

PARTICIPANT PERSPECTIVES: RETIREMENT SAVINGS TO RETIREMENT INCOME SURVEY

Advice can help 401(k) participants take control of their retirement planning

The 401(k) industry plays a central role in helping millions of Americans save for retirement, and there is an increasing need for personalized financial guidance to help workers optimize contributions, manage investments, and plan for withdrawals, including the use of lifetime income.

Nuveen and the TIAA Institute surveyed 401(k) plan participants to better understand their experience with retirement planning advice, particularly about converting retirement savings to retirement income. **Survey findings illustrate how professional advice plays a key role in helping 401(k) participants make informed choices by improving their understanding and boosting their confidence in withdrawing money for retirement.**

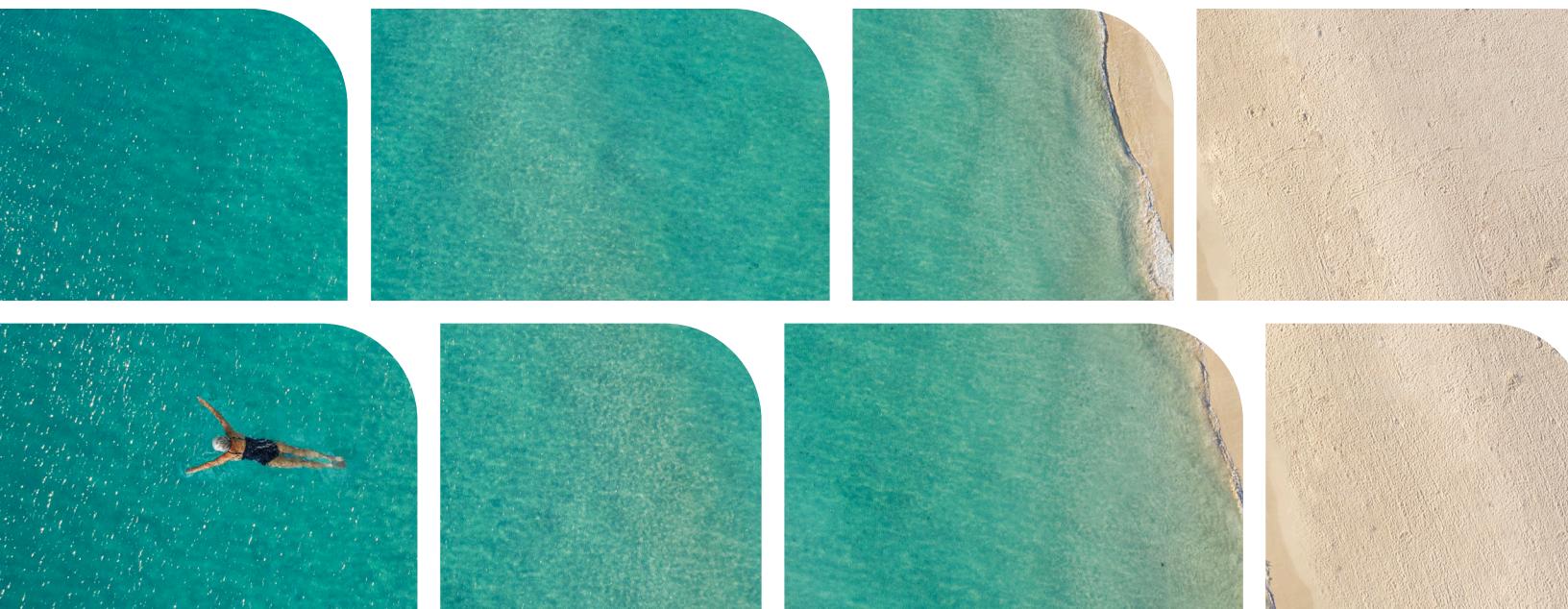
This article explores these findings taken from the [Nuveen and TIAA Institute Participant Sentiment Survey on Lifetime Income](#).

Many participants aren't receiving the advice they need

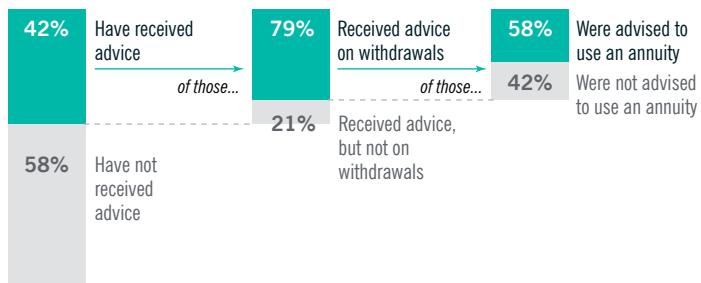
Professional advice can help 401(k) participants make decisions that lead to positive outcomes, especially as they approach retirement and consider how to convert their retirement savings to income. Unfortunately, less than half of 401(k) participants report they have recently received advice, including about withdrawing money from their plans to provide income in retirement.

