cri.georgetown.edu

GEORGETOWN UNIVERSITY

McCourt School *of Public Policy*

CENTER FOR RETIREMENT INITIATIVES

Webinar | March 25, 2026

Financial Wellness and Retirement Security: Understanding Financial Vulnerabilities to Deliver Better Outcomes

Panelists: (in order of presentation)

- **Hector Ortiz,** Non-Resident Scholar, Georgetown CRI
- **Olivia Valdes,** Senior Principal Research Analyst, FINRA Investor Education Foundation
- **Jessica Muirhead**, Executive Director, MyCT Savings
- **Sid Pailla,** Founder and CEO, Sunny Day Fund
- **Amy Chou,** Chief Operating Officer, Addition Wealth

Moderator and Presenter:

- **Angela Antonelli**, Research Professor and Executive Director, Georgetown University Center for Retirement Initiatives

Hector Ortiz

Non-Resident Scholar, Georgetown CRI

Financial Vulnerabilities Among Retirement Savers: Trends, Outcomes, and State-Level Differences

Hector Ortiz, PhD*, Center for Retirement Initiatives (CRI)

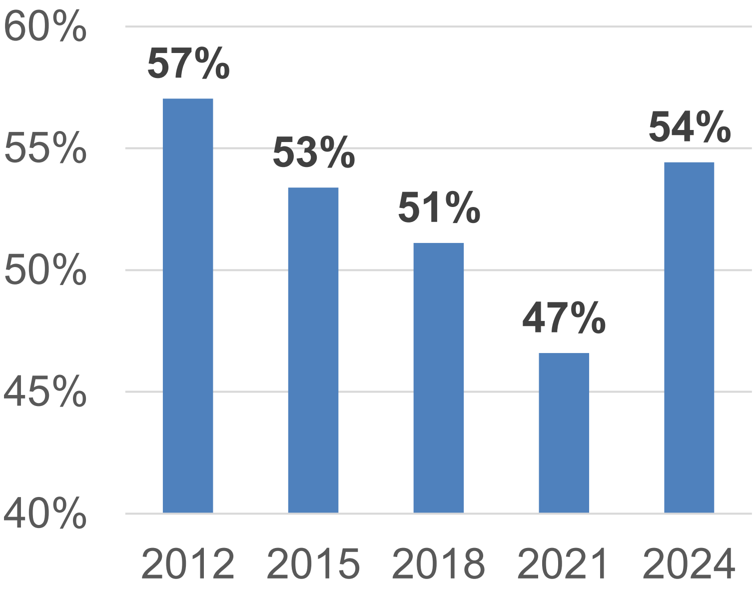
*Non-Resident Scholar, Center for Retirement Initiatives (CRI), Georgetown University. The views expressed in this presentation and underlying paper are the author's own and do not necessarily reflect the views of the CRI or any other institutions with which the author is affiliated. The author assumes full responsibility for any errors or omissions.

Vulnerabilities among retirement savers

Measuring vulnerability

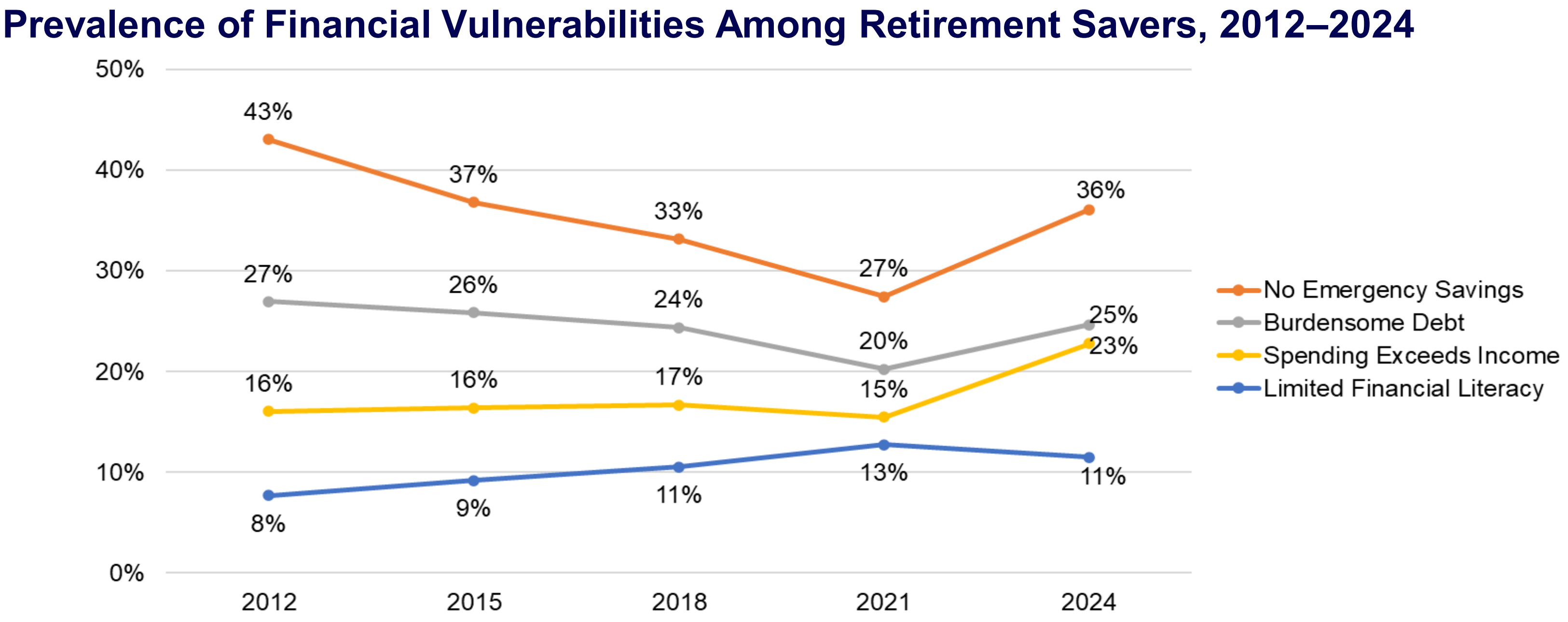
- Measures:
  - Limited Financial Literacy
  - Burdensome Debt
  - Lack of Emergency Savings
  - Spending Exceeds Income
- Data:
  - National Financial Capability Study, State-by-State Survey

Share of retirement savers with at least one vulnerability



Source: Author's calculations using the FINRA Foundation, National Financial Capability Study (2012-2024)

Vulnerabilities over time



Source: Author's calculations using the FINRA Foundation, National Financial Capability Study (2024)

