

9th Annual Transamerica Retirement Survey

Worker Trend and Demographic Analysis

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Objectives, Methodology, Terminology, Respondent Profile

Objectives

- The Transamerica Center for Retirement Studies® (“The Center”) is a non-profit corporation dedicated to educating the public on emerging trends surrounding retirement security in the United States. The Center’s research emphasizes employer-sponsored retirement plans, issues faced by small to mid-sized companies and their employees, and the implications of legislative and regulatory changes.
- Since 1998 Transamerica has conducted a national survey of U.S. business employers and workers regarding their attitudes toward retirement. The overall goals for the study are to illuminate emerging trends, promote awareness, and help educate the public.
- Harris Interactive was commissioned to conduct the 9th Annual Retirement Survey for Transamerica Center for Retirement Studies. Where appropriate, questions were tracked and some new questions were added to investigate new topics of interest. This report represents the findings for workers. Separate survey reports will be issued for employers of for-profit corporations as well as full-time workers of non-profit organizations.

Methodology

- An online survey was conducted among a nationally representative sample of 2,011 full-time workers and 1,001 part-time workers using the Harris online panel, HPOL. Potential respondents were targeted based on job title and full-time and part-time status. Respondents met the following criteria:
 - All U.S. residents, age 18 or older
 - Full-time workers or part-time workers in for-profit corporations
 - Employer size of 10 or more
- 16 minute online interviews were conducted between October 11 and November 21, 2007.
- Results were weighted as needed using the Census Bureau's Current Population Survey for ensuring each quota group had a representative sample based on the number of employees at companies in each employee size range and an omnibus phone survey was utilized to adjust for respondents' propensity to be online versus the telephone as in the previous years' surveys.
- Percentages are rounded to the nearest whole percent. Differences in the sums of combined categories/answers are due to rounding.
- Margin of error at the 95% confidence level is +/- 2.19% for full-time workers and +/-3.1% for part-time workers.
- A \triangle in the report indicates the higher number when there is a significant difference between 2006 and 2007. A colored \triangle in the report indicates a number is significantly higher than the corresponding subgroup in that color.

Methodology

- The study was conducted in past years by the telephone using a nationally representative random sample. The 2007 worker portion of the tracker has been transitioned to an online medium. In order to migrate the study from telephone to online, we conducted a parallel omnibus phone study with 10 key measures. The omnibus fielded October 18 - 22, 2007 and received 958 completed responses. The calibration method, back casting, was used to express the relationship between the current and historical data.
- Data were weighted as follows:
 - To account for differences between the population available via the Internet and the population accessed via telephone in previous years
 - To ensure that each quota group had a representative sample based on the number of employees at companies in each employee size range
- The unweighted online data was comparable to the aggregate omnibus phone study, but the accuracy improved as each level of adjustment was added.
- A full methodology is available.

Terminology

This report uses the following terminology:

- *Small company*: a company with 10 to 499 employees
- *Large company*: a company with 500 or more employees

- *Echo Boomer*: Born between 1979 and 1989
- *Generation Xer*: Born between 1965 and 1978
- *Baby Boomer*: Born between 1946 and 1964
- *Mature*: Born before 1946

Profile of Respondents

	Full- & Part-time	Full-time	Part-time
Gender			
Male	57%	59%	53%
Female	43%	41%	47%
Age			
18 - 19	1%	0%	4%
20 - 24	8%	3%	18%
25 - 29	7%	7%	8%
30 - 34	10%	13%	5%
35 - 39	15%	19%	9%
40 - 44	8%	9%	7%
45 - 49	16%	18%	14%
50 - 54	9%	10%	7%
55 - 59	10%	11%	8%
60 - 64	4%	4%	5%
65 and over	10%	8%	15%
MEAN	44.0	44.4	43.1
Ethnicity			
White, non-Hispanic	78%	80%	73%
African American	9%	10%	9%
Hispanic	5%	5%	6%
Asian/Pacific	3%	2%	3%
Other/Mixed	2%	1%	4%
DK/REFUSED	3%	3%	4%

	Full- & Part-time	Full-time	Part-time
Level of Education			
Less than high school graduate	1%	1%	1%
High school graduate	23%	19%	31%
Some college or trade school	30%	27%	36%
College graduate	30%	34%	21%
Some grad. school/grad. degree	16%	19%	11%
Marital Status			
Married	57%	62%	48%
Single, never married	25%	20%	35%
Divorced/widowed/separated	14%	14%	14%
Civil union/domestic partnership	4%	4%	3%
Type of Area Lived In			
Large city	23%	23%	23%
Small city	25%	24%	27%
Suburbs	36%	38%	32%
Rural area	16%	16%	18%

Profile of Respondents, continued

	Full- & Part-time	Full-time	Part-time
House Hold Income (HHI)			
Less than \$25,000	7%	3%	15%
\$25,000 to less than \$50,000	19%	16%	24%
\$50,000 to less than \$75,000	21%	24%	17%
\$75,000 to less than \$100,000	14%	17%	8%
\$100,000 to less than \$150,000	15%	19%	9%
\$150,000 or more	8%	10%	4%
Not sure	2%	1%	5%
Decline to answer	14%	12%	17%
HH Amount Saved for Retirement			
Less than \$5,000	11%	10%	15%
\$5,000 to less than \$10,000	5%	6%	4%
\$10,000 to less than \$25,000	7%	8%	5%
\$25,000 to less than \$50,000	8%	8%	7%
\$50,000 to less than \$100,000	9%	11%	6%
\$100,000 to less than \$250,000	11%	13%	7%
\$250,000 or more	16%	18%	12%
Not sure	13%	9%	22%
Decline to answer	19%	17%	22%
Amount in Current Retirement Plan			
Less than \$5,000	18%	16%	25%
\$5,000 to less than \$10,000	9%	9%	7%
\$10,000 to less than \$25,000	9%	9%	7%
\$25,000 to less than \$50,000	11%	12%	7%
\$50,000 to less than \$100,000	10%	12%	4%
\$100,000 to less than \$250,000	12%	13%	9%
\$250,000 or more	8%	8%	4%
Not sure	9%	6%	20%
Decline to answer	15%	14%	16%

	Full- & Part-time	Full-time	Part-time
Occupation			
Professional/Medical/Technical	31%	36%	20%
Clerical/Service/Administration	18%	17%	20%
Managerial or business owner	12%	17%	2%
Sales	12%	8%	18%
Blue-Collar/Production	8%	8%	8%
Teacher/Education	0%	0%	1%
Some other occupation	19%	13%	30%
Company's Primary Business			
Professional services	29%	32%	23%
Service industries	16%	10%	28%
Manufacturing	11%	15%	4%
Transportation/Comm./Utilities	8%	8%	8%
Agriculture/Mining/Construction	3%	3%	1%
Some other type of business	33%	31%	37%
Number of Employees			
10-499 (NET)	50%	51%	49%
10 to 24	15%	14%	17%
25 to 99	18%	19%	16%
100 to 499	18%	19%	16%
500+ (NET)	50%	49%	51%
500 to 999	7%	8%	7%
Over 1,000	42%	41%	44%

Executive Summary

Executive Summary

Retirement Confidence & Competing Financial Priorities

- Full-time workers indicate the lowest level of confidence since 2004 in being able to fully retire with a lifestyle they consider as comfortable.
 - Workers with a higher household income (HHI) are more confident than those with a lower household income. However, the confidence level for every income bracket dropped significantly from 2006.
 - Women are less confident than men that they will be able to fully retire with a comfortable lifestyle (51% vs. 64%).
- In 2007, less than half of respondents agree they are building a large enough retirement nest egg (2006 65%, 2007 48%).
- Only the wealthy and highly educated workers most frequently mention saving for retirement as their highest priority. The majority of workers cite paying off debt and covering basic living expenses as their primary financial goals.
 - Saving for retirement (36%) followed by paying off debt (26%) are top priorities for workers with a HHI of \$100,000 or more.
 - Workers with HHIs greater than \$100,000 are more likely than their counterparts with HHIs under \$100,000 to be saving for retirement outside of work (46% HHI < \$50K, 66% HHI \$50K - \$99K, 80% HHI >\$100K).
 - Workers with household incomes of less than \$100,000 consider paying off debt and covering basic living expenses their primary objective. Saving for retirement is not their key focus.
 - Already being financially stretched is the most common factor preventing workers with HHIs less than \$50,000 from saving more for retirement.
 - Saving for retirement is the highest priority for workers who have a graduate education (41%).
 - Workers who are less educated do not tend to consider saving for retirement as their key priority. Workers who did not graduate from college report paying off debt (30%) and covering basic living expenses to be their main priorities (27%).

Executive Summary

Retirement Confidence & Competing Financial Priorities, continued

- Full-time female workers (39%) are much more likely than their male counterparts (30%) to cite being already stretched financially as the factor most preventing them from saving more for retirement.
- This year full-time workers who do not participate in their employee-funded retirement plan are more likely to mention they are financially stretched (2006 27%, 2007 35%).
- A higher percentage of African American workers than White workers mention paying off debt as the reason for not saving more for retirement.
- The percentage of full-time workers taking a loan from their retirement plan has increased (2006 11%; 2007 18%).
 - With the spike in interest rates this year, many used their loan from retirement savings to pay down debt (2006 27%; 2007 49%).
 - There has been a large increase in the excessive credit card debt, which is still the most common form of debt (2006 48%, 2007 70%). Increases also occurred among mortgages (2006 46%, 2007 52%), auto loans (2006 28%, 2007 45%), and student loans (2006 18%, 2007 28%).
 - Educated workers and workers with HHI of \$100,000+ are more confident that they are building a large enough retirement nest egg.
- Healthcare is seen as a key priority while working and during retirement.
 - Health insurance is the most important benefit (93%) with significantly more importance among full-time workers (96%) than among part-timers (89%).
 - The high cost of healthcare (43%) along with outliving your money (44%) are the greatest retirement fears. The cost of healthcare is a key fear regardless of workers' education or marital status.

Executive Summary

Importance of 401(k) and Other Employee-Funded Retirement Plans

- While the percent of full-time workers who say they have a 401(k) retirement plan remains unchanged since 2004, the percent of full-time workers who claim they have a pension plan has significantly decreased.
 - Slightly over three-quarters of full-time workers (77%) mention their company offers a 401(k) plan. Less than a quarter of workers (21%) say their company offers a defined benefit plan.
 - Part-time workers and full-time workers at small companies are much less likely to work for a company that offers a 401(k) plan than workers at large companies (41%, 68%, 77% respectively).
 - Women, less educated workers, and workers with a lower HHI are less likely to be offered 401(k) plans.
 - Since 2004 the number of full-time workers who have a pension plan has decreased significantly (54% vs. 21%).
- Half of the workers surveyed indicated a preference for superior retirement benefits over a higher salary.
 - Full-time workers at larger companies are more likely than full-time workers at small companies to prefer superior retirement benefits (56% vs. 46%).
- Workers whose companies do not offer a retirement plan are more likely to leave their current employer to take a nearly identical job with a similar employer, if that employer offered a retirement plan (61%).
- Even though confidence among workers has decreased in 2007, more full-time workers are participating in their employee-funded retirement plans (73% vs. 82%).
 - Younger workers are less likely to contribute to their employee-funded retirement plans (Echo 53%, Generation X 76%, Baby Boomers 81%, Matures 82%).
 - Workers without a college degree are less likely to participate in their employee-funded retirement plan (high school or less 69%, some college 71%, college grad 82%, grad school 86%).
 - Workers with a HHI of \$100,000 or more tend to allocate a higher percent of their salary to their employee-funded retirement plan (9% vs. 13%).

Executive Summary

Importance of 401(k) and Other Employee-Funded Retirement Plans, continued

- There was also a slight increase in the median and average contribution rates for full-time workers (Median: 7% in 2006 to 8% in 2007, Average: 9.2% in 2006 to 10.1% in 2007).
- Overall, 401(k)/403(b) accounts/ IRAs (44%) are seen as the primary source of income followed by Social Security (22%).
 - Compared to 2006, a higher percent of full-time workers believe employee-funded retirement plans will be their primary source of income during retirement. Fewer workers think company-funded pension plans will be their main retirement income source (employee-funded plans 2006- 43% vs.2007- 49%; pension plans 2006- 15% vs. 2007- 9%).
 - Workers at larger companies are more dependent on employee-funded retirement plans compared to workers at smaller companies.
- Social Security is still seen as a primary source of income during retirement for female workers, less educated workers, part-time workers, and workers whose household income are less than \$50,000.
 - Despite doom and gloom reports, more workers are looking to the future of Social Security as a primary source for retirement income – fully one-fifth of American workers (2006 15%, 2007 19%).
 - Women (47%) are more likely to list the reduction or end of Social Security as one of their greatest fears in retirement compared with men (34%).
 - Less educated workers are more worried that Social Security will be reduced or cease to exist in the future (high school or less 50%, some college 42%, college graduate 35%, graduate school 26%).
 - Far more full-time and part-time workers with an HHI under \$50,000 (43%) are expecting Social Security to be their primary source of income during retirement than workers with an HHI of \$50,000 or more.
 - Less educated workers are more likely to be reliant on Social Security as their primary source of income during retirement (high school or less 37%, some college 24%, college educated 15%, graduate school 11%).

Executive Summary

Retirement Planning & Investing Behavior

- Slightly more than half of all workers (54%) have a retirement strategy; however, very few workers write the strategy down (11%).
 - Men are more likely than women to have a retirement strategy (59% vs. 46%). Interestingly, the same percent of men and women have a written strategy (11%).
 - Highly educated workers are more likely to have a retirement strategy than workers who are less educated (high school or less 39%, some college 48%, college graduate 62%, graduate education 72%).
 - Regardless of education, most workers do not have a written retirement strategy. However, workers who have a higher education are more likely to have a retirement strategy that is not written down (high school or less 32%, some college 38%, college graduate 49%, graduate education 54%).
 - Married workers are more likely to have a written retirement strategy (14%) than unmarried workers (8% of unmarried women, 6% of unmarried men).
 - Most people guess (51%) in order to arrive at the amount they think they need to retire comfortably. Part-time workers (57%) in particular guess more often than full-time workers (47%).
- Only a small percentage of workers feel they have a good understand of asset allocation principles as it relates to retirement investing (22%).
 - Male workers are more likely than their female counterparts to have a good understanding of asset allocation principles as they relate to retirement investing.
 - Among full-time workers, Echo Boomers are the generation least likely to have a good understanding regarding asset allocation principles as they relate to retirement investing.
 - Education directly correlates with how well workers understand asset allocation principles related to retirement investing. The more educated the worker, the more likely they will understand asset allocation (high school or less 10%, some college 14%, college graduate 30%, graduate education 40%).

Executive Summary

Investing Behavior

- Investment behavior varies by certain demographic factors.
 - Men and highly educated workers are more likely to invest in riskier investments for retirement. Women working full-time invest in bonds, money market funds, cash and other stable investments more frequently than do men working full-time (20% vs. 13%). While men more frequently invest in stocks, with little or no money in investments such as bonds, money market funds and cash (35%), only 16% of women report doing the same.
 - Workers who are more educated are more likely to invest in riskier retirement investments such as stocks (high school or less 13%, some college 20%, college graduate 30%, graduate education 34%).
- A majority of workers have not changed the percentage of their salary they contribute to their retirement savings plan in the last twelve months (67%).
 - More workers increased their contribution percentage rate than decreased it (27% vs. 5%).
- Monitoring and managing retirement savings is less of a priority for part-time workers, particularly in small companies.
 - Full-time workers (69%) are more involved in monitoring and managing their retirement savings than part-time (50%) workers.
 - Part-time workers (33%) are more likely than full-time workers (28%) to prefer and not think about or concern themselves with retirement investing, until they get closer to their retirement date.

Executive Summary

Awareness of Retirement Plan Features & Opportunities

- Awareness of “Catch-up Contributions” is dependent on the company’s size, as well as the worker’s gender, household income, age, and education.
 - Among full-time workers, Matures are much more likely to be aware of catch-up contributions (74%) than any other generation.
 - Awareness of catch-up contributions is dependent on a worker’s education. Those who are college educated know about this type of retirement option.
 - Regardless of company size, full-time workers (56%) are more frequently aware than part-time workers (36%) that people age 50 and older may be allowed to make catch-up contributions to their 401(k)/403(b)/457(b) plan or IRA.
 - Men are more aware than women are that people age 50 and older can make catch-up contributions to their 401(k)/403(b)/457(b) plans or IRAs.
 - Across the board, workers with HHIs of \$100,000 or more are more familiar with catch-up contributions than those with lower HHIs.
- Workers who would most benefit from the “Saver’s Credit” are the least aware of the tax credit.
 - Only 15% of workers who are most likely eligible for the “Saver’s Credit” based on their income are aware of it.
 - Awareness of a tax credit called the “Saver’s Credit” is dependent on a worker’s education. Workers who have at least a college education are more likely to be aware of this type of tax credit (high school or less 19%, some college 16%, college graduate 25%, graduate education 36%).

Executive Summary

Awareness of Retirement Plan Features, continued

- Awareness of Roth 401(k) option is dependent on the company's size, as well as the worker's gender, household income, age, and education.
 - Workers in companies with 100 or more employees are significantly more aware of the Roth 401(k)/403(b) option.
 - Women working full-time are significantly less likely than their male counterparts to be aware of the Roth 401(k)/403(b) option (women 60%, men 74%).
 - Full-time workers with HHIs of \$50,000 or more are significantly more likely to be aware of the Roth 401(k)/403(b) option (72%).
 - Awareness of the Roth 401(k)/403(b) option is much higher among Matures (80%) than any other generation.
 - Awareness of Roth 401(k)/403(b) option is dependent on a worker's education. Those who are college educated are more likely to know about this type of retirement option.

Executive Summary

Information Sources for Retirement Planning & Investing

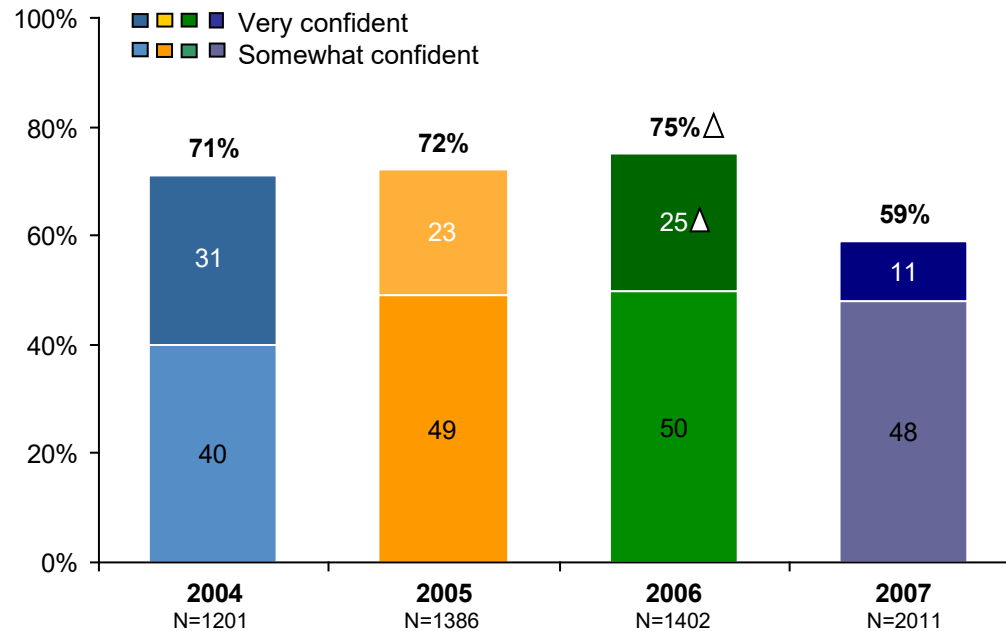
- Friends and family (32%) are most frequently mentioned as an information source that workers rely on for retirement planning and investing. Of the various information sources, “friends and family” are cited as the most influential, second only to a financial planner (18% and 25% respectively). Understanding of asset allocation principles varies by demographic factors as well.
 - Regarding retirement planning and advice, women are influenced more than men by friends and family. (23% vs. 14%).
 - Workers who have a higher household income are less reliant on friends and family as the primary source for retirement planning and investing. However, they still rely on their feedback for retirement planning.
 - Workers who have a household income of \$100,000 are more likely to be most influenced by financial planners (31%) and financial Web sites (15%).
 - Younger workers are more likely to rely on family/friends for retirement advice and older workers are more reliant on financial planners.

Detailed Findings

Since 2004, workers are less confident that they will be able to fully retire with a lifestyle they consider comfortable.

Confidence in Retiring with Comfortable Lifestyle: 2004-2007

Top 2 Box % (Very/Somewhat Confident)



BASE: For Profit – Full-time

Q880. How confident are you that you will be able to fully retire with a lifestyle you consider comfortable?

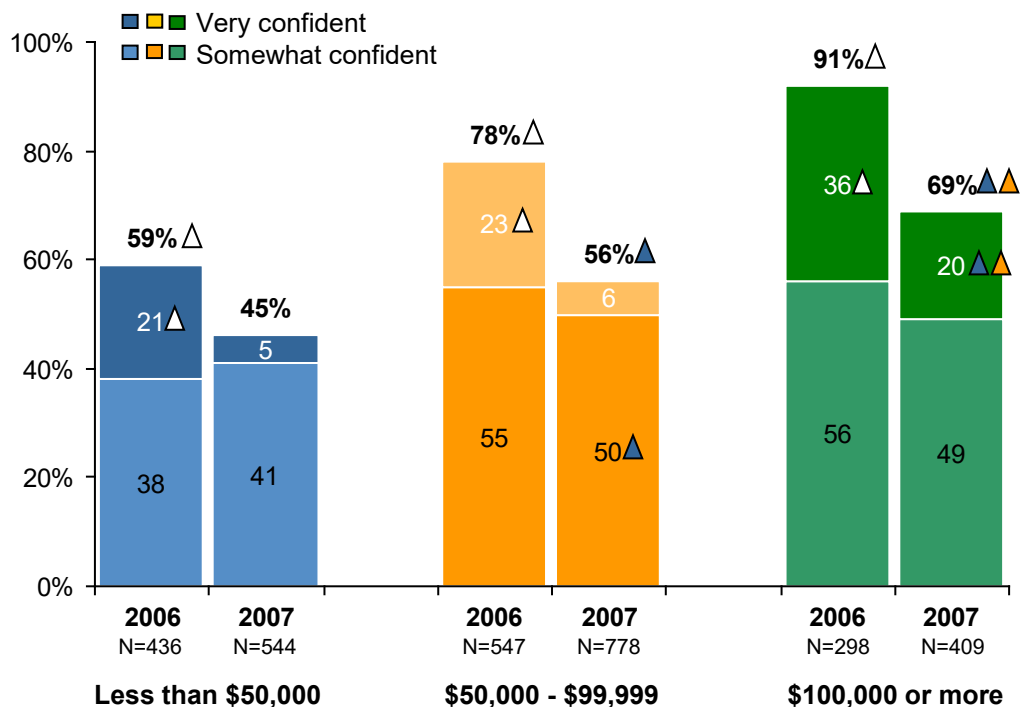
Confidence in Retiring with Comfortable Lifestyle

Income: 2006-2007

Workers with a higher household income are more confident than those with a lower household income. However, the confidence level for every income bracket dropped significantly from 2006.

Top 2 Box % (Very/Somewhat Confident)

Base: For Profit – Full-time only

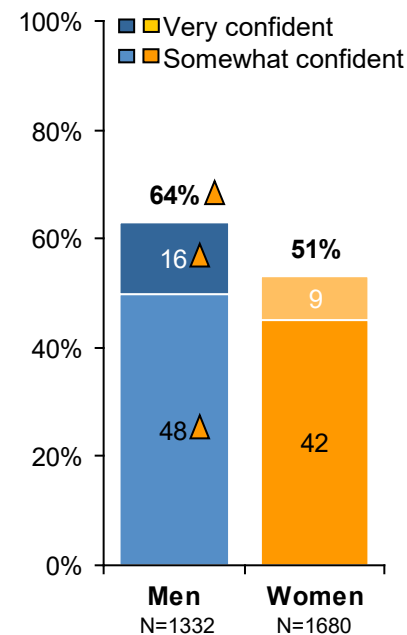


Gender

Women are less confident than men that they will be able to fully retire with a comfortable lifestyle.

