

2025 Employee Financial Behavior Report



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Overview

The Employee Financial Behavior Report 2025

examines the impact of financial stress on employees and workplaces, highlighting the need for better organizational support.

Despite increasing attention to employee well-being through wellness programs, financial stress remains a significant concern.

Findings reveal that 81.8% of respondents feel money worries limit their daily enjoyment, with over 43% experiencing frequent financial stress. Rising costs, particularly for younger generations like Gen Z and Millennials, add to these challenges and delay major life milestones.

The report emphasizes the emotional toll of financial stress, where feelings of shame or fear prevent employees from seeking help. This stress affects focus, productivity, and morale at work. However, many employees are open to financial coaching, and companies are recognizing the value of comprehensive financial wellness programs. By fostering a supportive environment and addressing both practical and emotional financial needs, organizations can enhance employee well-being and cultivate a culture that openly tackles financial challenges.

Introduction

Over the past five years, there's been a big change in how companies are thinking about their employees' health, with a real push for prioritizing well-being.

More businesses are offering wellness programs and gym stipends as part of their culture. And yet, many aren't accounting for a rising worry: **money**. As of May 2023, only 47% of employees felt financially secure, according to [SHRM](#).

This worry has gotten worse due to rising inflation, student loan payments starting back up after COVID, and skyrocketing childcare costs, all of which are tightening people's budgets. The impact is clear—U.S. credit card debt hit over \$1 trillion in 2023, and more people are falling behind on their mortgages.

But these numbers only tell half the story. In this report, we aim to look at the real relationship between emotions and financial well-being. By understanding how feelings about money influence overall mental health, job performance, and workplace dynamics, we can help shape more effective support systems for employees facing financial challenges.

A Real Talk About Money

Take a moment to reflect on what money means to you—and how it makes you feel. Sure, it's essential for paying bills and living life, but let's be honest: thoughts about money's weight often creep in daily.

Whether it's the rising cost of groceries, rent, or finding the perfect gift for a friend, money is always in the background.

Layer in childhood experiences that shaped how we view it, and things get even more complicated. Money is deeply emotional. It stirs up feelings like stress, anger, and sadness.

But it's not all bad. Money can also bring relief and joy. Think about a recent trip or experience that filled you with happiness—chances are, money played a role.

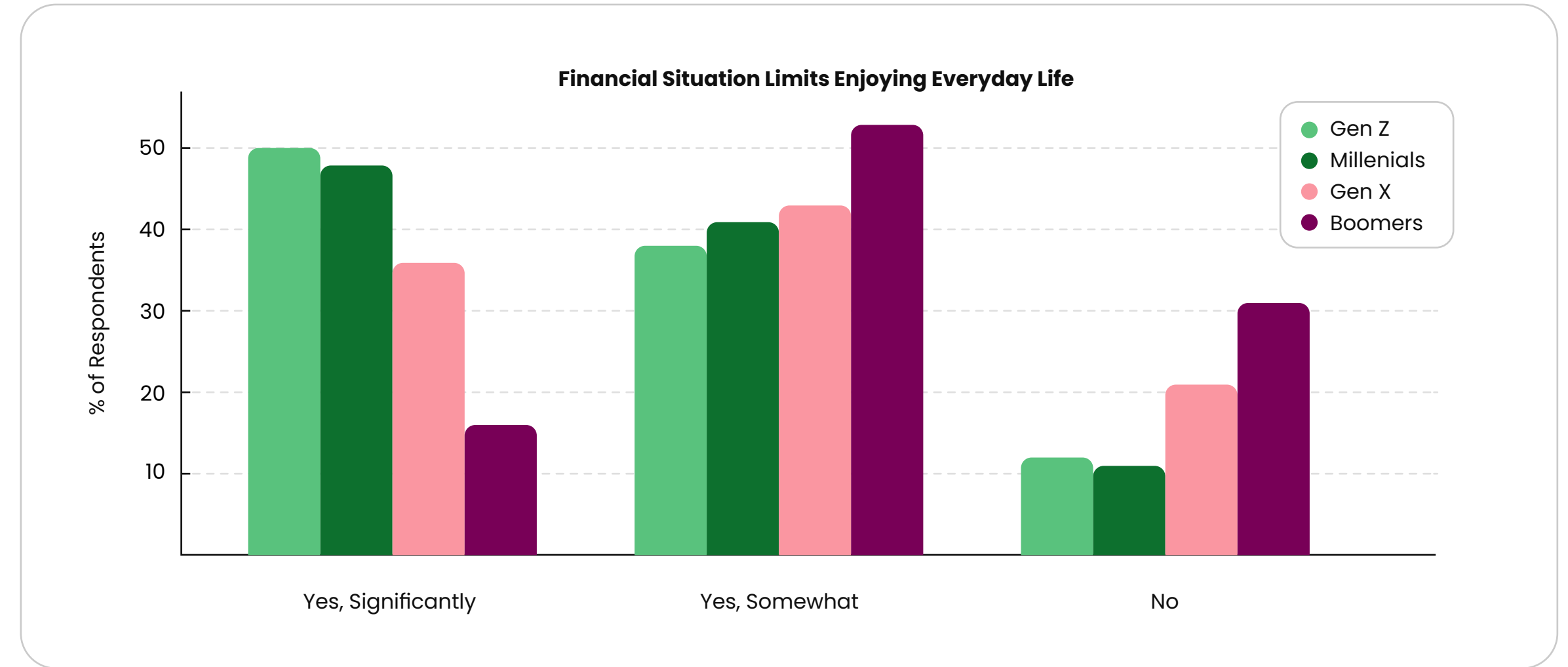
At its core, money is complex and messy. It seeps into every corner of our lives, influencing our thoughts, emotions, and behavior. So, try to imagine how your employees feel about their money. To explore this question, we surveyed 500 Americans of all ages and genders to uncover their money habits, emotions, and trends.

