



## More Than a Paycheck: Financial Wellness in the Workplace

Employees

Salaries



# More Than a Paycheck: Financial Wellness in the Workplace

*Examining the roles and actions of employers/plan sponsors in offering formal financial wellness programs for workers*

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# Hot Topic: Financial Wellness

Financial wellness remains a consistently “hot topic” in benefits and financial services.

Forbes contributor Rick Unser writes:<sup>1</sup>

*“Financial wellness is a process to engage employees and improve one or more aspects of their relationship with money.*

*A financial wellness definition has to do with your relationship with money. It refers to how secure your money is, given all the variables involving an unknown future. Are you financially prepared for emergencies? Do you have active plans in place to reach your long-term and short-term financial goals throughout life? It also includes your present situation with money. Do you have a budget? Do you stick to it? What about your attitude toward money? Does the thought of it make you sick to your stomach or does it make you come alive? All of these considerations and more must be a part of a thorough financial wellness definition.”*

The impact of financial wellness — particularly workplace programs intended to foster it — can be difficult to quantify for both employers and employees.

In the end financial wellness may be — much like happiness — both elusive and impossible to singularly define. It means something different to everyone.

With that as a backdrop, financial wellness is worthy of attention on a number of fronts. Even assuming a very basic definition of “freedom from financial stress,” the benefits to individuals and employers can be substantial.

It could be argued that, in the act of providing a retirement plan or other benefits, employers begin the journey of participating in their employees’ financial wellness. More than half of workers feel that benefits are critical to their family’s financial security.<sup>2</sup> (And, even before a benefits program, the paycheck [income] is the foundation of financial wellness for most individuals.)

Yet, employers — even those who currently do offer at least a defined contribution (DC) retirement program — are not unilaterally on board with offering formal financial wellness programs as part of a benefits suite. In late 2018, the Secure Retirement Institute® (SRI™) studied 1,147 DC plan sponsors’ views and behaviors about financial wellness and financial wellness programs, uncovering key differences among them, based on their existing benefits programs, resources, and organization size and type. This research offers a range of insights about how financial wellness programs are perceived and offered within the workplace.

**Figure 1 — Employer involvement in financial wellness: A spectrum**



<sup>1</sup> Unser, Rick, *More Buzz Than Action With Financial Wellness?*, Forbes Magazine, 2018.

<sup>2</sup> *Institutional Retirement Reference Guide, First Edition*, Secure Retirement Institute, 2019.

# Key Findings

Only about 30 percent of employers who currently sponsor a DC plan also offer a formal financial wellness program; almost as many say that they plan to implement a program within the next year. ***Financial wellness is a fast-growing, highly visible part of a benefits program, and the most common resource for those programs is the existing DC plan provider.***

Larger plan sponsors are most likely to have, and to be considering, formal wellness programs. ***The biggest opportunity to introduce a formal program may be in tandem with the DC plan, and in larger employers. An appetite for formal financial wellness programs, like many other benefits innovations, may soon migrate “down market” to smaller companies.***

When a formal wellness program is not on a plan sponsor’s radar, it’s most likely because they simply have not considered it. ***Raising awareness of formal financial wellness programs may help spread their adoption by plan sponsors; something that can easily be done in the context of an existing DC relationship with the employer — or with advisors.***

Whether or not they offer a program, employers are in agreement that “financial wellness” should transcend simple retirement education. Still, retirement planning is at the forefront of wellness program content, followed by understanding and managing financial needs relating to other benefits offerings such as healthcare and insurance. ***Diverse and holistic offerings will be important to a successful wellness initiative, but financial wellness begins with benefits (which are key to financial security for most workers.)***

Sponsors who offer financial wellness feel strongly that it differentiates their retirement program from a theoretical perspective, but are somewhat less likely (and counter-intuitively) to say that their specific program increases the competitiveness of their own benefits offering. ***Helping sponsors measure program successes, benchmark results and competitiveness — and regular communication of the value of the program — can help reinforce the competitive advantages to an employer’s organization.***

***Plan providers/recordkeepers are unilaterally the most common provider of financial wellness; however, small companies (fewer than 20 employees) are nearly twice as likely to turn to the plan advisor for their programs.*** Advisor-supported plan sponsors are also significantly more likely to have a wellness program in place. ***Helping advisors deliver financial wellness may offer a strategic advantage for providers in small plan markets.***

On-site meetings are the most common delivery method for financial wellness programs. ***While live-meeting support can help differentiate a wellness offering, there is room to explore alternative methods.***

## METHODOLOGY

In late December 2018, SRI and Dynata (formerly Research Now SSI) surveyed 1,147 retirement benefits decision-makers at U.S. employers that:

- Employ 10 or more employees
- Offer a defined contribution (DC) retirement plan, not part of a MEP
- Are not a governmental or educational organization

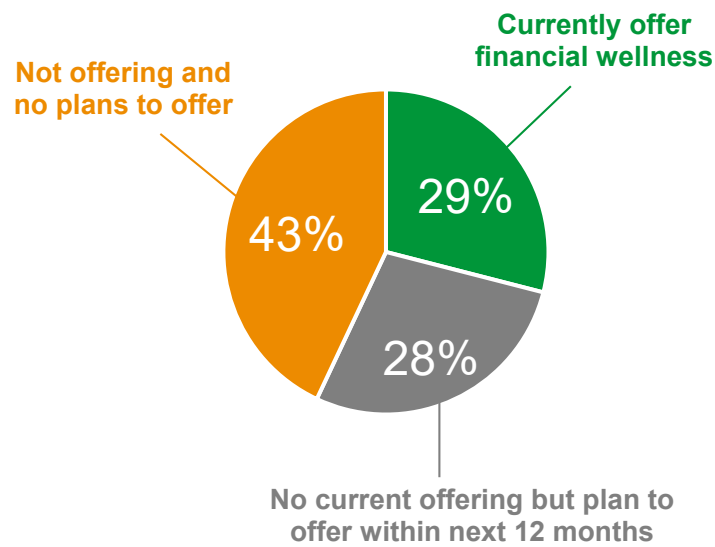
# Which Plan Sponsors Offer Financial Wellness Programs?

*Formal financial wellness programs are not uncommon, but nor are they offered by a majority of employers/plan sponsors. Even taking into account those who plan to offer a wellness program soon (within a year), many plan sponsors (43 percent) have not jumped on the wellness bandwagon.*

*Still, almost a third of sponsors do intend to investigate wellness, creating an opportunity for recordkeepers and advisors to help.*

*Opportunities in the wellness space are not appreciably higher in the smaller plan market, despite the relative “dearth” of wellness programs compared to larger plans. Even while they may not offer wellness, sponsors in smaller plans are also far less likely to report that they have any intention of doing so.*

**Figure 2 — Employers offering financial wellness programs**



While 74 percent of employers/plan sponsors report that they offer at least some level or amount of financial education in the workplace, significantly fewer (just 29 percent) offer a formal financial wellness program.

Just as many say that they intend to introduce a formal wellness program within the next year (which would presumably double the percent of employers offering wellness to nearly 60 percent).

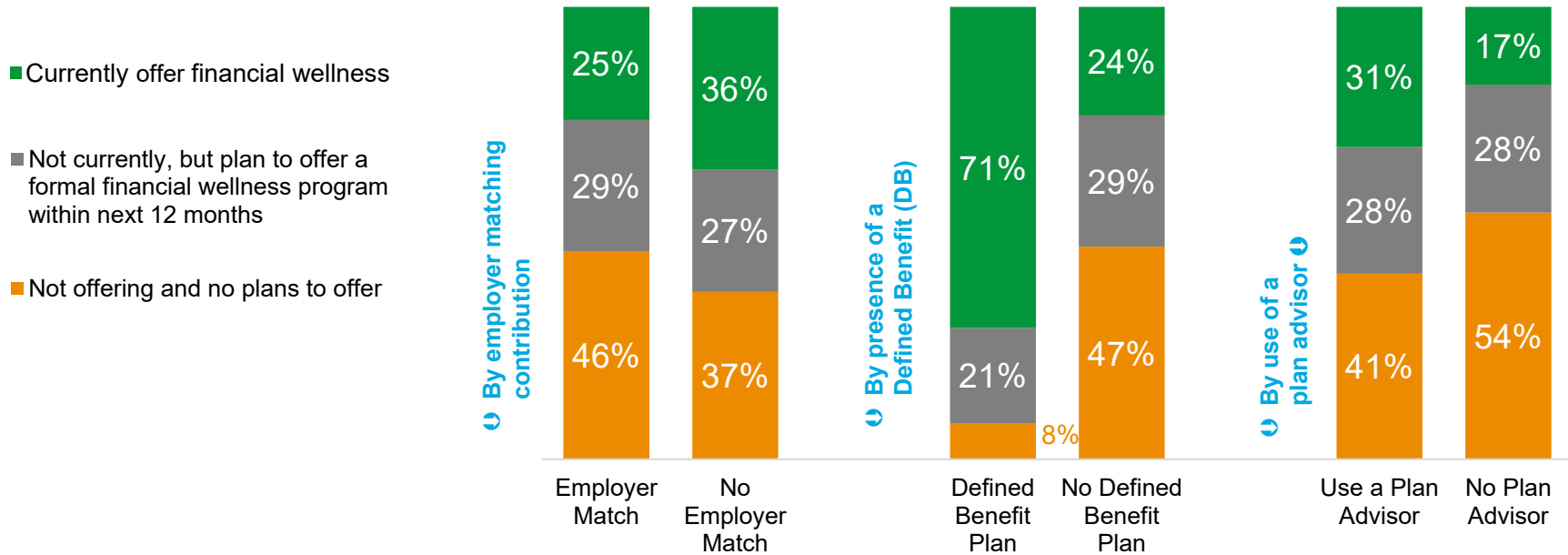
This leaves a little more than 4 in 10 employers who do not offer a wellness program, and have no intention of doing so in the near future.

Sponsors of larger plans (\$10 million or more in assets) are more than twice as likely to offer a formal wellness program (than are sponsors of plans with less than \$5 million in assets). It's likely that larger plans, in larger employers, also benefit from having staff dedicated to the plan itself, and more robust employee services and benefits offering overall.

Based on 1,147 retirement benefits decision-makers in employers with 10 or more employees.



**Figure 3 — Employers offering financial wellness, by employer contributions, defined benefit plan, and use of a plan advisor**



Based on 1,147 retirement benefits decision-makers in employers with 10 or more employees.

Whether a plan sponsor offers a formal financial wellness program can vary widely among different plan and employer behaviors and characteristics.

