



2016 U.S. Bank Possibility Index

At U.S. Bank, we believe that every person deserves the right to dream, believe and achieve. The building blocks that make our country great – a stable job, a home to call your own and a community connected through culture, recreation and play – continue to be at the heart of possibility for all of us.



01

Overview

Across our 25-state footprint, we are in the business of making possible happen. We developed the U.S. Bank Possibility Index to get a glimpse into the lives and minds of Americans, measuring how satisfied they are in their lives at work, home and play. We also wanted to identify what the main barriers are to achieving their “possible” in these three major facets of life.

Through a deeper understanding of the challenges faced by individuals and as a nation, we can help more Americans accomplish their goals and achieve greater balance in their everyday lives.



The Possibility Index

This first-of-its-kind Possibility Index examines how far people believe they are from realizing their personal “possible” for their current and future lifestyle. It assesses Americans’ current level of satisfaction, perceived change in satisfaction over the past year and how they anticipate changes over the coming year. It also factors in the sense of balance felt across the major areas of life. By summing participants’ scores across 10 items, an Index score is created indicating their overall sense of satisfaction, ranging from 0 to 100.

Based on our findings, we developed four unique personas representative of the Americans surveyed – **Hindered Hannah, Optimistic Oliver, Confident Connie and Millennial Max** – and analyzed their outlook, behaviors and priorities relative to the three areas of life: Work, Home and Play.

02

What Did We Find?

65

Most Americans are feeling positive, but many feel far from achieving their possible.

Americans scored, on average, a 65 on the Possibility Index, indicating a slightly positive outlook. **Three in five Americans (60%) feel satisfied with their lives overall.** Yet for more than 50 million people (21%), there is a struggle to find satisfaction with their current lives. Many (42%) feel their level of satisfaction has improved over the past year, but for one-fifth of Americans (20%), their level of satisfaction has declined.

Still, most believe the best is yet to come – **65 percent are optimistic about any potential changes to their lives over the next 12 months**, and just 14 percent are pessimistic about what the next year may bring. And though not everyone is feeling great about their current lives, **the vast majority still believe they are equally or more satisfied than the average American at work, home and play** (84%, 84% and 80%, respectively).



THE GOLDEN YEARS

Seniors are more likely than other generations to describe themselves as satisfied with their life (76% vs. 58%).



CITY OF DREAMS

Suburban and metropolitan Americans are more likely than rural Americans to feel optimistic about the future (66% vs. 58%).



GENERATIONAL DIVIDE

Millennials and Gen Xers are more likely than Baby Boomers and Seniors to have seen positive change over the past year in their home (56% vs. 43%), work (42% vs. 25%) and play lives (47% vs. 35%).



Where money impacts life, income still isn't everything.

It seems the old adage “money can’t buy happiness” is both transparently true and false – there is clearly a sweet spot where a little extra capital provides a large return on overall life satisfaction, but being in the “1 percent” is not a prerequisite for possibility. The largest percentage of Americans, regardless of Index score, fell within a total household income range of \$35,000-\$74,000. **Even among those with the highest scores (like Confident Connie), most did not fall into the \$75,000+ salary bracket** – and nearly three in 10 of the low index scorers (like Hindered Hannah) did fall into this high income category.

While Americans like Hannah are far more likely to say their financial situation prevents them from fully enjoying all aspects of life than those like Optimistic Oliver or Confident Connie (55% vs. 40% vs. 25%), the disparity in average annual income among these personas is not as pronounced as one might expect. **Between Hindered Hannah and Confident Connie, the bump in average annual household income amounts to only \$12,000** – an extra \$1,000 per month to cushion a savings account, fund a vacation or contribute to a home repair.





Financial stress provides the common thread across all three major life facets.

Financial pressures punctuate the lives of many Americans, particularly at play and at home. In fact, **more than half of Americans (52%) are concerned with finances in general**, and 49 percent are specifically concerned about paying off debt. (Unsurprisingly, that figure jumps to 58 percent among Millennials and Gen Xers).

