

# 2022 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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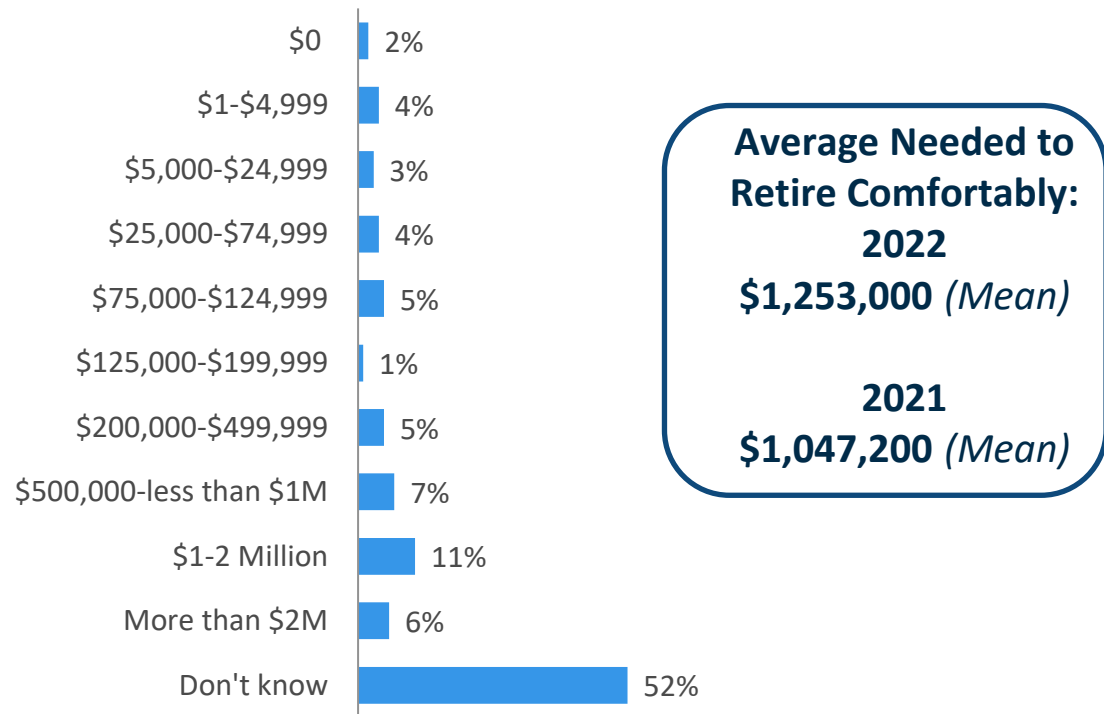
The 2022 Planning & Progress Study, a research series from Northwestern Mutual, explores U.S. adults' attitudes and behaviors toward money, financial decision-making, and the broader issues impacting people's long-term financial security.

The study was conducted by The Harris Poll on behalf of Northwestern Mutual and included 2,381 American adults aged 18 and older, with oversamples of Gen Z, who participated in an online survey between February 8-17, 2022. Last year's study included 2,320 American adults aged 18 or older who participated in an online survey between March 16 – 26, 2021.

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.

US adults aged 18+ anticipate they will need \$1.25 million to retire comfortably, a 20% rise over the \$1,047,200 they reported in 2021.

