



# 2025 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 & Methodology

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## Background

The 2025 Planning & Progress Study, a research series from Northwestern Mutual, explores US adults' attitudes and behaviors toward money, financial decision-making, and the broader issues impacting people's long-term financial security.

## Methodology

The Harris Poll conducted a total of 4,626 online interviews among the general U.S. adult (18+) population between January 2<sup>nd</sup> and January 19<sup>th</sup>. Included in this overall total is a total sample of 969 among High Net Worth (HNW, those with total household investable assets, excluding pensions, retirement plans and property, greater than \$1,000,000).

Data for the general U.S. population (including the High Net Worth oversample) were weighted to Census targets for education, age, gender, race/ethnicity, region and household income. A full methodology is available.

Americans' "magic number" to retire comfortably in 2025 is \$1.26 million, \$200K less than the \$1.46 million reported last year and nearly flat with 2022 and 2023 estimates.

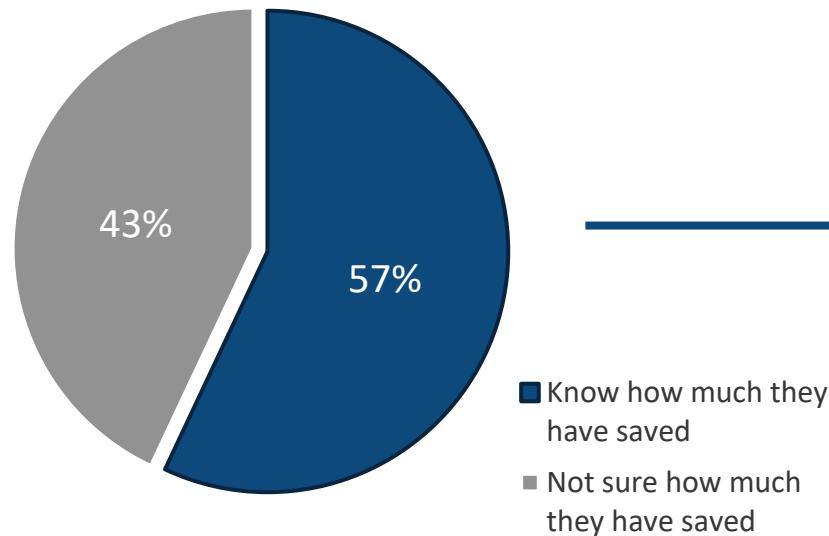
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**Amount expected to need to retire comfortably**

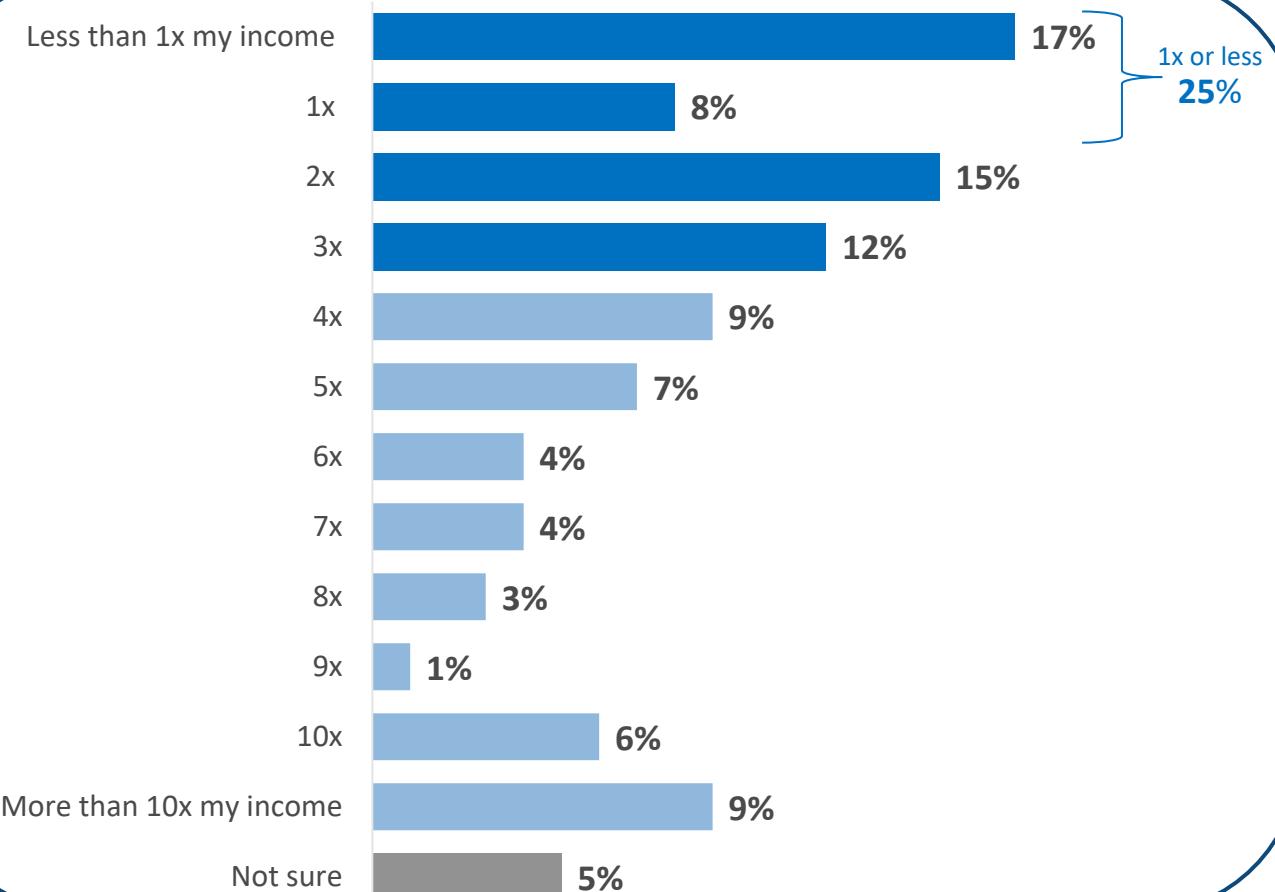
2025	2024	2023	2022	2021
\$1.26M	\$1.46M	\$1.27M	\$1.25M	\$1.05M

