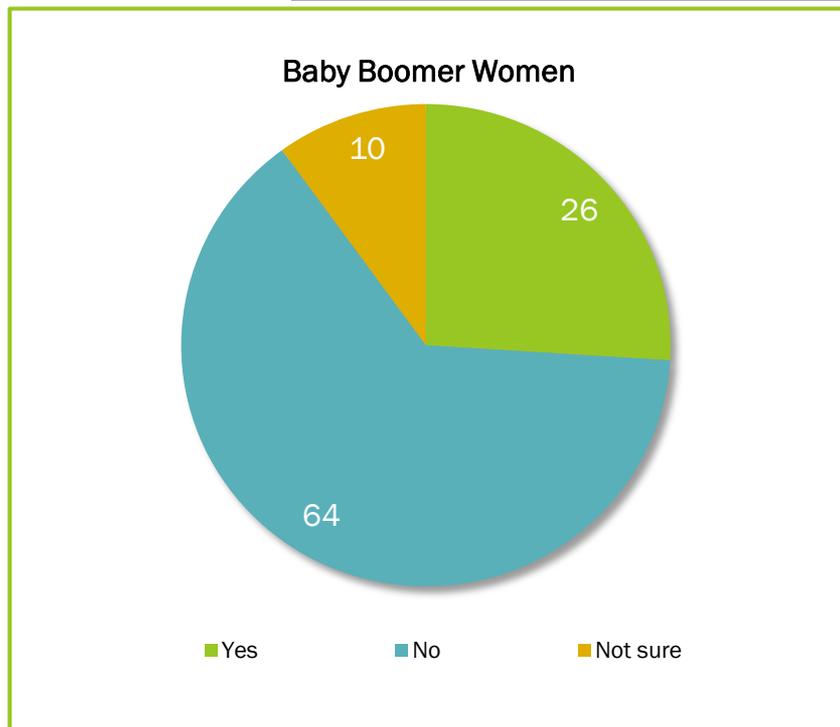
Almost half of women (49 percent) plan to work after they retire, including 38 percent who plan to work part-time and 11 percent who plan to work full-time. A slightly higher percentage of men (55 percent) plan to work, including 41 percent who plan to part-time and 13 percent who plan to full-time. Working longer and delaying retirement is an important opportunity to bridge a savings shortfall; however, planning not to retire is not a viable retirement strategy. It's important to have a backup plan if retirement comes sooner than expected due to life's unforeseen circumstances such as a job loss, health issues, or other family obligations.



Fact #4. Most Baby Boomer Women Don't Have a Backup Plan

Among Baby Boomers (born 1946 to 1964), an alarmingly low percentage (26 percent) of women and men have a backup plan if forced into retirement sooner than expected. While working longer and delaying retirement can be an effective way to help bridge a retirement savings shortfall, it's 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 in the event unable to work before planned retirement



BASE: Baby Boomer Workers - All Qualified Respondents

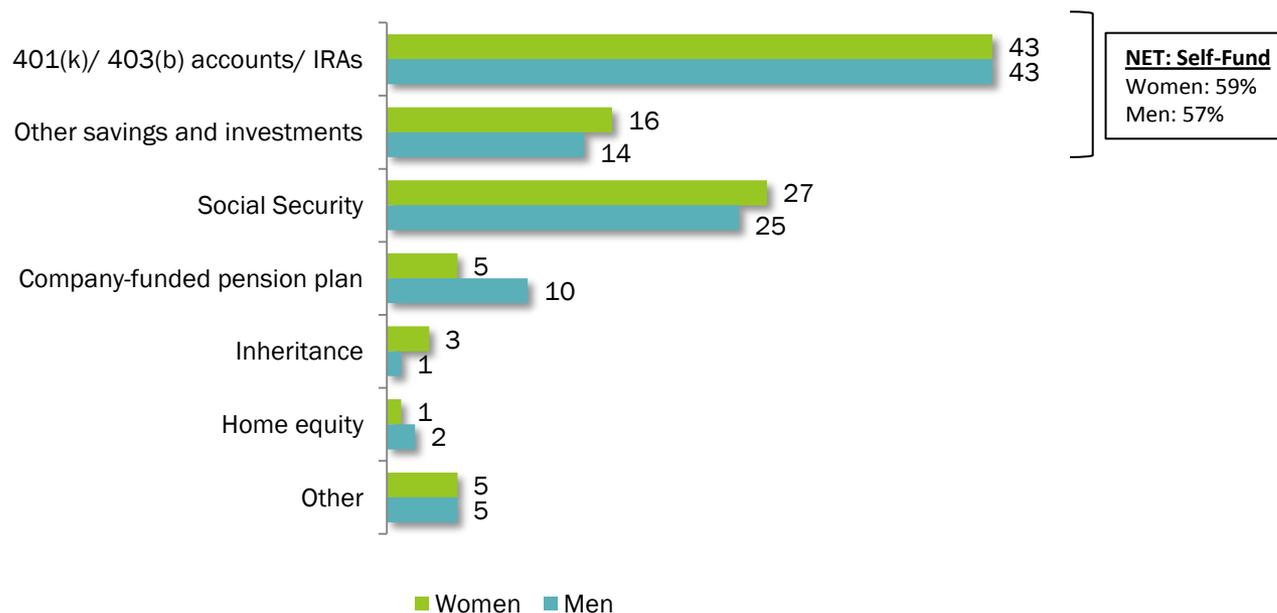
Baby Boomer Women: (N=841); Baby Boomer Men: (N=964)

