

2022 EBRI Financial Wellbeing Employer Survey: Employee Satisfaction and Retention a Primary Focus

Measures of the Impact of Financial Wellbeing Programs Are Being Developed

By Craig Copeland, Ph.D., Employee Benefit Research Institute

AT A GLANCE

The fifth annual Employee Benefit Research Institute (EBRI) Financial Wellbeing Employer Survey shows that financial wellbeing programs are being added or improved to increase worker satisfaction and retention. However, costs continue to be reported as the top challenge in offering financial wellbeing programs, and as a result, employers are looking for ways to measure their impact both through employee satisfaction/retention and productivity. Despite the pressures of increasing costs and expectation of the need to measure financial wellbeing initiatives' impact, employers are expecting their budgets for these benefits to increase. Benefits such as financial planning education, seminars, or webinars and financial investment/investing education, seminars, or webinars that provide broad-based financial knowledge were the most likely to be provided, whereas single-issue-focused initiatives were less likely to be provided. Yet, impact of inflation on retirement planning education, seminars, or webinars and child/elder caregiving benefits, more single-issue-focused topics, were among those most likely to be planned to be offered.

- **Measuring Success** — The top factor in measuring financial wellness initiatives' success is improved overall worker satisfaction. The next two most cited factors also dealt with employee happiness — worker satisfaction with financial wellness initiatives and improved employee retention. Increased employee productivity was right there with the lower two employee satisfaction/retention factors. Thus, having an attractive workplace is an important reason for offering financial wellness benefits. However, business factors are still part of the measurement rubric.
- **Cost/Benefit Analysis** — Eighty-five percent of the companies reported they have explicitly developed a cost/benefit analysis based on employee satisfaction, employee attraction/retention, employee productivity, or medical/mental health claims to evaluate their financial wellness offerings. Cost-benefit analysis by employee satisfaction was the lead factor, with employee attraction/retention next. Productivity tied with employee attraction and retention, showing that employers are also looking at the benefits of these programs relative to their costs outside of just employee satisfaction metrics.
- **Top Issues, Areas of Focus, and Challenges** — Companies' top issues to address with their financial wellness initiatives were retirement preparedness, health care costs, and financial-related stress. A new issue that was just below these top three was the high cost of living — an issue that was not part of the discussion last year. Likewise for top focus areas, investments and retirement planning was the top-cited primary focus, with basic financing and education and consulting programs being the next-most-mentioned areas of focus. The top challenges to offering these programs were costs to both the employer and the employee. Outside of costs, data and privacy concerns and complexity surrounding the programs were the top challenges faced by employers.
- **Benefits Gaining in Importance** — Some of the benefits that were most commonly offered currently also ranked highest among those that companies plan to offer: tuition reimbursement and/or assistance and basic money management tools. Other benefits that were most likely said to be planned to be offered included

impact of inflation on retirement planning education, seminars, or webinars; child/elder caregiving benefits; and personalized credit/debt counseling, coaching, or planning.

- **Improving Mental Health** — Eighty-four percent of the companies said that their financial wellbeing benefits are being used to improve mental health and emotional wellbeing. Sixty-one percent of the companies said they offer mental health benefits or coverage. How the benefit was provided was most likely to occur as a part of major medical/health insurance, but it was also provided as a separate service. Twenty-four percent of the companies provided their mental health benefit as part of their health insurance and as a separate service. Of those who provided a separate service, the overwhelming majority used an employee assistance program (EAP). In addition, over a one-half offered financial therapists, and nearly one-third offered the Calm app.
- **Caregiving Benefits** —The caregiving benefits most often offered have to do with leave policies as opposed to benefits in the direct provision of caregiving. Approximately one-quarter of employers said they plan to offer various caregiving benefits in the next one to two years.
- **Specific Actions Addressing Diversity** — When asked about whether their companies were taking specific actions to address diversity, equity, and inclusion in their financial wellbeing initiatives through actions targeted for different genders, races/ethnicities, and ages, benefit decision makers were more likely to offer different types of solutions for the different characteristics and to ensure that financial counselors and coaches were diverse than they were to tailor messages specifically for the diverse groups. For example, the two most cited actions being undertaken were offering different types of solutions to accommodate different age groups and ensuring that financial counselors or coaches were diverse in terms of race and ethnicity. In contrast, tailoring messaging by gender and for minority populations were the least likely to be cited as being undertaken.
- **Specific Steps Taken to Understand Diverse Needs** — To understand specifically what companies are doing to understand the different needs of diverse workers, a battery of possible steps that could be taken were provided. Of the companies doing a specific task, surveying employees was the most common step taken to understand diverse workers' needs. Implementing an industry or government financial wellbeing score or metric was the least likely to have been undertaken.

Companies are strongly focused on financial wellness programs' impact on worker satisfaction and retention. At the same time, employers are seeking to show the impact of financial wellbeing programs on the bottom line in terms of increased productivity — likely tied to the fact that the costs of financial wellness programs continue to increase. The companies are developing cost/benefit analyses to provide some measure of the success of these of benefits as well as more traditional approaches of directly surveying employees.

The continued evolution of financial wellness programs is a crucial question going into 2023. As these programs grow in value to employees and are used for attraction and retention, the expectation that they will be provided will only increase. At the same time, the specter of a recession could turn the tide as employers seek to cut costs. Nonetheless, these programs also have the potential to address companies' diversity, equity, and inclusion goals, as they increasingly focus on providing help in all aspects of individuals' finances, allowing them to match the specific issues faced by those in different groups.

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Craig Copeland is Director of Wealth Benefits Research at the Employee Benefit Research Institute (EBRI). This *Issue Brief* was written with assistance from the Institute’s research and editorial staffs. Any views expressed in this report are those of the author and should not be ascribed to the officers, trustees, or other sponsors of EBRI, Employee Benefit Research Institute-Education and Research Fund (EBRI-ERF), or their staffs. Neither EBRI nor EBRI-ERF lobbies or takes positions on specific policy proposals. EBRI invites comment on this research.

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Table of Contents

| | |
|--|----|
| Introduction | 5 |
| The Current State of Financial Wellbeing Programs | 5 |
| Overview of Financial Wellness Benefits Being Offered | 16 |
| Motivations and Measurement of Financial Wellness Initiatives..... | 21 |
| Response to the COVID-19 Pandemic..... | 23 |
| Diversity, Equity, and Inclusion..... | 25 |
| Conclusion | 27 |
| Appendix | 28 |
| Endnotes | 28 |

Figures

| | |
|---|----|
| Figure 1, Current Approach in Offering Financial Wellness Initiatives | 6 |
| Figure 2, Primary Approach to Offering Financial Wellness Initiatives..... | 6 |
| Figure 3, Focus of Financial Wellness Initiatives | 7 |
| Figure 4, Strategy for Improving Employees’ Financial Wellness | 7 |
| Figure 5, Helped Design Financial Wellness Strategy | 8 |
| Figure 6, Company’s Level of Concern About Employees’ Financial Wellbeing | 9 |
| Figure 7, Top Issues to Address With Financial Wellness Initiatives | 9 |
| Figure 8, Areas of Focus in the Financial Wellness Initiatives..... | 10 |
| Figure 9, Future Areas of Importance in Financial Wellness Initiatives | 10 |
| Figure 10, Top Challenges in Offering Financial Wellness Benefits | 11 |
| Figure 11, Company Responsibility for Employees’ Wellbeing | 11 |

| | |
|--|----|
| Figure 12, Rating of Company’s Efforts to Improve Employees’ Wellbeing | 12 |
| Figure 13, Paying for Initiatives | 13 |
| Figure 14, Annual Cost per Employee..... | 13 |
| Figure 15, Anticipation of Organization’s Financial Wellness Budget in Next One to Two Years | 14 |
| Figure 16, Eligible Employees Using Financial Wellness Benefits | 14 |
| Figure 17, Reasons Employees Are Not More Engaged With Financial Wellness Benefits..... | 15 |
| Figure 18, Effectiveness of Financial Wellness Offerings | 16 |
| Figure 19, Number of Financial Wellbeing Benefits Currently Offered | 16 |
| Figure 20, Financial Wellbeing Benefits Offered..... | 17 |
| Figure 21, Emergency Fund or Employee Hardship Assistance Programs..... | 18 |
| Figure 22, Student Loan Debt Assistance Programs..... | 19 |
| Figure 23, Caregiving Benefits | 19 |
| Figure 24, Access to Financial Professionals..... | 20 |
| Figure 25, Financial Wellbeing Initiatives Used to Improve Mental Health and Emotional Wellbeing | 20 |
| Figure 26, Mental Health Benefits | 21 |
| Figure 27, Steps Taken to Understand Employees’ Financial Wellness Needs..... | 22 |
| Figure 28, Top Factors in Measuring Financial Wellness Initiatives’ Success..... | 22 |
| Figure 29, Data Tracked to Evaluate Effectiveness of Offerings | 23 |
| Figure 30, Developed Cost/Benefit Analysis of Financial Wellness Offerings..... | 23 |
| Figure 31, Employee Engagement With Benefits Since COVID-19..... | 24 |
| Figure 32, Top Priority of Offerings Since the COVID-19 Pandemic | 24 |
| Figure 33, Actions Taken as a Result of COVID-19 | 25 |
| Figure 34, Addressing Diversity, Equity, and Inclusion Within Financial Wellness Strategy | 26 |
| Figure 35, Steps Taken to Understand Needs With Respect to Diversity, Equity, and Inclusion | 26 |
| Figure 36, Frequency of Assessing Financial Wellness Initiatives by Demographics | 27 |
| Appendix Figure 1, Demographics and Respondent Characteristics | 28 |

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Introduction

The fifth annual Employee Benefit Research Institute (EBRI) Financial Wellbeing Employer Survey shows that financial wellbeing programs are being added or improved to increase worker satisfaction and retention.¹ However, costs continue to be reported as the top challenge in offering financial wellbeing programs, and as a result, employers are looking for ways to measure their impact both through employee satisfaction/retention and productivity. Despite the pressures of increasing costs and expectation of the need to measure financial wellbeing initiatives' impact, employers are expecting their budgets for these benefits to increase. Benefits such as financial planning education, seminars, or webinars and financial investment/investing education, seminars, or webinars that provide broad-based financial knowledge were the most likely to be provided, whereas single-issue-focused initiatives were less likely to be provided. Yet, impact of inflation on retirement planning education, seminars, or webinars and child/elder caregiving benefits, more single-issue-focused topics, were among those most likely to be planned to be offered.

In addition to these insights, this survey provides the reasons employers provide financial wellness initiatives, the focus of the programs, and the challenges in offering them. Building on last year's survey addition of a series of questions on how companies incorporate diversity, equity, and inclusion (DEI) into their financial wellbeing programs, this year's survey refined these questions to see how companies use financial wellbeing benefits through a DEI perspective.

Methodology

The 2022 EBRI Financial Wellbeing Employer Survey was collected through a 15-minute online survey of 250 full-time benefits decision makers conducted in June and July 2022. All respondents worked full time at companies with at least 500 employees that were *at least interested in offering* financial wellness programs.

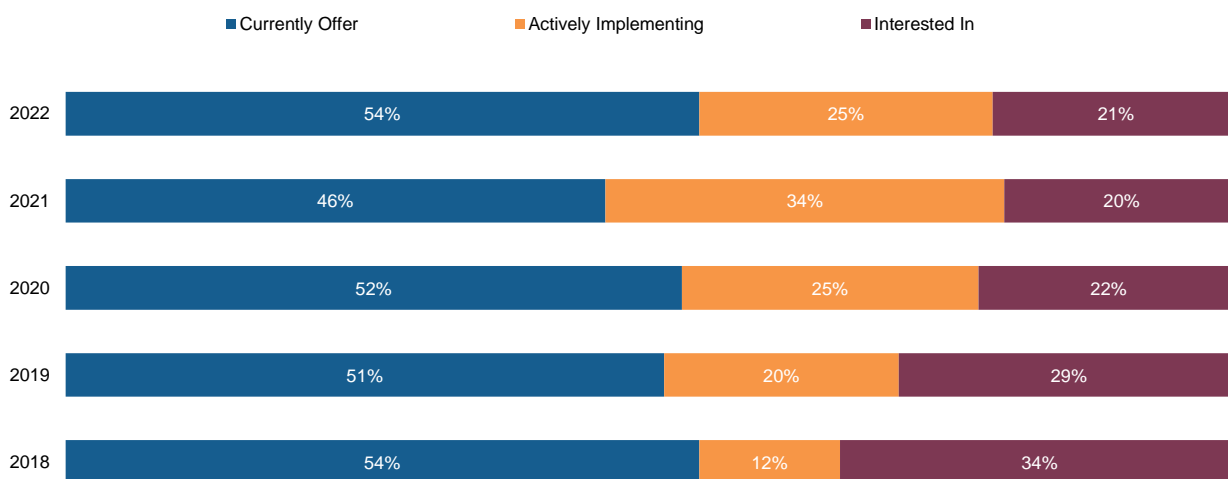
Respondents were required to have at least moderate influence on their company's employee benefits program and selection of financial wellness offerings. Additionally, respondents were required to hold an executive, officer, or manager position in the areas of human resources, compensation, or finance.

