



# Financial Perspectives on Aging and Retirement Across the Generations

**GREENWALD & ASSOCIATES**

October 2018



**SOCIETY OF  
ACTUARIES®**

# Table of Contents

Executive Summary	2
Background and Methodology	3
Key Findings	5
Retrospectives	10
Financial Priorities and Behaviors	16
Retirement Savings and Planning	33
Family Obligations	52
Profile of Respondents	68

# Executive Summary



# Background & Methodology

The Society of Actuaries (SOA) has studied the financial knowledge, priorities and strategies of Americans in and nearing retirement for twenty years. This study, conducted as part of the SOA's new Aging and Retirement Strategic Research Program focuses on the financial priorities and strategies of Americans across the generations. It seeks to also understand how retirement planning and savings fits in for Americans. The study focuses on five different generations: Millennials, Gen X, Early Boomers, Late Boomers and the Silent Generation.

The purpose of studying the generations is to understand the similarities and differences across the generations, to learn how younger people may be expected to fare versus those before them, and to identify areas where further work can be done to find ways to improve the retirement security of Americans.

## Methodology

The report presents the results of research conducted by Greenwald & Associates, on behalf of The Society of Actuaries. Using Research Now's panel, Greenwald conducted an online survey of 2,001 individuals: 398 Millennials, 399 Gen Xers, 403 Late Boomers, 401 Early Boomers, 400 Silent Generation. The survey was conducted from July 17 through July 27, 2018.

Percentages in the tables and charts may not total to 100 due to rounding and/or missing categories.

# Overview

Each generation of Americans is unique. Each has different characteristics in terms of size, educational levels, technological capabilities, and racial composition. Very importantly, each enters adulthood in a different historical period, a different job market and a different economic situation. Yet, each generation also follows fairly consistent patterns as they mature, gain experience managing money, increase their savings and prepare financially and in other ways for retirement.

This study focuses on Millennials, Gen Xers, Late Boomers, Early Boomers, and the Silent Generation to provide perspectives in understanding how Americans adapt, over the course of their lives, to financial challenges. Key findings include:

- All generations recognize the importance of retirement saving and those that have access to a retirement plan are likely to participate.
- All of the generations feel a strong connection to family and believe that family members should help each other. Less obligation is felt in the case of a blended family, that is, a family consisting of a couple or individual and children from the current and all previous relationships.
- The financial planning perspective of each generation lengthens as they advance in their work lives and then contracts as they draw closer and enter retirement.
- Millennials face greater challenges than the groups before them. All generations seem to agree on this. Although it is clear that all generations struggle to get started in adulthood and their financial lives, it seems clear that Millennials are facing a slower path to financial independence and retirement savings because of the educational costs, housing costs, and job conditions they face.

Nevertheless, Millennials and other generations of Americans are highly optimistic. This study presents an important description of the viewpoints, attitudes and beliefs of these generations of adult Americans and can also serve as a useful benchmark to measure how they adapt over the coming years.

# Key Findings: Differences and similarities between generations

## Similarities between generations

- For achieving financial security, all believe the Millennial generation has it harder
- All are more likely to describe themselves as savers, thrifty, and investment novices
- 45% feel optimistic
- Paying bills is a key financial priority
- Three in five believe they are on track to a financially secure retirement
- All are concerned with paying for long-term care
- One-third believe it is important to leave an inheritance
- Most agree adult children should help their parents financially and with regular tasks
- Few believe parents should help adult children if it means they will harm their own financial future

## Differences between generations

- Younger generations have shorter financial planning time frames
- Confidence in making financial decisions increases with age
- Late Boomers are the most likely to be planners
- Older generations are more likely to feel in control and satisfied while Millennials feel overwhelmed
- Retirement concerns are higher with younger generations
- Younger generations are most likely to have debt with Gen Xers most likely to have mortgage debt and Millennials most likely to have student debt
- The likelihood of having received an inheritance increases with age
- Millennials are most concerned with leaving their children money

# Key Findings

## Retrospectives

- Few in older generations believe that today's younger generations have an easier time achieving financial security. Younger generations say they have a harder time achieving it than their parents or grandparents while older generations say they have an easier time than their own parents or grandparents.

## Financial Priorities and Behaviors

- When it comes to attributes such as saver vs. spender, budget driven vs. not budget driven, and thrifty vs. not thrifty, all generations lean more towards saving money, especially the older generations.
- Interestingly, respondents become more of a planner as they age but then decrease. More Late Boomers described themselves as planners than both younger and older generations.
- Older generations are more likely to feel positive when reviewing their financial situation, especially in control or satisfied while Millennials are more likely to feel overwhelmed. Yet, an equal share of all generations feel optimistic.
- When it comes to current financial priorities, Millennials are more focused on saving for a home than older generations while Gen Xers and Late Boomers focus on saving for retirement. Affording everyday bills is one of the biggest priorities for all generations. To address these priorities, all generations mostly try to stick to a budget. Boomers are more likely than other generations to use an advisor.

# Key Findings (cont.)

## Retirement Savings & Planning

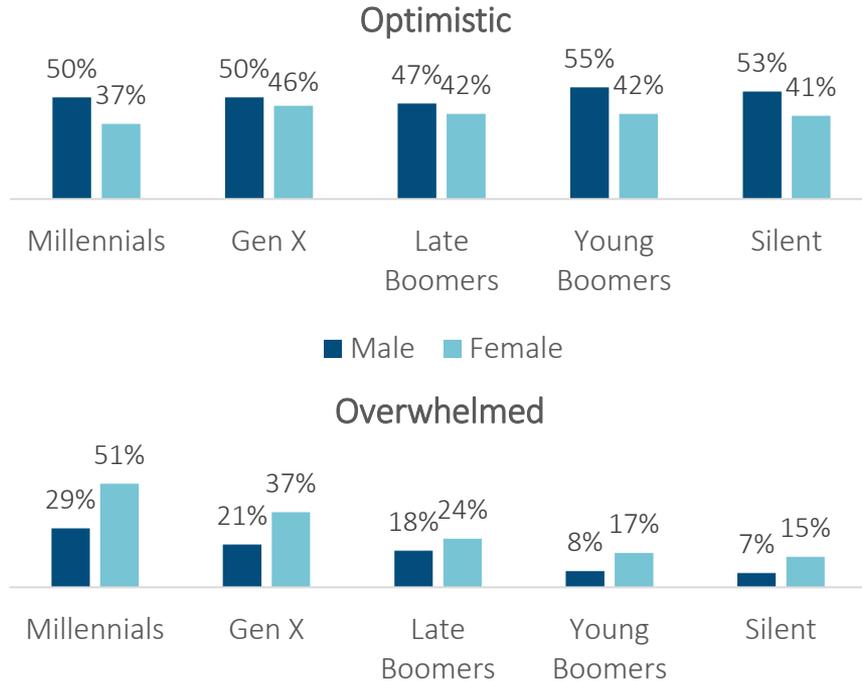
- Six in ten across all generations feel on track in planning for a financially secure retirement.
- Most workers are offered a retirement savings plan by their employer with Millennials and Gen Xers offered more than others. Of those that are offered a matching contribution, most contribute enough to qualify for the maximum employer match, especially Late Boomers. Few have borrowed from those savings.
- Millennials, Gen Xers, and Late Boomers anticipate retiring at age 65. Early Boomers and Silent Generation most often retire between 60 and 64 years old.
- Millennials generally express higher levels of concern for retirement than older generations, especially for inflation and maintaining their standard of living. Roughly three in five of all generations are concerned with having enough to pay for a nursing home or nursing care.
- When it comes to current debt, younger generations are more likely to have credit card debt and student loans, especially Millennials. Gen Xers are most likely to have home mortgage debt. Early Boomers and the Silent Generation are more likely than others to have no current debt.
- Even with their current debt, less than one in five Boomers and the Silent Generation say their level of debt is complicating their ability to manage their finances. One in three Millennials and one in four Gen Xers say that it is. Despite this, roughly three in five of all generations say they are on track in planning for a financially secure retirement.
- Faced with an unexpected expense of \$1,000, one in five Millennials and Gen Xers would not be able to cover this expense.

# Key Findings (cont.)

## Family Obligations

- Millennials are least likely to own their home and more likely to rent or live with others without contributing to the cost of housing. The Silent Generation is more likely than others to live alone.
- Older generations are more likely to have received an inheritance while Millennials, Gen Xers, and Late Boomers are more likely to anticipate receiving one in the future. Most think leaving an inheritance is at least somewhat important, including at least three in ten of all generations who think it is important or very important. However, older generations are not very concerned about having enough money to leave their children while Millennials and Gen Xers are more concerned.
- More than half of all generations are not currently providing financial support to anyone. Those that do are most often supporting adult children, particularly Late Boomers. One in four Millennials are supporting their parents. On the other hand, few are receiving financial support from anyone. Millennials receiving financial support are helped by their parents while the Silent Generation is receiving support from their adult children.
- Millennials often agree that parents should help their adult children if they need to. More than older generations, two in three Millennials say parents should contribute to the cost of college and allow their adult children to move back into their home if they have financial difficulties. Despite this reliance, four in five Millennials say that adult children should help their parents financially if there is a need. Interestingly, older generations are more likely than Millennials to say adult children should prioritize their own families over their parents. All generations agree that adult children should help their parents with regular tasks if they are no longer able to do them themselves.

# Key Findings: Gender



## Notes about gender

- Across generations, men feel more optimistic and less overwhelmed than women.
- Boomer and Silent Generation women are more likely than men in their generations to only be able to plan paycheck to paycheck.
- Men in the Millennial, Gen X and Late Boomer generations were more likely to consider themselves the sole financial decision maker in their household while women in these generations are more likely to share these decisions. Early Boomers report a fairly even split between men and women with regards to financial decision making.

# Retrospectives



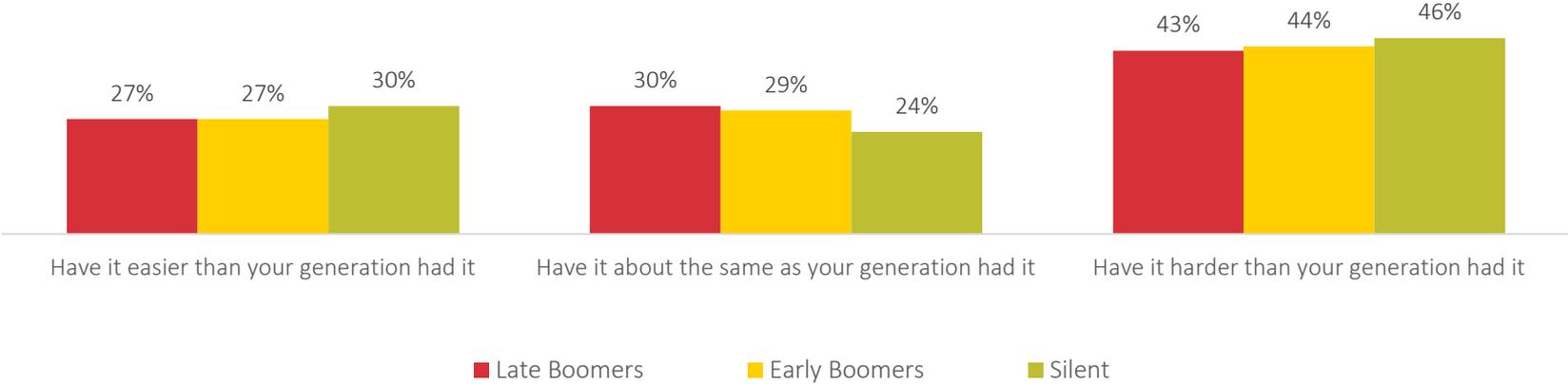
# Introduction

One of the objectives of the study is understanding the differences between today's retirees, those nearing retirement and future generations. Underlying these is the knowledge that defined benefit and retiree health plans have experienced a major decline over a number of years, health care costs have risen, and Social Security benefits may be reduced. Many observers of the retirement system fear that future generations will have a more financially strained retirement.

The survey questions in this section are designed to understand how people in different generations feel they will fare in achieving financial security compared to those in other generations. The findings indicate a consistent belief that future generations will have it more difficult in old age than the Boomers and the Silent Generation did.

Roughly two in five Boomers and the Silent Generation believe younger generations today have a harder time achieving financial security than they did.

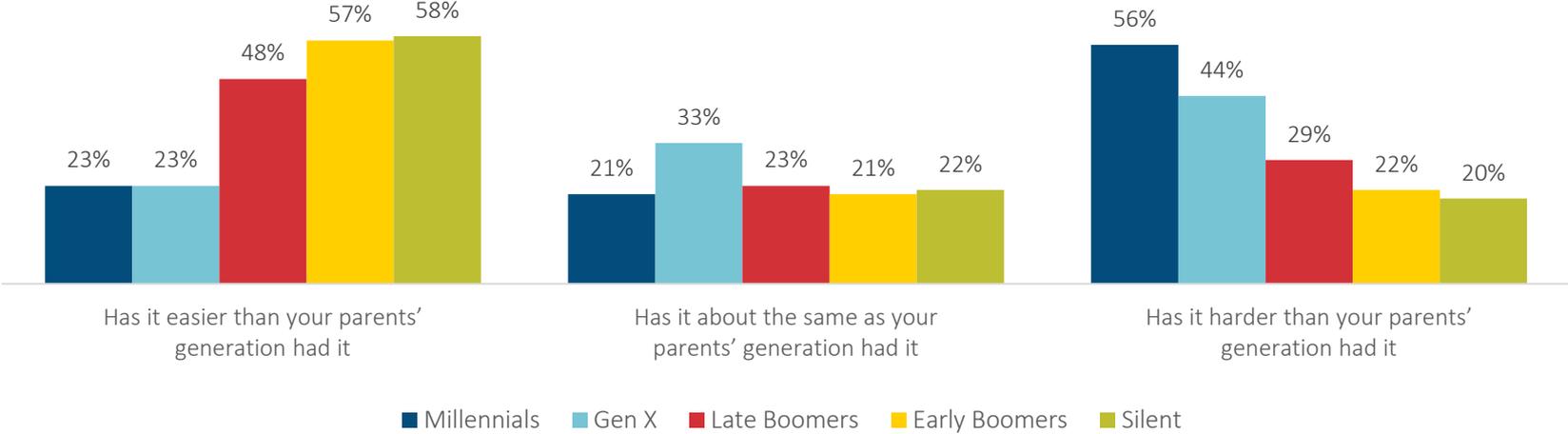
Financial Security of Younger Generations



In terms of achieving financial security, do you think the younger generations today (Millennials and Gen X)...?  
Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

# Older generations say it is easier for them to achieve financial security than their parents while younger generations say it is harder.

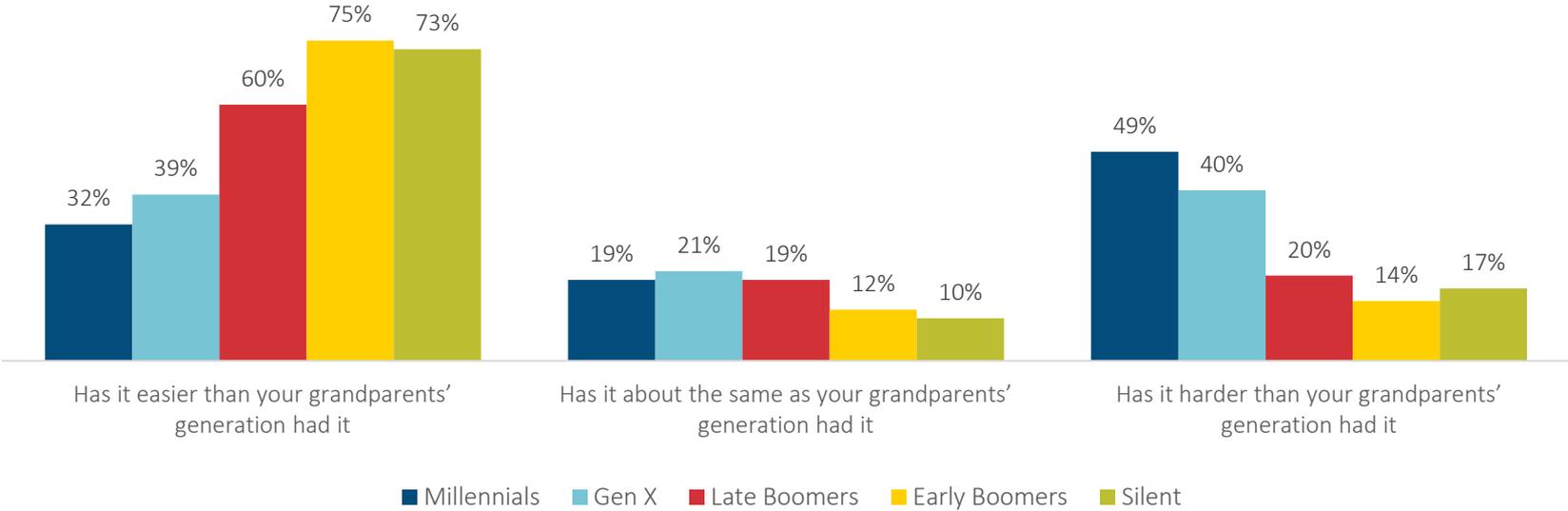
Financial Security of Parents' Generation



In terms of achieving financial security, do you think your generation...?  
 Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

Similarly, older generations say it is easier for them to achieve financial security than their grandparents, while younger generations say it is harder.

Financial Security of Grandparents' Generation



In terms of achieving financial security, do you think your generation...?  
 Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

# Summary of findings

This study shows some consistent beliefs across generations to indicate that things are changing and future generations will have it harder than the Boomers and the Silent Generation. Key points are:

- Over two in five Boomers and the Silent Generation think that future generations will have it more difficult than they did. About one in three believe they would have it easier and another third thought it would be about the same.
- The older generations think it was easier for them to achieve financial security than their parents and grandparents. The difference between them and their grandparents was a little greater than the difference between them and their parents.
- In contrast, the younger generations think it will be more difficult for them to achieve security than it was for their parents and grandparents. The difference was greatest between them and their parents.

