

Webinar to launch the Policy Handbook on Financial Education in the Workplace

developed by the OECD International Network on Financial Education

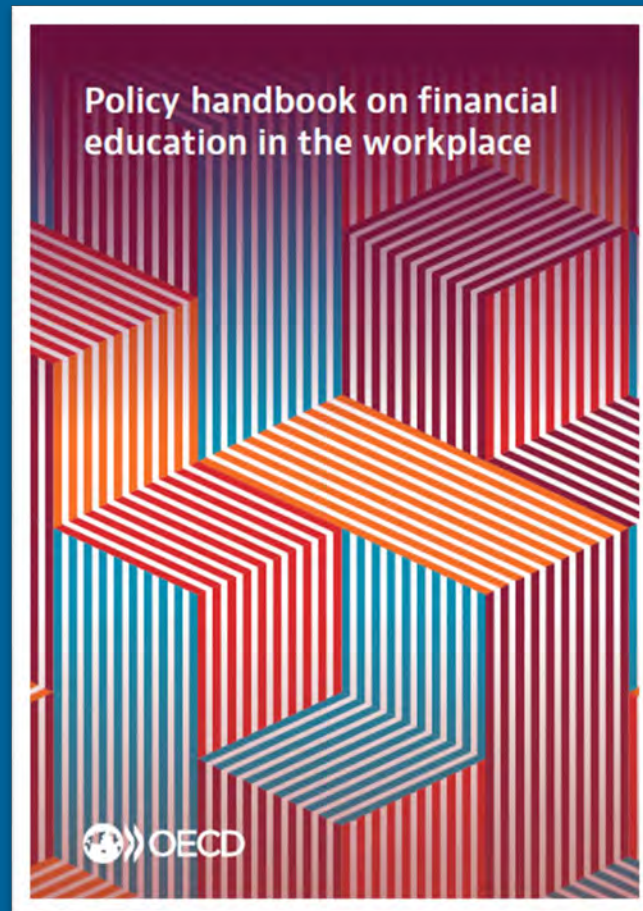


Presentations





POLICY HANDBOOK ON FINANCIAL EDUCATION IN THE WORKPLACE



Sona Lalayan

Policy Analyst, OECD



The Policy Handbook on Financial Education in the Workplace

Developed in the context of the work of the OECD/INFE dedicated WG

Tool to help to think about the key issues when designing workplace financial education

Aimed at policymakers, practitioners, employers and financial education providers

Focus primarily on the workplace, and the role of employers; describes other means of delivering financial education to employees, including digital tools



The rationale for financial education in the workplace

Status of financial education for employees

Suggested approaches to developing and implementing financial education in the workplace



Rationale for financial education in the workplace

For policy makers

- Way to reach a large number of adults, household financial decision-makers
- Way to leverage teachable moments (first salary, planning for retirement, etc.)
- Way to reach potentially vulnerable groups (youth, women, unstable contracts...)

For employees

- Financial difficulties and stress can have negative impact on physical and mental well-being
- Way to promote financial well-being

For employers

- Employees' financial difficulties and stress can have negative implications on working relationships and productivity
- Business case: promote loyalty and satisfaction for the company, reduce sickness /absenteeism



But there are challenges...

Employers

- lack of awareness of the negative impact of employees' financial stress on the firm
- prioritising higher economic performance over financial well-being of employees
- lack of information and capacity regarding what to teach and how to start
- costly, for smaller companies in particular
- difficulties to engage employees in time-consuming programmes
- logistics and infrastructure such as multiple/distant locations, shift work, etc.

Employees

- limited motivation to participate in financial education programmes
- behavioural biases: limited willingness to engage in retirement saving issues
- competing priorities during working hours
- being uncomfortable discussing money matters with colleagues or employers
- fear of revealing their financial problems, fear of job loss or being judged



Content

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Suggested approaches to developing and implementing financial education in the workplace

Preparatory phases for evidence based policies

Surveys and research focusing on the financial education, well-being or financial security of employees

- ✓ Research on the financial behaviour and financial stress of employees
 - by public institutions (*e.g. in Canada and Netherlands*)
 - private sector
- ✓ General surveys with (*e.g. in Australia*)
 - ✓ Aspects of financial behaviour and well-being among employees



Strategic frameworks

Defining workplace financial education as part of national strategies for financial education/inclusion or other national strategies

- Explicit integration
 - employees or workers as a vulnerable target group,
 - workplace as relevant channel for financial education programmes

(*e.g. Canada; Hong Kong (China); Indonesia; Italy; Netherlands; Portugal; Russia; Japan; UK*)
- Non-explicit integration
 - benefit the entire population, implicitly covering employees
 - offering the use of variety of channels to provide financial education => the workplace can be considered as a channel



Developing and implementing programmes

Case studies from : Australia; Canada; Czech Republic; Hong Kong, China; Ireland; India; Italy; Mexico; Netherlands; New Zealand; Peru; Russia; Thailand, UK

For employers

- Providing resources, materials and guidance for employers
- Supporting the 'business case' : organising events and webinars, meetings employers

For employees

- Financial education by public, non-for-profit and private sector
 - digital learning platforms and other digital tools
 - training, seminars, webinars for employees
 - personalised counselling and coaching (e.g. on debt, preventing and solving financial problems, budget coaching)
 - developing specific skills and confidence, such as retirement planning or long-term savings



Content

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A number of policy considerations for policy makers and other stakeholders who would like to design and implement financial education in the workplace



1. Promote a strategic and coordinated approach to financial education in the workplace



2. Support the engagement of employers



3. Encourage the participation of employees



4. Programme design and implementation





1. Promote a strategic and coordinated approach

Consider including employees among the target groups of coordinated and strategic frameworks

Create coordination mechanisms that support the development of financial education for employees or in the workplace

Integrate the views of multiple stakeholders to ensure that the preferences and needs of employers and employees are taken into account in policymaking and programme design



2. Support the engagement of employers



Highlight the business case to employers for providing financial education to employees



Leverage on social recognition: public champions and corporate responsibility



Assist employers by providing guidance and tools



Lead by example: start implement programmes in your own institutions



3. Encourage the participation of employees



Design a good communication plan to increase awareness and motivation

Propose incentives such as rewards and certificates



Create a safe environment to discuss about financial issues and emphasise peer-to-peer support



4. Programme design and implementation

Create a full circle, evidence-based approach

- Conduct needs' assessment diagnosis to identify financial education needs and vulnerable groups
- Make pilots and tests before full scale implementation
- Assess the impact and effectiveness of the programmes

Propose a combination of programmes prioritising behavioural change

- Use a variety of financial education solutions: financial learning digital platforms and tools; workshops, seminars/webinars and learning courses; counselling and coaching
- Apply behavioural insights to financial education to support behavioural change



Christian Meijer

Financial wellbeing at the workplace: Dutch approach

16 June, 2022

What's the problem?

1 in 5 Dutch households experience financial difficulties, due to:

- Life events
- Economic circumstances (Covid, inflation etc.)
- Low reading / writing / digital skills
- Low income, or uncertain income
- Weak financial competences

BUT: shame -> people wait 5 years to seek / find help!

Why involve employers?

- Are/can be aware at an early stage:
 - Through life events
 - Attachment of earnings (order to divert salary to creditor)
 - Other signals, such as request for advance payment

- Have an interest:
 - Financial health saves 7 days of sick leave
 - 20% of productivity
 - Less administration
 - Financial health = mental health = safety at work

Facts and figures (Nibud, 2017)

Productivity loss of an employee with financial problems: € 13.000

About 40% of the applications for debt counseling comes from employed people

62% of employers have employees with financial stress

More than one third of employees has difficulties to make ends meet

Nearly 50% of the companies has to deal with attachment of earnings

Our goals & role

Our goals:

1. Create awareness among employers about financial wellbeing at the workplace
2. Facilitate action

What do we offer?

- Website for employers with info & tools & examples
- Free presentations for groups of employers
- Free individual talks: what method will suit your business?
- Refer to other organisations with paid services

Website: Financially fit employees

- How to get started & prevention
- Signalling tools & how to talk about money issues
- Checklist per life event
- Information about wage restraint
- Good examples by other employers
- E-learning for managers & HR
- News, research, webinars

Financieelfittewerknemers.nl

Financieel fitte werknemers
Wijzer in geldzaken

Home De rol van de werkgever Gebeurtenissen Herken Verwijs Toolkit

Startpunt voor werkgevers

Snel van start: Lees voor ▶

- Herken >
- Bespreek >
- Verwijs >

Een helpende hand bij geldzorgen en geldzaken

Een financieel fitte werknemer is productiever, mobieler en gelukkiger. Geef uw werknemers daarom een helpende hand bij geldzorgen en geldzaken! Hoe? Herken, bespreek en verwijs! Deze website biedt u informatie, handige tips en tools om u daarin te ondersteunen.

Webinar over levensgebeurtenissen signaleren en het gesprek aangaan

> Gratis te volgen op 16 juni

Loonbeslag?

Ga bij de eerste signalen van een loonbeslag met uw werknemer in gesprek. Daarmee kunt u de geldzorgen helpen beperken.

Lees meer over loonbeslag >

Wat speelt er?

Levensgebeurtenissen hebben effect op de financiële situatie van werknemers. Gebruik ze om geldzorgen te bespreken.

