Speakers

Lori Lucas, President and CEO, EBRI

Kathleen M. Floyd, Sr. Vice President: Education and Wellness, Church Pension Group

Joleen Workman, VP – Customer Care, Retirement and Income Solutions, Principal

Moderator: Brett Hammond, Research Leader, Capital Group
Click this button

Type question(s) here

To: All panelists
Your text can only be seen by panelists
POLLING QUESTION
PLEASE SHARE YOUR THOUGHTS
FIELD OF DREAMS?

• Do workers utilize financial wellness initiatives?
• If so, does their behavior change as a result?
ABOUT EBRI’S DATABASES

EBRI’s World Class Databases:

Much of EBRI’s research is based on its interconnected participant-level databases.

- Health Savings Account: ~11 million accounts
- Flexible Spending Account: >2 million accounts
- IRA: 20 million account holders
- Telemedicine: 147,600 enrollees, ~$165 million in claims
- 401(k): 27 million participants, in >100,000 employer-sponsored 401(k) plans
- Financial Wellbeing: 500+ plans
- Consumer: 22 million consumers
- Public Plan: More than 200 plans with >2 million participants
MULTI-PHASED APPROACH

Phase One
• Integrates financial wellness utilization of webinars during 2018 with 401(k) data from 2017, 2018 and 2019
• Segment participants into four cohorts:
  – Age: younger/older defined as age 45
  – Contributions: low/high based on age-specific medians

Future Phases
• Additional types of financial wellness programs
  – Emergency Savings Funds
  – Student Loan Debt Help
  – Financial Coaching
• Additional success metrics:
  – Turnover
  – Absenteeism
  – Productivity
  – Other components that will help measure ROI of financial wellness initiatives
UTILIZATION
## LIKELIHOOD OF FINANCIAL WELLBEING WEBINAR UTILIZATION FOR OLDER EMPLOYEES WITH HIGHER CONTRIBUTIONS

<table>
<thead>
<tr>
<th>Row Labels</th>
<th>Any</th>
<th>Budgeting</th>
<th>Emergency funds</th>
<th>Estate Planning</th>
<th>Healthcare choices</th>
<th>HSA</th>
<th>Investments</th>
<th>Retiree Health Costs</th>
<th>Social Security</th>
<th>Student Loans</th>
<th>Tax Changes</th>
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Note: Table omits values not statistically significant at the 10 percent level.
## LIKELIHOOD OF FINANCIAL WELLBEING WEBINAR UTILIZATION FOR YOUNGER EMPLOYEES WITH LOWER CONTRIBUTIONS

<table>
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<th>Row Labels</th>
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<th>Estate Planning</th>
<th>Healthcare choices</th>
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<th>Investments</th>
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<th>Social Security</th>
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</tbody>
</table>

*Note: Table omits values not statistically significant at the 10 percent level.*
In summary, for workers in the ages 45 and older cohort, regardless of contribution level:

- The higher the assets, the more likely they were to attend webinars.
- The older the individual in this cohort, the more likely they were to attend a Social Security or retiree health cost webinar.

For workers in the below-age-45 cohort:

- The greater their age, the more likely they were to attend an estate planning webinar, regardless of contribution level.
- Higher loan balances were negatively related to attendance at estate planning, health care choices, investments, Social Security webinars for those contributing at levels above the median.
ESTIMATED CHANGE IN EMPLOYEE CONTRIBUTION AFTER UTILIZATION OF FINANCIAL WELLNESS WEBINARS BY AGE AND CONTRIBUTION LEVEL:
OLDER/HIGHER CONTRIBUTION PARTICIPANTS

Note: Graph omits values not statistically significant at the 10 percent level.
Only variables that are statistically significant for one of the four cohorts are included.
ESTIMATED CHANGE IN EMPLOYEE CONTRIBUTIONS AFTER UTILIZATION OF FINANCIAL WELLNESS WEBINARS BY AGE AND CONTRIBUTION LEVEL: YOUNGER/LOWER CONTRIBUTION PARTICIPANTS

Note: Graph omits values not statistically significant at the 10 percent level. Only variables that are statistically significant for one of the four cohorts are included.
ESTIMATED CHANGE IN EMPLOYEE CONTRIBUTION AFTER UTILIZATION OF FINANCIAL WELLNESS WEBINARS BY AGE AND CONTRIBUTION LEVEL: YOUNGER/HIGHER CONTRIBUTION PARTICIPANTS

Note: Graph omits values not statistically significant at the 10 percent level. Only variables that are statistically significant for one of the four cohorts are included.
Estimated change in employee contribution after utilization of financial wellness webinars by age and contribution level: older/lower contribution participants

Note: Graph omits values not statistically significant at the 10 percent level. Only variables that are statistically significant for one of the four cohorts are included.
LOAN TAKING
ESTIMATED CHANGE IN LOAN-TAKING AFTER UTILIZATION OF FINANCIAL WELLBEING WEBINARS BY AGE AND CONTRIBUTION LEVEL: YOUNGER/LOWER CONTRIBUTION PARTICIPANTS

