

BlackRock®

**Retirement.
It's persnal.**

2024 BlackRock

**Read on
Retirement™**

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



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.

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.

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.

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.

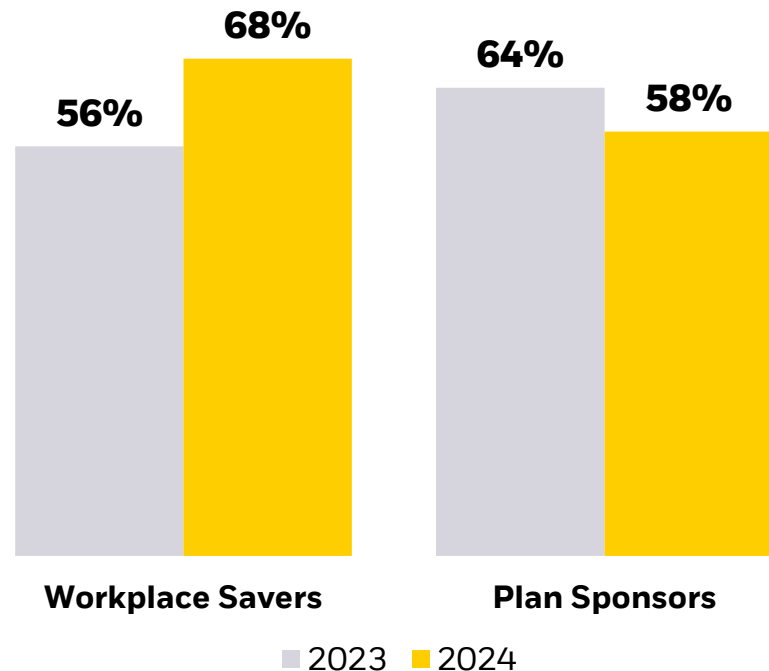
Confidence

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:



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.

Independent Savers

Making it work.

Gender

A confidence gap.

Gen Z

Ahead of their time.

Millennials

Feeling the squeeze.

Gen X

Coming into focus.

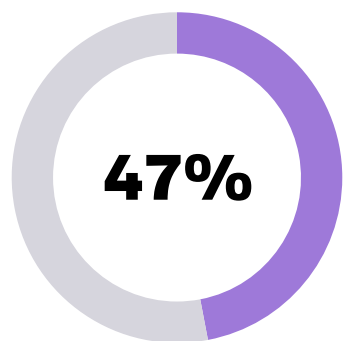
Baby Boomers

Reflecting on income.

Independent Savers

Making it work

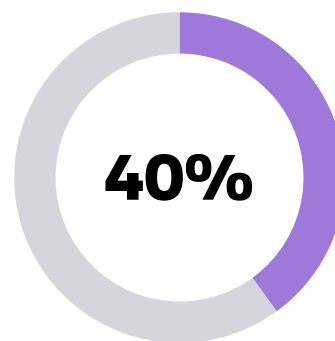
Those without a workplace plan are largely on their own when it comes to retirement saving – yet they prioritize it when they can.



