



GENERATION TO GENERATION:

Gauging the Golden Years



BROUGHT TO YOU BY



SOCIETY IN THE U.S.:

An Increasingly “Intergenerational” Future

In 2010, the estimated population of Americans aged 65 or older exceeded 40 million¹—an already-significant number that began growing further in 2011, when the first members of the Baby Boom generation started turning 65. This pattern of aging will continue until at least 2029, when the last Baby Boomers reach this milestone birthday; by then, the U.S. population is expected to include some 70 million seniors.²

As a result of this demographic trend, U.S. society will be characterized by an increasingly prevalent “intergenerational” dynamic—one that, over the years, will significantly affect critical areas of our existence including the following:

- o **Quality of life for, and the lifestyles of, America’s families;**
- o **The workings of the country’s business community—and thus, its productivity;**
- o **The nationwide delivery of healthcare and related services;**
- o **Americans’ leisure-time and volunteer pursuits; and,**
- o **Even national politics and economics.**

Consequently, it seems clear that this major sociological phenomenon must be better understood. However, thus far, it has not been particularly well researched.

In response to this knowledge gap, the Home Instead Senior Care® network recently concluded the first running of a study entitled *Generation to Generation: Gauging the Golden Years* (otherwise known as the “GOLD Study”), which was conducted on behalf of the network by the internationally known Marist Institute for Public Opinion. This multigenerational research—which henceforth will be repeated on a yearly basis—compared self-assessed quality-of-life levels for four different U.S. adult cohorts in various “life indicator” areas including family; spiritual life; housing; health; work; free time; and finances.

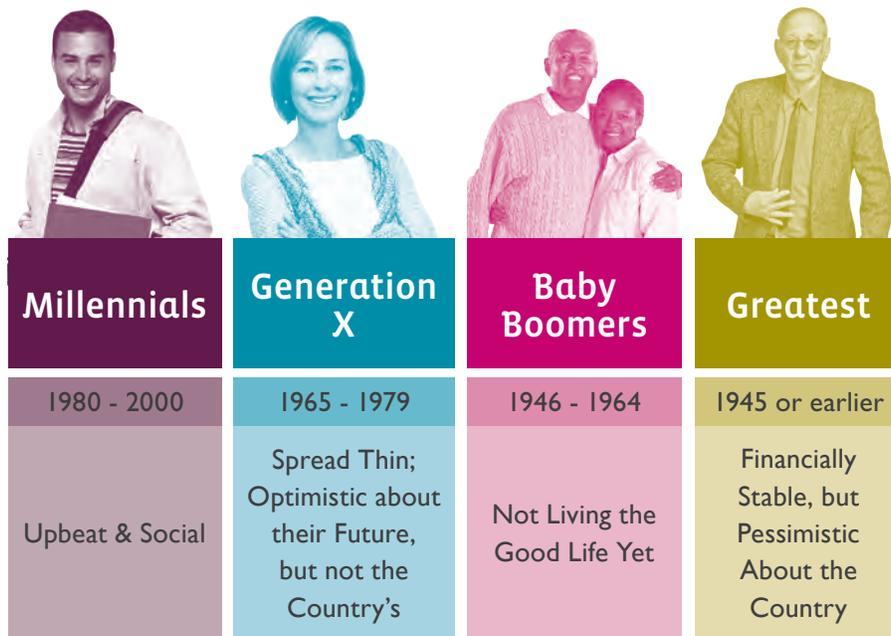
This data has enabled researchers to assign a first-ever, comprehensive “GOLD Indicator”SM (“Gauging Overall Life Dimensions”) to the overall U.S. adult population. In addition, the findings from this research have made it possible to analyze in detail the life-indicator self-ratings of the four major generational groups studied.

STUDY SUBJECTS:

Millennials, Generation “X,” Baby Boomers, and the Greatest Generation

This study compared and contrasted results for the four American cohorts comprising the country’s adult population. The younger two of these groups were the “Millennials,” born between 1980 and 2000 (though this research only looked at Millennials who were at least 18 years old) and “Generation X,” born between 1965 and 1979.

The older two of these participant groups were the “Baby Boomers” and the “Greatest Generation.” The first of these two groups was born between 1946 and 1964—in the roughly two decades immediately following World War II—while the members of the Greatest Generation were born in 1945 or earlier.



			
Millennials	Generation X	Baby Boomers	Greatest
1980 - 2000	1965 - 1979	1946 - 1964	1945 or earlier
Upbeat & Social	Spread Thin; Optimistic about their Future, but not the Country’s	Not Living the Good Life Yet	Financially Stable, but Pessimistic About the Country

THE FIRST GOLD SCORE:

Things in the U.S. Are Okay—and They Should Get Better

This study found that for all Americans, the average GOLD score was exactly 72 on a 0-to-100-point scale. Reasonably good, if not great—but this study yielded an interesting statistical comparison that made things seem somewhat more positive here.