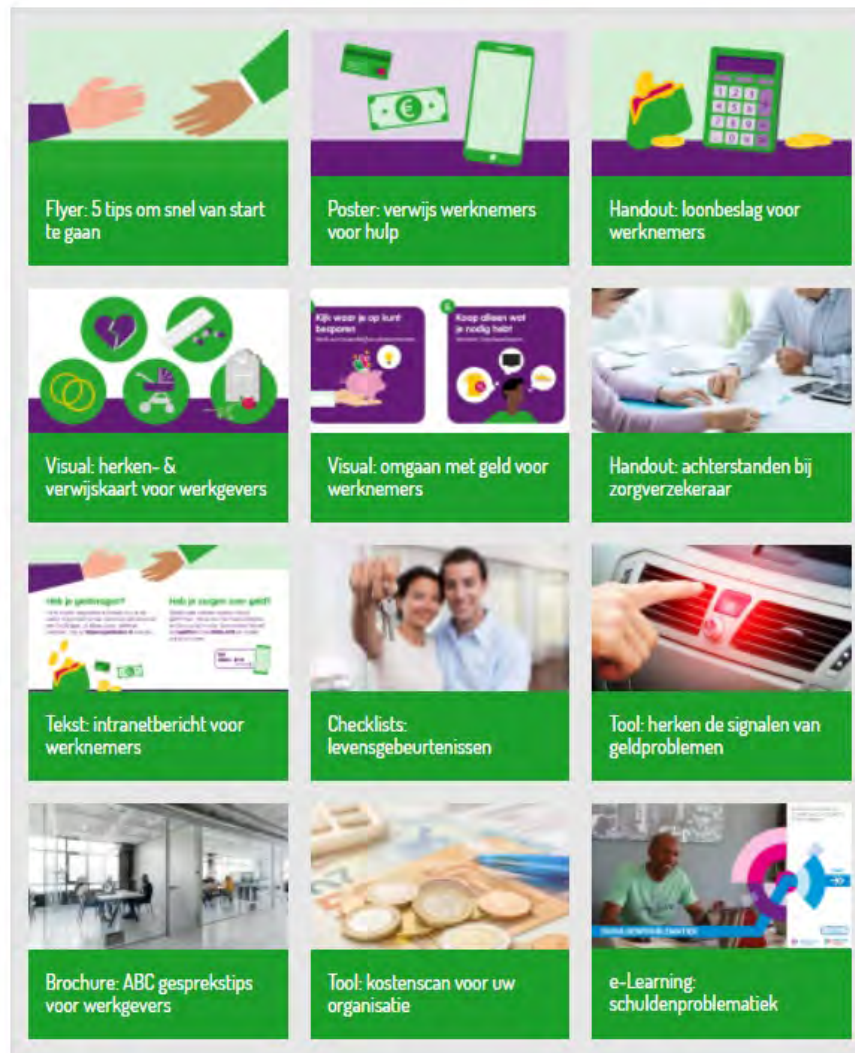
Bekijk levensgebeurtenissen >

Aan de slag

In de toolkit vindt u handige materialen voor u als werkgever om binnen uw organisatie te delen. Ook vindt u online hulpmiddelen.

Naar de toolkit >

Toolkit



Toolkit: calculate your loss of productivity



Kostenscan personeel met schulden

Berekenen

Geschat aantal medewerkers met financiële problemen *

Gemiddeld deeltijdpercentage *

Gemiddeld bruto jaarsalaris (voltijd) *

Berekenen

Signalling tool

Signaaltool financiële problemen

Van toepassing op mijn werknemer:

- Loonbeslag of inhouding van zorgpremie
- Vraagt om een lening
- Vraagt om een voorschot
- Wil extra uren werken
- Vragen over het (late) betaalmoment van het salaris
- Ziekte
- Concentratieproblemen en stressgevoelig
- Scheiding of overlijden van de partner
- Ontslag van de partner
- Contact met schuldeisers of deurwaarder
- Privégesprek onder werktijd
- Geen bijdrage aan cadeaus of uitjes
- Onverzorgd of alcoholgeur
- Fraude of diefstal

Scheiding of overlijden van de partner

Twee op de drie werkgevers noemen een [scheiding](#) als (belangrijke) oorzaak van geldproblemen van hun werknemers. De woonlasten en ander uitgaven stijgen en soms moet uw medewerker ook nog alimentatie betalen. [Overlijden](#) van de partner komt minder vaak voor, maar kan ook vergaande financiële gevolgen hebben. Zeker als de overleden partner werkte. Vaak is er dan wel nabestaandenpensioen, maar dit is niet altijd genoeg om de lagere inkomsten op te vangen. Ook andere lasten (bijvoorbeeld kinderopvang) kunnen toenemen. Verwijs uw medewerker naar de [checklist Scheiden](#) of de [checklist Overlijden](#).

Range of (private) services

individual budget coaching

workshops for HR / managers

Budget courses for employees (less popular, due to shame)

Geldfit.nl website en telephone line: where to get free help (volunteers, Fikks app: digital buddies, municipal help etc)

Online tools, such as Nibud geldplannen, Kandoor chatbot

Geldvinder: 'financial health check' (50 questions) & follow-up

Mijnsofie app: to promote savings

Salarise offers cheaper loans

Moedige dialoog: how to integrate this in your company?

Main results

Since the official launch in 2017:

- More employers offer help for employees with financial difficulties or broadened the help they offer;
- More employers are willing to share their examples (nearly 80 examples online);
- Around 70.000 views on our website during media campaigns
- Lots of research (by us & others)
- Many presentations for employers (organised by sectors, municipalities, private providers, social organisations etc)
- More tools & services & providers

Challenges (1)

- Difficult to get attention: employers have many other priorities
- 70% of employers believe money problems are your own fault (bad choices)
- 75% of employers are willing to offer help, but don't know how
- Nobody wants to talk about money: employees are afraid of gossip & job loss, employers believe it is too personal

Challenges (2)

- Too much to choose for providers & services!
- Employers don't share what they do internally & externally
- Employees don't know the possibilities or don't use them
- Difficult to measure impact of our work

Questions?

Please feel free to ask questions or contact us!

Christian Meijer, head of Money Wise:

c.j.a.m.meijer@minfin.nl

[About the Money Wise Platform - Wijzer in geldzaken](#)

Clairette van der Lans, project manager: c.c.lans@minfin.nl

And we are eager to learn from your experiences & research!



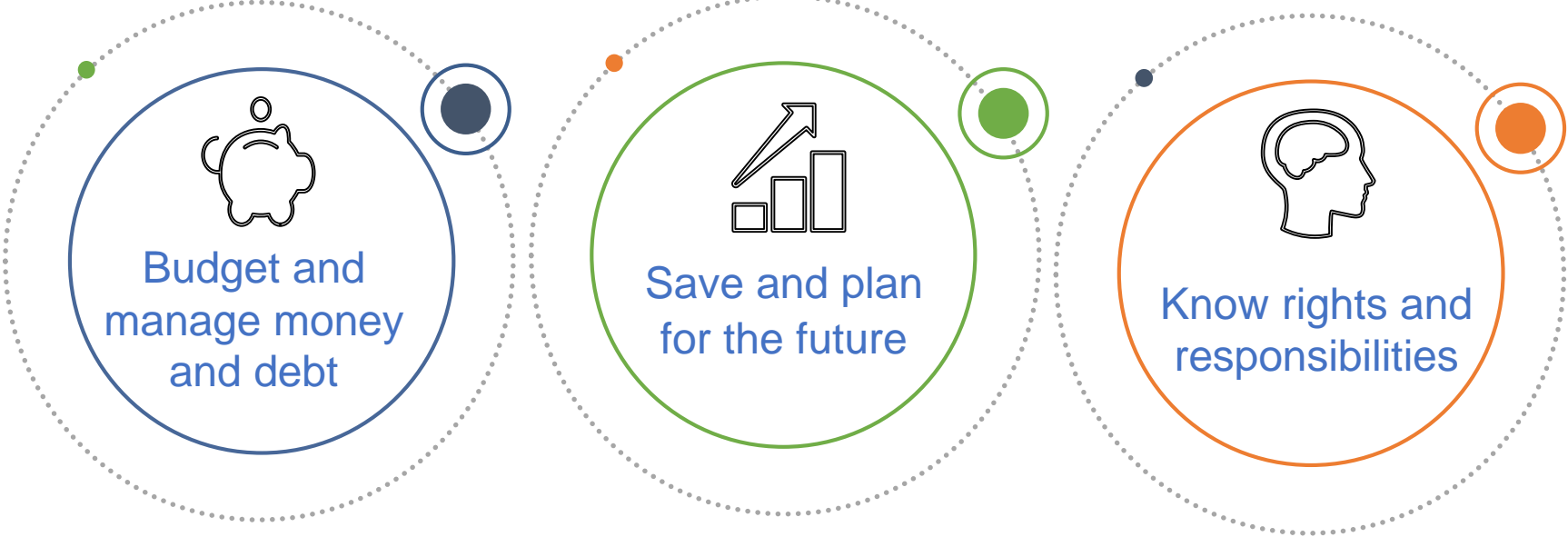
FCAC's Financial Wellness in the Workplace

A Canadian Initiative Overview

By: Yanni Vlachos



Background: Workplace initiative to help Canadian adults



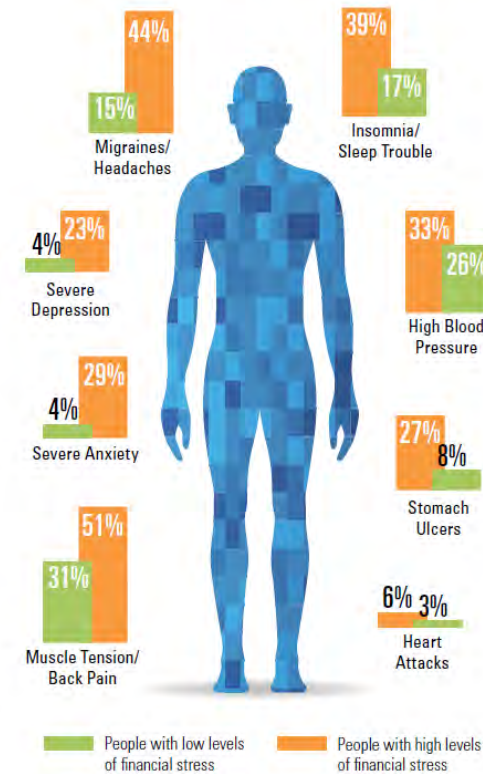
Background: Why the Workplace?