feel on-track to retire with the lifestyle they want



versus 68% of those with access to a workplace plan



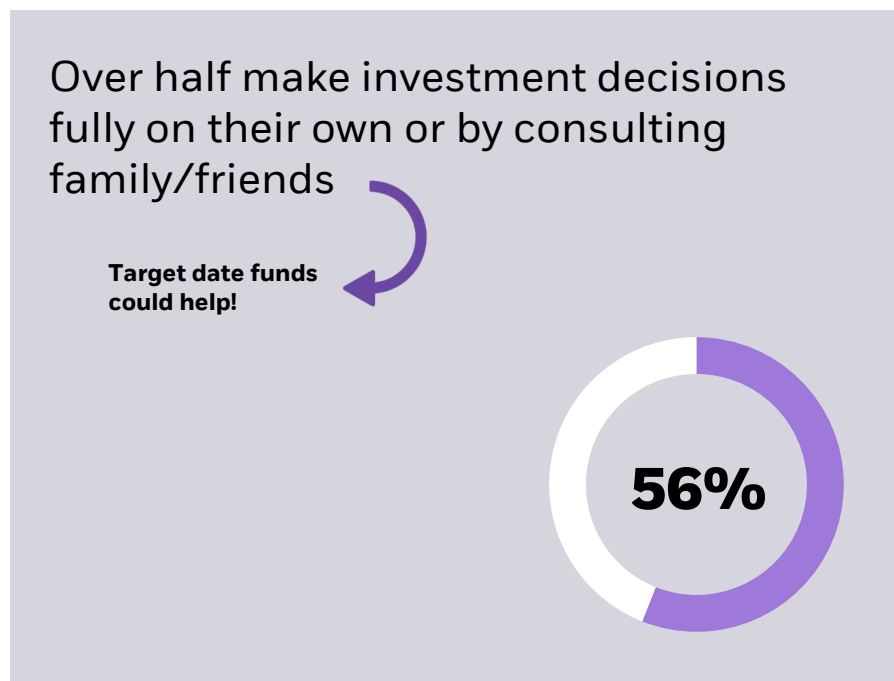
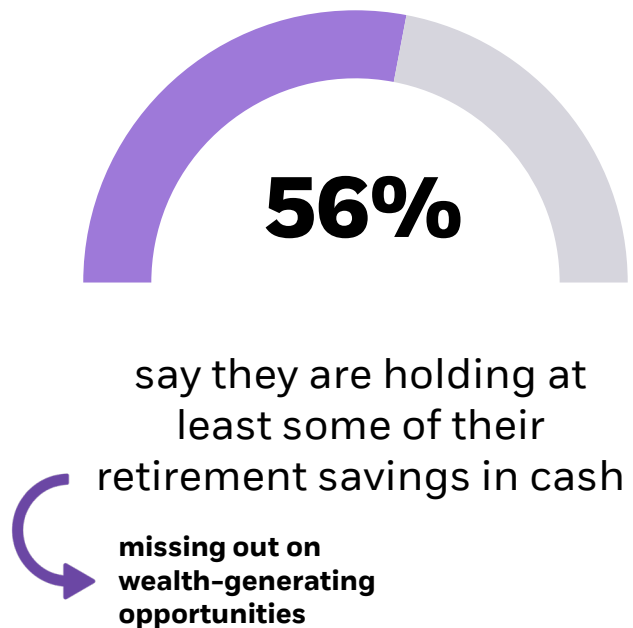
Not on-track wish they could save more for retirement



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.



Gender

A confidence gap

When it comes to retirement confidence, the biggest disparity we saw in the numbers wasn't between generations, it was gender.

30%



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

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



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

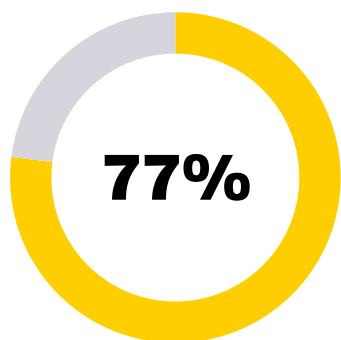


% of workplace savers who worry about outliving their retirement savings:



Ahead of their time

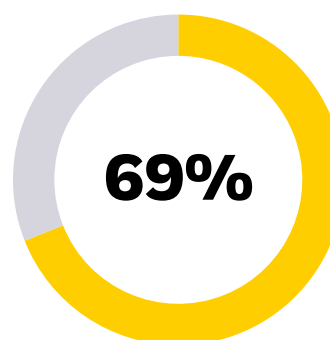
The youngest generation in the workforce is already thinking about retirement saving – and worried about their future retirement income.