### Amount Needed to Retire Comfortably

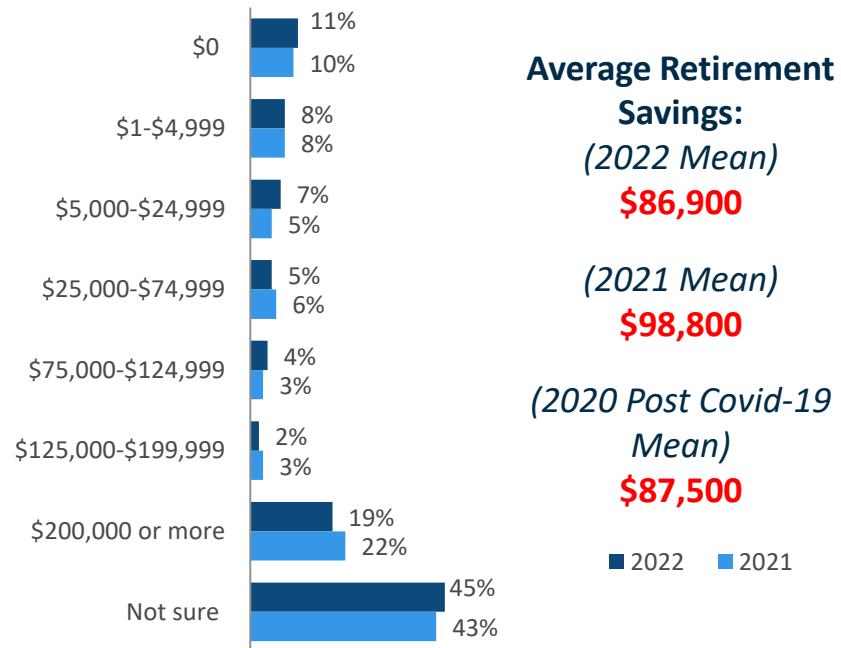


**BASE: ALL QUALIFIED RESPONDENTS – 2021 Gen Pop (n=2320); – 2022 Gen Pop (n=2357)**

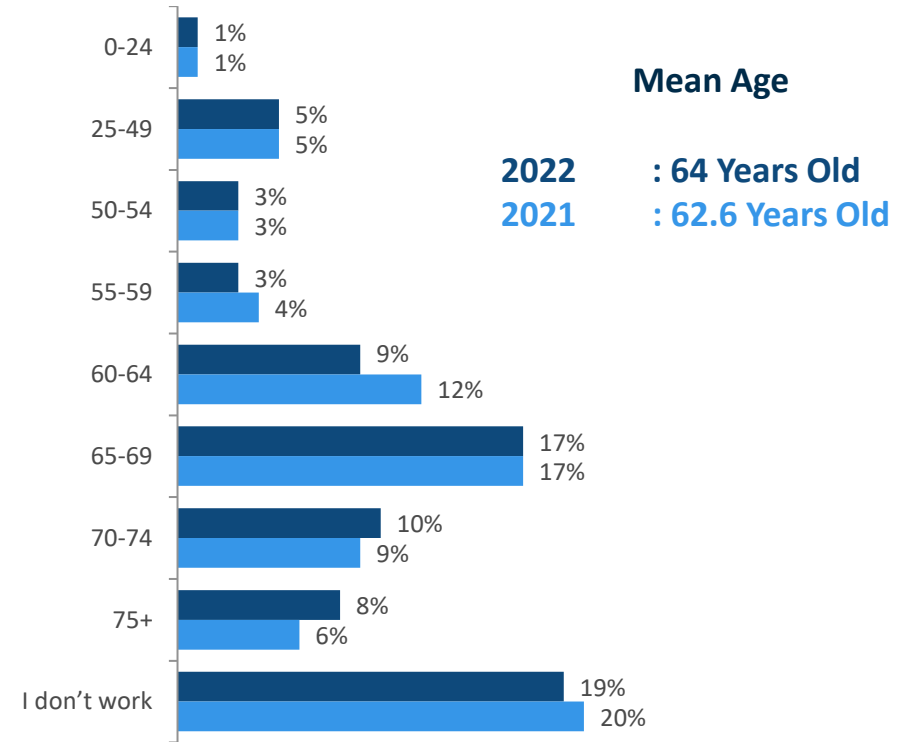
**Q54.** In a specific dollar amount, how much do you think you will need to save in order to retire comfortably?

Retirement savings have dropped 11% from \$98,800 last year to \$86,869 now, and the average retirement age is now 64, up from 62.6 last year.

### Saved for Retirement\*



### Anticipated Retirement Age



25% indicated they 'already retired' in 2022  
 24% indicated they 'already retired' in 2021

