



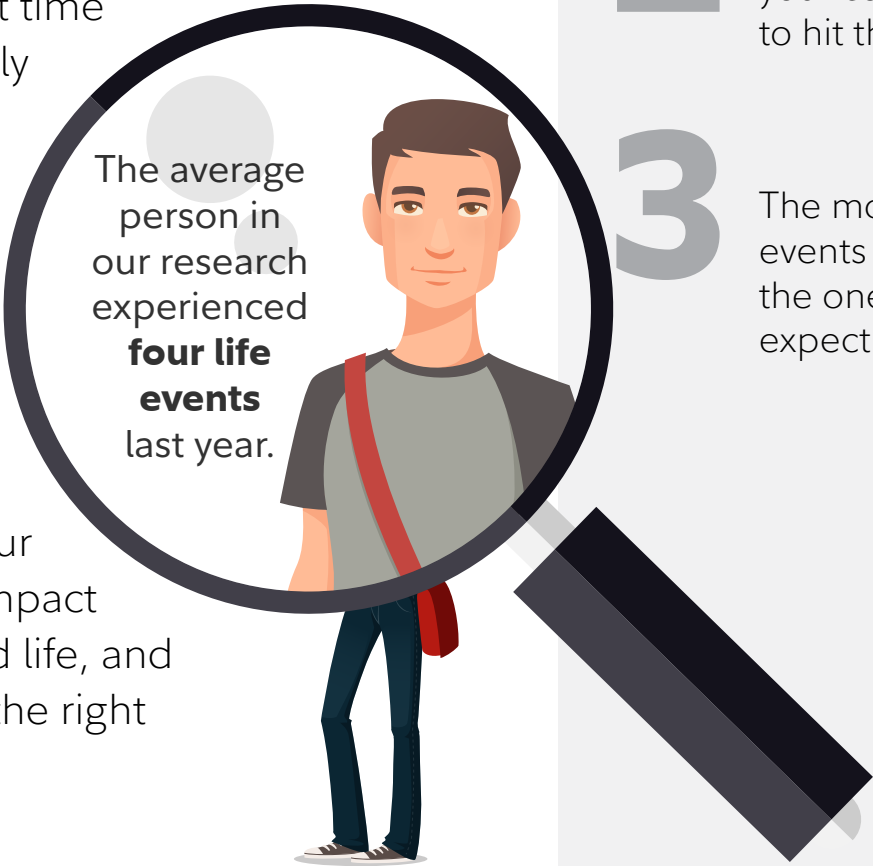
It's life.
Magnified.

How important life events
impact total well-being.

Understanding the power of life events

When we think about life events, we tend to think about the big stuff—like getting married or having a baby. But everyday events also can have a big impact. For instance, think about the last time you had a reorganization at work—it likely impacted your job satisfaction, but it probably also had an effect on your stress level, and maybe even your overall happiness.

At Fidelity, we emphasize the importance of being financially well, but we realize a person's total well-being is about more than just money. Our latest research illustrates the powerful impact events have on money, work, health, and life, and may help you offer the right benefits to the right people at the right time.

An illustration of a man with brown hair, wearing a grey t-shirt and blue jeans, with a red bag strap over his shoulder. A large magnifying glass is positioned over his head. Inside the magnifying glass, there is a smaller, faded version of the man's head and the text: "The average person in our research experienced **four life events** last year." The magnifying glass handle extends towards the bottom right of the page.

The average person in our research experienced **four life events** last year.

1

The most significant life events—good or bad—affect all four domains of well-being: money, work, health, and life.