The Current State of Financial Wellbeing Programs

Just over half (54 percent) of the employers surveyed that were at least interested in implementing financial wellbeing benefits were currently offering a program in 2022 (Figure 1). This is essentially unchanged from 2018–2021. However, increasingly, employers that do not currently offer financial wellness initiatives say they are actively implementing a program as opposed to just being interested in offering a program. The percentage actively implementing increased from 12 percent in 2018 to between 25 percent and 34 percent between 2020 and 2022. Correspondingly, the percentage just interested fell from 34 percent in 2018 to 21 percent in 2022.

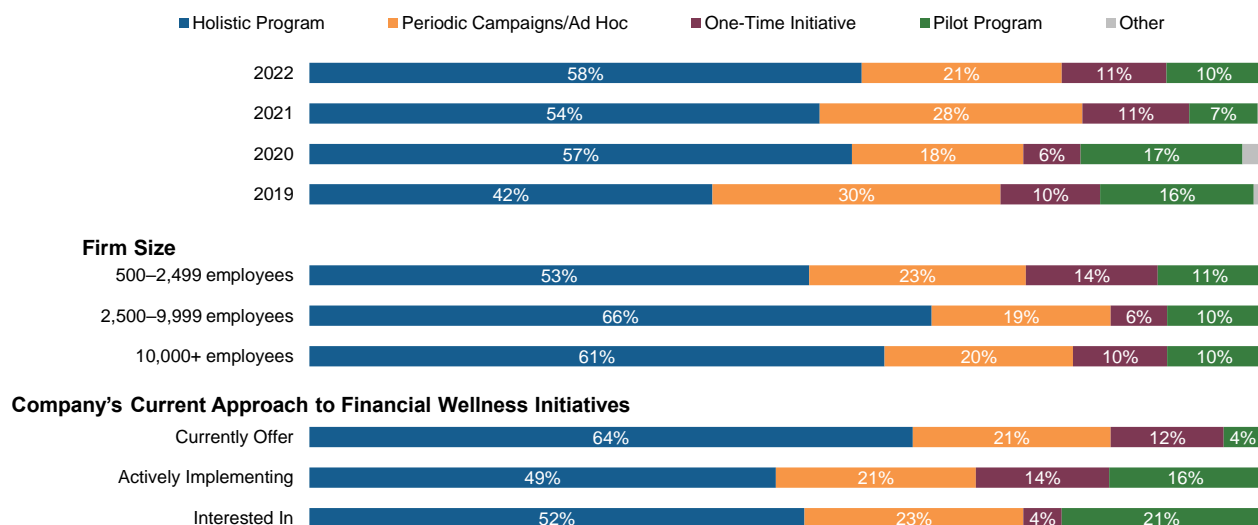
Move to Holistic Programs — A significant change that indicated a maturation in the approach employers are taking in offering financial wellbeing programs was the increased likelihood that the programs were considered holistic (58 percent of the employers in 2022 compared with 42 percent in 2019). This was true regardless if the program was currently being offered, it was being actively implemented, or the employer was just interested in offering it (Figure 2). The larger employers were more likely to have a holistic initiative. Also, from 2020 to 2021 and 2022, there was a decrease in the share of employers saying their programs are pilot programs, with a corresponding increase in those considered a periodic/ad hoc program.

Figure 1 Current Approach in Offering Financial Wellness Initiatives



Q5. Which statement most accurately reflects your company's current approach in offering financial wellness initiatives to employees? (2018 Study, n=250; 2019 Study, n=248; 2020 Study, n=250; 2021 Study, n=250; 2022 Study, n=250)

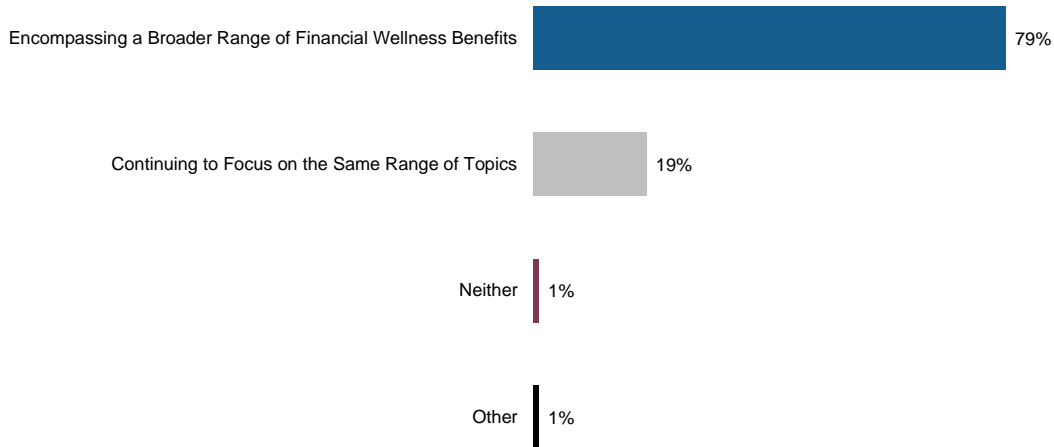
Figure 2 Primary Approach to Offering Financial Wellness Initiatives



Q8. How do you or might you offer your financial wellness initiatives? Please select your primary approach. (2018 Study, n=250; 2019 Study, n=248; 2020 Study, n=250; 2021 Study, n=250; 2022 Study, n=250)

Companies are overwhelmingly encompassing a broader range of benefits at the same time as providing holistic programs. In fact, 79 percent of the companies currently offering financial wellness initiatives said they were encompassing more benefits, while 19 percent said they were continuing to focus on the same range of benefits (Figure 3). Only 2 percent said they were not encompassing more benefits or focusing on the same range of benefits or doing something other than those 2 options.

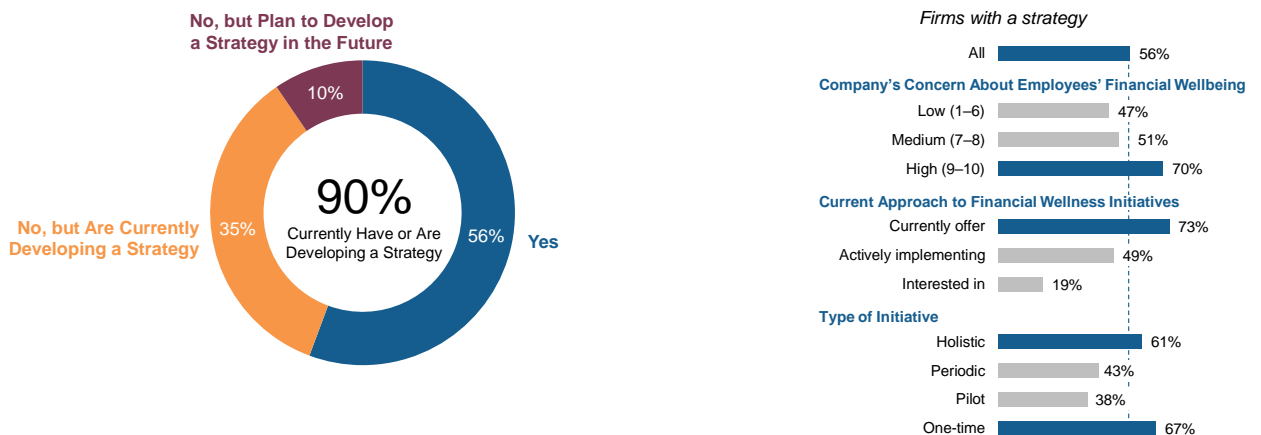
Figure 3
Focus of Financial Wellness Initiatives
Among those currently offering financial wellness initiatives



Q8A. Are your financial wellness initiatives encompassing a broader range of financial wellness benefits, or are they continuing to focus on the same range of topics? (Currently offer financial wellness initiative n=135)

Many Have Formal Strategies — Fifty-six percent of the employers with at least an interest in financial wellness initiatives said they had a strategy to improve their employees’ financial wellness and another 35 percent were currently developing one, totaling 90 percent of the employers surveyed (Figure 4). Another 10 percent planned to develop a strategy.² As such, a formal plan seems to be the standard for the improvement of employees’ financial wellbeing. The firms more likely to currently have a strategy were those currently offering financial wellness benefits, those with a holistic or one-time program, and those with the highest level of concern about employees’ financial wellbeing.

Figure 4
Strategy for Improving Employees’ Financial Wellness



Q9. Does your company have a strategy for improving your employees’ financial wellness? (n=250)

Of those who had developed or were developing a strategy, all stated they had some outside help with development of the strategy (Figure 5). The types of companies most likely to provide this help were financial wellness vendors (54 percent in 2022, up from 47 percent in 2020) and benefit consultants (58 percent). Retirement plan provider use lagged somewhat behind at 39 percent. Sixty percent of the companies said that they were directly involved in the improvement strategy.

Figure 5
Helped Design Financial Wellness Strategy
Among those with a strategy or developing one



Q10. Who helped design and develop your organization's financial wellness strategy? Please select all that apply. (Have or are developing a strategy, n=226)

Concern for Employees' Wellbeing — In 2022, companies' level of concern about their employees' financial wellbeing declined back to its pre-2021 levels (Figure 6). On a 10-point scale (10 being the highest), 29 percent of employers rated their concern at 9 or 10 (high) in 2022, compared with 34 percent in 2021 and 26 percent or lower in 2018–2020. Another 45 percent rated their concern a 7 or 8 (labeled medium) — similar to 2018–2021. However, the share with the lowest level of concern (6 or less) was close to its highest level of 29 percent in 2019 vs. 26 percent in 2022. Thus, three-quarters of the employers had a relatively high level of concern for their employees' financial wellbeing — a 7 or higher. Those companies with a financial wellbeing strategy and offering more benefits were more likely to have the highest concern.³

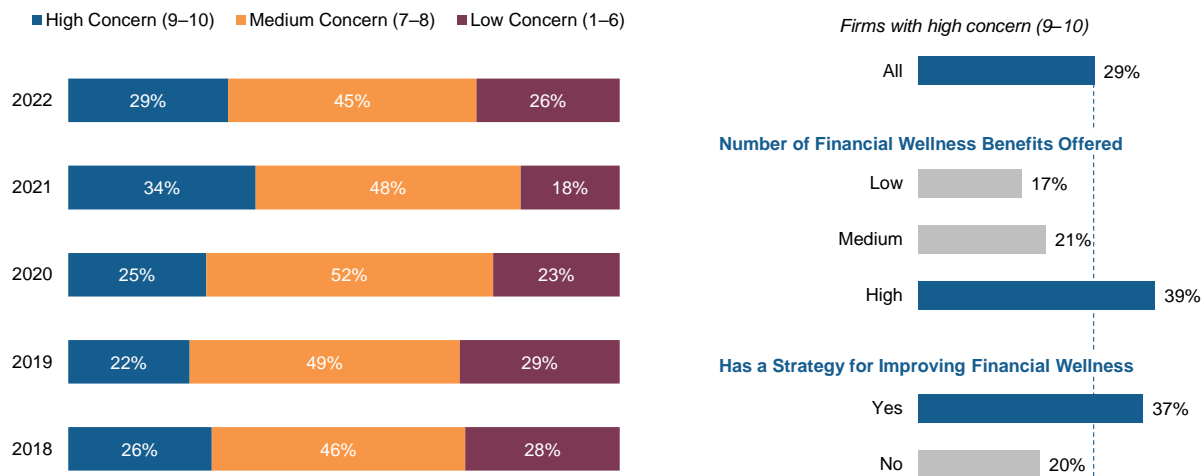
Top Issues — Companies' top issues to address with their financial wellness initiatives were retirement preparedness (35 percent), health care costs (31 percent), and financial-related stress (30 percent) (Figure 7). A new issue that scored just below the same top three as in 2021 was the high cost of living (29 percent) — an issue that was not part of the discussion last year.

