



# 2024 Retirement Confidence Survey: Results and Insights

June 25, 2024

# Speakers



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**EBRI and Greenwald would like to thank the 2024 RCS sponsors who helped shape this year's survey.**

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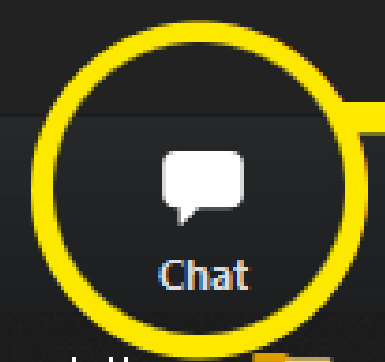


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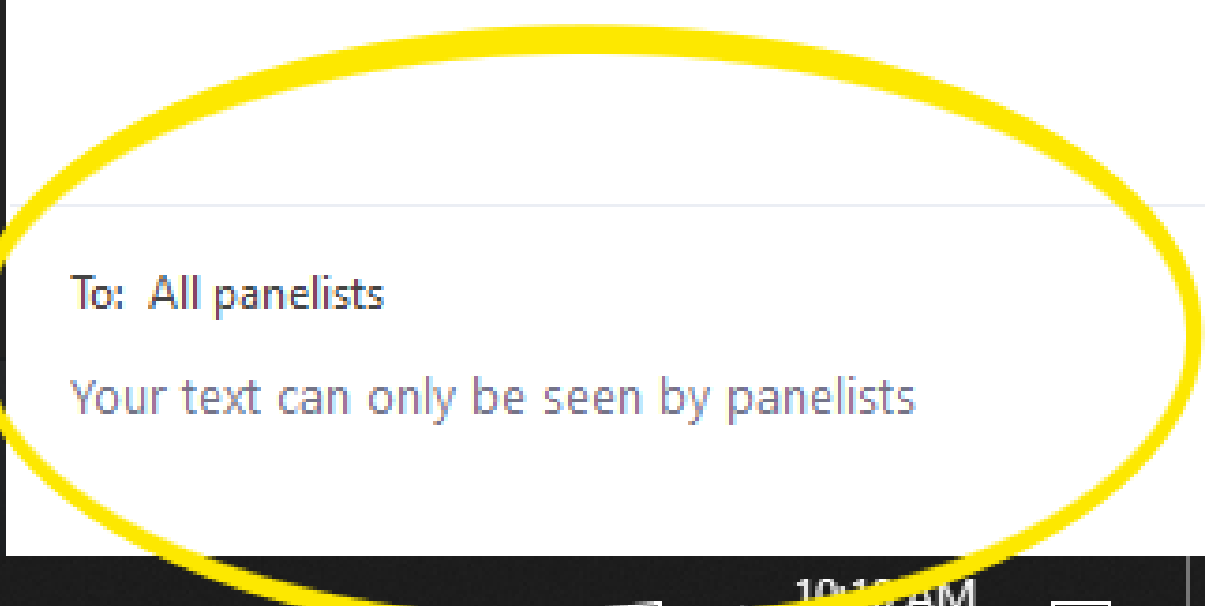
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# 2024 RCS Overview

## 34<sup>th</sup> Annual Retirement Confidence Survey (RCS)

The RCS is the longest-running survey of its kind, measuring worker and retiree confidence about retirement, and is conducted by the Employee Benefit Research Institute (EBRI) and Greenwald Research.

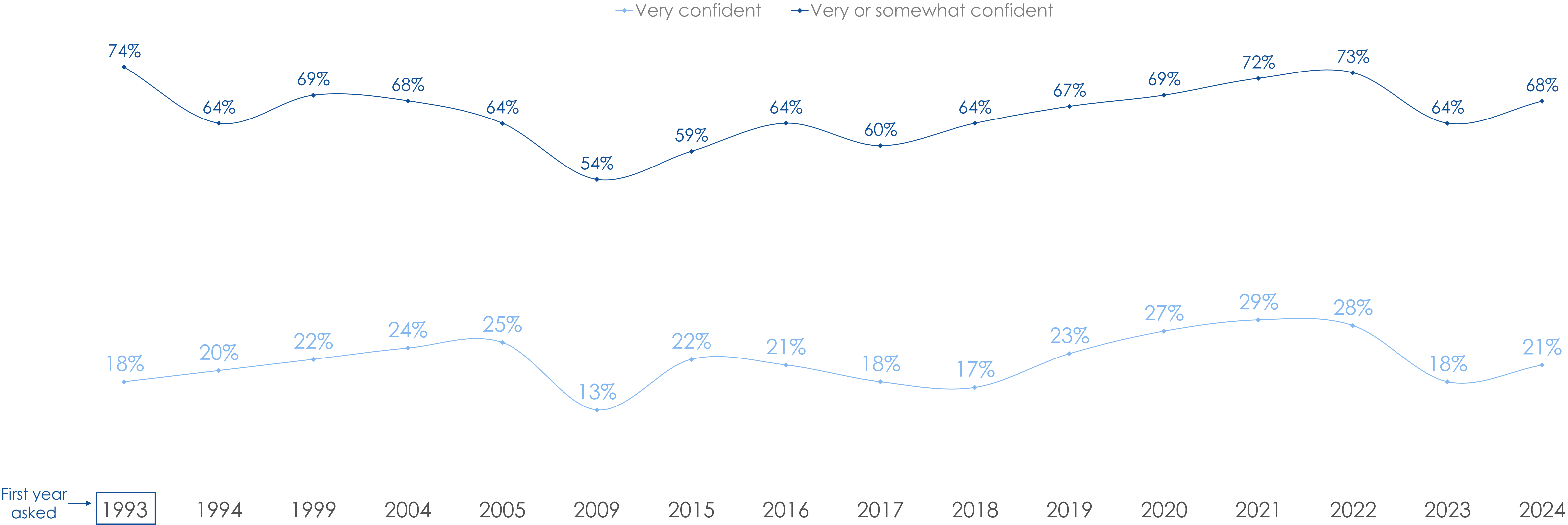
The 2024 survey of 2,521 Americans was conducted online January 2 through January 31, 2024. All respondents were age 25 or older. The survey included 1,255 workers and 1,266 retirees – this year included an oversample of 721 completed surveys among military individuals (298 workers and 423 retirees).

Data were weighted by age, sex, military status, household income and race/ethnicity. Unweighted sample sizes are noted on charts to provide information for margin of error estimates. The margin of error would be  $\pm 2.8$  percentage points for workers,  $\pm 2.8$  retirees, and  $\pm 3.7$  for military respondents in a similarly-sized random sample.

# Retirement Confidence

While confidence has risen slightly, still just 2 in 10 workers are very confident in having enough money to live comfortably in retirement.

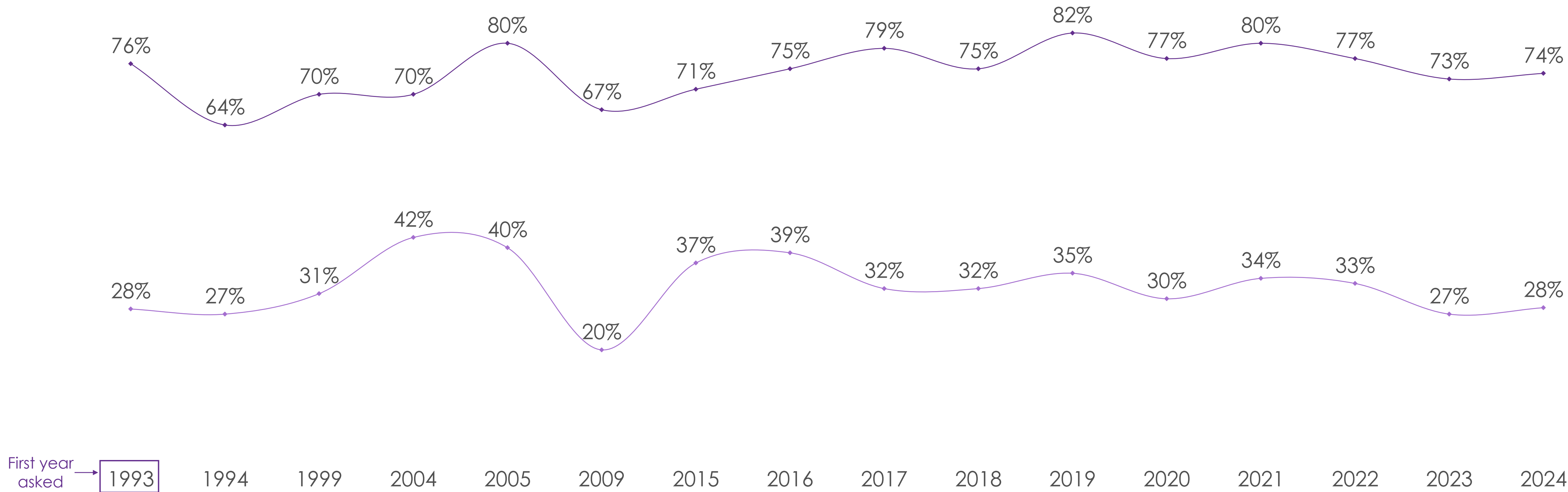
Worker Confidence in Having Enough Money in Retirement  
(2024 Workers n=1,255)



# Comparable to last year, about three-quarters of retirees are confident in having enough money to live comfortably in retirement.

Retiree Confidence in Having Enough Money in Retirement  
(2024 Retirees n=1,266)

Very confident    Very or somewhat confident

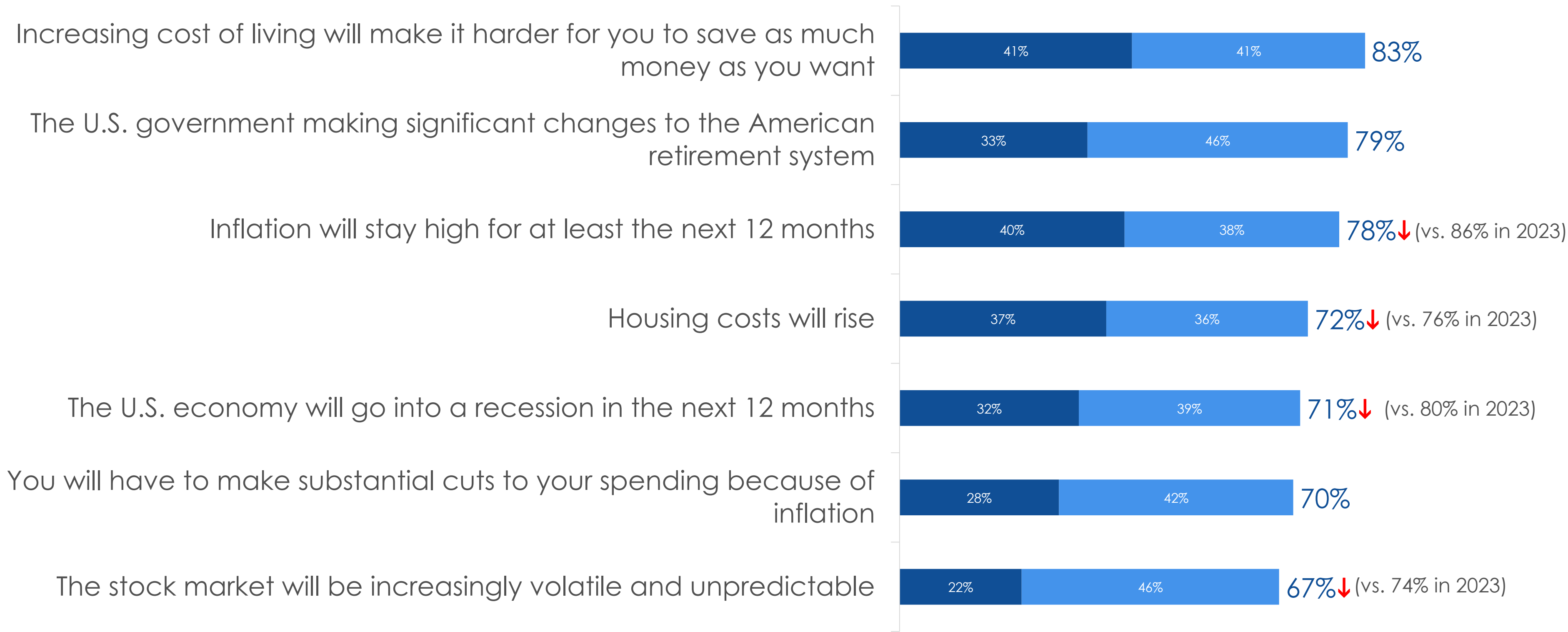




83% of workers are concerned that the increasing cost of living will make it harder to save as much as they want. Down from last year, 78% are concerned inflation will stay high.

Workers' Concern Surrounding Scenarios Impacting Retirement  
(2024 Workers n=1,255)

Very concerned      Somewhat concerned

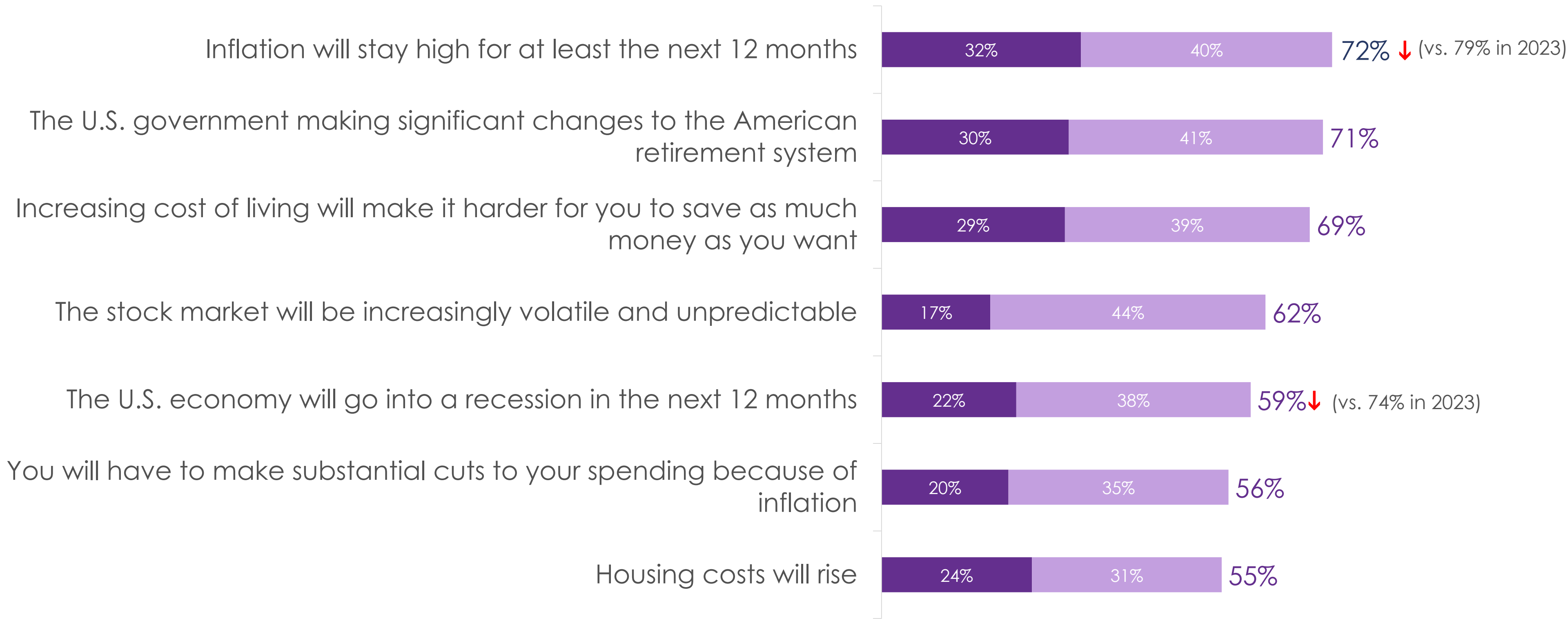


↑=Significantly higher than previous year, ↓=significantly lower than previous year

Although down from last year, 7 in 10 retirees are concerned inflation will remain high and 6 in 10 are concerned the economy will go into a recession in the next year.