Top 2 Box % (Very/Somewhat Confident)

Base: For Profit – Full- and Part-time



BASE: Income (For Profit – Full-time); Gender (For Profit – Full- and Part-time)

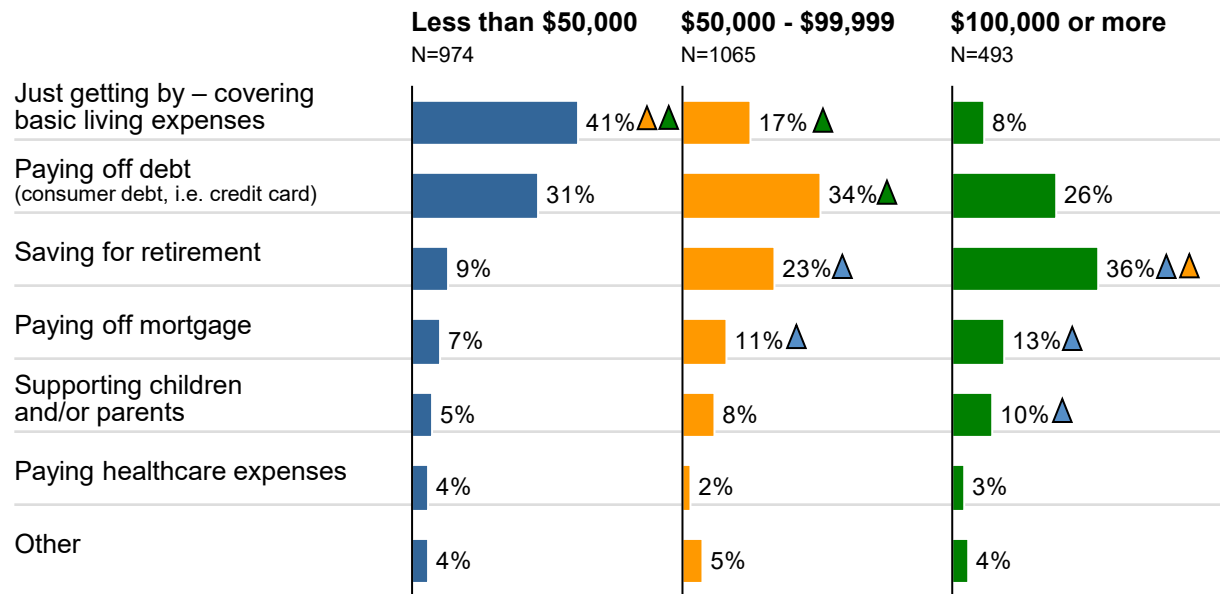
Q880. How confident are you that you will be able to fully retire with a lifestyle you consider comfortable?

Only wealthy and highly educated workers mention saving for retirement as their highest priority. The majority of workers see paying off debt and covering basic living expenses as their primary financial goals.

Greatest Financial Priority

Income

- Saving for retirement (36%) followed by paying off debt (26%) are top priorities for workers with a household income of \$100,000 or more.
- Workers with household incomes of less than \$100,000 consider paying off debt and covering basic living expenses as their primary objective. Saving for retirement is not their key focus.

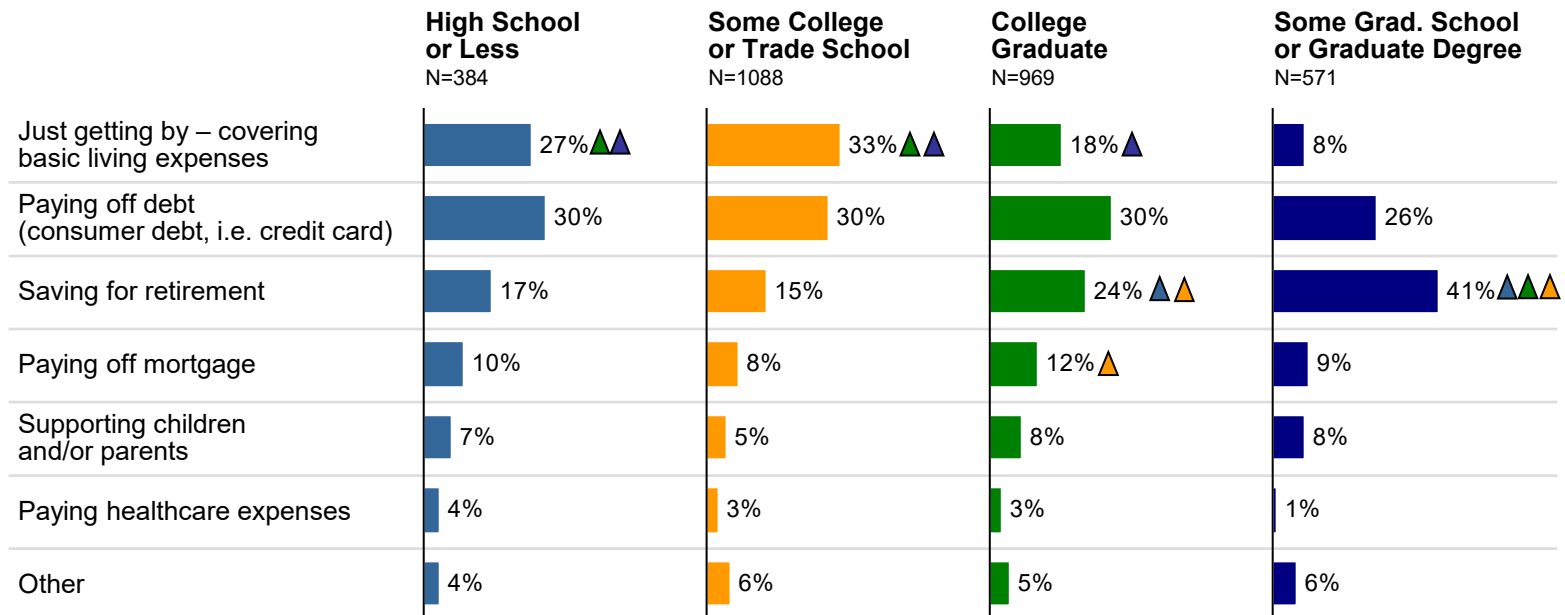


BASE: For Profit, Full- and Part-time
Q500. Which one of the following is your greatest financial priority right now?

Greatest Financial Priority

Education

- Saving for retirement is the highest priority for workers who have a graduate education (41%).
- Workers who are less educated do not consider saving for retirement as their key priority. Workers who did not graduate from college report paying off debt (30%) and covering basic living expenses as their main objectives (27%).

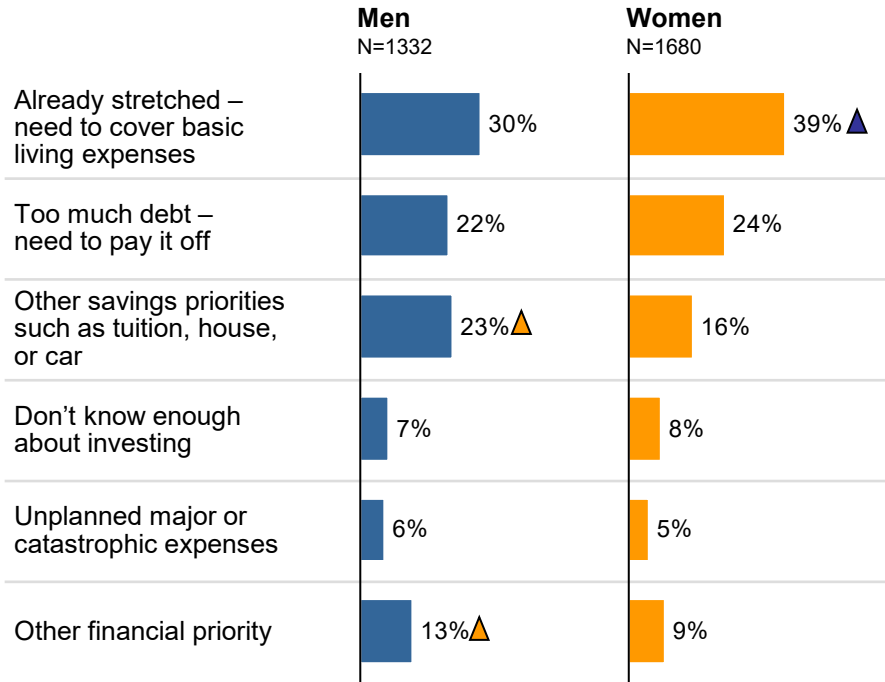


BASE: For Profit, Full- and Part-time
Q500. Which one of the following is your greatest financial priority right now?

Major Obstacle to Saving More for Retirement

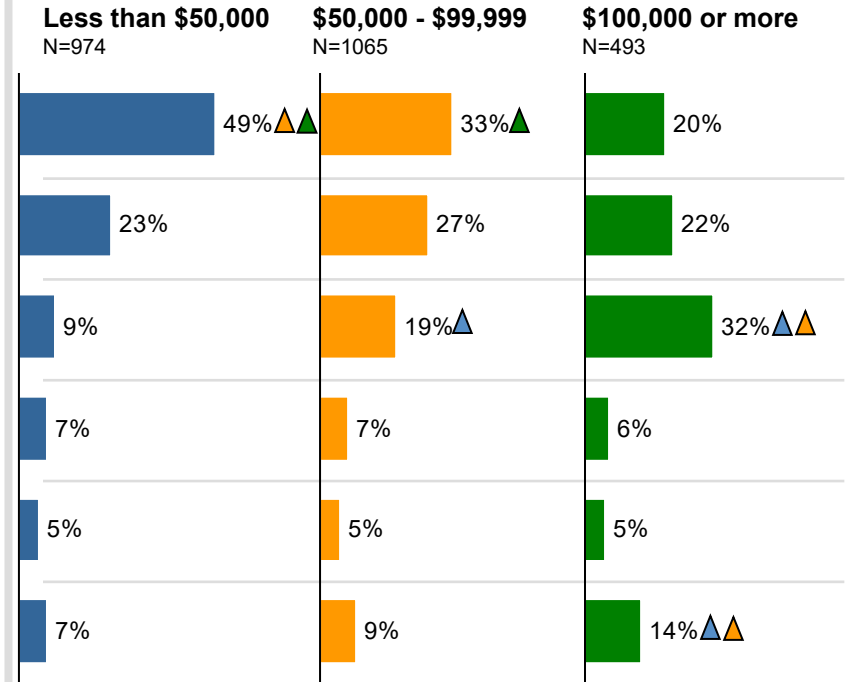
Gender

Full-time female workers (39%) are much more likely than their male counterparts (29%) to cite being already financially stretched as the factor most preventing them from saving more for retirement.



Income

Already being financially stretched is the most common factor preventing workers with HHIs less than \$50,000 from saving more for retirement.

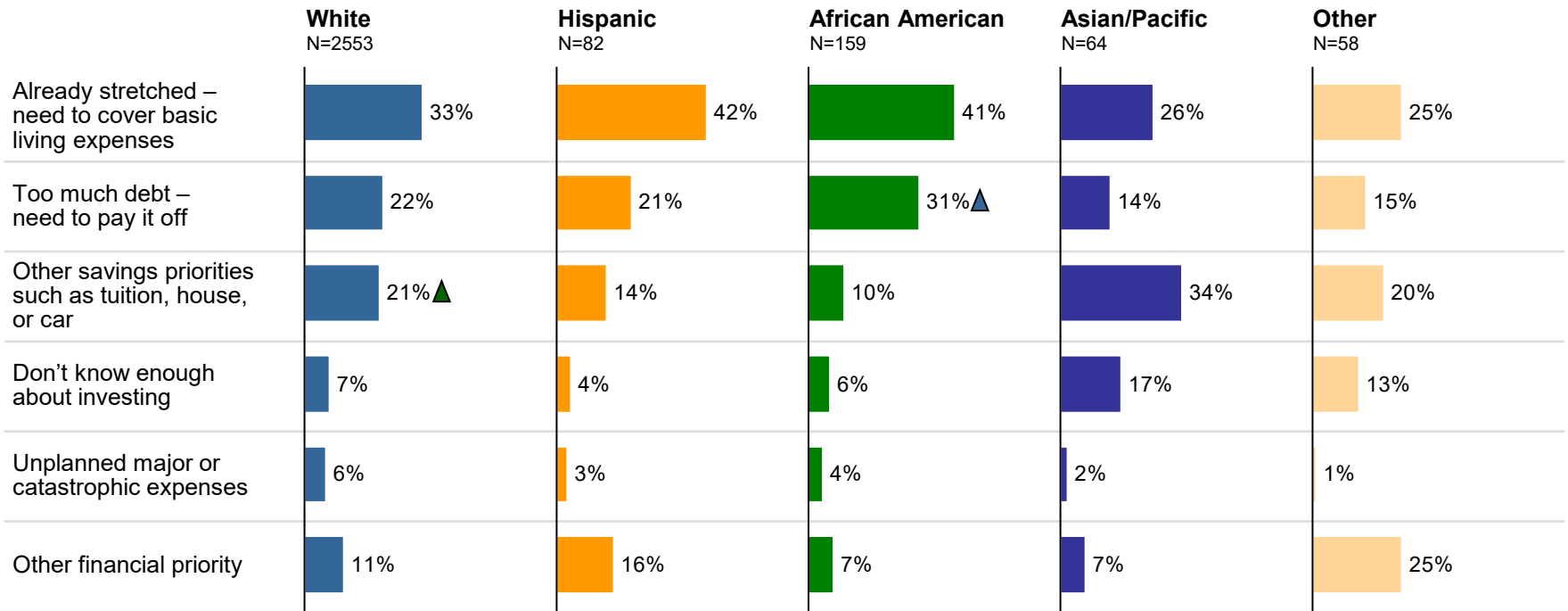


BASE: For Profit, Full- and Part-time
Q810. What one factor or financial priority is most preventing you from saving more for your retirement?

Major Obstacle to Saving More for Retirement

Ethnicity

A higher percentage of African American workers than White workers mention paying off debt is preventing them from saving more for retirement.



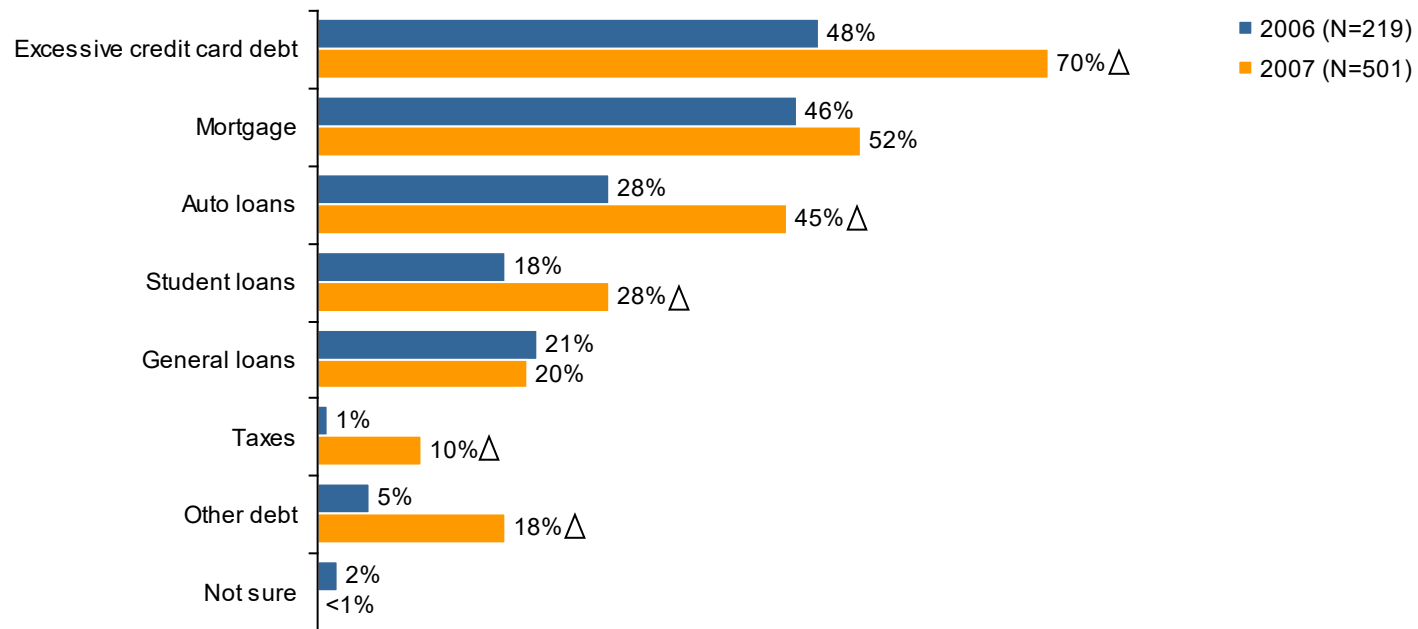
BASE: For Profit, Full- and Part-time
Q810. What one factor or financial priority is most preventing you from saving more for your retirement?

Nature of Debt

Among those who have too much debt.

2006-2007

- There has been a large increase in the excessive credit card debt, which is still the most common form of debt (2006 48%, 2007 70%). Increases also occurred among mortgages (2006 46%, 2007 52%), auto loans (2006 28%, 2007 45%), and student loans (2006 18%, 2007 28%).

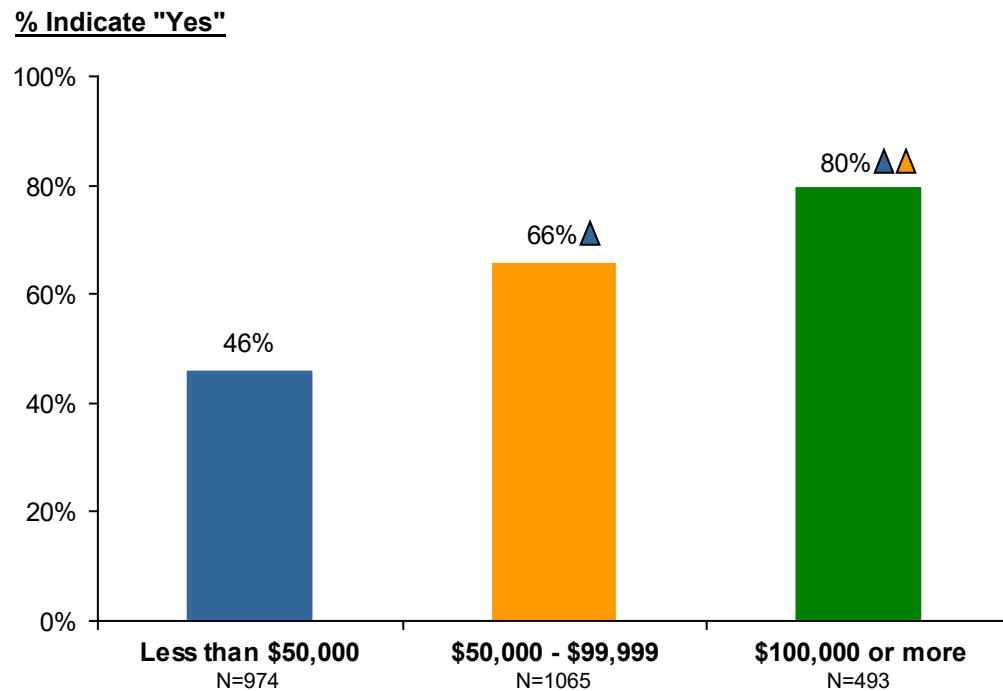


BASE: For Profit – Full-time; Has too much debt
Q820. What is the nature of your debt? Select all that apply.

Currently Saving for Retirement Outside of Work

Income

Workers with HHIs of \$100,000 or more are more likely than their counterparts with HHIs under \$100,000 to be saving for retirement outside of work.



BASE: For Profit, Full- and Part-time

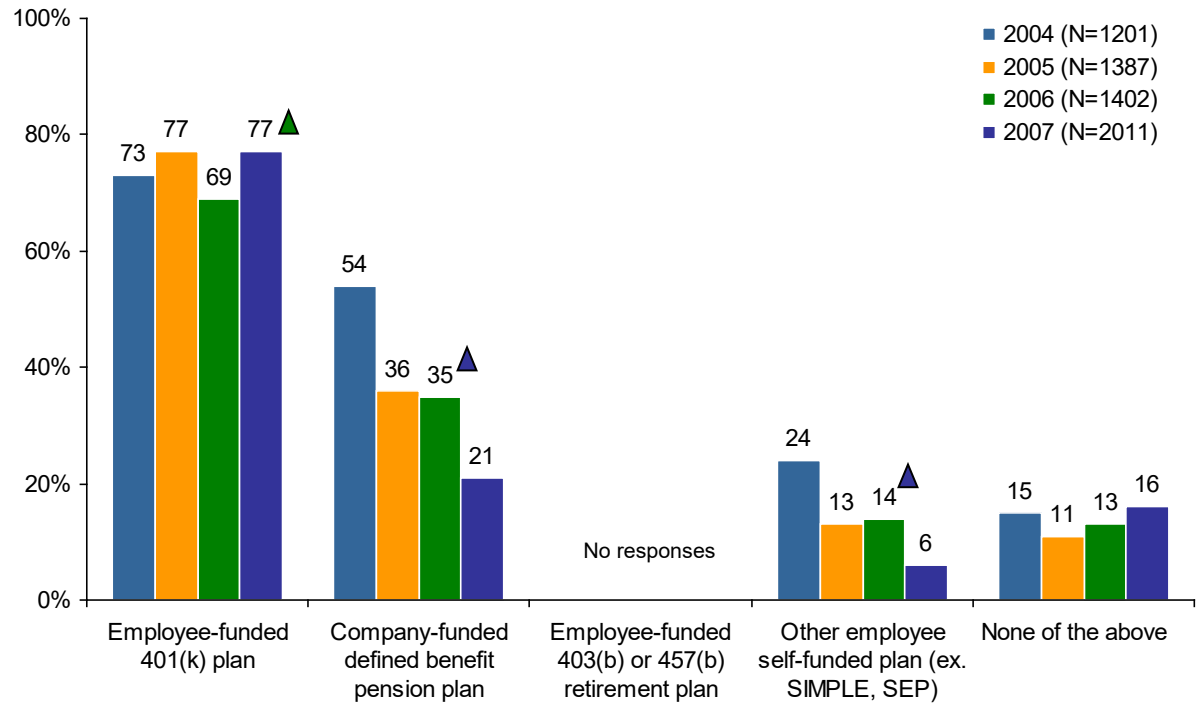
Q740. Are you currently saving for retirement outside of work, such as in an IRA, mutual funds, bank account, etc.?

The percent of workers who claim they have a pension plan has significantly decreased since 2004.

Benefits Currently Offered

2004-2007

Since 2004 the number of workers who have a pension plan has decreased significantly (54% vs. 21%).



BASE: For Profit – Full-time

Q580. Which of the following retirement benefits does your company currently offer to you, personally? Select all that apply.

Benefits Currently Offered

Gender – Education – Income

Women, less educated workers, and workers with a lower household income are less likely to be offered employee-funded 401(k) plans.

	Gender		Education				Income		
	Men N=1332	Women N=1680	High School or Less N=384	Some College or Trade School N=1088	College Graduate N=969	Some Grad. School or Graduate Degree N=571	Less than \$50,000 N=974	\$50,000 - \$99,999 N=1065	\$100,000 or more N=493
Employee-funded 401(k) plan	68% ▲	61%	59%	56%	76%▲▲	73% ▲▲	53%	71%▲	79%▲▲
Company-funded defined benefit pension plan	21% ▲	14%	14%	14%	22%▲▲	23% ▲▲	9%	20%▲	25%▲
Employee-funded 403(b) or 457(b) retirement plan	-	-	-	-	-	-	-	-	-
Other employee self-funded plan (ex. SIMPLE, SEP)	7%	5%	3%	5%	6%	11%▲▲▲	5%	5%	8%
None of the above	24%	34%▲	35%▲▲	38%▲▲	18%	18%	42%▲▲	23%▲	14%

BASE: For Profit, Full- and Part-time
Q580. Which of the following retirement benefits does your company currently offer to you, personally? Select all that apply.

