



COMMERCIAL INSURANCE

EMPLOYEE BENEFITS

PERSONAL INSURANCE

RISK MANAGEMENT

SURETY



ChatGPT's Top 5 Trends Impacting Employee Benefits: Financial Health (Part 2 of 5)

Written by:

Adam Moret | Whole Health Practice Lead

Jordan Paulus | Vice President, Director, Strategy and Analytics

We asked ChatGPT to predict the critical trends impacting employee benefits in the United States over the next ten years. In **part one**, we covered how the greater focus on employee mental health is leading many employers to expand their wellness benefits to meet the evolving needs of their workers. In part two, we will discuss another pillar of IMA Whole Health approaches: Financial Wellness.

The Millennial generation (those born between 1981 and 1996) is struggling with student loan debt, low wages, high inflation, credit card debt, and high rents. Consequently, 34% of Millennials say they're behind on their retirement savings, primarily due to financial hardship or needing to leave the workforce to care for a child or aging parent.

With additional financial stresses placed on employees due to COVID-19 shutdowns in 2020, and higher inflation in 2021 and 2022, it's easy to see why financial health has become a top priority for employees in this time of financial tumult.

Employees should be energized, engaged, and focused on the task at hand when on the clock. Unfortunately, many workers spend the day stressed about personal financial worries, which can impede productivity and lead to lost revenue.

Thankfully, there's help. The IMA Whole Health Practice Group offers guidance so that organizations can help employees enjoy better financial health and drive company growth while doing so.

The Whole Health Practice Group takes a holistic approach, where the mental, physical, social, and financial health risks of employees are connected. The Whole Health Practice Group helps employers educate their employees on financial health, specifically when it comes to:

- + Financial advisors
- + Digital financial programs/coaching
- + FSA/HSA differences and benefits
- + Tuition reimbursement programs
- + Retirement planning

The IMA Wealth, Inc. team of financial advisors works with businesses of all sizes and industries to help design and implement retirement programs based on the organization's specific needs.



WELLCENTS™

IMA Wealth, Inc. through its partnership with Retirement Plan Advisory Group (RPAG) offers a financial wellness solution, WellCents™, designed to help employees develop the financial confidence they need. WellCents™ helps employees grow their financial literacy and teaches individuals how to remove barriers that prohibit them from reaching their financial goals.

WellCents™ teaches employers about the importance of their employee's financial well-being and provides the following benefits:

- + Personal financial assessments and planning guidance
- + One-on-one consultations with an IMA Wealth advisor focused on establishing a personalized financial plan, including action items, based on the employee's unique financial priorities
- + Coordinated advice that integrates an employer's available benefits offerings
- + Tailored group education meetings to address the workforce's specific areas of interest
- + Mobile app hub for employees to complete assessments, schedule one-on-one sessions, and follow action plans
- + Employer reporting that provides insights into the workforce's financial challenges and measures overall wellness

IMA People Analytics work on understanding employee prioritization has shown that employees of all income levels can benefit from these benefits, the impact is even more pronounced among lower-income employees.

When employees were asked, "From my perspective, I find this a highly valuable benefit for my employer to offer," lower-income employees ranked financial planning assistance near other popular benefits such as maternity leave, and recognition programs for high-performing employees.

Employers should respond to this accelerating trend. Financially stable employees are more engaged, productive, and with better financial wellness, this improves the overall employee experience at any organization. By investing in the financial wellness of your employees, you create a desirable place to work that can attract top talent and retain star employees.

So, what can HR do? Helping employees improve their financial wellness isn't just about higher pay. Though, that doesn't hurt. Employees are paying closer attention to their entire financial picture and not liking what they see. Workers need help paying their bills, saving an emergency fund, raising their credit scores, saving to buy a house, and planning for retirement. However, employees can't think about saving for retirement when they're worried about day-to-day costs. This is why financial wellness benefits are becoming a priority over other benefits.

Until recently, offering a 401(k) may have been enough. However, in today's tumultuous economic climate, employees are having a hard time paying medical bills and don't know what to do when the vacuum breaks. Retirement saving is being delayed until after student loan bills and credit cards are paid off, which is a massive problem. If individuals aren't saving for retirement early, they're missing out on the benefits of compounding.

An important question HR can ask is, beyond an employee’s base salary, what other financial compensation can he or she expect to receive from the benefits we offer? For example:

- + What do we offer in terms of 401(k) matching?
- + What are the fees of our 401(k) plan?
- + Is there a vesting schedule for company stock options? If so, is it fair?
- + What non-retirement financial benefits do you offer? For instance, do we offer:
 - An employer-sponsored emergency fund?
 - Student loan repayment benefits?
 - A wellness stipend?
 - FSA or HSA?
 - If so, do we provide any company contributions to these benefits, and can those be increased or better distributed?

Along with employer-sponsored 401(k) plans and matching, employees are looking for benefits like employer-sponsored emergency funds, student loan repayment programs, and wellness stipends. The office ping-pong tables, catered lunches, and jars of jellybeans no longer offer the allure they once did.

Rising healthcare costs, inflation coming out of a global pandemic, and uncertainty about the future have contributed to the desire for financial wellness. HR and leadership can help alleviate these stresses and simultaneously improve the company culture by learning ways to meet the financial wellness needs of their employees. For guidance on offering financial wellness benefits your employees care about, the WellCents™ program can help.

WellCents™ program technology is not proprietary to IMA Wealth, Inc. This technology is offered through the RPAG platform. RPAG and IMA Wealth, Inc. are separate, non-affiliated companies. IMA Wealth, Inc. pays RPAG for the use of their platform and resources.

