



# **Financial Well-Being – Findings from the EBRI/Greenwald Research Workplace Wellness Survey**

EBRI Webinar

December 1, 2020

# Thank you 2020 WWS Partners!

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- MassMutual
- Mercer
- Prudential Financial Inc.
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- Unum
- Voya Financial

# Become a 2021 Workplace Wellness Survey Partner!

- **The 2021 Survey, with a focus on African-American and Latinx employees as well as White employees, will examine:**
  - Employees' thoughts about their benefits, including wellness
  - Paid leave
  - Workplace financial protection
  - Education
  - Health Benefits
  - Emerging Benefits
  - Programs aimed at addressing employees' physical, emotional, and financial wellbeing

**Contact Paul Fronstin ([fronstin@ebri.org](mailto:fronstin@ebri.org)) or  
Betsy Jaffe ([jaffe@ebri.org](mailto:jaffe@ebri.org)) for more information!**

# Speakers



**Paul Fronstin,**  
Director of the  
Health Research  
and Education  
Program, EBRI



**Lisa Greenwald,**  
President/CEO,  
Greenwald  
Research



**Moderator: Darcie  
Da Silva, Project  
Director, Market  
Research, Prudential Financial**



**Bennett Hadley,**  
Actuarial  
Associate, Segal



**Nate Black, VP  
Consumer Driven  
Health, Voya  
Financial**



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Zoom Webinar Chat

# John Doe

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Type question(s) here

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# 2020 Workplace Wellness Survey



**Employee Benefit Research Institute**  
901 D St., SW, Suite 802  
Washington, DC 20024  
Phone: (202) 659-0670 Fax: (202) 775-6312



**Greenwald Research**  
4201 Connecticut Ave. NW, Suite 620  
Washington, DC 20008  
Phone: (202) 686-0300 Fax: (202) 686-2512

# 2020 Workplace Wellness Survey

## Methodology Overview

- 1<sup>st</sup> year of the Workplace Wellness Survey which builds on:
  - The Health and Workplace Benefits Survey (2013-2018)
  - The Health Confidence Survey (1998-2012)
  - The Value of Benefits Survey (1999 and 2001)
- Interviewed 1,028 American workers ages 21-64. This report focuses on those currently employed with significant differences for furloughed workers called out:
  - 900 are currently employed full or part-time in their primary job
  - 128 are currently furloughed from their primary job, but still have access to their employee benefits
- Information for this study was gathered through 20-minute online interviews conducted July 13 – August 6, 2020 using the Dynata online panel.
- Data weighted by race, age, gender, and education to reflect employed Americans ages 21-64.
- Percentages in the tables and charts may not total to 100 due to rounding and/or missing categories.
- The margin of error (at the 95% confidence level) for the total sample of current workers in this study (n=900) would be plus or minus approximately 3.3 percentage points.

# When it comes to feeling concerned about their household's financial well-being, employees are split with roughly half concerned and a similar share not concerned.

Please rate your level of concern about your household's financial well-being. (2020 n=900)

## Concern About Household's Financial Well-Being

Mean Level of Concern: 6.0

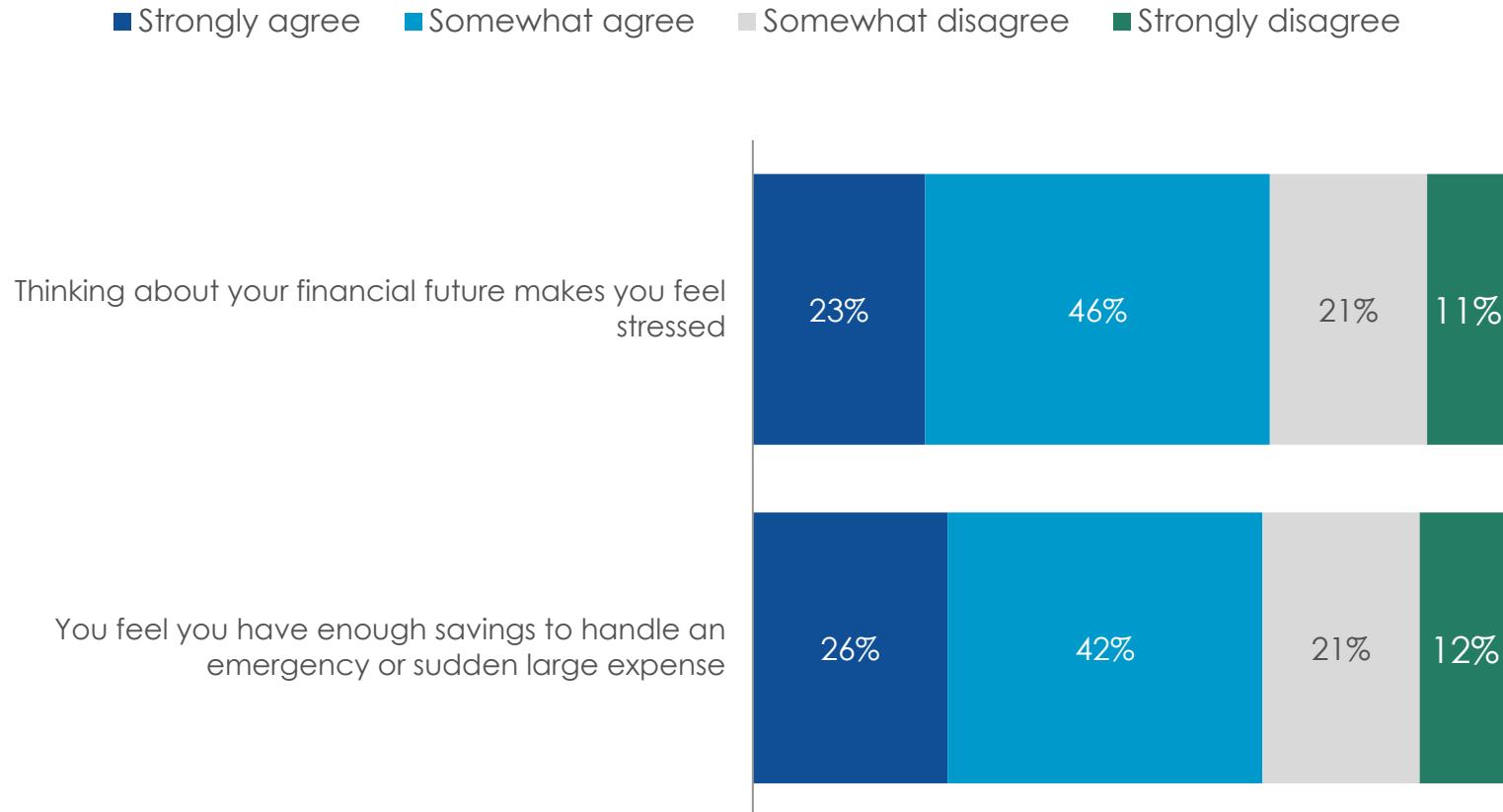
■ High concern (9-10)   ■ Moderate concern (7-8)   ■ Low concern (1-6)



Three in four **furloughed workers** are concerned about their household's financial well-being (mean level of concern: 7.6).

