

## **Is Retirement Getting Better or Worse?**

*Yes...and yes. It's time to reset our expectations.*

By Ken Dychtwald  
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Exactly 10 years ago, in 2001, [Age Wave](#) conducted the landmark "Re-Visioning Retirement Study" in partnership with SunAmerica Financial Group. The study revealed that the majority of Americans thought they'd be able to comfortably retire in their early to mid 60s. And, thanks to a lifetime of savings, guaranteed company pensions and rock solid government entitlements, most thought they'd be able to afford decades of non-working leisure.

That was just 10 years ago! Since then, things have changed - dramatically: 9/11, the recession and a stalled stock market have dramatically impacted many people's retirement dreams.

### **The wakeup call: What a difference a decade has made**

And so, to find out exactly how the recession and all the changes of this past decade have impacted the public's mindset, family dynamics, lifestyle expectations and attitudes toward retirement, Age Wave and SunAmerica again joined forces to conduct *The SunAmerica Retirement Re-Set Study* (for a complete study report, visit [www.retirementreset.com](http://www.retirementreset.com)).

Our comprehensive 2011 survey of 1,000 men and women 55-plus revealed that while many Americans got pretty shaken up over this past decade, they are emerging wiser, more disciplined and with a new, more pragmatic approach to an entirely new kind of retirement.

### **A new retirement mindset**

While financial losses are easily measured in stock charts and home prices, the psychological damage and costs of a recession are just as real. In fact, anger, worry and financial insecurity remain pervasive. However, our study revealed that a more pragmatic vision of retirement is emerging.

Seventy-eight percent of the respondents said they can still have a fulfilling retirement by being more financially disciplined. In fact, most believe they can still "get there from here" - although, for many, "there" is now envisioned more realistically. For example, in one of our focus groups, a pre-retiree said that before the recession he was hoping that in his retirement he'd get to play all the great golf courses in Europe. Now, he said, he'd be quite satisfied to play all the great public courses in New Jersey!

## **Living to 100**

When we asked the survey participants if they'd like to live to 100, a whopping 67 percent said yes! But longevity has its potential problems. The respondents' biggest worries about living a very long life were (1) losing their health, (2) being a burden on their family and (3) running out of money. On the other hand, they viewed the key benefits of extended longevity as (1) continuing to remain productive, (2) developing deeper relationships with their family and (3) the chance to be around to witness new discoveries and watch the world evolve.

What the pre-retirees in the study told us is that if you're going to wind up living to 80, 90 or even 100, it would probably be wise to work longer. Whether driven by financial practicality or a desire to live a more engaged and productive life, 77 percent of pre-retirees say they would ideally like to include some work in their retirement. And when we point-blank asked what the primary reason would be, the number-one response was the stimulation and satisfaction that continued work offers. Money was also important, but it ranked second.

## **The retirement wildcard: The bank of mom and dad**

Family and relationships are at the heart of what Americans most value, and these difficult times have brought families closer together: 85 percent said they now appreciate the importance of quality relationships with their friends and family even more. And, an incredibly high 96 percent said that "it's important to protect myself and my family against financial uncertainties."

In addition, in an era when so many working-age people have become financially strapped, family assistance has become the new retirement wildcard, as maturing men and women must balance their retirement plans with the possibility of having to financially and emotionally support aging relatives, adult children, grandchildren and siblings. Half expect they will need to provide some financial assistance to family members. And, in a new twist on childcare that may extend many more decades than originally anticipated, 70 percent of these say they expect that they will need to provide financial assistance to their adult children.

## **So, is retirement getting better or worse?**

We asked all 1,000 of our pre-retirees and retirees whether they thought that retirement would be better or worse for the boomers. And the answer we heard was "it will be both." People said that boomers will have less government entitlements, less money and less respect from younger generations (which probably won't bode well for their receipt of intergenerational entitlements). On the other hand, they believed that in this new era of retirement, compared to previous generations, boomers will be more active and youthful, more likely to continue to learn and grow in maturity and that they'd ultimately be living more interesting lives.

*[Ken Dychtwald, Ph.D.](#), is North America's foremost visionary and original thinker regarding the lifestyle, marketing, health care and workforce implications of the age wave. He is a psychologist, gerontologist, documentary filmmaker, entrepreneur and best-selling author of 16 books on aging-related issues. His most recent book is [A New Purpose: Redefining Money, Family, Work, Retirement and Success](#).*