

4

Critical Steps You Need to Take to Promote Employee Wellness and Maximize Engagement



Table of Contents

Building a Business Case for All Types of Wellness.....	3
Wellness’ Critical Importance to Employee Engagement.....	6
How Technology Plays a Role	9
Best Practices and Takeaways.....	17
Authors and Contributors	18
About Brandon Hall Group.....	19
BrightPlan Overview	20

Building a Business Case for All Types of Wellness

89%

of organizations that track wellness spending see a positive return on investment.

Source: Brandon Hall Group
Organizations are Communities:
How Do We Care for and
Engage our Employees? 2021

2/3 of companies see a

3x or greater ROI



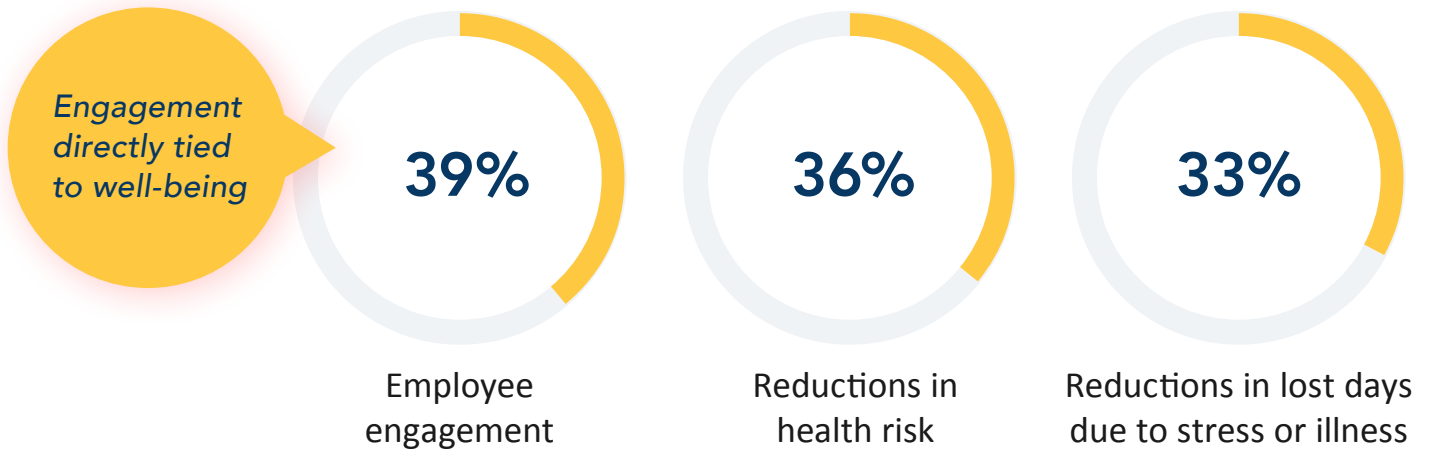
Wellness and well-being, as a whole, have gone from being viewed primarily as a sunk cost (or at best, a loss leader), to being understood as something that brings the business overall value. This is borne out by Brandon Hall Group’s research, which shows that 89% of organizations that

track wellness spending see a positive return on investment, and two-thirds of companies see a 3x or greater ROI.

One important note here is the caveat listed on the research results — this data is only from organizations that track their wellness spending. The adage, “You can’t manage

what you can’t measure,” is true here as well. Without being able to measure wellness spending against engagement scores, revenue, etc., it will be impossible to say definitely whether your return on investment is as positive as most organizations are finding.

How are Organizations Measuring ROI for Wellness/Well-being Programs?