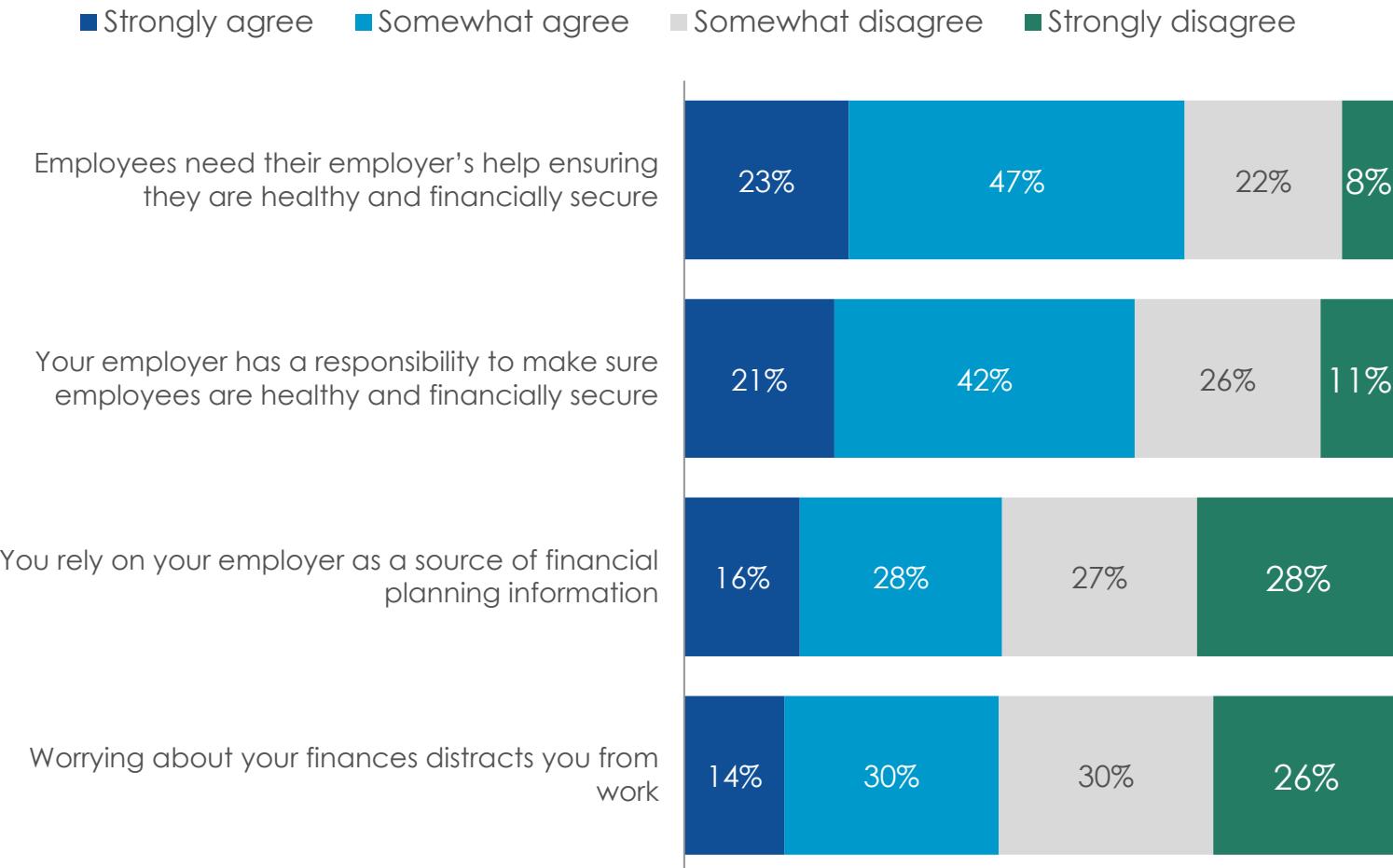
# Two in three employees feel stressed when thinking about their financial future. However, a similar share feel they have enough savings to handle an emergency or sudden large expense.

To what extent do you agree or disagree with the following statements? (2020 n=900)



# Seven in ten employees agree that they need their employer's help ensuring they are healthy and financially secure, and just over six in ten say it is their employer's responsibility to do so.

To what extent do you agree or disagree with the following statements? (2020 n=900)

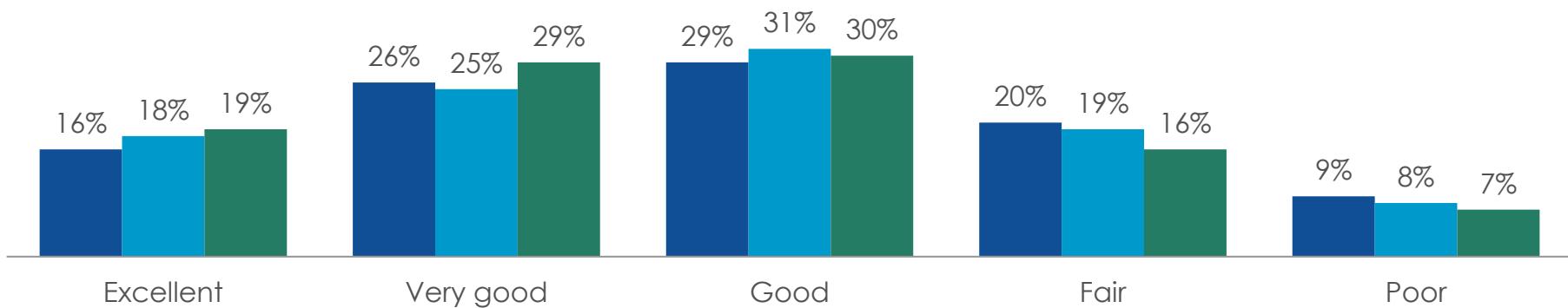


# Four in ten employees rate their employer's efforts to improve their financial and emotional well-being as very good or excellent. About half say the same about their physical well-being.

How would you rate your employer's efforts to help employees improve their financial, emotional, and physical well-being? (2020 n=900)

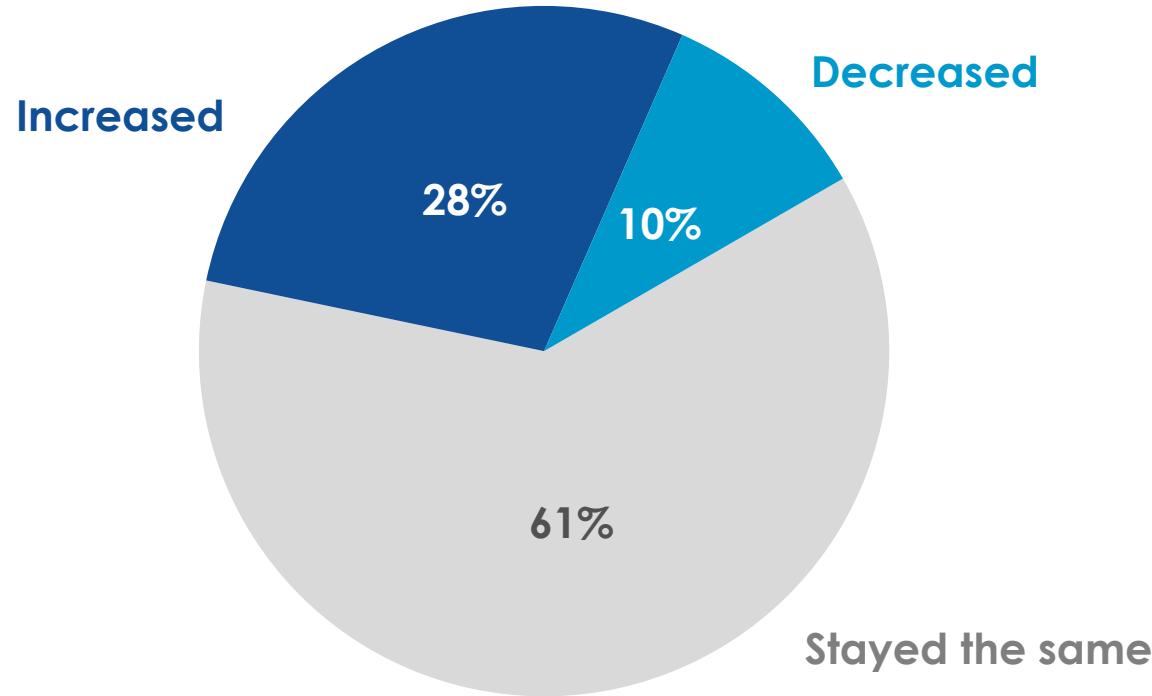
■ Financial Well-Being      ■ Emotional Well-Being      ■ Physical Well-Being

Less than one in four **furloughed workers** rate their employer's efforts to improve their *financial* and *emotional* well-being as very good or excellent (24% and 22%, respectively).



