



SPECTRUM
PENSION CONSULTANTS



Employer Connect | Financial Wellness Is Essential to Saving for Retirement

MAKING IT ACTIONABLE

Introducing a workplace retirement plan can be a compelling way for your employees to take control of their retirement savings. But for so many people that don't have control of their personal financial situation, the retirement plan at work doesn't have a chance to be successful without a helping hand and tools to achieve financial wellness.

We tend to talk about retirement plans in a vacuum—what it is and why it's important—but there is a real need to connect it to people's lives. Otherwise, when speaking with your employees, they may nod at you as if they understand what you're saying, but they may have no idea how to implement retirement saving strategies. If they have credit card debt or don't know where their money is going each month, they won't be able to contribute to even the best-designed plan.

There isn't a silver bullet to financial wellness, but it's important to recognize that part of good retirement plan design is ensuring that the people for whom it's designed can take advantage of it.

Consider: A common plea for those having trouble saving is to cut back on eating out or brew coffee at home instead of splurging for \$5 lattes. But it's not that simple. A recent study showed that 6-in-10 can't cover a \$500 emergency expense without pulling out a credit card.* If you're having trouble finding funds to fix your car, it's unrealistic to think about putting an extra 1% of your pay into your 401(k).

Many employees need guidance—and help—because they don't just need the opportunity to contribute to a 401(k), they need the **capacity to take advantage of it**. That's where financial wellness programs can make an important difference.

These programs take many forms:

- Online tools
- Smartphone apps
- In-person seminars
- Other miscellaneous media



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The right combination of financial wellness tools can be a compelling way to meet the diverse needs of your employees.

ACTION TO TAKE NOW

Talk to us about how we can create effective programs to help your employees. We will work with you to communicate more effectively about their financial health and how they can achieve the financial circumstances they need to feel confident and secure. It's a great step toward helping your team members achieve the retirement they deserve.

* [Bankrate survey: Just 4 in 10 Americans have savings they'd rely on in an emergency](#)