As the chart on the next page shows, only 42% of 401(k) participants received professional advice on planning and preparing for retirement in the past two years. From that group, a large majority (79%) received advice about how to withdraw money from their plans to provide income in retirement. And of those, more than half (58%) were advised to use an annuity.

This would indicate that, while the number of 401(k) participants receiving advice is relatively low, **those who are talking to an advisor are getting practical guidance on making withdrawals from their plans.**



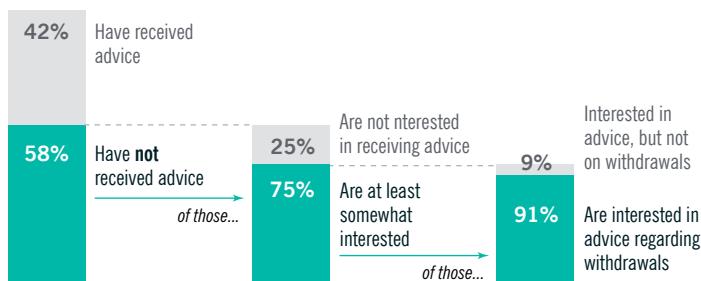
Among all 401(k) participants



Note: "Not advised to use an annuity" includes both those advised to not use an annuity and those with whom annuities were not discussed

On the other hand, **among those who have not received advice, most are interested**. Of the 58% who haven't spoken with an advisor in the past two years, three-of-four (75%) said they are at least somewhat interested in receiving advice. Among those, about nine-in-ten (91%) said they'd like to receive advice about withdrawing money from their retirement savings to provide income in retirement.

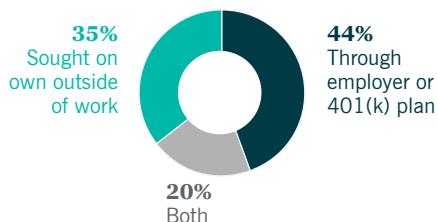
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The source of advice matters

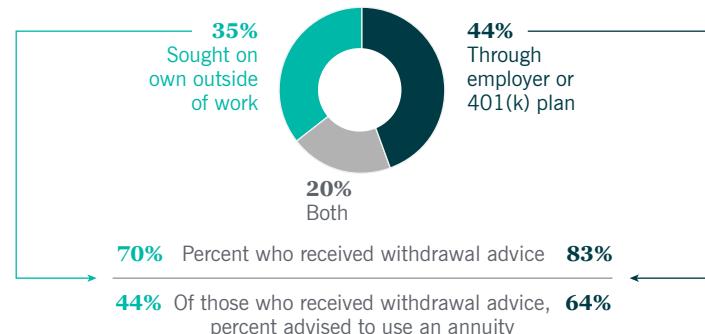
Participants were asked if they worked with an advisor through their employer or 401(k) plan, or if they sought advice on their own from a different source. About two-thirds (64%) of those who received advice did so through their employer or plan, 44% exclusively. Meanwhile, over half of those who received advice (55%) sought it on their own elsewhere, including 35% exclusively so.

Advisor or advisory service attained through employer or 401(k) plan versus outside of work



The source of advice matters when it comes to retirement income. **Retirement income is more commonly discussed when advice is received through work than when advice is received outside work** (83% compared with 70%). In addition, participants are more often advised to use an annuity when the retirement income advice is received through work, 64% compared with 44% of those receiving income advice outside of work.

How the source of advice influences discussions about 401(k) withdrawals and the use of annuities



Advice contributes to retirement readiness

In addition to showing participants' interest in retirement advice — and that the source of advice matters — four interrelated findings emerged from the survey responses. The survey showed that those who have received withdrawal advice tend to have:

- Better understanding
- More confidence
- Greater sense of control
- A plan in mind

Advice Understanding Confidence Control Planning

These attributes are amplified among those who were advised to use an annuity, as shown in the table on the following page. For example, row two shows that only 15% of 401(k) participants who have not received retirement advice in the past two years feel very confident about choosing the best way to withdraw money for retirement. But that number more than triples to 52% among participants who received advice about planning for withdrawals and using annuities to do so. The figure is 34% among participants who received withdrawal advice but were not advised to use an annuity.