Retirees' Concern Surrounding Scenarios Impacting Retirement  
(2024 Retirees n=1,266)

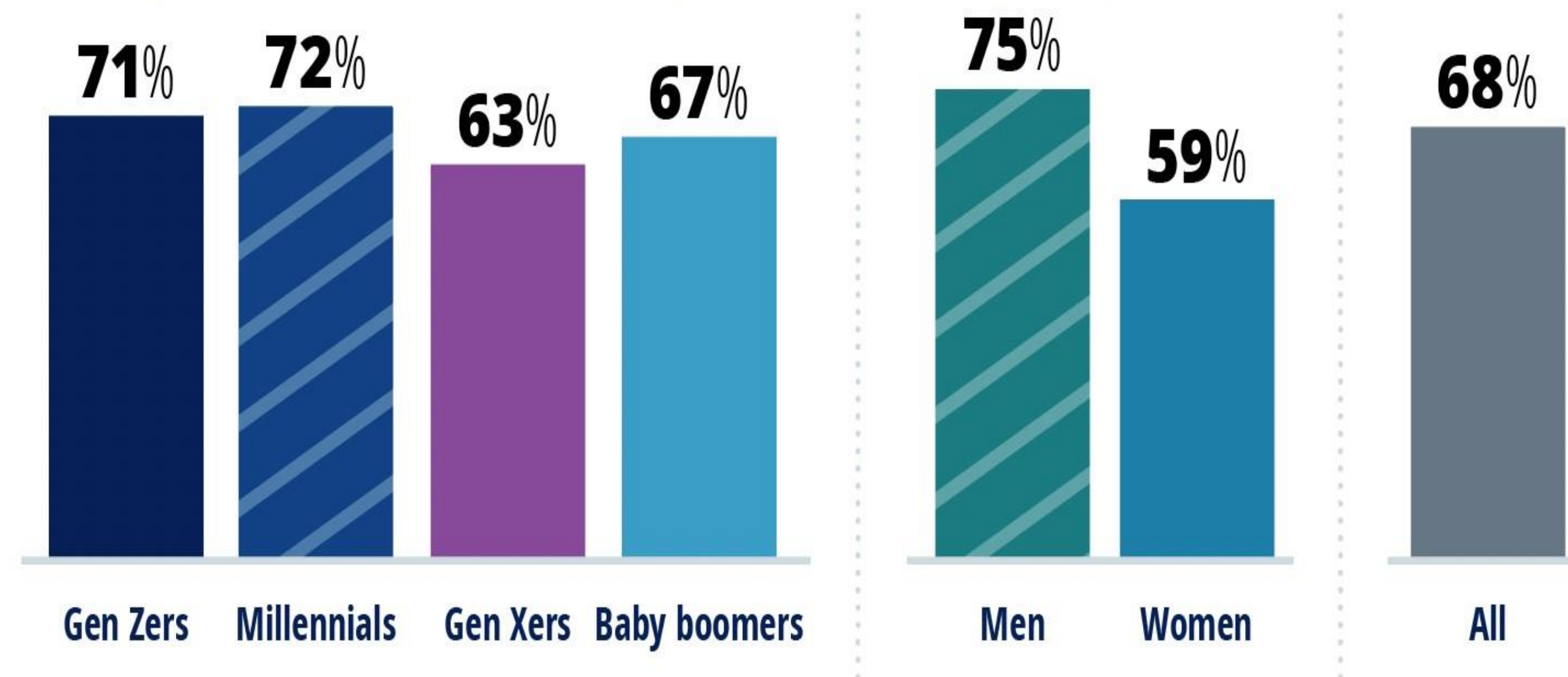
Very concerned      Somewhat concerned



↑=Significantly higher than previous year, ↓=significantly lower than previous year

# Americans confident about their retirement readiness

Working Americans' confidence they will be financially ready for retirement



Overall, **68%** of working Americans are confident they will be financially ready for retirement

A sense of retirement confidence is shared across generations, with younger generations feeling slightly more confident

Women's retirement confidence trails men's

Source: Empower, Empowering America's Financial Journey, 2023.

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I'm so happy to be here.

## What does financial happiness mean to Americans in a word?

## Freedom was the #1 definition.

Being debt-free, money, and security followed closely.

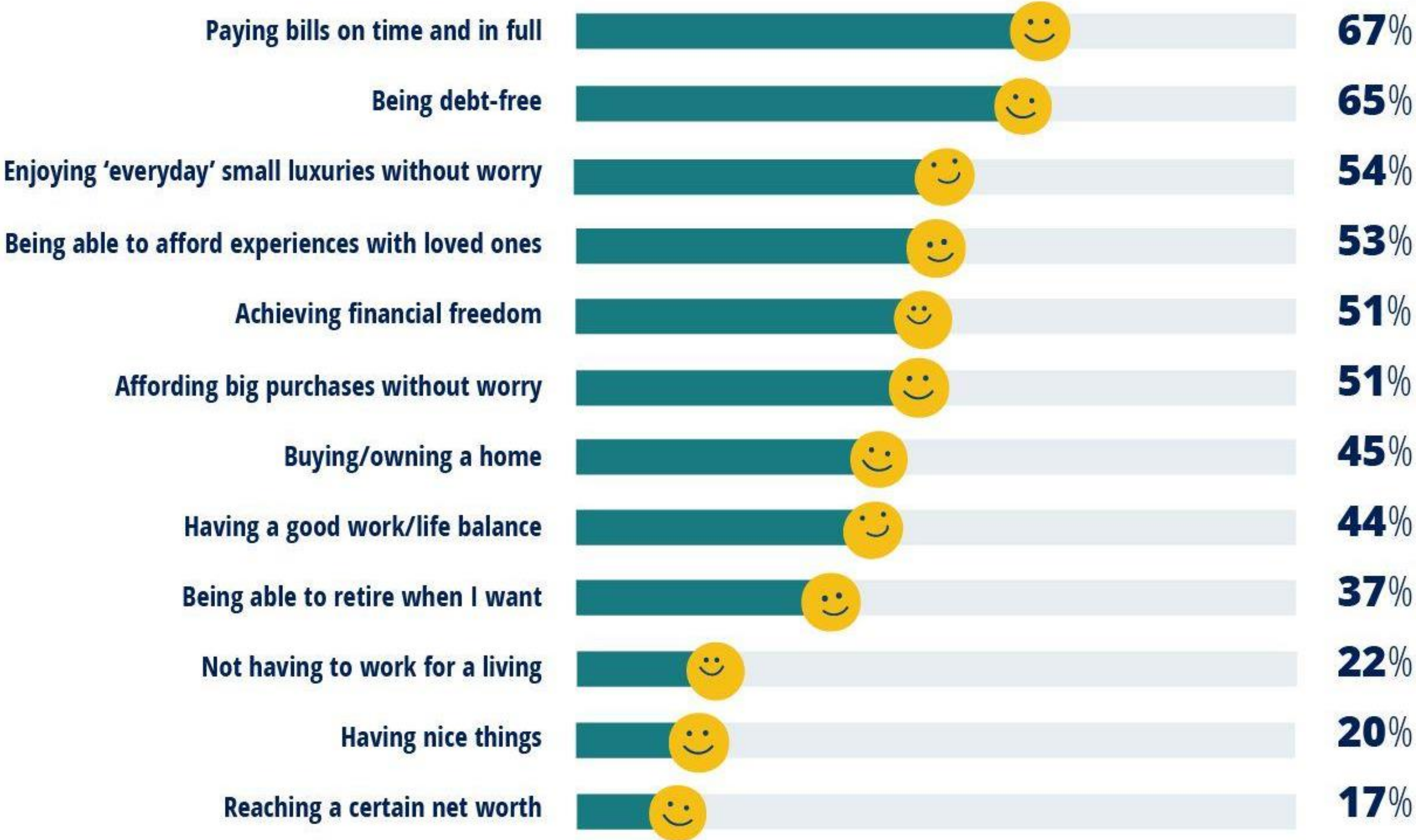


Q: When you think of financial happiness, what's the first word or phrase that comes to mind?

Empower Financial Happiness 2023.



# Defining Financial Happiness



Q: What does financial happiness mean to you? Empower Financial Happiness 2023.



**67%** Paying bills on time



**65%** Being debt-free



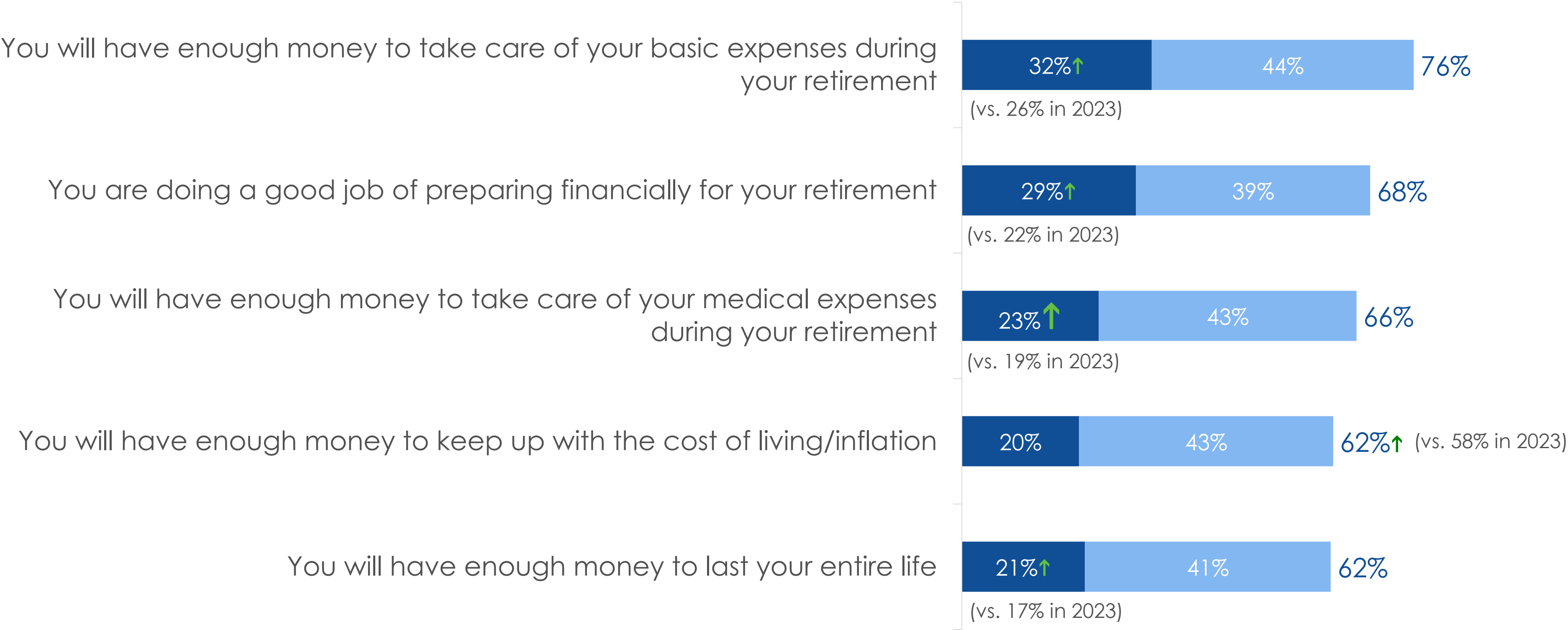
**54%** Enjoying small luxuries

# Other Aspects of Confidence

# Workers remain confident in having enough to cover basic expenses. Additionally, their confidence in having enough to keep up with inflation has increased.

## Worker Confidence Surrounding Retirement (2024 Workers n=1,255)

■ Very confident   ■ Somewhat confident

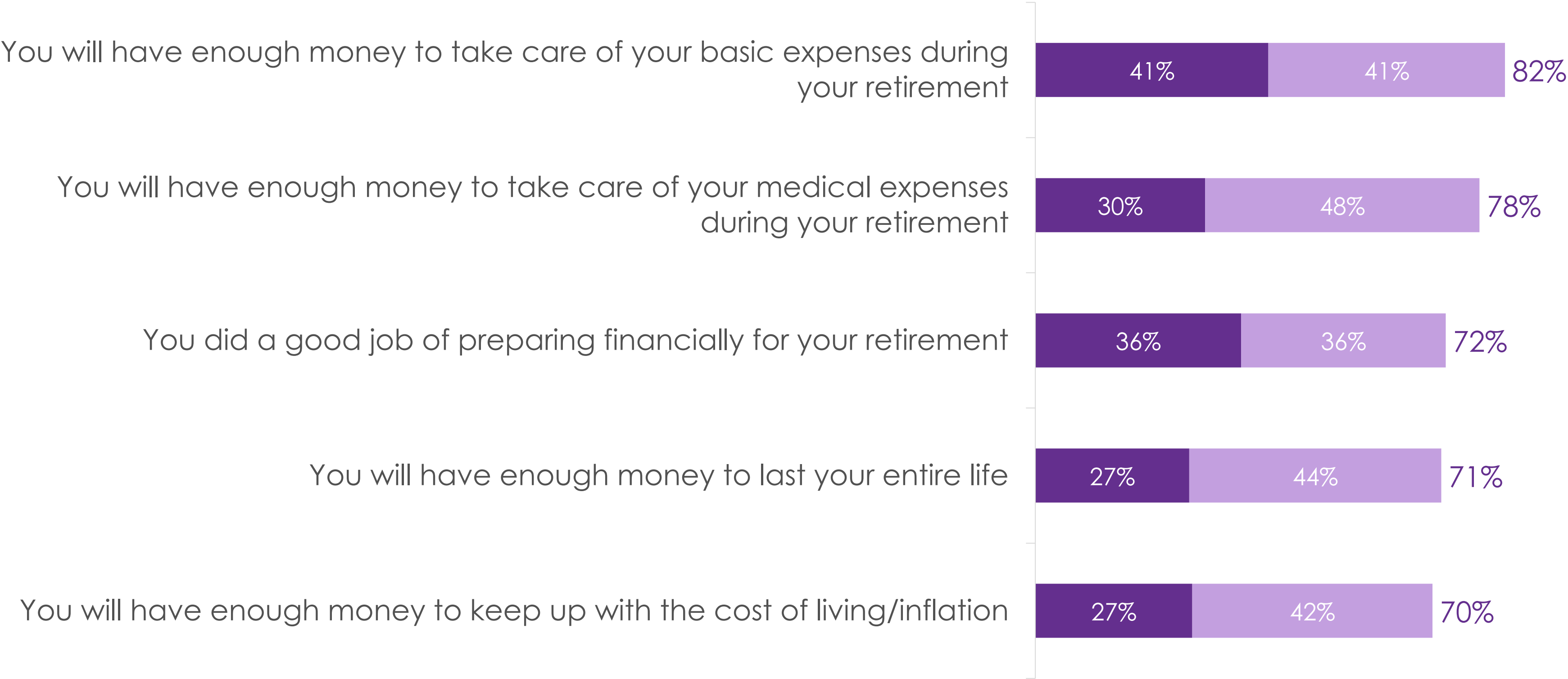


↑=Significantly higher than previous year, ↓=significantly lower than previous year

# Retirees' confidence surrounding their finances in retirement remains consistent with 2023. Specifically, 4 in 5 retirees are confident in having enough to cover their basic expenses.