The research also discovered that **nearly half of Americans (47%) are concerned about simply paying the bills**, and 55 percent are worried about saving for the unexpected. True to the positive outlook we uncovered, however, when asked to project ahead five years, well over half of Americans (57%) expressed confidence that they would be able to pay the bills on time – but only 37% believe they will be living debt-free.

And while relieving the burden of debt is a long-term goal for most, many are focused on just getting by – over two in five (42%) are concerned about covering basic necessities, and **nearly three in 10 (29%) say they are simply not making enough money to cover normal expenses**.





Americans can benefit from better financial planning.

Spending and saving habits significantly influence the ability to achieve our possible. Hindered Hannah is more likely to be focused on current needs rather than long-term goals, use online financial planning tools with less frequency and have trouble practicing self-control than Confident Connie. On a broader scale, though 68 percent of Americans have a savings account, fewer than half (45%) have a retirement savings account – and only 32 percent have investments beyond this. Furthermore, **only 41 percent of Americans follow the most basic of financial planning tools – a budget.**

Millennial Max in particular could use some help streamlining his savings. **Only 35 percent of Millennials have a company 401k or other retirement account, and just 14 percent feel they are on track to meet their retirement goals.** Despite this, seven in 10 believe they will retire by age 65, with nearly half (48%) anticipating retirement between age 60-65. It seems there is a disconnect between how Millennials perceive their financial future and what they are actually doing now to secure it.

It's clear that while a paycheck bump may increase your spirits, there are other approaches Americans can take to start closing the gap between reality and possibility at Work, Home and Play.



03

Hindered Hannah

Hindered Hannah



"When it comes to finances, I'm more focused on current needs than long-term" | 44%



"My finances are preventing me from making a major life decision" | 38%



"Over the past year, my health has been impacted by my stress" | 41%



"My current financial situation is limiting my ability to fully enjoy all aspects of my life" | 55%

Diving into the demographics, we first observed the American population falling on the lower end of the Possibility Index spectrum. **Hannah** is a prototype of an American who feels further away from achieving her possible in the areas of Work, Home and Play.

47

25%
satisfied with
life overall

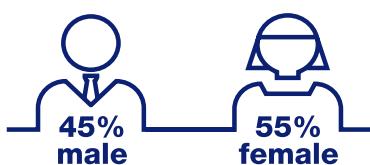
17%
more satisfied than
12 months ago

39%
optimistic about
the future

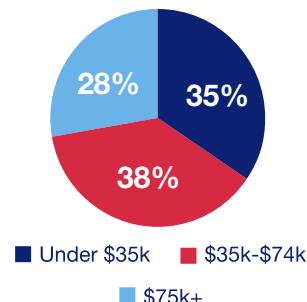
Hannah is 46 years old and has an annual household income of \$62,000. She feels unsatisfied with her life overall and has not experienced a positive change over the last year. Still, she maintains some optimism about the future. **Dealing with the burden of financial pressures, she believes her finances limit her from fully enjoying all aspects of her life and are preventing her from making some major life decisions.** In the past year, high amounts of stress have had a negative impact on her health and she doesn't feel satisfied with the amount of time she has with friends. She is focused more on day-to-day needs than on the long term and she does not use financial planning tools.

Hannah has a Possibility Index score of 47.

Demographics



Average Age
46



04

Optimistic Oliver

Optimistic Oliver



“In general, I feel healthy” | 57%

“My financial situation is limiting my ability to fully enjoy all aspects of my life” | 40%

“I have investments other than a retirement account” | 34%

“I am satisfied with the amount of time I am able to spend with friends” | 39%

64%
satisfied with
life overall

37%
more satisfied than
12 months ago

67%
optimistic about
the future

Next, we examined our average Americans – those who fall into the middle range on the Possibility Index scale. **Oliver** represents an American in this category.

