

# How and Why Financial Wellness Programs **Help Your Employees— And You**



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# Why Are We Talking About Financial Wellness?

**If you're reading this, you already know: The well-being of your employees is important. Not just for them, but for your organization, as well. A key component of overall well-being is financial wellness. And you have the opportunity to help your employees achieve it.**

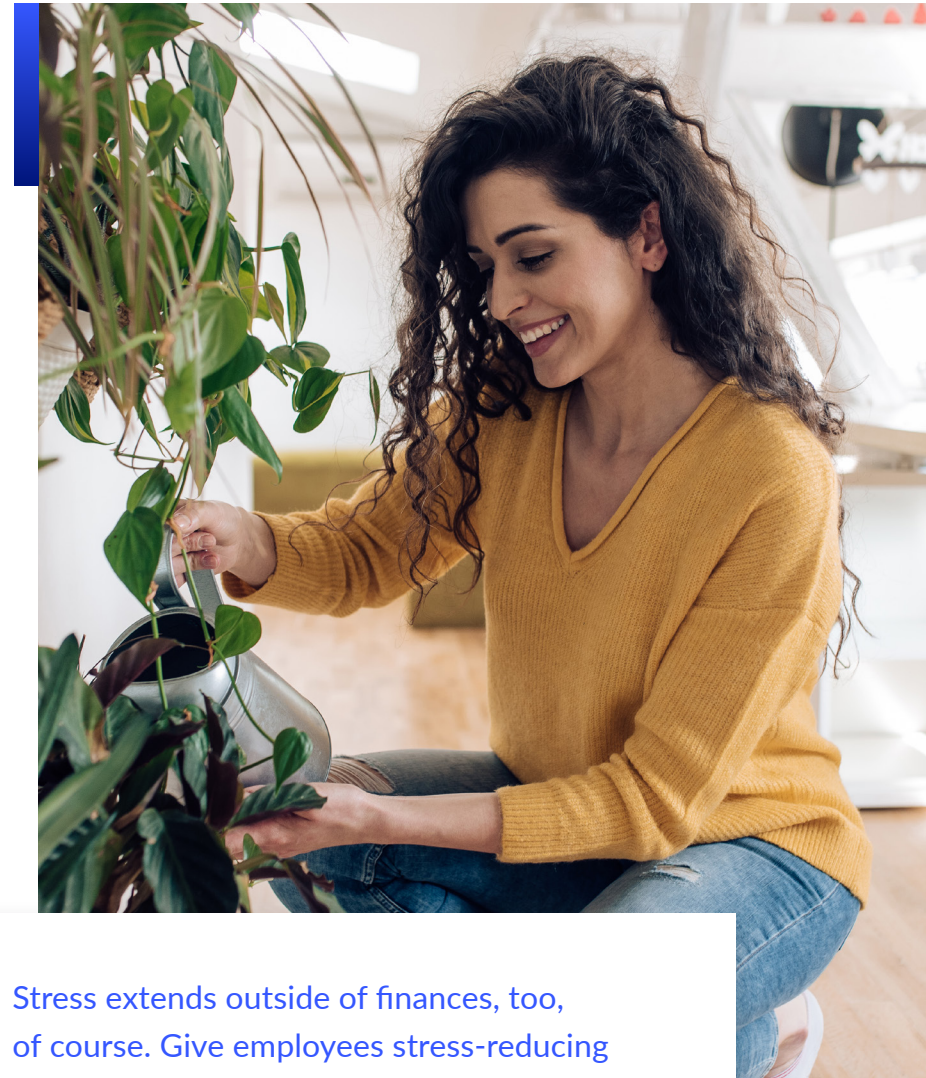
Financial wellness is an important part of overall personal well-being because, well, finances are really, really important. From basic housing needs to food to school tuition and beyond, money-related matters...matter.

When people are stressed about financial security, their overall health can suffer. Conditions that have been linked to financial stress and worries include:

- Exhaustion
- Heart disease
- Mental illness
- Increased mortality
- Reduced immune response
- And more<sup>1</sup>

Given these realities—and, let's face it, given basic common sense—it's evident that financial wellness plays an important role in a person's holistic well-being.

<sup>1</sup> Journal of Family and Economic Issues. The Relationship Between Financial Worries and Psychological Distress Among U.S. Adults. 2022.



