



25 Facts About Women's Retirement Outlook... and 10 Steps to Improve It

Select Findings from the 25th Annual
Transamerica Retirement Survey

25 Facts About Women's Retirement Outlook

Today's women are better educated and enjoy career opportunities that were unimaginable half a century ago. Despite this progress, women continue to lag men when it comes to saving, investing, and planning for retirement. A woman's path to a secure retirement is filled with financial obstacles, such as lower pay and having to take time out of the workforce for parenting and caregiving, which can negatively impact her long-term financial security. Statistically, women live longer than men, which highlights the importance of proactive planning and saving.

Findings from nonprofit Transamerica Center for Retirement Studies' 25th Annual Retirement Survey reveal the challenges women face — and the actions they can take to improve their long-term financial security.

These 25 facts illustrate the challenging retirement outlook of women workers:

- 1 Women's retirement dreams include travel (69%), spending more time with family and friends (61%), pursuing hobbies (49%), working (30%), volunteering (26%), and taking care of grandchildren (23%).
- 2 The "greatest" retirement fears among women include outliving their savings and investments (44%), Social Security being reduced or ceasing to exist in the future (43%), declining health that requires long-term care (43%), not being able to meet the basic financial needs of their family (38%), and cognitive decline, dementia, and/or Alzheimer's disease (34%).
- 3 More than four in 10 women (43%) are currently and/or have previously served as caregivers during their working careers. Among them, 85% have made work adjustments due to caregiving.
- 4 Women's top-cited financial priorities include saving for retirement (53%), building emergency savings (45%), paying off credit card debt (39%), saving for a major purchase or life event (37%), and just getting by to cover basic living expenses (36%).
- 5 Women have only \$3,000 in emergency savings (median) to cover unexpected major financial setbacks.
- 6 Seventy-three percent of women are saving for health care expenses, including those who are saving through an individual account (51%), a health savings account (31%), a flexible spending account (19%), and/or other (4%).
- 7 Only 18% of women are "very confident" that they will be able to fully retire with a comfortable lifestyle.
- 8 More than one in four women (27%) expect Social Security to be their primary source of retirement income.
- 9 Seventy-seven percent of women are concerned that Social Security will not be there for them when they are ready to retire.
- 10 Most women (79%) are saving for retirement at work and/or outside the workplace.
- 11 Women who work full time are more likely to be offered a 401(k) or similar employee-funded retirement plan than those who work part time (80%, 50%, respectively).
- 12 Among those offered a 401(k) or similar plan, 79% participate, contributing 10% (median) of their salary.
- 13 Thirty-seven percent of women have taken a loan, early withdrawal, and/or hardship withdrawal from their 401(k) or similar plan or IRA.
- 14 Women have \$56,000 in total household retirement savings (estimated median). Baby Boomer women have saved \$165,000, compared with Generation X (\$77,000), Millennials (\$52,000), and Generation Z (\$26,000) (estimated medians).
- 15 Just 16% of women say they have "a lot" of working knowledge about personal finance.
- 16 Women estimate they will need to save \$500,000 (median) to feel financially secure in retirement but, among those providing an estimate, 52% say that they "guessed" their needs.
- 17 Few women (19%) frequently discuss saving, investing, and planning for retirement with family and close friends.
- 18 More than four in 10 women (43%) expect they will need to provide financial support to a family member(s) (other than spouse/partner) while they are retired. Twenty-three percent of women expect to receive financial support.
- 19 One in four women (25%) have a financial strategy for retirement in the form of a written plan.
- 20 Only 32% of women currently use a professional financial advisor.
- 21 Fewer than half of women (44%) are aware of the Saver's Credit, a tax credit for eligible taxpayers who save for retirement in a qualified workplace retirement plan or IRA.
- 22 Women plan to live to age 90 (median) and 15% plan to live to 100-plus. Further, 39% said they are "not sure" of the age they plan to live, which is a reasonable answer but not practical for financial planning.
- 23 Half of women (50%) expect to retire after age 65 or do not plan to retire — and 53% plan to work in retirement. Among women who plan to retire past age 65 and/or in retirement, more cite financial reasons (83%) than healthy-aging reasons (74%).
- 24 Women could be more proactive to ensure they can work as long as they want and need. Just 59% say they are staying healthy, while 53% are focusing on performing well at their current job, and 48% are keeping their job skills up to date.
- 25 Women could be doing more to protect their health. When asked what they do on a consistent basis, women's top responses include eating healthy (55%), getting enough sleep (52%), socializing with family and friends (51%), and exercising regularly (49%). Only 22% of women consider their long-term health when making lifestyle decisions.

