



## Help Desk Call Volume Points To Mounting Retirement Concern

**February 26, 2004 (PLANSPONSOR.com) - Measured by increasing call volume to Financial Finesse's help desks, retirement planning and saving are two issues the aging Baby Boomer population is beginning to sit up and take notice of.**

Financial Finesse attributed the marked increase in retirement planning and saving concerns to the "beginning of an emerging retirement crisis," brought on by the dawning of the 58th anniversary of the Baby Boom generation. Support for this contention was found in the overall increase in the number of retirement planning calls in 2003 - 10% of the total, compared to just 7% of the total in 2002 - coupled with the questions being asked, the provider of financial information to 250,000 employees in more than 300 different companies said in a 2003 trend analysis.

While normally increased awareness to financial planning concerns is taken as a positive sign by the financial information provider, the nature of the calls in the waning months of last year caught the eye of Financial Finesse. For example, a question about the penalties for taking an early distribution was one of the top five questions posed by employees, while the second most popular question in the fourth quarter was on the pros and cons of taking out a loan against assets in a retirement plan. In fact, of all the top five questions, Financial Finesse says only two were about planning for retirement.

All of this becomes a significant issue when overlapped with the fact that the average age of employees is rising and "most are far behind where they need to be in terms of funding their retirements," Financial Finesse said.

The trend toward saving and planning was also noticed across the aggregate. Employees are becoming more proactive about managing their money and achieving their savings goals judged by the 42% increase in the number of budget and saving calls from the end of 2002 to the end of 2003. Specifically, employees wanted to know:

- How do I put together a budget?
- How do I manage my financial affairs after a divorce?
- I am having trouble making ends meet, what can I do?
- How do I manage the stress of my money problems?
- I need help evaluating my financial situation due to a change in employee status.

Overall, budgeting and saving made up 17% of all calls during the fourth quarter of 2003 to Financial Finesse's counselors, second only to the 39% of calls focused on debt, followed by the 13% of calls the fell into the broad miscellaneous category - estate planning, stock options, insurance, investing. Rounding out the list of help topics was:

- Retirement planning - 9%
- Homeownership - 9%
- Taxes - 7%
- Finding a financial planner - 3%
- Education planning - 3%

Also on the rise was the number of investment calls. Normally, Financial Finesse can expect 2% of the total call volume in a given quarter to be reserved for investment related questions, but in the final three months of 2003, that figure doubled to 4%. This is particularly noticeable when compared to years past, when the fourth quarter saw a decline in the number of savings and investment related questions, as employees traditionally became more reactive to their finances, Financial Finesse said.

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