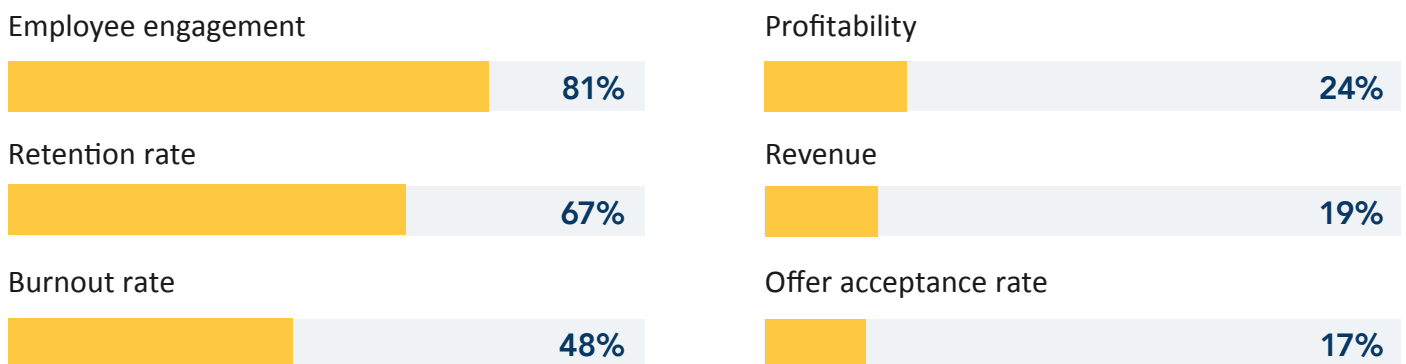


Source: Brandon Hall Group Organizations are Communities: How Do We Care for and Engage our Employees? 2021

Proving ROI when it comes to wellness can be admittedly difficult. It can be hard to measure hard numbers when it comes to wellness and well-being but anyone who has not recently investigated the relevant technology might be surprised how much easier it is now.

This is mostly due to a massive increase in integrations, either native or through a partner ecosystem, and because of a greater understanding of the link between well-being efforts and other business outcomes.

What Business Results Can Your Organization Tie to Well-being Efforts?



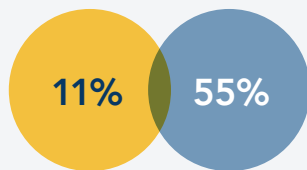
Source: Brandon Hall Group Organizations are Communities: How Do We Care for and Engage our Employees? 2021

Wellness outcomes can encompass metrics such as employee engagement, but more advanced organizations can tie traditional results including profitability or revenue to their well-being efforts, although these efforts are difficult and consequently rare.

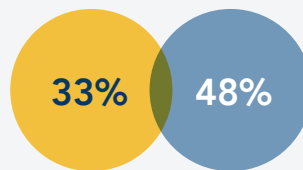
Percentages of those organizations have seen increases in the following:

● Organizations with **no well-being program** or just the most basic

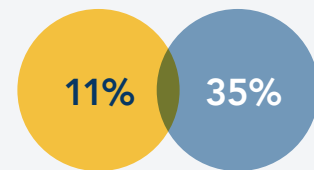
● Organizations that have **an average to robust well-being program**



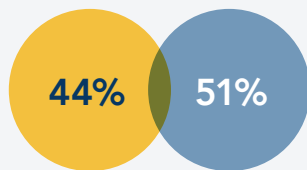
Employee engagement



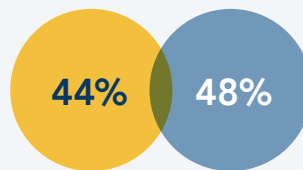
Customer satisfaction



Customer retention



Organizational revenue/performance



Market penetration/
customer base

Source: Brandon Hall Group
Organizations are Communities:
How Do We Care for and
Engage our Employees? 2021

What is undeniable though, is that well-being programs are very good for organizations putting them into place — and not just in the areas that might be expected (i.e., engagement and employee satisfaction). The most interesting difference between organizations with well-being efforts and those without are in customer retention and satisfaction. This makes sense, as those employees who are under less stress are better able to focus on their day-to-day efforts and can give their customers and clients the service and full attention they deserve.

Wellness' Critical Importance to Employee Engagement

Biggest Challenges to Well-being Efforts

43% | Lack of priority

41% | Current organizational culture

39% | Time

Source: Brandon Hall Group Organizations are Communities: How Do We Care for and Engage our Employees? 2021

Why, then, aren't all organizations fully on board the well-being train? The most common complications come from a lack of priority and belief in well-being as a whole. As recent as 10 years ago, well-being was mostly thought of as a perk or a nice-to-have for employees, rather than something that helps drive business results. It is now imperative that organizations consider the research findings and case studies and realize that implementing well-being practices is a way of achieving business goals, so it makes sense to give it the investment it needs.



