Inside the Wallets of Working Americans

The 4th Annual Report from

Salary Finance

Executive summary

As we look toward a post-pandemic (or endemic) era, many working Americans are still struggling from the fallout from COVID-19. Some were personally impacted by job or income loss, or had a spouse or partner who was, and were only able to scrape by thanks to accommodations from lenders or the enhanced child tax credits that ended in December 2021. Others have had to take on the burden of financially supporting family members, adult children, or elderly parents, as life circumstances shift, and best-laid plans fall by the wayside.

Many have left their jobs voluntarily (over 47 million people in 2021[1]) because they're burnt out, they feel their employer doesn't put their wellbeing first, or they are in search of better pay or benefits[2]. Because of this, employers, and people leaders in particular, have been called upon to do some soul-searching:

How was the pandemic changed Americans' relationship to their work and their finances?

What separates the happy, engaged employees from the ones who have one foot out the door?

These are some of the questions we'll cover in this year's Inside the Wallets of Working Americans report, and we'll conclude with some insights into what employers can do to help foster employee financial health and happiness this year and beyond.

Methodology and limitations:

These results are based on a survey of 3,001 Americans who, at the time of the survey, were employed by an employer in the US with at least 500 employees. The respondents are distributed across the US geographically and the sample was designed to include representation of key sub-segments including women, Black or African-American people, Hispanic or Latino people, people identifying as LGBTQ+, and people with disabilities. The survey ran from February 1-16, 2022. Survey data comes with certain limitations due to self-reporting, which include telescoping, exaggeration, and selective memory. Citations of this report should read "Salary Finance's 4th annual report, Salary Finance Inc, 2022."

Key findings

45% of employees are financially stressed, the highest in the four years we've been conducting this research (vs. 42% last year and the year before). 20% of employees regularly run out of money between paychecks (vs. 15% last year), and of those who are financially stressed, that number goes up to 58%.

% of working Americans who...

45% Are financially stressed

75% Said that inflation has impacted their finances

68% Don't have money set aside for emergencies

55% Had less cash on hand over the past 12 months than in the previous year

51% Don't have emergency savings and are anxious about it

48% Said that getting better at saving is one of their top financial priorities

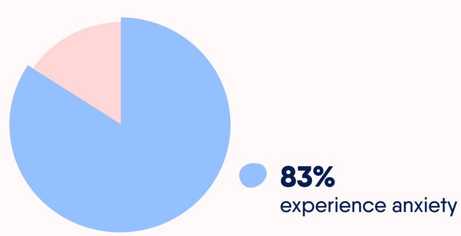
43% Are unhappy with their current level of savings

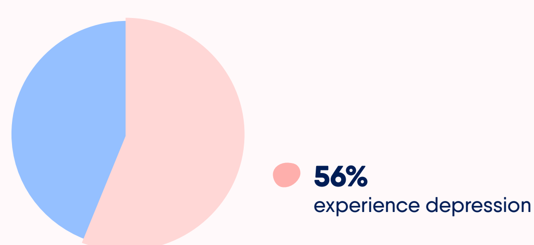
The bright side: concern about other areas of life has improved. Work issues, health concerns, and the state of relationships have gotten better year-over-year, perhaps given renewed perspective and more work/life flexibility to handle any issues that do come up.

% of people who...

	2021	2022
Have work or career issues	32%	29%
Are worried about their health	26%	23%
Are experiencing trouble in their relationships	21%	10%

Of those with financial stress





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This report is structured in four parts:

1 The backdrop

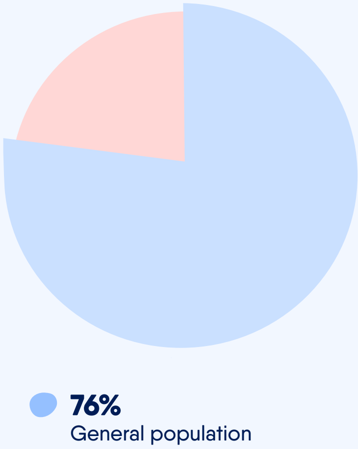
Many factors are impacting employee financial stress. In this section, we highlight a few significant ones, based on the research.