Employers who do not currently match employee contributions into their DC plan, for example, are (when compared to employers who do offer some degree of matching contribution):

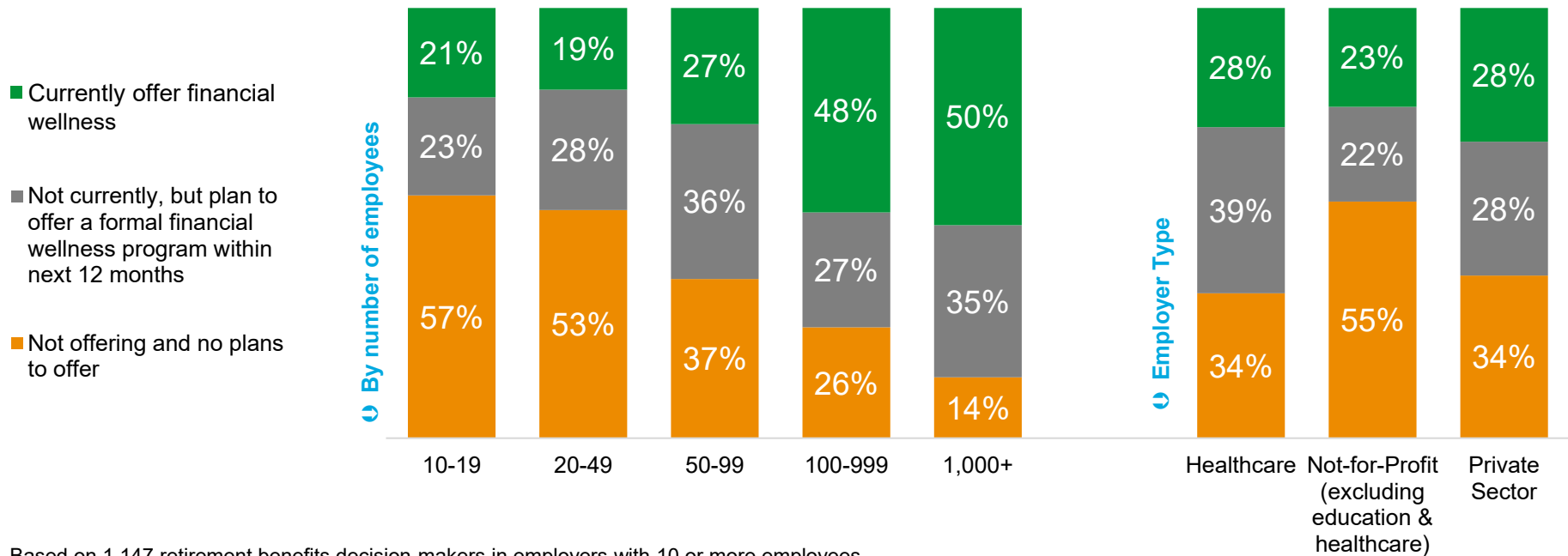
- More likely to offer formal wellness (perhaps “compensating” for the lack of a match)
- Equally likely to be considering a program when there is none in place
- Less likely to say that they are not considering one

While only 11 percent of employers offer a defined benefit (DB) plan in addition to their DC plan, these employers are significantly more likely — nearly three times — to say that they have a formal financial wellness program in place than are sponsors of DC plans alone.

The connection between a offering financial wellness and having a DB plan is likely a function of employer size. Sponsors with more employees (i.e., in larger organizations) are also more likely to offer a formal wellness program, although the divide between those who offer wellness and those who do not (and don’t plan to) is widest when taking into account the presence of a DB plan.

Using an advisor for the DC plan — and some 86 percent of DC plan sponsors say that they do use a plan advisor — tracks with a nearly double likelihood that a sponsor will offer a formal financial wellness program.

**Figure 4 — Employers offering financial wellness, by employer size (number of employees) and employer type**



Based on 1,147 retirement benefits decision-makers in employers with 10 or more employees.

Organization size, like the size of the DC plan in place, is a strong indicator of whether or not there is a formal financial wellness program in place; organizations with more employees are more likely to offer financial wellness in the first place. And those who currently do not have a plan in place are also more likely than the smallest employers to say that they are considering implementation within the next year.

Only a fifth of organizations with fewer than 50 employees offer formal financial wellness programs, and they are not likely to report that they are considering adding a wellness offering.

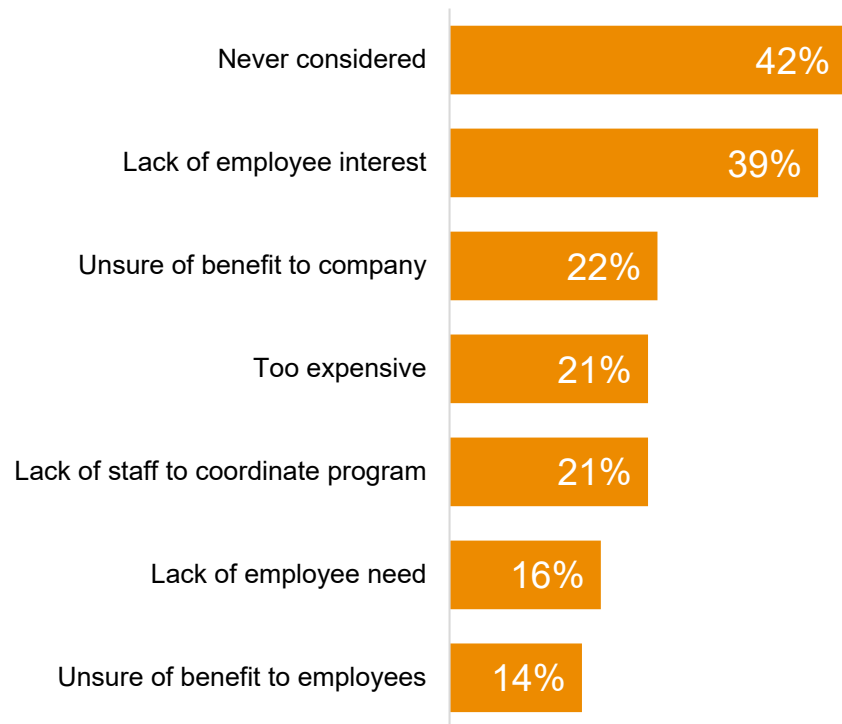
Healthcare and private sector “for profit” employers are equally likely to have formal wellness programs in place, but they are not common in either — only 28 percent. Not-for-profit employers (excluding education and healthcare) are slightly less likely still to offer financial wellness, at 23 percent.

Healthcare employers are more open to adding financial wellness — 39 percent (about a third more than currently have a wellness program) are planning to implement one within the next year.

Financial wellness is least in scope for not-for-profit employers; more than half say they have no plans to consider a program.

# Why Do Some Plan Sponsors Have No Plans for Financial Wellness?

Figure 5 — Reasons for not offering a financial wellness program



Based on 491 retirement benefits decision-makers in employers with 10 or more employees, who have no financial wellness in place, and have no plans to add a financial wellness program; reflects top 2 box response, “Strongly agree” and “Somewhat agree.”

Fewer employers offer a formal wellness than do not (29 percent to 43 percent, with another 28 percent saying that they likely will offer it in the next year).

Awareness is an issue. Most commonly, employers who do not plan to offer wellness say that they’ve simply never considered it, while another 39 percent cite “lack of employee interest” as a reason for not including financial wellness in their benefits offering.

Fewer employers report an actual lack of employee *need* for financial wellness as a reason to avoid offering a program than feel that employees simply aren’t interested. Employee “need” and “want/desire” perceptions may be the impetus for discussions among advisors, providers, and employers. Even if employees haven’t requested a financial wellness program, or an employer has never considered one, there may still be a place in a competitive benefits or retirement offering for financial wellness.

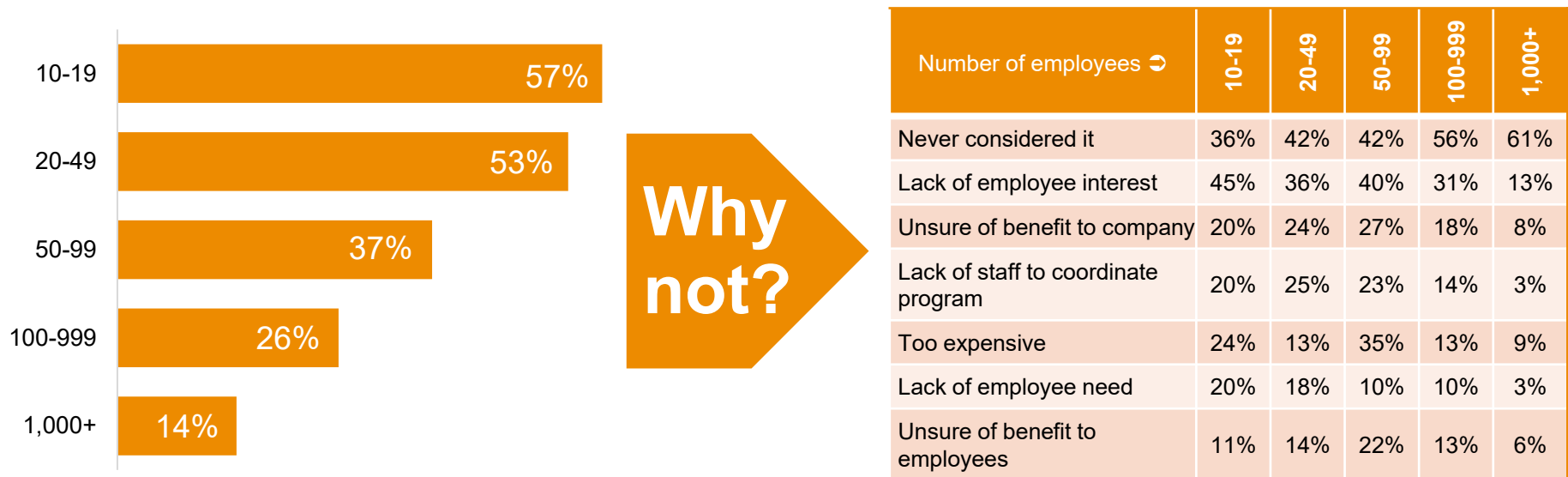
Practical consideration, such as a lack of staff or the perception of expense are only viewed as disincentives to offering a program by roughly one fifth of employers.

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*Building awareness of financial wellness programs and offerings may help increase adoption, or at least consideration of programs. Overcoming a lack of interest in wellness programs, generally, and the thought that employees themselves wouldn’t be interested, may be the key obstacles to overcome for providers (and advisors) who are interested in strengthening sponsor relationships by managing formal financial wellness programs.*

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**Figure 6 — Reasons for not offering a financial wellness program, by employer size (number of employees)**



Based on 491 retirement benefits decision-makers in employers with 10 or more employees, who have no financial wellness in place, and have no plans to add a financial wellness program; reflects top 2 box responses, “Strongly agree” and “Somewhat agree.”

For the most part, the smallest employers are those most resistant to offering wellness; more than half of those with less than 50 employees, whereas just 14 percent of sponsors with 1,000 or more employees respond that they neither have nor plan to have a financial wellness program (see page 11).

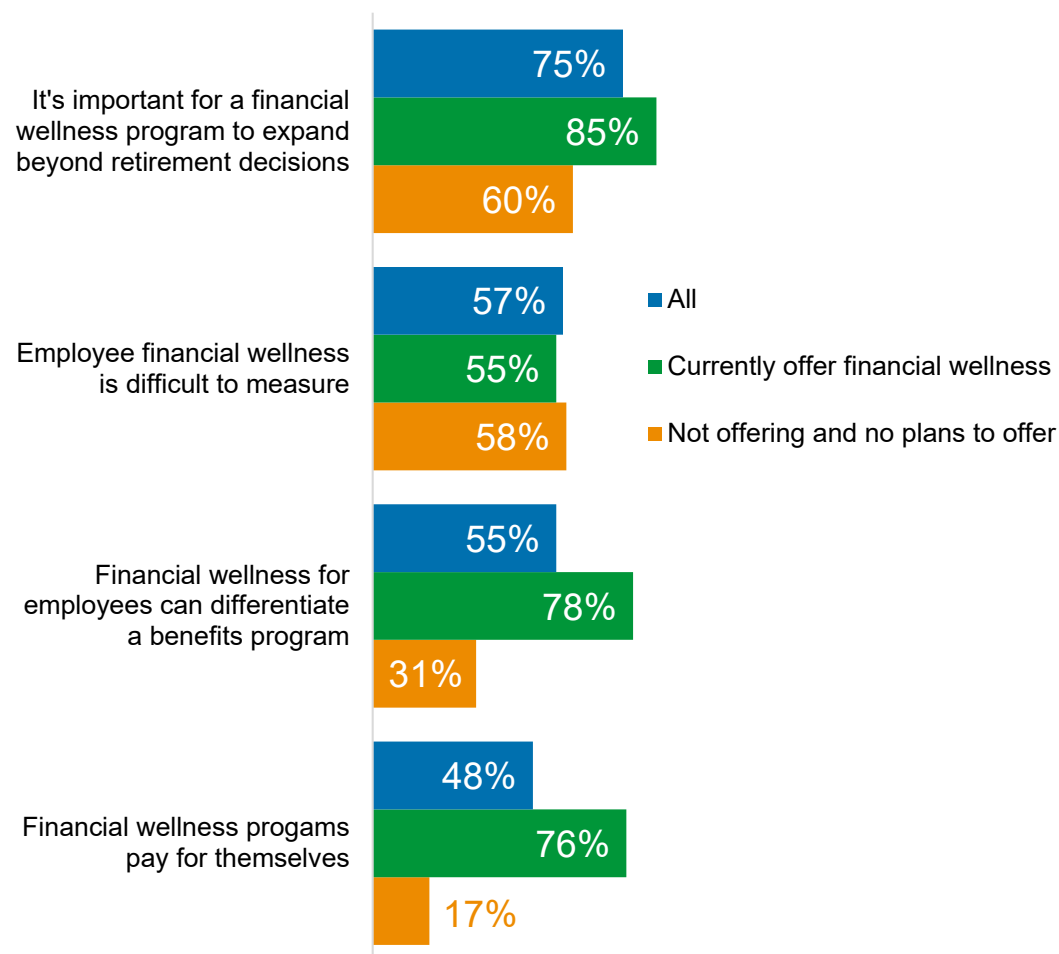
There are a number of reasons why sponsors say that they have no plans for financial wellness programs, but the strong front-runner, especially for largest employers, is that they simply have not thought of it.

