

# 2021 Planning & Progress Study

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## Work & Retirement

Northwestern Mutual is the marketing name for The Northwestern Mutual Life Insurance Company (NM), Milwaukee, WI and its subsidiaries.

# Background

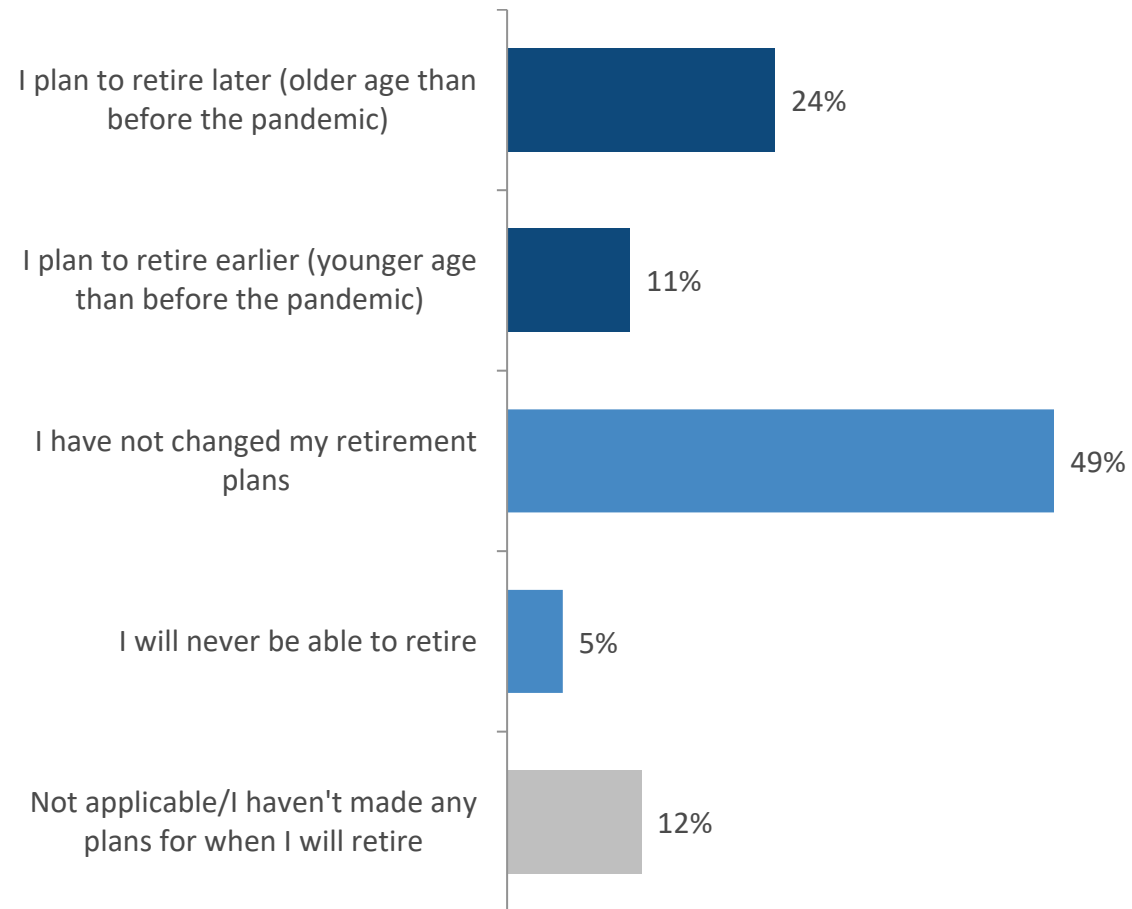
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The 2021 Planning & Progress Study, a research series from Northwestern Mutual, explores U.S. adults' attitudes and behaviors toward money, financial decision-making, and the broader issues impacting people's long-term financial security.

The study was conducted by The Harris Poll on behalf of Northwestern Mutual. This wave included 2,320 American adults aged 18 and older who participated in an online survey between March 16 – 26, 2021. Previous waves included 2,650 American adults aged 18 or older who participated in an online survey between February 12 – 25, 2020 and 2,702 adults aged 18 or older who participated between June 26 – July 10, 2020.

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.

