

FINANCIAL FIX

Sponsored by



Four gifts employers can give for retirement readiness

RENE ALMAZAN
Vantage West Credit Union



Rene Almazan

Year-end is often a time of planning, reflection and forecasting. It's a time when business owners, executives and contract workers alike, are all confronted with similar decisions related to healthcare coverage and retirement plan contributions. Both of these may affect household budgeting and organizational fiscal plans.

During this season of giving, employers have an opportunity to play a positive, influential role in the lives of their employees. This is particularly true when it comes to financial management. Experts believe employers who engage with their workforce on issues related to financial readiness will reap benefits that include increased employee loyalty, a competitive advantage and improved profitability. At the same time, employees gain sound advice on how to manage their personal finances, as well as ensure financial security and peace of mind.

The opportunity certainly exists. A report released last year by Financial Finesse found that only 19 percent of their survey respondents said they are prepared for retirement. Nerd Wallet also notes millennials may not be able to retire until age 75.

Short of requiring employees to enroll in retirement plans, which some companies do, there are other ways employers can play a pivotal role

in the lives of their workers. Here are four "gifts" they can give to promote retirement readiness.

Increase match percentage. Reports indicate the most common employer fixed-match contribution in employee retirement funds is 50 cents per dollar. Zenefits notes the average employer contribution is 4.5 percent of pay. Knowing this, savvy employees would definitely view an increased match percentage as a gift. Employers may even benefit from potential tax incentives* that come with retirement contributions.

Introduce a corporate wellness program. Experts agree companies can benefit from corporate wellness programs by way of lower healthcare costs, higher employee productivity, fewer workplace injuries, and increased employee morale. Keeping employees healthy can also bring benefits to them so they are not burdened by healthcare costs during retirement. This means having more savings to spend on things they enjoy.

Talk about finances. If appropriate in the workplace, experts recommend employers engage with their employees on financial matters specific to planning and



During this season of giving, employers have an opportunity to play a positive, influential role in the lives of their employees.

investing. Discussions may include healthcare costs, college financing, disability coverage and household budgeting. Steer clear of being nosy, and listen for ways the organization may help employees plan for their financial future.

Bring experts in. Schedule time for employees to discuss financial matters such as healthcare costs and retire-

ment planning with an industry expert. This means giving them time to meet with a financial advisor during work hours, and encouraging them to take the time offered. Some may not know they have any questions until they are seated in front of a financial advisor.

Investing in the financial health of an organization is very important. It supports

employee morale and readiness for the future. It also provides an opportunity for valuable feedback. Here's hoping one of these "gifts" provides many happy returns for your organization and your employees.

(Editor's Note: Rene Almazan is a senior vice president for Vantage West Credit Union, a

\$1.6-billion financial institution in Arizona, which serves a growing membership of more than 140,000 via branches across Arizona and online channels, as well. Vantage West offers consumer and business banking services, and is federally insured by NCUA. vantagewest.org)

**Consult a licensed tax advisor before making any decisions.*



You deserve more rewards.

Vantage West Business Visa® Card with Rewards.

With an amazing standard rate as low as 9.40% APR and 1% cash back on every purchase, take advantage of this unique revolving source of funding to assist with your business needs.

NO ANNUAL FEE | NO BALANCE TRANSFER FEE*

vantagewest.org/businessvisa

BUSINESS RATE AS LOW AS:

9.40% APR



APR based on creditworthiness. Rates subject to change. Subject to approval. Certain restrictions and fees may apply. Member responsible for applicable taxes. *Balance transfers must be processed by a Vantage West Credit Union employee. A transfer done via Online Banking, ATMs or PhoneBank will be treated as a cash advance. Cash advance fees may apply. Subject to change without notice. Federally insured by NCUA.