Smaller sponsors (those with fewer than 1,000 employees) are much more likely to feel that their employees wouldn’t be interested in a financial wellness program — perhaps a misconception given that when sponsors in smaller organizations do sponsor a program, they are less likely to feel that lack of employee interest is a challenge than are those in the largest organizations (see page 34).

*“Never thought about it,” is the main reason DC sponsors do not include, or plan to include, formal financial wellness in their benefits offerings. Industry stakeholders should consider whether reminding these sponsors is the first step towards encouraging more of them to sponsor wellness... potentially deepening sponsor (and employee) relationships with existing recordkeepers.*

# What Do Plan Sponsors Think About Financial Wellness Programs?

Figure 7 — Sponsor perceptions about financial wellness, by program offering



Based on 1,147 retirement benefits decision-makers in employers with 10 or more employees; reflects top two box responses, “Strongly agree” and “Somewhat agree.”

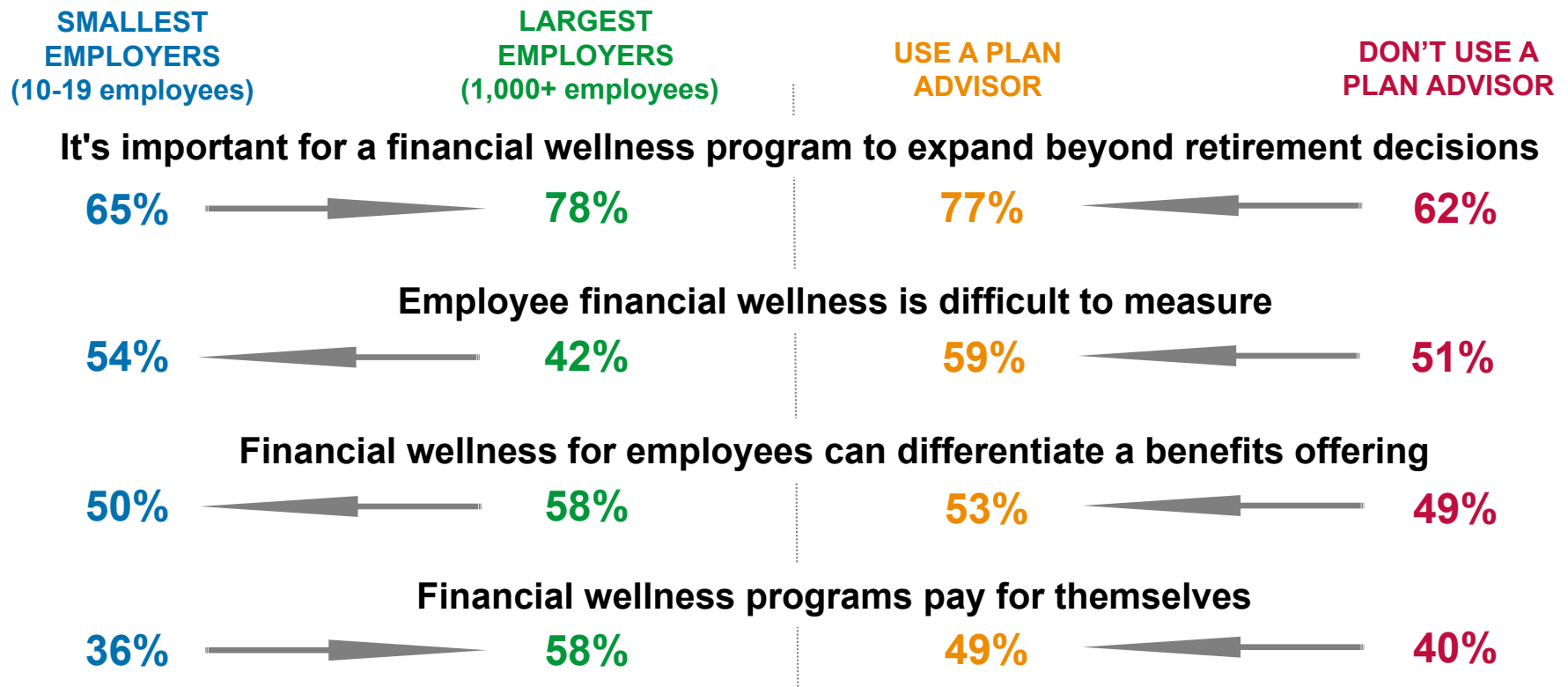
*Convincing employers to adopt financial wellness programs will likely be helped by addressing perceptions that wellness is not a benefits differentiator. Providers should demonstrate that the efforts are worth the cost in terms of employee results.*

Employers/sponsors are likely to feel that a financial wellness program should transcend simply offering retirement education. Even among those who do not offer financial wellness, 6 in 10 agree that formal wellness programs should expand beyond retirement decisions.

By a lesser majority, sponsors do feel that financial wellness is difficult to measure, whether or not there is a program in place, planned, or not in the immediate future, sponsors feel similarly. Between 55 and 58 percent “somewhat” or “strongly” agree about the difficulty in measuring financial wellness results. Those who currently do offer a program are slightly more likely to “strongly” agree (19 percent) than those who do not, and do not plan to offer a program (14 percent).

Not surprisingly, sponsors who do currently offer wellness are most likely to feel that they are benefits differentiators, and that these programs pay for themselves (presumably in improved employee performance and metrics).

Figure 8 — Sponsor perceptions about financial wellness, by employer size (number of employees), and use of a plan advisor



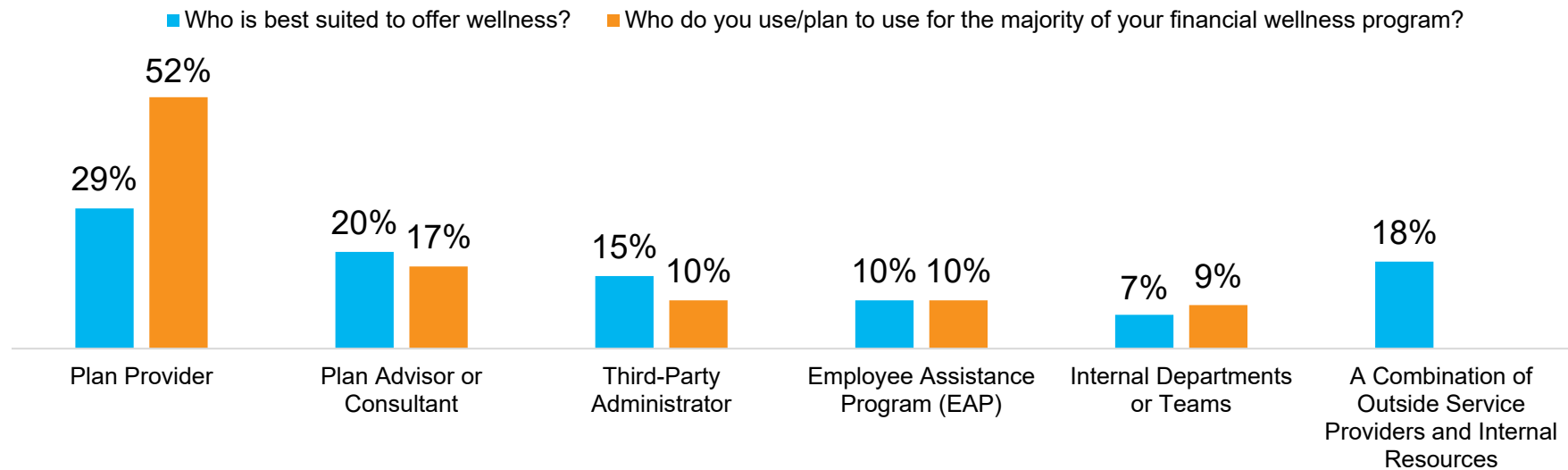
Based on 1,147 retirement benefits decision-makers in employers with 10 or more employees; reflects top two box responses, “Strongly agree” and “Somewhat agree.”

Most plan sponsors agree that it’s important for a formal financial wellness initiative to transcend retirement decisions, a feeling that’s strongest for larger employers, sponsors of larger DC plans, and employers who also have a DB plan in place. Using a plan advisor also connects to an employer/sponsor’s desire for a holistic approach to financial wellness. These are also the employers (larger plans and organizations, DB sponsors, and employers who consult a plan advisor) who are also more likely to feel that financial wellness programs are worth the investment and help to differentiate a benefits program.

*Smaller employers and sponsors of smaller DC plans may need extra encouragement or education about the potential benefits of including financial wellness in their benefits offering.*

# Financial Wellness Providers

Figure 9 — Sponsor perceptions of entities best suited to financial wellness, and entities they use (or plan to use) for financial wellness programs



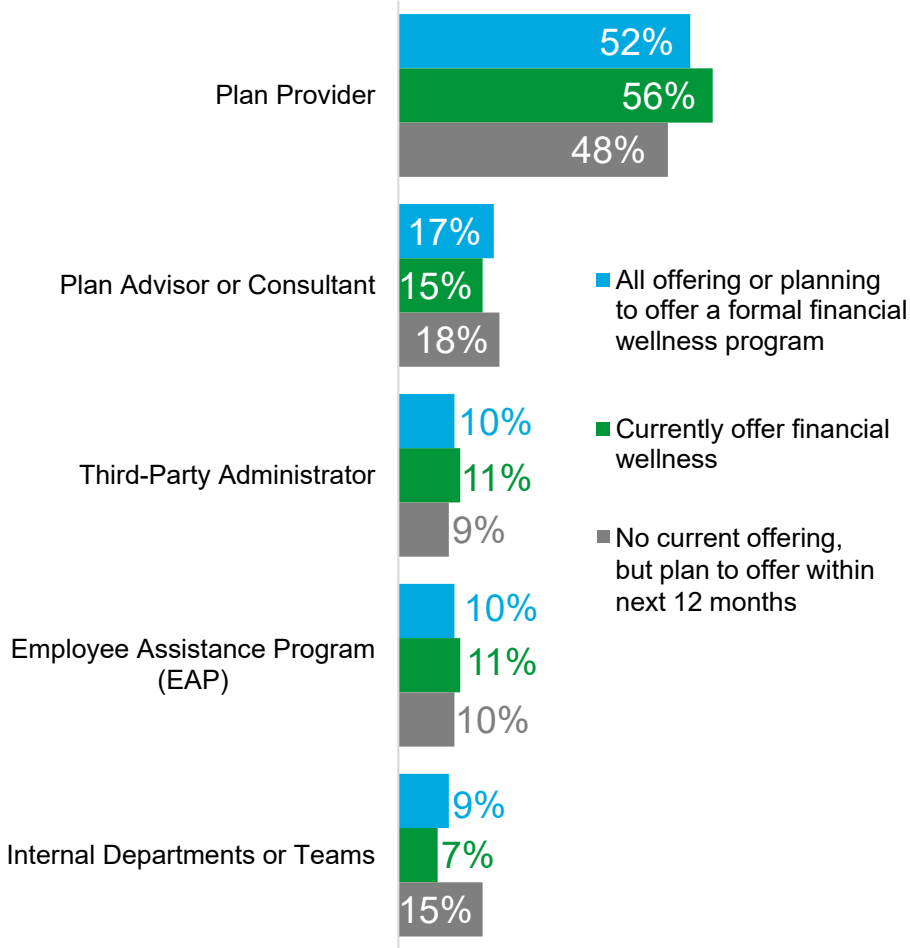
Opinion of entity best suited to offer wellness is based on 1,147 retirement benefits decision-makers in employers with 10 or more employees. Wellness provider use or planned use is based on 657 retirement benefits decision-makers in employers with 10 or more employees that either have a current financial wellness program or plan to offer one within the next 12 months.

