Can Employers Solve the Savings Crisis? A Case Study
The workplace offers a natural fit for supporting and building Americans’ savings habits. Not only is it the place where people get paid, it’s also where employees are comfortable engaging in employer-sponsored benefit programs that affect financial health, such as insurance and retirement. While most companies have traditionally focused on benefits for higher-income workers, employers are increasingly seeking out benefits that provide value to hourly-wage workers as well.

Awareness is growing among employers of the financial stresses facing their workforce. Many want to help their employees, and recognize opportunities to boost emergency savings are a good place to start. However, few workplace benefit programs exist that are specifically designed to increase small-dollar savings as a path to asset accumulation and long-term financial stability.

To meet this need, SaverLife launched a new program – SaverLife Solutions – to offer employers a turnkey digital savings platform that encourages employees to increase their savings, set personal goals, access financial education resources, and earn matched savings rewards from their employer.

Over the past 18 months, we partnered with three employers to test our model and identify best practices that will enable us to scale effectively. We learned how best to engage potential employer partners to help them implement a SaverLife program designed to fit to the unique characteristics of their workforce.

The SaverLife Solutions Pilot

- Offered to 40,000 employees across three employers, with an average sign-up rate of 10%.

- SaverLife Solutions provided a white-label version of our savings platform, customized for each employer, in addition to marketing and outreach support.

- Employers provided a $1 to $1 match up to $40 per month for six-months.

- Employees saved in their own savings accounts and received matched funds at the end of six months.
THE RESULTS ARE IN: Employer-Based Savings Works

Employees participating in SaverLife Solutions showed stronger performance on key savings metrics than anticipated. For example:

**60%**
of employees save $653

60% of the employee savers increased their savings, saving an average of $653 in the first six months.

**63%**
linked a new savings account

Savers opened new accounts in order to participate - at one employer, 63% of Savers linked a new savings account when they joined.

**More**
employee happiness

Participating employees reported feeling less stress about money, feeling more productive at work, and a lower likelihood of accessing emergency assistance grant programs.

The Impact of the HCA Hope Fund Savings Program on Employee Financial Health:

**80%**
of employees feel they are less stressed about money*

**68%**
feel they are more productive at work*

**55%**
are unlikely to have to apply for employer-emergency assistance funds*

*Percentage of survey respondents at HCA Healthcare who agreed with statements about SaverLife.
HCA Healthcare partnered with SaverLife through the HCA Hope Fund, an employee emergency assistance fund. At the end of their six month engagement with SaverLife, they surveyed employee participants. Responses demonstrate the majority of participants were more likely to stay at their company as a result of this program and felt less stressed and more productive at work.

The HCA Hope Fund’s response to SaverLife illustrates how a short term emergency fund can alleviate stress and provide peace of mind for employees, especially those that are more vulnerable to financial shocks.

“I am mainly trying to save money 🏷️ for some of my unexpected medical 🚑 bills. The HCA Hope Fund has been a total savior for me.” – HCA Hope Fund Saver

*Percentage of survey respondents at HCA Healthcare who agreed with statements about SaverLife.*
**Key Takeaways**

1. **Understanding workforce financial problems motivates employers to provide proactive - rather than reactive - assistance**

Many employers become aware of financial stress experienced by their employees by analyzing the ways that employees access (or fail to access) a company’s financial benefit programs. Examples include early withdrawals of retirement funds, overreliance on employee assistance funds, and frequent use of earned wage access or pay advance programs. These patterns of behavior can serve as red flags to employers that employees have little or no savings to weather a personal financial emergency.

**At Levi Strauss & Co.,** many employees were applying for funds through the Red Tab Foundation, a short-term emergency assistance program for seemingly minor financial issues – like a flat tire. Most of the issues employees were facing could be avoided or alleviated with flexible emergency savings. The Red Tab Foundation partnered with SaverLife to help employees build a $500 emergency savings fund through 1:1 matching.

**Tailored Brands,** a men's clothing retailer, realized that many employees were failing to take advantage of the company’s 401(k) match program. After talking with employees, they discovered that saving for retirement was out of reach for the many who had no basic emergency savings cushion. Other employers have noted a pattern of early 401(k) withdrawals as an indicator that their employees lack emergency savings. To help employees develop a habit of saving and eventually be able to contribute to their retirement savings, Tailored Brands partnered with SaverLife to contribute matching funds to employees’ emergency savings.