2

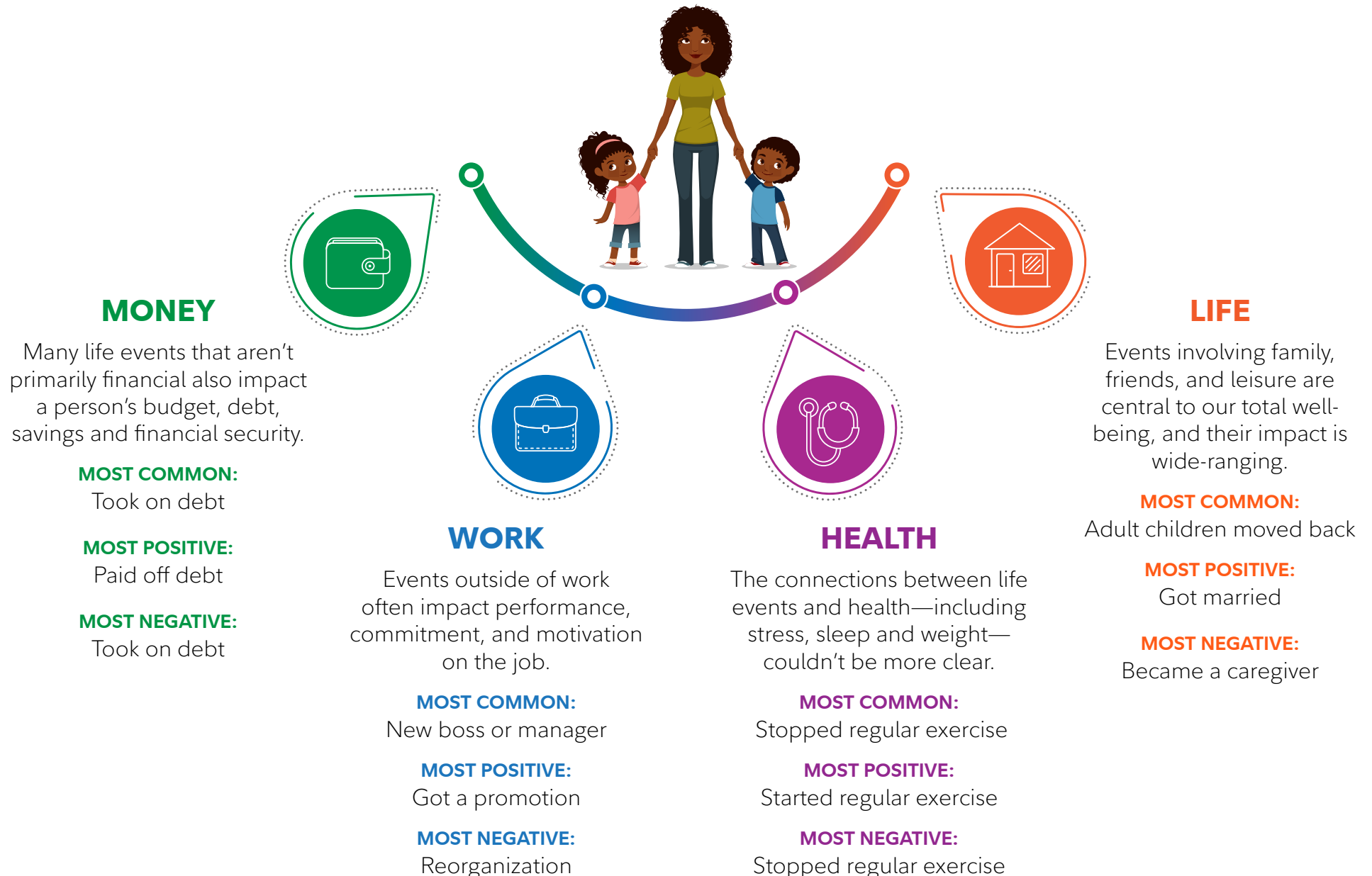
Events outside of your control tend to hit the hardest.

3

The most impactful events may not be the ones you might expect.

The four key domains of total well-being

To better understand the full impact of life events, we asked more than 9,000 people to tell us which events they experienced in the past year and how those events affected money, work, health, and life.



Measuring the impact of life events

This chart illustrates 14 common life events that have a significant impact on overall well-being. We have assigned each event a score to quantify its overall impact, as well as the impact to each domain.



Click on the bubbles below to dig deeper into how specific events impact people's lives.

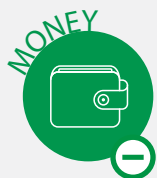


'X' marks the trouble spot

[Read more](#) about the impact of life events on the sandwich generation.



THE IMPACTS



81% higher expenses

69% saving less



33% more committed

16% more motivated



60% higher stress

30% worse sleep



49% less happy

42% less satisfied

Taking on debt

It's clear taking on debt will affect your wallet—but it can also affect your health.

People who take on debt are more likely to report higher stress, less sleep, and weight gain than those who haven't. On the flip side? Paying off debt can dramatically improve life satisfaction; people who paid off a debt reported being happier with their lives and less stressed.



KEY FINDINGS

- The overall impact of taking on debt is 60% worse for women than for men, with key differences in two areas:

	WOMEN	MEN
Saving less	78%	58%
Stop saving completely	44%	19%

- More than 70% of Millennials and Gen X report higher stress when they take on debt vs. 46% of Boomers, so it's important to offer Millennials and Gen Xers financial wellness programs focused on paying down debt and managing a budget.

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THE IMPACTS



68% higher expenses

45% saving less



46% more committed

32% more motivated



39% higher stress

32% more active



73% more satisfied

67% happier

A new home

Though most common in younger people and those recently married, the effects of buying a home are consistent. Most new homeowners say their overall happiness and satisfaction with life are improved, but the financial burden can be difficult to manage.



