

# Road to Resiliency

The Role of the Workplace

The following results are based on Prudential's Pulse of the American Worker Survey conducted by Morning Consult in November 2020.

## The Financial State of American Workers

### How worried are you about your financial security?

(All workers)



(Workers without employee benefits)



The majority of American workers (**68%**) are worried about their financial security— up **11 points** since March 2019.<sup>1</sup>

This concern is even higher among workers without access to employee benefits—**more than 7 in 10** workers without benefits are worried about their financial security and **almost half are very worried**.



**2 in 3**

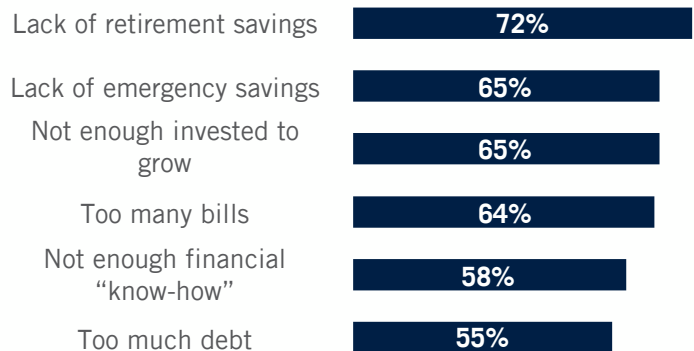
workers have spent *significantly* more time thinking about their finances this year than in years past.

### Lack of savings is a major barrier to financial security

American workers report **lack of retirement savings**, **lack of emergency savings**, and **not enough invested to grow over time** as barriers to their financial security.

Workers also say **too many expenses**, **a lack of knowledge about investing** and **too much debt** are barriers to their financial security.

### Barriers to financial security



Percentage of those who said each was a "major" or "somewhat of a barrier"



# The Pandemic's Impact on Workers' Financial Resilience

**1 in 4**

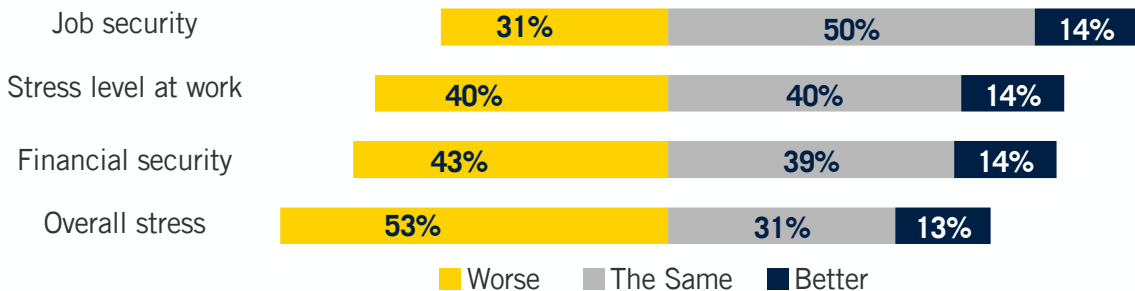
American workers have reduced or exhausted their emergency savings because of the pandemic.

**1 in 5**

have fallen behind in paying bills or had their household income decreased by half since the pandemic began.

## Workers—more stressed and less secure

In general, American workers report their job security, financial security and stress have gotten worse or stayed the same in the last year—**more than half** report their overall stress is worse.



**69%**

of workers say the pandemic has **intensified their concerns** about financial security.

**59%**

say the pandemic has made them **less financially secure**.

**55%**

of workers say the pandemic made them realize **they were not** financially secure.

## In the past year:



**55%**

of workers spent more time worrying about their finances during the workday.



**46%**

lost sleep because of financial concerns.



**33%**

of American workers say financial stress impacted their job performance.



**18%**

took paid leave to manage personal priorities.



# Financial Concerns Impact Career Decisions

**41%**

had to delay a professional goal because of financial concerns.

**37%**

of workers tried to find employment at another company to become more financially stable.

**17%**

of workers had to turn down a job opportunity over concerns about job security.

Benefits have become a more important part of how I view my overall compensation

**66%**

Agree

**23%**

Disagree

Employer-provided benefits are central to my financial security and wellness

(Workers with access to employee benefits)

**79%**

Agree

**15%**

Disagree

How important are benefits to you when deciding whether to take a new job or stay in your current role

**75%**

Important

**18%**

Not Important

## Jobs are more than a paycheck

**Two-thirds** of workers say benefits have become a more important part of how they view their overall compensation, and that employer-provided benefits are more important to them now than before the pandemic. Of workers with access to employer-provided benefits, **8 in 10** say those benefits are central to their financial security and wellness. **Sixty-three percent** say employer-provided benefits increase their peace of mind.

**Three-quarters** of all workers factor benefits into their decision about whether to stay or leave a job. More than **4 in 10 (44%)** are more likely to consider taking a similar job at a different company that offers better benefits than they were a year ago.

