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April 2017

Employee Financial Wellness Survey

2017 results

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About this survey

PwC's Employee Financial Wellness Survey tracks the financial and retirement well-being of working U.S. adults nationwide. This year it incorporates the views of more than 1,600 full-time employed adults representative of the U.S. population by age and gender. The margin of error is +/- 3%. Participants have been categorized by generation using the following age groups: 21 to 35 (Millennials), 36 to 56 (Gen X) and 57 to 74 (Baby Boomers). New questions added to the 2017 survey are highlighted throughout the report.

To reflect that Millennials comprise an increasingly larger percentage of the U.S. workforce, the 2017 report surveyed more Millennials and fewer Baby Boomers than in prior years.

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 well-being.

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Foreword

I am pleased to present insights from the 2017 edition of PwC's Employee Financial Wellness Survey which tracks the financial well-being of full-time employed U.S. adults. Millennials represent an increasingly larger share of our workforce, and this year's survey group was adjusted to better reflect the changing composition of the U.S. employee population.

Polarizing views

Data collection took place during the last two weeks in January just as the new administration took office, and several new survey questions, designed to test the impact of the political landscape, illustrate the polarizing views and divisive political climate in which employees find themselves. We see, for example, that employees are split as to the potential impact of the current government's policies on their personal finances, although the more they earn, the more likely they are to believe they will benefit.

Defining financial wellness

This year we asked employees to define financial wellness. Interestingly, across all generations they told us that financial wellness means freedom from financial stress and debt, enjoying life, and being prepared for emergencies. Surprisingly, very few employees of any age define financial wellness in terms of retirement which has historically been the focus of most employer financial education programs. Forward-thinking companies have taken note, and in recent years some have expanded the focus of their programs to encompass a broader view of employee financial wellness.

Millennials mature

Set against the backdrop of high consumer confidence and a booming stock market, we find financial stress among Millennials down this year and more in line with Gen X employees. As Millennials age and their needs evolve, we expect to see them derive more of a benefit from appreciable assets like a home or retirement plan. Although almost half have saved less than $50,000 for retirement, the majority tell us that they are actually saving more than last year.

As they age, Millennials are confronting many of the challenges their Gen X co-workers face. An increasing number of both Millennial and Gen X employees are providing financial support to parents or in-laws, and the vast majority of these same employees also have dependent children. Unfortunately, employees supporting parents or in-laws are more likely to carry credit card balances and be distracted by their personal finances at work.

Foreword (continued)

Student loans still a significant obstacle

Student loan debt continues to have a dramatic effect on employee financial well-being. Among the 40% of Millennials and 31% of Gen X employees with student loans, we find rising numbers who say that their loans are having a significant impact on their ability to meet other financial goals—45% of Millennials (up from 35% last year) and 42% of Gen X (up from 31% last year).

When we compare those with student loans who say that the loans have a moderate or a significant impact on their ability to meet other financial goals to all other employees, we find that those impacted by student loans are in worse financial shape. They are more likely to be stressed about their finances (81% vs. 45%), have difficulty meeting household expenses each month (64% vs. 36%), and use credit cards to pay for monthly necessities they can't otherwise afford (57% vs. 28%). In addition, they are more likely to be distracted by their finances at work (55% vs. 23%) and withdraw money from their retirement plans (51% vs. 23%).

Striving to enable more employees to invest in their future, some organizations are focusing on benefits like student loan pay down programs to assist an overwhelming number of employees who find that their loans are impacting their ability to meet other financial goals.

Depleted retirement funds

More Millennial and Gen X employees are withdrawing money from their retirement plans than we've seen in prior years—around one-third of Millennial and Gen X employees have already withdrawn money from their retirement plans and about half think it's likely they will need to do so in the future. And those employees who are stressed about their finances, impacted by student loans, or supporting a parent or in-law are twice as likely to use their retirement savings before retirement. This is a particularly concerning trend given the financial challenges younger employees will face in the future due to disappearing defined benefit pension plans and rising medical expenses.

We find that retirement plan withdrawals are largely driven by employees who need to deal with an unexpected expense or medical bills. While some companies are focused on plan design changes to address the loan and withdrawal issue, limiting the resources employees have to deal with unexpected expenses is likely not the answer and may even exacerbate the problem by causing employees to seek out more costly alternative financing or default on other obligations. Employers who recognize the underlying cash and debt issues are providing resources to help their employees better manage cash flow and debt, build emergency funds, and prepare for the unexpected so that they don't need to raid their retirement plans.

Foreword (continued)

Financial stress costing companies

Given employers' growing interest in measuring the return on investment of a financial wellness program, this year's survey delves further into the impact that financial stress is having on employees and the business itself. The results are concerning. Employees who are stressed about their finances are both less productive and in worse financial shape than other employees. Some of the differences include being nearly five times more likely to be distracted by their finances at work (48% vs. 10%), twice as likely to spend three hours or more at work dealing with financial matters (50% vs. 26%), and three times more likely to spend five hours or more (20% vs. 7%). Stressed employees are also twice as likely to miss work on account of their personal financial issues (16% vs. 8%) and more inclined to cite health issues caused by financial stress (35% vs. 20%). Not surprisingly, financial stress also has a dramatic impact on retirement savings and credit card debt.

These results should give even more credence to those seeking to expand their focus on improving financial well-being. Given the potential significance of these findings for employers, we plan to further explore issues of particular relevance to HR professionals in a supplemental survey report to be released later this year.

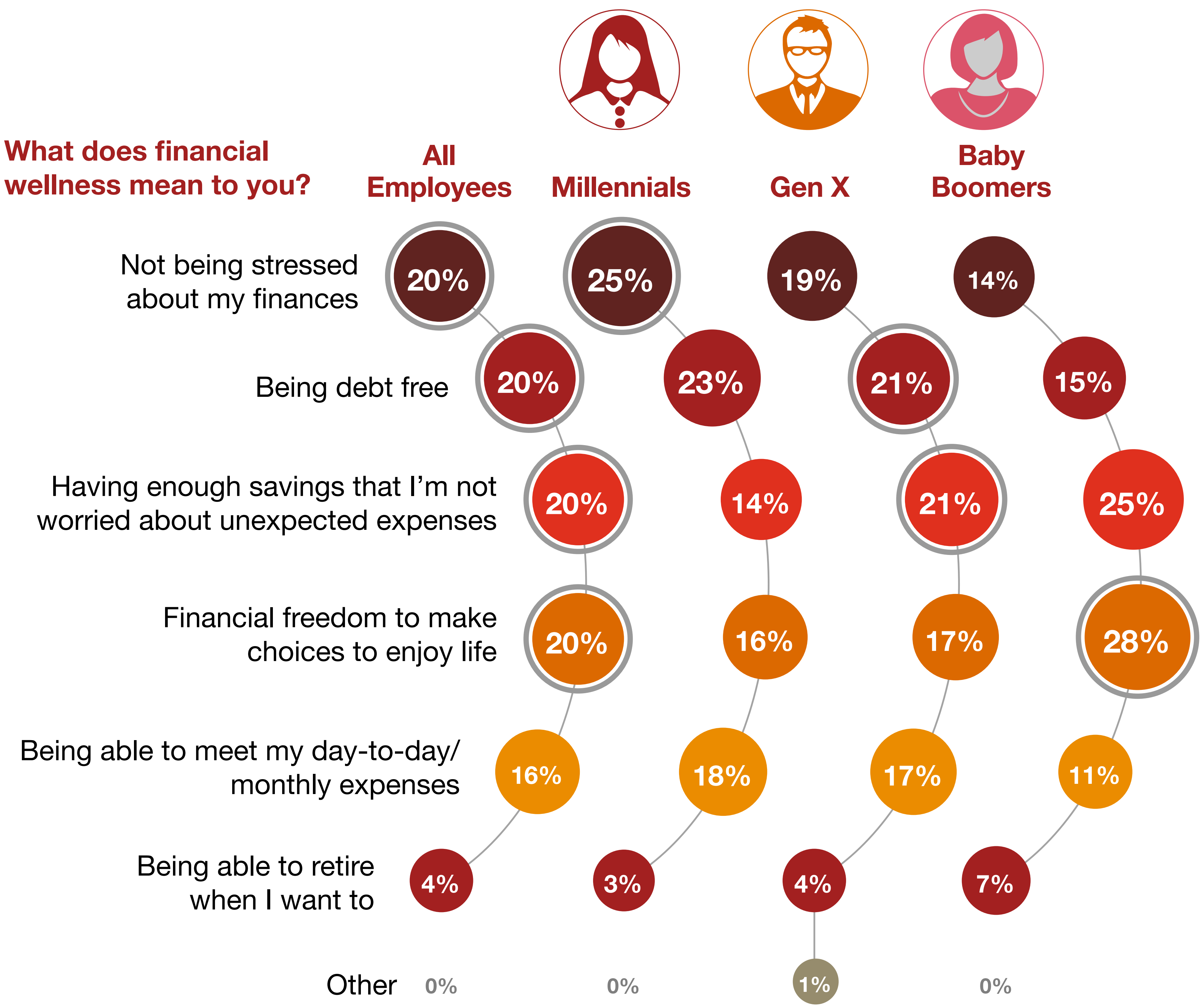
Kent E. Allison
Partner & National Practice Leader

Financial well-being

New for 2017

Employees define financial wellness

Employees say that financial wellness means freedom from financial stress and debt, and being prepared for emergencies. Very few respondents define financial wellness in terms of retirement.



Top financial concerns

When asked about overall financial concerns, employees most frequently cite insufficient emergency savings, inability to retire, and difficulty meeting monthly expenses.

Top financial concerns*	2012	2013	2014	2015	2016	2017
Not having enough emergency savings for unexpected expenses	54%	49%	50%	51%	55%	50%
Not being able to retire when I want to	37%	45%	42%	40%	37%	29%
Not being able to meet monthly expenses	25%	22%	21%	19%	25%	29%
Being laid off from work	22%	19%	20%	19%	20%	19%
Not being able to keep up with my debts	14%	15%	15%	14%	15%	17%
Other	4%	5%	7%	8%	6%	10%
Losing my home	7%	4%	4%	4%	5%	7%
Not being able to pay for college	6%	5%	5%	7%	5%	5%

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

Gender differences for top financial concerns:

54% *of women cited not having enough emergency savings for unexpected expenses vs.* ***45%*** *of men*

Generational differences for top financial concerns

After emergency savings which is the most frequently cited concern for all generations, Baby Boomers understandably more frequently cite retirement as a concern as compared to Millennials who more frequently cite meeting current expenses.

Top financial concerns*	All employees	Millennials	Gen X	Baby Boomers
Not having enough emergency savings for unexpected expenses	50%	52%	51%	45%
Not being able to retire when I want to	29%	20%	29%	41%
Not being able to meet monthly expenses	29%	32%	34%	20%
Being laid off from work	19%	21%	19%	15%
Not being able to keep up with my debts	17%	18%	20%	12%
Other	10%	7%	7%	19%
Losing my home	7%	7%	8%	4%
Not being able to pay for college	5%	6%	5%	3%

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

Potential shift in focus for Gen X employees from longer-term planning to meeting current needs

Gen X employees who are concerned about retirement:

29% *in 2017 down from* ***37%*** *in 2016*

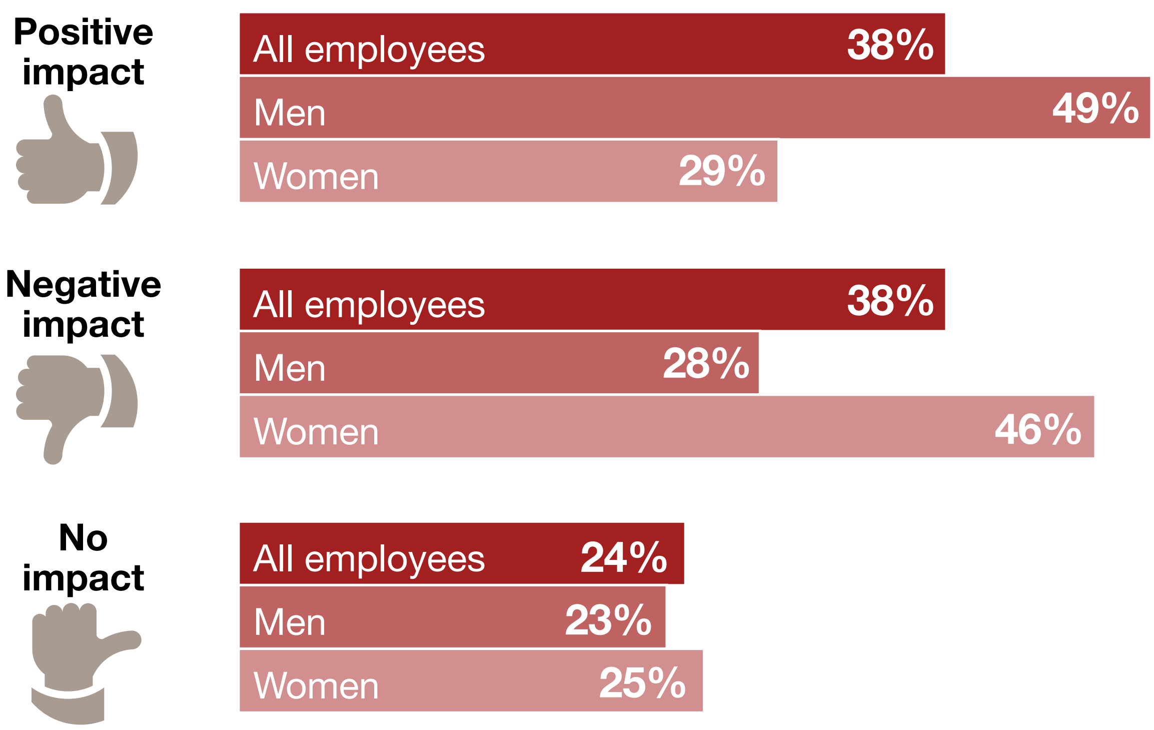
Gen X employees who are concerned about not being able to meet monthly expenses:

34% *in 2017 up from* ***25%*** *in 2016*

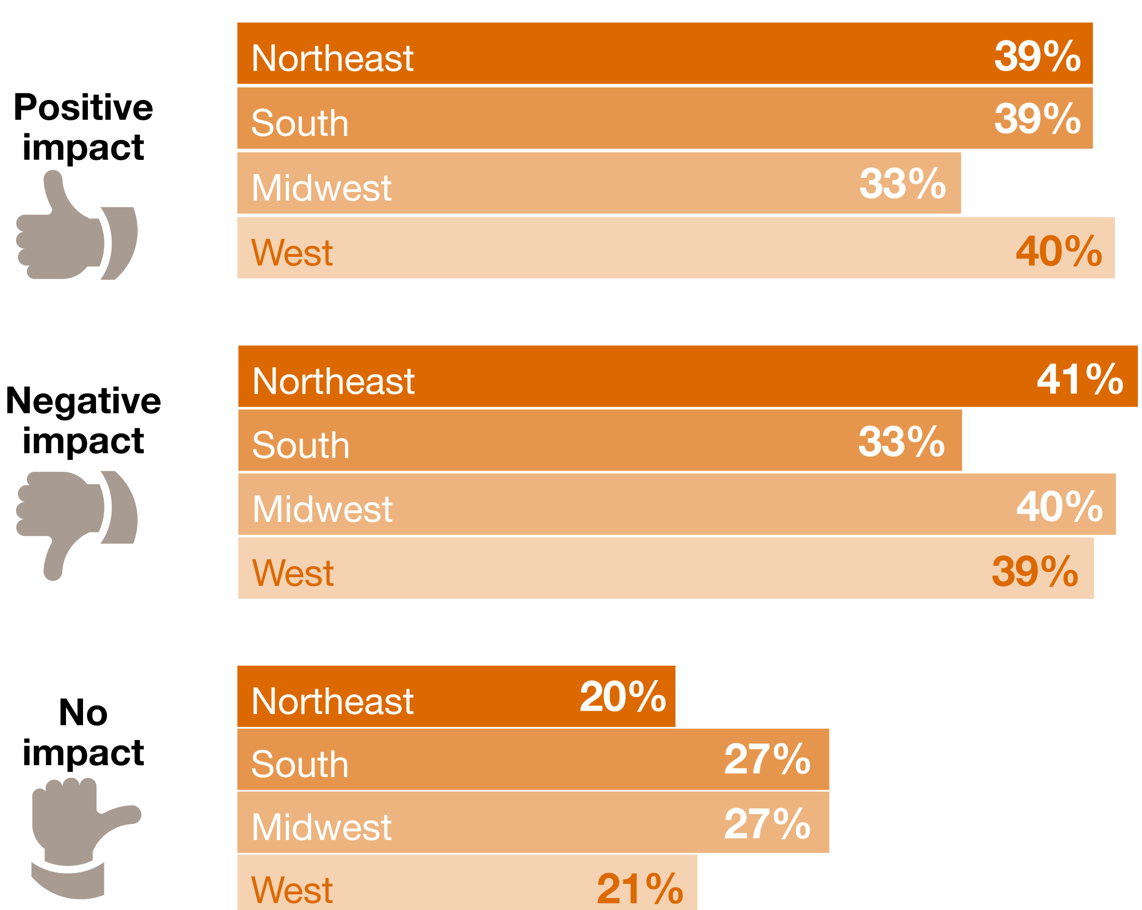
New for 2017

What impact do you think the current U.S. government's policies will have on your finances?

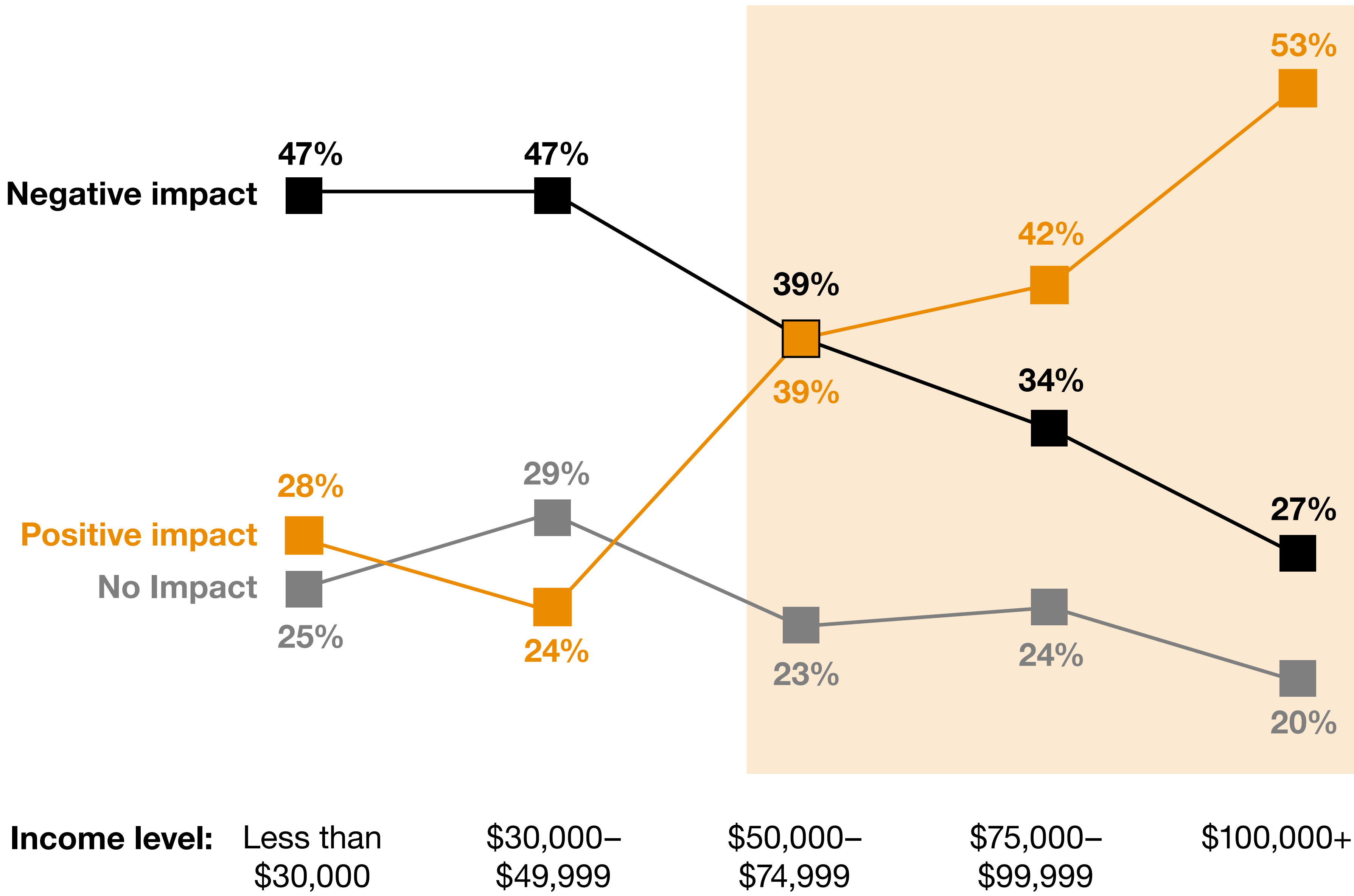
Overall, employees are divided as to the impact of the current government's policies. Men are more likely to say that the government's policies will have a positive impact on their finances.