BRANDON HALL GROUP POV

There are **four critical steps** to an effective wellness program:

Physical Wellness:

- Learn
- Plan
- Manage
- Invest

Mental Wellness:

- Learn
- Plan
- Manage
- Invest



Financial Wellness:

- Learn
- Plan
- Manage
- Invest

Social Needs:

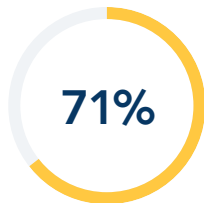
- Learn
- Plan
- Manage
- Invest

Understanding the usefulness and ROI of well-being, let us examine the four main pillars of well-being: physical, mental, social and financial. These are all linked; social needs are mental needs and mental health is health. We have all known for years that the mind and body are linked. In the same way, the programs we have in place to help others (and ourselves) in the workplace are linked.

As an example, think about running clubs set up through work — those affect physical wellness and social wellness. In the same way, financial coaching helps manage both financial and mental stress (i.e., mental health). Many programs can be set up quickly, although effort and thought are required at any organization. However, to do anything at scale requires technological assistance.

Technology Readiness for Increased Remote Work

(Overall — Rating of 4 or 5 on a 5-point scale)



Payroll



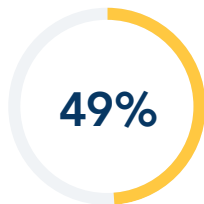
Workforce Management



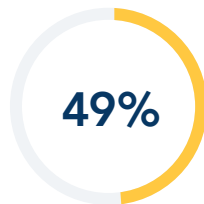
Employee self-service/help desk



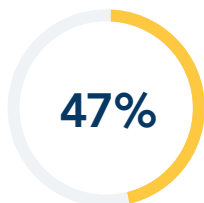
Learning



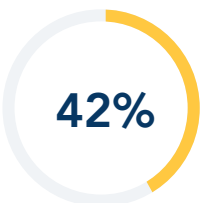
Hiring



Wellness/well-being



Onboarding



Talent management



Although many organizations are returning to a physical workplace, there is not enough preparedness for well-being in terms of having the appropriate technology in place to accommodate the new normal that includes remote work. Organizations seeking a competitive advantage must look at their technological ecosystem to support their employees with technology that will assist them in their well-being efforts.

Source: Brandon Hall Group Organizations are Communities: How Do We Care for and Engage our Employees? 2021

How Technology Plays a Role



BrightPlan’s digital platform enables employees to consume financial education, create a personalized financial plan and track their money — all in one place. The desktop and mobile app are home base for your money and is a compelling solution to drive engagement with employee benefits and encourage better financial outcomes.

They pair their digital platform with financial advisors because conversations with a professional financial advisor can yield tremendous benefits. Advisors are trained in

customers’ specific benefits offerings and can help employees maximize their employer’s benefits program. Advisors can spot gaps in a financial plan, provide valuable validation that employees are moving in the right direction and answer specific and personal questions about personal finances. According to [CNBC](#), [around 75%](#) of Americans manage their money completely on their own without the help of a financial advisor. By providing access to digital and human coaching through BrightPlan, employers can be the hero that helps employees build a solid financial plan to meet their life goals.



Let's dig a little deeper on how they provide Total Financial Wellness, first in the digital platform, then highlight the advisors.

The REALITY

Key Business & HR Challenges

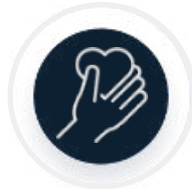


Attract & Retain Talent

41%

Employees considering leaving their employer within the next year

Source: Microsoft The Work Trend Index 2021



Employee Experience & Engagement

67%

Employees are disengaged at work.

Source: Gallup State of the American Workplace 2017



Holistic Well-being

85%

Employees say their well-being has declined.

Source: Harvard Business Review Beyond Burnout 2021



Diversity, Equity & Inclusion

36%

Diverse executive teams financially outperform non-diverse teams.

