what's working

building savings, reducing stress

by | **Kathy Bergstrom, CEBS**

In just a year and a half, Wendy Lawrence has socked away nearly $8,000 in an emergency savings account and contributed $3,000 to a Roth individual retirement account.

The 45-year-old personal banker credits the financial education program sponsored by her employer, SunTrust Banks Inc., with helping her build her savings and reduce stress related to finances. "I learned that I was not as prepared as I needed to be but that I was doing better than I thought I was," said Lawrence, of West Salem, Virginia. "Having to write down goals and create working budgets to reach those goals was something I had never really done before."

SunTrust, an Atlanta, Georgia-based financial services firm with 25,000 employees in 11 states and the District of Columbia, launched its "Financial Fitness Program for Teammates" in January 2015.

The SunTrust executive leadership team committed to the program after a 2013 employee engagement survey revealed that employees weren't doing any better than the general population in the area of financial well-being, said Katherine Brune, financial and physical well-being manager for SunTrust. "Our purpose as an organization is lighting the way to financial well-being for our clients and our community. We needed to start with our teammates if we were going to do that well for our clients and our communities."

The company's wellness program previously offered some financial wellness content, but it was not interactive or in-depth.

Company leaders said they wanted a program to address financial wellness, but it had to align with the SunTrust purpose, result in sustainable behavior change, require employees to have "skin in the game" and involve employees' families.

The Financial Fitness Program for Teammates has three components:

1. **Education:** Employees must complete an eight-module online curriculum that was developed by a third party with minor customization for SunTrust. The course strongly emphasizes values and aligning finances with those values. Topics include building an emergency fund, reducing debt, getting organized, insurance, investments, home ownership, career and giving back.
2. **Activities:** Employees must complete tasks such as creating a budget, calculating their net worth, assessing insurance needs and evaluating renting vs. owning a home. Employees also must develop a long-term plan and do four hours of volunteering in the community related to financial wellness.
3. **Wealth assistance:** Employees are required to open an emergency savings account with an initial $100 deposit. Those who complete the training and activity for the first phase (the first three modules) receive a financial contribution—the amount varies but is more than the employee's initial $100 deposit—from SunTrust. Employees are then required to set up a recurring monthly deposit. When they complete the second phase (the last five modules), SunTrust again provides a financial contribution to employees to deposit in their savings account, health savings account (HSA), 401(k) or other options to move toward financial confidence.

"For some people, this is the first time they've had any savings account ever," Brune said, adding that the account doesn't have to be at a SunTrust bank. So far, the company has matched employee contributions with $7 million.

Katherine Brune
Financial and Physical Well-Being Manager,
SunTrust Banks, Inc.

Irene D'Rozario
Senior Vice President, Total Rewards,
SunTrust Banks, Inc.

SunTrust held a series of inspirational, in-person kick-off events at major sites, each with an executive presence, to build excitement about the voluntary program, give a preview to what employees would learn and tackle myths about personal finance. Company leaders recognized that employees needed reassurance there was no shame in joining the program.

"We were very much aware that, as employees of a financial institution, to raise your hand and say 'I'm going to learn more about my personal finances'—We didn't want any teammates to think that there was a stigma with that," Brune said.

About 50% of employees participated initially. Participation now exceeds 60%. The program takes 15 months to complete, and employees spend an average of 40 hours on it. Those hours include the four hours of volunteering and eight hours for the SunTrust "Day of Purpose" benefit, which gives employees paid time to take care of their finances.

SunTrust augmented online content with a "boot camp" offered virtually over lunch hours or in the evening. Employees could watch online from home and involve family and friends. These boot camps also offered the opportunity for a question-and-answer session with the presenter, and participants said the interaction improved their learning experience, Brune said.

After a year and half, the program has graduated 5,600 employees. "We are now seeing some great feedback—hundreds of stories from our teammates about the pride they have working here, that this program is a differentiator," Brune said. Employees have told stories of paying off debt, creating a plan to eliminate debt, buying their first homes, understanding and buying life insurance, taking control of their careers and giving back to the community.

A fall 2015 survey showed that 73% of those in the program have taken steps to improve their credit scores, and 70% follow their budget. About 75% agree or strongly agree that they are on the path to greater financial well-being, which is greater than the general population.

SunTrust also receives a return on its investment. "We know that teammates who are in the program are performing at a higher level and more likely to stay with us, compared with those who are not participating," Brune noted. And 90% of participating employees who work with customers say they've learned to better meet client needs sometimes or most of the time. "That was a secondary outcome we weren't really banking on when we set up the program," she said.

Employees also are less stressed and better consumers of their benefits, Brune said.

The program has a positive impact on the community, said Irene D'Rozario, SunTrust senior vice president of total rewards. In addition to the required volunteer work, the program reinforces the concept that "getting our personal finances in order also allows us to educate and help friends and family members," she said.

SunTrust has made changes since the initial launch. Originally targeted at employees at lower salary levels, the program now is open to all employees. Leaders also recognized some employees needed help with debt management, so the company partnered with a nonprofit to offer confidential credit counseling.

Employees are eligible for the Day of Purpose benefit earlier in their tenure at the company than they had been previously.

Brune and D'Rozario suggested that other employers starting a financial well-being program consider integrating existing programs with new efforts. "If you have a strong 401(k) program, pull that into the program you're providing. If it feels too separated, it can also feel in conflict," Brune said.

Commitment from leadership also is important, D'Rozario said. All members of the SunTrust leadership team have enrolled in the program, and most have completed it.

Employee success stories are a powerful tool for promoting the program and influencing company culture, Brune said. "Those are free. We are using those through our communications around the program. We can consistently tell stories through our company intranet page and through word of mouth. This starts to change the conversation and the culture."

Personal finance is not as taboo to talk about as it was two years ago, she said.

Lawrence has shared her experiences with fellow teammates. She and her husband didn't have a handle on the amount of money coming into and going out of their household, and she saw the program as "an opportunity to learn more about finances to improve myself and possibly even perform better at my job, helping clients do the same."

Lawrence is more confident because she has a financial plan in place, and the program has improved her family's finances. Her 28-year-old stepson now maxes out his 401(k), and her two teenaged stepdaughters have opened checking and savings accounts. She and her husband have established wills and power-of-attorney documents.

Her next major goal is to save enough money to buy her next car without taking out a loan. "I'm more than halfway there in just a year, which I'm really proud of," she said. "I understand where I am, I understand where I've come from since I began the program, and I know where I'm going."