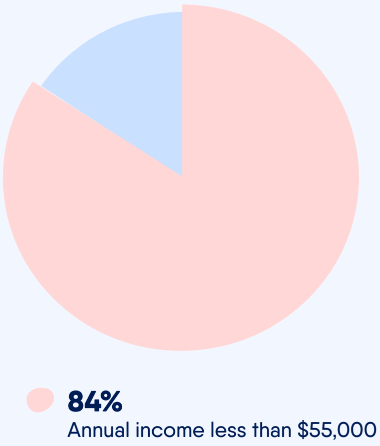
Inflation causing cost of consumer goods to rise

Inflation hit a four-decade high in January 2022[3], impacting the price of fuel, energy, cars, housing, and food. Needless to say, this has not gone unnoticed amongst working Americans, 76% of whom said that inflation has impacted their finances over the past year. This is even more pronounced among those with low-to-moderate incomes (defined as less than $55,000 a year).

As a result, about a quarter of employees say that it's harder for them to afford necessary expenses. A third of all employees say that this has kept them from being able to build their savings.

% who said rising price of consumer goods impacted them





Student loan payments resuming later this year

About half of all employees between the ages of 22-44 have outstanding student loan debt[4], and almost a quarter of student debt holders are over the age of 50[5] – so student loan debt is clearly an issue across the spectrum of American workers.

Based on our research, over half of borrowers (58%) took advantage of the forbearance offered as part of the CARES Act legislation, which is set to expire April 2022. **Many of these employees (36%) say they won't be able to afford to resume repayments,** and over half of them say their student loan debt obligations cause them stress and worry. With an average monthly repayment of $393[6], this is a significant financial burden on those employees who have it.

A restrictive housing market

Last year saw the largest annual rise in housing costs in over two decades, with the average house price up 17%[7]. This has made it harder for people to afford to buy a home, especially young, first-time home buyers, and families with children. Our research shows that **53% of workers who don't have a mortgage or own their home say it's because they can't afford to buy at this time.** Most of those people (65%) feel negatively about this; they would buy a home if they could.

These numbers go up amongst employees with school-aged children at home, 60% of whom can't afford to buy right now, and more of them are stressed about it (80%).

It's also more likely that women feel these effects, with 69% of non-homeowners seeing it as a negative and saying they would buy if they could (vs. 59% of men). This goes up to 74% of middle-aged women between the ages of 41-56.

Enhanced child tax credits ending

For about half of 2021, more than 36 million families received payments ranging from $250 to $300 per child through the enhanced child tax credit program that was implemented as part of the American Rescue Plan Act in 2021.

In our survey, 59% of parents with school-aged children reported receiving the credit, which was sent out monthly between July and December 2021. **40% of them said the money helped them build up their savings**. 22% said it helped them afford regular bills and payments. Additionally, one in four families used it to help cover childcare costs[8], which are rising: in our survey, we found that 58% of employees with childcare costs[9] saw those costs go up in the last year. For 59% of all employees with childcare costs, they said those costs cause them stress and worry.

Unexpected health issues drive medical debt and financial stress

Insights from Brella

Brella is an insurance technology company on a mission to build a world where health hardships don't create financial burdens. They've reinvented supplemental benefits with innovative plan design, paperless enrollment, and 72 hour claims. Brella offers employees cash benefits for over 13,000+ conditions from cuts with stitches to cancer.

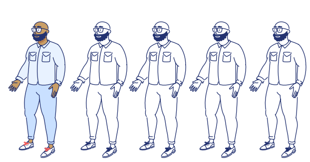
The trend of rising healthcare costs continued this year. The Kaiser Family Foundation reported the average worker with employer-sponsored health insurance now pays $5,969 toward the cost of their coverage, up 4% compared to last year[10]. The average deductible for single coverage rose to $1,669. Bankrate has reported that less than half of Americans have savings to cover an unexpected $1,000 expense[11], which means the majority of Americans, even those with employer-sponsored health insurance, are one health issue away from medical debt.

In fact, 1 in 5 respondents reported carrying outstanding medical debt, and 57% of those with debt said it was caused by a specific time period, illness or procedure—not by bills related to recurring care. An additional 13% said their debt was from a combination of recurring and one-time medical bills. This suggests that unexpected illness or injury is the major driver of medical debt.

Those with medical debt are finding it harder to manage than last year. 66% of those with unpaid medical bills said it causes them stress or worry vs. 54% last year, and 45% have defaulted vs. 33% last year.

Delayed care is still one way people are attempting to mitigate their healthcare costs. 33% reported skipping preventive checkups or follow up care since the beginning of the pandemic.

Fortunately with the milder Omicron strain, the cost of COVID-related care has come down. Only 27% of those with a positive COVID diagnosis in the household reported spending more than $500 on care vs. 57% last year.



1 in 5
people carry medical debt

57%
of medical debts are caused by a specific time period, illness, or procedure.

