

Financial Freedom Workshop

Motivation

Financial literacy in the United States is alarmingly low, especially among younger generations. Generation Z scored an average of only 37% on the 2024 Personal Financial Index, compared with 45% for Generation X and Millennials (Global Financial Literacy Excellence Center, 2024). The 2023 National Financial Capability Study further showed that fewer than 30% of U.S. adults could correctly answer three basic financial literacy questions, with younger adults scoring the lowest (Lusardi & Streeter, 2023).

Low financial literacy contributes to financial instability, poor investment decisions, and inadequate long-term planning (Consumer Financial Protection Bureau, 2024). While wealthier Americans grow their assets primarily through equities, the middle class often relies on leveraged real estate, which limits participation in corporate profit growth (Kuhn et al., 2020; Ackert & Ramirez, 2024). Enhancing financial literacy, especially around saving and investing, can encourage broader participation in financial markets and help reduce wealth inequality.

Evidence consistently shows that individuals with higher financial literacy are more likely to invest in the stock market and less likely to face financial distress (Bucher-Koenen et al., 2024). Fintech platforms and broadband access have further lowered barriers, providing user-friendly tools that make investing more accessible (Becker Friedman Institute, 2023). These trends present a unique opportunity to engage Gen Z in practical, long-term financial planning.

Workshop Design

Inspired by research on successful programs such as the U.S. Army's Personal Financial Management Course, which doubled retirement savings participation rates (Skimmyhorn, 2016), this workshop aims to equip Kennesaw State University students with simple, actionable steps to build lifelong financial habits.

The workshop consists of:

- Introduction to Financial Planning – Basics of saving, investing, and retirement planning.
- Hands-On Excel Activity – Students will customize a retirement plan template by changing only the yellow-highlighted inputs (age, savings, returns, legacy goals).
- “Set It and Forget It” Strategy – Demonstrating how small, automatic monthly contributions to a Roth IRA invested in the S&P 500 can build significant wealth.

Illustrative Example Below:

- Target retirement expenses: \$3,000/month in today's dollars \approx \$16,781/month at retirement age 65 (assuming 3.9% annual inflation).
- Required nest egg at retirement: \$3,014,204 to sustain withdrawals until age 90, leaving a \$500,000 legacy.
- Contribution plan: Starting with \$1,000 at age 20, investing \$136/month in the S&P 500 (using its 50-year historical average return of 11.89% not adjusted for inflation) can achieve this goal.

Students will see how adjusting their age, contributions, or target legacy changes the plan. This hands-on design reinforces key concepts through experiential learning, shown to be the most effective way to build lasting financial skills (Samuelsson et al., 2024; Bucher-Koenen et al., 2024).

This example assumes you are 20 years old, retire at 65, and live until 90. It also assumes you want to have \$500,000 at the age of 90. Update the yellow-highlighted cells to reflect your age and preferences. The remaining cells will update automatically.	
Start with these 4 simple question!	
1. What is your current age?	20
2. At what age do you envision retiring or reaching financial freedom?	65
3. What age would you like to use as your life expectancy for planning purposes?	90
4. How much money would you like to have in your account at the age of 90?	\$ 500,000
Step 1. How much money do I want to live on each month when I retire (excluding other sources of income and taxes)?	
I will need to withdraw this amount every month (when I retire) based on today's dollar value.	\$ 3,000
Annual inflation rate.	3.9%
I have this many years until retirement (retirement age minus current age).	45
I will need this amount every month based on the dollar value at the time I retire.	\$ 16,781
Step 2: How much do I need to have in my account when I retire?	
I want to withdraw this amount every month during retirement.	\$ 16,781
The interest rate (adjusted for inflation) on my investments during retirement is this percentage.	5%
Number of years in retirement (life expectancy minus retirement age).	25
I need to have this amount saved by retirement—this is my target!	\$ 3,014,204
Step 3. How much do I need to invest every month to achieve my target?	
I need to have this amount saved by the time I retire.	\$ 3,014,204
The interest rate (not adjusted for inflation) on my investment is this percentage.	11.89%
Number of years until retirement (retirement age minus current age).	45
I want to start investing with this initial amount I already have.	\$ 1,000
Monthly investment needed to reach my goal:	\$ 136

Expected Outcomes

Studies have shown that financial literacy is directly linked to better financial behaviors and outcomes, such as retirement planning and reduced financial challenges (Consumer Financial Protection Bureau, 2024; Bucher-Koenen et al., 2024). With the accessibility provided by modern fintech platforms and broadband, this initiative expects significant improvements in financial engagement among participants, particularly Gen Z students, who are most at risk of financial mismanagement (Lusardi & Streeter, 2023; International Journal of Research and Analytical Reviews, 2023; Becker Friedman Institute, 2023).

Broader Impact

This program has the potential to serve as a scalable model for universities across the country. By equipping students with lifelong saving and investing habits, this initiative can contribute to greater financial stability and well-being for future generations (Global Financial Literacy Excellence Center, 2024; Consumer Financial Protection Bureau, 2024).

References

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