

A photograph of a man and a young child in a boat, both smiling and laughing. The man is in the background, and the child is in the foreground. The image is overlaid with a dark, semi-transparent filter.

ENRICH YOUR LIFE

Effects of Financial Wellness on Health



Enrich

The logo for Enrich features a stylized green plant with three leaves above the letter 'i' in the word 'Enrich'.

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ABOUT ENRICH

Our story began in 2009, when a group of professionals from the finance and student loan industries decided to tackle the alarming lack of financial capability nationally. Our first product, iGrad, became an award-winning financial literacy platform, which now helps over 600 colleges across the country improve their students' financial literacy. Empowered by our success with iGrad, we were excited to bring financial capability to a much wider audience - with Enrich.

In launching Enrich, our team has leveraged our financial literacy expertise and award-winning technology to offer a product tailored to the unique needs of the average consumer, as well as the broader marketplace. We are pleased to partner with credit unions, financial institutions, businesses, and other organizations to offer financial literacy solutions that work.

MESSAGE FROM THE CEO

As Alan Greenspan astutely remarked, "The number one problem in today's generation and economy is the lack of financial literacy." Most of us intuitively know that being financially literate is the first step toward making wise financial decisions and more and more data that is released supports that intuition. The fact of the matter is that financial wellness (or lack thereof) affects all of us and you can be sure that if an employee is stressed about their finances, it will absolutely have an impact on their job performance in some way.

Our team of financial wellness experts is proud to offer the Enrich platform as an award winning, tried and true resource for those seeking to be more financially literate. We understand that people learn in different ways and that any experience has to be relevant and timely to the lives of the individual. To that end, the Enrich platform is extremely dynamic and a result oriented platform that is an invaluable addition to any employee benefits program. We look forward to hearing from you and showing how Enrich can be an asset to your company.



AMERICA HAS A MONEY PROBLEM

Overall, America seems to be doing okay. We've roared back from the 2008 recession stronger than ever. We've built businesses; opened schools; created jobs; and each day is a testament to our unremitting will to be the best country in the world. But through all of our victories, there are issues that remain unresolved—costing people, young & old, of all races, colors, and creeds, serious setbacks in their health.

America has a money problem. According to the American Psychological Association, over 3/5 of Americans cited "money" as their biggest cause of stress—accounting for 70-95 percent of doctor visits. The most commonly reported symptoms of stress are anger, anxiety, low motivation, fatigue, depression, and exasperation—conditions that are exacerbated by the sedentary and unhealthy behaviors that employees engage in as a way of managing their stress. Studies show that stressed individuals cost companies more than 300 billion dollars each year. \$118 Billion can be attributed to absenteeism. The remainder can be credited to a number of things including high cost of health premiums and productivity. According to MetLife Inc., 81% of workers admit that financial problems have affected their productivity. But no matter the reason, everything can be tied to stress.

The more stressed out employees become, the more days they take off to visit the doctor to address their stress related illnesses—a contributing factor to absenteeism. The more employees visit the doctor, the higher a company's health insurance premium becomes. Jennifer Robison of the Gallup Business Journal reported that workers with low well-being can cost employers as much as \$28,800 in lost productivity as a result of sick days in comparison to the \$840 in lost productivity of those who reported high levels of well-being.

The solution to this problem is to attack it at the root. We know that Americans have a money problem. Our lack of financial knowledge leads us to sign up for credit cards with astronomic interest rates or buy homes we can't afford using loans that double in value after interest. Employers should take on the responsibility of helping their employees develop professionally both in and outside of the workplace— a common sense decision that can help save Billions.

