

# *Employee Financial Wellness Survey* 2015 results

April 2015



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## **About this survey**

*PwC's Employee Financial Wellness Survey tracks the financial and retirement wellbeing of working U.S. adults nationwide. This year it incorporates the views of over 1,700 full-time employed adults representative of the U.S. population by age and gender. The margin of error is +/- 3%. Survey participants are these ages in 2015: 55 to 72 (Baby Boomers), 34 to 54 (Gen X), and 21 to 33 (Gen Y).*

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# Foreword

***I am pleased to present insights from the 2015 edition of PwC's Employee Financial Wellness Survey which tracks the financial wellbeing of full-time employed U.S. adults nationwide.***

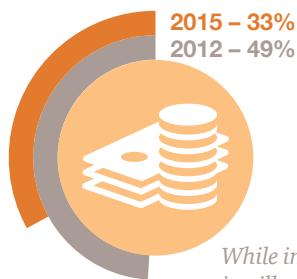
While many employees are still facing significant financial challenges, this year's survey shows an upward trend in key areas—cash flow and debt management continue to improve, housing issues are becoming less of a strain, and Gen Y (Millennial) employees are catching up to their older counterparts across the board. On the flip side, we see signs of neglect with saving and planning for long-term goals, areas to watch closely moving forward. The impact of shifting greater responsibility for retirement funding to employees in the face of stagnant wages, disappearing defined benefit pensions, changing Social Security and Medicare benefits, longer life spans, and rising health care costs may indicate more challenges ahead.

***Cash flow and debt management situation improves, yet still precarious***

We continue to see improvement in cash flow and debt management over the past several years with more employees managing household expenses better and having less difficulty meeting minimum payments.

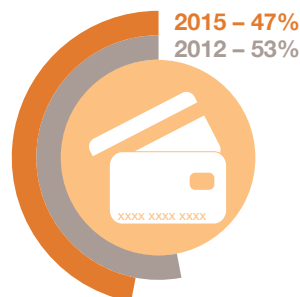
While things have improved, many continue to struggle with meeting day to day expenses, and even those feeling better still seem to be at risk should inflation rise and/or the economy take another downturn. This is supported by the fact that not having enough emergency savings for unexpected expenses is again the most frequently cited employee financial concern and less than half have emergency money set aside to withstand unexpected changes to their personal financial situation.

***Fewer employees are having difficulty meeting household expenses.***

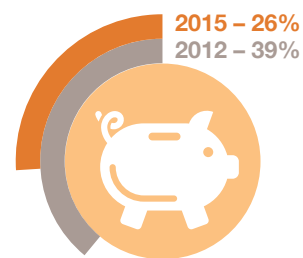


*While improving, this is still not optimal.*

***Fewer employees are carrying balances on credit cards but it's still high at almost 50%.***



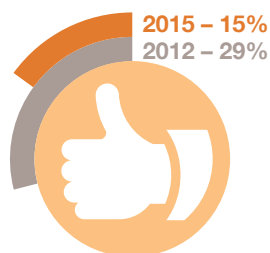
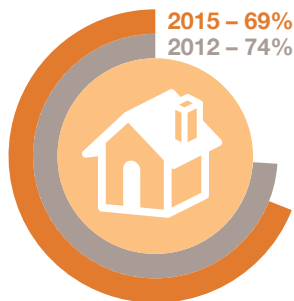
***Of those who carry balances, 26% still find it difficult to meet their minimum payments each month.***



### Housing costs contribute to improvements

Debt and housing payments are usually some of the largest items in a personal budget, so the fact that housing costs seem to be less of a drag on cash flow may explain some of the cash flow improvements this year. Declining foreclosures, a tighter credit market, and rising home prices all seem to be contributing to a stronger cash flow position for employees, allowing some to get out from under a home they couldn't afford, preventing others from getting into one that would strain their budget, and allowing those who could ride out the downturn to rebuild equity.

Home ownership is down which may have contributed to leveling out cash flow.



Only 15% of homeowners with a mortgage report that the outstanding balance on their mortgage is greater than the value of their home.

While this year's survey continues to show signs of general improvement, there are still a significant number of employees who are far from feeling free of financial worries. Financial stress has decreased from 2012 levels, yet nearly half of all full-time employees are reporting financial stress.

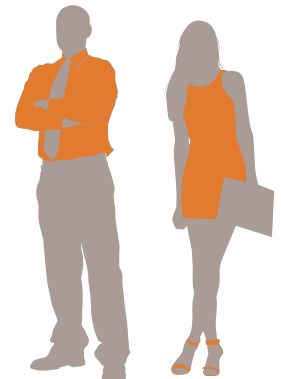
### Generationally speaking—improvements across the board

This year we see some improvements across all demographics, including Gen Y, who appeared to be struggling more last year than Gen X and Baby Boomers. While Gen X and Baby Boomers had sufficient savings and home equity to feel immediate relief from rising stock and housing markets, it appears that delayed relief for the more income-sensitive Gen Y employees may be a result of belt tightening that occurred after the downturn in response to job instability and stagnant wages.

We see Gen Y making progress over last year.