The Hard Numbers (That Feel Very Personal)



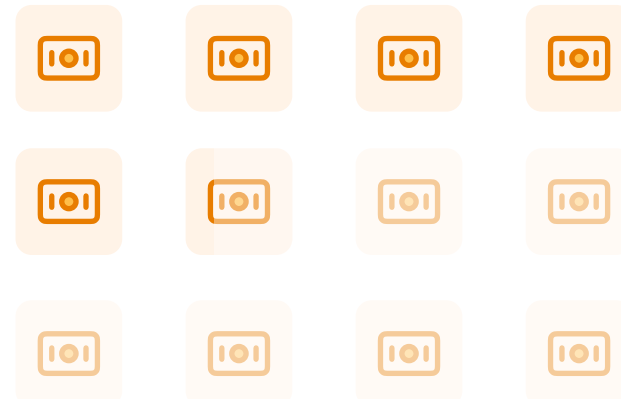
The numbers tell a powerful story: **over 80% of people feel their financial situation is holding them back from truly enjoying life.** That means four out of five Americans are living with financial constraints that affect their daily happiness.

Our 500-respondent survey reveals the depth of these challenges across all major working generations. These figures aren't just statistics—they represent real people navigating complex emotions and life decisions shaped by money. **Let's dig into the results:**



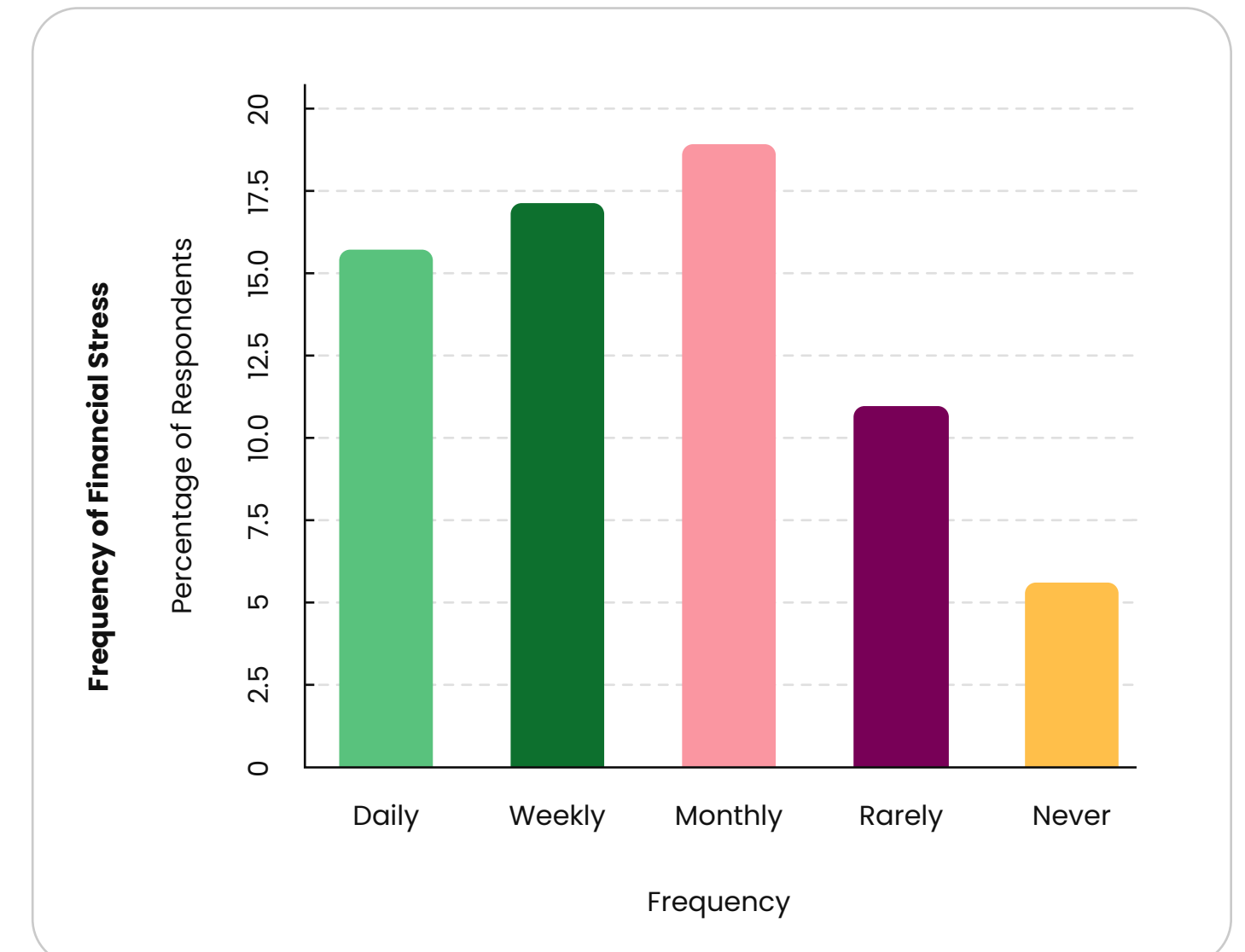
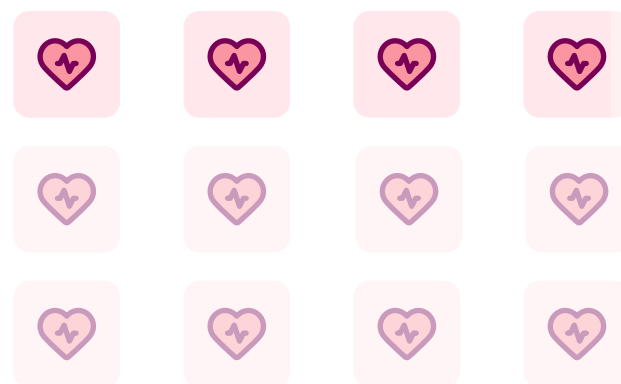
High financial stress