One in four Americans (25%) who have retirement savings say they have just one year or less of their current income saved for retirement.

**% of Americans who know how much they have saved for retirement**



**Amount saved for retirement as a multiple of current annual income  
*Of those who have something saved for retirement***



**BASE: ALL QUALIFIED RESPONDENTS –2025 Gen Pop (n=3,996)**

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

**BASE: SAVED SOMETHING FOR RETIREMENT: Gen Pop 2025 (n=2,616)**

Q2024M. As a multiple of your current annual income, approximately how much money do you currently have saved for retirement? If you are not sure, please provide your best estimate.

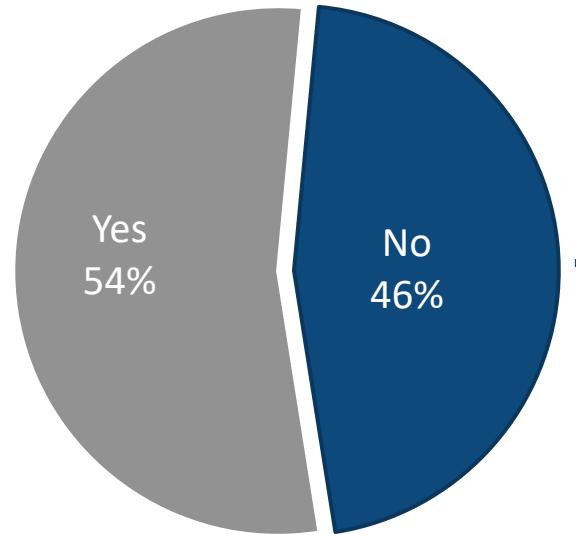
For Gen X'ers, many of whom are approaching their retirement years, 52% have 3x or less of their current annual income saved.

**Amount saved for retirement as a multiple of current annual income**  
*Of those with something saved for retirement*

	U.S. Adults	Gen Z	Millennials	Gen X	Boomers+
<b>Less than 1x my income</b>	<b>17%</b>	23%	22%	<b>14%</b>	10%
<b>1x</b>	<b>8%</b>	11%	12%	<b>7%</b>	3%
<b>2x</b>	<b>15%</b>	16%	17%	<b>17%</b>	9%
<b>3x</b>	<b>12%</b>	12%	14%	<b>14%</b>	7%
<b>4x</b>	9%	10%	10%	9%	9%
<b>5x</b>	7%	5%	7%	6%	8%
<b>6x</b>	4%	6%	2%	4%	6%
<b>7x</b>	4%	7%	4%	4%	4%
<b>8x</b>	3%	3%	2%	3%	5%
<b>9x</b>	1%	0%	2%	1%	4%
<b>10x</b>	6%	2%	3%	<b>6%</b>	<b>11%</b>
<b>More than 10x my income</b>	<b>9%</b>	2%	1%	<b>8%</b>	<b>18%</b>
<b>Not sure</b>	5%	3%	4%	7%	6%

The majority (54%) of Gen X'ers believe they will not be financially prepared for retirement when the time comes.

