

# The Great Resignation may lead companies to offer employees financial wellness benefits



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American workers are financially stressed and employers are starting to listen.

Whether it is a response to the [Covid-19 pandemic](#), the threat of losing employees during the [Great Resignation](#) or something else that has long been brewing, there has been an uptick in financial wellness benefits being offered by companies, recent surveys have found.

This year, 46% of employers in Bank of America's [Workplace Benefits Report](#) said they are offering the programs, compared to 40% in 2020. The financial firm surveyed a national sample of 1,363 full-time employees.

Meanwhile, [a survey](#) by the Society of Human Resource Management and Morgan Stanley at Work found that 26% of human resource professionals said they added benefits or expanded existing benefits to help employees manage their financial stress since the start of Covid-19.

That still leaves almost three-quarters that did not. Yet a majority of employees want the benefits, SHRM and Morgan Stanley found. The survey was conducted in June, and included 1,205 human resource professionals, 1,000 working Americans and 1,000 unemployed Americans.

The perks in question include financial coaching, student loan assistance, [emergency savings help](#) and financial planning, in addition to more traditional benefits such as [401\(k\)](#) retirement savings plans.

Offering these benefits could be key in recruiting and keeping employees at a time when many workers say they want to quit their jobs. A separate survey by the SHRM found that 52% of workers are considering such a move.

“Thinking about it from a human-resources objective — I want to be able to attract talent, retain talent, allow people to bring their fullest selves [and] increase productivity,” said Krystal Barker, head of financial wellness at New York-based Morgan Stanley at Work, which assists companies with their financial wellness programs.

For instance, one large manufacturing company that works with Morgan Stanley at Work was facing a lot of competition for its mid-level executives and was concerned about losing employees. The company put together a financial wellness package that included individual financial planning.

“Financial wellness was a nice-to-have benefit,” Barker said. “It is now becoming evident this is a need-to-have benefit.”

That's what officials at health-care provider Northwell Health realized back in 2018, said Diana Grubard, the company's director of benefits. And it is something that is helping the firm stand out during the current Great Resignation. The financial wellness benefits for Northwell Health's 77,000 employees rolled out earlier this year, after being delayed by the pandemic.

“Our consistent long-term focus on well-being allows us to differentiate ourselves in this environment,” Grubard said. “It is what we use to attract and retain our talent.”



Doctors perform a liver transplant at North Shore University Hospital in Manhasset, New York. The hospital system, Northwell Health, provides financial wellness benefits to its employers.

*Northwell Health*

Northwell Health, which recently [made headlines](#) when it fired 1,400 unvaccinated workers, provides digital education like videos or articles, financial webinars and financial planning, which allows employees to meet individually with professionals.

The benefits are clear and outweigh any costs the program incurs, Grubard said.

“Think about how you feel when you’re financially stressed and how that leads to anxiety, depression, weight gain and underlying medical conditions, which leads to increased absenteeism and less productivity,” she said.

“We need our employees to be at the bedside,” she added. “We need them to provide the best care to our patients and the community.”

# It's a win-win.

[Annamaria Lusardi](#)

PROFESSOR AT GEORGE WASHINGTON UNIVERSITY SCHOOL OF BUSINESS

The data supports that view.

Workers with high financial stress are twice as likely to use sick time when they are not ill, with 48% of stressed workers using sick time versus 24% of non-stressed workers, a [Lockton Retirement Services survey](#) of 613 people across the nation found.

Then there is the time spent during work hours dealing with personal money matters. Workers with low financial literacy spend six hours per week at work, on average, dealing with financial issues compared to one hour per week among those with high financial literacy, the [2021 TIAA Institute-GFLEC Personal Finance Index](#) found.

If you multiply the time spent at work dealing with financial issues by the wage, businesses will see the value of providing financial education, said [Annamaria Lusardi](#), a professor at George Washington University School of Business and the founder and academic director of GWSB's [Global Financial Literacy Excellence Center](#).

"It's a win-win," she said.

"A good program starts with building blocks," noted Lusardi, a member of the [CNBC Invest in You Financial Wellness Council](#).

For instance, 40% of non-retired adults do not have non-retirement savings sufficient to cover one month of living expenses, the TIAA Institute-GFLEC Personal Finance Index found.

To be sure, financial stress and anxiety were around long before the Covid-19 pandemic. A 2018 [study](#) by the Financial Industry Regulatory Authority's Investor Education Foundation, its most recent, found that 53% of Americans said their finances makes them anxious and 44% feel that discussing their finances is stressful. The pandemic exacerbated that for many, especially women and people of color.

"After a pandemic, we need to take even better care of our finances," Lusardi said. "Most of us have really suffered through this pandemic."

*Disclosure: NBCUniversal and Comcast Ventures are investors in [Acorns](#).*

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