Retirement. It’s personal.
Retirement. It’s deeply personal. And yet, many of the challenges workers face are common and shared.

The relationship someone new to the workforce has with retirement is likely very different than that of someone later in their career. Layer in factors like individual experiences and a lack of access to the right tools, opportunities and guidance... and suddenly the path can get complex. But we’re rethinking retirement – because it doesn’t have to be.
**About the survey**

The BlackRock Read on Retirement™ survey provides insights from a research study of large defined contribution plan sponsors, workplace savers, independent savers and retirees in the U.S. executed by Escalent, Inc., an independent research company. All respondents were interviewed using an online survey fielded January 29-March 5, 2024.

[BlackRock.com/ReadonRetirement](https://BlackRock.com/ReadonRetirement)

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**453**

**Plan sponsors**

Plans had at least $300 million in assets, with 37% of respondents serving in benefits or HR roles, and the rest in finance, investment or business management for their organizations.

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**1,308**

**Workplace savers**

Workplace savers (participants) were employed full-time and participating in their employer’s 401(k) or 403(b) plan, with at least $5,000 in assets in their current account. The sample is 53% male and 47% female. 24% are Gen Z, 30% Millennials, 33% Gen X, and 13% working Boomers.

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**1,308**

**Independent**

Independent savers were employed full-time with at least $5,000 in assets set aside for retirement and no access to a workplace retirement plan. 52% use an IRA, and 36% use a full-service taxable brokerage account to save.

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**301**

**Retirees**

Retirees were retired at least 10 years. Many previously enrolled in a 401(k) or 403(b) plan, and some have stayed in plan after retirement. 56% also had access to a defined benefit/pension plan through an employer.
Confidence

There’s more beneath the surface
When markets rally, workplace savers tend to feel more on track for retirement, but employers are less optimistic as they look at the larger picture.

While workplace saver confidence rebounded with markets, plan sponsors reveal underlying concerns to explore

% that believe they, or their participants, are on track with their retirement savings to retire with the lifestyle they want:

- Workplace Savers
  - 2023: 56%
  - 2024: 68%

- Plan Sponsors
  - 2023: 64%
  - 2024: 58%
Meet the savers
**Meet the savers**

**Understanding who is saving and how**
BlackRock dug into the data by factors like generation, gender and circumstances, looking at the complex individual choices Americans face when saving for retirement to see the full story.

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**Independent Savers**
Making it work.

**Gender**
A confidence gap.

**Gen Z**
Ahead of their time.

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**Millennials**
Feeling the squeeze.

**Gen X**
Coming into focus.

**Baby Boomers**
Reflecting on income.
Independent Savers

Making it work
Those without a workplace plan are largely on their own when it comes to retirement saving – yet they prioritize it when they can.

47% feel on-track to retire with the lifestyle they want versus 68% of those with access to a workplace plan.

40% Not on-track wish they could save more for retirement.

41% more likely to say they save less for retirement if an emergency expense arises versus those with a workplace plan.
The influence of access

Independent savers stand to benefit from the resources that savers with workplace plans typically have access to.

56% say they are holding at least some of their retirement savings in cash, missing out on wealth-generating opportunities.

Over half make investment decisions fully on their own or by consulting family/friends.

Target date funds could help!

56%
A confidence gap
When it comes to retirement confidence, the biggest disparity we saw in the numbers wasn’t between generations, it was gender.

% of workplace savers who feel on track to retire with the lifestyle they want:

<table>
<thead>
<tr>
<th></th>
<th>Women</th>
<th>Men</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>59%</td>
<td>75%</td>
</tr>
</tbody>
</table>

Men are almost a third more likely to be confident about their retirement futures than women.

% of workplace savers who are confused about how to translate savings into monthly income:

<table>
<thead>
<tr>
<th></th>
<th>Women</th>
<th>Men</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>70%</td>
<td>56%</td>
</tr>
</tbody>
</table>

% of workplace savers who worry about outliving their retirement savings:

<table>
<thead>
<tr>
<th></th>
<th>Women</th>
<th>Men</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>65%</td>
<td>57%</td>
</tr>
</tbody>
</table>
Ahead of their time
The youngest generation in the workforce is already thinking about retirement saving – and worried about their future retirement income.

77% feel on track to retire with the lifestyle they want
(The most of any generation!)

69% worry about outliving their retirement savings
Looking for guidance
A majority of Gen Z lacks firsthand investment knowledge and are seeking professional management from their plan.