7/10

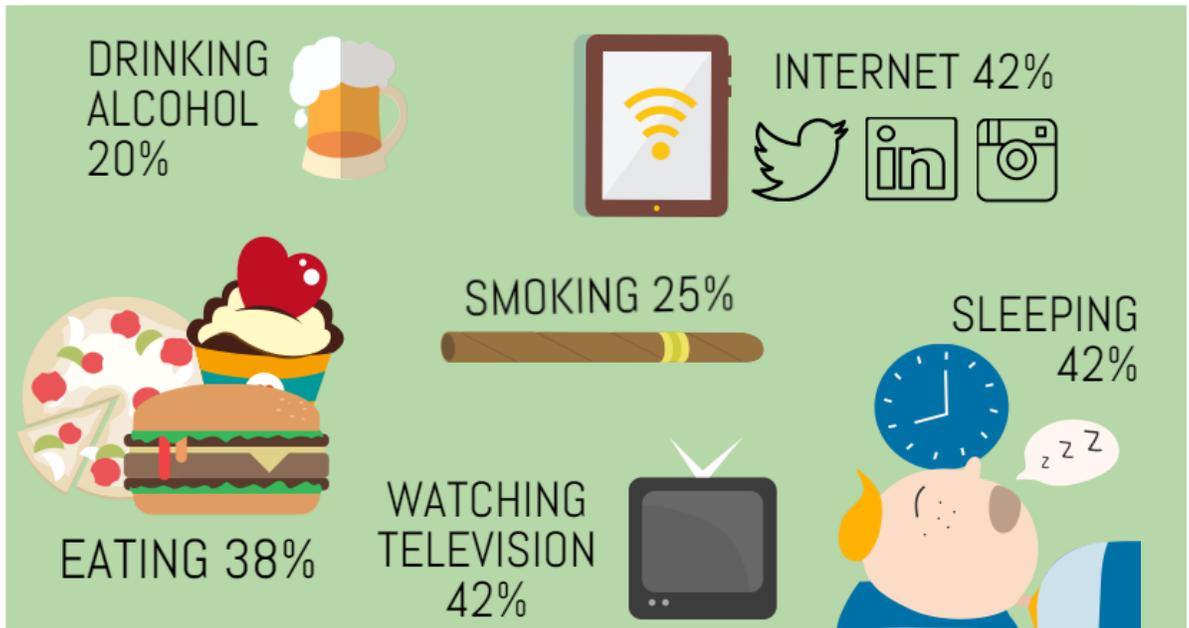
7/10 American workers say that their most common cause of stress is financial stress, while 48% say that dealing with their financial situation is stressful.¹

29%

29% of Gen X workers say their personal finances are a distraction at work while 53% find that their personal finances cause stress.²

40%

With such high levels of money induced stress, 40% of workers admit they need help achieving financial security.³



People in low income households who report extreme levels of financial stress are more likely to engage in unhealthy behaviors to manage their stress.

71%

Of 1,950 respondents in a Harris Interactive online poll, 71% agreed that money was the top source of stress.⁵

1,002

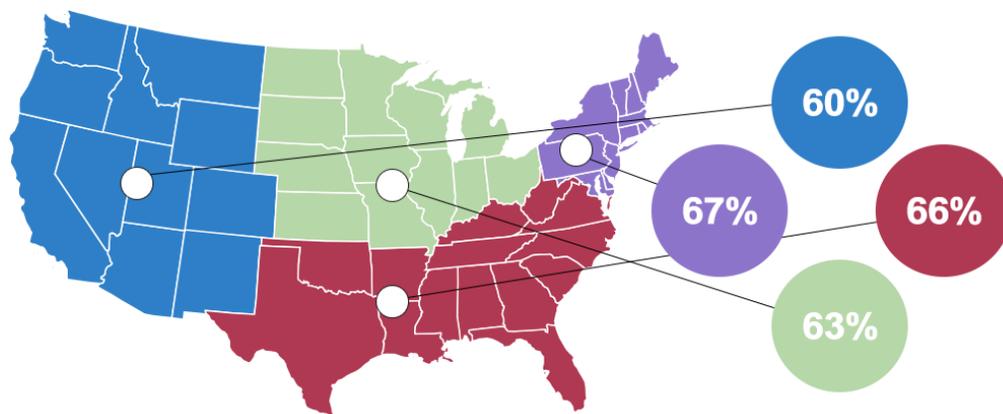
A 2008 survey of 1,002 adults by Abt SRBI found that those who report high levels of stress are more likely to suffer from health complications including depression, anxiety, headaches, and digestive tract problems. High levels of stress are also associated with trouble concentrating and sleeping.⁶

