

# 2019 Planning & Progress Study

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Work and Retirement

# Background

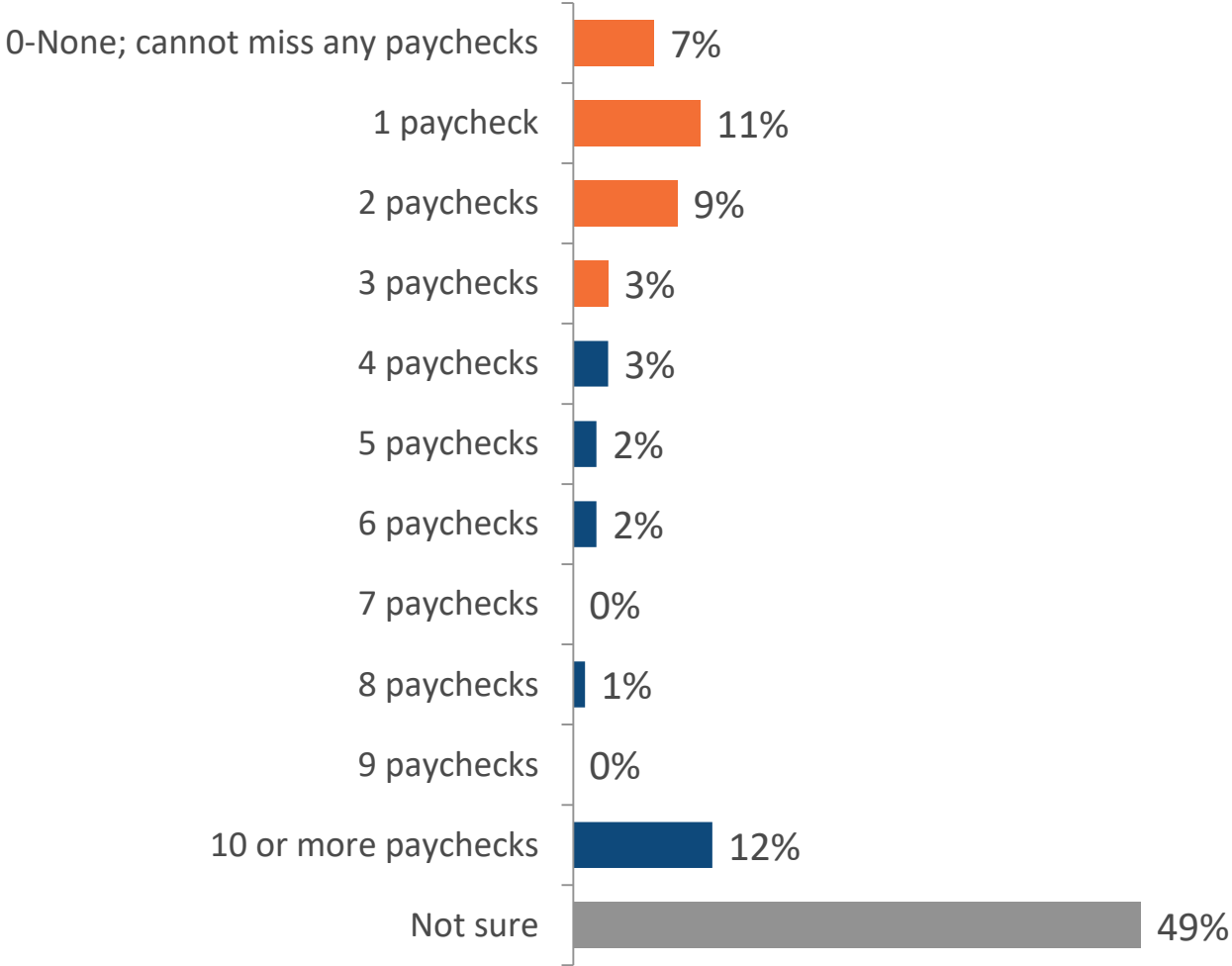
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2019 marks the 10<sup>th</sup> year of the Planning & Progress Study – an annual research study from Northwestern Mutual that explores U.S. adults’ attitudes and behaviors toward money, financial decision-making, and the broader issues impacting people’s long-term financial security.

