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Millennials and money: The state of their financial management and how workplaces can help them

Millennials (individuals age 18–37 in 2018) are the largest, most highly educated, and most diverse generation in U.S. history. Millennials are making financial decisions that will likely shape the future of the U.S. economy for the next 30 years, and they are doing so in an increasingly complex financial landscape.

In this study, we analyze data from the 2018 National Financial Capability Study (NFCS) to obtain an in-depth picture of millennials' current financial situation, behaviors, and knowledge, and we compare the state of their personal finances to that of older working-age adults (individuals age 38-64). Further, we compare the personal finances, money management behavior, and financial literacy of millennials to young adults in the same age range (18-37) in 2009, 2012 and 2015 by using data from previous waves of the NFCS.

Overall, we find that millennials currently tend to be highly indebted. Concerns about student loan repayment and over-indebtedness are more common among millennials than older working-age adults. Further, millennials more commonly engage in expensive money management behaviors than do older working-age adults. They also demonstrate lower basic financial literacy levels while at the same time being more likely to overestimate their own financial knowledge. In addition, millennials are worse off along these dimensions than young adults were in 2009. These factors likely explain much of the financial fragility and high levels of anxiety over personal finances that exist among millennials.

Financial literacy is positively linked to financial outcomes, and as such, it is essential if individuals are to thrive in today's society. Well-designed workplace financial wellness education programs can serve as catalysts for increasing financial literacy among millennials. We suggest that these programs include financial checkups, use accessible and customized content, and cover a broad range of personal finance topics. A financially strong and healthy workforce provides the foundation for empowered communities and economic growth.

Read the report [here](#).

MILLENNIALS & MONEY
NEW INSIGHTS

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68% of Millennials claim to feel anxious or stressed about their personal finances.

% of non-retired Americans age 18-37 that felt stressed or anxious when thinking or talking about their personal finances in 2018.

Source: FINRA Foundation's 2018 National Financial Capability Study | This research was supported by funding from the TIAA Institute

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