When it comes to working with a provider of financial wellness programs, plan sponsors turn to their plan’s recordkeepers by a wide margin. Whether or not they consider the recordkeeper to be the most appropriate provider of such services, however, is not as clear when compared with a plan advisor or consultant. Far more sponsors (52 percent) turn to their recordkeepers for formal wellness programs than actually feel that recordkeepers are best suited to offer them.

*While plan sponsors turn mostly to recordkeepers for their wellness programs (or plan to), they are also open to using advisor or consultant wellness programs. One fifth feel that advisors or consultants are best suited to offer wellness. This may present an opportunity for advisors and consultants to enhance their value proposition with their plan sponsor clients, and/or for recordkeepers and their wholesalers to supplement advisor/consultant efforts as a value-add service.*

# Where Do Employers Turn for Wellness Programs?

Figure 10 — Providers/resources used for most of financial wellness



Based on 657 retirement benefits decision-makers in employers with 10 or more employees that either have a current financial wellness program or plan to offer one within the next 12 months.

*The retirement plan provider/recordkeeper is the most commonly used resource for financial wellness programs. Employers/plan sponsors who are planning to add financial wellness to their benefits offerings will likely turn first to the existing plan provider.*

When it comes to where they actually turn for their financial wellness programs, plan sponsors/employers link the retirement plan with financial wellness programs.

Overwhelmingly, the plan provider/recordkeeper is the financial wellness provider of choice for both sponsors that currently offer wellness and those that plan to.

Turning to a plan advisor or consultant for financial wellness is a distant second choice resource, and only slightly more utilized than other listed sources of wellness support.

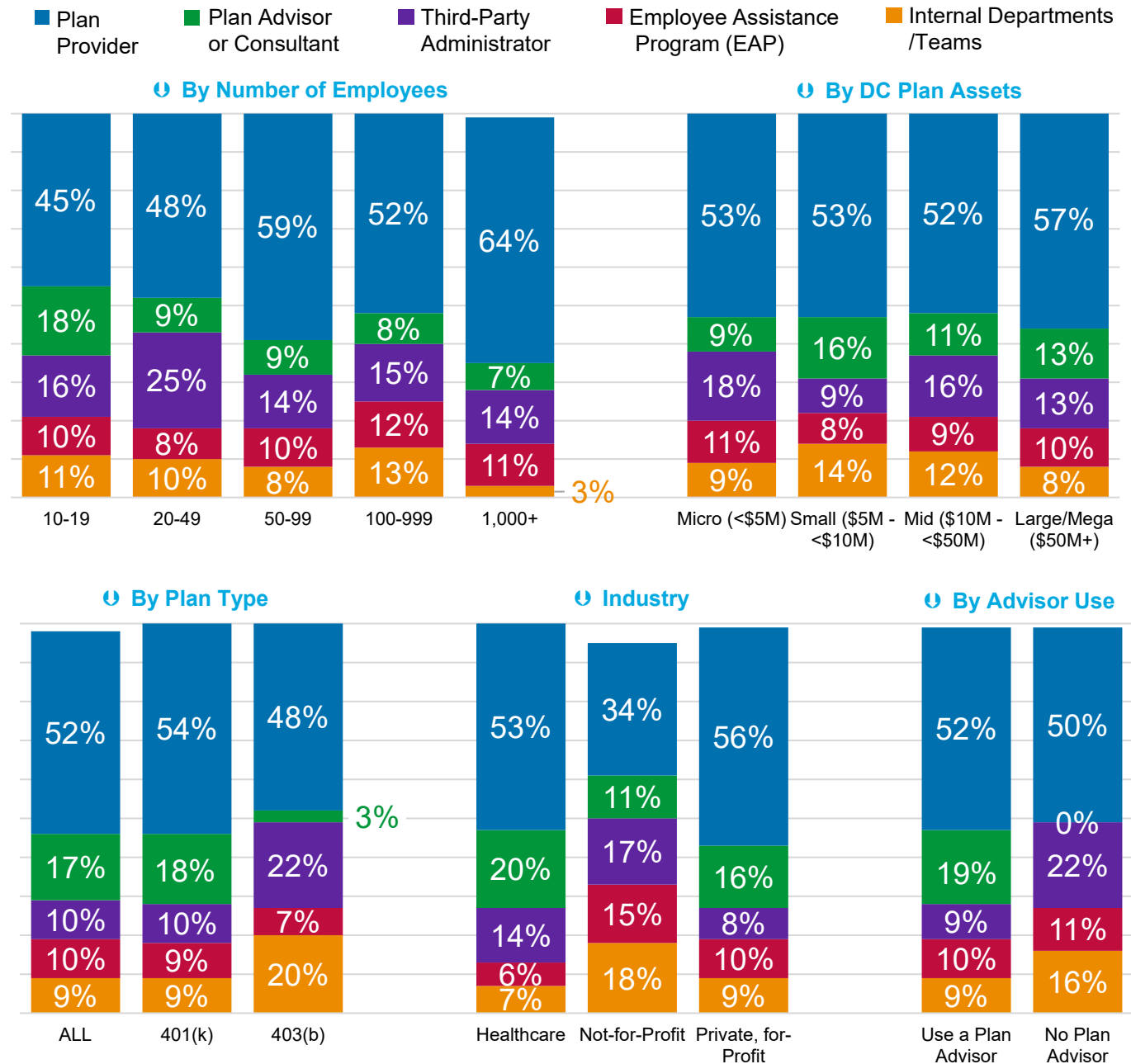
Very few plan sponsors rely on their own (internal) resources for financial wellness; about twice as many (but still just 15 percent) of sponsors who are planning to implement wellness say that they will use mainly internal departments or teams to run the program.



*Financial wellness programs are most commonly offered in the largest companies, typically by the retirement (DC) plan provider.*

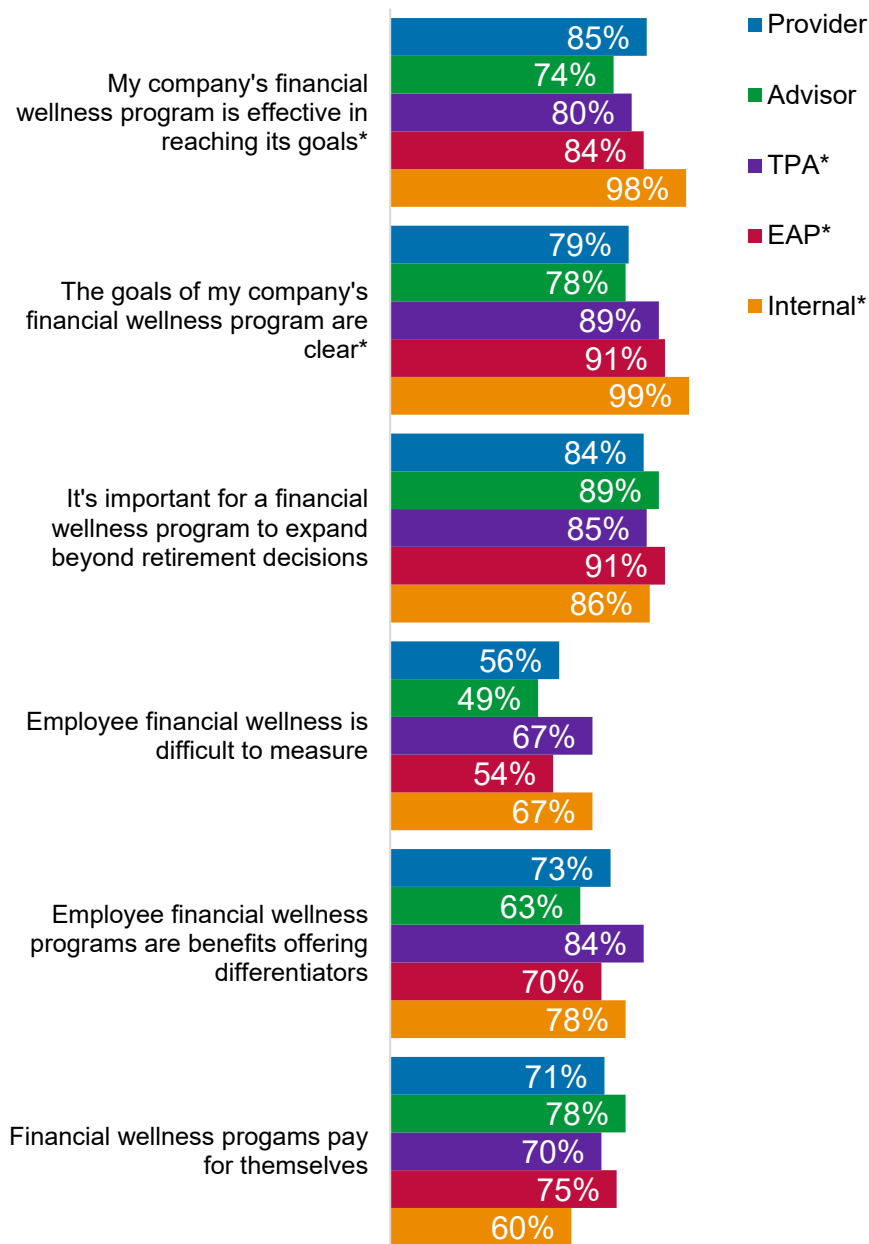
*Given that the smallest companies are twice as likely as larger companies to turn to the plan’s advisor or consultant for wellness, there may be an opportunity for “partner” entities such as recordkeepers or investment providers to support advisors’ efforts in offering financial wellness programs.*

**Figure 11 — Providers/resources used for financial wellness, by number of employees, DC plan size, plan type, industry, and advisor use\***



\*Excludes responses of “other,” so not all columns add up to 100%. Based on 657 retirement benefits decision-makers in employers with 10 or more employees, that either have a current financial wellness program or plan to offer one within the next 12 months.

**Figure 12 — Sponsor perceptions of wellness programs, by providers/resources used for financial wellness**



Sponsors/employers are more positive about the effectiveness of their financial wellness programs when those programs are crafted and delivered using internal resources. All but 2 percent of these sponsors give their programs top marks of “strongly agree” or “somewhat agree” for both program effectiveness and the clarity of the program’s goals.

These sponsors (who administer their own wellness programs) are not correspondingly likely to feel that the initiatives “pay for themselves.” Only 60 percent, less than when the wellness program is managed by any other referenced provider, of sponsors who administer their own programs agree that the program recoups its expense.

