FROM BENEFIT TO BEDROCK

What Emergency Savings Means for Your Practice

What Plan Advisers Need to Know

commonwealth × BlackRock's Emergency Savings Initiative

When employees can't cover a $400 emergency, your clients' plans pay the price—increased leakage, stalled participation, and harder conversations at every review. **Emergency savings gives you a concrete, data-backed lever to address all three, and a fresh story to bring to your next client meeting.**

1.7x Savers are 1.7x more likely than non-savers to contribute to a defined contribution plan

EMERGENCY SAVINGS CAN BOOST PLAN PARTICIPATION



20% of emergency savers

began contributing to a 401(k) for the first time after opening an emergency savings account—more than half within four months of starting to save—driving an additional $3.5M in new retirement contributions.

START THE CONVERSATION WITH CLIENTS

1. **Begin with the numbers.**
Current participation and leakage rates, and where your client would like to see them.

2. **Connect them to the evidence.**
Emergency savings can bolster participation and reduce leakage—a win–win for clients and their employees.

3. **Lay out the options.**
In-plan (such as pension-linked emergency savings accounts, PLESAs) and out-of-plan, the trade-offs on each, and how to begin offering.

AN ALTERNATIVE TO PLAN LOANS AND HARDSHIP WITHDRAWALS

Tapping emergency funds, not retirement accounts, is the point: more than 28% of workers who opened an account through ESI made a withdrawal (median $640)—short-term needs met outside the plan.

Estimated $38M in retirement assets preserved across ESI participants who opened an emergency savings account and withdrew from it.

Source: BlackRock's Emergency Savings Initiative, Impact and Learnings Report 2019–2026 (The BlackRock Foundation & Commonwealth, 2026). Full report: savingsproject.org

Help Your Clients Build Stronger Financial Foundations

Connect with Commonwealth to explore practical emergency savings strategies that strengthen financial resilience and retirement outcomes.

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