Financial Coaching in an EAP 2.0 Market
Presented by My Secure Advantage, Inc.

Meet Our Team

Brad Barron, CEO
My Secure Advantage

Cindy Sheriff, MA CEAP
Behavioral Healthcare Consultant

Rich Paul, MSW CEAP
SYNERGY HomeCare CPO

My Secure Advantage Timeline

1986
- Legal & Financial programs for EAP

2000
- Staff model for financial coaching

2004
- Added ID theft resources

2018
- 30 million employees & 15,000 companies

Established 1986
Over 100 EAP Partners

Today's Agenda

- Review of Industry Research
- Financial Assessment & Results
- Digital Innovation
- Integrated Solutions
- Discussion

What is Financial Wellness?

Financial wellness is the state of being in strong financial health in that one can successfully manage day-to-day finances, protect against unexpected expenses and financial shocks, and plan and save for future milestones.
Review of Industry Research

U.S. Employee Benefits
MetLife’s 17th Annual U.S. Employee Benefit Trends Study 2019

81% of Millennial employees and 75% of Gen X employees said other companies look more attractive than their current workplace if that company "cares more about their financial well-being" than their current workplace.

78% of employees believe that employers should assist them during work years
81% of employees agree that a financial wellness program will help reduce their stress
20% of employers currently offer a financial wellness program to their employees
50% of employers either plan to offer or would like to offer a financial wellness program in the future

PwC Survey
PwC’s 8th annual Employee Financial Wellness Survey, PwC US, 2019

The Results

78% of employees who aren’t saving for retirement say they can’t do so because of too many expenses
1 in 3 employees expect to work in retirement out of financial necessity
80% of employees plan to work during retirement
40% of employees are expecting to retire later than planned
76% of employees who aren’t saving for retirement say they can’t do so because of too many expenses
Financial Stress at Work
Among those who are stressed, 53% say it interferes with their productivity at work.

Baby Boomers: 16%
Gen Xers: 31%
Millennials: 49%

Source: PwC's 8th annual Employee Financial Wellness Survey, PwC US, 2019

Beyond Productivity
The Impacts of Stress

Health Issues: 75% of doctor visits are stress related.
Workplace Accidents: 60%-80% of on-the-job accidents are stress related.
Employee Turnover: 46% of employee turnover is due to stress.

Source: American Institute of Stress

Online Financial Assessment
With a long history of helping others, MSA has seen every financial circumstance and will help each employee design a plan that balances their obligations with their short and long-term goals.

Completing over 1,000,000 consultations

Helping over 50,000 employees each year

Conducting pre & post financial health assessments

Our Experience

Financial Assessment

Financial Wellness Score
A scale that measures financial stress and overall financial well-being.

Health & Wellness Score
Self-reported measure of how financial stress is affecting physical health.

Work Productivity
Self-reported hours per week of distraction at work due to financial stress.

Discover Financial Needs
Helps pinpoint concerns and goals surrounding user-specific financial topics.

M S A  D a t a  C o l l e c t i o n

Trends: Financial Stress Causes

Employees presenting with high levels of financial stress indicate that the main cause is being overwhelmed by debt.

Additional concerns include managing their monthly expenses, improving credit, and dealing with a significant life event.

Employers: Providing tools to help combat financial stress can lead to happier and healthier employees.

M S A  D a t a  C o l l e c t i o n

Trends: Financial Stress Causes

0-29 Years Old 30-39 Years Old 40-49 Years Old 50-59 Years Old

Too Much Debt
Managing Monthly Expenses
Improving Credit
Life Event
Trends: Retirement Savings

Most age groups report that their retirement savings is less than $50,000.
Experts recommend that an employee should have more than 3 times their annual salary saved by the time they reach 40.

Trends: Financial Needs Across Industry

All industries present predominantly with debt, budget, and credit but apart from Technology, whose need for retirement planning is lean. Retail has the highest hardship need among all industries. Technology also shows a high need for retirement planning.

