



## Three Retirement-Planning Opportunities for Hispanic Clients

During this Hispanic Heritage Month, how can you integrate cultural and social awareness into your practice to attract, retain, and effectively help Hispanic Americans as they navigate their retirement-savings plans?

During Hispanic Heritage Month, we celebrate the rich cultural contributions of Hispanic Americans, but it also presents a valuable opportunity to address critical financial-planning needs within this vibrant community. With Hispanic Americans representing a growing segment of the U.S. population and workforce, retirement planning tailored to their unique circumstances is more important than ever.

Data from the 2023 Latino Door Collaborative U.S. Latino GDP Report highlights the economic power of Hispanic Americans, who contribute \$3.2 trillion to the nation's GDP.<sup>1</sup> But disparities in wealth and retirement readiness persist, underscoring the need for targeted financial strategies. **Financial literacy and confidence for Hispanic Americans can start with your practice—and illuminate new opportunities for your book of business. Here are three ways to begin.**

### 1. Address the Disparity Surrounding Employer-Sponsored Retirement Plans

Despite increasing workforce participation, Hispanic workers are less likely to have access to employer-sponsored retirement plans.<sup>2</sup> Data from the Center for Retirement Research at Boston College indicates that roughly only 30% of Hispanic workers are currently enrolled in an employer-sponsored plan, but it's not for lack of interest. Of those who have access to these plans, three quarters of Hispanic workers take advantage of them.

Self-employment is a significant factor. Many Hispanic workers run their own businesses or do contract work, and data suggests that they are often more comfortable using alternative savings vehicles such as real estate. However, homeownership as a substitute for retirement planning can be risky; older Hispanic homeowners often struggle to leverage home equity due to limited non-housing wealth or high housing costs.<sup>3</sup> You can help those clients hedge these risks by educating them on plan options outside employer-sponsored plans and encouraging consistent contributions to savings vehicles such as IRAs or annuities.

### 2. Promote Protected Lifetime Income as a Retirement Asset

When it comes to protected lifetime income, many Hispanic Americans rely heavily on Social Security retirement benefits.<sup>2</sup> The Social Security Administration estimates that these benefits account for the vast majority of retirement assets for about 40% of married Latino couples—nearly double the rate for non-Latino white couples.

For clients who have secured low costs of living, this may be sufficient, but it comes with considerable risk. There is little room for error, especially in the case of an emergency, and questions about the longevity of the Social Security retirement program could cause anxiety if a client doesn't

<sup>1</sup>Terrill, Marshall. "2023 LDC US Latino GDP Report shows tremendous impact of Hispanics to US economy." Arizona State University. October 3, 2023. <https://news.asu.edu/20231003-discoveries-ldc-us-latino-gdp-report-impact-economy-asu-authors>

<sup>2</sup>Blanton, Kimberly. "The Myriad Stories Behind Hispanic Retirement Saving." Center for Retirement Research at Boston College. August 24, 2023. <https://crr.bc.edu/the-myriad-stories-behind-hispanic-retirement-saving/>

<sup>3</sup>Morales, Patricia Bravo. "Barriers to Generational Wealth: Why Older Hispanic Homeowners Struggle to Leave a Financial Legacy." Joint Center for Housing Studies of Harvard University. July 22, 2025. <https://www.jchs.harvard.edu/blog/barriers-generational-wealth-why-older-hispanic-homeowners-struggle-leave-financial-legacy>

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have an additional financial cushion. For those worried about having sufficient funds in retirement, protected income through an annuity could bridge any potential gaps, allow for tax control through deferred withdrawals, and provide longevity-risk protection through lifetime payments.

### 3. Enhance Financial Literacy and Education

Systemic barriers and misconceptions about financial planning can hinder retirement readiness. Recent immigrants especially tend to harbor mistrust toward traditional financial institutions, but this can create and exacerbate significant financial-education gaps.<sup>2</sup> Additionally, the industry and legislative responses to Hispanic wealth disparities often center around adjusting individual behaviors within populations. These tactics rarely come with actionable policy changes that resolve the systemic barriers to wealth accumulation for Latinos.<sup>4</sup>

While tailored financial education programs that respect cultural values and language preferences are essential, it's important for Hispanic clients to feel that you understand the issues that contribute to educational and savings gaps. With this in mind, your practice may find greater success in attracting and retaining Hispanic clients by providing a broader scope of context for potential challenges.

### Conclusion

Retirement planning for Hispanic clients requires a thoughtful, culturally aware approach that addresses both systemic challenges and individual goals. A sensitive, nuanced approach is vital to making Hispanic clients feel heard, valued, and confident. During this Hispanic Heritage Month, you can enhance your business by integrating inclusive financial practices that honor and uplift this dynamic community. By leveraging these three opportunities, you can help empower Hispanic Americans to make educated choices and build secure and fulfilling retirements.

#### ACTIONS YOU CAN TAKE RIGHT NOW

- Identify Hispanic clients who may not be participating in employer-sponsored plans.
- Discuss potential savings vehicles to address these clients' priorities.
- Start the conversation about protected lifetime income.
- Provide educational resources that address both individual and systemic perspectives.

<sup>4</sup>Carmona, Tonantzin. "Understanding Latino wealth to address disparities and design better policies." The Brookings Institute. July 13, 2023. <https://www.brookings.edu/articles/understanding-latino-wealth/>

## Additional Resources and Links

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[Consider the “Us” Mindset When Serving Hispanic Clients](#)

[Bridging the Financial Knowledge Gap in the Hispanic Community](#)

[Addressing the Retirement Savings Gap for Hispanic Americans](#)

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