
Boomers may be two generations in one: IRI

By Editor Test *Mon, Jul 8, 2013*

"We need to start segmenting the Boomer cohort," said Cathy Weatherford, IRI President and CEO. While 42% of early Boomers believe they've saved enough for retirement, only 25% of Boomers between ages 50 and 55 believe they have enough.

The youngest Boomers will face added challenges and will be less prepared financially to overcome them than older Boomers, largely because of their different "workplace experiences" and "employee benefit histories," according to new research from the Insured Retirement Institute.

"We need to start segmenting the Boomer cohort," said Cathy Weatherford, IRI President and CEO in a release. "Those on the back end of the generation have worked most their careers during the defined contribution plan era. As a result they will be more self-responsible for their retirement income security. At the same time, late Boomers have less saved for retirement."

Forty-two percent of Boomers between ages 61 and 66 believe they have enough savings to live comfortably throughout retirement, but only 25% of Boomers between ages 50 and 55 believe they have enough. According to the latest IRI research:

- 47% of late Boomers report less than \$100,000 in retirement savings, compared to 32% of early Boomers.
- 43% of late Boomers cite a defined contribution plan as a major source of retirement income, compared to 36% of early Boomers.
- Insufficient savings is the most common reason late Boomers are uncertain as to when they retire, as stated by 27%. The most common reason for the uncertainty among early Boomers, as stated by 20%, is that they enjoy working.
- 31% of late Boomers say they struggle to pay their rent or mortgage and 34% percent are financially supporting an adult child, while only 20% and 21% of early Boomers, respectively, say so.
- 80% of late Boomers remain in the labor force, compared to 43% of early Boomers.