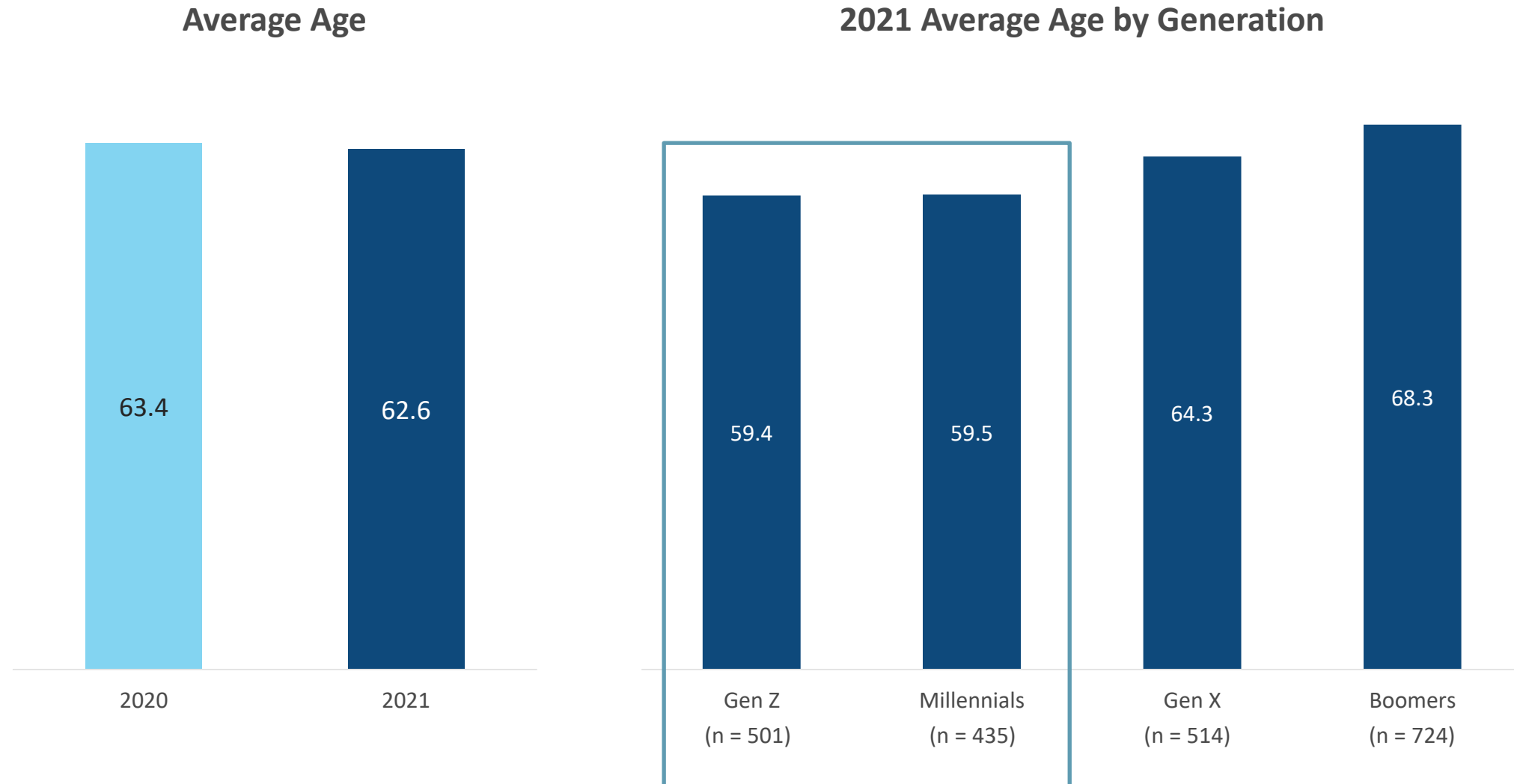
# Over one-third of Americans (35%) say the pandemic has changed the age they plan to retire



**BASE: ALL WORKING RESPONDENTS; 2021 GEN POP (n=1252)**

**NEWS.** Has the economic impact of the COVID-19 pandemic changed the age at which you plan to retire?

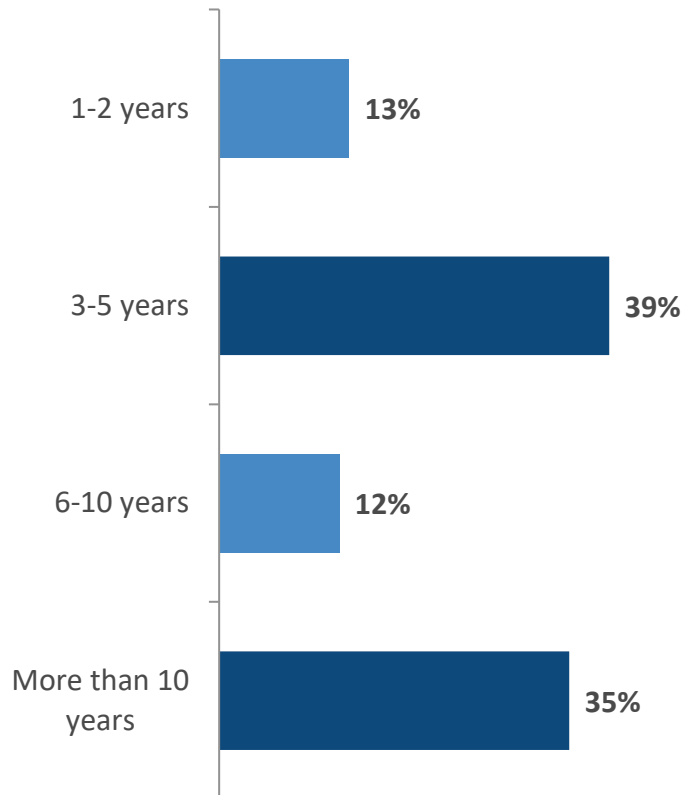
# The two youngest generations of adults expect to retire before age 60



**BASE: QUALIFIED RESPONDENTS— 2021 Gen Pop (n=2320); 2020 Gen Pop Post-C19 (n=2702)**  
Q1035. How long do you anticipate you will work before you retire?