**Stress extends outside of finances, too, of course. Give employees stress-reducing help with WebMD ONE's health coaches, stress-focused solutions, and more!**

# So, Why Does Employee Financial Wellness **Matter To You?**

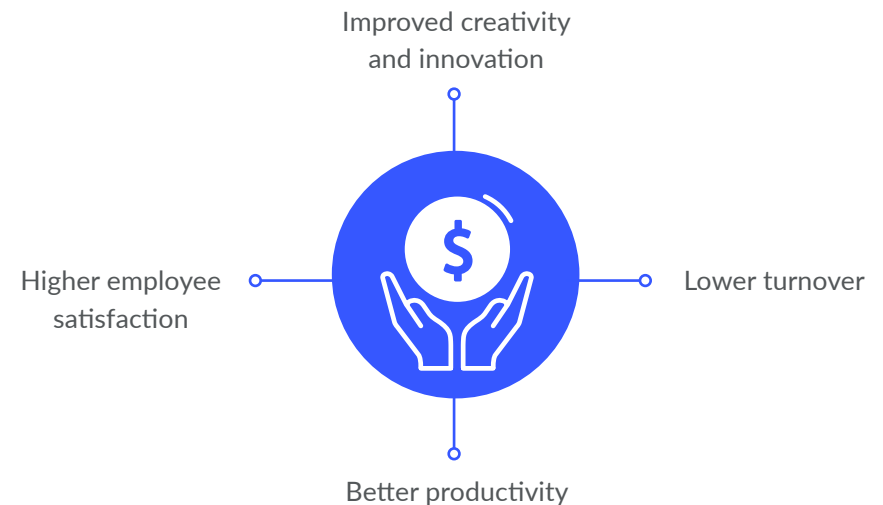
With the boundaries between work and life increasingly blurred, employers are starting to see the value of well-being programs that go beyond the typical physical-health-focused norm.

By taking a holistic approach to supporting your employees' well-being, you can improve your workforce's mental and physical health, as well as their focus, productivity and engagement. And no truly holistic approach to well-being is complete without a financial wellness component.

But what responsibility do you bear for your employees' financial wellness? And what does financial wellness assistance even look like? This e-book provides you with answers to these questions and more.

<sup>2</sup> Bank of America. 2022 Workplace Benefits Report.

The research doesn't lie. Employers that offer financial wellness programs have reported:



# What Is Financial Wellness?

Before we go any further, let's define exactly what we're talking about. Because financial wellness doesn't necessarily mean immense wealth. Well...at least not always.



The Consumer Financial Protection Bureau gathered input from people around the country and synthesized it into this definition of financial wellness:

Having financial security and financial freedom of choice, in the present and in the future.<sup>3</sup>

Considering this definition, it's clear that financial wellness isn't a static state. Varying opportunities, circumstances and outside factors will always play a role.

And the good news is that you can be one of those outside factors, positively influencing your employees' financial wellness—and, by extension, their lives.

<sup>3</sup> Consumer Financial Protection Bureau. Financial well-being: What it means and how to help.

# Why Does The Financial Wellness Of **Your Employees Matter?**

If financial stress equals decreased productivity, then financial wellness equals...yeah, you get it.

Let's put it simply: You care about the overall well-being of your employees... and you are managing people within your business.

A business with complex finances and engaged stakeholders and, yes, a bottom line to worry about.

So, why spend your valuable time and resources focusing on the financial wellness of your employees? Because it'll help everyone: your employees, your managers and your organization as a whole.

A financially stressed workforce is less productive and more costly than a financially well workforce.

No, really—we're not just saying that. The research backs it up. Check out the next page to see the whole thing broken down like an SAT question.



Need help increasing employee engagement?

**85%** WebMD ONE engagement in tools and services across the platform.

# If X, Then Y...Wait—Don't Go! **It's More Fun Than That!**

## THE EQUATIONS

### one

A financially well workforce = More productivity

- Employees who are on track with their financial goals are more productive (**85% vs. 69%**) than their peers who are not on track.<sup>4</sup>
- **One in five employees** say their productivity at work has been impacted by personal financial worries.<sup>5</sup>

The final equation is: **A financially well workforce = More productivity = Higher profits**

How did we get there? We'll show our work:

### two

More productivity = Higher profits

- Employees who are not productive cost their company the equivalent of **18% of their annual salary**.<sup>6</sup>
- Highly engaged and productive business units produce **23% more profits**.<sup>7</sup>

So, the SAT-style question: If...a financially well workforce leads to more productivity...and more productivity leads to higher profits...then can we say that a financially well workforce leads to higher profits?

