

Financial Wellness an Imperative for Healthy Employees

Workforce

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In the never-ending quest to improve employee engagement and maintain high levels of productivity, many U.S. companies have recognized the effect employees' financial health has on their performance and morale.

Employees who are financially sound and without significant money worries at home are happier and more focused on the job.

A growing number of companies have discovered that they can build employees' loyalty, increase their productivity and improve their job satisfaction by providing programs that help them achieve financial wellness. Many have discovered new, no-cost and easy-to-implement options for companies to help employees develop healthier relationships with money. These programs can deliver significant value for both businesses and their workers.

The price of money woes goes beyond the stress itself. Financial concerns are a distraction during work hours and can contribute to increased employee absences, health problems and higher company health care costs.

And financial worries are widespread. In fact, nearly two-thirds of employees surveyed in the recent 2014 Study of Employee Benefits Trends report experiencing financial and/or job-related stress. Cash flow is cited as the top financial concern, according to PricewaterhouseCoopers' Employee Financial Wellness Survey.

Further, employees' confidence in the future has eroded; only 27 percent (vs. 33 percent in 2011) believe they'll be able to retire when they want, adding stress to the day-to-day concerns of paying bills and meeting the future costs of home ownership and education.

More than ever, workers are turning to their employers for support in the areas of financial education and long-term planning. Progressive companies recognize this need and the potential upside for employers. In fact, 60 percent of businesses say today's uncertain economic environment creates opportunity for them to introduce new benefits that will improve employee attraction, retention and productivity.

Some "creative benefits" that employers can provide through financial wellness programs include on-site money management and financial-planning seminars across a range of topics.

When implemented thoughtfully, a financial wellness program also allows employers to realize a return on their investment in terms of reduced turnover, increased job performance and an overall reduction in work time lost.

If done properly, employees will be able to develop stronger financial health, which can contribute meaningfully to a company's long-term financial wellness.