

How to Help Your Teams Survive and Thrive During the Holidays

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Statistics

- December 2016 Harris poll of 2,000 adults: 1 in 3 American adults say that their financial life is worse than they expected it to be.
- 80% of people who admitted to regular “impulse shopping” stated that they regret those purchases afterwards
- More than half of all Millennials (Americans born ~1984-2004) say they live paycheck-to-paycheck and are unable to save for the future, and 43% use costly non-bank borrowing methods like payday loans, pawn shops, and rent-to-own stores

Cultivating a Spirit of Generosity and Giving

- Scrooge from *A Christmas Carol*
- *Scientific American* study showed that levels of the stress hormone cortisol were lower in individuals who demonstrated generosity
- Example: Bank of Travelers Rest “Needy Family” project
- How can you build teamwork and morale by focusing on an altruistic project during the holidays?

“Stuff” is great, but can take over our lives

- The holiday season has become all about buying stuff **but:**
 - Cars need maintenance
 - Houses need insurance and landscaping upkeep,
 - Electronics need to be charged and updated
 - And so on!
- “He who dies with the most toys, still dies”

Importance of Budgeting

- There IS potential for financial success in the Christmas season, but like most things in life, it requires discipline and a written plan
- Don't wait or make it a New Year's Resolution!
- There are lots of free online tools: *Mint.com*, *BudgetTracker.com*, etc., or just use a plain old Excel spreadsheet
- “Zero-based budgeting” – every dollar coming in and going out must be accounted for so you know where your money is going
- Doesn't have to be scary: this is putting your money to work

Outreach to Young Employees

- Power of Compound Interest illustration
 - Michael: Saved \$1,000 per month from the time he turned 25 until he turned 35.
 - Jennifer: Saved \$1,000 per month from her 35th birthday until she turned 45.
 - Sam: Saved \$1,000 per month for 10 years, halting his savings at age 55.
 - **Ending Balance:**
 - Michael, \$1,444,969
 - Jennifer: \$734,549
 - Sam \$373,407

Getting Families on Board

- Encourage employees to get the whole family involved
- For employees who are married or in a long-term relationship, communication with their significant other is critical to long-term financial success
- Employees need to think about long-term goals (buy house, retire at 60, be able to give), not just the need to impress others with flashy holiday purchases
- Get children involved as well: kids as young as five can begin learning about money and how it works: saving, giving (“sharing”), spending

Christmas Club Accounts at Bank of Travelers Rest

- Very simple and easy to set up
- “Pay yourself first” – no fees, no need to remember or think about it
- No maintenance fees, etc.
- Funds are distributed by check or ACH on November 1
- 218 accounts currently active

Student Loans

- Recently passed \$1.45T – nearly double the total outstanding credit card debt in the US
- By far the biggest burden on young employees, but can affect Gen X and even Baby Boomers
- 44.2 million US residents have at least some student loan debt
- Companies such as Aetna, Fidelity Investments, and PwC (among many others) offer tiered student loan repayment programs that can benefit both the employee and the employer