

# 10th Annual Transamerica Retirement Survey – Full-Time & Part-Time Workers

Transamerica Center for Retirement Studies

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# Objectives, Methodology, Respondent Profile

# Objectives

- The Transamerica Center for Retirement Studies is a non-profit corporation dedicated to educating the public on emerging trends surrounding retirement security in the United States. Its research emphasizes employer-sponsored retirement plans, issues faced by small to mid-sized companies and their employees, and the implications of legislative and regulatory changes.
- Since 1999 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 Interactive was commissioned to conduct the Tenth Annual Retirement Survey for Transamerica Center for Retirement Studies. Where appropriate, questions were tracked and some new questions were added to investigate new topics of interest. This report represents the findings for workers. Documents for employers and non-profit workers are issued as separate reports.

# Methodology

- A 22 minute, online survey was conducted between December 16, 2008 – January 13, 2009 among a nationally representative sample of 3,466 for-profit workers using the Harris online panel. Respondents met the following criteria:
  - All U.S. residents, age 18 or older
  - Full-time workers or part-time workers
  - Employer size of 10 or more
- 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.
- Significance is tested at 95% confidence level and is indicated throughout the report in the following ways:
  - Significance between sub-groups is identified by the letters A, B, C, D, E, F, G, etc. next to the significantly higher number for that corresponding sub-group.
  - Significance between wave 9 (2007 data) and wave 10 (2008/09 data) is indicated as follows:
    -  = significantly higher than last wave 9 (2007).
    -  = significantly lower than last wave 9 (2007).

# Terminology

*This report uses the following terminology:*

- Small company: a company with 10 to 499 employees
- Large company: a company with 500 or more employees
  
- Echo Boomer: a person born after 1978
- Generation Xer: Born 1965 - 1978
- Baby Boomer: Born 1946 - 1964
- Mature: Born before 1946

# Profile of Respondents

	Full- & Part-time N=3466	Full-Time N=2274	Part-Time N=1192
<b>Gender</b>			
Male	56%	64%	39%
Female	44%	36%	61%
<b>Age</b>			
18 - 19	4%	<1%	13%
20 - 24	7%	3%	15%
25 - 29	9%	10%	8%
30 - 34	10%	13%	5%
35 - 39	14%	18%	6%
40 - 44	9%	11%	5%
45 - 49	15%	16%	12%
50 - 54	10%	12%	8%
55 - 59	9%	9%	10%
60 - 64	6%	6%	8%
65 and over	5%	3%	10%
MEAN	42.3	42.8	41.3
MEDIAN	43	43	42
<b>Ethnicity</b>			
White, non-Hispanic	79%	80%	78%
African American	5%	4%	6%
Hispanic	7%	7%	8%
Asian/Pacific	4%	4%	3%
Other/Mixed	2%	2%	3%
Decline to answer	3%	3%	2%

	Full- & Part-time N=1192	Full-Time N=2274	Part-Time N=1192
<b>Level of Education</b>			
Less than high school graduate	2%	1%	4%
High school graduate	28%	24%	36%
Some college or trade school	30%	27%	37%
College graduate	27%	32%	17%
Some grad. school/grad. degree	13%	16%	6%
<b>Marital Status</b>			
Married	60%	64%	52%
Single, never married	25%	20%	36%
Divorced/widowed/separated	11%	11%	10%
Civil union/domestic partnership	4%	5%	3%
<b>Type of Area Lived In</b>			
Large city	21%	23%	17%
Small city	25%	24%	27%
Suburbs	36%	35%	38%
Rural area	18%	18%	19%

# Profile of Respondents, continued

	Full- & Part-time N=3466	Full-Time N=2274	Part-Time N=1192
<b>HH Income</b>			
Less than \$25,000	6%	3%	13%
\$25,000 to less than \$50,000	16%	14%	21%
\$50,000 to less than \$75,000	19%	20%	19%
\$75,000 to less than \$100,000	15%	16%	12%
\$100,000 to less than \$150,000	19%	23%	12%
\$150,000 or more	10%	13%	4%
Not sure	2%	1%	5%
Decline to answer	12%	10%	14%

<b>HH Amount Saved for Retirement</b>			
Less than \$5,000	14%	12%	19%
\$5,000 to less than \$10,000	6%	6%	5%
\$10,000 to less than \$25,000	6%	7%	5%
\$25,000 to less than \$50,000	8%	10%	5%
\$50,000 to less than \$100,000	10%	13%	5%
\$100,000 to less than \$250,000	10%	11%	7%
\$250,000 or more	14%	16%	11%
Not sure	15%	10%	23%
Decline to answer	17%	16%	19%
MEAN	\$95,338	\$99,848	\$83,795
MEDIAN	\$37,264	\$44,881	\$17,776

<b>Amount in Current Employer's Retirement Plan</b>			
Less than \$5,000	21%	17%	36%
\$5,000 to less than \$10,000	7%	7%	8%
\$10,000 to less than \$25,000	11%	12%	5%
\$25,000 to less than \$50,000	10%	11%	4%
\$50,000 to less than \$100,000	12%	13%	7%
\$100,000 to less than \$250,000	9%	10%	5%
\$250,000 or more	8%	9%	6%
Not sure	8%	7%	13%
Decline to answer	14%	14%	15%
MEAN	\$67,067	\$71,493	\$46,876
MEDIAN	\$18,283	\$24,024	\$2,492

	Full- & Part-time N=3466	Full-Time N=2274	Part-Time N=1192
<b>Occupation</b>			
Professional/Medical/Technical	26%	33%	12%
Clerical/Service/Administration	17%	15%	20%
Managerial or business owner	14%	20%	3%
Sales	15%	11%	23%
Blue-Collar/Production	9%	10%	8%
Teacher/Education	<1%	<1%	<1%
Some other occupation	18%	11%	34%

<b>Company's Primary Business</b>			
Professional services	23%	26%	15%
Service industries	25%	18%	38%
Manufacturing	14%	20%	4%
Transportation/Comm./Utilities	10%	11%	8%
Agriculture/Mining/Construction	3%	4%	2%
Some other type of business	25%	21%	32%

<b>Number of Employees</b>			
<b>10-499 (NET)</b>	<b>46%</b>	<b>47%</b>	<b>44%</b>
10 to 24	12%	11%	16%
25 to 99	17%	17%	15%
100 to 499	17%	19%	13%
<b>500+ (NET)</b>	<b>54%</b>	<b>53%</b>	<b>56%</b>
500 to 999	7%	7%	7%
1,000 or more	47%	46%	49%
MEAN	821	812	837
MEDIAN	556	492	684



# Executive Summary

# Executive Summary

## Worker Confidence

- Worker confidence in their ability to retire comfortably continues to decline. This is especially evident among lower-income workers and women.
- Although 65 continues to be the median expected age for retirement, about two-thirds of workers believe they could work up until this age and still not save enough. This may help explain why 22 percent expect to retire after the age of 70 and 15 percent do not plan to retire at all.
- That said, even though many expect to rely on Social Security during retirement, most workers expect that employee-funded retirement plans will be their primary source of income in retirement.

## 401(k) Contributions...

- Overall, workers continue contributing to their employee-funded plans, despite a lack of confidence in retiring comfortably and a slight decrease in worker satisfaction in their company's retirement plans. Additionally, they rate the importance of being offered a plan by their company as second only to health insurance.
- A key reason some workers do not participate in company-sponsored plans is because they are financially stretched. Wealthy and highly educated workers continue to be the most likely to cite saving for retirement as their greatest financial priority.
- Interestingly, participation has increased among workers with college degrees.
- However, declines in the market and the time that is needed to recover from economic turmoil may have affected some workers' participation. For example, Matures are less likely to participate than they were in 2007.

# Executive Summary

## 401(k) Contributions (*continued*)

- For the first time in the survey's history, more than half of full-time workers would prefer a higher salary over excellent retirement benefits. This is more evident among echo boomers and college graduates compared to those with only a high school diploma or less.
- While workers continue to indicate they do not know as much as they should about retirement investing, knowledge has improved in some areas since 2007. For example, awareness of Catch-up Contributions has increased among Baby Boomers and full-time workers at large companies. Overall awareness is higher for males, those with higher household incomes, and higher levels of education.
- Understanding of asset allocation principles as they relate to retirement has also improved since 2007, but the percentages are still low.
- Among the one-third of workers who changed the asset allocation in their employee-funded plans in the past year, half moved to more conservative investments. Nevertheless, their continued participation is an indication that many workers still consider employer-funded plans as an important part of their retirement planning.
- Lastly, one-third of workers are optimistic about their own personal financial situation in the coming year, even though they are not as hopeful about the state of the U.S economy.

# Executive Summary

## Key Measures by Demographic Groups

- Workers who are most confident in their anticipated retirement are male, have incomes of \$100,000 or more, and at least a college degree.
- They are also more likely to participate in their employee-funded retirement plans and believe they are building a large enough retirement nest egg.

	Gender		Income			Generation				Education			
	Men (A)	Women (B)	< \$50K (C)	\$50K- \$99,999 (D)	\$100K plus (E)	Echo (F)	Gen X (G)	Baby Boomer (H)	Mature (I)	HS or Less (J)	Some College (K)	College Grad (L)	Post Grad (M)
	N=1911	N=1555	N=1094	N=1213	N=697	N=587	N=829	N=1688	N=362	N=475	N=1259	N=1062	N=670
401(k) as primary income source in retirement	49%	35% A	26%	44% C	54% CD	47% HI	51% HI	38% I	16%	28%	38% J	53% JK	64% JKL
Building large enough retirement nest egg (strongly & somewhat agree)	48 B	31	20	38 C	60 CD	40	42	39	47	32	32	51 JK	59 JKL
Confident will retire comfortably (very and somewhat confident)	61 B	45	32	51 C	65 CD	61 GH	51	50	63 GH	45	48	62 JK	69 JK
Participates in plan*	80 B	74	57	77 C	88 CD	57	82 FI	83 FI	69	66	86	89 JK	92 JK
Prefer a higher salary	54	53	55	50	56	66 HI	59 H	43	53 H	49	54	57 J	56
Expect U.S. economy to get better in next year	26 B	19	22	22	25	25	20	24	27	20	25	24	25
Expect own financials to get better in next year	35	31	35	32	34	42 GHI	35 HI	28	25	30	37	34	28

BASE: For Profit – Full and Part-time

\*Indicates percentages are calculated off a reduced base.

# Detailed Findings

## Retirement Benefits Offered...

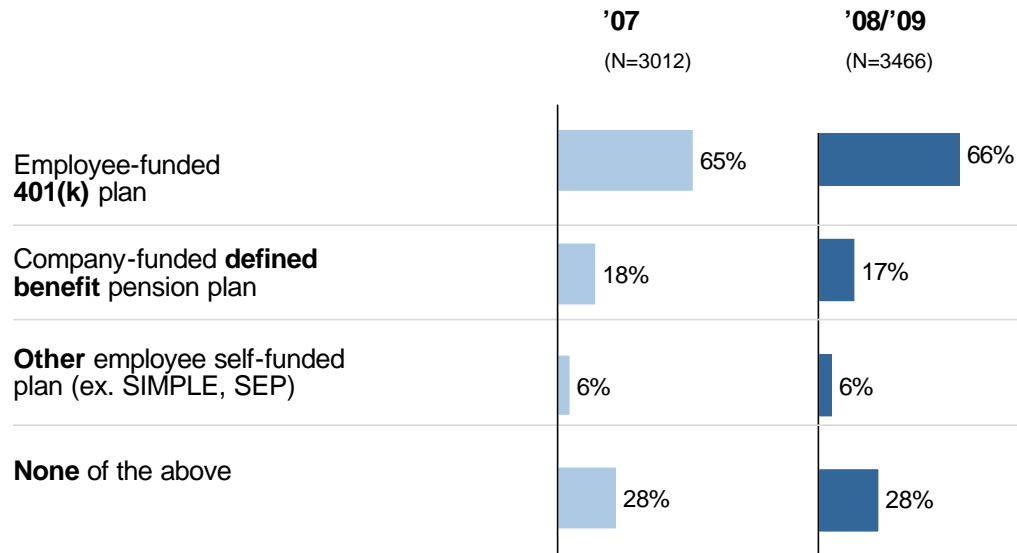
The percentage of workers reporting that they do not receive any retirement benefits remains unchanged.

However, these plans remain less available to workers at small companies, women, and workers with less education or lower household incomes.

# Retirement Benefits Currently Offered

2007-2008/09

- The percentage of full-time and part-time workers offered retirement benefits has remained relatively unchanged from 2007.



BASE: For Profit – Full and Part-time  
Q580. Which of the following retirement benefits does your company currently offer to you, personally? Select all that apply.

# Retirement Benefits Currently Offered

## Company Size

- Just over two-thirds of full and part-time workers are offered employee-funded plans, while fewer than one-in-five are offered defined benefit pension plans.
- Workers at small companies are less likely than their full or part-time counterparts at large companies to be offered employee-funded plans or defined benefit pensions.

	All Companies			Small Company			Large Company		
	Full- & Part-time N=3466 (A)	Part-time N=1192 (B)	Full-time N=2274 (C)	Full- & Part-time N=1714 (D)	Part-time N=578 (E)	Full-time N=1136 (F)	Full- & Part-time N=1752 (G)	Part-time N=614 (H)	Full-time N=1138 (I)
Employee-funded <b>401(k)</b> plan	66% BD	37% E	81% ABF	55% E	22% E	70% DE	76% ADH	48% BE	91% CFGH
Company-funded <b>defined benefit</b> pension plan	17% BD	9% E	21% ABF	9% E	6% E	10% DE	24% ADH	13% BE	31% CFGH
<b>Other</b> employee self-funded plan (ex. SIMPLE, SEP)	6% E	7% E	6% E	6% E	3% E	7% DE	7% I	10% BEGI	5% E
<b>None</b> of the above	28% CG	56% ACH	13% I	38% AFG	73% BDFH	21% CI	19% I	44% GI	5% E

BASE: For Profit, Full and Part-time  
Q580. Which of the following retirement benefits does your company currently offer to you, personally? Select all that apply.



# Benefits Currently Offered

## Gender – Education – Income

- Women, workers with less education, or those with lower household incomes are less likely to be offered employee-funded plans or company-funded pension plans.

	Gender		Education				Income		
	Men N=1911 (A)	Women N=1555 (B)	High School or Less N=475 (C)	Some College or Trade School N=1259 (D)	College Graduate N=1062 (E)	Some Grad. School or Graduate Degree N=670 (F)	Less than \$50,000 N=1094 (G)	\$50,000 - \$99,999 N=1213 (H)	\$100,000 or more N=697 (I)
Employee-funded <b>401(k)</b> plan	71% B	60%	53%	61% C	77% CD	85% CDE	50%	68% G	82% GH
Company-funded <b>defined benefit</b> pension plan	20% B	13%	13%	14%	22% CD	25% CD	10%	18% G	25% GH
<b>Other</b> employee self-funded plan (ex. SIMPLE, SEP)	6%	6%	6%	5%	8% D	9% D	4%	7%	10% G
<b>None</b> of the above	22%	35% A	38% EF	33% EF	17% F	11%	45% HI	23% I	12%

BASE: For Profit, Full and Part-time

Q580. Which of the following retirement benefits does your company currently offer to you, personally? Select all that apply.

## Worker Confidence....

Workers lack confidence in their ability to retire comfortably. This is especially evident among lower-income workers and women.

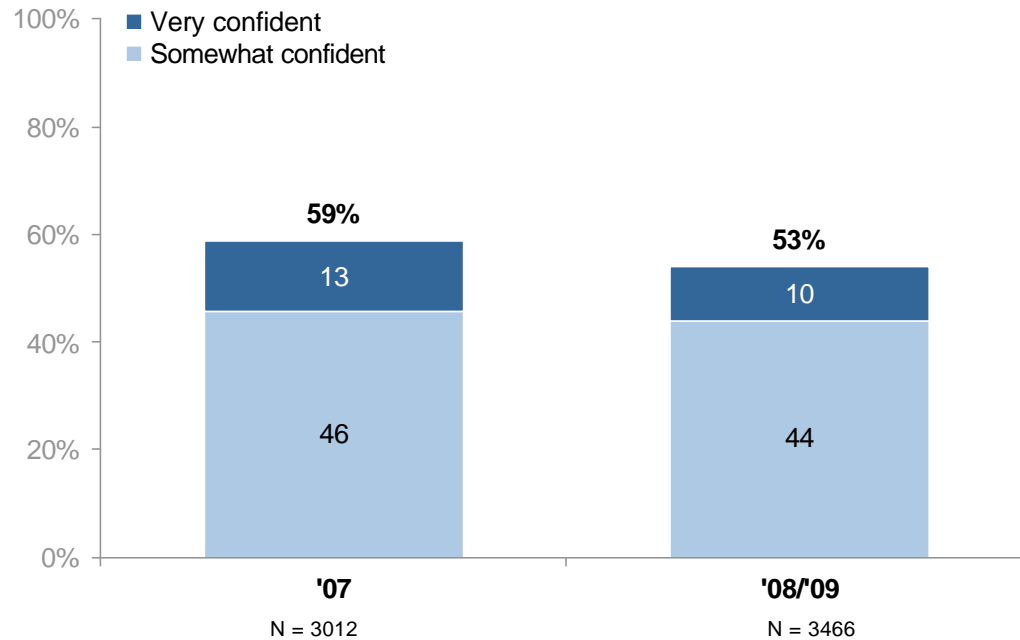
Although 65 is still the median expected age for retirement, about two-thirds of workers believe they could work up until this age and still not save enough for retirement. Thirty-seven percent of workers plan to retire past the age of 70 or not retire at all.

# Confidence in Retiring with Comfortable Lifestyle

2007 vs. 2008/09

- Workers' confidence in retiring with a comfortable lifestyle declined from 2007, although perhaps not as much as might be expected given the market events in the last year.

**Top 2 Box % (Very/Somewhat Confident)**



BASE: For Profit – Full and Part-time

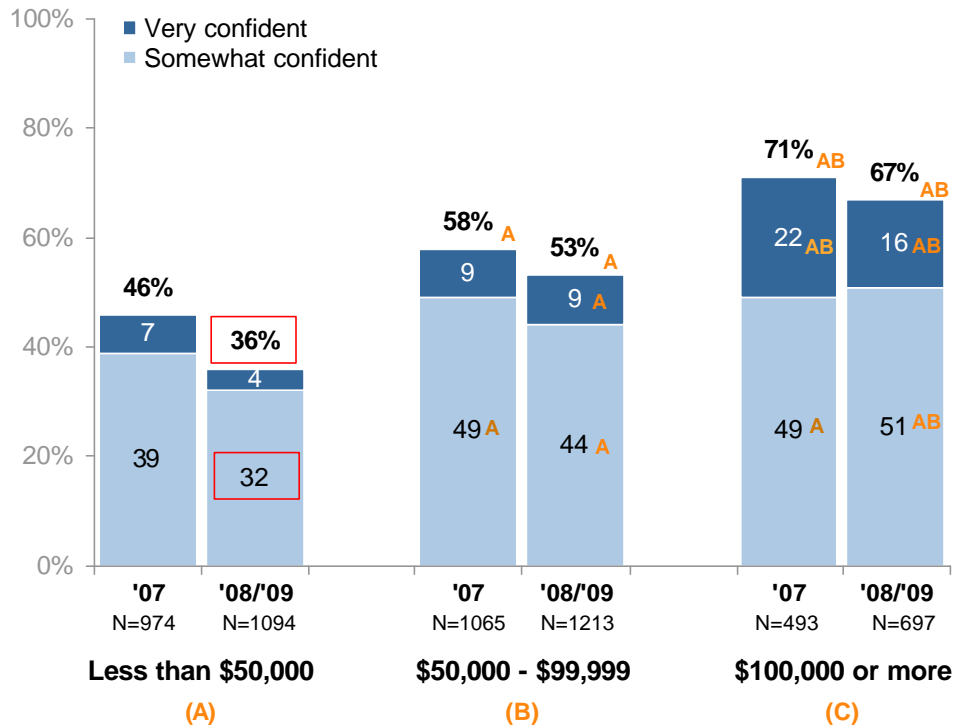
Q880. How confident are you that you will be able to fully retire with a lifestyle you consider comfortable?

# Confidence in Retiring with Comfortable Lifestyle

## Income

- Workers with higher household incomes are more confident they will retire comfortably. However confidence has declined across all levels of household income.

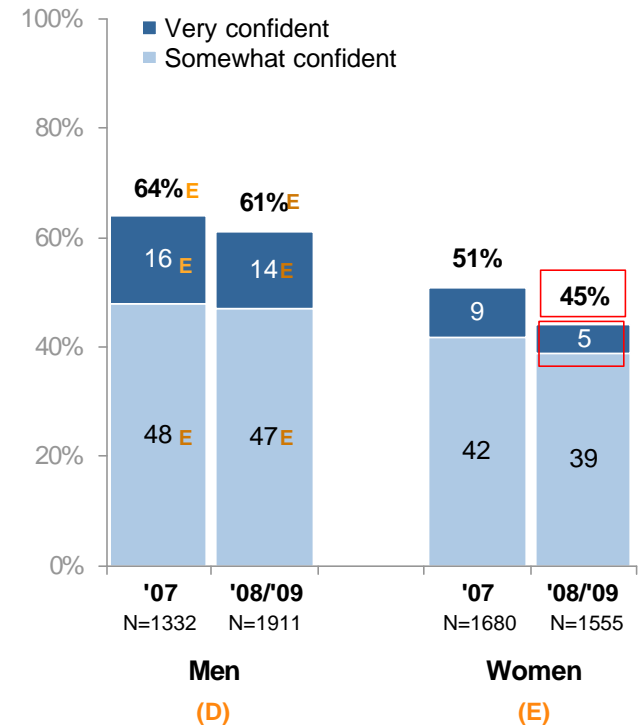
**Top 2 Box % (Very/Somewhat Confident)**



## Gender

- Women's retirement confidence continues to be lower than men.

**Top 2 Box % (Very/Somewhat Confident)**



BASE: For Profit – Full and Part-time

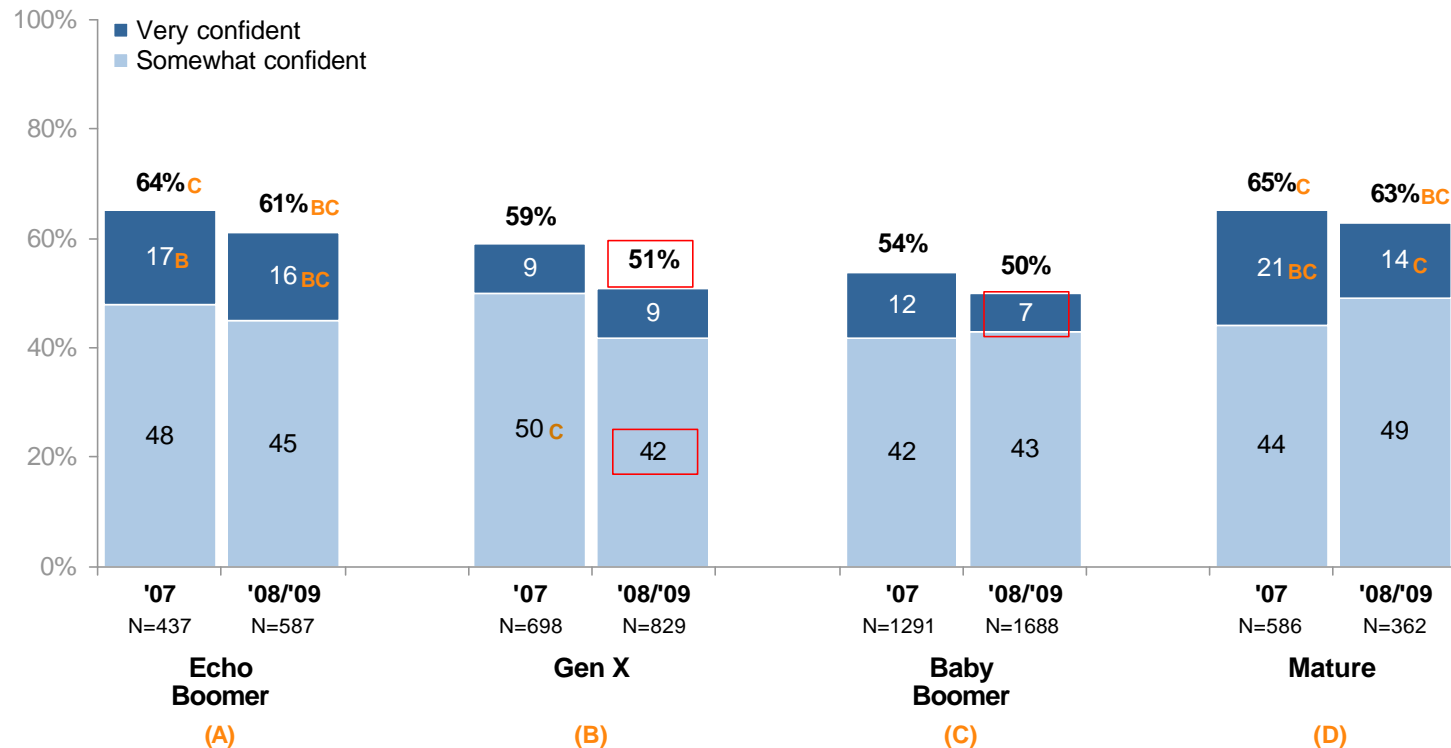
Q880. How confident are you that you will be able to fully retire with a lifestyle you consider comfortable?

# Confidence in Retiring with Comfortable Lifestyle

## Generation

- The youngest and oldest generations are the most confident in retiring comfortably. This may not be surprising given that they will have or have had the most time to save.
- Generation X has had the largest decrease in confidence since 2007.

### Top 2 Box % (Very/Somewhat Confident)



BASE: For Profit – Full and Part-time

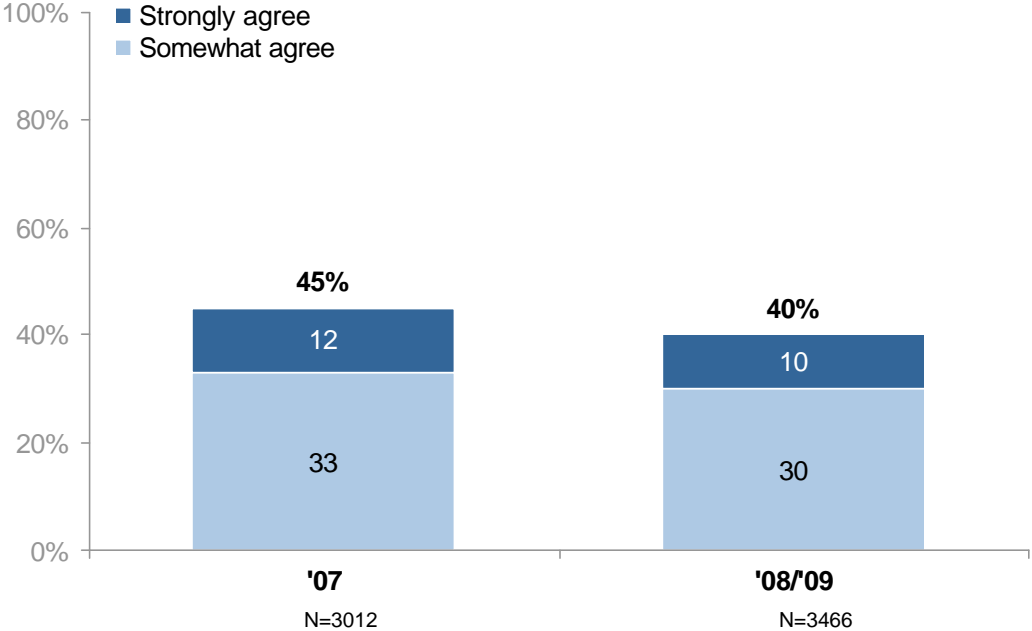
Q880. How confident are you that you will be able to fully retire with a lifestyle you consider comfortable?

# Agreement with Currently Building a Large Enough Retirement Nest Egg

2007-2008/09

- The percentage of workers who agree they are building a large enough retirement nest egg continues to drop.

**Top 2 Box % (Strongly/Somewhat Agree)**



BASE: For Profit – Full and Part-time  
Q800. How much do you agree or disagree that you are currently building a large enough retirement nest egg?

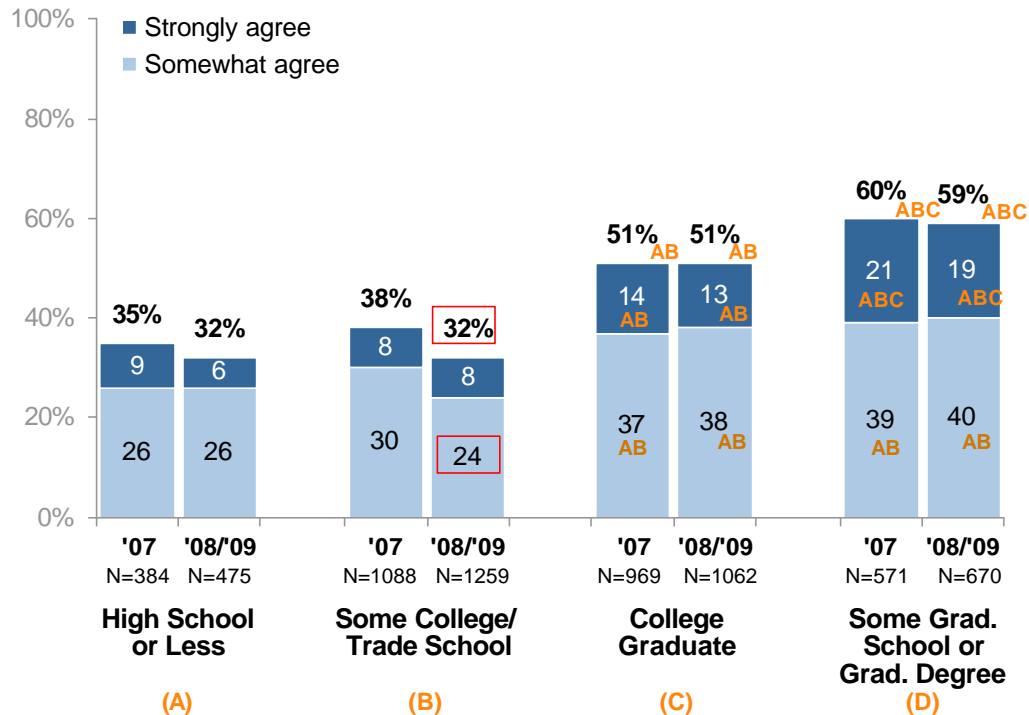
# Agreement with Currently Building a Large Enough Retirement Nest Egg

## Education and Income

- Highly educated workers and workers with HHI of \$100,000+ are more confident that they are building a large enough retirement nest egg.
- Lower income respondents have seen a more significant drop in confidence.

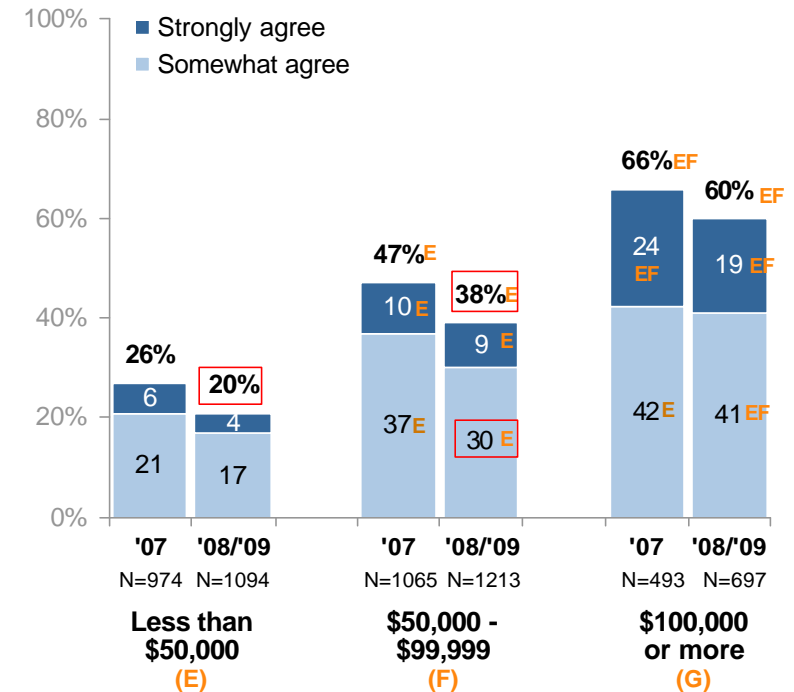
### Education

**Top 2 Box % (Strongly/Somewhat Agree)**



### Income

**Top 2 Box % (Strongly/Somewhat Agree)**



BASE: For Profit, Full and Part-time

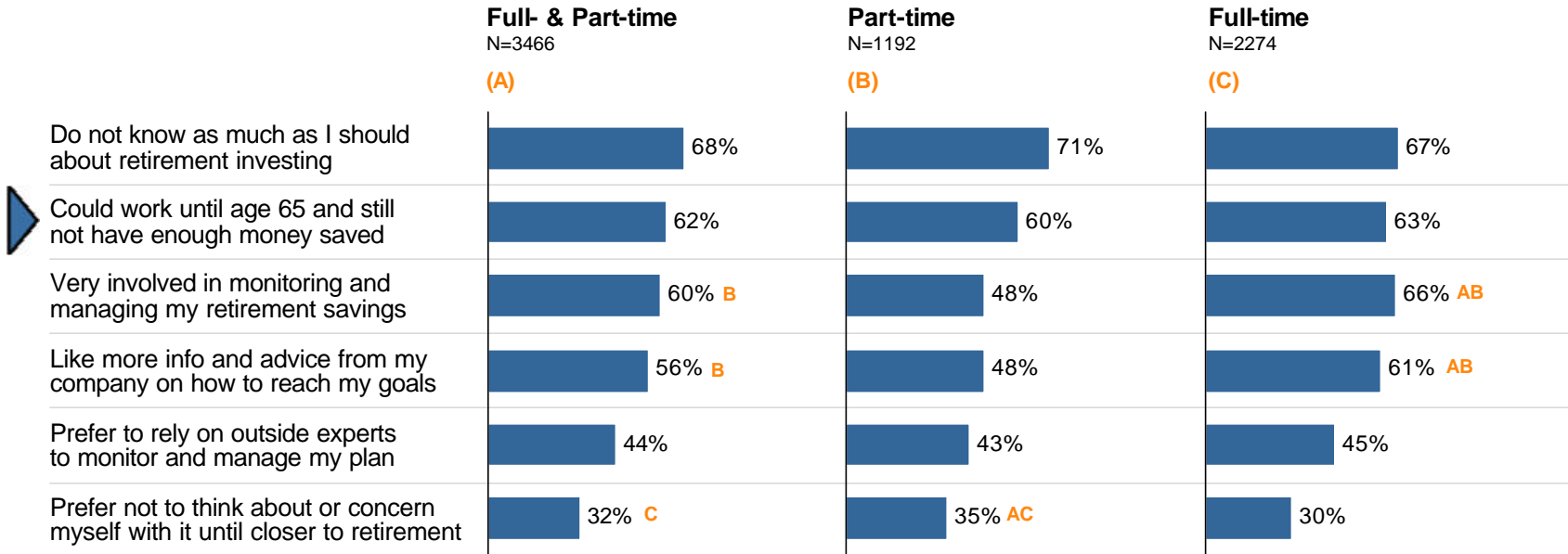
Q800. How much do you agree or disagree that you are currently building a large enough retirement nest egg?

# Agreement with Statements about Retirement Investing

## Full-time vs. Part-time

- About two-thirds of workers agree they could work until age 65 and still not save enough for retirement.

### Top 2 Box % (Strongly/Somewhat Agree)



BASE: For Profit, Full and Part-time

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

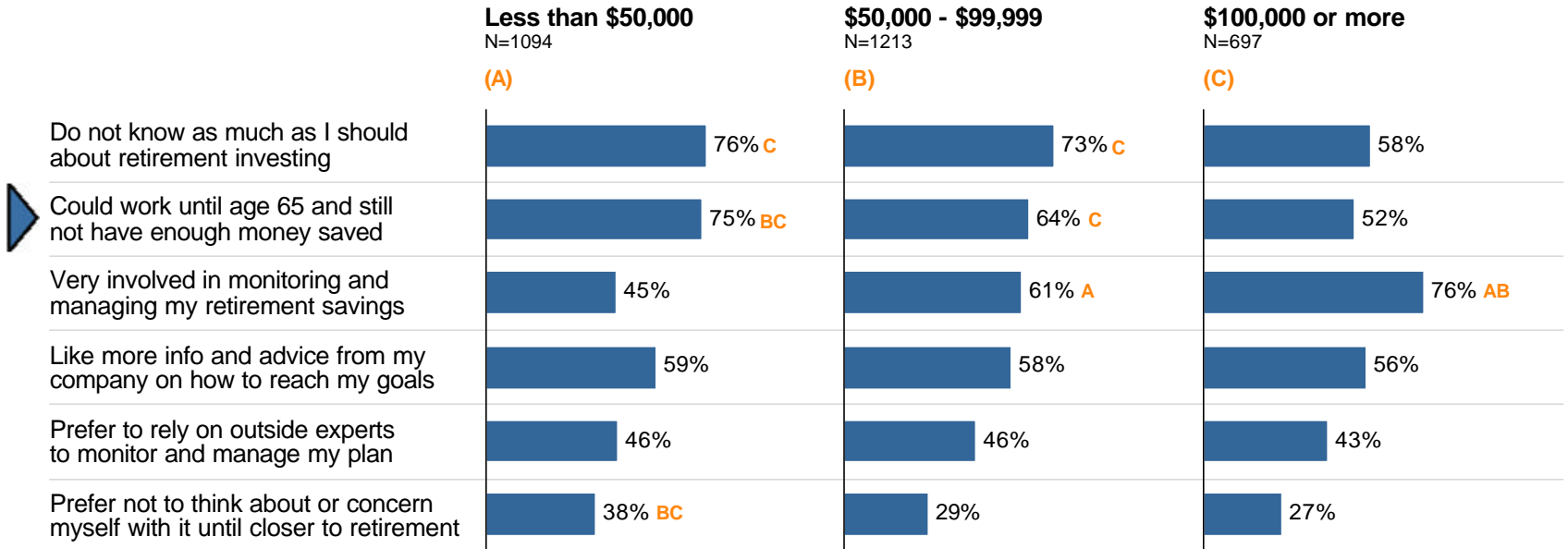


# Agreement with Statements about Retirement Investing

## Income

- More low-income workers agree they could work until age 65 and still not save enough for retirement.

