

FINANCIAL LITERACY & HEALTH WELLNESS -

THE IMPACT OF FINANCIAL STRESS IN THE WORKPLACE

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and it is a reaction and response to stress which becomes an important life skill.

There are benefits of stress in that one generates motivation to experience life. There can be consequences, of course, when not handling or coping with stress. The outcomes of dealing with stress can manifest mentally, physically, emotionally, and spiritually.

A common definition of financial stress

planning on introducing them. The more common programs include smoking cessation, weight loss, and fitness.

There is mounting evidence that financial education should be included in an employer's comprehensive health and wellness program. The Personal Finance Employee Education Foundation reports that the return on investment – the ROI, of an employee financial

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Financial Literacy and Health Wellness - The Impact of Financial Stress in the Workplace

“It is said that if you want to know what you were doing in the past, look at your body now; If you want to know what will happen to you in the future, look at what your mind is doing now” - Dalai Lama

The areas in our lives where we make most of our personal choices are represented in Health, Relationships, Career, and Finances. The impact of managing these in one's life affects not only the individual, but also their families and friends.

One has expectations about decisions and how processes should work and what the outcomes and results should be. Stress develops and becomes an irritant when things aren't going according to plan, especially in those areas. Stress can be situational or chronic

might be *“...the unpleasant feeling that one is unable to meet financial demands, afford the necessities of life, and have sufficient funds to make ends meet...”*.

Examples of the causes of financial stress include cash and debt management, investments, children's education funding, retirement, taxes, insurance, estate planning, and maintaining lifestyle.

Financial stress occurs in all age groups, including adolescents, young adults, mid-career adults, adults approaching retirement, and the retired and elderly. The following chart illustrates the impact that different levels of personal debt have on various health ailments. It is clear that individuals who have higher levels of debt suffer from more health issues than those who have low levels of debt. It can be surmised that those with higher levels of debt are more likely to experience chronic

stress that relates to chronic health issues leading to more serious health problems.

An increasing number of health and wellness programs are being implemented in the workplace. In fact, 64% of companies now have a variety of health and wellness programs with 12% of others

education program as a preventative wellness intervention has been consistently measured at a 3:1 return. In essence, for every \$1 invested in a financial education program in the workplace, the return back to the employer is around \$3.

Direct measurement that relates to improved productivity includes less absenteeism; reduced presenteeism; and reduced prescription drug usage in certain areas. Indirect benefits are found in improved relationships at work and at home, and a generally improved lifestyle. While society has shared intentions and mutual obligations in providing individuals with improved financial literacy skills through financial education, the workplace appears to have the highest potential to continually provide the most appropriate resources. Our experience has been that an employee financial education program that includes both a strategic plan and a tactical implementation approach is a *“best practice”* of the most appropriate use of available resources and outcome measurement.

“The gratification of wealth is not found in mere possession or in lavish expenditure, but in its wise application” - Miguel de Cervantes. Ismo Heikkila is the National Director, Aboriginal Services, at T.E. Wealth. Ismo can be reached at iheikkila@tewealth.com and the website is www.tewealth.com/aboriginal

HEALTH ISSUES	HIGH LEVEL OF STRESS FROM DEBT	LOW LEVEL OF STRESS FROM DEBT
MIGRAINES/HEADACHES	44%	15%
SEVERE DEPRESSION	23%	4%
INSOMNIA/SLEEP ISSUES	39%	17%
SEVERE ANXIETY	29%	4%
HIGH BLOOD PRESSURE	33%	26%
HEART ATTACK	6%	3%
ULCER/DIGESTIVE ISSUES	27%	8%
MUSCLE TENSION/LOW BACK PAIN	51%	31%