\*Numeric open ended questions

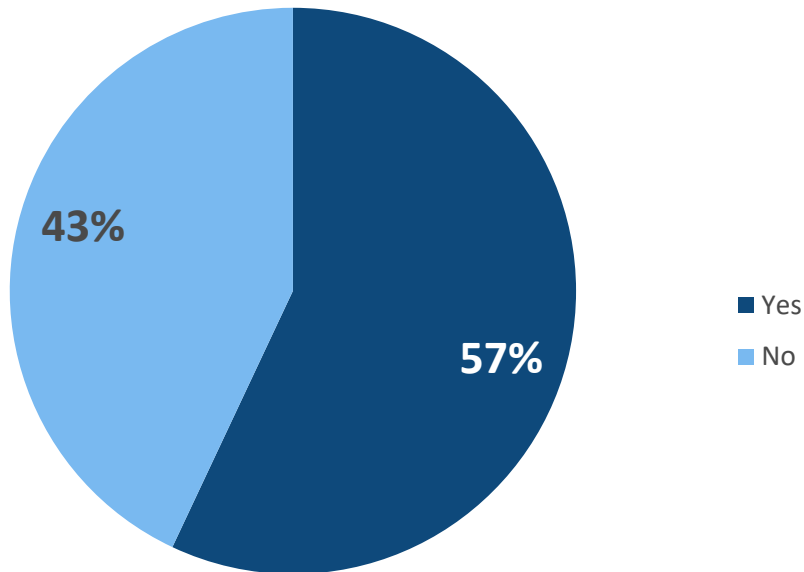
**BASE: ALL QUALIFIED RESPONDENTS – 2021 Gen Pop (n=2381)**

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

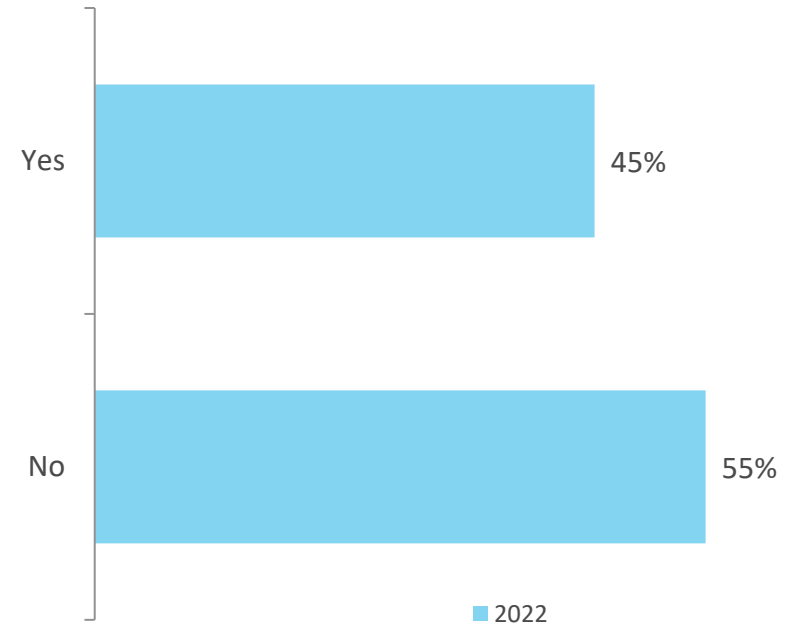
**Q1035.** How long do you anticipate you will work before you retire?

More than four in ten (43%) people say they do not expect to be financially ready for retirement when the time comes. And 45% say they can imagine a time when Social Security no longer exists.

