



GETTING BACK ON TRACK:
**Financial
Wellness**
IN THE PUBLIC SECTOR

Public sector
workers are
dedicated to
serving the public.
Let's help them
plan for the future
they deserve.

Introduction

A guaranteed pension has been the cornerstone of public sector employment for decades. But, that's changing.

Many employees are not prepared for this new reality, which may significantly impact public sector employees and employers alike. Employees who fail to take steps today are unlikely to achieve their financial goals tomorrow.

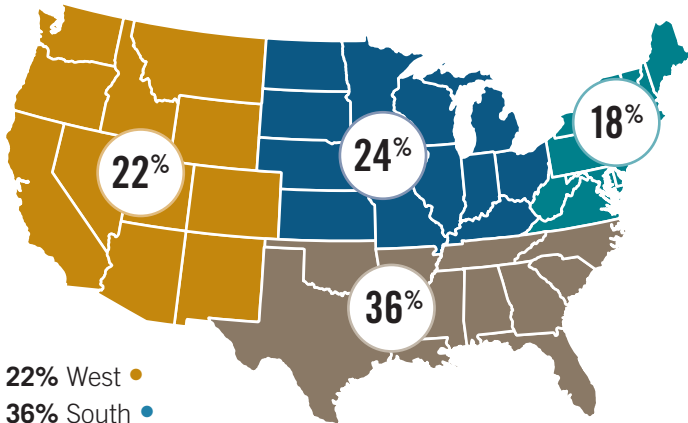
Meanwhile, employers hoping to compete with the private sector for top talent are likely to struggle unless they are able to clearly articulate how they are helping their workers achieve their financial aspirations. Also, public sector employers owe it to their employees and taxpayers to help ensure public sector workers reach retirement prepared.

To help better understand these challenges and how to address them, Prudential Retirement® sponsored a survey of more than 1,800 public sector workers.¹

¹ The survey was conducted in March 2017 by The Economist Intelligence Unit (EIU).

Survey Demographics

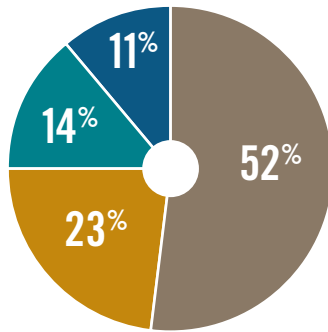
REGIONS



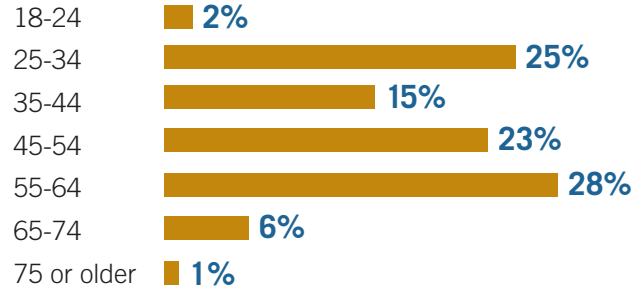
- 22% West
- 36% South
- 18% Northeast
- 24% Mid-West

MARKET SIZE

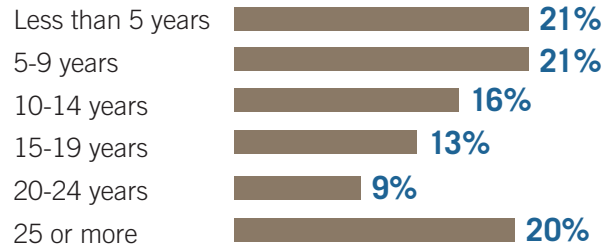
- 52% Major
- 23% Mid-Large
- 14% Mid-Small
- 11% Small



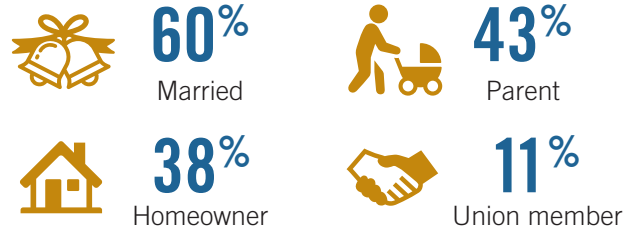
AGE



LENGTH OF PUBLIC SERVICE



STATUS



TIME UNTIL RETIREMENT



Attracting talent without the promise of a full pension

The predictability and stability of a pension is a major reason many people choose to work in the public sector. In fact, most public sector workers expect their defined benefit plan to be their primary source of income in retirement.

Attracting Talent in a Changing World

Without the full promise of a pension—either by no longer offering a DB plan, or offering one with reduced benefits—how will the public sector compete with the private sector for top talent and ensure their current workforce is able to meet their retirement goals? **Helping employees prepare to make financial decisions is one opportunity.**



63%

say a pension influenced their decision to pursue a public sector job

Many ‘financially confident’ public employees are ill-prepared for retirement

The majority of public sector workers (65%) say they make the financial decisions in their households—and are generally confident in their ability to make those decisions.

Justifying Confidence

This stated confidence is not fully warranted, underscoring the need for strong and effective financial education for employees.



Just **28%**

of survey respondents are **very confident** in making financial planning decisions that will best provide the future they want



Only **17%**

of survey respondents say they are **“very confident they won’t run out of money in retirement”**



Barely more than 1/3 **34%**

of survey respondents could answer four basic financial literacy questions correctly



Almost half **44%**

of survey respondents **“wish they had started saving earlier”**

Millennials face impediments in public sector employment

Many of the changes currently taking place to public sector retirement benefits may hit younger workers the hardest. That reality is compounded by the fact that younger workers frequently rely on friends and family for advice even though they may not possess financial expertise.



Meeting Millennial Needs

This finding clearly illustrates that employers have an opportunity to stand out to current and future employees by offering support to fill this void.

51%

of millennials seek financial information and advice from friends and family ²

VS

28%

of other generations of workers



² Survey respondents were asked "Where do you currently seek financial information and advice?"



How do you make today's retirement plan feel as secure as yesterday's pension plan?

At Prudential Retirement, we can help you transform your retirement plan so that even in today's uncertain landscape, your employees can look to the future with confidence. Our goal is to make financial security a reality for both you and your employees with a well-designed plan—and then we help your employees confidently engage with it.

Our approach involves providing you with unique ways to encourage and reward participant engagement—simple things that can help you and your employees manage assets, allocate risk, seize opportunities and ultimately build a more secure future. With the right approach, a comfortable retirement can still be part of the American dream.

To find out more, contact
your Prudential representative
or call **800-353-2847**.

PublicSector.PrudentialRetirement.com



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0308861-00001-00

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08/2017