

Planning in the Dark: Millions of 401(k) Savers Are Arriving at Retirement Without a Roadmap to Turn Savings into Lasting Income

A new survey from the TIAA Institute and Nuveen exposes the critical gaps in 401(k) withdrawal planning and preparation, while pointing to the tools and solutions employers can use to close them

New York, June 24, 2026 — The TIAA Institute, in partnership with Nuveen, a TIAA company and one of the world's largest asset managers, today released findings from their Participant Sentiment Survey on Lifetime Income, a comprehensive study examining how 401(k) retirement savers are approaching, or failing to approach, the critical transition from saving for retirement to generating income that lasts a lifetime. The research surveyed more than 2,100 401(k) employees across career stages and reveals a troubling gap between the challenge workers face and the preparation they have undertaken.

American Workers Are Planning in the Dark

“With more than \$8 trillion in assets spread across 725,000 plans serving 80 million active employees¹, 401(k) plans are the primary employer-provided retirement savings vehicle in the private sector,” said **Brendan McCarthy, head of Nuveen Retirement Investing**. “Yet despite that scale, too many Americans arrive at retirement without a clear strategy for turning their savings into income that will last. And that gap has real consequences for long-term financial security.

While 71% of workers report thinking at least somewhat about how they will withdraw money from their 401(k) in retirement, just 22% have thought about it “a lot.” The knowledge gap around the mechanics of making retirement withdrawals is particularly stark, workers correctly answered only about one-quarter of survey questions on that topic, on average, with nearly half failing to correctly answer a single question about retirement withdrawals. Given that withdrawal decisions are among the most consequential choices retirees face, this lack of preparation represents a significant risk to long-term financial security.

Compounding the challenge, only one-third of workers can accurately identify how long individuals typically live after reaching age 65, with 44% underestimating life expectancy. Workers who plan for a retirement that is effectively too short face a far greater risk of outliving their [assets](#).

¹ <https://www.dol.gov/sites/dolgov/files/ebsa/researchers/statistics/retirement-bulletins/private-pension-plan-bulletins-abstract-2023.pdf>

"What stands out to me in this research is the connection between longevity literacy and lifetime income planning. Nearly half of 401(k) employees underestimate how long they're likely to live after age 65, and that misperception directly undermines their ability to plan for sustainable income," said **Surya Kolluri, head of TIAA Institute**. "You can't solve for income that lasts a lifetime if you don't understand how long that lifetime might be. That's why the combination of better education, stronger tools, and lifetime income solutions within the plan itself is so important. When employers bring all three together, it works."

A Wide Withdrawal Planning Gap

The research also makes clear that workers are not simply looking for generic educational materials, they want structured, meaningful guidance from their employers. An overwhelming 94% of workers say it is important for employers to provide resources to help employees determine how best to make retirement withdrawals. Nearly half, 49%, go further, saying they believe it is the employer's responsibility to provide such guidance.

Employer-Provided Tools Make a Measurable Difference

The good news is that the research demonstrates that when employers do provide high-quality resources, it works. Among employees who used both interactive and non-interactive planning tools provided through their plan, 53% reported being very confident they will choose the best withdrawal strategy, nearly double the 28% who reported the same level of confidence among those who used neither type of resource. The quality of the employee experience matters as well: employees who engage more deeply in planning find them more helpful, engaging, and trustworthy, and are more likely to take meaningful action.

"What this research tells us is that awareness and access are the missing links. When employers invest in the right combination of interactive and educational tools, and pair them with smart plan design, including lifetime income solutions embedded in target date funds, employee confidence improves dramatically," continued **McCarthy**. "The opportunity is clear, and the solutions exist. Employers who act on this research can make a meaningful difference in how their workforce experiences retirement."

Solutions Are Available

Nuveen offers employers a comprehensive range of tools, resources, and investment solutions to help address these challenges. From interactive and non-interactive employee education resources to lifetime income solutions, including target-date funds embedded with TIAA guaranteed income, Nuveen is committed to helping employers bridge the gap between saving and spending for their employees. These solutions are designed to serve a broad range of employee engagement styles, from highly active planners to those who rely on default investment options.

Employers looking to strengthen their employees' retirement readiness are encouraged to visit nuveen.com/participant-perspectives-2026 to access the full research report and learn more about available resources.

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About the Survey

The TIAA Institute Participant Sentiment Survey on Lifetime Income, in partnership with Nuveen, was conducted online with more than 2,100 401(k) employees. Sample quotas ensured representation across career stages: approximately 1,000 late-career workers (age 55 or older), 500 mid-career (age 35–54), and 500 early-career (age 18–34). Survey responses were weighted to be reflective of the 401(k) employee population. The full report is available at nuveen.com/participant-perspectives-2026.

The TIAA Institute is extending this research beyond private sector 401(k) plans with a survey of defined contribution plan employees in the nonprofit sector available later this year. The forthcoming report will examine their perspectives on converting retirement savings to retirement income, including the role of guaranteed lifetime income, the value of in-plan annuities, and engagement in withdrawal planning.

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 plan for the long-term financial goals of institutional and individual investors. Nuveen has \$1.4 trillion in assets under management as of December 31, 2025, and operations in over 25 countries. For more information, please visit nuveen.com/retirement.

Disclosures

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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.