81%

A 2008 survey conducted by the American Psychological Association found that a majority of Americans are stressed and anxious about their financial future. The study shows that 81% of people identify money as the biggest cause of stress.⁷

Workers who report financial stress also report poorer overall health — variables that negatively affect health insurance premiums and presenteeism.⁸

Percent of people who reported being stressed out by money across all regions³³



91%

A study (Attridge, M.) of 436 employees who used a financial advisor reported that 91% of workers found the intervention effective, while 74% reported reduced stress levels.⁹

83%

83% of HR professionals reported that personal finances have a large impact on an employee's work performance. 47% reported that personal finance affected their ability to concentrate while 46% reported stress.¹⁰

92%

According to ComPsych, a whopping 92% of Americans lose sleep over their finances.¹¹

75%

75% to 90% of doctor visits are related to stress.¹²

Those who report financial stress also suffer from a range of stress-related health complications including ulcers, migraines, back pain, anxiety, depression, and heart attacks.¹³

80%

4 years after Blue Shield Insurance company implemented a financial wellness program, they convinced 80% of employees to participate in at least 1 program, decreased smoking by 50%, and decreased cases of hypertension by 66%.¹⁴

72%

72% of adults reported financial stress at least some of the time while 22% reported feel extreme stress.¹⁵

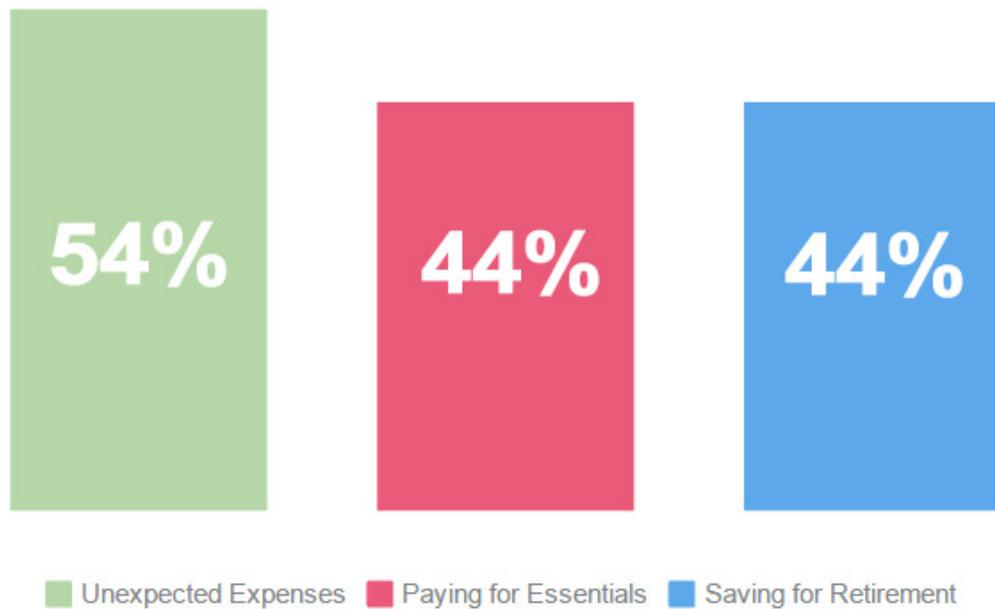
26%

26% reported feeling stressed out about money all the time.¹⁶

54%

54% of adults reported having “just enough” money to make ends meet each month.¹⁷

