

**At-a-glance:****Supporting employee financial well-being**

Financial well-being is defined as having control over day-to-day and month-to-month finances, having the capability to absorb a financial shock, being on track to meet financial goals, and having the financial freedom to make choices that allow one to enjoy life.<sup>1</sup>

**Why focus on financial well-being?****The impact of financial stress**

57% of employees say finances are the top cause of stress in their lives. Financially stressed employees are five times as likely to admit personal finance issues have been a distraction at work.<sup>2</sup>

Studies indicate that financial stress may have a significant impact on employees' job satisfaction, productivity, and performance at work. Implementing an effective financial well-being program may be a win-win for both the employees and the employer. When employees are better able to manage their finances, such as reducing debt or saving for retirement, the employer gets a more engaged and productive workforce. Some of the ways that an employee's financial state can have an impact on the employer are:

- Higher/increasing health care costs
- Employees delaying retirement for financial reasons
- High turnover
- Lower productivity/distracted employees
- Lower participation in company-sponsored retirement savings

**Keys to implementing an effective financial well-being program****1. Assess for financial stress in your population**

Before implementing a financial well-being program, it's important to understand the needs of your employees. This can be accomplished through surveys, focus groups and reviewing benefits data. Below is a list of "benefits indicators" that may reveal the need to implement a financial well-being program:

- Low participation in consumer-driven health plans
- Low percentage of employees contributing to retirement plans
- The average retirement contribution is low and/or employees are withdrawing loans against retirement savings
- Participation in life insurance and disability benefits is low
- High levels of stress reported by employees in the health assessment

In addition to the above indicators, some common examples of financial stress include health care costs, retirement preparedness, budgeting/money management, unexpected expenses, high cost of living and debt/bankruptcy.

## 2. Identify key areas of interest

After assessing for financial stress in your population, you may begin identifying topics of interest. There are several ways to identify topics of interest, including:

- Identifying the age range of your population for generational financial planning interests
- Reviewing your population's participation in the company's financial benefits, use of sick leave, and EAP services
- Survey employees for interest in financial well-being programs and topics of interest

## 3. Offer a holistic program

Because you will have employees who are in different stages of their lives and careers, you'll want to provide an assortment of financial well-being topics and resources within your program. For example, you'll want to consider offering some of the following:

- Retirement planning
- Access to EAP
- Medical cost planning
- Tuition assistance
- Credit restoration
- Gym membership discounts
- One on one financial planning
- Emergency loan programs
- Discounted tickets/family activities
- Fraud protection
- Budgeting advice
- Flexible spending or Health Savings Accounts
- In addition, employers can support their employee's financial well-being by:
  - Matching employees 401K contributions
  - Contributing to HSA accounts
  - Offering zero cost financial counseling services
  - Incorporating financial well-being activities as part of the greater wellness offerings

## 4. Evaluate the success of the program

Evaluating the success of your financial well-being program is a vital component to offering a robust and beneficial program. Several key metrics to consider when measuring the outcomes of your program include:

- Results from participant satisfaction surveys
- Increased engagement in offerings such as 401K contributions, life insurance and/or disability
- A reduction in absenteeism and/or overall financial stress

A successful health & well-being program takes a holistic approach and acknowledges that health & well-being goes beyond physical and mental health and includes financial health. UnitedHealthcare offers solutions, tools and resources to help support the financial well-being of your employees. For additional resources, please work with your UnitedHealthcare team.

<sup>1</sup> National Fund for Workforce Solutions. [www.nationalfund.org](https://www.nationalfund.org). 2023. Accessed April 2023.

<sup>2</sup> PwC's Employee Financial Wellness Survey. <https://www.pwc.com/us/en/services/consulting/business-transformation/library/employee-financial-wellness-survey.html>. 2023. Accessed December 2024.