

Workplace Retirement Plans: By the Numbers Provided by EBRI's Retirement Security Research Center

EBRI thanks the following companies for their support of the Retirement Security Research Center: [Capital Group](#), [BlackRock](#), [J.P. Morgan](#), [Principal Financial Group](#), [SS&C Technologies](#), [Wells Fargo](#), [Ameriprise Financial](#), [Empower Retirement](#), [Mercer](#), [Prudential](#) and [Transamerica Retirement Services](#).

Retirement Savings Plan (Defined Benefit Pension Plans, Defined Contribution Plans and Individual Retirement Accounts) Participation

- There are 139.8 million total participants in private pension plans (defined benefit and defined contribution), including 96.4 million who are active participants.¹ In 2020, 51% of private-industry workers participated in a retirement plan.²
 - There are 34 million defined benefit (DB) plan participants, including 13.1 million private-sector workers who are active participants in a DB plan.³
 - Forty-seven percent of private industry workers participated in a DC plan in 2020.⁴ There are 83.4 million private-sector workers who are active participants in a defined contribution (DC) plan. This includes 70.3 million private-sector workers who were active participants in 401(k) plans.⁵
- The percentage of civilian workers participating in any retirement plan was 55 percent in 2020, while 43 percent participated in a DC plan.⁶
- The number of taxpayers participating in an individual retirement account (IRA) in 2018 was 61.5 million.⁷
- 12.4 percent of all families owned an IRA and any type of DC plan in 2019, whereas 33.1 percent of families with any type of DC plan also had an IRA.⁸

¹ <https://www.dol.gov/sites/dolgov/files/EBSA/researchers/statistics/retirement-bulletins/private-pension-plan-bulletins-abstract-2018.pdf>

² <https://www.bls.gov/ncs/ebs/benefits/2020/employee-benefits-in-the-united-states-march-2020.pdf>

³ <https://www.dol.gov/sites/dolgov/files/EBSA/researchers/statistics/retirement-bulletins/private-pension-plan-bulletins-abstract-2018.pdf>

⁴ <https://www.bls.gov/ncs/ebs/benefits/2020/employee-benefits-in-the-united-states-march-2020.pdf>

⁵ <https://www.dol.gov/sites/dolgov/files/EBSA/researchers/statistics/retirement-bulletins/private-pension-plan-bulletins-abstract-2018.pdf>

⁶ <https://www.bls.gov/ncs/ebs/benefits/2020/employee-benefits-in-the-united-states-march-2020.pdf>

⁷ <https://www.irs.gov/statistics/soi-tax-stats-accumulation-and-distribution-of-individual-retirement-arrangements>

⁸ [Employee Benefit Research Institute \(EBRI\) estimates of the 2019 Survey of Consumer Finances](#)

401(k) Account Balances⁹

- The average 401(k) balance at the end of 2018 was ~~\$73,672~~\$81,201. The median was ~~\$16,010~~\$17,760.
- 401(k) Plan Account Balances Increase With Participant Age and Tenure

Figure 11
401(k) Plan Account Balances Increase With Participant Age and Tenure
Average 401(k) plan account balance by participant age and tenure, 2019

Age Group	Years of Tenure					
	0 to 2	>2 to 5	>5 to 10	>10 to 20	>20 to 30	>30
20s	\$5,137	\$14,357	\$23,067			
30s	12,841	26,716	49,695	\$75,943		
40s	24,277	43,211	76,015	131,496	\$193,061	
50s	37,915	58,423	94,360	152,310	269,487	\$344,579
60s	56,458	67,177	97,119	128,582	215,549	330,913

Note: The average account balance among all 11.1 million 401(k) plan participants was \$81,201; the median account balance was \$17,760. Account balances are participant account balances held in 401(k) plans at the participants' current employers and are net of plan loans. Retirement savings held in plans at previous employers or rolled over into IRAs are not included. The tenure variable is generally years working at current employer and thus may overstate years of participation in the 401(k) plan.
Source: Tabulations from EBRI/ICI Participant-Directed Retirement Plan Data Collection Project

- Average 401(k) Balance by Number of Plan Participants

Average 401(k) Balance by Number of Plan Participants
401(k) Plan Characteristics by Number of Plan Participants, 2019

Number of Plan Participants	Average Account Balance
1 to 10	\$101,290
11 to 25	89,027
26 to 50	80,897
51 to 100	71,955
101 to 250	66,604
251 to 500	63,976
501 to 1,000	64,112
1,001 to 2,500	69,404
2,501 to 5,000	85,125
5,001 to 10,000	89,216
>10,000	89,941
All	81,201

Note: The median account balance at year-end 2019 was \$17,760.
Source: Tabulations from EBRI/ICI Participant-Directed Retirement Plan Data Collection Project

⁹ Holden, Sarah, Jack VanDerhei, and Steven Bass, "401(k) Plan Asset Allocation, Account Balances, and Loan Activity in 2018," *EBRI Issue Brief*, no. 526, and *ICI Research Perspective*, vol. 27, no. 2 (March 2021).

