

eBook

The future is digital:

Maximize the employee experience with a digital wallet purpose-built for Workday



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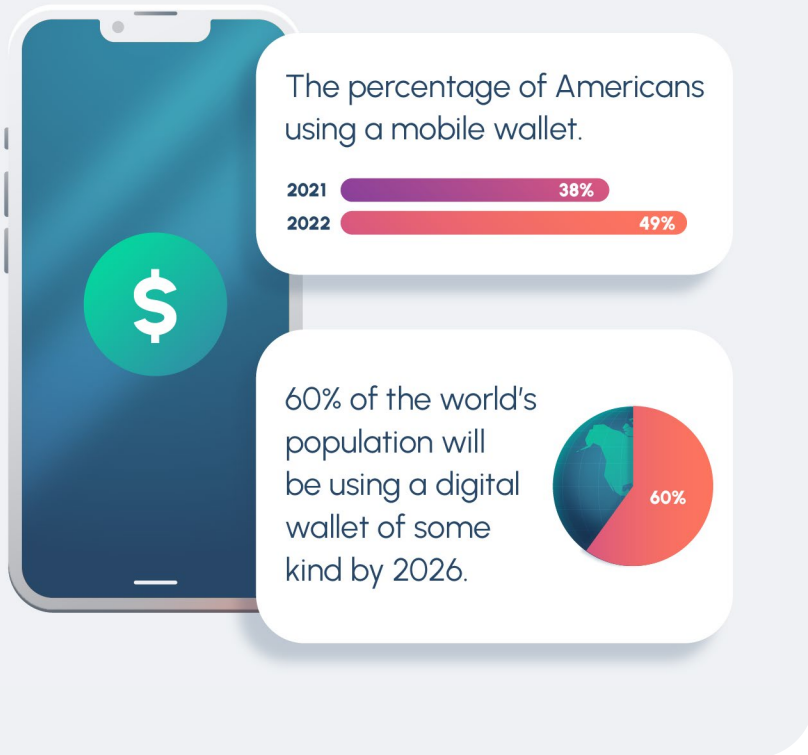
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Introduction



According to research collected by J.D. Power, the percentage of Americans using a mobile wallet jumped from 38% to 49% between 2021 and 2022.¹

Globally, that figure is expected to soar over the next few years, with Juniper Research predicting that 60% of the world's population will be using a digital wallet of some kind by 2026.²

That's more than 5.2 billion people.

Based on this, employers will have to start making decisions soon—if they haven't already—about how they will modify their total rewards strategy to include a digital wallet benefit. With the options that exist, what makes the most sense for both the business and for employees and what does a “good” solution even look like anyway?

¹As Mobile Wallets Gain in Popularity, Growing Number of Americans Still Prefer Convenience of Plastic. J.D. Power. 2023.

²Digital Wallet Users to Exceed 5.2 Billion Globally By 2026, As Digitisation Accelerates Cashless Transition. Juniper Research. 2022.

What “good” looks like

A good digital wallet should do two things:

- Give employees more control over their money
- Provide comprehensive solutions for financial well-being

But not every digital wallet meets both criteria right now. Some are focused primarily on just one or two specializations, like payroll or benefits.

That’s better than nothing. But if you’re trying to make real gains in engagement and recruitment, it’s probably not enough.

The best solution will bring the largest possible list of tools, services, and resources together in a single, user-friendly platform to help employees:



Access earned wages early



View pay stubs and pay details



View time and shift information and total rewards



Manage their payroll card



Manage consumer-directed accounts like HSAs, FSAs, and commuter benefits



Make and view payroll-linked bill payments






Access a marketplace of offers, discount programs, and more



A digital wallet that can do all this meets both criteria mentioned earlier, giving employees greater freedom and flexibility over their finances while reducing the need for multiple apps or platforms.

And as an employer, it helps you in a few truly critical ways, including:

-  Gaining a competitive advantage
-  Increasing employee productivity
-  Bolstering DE&I initiatives

Let's take a closer look at each one of these.



Gain a competitive advantage

What today's employees are looking for has changed.

A lot of factors have played into this, including COVID-19, a more competitive job market, and inflation. But it's also generational.



According to a **2022 survey by Prudential**, "almost 6 in 10 Gen Z (58%) and Millennial (57%) workers believe their employer has a responsibility to help them feel more financially empowered."³ And in a **Forbes article from 2023**, financial wellness training was identified as one of Gen Z's top five "non-negotiable" benefits.⁴

"Financial wellness training goes hand in glove with mental health support," the article says, "since financial pressures can have a significant adverse effect on a person's mental health."

Taken together, this information paints a clear picture: If companies want to compete for talent—and especially younger talent—they need to offer a robust array of financial well-being benefits.

³Generational Gap Grows: Work & Money Outlook Divided. Prudential. 2022.

⁴Non-Negotiables for Gen Z Workers In 2023--And Why They Matter. Forbes. 2023.