Employees are relatively consistent in their views across geographies.



Those at higher income levels are more likely to indicate that the government's policies will have a positive impact on their finances:

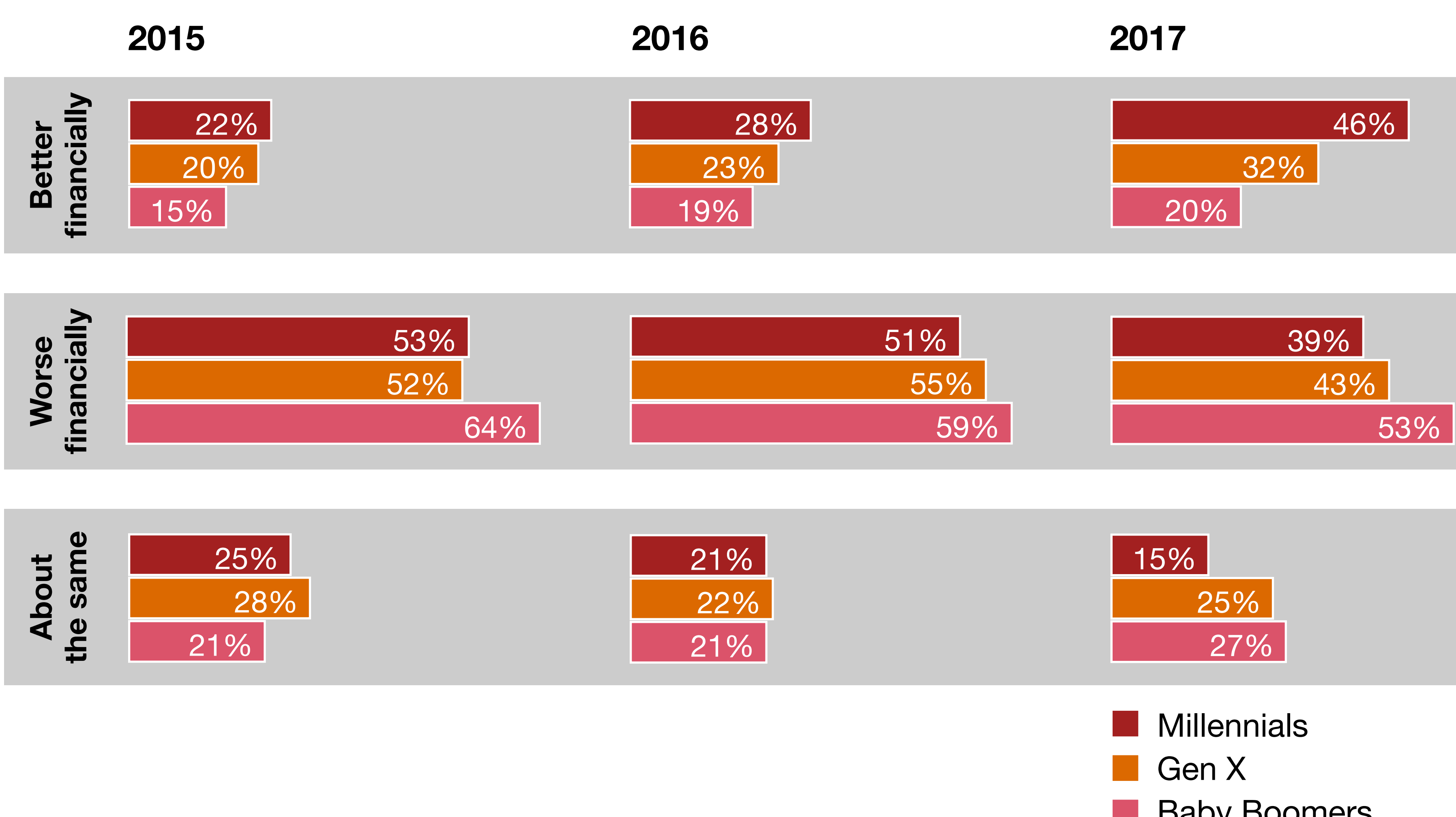


What would most help you achieve your future financial goals?

Like last year, job security continues to be more important for Millennials and Gen X, whereas lower healthcare costs are more important for Baby Boomers.

What would most help you achieve your future financial goals?	All employees	Millennials	Gen X	Baby Boomers
Better job security	21%	28%	22%	10%
Lower healthcare costs	19%	9%	19%	31%
Lower inflation	18%	16%	18%	20%
Rising stock market	14%	14%	11%	20%
Assistance from a personal financial planner or coach	8%	7%	10%	7%
Improved housing market	7%	10%	7%	5%
Other	7%	4%	8%	7%
Lower education costs	6%	12%	5%	0%

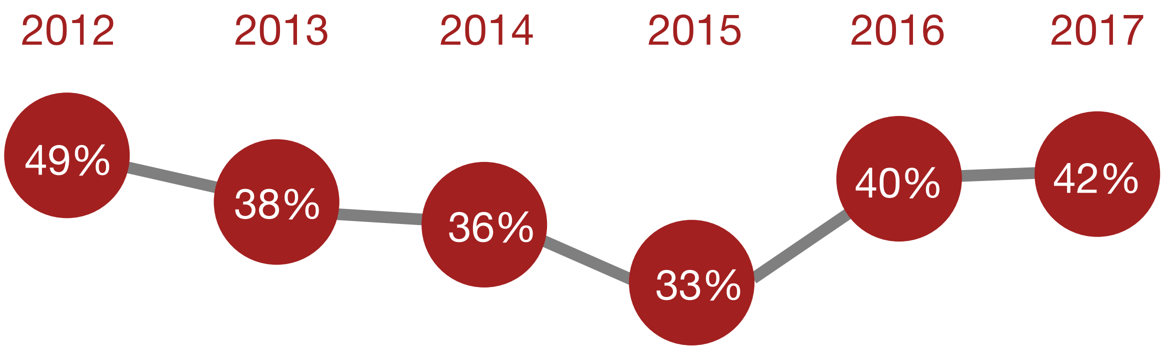
Overall, do you think the next generation will be better or worse off financially than your generation?



Cash and debt management

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

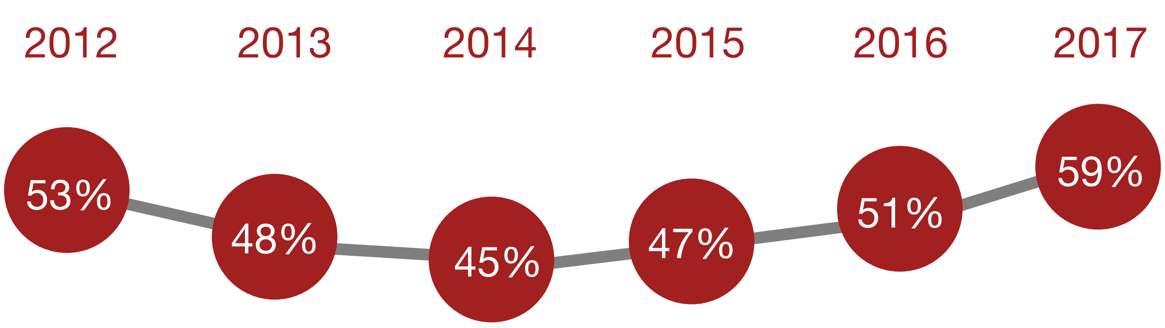
All employees



By generation	**2013**	**2014**	**2015**	**2016**	**2017**
Millennials	30%	41%	35%	46%	41%
Gen X	49%	43%	39%	44%	50%
Baby Boomers	31%	26%	24%	32%	32%

Employees who consistently carry balances on their credit cards:

All employees

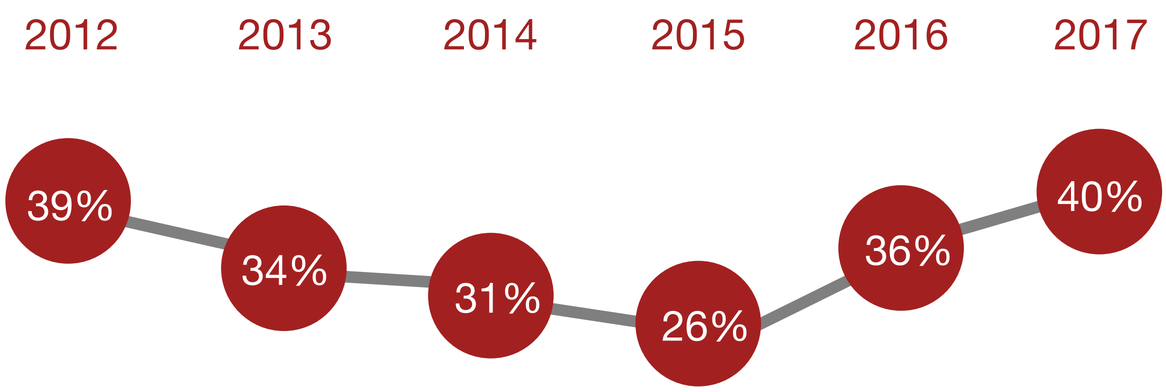


large increase for Millennials & Gen X in 2017

By generation	**2013**	**2014**	**2015**	**2016**	**2017**
Millennials	37%	51%	52%	53%	70%
Gen X	58%	51%	52%	53%	63%
Baby Boomers	42%	35%	37%	46%	41%

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

All employees



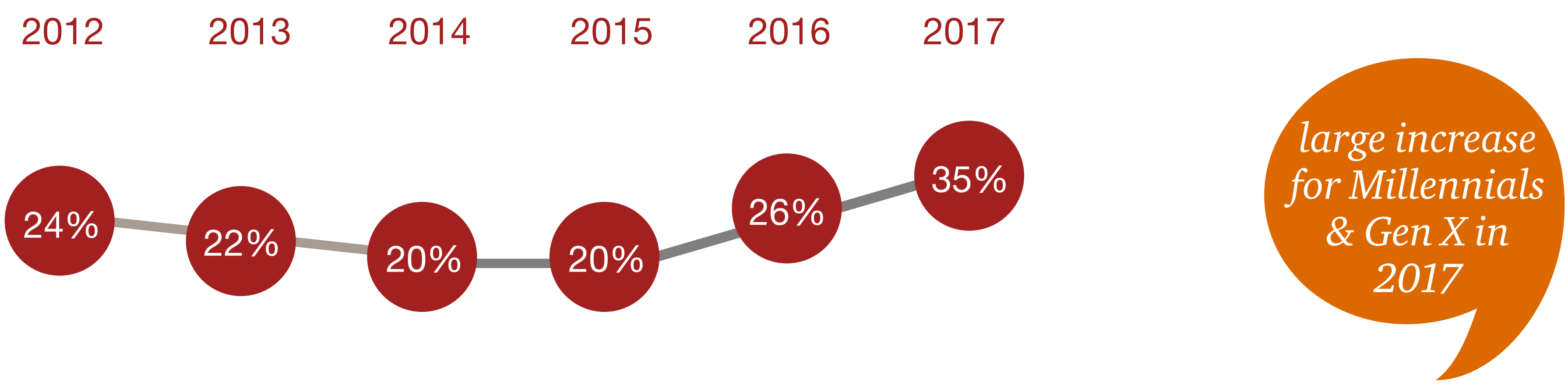
By generation	2013	2014	2015	2016	2017
Millennials	23%	39%	30%	40%	39%
Gen X	44%	33%	29%	36%	42%
Baby Boomers	23%	22%	19%	32%	36%

Of the employees consistently carrying balances on their credit cards, 68% have developed a plan to reduce their debt. More than two-thirds (70%) say they developed their debt reduction plan on their own and only 20% used help from a financial professional. Eighty-four percent of those with a debt reduction plan say they have been following their plan on a consistent basis.

More than one in three employees are using credit cards for monthly necessities they can't otherwise afford

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

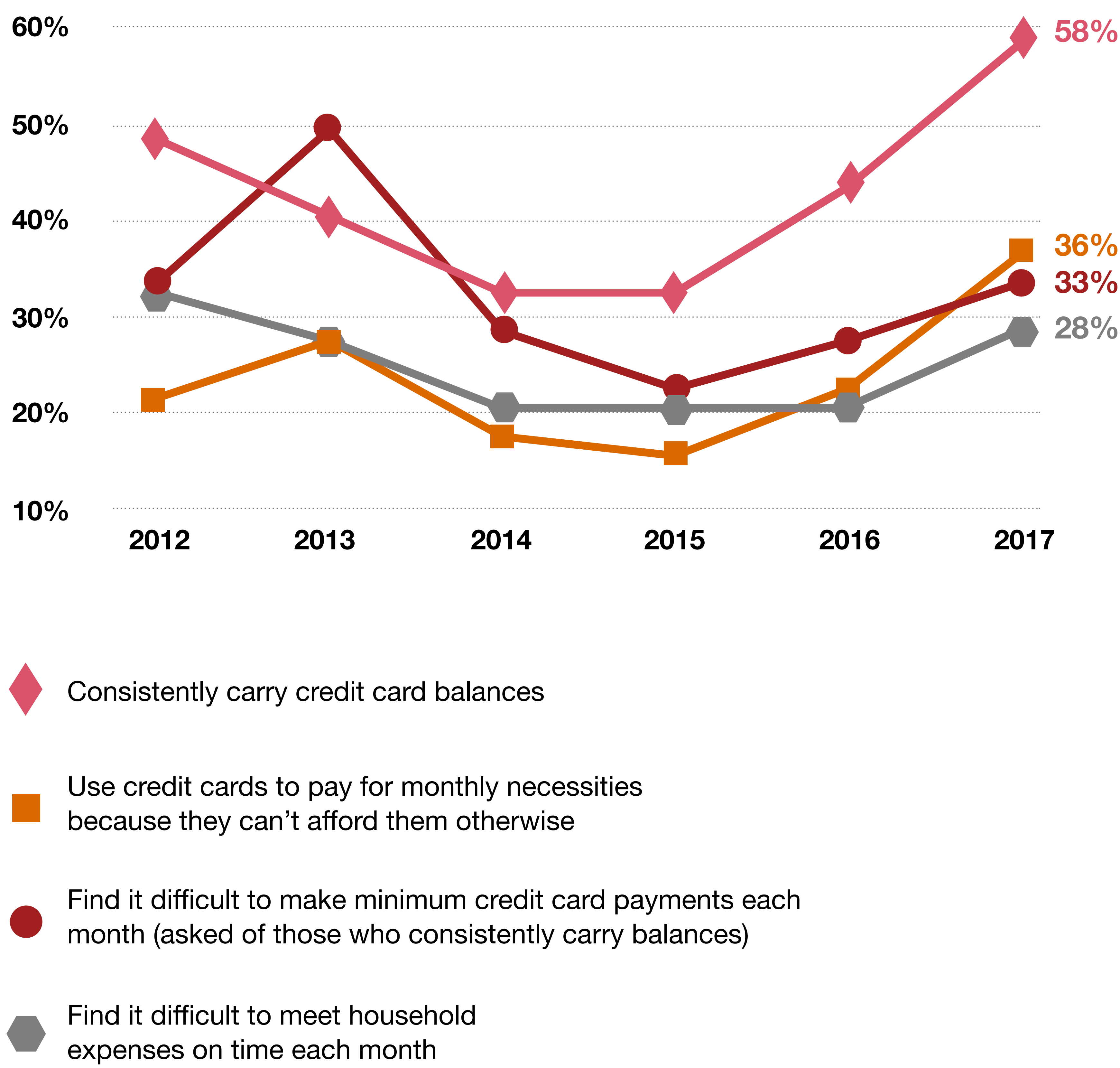
All employees



By generation	2013	2014	2015	2016	2017
Millennials	24%	29%	23%	30%	45%
Gen X	33%	24%	23%	27%	38%
Baby Boomers	12%	12%	15%	21%	18%

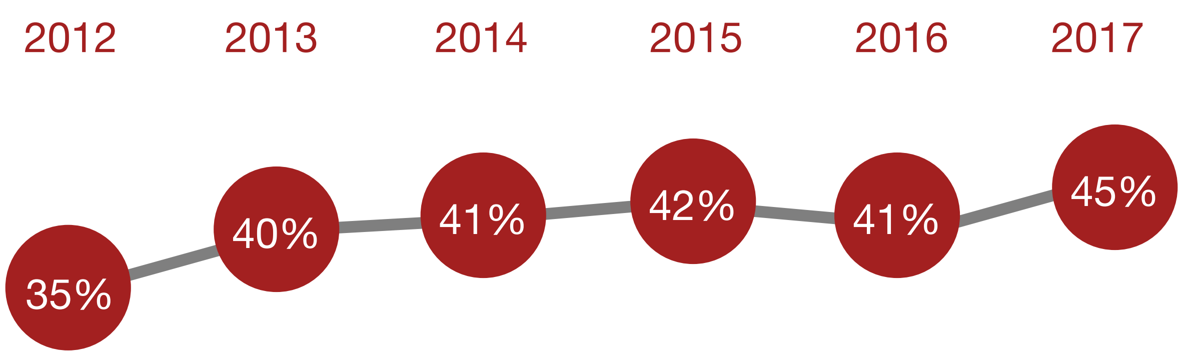
Cash and debt challenges are a growing issue even for those employees at the highest income level of those surveyed.

