

The Perfect Storm — Factors Contributing to Lower Retirement Confidence Among Women Who Are Not Married

By Craig Copeland, Ph.D., Employee Benefit Research Institute

AT A GLANCE

The Retirement Confidence Survey (RCS) was conducted for its 32nd year in 2022 to measure attitudes toward, preparations for, and understanding of the various issues surrounding retirement by American workers and retirees. In 2022, the RCS found that Americans have near-record-high confidence in having enough money to live comfortably throughout retirement. However, unmarried women workers and retirees have lower retirement confidence than their married counterparts and are more likely to have lower incomes and assets. Unmarried retirees are also more likely to say that their expenses were higher than they expected and are more likely to have retired earlier than planned.

In this *Issue Brief*, the attitudes, considerations, and behaviors surrounding the retirement of women workers and retirees of different marital statuses are examined to provide greater insight into what can help improve women's retirement outcomes. Key findings are:

- ***Divorced and single, never-married women workers are more likely to have lower levels of financial assets than married women workers.*** Just 27 percent of married women workers have assets of less than \$25,000 compared with just over half for divorced women workers (58 percent) and single, never-married women workers (56 percent). Married women retirees are also less likely to have lower levels of assets than divorced and widowed retirees.
- ***Married women workers are more likely to say that they are confident they will have enough money to live comfortably throughout their retirement years than both divorced and single, never-married women workers.*** Among retirees, married women are also more likely to be confident that they will have enough money in retirement than divorced or widowed women.
- ***Married women workers are more likely to agree that they feel knowledgeable about managing their day-to-day finances than single, never-married women workers.*** The share of divorced women workers who feel knowledgeable about managing finances is not significantly different from the share of married or single, never-married women workers.
- ***Both divorced and single, never-married women workers are more likely to agree that retirement savings is not a priority relative to the current needs of their family than married women workers.*** When asked about priorities aside from managing day-to-day finances, single, never-married women workers are more likely to choose purchasing a home or starting a business as a top-three longer-term financial planning priority. Married and divorced women workers are most likely to say that saving and investing for retirement are among their top three longer-term financial planning priorities.
- ***When asked if individuals even know where to go to find good financial or retirement planning advice, one-third of women either strongly or somewhat agree with the statement that they do not know where to go for good financial or retirement planning advice.*** This is substantially higher for single, never married women, as 45 percent report that they do not know where to go for financial advice.

- **Married women workers are the most likely to feel they have enough money to cover an emergency expense, while divorced women workers are the least likely to feel they can cover an emergency expense.** Furthermore, married women workers are more likely to say they have done a retirement needs calculation than divorced or single, never-married women workers—49 percent compared with 35 percent each say they have done so.
- **Women of each marital status who are offered a workplace retirement plan cite better explanations for how much income their savings will produce in retirement in their top four most valuable improvements to their workplace plan.** However, divorced women are most likely to say that none of the possible improvements are the most valuable, whereas married and single, never-married women have three of the same four in their top improvements.
- **Both divorced and widowed women retirees were more likely to have retired earlier than planned than married women retirees — 51 percent vs. 42 percent.** Women retirees of each marital status have equal likelihoods of retiring later than planned at just less than 1 in 10.
- **When asked how their overall lifestyle in retirement now compares to how they expected it to be before they retired, a majority of women retirees say their lifestyle is about the same as they expected.** However, married women retirees are more likely to say their lifestyle is better than expected, while divorced and widowed women retirees are more likely to say their lifestyle is worse than expected.

There are many supporting factors for unmarried (single, never married; divorced; and widowed) women workers having lower retirement confidence. First, they are much more likely to have lower incomes and asset holdings. They are also less likely to have done a retirement needs calculation or use a professional financial advisor. Unmarried retirees are also facing challenges in retirement. They are more likely to have low levels of savings, their expenses are higher than they expected when first retiring, and they are more likely to have retired earlier than planned.

The survey results clearly show that women in differing situations could benefit from receiving more specialized information and assistance with retirement preparations and everyday financial issues, such as emergency savings. The approaches currently being used do not appear to be as effective for many unmarried women workers. Employers may want to develop new targeted messages, methods, or materials to better reach these women to increase the chances of them having a financially successful retirement. Help from the financial sector in general could also be beneficial, as many of the unmarried women do not know where to go for help for good financial advice. Financial sector companies could develop more/better relationships with women by having a diverse population of advisors, as single, never-married women, who are typically younger, are looking for advisors who are similar to them.

EBRI and Greenwald would like to thank the 2022 RCS sponsors who helped shape this year's survey: American Century, American Funds/Capital Group, Ayco, Bank of America, BlackRock, Columbia Threadneedle, Empower Retirement, Fidelity Investments, FINRA, Jackson National, J.P. Morgan Chase & Co., LGIMA (Legal & General Investment Management America), Mercer, Mutual of America, Nationwide, NEFE, New York Life, PGIM, PIMCO, Principal Financial Group, Retirement Clearinghouse, T. Rowe Price, and US Chamber of Commerce.

Craig Copeland is the Director of Wealth Benefits Research at the Employee Benefit Research Institute (EBRI). This *Issue Brief* was written with assistance from the Institute’s research and editorial staff. Any views expressed in this report are those of the authors, and should not be ascribed to the officers, trustees, or other sponsors of EBRI, EBRI-ERF, or their staff. Neither EBRI nor EBRI-ERF lobbies or takes positions on specific policy proposals. EBRI invites comment on this research.

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Introduction

The Retirement Confidence Survey (RCS) was conducted for its 32nd year in 2022 to measure attitudes toward, preparations for, and understanding of the various issues surrounding retirement by American workers and retirees.¹ The RCS found that Americans in 2022 have near-record-high confidence in having enough money to live comfortably throughout retirement. These levels have held despite the ongoing impact of the COVID-19 pandemic and inflation. However, the survey also found that many workers and retirees haven't prepared or didn't prepare for retirement, and the pandemic most affected those least able to handle the financial impact of it.

In this *Issue Brief*, the retirement prospects, knowledge, preparations for retirement, and experiences in retirement are examined for women of different marital statuses. Unmarried (single, never married; divorced; or widowed) women have been found in RCS to have lower incomes and assets, on average, and to be less financially prepared for retirement. Thus, the attitudes, considerations, and behaviors surrounding retirement of women workers and retirees of different marital statuses are identified to provide greater insight into what can help improve women's retirement outcomes.²

Data

The Retirement Confidence Survey is conducted annually by the Employee Benefit Research Institute (EBRI) and Greenwald Research. The 2022 survey of 2,677 Americans was conducted online January 4 through January 26, 2022. All respondents were ages 25 or older. The survey included 1,545 workers and 1,132 retirees. Data are weighted by age, sex, household income, and race/ethnicity, so that the results are nationally representative. The margin of error would be ± 2.5 percentage points for workers and ± 3.0 for retirees in a similarly sized random sample.

Demographics

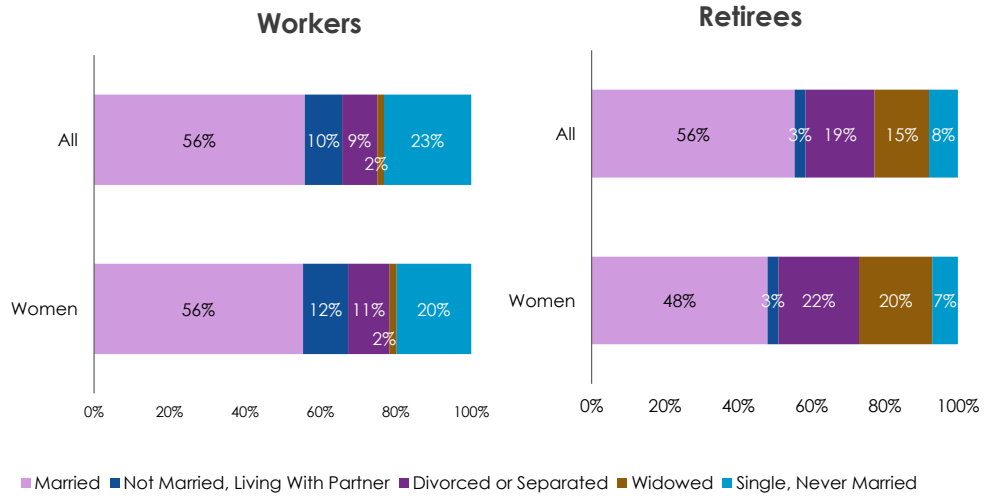
The shares of women with each marital status is virtually identical to those of all workers, but women retirees are more likely to be widowed and less likely to be married than all retirees (Figure 1).³ Divorced women workers are more likely to be older, while single, never-married women workers are more likely to be younger (Figure 2). Among women retirees, widowed or divorced women are more likely to be ages 75 or older than those married.

Both divorced and single, never-married women workers are more likely to have household incomes of less than \$25,000 than married women workers (Figure 3). Single, never-married women workers are more likely to have incomes of \$75,000 or more than divorced women workers, but they are still substantially less likely than married women workers to have this level of income.

Approaching one-half of both widowed and divorced women retirees have incomes of less than \$25,000, compared with only 6 percent of married women retirees. Divorced and widowed women retirees have similar overall distributions of income.

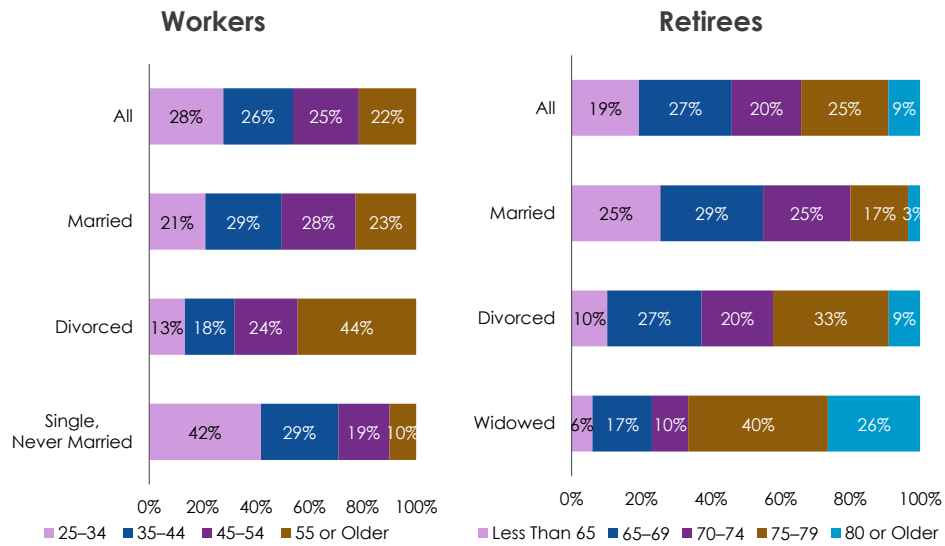
Married women workers are more likely to report that their health status is excellent/very good compared with both divorced and single, never-married women workers — 62 percent vs. 38 percent and 39 percent, respectively (Figure 4). Among retired women, this also holds true for married women retirees relative to divorced and widowed women retirees.⁴

Figure 1
Marital Status of Women Workers and Retirees



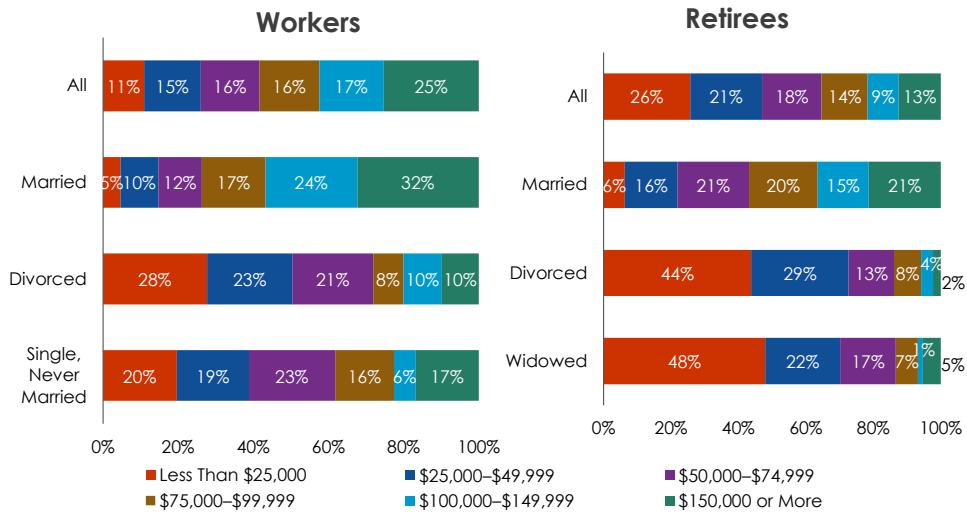
Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 2
Women's Ages, by Marital Status



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 3
Women's Incomes, by Marital Status



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 4
Women's Health Status, by Marital Status



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Assets and Debt

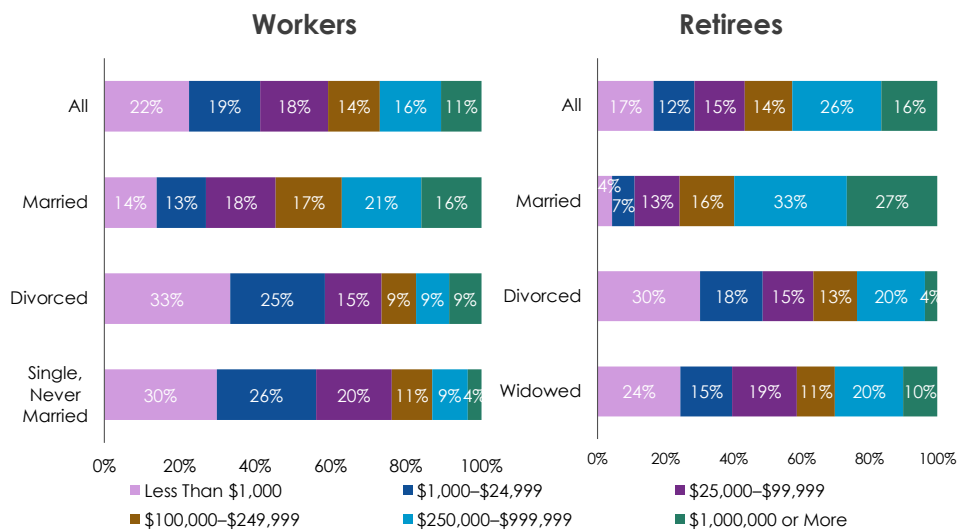
Divorced and single, never-married women workers are more likely to have lower levels of financial assets than married women workers (Figure 5).⁵ Just 27 percent of married women workers have assets of less than \$25,000, compared with just over half of divorced women workers (58 percent) and single, never-married women workers (56 percent). Divorced and single, never-married women workers have similar distributions of assets. Again, married women retirees are less likely to have lower levels of assets than divorced and widowed retirees. However, widowed women retirees are slightly more likely to have higher levels of assets than divorced women retirees.