- **38%** rank money as their greatest source of stress.
- **51%** have reported losing sleep because of financial worries
- **43%** are living paycheck to paycheck.
- **40%** feel overwhelmed by debt.

Financial Planning Standards Council, "OMNI REPORT: Financial Stress, 2021

Canadian Payroll Association NPW Employee Research Survey 2019

Impacts of financial stress on overall health



Source: AP-AOL Health Poll. Debt Stress: The Toll Owning Money Takes on the Body (2008).

The benefits of workplace financial wellness programs



- Increased productivity
- Lower absenteeism
- Reduced costs i.e. Sick leave



- Improved morale
- More engaged workforce
- Higher retention



- Increased mental and financial well-being
- Less stress- Better health
- Improved relationships

Workplace Initiative Strategic Activity Plan

Research

- Environmental scan on available research in support of workplace initiative
- WWG Financial Literacy Activity Plans
- 89-page summary of research findings
- Provided NPI with 10 questions on workplace financial stress and education National Employee Survey – 5,000 respondents

Communications

- Workplace poster and brochure, rave card
- Promotional [Videos](#)
- Workplace financial literacy promotion and awareness – speeches, social media, blogs, newsletter.
- Marketing and Communications Strategy

Outreach

- Working group - workplace financial literacy
- [Workplace outreach strategy](#) – exhibit booths, conferences.
- National conference on financial literacy 2017
- Money Fit Financial Health challenge aimed at workplace
- Treasury Board of Canada

Tools & Resources

- [Financial wellness in the workplace web resource](#)
- Credit report and score lunch & learn workshop
- Canadian Financial Literacy Database
- Workplace financial literacy pilots (YFT) modified
- Checklists

Evaluation

- Evaluation of pilots project
- Evaluation for the Moneyfit challenge pre and post-assessment
- Evaluation best practices

Building the Best Practices Framework



FCAC Financial Literacy Workshop Pilots

 Financial Consumer Agency of Canada Agence de la consommation en matière financière du Canada

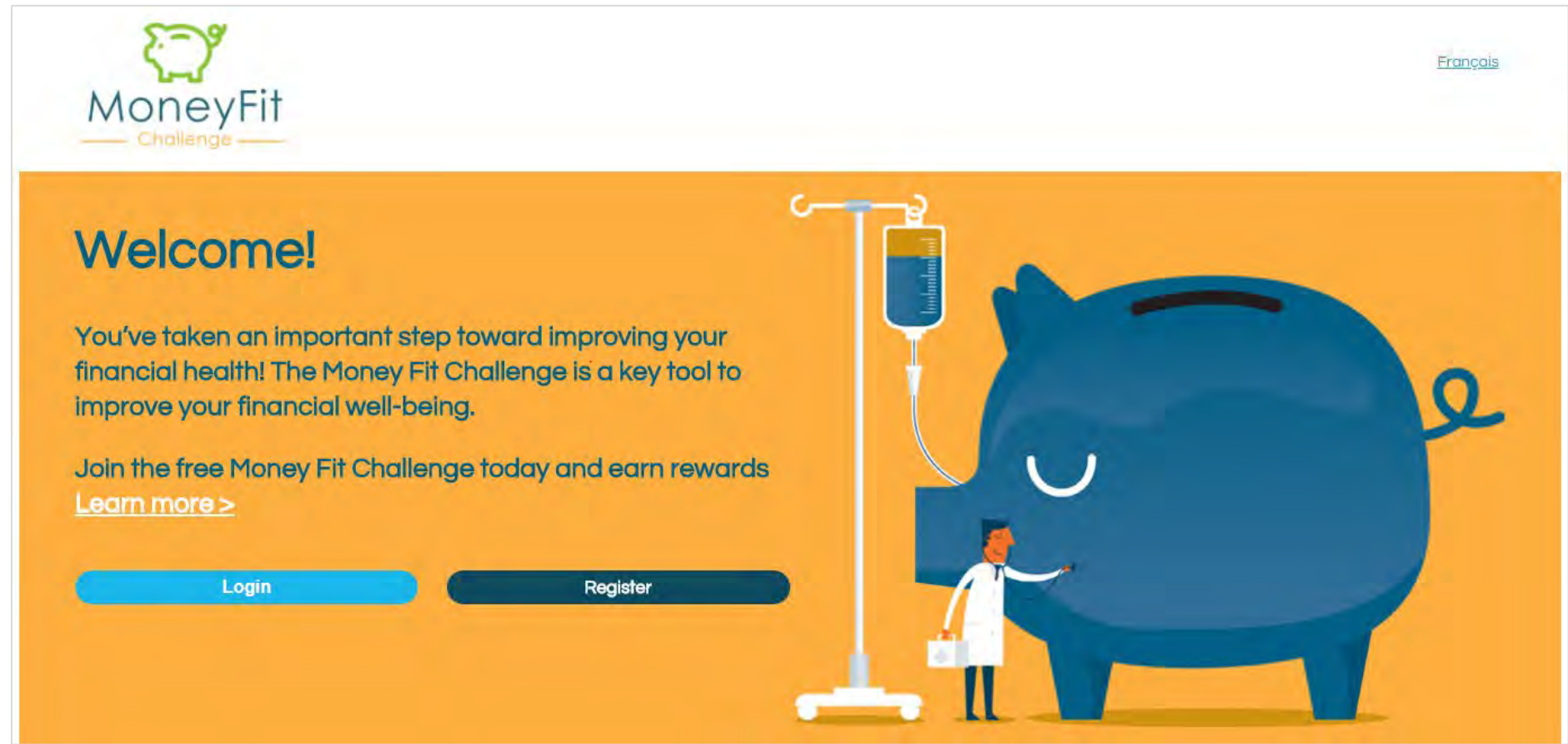
Financial Literacy Workshop

Financial Literacy in the workplace




Canada

MONEY FIT CHALLENGE: A FINANCIAL HEALTH CHALLENGE



The image shows a landing page for the MoneyFit Challenge. At the top left is the MoneyFit logo, which consists of a green piggy bank icon above the text "MoneyFit" and "Challenge" below it. At the top right is a link for "Français". The main content area has an orange background. On the left, it says "Welcome!" followed by a paragraph about the challenge and a "Learn more >" link. Below this are "Login" and "Register" buttons. On the right is a large illustration of a blue piggy bank with a white smile, standing next to a medical drip stand with a blue bag. A doctor in a white coat is standing next to the piggy bank, holding a stethoscope.


 [Français](#)

Welcome!

You've taken an important step toward improving your financial health! The Money Fit Challenge is a key tool to improve your financial well-being.

Join the free Money Fit Challenge today and earn rewards
[Learn more >](#)

[Login](#) [Register](#)



MONEY FIT CHALLENGE: A FINANCIAL HEALTH CHALLENGE

Budgeting

Creating a budget is one of the most important steps for managing your financial well-being. Learn simple strategies to help everyday life.



Borrowing

Learn the pros and cons of borrowing and how to minimize the risks of spending beyond your means.



Debt

A large debt load can cause extreme stress and may negatively impact your health. Learn about managing your debt.



Saving

Put some money away for a rainy day. Learn about the importance of saving and setting goals.



FCAC WEB CONTENT FOR THE WORKPLACE



Government
of Canada

Gouvernement
du Canada



MENU ▾

[Home](#) > [Financial Consumer Agency of Canada](#)

Financial wellness in the workplace

Strategies and resources based on best practices to help employers build financial wellness programs to improve the financial well-being of their employees.

Follow:



Canada.ca/financial-wellness

Information for employers

Financial wellness programs

Workplace financial wellness programs support the overall financial well-being of employees.

Plan your workplace financial wellness program

Assess employee and organizational needs and address challenges.

Build your financial wellness program

Focus on employee needs, select the right content for your organization.

Communicate your financial wellness program

How to effectively promote and roll-out your workplace financial wellness program.

Financial wellness resources for employers

Planning resources, educational programs, tools and calculators and informational resources.

Why your employees' financial well-being matters

Financial stress can impact productivity and employee health.

Develop the business case for your financial wellness program

Help senior management to see employee financial well-being as a priority.

Delivery methods for your financial wellness program

Look at different delivery channels, when to offer your program and other considerations.

Measure the success of your financial wellness program

Measure results to show value of your financial wellness program.

