

**Between a Rock and a Hard Place: US Workers Struggle to Save Adequately for Retirement**

*New research examines the employment, personal finances, and retirement outlook of the workforce*

**LOS ANGELES – March 6, 2025** – Almost seven in 10 workers (69%) believe they could work until retirement and still not save enough to meet their needs, according to [Retirement in the USA: The Outlook of the Workforce](#), a survey report released today by nonprofit [Transamerica Center for Retirement Studies®](#) (TCRS) in collaboration with Transamerica Institute®.

“Today’s workers are stuck between a rock and a hard place. They are traversing disruptions in the economy, a tenuous employment market, and the high cost of everyday living – while being expected to self-fund a greater portion of their retirement income compared with prior generations. Many are struggling to save adequately,” said [Catherine Collinson](#), CEO and president of Transamerica Institute and TCRS.

According to the survey’s findings, nearly eight in 10 workers (79%) feel that people in their generation will have a much harder time achieving financial security compared with their parents’ generation, and 72% are concerned that Social Security will not be there for them when they are ready to retire. At the same time, 72% have taken measures to address financial strain from rising inflation, and 56% are still financially recovering from the COVID-19 pandemic and its aftermath. Forty-three percent are worried that artificial intelligence (AI) and robotics will make their job skills no longer needed.

As part of TCRS’ [25th Annual Retirement Survey](#), one of the largest and longest-running surveys of its kind, the report examines the retirement prospects of the workforce including their personal finances, retirement expectations, and how they are saving, planning, and preparing for the future. It offers comparisons of workers who are employed by others, self-employed, and unemployed but looking for work. The report is a call to action with recommendations for policymakers, employers, and workers.

***Employed workers are saving for retirement – but they are at risk of falling short***

“Employed workers are generally better positioned to prepare for retirement. They enjoy a steady income, and many are offered employer-sponsored retirement plans that make it easier to save and invest,” said Collinson. “At the same time, employed workers are financially stretched with competing priorities and they are vulnerable to job loss and other financial shocks. These factors put them at risk of falling short.”

More than half of employed workers (52%) expect their primary source of retirement income to come from self-funded savings, including 401(k)s, 403(b)s, and IRAs (41%), and other savings and investments (11%). Yet only 28% of employed workers “strongly agree” they are building a large enough retirement nest egg.

More than 8 in ten employed workers (83%) are saving in an employer-sponsored retirement plan and/or outside the workplace, and they began saving at age 26 (median). But an alarming 37% have tapped into their retirement accounts, including 31% who have taken a loan and 21% who have taken an early and/or hardship withdrawal. Employed workers have saved \$82,000 (estimated median) in all household retirement accounts.

Employed workers envision extending their working years and fully retiring at an older age, a solution that provides income and more time to save. Thirty-six percent of employed workers expect to retire at age 70-plus or do not plan to retire – and 53% plan to continue working in retirement. Unfortunately, many are not taking adequate steps to be able to do so. For example, just 58% are focused on staying healthy so they can continue working and only 48% indicate they are keeping their job skills up to date.

### ***Self-employed workers are defying and redefining retirement***

“Self-employment brings freedom, flexibility, and the opportunity to be your own boss – but it often comes without steady income or employer-sponsored retirement benefits. For the self-employed, saving and planning for retirement requires a proactive, do-it-yourself approach,” said Collinson.

Self-employed workers envision long and economically productive lives. One in five (20%) plan to live to age 100-plus. Fifty-five percent expect to retire at age 70-plus or do not plan to retire – and 56% plan to work at least part time in retirement. Thirty-seven percent dream of doing paid work in retirement.

One in three self-employed workers (33%) expect their primary source of retirement income to come from self-funded savings, while 20% expect it from Social Security, 17% from their business (if they own one), and 15% from continued work.

Six in 10 self-employed workers (60%) are saving for retirement, and they started saving at age 29 (median). Among them, 75% are saving in tax-advantaged retirement savings accounts. The self-employed have saved \$87,000 (estimated median) in all household retirement accounts.

“Retirement may be less relevant to self-employed workers – especially if they enjoy their work,” said Collinson. “While it may be tempting for them to procrastinate or forego retirement planning altogether, planning to not retire is not a retirement strategy. Life’s unforeseen circumstances can easily derail their aspirations.” Just 22% of self-employed workers have a written financial strategy for retirement.

### ***Unemployed workers are discouraged and distressed***

“Unemployed workers are feeling discouraged, grappling with financial insecurities, and finding it impossible to save,” said Collinson. Seventy percent of unemployed workers who are looking for work are having trouble making ends meet, while 66% often feel unmotivated and overwhelmed and 62% often feel anxious and depressed. Forty-one percent have no emergency savings.

One in three unemployed workers (33%) expect their primary source of retirement income to come from self-funded savings, while 32% expect it from Social Security and 25% expect it from continued work.

Twenty-six percent of unemployed workers are saving for retirement, and they started saving at age 26 (median). Unemployed workers have saved just \$700 in all household retirement accounts (estimated median), with 33% having saved nothing.

“The best way for unemployed workers to strengthen their financial situation is to seek encouragement and land a good job with retirement benefits, which can be easier said than done,” said Collinson. “While they are continuing to search for a job, the more unemployed workers can do to prevent further deterioration of their situation, the easier it will be to regain their financial footing later on.”

### ***A call to action***

“As workers are navigating transformations in the economy and workforce, policymakers can pave the way for strengthening the retirement system by ensuring the sustainability of safety nets such as Social Security and Medicare, facilitating the expansion of workplace retirement savings programs, promoting financial literacy, and fostering innovation to make living into old age more affordable,” said Collinson. “Employers also play a vital role by offering job opportunities, professional development and on-the-job experience, and valuable employee benefits. A collective and collaborative effort across the public and private sectors is critical for future-proofing retirement so that all Americans can retire with dignity.”

***[Retirement in the USA: The Outlook of the Workforce](#)*** is a follow-up to TCRS’ report ***[Emerging from the COVID-19 Pandemic: The Retirement Outlook of the Workforce](#)*** (2022). To download these reports and more, visit [www.transamericainstitute.org](http://www.transamericainstitute.org). Listen to Transamerica Institute’s podcast [ClearPath – Your Roadmap for Life<sup>SM</sup>](#). Follow on [LinkedIn](#), [Facebook](#), and X [@TI\\_insights](#) and [@TCRStudies](#).

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Transamerica Center for Retirement Studies® (TCRS) is a division of Transamerica Institute®, a nonprofit, private operating 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. It conducts one of the largest and longest-running annual retirement surveys of its kind. TCRS and its representatives cannot give insurance, securities, ERISA, tax, investment, legal, medical, or financial advice or guidance. The information provided here is for educational purposes only and should not be construed as any advice or guidance. For more information about TCRS, please refer to [www.transamericainstitute.org](http://www.transamericainstitute.org).

**About the 25th Annual Transamerica Retirement Survey**

This 26-minute online survey was conducted within the U.S. by The Harris Poll on behalf of Transamerica Institute and TCRS between September 11 and October 17, 2024, among a nationally representative sample of 10,009 adults including 4,818 workers who are employed by others, 599 who are self-employed, and 718 who are unemployed but looking for work. Data was weighted where necessary for age by gender, race/ethnicity, region, education, marital status, household size, household income, and smoking status. Respondents were selected from among those who have agreed to participate in our surveys. The sampling precision of Harris online polls is measured by using a Bayesian credible interval and the worker sample data is accurate to within +1.5 percentage points using a 95% confidence level. This credible interval will be wider among subsets of the surveyed population of interest. Percentages are rounded to the nearest whole percent.

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