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

Fact #5. Many Women Plan to Self-Fund Their Retirement

The majority of women (59 percent) expect to self-fund their retirement through 401(k) or similar accounts (43 percent) or other savings and investments (16 percent). Twenty-seven percent of women expect to rely on Social Security compared to 25 percent of men. Only five percent of women expect a company-funded pension plan(s) to be their primary source of income in retirement.

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



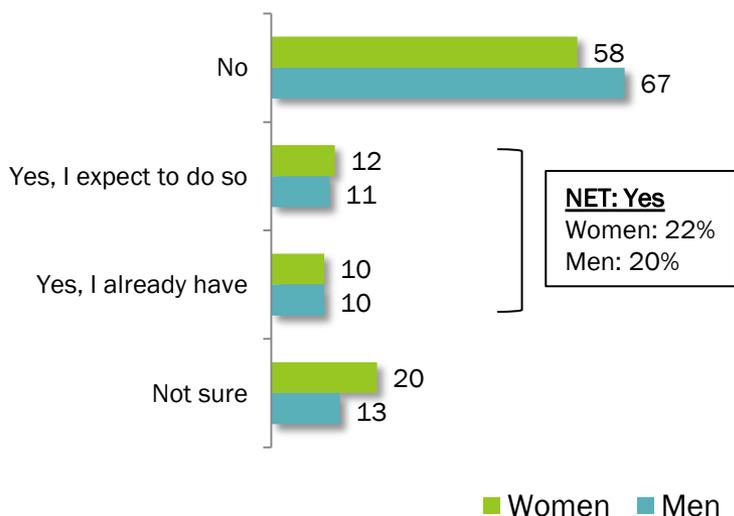
BASE: Workers - All Qualified Respondents

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

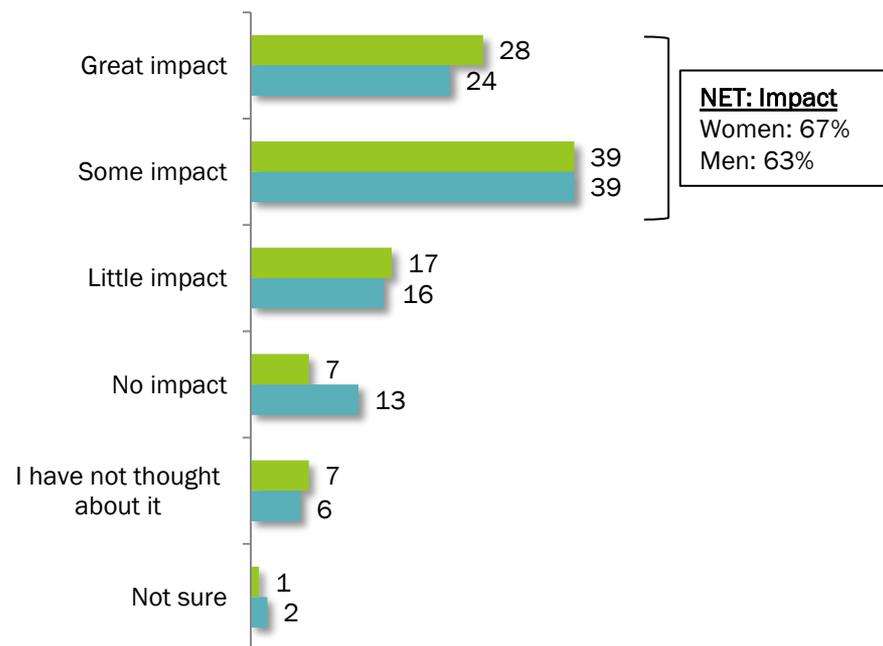
Fact #6. Time Off for Caregiving Negatively Impacts Retirement

About one in five working women (22 percent) has or expects to take time out of the workforce to act as a caregiver for a child or aging parent – and another 20 percent are “not sure.” About six in 10 women (58 percent) do not plan to do so, a much lower percentage than men (67 percent). Of the women who have or plan to take time out of the workforce, 67 percent believe that it will negatively impact their ability to save for retirement and, ultimately, the size of their retirement nest egg.

