

FINANCIAL WELLBEING PROGRAMS: Today's Tools for a Healthy, Productive Workforce

The American workforce is stressed out—and finances play a major role. Many workers say they're living paycheck-to-paycheck, and the routine is stressing them out so much that it's taking a toll on their health. Often, people bring their personal financial problems to work, resulting in absences, distractions, or other unproductive behaviors.

Financial stress costs companies about \$5,000 per employee annually, the Federal Reserve reported in 2010. Although this statistic comes from the period immediately following the financial crisis and recession—and many Americans' personal balance sheets have strengthened since then—there's no doubt that workers' financial stress remains a significant drag on employers' bottom lines.

To address this problem, employers are increasingly taking a proactive approach through financial wellbeing programs. This year, 91 percent of employers say they will create or expand financial wellbeing strategies, according to a survey by consulting firm Alight Solutions. Meanwhile, just 7 percent say they've fully executed on a program, leaving plenty of room for growth.

Companies with solid financial wellbeing programs report high participation in 401(k) and Health Savings Account (HSA) programs. Nearly 90 percent of participants who have access to financial wellbeing programs contribute to their 401(k) plan; 40 percent have an HSA. Only 66 percent of employees who don't have a financial wellbeing program contribute to their 401(k); only 28 percent have an HSA, Alight Solutions statistics show.