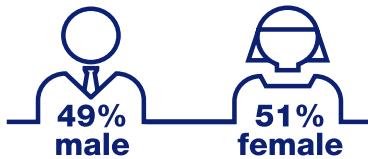
65

Oliver is 49 years old. With an annual household income of \$65,000, **he makes only marginally more than Hannah, yet his finances don't cause as much of a strain on his overall life satisfaction.**

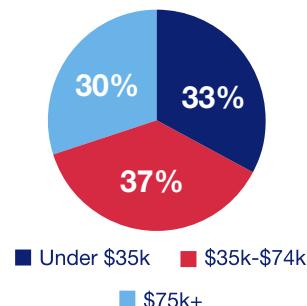
Though he feels his financial situation does limit his enjoyment in some aspects of life, he is relatively content with his life as is and hopeful about what's to come. He feels generally healthy and has an eye toward the future. He does not use financial planning tools, but he has some investments other than a retirement account.

Oliver has a Possibility Index score of 65.

Demographics



Average Age
49



05

Confident Connie

Confident Connie



"I am satisfied with the amount of time I am able to spend with friends" | 49%

"I have investments other than a retirement account" | 38%

"In general, I feel healthy" | 63%

"In five years I will achieve an ideal balance among work, home and play" | 45%

We then analyzed the group with the greatest sense of possibility – those who fall on the high end of the spectrum and feel they are close to reaching their ideal lives at Work, Home and Play. **Connie** is an archetype of this American.

82

89%
satisfied with
life overall

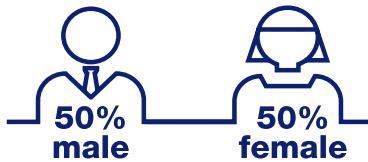
71%
more satisfied than
12 months ago

87%
optimistic about
the future

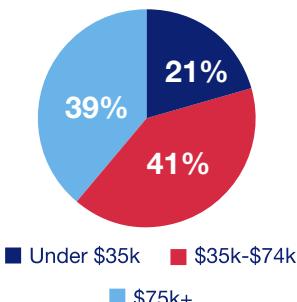
Connie is 44 years old and has an annual household income of \$74,000. She feels satisfied with her life overall – more-so than she felt a year ago – and is optimistic about the future. **With a job, home and family, she feels established and does not believe her financial situation significantly impedes her life enjoyment.** She feels healthy, has not had her stress levels impact her wellbeing in the past year and is happy with the amount of time she's able to spend with friends. She has investments other than a retirement account and is nearly twice as likely as Hannah to utilize financial planning tools.

Connie has a Possibility Index score of 82.

Demographics



Average Age
44



06

Millennial Max

Millennial Max



"In general, I feel healthy" | 43%

"I am very or extremely concerned about finances in general" | 64%

"With modern technology, I feel more connected to family and friends" | 42%

"I am satisfied with my current balance between work, home and play" | 56%

The average Millennial is optimistic, with a Possibility Index score of 66. **Max** represents the typical American Millennial.



55%
satisfied with
life overall

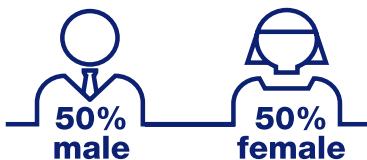
55%
more satisfied than
12 months ago

76%
optimistic about
the future

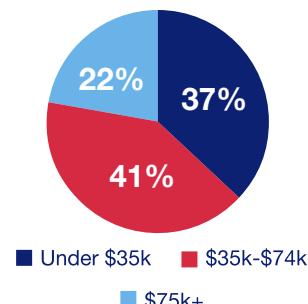
Max is 26 years old and single. From his entry level position, he earns an annual household income of \$56,000. He feels generally satisfied with his life but struggles with high levels of stress. **Without a 401k or any other investments, he doesn't feel entirely on track with his retirement plans and home-ownership goals.** Still, he feels generally hopeful and fairly healthy, and he values the ability to connect with friends to escape his everyday stresses.

Max has a Possibility Index score of 66.

Demographics



Average Age
26



07

Work

Throughout America and across the full Possibility Index spectrum, we analyzed overarching sentiment related to the three main areas of life: Work, Home and Play.

