

Case Study



FlexWage

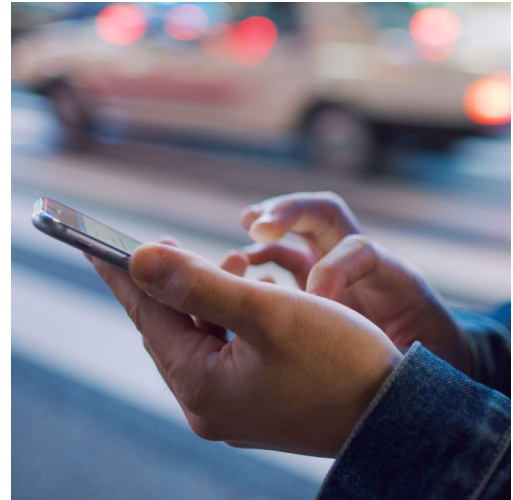
FlexWage Offers a Financial Wellness Solution That Enables People to Securely Access Earned Wages Right When They Need Them

On-demand wage payments can be a game-changer when workers face unexpected life events, such as a car repair or medical expense. By using Digital Disbursements from Fiserv, FlexWage expands the way people can access their pay to include direct deposits to their checking or savings accounts at the time of their choice.



With millions of Americans living paycheck to paycheck, FlexWage enables people to access the money they need precisely when they need it. Typical short-term liquidity solutions, such as bank overdrafts or payday lending, are costly and can cause people to end up in a cycle of debt that can be difficult to escape. FlexWage is different. Offered in partnership with employers, FlexWage's OnDemand Pay solution is part of a suite of financial wellness tools that allows people to draw money they've already earned. Similarly, FlexPay allows workers to access tips, per diem and other nonrecurring expenses.

When FlexWage was first introduced in 2010, the company's OnDemand Pay solution allowed people to access funds through a branded card. This was a welcome innovation with 1,000 people using the service by the end of its first year. However, an important part of the company's mission is to give everyone a chance to live their best financial lifestyle. To achieve this, they would need to deliver an expanded set of on-demand payment options that could meet people's needs for financial services wherever and whenever they need them.



Client Profile

Founded in 2010, FlexWage Solutions provides a variety of employer-sponsored financial wellness and empowerment services, including:

- OnDemand Pay, the industry's only patented non-loan payday solution
- Sum180, a subscription-based mobile financial wellness service
- FlexWage Payroll Debit Card, a reloadable Visa-branded payroll card funded each pay period
- FlexPay, a technology solution that enables immediate delivery of non-recurring payments, such as tips, per diem and expense reimbursement

As of the third quarter of 2019, the company has hundreds of employer clients and tens of thousands of users.

In June 2019, FlexWage introduced an enhanced product that leverages Digital Disbursements from Fiserv. Adding to its existing disbursements option, FlexWage users can now access funds through a real-time deposit to their checking or savings account through a debit card.

A Robust, Scalable Solution

When FlexWage sought to expand the ways people can receive money, they looked at security, end-user experience, cost and speed of implementation. They also wanted the ability to expand the offering in the future. Digital Disbursements offers bank-grade security built on an API architecture. Importantly, due to aggressive timelines put forth by a FlexWage client, the company also sought a solution that could be implemented within two months. Fiserv was able to deliver a full implementation – from contract to delivery – in approximately eight weeks.

“FlexWage chose to work with Fiserv for several reasons,” says Frank Dombroski, CEO of FlexWage. “First, we had a great experience in the sales process with the follow-up, the knowledge and the tenacity helping us move our decision forward. That was coupled up with a product set that is very wide and allows us the ability to add other services with the same provider. And that was all packaged up with a company that has a stellar reputation for quality, scale and reliability.”

Digital Disbursements offers a real-time tool that meets end-user expectations for fast, easy access to wages. It is a flexible solution that offers multiple delivery options and unparalleled implementation speed, alongside bank-grade security for every client. In the future, the technology can be leveraged for payments to mobile phones and email, debit and prepaid cards and even physical checks when necessary.

Challenge

FlexWage has developed a solution to help people access cash while avoiding the cycle of debt associated with payday loans and other costly short-term liquidity options. The company offered an option to access pay through a branded card, but needed secure technology that could expand the ways people access their pay.

Solution

Digital Disbursements allows FlexWage to offer a real-time money transfer option. By signing up with their debit cards, workers are able to transfer funds directly into their checking or savings accounts in real time. Ease of implementation, flexibility, bank-grade security and competitive pricing made it easy for FlexWage to choose Fiserv.

Proof Points

Since FlexWage implemented Digital Disbursements in June 2019, the company has seen increases in users, employer partners and amount of transactions. Additional benefits include:

A convenient option for employees increases adoption: Employee adoption has increased more than 10 percent. Many workers appreciate that they don't need to enroll in a card program or carry an extra card.

A ready-to-go solution: Employers are able to offer workers a real-time wage payment service without needing to enroll in a new payroll card program; with Digital Disbursements, they can access a turnkey digital solution that meets an important need in the workforce.

Digital payments that help employers compete for talent: Call centers, food and beverage and retail can be especially susceptible to losing workers to opportunities in the gig economy, which typically pays more frequently. Digital on-demand payments can help employers in these fields to attract and retain employees.

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Empowering All Workers – From Gig to Full Time

FlexWage is focused on financial wellness and reducing people’s financial stress. A key part of that is tailoring solutions to meet the needs of different kinds of workers. After all, what works for one is not always ideal for another.

FlexWage encourages different solutions based on each worker’s classification type. For example, full-time employees can typically access earned wages in real-time but there are limits on the total amount and number of withdrawals per pay cycle. Gig workers, on the other hand, might be able to access all the wages they’ve earned up to the point of the request. This includes tipped workers and nonrecurring payments such as per diem and expense payments.

By creating new on-demand payments options for the nontraditional workforce, FlexWage has developed an opportunity for employers to offer a value-added benefit to workers of all types. In the case of gig workers, on-demand payments for an on-demand workforce may even incentivize more people to join the ranks of gig workers.

Addressing Common Employer Challenges

Many employers know first-hand that financial stress can get in the way of employee productivity. This is especially true of lower wage workers who receive bi-weekly or monthly paychecks. Lost time due to transportation, health or domestic challenges often comes down to having enough money to cover the bills at the time they’re incurred. In other words, FlexWage provides benefits to employers and employees alike.

“The advantage we offer employers is around employee retention, employee satisfaction, employee productivity,” Dombroski explains. “Employees who are stressed financially don’t perform at their peak on the job. Employers who provide solutions that help workers reduce that financial stress see the positive results.”

FlexWage offers an easy way for employers to support workers through the challenges they face, improving morale, attendance and productivity. The bottom line: When workers are happy, so are their employers.

Holistic Tools to Advance Financial Wellness

FlexWage knows it’s not enough to offer disbursements. People need information, tools and support to ensure their financial wellness. From time to time, they also need guardrails. The company has worked to create a range of solutions that help people meet their immediate needs while making plans for their financial futures.

Connect With Us

For more information about Digital Disbursements, call 800-872-7882, email getsolutions@fiserv.com or visit [fiserv.com](https://www.fiserv.com).



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