Online Financial Education in the Workplace

John Russell Smith – Aon Employee Benefits

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We are living in exponential times

Years it took to reach a market audience of 50 million

38	13	4	3	2

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The Actuarial World is Changing

Where are we now?

Multigenerational workforce needs multiple ways to communicate

Pension is no longer number one priority for savings

The new world is DC – DB does not exist for new savers entering the work place

RDR ruled end of commission to fund advice in workplace

The Demographic divide

The shape and characteristics of your workforce has changed considerably and we now include up to 4 generations in the workplace for the first time ever. Couple this with a growing contingent of international employees, dual income families and flexible working patterns

The multiplicity of needs when it comes to employee benefits and reward are becoming far more complex to satisfy. The one-size fits all approach to benefits is no longer fit for purpose and requires more flexibility, choice and consideration of the different needs of each generation.

How do we communicate with Multiple Generations

Baby Boomers

Generation X

Generation Z

Millenials

Aon Hewitt's 2015 'Financial Mindset Study'

Financial Worries

- Saving for the future
- Keeping up with the cost of living

Motivators to Save

- Being financially responsible
- Being able to do what I want when I retire
- Being prepared for any unforeseen problem

73%
feel
in control
of their finances

57%
are
just getting by
or worse

Employers should help:

91%
Save for retirement

56%
Establish an emergency fund

52%
Save for children's education

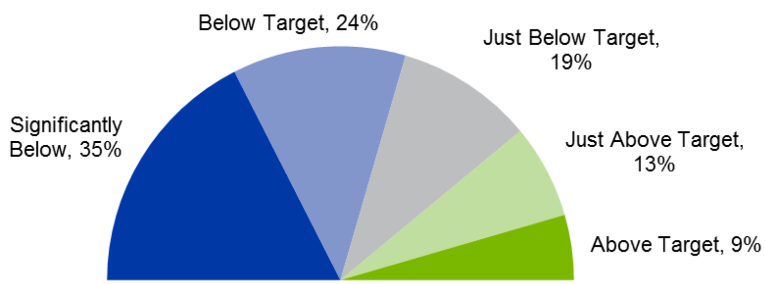
52%
Save for short-term needs

42%
Create or manage a budget
for personal expenses

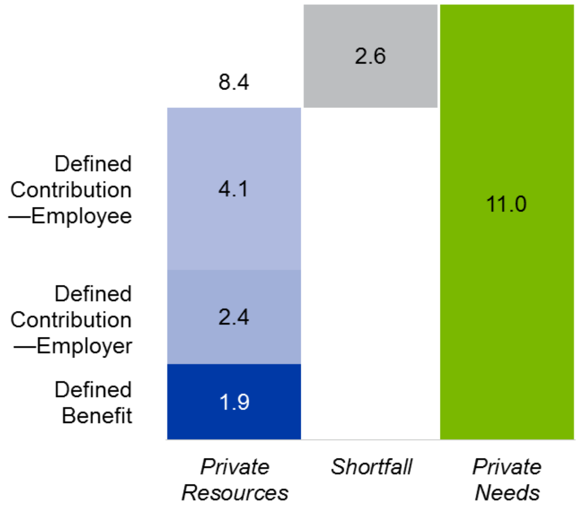
How prepared will today's workers be for their Retirement?

Only about **2** out of **5** workers are on track for a **reasonably adequate** retirement

Distribution of Worker's Projected Resources vs. Targeted Needs



Projected Age 65 Resources vs. Targeted Private Needs



Source: Aon Hewitt's *The Real Deal—2015 Retirement Income Adequacy at Large Companies*, full-career contributors retiring at age 65

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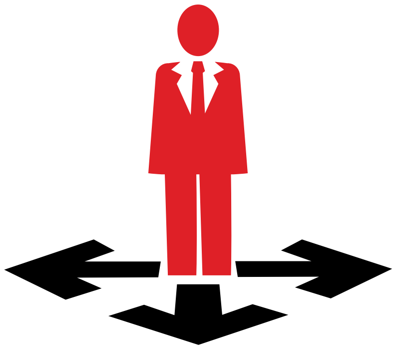
Amount needed in retirement



1 in **4**

have no idea how much pre-retirement income they need to replace

Rules of thumb are available:

Retire at age:

Retire at age	
62	13.2×
65	11.0×
67	9.6×

Targets vary by person

Source: Aon Hewitt's *Financial Mindset Study*

Source: Aon Hewitt's *The Real Deal—2015 Retirement Income Adequacy at Large Companies*

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From rivals to partners in 30 years

VS

+

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Who does what?

