Are You Part of the Forty-one Percent?

"Answers are Within Easy Reach"

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According to the Employee Benefit Research Institute and a 2017 study, only 41% of U.S. workers have tried to find out how much they will need to have a comfortable retirement. The percent who have investigated this amount may largely be those who are within five or ten years of retirement. However, waiting until retirement is around the corner to determine this amount may be waiting too late.

For many workers it may not be the lack of desire to know, but how to determine the answer. With the Internet, there are thousands of sights and calculators available to use, but which one and what calculator? Most financial advisors have calculators on their site; some are available to their clients only while others are open to the public. The calculators on Quality Financial Concepts' site are open to the public and provides answers to a variety of questions. www.qualityfinancial.com/learning_center/calculators/

To answer the question researched by the Employee Benefit Institute there are several pieces of data needed. A few may require a calculator, and others personal knowledge. The personal information needed is:

Current Age	Current Income	Amount Saved for Retirement
Expected Annual Raises	Retirement Age	Percent of Earnings Needed for Retirement

Some information required that may need a calculator to determine includes the following:

Impact of Inflation	Cost of Retirement	How long will Retirement Assets Last
Personal Inflation Rate	Life Expectancy	

To determine the amount needed in retirement assets which would provide an income stream throughout retirement is a little more complicated that one might expect. In addition to knowing how many years until retirement the following is also needed; estimates for the rate of return both before retirement and after is needed; the potential length of retirement; other sources of income which will lessen the demand on personal retirement assets; the percent of current income which is used to meet living expenses; the impact of inflation on spending both prior to and after retirement; and whether all of the retirement assets are available for consumption or whether a portion would be retained for gifts to children and other heirs.

The earlier this amount is determined, if an increase is needed, the added time may permit the change to be smaller than expected. In addition to increasing the amount saved monthly, a review of the investment allocation may indicate a slight change in the allocation which could improve the returns and thus assist in meeting the required amount. Long term results of the S&P 500 range around 10%, and if achieved, assets would double approximately every seven years. If the return is closer to 7%, then assets double every ten years.

For many, finding out later in life the amount they have saved for retirement is insufficient to meet their desired income levels often leaves few options available. The most notable option is the reduction in retirement income or downsizing in other areas, clearly not one many retirees look forward to after decades of work.

Knowing the desired results as early as possible during the working career and putting steps into place to achieve the results, allows for the highest probability of success and a retirement worth working for.