Taking Time Out of the Workforce to Act as a Caregiver



Impact of Time Out on Retirement Nest Egg



BASE: Workers - All Qualified Respondents

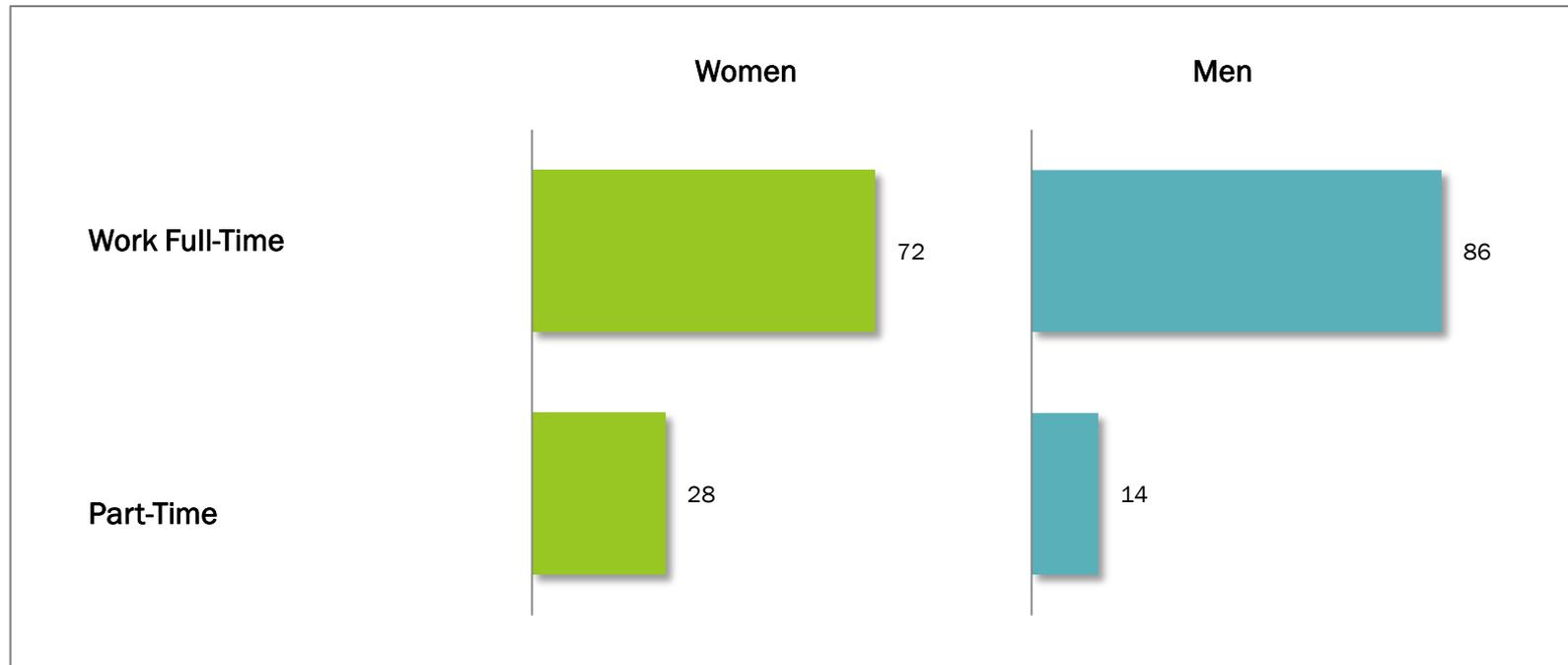
Q2500. Have you or do you expect to take time out of the workforce to act as a caregiver, e.g., for a child or an aging parent?

BASE: Workers - Expect To Or Have Taken Time Out Of Workforce As Caregiver

Q2505. When deciding to take time out of the workforce, how much of a negative impact do you think it may have on your ability to save for retirement and size of your nest egg at retirement age?

Fact #7. Many Women Work Part-Time

It is widely documented that women are more likely to work part-time than men – often because of parental and/or caregiver responsibilities. The 15th Annual Transamerica Retirement Survey found that 28 percent of women work part-time compared to only 14 percent of men. The greater prevalence of women part-time workers translates to a lower wage base for them and, moreover, a lesser likelihood of access to important employee benefits such as health care and retirement plans.



