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Millennials the Most Financially Stressed

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By Lee Barney - June 25, 2014

Workplace benefits focus on older employees' needs, even though Millennials exhibit the greatest number of financial challenges, a survey says.

This was the finding of a survey of 419 human resource (HR) professionals conducted by the Society for Human Resource Management, commissioned by Elevate, a provider of online credit products.

Fifty percent of the HR professionals said Millennials, those ages 25 to 34 age, are the most financially stressed, and 29% pointed to those in the 35 to 44 age group as the most financially stressed. A vast majority, 85%, said that when their employees are financially stressed, their productivity decreases. Another 37% said employees had missed work in the past year because of a financial emergency, and 61% rated the financial health of their employees as "fair," "poor" or "very poor."

More than half of HR professionals (53%) said employees had asked for a payroll advance in the past year, and 47% said employees had approached a manager or supervisor for financial advice in the past year. However, only 19% of organizations offer payroll advances and just 18% offer third-party provider loan products. Among this minority, 55% of those offering payroll advances and 73% of those offering third-party loan products said these were helping their employees to manage financial difficulties.

When asked about the financial benefits offered to their employees, the most common is retirement planning (cited by 81%), followed by financial literacy training (42%), education on basic budgeting (25%) and management of credit (8%).

"HR professionals have a unique opportunity to help employees representing the new middle class, especially Millennial employees, relieve their financial stress by offering financial benefits more tailored to meet employee needs," says Ken Rees, chief executive officer of Elevate. "More services to help up-and-coming or financially struggling employees—including basic financial literacy training, payroll advance, or third-party loan products—can have a big impact not only on productivity, but also on the future well-being of these employees."

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