



FinancialWellness.com

# Sample Employee Behaviors Report



Thank you for downloading the sample Employee Behaviors report. Financial wellness is a broad topic, and many HR professionals don't know where to start. Improving your company's financial wellness starts with gaining clarity on how your company is currently performing.

In this sample report, we will walk you through each key performance measure as it pertains to the national average. If you haven't already, we highly recommend that you also complete the Employee Behavior survey on FinancialWellness.com. Combined with your Retirement Health report, you will get a true picture of the financial wellness of your organization.

## Prepared for:

### Company Information

Number of Survey Respondents:

Survey Launch Date:

# Sample Report

## Employee Behaviors Score



A holistic approach is taken to assess your employees' financial behaviors. Many companies attempt to focus solely on investing behaviors, but this gives an incomplete picture of an employee's financial wellness.

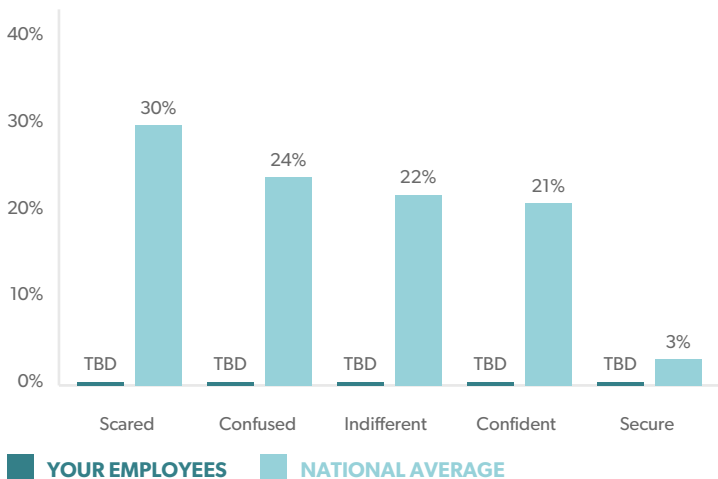
Financial wellness begins with creating habits around foundational topics such as budgeting, saving, and debt elimination. This report unpacks both these topics and others like investing, insurance, and retirement. Qualitative measures like stress, workplace distraction, and sentiment regarding personal finances are also covered.

Only 13% of companies receive a score of **good** or better.

### Understanding Employee Behaviors

The industry has treated financial wellness as a knowledge problem. However, knowledge only accounts for about 20% of financial wellness. Employee behaviors account for approximately 80% of an employee's ability to be financially well. Most employees already know what to do. They just don't know how to do it. In fact, the majority actually want help.

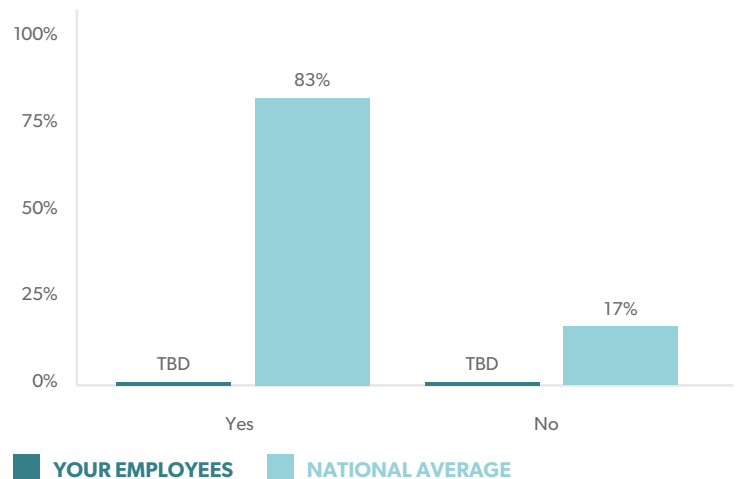
#### How do they feel about money?



When employees are asked "What word best describes your feelings regarding your personal finances?" 54% say they are either **scared** (30%) or **confused** (24%).

When employees are scared and confused, they need to be given simple and practical direction. If they can be inspired to create a solid financial foundation, they can build upon that foundation to invest for their future.

