

# Financial Wellness in the Workplace

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**Key components to building  
a holistic financial wellness  
program**

## FINANCIAL EDUCATION: A GROWING WORKPLACE NEED

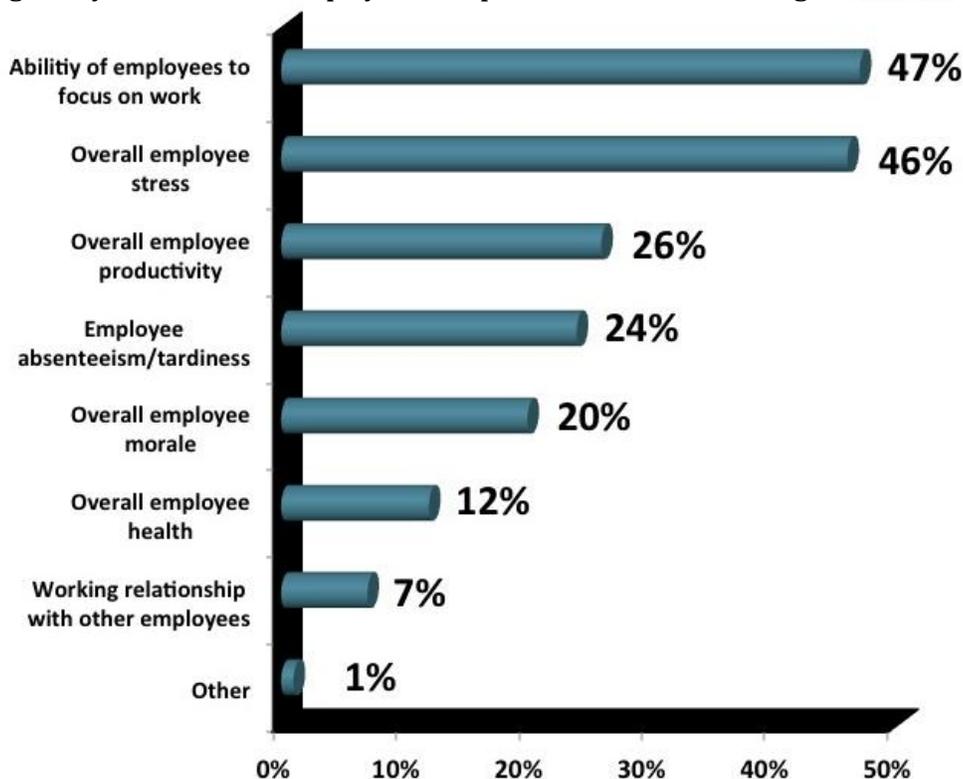
Health education and wellness programs have long been offered in the workplace. Employers are increasingly adding a financial wellness component to their total rewards benefit program due to the measureable impact it has on levels of stress and productivity for their employees.

The American Psychological Association (APA) found that 81% of American workers identified money and the problems associated with it as the primary source of stress in their lives, only to be followed by stress created by their work environment, family relationships, housing costs and job stability.<sup>1</sup>

A recent article published by PricewaterhouseCoopers (PWC) found that more than half of the workers surveyed say they are financially distressed, and one-third admit they spend time during work hours worrying about and dealing with money related issues.<sup>2</sup>

The Society for Human Resource Management (SHRM) study revealed that work performance is impacted by personal financial challenges for 83% of all employees.<sup>3</sup>

**What aspects of overall employee work performance are MOST negatively affected when employees face personal financial challenges?**



Note: n=351. Only respondents whose organizations indicated that personal financial challenges have "a large impact" or "some impact" on overall employee work performance were asked this question. Respondents who answered "Not sure" were excluded from this analysis. Percentages may not equal 100% due to multiple response options.  
Financial Education Initiatives in the Workplace ©SHRM 2012

<sup>1</sup> American Psychological Association. (2009, July). *Stress in America 2009*. Source: <http://www.apa.org/news/press/releases/stress-exec-summary.pdf>

<sup>2</sup> PWC. (2013, June). *Employee Financial Wellness Survey 2013 Results*. Source: [http://www.pwc.com/en\\_US/us/private-company-services/publications/assets/pwc-financial-wellness-survey.pdf](http://www.pwc.com/en_US/us/private-company-services/publications/assets/pwc-financial-wellness-survey.pdf)

<sup>3</sup> SHRM. (2012, January 19). *Financial Education Initiatives in the Workplace*. Source: <http://www.shrm.org/research/surveyfindings/articles/pages/financialeducationinitiatives.aspx>

A MetLife study found there to be compelling evidence that “financial illness” also contributes to overall health care costs as well as reduced productivity. Employee financial security may be a major driver in accomplishing business goals.<sup>4</sup>

The study shows a direct correlation between health and financial stress.

## FINANCIAL EDUCATION IMPACTS THE BOTTOM LINE

Employees tend to report that they have an increased confidence in their ability to make better money management decisions and cope with their financial stress after receiving financial education.

