SHRM Research Spotlight:
Employee Financial Stress
Shedding Light on the Business of HR | shrm.org/research | Twitter @SHRM_Research

In the past 12 months, employees have missed work because of a financial emergency

<table>
<thead>
<tr>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neither agree not disagree</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>7%</td>
<td>30%</td>
<td>22%</td>
<td>29%</td>
<td>13%</td>
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Note: n = 352. Respondents who answered “don’t know” were excluded from this analysis. Percentages do not equal 100% due to rounding.

Key Findings

- Employees’ financial circumstances may be affecting employee absenteeism in organizations. Nearly two-fifths of HR professionals strongly agree or agree that employees have missed work due to a financial emergency in the past 12 months.

- Seven out of 10 HR professionals believe that employees at their organization are “somewhat financially literate.” While most HR professionals report their organization’s employees as being “somewhat financially literate,” 13% viewed their employees as “very financially literate.”

- Nearly one-fifth of organizations offer employees loan products from third-party providers. Of those who offer the benefit, 73% report a positive impact on their employees’ ability to manage financial difficulties.

- The majority of financial benefits organizations provide focus on retirement and investing. Eighty-one percent of organizations offer retirement planning and consultation, and 42% of organizations offer financial literacy training for investing. One-quarter of organizations provide training for basic budgeting.

Employees’ overall financial literacy

<table>
<thead>
<tr>
<th>Very financially literate</th>
<th>Somewhat financially literate</th>
<th>Not at all financially literate</th>
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</thead>
<tbody>
<tr>
<td>13%</td>
<td>70%</td>
<td>17%</td>
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Note: n = 391. Respondents who answered “don’t know” were excluded from this analysis.
**Do organizations offer employees third-party provider loan products?**

- Yes: 19%
- No: 78%
- No, but would consider offering: 2%

Of the organizations that currently offer their employees loan product(s) from a third-party provider, 73% indicated that the benefit has a **positive impact** on employees’ overall ability to manage their financial difficulties.

*Note: n = 59. Respondents who answered “don’t know” were excluded from this analysis.*

**What types of financial services do organizations offer?**

- **Retirement planning and consultation:**
  - Yes: 81%
  - No: 15%
  - No, but would consider offering: 4%

- **Financial literacy training for investing:**
  - Yes: 42%
  - No: 47%
  - No, but would consider offering: 10%

- **Financial literacy training for basic budgeting:**
  - Yes: 25%
  - No: 60%
  - No, but would consider offering: 15%

- **Credit score monitoring:**
  - Yes: 8%
  - No: 84%
  - No, but would consider offering: 8%

*Note: n = 398-405. Respondents who answered “don’t know” were excluded from this analysis. Percentages may not equal 100% due to rounding.*

**Methodology:** A sample of HR professionals was randomly selected from SHRM’s membership database, which included approximately 275,000 individual members at the time the survey was conducted. Overall, 419 responses were received, yielding a response rate of 14%. The margin of error is +/- 5%. Data were collected in May and June of 2014.


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