The study was conducted by The Harris Poll on behalf of Northwestern Mutual and included 2,003 American adults aged 18 or older in the general population who participated in an online survey between February 20 and March 5, 2019.

Results were weighted to Census targets for education, age/gender, race/ethnicity, region and household income. Propensity score weighting was also used to adjust for respondents' propensity to be online. No estimates of theoretical sampling error can be calculated; a full methodology is available.

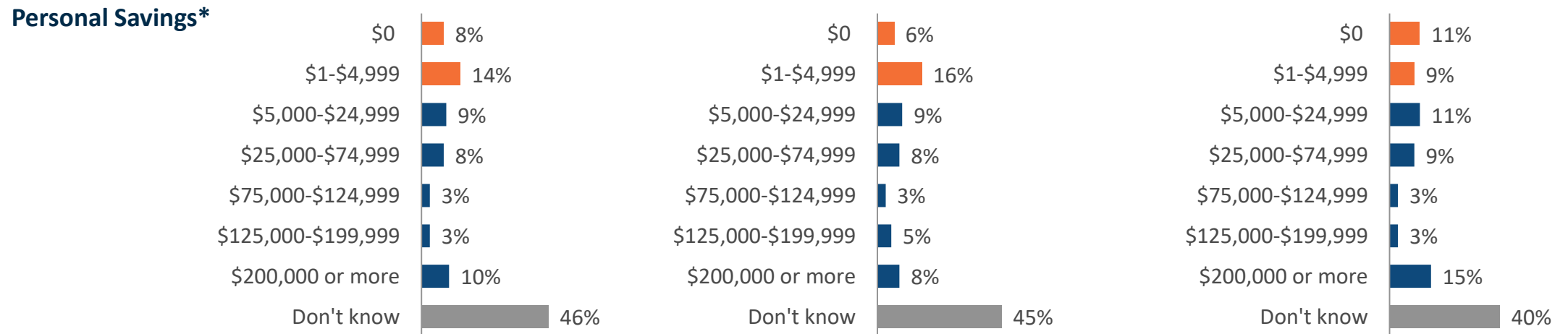
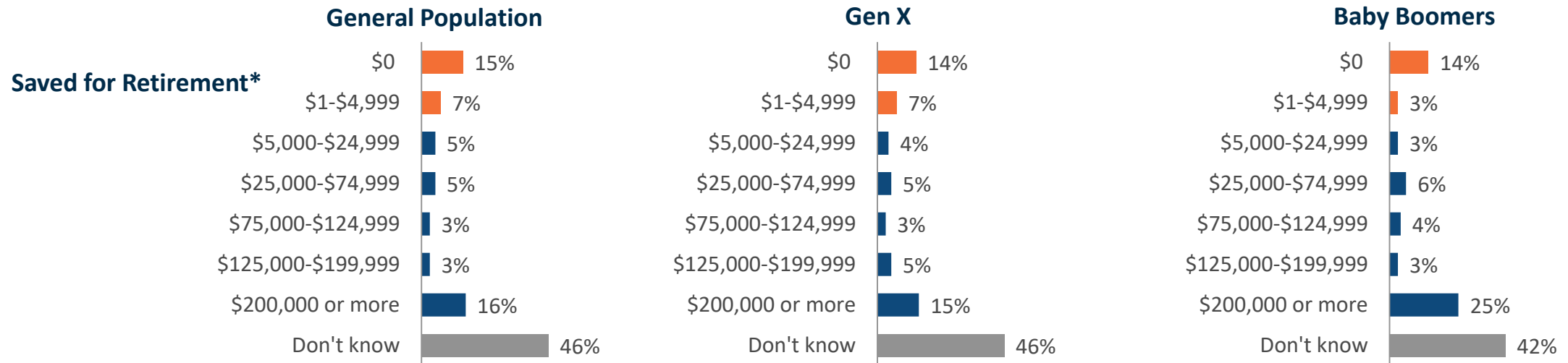
# 30% of Americans are within three paychecks of needing to borrow money or skip paying one or more bills



BASE: ALL QUALIFIED RESPONDENTS - Gen Pop: (n=2003)

Q1565a. How many paychecks would you have to miss before you either needed to borrow money or skip paying one or more of your own bills?