**Do you think you will be financially prepared for retirement when the time comes?**



**Can imagine a time when social security does not exist**



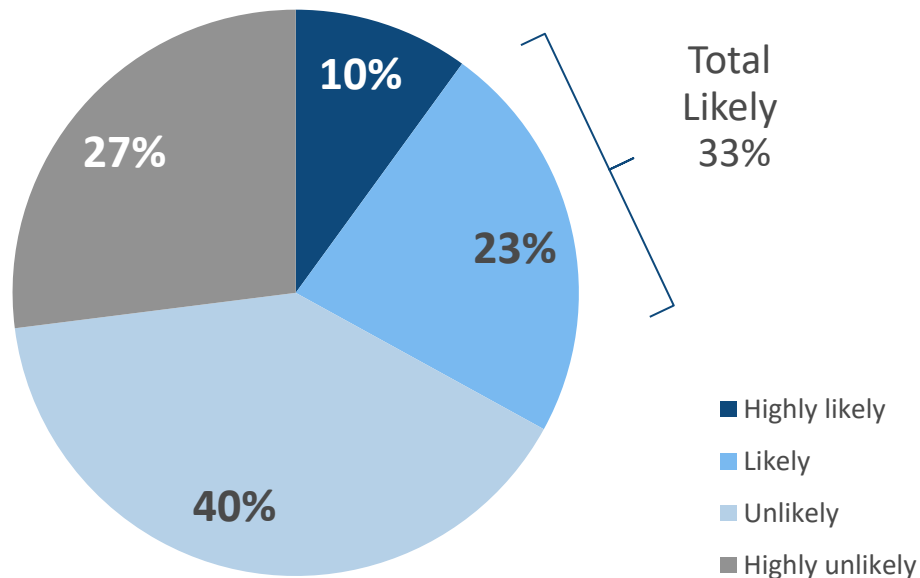
**BASE: NON-RETIRES (n=1806)**

Q24. Do you think you will be financially prepared for retirement when the time comes?

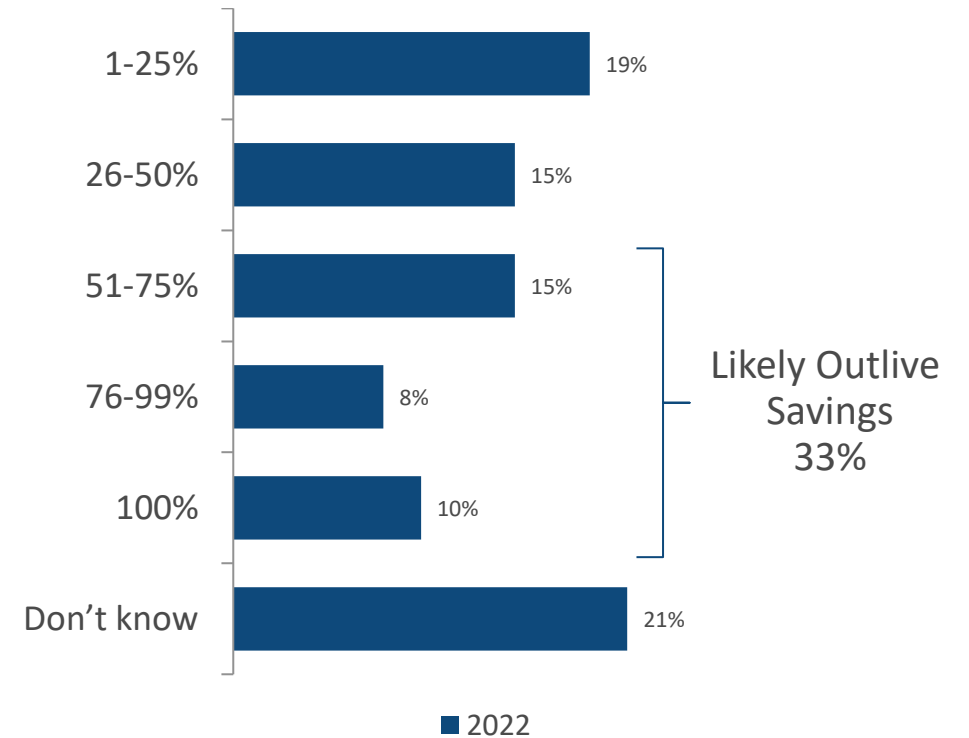
N36. Can you imagine a time when Social Security doesn't exist anymore?

One third (33%) of Americans expect to live to 100, with an equal third (33%) predicting there is a better than 50% chance they might outlive their savings.

