
Introduction

As worker retention and recruitment take center stage with employers, offering benefits that best meet workers’ needs has increased in importance. The fourth annual Employee Benefit Research Institute (EBRI) Financial Wellbeing Employer Survey sheds light on the specific financial wellness programs that have seen increased engagement since the pandemic as well as those that have become top priorities for employers — namely financial wellbeing programs addressing current needs as a result of the COVID-19 pandemic.

Employee Engagement — Specifically, the survey finds that 78 percent of the employers offering emergency fund/employee hardship assistance reported that employee engagement had increased (Figure 1). Just over three-quarters (76 percent) reported that engagement with payroll advance loans through the employer had increased. In contrast, longer-term initiatives such as financial planning education, seminars, or webinars and tuition reimbursement were the least likely to have increased engagement since COVID-19 — 48 percent and 45 percent, respectively. Also, tuition reimbursement and college savings account programs were the most likely to see decreased engagement.

Immediate Help Is a Priority — Employers also cited benefits providing immediate financial help as their top priority since the COVID-19 pandemic. Just over one-third (35 percent) reported that emergency fund/employee hardship assistance was their top priority, and 26 percent reported short-term loans through payroll deduction via a third party as being a top priority (Figure 2). Financial planning education, seminars, or webinars tied for the

[Figure 1: Employee Engagement With Benefits Since COVID-19]

Among those offering each benefit

- Increased Significantly
- Increased Somewhat
- No Change in Engagement
- Decreased Somewhat
- Decreased Significantly
- Not Sure

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

[Table showing employee engagement changes across various benefits]

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third highest as a top priority with payroll advance loans through the employer (both at 25 percent). College savings accounts — which were among those with the largest percentage decreases in engagement since COVID-19 — were also least likely to be considered a top priority among companies, along with student loan debt assistance.

Assistance With Repairing Finances Is a Common Theme — Most (92 percent) companies took at least one action to help workers return to work or repair their finances since the pandemic (Figure 3). However, no one action stood out as being uniquely prevalent. The most cited action was providing guidance on helping employees return to the office (57 percent). In addition, 45 percent offered help or flexibility for employees with childcare responsibilities, and 42 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 (27 percent).
Conclusion

Emergency funds and employee hardship assistance have emerged as key benefits during the pandemic as more employers reported them to be a top priority and more employees have become engaged in these programs. Along with emergency funds, overall financial planning/coaching on all aspects of finances is taking precedence over more single-issue-focused offerings such as student loan debt assistance. Understanding the increased importance of these benefits can help employers as they seek to attract and retain workers.

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