Related documents

- [Video: why your employees' financial well-being matters](#)
- [Infographic: stressed about money?](#)
- [Infographic: calculating the cost of employee financial stress on productivity](#)
- [Financial education program checklist](#)

Employee needs assessment survey template

This sample employee needs assessment survey can help you understand and identify the financial challenges, needs and wants of your employees when planning a financial wellness program at work. The survey can be used in an electronic or paper format. Depending on your needs, you can add or remove questions.

Tips:

- It is important to specify that the survey is confidential and anonymous.
- To encourage participation rates, consider offering individual or group incentives.

Interest in a financial wellness program in the workplace

If we were to offer a financial wellness program for the workplace, what would your level of interest be? Select one.

- Very interested
- Somewhat interested
- Neither interested nor uninterested
- Somewhat uninterested
- Very uninterested
- Prefer not to say

Rank the top five financial topics that you would like to learn more about

(1 = the topic that interests you the most)

- Determining financial goals _____
- Creating a financial plan _____
- Budgeting _____
- Saving (short and long-term) _____
- Planning for retirement _____
- Understanding your credit score _____
- Borrowing _____
- Managing your debt _____
- Your rights and responsibilities with financial products _____
- Different types of insurance _____
- Protection from fraud and identity theft _____
- Wills and estates _____
- Tax planning _____

Among the following choices, what would be your preferred delivery methods to access a financial wellness program in the workplace?

(Indicate top **three** options only and rank by importance, 1= most important)

In-person workshops	
Live webinars (virtual)	
Videos or recorded webinars	
Paper-based (self-paced learning) (e.g. booklet)	
Written materials on website or Intranet (self-paced learning)	
Interactive tools or applications (e.g. online learning with quizzes or games)	
Other (please specify)	

When would you be most interested in accessing a financial wellness program? Select one.

- During work hours
- After work hours
- Having the option of either during work or after work

Questions to ask When Choosing a Financial Education Vendor

Cost isn't the only factor to consider when seeking a vendor to offer a financial education program. Consider these questions when screening candidates.

The more yes answers, the better!

Compensation and fiduciary responsibility		
1.	Is compensation for the program based on something other than a sales commission for financial products or financial planning services?	<input type="checkbox"/> yes <input type="checkbox"/> no
2.	Will content presented be objective—not a sales presentation for insurance, investments, etc.?	<input type="checkbox"/> yes <input type="checkbox"/> no
3.	Does the vendor promise that contact information will not be collected from participants for a sales pitch at a later date?	<input type="checkbox"/> yes <input type="checkbox"/> no
Education and experience		
4.	Have the educators—including those developing materials—had training in the subject matter and how to teach it in a group setting?	<input type="checkbox"/> yes <input type="checkbox"/> no
5.	Does the vendor have a proven track record in providing personal finance education?	<input type="checkbox"/> yes <input type="checkbox"/> no
6.	Are those providing one-on-one advice or counseling certified to do so—for example, certification as a financial planner?	<input type="checkbox"/> yes <input type="checkbox"/> no
Content		
7.	Has the vendor established clear and measurable learning objectives for the program?	<input type="checkbox"/> yes <input type="checkbox"/> no
8.	Is the program content relevant to the target audience? (e.g. demographics, diversity, life stages, life events)	<input type="checkbox"/> yes <input type="checkbox"/> no
9.	Is the program content practical?	<input type="checkbox"/> yes <input type="checkbox"/> no
10.	Is the content accurate and up-to-date?	<input type="checkbox"/> yes <input type="checkbox"/> no
11.	Does the program incorporate behavioral science theories to foster behavioural change?	<input type="checkbox"/> yes <input type="checkbox"/> no
Delivery		
12.	Will the program use a combination of media elements to reach participants with different learning styles and preferences? (e.g. video, audio, written text)	<input type="checkbox"/> yes <input type="checkbox"/> no
13.	Will the program use a combination of delivery methods that reaches participants through more than one communication channel? (e.g. web-based, face-to-face, e-mail, text, mobile app, online learning, mailers, payroll stuffers, etc.)	<input type="checkbox"/> yes <input type="checkbox"/> no
14.	Will the program hold the attention of participants?	<input type="checkbox"/> yes <input type="checkbox"/> no
15.	Is the vendor willing to understand participants' demographics and communication preferences and adjust their tools accordingly?	<input type="checkbox"/> yes <input type="checkbox"/> no
16.	Does the vendor offer one-on-one support, such as individual counselling or coaching?	<input type="checkbox"/> yes <input type="checkbox"/> no
17.	Will the vendor provide ongoing support to learners?	<input type="checkbox"/> yes <input type="checkbox"/> no
18.	Will the program be available at times that are convenient to the target audience?	<input type="checkbox"/> yes <input type="checkbox"/> no
Program effectiveness and improvement		
19.	Will the vendor help with assessing participant needs and preferences?	<input type="checkbox"/> yes <input type="checkbox"/> no
20.	Will the vendor assist in evaluating the impact on participants during and after the program?	<input type="checkbox"/> yes <input type="checkbox"/> no
Marketing/promotion		
21.	Does the vendor provide sample materials and other assistance in marketing the availability of the program and its benefits to the target audience?	<input type="checkbox"/> yes <input type="checkbox"/> no
Privacy		
22.	Does the vendor provide detailed information on how participant information is protected?	<input type="checkbox"/> yes <input type="checkbox"/> no

Financial education program checklist

Workplace financial education often is confused with handing out brochures, putting posters in the lunchroom or providing links to some great websites. Distributing information is only one element of an effective program. Think of financial education as an ongoing process that helps individuals acquire the knowledge, skills and habits to improve their financial well-being. An important part of this process is giving learners the tools they can use to make money management decisions throughout their lives. The following is a list of questions to consider as you build your workplace financial education program.

* N/A = Not Applicable

Program interest and support			
	Yes	No	N/A
1.	Do you have buy-in and support from senior leadership? This support is critical to getting the resources necessary to develop a successful program. Experts estimate the return on investment (ROI) on a quality employee financial education program is at least \$3 for every dollar invested.		
2.	Have you assessed worker needs and preferences? While confidential surveys are particularly effective, using a combination of methods to gather information is recommended: <ul style="list-style-type: none"> • Interviews • Focus groups • An advisory group • Questionnaires via mail, by e-mail or in person • Questions submitted to human resources (HR), the plan office or vendors • Use of website content and other information/education efforts • Discussion and questions at meetings. 		
Program objectives			
3.	Have you established the objectives for your program(s)? Have you written down what program participants will learn and/or be able to do as a result of the program? To measure program success, objectives should have a SMART format with these characteristics: <ul style="list-style-type: none"> • Specific—Target a specific group/area for change or improvement. • Measurable—Attach a number or at least suggest what will indicate progress. • Achievable—The results can realistically be achieved given available resources. • Relevant— The results are relevant to improving the financial well-being of workers as well as meeting organizational goals. • Time-specific—State when results will be achieved. 		
4.	Are you allowing enough time to achieve your objectives? <ul style="list-style-type: none"> • Objectives to improve participant knowledge, attitudes, skills or aspirations (KASA) take less time to accomplish. A one-time, two-hour presentation may be sufficient to achieve these objectives. • Objectives that change participant behaviour are more challenging. Success takes longer and almost always depends on first making changes in KASA. • Objectives to enhance the overall social/economic condition of participants are also more challenging. A day-long workshop or multi-session program over several months may be necessary. 		
Content			
5.	Is the program content relevant to the target audience and practical? The program is more likely to engage learners and have an impact when the subject matter is tailored to their interests and what they view as important.		
6.	Is the content accurate and up-to-date? Over time, people change, the legal environment evolves, and new products and services are introduced. Program materials must reflect these changes.		

Information for employees

Financial stress and its impacts

How financial stress can impact your physical and mental health, and life at work.

Financial well-being and its benefits

Why investing in your financial well-being can make life easier.

Resources to help improve your financial well-being

Planning and educational resources, calculators and videos.

Targeting the Workplace Ecosystem





CONTACT US



Website
Canada.ca/fcac



Toll-free
1-866-461-3222



TTY
613-947-7771
or 1-866-914-6097



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投資者及理財教育委員會
Investor and Financial
Education Council

Employee Financial Wellness Programme

15 June 2022

Dora Li, General Manager
Investor and Financial Education Council
Hong Kong SAR, China





Labour force:

3.8 million

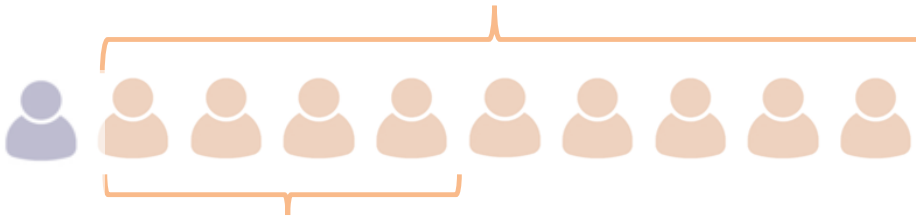
% of total population:

52%



Working Adults' Financial Challenges

Almost **9 in 10** working adults suffer from financial stress



Among them, **42%** reported that their work performance had been negatively affected by financial stress

Perceived impact on work performance

- Find it difficult to focus on work
- Deal with personal financial matters during work time
- Need to take leave / Be late for work
- Make mistakes at work

Encourage Employers to Embed Financial Wellness into HR Strategy



**Organise employer /
trade association
sessions**

**Online resources to
guide employers to offer
financial education in
the workplace**

**Seminars / webinars
to employees in
collaboration with
HR**

Financial Wellness Programme

- Offered blended learning approach since 2018.
- Conducted **64 talks**, reaching nearly **3,000 participants**.
- Further digitalised in 2020 to enhance reach and avoid disruptions caused by the COVID-19 pandemic.
- Consist of a series of **thematic talks** and **practical toolkits**.
- Provide flexible choices for employers to offer blended or self learning experience to employees.