Following the top issues, the employers were asked what the primary focus areas of their programs were. Investments and retirement planning was the top-cited primary focus at 31 percent (Figure 8). The next primary focus areas most commonly listed were basic financing (25 percent) and education and consulting programs (19 percent). Health concerns rounded out the top five primary areas of focus.

Going forward, the areas that were considered extremely or very important were stress reduction (90 percent), work/life balance (89 percent), and mental health and wellbeing (87 percent) (Figure 9). More specific areas such as debt management and paid family caregiving were less likely to be considered extremely or very important. In 2021, mental health and wellbeing was the most likely to be considered extremely or very important, but the same three areas in 2021 and 2022 were most likely to be considered extremely or very important.

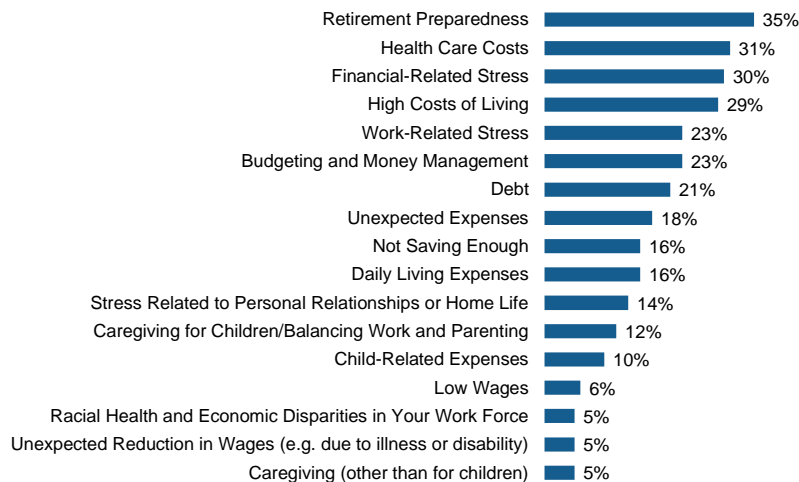
The top challenges to offering these programs were costs both to the employer and the employee (Figure 10).⁴ Outside of costs, data and privacy concerns and complexity surrounding the programs were the top challenges employers said they face. In 2021, the same top challenges were cited as those in 2022.

Figure 6
Company's Level of Concern About Employees' Financial Wellbeing



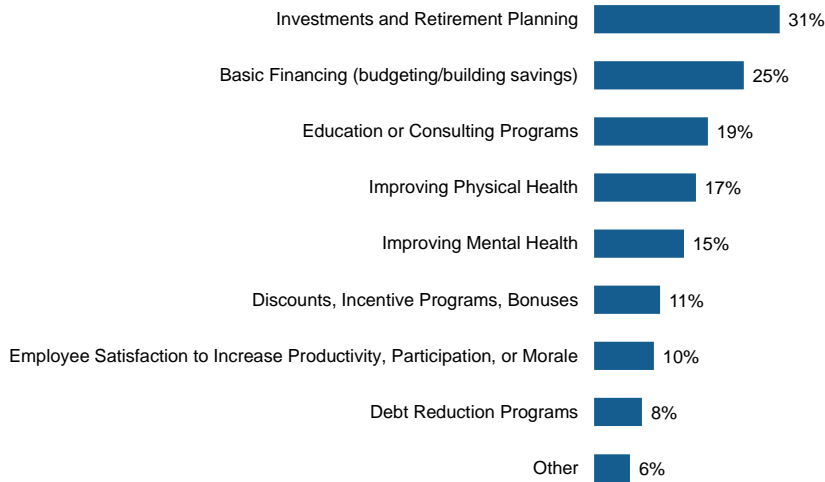
Q25. Please rate your company's level of concern about employees' financial wellbeing. (2018 Study, n=250; 2019 Study, n=248; 2020 Study, n=250; 2021 Study, n=250; 2022 Study, n=250)

Figure 7
Top Issues to Address With Financial Wellness Initiatives



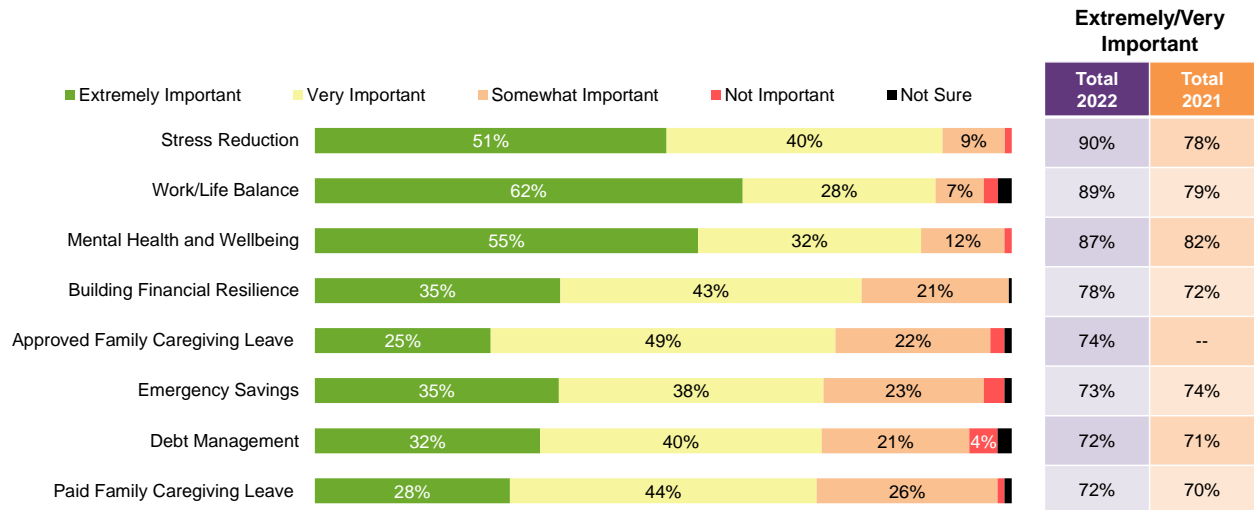
Q28. What are the top three issues faced by your employees that your financial wellness initiatives are designed to address? Please select your top three reasons. (n=250)

Figure 8 Areas of Focus in the Financial Wellness Initiatives



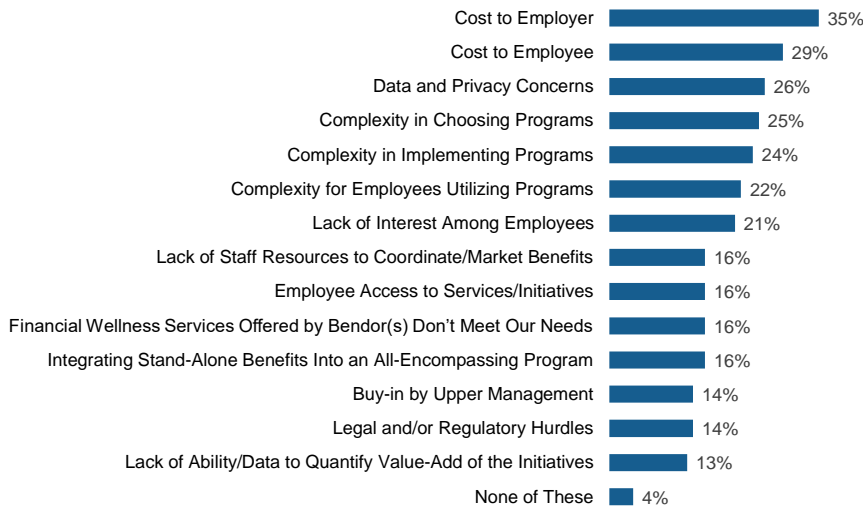
Q7. What programs or topic areas are your company's primary focus in their (current/anticipated) financial wellness initiatives? *Open-end question, multiple responses accepted. (n=250)*

Figure 9 Future Areas of Importance in Financial Wellness Initiatives



Q44. How important will the following areas be in your company's financial wellness initiatives going forward? (2021 Study, n=250; 2022 Study, n=250)

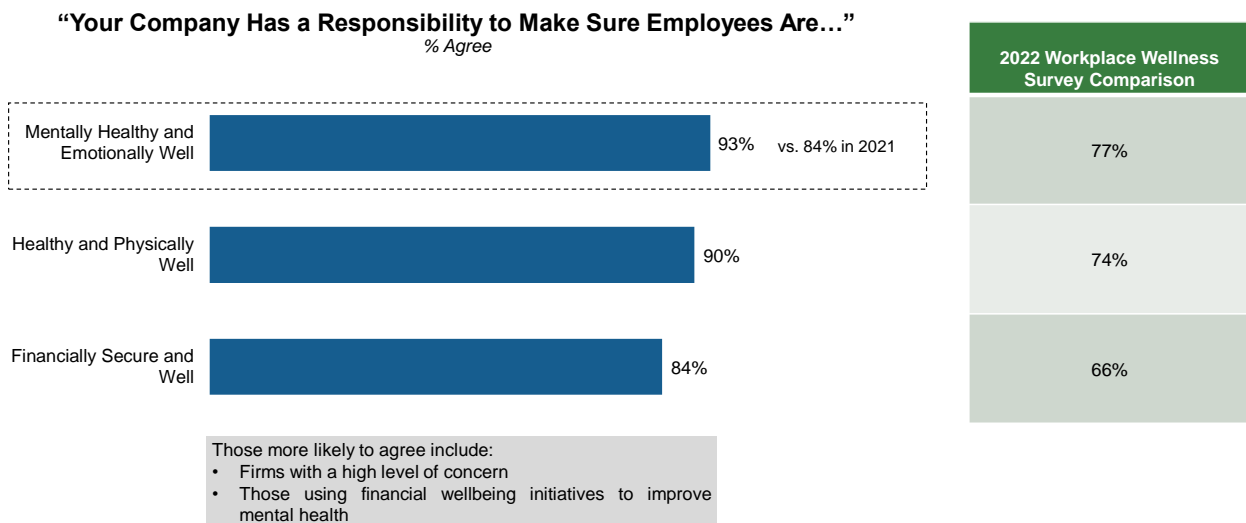
Figure 10
Top Challenges in Offering Financial Wellness Benefits



Q32. What are the top three challenges your company faces or anticipates facing in offering financial wellness benefits in the workplace? Please select your top three. (n=250)

Responsibility and Efforts to Improve Employees’ Wellbeing — Benefit decision makers were highly likely to agree that their company has a responsibility to make sure employees are mentally healthy and emotionally well (93 percent), healthy and physically well (90 percent), and financially secure and well (84 percent) (Figure 11). This aligns with workers’ sentiments from the 2022 Workplace Wellness Survey (WWS), where 77 percent of workers believed their company has a responsibility to make sure employees are mentally healthy and emotionally well, 74 percent healthy and physically well, and 66 percent financially secure and well.⁵ The benefit decision makers of companies with a high level of concern or of those using financial wellbeing initiatives to improve mental health were more likely to consider it their company’s responsibility to make sure employees are well.