Retiree Confidence Surrounding Retirement  
(2024 Retirees n=1,266)

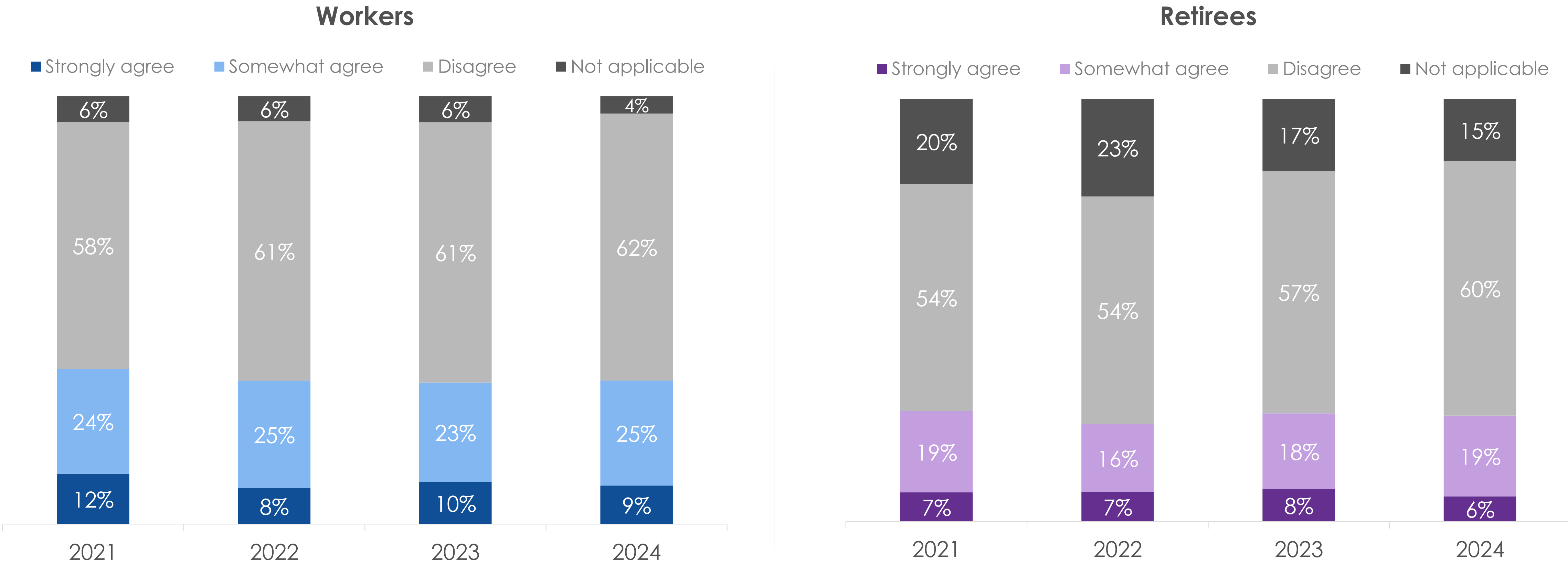
■ Very confident ■ Somewhat confident





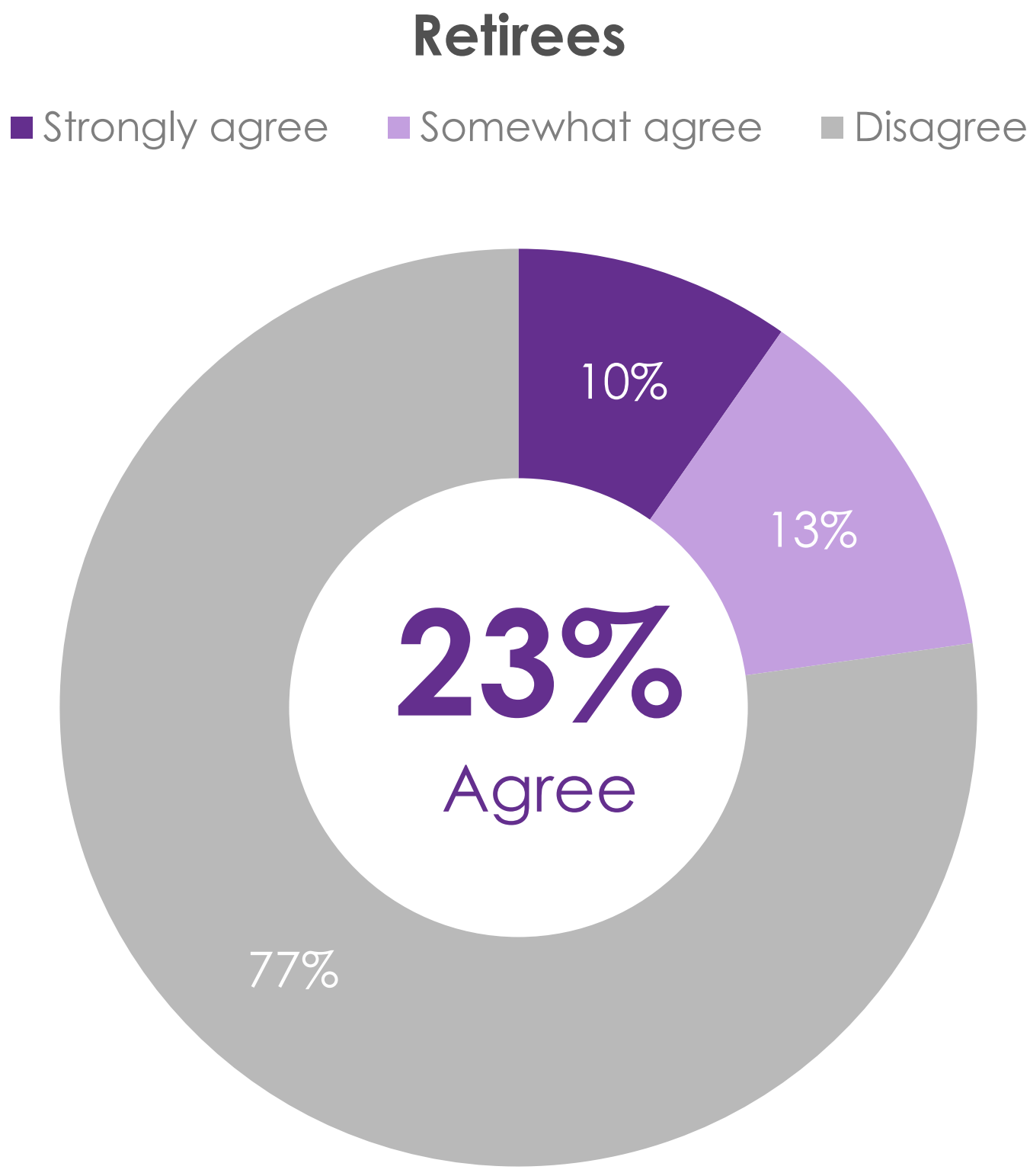
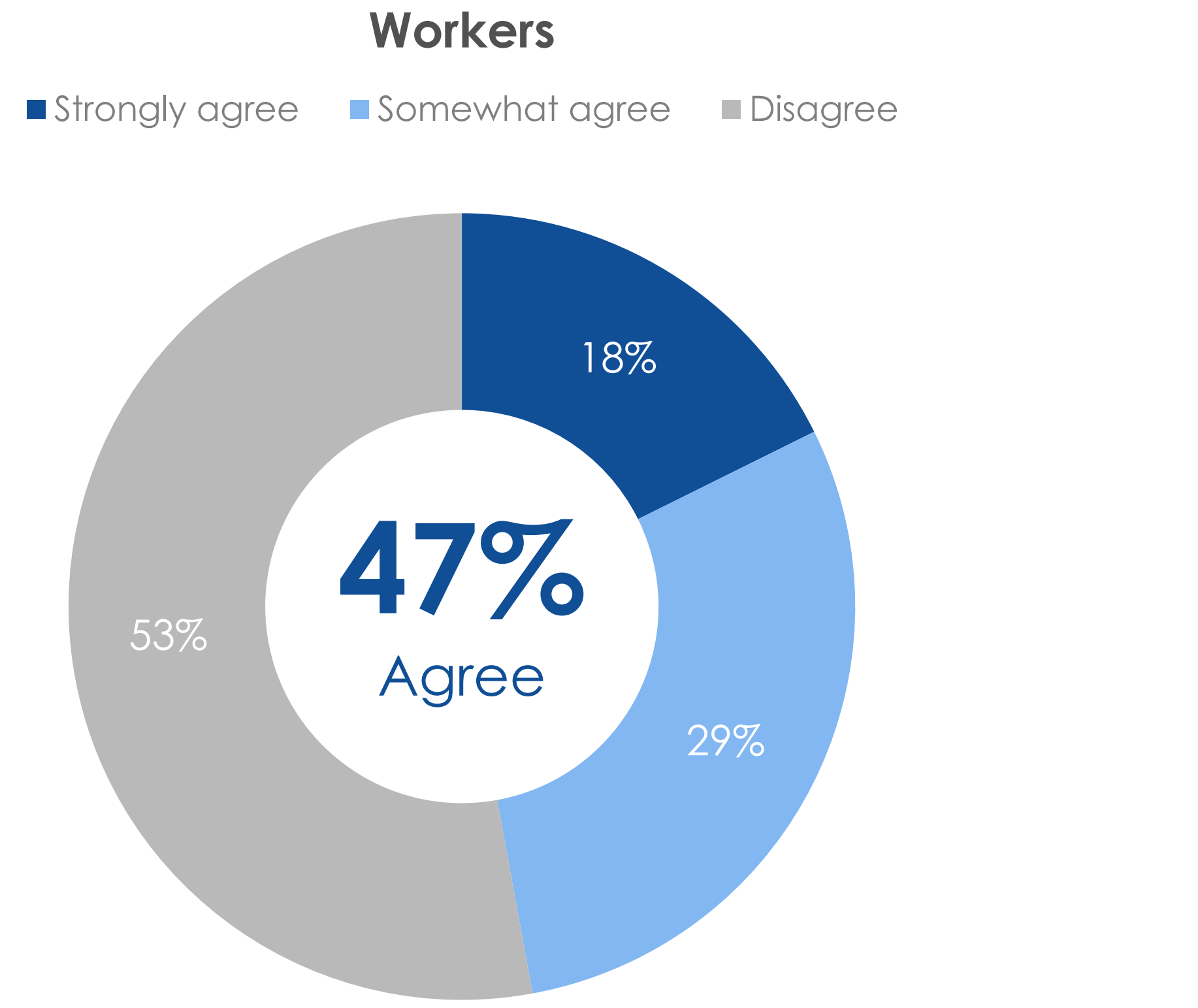
One-third of workers agree saving for retirement is not a priority relative to their other needs. Significantly fewer retirees, only a quarter, agree with this statement.

Retirement Savings is Not a Priority Relative to Current Family Needs  
(2024 Workers n=1,255; 2024 Retirees n=1,266)



Consistent with last year, nearly half of workers and fewer than a quarter of retirees agree their debt negatively impacts their ability to save for/live in retirement.

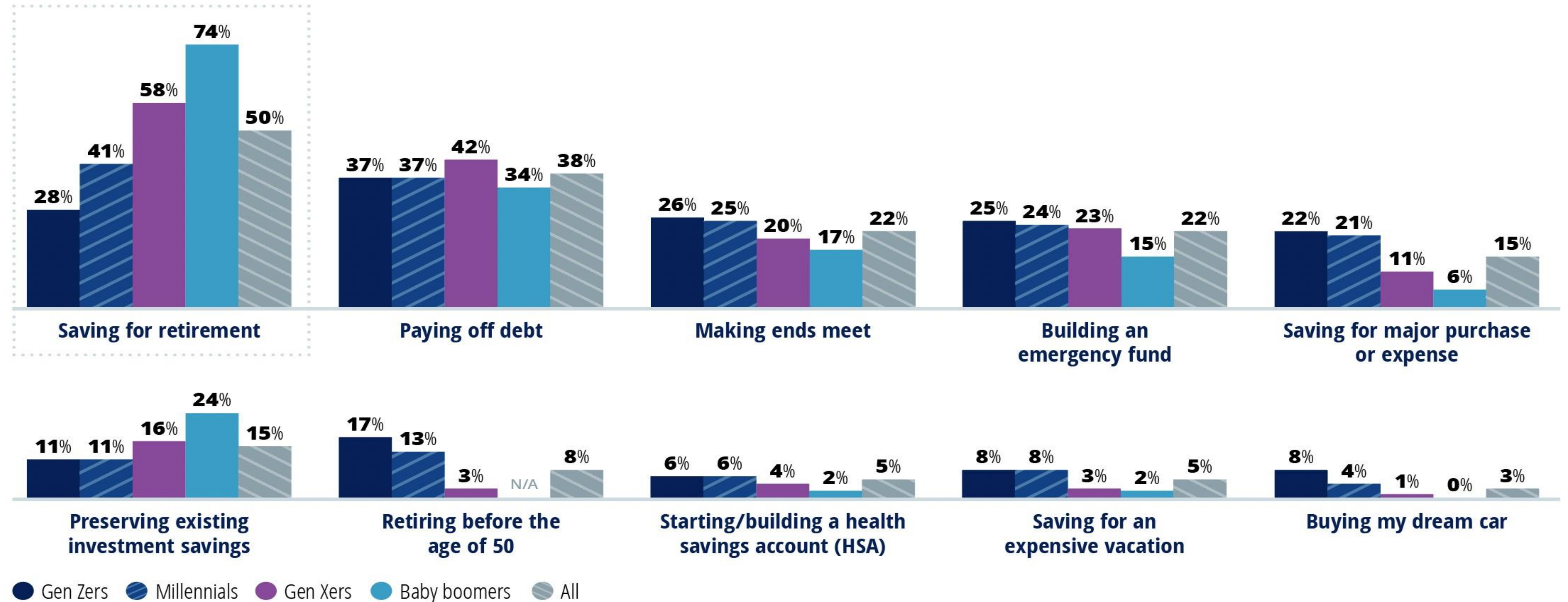
Debt Negatively Impacts Ability to Save for/Live in Retirement  
(2024 Workers n=1,255; Retirees n=1,266)



# Financial priorities vary across generations

## Top financial goals of working Americans

Respondents were asked to select their top two financial goals.



