It’s challenging to convince employees to think about retirement in the long term if they’re having trouble meeting their financial obligations in the short term.

That was one of the issues the retirement committee at Bell Partners Inc. faced when deciding what type of financial wellness program would be a good fit for employees.

“How can you save for retirement if you’re being evicted or your car is being repossessed and you can’t afford to pay your bills?” said Paula Stop, CEBS, director benefits at Bell Partners. “As the fiduciary, it is our responsibility to try to help people get to the point where they can start thinking about retirement.”

Based in Greensboro, North Carolina, Bell Partners, Inc., is a private real estate company that acquires and manages apartment communities in the northeast, mid-Atlantic, southeast and western regions of the United States. A majority of the firm’s 1,200 employees work in hourly positions, such as housekeeping, groundskeeping, leasing and maintenance jobs.

Since the company launched a financial wellness program in 2017, employees have made strides in debt reduction and increased savings, including higher 401(k) plan contributions.

Employee Survey

A 2016 survey of employees showed that only 12% of associates knew what the company 401(k) match percentage was, and only 37% stated that they definitely understood the retirement plan.

The survey also showed that financial stress sometimes or often affected 58% of associates in their ability to concentrate on their work. Because the company’s retirement plan advisor could provide a program affiliated with financial author Dave Ramsey, the survey asked employees whether they would be interested in a program like it, and 78% said they were.

Associates also felt either not well-informed or uninformed on financial topics. The most popular financial topics were planning for retirement, debt management, retirement income distribution planning and life insurance.

Nearly all requested access to a college savings program, and they showed an interest in discount programs for automobile insurance and gym memberships.

The retirement committee selected the Ramsey-affiliated SmartDollar program as its vendor, and it was implemented in February 2017. Enrollment in the program was separate from open enrollment for benefits, but it was tied to WellBell, the Bell Partners employee health and wellness program.

Program Elements

The financial wellness program is provided to all employees, including full- and part-time and temporary workers. “We feel very strongly that everybody should have access to these tools,” Stop explained.

The program held lunch-and-learn seminars on financial topics including getting to know your 401(k) plan, becoming a homeowner and taking control of your finances. The seminars were recorded and posted to the company’s online training platform, Bell University.

The company promoted the program with two contests in 2017. The first contest focused on convincing employees to register for the program and set up a profile. The second contest incentivized participation by allowing participants to earn points for watching videos, creating a financial scorecard and budget, and updating budget information. Participants who achieved the points goal for each contest were entered into drawings for $500, $250 or vacation days.
Once enrolled, employees “get to choose where they want to go with it,” Stop said. It’s up to them which activities they want to participate in or which videos they want to watch. The program is continually updated with new activities that allow employees to earn points.

In 2018, Bell Partners held three contests that provided rewards to employees for updating their financial wellness score, creating a budget and participating in a department/team contest. The vendor also conducts its own contests almost monthly to reward participants based on their points.

The program is communicated with the WellBell logo and through multiple channels including email, mailings to employees’ homes, a monthly benefits newsletter, a benefit guide, manager support and bulletin boards. Participation in the financial wellness program offers a reasonable alternative for employees who don’t meet screening health goals of the outcomes-based health and wellness program.

**Program Results**

In 2017, 503 people enrolled in the program for a total participation rate of 34%. The total financial turnaround (debt eliminated + savings added) reached $671,911, including $259,034 in debt eliminated and $412,877 in savings added. That’s an average of $2,564 in debt eliminated and $4,087 saved per employee, based on the results of 101 participants who completed an optional financial scorecard.

Participation jumped to 626 for a rate of 42% in 2018. The total financial turnaround was $902,565, with $433,193 in debt eliminated and $468,372 added to savings, based on the results of 134 participants who completed the scorecard.

Emotions toward finances showed improvement, with fewer employees saying they felt scared or confused about their finances and more saying they felt confident or secure.

The program has also had an impact on the Bell Partners 401(k) plan, Stop said. Among participants in the SmartDollar program, the percentage contributing 15% or more of their salary to their retirement savings increased from 5% to 13%.

The company also saw a 16% decrease in plan loans and a 13% decrease in plan loan balances.

**Additional Offerings**

To meet some of the other needs employees identified, Bell Partners has set up a 529 college savings program, which allows employees to contribute to the accounts through payroll deductions. A lunch-and-learn was held at the corporate office, and a recorded course about college savings was posted on the learning platform.

The company also began offering a program that provided discounts on home and automobile insurance, gym memberships, event tickets, day care and tuition. In addition, employees have access to a student loan refinancing program.

**Recommendations and Lessons Learned**

“Doing the employee survey is important to benchmark where people are,” Stop said. She’s heard other employers complain about low participation in financial wellness programs, and she recommends surveying employees to ensure that programs fit employee needs.

Consistent communication and incentives are also important, she noted. “You have to throw some money at them and remind them about it all the time. We’re doing multiple contests per year.”

Along the way, Stop discovered that team contests were not as successful as those that rewarded individual efforts. “We found that people don’t want to talk about finances with their co-workers,” Stop explained. “People consider finances to be very personal.”

Employees also preferred to receive emails from the program on their home email accounts instead of their work accounts, she noted. Assuring employees that the program is confidential also is critical. “A challenge was making sure employees understood that we weren’t trying to get into their financial business. We’re just trying to help them.”

**More Carrots**

“I think the people who’ve really put effort into the program are getting a lot out of it,” Stop said, adding that those employees have been able to relieve some of their financial stress and gain a sense of control over their finances.

The program has had a positive impact on the culture at Bell Partners, she said. “People feel like we’re trying to support them. Sometimes with the physical wellness piece, they see more sticks than carrots. I think the financial wellness program has been able to provide more carrots.”