Over 43% of respondents report feeling financial stress on at least a monthly basis. Generation Z and women reported the highest levels, with 26.2% of Gen Z and 22.9% of women feeling stressed "Always."



Impact on mental health

About one-third (32.2%) of respondents indicated that financial concerns have a significant or severe impact on their mental health. Once again, Generation Z and women reported the most significant struggles, highlighting the mental toll of financial insecurity.



Sleep disruption

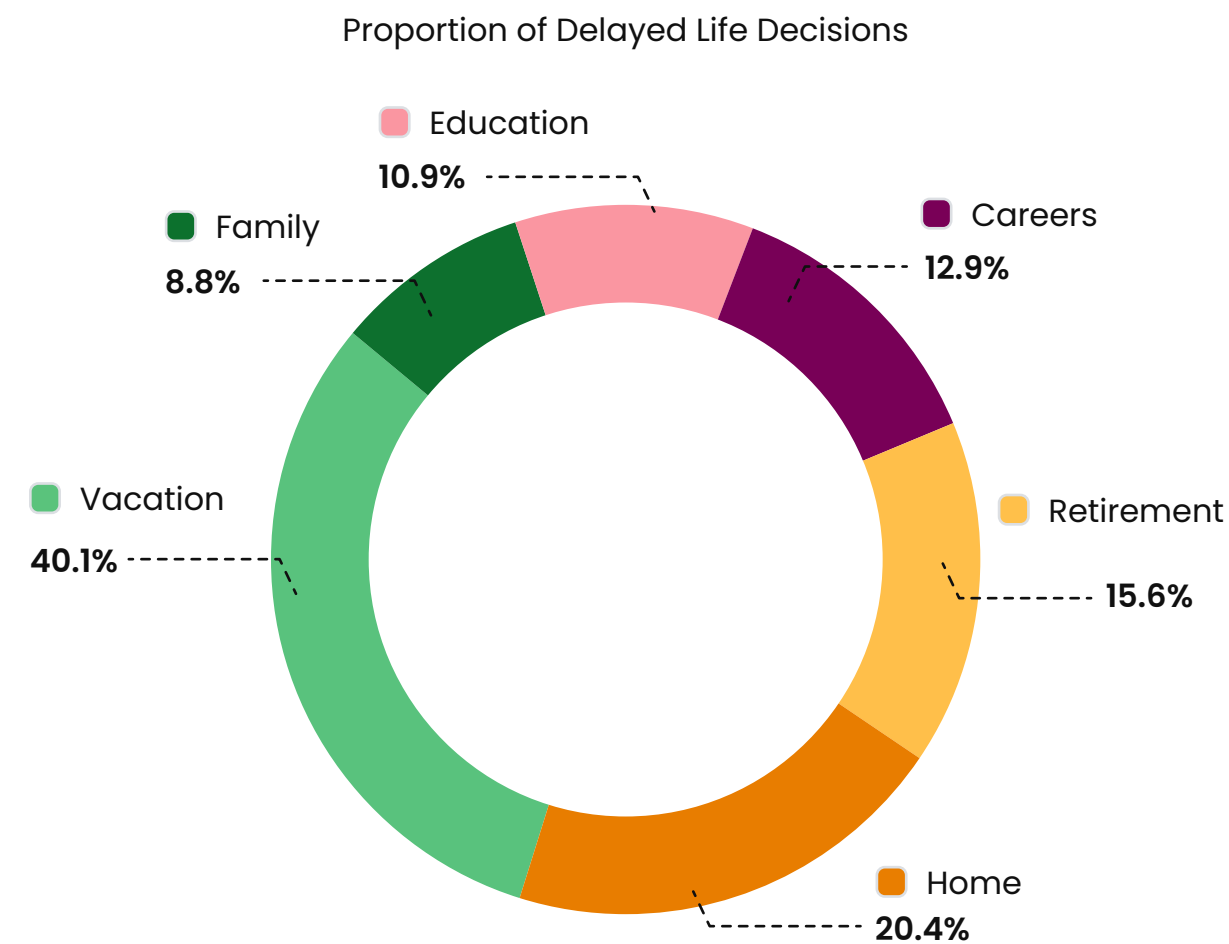
Financial difficulties frequently disrupt sleep for 34.2% of respondents, with 16.4% losing sleep daily. Younger generations, particularly Gen Z, reported the highest daily sleep disruptions (21.4%).