As for debt, single, never-married women workers are the most likely to consider debt a major or minor problem (Figure 6). Among retirees, married women are the least likely to consider debt a problem, while widowed and divorced women have similar likelihoods of saying debt is a problem.

Not surprisingly, single, never-married women workers are more likely to agree that debt is negatively impacting their ability to save for retirement than both married and divorced women workers (Figure 7). Forty percent of single, never-married women workers *disagree* with debt negatively impacting their ability to save for retirement vs. over 50 percent of married and divorced women workers saying this. However, for retirees, women of different marital statuses do not have significant differences in agreeing that debt is negatively impacting their ability to live comfortably in retirement (Figure 8).

Single, never-married women workers are more likely to say that non-mortgage debt has a major or minor negative impact on their ability to participate in or contribute to an employer’s retirement plan than are married women workers (Figure 9). However, divorced women workers do not show any differences in their perceptions of debt affecting their ability to participate in an employer’s retirement plan.

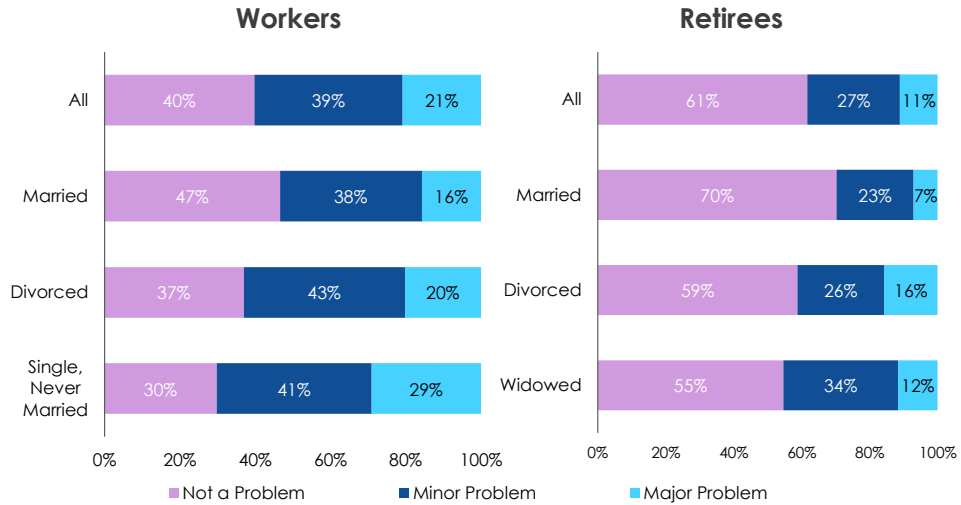
Figure 5
Women’s Assets, by Marital Status



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 6
Women's Debt, by Marital Status

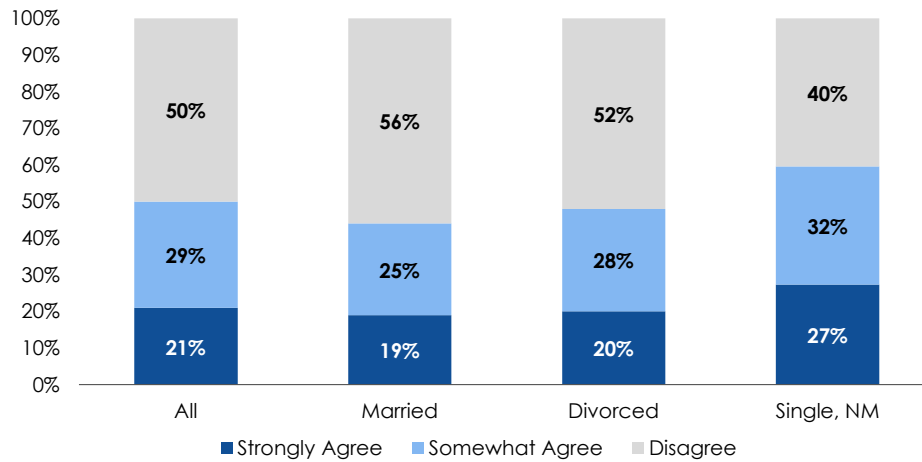
Thinking about your current financial situation, how would you describe your level of debt?



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 7
Debt's Impact on Ability to Save for Retirement, by Marital Status (Women Workers)

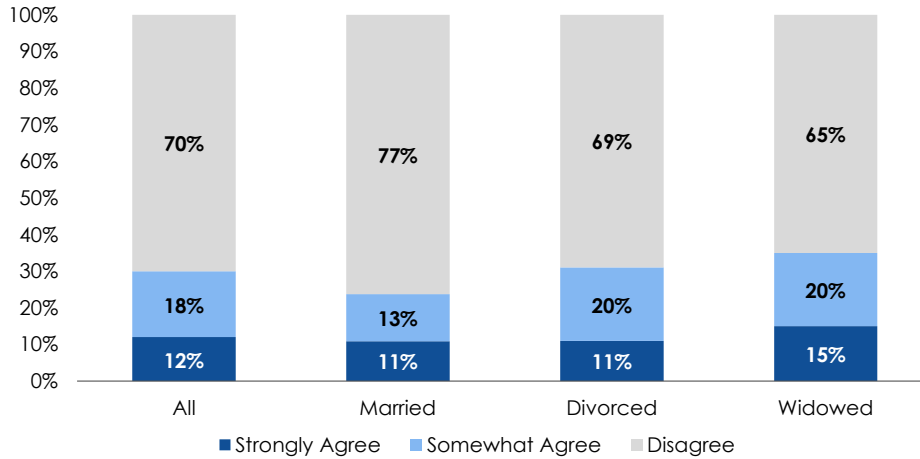
To what extent do you agree or disagree with the following statement?
Debt is negatively impacting your ability to save for retirement.



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 8
Debt's Impact on Ability to Live Comfortably in Retirement, by Marital Status (Women Retirees)

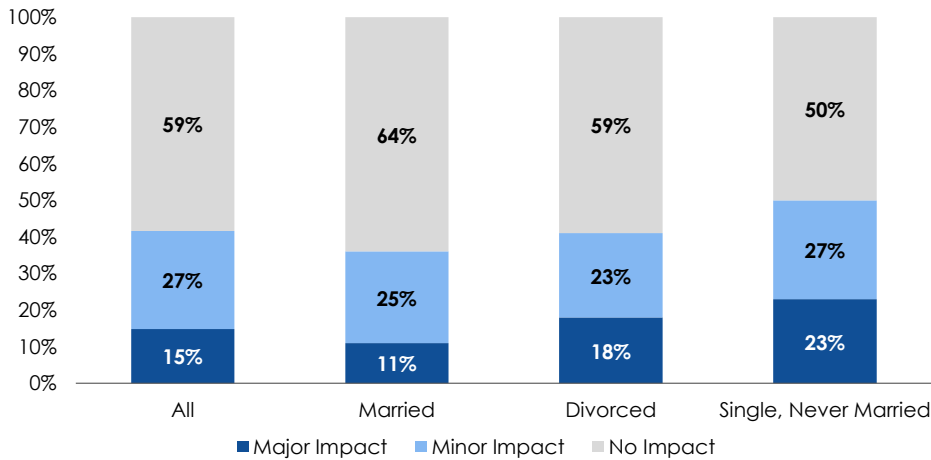
To what extent do you agree or disagree with the following statement?
 Debt is negatively impacting your ability to live comfortably in retirement.



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 9
Non-Mortgage Debt's Impact on Ability to Participate in or Contribute to an Employer's Retirement Plan, by Marital Status (Women Workers)

To what extent is your non-mortgage debt having a negative impact on your ability to do the following?
 Participate in or Contribute to an Employer's Retirement Plan



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Retirement Confidence

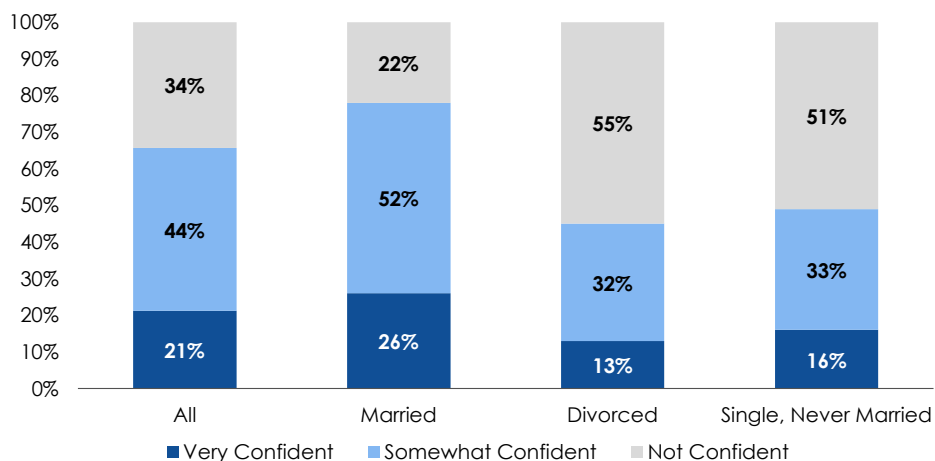
To gauge how workers and retirees feel about their retirement prospects, the RCS has annually asked Americans how confident they are that they and their spouse will have enough money to live comfortably throughout their retirement years. Married women workers are more likely to say that they are confident they will have enough money to live comfortably throughout their retirement years than both divorced and single, never-married women workers, while divorced and single, never-married women workers have similar likelihoods of confidence in their retirement prospects (Figure 10). Among retirees, married women are more likely to be confident in having enough money in retirement than divorced and widowed women (Figure 11). There are no significant differences in the confidence levels between divorced and widowed women retirees.

The pandemic had an impact on many Americans' confidence in living comfortably throughout retirement and their ability to save for retirement over the past year. Single, never-married women workers are more likely to say that over the past year, the COVID-19 pandemic made them less confident in their retirement prospects than married and divorced women workers while also being more likely to say that they are more confident because of the pandemic than divorced women workers (Figure 12). Divorced women workers are more likely to say that the pandemic did not change their confidence level than single, never-married women workers.

With regard to other aspects of retirement, the share of divorced and single, never-married women workers feeling not confident that they are doing a good job preparing for retirement is higher than that of married women workers (Figure 13). The share of those feeling very confident in their preparations for retirement among divorced and single, never-married women was particularly smaller than that of married women.

Figure 10
Confidence in Having Enough Money to Live Comfortably Throughout Retirement, by Marital Status (Women Workers)

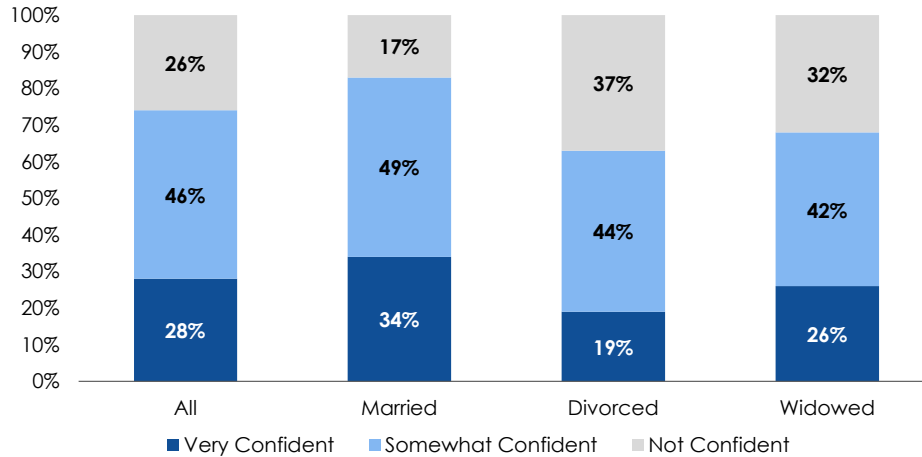
Overall, how confident are you that you (and your spouse) will have enough money to live comfortably throughout your retirement years?



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 11
Confidence in Having Enough Money to Live Comfortably Throughout Retirement, by Marital Status and Income (Women Retirees)

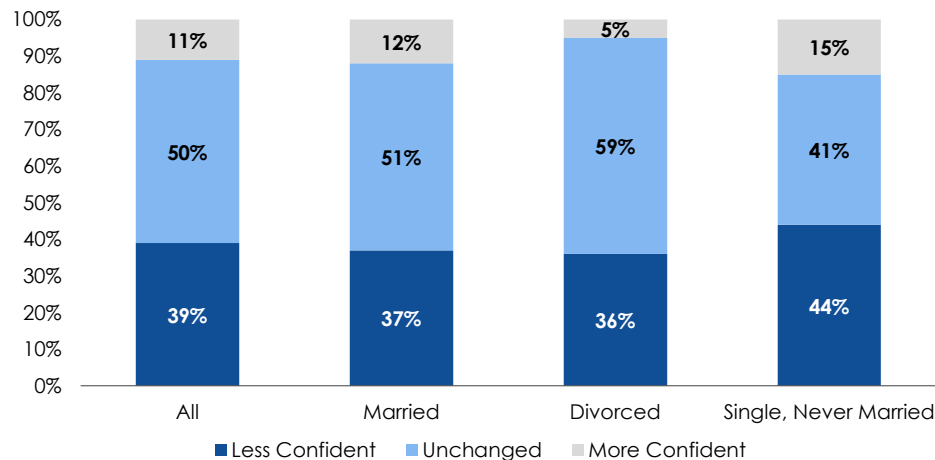
Overall, how confident are you that you (and your spouse) will have enough money to live comfortably throughout your retirement years?