Benefits Currently Offered

Company Size

- Slightly over three quarters of full-time workers (77%) say their company offers a 401(k) plan. Less than a quarter of workers (21%) say their company offers a defined benefit plan.
- Part-time workers and full-time workers at small companies are much less likely than workers at large companies to be offered a 401(k) plan (53% and 77% respectively).

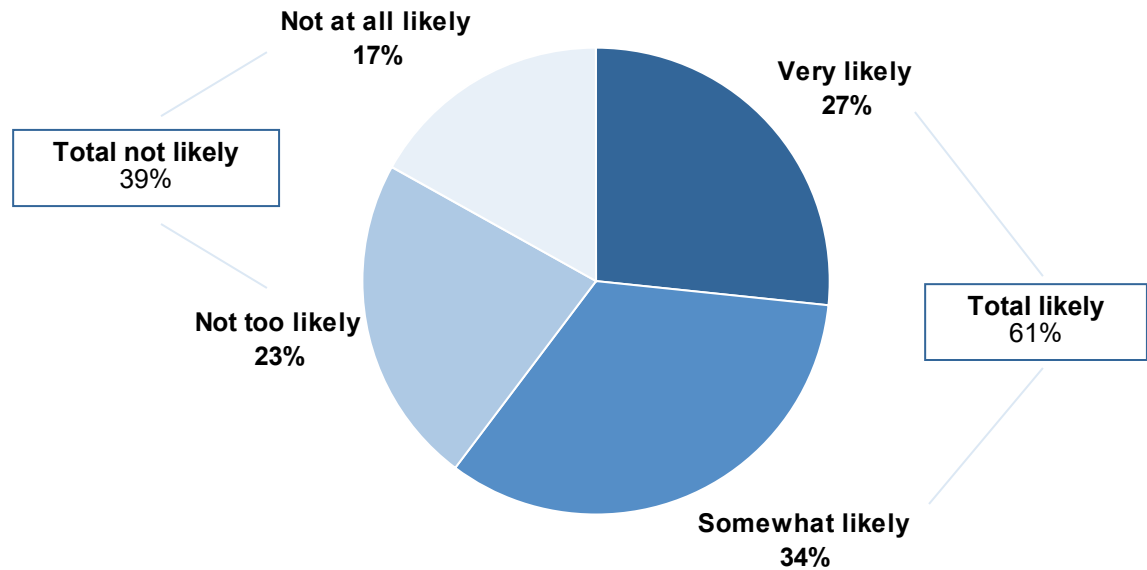
	All Companies			Small Company			Large Company		
	Full- & Part-time N=3012	Part-time N=1001	Full-time N=2011	Full- & Part-time N=1456	Part-time N=451	Full-time N=1005	Full- & Part-time N=1556	Part-time N=550	Full-time N=1006
Employee-funded 401(k) plan	65% [△]	41%	77% ^{△△}	53% [△]	24%	68% ^{△△}	77% ^{△△}	58% [△]	88% ^{△△△}
Company-funded defined benefit pension plan	18% [△]	13%	21% ^{△△}	8%	7%	8%	28% ^{△△}	18% [△]	34% ^{△△△}
Employee-funded 403(b) or 457(b) retirement plan	–	–	–	–	–	–	–	–	–
Other employee self-funded plan (ex. SIMPLE, SEP)	6%	5%	6%	6%	4%	7%	6%	6%	6%
None of the above	28% [△]	53% ^{△△}	16%	39% ^{△△}	70% ^{△△△}	25% [△]	17% [△]	37% ^{△△}	6%

BASE: For Profit, Full- and Part-time
 Q580. Which of the following retirement benefits does your company currently offer to you, personally? Select all that apply.

Workers whose employer does not offer a retirement plan are likely to leave their current employer to take a nearly identical job with a similar employer, if that employer offered a retirement plan (61%).

Likelihood of Switching to Company with Retirement Plan

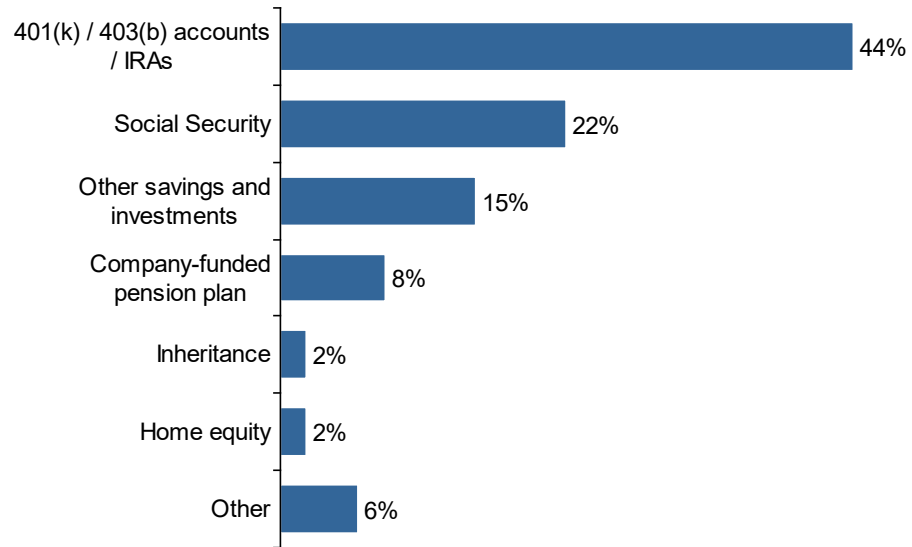
Among those whose employer doesn't offer a retirement plan



BASE: For Profit, Full- and Part-time; Those whose employer doesn't offer retirement plan, N=851
 Q730. How likely would you be to leave your current employer to take a nearly identical job, with a similar employer, if that employer offered you a retirement plan?

Overall, 401(k)/403(b) accounts/IRAs (44%) are seen as the primary source of income followed by Social Security (22%).

Primary Source of Income At Retirement



BASE: For Profit, Full- and Part-time, N=3012

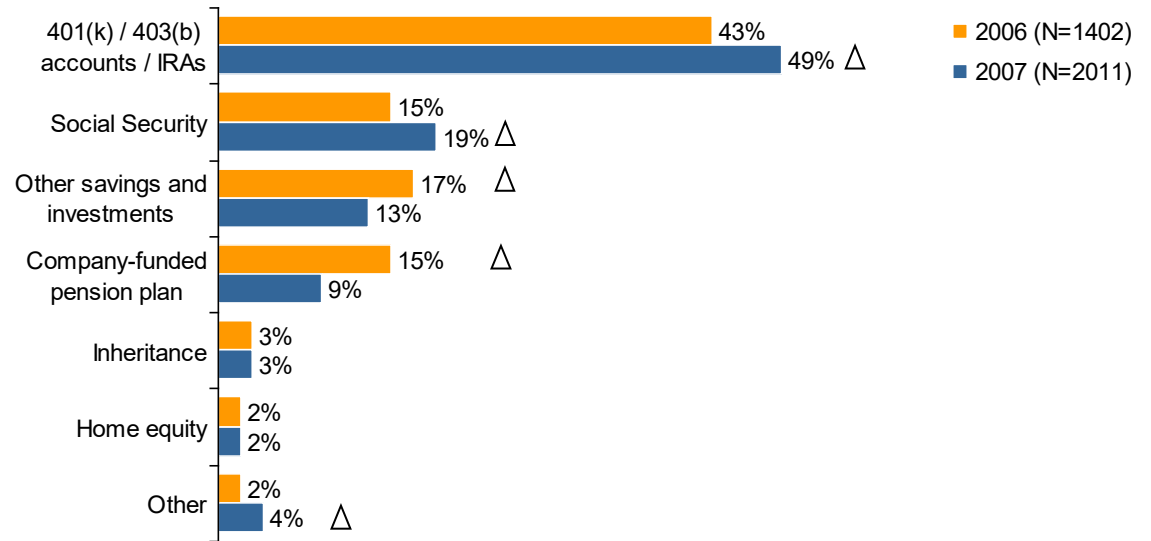
Q550. Which one of the following do you expect to be your primary source of income to cover your living expenses after you retire?

Social Security is still seen as a primary source of income during retirement for female workers, less educated workers, part-time workers, as well as workers whose household income is less than \$50,000.

Primary Source of Income After Retirement

2006-2007

Contrary to doom and gloom reports, more workers are looking to Social Security as a primary source for retirement income – fully one-fifth of Americans.

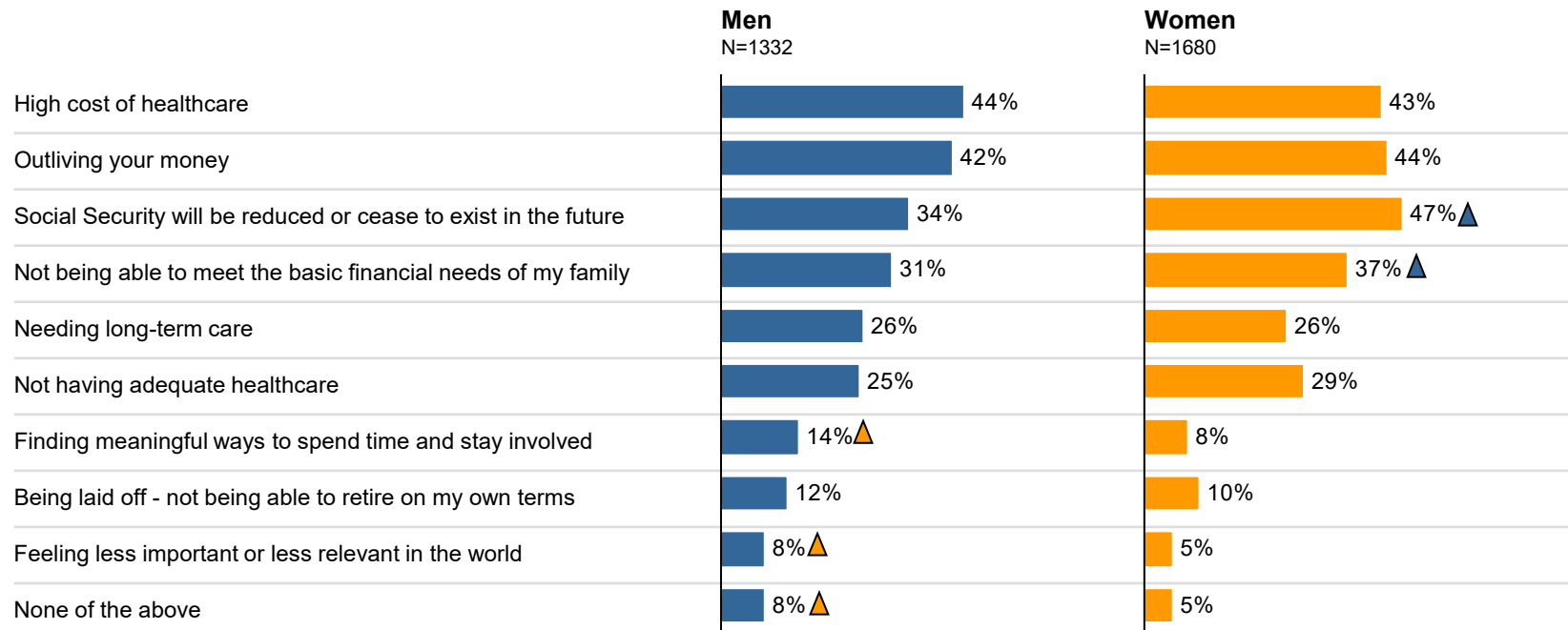


BASE: For Profit – Full-time
 Q550. Which one of the following do you expect to be your primary source of income to cover your living expenses after you retire?

Greatest Fear about Retirement

Gender

Women (47%) are more likely to list the reduction or end of Social Security as one of their greatest fears in retirement than are men (34%).

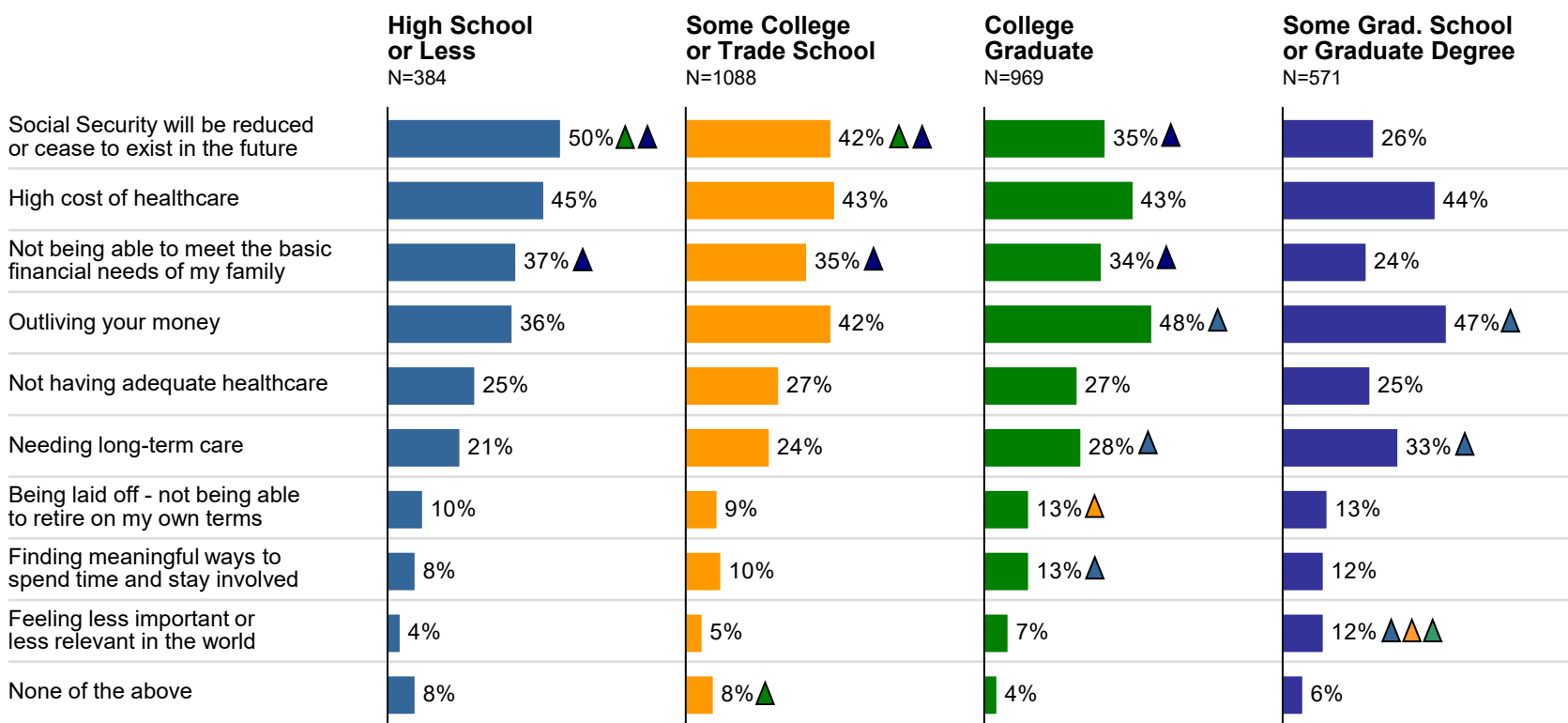


BASE: For Profit, Full- and Part-time
Q510. What are your greatest fears about retirement? Select all that apply.

Greatest Fear about Retirement

Education

Less educated workers are more worried that Social Security will be reduced or cease to exist in the future (high school or less 50%, some college 42%, college graduate 35%, graduate school 26%) possibly because they will have a greater dependence on it.

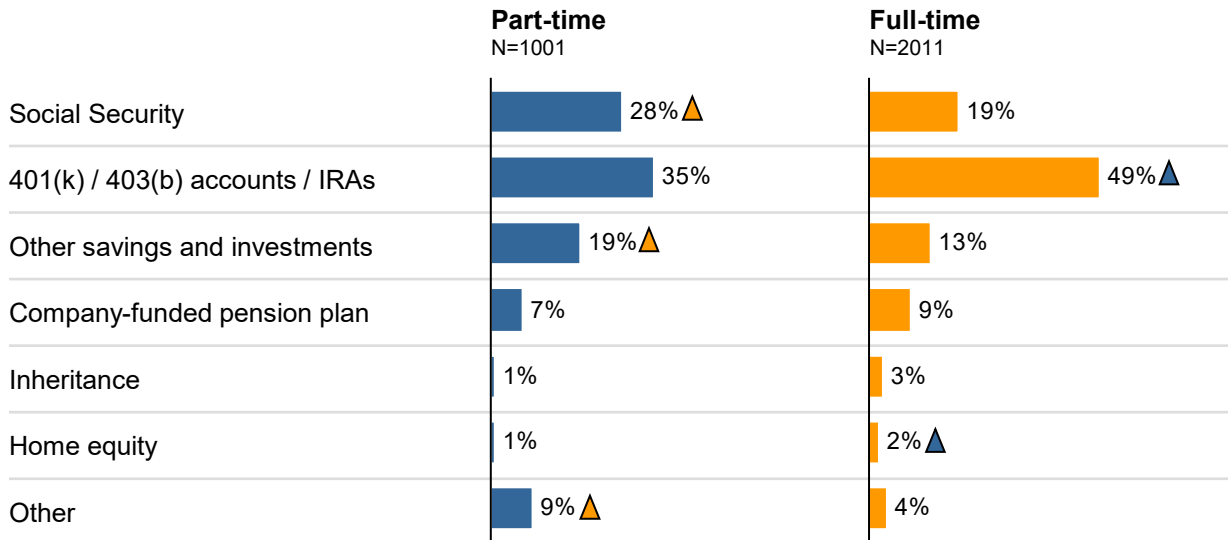


BASE: For Profit, Full- and Part-time
Q510. What are your greatest fears about retirement? Select all that apply.

Primary Source of Income After Retirement

Worker Type

Significantly more part-time workers (28%) expect Social Security to be their primary source for retirement income than full-time workers (19%).

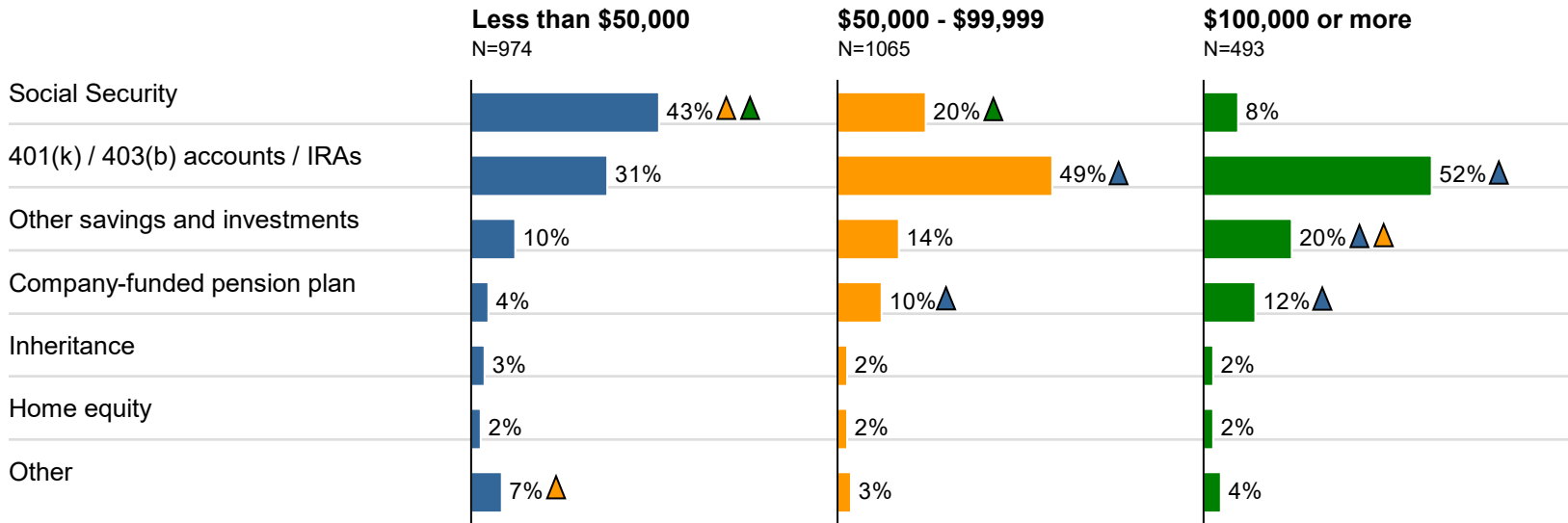


BASE: For Profit, Full- and Part-time
Q550. Which one of the following do you expect to be your primary source of income to cover your living expenses after you retire?

Primary Source of Income After Retirement

Income

Lower income workers expect to be more reliant on Social Security while higher income workers have a higher reliance on employee-funded retirement plans.

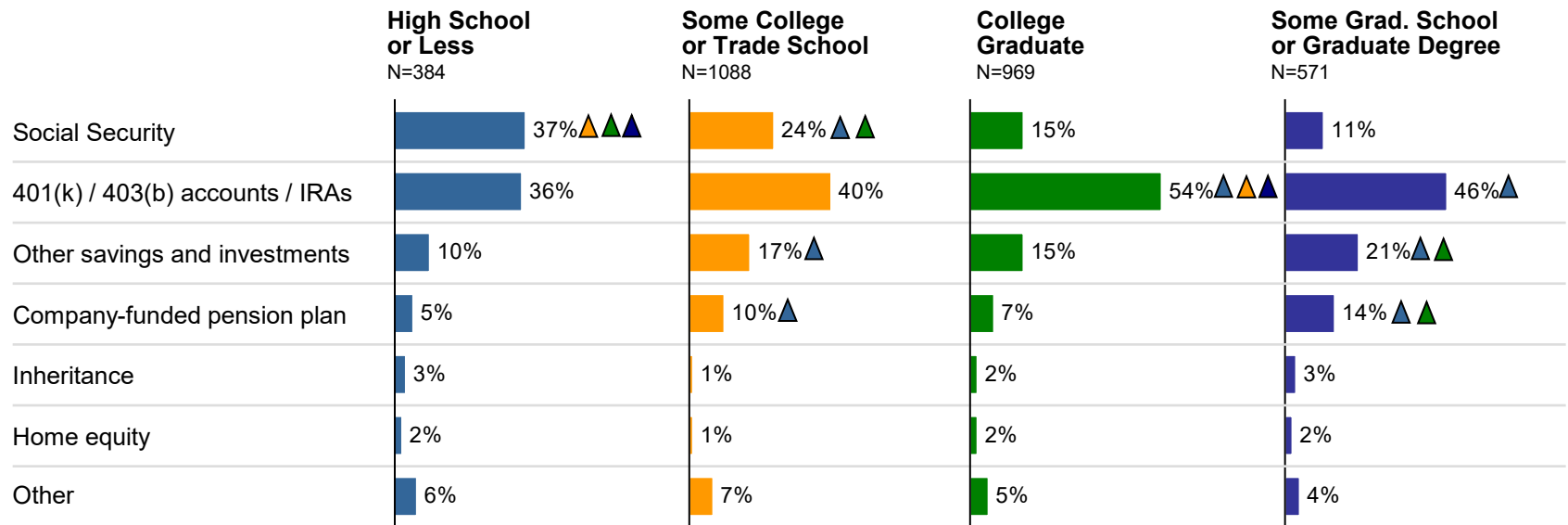


Q550. Which one of the following do you expect to be your primary source of income to cover your living expenses after you retire?
BASE: For Profit, Full- and Part-time

Greatest Fear about Retirement

Education

Less educated workers are more likely to be reliant on Social Security as their primary source of income during retirement (high school or less 37%, some college 24%, college educated 15%, graduate school 11%).