Talks

- One-hour each for **bite-size learning**.
- **Lunch-and-learn sessions, orientation and pre-retirement training**.
- Offer different topics to **address the needs of different segments**.
- Good **team building** WFH activity.

Digital Toolkits

- Offer in talks, or as standalone tools for **self-learning**.
- Topics: **Money management and retirement planning**.
- Include **quizzes, financial management tools and checklists**, all available **online**.
- Success story: the **Hong Kong Association of Banks** issued a circular to all member banks to promote the toolkits to their employees and customers.



Working Adults' Financial Knowledge Level

Financial Literacy Score (mean score out of a total of 21)	<u>Total</u>			Young working adults	Mature working adults	Pre-retirees
	'15	'19	'21	'21	'21	'21
Financial Literacy Score	14.4	14.8↑	14.8	14.7 (14.1)	15.4 (15.7)	15.4 (15.7)
Financial Knowledge Score	5.8	6.2↑	6.3↑	6.5↑ (6.1)	6.4	6.5
	Base: 1,000	1,002	1075	141	346	149

Base: All respondents
() denotes figures in 2019

↑ ↓ Significantly higher/ lower at 95% confidence level compared to last wave

Awareness Building and Promotion Hong Kong Money Month (HKMM) 2022

March 2022 with the theme “Invest In Yourself”

- TVC and promotional video – 7.7M video views



Financial Wellness For ALL!



Thank you!

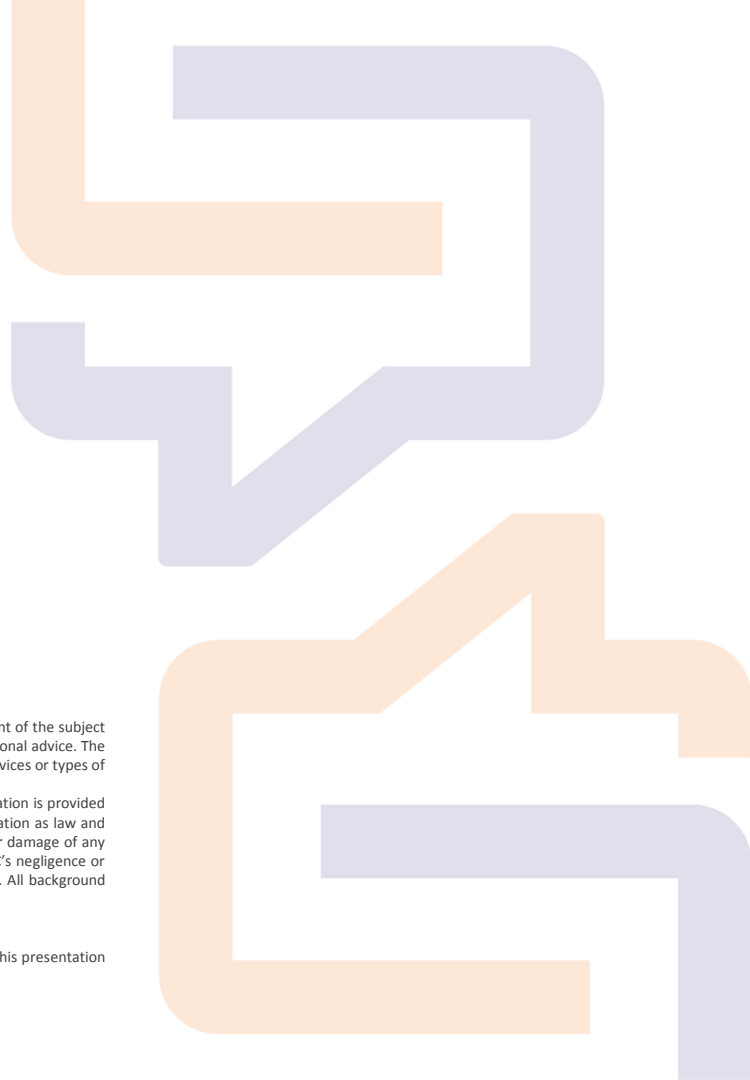
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Workplace Financial Education:
Lessons from ten years of experience

Annamaria Lusardi

University Professor, The George Washington University

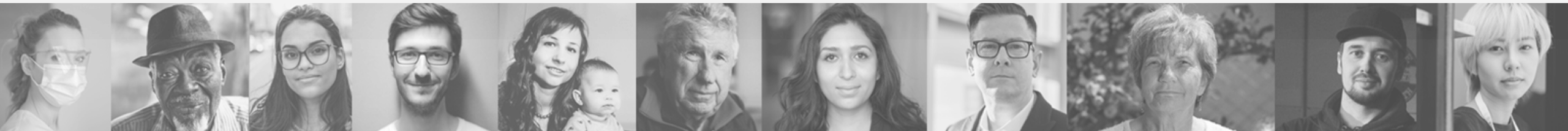
Academic Director, GFLEC

Director, Italian Financial Education Committee

June 15, 2022

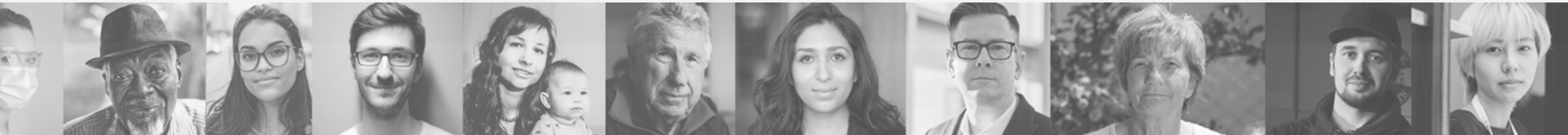
Topics I will cover

- 1** ▶ **The need for workplace financial education**
- 2** ▶ **Some initiatives**
- 3** ▶ **Looking ahead**



The TIAA Institute – GFLEC Personal Finance Index

- The TIAA-Institute-GFLEC Personal Finance Index (P-Fin Index) is an annual barometer of knowledge and understanding which enable sound financial decision-making and effective management of personal finances among U.S. adults.
- The P-Fin Index relates to common financial situations that individuals encounter and can be viewed as a gauge of “working knowledge.”
- We measure personal finance knowledge using 28 questions
- Data is collected on a representative sample of Americans (age 18+).
- Data collection started at the end of 2016.



Six years of P-Fin Index data (2017-2022)

2022



2021



2020



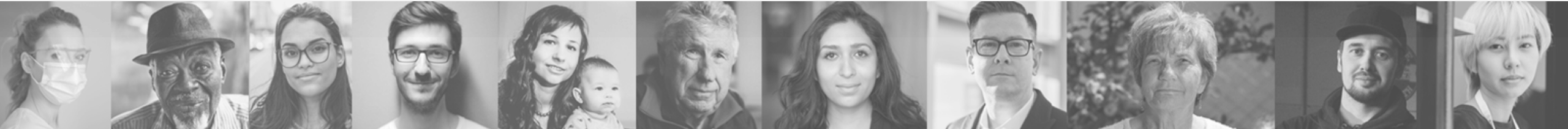
2019



2018



2017



Zooming in into specific sub-groups

Each year, a specific demographic group is oversampled so we can provide a more detailed analysis of their financial literacy and wellness.

2017: Hispanics
2018: Millennials

2019: African Americans
2020: Women

2021: Age/Generations
2022: Asian Americans

2022

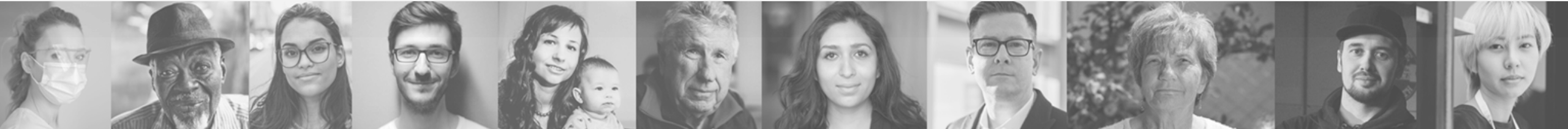
2021

2020

2019

2018

2017



Some initial statistics

22%

Find it difficult to make ends meet in a typical month.

22%

Cannot pay all bills, including loan payments and credit cards, in full and on time in a typical month.

40%

Lack emergency savings equal to one month of living expenses if needed.

30%

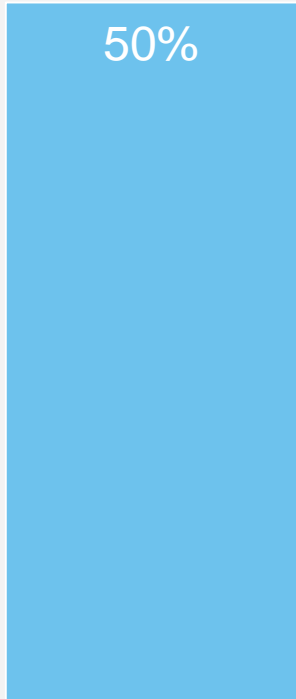
Could not cope with a mid-sized financial shock of \$2,000 if an unexpected need arose within the next month.