Fact #8. Women Less Likely to Be Offered Retirement Benefits

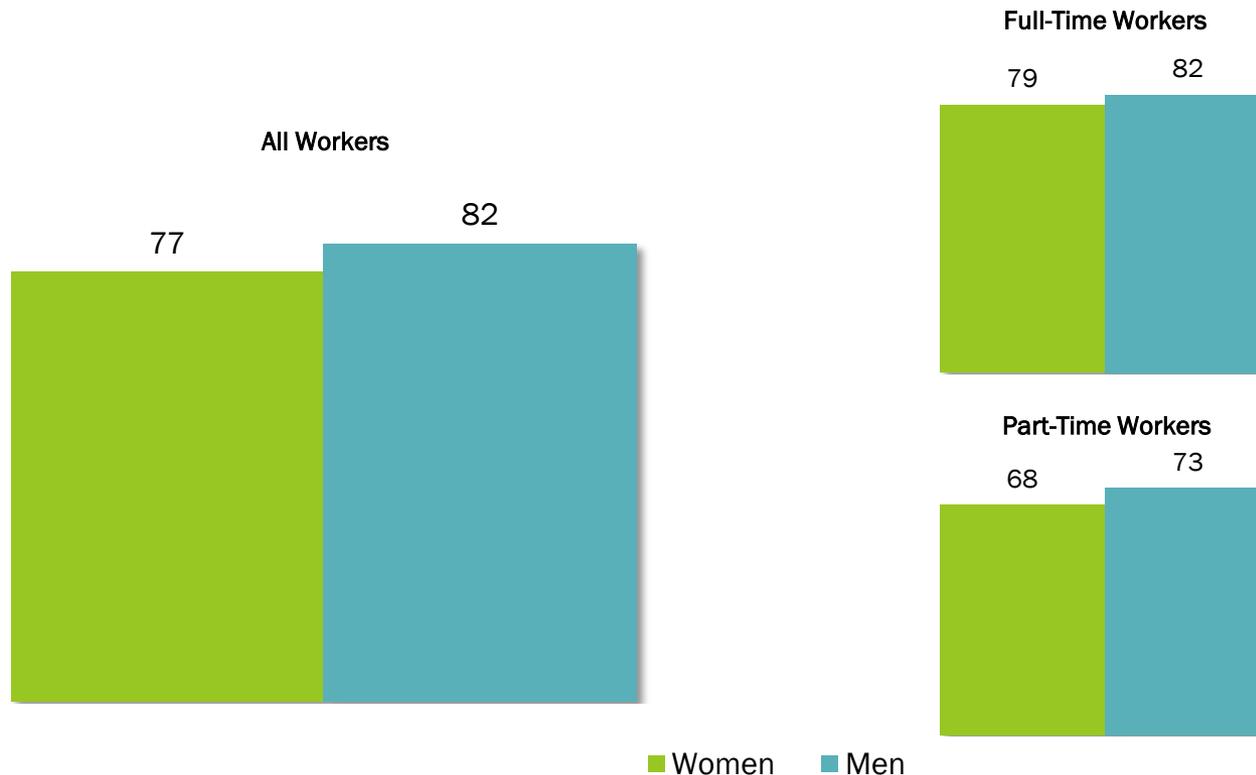
Women are less likely than men to be offered retirement benefits in the workplace. This is strongly influenced by the higher percentage of women who work part-time because part-time workers overall are less likely to be offered a plan.



Fact #9. Women's Participation Lags in 401(k) or Similar Plans

Of the women who are offered a 401(k) or similar plans, 77 percent participate in the plan, a rate which lags behind that of men (82 percent). For both women and men, full-time workers have significantly higher participation rates than those of part-time workers.

Participate in Company's Employee-Funded Retirement Savings Plan
(% indicate "Yes")