At the time of this study, the country was experiencing significant difficulties—divisive politics, an uncertain economic situation, and high unemployment, to name just a few. As a result, almost three-quarters of study respondents (74 percent) said that the country was going in the wrong direction.



Nonetheless, for all age groups nationwide, the average projected GOLD score looking ahead five years was 74.7—almost three points higher than the current number. So, if this study was any indication of current circumstances, most Americans believe that we actually have brighter days ahead in the relatively near future. And, overall, they feel favorable about their own present situations.

HOWEVER, SOME GROUPS ARE MORE OPTIMISTIC THAN OTHERS

That said, it's important to note that the Millennials represented the single most-optimistic cohort surveyed in this study, with an initial GOLD score of 77.2, increasing to a projected 83.6 in five years. Trailing this group were the members of Generation X, with a GOLD score of 71.3; their anticipated five-year score rose more than seven points to 78.9.

Similarly, while the Baby Boomers were the least-satisfied group—with an initial GOLD score of 69.6—like the Millennials and Generation X, their anticipated five-year number also rose, albeit only slightly, to 70.8.

The members of the Greatest Generation stood in contrast to these other groups. Their GOLD score—71.8—was actually higher than that of Generation X and the Baby Boomers. In keeping with this trend, in six of the ten life-indicator areas, they rated their satisfaction higher than did any of the other groups—so perhaps it wasn't a surprise that more than 70 percent of those study participants aged 80+ said that overall, they were quite satisfied with their lives.

However, the Greatest Generation was the only group to envision its level of life satisfaction declining over the next five years, all the way down to 65.7—more than a six-point loss.

	INITIAL	IN 5 YEARS
Millennials	77.2	83.6
Generation X	71.3	78.9
Baby Boomers	69.6	70.8
Greatest	71.8	65.7

POSSIBLE EXPLANATIONS FOR THIS?

So why did the three older groups give themselves lower scores than did the Millennials? Some reasonable inferences can be drawn here.

For one, the members of Generation X may have been overwhelmed by life’s myriad responsibilities. Interestingly, when asked to rate how satisfied they were with having the time to do things they enjoy, Generation X recorded the lowest score of the four groups at just 58.9.

And the Baby Boomers may have been dealing with daunting challenges such as saving for retirement. For instance, one individual component of the GOLD score measured in this study was satisfaction with financial matters, which the Baby Boomers—many of whom should have been in their peak earning years—self-rated at a comparatively low 61.7.

Finally, the members of the Greatest Generation appeared to be dealing with the serious considerations that typically accompany old age, such as diminishing physical capacity. For example, by a slight margin, in the “health” category, this group registered the lowest satisfaction score of the four cohorts at 71.9.

Whatever the reasons, however, it appeared as if there was something of a generational “optimism gap” at work here, with the Millennials inarguably the most-positive group. Conversely, the Greatest Generation perhaps tended to view the future more apprehensively.

HOW OLD IS OLD?

Since this study sought to compare and contrast younger and older Americans’ views of their lives and the world around them, participants were asked at what age, or ages, they actually considered someone to be old.

Not surprisingly, the younger the generational group surveyed, the lower the age at which they first believed someone to be old. Millennials said that someone is old at 62, while the Generation X members said 71.

In contrast, the Baby Boomers said 77, while members of the Greatest Generation did not believe that a person is old until he or she reaches 81 years of age.

That’s nearly 20 years above the milestone “old” age cited by the Millennials, the youngest of these four cohorts.

Thus, a significant difference in generational perspective became apparent here.

There also was a slight gender discrepancy in this area: male study participants judged someone as being old once he or she reaches age 70, while females cited age 76 as the onset of old age.



HOW LONG DO YOU EXPECT TO LIVE?

How Long Would You Like to Live?

However, there also were some notable similarities among the groups in this area. In this section of the study, we asked participants to what age they expected to live. The Millennials said 79; the Generation X members 82; the Baby Boomers 84; and the Greatest Generation 89. So the perspective gap here began to diminish.

And it closed almost completely when looking at the respective groups' answers to the question, "To what age would you like to live?" Millennials and Baby Boomers said exactly the same age—90—while Generation X was only a year apart at 89. Similarly, the members of the Greatest Generation added just a couple of years here, saying that they'd like to live to 92.

GETTING OLD CAN BE A GOOD THING...

