ong before his oldest child filled out her first college application, Norbert Kaut brought her to a series of college planning lunch-and-learn sessions on finding, applying to and paying for college.

They didn’t have to travel far for the workshops. Kaut’s employer, Des Moines, Iowa-based Meredith Corporation, offered them on site as part of its employee financial wellness program. Kaut’s daughter, Sofia, is now a sophomore at St. Olaf College in Northfield, Minnesota, and he gives high marks to Meredith’s program for helping the family focus on the important tasks in the college planning process.

“It greatly reduced the amount of time that I would have taken to try to get myself organized,” said Kaut, general counsel-corporate group at Meredith.

Like many employers focused on employee health and wellness, Meredith offers an on-site fitness center and annual health risk assessments. But the multimedia company is just as concerned about its employees’ debt levels and financial stress as it is about their cholesterol levels and weight.

Meredith, known for publishing Better Homes & Gardens magazine, started the financial wellness program in 2010 as an extension of its existing health and wellness offerings.

The program has had a measurable impact. Looking at Meredith’s 401(k) plan alone, participation has increased from about 87% of its 3,400 employees to 94% in the financial wellness program’s first four years, while the average salary deferral percentage increased from 3% to 6%.

“I think employees better understand their benefits, and when they better understand their benefits, they can understand how to use them to their advantage,” said Tim O’ Neil, CEBS, manager of employee health and financial wellness.

The program got its start after Meredith Chairman Steven Lacy approached O’Neil in 2009 with a desire to help employees following the financial crisis. Meredith’s 401(k) plan already had an autoenrollment feature, and the plan administrator provided communication pieces, but there wasn’t a formal financial education strategy.

The financial wellness program Meredith developed includes:

• An annual personal financial wellness checkup for employees and their spouses, developed in partnership with the Personal Finance Employee Education Foundation, offered every April. The online tool assesses participants’ financial stress levels with a score between one and ten, with ten being the best score. Participants receive a report with personalized recommendations for actions to improve their scores.

• On-site and online workshops targeting issues like tax planning, college planning, holiday credit and debt management and vacation planning

• Discounted health insurance premiums for completing the assessment and attending workshops, or cash for those employees who opt out of Meredith’s health care plan

• Well-Bucks earned by attending workshops. Well-Bucks can be used to reimburse employees for purchases like running shoes, therapeutic massages and financial planning services.
Employees over the age of 50 are eligible for a $500 lifetime benefit to pay for financial counseling. The program is administered through Meredith’s online wellness portal where employees take the check-up, register for classes and view recorded online sessions. The site also keeps track of and awards Well-Bucks.

The first financial wellness checkup, conducted in 2010, showed that 41% of participants were living paycheck to paycheck and 22% were behind on bills. “We knew this was a real issue,” O’Neil said.

The company uses the results of the checkups to plan workshops each year. These are led by an outside vendor that does not market product or services to participants and does not provide financial advice. Participants can choose to attend smaller group sessions to get more detailed information.

About 95% of insured employees and spouses or domestic partners complete the financial wellness check-up, and another 80% complete one or more financial wellness workshops annually.

“I think people are really hungry to learn more about some of these topics, and our programs continue to evolve,” O’Neil said. For example, many employees have moved beyond basic budgeting and are now more interested in becoming savvier investors.

In the last 1½ years, Meredith has focused education on the mechanics of its employee benefits so that employees can understand how to leverage their benefits as part of their personal financial plan.

Employees can get overwhelmed when they hear terms like HSAs, FSAs, deductibles and networks, O’Neil said. With the additional education, “I think that employees feel much more comfortable with the benefit package, more confident and more appreciative,” he said. “Employees really don’t see an ulterior motive for why a company would do this other than the fact that they care and they want employees to get the most of their benefits. As much as employers pay for benefits, it’s important that employees understand how to get the most out of them.”

The annual checkups also help Meredith assess the program’s success. Between 2010 and 2013, the average financial wellness score increased from 6.0 to 7.3 and the percentage of employees in high financial distress decreased from 22% to 8%.

The company has learned a few lessons in its four-year experience, O’Neil said. “In that first year we offered financial wellness, we spent $40,000 just on travel costs to send instructors to...”
all of our different locations,” he said. Meredith’s 3,400 employees are spread out over 25 states, with only 25% based in Des Moines.

“Over time we’ve tried to leverage technology and really think about the workforce in general,” O’Neil said. For example, officials discovered that many of the company’s television stations hold all-employee meetings after their noon newscasts. That turned out to be a good time to offer an interactive webinar or schedule some benefits education.

The company continues to strive for a balance between large-group workshops and personalized assistance and tries to link workshops to employee benefits as much as possible. For example, the company’s prepaid legal service voluntary benefit is discussed during a workshop on wills and trusts.

O’Neil, who comes from a health and wellness background, also found that additional benefits education has helped him in his expanded role. He earned the Certified Employee Benefit Specialist designation in 2013 and also got an M.B.A. degree.

“That CEBS designation along with getting my M.B.A. has really been a game changer, because I’m starting to be able to speak the language and be able to better understand the opportunities for our workforce,” he said.

Employers considering a financial wellness program should start small, perhaps with some basic education on company benefits, O’Neil advised. He suggested taking a step forward from that every year.

Timing educational opportunities is another critical factor in success, he said. “If it’s on someone’s mind and it’s near the time when they can take some action on it—such as open enrollment or filing your taxes or shopping on cyber Monday—those are times when people are ready to take action, and having timely educational opportunities is really important.”

Kaut credits Meredith’s program with providing a push for him to save more, even though he was already putting money away for retirement and college. With three more

by | Kathy Bergstrom, GBA

Employees can attend financial education workshops online or in person.