**Likelihood of Living to 100**



**Likelihood of Outliving Savings**



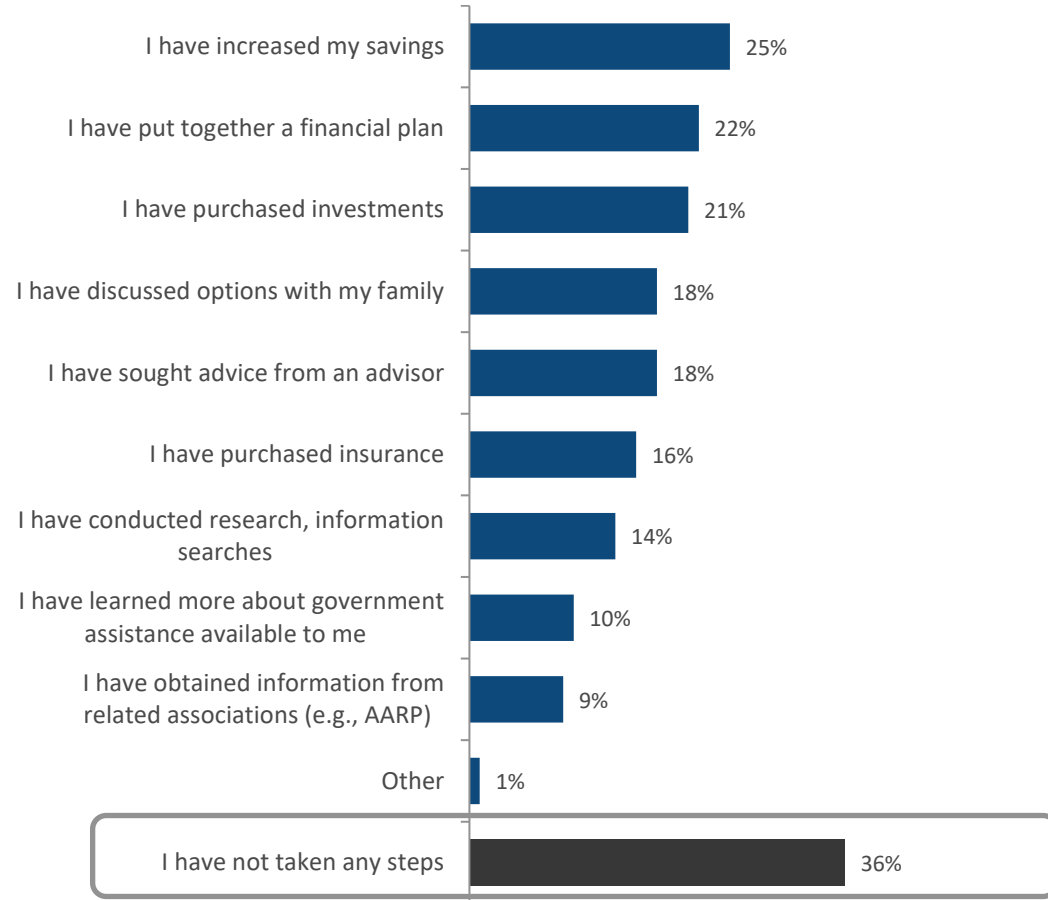
**BASE: ALL QUALIFIED RESPONDENTS (n=2381)**

Q26 What in your opinion is the likelihood that you'll live to 100?

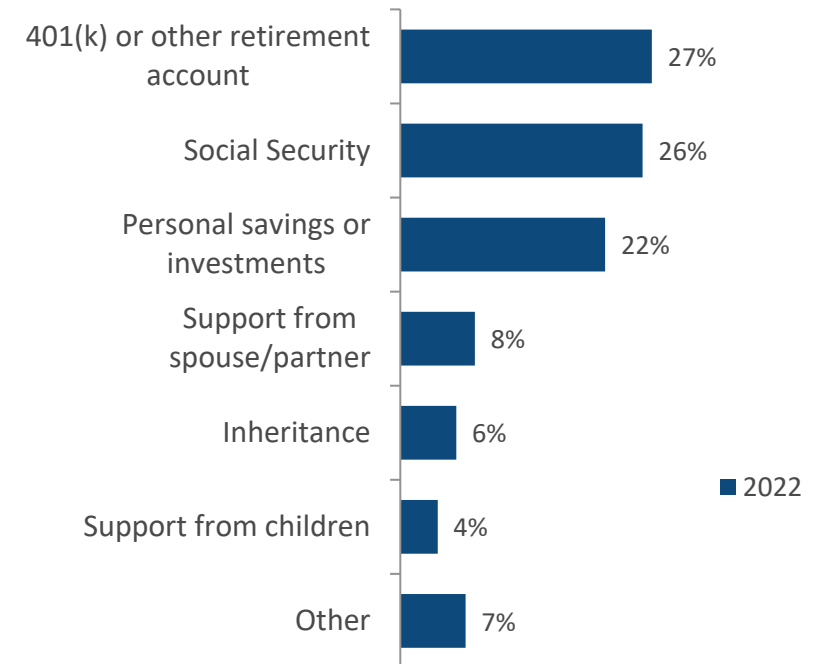
Q1645. In your opinion, what is the likelihood that you could outlive your savings?

