

News from EBRI

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Workers Feel Stressed About Preparing for Retirement; Employer Financial Well-being Programs Are Perceived to Be Helpful

Washington, D.C. – Workers feel stressed about preparing for retirement, according to the new Employee Benefit Research Institute (EBRI) report, *Perceived Helpfulness of Financial Well-being Programs: Results from the 2017 and 2018 Retirement Confidence Surveys*. While a significant percentage of workers across the board reported feeling stressed about preparing for retirement in both surveys¹, in particular, workers with lower incomes (64 percent), those who have not calculated how much they will need to save for retirement (65 percent), and those in fair or poor health (75 percent) said that they strongly or somewhat agreed that preparing for retirement makes them feel stressed in the 2018 survey. In addition, workers affected by such stress reported that their productivity at work and their mental health were lower as a result.

However, a majority of workers thought that workplace financial well-being programs would be either very or somewhat helpful in better preparing or saving for retirement. These include: help calculating how much to save for a secure retirement (75 percent in the 2018 survey), help calculating how much to anticipate spending each month in retirement (72 percent), planning for health care expenses in retirement (72 percent), and help with comprehensive financial planning (68 percent).

With 63 percent of workers considering debt to be at least a minor problem, there are a large number of workers potentially facing financial stress. The EBRI report concludes that workplace financial well-being programs could play an important role in helping workers address their financial struggles.

Other findings from the 2017 and 2018 Retirement Confidence surveys pertaining to financial well-being include:

- Thirty percent of workers overall reported worrying about finances at work. Furthermore, of those worrying about finances, 70 percent worried at least somewhat often. Many important factors were correlated with this worrying. For example, nearly three-quarters (71 percent) of those who said debt was a major problem worried about finances at work, compared with just 9 percent of those who said debt was not a problem. More than half (55 percent) of those who were not confident about living comfortably in retirement were worried about finances at work vs. just 7 percent of those who were very confident.

¹ The question was worded somewhat differently across survey years.

- An overwhelming majority of workers thought the following programs would be either very or somewhat helpful: help calculating how much to save for a secure retirement (75 percent), help calculating how much to anticipate spending each month in retirement (72 percent), planning for health care expenses in retirement (72 percent), and help with comprehensive financial planning (68 percent). Other financial well-being programs scored lower when it came to perceived helpfulness. Fewer than half of workers thought debt counseling or budgeting help would be helpful. Notably, fewer than four in ten (39 percent) workers thought student loan debt assistance programs would be helpful in preparing for retirement. However, younger workers were much more likely to perceive these programs as being helpful than older workers.
- A majority of workers thought retirement planning and financial planning programs would increase their productivity at work. The other programs that had higher likelihoods for increased workplace productivity include financial planning (48 percent) and health care planning (47 percent) programs. Interestingly, debt counseling (29 percent) was thought to be the least likely to be helpful for productivity. Again, younger workers were more likely to think that some of these programs were helpful than older workers. In particular, younger (ages 25-34) workers were more likely to think that debt counseling, expense management, prioritizing savings, and budgeting programs were helpful than older (ages 55 or older) workers.

The full *Issue Brief* is available [here](#).

About the Retirement Confidence Survey (RCS)

RCS is the longest-running annual survey that assesses how American workers and retirees save, plan, and achieve financial security for retirement. The RCS is co-sponsored by the Employee Benefit Research Institute (EBRI) and Greenwald & Associates. The 2017 and 2018 RCS data collection was funded by grants from a number of public and private organizations, with staff time donated by EBRI and Greenwald & Associates. RCS materials and a list of partners for 2017 and 2018 may be accessed at the EBRI website: www.ebri.org/surveys/rcs

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