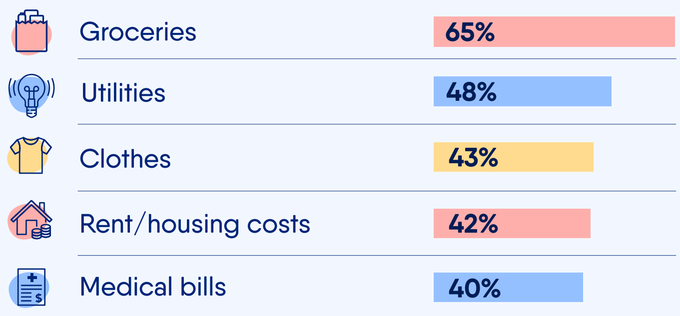
Providing financial assistance to loved ones

This year, we asked specifically about those providing financial support to a parent, sibling, adult child, or other relative (outside of supporting one's own school-aged children still living at home). We found that 19% of employees do this to some extent, with 64% of them spending more than 10% of their monthly income on this support. 29% spend over a quarter of their income on it. For the vast majority of them, the amount of financial support they're providing went up by $100 or more per month over the course of the past 12 months.

The level of stress associated with this type of support also increased by over 10% for both men and women: 44% say that it significantly impacts their personal finances.

However, it's common for these employees not to share this burden openly with coworkers or their manager. 45% say their employer doesn't know that they're providing financial assistance to family members – and it varies widely by race: only 18% of Black employees have talked about this responsibility at work vs. 41% of white employees.

What the money goes toward - top 5 most commonly mentioned



Increase in number of physical caregivers

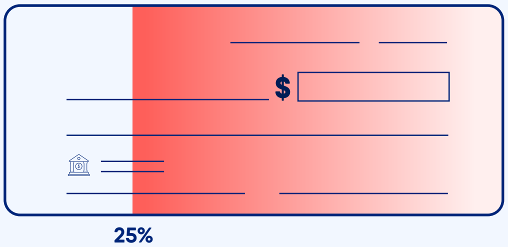
10% of employees surveyed regularly provide physical care to a loved one (an adult family member or a child with special needs). While this may seem like a small number on balance, it will only grow in the coming years[12], and the financial (and mental health) impacts are immense. It's something employers and people leaders should be thinking about and opening up conversations about with employees.

Caregiving responsibilities are more common amongst employees making more money: 12% of employees making over $55,000 a year identify as caregivers, and 14% of those making over $100,000 a year.

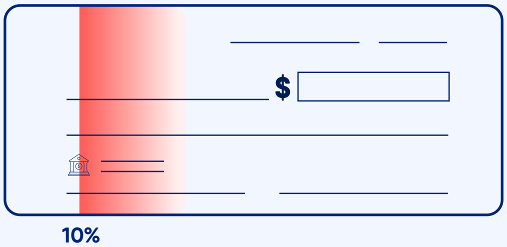
Most caregivers spend a significant amount of their income on this responsibility, (see below chart) with half of employee caregivers saying it has negatively impacted their finances, and they've had to borrow money from other sources to make it possible. 53% said they are unsure of when or how they'll be able to retire because of these expenses.

Similar to the previous section, 53% of employee caregivers have not shared with their manager or other coworkers that they have these caregiving responsibilities outside of work. 46% have shared with their manager only.

29% spend more than 25%



36% spend between 10-25%



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The impacts

What downstream effects do we see on employees' personal finances as a result of these many environmental, social, and economic factors?

EXECUTIVE SUMMARY
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Lack of savings

Our survey asks many questions around the topic of savings to attempt to illustrate the reality for working Americans. When we refer to savings in this section, we mean the type that's easily accessible and "liquid" – meaning it's cash on hand, or funds that are readily converted into cash, vs. something like retirement savings or stocks / bonds.

When it comes to emergency savings (money set aside specifically for "emergencies or unexpected expenses"), 68% of people say they don't have any. We know that not having any emergency savings increases the likelihood of people having to borrow or withdraw from their retirement savings (which we'll cover in more detail in on page 16)[13].

But going further, almost a third of employees also don't have at least $1,000 in cash buffer or liquid savings. This goes up to 41% when looking just at those who are financially stressed. It's also a drastically different picture by race: 49% of Black employees don't have $1,000 available, vs. 34% of Hispanic or Latino employees and 26% of white employees. This tracks with the fact that 55% of all employees say they have less cash on hand over the past 12 months than they did the prior year.

Top reasons that people have had to deplete their savings

About half (49%) of those who had to deplete their savings have not been able to build them back up at all.