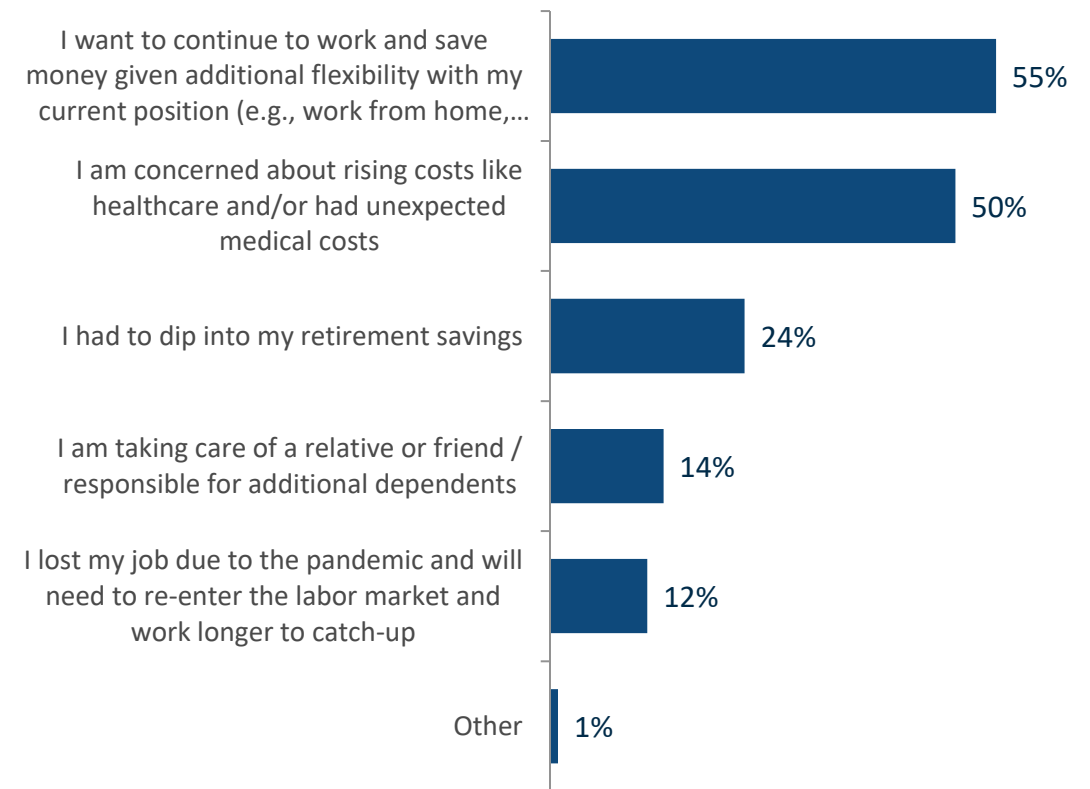
# For those delaying retirement due to the pandemic, most say they'll push it out 3 to 5 years

## Timeframe for Retiring Later



**BASE: NOT RETIRED AND PLAN TO RETIRE LATER DUE TO COVID-19 (n=317)**  
Q5095. How much later are you expecting to retire?

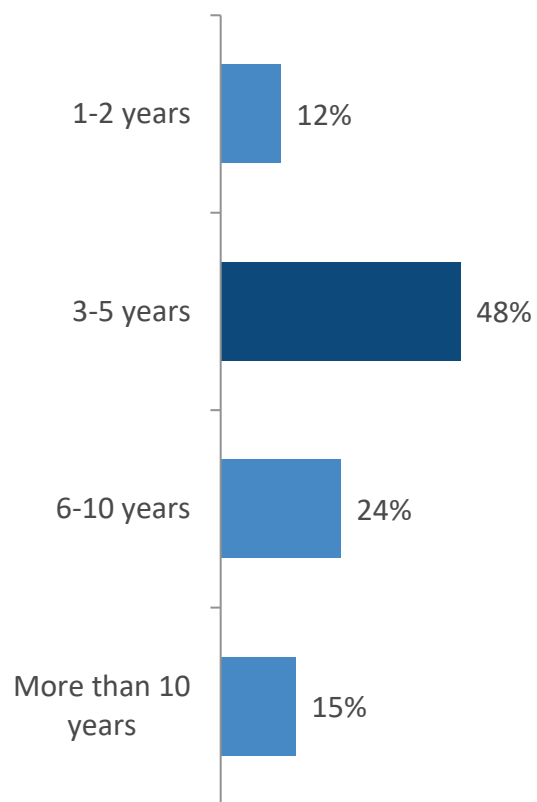
## Reason(s) for Retiring Later



**BASE: NOT RETIRED AND PLAN TO RETIRE LATER DUE TO COVID-19 (n=317)**  
Q6000. Why are you planning to retire later than before the pandemic? Please select all that apply.