#### Employees Wanting Help



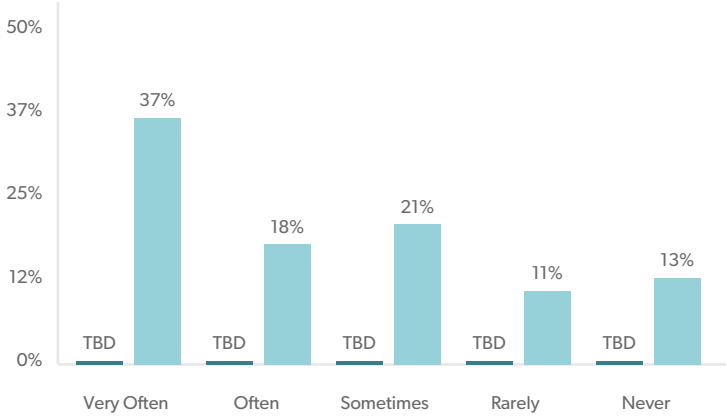
Across all companies, when employees are asked "Are you interested in improving your money-management skills?" 83% say yes.

The majority of employees are looking for help, but they simply don't know where to go to get it. This is a great opportunity for companies to help their employees in an area that they already want to change.

This is why financial wellness is such a quickly growing company benefit. There is an existing demand, so employees are quickly adopting financial wellness as it is being implemented.

# Survey Answers: Employee Behaviors

## Question 1: How often do you find yourself living paycheck to paycheck?



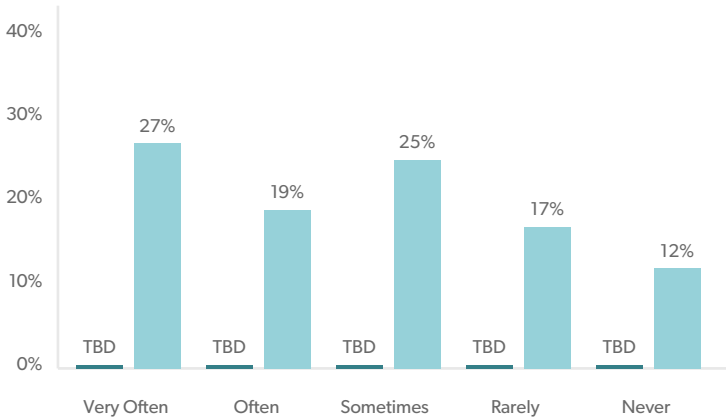
■ YOUR EMPLOYEES ■ NATIONAL AVERAGE

55% of employees **often** (18%) or **very often** (37%) find themselves living paycheck to paycheck, and only 24% **rarely** (11%) or **never** (13%) do.

When your employees have no margin, every unplanned expense becomes a crisis. By managing to a budget every month and having three to six months of expenses saved for emergencies, your employees will actually be prepared for life's unplanned expenses.

A strong financial wellness program should get more than half of program participants to report **rarely** and **never** living paycheck to paycheck within one year.

## Question 2: How often do you consider making a purchase with a credit card?



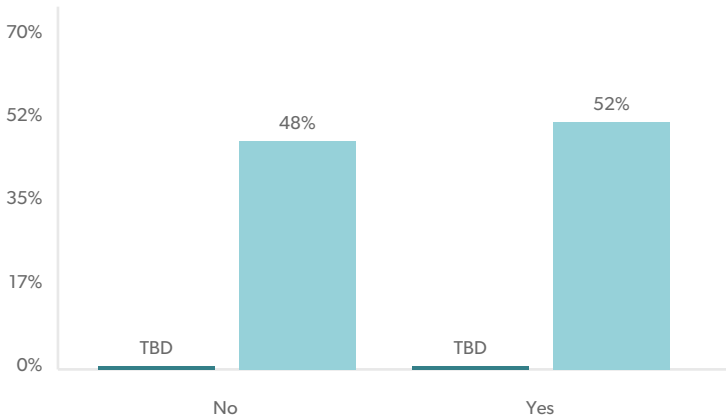
■ YOUR EMPLOYEES ■ NATIONAL AVERAGE

46% of employees **often** (19%) or **very often** (27%) consider making purchases with a credit card, while only 29% answered **rarely** (17%) or **never** (12%).