feel on track to retire
with the lifestyle they
want



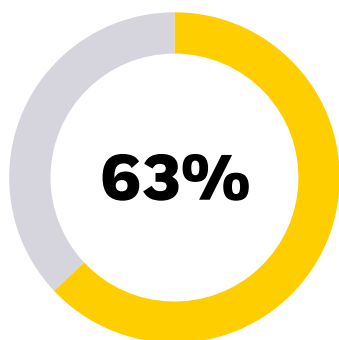
**(The most of any
generation!)**



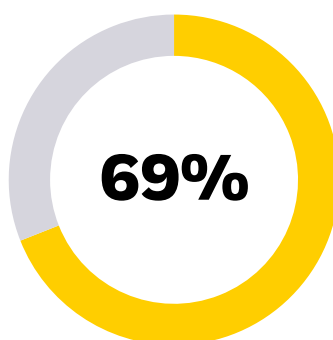
worry about outliving
their retirement
savings

Looking for guidance

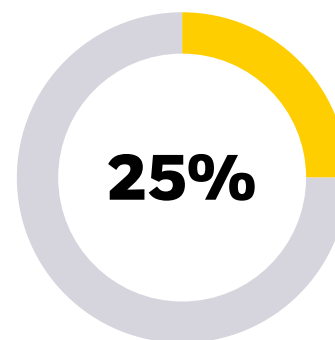
A majority of Gen Z lacks firsthand investment knowledge and are seeking professional management from their plan.



admit they don't understand enough about investments to confidently manage their own savings



are either currently invested in a target date fund or planning to do so soon



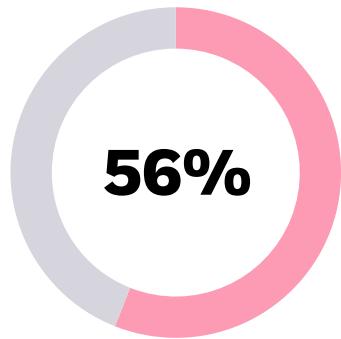
say trust in their employer to choose the right investment option for them is the primary reason they use a TDF

Gen Z trusts their employer nearly 4x compared to Boomers



Feeling the squeeze

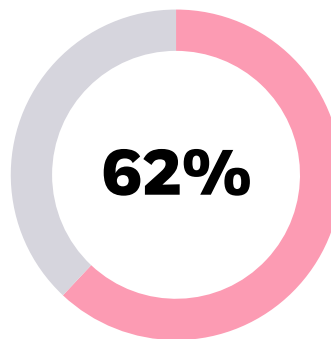
With added responsibilities and expenses, including debt, many are trying to balance savings for both the near- and long-term.



worry about outliving
their retirement
savings



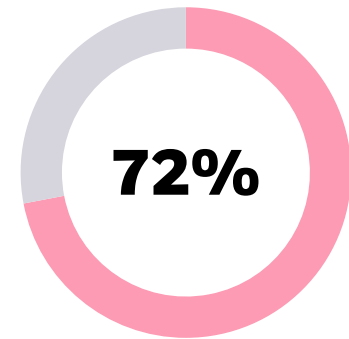
**And debt is a huge
reason why...**



carry credit card debt



**(The most of any
generation!)**



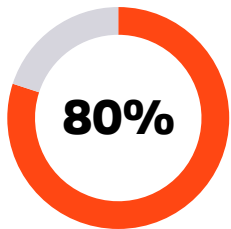
would stay with their
employer if they
matched student loan
payments to their
retirement plan



**Now possible through
SECURE 2.0!**

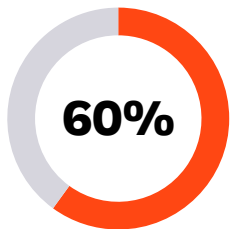
Coming into focus

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.



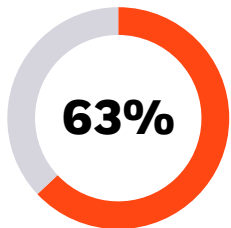
say they are saving a consistent amount for retirement

The highest of any generation!



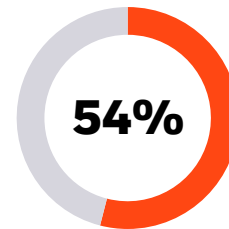
feel on track for retirement

The lowest of any generation!