Increase in types of debt

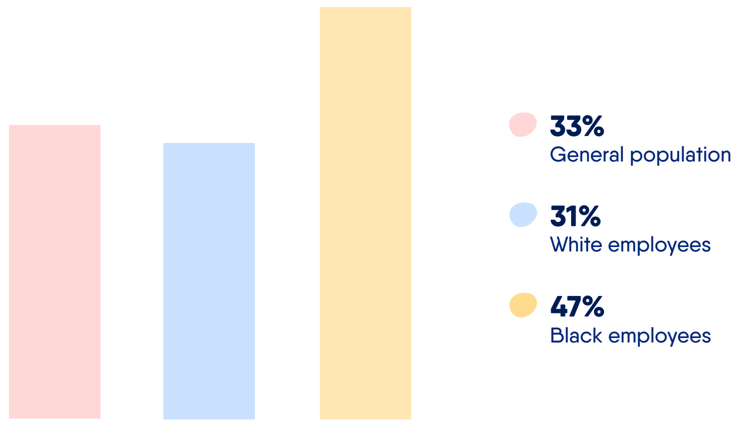
Increased credit card usage

88% of working Americans use credit cards, and for many, it can be an affordable way to finance large purchases and build a healthy credit history. However, about a third of credit-card holders we surveyed consistently carry credit card balances month over month. Of those, 62% carry $1,000 or more, and 41% carry over $3,000. This can become expensive quickly if the card-holder is only able to make minimum payments: a $3,000 balance on a credit card with an 18% interest rate rolled over month to month paid will end up costing almost $4,000 in interest alone[14].

Lower average interest rates on credit cards in 2021[15] means many people applied for new credit cards – according to our research, 29% of working Americans. About a third of those people applied because their credit had improved and they felt they had a better chance of getting approved. A quarter did it because they had a large expense or purchases they needed to pay for.

Conversely, 33% of employees surveyed were declined for credit in the past 12 months – this goes up to 47% of Black employees (vs. 31% of White employees). Many of these people likely had to then turn to more predatory and high-cost credit options (more on this on page 17).

% of people declined for credit in the past 12 months:



Rising popularity of Buy-Now, Pay Later tools

Another borrowing alternative that's rising in popularity is Buy-Now, Pay-Later (BNPL), which allows a consumer to make a purchase online and receive it right away, but pay for it over time. About 25% of employees surveyed have utilized BNPL in the last 12 months, and it's more common for those under the age of 35, 34% of whom have used BNPL. The rates of financial stress in this group are higher than average, with 60% of them reporting financial stress (vs. 45% of the general working population).

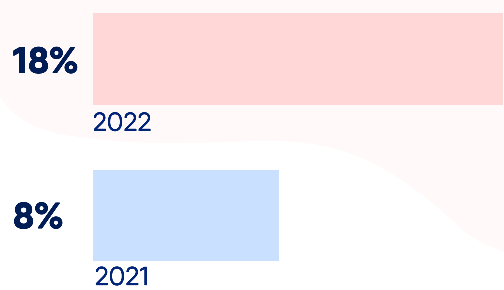
This option is cleverly packaged to the consumer to appear like a new way of buying, not a new way of borrowing[16], even though the product is effectively a loan – specifically, an installment loan, because it splits the full purchase price into equal installments which are repaid on a schedule via your debit or credit card. Some BNPL tools don't charge interest, which is perhaps why people may not realize this is another form of debt. There are potential downsides though: **32% of those who have used BNPL in the past 12 months have missed a payment or incurred a late fee.** And since BNPL providers currently do not report repayments to credit bureaus, there's no positive uplift to a person's credit history if they do repay their purchase on time.

Cannibalizing retirement savings

This year's survey uncovered a troubling rise in the number of employees who had withdrawn funds (either via a loan or hardship withdrawal) from their retirement savings in the past 12 months. In last year's report, the number had shrunk to 8% of employees – likely thanks to stimulus payments, available forbearance programs, and the enhanced child tax credit all shoring up peoples' short-term financial stability. This year, though, 18% of employees surveyed had taken money out of their retirement savings, and 63% of those people were financially stressed.

It's common for people resorting to this option to take out large amounts: 53% took out more than $3,000, and 16% took out over $10,000. For most (68%), they chose this option because they said it's their most inexpensive borrowing option. For some (21%), it's because another lender rejected their application for credit. As mentioned earlier in the savings section, it's much more likely people will take money out of their retirement when they don't have at least $2,000 available in liquid savings[17]. Our research supports this: 62% of those who took money out of their retirement savings said they don't have a cash buffer of at least $1,000.