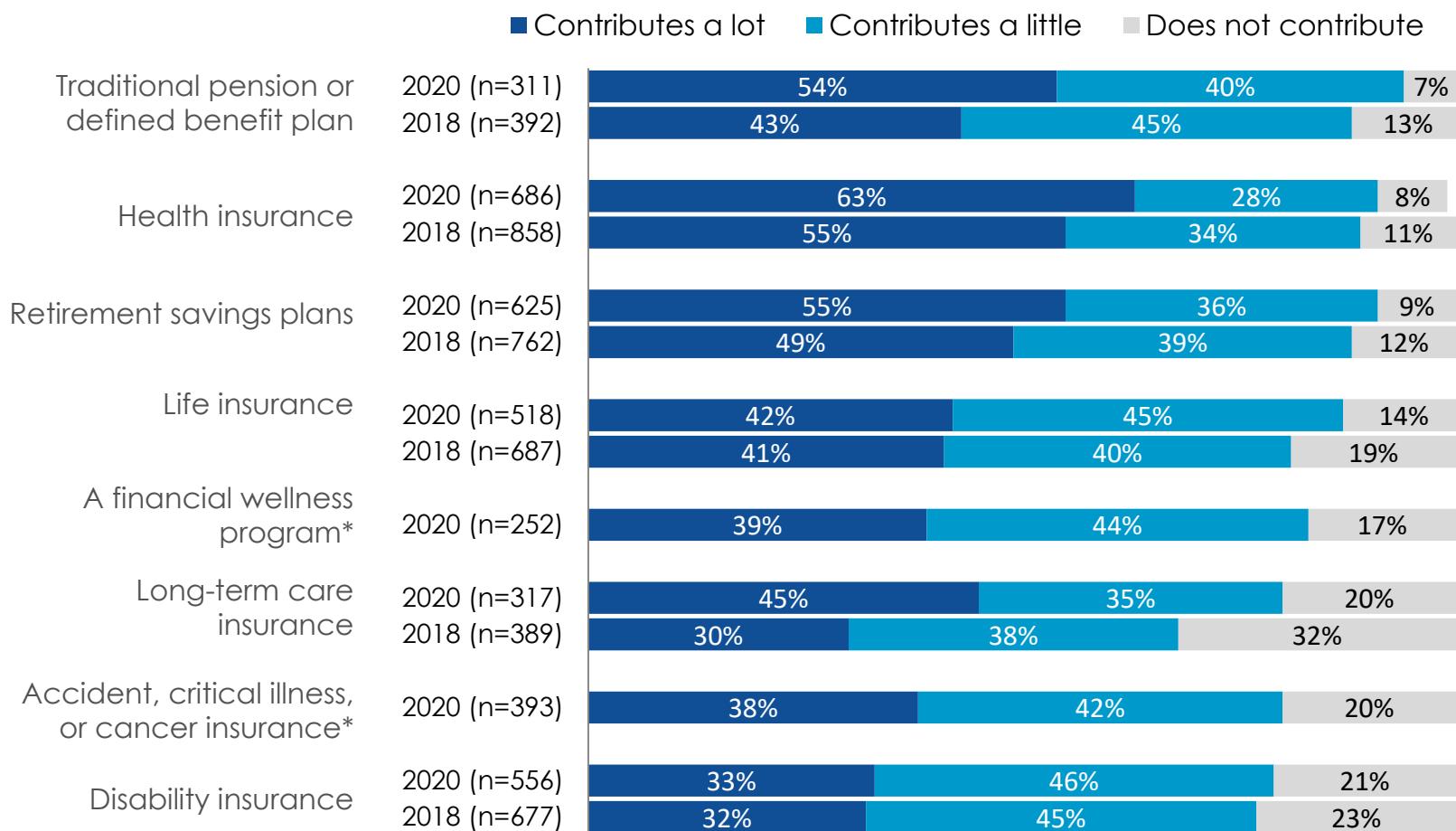
# Only three in ten employees feel their employer's efforts to help them manage their overall well-being since the COVID-19 pandemic began has increased. Six in ten say efforts have stayed the same.

Since the start of the COVID-19 pandemic began, do you feel that your employer's efforts to help employees manage their overall well-being have...? (2020 n=900)



# Health and retirement benefits contribute most to employees' feelings of financial security, even more than in 2018.

How does each of the following benefits offered by your employer contribute to your feeling of financial security? (Employer offers benefit)

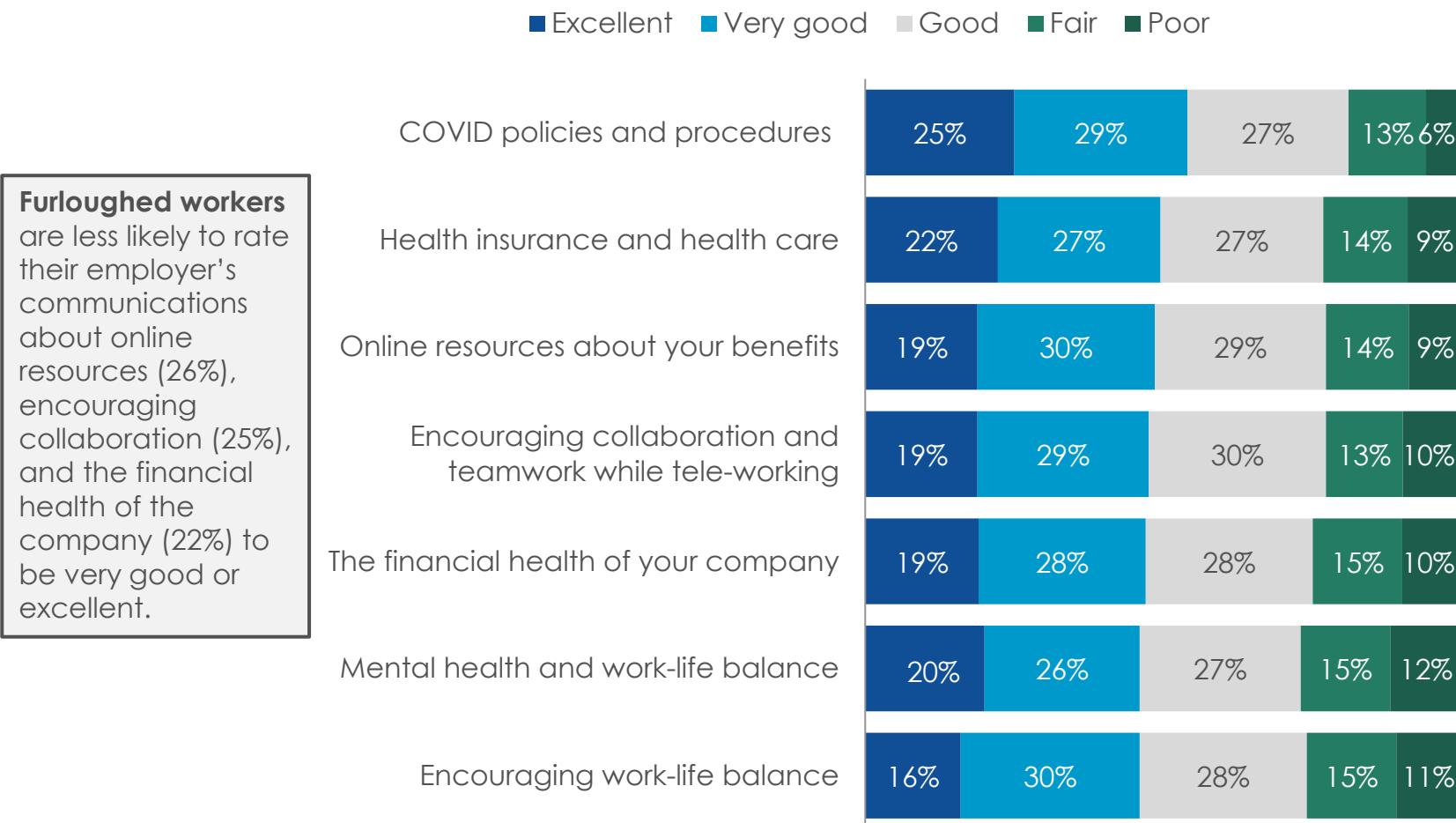


Source: Employee Benefit Research Institute and Greenwald Research, 2018, 2020 Workplace Wellness Surveys

\*New or revised in 2020.

# Only about half of employees rate their employer's communications since the start of the pandemic to be at least very good.