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 12
Change in Confidence in Having Enough Money to Live Comfortably Throughout Retirement Due to the Pandemic, by Marital Status (Women Workers)

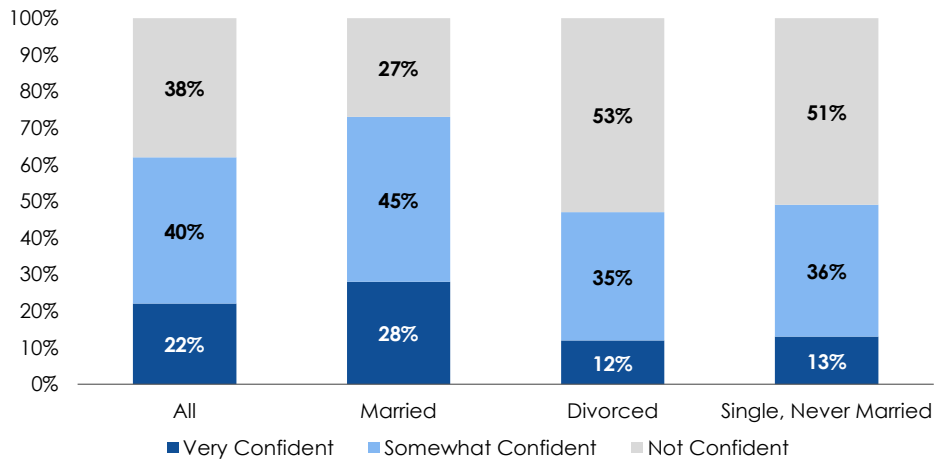
Over the past year, how has the COVID-19 pandemic and its health and economic effects impacted your confidence that you (and your spouse) will have enough money to live comfortably throughout your retirement years?



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 13
Confidence in Doing a Good Job Preparing Financially
for Retirement, by Marital Status
(Women Workers)

How confident are you (and your spouse) about the following aspect related to retirement?
 You are doing a good job of preparing financially for your retirement

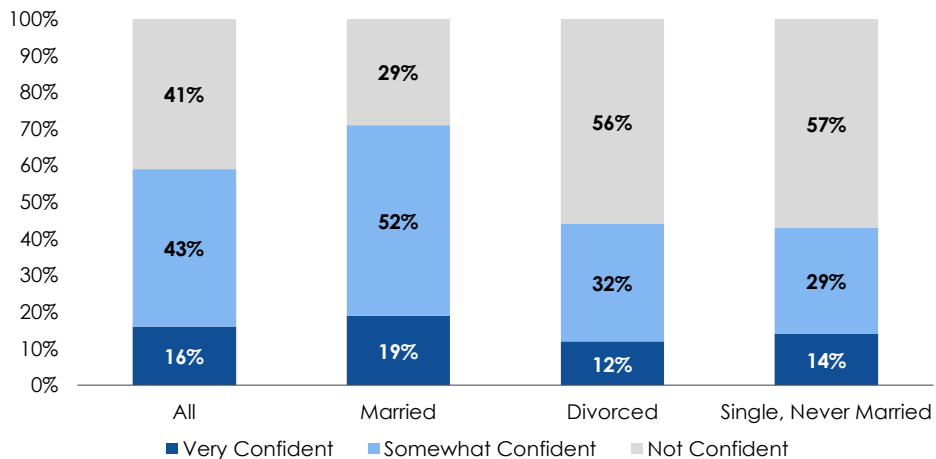


Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

One of those most pressing issues now facing the economy is the historically high inflation rates. Despite the escalating inflation being in its infancy when RCS was fielded, over half of divorced and single, never-married women workers are *not* confident that they will have enough money to keep up with the cost of living/inflation (Figure 14). This lack of confidence is much lower for married women workers, among whom only 29 percent express not being confident in keeping up with inflation. Married women retirees are more likely to feel confident in having money to keep up with inflation compared with divorced and widowed women retirees, while divorced and widowed women have similar confidence levels in being able to keep up with inflation (Figure 15).

Figure 14
Confidence in Having Enough Money to Keep up With the Cost of
Living/Inflation, by Marital Status and Income
(Women Workers)

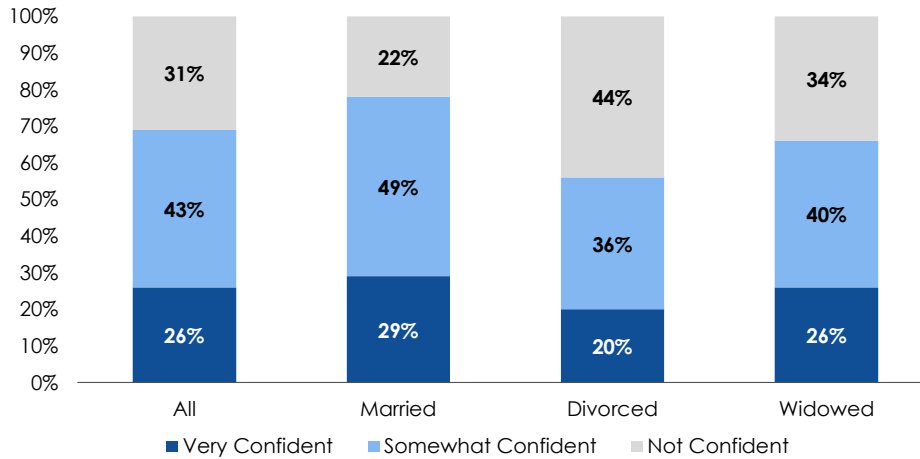
How confident are you (and your spouse) about the following aspect related to retirement?
 You will have enough money to keep up with the cost of living/inflation.



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 15
Confidence in Having Enough Money to Keep up With the Cost of Living/Inflation, by Marital Status and Income
 (Women Retirees)

How confident are you (and your spouse) about the following aspect related to retirement?
 You will have enough money to keep up with the cost of living/inflation.

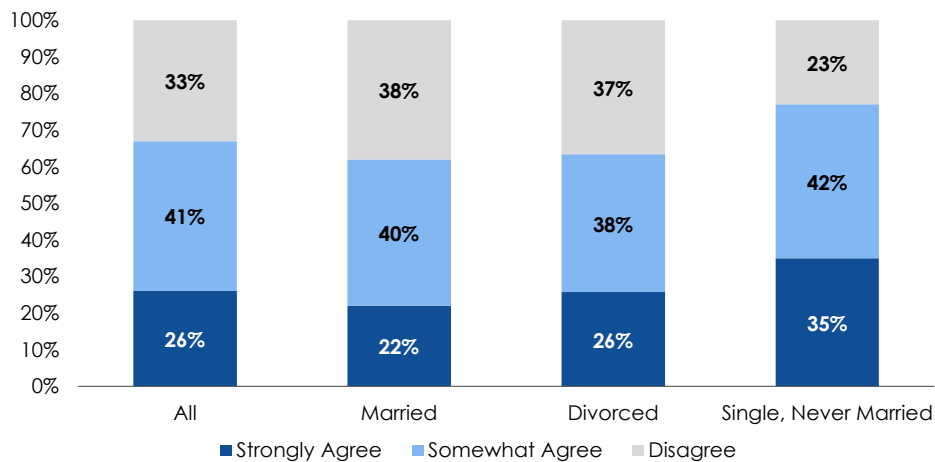


Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

A majority of women workers, regardless of marital status, agree that preparing for retirement makes them feel stressed (Figure 16). However, single, never-married women workers are more likely to agree that preparing for retirement makes them feel stressed than both married and divorced women workers, who show no discernable differences in their thoughts on preparing for retirement making them feel stressed.

Figure 16
Percentage of Workers Who Agree That Preparing for Retirement Makes Them Stressed, by Marital Status
 (Women Workers)

To what extent do you agree or disagree with the following statement?
 Preparing for retirement makes you feel stressed



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Financial Background and Priorities

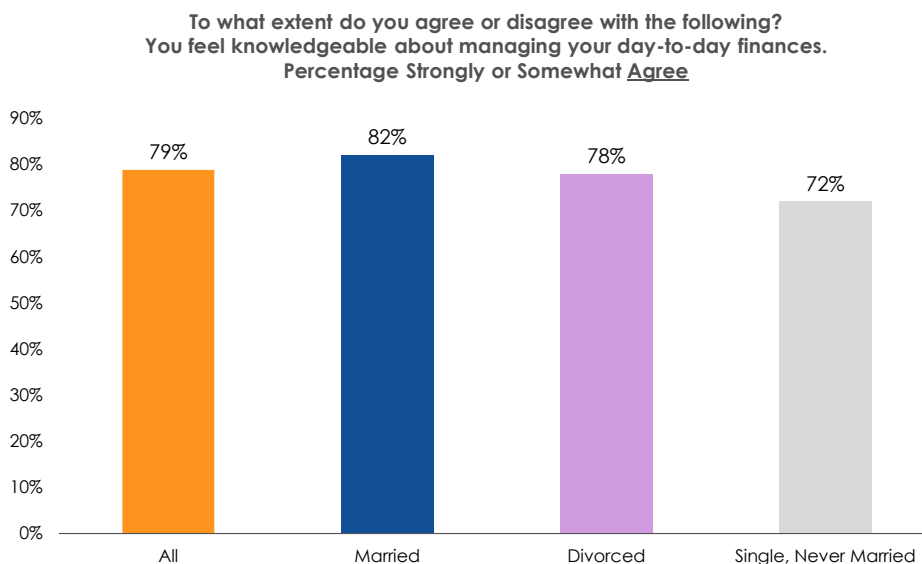
In 2022, the RCS asked several questions about respondents' financial and retirement planning. Specifically, the survey asked about the self-perceived knowledge of managing day-to-day finances. Married women workers are more likely to agree that they feel knowledgeable about managing their day-to-day finances than single, never-married women workers (Figure 17). The share of divorced women workers who feel knowledgeable about managing finances is not significantly different from married or single, never-married women workers.

Turning to questions on priorities relative to retirement savings, both divorced and single, never-married women workers are more likely to agree that retirement savings is *not* a priority relative to the current needs of their family than married women workers, with divorced and single, never-married women showing no differences in their thoughts of retirement savings priority relative to their current needs (Figure 18). However, when asked about priorities aside from managing day-to-day finances, single, never-married women workers are more likely to choose purchasing a home and starting a business as a top-three longer-term financial planning priority than married or divorced women workers (Figure 19).⁶ Married and divorced women workers are most likely to say that saving and investing for retirement are among their top three longer-term financial planning priorities. Divorced women also indicate purchasing life insurance as a higher priority.

When asked to select their overarching financial priority in retirement — maintaining wealth (preserving principal/account balances) or income stability (ensuring a set amount of income for life) — women workers show no differences in this choice, as 7 in 10 say that income stability is more important (Figure 20). Among women retirees, divorced women are more likely to prefer income stability than married women retirees.

When asked which approach they are likely to take between managing their savings/investments on their own or purchasing a product that gives them guaranteed income for life, divorced women workers are more likely to be unsure on which approach they would take and less likely to say they would purchase a product that gives them guaranteed income for life than married and single, never-married women workers (Figure 21). Similar shares of married and single, never-married women workers choose the different approaches. Married women retirees are more likely to say that they will manage their savings/investments on their own, while the selected approaches for divorced and widowed women retirees have similar likelihoods.

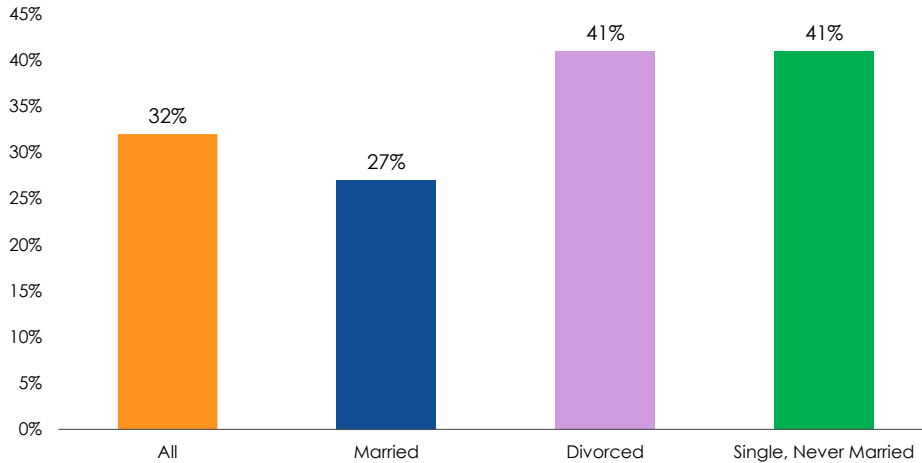
Figure 17
Percentage Who Agree They Are Knowledgeable About Managing Their Day-to-Day Finances, by Marital Status (Women Workers)



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 18
Percentage Who Agree That Retirement Savings Is Not a Priority Relative to Current Needs, by Marital Status (Women Workers)

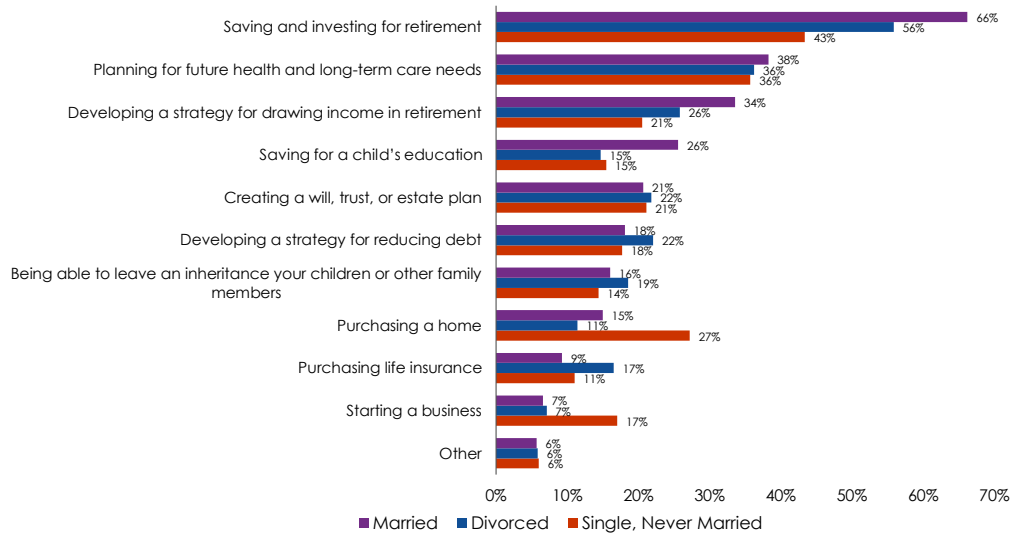
To what extent do you agree or disagree with the following?
 Retirement savings is not a priority relative to the current needs of my family.