*My Money Wellness, LLC* found that 99% of seminar attendees are motivated to take action on at least one idea presented in order to improve their finances and ultimately reduce their stress.<sup>5</sup>

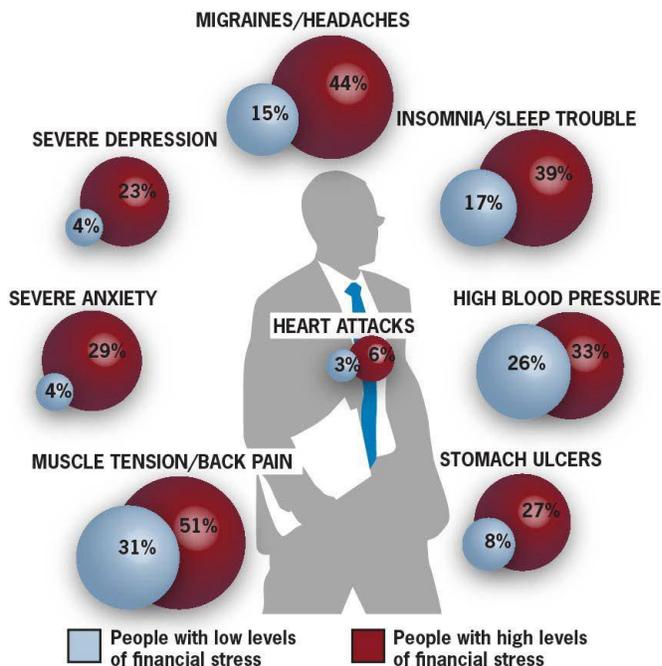
Dr. Susan Jenkins, Idaho State University, reveals that even a small increase in an employee’s financial security can add significantly to the bottom line. Employers can expect \$450 in positive job outcomes from each employee who even slightly increases his or her financial behaviors and well-being.<sup>6</sup>

According to Richard Cordray, Director of the Consumer Financial Protection Bureau, employees who receive one-on-one financial planning along with financial education are more likely to get a stable footing and make fewer requests for 401(k) loans or advance pay.<sup>7</sup>

## EMPLOYEES WANT FINANCIAL EDUCATION

Do employees *really* want their employers to help with their personal finances? A MetLife Employee Benefit Trends Study indicates that 52% of employees voice an interest in seeking advice, counsel and guidance from their employers regarding their financial problems. Additionally, 81% of employees who have taken time off of work to handle financial issues are interested in receiving financial advice and guidance with the support of their employer.<sup>8</sup>

### FINANCIAL STRESS MANIFESTS AS



AP-AOL Health Poll: Debt Stress: The Toll Owing Money Takes on the Body.

<sup>5</sup> My Money Wellness LLC, (2013 September) Survey results gathered from 18 organizations and 543 participants.

<sup>4</sup> AP-AOL Health Poll — Debt Stress: The Toll Owing Money Takes on the Body, 2008.

<sup>6</sup> Dr. Susan Jenkins, (2010, January 16) Source: <http://www.zoominfo.com/p/Susan-Jenkins/38528882>

<sup>7</sup> Clinton Global Initiative Conference. (2013, June 14). Director Cordray Remarks at the Clinton Global Initiative Conference.

Source: <http://www.consumerfinance.gov/newsroom/director-cordray-remarks-at-the-clinton-global-initiative-conference/>

<sup>8</sup> MetLife (2011, June). *An excerpt from the 9th Annual Study of Employee Benefits Trends.*

Source: <https://www.metlife.com/assets/ib/retirement/campaign/retirement-extract.pdf>

*My Money Wellness, LLC* found that 95% of their financial wellness seminar participants are interested in additional education in the area of personal finances.

According to a 2008 Workplace Options survey, 48% of employees admit that stress affects how they perform at work, 39% thought it was important for employers to provide financial education and 57% said they would take advantage if it were offered.<sup>9</sup>

## **BUILDING A HOLISTIC FINANCIAL WELLNESS PROGRAM**

There are three critical components to incorporate when addressing financial education in the workplace: Education, Behavioral and Retirement & Investments. While they each individually address finances, they are more effective when offered as a holistic solution to employees.

**Education** – This component focuses on budgeting, goal setting, and wealth building principles. It is important to select a financial coach who does not have a vested interest in the decisions an employee makes.

**Behavioral** – This component provides accountability while inspiring hope and encouraging action to address finances. Long-term, sustained success will only be achieved when employees change their behaviors and attitudes toward finances. Again, it is important to select a financial coach who does not have a vested interest in the decisions an employee makes.

**Retirement & Investments** – This final component builds upon the first two and rounds out a financial wellness program. A portfolio management expert is an essential part of any program as employees want an expert to talk to them about 401(k) investment planning, allocations and other retirement investment options. It is critical to select an advisor who understands the importance of first delivering foundational education and addressing behavioral change before focusing on long-term investments.



