

Workers Overwhelmingly Call on Employers to Offer Lifetime Income in 401(k) Plans

Nuveen and TIAA Institute survey shows vast majority of workers believe retirement income security is a shared responsibility

NEW YORK, MAY 19, 2025 – Almost all workers saving in 401(k) plans (93%) say it is important for their retirement plans to provide options for converting savings into guaranteed monthly retirement income that never runs out, while 87% think employers have a responsibility to help employees achieve retirement income security.

This is according to a new [survey](#) of over two thousand 401(k) participants by Nuveen, the investment manager of TIAA, and the TIAA Institute.

These findings represent a dramatic increase in interest in guaranteed lifetime income. [When asked in 2021](#), less than six in 10 workers said that their employers had a responsibility to provide access to lifetime income in retirement.

In fact, the survey released today found that about 90% of 401(k) participants:

- Think it would be valuable for 401(k) plans to include a fixed annuity
- Would be interested in saving with a fixed annuity if it was included in their plan
- Would consider using a fixed annuity to provide steady monthly income throughout retirement
- Agree it would be valuable for their target-date investments to include a fixed annuity component

The Critical Gap

Today, the typical 401(k) plan does not offer a way to convert savings into consistent monthly income that is guaranteed for a retiree's lifetime - despite 401(k) plans being the dominant form of retirement savings in the private sector, with 79 million active participants and \$6.8 trillion in assets.ⁱ

Innovation in Action

In response, innovative 401(k) plan sponsors are exploring how to offer guaranteed retirement income by adding fixed annuities to a retirement plan.

"Incorporating fixed annuities into 401(k) plans is a simple, effective and low-cost way to fill the retirement income design gap. With tools like target-date investments that include a fixed annuity component, sponsors can simplify savings and investing, as well as the ability to convert retirement savings into retirement income," said **Brendan McCarthy, head of Retirement Investing at Nuveen**. "A well-designed decumulation strategy isn't just a nice-to-have, it is essential to realizing the full value of a 401(k) plan—and workers agree."

The Need for Education

"While retirees are increasingly interested in lifetime income solutions, many struggle to develop effective withdrawal strategies," said **Surya Kolluri, head of the TIAA Institute**. "The challenge lies in converting retirement savings into sustainable monthly income—a process that remains unclear to most participants. This knowledge gap makes education and thoughtful plan design more crucial than ever to prevent potentially costly financial missteps at and during retirement."

Plan sponsors can bridge this gap and boost employees' retirement confidence—especially for those nearing retirement—by providing focused and regular education programs about retirement benefits and how to convert savings into lifetime income.

"Today's workers see guaranteed retirement income not just as a personal goal - but as a shared mission with their employer," said **McCarthy**. "By acknowledging that they can play a critical

role in offering financial security after retirement, plan sponsors can establish trust and goodwill among employees—potentially for a long time.”

For more information and to see the full results of the survey, go to [Nuveen.com/participant-perspectives](https://www.nuveen.com/participant-perspectives).

About Nuveen

Nuveen, the investment manager of TIAA, offers a comprehensive range of outcome-focused investment solutions designed to secure the long-term financial goals of institutional and individual investors. Nuveen has \$1.3 trillion in assets under management as of 31 Mar 2025 and operations in 32 countries. Its investment specialists offer deep expertise across a comprehensive range of traditional and alternative investments through a wide array of vehicles and customized strategies. For more information, please visit www.nuveen.com.

About TIAA Institute

The TIAA Institute is a think-tank within TIAA, conducting cutting-edge research in the areas of financial literacy and longevity literacy, lifetime income, retirement plan design and behavioral finance in the context of retirement. The Institute provides consulting services for higher education and the broader nonprofit sector. For more information, please visit TIAAinstitute.org.

About TIAA

TIAA is a leading providerⁱⁱ of secure retirements and outcome-focused investment solutions to millions of people and thousands of institutions. It shared \$5 billion with participants in 2023, on top of the stated guarantees, and has \$1.4 trillion in assets under management (as of 3/31/2025).ⁱⁱⁱ For more information, please visit TIAA.org.

Press Contact:

Elizabeth Anderson
Media@tiaa.org

ⁱ EBSA, 2024.

ⁱⁱ As of June 3, 2024. Based on data in PLANSPONSOR's 2024 DC Recordkeeping Survey, #1 by total 403(b) assets and #1 by 403(b) ERISA plans.

ⁱⁱⁱ As of March 31, 2025, assets under management across Nuveen Investments affiliates and TIAA investment management teams are \$1,373 billion.

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Investing involves risk; principal loss is possible.

Any guarantees are backed by the claims-paying ability of the issuing company. Converting some or all of your savings to income benefits (referred to as "annuitization") is a permanent decision. Once income benefit payments have begun, you are unable to change to another option.