**Do you think you will be financially prepared  
for retirement when the time comes?  
(Among Non-Retirees)**



% <u>Do Not</u> Feel Financially Prepared for Retirement (Among Non-Retirees)	
All	46%
Gen Z	37%
Millennials	46%
<b>Gen X</b>	<b>54%</b>
Boomers+	44%

More than half (51%) of Americans think it's somewhat or very likely they will outlive their savings. Only 16% of Americans feel confident enough to say the prospect of outliving their wealth is "very unlikely."

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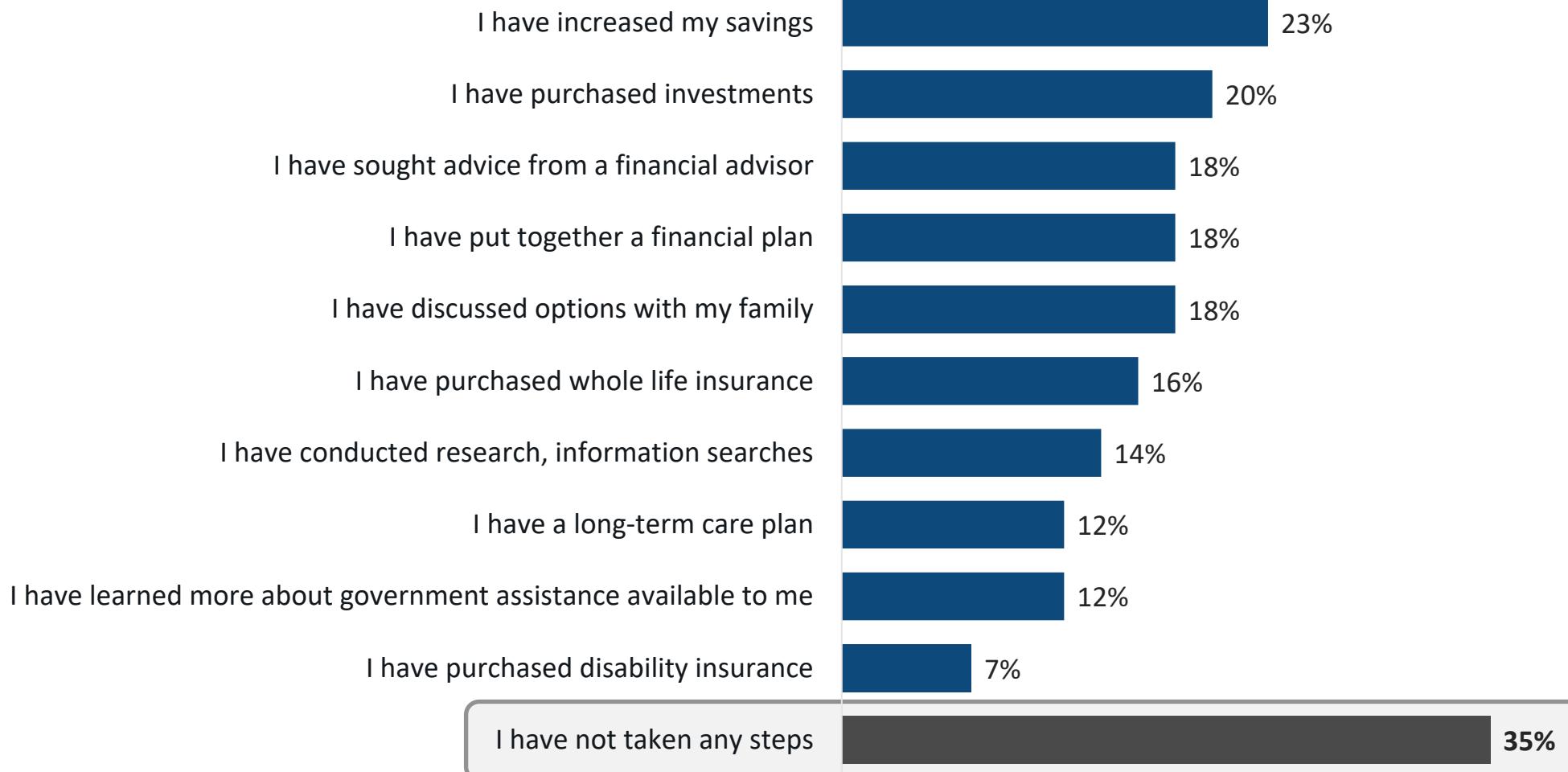
**In your opinion, what is the likelihood that you could outlive your savings?**

