INSIGHT 8

Getting this right will demand changes

In *Benefits Barometer 2015* we argued that getting this right would demand changes in the industry. Where did we see the most important areas for rethinking the current model?

The ambit of our industry: We needed to address the issues of debt and not just savings or assets. We needed an integrated, holistic view of the individual and their lens of responsibility.
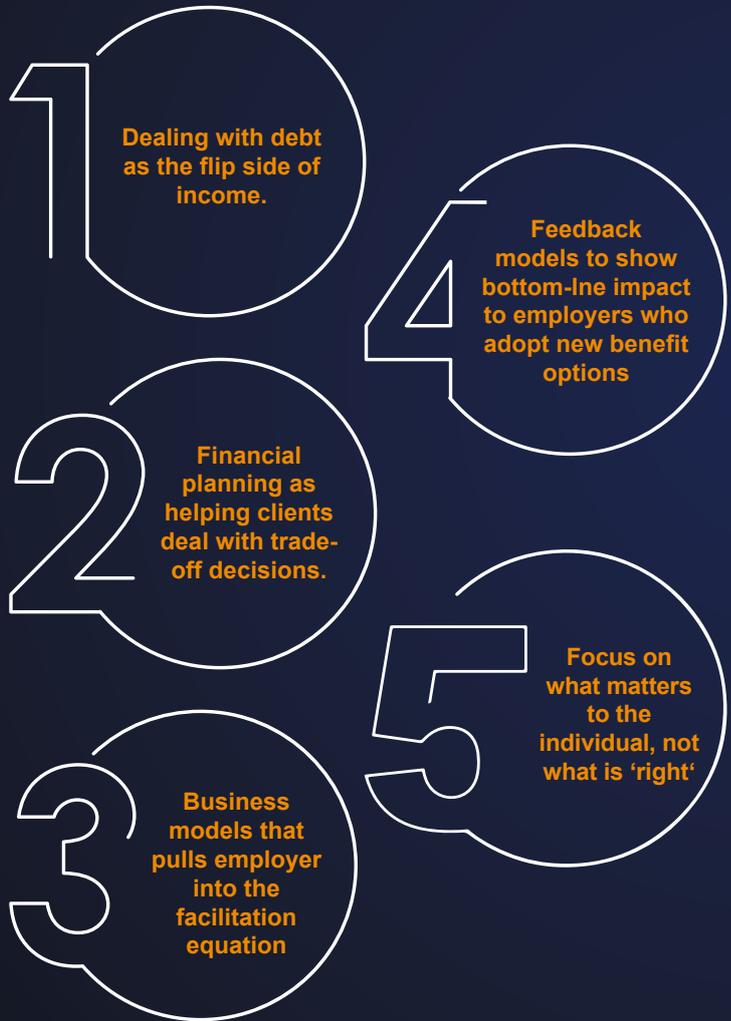
The nature of our consulting practices: We needed to provide advice about trade-offs. What individuals *didn't* need to buy was as important as what they should buy.

We needed new business models where employers could use their buying power to lower costs and consultants were paid on retainer, not by commission.

We needed to ask the client what mattered to them – not tell them what they needed.

READ MORE

HOW WELL DO WE UNDERSTAND SOUTH AFRICAN FAMILY DYNAMICS?

1 Dealing with debt as the flip side of income.

2 Financial planning as helping clients deal with trade-off decisions.

3 Business models that pulls employer into the facilitation equation

4 Feedback models to show bottom-lne impact to employers who adopt new benefit options

5 Focus on what matters to the individual, not what is 'right'

Rob Rusconi discusses the responsibilities of the private sector and the financial services industry in structuring financial solutions.

Watch Rob's video.

| 2 |

What was also clear was that none of these changes would take place unless both employers and the financial services industry saw value in promoting them. It's well enough to suggest that putting in place a programme that helps employees manage their day-to-day financial demands more effectively should improve employees' commitment to retaining their long-term savings.

To really effect industry change in providing such services demands a completely different business model – one where potentially employers, employees and service providers all co-fund these solutions. Expecting any of these participants to contribute in turn demands that we can demonstrate there is value to be added to everyone's bottom line.

This was our intent in designing the Alexander Forbes LifeGauge Comprehensive. Translate exactly how much added value was actually brought to a business's bottom line by introducing a lifelong financial well-being programme to their employees.

INTRODUCING LIFEGAUGE COMPREHENSIVE

| ACME Inc. | JUNE 2017 | ⌄ | ALEXANDERFORBES ⚹ △ ⵌ ☰ |

WELL-BEING

Well-being score target

Capability — 64

Health — 82

Retirement — 42

Current payroll waste
R 7 900 000

Target payroll waste
R 7 220 000

Projected savings
R 680 000

Overall score
63

Well-being interventions	Q1	Q2	Q3	Q4
Financial well-being programme	▉			
Onsite debt consulting				
Onsite financial well-being consultant	▉	▉	▉	▉
Degreed online learning platform	▉	▉	▉	▉
Communication campaigns				
Member education services				

⟨ Back   Next ⟩

To understand Rob's arguments, READ MORE