

# Group education: What's missing from your DEI mission

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Financial wellness to support your diverse workforce



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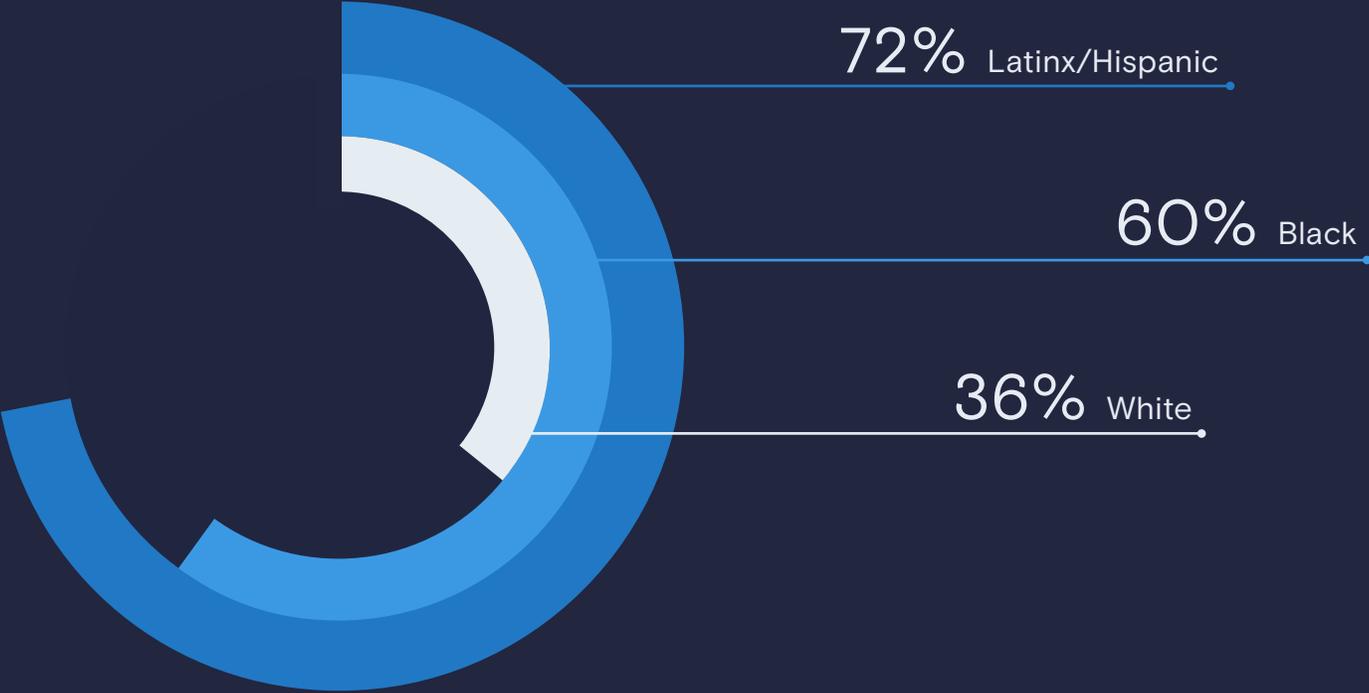
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Even before the coronavirus brought life as we knew it to a halt, racial and gender pay gaps, and other inequalities, were generating great disparities in the financial outcomes of different demographic groups. Those with greater access to financial resources flourished, while underserved populations had to work that much harder just to find even footing. If employers want to help level the playing field through their DEI initiatives, it's critical they include the targeted guidance their diverse workforce needs to achieve confidence in and control over their personal finances.

Households reported facing serious financial issues as a result of the pandemic:



NPR, the Harvard T.H. Chan School of Public Health, and the Robert Wood Johnson Foundation.  
[The Impact of the Coronavirus on Households by Race/Ethnicity](#)

# Systemic financial conditions faced by under-served populations



In today's America, it is possible for people to dream big and make those dreams a reality—if they have access to education and opportunities for upward mobility. These advantages preclude a vast number of workers from feeling like their financial present and future are clear, understood and in their control.

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The COVID-19 pandemic and resulting economic chaos, while not the root cause, have shone a harsh light on longstanding socioeconomic inequality.