Credit card dependency is a tell-tale symptom of poor financial wellness. When an employee must go deeper into debt to cover basics like groceries and utilities, it means that one or more of the following are true: They have too much debt, they aren't managing to a budget, and/or they don't have any emergency savings.

A strong financial wellness program should get most program participants (at least 80%) to report **rarely** or **never** being dependent on credit cards within one to three years.

## Question 3: Could you pay for a \$1,000 emergency with your current savings (without using a credit card)?



■ YOUR EMPLOYEES ■ NATIONAL AVERAGE

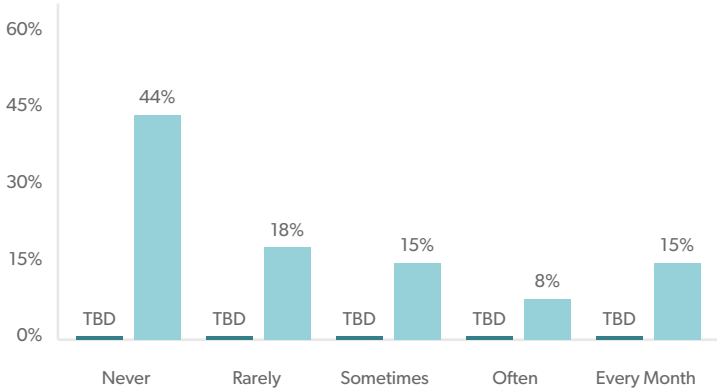
About half (48%) of employees can't cover a \$1,000 emergency with their current savings.

\$1,000 is not enough to have saved for emergencies, but it is a great starting point for employees with no margin. If an employee can get a quick win by saving \$1,000, they will have some margin while eliminating their debt. Then, they will be able to tackle the true goal of three to six months of expenses set aside for emergencies.

A strong financial wellness program should have most program participants (at least 80%) able to cover a \$1,000 emergency without borrowing money within three months.

# Survey Answers: Employee Behaviors

## Question 4: How often do you use a written monthly budget for your money?



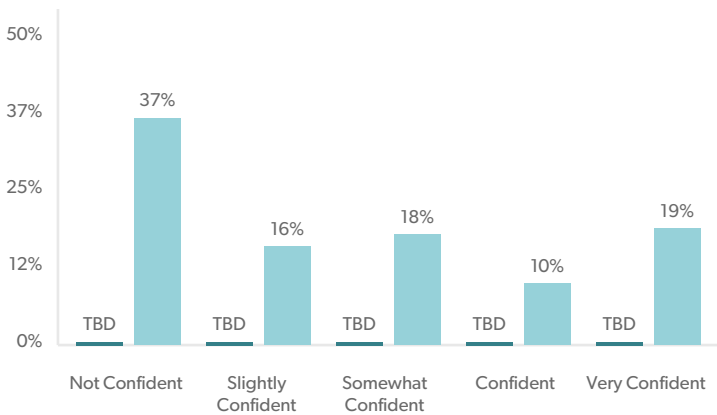
■ YOUR EMPLOYEES ■ NATIONAL AVERAGE

44% of employees report **never** using a written monthly budget, and 18% **rarely** using one. Only 15% use a written monthly budget every month.

A written monthly budget is the foundation of any good financial wellness program. When your employees do a budget, they are telling their money where to go instead of wondering where it went. Without a monthly budget, employees often have to go deeper into debt to cover basics like groceries and utilities.

A strong financial wellness program should get at least half of your employees to form a monthly budgeting habit that will last a minimum of at least two years.

## Question 5: How confident are you that you will be debt-free (except your house) within two years?



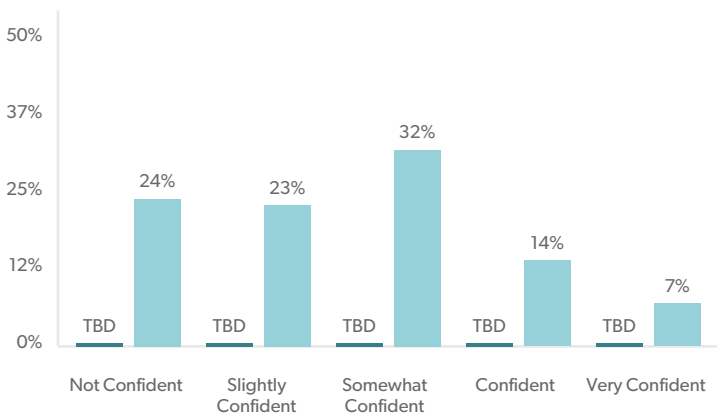
■ YOUR EMPLOYEES ■ NATIONAL AVERAGE

53% of employees have low confidence (37% **not confident** and 16% **slightly confident**) when it comes to being debt-free from consumer debt within two years. Only 29% have confidence (10% **confident** and 19% **very confident**).