At the same time, 67 percent of employers who administer their own financial wellness programs admit that employee financial wellness is a challenge to measure. Generally, half or more employers who have or plan to have formal wellness programs find that measuring employee wellness is a challenge (see page 25). Employers who turn to their plan providers or advisors are less likely to report this challenge – 56 percent when the recordkeeper offers the program, and 49 percent when the advisor is the primary program resource.

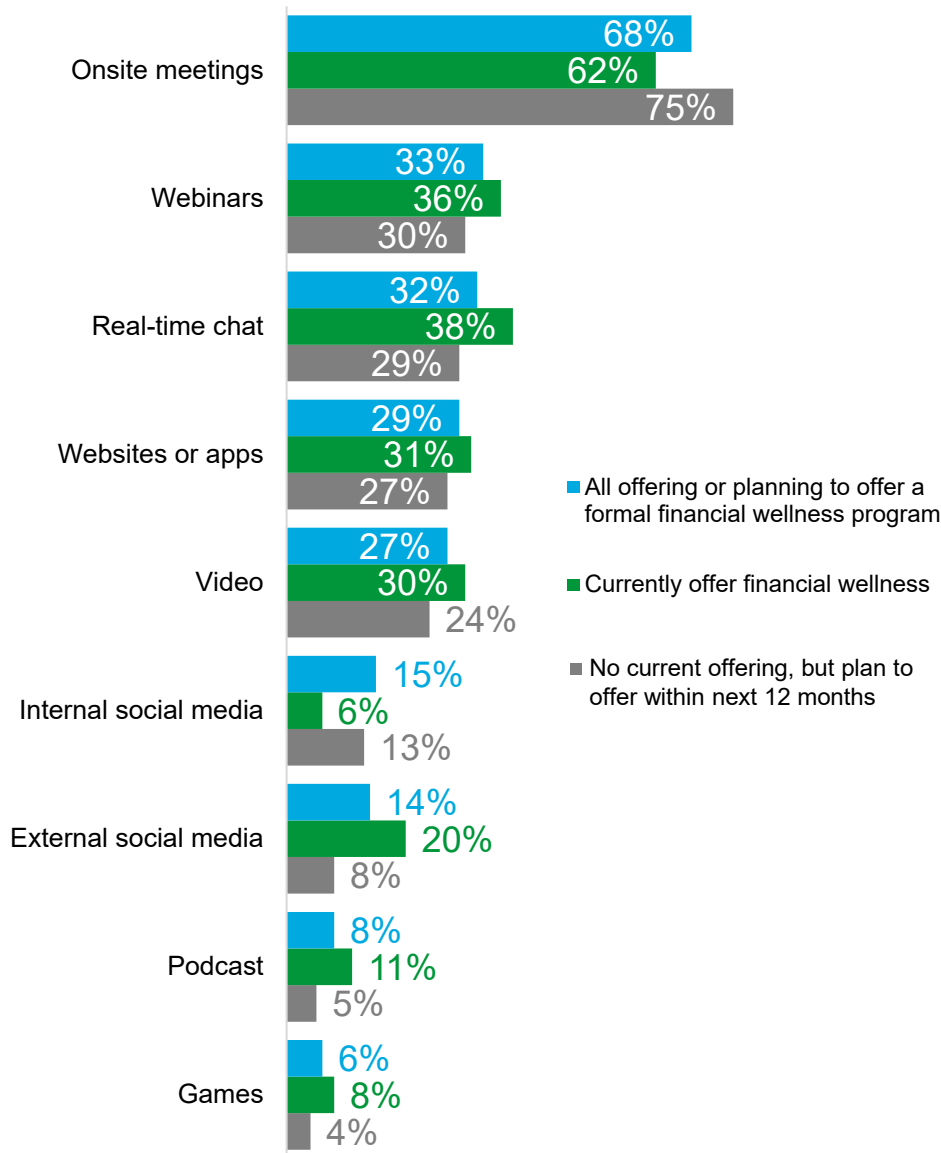
*While the bulk of financial wellness programs are managed by a DC plan recordkeeper, those managed by an employer’s own resources are more likely to be considered (by the employer) to be effective and have clear goals. At the same time, employers who turn to recordkeepers are less likely to say that employee wellness is difficult to measure. Goal setting and measuring value in formal financial wellness programs can help differentiate wellness offers and providers.*

\*Very small sample sizes.

Based on 657 retirement benefits decision-makers in employers with 10 or more employees that either have a current financial wellness program or plan to offer one within the next 12 months.

# How Are Financial Wellness Programs Delivered?

Figure 13 — Delivery methods used for financial wellness



*Onsite meetings will be a fundamental component of any financial wellness offering. Beyond that, there may be opportunity for wellness providers and vendors to differentiate themselves by leveraging less-used but scalable delivery methods. They can position and establish themselves as innovators in wellness delivery, where expensive on-site meetings and “older” technology such as videos and webinars are more frequently used delivery methods.*

The majority of financial wellness content is delivered via on-site meetings (and holding them during the workday is not perceived as a major challenge by plan sponsors).

For the most part, “traditional” delivery methods such as on-site meetings, webinars, web sites, and video remain the most commonly-utilized for current and planned wellness efforts.

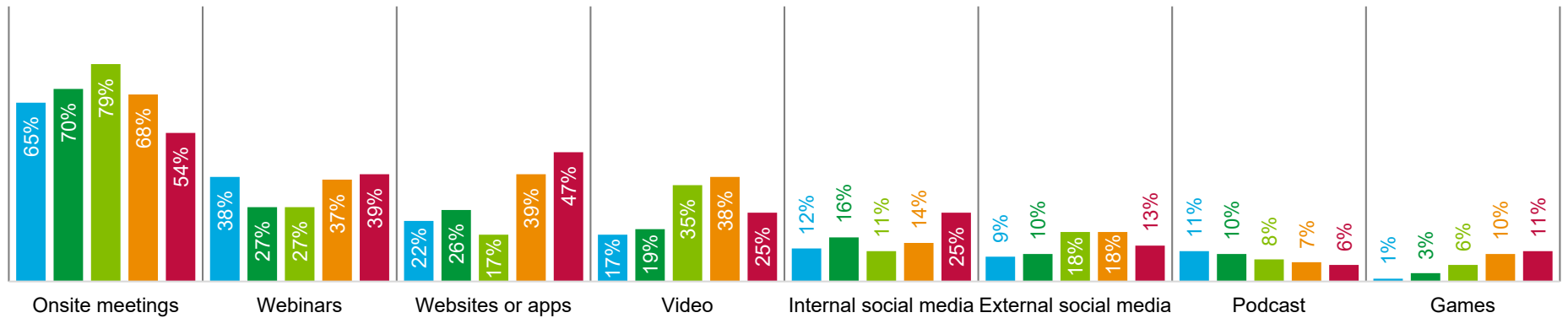
Sponsors already offering wellness are more likely to do so using external than internal social media by more than 3 to 1. Still, leveraging social media (internal or external) is not a well-used delivery mechanism for financial wellness.

Based on 657 retirement benefits decision-makers in employers with 10 or more employees that either have a current financial wellness program or plan to offer one within the next 12 months.

Figure 14 — Delivery methods used for financial wellness, by employer size (number of employees) and provider/entity providing program

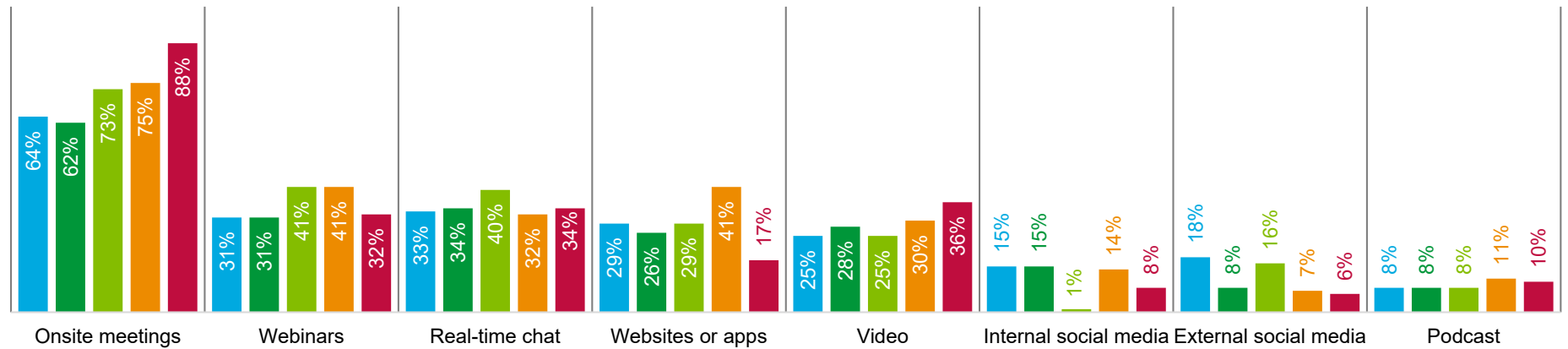
By Number of Employees

10-19 20-49 50-99 100-999 1,000+



By "Entity" Providing the Bulk of Wellness Program

Provider Advisor TPA\* EAP\* Internal\*

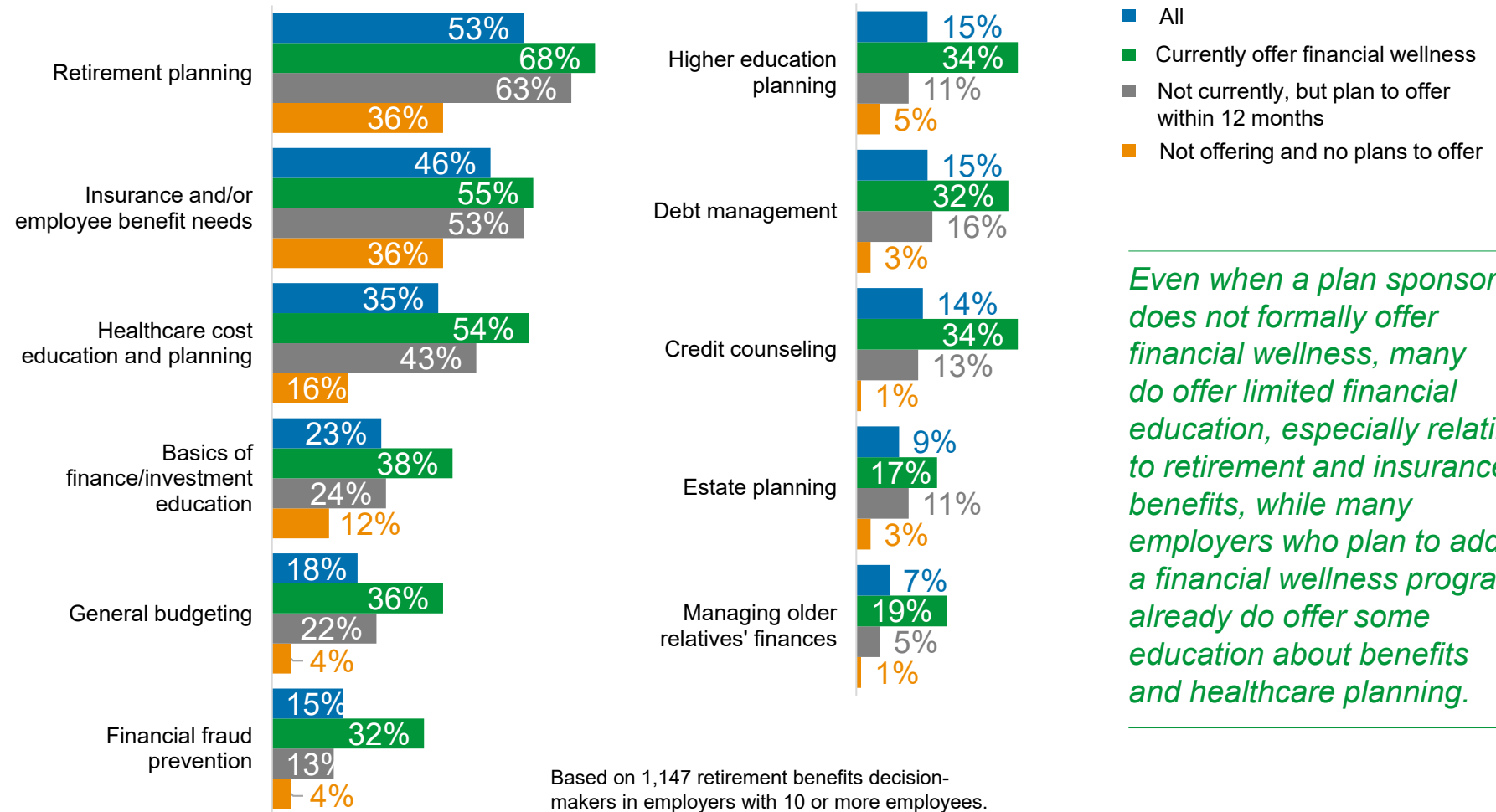


\*Very small sample sizes.