Variations by groups

Findings

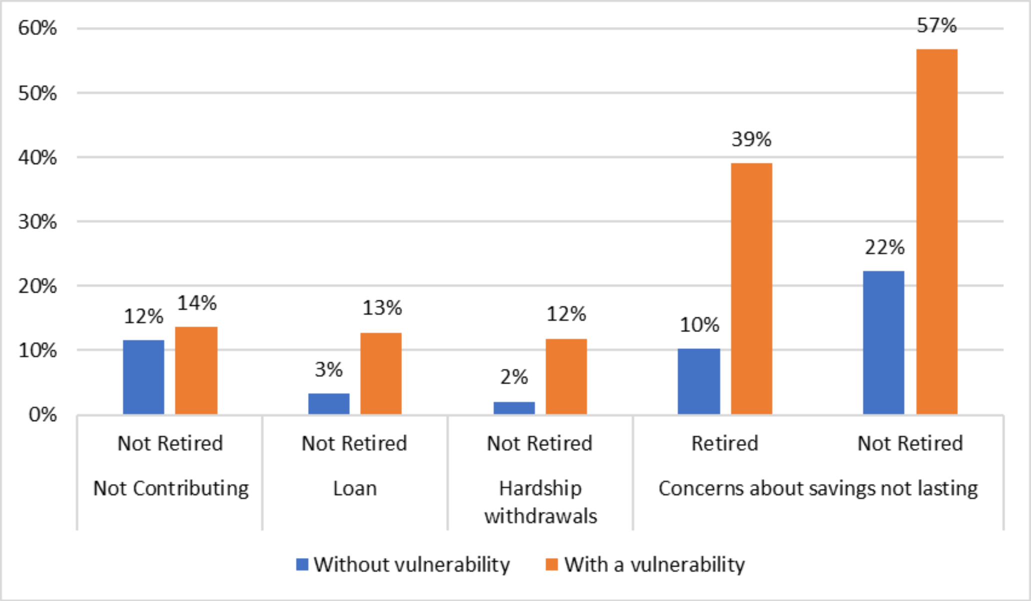
- These vulnerability rates decline with age and income, consistent with life-cycle models of saving and wealth accumulation. However, the vulnerabilities persist even among older and higher-income retirement savers.
- The analysis shows that how retirement savers perceive their financial situation (including the quality of their credit) and their confidence in their ability to improve it is closely related to financial vulnerability.
- Retirement savers who report owning cryptocurrency, experiencing fraud, or carrying medical debt are more likely to face one or more vulnerabilities. These associations likely reflect additional sources of financial risk among already financially vulnerable savers.

Sub-groups of retirement savers with 60% reporting at least one vulnerability

Source: Author's calculations using the FINRA Foundation, National Financial Capability Study (2024)

Impact on key retirement behaviors

Share of retirement savers reporting specific behaviors and attitudes by vulnerability status



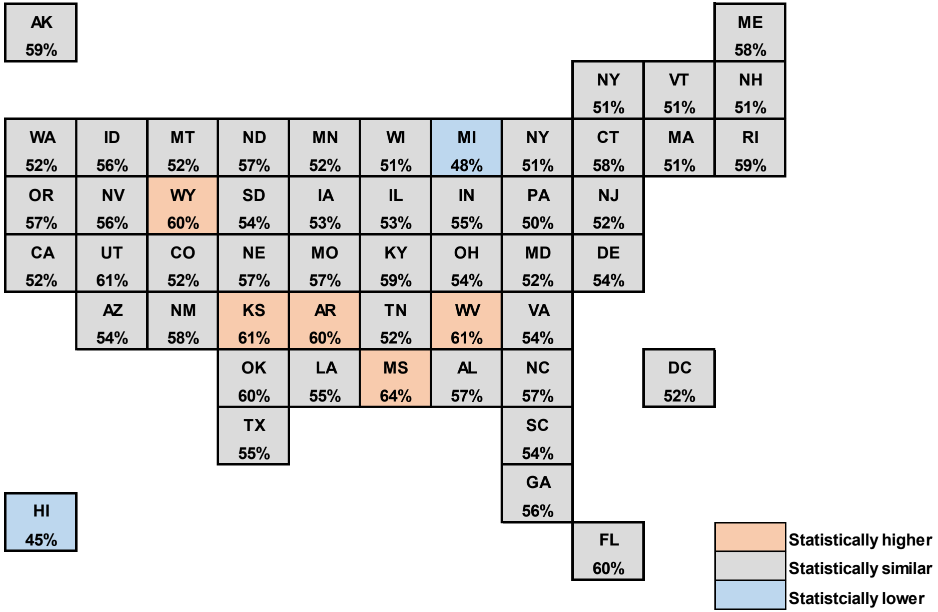
Source: Author's calculations using the FINRA Foundation, National Financial Capability Study (2024)

Financial vulnerabilities by state

Findings

- In 2024, states with the highest shares of retirement savers reporting one or more vulnerabilities include Arkansas, Mississippi, Kansas, Wyoming, and West Virginia, while Hawaii and Michigan report the lowest vulnerability levels.
- Lack of emergency savings is the dominant contributor to vulnerability across states.

Share of retirement savers with at least one vulnerability by state

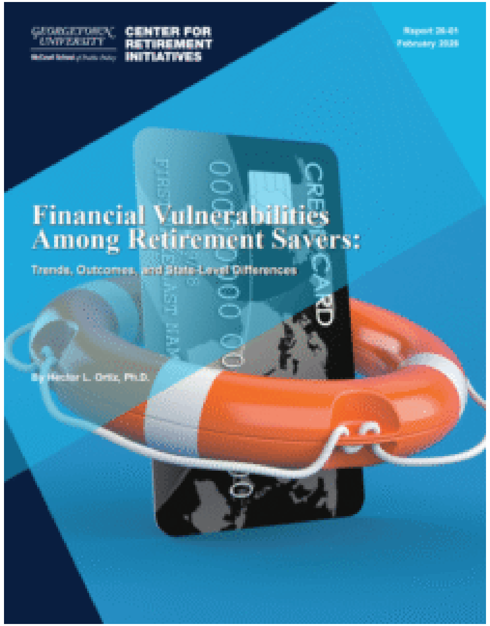


*Note: Based on a comparison of each state's proportion on a given measure with the proportions observed in all other states. Asterisks denote the following significance levels * p < .05.*

Implications

- Prioritizing emergency savings
- Helping savers who may face other risks
- Tailoring interventions such as financial education and retirement policy to local economic conditions.
- The goal: balancing present and future needs

Thank you!