Delayed life decisions

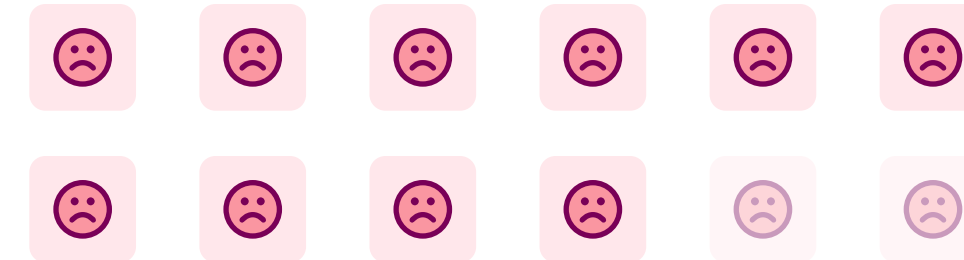
Financial constraints are causing major life decisions to be postponed:

- **46.4%** have delayed taking a vacation.
- **30.4%** have postponed buying a home, with more than half of Gen Z respondents (54.8%) affected.
- **23%** of respondents, particularly Baby Boomers (58.8%), have delayed retirement plans.
- Younger generations are delaying family planning, with **40.5%** of Gen Z putting off starting a family.



Daily life enjoyment

A staggering 81.8% of respondents feel their financial situation limits their ability to enjoy daily life. Generation Z and Millennials are the most affected, with nearly half reporting significant limitations.



Financial distractions at work

Financial worries don't stay at home—they follow employees to work:

- ✖ Gen Z reported the highest levels of distraction, with frequent interruptions impacting productivity.
- 🌱 Over half of respondents believe that improving their financial situation would enhance their work productivity.



These findings show the deep connection between financial well-being and every aspect of life—from mental health to career decisions and personal relationships. They underline the pressing need for employers to take an active role in supporting financial wellness, as the ripple effects of financial stress are felt far beyond the paycheck.

So, what's next?

We explore the emotional and mental roadblocks that stand between employees and financial stability, painting a full picture of what financial wellness really looks like. It's not just about budgeting tools or saving strategies—it's about understanding the emotions tied to money and the ways they impact everyday life.

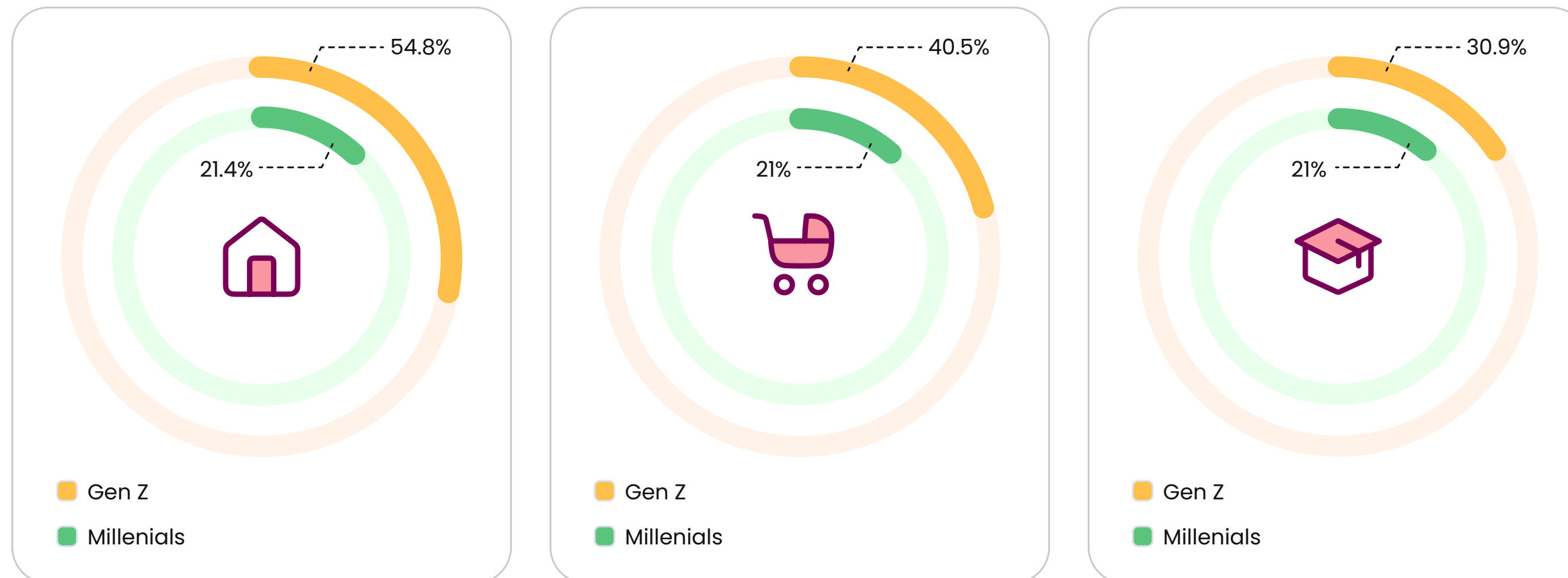
We'll examine how HR plays a pivotal role in tackling financial stress by addressing emotional resilience and financial education. The findings show that a balanced approach—one that combines practical resources with genuine emotional support—can empower employees to take meaningful steps toward financial stability and peace of mind.

