What are workers looking to do with their savings in retirement? Do they value income stability over maintaining assets? Do workers want to manage their own assets or purchase a product that provides guaranteed income for life? The 32nd annual Retirement Confidence Survey (RCS) examined these important topics on what workers are looking to do with their retirement savings and how they are anticipating generating or managing their income in retirement.

**Most Valuable Improvements to Workplace Retirement Plans**

Among workers offered a retirement savings plan, three of the top four choices they say they would value the most in their retirement savings plans deal with the provision or understanding of income after retirement (Figure 1). The top two improvements selected are better explanations for how much income their savings will produce in retirement and investment options that provide guaranteed lifetime income (28 percent each). Also, 26 percent cite more investment options designed for after they retire. The other possible improvement in the top four, better explanations for whether they are on track with their retirement savings (27 percent), is an improvement not directly for after retirement. However, it does help those offered a plan understand whether they are on the path to a desired income level in retirement. The same top three improvements (better explanations for how much income your savings will produce in retirement, investment options that provide guaranteed lifetime income, and more investment options designed for after they retire) emerge for those ages 25–34 and ages 55 or older.

![Figure 1: Most Valuable Improvements to Retirement Savings Plans](image-url)
What Will Happen to Workplace Savings After Retirement

When workers who are currently contributing to a workplace retirement savings plan are asked what they are most likely to do with their money when they retire, the most often cited choice, at 40 percent, is that they will roll it into an individual retirement account (IRA) (Figure 2). The next three most selected choices all have similar percentages of likely action: keep the money in their workplace retirement savings plan (28 percent), cash it out and put it into another investment or savings account (24 percent), and purchase a product that guarantees monthly income for life (23 percent). Just 12 percent say they will cash it out and spend it.

Those ages 25–34 are more likely than those ages 55 or older to say they will cash it out and put it into another investment or savings account, purchase a product that guarantees monthly income for life, and cash it out and spend it than those ages 55 or older. Saying they will roll it over to an IRA is more likely among those ages 55 or older vs. those ages 25–34. In addition, those having incomes of $35,000 or more are more likely to say they will roll over their retirement savings to an IRA compared with those having incomes below $35,000.

Figure 2
What Will Participants Do With Their Retirement Plan Savings When They Retire

When you retire, you will have a choice about what to do with the money you have in your workplace retirement savings plan. Which of the following are you most likely to do with the money in your retirement savings plan when you retire? Select all that apply.

Workers currently contributing to a workplace retirement savings plan n=675

- Roll it into an IRA (Individual Retirement Account) 40%
- Keep the money in your workplace retirement savings plan 28%
- Cash it out and put it into another investment or savings account 24%
- Purchase a product that guarantees monthly income for life 23%
- Cash it out and spend it 12%
- Don't know 13%

Source: Employee Benefit Research Institute and Greenwald Research 2022 Retirement Confidence Survey.
Confidence in Knowing How Much to Withdraw From Savings

Seven in ten (72 percent) workers feel somewhat or very confident in knowing how much to withdraw from their retirement savings and investments in retirement (Figure 3). This is not statistically different by age. However, those with incomes of less than $35,000 are less likely to be confident in knowing how much to withdraw compared with those with incomes of $35,000 or more. This is also true for those with incomes of $35,000 to less than $75,000 vs. those with incomes of $75,000 or more.

Income Stability vs. Maintaining Wealth

Seventy percent of workers say that income stability is more important to them than maintaining wealth when asked to compare these options (Figure 4). Those ages 35–44 are more likely to say that income stability is more important vs. those ages 55 or older. Furthermore, those with incomes below $75,000 are more likely to say that income stability is more important than those with incomes of $75,000 or more. Similarly, those who have not saved for retirement have higher likelihoods of saying income stability is more important compared with those who have saved for retirement.
Managing Savings vs. Purchasing a Lifetime Income Product

Another question in RCS that explores what workers are thinking about doing with their assets in retirement is which approach that they would take between managing their own savings throughout retirement vs. purchasing a product that provides guaranteed income for life. Thirty-seven percent of workers say they are likely to manage their own savings vs. 28 percent who say they are likely to purchase a product that guarantees a set amount of monthly income for life (exact wording in Figure 5). Another 26 percent would take a combination of these approaches. Of those saying they would take a combination of the approaches, the assets they would use for each approach was nearly 50/50 (on average, 53 percent for option 1 and 47 percent for option 2).

Workers ages 55 or older are less likely to say they would purchase a product that provides guaranteed income for life than workers younger than age 55. In addition, workers with incomes of $75,000 or more are more likely to say that they will manage their savings vs. those with incomes below $35,000. Those who have ever saved or are currently saving are also more likely to say they will manage their savings in retirement than those who have not ever saved or are not currently saving for retirement.
Conclusions

It is clear that workers are looking for strategies on how to handle their savings when they retire. While the majority of workers say they are confident they know how much they need to withdraw from their retirement savings in retirement, many are seeking income stability in retirement. Some workers would prefer to manage their assets in retirement, but some would prefer to have guaranteed income in retirement. Correspondingly, those offered a retirement plan say that many of the most valuable improvements to workplace retirement savings plans would be things that would help them after retirement, particularly when the majority of those having workplace savings plans expect to take their savings out of them through a rollover or cashing out. Older workers and workers with higher incomes are more likely to say that they will manage their money in retirement, while those with lower incomes and those who are younger are more likely to say they are looking for guaranteed lifetime products and income stability.

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