# Among those planning to retire earlier due to the pandemic, almost half (48%) are moving up their timeline by 3 – 5 years

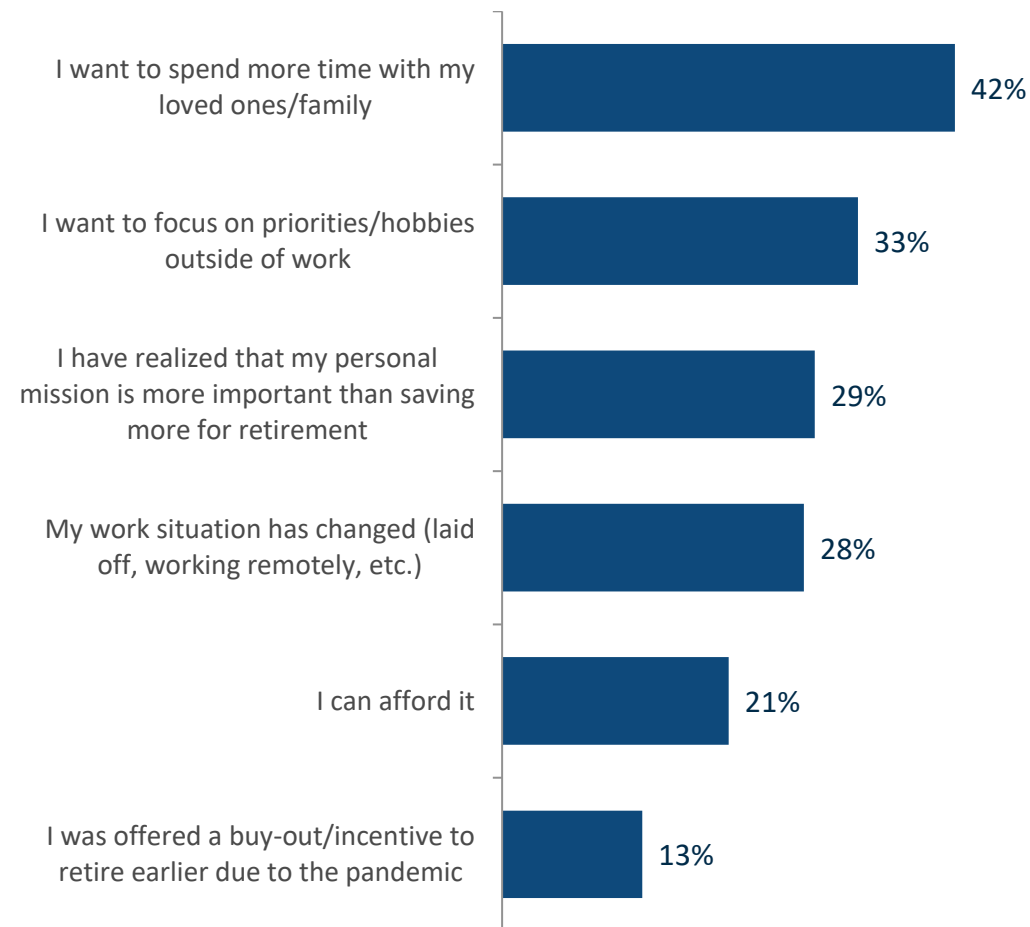
### Timeframe for Retiring Earlier



BASE: NOT RETIRED AND PLAN TO RETIRE EARLIER DUE TO COVID-19 (n=147)

Q6005. How much earlier are you expecting to retire compared to your anticipated age before the pandemic?