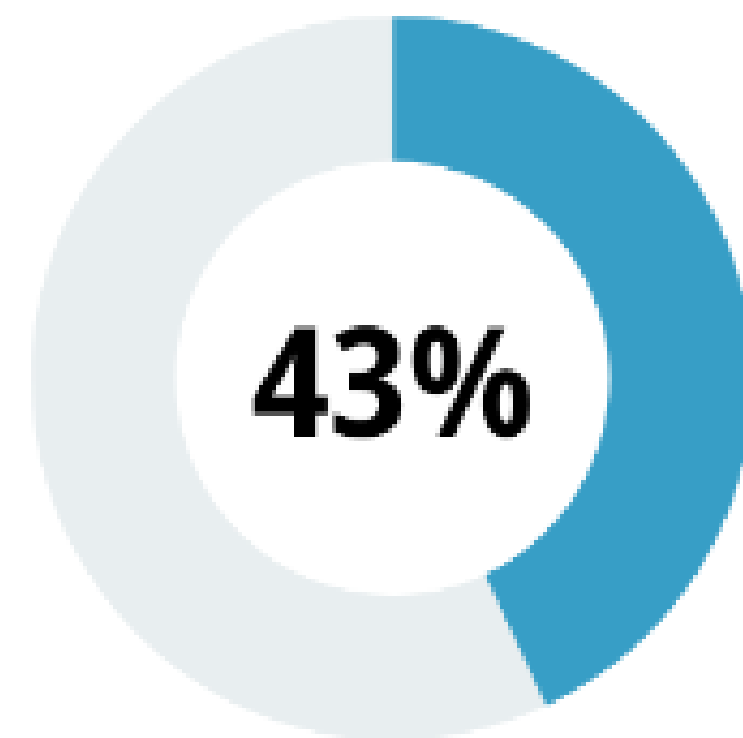
Source: Empower, Empowering America's Financial Journey, 2023.

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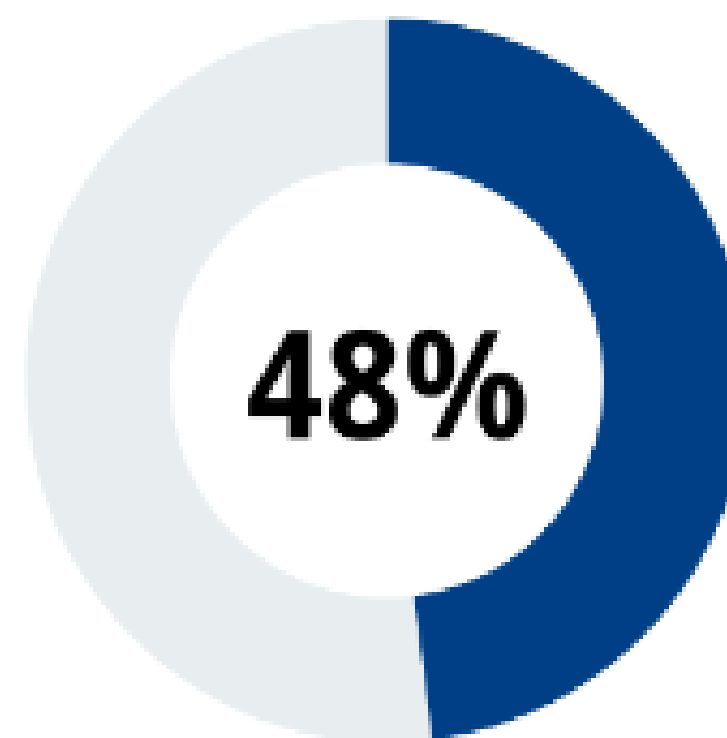
# Clocking out and cashing in



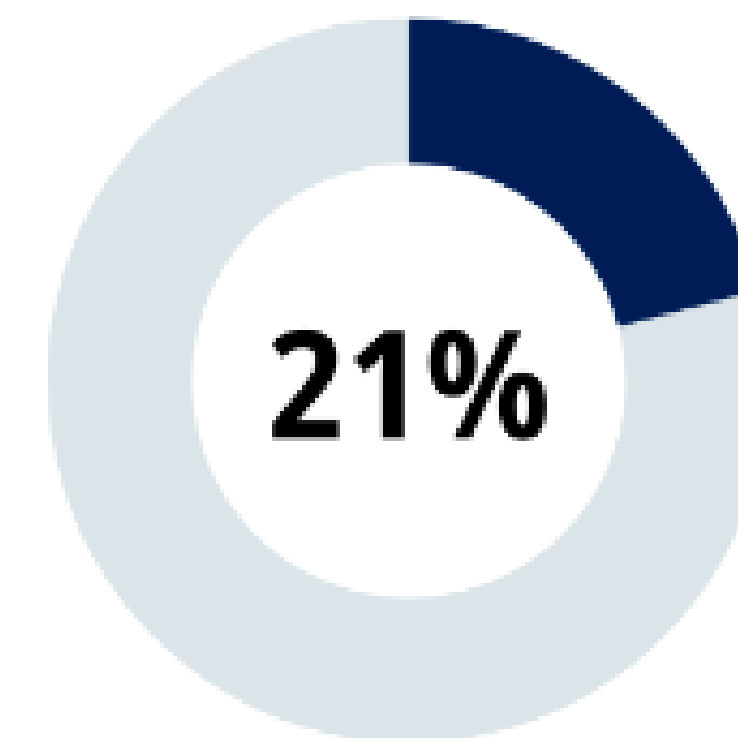
Half of Americans think they're running out of time to save for retirement, even though 44% say they started putting money away early enough.



Wish they could go back in time to start saving sooner



Would rather have a longer retirement period with less money, than retire later in life with more.



Would use AI to recommend money moves to plan for retirement.

Q: Considering your money future, how much do you agree or disagree with the following statements? Q: To save myself time, I would use artificial intelligence to...

Empower "Time is Money" study 2024.

The Empower "Time is Money" study is based on online survey responses from 2,204 Americans ages 18+ fielded by Morning Consult from March 11-14, 2024. The survey is weighted to be nationally representative on the following dimensions: age, gender, education, race and region. Results from the survey have a margin of error between +/- 2%.

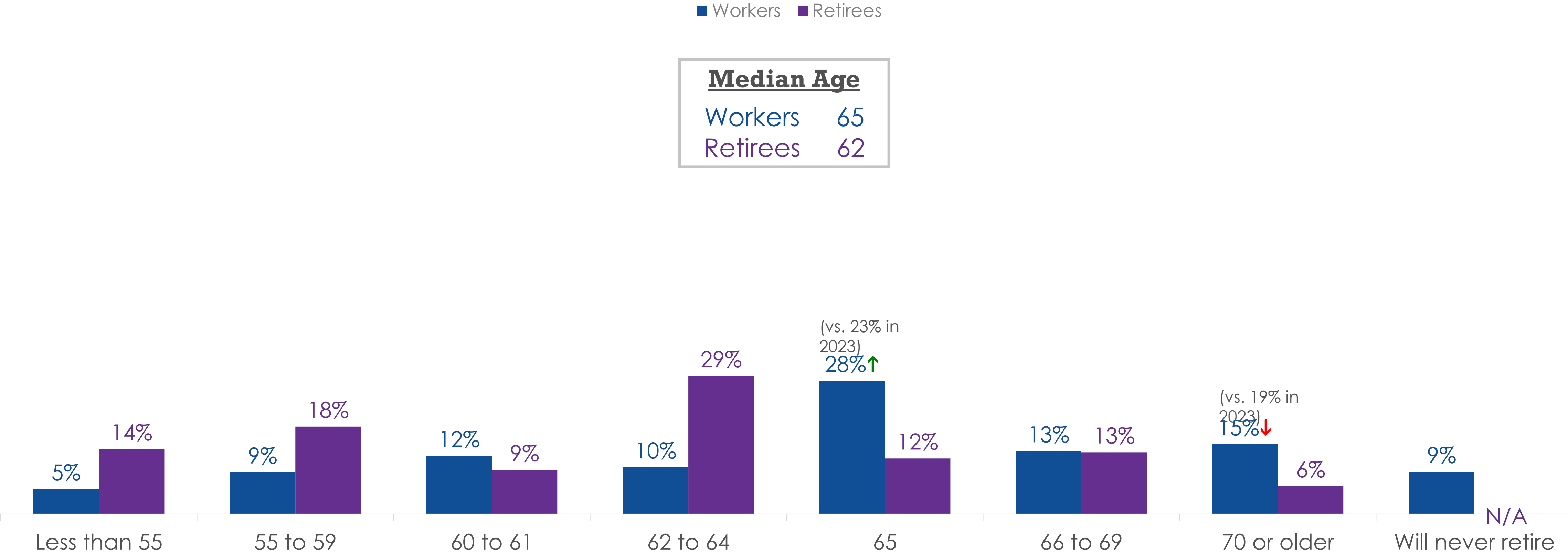
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# Transition to Retirement



Significantly up, 28% of workers expect to retire at age 65. While over half of workers expect to retire at 65 or older, the majority of retirees (70%) report retiring earlier than age 65.

Expected/Actual Retirement age  
(2024 Workers n=958; 2024 Retirees n=1,157)

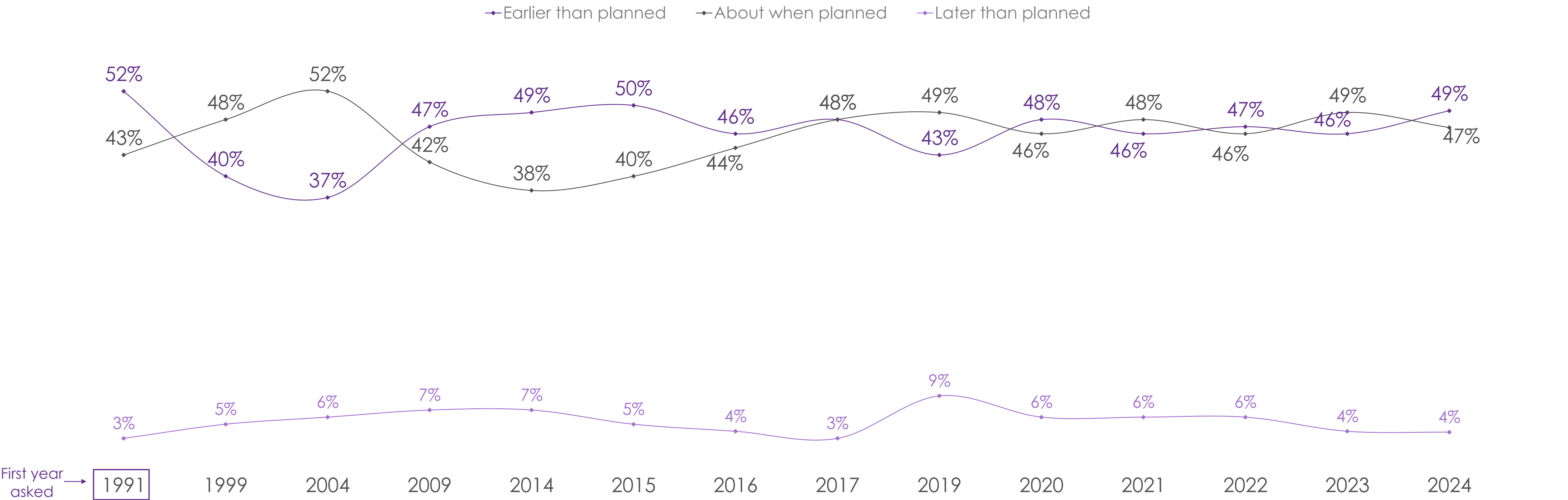


Figures and n-sizes presented exclude those who answered ‘Don’t know’, said they never worked, or refused to answer;

↑=Significantly higher than previous year, ↓=significantly lower than previous year

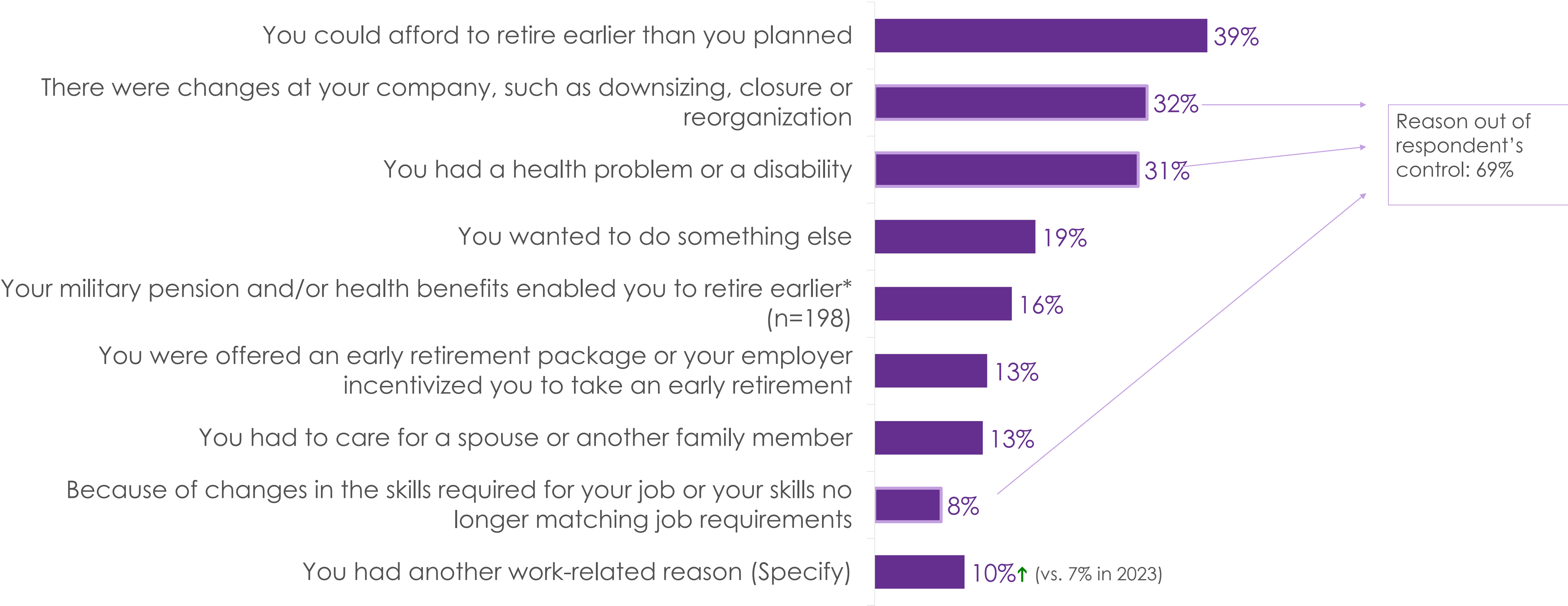
# Similar to last year, half of retirees say they retired earlier than expected.