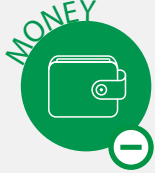
KEY FINDINGS

- 25% of Millennials who buy a home also get married or move in together in the same year, which can add to stress levels, particularly financial stress. For them, it's important to emphasize financial wellness and stress management programs.
- 37% of people who bought a home said it was their most impactful event of the past year. To support this important decision, consider offering tools to help them decide whether to rent or buy and figure out how much house they can afford.
- 73% of people say that their overall satisfaction with life has improved since they bought a new home.

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THE IMPACTS



30% feel worse
about finances



47% less committed
58% less satisfied



70% higher stress
42% sleep worse



64% less happy
15% happiness is at
an "all-time low"

Reorganization

A reorganization at work can be a major driver of stress and overall dissatisfaction with life—and it also happens to be one of the more common life events. Reorganizations had negative impacts on each area of well-being, and women and Millennials in particular reported significant impacts.



KEY FINDINGS

- Women who have been affected by reorganizations are more likely to gain weight (35%) and become less physically active (39%), so it's important to communicate the role of healthy eating and exercise in reducing stress.
- Millennials report being less committed to their jobs (63%) and less motivated (52%) following a reorganization, so encourage direct managers to be supportive of younger employees during periods of change.
- Senior leaders may underestimate the impact of a reorganization, but 70% of people report having higher levels of stress following a big change.

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THE IMPACTS



62% feel better
about finances

67% saving more



59% more motivated

54% more satisfied



49% higher stress

21% gain weight



60% more satisfied

46% happier

Got a promotion

One of the more common life events, 11% of people reported a promotion over the past year. On the surface, promotions might seem like windfall gains with no downsides—and they do indeed benefit people's finances, happiness, and feelings about their work. But they also can be highly stressful, particularly if they coincide with a reorganization.



KEY FINDINGS

- Promotions are much more common among Millennials, among whom 1 in 4 were promoted last year. Focus on developing your younger talent through coaching and ongoing training to help them navigate their new roles and prepare them for the future.
- Life satisfaction and happiness increase for half of people, but so does stress. Increased stress is particularly common among people who also had a reorganization (65%) versus those who did not (48%).

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THE IMPACTS



Little impact



41% less committed

47% less satisfied



55% higher stress

32% sleep worse



40% less satisfied

49% less happy

New boss

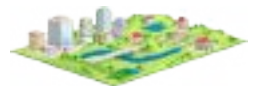
While adapting to a new boss can be stressful, most people adjust well. Thirty-three percent say they got a new boss in the past year, but only 12% of people say it was the most impactful event. However, a new boss often comes with changes at work, such as a reorganization or promotion. And while there is little impact on finances, there is a negative impact on health, happiness, and work.



KEY FINDINGS

- Getting a new boss can have negative health and work impacts for Millennials, among whom:
 - 63% are less committed to job
 - 69% report higher stress
 - 52% are less motivated at work
 - 35% are eating worse
- Make sure your direct managers are mindful of the impact getting a new boss can have on their employees, and offer them support to help them and their employees make the transition.

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THE IMPACTS



Little impact



38% more motivated

31% better performance



79% eating better

56% lower stress

60% sleep better



71% happier

29% "life is better"

Starting to exercise

You probably know exercise is good for health. But did you know people who start regular exercise feel better about most areas of their life? Even better, exercise seems to help moderate the impact of other, more difficult, events.



KEY FINDINGS

- Changes in exercise routines are common, particularly among Millennials—39% started an exercise routine, while 26% stopped. Overall, stopping a routine is twice as common as starting (32% vs. 16%).
- People who have a new baby are nearly three times as likely to stop exercising than start exercising (41% vs. 14%).
- The impact of caregiving is nearly three times worse among people who also stopped exercising than those who started exercising.
- These insights illustrate how important it is for all employees to be aware of the programs you offer that support and encourage regular exercise. It's equally important to create a culture at work that encourages a healthy lifestyle.