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

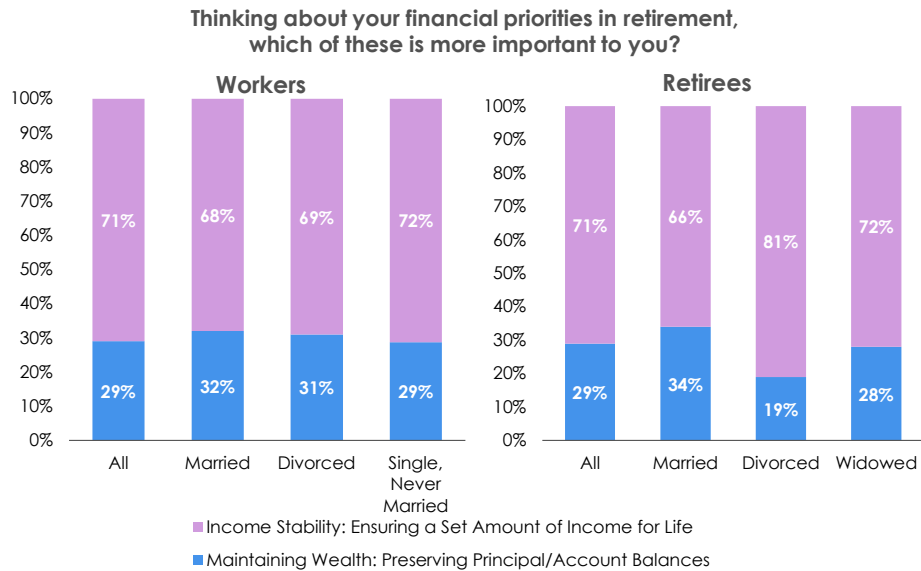
Figure 19
Top Three Longer-Term Financial Planning Priorities, by Marital Status (Women Workers)

Aside from managing day-to-day finances, which of the following are your top three longer-term financial planning priorities?



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

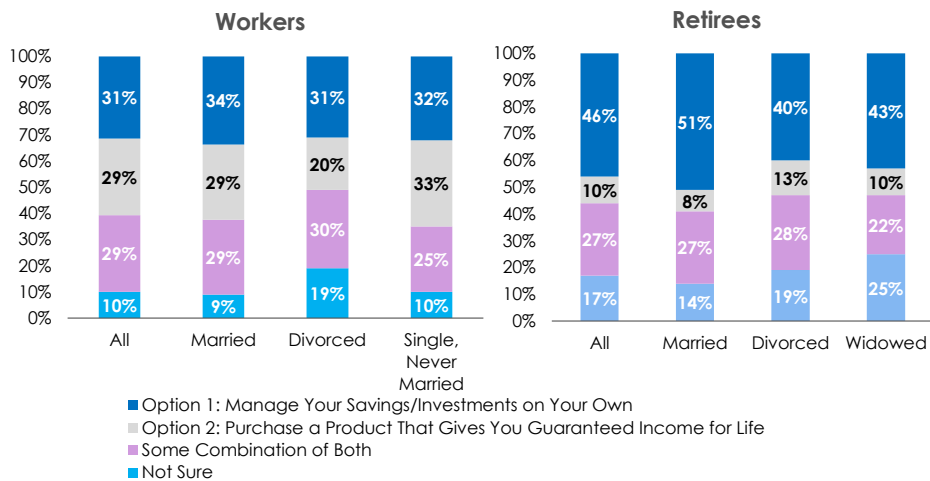
Figure 20
Importance of Income Stability vs. Maintaining Wealth, by Marital Status



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 21
Managing Savings vs. Purchasing a Product Providing Guaranteed Income, by Marital Status

Which approach are you most likely to take? Option 1: Manage your savings/investments on your own or Option 2: Purchase a product that gives you guaranteed income for life?



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

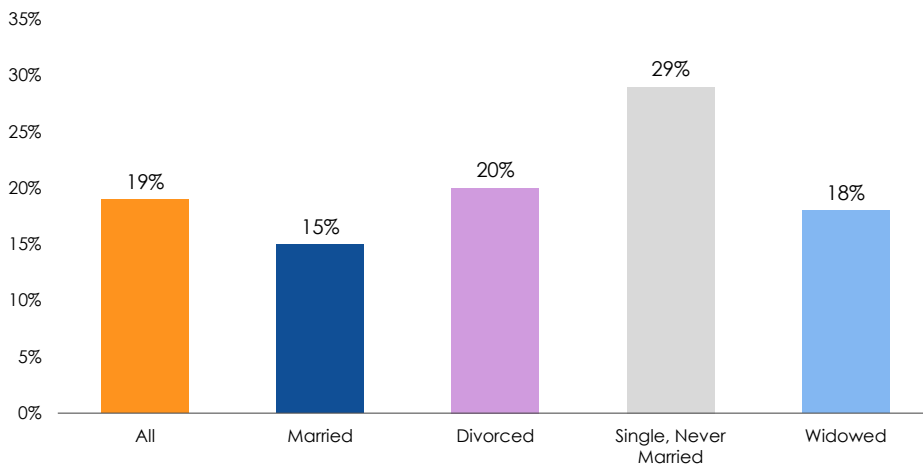
Experience With Financial Services Companies and Employers

Feeling comfortable accessing the financial system can help individuals start or stick with a financial or retirement plan. However, some Americans do not feel they have been treated fairly by financial services companies and their representatives. While most women suggest that they have received fair treatment by financial services companies, approximately 1 in 5 women *disagree* with the statement that they feel they have been fairly treated by financial services companies and their representatives, with single, never-married women being more likely to disagree that they have been treated fairly (Figure 22). Furthermore, 1 in 4 women say that they disagree with the statement that they believe financial services companies understand how to help them with retirement, with 31 percent of single, never-married women believing this (Figure 23).

Another place Americans receive information on retirement planning is through the workplace. Yet, 18 percent of women disagree with the statement that they feel they've been fairly treated in their workplace (Figure 24). Single, never-married women are more likely to disagree that they have been treated fairly in the workplace than married or widowed women — 25 percent compared with 15 percent and 9 percent, respectively.

Figure 22
Percentage Who Feel They Have *Not* Been Treated Fairly by Financial Services Companies, by Marital Status (Women Workers and Retirees)

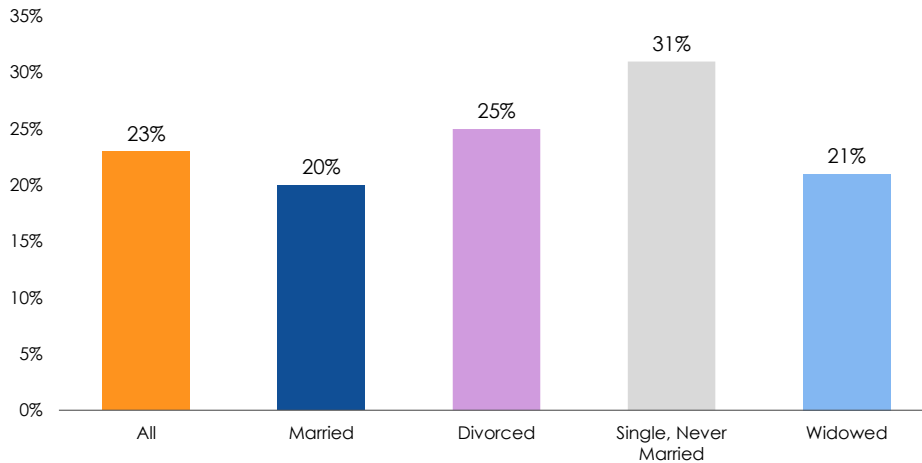
To what extent do you agree or disagree with the following?
You feel you have been fairly treated by financial services companies and their representatives.
Percentage *Disagree*



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 23
Percentage Who Believe Financial Companies Do Not Understand How to Help Them With Retirement and Financial Planning, by Marital Status (Women Workers and Retirees)

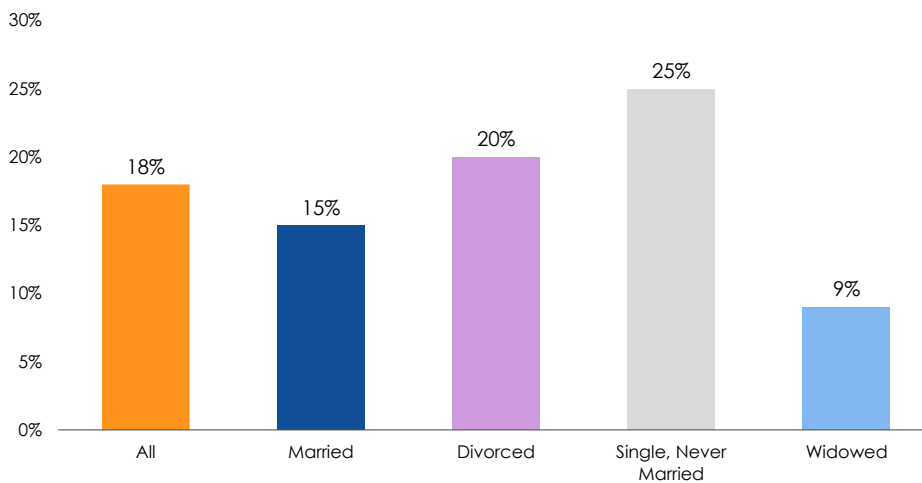
To what extent do you agree or disagree with the following?
 You believe financial services companies understand how to help you with retirement and financial planning. Percentage Disagree



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 24
Percentage Who Feel They Have Not Been Treated Fairly in Their Workplace, by Marital Status (Women Workers and Retirees)

To what extent do you agree or disagree with the following?
 You feel you've been fairly treated in your workplace. Percentage Disagree

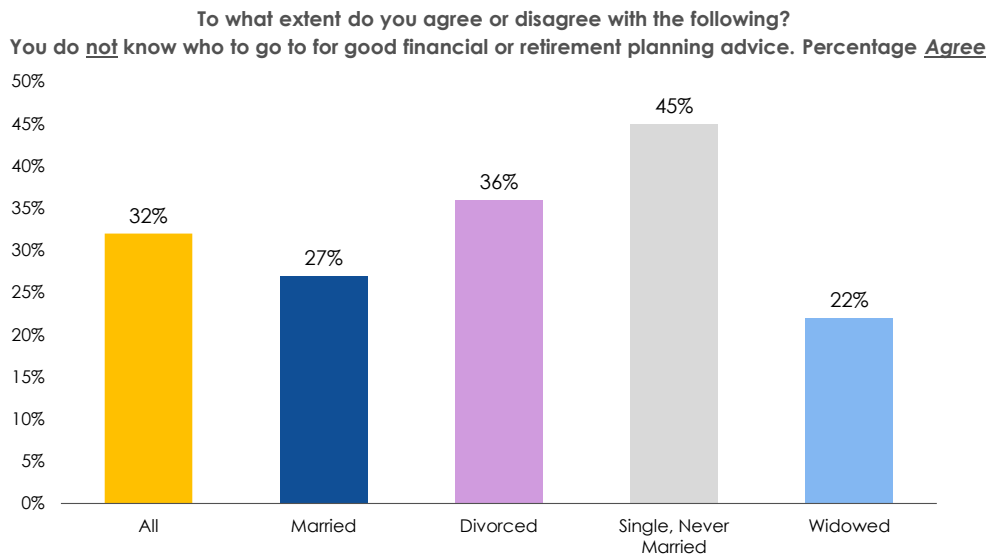


Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Financial Advice and Advisors

Understanding where to go for advice on retirement planning and what Americans are looking for in who they go to for this help is important in improving retirement preparations, so the RCS asked questions addressing these topics. First, the survey asked if individuals even know where to go to find good financial or retirement planning advice, and one-third of women either strongly or somewhat agree with the statement that they do *not* know where to go for good financial or retirement planning advice (Figure 25). This is substantially higher for single, never-married women, as 45 percent report that they do not know where to go for financial advice.

Figure 25
Percentage Who Feel They Do *Not* Know Who to Go to for Good Financial Advice, by Marital Status
(Women Workers and Retirees)

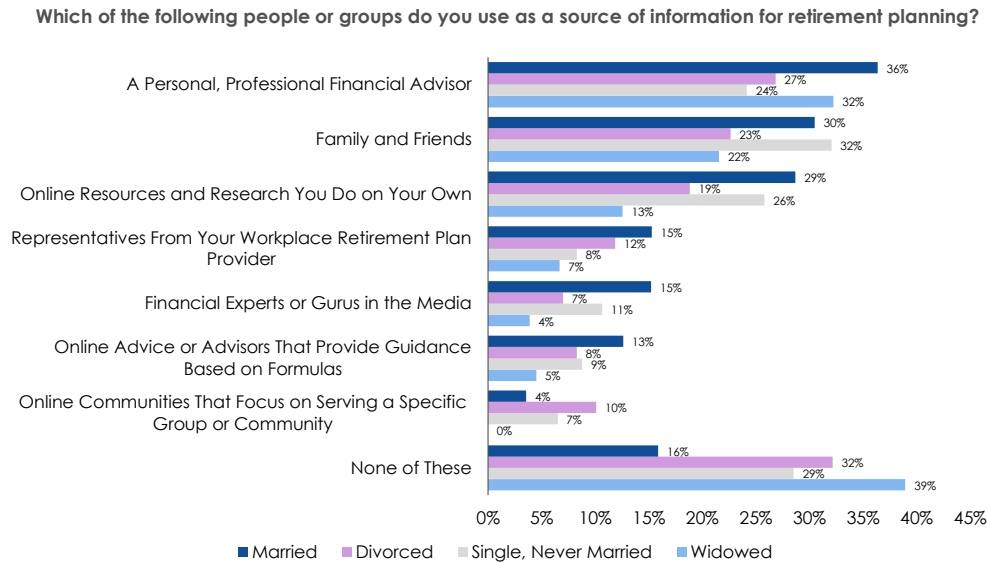


Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Given that so many don't know where to go for retirement planning help, it is useful to understand what people or groups Americans do use as sources of information for retirement planning. The top three sources of information were consistent across marital status: online resources and research they do on their own; family and friends; and a personal, professional financial advisor (Figure 26).⁷ However, roughly one-third of women who have one of the three unmarried marital statuses say that they use none of the offered options as a source of information for retirement planning.