Stay connected,
read the paper & learn more at

cri.georgetown.edu/research

Olivia Valdes

Senior Principal Research Analyst,

FINRA Investor Education Foundation

The FINRA Foundation's National Financial Capability Study

Olivia Valdes, PhD

FINRA INVESTOR EDUCATION FOUNDATION

About the National Financial Capability Study

Making Ends Meet

Planning Ahead

Managing Financial Products

Financial Knowledge

- Aims to better understand U.S. financial capability
- Conducted in three-year intervals since 2009
- Fielded in summer–fall 2024
- Self-administered online survey of 25,539 U.S. adults
(roughly 500 per state, plus D.C.)
- Non-probability quota sampling matched to Census

How the NFCS Measures Financial Literacy

2009-2024

Big 5

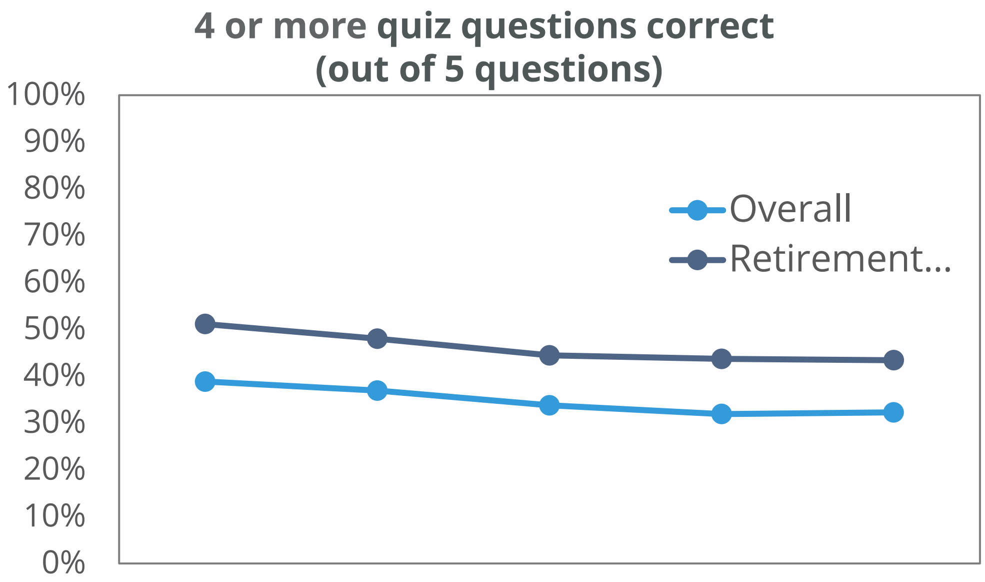
Big 3

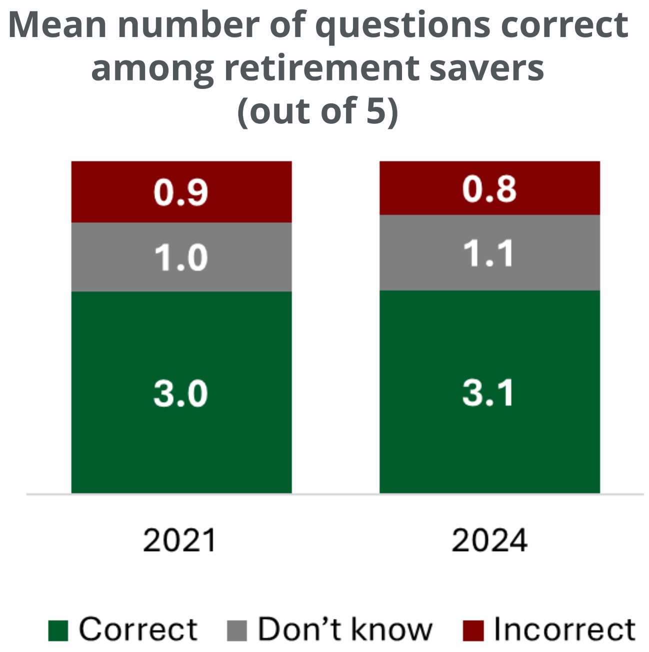
- **Interest Rate**
- **Inflation**
- **Risk Diversification**
- **Bond Price**
- **Mortgage**