Source: McKinsey Diversity Wins 2020

Source: BrightPlan

In conversations with companies,
four key themes emerged as challenges:



Attracting and Retaining Talent:

- Candidates don't understand the value of total rewards: Recruiters are ill-equipped to sell the value of employer's total rewards offering and candidates fail to understand total rewards (and equity), putting employers at a disadvantage in the war for talent.
- Underutilization of benefits: Lack of employee understanding and participation in company total rewards programs.
- Communications overload: Employees are bombarded with workplace communications and important benefits-related messages may go unnoticed.



Holistic Well-being

- Incomplete wellness solution: Wellness programs don't support the "whole person" and don't address the top cause of employee stress — finances — impacting their physical, mental and financial well-being.
- Impersonal benefits offerings: Poor employee experience with minimal personalization and human interaction.
- Lack of benefits data: Absence of visibility into the impact of well-being initiatives, which affects HR's ability to make informed benefits decisions.



Employee Engagement and Experience

- Employees don't understand the full scope of total rewards: No single source explains total rewards offering and the company's investment in its employees.
- Lack of consistent global support: Inconsistent benefits offerings across different countries and languages, leaves some employees unable to access certain rewards.
- Lack of support for financial planning services: Employees lack support from HR on tax planning and other financial issues, such as estate planning, student debt assistance and more.

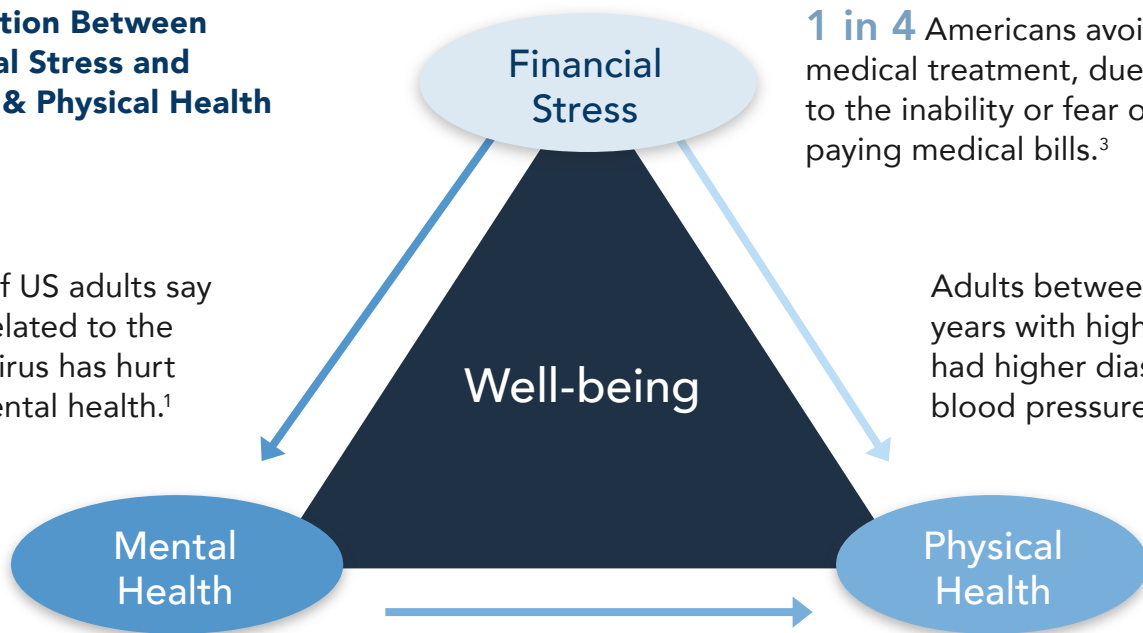


Diversity, Equity & Inclusion

- One-size-fits-all: Programs that are not inclusive and accessible or do not accommodate the diverse needs of each employee.
- Well-being of specific populations: Employer programs do not address the unique needs of different groups.
- Lack of DE&I data: Challenges in collecting DE&I data creates a lack of visibility into the needs of different employee populations.