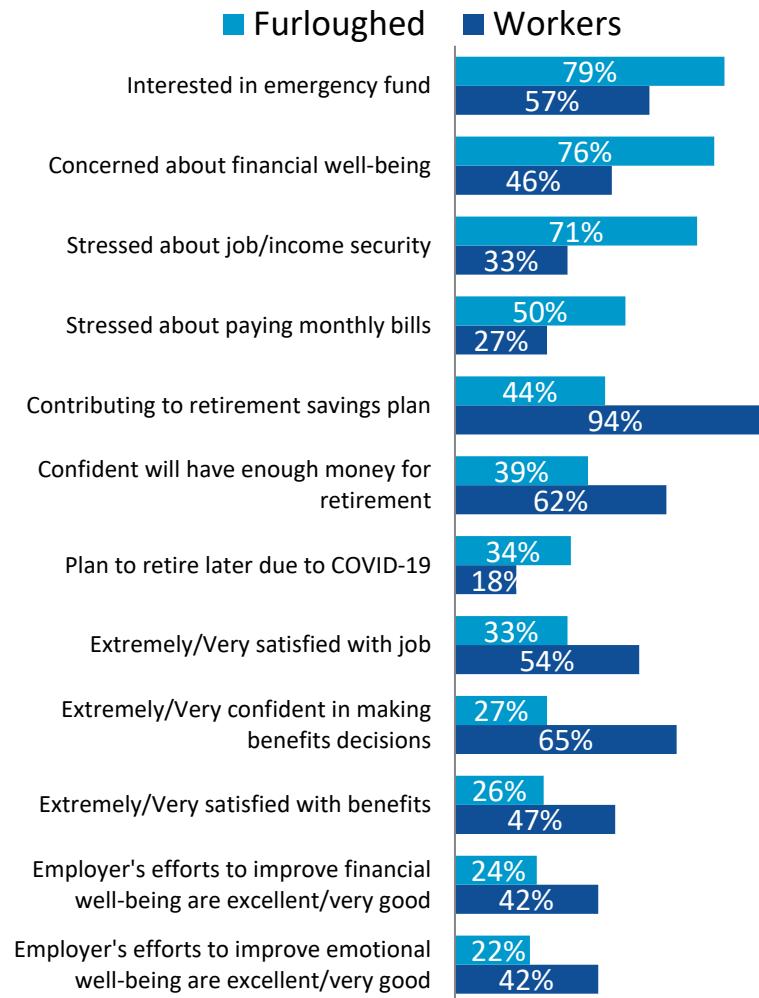
Since the start of the COVID-19 pandemic, how would you rate your employer's communications to employees about the following? (2020 n=900)



# Furloughed Workers

- Three in four furloughed workers are concerned about their financial well-being. Compared to other workers, they are more often stressed about job and income security and paying their monthly bills.
- Furloughed workers are less likely to think their employers are doing a very good job in helping them improve their financial and emotional well-being.
- Furloughed workers are less likely to be satisfied with their primary job and employee benefits. They are also less likely to feel confident in their ability to make informed decisions about their employee benefits. Perhaps not surprisingly, they are more interested in being offered an emergency fund.
- Furloughed workers are less often contributing to a retirement savings plan and are more likely to now plan to retire later since COVID-19. They also feel less confident in having enough money to live comfortably throughout retirement.

## Workers vs. Furloughed



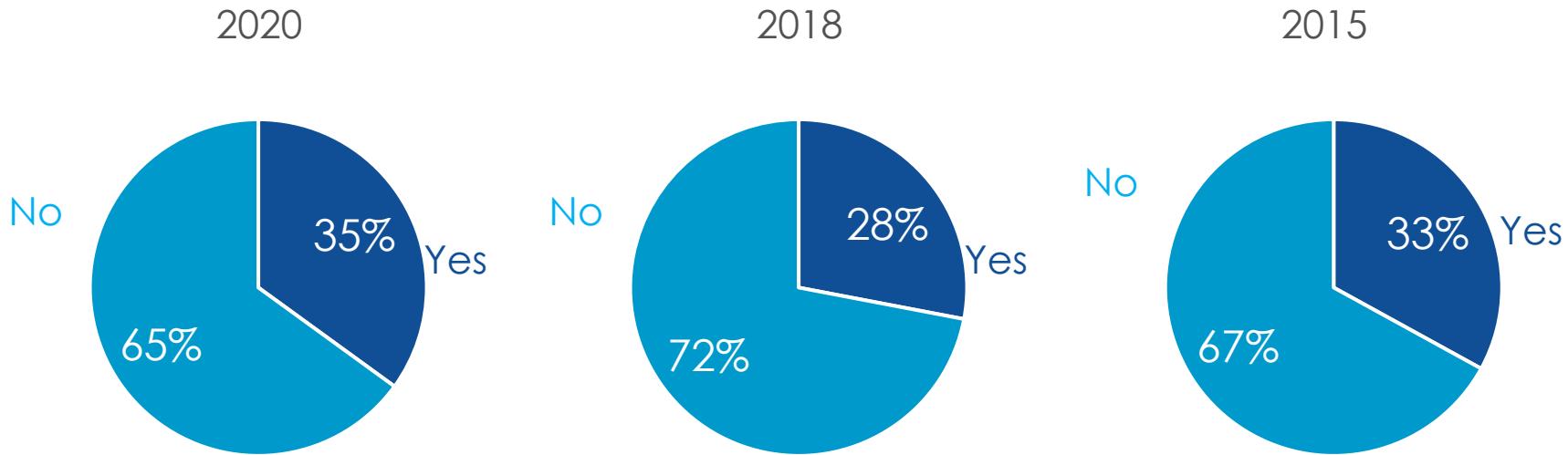
# **FINANCIAL WELLNESS PROGRAMS**

# **Does your employer offer you the chance to participate in a financial wellness program?**

The purpose of this type of program is to help employees reduce financial stress and put them on track to achieve their financial goals. It may include services such as financial planning, debt and budget management, financial education, and discount programs.

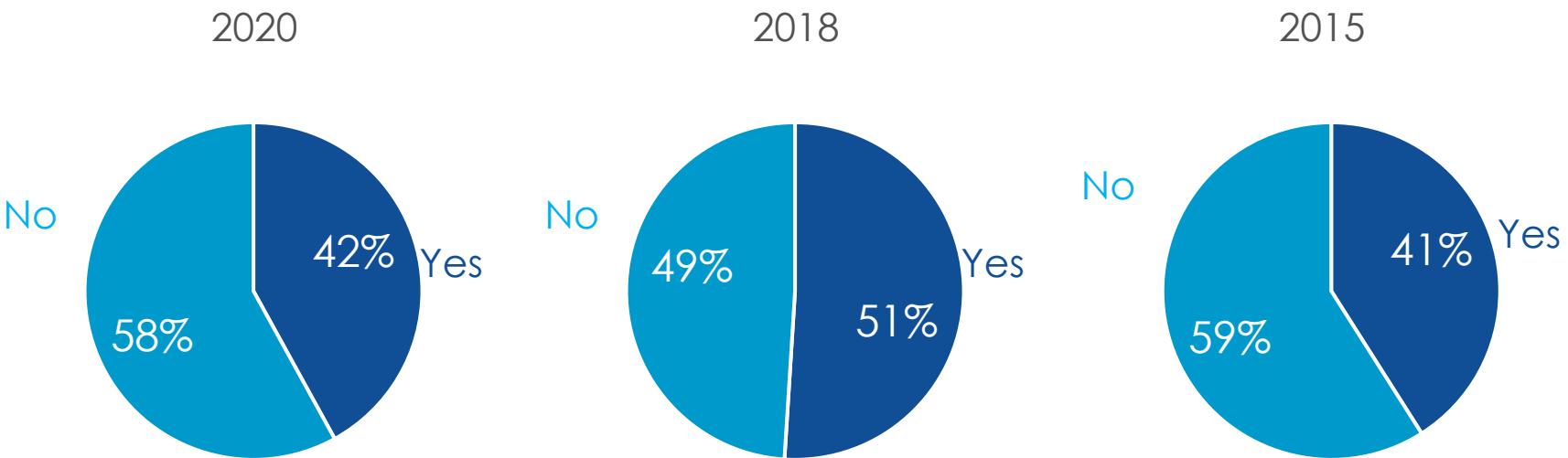
# The share of employees offered a financial wellness program returns to 2015 levels, with 1 in 3 offered the chance to participate.

