

Few baby boomers financially prepared for retirement

By Judith Aquino
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They may long to give up their daily commutes and have wide-open schedules, but far too many baby boomers are largely unprepared to leave their jobs, according to a new report by the Insured Retirement Institute.

Only 54% have tried to calculate a financial goal for retirement, just 45% have consulted with a financial planner and 43% do not consider themselves knowledgeable about making financial investments, according to the report

When asked to name the most important feature of a retirement investment product, the most popular trait was "guaranteed monthly income," which was selected by 18% of the respondents. This was followed by rate of return (17%) and principal protection (15%).

In terms of preparedness, the overall attitude of Boomers nearing retirement is pessimistic, with six out of 10 expressing concern about outliving their retirement savings.

Seven out of 10 are "afraid" that their household is not saving enough to cover future needs and more than one-third of pre-retirees indicate that they did not know the age at which they would retire.

The study was conducted in February by phone with 801 adults aged 50 to 65.

"Unfortunately, overall, Boomers are lacking the confidence that they will be able to enjoy a financially secure retirement," says Cathy Weatherford, CEO of the institute.

And although employers have been [slow to adopt guaranteed income products](#), Weatherford notes that such options provide a boost to boomers' retirement confidence. "Boomers who own insured retirement products have a higher confidence in their overall retirement expectations, with nine out of 10 believing they are doing a good job preparing financially for retirement," she says.

Sophie Schmitt, a senior analyst at research firm Aite Group, adds that "studies have shown that getting financial advice is a confidence booster. With the market so unstable, now is a good time to get help."

Judith Aquino writes for Financial Planning, a Source Media publication.