Figure 11
Company Responsibility for Employees’ Wellbeing

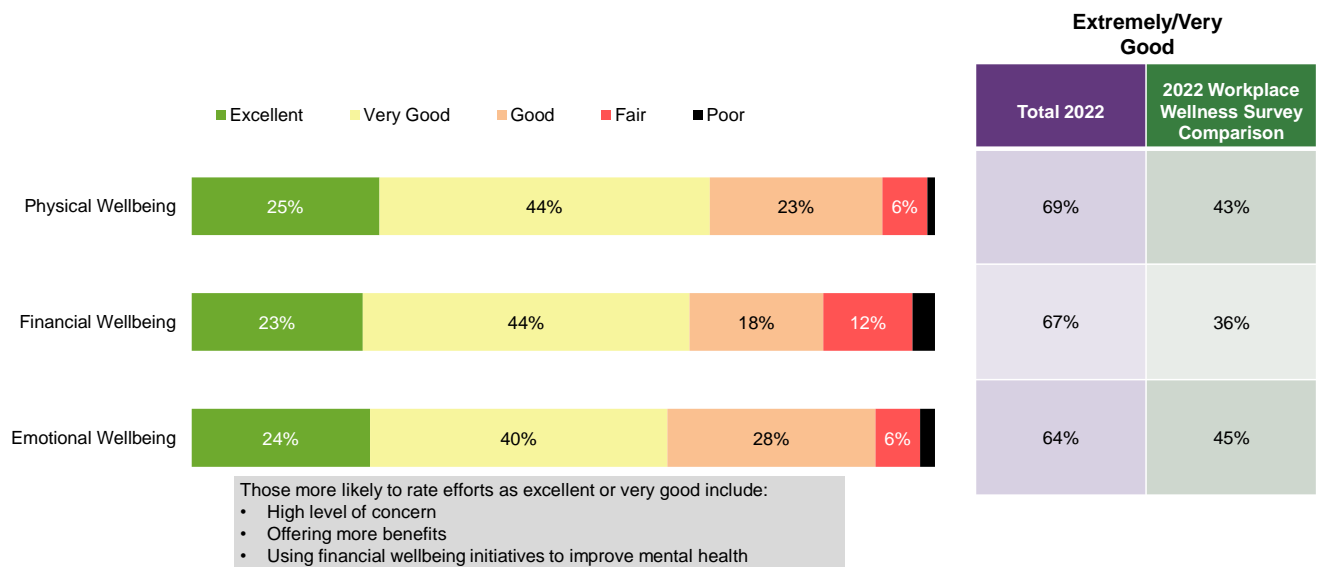


Q26. To what extent do you agree or disagree with the following statements? (n=250; Workplace Wellness Survey, n=1,518)

Benefit decision makers were highly likely to say that their company’s efforts to improve their employees’ financial, physical, and emotional wellbeing were very good or excellent — although this share was not as high as the share who agreed their company has a responsibility to make sure their employees are well (Figure 12). The efforts around financial, physical, and emotional wellbeing were all rated similarly (69 percent, 67 percent, and 64 percent, respectively, saying excellent or very good). Benefit decision makers of companies with a high level of concern for the employees’ wellbeing, those offering more benefits, or those using financial wellbeing initiatives to improve mental health were more likely to rate their efforts in improving their employees’ wellbeing as at least very good. Benefit decision makers at companies offering student loan assistance and caregiving benefits were more likely to rate their efforts higher, while there was not a difference in the rating of their efforts between those offering and those not offering counseling and budgeting benefits.

Comparing the ratings of companies’ benefit decision makers to those of workers found in the WWS shows that workers did not rate their employer’s efforts quite as highly. Approximately 4 in 10 workers said that their employer’s efforts to improve their wellbeing were extremely or very good.

Figure 12
Rating of Company’s Efforts to Improve Employees’ Wellbeing



Q27. How would you rate your company’s efforts to help improve your employees’ wellbeing in the following areas? (n=250; Workplace Wellness Survey, n=1,518)

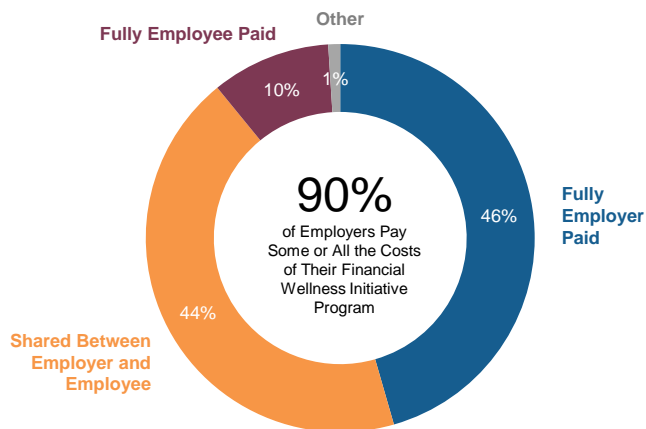
Employers Pay Costs — As the top challenge in the provision of financial wellness benefits, costs were more closely examined in the survey. In fact, 46 percent of employers said that they fully pay for financial wellness benefits, and another 44 percent shared the costs with employees (Figure 13). Only 10 percent said the benefits were fully paid for by employees.

Costs Vary Significantly — Costs per employee being paid for these initiatives varied significantly from firm to firm, with most having said they spend between \$20.01 and \$250 per employee (Figure 14). Most commonly, employers cited costs of \$100.01 to \$250 per employee (21 percent) for these efforts. Furthermore, the costs appear to have climbed since 2018, as 53 percent of the companies reported the costs being more than \$50 per employee compared with one-third citing this level in 2018 and 2019. This can be partly attributable to the decline in the percentage saying they are unsure of the cost — below 10 percent in 2022 vs. around 20 percent between 2018 and 2020.

Increasing Budgets — With costs increasing again in 2022, budgets for these programs are expected to grow as well, with 74 percent of the employers anticipating that their budgets will increase at least somewhat in the next one to two years (Figure 15). Another 25 percent did not anticipate their budgets will change, while none expected their

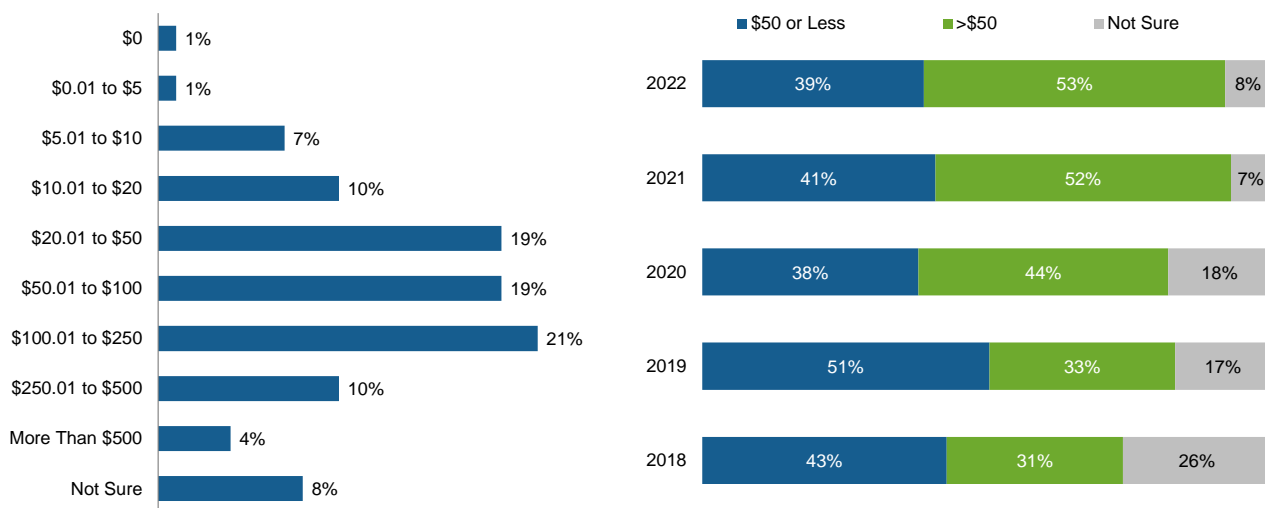
budgets to decrease. Those that were more likely to anticipate increases in their budgets included those that created a financial wellbeing score or metric or held interviews or group meetings on financial wellbeing needs.

Figure 13
Paying for Initiatives



Q36. Who pays or might pay for your financial wellness initiative program? (n=250)

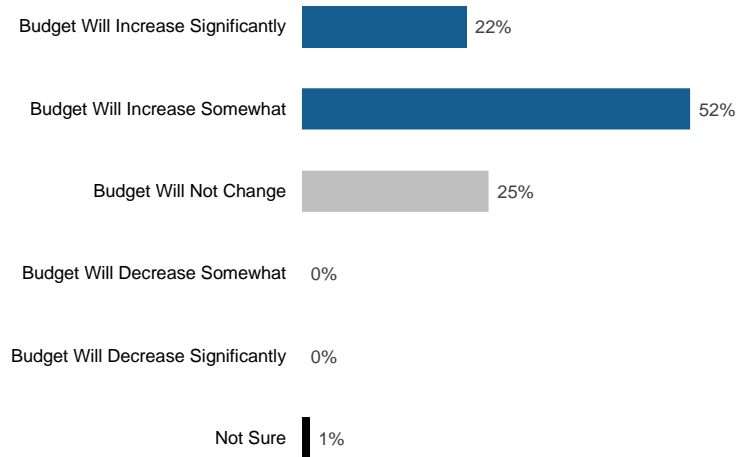
Figure 14
Annual Cost per Employee
Among those that currently offer financial wellness initiatives



Q37. On average, what is the annual cost per employee for financial wellness initiatives? (Currently offer financial wellness initiatives. 2018 Study, n=134; 2019 Study, n=126; 2020 Study, n=131; 2021 Study, n=116; 2022 Study, n=135)

Figure 15 Anticipation of Organization's Financial Wellness Budget in Next One to Two Years

Among those that currently offer financial wellness initiatives

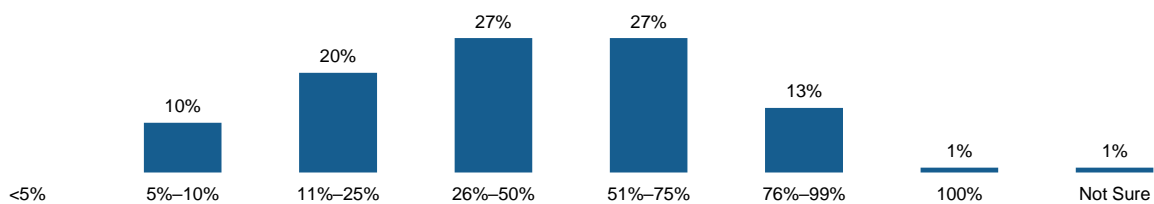


Q38. Overall, how do you anticipate your organization's budget for financial wellness initiatives will change in the next one to two years? (Currently offer financial wellness initiatives n=135)

Utilization — Of the companies currently offering financial wellbeing programs, 41 percent said that more than half of eligible employees were using the benefits they offer (Figure 16). Another 27 percent said between a quarter and half of eligible employees were using the benefits. Forty-four percent of firms offering these benefits said that the share using them was higher than expected, and 41 percent said the use was about as expected. Only 15 percent said the use was less than expected. Firms with less than 10,000 employees, firms that had a high level of concern, firms that offered a high number of benefits, or firms that had created a financial wellbeing score or metric were more likely to have had their employee use exceed their expectations.

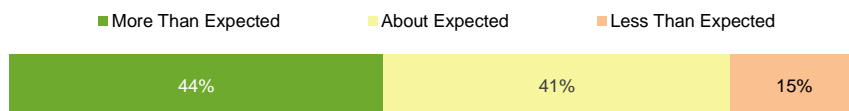
Figure 16 Eligible Employees Using Financial Wellness Benefits

Among those that currently offer financial wellness initiatives



Employees' Use of Financial Wellness Benefits vs. Expectations

Among those that currently offer financial wellness initiatives



Those who say more employees than expected are using financial wellness benefits include:

- Firms with less than 10,000 employees
- Those with a high level of concern
- Those with a high amount of financial wellbeing benefits
- Those that have created a financial wellbeing score or metric

Q39. (In the past year/in a typical year), approximately what percentage of eligible employees in your company do you estimate (have made/would likely make) use of the financial wellness benefits? (n=250)

Q40. How does the amount of eligible employees making use of the financial wellness benefits compare to what you would expect? (Offers financial wellness benefits, n=135)

The top reasons cited by benefit decision makers for workers not being more engaged in their financial wellness benefits were lack of understanding on how the benefits work (48 percent), not wanting to disclose finances/financial issues to employer (38 percent), and costs/fees of benefits to employees (30 percent) (Figure 17). The share saying they didn't want to disclose finances/financial issues to employer jumped from its 2021 level of 28 percent. However, workers from the WWS who were not participating in financial wellness benefits were much less likely to cite these top three reasons for not participating. In particular, the lack of understanding on how the benefits work did not rank as highly among employees. Instead, they cited numerous reasons that were nearly equally likely, such as not wanting to disclose finances/financial issues to employer, the costs/fees of benefits to employees, not knowing what benefits were offered, and the difficulty in knowing which benefit to use.

