

HR Brief

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Retirement Uncertainty and Where to Turn

Retirement is something you're told to prepare for as soon as you enter the workforce. However, this is not possible for many Americans and the majority feel like they have not saved enough.

Nearly 75 percent of Americans are worried about economic insecurity affecting their retirement, according to a recent report from the National Institute on Retirement Security (NIRS).

In the same report, 88 percent of Americans said they believe there is a "retirement crisis" in this country.

Planning for Retirement

HR is in a position to help educate employees on their retirement. Employees should turn to HR with questions about the best ways to prepare for the transition.

There are many ways to get ready for retirement, but you will ultimately need to have money saved. The Department of Labor (DOL) encourages the following savings tips:

- Start **now**. Don't wait. Time is critical.
- Start small, if necessary. Even small contributions can make a big difference given enough time and the right kind of investments.
- Use automatic deductions from your payroll or your checking account for deposit into mutual funds, your individual retirement account (IRA) or other investment vehicles.
- Save regularly. Make saving for retirement a habit.
- Be realistic about investment returns. Never assume that a year or two of high market returns (or market declines) will continue indefinitely.
- Roll over retirement account money if you change jobs.
- Don't dip into retirement savings.

Saving for retirement may seem like a strain on your budget right now, but you can start small and grow. The closer you get to retirement age, the more you will appreciate your savings.

For more information on retirement saving tips, visit
www.dol.gov/ebsa/pdf/savingsfitness.pdf.

DID YOU KNOW?

If employee retention is not a top priority, it should be. Here are some staggering facts from a recent Gallup poll:

- **Fifty-one percent** of employees are searching or watching for new job openings.
- Only **33 percent** of employees are engaged at work.

As Gallup notes, millennials want their work to have purpose and to use their talents on the job. Listen to your employees and learn what they need to feel engaged. This will help improve retention and employee fulfillment.

Saving With Health Care Literacy

According to the U.S. Department of Education's National Assessment of Adult Literacy (NAAL), more than 1 in 3 Americans, or over 77 million people, are considered to have inadequate health literacy, which means that they have difficulty with common health tasks like reading a prescription drug label or making a wise health care decision.

It is estimated that low health literacy costs the United States \$106 billion to \$238 billion annually and accounts for 7 to 17 percent of all personal health care expenditures.

Increasing employee health care literacy starts with a good communication strategy. The most successful campaigns involve communication throughout the year, not just during open enrollment.

Utilize a variety of methods to increase readership, like flyers, emails and videos. Consider developing an FAQ so you can streamline the information for next year. Most importantly, benchmark employee satisfaction and knowledge through surveys and use the feedback to revise your campaign accordingly.