



## **CONSIDERATIONS FOR SELECTING A FINANCIAL WELLNESS PROVIDER**

Financial wellness providers offer a variety of tools, resources, and services. With so many providers and resources to choose from, how do you find the best match for your organization?

This piece outlines numerous things to consider when selecting a financial wellness provider. For the best results, work with a financial professional to develop a framework that will help you evaluate and select a provider that addresses the needs and priorities of your organization and employees.

**FINANCIAL  
WELLNESS**



## Key components

While there is no “right way” to deliver the principles of Financial Wellness to employees, it is important to consider which components may best align with the demographics of the workforce and the way they prefer to consume and interact with information. A truly holistic approach to financial wellness ideally encompasses a combination of these components.



### TOOLS

Tools provide a structure to help people manage their money. They often aggregate financial accounts to provide a more complete financial profile and assist with budgeting, tracking and the automation of good financial habits. These tools are typically accessible via the web and/or a mobile app and require significant time and ongoing involvement from the user. When evaluating a Financial Wellness program with tools, consider if its platform (web, mobile or both) is something your employees can easily engage with.



### EDUCATION AND LITERACY

Financial literacy is a fundamental component of Financial Wellness, and most programs feature some level of education. Employees have access to a broad library of general content that educates them so that they can make better saving and spending decisions. This content can take many forms, including articles, video blogs, podcasts and slideshows. It is up to the user to figure out which content to view and apply to his or her financial situation. When selecting a Financial Wellness program, employers should ensure that the depth/breadth and formats of the content offered meets the needs of their employees. Also, keep in mind that there may be no way to track how many employees are accessing this content and how they are putting their knowledge to work.



### COACHING AND BEHAVIORAL

More and more Financial Wellness programs are offering a behavior-focused component that uses benchmarks, one-on-one coaching and clear next steps to prompt employees to take action. Coaching and behavioral programs are more results-oriented than pure educational content and lead to more accountability for employees. They tend to offer employers the most visibility into how employees may be progressing on the road to Financial Wellness. Reports and statistical information may also help employers evaluate the ROI of a program.



### SERVICES AND PRODUCTS

Financial Wellness programs that offer ancillary products and services assist employees in addressing a specific financial need or financial planning scenario by taking concrete actions. For example, employees interested in saving could be provided with a product that automatically rounds up the cost of everyday purchases and saves the change in a high-yield savings account or investment account. Employer-level reporting varies widely across the services and products category, depending on the provider.



### ENHANCED EMPLOYEE EDUCATION PROGRAMS

In cases in which it's not feasible to purchase a Financial Wellness program or when your existing program is lacking some of the key components noted above, a financial professional can work with human resources to create a program or to enhance an existing program. The company may be able to identify specific needs within their employee population and work with a financial professional to design program features around those needs. For example, companies with young employees who are struggling with debt might benefit from a presentation on creating a budget. Pre-retirees may be interested in learning about Social Security rules or typical health care expenses in retirement. The possibilities are as endless as the employer's and financial professional's creativity.



## Budget or cost

For many employers, this may be the biggest factor in narrowing down the list of potential financial wellness providers.

- Is cost based on all eligible employees for the program, or are only those who enroll charged a fee?
- Will the cost be passed through to employees or will the employer decide to shoulder the cost?



## Business model

Financial wellness has exploded quickly throughout the retirement industry, resulting in a continual stream of financial wellness providers entering the market. What is the financial wellness provider's strategy for long-term success? Questions that employers should ask a potential provider could include:

- Do they have the capacity to grow as my organization grows?
- How do they make their money—from advertising, or does their revenue come from cross-selling additional products and services to my workforce?



## Communication frequency

Inquire about the timing, frequency, and type of message that the financial wellness provider would typically send. In an ideal world, perhaps they can even synchronize their messages to be complementary to the ones the employer is sending as well.

- What is their client service model for ongoing engagements with the employer? Do they have dedicated account or relationship managers? Is it a pooled client service environment? Is there a toll-free number?
- What is the ongoing cadence of communications after the program is implemented?



## Multimedia resources

Each organization's workforce is unique. And most of the time, it's not homogeneous. Some employees may have access to computers, laptops, or other mobile devices, while other employees rely more heavily on paper-based communication or call center conversations.

- Does the financial wellness provider offer education in a variety of formats? Is content available in paper, electronic, phone-based, and/or face-to-face formats? Which of those might be the highest priority for the employer's organization?
- How is content accessed? Do employees have to go to the financial wellness provider's site, can the content reside on the employer's internal websites, or is it a mix of both?



## Data reporting capabilities

Different components of financial wellness programs come with differing abilities to track employees' progress and measure success. Employers who may be under pressure to demonstrate the effectiveness of a financial wellness program may want to evaluate how detailed the program can be at providing results or progress. While data reporting capabilities sound like a "must have," employers should keep in mind that this capability is often accompanied by bigger logistical hurdles pertaining to data feeds and access to employee information. This raises questions about data integrity and security as well. Data reporting may also carry with it a heftier price tag for the program.

- What data reporting is available to track progress?



## Integration with other benefits

Financial wellness should be seen as an extension, or another facet, of the overall benefits package. The better integrated it can be into existing communications about retirement, the better chance the employee has to understand how the benefits fit together. At its core, financial wellness gives employees the capacity to generate additional savings, an important outlet of which is their workplace retirement plan. Enhancing the visibility and amplifying the presence of the financial wellness program will only help to increase adoption within the workforce.

- Can messages about financial wellness be incorporated into retirement plan statements?
- Can the plan's website include financial wellness (or at least a link to obtain more information on the program and resources available)?
- Is there an opportunity to incorporate financial wellness information into call center scripts?

# Create your own “Request for Information”

To assist you in making an informed choice, select from the questions below to create your own customized Request for Information to send to financial wellness providers. While the questions and considerations listed here can get you thinking about what will be most effective for your workforce, it is not meant to be an exhaustive list.

## Key Components

- What types of components, for example, tools, education, coaching, etc., are available as part of the program?

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## Budget and Cost

- How is the program priced? Per eligible, per employee, or per enrollee?
- How can the fees be charged? Directly to enrollees? To the employer?

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## Business Model

- How many years have you been in business? How many people are currently enrolled in your program?
- What are your current participation rates?
- How do you earn revenue now? What are your plans (if any) to expand or explore different revenue streams going forward?

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## Communication

- Is there a website for employees? Can it be customized for our employees? Do you offer an app that enrollees can access on a smartphone or tablet?
- How do you typically communicate with enrollees? How often? In how many formats is your education available? Do you offer the ability to coordinate your messaging with our own communications?
- Will employees have the ability to speak with an actual person? Do you offer services such as a call center staffed with CERTIFIED FINANCIAL PLANNER™ practitioners?

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## Data Reporting

- What types of reporting can you offer the employer? Is there any additional cost for reporting?
- If employee information is included in data feeds to/from the provider, what security measures are in place to protect it?

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## Integration With Other Benefits

- What systems do you have in place to integrate the program with our existing benefits offerings?
- Can you communicate directly with our retirement plan provider or recordkeeper?
- Can you demonstrate how your financial wellness program will align with our retirement plan and other benefit plans?

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**For more information, please talk to a financial professional.**

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