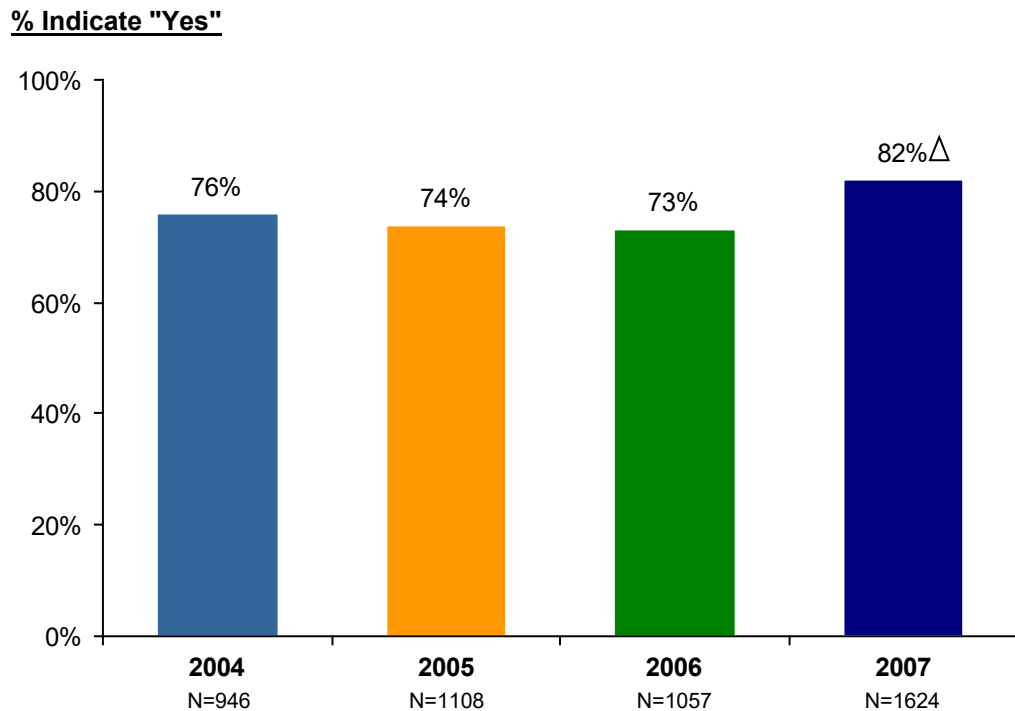
BASE: For Profit, Full- and Part-time
Q550. Which one of the following do you expect to be your primary source of income to cover your living expenses after you retire?

Even though retirement confidence among workers has decreased in 2007, more full-time workers are participating in their employee-funded retirement plan.

The percentage of salary that workers are saving for retirement through their company-sponsored plan remains unchanged from 2006 to 2007.

Currently Participate or Have Money Invested in Company's Retirement Plan: 2004-2007

Among those with qualified plans currently offered to them.



BASE: For Profit – Full-time; Those with qualified plans currently offered to them
 Q590. Do you currently participate in, or have money invested in your company's employee-funded retirement savings plan?

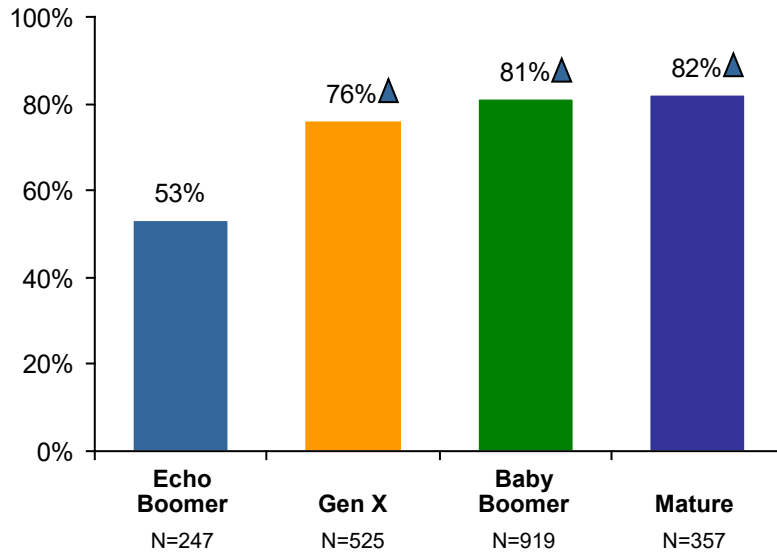
Currently Participate or Have Money Invested in Company's Retirement Plan

Among those with qualified plans currently offered to them.

Generation

Younger workers are less likely to contribute to their employee-funded retirement plans (Echo 53%, Generation X 76%, Baby Boomers 81%, Matures 82%).

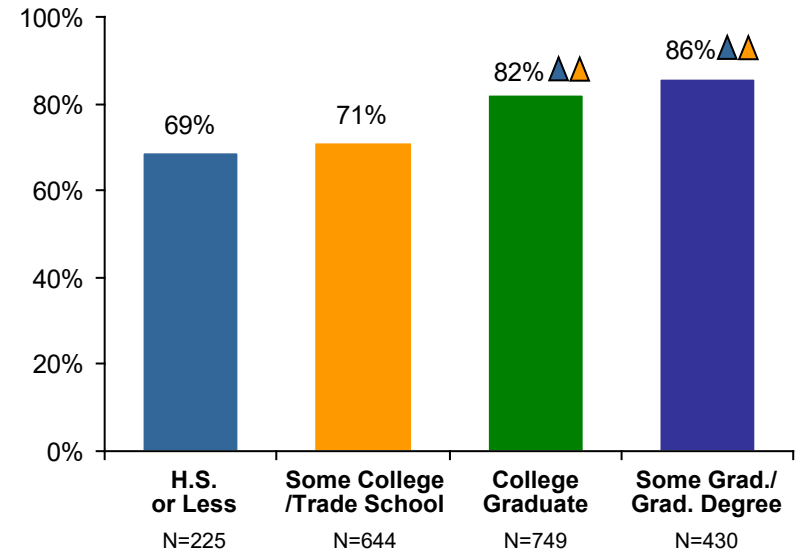
% Indicate "Yes"



Education

Workers without a college degree are less likely to participate in their employee-funded retirement savings plans (high school or less 69%, some college 71%, college grad 82%, grad school 86%).

% Indicate "Yes"



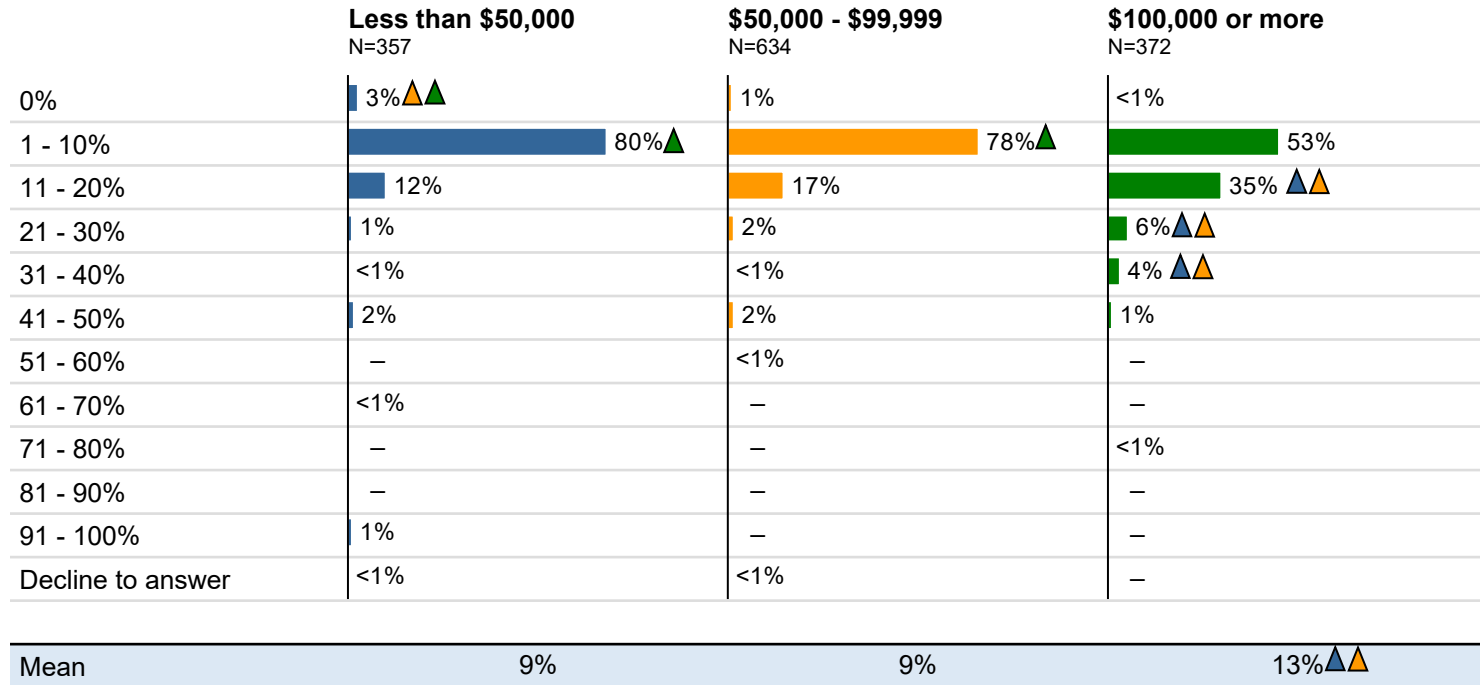
BASE: For Profit, Full- and Part-time; Those with qualified plans currently offered to them
 Q590. Do you currently participate in, or have money invested in your company's employee-funded retirement savings plan?

Percentage of Salary Toward Retirement This Year

Among those currently participating in their qualified plan

Income

Workers with household income of \$100,000 or more tend to allocate a higher percent of their salary to their company-sponsored retirement plan (9% vs. 13%).



BASE: For Profit, Full- and Part-time; Those currently participating in their qualified plan
Q600. What percentage of your salary are you saving for retirement through your company-sponsored plan this year?

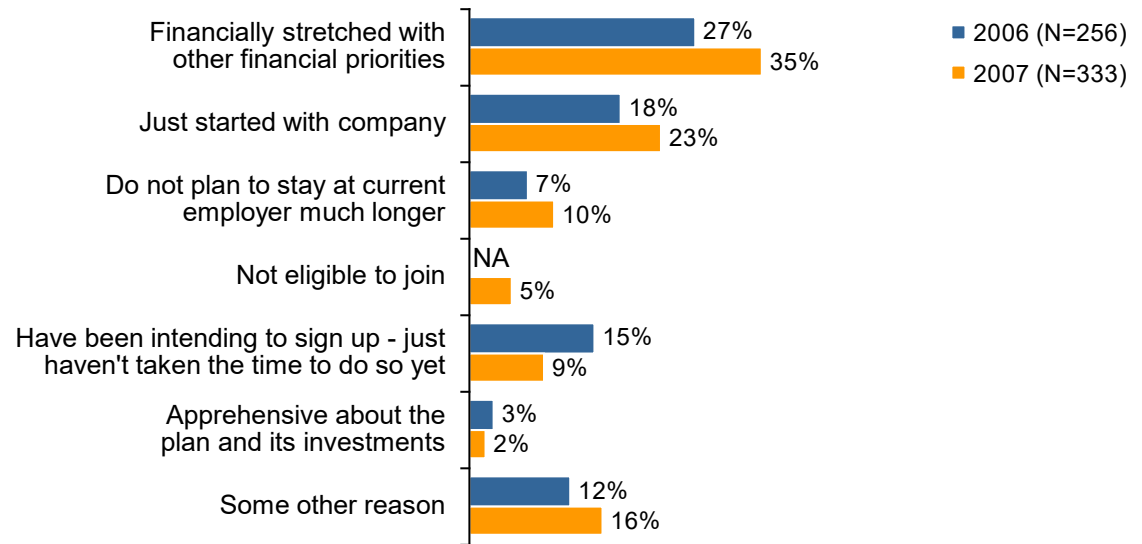
This year workers who do not participate in their company-sponsored retirement plan are more likely to mention that they are financially stretched.

Reasons for Not Currently Participating in Plan

Among those not currently contributing to plan.

2006-2007

Many workers do not participate in their company's retirement plan because they are financially stretched (2006 27%, 2007 35%).



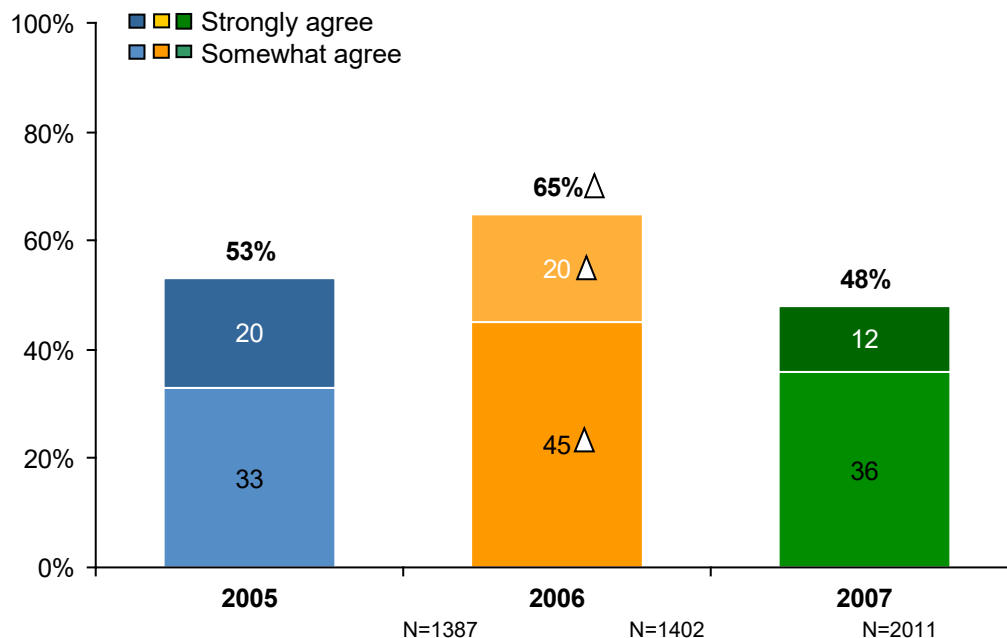
BASE: For Profit – Full-time; Those not currently contributing to plan
 Q670. Which of the following is the main reason you are not currently participating in your company's retirement plan?

Agreement with Currently Building a Large Enough Retirement Nest Egg

2005-2007

Now, less than half of respondents agree they are building a large enough retirement nest egg (2006 65%, 2007 48%).

Top 2 Box % (Strongly/Somewhat Agree)



BASE: For Profit – Full-time

Q800. How much do you agree or disagree that you are currently building a large enough retirement nest egg?

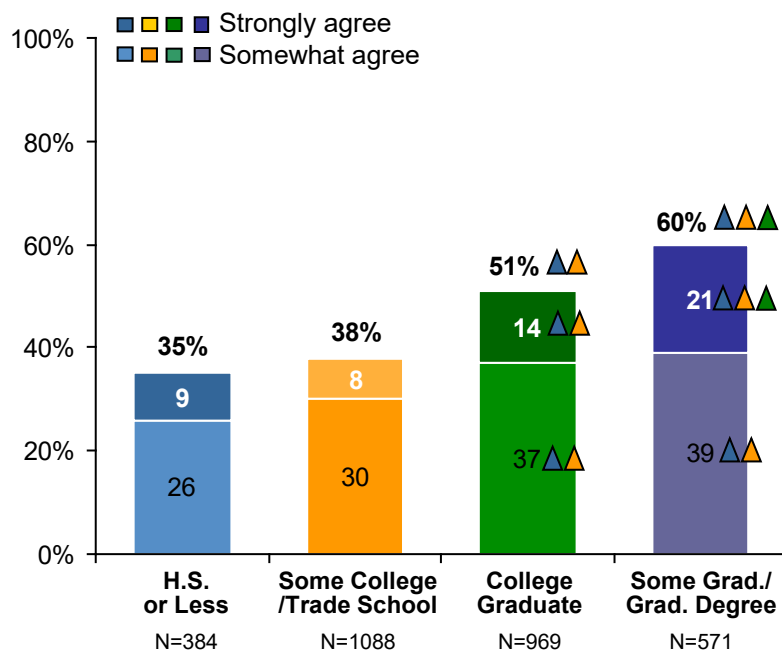
Agreement with Currently Building a Large Enough Retirement Nest Egg

Education and Income

Educated workers and workers with HHI of \$100,000+ are more confident that they are building a large enough retirement nest egg.

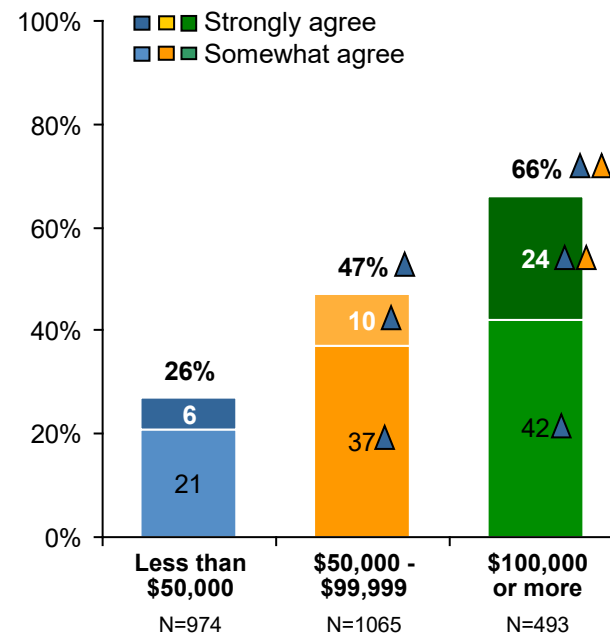
Education

Top 2 Box % (Strongly/Somewhat Agree)



Income

Top 2 Box % (Strongly/Somewhat Agree)



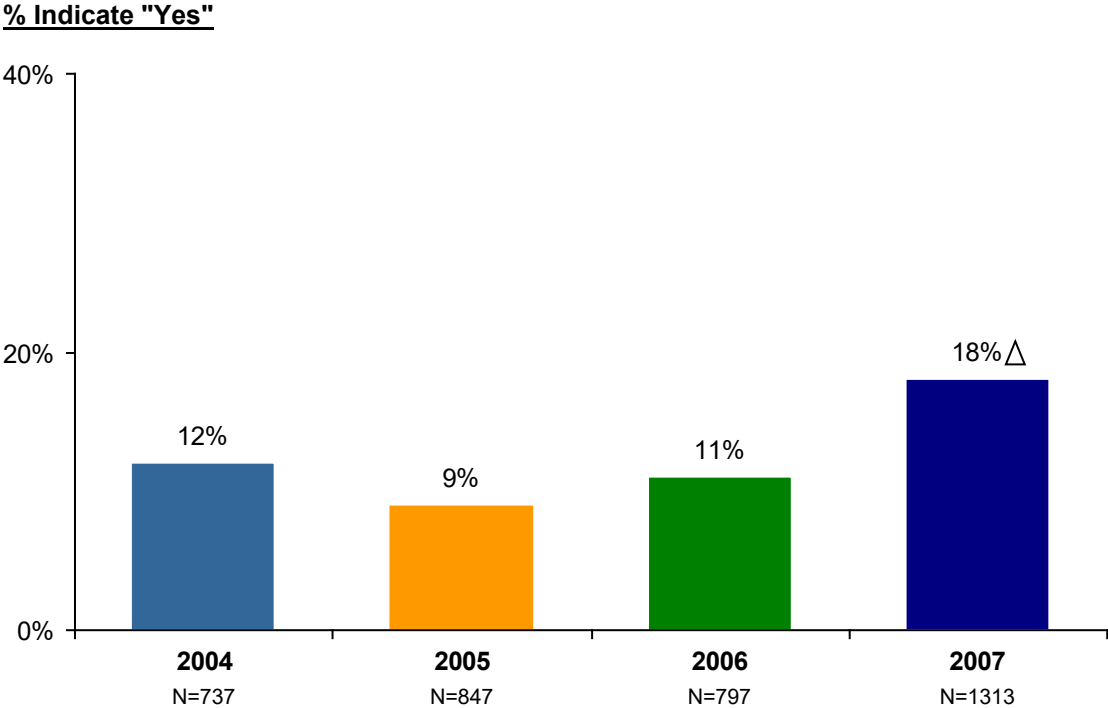
BASE: For Profit, Full- and Part-time
Q800. How much do you agree or disagree that you are currently building a large enough retirement nest egg?

Taken Loan from Retirement Plan

Among those currently participating in their qualified plan

2004-2007

The percentage of respondents taking a loan from their retirement plan has increased (2006 11%, 2007 18%).



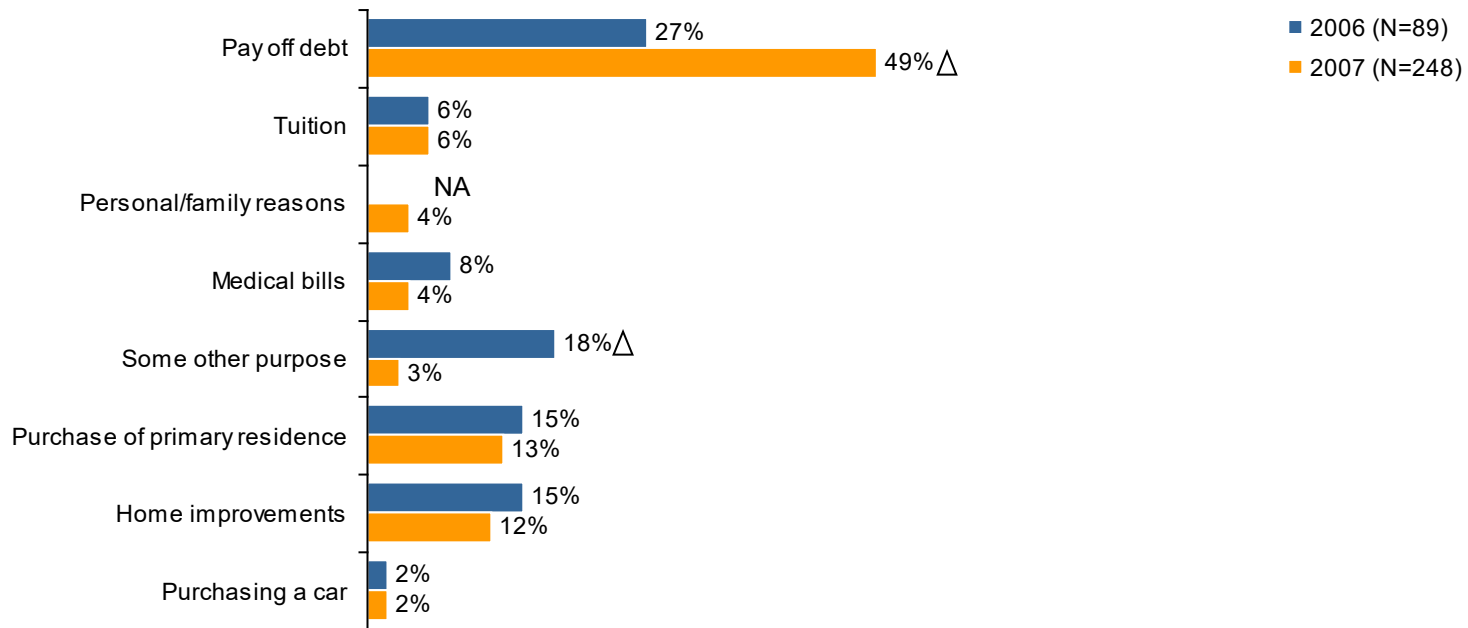
BASE: For Profit – Full-time; Those currently participating in their qualified plan Q650. Have you taken out a loan from your retirement plan?