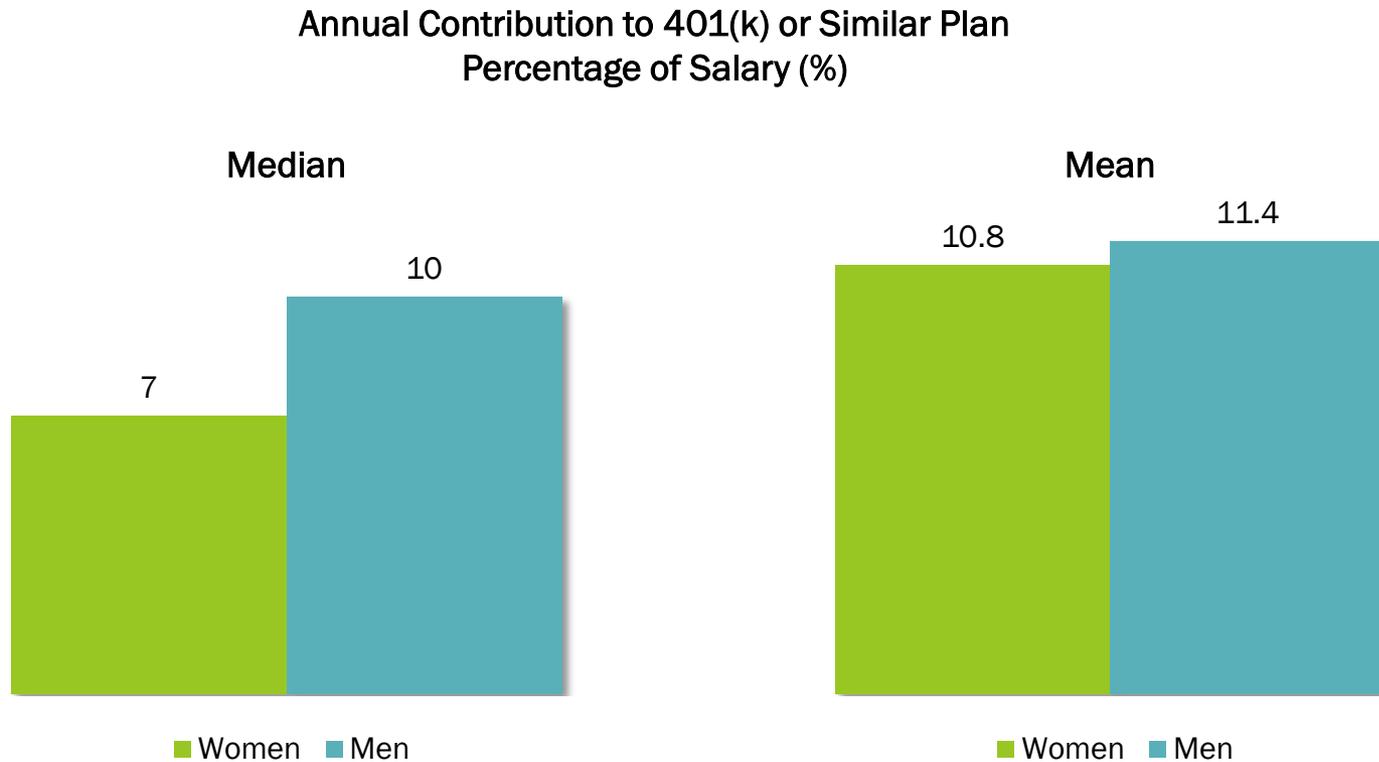


BASE: Workers - Those With Qualified Plans Currently Offered To Them

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

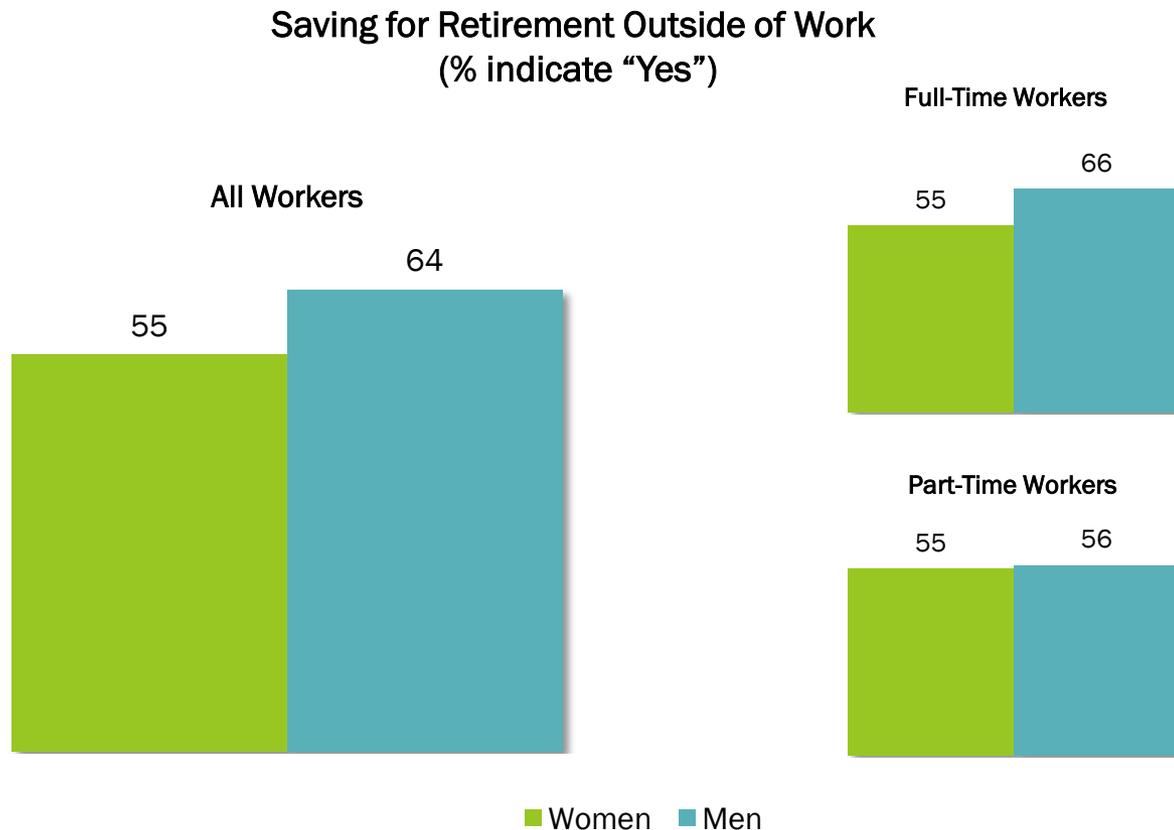
Fact #10. Women's Annual Contributions Lag in 401(k) or Similar Plans

