

Creating a Pay Experience as a Strategy to Lead Through Crisis

BY

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Introduction

During the COVID-19 pandemic, many employees were forced to work reduced hours or had spouses who lost their jobs. Others lost their access to childcare or experienced unforeseen circumstances that negatively affected their financial health. [American workers are rethinking how they save](#) because they now have experienced the economic impact that an unforeseen disaster can have. There are many ways employers can aid in moments of crisis such as this, includings changing the way they pay, which is mutually beneficial to the company and its employees.

This eBook will explore the power of creating a pay experience as a strategy to lead your employees through any crisis, big or small. By reading this, you'll gain a deeper understanding of how employee financial needs have changed and how you can help meet those needs and your company's goals. You'll also see the full potential of on-demand pay through firsthand stories of its transformative powers. At DailyPay, we want to set you and your employees up for success always.

New Research on the Changing Workforce

At DailyPay, we made it a priority to study the evolving needs of the American workforce over the course of the pandemic. Financial stability statistics and savings trends have changed greatly, and the most successful HR leaders are changing their benefit strategies along with them.

Here are some of those valuable findings:

87%
of Americans were already living paycheck to paycheck

Before the pandemic, 87% of Americans were already living paycheck to paycheck. Most did not have \$400 saved for emergencies, and 65% of those surveyed said they didn't have any type of savings account at all.

40%
of workers say they are worse off since the pandemic

40% of workers say they are worse off since the pandemic, and more than 50% of households have had some type of disruption to their employment. Out of those surveyed during the pandemic, 50% were having difficulty scraping by, and 40% said they were having difficulty paying their bills each month.

40%
said that they would be unable to cover much more than a month of their spending

Before COVID, 40% of working-age respondents said that they would be unable to cover much more than a month of their spending if they lost their job or had some shock to their income; the remaining 60% can cover more than two or three months. 57% of employees have had to dip into their savings to make ends meet.

55%
of workers feel anxious about their personal finances

55% of workers feel anxious when thinking about their personal finances, and 41% of them say they've never put money away. 89% of survey respondents said that the hardest thing about saving was getting started. 62% said they'd be able to save more money if there was an easier way.

Wondering what you can do to help your employees and your business?

In recent times, there has been a 150% increase in usage of mobile wallets and tap-to-pay technology. Payroll and payments are becoming increasingly digitized for efficiency and convenience. Implementing an on-demand pay solution can help your company regain employee trust, strengthen employee financial wellness and make them more likely to stay with the company.

We have found that:

+400%

**There was a 400% spike in DailyPay usage
at the onset of the COVID-19 pandemic.**

79%

**of employees stated that their opinion
of the employer has improved since they
implemented DailyPay.**

64%

**of employees stated that DailyPay helps
them gain better control of their finances.**

You can learn more about the power of on-demand pay and how it meets the needs of the changing workforce by tuning in to [this webinar](#) or [requesting a demo](#).

Analyzing Your Strategic Goals and How to Reach Them

So many employers are wondering how to create success for their company and their employees in the new world of work, now that so much has changed. Two main strategies that companies can employ to support their workforces and their business goals are flexibility and personalization. As the world emerges from the COVID-19 pandemic, employees need the security of knowing that their employers care about them holistically and are sensitive to their needs.

Studies have shown that 10 out of 10 households have different needs post-COVID, which was evidenced in Section I. People are managing their benefits and finances differently, and it is extremely important that employers are aware of and responsive to these evolving needs. Contactless technology solutions and new benefit offerings, including on-demand pay, are becoming increasingly popular. CYCLE, a new off-cycle payment product from DailyPay, is also a perfect fit for today's movement toward contactless technology. Digitizing this process eliminates the need for paper checks and virtually eliminates potential germ exposure involved in the process. These technologies are designed to improve recruitment and retention in the new world of work.

Here are some fast facts to better understand the current economic landscape:

64%

of working Americans had some negative financial impact in the first six months of COVID, whether they lost their job, had a pay cut or were furloughed.