Focusing specifically on financial advisor use, 40 percent of married women currently work with a professional financial advisor or representative compared with 28 percent of divorced women and 20 percent of single, never-married women (Figure 27). In addition, 4 in 10 married women who are not currently working with an advisor think they will work with a professional financial advisor in the future. A similar share of single, never-married women say they expect to work with a financial advisor, but fewer than 2 in 10 divorced and widowed women not currently working with an advisor expect to do so in the future.

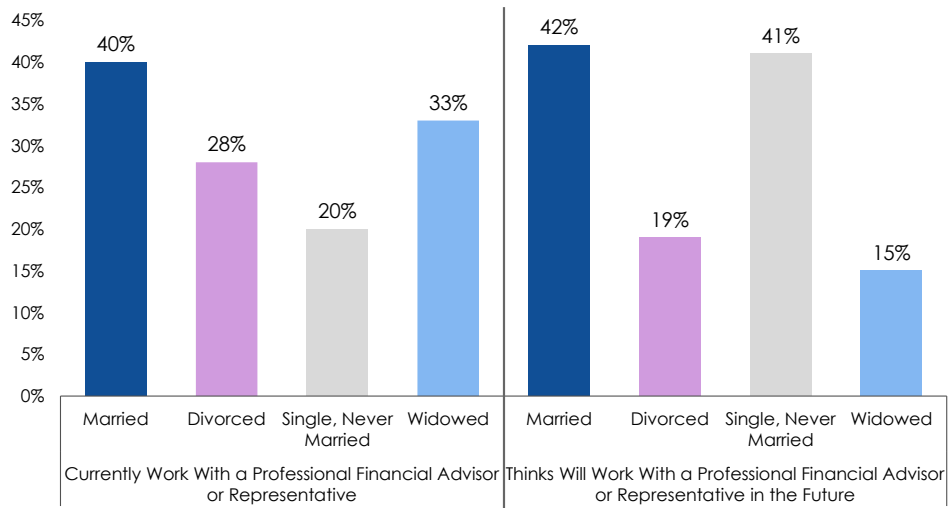
Figure 26
Sources of Information Used for Retirement Planning,
by Marital Status
(Women Workers and Retirees)



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 27
Percentage Who Work With or Think They Will Work With a Professional
Financial Advisor or Representative, by Marital Status
(Women Workers and Retirees)

Do you currently work with a professional financial advisor or representative? n=2,677, Percentage Yes
Do you think you will work with a professional financial advisor or representative in the future? Those not currently working with an advisor, Percentage Yes

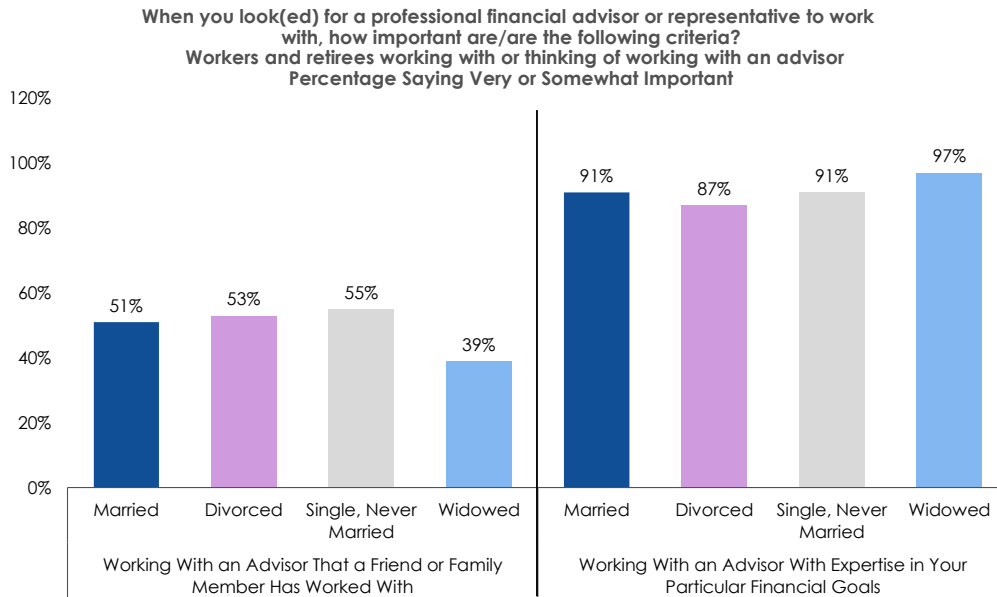


Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

In choosing or considering a financial advisor, the criteria that women say are important for this choice have some similarities across marital statuses, but there are also some very specific differences. Women of each marital status are highly likely (roughly 9 in 10) to say that working with an advisor with expertise in their financial goals is important (Figure 28). Half of women of each marital status except for widowed women say that working with an advisor that a friend or family member has worked with is important. Single, never-married women appear to place more value on finding an advisor that has a connection or commonality to them than women of other marital statuses, as the single,

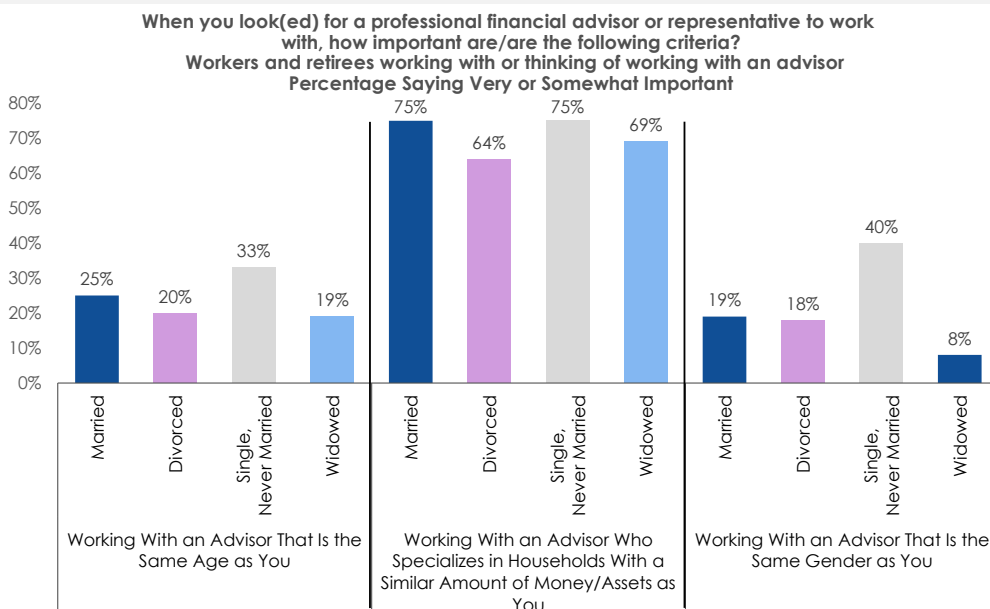
never-married women are more likely to say that working with an advisor that is the same gender as them, is the same age as them, is affiliated with their employer, or has a similar racial/ethnic background to theirs is important (Figures 29 and 30). Widowed women seem to place less value on these criteria.

Figure 28
Criteria Important When Looking for a Financial Advisor,
by Marital Status
(Women Workers and Retirees)



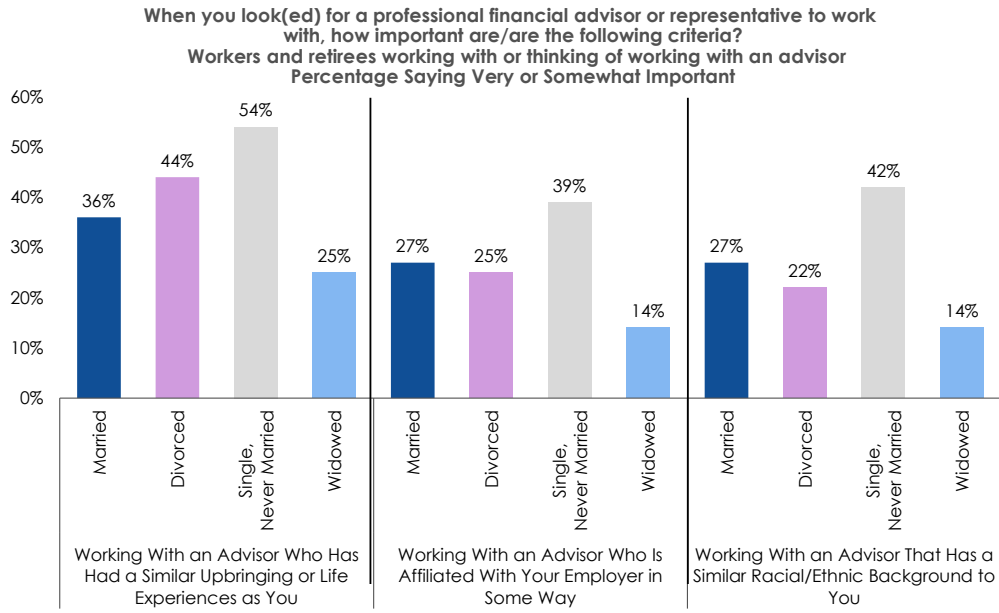
Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 29
Criteria Important When Looking for a Financial Advisor,
by Marital Status
(Women Workers and Retirees)



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 30
Criteria Important When Looking for a Financial Advisor,
by Marital Status
(Women Workers and Retirees)

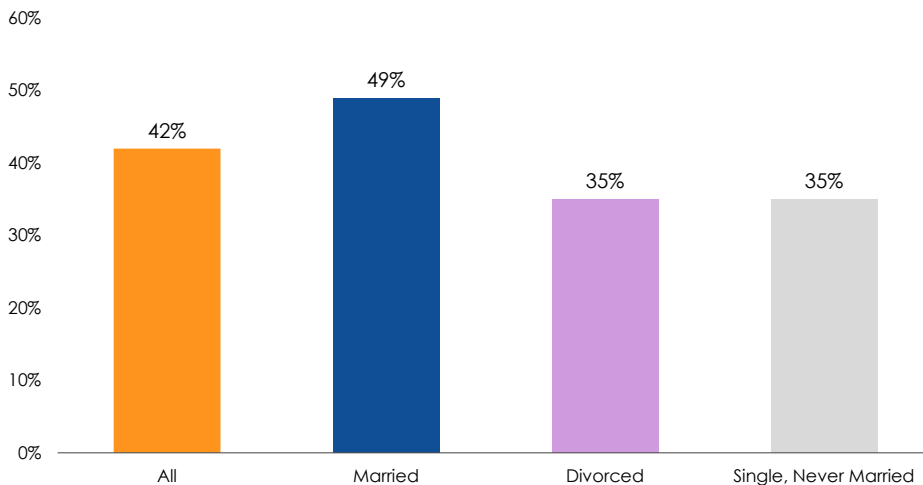


Savings and Preparations

One of the most basic tasks of retirement planning is doing a retirement needs calculation. Overall, only 4 in 10 women workers report having performed the basic step of figuring out how much money they will need to have saved by the time they retire so that they can live comfortably in retirement (Figure 31). Married women workers are more likely to say they have done this calculation than divorced or single, never-married women workers — 49 percent compared with 35 percent saying they have done so.

