92% Of Americans Say Nothing Makes Them Happier Or More Confident Than When Their Finances Are In Order

New Study from Northwestern Mutual Links Financial Stability to Overall Happiness Yet Most US Adults Say Their Planning Needs Improvement and Only 31% Work with Advisors

MILWAUKEE, July 22, 2019 /PRNewswire/ -- According to the latest findings from Northwestern Mutual's2019 Planning & Progress Study, 92% of U.S. adults aged 18+ agree that nothing makes them happier or more confident in life than when their finances are in order.

Despite the link between financial stability and emotional well-being, the majority of Americans have room for improvement when it comes to their financial planning. While there are some signs that behaviors are trending in the right direction, a gap continues to exist between intent and action:

More than six out of 10 Americans (62%) say their financial planning needs improvement, which is down from the 70% who said the same in 2018

59% identify themselves as either disciplined or highly disciplined planners, which is an improvement over the 49% who said the same a year ago

Those who say they don't plan at all is down to 11% in 2019, vs. 14% in 2018

30% haven't spoken to anyone about financial planning, an improvement from the 34% who said the same a year ago

While 64% of Americans agree there are likely to be more financial crises in the future, 20% say their retirement / financial plan has not been created to endure ups and downs in the market

Nearly half (48%) report they don't have clarity on how much they can afford to spend now vs. how much they should be saving for later

"We see something of a classic disconnect between theory and practice in these numbers," saidTim Gerend, executive vice president, career distribution. "While there is near unanimous acknowledgment that getting one's financial house in order is good for our mental health, breakdowns occur when it comes to taking action. That said, it's worth noting that some progress has been made year-over-year. Hopefully that's a trend that not only continues but accelerates."

Advisor Usage Remains Low, but Benefits Run High

While Americans recognize that their financial planning efforts need improvement, few seek guidance from a financial professional. Only one-third (31%) of U.S. adults work with an advisor, which is flat to the proportion of the population who said the same last year.

However, the benefits of seeking professional help come across distinctly in the data. Those who work with advisors report substantially greater financial security, confidence and clarity than those who go it alone:

U.S. Adults, Age 18+	With Financial Advisors	Without Financial Advisors
Feel very financially secure	66%	31%
Feel as if they're headed in the right direction personally	85%	71%
Are happy with their life	71%	50%
Have clarity on balancing spending now vs. saving for later	61%	50%
Set specific goals for the next 5-10 years	81%	67%
Are confident they will achieve their goals in the next 5-10 years	68%	55%

Have financial plans built to endure market ups and downs	73%	30%

"Too often, people assume that advisors are for people who have either achieved a certain level of wealth or have a complex financial situation," said Gerend. "We remind people every day that the road to financial security starts with having a solid financial plan, and the road to a plan starts with having an advisor you trust who can give you the confidence you need to take action. The most important part is getting started, and it's never too early to do that."

About The 2019 Northwestern Mutual Planning & Progress Study

The 2019 Planning & Progress Study was conducted by The Harris Poll on behalf of Northwestern Mutual and included 2,003 American adults aged 18 or older in the general population who participated in an online survey between February 20 and March 5, 2019. Results were weighted to Census targets for education, age/gender, race/ethnicity, region and household income. Propensity score weighting was also used to adjust for respondents' propensity to be online. No estimates of theoretical sampling error can be calculated; a full methodology is available.

About Northwestern Mutual

Northwestern Mutual has been helping families and businesses achieve financial security for more than 160 years. Through a distinctive, whole-picture planning approach, we empower our clients to make the most of every single day and plan for important moments in their future. We combine the expertise of our financial professionals with a personalized digital experience to help our clients navigate their financial lives every day. With $272.2 billion in assets, $28.5 billion in revenues, and $1.8 trillion worth of life insurance protection in force, Northwestern Mutual delivers financial security to more than 4.5 million people who rely on us for life, disability income and long-term care insurance, annuities, and brokerage and advisory services.

The company manages $128 billion of investments owned by our clients and held or managed through our wealth management and investment services businesses. Northwestern Mutual ranks 104 on the 2018 FORTUNE 500 and is recognized by FORTUNE® as one of the "World's Most Admired" life insurance companies in 2019.

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