

# **Think Twice Before** **Cutting Employee Financial** **Wellness Benefits**

These benefits aren't cheap, but neither are financially stressed employees. Can you think of the last time a financial situation had you stressed out and so preoccupied it was difficult to focus at work? All you could think about was handling the situation and maintaining financial stability, eliminating that added stress and getting back to life as usual. Now top that situation off with the new reality of COVID-19. Employees who were previously preoccupied with a personal financial challenge and couldn't give their full attention to work are now dealing with the added stress of remote work, homeschooling, adjustments to social distancing, physical and mental health threats – this list goes on.

As an organizational leader, you're also dealing with financial stress. You're trying to figure out how to maintain the financial stability of your business and continue moving forward, without sacrificing your staff or the employee benefits they rely on. The last thing you want to resort to are layoffs.

So where else can you cut expenses? What can your business do without, or do with less of? There are no simple answers or easy choices.

Health insurance. Dental and vision. Disability. Sick leave. Paid time off. Financial support. Your employees count on your support, and these benefits aren't cheap. The reality: Financially stressed employees aren't cheap either. 78 percent of workers struggling financially have indicated financial stress creates distractions that negatively impact their productivity. Employees stressed over finances cost employers about \$2,000 per employee. Your business also experiences the additional cost of their employees' financial challenges through stress-related medical claims.

Financially stressed employees are twice as likely to suffer from poor health and are more susceptible to debt-related stress issues such as back and muscle tension, ulcers, high blood pressure, migraines, insomnia, anxiety, and depression, all of which can increase health claims.

In today's environment, the need for employee health care is exacerbated. The need for financial support is critical to support not only day-to-day expenses, but the increasing challenge employees face to afford unexpected

medical bills. How can you continue to provide for your employees without sacrificing the livelihood of your business? During this time of financial unrest, financial benefits are the most critical benefit you can offer. If ever there was a time your employees needed financial wellness services and support, it is now.

The great news for your business is that financial wellness does not fall into the category of an expensive benefit, and the value it brings to your employees and your organization far outweighs the nominal cost.

Here are a few key elements of financial wellness services that your employees need right now:

Financial counseling. Trying times like the COVID-19 crisis we're currently facing make it even more difficult for your employees to develop a solid financial plan. They're stressed, financially strapped and focused on how they're going to make it through the week. It can be daunting to think rationally and make level-headed financial decisions.

Certified financial counselors provide one-on-one expert guidance and recommendations to employees going through major life transitions. They can help them reassess their budget, evaluate and prioritize expenses, answer questions about job loss or how to handle specific debt concerns.

Accessible financial solutions. Challenging times require financial support for both the near-term and long-term. Your employees are going through financial challenges unique to them. Financial wellness services provide your employees with options and recommendations based on their individual needs. Some are dealing with cash flow challenges when it comes to paying bills; others may need additional financial support if their cash flow has been temporarily interrupted or halted.

Knowledge to make smart financial decisions. If your employees don't have access to tools and resources that will help them make sound financial decisions, the next financial challenge they're faced with may send them into a downward spiral. Having the appropriate knowledge and being mentally prepared to handle financial challenges is as important as having financial solutions to fall back on.

Financial wellness services provide critical educational resources that arm your employees with the knowledge they need to regain and maintain financial stability.

By giving your employees the tools and resources to cope with their current financial situations and make better money decisions related to saving, spending, borrowing, and planning, you'll see countless positive returns. Your employees will not only be more productive, they'll appreciate your organization more for offering them a benefit that truly adds value.

As we all struggle to muddle through the challenges presented by COVID-19, we also need to look ahead. We will make it through this pandemic, and what better way to welcome your employees back to full strength than by offering them access to important financial wellness tools that improve their health and well-being?

By David Kilby