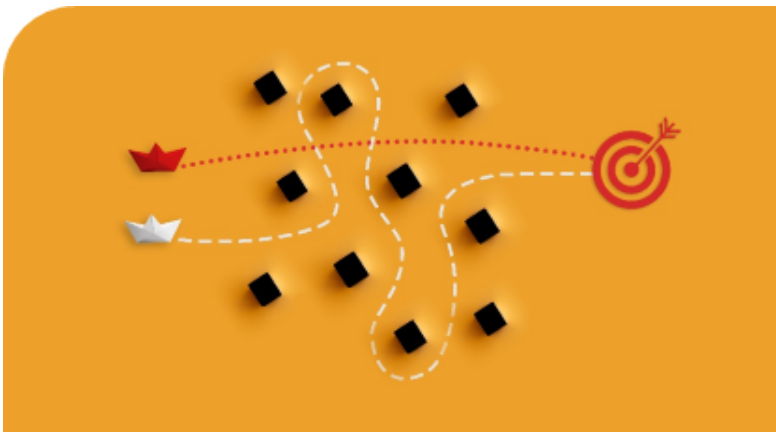


The Pulse

Retirement Expectations vs. Reality: What Workers May be Getting Wrong



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The 2026 Employee Benefit Research Institute (EBRI) and Greenwald Research Retirement Confidence Survey (RCS) finds a widening gap between what workers expect retirement to look like and what retirees actually experience, particularly around retirement timing and working for pay. For plan sponsors and advisors, the findings offer a timely reminder of why proactive and realistic education matters.

The Retirement Timing Gap

One of the survey's most consequential findings is the disconnect between when workers plan to retire and when retirees actually did.

- Surveyed workers report a median expected retirement age of 65. Retirees, by contrast, report they actually retired at a median age of 62.
- Nearly 4 in 10 workers (39%) expect to retire at age 70 or older, or never to retire at all. Among retirees, only 10% report that was their actual experience.
- 29% of retirees say they retired before age 60. Only 12% of workers expect to do the same.
- 46% of retirees say they left the workforce earlier than planned, often due to a health issue, disability, or unexpected employer changes.

This pattern has been consistent across decades of RCS data: workers routinely overestimate how long they will work and underestimate how early life circumstances may force the issue. For participants, this gap represents a real financial risk. Fewer working years means fewer years of contributions, less time for compounding, and a longer drawdown period.

Working in Retirement

Workers are also far more optimistic about working for pay after they retire than retirees' actual experiences suggest they should be. Three in four workers (74%) say they plan to work for pay during retirement. In practice, only 31% of retirees report having done so.

This has been a recurring finding throughout the RCS's history. Workers continue to factor part-time income into their retirement income strategy without factoring for the potential impacts of health issues, caregiving demands, labor market conditions, or other factors.

How Sponsors and Advisors Can Make a Difference

The 2026 RCS reinforces some realities plan sponsors and advisors can help address, for example:

- "Save as if you'll retire earlier than you think." A savings strategy built around an assumed retirement age of 65 or 67 leaves little margin for an earlier exit.
- "Don't count on working in retirement." Part-time retirement income can be a meaningful supplement, but it's not a reliable backstop. Participants who plan for it as a financial necessity may be taking on more risk than they realize.

The gap between expectations and experience is persistent and important. Helping participants understand and close the gap is a tangible way sponsors and advisors can add value.

Sources:

<https://www.ebri.org/content/2026-retirement-confidence-survey-finds-americans-less-confident-about-retirement-as-worries-grow-over-social-security--medicare-and-rising-costs>

https://www.ebri.org/docs/default-source/rcs/2026-rcs/rcs_26-fs-2.pdf

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