



# 22 Facts About Women's Retirement Outlook... and 12 Steps to Improve It

Select Findings from the 22nd Annual Transamerica  
Retirement Survey of Workers

**TRANSAMERICA CENTER**  
FOR RETIREMENT STUDIES®

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# 22 Facts About Women's Retirement Outlook

Today's women are better educated and enjoy career opportunities that were unimaginable 50 years ago. Despite this progress, women are at greater risk than men of not achieving a financially secure retirement. A woman's path to a retirement is often filled with obstacles, such as lower pay and time out of the workforce for parenting or caregiving, which can negatively impact her long-term finances. Statistically, women tend to live longer than men, which implies an even greater need to save. Findings from nonprofit Transamerica Center for Retirement Studies' 22<sup>nd</sup> Annual Retirement Survey of Workers illustrate the risks faced by women workers and action steps they can take to address them.

## 22 facts highlighting women's risky retirement outlook

- 1 Retirement dreams of women workers include traveling (61%), spending more time with family and friends (56%), pursuing hobbies (44%), working (31%), and volunteering (23%).
- 2 Only 21% of women workers are "very confident" that they will be able to fully retire with a comfortable lifestyle.
- 3 Paying off debt is the most often cited financial priority for women (58%), while 50% cite saving for retirement and 38% cite building emergency savings as priorities.
- 4 Women have only \$2,000 in total household emergency savings (median).
- 5 More than half (57%) agree with the statement, "I don't have enough income to save for retirement."
- 6 38% of women are or have been caregivers during their working careers and, among them, more than eight in 10 (84%) made work-related adjustments because of caregiving, such as missing days of work (35%).
- 7 Most women (73%) are saving for retirement at work and/or outside the workplace.
- 8 Women who work full-time (75%) are more likely to be offered a 401(k) or similar employee-funded retirement plan, compared with women who work part-time (47%).
- 9 Among women who are offered a 401(k) or similar plan, 72% participate in the plan and they contribute 10% (median) of their salary to it.
- 10 Women estimate they will need to save \$250,000 (median) to feel financially secure in retirement, but more than half (51%) say they "guessed" their savings needs.
- 11 Women have \$43,000 in total household retirement savings (estimated median).
- 12 35% of women have taken a loan, early withdrawal, and/or hardship withdrawal from their 401(k) or similar plan or IRA.
- 13 Fewer than one in four (24%) have a written retirement strategy, but more (41%) have an unwritten strategy.
- 14 Only 31% of women have a backup plan for retirement income in the event they are unable to work before their planned retirement.
- 15 28% of women expect Social Security to be their primary source of retirement income.
- 16 Almost four in 10 (39%) fear that Social Security will be reduced or cease to exist in the future.
- 17 Many women expect to retire after age 70 or do not plan to retire (41%). And many plan to work after they retire (58%), either full-time (20%) or part-time (38%).
- 18 Some are not being proactive enough to work as long as they want and need. Only 54% say they are staying healthy, and 45% are keeping their job skills up to date.
- 19 Key steps women are taking to protect their long-term health include eating healthy (49%), getting plenty of rest (46%), exercising regularly (46%), and maintaining a positive outlook (43%).
- 20 Among women who plan to work past age 65 and/or in retirement, more cite doing so for financial reasons (81%) than healthy-aging related reasons (77%).
- 21 Few women (20%) frequently discuss saving, investing, and planning for retirement with family and friends.
- 22 Only a third of women (33%) use a professional financial advisor.

# 12 Steps for Women to Improve Their Retirement Outlook

Women face greater retirement-related risks than men – and the pandemic intensified these vulnerabilities. Many women workers have experienced negative employment-related impacts, such as leaving the workforce for parenting or caregiving responsibilities, being laid off, or having work hours reduced. Although short-term priorities may take precedence, it is important for women to stay focused on the future. Recommendations for women to improve their retirement outlook include:

- 1 Assess your current financial situation and create a budget** that includes income, living expenses, paying off debt, potential impacts of inflation and higher interest rates, and financial goals such as building emergency savings and long-term retirement savings. If needed, seek assistance from a professional financial advisor.
- 2 Factor employee benefit offerings when considering employment opportunities.** Learn about the retirement and other health and welfare benefits offered by prospective employers. Consider these benefits as part of a total compensation package. Beware that many employers limit such offerings to full-time employees.
- 3 If possible, save for retirement.** By starting early and saving consistently, even small amounts can add up over a decades-long working life. If your employer offers a retirement plan, participate and take advantage of any matching contributions. Learn if you are eligible for the Saver's Credit, an IRS tax credit for saving for retirement.
- 4 Develop a retirement strategy and write it down.** Utilize online tools and calculators to estimate your retirement income and long-term savings needs. Formulate a savings plan to meet these needs and hold yourself accountable to it.
- 5 Avoid taking loans and early withdrawals from retirement accounts.** Both can severely inhibit their long-term growth. Before tapping into retirement savings, explore all possible alternatives to determine the best option.
- 6 If faced with parenting or caregiving responsibilities, carefully consider any changes to your employment.** To help mitigate the impact on your long-term financial security, explore options such as shifting to part-time work or taking a leave.
- 7 Be proactive to help ensure continued employment now and in retirement.** Engage in the evolving workforce by honing current skills, learning new ones, following employment trends, and networking.
- 8 Become personally involved in your family finances and investments, including retirement accounts held by you and your spouse.** Discuss retirement planning with family and close friends.
- 9 Learn about retirement investing and strategies for drawing down savings in retirement,** including the best time to start receiving Social Security. Explore resources and classes offered in your community.
- 10 Have a backup plan in the event of unforeseen events such as separation, divorce, loss of a partner, or being unable to work before your planned retirement.** Build emergency savings and consider appropriate insurance products.
- 11 Take care of yourself and safeguard your physical and mental health.** Continue to take precautions to mitigate the spread of COVID-19. Explore online wellness resources and classes. Consider health implications when making lifestyle decisions.
- 12 Beware of scams.** Be hypervigilant about suspicious text messages, email, or calls, which are on the rise due to COVID-19.

Learn more about women's retirement outlook as well as saving and investing for retirement at [www.transamericainstitute.org](http://www.transamericainstitute.org).

## About the Author



**Catherine Collinson** serves as CEO and president of **Transamerica Institute**, a nonprofit private foundation and its operating division, **Transamerica Center for Retirement Studies®**. She is a champion for Americans who are at risk of not achieving a financially secure retirement. Catherine oversees all research, publications, and outreach initiatives, including the Annual Transamerica Retirement Survey.

With more than two decades of experience, Catherine is a nationally recognized voice on retirement trends. She has testified before Congress on matters related to employer-sponsored retirement plans among small business, which have featured the need to raise awareness of the **Saver's Credit** among those who would benefit most from the important tax credit. She co-hosts the **ClearPath-Your Roadmap to Health & Wealth<sup>SM</sup>** podcast on Baltimore's WYPR, an NPR news station.

In 2018, Catherine was named an **Influencer in Aging** by PBS' **Next Avenue**. In 2016, she was honored with a **Hero Award** from the **Women's Institute for a Secure Retirement (WISER)** for her tireless efforts in helping improve retirement security among women. Catherine serves on the Advisory Board of the **Milken Institute's Center for the Future of Aging**.

Catherine is employed by Transamerica Corporation. Since joining the organization in 1995, she has held a number of positions with responsibilities, including the founding of Transamerica Center for Retirement Studies as a nonprofit private foundation in 2007 and its expansion into Transamerica Institute in 2013.

## About Transamerica Center for Retirement Studies®

**Transamerica Center for Retirement Studies® (TCRS)** is an operating division of **Transamerica Institute®**, a nonprofit, private foundation. TCRS is dedicated to educating the public on trends, issues, and opportunities related to saving and planning for retirement and achieving financial security in retirement. Transamerica Institute is funded by contributions from Transamerica Life Insurance Company and its affiliates. TCRS and its representatives cannot give ERISA, tax, investment, or legal advice. This material is provided for informational purposes only and should not be construed as ERISA, tax, investment, or legal advice.

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## About This Fact Sheet and the 22nd Annual Transamerica Retirement Survey of Workers

This Fact Sheet was derived from the report, **Emerging From the COVID-19 Pandemic: Women's Health, Money, and Retirement Preparations**, which can be found at [www.transamericainstitute.org](http://www.transamericainstitute.org).

The analysis contained in **Emerging From the COVID-19 Pandemic: Women's Health, Money, and Retirement Preparations** was prepared internally by the research team at TCRS based on results from the 22nd Annual Transamerica Retirement Survey of Workers. This survey was conducted online within the U.S. by The Harris Poll on behalf of Transamerica Institute and TCRS between October 28 and December 10, 2021 among a nationally representative sample of 10,003 respondents. The data in this Fact Sheet are shown for a subsample of 5,493 workers in for-profit companies employing one or more employees, including 2,686 women, 2,768 men and 39 workers who did not identify their gender.

Results were weighted where necessary to align with the population of U.S. residents age 18+, and to adjust for attitudinal and behavioral differences between those who are online versus those who are not, those who join online panels versus those who do not, and those who respond to surveys versus those who do not.