### Top 2 Box % (Strongly/Somewhat Agree)



BASE: For Profit, Full and Part-time

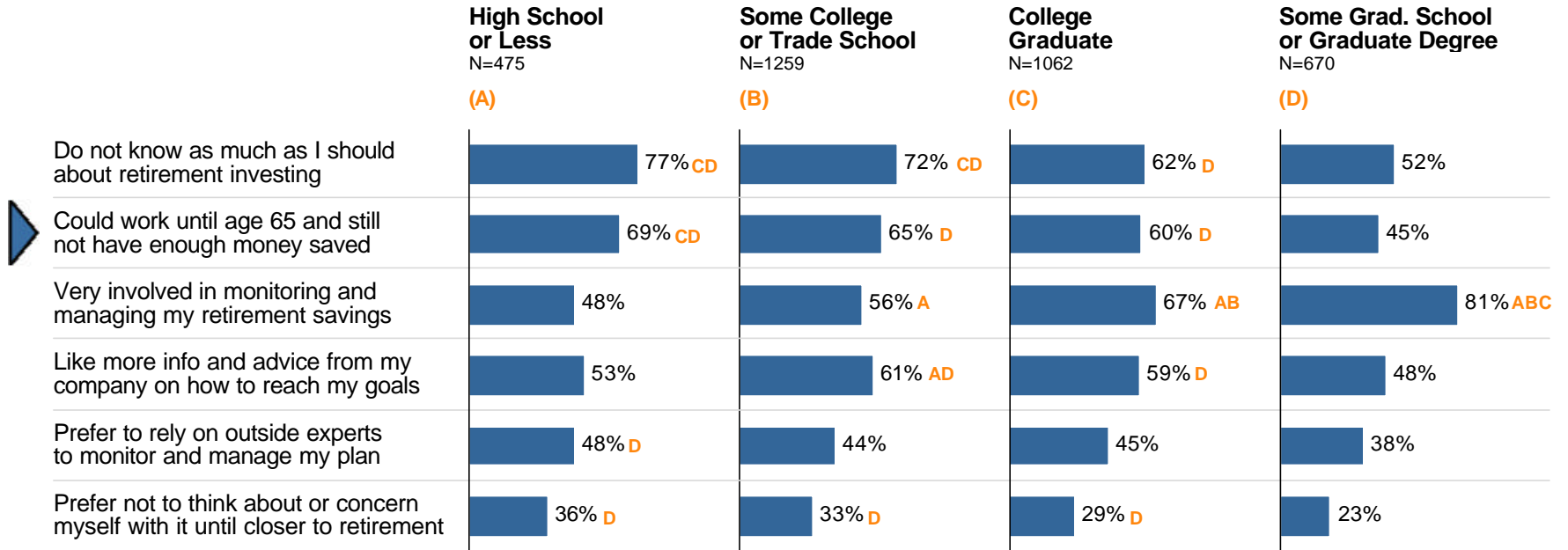
Q930. How much do you agree or disagree with each of the following statements regarding retirement investing?

# Agreement with Statements about Retirement Investing

## Education

- Workers with less education are more likely than those with graduate school educations to agree they could work until age 65 and still not save enough for retirement.

### Top 2 Box % (Strongly/Somewhat Agree)



BASE: For Profit, Full and Part-time

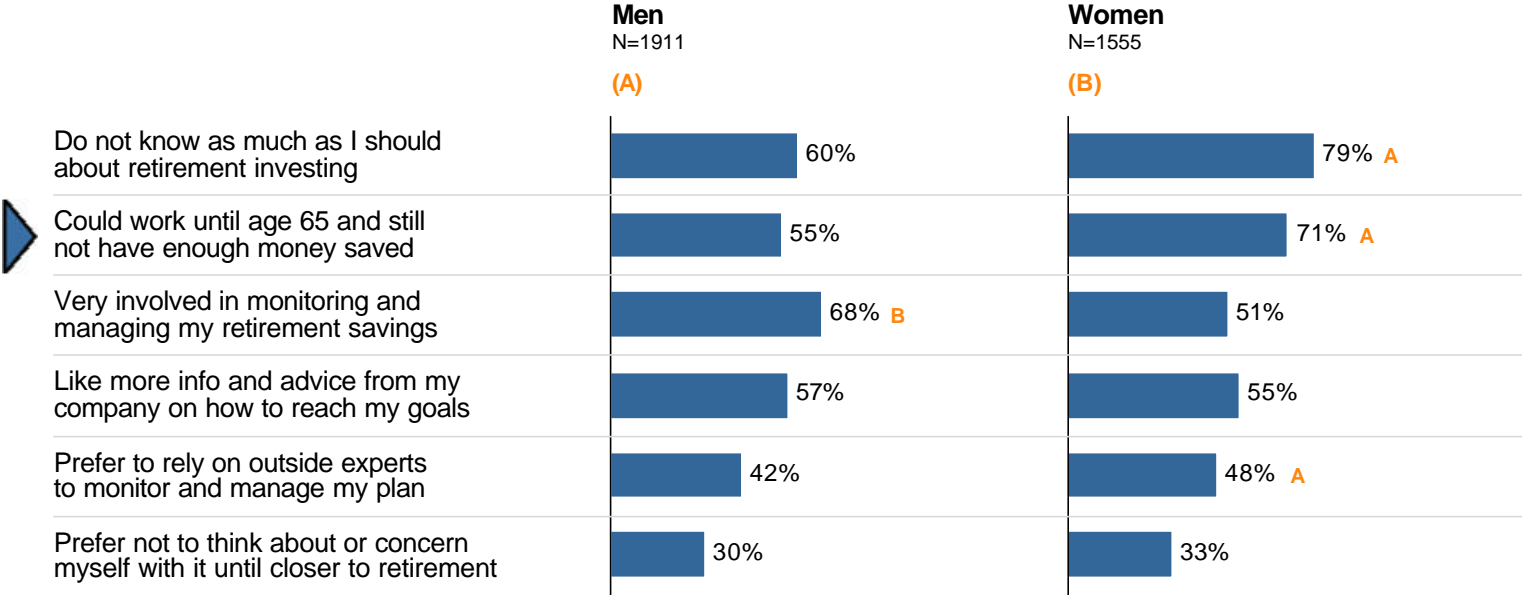
Q930. How much do you agree or disagree with each of the following statements regarding retirement investing?

# Agreement with Statements about Retirement Investing

## Gender

- Women are more likely to agree they could work until age 65 and still not have enough saved for retirement.

### Top 2 Box % (Strongly/Somewhat Agree)



BASE: For Profit, Full and Part-time

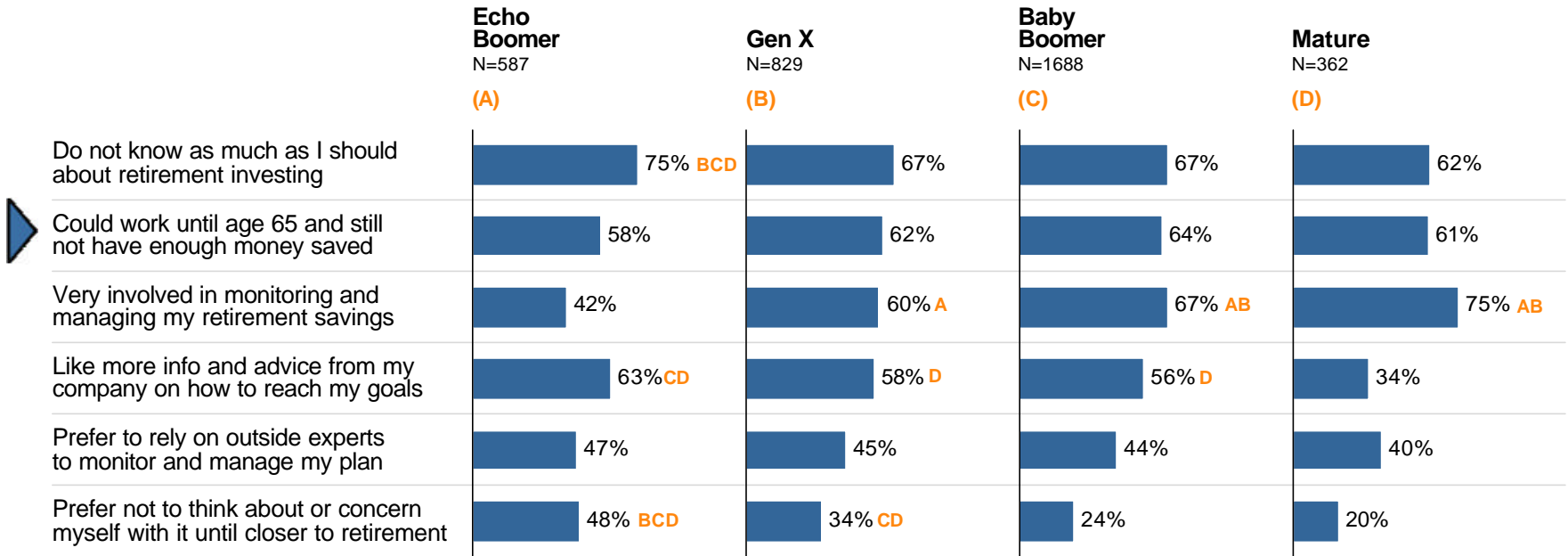
Q930. How much do you agree or disagree with each of the following statements regarding retirement investing?

# Agreement with Statements about Retirement Investing

## Generation

- Across generations, about three-fifths of workers agree they could work until age 65 and still not have enough saved for retirement.
- Somewhat surprisingly this attitude does not differ significantly by generation.

### Top 2 Box % (Strongly/Somewhat Agree)



BASE: For Profit, Full and Part-time

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

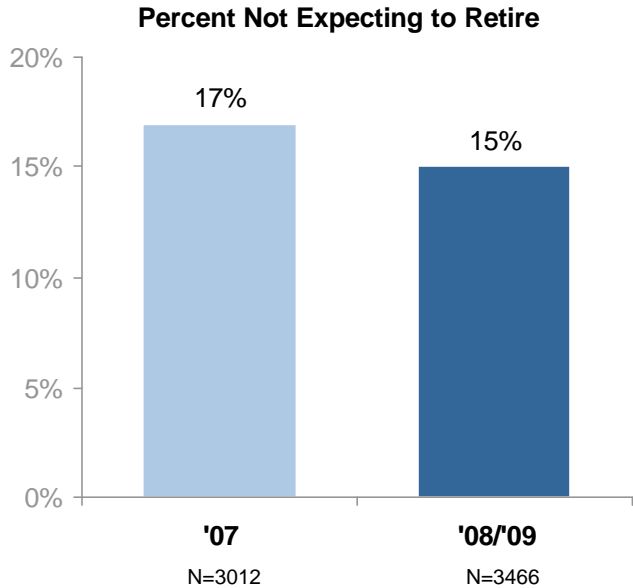
# Age Expect to Retire

## 2007 vs. 2008/09

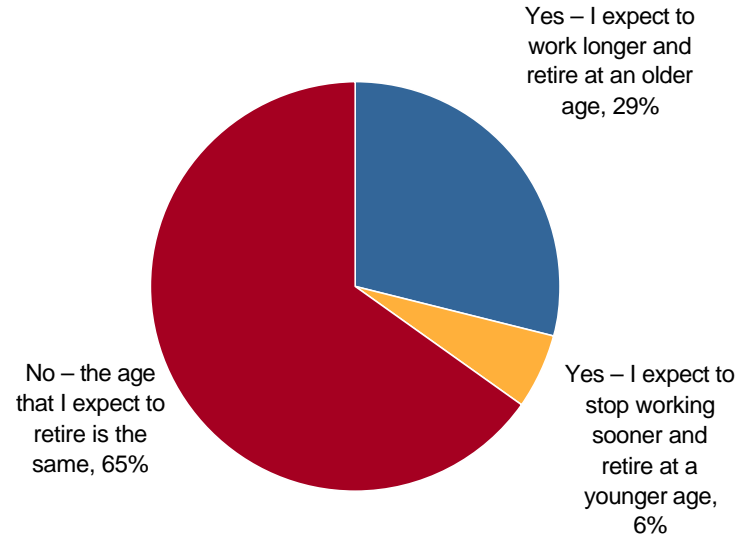
- 65 remains the median expected age for retirement; however 15 percent of workers do not plan to retire.
- About 3-in-10 workers expect to work longer and retire at an older age than they expected one year ago.

Median Age Expected to Retire	
'07	'08/'09
65.0	65.0

N=3012                      N=3466



**Expected Retirement Has Changed in Last 12 Months**  
N=3466



BASE: For Profit – Full and Part-time  
Q910. At what age do you expect to retire?

Q1480. Has the age that you expect to retire changed in the last 12 months?

## 401(k) Participation, Contribution, and Satisfaction Rates...

On the positive side, despite a lack of confidence in retiring comfortably, workers continue to participate and contribute to their employee-funded retirement plans.

Workers' satisfaction with their employee-funded retirement plans has decreased, but perhaps not as much as might be expected given the condition of the market.

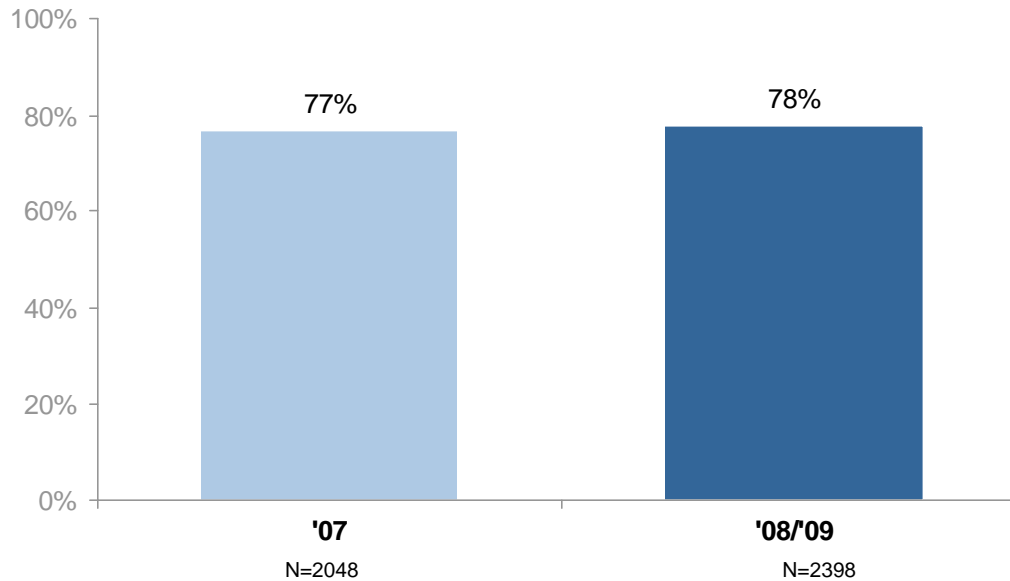
# Participate/Invest in Company's Retirement Plan

Among those with qualified plans currently offered to them

2007-2008/09

- Overall participation in employee-funded retirement plans remains steady from 2007.

## % Indicate "Yes"



BASE: For Profit – Full and Part-time: Those with qualified plans currently offered to them  
Q590. Do you currently participate in, or have money invested in your company's employee-funded retirement savings plan?

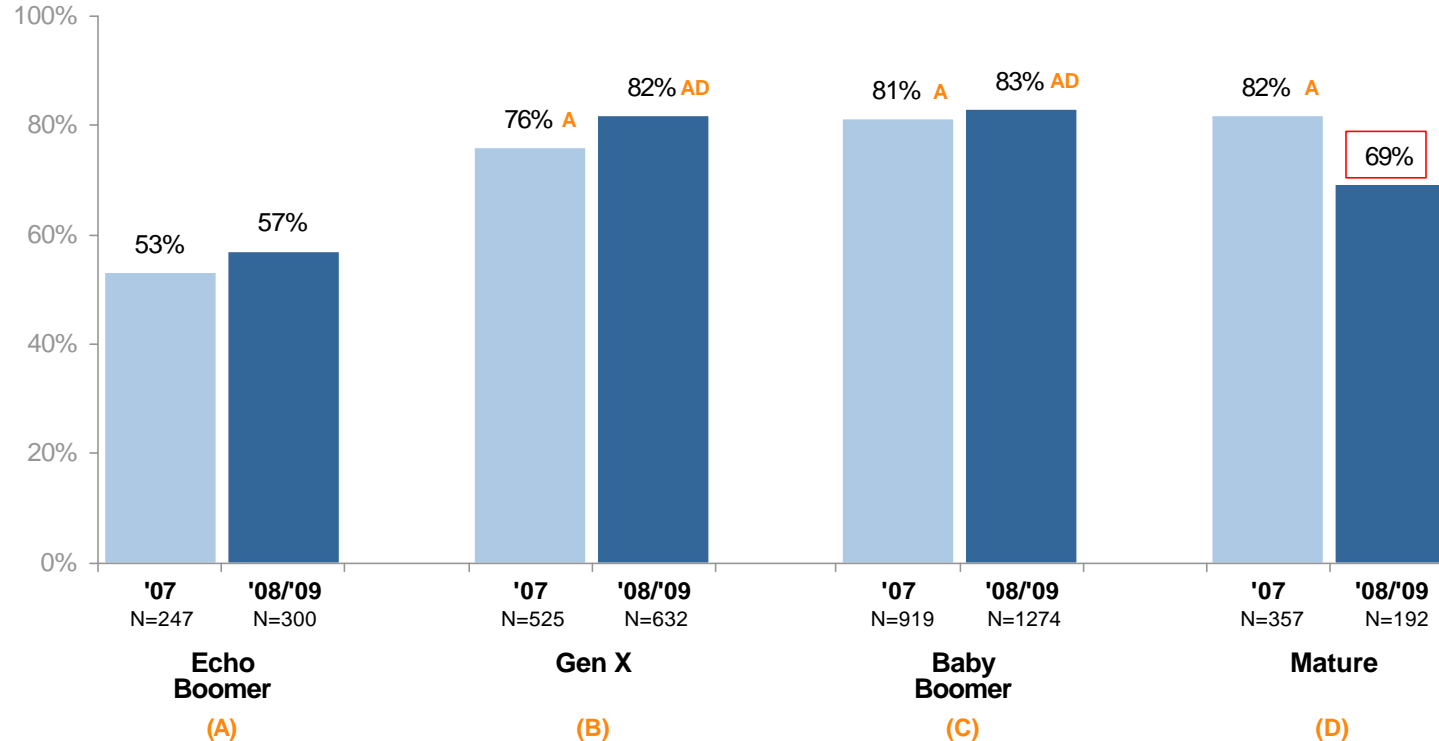
# Participate/Invest in Company's Retirement Plan

Among those with qualified plans currently offered to them

## Generation

- Participation rates have increased slightly within certain groups. However, Echo Boomers are still less likely than other generations to contribute to their employee-funded retirement plans.
- Unlike other generations, Matures show a significant decline in participation.

### % Indicate "Yes"



BASE: For Profit, Full and Part-time: Those with qualified plans currently offered to them  
Q590. Do you currently participate in, or have money invested in your company's employee-funded retirement savings plan?



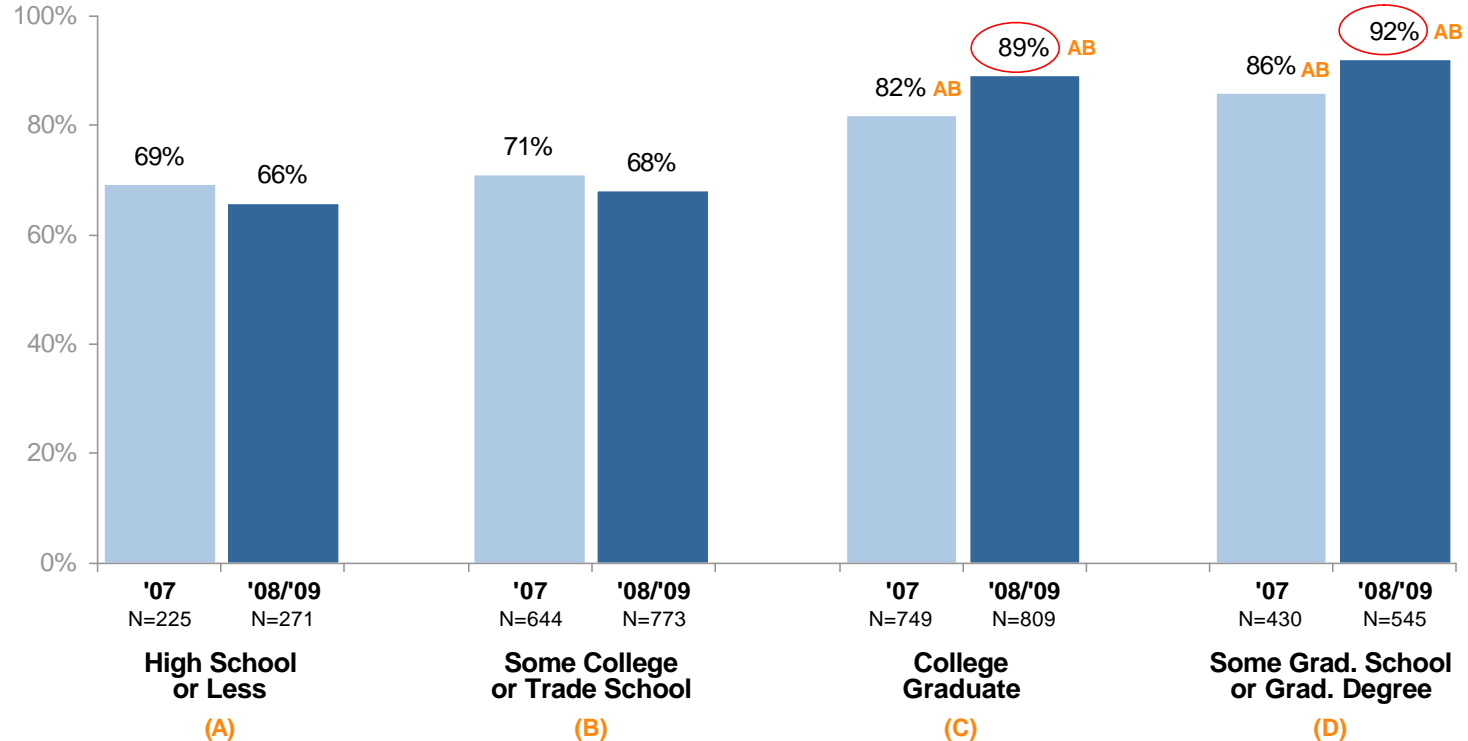
# Participate/Invest in Company's Retirement Plan

Among those with qualified plans currently offered to them

## Education

- Workers with a college degree are more likely to participate in their employee-funded retirement savings plans.
- Their participation has increased since 2007.

**% Indicate "Yes"**



BASE: For Profit, Full and Part-time: Those with qualified plans currently offered to them  
Q590. Do you currently participate in, or have money invested in your company's employee-funded retirement savings plan?

# Percentage of Salary Toward Retirement This Year

Among those currently participating in their qualified plan

## Income

- The percentage of salary that workers contribute to their retirement plan increases with household income.
- The median contribution rate is relatively the same as last year; however the average has decreased slightly.

	Less than \$50,000		\$50,000 - \$99,999		\$100,000 or more	
	(A)		(B)		(C)	
	'07 N=357	'08/'09 N=342	'07 N=634	'08/'09 N=740	'07 N=372	'08/'09 N=540
0-4%	32% <b>BC</b>	37% <b>BC</b>	21% <b>C</b>	25% <b>C</b>	5%	12%
5-8%	33%	30%	38% <b>C</b>	37%	28%	34%
9-12%	20%	20%	24%	21%	29%	23%
13-15%	5%	7%	5%	9%	19% <b>AB</b>	15% <b>AB</b>
16+%	9%	6%	11%	8%	20% <b>AB</b>	16% <b>AB</b>
<b>MEAN</b>	<b>8.9%</b>	<b>7.8%</b>	<b>9.1%</b>	<b>8.3%</b>	<b>13.0%</b>	<b>11.4%<b>AB</b></b>
<b>MEDIAN</b>	<b>6%</b>	<b>5%</b>	<b>6%</b>	<b>6%</b>	<b>10%</b>	<b>10%</b>

BASE: For Profit, Full and Part-time: Those currently participating in their qualified plan  
Q600. What percentage of your salary are you saving for retirement through your company-sponsored plan this year?

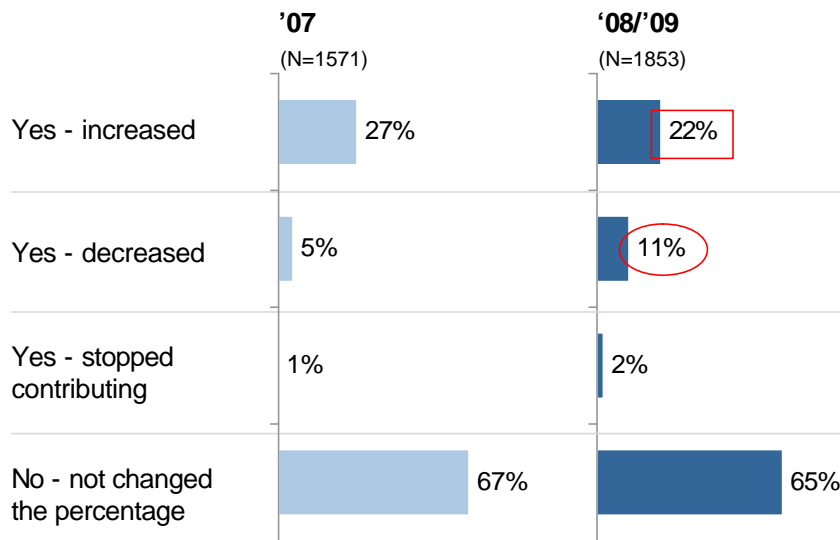
# Changed Percentage of Contribution to Retirement Plan

## Among those currently participating in their qualified plan

2007 and 2008/09

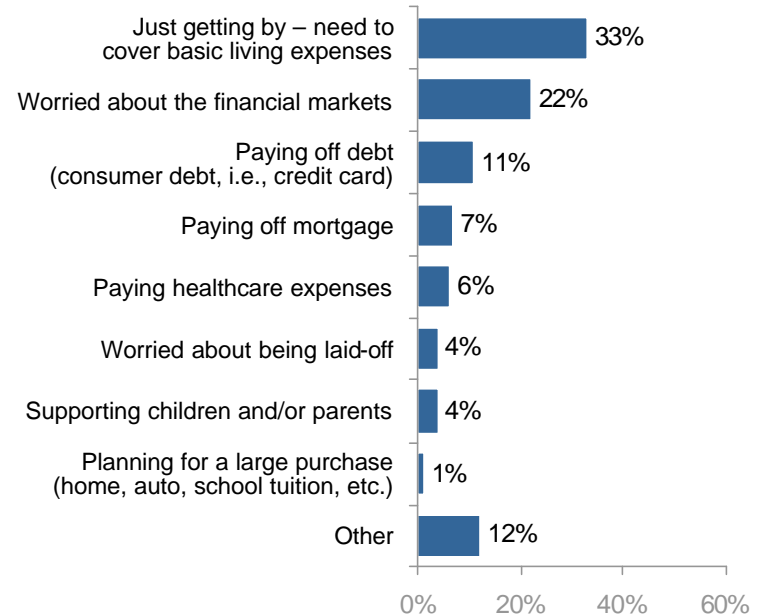
- About one in five workers increased contributions to their employee-funded retirement plan in the last twelve months.
- Eleven percent reported decreasing contributions, primarily due to financial strain and worry about the financial markets.

### Changed Percentage in Last 12 Months



### Primary Reason for Decreasing or Stopping Contribution

N=239



BASE: For Profit – Full & Part-time: Those currently participating in their qualified plan  
 Q640. Have you changed the percentage of your income you put into your employee-funded retirement savings plan in the last twelve months?

BASE: For Profit – Full & Part-time: Decreased / Stopped Contributing  
 Q1450. What is the primary reason you decreased or stopped contributing to your employee-funded retirement savings plan?

# Changed Asset Allocation in Retirement Plan

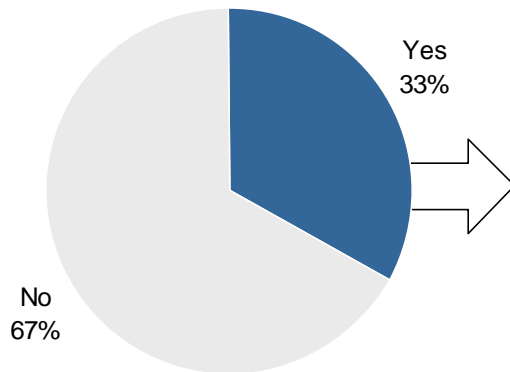
Among those currently participating in their qualified plan

2008/09

- One-third of workers changed their asset allocation in the past year. About half of those who changed their asset allocation moved to more conservative investments.

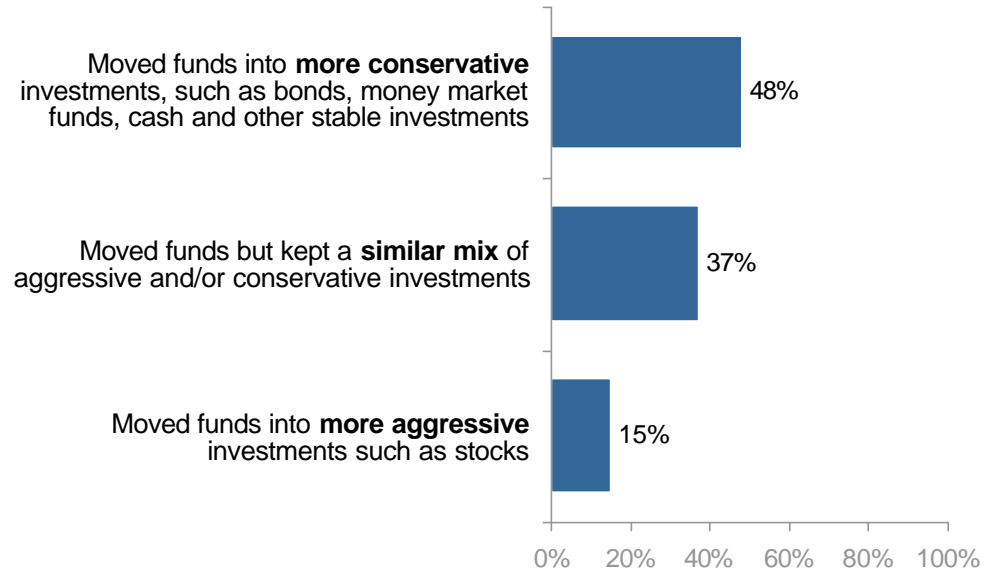
## Changed Asset Allocation in Last 12 Months

N=1853



## How?

N=587



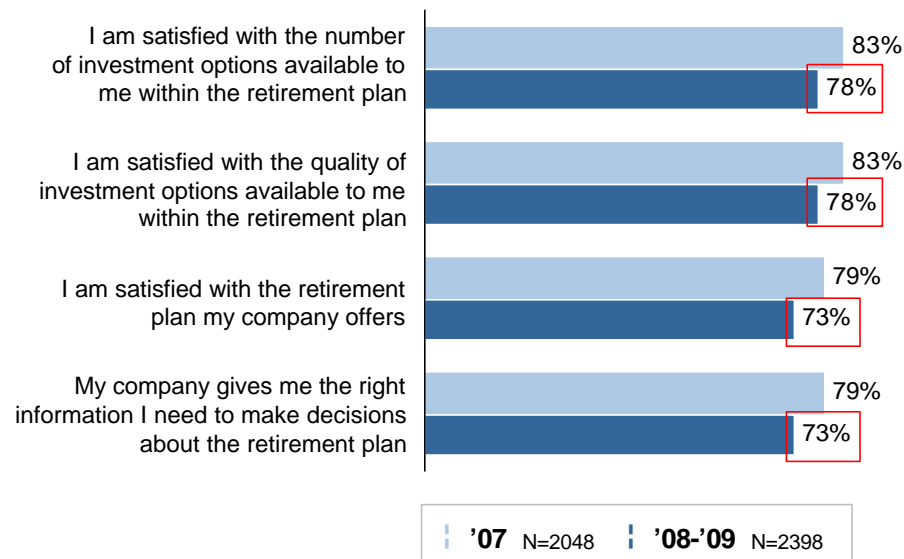
BASE: For Profit – Full & Part-time: Currently participates in their qualified plan  
Q1470. Have you changed your asset allocation within your employee-funded retirement plan in the last 12 months?  
BASE: For Profit – Full & Part-time: Changed asset allocation in last 12 months  
Q1475. In general, how did you change your asset allocation?

# Satisfaction with Retirement Plan

2007-2008/09

- Worker satisfaction in their company retirement plans have slightly decreased, although perhaps not as much as expected given the decline in the market over the last several months.

## Top 2 Box % (Strongly/Somewhat Agree)



BASE: For Profit – Full & Part-time; Those with qualified plans currently offered to them  
Q700 How much do you agree or disagree with the following statements?

## Financial Priorities and Obstacles to Saving for Retirement ...

Being financially stretched remains a major obstacle to saving for retirement.

Full-time workers report paying off debt to be their primary financial priority while part-time workers struggle just to get by.

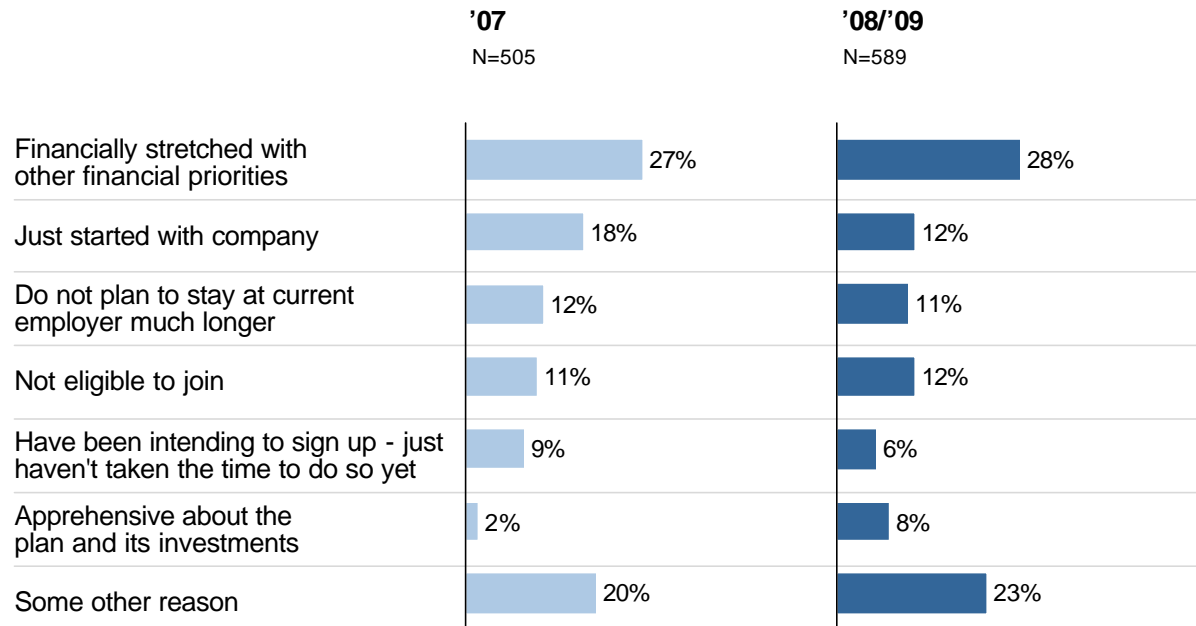
The trend continues, wealthy and highly educated workers are more likely to state that saving for retirement is their greatest financial priority right now.

# Reasons for Not Currently Participating in Plan

Among those not currently contributing to plan

2007 vs. 2008/09

- The most frequently cited reason for not participating in their company's retirement plan is that workers are financially stretched.

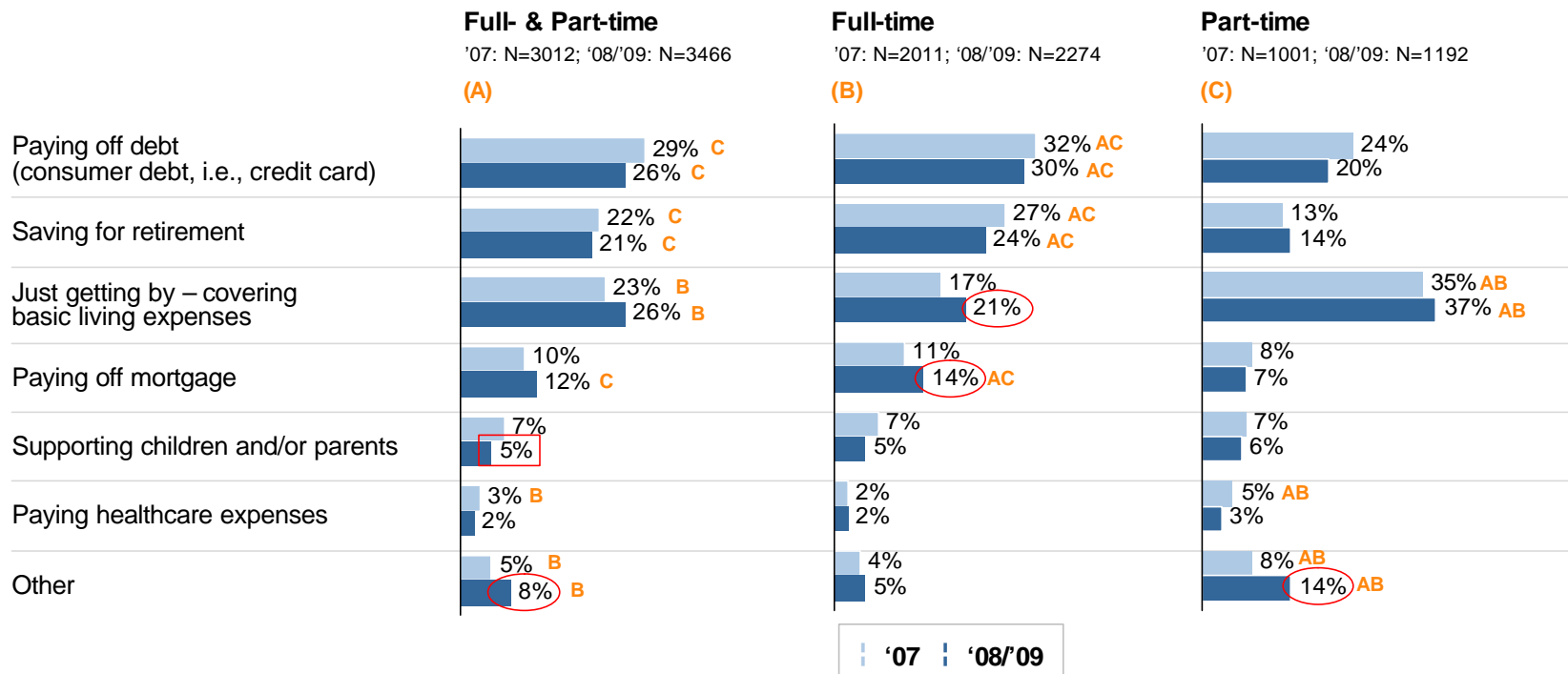


BASE: For Profit – Full & Part-time: Those not currently contributing to plan  
 Q670. Which of the following is the main reason you are not currently participating in your company's retirement plan?