Does your employer offer you the chance to participate in a financial wellness program?  
(2020 n=900)



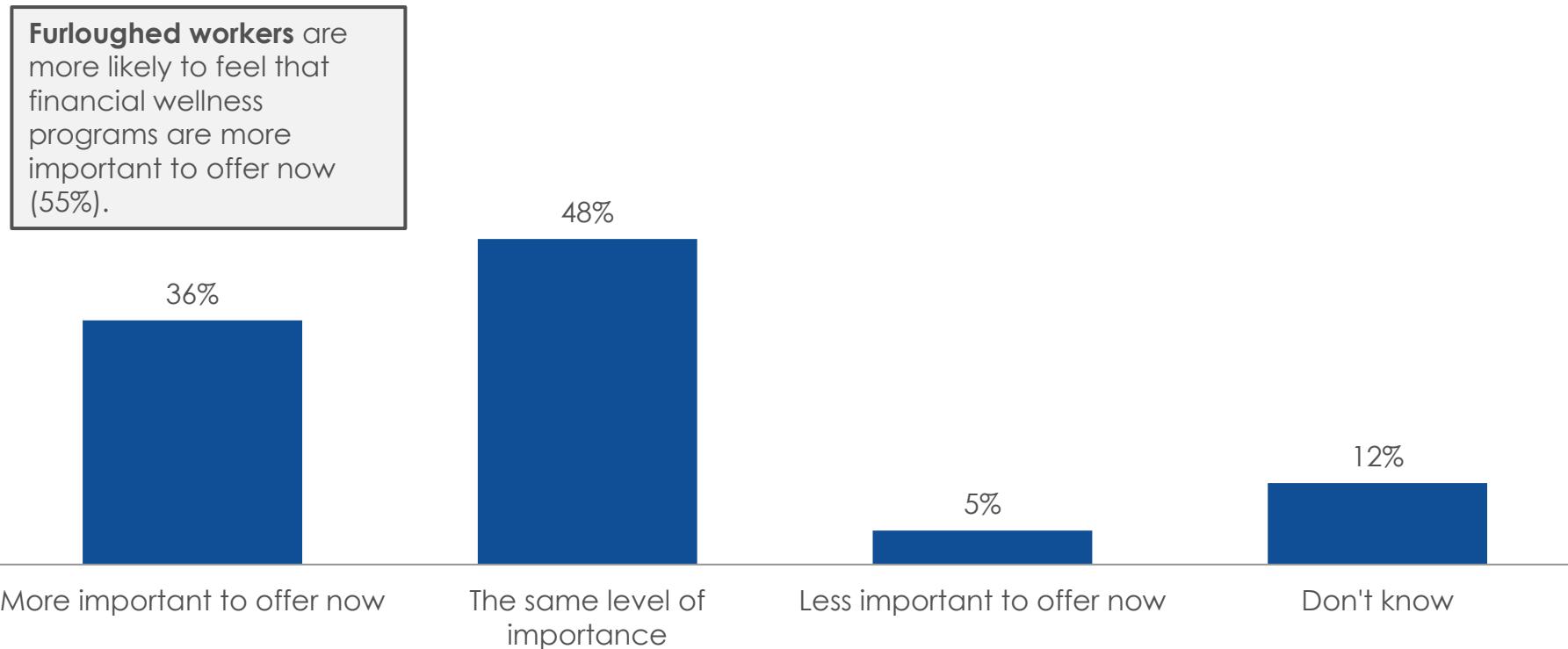
# Among those offered a financial wellness program, 4 in 10 participate, returning to shares seen in 2015.

Have you participated in the financial wellness programs? (Employer offers financial wellness program: 2020 n=297)



# 1 in 3 employees feel that financial wellness programs are more important given the COVID-19 pandemic. Half say importance hasn't changed.

Do you feel that financial wellness programs are more or less important for employers to offer given the COVID-19 pandemic and economic impact? (2020 n=900)

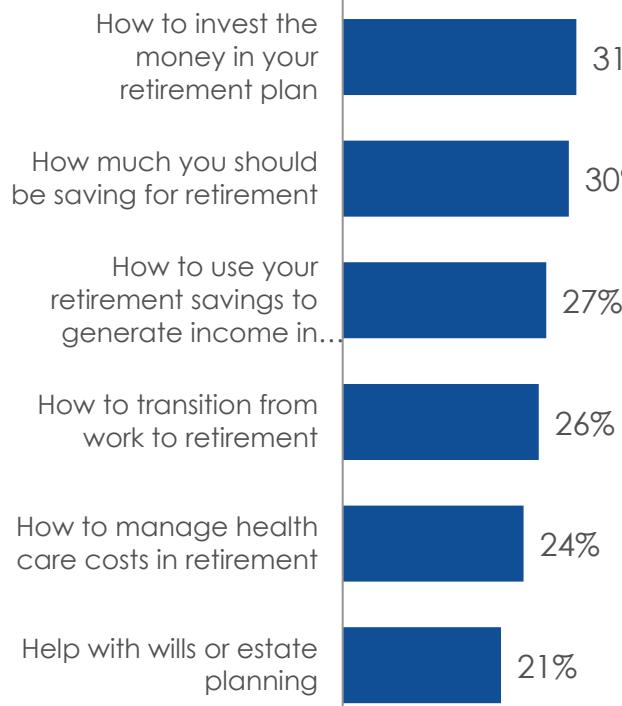


# Employees are most interested in retirement education or advice. 1 in 4 want to learn about managing health costs in retirement or building emergency savings.

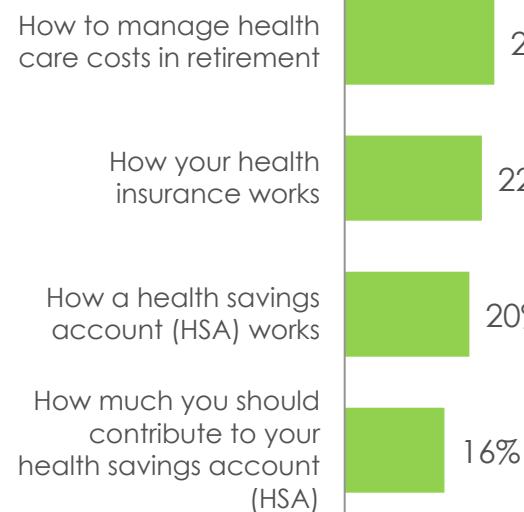
Which of the following topics would you want your employer or the benefits companies they use to educate or advise employees on? Please select all that apply.

(Employer offers at least one benefit: 2020 n=780)