Because every company is unique (size, locations, hours of operation, employee demographics), a holistic financial wellness program should provide multiple employee touch points including live workshops, webinars, educational communication campaigns, online education, personal coaching and retirement & investment planning.

<sup>9</sup> Workplace Options, (2013, September 24) Workers Financial Stress Affects Productivity, Retirement Options. Source: <https://www.worldatwork.org/adimComment?id=28631>

## MY MONEY WELLNESS, LLC

Through proven accountability processes, live workshops, webinars, online education and individual coaching sessions, *My Money Wellness, LLC* has become a leading-edge provider in the area of behavior-based financial wellness.

*My Money Wellness, LLC*, was founded with the goal to build programs and products that would entice personal behavior change in managing finances. This approach has allowed *My Money Wellness, LLC* to separate itself from the sales and marketing organizations that are beginning to recognize the financial opportunity that exists in the world of financial education.

The *My Money Wellness, LLC* team continually hones their skills by participating in *Coach Connections*, a group that was nationally recognized for their financial coaching expertise by The Lampo Group. This invitation-only group holds bi-monthly coach mastery sessions, provides peer mentoring programs, skill workshops and national conferences.

*"The quality of the Coach Connections group is obvious...very impressive!"*

- Louis Falzetti - EVP, The Lampo Group

*"I would say that only 20 out of the 3000+ coaches we've trained ever become truly successful and you have 15 in Coach Connections - you're attracting and building some great coaches!"*

- Suzan Hicks - Counselor Training, The Lampo Group

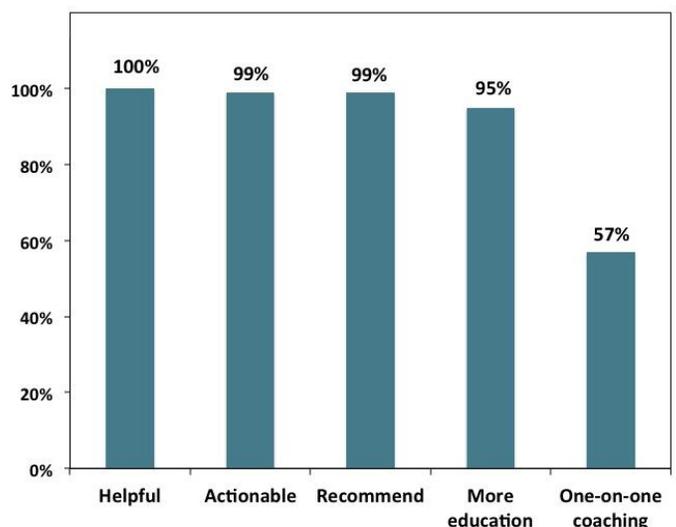
*"Within six short months of our initial coaching meeting, I went from \$63 in the hole to knocking out over \$11,000 in debt!"*

Suzanne, Texas

*Coach Connections* found a 50% improvement in long-term results when an employee actively engages with a financial coach versus attending a stand-alone workshop or program. Why is there such a dramatic improvement? A properly trained financial coach provides encouragement, accountability and guidance to enable an employee to go further than they thought they could go. It's like having a personal trainer for your finances!

The Personal Finance Playbook workshops they deliver achieve amazing results. In 2013, 100% of attendees found the workshops helpful, 99% committed to implementing at least one action item, and 99% would recommend it to their co-workers.<sup>10</sup>

The Personal Finance Playbook workshop series covers foundational topics including budgeting, planning for emergencies, tackling debt, cash vs. credit, behavior change and motivation. Over 20 coaches are trained to present the live workshops and because they are located across the United States, they can easily serve large multi-location employers.



*My Money Wellness, LLC* seminar survey results from 18 organizations and 543 seminar participants in 7 states.

<sup>10</sup> *My Money Wellness, LLC*, (2012, 2013), Seminar Survey results from 18 organizations and 543 participants in 7 states.

While workshops are impactful and create the desire to act, the momentum can fade over time. Having access to a resource that take employees to the next step is critical to achieve long-term behavior change.

A distinctive component to the *My Money Wellness, LLC* program is the online, self-paced educational portal [www.MyMoneyWellness.com](http://www.MyMoneyWellness.com). A user can log in using any mobile device 24/7 and access a wealth of information via videos, self-assessments, tutorials, user friendly forms, articles, and recorded interviews with financial experts. This flexibility serves a two-fold purpose; it increases participation and allows employees to engage their family in the process.

Employers are also provided motivational communication campaign resources, technical support and progress reports. The online system can also be customized with employer logos and content specific to their organization. To maintain confidentiality, employee personal information is not collected or shared.

*My Money Wellness, LLC* offers everything needed to implement the education and behavioral change components of a holistic financial wellness program. Contact us to learn more about how you can improve your bottom line and enhance the health and financial well-being of your employees.



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