31%

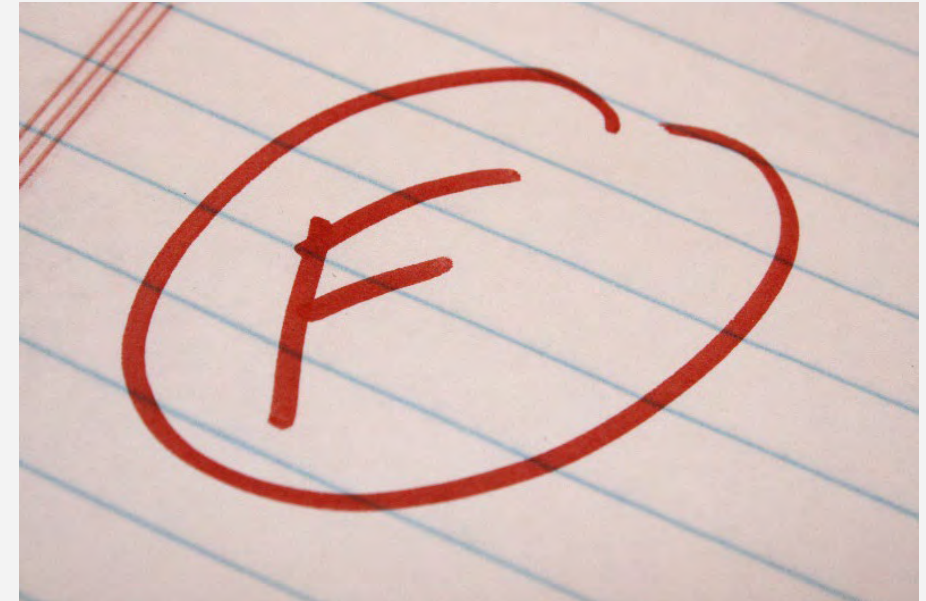
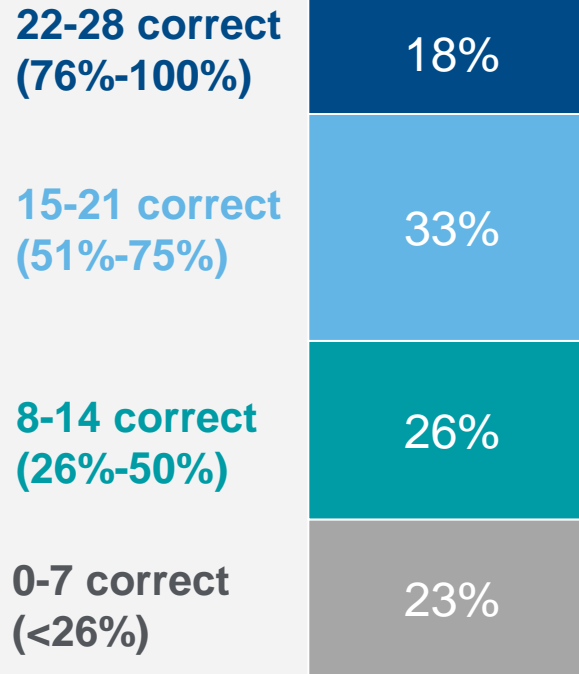
Debt and debt payments prevent them from adequately addressing other financial priorities.

Financial literacy: A failing grade

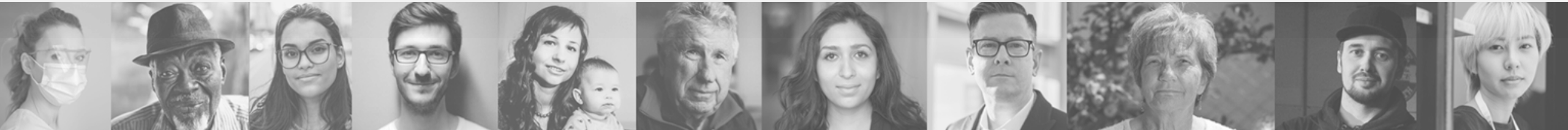
% of P-Fin Index questions answered correctly



Distribution of correct answers to P-Fin Index questions

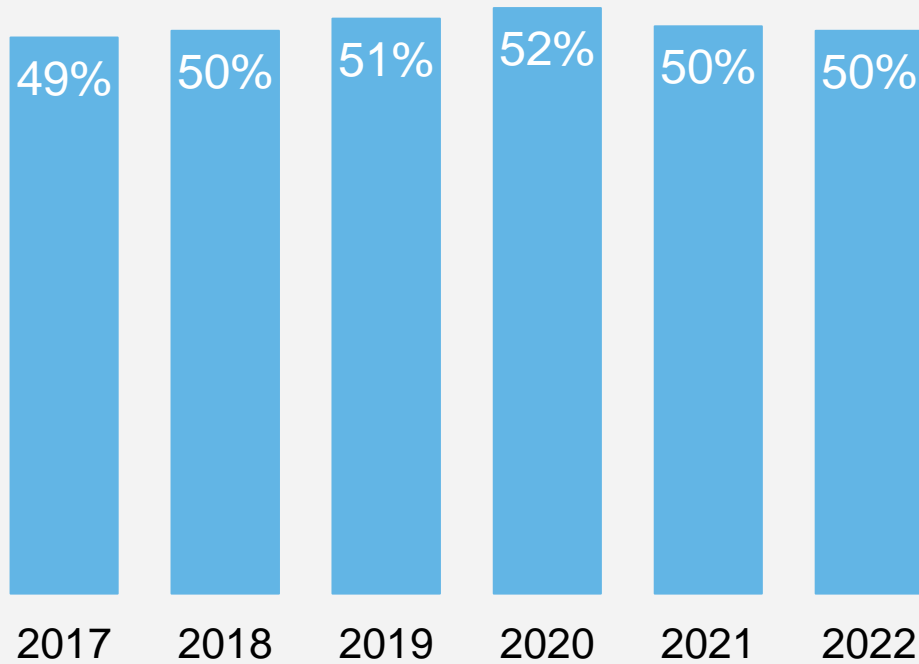


Source: TIAA Institute-GFLEC Personal Finance Index (2022).

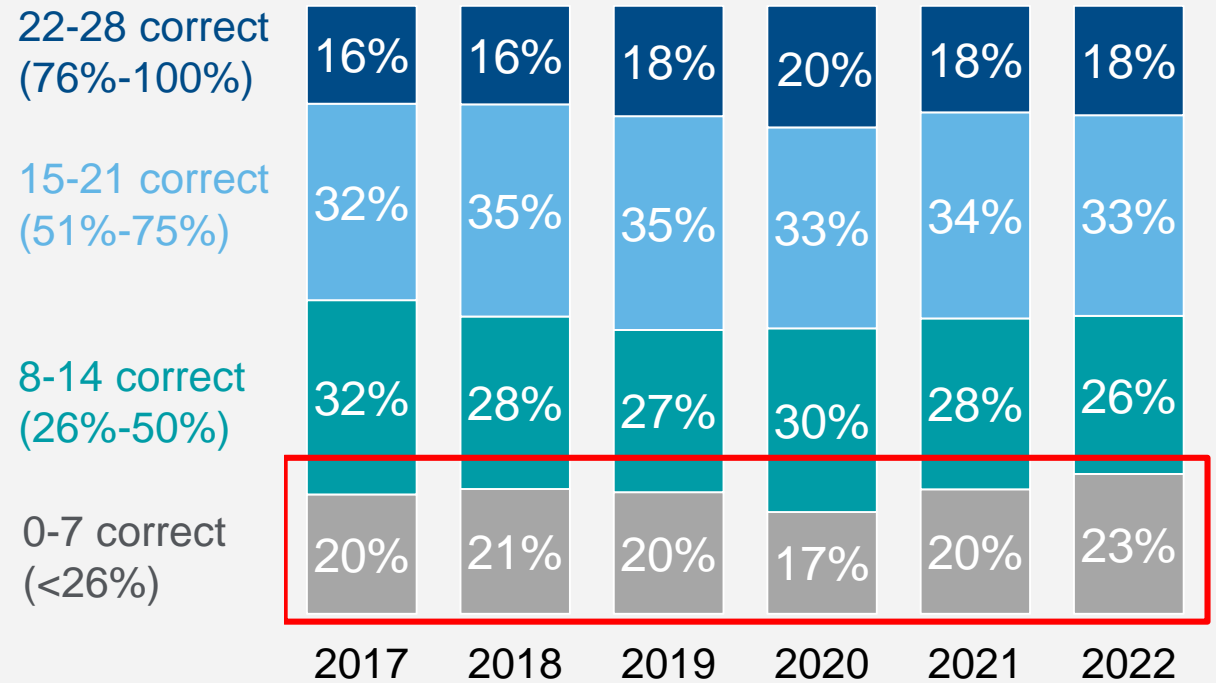


Financial (il)literacy is holding steady: 2017-2022

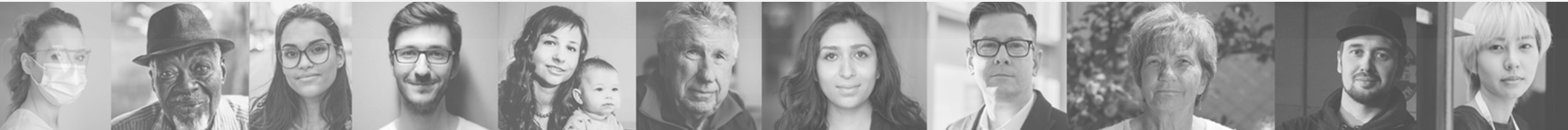
% of P-Fin Index questions answered correctly



