

Contact: John MacDonald, EBRI, (202) 775-6349, macdonald@ebri.org

Have You Calculated Your Retirement Savings Needs?

WASHINGTON—How many workers have an idea how much they need to save for retirement?

The 2010 EBRI Retirement Confidence Survey (RCS) shows that less than half of workers (46 percent) report they and/or their spouse have tried to calculate how much money they will need to have saved by the time they retire so that they can live comfortably in retirement. This is comparable with the percentages measured from 2003–2009, but is lower than the high of 53 percent recorded in 2000, and comes at a time when workers face an increasing individual responsibility for planning for retirement.

Workers Having Tried to Calculate How Much Money They Need to Save for a Comfortable Retirement (Respondent and/or Spouse)

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
53%	44%	38%	43%	42%	42%	42%	43%	47%	44%	46%

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc. 2000–2010 Retirement Confidence Surveys.

The likelihood of doing a retirement savings needs calculation increases with household income, education, and financial assets, the RCS finds. In addition, married workers (compared with unmarried workers), those age 35 and older (compared with those ages 25–34), retirement savers (compared with nonsavers), and participants in a defined contribution plan (compared with nonparticipants) more often report trying to do a calculation. Instead of doing a systematic retirement needs calculation, many workers simply guess at how much they will need to accumulate.

The full details of the 2010 Retirement Confidence Survey appear in the March 2010 *EBRI Issue Brief*, available at www.ebri.org/pdf/briefspdf/EBRI_IB_03-2010_No340_RCS.pdf

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