NFCS coding logic

- Correct Answer = 1
- Wrong Answer = 0
- Don't know = 0

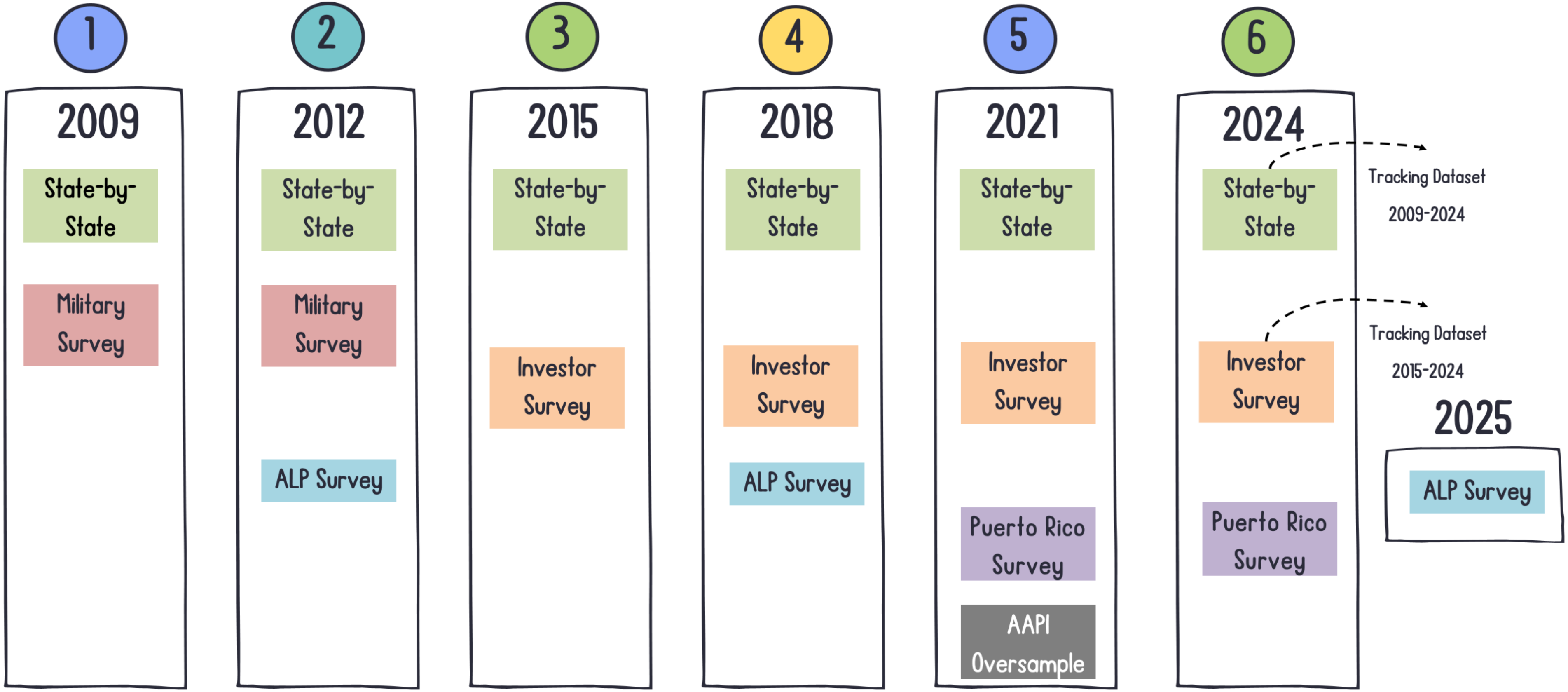
Changes in Financial Literacy





NFCS Timeline 2009–2024

FINRA Investor Education FOUNDATION



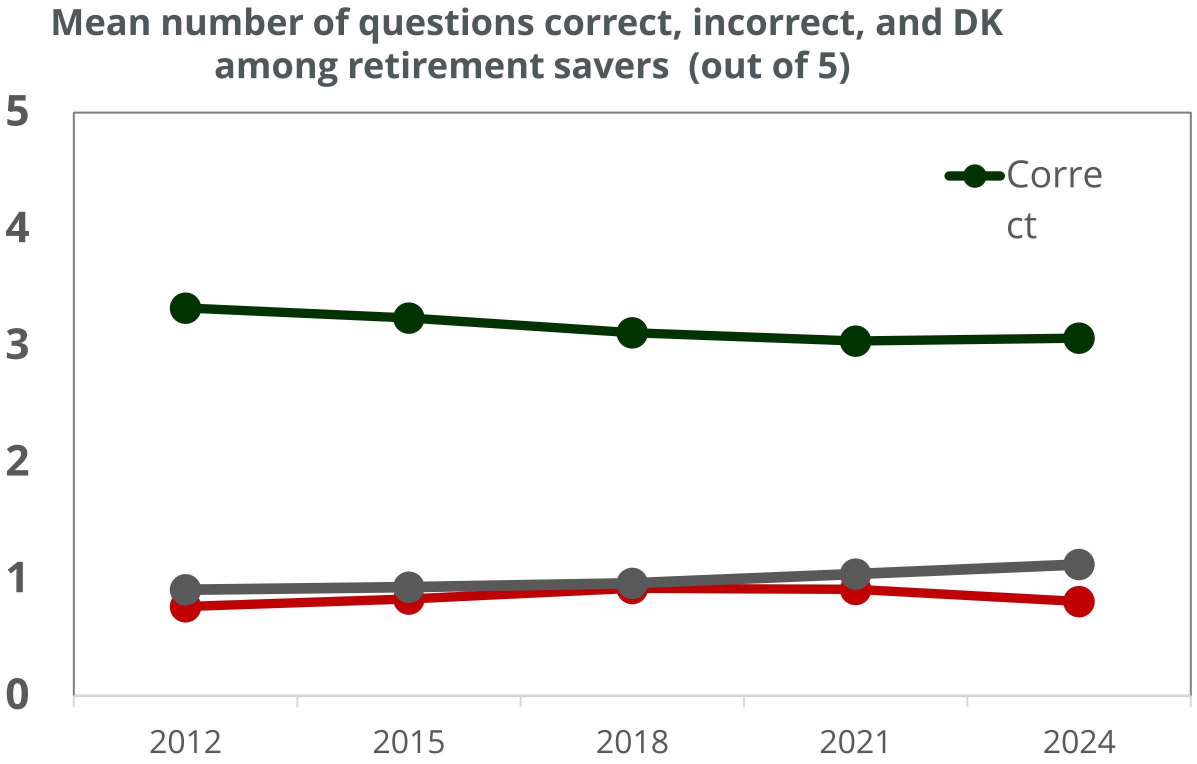
Using the NFCS

FINRA Investor Education FOUNDATION

FINRAFoundation.org/NFCS

- Data & Reports
- Interactive Map
- Methodology
- Supplemental Data

Appendix: Changes in Financial Literacy



Jessica Muirhead

Executive Director, MyCT Savings

Auto-IRA Research in CT

Ongoing review of behavioral incentives and nudges

MyCTSavings Auto-IRA Program Research

Purpose

- Embarking on research and potential pilot initiatives for both employers and savers
- Meant to help identify program pain points and potential avenues for improvements and encourage desired outcomes through behavioral nudges.
- Hoping to better understand stakeholders and improve outcomes on withdrawals, incentives to participate in the program, and enable better program facilitation for employers.

History

- Embarked on survey research with the Pew Research Center – Retirement Savings initiative in 2025, with the input of the Federal Reserve Bank of Boston and Connecticut Wealth Accelerator
- Two separate surveys: employers and employees
- Employer survey to measure satisfaction and barriers to registration and facilitation
- Employee survey: measure potential responses to incentive programs, understanding of IRAs, and withdrawals.

MyCTSavings Auto-IRA Program Research

*data from 2025 survey research by the Pew Charitable Trusts | Retirement Savings

Key Demographics

- **Understanding our audience.** In understanding the participants in the program, we are better able to tailor our messaging and outreach to meet the needs of the population served.
- **Race and ethnicity.** 59% non-Hispanic white (vs. 63.2% CT); non-Hispanic Black 19% (vs.12.4% CT); 17% Hispanic (vs. 17.3% CT). Responses to financial security differed across demographics; white participants reported both higher levels of financial security and feeling more secure from participating in the program.
- **Larger representation of women.** 67% female
- **Modal income is low- to modest.** $25,000 to $49,000
- **Modal education.** Some college (incl. Associate’s Degree)
- **Job type.** 68% full time, 77% are paid hourly.

Understanding of Program/ Roth IRA Accounts

MyCTSavings Auto-IRA Program Research

- **Account knowledge is lacking.** Participants overall scored low on understanding their Roth IRA accounts. Only 16% of participants understood that they could withdraw their contributions without penalties, yet 60% said that, if they thought they could take out contributions without penalties, it would encourage them to keep saving into their account.

- **Participants are not checking their accounts frequently.** Only 5% check once per week; 33% never checked. Those who were in a better financial situation were more likely to check their accounts frequently and more likely to feel financially secure.

*data from 2025 survey research by the Pew Charitable Trusts | Retirement Savings

Withdrawal Behavior

MyCTSavings Auto-IRA Program Research

- **Account leakage from repeat withdrawals is common.** 13% reported taking a withdrawal, and 60% of withdrawals were taken 2 or more times from the same account.

- **Most withdrawals are for emergencies.** 90% of those who took a withdrawal said it was for emergencies. The interaction of low-income demographics and lack of financial security puts program accounts at greater risk of withdrawals.

- **Other avenues of financial security are slim.** Only 39% reported they would use checking or savings if they could not access their MyCTSavings funds. 21% would use a credit card, and 20% would have to borrow from family or friends. This highlights a need for emergency savings to help boost financial security when few other feasible options are available to participants.

*data from 2025 survey research by the Pew Charitable Trusts | Retirement Savings

Participation Incentives & Program Feedback

- **Employees.** Top reasons employees report as motivators to continue saving include, matching contributions (49%); discounts from local businesses (41%); state tax credits (41%); cash bonuses (39%) and monthly lottery giveaways (37%). Only 30% responded they would respond to free financial advice.

- **Employers.** Employers were overall satisfied with the program, but initial skepticism about the program was common. Identified pain points were most commonly reported as struggling with manual entry of payroll – payroll integration has been more successful. Those without payroll integration reported higher amounts of administrative burden. Employers also requested materials packets to share with their employees; these materials already exist, but it highlights a need for better communication of those materials to employers.