35% of Gen Y find it difficult to meet household expenses on time each month (41% last year) and those reporting financial stress, while still significant, is down from last year (52% this year, down from 60% last year).

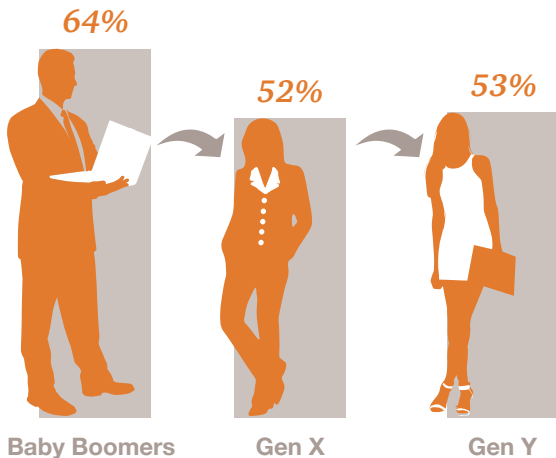
Of those who consistently carry credit card balances, 30% find it difficult to make their minimum payments (down from 39% last year).



Yet while they are back in line with Gen X employees in terms of financial stress, carrying credit card balances, and making minimum payments, Gen Y employees continue to be more at risk financially than their Gen X and Baby Boomer counterparts because of lower savings and home equity, resulting in a greater reliance on wages that continue to languish. The lack of emergency funds and job market instability are of particular concern with Gen Y employees should we experience another economic downturn or higher inflation without any real wage growth.

Interestingly, employees themselves don't expect things to get better for the next generation. In fact, the majority of each generation predicts that the next generation will be worse off financially. Should this come to pass, it remains to be seen what the negative long-term impact truly will be for both employees and employers should future generations be unable to retire.

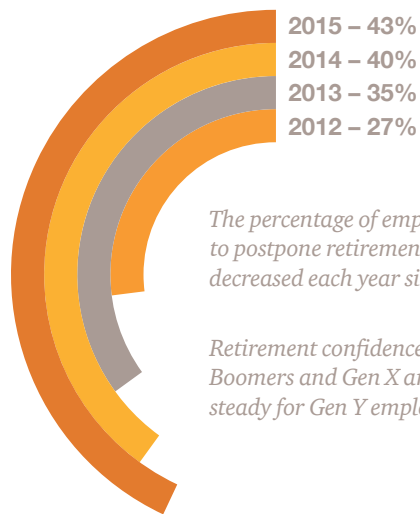
**The majority of each generation predicts that the next generation will be worse off financially.**



**Retirement—accepting responsibility but needing long-term direction**

Despite the fact that more than three-quarters of employees are saving for retirement, the majority still aren't confident in their ability to retire when they want.

**While retirement confidence increased slightly from last year, still less than half (43%) are confident they'll be able to retire when they want.**



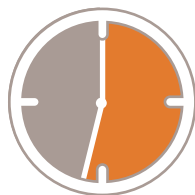
The percentage of employees planning to postpone retirement (36%) has decreased each year since 2012 (53%).

Retirement confidence is up for Baby Boomers and Gen X and holding steady for Gen Y employees.

**35% of employees think it's likely they'll need to use money from their retirement plans for non-retirement expenses.**

Despite these positive signs, running out of money continues to be employees' most frequently cited concern about retirement. With defined benefit pension plans going the way of the dinosaur, employees are clearly getting the message that the burden of funding their retirement is shifting to them, with over 70% stating they should be primarily responsible for funding their retirement versus 17% saying it should be their employer and only 13% stating it should be the government. However, employees continue to struggle with balancing competing priorities with 35% of them noting they will likely have to use money saved for retirement for non-retirement expenses, which is up from 27% the past two years.

It is apparent that employees are not comfortable taking on the responsibility for funding their retirement with 51% saying they would be willing to sacrifice a portion of their future pay increases for guaranteed retirement income. Given that nearly 80% of Gen Y employees think Social Security benefits will either not be available or will be reduced when they retire, it's likely that Gen Y employees particularly need retirement planning assistance.



*More than half (54%) of all employees would consider working a partial retirement (reduced schedule) if their employer offered one.*

Employees are clearly starting to think they will have to work beyond standard retirement with more than half (54%) indicating they would consider working a partial retirement (reduced schedule) if their employer offered one. And this is consistent across generations (more than half of each generation said they would consider a partial retirement). With insufficient retirement savings, increasing life expectancies, and rising healthcare costs in retirement, it is likely that people will have to work longer, and employers will need to find creative ways to accommodate this “new” retirement in a manner that makes sense for both the organization and the employee.

*Only 16% of employees who are contributing to a Health Savings Account (HSA) plan to use the funds for future healthcare costs in retirement.*



Healthcare costs also continue to be an issue and one of employees' biggest concerns about retirement. Yet while more employers are promoting Health Savings Accounts (HSAs) as a solution, only one-third of employees report contributing to their HSA and far fewer are thinking about their HSA as an additional retirement savings vehicle (only 16% say they plan to use the funds for future healthcare costs in retirement). Much like when 401(k) plans were first introduced, the focus was on getting employees into the plan. Eventually, employers shifted their emphasis to education around maximizing the plan over the long term. Employers will need to do the same with the HSA to help position it as a worthy retirement savings vehicle so employees can truly maximize the tax-advantaged benefits these plans can provide for retirement.