Defined as “your professional life, including your career, work environment and relationships with coworkers,” we first delved into the issues impacting Americans at work.

Workplace satisfaction is mediocre – but most feel they’re more content than the status quo.

Hannah, Oliver and Connie, like their fellow Americans, all have the least positive outlook on work out of the three main life areas. Though **over half of Americans feel good about their current work lives (53%)**, only 35 percent feel more satisfied in this realm than they did last year. And when asked to project ahead five years, only 35 percent feel confident that they will have stable employment, with that same number (35%) expecting to have satisfying employment. Furthermore, **two in five Americans (40%) believe they are not making as much money as they deserve**, keeping them from fully enjoying their careers and their lives overall.

Still, just over half of Americans (51%) are optimistic about the next year at work. From a generational standpoint, the younger Millennials and Gen Xers are much more likely to have an optimistic outlook on their future work lives (62%) than Baby Boomers and Seniors (37%). And despite lukewarm enthusiasm about life in the workplace, **the majority (84%) believe they are equally or more satisfied than the average American at work** – suggesting that even the unhappily employed don’t envy their colleague in the next cube as much as one might imagine.



Parents are more likely than non-parents to feel optimistic about potential changes at work (60% vs. 45%).

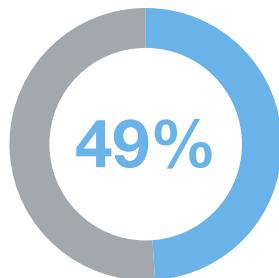


Seniors are less likely than younger generations to be satisfied at work (43% vs. 54%).

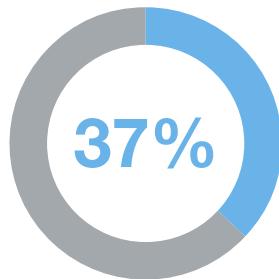
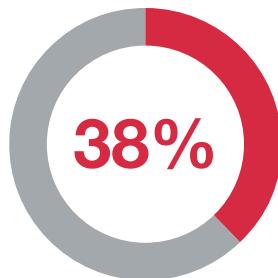


There's a possibility gap for women in the workplace.

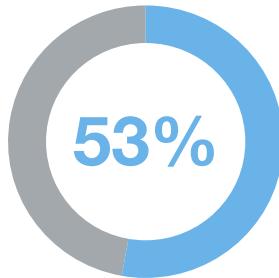
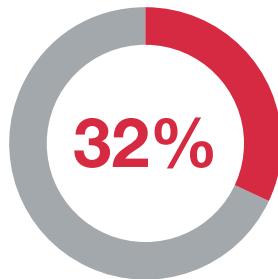
Men are more likely than women to feel they are more satisfied than the average American in their current work lives, and more likely to say their level of satisfaction at work has increased in the past year. And while just over half of Americans say they're optimistic about the next year in their work lives, men are more likely to feel this way than women.



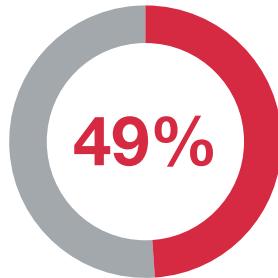
"I believe I am more satisfied than the average American in my work life."
Men | Women



"My level of satisfaction at work has increased in the past year."
Men | Women



"I feel very or somewhat optimistic about potential changes in my work life over the next year."
Men | Women





What matters most to Americans at work?

When it comes to achieving an ideal work life, nine in 10 Americans reported that the ability to support oneself and one's family is crucial. This may be why **a vast majority also prioritize salary (84%) and job security (84%)**. And while money matters, it's not everything – having a fulfilling career that makes a difference matters to more Americans than their position (75% vs. 60%), particularly for high Index scorers like Confident Connie.