- 79% of those who tested positive for COVID-19 were low-income workers in the food and beverage industry or day laborers in a study on the pandemic's impact on the Latinx/Hispanic community.<sup>1</sup>
- Black and Latinx/Hispanic individuals fell into poverty at nearly double the rate of white individuals during the pandemic. The number of impoverished white individuals increased from 11% to 12%, while the number of impoverished Black and Latinx/Hispanic individuals increased from 24% to over 26%.<sup>2</sup>
- In 2019, a “typical white family’s” wealth was eight times that of a “typical Black family” and five times that of a “typical Hispanic family” according to the Federal Reserve.<sup>3</sup> Accumulated wealth plays a large role in individuals’ resilience to financial setbacks, like those experienced during the pandemic.
- A majority of Latinx/Hispanic (72%) and Black (60%) households reported facing serious financial issues as a result of the pandemic compared to 36% of white respondents, with 46%, 41% and 25% respectively being forced to use up all or most of their savings—resulting in difficulties paying off credit cards, mortgages or rent and car payments, among other necessary expenses.<sup>4</sup>
- Many women and members of the LGBTQ+ community have experienced higher levels of uncertainty surrounding their jobs, as some of the most impacted industries likely to employ more of these individuals, include hospitality, restaurants and education.<sup>5, 6</sup>

- In a 2021 survey on confidence around retirement, Employee Benefits Research Institute (EBRI) found that **60% of Hispanic and Black workers say debt is negatively impacting their ability to save for retirement, compared to 45% of workers on average.** In addition, 35% of Hispanic retirees and 40% of Black retirees say debt has impacted their ability to live comfortably in retirement, compared to 23% of retirees in total.<sup>7</sup>
- Hispanic and Black retirees were twice as likely to say **working in retirement would be a major source of income** as compared to retirees in total.<sup>7</sup>

One of the most powerful ways to impact underserved populations is through the companies that employ them; by offering high-quality benefits and programs that support the whole individual. Protecting underserved populations goes hand-in-hand with the **Business Roundtable's redefined focus** on serving the needs of all stakeholders. Although the pandemic may have disrupted the extent to which companies have been able to act on this initiative, 58% of Americans now believe large companies are doing well in “promoting an economy that serves all Americans,” up from just 13% from 2019.<sup>8</sup>

## DEI initiatives are important to job seekers/attracting talent

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The current sociopolitical environment has put Diversity, Equity and Inclusion (DEI) top of mind across Corporate America. Over recent decades, perspectives in the business community have shifted as more companies recognize the valuable contributions that stem from the knowledge, experience and perspectives brought to the table by diverse individuals. However, simply maintaining a diverse workforce doesn't necessarily mean that a company is adequately satisfying the DEI goals of its stakeholders. Companies should also focus on providing equitable leadership and compensation opportunities, as well as employee benefit plans that meet the varying needs of their full employee population.

The impact of these initiatives is clear. Fostering a more inclusive and equitable environment can have a direct impact on recruiting and retaining top talent. Monster.com found that 62% of job candidates would turn down a job if they didn't feel the company valued workplace diversity.<sup>9</sup>

## How to effect a culture change: Top-down approach

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In this vein, many companies are reexamining the work they do to support diverse populations, both among their employees and in the community. Companies looking to foster equity and inclusion should consider starting with a top-down approach—support from senior leadership is essential to alignment of, and commitment to, diversity goals throughout an organization. We have seen some companies encourage leadership to support these initiatives by leveraging diversity objectives in long- and short-term incentive awards.

Investors are also pushing boards of directors and senior management to implement holistic approaches for DEI initiatives. In the continued evolution of ESG investing, the pendulum has swung toward the social and governance aspects in recent years. Investor decisions increasingly rely on not just how an organization impacts society as a whole, but how inclusive and equitable the organization is as an employer.

Company-wide DEI efforts can help build a reputation for inclusivity, which in turn can serve as an effective tool for attracting and retaining a diverse workforce. This is imperative, especially for millennials, who are projected to make up 75% of the workforce by 2025 and place an increased importance on inclusive company cultures.<sup>10</sup> For 83% of Gen Z job-seekers, who also make up an increasing percentage of the workforce, diversity and inclusion is a major employment consideration.<sup>11</sup>



### Focus on benefits

A diverse workforce is made up of individuals with varying abilities, challenges and needs—and those diverse features cannot be effectively addressed using a traditional, one-size-fits-all approach to employer-sponsored benefit offerings. It's critical for employers to understand the needs of their entire workforce and structure benefit offerings accordingly.

## Group education: An integral part of your DEI mission

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As more employers increase their commitment to CSR and DEI initiatives, more employees are increasingly focused on the actions being taken by employers. As a result, there has been a rise in demand for bespoke programs designed specifically to address the needs of diverse employees. Companies are spending an estimated \$8 billion a year on diversity efforts.<sup>12</sup> These programs should be developed with direct input from members of these communities and focus on leveling the playing field for all.