Overall, the survey results are trending more favorably, showing continuous signs of improvement in key areas over recent years. However, there are still significant underlying issues and concerns indicating that the majority of employees are far from achieving overall financial stability and wellness. While they may have taken a few steps back from the financial cliff, the edge is still in sight.

I invite you to explore our 2015 *Employee Financial Wellness Survey* findings on the pages that follow.

Kent E. Allison  
Partner & National Practice Leader

# Financial wellbeing

Gender differences for top financial concerns:

**56%**

of women cited not having enough emergency savings for unexpected expenses vs.



**47%**  
of men

**23%**

of women cited not being able to meet monthly expenses vs.



**15%**  
of men

## Top financial concerns

When asked about overall financial concerns, not having enough emergency savings for unexpected expenses and not being able to retire when they want to were again the most frequently cited issues.

Top financial concerns*	2012	2013	2014	2015
Not having enough emergency savings for unexpected expenses	54%	49%	50%	51%
Not being able to retire when I want to	37%	45%	42%	40%
Not being able to meet monthly expenses	25%	22%	21%	19%
Being laid off from work	22%	19%	20%	19%
Not being able to keep up with my debts	14%	15%	15%	14%
Other	4%	5%	7%	8%
Not being able to pay for college	6%	5%	5%	7%
Losing my home	7%	4%	4%	4%

\*Employees could choose up to two answers to this question.

## Generational differences for top financial concerns

Gen Y employees appear more concerned about current expenses, whereas Baby Boomers and Gen X employees also frequently cite retiring as one of their top financial concerns.

Top financial concerns*	All employees	Baby Boomers	Gen X	Gen Y
Not having enough emergency savings for unexpected expenses	51%	43%	52%	61%
Not being able to retire when I want to	40%	53%	40%	24%
Not being able to meet monthly expenses	19%	13%	21%	23%
Being laid off from work	19%	16%	20%	22%
Not being able to keep up with my debts	14%	9%	16%	21%
Other	8%	14%	4%	5%
Not being able to pay for college	7%	2%	10%	7%
Losing my home	4%	3%	4%	5%

\*Employees could choose up to two answers to this question.



### ***What would most help you achieve your future financial goals?***

Like last year, job security is more important to achieving future financial goals for Gen X and Gen Y, whereas a rising stock market and lower healthcare costs are more important for Baby Boomers.

<b>To help achieve financial goals</b>	<b>All employees</b>	<b>Baby Boomers</b>	<b>Gen X</b>	<b>Gen Y</b>
Better job security	20%	10%	25%	27%
Rising stock market	18%	27%	13%	12%
Lower inflation	15%	16%	14%	16%
Lower healthcare costs	15%	22%	13%	11%
Other	8%	9%	8%	6%
Improved housing market	8%	7%	9%	7%
Assistance from a personal financial planner or coach	8%	6%	9%	8%
Lower education costs	8%	2%	9%	12%

### ***The majority of each generation predicts that the next generation will be worse off financially.***

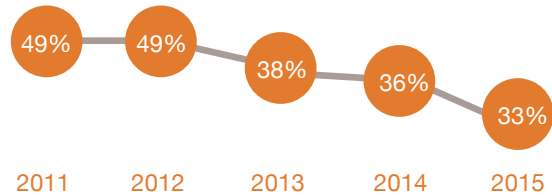
**Overall, do you think the next generation will be better or worse off financially than your generation?**

<b>Prediction for next generation</b>	<b>All employees</b>	<b>Baby Boomers</b>	<b>Gen X</b>	<b>Gen Y</b>
Better financially	19%	15%	20%	22%
Worse financially	57%	64%	52%	53%
About the same	25%	21%	28%	25%

## Cash and debt management

Employees who find it difficult to meet their household expenses on time each month:

### All employees



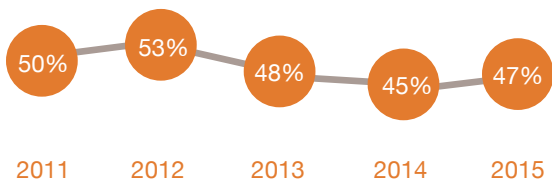
Even among those employees earning \$100,000 or more, 20% find it difficult to meet household expenses on time each month.

### By generation

	2013	2014	2015
Baby Boomers	31%	26%	24%
Gen X	49%	43%	39%
Gen Y	30%	41%	35%

Employees who consistently carry balances on their credit cards:

### All employees



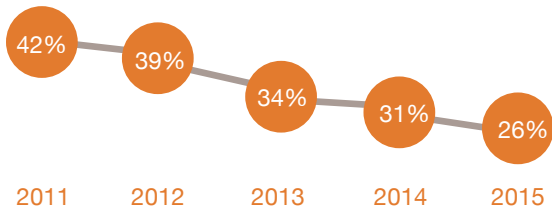
Nearly one-third (32%) of employees earning \$100,000 or more consistently carry balances on their credit cards.

