



New Survey Reveals Burden of Student Debt on Young Employees

American Student Assistance Survey Examines Impact of Student Debt on Young Workers and Explores Potential Employer-Driven Benefits; 90 Percent Would Commit for Five Years in Exchange for Help

BOSTON, MASS. (Feb. 28, 2017) – More than half of all young workers worry about repaying their student debt either all the time or often according to a new survey by American Student Assistance®, a private nonprofit dedicated to eliminating finance as a barrier to education and the dreams education enables. Nearly ninety percent of these young employees say they would commit to a job for five years in return for help with their student loans.

The *Young Workers and Student Debt* survey polled 502 young workers between the ages of 22 and 33 as well as 451 human resource managers at companies with at least 100 employees. The results highlight the many challenges faced by young workers with student debt and the strong demand for benefits such as financial literacy, one-on-one counseling, sign-on bonuses and student loan repayment.

“Young workers feel highly stressed out as a result of the burden of student debt and that debt clearly impacts their health and productivity in the workplace,” said Kevin Fudge, director of consumer advocacy and ombudsman at ASA. “Employers should realize that in order to retain the brightest young talent and demonstrate their commitment to employee well-being, they need to provide concrete and straightforward solutions to help alleviate this burden.”

Young Workers and Student Debt highlights how rising student loan debt is negatively affecting young workers’ focus, well-being and retirement planning as well as delaying their pursuit of further higher education. More than 3 out of 5 young workers say their priority is paying off student loans and not contributing to a 401K or other retirement plan. The research also reveals a gap between human resource managers and their young workforce as to the perceived impact of student loans and the solutions that young workers are seeking in exchange for their loyalty.

Key findings from *Young Workers and Student Debt* include:

1) Student Loans Have Various Detrimental Impacts on Young Workers

- a. 56% worry about repaying their loan either all the time (26%) or often (30%).
- b. 40% report that worrying about their student loans has impacted their health.
- c. 55% would like to go to grad school but couldn’t take on any additional student loans.
- d. 61% have considered getting a second job to help pay off their student loans.

2) A Lack of Resources and the Burden of Loans Are Hindering Retirement Planning

- a. 63% of young workers report that they don’t have anyone to turn to for help with regard to paying off their student loans.
- b. 75% of HR professionals report that their company does not offer any guidance or assistance regarding student loans.
- c. 54% of young workers report that right now, paying off student loans comes first, and they will put off saving for retirement until later.

3) Young Workers Would Respond Positively to Employers Who Offer Student Loan Benefits

- a. 86% say they would commit to an employer for 5 years if the company helped pay back their student loans.
- b. 93% of young workers would take advantage of a sign-on bonus targeted at paying back student loans; 92% would take advantage of a match for student loan repayments similar to a 401k match.
- c. 89% would take advantage of overall long-term financial planning.
- d. 79% would take advantage of free access to a student debt loan counselor.

The survey was conducted online in January 2017 by Regina Corso Consulting. The full results can be found [here](#). For more information, please visit asa.org.

About American Student Assistance:

American Student Assistance (asa.org) is a private nonprofit dedicated to eliminating finance as a barrier to education and the dreams education enables. ASA today combines its 60 years of experience, knowledge and best practices into its College Planning Services, Center for Consumer Advocacy and Salt® (saltmoney.org), a multidimensional program that teaches education consumers how to make better decisions about financing higher education and repaying student loans. Today Salt is adopted by more than 300 higher education institutions, nonprofits, and corporations nationwide to reach more than 4 million education consumers.

###

Contact:

Allesandra Lanza
American Student Assistance
lanza@asa.org
617-728-4631