Answer: Yes!

<sup>4</sup> MetLife. Financial Wellness Programs Foster a Thriving Workforce. 2019.

<sup>5</sup> PwC. PwC's 8th annual Employee Financial Wellness Survey. 2019.

<sup>6</sup> Gallup. Increase Productivity at the Lowest Possible Cost. October 15, 2020.

<sup>7</sup> Gallup. Employee Engagement vs. Employee Satisfaction and Organizational Culture. August 13, 2022.

# Why Do Employees Need **Your Help** Improving Their Financial Wellness?

Providing a salary and some retirement planning assistance used to be enough. But today's workforce expects more. There are three main reasons you should help employees:

## one

### **Employees today are STRESSED OUT.**

Almost two-thirds of respondents to a recent study said money is a significant source of stress.<sup>8</sup> As we've seen, this is bad for not only these employees, but for your business, as well.

If you don't believe us, go back and check out page 3.

## two

### **Employees expect you to help.**

A full three-fourths of workers in one survey said they want their workplace to provide more resources to help them with their financial wellness.<sup>9</sup>

And 60% of respondents to another survey said it's their employer's responsibility to make sure they're financially secure.<sup>10</sup>

## three

### **Your offering can help you compete for—and retain—employees.**

With 97% of employers saying they are in some way responsible for their employee's financial wellness, it's safe to say that other organizations that are competing for the same employees are taking this seriously.

Plus, 84% of employers say that offering financial wellness tools can help with employee retention, and 81% say these tools help attract higher-quality employees.<sup>11</sup>

<sup>8</sup> American Psychological Association. Stress in America™ infographics: March 2022.

<sup>9</sup> Franklin Templeton. Franklin Templeton's Voice of the American Worker Study Reveals Changing Concept of Retirement. June 14, 2021.

<sup>10</sup> Employee Benefit Research Institute. 2020 Workplace Wellness Survey.

<sup>11</sup> Bank of America. 2022 Workplace Benefits Report.

# What Does A Financial Wellness Program For **Employees Look Like?**

With financial wellness programs gaining in popularity and prevalence, you have no shortage of options when it comes to creating an offering that works for you.

You can engage an external vendor that offers customizable programs. Or you can work internally to piece together a program through a mix of tools you already have—like your EAP provider and your 401(k) administrator—and those that are publicly available.

As you're creating your financial wellness program, consider these common components:

• **Basic financial literacy**  
such as financial education classes and savings strategies

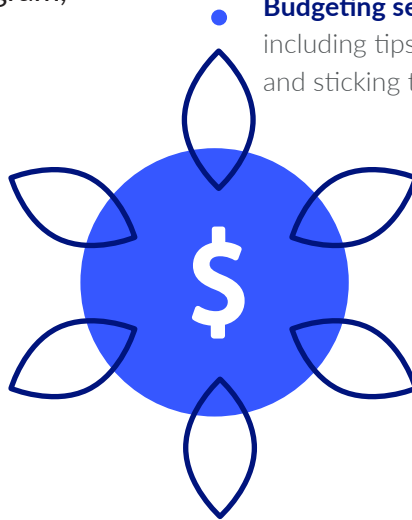
• **Retirement preparation**  
including understanding of Social Security and 401(k)

• **Budgeting services**  
including tips on establishing and sticking to a monthly budget

• **Debt reduction**  
including counseling services and debt management services