# Financial Priorities and Behaviors



# Introduction

Sound year-to-year financial management and keeping debts under control is the first step in moving to longer term savings and effective retirement planning. In this study, respondents were asked about a variety of financial planning priorities, planning horizons and their financial behaviors. Key findings include:

- All of the generations see themselves more as savers than spenders, and this is more prevalent in the older generations.
- All of the generations say they consider themselves as thrifty, particularly the older generations.
- About half of the respondents in each generation see themselves as budget driven.
- There is a huge variation in how long people are planning for.
  - Some plan only paycheck to paycheck, and more than one-quarter in every generation plan for three months or less, with half of Millennials planning for three months or less.
  - In contrast, more than one-third of Late Boomers and the Silent Generation plan for ten years or more, but only 17% of Millennials plan for ten years or more.
- Most individuals consider themselves to be planners, and the percentage peaks with Early Boomers. To the extent that people who say they are planners are only planning for a few years or less, their planning may not be providing for a secure retirement.
- About half of each generation enjoys managing their finances but few consider themselves to be investment pros.
- Confidence in making financial decisions increases with age. The high levels of confidence shown are incompatible with some of the behaviors exhibited by the respondents. Prior research has also shown that some people are overconfident with regard to retirement security.

## Introduction (cont.)

The biggest financial priorities are being able to afford everyday bills, saving for retirement, and building up an emergency fund. Paying off credit card debt is a top priority for the youngest and oldest generations.

- Seven in ten across all generations say being able to pay everyday bills is a high priority, with 79% of Millennials identifying this as a high priority.
- Six in ten indicate that saving for retirement is a top priority, with 69% of Gen X and Late Boomers indicating this.
- About half of Millennials and the Silent Generation said paying off credit card debts is currently a high priority. Credit card debt carries a high rate of interest and carrying such debt is quite expensive.
- Across all generations, one in three say saving for long-term care is a high priority. This is troubling as long-term care costs can be a major problem for retirees. Other Society of Actuaries research indicates that many people fail to plan for this risk.
- In general, Millennials indicate a higher number of financial priorities, specifically being the most likely to say saving for buying or upgrading a home, saving for children's education and paying off student loans are high priorities.

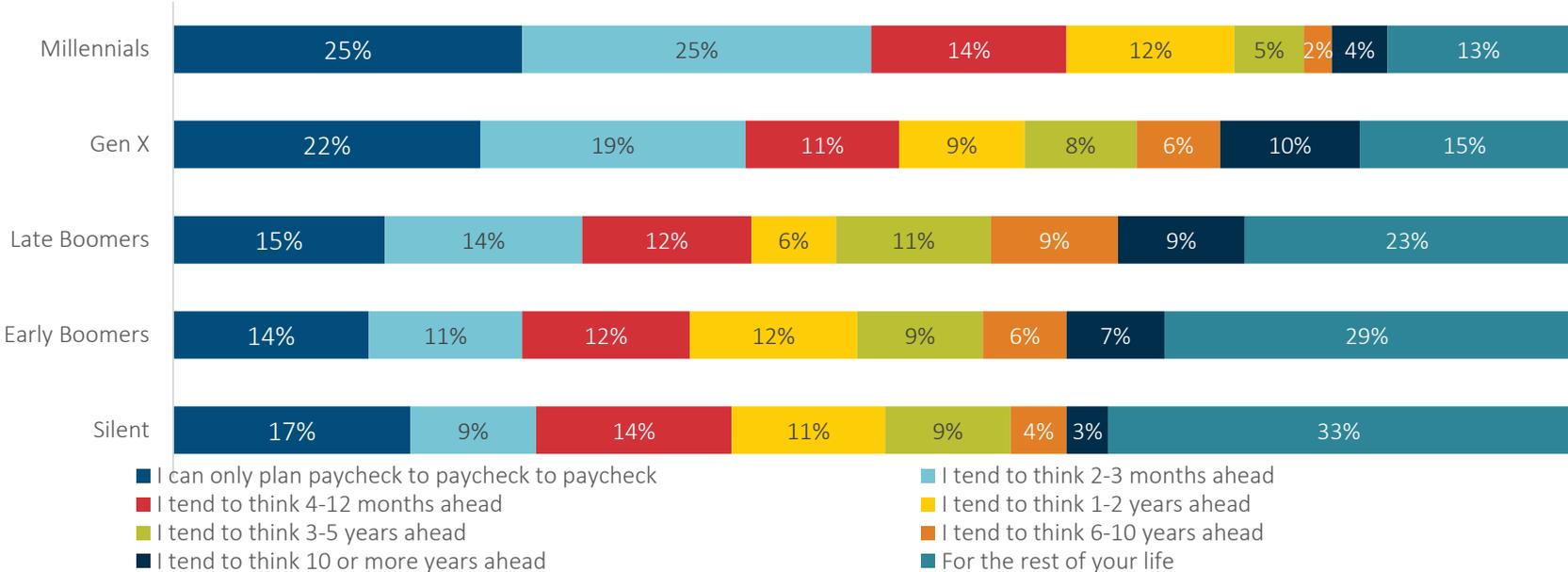
## Introduction (cont.)

How an individual feels towards their financial situation is greatly influenced by their generation.

- The percentage of those who felt in control and satisfied when reviewing their financial situation and looking ahead for planning purposes increases with age.
- On the other hand, those most likely to feel overwhelmed are Millennials, with 40% reporting this.
- Optimism is the most selected emotion, with 45% across all generations reporting feeling optimistic.
- Few report feeling smart, depressed, happy, upset, confused, or angry when it comes to their finances and planning.

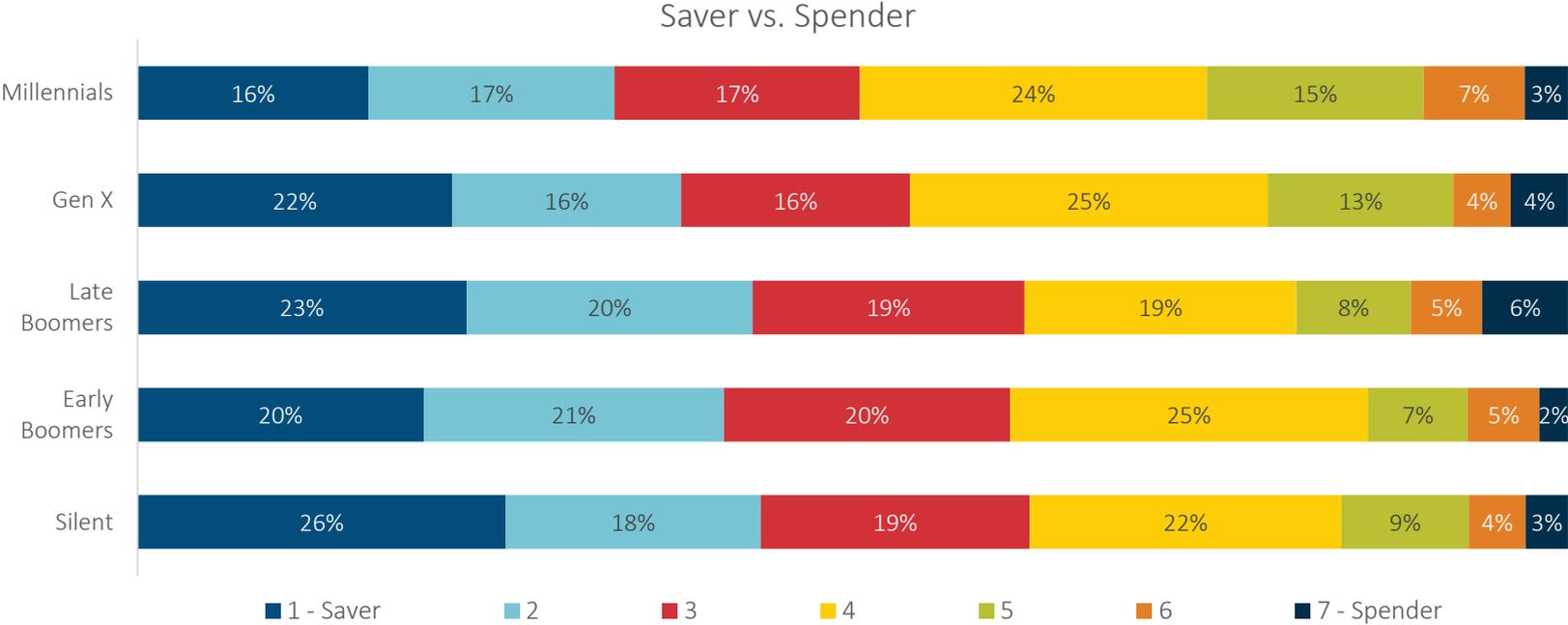
Half of Millennials and two in five Gen Xers say they tend to plan financially at most 2 to 3 months ahead, higher than older generations. Not surprisingly, Early Boomers and the Silent Generation are the most likely to plan for the rest of their life.

Financial Planning Time Frame



When you are reviewing your financial situation and looking ahead for planning purposes, what time frame do you tend to consider?  
 Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

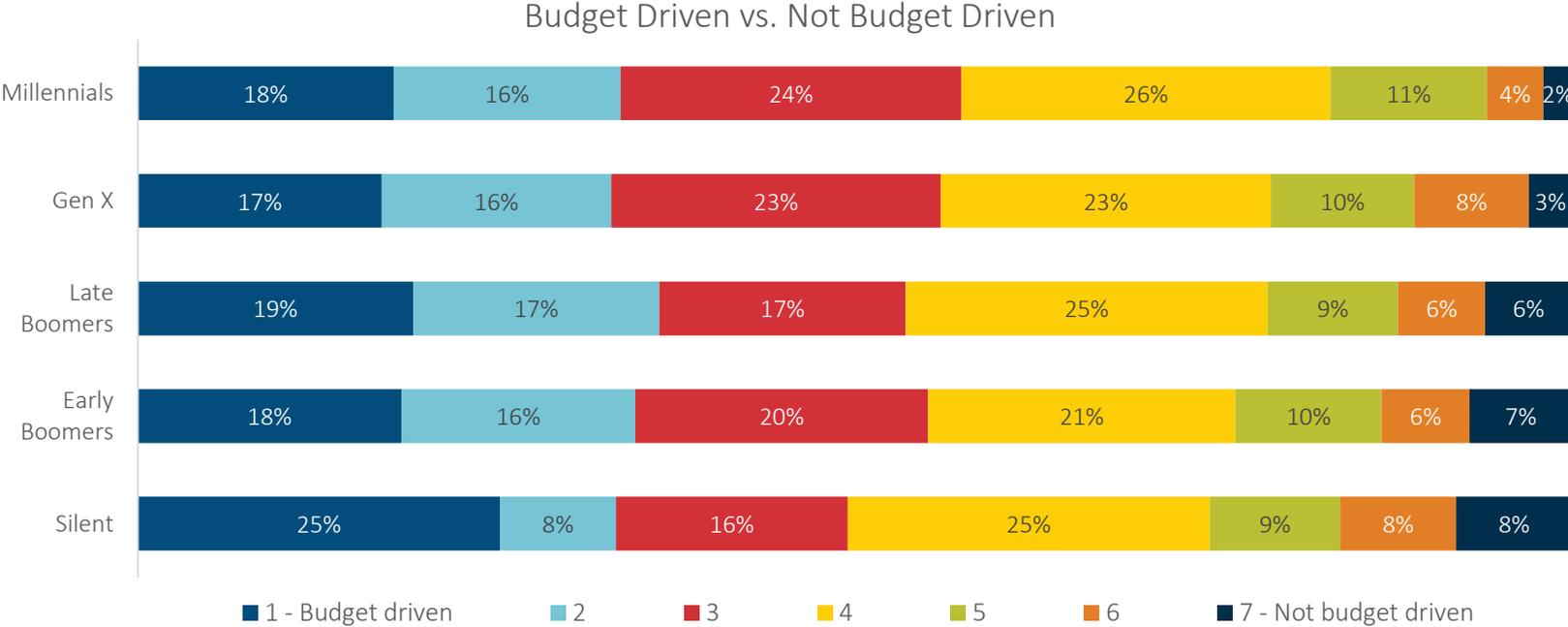
# All generations see themselves as savers more than spenders, especially older generations.



What best describes where you stand in the continuum between each of the following pairs of opposing words?

Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

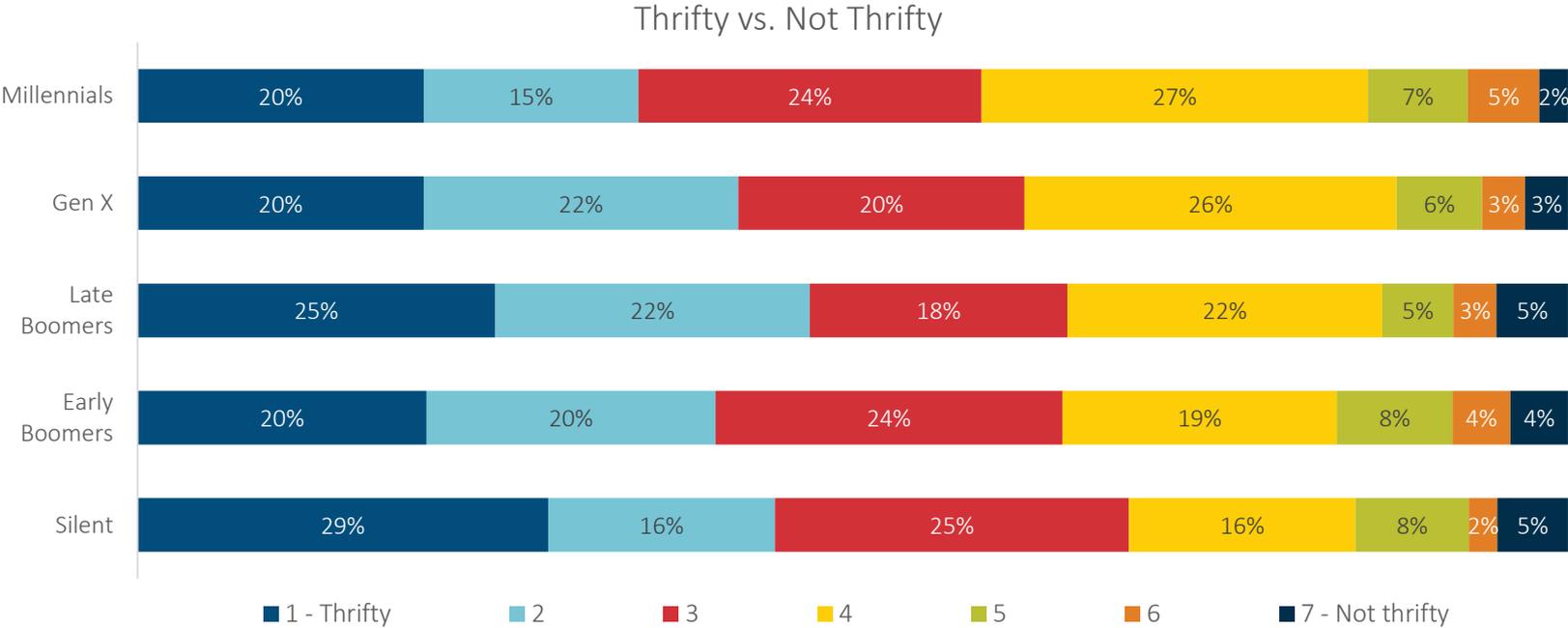
# About half consider themselves budget driven across all generations.



What best describes where you stand in the continuum between each of the following pairs of opposing words?

