

At a Glance | March 19, 2020

Emergency Savings Is a Common Benefit; Employers Cite Varying Reasons

Only 1 in 5 families have liquid savings of more than three months of their income.¹ EBRI looks at employers' motives and goals for addressing the issue.

FOCUS ON EMERGENCY FUNDS

More than 4 in 10 employers with an interest in offering financial wellness programs said they offer or plan to offer an emergency fund/employee hardship assistance.

EBRI Classified a Subset of "Emergency-Fund-Focused Employers" Among All 2019 Financial Wellbeing Survey Respondents

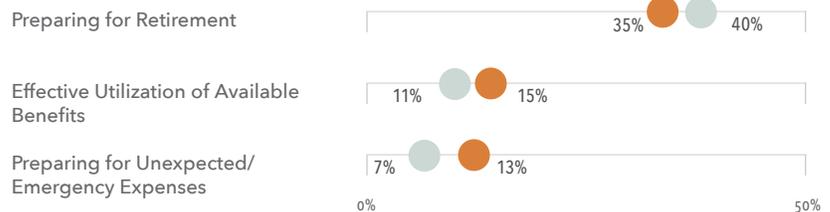


TOP CONCERNS

Retirement preparedness factored strongly into top issues emergency-fund-focused employers hope to address with financial wellness initiatives. Preparing for unexpected expenses was nearly twice as commonly cited by such employers vs. all survey respondents.

Top Three Issues Faced by Employees That Employer Financial Wellness Initiatives Are Designed to Address

All Respondents vs. Emergency-Fund-Focused Respondents



TOP REASONS FOR OFFERING FINANCIAL WELLNESS INITIATIVES VS. FACTORS FOR MEASURING THEIR SUCCESS

Notably, there is often a disconnect between reasons given for offering financial wellness initiatives (●) and approaches to measuring their success (◆) for both EFF and all respondents. Improved overall worker satisfaction was cited as a reason for offering financial wellness initiatives far more often by EFF and all employers vs. as a success measure. However, while improved work force management was equally cited as a reason and as a success measure by all employers, it was twice as commonly cited as a success measure vs. a reason by EFF employers.

Percentage of Respondents Choosing as Top Reasons for Offering Financial Wellness Initiatives and Factors Measuring Their Success

All Respondents (All) vs. Emergency-Fund-Focused Respondents (EFF)



1. EBRI estimate of the 2016 Survey of Consumer Finances.

SOURCE: Lori Lucas, "Emergency-Fund-Focused Employers: Goals, Motivations, and Challenges," *EBRI Issue Brief*, no. 500 (Employee Benefit Research Institute, February 13, 2020).