# Greatest Financial Priority

2007 vs. 2008/09

- Full-time workers report paying off debt to be their greatest financial priority, followed by saving for retirement.
- Part-time workers are more likely to state “just getting by” as their greatest financial priority.



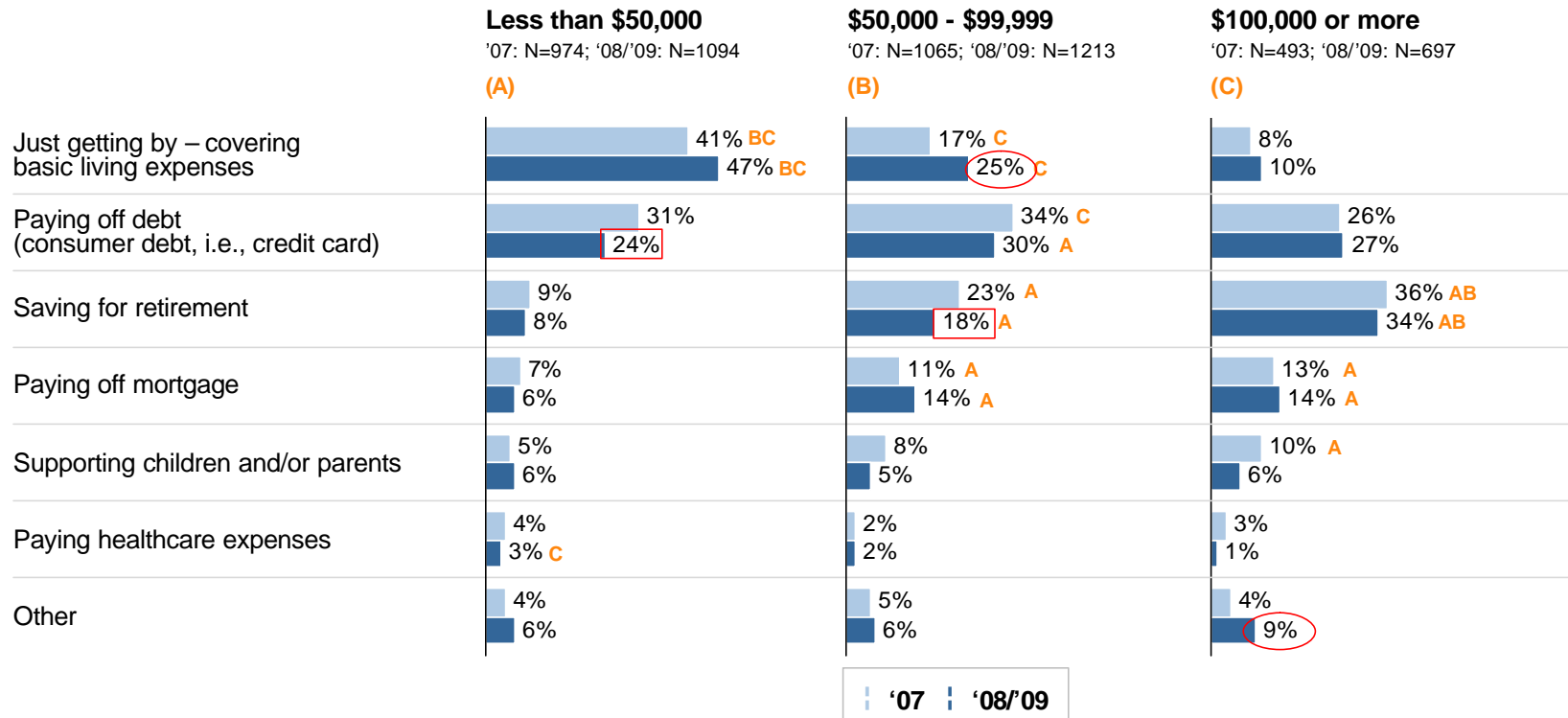
BASE: For Profit, Full and Part-time  
Q500. Which one of the following is your greatest financial priority right now?



# Greatest Financial Priority

## Income

- Fewer workers with household incomes of \$50,000 to \$99,999 cite saving for retirement than last year. More cite just getting by - covering basic living expenses.
- Among workers with household incomes under \$50,000, fewer cite paying off debt than in 2007 while more are just getting by – covering basic living expenses.



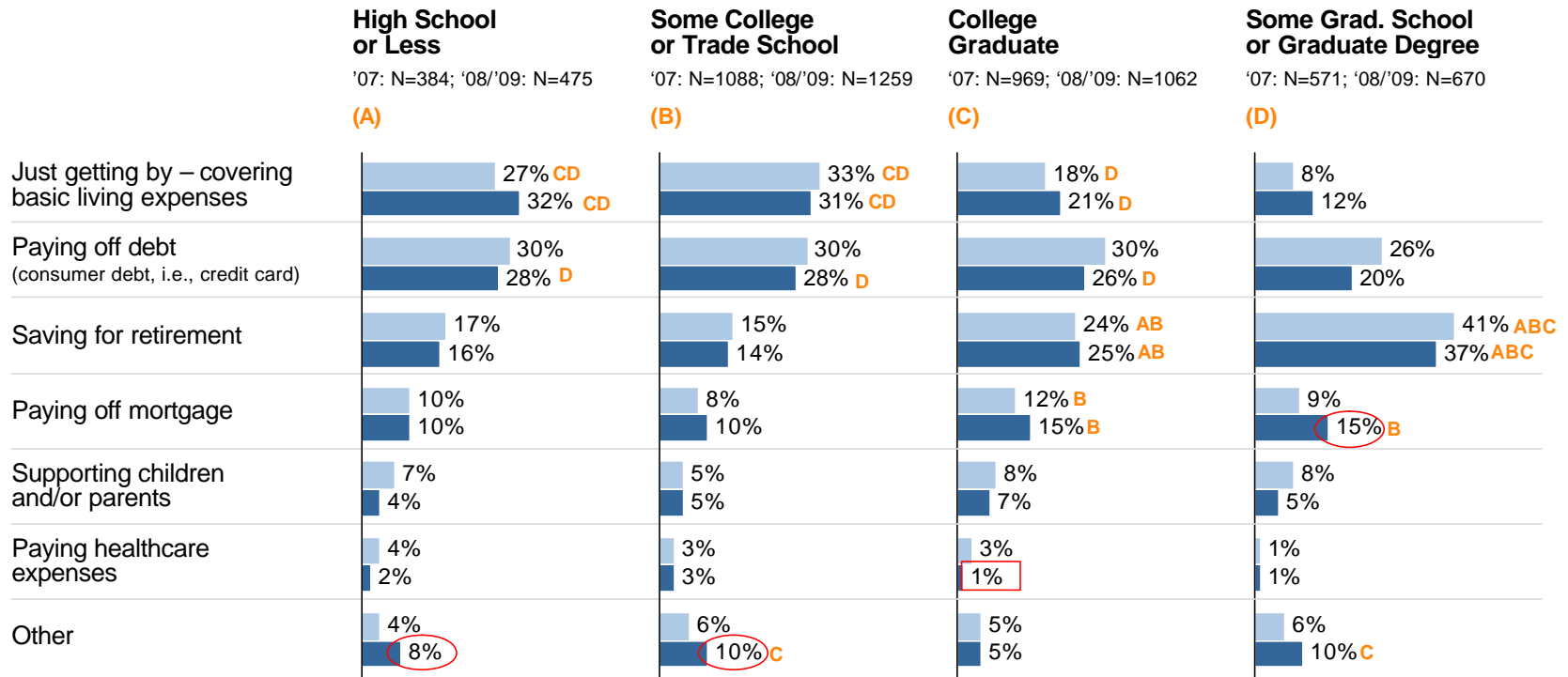
BASE: For Profit, Full and Part-time

Q500. Which one of the following is your greatest financial priority right now?

# Greatest Financial Priority

## Education

- Saving for retirement remains the most frequently cited priority among workers with a graduate education.
- Workers with less education cite paying off debt and covering basic living expenses.



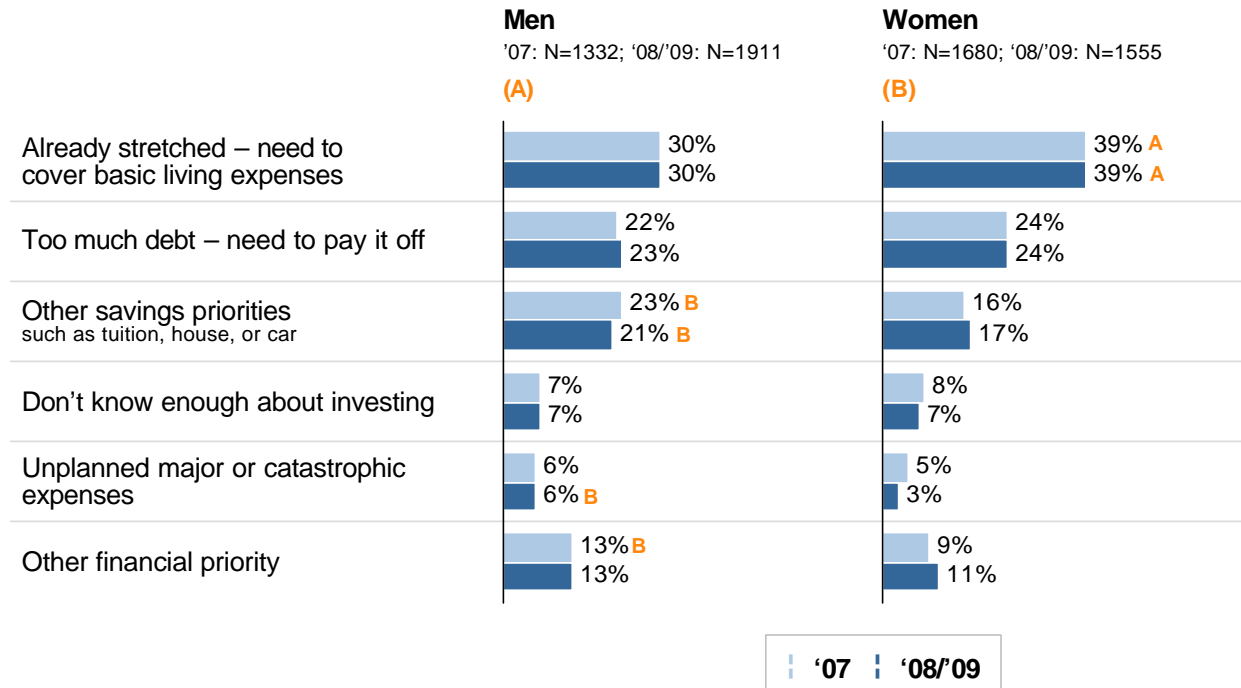
! '07 ! '08/'09

BASE: For Profit, Full and Part-time  
Q500. Which one of the following is your greatest financial priority right now?

# Major Obstacle to Saving More for Retirement

## Gender

- As in 2007, women workers are more likely than men to indicate being financially stretched as the factor most preventing them from saving more for retirement.



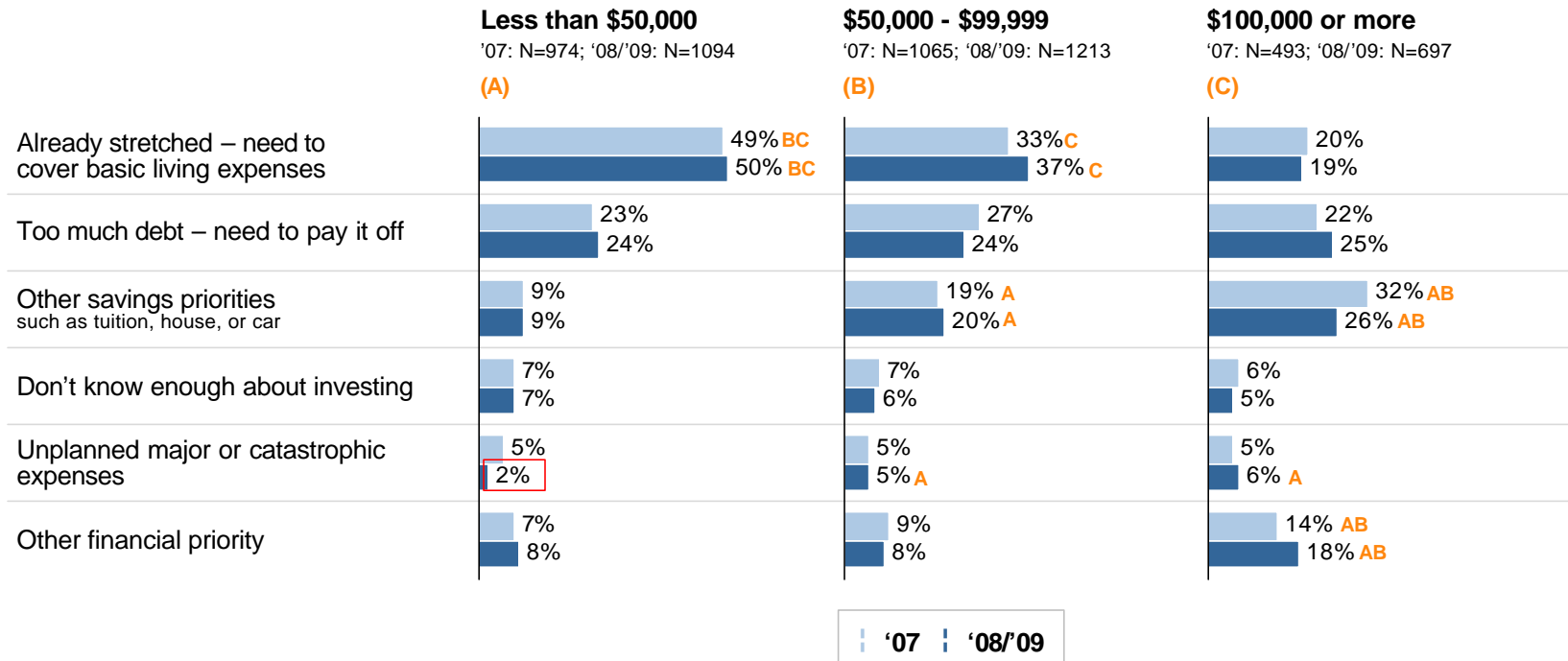
BASE: For Profit, Full and Part-time

Q810. What one factor or financial priority is most preventing you from saving more for your retirement?

# Major Obstacle to Saving More for Retirement

## Income

- Already being financially stretched also remains the most common factor preventing workers with household incomes of less than \$100,000 from saving more for retirement.
- Workers with incomes of \$100,000 or more prioritize other types of savings which prevent them from saving more for retirement, such as tuition, house, or car.



BASE: For Profit, Full and Part-time  
Q810. What one factor or financial priority is most preventing you from saving more for your retirement?

## Primary Source of Income during Retirement...

Expectations remain: employee-funded retirement plans will be the primary source of income for most during retirement.

However, many workers continue to expect to rely on Social Security, including: Matures, those who work at small companies, women, less-educated, part-timers, and those with household incomes under \$50,000.

Also, older workers, those with higher incomes, and those with higher levels of education are more likely to be saving for retirement outside of work.

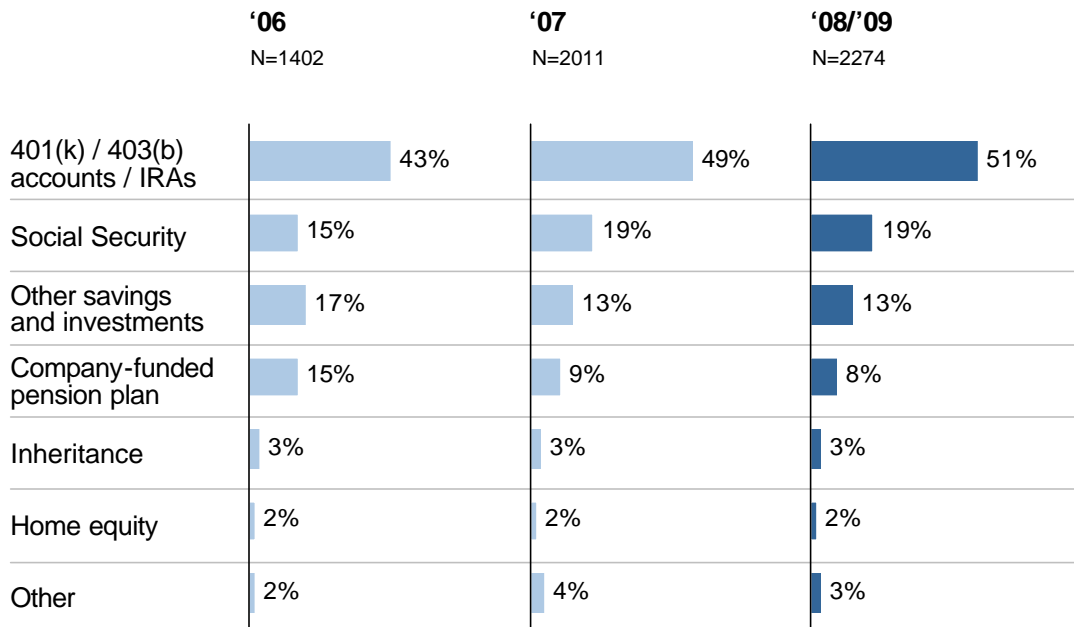
# Primary Source of Income During Retirement

## Full-Time, Part-Time

- Full-time workers are more likely to expect 401(k) / 403(b) / IRA accounts to be their primary source.
- Forty-two percent of workers expect 401(k) / 403(b) / IRA accounts to be their primary source of income after retiring, while 22 percent expect Social Security to be their primary source of income.

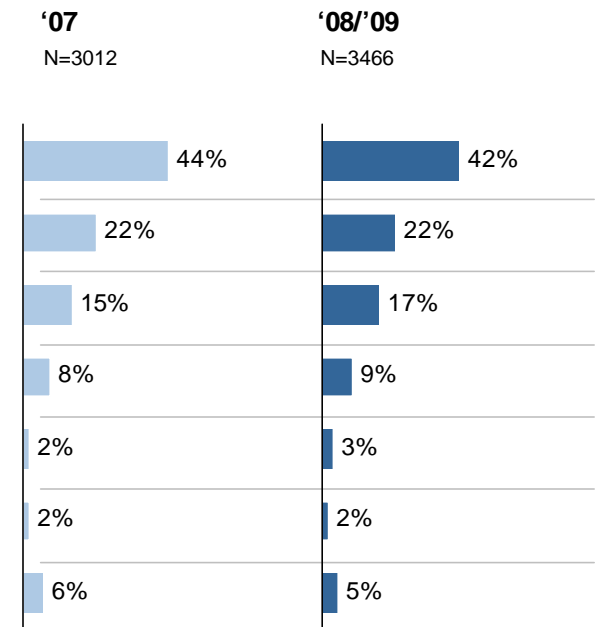
### Primary Income Sources

Base: For Profit – Full-time only



### Primary Income Sources

Base: For Profit – Full & Part-time

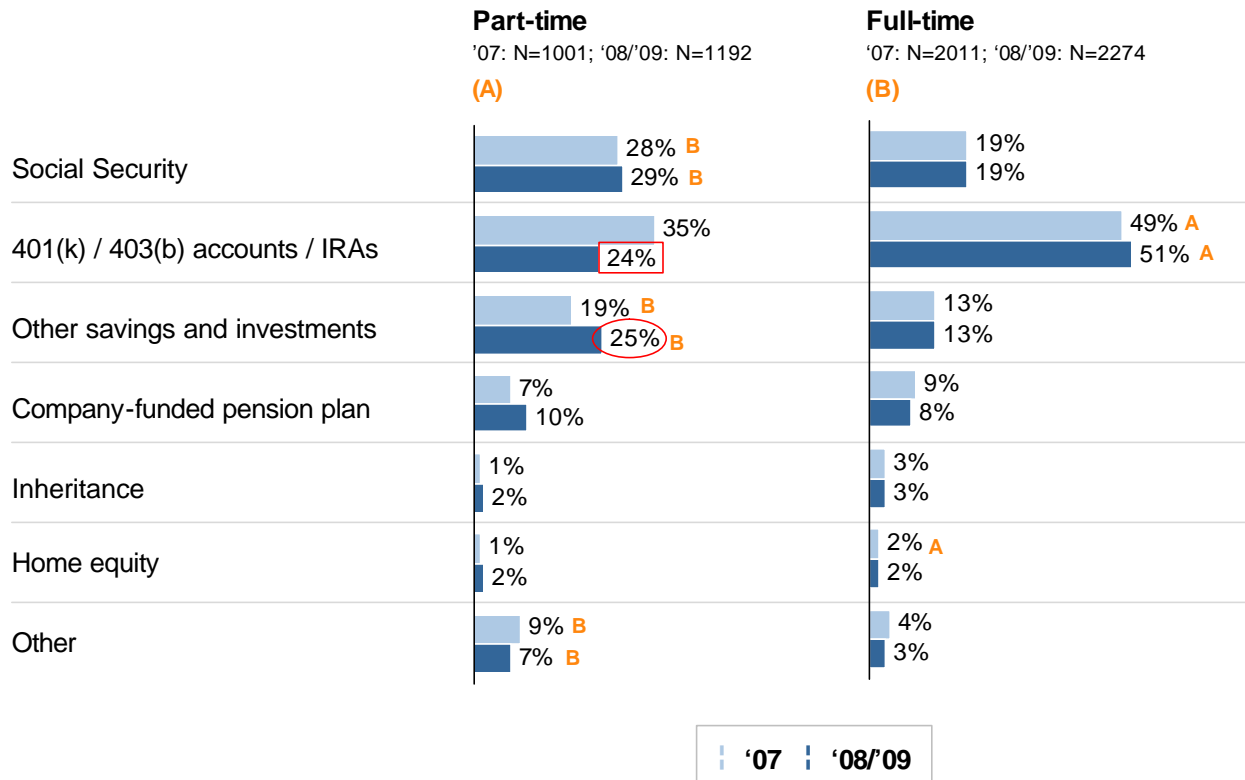


Q550. Which one of the following do you expect to be your primary source of income to cover your living expenses after you retire?

# Primary Source of Income During Retirement

## Full v. Part-time

- Fewer part-time workers plan to rely on their employee-funded accounts than in 2007 and more will rely on other savings and investments.
- Part-time workers are more likely than full-time workers to expect Social Security to be their primary source of income, while full-timers expect to rely on their employee-funded retirement accounts.



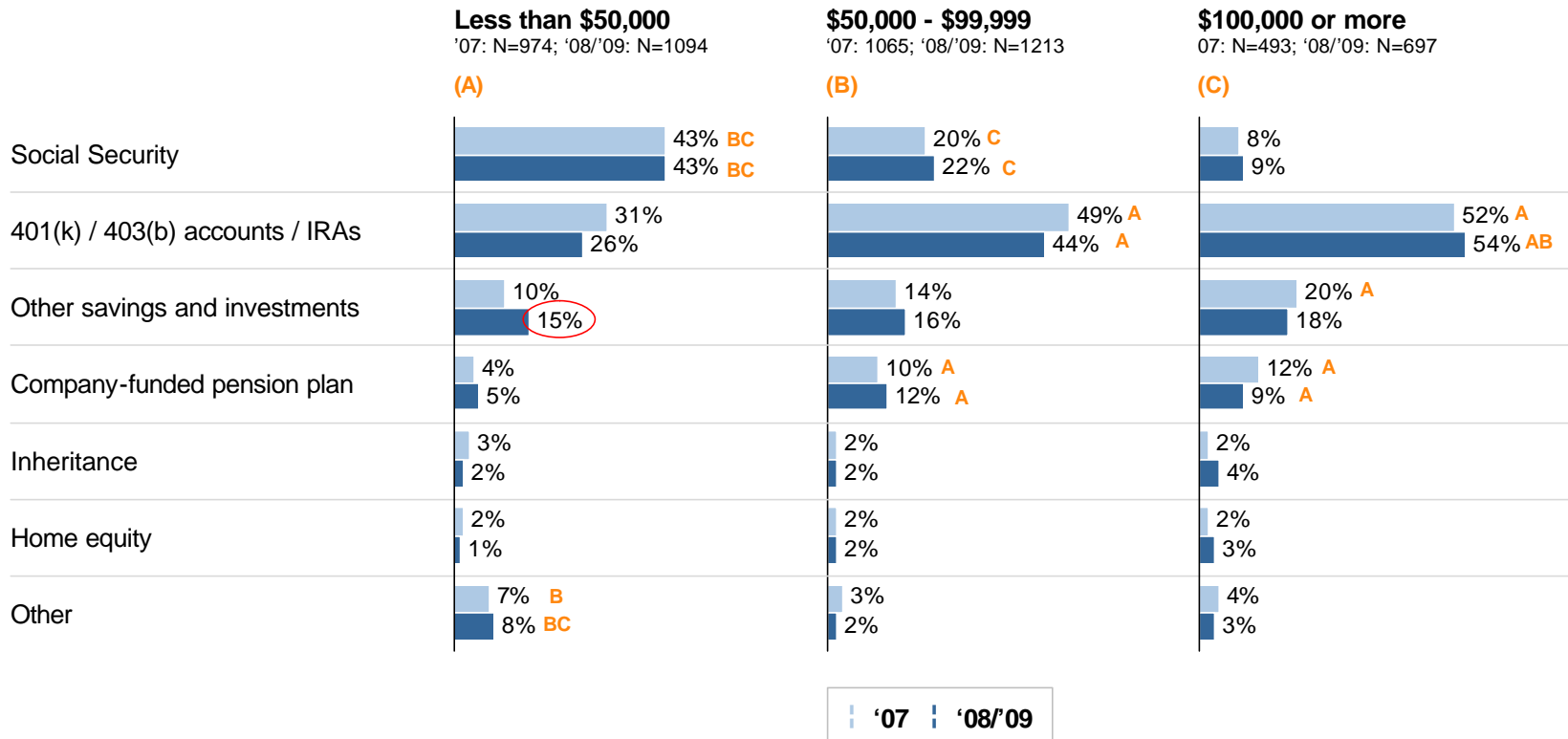
BASE: For Profit, Full and Part-time

Q550. Which one of the following do you expect to be your primary source of income to cover your living expenses after you retire?

# Primary Source of Income During Retirement

## Income

- High-income workers expect to rely more on their employee-funded retirement savings accounts during retirement, while workers earning less than \$50,000 expect to rely primarily on Social Security.
- Compared to 2007, a higher percentage of workers earning less than \$50,000 expect to rely on other savings and investments and less on employee-funded retirement accounts.



BASE: For Profit, Full and Part-time

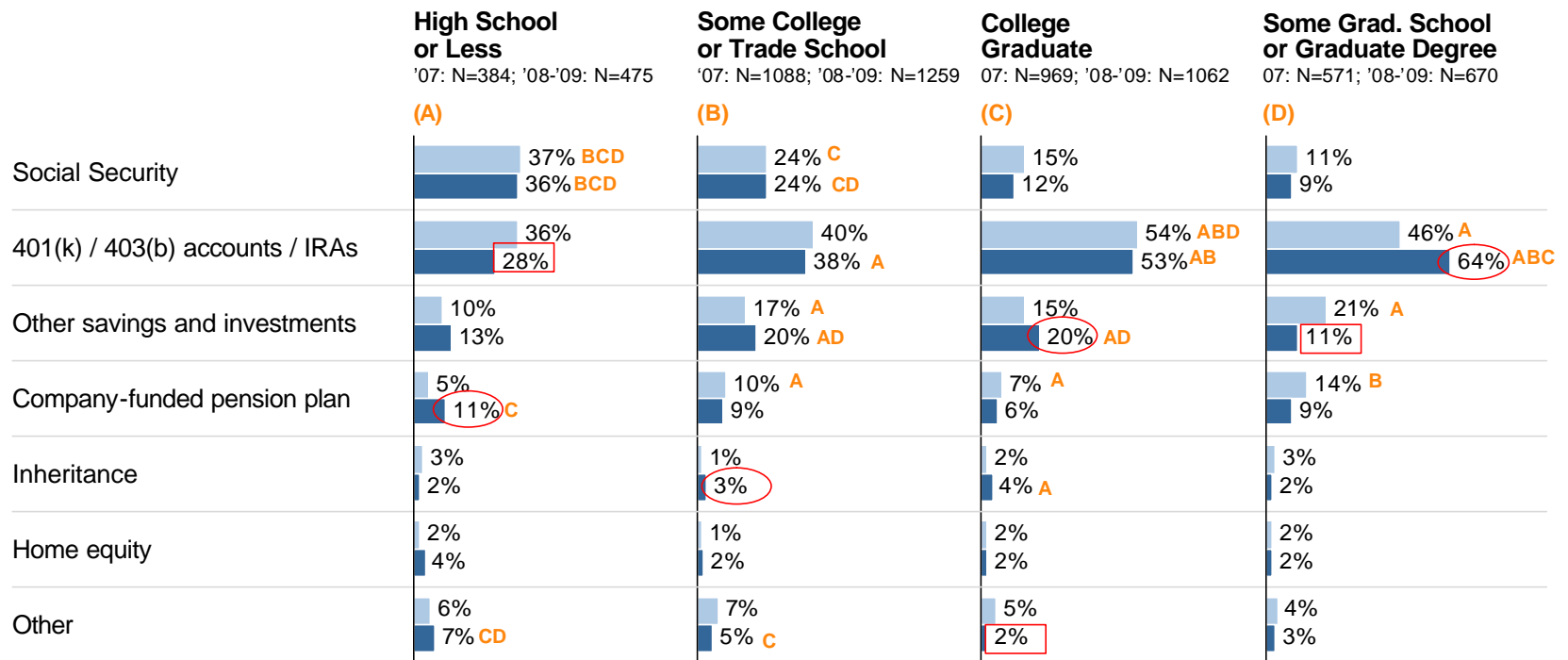
Q550. Which one of the following do you expect to be your primary source of income to cover your living expenses after you retire?



# Primary Source of Income During Retirement

## Education

- Less educated workers are more likely than others to be reliant on Social Security as their primary source of income during retirement.
- Workers with graduate education increasingly plan to rely on their employee-funded retirement accounts.



'07 | '08-'09

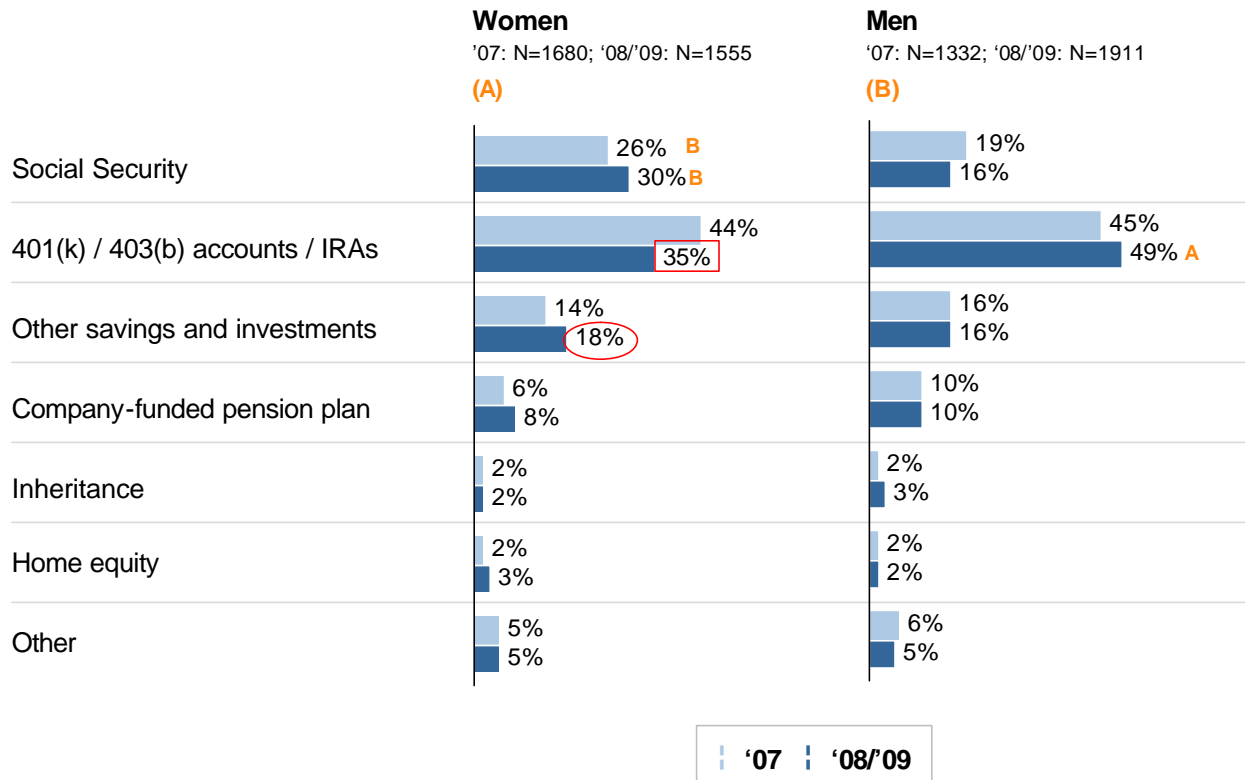
BASE: For Profit, Full and Part-time

Q550. Which one of the following do you expect to be your primary source of income to cover your living expenses after you retire?

# Primary Source of Income During Retirement

## Gender

- More women than men plan to rely on Social Security during retirement.
- The number of women who expect to rely on their employee-funded retirement plans has decreased since 2007.



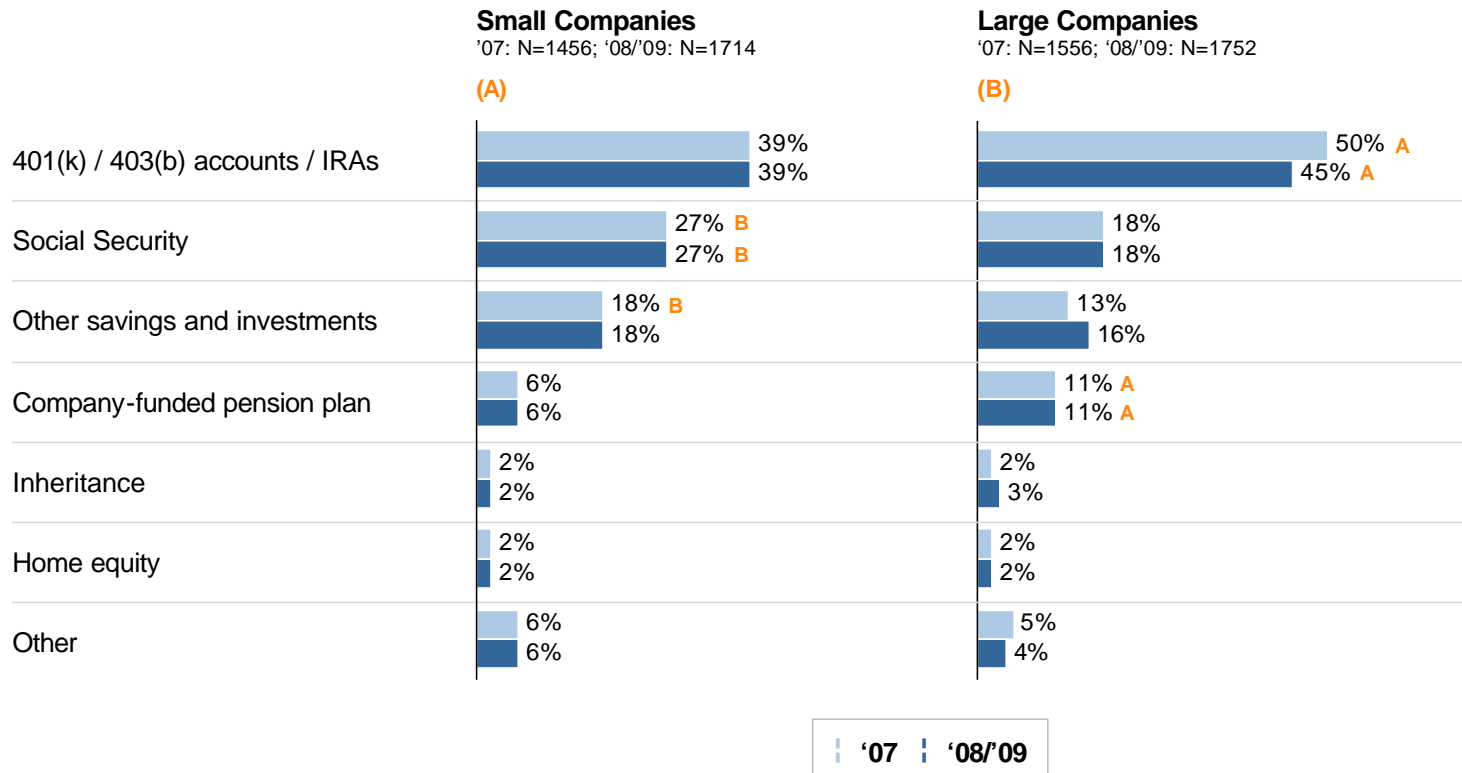
BASE: For Profit, Full and Part-time

Q550. Which one of the following do you expect to be your primary source of income to cover your living expenses after you retire?