Of those currently participating in their employers' plans, women contribute 7 percent (median) of their annual salary, which is lower than men at 10 percent (median). Looking at the average, women contribute 10.8 percent which is less than men at 11.4 percent.



Fact #11. Most Women Are Saving Outside of Work

More than half of women (55 percent) are saving for retirement outside of work, a lower percentage than that of men (64 percent). The proportion who save is similar for women who work full-time or part-time (55 percent). However, it is different for men who work full-time (66 percent) or part-time (56 percent).



Fact #12. Women Estimate They Will Need \$800,000

Statistically speaking, women live longer than men and, therefore, they need to save more to support their extended post-work, retirement years. However, the survey found that women's estimated retirement savings needs (\$800,000 median) are less than men's (\$1,000,000 median).

Amount Need to Save to Feel Financially Secure in Retirement	Women	Men
Less than \$100k	13%	8%
\$100k to \$499k	19%	20%
\$500k to \$999k	21%	20%
\$1m to \$1.99m	21%	23%
\$2m or more	26%	29%
Median	\$800,000	\$1,000,000

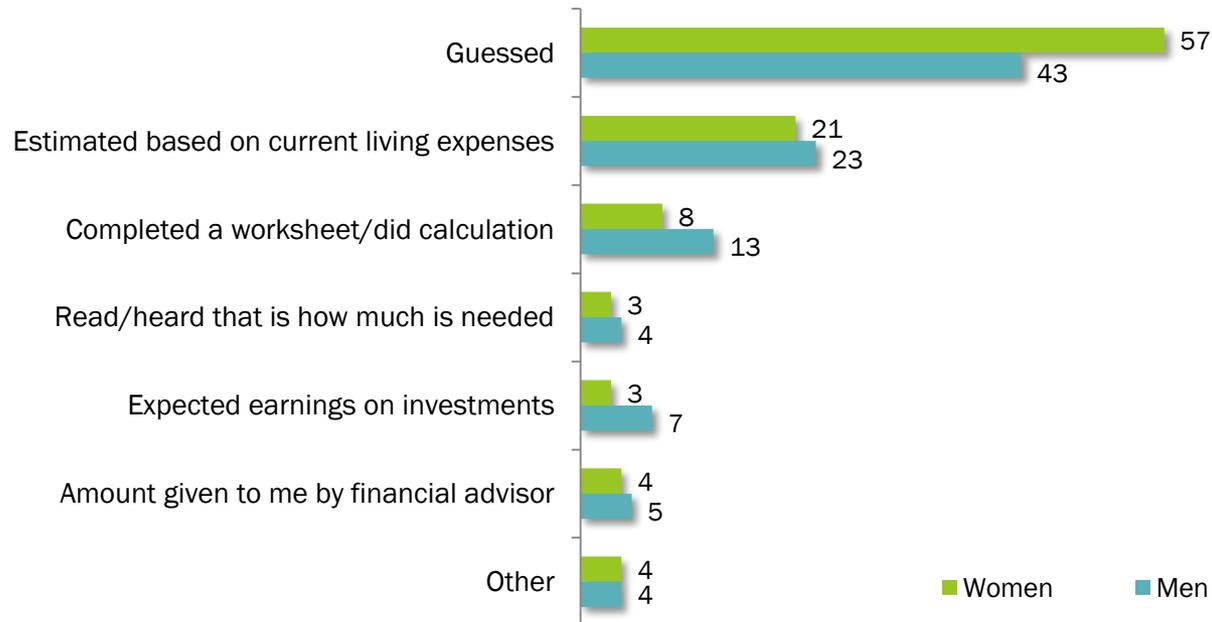
BASE: Workers - All Qualified Respondents

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?

Fact #13. Women Are Guessing Their Retirement Savings Needs

Among women who estimated their retirement savings needs, the majority (57 percent) say they “guessed.” Only eight percent said they had completed a worksheet/done a calculation. And only four percent had the amount provided by a financial advisor.