Furthermore, though Americans like Hannah and Connie are fairly equal in valuing major things like salary and supporting one's family, there is a greater discrepancy in how they prioritize social relationships at the office – **Americans like Confident Connie are more likely to value their relationship with a boss or manager than those like Hindered Hannah (80% vs. 67%), as well as their workplace friendships (65% vs. 41%).**

This tells us one of two things: either Hannah is too concerned with finances to put emphasis on workplace relationships, or she is not placing as much value on the social capital that might improve her work-life outlook.

Lastly, though many companies are upping the office perks to specifically appeal to a growing Millennial workforce known for coveting free snacks, fitness classes or office dogs in the workplace, we found that **Gen Xers and Baby Boomers value company perks and benefits just as much as Millennials** (78%, 79% and 77%, respectively) – though fewer Seniors (64%) find this important.





Addressing the possibility gap for Americans at work

In general, Americans aren't feeling as gratified as they could be in the aspects of work life they find most important. While salary, for example, is valued highly by 84 percent of Americans, only 52 percent actually feel satisfied with their salary at present – a 32 percent possibility gap. Stress in the workplace is also taking its toll – while 77 percent of Americans feel a manageable stress level is important in achieving an ideal work life, **only 47 percent feel content with their current stress level.**

Despite these barriers, Americans are feeling positive about several aspects of workplace life, particularly those that don't involve finances – manageable commute, office friendships and boss/manager relationships provided the most widespread satisfaction levels (71%, 63% and 63%, respectively).

Possibility Gaps at Work Importance vs. Satisfaction

- █ Americans who find this important
- █ Americans who are satisfied
- █ Possibility Gap

ABILITY TO SUPPORT MYSELF AND/OR MY FAMILY



SALARY



JOB SECURITY



LEVEL OF STRESS



08

Home



Parents are more likely than non-parents to expect increased satisfaction from their home life (72% vs. 64%).



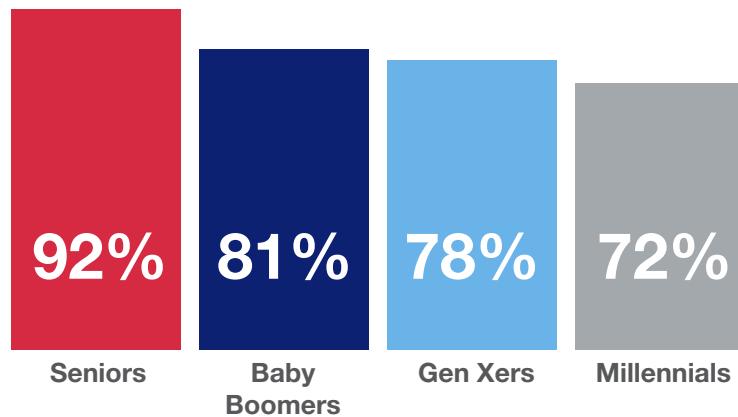
Married Americans are more likely than non-married Americans to feel more satisfied in their home lives than the average American (66% vs 48%).

Defined as “time spent at your residence alone or with family, doing daily household activities such as chores, and saving for future family expenses,” we next examined themes around Americans’ lives at home.

Life at home brings the highest levels of satisfaction among Americans...

When it comes to life at home, the outlook is bright. **Nearly four in five Americans (79%) say they are satisfied at home** – the highest level across our three main aspects of life – and half are more satisfied than last year. Optimism at home remains high as well, with 67 percent feeling hopeful about potential changes to their home lives in the coming year, and more than a quarter (27%) even looking to invest in home improvements.

Furthermore, most Americans consider their home lives better than average, with nearly three in five (58%) believing they are more satisfied than the average American at home. An increase in home-life fulfillment can come with age, as **Seniors report the highest levels of satisfaction (92%), a figure that steadily declines with each younger generation.** However, Seniors are less likely than younger generations to feel optimistic about their home lives in the next year (58% vs. 68%).





...but financial stress is hitting home lives hard.

Americans still feel the financial burden at home, with **42 percent saying their financial situation prevents them from fully enjoying their home lives**. Despite overall positivity, Americans are specifically feeling financial pressures when it comes to paying bills and saving for their children's education.