Increase employee productivity

When you're worried about something as important as your finances, it can be hard to focus on other things. And that includes your job.

According to PwC's 2023 **Employee Financial Wellness Survey**, stressed-out employees are **five times more likely** to admit that personal finance issues distract them at work.⁵

And based on other survey results, a lot of employees are stressed about their finances right now.

For example, a **2022 Bank of America study** found that **62% of employees** are stressed about their finances,⁶ while **BrightPlan's 2022 Wellness Barometer Survey** puts that number higher at 72%.⁷

BrightPlan's survey also found that stressed employees lost **11.4 hours in productivity per employee per week**, costing U.S. employers **more than \$4 billion per week**.⁷



Stressed employees lost **11.4 hours in productivity** per employee per week

But financial well-being benefits like earned wage access can make a real difference for employees and employers alike.

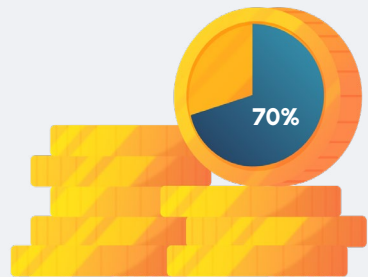
⁵PwC's 2023 Employee Financial Wellness Survey, PwC, 2023.

⁶Bank of America Study Finds 84% of Employers Now Say Offering Financial Wellness Tools Helps Increase Employee Retention, Bank of America, 2022.

⁷The Well-being Equation: Helping Employees Thrive in Uncertain Economic Times, BrightPlan, 2022.



According to **OneSource Virtual's own research**, **70% of employees** consider earned wage access an important benefit.⁸ Meanwhile, employers who adopt it see improvements in two key areas: productivity and employee retention. For example, employees who use OSV's myFlexPay solution work approximately 11% more hours than those who don't use it.



70% of employees identified earned wage access as an important benefit.

Additionally, companies offering myFlexPay have seen a decrease in employee turnover, with attrition rates dropping by up to 16%.



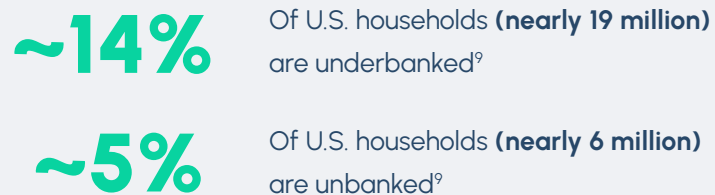
⁸Expectations vs. Reality in Employee Benefits. OneSource Virtual. 2023.

Bolster DE&I initiatives

Making your business more competitive and increasing productivity are both great reasons in and of themselves for investing in a digital wallet solution.

But on a human level, there's more to it than that, because a comprehensive digital wallet has the power to make a real difference for employees who are struggling.

The most **recent data from the FDIC** on unbanked and underbanked employees revealed that:



These are households that lack access to financial solutions that many others take for granted, including access to a credit or debit card, or even just a bank account. Unbanked and underbanked households are also more likely to rely on money orders, check cashing, pawn shops, and rent-to-own services.

But when unbanked or underbanked employees are given access to a payroll card, earned wage access, the ability to make bill payments directly from paychecks, and a unified platform for managing these solutions—and others—they're empowered to take greater control of their financial well-being.

Given all this, a digital wallet can be a great addition to any company's DE&I strategy.

⁹2021 FDIC National Survey of Unbanked and Underbanked Households. FDIC. 2022.

In fact, many employers already understand financial well-being as a "responsibility" with the power to impact their workforce.

According to the 2022 Bank of America study cited earlier:

97% Of employers feel responsible for their employees' well-being

91% Of employers reported improved employee satisfaction through financial wellness tools

84% Acknowledged that financial wellness tools contribute to employee retention

This data emphasizes that financial well-being should be an integral part of any company's DE&I strategy.

By prioritizing financial inclusion and implementing a comprehensive digital wallet solution, companies can demonstrate their commitment to DE&I and ensure that all employees, including those who are underbanked and unbanked, have equal access to essential financial tools and resources. This not only promotes a more inclusive work environment but also enhances employee satisfaction, engagement, and overall well-being.



Give your business a leg up with a robust digital wallet solution

Over the last few years, world events and technology have changed our relationship with benefits designed to improve financial well-being.

Things that might have been nice to have in the past might now be deciding factors when it comes to recruitment.



So, how do you compete in this new reality?

If current predictions about the booming popularity of digital wallets hold true, then one of the best ways to stay ahead of the recruitment curve is with a digital wallet that provides the most comprehensive and empowering set of solutions possible.

With the right solution, you'll not only be more prepared to attract new employees, but you'll also be more equipped to improve engagement and productivity with existing team members. And for employees who might be considered unbanked or underbanked, access to these solutions can be even more life-changing than you can imagine.