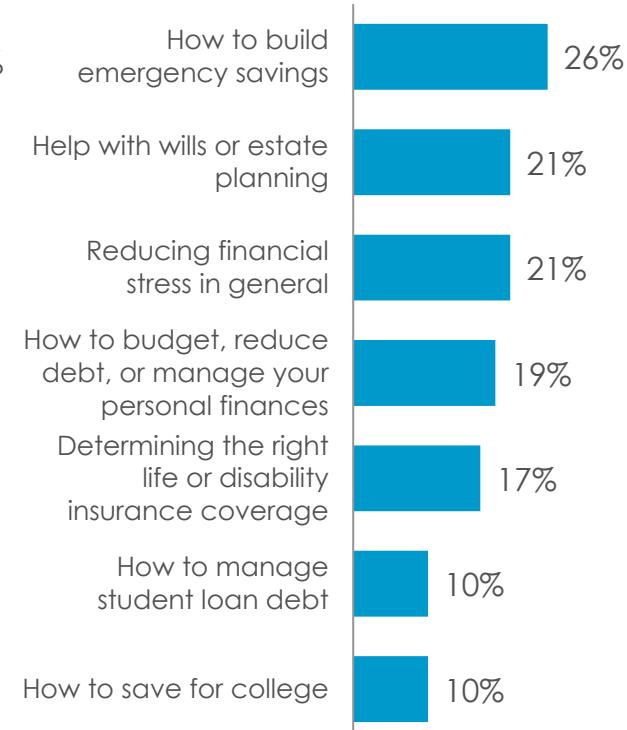
## Retirement



## Health

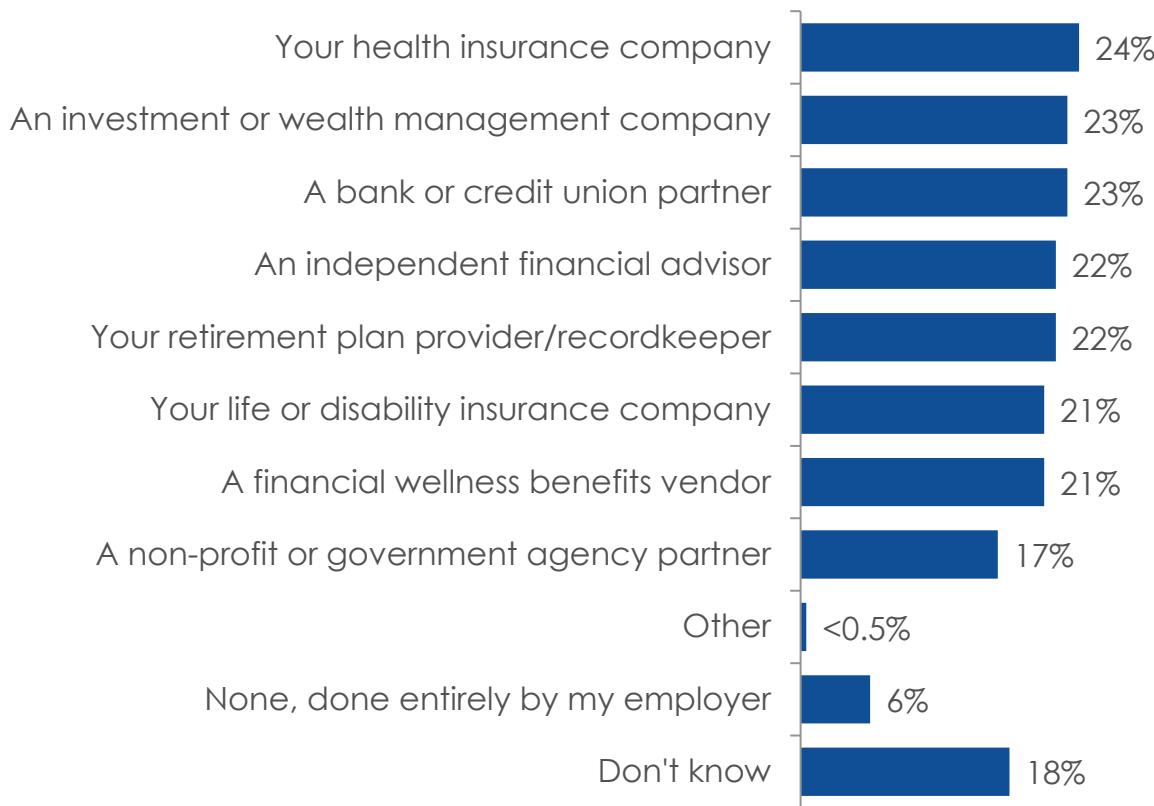


## Other



# A wide variety of benefits providers and companies are involved in financial wellness programs. Very few employees say their employers handle the programs by themselves.

To the best of your knowledge, which types of benefits providers or companies are involved in your company's financial wellness program? Please select all that apply. (Offered a financial wellness program: 2020 n=297)



61% of **furloughed workers** say their health insurance company is involved in their employer's financial wellness program.



Employee Benefits Research Institute

# Employee Financial Well-Being: An Employer's Perspective

EBRIefing: Financial Well-Being – Findings from the EBRI/Greenwald  
Research Workplace Wellness Survey

December 1, 2020 / Bennett Hadley

# Agenda

**Impact of Employee Financial Well-Being on Employers**

**A Framework for Successful Employer Provided Financial Well-Being Benefits**

“

It's clear from our data that the #1 thing on the minds of most employees today is personal financial security.”

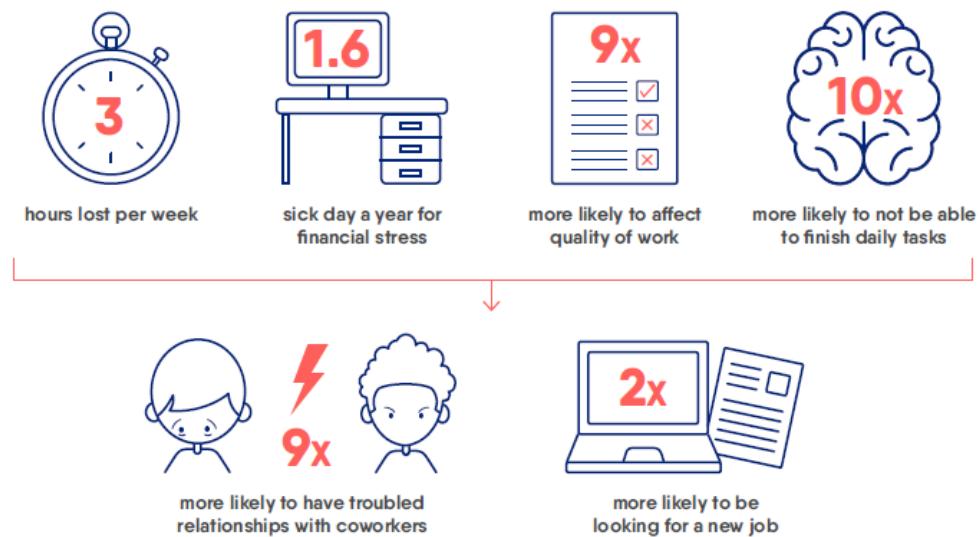
Josh Bersin  
April 25, 2020

Source: “COVID-19 May Be The Best Thing That Ever Happened To Employee Engagement,” [joshbersin.com](http://joshbersin.com), April 25, 2020.  
[joshbersin.com/2020/04/covid-19-may-be-the-best-thing-that-ever-happened-to-employee-engagement](http://joshbersin.com/2020/04/covid-19-may-be-the-best-thing-that-ever-happened-to-employee-engagement)

# Employer Perspective

# Employee Financial Insecurity Impacts Employer Financials

- Turnover (recruiting and training costs)
- Employee absenteeism
- Delayed retirement

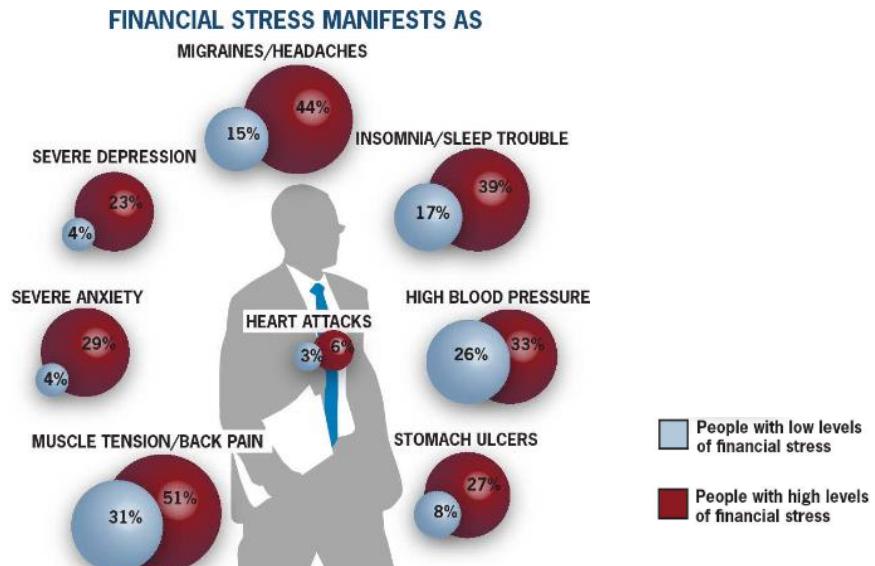


Poor financial health costs you 13-18% of employees' annual salaries

Sources: The 2<sup>nd</sup> Annual Salary Finance Report, 2020. [salaryfinance.com/us/2020-report/](https://salaryfinance.com/us/2020-report/)