% of employees who took money out of retirement savings:



Reliance on predatory or high-cost borrowing alternatives

There's been some momentum over the past year to restrict payday lending and clamp down on predatory interest rates, with six additional states capping interest rates at 36%. However, in 20 states, there's no cap at all, or it's higher than 36%. The average interest rate on a payday loan is still 391% and can go up to 600%[18].

Similar to the previous section, reliance on payday loans as a form of borrowing increased year over year: 15% of employees surveyed took out a payday loan in the past 12 months vs. only 5% in last year's research. This form of borrowing in particular differs drastically by race: 22% of Hispanic or Latino employees used payday loans, vs. 15% of Black, 16% of white employees, and only 6% of Asian employees. It's also more common amongst people under 44, with 22% of that population using payday loans.

Online installment loans targeting near-prime or subprime borrowers are becoming increasingly popular as well. These loans often range from $100 to $10,000+, with longer terms than a payday loan. While the average interest rates are lower, they can still reach the triple-digits: one popular platform offers annual percentage rates between 34 and 155%[19].

According to our research, usage among working Americans is up to 18%. Again - this varies widely by race: online installment loans were taken out by 27% of Black employees, 32% of Hispanic / Latino employees, 21% of White employees vs. only 10% of Asian employees in the past year.

Inability to build long-term wealth

Insights from The Motley Fool Foundation

The Motley Fool Foundation is a newly-formed public charity, launching April 1, 2022. With two-thirds of Americans either financially coping or financially vulnerable, we believe that together we can co-design an inclusive system and help pave an equitable path and access to Financial Freedom for All!

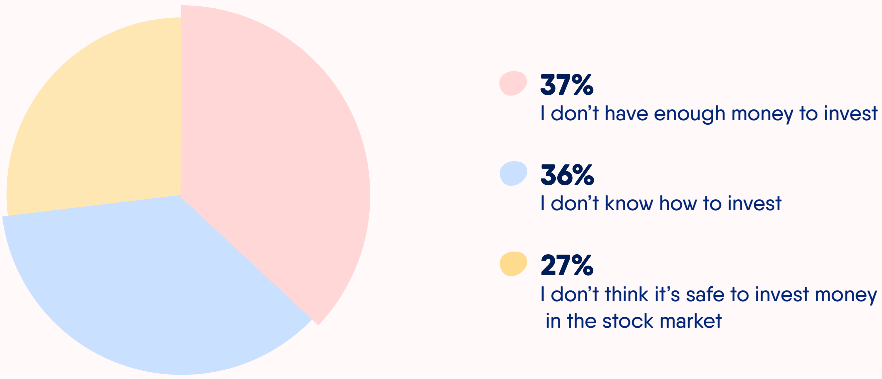
Investing is a proven method to build wealth over time, a view shared by 72% of respondents who see investing as an important component of long-term financial wellbeing.

Despite that, just 32% of respondents hold stocks and shares outside of a tax-favored account like a retirement plan or college savings account.

Clearly, barriers to investing remain for many working Americans. Among respondents that don't own stocks outside of a tax-favored account, 37% said they do not have enough money to invest and 36% said they don't know how.

Some respondents see the stock market as too risky: 27% said they haven't invested in stocks because they don't think it's safe to do so.

Why don't you have money invested into stocks or shares?



Among respondents who do not own stocks and shares outside of a tax-favored account.

Most respondents acknowledge that investing can be risky: 71% of respondents believe investing in the stock market is risky but an important part of building wealth.

Another 15% said investing in the market is not risky and is an important part of building wealth.

The remaining 14% believe the market is too risky for them and is not an important part of building wealth.

Respondents with less education and lower income were more likely to view the stock market as too risky for them and not an important part of building wealth.

The same pattern is seen when it comes to income. As the income of respondents rises, their attitude towards the stock market becomes less skeptical. Respondents who make less than $55,000 annually are particularly skeptical of the stock market.

Views on investing in the stock market

71%
Investing in the stock market is risky and can be an important part of building wealth

14%
Investing in the stock market is too risky for me and is not an important part of building wealth

26%
Investing in the stock market isn't risky and is an important part of building wealth

Setting investing goals

Investing goals can inform your investing strategy, time horizon, and can help you stay on track.

Saving for retirement was the most cited investing goal, with 71% of respondents listing it. Investing simply to accumulate wealth or build a rainy day fund were goals for 46% of respondents.