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THE IMPACTS



40% higher expenses



Little impact



40% eating better

32% lower stress



76% happier

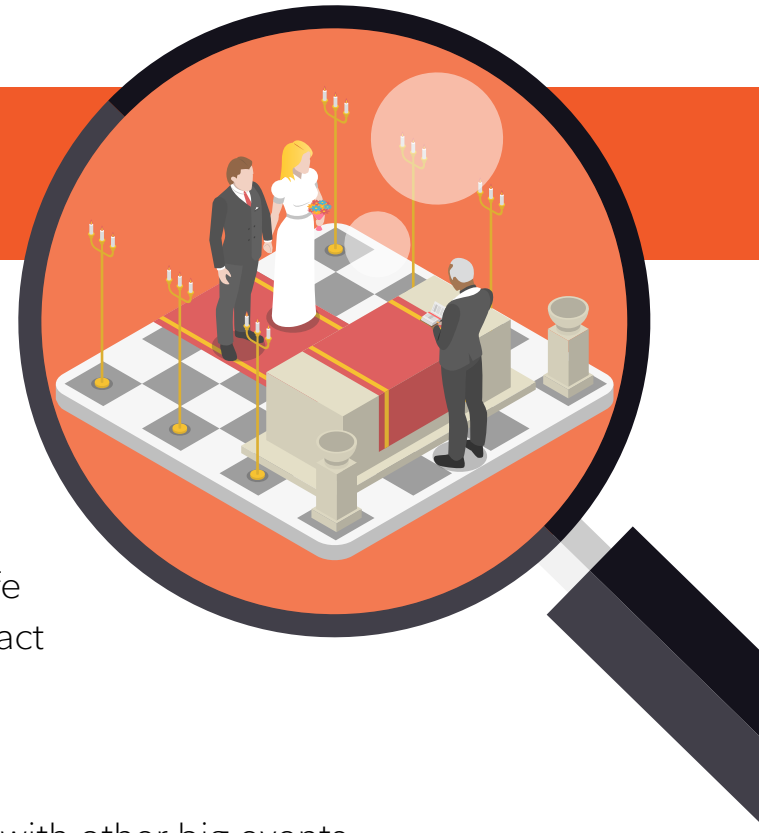
78% more satisfied

Marriage/cohabiting

Most common for Millennials, moving in with a partner or getting married makes most people happier and more satisfied with life than they were, with 36% saying “life couldn’t be better.” It is clearly a “big event” that boosts people’s happiness and life satisfaction, but it does not have a significant impact on health, finances, and work.

KEY FINDINGS

- Getting married/cohabiting is often correlated with other big events that provide an opportunity to offer help; 20% also reported buying a home in the past year.
- For many people, getting married/cohabiting is the calm before the storm. Many major life events tend to follow, such as getting ready for a baby or purchasing a home. That makes this a great opportunity to engage with employees about long-term financial planning.



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THE IMPACTS



87% higher expenses

54% saving less



35% more committed



76% worse sleep

64% higher stress



72% happier

83% more satisfied

New baby

It's a mixed bag of emotions in the first year, to say the least. Seventy-five percent of people who welcomed a new baby rated it as the most impactful event of their year. But while both moms and dads say they are happier and more satisfied with life, there are negative impacts to health and finances.



KEY FINDINGS

- The overall impact is twice as strong for women as men, with key differences in these areas:

	WOMEN	MEN
Sleep disturbances	88%	67%
Higher stress	70%	59%

- Both men and women report significantly negative financial impacts, with 46% saying they feel worse about their money.
- Because of the high impact to women, it's important to focus on resources that help them transition back to work, such as support from their managers, flexible work options if available, and access to mother's rooms.

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THE IMPACTS



57% higher expenses

54% higher debt



48% more committed

40% more motivated



64% higher stress

44% less sleep



51% happier

61% more leisure time

Divorce/separation

Not surprisingly, divorce and separation have significant impacts across the board. But what is surprising is that for some people, it's not as negative as you might expect.

KEY FINDINGS

- Gen X women are particularly vulnerable financially after a divorce and report higher debt, saving less, and higher expenses.
- Millennials and Boomers report higher levels of happiness overall (66% and 53%), but 43% of Gen X report feeling less happy.
- People who do not have children report less negative effects overall compared to people with children.
- Because divorce can be stressful, it's important to provide support to employees through benefits like an Employee Assistance Program (EAP) and financial planning, especially for women. Employees also may need to reenroll in their workplace benefits and update their beneficiaries.



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THE IMPACTS



42% higher expenses

33% saving less



Little impact



73% higher stress

44% sleep worse



70% less leisure time

49% less happy

Caregiving

Being responsible to care for a sick or elderly family member is a daunting task. In addition to the time it takes away from family and friends, there are negative impacts on finances and health. But these effects can be offset by other lifestyle changes.