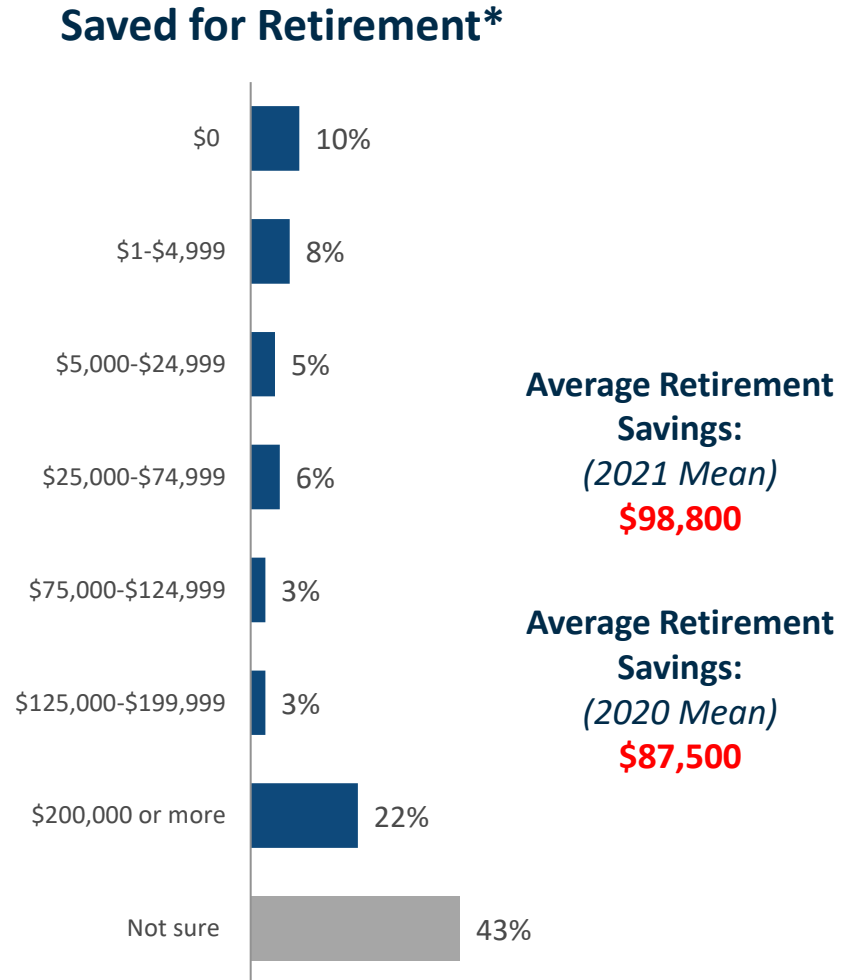
### Reason(s) for Retiring Earlier



BASE: NOT RETIRED AND PLAN TO RETIRE EARLIER DUE TO COVID-19 (n=147)

Q6010. Why are you planning to retire earlier than before the pandemic? Please select all that apply.