75%

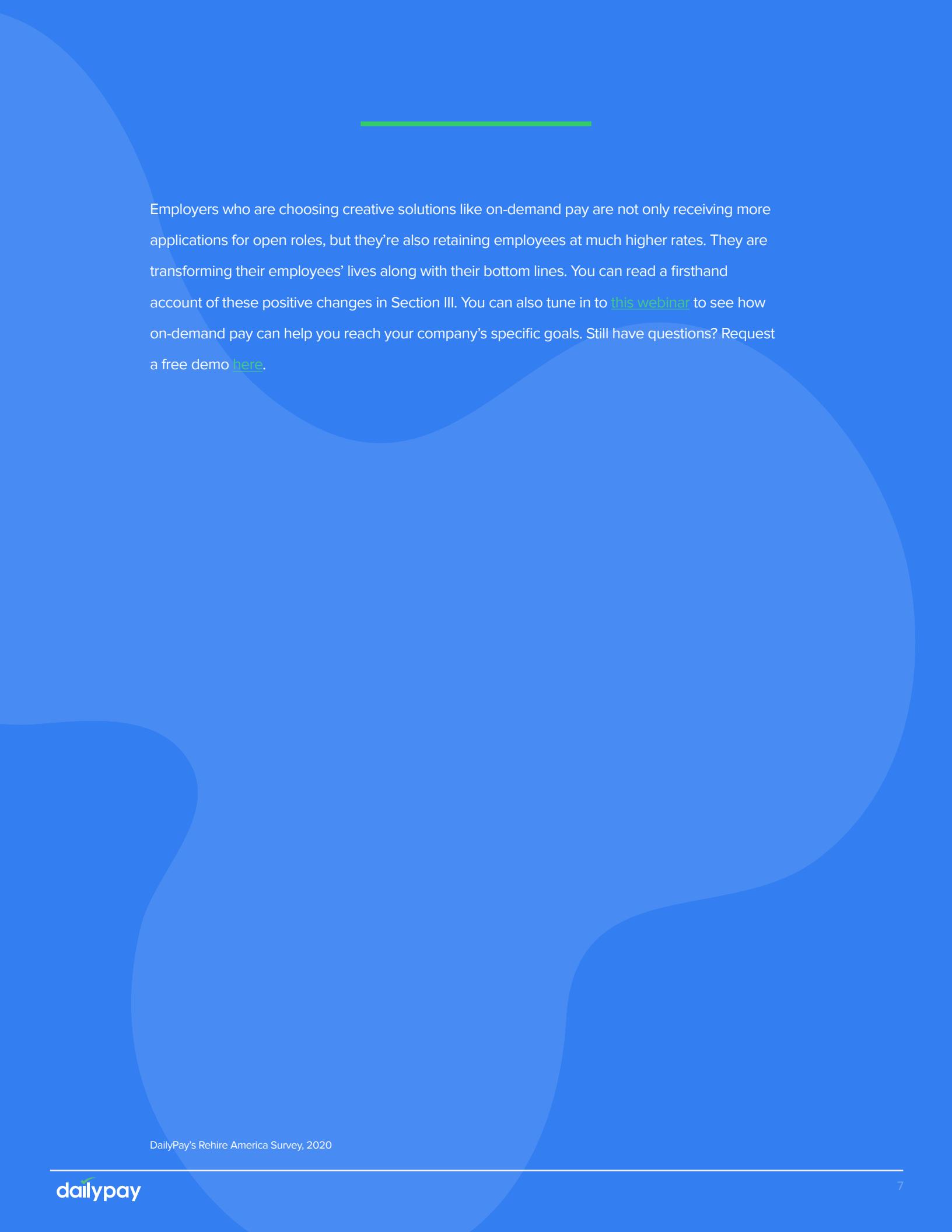
of furloughed employees found other jobs during the furlough period, which has left many employers in a scramble to recruit and hire.

150%

Replacing employees can cost up to 150% of each employee's annual salary.

34%

DailyPay can provide a 34% average reduction in absenteeism and a 19% improvement in quality of work, in addition to a 3X increase in productivity.



Employers who are choosing creative solutions like on-demand pay are not only receiving more applications for open roles, but they're also retaining employees at much higher rates. They are transforming their employees' lives along with their bottom lines. You can read a firsthand account of these positive changes in Section III. You can also tune in to [this webinar](#) to see how on-demand pay can help you reach your company's specific goals. Still have questions? Request a free demo [here](#).

Section Three

Understanding the True Power of On-Demand Pay

Recently, DailyPay hosted a webinar with Jennifer Zion, the Director of Human Resources for Freebirds. Freebirds, a DailyPay client partner, is a quick-service restaurant (QSR) franchise serving up burritos and other Tex-Mex fare. QSR has always been a high-turnover industry, but as gig work, with its daily pay options, has become more popular, companies like Freebirds are having an increasingly difficult time retaining employees. Jennifer knew the company needed to implement an on-demand pay solution to remain competitive, but offering this benefit proved to be more powerful than she ever could have imagined.

As evidenced earlier in this eBook, employee financial needs have greatly evolved over the course of the COVID-19 pandemic. Employers like Freebirds who want to stay ahead of the competition in this new world of work need to be acutely aware of these shifts. Offering a unique and useful benefit like DailyPay can make a substantial difference when rehiring and recruiting new employees, especially in an industry like QSR where employee wages are typically low. By offering DailyPay, Freebirds was able to help their employees make ends meet and handle the financial emergencies that arose during COVID.

Here are the results that Freebirds achieved as a result of implementing DailyPay:

49%

of their employees enrolled in DailyPay, including 68% of all new hires.