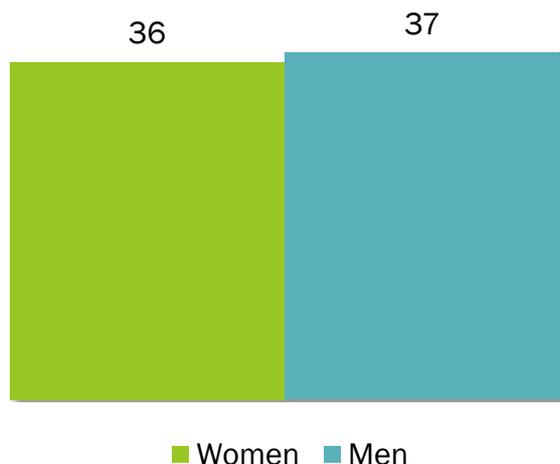
Basis of Estimated Retirement Savings Needs



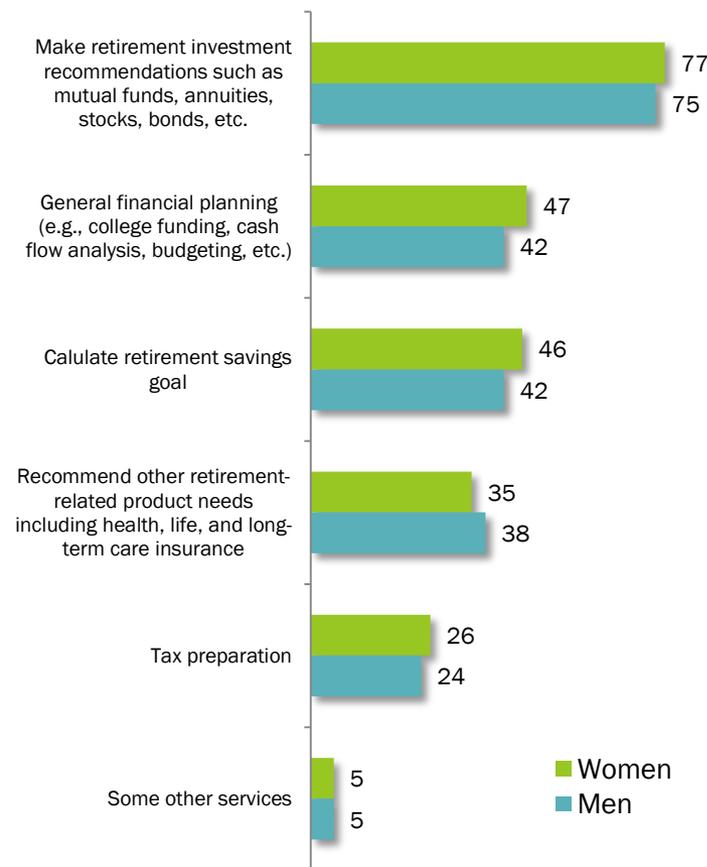
Fact #14. Some Women Use Professional Advisors

Only 36 percent of women report using a professional financial advisor. Of those who do, most use a financial advisor to make retirement investment recommendations (77 percent) and nearly half (46 percent) to calculate retirement savings goal.

Use a Professional Financial Advisor
(% Indicate "Yes")



Advisor Services



BASE: Workers - Investing For Retirement

Q860. Do you use a professional financial advisor to help manage your retirement savings or investments?