MyCTSavings Auto-IRA Program Research

*data from 2025 survey research by the Pew Charitable Trusts | Retirement Savings

MyCTSavings Auto-IRA Program Research

*data from 2025 survey research by the Pew Charitable Trusts | Retirement Savings

Pilot Program Designs

- **Surveys highlight need to help build in financial security features.** With sensitivity to most affected demographics and their financial situation. Side car accounts, pushes towards alternative resources (such as unemployment insurance), or savings boosting initiatives are potential next steps in testing interventions.

- **Fine tuning program administration.** Research helps states to direct limited resources towards interventions and improvements which will result in the biggest impact for positive participant outcomes.

Sid Pailla

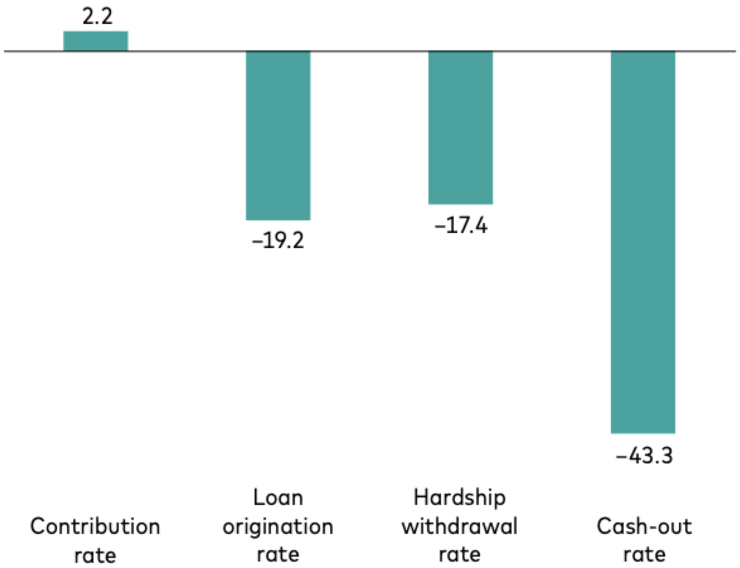
Founder and CEO, Sunny Day Fund

Photo Credit: Hiroko Yoshii

Emergency Savings Accounts (ESAs) complement saving for retirement – both enabling participation, and defending against loans and early withdrawals.

Participants with emergency savings contribute more and withdraw less from their 401(k) accounts

Effect of having $2,000 in emergency savings (percentage points)



Source: "Emergency Savings Protect Retirement Savings" *Vanguard 2026*

EMERGENCY SAVINGS ALSO UNLOCKS BETTER EMPLOYER OUTCOMES

Fewer 401(k) Loans

$1,000

in emergency savings cuts 401(k) loans and withdrawals in half

Data shows that having at least $1,000 in emergency savings cut in half the likelihood of workers withdrawing from retirement funds prematurely. [1]

- ✓ ESA stairsteps employees into retirement savings
- ✓ Less employee requests for internal loans from employer

Better Job Performance

87% better

Fewer traffic citations among truck drivers who participated in the emergency savings program

A recent study found that financially precarious truck drivers, who participated in the emergency savings program had 87% fewer safety citations post-treatment compared to non-participants. [2]

- ✓ Fewer reports of financial stress as a major impact on work attendance
- ✓ Improved mental health

Improved Retention

-19.5%

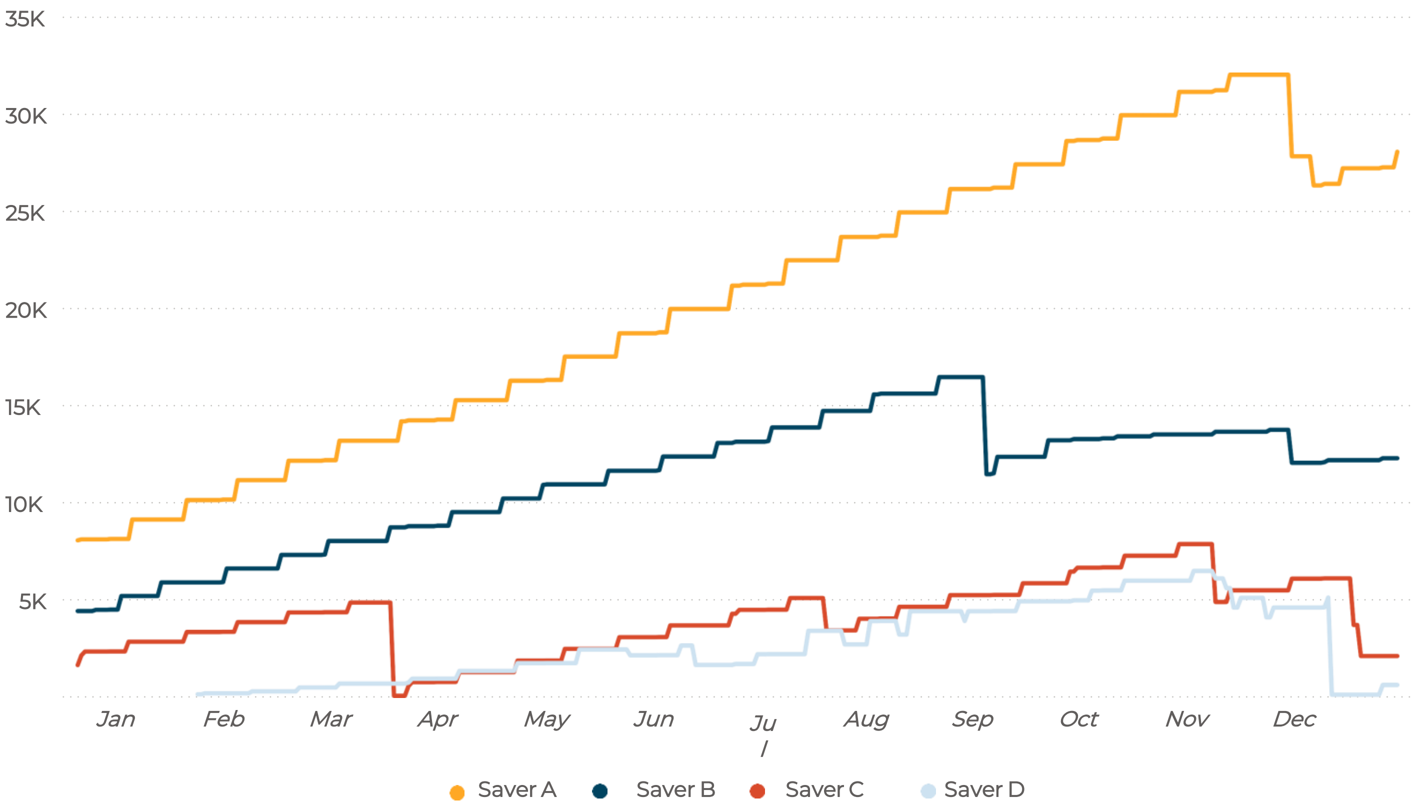
Lower turnover rate among Savers vs. Eligible, since Q4 2024

Sunny Day Fund's platform-level analysis saw their Savers (the participants in the emergency savings program) had a 19.5% lower absolute turnover on average than the overall benefits-eligible population. [3]

