



Customized Content Is Good Medicine for Retirement Readiness



From recent college grads struggling with student debt to seasoned professionals planning an imminent retirement, participants' financial needs and goals are as diverse as their workplace. In response, many organizations have chosen to implement a multi-faceted financial wellness offering.

According to the 2022 PLANSponsor Recordkeeping Survey, four in ten recordkeepers have an integrated

financial wellness offering that addresses a wide range of issues. These financial wellness topics include: saving strategies (77%), budgeting tools (64%), financial markets and investing basics (69%), credit/debt management (35%), student loan management (27%), home buying (21%), college savings (37%), tax/estate planning (39%), retirement health care costs (46%), Social Security strategies (35%), rolling in past balances (54%), and rollover options (49%).

But for many plans, a significant challenge remains — namely, how to ensure participants connect with the resources that most closely align with their individual needs. And this points to the potential utility of prescriptive delivery strategies.

Prescriptive financial education can help employees more reliably access the types of information and assistance that are most helpful to them. Employers can facilitate higher utilization by conducting a needs assessment and using technology solutions to help point employees toward appropriate materials based on their individual requirements and goals. Offering multiple channels and modes of delivery — such as articles, video, email, in-person education, and mobile apps — can also encourage greater consumption of relevant content. Plus, one-on-one sessions allow advisors to dive deeper into each employee's financial situation and provide tailored guidance. In addition, plan sponsors can leverage aggregated financial assessment data to customize educational resource development on an organizational level by helping to identify key areas of focus while avoiding over-investment in less relevant resources for their employees.

In today's diverse workforce, a one-size-fits-all approach to financial wellness simply falls short. Employers can spend upwards of several hundred dollars per worker per year on financial wellness, depending on the size of the organization, the scope of the offering, frequency of content updates, and other factors. Pinpointing financial topics that align with employee needs can help ensure those spending dollars are where they can



have the greatest potential impact.

A prescriptive approach to financial education can help plan sponsors better achieve the goals for their retirement plan while optimizing ROI, whether measuring against participation and contribution rates, decreased health care costs, reduction in delayed retirement, or other metrics.

Source:

<https://www.plansponsor.com/financial-wellness-by-the-numbers/>

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