# Primary Source of Income During Retirement

## Company Size

- Workers at larger companies remain more dependent on their employee-funded retirement plans as a primary source of income during retirement.
- Meanwhile workers at small companies are more likely than their large company counterparts to rely on Social Security.



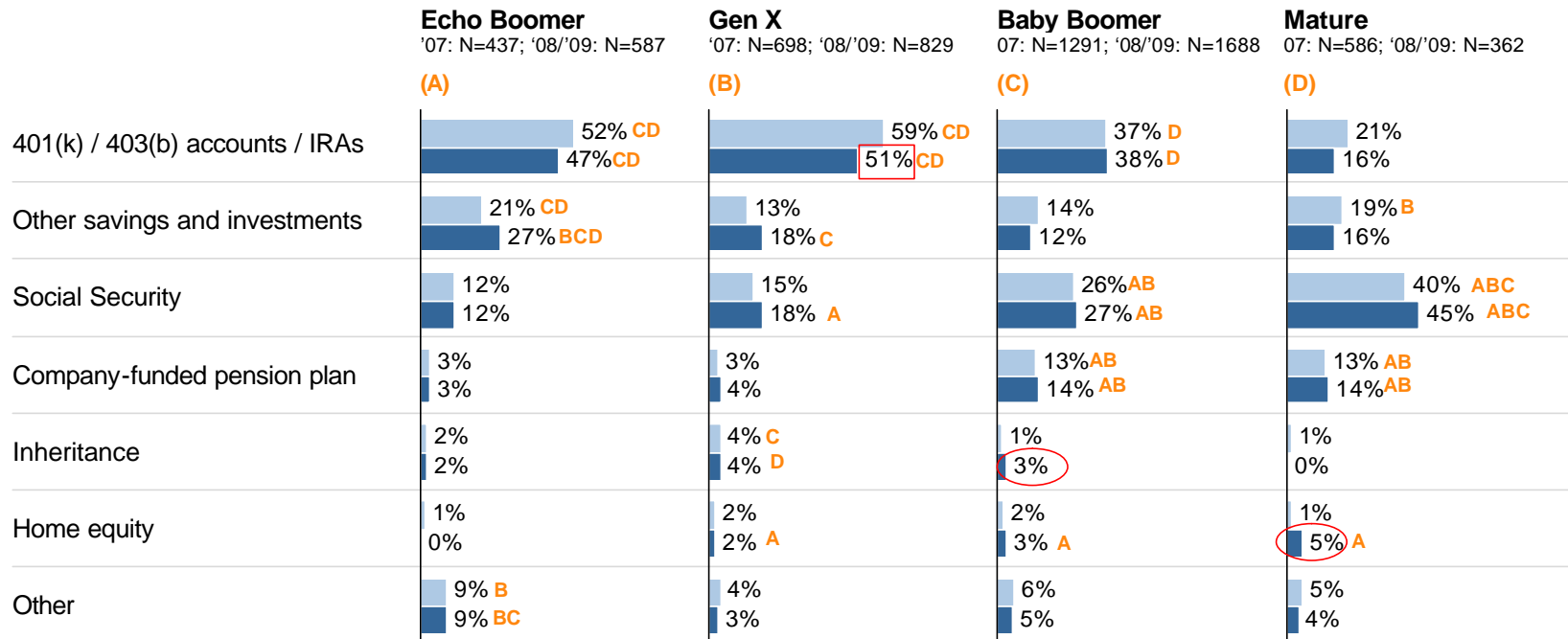
BASE: For Profit, Full and Part-time

Q550. Which one of the following do you expect to be your primary source of income to cover your living expenses after you retire?

# Primary Source of Income During Retirement

## Generation

- Matures expect to rely primarily on Social Security during retirement, while the younger generations expect to rely on their retirement savings plans.
- That said, Generation X is less likely than they were in 2007 to rely primarily on these retirement savings accounts.



■ '07 ■ '08/'09

BASE: For Profit, Full and Part-time

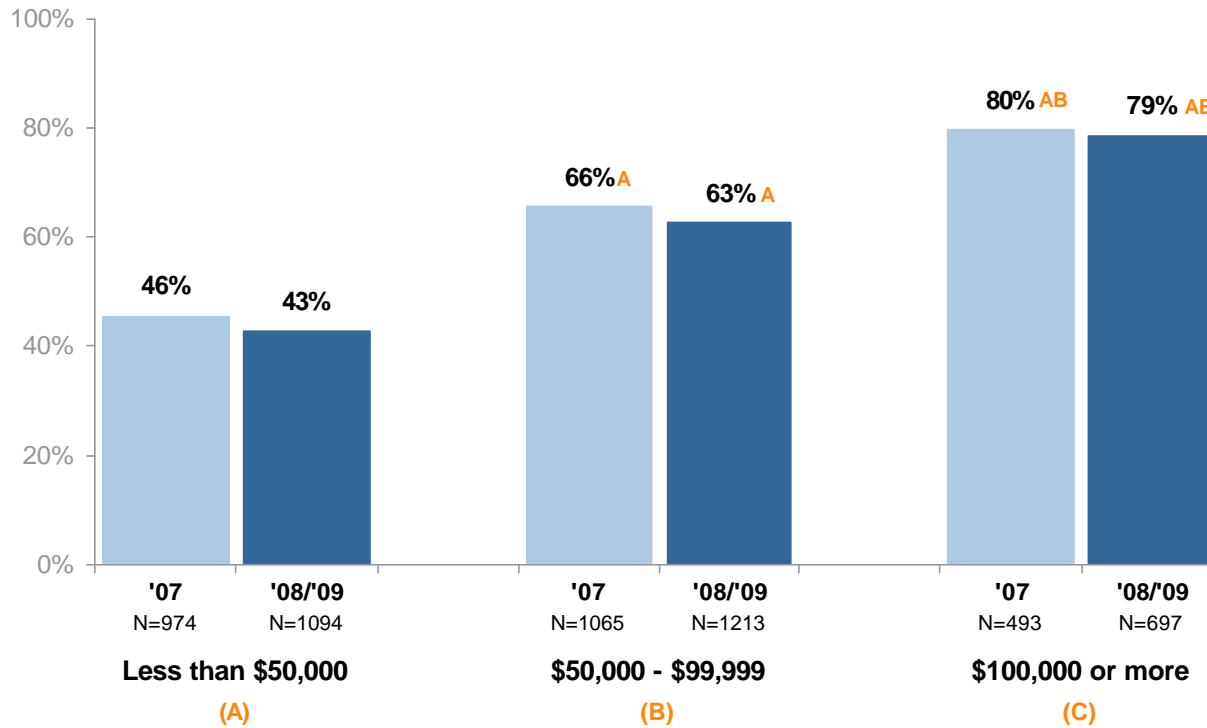
Q550. Which one of the following do you expect to be your primary source of income to cover your living expenses after you retire?

# Currently Saving for Retirement Outside of Work

## Income

- The higher a worker's household income, the more likely they are saving for retirement outside of work.

### % Indicate "Yes"



BASE: For Profit, Full and Part-time

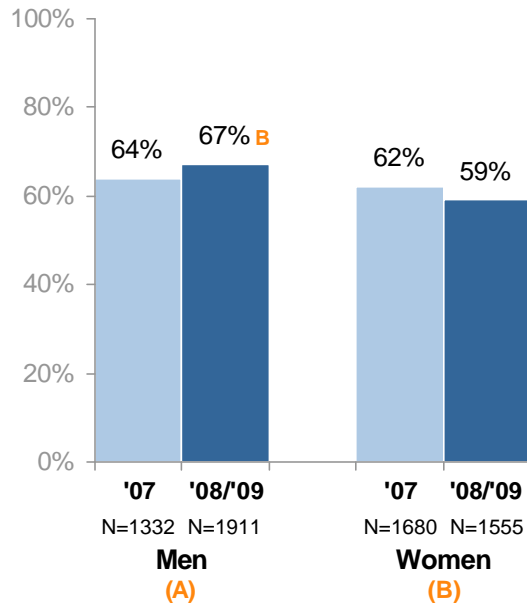
Q740. Are you currently saving for retirement outside of work, such as in an IRA, mutual funds, bank account, etc.?

# Currently Saving for Retirement Outside of Work

## Gender

- Men are more likely than women to be saving for retirement outside of work.

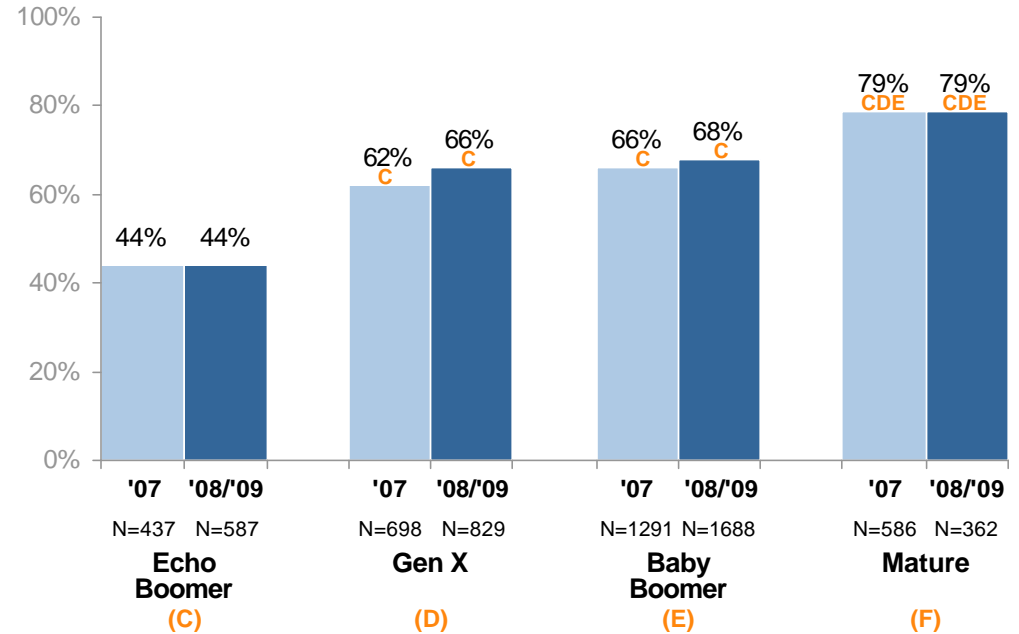
### % Indicate "Yes"



## Generation

- Older generations are more likely than Echo Boomers to be saving for retirement outside of work.

### % Indicate "Yes"



BASE: For Profit, Full and Part-time

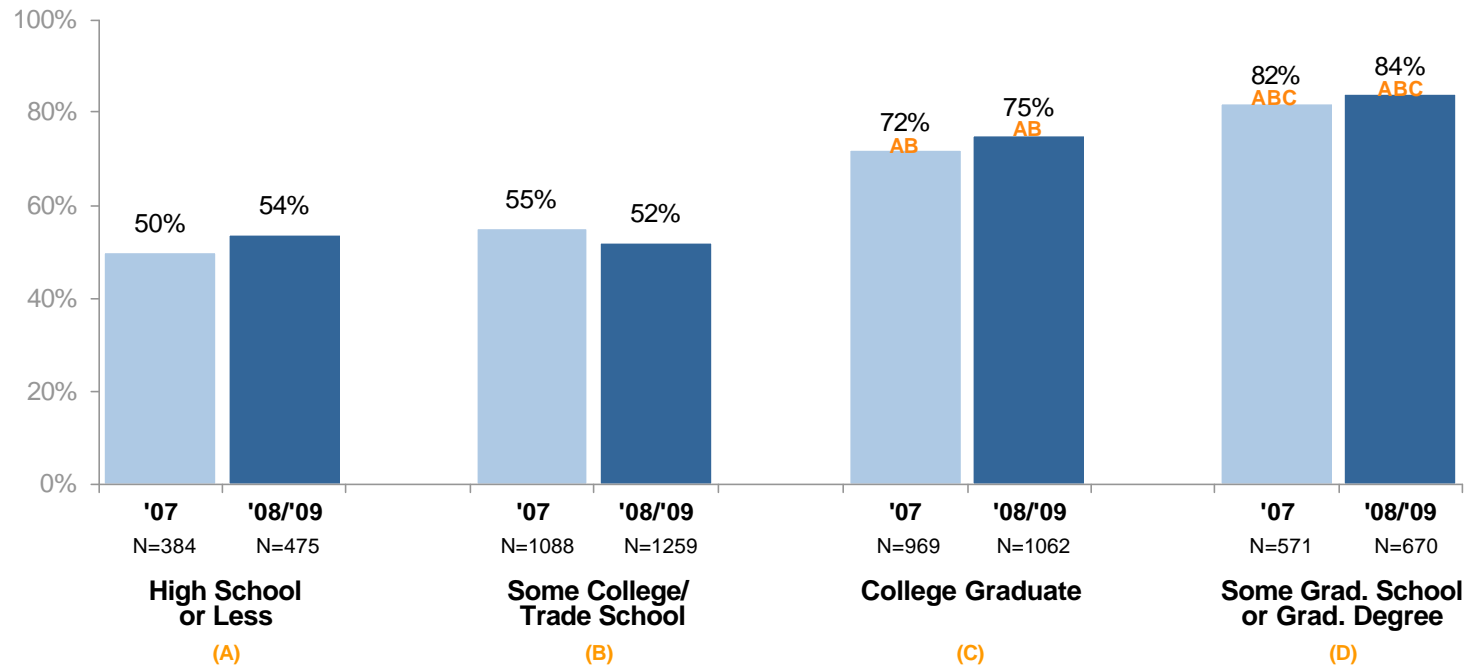
Q740. Are you currently saving for retirement outside of work, such as in an IRA, mutual funds, bank account, etc.?

# Currently Saving for Retirement Outside of Work

## Education

- Those with college degrees or higher are also more likely to save for retirement outside of work.

### % Indicate "Yes"



BASE: For Profit, Full and Part-time

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

## Importance of Benefit...

Given that employee-funded retirement plans are expected to be the primary source of retirement income among many workers, it is not surprising that these plans are important for retaining employees. However, health insurance still tops the list as the most important benefit a company can offer.

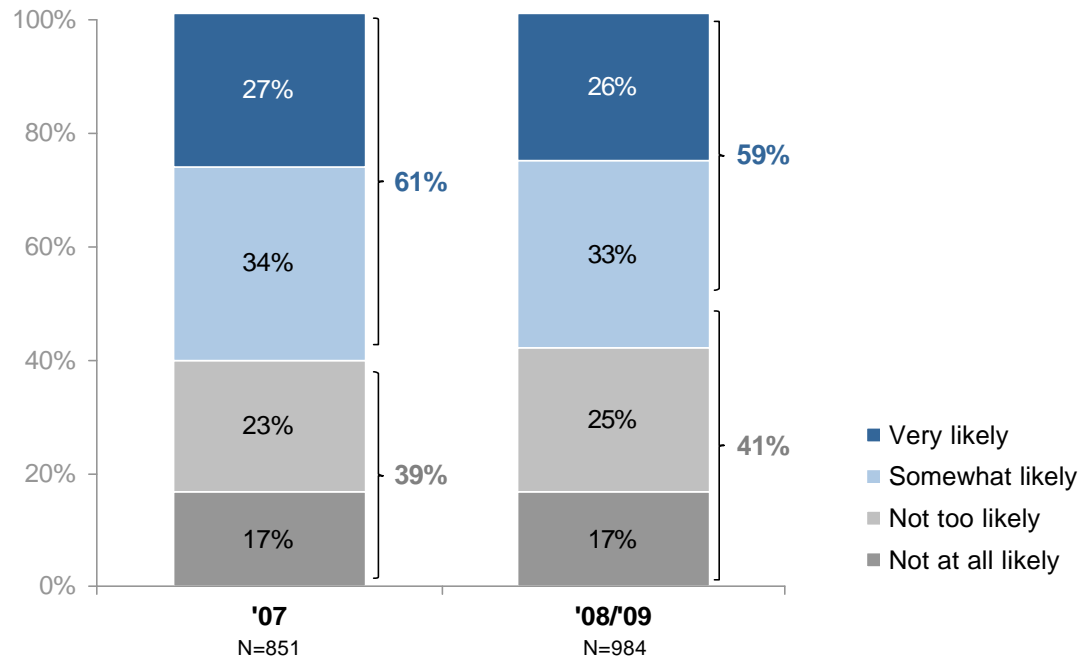


# Likelihood of Switching to Company with Retirement Plan

Among those whose employer doesn't offer a retirement plan

2007-2008/09

- More than half of all workers would be very or somewhat likely to leave their current employer for an employer that offered a retirement plan.



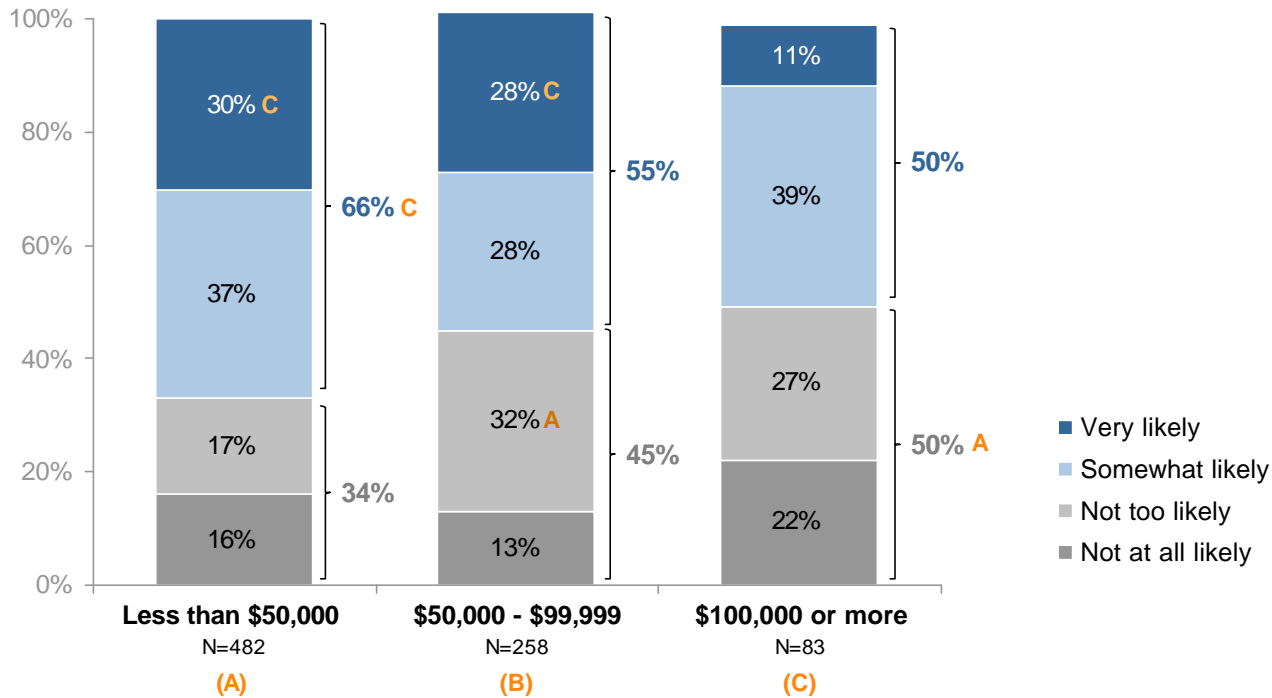
BASE: For Profit, Full and Part-time; Those whose employer doesn't offer retirement plan Q730. How likely would you be to leave your current employer to take a nearly identical job, with a similar employer, if that employer offered you a retirement plan?

# Likelihood of Switching to Company with Retirement Plan

## Among those whose employer doesn't offer a retirement plan

### Household Income

- Workers with household incomes under \$50,000 would be more likely to leave for a nearly identical job with a retirement plan.



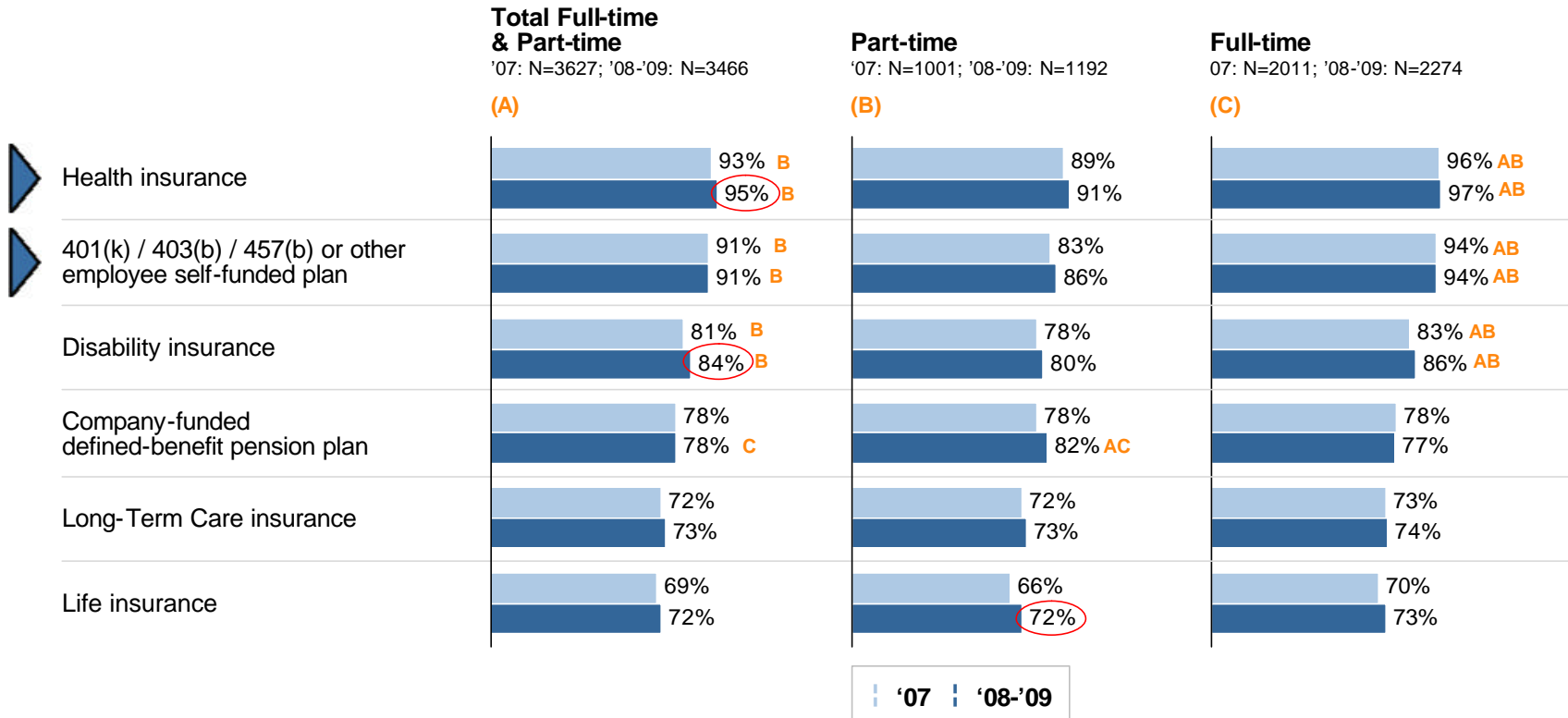
BASE: For Profit, Full and Part-time; Those whose employer doesn't offer retirement plan Q730. How likely would you be to leave your current employer to take a nearly identical job, with a similar employer, if that employer offered you a retirement plan?

# Importance of Benefit Types

## Worker Type

- Employee-funded plans are high on the list of important benefits offered by employers, surpassed only by health insurance which remains the most important benefit among workers. Health insurance has increased in importance since 2007 among full and part-time workers.

### Top 2 Box % (Very/Somewhat Important)



! '07 ! '08-'09

BASE: For Profit, Full and Part-time

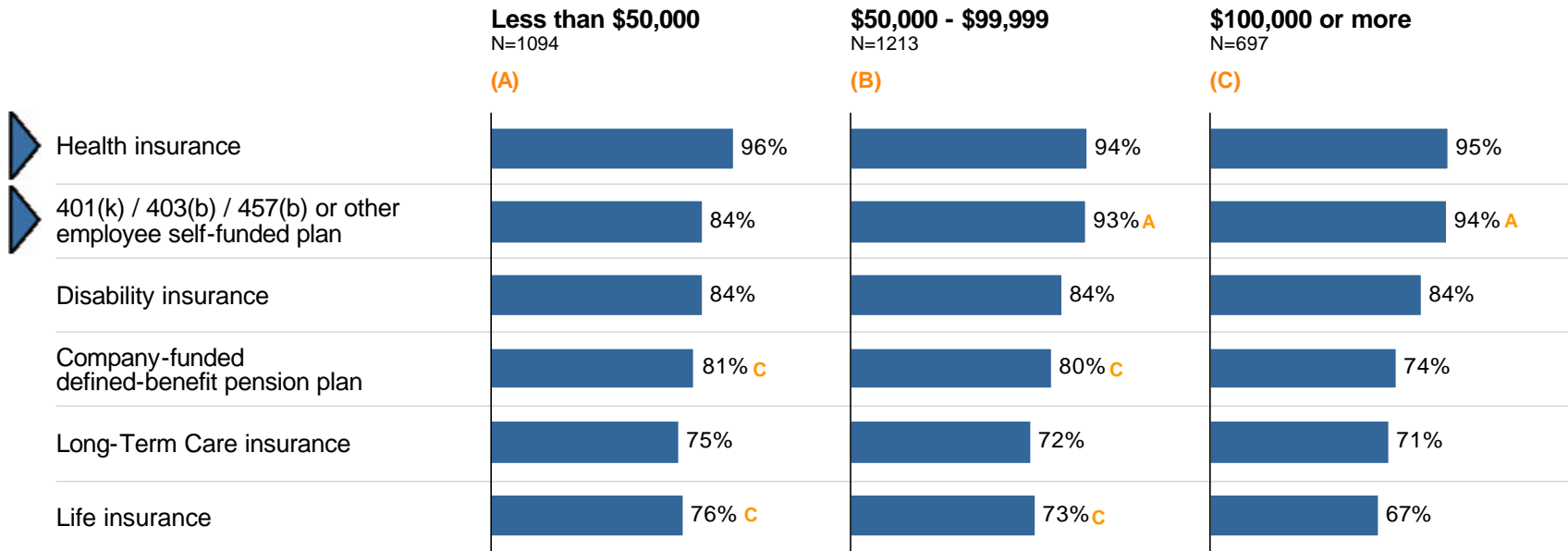
Q570 Businesses typically offer a number of different benefits for their workers. For each of the following, please tell us how important that benefit is to you, personally.

# Importance of Benefit Types

## Income

- Employee-funded retirement plans are more important among workers with household incomes of \$50,000 or more.
- Health insurance remains one of the most important benefit across all income brackets, with employee-funded retirement plans gaining similar importance as income level increases.

### Top 2 Box % (Very/Somewhat Important)



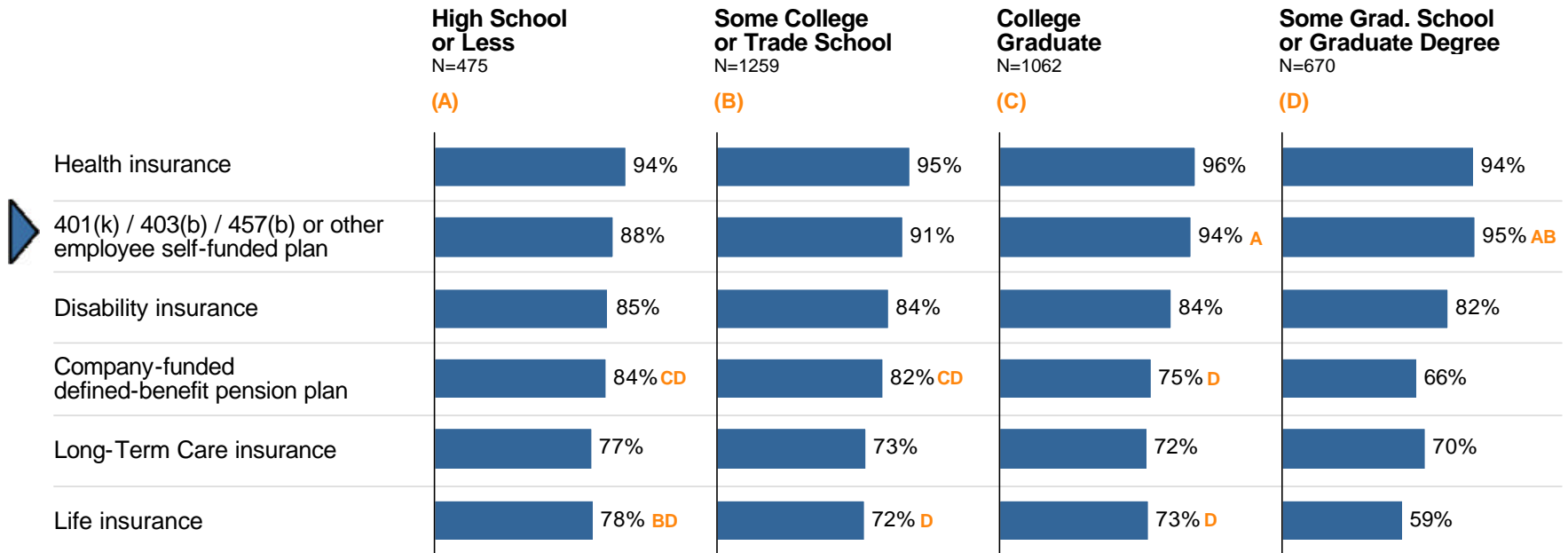
BASE: For Profit, Full and Part-time  
Q570 Businesses typically offer a number of different benefits for their workers. For each of the following, please tell us how important that benefit is to you, personally.

# Importance of Benefit Types

## Education

- Workers with college degrees or higher education are even more likely than those with High School diplomas or less to place importance on employee-funded plans.

### Top 2 Box % (Very/Somewhat Important)



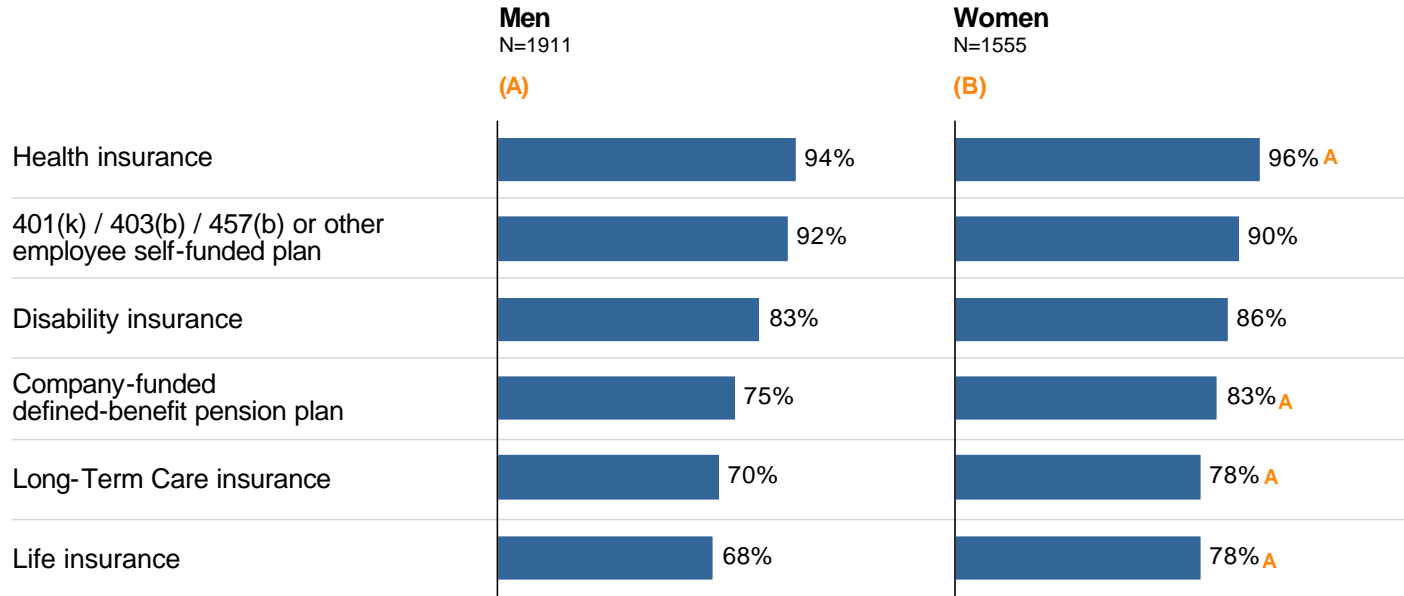
BASE: For Profit, Full and Part-time Q570 Businesses typically offer a number of different benefits for their workers. For each of the following, please tell us how important that benefit is to you, personally.

# Importance of Benefit Types

## Gender

- Men and women place equal importance on employee-funded benefit plans.
- Women, however, place somewhat more importance than men on other benefits: health insurance, pension plans, long-term care insurance, and life insurance.

### Top 2 Box % (Very/Somewhat Important)



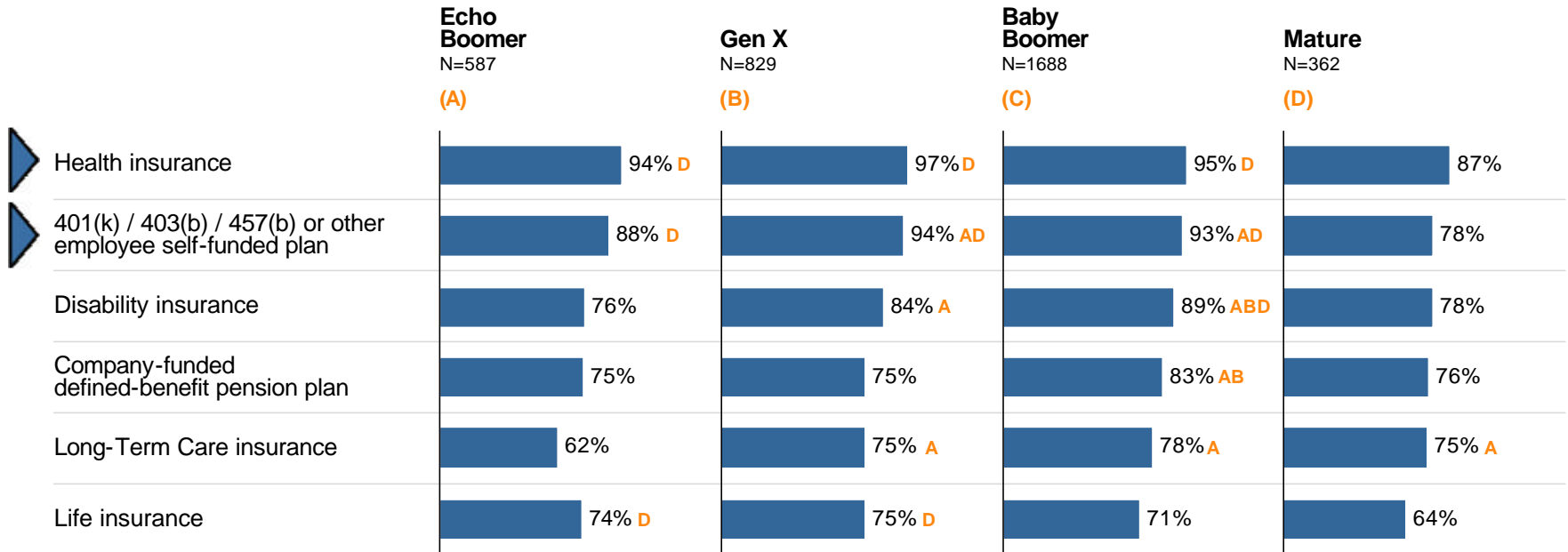
BASE: For Profit, Full and Part-time Q570 Businesses typically offer a number of different benefits for their workers. For each of the following, please tell us how important that benefit is to you, personally.

# Importance of Benefit Types

## Generation

- Health insurance is still considered as the most important benefit for all generations.
- Generation X and Baby Boomers are most likely to place importance on employee-funded plans.

### Top 2 Box % (Very/Somewhat Important)



BASE: For Profit, Full and Part-time Q570 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 Fears...

Fears about retirement vary among workers.

Men and women are fearful about outliving their money and the high cost of healthcare in retirement.

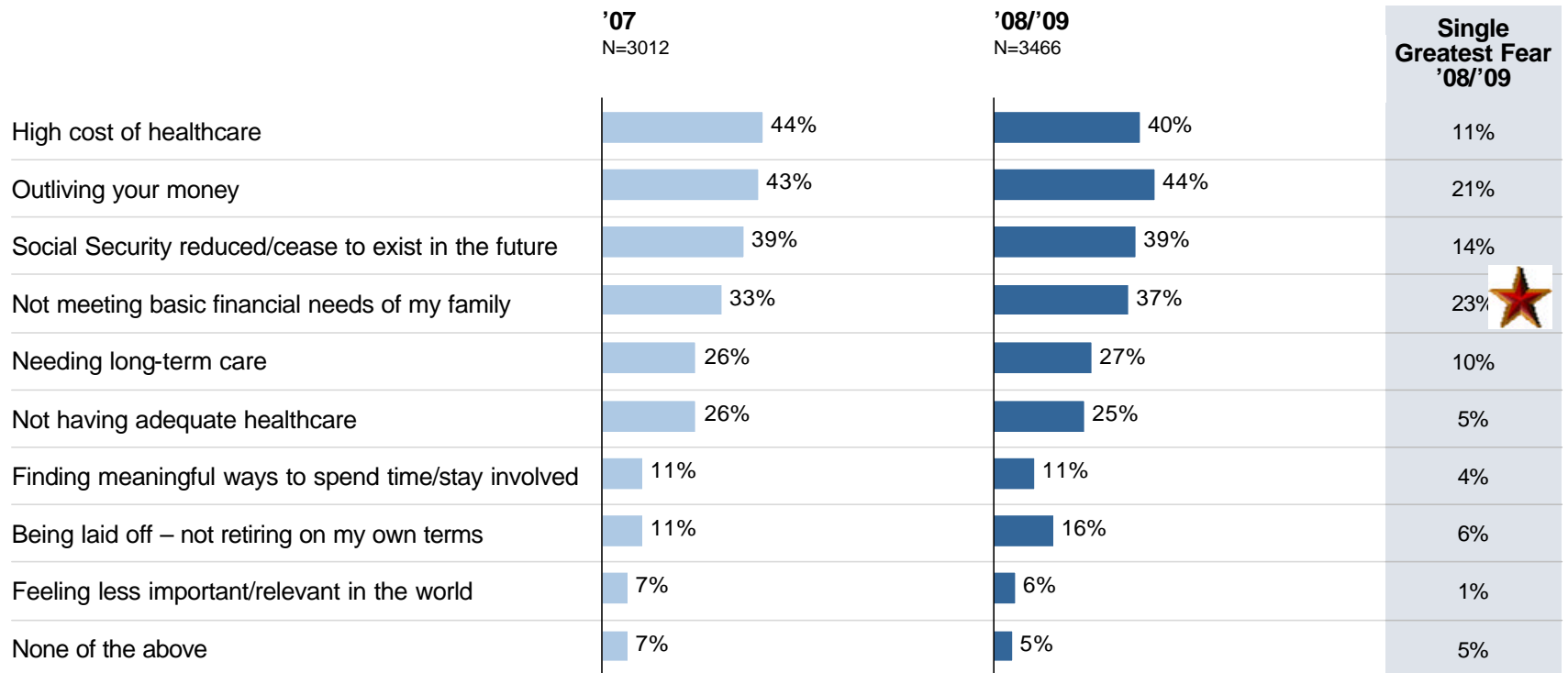
However, women worry more than men about the financial aspects of retirement while men worry more than women about what they will do with their time.