When an employee becomes serious about eliminating debt, the average time it takes to become debt-free (including credit cards, student loans, and car payments) is only 18–24 months. To accomplish this, you must provide them a step-by-step plan to get out of debt (not just manage their debt) and inspire them to act.

A strong financial wellness program should, within 90 days, get more than half of the program participants to report a high level of confidence in eliminating their debt.

## Question 6: How confident are you that you will be able to retire comfortably when you want to?



■ YOUR EMPLOYEES ■ NATIONAL AVERAGE

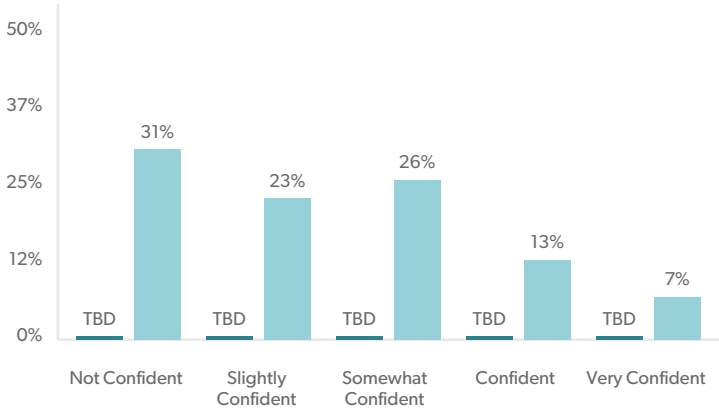
Only 21% of employees are confident (14% **confident** and 7% **very confident**) that they will be able to retire comfortably when they want to.

Most employees don't know how much they truly need to have saved in order to retire with dignity. First, they must create a clear vision for their retirement. Then, they need to understand how much to save today in order to achieve it. Finally, they need a simple plan that they can commit to so that they don't get off track.

A strong financial wellness program should get more than half of program participants to become confident in being able to retire comfortably when they want to within two to four years.

# Survey Answers: Employee Behaviors

## Question 7: How confident are you in choosing the retirement investment option that is best for you?



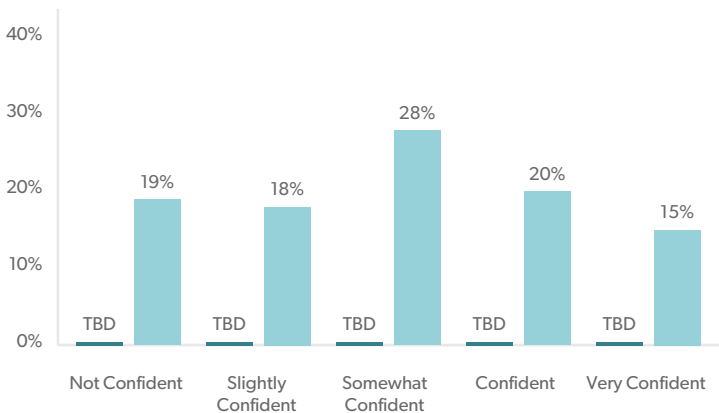
■ YOUR EMPLOYEES ■ NATIONAL AVERAGE

Only 20% of employees are confident (13% **confident** and 7% **very confident**) in choosing the retirement investment option that is best for them.

Even though investing education has received the most company focus of any area of personal finance, many employees lack basic knowledge when it comes to investing. They need to first learn the basics then gradually increase their knowledge in a digestible way.

A strong financial wellness program should get more than half of the employees who are engaging with the program to become confident in choosing the retirement investment option that is best for them within two years.