### By generation

	2013	2014	2015
Baby Boomers	42%	35%	37%
Gen X	58%	51%	52%
Gen Y	37%	51%	52%

Of employees who consistently carry balances, those who find it difficult to make their minimum credit card payments on time each month:

### All employees



More than one in five (22%) of employees earning \$100,000 or more find it difficult to make their minimum credit card payments on time each month.

### By generation

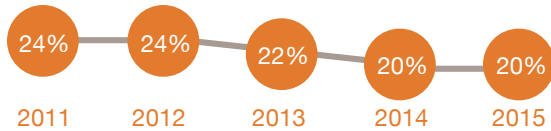
	2013	2014	2015
Baby Boomers	23%	22%	19%
Gen X	44%	33%	29%
Gen Y	23%	39%	30%

Of the employees consistently carrying balances on their credit cards, 72% have developed a plan to reduce their debt (consistent with 71% last year). Once again, the vast majority (83%) say they developed their debt reduction plan on their own and **only 10% used help from a financial professional**. 81% of those with a debt reduction plan say they have been following their plan on a consistent basis.

## 20% of employees are using credit cards for monthly necessities they can't afford otherwise

Employees using credit cards to pay for monthly necessities because they can't afford them otherwise:

### All employees



### By generation

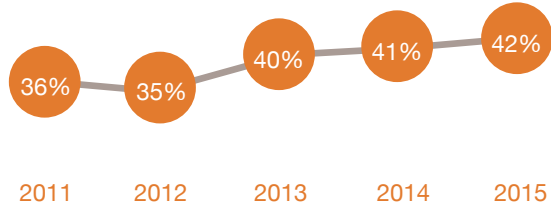
	2013	2014	2015
Baby Boomers	12%	12%	15%
Gen X	33%	24%	23%
Gen Y	24%	29%	23%

Using credit cards for monthly necessities they can't afford otherwise is an issue across income levels:



Less than half of all employees would be able to meet their basic expenses if they were out of work for an extended period of time:

### All employees



**34%** of women would be able to meet their basic expenses if they were out of work for an extended period of time vs.

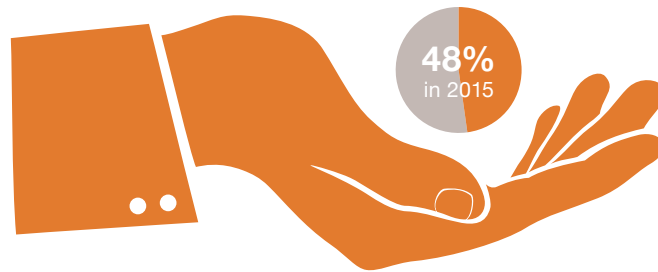
**50%** of men

### By generation

	2013	2014	2015
Baby Boomers	40%	50%	52%
Gen X	41%	33%	36%
Gen Y	35%	38%	39%

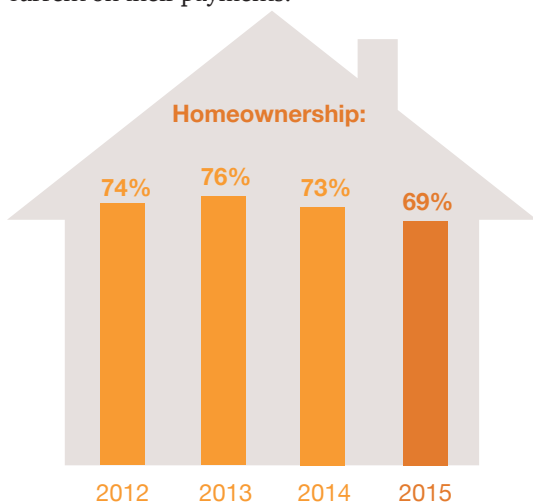
### Spending habits

Nearly half (48%) of employees have changed their spending behavior in the past 12 months in order to save money on day-to-day necessities (consistent with 48% last year which was down from 56% in 2013 and 65% in 2012).



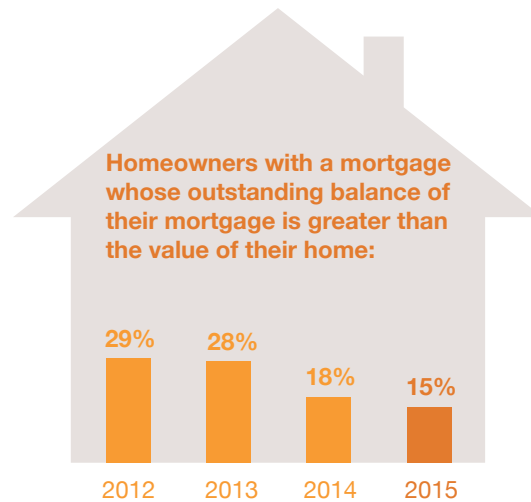
### Homeownership

69% of employees own their primary residence and 73% of them have a mortgage. Of those with a mortgage, 97% are current on their payments.



