

Promoting Financial Wellness: A Guide For Employers

How to implement a holistic program for employees that goes beyond traditional benefits

Helping individuals pursue financial wellness is central to our core beliefs at Bank of America Merrill Lynch. Over time, we've seen individuals shouldering more responsibility in an increasingly complex financial world. We discovered that a majority of workers (55%)¹ need help managing their financial lives—and they are looking to their employers to help them pursue financial wellness. More importantly, employer-sponsored financial wellness programs put employees in a better position to understand how their workplace benefits can potentially help them become better savers and more financially prepared.

In turn, employers believe that providing financial wellness tools for their employees leads to a more satisfied and productive workforce. They believe that workers who take better control of their financial situations are more satisfied, loyal, engaged and productive.



Source: Bank of America Merrill Lynch Employers Workplace Benefits Report, 2015.

Going beyond traditional benefits is a critical step in today's marketplace

Companies that evolve and expand their benefits offerings beyond retirement education to holistic financial guidance are in a key position to attract and retain the best talent and enhance productivity. These leading companies now offer broad financial wellness packages and new resources for their employees. Most employers (83%)² consider their employees' overall personal financial well-being part of their responsibility. In the next pages, we present a guide to help you implement a successful financial wellness strategy.

Defining financial wellness is individual

Financial wellness is defined uniquely and differently by each employee, as each household has different priorities and financial obligations. The broad definition of financial wellness is *the ability of an individual to manage his or her finances for short-term needs while saving for mid- and long-term goals*. The financial wellness program you implement should offer a variety of options that help your employees choose the resources, tools and delivery channels important to them.

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Are Not FDIC Insured	Are Not Bank Guaranteed	May Lose Value
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Employers who feel responsible for employee financial wellness



83%

Extremely or somewhat responsible

Source: Bank of America Merrill Lynch Employers Workplace Benefits Report, 2015.

The employer's guide to implementing a financial wellness program

	Phase	Why it can help your employees
Assess	 <p>Consider offering a financial wellness program, and if you have one, revisit your current program</p>	<ul style="list-style-type: none">• Can provide much needed help and guidance to your employees.• Encourages employees to take advantage of current financial wellness education to help promote a more stable financial future.• Identifying, broadening and filling gaps in your financial education program based on employees' life stages can enrich and improve your offering and help them in many aspects of their financial life.
Implement	<p>STEP 1 Create a financial wellness curriculum</p> 	<ul style="list-style-type: none">• Employees have different financial priorities based on their life stage (Are they just starting in the workforce? Are they nearing retirement? Are they not maximizing the benefits you offer?), and a tailored financial wellness program can help them to focus on their unique needs.• Employees' financial knowledge can differ and their financial needs go beyond retirement. Helping employees with their needs can create a more satisfied, productive workforce.• Deploy a communication plan that includes a curriculum based on demographics and employees' financial needs.
	<p>STEP 2 Complement education with technology</p> 	<ul style="list-style-type: none">• Financial principles are hard to grasp for many people. There is an overwhelming amount of information to read through and decipher. Attending just one workshop is typically not enough for an employee to master any one financial topic. Consider creating a curriculum and strive to deliver workplace education and plan to do it on a regular basis.• Online tools and interactive sites help employees build knowledge of the financial topics most important to them as well as build financial acumen at their own pace. And, these tools and sites generally offer growth into new topics as they become relevant to the individual.
	<p>STEP 3 Provide 1:1 access to financial professionals</p> 	<ul style="list-style-type: none">• Personalized consultations and individual guidance may help individuals.¹ Relationships built over time may help each employee better meet his or her financial goals.• Even the most experienced investors look to professionals for guidance, ideas, or to take a second look at their information. Offering 1:1 consultations can help people review their finances regardless of their specific need, and is beneficial for all levels of employees.
	<p>STEP 4 Offer more solutions to help employees see their full financial picture</p> 	<ul style="list-style-type: none">• Employees can benefit from seeing their finances holistically. Competing goals mean they have to be more strategic in how they divide their paycheck toward goals and bills, investing their assets in their retirement plan, and managing the long-term goals and short-term bills/commitments that make up their complete household financial picture.• Employees who take the time to create a financial plan have a better understanding of what they will need to do to be better prepared and typically report more confidence around their state of financial wellness.
Monitor	<p>Track employees' interest and activity in the financial wellness program</p> 	<ul style="list-style-type: none">• Sharing success stories and positive outcomes of your financial wellness program can inspire employees to take better advantage of your offering. Through newsletters, the intranet and hearing what peers are doing can help improve interest and activity. It also reminds them of the benefits of becoming more financially well.