# Greatest Fear about Retirement

2007-2008/09

- Although the most frequently cited fears are the high cost of healthcare, outliving your money, and the reduction of Social Security, when asked to identify their single greatest fear, workers cite not being able to meet the basic financial needs of their family.



BASE: For Profit, Full and Part-time

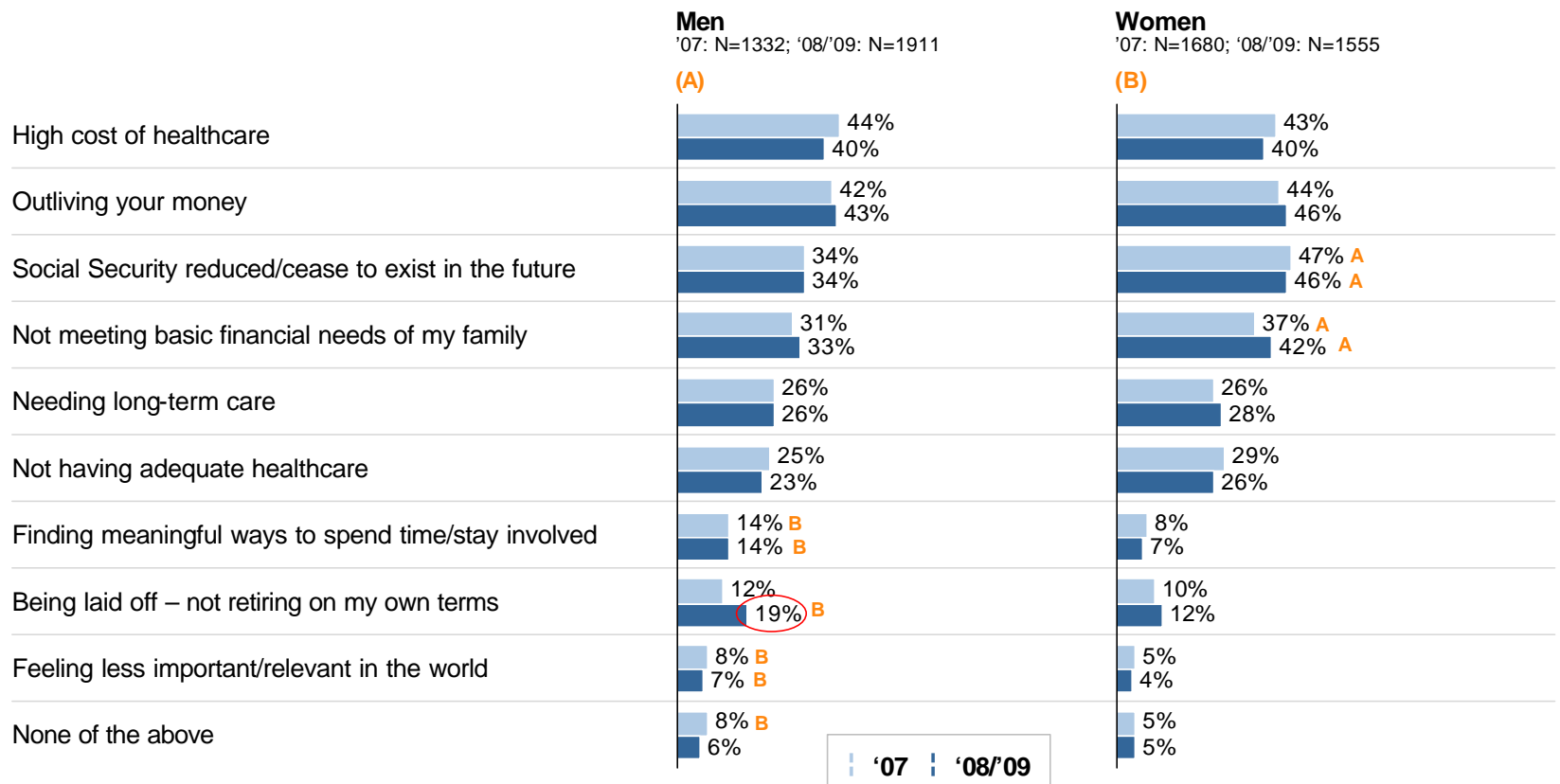
Q510. What are your greatest fears about retirement? Select up to 3.

BASE: For Profit, Full and Part-time; Q510 Answered 2 or more responses  
Q1420. Among your choices, which is your single greatest fear about retirement?

# Greatest Fear about Retirement

## Gender

- Women remain more likely than men to list the reduction or end of Social Security and not meeting basic financial needs of their family as their greatest fears.
- Men are more likely than women to cite not retiring on their own terms, finding meaningful ways to spend their time, and feeling less important in the world as their greatest fears. Their concern of being laid off has increased significantly since 2007.



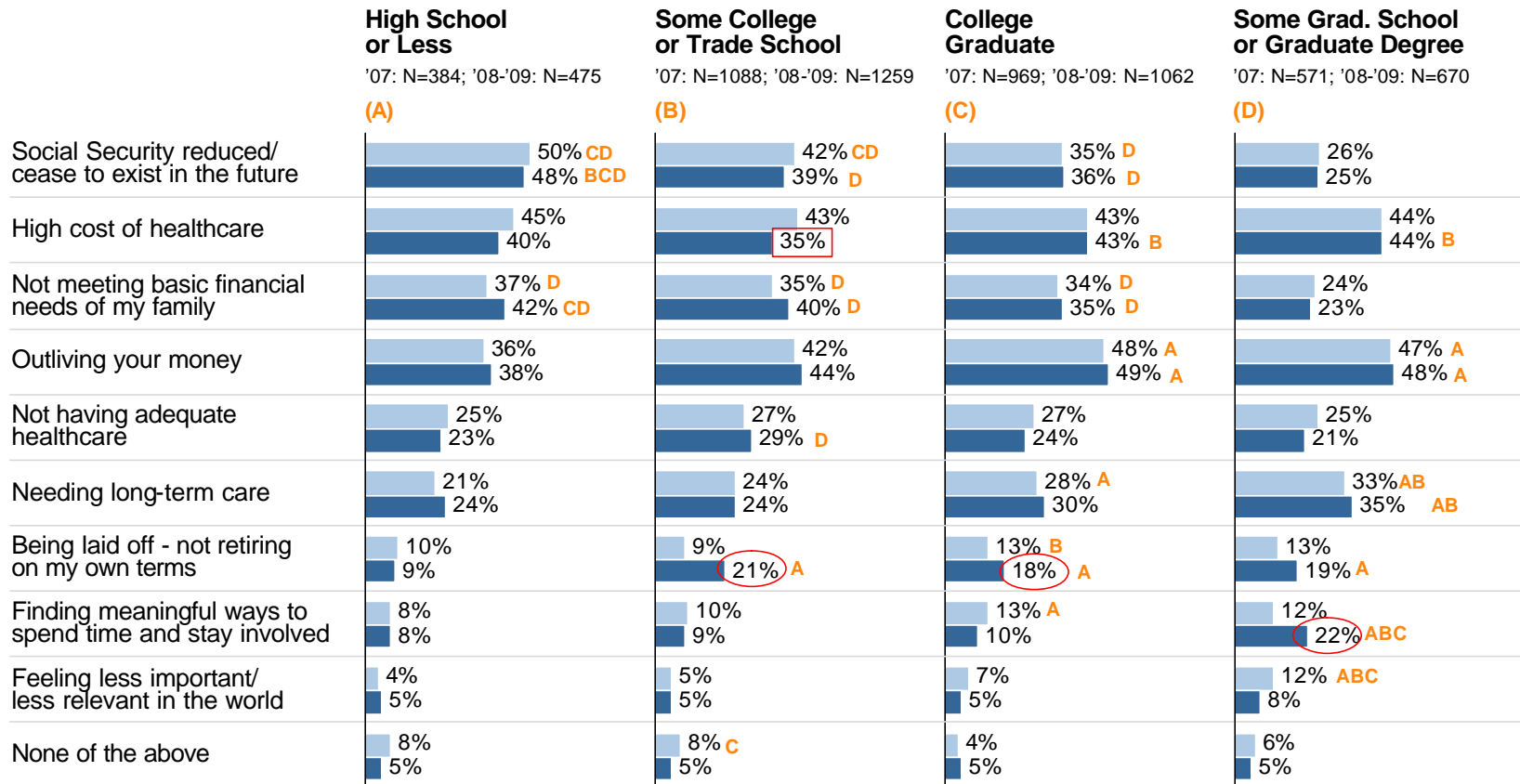
BASE: For Profit, Full and Part-time

Q510. What are your greatest fears about retirement? Select up to 3.

# Greatest Fear about Retirement

## Education

- Less educated workers are more fearful than post graduates that Social Security will be reduced, and they will not meet the basic financial needs of their family. Post graduates are more fearful than others about finding meaningful ways to spend their time and about feeling less important in the world.
- Fear of being laid off has increased since 2007 among those with college educations.
- The high cost of healthcare is a major concern regardless of education level.



'07 | '08-'09

BASE: For Profit, Full and Part-time  
Q510. What are your greatest fears about retirement? Select up to 3.

## Loans and Hardship Withdrawals from Retirement Plans...

The percentage of respondents taking a loan from their retirement plan remains steady.

Only a small percentage have taken a hardship withdrawal in the last 12 months.

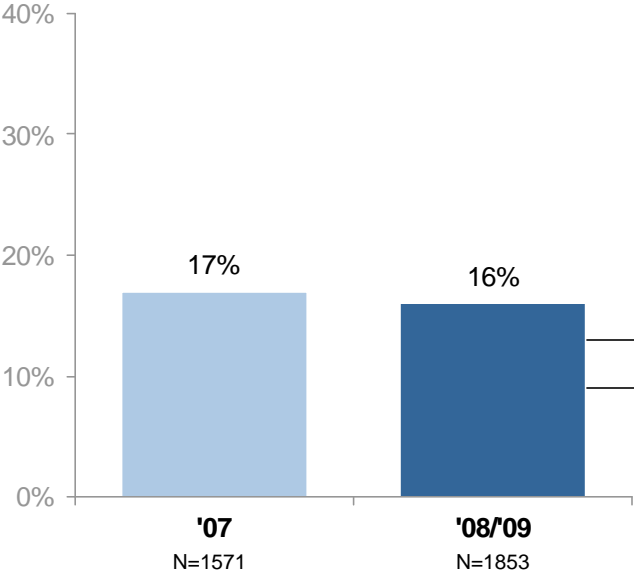
# Taken Loan from Retirement Plan

Among those currently participating in their qualified plan

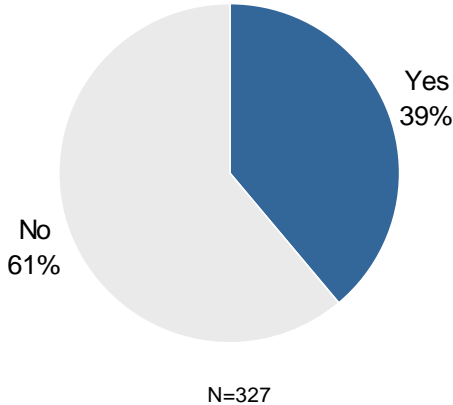
2007-2008/09

- The percentage of respondents taking a loan from their retirement plan remains steady.

### % Indicate “Yes, Have Taken a Loan from Retirement Plan”



### '08/09: Taken Out in the Last 12 Months



BASE: For Profit – Full and Part-time: Those currently participating in their qualified plan  
Q650. Have you taken out a loan from your retirement plan?

BASE: For Profit – Full and Part-time: Those who have taken out a loan from their retirement plan  
Q1455. Was the loan from your retirement plan taken out in the last 12 months?

# Taken Hardship Withdrawal from Retirement Plan

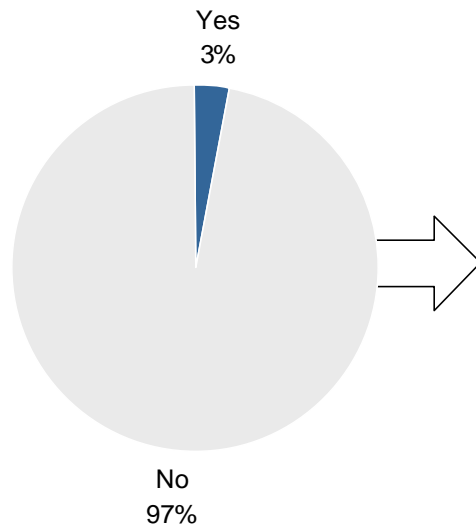
Among those currently participating in their qualified plan

2008/09

- The most common reasons for taking hardship withdrawals are to pay for medical expenses and to prevent eviction from a primary residence.

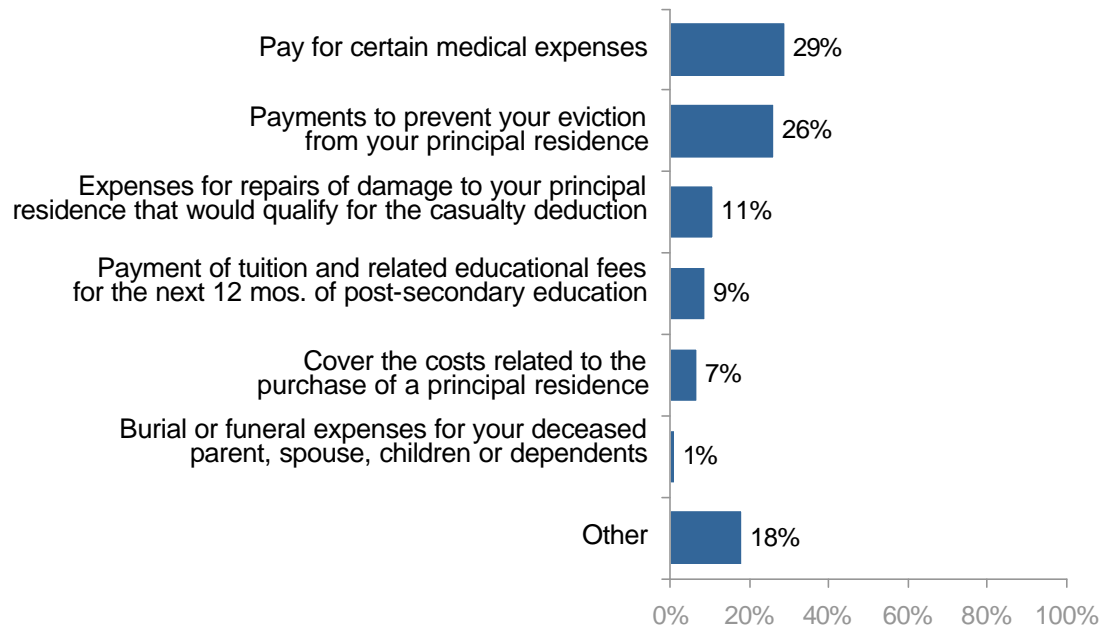
## Taken a Hardship Withdrawal in Last 12 Months

N=2398



## Primary Reason for Hardship Withdrawal

N=82



BASE: For Profit – Full & Part-time: Those with qualified plans currently offered to them

Q1460. Have you taken a hardship withdrawal from your employee-funded retirement plan in the last 12 months?

BASE: For Profit – Full & Part-time: Those who have taken a hardship withdrawal

Q1465. What is the primary reason you have taken a hardship withdrawal from your employee-funded retirement savings plan?

## Higher Salary vs. Better Retirement Benefits...

For the first time in the survey's history, more than half of full-time workers would prefer a higher salary over excellent retirement benefits. However, the fact that 47% still prefer excellent retirement benefits reflects the importance many American workers place on retirement plans.

# Option of Greater Interest, Full-Time Workers

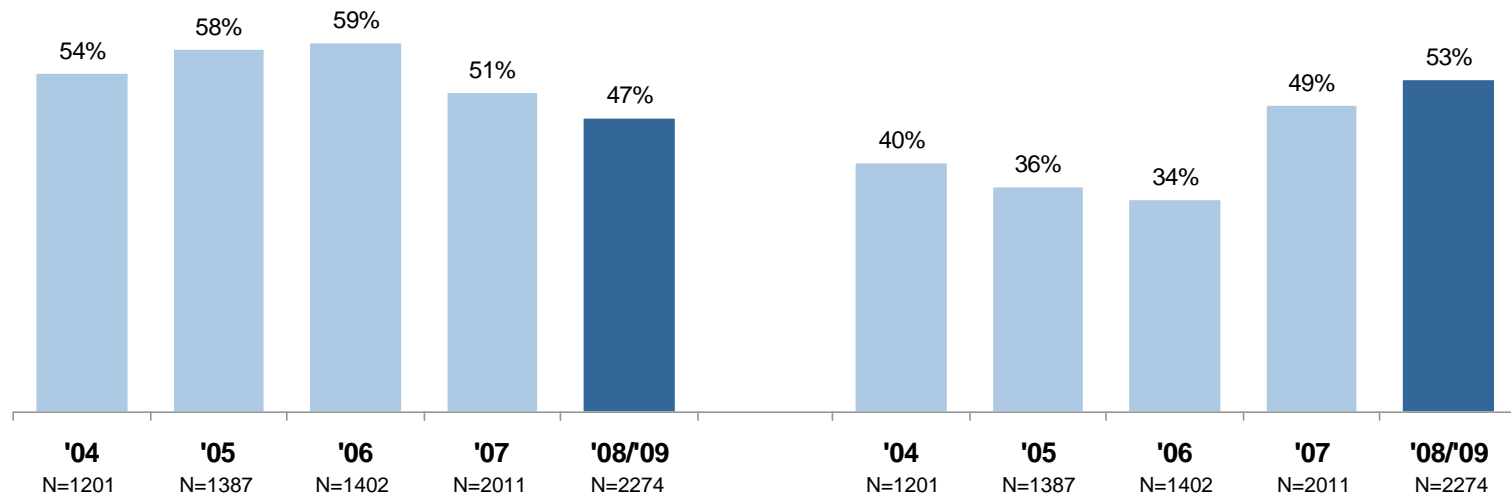
2004-2008/09

- For the first time more than half of full-time workers would prefer a higher salary over excellent retirement benefits.
- The fact that 47% still prefer excellent retirement benefits still bodes well for the importance many Americans place on retirement plans.

## OPTIONS

Excellent retirement benefits, but only meets your minimum salary requirements.

A higher than expected salary, but poor retirement benefits.



Note: 2004-2006 were conducted via telephone. Respondents were not forced to answer the questions, therefore, the numbers will not add up to a 100%

BASE: For Profit – Full-time

Q830. Suppose that two job offers come your way. Which of the following job offers would you select?



# Option of Greater Interest

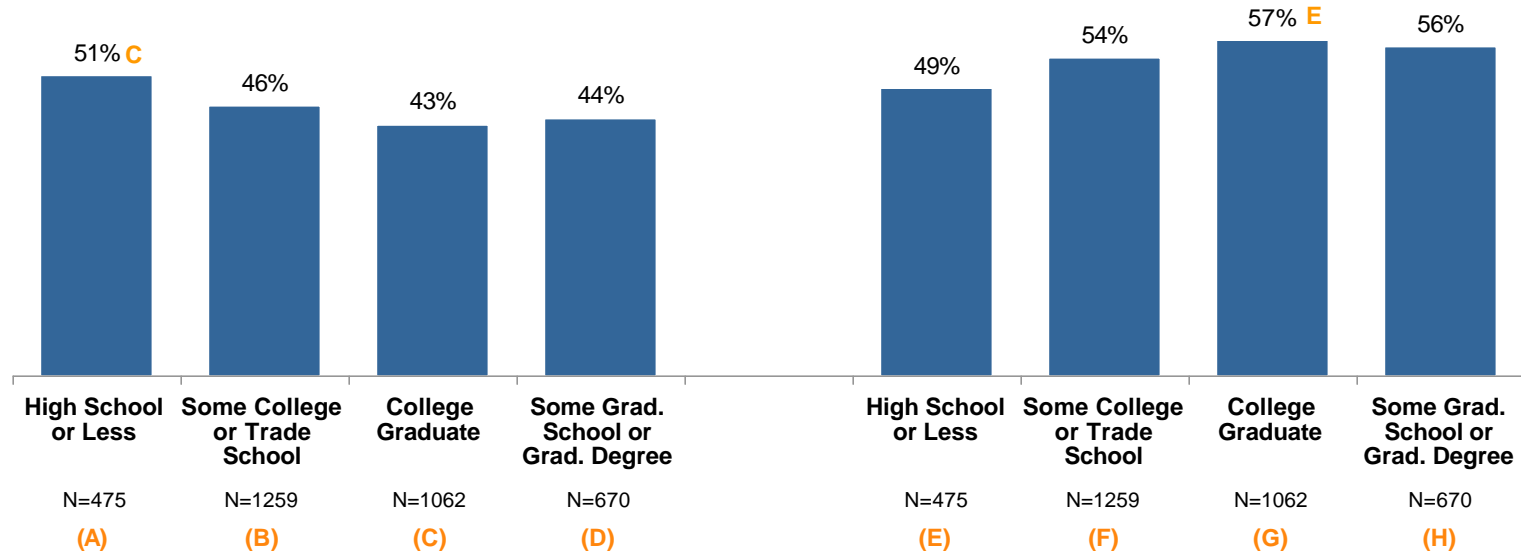
## Education

- Interestingly, workers with less than a college degree would prefer excellent retirement benefits over a higher than expected salary.

### OPTIONS

Excellent retirement benefits, but only meets your minimum salary requirements.

A higher than expected salary, but poor retirement benefits.



BASE: For Profit – Full-time & Part-time

Q830. Suppose that two job offers come your way. Which of the following job offers would you select?

## Monitoring Investments and Risk Level...

Monitoring and managing retirement savings remains less of a priority for part-time workers, particularly in small companies.

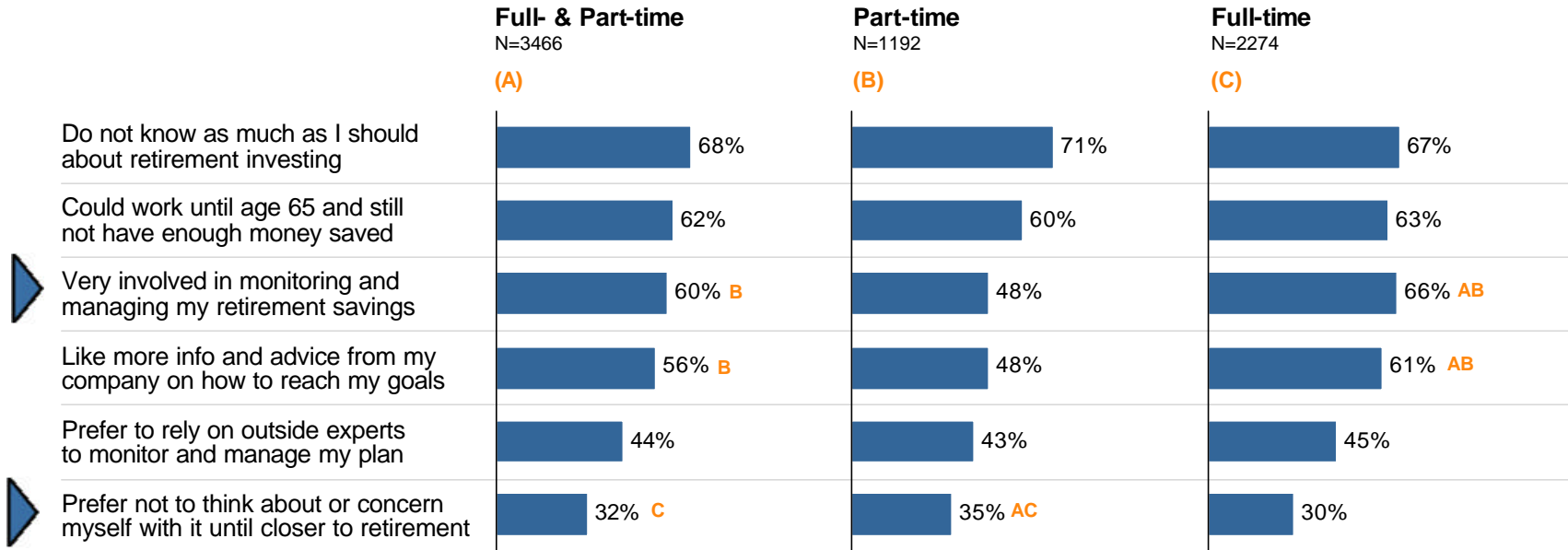
Full-time working men and workers with higher educations tend to make riskier investments.

# Agreement with Statements about Retirement Investing

## Full v. Part-time

- Full-time workers tend to be more involved in monitoring and managing their retirement savings and are also more likely to want more information and advice from their company on how to reach their retirement goals.
- Part-time workers are more likely than their full-time counterparts to prefer not to think about or concern themselves with retirement until closer to their retirement date.

### Top 2 Box % (Strongly/Somewhat Agree)



BASE: For Profit, Full and Part-time

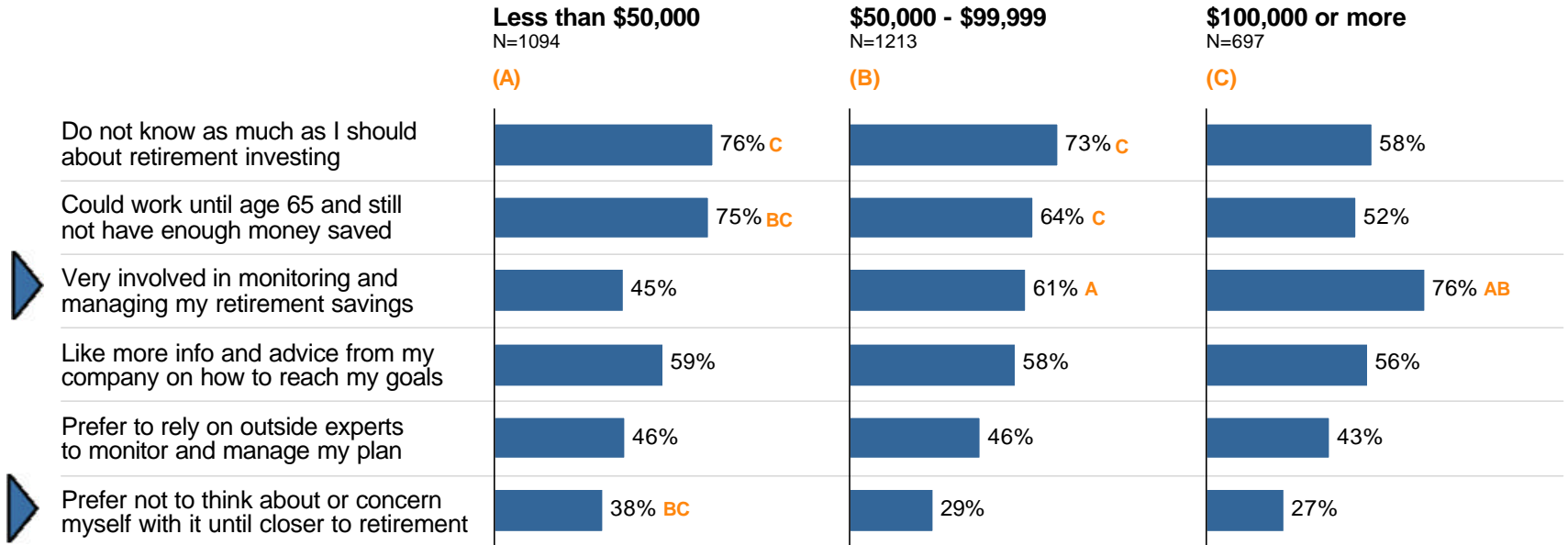
Q930. How much do you agree or disagree with each of the following statements regarding retirement investing?

# Agreement with Statements about Retirement Investing

## Income

- Similarly, workers with household incomes of \$100,000 or more are more likely to be involved in monitoring and managing their retirement savings.
- Workers with household incomes of less than \$50,000 are more likely to prefer not to think about retirement until later.

### Top 2 Box % (Strongly/Somewhat Agree)



BASE: For Profit, Full and Part-time

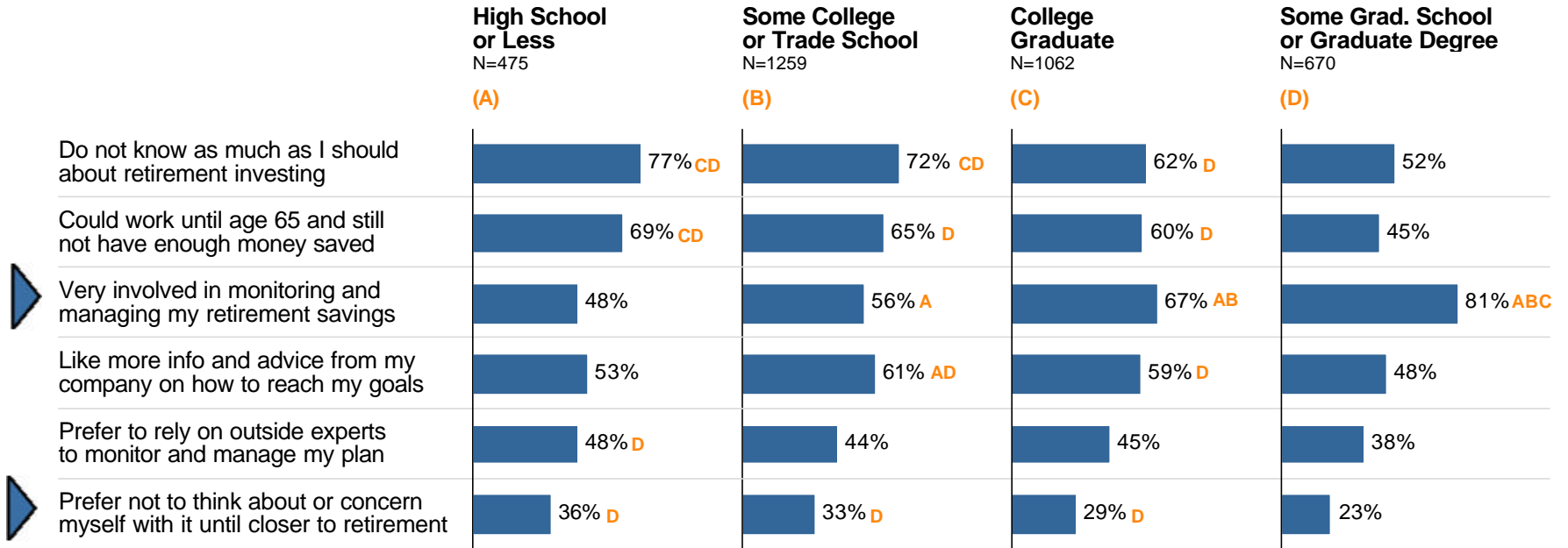
Q930. How much do you agree or disagree with each of the following statements regarding retirement investing?

# Agreement with Statements about Retirement Investing

## Education

- The higher a worker's education, the more likely they are to be involved in monitoring and managing their retirement savings.

### Top 2 Box % (Strongly/Somewhat Agree)



BASE: For Profit, Full and Part-time

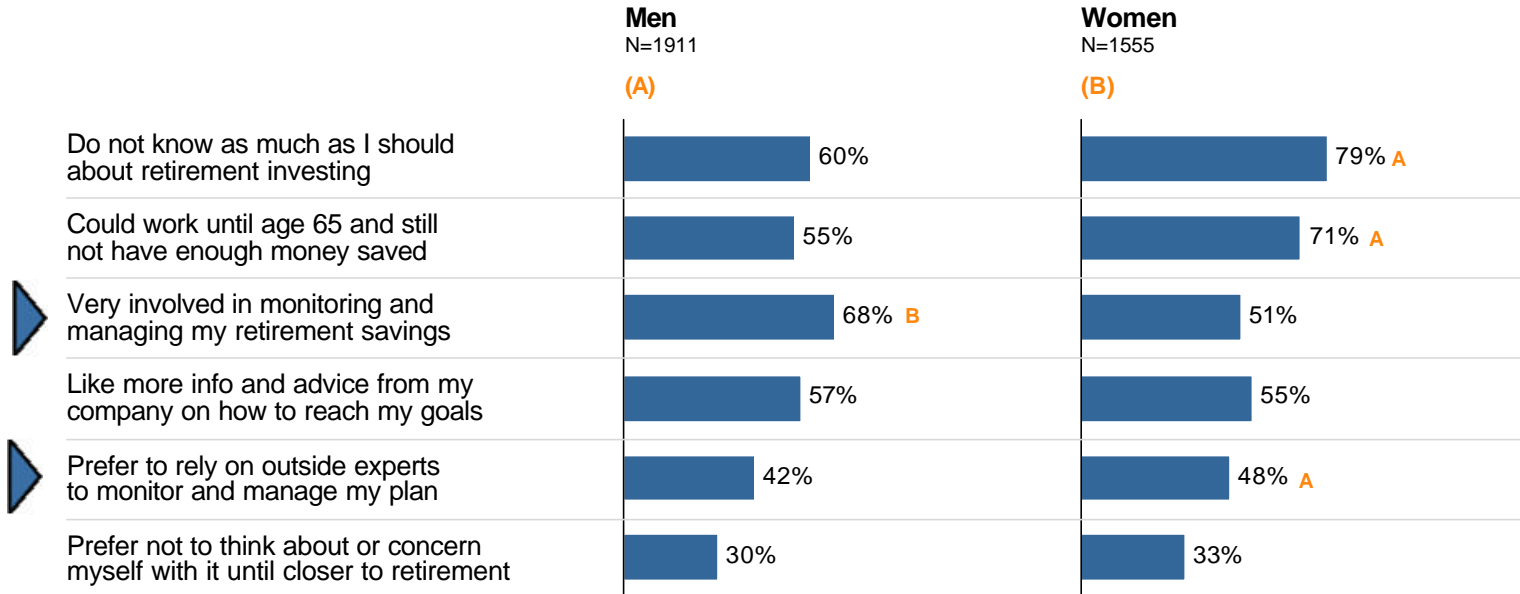
Q930. How much do you agree or disagree with each of the following statements regarding retirement investing?

# Agreement with Statements about Retirement Investing

## Gender

- Generally, men are more involved in monitoring their retirement savings than are women.
- Meanwhile, women are more likely than men to prefer to rely on outside experts to monitor their plans for them.

### Top 2 Box % (Strongly/Somewhat Agree)



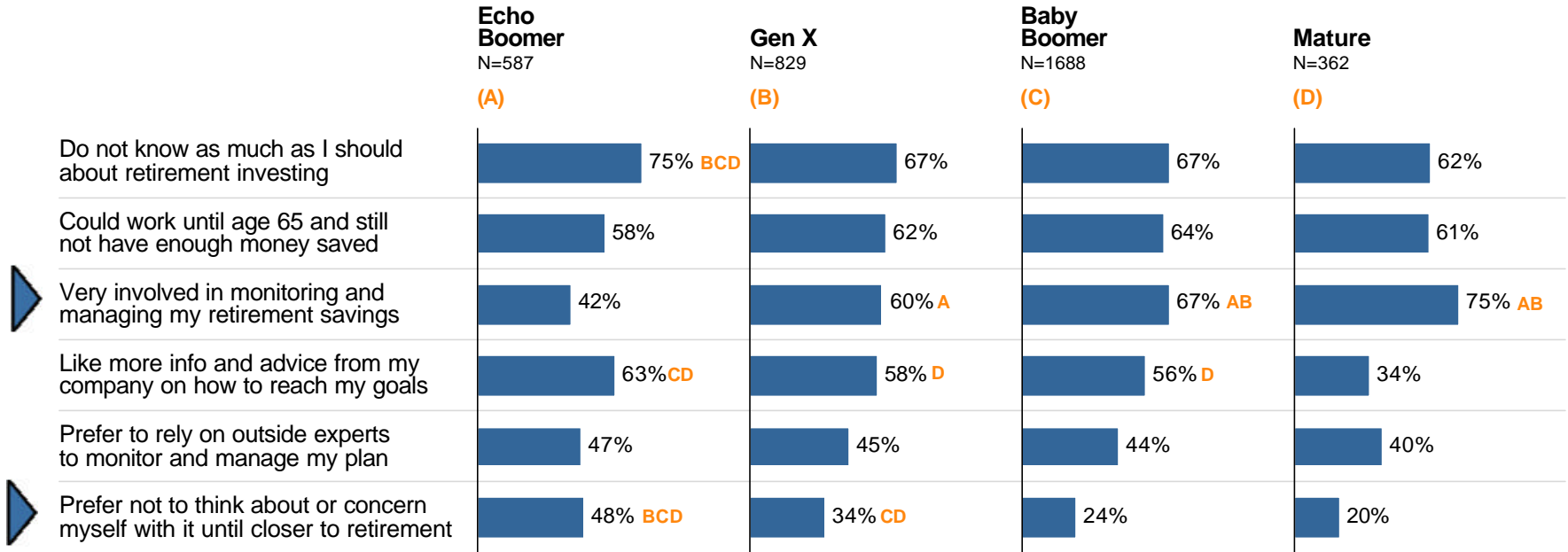
BASE: For Profit, Full and Part-time  
Q930. How much do you agree or disagree with each of the following statements regarding retirement investing?