# Employee Financial Insecurity Impacts all Aspects of Employee Well-being

**73%** of Americans say their finances are their **#1** source of stress



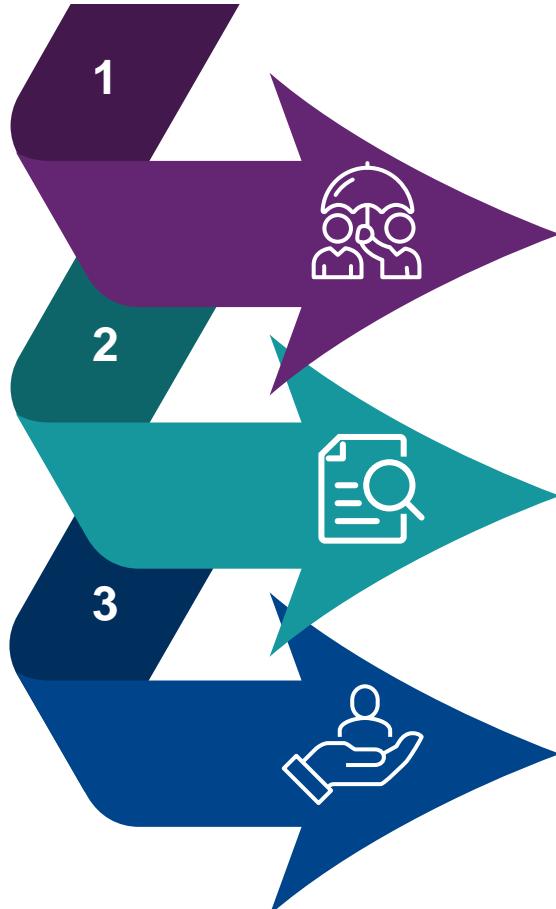
Financially stressed individuals have significantly higher rates of physical and mental health challenges

Sources: 73% of Americans rank their finances as the No. 1 stress in life, according to new Capital One CreditWise survey, CNBC, Nov 10 2020.

[cnbc.com/select/73-percent-of-americans-rank-finances-as-the-number-one-stress-in-life/](http://cnbc.com/select/73-percent-of-americans-rank-finances-as-the-number-one-stress-in-life/)

AP-AOL Health Poll: Debt Stress: The Toll Owing Money Takes on the Body. [finesse.app.box.com/v/ROI-Case-Study-Healthcare](http://finesse.app.box.com/v/ROI-Case-Study-Healthcare)

# High Potential of Financial Well-Being Benefits



## **Support struggling employees**

Address financially stressed employees' needs and worries and save real dollars

## **Engage key employees**

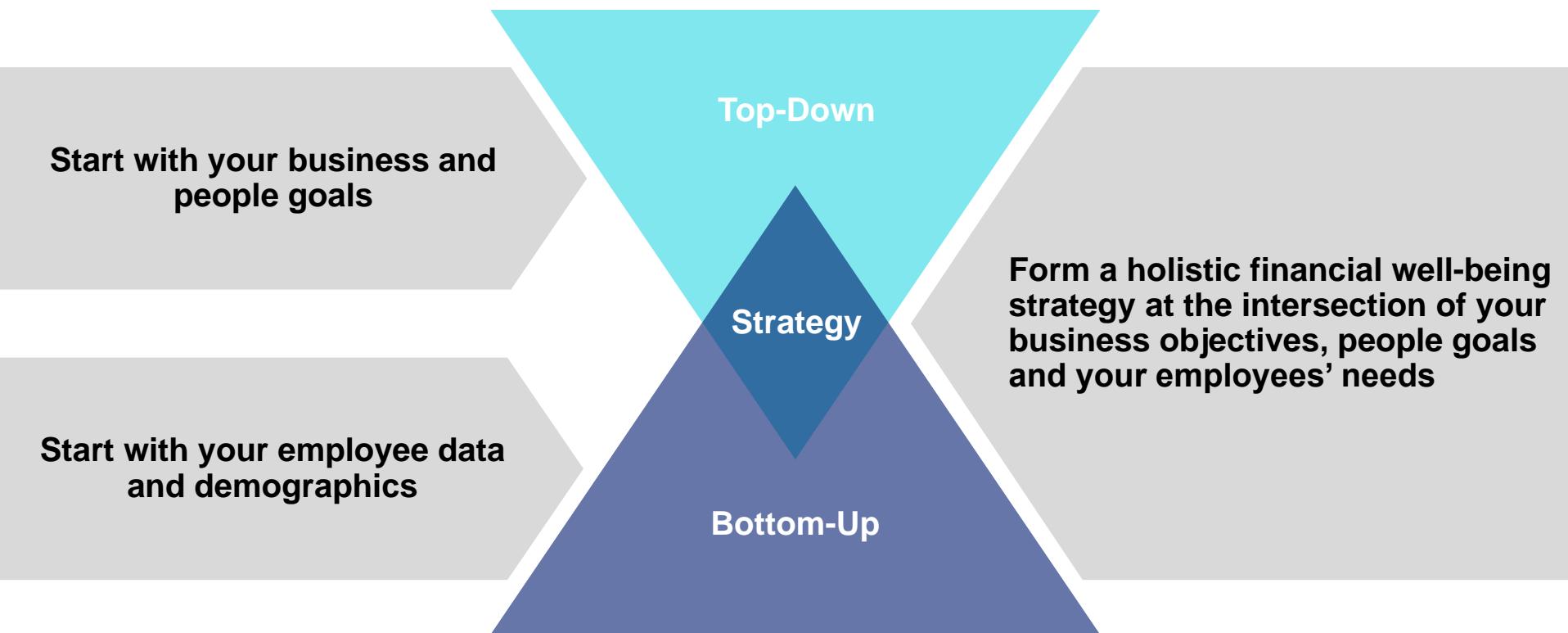
A targeted benefit can be a powerful retention tool

## **Become an employer of choice**

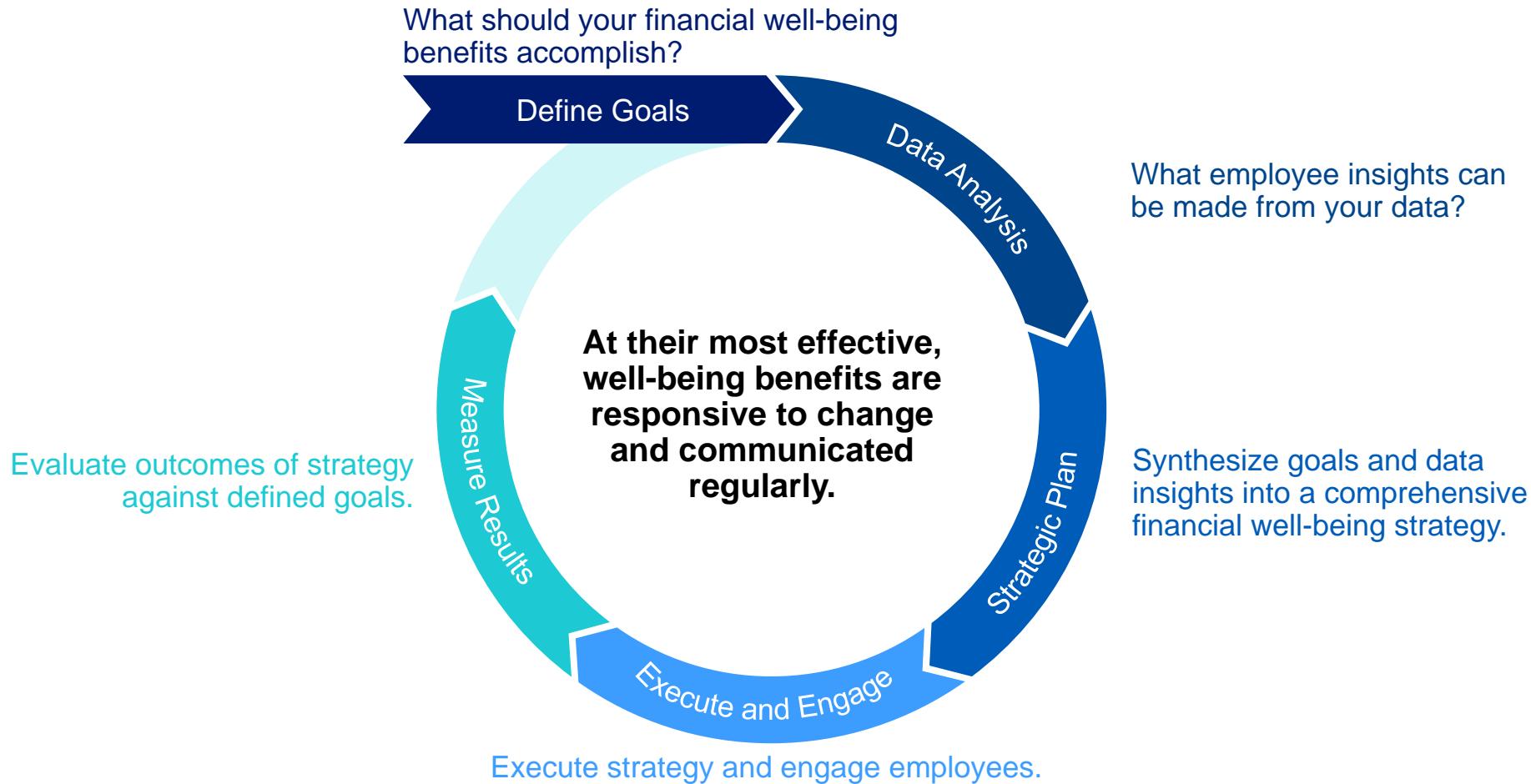
Show your employees you care – foster loyalty and a positive company culture