**15% of employees who are homeowners with a mortgage say the outstanding balance of their mortgage is greater than the current value of their home.**

Of the 15%, 60% have attempted to modify the terms of their mortgage with their lenders (consistent with 61% in 2014), 33% have received a foreclosure notice within the last 24 months (consistent with 35% in 2014) and some are considering pursuing a foreclosure, deed in lieu of foreclosure, or short sale to remedy their situation.

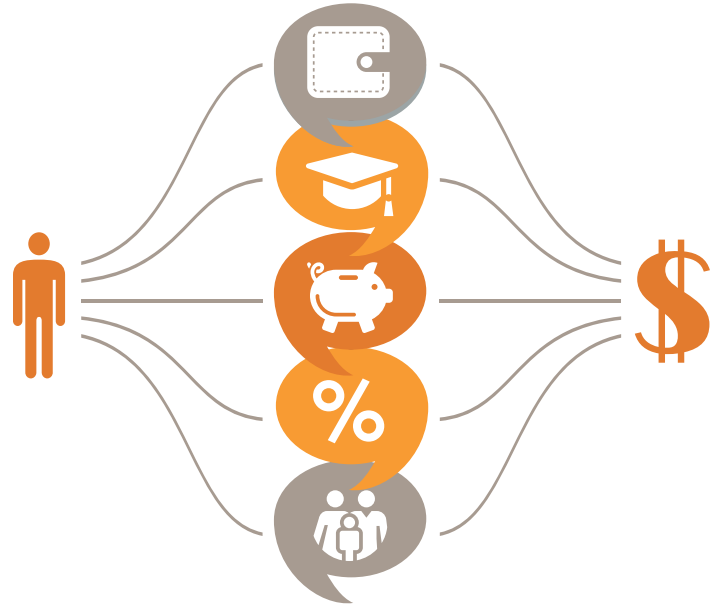


## Financial stress

Employee financial stress is again down slightly this year, although nearly half of all employees (45%) find dealing with their financial situation stressful (48% in 2014, 52% in 2013, and 61% in 2012). 35% report that their stress level related to financial issues increased over the last 12 months (down from 38% in 2014, 45% in 2013, and 56% in 2012).

**By generation:** The percentage of Baby Boomers and Gen X employees who find dealing with their financial situation stressful remained relatively consistent with last year. The percentage of stressed Gen Y employees decreased and is now consistent with Gen X.

Financial stress	2013	2014	2015
Baby Boomers	45%	36%	34%
Gen X	62%	53%	52%
Gen Y	49%	60%	52%



## Finances while at work

**20%** One in five employees report that issues with personal finances have been a distraction at work.

**37%** say that at work each week, they spend three hours or more thinking about or dealing with issues related to their personal finances.

*Finances are more likely to be a distraction at work for Gen X and Gen Y employees*

**By generation,** percentage of employees who report that issues with personal finances have been a distraction at work:

Finances while at work	2013	2014	2015
Baby Boomers	16%	12%	13%
Gen X	32%	29%	24%
Gen Y	19%	35%	22%



# Planning for the future

## Retirement confidence

**43%**

of employees are confident they'll be able to retire when they want (40% in 2014)

## Baby Boomers and retirement

Of the 53% of Baby Boomers who plan to retire within the next five years, just half of them—

**55%**

—know how much income they will need in retirement.

**53%**

of Baby Boomers are confident they will be able to cover their medical expenses in retirement.

## Retirement

**By generation:** Employees who are confident they will be able to retire when they want to:

	2013	2014	2015
Baby Boomers	37%	48%	51%
Gen X	33%	32%	38%
Gen Y	36%	40%	41%

Consistent with last year, running out of money and healthcare costs were the biggest concerns about retirement. Concerns about healthcare costs become more prominent with age.

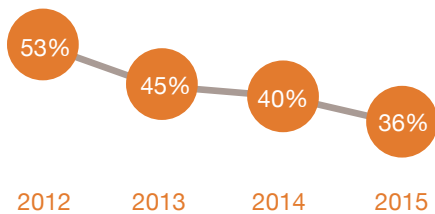
Concerns about retirement*	All employees	Baby Boomers	Gen X	Gen Y
Running out of money	43%	35%	46%	50%
Healthcare costs	32%	41%	30%	22%
Not being able to maintain my standard of living	26%	26%	25%	26%
Health issues	26%	28%	24%	27%
Not being able to meet my monthly expenses	17%	12%	22%	17%
I don't know what I'll do with my free time in retirement	13%	18%	9%	12%
Managing my investments in retirement	6%	6%	5%	6%
Not leaving any assets upon my death for my family, charity, etc.	6%	5%	5%	6%
Other	4%	4%	3%	3%
Meeting education expenses for child/children	4%	2%	5%	7%
Other expenses for children (e.g., wedding expenses)	2%	2%	2%	3%

\*Respondents could choose up to two answers to this question.

### Delayed retirements

36% of all employees plan to retire later than they previously planned.

#### Employees planning to postpone retirement



	2013	2014	2015
Baby Boomers	54%	51%	48%
Gen X	43%	35%	35%
Gen Y	18%	28%	22%

As the market has improved, employees are less frequently citing a loss of investment value as a reason for postponing retirement and focusing more on whether they want to retire.

