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How to Take Advantage Of Your Company's New Obsession With Your Financial Wellbeing

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Here are five benefits more companies are offering to help workers get on firmer financial footing.



More and more companies are now providing unlimited financial guidance to their employees," says Liz Davidson, founder and CEO of Financial Finesse.



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When it comes to personal finance benefits at work, most companies have been focused mostly on retirement.


But as more employees say that money is stressing them out (and causing them to miss work or underperform) companies are increasingly expanding their benefits into “financial wellness” offerings that go beyond retirement. “More employers are doing things like helping individuals with health care planning or saving for life stages like how to save to buy a home or pay for a kids’ education,” says Rob Austin, director of retirement research with Aon Hewitt.


An Aon Hewitt study released last fall found that 93 percent of large companies are planning to broaden their efforts on financial wellness beyond retirement decisions, and half of companies believe that such programs are becoming more important.

In addition to helping workers, robust financial wellness programs can also help companies’ bottom line. Studies have shown the financial wellness programs can lower employee absenteeism, increase productivity, lower healthcare costs, and reduce delayed retirement due to financial reasons. A study by Financial Finesse found that users of a financial wellness program had nearly 5 percent lower health care costs after two years, while the cost of employees not engaged in financial wellness went up. A separate study released this year by PwC found



that one in five workers report that issues with personal finance have been a distraction at work.

Here are five benefits more companies are offering to help workers get on firmer financial footing. 

1. **Help with choosing a health care plan.** The introduction of health savings accounts and the growing cost burden of health insurance for employees has blurred the distinction between health and financial benefits at work. A growing number of companies are helping workers weigh the costs and benefits of various financial plans and understand how to get the best financial benefit from the plan that they do select.
2. **Access to a financial planner.** While many companies have offered workers access to help with retirement planning, more firms are now giving employees free or discounted time with planners who can take a look at the rest of their finances and offer advice on everything from tax planning to how to save for a new home. “ More and more companies are now providing unlimited financial guidance to their employees,” says Liz Davidson, founder and CEO of Financial Finesse.  “The best programs have planners without a conflict of interest.”

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3. **Help with student loans.** One of the biggest struggles for young workers these days is managing the significant loan burden that many graduated with after college. To help, some employers are now offering access to banks with favorable refinancing programs, and a few companies have even implemented policies in which they give new workers cash to pay off their loans more quickly.
 4. **Personal finance lessons.** Whether offered online or in live presentations, employees at some companies can now attend seminars on specific needs like saving for college or caring for an aging parents. “You’re seeing a place where employees can go on-demand to find content on how to deal with or think through financial planning around a life event,” says Neal Ringquist, executive vice president of Retirement Clearinghouse. For workers who don’t have a great understanding of the basics of personal finance or preparing for retirement, companies are starting to offer educational programs that can improve financial literacy. Some companies will offer incentives such as additional match dollars for completing a financial literacy course.

5. **A more holistic view of retirement.** To make it easier for workers to save for retirement, companies are increasingly likely to auto-enroll workers at higher rates, and automatically increase that rate of investment each year. They're also allowing workers to opt-in to automatic rebalancing, which helps insure that investments don't get too far from the preferred asset allocation. But even as they make it easier for workers to save, companies are hoping that employees will take advantage of the other financial wellness benefits offered to create a personalized plan that works for them. "It's important that workers make retirement and investing decisions based on the broader context of everything else that's going on in their lives," says Brian Murphy, a vice president with Fidelity Investments.

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