Among employees earning $100,000+:



Employees who would be able to meet their basic expenses if they were out of work for an extended period of time:

All employees



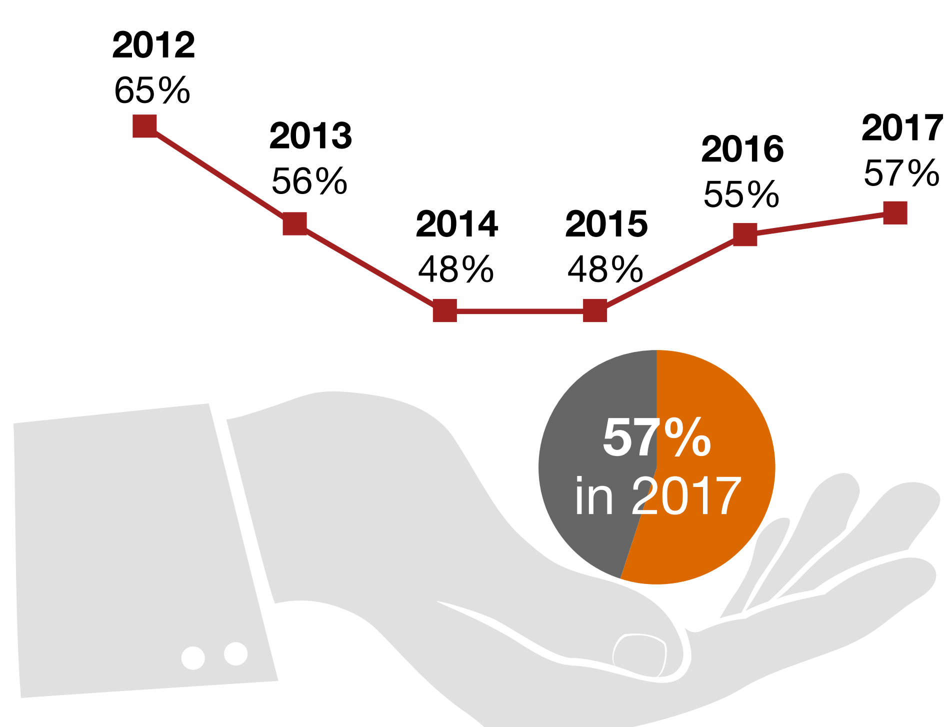
large increase for Millennials in 2017

By generation	2013	2014	2015	2016	2017
Millennials	35%	38%	39%	38%	52%
Gen X	41%	33%	36%	41%	38%
Baby Boomers	40%	50%	52%	43%	48%

***By gender:** Only **35%** of women would be able to meet their basic expenses if they were out of work for an extended period of time vs. **57%** of men.*

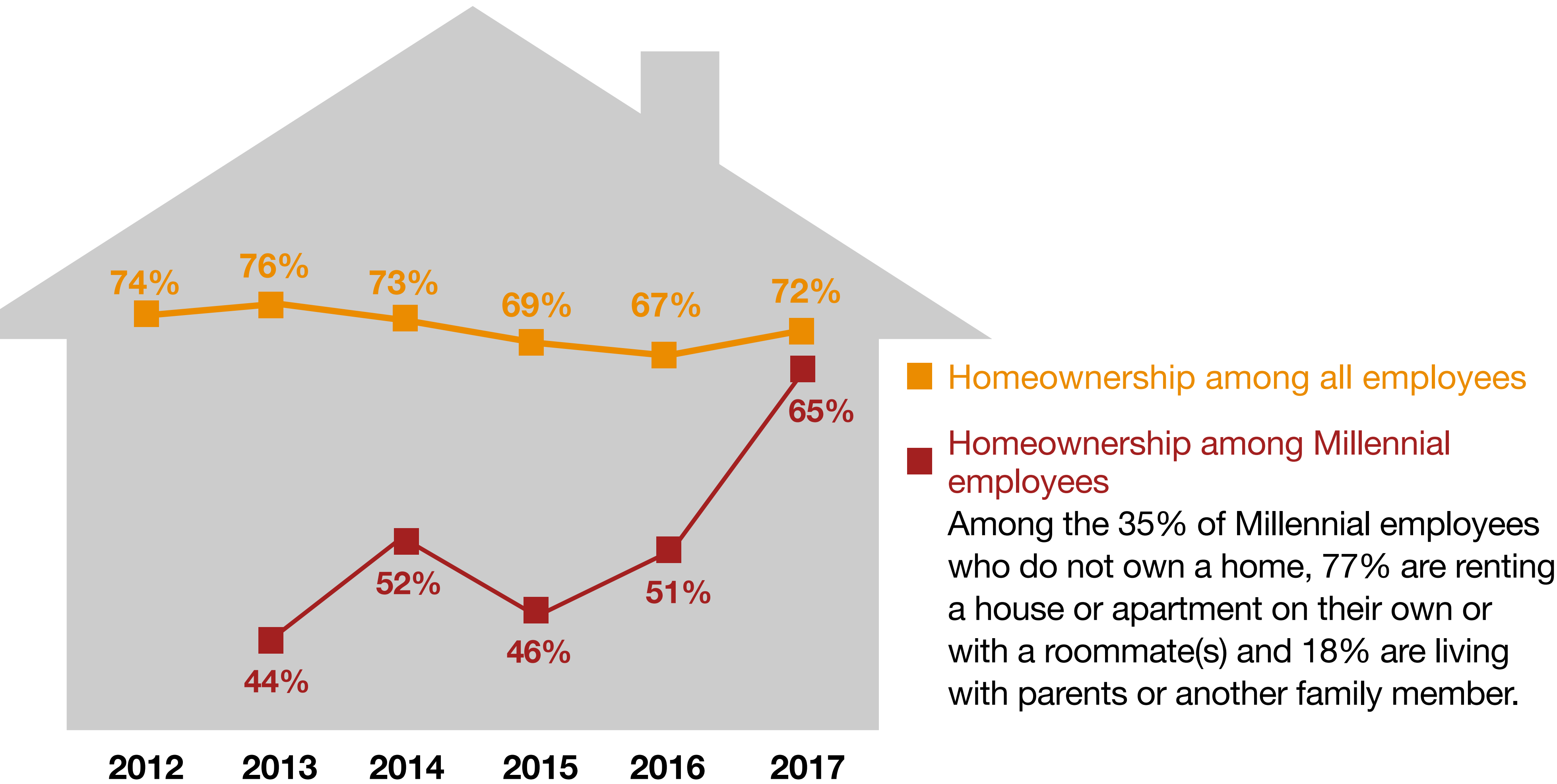
Spending habits

More than half (57%) of employees have changed their spending behavior in the past 12 months in order to save money on day-to-day necessities.



Homeownership

Seventy-two percent of employees own their primary residence and 66% of them have a mortgage. Of those with a mortgage, 94% are current on their payments.

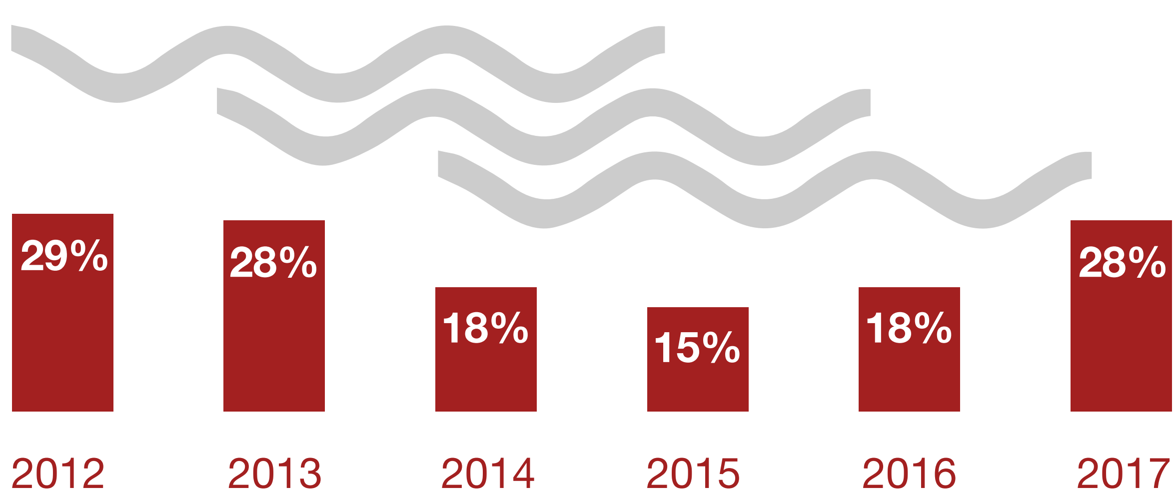


Among the 35% of Millennial employees who do not own a home, 77% are renting a house or apartment on their own or with a roommate(s) and 18% are living with parents or another family member.

Twenty-eight percent 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 28%, 80% have attempted to modify the terms of their mortgage with their lenders, 56% have received a foreclosure notice within the last 24 months, 47% are considering foreclosure, 26% are considering deed in lieu of foreclosure, and 27% are considering a short sale to remedy their situation.

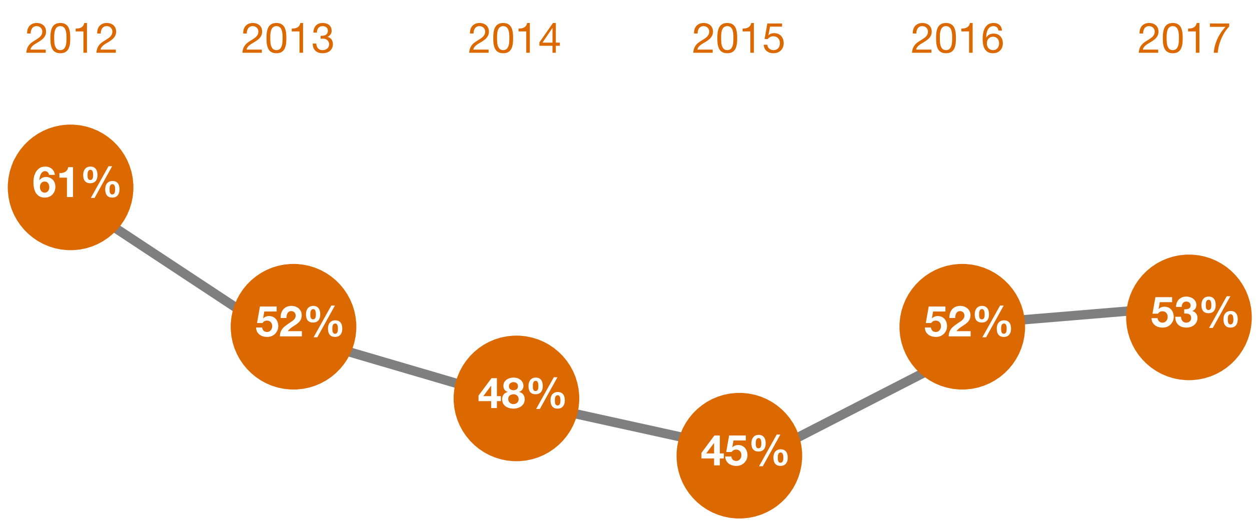
Homeowners with an underwater mortgage (outstanding balance of their mortgage is greater than the value of their home):



Financial stress

Consistent with last year, more than half (53%) of employees report that they are stressed dealing with their financial situation and nearly half (47%) say that their stress level related to financial issues has increased over the last 12 months.

Financial stress by year

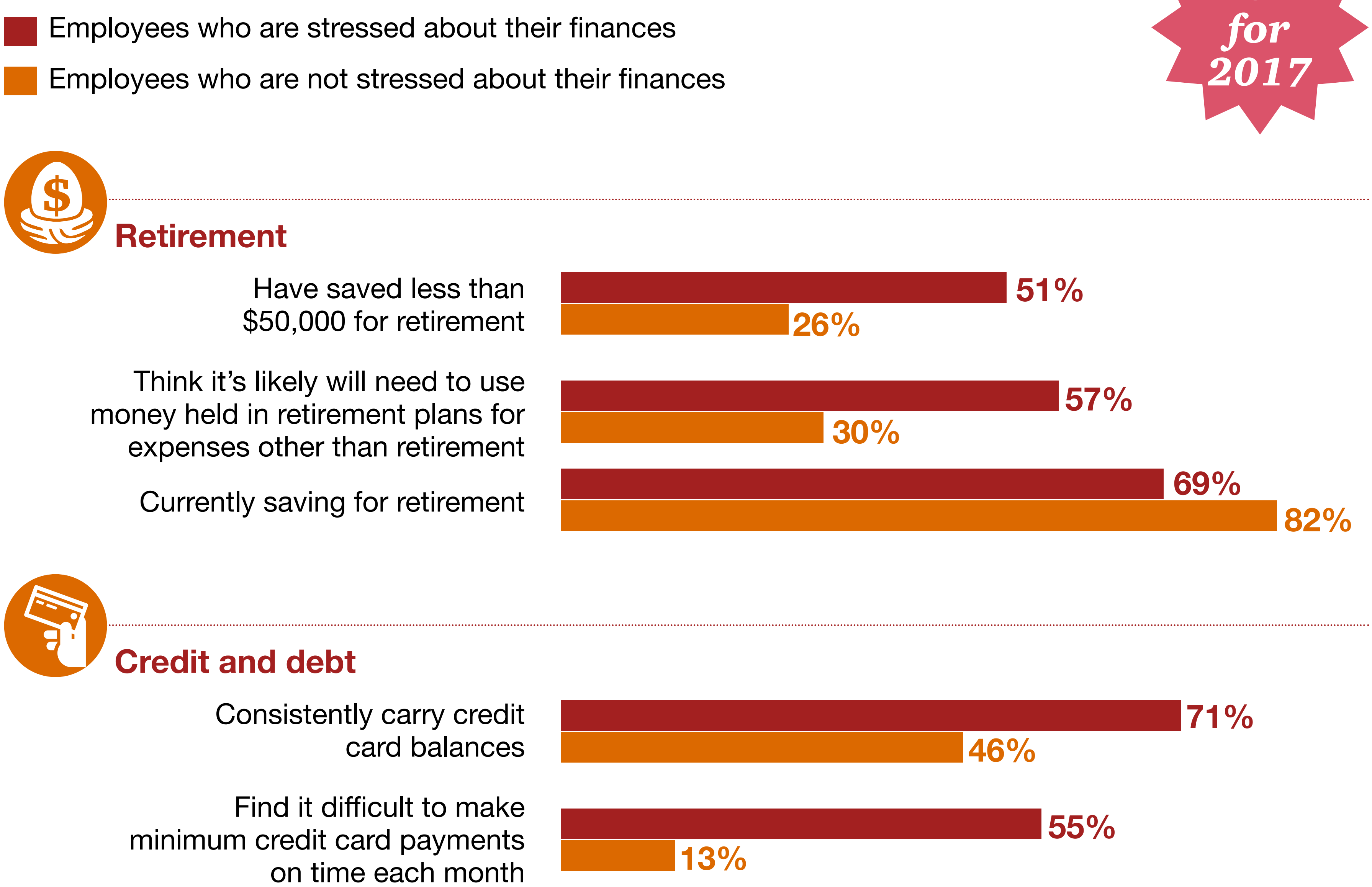


By generation: The majority of Millennial and Gen X employees are stressed about their finances.

Financial stress	2013	2014	2015	2016	2017
Millennials	49%	60%	52%	64%	57%
Gen X	62%	53%	52%	56%	59%
Baby Boomers	45%	36%	34%	40%	41%

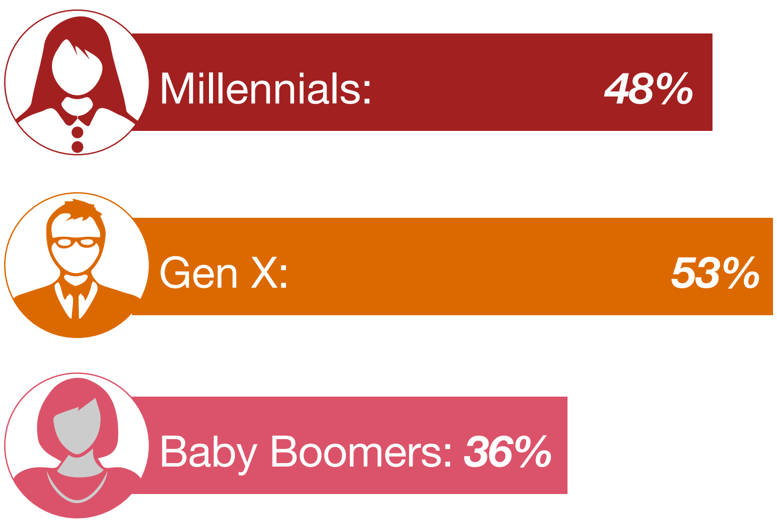
Stressed employees are in worse financial shape than other employees.

New for 2017



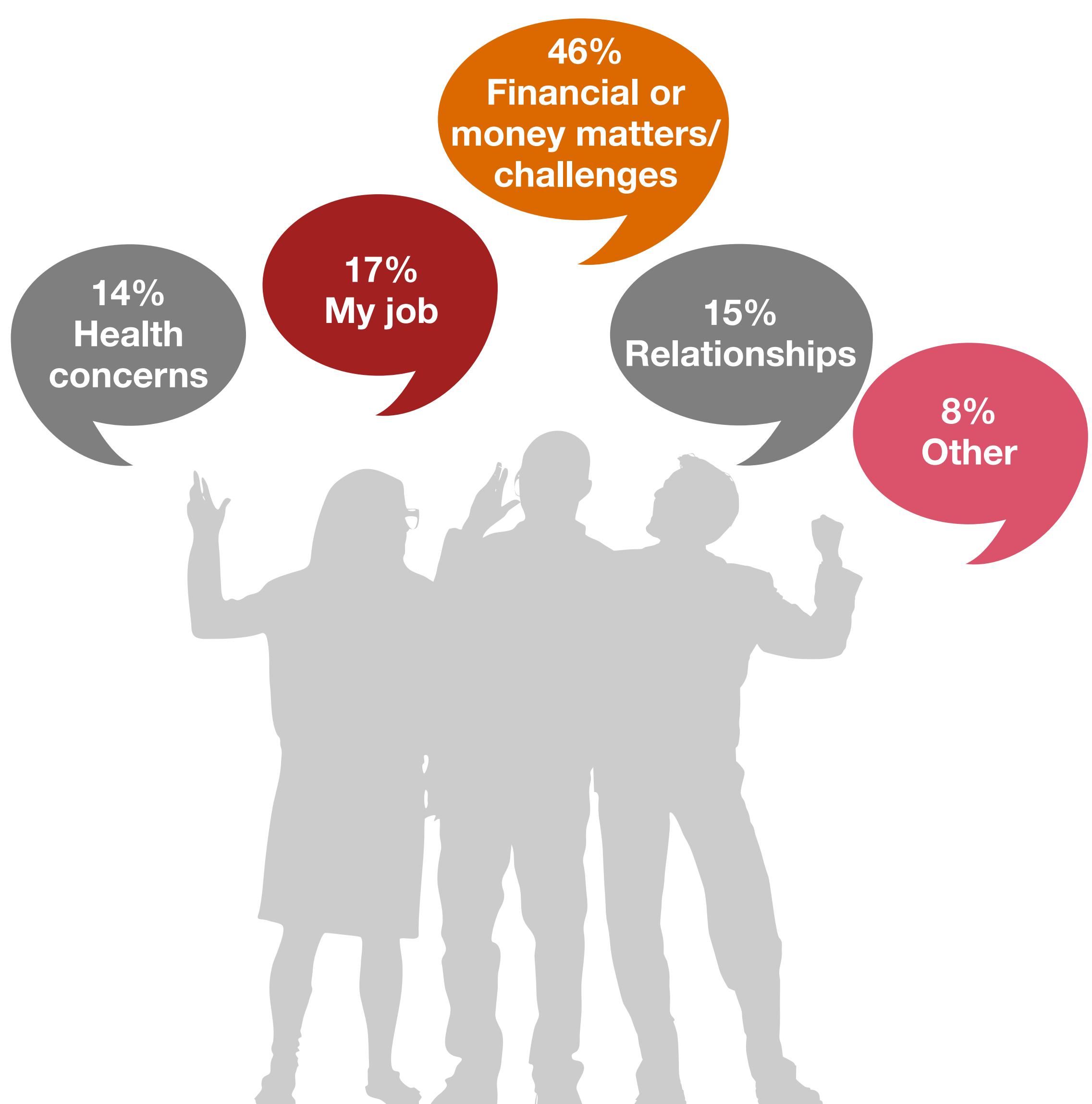
Financial challenges/money matters cause employees the most stress in their lives.

By generation: Financial matters was the top choice for cause of stress across all generations:



*By gender: **52%** of women and **40%** of men said that financial matters cause them the most stress.*

Which of the following causes you the most stress?



Finances while at work

30%
Nearly one in three employees reports that issues with personal finances have been a distraction at work.

