

Many Boomers in worse shape than 2 years ago

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HARTFORD — According to the national survey, "Boomers Still on the Brink," research conducted by ING, many Boomers remain ill prepared for their golden years, and a significant number are in worse financial shape than they were two years ago.

"Our survey found that the events of the past two years seem to have put many Baby Boomers in a perpetual stall when it comes to planning for their retirement," said Thomas J. McNerney, CEO of ING U.S. Financial Services. "Many Boomers have a 'glass is half-full' mentality, which is certainly admirable, but the reality is that for many, they are not prepared."

Close to two-thirds (62 percent) of Baby Boomers said they spend one hour or less on retirement planning activities -- such as checking their existing investment portfolios and talking with a professional advisor -- in a typical month. One in three (32 percent) said they don't spend any time on such activities. This compares to 44 percent of respondents in 2001 who spent one hour or less on planning and 12 percent who didn't spend any time.

The survey suggests that while Baby Boomers are not oblivious to their financial situation, many haven't significantly altered their retirement preparations over the past two tumultuous years.

In 2003, respondents said they expect they'll be financially secure enough to retire when they are 62, which is almost seven years longer than they would like to be working. In 2001, respondents expected to be able to retire by age 60, just four years more than they would like.

"Boomers are finally realizing that they will have to work longer than they ever thought," said McNerney.

More than half (56 percent) of those surveyed believe that when they retire, they will be in about the same financial situation as they are now. Slightly more think they will be financially better off than they are now (23 percent) compared to those who think they will be worse off than they are now (18 percent).

In 2003, Baby Boomers said they would prefer to consult a professional financial advisor (74 percent) for advice on retirement planning decisions more than consult anyone else. Friends and relatives (56 percent) were the next most sought consultants, and accountants (52 percent) rounded out the top three.

Yet, while three-fourths say they would consult a professional, only two-thirds (66 percent) have actually consulted a professional for advice.

On a positive note, the large majority of Baby Boomers surveyed (83 percent) said they have an employer-sponsored retirement plan, while nearly half have an IRA (46 percent). And, more than half of respondents (54 percent) said they are relying on their employer-sponsored plan as their largest source of retirement income. □