# More than 1 in 5 Americans have less than \$5,000 in retirement savings



\* Numeric open ended questions

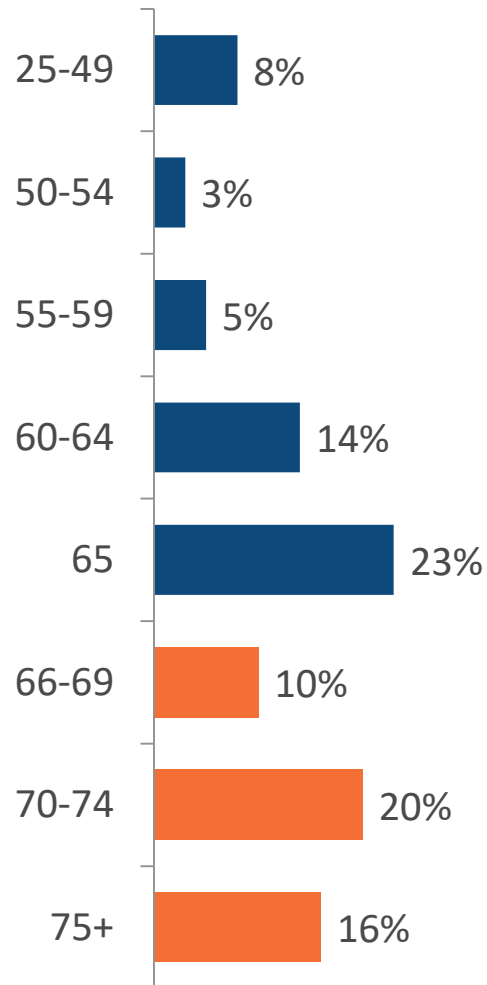
**BASE: ALL QUALIFIED RESPONDENTS - Gen Pop: (n=2003); Gen X: (n=595); Baby Boomers: (n=441)**

**Q1824.** How much do you have in personal savings (excluding any funds specifically earmarked for retirement 401(k), IRA, etc.)?

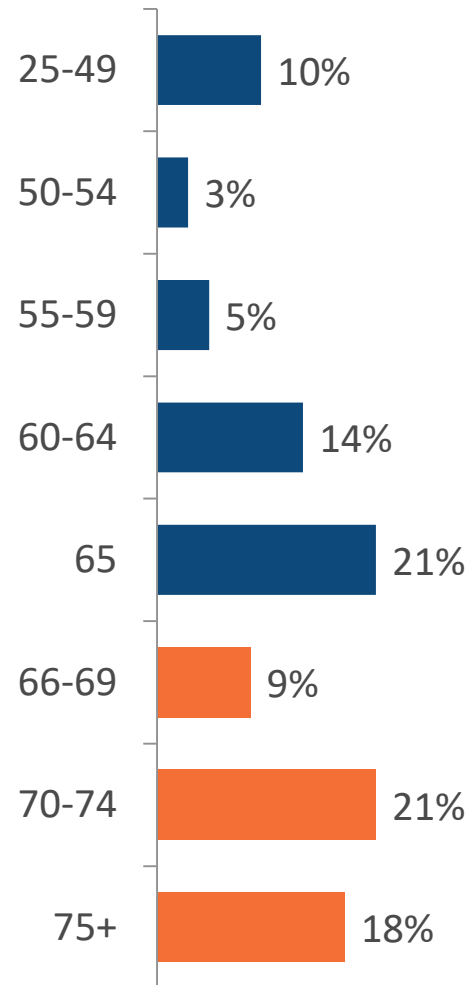
**Q1825.** How much money do you have saved for retirement (from all sources including 401(k), IRA, pension, bank accounts, etc.)?