Reasons for delaying retirement*	2012	2013	2014	2015
I haven't saved enough to retire	60%	55%	53%	51%
I don't want to retire yet (prefer to continue working, not ready for the lifestyle change of being retired, etc.)	13%	21%	25%	28%
I need to keep my healthcare coverage	21%	29%	24%	19%
I have too much debt	26%	23%	22%	18%
My retirement investments have declined in value	34%	25%	20%	18%
I am still supporting my children/grandchildren	14%	12%	11%	13%
Other	2%	5%	4%	5%

\*Respondents could choose up to two answers to this question.

**By generation:** Most frequently cited reasons for postponing retirement:



**Baby Boomers**  
 "I haven't saved enough to retire," followed closely by "I don't want to retire yet"



**Gen X**  
 "I haven't saved enough to retire"



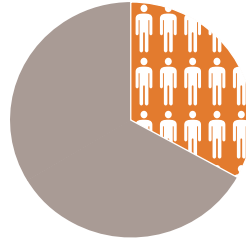
**Gen Y**  
 "I haven't saved enough to retire" followed by "I have too much debt"

### Saving for retirement

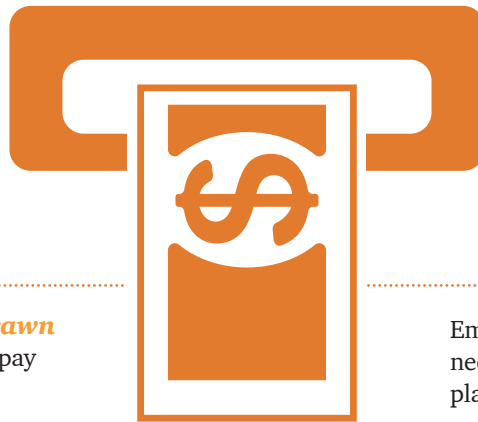
77% of employees are currently saving for retirement (also 77% in 2014).

**By generation:** Baby Boomers (84%), Gen X (77%), and Gen Y (66%) are currently saving for retirement.

However, 23% of all employees have already withdrawn money held in retirement plans to pay for expenses other than retirement and **35% think it's likely they'll need to do so.**



*One-third of employees (35%) think it's likely they'll need to use money from their retirement plans for non-retirement expenses.*



Employees who **have already withdrawn** money held in their retirement plans to pay for expenses other than retirement:

	2013	2014	2015
Baby Boomers	26%	20%	21%
Gen X	30%	24%	28%
Gen Y	11%	23%	15%

Employees who **think it's likely** they'll need to use money held in retirement plans for expenses other than retirement:

	2013	2014	2015
Baby Boomers	20%	19%	30%
Gen X	36%	30%	40%
Gen Y	20%	34%	34%

*One in five employees (21%) who are contributing to a tax-advantaged retirement account say they would contribute less to their employer retirement plan if they could only access funds at retirement.*





Among the 21% of employees not currently saving for retirement, once again, the most frequently cited reason is too many other expenses, followed by debt.

Reasons for not saving for retirement*	2012	2013	2014	2015
I have too many other expenses	59%	73%	70%	63%
I have debt to pay off	48%	48%	49%	46%
My income is lower than last year	29%	13%	15%	16%
I don't know how to save for retirement	7%	6%	6%	9%
I don't know how much to save for retirement	6%	6%	7%	8%
Other	4%	6%	7%	8%

\*Respondents could choose up to two answers to this question.

Among the 17% of employees saving less for retirement than last year, other expenses or increased expenses are again the top reasons cited.

Reasons for saving less for retirement than last year*	2012	2013	2014	2015
I have too many other expenses	25%	19%	24%	28%
My expenses have increased since last year	23%	29%	35%	27%
My income is lower than last year	19%	18%	13%	16%
I have debt to pay off	13%	18%	11%	15%
Other	2%	2%	4%	5%
My retirement accounts have lost value	9%	6%	5%	3%
My employer reduced or eliminated the 401(k) match they were offering	3%	2%	3%	3%
I'm uncomfortable with the volatility in the markets	5%	2%	2%	2%
I don't know how to select appropriate investments	1%	3%	1%	1%
I don't know how to save for retirement	1%	0%	1%	0%

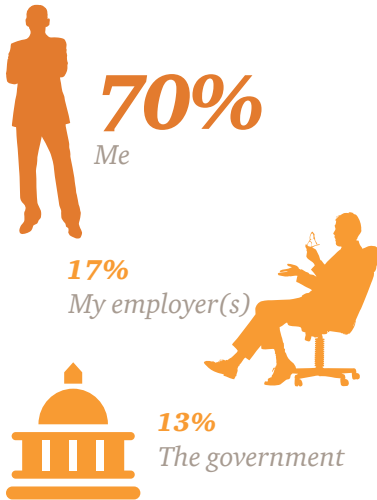
\*Respondents could choose up to two answers to this question.

## Retirement responsibility

# 70%

More than two-thirds of employees say they should have primary responsibility for funding their retirement.