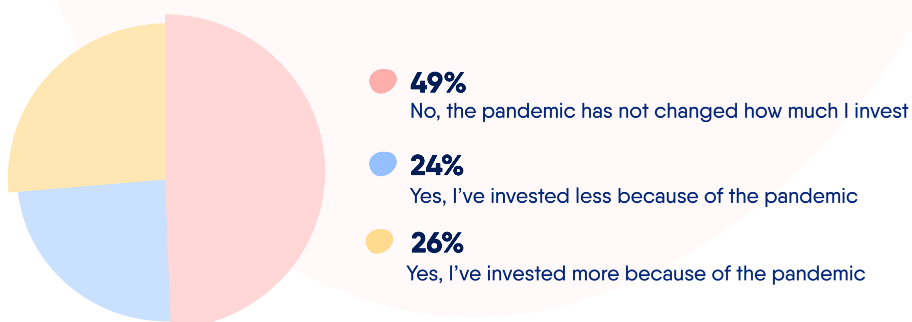
Notably, the older the respondent, the more likely they are to have saving for retirement as an investing goal. Just 44% of respondents aged 18–24 said saving for retirement was among their goals compared to 86% of respondents aged 55–65.

The opposite relationship appeared for every other goal. The older the respondent, the less likely they were to list goals other than saving for retirement, while younger respondents were more likely to have other investing goals.

COVID-19 caused financial strain for families across the country, but most Americans are staying the course or even ramping up investing.

Nearly half of working Americans that directly own stocks did not adjust how much they invest as a result of the pandemic, and 26% reported investing more because of the pandemic.

Just 24% of respondents that directly own stocks have invested less in the last 12 months due to the pandemic.



Among respondents who own stocks and shares outside of a tax-favored account

Another sign of resilience among American investors: just 17% had to sell stock in the past 12 months to pay for an unforeseen expense.

Investing and holding or buying during periods of economic uncertainty and market volatility is an important part of building long-term wealth.

Shifting priorities

When it comes to financial priorities, employees are still focused on improving their ability to plan long-term (mentioned as a priority by 53%) and save more money (mentioned by 48%).

Getting out of debt went up in priority this year, with 39% of people focused on this (vs. 33% last year). This went up even more drastically amongst people who are financially stressed: 54% of them are focused on getting out of debt (vs. 44% last year). It's also a higher priority amongst women (46% of those between 25-56 years old). In general, employees who are financially stressed, younger, women, or Black or African-American are the most focused on getting out of debt, getting better at saving and at long-term financial planning.

% of people who said they would like to improve in each area:

	All employees	Employees with financial stress	Men	Women	Black or African American	Hispanic or Latino	Employees under 35 years old
Long-term financial planning	53%	57%	52%	54%	53%	52%	54%
Getting better at saving	48%	58%	45%	51%	56%	43%	56%
Getting out of debt	39%	54%	35%	44%	50%	33%	38%

Highest % of all subgroups   Next-highest %s of all subgroups

3

The era of the employee

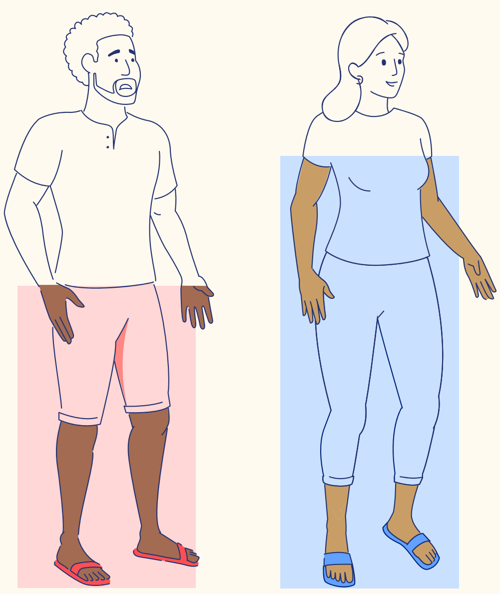
Employees expect more, and are voting with their feet. Employers that don't expand their employee benefits in a meaningful way will continue to feel the effects of The Great Resignation.

Battling the Great Resignation

It's more clear than ever that financial stress is tied to satisfaction at work and overall retention. People who aren't financially stressed are 3 times more likely to be happy at work and planning to stay vs. those who are financially stressed – this is higher than last year's number (which was 1.4x). Most (60%) of those looking to leave their employer in the near future are financially stressed.

Recent data from Morgan Stanley at Work showed that more than 9 in 10 employees would feel more invested in staying at their current employer if they were offered financial benefits that met their needs[20]. Further, of people planning to find a new job in 2022, ~50% say it's because they want better pay and/or benefits[21].

% of people who are happy at work:



53%
Financially stressed

77%
Not financially stressed

Employer trust and care is trending downward

The number of employees who say they feel their employer cares about their wellbeing declined year over year (57% in 2022 vs. 63% in 2021). The number is even lower for financially stressed employees – only 52% of whom feel that their employer cares about their wellbeing.

