

Financial Wellness Programs Can Lower Employee Stress and Help Them Save for Retirement

Open enrollment for company benefit plans is just around the corner. What better way to show that you value your employees than by encouraging them to participate in a financial wellness program?

Financial wellness can help drive improvements in employee health, quality of life and productivity in the workplace. The American Institute of Stress reports that workplace and financial stress costs U.S. businesses \$300 billion each year, or roughly \$1,685 per employee. A study by the American Psychological Association found that 72 percent of Americans feel occasionally stressed about money and 22 percent are extremely stressed.

A financial wellness program can be just the tonic ease employees' money worries. Employees at one technology company with which we work provide a great example of how such programs can have a meaningful impact. Within the first year of the program, 576 of the company's 2,900 employees participated in the financial wellness plan and 102 were actively involved in various classes and using online tools. Here are some of the total results during the first six months:

- Reduced debt by \$420,000
- Increased emergency fund savings by \$401,000

Employees also became more confident about how they are managing their money. An initial assessment of the 576 employees who enrolled showed that 44 percent were either scared or confused about their personal finances. That figure dropped to 27 percent when they were surveyed later in the program.

That's why this is so important. Financial wellness programs will make a difference in the lives of your employees, but only if they participate. Here's how you can get them started on the road to a less stressful life:

1. Hold a launch event to promote financial wellness

Pick a date and invite employees to learn about the program. The goal is to get employees enrolled by generating interest and creating a buzz about the benefits of the program.

2. Create a resource library

Knowledge is power, so provide easy access (usually online) to articles, videos, worksheets and other tools that will help employees begin the journey of becoming fiscally fit.

3. Promote employee participation

Encourage employees to participate in passive forms of wellness engagement, such as online financial education programs and webinars. Then, if your benefit plan allows, guide them toward active programs where they can meet one-on-one with a financial expert. A 2017 study by PwC

showed that 88 percent of employees want personalized advice about their finances. Personal interaction sustains engagement and motivates them to improve their financial well-being.

Americans are becoming more knowledgeable about the importance of managing a budget and saving for retirement, but they lack the expertise to succeed. A customized workplace financial wellness plan can help your employees improve their financial situation, relieve their stress and make them more productive. It's a win-win for you and your employees.

By Brad Knowles