# On average, people have \$98,800 saved for retirement, up from \$87,500 last year



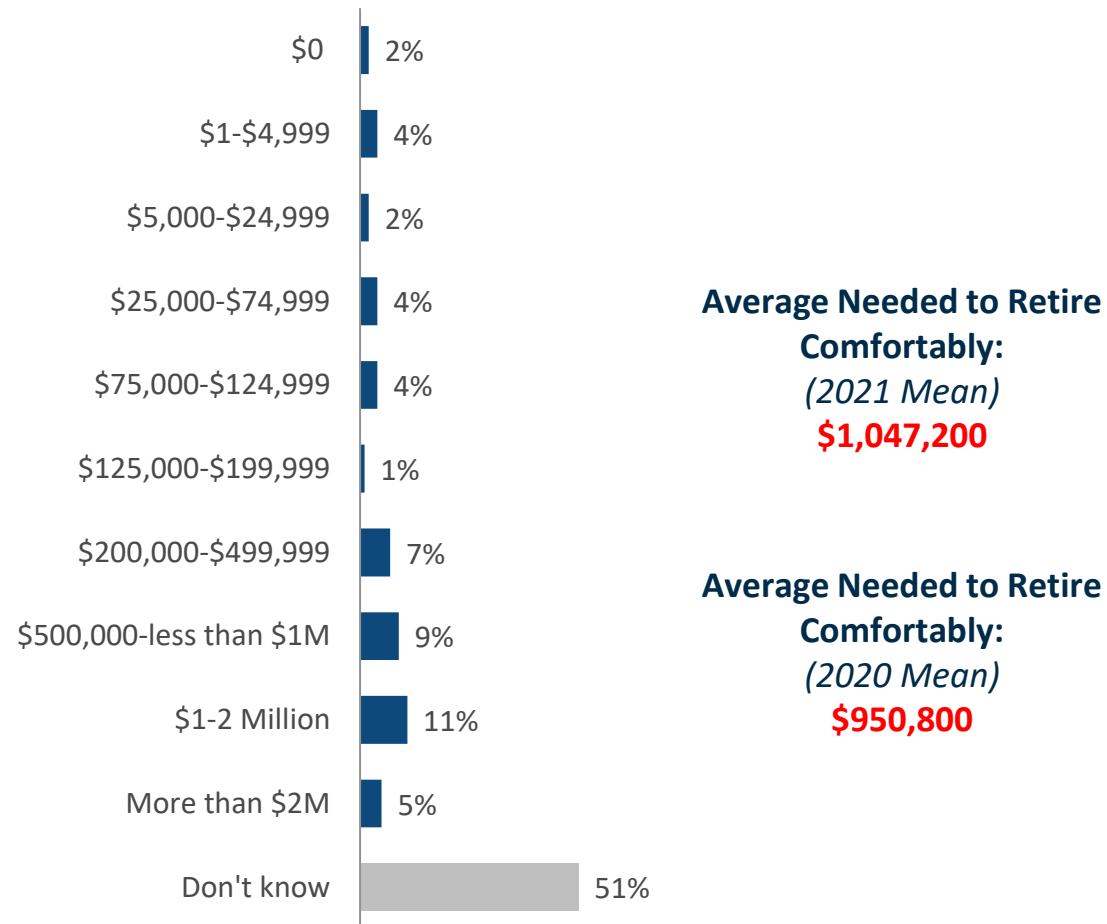
\*Numeric open ended questions

**BASE: ALL QUALIFIED RESPONDENTS – 2021 Gen Pop (n=2320)**

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

# People's expectations for how much they'll need to retire comfortably is also up on average from last year

## Amount Needed to Retire Comfortably

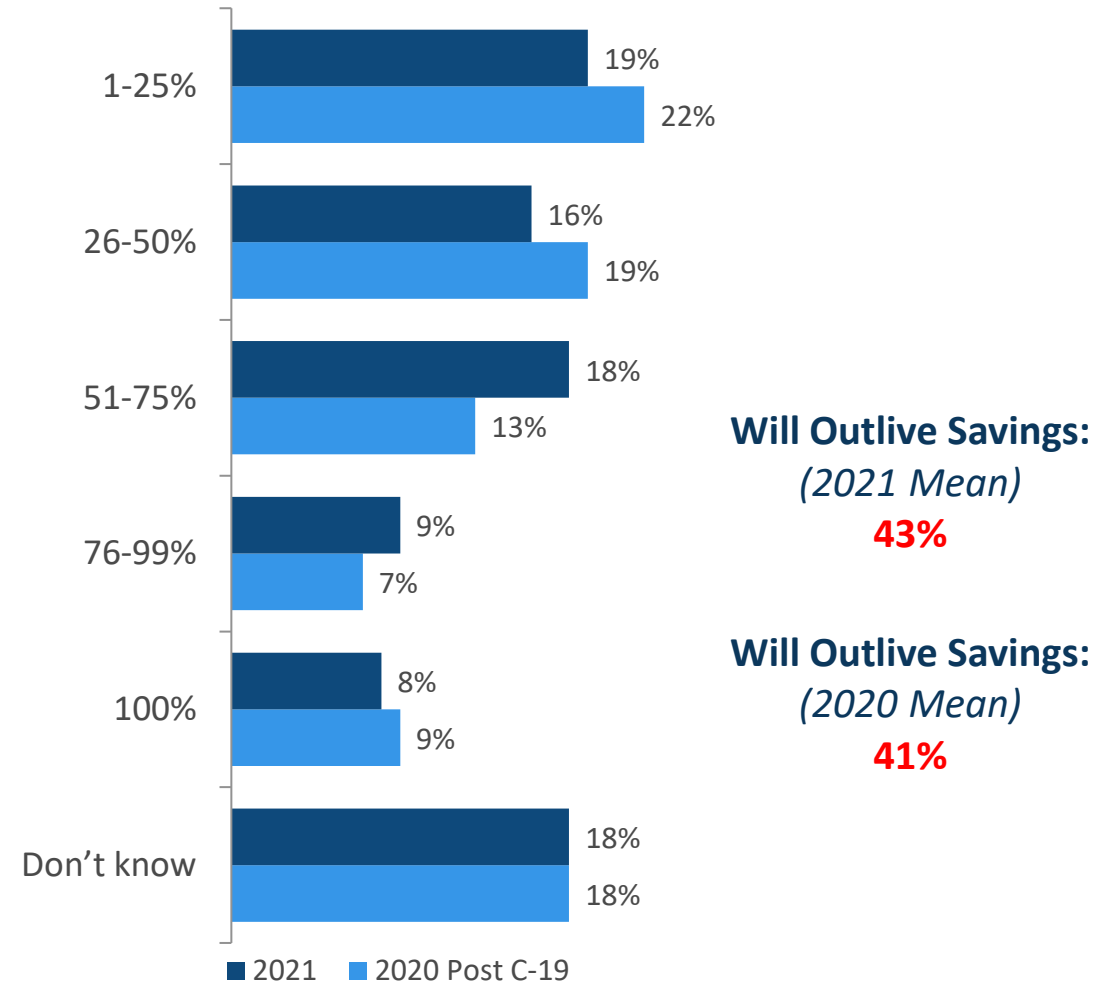


BASE: ALL QUALIFIED RESPONDENTS – 2021 Gen Pop (n=2320)