Digital Innovation
Best Practices

- Easy to access
- Customizable steps
- Education-based
- Multiple learning formats
- Improvement training technology

Assessment & Action Plan

Solves employees’ level of financial well-being outcomes; identifies areas of specific financial need

Provide a measure of their well-being and stress, and an action plan with a path for them to follow through self-directed online learning materials

Digital Innovation

Video Courses

Online Curriculum

Self-directed video courses on a variety of topics, with related resources including calculators, articles and multiple learning formats

Video Courses

Self-directed video courses on a variety of topics, with related resources including calculators, articles and multiple learning formats

Online Curriculum

Self-directed video courses on a variety of topics, with related resources including calculators, articles and multiple learning formats

Video Courses

Online Curriculum

Self-directed video courses on a variety of topics, with related resources including calculators, articles and multiple learning formats

Online Curriculum

Self-directed video courses on a variety of topics, with related resources including calculators, articles and multiple learning formats

Self-directed video courses on a variety of topics, with related resources including calculators, articles and multiple learning formats
**Outcomes**

- **Financial Wellness Score**: 90%
  - 1-10 scale that measures the level of financial stress and overall financial well-being.

- **Health & Wellness Score**: 45%
  - Self-reported assessment of the degree to which financial stress is affecting physical health.

- **Work Productivity**: 53%
  - Self-reported number of hours per week that employee has been distracted at work due to financial stress.

**3.7% of salary increase to retirement plan contributions.**

**$370/month increase in discretionary income.**

**$8,000+ reduction in unsecured debt.**

**50+ points improvement in credit score.**
Likelihood of mental health problems are 3X higher.

Mental health involves our emotional, psychological and social well-being. Agencies against positive mental health include depression, anxiety disorders, psychotic disorders and suicide rates.

People who control vaccines are 5X more likely to be in debt.

Source: Results published in Clinical Psychology Review, 2015
Financial Stress

Americans are paying with their health.

1 in 4 Americans avoid healthcare.

1 in 3 Americans avoid healthy lifestyle choices.

56% of employees with chronic conditions forgo medication because of cost.

Employees with high financial stress are twice as likely to report poor overall health and are more than four times as likely to complain of headaches, depression, or other ailments.


Integrating Financial Wellness

Facilitate
- Facilitate opportunities to educate employers on signs and symptoms of a financially stressed employee

Increase Awareness
- Increase awareness of the comorbidity of financial issues with many presenting EAP issues, therefore creating a more holistic intervention

Make a Connection
- Help employees make the connection between their financial situation and their behavioral health issues

For the EAP

Reactive Opportunities to Support Financial Wellness

EAP & the Employer

Proactive
- Onboarding new hires
- Retirement contributions to a 401K
- Life events – getting married/divorced, loss of income
- Life events – birth of a child, college planning

Reactive
- Unscheduled absences
- Asking for payday advances and disaster response
- Dealing with personal finances at work
- Loans against retirement savings
Integrating Financial Wellness

Financial Coaching Opportunities
The EAP offers an opportunity to connect a presenting issue with financial behavior. Create an innovative opportunity to connect a presenting issue with financial behavior. Create the emotional bond by connecting the client and providing a financial coaching referral for the following presenting issues: marital problems, stress, anxiety, depression, insomnia, substance abuse, childcare, and eldercare.

Financial Coaching Opportunities
We have found that many people who call us for assistance with this presenting issue may also be dealing with financial concerns. It may be helpful for us to assist you with a referral to a financial coach in addition to a clinician.

Financial Coaching Opportunities
The EAP creates an innovative opportunity to connect a presenting issue with financial behavior. Create the emotional bond by connecting the client and providing a financial coaching referral for the following presenting issues: marital problems, stress, anxiety, depression, insomnia, substance abuse, childcare, and eldercare.

The Virtuous Cycle
For Your Financial Wellness

Working with a financial coach has been life changing. [My coach] has helped me through guidance and coaching to improve my credit score, secure a home loan, plan purchases, create a budget and pay off debt! Fantastic program!!

EAP Account Executive
It's critical to inspire and educate your workforce on financial wellness.