

# The Cost of Financial Stress

## STRESS GROWS FOR EMPLOYEES

**53%**

don't have enough emergency savings for unexpected expenses<sup>1</sup>

**\$1.4**  
trillion  
in student  
loan debt<sup>2</sup>

**1/3**

employees say Financial worries impact their health and relationships<sup>1</sup>

More than  
**75%**

of employees live paycheck to paycheck<sup>3</sup>

**37%**

find it difficult to meet their monthly household expenses on time<sup>1</sup>

**1/4**

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

**43%**

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

Total employer compensation costs =

**\$33.72**  
PER HOUR<sup>2</sup>

Estimated cost to employers for those financial distractions

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

**\$5,260**  
PER EMPLOYEE



# WHAT CAN EMPLOYERS DO?

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## Offer Financial Wellness programs

Companies report positive impact from Financial Wellness program. Employees are:<sup>5</sup>

**51%**  
more  
engaged

**40%**  
more  
productive

**35%**  
less  
stressed

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## Encourage more savings with a company match

**3 OUT OF 4**  
employees prefer match over salary increase<sup>6</sup>

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## 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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**HAVE QUESTIONS?** CALL **877.712.2263**


NEXT 401(k) EMPLOYEE  
EDUCATION MEETING



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

2 US Federal Reserve. "Consumer Credit – G19." Apr 6, 2018.

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

4 Based on 2017, employer costs for employee compensation (ECEC) \$33.725 per hour. Bureau of Labor Statistics. "Employer Costs for Employee Compensation Dec.2017" [www.bls.gov](http://www.bls.gov). Mar 20, 2018.

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

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