# Agreement with Statements about Retirement Investing

## Generation

- Echo Boomers are the least likely of the generations to be involved in monitoring their retirement savings, and are the most likely to prefer not to think about retirement until later.

### Top 2 Box % (Strongly/Somewhat Agree)



BASE: For Profit, Full and Part-time

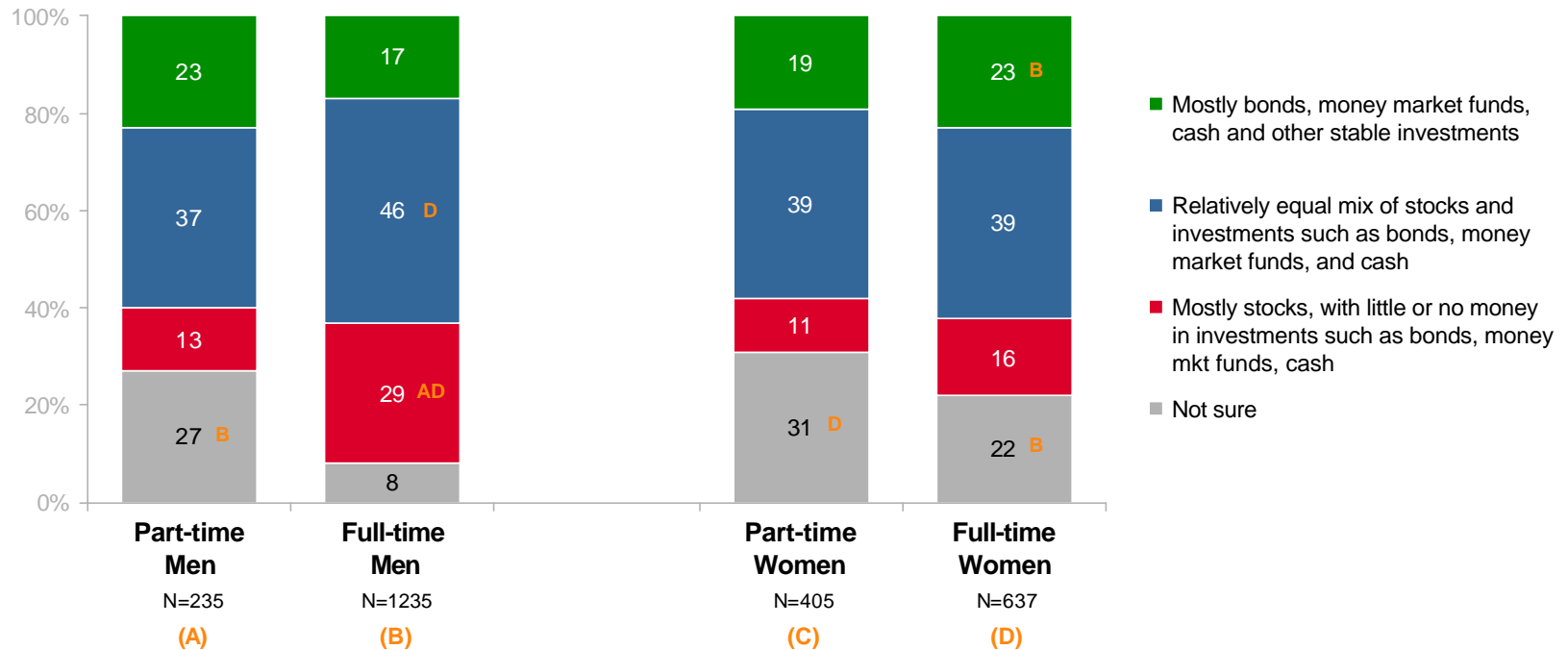
Q930. How much do you agree or disagree with each of the following statements regarding retirement investing?

# Current Retirement Savings Allocation

Among those investing for retirement

## Gender / Full v. Part-time

- Full-time working men are more likely than women and part-time workers to know how their retirement savings is invested.
- While almost half of full-time working men have an equal mix of investments, they are also more likely than other groups to invest mostly in stocks.



BASE: For Profit, Full and Part-time: Investing for retirement Q770. How is your retirement savings invested?

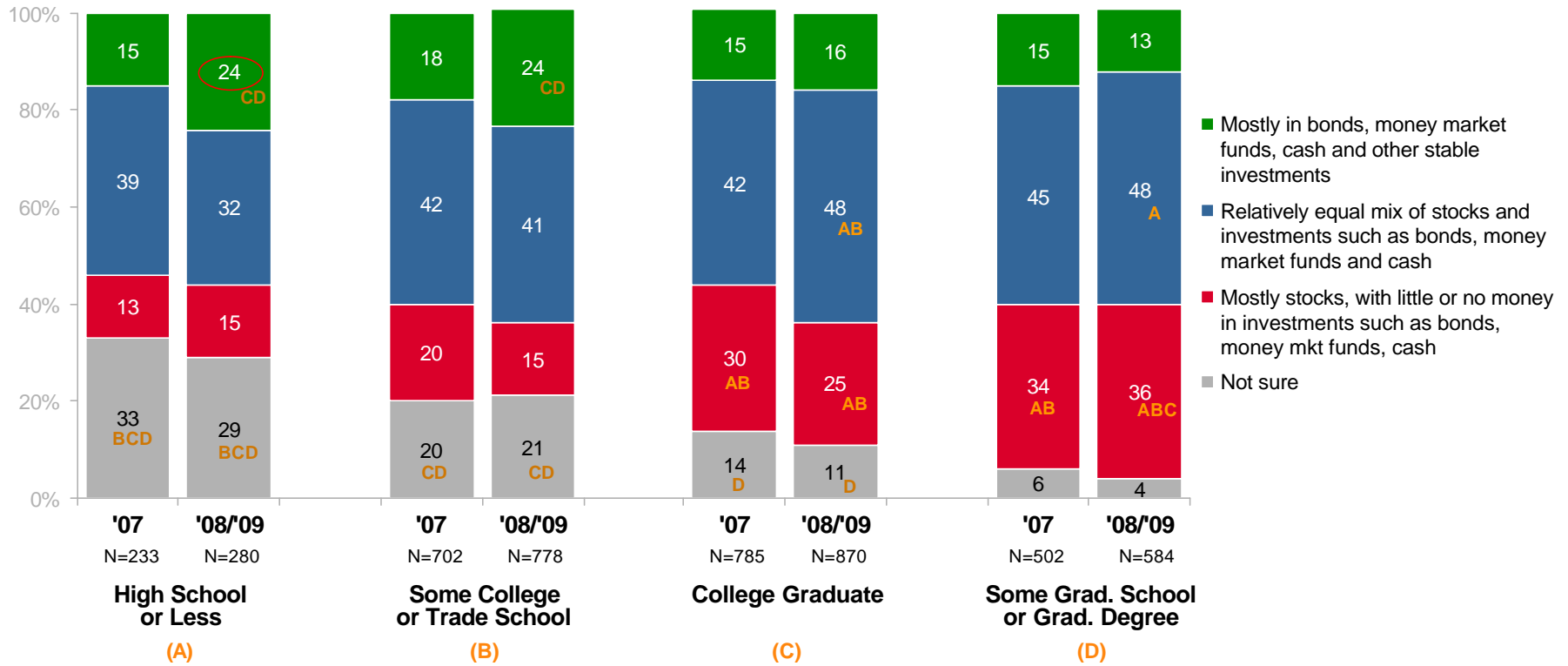


# Current Retirement Savings Allocation

Among those investing for retirement

## Education

- Workers with higher educations are more likely to know what types of retirement savings they are invested in and are more likely to invest mostly in stocks.
- Compared to 2007, a higher percentage of workers with less than a high school education are investing mostly in bonds.



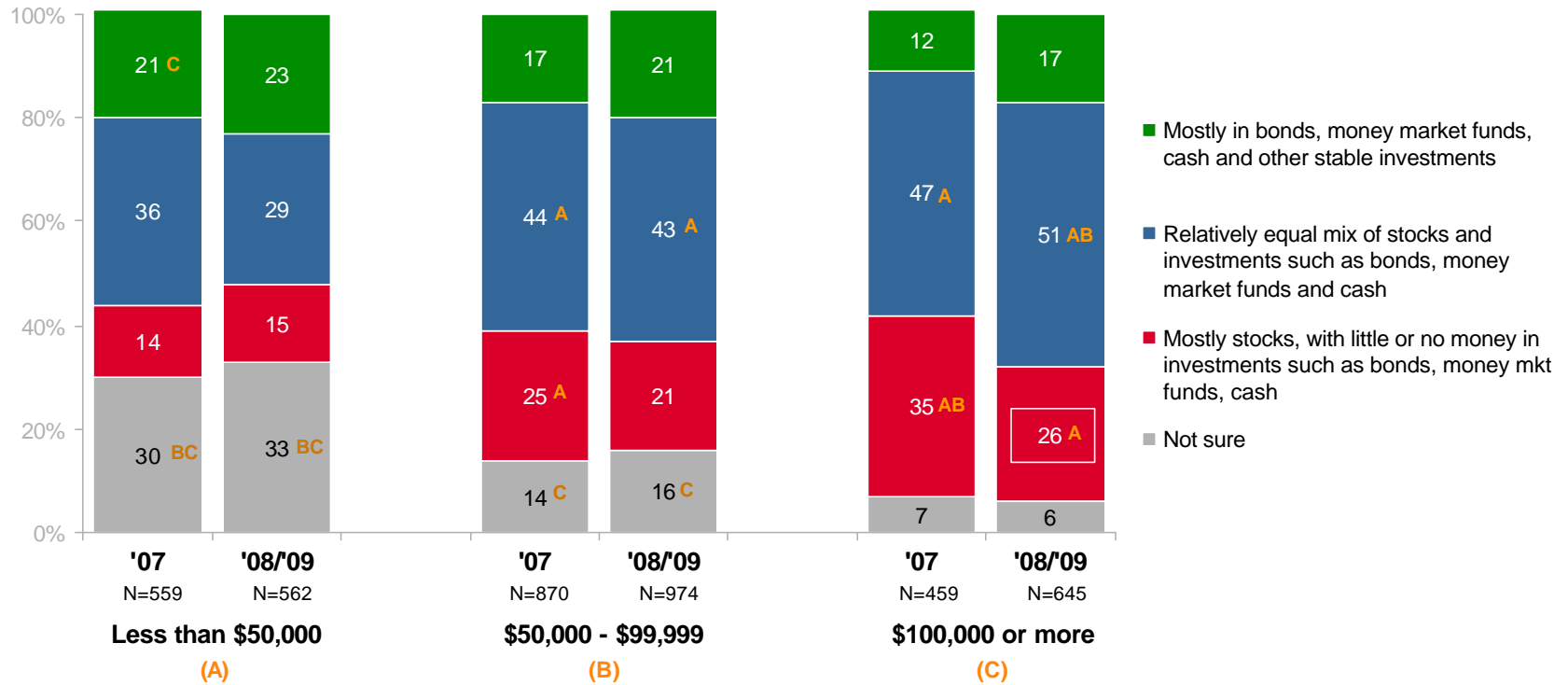
BASE: For Profit, Full and Part-time; Investing for retirement Q770. How is your retirement savings invested?

# Current Retirement Savings Allocation

Among those investing for retirement

## Income

- Compared to 2007, workers with household incomes of \$100,000 or more are less likely to be investing mostly in stocks.



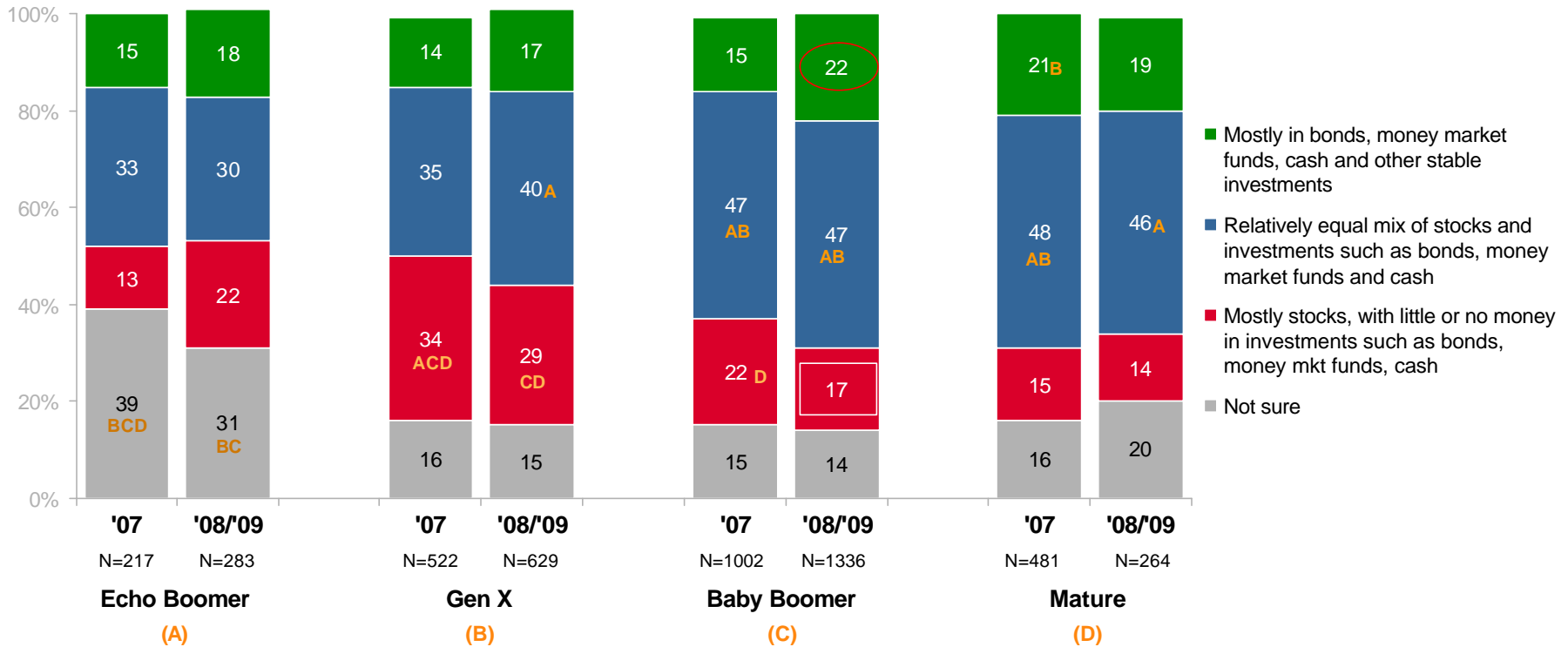
BASE: For Profit, Full and Part-time: Investing for retirement Q770. How is your retirement savings invested?

# Current Retirement Savings Allocation

Among those investing for retirement

## Generation

- Compared with 2007, fewer Baby Boomers are investing mostly in stocks and a larger percentage are now investing mostly in bonds.
- Generation X remains the generation with the largest percentage of individuals investing mostly in stocks.



BASE: For Profit, Full and Part-time; Investing for retirement Q770. How is your retirement savings invested?

## Understanding of Asset Allocation Principles...

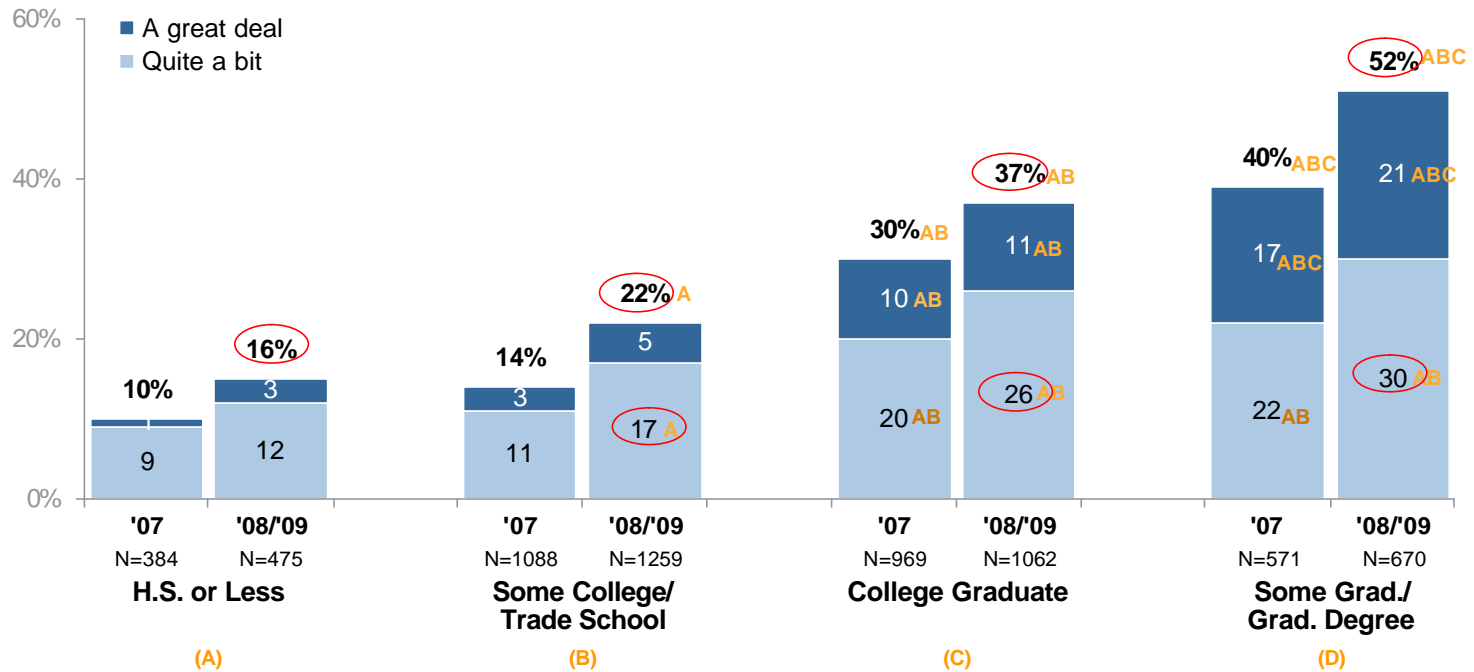
Knowledge of these principles has increased but still remains relatively low. However, workers with higher levels of education and income are more likely to state they have a greater understanding.

# Understanding of Asset Allocation Principles

## Education

- Understanding of asset allocation principles increases with education level.
- Across all levels of education, understanding has improved since 2007.

### Top 2 Box % (Great deal/Quite a bit)



BASE: For Profit, Full and Part-time

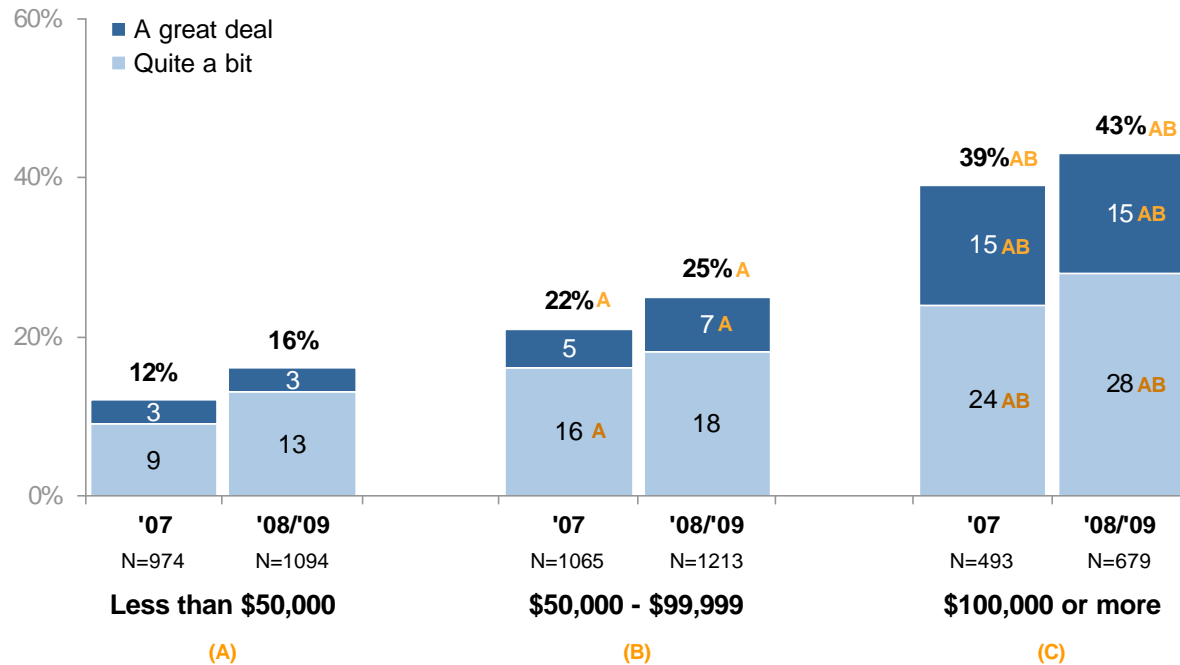
Q760. How good of an understanding do you have regarding asset allocation principles as they relate to retirement investing?

# Understanding of Asset Allocation Principles

## Income

- Understanding of asset allocation principles improves as household income increases.

### Top 2 Box % (Great deal/Quite a bit)



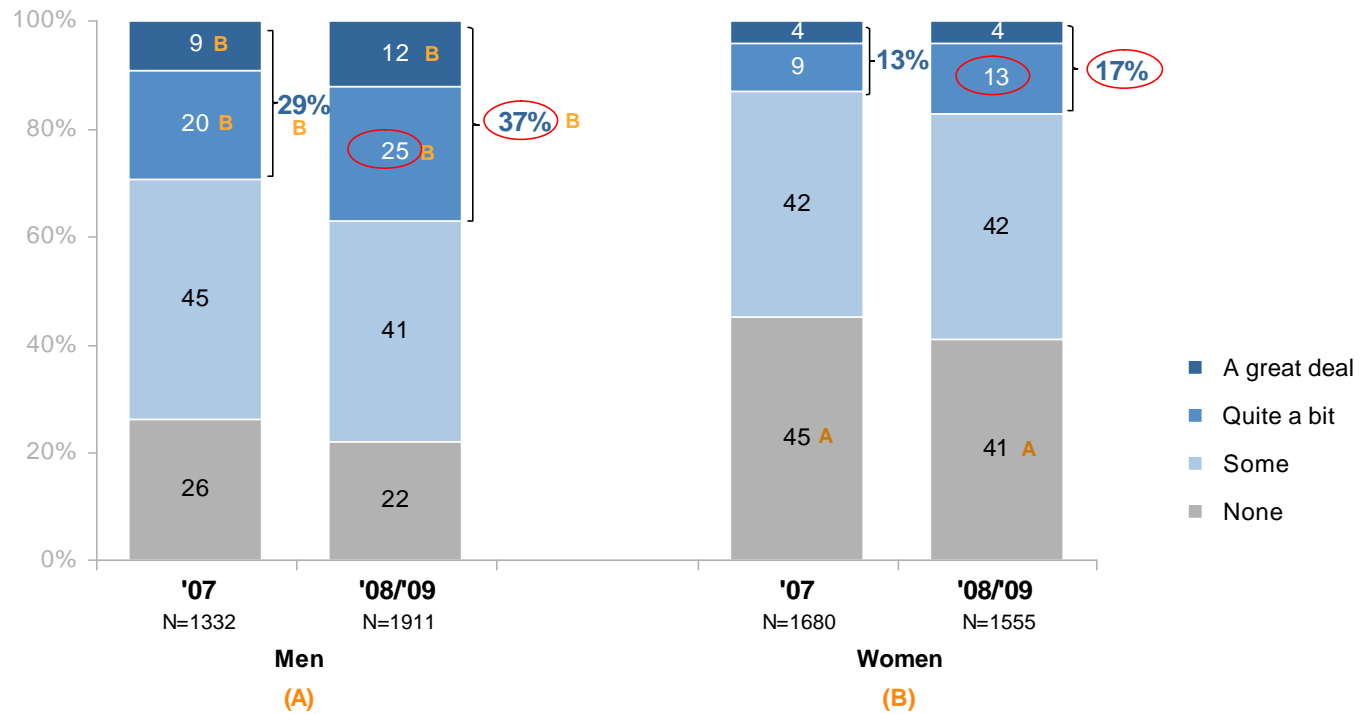
BASE: For Profit, Full and Part-time

Q760. How good of an understanding do you have regarding asset allocation principles as they relate to retirement investing?

# Understanding of Asset Allocation Principles

## Gender

- Both men and women's understanding of asset allocation principles has increased since 2007.
- However, women are less likely than men to say they have a greater understanding.



BASE: For Profit, Full and Part-time

Q760. How good of an understanding do you have regarding asset allocation principles as they relate to retirement investing?

## Retirement Plan Fees...

Workers' awareness has increased marginally since 2007, and still remains low.



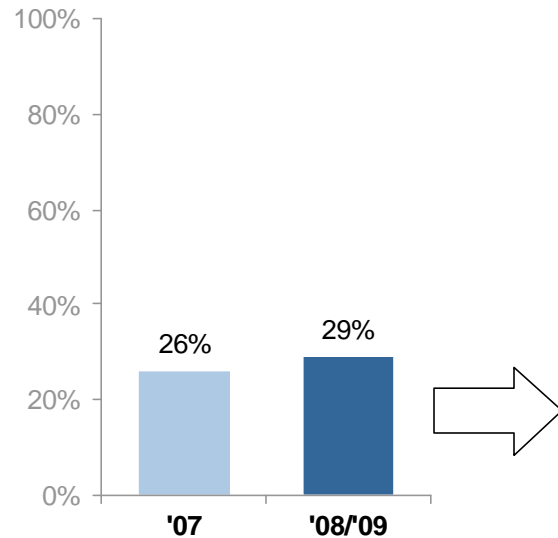
# Aware of Plan Fees

Among those with qualified plans currently offered to them

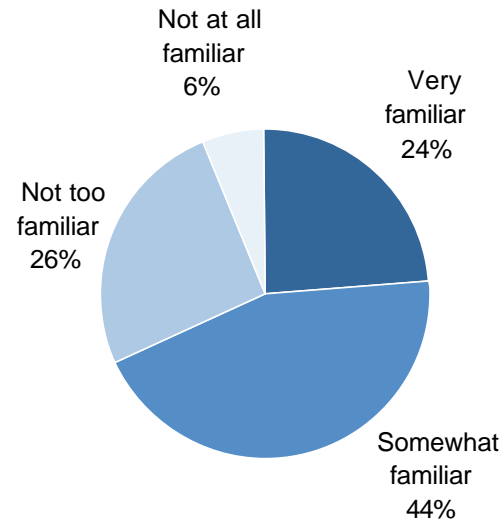
2007 - 2008/09

- Fewer than three-in-ten workers with employee-funded retirement plans are aware of any fees that may be charged to their account. It has increased marginally since 2007.
- Among those who are aware of these fees, only two-thirds are very or somewhat familiar with them.

**Awareness: % Indicate "Yes"**



**'08/'09 Familiarity**



BASE: For Profit, Full and Part-time: Those with qualified plans currently offered to them, N=2398

Q634. Are you aware of any fees that may be charged to your participant account associated with your company's retirement plan?

BASE: For Profit, Full and Part-time: Aware of fees, N=675

Q635. How familiar are you with the fees, if any, charged to your participant account associated with your company's retirement plan?

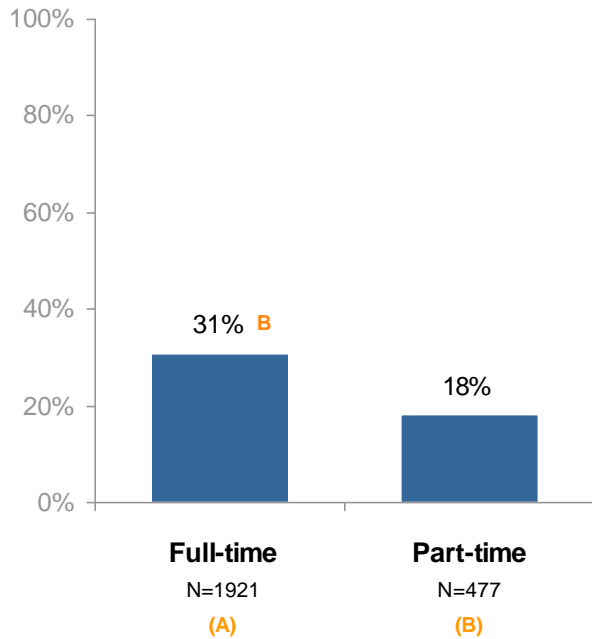
# Aware of Plan Fees

Among those with qualified plans currently offered to them

## Full vs. Part-time

- Full-time workers are more likely than part-timers to be aware of fees.

### % Indicate "Yes"

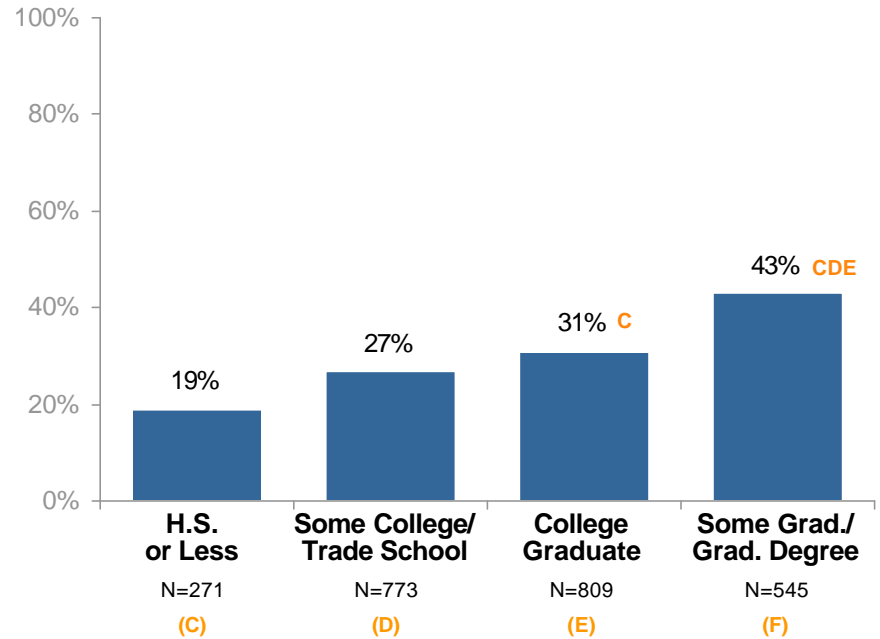


## Education

- Those with post-graduate education are most likely to be aware.

### % Indicate "Yes"

BASE: Full- and Part-time



BASE: For Profit, Full and Part-time; Those with qualified plans currently offered to them  
 Q634. Are you aware of any fees that may be charged to your participant account associated with your company's retirement plan?

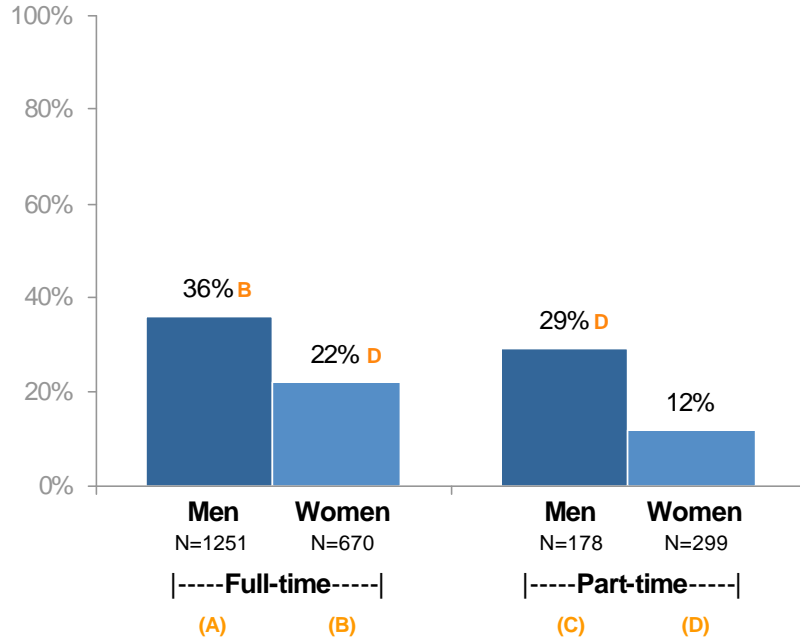
# Aware of Plan Fees

Among those with qualified plans currently offered to them

## Gender

- Men are more aware of fees than women. However, among women, full-time workers are more aware of fees than part-time workers.

**Gender**  
**% Indicate "Yes"**

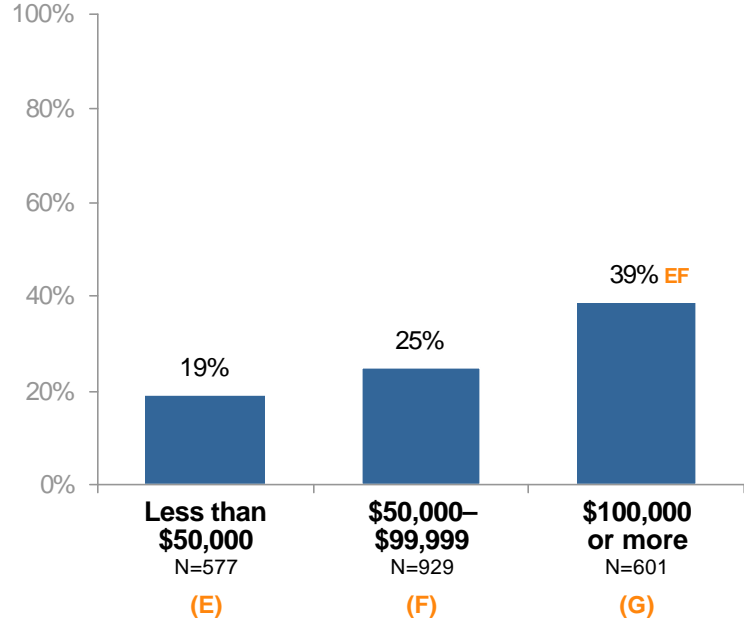


## Income

- Awareness increases as household income increases.

**Income**  
**% Indicate "Yes"**

Base: Full- and Part-time Workers



BASE: For Profit, Full and Part-time; Those with qualified plans currently offered to them  
Q634. Are you aware of any fees that may be charged to your participant account associated with your company's retirement plan?

## Awareness of Roth 401(k)/403(b) ...

Awareness of Roth 401(k)/403(b) is highest among workers in companies with 1,000 or more employees, full-time working men, as well as among older workers and those with higher household incomes and higher educations.

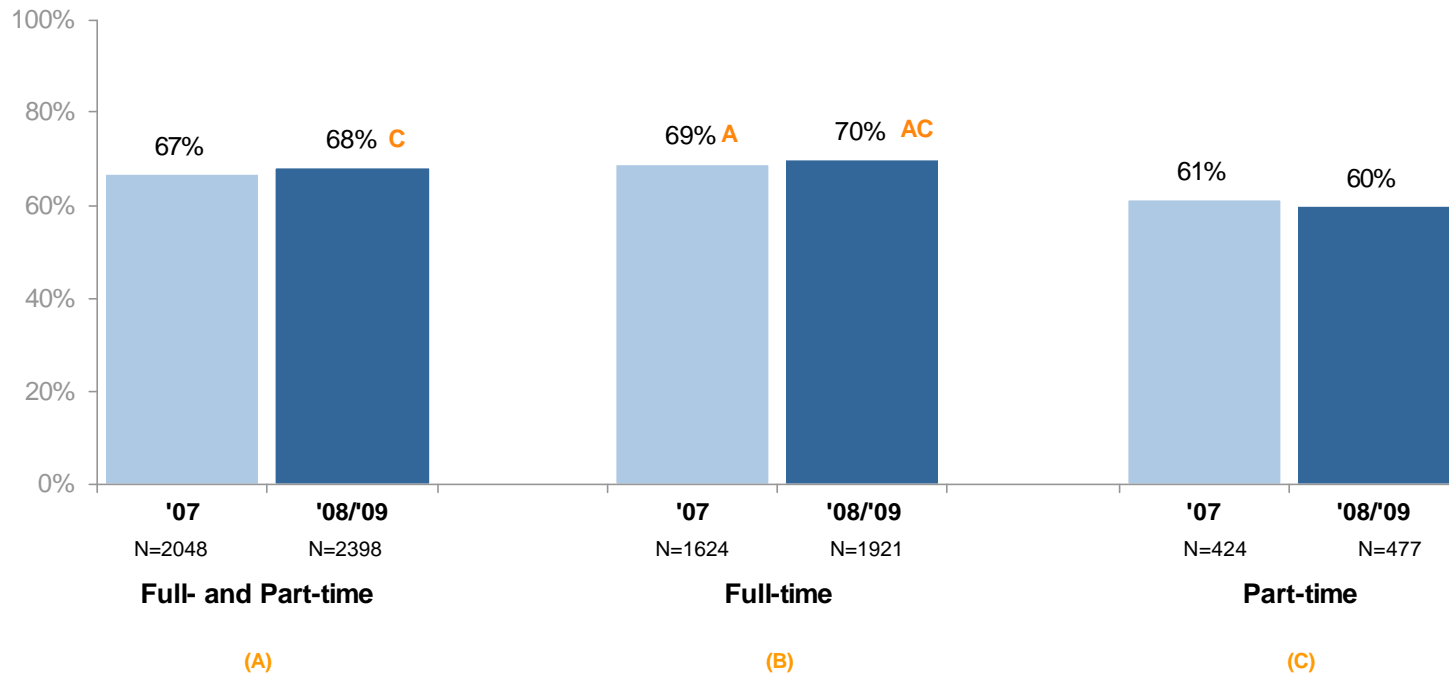
# Aware of Roth 401(k)

Among those with qualified plans currently offered to them

2007-2008/09

- Overall, awareness has not increased significantly from 2007.
- Full-time workers are more aware of Roth 401(k) than part-time workers.