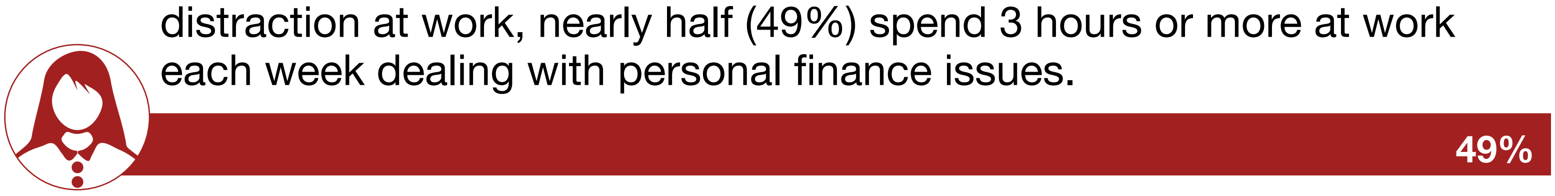
46% *of those who are distracted by their finances at work say that they spend three hours or more at work each week thinking about or dealing with issues related to their personal finances.*

Finances are more likely to be a distraction at work for Millennial and Gen X employees.

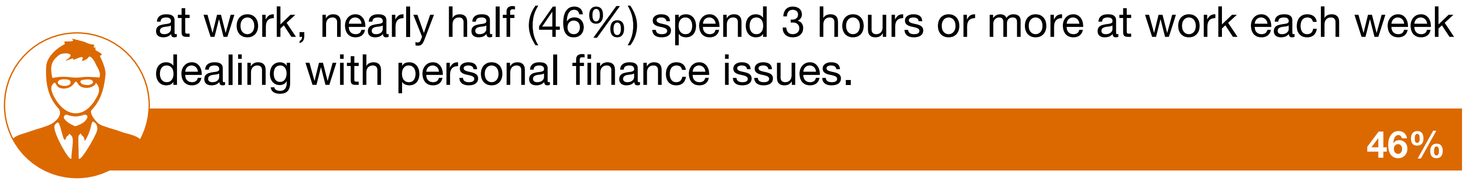
By generation: Employees who say that issues with personal finances have been a distraction at work:

Finances while at work	2013	2014	2015	2016	2017
Millennials	19%	35%	22%	37%	37%
Gen X	32%	29%	24%	29%	34%
Baby Boomers	16%	12%	13%	19%	16%

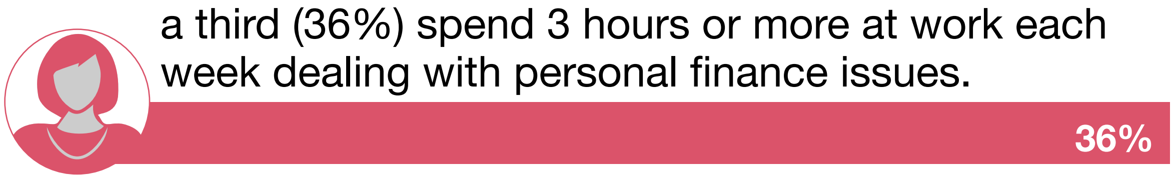
Of the 37% of Millennials who say their finances have been a distraction at work, nearly half (49%) spend 3 hours or more at work each week dealing with personal finance issues.



Of the 34% of Gen X who say their finances have been a distraction at work, nearly half (46%) spend 3 hours or more at work each week dealing with personal finance issues.



Of the 16% of Baby Boomers who say their finances have been a distraction at work, more than a third (36%) spend 3 hours or more at work each week dealing with personal finance issues.



Employees admit that financial worries have impacted their health, relationships, productivity, and time away from work.

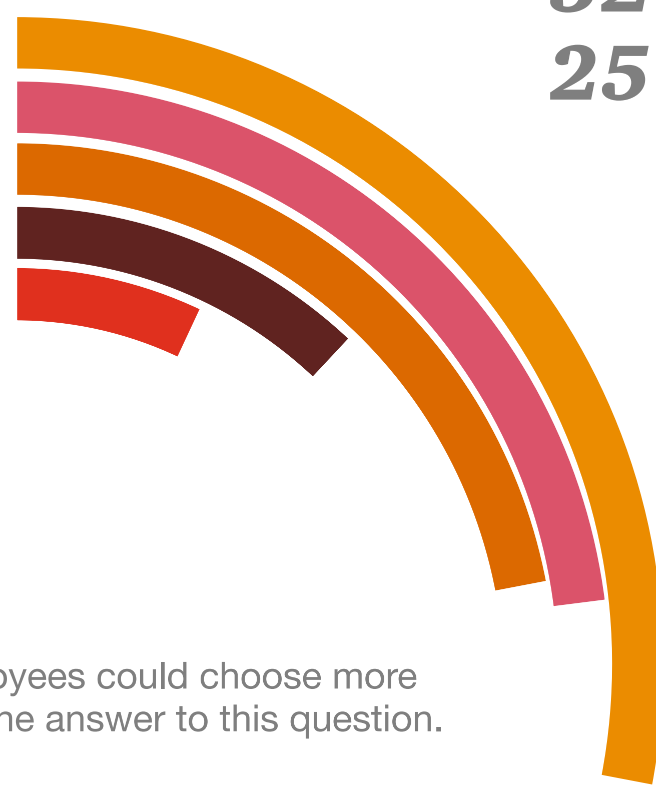
My health has been impacted by my financial worries:

26% *of Millennials*
32% *of Gen X*
25% *of Baby Boomers*

Which of the following have been impacted by your financial worries?*

My health—28%
My relationships at home—23%
My productivity at work—22%
Missing work occasionally—12%
Other—7%

None of these—37%

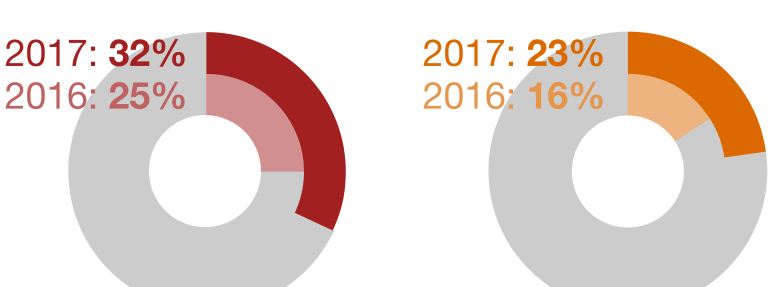


*Employees could choose more than one answer to this question.

As compared to last year, more Millennial and Gen X employees say that their work has been impacted by their financial worries.

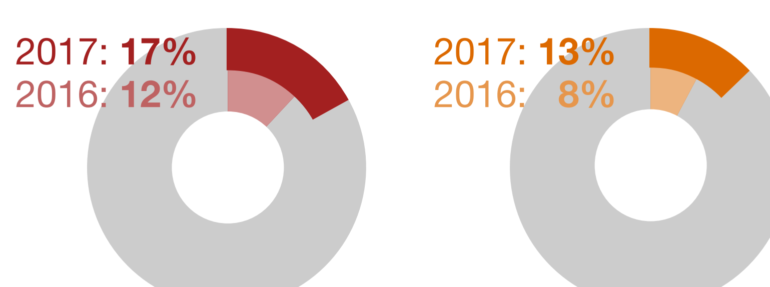
Productivity at work has been impacted by financial worries

Millennials | Gen X



Missing work occasionally due to financial worries

Millennials | Gen X



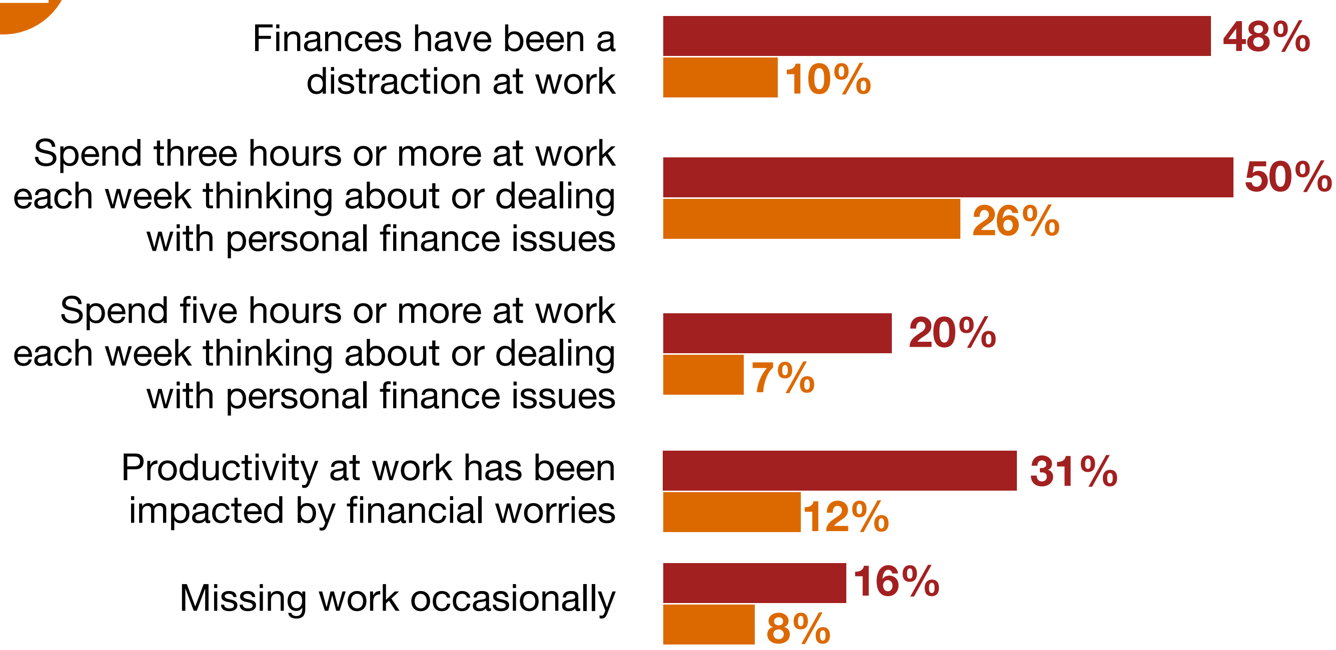
Stressed employees are less productive than other employees.

New for 2017

Employees who are stressed about their finances

Employees who are not stressed about their finances

Productivity



Stress also impacts employee health and relationships.

New for 2017

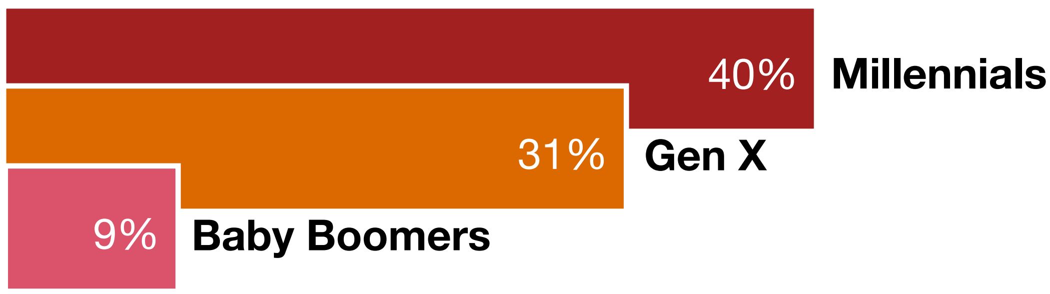
Employees who are stressed about their finances

Employees who are not stressed about their finances

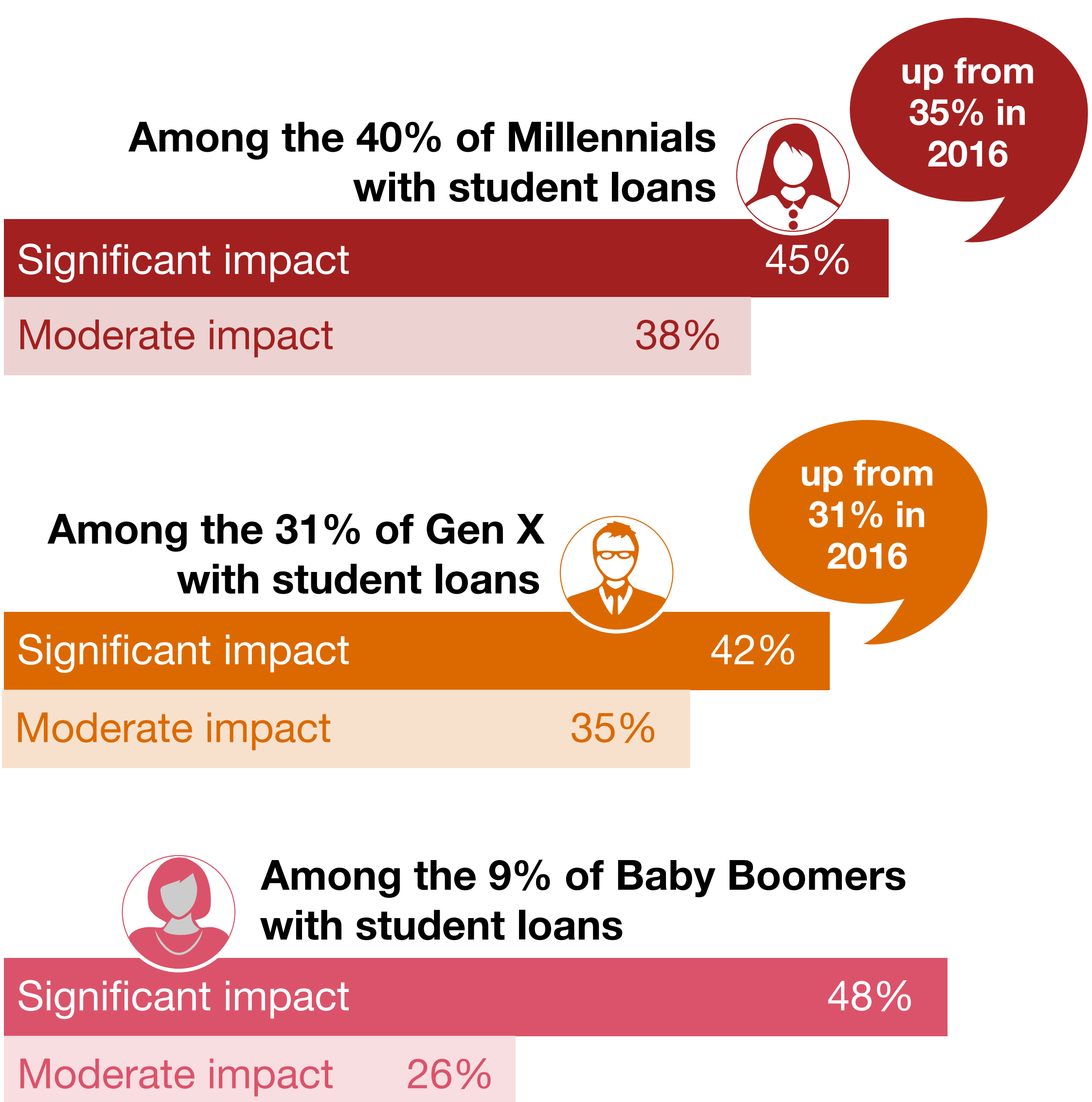
Health and relationships

Student loans

Employees who have a student loan(s):



How much of an impact are student loans having on your ability to meet your other financial goals?*



*Answer choices included significant impact, moderate impact, little impact, or no impact.

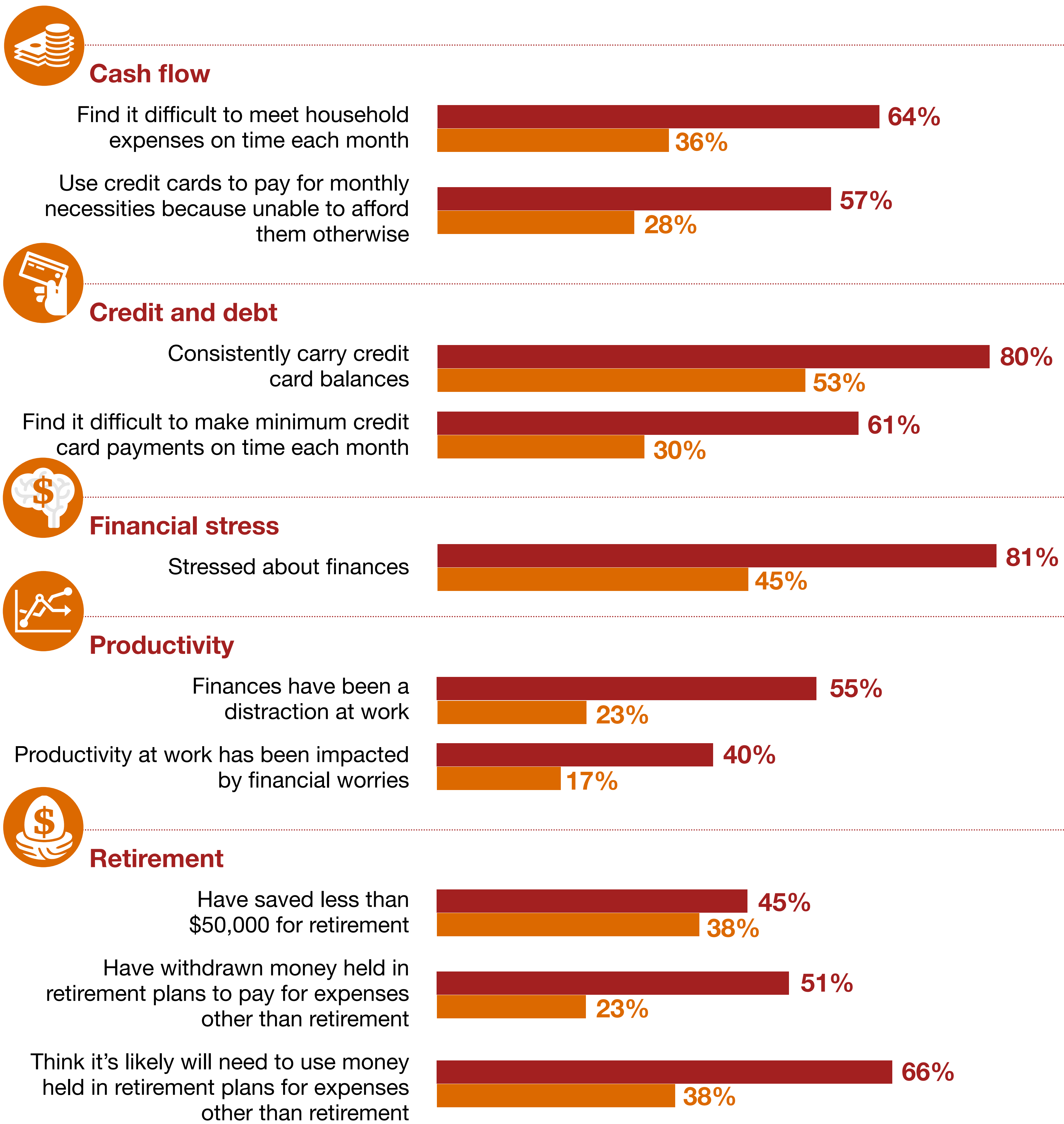
***40%** of Millennial employees have a student loan(s) and **83%** of them say that their student loans have a moderate or significant impact on their ability to meet their other financial goals.*

Among the 9% of Baby Boomers with student loans, 60% say the loans are for their own education expenses and 38% say it's for their children.

Employees impacted by student loans are in worse financial shape than other employees.

Employees with student loans who said that the loans have a moderate or a significant impact on their ability to meet their other financial goals

All other employees



Planning for the future

Retirement confidence

Retirement confidence is consistent with last year for Baby Boomers and Gen X employees and up among Millennials.

large increase for Millennials in 2017

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

	2013	2014	2015	2016	2017
Millennials	36%	40%	41%	36%	54%
Gen X	33%	32%	38%	37%	40%
Baby Boomers	37%	48%	51%	51%	53%

Retirement confidence

49% *of employees are confident they'll be able to retire when they want*

Baby Boomers and retirement

Of the 59% of Baby Boomers who plan to retire within the next five years—

70% *say they feel comfortable managing their retirement assets to make them last over their lifetime.*

Yet only ***42%*** *know how much income they will need in retirement. And* ***42%*** *are not confident they'll be able to cover medical expenses in retirement.*

Retirement concerns

Consistent with prior years, running out of money is employees' biggest concern about retirement, followed by health issues and healthcare costs.

