

The New York Times

"All the News That's Fit to Print"

WEDNESDAY, JUNE 28, 2017

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Business Day

New Perk: Time Off to Address Financial Health

By TARA SIEGEL BERNARD

Not many employers provide workers with a paid day off to put their financial lives in order. And probably fewer still offer up to \$1,000 to each employee to seed an emergency savings account.

But Adam Moore, a 45-year-old technology contract manager in Atlanta, was relieved to have both of those perks last year when he learned his wife was facing \$100,000 worth of surgery to treat a benign but aggressive tumor that was damaging her jaw.

The emergency savings account covered the out-of-pocket costs — and he made constructive use of his paid day off to “sit down and understand how to structure the financial strategy to handle” their predicament, he said. Mr. Moore soon changed his health insurance so they were better protected.

Mr. Moore’s employer, SunTrust Banks, provided these benefits as part of a financial wellness program, something that Bill Rogers, the bank’s chief executive, decided to introduce about two-and-a-half years ago after he came to a startling realization: Even his own workers — who he had assumed were more knowledgeable about money and in better financial shape than most people — were making poor financial choices, like borrowing against their 401(k) plans. And many of them were ill-prepared for a financial emergency.

“We were exactly the same as all Americans,” he said in an interview. “It’s hard to think about your 401(k) match if you are worrying about your utility bill.”

After introducing a financial wellness program to its 24,000 workers, SunTrust acquired the wellness company it initially hired for the job. And now, it plans to offer the program, which is based on eight main financial steps, or “pillars,” to employers across the country.

In a news release Tuesday announcing its plans, SunTrust, which is based in Atlanta, called financial wellness “the next benefit frontier for leading employers.”

Roughly 30 other organizations al-



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Bill Rogers, C.E.O. of Sun Trust Banks, feared his employees were making poor financial choices.

ready offer the SunTrust program, including Home Depot, Delta Air Lines and the company that makes Little Debbie’s snack cakes. Ten others plan to introduce it, the bank said.

SunTrust enters the market at a time when more employers are concerned about their employees’ financial stress and how it could affect their job performance. Nearly one-third of all employees are distracted by personal financial issues while at work, according to a recent study by PwC, the consulting firm, with almost half of them spending three hours or more each week handling personal finances on the job.

A study by Alight, a benefits administrator, found that nearly 60 percent of employers are very likely to expand financial wellness programs this year, almost twice as many as three years ago.

Though employers have said the No. 1

reason they offer the plans is that it is the right thing to do, many rank-and-file workers might argue it is the very least they can do, particularly as pensions fade, wage growth is slow and employees continue to shoulder an ever greater share of medical costs.

Home Depot, which has 400,000 employees, started to introduce SunTrust’s “Momentum onUp” program to certain workers in March.

“Stress is brought to work, and that ultimately affects our associates in the store and the customer experience, and it becomes a business issue as well,” said Don Buben, director of benefits at the retailing giant. “It affects everyone from our hourly associates up to the executive level.”

The SunTrust regimen covers “eight pillars of financial greatness,” which is largely about clarifying a person’s val-



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Brian Nelson develops Sun Trust Banks' financial wellness program.

ues, then structuring his or her financial lives around what is important. The concept was created by Brian Nelson Ford, who founded the wellness company SunTrust acquired and now works for the bank developing the program.

“A lot of well-intentioned companies focus on the 401(k),” Mr. Ford said, “but I don’t think people are losing sleep and getting divorced over the asset allocation in their 401(k).”

The first pillar asks employees to start an emergency fund, called a “financial confidence account,” for unexpected expenses. Not all companies choose to contribute to the account, but SunTrust will match up to \$1,000 once employees

automate their own savings plan of \$40 a month and meet certain goals like setting up a budget.

Since the beginning of 2015, the bank has paid a total of \$9 million in contributions of this type to roughly 15,000 employees.

Beyond the savings accounts, there are pillars dedicated to things like organizing and automating a worker’s financial life, calculating net worth, getting rid of debt, improving credit score, investing and buying a home versus renting. It takes about six hours for an employee to cover all of the content, which can include live instruction and videos.

One of the more unusual aspects of SunTrust’s own program may be its “day

of purpose,” something Mr. Rogers, the chief executive, calls a “selfish day” to focus on one’s own finances. For his own — and he takes it — he visited his father and his aunt, who live in the same retirement community, to go over their living expenses, insurance and estate plans. “My aunt had a lot of financial stress,” he said. “I am not sure if we hadn’t had that conversation she would have overcome that.”

Calling financial wellness ‘the next benefit frontier.’

Few companies go that far, though the Motley Fool, an investing website, also dedicates a work day to financial health, an idea it picked up from my colleague Ron Lieber, The New York Times’s “Your Money” columnist, who wrote about his own fiscal health day.

So far, SunTrust is pleased with the program’s progress. Most participants are now equipped to handle an unanticipated expense, and they have increased their retirement savings contributions 35 percent, on average.

As for Mr. Moore, the technology manager, he said the classes helped him and his wife of nearly 22 years communicate better about money, a topic they had always struggled with. “We went from, ‘We have been diagnosed with this tumor and literally \$100,000 of surgery is about to occur,’ to ‘Oh, we can afford this. We are going to be O.K.’”

“We finally had the language to communicate with.”