**% Indicate "Yes"**



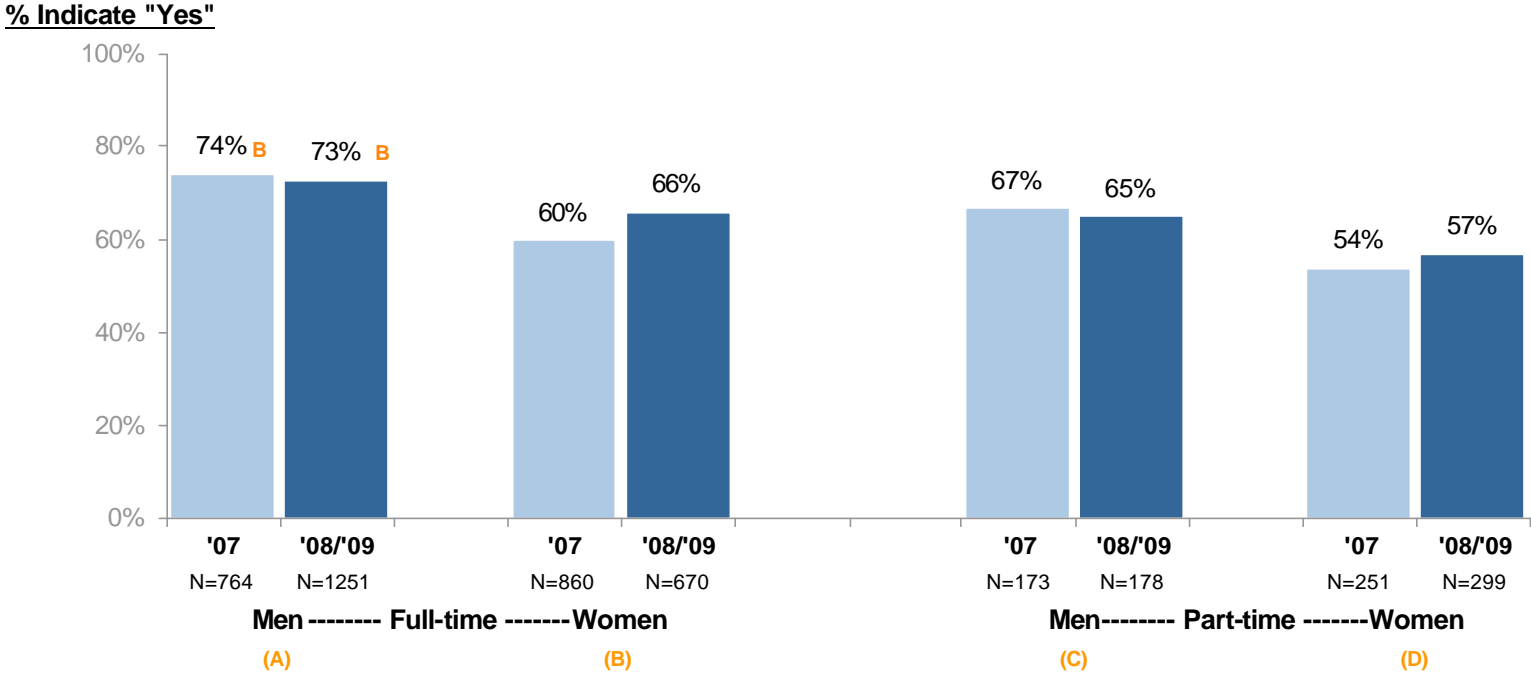
BASE: For Profit – Full & Part-time: Those with qualified plans currently offered to them  
Q605. Are you aware of the Roth 401(k)/403(b) option? (Allows you to make post-tax contributions to your 401(k)/403(b).)

# Aware of Roth 401(k)

Among those with qualified plans currently offered to them

## Gender / Worker Type

- Full-time male workers are more likely than women to be aware of the Roth 401(k) option.



BASE: For Profit – Full & Part-time: Those with qualified plans currently offered to them  
 Q605. Are you aware of the Roth 401(k)/403(b) option? (Allows you to make post-tax contributions to your 401(k)/403(b).)

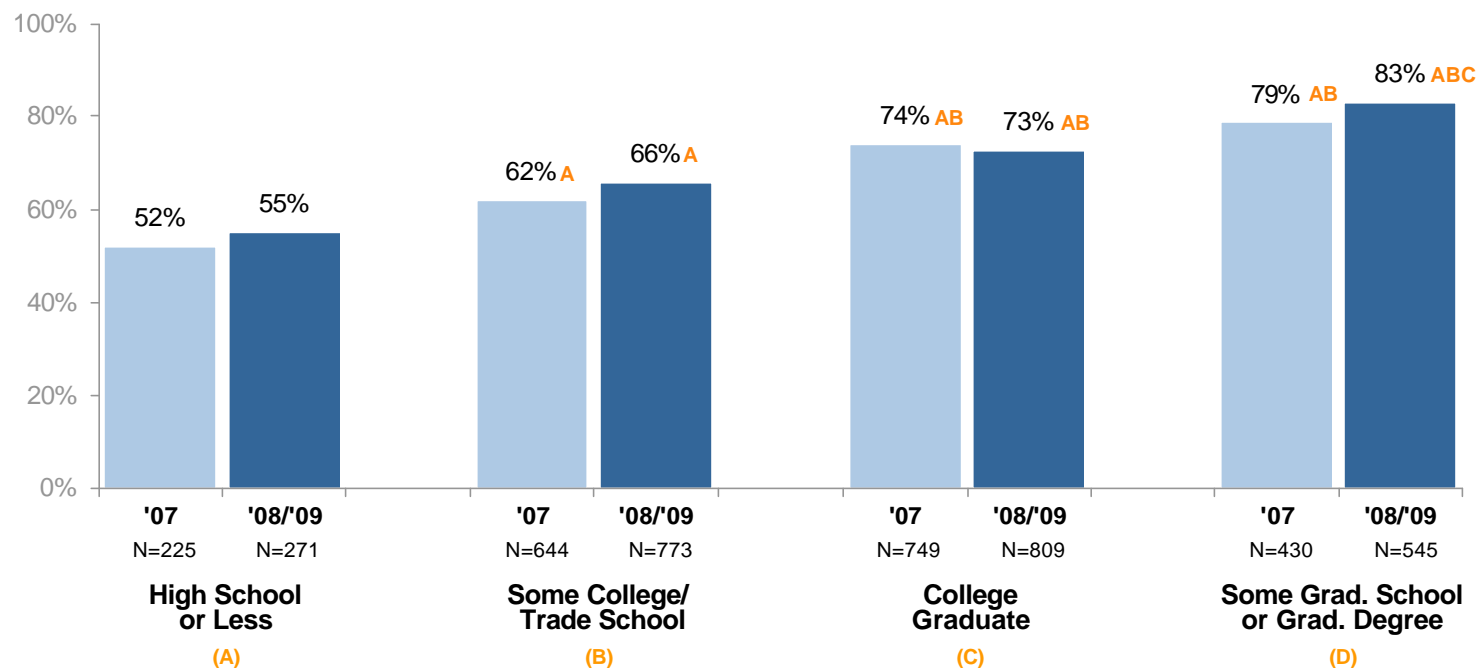
# Aware of Roth 401(k)

Among those with qualified plans currently offered to them

## Education

- As level of education increases, so does worker awareness of Roth 401(k).

### % Indicate "Yes"



BASE: For Profit, Full and Part-time; Those with qualified plans currently offered to them  
Q605. Are you aware of the Roth 401(k)/403(b) option? (Allows you to make post-tax contributions to your 401(k)/403(b).)

## Saver's Credit...

Awareness of the “Saver’s Credit” remains consistent with about one-fifth of workers aware of the credit.

Those with higher levels of education tend to be more aware of the credit than those with less than a college degree.

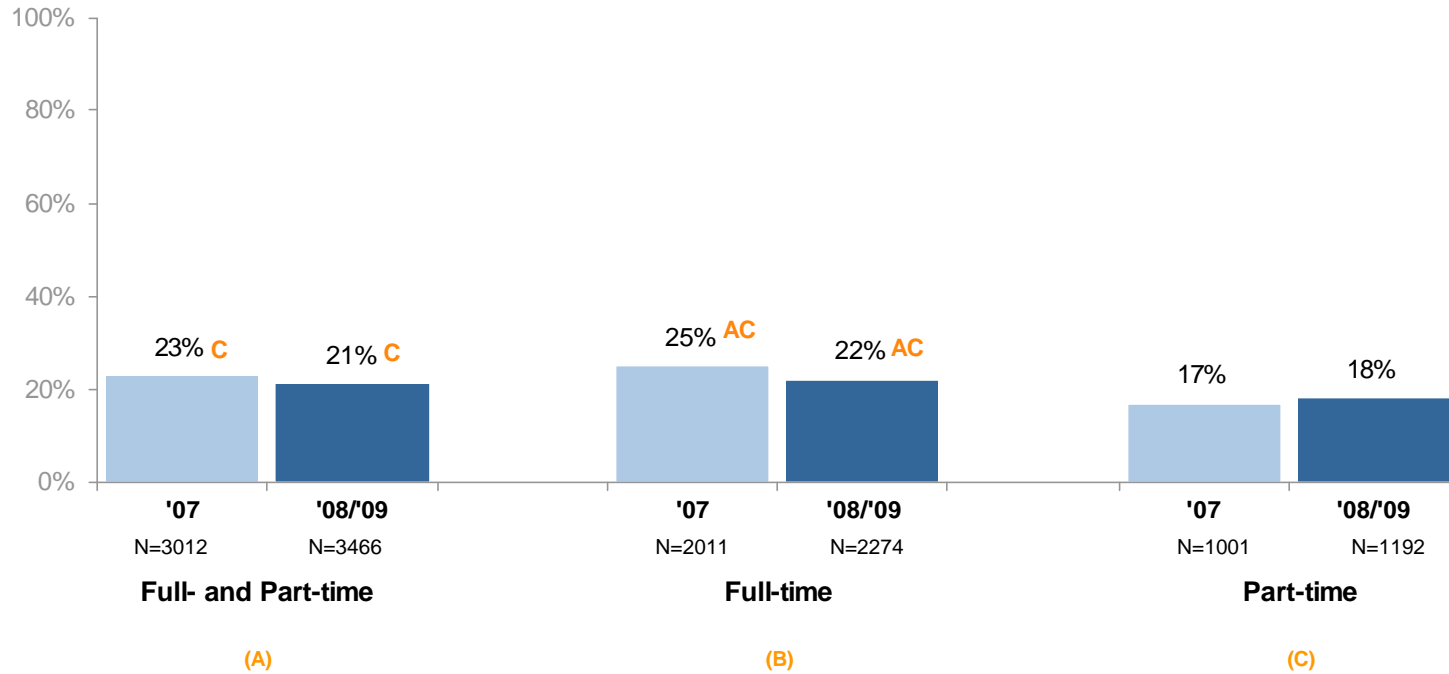


# Aware of Saver's Credit

2007-2008/09

- Awareness of the “Saver’s Credit” remains consistent with about one-fifth of workers aware.
- Full-time workers are more likely to be aware of the credit than part-time workers.

**% Indicate "Yes"**



BASE: For Profit, Full and Part-time

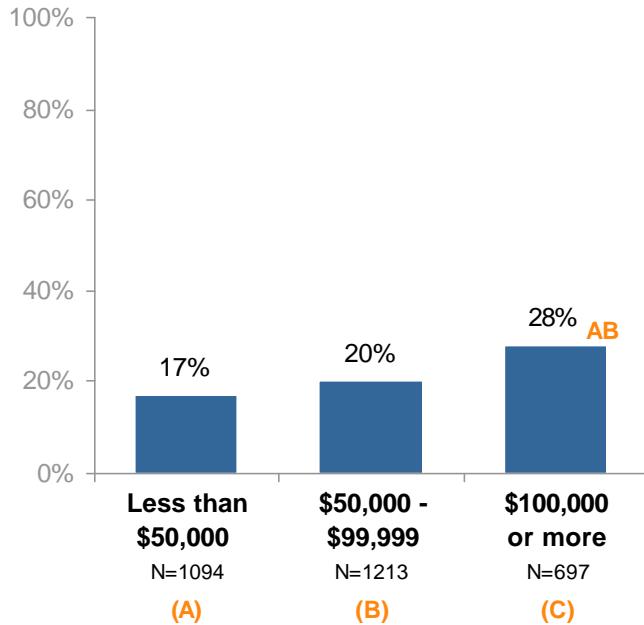
Q520. Are you aware of a tax credit called the “Saver’s Credit,” which is available to individuals and households, who meet certain income requirements, for making contributions to an IRA or a company-sponsored retirement plan such as a 401(k) plan or 403(b) plan?

# Aware of Saver's Credit

## Income

- Awareness of the Saver's Credit is highest among workers with household incomes of \$100,000 or more.

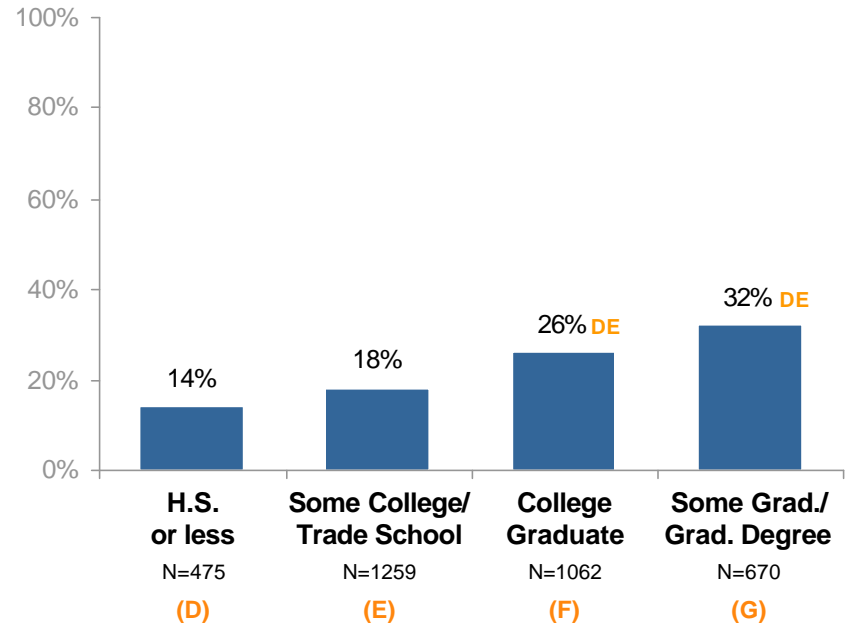
**Income**  
**% Indicate "Yes"**



## Education

- Workers with college degrees or higher are more likely to be aware than are those without a college degree.

**Education**  
**% Indicate "Yes"**



BASE: For Profit, Full and Part-time

Q520. 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?

# Aware of Saver's Credit

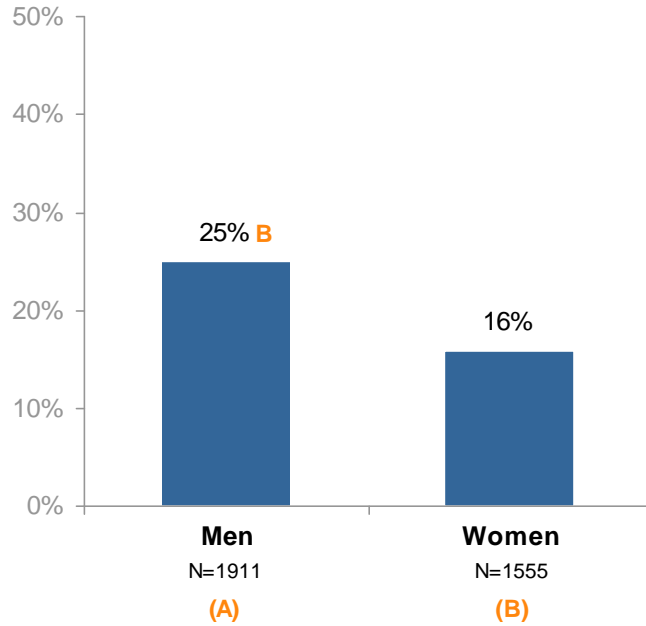
## Gender

- Men are more aware of the Saver's Credit than are women.

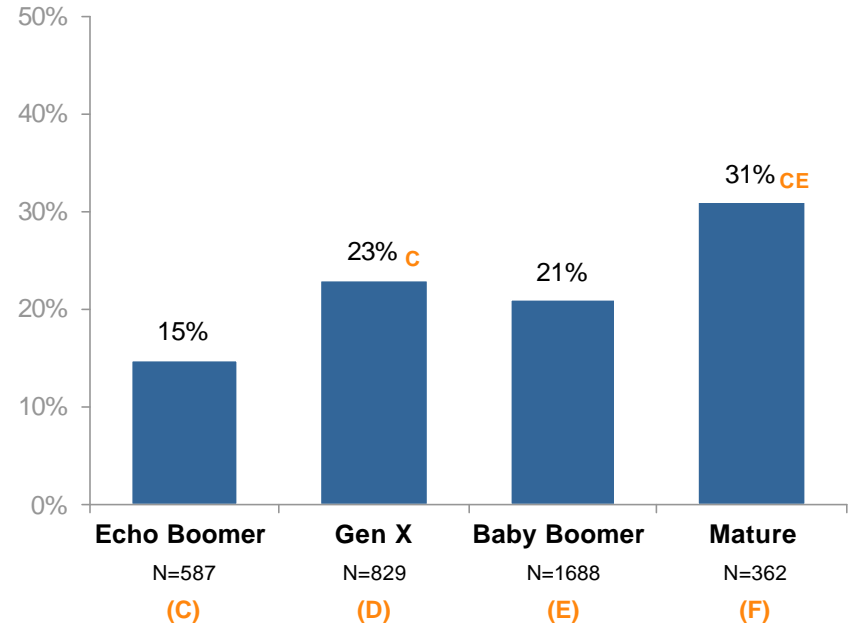
## Generation

- Echo Boomers are the least aware.

**Gender**  
**% Indicate "Yes"**



**Education**  
**% Indicate "Yes"**



BASE: For Profit, Full and Part-time

Q520. 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?

## Awareness of Catch-up Contributions...

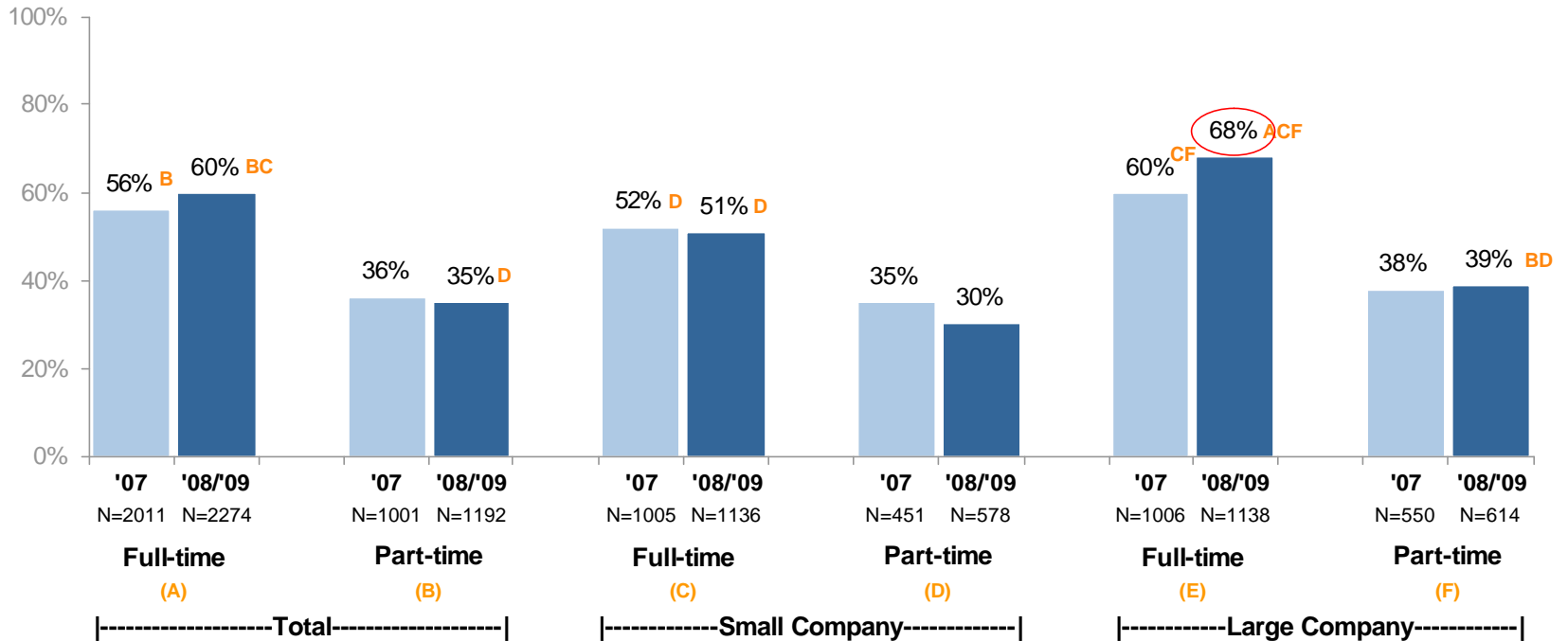
Awareness of Catch-up Contributions has increased among some groups (Baby Boomers and full-time workers at large companies) since 2007. Overall awareness is greatest among men, those with a higher household income, and workers with a higher education.

# Aware of Catch-up Contributions

## Company Size / Worker Type

- Regardless of company size, full-time workers are more aware than part-time workers that people age 50 and older can make catch-up contributions.
- The awareness of full-time workers in large companies has increased since 2007.

### % Indicate "Yes"



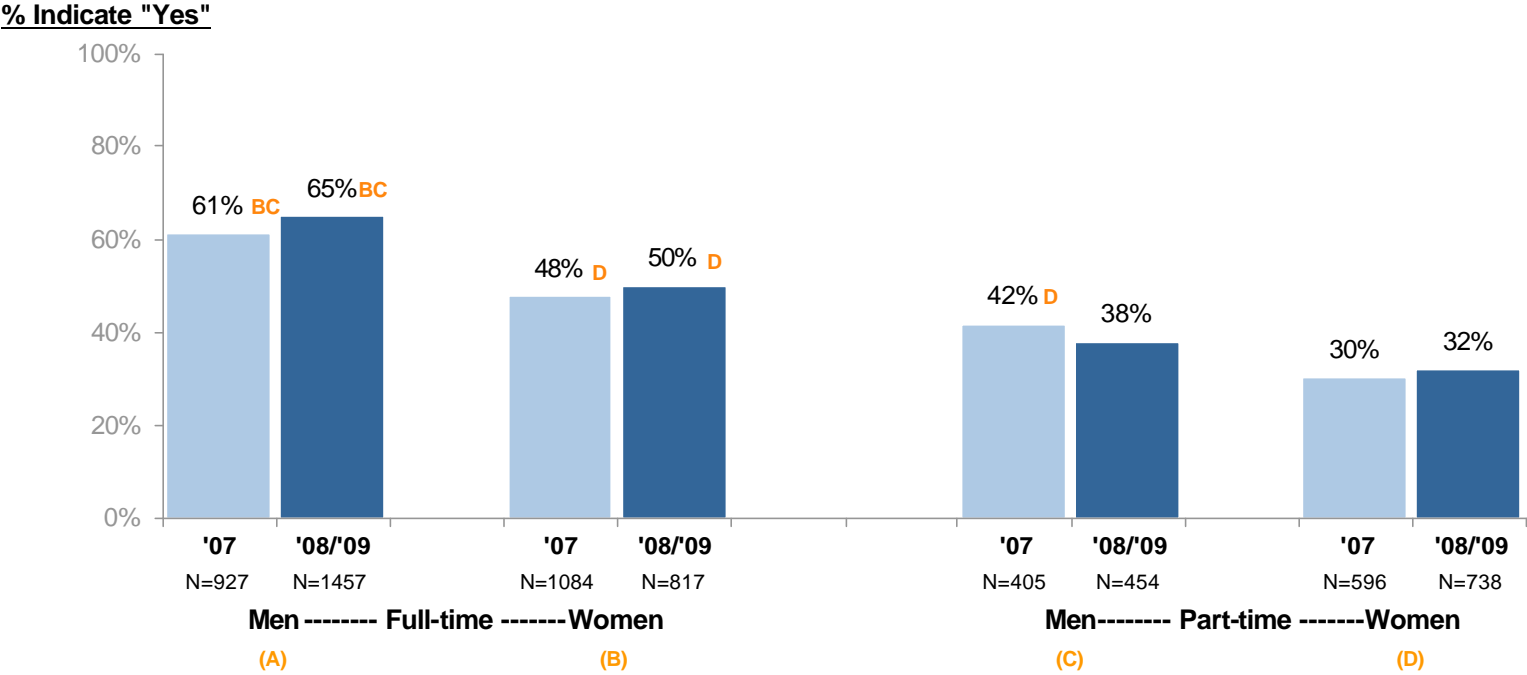
BASE: For Profit, Full and Part-time

Q1000. Are you aware that people age 50 and older may be allowed to make catch-up contributions to their 401(k)/403(b)/457(b) plan or IRA?

# Aware of Catch-up Contributions

## Gender / Worker Type

- Men are more aware than women, regardless of whether they work full or part-time.
- Within each gender, full-time workers are more aware than part-time workers.



BASE: For Profit, Full and Part-time

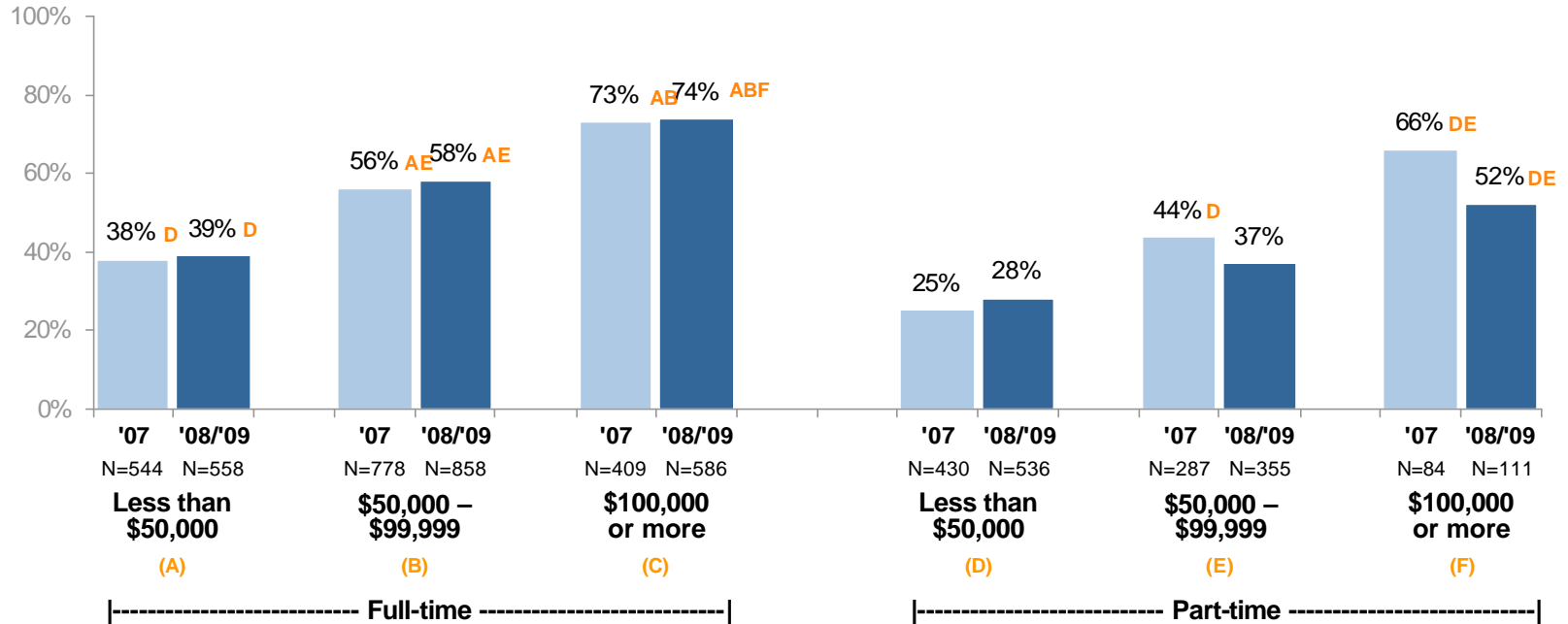
Q1000. Are you aware that people age 50 and older may be allowed to make catch-up contributions to their 401(k)/403(b)/457(b) plan or IRA?

# Aware of Catch-up Contributions

## Income

- Regardless of full or part-time status, workers with household incomes of \$100,000 or more are more familiar with catch-up contributions than workers with lower incomes.
- Full-time workers with household incomes of less than \$100,000 are more likely to be aware than their part-time counterparts.

### % Indicate "Yes"



BASE: For Profit, Full and Part-time

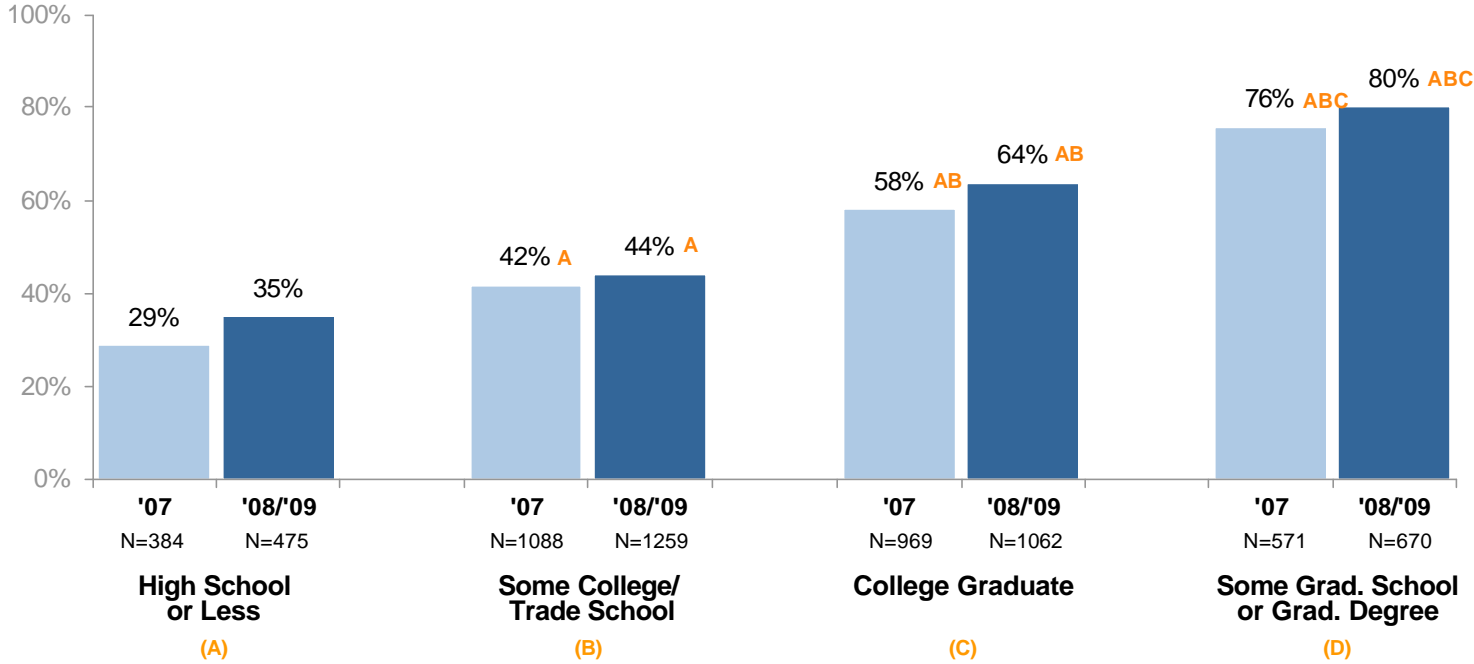
Q1000. Are you aware that people age 50 and older may be allowed to make catch-up contributions to their 401(k)/403(b)/457(b) plan or IRA?

# Aware of Catch-up Contributions

## Education

- Awareness of catch-up contributions steadily increases with level of education.

**% Indicate "Yes"**



BASE: For Profit, Full and Part-time

Q1000. Are you aware that people age 50 and older may be allowed to make catch-up contributions to their 401(k)/403(b)/457(b) plan or IRA?



## Information Sources...

The most popular sources of information for retirement planning and investing are friends and family, financial planners and brokers, and financial Web sites. Specifically, reliance on financial Web sites has increased since 2007.

# Information Sources: Retirement Planning & Investing

2007-2008/09

- Possibly due to the recent changes in the market, and therefore a potential increase in financial media, more workers are relying on financial Web sites and financial-related TV shows than in 2007.
- Financial planners and brokers are less influential than in 2007. However, along with friends/family they are still the most commonly relied on resources.

<b>Sources of Information</b> <i>Multiple responses</i>	<b>'07</b> N=3012	<b>'07 Most Influential</b> N=2332	<b>'08/09</b> N=3466	<b>'08 Most Influential</b> N=2775
Financial Planner / Broker	29%	25%	32%	21%
Friends / Family	32%	18%	34%	21%
Financial Web sites	28%	10%	32%	14%
Retirement plan provider Web site	24%	10%	26%	8%
Print newspapers/magazines	25%	7%	25%	6%
Employer	21%	6%	19%	5%
Plan provider printed material	21%	5%	18%	4%
Accountant	11%	4%	11%	3%
Retirement calculators	14%	3%	16%	3%
Financial-related TV shows	13%	1%	18%	4%
Insurance agent	5%	1%	5%	1%
Lawyer	3%	1%	3%	<1%
None	21%	5%	18%	4%
Other	6%	5%	7%	5%

Q825. What sources of information do you rely on for retirement planning and investing? Select all that apply.

BASE: Selected more than one info source

Q826. Of these sources, which one influences your decisions the most?

# Information Sources: Retirement Planning & Investing

## Gender

- Women are more likely than they were in 2007 to be most influenced by friends and family as a source for retirement planning and investing, more so than men.
- Meanwhile, men are more likely to be influenced by financial Web sites and print newspapers or magazines.

	Men (A)		Women (B)	
	'07 N=1063	'08/'09 N=1585	'07 N=1269	'08/'09 N=1190
Financial Planner / Broker	24%	21%	27%	20%
Friends / Family	14%	15%	23% <sup>A</sup>	29% <sup>A</sup>
Financial Web sites	13% <sup>B</sup>	19% <sup>B</sup>	6%	8%
Retirement plan provider Web site	11% <sup>B</sup>	8%	8%	8%
Print newspapers/magazines	9% <sup>B</sup>	8% <sup>B</sup>	4%	3%
Employer	6%	5%	6%	5%
Plan provider printed material	3%	3%	6% <sup>A</sup>	5%
Accountant	4%	2%	3%	4%
Retirement calculators	4%	3%	2%	3%
Financial-related TV shows	1%	4%	1%	2%
Insurance agent	1%	1%	2%	<1%
Lawyer	1%	<1%	<1%	1%
None	5%	4%	6%	4%
Other	4%	5%	5%	7%

BASE: For Profit, Full and Part-time: Selected more than one info source Q826. Of these sources, which one influences your decisions the most?

# Information Sources: Retirement Planning & Investing

## Income

- Workers with household incomes under \$100,000 are more likely than their high-income counterparts to be influenced by friends or family. There is also an increase since 2007 in the influence financial Web sites have among this group.
- Workers with household incomes of \$100,000 or more are most influenced by a financial planner or broker, more so than workers with lower incomes.

	Less than \$50,000 (A)		\$50,000 - \$99,999 (B)		\$100,000 or more (C)	
	'07 N=644	'08/'09 N=737	'07 N=887	'08/'09 N=1027	'07 N=447	'08/'09 N=658
Friends / Family	25% <b>BC</b>	27% <b>C</b>	19% <b>C</b>	22% <b>C</b>	9%	12%
Financial Planner / Broker	18%	15%	24% <b>A</b>	17%	31% <b>A</b>	27% <b>AB</b>
Employer	9% <b>C</b>	9% <b>C</b>	6%	6%	4%	3%
Retirement plan provider Web site	9%	6%	12% <b>C</b>	11% <b>A</b>	7%	8%
Financial Web sites	7%	12%	9%	14%	15% <b>AB</b>	19% <b>A</b>
Plan provider printed material	6%	5%	5%	5%	3%	3%
Print newspapers and magazines	5%	5%	6%	6%	9%	7%
Accountant	3%	2%	3%	3%	6%	4%
Retirement calculators	2%	3%	3%	3%	5%	5%
Financial-related TV shows	2%	5%	1%	3%	1%	3%
Insurance agent	2% <b>C</b>	1%	1%	1%	0%	1%
Lawyer	1%	1%	<1%	1%	1%	<1%
Other	6%	7%	5%	5%	4%	4%
None	6%	5%	4%	4%	4%	3%

BASE: For Profit, Full and Part-time: Selected more than one info source Q826. Of these sources, which one influences your decisions the most?

# Information Sources: Retirement Planning & Investing

## Generation

- The youngest workers are most influenced by their friends and family, and have become less influenced by financial planners and brokers since 2007.
- Older workers are most influenced by financial planners and brokers. The influence of financial Web sites and financial-related TV shows has increased among Baby Boomers.

	Echo Boomer (A)		Gen X (B)		Baby Boomer (C)		Mature (D)	
	'07 N=286	'08/'09 N=405	'07 N=531	'08/'09 N=659	'07 N=1036	'08/'09 N=1403	'07 N=479	'08/'09 N=308
Friends / Family	37% BCD	41% BCD	22% CD	24% CD	12%	12%	9%	7%
Financial Planner / Broker	21%	12%	18%	14%	27% B	26% AB	39% ABC	40% ABC
Retirement plan provider Web site	8%	4%	11%	8%	10%	10% A	9%	5%
Financial Web sites	7%	11%	15% ACD	19% AC	9%	13%	5%	11%
Employer	5%	4%	4%	6%	9% BD	4%	4%	3%
Print newspapers and magazines	3%	4%	8%	8%	6%	6%	8% A	4%
Insurance agent	2%	3% BC	1%	<1%	1%	1%	1%	1%
Plan provider printed material	2%	1%	3%	3%	6%	5% A	6%	5%
Financial-related TV shows	1%	4%	2%	3%	1%	4%	1%	2%
Retirement calculators	1%	2%	4%	4%	4%	4%	2%	3%
Accountant	<1%	1%	3%	3%	5% A	5% A	6% AB	2%
Lawyer	0%	1%	<1%	<1%	1%	<1%	2% B	<1%
Other	5%	8%	6%	4%	4%	5%	4%	10% BC
None	9% B	3%	4%	4%	5%	4%	3%	7%

BASE: For Profit, Full and Part-time; Selected more than one info source Q826. Of these sources, which one influences your decisions the most?

