

Thought Leaders Outline Actions Designed to Increase Financial Literacy, Enhance Retirement Outcomes and Achieve Financial Well-Being

RADNOR, Pa.--(BUSINESS WIRE)--A panel of financial services industry and academic thought leaders, participating in an event debuting findings from Lincoln Financial Group's (**NYSE: LNC**) most recent Measuring Optimism, Outlook and Direction (M.O.O.D.) of America survey, outlined actions designed to increase financial literacy, to help Americans enhance retirement outcomes and to achieve financial well-being.

The event was hosted in New York City, on Thursday, Aug. 11, and was streamed live over the internet. The panel of thought leaders included Neale Godfrey, chairman and president of Children's Financial Network and author of numerous books explaining investing to children; Dr. Keith Weigelt, professor of strategy at The Wharton School of the University of Pennsylvania and founder of Building Bridges to Wealth; Jamie Ohl, president of Retirement Plan Services for Lincoln Financial Group; and Eric Reisenwitz, senior vice president and head of Group Benefits Product and Operations for Lincoln Financial Group.

Overall, the group's "call to action" centered on parents becoming more educated about finances so they can effectively advise their children on the right steps to take, personally and through the workplace, to ensure they are able to maximize savings, experience financial security and secure long-term retirement outcomes. In addition, the group highlighted the benefits of working with financial advisors to develop a financial program that meets specific needs.

An Optimistic Generation

This was the first time the M.O.O.D. survey looked at Generation Z, and results showed that members of this generation (those born starting in 1995) are more optimistic about their financial futures than any other generation, with 89 percent of them feeling optimistic compared to 83 percent of Millennials and Gen Xers, and 78 percent of Baby Boomers.

While optimistic, Gen Zers still have concerns. "The survey shows Generation Z's three top priorities — graduating from college, getting a job and saving for their future are also their three biggest financial concerns," said Weigelt.

Those financial concerns surface because this is a generation that is already starting to prepare for their financial futures — 60 percent have a savings account and 7 percent are already investing in stocks.

Weigelt also pointed out that while it can be difficult to change long-term financial behaviors, it isn't impossible. The survey shows that by age 13 Gen Zers are having conversations about retirement, and that they are looking for guidance from their parents.

"The survey showed that 66 percent of Gen Zers go to their parents for advice. That paints a picture ... on how to reach this generation early, to help change saving behaviors and increase financial literacy," Ohl said. "It starts with helping to educate their parents about retirement."

Further underscoring the need for more education, Ohl pointed out that Americans in the workplace are leaving about \$24 billion on the table, in terms of matching contributions that their employers would make if they saved enough to get the full match.

"If they are asking for advice, we as parents have to educate ourselves so we can become financially literate," said Godfrey. "We know these kids are attached to mobile devices and can teach them through those devices," she continued. "I think we have a tremendous opportunity to really focus on multiple generations."

Ohl added that when we think about retirement it's the outcome that is important. "The outcome is income," she said.

Compound interest can also provide significant benefits to those who invest. "It is very important for parents to get their children to understand that the sooner they start investing money, the better off they may be in the future." The amount of financial resources they may have to live on later may increase as a result, Weigelt said.

Moreover, Godfrey noted, only 17 states within the U.S. actually mandate any teaching of financial literacy. "This is not okay, and we need to come together as parents, grandparents, educators, businesses, and even politicians, to make sure we build this up throughout the country. Lincoln's M.O.O.D. of America survey is a call to action."

To watch the full segment on Gen Z, please [click here](#).

Democrats and Republicans in Agreement on Retirement

This year's survey also looked at results by political affiliation, and showed that despite the political divide in the country, there is agreement when it comes to retirement.

In fact, 92 percent of Democrats and Republicans polled "agree that they do not want to have to work in retirement," Ohl said. The survey also showed 90 percent of both Democrats and Republicans say working with an advisor makes them feel more confident in achieving their financial security.

"I think about relationships with advisors for financial health the same way I think about a personal trainer for your physical health," said Ohl. "It's all about staying on track and having someone there to help you make adjustments when necessary."

To watch the full segment on the alignment between Democrats and Republicans regarding retirement, please [click here](#).

The Right Track to Financial Wellness: Five Key Factors

This year, Lincoln's study also included a special report asking employed Americans about their general financial mindsets, finding that 55 percent of American workers feel they are on the "right track" to achieving financial well-being, while the remaining 45 percent feel they are not currently headed in the right direction.

The study dug deeper into the lives of the "right-trackers," and uncovered five key factors – behaviors and influencers in these individuals' lives – that contribute to their feelings of financial security and to their overall financial success.

"The first two factors are fairly traditional," said Reisenwitz. Number one: right trackers are likely to have a financial plan in place. He noted "About 70 percent of right-trackers have a financial plan that they are following." Second is that right-trackers are future-focused. "Ninety-eight percent of right trackers have a forward-looking view and are planning toward that vision," he continued.

While planning and focus on the future are clearly important to financial well-being, some other contributing factors uncovered by the study are unrelated to money. The third factor is physical health. "About 80 percent of those who feel financially-well exercise on a regular basis, at least once a week," Reisenwitz continued.

"The fourth factor has to do with emotional health. These right trackers feel very comfortable with their personal lives and their relationships. And importantly, they feel good about their relationships at work and tend to be less stressed."

The fifth factor Reisenwitz discussed is the use of employee benefits, offered through the workplace. "Individuals who maximize their benefits feel more financially secure," he said, explaining that the more benefits individuals are enrolled in at work, the better they tend to feel about their financial situations.

To watch the full segment on the Right Track to Financial Wellness, please [click here](#).

In addition, the study included findings specific to the LGBT community, looking at the impact on employee benefits one-year after the historic marriage equality ruling (*Obergefell v. Hodges*), which occurred on June 26 of 2015. To hear more about these findings, please [click here](#) to watch the full segment.

To access supplemental materials regarding each segment of this press conference, please [click here](#).

About the M.O.O.D. of America Survey

Results for the 2016 M.O.O.D. (Measuring Optimism, Outlook and Direction) of America poll are based on three national surveys conducted by Whitman Insight Strategies on behalf of Lincoln Financial Group in March and April 2016.

- The M.O.O.D. of America survey was conducted among 2,267 adults 18 years of age and older across the United States, and included a sample of the General Population as well as over-samples to ensure data cuts by key demographic sub-groups that are of particular interest for this research. The final sample includes 405 African Americans, 402 Asian Americans, 402 Latino Americans, and 418 LGBT Americans. The margin of error is $\pm 1.9\%$

at the 95% confidence interval.

- The M.O.O.D. of Gen Z survey was conducted among 400 members of Generation Z (ages 15-19) across the United States. The margin of error is $\pm 4.8\%$ at the 95% confidence interval.
- The Special Report: M.O.O.D. of America on Employee Benefits was conducted among 1,154 employed adults ages 22–69. The margin of error is $\pm 2.80\%$ at the 95% confidence interval.

All three samples were weighted to reflect the proportion of these audiences by gender, age, region, race and ethnicity based on data from the U.S. Census Bureau.

About Lincoln Financial Group

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