Did You Retire...?  
(2024 Retirees n=1,266)



# 2 in 5 retirees say they retired earlier than planned because they could afford to. Up from last year, about 1 in 10 did so due to other work-related reasons.

**Reasons Retired Earlier**  
(Retired earlier than planned: 2024 Retiree n=641)



\*Newly added in 2024

↑=Significantly higher than previous year, ↓=significantly lower than previous year

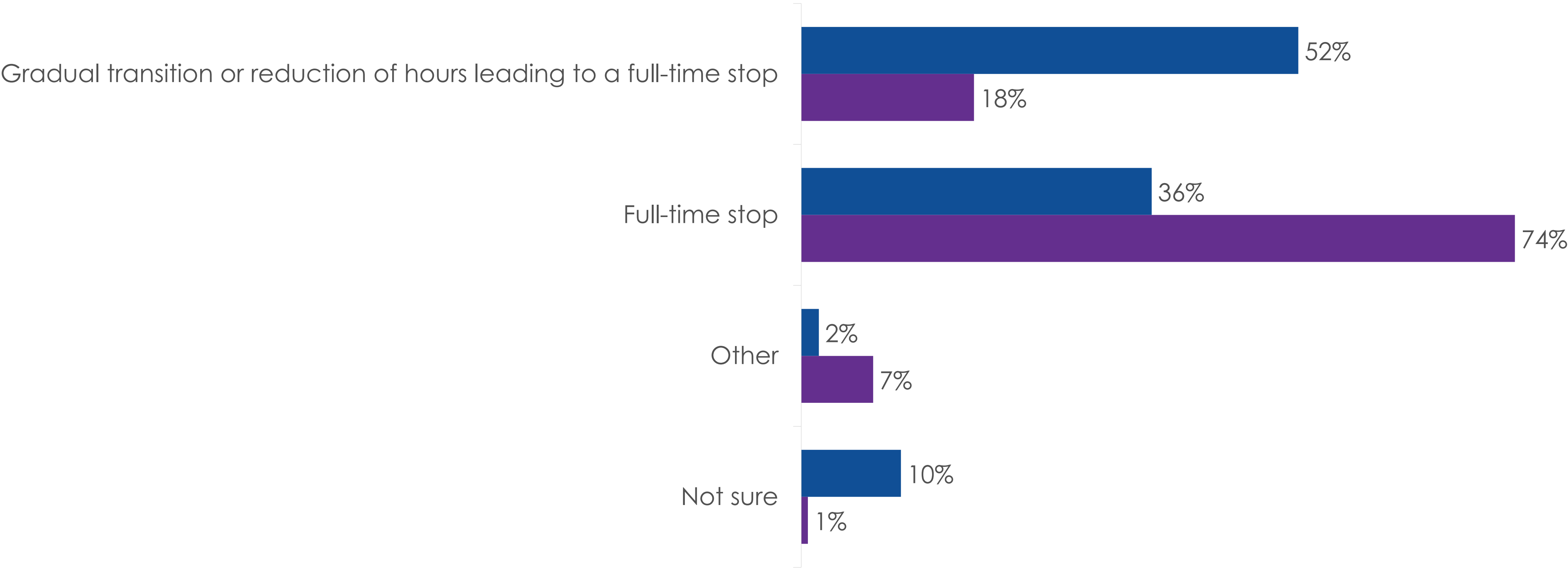


Over half of workers believe they will gradually transition into retirement. However, three-quarters of retirees report they had a full-time stop.

Transition into Retirement

(Gave a retirement age: 2024 Workers n=874; 2024 Retirees n=1,157)

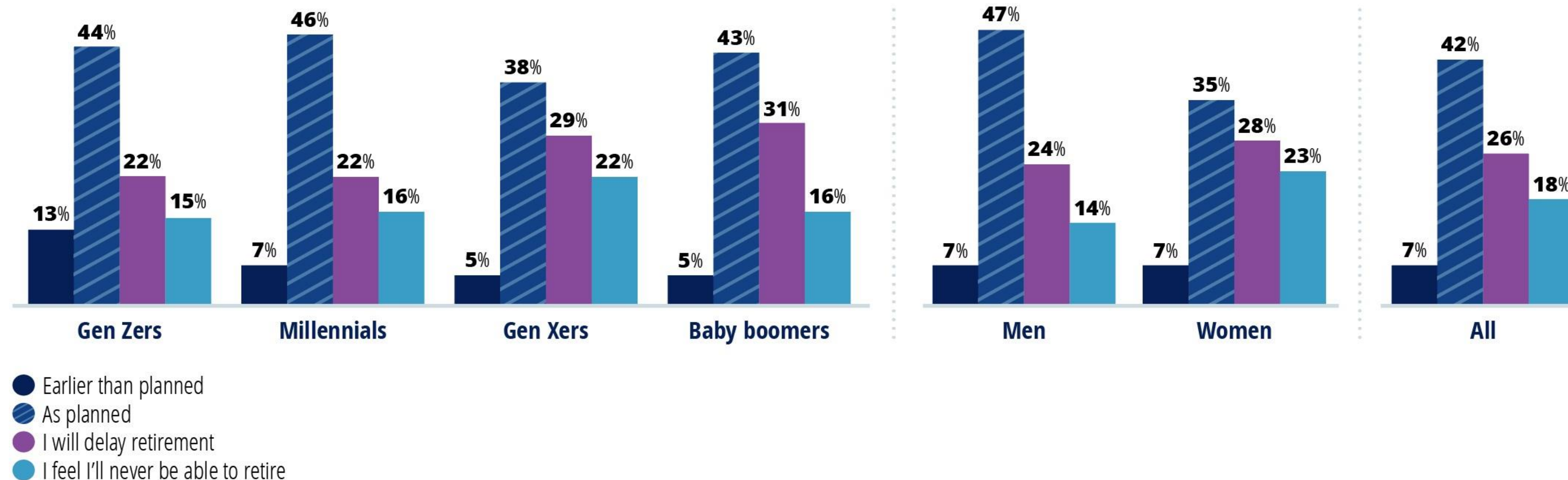
Workers Retirees



# Is there a disconnect? Are workers too confident?

**Two-thirds of workplace savers are confident about their financial retirement readiness, yet almost half (44%) expect to delay retirement or feel it's unattainable**

Expected timing for retirement



# The retirement clock is ticking

- ➔ **Average expected retirement age pushes back 3 years – and 5 years for those without a financial plan, on average.**

Gen Z hopes to retire the earliest, at age 54 – but they’ve adjusted estimates from age 49 just 12 months ago.

**37%**

Of Americans (50% Gen X) say **retiring by a certain age is the meaning of financial happiness.**

At what age do you anticipate retiring given the economic environment?



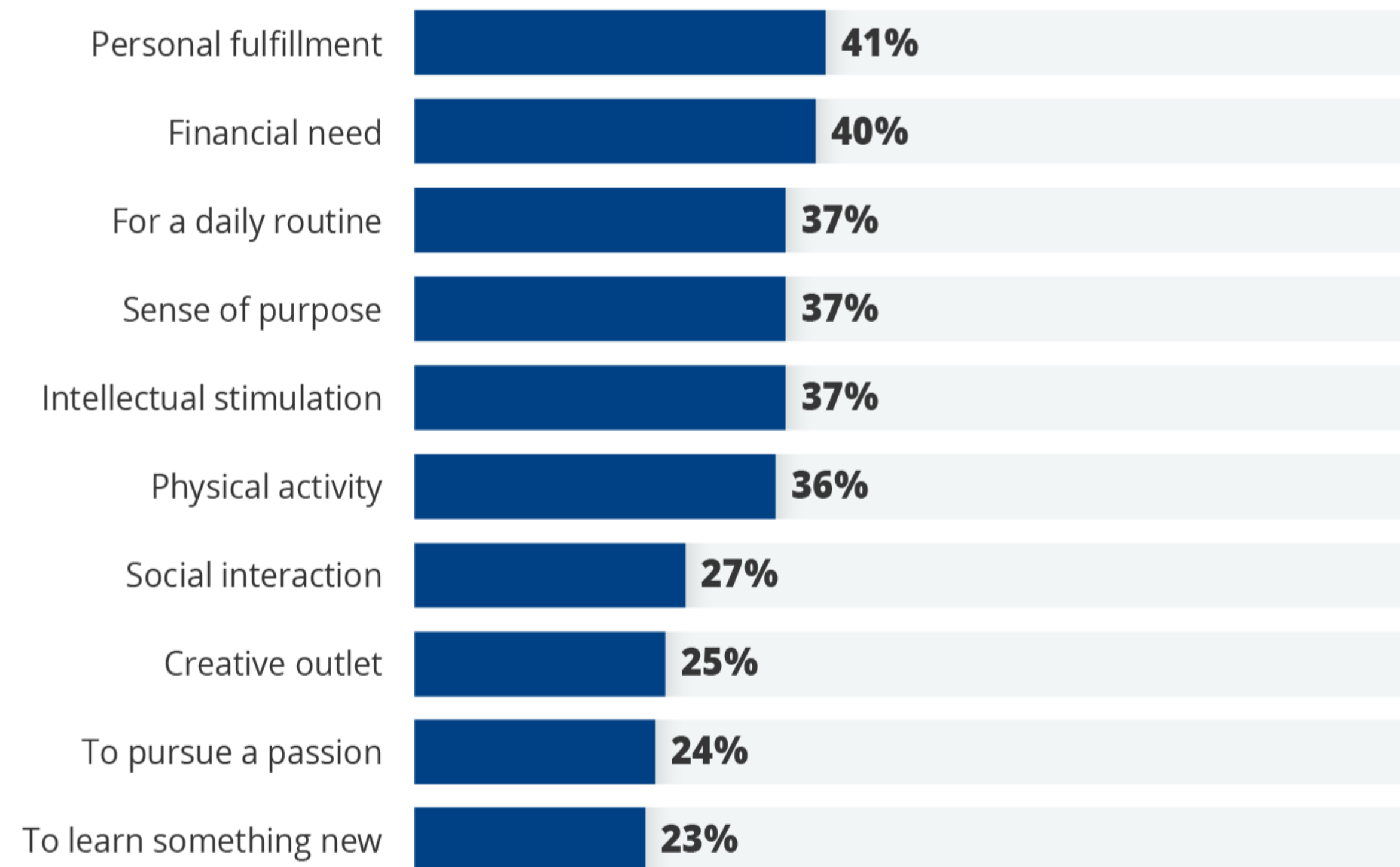
Q: At what age did you anticipate retiring 12 months ago? And right now, given the existing economic environment?  
Empower Financial Happiness 2023.



# Work in retirement: More than a financial need

## Top reasons for going back to work after retiring

Overall



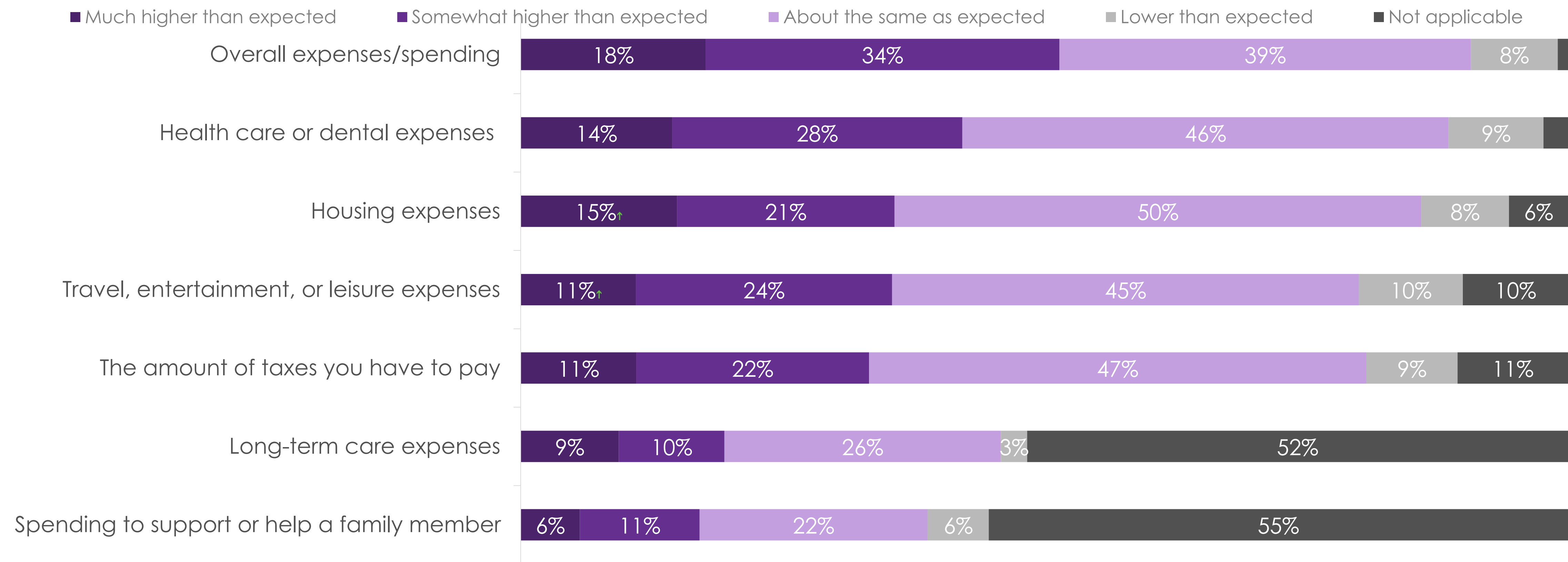
**58%** of Americans were open to working in retirement – and another 20% unsure.