Who do you feel should have primary responsibility for supporting you in retirement?



More than 60% of employees think Social Security benefits will either not be available or will be reduced when they retire.

When you retire, do you think it's likely that Social Security benefits will be available to you as a source of retirement income?

	All employees	Baby Boomers	Gen X	Gen Y
Yes	39%	67%	28%	21%
Yes, but the benefit will be reduced	31%	23%	37%	31%
No	30%	10%	36%	48%

Half of all employees say they would be willing to sacrifice a portion of their future pay increases for guaranteed retirement income.

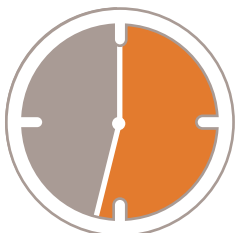
I would be willing to sacrifice a portion of my future pay increases for:

	2014	2015
Guaranteed retirement income for my life (and my spouse/partner's life)	48%	51%
None of these	27%	25%
More job security	12%	14%
Better healthcare benefits	13%	11%

Three-quarters of all employees say they prefer a retirement plan with guaranteed fixed monthly payments for their life over a plan where they can take a lump sum at retirement and invest the funds themselves.

Which one of these statements best reflects your view on retirement plans?

	2014	2015
I prefer a retirement plan that provides me with a guaranteed fixed monthly payment that lasts for the rest of my life (and the life of my spouse or partner).	77%	74%
I prefer a retirement plan that allows me to take the balance in a lump sum at retirement where I am responsible for investing the funds to generate the income I need.	23%	26%



More than half (54%) of all employees would consider working a partial retirement (reduced schedule) if their employer offered one.

## Investing

- ▶ Consistent with prior years, only **half** of all employees (51%) are comfortable selecting investments that are right for them (42% of women vs. 60% of men).
- ▶ More than **half** (55%) have reviewed their investment portfolio within the last 12 months.
- ▶ **One-third** (33%) report that their asset allocation has been reviewed by a financial professional within the last 12 months.



## Risk management and insurance

### Health insurance

- ▶ **85%** of employees say they are familiar with the Affordable Care Act (ACA).
- ▶ Most employees (**63%**) say their employer has not provided any tools or resources to help them understand the effects of the ACA on their financial health. **27%** say their employer has provided educational pamphlets and materials.
- ▶ One in five employees (**21%**) has looked into using a health care program from a health care marketplace/exchange.
- ▶ **82%** believe health care costs will rise over the next several years.

### What impact do you believe the Affordable Care Act will have on your health insurance costs?

	2014	2015
It will increase my health insurance costs	59%	55%
It will not have any impact on my health insurance costs	26%	29%
It will reduce my health insurance costs	14%	16%

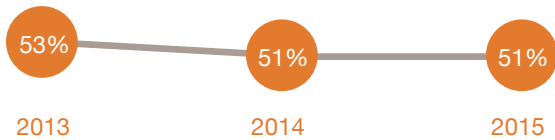
### How do you believe the quality of your health care coverage will be impacted by the Affordable Care Act?

	2014	2015
Lower quality health care	48%	45%
No impact to the quality of my health care	36%	37%
Better quality health care	16%	18%

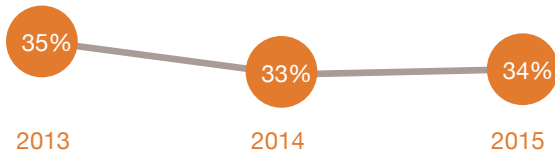
### Health Savings Accounts

Half of all employees with health insurance are covered by a high or mid-deductible health care plan, yet only one-third of those with a high or mid-deductible plan contribute to a Health Savings Account (HSA).

Employees who are covered by a high or mid-deductible health care plan:

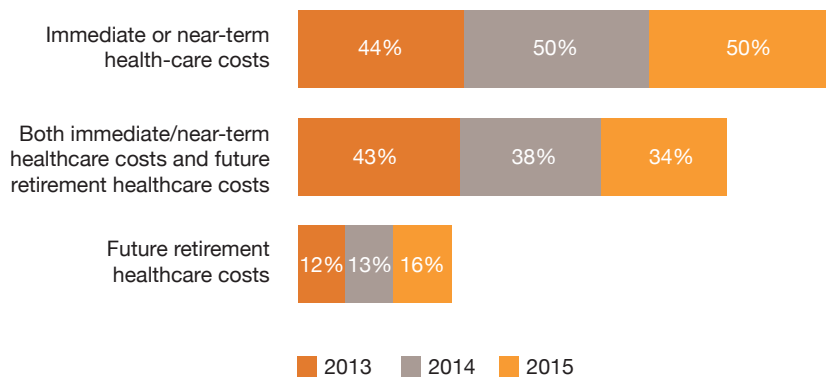


Employees with a high or mid-deductible health care plan who contribute to a Health Savings Account (HSA):



**Only 16% of employees who are contributing to a Health Savings Account (HSA) plan to use the funds for future healthcare costs in retirement.**

I plan to use the funds in my Health Savings Account (HSA) for:



### Life insurance

**43% of employees have evaluated their life insurance needs** within the last 12 months (consistent with 46% in 2014 and 43% in 2013). More Baby Boomers (55%) have evaluated their life insurance needs as compared to Gen X and Gen Y (39% and 35% respectively).

