

Want to attract and keep top talent? Your benefits package is crucial! Think beyond just health and retirement.

Fringe benefits like financial literacy programs offer real, meaningful support, especially for employees caring for kids or dependent adults.

Financial stress is a silent epidemic plaguing workplaces everywhere. It impacts employees at all levels, leading to decreased productivity, lower morale, and increased absenteeism. But there's good news: employers hold the key to building a financially healthy workforce.

Stress and Financial Well-Being

Cultivating your employees' financial well-being is a necessity in creating a productive and effective work environment. Financial worry is the number one source of stress for employees and can lead to exhaustion and burnout. According to a 2023 study by consumer financial services company Bankrate, 52% of U.S. adults said that financial stress and money worries have a negative impact on their mental health. Since financial stress can lead to declines in productivity and low morale, employees' financial well-being should be important to every employer who wants to create an environment in which people thrive.

Employers have a unique opportunity to help alleviate some of their employees' financial stress by providing them with resources that will help them make smart short and long-term financial decisions. Some of the following are ways employers can improve employees' financial literacy:

- **Promote financial resources, including employee assistance programs (EAPs)** – Financial guidance and assistance are often included as part of the EAP. These services can provide helpful information about budgeting, achieving healthy spending habits, loan consolidation, debt repayment, setting up an emergency fund, and more.
- **Educate employees about financial literacy** – Offer workshops to educate employees over topics like student loans, debt, credit, financial goals, emergency funds, and retirement.
- **Provide individualized support** – Employers who know and understand their employees' needs can help offer more targeted support to reduce financial stress. For example, younger employees might need more support and information about managing their money and student debt versus the older generation who may be more interested in planning for retirement.
- **Reiterate benefits like retirement savings** – Employers should remind employees about all available benefits, with a focus on those that offer financial relief and long-term savings. For example, to prevent employees from dipping into their 401(k) savings to cover unexpected expenses during times of great financial stress, reinforce the importance of retirement savings plans as long-term investment strategies.

It's vital that employers acknowledge employees' financial stress, while also giving their employees the resources to manage financial matters. The future of work is one where employees feel supported and empowered in all aspects of their lives, including their finances. By prioritizing financial wellness, you're not just building a stronger workforce for today, you're investing in a brighter future for everyone.