- ✓ Less job hopping for pennies more across the street
- ✓ Workers top concerns are supported by their employer

[1] Aspen Institute. Emergency Savings Protected Retirement Savings During Covid, But Emergency Savings Gaps Prevent Everyone From Having That Protection
[2] Leana et al. The Effect of an Emergency Savings Program on Employee Savings and Work Performance: A Two-Year Field Intervention
[3] Sunny Day Fund. 2025 Saver Metrics Analysis

Portraits: Savers' Journey in 2025



Amy Chou

Chief Operating Officer, Addition Wealth

Financial stress doesn't just affect quality of life — it changes the trajectory of an individual's financial future in short term and long term ways

>50%

Of retirement savers report at least one financial vulnerability

36%

Of savers do not have emergency savings

Savers with 2+ vulnerabilities is now greater than the share with only one, indicating that financial stresses are increasingly growing

Source: Georgetown University Center for REtirement Initiatives 2024 Report: Financial Vulnerabilities Among Retirement Savers

Meaningful actions and outcomes for retirement require a holistic approach which considers an individual's holistic financial picture

Debt management

Investing

Childcare & education

Retirement planning

Emergency savings

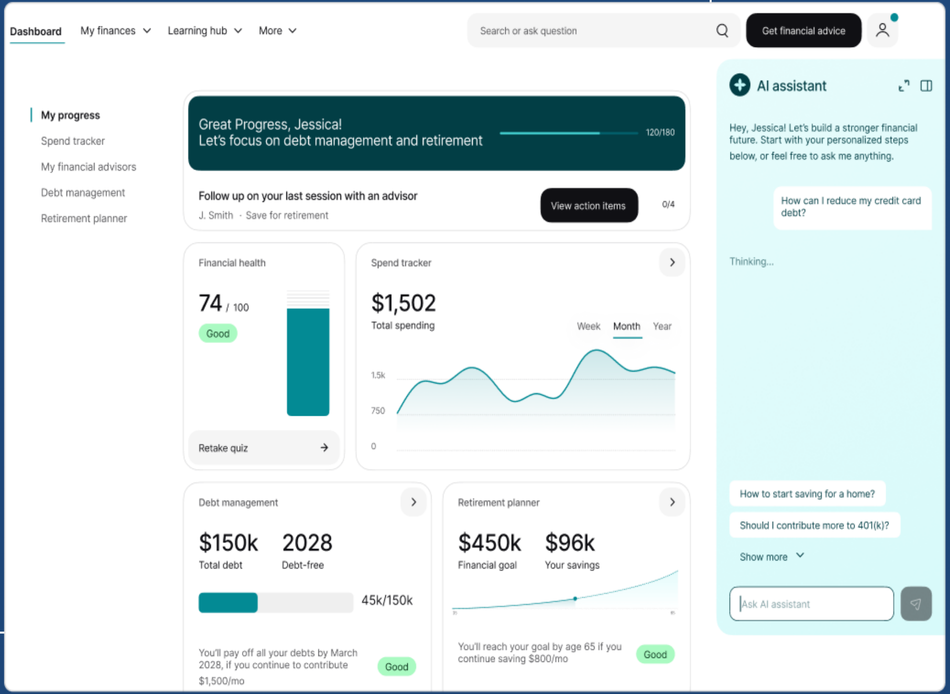
Student Loans

And more…

> "Before Addition Wealth, I struggled with budgeting, and I would regularly stop contributing to my 401k to help pay my bills. Ever since getting help, my 401k has been fully maxed out."

OUR MISSION

Make personalized financial expertise accessible to all – empowering individuals to make the most of their money



Addition partners with employers and financial institutions to reach individuals through partnerships

Employers

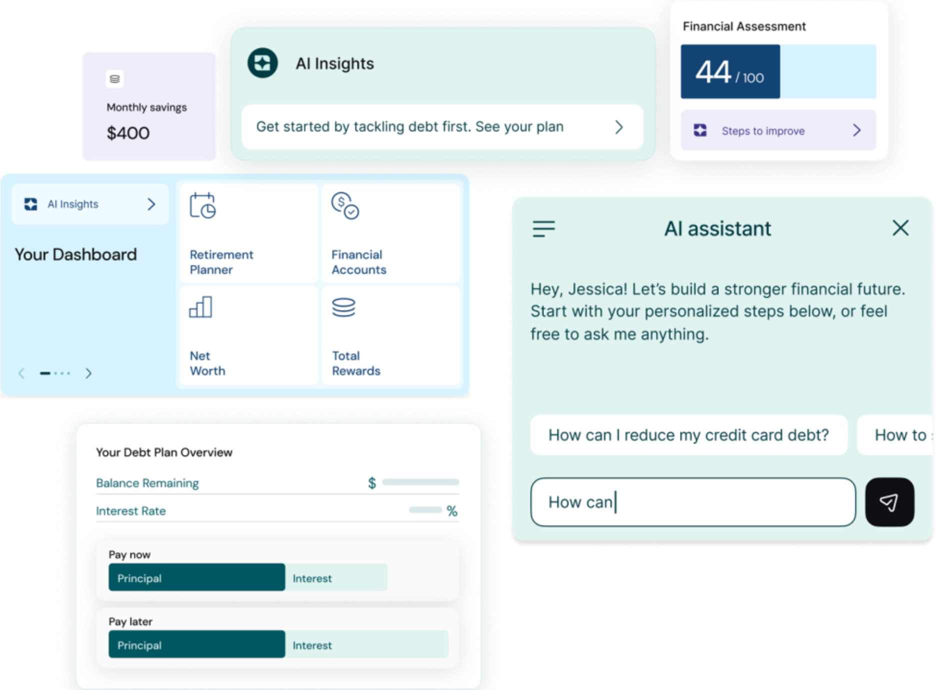
Financial wellness benefit

Financial Institutions

Embedded
Consumer Technology

Wealth & RIAs | Retirement institutions | Insurance companies | Asset managers | Banks | Benefits brokers | Middleware technology

Technology and AI are making it more possible than ever to scalably provide personalized support to individuals exactly when they need it



How Addition helps individuals build confidence and address financial vulnerabilities:

- **Leverage data to gain insight** into a user's holistic financial picture, behavior, and needs
- **Understand & predict the major life moments and annual events** which impact a person's financial life
- **Activate the workplace** as a powerful acquisition and engagement channel
- **Proactive engagement with the right resources and next best actions** at precisely the right time