Based on 657 retirement benefits decision-makers in employers with 10 or more employees that either have a current financial wellness program or plan to offer one within the next 12 months.

# What Subjects/Contents Are Part of *Financial Education Programs*?

Figure 15 — Current organization's financial educational content



*Even when a plan sponsor does not formally offer financial wellness, many do offer limited financial education, especially relating to retirement and insurance benefits, while many employers who plan to add a financial wellness program already do offer some education about benefits and healthcare planning.*

Not all financial education is part of a formal financial wellness program. Seventy-four percent of plan sponsors, regardless of whether they offer a formal wellness program, say that they do offer at least one topic of workplace education. Benefits — especially retirement — are the most common financial education offerings in the workplace, regardless of whether an employer offers a formal financial wellness program. Planning for healthcare is also a common component when there is a formal wellness program in place. Beyond these three key areas, the components of even formal wellness programs can vary, with only about a third — or fewer — of employers with wellness in place offering any given subject.

# How Robust Are Financial Wellness and Education Programs?

Figure 16 — Average number of financial education topics offered, by formal wellness offering

Financial Education (mean # of topics of 11 suggested)		Formal financial wellness program (mean # of topics of 12 suggested)	
Currently offer a formal financial wellness program	4.2	Currently offer a formal financial wellness program	2.9
Don't currently offer a formal financial wellness program, but plan to add one within 12 months	2.7	Don't currently offer a formal financial wellness program, but plan to add one within 12 months	2.0
No formal financial wellness program, and no plans to add one	1.2		

Based on 1,147 retirement benefits decision-makers in employers with 10 or more employees.

Simply offering a financial education or wellness program is part of the equation. While there are any number of “subjects” that can be included in a program, most employers’ programs (or planned programs) include few topics. Employers who offer formal financial wellness programs also report that they offer the greatest number of financial education topics, generally, to their employees.

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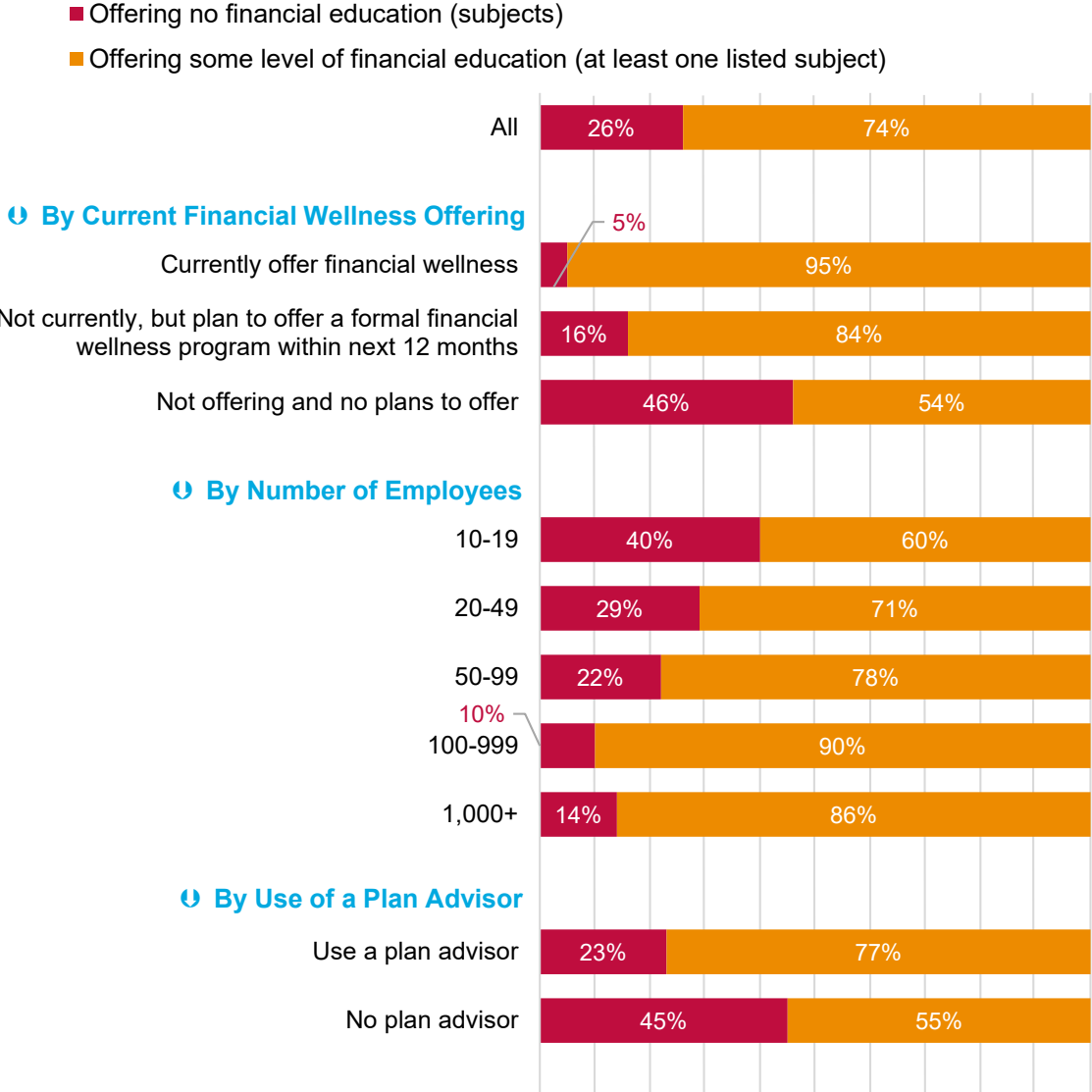
*Few employers report a wealth of topics within their own financial wellness or education program, but there is a correlation between offering formal financial wellness and increased education topic availability overall.*

*There is plenty of room for wellness program providers to offer more robust and diverse content and solutions.*

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# What Sponsors Are Most Likely to Have (at Least) Some Financial Education?

Figure 17 — Current organization’s financial educational offering: “Nothing” or “Something”



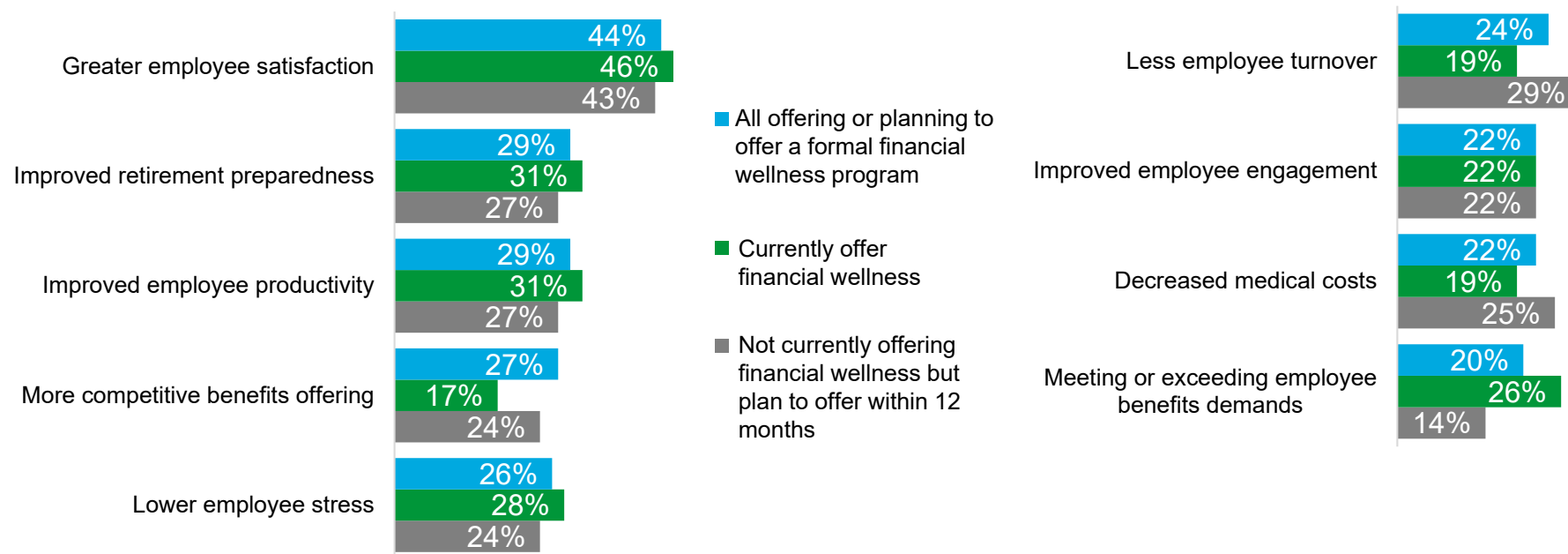
Only about a quarter of plan sponsors report complete disengagement from offering any financial education through the workplace. Even among those who do not offer formal financial wellness, more than half report that they do provide financial education on at least one listed topic.

Among small plans, especially as state programs and MEPs begin to take hold in this market, offering financial wellness may be an opportunity to strengthen existing plan relationships or be viewed as an incentive to offering traditional DC plans.

Based on 1,147 retirement benefits decision-makers in employers with 10 or more employees.

# What Are the Benefits of Offering Financial Wellness?

Figure 18 — Benefits of offering financial wellness



Based on 657 retirement benefits decision-makers in employers with 10 or more employees that either have a current financial wellness program or plan to offer one within the next 12 months.

Employers/plan sponsors are most likely to feel somewhat altruistically about why they offer financial wellness programs (or plan to implement them): to improve employee satisfaction (which, to be sure, also has a strategic benefit for an employer).

The second-most cited benefits are, in equal measure: to improve employee retirement preparedness and productivity, measures with benefits for both employees (retirement preparedness) and employers (productivity).

Other possible benefits to the business, such as improving the competitiveness of the benefits package, lowering employee turnover, and cutting medical costs, are more important to sponsors who are considering offering wellness than they are to those who currently sponsor programs.

