

# Financial Stability and Gen Z

A young woman with voluminous, curly brown hair is shown from the chest up. She is wearing a light-colored, long-sleeved top. She is looking down at a large sheet of paper she is holding in her left hand. In her right hand, she holds a red pen. The background is softly blurred, suggesting an office or library setting.

## White Paper

Based on recently collected quantitative research, we present introductory research findings on Gen Z and their expectations of financial stability.

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# Survey Intro

## The Research Question and Preliminary Results

In the Spring 2021, one of our Market Research student groups conducted research on the hypothesis that Gen Z is not confident in their future financial stability. Their goal was to ask questions about what key stressors students faced, what their preferences are in future workplaces, and how optimistic they are about the future.

### Demographics

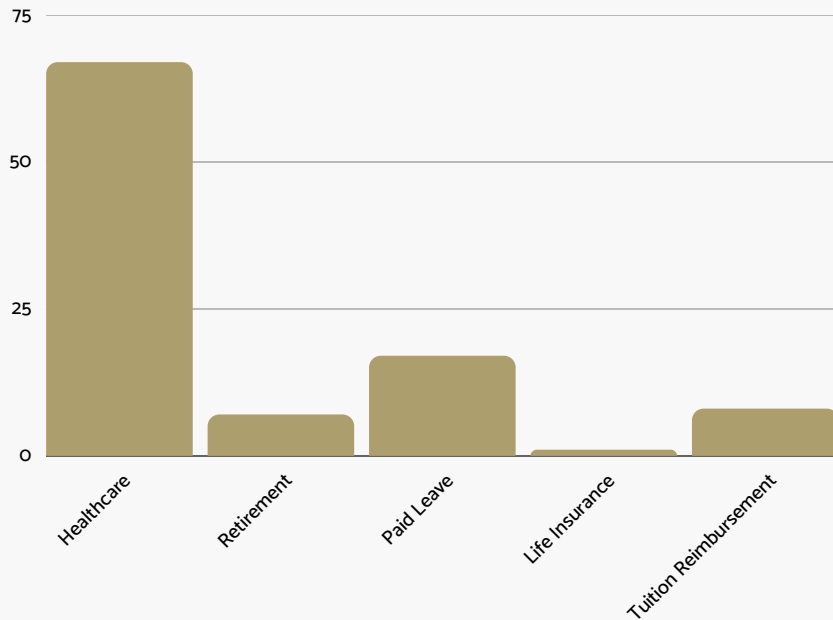
They collected 86 survey responses from people ranging from 18 to 27 years old. 72% of their respondents were female, 34% were students, and 58% had some level of employment.

### Preliminary Results

The survey results showed that the key stressor for financial stability is the cost of living (monthly bills) followed by debt. Respondents listed health insurance as the most important job benefit, and most answered that they would not apply for a job that does not offer their preferred benefits. The key themes of job benefits, student loans, and attitudes towards employment will now be broken down.



# Job Benefits



**68% ranked Healthcare as the #1 job benefit**



**31% would not accept a job without these benefits**

## Further Analysis

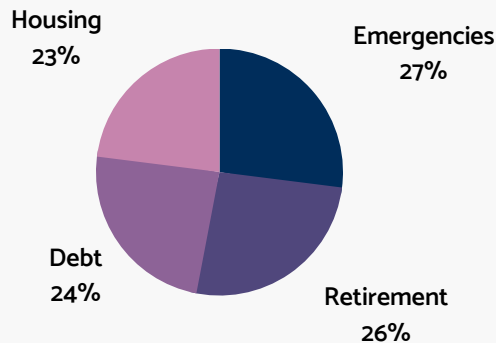
46% of respondents listed monthly bills as their primary financial stressor, with 33% listing debt as their primary stressor. These findings support the finding that the high cost of private healthcare would impact the financial stability of these young workers.

One of the key issues with this survey was the phrasing of 'tuition reimbursement.' The student researchers realized that perhaps the more appropriate phrase would have been 'student loan forgiveness.' Student loan debt was an important financial stressor left out of the original survey, and as such, it will be addressed on the following page.

# Student Loans

## Delayed Financial Decisions Due to Debt

To supplement our survey findings, we incorporated recent research from CBS News on Gen Z's attitudes toward student loan debt. These results found that student loan borrowers often delayed making a major financial decision because of their debt.



**74% delayed major financial decision**

In spite of these financial limitations, a majority of respondents said that higher education has improved their career opportunities and earning potential. However, it is clear their student loan debt is (even for the short term) impacting their financial stability.



# Employment Attitudes

One of the biggest factors of our research into Gen Z and their perspectives on financial stability was their attitudes about employment. We want to first share some findings from our research survey before delving back into supplementary research.

Our survey found that:



However, this data only paints a partial picture of Gen Z's. Further research found that this generation does not usually believe in "dream jobs" because they "don't dream of labor." Since they are determined to be defined and fulfilled by other aspects of life, they are more willing to be demanding and critical of potential employment.

**43% of Gen Z workers**  
say they've taken on a second job

**46% Gen Z workers**  
say they live paycheck to paycheck

As we continue to explore the available data, we learn more about how this generation feels about their financial stability. It's possible that the students in our survey answered that they were confident about the future because they have not yet entered the workforce. Although the Deloitte survey cited above did find even with these financial considerations, only 26% of respondents don't feel confident they will be able to retire.

# Findings

What does this mean about our understanding of this rising generation and their perspective on financial stability?

Here is what we've learned:

- Our survey data showed that Gen Z students are concerned about costly job benefits, such as healthcare.
- The survey also confirmed recent research from Deloitte that found the cost of living, or monthly bills, is the primary financial stressor for Gen Z.
- While our students claimed to feel mostly confident about their future finances, supplementary research suggests a more complicated reality.

# Applications

What does it all mean?

Every research project tells a story, and here's how this story can help you better understand this rising generation in the workforce:

- Make sure that your benefits program meets the needs of your young hires - have you considered a student loan benefit program to attract new talent?
- If Gen Z is worried and anxious about retirement, how can you make young employees feel secure at work?
- Consider conducting an internal survey to find out the primary financial concerns for your staff.

# How can we help?

This White Paper only scratched the surface of our understanding of Gen Z and how they impact multigenerational workplaces.

If we can help you or your organization reach a fuller understanding of generations, please reach out via the contact information below, or scan the QR code to book a call with us or learn more about the trainings we offer!



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BOOK A CALL



Our Trainings