Concerns about retirement*	All employees	Millennials	Gen X	Baby Boomers
Running out of money	42%	43%	46%	36%
Health issues	33%	32%	32%	33%
Healthcare costs	27%	19%	30%	34%
Not being able to meet my monthly expenses	19%	16%	21%	20%
Not being able to maintain my standard of living	17%	18%	17%	17%
I don't know what I'll do with my free time in retirement	15%	19%	11%	17%
Managing my investments in retirement	7%	8%	5%	7%
Not leaving any assets upon my death for my family, charity, etc.	4%	4%	4%	5%
Meeting education expenses for child/children	4%	7%	5%	1%
Other	3%	3%	2%	4%
Other expenses for children (e.g., wedding expenses)	2%	3%	2%	1%

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

Women are more concerned about cash flow issues in retirement than men.

***48%** of women cite running out of money among their top two concerns vs. **36%** of men*

***24%** of women cite meeting monthly expenses among their top two concerns vs. **13%** of men*

Retirement savings

Seventy-five percent of employees are currently saving for retirement.

By generation: Millennials (72%), Gen X (75%), and Baby Boomers (80%) are currently saving for retirement. Last year, only 60% of Millennial employees were saving for retirement.

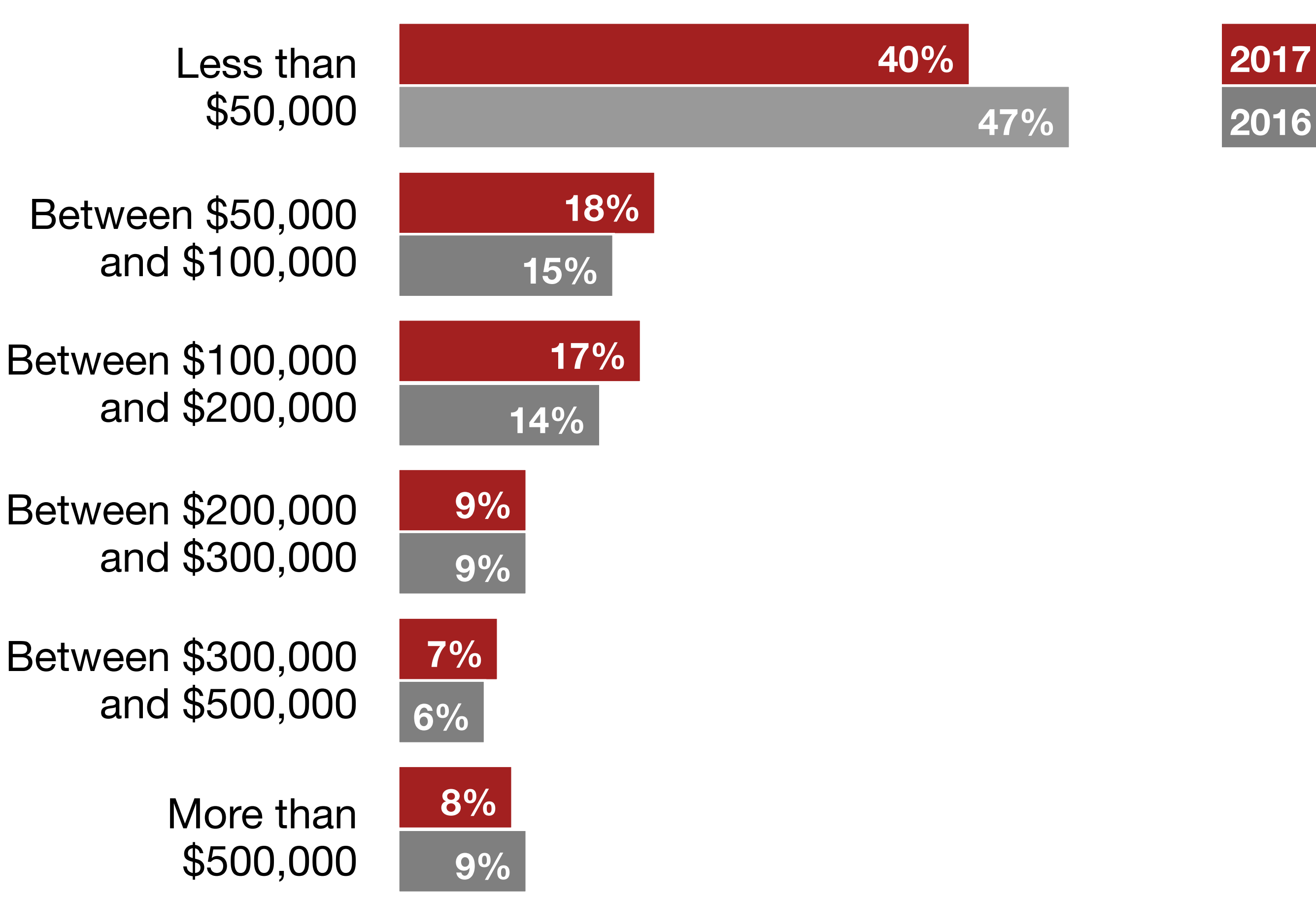
How much are you saving for retirement as compared to last year?

	All employees	Millennials	Gen X	Baby Boomers
More	44%	57%	43%	31%
Less	11%	10%	12%	10%
About the same	45%	33%	45%	60%

*Only **48%** of women have examined whether they're on track to meet their retirement goal vs. **62%** of men.*

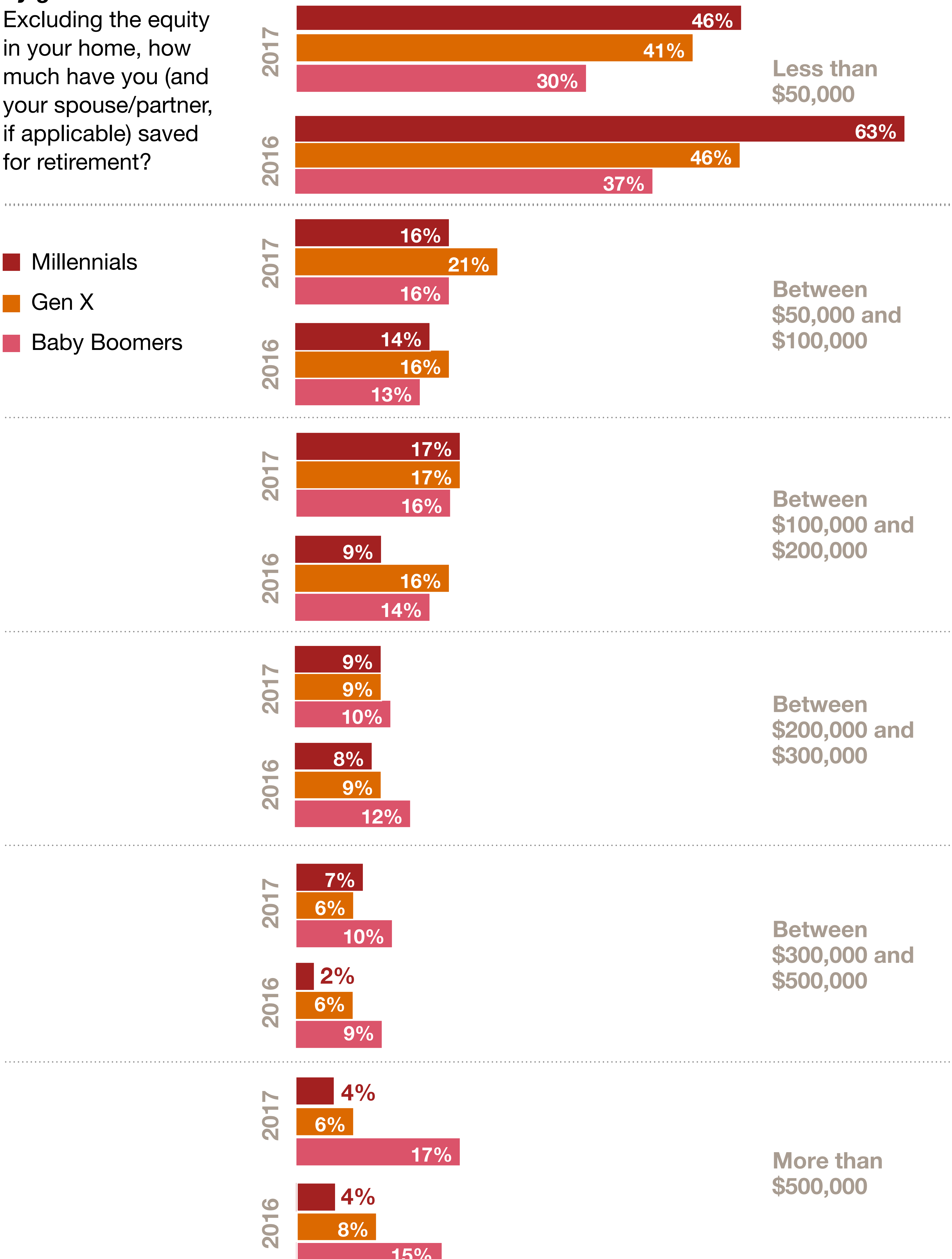
However, 40% of all employees have saved less than $50,000 for their retirement.

Excluding the equity in your home, how much have you (and your spouse/partner, if applicable) saved for retirement?



__49%__ of women and __30%__ of men have saved less than __$50,000__ for retirement.

By generation:
Excluding the equity in your home, how much have you (and your spouse/partner, if applicable) saved for retirement?



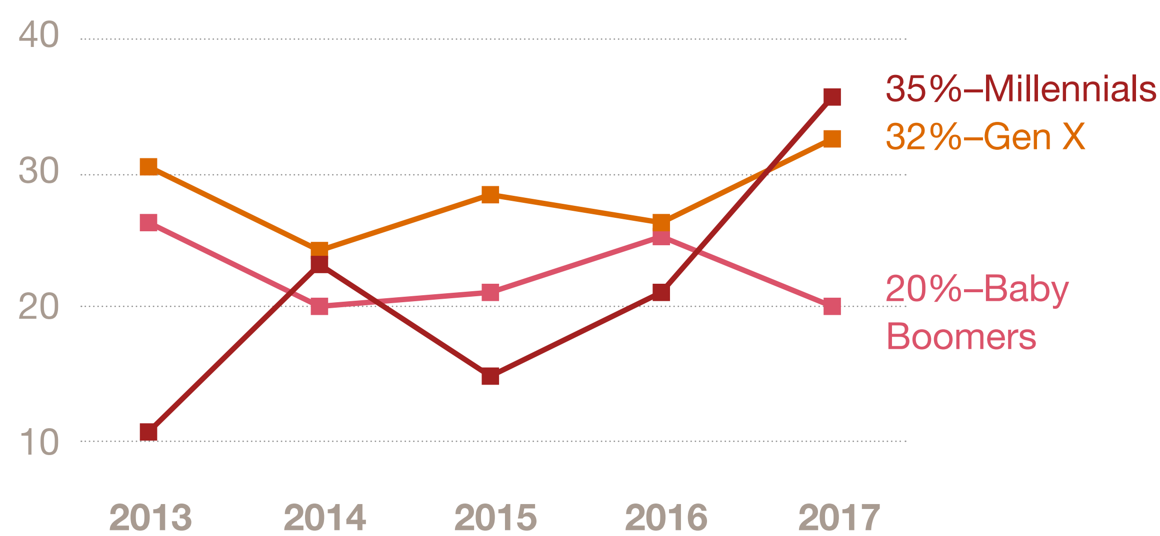
__44%__ of employees think it's likely they'll need to use money from their retirement plans for non-retirement expenses.

Withdrawing money prior to retirement

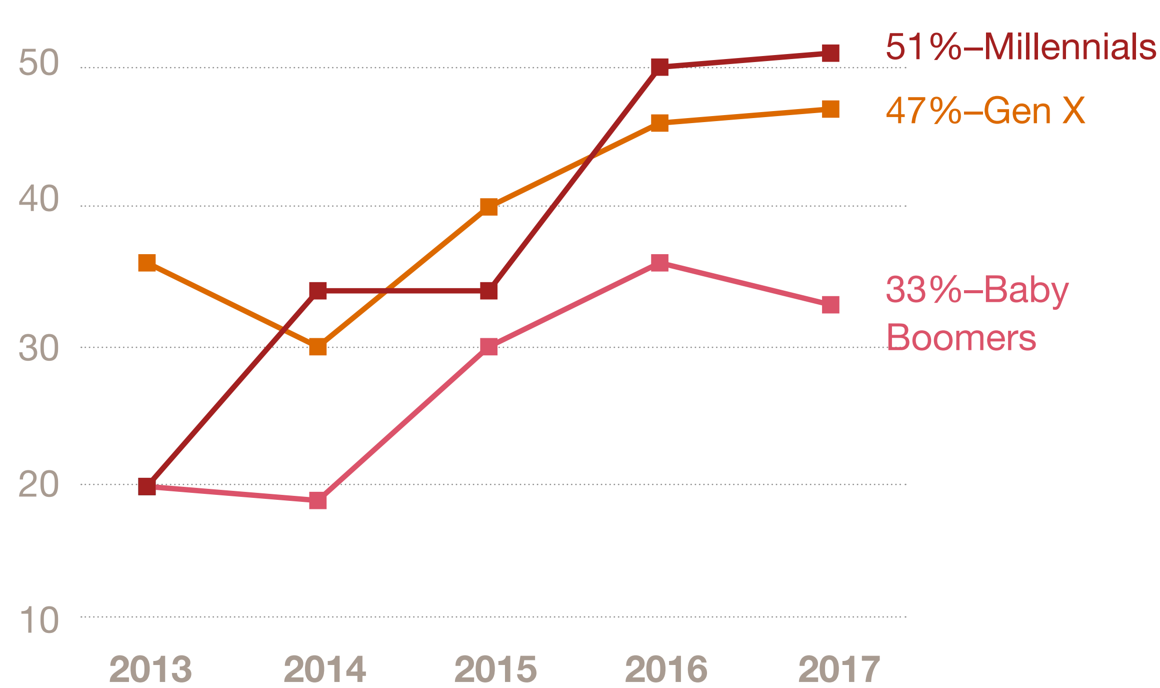
Nearly one in three (30%) of all employees has already withdrawn money held in retirement plans to pay for expenses other than retirement and 44% think it's likely they'll need to use money held in retirement plans for expenses other than retirement.

By generation: In 2017 there was a particularly large increase in Millennials who had withdrawn money from their retirement plans. The 2016 survey showed an increase in Millennials who indicated they would likely need to withdraw money in the future; it appears many did so over the course of the past year.

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



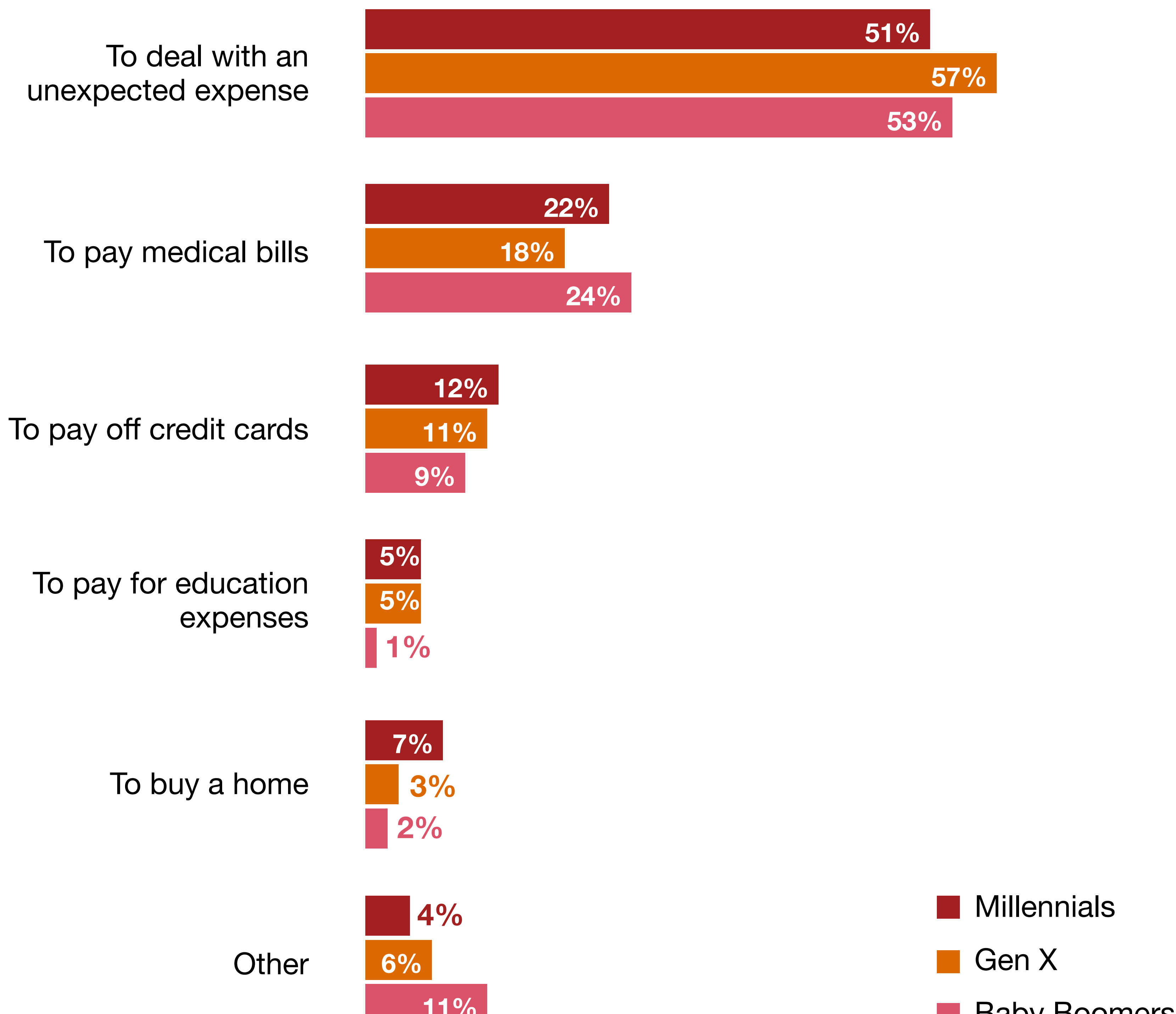
Employees who ***think it's likely*** they'll need to use money held in retirement plans for expenses other than retirement:



Why are employees withdrawing money from their retirement plans?

Among the 44% of employees who think it's likely they'll need to use money in their retirement plans for other expenses, the majority are withdrawing retirement funds to deal with unexpected expenses or medical bills, while very few are taking the money to pay for education expenses or to buy a home.

What is the main reason you think it's likely that you'll need to use money held in your retirement plans to pay for expenses other than retirement?



Fifty-nine percent of Millennials, 43% of Gen X, and 20% of Baby Boomers who are contributing to a tax-advantaged retirement account say they would contribute less to their employer retirement plan if funds were restricted so that they could not take any loans or withdrawals during their working years.

One in four employees (25%) is not currently saving for retirement.

Among the 25% of employees not currently saving for retirement, once again, the most frequently cited reason is too many other expenses, followed by debt.