Reason for Taking Loan

Among those who have taken out a loan.

2006-2007

With the spike in interest rates this year, many used their retirement savings to pay down debt (2006 27%, 2007 49%).



Mentions 2% or higher are shown.

BASE: For Profit – Full-time; Have taken out loan Q660. For what primary purpose did you take out a loan?

Option of Greater Interest

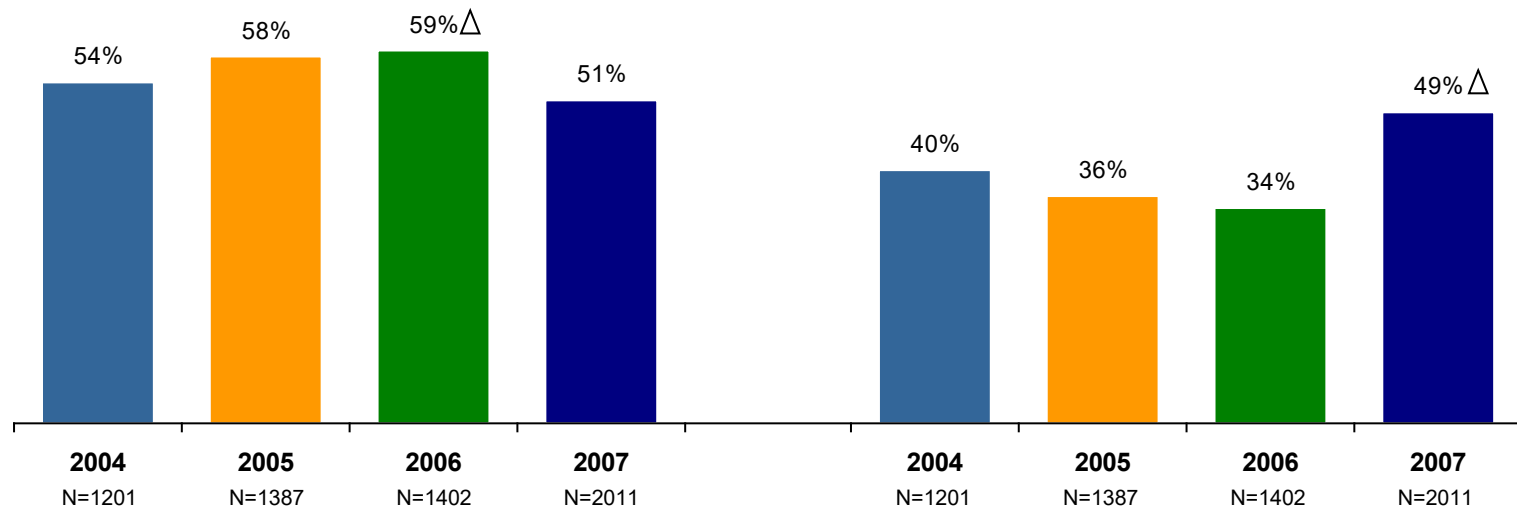
2004-2007

An increased number of workers are willing to take a job with a higher than expected salary over excellent retirement benefits (2006 34%, 2007 49%).

OPTIONS

Excellent retirement benefits, but only meets your minimum salary requirements.

A higher than expected salary, but poor retirement benefits.



Note: 2004-2006 studies were conducted via telephone. Respondents were not forced to answer the questions, therefore, the numbers will not add up to a 100%.

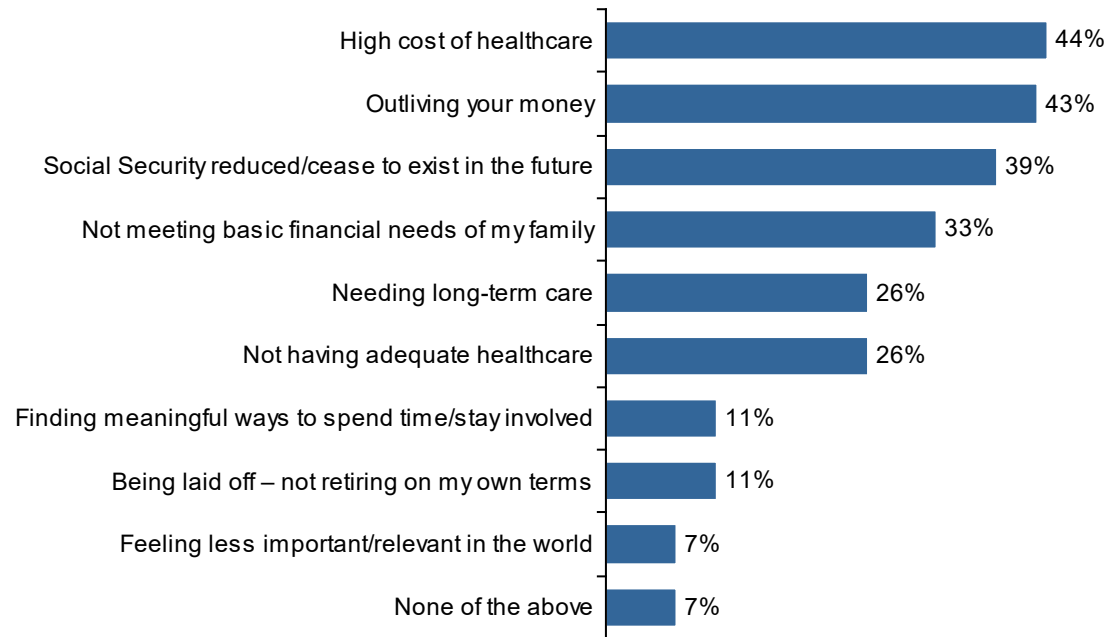
BASE: For Profit – Full-time

Q830. Suppose that two job offers come your way. Which of the following job offer would you select?

Healthcare is seen as a key priority while working and during retirement.

Greatest Fear about Retirement

The high cost of healthcare (43%) along with outliving your money (44%) are the greatest retirement fears.

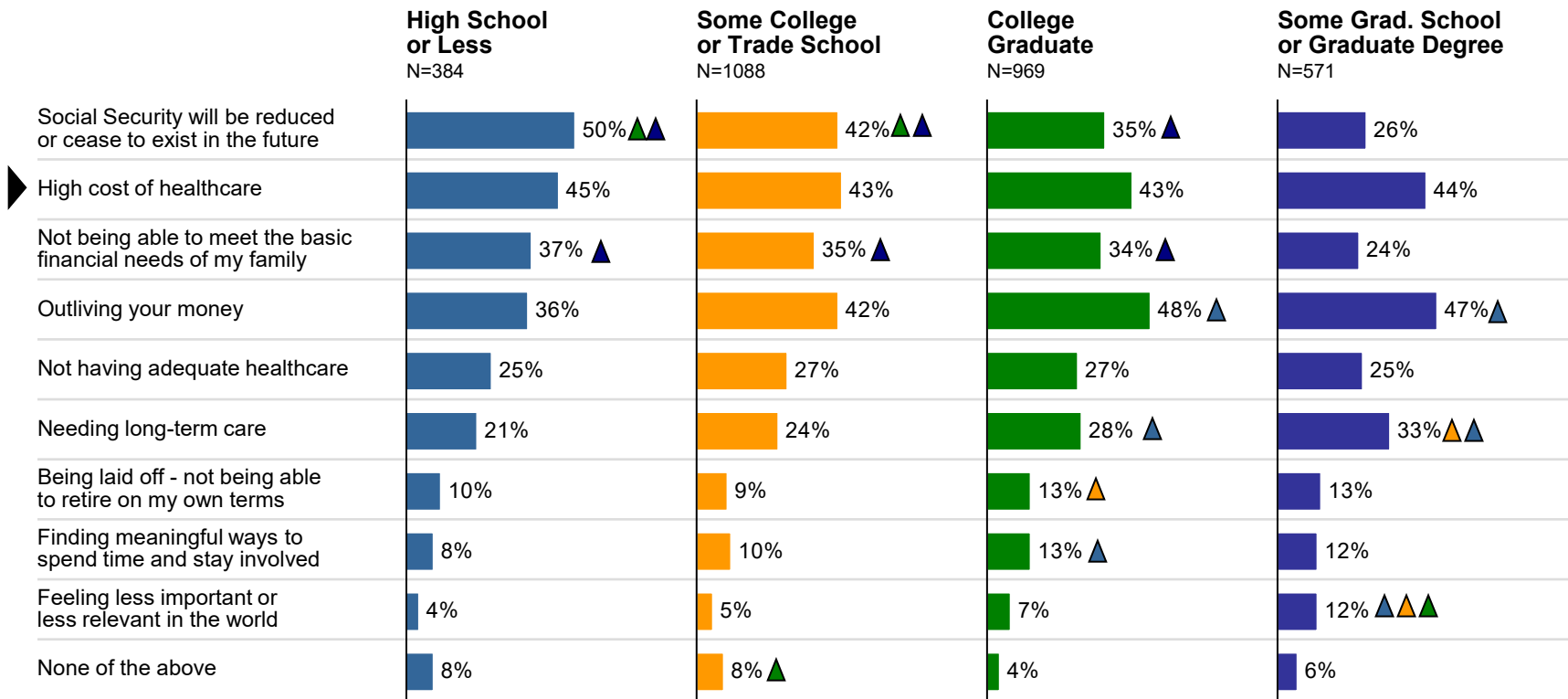


BASE: For Profit, Full- and Part-time, N=3012
 Q510. What are your greatest fears about retirement? Select all that apply.

Greatest Fear about Retirement

Education

The high cost of healthcare during retirement is a key fear regardless of workers' education.

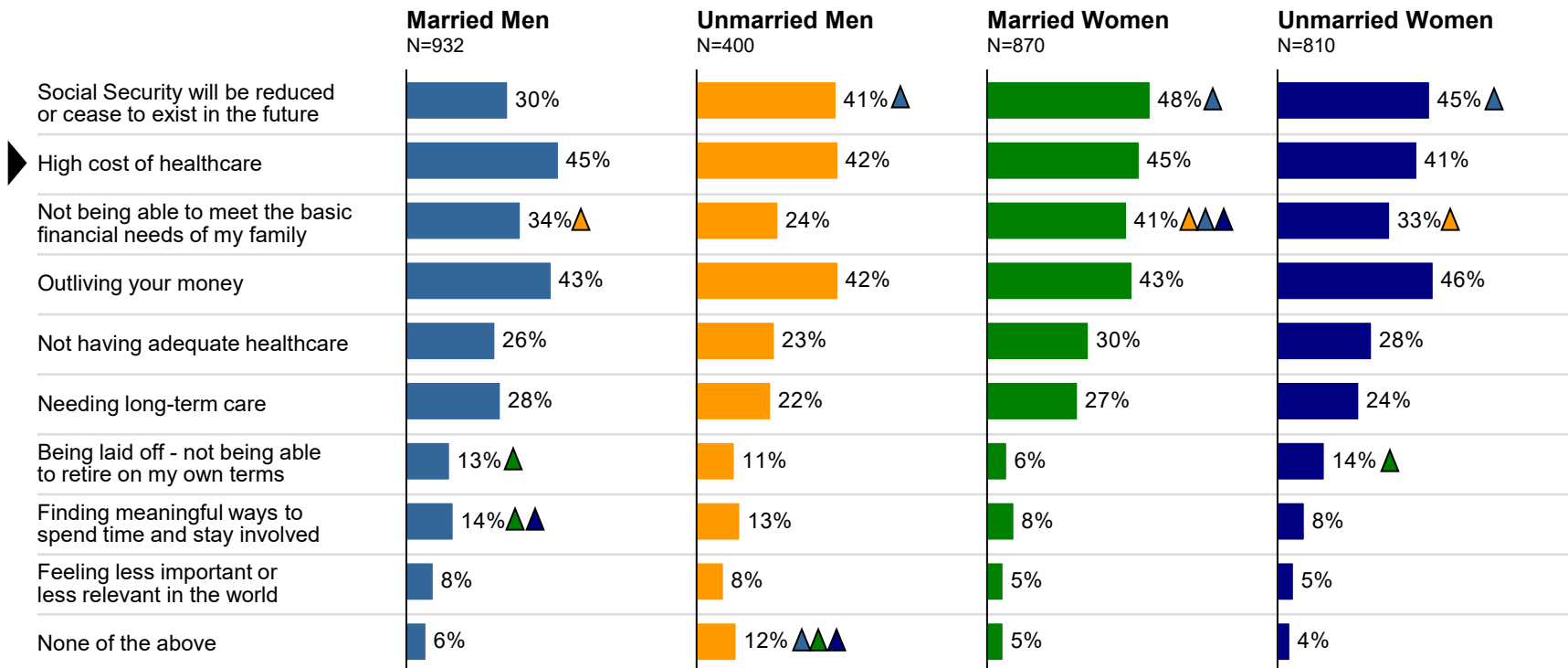


BASE: For Profit, Full- and Part-time
Q510. What are your greatest fears about retirement? Select all that apply.

Greatest Fear about Retirement

Marital Status

The high cost of healthcare during retirement is a key fear regardless of workers' marital status.



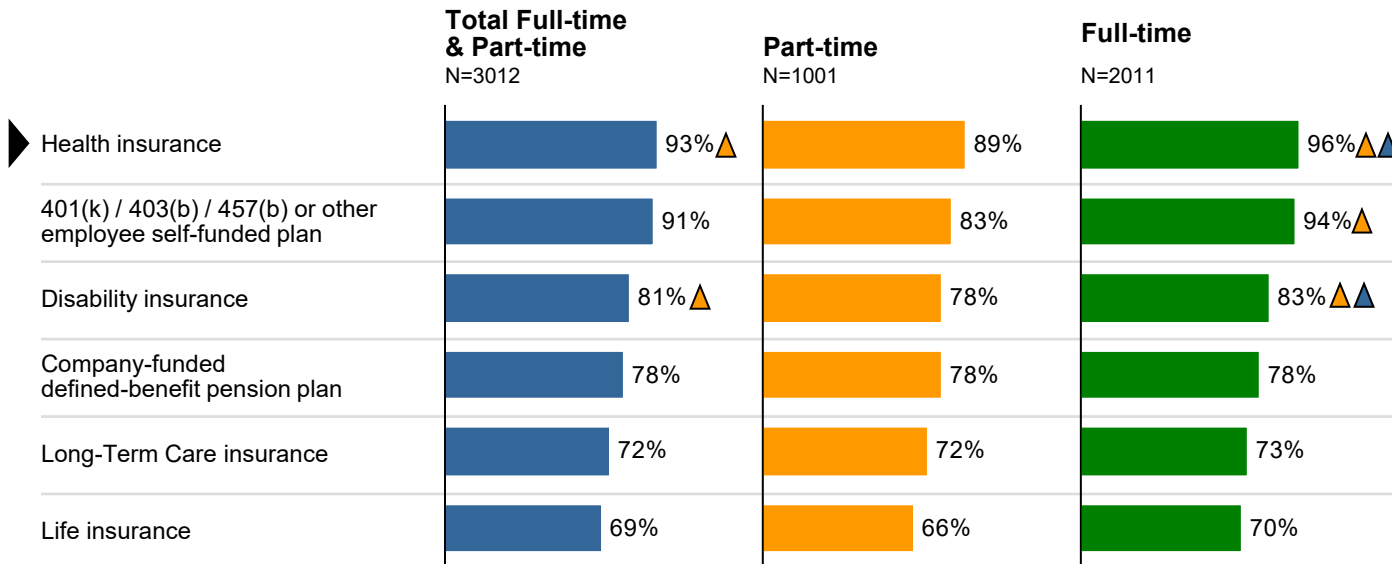
BASE: For Profit, Full- and Part-time
 Q510. What are your greatest fears about retirement? Select all that apply.

Importance of Benefit Types

Worker Type

Health insurance is the most important benefit (93%) among workers and is significantly more important among full-time workers (96%) than among part-timers (89%).

Top 2 Box % (Very/Somewhat Important)



BASE: For Profit, Full- and Part-time

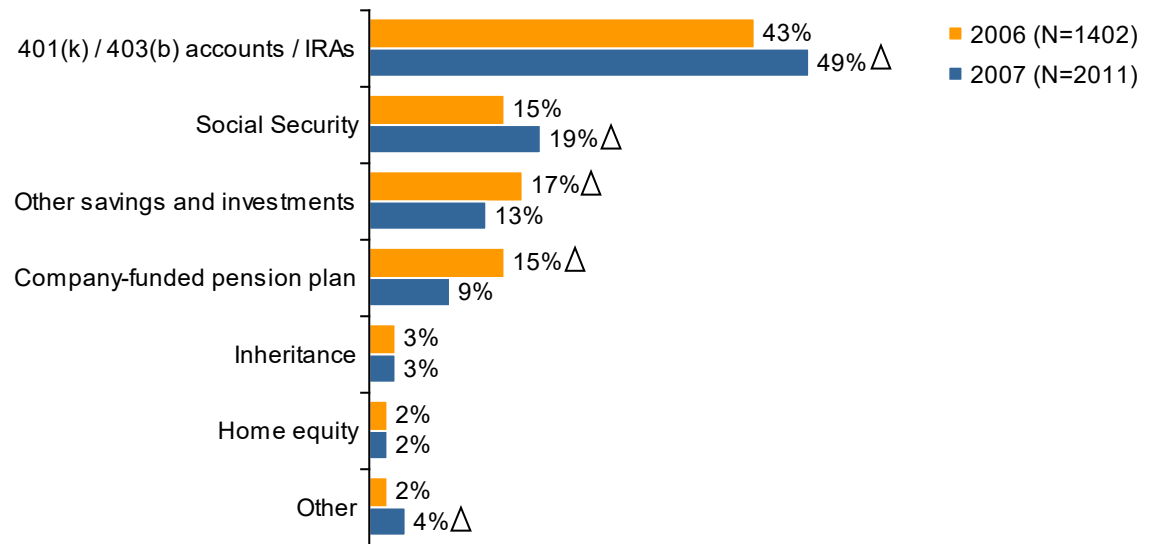
Q570. Businesses typically offer a number of different benefits for their workers. For each of the following, please tell us how important that benefit is to you, personally.

Since it is less common for companies to offer workers a pension plans, more workers now depend on employee-funded retirement plans as their primary source of income during retirement.

Primary Source of Income After Retirement

2006-2007

Compared to 2006, a higher percentage of workers believe employee-funded retirement plans will be their primary source of income during retirement. Fewer workers think company funded pension plans will be their main retirement income source.

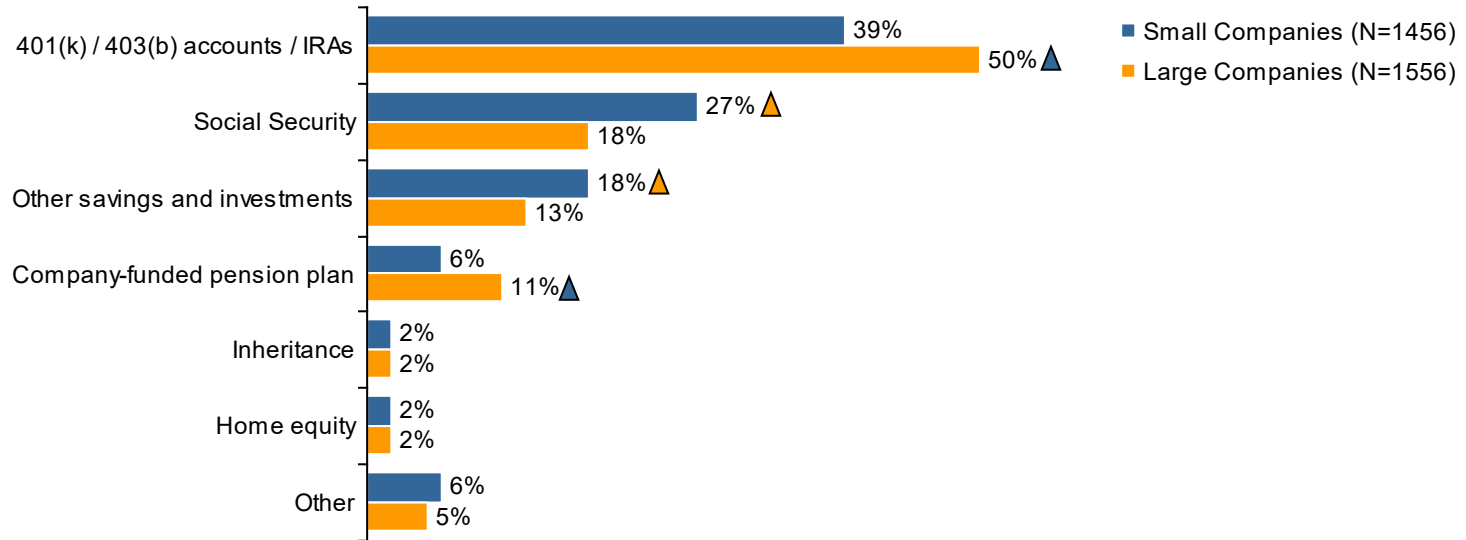


BASE: For Profit – Full-time
 Q550. Which one of the following do you expect to be your primary source of income to cover your living expenses after you retire?

Primary Source of Income After Retirement

Company Size

Workers at larger companies are more dependent on employee-funded retirement plans compared to workers at smaller companies.

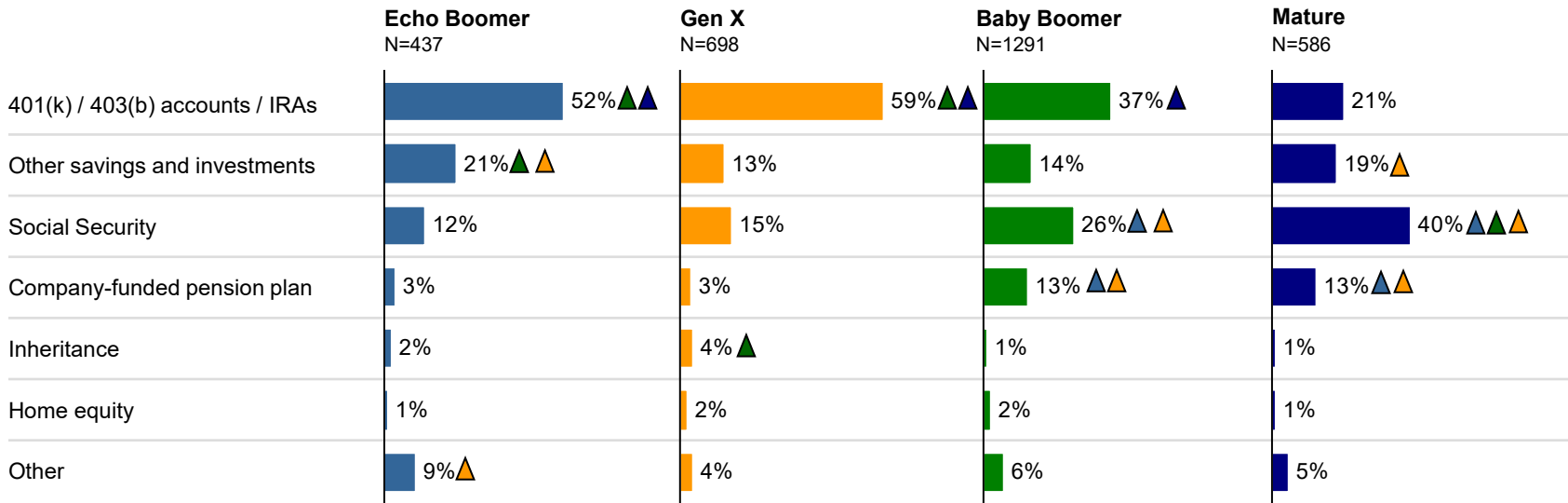


BASE: For Profit, Full- and Part-time
Q550. Which one of the following do you expect to be your primary source of income to cover your living expenses after you retire?

Primary Source of Income After Retirement

Generation

While 13% of Matures are dependent on pension plans, only 3% of Echo Boomers and Generation Xers consider a pension plan to be their primary source of income during retirement.



