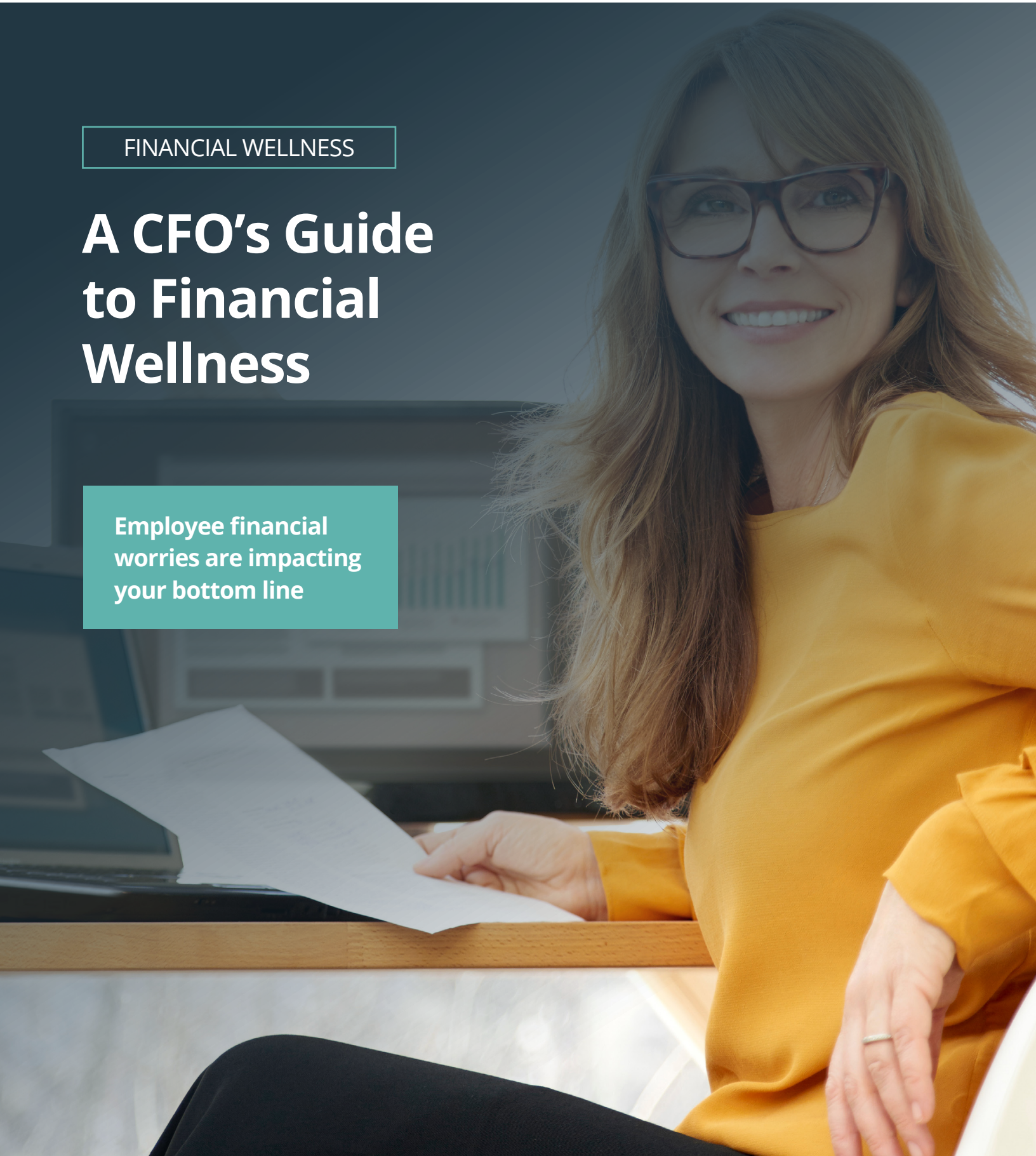
ESL Investment Services℠



FINANCIAL WELLNESS

A CFO's Guide to Financial Wellness

Employee financial worries are impacting your bottom line

How does financial stress impact your employees?