Note: Graph omits values not statistically significant at the 10 percent level. Only variables that are statistically significant for one of the four cohorts are included.
ESTIMATED CHANGE IN LOAN-TAKING AFTER UTILIZATION OF FINANCIAL WELLBEING WEBINARS BY AGE AND CONTRIBUTION LEVEL: YOUNGER/HIGHER CONTRIBUTION PARTICIPANTS

Note: Graph omits values not statistically significant at the 10 percent level. Only variables that are statistically significant for one of the four cohorts are included.
ESTIMATED CHANGE IN LOAN-TAKING AFTER UTILIZATION OF FINANCIAL WELLBEING WEBINARS BY AGE AND CONTRIBUTION LEVEL: OLDER/LOWER CONTRIBUTION PARTICIPANTS

-12.6% for Emergency Funds

Note: Graph omits values not statistically significant at the 10 percent level. Only variables that are statistically significant for one of the four cohorts are included.
ESTIMATED CHANGE IN LOAN-TAKING AFTER UTILIZATION OF FINANCIAL WELLBEING WEBINARS BY AGE AND CONTRIBUTION LEVEL: OLDER/HIGHER CONTRIBUTION PARTICIPANTS

Note: Graph omits values not statistically significant at the 10 percent level. Only variables that are statistically significant for one of the four cohorts are included.
ASSET ALLOCATION
ESTIMATED IMPROVEMENT IN EQUITY ALLOCATION AFTER UTILIZATION OF FINANCIAL WELLBEING WEBINARS BY AGE AND CONTRIBUTION LEVEL: OLDER/LOWER CONTRIBUTION PARTICIPANTS

<table>
<thead>
<tr>
<th>Variable</th>
<th>Improvement</th>
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<tbody>
<tr>
<td>Social Security</td>
<td>0.0%</td>
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<tr>
<td>Any webinar</td>
<td>0.0%</td>
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<tr>
<td>Tax Changes</td>
<td>0.0%</td>
</tr>
<tr>
<td>Investing</td>
<td>11.0%</td>
</tr>
<tr>
<td>Healthcare Choices</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

Note: Graph omits values not statistically significant at the 10 percent level. Only variables that are statistically significant for one of the four cohorts are included.
SUMMARY OF FINDINGS

- The likelihood of financial wellbeing webinar utilization varies significantly by participant characteristics across age and 401(k) contribution level cohorts.
- Estimated impact of attending any FW webinar increased employee contributions between $649 and $988, depending on cohort.
- Attending a budgeting webinar had a large statistically significant impact on employee contributions for all cohorts.
- Attending an emergency fund webinar had a significant impact on reducing new loans for older employees while HSA webinars had the opposite impact for younger employees.
- Attending a webinar on investments “improves” asset allocation for older employees with lower contributions.
EBRI Financial Wellness Presentation

Kathleen Floyd
Senior Vice President, Education and Wellness
Church Pension Group

April 2022
Inform, Engage and Inspire all active and retired clergy and lay employees of The Church Pension Fund Clergy Pension Plan and their spouses through education and wellness resources that support lifelong learning.
Baseline Data Points

- 403(b) Participation
- 403(b) loans
- Lay Employee Retirement Readiness
- Participant Financial Fragility
- Participant Financial Knowledge
- Participant Financial Condition Satisfaction
- End of Conference Surveys
- Number of Participants Reached
What We Have Learned

- **403(b) – 2021**
  - 7% increase in participation
  - 22% increased their funding.

- **Loans from 403(b) – 2020**
  - 7.3% lay, 4.3% clergy
  - < national average of 15.2%

- **Retirement readiness for lay employees**
  - Scores for age groups and length of employment
  - Scores decreased with age but were above national average
## Current Survey Results

<table>
<thead>
<tr>
<th>Financial Fragility</th>
<th>Lay Employees</th>
<th>Clergy</th>
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<tbody>
<tr>
<td>Credit Card Debt</td>
<td>45%</td>
<td>38%</td>
</tr>
<tr>
<td>Savings Account</td>
<td>69%</td>
<td>85%</td>
</tr>
<tr>
<td>Emergency Fund ($2,000)</td>
<td>86%</td>
<td>93%</td>
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</table>

### Financial Knowledge

| Received Financial Education    | 42%           | ---    |
| Can Answer Big 3 Questions      | 60%           | 83%    |
| No Financial Education          | 58%           | ---    |
| Can Answer Big 3 Questions      | 32%           | ---    |

### Financial Confidence

| Worry run out of money in retirement | 45% | 24% |
| Satisfied with current financials   | 27% high | 46% moderate | --- |
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- Financial Finesse
- JPMC
- Mercer
- Principal Financial
- American Express
- Church Pension Group
- HealthEquity
- Lincoln Financial Group
- NASAA
- Prudential Retirement
Upcoming Events

**May 10** — EBRI May Policy Forum

**May 11** — EBRI Research Committee Meeting (Members Only)

**May 11** — EBRI Board of Trustees Meeting (By Invite Only)

**May 17** — Results From the 2022 Retirement Confidence Survey

Please visit ebri.org for more information.

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