

Building an inclusive financial wellness program

This article was authored in partnership with Candidly, a student debt and savings benefits platform.



Human resources (HR) leaders create physical and mental wellness programs that meet the needs of diverse employee populations, but financial wellness benefits sometimes lag. Employers can help. Student debt benefits are key to building an inclusive workplace financial wellness strategy.

Student debt impacts every demographic – especially those who face financial inequalities.

With 43.5 million borrowers holding \$1.6 trillion in federal student loan debt, student loan benefits are a clear opportunity for making an impact.¹ While student debt is a reality for the majority of the college-educated workforce, certain employee populations carry a heavier burden than others.

Women and Black Americans owe more student debt, take longer to repay it, and struggle with it more than their male and white peers.¹ This imbalance can contribute to life-long economic impacts:

- Women are 20% more likely than men to report a negative net worth.²
- Over 50% of Black student borrowers report their net worth is less than they owe in student loan debt.³
- One in three Latinx borrowers delay getting married and starting a family due to their student debt, more than any other group.³

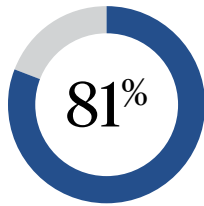
¹ Hanson, Melanie, "Student Loan Debt Statistics," Education Data Initiative, February 10, 2023, <https://educationdata.org/student-loan-debt-statistics>.

² Hanson, Melanie, "Student Loan Debt by Gender," Education Data Initiative, December 16, 2021, <https://educationdata.org/student-loan-debt-by-gender>.

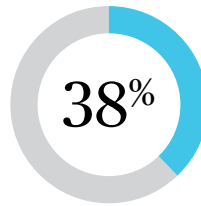
³ Hanson, Melanie, "Student Loan Debt by Race," Education Data Initiative, January 16, 2023, <https://educationdata.org/student-loan-debt-by-race>.

Student debt hinders participation in other financial wellness benefits – like retirement plans.

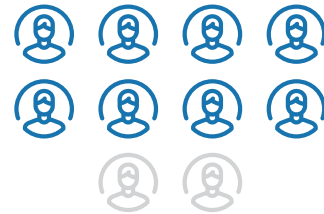
Traditional financial wellness perks like retirement plans may be underused – or unused altogether – by employees who can't afford to save for the future.



81% of those surveyed with student loans say they've delayed key life milestones (such as buying a home) because of that debt.⁴



38% of those surveyed with student loans say they've delayed saving for retirement because of it.⁴



Even if they are saving, **eight in 10 borrowers** surveyed say student loan debt holds back their ability to save enough for retirement.⁵

For a financial wellness program to be inclusive, participants must be able to benefit from it. Without student debt support, many employees may get left behind.

Student debt hinders mental well-being and work productivity.

Student debt doesn't just affect financial health. Employees' mental well-being suffers under the stress of student loans, which can lead to a lack of focus at work and decreased job performance.

- More than 60% of borrowers surveyed say student loan debt has negatively affected their mental health.⁶
- 76% of employees surveyed say financial worries have had a negative impact on their productivity.⁷
- 55% of employees surveyed who are distracted by their finances at work spend more than three hours each week at work dealing with their finances.⁷
- Seven in 10 employees surveyed say student loan support would improve their job performance.⁵

Addressing student debt in the workplace may help improve every aspect of well-being – not just financial health.

⁴ Rodriguez, Victoria, "CNBC | Momentive Poll: "Invest in You," SurveyMonkey, January 2022, <https://www.surveymonkey.com/curiosity/cnbc-invest-in-you-jan-2022/>.

⁵ Brickman, Eric, "Student Debt and Employee Benefits: What Plan Advisors Need to Know," 401kSpecialist, February 27, 2022, <https://401kspecialistmag.com/student-debt-and-employee-benefits-what-plan-advisors-need-to-know/>.

⁶ Reinicke, Carmen, "Student loan debt hurts the mental health of most borrowers, survey finds," CNBC, January 29, 2022, <https://www.cnbc.com/2022/01/29/student-loan-debt-hurts-the-mental-health-of-most-borrowers.html>.

⁷ "2022 PwC Employee Financial Wellness Survey," PwC, <https://www.pwc.com/us/en/services/consulting/business-transformation/library/employee-financial-wellness-survey.html>.

Student debt benefits can trigger a chain reaction of positive impacts.

By making financial wellness more accessible to more employees with student debt benefits, HR leaders can unlock opportunities for workers to build wealth, improve their mental and emotional well-being, and achieve their full professional potential. In turn, these positive impacts may be reflected in the workplace through higher employee engagement, productivity, and retention.



Ready to help employees tackle student loan debt?

Contact your Lincoln representative to find out how you can offer a student loan debt benefit to your employees.

Not a deposit
Not FDIC-insured
Not insured by any federal government agency
Not guaranteed by any bank or savings association
May go down in value

©2023 Lincoln National Corporation

[LincolnFinancial.com](https://www.lincolnfinancial.com)

Lincoln Financial Group is the marketing name for Lincoln National Corporation and its affiliates.

Affiliates are separately responsible for their own financial and contractual obligations.

LCN-5470792-021623
PDF ADA 3/23 **Z01**
Order code: DC-SLCD2-FLI001



Candidly is not an affiliate of Lincoln Financial Group. Lincoln Financial Group and its financial professionals do not provide banking or lending services or advice related to such and are not responsible for, and make no representations or endorsements regarding, the quality, accuracy, or reliability of information provided by Candidly, its representatives, or its websites.

Lincoln Financial Group will receive a marketing distribution fee from Candidly for enrollment in its services or applications for student loans.

For plan sponsor and financial professional use only. Not for use with the public.