# Nearly half (46%) of working Americans expect to retire later than age 65

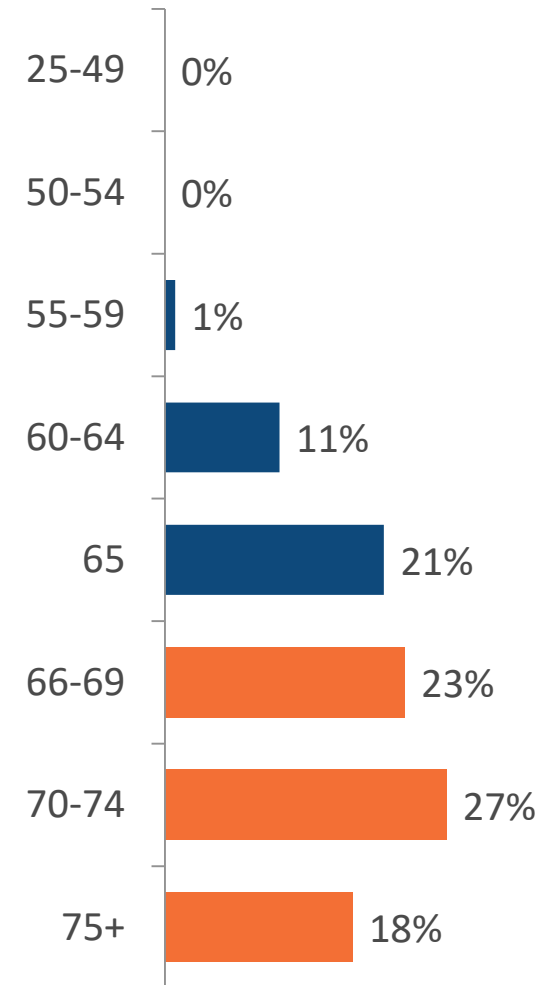
### General Population



### Gen X



### Baby Boomers

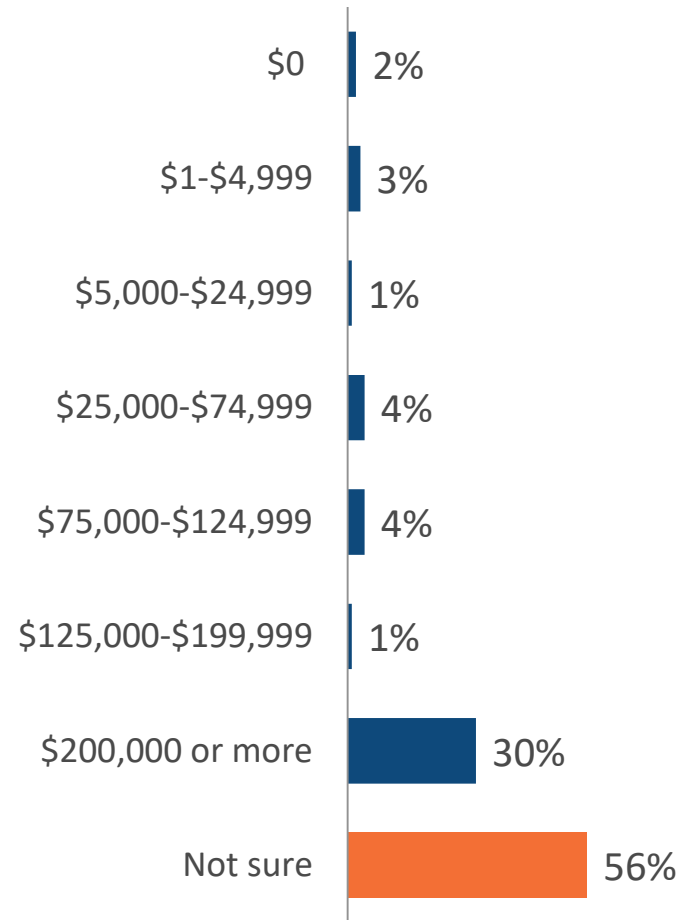


BASE: THOSE CURRENTLY NOT RETIRED AND WORKING - Gen Pop: (n=1149); Gen X: (n=409); Baby Boomers: (n=142)

Q1035. How long do you anticipate you will work before you retire?

