

CASE STUDY



KOCHER + BECK CITES ESSENTIAL KNOWLEDGE AS A BOOST TO EMPLOYEE MORALE.

PROBLEM TO BE ADDRESSED:

Kocher +Beck has been a leader in precision tooling for the printing industry since 1966. With locations around the globe, management teams in the U.S. noticed problems in the workforce that did not exist overseas.

“As a German company, we had a different attitude about money than most Americans seem to have. It was difficult for our management to understand some of the employee issues,” said Joe Hawes, Administrator for the organization.

The organization saw a low participation in company benefits, requests for personal loans, and employees relying on payday loans. With above average wages, the organization was also surprised at employees who left for small increases in pay.

“We knew some of our employees were digging a hole for themselves with payday loans and credit card debt, and some occasionally asked for advances on their paychecks. We didn’t mind helping, but felt it was only a short-term fix.”

THE ESSENTIAL KNOWLEDGE SOLUTION:

Kocher +Beck chose Essential Knowledge to deliver financial education to the workforce. Employees went through a full course over the span of eight weeks. Kocher +Beck made the training mandatory and employees were compensated for their time. Initially, some employees were reluctant to utilize the training. However, after seeing initial results, employees were soon motivated to learn.

The Essential Knowledge course covered over 150 topics ranging from Debt Cycles, the Psychology of Money, Debt Management, Basic Budgeting, Insurance and Taxes, and Investing and Retirement.

THE RESULTS:

Initial surveys of employees revealed a high risk profile in the workforce. 43% of employees had to borrow money to pay their expenses each month. 11% had missed work to deal with a financial issue in the last six months. 67% admitted to not understanding financial goals, or having any goals.

Hawes says the results were even better than he had hoped. “The results were remarkable. As the result of taking the course, employees were saving more, no longer relying on payday loans, and had reduced levels of money-related stress. Everyone learned from the classes—even those who said they already had knowledge about personal finance.”

Within thirty days of completing the course, each of those numbers had been slashed in half. In addition, 401k participation had increased by 11%. The most important outcome of the training, though, was the feedback from the employees.

The organization felt an immediate change in the corporate climate. Employees went out of their way to thank management for the opportunity. Many admitted to never having learned about money. Others felt empowered because they could change their financial future. One of those employees, Mark Dunker of Stillwell, Kan., says he was impressed with the classes—and with the fact that his employer made the financial education available. “So few companies would even take the time to care about the financial situation of their employees,” says Dunker. “It speaks volumes for my company that they did this for us.”

For Kocher +Beck, this training has eliminated payroll advance requests, eased management issues, and boosted productivity in the workplace. “It was a small investment and will have big returns,” said Joe Hawes. “We decided to offer this training just before the economy tanked. We felt it saved some employees from falling into deep financial trouble. “

ABOUT KOCHER+BECK

Kocher +Beck has been manufacturing tools for the Printing and Paper Industry since 1966. The organization has more than ten plants in Russian, Germany, the UK and the US. As world market leaders in magnetic die cutting technology, the organization is the recognized system supplier for the sectors of label printing and envelope production, in both sheet-fed and reel-to-reel offset printing. For more information, visit www.kocher-beck.de .

ABOUT ESSENTIAL KNOWLEDGE

For over two decades, Essential Knowledge has been helping people master their money through education. The organization offers online personal finance courses that produce immediate results. Courses can be offered as a certification, a college credit course, or as continuing education. See website for details at www.essentialknowledge.com .