



## **Are You Confident About Your Financial Future?**

Northwestern Mutual's annual Planning and Progress Study is out, and the results this year are very interesting. The study examines U.S. adults by generation to understand attitudes and behaviors toward money, financial decision-making, and financial security.

Given the volatility of the last year, the results reflect more uncertainty. But they also indicate that while each generation has different goals, needs, and attitudes toward money, seeking financial advice from a trusted resource is a constant.

But while YouTube, TikTok, and Instagram may be the go-to for DIY needs or setting up new tech, when it comes to money, people still prefer professional advice from a financial advisor.

### **The One Thing Every Generation Worries About**

The study found that two-thirds of Americans believe that their financial planning needs improvement. Across all generations, being financially prepared for retirement is the biggest worry. Of Gen Z, Millennials, and still-working Boomers, more than 50% expect to be prepared for retirement. Gen X is the outlier – only 45% of Gen Xers are confident they'll be ready for retirement.

Younger generations also expect more of the burden to fall on them. Gen Z and Millennials aren't counting on Social Security. If it's around for them (42% don't think it will be), they are only counting on it for 15-20% of retirement income.

### **Younger Generations Expect More from Financial Planners**

All generations value financial advisors for their professional expertise and for helping them to think long-term and to stay on track for goals. But Millennials and Gen Z want a more robust relationship with an advisor. For them, aligning finances with values, saving time, and keeping them up-to-date on changes to financial legislation or changes that will impact them are important.

### **How Can You Build a Confident Financial Future?**

A key finding of the study is that people who work with a financial advisor are much more confident about their financial journey, from retirement to handling unexpected expenses to achieving financial security.

But before you can work with a financial advisor, you need to find someone you feel confident in. In short, someone you vibe with.

How do you do that?

It comes down to selecting an advisor that understands your priorities. And while these are specific and different for everyone, your stage of life creates a set of challenges that nearly everyone may face at some point.

These may include:

- Cash flow planning
- Buying an investment property
- Career advice and planning, from getting the most out of your benefits to equity compensation
- Retirement savings
- Minimizing taxes
- Ensuring you have adequate insurance, including life and liability. Depending on your profession, you may need professional disability insurance
- Saving for kids' education

For many people, the overall goal is to have confidence *and* flexibility. An understanding of the choices available to you and what the trade-offs are is a more modern way to think about financial planning. It goes beyond just investments.

### **Technology Is a Key Attribute**

A good relationship relies on strong communication, and today's investors want their advisor to be tech-forward and accessible. If you're considering working with an advisor, ensuring that they are available to you in all the ways you prefer to communicate can keep you both informed and build trust.

### **The Bottom Line**

As Northwestern Mutual's study shows, working with a financial advisor can help you build the future you want, while keeping you calm and peaceful in the present. You want to be able to enjoy your life now and have options for the future.

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