# More than half of Americans don't know how much they will need to retire comfortably

Amount Needed to Retire Comfortably



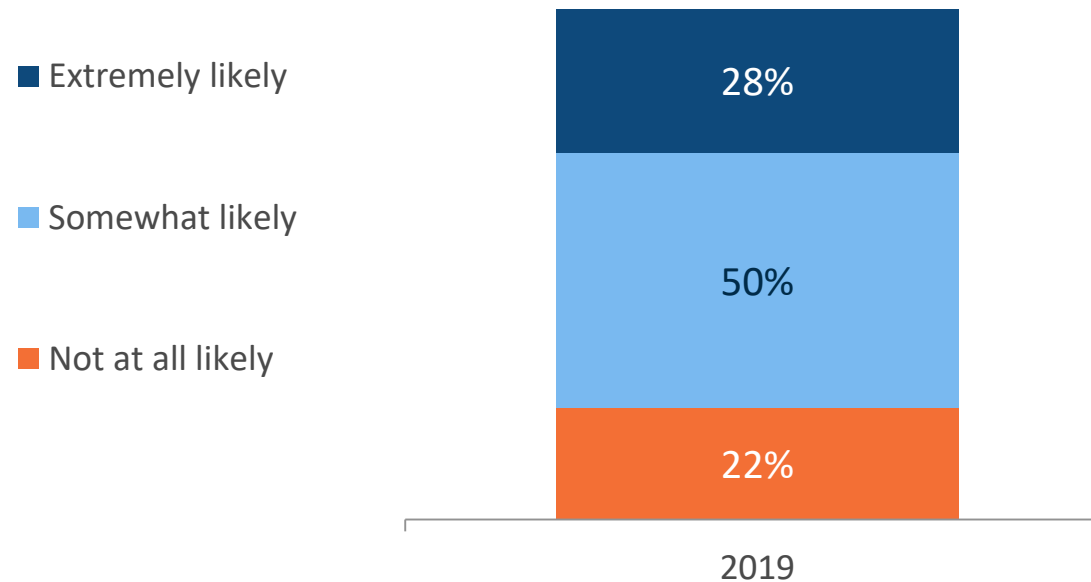
\*New in 2019 – numeric open end

**BASE: ALL QUALIFIED RESPONDENTS - Gen Pop: (n=2003)**

**Q54.** In a specific dollar amount, how much do you think you will need to save in order to retire comfortably?

# More than 1 in 5 believe it is not at all likely Social Security will be available when they retire

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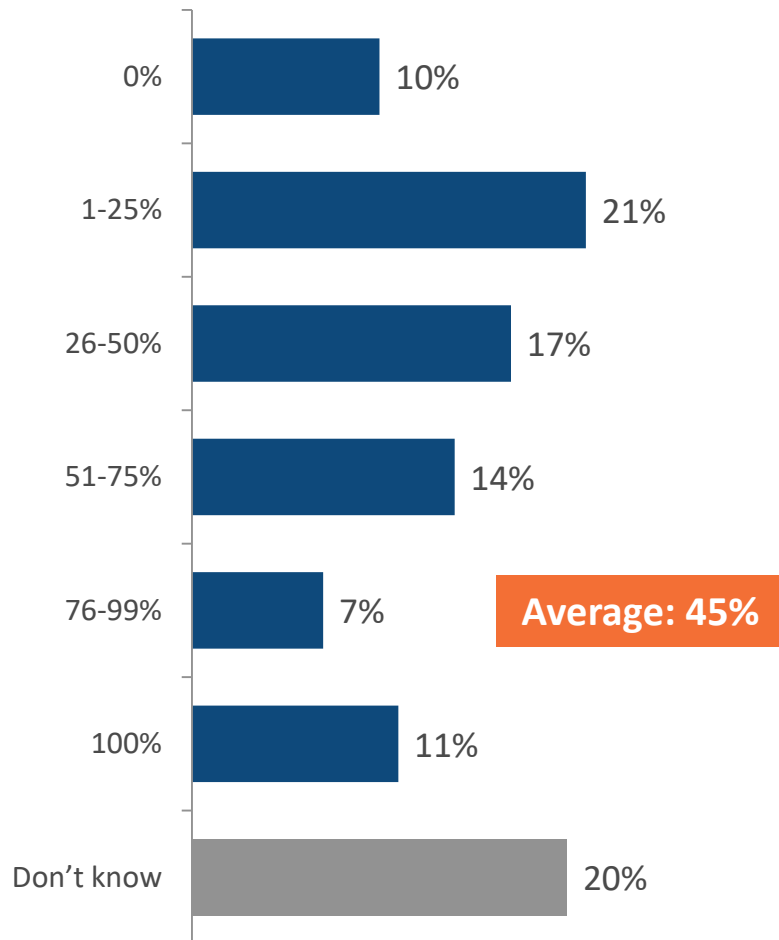