	U.S. Adults	Gen Z	Millennials	Gen X	Boomers+
<b>Likely</b>	<b>51%</b>	<b>51%</b>	<b>57%</b>	<b>56%</b>	40%
Very likely	21%	18%	24%	24%	17%
Somewhat likely	30%	33%	33%	32%	23%
<b>Unlikely</b>	<b>40%</b>	<b>34%</b>	<b>34%</b>	<b>36%</b>	<b>53%</b>
Very unlikely	16%	12%	14%	16%	22%
Somewhat unlikely	24%	22%	20%	20%	31%
<b>Don't know</b>	<b>9%</b>	<b>15%</b>	<b>9%</b>	<b>8%</b>	7%

More than a third (35%) of Americans say they have not taken any steps to address the possibility of outliving their savings.

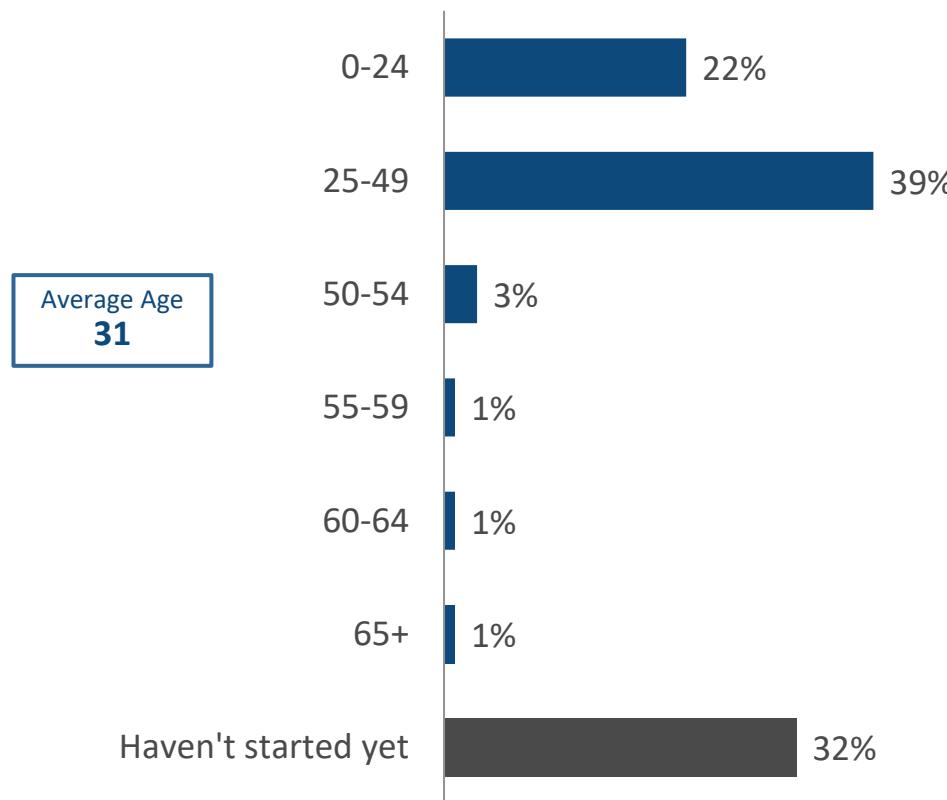
### Steps Taken to Avoid Outliving Savings

