

# Financial Planning Profiles of American Households



## >>> KEY FINDINGS

The 2013 Household Financial Planning Survey and Index, prepared by the Consumer Federation of America and Certified Financial Planner Board of Standards, Inc., paints a compelling portrait of Americans' financial planning behaviors, providing an in-depth look at the state of personal financial planning in this country.

Most notably, the research found that nearly nine out of 10 American households engage in some type of financial planning, ranging from maintaining a household budget to planning for retirement to working with a financial professional to develop a comprehensive financial plan that includes retirement savings, emergency savings, and insurance, among other financial goals and obligations.

From these planning behaviors and activities emerge four distinct categories of planners. The resulting Household Financial Planning Profiles will help all Americans gain a greater understanding of the importance and benefits of creating a financial plan and the value of working with a competent and ethical financial professional.



### COMPREHENSIVE PLANNERS

**19 percent** of financial decision makers

#### KEY FACTS:

100 percent have a comprehensive financial plan

67 percent work with a financial professional with a fiduciary responsibility, such as a Certified Financial Planner™ professional

94 percent are at least somewhat confident and 53 percent are very confident in their financial choices



### BASIC PLANNERS

**38 percent** of financial decision makers—represents the “typical” American making household financial decisions

#### KEY FACTS:

35 percent have a comprehensive financial plan, with an additional 31 percent likely to make a plan in the next year

80 percent have a savings plan for one or more specific savings goals, such as retirement or a child's education

66 percent follow a budget, though only 41 percent have a written/electronic budget



### LIMITED PLANNERS

**33 percent** of financial decision makers

#### KEY FACTS:

Only one percent have a comprehensive plan, with 11 percent likely to make one in the next year

Most have a budget (44 percent) or a plan to address one or more savings goals (40 percent), but not both

61 percent do not have any credit cards or credit card debt



### NON-PLANNERS

**10 percent** of financial decision makers; non-planners do virtually no financial planning of any kind

#### KEY FACTS:

Zero percent have a comprehensive plan

Nine in 10 (92 percent) have no plan in place for any financial goal, with 0 percent maintaining a written/electronic budget

38 percent have significant credit card debt, with only 47 percent having a plan to reduce their debt