More than one in three (36%) report that they have not proactively taken any steps to address the possibility of outliving their savings.

### Steps taken to address the possibility of outliving savings



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



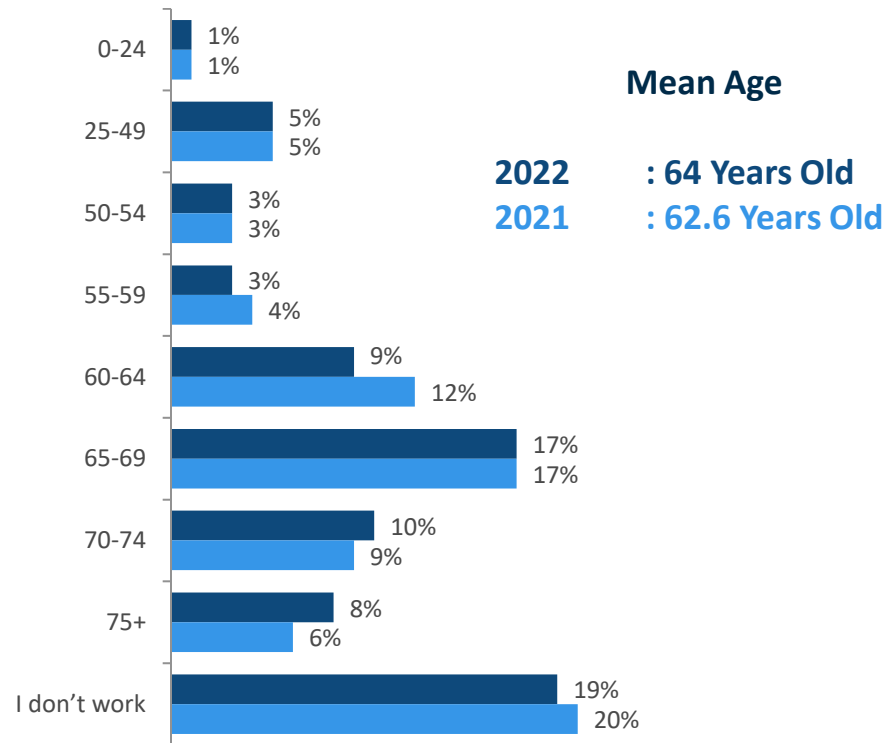
**BASE: ALL QUALIFIED RESPONDENTS – 2022 Gen Pop (n=2381); 2021 Gen Pop (n=2320); 2020 Gen Pop Post-C19 (n=2702); 2020 Gen Pop: (n=2650); 2019 Gen Pop: (n=2003)**

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

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

Working with an advisor or being a disciplined planner can shave off a few working years – those two subgroups report anticipated retirement ages of 61 and 62 respectively.