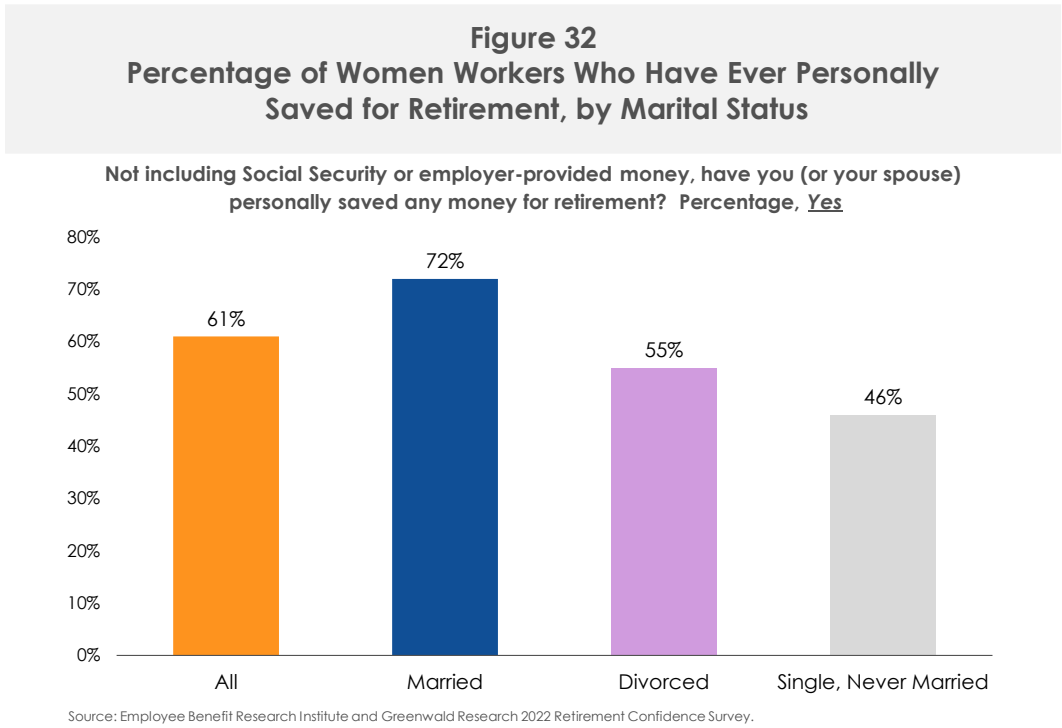
Figure 31
Percentage of Women Workers Who Calculated How Much They
Need to Save for Retirement, by Marital Status

Have you (or your spouse) tried to figure out how much money you will need to have saved by the time you retire so that you can live comfortably in retirement? Percentage Yes

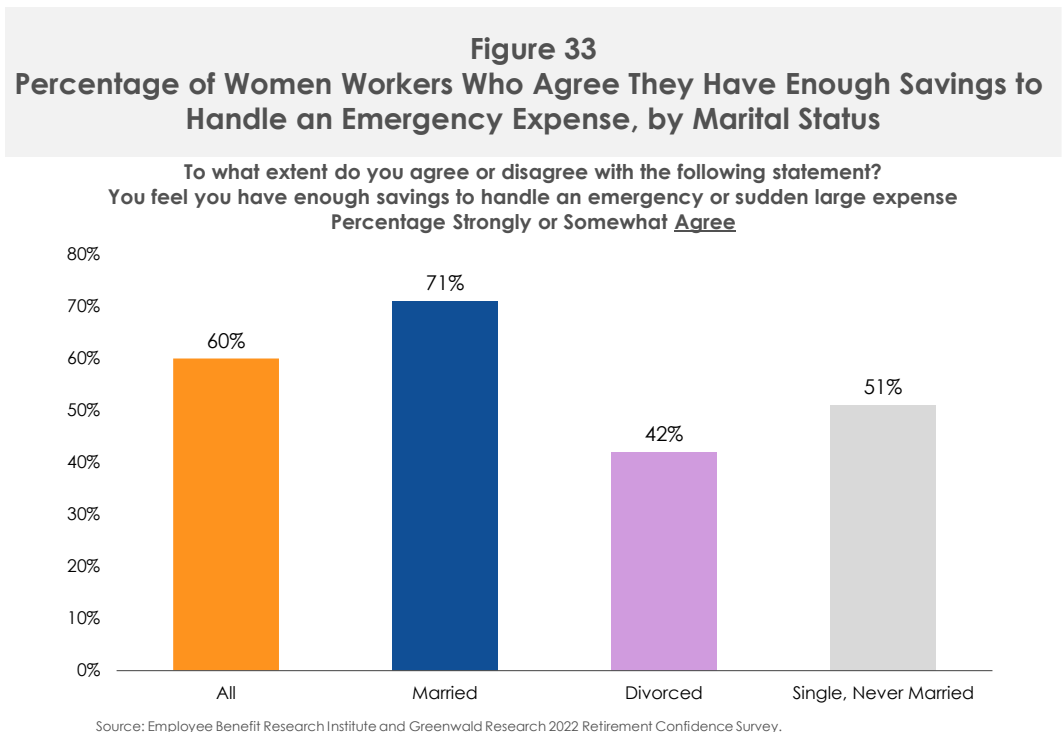


Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Married women are also more likely to say they have personally saved money for retirement (Figure 32). Divorced women workers are the next most likely to have saved, with single, never-married women workers being the least likely to have personally saved for retirement.



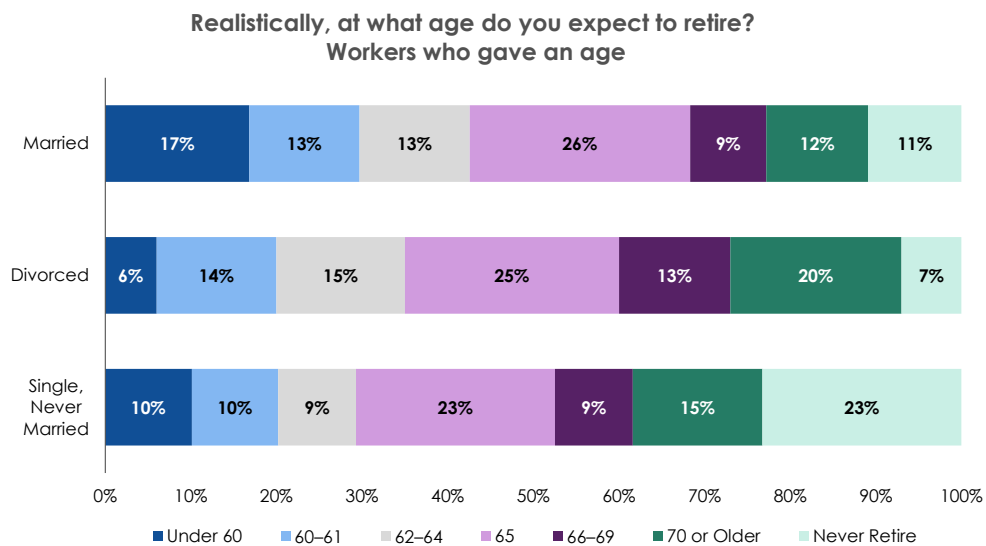
An emergency or sudden large expense can derail an individual’s retirement planning, so having enough money to cover such an expense is important for individuals to stay on track. Married women workers are the most likely to feel they have enough money to cover an emergency expense (Figure 33). Divorced women workers are the least likely to feel they can cover an emergency expense.



Retirement Age

Nearly 2 in 10 married women workers expect to retire before age 60, compared with 1 in 10 or fewer of divorced or single, never married women workers (Figure 34). Single, never-married women workers are far more likely to say they will never retire, as 23 percent of them say this vs. only 11 percent of the next highest marital status — married women workers — who say they will never retire. In between the two extremes, the distributions of expected retirement ages are similar across marital statuses for women workers.

Figure 34
Expected Retirement Age of Women Workers, by Marital Status

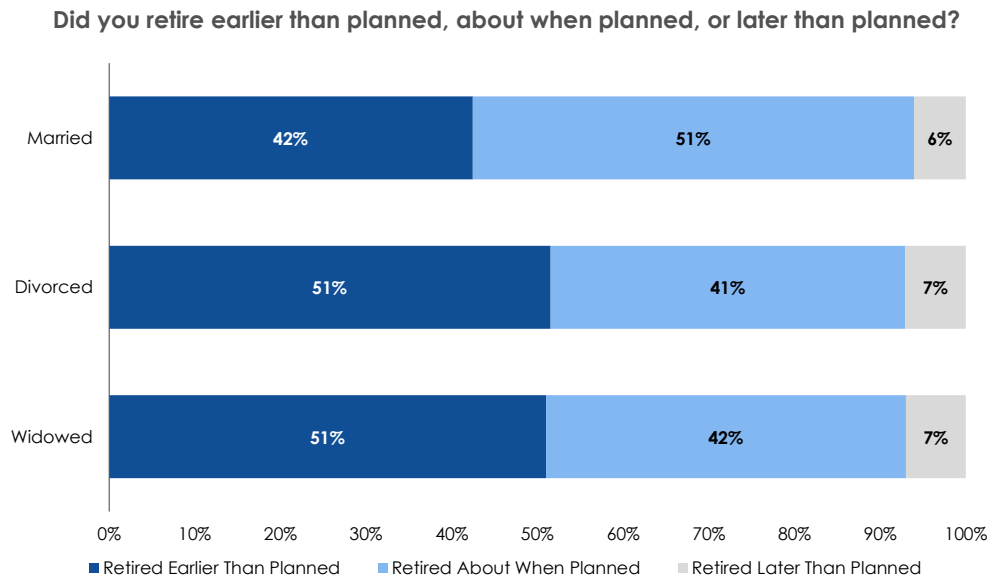


Average of those giving an age: Married—63, Divorced—65, and Single, Never Married—64.

Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

As for when women retirees actually retired, both divorced and widowed women retirees were more likely to have retired earlier than planned than married women retirees — 51 percent vs. 42 percent (Figure 35). Women retirees of each marital status have equal likelihoods of retiring later than planned at just under 1 in 10.

Figure 35
Share of Women Retirees Who Retired Earlier, Later, or When Planned, by Marital Status



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Workplace Retirement Savings Plans

One of the most important savings vehicles for retirement is a workplace retirement savings plan offered through employment, such as a 401(k) plan. Nearly three-quarters of those employed report being offered a retirement savings plan through their employer. Married employed women are more likely to be offered a workplace plan at 80 percent, compared with 69 percent of divorced employed women and 71 percent of single, never-married employed women (Figure 36). Of those offered a plan, approximately 9 in 10 married and divorced employed women claim to be contributing money to the plan, while 8 in 10 single, never-married employed women report contributing.⁸

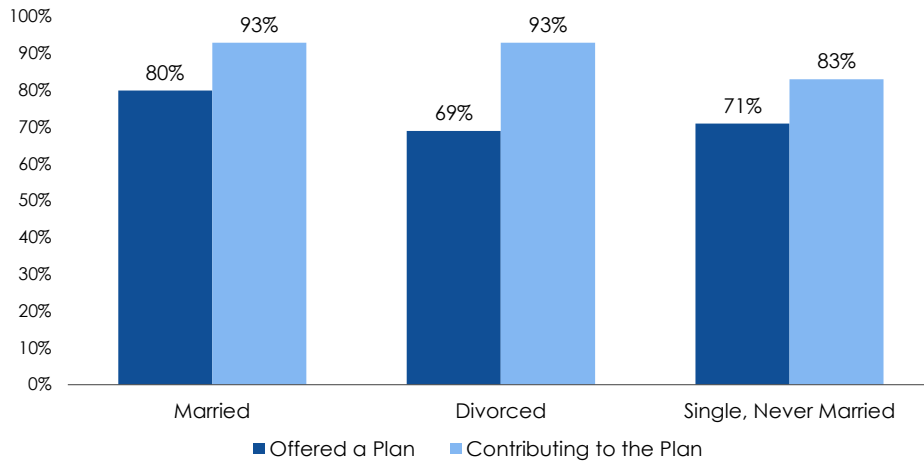
Those currently contributing to a retirement savings plan were asked whether they understand certain investments available in workplace retirement savings plans. For understanding of target-date funds (TDFs), roughly half of these women, regardless of marital status, report understanding very or somewhat well TDFs in general, how TDFs change or adjust investments over time, and how to choose the right TDF for them (Figure 37).

For income funds or options, again, roughly half of women contributing to a workplace savings plan, regardless of marital status, say they understand them very or somewhat well (Figure 38). Understanding of environmental, social, and governance (ESG) funds does not appear to be different by marital status but is slightly lower for some marital statuses relative to TDFs. Managed accounts have a higher share reporting understanding, particularly among divorced contributing women.

Despite women contributing to a workplace savings plan having similar self-reported understanding of specific investment options in workplace savings plans regardless of marital status, performance/growth over time is the only factor of those listed that married; divorced; and single, never-married women consider as a top-three factor in their investment choices (Figure 39). Divorced and married women both cite “matches their risk tolerance” as a top-three factor, and married and single, never-married women have “recommendation from a professional financial advisor” as a top choice. In contrast, only divorced women choose “it’s the employer’s default option” as a top choice, while only single, never-married women say recommendations from a friend or family member.⁹

Figure 36
Percentage of Employed Women Workers Who Are Offered a Retirement Savings Plan and the Percentage Who Participate When Offered, by Marital Status

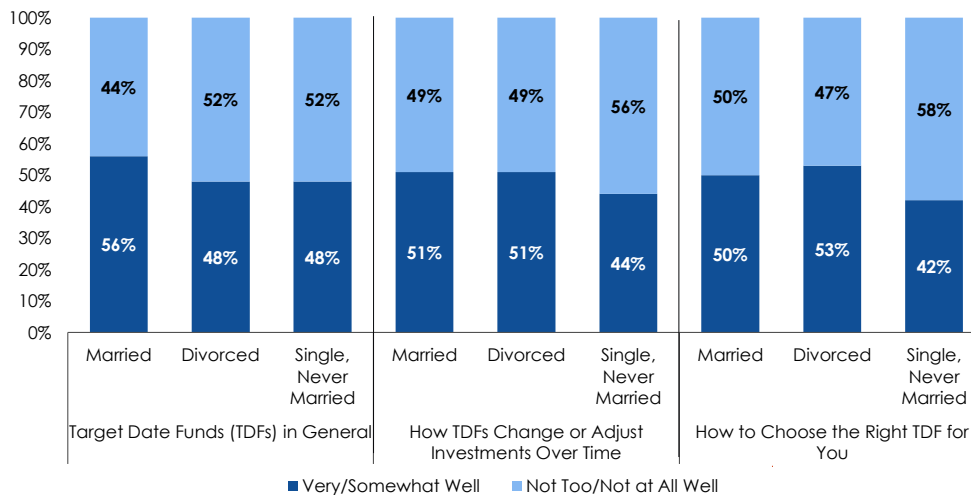
Does your current employer offer you a retirement savings plan that allows you to make contributions from your salary, such as a 401(k), tax-deferred annuity or 403(b), 457, or thrift savings plan? Employed full- or part-time
 Are you currently contributing money to the retirement savings plan?
 Offered an employer-sponsored retirement savings plan



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 37
How Well Do Women Retirement Savings Plan Participants Understand Certain Investment Options, by Marital Status