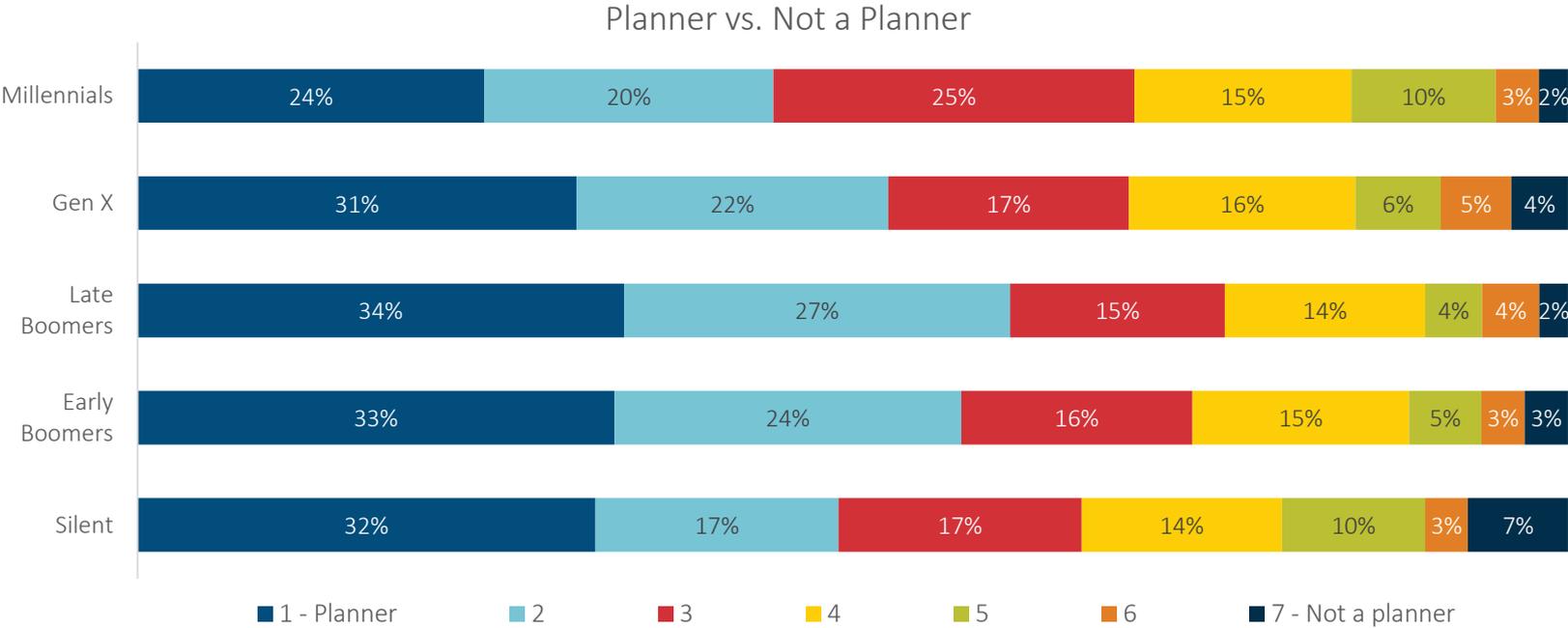
Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

# All generations lean towards being thrifty, particularly the older generations.



What best describes where you stand in the continuum between each of the following pairs of opposing words?  
 Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

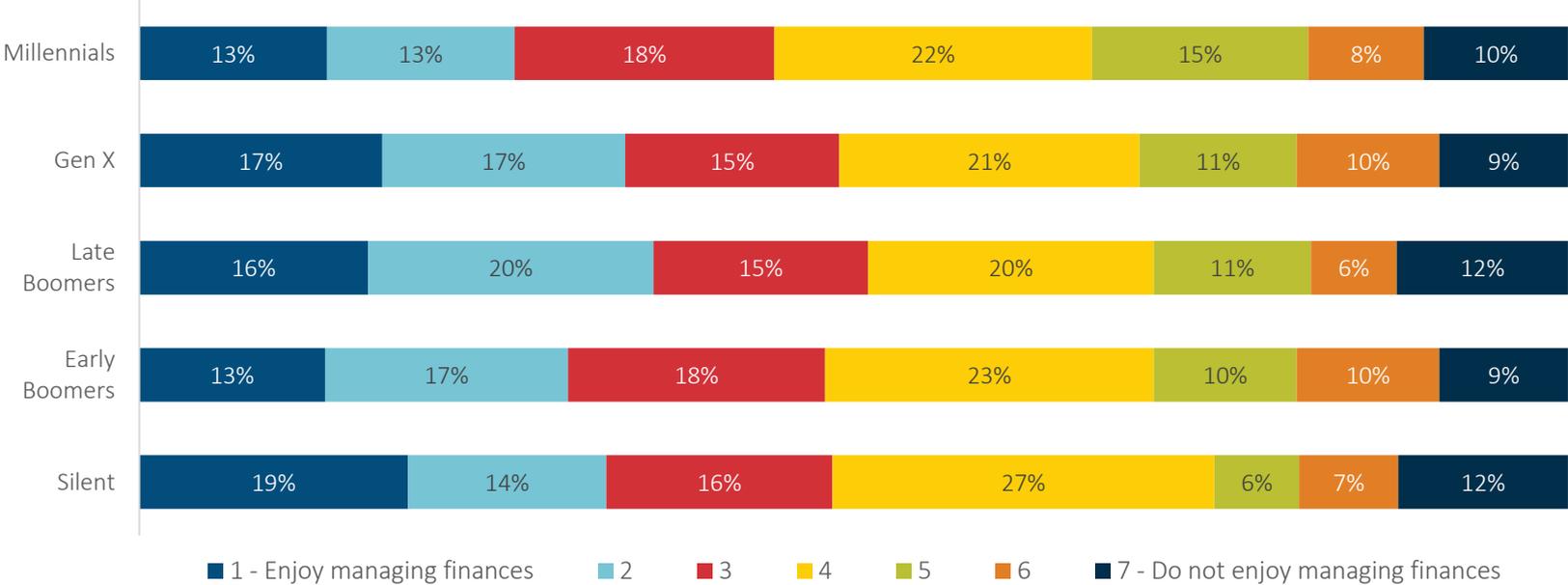
# Planning is a curve. Late Boomers are more likely to be planners than those both younger and older than them.



What best describes where you stand in the continuum between each of the following pairs of opposing words?  
 Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

# About half enjoy managing finances regardless of generation, although the share that do not decreases with age.

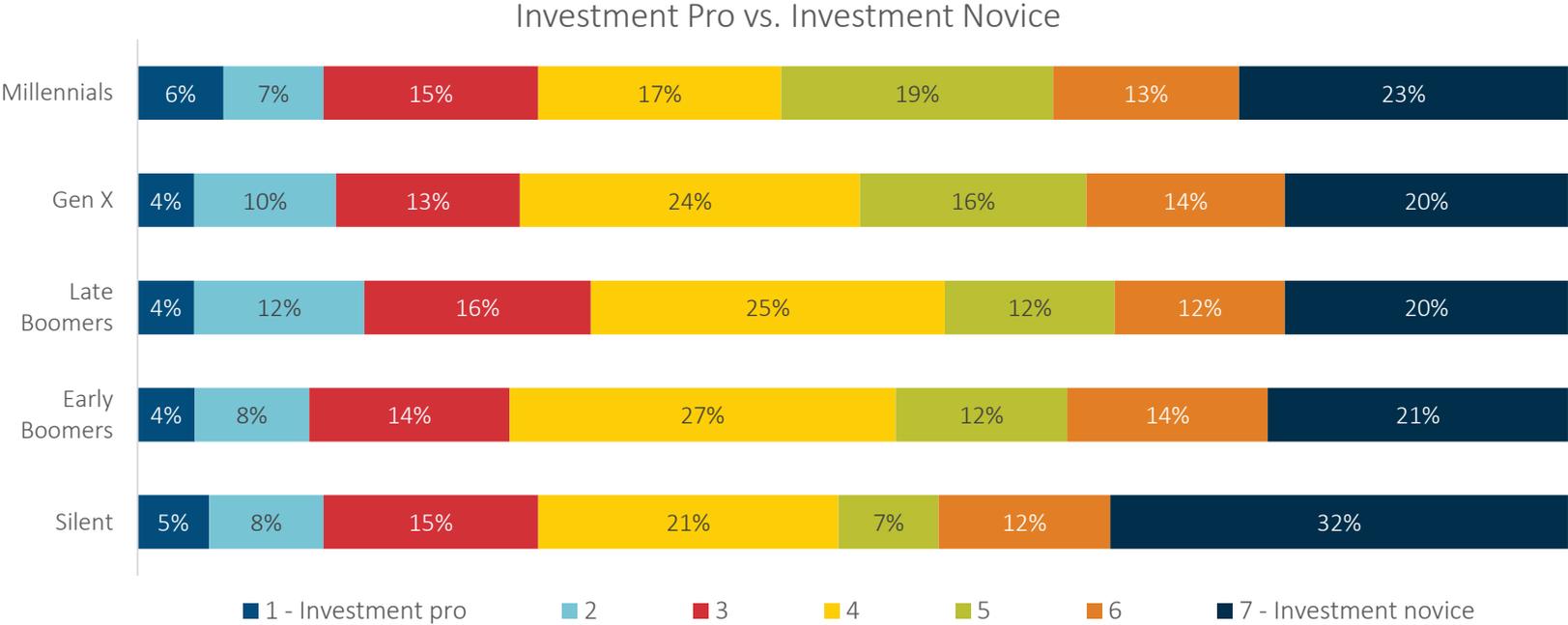
Enjoy Managing Finances vs. Do Not Enjoy Managing Finances



What best describes where you stand in the continuum between each of the following pairs of opposing words?

Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

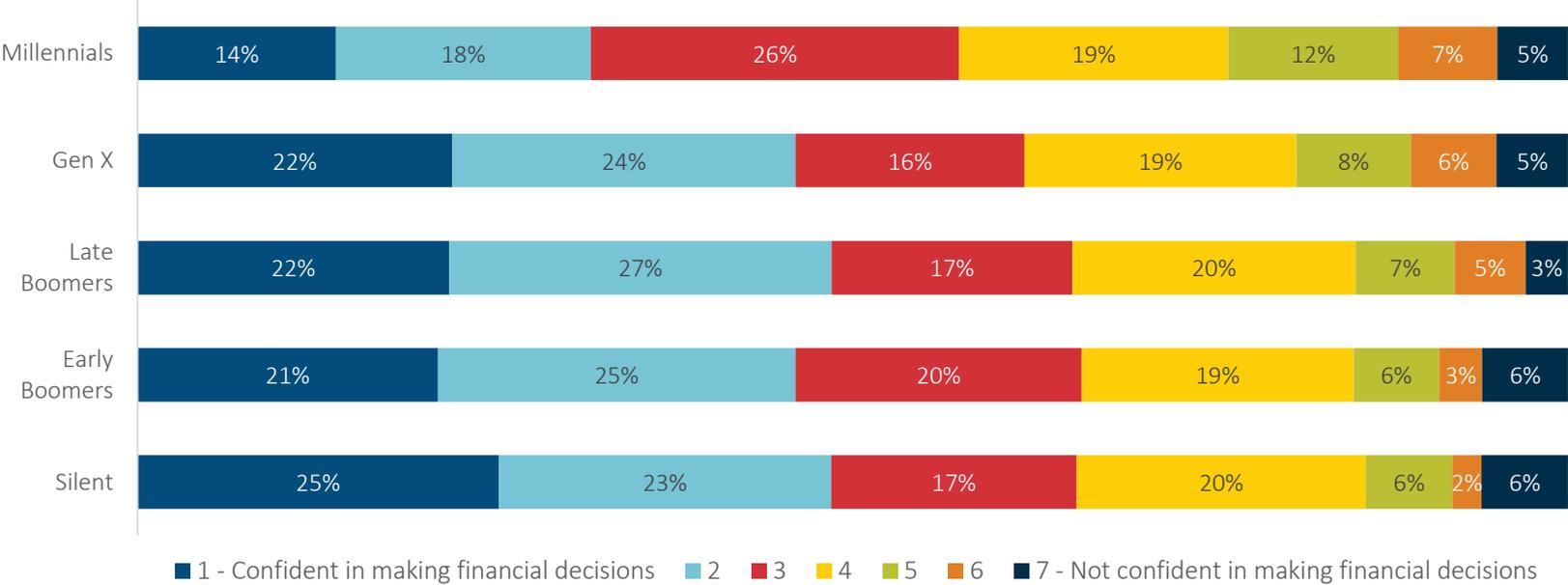
# Few from any generation consider themselves to be investment pros.



What best describes where you stand in the continuum between each of the following pairs of opposing words?  
 Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

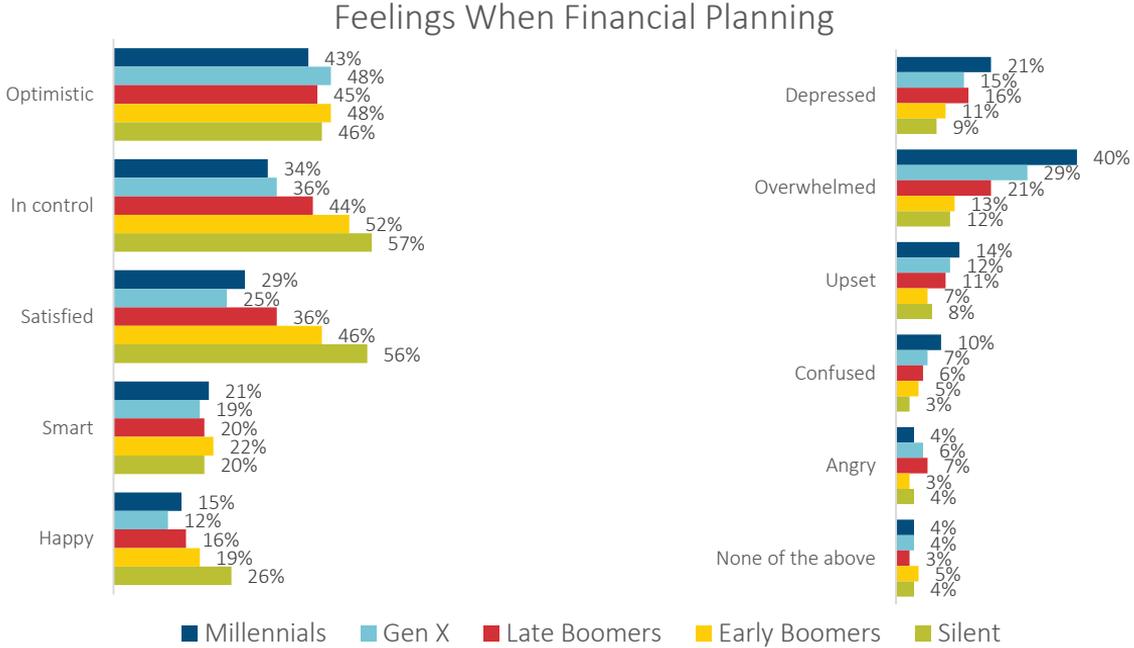
# Confidence in making financial decisions increases with age.

Confident in Making Financial Decisions vs. Not Confident in Making Financial Decisions



What best describes where you stand in the continuum between each of the following pairs of opposing words?  
 Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

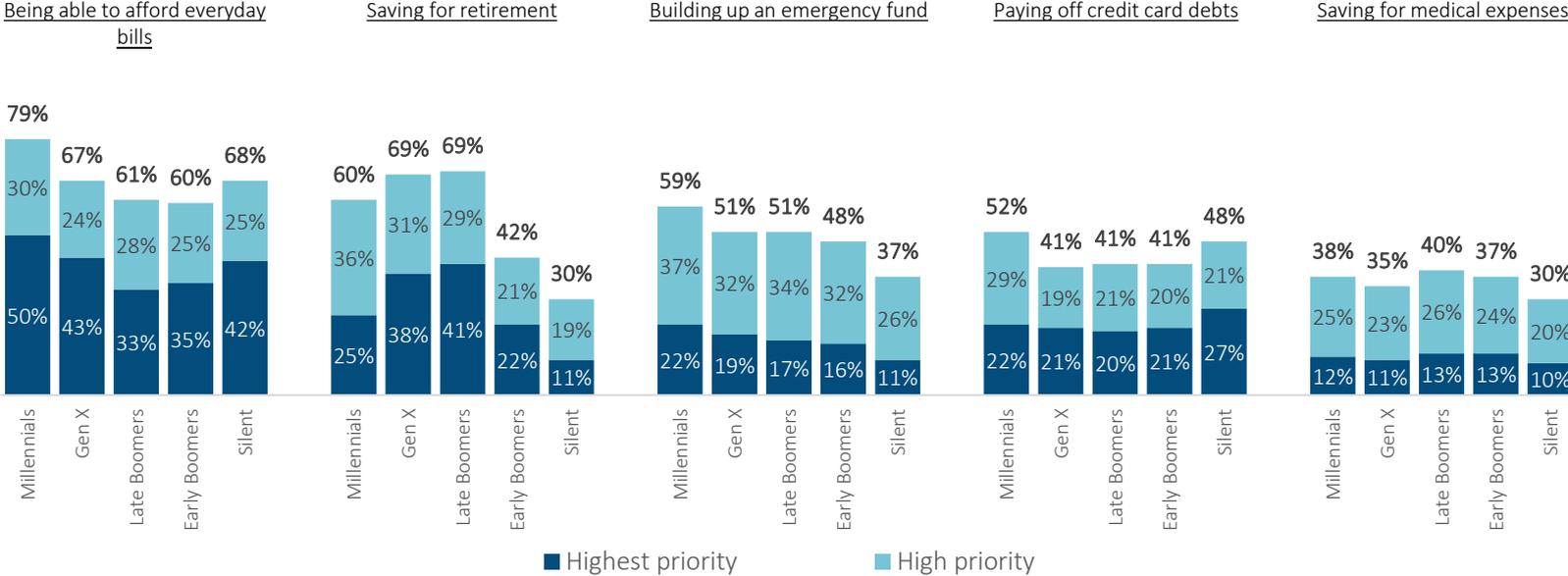
Older generations feel more in control or satisfied when reviewing their financial situation. Millennials feel very overwhelmed. Still, over two in five of all generations feel optimistic.



What are your feelings when you are reviewing your financial situation and looking ahead for planning purpose? *Please select as many words below that describe how you feel.* Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

# Most say affording everyday bills is a priority, Millennials more than others. Saving for retirement is most important to Gen Xers and Late Boomers.

## Current Priorities

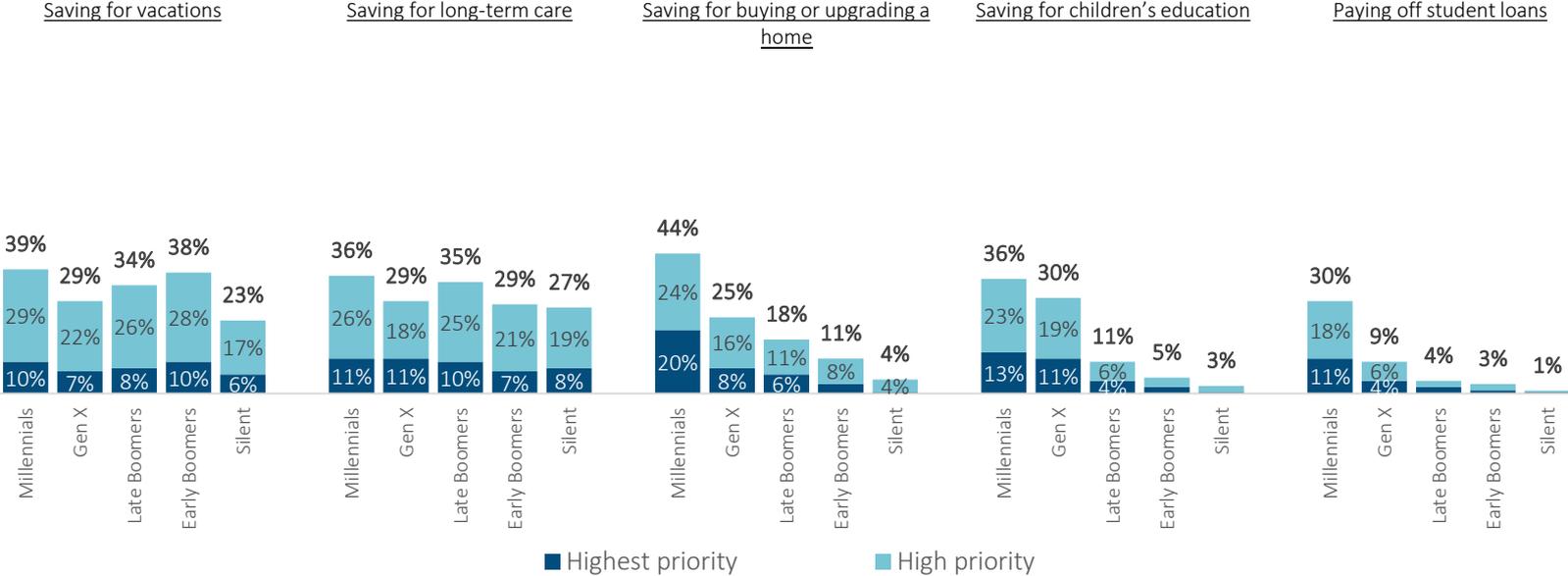


Thinking of your current financial situation, how much of a priority is each of the following?

Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

# The Silent Generation has few priorities when it comes to saving. Saving for a home and paying off student loans are higher priorities for Millennials.

## Current Priorities

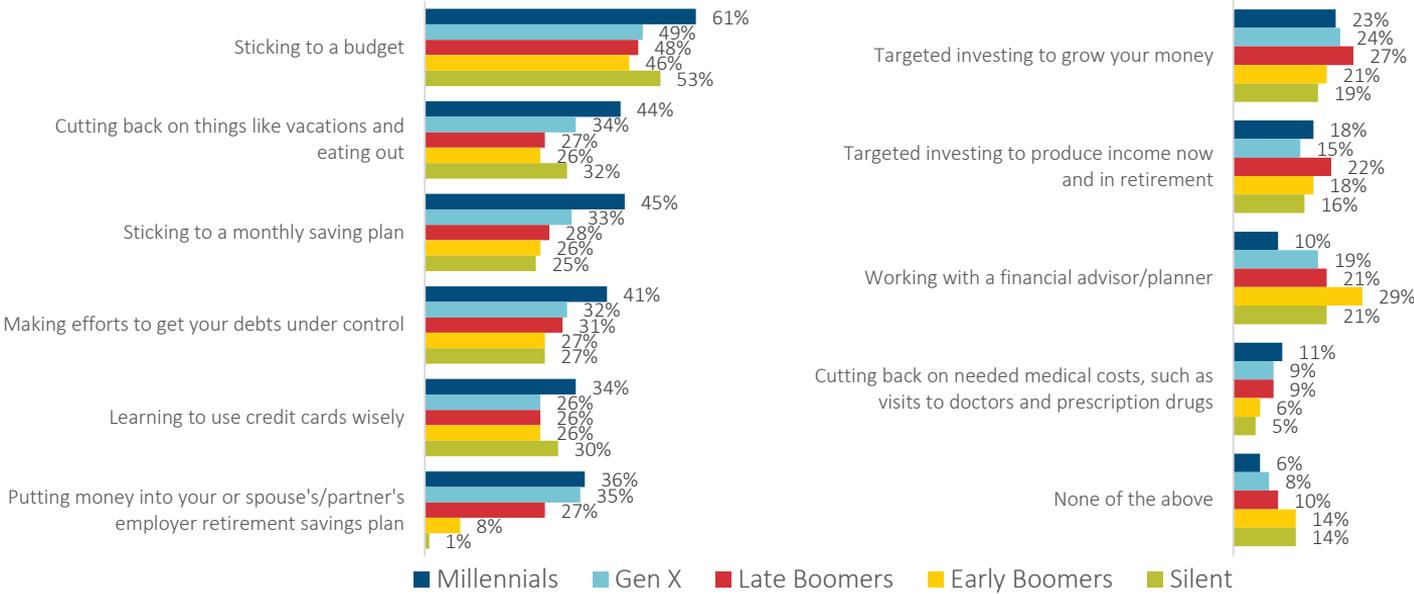


Thinking of your current financial situation, how much of a priority is each of the following?

Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

# All generations stick to a budget more than other strategies to address their financial priorities. Boomers, especially older ones, are more likely than others to use an advisor.

Addressing Financial Priorities



Which of the following things are you doing this year to address your financial priorities? *Please select all that apply.*

Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

# Summary of findings

From Millennials to the Silent Generation, all face similar challenges but at different stages in their financial lives. Each have unique sets of financial priorities and points of focus.

- Millennials are attempting to manage these issues through a variety of action steps including cutting back on spending and sticking to a monthly savings plan. Both are important to obtaining financial security.
- Early Boomers, with retirement planning being foremost on their current priorities, are more likely to work with a financial advisor.
- Late Boomers are significantly more likely than those in other generations to say they are using targeted investing to grow their money.

In addition to fewer financial priorities, with age comes increased confidence in financial planning and greater feelings of control.

# Retirement Savings and Planning



# Introduction

In today's world, Social Security benefits are a very important part of retirement income for the majority of Americans. For some, it is all of their retirement income. Employer-sponsored benefits that supplement Social Security are the second most important part of retirement benefits. These plans are most often defined contribution plans and employee decisions with regard to how much to save, how to invest savings, not to use the money early, and how to use it in retirement are critical to retirement security. Other research from the Society of Actuaries and other sources indicates that many Americans do not have an accurate picture of what they will receive in retirement and when they can afford to retire.

This section compares some key factors related to retirement across the generations.

- Two-thirds of Boomers in this study indicate they feel on track for a secure retirement. Additionally, 58% of Millennials and 55% of Gen Xers feel on track.
- In interpreting these results, it should be remembered that many respondents are planning for a very short timeframe, with few planning for ten years or more. Some have trouble with credit card debt and some feel overwhelmed by financial planning issues. This raises the question of whether the sense of security reflects a realistic assessment, or whether it may be overly optimistic for some.

The majority of the employed respondents have access to a retirement savings plan at work and indicate that their employers offer a match. Most eligible for a match contribute enough to qualify for the maximum employer match. Overall, few have borrowed from their employer-sponsored retirement plan.

# Introduction (cont.)

The generations are retiring gradually with 90% of the Silent Generation, 76% of the Early Boomers, and 28% of Late Boomers already retired. Of those already retired, the Silent Generation and Early Boomers retired between 60 and 64 years old.

Millennials, Gen Xers, and Late Boomers all indicate that they expect to retire at a median age of 65, no older than the retirement age for today's retirees. Since life spans are increasing, a fixed retirement age means ever growing periods of retirement.

Debt can stand in the way of retirement savings and planning. Having debt at entry into retirement can be a major problem if income is reduced.

- There is relatively similar rates of credit card debt among the generations.
- Gen X is the most likely to have a mortgage while Millennials are most likely to have student loans.
- The older generations are most likely to have no debt, with more than a third of Early Boomers and the Silent Generation saying they have no debt.
- One-third of Millennials say debt is complicating their ability to manage their finances. This sentiment decreases by age and only 14% of Early Boomers and the Silent Generation report the same.

# Introduction (cont.)

Stability against unforeseen expenses increases with age, peaking with Early Boomers and then declining for the Silent Generation.

- If faced with an unexpected expense of \$1,000, one in five Millennials and Gen Xers would not be able to cover this expense. Early Boomers were the most likely to turn towards their general savings.
- If faced with an unexpected \$10,000 expense there were significant differences by generation.
  - One in five Millennials, Gen Xers, and the Silent Generation would not be able to cover this expense.
  - One-quarter of Millennials and 28% of the Silent Generation would use a credit card.
  - Early Boomers were the most likely to use their general savings (44%) and dip into their retirement savings (18%).
  - Across all generations, about one in five would use an emergency fund.

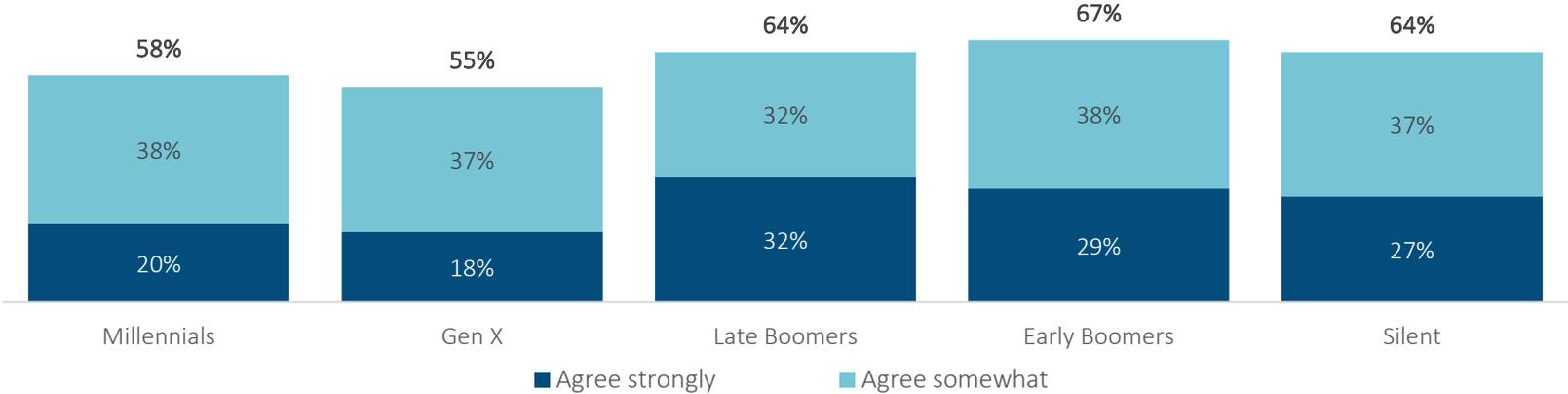
For most potential retirement risks, the level of concern goes down with increasing age.

- Long-term care is an exception with concern flat by generation.
- The Silent Generation are the most concerned that there may come a time when they could no longer manage their finances.
- The three risks that have consistently been the biggest areas of concern in the Society of Actuaries Surveys of Post-Retirement Risks and the Process of Retirement are inflation, health and long-term care.

# Roughly two in three Boomers, those closest to retirement, feel on track in planning for a financially secure retirement.

## Agree/Disagree

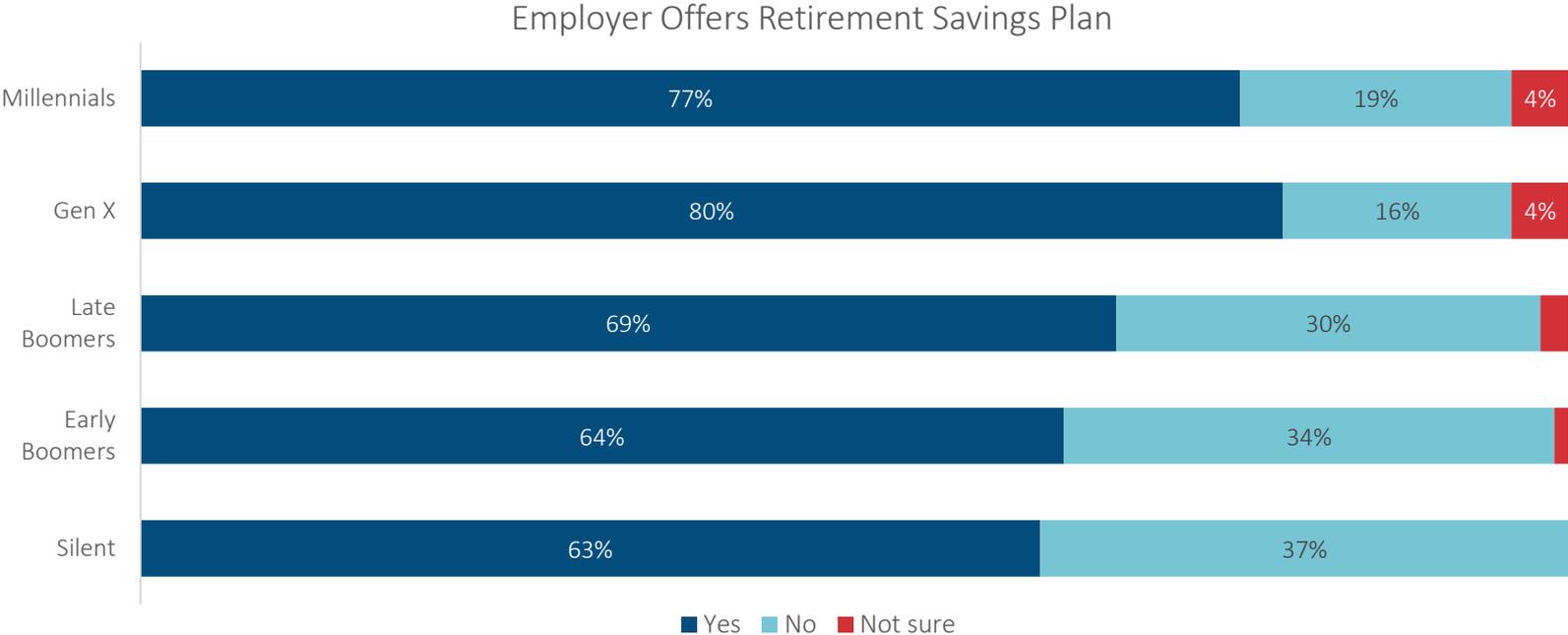
You are on track in planning for a financially secure retirement



Please indicate the extent to which you agree or disagree with the following statements.

Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

# Younger generations are more likely to work for an employer that offers a retirement savings plan.



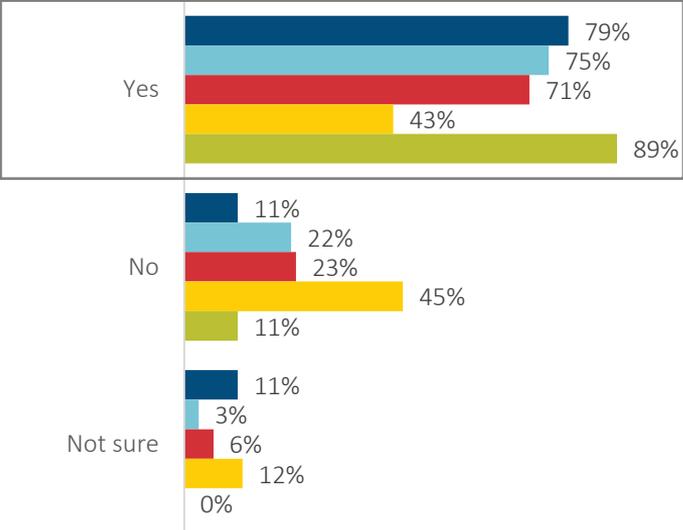
Does your employer offer a retirement saving plan such as a 401(k) or 403(b) plan, profit sharing plan or other type of retirement savings plan?

[IF EMPLOYED] Millennials (n=280); Gen X (n=285); Late Boomers (n=199); Early Boomers (n=81); Silent (n=28\*)

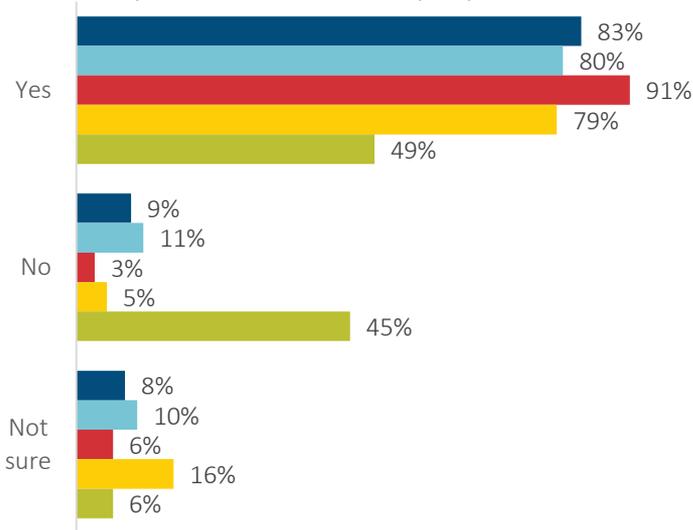
\*Caution: Low n-size (11-49)

Early Boomers are least likely to be offered a matching contribution while Late Boomers are most likely to make contributions high enough to qualify for the maximum employer match.

Employer Offers Matching Contribution



Qualify for Maximum Employer Match



■ Millennials ■ Gen X ■ Late Boomers ■ Early Boomers ■ Silent

Does your employer offer matching funds for your contributions to your retirement savings plan?