Diverse communities were the hardest hit financially by the pandemic—but this inequity is nothing new. The racial wealth gap in America has persisted throughout history.

Many companies are offering financial wellness programs in response to this inequality and to improve the overall well-being of their employees. In a recent survey, [we found that half of the participating companies currently offer a financial wellness benefit and that of those who didn't, 55% are considering implementing one.](#)<sup>13</sup> According to The Employee Benefits Research Institute's 2020 Financial Wellness Survey, 90% of employers have at least taken some action to address the financial well-being of their employees.<sup>14</sup> Financial wellness resources—like digital platforms, group seminars and one-on-one coaching programs—can help employers meet the increased need for financial support among employees and their families.

A successful financial wellness program's primary concern is providing a personalized and impactful employee experience. This is especially true when it comes to the unique needs of a diverse workforce. Companies offering financial wellness benefits must be sure their providers take the planning needs of these employees into account when structuring their offering, including digital, personal support and group education channels, and their content.

Targeted financial education, combined with tangible action plans, is an impactful method to combat the racial wealth gap on an individual level. Providing diverse communities with the knowledge and resources they need to take control of their finances is an important step toward improving the financial health of under-served communities.

# Financial Group Education Explained





Some people take in information best through independent study. Some need to work through hands-on examples to fully understand a concept. Others prefer to listen and talk through educational topics with a specialist or teacher. The bottom line is, not everyone learns the same way.

Based on Ayco's decades of experience supporting America's workforce, we've distilled best practices for all types of learners, including live and on-demand group education sessions.

A group education benefit should:

- **Scale HR and benefits teams.** Employees should gain a deeper understanding of the different company benefits they can utilize to improve their financial wellness
- **Help increase employees' productivity.** Feeling in control of their finances reduces employees' financial stress, which can impact performance in the workplace
- **Provide workforce insights.** Employees' responses to live polls and post webinar surveys can shed light on their needs and benefit sentiment

As they develop group education offerings, providers should focus on:

- Delivering education through the channels that best suit employees
- Ensuring the content is relevant and impactful for all
- Designing programs for underserved communities with direct input from diverse financial specialists
- Providing proven financial best practices and action plans so employees can continue making progress after the session

In-person or web-based educational seminars should provide employees with:

- The knowledge they need to take control of their finances
- An enhanced understanding of company benefits
- A detailed plan to progress from education to action

As you search for and review group education offerings, refer to our full list of [Considerations when assessing a group education provider](#) to make sure they check all the boxes.



Ayco Group Education empowers employees to take control of their finances through tailored education that provides clarity around company benefits and a detailed, forward-looking action plan.

[Learn more](#)



# Ayco's Group Education Program

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# The employee experience



## A human connection

Our speakers add real-world and personal experiences to each session.



## Personalized education

Our sessions are informative and engaging, including tools and resources to help employees create a solid financial foundation, like setting up an emergency fund, implementing a budget, utilizing a debt pyramiding strategy and more.



## Actionable next steps

Employees are empowered with specific takeaways to encourage informed financial decisions.

# The employee experience

## Targeted instruction

Our group education is based on company benefits and a variety of subjects, from our Career-stage Engagement series and Financial Wellness curriculum to topical seminars that cover the most relevant financial issues employees are facing.

## Live and on-demand sessions

All content is calibrated toward mastery of predetermined learning objectives. Employees can learn at their own pace through live sessions and access to an on-demand library.

## Workforce insights

Responses to post-webinar surveys and Ayco's Financial Wellness Assessment provide HR and benefit teams with insights on the needs of their employee population.

Ayco's Group Education sessions are informed by a number of sources, including:

- Insights gained from 470+ corporate-sponsored programs
- The personal experiences of our speakers
- Our 50 years of experience in personal finance
- The global resources and insights of Goldman Sachs

# Diversity & Inclusion Group Education



Ayco's Diversity & Inclusion series was carefully crafted to go beyond just relevant financial topics. Our program is defined by three major components: [historical context](#), [representation](#) and [tangible action plans](#) specific to each demographic group.

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## Historical context

We address the setting that impacts financial planning for diverse populations. Explaining the historical effects at play gives employees a deeper understanding of the topics discussed.

## Representation

In our experience, the quality of group education is improved when the speaker can draw upon their own personal experience. To the extent possible, we work to ensure sessions are delivered by an individual who is representative of the population and topic being addressed.