The trust numbers are still quite high overall, with 72% of employees saying they trust their employer (vs. 75% last year). This does differ by gender (74% of men and 69% of women) and race (see below chart).

One notable change here is that both Asian and Black or African-American employee groups saw increased levels of trust this year over last year.

Only 58% of employees say they feel valued by the organization they work for. That goes down to 53% of women, and 55% of Black or African-American employees.

Employee attitudes toward employer by demographic groups:

	General population	Men	Women	Asian	Black or African American	Hispanic or Latino	White
"I feel valued by the organization I work for"	58%	63%	53%	57%	55%	59%	59%
"My employer cares about me and my wellbeing"	57%	62%	52%	55%	53%	59%	58%
"I trust my employer to keep my personal financial situation private"	72%	74%	69%	66%	70%	69%	73%

Lowest % of all subgroups

Next-lowest %s of all subgroups

Openness to talking about finances at work

A little over a third of all employees say that they believe their personal finances are private and they wouldn't talk about them at work. This holds true across income brackets and race, but differs pretty drastically by age: 19% of Gen-Z (18-24) feel this way vs. 46% of Baby Boomers (57-65), illuminating a generational shift around this topic. **Only 13% of all employees say they feel they can talk openly about money at work and they would get the help they need.** Again, younger employees are more likely to feel this way than older generations.

Perhaps unsurprisingly, employees making more money are more likely to say they feel comfortable talking about personal finances at work, and are confident they'd get help if they needed it. Only 8% of employees who make less than $55,000 a year feel this way.

Why the hesitation? 20% say that money is "not the kind of thing we talk about at work". 13% say that they don't believe their employer cares so "there's no point in discussing it with them". The remainder either feel they would be judged, or feel they can talk openly but wouldn't be helped if they did.

Shift in employee benefit offerings

The COVID-19 pandemic hastened a shift in employers' approach to offering voluntary benefits or perks that address employee wellbeing. Mental health benefits in particular saw an explosion in popularity in response to the pandemic[22], and family-oriented benefits such as caregiving support, paid leave for caregiving, and fertility benefits or family planning services are also becoming more common.

% of employees whose employer offers the following benefits:

Health insurance	76%
Employee Assistance Program (EAP)	40%
Tuition assistance or reimbursement	37%
Mental health / virtual theraphy appointments	30%
Gym membership or fitness stipend	20%
Free or discounted parking or public transit	18%
Caregiving support or paid leave for caregiving	15%
Family planning / fertility benefits	13%
Identity theft protection	12%
Earned wage access	10%

Interest in financial wellbeing benefits

Benefits specifically aimed at financial wellbeing are still less common, even though employees who do have access rank them as some of the most important benefits. The Financial Health Network's recent study on debt-related benefits found that 28% of employees have access to an emergency savings account through their employer, and 26% have access to low-cost personal loans that can be repaid via payroll deduction[23].

On average, over 50% of employees with access to financial wellbeing benefits rank them as highly important vs. ~30-40% for other types of benefits.

% employee interest in financial wellbeing benefits by demographic group:

	General population	Men	Women	Black or African American	Hispanic or Latino	Financially stressed
Salary-linked, low-cost employee loans	**43%** *(up from 40%)*	**45%**	**41%**	**50%**	**46%**	**56%**
Emergency savings accounts	**63%** *(up from 58%)*	**63%**	**63%**	**64%**	**63%**	**66%**

Highest % of all subgroups

Next-highest % of all subgroups

What employees want when it comes to financial wellbeing

In an effort to help employees navigate financial issues, many employers have implemented a financial education platform or tool. While the intention behind this is good, the effects are often nebulous; measuring impact on employees, much less return on investment for a benefit that can often be quite costly, is difficult.

However, when you ask employees what they actually want out of their financial benefits, the most commonly mentioned attribute is something that would help them save money and/or pay down existing or avoid further high-cost debt. Financial education and related literacy tools fall further down the list, and it's no surprise: employees want solutions that can actually help them practically vs. just hypothetically. The Financial Health Network found that 62% of employees said they would be more likely to stay at a job that offered useful debt-related benefits[24].

