

2016 EMPLOYER SOLUTION YEAR IN REVIEW

# A Solution That Works

EMPLOYER SOLUTION PURPOSE AND VALUE

Employee financial wellness is increasingly recognized as a cornerstone strategy to boost worker productivity, retention, safety, and engagement. Out of 400+ HR professionals surveyed, 85% agreed that there is a decrease in employee productivity at work when employees are faced with financial stress. In addition, 61% agreed that personal finances have an impact on overall workplace performance.<sup>i</sup>

American workers are increasingly anxious about their financial stability. The Employer Solution brings Neighborhood Trust’s proven financial empowerment model to the workplace, improving job quality and the financial health of workers by providing support to workers who are struggling with day-to-day financial management.

**2016 SNAPSHOT**

- 1,640 employee-clients served
- Doubled customer portfolio, welcoming flagship customer Fresh Direct
- 50% of our customers are healthcare employers
- Diversified service delivery options – now offering remote financial counseling
- Administered comprehensive 2016 employee-client survey to improve service offerings

Results from our 2016 employee-client survey<sup>ii</sup>:



had a solid financial plan following service



agreed the service helped them reach their financial goals



reported reduced stress after service

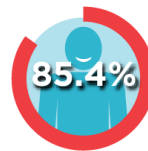
Responses also indicate the benefit to our employer customers:



believes their employer cares about their well-being by offering service



would recommend their employer to others



have fewer distractions at work following service

Our growing portfolio of employers – including local, regional, gig, union, and 24/7 environments – are benefiting from improved worker engagement and productivity. We have close to a 100% renewal rate for 2017.

We’re excited to share some of the highlights from 2016, as well as our big plans for the coming year.

EMPLOYER SOLUTION OUTCOMES<sup>iii</sup>

Neighborhood Trust is making our customers’ workforces more financially secure. In 2016:

1,115 clients came to us with debt. 43% were able to reduce their debt following service, by a total of \$913,136.

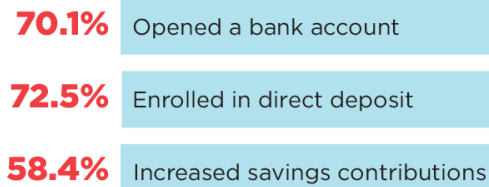
Of those 1,115, 71.8% had credit card debt before service. We helped 38% of them reduce their credit card debt, by a total of \$296,963.

We helped 908 clients improve or establish their credit. Those who improved their credit increased their score by 28 points on average.

*The Consumer Financial Protection Bureau reports that each employee who reports high levels of stress costs his or her employer an additional \$413 per year!<sup>iv</sup>*

## POSITIVE BEHAVIORS FOLLOWING SERVICE<sup>v</sup>

Our service is changing how employees manage their financial lives, as indicated by our 2016 client survey. Not only do these improvements make employees more stable, but they also create efficiencies for their employers.



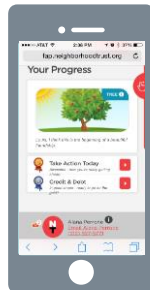
## LOOKING AHEAD

Neighborhood Trust is leading the market in developing innovative and safe solutions for low-to-moderate wage workers.

### Trusted Advisor 2.0

**What is it?** Adapts our financial counseling service from in-person to remote service delivery, allowing us to reach every corner of the U.S.

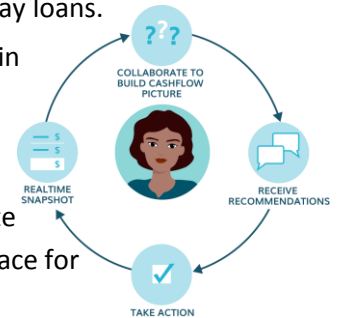
- Personalized and private
- Financial counseling staffed by our expert counselors
- Expertise specific to credit, debt, budgeting, savings and linkage to employer sponsored benefits
- National worker reach
- Offered in English and Spanish



### WageGoal

**What is it?** Gives employees on-demand access to accrued wages when they need it most, improving day-to-day money management and decreasing fees and payday loans.

- Any employee can opt-in
- Accompanied by cash flow guidance
- National worker reach
- Personalized and private
- Employer controls in place for security and stability



*“I am enthusiastic about Neighborhood Trust’s focus on the financial health of workers. When workers feel more secure in their lives, they can also become more effective in the workplace.”*

—Zeynep Ton, MIT Sloan School of Management

Author of “The Good Jobs Strategy: How the Smartest Companies Invest in Employees to Lower Costs & Boost Profits”, Adjunct Associate Professor, MIT Sloan School of Management

*The Employer Solution brings Neighborhood Trust’s proven financial empowerment model to the workplace, improving job quality by building the financial health and stability of workers. The service, which is rooted in behavioral economic and human-centered design principles, provides employees with a trusted relationship, action-oriented counseling, safe and affordable products, and tech-enabled money management. Over 2,500 employees have benefited from financial wellness at work and made progress towards financial security and stability, with over 90% stating the service helped them reach their financial goals.*

<sup>i</sup> According to SHRM’s Financial Wellness in the Workplace survey, 2014.

<sup>ii</sup> According to Neighborhood Trust’s 2016 employee-client survey (n=175). Respondents were asked to assess impact and changes following ES service.

<sup>iii</sup> Neighborhood Trust waits six months to pull credit reports a second time to evaluate credit and debt outcomes; therefore, new clients whose first service was in the second half of 2016 were not included.

<sup>iv</sup> According to CFPB’s Financial Wellness at Work report, 2014.

<sup>v</sup> According to Neighborhood Trust’s 2016 employee-client survey. Percentages were calculated by dividing the # of respondents who indicated a change by the # of respondents eligible for that change (e.g. # of clients who indicated that they opened a bank account / # of clients who indicated they did not already have a bank account).