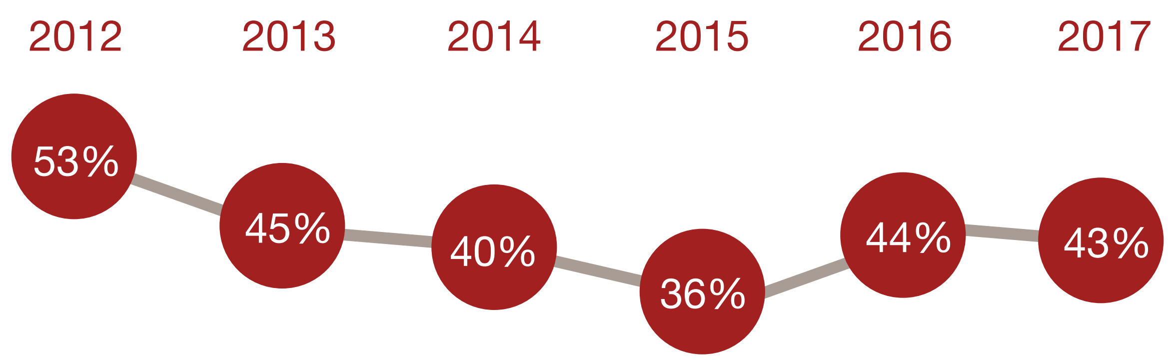
Reasons for not saving for retirement*	2012	2013	2014	2015	2016	2017
I have too many other expenses	59%	73%	70%	63%	75%	65%
I have debt to pay off	48%	48%	49%	46%	42%	50%
My income is lower than last year	29%	13%	15%	16%	17%	16%
I don't know how much to save for retirement	6%	6%	7%	8%	6%	8%
Other	4%	6%	7%	8%	4%	8%
I don't know how to save for retirement	7%	6%	6%	9%	6%	6%

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

Delayed retirements

Forty-three percent of all employees plan to retire later than they previously planned.

Employees planning to postpone retirement



	2013	2014	2015	2016	2017
Millennials	18%	28%	22%	32%	36%
Gen X	43%	35%	35%	44%	42%
Baby Boomers	54%	51%	48%	52%	52%

Baby Boomers continue to most frequently cite not having saved enough as one of their reasons for delaying retirement. In 2017 there was an increase in Baby Boomers' citing the need to keep their healthcare coverage as a reason for delaying retirement as well as an increase in those who say they don't want to retire yet.

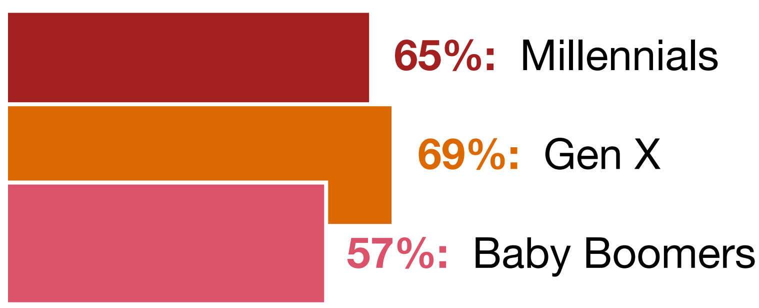
Baby Boomers' reasons for delaying retirement*	2013	2014	2015	2016	2017
I haven't saved enough to retire	51%	44%	41%	48%	47%
I don't want to retire yet (prefer to continue working, not ready for the lifestyle change of being retired, etc.)	30%	36%	38%	27%	36%
I need to keep my healthcare coverage	30%	27%	19%	23%	31%
I have too much debt	23%	20%	18%	23%	15%
My retirement investments have declined in value	26%	20%	18%	20%	11%
I am still supporting my children/grandchildren	6%	9%	11%	10%	6%
Other	6%	3%	5%	4%	5%

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

New for 2017

Do you think health care costs will impact your retirement?

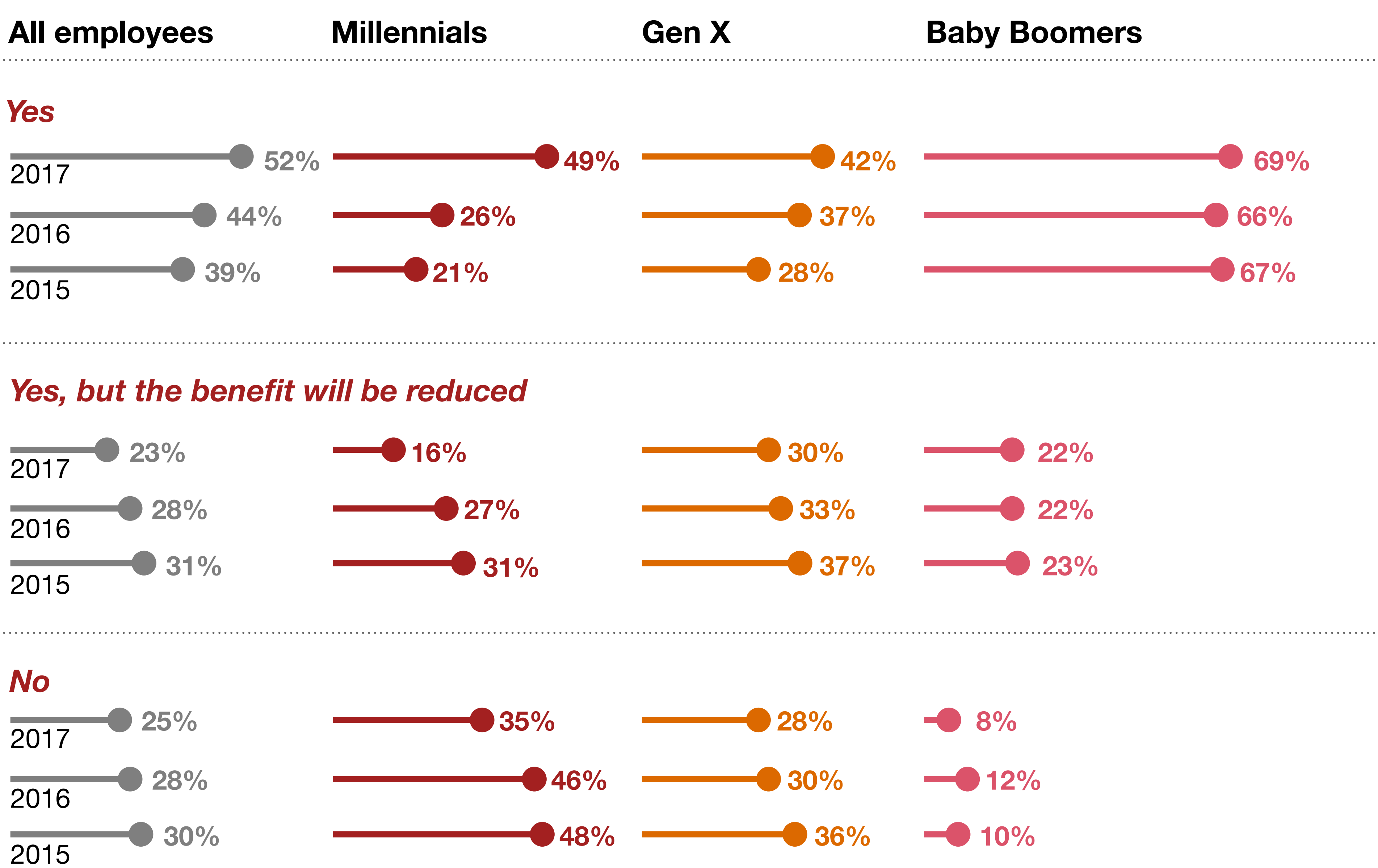
Sixty-four percent of employees think health care costs will impact their retirement.



More than half (57%) *of all employees would consider a partial retirement (working a reduced schedule) if their employer offered one.*

Only half (52%) of employees think Social Security will be available, while 23% think benefits will be reduced, and 25% think it will not be available.

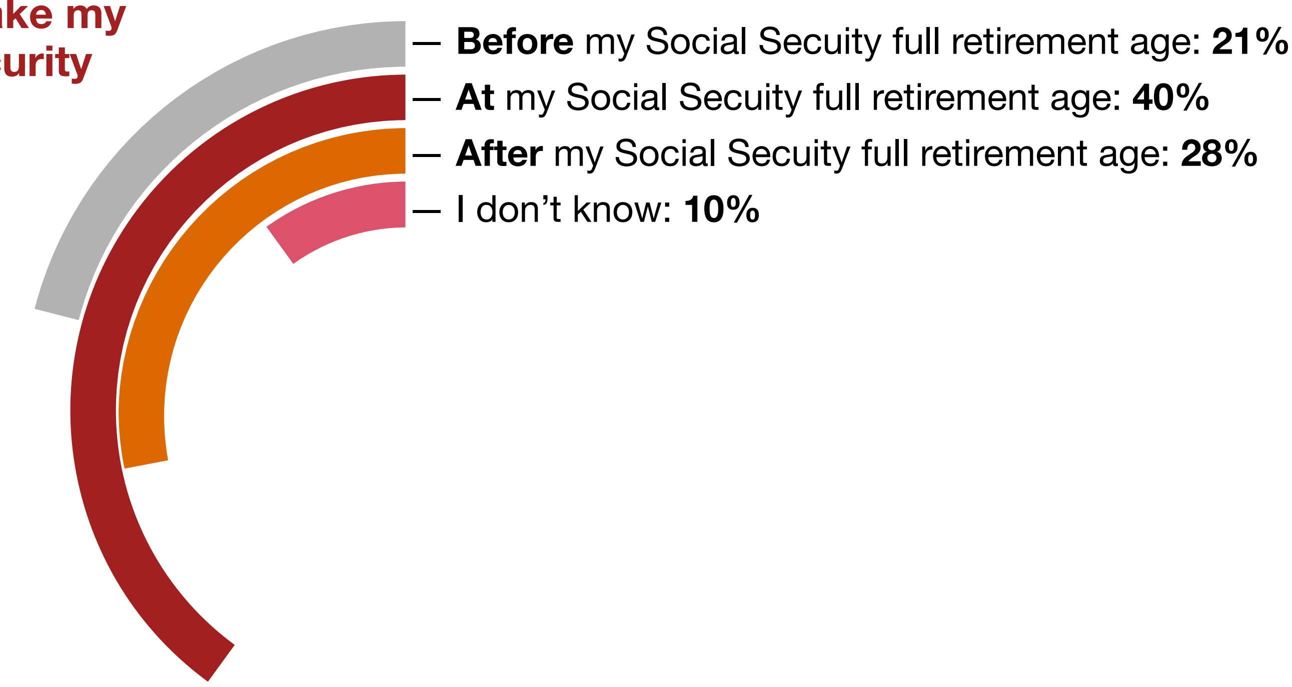
When you retire, do you think it's likely that Social Security benefits will be available to you as a source of retirement income?



New for 2017

Among Baby Boomers who plan to retire in the next five years:

I plan to take my Social Security benefit:



Employees desire a guaranteed retirement income stream although fewer have that option.

Nearly 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:

Guaranteed retirement income for my life (and my spouse/partner's life)	45%
Better healthcare benefits	20%
More job security	18%
None of these	17%

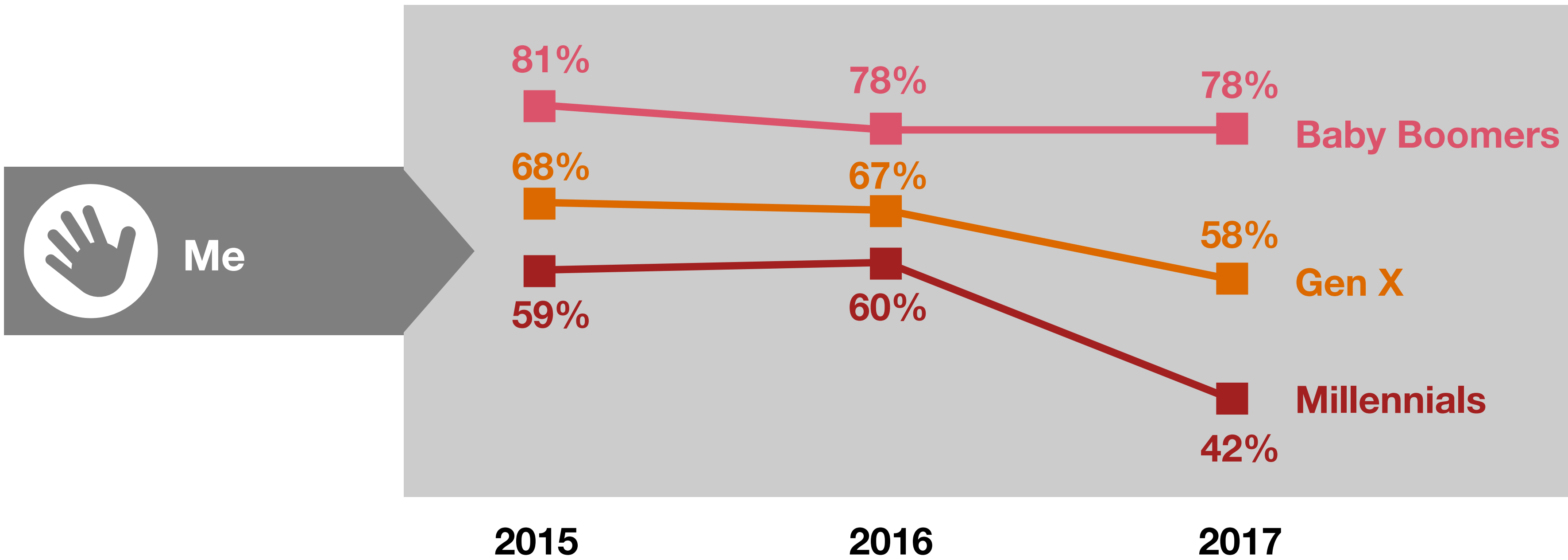
Nearly three-quarters of all employees say they prefer a retirement plan with guaranteed fixed monthly payments for their life over a plan where they can take a lump sum at retirement and invest the funds themselves.

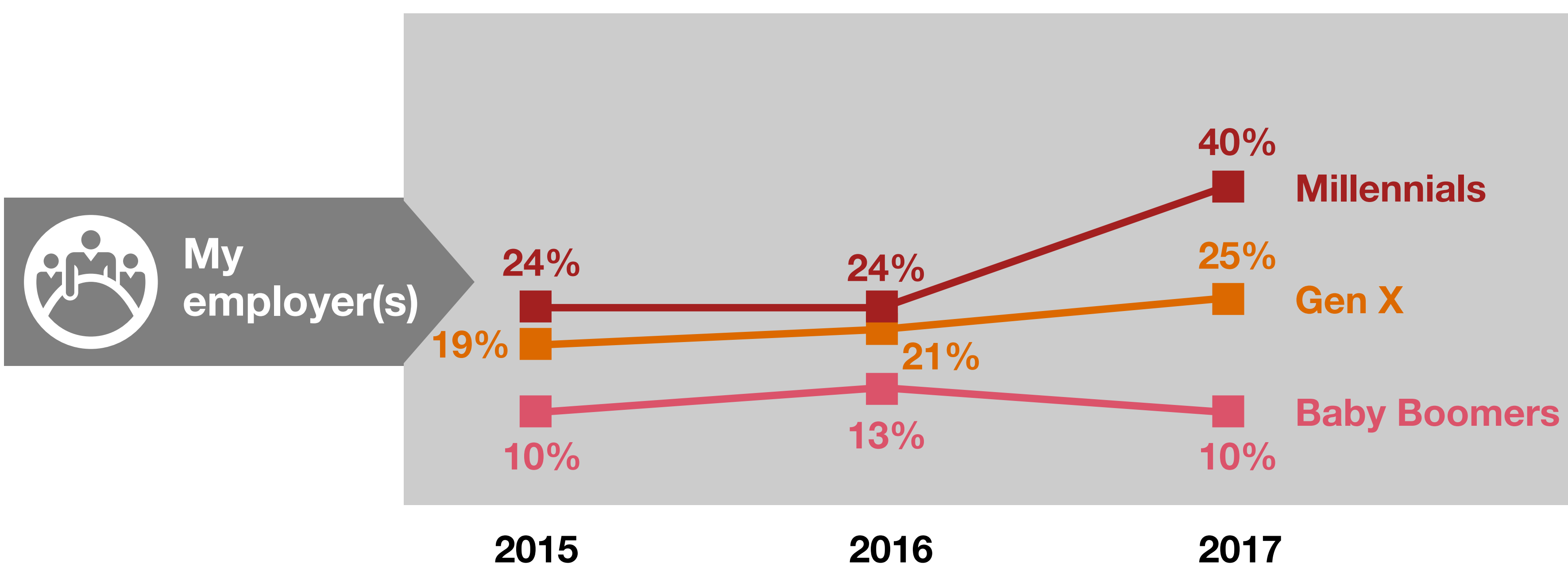
Which one of these statements best reflects your view on retirement plans?

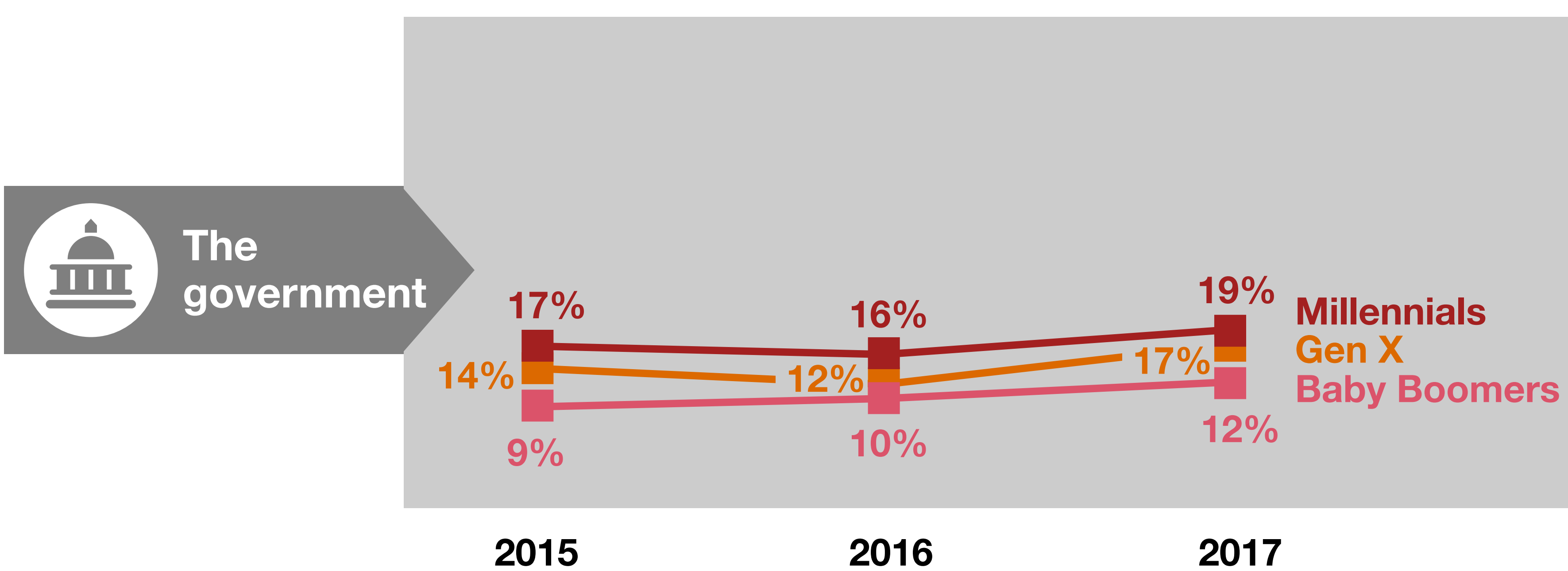
I prefer a retirement plan that provides me with a guaranteed fixed monthly payment that lasts for the rest of my life (and the life of my spouse or partner).	74%
I prefer a retirement plan that allows me to take the balance in a lump sum at retirement where I am responsible for investing the funds to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

Retirement responsibility

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







Investing

- Consistent with prior years, ***half*** of all employees (55%) are comfortable selecting investments that are right for them (45% of women vs. 67% of men).
- ***One in four*** employees (27%) has more than 10% of their investments in one company stock.
- ***Half*** (55%) of all employees have reviewed their investment portfolio within the last 12 months.
- ***Forty percent*** report that their asset allocation has been reviewed by a financial professional within the last 12 months.

> *Only* ***24%*** *of employees invest in multiple target date funds to get the allocation they want.*

Sixty-two percent of employees who are investing in target date funds in their retirement plans say they're invested in more than one target date fund.

Why are employees investing in multiple target date funds?

