



July 13, 2011

Survey: Boomers Not Interested in Traditional Retirement

Retirees, and those about to retire, are very slowly regaining their optimism.

A survey released by SunAmerica Financial Group Inc. and Age Wave on July 13 heralded a post-crisis rebound—at least emotionally—among the over-55 crowd. Before the recession, 62 percent of those polled felt secure about their financial situation. That figure fell to as low as 36 percent during the worst of the market tumult. But sentiment seems to have improved since then: 44 percent of those polled now have a sense of security about their finances.

Perhaps some of that positivity is based on baby boomers' realistic expectation that they'll be working through their retirement. Fully 65 percent of those polled said they would ideally prefer to have some work during retirement. The statement particularly resonated among younger participants between 55 and 64, 77 percent of whom agreed that they would like to work in retirement. Only 56 percent of those over 65 felt the same way.

Boomers seem to be attuned to conversing with their families about finances.

Half of those polled said they would have more family discussion on their financial needs, and 49 percent said that they expect to provide additional financial assistance to their family. Seven out of 10 expect to provide financial aid to their adult children.

The unique issues confronting retirees and pre-retirees give advisers an opportunity to reframe their conversation with those clients, said Larry Roth, chief executive of Advisor Group, SunAmerica parent American International Group Inc.'s network of independent broker-dealers.

He said that Advisor Group, which is made up of FSC Securities Corp., Royal Alliance Associates Inc. and SagePoint Financial Inc., would kick off an initiative to encourage advisers to begin dialogue with clients from a lifestyle perspective rather than a financial perspective.

“Instead of asking questions about when you want to retire and the amount of money in your account,” Roth said, “we want to start with what’s in the hearts and minds of the clients.”

He noted that not all advisers were necessarily expected to go along with the new approach, particularly if it isn't their style. “Some financial advisory practices are prescriptive,” Roth said. “It’s going to force some advisers out of their comfort zone.”

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Original URL: <http://www.workforce.com/section/news/article/survey-boomers-not-interested-traditional-retirement.php>