## Anticipated Retirement Age



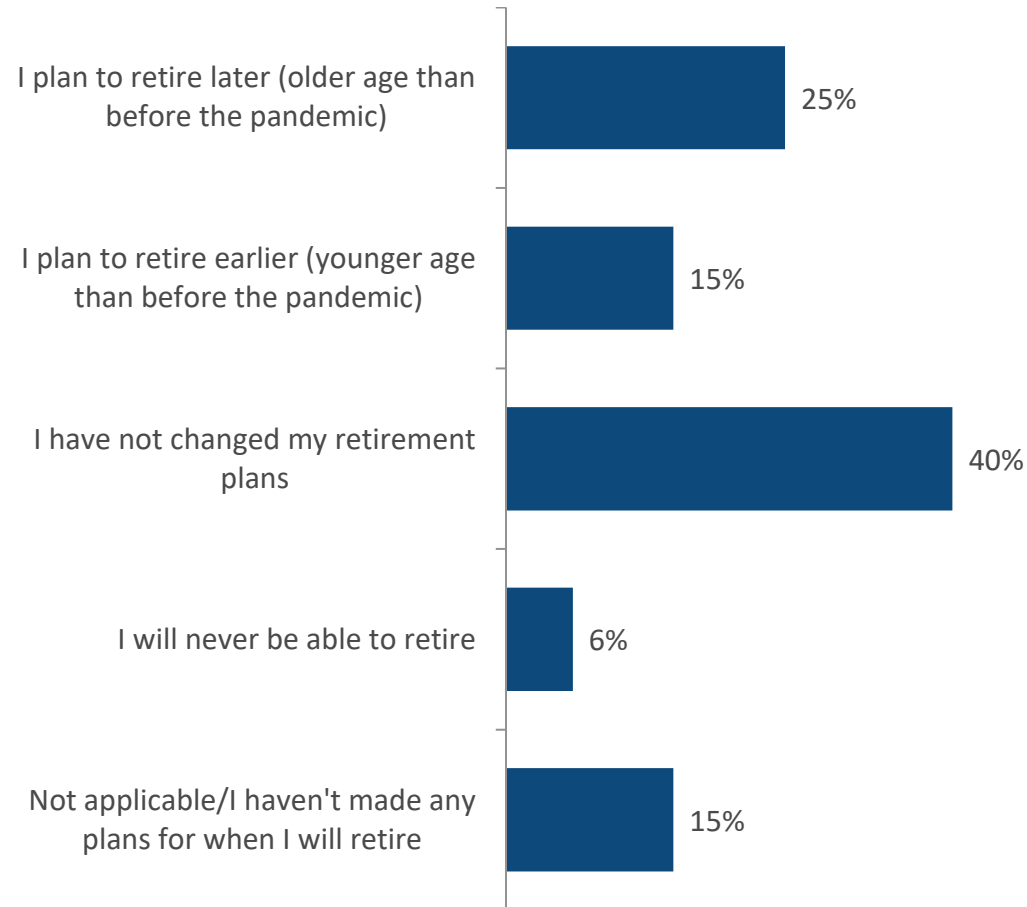
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	Mean Age
Disciplined Planner	62
Undisciplined Planner	66
Has a Financial Advisor	61
Has No Financial Advisor	65



When asked about how the pandemic has impacted people's retirement timelines, a quarter (25%) said they plan to retire later than they had anticipated, and 15% said they plan to retire earlier.

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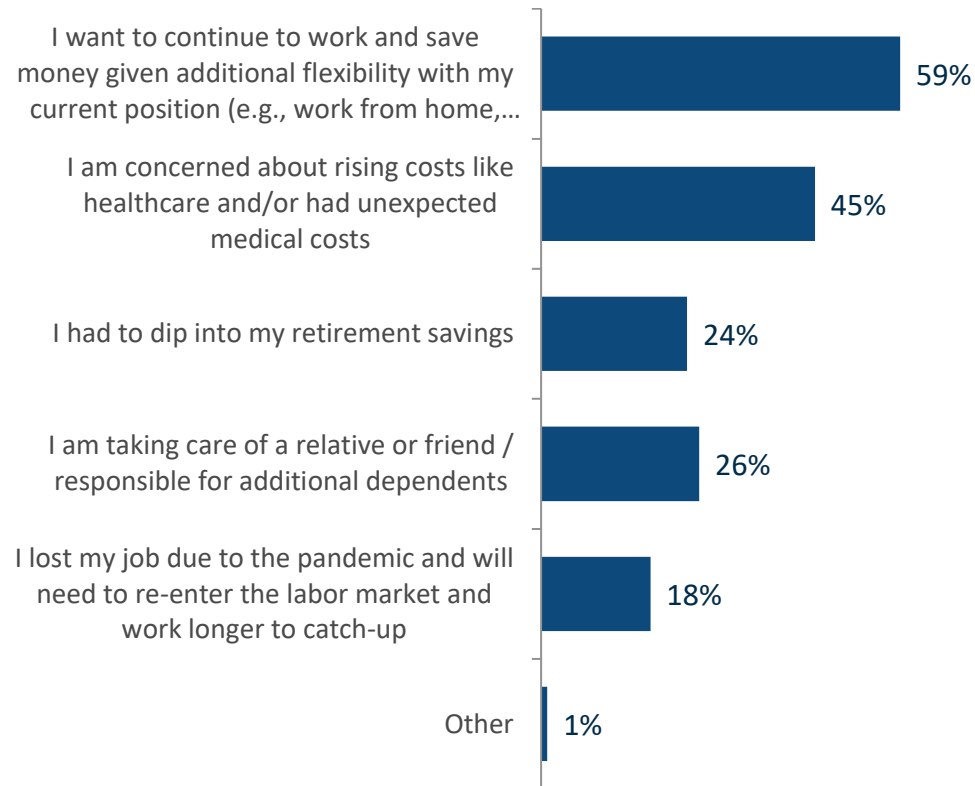


