

Employers working to boost employee financial wellness

Employers are increasingly looking out for employees' financial well-being, and they're not just looking at [retirement preparedness](#). That's according to [Aon Hewitt's](#) "2016 Hot Topics in Retirement and Financial Well-Being," which found that employers are increasingly looking at a broader financial picture for their employees, and are expanding financial wellness services, tools, and educational campaigns.

That trend seems set to continue throughout the year, since in 2016, 56 percent of employers indicated they are very likely to create or focus on the financial well-being of employees in ways that extend beyond [retirement decisions](#).

This is an increase of 10 percent from those who said so in 2015, and has brought the expansion of employee financial well-being to the top of employers' initiative list for 2016.

The vast majority of employers—89 percent—indicated that they are very or moderately likely to add tools, services, or communications to expand their financial well-being focus.

And they're taking a range of actions. Forty-five percent in 2016 are helping employees receive automatic payments from defined contribution plans—that's up from 35 percent in 2015.

And they're also trying to control "leakage," with 77 percent feeling very or somewhat concerned about loan usage and 61 percent very or moderately likely to take some step in 2016 to help curtail leakage.

They're not taking a one-size-fits-all approach to financial wellness, either, with 38 percent of employers offering at least three different financial wellness services, tools, or educational campaigns to employees (out of a list that includes health care education, the basics of financial markets, financial planning, budgeting, savings for life events, prioritizing savings, and debt management).

By the end of this year, that percentage is likely to rise to 52 percent.

One may wonder why employers are suddenly so focused on employee financial well-being. Respondents to Aon's study overwhelmingly said that "it is the right thing to do," with 85 percent citing that as their reason.

The second most popular response was to help increase employee engagement (80 percent).