Let's take a closer look at what the numbers tell us and how we can move the needle on financial wellness together.

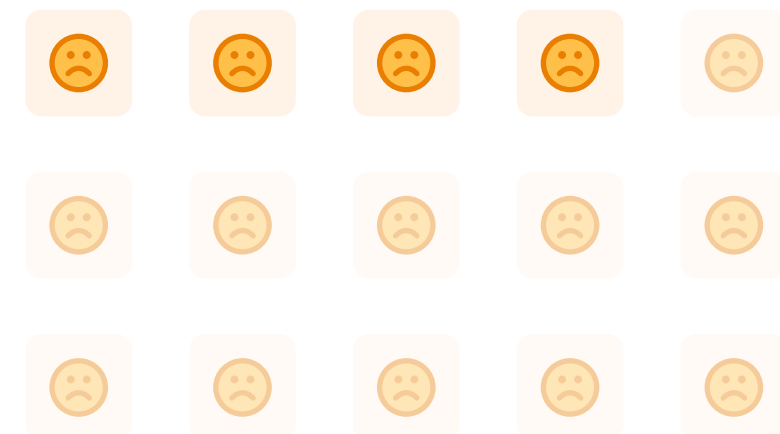


The Generational Reality Check

For many Gen Z and Millennials, big milestones like buying a house, starting a family, or going back to school feel like they're stuck in the "someday" category. And it's not just a feeling—over half of Gen Z (54.8%) and 21.4% of Millennials have had to postpone buying a home, while 40.5% of Gen Z and 21% have delayed starting a family. Even further education is on hold for 30.9% of Gen Z and 21% of Millennials.



Stress in your twenties and early thirties isn't exactly new, but today's economy adds a whole new layer. Think about this: **26% of Gen Z say they're always financially stressed**, and half feel like money worries sap the joy out of their daily lives. Add rising costs of, well, everything—from groceries to tuition—and it's easy to see why finding financial stability feels like climbing a mountain in flip-flops.



And let's not forget the curveballs. The pandemic didn't just mess with our routines—it upended jobs, school plans, and mental health. If you're also grappling with pricey healthcare and insurance hurdles, it can feel like the world's stacked against you. No wonder nearly one in five Gen Zers (19.1%) say financial stress has seriously impacted their mental health.

But here's the thing: it's not just younger people feeling the strain. Baby Boomers and Gen X have their own financial challenges, and they're no less real. Did you know almost 59% of Boomers have delayed retirement? Think about that. Instead of enjoying a well-earned break, many are staying in the workforce longer, adapting to an economy that keeps moving the goalposts. And Gen X? They're caught in a balancing act—juggling day-to-day expenses while trying to secure their retirement.

59% of Boomers have delayed retirement



Here's what this all boils down to: financial stress isn't picky. It doesn't just target one age group or one life stage—it's something we're all navigating in different ways, which means there isn't a one-size-fits-all solution.

The Hidden Cost of Financial Stress at Work



Financial stress isn't just about the numbers in a bank account; it infiltrates every aspect of life, including the workplace. You've likely noticed coworkers who seem distracted, drained, or preoccupied with personal worries. These struggles, driven by financial concerns, are quietly reshaping workplace dynamics in unexpected ways. This isn't just an individual challenge—it's a collective one, impacting team morale, productivity, and job satisfaction.

At the core of this issue is a disconnection: while employees may be physically present, their thoughts are consumed by financial anxieties that drain their focus and energy.

The data reveals the extent of the problem:

Nearly **50% of workers** admit that financial stress distracts them during the workday, making it difficult to stay on task.

50%



Gen Z employees are the most affected, with financial concerns pulling their attention away from their responsibilities.

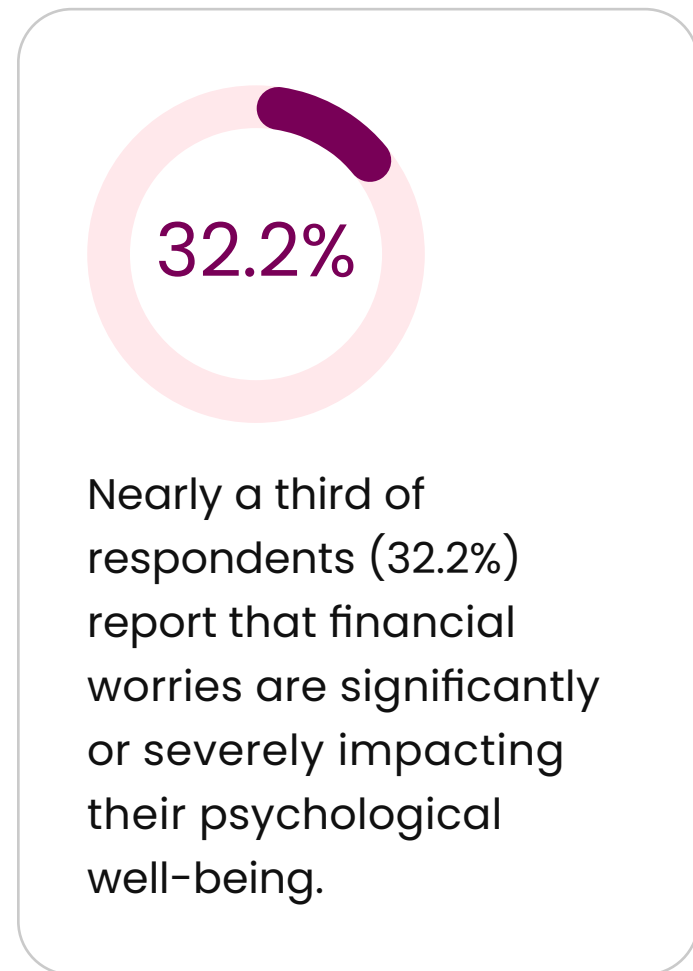
Over **18% of respondents** report delaying career moves due to financial instability, underscoring the weight of these worries.

