

# Addressing the needs of the Gen X workforce



Plan sponsors are tasked with finding solutions for a diverse, multi-generational workforce that help employees get on the path toward income for life in retirement.

Employees have a common desire to optimize their current finances while establishing a plan to never run out of income in retirement. However, the needs between each generation vary.

Let's look at those born between 1965-1980<sup>1</sup>

## Meet Jake

66M

1 of 66 million Gen Xers in the country<sup>1</sup>



He had a brief financial setback during the 2008-2009 recession but has experienced a decade of upward mobility



He's on a forward career trajectory, building his wealth, and figuring out how much savings to direct to multiple financial needs

## Things that are top-of-mind for Gen Xers like Jake:

He sees many young, innovative people joining the workforce and wonders how this will impact his career growth and future salary increases.

23% of Americans are concerned by stagnant wages<sup>2</sup>

He's looking to leverage his seasoned skillset to advance professionally.

51% Gen Xers now hold 51% of leadership roles<sup>3</sup>



He's part of a competitive workforce and wonders how this will impact his career growth and future salary increases.

75% of Gen Xers have children under the age of 18 living at home<sup>4</sup>

He's currently doing well financially, but with the rising cost of living and his oldest looking to start college next year, he wants to make sure he is putting enough aside for retirement.

43% of Gen Xers say they're behind on retirement<sup>5</sup>



## Jake's current and future financial needs include:

- Basic needs—housing, food, healthcare, an emergency fund
- Enough income to ensure he can help his mom and support his children
- A plan that will put him on track toward monthly income for life in retirement
- Confidence that his investments will outpace the rising cost of living

Congratulations Class of 2024!



Gen Xers are making financial choices that impact themselves, their children, as well as their parents. While Gen Xers still have more than enough time to continue contributing to their retirement savings, they must **optimize their planning strategy** as they juggle current responsibilities for children and aging parents.

## How plan sponsors can help Gen Xers build their path toward retirement

- Establish clear goals for your plan.** Consider setting up an investment policy statement to define the types of investments that support immediate and long-term needs for Gen X as well as other generations across the workforce.
- Offer investment options that will provide income for life** with fixed and variable annuities.\* When combined, these solutions can improve employee confidence and reduce the risks associated with market volatility, inflation, interest rates, and cognitive decline.
- Consider having employee retirement savings contributions automatically escalated.** This can help participants increase their retirement contribution and automatically help them to save more each year.
- Communicate benefits by leveraging the right technology.** While millennials may be digital natives, Gen Xers still have a strong appetite for leveraging tech.

82%

In fiscal, Gen X tablet usage has outpaced millennials, and 82% report using Facebook<sup>6</sup>

- Help Gen Xers explore leadership opportunities.** They are a stabilizing force. With baby boomers leaving and millennials entering the workforce, retaining Gen X is critical to reducing the loss of legacy knowledge and talent.<sup>7</sup>

Your employee base is changing—are your benefits still meeting their diverse needs?

Discover more about this modern workforce

GET STARTED



1. The Millennial Generation: Let's talk about Generation Y. Pew Research Center, 2018.  
2. Driven by millennial optimism, Americans are putting less focus on finances in 2019. Business Wire, 2018.  
3. Generation X Change: Don't underestimate the powerful influence of Gen X leaders. Nease, Stephanie. DDI, 2018.  
4. Gen X may be underrepresented in data on caregiver roles for aging parents. The Center for Generational Kinetics, 2017.  
5. Retirement intentions to rise for the Gen X years. Linn, Rebecca. The Balance, 2018.  
6. Millennials stand out for their technology use, but other generations also embrace digital life. Jiang, Jingling. Pew Research Center, 2018.  
7. Millennials are the largest generation in the U.S. labor force. Fry, Richard. Pew Research Center, 2018.

\* In retirement, your employees can convert savings into a stream of lifetime income payments. Options include choosing between receiving guaranteed fixed income payments or variable income payments that change based on investment returns. This material does not take into account any specific objectives or circumstances of any particular investor or suggest any specific course of action. Investment decisions should be made based on the investor's own objectives and circumstances.

Annuity account options are available through contracts issued by TIAA or CREF. These contracts are designed for retirement or other long-term goals, and offer a variety of income options, including lifetime income. All annuity guarantees are subject to the claims-paying ability of the underlying issuer. Payments from the variable annuity accounts are not guaranteed and will rise or fall based on investment performance. If you choose to invest in the variable investment products, your money will also be subject to the risks associated with investing in securities, including loss of principal.

You should consider the investment objectives, risks, charges and expenses carefully before investing. Please call 877-518-5151 or go to [www.tiaa.org/prospectuses](http://www.tiaa.org/prospectuses) for current product and fund prospectuses that contain this and other information. Please read the prospectuses carefully before investing.

Investment products may be subject to market and other risk factors. See the applicable product literature or visit [www.tiaa.org](http://www.tiaa.org) for details.

TIAA-CREF Individual & Institutional Services, LLC, Member FINRA and SIPC, distributes securities products. Annuity contracts and certificates are issued by Teachers Insurance and Annuity Association of America (TIAA) and College Retirement Equities Fund (CREF), New York, NY. Each is solely responsible for its own financial condition and contractual obligations.  
©2019 Teachers Insurance and Annuity Association of America/College Retirement Equities Fund, 730 Third Avenue, New York, NY