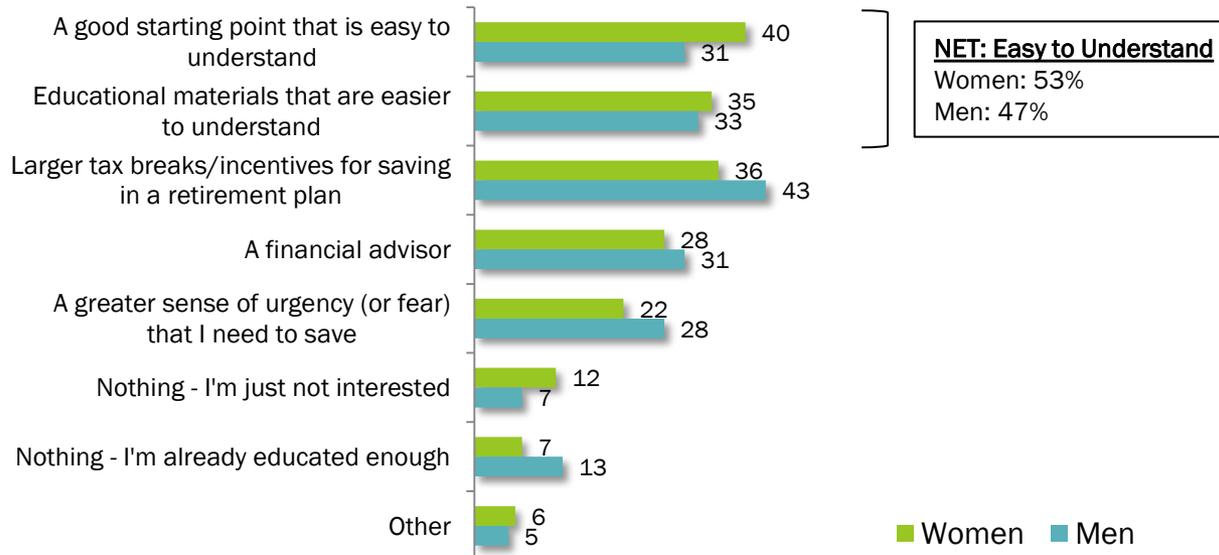
BASE: Workers - Use Financial Advisor

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

Fact #15. Women Want Information That Is Easier to Understand

The greatest motivator for women to learn more about saving and investing for retirement: make it easier to understand. The majority of women (53 percent) would like educational materials that are easier to understand and/or a good starting point that is easy to understand. While the underlying reasons are unclear why women want educational materials to be easier to understand (compared to men), it highlights a strong need for organizations providing educational materials to assess their effectiveness and, moreover, it identifies an opportunity for women to continue to speak out so their needs are heard.

Motivations to Learn More about Retirement Savings



Seven Tips for Women to Take Charge of Their Retirement

The good news for women – and men – is that small steps can lead to a giant leap in retirement preparedness. How each woman ultimately plans on spending her retirement is unique, but the tools to help achieve retirement readiness are common to all. Seven tips for women to create a retirement strategy:

1. Develop a retirement strategy and write it down. Envision your future retirement, formulate a goal for how much you will need to save each year (be sure to include employer-sponsored retirement plans and outside savings), and factor in living expenses, health care needs, long-term care, and government benefits. When facing life's important decisions about whether to reduce work hours or take time out of the workforce to be a parent or caregiver, carefully consider the financial trade-offs and options to help mitigate the impact on long-term security.
2. Calculate your retirement savings needs – and save at a level to achieve those needs.
3. Consider retirement benefits as part of your total compensation. If your employer doesn't offer you a retirement plan, ask for one.
4. If your employer offers a retirement plan, participate. Be sure that your annual salary deferral takes full advantage of employer matching contributions, if available. Contribute as much as you can. If you decide against maximizing annual salary deferrals in the plan, be sure to save for retirement outside of work. If age 50 or older, consider making Catch-Up Contributions.
5. Get educated about retirement investing. Seek professional assistance if needed. Learn about Social Security and Medicare. Learn about possible ways to help make savings last longer including when to take withdrawals from retirement accounts to minimize taxes and penalties. Take advantage of the Saver's Credit if eligible.
6. Have a backup plan in the event you are unable to work before your planned retirement. Identify potential cost-cutting lifestyle changes such as moving to a smaller home or taking on a roommate(s) and consider insurance products such as disability insurance and life insurance.
7. Importantly, talk about retirement with family and close friends. An open dialogue with trusted loved ones about expectations of either needing to provide or receive financial support should be part of every woman's retirement strategy.

Appendix

About the Author

Catherine Collinson serves as President of the Transamerica Institute® and Transamerica Center for Retirement Studies®, and is a retirement and market trends expert and champion for Americans who are at risk of not achieving a financially secure retirement. Catherine oversees all research and outreach initiatives, including the Annual Transamerica Retirement Survey.

With over 15 years of retirement services experience, Catherine has become a nationally recognized voice on retirement trends for the industry. She has testified before Congress on matters related to employer-sponsored retirement plans among small business, which featured the need to raise awareness of the Saver's Credit among those who would benefit most from the important tax credit. Catherine is regularly cited by top media outlets on retirement-related topics. Her expert commentary has appeared in major publications, including: The Wall Street Journal, U.S. News & World Report, USA Today, Money, The New York Times, The Huffington Post, Kiplinger's, CBS MoneyWatch, Los Angeles Times, Chicago Tribune, Employee Benefits News and HR Magazine. She has also appeared on PBS' "Nightly Business Report," NPR's "Marketplace" and CBS affiliates throughout the country. Catherine speaks at major industry conferences each year, having appeared at events hosted by organizations including PSCA, LIMRA and PLANSPONSOR. She also authors articles published in leading industry journals, such as ASPPA, SPARK and PSCA.

She is currently employed by Transamerica Retirement Solutions Corporation and as Senior Vice President of Strategic Planning. Since joining the organization in 1995, she has been instrumental in identifying and evaluating short- and long-term strategic growth initiatives, developing business plans and building infrastructure to support the company's high-growth strategy.

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 & Methodology

- Since 1998, the Transamerica Center for Retirement Studies® has conducted a national survey 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 15th Annual Retirement Survey for Transamerica Center for Retirement Studies. Transamerica Center for Retirement Studies is not affiliated with Harris Poll.
- A 22-minute, online survey was conducted between February 21 – March 17, 2014 among a nationally representative sample of 4,143 workers including 2,172 women and 1,971 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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