Financial Solutions Lab

IMPACT: CASE STUDY

How Even Paved The Way to Responsible Earned-Wage Access

Using Fintech to Advance the Financial Health of Workers

Most employers know they need to do more to relieve their employees' financial stress, but many aren't sure which benefits to offer. Financial stress of employees can have negative effects on work performance, retention, and worker satisfaction. Consider that:

- **78% of employees** with high financial stress say it impacts them at work.
- **Fewer than one-third of workers** have access to benefits that help them with critical financial needs.
- **42% of employees** do not feel adequately informed about the benefits and programs their employers offer.

There is a need for employees to have an affordable earned wage access solution to manage volatile income, unexpected expenses, and bills between paydays. Pairing such a solution with tools that help employees plan, budget, and save can further improve employee retention and loyalty.

Even helps employers invest in their workforces by providing employees with the right tools to improve their financial lives. Its platform gives workers access to their earned wages when they need them, offering more control over their paychecks and helping them avoid predatory payday loans. As one of the first fintechs to disrupt the traditional payday lending industry, Even has relied on insights from the Financial Solutions Lab (FSL) to optimize its platform and pave the way for a growing market of digital earned-wage access solutions.

Bringing Earned-Wage Access to Walmart Employees and Shoppers

Even has found success in serving workers at scale through a partnership with Walmart. The retail giant's fintech venture, Hazel, acquired Even in 2022, bringing earned-wage and savings tools to workers and shoppers alike. Even has found that while users initially join its platform for earned wage access, as they accumulate savings over time their usage shifts to other tools on the platform.

1.6 million Walmart employees
have access to Even's pay platform

100 million weekly shoppers
can potentially access Even post-acquisition

31% more users
enrolled in automatic savings after Even updated its platform based on Impact Lab insights

97% of earned-wage access and direct-to-consumer advances
are recouped, based on insights from the Financial Health Network's Impact Lab

Empowering Impact Through Financial Health Measurement

FSL has aided Even's approach to measuring and increasing its impact since 2015, when Even joined the inaugural Accelerator program. Throughout Even's partnership with FSL, the organizations have worked together to:

- Help Even understand, define, and measure the impact of its platform on users through the Financial Health Network's Impact Lab.

- Introduce changes to the tool to help users increase savings inspired by Financial Health Network's Impact Lab and behavioral insights team, such as:
    - Asking users whether they wanted to save during onboarding to the app (using "active choice" messaging) **increased the number of users who saved via automatic paycheck withdrawals by 31% after eight months.**
    - Individuals who saw active choice messaging had **42% greater savings balances after eight months** — $52 versus $36 for those who did not receive such messaging.
- Connect Even with Financial Health Network policy experts to understand and publish first-of-its-kind research on earned-wage access usage.
- Introduce Even to a Financial Health Network Member organization to pilot their offering with frontline staff, pivoting their business to the employer channel and paving the way to their future work with Walmart.

→ Learn More About Even

Financial Solutions Lab

The Financial Solutions Lab (FSL) was established in 2014 to cultivate, support, and scale innovative ideas that help improve financial health. FSL focuses on solutions addressing acute and persistent financial health challenges faced by low- to moderate-income individuals, Black and Latinx communities, and other underserved consumers.

The Financial Health Network manages the Financial Solutions Lab in collaboration with founding partner JPMorgan Chase and with support from Prudential Financial.