Meet Laurie

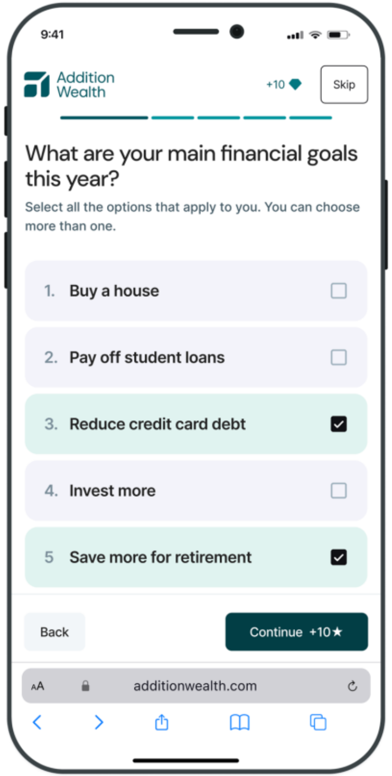
- Lives in suburban Pennsylvania with her husband + 2 teens and a mortgage
- Works in a deskless manufacturing role ($70K/year income)
- Financial stress: High
- Retirement readiness: Low
- Financial situation:
  - Never leveraged professional help for finances
  - Wants to balance day-to-day expenses and retirement savings

On-site activation: Because Laurie manufactures fire alarms, break room presentations are key unlock to show up in the spaces where she will be

Mobile experience: As a manufacturing employee, Laurie finds the mobile experience the easiest way to explore

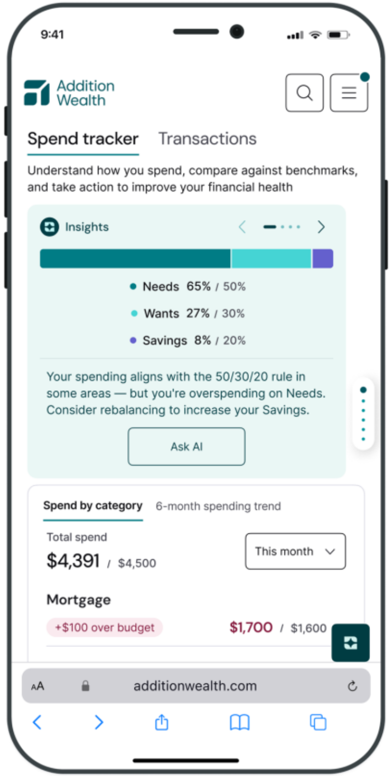
Understanding her financial priorities

Laurie completes her financial health profile and connects her financial accounts – seamlessly through her phone during an afternoon break



Accessing an experience personalized to her

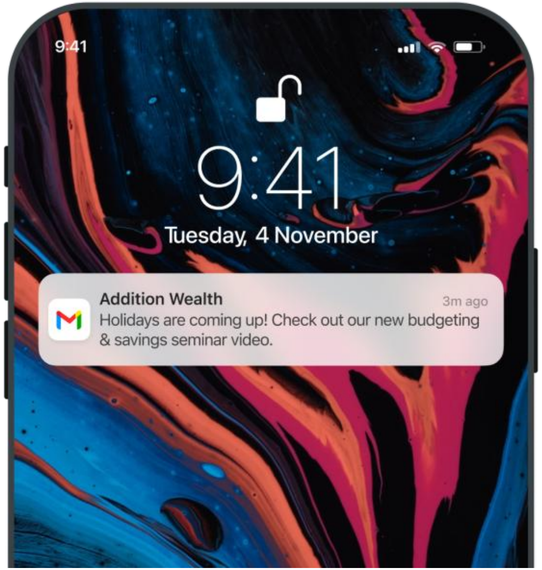
Laurie does not know if she has budget to save. Platform directs her to resources to help her budget and create a financial plan



Nudges and short-form video: Laurie receives a notification about a short budgeting and savings video. She watches it on the go

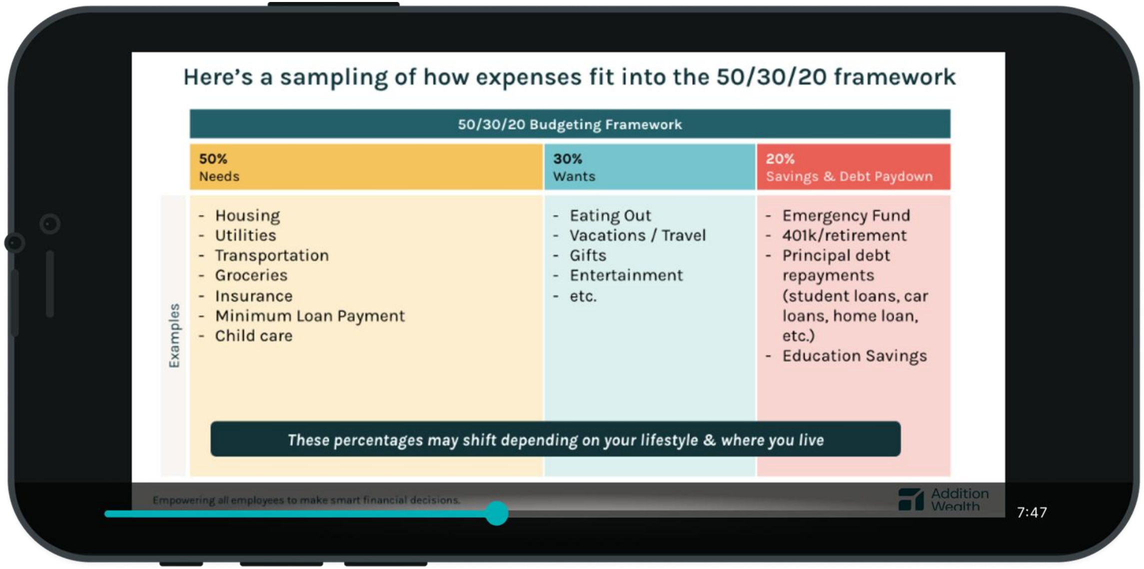
Notifications on relevant content

Laurie receives an email notification about a new seminar video that is relevant to her goals



Self-serve video content accessible at any time

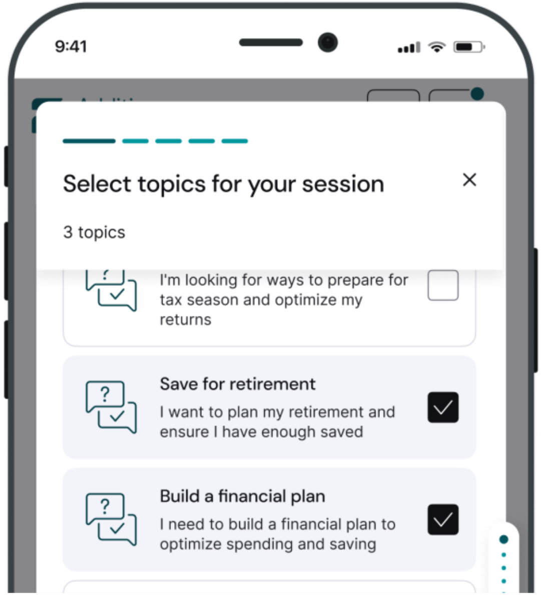
Laurie is not available for any live webinars. She can access recordings and chat directly with a financial coach at any time. Laurie decides to watch the short-form budgeting and savings video



Help for financial planning: Laurie wants to understand how to her balance debt paydown v. spending v. savings. She schedules time with a financial coach