*All US Adults*

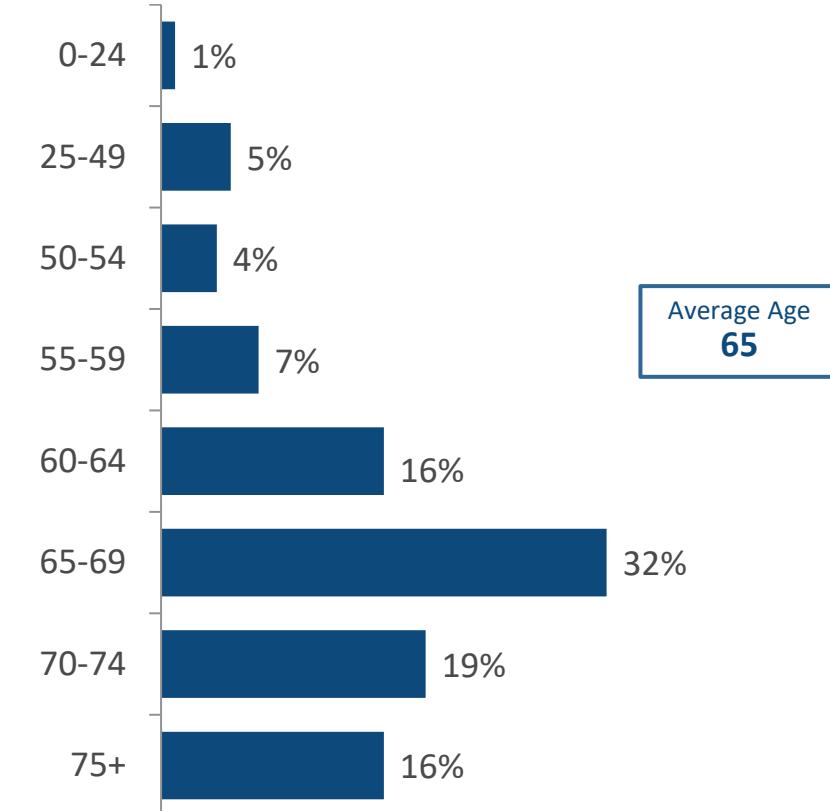


Working age Americans say they started saving for retirement at age 31 and plan to retire at age 65.

**Retirement Savings Starting Age  
Among Working Age Non-Retirees**



**Anticipated Retirement Age  
Among Working Age Non-Retirees**



**BASE: WORKING AGE, NON-RETIREES – 2025 Gen Pop (n=3,562)**

**Q2024L** At what age did you start saving for retirement?

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

Across every generation, Americans report they are saving sooner, planning to retire earlier, and expecting to live longer. Gen Z'ers started saving at 24, aim to retire at 61, and more than a third (34%) think it's likely they'll live to 100. Boomers+ started saving at 37, aim to retire at 72, and less than a quarter (23%) think it's likely they'll live to 100.

### Working Age Non-Retirees Only

	Age started saving	Age plan to retire	Difference between starting age and retirement age
Gen Z	24	61	37 years
Millennials	29	64	35 years
Gen X	33	67	34 years
Boomers+	37	72	35 years

### Retirees and Non-Retirees

Believe it's likely will live to 100	
Gen Z	34%
Millennials	33%
Gen X	23%
Boomers+	23%

**BASE: WORKING AGE, NON-RETIREES ONLY (n=3,562)**

**Q2024L** At what age did you start saving for retirement?

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

**BASE: ALL QUALIFIED RESPONDENTS (n=4,626)**

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

The generation with the most confidence they'll be financially prepared for retirement when the time comes is Gen Z. Meanwhile, Gen X is the only generation with a majority of respondents saying that they do not think that they will be ready to retire.

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

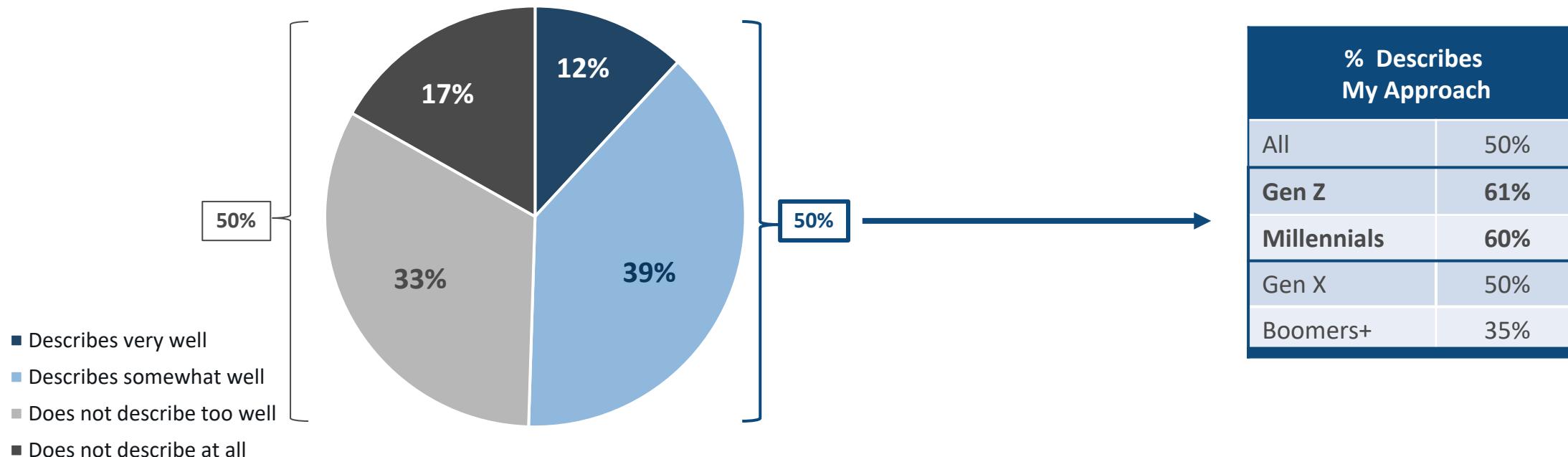
*Of Non-Retirees*

	U.S. Adults	Gen Z	Millennials	Gen X	Boomers+
Yes	54%	63%	54%	46%	56%
No	46%	37%	46%	54%	44%