### Disability insurance

**54% of employees indicate that they are covered by disability insurance** (consistent with 53% in 2014 and 50% in 2013). While more than half of Baby Boomers and Gen X are covered (59% and 55% respectively), fewer Gen Y employees (44%) indicate that they have disability insurance coverage.

### Property insurance

**38% of employees have evaluated their property insurance needs** within the past 12 months (43% in 2014 and 45% in 2013). While more than half of Baby Boomers have evaluated their property insurance needs (53%), only 34% of Gen X and 24% of Gen Y employees have done so.

home  
 security  
 employment  
 disability  
 deductible  
 benefits  
 education  
 college health

## Estate planning

**37% of employees have a will** (consistent with 40% in 2014 and 41% in 2013). The percentage of those who have a will increases with age, but even by age 55 to 64, only 56% have a will.

- ▶ **By generation:** Baby Boomers (63%), Gen X (29%) and Gen Y (12%) have a will.
- ▶ Of those employees who have a will, **62%** say they have reviewed it and made any necessary updates within the last five years.
- ▶ **31%** of employees have a living will.
- ▶ **26%** have a durable power of attorney for financial matters and **27%** for healthcare matters.
- ▶ **72%** indicate that their beneficiary forms are up-to-date.

## Education planning

Of those employees who plan to fund education expenses for children, grandchildren, themselves, or a spouse/partner:

- ▶ **41%** have investigated how much they'll need to meet their education funding goal.
- ▶ **46%** are saving for education expenses.
- ▶ **47%** are contributing to a tax-advantaged education savings plan.

risk  
property  
retirement  
financial estate insurance ACA credit  
generational taxes employee mortgage  
investments income  
education expenses savings funding  
healthcare gender work survivor debt  
family

# Other

## Employer benefits

- ▶ **58% believe their employer’s benefit plans are competitive** with those offered by other organizations (60% in 2014 and 56% in 2013).

**By generation:** 65% of Baby Boomers, 58% of Gen X and 49% of Gen Y believe their employer’s benefit plans are competitive with those offered by other organizations.

- ▶ **72% say they have a good understanding of their employer benefit and savings plans** and the role they play in their overall financial wellbeing (73% in 2014 and 72% in 2013).

**By generation:** 84% of Baby Boomers, 72% of Gen X and 57% of Gen Y say they have a good understanding of their employer benefit and savings plans and the role they play in their overall financial wellbeing.

- ▶ **71% say they review their benefit elections every year** and make changes if needed (71% in 2014 and 69% in 2013).

**By generation:** 78% of Baby Boomers, 72% of Gen X and 58% of Gen Y say they review their benefit elections every year and make changes if needed.

- ▶ **30% say their employer offers services to assist them with their personal finances** (34% in both 2014 and 2013) and half (49%) say they’ve used the services (52% in 2014 and 49% in 2013).

**By generation:** 53% of Baby Boomers, 47% of Gen X and 47% of Gen Y say they’ve used the services their employer provides to assist them with their personal finances.

## Most trusted resource for financial advice and education:

Independent Financial Planner (who does not sell any investment or insurance products)	24%
Friends and/or family	23%
Broker or investment advisor	22%
Accountant	10%
Attorney	8%
Internet site(s) not affiliated with a financial advisor	8%
Insurance agent	5%

## By generation:

Baby Boomers regard independent financial planners or broker/investment advisors as their most trusted source for financial advice. Gen X, and particularly Gen Y, are more likely to look to friends and family.

## Most trusted resource for financial advice and education

	Baby Boomers	Gen X	Gen Y
Independent Financial Planner (who does not sell any investment or insurance products)	27%	23%	19%
Friends and/or family	14%	25%	33%
Broker or investment advisor	30%	20%	15%
Accountant	10%	9%	11%
Attorney	7%	9%	7%
Internet site(s) not affiliated with a financial advisor	8%	9%	9%
Insurance agent	4%	5%	6%

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## Lifestages

**Parents:** 14% of employees provide care for parents or in-laws. 16% provide financial support for parents or in-laws.

**Children:** 39% of employees have dependent children and 54% of them are paying dependent care expenses, yet *less than half (45%) of those paying dependent care expenses are contributing to a dependent care flexible spending account.*



## Identity theft



**17%** of employees say they have been a victim of identity theft (consistent with 15% in 2014 and 17% in 2013).

**61%** say they would know what to do if their identity were stolen (consistent with 63% in 2014 and 58% in 2013).

[www.pwc.com/us/financialeducation](http://www.pwc.com/us/financialeducation)

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## **About the PwC Employee Financial Education and Wellness practice**

*Employees may be stressed over organizational shifts, market conditions, personal life events, or benefits changes. PwC's Employee Financial Education and Wellness practice works with clients to design and deliver customized financial wellness programs tailored to employee needs and specific employer objectives. Our goal is to empower employees to make educated decisions to improve their financial wellbeing.*

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