## Tangible action plans

We focus on providing diverse populations with specific steps they can take to improve their financial wellness, including how they can leverage tools from Ayco outside of the session.

## A preview of Ayco's Diversity & Inclusion group education menu



### Financial education for women

Though women earned the right to vote 100 years ago, it took almost another 50 years before a woman could open a bank account or get a mortgage without a male co-signer. Gender inequality in finances persists today—most notably in the gender pay gap. America still has a long way to go, but through financial education, we can fight this inequality. Women face unique life and financial circumstances that impact which planning strategies are the most effective. Among other topics, the impact of longer comparative life expectancies on financial planning, creating SMART financial goals, a step-by-step approach to estate planning and investing considerations unique to women will be explored in this session.



### Financial education for the LGBTQ+ community

In the generations-long struggle for equality for LGBTQ+ individuals, the 2015 Supreme Court decision recognizing same-sex couples as legally equal in marriage to heterosexual couples was a landmark step forward. LGBTQ+ individuals have spent years navigating their rights and legal hurdles when it comes to company-sponsored benefits, taxes, estate planning, life insurance planning and more. LGBTQ+ individuals face unique financial planning considerations—all against the backdrop of an ever-changing political climate and the ongoing fight for equal rights in all areas. This session covers laws that could impact financial planning, how to optimize company benefits and how to design an ideal financial plan, with a specific focus on tax, estate and retirement planning.



### Financial education for the Black community

A wealth-accumulation mindset can be achieved at any income level, despite America's documented socioeconomic and racial wealth gap. In this session, attendees will learn how to take proactive steps to build wealth, slash debt and establish a personalized financial plan that protects and provides for their loved ones.



## Financial education for the Hispanic, Latinx and Spanish-speaking community

The lingering impact of the great recession and subsequent recovery—which left many in the Hispanic/Latinx/Spanish-speaking community behind—doesn't preclude anyone from building toward financial wellness once they have a sound foundation in place. Taking control of personal finances generally requires navigating obstacles, be they wage inequality, family considerations or making the most of financial opportunities. This session provides the tools needed to develop financial skills to address unique goals. Discussions will center on budgeting, debt management, saving and investing, and retirement and estate planning.



## Financial education for individuals with disabilities and caretakers

Whether you are a person with a disability (or otherwise diverse ability) or you are caring for a loved one with a disability, Ayco can help you find financial security while navigating the benefits available to you, and potentially, your loved one. Our speakers will cover short- and long-term financial planning, company and public benefits and tax planning so you can have greater peace of mind.



## Financial education for veterans

Whether you enlisted for a relatively short time or enjoyed a long military career, and are now exploring opportunities outside of the service, Ayco can help you bring a sense of order to your financial life, utilizing the unique resources available to you as a veteran. This session will provide insight into healthcare and insurance options, and retirement and estate planning considerations.

# Considerations When Assessing a Group Education Provider

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When evaluating financial group education programs, companies should consider a number of critical components to ensure a good fit with their culture and workforce.

A successful group education program will depend on the specific benefits offered by the provider.

## For employees

- Emotionally intelligent and representative speakers. Speakers should self-identify as members of the community they are addressing. Incorporating personal anecdotes and experiences makes sessions more engaging overall.
- Financial guidance paired with relevant company benefits. When discussing specific topics, speakers should highlight company benefits that employees can leverage to make progress on their goals.
- Realistic, actionable next steps. Employees should leave each session with an understanding of the resources available and the actions they can take to improve their financial wellness in that area.
- Flexible scheduling and delivery. Including in-person seminars (when safe to do so) and live and pre-recorded webinars caters to employees' logistical needs.
- Specialized sessions for diverse populations. Because there is no one-size-fits-all solution to financial wellness, a financial group education program should include sessions specifically designed to address the needs of different groups of people.
- Supplemental written content. In order to make the program holistic and highly impactful, supplemental content, including deep-dives on topics discussed and checklists, should be available to employees.