**BASE: ALL WORKING RESPONDENTS; 2022 GEN POP (n=1221); 2021 GEN POP (n=1252); 2020 POST C-19 (n=1495)**

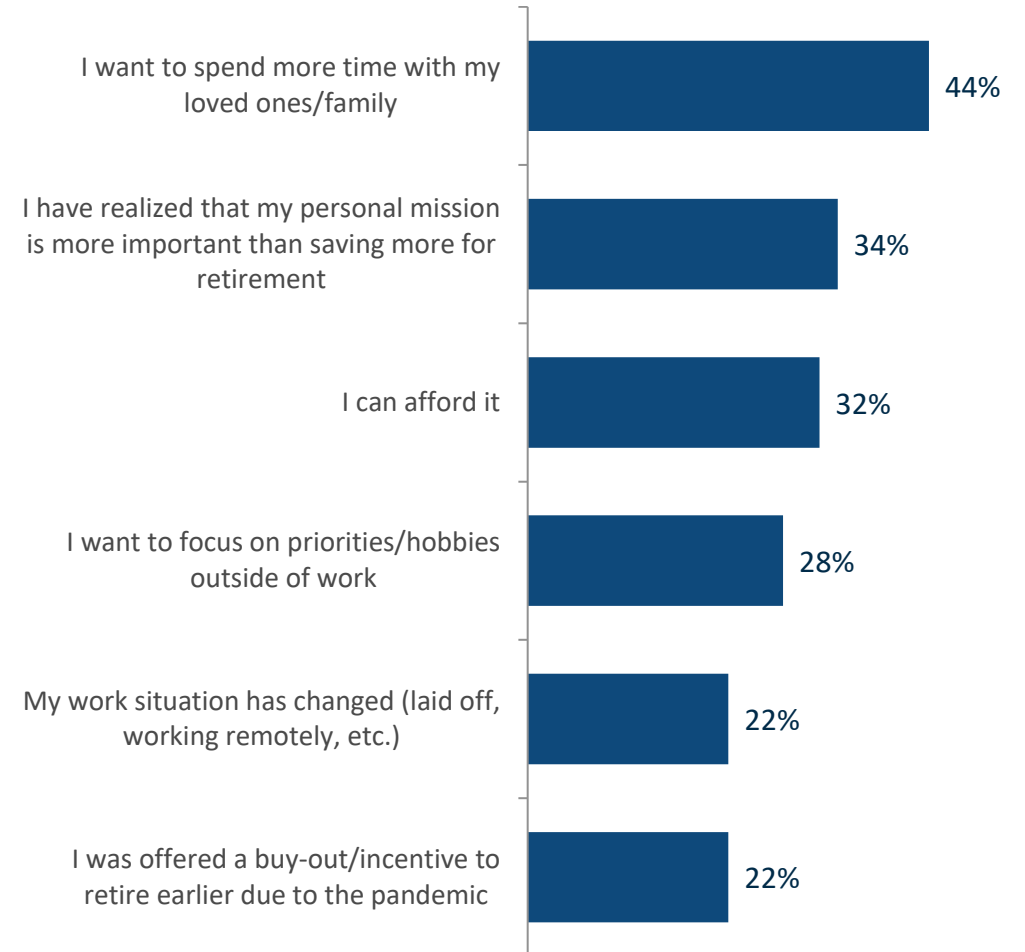
**NEWS.** Has the economic impact of the COVID-19 pandemic changed the age at which you plan to retire?

# Reasons why delaying or accelerating retirement

## Reasons for delaying retirement



## Reasons for accelerating retirement



\*Reduced sample size.

**BASE: NOT RETIRED AND PLAN TO RETIRE LATER DUE TO COVID-19: 2022 (n=293); 2021 (n=317)**

**Q6000.** Why are you planning to retire later than before the pandemic? Please select all that apply.

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

Finally, the study uncovered that most adults (60%) prioritize personal fulfillment over salary and income potential (40%) in their careers.

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### What's more important to you?