Six in ten Gen Z'ers (61%) and Millennials (60%) say they are placing too much emphasis on building wealth and growing their assets without dedicating enough to protecting their assets and managing against risks with life insurance or disability insurance. Just 35% of Boomers+ say the same.

**How well does this describe your approach to managing your personal savings and investments:**

*Placing too much emphasis on building wealth / growing their assets without dedicating enough to protecting their assets and managing risks.*



**BASE: ALL QUALIFIED RESPONDENTS (n=4,626)**

**Q2025F** When managing personal savings and investments, a common blind spot people have is placing too much emphasis on building wealth/growing their assets without dedicating enough to protecting their assets and managing against risks with life insurance, disability insurance, etc. How well does this describe your approach to managing your personal savings and investments?

When it comes to people's burning questions about retirement, concerns about Social Security and inflation are more pressing than some major planning challenges.

<b>Americans' Top "Burning Questions" About Retirement</b> <i>(percentage indicates inclusion in top three)</i>	
How much money will I need to retire comfortably?	43%
<b>Will Social Security be there when I qualify for it?</b>	33%
<b>What if inflation rises when I'm retired</b>	30%
Is it possible I could outlive my savings?	27%
How can I plan for potential long-term care needs?	26%
How will taxes impact me in retirement?	25%
How should I budget for healthcare expenses?	21%
Will I have enough to leave behind assets for loved ones or charitable causes I care about?	19%
What if the stock market drops when I'm retired?	14%

Only about one in four Gen X'ers (26%) and Boomers+ (27%) say that they plan to delay receiving their Social Security benefits as long as possible to maximize their monthly benefit.

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**When do you plan to start receiving your Social Security benefits?**

*Non-Retirees, Gen X and Boomers+ only*

	Gen X	Boomers+
As soon as I'm able to, even though my monthly benefit may be reduced	28%	28%
Once I hit my full retirement age, so I qualify for my full benefit	46%	45%
I plan to delay as long as possible so I can maximize my monthly benefit	26%	27%

For Gen X, the question about whether Social Security will be there when they need it is nearly on equal footing to the question about retiring comfortably. For Gen Z, concern about Social Security is significantly lower.

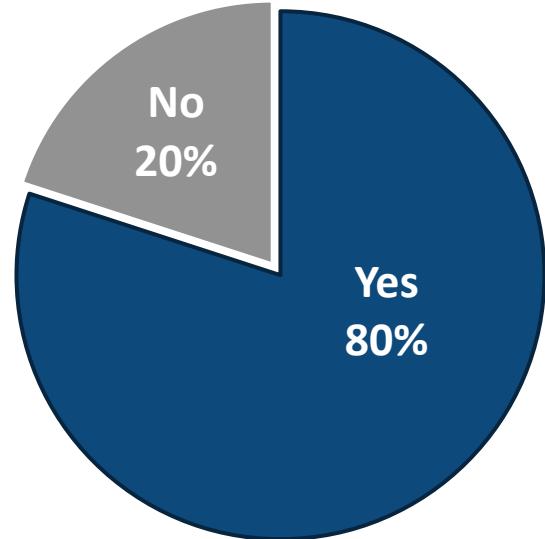
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### Will Social Security be there when I qualify for it?

