

More Than One In Five People Are Worried About Their Finances Over The Next Six Months;

Financial pressures are impacting women inordinately more than men

BOSTON--(BUSINESS WIRE)--More than two-thirds of working Americans are worse off financially than they were a year ago – and women have been disproportionately affected, according to a new study from Salary Finance, the leading international provider of socially responsible financial products in the workplace. As many workers continue to struggle with the economic downturn and inflation continuing to plague the country, the onus falls on business leaders to step up and provide benefits that can enable financial wellness for all employees during these turbulent times.

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In its report “Breaking Down the Cost of Living Squeeze”, Salary Finance shares new data showing that three-quarters of women are financially worse off at this point in 2022 than they were a year ago, and four out of ten have completely drained their savings. More than two-thirds of women regularly run out of money, in sharp contrast to the 40 percent of men who do.

High-income employees are not immune to the financial pressures in today’s economic climate. Of those making over \$100,000 per year, half struggle more with their finances and have less savings compared to last year. Forty percent often run out of money and more than half worry about their financial situation at least once per day.

“Across the board, American workers are struggling financially, regardless of gender, race, ethnicity, sexual orientation, or earnings; in fact, half of American workers making over \$100,000 are worse off this year,” Aresh Sarkar, Global CEO, Salary Finance, said. “It is incumbent on companies to not only support their employees with financial wellness offerings but truly understand who in their workforces are struggling financially. In doing so, they can better provide services for vulnerable work populations who need it the most by implementing benefits that solve their short-term problems while setting them up for longer-term financial stability. With most Americans feeling the financial pinch, now is the time to educate and provide the resources for managers and employees.”

The survey also found that American workers are:

Depleting their savings. In addition to the nearly 30 percent who have completely wiped out their savings, nearly three quarters have less savings than last year.

Increasingly living paycheck to paycheck. This issue has increased in prevalence over the course of 2022: about one-third of workers are running out of money regularly between paychecks, compared to only 20 percent when Salary Finance conducted a similar survey in February of this year.

Dealing with mental health issues as a result of financial stress. More than 90 percent of workers dealing with financial stress are facing mental health issues due to this financial stress. Nearly three-quarters of workers responded that their mental health would improve if their employer-provided support for financial well-being through offering voluntary benefits.

Less productive at work. Nearly 60 percent of workers spend at least one hour per week thinking about or dealing with financial issues at work and more than one-third spend at least five hours per week thinking about or dealing with financial issues at work.

These results are based on a survey of 500 Americans who, at the time of the survey, were employed by an employer in the US. The respondents are distributed across the US geographically. The sample was designed to include a representation of key sub-segments including women, Black or African-American

people, and Hispanic or Latino people. The survey ran from August 17-18, 2022. Survey data comes with certain limitations due to self-reporting, which include telescoping, exaggeration, and selective memory. Citations of this report should read “Salary Finance’s 2022 Report, Breaking Down the Cost of Living Squeeze, Salary Finance Inc, 2022.”

By Phil LeClare