

HR INSIGHTS

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Helping Employees Be Smart With Their Money

Today many employees look to their employer for advice on their finances and retirement planning; many employees even have come to expect it. Employers who offer such advice and education can foster higher satisfaction and trust among their employees, and help their workers be less stressed about money.

This is significant because stressed and distracted employees tend to be less productive at work and have lower morale. Here are some considerations for helping your employees grow their financial and retirement knowledge.

Ways to Provide Information to Employees

To meet these needs, many employers do the following for their employees:

- Host workshops on topics such as personal budgeting, credit managing, estate planning, estimating retirement savings and investment basics.
- Hire experts to provide detailed information on complicated finance issues, such as an attorney speaking to employees about creating a will.
- Organize lunch-and-learn seminars about financial topics such as understanding the stock market.
- Provide one-on-one counseling to discuss monthly budgeting and contributions to a 401(k).

Benefits of Financial and Retirement Assistance

- Employees have an increased appreciation for their retirement benefits and a higher satisfaction for their employer.
- Employees have the knowledge to take more control of their finances, including budgeting, managing investments and increasing their savings, which can decrease stress about money and the future (creating happier, potentially more productive employees).
- Employees feel more empowered and in control of their future and well-being.

Cautions for Providing Financial and Retirement Advice

Did You Know?

Employers who offer advice on finances and retirement planning can foster higher satisfaction and trust among their employees. In addition, workers who are less stressed about money tend to be more productive at work and have higher morale than workers distracted by financial problems.



When giving out financial advice to your employees, ensure that they know it is simply that – advice. Caution them on making wise investment decisions and encourage them to discuss those decisions with a financial professional.

Selecting a 401(k) Vendor

In addition to the assistance that you can bring to employees personally, you can also utilize the resources that your 401(k) vendor can provide. Therefore, it is extremely important to select a retirement vendor who can help plan participants make solid investment decisions. When selecting a vendor, look for companies that have the following resources:

- Online retirement-income calculators
 - Assistance in creating a customized portfolio
 - Education resources for employees on potential retirement concerns and ways to overcome them
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