18%

The workplace has become a pressure cooker of economic uncertainty. Employees aren't just clocking in—they're grappling with how to make ends meet. For many, thoughts of switching jobs aren't motivated by career aspirations but by a desperate need for financial relief. This strain isn't just a personal issue; it's a workplace challenge that demands attention.

The Mental Health Connection

Let's get real about the human cost of financial stress. This isn't just about numbers—it's about people struggling beneath an invisible weight, often carrying it silently. Our research confirms the hard truth: **financial concerns are taking a devastating toll on mental health.**



But financial stress isn't just about managing resources. As financial therapist Nathan Astle, founder of the [Financial Therapy Clinical Institute](#), explains in a 2024 interview in our [Cha-ching total rewards training](#),



"Money is much more than just resource management. We've put a lot of emphasis on what our money means about us collectively, and that shows up in our individual experience."

Nathan Astle
Founder | Financial Therapy Clinical Institute

The fallout is **deeply personal**



Sleep disruption affects 34.2% of respondents.

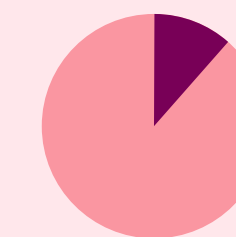


Constant financial anxiety affects 61% of respondents

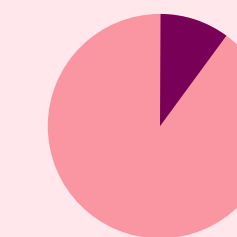


84% of respondents said their financial concerns contribute to **feelings of exhaustion and burnout**

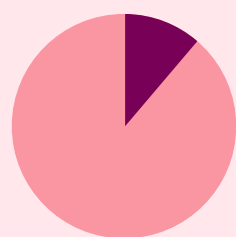
Breaking it down by **demographics**



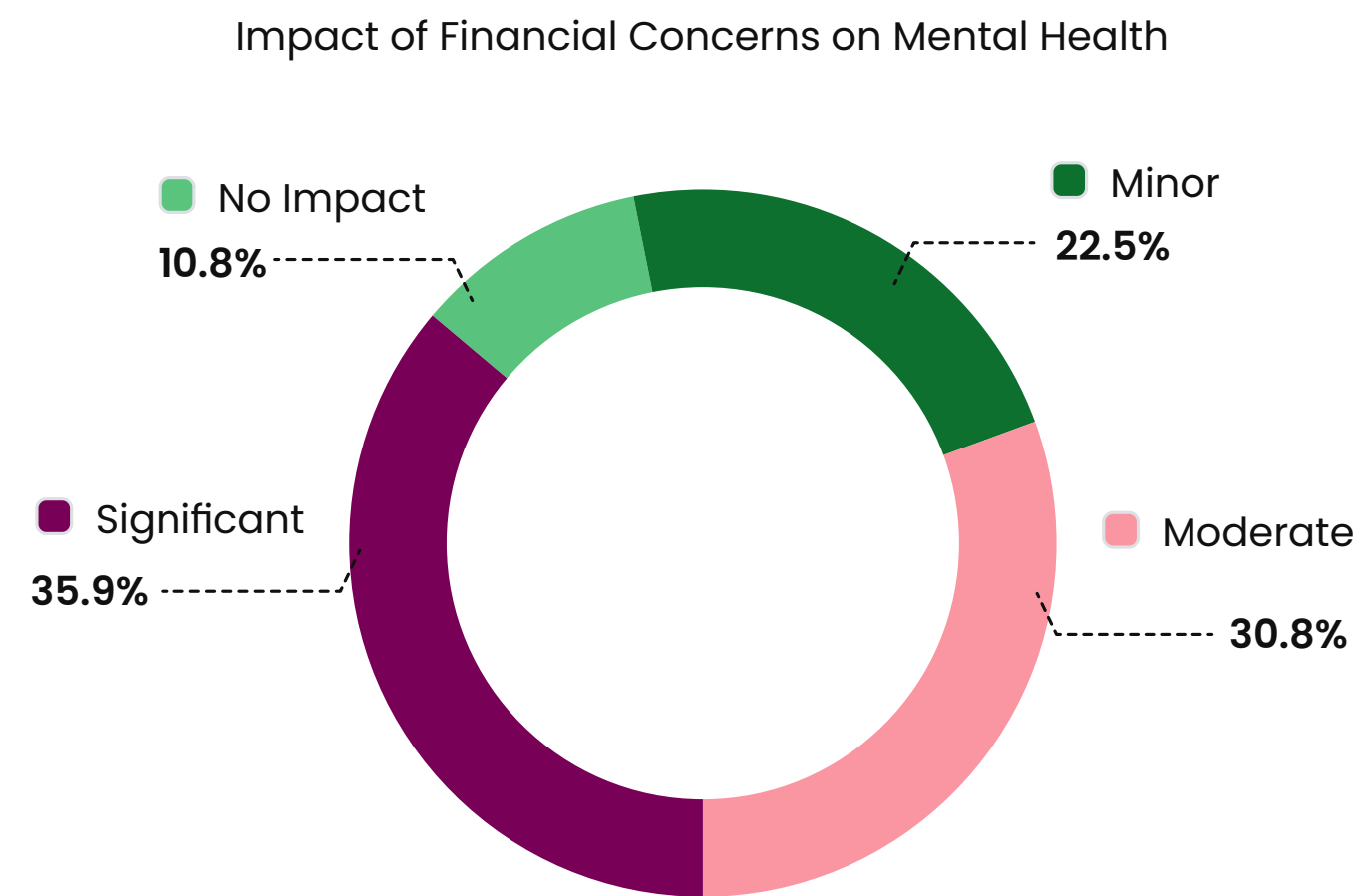
22.5% of women report severe mental health impacts.