## For companies

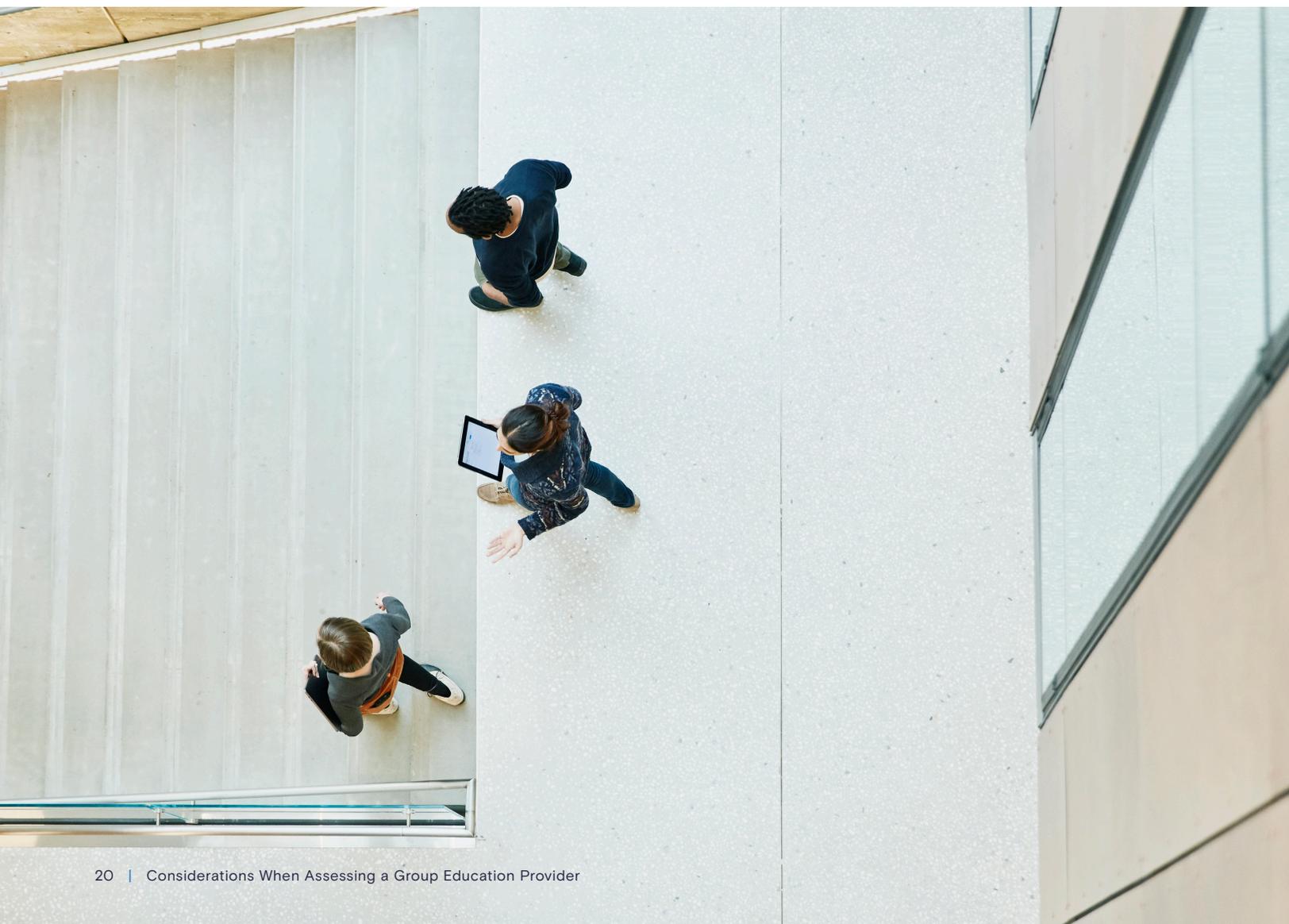
- Support for the benefits team. A group education program should reduce the burden on the benefits team, not add more work—the provider should act as a partner or extension of the team, handling logistics and implementation and reducing inbound questions.
- Increased employee productivity. When employees are less stressed about their finances, they can be more present and productive at work.
- Workforce data. Employers should receive data to guide enhancements to the program and/or their other benefits offerings. Getting to know employees' needs and expectations is crucial to developing offerings employees will get the most out of.

## Next steps

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Incorporating DEI into your company culture is not only an investment in your employees, but in your company's future—employee attraction and retention and company reputation depend on it.

Armed with this information, you should feel comfortable assessing financial wellness benefit options and their alignment with your company's culture. If you are not currently offering this type of benefit—or if you are, but it doesn't measure up—visit [ayco.com](https://www.ayco.com) to see how we've distilled 50 years of experience working with employees across Corporate America into a comprehensive and inclusive approach to financial wellness.



# 76

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of Ayco's corporate partners hosted group education sessions in 2020\*

# 1450+

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sessions hosted from June to December 2020\*

# 21

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different topical group education sessions delivered in 2020\*

\*Source: January 1, 2020–December 15, 2020

## Sources

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Date of Revision: June 2021 | 3733