# Framework for Increased Employer Success

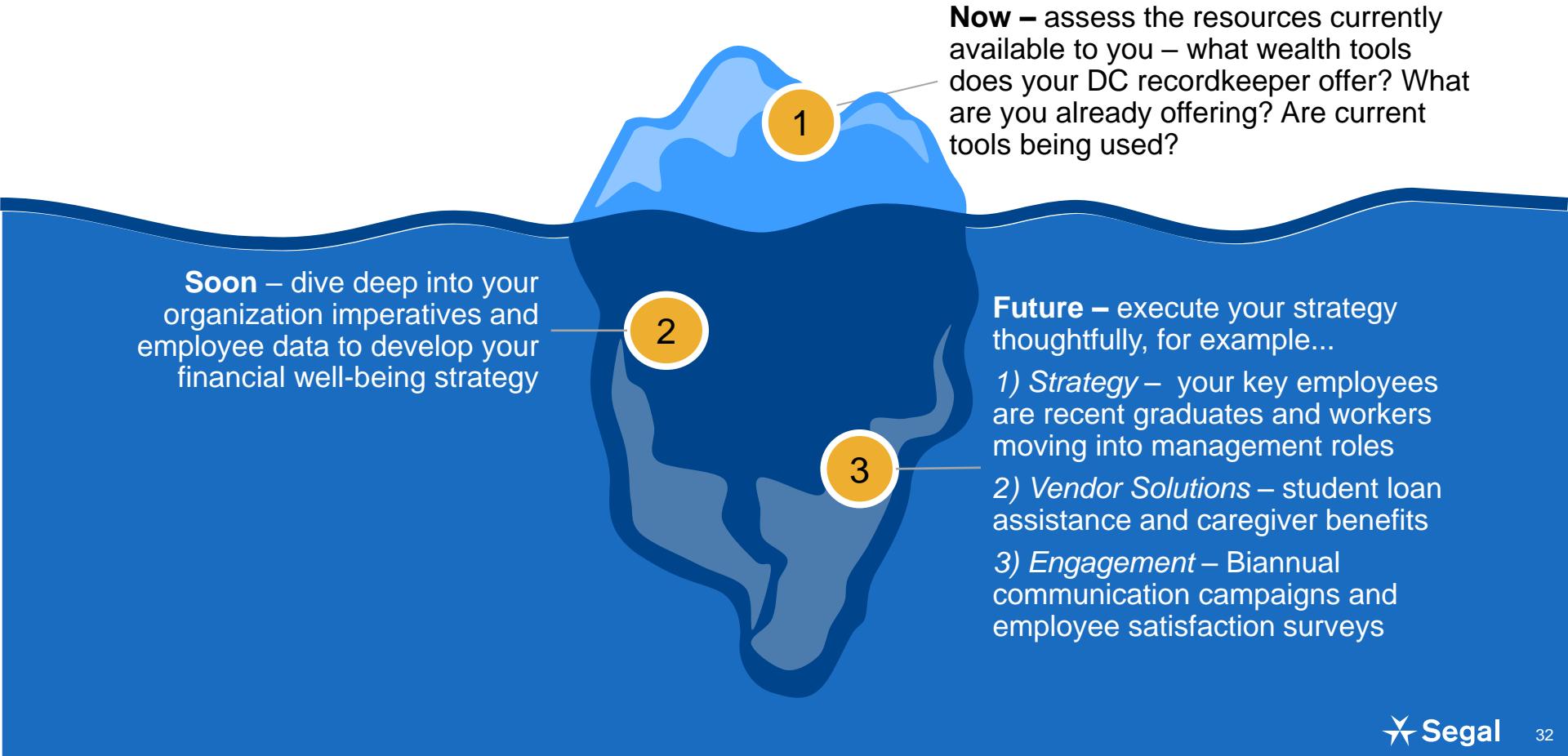
# Form a Comprehensive Financial Well-Being Strategy



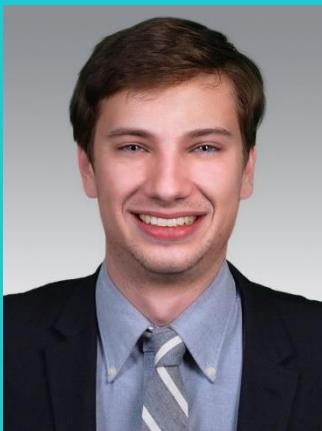
# Efficient Benefits are Assessed Regularly



# Financial Well-Being Tactical Actions



# Thank You



**Bennett Hadley**

*Financial Security Benefits*

*Solution Leader*

bhadley@segalco.com

929-332-4578





My Financial Wellness

as of Today

Assessing your financial health is an important step on your journey to financial wellness.

Protection      Spending & Saving      Emergency Fund      Retirement      Debt      Other goals

Spending more than you make is a reality for many people. Create a budget to plan for your future!



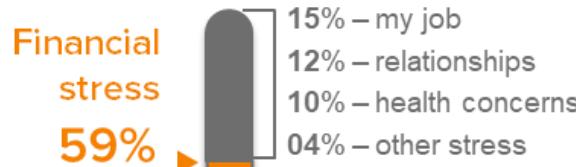
# Financial wellness today can help lead to saving and living well in retirement

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PLAN | INVEST | PROTECT

# Financial stress costs. Everyone.

## Stressors in the workplace:



## Financial stress impacts:



## The bottom line: Reduced costs



Average employer cost of delayed retirement is  
**\$51,000 per employee<sup>2</sup>**

<sup>1</sup> PWC Employee Financial Wellness Survey, 2018.

<sup>2</sup> Voya Internal Data. Assumptions: An incremental aggregate cost of \$51,000 for every individual whose retirement is delayed by three years. This cost is estimated assuming that a 65 year old employee is not replaced by a mid-career employee for three additional years, and assumes a flat 31% cost of benefits as per Bureau of Labor average (<https://www.bls.gov/news.release/pdf/ecec.pdf>)

# Guiding principles of our financial wellness experience

To improve outcomes,  
we must effectively:

## ENGAGE

Reaching your employees where they are, with the right message at the right time.

## GUIDE

Delivering personalized experiences that lead your employees to their next best action based on their current financial situation and goals for the future.

## DRIVE ACTION

Help your employees take action to improve their financial outcomes.

# Q & A



# Get Involved With EBRI!

- **Support the 2021 Workplace Wellness Survey**
  - Contact Paul Fronstin ([fronstin@ebri.org](mailto:fronstin@ebri.org)) or Betsy Jaffe ([jaffe@ebri.org](mailto:jaffe@ebri.org)) for more information
- **Join us for our Winter Policy Forum Webinars**
  - December 7 — Election Results: What They Mean for Employers and the Benefits Landscape
  - December 8 — The Full Picture: Retirement, Financial Wellness, and Health Benefit Considerations of Minorities in the U.S.
  - December 10 — The Stand: Employer Approaches to Health Benefits Post-COVID-19
- **Become an EBRI Member**
  - Contact Betsy Jaffe ([jaffe@ebri.org](mailto:jaffe@ebri.org)) for more information