19.1% of Gen Z experience extreme psychological strain.



21.4% of younger workers lose sleep daily due to financial worries.



These aren't just statistics; they represent real people fighting invisible battles. And beneath those numbers lies something even heavier: shame. As Astle puts it,

“Over 90% of the people I work with experience deep levels of shame around their money. It’s not just the math; it’s how people feel about themselves.”

Financial stress is caused by both external and internal factors. On one hand, it stems from external systems like economic recessions and tax structures. On the other, it reflects deeply personal issues, such as how we define our worth and values. Astle emphasizes,

“When people face extended periods of financial stress, they can numb out. It’s a survival mechanism, but it can make them accept conditions that aren’t healthy or sustainable.”

Even coping mechanisms can backfire. Retail therapy or small indulgences, like a candy bar at checkout, may seem harmless but can reflect attempts to manage overwhelming emotions. Astle explains, *“We often act out financially—whether it’s big retail therapy trips or small purchases—because we’re coping with emotions like sadness, fear, or boredom.”*

This human cost is compounded by systemic factors. For example, diversity, equity, and inclusion (DEI) efforts must address not just financial inequity but also the emotional scars it leaves. Astle notes, *“Trauma doesn’t just disappear with new rules. It’s something we work through individually and culturally. Acknowledging historical pieces and creating trauma-informed workplaces can help.”*



HR professionals are uniquely positioned to lead this change but often lack resources. *“HR professionals are stretched thin,” Astle acknowledges, “but understanding financial trauma and promoting open dialogue can create meaningful change in how employees experience their work and money.”*

“You don’t have to have experienced poverty to help someone. What matters is connecting with the emotions we all share—fear, sadness, feeling out of control—and building empathy from there.”

Ultimately, addressing financial stress is about more than spreadsheets or policy updates. It’s about empathy, understanding, and systemic change. As Astle reminds us, By fostering environments where employees feel seen, heard, and supported, organizations can begin to dismantle the invisible weight of financial stress and its toll on mental health.

Breaking the Silence: Addressing Financial Shame in the Workplace

Money is emotional. It's personal. And for most people, it's deeply uncomfortable to discuss.

As Brené Brown puts it, **"Shame derives its power from being unspeakable."** When it comes to money, shame often keeps people quiet, even when they're struggling.

Our research reveals a critical insight: financial stress isn't just about numbers—it's about deep-seated emotions like vulnerability, inadequacy, and fear. Shame creates a powerful silencing effect that prevents employees from seeking help, even when resources are available.

The Roots of Financial Shame


So, why do people feel ashamed about money?

- Childhood experiences and family narratives
- Societal messaging about financial "success"
- Fear of judgment
- Internalized beliefs about self-worth tied to financial status

Understanding these roots is key to creating solutions. Shame doesn't just isolate employees—it impacts their ability to thrive at work, affecting productivity, engagement, and mental health.


The Silver Lining: A Cultural Shift in Financial Wellness

But here's the good news: we're starting to talk about it. Over half of workers are interested in financial coaching, and companies are beginning to recognize that financial wellness isn't just a nice-to-have—it's essential.




54% of workers are interested in financial coaching.