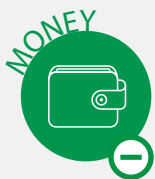
KEY FINDINGS

- Women tend to shoulder the burden of caregiving and are impacted in many ways:
 - 78% are more stressed
 - 45% are gaining weight
 - 42% have stopped exercising
 - 37% are saving less
 - 50% are sleeping worse
- Boomer women are especially impacted, with 1 in 4 taking on a caregiving role.
- Exercise can help temper the effects; the impact is nearly three times worse among those who also stopped exercising versus those who started a regular routine. Make sure employees are aware of programs you offer that encourage exercise, and promote a culture at work that supports a healthy lifestyle.

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THE IMPACTS



76% higher expenses

55% saving less
(17% stopped saving!)



Little impact



68% higher stress

39% sleep worse



54% less satisfied

53% less happy

Boomerang kids

They're *baaaack*! Having adult children move "back to the nest" is a pretty common event, with 1 in 9 Boomer parents saying their kids moved back home in the past year. And while you might expect that it could help ease the financial burden due to cost-sharing, virtually no parent says finances are improved in any way! Impacts to life and health are negative as well.



KEY FINDINGS

- The boomerang effect is most likely among large families. Nearly 1 in 4 Boomer women with three or more kids reported having an adult child move back in the past year.
- Impact is somewhat stronger for women than for men.
- Make sure your employees are aware of the financial wellness resources you offer, many of which could help them navigate family discussions about money and expectations.

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A generation caught in the middle

Generation X is the new “sandwich generation,” trying to raise kids, save for college, pay off debt and care for aging parents, all while trying to save for retirement and health care. And with all that going on, they may very well be the heart and soul of your workplace,⁴ in line to take on more senior roles as Baby Boomers move into retirement.

Percent of each generation that experienced life events that negatively impacted their well-being:



GEN X AT A GLANCE

- Born 1965-1980
- 40% of the workforce¹
- 75% of Gen Xers earn more than Baby Boomers did at the same age²
- 36% have more wealth than their parents³

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The right help at the right time

A sense of well-being isn't just about who you are, how old you are, or how much money you make; it also reflects the moments in your life that matter. Our research illustrates how two people with the same basic demographic profile could be experiencing very different life events and need different help to support their overall well-being.

The good news is that most employers offer a wide array of benefits to help employees navigate life—everything from retirement and health care, to financial wellness and Employee Assistance Programs (EAPs). The challenge is many employees don't take advantage of the full range of benefits offered. Solving this challenge requires understanding how different life events impact a person's total well-being and engaging employees with the right benefit to the right person at the right time.

Targeted benefits to promote wellness



- Retirement plan
- Student debt assistance
- Budgeting and debt
- Health Savings Accounts
- Flexible Spending Accounts



- Flexible work options
- Development planning
- Management communications



- Health care plans
- Fitness plans/reimbursements
- Stress management
- Dental/vision plans
- Life insurance



- Employee Assistance Programs (EAP)
- Child/Elder care assistance
- Paid time off
- Adoption assistance

About Fidelity's Life Decisions Research

Unless otherwise noted, data represents the Fidelity Investments Life Decisions Research online survey of more than 9,000 defined contribution plan participants recordkept by Fidelity and who are employed full time (more than 30 hours per week). The research was completed in October 2016 by Greenwald & Associates, Inc., an independent third-party research firm. Fidelity also worked in collaboration with the Stanford Center on Longevity on the study.

About the Impact Score

Analysis based on Fidelity Investments Life Decisions Research, a survey of more than 9,000 Defined Contribution plan participants recordkept by Fidelity and who are employed full time. Survey conducted October 2016 by Greenwald & Associates, Inc., an independent third-party research firm, and in collaboration with the Stanford Center on Longevity on the study. Participants were asked to identify the most impactful event in their life over the past 12 months, as well as the effects it has had on four domains of their life (money, work, health, and life). The impact of each event was rated through 19 separate questions, including measures of debt, physical activity, life satisfaction, and job performance. Each question offered 5 response options ranging from a strong negative impact (e.g., "my debt has skyrocketed") to a strong positive impact (e.g., "my debt has plummeted"). Individual responses were scored on a 5-point scale from -2 (strong negative impact) to +2 (strong positive impact). Responses to questions within each domain were summed to create domain-level impact scores (ranging from -10 to +10) and domain-level impact scores were summed to create a net impact score (ranging from -40 to +40).

¹ Fidelity analysis of 22,100 corporate DC plans (including advisor-sold DC) and 14.8 million participants as of 3/31/2017.

² Pew Charitable Trust issue brief, ["Retirement Plan Access and Participation Across Generations,"](#) February 2017

³ Pew Charitable Trust report, ["A New Financial Reality,"](#) September 2014

⁴ The Marcia Moment: The Death of the Manage-Me Workplace, 2016. Dr. Mary Donohue

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