Most significant sources of financial stress.¹⁹



20%

20% of Americans say that they've considered skipping or have skipped a necessary doctor's appointment because of financial problems.²⁰

29%

29% of adults say their money-induced stress levels have increased in the past year.¹⁸

32%

32% of Americans say their financial problems prevent them from living a healthy lifestyle.²¹

In 2007, average reported stress levels were the same regardless of income, but now, those living in lower-income households report higher overall stress levels than those living in higher-income households.²²

Adults in lower-income households are twice as likely as those in higher-income households to say they feel stress about money all or most of the time.²³

Americans



Parents



Millennials



Gen X



Money is a somewhat or very significant source of stress for the majority of Americans (64%) but even more so for parents (77%), Millennials (75%) and Gen Xers (76%).²⁸

30%

30% in low income homes report not having enough money to make ends meet at the end of each month.²⁴

44%

44% of low income Americans reported stress as a result of having to pay out-of-pocket health care costs.²⁵

5.4

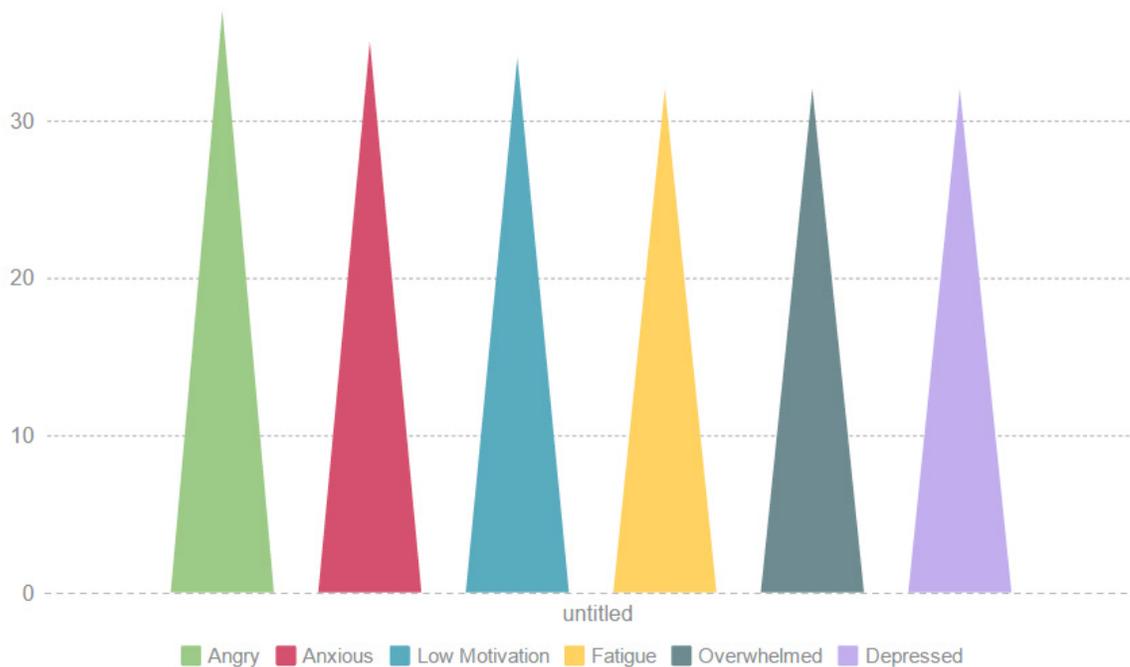
Millennials and Gen Xers reported higher stress levels than other groups. On a 10-point scale: Millennials scored a 5.4, Gen Xers a 5.5, and all adults a 4.7.²⁷

71%

71% of parents and 70% of Gen-Xers say that they have just enough or not enough money to make ends meet at the end of each month.²⁹