Since there's an important psychological component to aging, this study also surveyed participants' attitudes about getting older. The groups were in basic agreement regarding their perceptions of the overall advantages associated with aging, as compared with the disadvantages.

Fifty-eight percent of Millennials and 59 percent of Generation X members said that the advantages inherent in aging outweighed the disadvantages. Fifty-two percent of Baby Boomers agreed with this assessment. And half of the Greatest Generation members answered likewise—even though given their age range, they were almost certainly dealing with some downsides of getting older.

Not surprisingly, then, when the groups were asked if they felt younger than their age; older than their age; or about their actual age, 67 percent of the Baby Boomers said "younger;" as did 73 percent of the Greatest Generation.

BUT PEOPLE AREN'T ADEQUATELY PREPARED: *Living Arrangements and Medical Decisions*

However, one area of the survey where the results weren't so encouraging involved asking participants how prepared they were for their later years. Indeed, these results were very concerning—especially in the younger groups surveyed.

For example, 76 percent of Millennials said they hadn't prepared, or even thought about preparing, for what they'd do if they could no longer make their own decisions about medical care. And similarly, 74 percent were unprepared for what they'd do if they no longer could live independently after reaching age 65.

Remember that those in this cohort expected to have a 28-year span between the time they would supposedly reach “old age” at 62 and their hoped-for 90-year life expectancy. Consequently, lack of preparation for their later years could pose especially serious problems for the Millennials.

Comparatively speaking, Generation X was doing better here, but not by very much. Sixty percent hadn't even thought about what to do if and when they can't make their own medical decisions, and 75 percent hadn't prepared for or thought about alternatives to independent living in their senior years.

These numbers were more positive in the Baby Boomer and Greatest Generation groups, but perhaps not as good as might be expected. In terms of considering what to do if they can't make their own medical decisions, 44 percent of Baby Boomers and 24 percent of the Greatest Generation—that's about one person out of every four in this oldest cohort—hadn't prepared, or given it any thought.

And when it came to getting help with independent living after age 65, 62 percent of Baby Boomers and half of the Greatest Generation had made no progress in this area. Putting it another way: those numbers represented more than 20 million seniors or “soon-to-be seniors” with no idea what to do if they could no longer live without regular assistance.



MOVING IN WITH OTHERS IS OKAY— *but Going to a Nursing Home Isn't*

While this study showed that many participants didn't know exactly how or where they planned to live out their senior years, it identified something they absolutely didn't want to do during this period of their lives: namely, only four percent of all participants said they'd prefer to go to a nursing home if they no longer could care for themselves. In comparison, 30 percent of respondents said they'd be willing to transition from their homes into assisted-living situations, which are less restrictive than are nursing homes.

Moreover, about 20 percent said that under these circumstances, they'd like to move in with a family member or friend. This overall result included a relatively high number for the Millennials, 34 percent of whom held this view.

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ACTIVITIES IN THE LATER YEARS: *Expectations and Realities*

This research also compared respondents' viewpoints and experiences regarding typical later-life activities such as traveling, working, or spending time with family.

For this part of the study, the sample was broken into two groups: those aged 65 or older, and those under 65. Then researchers asked members of the "65+" group if certain experiences had been characteristic of their later lives, while the "under-65s" were asked if they expected to have these same experiences as they got older.

The results pointed to a perception gap between the two groups that sometimes was very small, but at other times quite significant. For example, while 79 percent of the under-65s said that they expected to travel more when they reached retirement, just 52 percent of the 65+ group said this was the case.

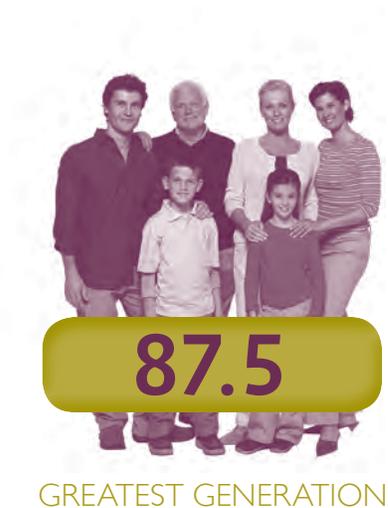
And while 72 percent of the under-65s said that they expected to work part time in their later years, only 34 percent of the older group reported that this had turned out to be true. Similarly, although 40 percent of under-65s thought that they might be able to start a new career in their later lives, only 14 percent of those in the older group said that they actually had done so.

In contrast, just 51 percent of the 65+ group reported having health problems—slightly better than the 53 percent that the younger group expected would be the case. And these health numbers may have been related to another encouraging result from this study: while almost 30 percent of those in the younger group worried about having an active sex life after age 65, nearly 60 percent of those in the older group said this was not at all a problem for them.

