

## Northwestern Mutual Study Finds Americans' No. 1 Obstacle for Financial Planning is Lack of Time

MILWAUKEE, March 26, 2013 /PRNewswire/ -- Northwestern Mutual today released data from its 2013 Planning and Progress Study showing that more than six in ten (63%) Americans say their financial planning needs improvement; and that the No. 1 obstacle is not having enough time (24%).

To view the multimedia assets associated with this release, please click: <http://www.multivu.com/mnr/59535-northwestern-mutual-2013-planning-and-progress-study-lack-of-time>

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"There's an interesting parallel that exists between managing your finances and managing your day-to-day life in that it's so easy to let short-term needs and wants over shadow the more critical long-term goals," said Greg Oberland, Northwestern Mutual executive vice president. "We're all susceptible, particularly today, as we're often overloaded with information and over scheduled."

Oberland added that Northwestern Mutual's study results should be read as "a wake-up call to put long-term financial planning on our collective to-do lists."

### Time-Strained America

The majority of Americans (69%) say the pace of society makes it harder for them to stick with long-term goals.

More than one in four (26%) people say they either often or always feel too busy to think about long-term goals. Additionally, nearly one in three (31%) say they find the level of immediacy of society today – characterized by 24/7 connectivity and accessibility – to be distracting.

### Half of All Americans Have No Financial Plan in Place

When people were asked to specify what type of planners they are:

40% described themselves as "Informal," meaning they have a general sense of their goals and how to meet them, but no specific plan in place.

An additional 9% say they are "Non-Planners," meaning they neither have specific goals nor specific plans of any kind.

One in three (34%) people describe themselves as "Disciplined," meaning they know their goals and have a plan in place, but deviate at times because they don't always stay on top of them.

Just 16% say they are "Highly Disciplined," meaning they know their goals, have a plan in place to meet them, and rarely deviate.

### Gen Y Shows More Discipline

When it comes to financial planning, Gen Y (ages 25-32) may be the most disciplined generation with 24% saying they are "Highly Disciplined" planners. This is a 50% increase over the full-sample average (16%).

The discrepancy is even greater when comparing Generation Y (ages 25-32) to Baby Boomers (ages 47-66), among which only 14% are "Highly Disciplined."

"While overall discipline remains low, we're encouraged to see that the youngest generation of adults appears to be taking demonstrable action," said Oberland.

This is the first set of findings released from Northwestern Mutual's 2013 Planning & Progress Study, which explores the state of financial planning in America today, and provides unique insights into people's current attitudes and behaviors toward money, goal-setting and priorities. The study was conducted by the independent research firm Harris Interactive. Northwestern Mutual will release additional results and a series of multi-media materials over the coming weeks.

## **About the Research**

The study was conducted by independent research firm Harris Interactive, and included 1,546 Americans aged 25 or older who participated in an online survey between January 9, 2013 and January 23, 2013. Results were weighted as needed for age by gender, education, 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 is the marketing name for The Northwestern Mutual Life Insurance Company, Milwaukee, WI, and its subsidiaries. Northwestern mutual is among the "World's Most Admired" life insurance companies in 2013 according to FORTUNE® magazine and has helped clients achieve financial security for more than 156 years.

As a mutual company with \$1.4 trillion of life insurance protection in force, Northwestern Mutual has no shareholders. The company focuses solely and directly on its clients and seeks to deliver consistent and dependable value to them over time.

Northwestern Mutual and its subsidiaries offer a holistic approach to financial security solutions including: life insurance, long-term care insurance, disability income insurance, annuities, investment products, and advisory products and services. Subsidiaries include Northwestern Mutual Investment Services, LLC, broker-dealer, registered investment adviser, member FINRA and SIPC; the Northwestern Mutual Wealth Management Company, limited purpose federal savings bank; Northwestern Long Term Care Insurance Company; and Russell Investments.

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