

Personal Finance Employee Education Foundation

“PFEEF Advocates Best Practices”



- ✓ Provide employers no-cost-to-use tools and expertise to detail the bottom-line benefits of quality financial programs
- ✓ Promote “PFEEF’s Best Providers” whose quality workplace financial programs genuinely improve employees’ personal financial behaviors and increase employer profits
- ✓ Encourage other providers to bring their programs up to proper standards



PFEEF is a 501(c)3 nonprofit charitable foundation

Quality Financial Programs Result in Improved Employer Profits



“Employers do not realize they can improve profits

–and prove it–



by helping employees improve personal financial behaviors”

What is the Question to Ask a Quality Financial Program Provider?



“How many dollars can my employer save by demanding more from financial providers?”

Take 2 Simple Steps – Both Free of Charge

Step 1: Benchmark Employee Financial Health Using the PFW



- Ask workers to respond to “*Personal Financial Wellness (PFW)*” scale questions
- PFW is an 8-item online and/or pencil-and-paper questionnaire that in 3-4 minutes measures financial health
- PFW is a valid, reliable, peer-reviewed, and published measure (over 25 years in development) with national norms
- Use of PFW is free with permission (over 160 approved users)

Step 2: Calculate Employer's Projected ROI



- ✓ **Return on Investment (ROI):**
The Personal Finance Employee Education Foundation expects employers typically will receive a **ROI of 3:1 (or more) annually** for quality financial programs



- ✓ **Example:**
Cost: \$250 invested in financial programs by employer/employee

Benefit: \$750



ROI = 3:1

There is no cost to employers for PFEEF services.

How to Calculate ROI for Free



At www.PersonalFinanceFoundation.org

Click on



to estimate the employer's return-on-investment for providing workers with quality workplace financial education

It's FREE and immediately prints your report

PFEEF Projects 1-Year Changes in 10 or More Variables



1. Less work-time spent on personal finances
2. Less absenteeism
3. Reduced turnover
4. Improvements in job performance
5. Lower health care costs
6. Health care premium savings
7. Employer's FICA savings - health care spending plan
8. Employer's FICA savings - dependent care spending plan
9. Fewer workers' compensation claims
10. Fewer garnishments

PFEEF Projected ROI Ratio of 3.04:1 for ABC Company*

(Program offered to 5,000 employees)



A. Program impacts 30% of employees, 1,500, in varying degrees of effectiveness resulting in improved financial behaviors and job outcomes:

1. Work-time wasted dealing with personal finances	\$ 412,335
2. Absenteeism	115,505
3. Turnover	720,000
4. Job performance	1,253,000
5. Health care costs	148,500
6. Health care premium savings	10,000
7. Health care spending plan	68,850 (cash money)
8. Dependent care spending plan	91,800 (cash money)
9. Workers' compensation claims	75,000
10. Garnishments	33,750

B. Cost of financial education program = \$725,000 (\$145 per employee)

C. Benefit of improved job outcomes/employer variables = \$2,928,735

D. Projected ROI = 304% return or a 3.04:1 ROI ratio as PFEEF projects there will be \$3.04 return in net benefits for every dollar invested in the financial education program