The impact of withdrawal advice

Among 401(k) participants who...				
	Have not received advice	Received advice, but not on withdrawals	Received withdrawal advice, but not advised to use an annuity	Received withdrawal advice, advised to use an annuity
Understand very well how they can withdraw money from their 401(k) in retirement	21%	21%	50%	55%
Are very confident about choosing the best way to withdraw money from their 401(k) to provide income in retirement	15%	23%	34%	52%
Feel a lot of control over making sure they don't run short of money in retirement	19%	32%	40%	54%
Have a specific plan for withdrawing money from their 401(k) plan	24%	33%	59%	74%

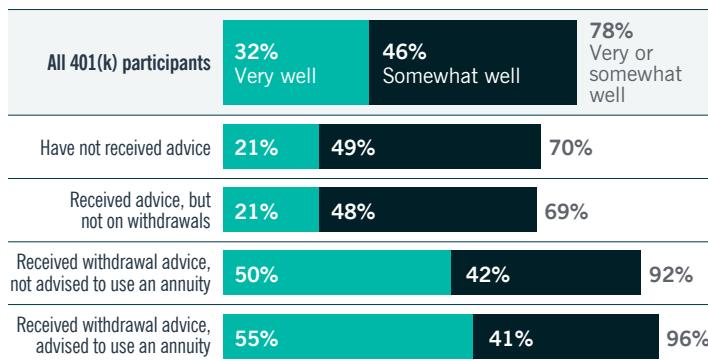
The following section more closely examines these findings to illustrate how retirement advice is linked to better understanding, more confidence and a better sense of control among participants.

Survey findings: A closer look

Having a plan begins with understanding

We asked participants how well they understand the ways they can withdraw money from their 401(k) plan during retirement. **Understanding of their options clearly tends to be better among those who have received withdrawal advice.** 50% said they understand very well the ways they can withdraw money from their plan during retirement compared with 21% of participants who have not received advice on withdrawals. And, among those who were advised to use an annuity, 55% said they understand their options very well.

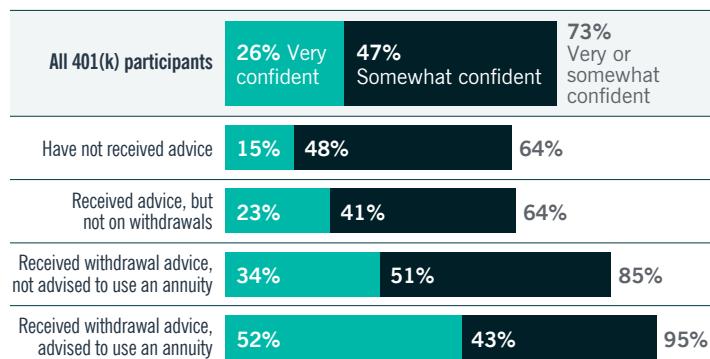
Q: How well do you understand the ways you can withdraw money from your 401(k) plan during retirement?



A boost of confidence

Given the impact of advice on participant understanding, it's not surprising that **confidence tends to be greater among those who have received advice.** Those who have received withdrawal advice about choosing the best way to convert their retirement savings to retirement income tend to be more confident than those who have not. Beyond that, confidence is notably greater among those who have been advised to use an annuity — 95% are confident, with 52% very confident.

Q: Are you confident about choosing the best way to withdraw money from your 401(k) plan to provide yourself with income in retirement?

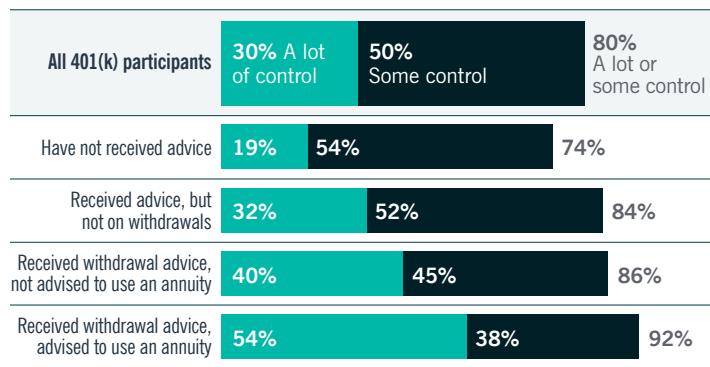


Note: Totals may not add due to rounding.