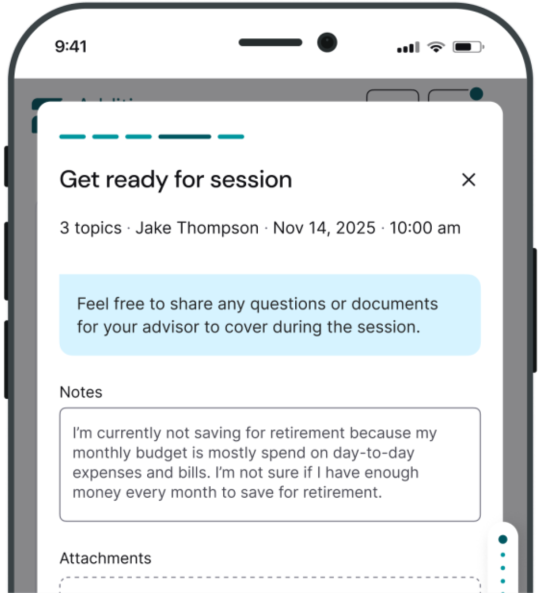
Accessing the right support

Based on topics she selected, Laurie is matched with Jake, a financial coach



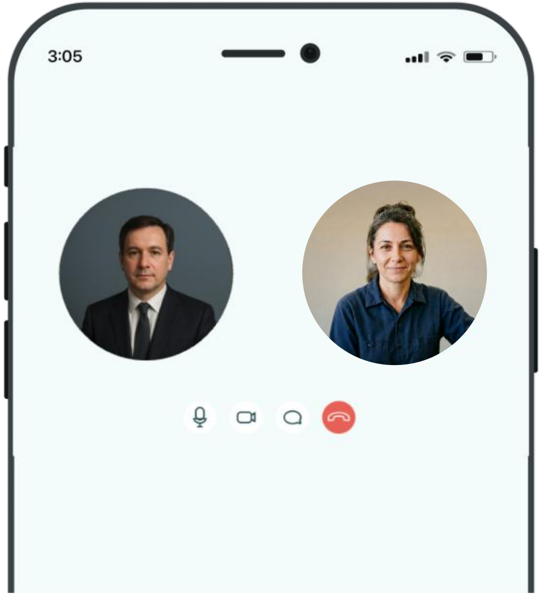
Understanding Laurie's context

Jake receives data and insights about Laurie in preparation

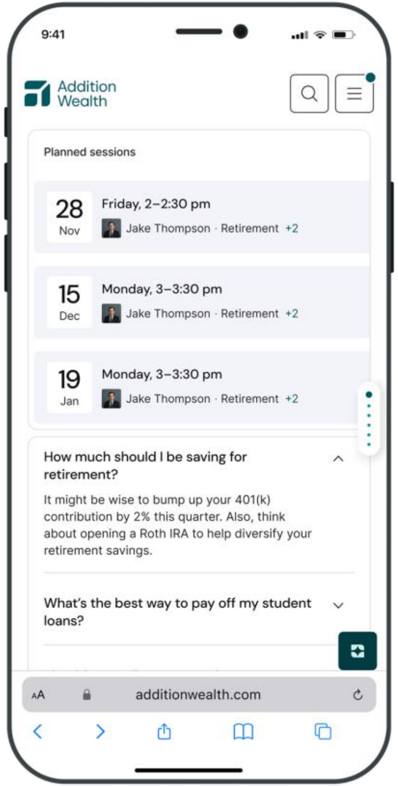


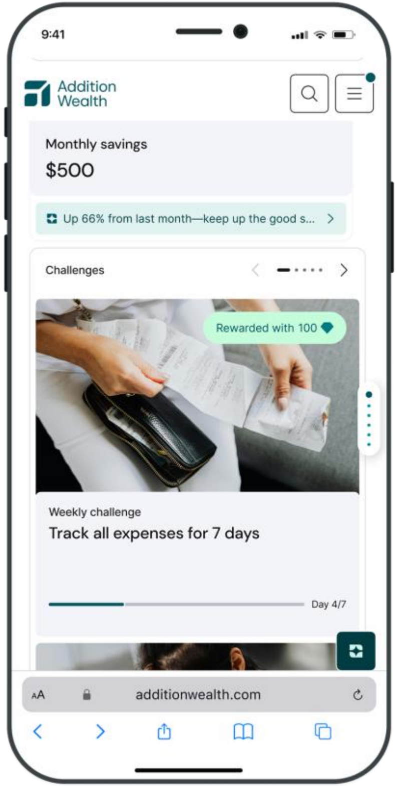
Getting human guidance

Jake and Laurie meet. They build a financial plan for Laurie and align on her financial strategy



Action & ongoing support: Laurie now has a plan that allows her to consistently contribute to retirement while making progress on her debt





Laurie's financial outcomes & impact

- Understands her retirement benefits & plan
- Created new budget to balance day-to-day expenses, debt paydown and retirement savings
- Is able to increase her retirement contributions
- Accesses ongoing support with her financial coach to stay on track

Impact of financial wellness on retirement outcomes

63%

of users said saving for retirement is one of their top 3 financial goals

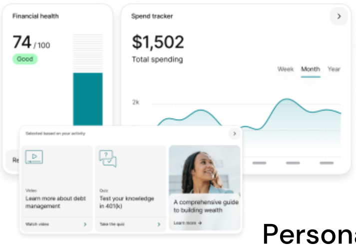
72%

of users said Addition Wealth has improved their financial outcomes

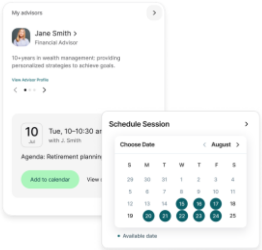
1 in 4

users said Addition Wealth has improved their retirement savings

Driving better retirement outcomes through:

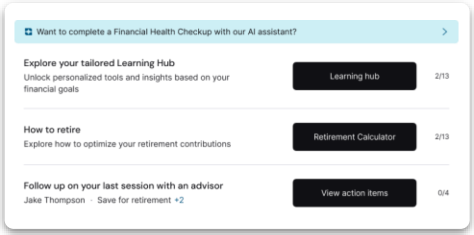


Personalized user experience with integrated solutions

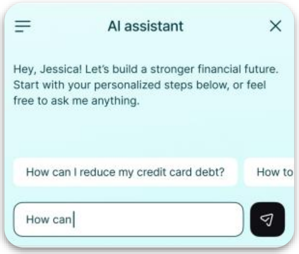


Human + digital experience

Next best action recommendations & fulfillment



Scaled, proactive engagement through nudges and AI-powered capabilities



QUESTIONS?

Center for Retirement Initiatives
McCourt School of Public Policy

125 E Street NW, Suite 530, Washington, DC 20001
202-306-8540 | cri.georgetown.edu

Angela M. Antonelli
Executive Director
ama288@georgetown.edu

Follow us on social media for updates

GEORGETOWN UNIVERSITY
McCourt School of Public Policy

CENTER FOR RETIREMENT INITIATIVES