54%



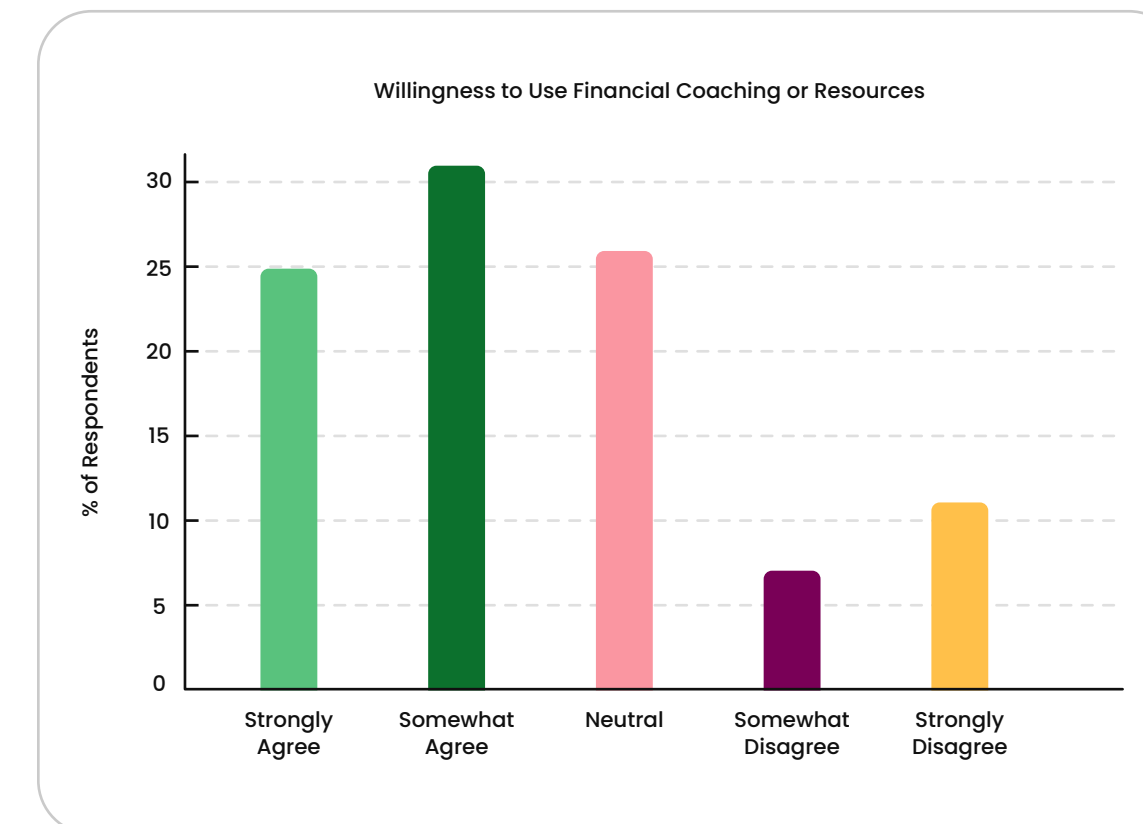
Companies are moving beyond traditional benefits to holistic support.



Financial wellness is being recognized as critical, not optional.

The encouraging data shows a shift in attitudes:

Organizations are starting to understand that addressing financial stress isn't just compassionate—it's smart business.



Why It Matters: The Business Case for Financial Wellness

Supporting employees' financial health has tangible benefits for companies:

- Reduces workplace distractions
- Improves mental health
- Increases productivity
- Enhances employee retention

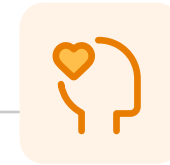
By tackling financial stress head-on, organizations can create a healthier, more engaged workforce.



Creating a Supportive Ecosystem

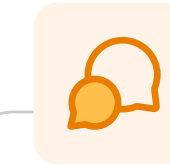
To effectively address financial shame and stress, organizations must go beyond offering resources and create an environment where employees feel safe, supported, and understood.

Key Elements of a Supportive Ecosystem:



Psychological Safety

- Share anonymized stories of financial struggle and recovery.
- Use inclusive language that removes stigma.
- Emphasize that financial challenges are universal.



Normalizing Financial Challenges

- Share anonymized stories of financial struggle and recovery.
- Use inclusive language that removes stigma.
- Emphasize that financial challenges are universal.



A Holistic Support Approach

- Offer confidential financial coaching.
- Provide mental health resources alongside financial guidance.
- Create support groups and peer networks.

Turning Ideas into Action: Practical Strategies

To implement these changes effectively:

- Develop communication that centers on empathy.
- Use language that removes blame and shame.
- Create multiple engagement channels (anonymous hotlines, digital resources, in-person support).
- Ensure complete confidentiality in all financial wellness programs.

True financial wellness isn't about spreadsheets—it's about human connection. By creating spaces where employees feel seen, heard, and supported, organizations can transform financial stress into an opportunity for growth and empowerment.

What This Means for You (And Your Organization)

Financial stress isn't an individual problem—it's a **systemic challenge that requires nuanced, compassionate solutions.**

Whether you're a CEO, middle manager, or entry-level employee, we all play a role in creating workplaces that empower employees to thrive financially. This isn't about creating perfect financial strategies. **It's about:**



Creating supportive environments



Offering genuine resources



Destigmatizing financial conversations



Recognizing that everyone's financial journey is unique

The path to financial wellness isn't a straight line. It's messy, complicated, and deeply personal. But with empathy, understanding, and practical support, we can change how money is discussed in the workplace—and transform the way we work.



About Your Money Line

Your Money Line is the premier financial wellness benefit for employees. We guide employees through all their money challenges, big and small, to ensure they find financial stability and achieve their goals. We do this through our all-in-one solution, which brings together **AI-powered software, certified financial guides, and world-class education.**

Your Money Line is used by hundreds of companies, school districts, and healthcare systems across the U.S. and serves hundreds of thousands of homes. See how Your Money Line can increase employee engagement, decrease turnover, and boost both employee & company financial health today.

[Learn More](#)[Watch a Demo](#)