Figure 17
Reasons Employees Are Not More Engaged With Financial Wellness Benefits

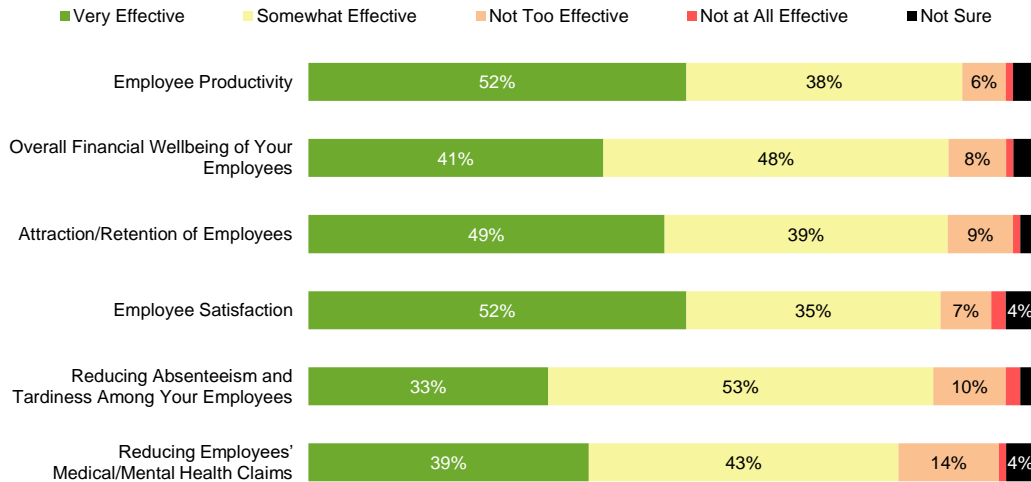


Q41. Which of the following do you think are reasons employees are not more engaged with your company's financial wellness benefits? Please select all that apply. (n=250; Workplace Wellness Survey, workers not participating n=283)

The number of benefits offered appeared to have a limited impact on the reasons benefit decision makers gave for employees not engaging with financial wellbeing benefits. For companies offering a medium number (five to seven) of benefits, employers were more likely to cite lack of understanding on how their benefits work and benefits not being customized or personalized enough than companies that offered a low number (four or less) of benefits. However, those offering the highest levels (eight or more) of benefits, no significant differences emerged.

Effectiveness — When asked about the effectiveness of their company's financial wellness offerings, 80 to 90 percent of the benefit decision makers thought that the programs were either very or somewhat effective across various measures (Figure 18). The percentage thinking the programs were effective in regard to employee productivity, overall financial wellbeing of their employees, attraction/retention of employees, and employee satisfaction was closer to 90 percent, while the percentage thinking the programs were effective in reducing absenteeism and tardiness among their employees and in reducing employees' medical/mental health claims was closer to 80 percent.

Figure 18 Effectiveness of Financial Wellness Offerings

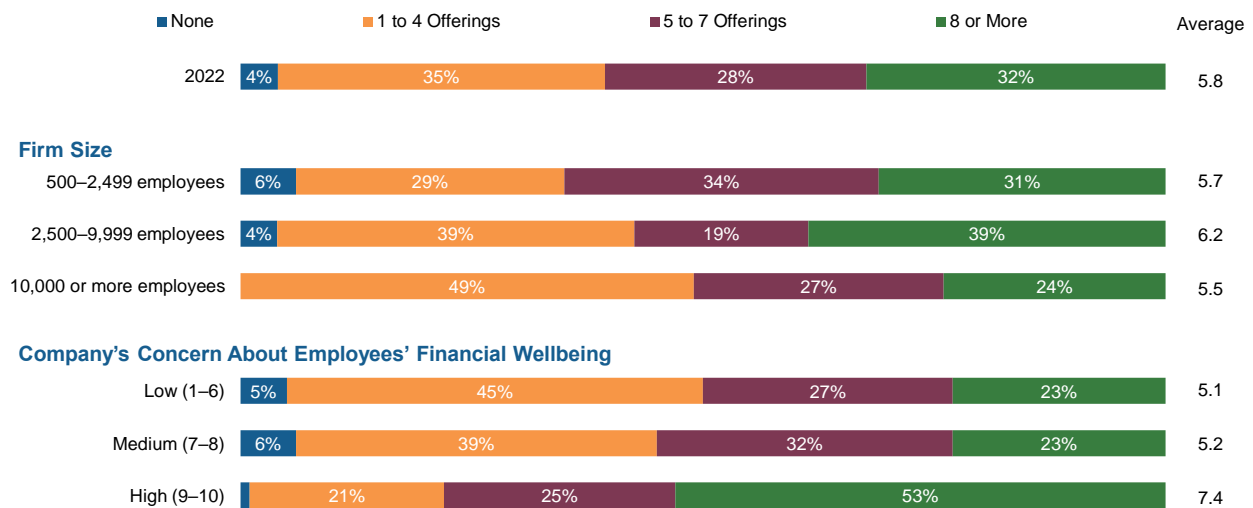


Q34B. How effective do you feel your financial wellness offerings/programs are on each of the following? (n=250)

Overview of Financial Wellness Benefits Being Offered

The survey asked whether the companies currently offered any of 16 specific financial wellness benefits. On average, the companies reported currently offering 5.8 benefits, with 32 percent offering eight or more (Figure 19). The average number of benefits offered did not differ by firm size — 5.7 for employers with 500–2,499 employees and 5.5 for employers with 10,000 or more employees. However, the number of benefits offered increased with the reported level of concern the employers expressed about their employees' financial wellbeing. Among those in the low-concern category, the average number of financial wellbeing benefits was 5.1, compared with an average number of 7.4 for those in the high-concern category.⁶

Figure 19 Number of Financial Wellbeing Benefits Currently Offered

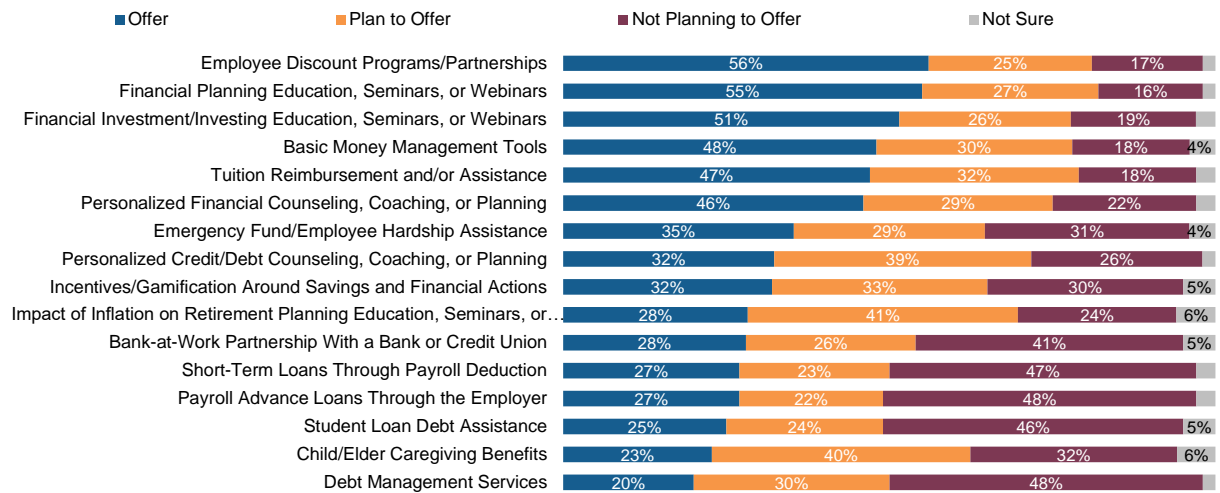


Q15. Does your company offer or plan to offer any of the following financial wellbeing or debt assistance benefits to employees? (n=250)
Q20. Which of the following does your company offer to help employees with personal financial challenges? (n=250)

The share of employers currently offering a specific financial wellbeing benefit ranged from 20 percent (debt management services) to 56 percent (employee discount programs/partnerships) (Figure 20). The other most common financial wellbeing benefits currently offered were financial planning education, seminars, or webinars (55 percent); financial investment/investing education, seminars, or webinars (51 percent); basic money management tools (48 percent); tuition reimbursement and/or assistance (47 percent); and personalized financial counseling, coaching, or planning (46 percent). In contrast, more targeted financial wellbeing initiatives were not as common: Payroll advance loans through employer (27 percent), student loan debt assistance (25 percent), child/elder caregiving benefits (23 percent), and debt management services (20 percent) were the least likely to be currently offered.

The benefits that were most likely said to be planned to be offered included some of the more single-issue-focused topics such as impact of inflation on retirement planning education, seminars, or webinars (41 percent); child/elder caregiving benefits (40 percent); and personalized credit/debt counseling, coaching, or planning (39 percent). Interestingly, some of the benefits that were most commonly offered currently also ranked highest among those that companies plan to offer: tuition reimbursement and/or assistance (32 percent) and basic money management tools (30 percent). In contrast, debt management services (48 percent), payroll advance loans through the employer (48 percent), short-term loans through payroll deduction (47 percent), and student loan debt assistance (46 percent) had the highest percentages of not planning to be offered.

Figure 20
Financial Wellbeing Benefits Offered



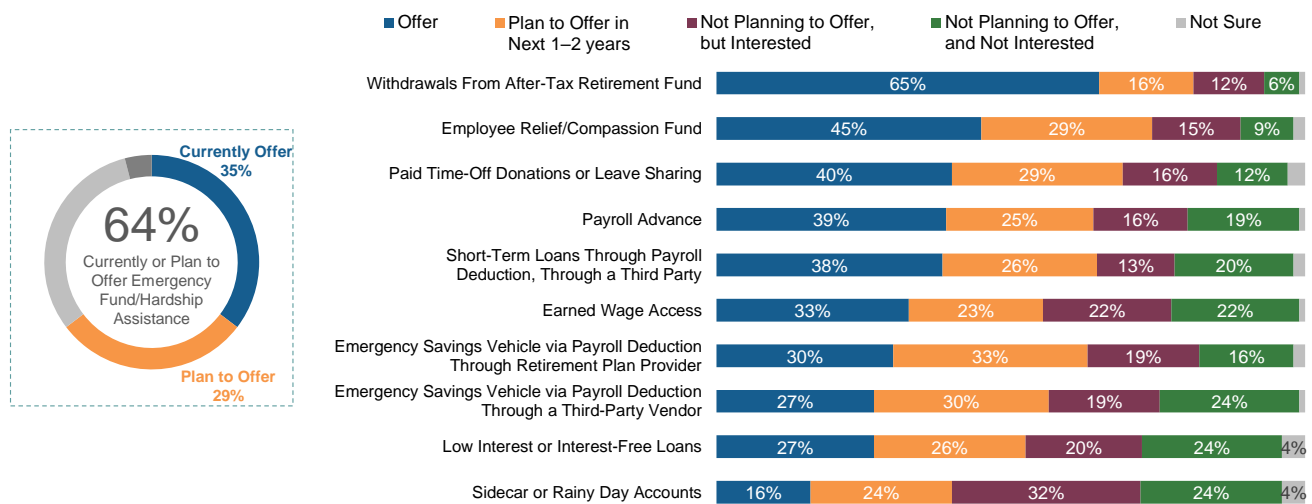
Q15. Does your company offer or plan to offer any of the following financial wellbeing or debt assistance benefits to employees? (n=250)
Q20. Which of the following does your company offer to help employees with personal financial challenges? (n=250)

Types of Emergency Funds Being Offered — More detail was asked about emergency fund/employee hardship assistance programs. The most common emergency fund program offered was withdrawals from after-tax retirement funds (65 percent), while employee relief/compassion funds (45 percent), paid-time-off donations or leave sharing (40 percent), payroll advance (39 percent), and short-term loans through payroll deduction, through a third party (38 percent), were the next most likely features to be currently offered (Figure 21). The least likely emergency fund or employee hardship assistance programs to be offered were sidecar or rainy day accounts (16 percent). In other words, emergency savings vehicles most commonly were offered in the form of already-available money/funds.

At the same time, employee relief/compassion funds (29 percent) and paid-time-off donations or leave sharing (29 percent) were among the emergency savings features that employers were most likely to be planning to offer in the next one to two years. A similar proportion planned to offer an emergency savings vehicle via payroll deduction through a retirement plan provider (33 percent) and an emergency savings vehicle via payroll deduction through a third-party vendor (30 percent) in the next one to two years. As such, it appears that many employers are planning for the addition of some type of vehicle that would allow employees to build up money for emergency purposes.⁷

Still, another 32 percent of employers were *not* planning to offer sidecar or rainy day accounts. Employers were also least likely to be planning to offer earned wage access (22 percent) and low-interest or interest-free loans (20 percent).