## More than 4 in 5 workers ...



**84%**

say employers that offer benefits are demonstrating their commitment to their employees' financial security.



# Benefits Can Increase Loyalty and Productivity

**80%**

of all workers are more likely to stay with an employer that is committed to helping them strengthen their financial resiliency.

**68%**

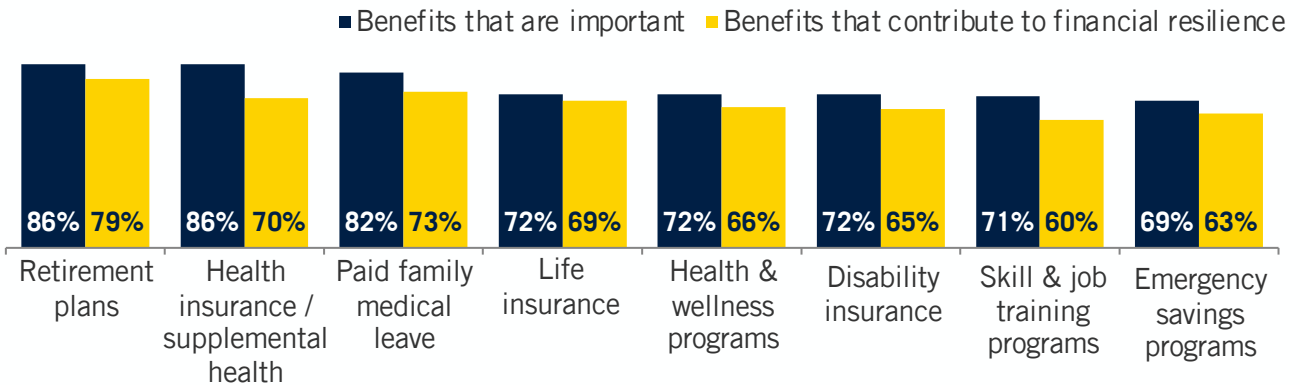
of all workers say employer-provided benefits help decrease stress, allowing them to be more focused at work.

**67%**

of workers with access to benefits say they are more dedicated to their work because of the benefits their employer provides.

## The benefits that contribute to financial resilience

Nearly **8 in 10** workers (**77%**) want employers to focus on providing benefits that are central to their financial well-being.



*Benefits that are important is the percentage of those who said each benefit was "very" or "somewhat" important. Benefits that contribute to financial resilience is the percentage of those who said each benefit contributed "a lot" or "some" to their financial resilience.*

## Workers adjust benefits to address current needs

**Eighty-five percent** of workers with employer-provided benefits spent the same or more time reviewing their benefits during the annual enrollment period this year. The top changes workers made to their benefits include **increasing/starting to contribute to a retirement plan, upgrading their health insurance and enrolling in life insurance.**

Additionally, **more than half (57%)** of workers purchased additional coverage to supplement the benefits their employer provides.

**#1**

Increased/started to contributing to a retirement plan (**23%**)

**#2**

Upgraded health insurance (**19%**)

**#3**

Enrolled in life insurance (**17%**)



# The Role of Public Policy

**73%**

of workers would have greater confidence in the country's future if Congress prioritized enhancing Americans' financial resiliency.

**80%**

of workers want Congress to make it easier for employers to offer benefits to their employees.

## Workers want

### Portability

**77%**

want policymakers to make it easier for workers to take their benefits with them when they switch employers.

### Auto Enrollment

**75%**

believe employers should automatically enroll workers in employee benefits plans when they start a new job.

### E-Delivery

**73%**

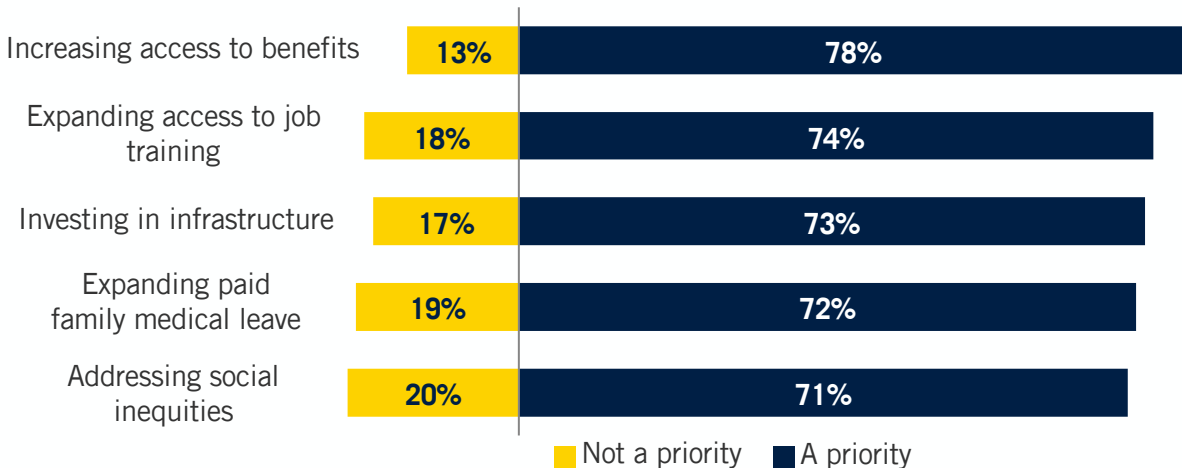
of workers with benefits would prefer to receive account statements electronically.