## Question 8: How confident are you that you have enough life and disability insurance to take care of your family?



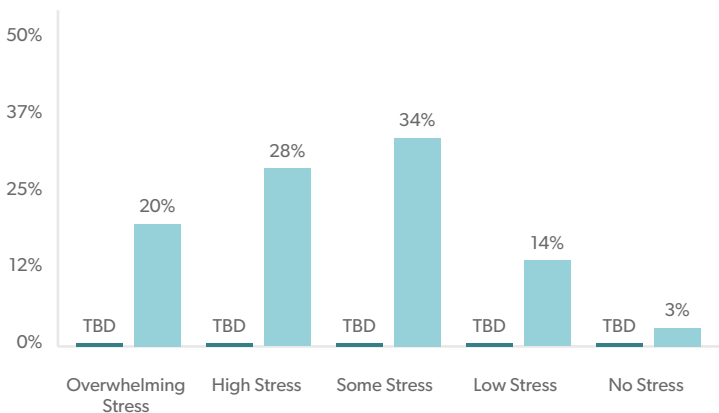
■ YOUR EMPLOYEES ■ NATIONAL AVERAGE

Only 35% of employees are confident (20% **confident** and 15% **very confident**) in having enough life and disability insurance to take care of their family if something should happen to them.

Insurance is not an exciting topic for most employees, but it is a very important aspect of personal finance. In order to engage employees, your financial wellness program should make this topic simple and easy to understand.

A strong financial wellness program should get more than half of the employees who are engaging with the program to become confident in having the right level of life and disability insurance within two years.

## Question 9: How stressed do you feel about your personal finances?



■ YOUR EMPLOYEES ■ NATIONAL AVERAGE

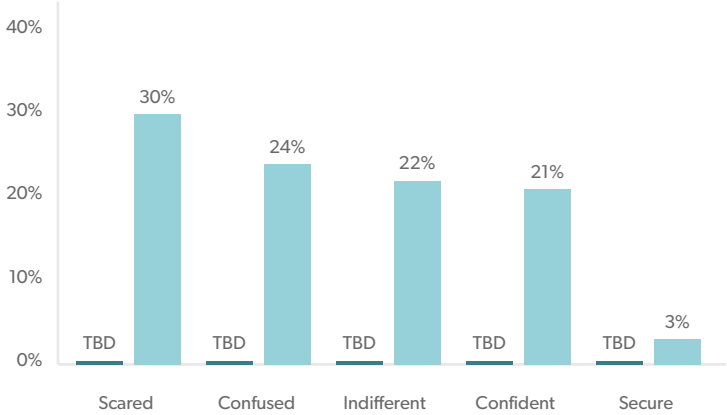
49% of employees without a financial wellness program have **high** (29%) or **overwhelming** (20%) stress about their personal finances. Only 17% have **low** (14%) or **no** (3%) stress.

Stress is the root cause of many wellness issues, not just financial wellness. By reducing your employees' stress around money, they can be more focused and productive at work, they will be absent less, retention and loyalty will rise, and healthcare costs will be lower.

A strong financial wellness program should get more than half of the employees who are engaging to report low or no stress about their personal finances within one year.

# Survey Answers: Employee Behaviors

## Question 10: What word best describes your feelings regarding your personal finances?



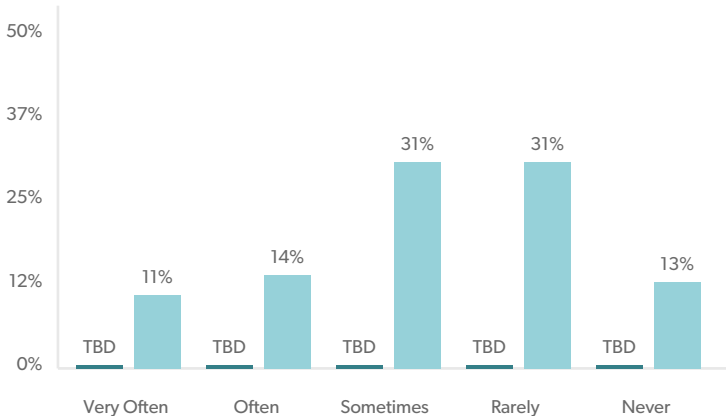
■ YOUR EMPLOYEES ■ NATIONAL AVERAGE

54% of employees say their number-one emotion when it comes to their personal finances is either **scared** (30%) or **confused** (24%).