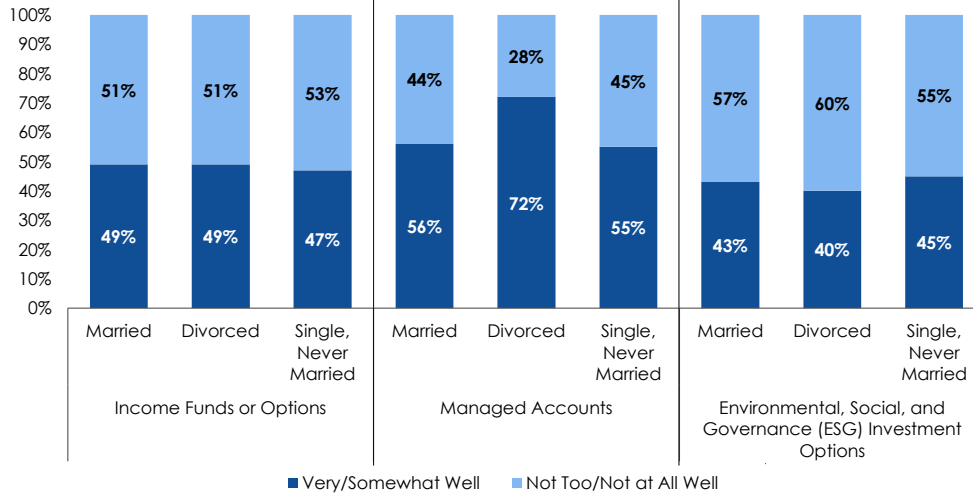
How well do you understand the following workplace retirement plan investment options?
 Employer offers a retirement savings plan



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 38
How Well Do Women Retirement Savings Plan Participants Understand Certain Investment Options, by Marital Status

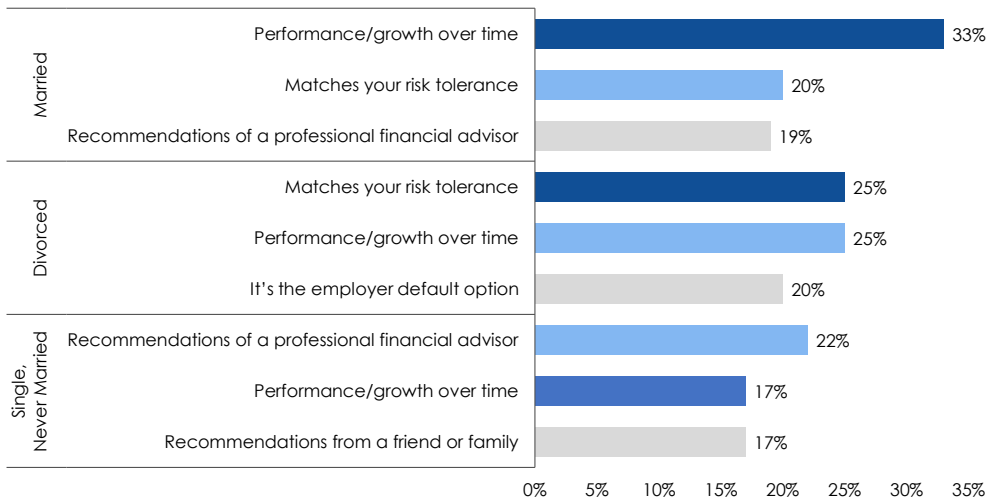
How well do you understand the following workplace retirement plan investment options?
 Employer offers a retirement savings plan



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 39
Top Three Factors Women Workplace Retirement Plan Participants Consider When Selecting Investment Options, by Marital Status

What factors do you consider when selecting investment options within your workplace retirement plan? Please select your top three factors.
 Currently contributing money to the retirement savings plan n=694

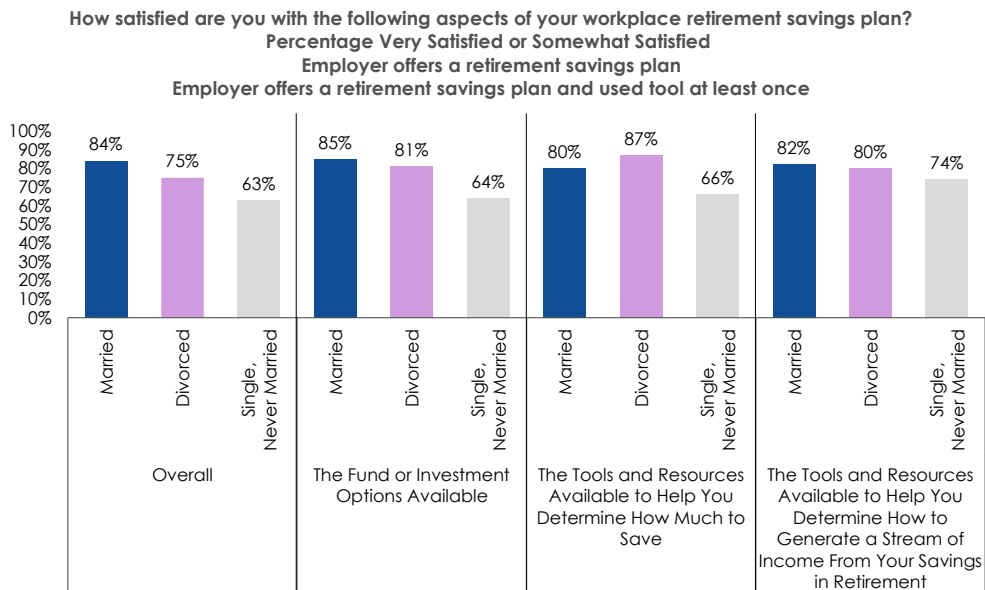


Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Eight in ten Americans who are offered a workplace plan say they are satisfied overall with the plan. However, single, never-married women are less likely to report that they are satisfied with the plan overall and in specific aspects of the plan (Figure 40). Married and divorced women offered a plan have similar levels of satisfaction with their plans overall and in specific aspects, with roughly 8 in 10 saying they are satisfied with each listed aspect.

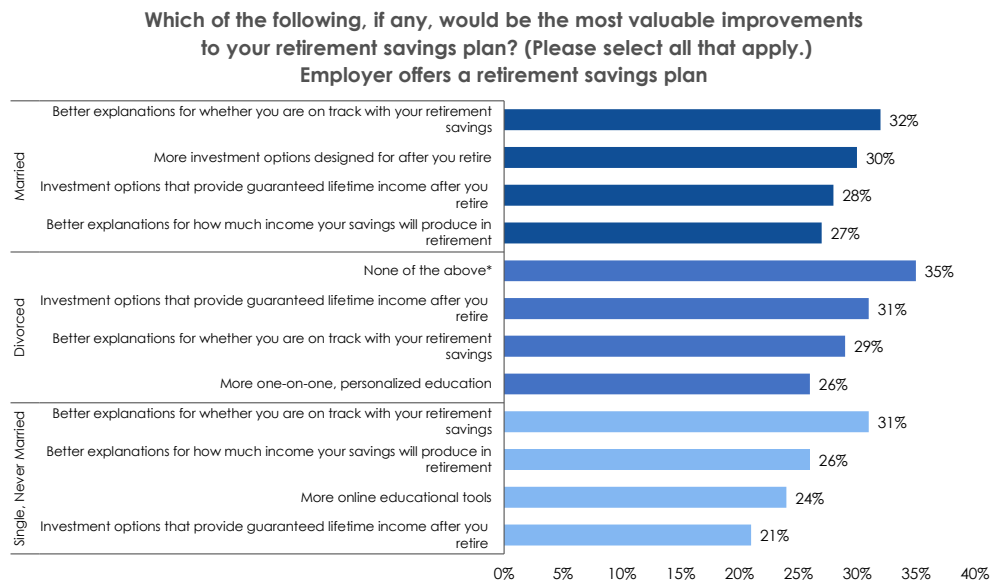
Those offered a plan are asked what they would consider to be the most valuable improvements to retirement savings plans. Women of each marital status who are offered these plans cite better explanations for how much income their savings will produce in retirement in their top four most valuable improvements to their workplace plan (Figure 41).¹⁰ Married and single, never-married women offered a plan have three of the same four in their top four improvements. In contrast, divorced women are most likely to say that none of the possible improvements are the most valuable, and they also cite more one-on-one, personalized education as a valuable improvement.

Figure 40
Percentage of Women Workplace Retirement Plan Participants Satisfied With Various Aspects of the Plan, by Marital Status



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 41
Top Four Most Valuable Improvements to Retirement Savings Plans, as
Ranked by Women Offered a Plan, by Marital Status



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Sources of Income in Retirement

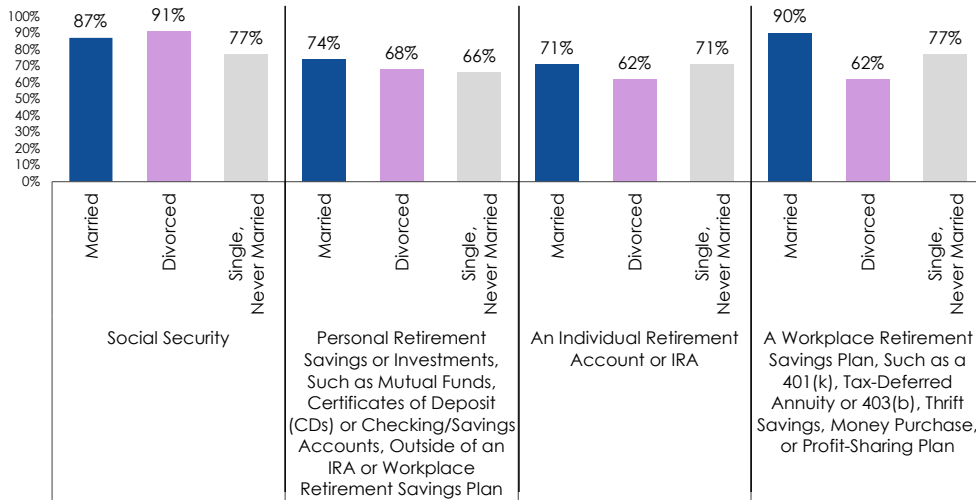
Nine in ten married and divorced women workers who plan to retire expect to receive Social Security income in retirement, but just below 8 in 10 single, never-married women workers who plan to retire expect to have Social Security as income (Figure 42). Approximately 70 percent of women workers expect to receive income from personal retirement savings or investments — such as mutual funds, certificates of deposit (CDs), or checking/savings accounts — and an individual retirement account (IRA) in retirement. Married women workers are more likely to expect income from a workplace retirement savings plan than both divorced and single, never-married women workers. Furthermore, single, never-married women workers are more likely to expect income in retirement from a product that guarantees monthly income for life, such as an annuity, and financial support from family or friends, including inheritances (Figure 42 (cont.)).

As for what sources of income retirees actually receive, over 9 in 10 women retirees, regardless of marital status, receive Social Security income (Figure 43). Married women retirees are more likely to receive income from personal retirement savings or investments (such as mutual funds, certificates of deposit (CDs), or checking/savings accounts), IRAs, and workplace retirement savings plans. In addition, married women retirees are more likely to receive income from a product that guarantees monthly income for life, such as an annuity, while divorced women retirees are more likely to receive financial support from family or friends, including inheritances (Figure 43 (cont.)).

Married women workers are less likely to expect to work for pay after they retire than single, never-married women workers, and divorced retirees are more likely to have worked for pay in retirement than married and widowed retirees (Figure 44). Yet, retirees of each marital status are much less likely to have worked for pay in retirement than are women workers of each marital status likely to expect to do so.

Figure 42
Extent of Expected Sources of Retirement Income
(Net Major/Minor Source) of Women Workers, by Marital Status

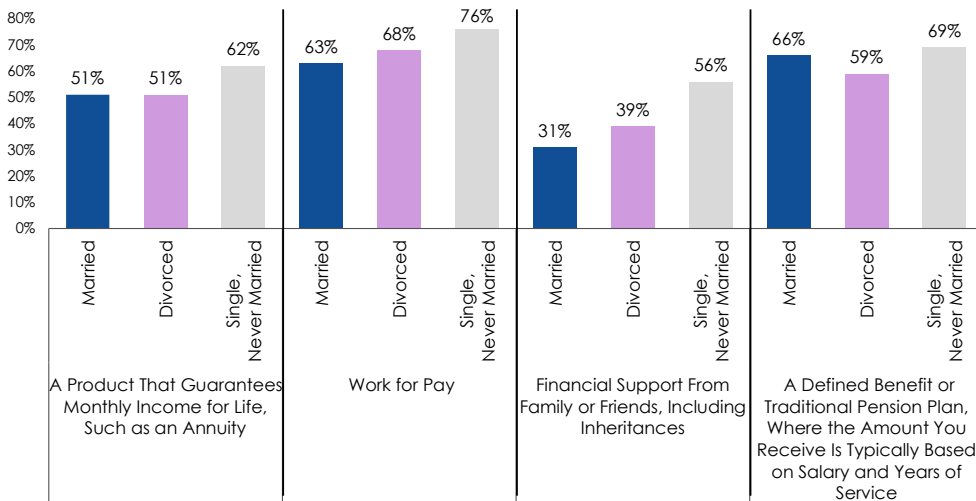
To what extent do you expect each of the following to be a source of income in retirement? Net Major/Minor Source (Plan to retire)



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

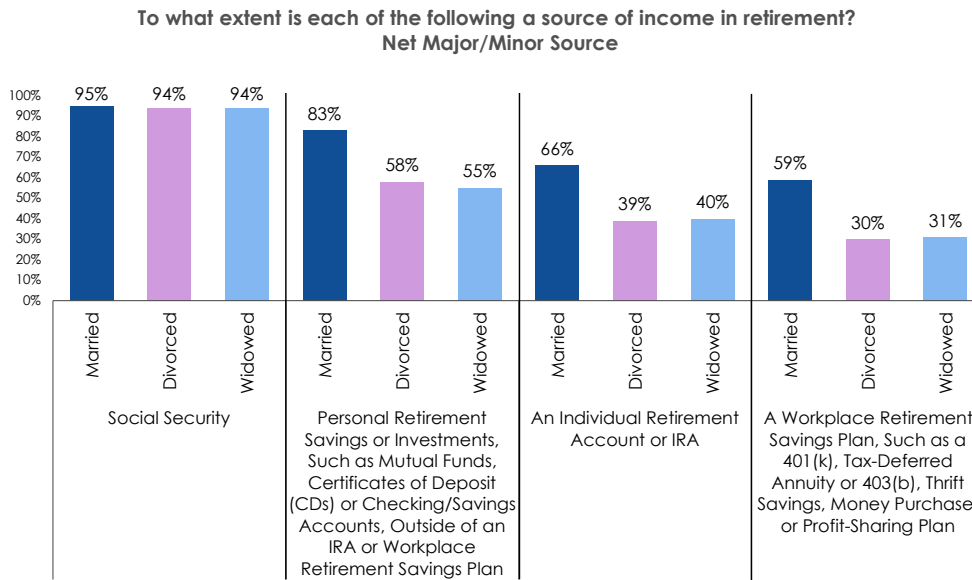
Figure 42 (cont.)
Extent of Expected Sources of Retirement Income
(Net Major/Minor Source) of Women Workers, by Marital Status