% who chose the following options when asked, "If your employer were to offer you a new benefit to help you with your finances, which of the following would you be most interested in? A benefit that..." (could select up to 3)

Helps me save more money	**62%**
Helps me pay down existing or avoid high-cost debt	**36%**
Includes access to a financial coach / counselor	**31%**
Helps me understand my money options better	**26%**
Helps me manage my cash flow better	**26%**
Includes easy-to-understand financial education	**25%**
Includes budgeting tools	**23%**

What employers should look for

As employers survey the increasingly crowded financial wellbeing benefit landscape, what should they look for when it comes to specific product features? Here again, employees provide clarity on what's most important to them.

Of those interested in financial wellbeing benefits through the workplace, % who said the following features were "most important" (could select up to 3):

Low rate or cost	60%
Secure website	42%
Easy application process	40%
Trusted by others	39%
Fast application process	23%
Eligibility for individuals with a low credit score	22%
Eligibility for individuals without any or much credit history	17%

4

Financial wellbeing

After working with over 500 employers, reaching more than 4 million employees globally, we've identified a few key steps employers can take to develop and implement an effective financial wellbeing benefits strategy.

How to implement

Know your workforce and build a robust business case

Survey employees to understand their preferences and most pressing needs. If you have a population that spans different generations and income levels, a program that would help the majority of employees, like those with credit card debt, may be a good place to start. Ask potential benefit providers about case studies and ROI before committing to anything.

Focus on progress, not perfection

Start by helping those with the greatest need and built a broader program from there. Think about your organization's culture as well as the benefits themselves: what changes need to be made on a cultural level for new programs to take hold? And remember: choose quality over quantity.

Communicate to build awareness and show availability

The best benefits will have limited impact if employees don't know about them or don't know how to access them. Communicate frequently, utilizing all available channels and delivery methods in order to reach optimal levels of engagement and awareness. Consider asking employees about their preferred communication methods, and tailor your plan for maximum engagement.

Measure the impact

Map out the metrics you'll use to gauge the success of your financial wellbeing program, benefit by benefit, and of the program overall. Work with your benefit providers to set up ongoing impact reporting. Factors to consider include: reduction in 401(k) leakage, improved employee retention, improved employer Net Promoter Score, reduced financial stress levels, reduction in health care costs, enhanced employer brand sentiment, and increased productivity.

Measuring the impact

Whichever benefit provider you choose, they should help your organization measure the impact of the benefit on employees, in both quantitative and qualitative ways.

Salary Finance does this in several different forms:

- Reporting program engagement and participation regularly
- Providing high-level, anonymized insights on what types of employees are using the benefit
- Sharing employee feedback in the form of TrustPilot reviews, video interviews, and survey responses

Your benefits provider should also be able to share high-level impacts before you even launch. Ask if they have data on how the benefit decreases financial stress, improves mental health, or changes longer-term financial habits and behaviors.

Sample impact report featuring Salary Finance data

75%
of borrowers' financial stress decreased
For most, reduction was
30%
or more (on a scale of 1-10)

82%
of those with anxiety or depression reported improvements

82%
of those who were behind on bills and/or credit card payments were able to catch up

68%
of payday loan users said they were able to avoid taking out a payday loan after Salary Finance

59%
of borrowers said they are more likely to stay at their employer now that they have access to Salary Finance

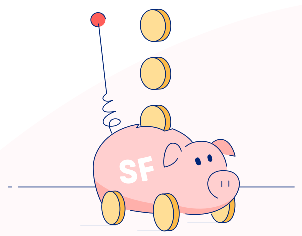
96%
agreed that Salary Finance was a useful employee benefit

87%
said they would use Salary Finance again if they needed access to affordable credit

About Salary Finance

Helping millions of people worldwide save more money and live happier lives

Salary Finance offers a holistic financial wellness program that educates, supports and sustains employees as they move from debt into savings, from financial stress to financial empowerment. The free platform provides financial literacy education and tools, salary-linked savings, inclusive access to affordable loans, and referrals to other resources when the need arises. All of this is at zero cost to employers and employees.



Save

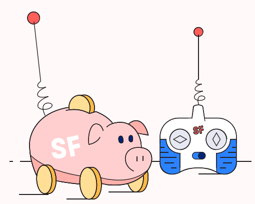
Helping employees save money in an easy and automated way, directly from their salary

Borrow

Helping employees access affordable capital through low-interest salary-linked loans

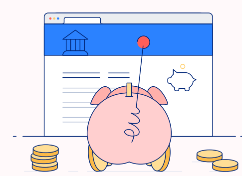
Measure

Helping employees measure their financial fitness and learn how to improve it



Learn

Helping employees improve their financial literacy and empower financial decisions



Get help

Helping employees access helpul advice through local resources and coaches

Salary Finance

Learn more by visiting **salaryfinance.com** or emailing us at **hello.us@salaryfinance.com** to get in touch.

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