Figure 21
Emergency Fund or Employee Hardship Assistance Programs
Among those offering or planning to offer emergency fund or employee hardship assistance program



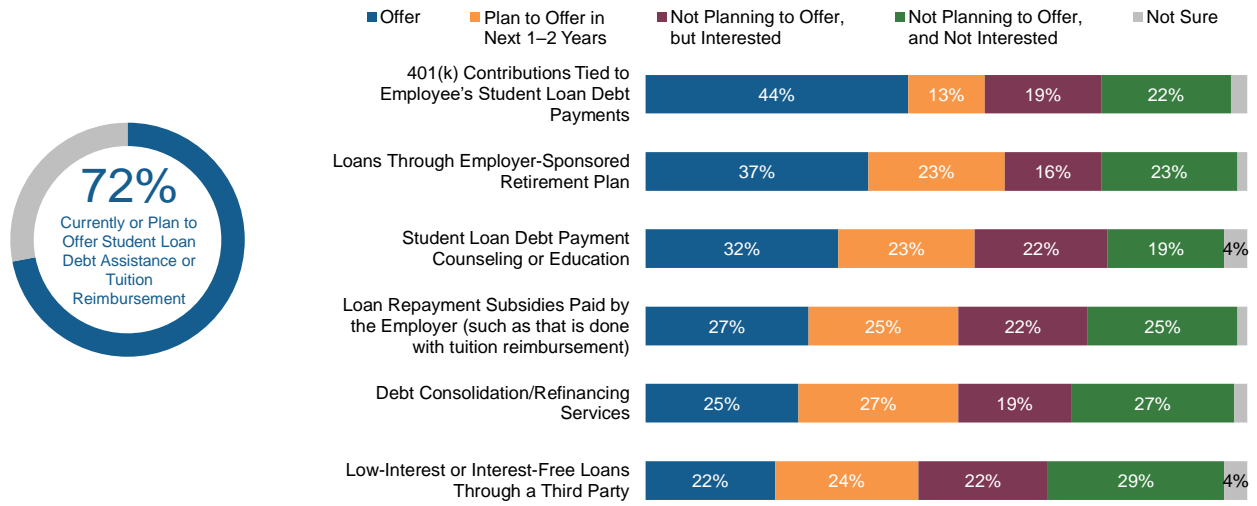
Q16. Which of the following are or will be offered in your company's emergency fund or employee hardship assistance program? (Offers or plans to offer emergency fund or employee hardship program. n=161)

Student Loan Debt Assistance Features — Nearly three-quarters (72 percent) of employers were currently offering or planning to offer student loan debt assistance or tuition reimbursement (Figure 22). The most prevalent benefits offered were 401(k) contributions tied to an employee's student loan debt payments (44 percent), loans through an employer-sponsored retirement plan (37 percent), and student loan debt payment counseling or education (32 percent). Low-interest or interest-free loans through a third party (22 percent) were the least likely to be currently offered. Other than 401(k) contributions tied to an employee's student loan debt payments, which had the lowest likelihood of being planned to be offered (13 percent), the remaining features had similar likelihoods of being planned to be offered (23–27 percent).

Caregiving Benefits — The caregiving benefits most often offered had to do with leave policies as opposed to benefits in the direct provision of caregiving. Six in ten employers allowed for flexible work arrangements (e.g., teleworking or compressing the work week), which was the most commonly offered caregiving benefit (Figure 23). Around one-half of the employers offered long-term leave policies (52 percent) and paid family caregiver leave policies (45 percent). In contrast, employers were least likely to offer programs or education around caregiving (28 percent) and childcare referral systems and subsidies (22 percent). Approximately one-quarter of employers said they plan to offer each of the listed caregiving benefits in the next one to two years.

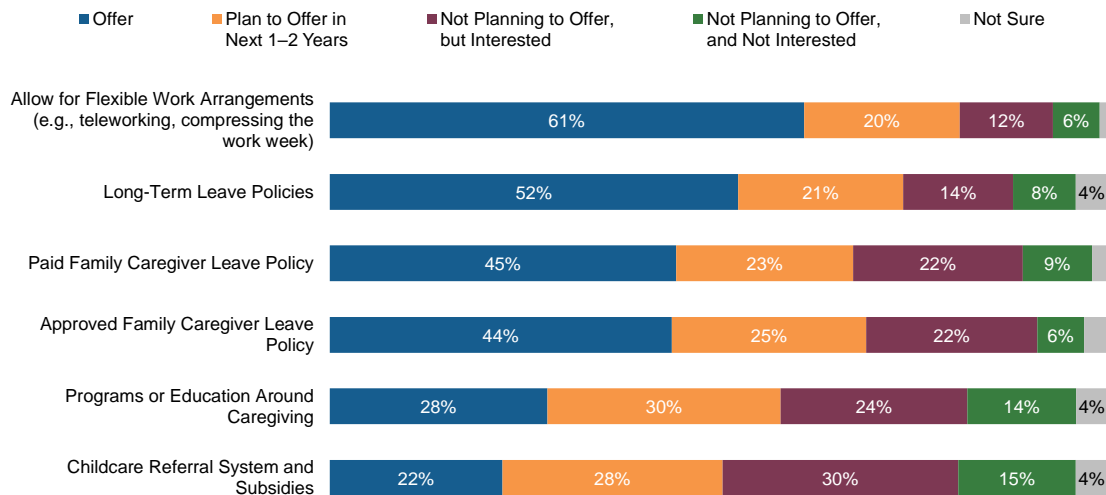
Figure 22 Student Loan Debt Assistance Programs

Among those offering or planning to offer a student loan debt assistance or tuition reimbursement



Q19. Which of the following are or will be offered in your company's student loan debt assistance program? (Offers or plans to offer student loan debt assistance or tuition reimbursement. n=181)

Figure 23 Caregiving Benefits

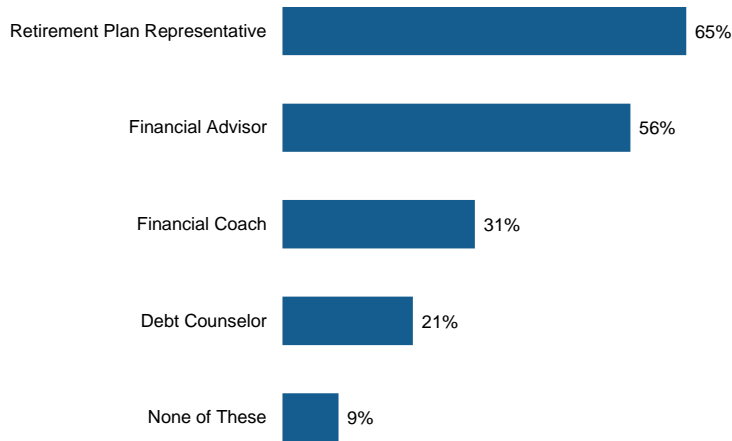


Q13C. Does your company offer or plan to offer any of the following benefits focused on family caregiving leave (leave to care for adult or child family member outside of parental leave)? (n=250)

Access to Financial Professionals and Importance of Companies Providing Financial Wellness Benefits —

An important benefit for individuals struggling with retirement planning or their finances in general is having access to a financial professional to help with these issues. Approximately 6 in 10 employers reported their employees have access to retirement plan representatives (65 percent) and financial advisors either in person, through the phone, or via video calls (56 percent) (Figure 24). Access to financial coaches (31 percent) and debt counselors (21 percent) was less likely to be available. Only 9 percent of employers said they did not provide access to any of these financial professionals.

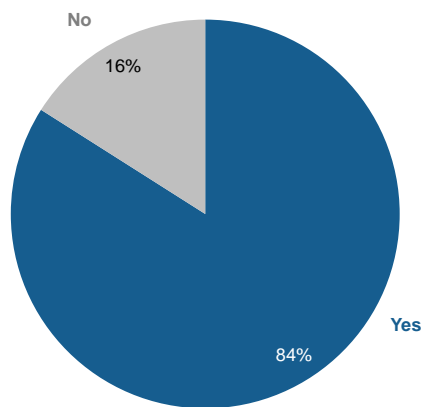
Figure 24
Access to Financial Professionals



Q21. Do your employees have access to any of the following individuals either in-person, through the phone, or via video calls? Please select all that apply. (n=250)

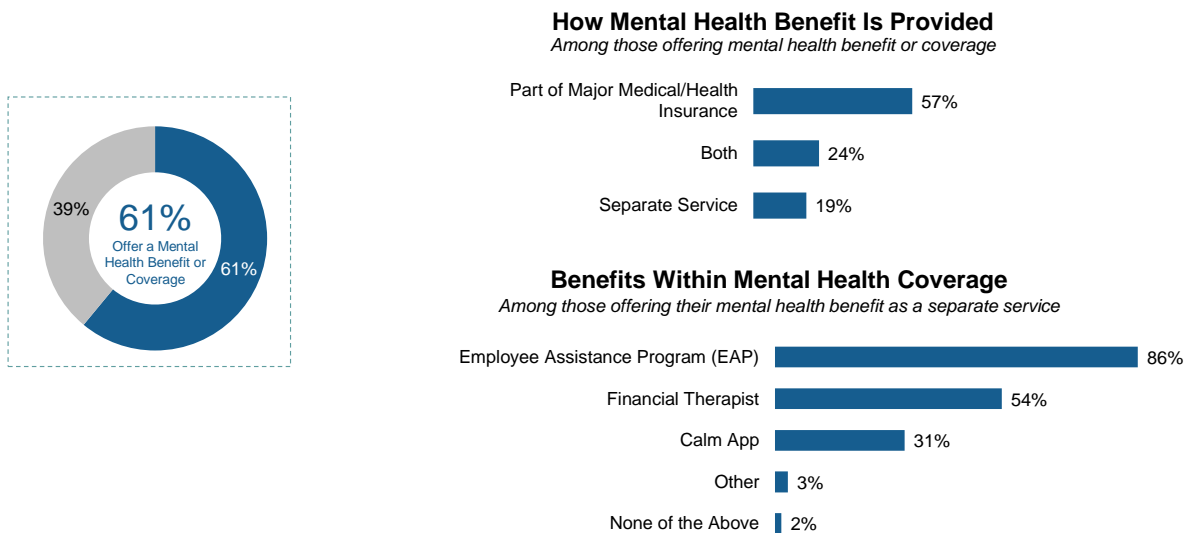
Used to Improve Mental Health — Eighty-four percent of the companies said that their financial wellbeing benefits were being used to improve mental health and emotional wellbeing (Figure 25). Sixty-one percent of the companies said they offered mental health benefits or coverage (Figure 26). The benefit was most likely to be provided as a part of major medical/health insurance (57 percent), but it was also provided as a separate service (19 percent). Twenty-four percent of the companies provided the mental health benefit as part of their health insurance and as a separate service. Of those who provided a separate service, the overwhelming majority (86 percent) used an employee assistance program (EAP). In addition, 54 percent offered financial therapists, and 31 percent offered the Calm app.

Figure 25
Financial Wellbeing Initiatives Used to Improve Mental Health and Emotional Wellbeing



Q27A. Are your company's financial wellbeing initiatives being used to help improve your employees' mental health and emotional wellbeing? (n=250)

Figure 26
Mental Health Benefits



Q13A. Is your mental health benefit or coverage included as part of your major medical/health insurance or is it a separate service (e.g., financial therapist, EAP, Calm app)? (Offers mental health benefit or coverage n=152)
Q13B. Which of the following benefits are included in your mental health benefits or coverage? Please select all that apply. (Mental health benefit or coverage offered as part of major medical or separate coverage n=65)

Motivations and Measurement of Financial Wellness Initiatives

As noted previously, employers’ top issues to address through financial wellness initiatives were retirement preparedness, health care costs, and financial-related stress, and their key areas of focus for the initiatives were investments and retirement planning, basic finance, and health care concerns. Yet, when companies actually measure the success of their financial wellness initiatives, the same factors do not always align.