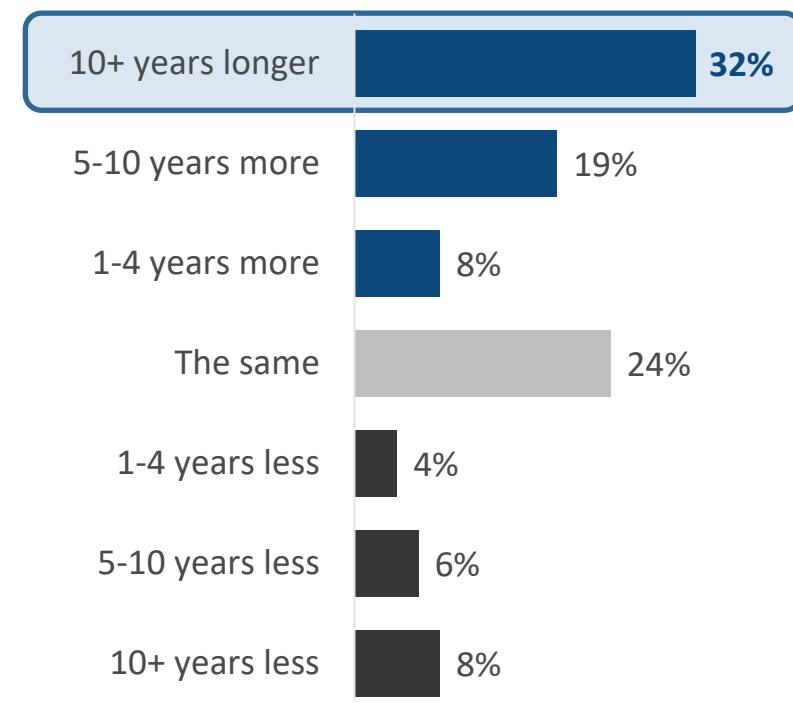
% who include this in their top three “burning questions” about retirement	
All	33%
Gen Z	26%
Millennials	39%
Gen X	47%
Boomers+	20%

Eight in ten U.S. adults say their vision of retirement is different than how their parents' generation viewed it, and a third (32%) say they expect their retirement to last 10+ years longer than their parents'.

**Do you think your vision of retirement is different than how your parents' generation viewed it?**



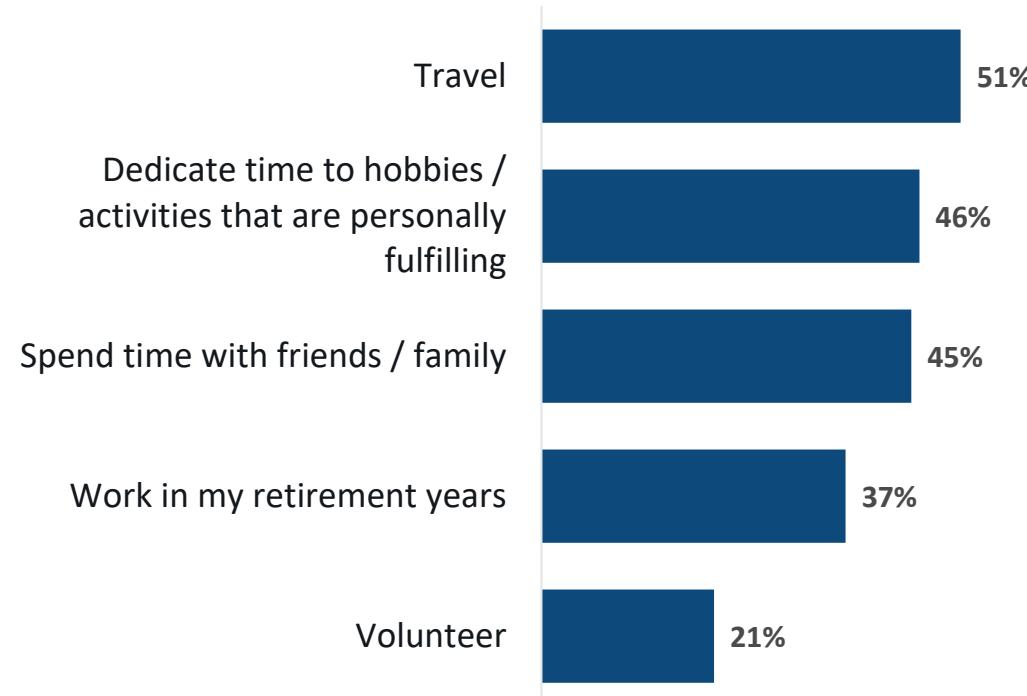
**How long do you expect your retirement years to last compared to your parents?**



The biggest differences in retirement life that people expect, generation over generation, are: more travel (51%), more activities that are personally fulfilling (46%), more time with friends and family (45%), more work (37%) and more volunteering (21%).