10 Steps for Women to Improve Their Retirement Outlook

The journey will be unique for each woman, yet the strategies and tools to help achieve a financially secure retirement are universal. The encouraging news is that small, consistent steps can add up to great strides in retirement preparedness. No matter your age, now is the time for every woman to focus on her future. Recommendations for women to improve their retirement outlook include:

- 1 Assess your current financial situation and create a budget.** Include income, living expenses, paying off debt, and the potential impacts of inflation and higher interest rates. Create financial goals such as building emergency savings, health care savings, and long-term retirement savings.
- 2 Factor employee benefit offerings into your financial planning.** When considering employment opportunities, review the full compensation package (e.g., retirement, health, wellness benefits) offered by your prospective employer. Be sure to include employer contributions to retirement plans and health savings accounts (HSAs) in your analysis. Beware that many employers limit such offerings to full-time employees.
- 3 Begin saving for retirement as early as possible and develop a retirement strategy.** By starting early and saving consistently, even small amounts can add up over a decades-long working life. Utilize online tools provided by your employer's retirement plan provider or other financial services institution to estimate your long-term needs. Create a written financial plan to help you stay on track. Also, take advantage of any matching contributions. Check eligibility for the Saver's Credit, an IRS tax credit for saving for retirement. Seek assistance from a professional financial advisor, if needed.
- 4 Avoid taking loans and early withdrawals from retirement accounts.** Loans and early withdrawals can severely inhibit their long-term growth and jeopardize future financial security. Before tapping into retirement savings, explore all alternatives to determine the best option for short-term needs.
- 5 Anticipate and plan for caregiving and family responsibilities.** Many women provide both hands-on and financial assistance to family members such as parents, children, grandchildren, and relatives with disabilities. When faced with these responsibilities, carefully evaluate any changes to your employment and explore flexible options such as part-time work, remote arrangements, or taking leave — versus giving up your job altogether. This can help protect your long-term financial security.
- 6 Take proactive steps to help ensure that you can work as long as you want and need.** Engage in the evolving workforce by keeping job skills up to date, learning new skills, following employment trends, and networking.
- 7 Stay informed and engaged in your family finances.** Take an active role in family financial decisions, including managing finances, investments, health care savings, and retirement accounts held by you and your spouse. Learn about retirement investing, strategies for drawing down savings, and the optimal time to begin receiving Social Security benefits. Discuss financial planning openly with trusted friends and family.
- 8 Have a backup plan in the event of unforeseen circumstances.** For example, consider situations like separation, divorce, the loss of a partner, or being unable to work before your planned retirement. Build emergency savings and consider appropriate insurance products.
- 9 Safeguard your physical and mental health.** Eat healthy, exercise regularly, get plenty of sleep, manage stress, and keep up with routine physicals and health screenings. Consider health implications when making lifestyle decisions.
- 10 Beware of scams.** Be hypervigilant about suspicious text messages, email, or calls, which are on the rise due to artificial intelligence.

Learn more about women's retirement outlook as well as saving and investing for retirement at www.transamericainstitute.org.

About the Author



Catherine Collinson is the founding CEO and president of nonprofit Transamerica Institute®, and its division Transamerica Center for Retirement Studies®. She is an expert on longevity, retirement, and market trends. She champions Americans who are at risk of not achieving a financially secure retirement. She oversees the organization's research and outreach initiatives, including the Annual Transamerica Retirement Survey.

With three decades of experience, Catherine is regularly cited by top media outlets on aging and retirement related topics, speaks at industry conferences, and authors articles. She has testified before Congress on matters related to employer-sponsored retirement plans among small business, which have featured the need to raise awareness of the Saver's Credit among those who would benefit most from the important tax credit.

In 2024, Catherine received a Lifetime Achievement Award from the Plan Sponsor Council of America for her contributions to the retirement plan industry and dedication to improving retirement outcomes for employees. In 2018, Catherine was recognized an Influencer in Aging by Next Avenue for her work in continuing to push beyond traditional boundaries and change society's understanding of what it means to grow older. In 2016, she was honored with a Hero Award from the Women's Institute for a Secure Retirement (WISER) for her tireless efforts in helping improve retirement security among women.

Catherine serves on the leadership council of the Milken Institute's Center for the Future of Aging, the executive committee of the Defined Contribution Institutional Investment Association's Retirement Research Center, the advisory board of WISER, and the editorial review board of the Retirement Management Journal.

Catherine is employed by Transamerica Corporation. Since joining the organization in 1995, she has held a number of positions and has identified and implemented short- and long-term strategic initiatives, including the founding of the nonprofit Transamerica Institute and its Transamerica Center for Retirement Studies.

Catherine earned her Bachelor of Arts degree in British and American literature at Scripps College, Claremont, California, and her Master of Business Administration at the University of California, Irvine.

About Transamerica Center for Retirement Studies®

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About This Fact Sheet and the 25th Annual Transamerica Retirement Survey

This Fact Sheet was derived from the report, *25 Facts About Women's Retirement Outlook*, which can be found at www.transamericainstitute.org.

The analysis contained in *25 Facts About Women's Retirement Outlook* was prepared internally by the research team at Transamerica Institute and TCRS. It is based on an online survey conducted within the U.S. by The Harris Poll on behalf of Transamerica Institute and TCRS between September 11 and October 17, 2024, among a nationally representative sample of 10,009 adults and an oversample of 2,008 workers in a for-profit company employing one or more employees. The data in this press release is shown for a subsample of 5,493 workers in a for-profit company employing one or more employees including 2,489 women and 2,960 men. Data was weighted where necessary for age by gender, race/ethnicity, region, education, marital status, household size, household income, and smoking status. Respondents were selected from among those who have agreed to participate in our surveys. The sampling precision of Harris online polls is measured by using a Bayesian credible interval and the worker sample data is accurate to within ±1.7 percentage points using a 95% confidence level. This credible interval will be wider among subsets of the surveyed population of interest. Percentages are rounded to the nearest whole percent.