To what extent do you expect each of the following to be a source of income in retirement? Net Major/Minor Source (Plan to retire)



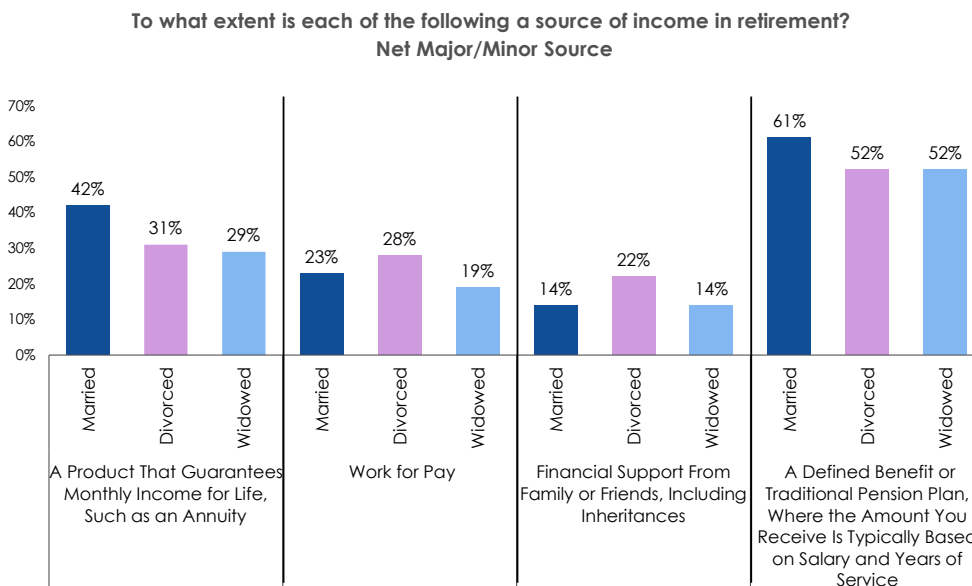
Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 43
Extent of Current Sources of Income (Net Major/Minor Source)
of Women Retirees, by Marital Status



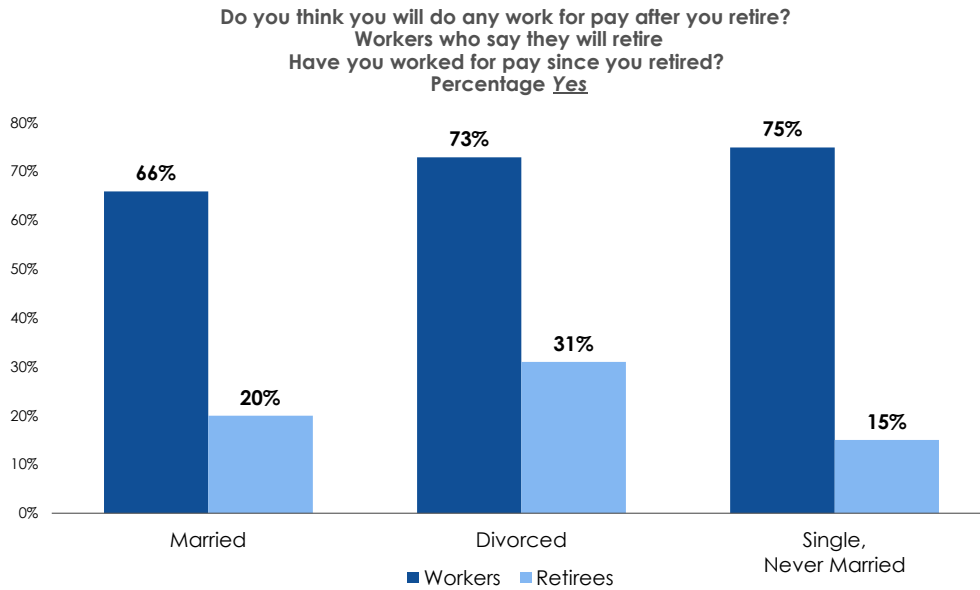
Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 43 (cont.)
Extent of Current Sources of Income (Net Major/Minor Source)
of Women Retirees, by Marital Status



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 44
Women Workers' Expectations About Working After Retirement vs. Women Retirees Actually Doing So, by Marital Status

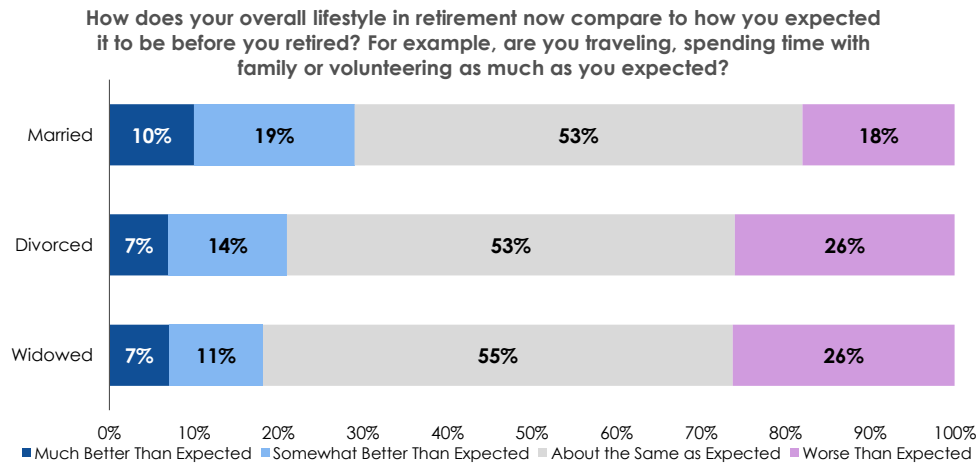


Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Retiree Expectations and Experiences

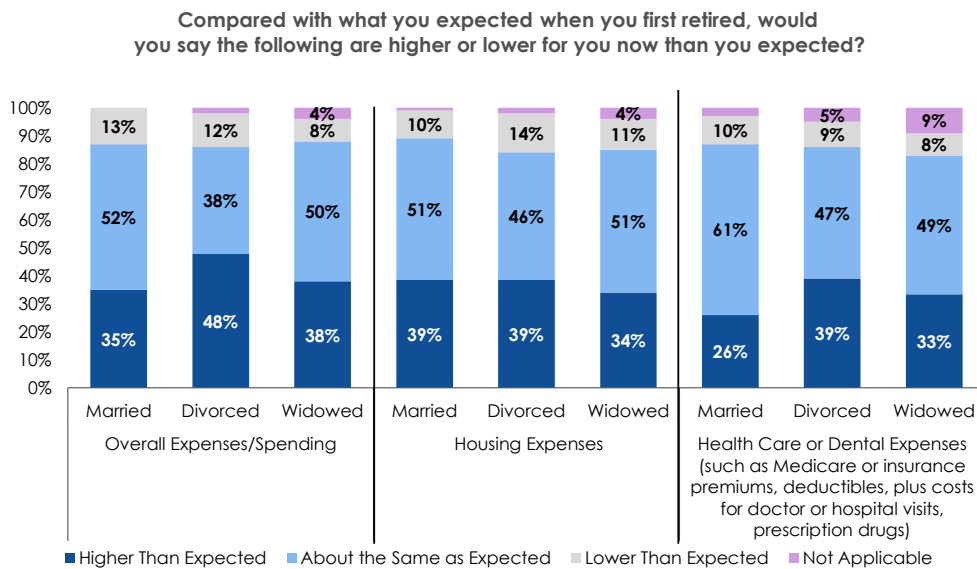
When asked how their overall lifestyle in retirement now compares to how they expected it to be before they retired, a majority of women retirees say their lifestyle is about the same as they expected (Figure 45). However, married women retirees are more likely to say their lifestyle is better than expected, while divorced and widowed women retirees are more likely to say their lifestyle is worse than expected. When asked about expectations of specific expense categories, only expectations about housing and health care expenses differ between the marital statuses (Figure 46). Divorced women retirees are more likely to say that housing expenses are higher than expected than married and widowed women retirees, and divorced women retirees are also more likely to say that health care expenses are higher than expected than married women retirees.

Figure 45
How Do Women Retirees' Lifestyles Compare With What Was Expected Before Retirement, by Marital Status



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Figure 46
Expected Spending vs. Actual Spending of Women Retirees,
by Marital Status



Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.

Conclusion

Unmarried (single, never married; divorced; and widowed) women workers have lower levels of confidence than married workers. However, unmarried women workers are more likely to have lower incomes and assets, which is strongly correlated with lower confidence, and divorce is generally expensive and creates two households instead of one, forcing divorcees to potentially face more current financial challenges than when married. In addition to the lower incomes and assets, unmarried women workers are less likely to have done a retirement needs calculation or use a professional financial advisor. Furthermore, common information sources are more likely not to be used by unmarried women workers. Consequently, unmarried women workers are not finding financial information from work or financial companies in general as helpful or appealing as married workers are.

Unmarried retirees also are facing challenges in retirement. They are more likely to have low levels of savings, their expenses are higher than they expected when first retiring, and they are more likely to have retired earlier than planned.

The survey results show that women in differing situations could benefit from receiving more specialized information and assistance with retirement preparations and everyday financial issues, such as emergency savings. The approaches currently being used do not appear to be as effective for many unmarried women workers. Employers may want to develop new targeted messages, methods, or materials to better reach these women to increase the chances of them having a financially successful retirement. Help from the financial sector in general could also be beneficial, as many of the unmarried women do not know where to go for help for good financial advice. Financial sector companies could develop more/better relationships with women by having a diverse population of advisors, as single, never-married women, who are typically younger, are looking for advisors who are similar to them.

Appendix: Methodology

The Retirement Confidence Survey, in its 32nd year in 2022, is the longest-running survey of its kind, measuring worker and retiree confidence about retirement, and is conducted annually by the Employee Benefit Research Institute (EBRI) and Greenwald Research. The 2022 survey of 2,677 Americans was conducted online January 4 through January 26, 2022. All respondents were ages 25 or older. The survey included 1,545 workers and 1,132 retirees.

Data are weighted by age, sex, household income, and race/ethnicity, so that the results are nationally representative. The margin of error would be ± 2.5 percentage points for workers and ± 3.0 for retirees in a similarly sized random sample.

Please note percentages in the figures may not total to 100 percent due to rounding and/or missing categories.

Endnotes

¹ See the appendix of this study for the survey details. Also see the 2022 Retirement Confidence Survey, April 2022, at <https://www.ebri.org/docs/default-source/rcs/2022-rcs/2022-rcs-summary-report.pdf> and the associated fact sheets at <https://www.ebri.org/retirement/retirement-confidence-survey> for specific results from the 2022 survey.

² A previous *EBRI Issue Brief* examined findings from the 2020 RCS by marital status: Copeland, Craig, "Retirement Confidence Survey: Attitudes Toward Retirement by Women of Different Marital Statuses," *EBRI Issue Brief*, no. 507 (Employee Benefit Research Institute, June 8, 2020).

³ For those married, many of the questions use the modifier "you (and your spouse)." Therefore, some of the responses could be because of collective knowledge, understanding, or belief as opposed to just the respondents' feelings. There is not a way to discern which is a collective belief vs. singular belief on these questions for those married.

⁴ Sarah Flood, Miriam King, Renae Rodgers, Steven Ruggles, J. Robert Warren and Michael Westberry. Integrated Public Use Microdata Series, Current Population Survey: Version 9.0 [dataset]. Minneapolis, MN: IPUMS, 2021. <https://doi.org/10.18128/D030.V9.0>, and U.S. Census Bureau. Public Use File, Household Pulse Survey: Phase 3.2, Week 37 (September 1–13, 2021). Washington, DC: accessed via site <https://www.census.gov/programs-surveys/household-pulse-survey/datasets.html>

⁵ Assets in this figure do not include the value of their homes or any defined benefit plan assets.

⁶ The priorities offered as choices were saving and investing for retirement; planning for future health and long-term care needs; developing a strategy for drawing income in retirement; creating a will, trust, or estate plan; being able to leave an inheritance to your children or other family members; developing a strategy for reducing debt; purchasing a home; saving for a child's education; purchasing life insurance; starting a business; planning for charitable giving; establishing/growing a family through adoption or having children; finding/engaging a personal financial advisor; and other.

⁷ The sources offered as choices were online resources and research you do on your own; family and friends; a personal, professional financial advisor; your employer or information you receive at work; representatives from your workplace retirement plan provider; online advice or advisors that provide guidance based on formulas; financial experts or gurus in the media; libraries or community centers; church/religious centers or leaders; social media posts by financial or community groups, companies, or influencers; social media posts by friends or family; online communities that focus on serving a specific group or community; non-profit organizations that focus on serving a specific group or community; other; and none of these.

⁸ Unsurprisingly, those with a retirement plan are more likely to be confident in their retirement prospects.

⁹ The factors offered as choices in the survey were performance/growth over time; matches your risk tolerance; fees; recommendations of a professional financial advisor; easy investment that adjusts for you based on age or risk tolerance; investment matches a well-known index; investments are selected for me by an account manager or tool based on input I provide; recommendations from a friend or family; investment is designed to provide a stream of income in retirement; it's the employer default option; investment is actively managed by a fund manager; recognize/know the name of fund/investment

company; I didn't select my investment options; matches your views on social and environmental causes; other; and none of these.

¹⁰ The list of potential improvements offered as choices were as follows: better explanations for how much income your savings will produce in retirement; investment options that provide guaranteed lifetime income after you retire; more fund or investment options available; better explanations for whether you are on track with your retirement savings; more one-on-one, personalized education; more online educational tools; more investment options designed for after you retire; more environmentally or socially responsible investment options available (ESG); fewer investment options available; one-on-one assistance in consolidating other retirement savings balances into your current plan; ability to invest in cryptocurrency (Bitcoin, Ethereum, Binance Coin, etc.); other; and none of the above.

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