- **63%** admit they don’t understand enough about investments to confidently manage their own savings
- **69%** are either currently invested in a target date fund or planning to do so soon
- **25%** say trust in their employer to choose the right investment option for them is the primary reason they use a TDF

Gen Z trusts their employer nearly 4x compared to Boomers
**Feeling the squeeze**
With added responsibilities and expenses, including debt, many are trying to balance savings for both the near- and long-term.

- **56%** worry about outliving their retirement savings
- **62%** carry credit card debt
- **72%** would stay with their employer if they matched student loan payments to their retirement plan

And debt is a huge reason why…

*(The most of any generation!)*

Now possible through SECURE 2.0!
Coming into focus
With retirement just around the corner, they’re both the most likely generation to report saving consistently for retirement and the least likely to feel on track.

- **80%** say they are saving a consistent amount for retirement
  - The highest of any generation!

- **60%** feel on track for retirement
  - The lowest of any generation!

- **63%** worry about outliving their retirement savings
  - 74% believe they won’t have the same level of certainty as previous generations

- **54%** of those not on track feel they should be saving more

- **31%** of those eligible are making catch-up contributions
  - Individuals over 50 can save up to $7,500 extra in their 401(k) under 2024 IRS limits

- **40%** currently use a financial advisor
  - The lowest of any generation!
Reflecting on income
Whether close to retirement or already there, this generation is focused on the need for retirement income.

- 68% feel on track for retirement
- 42% aren’t sure how to calculate how much spending they will do in retirement
- 51% aren’t sure how much income they’ll need in retirement
- 67% of those still working want education on retirement income strategies well in advance
- 85% of retirees admit secure income makes a bigger difference than they thought it would in retirement
- 94% of retirees think employers should prioritize offering secure income solutions through workplace plans

The voice of experience...
Identifying solutions
Easing a top financial fear
Savers want secure retirement income solutions – and employers recognize the need to act.

- 60% worry they’ll outlive their retirement savings
- 80% say this worry is negatively impacting their mental health today
- 99% say it would be financially helpful to receive guaranteed income in retirement
- 99% of plan sponsors feel responsible for helping their employees generate income in retirement
- 72% feel the risk of outliving savings has become even more important in the current economic climate

Improving plans...
“Adding investment options that provide the option for secure income” is the top single change plan sponsors say could improve future outcomes.

As part of talent / retention strategy...
A retirement income planning tool is the top workplace benefit sponsors believe will attract and retain talent in the current environment.
Target Date Funds

The tool of choice
Workplace savers value the target date fund for its simplicity – while sponsors see it as a way to help address spending challenges.

- 61% are either already invested in a target date or plan to soon
- 83% of plan sponsors agree their participants would benefit from a target date solution that includes guaranteed income
- 20% aren’t sure if they are invested in one or not

Workplace savers invested in a TDF cite the convenience and access to professional management as the most common primary reason for the choice.
Active Strategies

A turning tide
Plan sponsors see mounting evidence that active strategies consistently perform and benefit their savers across market cycles.

A growing majority of plan sponsors believe that active managers can consistently outperform the market.

- 72% in 2023
- 79% in 2024

85% say active TDFs could reduce the impact of volatility.

83% agree that actively managed TDFs could generate incremental returns for their participants.
## Appendix

Are you on track to retire with the lifestyle you want?

<table>
<thead>
<tr>
<th>Category</th>
<th>2023</th>
<th>2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Workplace Savers</td>
<td>56%</td>
<td>68%</td>
</tr>
<tr>
<td>Gen Z (1997-2006)</td>
<td>56%</td>
<td>77%</td>
</tr>
<tr>
<td>Millennials (1981-1996)</td>
<td>55%</td>
<td>72%</td>
</tr>
<tr>
<td>Gen X (1965-1980)</td>
<td>55%</td>
<td>60%</td>
</tr>
<tr>
<td>Boomers (1946-1964)</td>
<td>59%</td>
<td>68%</td>
</tr>
<tr>
<td>Women</td>
<td>52%</td>
<td>59%</td>
</tr>
<tr>
<td>Men</td>
<td>61%</td>
<td>75%</td>
</tr>
<tr>
<td>All Independent Savers</td>
<td>51%</td>
<td>47%</td>
</tr>
</tbody>
</table>
Important notes

Investing involves risk, including possible loss of principal.

Asset allocation models and diversification do not promise any level of performance or guarantee against loss of principal. The principal value of the target date funds is not guaranteed at any time, including at and after the target date.

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