This is often the most powerful question in the survey. When employees are scared and confused, they need to be given simple and practical direction. Once they are inspired to take action, they can build a solid financial foundation upon which they can invest for their future.

When employees are given a simple plan and the tools to create healthy money habits, you can see a dramatic shift in employee emotions. It is not uncommon to see a significant shift to **confident** and **secure** in as little as 90 days.

## Question 11: How often do you think about or deal with issues related to your personal finances at work?



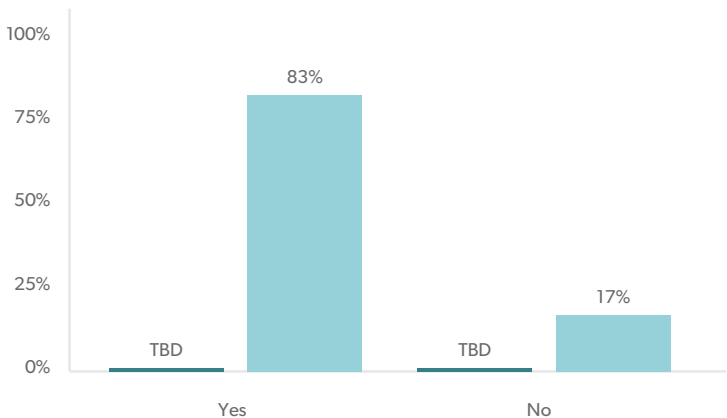
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56% of employees report that they **sometimes**, **often**, or **very often** think about or deal with issues related to their personal finances at work. Studies show that employees in deep financial stress have a drop in productivity by as much as an hour per day.

Workplace distraction is an indicator of the need for a holistic financial wellness program. Bad money habits primarily happen outside of the office, but they have a real impact on your employees while they are at work.

Within one year, a strong financial wellness program should get most program participants (at least 80%) to rarely or never deal with money issues at work.

## Question 12: Are you interested in improving your money management skills?



■ YOUR EMPLOYEES ■ NATIONAL AVERAGE

Nationally, 83% of employees are interested in improving their money-management skills.

This question is meant to help you assess if there is a demand for a financial wellness program. If interest is high, your financial wellness implementation can simply focus on awareness and enrollment rather than convincing employees why they need financial wellness.

An effective financial wellness program will get over 30% participation in the first year and amplify the success stories from the first year to expand the program for years to come.

# Assessing Financial Wellness Providers

## Creating Behavior Change

The most important aspect of any financial wellness program is its ability to create behavior change. When it comes to personal finance, it's not just what you teach, but how you teach it. Your employees need a simple, easy-to-follow plan and the information must connect with the heart. They must understand the why behind the education in order to be inspired to change their behaviors.



**74%**

of being on track for retirement is savings rate.



**100%**

of Americans will have to retire, but 52% have less than \$10,000 saved for retirement.



**64%**

of Americans can't cover a \$1,000 emergency without borrowing money.

## What To Look For In A Program

This list is meant to be used as a reference when assessing financial wellness programs for your organization. It is based on the most common criteria used by our financial wellness survey group.

- Program delivery methods
- Expected participation rate
- Ability to create behavior change
- Reporting on key measures
- Ease to work with

## Picking The Right Provider

This list is the most common process used (by companies with more than 500 employees) to select a financial wellness program by our financial wellness survey group. If you'd like more details than outlined below, feel free to contact us.

- Define your requirements
- Create Request For Proposal
- Demo at least 2-3 providers
- Compare pricing models
- Finalists presentations (if needed)
- Select provider

