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Using Population Data to Understand Retirement Issues

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As actuaries study aging and retirement system issues, they serve different stakeholders, including the public, employee benefit plan sponsors, financial-service companies, financial advisers, and policymakers. As part of their work, actuaries regularly conduct a variety of quantitative analyses on the systems they work with and collect data about these systems and the individuals covered in those systems. However, it is often desirable to understand the financial preferences and behaviors of the population at large or a segment of it. The Society of Actuaries, for nearly 20 years, has been producing studies of how the public perceives and understands post-retirement risk. These studies have been valuable to help actuaries learn more about the public's understanding of retirement and how individuals plan for retirement. To further this work, there are opportunities to use existing databases that expand access to information about the public.

Some nationally supported databases allow access to this type of information and enable researchers to do studies using the data. One such database is the Understanding America Study (UAS), which is available for the use of actuaries. The Social Security Administration, National Institute on Aging, and Society of Actuaries supported the creation of a UAS Comprehensive File to make the data more accessible to users. The Comprehensive File is available through the University of Southern California Dornsife Center for Economic Research.

The remainder of this article provides more information about the UAS and the Comprehensive File, including tips for getting started on using it.

MORE DATA IS BETTER

When it comes to data, more is better. The more the social sciences advance, the more we understand how all aspects of one person's life are interrelated. Therefore, empirical researchers often want data that expands to more domains.

The UAS is actively creating an in-depth portrayal of the people in the U.S.—their stories, their daily lives, their preferences and their opinions. The UAS comprises approximately 6,500 respondents representing the entire United States. The study is an Internet Panel, which means that respondents answer our surveys on a computer, tablet or smartphone, wherever they are and whenever they wish to participate. Unlike most internet-based studies, however, the UAS is address based, meaning that respondents are randomly drawn from postal addresses and receive an invitation to participate via the postal service.

The UAS asks about a wide range of topics, including detailed questions on participants' finances, their satisfaction with their life, their knowledge of Social Security rules, their personality traits, their health status and history, and their opinions on current events. The UAS also assesses respondents on domains ranging from their financial literacy to numeracy and understanding of probabilities.

Since the UAS is a panel, it is possible to analyze the trajectories of respondents to see ways that their past affects their present. Several core surveys are repeated biannually, which allows researchers and analysts to track changes in the population.

LEVERAGING NEW TECHNOLOGIES

Introducing technological innovations to the survey realm, the UAS pushes forward to expand our understanding of panel members and, through them, the country. For example, in recent pilot surveys, some respondents agreed to use wearable devices that track particular vitals through the day. Researchers use the data from these devices to answer questions about how people's daily activities affect their health in real time, opening up a window of opportunity for new research and analysis.

The UAS encourages researchers from any institution and the public in general to use the de-identified data. For this, it is important for researchers to be able to navigate the wealth of data provided. Researchers are welcome to explore the many variables contained in the more than 150 (and counting) surveys, each with its own data set. They can browse the content of the surveys right away. To access the data, a user simply registers for an account and then returns a signed data use agreement.

SIMPLER ACCESS TO REACH OUT TO MORE RESEARCHERS AND ANALYSTS

The Comprehensive File is a data set that combines data from the repeated core surveys in the UAS. One click allows registered researchers to download a single data file that contains the variables from the core surveys that are fielded biannually. The Comprehensive File includes variables in the following domains:

- Health, including detailed health status and history questions from the Health and Retirement Study (HRS) surveys
- Employment status and history; income and wealth
- Financial services and decision-making
- Retirement and Social Security, including retirement and pension questions from the HRS, as well as knowledge and access to information about Social Security
- Financial literacy
- Ability, including understanding of probabilities and Numeracy l scores
- Personality scores, using the Big Five inventory
- Satisfaction with life

The Comprehensive File can also help researchers who are considering developing their own surveys. Researchers interested in fielding their own questions to a nationally representative sample can formulate the questions that are unique to their survey and then link their data to the Comprehensive File for the complementary variables they need. This file is uploaded quarterly to include new survey responses and additional measures.

ACCESS FOR ALL WITH A SIMPLE BUT POWERFUL INTERFACE

The Comprehensive File is the source of the UAS data visualization tool. Using it requires no experience with statistical software. It allows the analysis of the data from the Comprehensive File in user-friendly but powerful ways. A user can create graphics that show the distributions of variables for the country as a whole and compare results for different population subgroups broken down by education levels, gender, age and other variables. As further rounds of data are added, users will be able to see how variables have changed across time, possibly broken down by population subgroups. In this way, a user can easily answer questions such as these: How has Social Security knowledge and financial literacy evolved across survey waves? Do women report being happier than men? How has average income changed for Americans with a high school degree? And they can produce pleasing visuals along with the answers.

Readers are encouraged to learn more of these capabilities by exploring these exciting tools at the web pages cited in the endnotes. ■

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ENDNOTES

1 Users can browse the data set at Welcome to the Understanding America Study, Dornslife Center for Economic and Social Research, University of Southern California, *https://uasdata.usc.edu/index.php.*

2 UAS Comprehensive File, Dornslife Center for Economic and Social Research, University of Southern California, *https://uasdata.usc.edu/page/UAS+Comprehensive+Data+File.*

3 Welcome to the Understanding America Study—Data Visualization (UAS Vis) Toolkit, Dornslife Center for Economic and Social Research, University of Southern California, *https://uasvis.usc.edu/.*