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**What will you do more than your parents did?**  
*Of those who have a different vision of retirement than parents*



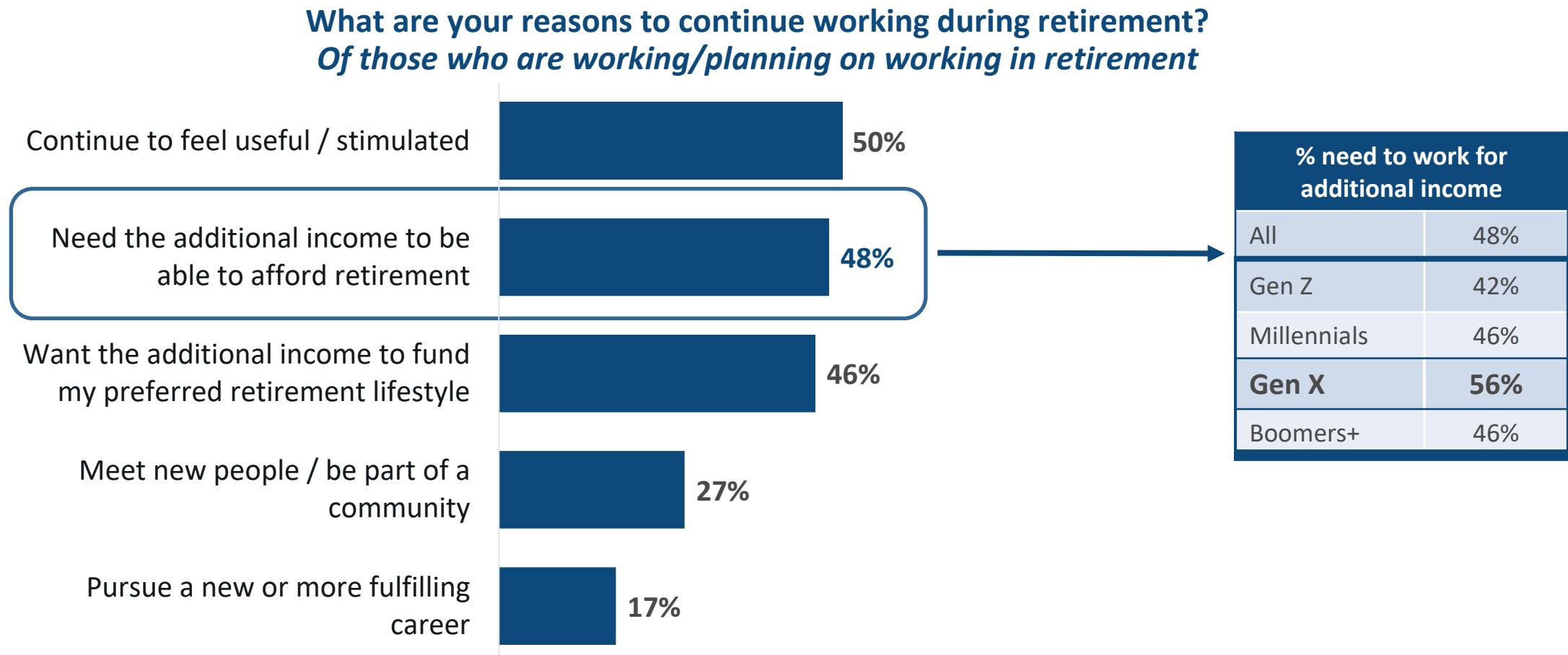
40% of Americans plan to work (or are currently working) during their retirement years, and for Millennials and Gen X it's even higher – 45% and 48% respectively. Boomers+ is the only generation where a majority of respondents say they are not planning to work at all in retirement.

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**Are you planning to continue working (or currently working) during your retirement years?**

	U.S. Adults	Gen Z	Millennials	Gen X	Boomers+
Yes	40%	39%	45%	48%	30%
No	35%	30%	27%	25%	56%
Not sure	24%	31%	28%	27%	14%

The reason people choose to work in retirement is split nearly evenly between those who say they want to continue feeling useful / stimulated (50%) and those who say they will need the additional income to afford retirement (48%). Gen X stands out somewhat, with 56% saying they will need to work for the additional income.



Among Americans who are currently working or planning to work in retirement, the majority (59%) said that they would work either part-time or full-time at a different job, while 1 in 5 (20%) expected to pick up a “side gig” with flexible hours. Meanwhile, 18% said that they would work part-time at the same job.

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**Using your best judgment, what do you imagine work will look like / what does work currently look like during your retirement years?**

*Of those who are working/planning on working in retirement*

	U.S. Adults	Gen Z	Millennials	Gen X	Boomers+
Part time at a different job	31%	28%	29%	34%	31%
Full time at a different job	28%	40%	34%	24%	12%
Side gig with flexible hours	20%	21%	20%	20%	19%
Part time at the same job	18%	9%	15%	17%	32%
Other	3%	2%	2%	5%	6%