[IF HAVE RETIREMENT SAVINGS PLAN] Millennials (n=221); Gen X (n=219); Late Boomers (n=143); Early Boomers (n=52); Silent (n=16\*\*)

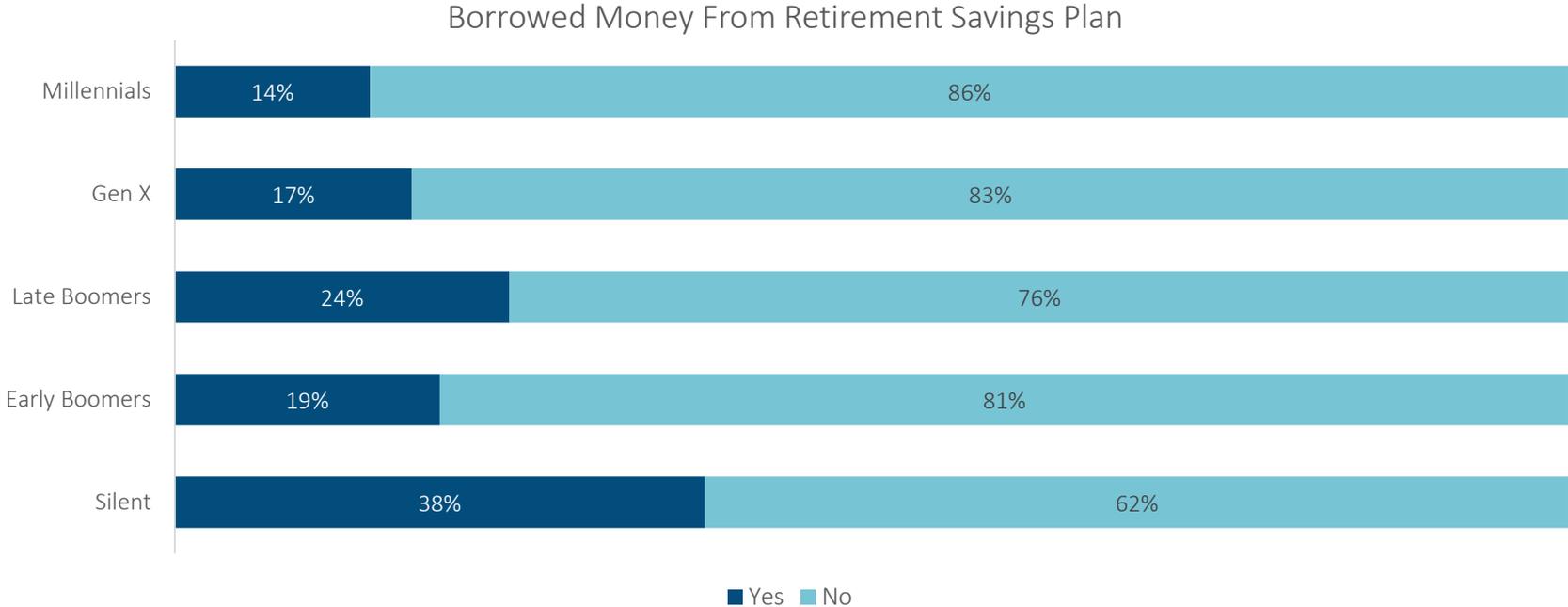
Is your retirement savings plan contribution enough to qualify you for the maximum employer match?

[IF HAVE MATCHING PROGRAM] Millennials (n=170); Gen X (n=164); Late Boomers (n=102); Early Boomers (n=30\*); Silent (n=13\*\*)

\*Caution: Low n-size (11-49)

\*\*Caution: Low n-size (1-9)

# Few have borrowed money from their retirement savings.

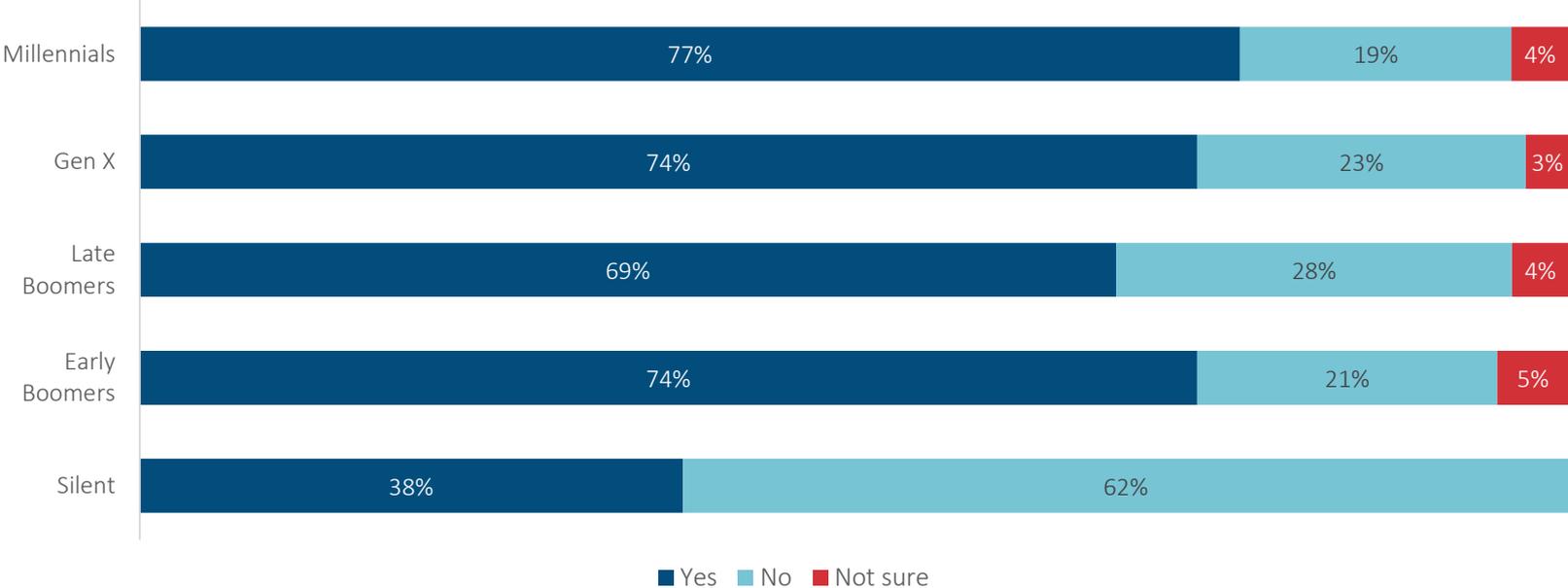


Have you ever borrowed money from your retirement savings plan?  
[IF HAVE RETIREMENT SAVINGS PLAN] Millennials (n=221); Gen X (n=219); Late Boomers (n=143); Early Boomers (n=52); Silent (n=16\*\*)

\*\*Caution: Low n-size

# A majority of the employed spouses are offered a retirement savings plan.

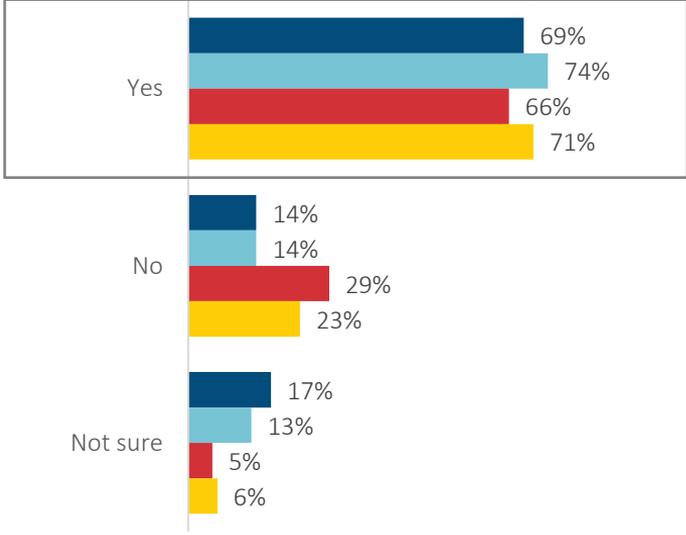
Spouse's Employer Offers Retirement Savings Plan



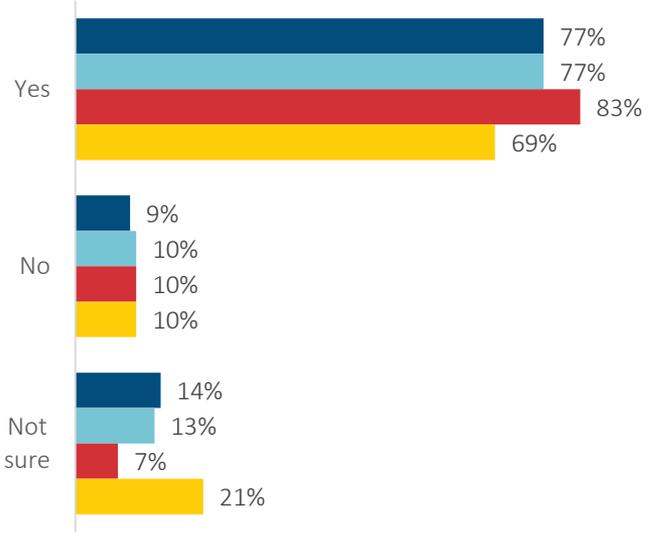
Does your spouse's employer offer a retirement saving plan such as a 401(k) or 403(b) plan, profit sharing plan or other type of retirement savings plan? [IF SPOUSE IS EMPLOYED] Millennials (n=156); Gen X (n=156); Late Boomers (n=144); Early Boomers (n=70); Silent (n=17\*\*) \*\*Caution: Low n-size (1-9)

# Most spouses who are offered a matching contribution contribute enough to qualify for their maximum employer match.

Spouse's Employer Offers Matching Contribution



Spouse Qualifies for Maximum Employer Match



■ Millennials   ■ Gen X   ■ Late Boomers   ■ Early Boomers

Does your spouse's employer offer matching funds for your spouse's contributions to your retirement savings plan?  
 [IF SPOUSE HAS RETIREMENT SAVINGS PLAN] Millennials (n=113); Gen X (n=109); Late Boomers (n=102); Early Boomers (n=49\*)

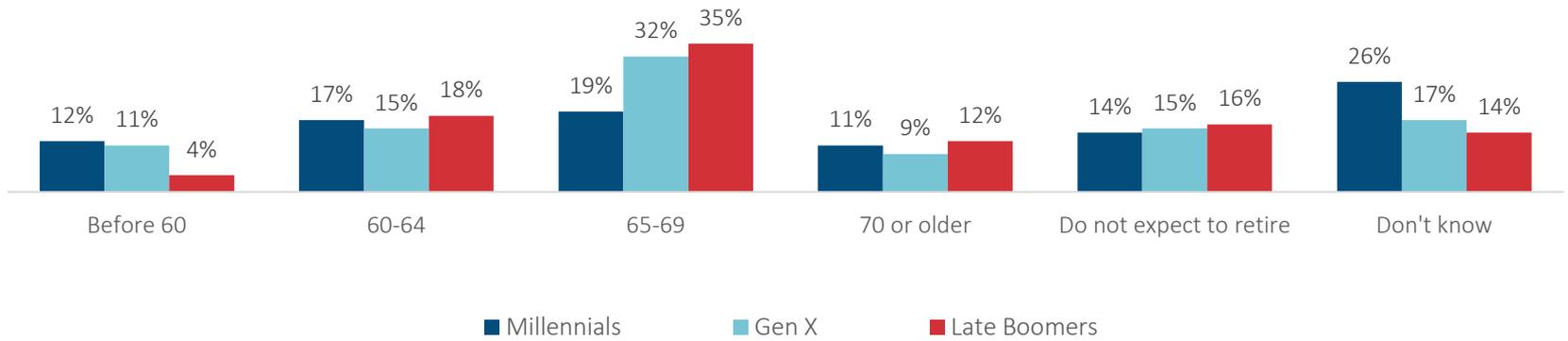
Is your spouse's retirement savings plan contribution enough to qualify him or her for the maximum employer match?  
 [IF SPOUSE HAS MATCHING PROGRAM] Millennials (n=75); Gen X (n=73); Late Boomers (n=70); Early Boomers (n=37\*)

\*Caution: Low n-size (11-49)  
 Silent Generation not shown  
 due to very low n-size.

# Millennials, Gen Xers, and Late Boomers anticipate retiring at age 65.

Expected Retirement Age

Median Expected Retirement Age	
Millennials:	65
Gen X:	65
Late Boomers:	65

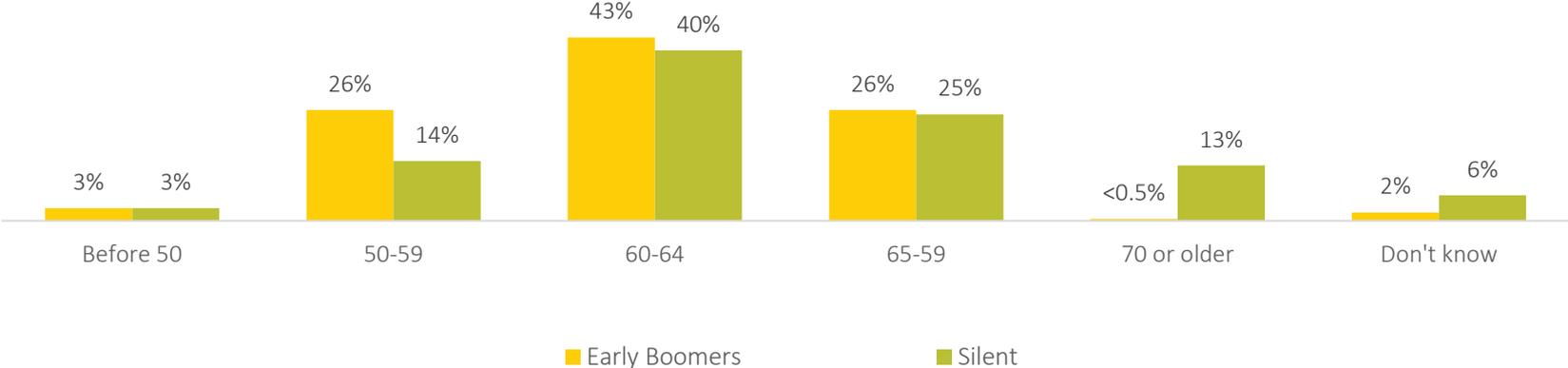


At what age do you expect to retire or begin to retire from your primary occupation?  
 [IF WORKING AND NOT RETIRED] Millennials (n=304); Gen X (n=308); Late Boomers (n=191)

# Early Boomers and the Silent Generation most often retire between the ages of 60 and 64.

Retirement Age

Median Retirement Age	
Early Boomers:	62
Silent:	62

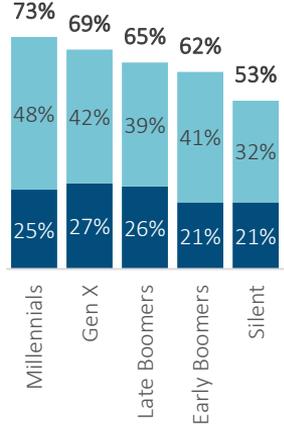


How old were you when you retired or began to retire from your primary occupation?  
 [IF RETIRED OR RETIRED FROM PREVIOUS CAREER] Late Boomers (n=175); Early Boomers (n=341); Silent (n=366)

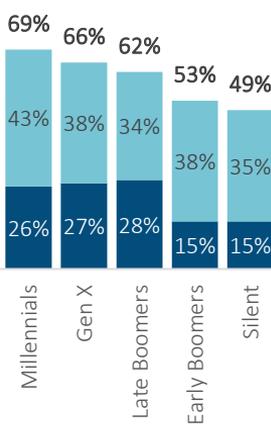
# Millennials are more concerned than older generations about many possibilities in retirement but are most concerned with inflation and maintaining their standard of living.

## Concerns in Retirement

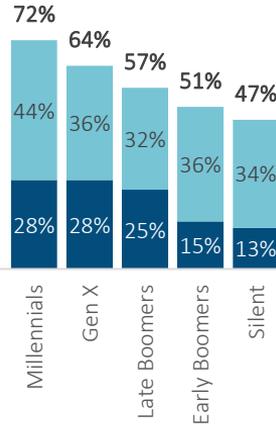
The value of your savings and investments might not keep up with inflation



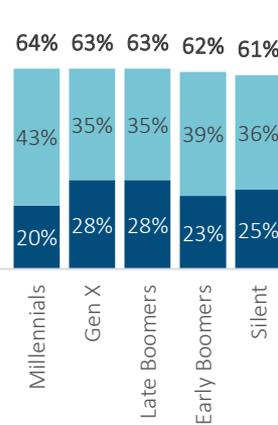
You might not have enough money to pay for adequate health care



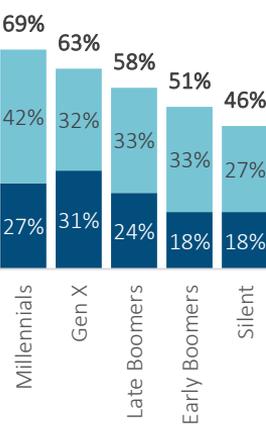
You might not be able to maintain a reasonable standard of living for the rest of your life



You might not have enough money to pay for a long stay in a nursing home or a long period of nursing care at home



You might deplete all of your savings



■ Very concerned    ■ Somewhat concerned

How concerned are you about each of the following in retirement?

Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

# Older generations have fewer concerns, but 61% of the Silent Generation are worried about no longer being capable of managing their own finances.