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HYMANS ROBERTSON

Willis Towers Watson

NUDGE

Money on toast

Barnett Waddingham

JLT

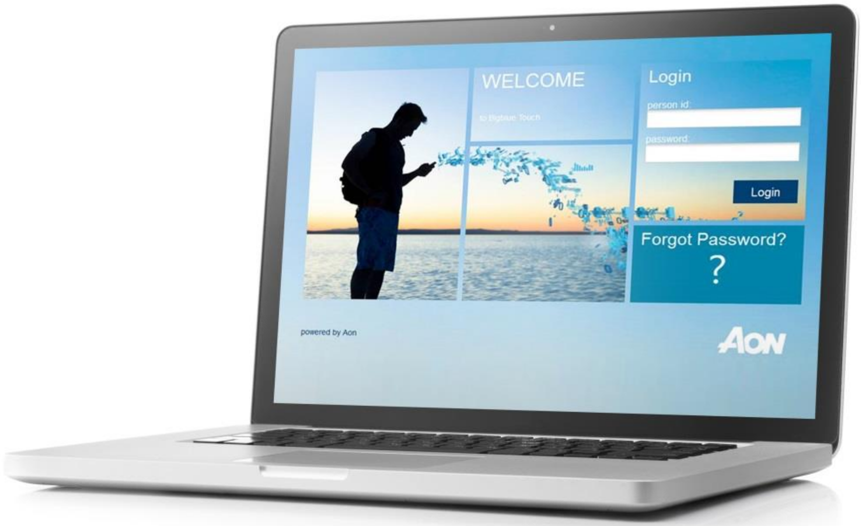
lemonade refreshing reward

CAPITA

STRAWBERRY PICK YOUR OWN INVESTMENTS

MERCER

nutmeg



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Money

My Future Me

Transfers

Pensions

Advice

Pension Wise

Retirement options

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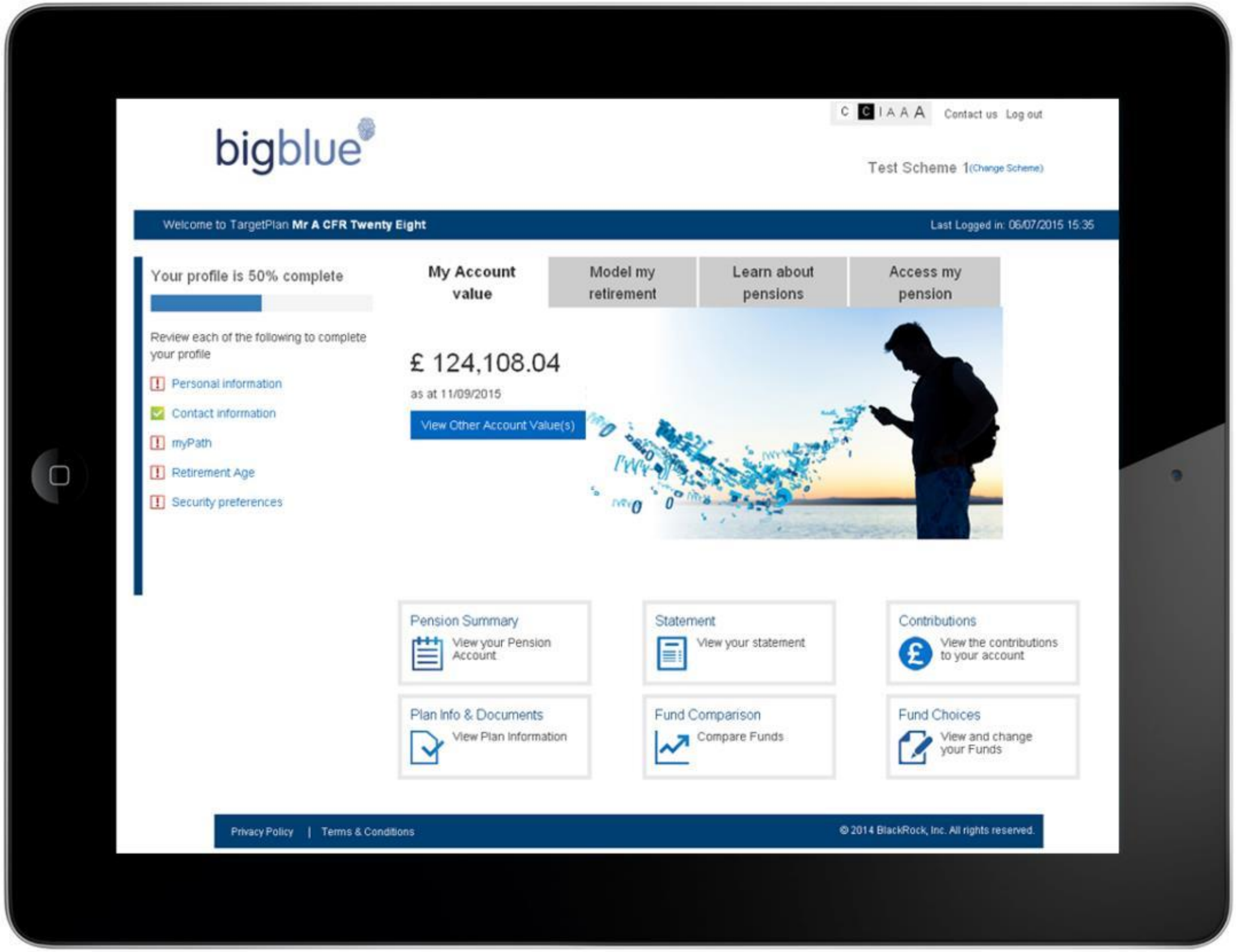

