

Special Webcast

Talent Attraction for a Highly Competitive Market



September 7, 2022



Our agenda for today

- **OVERVIEW**

- EVOLVING LANDSCAPE for employees + employers in healthcare
- EDUCATION ASSISTANCE as a solution at the intersection of both

- **ACTIONABLE INSIGHTS**

- HOW – to offer a meaningful, holistic education assistance program
 - Case Study
- WHY – it makes sense to take action now
- WHAT – to consider as you explore education assistance benefits

- **Q+A**



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Today's Speakers



Jennifer Nuckles

EVP and Group Business Unit
Leader – Partnerships, Content,
SoFi at Work, Relay, & Protect
SoFi



Regina Brayboy
(Moderator)

Senior Fellow, Human Capital
The Conference Board

An enterprise financial wellness benefits platform with a suite of services, tools, and education that can help employees see a full snapshot of their finances, make smart decisions, and achieve their financial goals.

Financial Benefits Dashboard

Our platform is powered by a customizable financial hub for employees, which delivers SoFi's suite of tools through a user-friendly, consumer-grade mobile or desktop application — helping them get their money right when they need it.

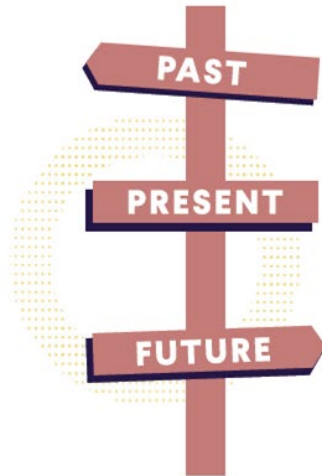
SoFi At Work partners with leading healthcare employers and associations across the country...

I: OVERVIEW

EVOLVING LANDSCAPE
EDUCATION ASSISTANCE AS A BENEFIT

Defining Education Assistance Benefits

Give your employees an integrated, turnkey platform to easily navigate their financial lives from the past, present, and future. Whether it's student loan repayment, tuition reimbursement, or college savings plans, it's all here.



Tackling student loan debt

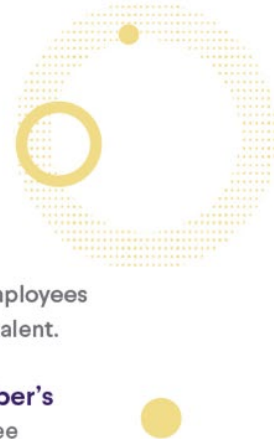
Reduce employee stress and increase performance—along with your organization's.

Paying for continuing education

Tuition reimbursement programs help your employees thrive while you attract—and retain—the best talent.

Supporting their goals—or a family member's

Help employees save consistently with tax-free deductions and contributions using 529 plans.



Employee Impacts: The Big Picture

Medical school graduates will be acutely impacted by the end of the student loan moratorium at the end of this year.

- The average med school graduate owes **\$241,600** in total student loan debt.
- Med students cumulatively graduate with **\$4.3 billion** in student debt *each year*.
- The CARES Act moratorium on federal student loan payments is set to end on **December 31, 2022**.

Employer Impacts: The Big Picture

Financial stress is taking its toll on workers, **and employers are paying the price.**

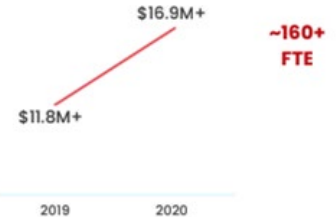
Employees are spending over nine hours per week at work dealing with issues related to their financial situation. That's more than one full day of work each week, which adds up to **60 workdays** or **12 workweeks** each year!

The impact on companies

76% of workers said they always, often, or sometimes think about their financial situation while at work. Even worse: Employees are spending **14.3 hours** per week actually dealing with financial issues—and **9.2** of those hours occur during the workday.

All of this stress is adding up to lost time at work.

Annual Cost of Financial Distraction



Regional Healthcare System	
Employee Count	10,000
Avg. Wage (\$/hr)	\$48
Avg. Hours a Week	36 hrs
Work Weeks	48 wks

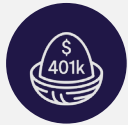
II: ACTIONABLE INSIGHTS

HOW TO IMPLEMENT EDUCATION ASSISTANCE BENEFITS
WHY IT MAKES SENSE TO TAKE ACTION NOW
WHAT TO CONSIDER DURING BENEFIT PROGRAM DESIGN

HOW: Education Assistance Through Employer Contribution



Contribution platform that enables Employers to disburse funds to multiple benefits. Flexible program designs to further Employer's HR goals (e.g. recruitment, retention) & easy employee enrollment.



