



‘Sandwich Generation’ Dilemma: How to Balance Your Own Retirement Needs With Caring for Younger and Older Dependents

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Caught between supporting kids, caring for aging parents, and planning for their own retirement, many Americans in the Sandwich Generation, adults 40-60 caring for both younger and older dependents, are struggling to balance financial and emotional challenges during the recession. According to Age Wave’s 2009 Retirement Tipping Point Report, 40% of the Sandwich Generation now worry they will have to financially support their parents or in-laws.

Allianz Life Insurance Company of North America (Allianz) emphasizes that Americans should strive to keep their retirement intact by separating emotion from finance and focusing on the magnitude of the issue rather than chronology. This will put them on the path to “re-engineering” their retirement.

“When you are in a dire situation, a key rule of thumb is to make sure you protect your own needs so you can continue to have the capacity to help others,” says Jim Johnson, vice president of advanced programs at Allianz. “Like when you’re on an airplane: the announcement says to put on your oxygen mask before assisting fellow travelers.”

Separating Emotion from Finance

Americans value family more than wealth, according to the Age Wave study, but during times of crisis like a recession, these values can seem to collide. How do you help family members without throwing your savings into jeopardy? Members of the Sandwich Generation experience this dilemma to a greater degree given the weight of their financial decisions.

Allianz recommends working with a financial professional on the following value-based questions to create a viable retirement planning strategy and arrange priorities.