Addressing employee demand for benefits navigation and holistic wellbeing.

Insights from Balance Wellbeing with New York Life explore how an integrated partner ecosystem that addresses challenges surrounding life events and provides access to personalized guidance can help meet the financial needs of increasingly diverse, multigenerational workforces.

KEY TAKEAWAYS:

- Address relevant needs around life events and moments of use, not by age bands
- Provide interactive resources to assess financial health and receive personalized insights
- Partner with leading fintechs to provide access to solutions focused on discrete financial stressors
- Bridge digital experience to human advice and guidance with experienced financial professionals

Early Insights

New York Life's Wealth Watch Survey found in 2024 nearly every adult reported some financial concerns.

63%	56%	42%	40%
HIGHER COSTS OF LIVING	RISING COST OF EVERYDAY EXPENSES	SAVING FOR THE FUTURE	HAVING EMERGENCY EXPENSES

The Market

Most Americans manage their personal finances despite a lack of financial education. In 2023, it was estimated that a lack of financial knowledge cost Americans, on average, over $1,500.[1] Many don't know where to start or would welcome guidance along the way: Seventy-one percent of individuals either don't have a financial strategy in place, or have one but need help with it.[2]

Financial stress is amplified in the workplace, with financially stressed employees more likely to seek a new job, miss work, and be distracted on the job[3]—and persistent stress is more likely to impact healthcare costs and claims.[4] According to the Society for Human Resource Management, 83% of human resource professionals say that financial stress negatively impacts employee work performance.

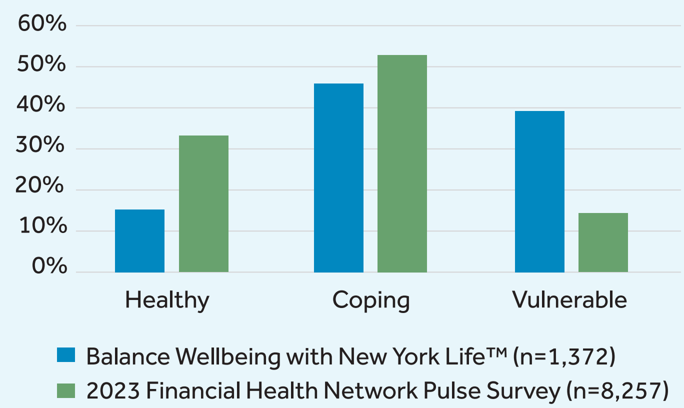
Access to workplace benefits can improve confidence levels and help people on the path to lifetime financial wellbeing.

Within a competitive marketplace, organizations cannot afford to have employees stressed, distracted, absent, or perpetually sick. Employees trust their employer to help them improve their overall wellbeing, as the workplace is a main source of income and household benefits. Eighty-two percent of employees believe their employer should play a role in supporting their financial wellness;[5] however, less than half (36%) of employers offer a formal financial wellness program.[6]

The Opportunity

Roughly 85 percent of total registrants[7] working full-time, aged 25 and older, scored financially coping or vulnerable, demonstrating there is a significant opportunity to better support financial needs during "moments of use" and within the workplace, with access to relevant solutions, tools, and holistic advice and guidance, for all wages, ages, and identities. Compared to benchmarks, early assessment results showed higher "vulnerable" populations. Vulnerable indicates a FinHealth Score® of 0 – 39, struggling with all, or nearly all aspects of their financial lives.

Financial Health Assessment (as of July 31, 2024)



The Challenge

Disparate systems and disjointed wellness programs lead to a fragmented employee experience, with low adoption and engagement. Workplace clients across industries, including healthcare and security systems, demonstrate competing priorities, but with a consistent focus on recruiting and retaining skilled talent while reducing administrative burden and costs. Benefits communications require an omnichannel approach for employees to engage when convenient, providing both digital and in-person options.

[1] National Financial Educators Council (NFEC) 2023 Survey, "Cost of Financial Illiteracy in 2023" (n=1,540). Survey conducted December 4 – December 17, 2023.
[2] New York Life, "Wealth Watch Survey," December 2022 (n=4,410).
[3] 2022 PwC Employee Financial Wellness Survey, January – February 2022: base of 1,100 full-time employees who say that money worries have a severe/major negative impact on their mental health.
[4] John A. Sturgeon and Alex J. Zautra, "Social Pain and Physical Pain: Shared Paths to Resilience," Pain Management, January 2016.
[5] Bank of America, "Navigating a New Era of Financial Wellness: 2022 Workplace Benefits Report," July 2022.
[6] Employee Benefit Research Institute and Greenwald Research, 2022 – 2024 Workplace Wellness Surveys.
[7] 2,300 total registered participants as of July 26, 2024 data.

THE SOLUTION

To effectively engage workers, capture interest with relevant topics, and encourage next-best actions, Balance Wellbeing™ pairs fintech with human connection. Launched in late 2023, Balance Wellbeing partners with leading fintechs and nonprofits to support the adoption of relevant solutions and provide subject matter expertise. Fintechs offer an experience that can lead to personalized support and guidance, provided by New York Life's financial professionals. Access to human-to-human connections, and building trust with users, can lead to lasting relationships.

Engagement with the financial health assessment provided a diagnostic view of current behaviors, which correlated with higher engagement rates: Those who completed the assessment were 92% more likely to engage with relevant content, more than twice as likely to seek fintech partner solutions, and two times more likely to connect one-on-one with a financial professional. Top content categories influencing higher rates of seeking an appointment with a financial professional included: benefits optimization (27%), debt management (18%), financial guidance (17%), and investments (15%). Meeting people where they are in their financial journey and helping with navigation to relevant solutions was also part of the user experience design: 78% of those who contacted credit counseling had a FinHealth Score within the vulnerable category, and 67% of those seeking student loan assistance or emergency savings had a FinHealth Score within coping or vulnerable.

Both benefit optimization content and completing the financial health assessment were the most influential "moments of use" across the employee populations in next-best action selection of connecting one-on-one with a financial professional. Providing access to holistic advice and guidance, regardless of asset threshold, created a personalized, dynamic experience, supporting employee financial health.

RESULTS:

Users who completed the financial health assessment demonstrated higher engagement.

92%

more likely to engage with relevant content, debt management, and financial guidance

2X

more likely to seek a fintech solution or connect with a financial professional.

New York Life Insurance Company
51 Madison Avenue
New York, NY 10010
www.newyorklife.com
V2_AR122173.122024 SMRU7196912 (Exp.11.01.2025)