## Want to know who we recommend?

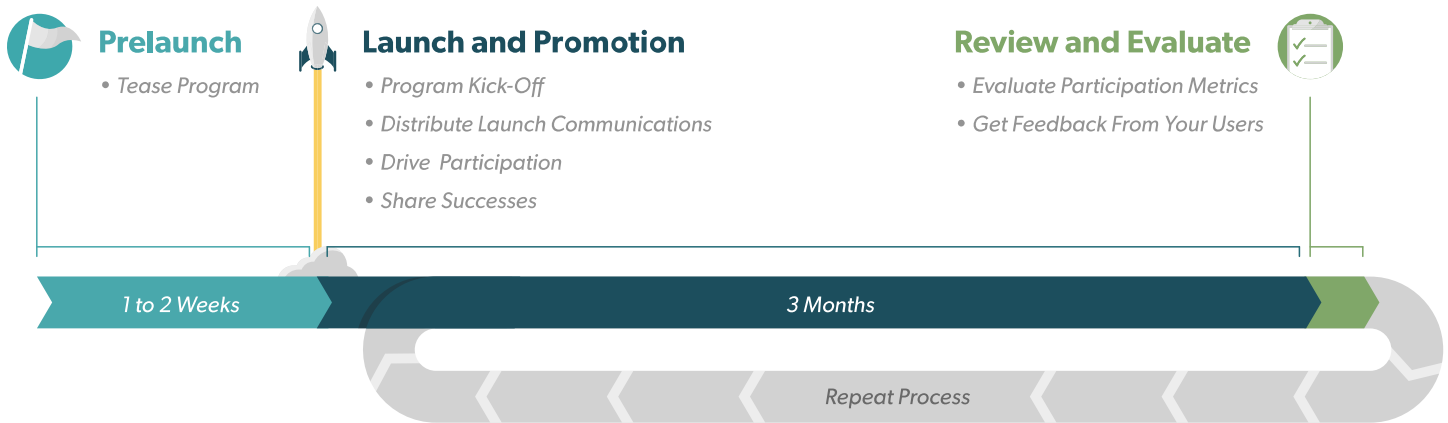
We can help make sure you implement the right financial wellness program for your organization (and we don't charge you for it).

**844.283.9374**

[info@financialwellness.com](mailto:info@financialwellness.com)

# Implementing Financial Wellness

The amount you put into implementing a financial wellness program is going to have a big impact on what you get out of it. Fortunately, you do not need to figure it all out for yourself. A good financial wellness provider can provide you with best practices, marketing assets, and custom campaigns. A great financial wellness provider will also automate much of the work for you. We recommend using the implementation timeline below as a starting point for your financial wellness program implementation.



## Implementation Tips

If you are implementing a financial wellness program for the first time, we recommend the following as part of your implementation.

- Create communication plan
- Define your timeline
- Tie in with existing wellness programs
- Incentivize employees to participate
- Define your reporting schedule

## Program Improvement Tips

If you have already implemented a financial wellness program and are looking to improve, we recommend the following as part of your improvement plan.

- Create reminder emails
- Create seasonal promotions
- Create competitions among employees
- Share successes from program
- Ask your financial wellness provider for ideas

# Want to know who we recommend?

We can help make sure you implement the right financial wellness program for your organization (and we don't charge you for it).

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## About Us

### FinancialWellness.com

Launched by Ramsey Solutions, FinancialWellness.com was created to spread the message of true, holistic financial wellness to businesses across the country. A successful financial wellness program goes beyond just retirement education and tackles the real issues that prevent people from becoming financially sound: no emergency savings, no budget, and no plan for eliminating their debt.

We believe a successful financial wellness program can provide lasting benefits not only to the employees helped by the education but also the company that provides it. We are committed to providing you with the information you need to be a success in this rapidly growing space and to change the way your employees handle their money for a lifetime.

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### Ramsey Solutions

Ramsey Solutions empowers people from all walks of life to win at life and money by helping them take control of their finances, build wealth, grow leadership skills, and enhance their lives through personal development. The company offers messages of hope through a variety of mediums including live events, publishing, digital products, and syndicated content. The company was started more than 20 years ago by CEO Dave Ramsey, America's trusted voice on money and business. Since then, the company has grown from a card table in his living room to more than 500 team members and has been voted one of the Best Places to Work in Nashville nine times.

- More than 2.5 million families have attended a *Financial Peace University* class.
- More than one million employees at thousands of businesses have access to our financial wellness program, SmartDollar.
- More than one in three high schools now use our curriculum. A middle school curriculum was recently released.
- More than one million people have attended a live event.
- More than one million people use our online budget tool, EveryDollar.
- We feature two nationally syndicated radio talk shows with more than 11 million listeners each week on more than 550 radio stations and digital outlets.
- Ramsey Press and Dave Ramsey have a combined 10 best-selling books with more than 11 million copies sold.