**58%** of baby boomers would go back to work after retiring because of **financial need**. Among baby boomers willing to continue working, 66% wanted a **remote job**.

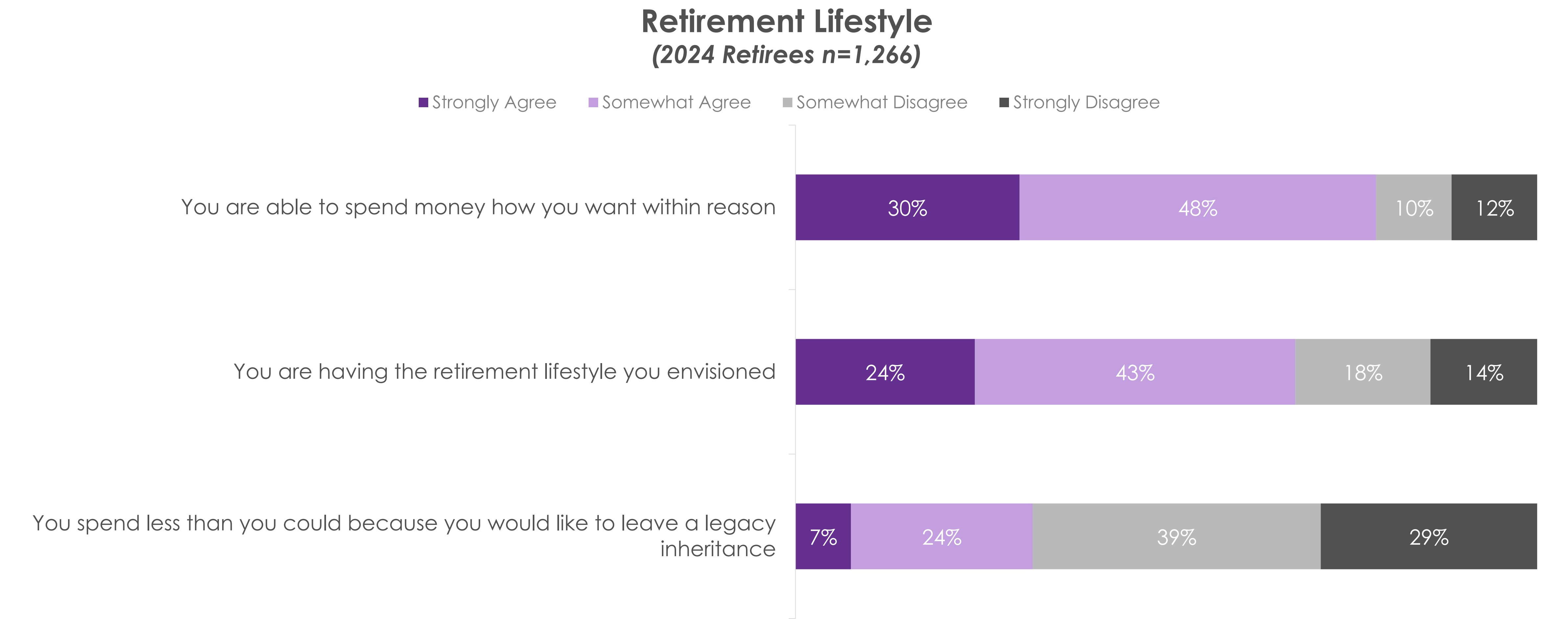
Methodology: Empower survey of 1,009 Americans, conducted in July 2023 by Fractl on behalf of Empower. Among respondents, 10% were baby boomers, 24% were Gen X, 56% were millennials, and 10% were Gen Z. Additionally, 47% were women, 52% were men, and 1% were nonbinary. All data referenced in this article is from the survey.

Over half of retirees say their overall spending is higher than they expected. Up from last year, over one-third of retirees say their travel or leisure expenses are more than they expected.

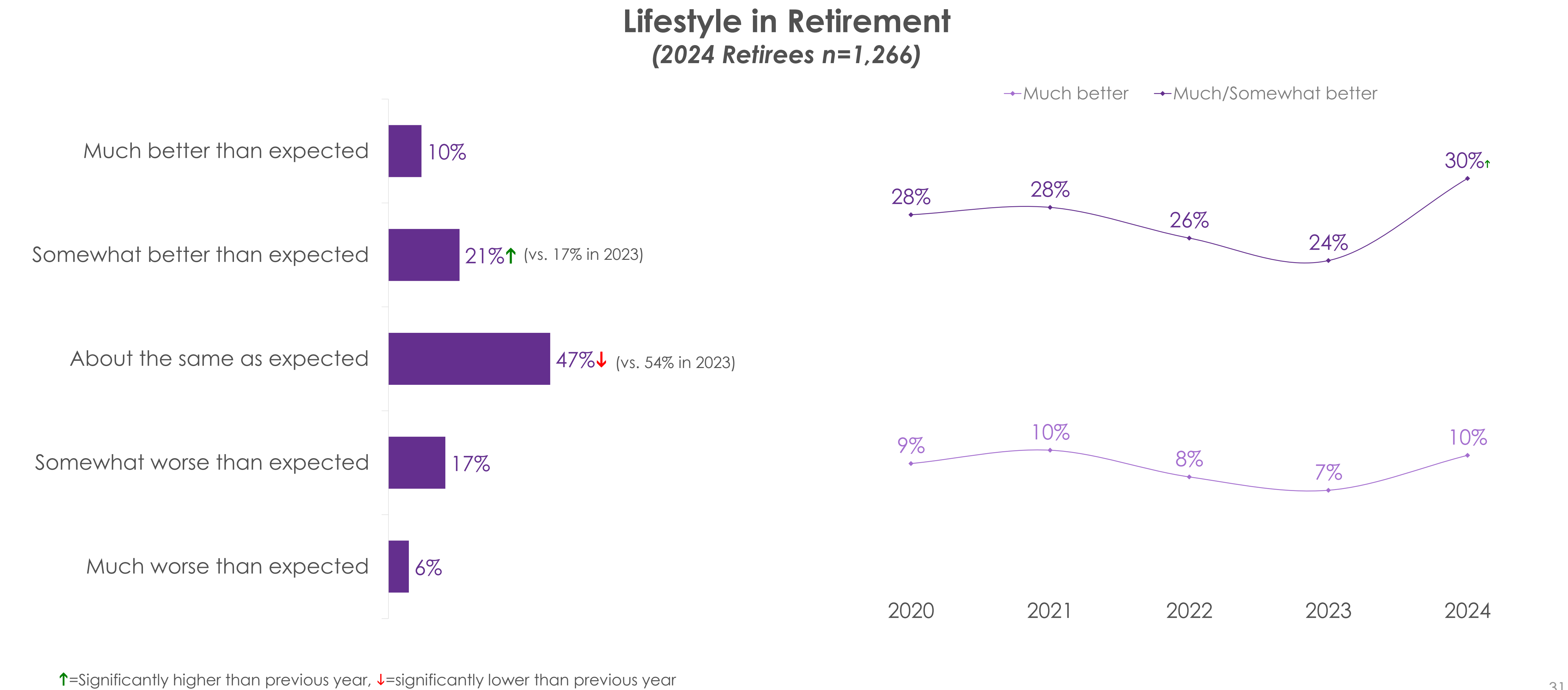
Expenses in Retirement  
(2024 Retirees n=1,266)



Nearly 4 in 5 retirees agree they are able to spend money how they want. Almost 7 in 10 believe they are having the retirement lifestyle they envisioned.



# Compared to 2023, a greater share of retirees describe their retirement lifestyle as at least somewhat better than expected.

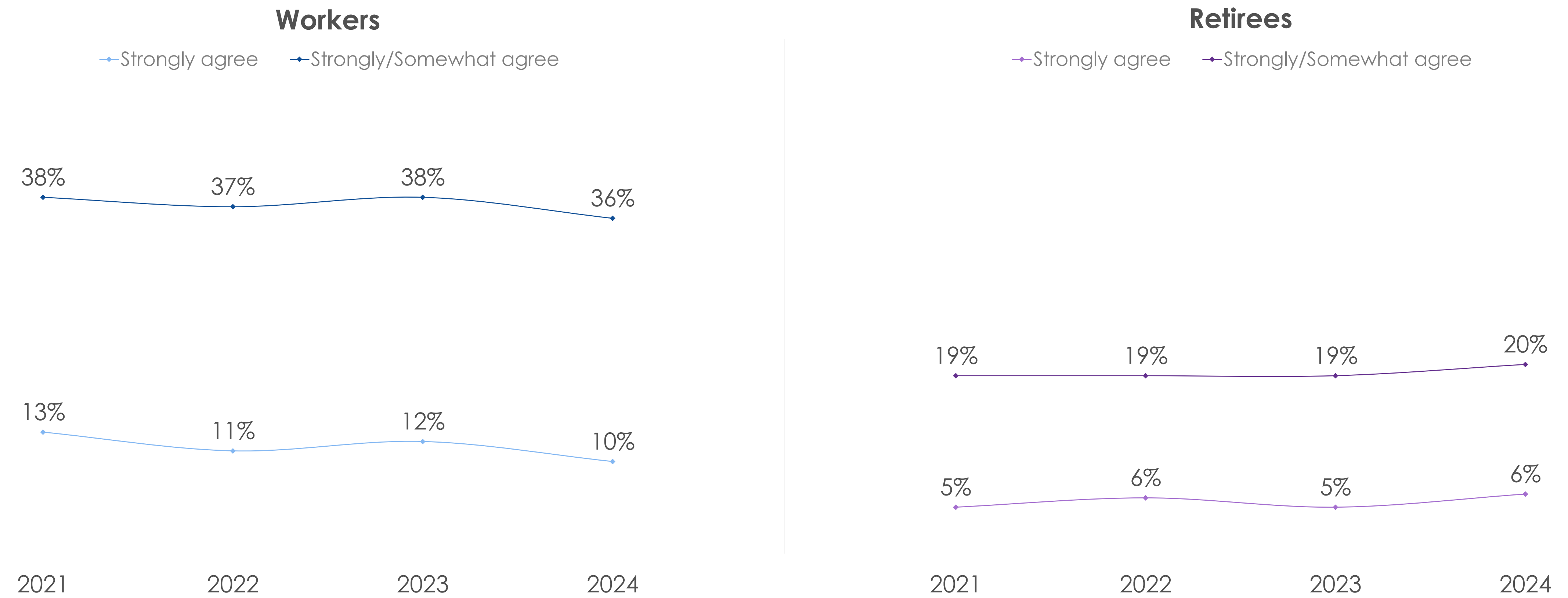


# Sources of Information for Retirement

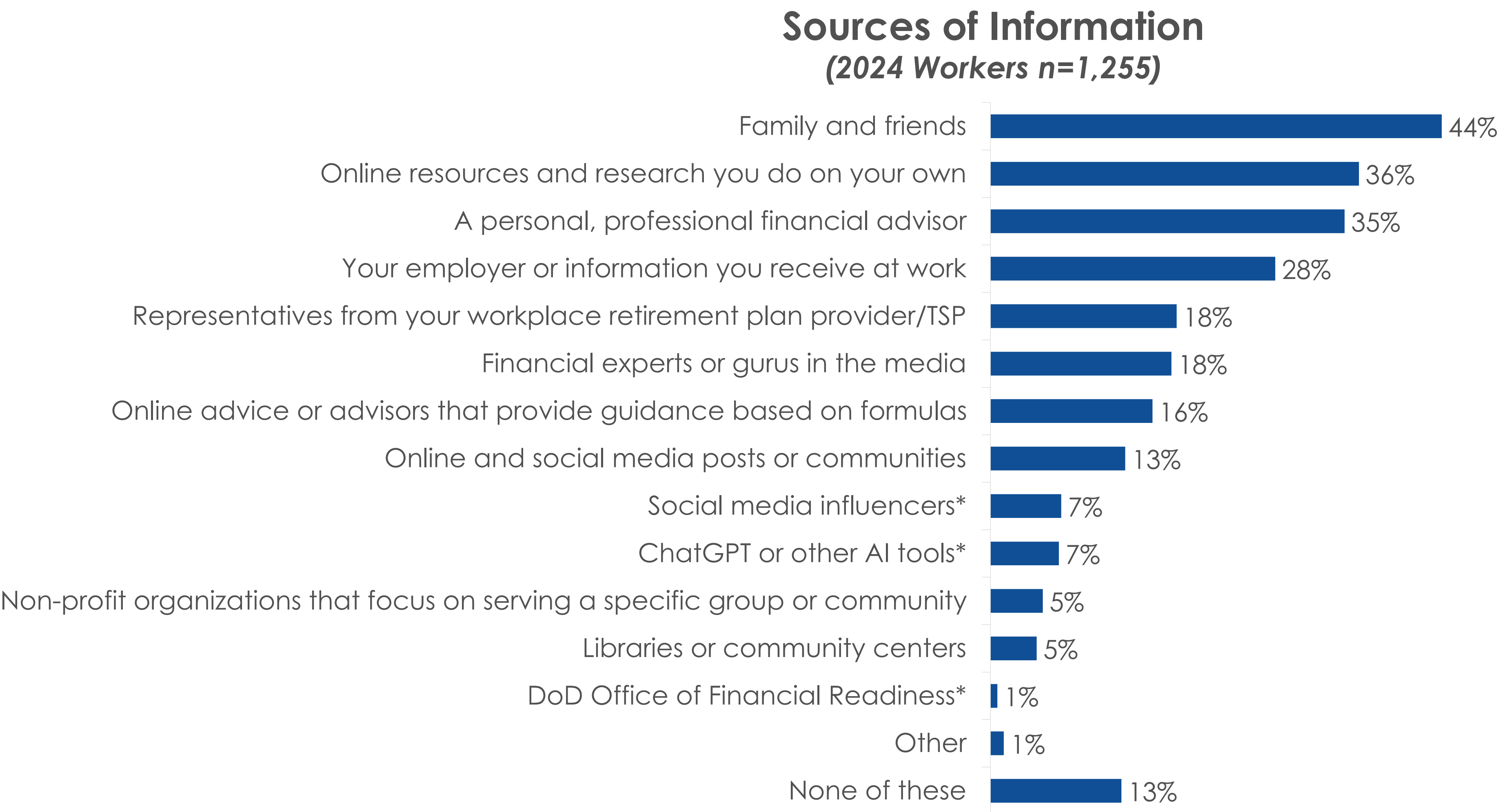


Over a third of workers suggest they do not know where to go for financial or retirement planning advice, more so than the 1 in 5 retirees who feel the same.

Do Not Know Who to go to for Good Financial/Retirement Advice  
(2024 Workers n=1,255; 2024 Retirees n=1,266)



Over 2 in 5 workers use their family and friends as sources of information for retirement planning. Over a third go to online resources or a financial advisor.