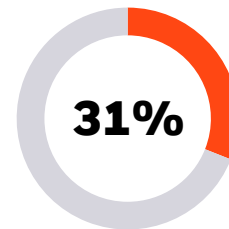


worry about outliving their retirement savings

74% believe they won't have the same level of certainty as previous generations

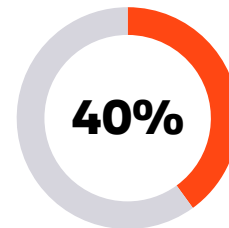


of those not on track feel they should be saving more



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

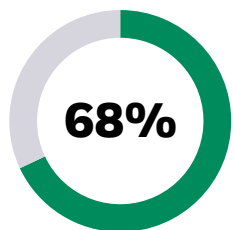


currently use a financial advisor

The lowest of any generation!

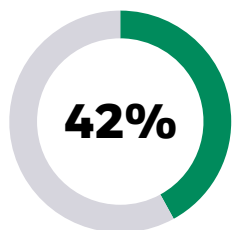
Reflecting on income

Whether close to retirement or already there, this generation is focused on the need for retirement income.

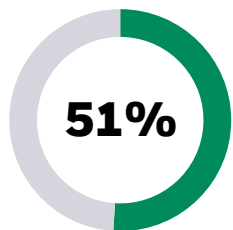


feel on track for retirement

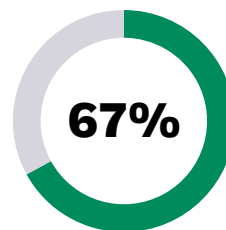
of those who don't, income is the nagging concern



aren't sure how to calculate how much spending they will do in retirement

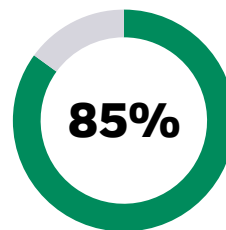


aren't sure how much income they'll need in retirement

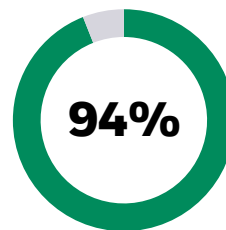


of those still working want education on retirement income strategies well in advance

The voice of experience...



of retirees admit secure income makes a bigger difference than they thought it would in retirement

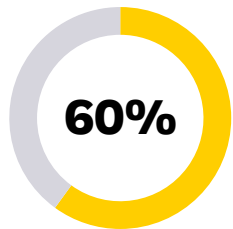


of retirees think employers should prioritize offering secure income solutions through workplace plans

Identifying solutions

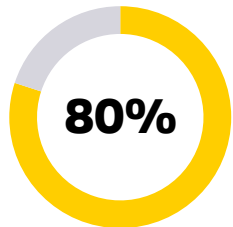
Easing a top financial fear

Savers want secure retirement income solutions – and employers recognize the need to act.

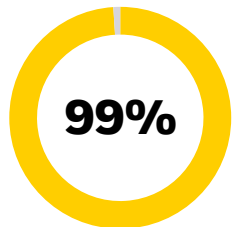


worry they'll outlive their retirement savings

Across all generations!

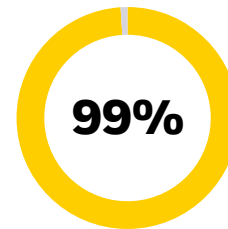


say this worry is negatively impacting their mental health today



say it would be financially helpful to receive guaranteed income in retirement

93% say knowing they'd have guaranteed retirement income would help their mental health now



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...

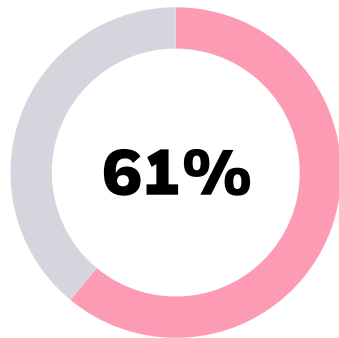


A retirement income planning tool is the top workplace benefit sponsors believe will attract and retain talent in the current environment.