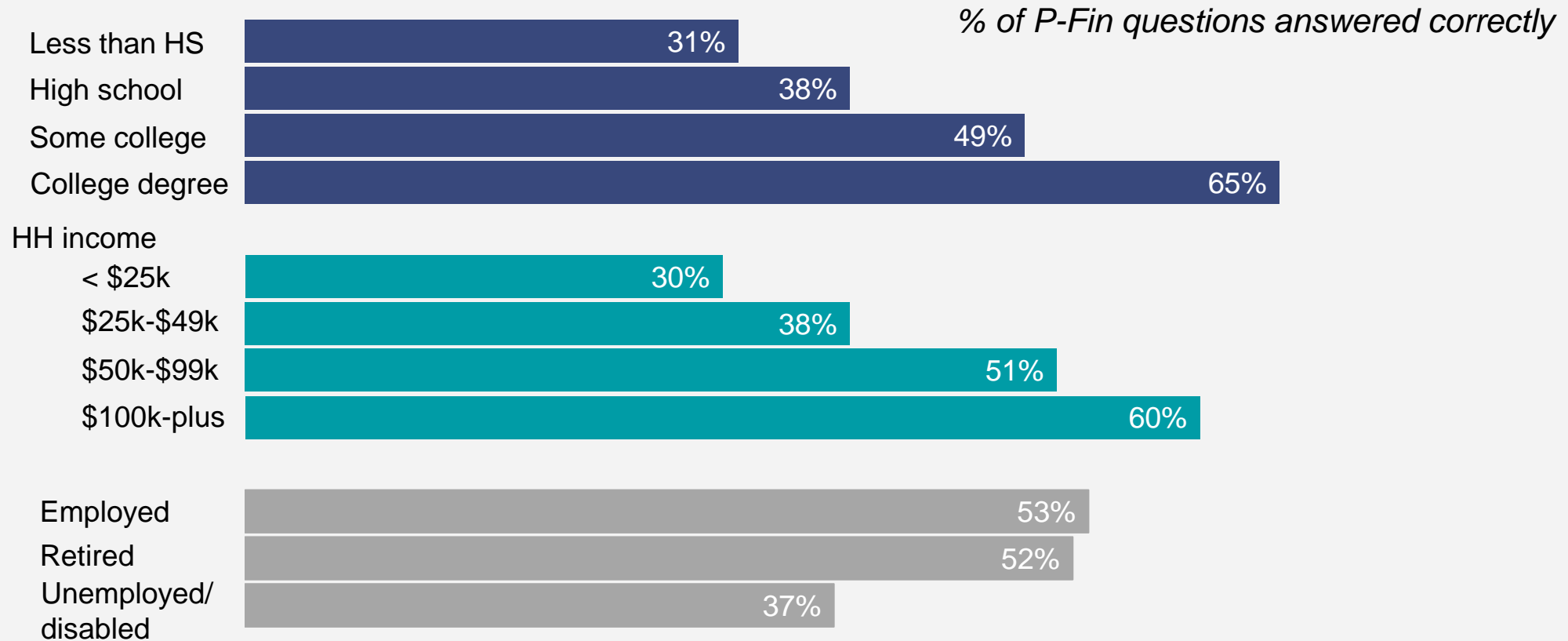
Distribution of correct answers to P-Fin questions



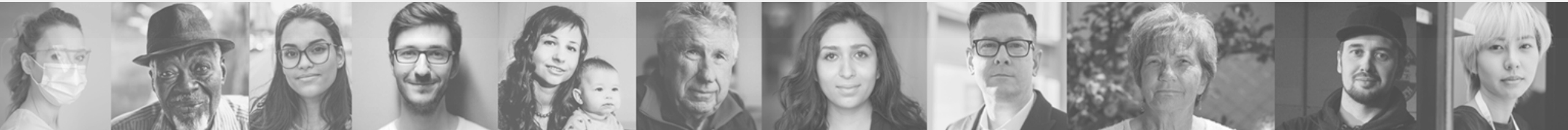
Source: TIAA Institute-GFLEC Personal Finance Index (2017-2022).



Financial literacy is low among those with low educ & income

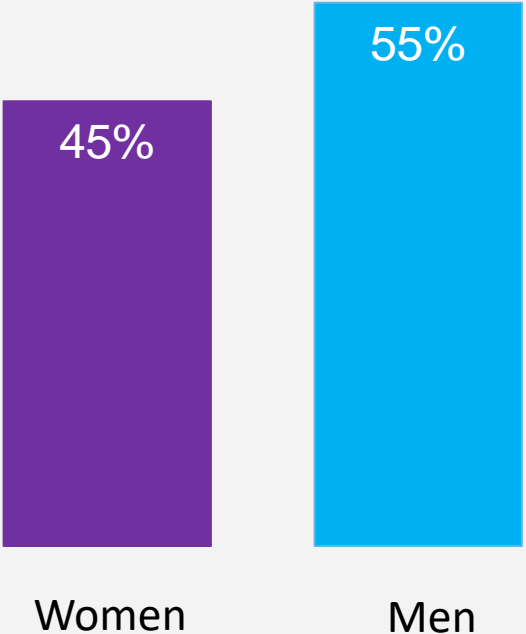


Source: TIAA Institute-GFLEC Personal Finance Index (2022).

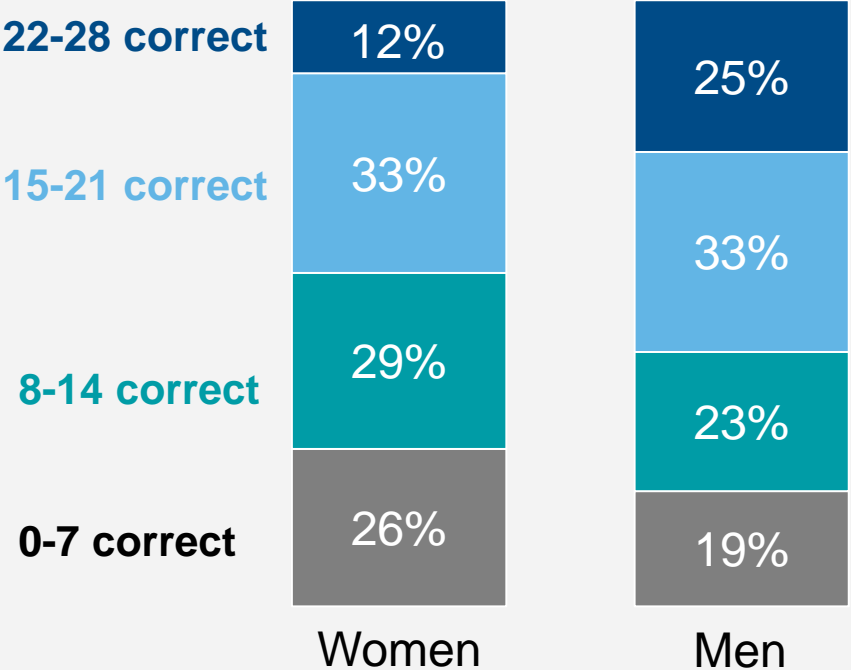


Gender differences continue to be present

% of P-Fin questions answered correctly



Distribution of correct answers to P-Fin questions

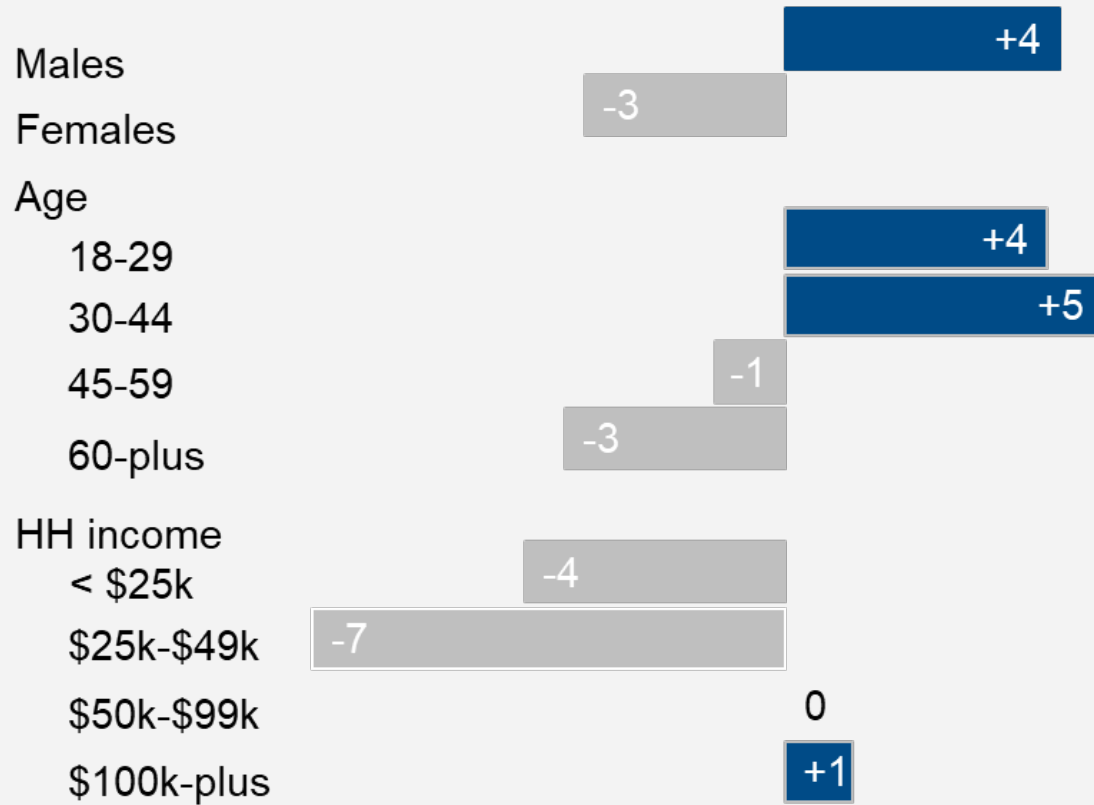


Source: TIAA Institute-GFLEC Personal Finance Index (2022).

