

NEWS COLUMN – Living Well
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Employee Financial Problems Cost Employers, Too

As more Americans face financial distress, their employers are suffering as well. Why? The reason is that many workers who struggle with money matters are less productive at their job because of their financial distress.

Depending on their place of employment, 30 to 80 percent of financially distressed workers spend time at work worrying about personal finances and dealing with financial issues instead of working.

Workers' money problems create problems on the job in poor performance and turnover. Also, a large proportion of those who are financially distressed report that their health is directly impacted negatively by their financial worries and problems.

While it's hard to measure the toll that personal financial woes take on employers, one estimate from the Personal Finance Employee Education Foundation put it as high as \$4.5 billion annually—the cost of missed time, hours on the phone with creditors, and low performance because of stress.

Janet Raffel, a Chicago consultant on workforce development quoted in a recent article in Business Week online, estimates that a financially unstable worker can cost a business as much as \$480 per month in lost productivity and absenteeism. One business person summed it up this way, "If an employee has a stressful financial situation at home, they're not going to be fully engaged in their job."

Local employers who would like to provide financial education to their employees now have another option to consider. The Finney County Extension Family and Consumer Sciences

program offers an e-mail service to encourage wise money management.

“Extension Money Matters” is a brief e-mail message sent twice a month to share basic money facts, ideas and strategies for financial security. The messages are based on research-based information from university sources and state and national financial education organizations.

These money messages can be requested by an employer or human resources director and forwarded directly to employees via e-mail, or used in company newsletters, bulletin boards or other employee outreach methods.

This Extension educational service is free and easy to access. Just send an e-mail message to me at lbeeche@ksu.edu and ask to join the “Extension Money Matters” mailing list. Or, call the Finney County Extension Office at 620-272-3670 to request an e-mail subscription. No one else will use the “Extension Money Matters” mail list for anything other than local educational purposes.

Past money messages are archived on our Finney County Extension website for those who would like to see the types of messages sent or catch up on messages that have been missed. Check them out at www.finney.ksu.edu under Home and Family and then Family Financial Management in the left selection box.

Call the Finney County Extension Office for questions or more information about “Extension Money Matters” at 620-272-3670.

For more information on personal finance, see my blog at SWKTalk.com/livingwell.