### Paid Leave

**75%**

want policymakers to work with the private sector to expand access to paid family medical leave to more workers.

## Workers' priorities for policymakers in 2021

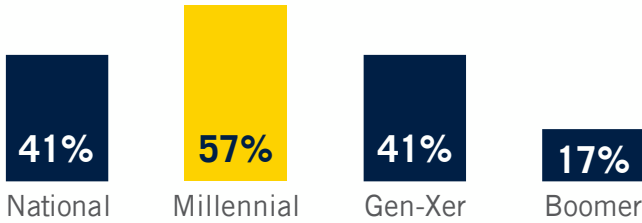


*Not a priority is the percentage of those who said each option was "not too important" or "not" a priority. A priority is the percentage of those who said each option was a "top" or "important" priority.*



# Snapshot: Millennial Workers' Financial Security

I have had to delay a professional goal because of financial concerns



Percentage of those who "strongly" or "somewhat" agreed with each statement

Millennials are feeling the financial impacts of the pandemic more than other generations. **More than half** say they've delayed a professional goal because of financial concerns, compared to only **41%** of Gen-Xers and **17%** of boomers.

Additionally, **two-thirds** of millennials say the pandemic made them realize they were not financially secure, compared to **58%** of Gen-Xers and **43%** of boomers.

## The pandemic is negatively impacting millennials' financial security

**1 in 3**

Millennial workers have exhausted their emergency savings, compared to **27%** of Gen-Xers and only **16%** of boomers.

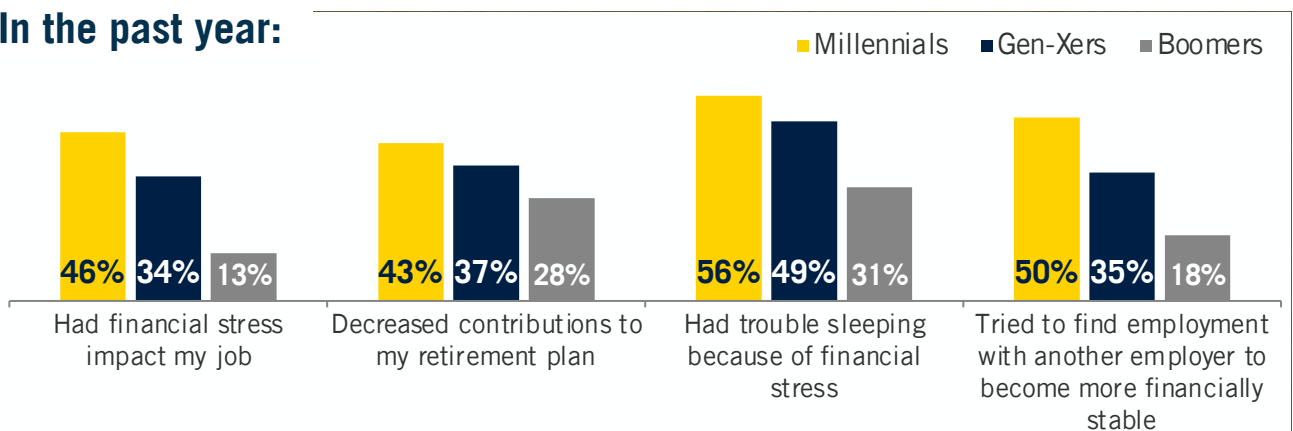
**1 in 4**

Millennial workers borrowed or took a withdrawal from their retirement plans, compared to only **17%** of Gen-Xers and **10%** of boomers.

**3 in 10**

Millennial workers say their debt has increased in the past year compared to **20%** of Gen Xers and **15%** of boomers.

### In the past year:



<sup>1</sup>March refers to respondents who answered a similar question in the Pulse of the American Worker Survey released in [March 2019](#).

The Pulse of the American Survey was conducted on behalf of Prudential by Morning Consult from November 25 to 29, 2020, among a national sample of 2,000 self-identified employed adults (age 18 and over) including workers currently furloughed and those unemployed in the last six months that were actively looking for work. The interviews were conducted online, and the data was weighted to approximate a target sample of adults based on age, educational attainment, race/ethnicity, and gender. Results from the full survey have a margin of error of ±2 percentage points. Percentages may not total 100 percent due to rounding.

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