A better sense of control

Those who have received withdrawal advice, particularly those advised to use an annuity, more often report feeling a lot of control over making sure they don't run out of money in retirement. Over half (54%) of those advised to use an annuity feel a lot of control in this regard. This figure is lower among those who have received withdrawal advice but were not advised to use an annuity (40%). Only 19% of those who have not received advice feel a lot of control.

Q: How much control do you have yourself over making sure that you don't run out of money to do what you want in retirement?

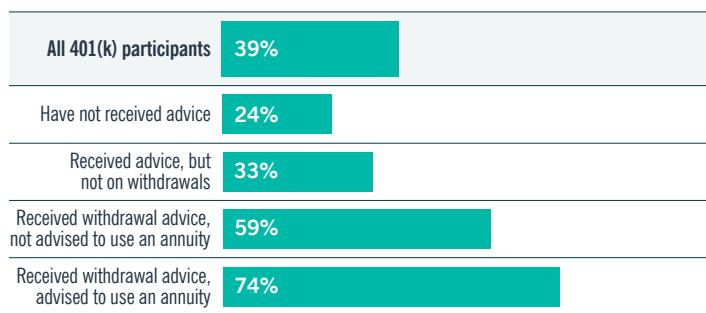


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Understanding + confidence + control = better planning

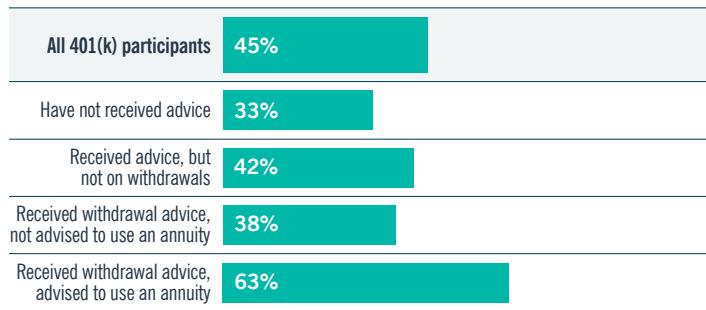
Finally, **those who have received withdrawal advice are more likely to have a specific plan** in mind for withdrawing money from their 401(k) plan. About three-quarters of those advised to use an annuity have a plan in mind, as do almost 60% of those who have received withdrawal advice but were not advised to use an annuity. By comparison, only one-third of those who have received advice, but not about withdrawals, have such a plan in mind.

Q: Do you have a specific plan in mind for how you will withdraw money from your 401(k)?



Taking it one step further, almost half (45%) of those with a specific plan in mind think they will use a fixed annuity. But this figure is 63% among those who were advised to use an annuity. **This indicates the potentially significant influence that annuity advice can have on a participant's decision-making and planning.**

Q: Do you think you will use a fixed annuity to withdraw money from your 401(k) during retirement? [Among those with a specific plan in mind for withdrawing money from their 401(k)]



Note: Small sample size, n=59.

Endnotes

This material is not intended to be a recommendation or investment advice, does not constitute a solicitation to buy, sell or hold a security or an investment strategy, and is not provided in a fiduciary capacity. The information provided does not take into account the specific objectives or circumstances of any particular investor, or suggest any specific course of action. Investment decisions should be made based on an investor's objectives and circumstances and in consultation with his or her financial professionals.

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.

TIAA Institute is a division of Teachers Insurance and Annuity Association of America (TIAA), New York, NY.

Nuveen, LLC provides investment solutions through its investment specialists.

Conclusion

Survey results strongly suggest that **401(k) participants who receive withdrawal advice have a better understanding of their options, are more confident, and feel more in control of their retirement finances.** In addition, participants who receive withdrawal advice think more about decumulating savings in retirement and are much more likely to have a specific plan in mind. Furthermore, these results are amplified among those who have been advised to use an annuity for making withdrawals in retirement.

In total, these findings underscore the importance of advice and highlight the impact advisors can have on helping 401(k) plan participants make good decisions and better prepare for a secure retirement.

About the survey

The survey questionnaire was developed by the TIAA Institute in consultation with Nuveen and was fielded by Greenwald Research. More than 2,100 401(k) participants were surveyed online between October 23 and November 29, 2024.

The full [digital tool kit](#) offers further insights on the findings and deeper breakdown by respondent demographics and categories.

About the TIAA Institute

Since 1998, the TIAA Institute has helped advance the ways individuals and institutions plan for financial security and organizational effectiveness. The Institute conducts in-depth research, provides access to a network of thought leaders, and enables those it serves to anticipate trends, plan future strategies and maximize opportunities for success. To learn more, visit tiaainstitute.org.

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 June 30, 2025 and operations in over 25 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 nuveen.com.