BASE: For Profit, Full- and Part-time
 Q550. Which one of the following do you expect to be your primary source of income to cover your living expenses after you retire?

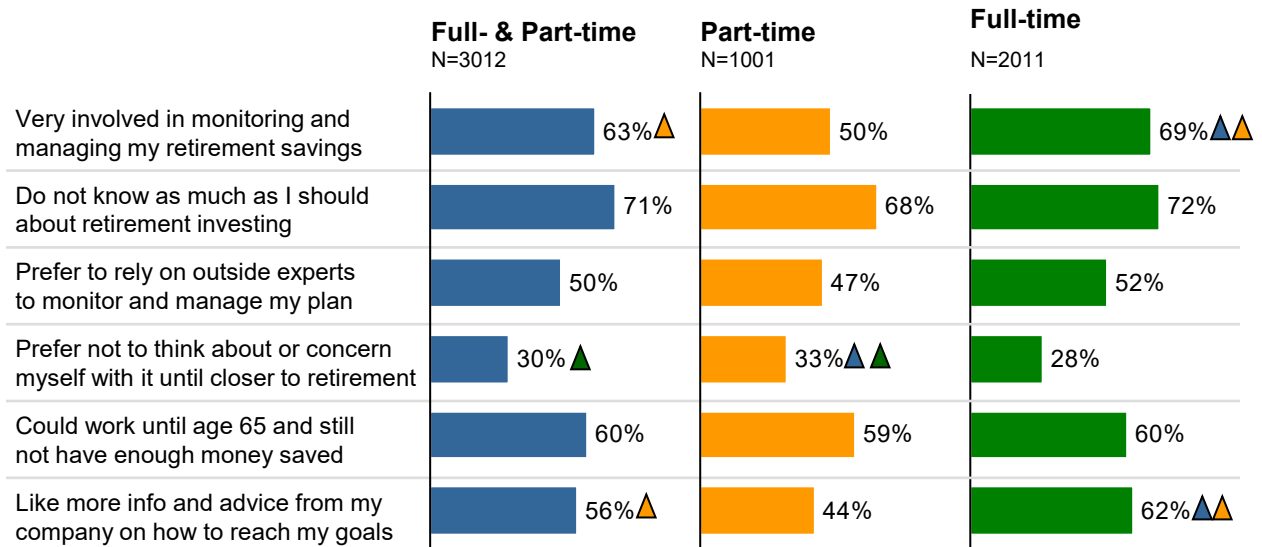
Monitoring and managing retirement savings is less of a priority for part-time workers, particularly in small companies.

Agreement with Statements about Retirement Investing

Worker Type

Full-time workers (69%) are significantly more involved in monitoring and managing their retirement savings than part-time (50%) workers.

Top 2 Box % (Strongly/Somewhat Agree)



BASE: For Profit, Full- and Part-time
 Q930. How much do you agree or disagree with each of the following statements regarding retirement investing?

Investment behavior varies by certain demographic factors.

Men and highly educated workers are more likely to invest in riskier investments for retirement.

Current Retirement Savings Allocation

Among those investing for retirement.

Gender

Full-time female workers more frequently invest in bonds, money market funds, cash and other stable investments (20%) than do full-time male workers (13%). While male workers more frequently invest in stocks, with little or no money in investments such as bonds, money market funds and cash (35%) than their female counterparts (16%).

	Men		Women	
	Part-time	Full-time	Part-time	Full-time
	N=252	N=784	N=347	N=839
Mostly bonds, money market funds, cash and other stable investments	15%	13%	17%	20% Δ
Relatively equal mix of stocks and investments such as bonds, money market funds and cash	43%	44%	34%	42%
Mostly stocks, with little or no money in investments such as bonds, money market funds, cash	17%	35% $\Delta\Delta$	14%	16%
Not sure	25% Δ	8%	35% Δ	22% Δ

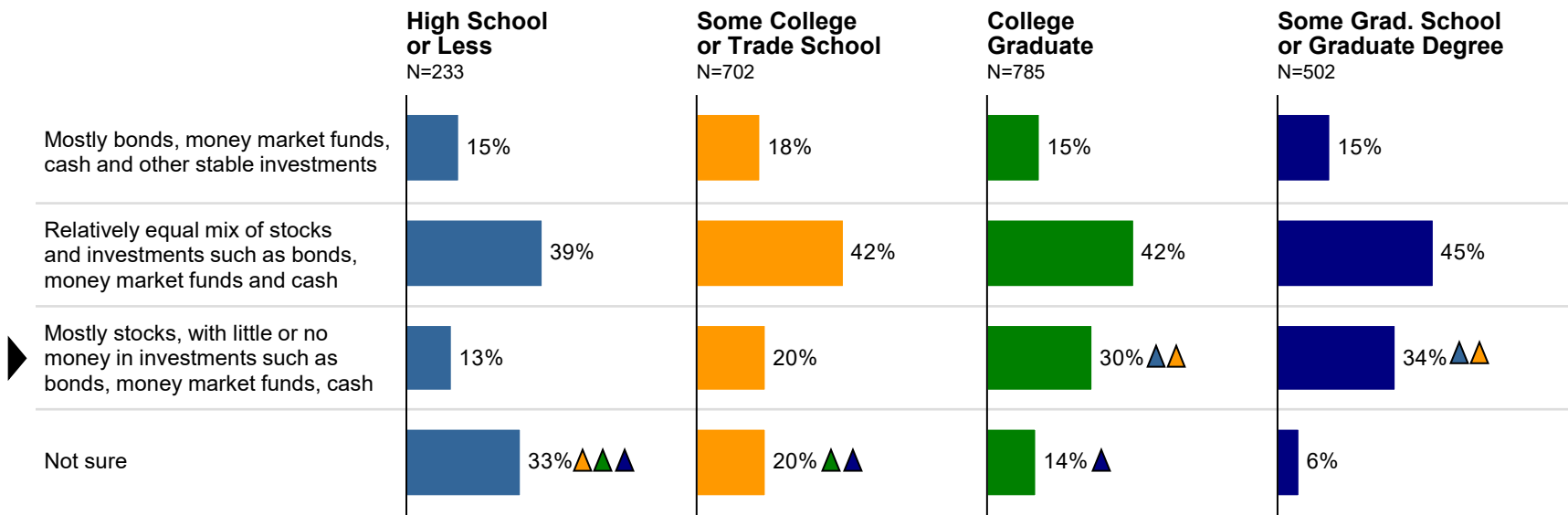
BASE: For Profit, Full- and Part-time; Investing for retirement Q770. How is your retirement savings invested?

Current Retirement Savings Allocation

Among those investing for retirement.

Education

Workers who are more educated are more likely to invest in riskier retirement investments such as stocks (high school or less 13%, some college 20%, college graduate 30%, graduate education 34%).



BASE: For Profit, Full- and Part-time; Investing for retirement Q770. How is your retirement savings invested?

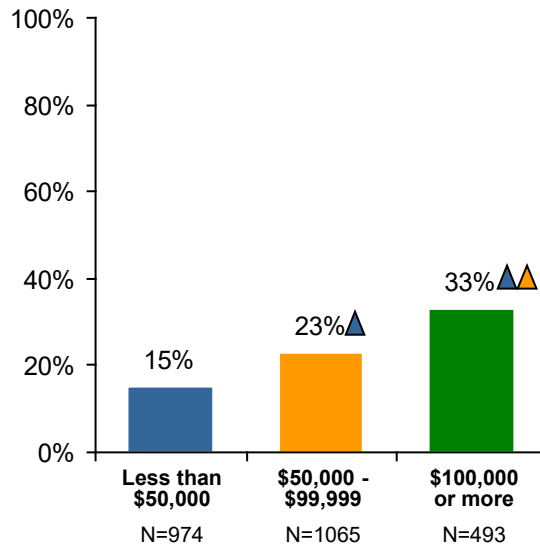
Workers who would most benefit from the “Saver’s Credit” are the least aware of the tax credit.

Awareness of Saver’s Credit

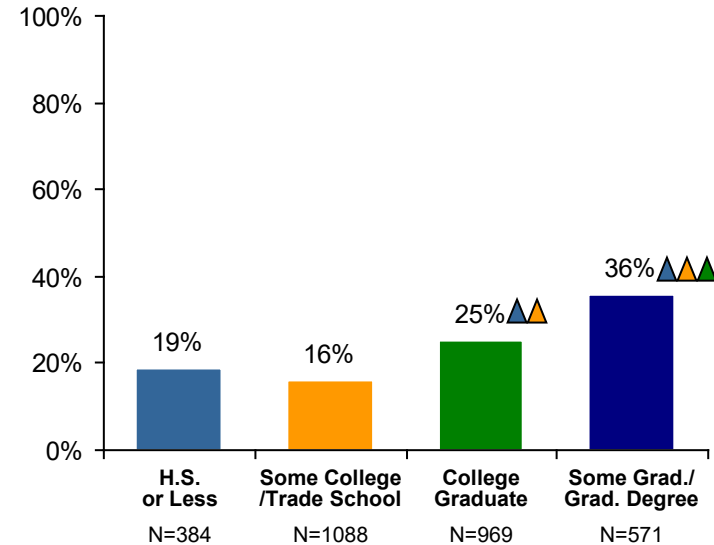
Income and Education

- Only 15% of workers who are most likely eligible for the “Saver’s Credit” based on their income are aware of the benefit. While, workers with HHIs of \$100,000 or more (33%) are much more likely to be aware of the Saver’s Credit.
- Awareness of a tax credit called the “Saver’s Credit” is dependent on a worker’s education. Workers who have at least a college education are more likely to be aware of this type of tax credit (high school or less 19%, some college 16%, college graduate 26%, graduate education 36%).

Income
% Indicate "Yes"



Education
% Indicate "Yes"



BASE: For Profit, Full- and Part-time

Q520. Are you aware of a tax credit called the “Saver’s Credit,” which is available to individuals and households, who meet certain income requirements, for making contributions to an IRA or a company-sponsored retirement plan such as a 401(k) plan or 403(b) plan?

Awareness of Roth 401(k)/403(b) option is dependent on the company's size, as well as the worker's gender, household income, age, and education.

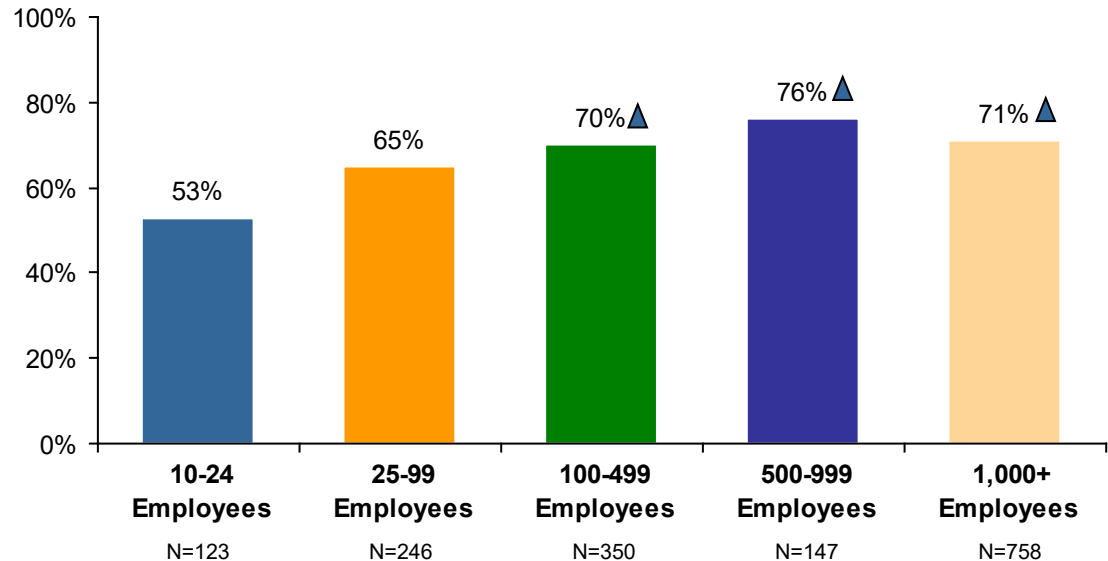
Awareness of Roth 401(k)/403(b) Option

Among those with qualified plans currently offered to them.

Full-Time: Company Size

Workers in companies with 100 or more employees are significantly more aware of the Roth 401(k)/403(b) option.

% Indicate "Yes"



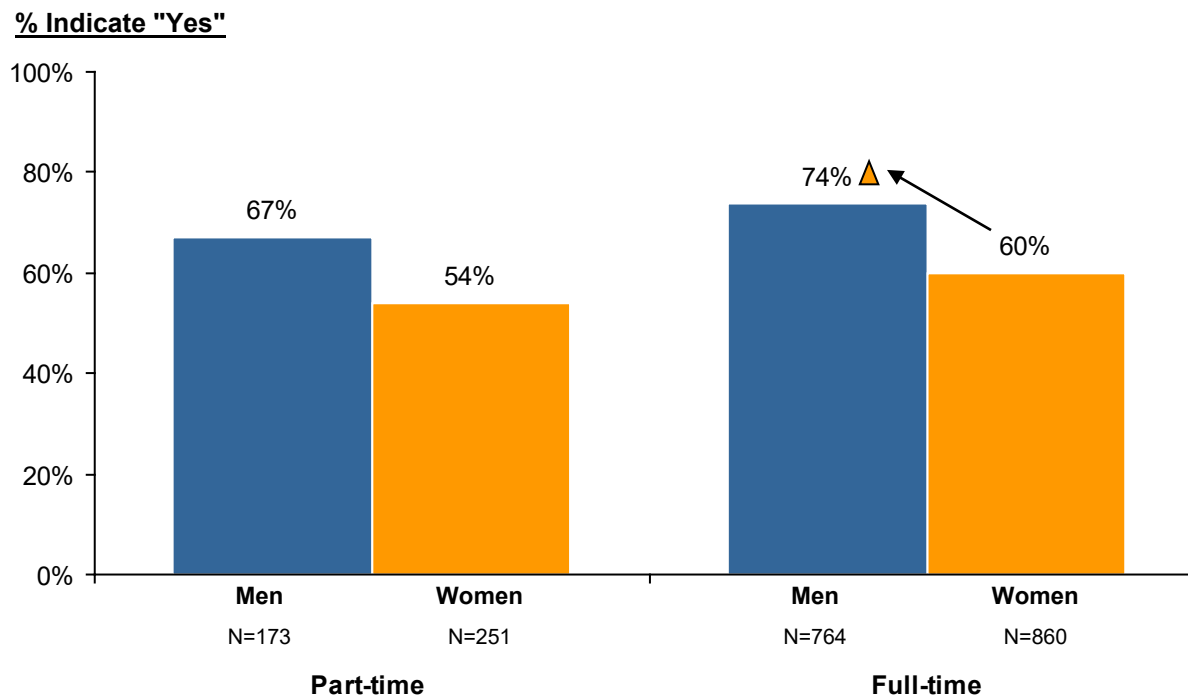
BASE: For Profit – Full-time; Those with qualified plans currently offered to them
 Q605. Are you aware of the Roth 401(k)/403(b) option? (Allows you to make post-tax contributions to your 401(k)/403(b).)

Awareness of Roth 401(k)/403(b) Option

Among those with qualified plans currently offered to them.

Gender / Worker Type

Full-time female workers are significantly less likely than their male counterparts to be aware of the Roth 401(k)/403(b) option (female 60%; male 74%).



BASE: For Profit – Full-time; Those with qualified plans currently offered to them
Q605. Are you aware of the Roth 401(k)/403(b) option? (Allows you to make post-tax contributions to your 401(k)/403(b).)

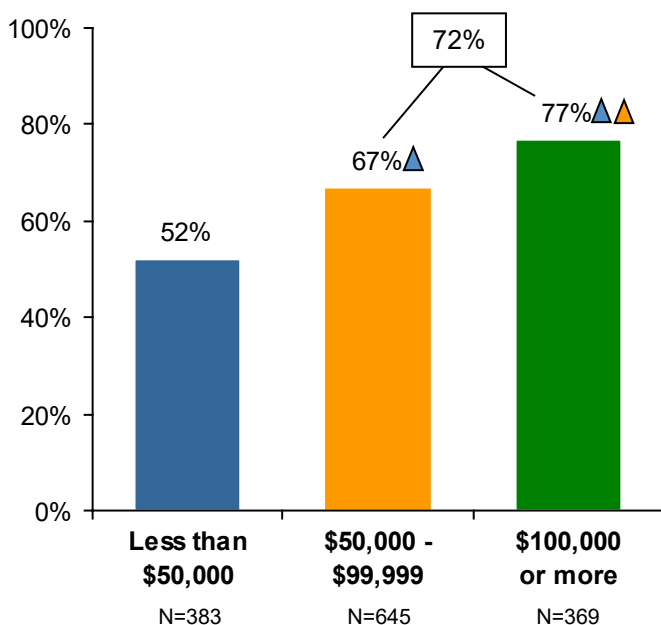
Awareness of Roth 401(k)/403(b) Option

Among those with qualified plans currently offered to them.

Full-Time: Income

Full-time workers with HHIs of \$50,000 or more are significantly more likely to be aware of the Roth 401(k)/403(b) option (72%).

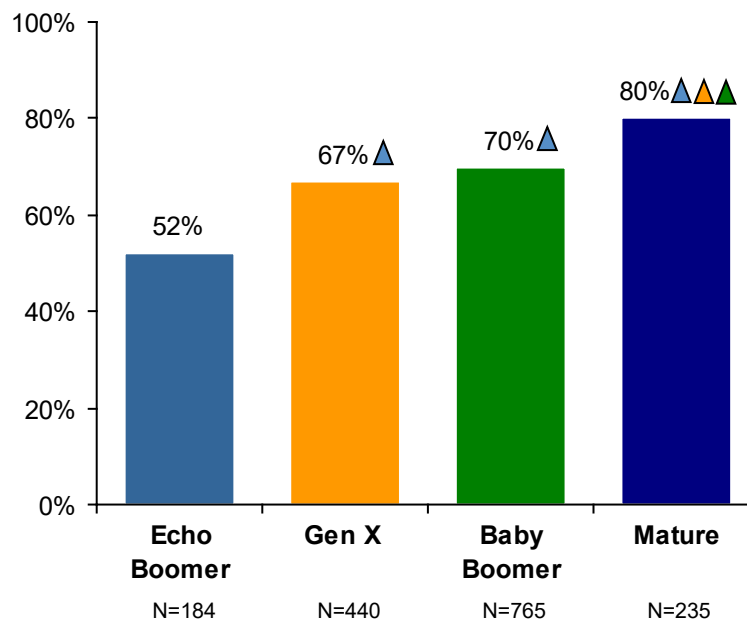
% Indicate "Yes"



Full-Time: Generation

Awareness of the Roth 401(k)/403(b) is much higher among Matures (80%) than any other generation.

% Indicate "Yes"



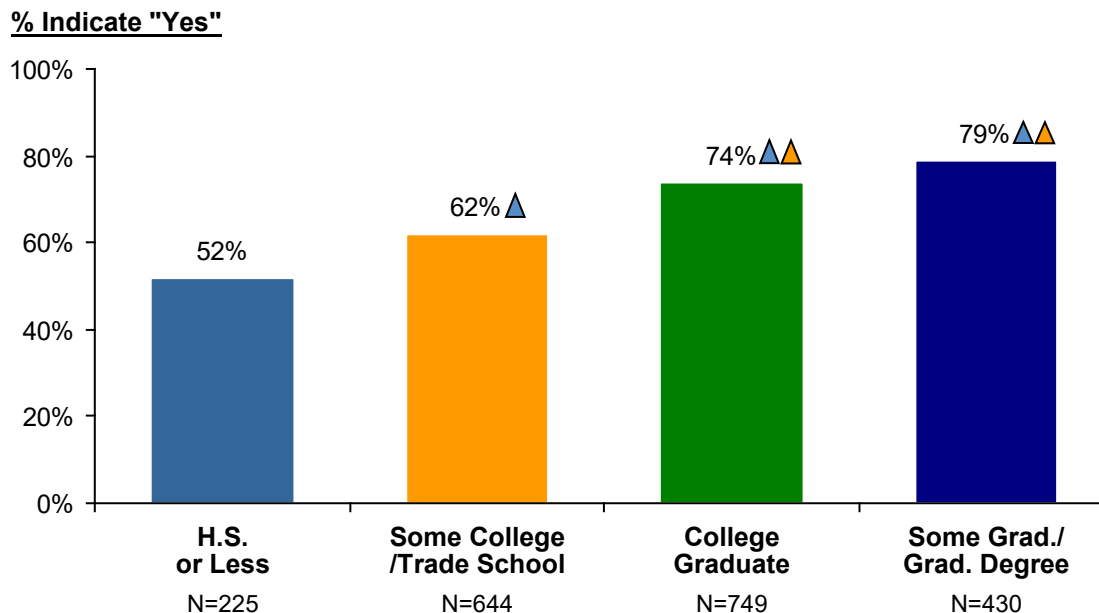
BASE: For Profit – Full-time; Those with qualified plans currently offered to them
 Q605. Are you aware of the Roth 401(k)/403(b) option? (Allows you to make post-tax contributions to your 401(k)/403(b).)

Awareness of Roth 401(k)/403(b) Option

Among those with qualified plans currently offered to them.

Education

Awareness of Roth 401(k)/403(b) option is dependent on a worker's education. Those who are college educated are more likely to know about this type of retirement option.



BASE: For Profit, Full- and Part-time; Those with qualified plans currently offered to them
Q605. Are you aware of the Roth 401(k)/403(b) option? (Allows you to make post-tax contributions to your 401(k)/403(b).)

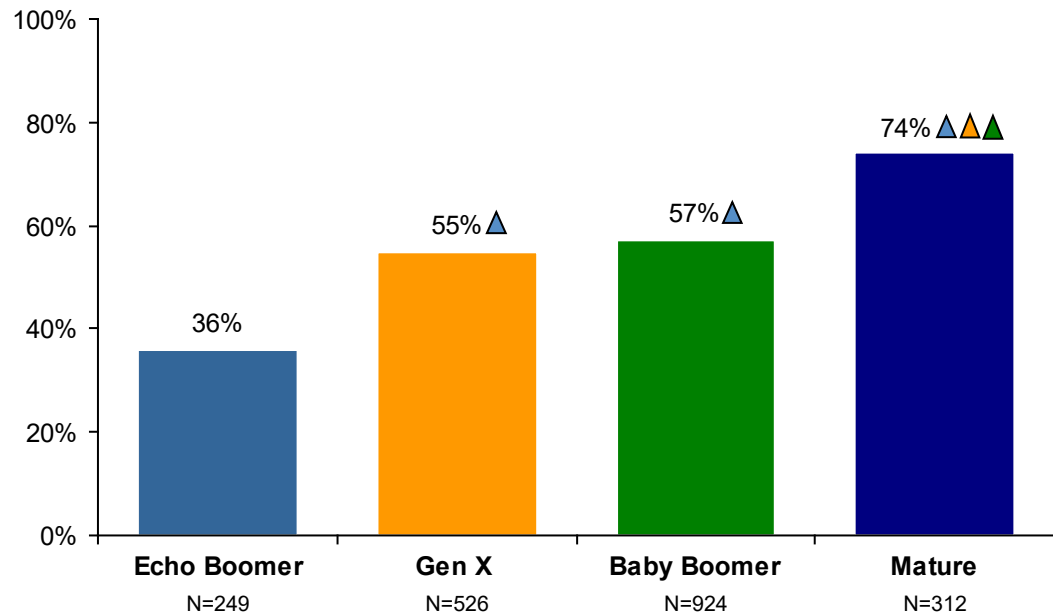
Awareness of “Catch-up Contributions” is dependent on the company’s size, as well as the worker’s gender, household income, age, and education.

Awareness of Catch-up Contributions

Full-time: Generation

Among full-time workers, Matures are much more likely to be aware of catch-up contributions (74%) than any other generation.