Stress is quietly taking a toll on your workforce—and your bottom line. More than half of employees, **52%, say they feel burned out**.[1] Burnout leads to disengagement, missed deadlines, and higher turnover.

Nearly half, **47%, say that most or all of their stress comes from work**. [2] When the job is the source of stress, it's hard to stay focused or motivated.

Financially stressed employees spend **7 or more hours a week**—approximately **364 hours per year**—worrying about personal finances or dealing with them at work.[3]

That is 364 hours spent, per year per employee, not focusing on the job. This could be costing your company hundreds, thousands or even millions of dollars per year in lost productivity.

As the CFO, you're tasked with the overall health of your company including:

- Leading the development of short- and long-term strategies
- Providing a positive corporate culture for employees
- Ensuring the company's financial viability

52%

OF EMPLOYEES SAY THEY FEEL BURNED OUT[1]

47%

OF EMPLOYEES SAY THE MAJORITY OR ALL OF THEIR STRESS COMES FROM WORK[2]

364
hrs/year

FINANCIALLY STRESSED EMPLOYEES ARE NOT FOCUSING ON THEIR JOB[3]

What to do?

Many companies are turning to financial wellness programs to offer employees access to information about budgeting, debt management and financial planning, believing this will decrease financial stress and increase workplace productivity. Though not new, these programs are a hot topic with employee benefit offerings.

But, as you know, employee benefits can be costly. Adding another benefit with an unknown return on investment (ROI) is risky. A financial wellness program is a soft benefit; results such as improving engagement, job satisfaction and loyalty are hard to measure.

If you feel anxious about offering this benefit, you're not alone. There are a lot of questions to consider:

- Will employees be engaged in the program?
- Will productivity improve?
- Will employee turnover decrease?
- Will this program improve our balance sheet?

[1,2,3] The American Institute of Stress, "Workplace Stress." 2025

How to measure ROI?

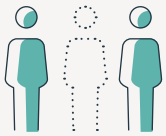
There are several factors to consider when calculating the ROI on a financial wellness program:



PRODUCTIVITY



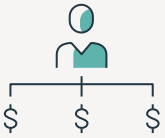
HEALTHCARE COSTS



ABSENTEEISM



EMPLOYEE TURNOVER



401(K) PARTICIPATION



DELAYED RETIREMENT

True cost of employee turnover

Financially stressed employees are more likely to leave a position. When employers need to backfill those positions, they incur hiring costs such as recruitment fees, salary negotiations, onboarding expenses and training time. If employers could prevent even a fraction of turnover, it could lead to significant cost savings.

6-9 MONTHS' SALARY

ESTIMATED AVERAGE REPLACEMENT COST OF A SALARIED EMPLOYEE

<150%

FOR TECHNICAL POSITIONS, TURNOVER COST IS 100% - 150% OF ANNUAL WAGES

213%

FOR SENIOR OR EXECUTIVE POSITIONS, TURNOVER COST IS 213% OF ANNUAL WAGES

Source.[3]

3 - 5%

WOULD A COST REDUCTION OF 3 - 5% NOTICEABLY IMPROVE YOUR BOTTOM-LINE?

Simply through cost avoidance, a financial wellness program could potentially reduce the costs across multiple factors, providing a noticeable bottom-line improvement.

[3] Bengfort , Holly. "Employee Retention: The Real Cost of Losing an Employee." 16 Apr. 2024.

Way to support financial wellness

1. **Quantify the cost.**
   Estimate lost productivity to understand the true financial impact of employee stress
2. **Make it part of your strategy.**
   Include financial wellness in your long-term planning and retention goals.
3. **Monitor progress.**
   Track key metrics to measure improvements over time.

How we can help

Financial wellness programs can be a valuable way to support your team. To find out more, contact us to discuss a program for your employees.

Employer-Sponsored Retirement Plans Team

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