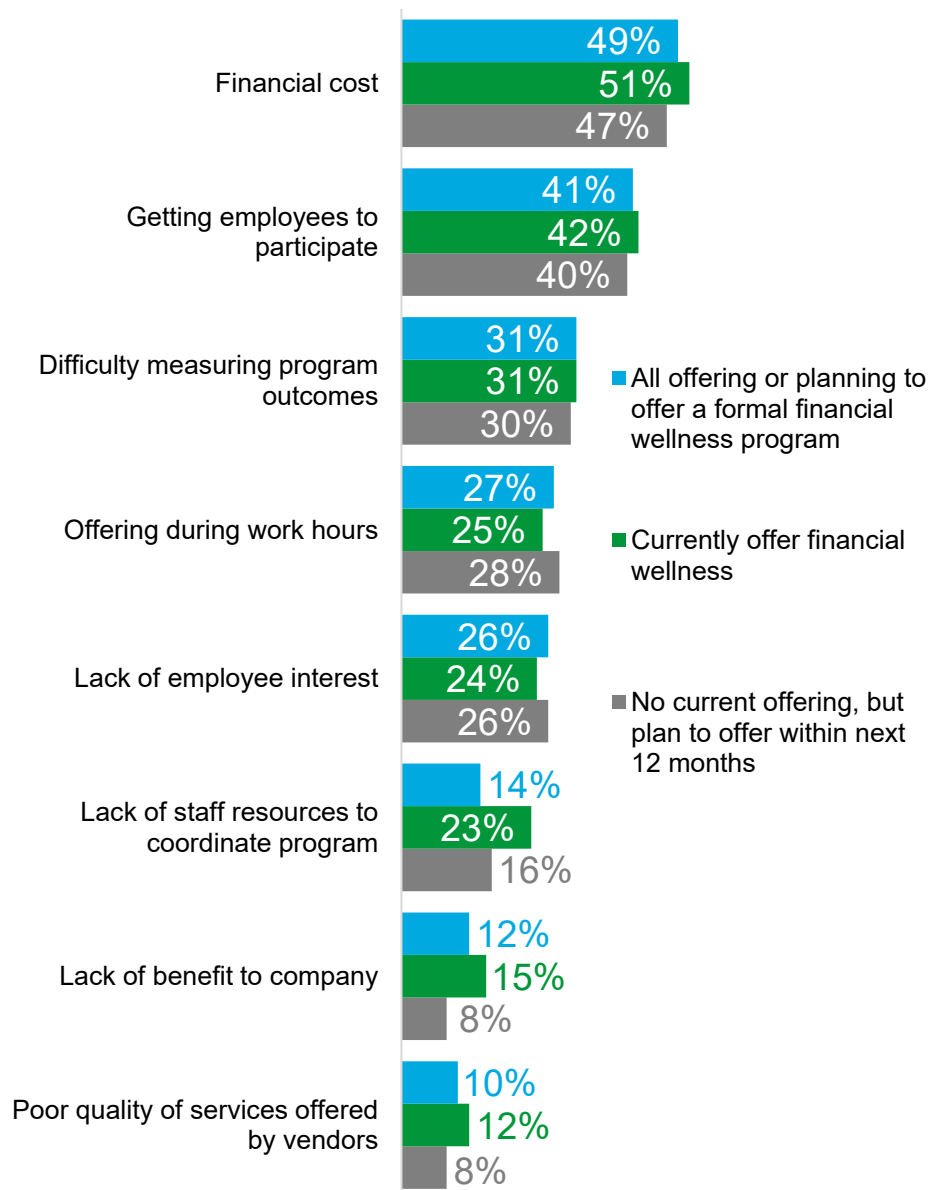
Responding to employee benefits demands is considered a stronger benefit to those employers who currently offer a wellness program than to those who are only considering it.

*Even when they do offer a formal wellness program, sponsors are not resoundingly enthusiastic about the benefits to their employees or their organizations. Fewer than half acknowledged any suggested benefit, with “greater employee satisfaction,” being the most commonly recognized. Acknowledgement of wellness benefits drops — even for those sponsoring a program — to less than one-third for all other suggested benefits.*



# What Are the Challenges in Offering Financial Wellness?

Figure 19 — Challenges of offering financial wellness



Based on 657 retirement benefits decision-makers in employers with 10 or more employees that either have a current financial wellness program or plan to offer one within the next 12 months.

Cost is considered to be the main challenge of offering financial wellness, by both employers who currently have a program and also by those who plan soon implement one. Staff resources for the program, however, are significantly less challenging. (Sponsors with programs already in place are more likely to say that internal staffing is a challenge than are those who plan to offer one.)

When talking to sponsors who do not offer (or plan to offer) a program, the expense of a program ranks lower in their rationale for avoiding wellness; just 21 percent cite it as a main reason (#4 on a list of 7) when there is no wellness program in place.

Employee participation is a top challenge for sponsors who offer and plan to offer financial wellness programs and, in nearly equal measure, a “lack of employee interest” is considered a top reason for *not* offering a program in the first place. Just a quarter of employers who offer wellness say that employees’ disinterest in the program is a challenge.

The perception (or potential reality) of difficulty in measuring program outcomes is a challenge to less than a third who offer wellness... and very few report that the failure of the wellness program to benefit the company is a challenge.

*Some of the “challenges” that are often believed to impede financial wellness programs — articulated benefit to the company and offered during work hours — are actually considered less challenging to those who offer wellness programs than managing the cost of the program and engaging employees.*

Figure 20 — Benefits and challenges of offering financial wellness, by entity providing program

## BENEFITS

	“Strongly” and “Somewhat” Agree	Primary Provider of Wellness Program				
		All offering or planning to offer	Retirement plan provider	Retirement plan advisor	TPA	EAP
Greater employee satisfaction	44%	42%	45%	41%	49%	58%
Improved retirement preparedness	29%	30%	26%	32%	26%	29%
Improved employee productivity	29%	24%	41%	37%	35%	21%
Lower employee stress	26%	23%	20%	14%	19%	22%
Less employee turnover	24%	26%	23%	24%	34%	21%
Improved employee engagement	22%	25%	14%	35%	19%	27%
Decreased medical costs	22%	19%	20%	24%	26%	41%
More competitive benefits offering	21%	21%	24%	24%	22%	23%
Meeting or exceeding employee benefits demands	20%	23%	12%	25%	25%	8%

## CHALLENGES

	“Strongly” and “Somewhat” Agree	Primary Provider of Wellness Program				
		All offering or planning to offer	Retirement plan provider	Retirement plan advisor	TPA	EAP
Financial cost	49%	48%	44%	56%	48%	50%
Getting employees to participate	41%	38%	47%	34%	50%	47%
Difficulty measuring program outcomes	31%	27%	32%	51%	38%	19%
Offering during work hours	27%	27%	20%	34%	27%	28%
Lack of employee interest	26%	26%	25%	17%	31%	26%
Lack of staff resources to coordinate program	14%	12%	10%	30%	14%	21%
Lack of benefit to company	12%	13%	14%	12%	7%	5%
Poor quality of services offered by vendors	10%	9%	6%	12%	19%	10%

Based on 657 retirement benefits decision-makers in employers with 10 or more employees that either have a current financial wellness program or plan to offer one within the next 12 months.

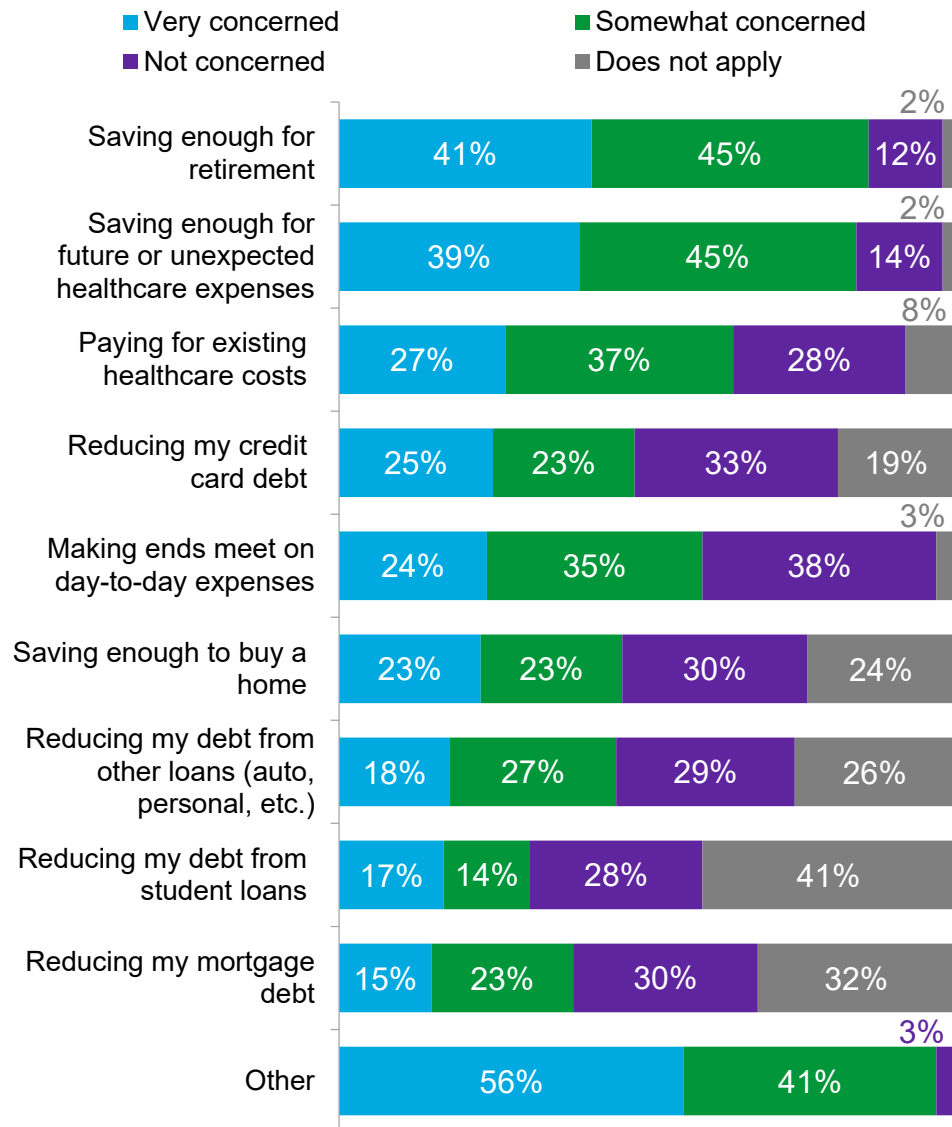
Across all delivery channels, improving employee satisfaction is considered to be the strongest benefit of a formal financial wellness program. Across most delivery channels, the cost of the program is considered the biggest challenge. However, when the program is delivered by the retirement plan advisor, or an Employee Assistance Program, participation very slightly tops cost. Cost and resources are more likely to be considered challenging to employers who use primarily internal resources to deliver financial wellness programs.

*While “employee satisfaction” is viewed as the strongest benefit of offering a financial wellness program in the workplace, getting those employees to actually participate in the program ranks as a significant challenge.*

*Difficulty in measuring program outcomes is a significant (top three) challenge, but few sponsors are as negative about the **benefits** of offering wellness. Just 12 percent cite “lack of benefit” as a significant challenge.*

# What Concerns Can a Financial Wellness Program Help Workers Address?

Figure 21 — Workers' financial concerns



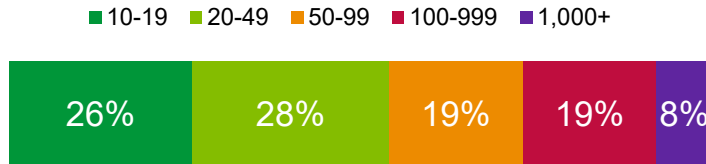
Source: 2018 Worker Survey, Secure Retirement Institute. Based on 2,503 workers.