% Indicate "Yes"



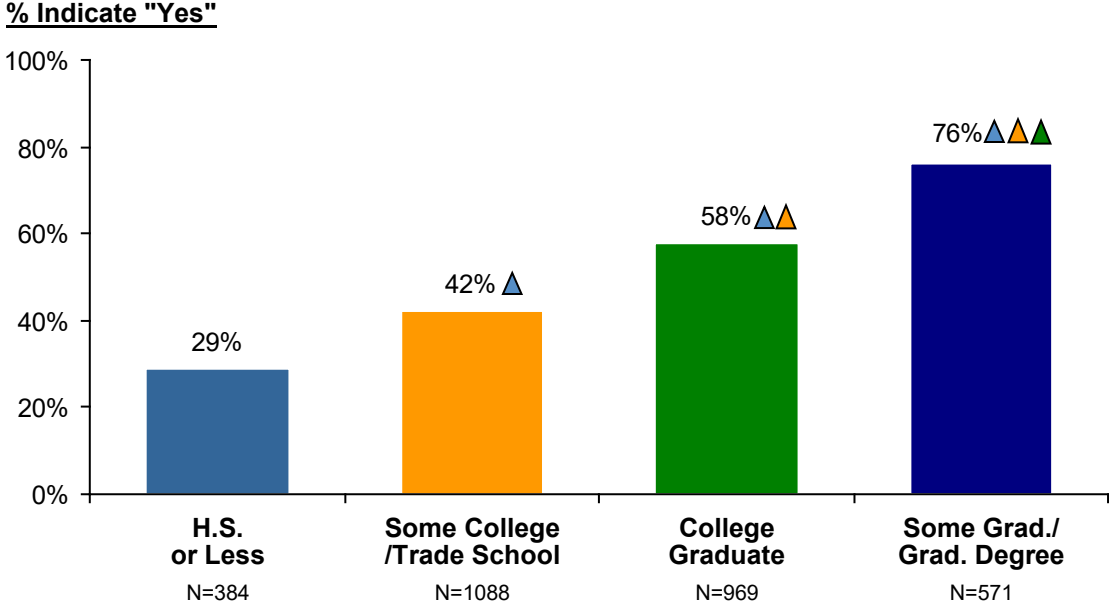
BASE: For Profit – Full-time

Q1000. Are you aware that people age 50 and older may be allowed to make catch-up contributions to their 401(k)/403(b)/457(b) plan or IRA?

Awareness of Catch-up Contributions

Education

Awareness of catch-up contributions is dependent on a worker's education. Those who are college educated are more likely to know about this type of retirement option.



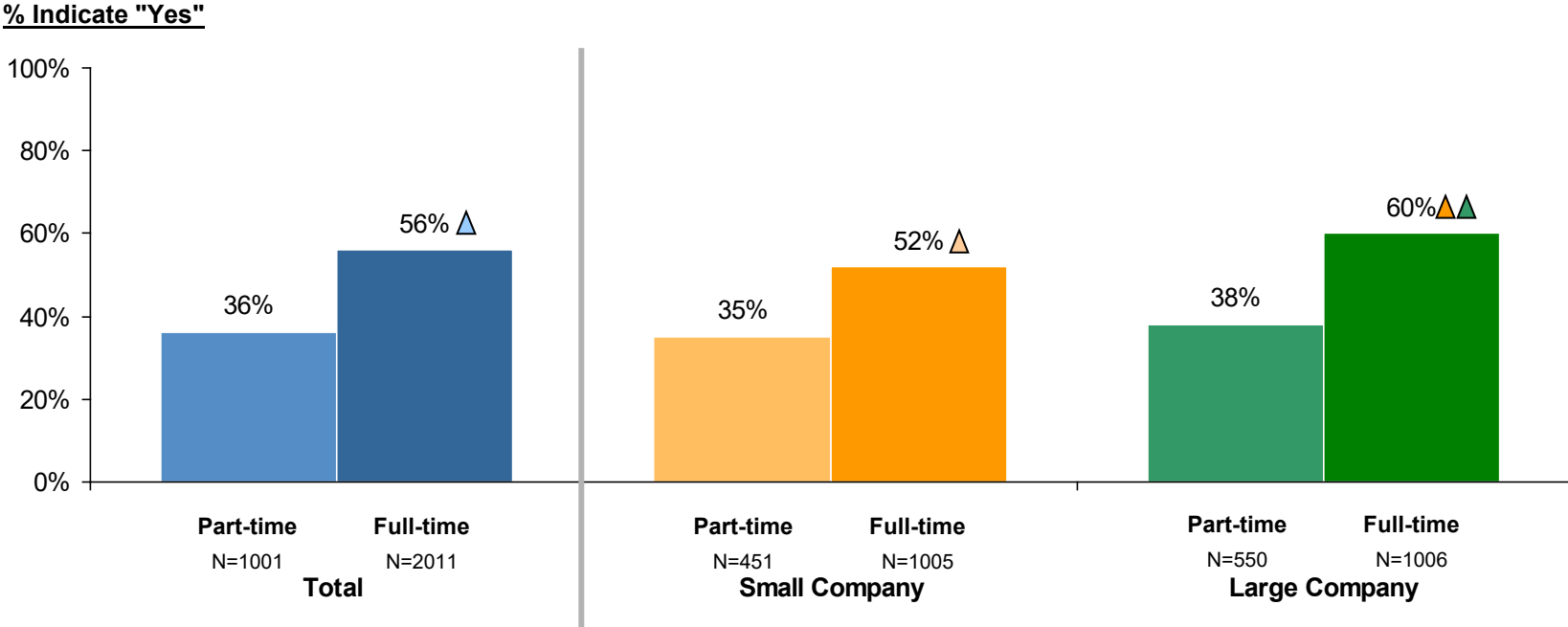
BASE: For Profit, Full- and Part-time

Q1000. Are you aware that people age 50 and older may be allowed to make catch-up contributions to their 401(k)/403(b)/457(b) plan or IRA?

Awareness of Catch-up Contributions

Company Size / Company Type

Regardless of company size, full-time workers (56%) are more frequently aware than part-time workers (36%) that people age 50 and older may be allowed to make catch-up contributions to their 401(k)/403(b)/457(b) plan or IRA.



BASE: For Profit, Full- and Part-time

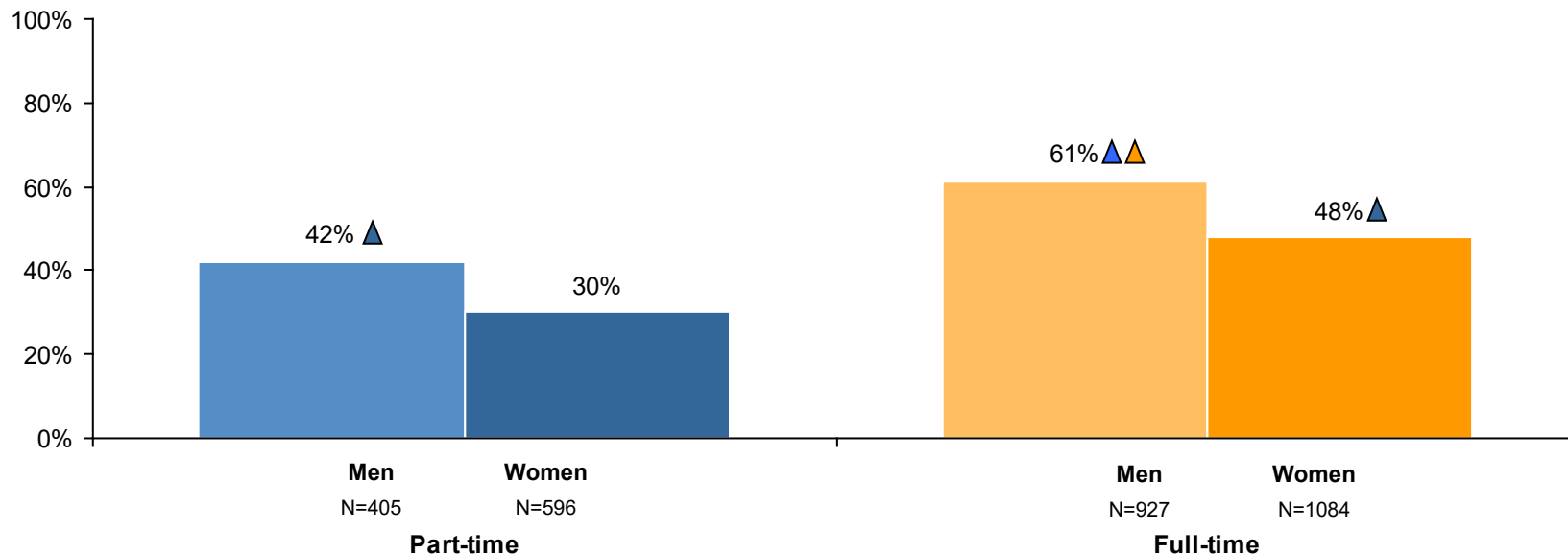
Q1000. Are you aware that people age 50 and older may be allowed to make catch-up contributions to their 401(k)/403(b)/457(b) plan or IRA?

Awareness of Catch-up Contributions

Gender

Working men are more frequently aware than women are that they can make catch-up contributions to their 401(k)/403(b)/457(b) plans or IRAs.

% Indicate "Yes"



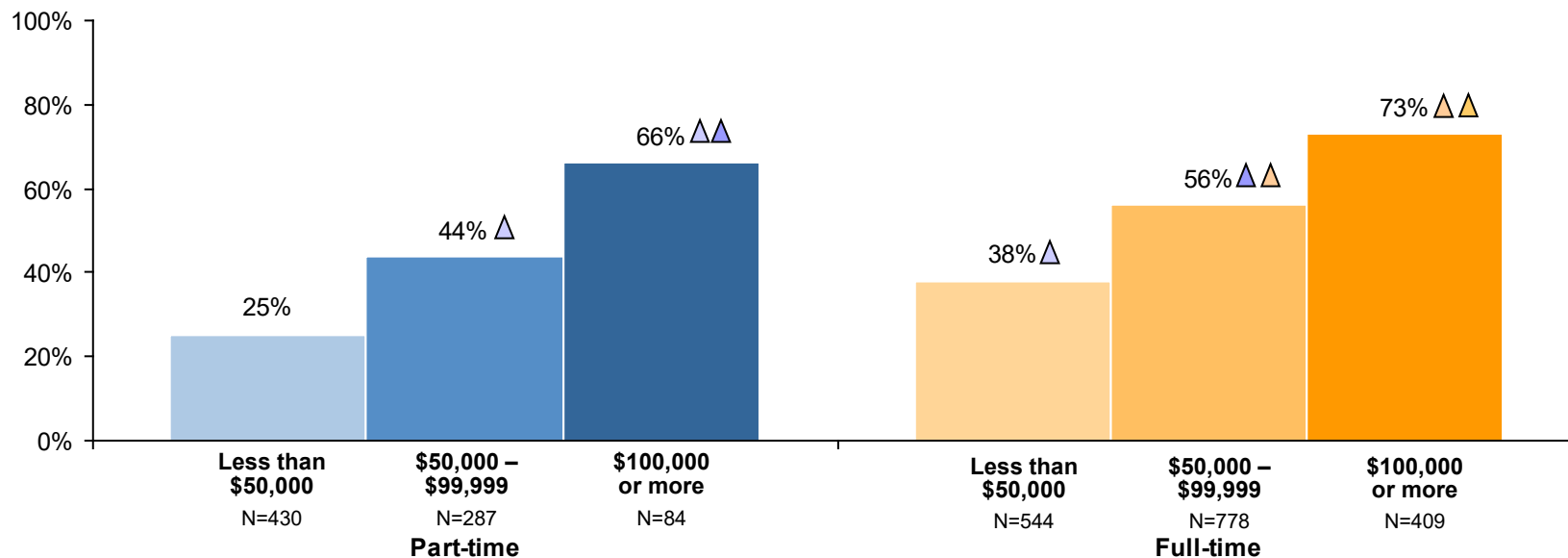
BASE: For Profit, Full- and Part-time
Q1000. Are you aware that people age 50 and older may be allowed to make catch-up contributions to their 401(k)/403(b)/457(b) plan or IRA?

Awareness of Catch-up Contributions

Income

Across the board, workers with HHIs of \$100,000 or more are more familiar with catch-up contributions than those with lower HHIs.

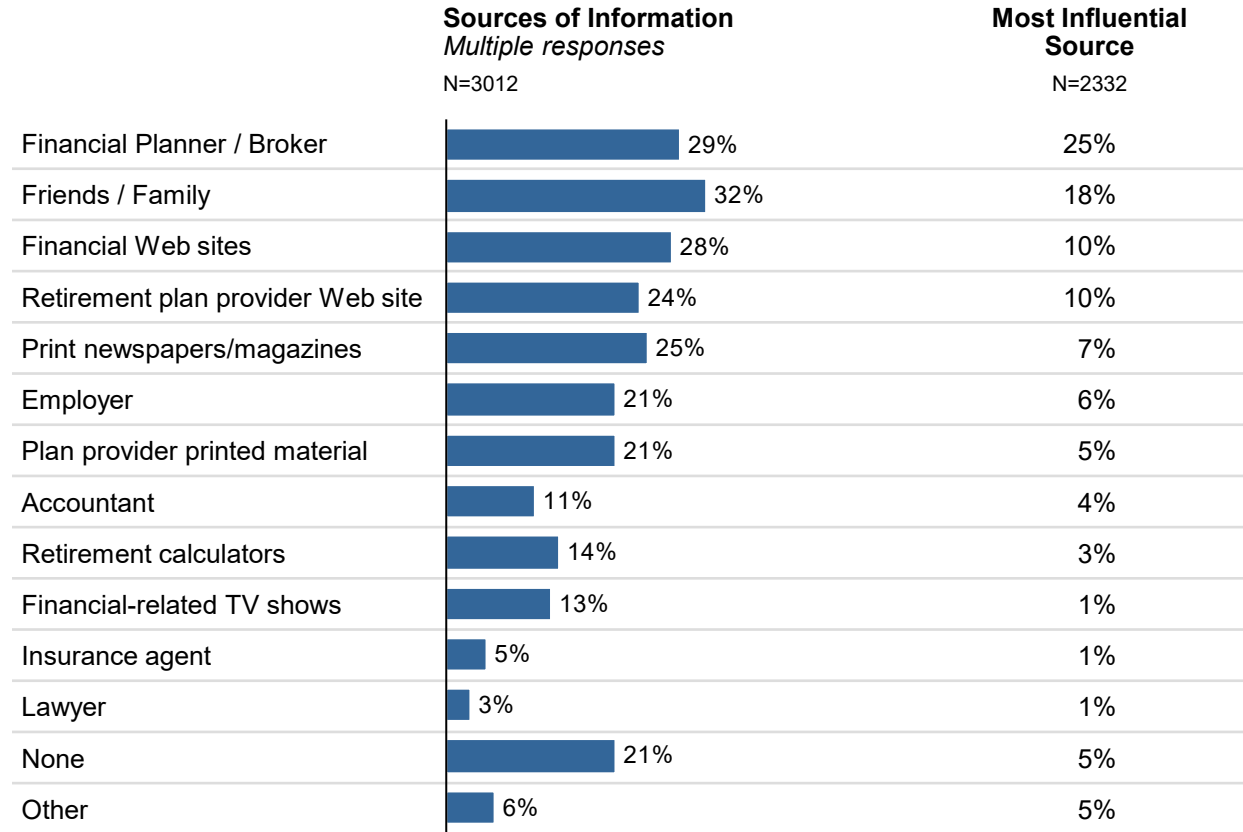
% Indicate "Yes"



BASE: For Profit, Full- and Part-time Q1000. Are you aware that people age 50 and older may be allowed to make catch-up contributions to their 401(k)/403(b)/457(b) plan or IRA?

Friends and family (32%) are most frequently mentioned as an information source workers rely on for retirement planning and investing. They also have the most influence on workers' retirement planning and investing (18%) after a financial planner (25%). Understanding of asset allocation principles varies by demographic factors as well.

Sources of Information



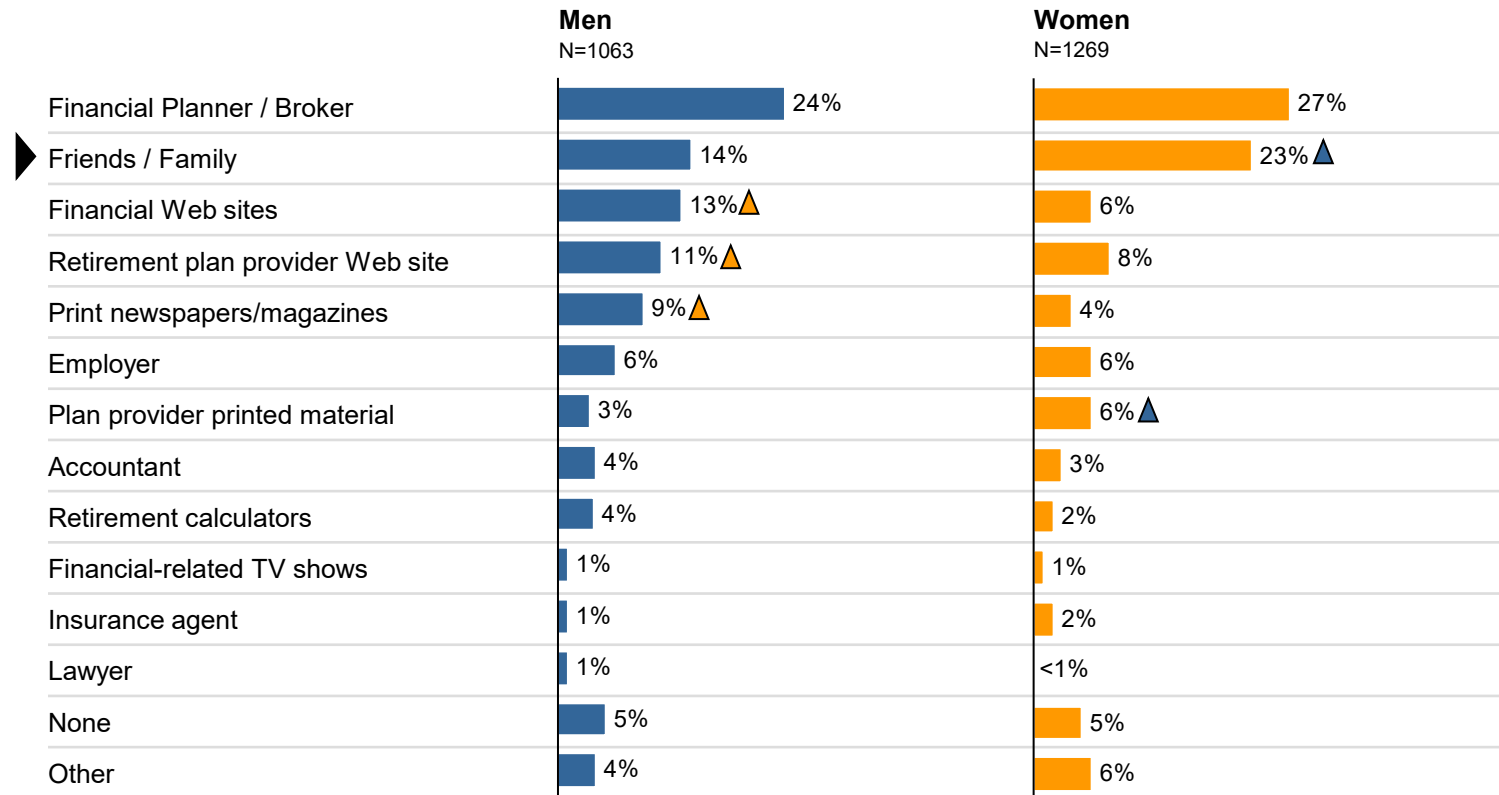
Q825. What sources of information do you rely on for retirement planning and investing? Select all that apply.

BASE: Selected more than one info source
Q826. Of these sources, which one influences your decisions the most?

Sources of Information

Gender

Regarding retirement planning and advice, women are influenced more than men by friends and family (23% vs. 14%).

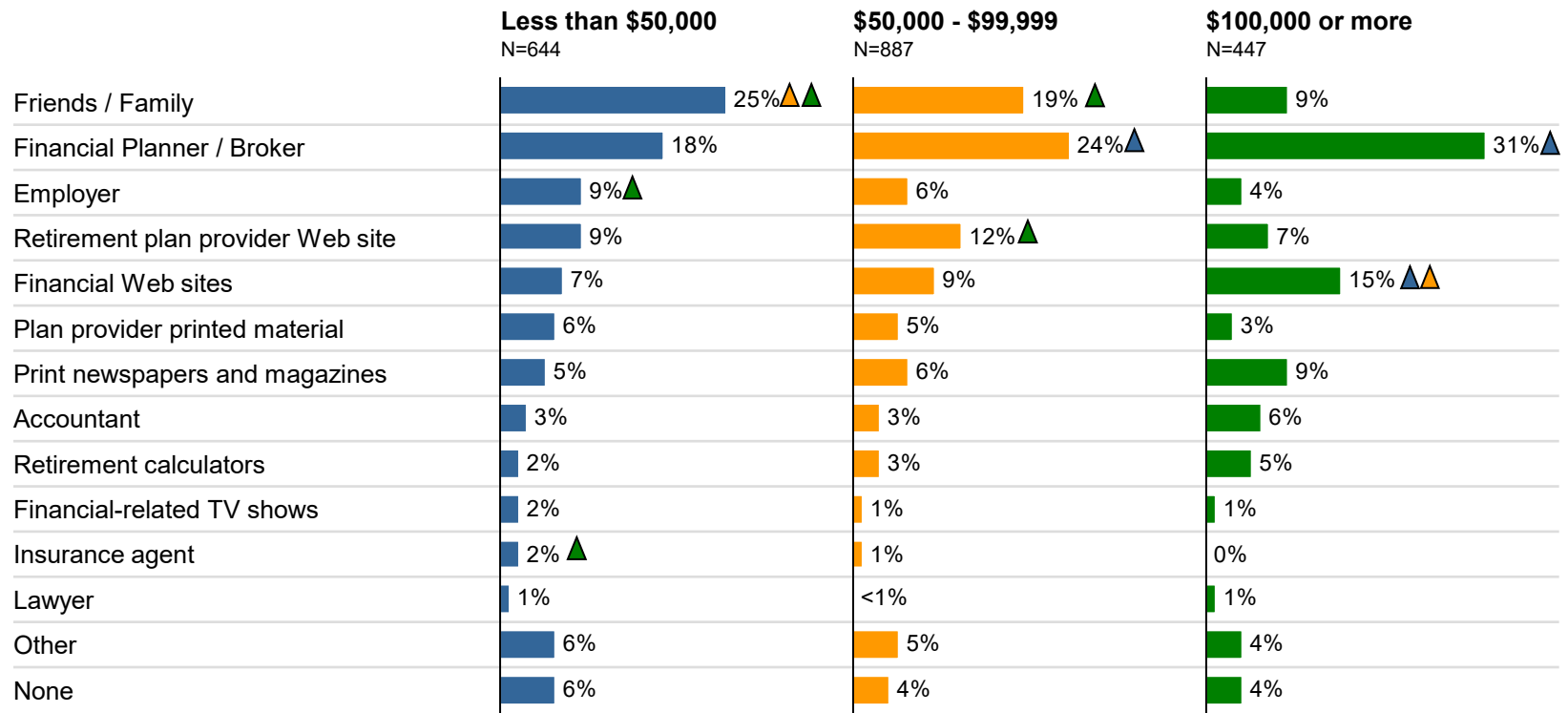


BASE: For Profit, Full- and Part-time; Selected more than one info source Q826. Of these sources, which one influences your decisions the most?

Sources of Information

Income

- Workers who have a higher household income are less reliant on friends and family as the primary source for retirement planning and investing. However, they still rely on their feedback for retirement planning.
- Workers who have a household income of \$100,000 are more likely to be most influenced by financial planners (31%) and Web sites (15%).