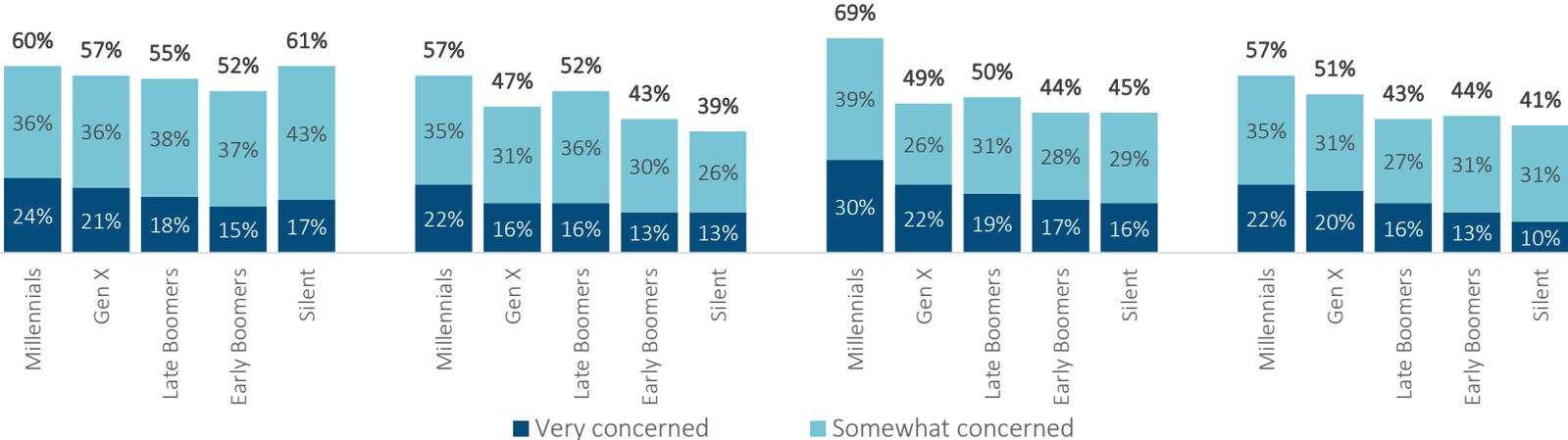
## Concerns in Retirement

There might come a time when you [and your spouse/partner] are incapable of managing your finances

You might be a victim of a fraud or scam

[If married/partner] You might not be able to maintain the same standard of living after your death, if you should die first

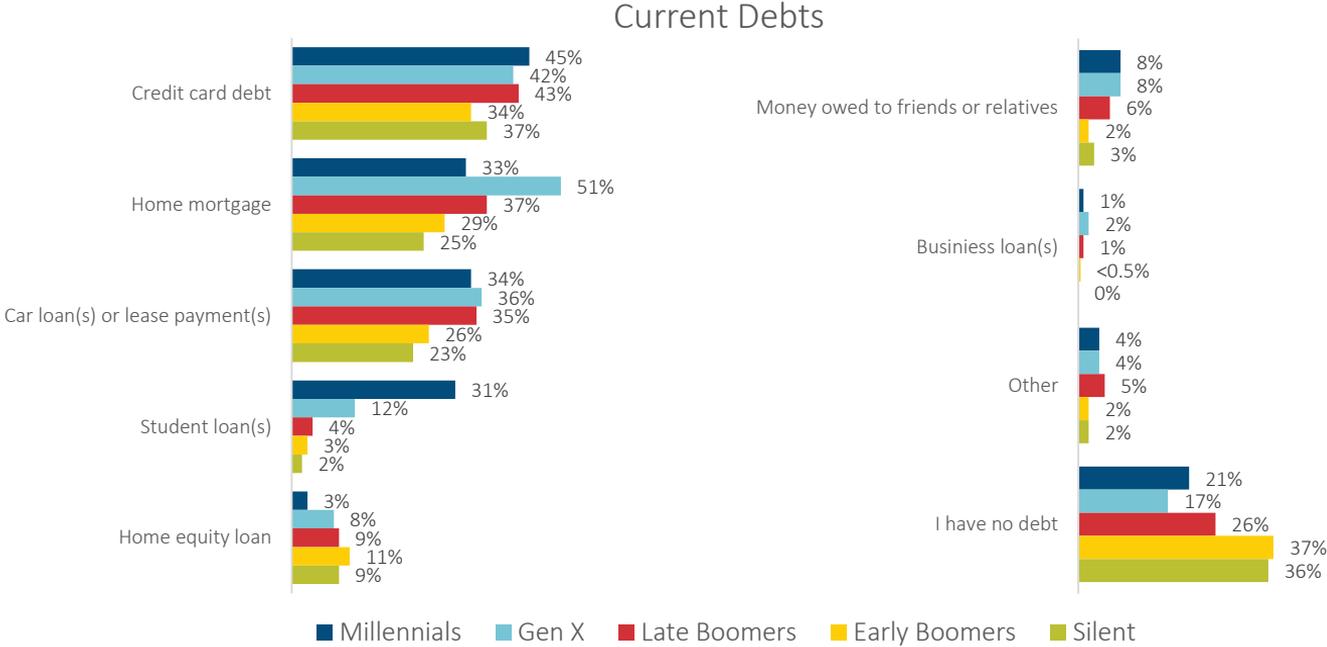
[If married/partner] Your spouse/partner might not be able to maintain the same standard of living after your death, if you should die first



How concerned are you about each of the following in retirement?

Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

Younger generations are most likely to have credit card debt, though Gen Xers overwhelmingly have more home mortgage debt than other generations. Not surprisingly, Millennials have student loan debt. More than a third of Early Boomers and the Silent Generation have no debt.

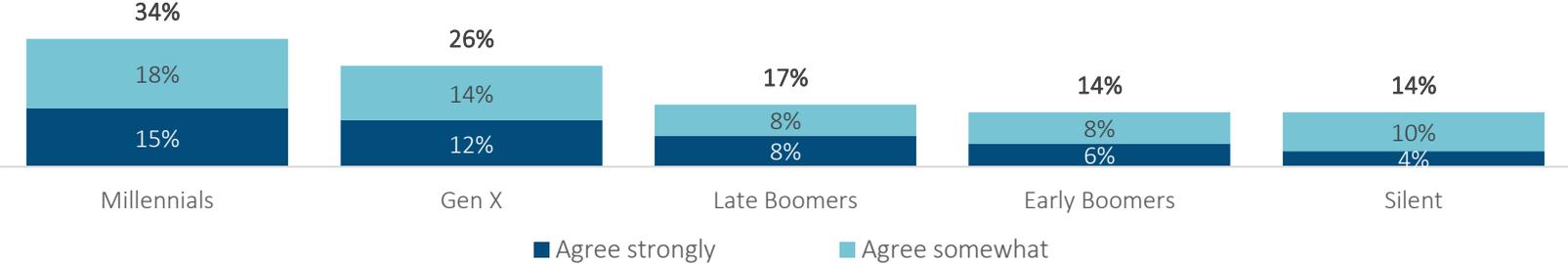


What types of debt do you currently have? *Please select all that apply.*  
 Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

Despite the amount of debt each generation has, it does not appear to be complicating finances for most. At the highest, one-third of Millennials say it is a problem.

### Agree/Disagree

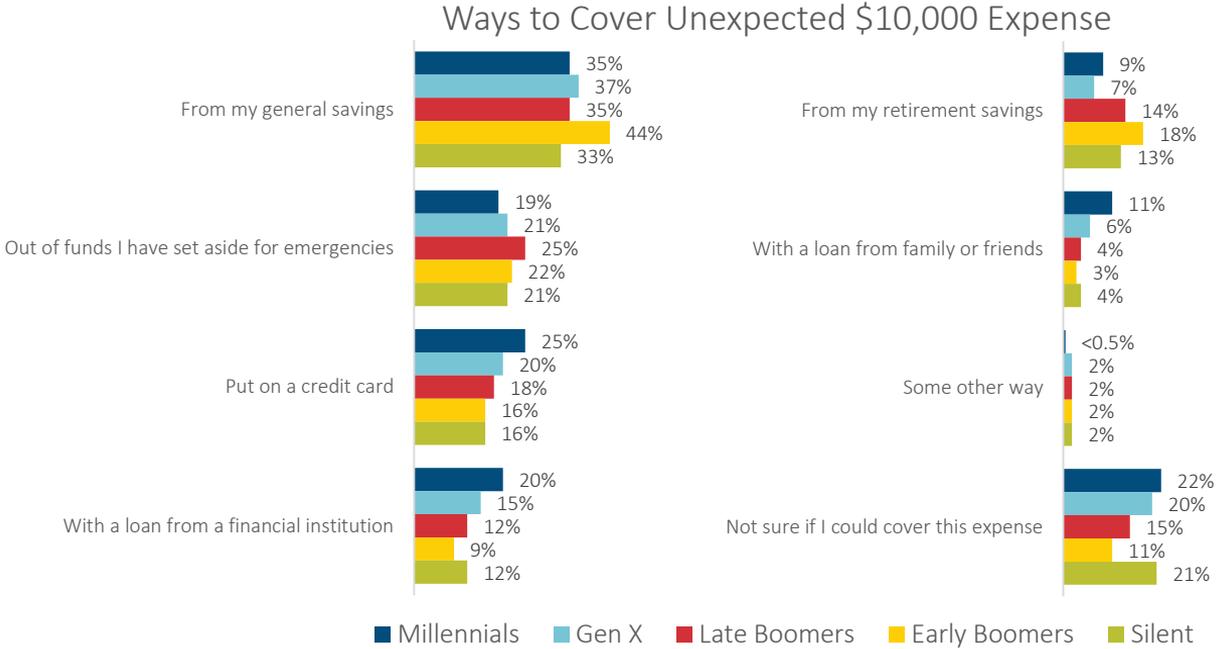
Your level of debt is complicating your ability to manage your finances



Please indicate the extent to which you agree or disagree with the following statements.

Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

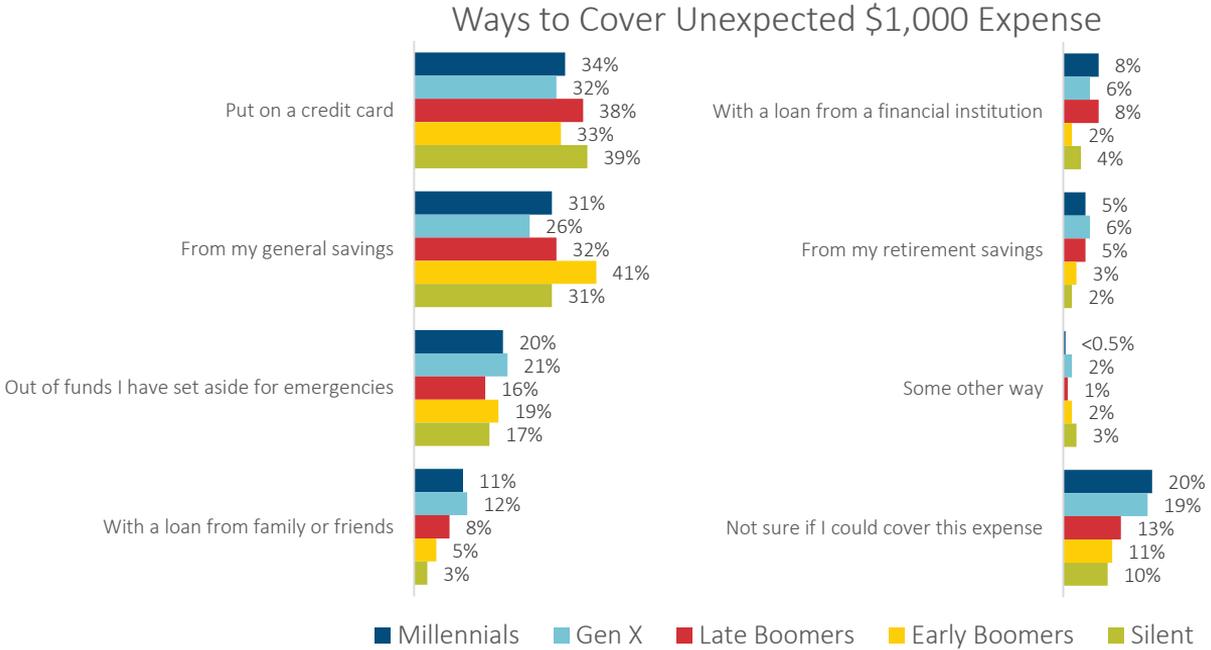
Early Boomers are more likely to use either general or retirement savings to cover an unexpected \$10,000 expense while younger generations are more likely to borrow from a financial institution or family or friends.



If you had an unexpected expense of \$10,000 that had to be paid immediately, how would you cover it? *Please select all that apply.*

Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

# All generations are equally as likely to use a credit card to cover an unexpected \$1,000 expense.



If you had an unexpected expense of \$1,000 that had to be paid immediately, how would you cover it? *Please select all that apply.*  
 [IF CAN'T USE EMERGENCY FUNDS OR GENERAL SAVINGS FOR \$10,000 EXPENSE] Millennials (n=280); Gen X (n=265); Late Boomers (n=228); Early Boomers (n=194); Silent (n=206)

# Summary of findings

- While three in five feel on track in planning for a financially secure retirement, concerns around retirement are high, especially for younger generations.
- However, respondents in our study are likely to have an employer-sponsored retirement plan and are taking steps to ensure retirement security through contributions high enough to receive the maximum employer match and few borrowing money from their plan.
- Debt is a substantial obstacle that can hinder saving for retirement and one in three Millennials indicate debt is complicating the management of their finances.
  - Younger generations are more likely to have debt, with half of Gen Xers holding mortgage debt and one in three Millennials having student loans.
- With the multitude of competing financial priorities, concerns for retirement, and debt obligations, it is not surprising that financial stability is an ever-pressing issue. For about half, unexpected expenses could not be covered through savings or an emergency fund.

# Family Obligations



# Introduction

Family seems to play an important role in sharing risk among generations and family members and helping in times of need. Other research from the Society of Actuaries shows that when people need help later in life, adult children often step in. People help family in many other circumstances. This section of the survey seeks to understand more about family relationships and how they differ across generations.

It starts with living arrangements.

- Millennials are much less likely to own a home with 47% living in a home they own, compared to 78% of respondents in other generations. 12% of Millennials do not contribute to the cost of housing.
- Of those that live with someone else, very few live with someone who is not a family member.
- Significantly more from the Silent Generation live alone compared to other generations.

About four in ten provided financial support to someone over the past year.

- Late Boomers are more likely to give support to adult children in the past year.
- Millennials are significantly more likely to provide support to their parents or siblings.
- Only 15% report receiving financial support from anyone, with Millennials the most likely to receive support.
  - 64% of Millennials who received support did so from their parents.
  - The Silent Generation were most likely to receive support from adult children.

# Introduction (cont.)

Respondents across the generations express a strong sense that families should help each other. Generally, Millennials seemed to have a stronger sense of obligation to parents than the older generations felt they should have.

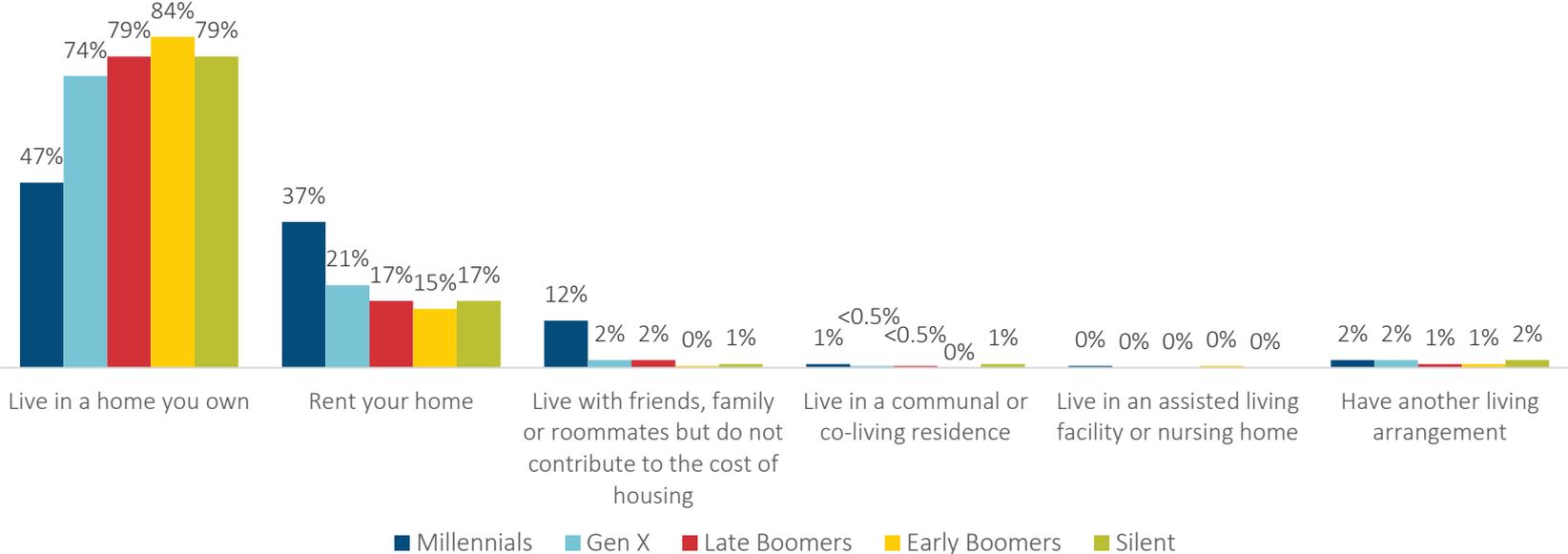
- Most agree that adult children should help parents financially and with daily tasks they are no longer able to do.
  - However, only half think step-children have the same obligation to their step-parents.
  - And it is the older generations who are more likely to think adult children's first priority should be to their own families and disagree that individuals should take a leave of absence from work to care for a disabled parent
- Millennials are most likely to agree that parents should contribute to their children's college education and should allow adult children to move back home if faced with financial difficulties.

Additionally, one-third of all respondents believe it is extremely or somewhat important to leave an inheritance.

- Millennials were significantly less likely than older generations to have received an inheritance. On the other hand, Millennials, Gen X, and Late Boomers were more likely to anticipate receiving a future inheritance.
- Half of Millennials are concerned they might not be able to leave money to their children or heirs. This sentiment decreases with age.

Millennials are significantly less likely than older generations to own their home and are more likely to rent or live with friends, family, or roommates without contributing to the cost of housing.

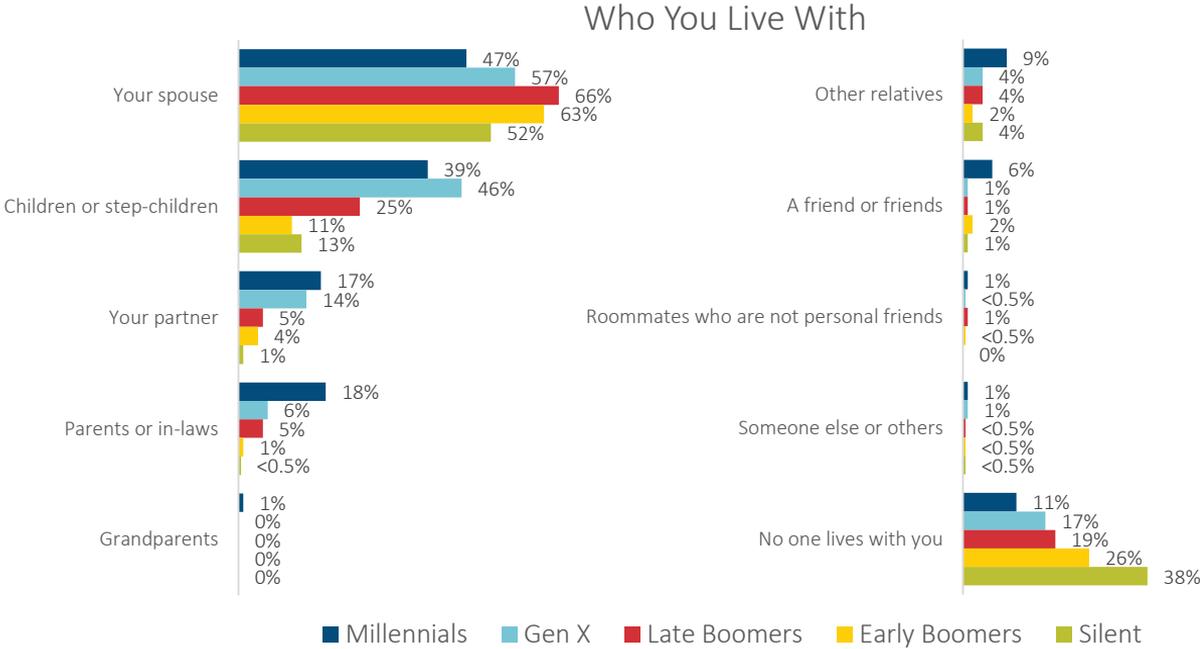
Living Situation



Do you currently...?