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

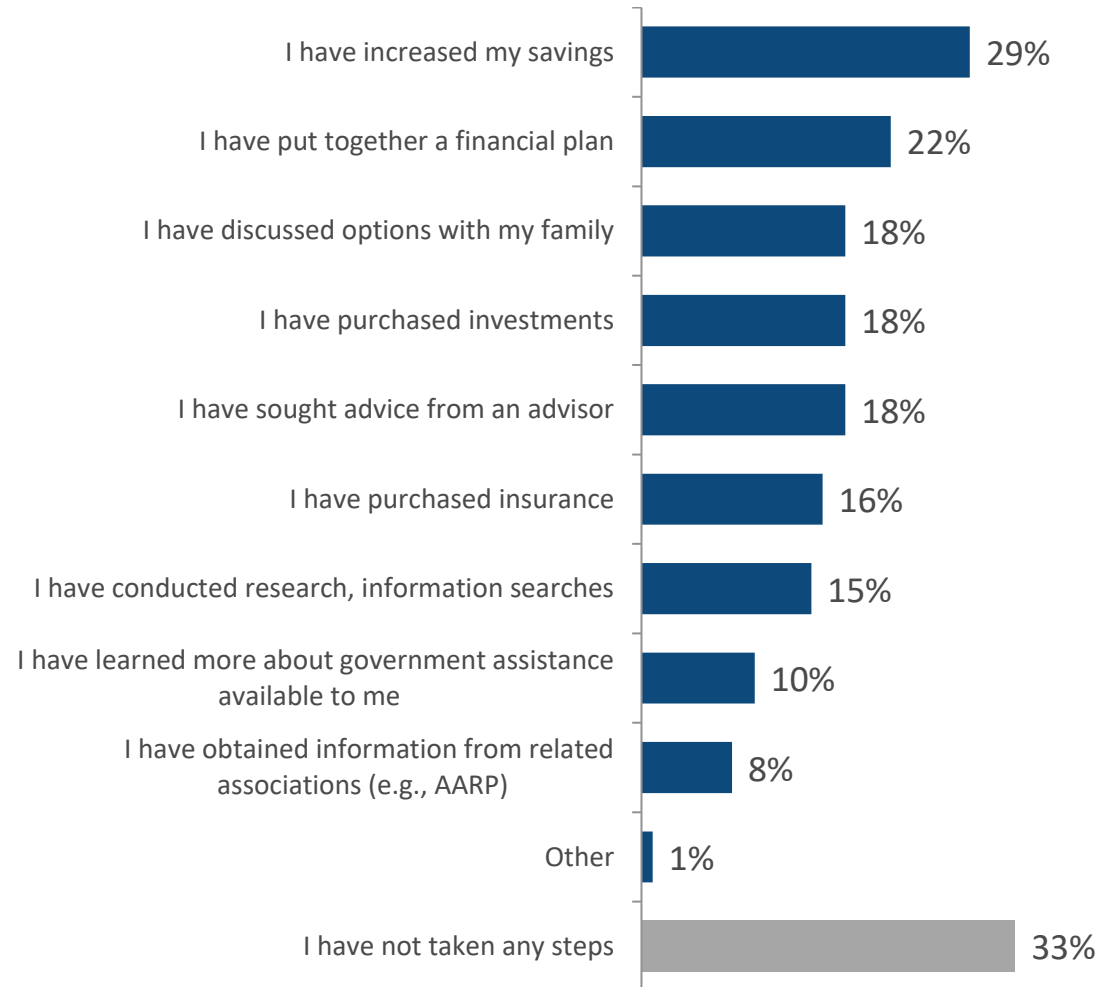


# While overall retirement savings are up, more than 4 in 10 (43%) believe they may outlive their savings, up slightly from 41% last year



**BASE: ALL QUALIFIED RESPONDENTS – 2021 Gen Pop (n=2320); 2020 Gen Pop Post-C19 (n=2702)**  
Q1645. In your opinion, what is the likelihood that you could outlive your savings?

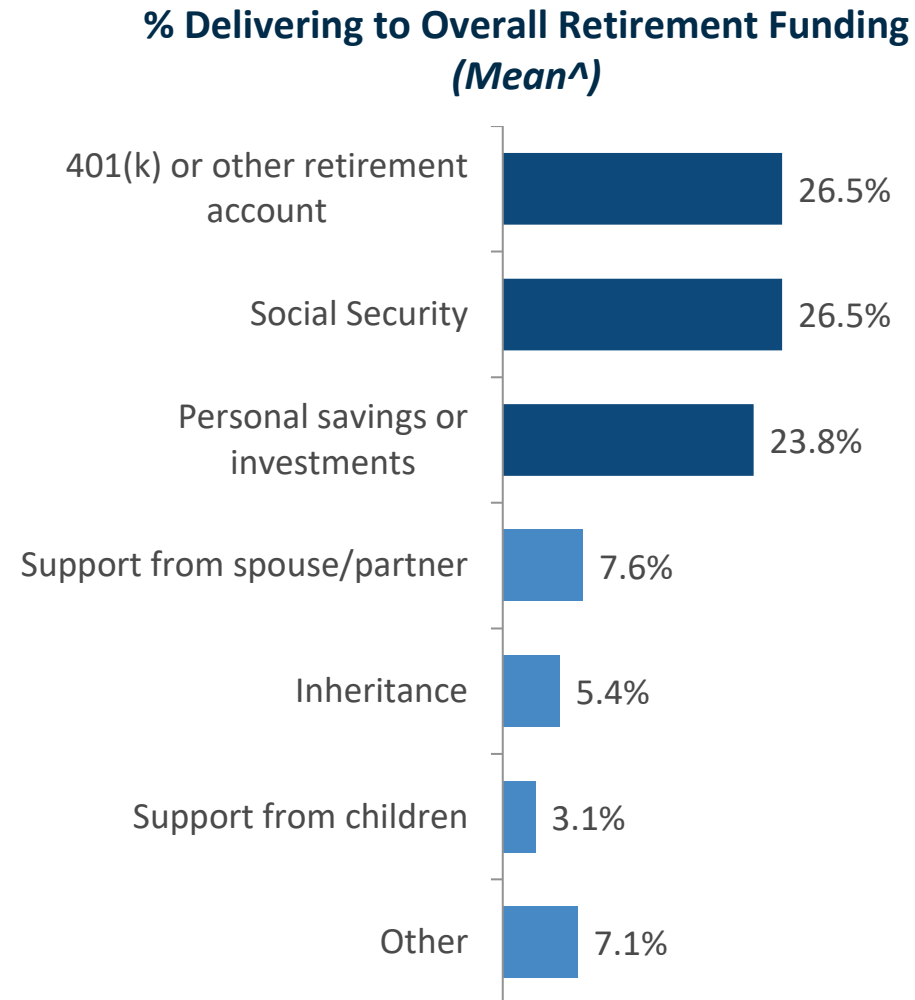
# People are proactively taking steps to address the concern that they may outlive their savings



