

| Building Better Recruitment With Retirement

Job candidates are still focusing on salary, but it's perks like retirement plans that are drawing them in.

When it comes to how employers are attracting top talent, the pendulum has swung in a new direction in 2017. According to the Society for Human Resources' (SHRM) 2016 Employee Benefits survey report, it's the benefits beyond salary that are drawing job candidates to apply.

It's a dire need, it seems. The SHRM study shows that 61% of HR professionals state their employees' financial well-being is "fair" while 17% say their employees are "not at all financially literate." At the same time, a 2016 PriceWaterhouseCoopers (PwC) of employee financial wellness reveals that 52% of employees are stressed about their finances.

It's stress that follows them into the workplace, too. Of those in the PwC survey, 46% spend three or more hours during a work-week thinking about or dealing with their financial issues.

Luckily for many employees, employers are acting on what they're seeing. SHRM reports that 24% of companies offer employees online financial or investment advice; 27% offer personalized advice, and 22% held group or classroom-style financial advice sessions.

For millennials who are the most stressed about finances (64% of them, according the PwC survey), employers offering financial benefits, including retirement plans, are appealing to them. For older workers, as well, financial wellness, particularly as retirement begins to appear on the horizon, becomes of paramount importance.

For retirement advisors and plan sponsors looking to use retirement plans as a recruitment tools, a shift in thinking could be all that's needed to leverage a company's retirement plan into an attractive option for candidates.

Start here:

Give them more control

According to a 2016 LIMRA Secure Retirement Institute study, 73% of employees want to be able to customize their benefits to suit their needs. Giving employees tools – ongoing education, informational emails, online access to their accounts – helps them stay actively engaged in their retirement plan. Engaged employees are more inclined to retain their retirement benefits, and are also more likely to stay in their jobs.

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Get to why

The traditional retirement approach has been to give employees a how-to session on retirement. Yet few employees engage when they see no real benefit to retirement investing. Instead, advisors and plan sponsors should change the conversation and

show them why they're investing – the mortgage, the second home, the college loans for their children, their own plans for what they'll do after retirement. Help employees draw personal illustrations of why retirement planning should be part of their investment strategy.

Get in front of them more often

Particularly with plan sponsors, employees are seeking more interaction. A recent Northern Trust survey reveals that 88% of employees are looking for employers to provide investment tools and help in determining if they're saving at the right rate. Plan sponsors and advisors can create that connection by offering

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one-on-one sessions, examples that speak to the age and needs of a particular employee demographic, and by providing resources for employees to use when they require more personalized assistance.

While salary is still a consideration, so is the benefits that help employees build a more solid financial wellness picture. Retirement benefits, when presented in a way that appeals to the most employees, can be that missing link that helps both employees stay financially fit and employers attract and retain top talent. ■