• **Credit counseling**  
including resources to help understand credit scores

• **Online tools,**  
such as calculators and budgeting apps



# How Can You Customize Your Program To **Your Workforce?**

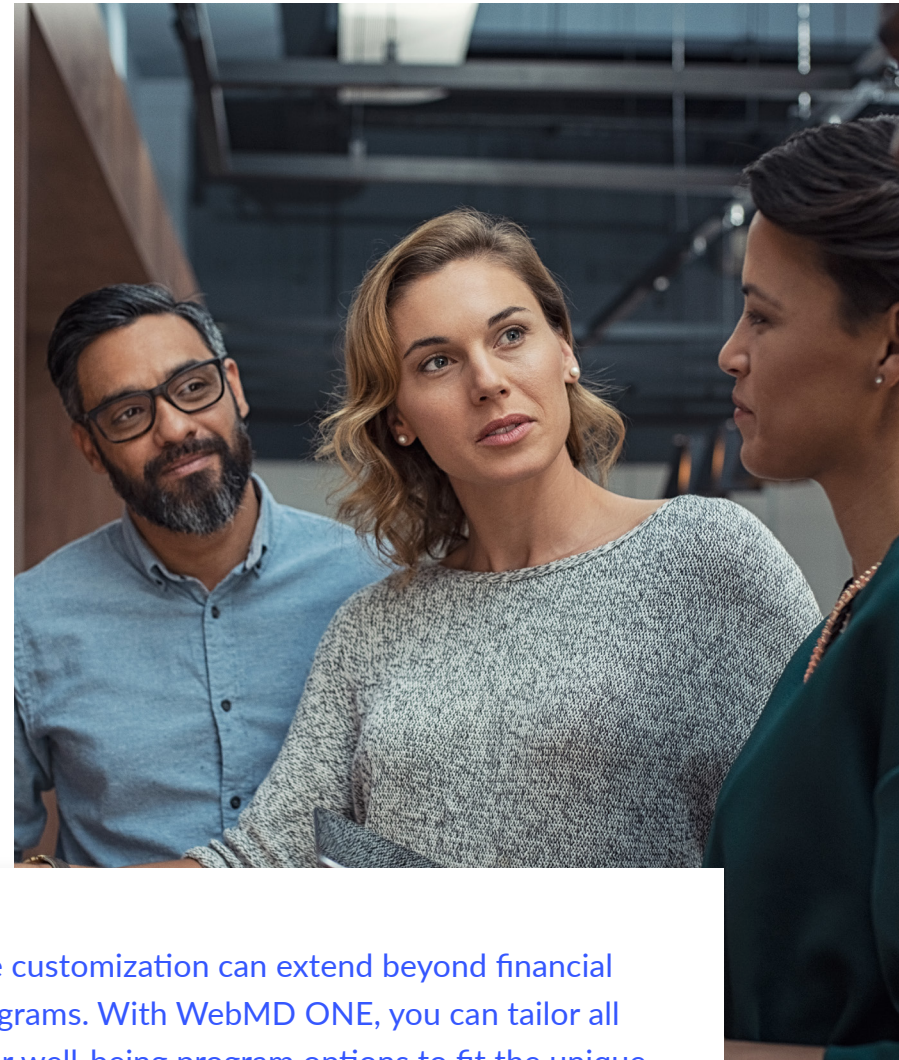
Your workforce is unique. So, the financial wellness program you offer your employees should be unique, too. Think about what works best for them and for your organization.

In addition to those common components listed on page 9, you can create or adopt offerings that directly benefit your employees.

Consider the demographics of your workforce. Could they benefit from any of the following?

- Student loan assistance
- Short-term loans or wage advances
- Guidance on saving for college tuition
- Education around major purchases, such as a home
- Support for the high costs of child care or elder care

One good way to find out what your employees might want? Ask them. An anonymous form, like a pulse survey with a few short questions, is a great way to find out what people are needing or expecting.



The customization can extend beyond financial programs. With WebMD ONE, you can tailor all your well-being program options to fit the unique needs of your workforce.

# How Can You Make Sure Your **Financial Wellness Program Succeeds?**

If you build it, they...well, they won't necessarily come. It's up to you to put the word out about your financial wellness offerings. High engagement can make your investment worthwhile.

Lean on your marketing or communications teams to create a strategy here. A few tips and tactics to consider:

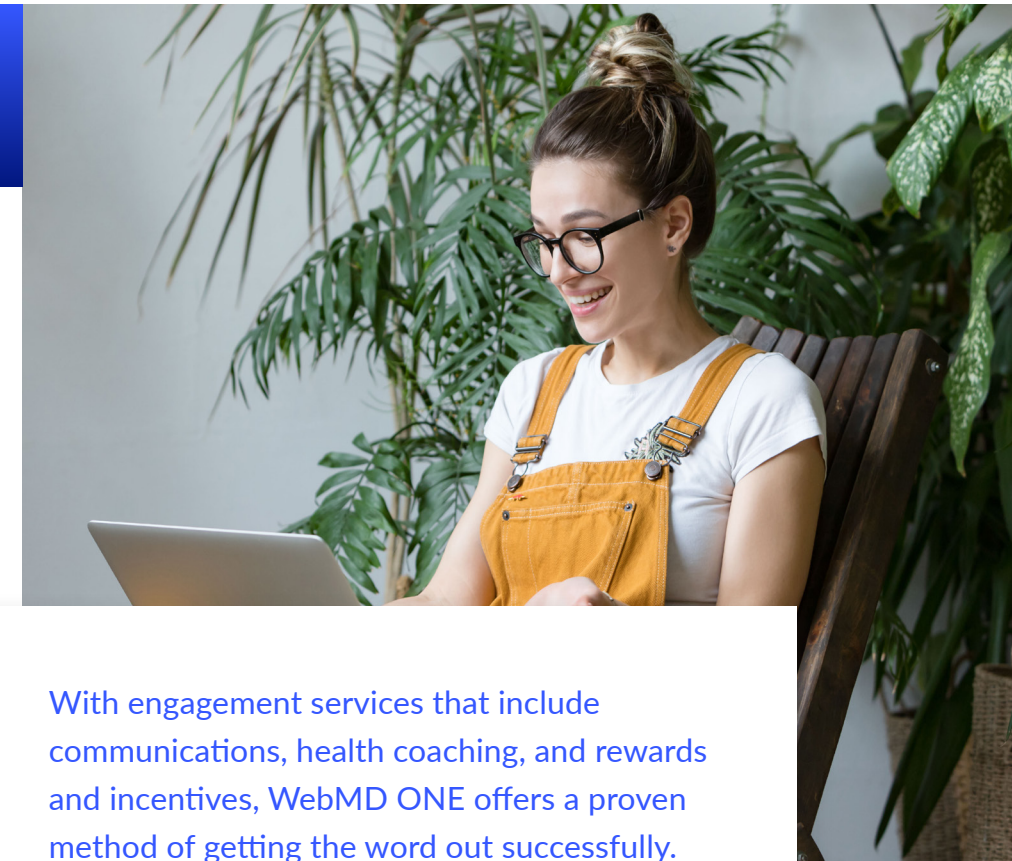
**Make a splash:** Your employees want this! So don't give it a slow, silent rollout. Make a big, flashy announcement: Your employee financial wellness program has *arrived!*

**Keep up the pace:** After that initial splash, continue to communicate with a strong, well-cadenced engagement strategy. This can include emails, intranet messages, postcards, videos and more—whatever gets the attention of your workforce.

**Explain, explain, explain:** “Wait, how is this helpful to me?” That’s a question you never want to hear. As you’re communicating about your financial wellness program, be sure to clearly convey the benefits of your offerings. Make your messages audience- and outcome-focused. For example: “Are you worried about retirement? We can help!”

**Get thematic:** Lean into holiday or seasonal themes. “Budgeting for the holidays.” “Saving for your summer vacation.” “Spring cleaning your budget.” Have some fun with it.

**Measure and adjust:** Don't forget the power of metrics and tracking. Regularly assess the success of your program and use the data to identify areas for improvement.



With engagement services that include communications, health coaching, and rewards and incentives, WebMD ONE offers a proven method of getting the word out successfully.

# OK, But...Are Employee Financial Wellness Programs **Really Worth It?**

The short answer: Yes.


The longer answer: Very much yes—for your employees, your bottom line and your organization's future.

The numbers don't lie:

In a recent survey, WebMD ONE's financial wellness partner, iGrad/Enrich, found that 35.5% of respondents said their reduction in financial stress was due to using the Enrich platform.


**\$4**  
**BILLION**

Amount per week that financial stress costs U.S. employers<sup>12</sup>




**23%**

Decrease in financial stress over 12 months for users of a financial wellness program<sup>15</sup>




**80+%**

Employers that say offering financial wellness support can result in stronger employee performance<sup>13</sup>




**4 OUT OF 5**

Employees who say tools to help them achieve their financial goals are a must-have or nice-to-have benefit<sup>14</sup>



**87%**

Employees who are on track with their financial goals who say they are likely to still be working for their organization in one year's time



OK, so that was a very long answer. Yes—it's worth it!

<sup>12</sup> BrightPlan. 2022 Wellness Barometer Survey.

<sup>13</sup> Bank of America. 2022 Workplace Benefits Report.

<sup>14</sup> MetLife. Financial Wellness Programs Foster a Thriving Workforce. 2019.

<sup>15</sup> Enrich. Financial Wellness Behavior Change Data: a 12-month Study.

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