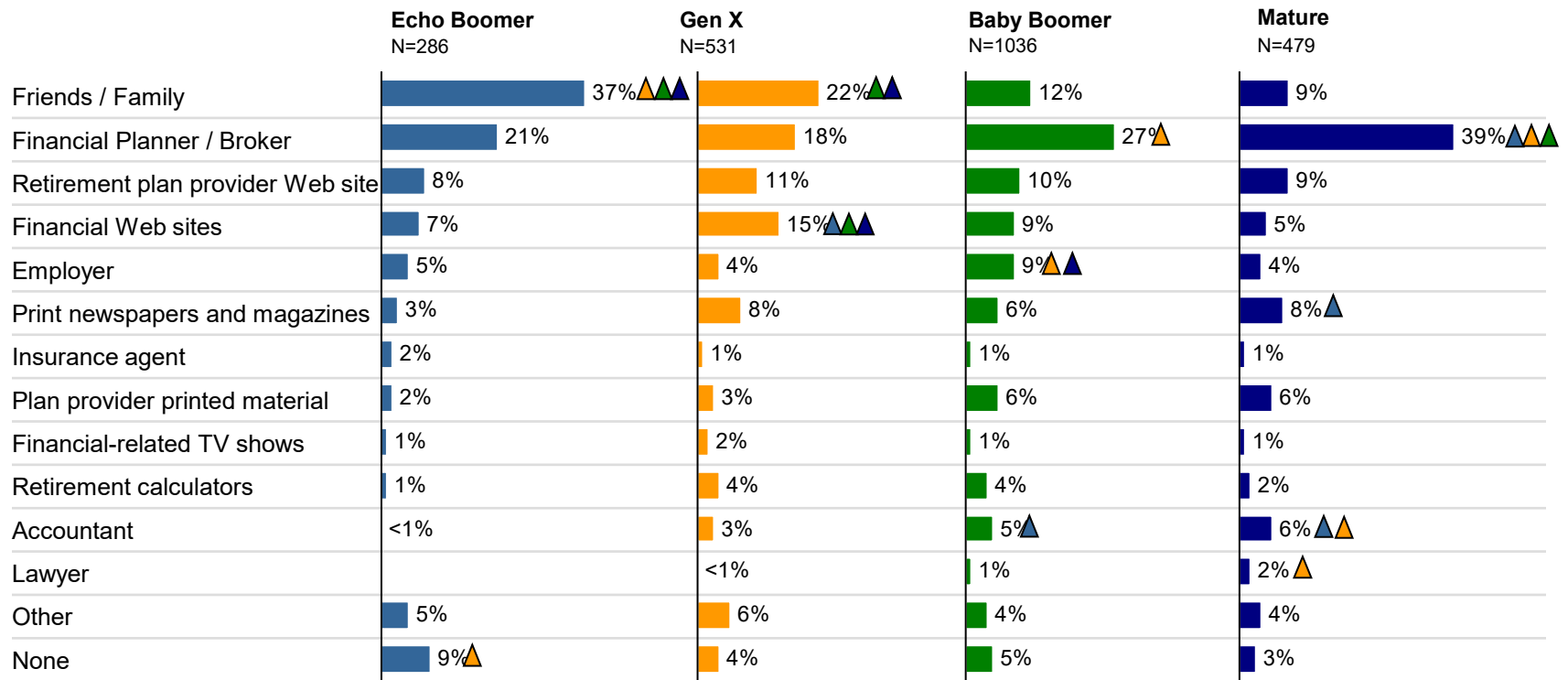


BASE: For Profit, Full- and Part-time; Selected more than one info source Q826. Of these sources, which one influences your decisions the most?

Sources of Information

Generation

Younger workers are more likely to rely on family/friends for retirement advice and older workers are more reliant on financial planners.

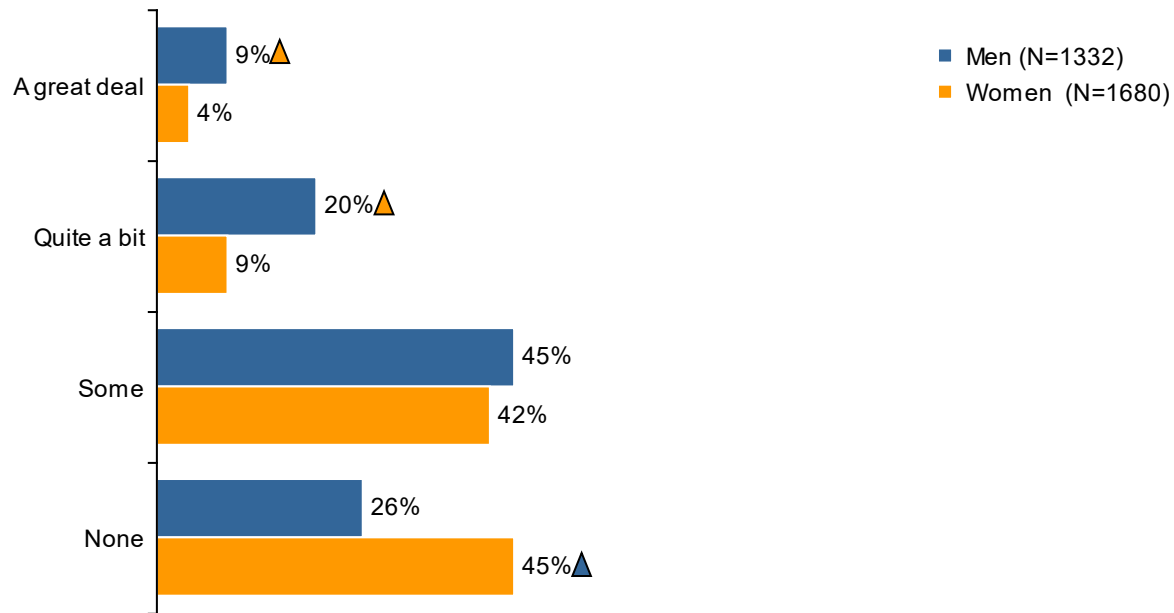


BASE: For Profit, Full- and Part-time; Selected more than one info source Q826. Of these sources, which one influences your decisions the most?

Understanding of Asset Allocation Principles

Gender

Male workers are more likely than their female counterparts to have a good understanding of asset allocation principles as they relate to retirement investing.



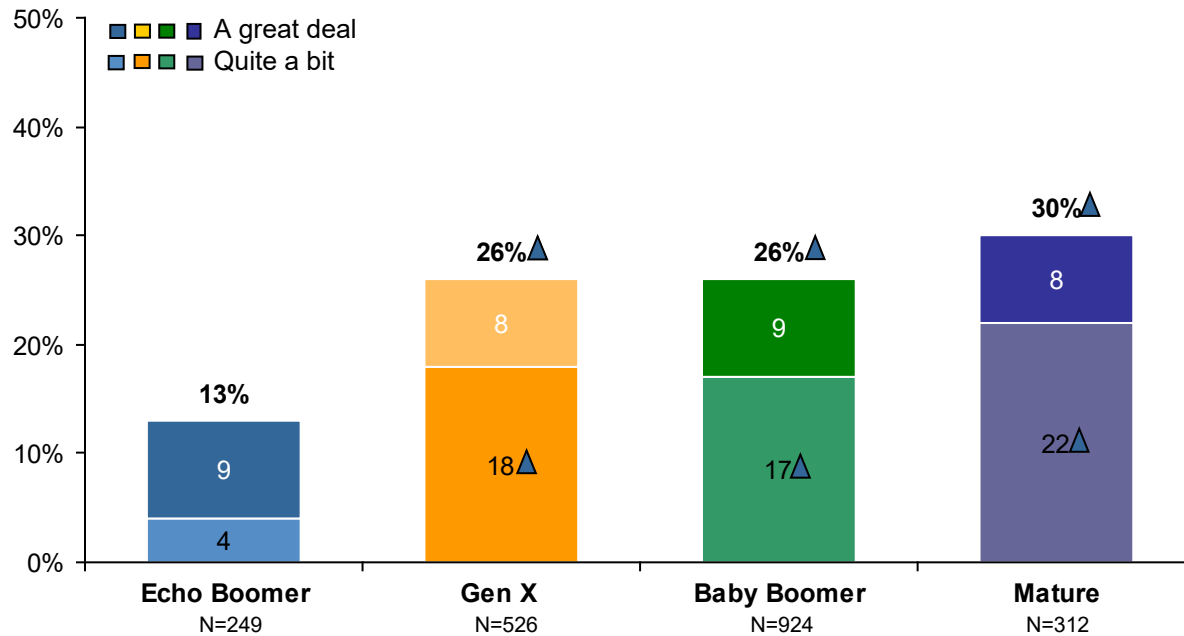
BASE: For Profit, Full- and Part-time
Q760. How good of an understanding do you have regarding asset allocation principles as they relate to retirement investing?

Understanding of Asset Allocation Principles

Generation

Among full-time workers, Echo Boomers are the generation least likely to have a good understanding regarding asset allocation principles as they relate to retirement investing.

Top 2 Box % (Great deal/Quite a bit)



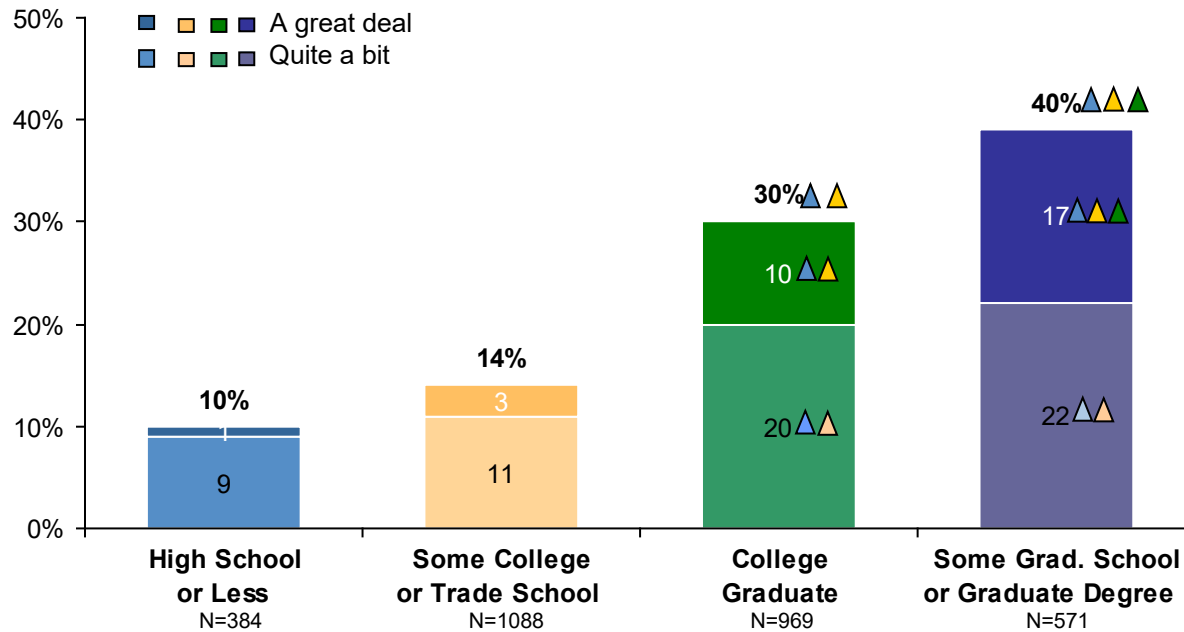
Q760. How good of an understanding do you have regarding asset allocation principles as they relate to retirement investing? BASE: For Profit – Full-time

Understanding of Asset Allocation Principles

Education

Education directly correlates with how well workers understand asset allocation principles related to retirement investments. The more educated the worker, the more likely they will understand asset allocation (high school or less 10%, some college 14%, college graduate 30%, graduate education 40%).

Top 2 Box % (Great deal/Quite a bit)

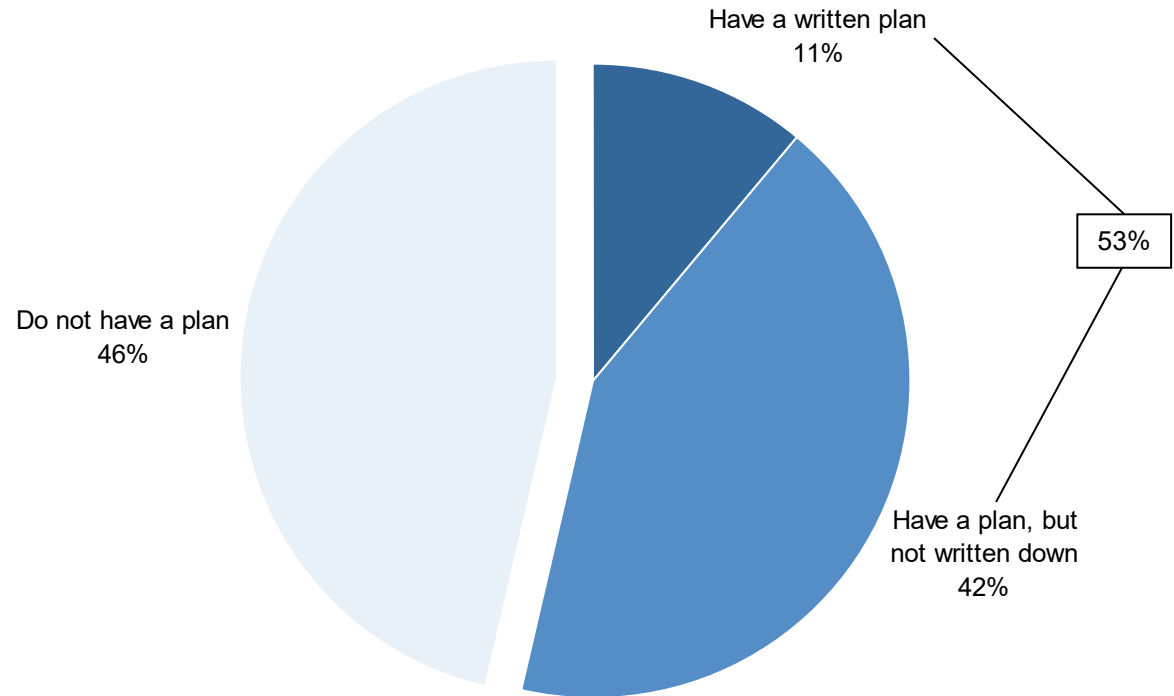


BASE: For Profit, Full- and Part-time

Q760. How good of an understanding do you have regarding asset allocation principles as they relate to retirement investing?

Slightly more than half of all workers (53%) have a retirement strategy; however, very few workers write the strategy down (11%).

Retirement Strategy



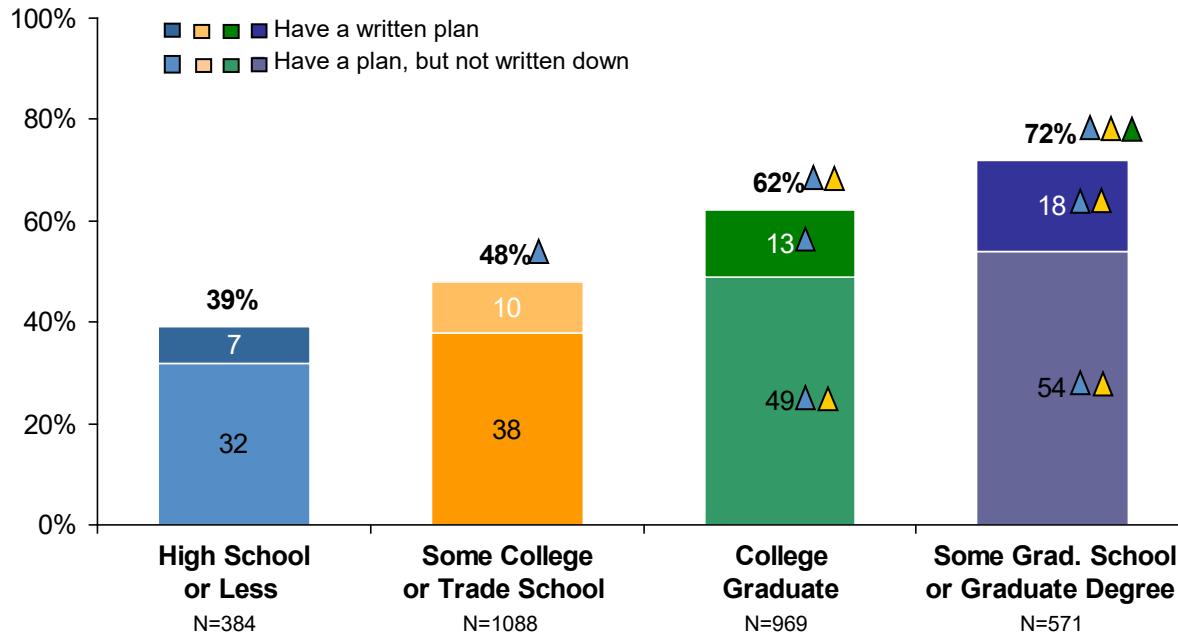
BASE: For Profit, Full- and Part-time, N=3012
Q555. Which of the following best describes your retirement strategy?

Have Retirement Strategy

Education

- Higher educated workers are more likely to have a retirement strategy than workers who are less educated (high school or less 39%, some college 48%, college graduate 62%, graduate education 72%).
- Regardless of education, most workers do not have a written retirement plan. However, workers who have a higher education are more likely to have a retirement plan that is not written down (high school or less 32%, some college 38%, college graduate 49%, graduate education 54%).

% Indicate "Have Plan"



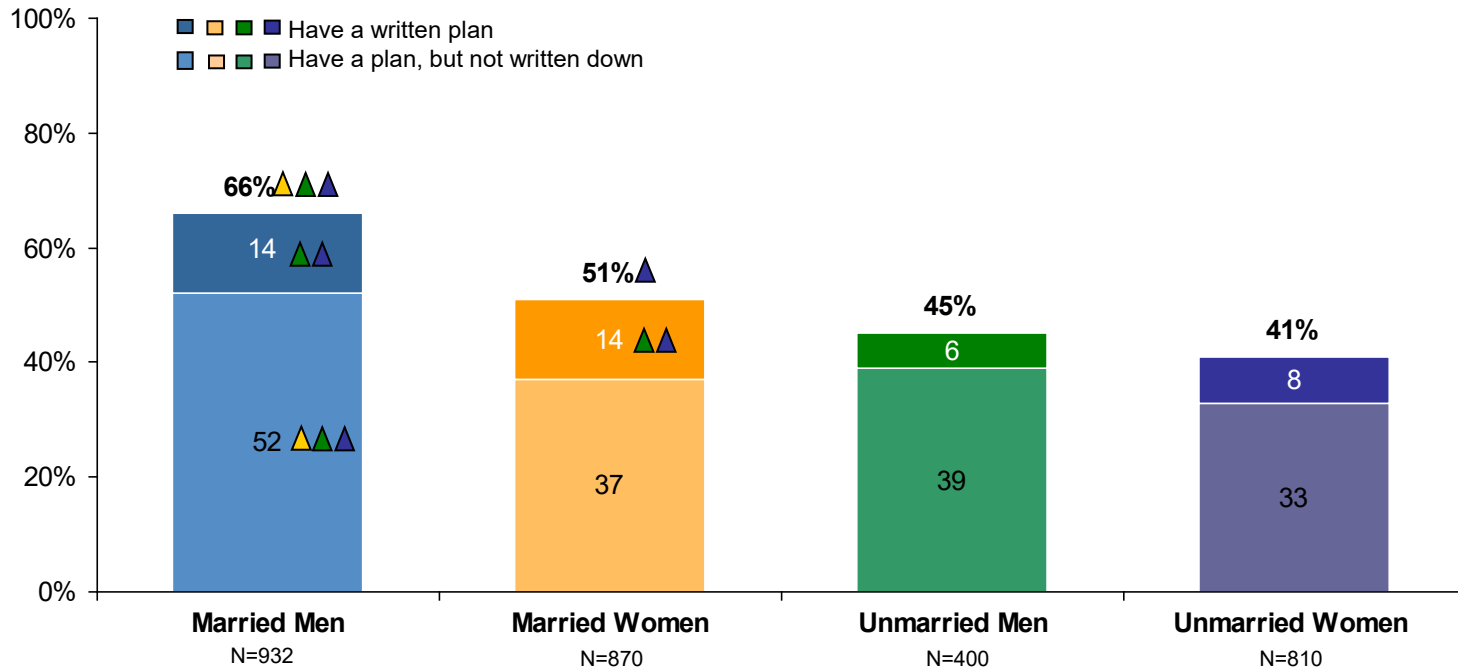
BASE: For Profit, Full- and Part-time
Q555. Which of the following best describes your retirement strategy?

Have Retirement Strategy

Marital Status / Gender

Married workers (14% of married women, 14% of married men) are more likely to have a written retirement strategy than unmarried workers (8% of unmarried women, 6% of unmarried men).

% Indicate "Have Plan"



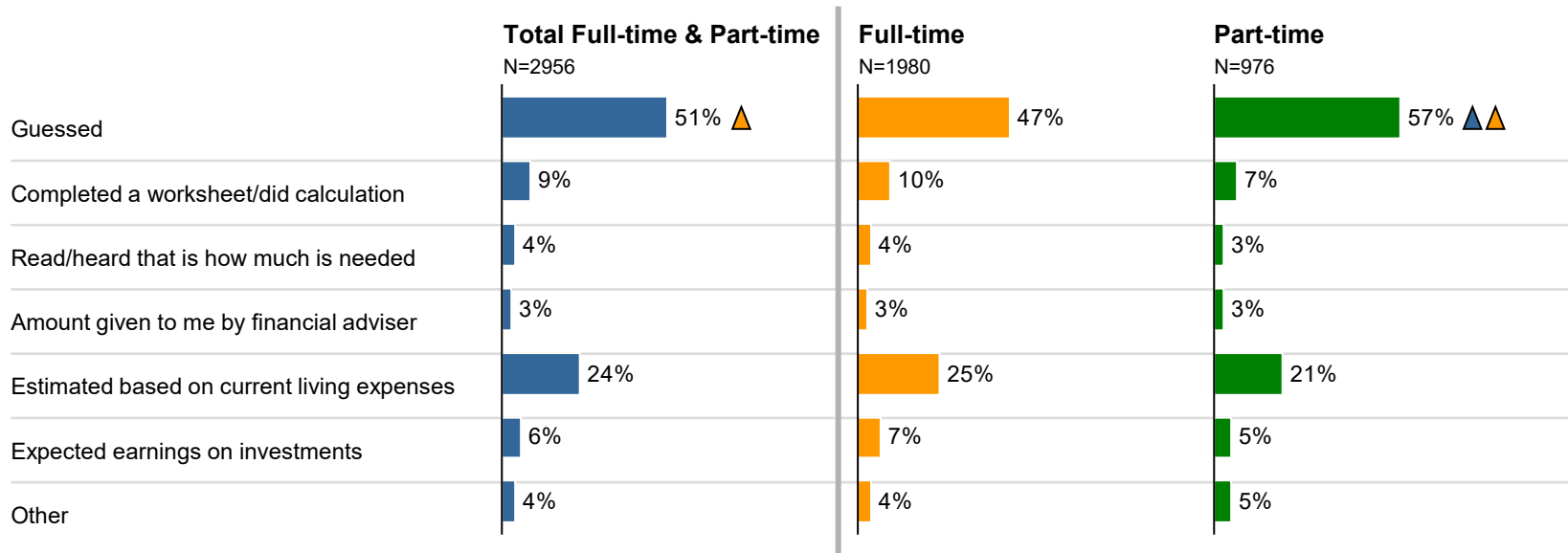
BASE: For Profit, Full- and Part-time
Q555. Which of the following best describes your retirement strategy?

Figuring Amount Needed to Retire Comfortably

Among those who provided estimate of money needed

Company Type

Half of workers guess (51%) in order to arrive at the amount they think they need to retire comfortably. Part-time workers (57%) in particular guess more often than full-time workers (47%).



BASE: For Profit, Full- and Part-time; Provided estimate of money needed Q900. How did you arrive at that number?