Student Loan - 401(k) Match

Non-elective contributions towards retirement plan based on verified student loan payments



Student Loan - Direct

Employer contributions directly to employees' student loan principal to aid in debt reduction



Tuition Reimbursement

Tracking employees' continuing education courses & securing employer approval for qualified expenses



PTO Conversion

Apply employees' unused PTO to either a student loan or 529 college savings plan



529 College Saving Plans

Employee-elected recurring payroll deductions and/or employer contributions to 529s



Emergency Vaults

Employee-elected automated savings alongside employer contributions into a SoFi Money emergency savings account

HOW: To Bring Impactful Education Assistance to Life

A Case Study

CHALLENGE: A Fortune 500 company – based in Franklin, Tennessee – is one of the largest hospital organizations in the nation. The organization employs ~66K workers who carry millions in student loan debt. A highly competitive talent market has made it difficult to recruit and retain top talent.

SOLUTION: the organization tapped SoFi at Work to help design an education assistance program that would benefit ALL employees but do so in a way that met workers' unique needs.

Student Loan Repayment Program Design

Taking a tiered approach, the Student Loan Repayment and Refinance Program enables the system to support all employees with student debt, while driving additional impact for the most critical talent segments.

	Part-time	Full-time
Registered Nurses & Medical Technologists	Contribution Amount \$2,500 annual (\$208.33 monthly) Total Maximum Contribution \$10,000	Contribution Amount \$5,000 annual (\$416.67 monthly) Total Maximum Contribution \$20,000
Other Clinical Roles	Contribution Amount \$1,250 annual (\$104.17 monthly) Total Maximum Contribution \$5,000	Contribution Amount \$2,500 annual (\$208.33 monthly) Total Maximum Contribution \$10,000

WHY: Employers continue to expand their student loan benefits

There has been an increase in the number of employers offering contribution benefits in 2020

From 2018 to 2019, employer student loan contribution programs **doubled**.¹

There are predictions of that number **quadrupling** by the end of 2022.²



4% → 8%

of companies
in 2018

of companies
in 2019

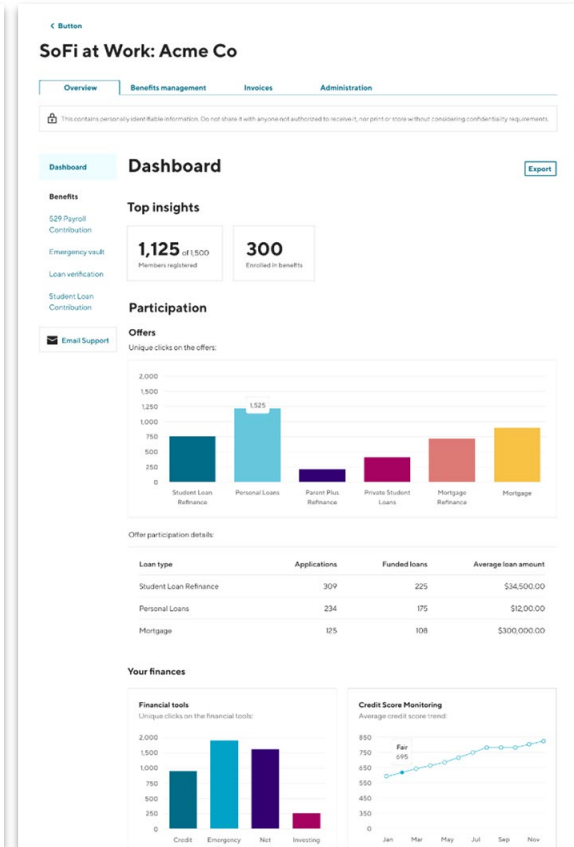
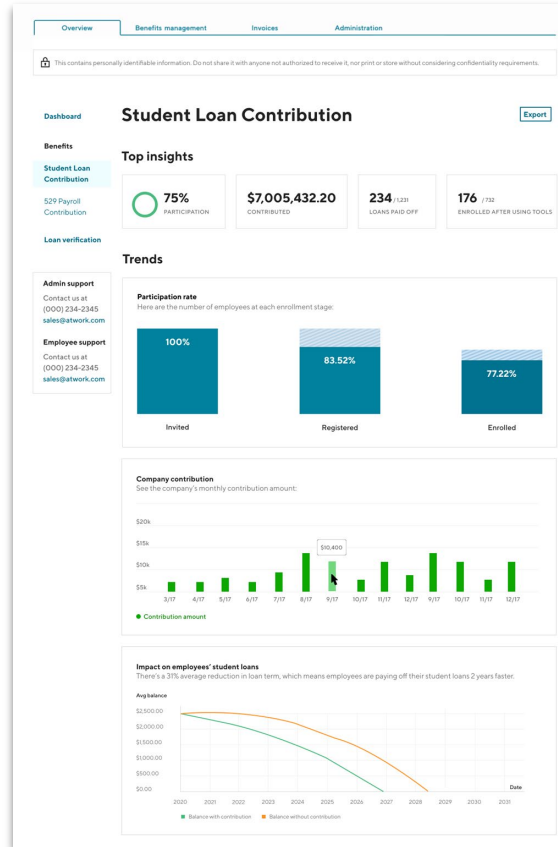
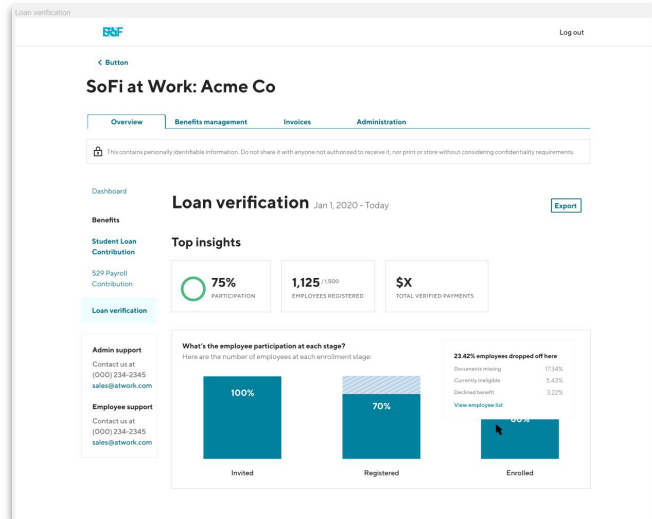
32%

