

INTRODUCTION

How Financial Wellness Drives Employee Engagement

Employee engagement is a critical driver of business success, impacting productivity, retention, and overall company culture. However, financial stress is one of the biggest barriers to engagement, with employees bringing money worries to work, affecting focus, motivation, and performance.

This guide explores how financial wellness programs directly influence employee engagement and provides actionable steps for HR leaders to integrate financial well-being into their benefits strategy.



The Link Between Financial Wellness & Engagement

63%

of employees say financial stress negatively impacts their work performance.

56%

of workers admit to losing sleep due to money worries, leading to lower productivity.

2x

more likely to be engaged at work are employees with access to financial wellness programs.

3x

more likely to look for another job are financially stressed employees, increasing turnover rates.

Key Ways Financial Wellness Increases Engagement



Reduces Workplace Stress and Distractions

- Employees dealing with financial worries spend an average of 3+ hours per week managing personal finances during work hours.
- Providing financial education, planning tools, and access to financial advisors reduces this stress, improving focus and job performance.



Boosts Employee Productivity

- Financially stable employees report higher motivation and fewer unplanned absences.
- A PwC study found that financially secure employees are 5x more productive than those struggling with money.



Improves Benefits Utilization & Job Satisfaction

- Many employees underutilize available benefits due to a lack of understanding.
- By integrating financial wellness into benefits education, organizations see higher HSA, FSA, and 401(k) participation rates, improving overall satisfaction.



Strengthens Employee Retention

- Companies offering financial wellness programs experience a 20% higher retention rate.
- Employees who feel supported in managing their finances are more loyal to their employer.



Increases Participation in Retirement & Savings Programs

- Employees struggling financially often postpone contributing to 401(k) and savings plans.
- Companies with strong financial wellness initiatives see a 30% increase in retirement plan participation, securing long-term financial stability for employees.

Steps to Implement Financial Wellness for Higher Engagement

STEP 1

Assess employee needs

Conduct surveys to understand financial pain points and tailor programs accordingly.

STEP 2

Offer personalized financial education

Host workshops on budgeting, debt management, and investing.

STEP 3

Provide one-on-one financial coaching

Give employees access to certified financial planners for customized guidance.

STEP 6

Leverage wellness dollars

Use carrier-provided wellness funds to cover financial wellness initiatives without additional costs.

STEP 5

Incentivize participation

Reward employees who complete financial literacy programs or increase their savings contributions.

STEP 4

Enhance communication on benefits

Simplify financial benefits education to encourage participation in HSAs, FSAs, and retirement plans.

Measuring the Impact of Financial Wellness on Engagement



Track productivity gains

Measure absenteeism, presenteeism, and overall output before and after implementing financial wellness.



Monitor benefits utilization

Compare 401(k), HSA, and FSA participation rates year-over-year.



Survey employee sentiment

Conduct quarterly engagement surveys to assess how financial wellness impacts job satisfaction.



Analyze retention metrics

Review turnover rates among employees engaged in financial wellness programs versus those who are not.

NEXT STEPS

Start building a financially confident and engaged workforce today.

- ✔ Download our **Employee Financial Wellness Engagement Toolkit** to get started.

DOWNLOAD

- ✔ Need help implementing a financial wellness program? [Contact us](#) at to learn how we can support your workforce.