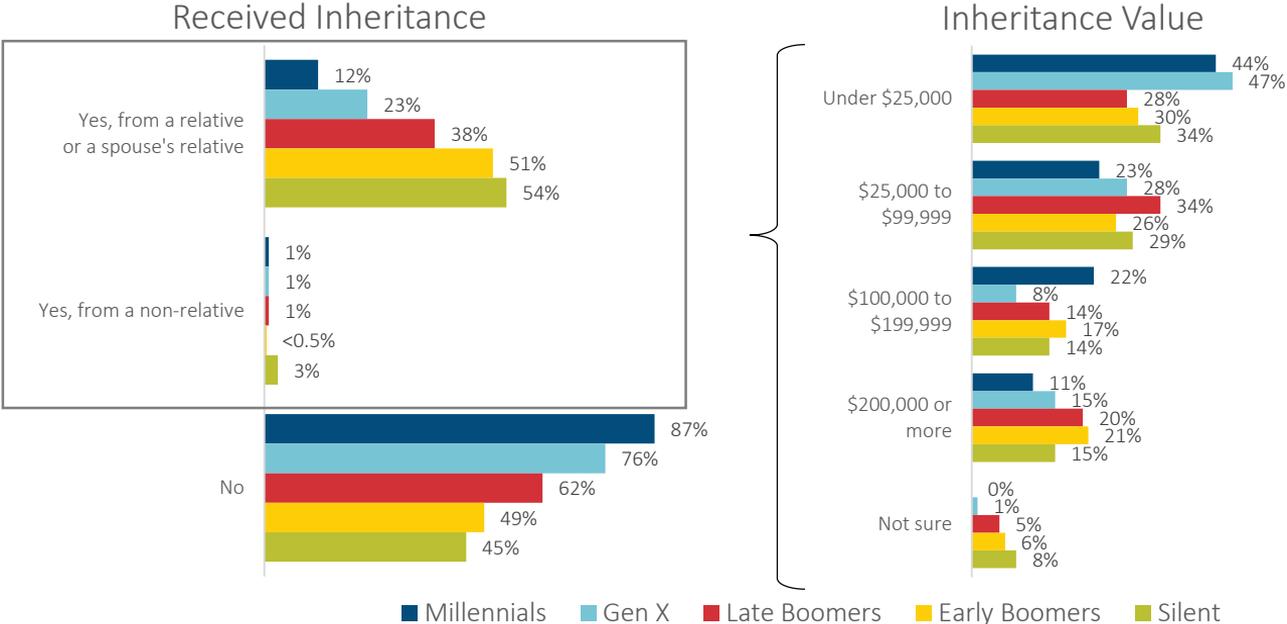
Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

Of those that live with someone else, very few live with someone who is not a family member. Most common are spouses and children or step-children. Significantly more from the Silent Generation live alone compared to other generations.



Who lives with you? *Please select all that apply.*  
 Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

# Millennials are significantly less likely than older generations to have received an inheritance. Those that have most often receive an inheritance less than \$100k.



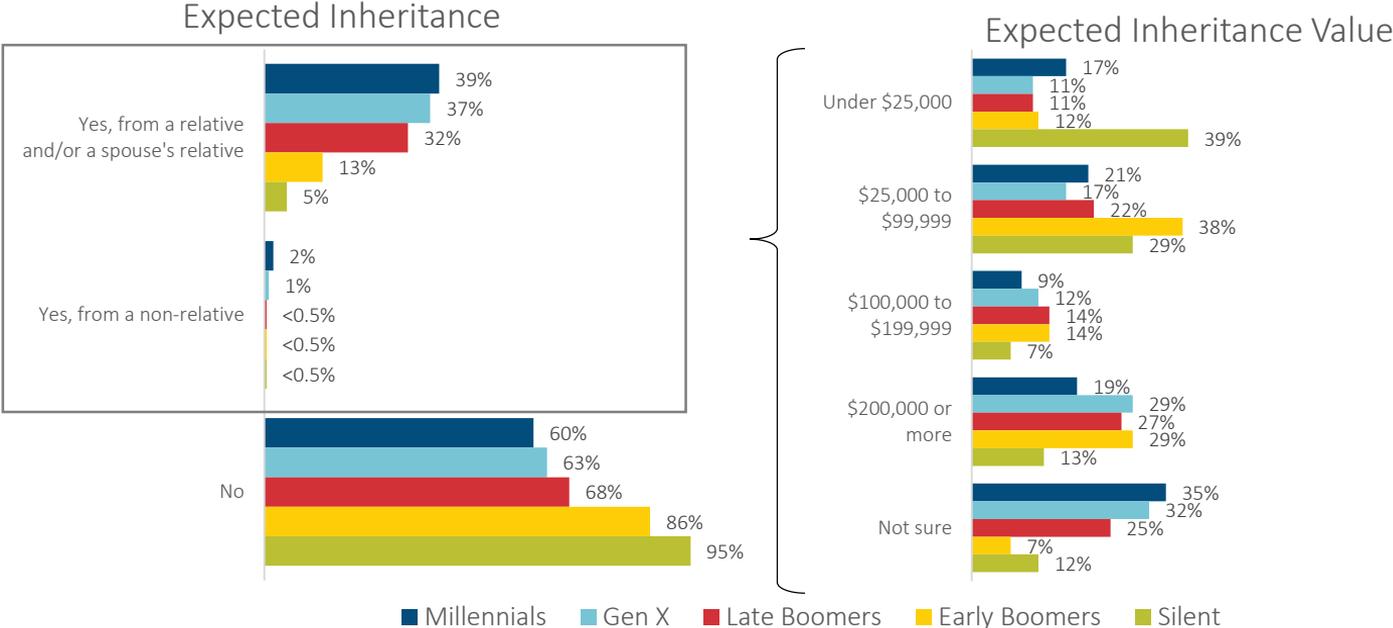
Since you reached age 18, have you [or your spouse] ever received an inheritance? *Please select all that apply.*

Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

Was the total value of all the inheritances you received?

[IF RECEIVED INHERITANCE] Millennials (n=50); Gen X (n=88); Late Boomers (n=165); Early Boomers (n=226); Silent (n=252)

However, Millennials, Gen Xers, and Late Boomers are more likely to anticipate receiving an inheritance in the future. They are split when it comes to the expected amount.



Do you expect to receive an inheritance from a person who is now living? *Please select all that apply.*

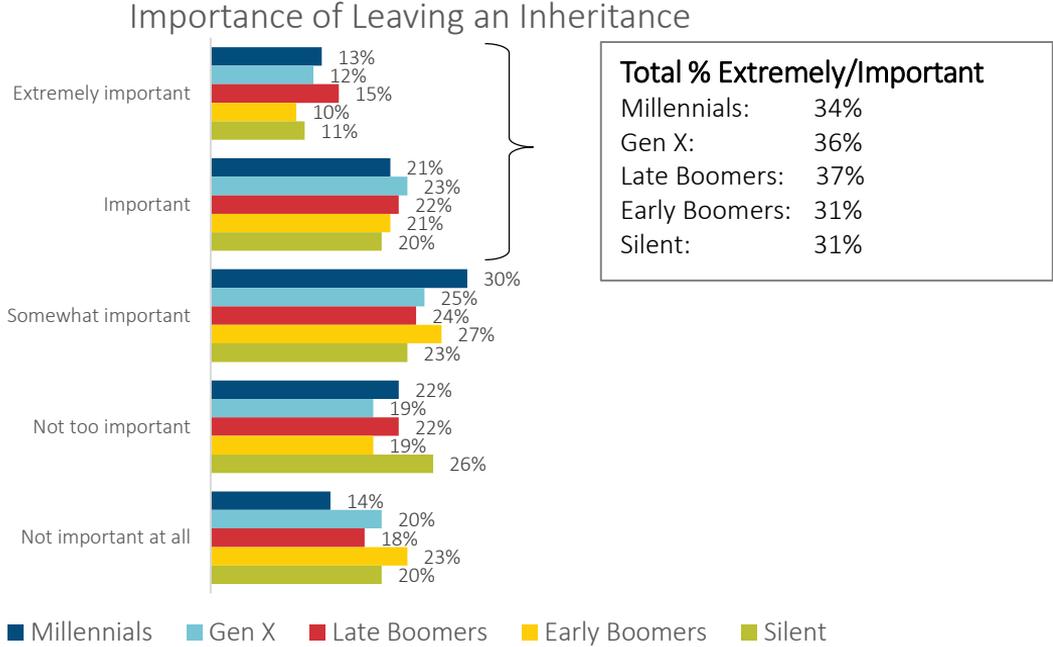
Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

What is the total value of the inheritances you expect to receive?

[IF EXPECT INHERITANCE] Millennials (n=161); Gen X (n=139); Late Boomers (n=136); Early Boomers (n=53); Silent (n=17)\*\*

\*\*Caution: Low n-size

A large share of all generations agree that it is at least somewhat important to leave an inheritance.



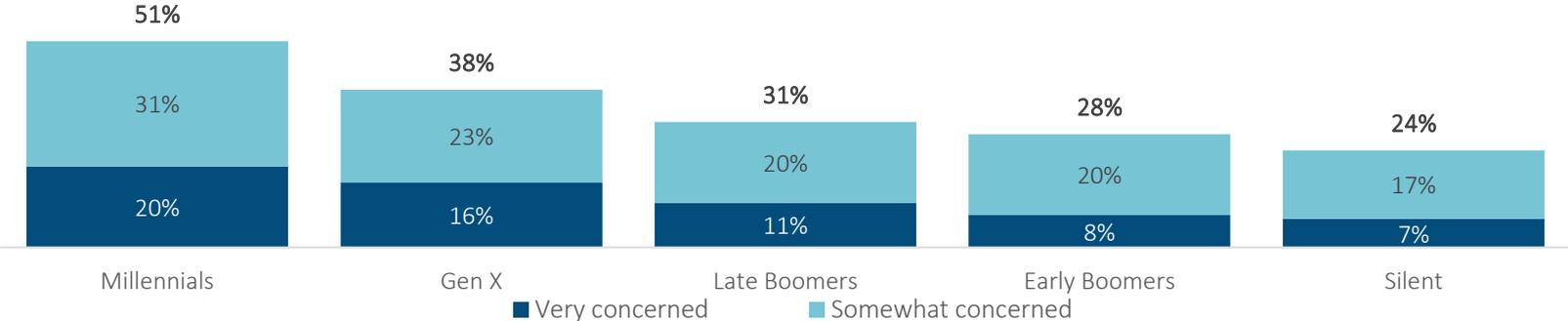
How important is it that you to leave an inheritance?

Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

Older generations are least concerned with being able to leave money to their children or other heirs. Half of Millennials and nearly two in five Gen Xers are concerned.

### Concerns in Retirement

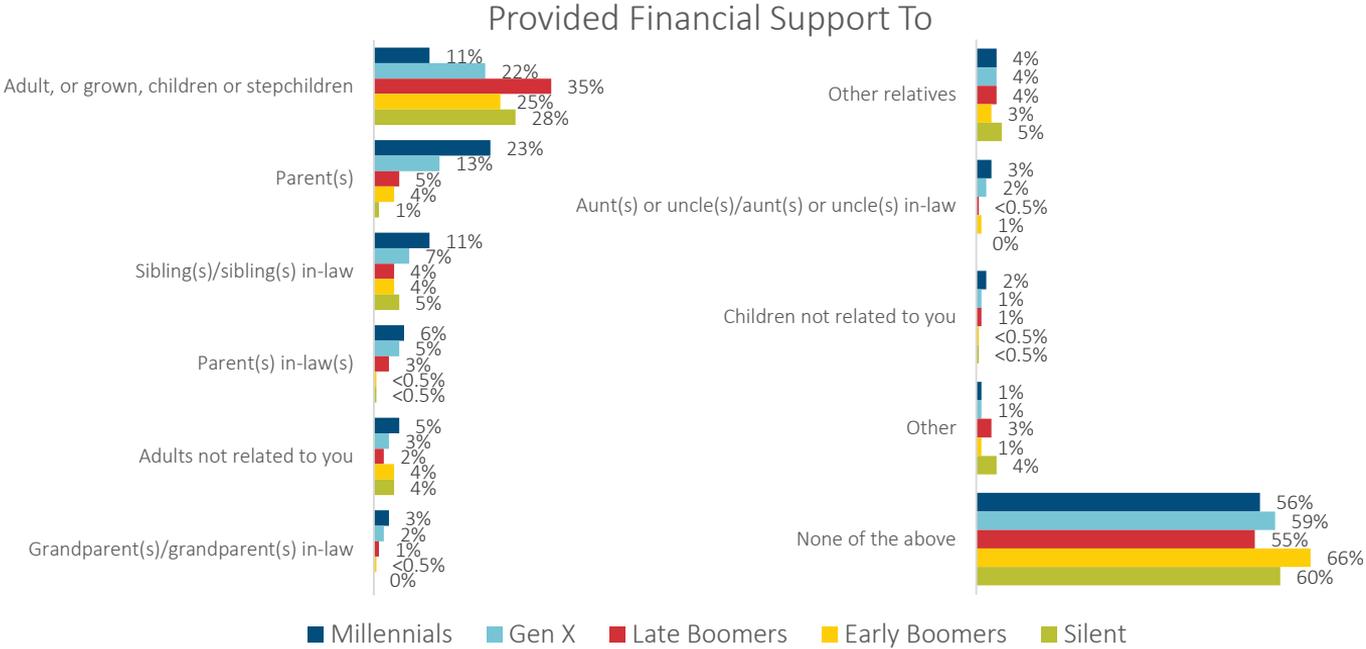
You might not be able to leave money to your children or other heirs



How concerned are you about each of the following in retirement?

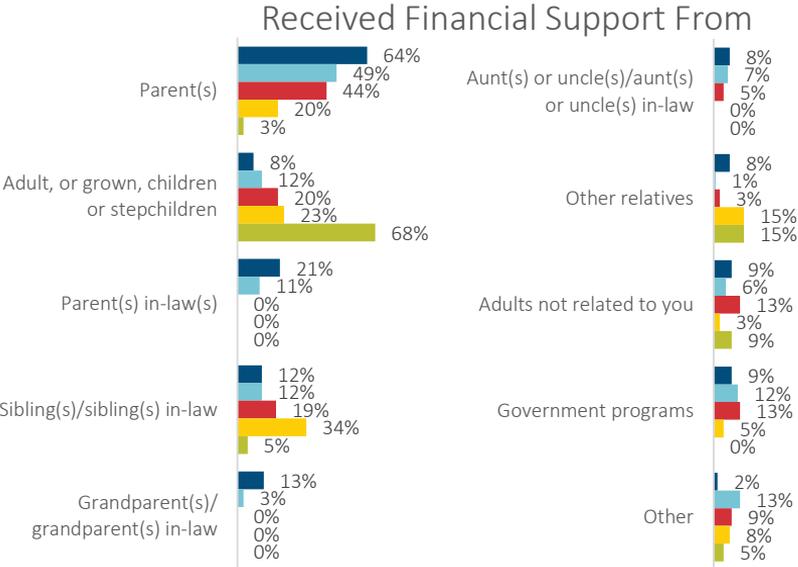
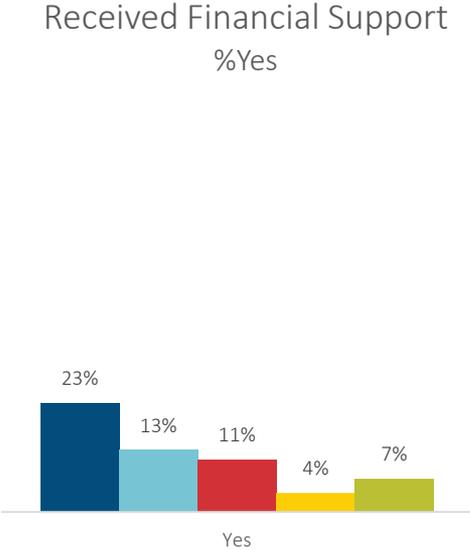
Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

Late Boomers are more likely than Early Boomers, Gen Xers, and Millennials to provide support to adult children in the past year. Millennials are significantly more likely to provide support to their parents or siblings. More than half of all generations do not provide any financial support.



In the past year, which of the following people, if any, have you provided financial support to, beyond normal gift giving? *Please select all that apply.* Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

Significantly more Millennials received financial support in the past year than older generations. Most Millennials receive that support from their parents. A similar share from the Silent Generation receive support from their adult children.



■ Millennials ■ Gen X ■ Late Boomers ■ Early Boomers ■ Silent

In the past year [with the exception of your spouse] have you received financial support from anyone, beyond normal gift giving?

Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

From whom do you receive financial support? *Please select all that apply.*

[IF RECEIVED FINANCIAL SUPPORT] Millennials (n=91); Gen X (n=57); Late Boomers (n=42\*); Early Boomers (n=14\*\*); Silent (n=19\*\*)

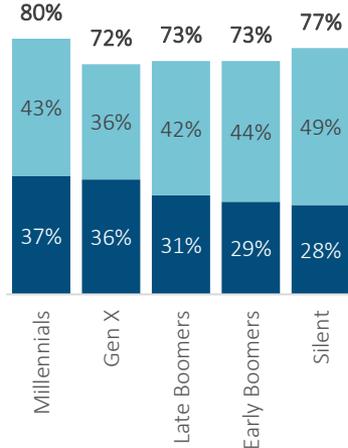
\*Caution: Low n-size (11-49)

\*\*Caution: Low n-size (1-9)

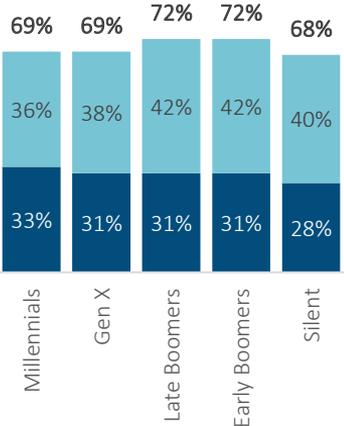
Despite their higher likelihood of relying on their parents, most Millennials believe adult children should financially help their parents. Interestingly, Boomers and the Silent Generation are the ones most likely to agree that adult children's first priority is to their own families and not their parents.

Agree/Disagree

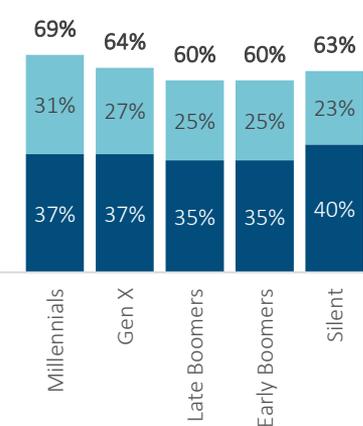
Adult children should help out their parents financially if there is a need and the children can afford it



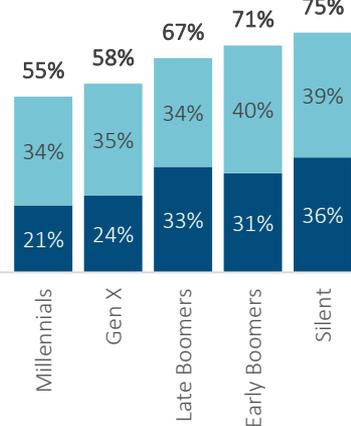
Families should do all they can to financially help elderly parents/grandparents remain in their own homes



Parents should not differentiate between step-children and "natural born" children in the help they offer to adult children



Adult children's first priority is to their own families, not to their parents



■ Agree strongly      ■ Agree somewhat

Please indicate the extent to which you agree or disagree with the following statements.

Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

# Millennials are more likely than older generations to say parents should allow their adult children to move back into their home if they have financial difficulties.

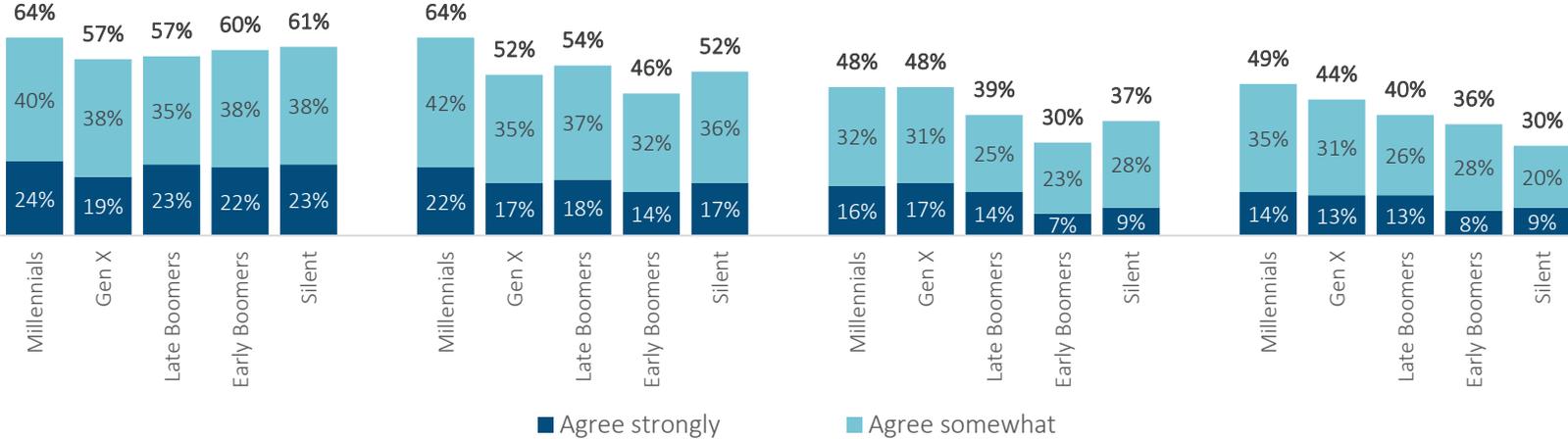
## Agree/Disagree

Parents should contribute fully or what can be reasonably afforded by them to the cost of college for their children

Parents should allow adult children who have financial difficulties to move back into their home

Adult children should have parents move in with them rather than having parents go into assisted living facilities

Individuals should take a leave of absence from work or reduce their work schedule to care for a disabled parent



Please indicate the extent to which you agree or disagree with the following statements.

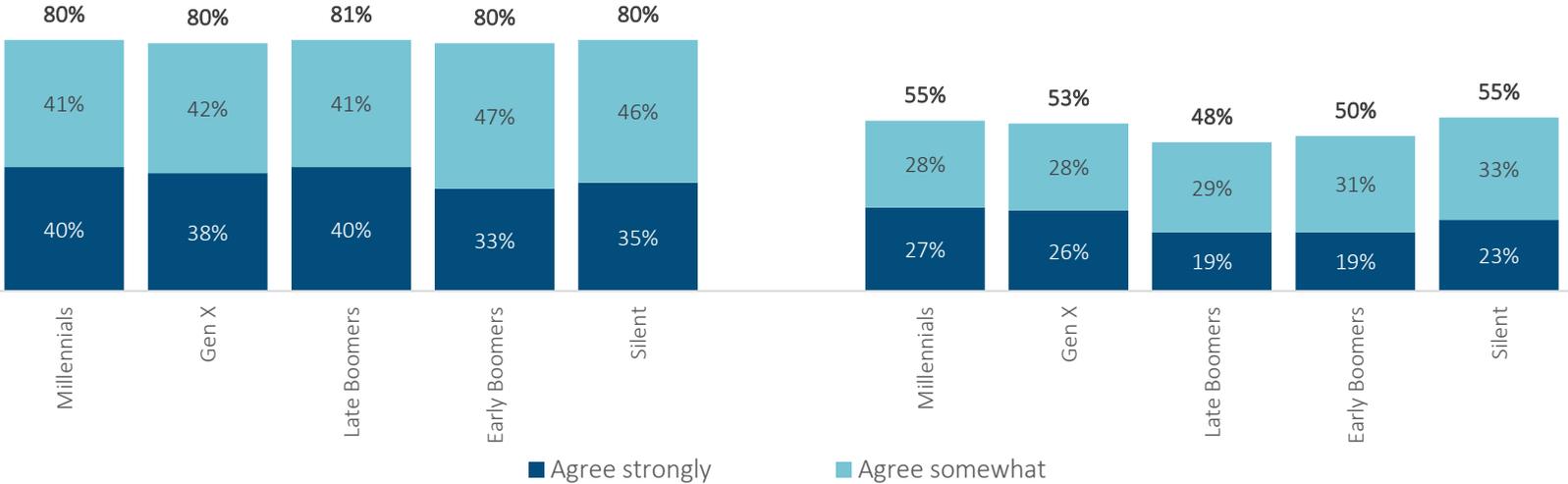
Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

Four in five of all generations agree that adult children should prioritize helping their parents with regular tasks when they are no longer capable. Only about half agree that step-children have the same obligation as “natural born” children.

Agree/Disagree

Adult children should make it a priority to help parents with tasks such as driving and helping with the house when parents are no longer able to do such tasks

Step-children have the same obligation to their step-parents as “natural born” children



Please indicate the extent to which you agree or disagree with the following statements.

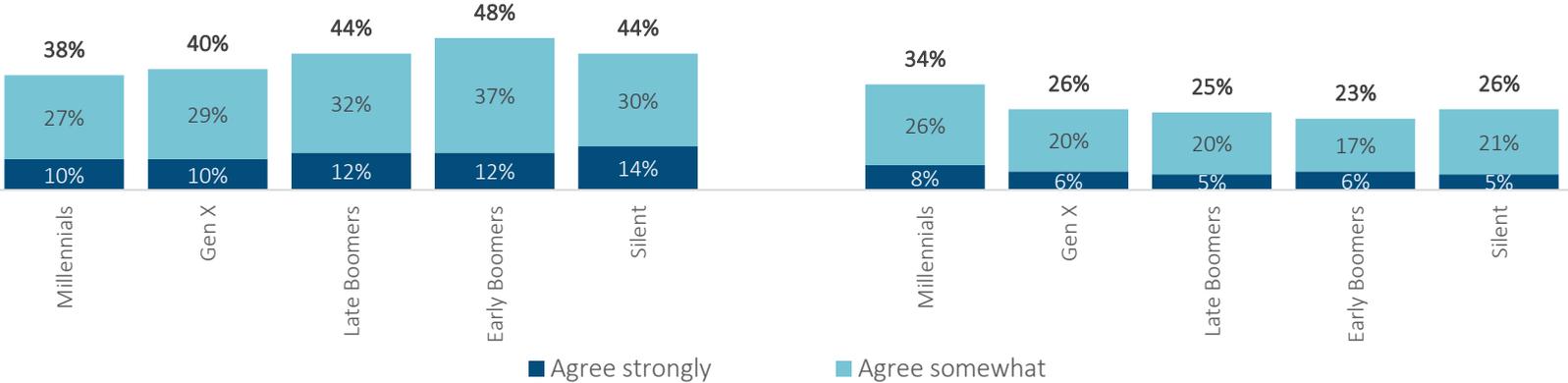
Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

# Few in any generation believe parents should help adult children, if it means they will harm their own financial future.

## Agree/Disagree

The days when children would sacrifice their own happiness to take care of their parents are over

Parents should help adult children if they have problems, even if it means they will have inadequate funds for themselves later



Please indicate the extent to which you agree or disagree with the following statements.

Millennials (n=398); Gen X (n=399); Late Boomers (n=403); Early Boomers (n=401); Silent (n=400)

# Summary of findings

Across all generations, financial support for family members is anticipated and can provide a safety net. From both adult children to aging parents, family support can be crucial to financial security.

- Millennials view financial support as a two-way street. They rely on their parents more often than other generations but believe in supporting their parents if needed.
- Older generations are more likely to be hesitant about their younger counterparts taking a leave of absence to help their parents or putting their parents above their own families.
- Few in any generation believe parents should help adult children, if it means parents will harm their own financial future.
- Only four in ten think that children will no longer sacrifice their own happiness to take care of their parents.
- Interestingly, there is some inconsistencies in how step-families are viewed.
  - 64% across all generations believe parents should not differentiate between step-children and "natural born" children in the help they offer to adult children.
  - However, the sentiment is not as strong from the other point of view, with about half agreeing that step-children have the same obligation to their step-parents as "natural born" children.

# Profile of Respondents



# Demographics

	Millennials (n=398)	Gen X (n=399)	Late Boomers (n=403)	Early Boomers (n=401)	Silent (n=400)
<b>Gender</b>					
Male	50%	49%	48%	47%	45%
Female	50	51	52	53	55
<b>Marital Status</b>					
Married	47%	59%	66%	63%	52%
Unmarried and living with a partner in a permanent relationship	15	11	4	4	1
Separated or divorced	2	10	16	14	17
Widowed	--	2	3	9	27
Single, never married	36	19	10	10	3
<b>Been in a previous marriage (If married or with a partner)</b>	(n=238)	(n=258)	(n=274)	(n=279)	(n=253)
Yes	13%	34%	35%	46%	33%
No	87	66	65	54	67

# Demographics

	Millennials (n=398)	Gen X (n=399)	Late Boomers (n=403)	Early Boomers (n=401)	Silent (n=400)
<b>Number of children (not including step-children)</b>					
None	58%	34%	26%	28%	10%
One	20	19	19	16	17
Two	14	31	37	33	39
Three	5	9	12	16	22
Four	2	4	5	5	7
Five or more	1	2	1	2	6
<b>Number of step-children</b>					
None	90%	82%	86%	80%	86%
One	7	8	4	10	5
Two	2	5	7	6	5
Three	1	4	2	3	2
Four	1	1	1	1	--
Five or more	*	*	*	1	3

\*=<0.5%

# Demographics

	Millennials (n=398)	Gen X (n=399)	Late Boomers (n=403)	Early Boomers (n=401)	Silent (n=400)
<b>Education</b>					
High school graduate or less	26%	28%	37%	40%	53%
Some college/technical school	31	26	27	24	23
Bachelor's degree	28	26	21	19	14
Post graduate work	1	2	2	2	3
Graduate or professional degree	14	18	13	14	8
<b>Household income</b>					
Less than \$25,000	15%	9%	11%	17%	22%
\$25,000 to \$34,999	6	7	6	8	18
\$35,000 to \$49,999	11	10	15	18	17
\$50,000 to \$74,999	21	19	16	19	17
\$75,000 to \$99,999	13	12	15	10	10
\$100,000 to \$124,999	14	11	10	6	4
\$125,000 to \$149,999	4	9	8	7	4
\$150,000 or more	16	22	20	14	8

# Demographics

	Millennials (n=398)	Gen X (n=399)	Late Boomers (n=403)	Early Boomers (n=401)	Silent (n=400)
<b>Job Status</b>					
Working for pay	71%	74%	50%	18%	5%
Retired	*	3	28	76	90
A homemaker	13	10	7	1	3
Laid off or unemployed and seeking work	7	4	4	2	*
Disabled and unable to work	3	7	9	2	*
Something else	5	2	3	1	1
<b>Retired from previous career (If working, laid off, or disabled)</b>	(n=318)	(n=336)	(n=251)	(n=93)	(n=30)
Yes	4%	8%	24%	41%	58%
No	96	92	76	59	42
<b>Receiving pension plan</b>					
Yes, have already received or currently receiving benefits	10%	7%	28%	54%	51%
Yes, expect to get benefits in the future	29	32	28	7	2
No, not getting and do not expect to receive benefits	61	62	44	40	47

\*=<0.5%

# Demographics

	Millennials (n=398)	Gen X (n=399)	Late Boomers (n=403)	Early Boomers (n=401)	Silent (n=400)
<b>Spouse's/Partner's Job Status (If married or with a partner)</b>	(n=238)	(n=258)	(n=274)	(n=279)	(n=253)
Working for pay	84%	74%	56%	27%	6%
Retired	*	6	27	66	86
A homemaker	9	12	9	2	5
Laid off or unemployed and seeking work	2	2	1	1	--
Disabled and unable to work	1	6	5	2	3
Something else	3	1	2	1	*
<b>Retired from previous career (If spouse/partner working, laid off, or disabled)</b>	(n=208)	(n=209)	(n=169)	(n=87)	(n=24+)
Yes	3%	6%	14%	29%	42%
No	97	94	86	71	58

†Caution: Low n-size (11-49) \*=<0.5%

# Demographics

	Millennials (n=398)	Gen X (n=399)	Late Boomers (n=403)	Early Boomers (n=401)	Silent (n=400)
<b>Financial decision-making</b>					
I am the sole decision-maker	49%	52%	49%	51%	56%
I share equally in the decisions with someone else	45	42	48	46	42
Someone else makes financial and investment decisions	6	6	3	3	2
<b>Current savings and investments</b>					
Less than \$10,000	30%	23%	16%	16%	29%
\$10,000 to \$24,999	12	8	7	11	6
\$25,000 to \$49,999	11	8	7	5	10
\$50,000 to \$99,999	11	9	8	7	5
\$100,000 to \$249,999	14	13	10	14	11
\$250,000 to \$499,999	8	13	15	13	13
\$500,000 to \$999,999	2	9	10	11	7
\$1 million or more	1	10	16	12	10
Prefer not to say	9	7	10	10	9

# Demographics

	Millennials (n=398)	Gen X (n=399)	Late Boomers (n=403)	Early Boomers (n=401)	Silent (n=400)
<b>Type of organization you work for (If employed and not retired from previous career)</b>	(n=270)	(n=270)	(n=166)	(n=45+)	(n=14+)
Large for-profit business owned by someone else	36%	32%	26%	21%	28%
Medium-sized for-profit business owned by someone else	19	18	16	14	13
Small for-profit business owned by someone else	17	14	15	14	23
A business that you own	6	7	11	16	10
Government agency	9	13	9	5	--
Non-profit organization	8	7	13	22	15
Freelance, temporary, or gig work	1	3	3	2	11
Other type of organization	4	6	6	4	--

†Caution: Low n-size (11-49)

‡Caution: Low n-size (1-9)

# Demographics

	Millennials (n=398)	Gen X (n=399)	Late Boomers (n=403)	Early Boomers (n=401)	Silent (n=400)
Type of organization you used to work for (If retired or retired from previous career)	(n=16†)	(n=41†)	(n=175)	(n=341)	(n=366)
Large for-profit business owned by someone else	23%	22%	27%	28%	31%
Medium-sized for-profit business owned by someone else	24	10	13	9	12
Small for-profit business owned by someone else	22	8	12	12	11
A business that you own	11	6	4	6	6
Government agency	7	22	17	17	16
Non-profit organization	--	14	6	10	5
Freelance, temporary, or gig work	7	5	3	2	1
Other type of organization	7	13	18	17	18

†Caution: Low n-size (11-49)



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