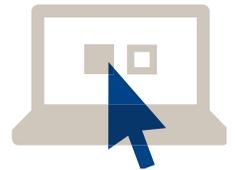
How to implement or enhance your financial wellness program

- **Assess your financial education program.** Do you offer any financial education to employees? If so, what types of education are provided: online content, 1:1 consultations, on-site seminars? What financial topics are covered? Identify existing education programs that would benefit from promotion.
- **Improve your offering.** Identify what is hindering employees from participating in your existing financial wellness program. Also identify any gaps in information or education that could make your financial wellness program more valuable and robust. Promote your plan and access to the resources and tools available. What programs need to be added based on employee needs?

- **Determine employees' needs.** Look at your employee demographics and ask your employees for feedback: What are their education needs based on their life stage? What do you currently offer to fit the different life stages?
- **Provide education on a range of relevant financial topics,** from personal finance to retirement income planning and college savings planning.
- **Promote the value of the financial wellness program.** Host a financial wellness event and seminars with 1:1 meetings during open enrollment that cover education topics on retirement planning. Offer a series of programs throughout the year to address specific employee needs (saving early for retirement, getting ready to retire, financing college, etc.).

Integrate education and tools on your intranet site where employees can choose to:

- **Access the latest online** financial management tools and mobile apps
- **Use interactive sites** such as [benefitsonline.com](https://www.benefitsonline.com), [bettermoneyhabits.com](https://www.bettermoneyhabits.com) and [education.ml.com](https://www.education.ml.com) for education and guidance on financial topics
- **View their accounts online** to manage their finances overall



Facilitate employee meetings with financial professionals.

- Consider making onsite **seminar attendance mandatory**.
- **Schedule time for 1:1 consultations surrounding your onsite workshops and through representatives in our Contact Center.** Employees can sign up for consultations to review their personal financial goals and determine a plan of action.
- Book conference rooms during benefits fairs for **private discussions between employees and financial professionals.**

- **Offer more ways to help employees manage their financial lives** using tools and solutions they are comfortable with so that they can take better control of their financial futures.
- **Help employees map out their household finances** with access to simple budget worksheets and interactive tools and resources.
- **Improve communication and outreach to employees.** Reach out to employees in the way that will be most impactful to them — from regular financial education e-newsletters (which send them back to sites for more information) to emails and on-site posters. Use a combination of these techniques in a way that works best for your company.
- **Create a culture** that promotes financial behaviors.

- **Establish metrics** and monitor program use. Track employee productivity levels and financial behaviors, such as contribution rates, enrollments, etc.
- **Gather employee feedback** about the financial wellness program and use their input to improve the offering.
- **Share program metrics** such as participation, increases in contributions and improvements in financial behavior with employees to gain their buy-in to the program and encourage further participation.
- **Acknowledge employees who are taking positive steps** toward improving their financial wellness.

Take the lead in employee financial wellness

Providing holistic financial education and guidance can help employees achieve financial wellness. Because no two employees have the same goals or take the same approaches to pursuing financial wellness, offering a customized program is essential. Bank of America Merrill Lynch is committed to helping you create a financial wellness offering that can be integrated with your existing benefits plan design today.

It's easy to get started

Bank of America Merrill Lynch offers a turnkey solution for employee financial education, including:

- **Workplace-driven events such as seminars and one-on-one consultations** on broad financial topics that matter to your employees. These may cover how to maximize plan usage as well as how to take advantage of out-of-plan savings opportunities.
- **Extensive online resources and tools**, including access to financial education through our extensive education tools and information, including Better Money Habits® website, created in cooperation with Khan Academy.*
- **Access to highly qualified Merrill Lynch financial professionals** who offer individualized guidance.
- **Investment solutions** available to meet employees' different needs.
- **You can implement a financial wellness program in a way that works best for your employees.** We can tailor our services to you and your employees' financial wellness needs. Talk to us about how we can help make a difference in your employees' lives today.

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For more information

Our representatives can help you examine the benefits packages you make available to employees, and can talk with you about strategies that may make the packages more effective — both as recruitment and retention strategies and as pillars of employees' financial wellness. For more information, contact your Bank of America Merrill Lynch representative.

You also can call us at **877.902.8730**, visit us online at **benefitplans.baml.com** or email us at **benefitplans@baml.com**.

¹ "Bank of America Merrill Lynch Employee Workplace Benefits Report, 2016." Boston Research Technologies conducted an online survey with a national sample of 1,227 employees between October 27 and November 11, 2015, on behalf of Bank of America Merrill Lynch. To qualify for the survey, employees had to be current participants in a 401(k) plan; the plan did not have to be provided by Bank of America Merrill Lynch. Bank of America Merrill Lynch was not identified as the sponsor of the study.

² Bank of America Merrill Lynch Employer Workplace Benefits Report, 2015.

Boston Research Technologies interviewed a national sample of 1,020 employers — from October 14, 2014 to December 4, 2014 — on behalf of Bank of America Merrill Lynch. To qualify for the survey, employers must have offered their employees a 401(k) plan. For purposes of the survey, small companies are defined as having less than \$5 million in 401(k) plan assets, mid-size companies are those with at least \$5 million but less than \$100 million in plan assets and large companies have \$100 million or more in plan assets.

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