

# The Cost of Financial Stress

67%

of employees are stressed out about their finances.<sup>1</sup>

38%

of employees have less than \$1,000 saved to deal with unexpected expenses.<sup>1</sup>

Nearly

7 OUT OF 10

employees fear they can't meet their basic expenses if they were out of work for an extended period of time.<sup>1</sup>

## Student loans impact employees' ability to reach their goals<sup>1</sup>

GENERATION	CARRYING STUDENT LOAN DEBT	HINDERS FINANCIAL GOALS
MILLENNIALS	49%	80%
GEN X	30%	69%
BABY BOOMERS	10%	70%

\$1.7 trillion

NATIONAL student loan debt.<sup>2</sup>

1/2

employees say personal finances are a distraction at work.<sup>1</sup>

49%

of financially stressed employees spend 3+ hours of their work week distracted by personal finances.<sup>1</sup>

total employer compensation costs<sup>3</sup>

\$38.26

PER HOUR

Estimated annual cost to employers for financial distractions

\$38.26 x 156 hours =  
\$6,021

PER EMPLOYEE

## What can employers do?

### OFFER FINANCIAL WELLNESS PROGRAMS

Companies report positive impact from Financial Wellness programs. Employees are:<sup>4</sup>

61%

more engaged

60%

more productive

60%

more positive perception of their employer

### ENCOURAGE MORE SAVINGS WITH A COMPANY MATCH

2 OUT OF 3

employees prefer match over salary increase.<sup>5</sup>

### PROVIDE FINANCIAL EDUCATION

Help your employees understand more about how to save and answer these important retirement planning questions.

How much should I be saving per year to reach my retirement income goals?

What is the difference between Roth and pre-tax accounts?

What is an appropriate asset allocation and investment strategy?



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<sup>1</sup> Pricewaterhouse Coopers LLP. "8th Annual Employee Financial Wellness Survey." 2019; (PWC)

<sup>2</sup> US Federal Reserve. "Consumer Credit – G19." February 5, 2021.

<sup>3</sup> Bureau of Labor Statistics. Based on 2020 employer costs for employee compensation (ECEC) \$38.26 per hour. Dec. 17, 2020.

<sup>4</sup> AB Research. "Inside the Minds of Plan Sponsors." June 2020.

<sup>5</sup> American Century. "7th Annual National Survey of Plan Sponsors and Retirement Savers." Q1 2019.

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