Connection Between Financial Stress and Mental & Physical Health

53% of US adults say stress related to the coronavirus has hurt their mental health.¹



1 in 4 Americans avoid medical treatment, due to the inability or fear of paying medical bills.³

Adults between 24-32 years with high debt had higher diastolic blood pressure.²

¹ Kaiser Family Foundation

² Northwestern University Study

³ Bankrate Survey

Source: BrightPlan

As mentioned earlier, there is a causal link between mental and physical health. Nowhere is that more immediately apparent than in the link between financial stress and physical and mental wellness. There are direct connections, such as not feeling comfortable with the costs of seeing a doctor for a treatable illness, to the indirect ones such as high blood pressure from financial stress.

What is obvious is that although the aspects of wellness are treated as separate entities and sometimes do have standalone features, they are inextricably linked. Anything that affects mental well-being also has an aspect of physical well-being and should be examined in the light of the metrics usually associated with physical wellness, such as lost days of productivity, increased insurance claims and overall retention.



BrightPlan 2021 Wellness Barometer Survey Executive Summary



Financial stress costs \$4.7B/week*

20% say financial health has worsened, 46% have lower productivity with an avg. 15.3 hours lost per week.



HR — a pandemic success story

91% say their company & HR handled pandemic issues well.



Pandemic's impact

65% financially stressed and only 20% can answer basic financial literacy questions.



Benefits bar keeps rising

94% of HR think employers need to make **major benefit changes** to keep employees happy.



Role of employers

Employers are **trusted** as a source of financial information & employees **want help** with financial resources.



Diversity, Equity & Inclusion

87% say their companies handled DE&I well, but more needs to be done.

*Assumes there are 94,257,000 knowledge workers in the U.S. with an hourly wage of \$35.53. Source: Federal Reserve Economic Dataset.

Source: BrightPlan

According to Brightplan's [2021 Wellness Barometer Survey](#), financial stress costs employers nearly \$5 billion* per week due to worsening employee financial health, leading to lower productivity and engagement. American workers with degraded financial health reported decreased productivity (46%) and lower engagement (44%).

The following storylines stand out from the last year and a half:



HR was a surprise pandemic success story

Despite the initial upheaval, American employees were impressed by how quickly HR adapted to meet changing employee needs. An overwhelming 91% say their company handled pandemic-related issues well. This is a particularly impressive accomplishment in an era when many institutions, from governments to health organizations, came under

fire for their pandemic response. It wasn't all positive, however, as major divides remain between associate-level employees and C-Suite executives. When asked their opinion on how their company pivoted its benefits, just 21% of associates said that their overall benefits had improved, less than one-third the rate of C-Suite executives (65%).



Soaring pandemic stress and state of financial literacy

65% of employees are stressed about their finances due to the pandemic and 81% had to reassess their finances. The state of Americans' financial literacy is in bad shape — only 20% of those

surveyed could answer three out of four basic finance questions correctly. Of note, women scored higher than men and people of color scored higher than white respondents.



Benefits bar keeps rising

HR is not getting complacent about meeting the needs of their employees and seeks ongoing improvement. Ninety-four percent of HR leaders think employers need to make major benefits changes to keep employees

satisfied, productive and engaged post-pandemic. And employees agree — only 5% of associate-level employees “completely agree” their benefits improved overall during the pandemic.

Source: BrightPlan



The role of employers

Employees report high trust in their employers. Employers are more trusted as a source of financial information than friends, YouTube and influencers. Over 80% of employees want support and guidance from employers on personal finances.



Diversity, Equity and Inclusion

Amid the pandemic, diversity, equity and inclusion (DE&I) conversations swept over organizations, adding complex and contentious issues for HR to manage. By and large, companies did a standout job navigating the nuances. Most employees (87%) think their company handled DE&I issues well. However, people of color and women reported their company handling DE&I issues poorly more often than other groups.

Source: BrightPlan



Financial Wellness and DE&I

Key Challenges to Building Wealth

Education

3.9% students from low-income schools vs. **17%** nationwide have access to financial education.

NextGen Personal Finance
2019 U.S. Access Report

Financial Planning

58% of Black & Latino households vs. **37%** of all households don't have enough savings to cover three months of expenses at federal poverty rate.