**BASE: ALL QUALIFIED RESPONDENTS – 2021 Gen Pop (n=2320)**

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

# When it comes to funding retirement, people plan to lean most heavily on their 401(k) plan, social security and their personal savings/investments



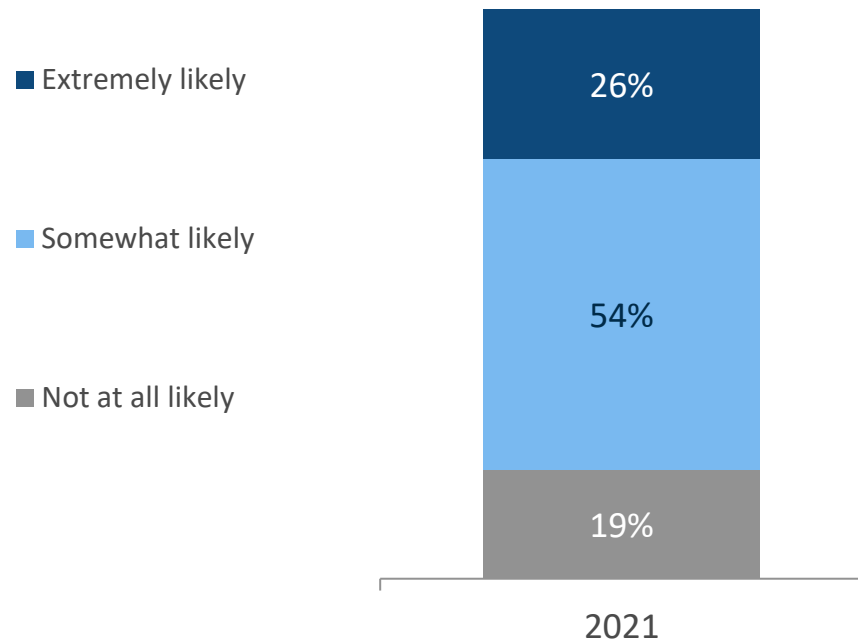
**BASE: ALL QUALIFIED RESPONDENTS - Gen Pop: (n=2320)**

**N37.** Among the following, what percentage of your overall retirement funding do you expect each to deliver?

<sup>^</sup>Means are rounded to nearest tenth of a percent

# Nearly one-fifth of Americans say it is not at all likely that Social Security will be available to them when they retire, and 43% can imagine a time when it no longer exists

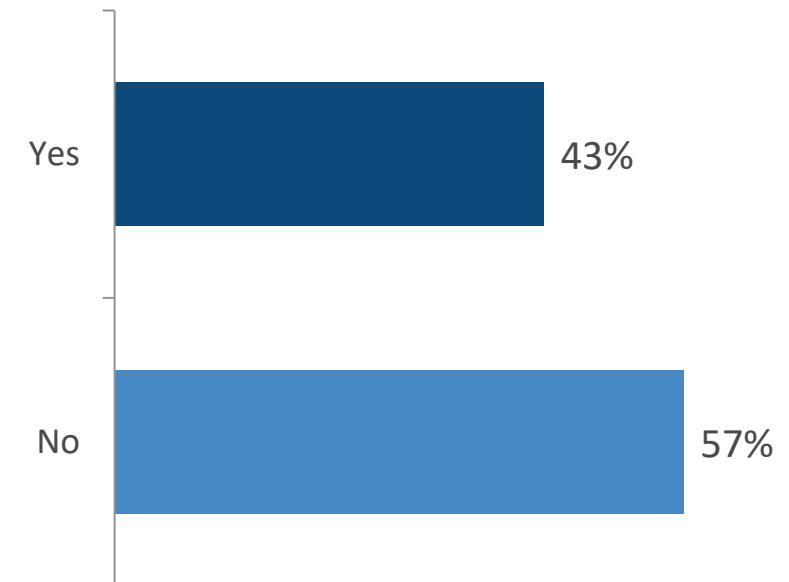
### Likelihood Social Security will be Available at Retirement



**BASE: THOSE CURRENTLY NOT RETIRED – 2021 Gen Pop (n=1252)**

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

### Can Imagine a Time When Social Security Does Not Exist



**BASE: ALL QUALIFIED RESPONDENTS – 2021 Gen Pop (n=2320)**

**N36.** Can you imagine a time when Social Security doesn't exist anymore?