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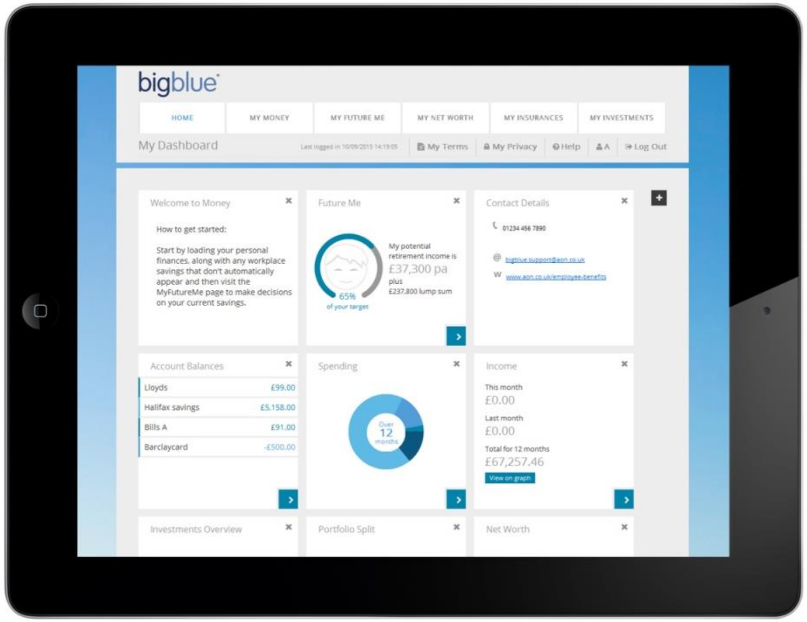

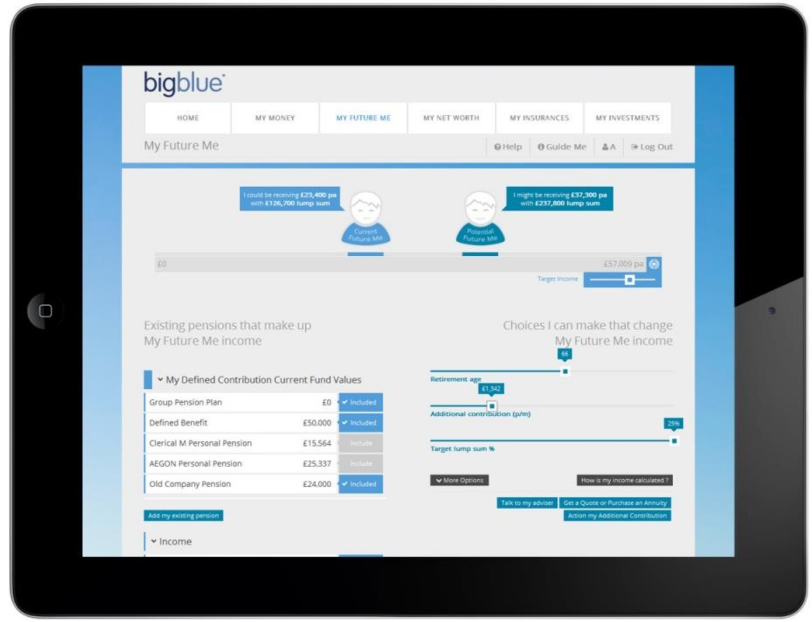

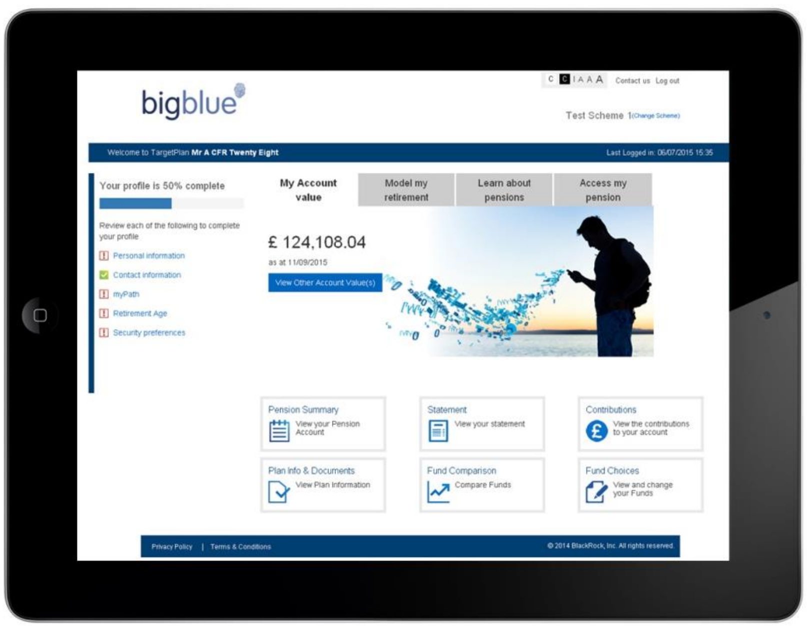

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A DIGITAL FUTURE
FOR FINANCIAL ADVICE
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