Understanding Employees’ Needs — First, the survey asked employers about the steps they had undertaken to understand their employees’ financial wellness needs. The most cited step taken by employers to understand their employees’ financial wellness needs was to survey their employees (60 percent), with next most common steps being to examine existing employee benefit data: 59 percent said they examined existing employee benefit/retirement plan data and 49 percent said they examined health-related data (Figure 27). Developing new measures such as creating a financial wellbeing score or metric (32 percent) or implementing an industry or government financial wellbeing score (26 percent) were the least cited steps. Yet, 44 percent said they planned to take each of these two steps.

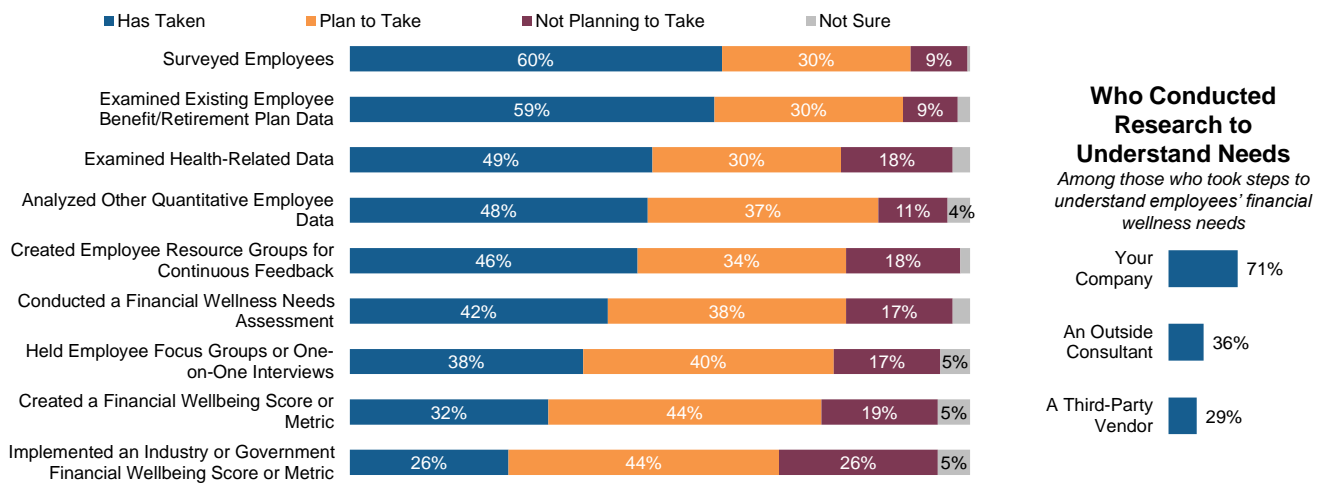
Seventy-one percent of the companies themselves conducted the research on their employees’ financial wellness needs. Companies also used outside consultants (36 percent) and third-party vendors (29 percent) to conduct this research.

Measuring Success — As for the top factors in measuring financial wellness initiatives’ success, improved overall worker satisfaction (36 percent) was the most highly cited factor (Figure 28). The next two most cited factors also dealt with employee happiness — worker satisfaction with financial wellness initiatives (30 percent) and improved employee retention (28 percent). Increased employee productivity (28 percent) was right there with the lower-two employee satisfaction/retention factors. This is a switch from 2021 when productivity was cited most often. Thus, having an attractive workplace became an essential reason for offering financial wellness benefits. However, business factors are still part of the measurement rubric.

As far as data actually tracked to evaluate the effectiveness of financial wellbeing initiatives, employee satisfaction (57 percent) and work force retention (48 percent) were the two data sources most specified (Figure 29). Employee productivity ranked third at 45 percent, with absences and tardiness fourth (36 percent).

With the growing adoption of financial wellness programs, a natural response is to evaluate them through a cost/benefit analysis. Eighty-five percent of the companies reported having explicitly developed a cost/benefit analysis based on employee satisfaction, employee attraction/retention, employee productivity, or medical/mental health claims to evaluate their financial wellness offerings (Figure 30). Cost-benefit analysis by employee satisfaction (55 percent) was the lead factor, with employee attraction/retention (42 percent) next. Productivity tied employee attraction and retention, showing that employers were also looking at the benefits of these programs relative to their costs outside of just employee happiness metrics.

Figure 27
Steps Taken to Understand Employees' Financial Wellness Needs



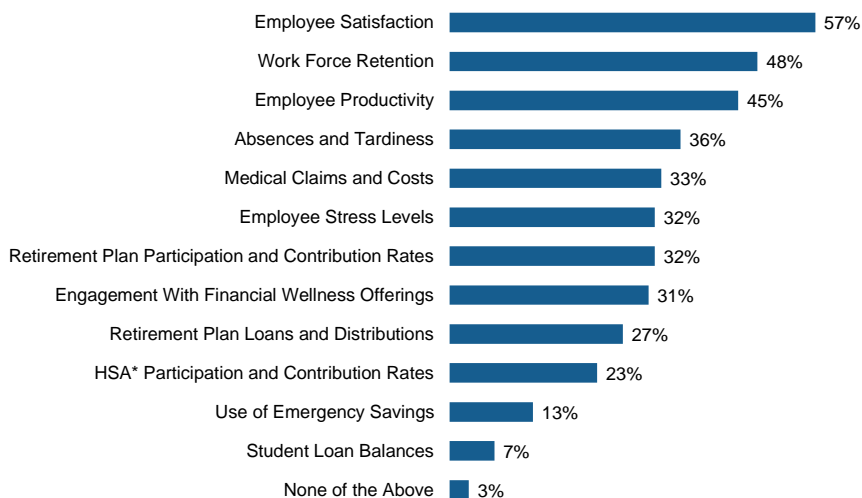
Q29. What steps has your company taken or does it plan to take to understand your employees' financial wellness needs? (n=250)
Q29A. Who has conducted the research and/or developed the metrics to understand your employees' financial wellness needs? Select all that apply. (Taken steps to understand employees' financial wellness needs n=228)

Figure 28
Top Factors in Measuring Financial Wellness Initiatives' Success



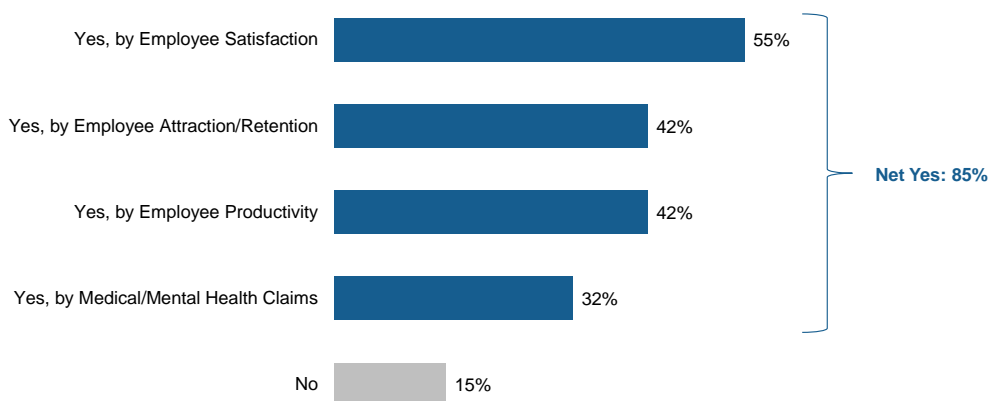
Q33. What are the top three factors that are or will be important in the measurement of your financial wellness initiatives? Please select your top three. (n=250)

Figure 29
Data Tracked to Evaluate Effectiveness of Offerings



*HSA = health savings account.
 Q34. Do you track any of the following to evaluate the effectiveness of your financial wellness offerings? Please select all that apply. (n=250)

Figure 30
Developed Cost/Benefit Analysis of Financial Wellness Offerings

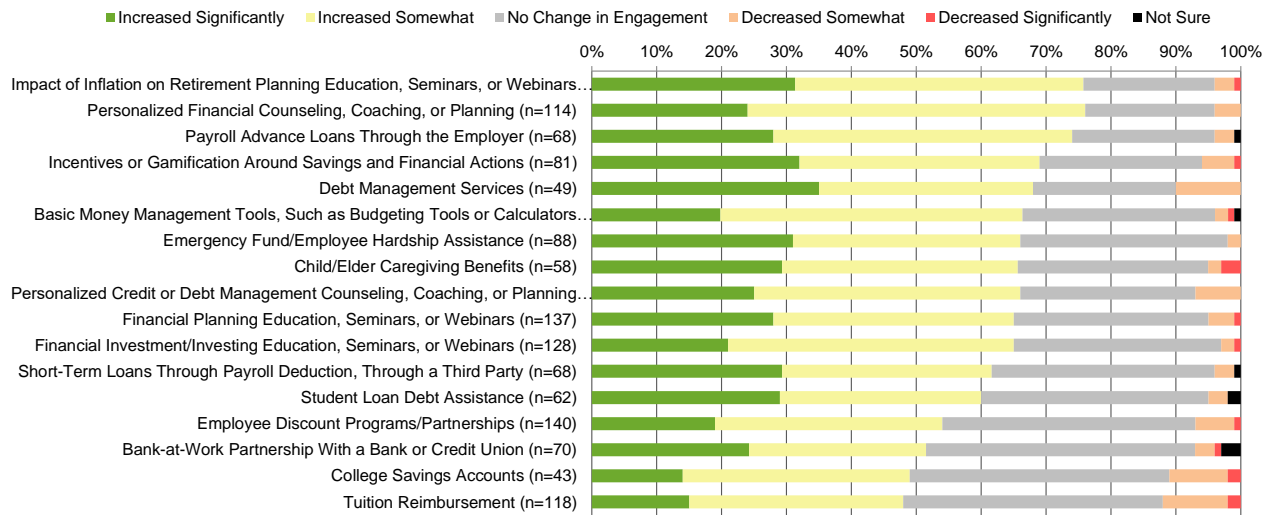


Q34A. Has your company explicitly developed a cost/benefit analysis based on any of the following factors to evaluate your financial wellness offerings? Please select all that apply. (n=250)

Response to the COVID-19 Pandemic

Since the COVID-19 crisis began, employee engagement in specific financial wellness benefits increased most among those catering to better overall finances. Specifically, three-quarters of the companies reported engagement increased significantly or somewhat among those offering impact of inflation on retirement planning education, seminars, or webinars and personalized financial counseling, coaching, or planning (Figure 31). More generally, programs dealing with immediate financial needs or overall finances were more likely to show increased engagement than more single-issue-focused topics, such as college savings accounts and tuition reimbursement. In fact, tuition reimbursement and college savings account programs were the most likely to see decreased engagement since the onset of COVID-19.

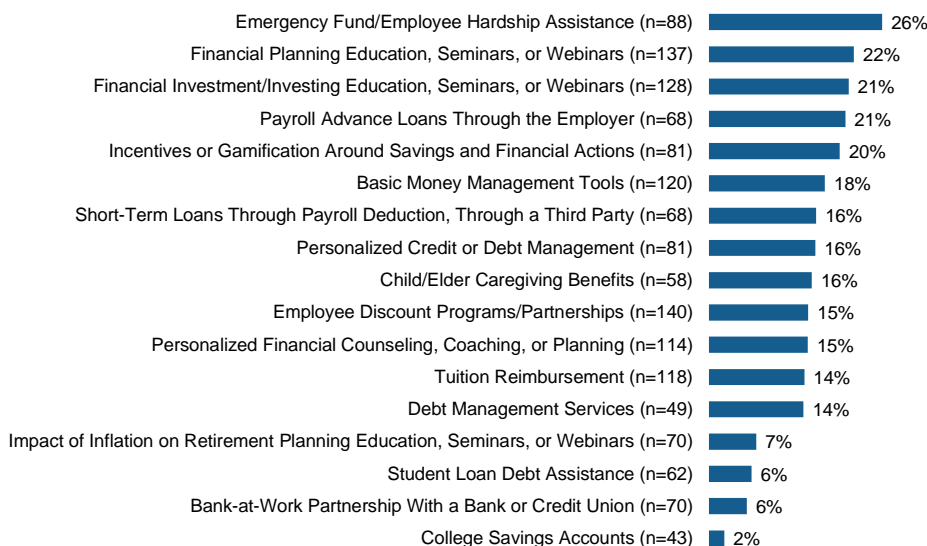
Figure 31
Employee Engagement With Benefits Since COVID-19
Among those offering each benefit



Q42. How has employee engagement with the following benefits changed since the COVID-19 crisis began?