of companies will offer an employer contribution program for student loans by 2022

Sources: [1](#), [2](#)

WHAT: Key Considerations Employer Admin & Reporting SoFi

For contribution programs, HR / Benefit Managers can access their personalized SoFi Admin Portal to manage employee eligibility, approve invoices & track employee engagement and metrics to measure the program's ROI.



WHAT: Key Considerations for a Contribution Programs

Things to consider when designing your student loan contribution program



AMOUNT:

Contribution amounts can be a fixed amount per employee or based on an annual budget. Many employers will reallocate existing budgets for their programs.

Existing SoFi at Work Partners: The median contribution amount is \$100 per month with a minimum annual amount of \$1,200 and maximum annual amount of \$2,400.



CONSTANT VS. TIERED:

Contributions can be constant throughout tenure or increase after certain time criteria (e.g., 12 months of employment). Progressive contributions can lead to greater retention.

Existing SoFi at Work Partners: 59% of partners administer a constant contribution amount and 41% of partners administer a tiered contribution amount.



FREQUENCY:

Contributions can be made monthly, quarterly, or annually. More frequent contributions can be a great reminder to employees, while less frequent contributions can be used for additional bonuses.

Existing SoFi at Work Partners: 86% of partners contribute monthly, 6% of partners contribute quarterly, and 8% of partners contribute annually.



ELIGIBILITY:

Employers can determine if everyone gets the benefit or if you want to attract specific groups. For example, you could base eligibility on tenure vs. new hires, location or division, etc.

Existing SoFi at Work Partners: 72% of all partners offer contributions to their entire population and 28% offer contributions to a targeted population.

WHAT: The CARES Act Means for Student Loan Benefits

- Employers can now offer up to \$5,250 in Tax-Free Contributions towards an employee's student loans to help with principal reduction
- Change is an extension of existing tax advantage of Tuition Reimbursement programs (**Section 127**).
- Contribution is also now a pre-tax benefit for employees up to this limit
- Policy will remain in effect until end of 2025 due to Consolidated Appropriations Act (CAA)
- Before the act, **12-37%** (depending on tax bracket) of an employee's contribution was taxed federally



Q+A

Thank You!

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- [Price Transparency: Navigating the Road to Compliance \(September 08, 2022\)](#)
- [Human Capital Watch™: Harnessing the Power of the Multi-Generational Workforce \(September 13, 2022\)](#)

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Navigating the Economic Storm

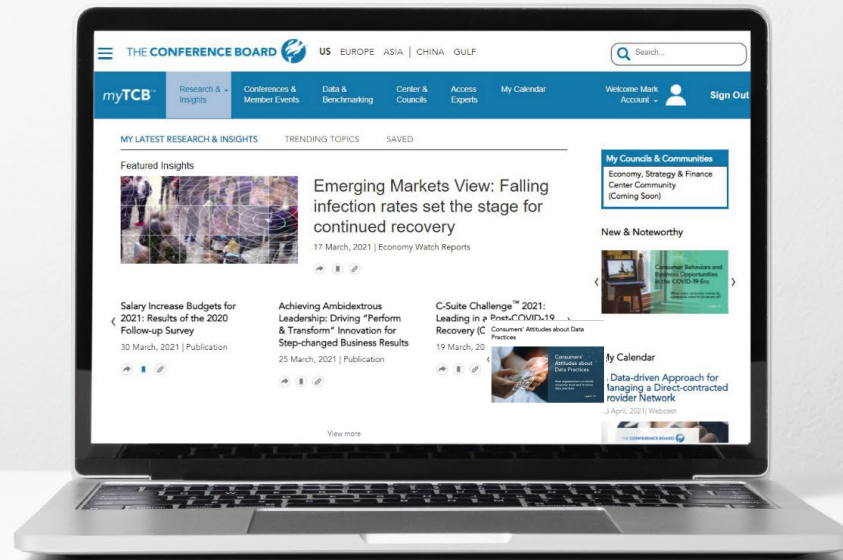
**YOUR INDISPENSABLE GUIDE THROUGH
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