The news was even better on the “family” front; 90 percent of those in the younger group expected to have more family time in their later years, while 80 percent of the 65+ group said this was a correct assessment. And here’s an intriguing related finding: only 10 percent of those aged 65+ said they felt like a burden to their families, while 23 percent of the younger group said this was a worry for them—perhaps indicative of what actually was a positive perception gap.

FAMILY: *A Consensus “Positive”*

In fact, all four groups agreed that family relationships were extremely positive elements in their lives. The Millennials’ family-satisfaction score was 83.3, while Generation X and the Baby Boomers recorded very similar scores of 82.7 and 83.9, respectively. And it appeared as if this was one individual element of the overall GOLD score that actually became more rewarding over the years: the Greatest Generation assigned family a score of 87.5.



SPIRITUALITY: *A Major Driver Toward Life Satisfaction*

This GOLD Study determined that the presence of spirituality in a person’s life is one of the single most-important determinants of quality of life—regardless of generational cohort. In fact, those respondents who practiced their faith regularly (as defined by attending religious services at least once a month), or who otherwise considered themselves to be spiritual, reported higher satisfaction levels in every one of the life-indicator areas measured in this study.

For example, as compared with those who did not actively practice their faith, study participants in the “practicing” group rated their quality of life considerably higher in areas such as the following: health (76.7 versus 71.9 for the non-practicing group); work (74.5 versus 67.5); friends (74.2 versus 68.3); community involvement (63.3 versus 51.3); and even housing (79.4 versus 75.1). Not surprisingly, however, this difference was most pronounced in the area of spiritual life, where the practicing group’s score was more than 20 points higher (85.2 to 64.8).

Finally, and very importantly, the members of the practicing group rated the quality of their financial situations more highly: 64.5 versus 59.9 (the potential significance of this distinction will become apparent in the subsequent section of this report, which addresses the subjects of finances and retirement.)

Moreover, spirituality seemed to have increased significance to older study subjects. The Millennials rated the importance of spirituality at a 71.0, while the Generation X group came in just slightly lower at 69.7. In comparison, Baby Boomers gave spirituality a 77.7 score, with the members of the Greatest Generation exceeding even this number with an 80.8.

Interestingly, this study found that an overwhelming 87 percent of Millennials thought that their faith would be “as important or more important” to them in their later years, as did a similar 90 percent of Generation X. Impressively, an even higher 95 percent of Baby Boomers shared this view, along with 94 percent of the Greatest Generation.

FINANCIAL PREPARATION and the \$50,000 “Satisfaction Line”

Finances are another extremely important element in achieving a good quality of life, and, of course, in preparing for retirement. Consequently, the GOLD Study closely examined the extent and effectiveness of participants’ efforts in this area.

Results indicated that while nearly 80 percent of those in the 65+ group said that they did have enough money to meet expenses, some were notably happier and more content with their lives: specifically, those whose annual household incomes were more than \$50,000 (hereafter abbreviated \$50K). Apparently, there was something about this level of income that allowed these seniors to feel more comfortable in areas of their lives ranging from housing; to work and spiritual life; to—understandably—their overall financial situations.



There was something about this level of income that allowed seniors to feel more comfortable with their housing situations, and with their work and spiritual lives.

For the entire study, the under-\$50K group’s overall GOLD score was 67.3, rising to a projected 70.7 in five years. In comparison, the over-\$50K respondents’ initial score was a full nine points higher at 76.3, increasing to an anticipated 78.6 five years hence. In addition, members of the over-\$50K group were more likely to call themselves “very happy” and they were less likely to say that their best years were behind them.

And here are some specific lifestyle-related areas where the “\$50K divide” had a particularly notable impact on peoples’ quality of life:

- **Those making more than \$50K** a year were four times less likely to have had trouble making mortgage or rent payments than were those households bringing in less income;
- **While about half of those in the over-\$50K** group had cut back on household spending over the past year, more than seven in ten study participants in the lower-income group had done the same.
- **Members of the under-\$50K** group were about three times more likely to have had difficulty paying for medical care and affording prescription pharmaceuticals than were their higher-income counterparts.

Moreover, in terms of looking toward the future, the differences between the two groups remained. For instance, while 43 percent of the over-\$50K group admitted that they weren’t prepared for the time when they could no longer live independently, an even-higher 52 percent of the under-\$50K group fell into this category.

Not surprisingly, then, about one in four members of the under-\$50K group planned to move in with family members or friends if this situation ever arose. In contrast, within the over-\$50K group, this number was closer to one in seven.