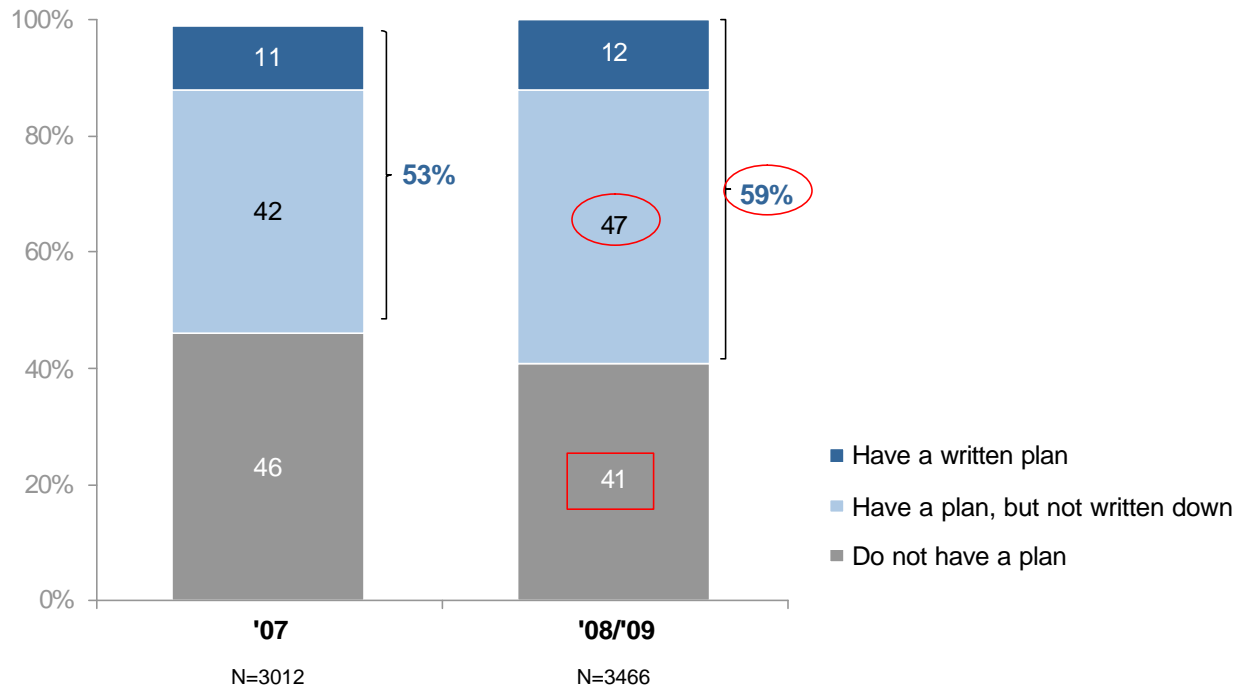
## Retirement Strategy...

A larger percentage of workers have a retirement strategy than in 2007, but almost half do not have a written strategy. Workers continue to guess at what amount they think they will need for retirement.

# Retirement Strategy

2007-2008/09

- More workers report having a plan than in 2007, but few have written their plan down.



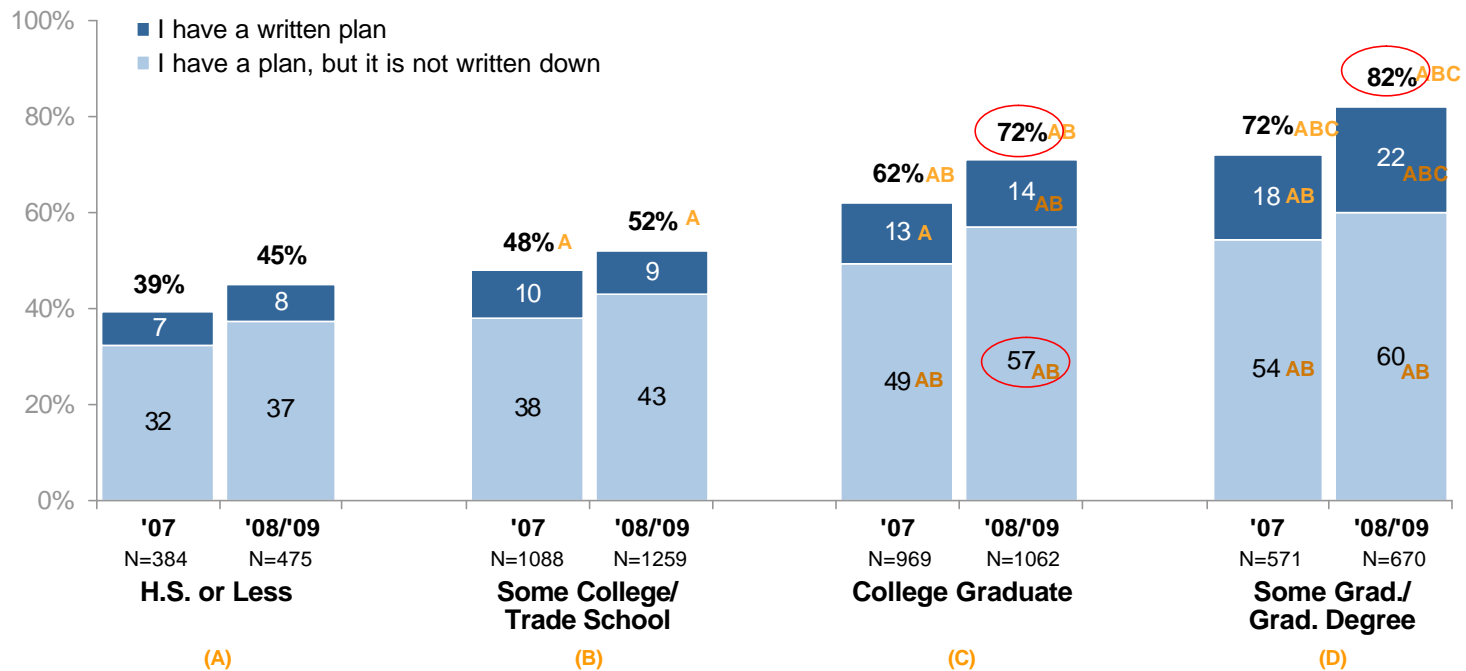
BASE: For Profit, Full and Part-time  
Q555. Which of the following best describes your retirement strategy?

# Have Retirement Strategy

## Education

- As education increases, so does the likelihood that a worker has a retirement strategy in place.
- The percentage of workers with a college education or higher who have a retirement strategy has increased since 2007.

### % Indicate "Have Plan"



BASE: For Profit, Full and Part-time  
 Q555. Which of the following best describes your retirement strategy?

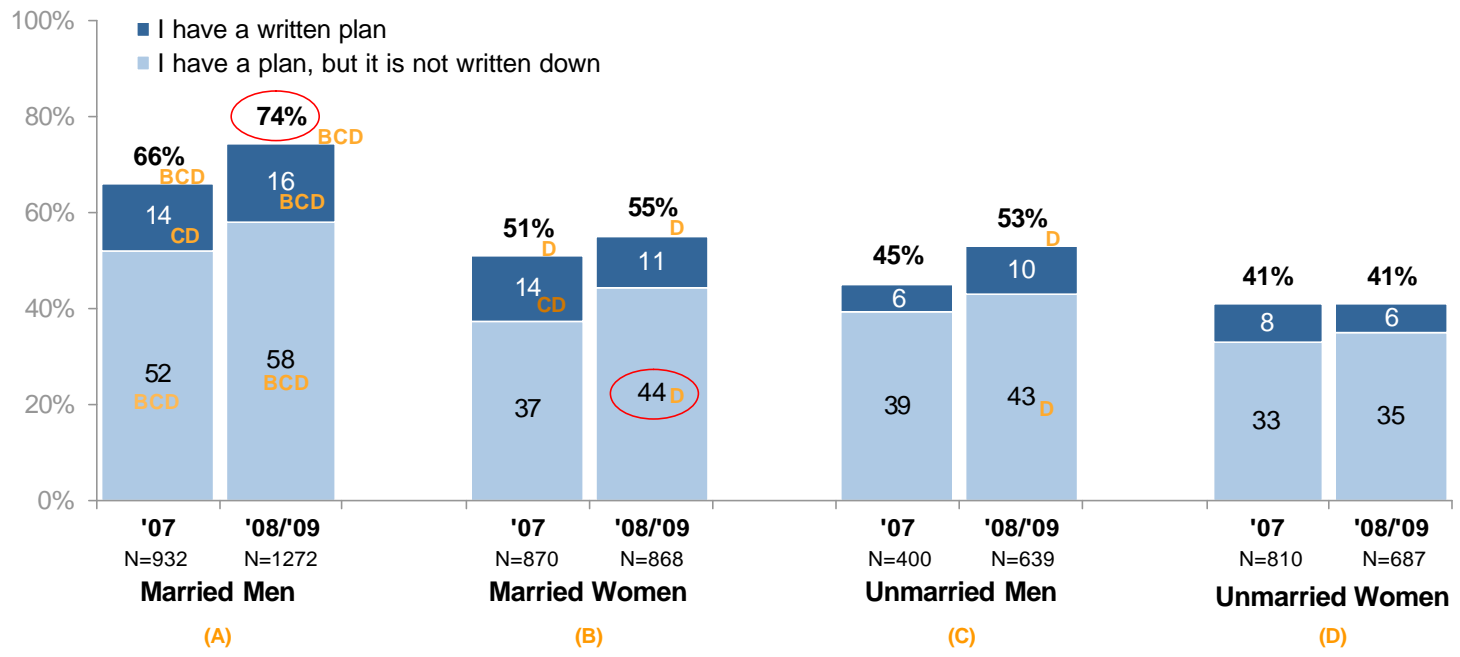


# Have Retirement Strategy

## Marital Status / Gender

- Married men are the most likely to have a written retirement plan.
- However, the number of married women with a plan has increased since 2007.

### % Indicate "Have Plan"



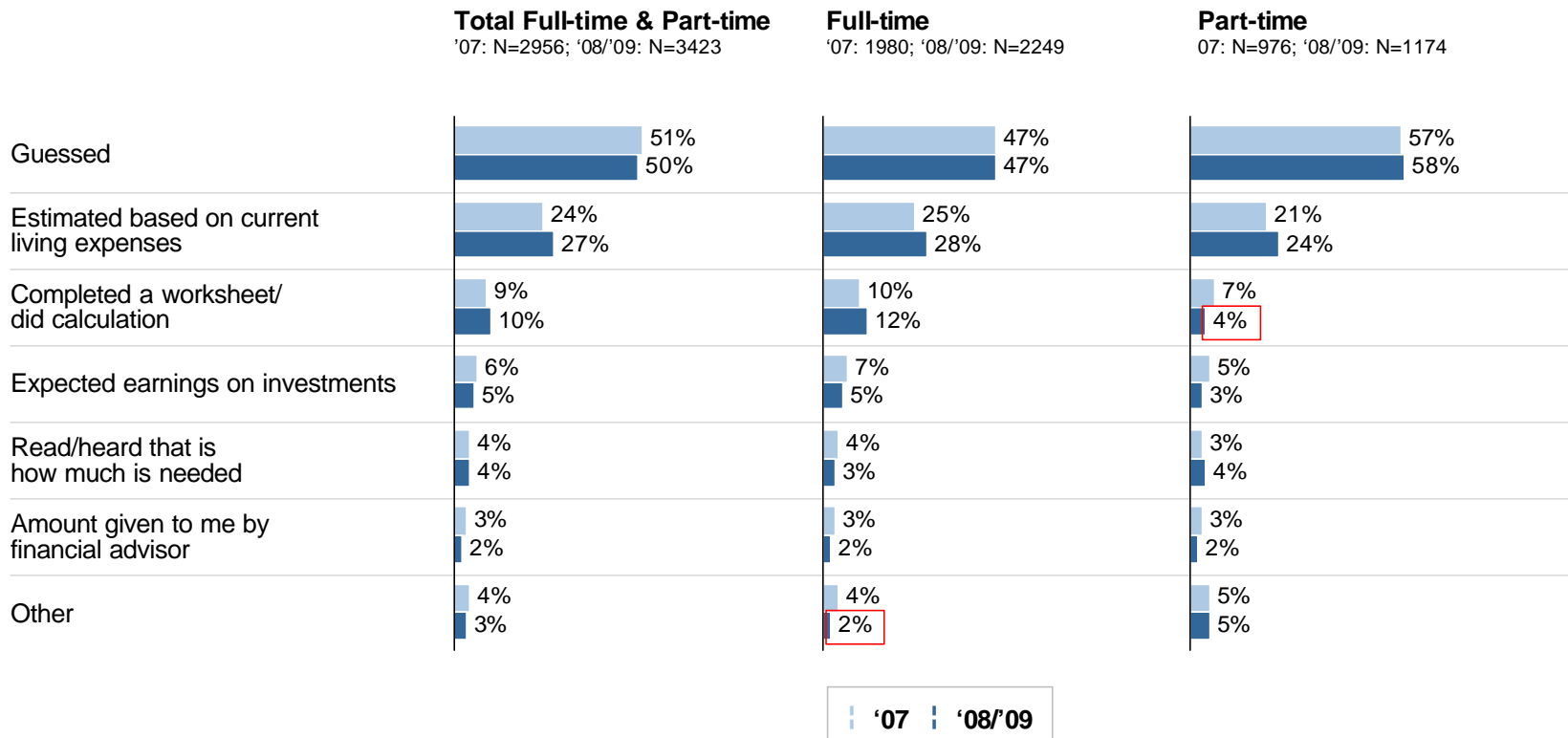
BASE: For Profit, Full and Part-time  
Q555. Which of the following best describes your retirement strategy?

# Figuring Amount Needed to Retire Comfortably

Among those who provided estimate of money needed

## Worker Type

- Half of all workers guess at how much they will need for retirement. Only one-quarter figure out what they need based on their current living expenses and only 2 percent get the number from a financial advisor.



BASE: For Profit, Full and Part-time; Provided estimate of money needed Q900. How did you arrive at that number?

## Financial Outlook...

One-third of workers are optimistic about their own personal financial situation in the coming year, even though they are not as hopeful about the state of the U.S. economy.

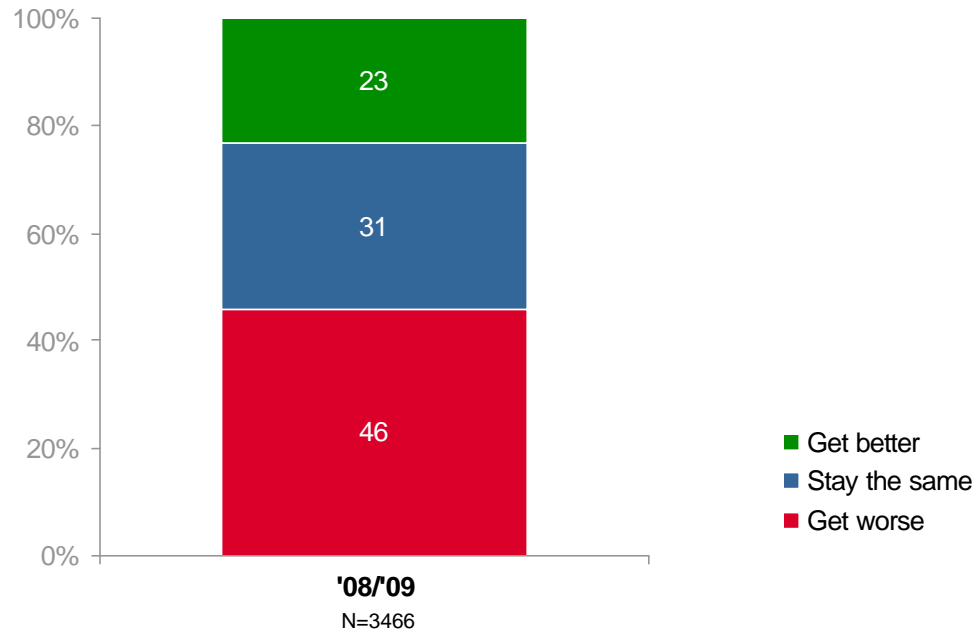
Most Americans would like President Obama and Congress to fully fund Social Security, especially Matures and women.

# State of U.S. Economy

2008/09

- Slightly less than one-quarter of workers expect the U.S. economy to get better in the next 12 months.
- Close to half expect it to get worse.

**In the next 12 months, workers expect the U.S. economy to:**



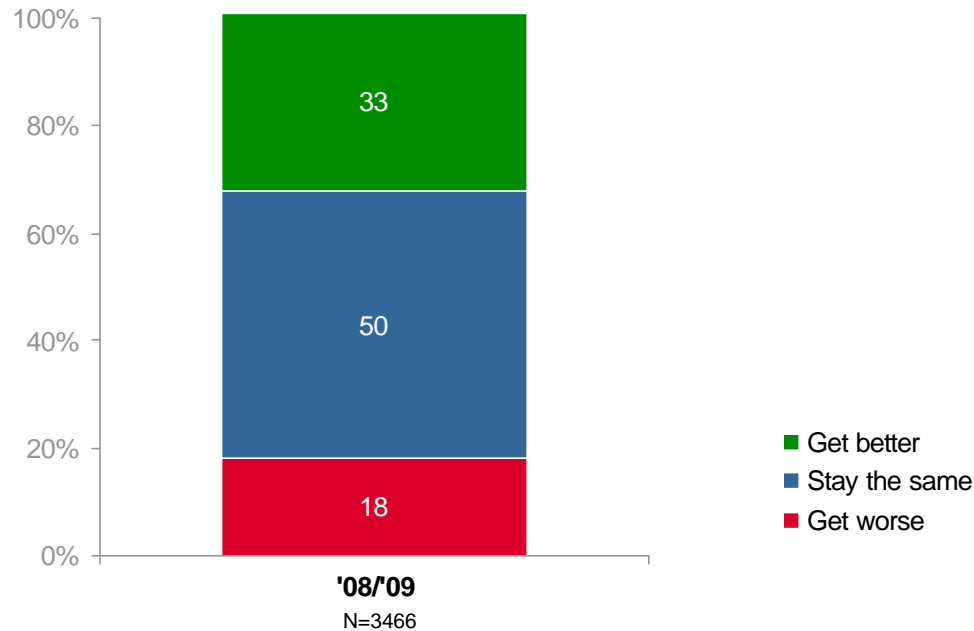
BASE: For Profit, Full and Part-time  
Q501. In the next 12 months, do you expect the U.S. economy to:

# State of Personal Financial Situation

2008/09

- Workers are more hopeful about their own personal financial situation over the next year, with one-third expecting it to get better and only one-fifth expecting it to get worse.

**In the next 12 months, workers expect their own financial situation to to:**



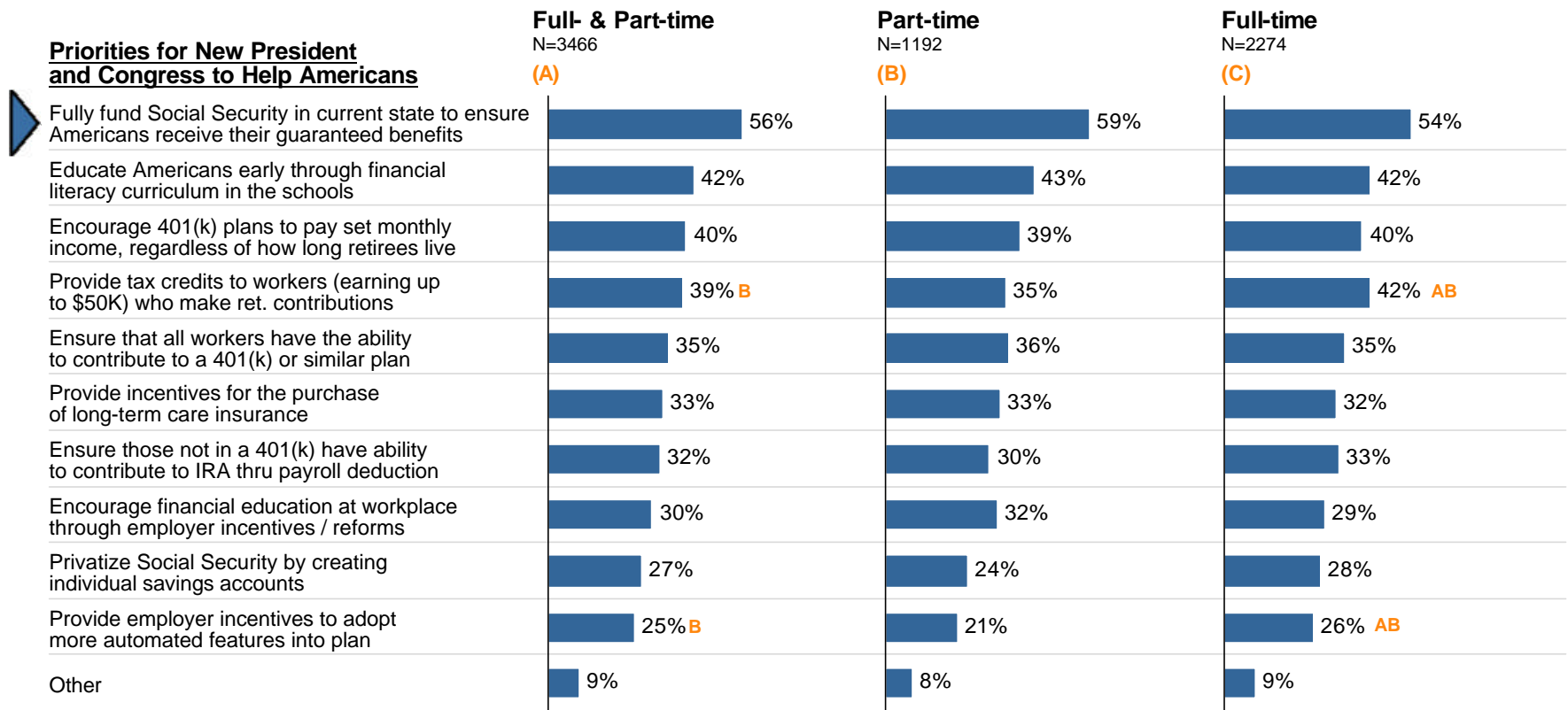
BASE: For Profit, Full-time

Q502. In the next 12 months, do you expect your own financial situation to:

# Helping Americans Prepare for a Financially Secure Retirement

## Full v. Part-time

- More than half of U.S. workers think President Obama and Congress should fully fund Social Security in its current state.

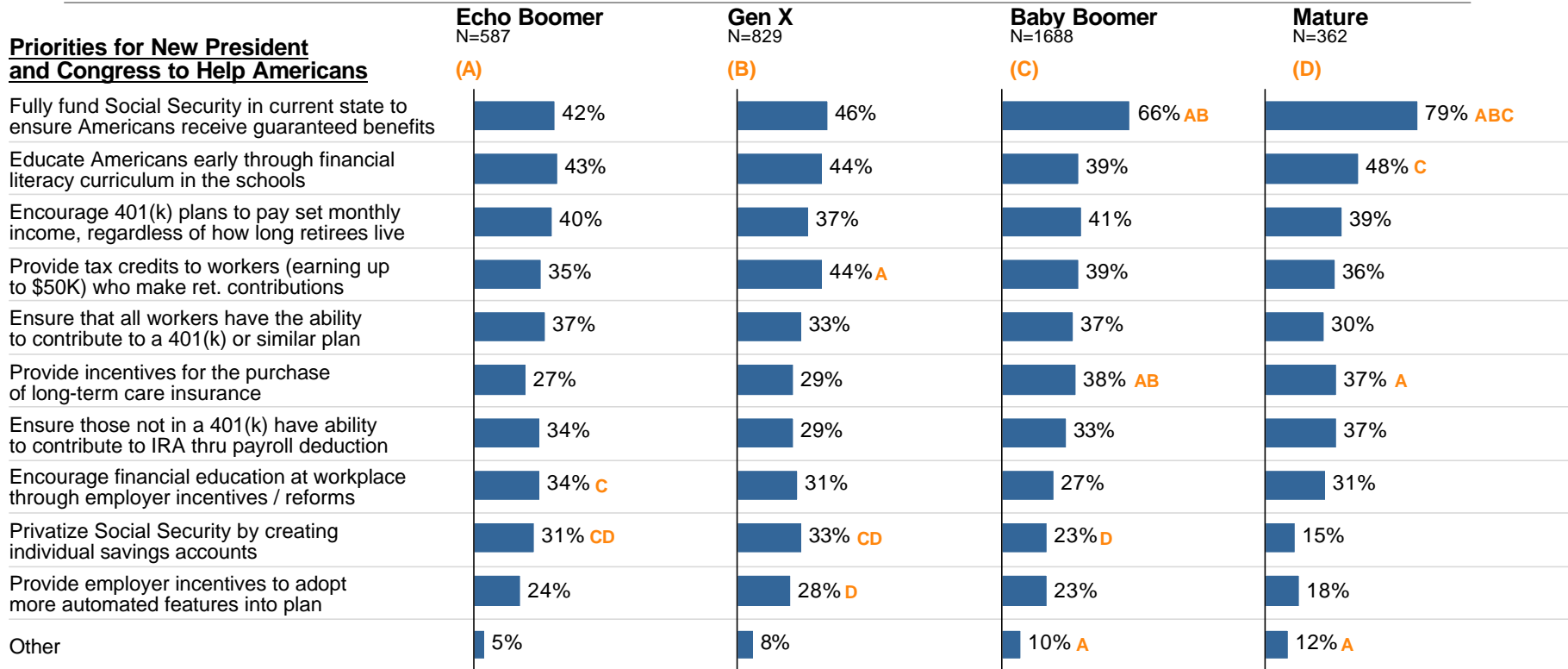


BASE: For Profit – Full & Part-time  
 Q1525 Which of the following should be priorities for the new President and Congress to help Americans prepare for a financially secure retirement? Select all that apply.

# Helping Americans Prepare for a Financially Secure Retirement

## Generation

- Baby Boomers and Matures are much more likely than younger generations to want Social Security fully funded.
- While over two-fifths of Echo Boomers and Generation X also want fully funded Social Security, about one-third say they would like to see it privatized.



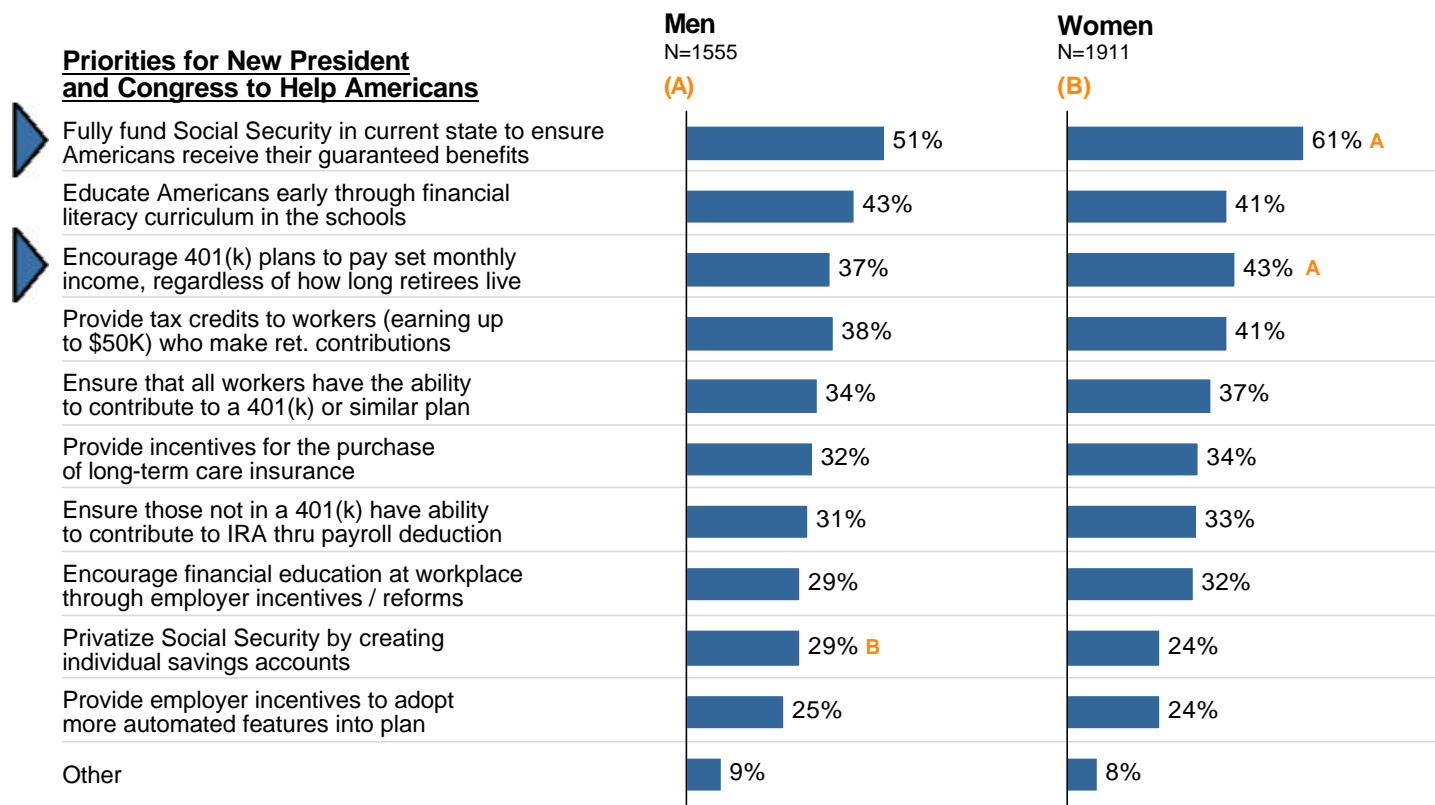
BASE: For Profit – Full & Part-time

Q1525 Which of the following should be priorities for the new President and Congress to help Americans prepare for a financially secure retirement? Select all that apply.

# Helping Americans Prepare for a Financially Secure Retirement

## Gender

- More women would like to have Social Security fully funded in its current state.
- They would also like the President and Congress to encourage 401(k) plans to pay set monthly income, regardless of how long retirees live.



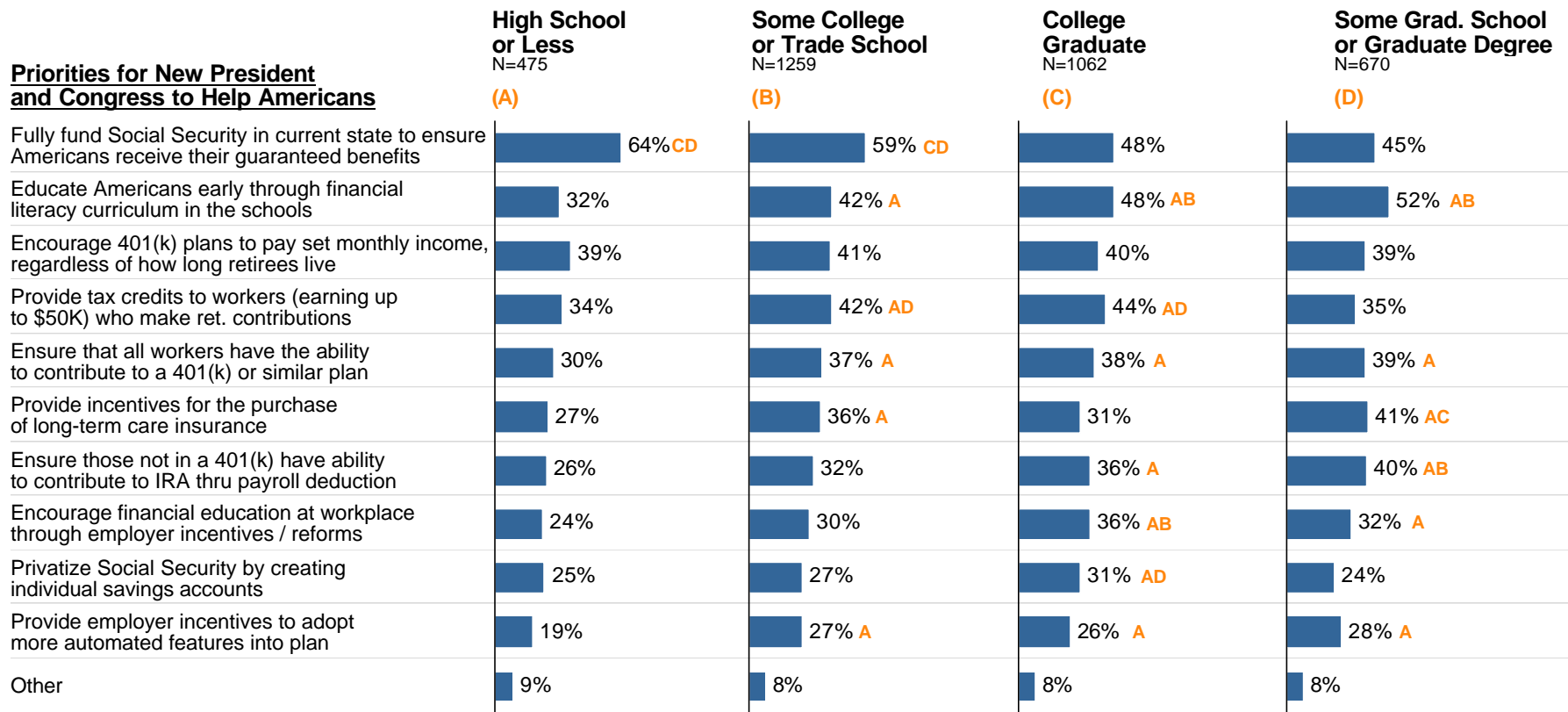
BASE: For Profit – Full & Part-time  
 Q1525 Which of the following should be priorities for the new President and Congress to help Americans prepare for a financially secure retirement? Select all that apply.



# Helping Americans Prepare for a Financially Secure Retirement

## Education

- Workers with less education are more likely to want Social Security fully funded in its current state.
- Workers with higher levels of education are more likely to also want financial literacy curriculums in schools.

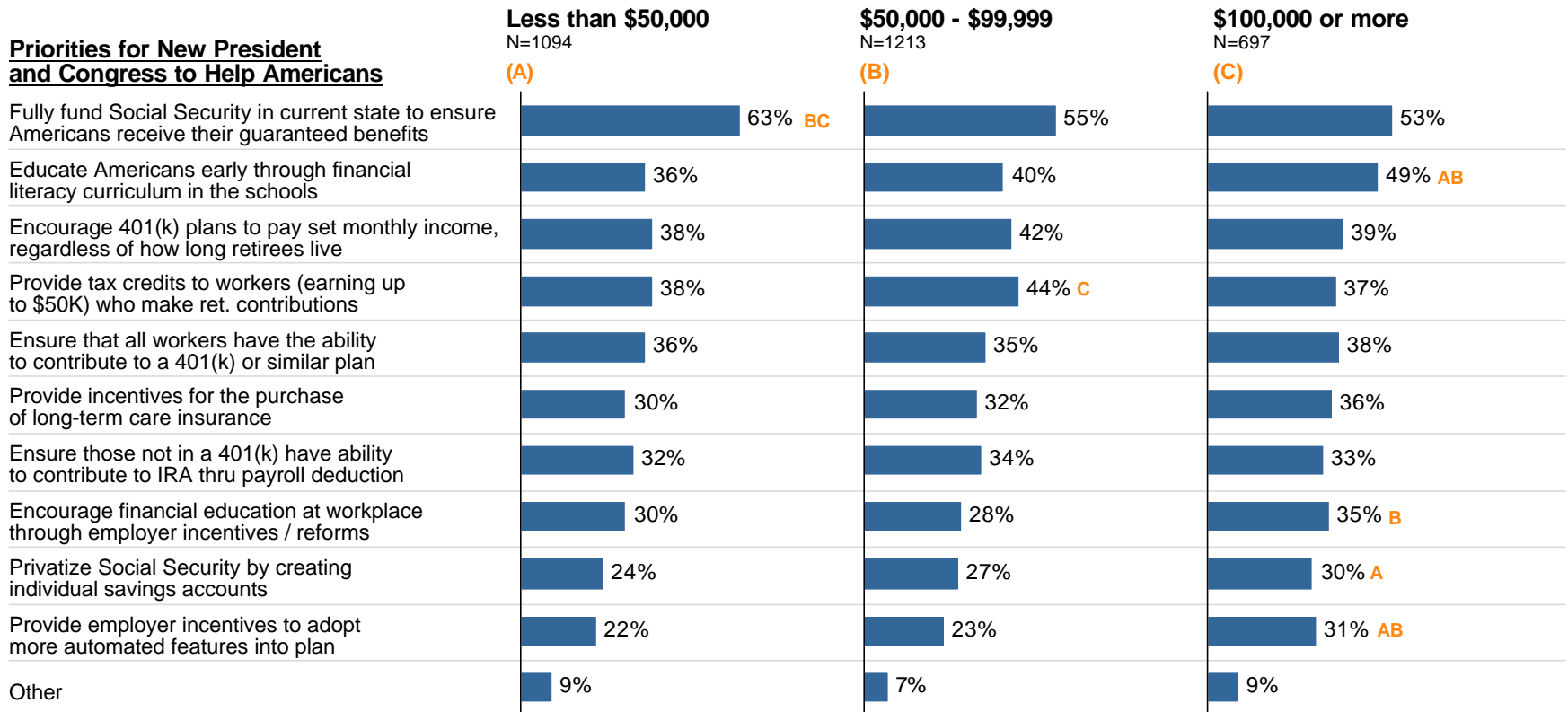


BASE: For Profit – Full & Part-time  
 Q1525 Which of the following should be priorities for the new President and Congress to help Americans prepare for a financially secure retirement? Select all that apply.

# Helping Americans Prepare for a Financially Secure Retirement

## Income

- Almost half of high-income workers would also like to see Americans educated early through financial literacy curriculums in schools.



BASE: For Profit – Full & Part-time  
Q1525 Which of the following should be priorities for the new President and Congress to help Americans prepare for a financially secure retirement? Select all that apply.