32% of Americans say difficulties paying bills keeps them from feeling fully satisfied at home.



33% of parents say concerns about not saving enough for their child's education keep them from feeling fully satisfied at home.

For Hindered Hannah, financial strains at home are most pronounced. Low Index scorers like Hannah were twice as likely as high scorers like Confident Connie to report that their finances prevent them from enjoying their home lives (60% vs. 30%), despite only a \$12,000 disparity in annual average household income between the groups.

And though the American dream often idealizes a house with a white picket fence, home ownership still seems out of reach for many, with only **34 percent of Americans saying they will be able to own a home in the next five years** – a figure in line with current trends of declining home ownership.¹ For Millennial Max, the possibility gap for home ownership is particularly high. **While 76 percent of Millennials feel that being able to save for a home is very or extremely important to achieving an ideal home life, only 37 percent feel satisfied in their ability to save.**



¹ <http://www.gallup.com/poll/182897/fewer-non-homeowners-expect-buy-home.aspx>



What matters most to Americans at home?

Money reigns supreme at home as well as work, with **93 percent of Americans agreeing that the ability to pay bills on time is crucial for achieving an ideal home life.** Having time for relaxation also came out on top, with 85 percent of Americans considering this important to home life. And for 92 percent of parents, quality time spent with children is also valued highly.

While a sense of financial security may be vital to a happy home, Americans aren't overly concerned with the material life – **only 30 percent of Americans think that having the latest appliances and technologies is important for an ideal home life.** In fact, a quarter of Millennials find this to be entirely unimportant – a somewhat surprising figure for a generation known for its embrace of technology.

Addressing the possibility gap for Americans at home

Across the board, Americans are falling a bit short in achieving their ideal aspects of home life. **Only 66 percent of Americans are content in their ability to pay bills on time** – a 27 percent possibility gap – and nearly one-third of parents (32%) don't feel satisfied with the amount of quality time they are able to spend with their children. And Americans could use some extra snooze time – while having enough time to sleep is critical to 84 percent of Americans in their home lives, only 64 percent have mastered their ideal sleep schedule.

Possibility Gaps at Home Importance vs. Satisfaction

- █ Americans who find this important
- █ Americans who are satisfied
- █ Possibility Gap

ABILITY TO PAY BILLS ON TIME



QUALITY TIME SPENT WITH CHILDREN – AMONG PARENTS



TIME FOR RELAXING



TIME TO SLEEP



09

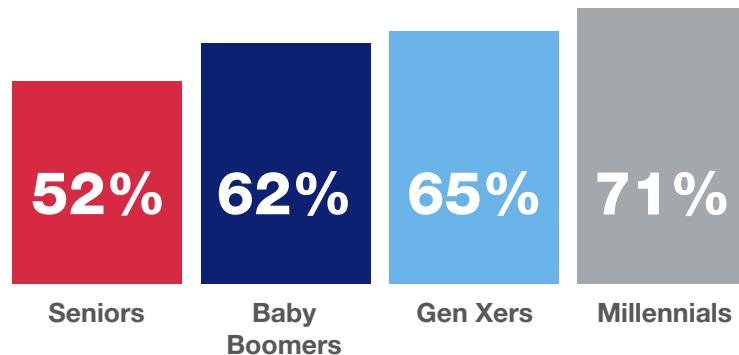
Play

Defined as “your recreational and social life, including interests, hobbies, exercise, travel, and other activities,” we last examined the area of life where Americans should be having the most fun – play.

The young aren’t having all the fun...but feel they will be soon.

The majority of Americans are happy with their play lives, though not to quite the same extent as the sky-high levels of home-life satisfaction (64% vs. 79%). From a generational perspective, **while Seniors are currently more satisfied than younger Americans in this area (78% vs. 63%), they are less optimistic about the coming year.** For Millennials, a group twice as likely as Seniors to report current dissatisfaction in their play lives, a vast majority feel that things are bound to get better soon. And though the golden years are clearly a good time for most, optimism towards having fun seems to steadily slip as age increases.