Top Priority — Employers also cited immediate financial help as their top priority since the COVID-19 pandemic, as 26 percent) reported that emergency fund/employee hardship assistance was their top priority (Figure 32). In addition, programs helping with employees’ overall finances were also more likely to be considered a top priority, with 22 percent saying financial planning education, seminars, or webinars were a top priority and 21 percent saying financial investment/investing education, seminars, or webinars were a top priority. College savings accounts — which were among those with the largest likelihoods of seeing decreases in engagement since COVID-19 — were also least likely to be considered a top priority among companies, along with student loan debt assistance and bank-at-work programs.

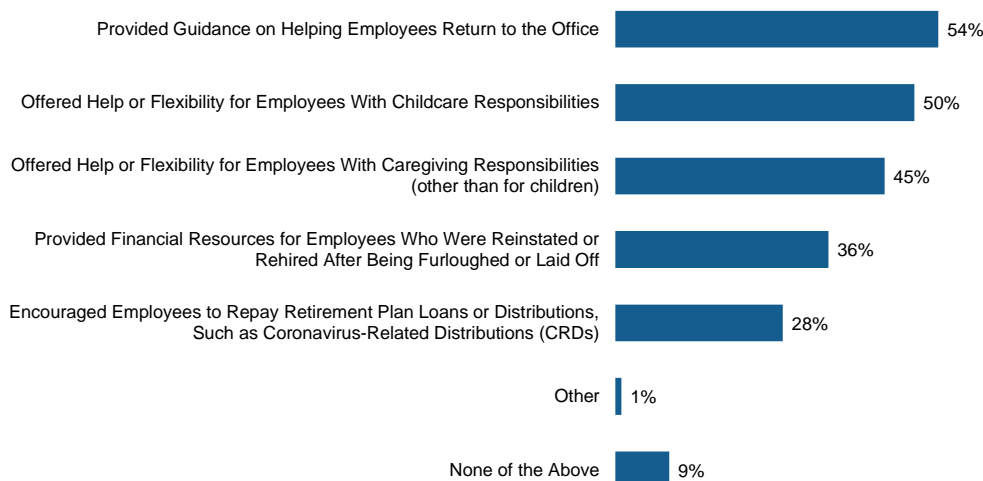
Figure 32
Top Priority of Offerings Since the COVID-19 Pandemic
Among those offering each benefit



Q43. Which of your financial wellbeing offerings is your company's highest priority since the COVID-19 pandemic?

Actions Taken — Most (91 percent) companies took at least one action to help workers return to work or repair their finances since the pandemic (Figure 33). The most cited action was providing guidance on helping employees return to the office (54 percent). In addition, 50 percent offered help or flexibility for employees with childcare responsibilities, and 45 percent offered help or flexibility for employees with caregiving responsibilities (other than for children). The least likely action taken was encouraging employees to repay retirement plan loans or distributions, such as coronavirus-related distributions (CRDs) (28 percent).

Figure 33
Actions Taken as a Result of COVID-19



Q45. As a result of the COVID-19 pandemic, has your company taken any of the following actions? Please select all that apply. (n=250)

Diversity, Equity, and Inclusion

An important new aspect that was added to the 2021 survey and continued in 2022 was a focus on diversity, equity, and inclusion in financial wellbeing programs. The goal was to determine how financial wellbeing programs addressed diversity and how such programs were used to improve the financial standing of those in various diverse groups.

Specific Actions Addressing Diversity — Benefit decision makers were asked about whether they were taking specific actions to address diversity, equity, and inclusion in their financial wellbeing initiatives through actions targeted for different genders, races/ethnicities, and ages. The companies were more likely to offer different types of solutions for the different characteristics and to ensure that financial counselors and coaches were diverse than they were to tailor messages specifically for the diverse groups (Figure 34). For example, the two most cited actions being undertaken were offering different types of solutions to accommodate different age groups (42 percent) and ensuring that financial counselors or coaches were diverse in terms of race and ethnicity (39 percent). In contrast, tailoring messaging by gender (13 percent) and for minority populations (18 percent) were the least likely to be cited as being undertaken. Twenty percent of the companies did none of the actions listed.

Specific Steps Taken to Understand Diverse Needs — To understand specifically what companies are doing to understand the different needs of diverse workers, a battery of possible steps that could be taken were provided. Of the companies doing a specific task, surveying employees was the most common step taken to understand diverse workers' needs (74 percent) (Figure 35). The other steps, except for implementing an industry or government financial wellbeing score or metric (44 percent), were in the 54–62 percent range of being undertaken.

Figure 34
**Addressing Diversity, Equity, and Inclusion
 Within Financial Wellness Strategy**



Q24. Are you doing any of the below in your financial wellness programs to address diversity, equity, and inclusion? Please select all that apply.. (n=250)

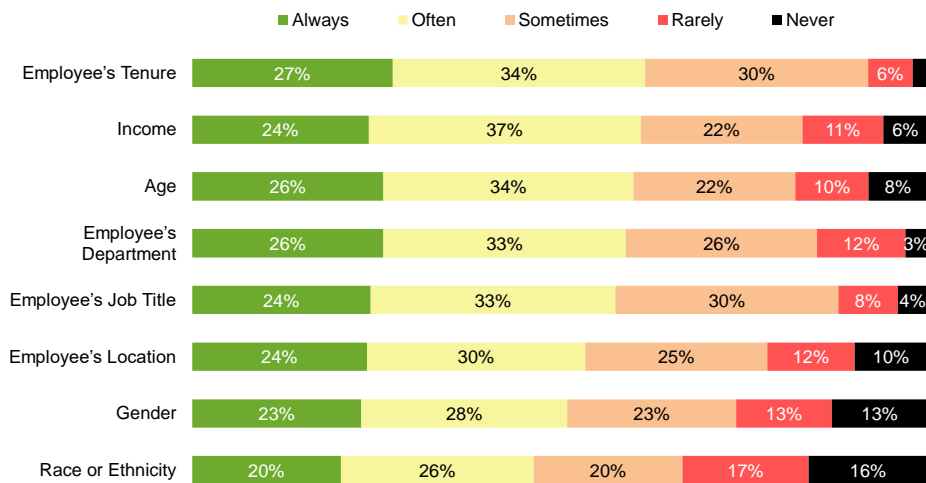
Figure 35
**Steps Taken to Understand Needs With Respect to
 Diversity, Equity, and Inclusion**
Among those taking each step



Q30. Have you done any of the following specifically to understand the needs of different groups with respect to diversity, equity, and inclusion? Select all that apply.

Frequency of Assessing Financial Wellbeing Initiatives by Demographics — When measuring or evaluating the effectiveness of their financial wellness initiatives, most companies reported doing so across all the demographic characteristics specified in the survey (Figure 36). The demographic groups more likely to be always or often evaluated were employee tenure (61 percent), income (61 percent), and age (60 percent). In contrast, gender (51 percent) and race or ethnicity (46 percent) were less likely to be evaluated always or often.

Figure 36
Frequency of Assessing Financial Wellness Initiatives by Demographics



Q35. When you measure or evaluate your financial wellness initiatives, how often do you assess the effectiveness by the following demographics? (n=250)

Conclusion

Financial wellness programs continue to expand, according to the results of the 2022 Financial Wellbeing Employer Survey. More types of initiatives are being offered and the focuses of the initiatives are tending toward examining the total financial position of the employees. In addition, more focused initiatives like childcare benefits are at the top of benefits planned to be offered.

Companies are strongly focused on these programs' impact on worker satisfaction and retention. At the same time, employers are seeking to show the impact of financial wellbeing programs on the bottom line in terms of increased productivity — likely tied to the fact that the costs of financial wellness programs continue to increase. The companies are developing cost/benefit analyses to provide some measure of the success of these benefits as well as more traditional approaches of directly surveying employees.

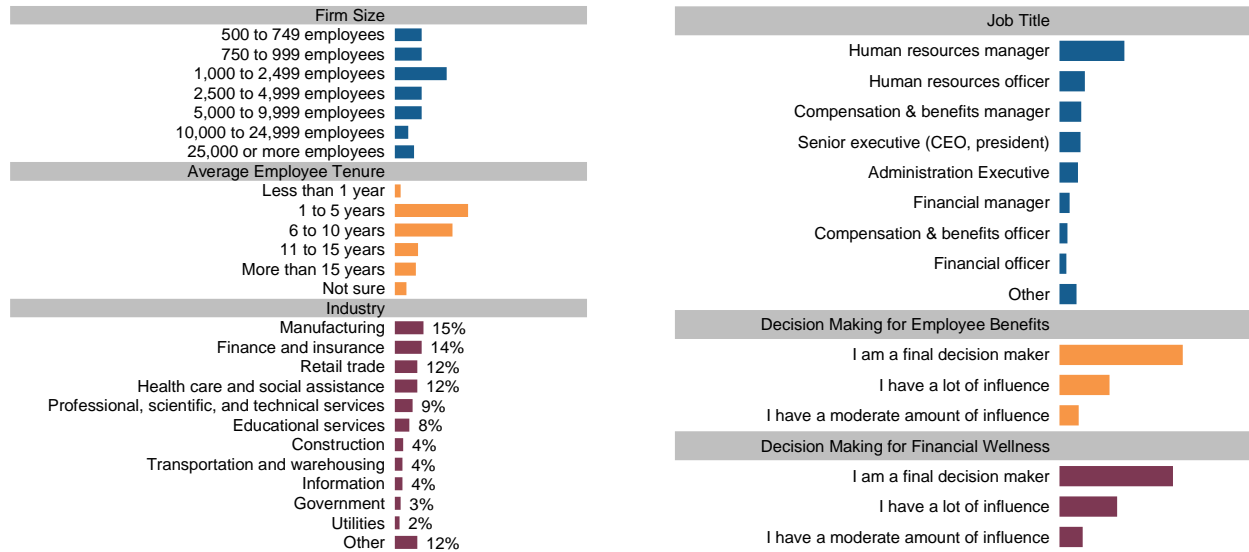
Importantly, financial wellness programs are evolving from a focus on retirement preparedness to a more complete picture across all aspects of an individual's finances, despite there still being a retirement preparedness bias. With the hope of reducing employees' financial stress and increasing productivity, companies are looking for better ways to evaluate the impact of their financial wellbeing programs, whether on a retention/recruitment or productivity basis. Financial wellness providers/vendors that can make this case will be the ones more successful at attracting clients. However, there are no clear measures that have been developed to capture productivity increases from financial wellbeing programs and other bottom-line issues. This will be an area of focus and research within the financial wellbeing arena.

The continued evolution of financial wellness programs is a crucial question going into 2023. As these programs grow in value to employees and are used for attraction and retention, the expectation that they will be provided will only increase. At the same time, the specter of a recession could turn the tide as employers seek to cut costs. Nonetheless, these programs also have the potential to address companies' diversity, equity, and inclusion goals, as they increasingly focus on providing help in all aspects of individuals' finances, allowing them to match the specific issues faced by those in different groups.

Appendix

The breakdown of the companies by industry and size, as well as information on the survey respondents, are included in Appendix Figure 1.

Appendix Figure 1 Demographics and Respondent Characteristics



Endnotes

¹ See Copeland, Craig, "2021 EBRI Financial Wellbeing Employer Survey: Focus on COVID-19 and Diversity Goals," *EBRI Issue Brief*, no. 544 (October 28, 2021), for the results from the 2021 survey.

² These numbers are not statistically different from the 2020 and 2021 results.

³ The survey asked about 16 different financial wellbeing benefits that could be offered. If eight or more benefits were offered, the companies were labeled as having a high number offered; if 5–7 were offered, they were labeled as having a medium number; and if 0–4 were offered, they were labeled as having a low number.

⁴ Costs were the top two challenges cited in 2020 as well. In 2020, data and privacy concerns were the fourth most cited and complexity surrounding the programs was third, but in 2021 they were reversed.

⁵ For more information on the Workplace Wellness Survey, see the [EBRI/Greenwald Workplace Wellness Survey](#).

⁶ In 2021, the survey asked about 14 different financial wellbeing benefits that could be offered. In 2022, 16 benefits were listed as possible financial wellbeing benefit offerings. Consequently, the larger number of benefit offerings in 2022 relative to 2021 is a result of the higher number of possible offerings as opposed to an increase in the number of the same 14 benefits offered.

⁷ The finding of a number of employers planning to offer to offer some type of emergency savings vehicle has been in previous years' surveys as well. Consequently, employers apparently are not finding the vehicles they want to use for this benefit.

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