\*Newly added in 2024

4 in 10 retirees use a financial advisor as a source of information. Significantly more retirees this year are going to family/friends, employers, and libraries/community centers.

Sources of Information  
(2024 Retirees n=1,266)



\*Newly added in 2024

↑=Significantly higher than previous year, ↓=significantly lower than previous year

# People want financial coaching

**+2 in 5 Americans (44%) wish their employer offered more one-on-one financial help.**

- **39% say their employer doesn't offer enough financial planning support.**
- **71% say retirement plan matching is a top employee benefit; 54% wish their job automatically enrolled them into a 401(k) plan.**
- **2024 salary goals include making enough to pay bills on time (45%) and to retire when they want to (39%).** Some 38% (55% Gen Z) believe they don't get paid enough to go above and beyond their current job description.

## WORKPLACE WISHLIST



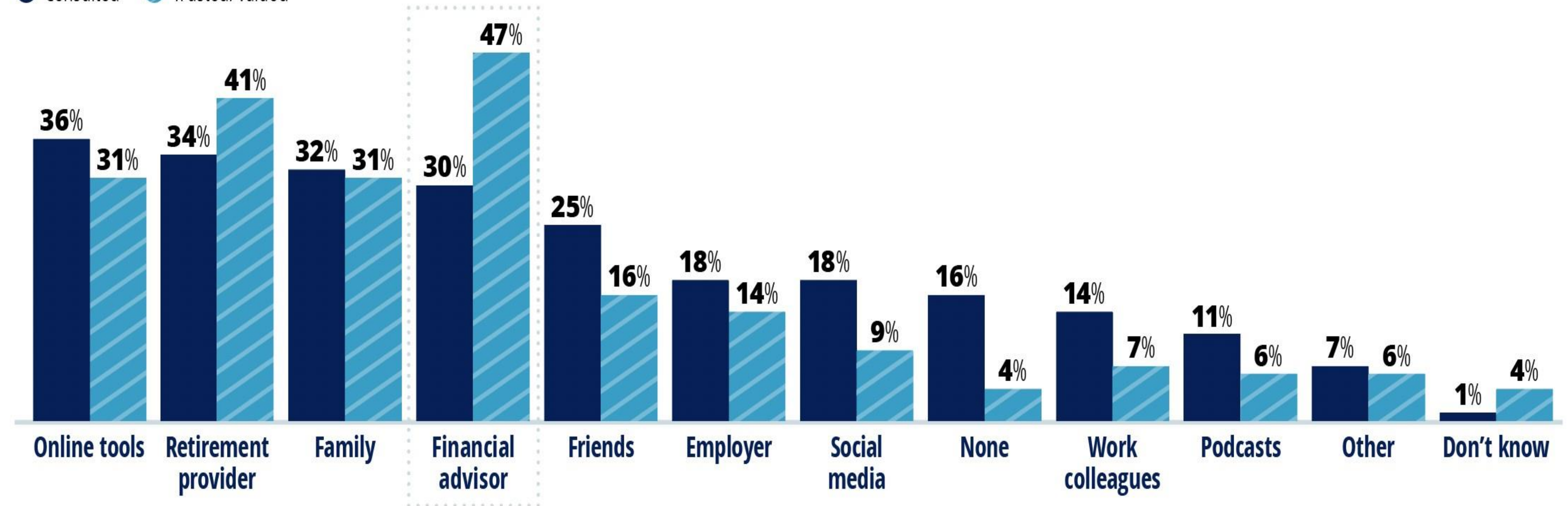
Q: Please select your level of agreement or disagreement with the following statements.  
Empower "Who's the Boss" study 2024.



# Strong demand for advice across different sources

Financial advice sources used and valued/trusted the most

● Consulted ● Trusted/valued



Source: Empower, Empowering America's Financial Journey, 2023.

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# Having a financial plan can boost happiness

<div>78%</div> <div>"A good financial plan would help me reach my goals in life."</div> <div>77% GEN Z   81% MIL. 80% YOUNGER GENS   77% OLDER GENS</div>	<div>52%</div> <div>"I know what my financial goals are, I just don't know how to get there."</div> <div>70% GEN Z   67% MIL. 68% YOUNGER GENS   40% OLDER GENS</div>	<div>57%</div> <div>"I wish I would have gotten financial advice sooner."</div> <div>58% GEN Z   68% MIL. 65% YOUNGER GENS   52% OLDER GENS</div>	<div>45%</div> <div>"I haven't gotten the financial advice I need."</div> <div>55% GEN Z   57% MIL. 56% YOUNGER GENS   38% OLDER GENS</div>
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**67%** believe their employer has a responsibility to help with financial planning, especially for retirement with 401(k) options.

Empower Financial Happiness 2023.

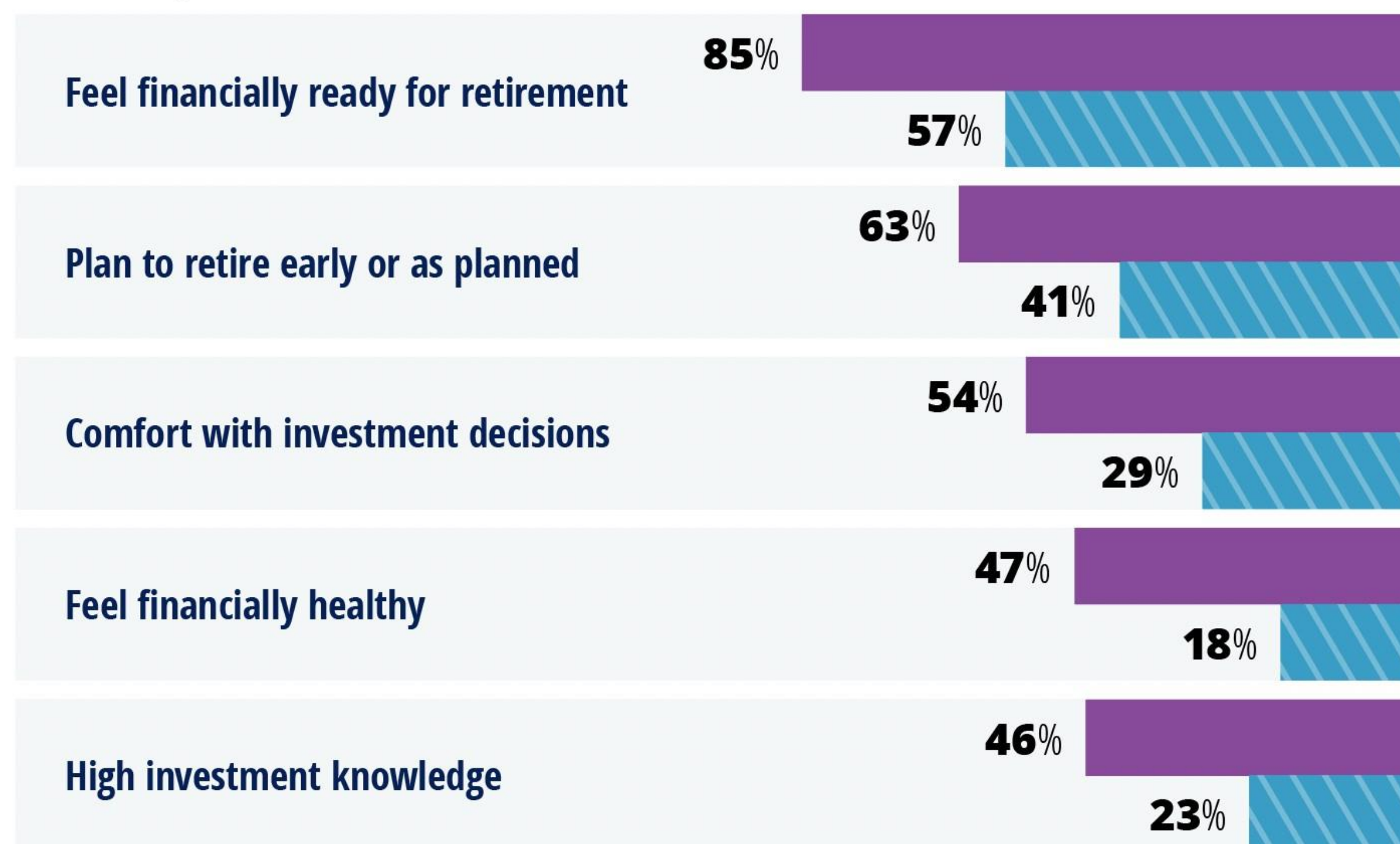
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# Working with an advisor makes a difference

Percentage of individuals rating financial attributes higher when working with an advisor

● Working with an advisor  
● Not working with an advisor



Q: How confident are you that you will be ready for retirement financially?; Q: How comfortable are you when it comes to making investment decisions? ; Q: How financially healthy do you feel?; Q: How would you assess your overall knowledge about investing?; Q: Thinking about when you will retire, what do you think is most likely scenario for you?

Empower, Empowering America's Financial Journey, 2023.

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**People who use an advisor compared to those who don't are more likely to:**

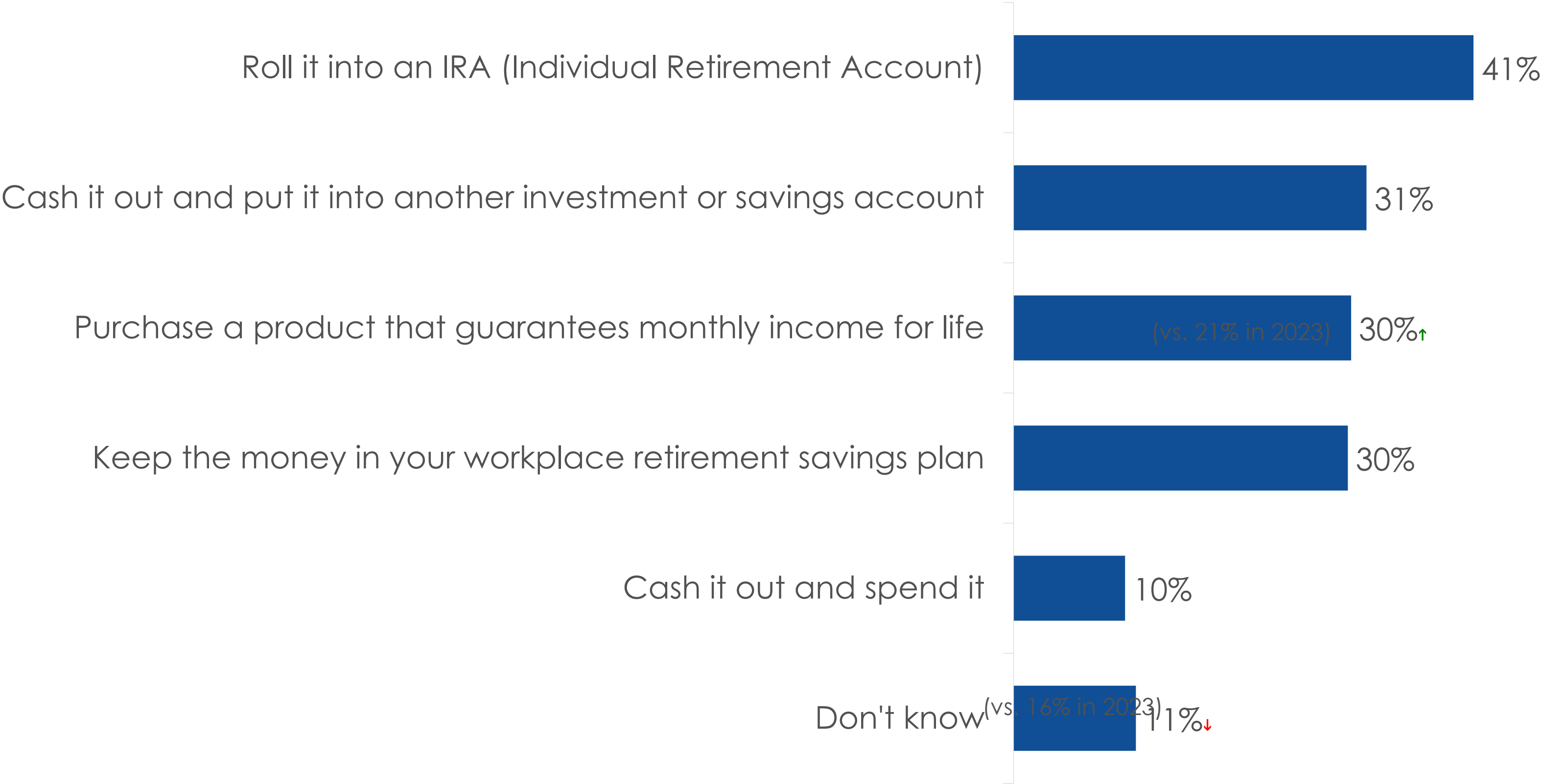
- Feel more **financially healthy** and confident about their retirement readiness.
- Plan to **retire early** or as planned.
- Consider themselves to be **knowledgeable** about investing.
- Be more **comfortable** making investment decisions.

# Retirement Income



4 in 10 workers who are participating in their workplace retirement plan intend to roll their money into an IRA. This year, significantly more workers are likely to purchase an annuity.