*Workers top financial concerns — retirement and healthcare (current and future) — are directly related to the most common employer benefits offerings. That even given how common these benefits are, workers still rank them as top financial worries, indicates that there is room for additional support in helping workers understand and manage these (and other!) financial responsibilities, making a strong case for formal financial wellness resources in the workplace.*

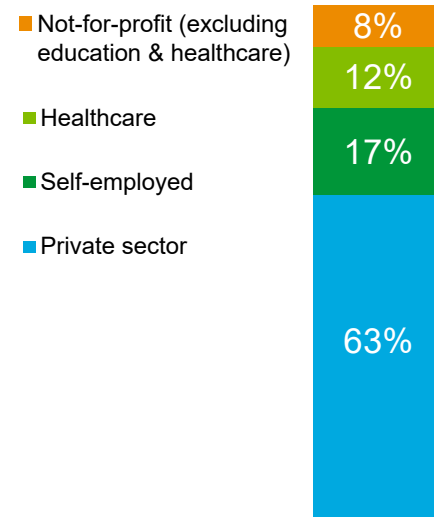
Employees have a host of financial concerns and worries; few report that they are not concerned about their ability to save enough for retirement, or meet an unexpected healthcare expense. Levels of concern about other financial situations and issues vary but many are significant. More than half are at least somewhat concerned about the basic necessity of meeting day-to-day expenses.

# Survey Demographics

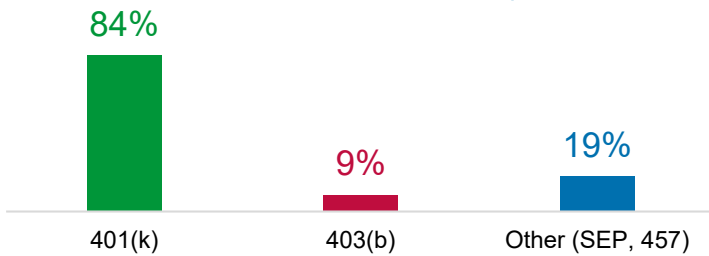
## Number of Employees



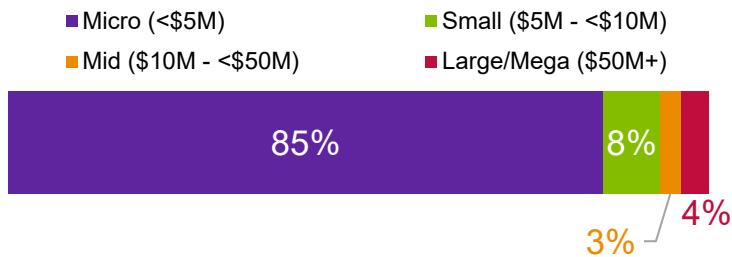
## Industry/Organization



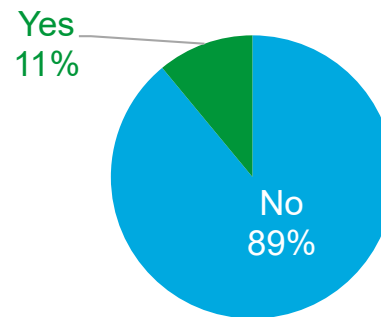
## Type of DC plan (multiple responses allowed)



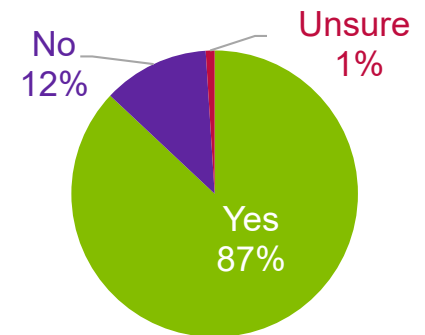
## DC Plan Assets (primary DC plan)



## Defined Benefit (DB) Plan?



## Use a Plan Advisor?



# Survey Summary

## Current financial wellness programs

Do you currently offer a formal financial wellness program?

Yes

No, but plan to within the next 12 months

No, and don't plan to

Existing financial wellness program and goals

Reasons for not offering

## Sponsor perceptions of financial wellness

Opinion statements about financial wellness

## Financial wellness program providers and delivery

Who (which entity) provides/will provide the majority of your financial wellness program?

What channels does your company use to deliver its financial wellness program?

## Current financial education offerings

Does your company currently offer employee education (about any of the following...)?

## Benefits and challenges to financial wellness programs

What does your company consider to be the key benefits of offering a financial wellness program?

What does your company consider to be the main challenges in offering a financial wellness program?



# Appendix: Detailed Data Tables

**Table 1 — Reasons for not offering financial wellness programs, by select employer characteristics**

“Strongly Agree” and “Agree”	All	Number of Employees					DC Plan Assets				Primary DC Plan Type		Industry			Defined Benefit (DB)?		Plan Advisor	
		10-19	20-49	50-99	100-999	1,000+	Micro (<\$5M)	Small (\$5M - <\$10M)	Mid (\$10M - <\$50M)	Large/Mega (\$50M+)	401(k)	403(b)	Healthcare	Not-for-Profit	Private, for-Profit	No Defined Benefit Plan	Defined Benefit Plan	Use a Plan Advisor	No Plan Advisor
Never considered	42%	36%	42%	42%	56%	61%	43%	36%	43%	29%	42%	29%	26%	29%	46%	42%	25%	41%	46%
Lack of employee interest	39%	45%	36%	40%	31%	13%	38%	43%	42%	41%	37%	33%	43%	36%	39%	39%	12%	37%	48%
Unsure of benefit to company	22%	20%	24%	27%	18%	8%	22%	18%	26%	17%	24%	27%	21%	32%	23%	21%	73%	25%	10%
Lack of staff to coordinate program	21%	20%	25%	23%	14%	3%	21%	18%	15%	16%	22%	10%	29%	15%	24%	21%	4%	20%	25%
Too expensive	21%	24%	13%	35%	13%	9%	21%	15%	4%	29%	19%	19%	27%	41%	20%	21%	6%	20%	27%
Lack of employee need	16%	20%	18%	10%	10%	3%	16%	16%	9%	10%	14%	12%	11%	12%	17%	16%	19%	15%	19%
Unsure of benefit to employees	14%	11%	14%	22%	13%	6%	14%	11%	21%	16%	16%	13%	1%	13%	14%	14%	21%	16%	5%

Based on 491 retirement benefits decision-makers in employers with 10 or more employees who have no financial wellness program in place and have no plans to add one. Reflects top 2 box responses of “Strongly agree” and “Somewhat agree.”

**Table 2 — Sponsors perceptions about financial wellness, by select employer characteristics**

“Strongly Agree” and “Agree”	Number of Employees						DC Plan Assets				Primary DC Plan Type		Industry			Defined Benefit (DB)?		Plan Advisor	
	All	10-19	20-49	50-99	100-999	1,000+	Micro (<\$5M)	Small (\$5M - <\$10M)	Mid (\$10M - <\$50M)	Large/Mega (\$50M+)	401(k)	403(b)	Healthcare	Not-for-Profit	Private, for-Profit	No Defined Benefit Plan	Defined Benefit Plan	Use a Plan Advisor	No Plan Advisor
It's important for a financial wellness program to expand beyond retirement decisions	75%	65%	72%	79%	87%	78%	74%	81%	87%	80%	77%	83%	84%	85%	76%	74%	83%	77%	62%
Employee financial wellness is difficult to measure	57%	54%	59%	62%	62%	42%	56%	67%	62%	58%	58%	59%	61%	60%	56%	58%	55%	59%	51%
Financial wellness for employees can differentiate a benefits offering	55%	50%	50%	52%	71%	58%	53%	64%	70%	70%	57%	65%	55%	52%	56%	53%	70%	56%	49%
Financial wellness programs pay for themselves	48%	36%	36%	59%	67%	58%	46%	56%	58%	64%	51%	48%	30%	45%	47%	45%	74%	49%	40%

Based on 1,147 retirement benefits decision-makers in employers with 10 or more employees.



**Table 3 — Benefits of offering financial wellness, by select employer characteristics**

“Strongly Agree” and “Agree”	All offering or planning to offer	Number of Employees					DC Plan Assets				Primary DC Plan Type		Industry			Defined Benefit (DB)?		Plan Advisor	
		10-19	20-49	50-99	100-999	1,000+	Micro (<\$5M)	Small (\$5M - <\$10M)	Mid (\$10M - <\$50M)	Large/Mega (\$50M+)	401(k)	403(b)	Healthcare	Not-for-Profit	Private, for-Profit	No Defined Benefit Plan	Defined Benefit Plan	Use a Plan Advisor	No Plan Advisor
Greater employee satisfaction	44%	42%	48%	41%	47%	41%	44%	47%	45%	42%	45%	51%	39%	43%	45%	44%	44%	44%	44%
Improved retirement preparedness	29%	31%	29%	27%	31%	24%	28%	31%	32%	37%	29%	31%	34%	28%	29%	27%	40%	30%	24%
Improved employee productivity	29%	30%	22%	31%	34%	26%	29%	23%	28%	31%	29%	8%	25%	14%	29%	29%	28%	28%	28%
Lower employee stress	26%	27%	30%	29%	23%	19%	27%	20%	24%	26%	25%	39%	31%	31%	24%	27%	22%	26%	25%
Less employee turnover	24%	31%	26%	22%	21%	18%	24%	26%	28%	21%	25%	12%	21%	20%	26%	25%	18%	25%	17%
Improved employee engagement	22%	21%	25%	16%	24%	23%	21%	26%	23%	30%	22%	38%	25%	21%	22%	21%	26%	22%	22%
Decreased medical costs	22%	16%	20%	25%	24%	25%	22%	22%	22%	15%	22%	12%	23%	28%	23%	23%	18%	21%	24%
More competitive benefits offering	21%	21%	19%	21%	24%	19%	20%	28%	28%	14%	21%	36%	15%	50%	22%	22%	16%	21%	21%
Meeting or exceeding employee benefits demands	20%	20%	13%	19%	24%	30%	20%	24%	17%	20%	22%	7%	20%	17%	23%	19%	26%	21%	20%

Based on 657 retirement benefits decision-makers in employers with 10 or more employees that either have a current financial wellness program or plan to offer one within the next 12 months.

**Table 4 — Challenges of offering financial wellness, by select employer characteristics**

	All offering or planning to offer	Number of Employees					DC Plan Assets				Primary DC Plan Type		Industry			Defined Benefit (DB)?		Plan Advisor	
		10-19	20-49	50-99	100-999	1,000+	Micro (<\$5M)	Small (\$5M - <\$10M)	Mid (\$10M - <\$50M)	Large/Mega (\$50M+)	401(k)	403(b)	Healthcare	Not-for-Profit	Private, for-Profit	No Defined Benefit Plan	Defined Benefit Plan	Use a Plan Advisor	No Plan Advisor
Financial cost	49%	49%	49%	52%	45%	46%	50%	47%	36%	44%	50%	33%	51%	36%	49%	47%	57%	50%	32%
Getting employees to participate	41%	34%	45%	39%	49%	32%	40%	51%	52%	52%	39%	64%	28%	49%	40%	42%	38%	41%	43%
Difficulty measuring program outcomes	31%	34%	25%	38%	26%	33%	30%	34%	31%	36%	32%	26%	23%	34%	33%	31%	27%	31%	26%
Offering during work hours	27%	29%	28%	30%	20%	28%	27%	23%	28%	31%	27%	29%	37%	19%	25%	28%	22%	27%	24%
Lack of employee interest	26%	20%	24%	20%	32%	30%	25%	28%	32%	25%	25%	17%	32%	26%	25%	24%	29%	25%	29%
Lack of staff resources to coordinate program	14%	18%	14%	9%	14%	18%	13%	22%	18%	17%	14%	18%	12%	30%	14%	14%	13%	14%	16%
Lack of benefit to company	12%	13%	9%	8%	15%	14%	11%	13%	12%	14%	11%	8%	16%	7%	12%	10%	20%	12%	12%
Poor quality of services offered by vendors	10%	6%	11%	8%	14%	10%	10%	11%	11%	13%	10%	5%	11%	5%	10%	9%	14%	9%	18%

Based on 657 retirement benefits decision-makers in employers with 10 or more employees that either have a current financial wellness program or plan to offer one within the next 12 months.



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