78%

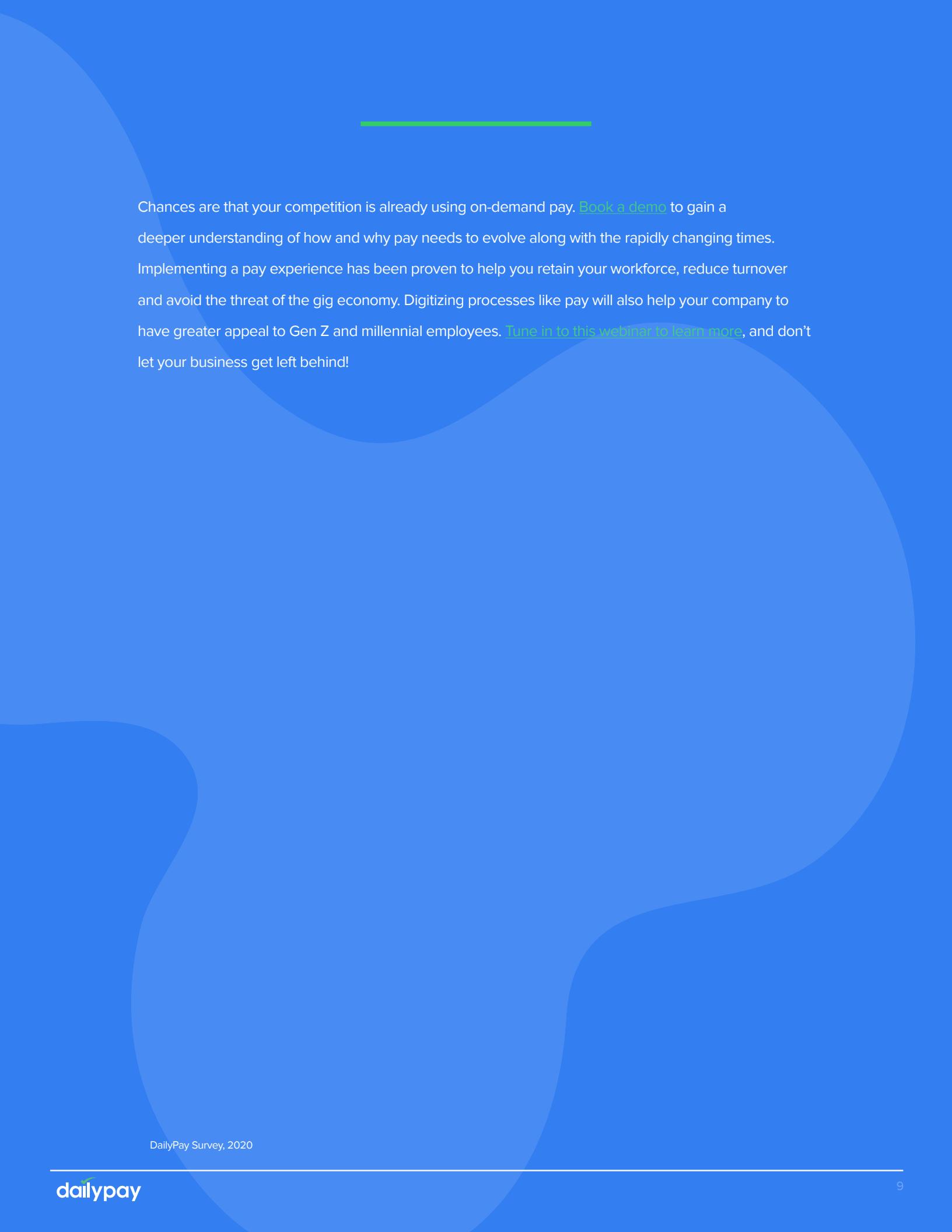
of employees said it helps them control their finances.

80%

of enrolled employees use DailyPay to track their earnings.

64%

of DailyPay users say offering this benefit has improved their opinion of Freebirds.



Chances are that your competition is already using on-demand pay. [Book a demo](#) to gain a deeper understanding of how and why pay needs to evolve along with the rapidly changing times. Implementing a pay experience has been proven to help you retain your workforce, reduce turnover and avoid the threat of the gig economy. Digitizing processes like pay will also help your company to have greater appeal to Gen Z and millennial employees. [Tune in to this webinar to learn more](#), and don't let your business get left behind!

Conclusion

An employee-centered pay experience is one of the most powerful ways to lead your employees through any crisis. Not only will it help you stay ahead of the competition, it will also provide your employees with invaluable financial support and freedom, no matter what is happening in the world around them. It will help your employees support themselves and their families, as well as help your company to meet its strategic goals by keeping your employees highly engaged and reducing turnover.

**WANT TO SEE EXACTLY HOW AN IMPROVED PAY EXPERIENCE CAN
POSITIVELY IMPACT YOUR BUSINESS?**

BOOK A DEMO