Only one in four (24%) say that it's to get the allocation they want. Unfortunately, nearly two-thirds (64%) believe that by doing so they're diversifying and reducing risk and another 11% say it's to spread their investments across many funds.

Why are you investing in multiple target date (lifecycle) funds?

To diversify and reduce risk	64%
To get the allocation I want	24%
To spread my investments across many funds	11%
I don't know	1%

Risk management and insurance

New for 2017

The vast majority (79%) of employees believe that health care costs will rise over the next several years, and with the possibility of the Affordable Care Act being repealed, 44% are more concerned about their ability to save for future healthcare expenses.

With the possibility of the Affordable Care Act being repealed, how concerned are you about your ability to save for future healthcare expenses?

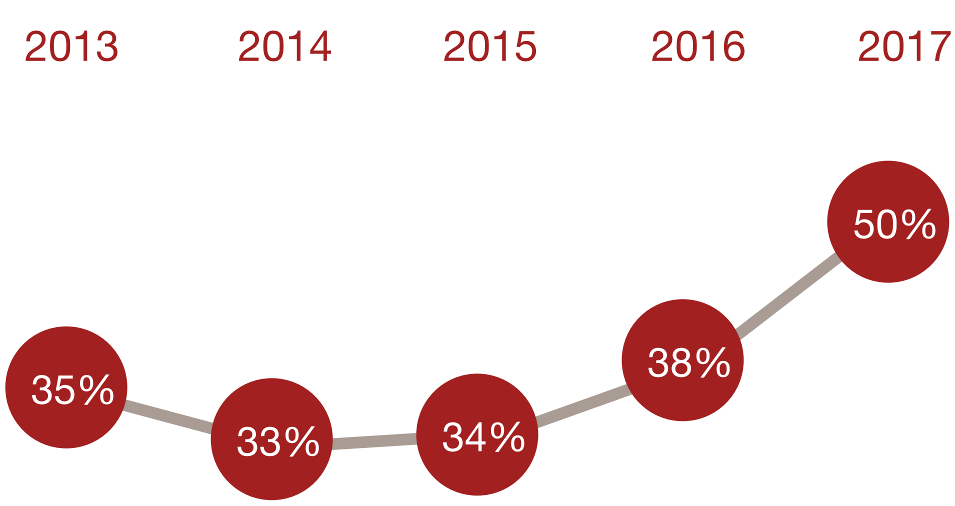
	All employees	Millennials	Gen X	Baby Boomers
More concerned	44%	52%	45%	33%
Less concerned	19%	20%	21%	17%
About the same level of concern	36%	28%	34%	50%

Health Savings Accounts

Half of all employees are contributing to their Health Savings Account (HSA).

More than half of the 90% of employees with health insurance are covered by a high or mid-deductible health care plan, and while the percentage who contribute to their HSA has increased, still only 50% are contributing.

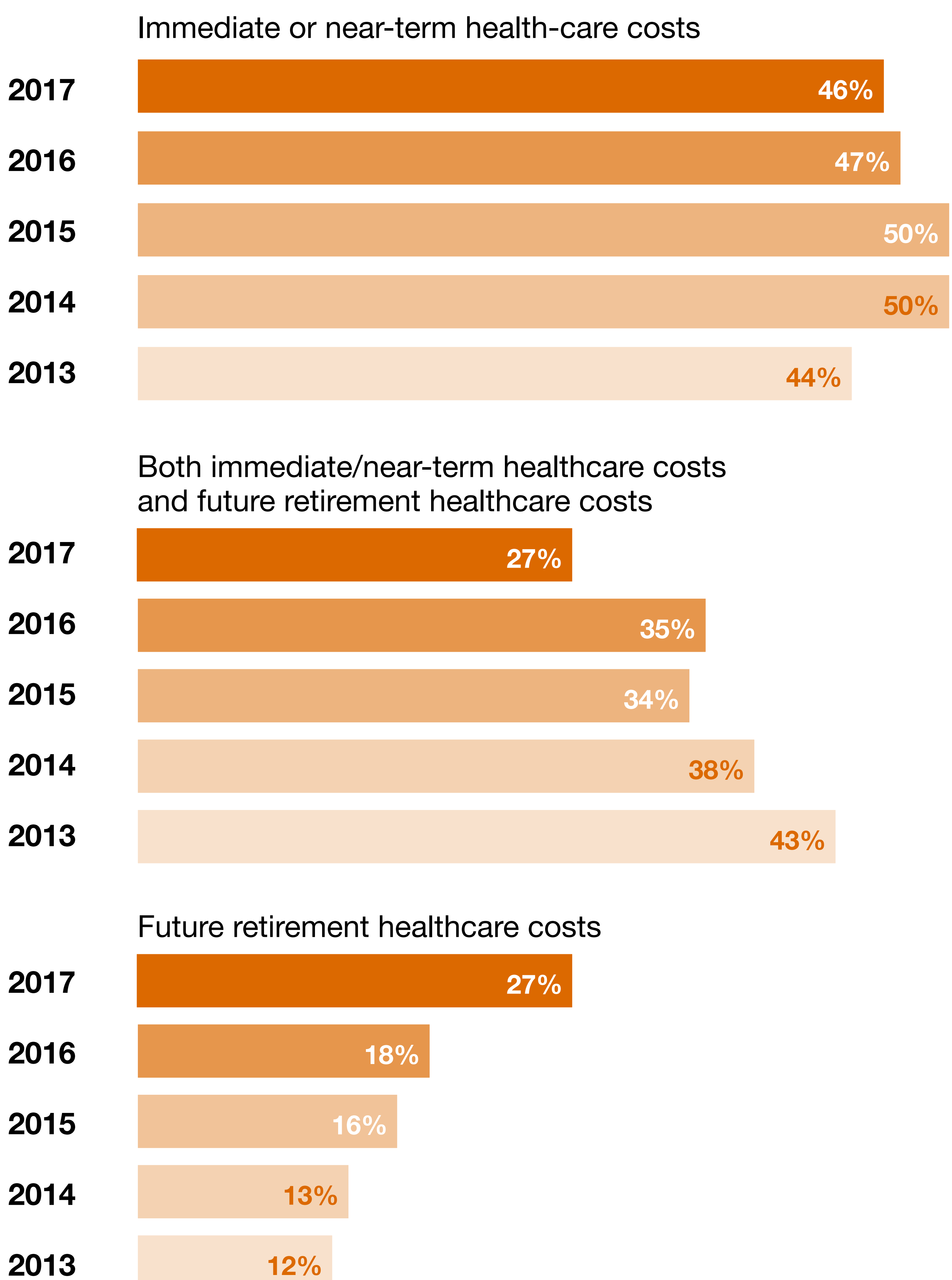
Employees with a high or mid-deductible health care plan who contribute to their HSA:



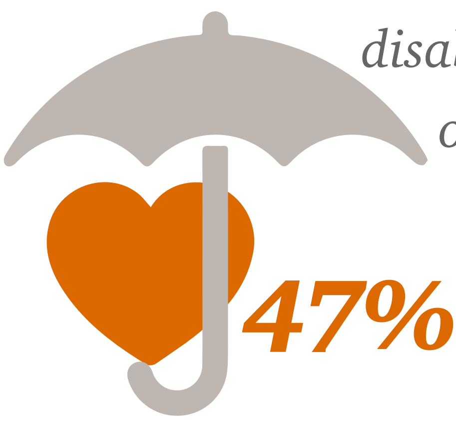
The majority of employees are not using their Health Savings Account (HSA) as an opportunity to save for retirement.

While the percentage of employees who plan to use HSA funds for future healthcare costs in retirement has risen, it's still small.

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



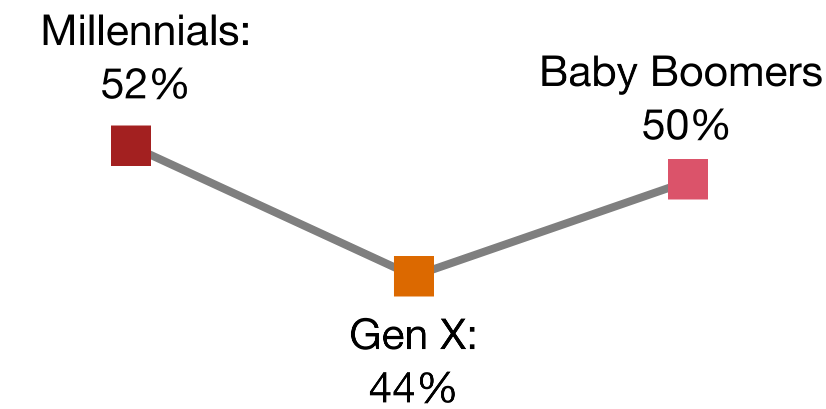
Less than half of all employees ***(47%)*** *are confident that their needs, and the needs of those who depend on them for financial support, would be met if they were to become disabled or die.*



Life insurance

Nearly half (48%) of all employees have evaluated their life insurance needs within the last 12 months.

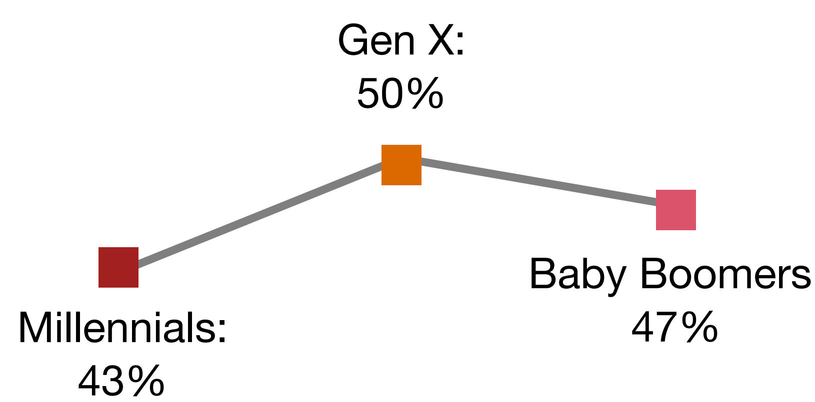
By generation:



Disability insurance

Nearly half (47%) of all employees indicate that they are covered by disability insurance.

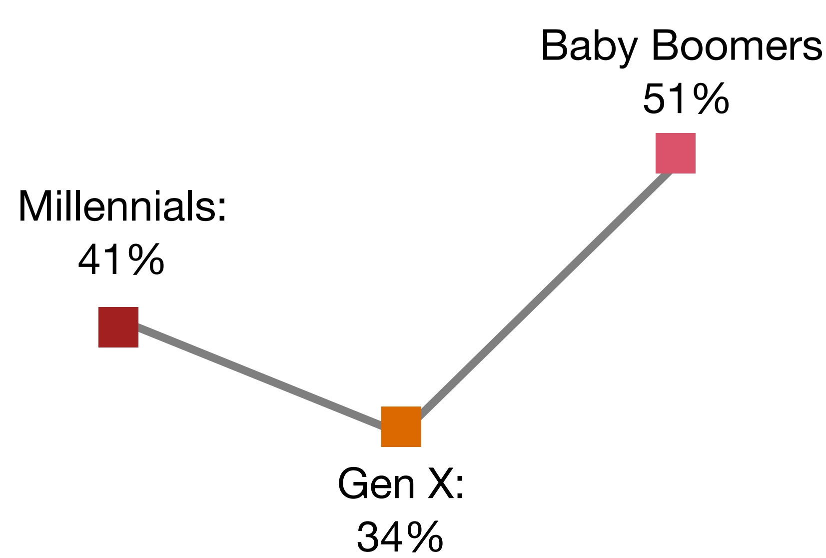
By generation:



Property insurance

Forty-one percent of all employees have evaluated their property insurance needs within the past 12 months.

By generation:



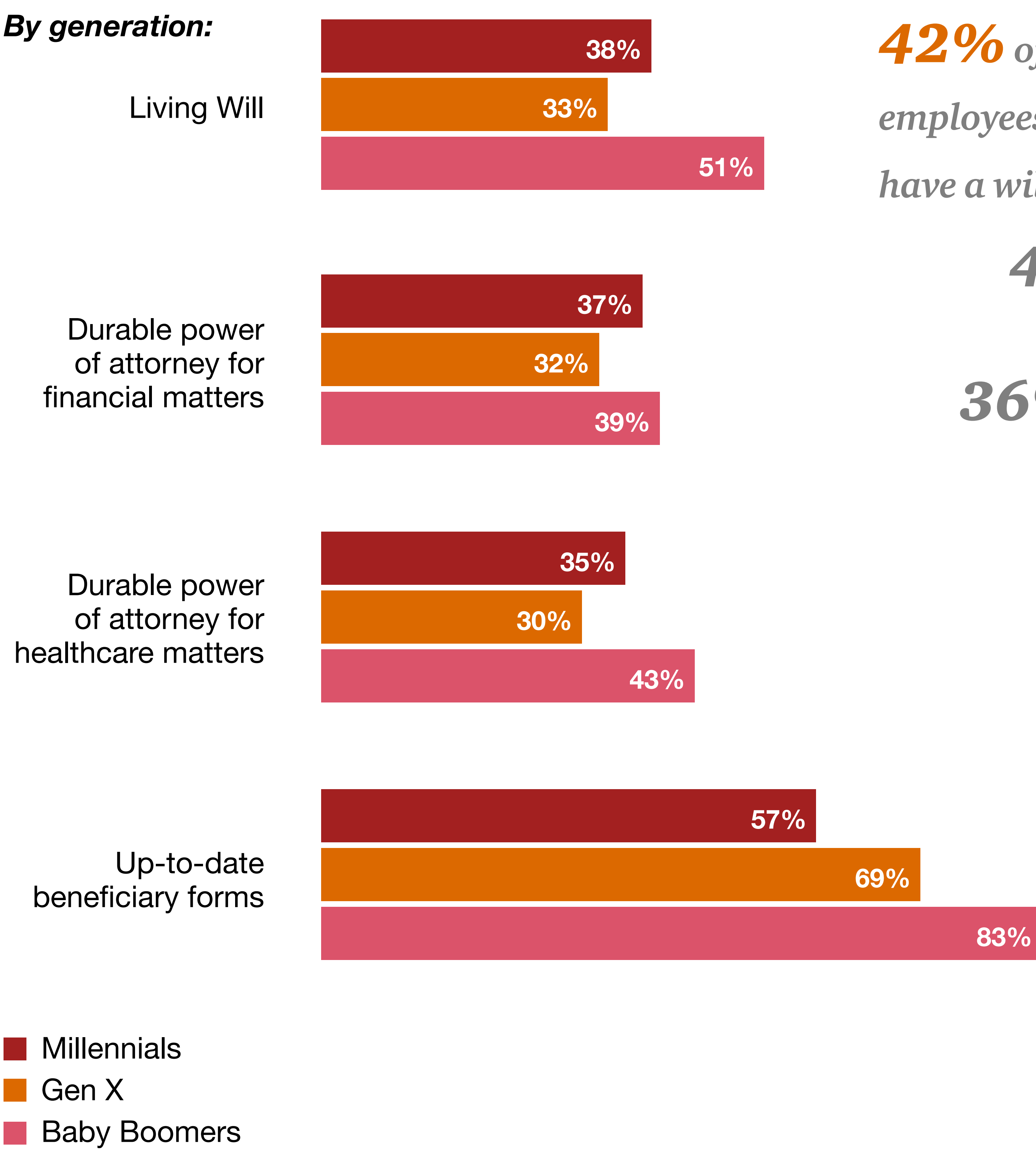
Estate planning

Many employees don't have important documents in place.

By generation: Baby Boomers (57%), Gen X (37%) and Millennials (35%) have a will.

Of those employees who have a will, ***74%*** say they have reviewed it and made any necessary updates within the last five years.

Additional Documents



***42%** of all employees have a will.*

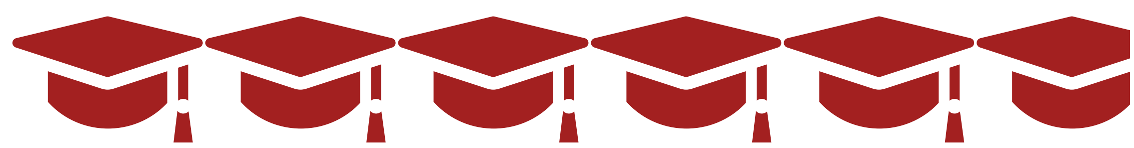
***48%** of men have a will vs. **36%** of women*

Education planning

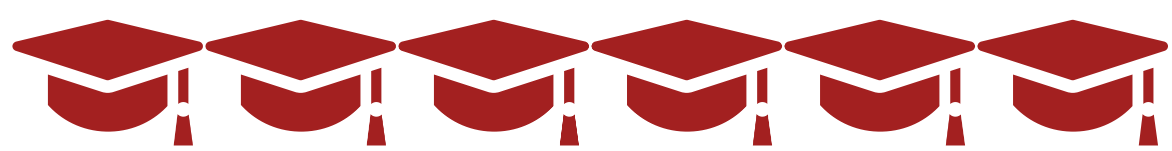
Forty-nine percent of employees plan to fund education expenses for children or grandchildren and 30% plan to fund education expenses for themselves or a spouse/partner. Among these employees:

52% have investigated how much they'll need to meet their education funding goal.

59% are saving for education expenses.



60% are contributing to a tax-advantaged education savings plan.



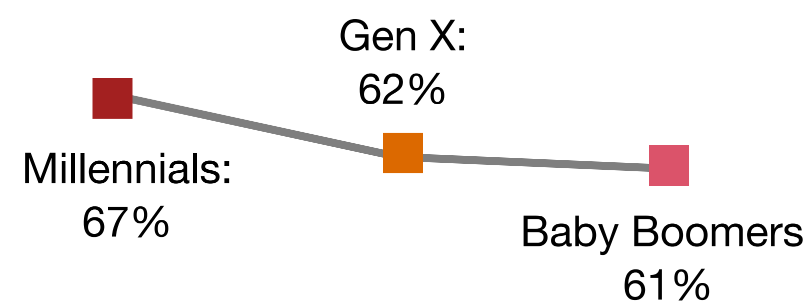
Other

Employer benefits

63% believe their employer's benefit plans are competitive with those offered by other organizations.

By generation:

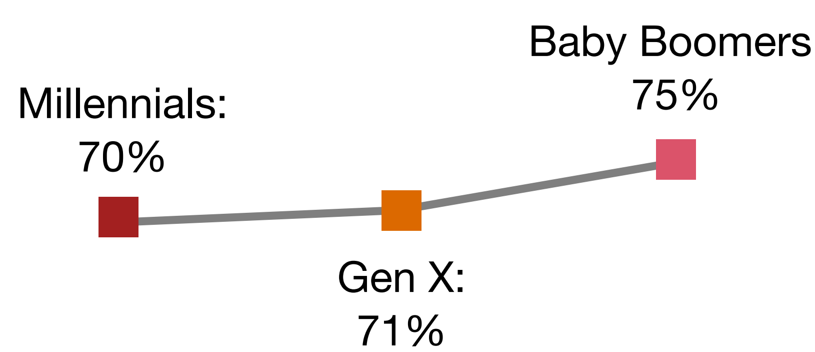
67% of Millennials, 62% of Gen X and 61% of Baby Boomers believe their employer's benefit plans are competitive with those offered by other organizations.



72% say they review their benefit elections every year and make changes if needed.

