



Going Beyond Net Worth:

How Corporate Wellness Programs Can Help Bridge the Racial Wealth Gap

Who do you see when you look at your employees? While it may be easy to identify them as individuals capable of driving business needs forward, how an employee is identified goes well beyond their job title. Heritage and Identity recognition months allow companies and organizations to shine a light on their diversity, equity, and inclusion (DEI) efforts by paying tribute to the past, honoring trailblazers, and acknowledging the unique impact of these groups in society and the workplace. However, embracing diversity goes beyond recognition once a year. It also includes a continuous effort to understand employees' unique challenges related to their culture and identity and a conscious effort to provide appropriate solutions that help address those challenges. An often unacknowledged or overlooked aspect of who employees are also includes their relationship with money and how it impacts their ability to show up in the workplace.

Money is involved in almost everything we do and affects our daily choices. It is an essential building block for individuals to lead fulfilling lives, and how money is utilized can lead to financial wellness. However, financial wellness is tied to wealth, making it a complex state to achieve for many Black Americans. Wealth has many definitions and is associated with net worth, the net value of an individual's assets minus their liabilities or debts. It is a crucial metric for measuring one's financial health. But for many Black families and individuals, the road to financial wellness is mired with bumps, delays, detours, and one of the most severe obstacles of all, the racial wealth gap.

The phrase "racial wealth gap" is widely used to describe the differences in net wealth between Black and White households that stem from economic disparities and systemic inequalities with deep historical roots dating back to slavery. Though changes are being made, the wealth gap persists and is exacerbated by barriers to education, lending, job opportunities, upward mobility, and homeownership. In a report published by Prosperity Now, there is a significant concern that the median Black wealth may plummet to zero by 2053 if left unaddressed ([Asante-Muhammad et al., 2017](#)).

Wealth and Maslow's Hierarchy of Needs

It is important to recognize that wealth has value beyond its monetary worth. While it is a powerful tool that enables us to meet our needs and pursue our dreams, wealth is also what we experience or feel when we can live our fullest lives. How experiencing wealth impacts our lives can be seen through Maslow's Hierarchy of Needs. This motivational theory is illustrated within a pyramid divided into five levels representing physiological and psychological needs. Starting with our basic needs, such as food, shelter, and water, at the base, Maslow theorizes that humans will work to meet these needs before pursuing needs higher up the pyramid. The other pyramid levels include psychological needs such as safety, belonging, and esteem, with the pyramid's tip representing self-actualization. The pursuit of these needs drives our daily lives. Regardless of the order in which these needs are pursued, they are all inherently important to how we go about honoring our whole selves and experiencing wealth through well-being.

When one can choose a safe and secure home, have access to healthy and fresh foods, seek adequate healthcare or activities that support our mental and physical health, be supported by our chosen community and seek out fulfilling relationships, feel good about the work they're doing, and pursue passions, they're able to find true wealth in these experiences and incorporate the benefits of that wealth into how they show up in other areas of their lives such as the workplace. However, these things all require money.

Compared with Maslow's Hierarchy of Needs, the framework for financial well-being provides a holistic structure through which wealth and wellness coexist. According to the Consumer Financial Protection Bureau ([Financial Well-Being Resources, n.d.](#)), "financial well-being describes a condition wherein a person can fully meet current and ongoing financial obligations, can feel secure in their financial future, and can make choices that allow them to enjoy life" (para.2).

However, the impact of the racial wealth gap on everyday life presents a roadblock between what should be a seamless integration of financial wellness and financial well-being.

Financial wellness tools seek to introduce resources that help individuals practice more mindfulness around their money and incorporate money-positive behaviors that lead them to experience financial well-being. However, while behavior and mindfulness are essential to managing one's finances, they alone cannot combat disparities exacerbated by wealth inequality or the negative impact that constant financial stress creates in one's life.

Corporate Wellness Programs Can Contribute to Closing the Wealth Gap

It is no secret that addressing the racial wealth gap and promoting financial well-being necessitates a multifaceted approach at the local, state, and federal levels. It also requires an active approach at the places where individuals go to earn an income. It is crucial that DEI efforts also include a robust review of policies, procedures, and wellness programs in the workplace that contribute to driving desired outcomes. Point solutions that have a singular focus, such as 401(K)s, earned wage access, etc., don't address the ever-changing landscape of an employee's financial needs.

Companies have a unique opportunity to do their part in closing the wealth gap by deploying initiatives to improve employees' financial well-being at all career levels. To address the various barriers employees face when it comes to building wealth, organizations can provide comprehensive offerings that include access to financial tools, resources, programs, and advisors who understand their unique needs and meet employees where they are in their financial journey.

Integrating these solutions with other DEI efforts in the workplace will help counteract the impact of wealth inequality, allowing employees to thrive and achieve financial success. This prioritization of an employee's financial well-being results in better morale, improved health and productivity, increased retention rates, less absenteeism, motivation to seek career advancement, and improved company culture. ("PwC's 2023 Employee Financial Wellness Survey")

Although this whitepaper highlights the impact of the racial wealth gap on Black Americans, wealth inequality is not solely limited to select groups. Customized financial wellness tools are necessary to address the diverse financial needs of your workforce rather than prescribing a one-size-fits-all solution. Resources that help empower employees and reduce financial stressors allow them to do more than meet their basic needs. It will enable them to experience the wealth of life, show up as their whole selves, and embrace the uniqueness of thought and creativity that gives birth to new ideas and technologies. It also creates a trickle-down effect, inspiring others to do the same and creating a positive, bright spark throughout the workplace.

References

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