Target Date Funds

The tool of choice

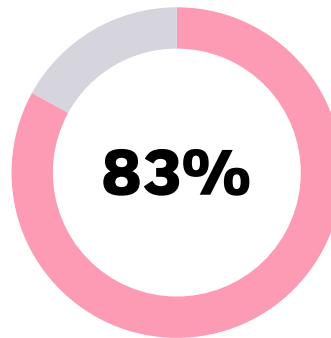
Workplace savers value the target date fund for its simplicity – while sponsors see it as a way to help address spending challenges.



are either already
invested in a target
date or plan to soon



20% aren't sure if
they are invested in
one or not



of plan sponsors agree
their participants
would benefit from a
target date solution
that includes
guaranteed income

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

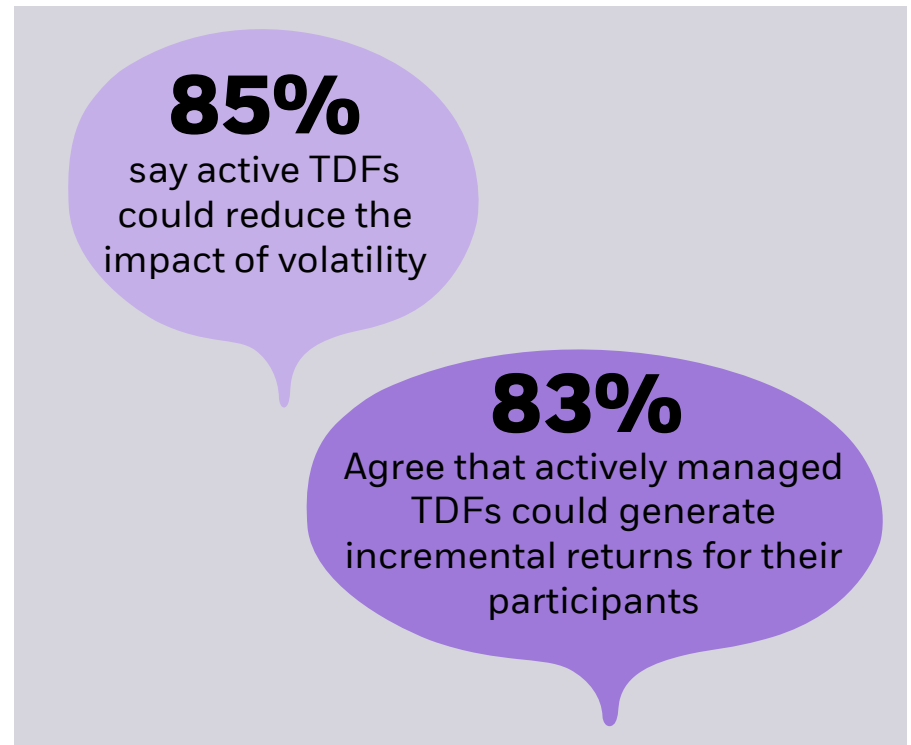
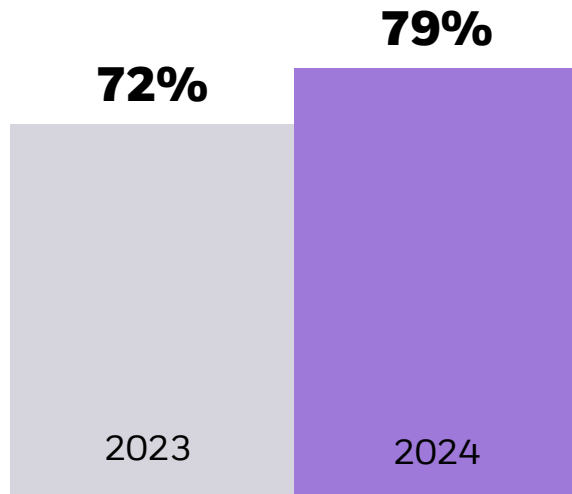


Active Strategies

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



Appendix

Are you on track to retire with the lifestyle you want?	2023	2024
All Workplace Savers	56%	68%
Gen Z (1997-2006)	56%	77%
Millennials (1981-1996)	55%	72%
Gen X (1965-1980)	55%	60%
Boomers (1946-1964)	59%	68%
Women	52%	59%
Men	61%	75%
All Independent Savers	51%	47%

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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