By generation:

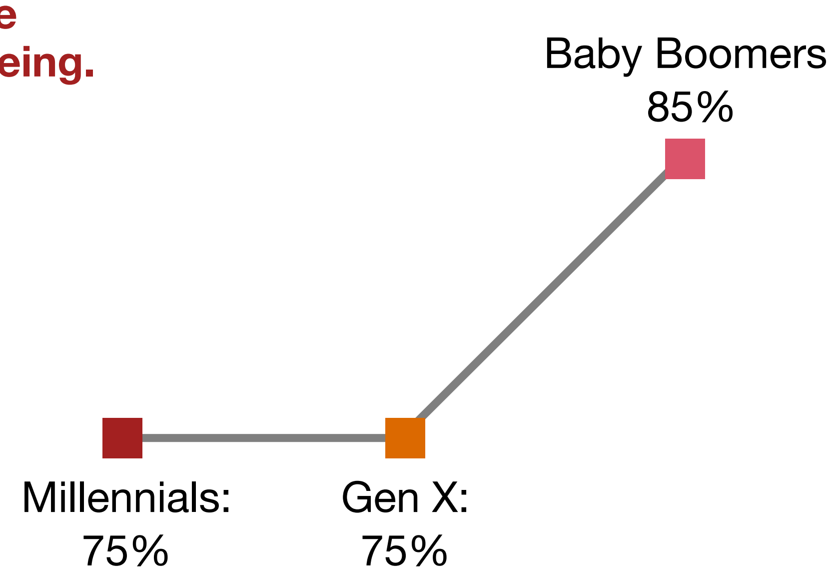
70% of Millennials, 71% of Gen X and 75% of Baby Boomers say they review their benefit elections every year and make changes if needed.



78% say they have a good understanding of employer benefit and savings plans and the role those plans play in their overall financial well-being.

By generation:

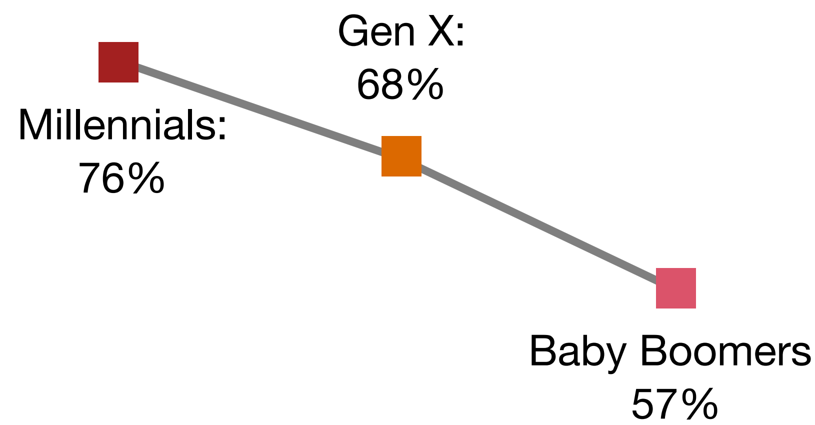
75% of Millennials, 75% of Gen X and 85% of Baby Boomers say they have a good understanding of employer benefit and savings plans and the role those plans play in their overall financial well-being.



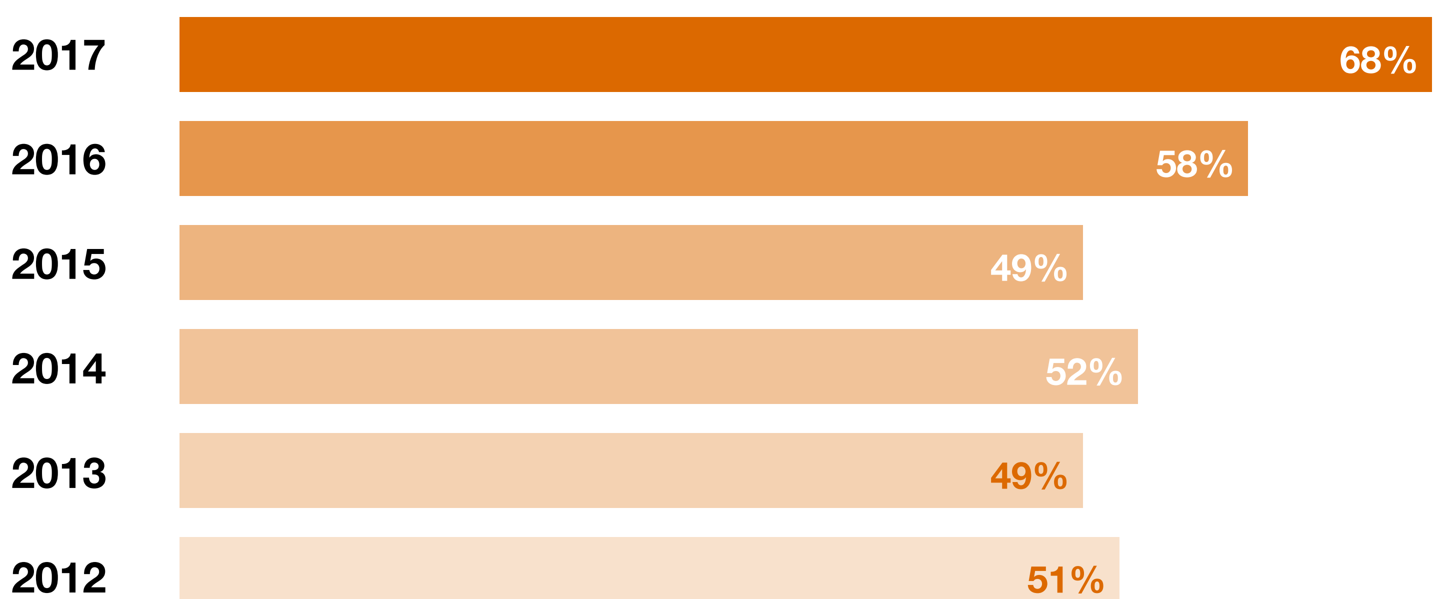
40% say their employer offers services to assist them with personal finances and more than two-thirds (68%) say they've used the services.

By generation:

76% of Millennials, 68% of Gen X and 57% of Baby Boomers say they've used the services their employer provides to assist them with their personal finances.



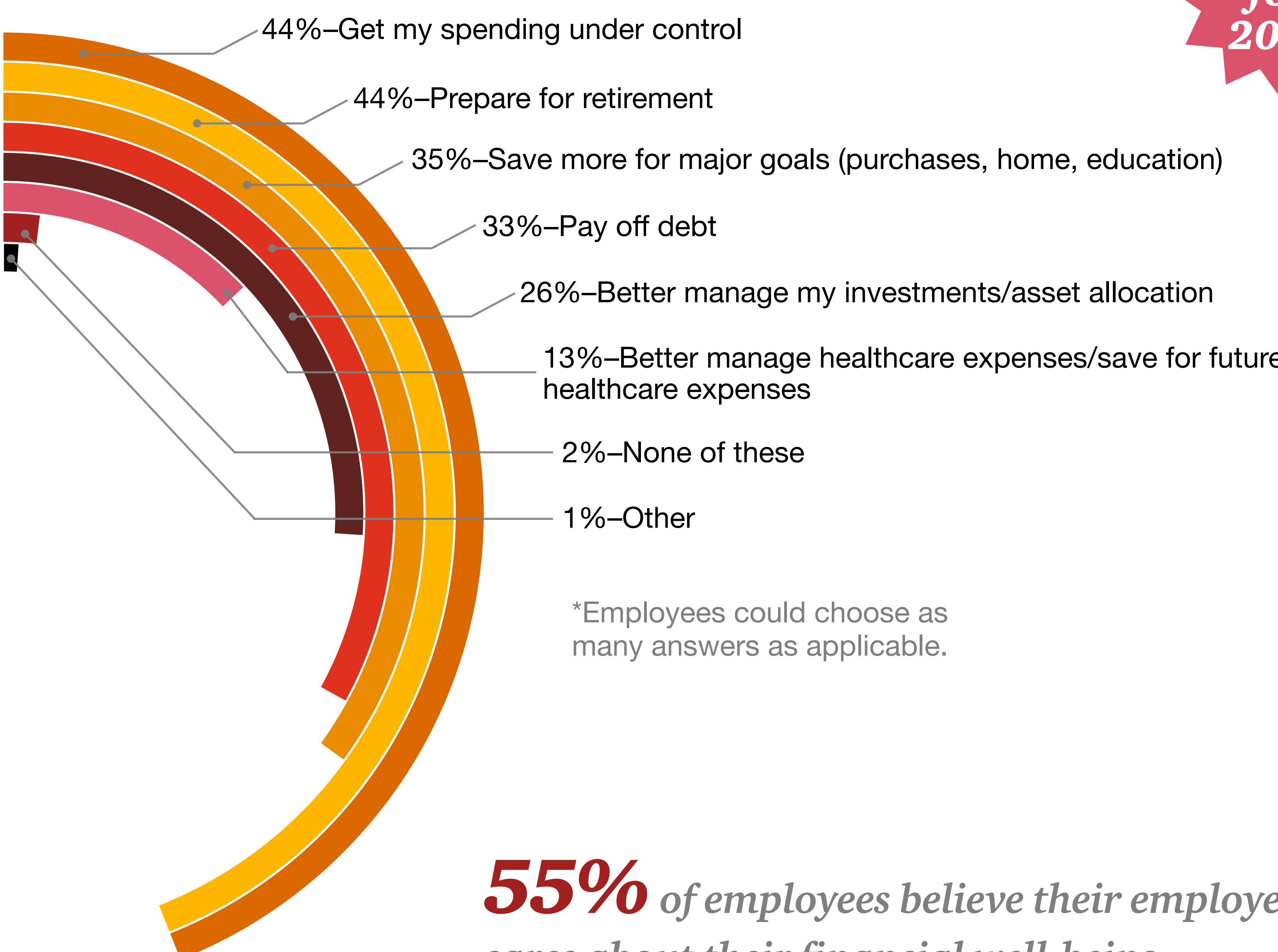
Employees who have used the services their employer provides to assist them with their personal finances



Employees who use the financial wellness services provided by their employer get help with a variety of financial issues and goals.

My employer financial wellness program has helped me:

New for 2017



*Employees could choose as many answers as applicable.

55% *of employees believe their employer cares about their financial well-being.*

__Millennials (62%)__ are more likely to say that their loyalty to their company is influenced by how much the company cares about their financial well-being as compared to __Gen X (50%)__ and __Baby Boomers (36%).__

__Millennials (72%)__ and __Gen X (71%)__ are more likely to be attracted to another company that cares more about their financial well-being than Baby Boomers __(45%).__

Most trusted resource for financial advice and education

Nearly one in four Millennials (24%) turn to friends and family for financial advice as do 29% of Gen X employees. Another one in four Gen X employees (25%) rely on independent financial planners as do nearly one-third (32%) of Baby Boomers. Another 23% of Baby Boomers trust brokers/investment advisors.

Which of the following resources do you most trust for your financial advice and education?

	All employees	Millennials	Gen X	Baby Boomers
Independent Financial Planner (who does not sell any investment or insurance products)	25%	18%	25%	32%
Friends and/or family	24%	24%	29%	17%
Broker or investment advisor	18%	17%	16%	23%
Attorney	10%	11%	9%	10%
Accountant	10%	11%	9%	10%
Insurance agent	8%	12%	8%	4%
Internet site(s) not affiliated with a financial advisor	6%	6%	6%	5%

Baby Boomers are more likely than other generations to recognize the value of an independent financial planner who does not sell investment or insurance products.

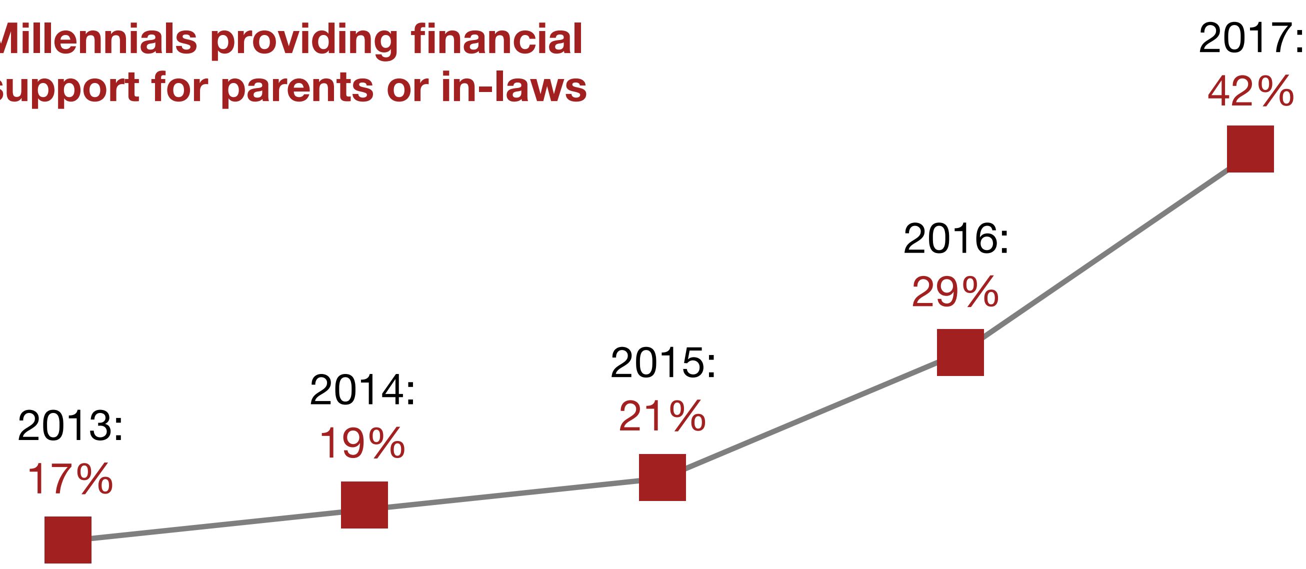
Lifestages

Providing financial support for parents or in-laws

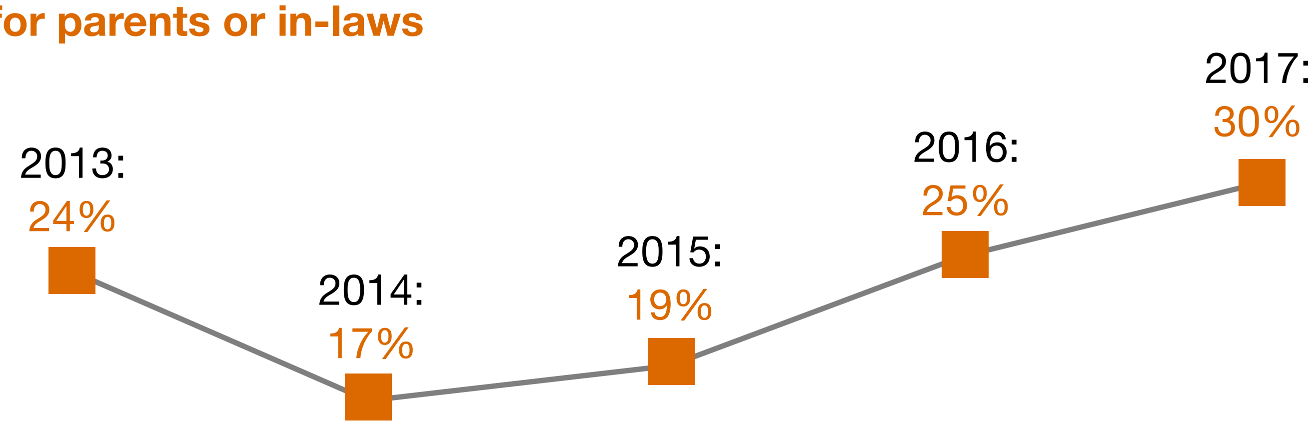
***28%** of employees are providing financial support for parents or in-laws—up from **22%** and **16%** the last two years*

Seventy-six percent of employees providing financial support to parents or in-laws also have dependent children and 83% of them are paying dependent care expenses. Seventy-six percent of them also provide non-financial care for parents or in-laws.

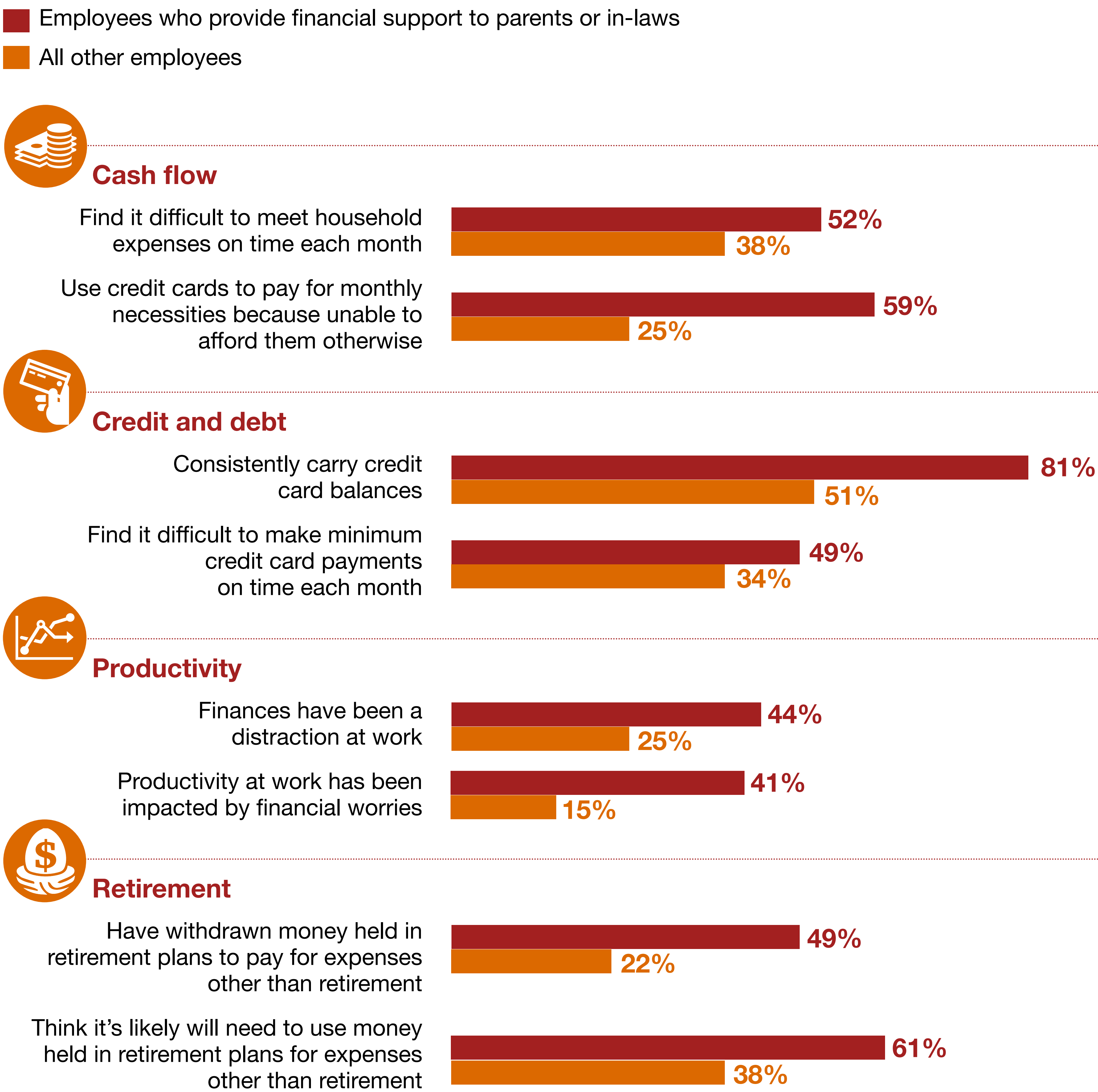
Millennials providing financial support for parents or in-laws



Gen X providing financial support for parents or in-laws



Employees who provide financial support for parents or in-laws face additional challenges.



Children

Among those paying dependent care expenses, nearly three-quarters of Millennials and more than two-thirds of Gen X employees are contributing to a dependent care flexible spending account.

	Millennials	Gen X
Have dependent children	60%	63%
Paying dependent care expenses	78%	56%
Contributing to a dependent care flexible spending account	74%	68%

Identity theft

One in five employees is aware that he or she has been a victim of identity theft.

21% *of employees say they have been a victim of identity theft.*

59% *say they would know what to do if their identity were stolen.*

One way to be vigilant regarding possible instances of identity theft is to review credit reports regularly.

Employees who have checked their credit report in the last 12 months: