

THE COST OF Financial Stress

STRESS GROWS FOR EMPLOYEES

53%

don't have enough emergency savings for unexpected expenses¹

\$1.4 TRILLION
in student loan debt²

1/3

employees say Financial worries impact their health and relationships¹

MORE THAN 75% of employees live paycheck to paycheck³

37% find it difficult to meet their monthly household expenses on time¹

COST FOR EMPLOYERS

1/4 employees say personal finances are a distraction at work.¹

43% of Financially stressed employees spend **3+ hours of their work week** distracted by personal finances.¹

Total employer compensation costs =

\$33.72
PER HOUR²

Estimated cost to employers for those financial distractions

$\$33.72 \times 156 \text{ HRS} =$

\$5,260

PER EMPLOYEE

¹ PricewaterhouseCoopers LLP. "Employee Financial Wellness Survey" (2018): PWC. May 2018.

² US Federal Reserve. "Consumer Credit - G19." April 6, 2018.

³ Career Builder & Harris Poll National Survey. "Paycheck to Paycheck: A way of life." Aug. 2017.

⁴ Based on 2017(ECEC) \$33.725 per hour. Bureau of Labor Statistics. "Employer Costs for Employee Compensation- Dec.2017"

WHAT CAN Employers Do?

OFFER FINANCIAL WELLNESS PROGRAMS

Companies report positive impact from Financial Wellness program. Employees are:⁵

51%
MORE
ENGAGED

40%
MORE
PRODUCTIVE

35%
LESS
STRESSED

ENCOURAGE MORE SAVINGS WITH A COMPANY MATCH

3 out of 4

employees prefer match over salary increase⁶

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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This information was developed as a general guide to educate plan sponsors and is not intended as authoritative guidance or tax/legal advice. Each plan has unique requirements and you should consult your attorney or tax advisor for guidance on your specific situation.

⁵ AB Research. "Inside the Minds of Plan Sponsors." March 2018.

⁶ American Century. "5th Annual National Survey of DC Plan Participants." Aug 2017.