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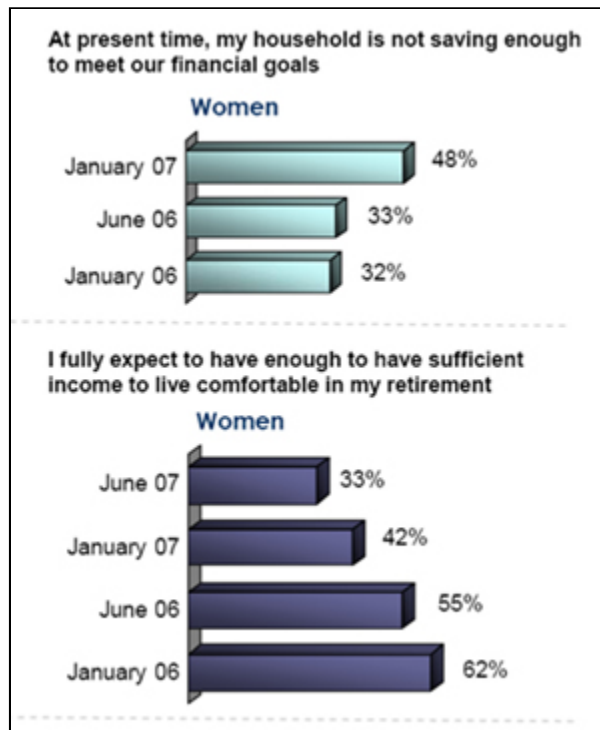
**Optimism Cools as the Affluent Follow the Market into Waiting Pattern**

**Generation Y Saving for Retirement: Time is on Their Side**

## The Retirement Savings Crisis Strikes Women Hardest

The retirement savings crisis in America is widely known by financial professionals, but is only starting to trickle into the consciousness of the public which it will affect most. Within this issue is the alarming reality that women, on average, are saving less than men for a retirement that will start sooner and last longer.

While the automatic enrollment features of the Pension Protection Act, may work towards bridging this gap, unchecked, this crisis will disproportionately affect the women of America.



Despite their seeming lack of action, women are aware of the crisis they are facing, at least on an individual level. In a Spectrem January 2006 survey, when women retirement plan participant's answered the question, "I fully expect to have sufficient income to live

comfortably in my retirement" a robust 62% of respondents agreed with the statement. However, that number has steadily dropped from 55% in June of 2006, to 42% in January of this year, bottoming out at 33% in June 2007.

Mirroring that sentiment, in January of 2006 only 32% of women Spectrem Group surveyed agreed with the statement, "At the present time, my household is not saving enough to meet our financial goals", as opposed to only 29% of men who agreed. That number has steadily risen in a year and a half, with 44% of women agreeing with that statement, in June of 2007.

Setting goals and making a plan that takes into account all of the roles that women play and all of the factors they have working against them, as well as the ones they have working for them, will help your clients avoid the looming retirement crisis that could envelope them if they do not act to help themselves. Providing careful advice and guidance to help women participants reach their goals is the duty of the retirement industry.

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### **Patterns of Participant Use of Plan Websites**

The internet has become a critical tool in providing information and services to 401(k) plan participants. Access to account information as well as the ability to initiate transactions of various types online has become an expectation of many participants. But only 25% of participants are satisfied or very satisfied with their website experience. Are the websites of plan providers meeting their needs?

### **What Influences Participants' Investment Decisions?**

The practice of having retirement plan participants make their own investment decisions is inherent in 401 (k) plans, but participants may not be making the right decisions. In fact, half of participants are risk averse, regardless of their age. In What Influences Participants' Investment Decisions Spectrem analyzes the key drivers of participant investment decisions so plan providers can deliver effective products and information.