

New Survey From the Employee Benefit Research Institute Finds That Employer Financial Wellbeing Programs Continue to Expand in Order to Increase Worker Satisfaction and Retention

- However, Program Costs Continue To Be Reported As The Top Challenge In Offering Financial Wellbeing Programs -

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(Washington, D.C.) – Results published today from the fifth annual Employee Benefit Research Institute (EBRI) Financial Wellbeing Employer Survey found 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.

Summary findings from the survey report include:

- **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 ranked comparable with the lower two employee satisfaction/retention factors.
- **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 leading approach, with employee attraction/retention next. Productivity was tied with employee attraction and retention as a leading cost benefit approach, 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 came in just below these top three was the high cost of living. Investments and retirement planning were the top-cited primary focus areas, 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.
- **Benefits Gaining in Importance** — Some of the benefits that were most commonly offered currently also ranked highest among those that companies plan to offer include 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, as well as child/elder caregiving benefits, personalized credit and 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. Of those who provided a separate service, the overwhelming majority used an employee assistance program.
- **Caregiving Benefits** — Caregiving benefits most commonly 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, benefit decision makers were most likely to tailor solutions according to gender, race/ethnicity, age and to ensure that financial counselors and coaches were diverse. These approaches were more common than tailoring messages specifically for the diverse groups.

“It is not surprising that in the current tight labor market employers are focusing on expanding and improving financial wellbeing programs. However, employers do want to see that these programs are paying off in terms of increased worker satisfaction and retention considering the cost of these programs. This is why measuring the success of these programs is of increasing importance to employers as well,” explained Craig Copeland, director, Wealth Benefits Research, EBRI.

To view a summary of the EBRI Issue Brief, “2022 EBRI Financial Wellbeing Employer Survey: Employee Satisfaction and Retention a Primary Focus,” visit <https://www.ebri.org/publications/research-publications/issue-briefs/content/2022-ebri-financial-wellbeing-employer-survey-employee-satisfaction-and-retention-a-primary-focus> .

The 2022 EBRI Financial Wellbeing Employer Survey was collected through a 15-minute online survey of 250 fulltime 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.

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(Media Note: To receive and review the complete 28-page Issue Brief, “2022 EBRI Financial Wellbeing Employer Survey: Employee Satisfaction and Retention a Primary Focus”, email Ron at dresner@ebri.org).