This discrepancy also was pronounced when comparing the groups' readiness for the time when they might be unable to make decisions about medical care: 45 percent of those in the under-\$50K group were not prepared, as compared with 27 percent in the higher-income category.

These were significant differences. Thus, based upon these findings, this initial GOLD Indicator suggested that if used wisely and saved carefully, money can help older adults establish greater life satisfaction and peace of mind.



IN CONCLUSION:

Better Preparations Mean Better Lives

The aging of the U.S. population, coupled with longer life spans, is making the country an increasingly “intergenerational” one—a situation that has the potential to influence our societal dynamics now and far into the future. This first running of the Home Instead Senior Care network’s GOLD Indicator compared and contrasted the ways that the four adult generational cohorts in the U.S. rated not just the current quality of their lives, but also how well they expected to do in the coming years.

The good news: most study participants felt good about their current personal situations, even despite some of the significant problems facing the U.S. at the time this research was conducted. Moreover, this study indicated that most adult Americans (especially younger adults) believe there are better days ahead for the country and for themselves—even as they get older.

So how can the U.S. and its citizens help realize these positive expectations? Well, the GOLD Study did suggest that by focusing preparations in a few critical areas, people can dramatically improve their chances of having a good quality of later life.

For one, it’s clear that Americans must begin saving for retirement as soon as possible, and as much as possible, since U.S. seniors will have many more good living options available to them if they have the financial resources necessary to fund this period of life. Indeed, it appears that if older adults can arrange to have an annual income of at least \$50,000 in their later years, they will be much happier and more fulfilled, and they will have significantly greater peace of mind.

Second, many Americans must do a better job of considering and planning for two potential realities of old age: namely, being unable to make their own medical decisions, and being unable to continue living independently. Interestingly, relative to the latter issue, while study participants weren’t certain about the circumstances in which they would like to live as seniors, an overwhelming percentage—more than 9 of 10, in fact—said they would prefer not to go to a nursing home if presented with other alternatives.

And finally, this GOLD Indicator suggested that in order to age as successfully and happily as possible, people should strive to develop and sustain strong, durable spiritual lives and family relationships. These appear to be highly important factors for older adults (and, really, for anybody) to achieve and maintain good levels of overall satisfaction—even if these individuals may be encountering difficulties in other areas of their lives.

NOW AND INTO THE FUTURE: *Nationally Significant Results?*

Our society reflects the viewpoints of those who comprise it, and these study results provided a compelling snapshot of the attitudes of American adults toward their lives, and toward aging. These perceptions can affect—and be affected by—everything from the basic quality of life for U.S. families; to the status of the American business and healthcare communities; to national political and economic developments.

Consequently, it will be interesting to examine the results from subsequent versions of this annual national study, to see how much (or even if) these findings differ as life in the U.S. presumably continues rapidly to change and evolve. Moreover, in future years, might the different generations studied change their viewpoints as individual members of these groups age? All of this, and much else, remains to be seen.

ABOUT HOME INSTEAD SENIOR CARE

Founded in 1994 in Omaha by Lori and Paul Hogan, the Home Instead Senior Care® network is the world's largest provider of non-medical in-home care services for seniors, with more than 950 independently owned and operated franchises providing more than 45 million hours of care annually throughout the United States, Puerto Rico, and 15 additional countries.

Local Home Instead Senior Care franchise offices employ more than 65,000 CAREGiversSM worldwide who provide their clients with basic support services such as assistance with activities of daily living (ADLs); personal care; medication reminders; meal preparation; light housekeeping; errands; incidental transportation; and shopping—services that enable seniors to live safely and comfortably in their own homes for as long as possible. For more information, please go to HomeInstead.com.

STUDY METHODOLOGY

This survey was undertaken by Home Instead Senior Care, Inc., and conducted by the Marist Institute for Public Opinion at Marist College in Poughkeepsie, NY: 1,235 adults 18 years of age and older residing in the continental United States were interviewed by telephone from September 26, 2011, through September 29, 2011.

Telephone numbers were selected based upon a list of telephone exchanges from throughout the nation. The exchanges were chosen to ensure that each region was represented in proportion to its population. To increase coverage, the landline sample was supplemented by respondents reached through random dialing of cell-phone numbers. The two samples were then combined.

Results are statistically significant within ± 2.8 percentage points. The error margin increases for cross-tabulations. Please note: due to rounding, some totals may not add to exactly 100 percent.

SOURCE

1, 2. Online at <http://www.census.gov/population/www/projections/usinterimproj/> (accessed March 6, 2012).



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