

# A Fresh Idea to Improve Your Employees' Financial Health

You know the bottom-line value of physically healthy, productive workers. But do you know the cost of a “financially unhealthy” workforce?

Poor financial health leads to higher levels of stress, lower productivity and higher absenteeism, and workplace disengagement. Some who are close to retiring don't feel they can afford to, choosing (where they can) to continue on the job. That makes managing your workforce more challenging as younger employees see chokepoints looming on their career path, and workers of all ages bring their financial worries to work, decreasing productivity.



## SavIncent™ Program – The Path to Financial Wellness and Retirement Readiness

Many employers provide incentives to employees (and spouses/partners) to engage in various health-related activities. Similar activities can be designed to promote and support financial wellness and can be linked directly to your retirement program:

- Savings incentives can be part of your current defined contribution retirement savings plan.
- Fun activities and informative workshops foster financial fitness and literacy.
- Employer contributions improve both today's financial health and tomorrow's retirement readiness.

With our innovative financial wellness program, SavIncent, you can improve the financial health of your employees, while also helping them save for retirement.

### How it Works

SavIncent helps motivate your employees to make the most of your retirement programs. SavIncent increases participation in your employee's savings plan by providing monetary rewards for completing such financial-related activities as completing a financial health assessment, establishing a will, meeting with an advisor, enrolling in your 401(k)/Savings plan, reviewing their credit scores, and participating in financial wellness games and training.

The employee is required to complete the training activity and then provide proof of completion – submit form, enter data on computer, etc. Once the event is completed, the employee receives monetary compensation. The monetary reward will be deposited into the plan.

The SavIncent Program works with any defined contribution plan. Incentive awards are classed as discretionary non-elective employer contributions. These are neither “deferrals” nor “matching” contributions, so no employee outlay is needed. All that’s required is employee participation in a financial wellness activity that you approve.

Employees can access the SavIncent Program in a number of ways – direct access through our portal; single sign-on access from another site, or from a link on your intranet or other portal. And we’ve made sure the Program is mobile-friendly, too.

## The Bottom Line for Your Business – And You

Aligning your business needs with the needs of your employees is critical to improving engagement and, as a result, your business success. We look at your needs across the health, wealth, and career spectrum — because that’s how your employees view your investment in them.

### The Cost of Poor Financial Health

Financial wellness is a growing problem and it directly affects your bottom line.

Almost two-fifths of HR managers in a 2014 SHRM survey said employees have missed work in the past 12 months because of a financial emergency.

Poor financial health affects your workplace through employee stress, loss in productivity, poor engagement, and absenteeism.

Debt is also a contributing factor, as is the lack of emergency funds – only half of workers have even \$2,000 to pay for unexpected expenses.

Other studies report that the number of working poor has grown significantly over recent years; this group has little chance to save for the future.

Simply put, the SavIncent Program helps you build a workforce that’s less preoccupied with financial stresses and better prepared to save for a secure retirement. In turn, you’re better able to plan your workforce needs.

**From predictive analytics to behavioral economics, and from social media and gamification to studies in ethnography, we continue to develop new ways to help you share responsibility with your employees for their financial security.**

The Program:

- Improves your employees’ retirement readiness and supports you in creating and executing a more effective talent management strategy
- Aligns your financial health strategies with workplace wellness strategies—creating a more holistic and effective culture of health
- Positions you as an employer of choice
  - Improves the overall health of your population, leading to improvements in productivity, absenteeism, stress, and ultimately engagement
  - Creates a more financially literate workforce

Plan assets can be used to pay for expenses associated with the incentive feature, should the plan fiduciary wish. Naturally, the services have to be for the primary purpose of increasing retirement savings/readiness and/or preventing seepage from the plan.

### Intrigued?

For more information about the SavIncent Program, or our other innovative approaches to retirement readiness, contact us at **1 866.355.6647** or **hrconsulting@xerox.com**.

Xerox HR Consulting is delivered through Buck Consultants at Xerox.

[www.xerox.com/hrconsulting](http://www.xerox.com/hrconsulting)