**Faced with clear signs of a savings crisis in their workforce, our employer partners became highly motivated to find an external partner to help employees achieve greater financial security. Employers who have a culture of support and existing employee assistance programs make strong candidates for a SaverLife partnership.**
Prioritizing data security and enterprise readiness is critical

The employer benefits field is increasingly crowded and HR/benefits teams are flooded with solutions from a wide variety of vendors. SaverLife is a nonprofit with a strong reputation as a leader in the financial inclusion space, yet still gaining recognition amongst employers. To compete in this space and sign employer partners, we needed to be enterprise-ready and run a platform that can be trusted with employee data.

In order to establish confidence in our platform security and privacy practices, a necessary measure when working with large businesses, we developed a transparent and robust data security process. We are in the process of obtaining SOC2 certification, which will provide our partners with the assurance that we are compliant with the measures around security and data privacy that businesses expect when engaging with a SaaS provider.

Utilizing existing internal communication systems increases employee participation

Employers who planned their outreach and enrollment strategies to align with the needs of their workforce, allowed them time to enroll and the tools to do so saw strong interest and sign ups. Hourly workers who don’t have desk jobs can present unique challenges in communication and engagement that require creative outreach solutions. To drive program enrollment with Levi Strauss & Co. employees in retail and distribution centers, the Red Tab Foundation created champions among leaders in both departments. Store managers explained the program during pre-shift meetings, and employees were given time at work to enroll.

Tailored Brands ensured that all of their call center and warehouse employees were made aware of the program and given time during their shift to sign up. The benefits team hosted “pop-up” meetings during different shifts at each of these centers and gave a presentation on the details of the program and how to sign up. Allowing employees to register for SaverLife during their shifts demonstrated Tailored Brands’ commitment to employee participation and success.

Employers know their workforce well and the communication strategies that are most effective. They can leverage existing infrastructure and communication channels to promote SaverLife alongside other employee benefits.

*Percentage of survey respondents at HCA Healthcare who agreed with statements about SaverLife.
Many employees had no savings account prior to joining their employer’s SaverLife Solutions program.

For employees without a savings account, employers can facilitate enrollment by partnering with a financial institution or finding other ways to create a seamless process for employees to start saving. At Levi Strauss & Co., 63% of employees who wanted to participate opened a new savings account in order to take part in the company’s SaverLife program.

Tailored Brands successfully integrated their financial services partner into their launch process. Having a credit union onsite resulted in nearly 200 employees in their distribution center opening new savings accounts on the first day to participate in SaverLife. The company also simplified the process by providing instructions for creating a split deposit through their payroll system.

Many large employers already partner with financial institutions that can offer special deals and better rates than what employees might find on the open market. Employers without such relationships in place can improve the enrollment process by partnering with a bank or credit union to integrate their savings products into the employer-sponsored SaverLife program.

1. Based on the existence of transactions in SaverLife linked accounts within Plaid historical transaction data.

“We believe a habit of saving is the unlock for financial wellbeing. We’re excited, as this journey with SaverLife can fundamentally change the lives of our employees and their families for the better.”

– Andra Vierra, Director of Benefits, Tailored Brands
Changing the Balance for American Workers

SaverLife Solutions gives employers an effective new way to invest in employee's financial health, with an added bonus of increasing employee motivation and loyalty. During the 18-month pilot of SaverLife Solutions, employers gained a turn-key savings solution specifically designed to meet the needs of hourly-wage workers and their employees in turn built savings habits.

Thanks to the support of a grant from the Mastercard Impact Fund, in collaboration with the Mastercard Center for Inclusive Growth, the Annie E. Casey Foundation, and the Prudential Foundation, we have actionable learnings from our pilot around the role that employers can play in creating a solution to the savings crisis in America. We are now expanding SaverLife Solutions beyond the pilot phase with funding from the Prudential Foundation.

The launch of SaverLife Solutions will increase our efforts to build partnerships with employers, credit unions and other partners committed to building the financial stability of working Americans. We recently launched a partnership with employer collaboratives in Ohio and Vermont, with funding from the FINRA Foundation, which has allowed us to make SaverLife Solutions available to over 20 employers across various industries, including manufacturing, healthcare and technology. Two more employers - Alorica and Concentrix - will launch savings programs in early 2020 with support from Intuit, to offer matched savings to employees at call centers supporting Intuit products. We will continue to roll out new features and product enhancements to support our employer partners in creating successful savings programs for their employees.

About SaverLife

SaverLife Solutions expands our mission by partnering with employers, financial institutions, and nonprofits. Through custom integrations of our innovative savings platform, we provide a proven benefit for employees, clients, and constituents, and a leadership role for organizations looking to promote meaningful social change.

To learn more, visit solutions.saverlife.org