**BASE: THOSE CURRENTLY NOT RETIRED- Gen Pop: (n=1506)**

**Q1565.** In your opinion, what is the likelihood that Social Security will be available to you when you retire?

# On average, people feel there's a 45% chance they will outlive their savings, yet many have not taken any steps to address this

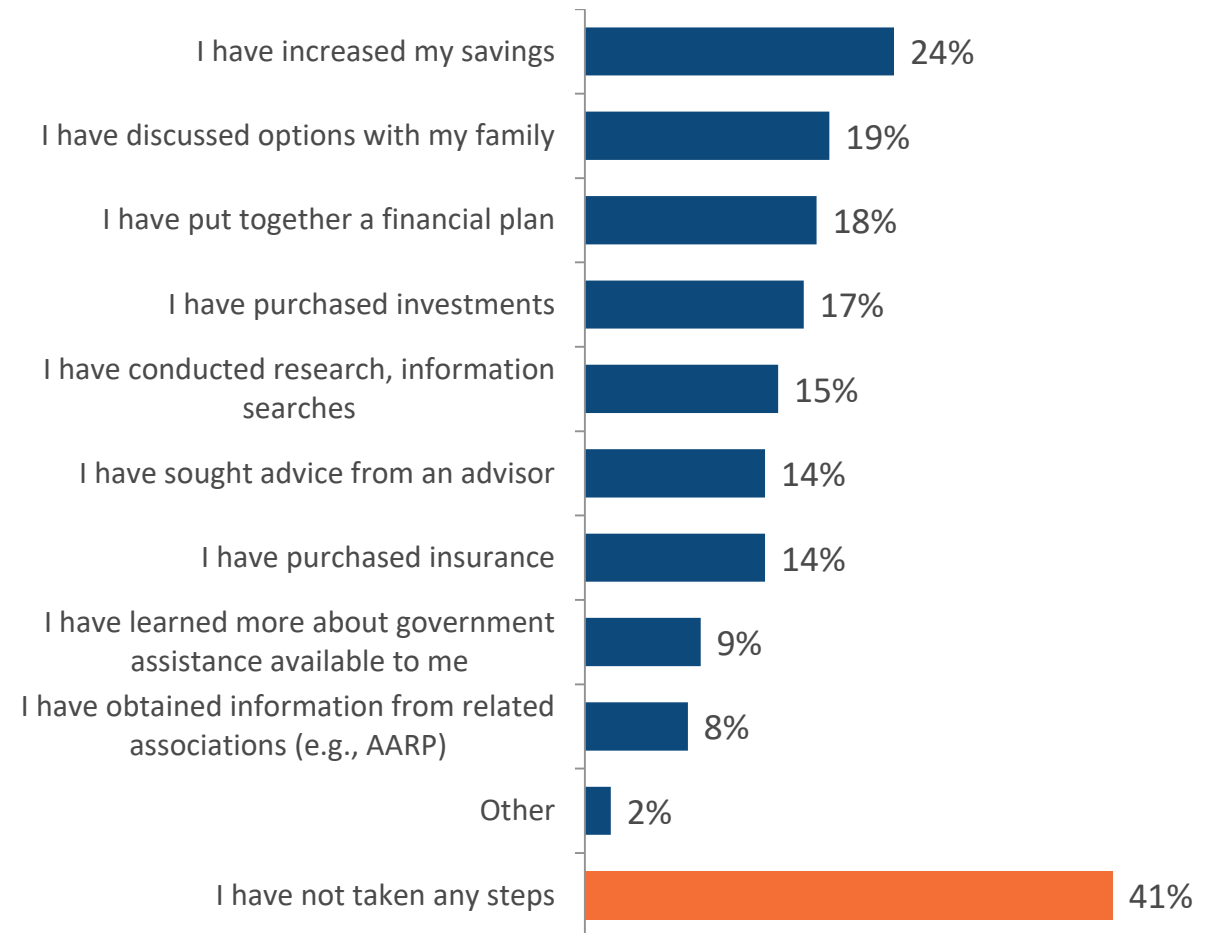
**Likelihood of Outliving Savings**



**BASE: ALL QUALIFIED RESPONDENTS - Gen Pop: (n=2003)**

**Q1645.** In your opinion, what is the likelihood that you could outlive your savings?

**Steps Taken to Address Possibility of Outliving Savings**

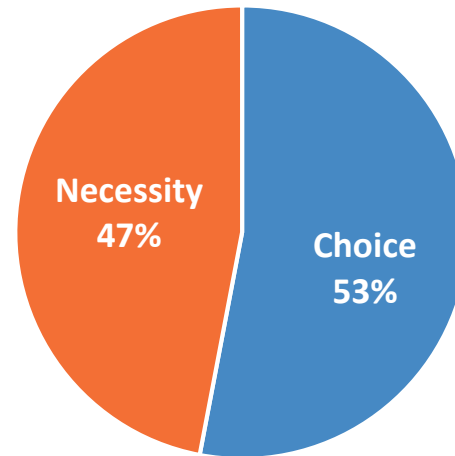


**BASE: ALL QUALIFIED RESPONDENTS - Gen Pop: (n=2003)**

**Q1655.** What steps, if any, have you taken to address the possibility that you may outlive your savings?



# More than half of Americans expecting to work past age 65 say it will be by choice



Necessity – Reasons Why	2019
I won't have enough saved to retire comfortably	78%
I do not feel like Social Security will take care of my needs	56%
I am concerned about rising costs like healthcare	49%
I had an unexpected situation arise that has cut into my retirement savings	17%
I am taking care of a relative or friend and require more income	12%
Financial troubles/I have no money	-
Poor economy/Increased cost of living	-
To receive full/maximize social security benefits retirement age is older than 65	-
Other	1%

Choice – Reasons Why	2019
I enjoy my job/career and would like to continue	58%
I want additional disposable income	46%
It is a social outlet that will help me stay active/prevent boredom	39%
I want to do something that will let me give back to the community	14%
I plan to pursue a passion that was too risky to commit to previously	14%
I plan to start my own business	12%
It is my opportunity to try a new field	9%
Other	6%

**BASE: THOSE NOT RETIRED AND PLAN TO WORK PAST AGE 65 - Gen Pop: (n=565)**

**Q1540. Are you planning to work past the traditional retirement age of 65 by necessity or by choice?**

**BASE: THOSE NOT RETIRED PLANNING TO WORK PAST AGE 65 BY NECESSITY - Gen Pop: (n=332)**

**Q1545. Why do you anticipate needing to continue working past the traditional retirement age of 65?**

**BASE: THOSE NOT RETIRED PLANNING TO WORK PAST AGE 65 BY CHOICE - Gen Pop: (n=233)**

**Q1546. Why do you anticipate working past the traditional retirement age of 65?**