2024

Navigating Retirement Savings:
A Generational and Personality-Based Analysis

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The future financial security of our workforce is a critical concern for businesses today. *According to a recent study by Nuveen, roughly 6 in 10 employees (57%) at midsize and large U.S. companies expressed doubt about retiring on time and only 3 in 10 strongly agree they're satisfied with their retirement plans.* This financial insecurity can have a ripple effect, impacting employee well-being, productivity, and a company's bottom line.

Enrich offers a unique solution to this challenge. Our platform provides a comprehensive approach to financial wellness, including an initial Financial Wellness Checkup upon onboarding. This checkup, which takes less than 5 minutes, goes beyond basic questions. It analyzes users' finances, assesses their emergency savings status (like whether they have 3-6 months of expenses saved), and inquires about their participation in employer-matched retirement plans.

This data allows Enrich to categorize users based on various factors and recommends tools, content, and courses tailored to their goals.

Enrich's analysis doesn't stop there. We dive deeper to understand the characteristics of individuals who are most likely to utilize employer-matched retirement benefits. We examine whether participating employers offer retirement plans, if those employers match contributions, and whether individuals are contributing the maximum amount available.

Through our innovative **"My Money Personality"** assessment, we also empower organizations to understand their workforce's financial behaviors and provide personalized tools and strategies to improve overall retirement savings preparedness.

The Impact of Unprepared Retirement Savings on Businesses

Employees facing retirement insecurity often experience a range of financial anxieties.
These can manifest as:

Increased healthcare costs: Unprepared employees might delay retirement due to concerns about future healthcare expenses. This can lead to higher healthcare costs for employers who offer health benefits.

Reduced productivity: Financial stress can significantly impact focus and motivation, leading to decreased employee productivity, presenteeism, and absenteeism.

Talent retention issues: Employees worried about their financial future are more likely to look for alternative job opportunities, increasing turnover costs for businesses.

Understanding Your Workforce's Money Personalities

At Enrich, we conducted a study across users from various organizations and institutions. Our data revealed a strong correlation between different Money Personalities and retirement savings behavior.

Enrich's **"My Money Personality"** assessment categorizes users' innate financial behaviors into three groups: **Apprehensive, Confident, and Present Focused.** Understanding these tendencies provides insight into how different personalities approach retirement contributions.

Data over 12 months:

CAUTIOUS
(82.31%)

This group demonstrates a remarkable level of financial prudence, with a remarkable 82.31% maximizing employer match contributions. They are proactive planners, taking full advantage of employer benefits to ensure a secure retirement.

RELAXED
(74.4%)

Individuals in the relaxed category exhibit a balanced approach, contributing at a rate of 74.4% for maximizing employer matches. They prioritize financial security without overextending themselves, displaying trust in their ability to manage finances effectively.

OPTIMISTIC
(74.99%)

The optimistic group, with 74.99% contributing the maximum employer match, views their financial future with hope and positivity. This outlook translates into proactive retirement planning through employer contributions.

CONFIDENT
(73.44%)

Confident individuals (73.44% maximizing employer match) are self-assured in their financial decisions. They understand the value of maximizing employer contributions as part of their overall strategy.

Enrich's data provides deeper insights beyond just Money Personality categories:

FUTURE-FOCUS
(81.46%)

Our data shows a clear distinction between Future-Focused users (81.46% contribution rate) who prioritize long-term security

PRESENT-FOCUS
(69.38%)

Present-Focused users (69.38% contribution rate) who prioritize immediate needs.

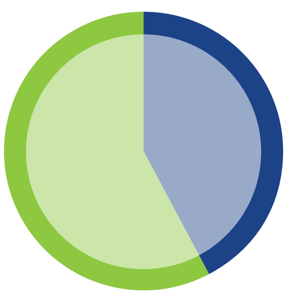
OPTIMISTIC
(74.99%)

These individuals both contribute at high rates, but for different reasons.

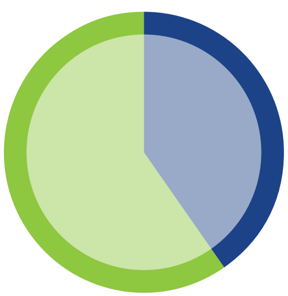
SKEPTICAL
(81.04%)

Optimists are driven by hope, while skeptics engage in critical evaluation before committing to retirement planning.

We also analyzed generational groups and their general budgeting habits.

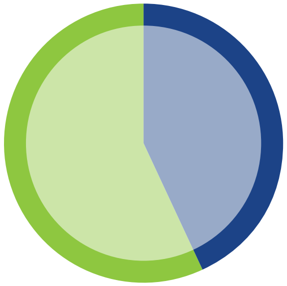


GEN Z
(67.49%)

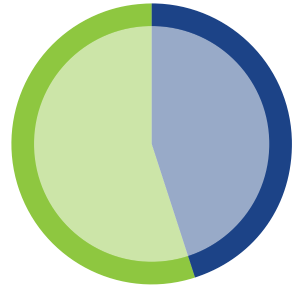


MILLENNIALS
(73.65%)

Gen Z, still early in their careers, is gradually learning the importance of financial planning. Millennials, on the other hand, show a higher contribution rate that reflects a growing focus on long-term financial stability as they progress in their careers and start families.



GEN X
(76.32%)



BABY BOOMERS
(82.34%)

Generation X, is at a pivotal stage in retirement planning. This generation, often juggling family responsibilities, mortgage payments, and aging parents, is acutely aware of the need for a robust retirement plan.

The Baby Boomers, with the highest rate of 82.34%, are the most proactive in maximizing their retirement contributions. Nearing or entering retirement, this generation is highly focused on ensuring financial comfort in their later years. Their high contribution rate reflects both an understanding of the imminent need for a substantial retirement fund and possibly a stronger financial position to allocate resources towards these contributions.

Enrich: Personalized Strategies for All Personalities

Enrich goes beyond simply identifying users' Money Personalities.
We offer a range of tools and resources tailored to address the specific needs of each group.

- **FOR CAUTIOUS SAVERS:**
  Help solidify their already strong foundation by providing education resources to maximize long-term security.
- **FOR RELAXED SAVERS:**
  Help refine their approach with budgeting and goal-setting tools.
- **FOR OPTIMISTIC SAVERS:**
  Empower them to explore retirement planning options and investment strategies with long-term goals in mind.
- **FOR CONFIDENT SAVERS:**
  Offer access to investment tools and educational resources that align with a proactive approach.
- **FOR PRESENT-FOCUSED SAVERS:**
  Help overcome present bias by highlighting the future benefits of consistent contributions.

Engaging employees about their finances and retirement increases loyalty, happiness, and productivity. Engaged employees strengthen companies and produce better results, leading to a more motivated and efficient workforce. By offering Enrich to your employees, you can unlock a range of benefits, including maximizing retirement savings.

Contact us today to learn more about our comprehensive financial wellness platform and discover how we can help your organization educate and empower your workforce.

Request a demo today:

Visit ***enrich.org*** or email ***busdev@igrad.com***