

TIAA-CREF Investing in You Survey Executive Summary

August 12, 2014



Financial Services

TIAA-CREF Survey Finds One-Third of Americans Have Never Increased Their Retirement Plan Contribution Rate

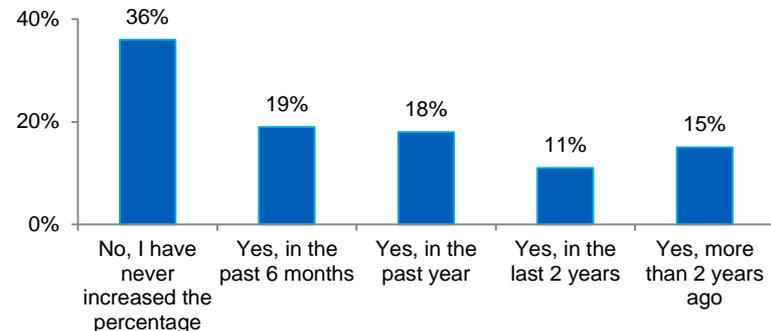
Millennials are most likely to raise their contribution rate after a raise

A new TIAA-CREF survey reveals that more than one-third of Americans who contribute to an employer-sponsored retirement plan (36 percent) have never increased the percentage of their salary they contribute to their company's plan. An additional 26 percent of workers have not increased their contribution in more than one year. Considering that 44 percent of American employees save 10 percent or less of their annual income each year¹, these findings indicate that many employees have the opportunity to improve their retirement readiness by increasing their plan contributions regularly.

The findings come from TIAA-CREF's Investing in You Survey, which was conducted among a sample of 1,000 adults who are currently contributing to a retirement plan, conducted by an independent research firm between May 19, 2014 and May 28, 2014.

The following pages outline Americans' attitudes and behaviors related to enrollment and engagement in their employer-sponsored retirement plans.

Have you ever increased the percentage of your salary that you are putting in your company's retirement savings plan?



¹ TIAA-CREF Lifetime Income Survey, January 2014

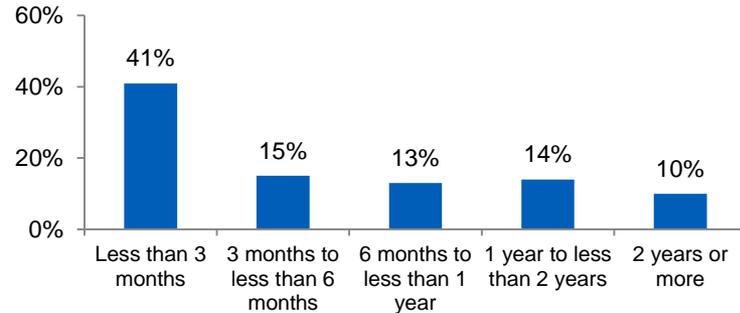
Getting employees engaged in retirement savings

The survey found that more than half (53 percent) of employees with company retirement plans were not automatically enrolled in their companies' plans. Those not automatically enrolled lost precious time saving for retirement, with 37 percent of respondents who were not automatically enrolled in a plan reporting that they waited six months or longer to enroll, and one in four employees (24 percent) waiting a year or more.

The survey also found 57 percent of workers did not increase their plan contribution after their last raise. The most common reason cited for not increasing contributions after a raise was an immediate need to pay expenses. One-quarter (25 percent) of respondents say they did not increase their contributions after their last raise because they were already contributing the maximum amount to their retirement plan, although men (33 percent) were nearly twice as likely as women (17 percent) to be contributing the maximum amount allowed.

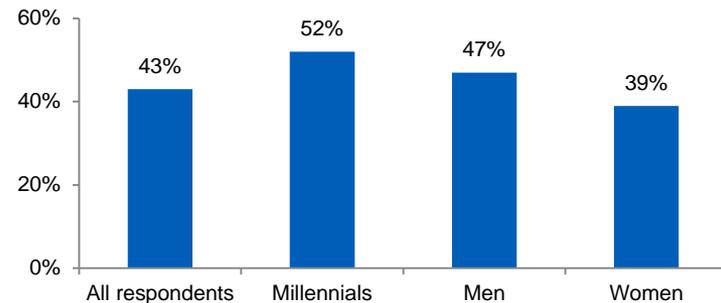
Millennials (age 18-34) were more likely than any other age group to increase savings after a raise (52 percent) and of those Millennials who did not increase savings after a raise, 23 percent did not do so because they were already contributing the maximum amount allowed.

How long did you wait before enrolling in your company's 401(k) or 403(b) retirement savings plan?



**Among respondents who were not auto-enrolled in their employer-sponsored retirement plan*

When you last got a raise, did you increase the percentage of your salary that you are putting in your company's retirement savings plan?



**Respondents answering "yes"*

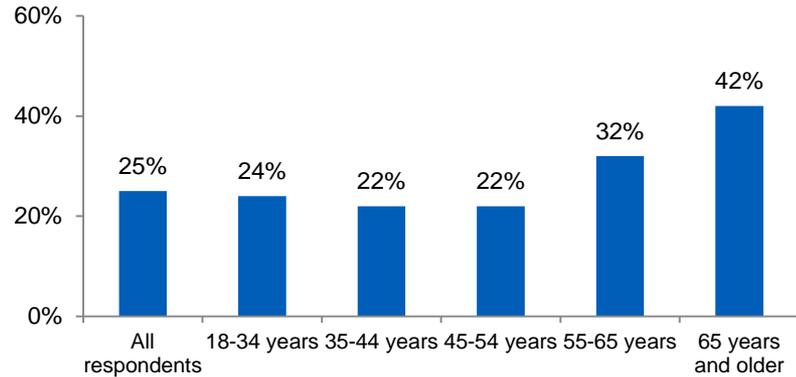
Investing in the future

The survey found that many respondents are not taking the steps necessary to make sure they have the right investments at each stage of their lives. One-quarter (25 percent) of workers have never made changes to how their money is invested, and an additional 28 percent have not made changes to how their money is invested in more than one year.

Millennials again were significantly more likely to have changed how their money was invested in the past year compared to those 35 years or older (59 percent vs. 42 percent).

One-third (34 percent) of those age 55 or older say they have never made a change to the way their money is invested, which means they are less likely to have taken the steps necessary to transition from saving for retirement to creating income to last for a lifetime.

Percentage of respondents who have never made changes to their retirement savings investments



TIAA-CREF offers a variety of retirement solutions

TIAA-CREF has prepared articles for [plan sponsors](#) and [individuals](#) on maximizing employee's engagement in their retirement plan enrollment and management.

Additional resources for individuals can be found in the TIAA-CREF [Advice and Guidance Center](#).

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The survey was conducted by KRC Research online among a sample of 1,000 employed adults, age 18 years and older, currently contributing to an employer-sponsored retirement plan. Data was weighted by key demographic variables to ensure the sample is representative of the employed population contributing to defined-contribution plans.

Respondents for this survey were selected from among those who have volunteered to participate in online surveys and polls. Because the sample is based on those who initially self-selected for participation, no estimates of sampling error can be calculated. All sample surveys and polls may be subject to multiple sources of error, including, but not limited to, sampling error, coverage error, error associated with nonresponse, error associated with question wording and response options.

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