Prosperity Now 2020
Scorecard

Investing

Women are **10% less likely** than men to be investing for their goals.

BlackRock 2016 Global
investor Pulse Survey

Advice

Only **1%** of Americans work with a financial advisor.

CNBC & Survey Monkey
2019 Invest In You Survey

Source: BrightPlan

The Opportunity

DE&I initiatives envision a **level playing field** for underrepresented Americans in the pursuit of **physical, mental and financial well-being**.

There is a [big wealth gap in America](#): Typical (median) white families have 10 times the wealth of Black families, eight times the wealth of Hispanic families and 2.6 times the wealth of "Other" families (Multiracial, Asian, Native American and Pacific Islander). Employers have a unique opportunity to help all employees attain financial wellness.



Source: BrightPlan

Financial Wellness

A Strategic Imperative

- **Employee experience** critical to business success and resilience.
- **Well-being** plays a critical role in driving employee engagement.
- **Financial health** drives overall physical and mental well-being.



Best Practices and Takeaways

Consider the broader picture when it comes to financial wellness — and all types of wellness. One mindset might see wellness as something to be addressed, like a problem to be solved to improve retention and productivity rates. Wellness goes beyond the workplace — though its effect on the workplace is profound. Wellness is one of the few areas that we, as HR professionals, have control over that can help employees succeed at work and in their broader relationships: with their family, friends and community. Being able to relieve stress, help plan for a brighter future and give employees a chance to engage in charitable giving means a stronger link between our workplace and a better world for all of us.

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About Brandon Hall Group

With more than 10,000 clients globally and 27 years of delivering world-class research and advisory services, Brandon Hall Group is focused on developing research that drives performance in emerging and large organizations, and provides strategic insights for executives and practitioners responsible for growth and business results.

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are comprehensive educational programs that center around a multiphase knowledge test.

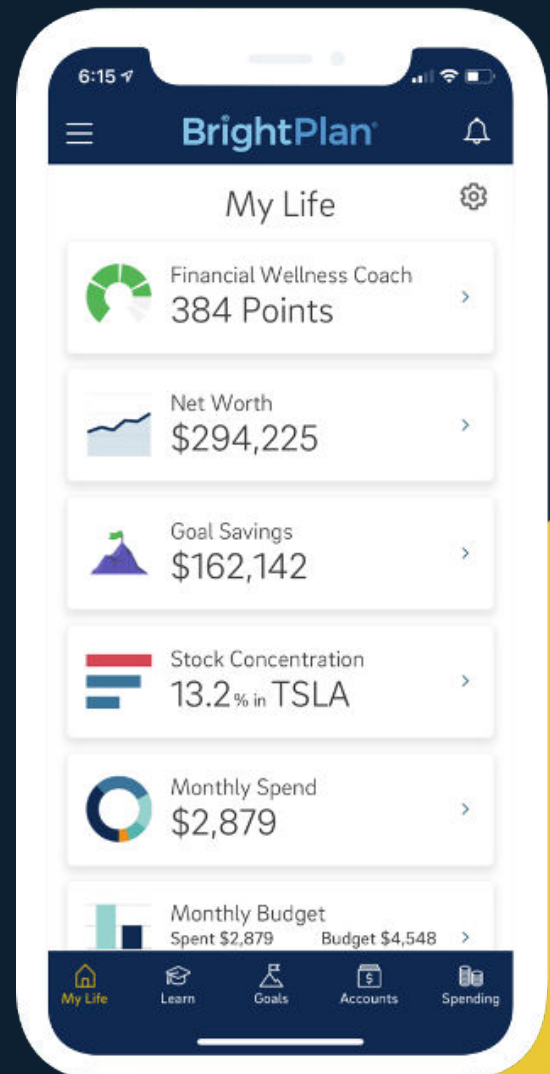
BrightPlan Overview

BrightPlan is a leader in Total Financial Wellness. Total Financial Wellness is the trusted solution that empowers HR teams to enhance the employee experience by supporting financial well-being. This enables all employees to achieve financial success at every stage of life. For more, visit brightplan.com.

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