Still, the overall outlook is bright, with **65 percent of Americans predicting positive changes to their play lives** in the next year.





46% believe they will have free time and budget for travel and leisure in the next five years.



38% say pressure to save prevents them from enjoying their play lives.



37% can't afford a vacation.

Tight wallets and travel envy take a toll on Americans at play.

Despite generally positive sentiment, financial woes do rear their head in Americans' play lives as well. **Nearly three in five Americans (57%) feel their financial situation prevents them from fully enjoying their time away from home or the office**, and for many who may have extra pocket money, the pressure to save instead of splurge tables their play-life satisfaction.

The financial blow is felt most strongly by low Index scorers like Hannah, with 74 percent reporting that finances prevent them from fully enjoying their play lives. Compared to Americans like Connie, a 19 percent bump in annual salary (\$62k vs. \$74k) translates to a 30 percent drop in this figure – only 44 percent of high scorers feel that finances are prohibiting their enjoyment in this realm.

And in an era of relentless social sharing – where one needs only to log onto Facebook or Instagram for a moment before being inundated with photos of a friend's European cruise or a colleague's box seats at the Super Bowl – **digital envy may be warping our perception of play**. Americans were more likely to report that they feel less satisfied than the average American in their play life than they were in either work or home. **Still, Americans do feel they're doing well – 80 percent believe they are as much or more satisfied than the average American at play.**





What matters most to Americans at play?

For many, play is about enjoying simple pleasures – three-quarters say that having the ability to relax with movies, television or books is important to an ideal play life. But travel also topped the list for most Americans – more than seven in 10 (71%) feel the ability to afford vacation is key, and nearly as many (70%) say it is important to have time for travel/vacation.

Addressing the possibility gap for Americans at play

Luckily, some of the best things in life are free – and the ability to enjoy inexpensive interests is helping many Americans come closer to achieving their possible at play. When it comes to level of importance vs. level of satisfaction, there's a mere seven percent gap to address for relaxing with books and Netflix; and for opportunities to enjoy the outdoors, the gap stands at a minimal eight percent.

When it comes to the ability to afford travel and vacation, however, that gap shoots up to 28 percent, as only 43 percent of Americans feel content in this ability. And finances may be preventing some from exploring their interests, as well – though just over half feel satisfied with their opportunities to pursue hobbies and interests, a more robust 70 percent feel this is crucial to an ideal play life.

Possibility Gaps at Play Importance vs. Satisfaction

- Americans who find this important
- Americans who are satisfied
- Possibility Gap

ABILITY TO RELAX WITH MOVIES, TELEVISION OR BOOKS



ABILITY TO AFFORD TRAVEL/VACATION



OPPORTUNITIES TO EXPLORE INTERESTS OR HOBBIES



OPPORTUNITIES TO ENJOY NATURE



10

Conclusion & Methodology

When it comes to our lives at work, home and play, Americans are hopeful. But there is quite a bit of work to be done to slide the scale from 65 to 100. At U.S. Bank, we are committed to helping Americans work towards realizing their possible. By providing financial literacy and educational initiatives, offering guidance on saving and retirement planning, emphasizing diversity and inclusion and fostering innovation that streamlines processes and simplifies money management, we are working every day to bring individuals closer to achieving their possible.

Because when we invest in the power of possible, we all win.

About the Survey

Margin of Error = +/- 2.2 Percent

Sample = 2001 nationally representative Americans ages 18 and over

The U.S. Bank Possibility Index Survey was conducted between March 29 and April 4, 2016 among a nationally representative sample of 2001 Americans ages 18+. Quotas are set to ensure a reliable representation of the U.S. population 18 and over.

Results of any sample are subject to sampling variation. The magnitude of the variation is measurable and is affected by the number of interviews and the level of the percentages expressing the results.

In this particular study, the chances are 95 in 100 that a survey result does not vary, plus or minus, by more than 2.2 percentage points from the result that would be obtained if interviews had been conducted with all persons in the universe represented by the sample. The margin of error for any subgroups will be slightly higher.

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