What to do with Retirement Savings  
(Currently contributing money to employer's retirement savings plan: 2024 Workers n=695)

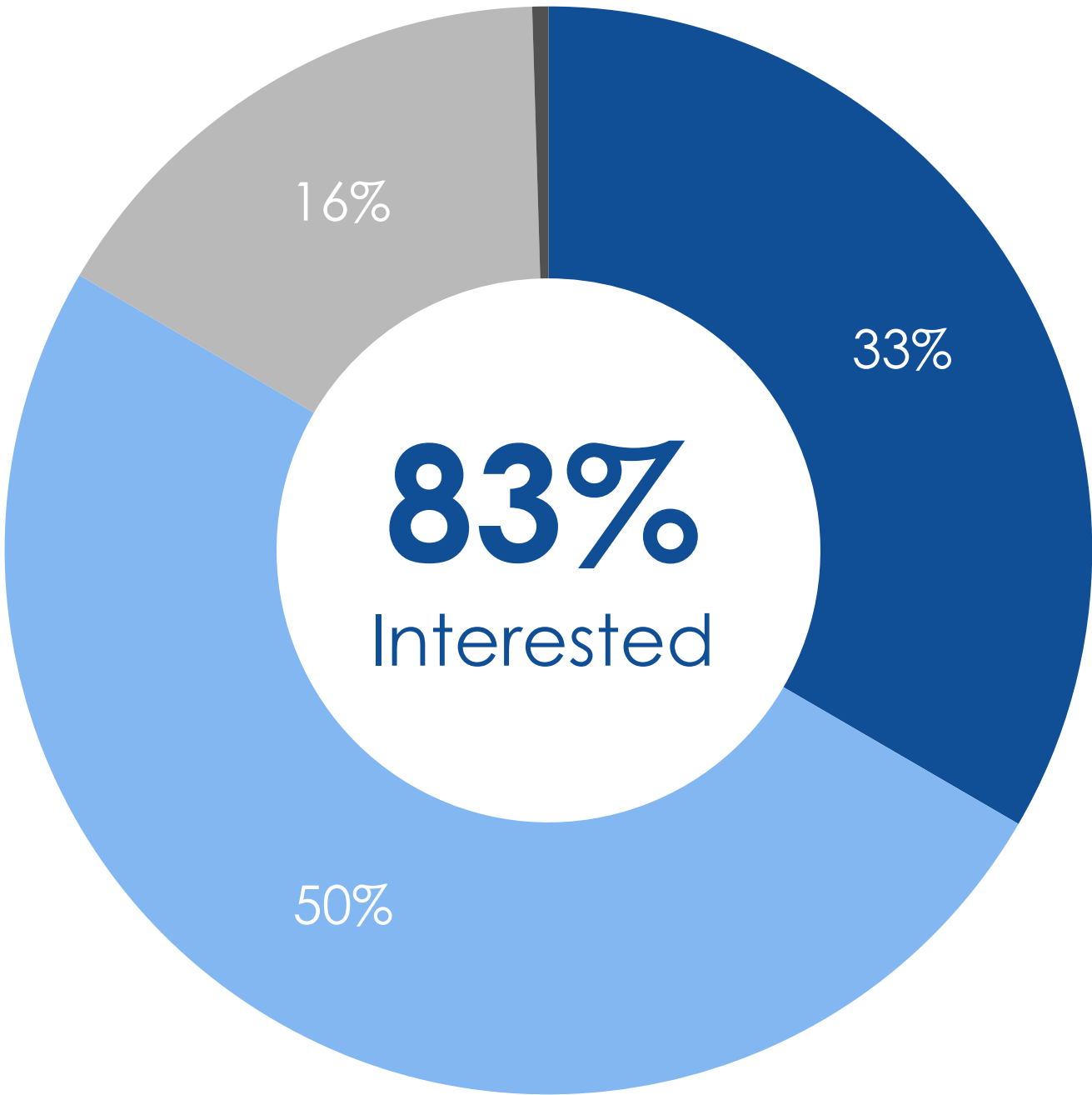


↑=Significantly higher than previous year, ↓=significantly lower than previous year

Over 8 in 10 plan participants would be interested in using their retirement savings to purchase a product that would guarantee them monthly income for life.

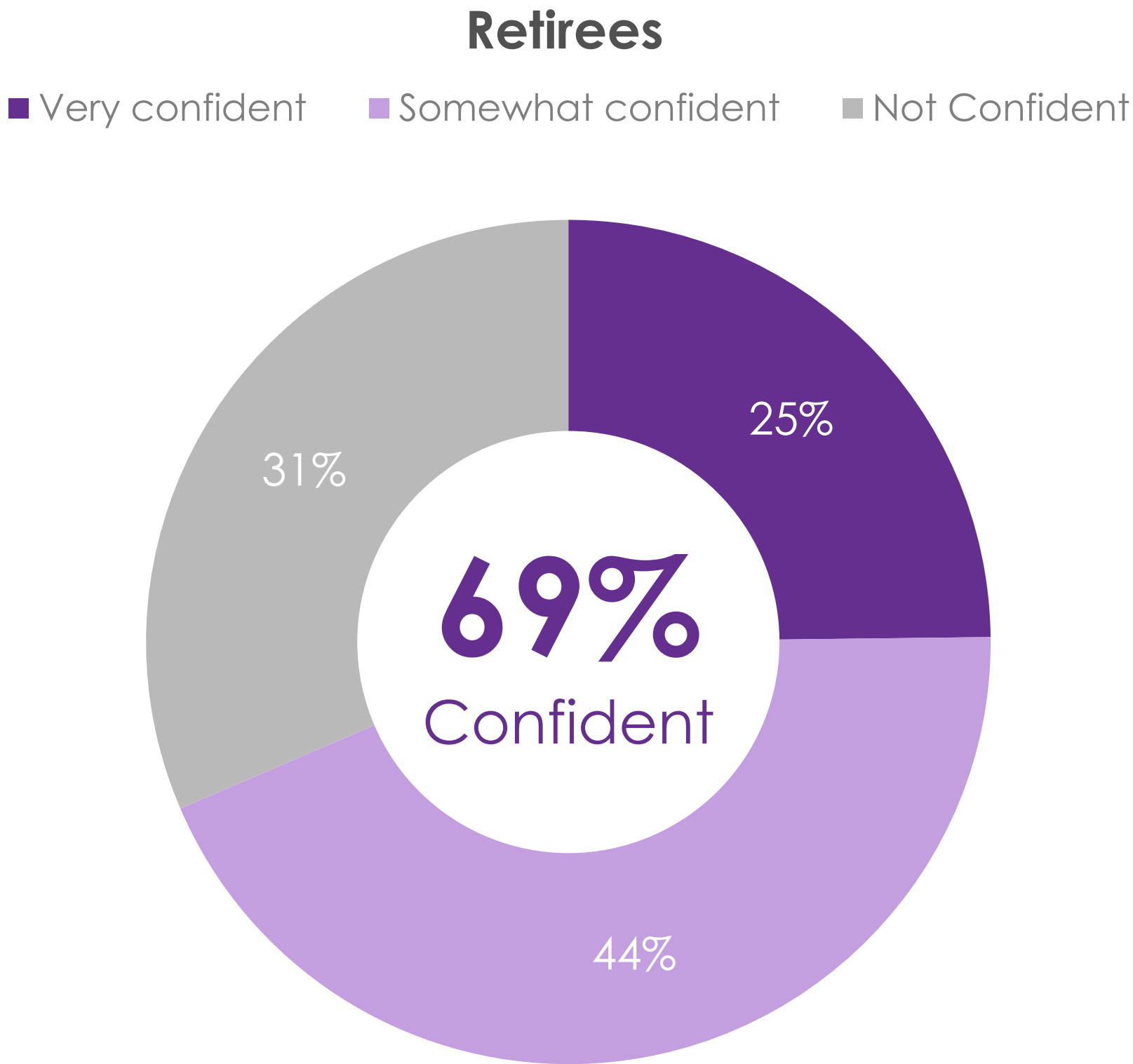
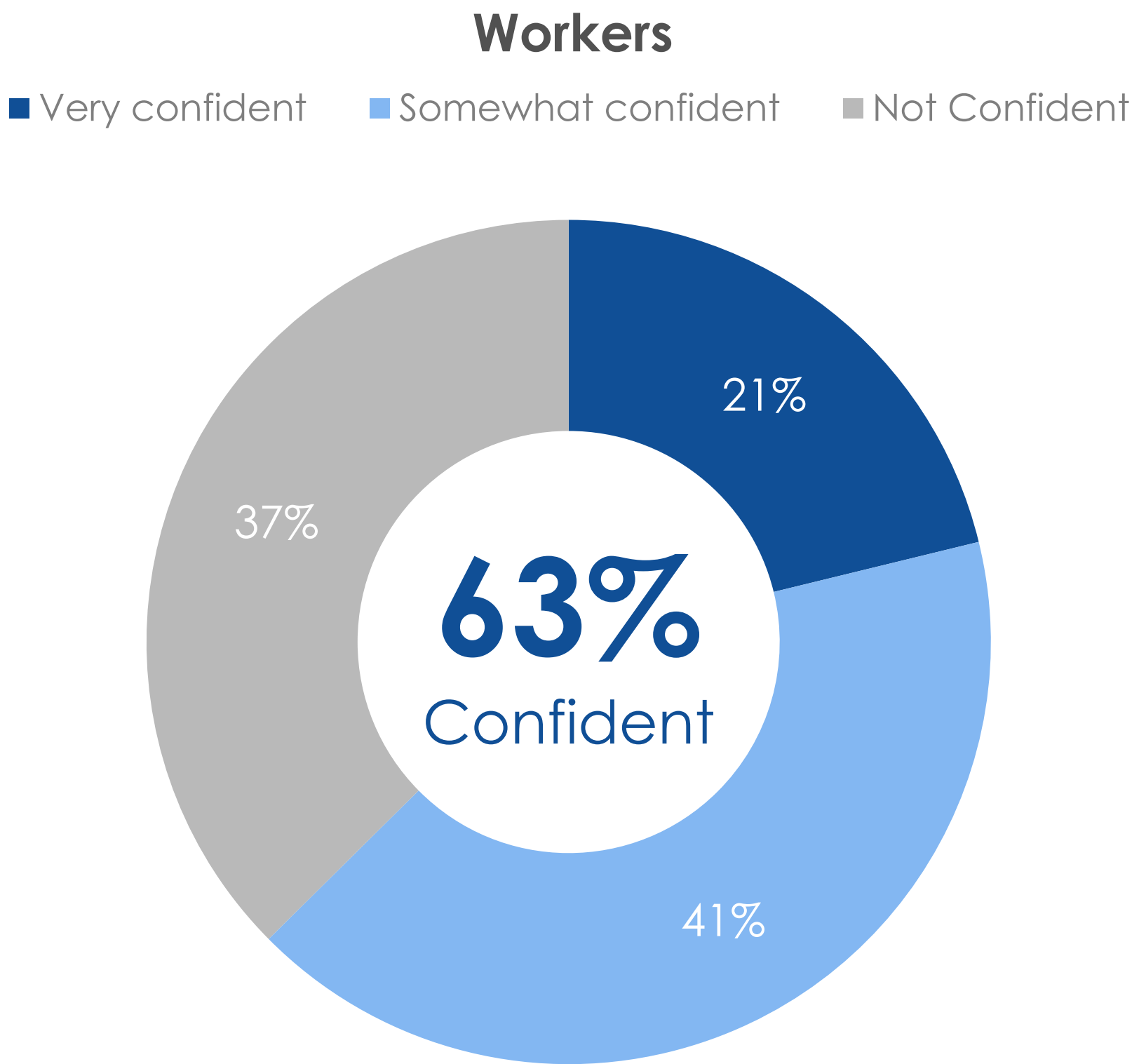
Interest in Purchasing a Guaranteed Income Product with Retirement Savings  
*(Participating in workplace retirement plan: 2024 Workers n=695)*

■ Very interested   ■ Somewhat interested   ■ Not interested   ■ Already own this product



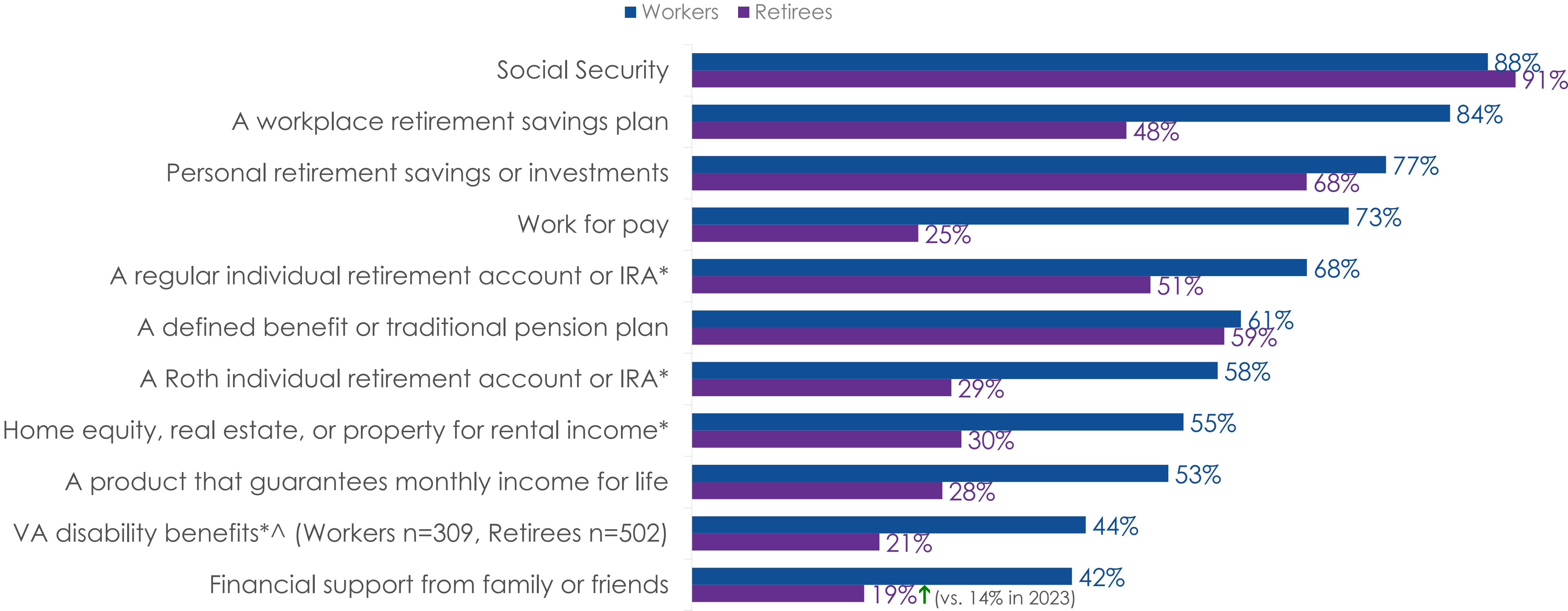
# Nearly two-thirds of workers and 7 in 10 retirees are confident they know how much to withdraw from their retirement savings and investments in retirement.

Confidence in Knowing how Much to Withdraw in Retirement  
(2024 Workers n=1,255; 2024 Retirees n=1,266)



# Social Security remains the top source of income Americans expect/receive in retirement, however, retirees are more likely to report it as a source than workers expect it to be.

Sources of Income in Retirement  
(Plan to retire or have retired: 2024 Workers n=1,171; 2024 Retirees n=1,266)



\* Newly added in 2024  
^ Only asked of military individuals or spouses/partners of individuals who serve/served in the military  
↑=Significantly higher than previous year, ↓=significantly lower than previous year;



# The Currency: Research and content to advance retirement savings



How much do Americans think their time is worth?

**\$240/hour**

### Time is Money

It's a race against the clock: New Empower research unveils how Americans value their time in pursuit of financial goals and retirement – and what it's worth to achieve the good life.

## Time for a check-up: 7 questions to test your financial health



Find out more at [empower.com/the-currency](https://empower.com/the-currency)

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# DISCUSSION

## Upcoming Events

**July 11** — EBRI Research Committee Meeting (Members Only)

**July 18** — EBRI DEI Council Meeting (Members Only)

**September 26** — EBRI Financial Wellbeing Symposium

Please visit [ebri.org](https://ebri.org) for more information or contact [info@ebri.org](mailto:info@ebri.org)