- Average 401(k) Plan Balance by Plan Assets

401(k) Plan Characteristics by Plan Assets, 2019	
Plan Assets	Average Account Balance
\$0 to \$250,000	\$12,906
>\$250,000 to \$625,000	28,861
>\$625,000 to \$1,250,000	43,063
>\$1,250,000 to \$2,500,000	53,921
>\$2,500,000 to \$6,250,000	63,950
>\$6,250,000 to \$12,500,000	63,787
>\$12,500,000 to \$25,000,000	64,371
>\$25,000,000 to \$62,500,000	65,497
>\$62,500,000 to \$125,000,000	60,496
>\$125,000,000 to \$250,000,000	71,579
>\$250,000,000	101,546
All	81,201

Note: The median account balance at year-end 2019 was \$17,760.
Source: Tabulations from EBRI/ICI Participant-Directed Retirement Plan Data Collection Project

401(k) Plan Allocation Trends

- Average Asset Allocation of 401(k) Plan Accounts, by Participant Age

Average Asset Allocation of 401(k) Plan Accounts by Participant Age										
Percentage of account balances, ¹ 2019										
Age Group	Equity Funds	Target Date Funds^{2,3}	Non-Target Date Balanced Funds	Bond Funds	Money Funds	GICs^{3,4} and Other Stable Value Funds	Company Stock³	Other	Unknown	Memo: Equities⁵
20s	30.5	54.1	5.2	4.2	0.3	1.3	1.6	1.1	1.6	83.8
30s	37.3	44.7	4.5	4.7	0.6	2.2	3.6	1.8	0.7	81.8
40s	46.6	31.8	2.6	6.4	0.8	3.5	5.6	2.1	0.7	75.5
50s	43.7	28.7	3.1	8.2	1.0	6.0	6.2	2.3	0.8	66.1
60s	38.2	28.8	3.9	10.4	1.5	9.1	4.7	2.4	0.9	56.5
All	42.1	31.3	3.6	7.9	1.0	5.8	5.3	2.2	0.8	67.8

¹Percentages are dollar-weighted averages.

²A target date fund typically rebalances its portfolio to become less focused on growth and more focused on income as it approaches and passes the target date of the fund, which is usually included in the fund's name.

³Not all participants are offered this investment option.

⁴GICs are guaranteed investment contracts.

⁵Equities include equity funds, company stock, and the equity portion of balanced funds.

Note: Funds include mutual funds, bank collective trusts, life insurance separate accounts, and any pooled investment product primarily invested in the security indicated.

Source: Tabulations from EBRI/ICI Participant-Directed Retirement Plan Data Collection Project

- Asset Allocation Distribution of 401(k) Participant Account Balance to Equities

Asset Allocation to Equities Varied Widely Among 401(k) Plan Participants						
Asset allocation distribution of 401(k) participant account balance to equities ¹ by age; percentage of participants, ² 2018						
Percentage of Account Balance Invested in Equities ¹						
Age Group	Zero	>0 to 20 Percent	>20 to 40 Percent	>40 to 60 Percent	>60 to 80 Percent	>80 Percent
20s	12.3%	0.8%	1.5%	3.0%	7.9%	74.6%
30s	9.1%	1.2%	2.2%	4.3%	12.7%	70.5%
40s	8.5%	1.9%	3.1%	6.8%	36.5%	43.2%
50s	8.4%	3.2%	5.1%	29.0%	36.1%	18.2%
60s	11.5%	4.7%	18.2%	36.8%	15.1%	13.7%
All ²	9.7%	2.3%	5.7%	14.8%	23.6%	43.8%

¹Equities include equity funds, company stock, and the equity portion of balanced funds. Funds include mutual funds, bank collective

²Participants include the 14.6 million 401(k) plan participants in the year-end 2018 EBRI/ICI 401(k) database.

Source: Tabulations from EBRI/ICI Participant-Directed Retirement Plan Data Collection Project

Job Tenure and Defined Contribution Portability

- The median tenure of wage and salary workers ages 20 and older was 4.9 years in 2018.¹⁰ When examining tenure by gender and age cohort among older wage and salary workers (ages 45–64), the oldest female wage and salary workers (ages 60–64) were the most likely to have 10 or more years of tenure in 2018, with 58.2 percent doing so.¹¹ The youngest female wage and salary workers (ages 45–49) were the least likely to have 10 or more years of tenure, with only 40.4 percent having a job tenure of that length.¹²

Point-of-Retirement Trends

- In an examination of job terminations from 2008 to 2017, 22 percent of people ages 60 or older kept their entire balance in the plan, 34 percent rolled their money over to another vehicle, 31 percent cashed out, and 14 percent had a combination of activities (e.g., partial distribution).¹³
- Because people with small balances are most likely to cash out, a different picture emerges when examining this on an asset-weighted basis: 38 percent of funds stayed in the plan, 48 percent were rolled over, and 14 percent got cashed out.¹⁴
- The median age of the owners of IRAs receiving a rollover in 2017 was 48.0, meaning that many are rolling their assets over well ahead of retirement.¹⁵

¹⁰ <https://www.ebri.org/publications/research-publications/issue-briefs/content/trends-in-employee-tenure-1983-2018>

¹¹ <https://www.ebri.org/publications/research-publications/issue-briefs/content/trends-in-employee-tenure-1983-2018>

¹² <https://www.ebri.org/publications/research-publications/issue-briefs/content/trends-in-employee-tenure-1983-2018>

¹³ https://www.napa-net.org/sites/napa-net.org/files/Alight_distribution_in_DC_plans_2019.pdf

¹⁴ https://www.napa-net.org/sites/napa-net.org/files/Alight_distribution_in_DC_plans_2019.pdf

¹⁵ [EBRI IRA Database](#)