37%

Only 37% of Americans say they talk about money with their family members. 31% of spouses say that finances are a major source of conflict in their relationship. Nearly 95% of adults think parents should talk to their kids about money.³⁰



The most commonly reported symptoms of stress feeling irritable/angry (37%), being nervous/anxious (35%), having a lack of interest/motivation (34%), feeling fatigued (32%), feeling overwhelmed (32%) and being depressed/sad (32%).³¹

62%

Employees who are thriving in overall well-being have 41% lower health-related costs compared with employees who are struggling and 62% lower costs compared with employees who are suffering.³⁴

300

American companies lose more than 300 billion dollars a year due to stressed employees at work.³⁶

42%

A good number of Americans say that they engage in unhealthy behavior as a result of stress. 42% reported staying awake at night while 33% said they ate too much or ate unhealthy foods.³²

Annual Health Related Cost of Financially Troubled Employees



FOOTNOTES

- ¹ American Psychology Association, *Stress in America: Are Teens Adopting Adults' Stress Habits?* (2014), available at: <http://www.apa.org/news/press/releases/stress/2013/stress-report.pdf>
- ² PWC, LLC, *supra* note 5, at 11.
- ³ Society for Human Resource Management, *SHRM Research Spotlight: Financial Education Initiatives in the Workplace 2* (2012), available at: http://www.shrm.org/Research/SurveyFindings/Articles/Documents/Financial_Education_Flier_FINAL.PDF
- ⁴ CFPB REPORT.
- ⁵ American Psychology Association, *Stress in America: Are Teens Adopting Adults' Stress Habits?* (2014), available at: <http://www.apa.org/news/press/releases/stress/2013/stress-report.pdf>
- ⁶ Health Poll, AP-AOL/ABT SRBI (2008), available at: http://surveys.ap.org/data/SRBI/AP-AOL Health Poll Topline 040808_FINAL_debt stress.pdf
- ⁷ American Psychological Association. (2008). *Economy and Money Top Causes of Stress for Americans*. June 4, 2008. <http://www.apa.org/news/press/releases/2008/06/economy-stress.aspx>
- ⁸ Garman, E. T. (2008). *Increase the Bottom Line by Helping Distressed Employees During Challenging Financial Times*. Presented August 6, 2008 to Society of Human Resources Management Webinar Series.
- ⁹ Attridge, M. (2002, June). *Employee assistance program outcomes similar for counselor (phone and in-person) and legal/finance consultation clients*. Presented at the American Psychological Society Annual Conference, New Orleans, LA.
- ¹⁰ SHRM Research Spotlight: *Financial Education Initiatives in the Workplace*.
- ¹¹ ComPsych Poll: *Vast Majority of Employees Losing Sleep Over Financial Worries*, ComPsych, October 27, 2008.
- ¹² *America's #1 Health Problem*, American Institute of Stress.
- ¹³ *The Debt-Stress Connection*, WebMD, August 2008.
- ¹⁴ Zach Watson, "Why Gamification Is Taking Over Wellness Programs," blog posted January 30, 2012, at [Technologyadvice.com](http://technologyadvice.com/gamification/blog/wellness-programs-need-gamification). Available at: <http://technologyadvice.com/gamification/blog/wellness-programs-need-gamification>.
- ¹⁵⁻³³ *Stress in America: Paying with our health*.
- ³⁴ *Financial Wellness Landscape Analysis: Workplace-Based Financial Wellness Programs An Overview of the Need for Workplace-Based Financial Wellness Programs*.

³⁵ Robison, J. (2010) *The business case for wellbeing*. Gallup Business Journal. Retrieved from: <http://businessjournal.gallup.com/content/139373/Business-Case-Wellbeing.aspx/>

³⁶ Wright, Thomas and Douglas Bonett. *Job Satisfaction and Psychological Well-being as Non-additive Predictors of Workplace Turnover*. *Journal of Management* 2007 33: 141-160.