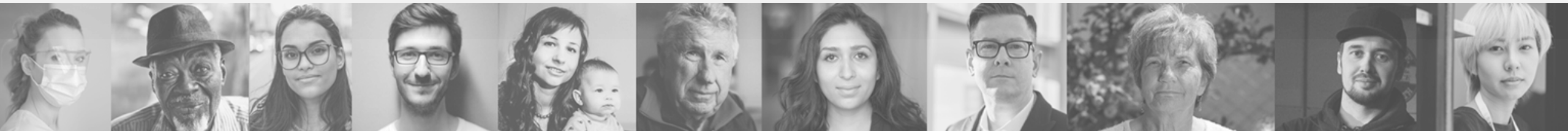


Where changes happened over time: Toward an unequal path

% point change in P-Fin questions answered correctly, 2017 to 2022



Source: TIAA
Institute-GFLEC
Personal Finance
Index (2017, 2022).



Financial well-being in 2022 is linked to finlit

Compared to individuals with very high financial literacy levels, those with very low levels are

6x

more likely to have trouble making ends meet

3x

more likely to be debt constrained

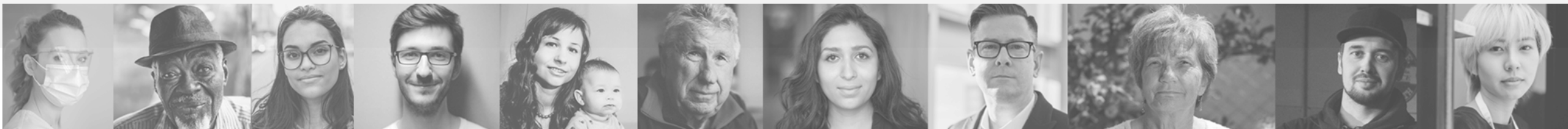
3x

less likely to cope with a \$2,000 financial shock

4x

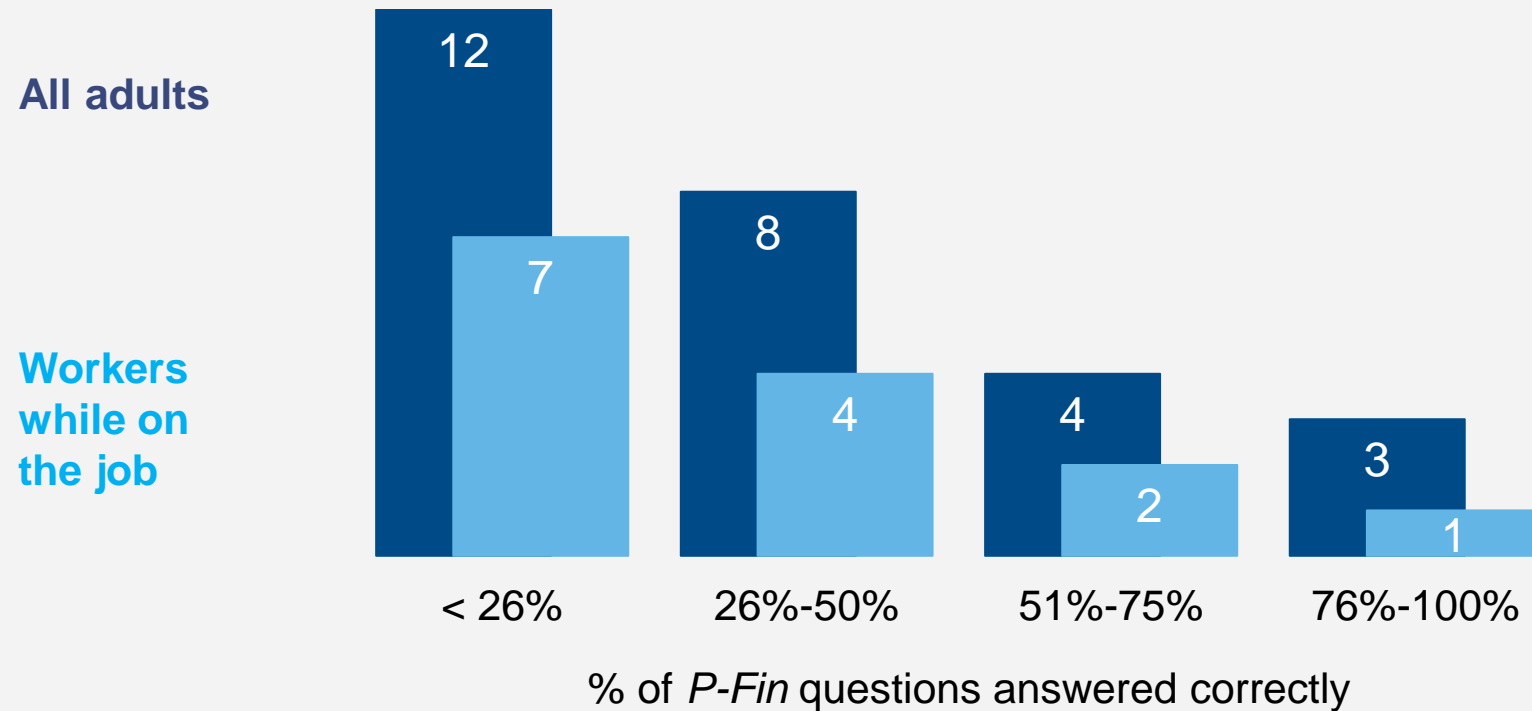
more likely to spend 10+ hours per week thinking about personal finances

Source: TIAA Institute-GFLEC
Personal Finance Index (2022).



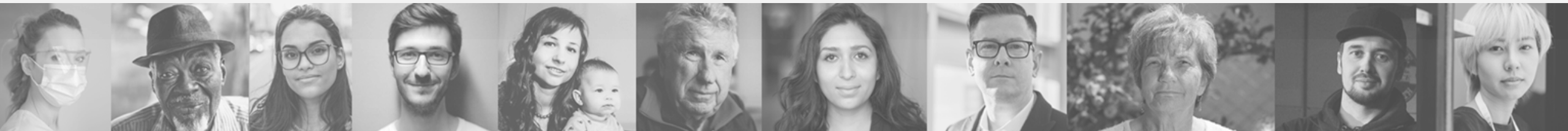
A simple measure of the cost of financial illiteracy

Average hours per week spent thinking about and dealing with issues and problems related to personal finances



People spend an average of 7h per week thinking about and dealing with financial issues and problems. An average of 3h per week occur at work.

Source: TIAA Institute-GFLEC Personal Finance Index (2022).



Building financial resilience among U.S. adults

Policy Brief

 **STANFORD CENTER ON LONGEVITY**

 **GFLEC**
GLOBAL FINANCIAL LITERACY EXCELLENCE CENTER

How to Strengthen Household Financial Resilience

August 2021

Authors
Martha Deevy
Jialu Liu Streeter
Stanford Center on Longevity,
Stanford University

Andrea Hasler
Annamaria Lusardi
Global Financial Literacy
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The George Washington
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This research was supported by a grant from the FINRA Investor Education Foundation.

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All results, interpretations and conclusions expressed are those of the research team alone, and do not necessarily represent the views of the FINRA Foundation or any of its affiliated companies.

The COVID-19 pandemic and its economic consequences have laid bare the deeply rooted financial insecurity many Americans face daily. Many households are highly dependent upon earned income and have little to buffer an income loss due to business shutdowns or sickness. Though correlated with income and wealth, financial resilience uniquely defines anyone's ability to sustain an economic shock, such as a health event, job loss, or an economic downturn (O'Neill & Xiao, 2011). In this project, we take a close look at the concept of financial resilience, its drivers, and its characteristics. We use three survey questions to assess the level of financial resilience:

- (1) Could you come up with \$2,000 within a month if an expected need arose?
- (2) Do you agree that you have too much debt right now?
- (3) Have you set aside funds that would cover your expenses for three months?

Responses to these questions show that between 2010 and 2020 (pre-pandemic), about 30 percent of American families wouldn't have been able to cope with a \$2,000 financial shock within a month, around 40 percent felt they had too much debt, and more than 50 percent did not have a rainy day fund to cover three months of expenses. These findings suggest that many American households were ill-prepared to face the economic consequences of the COVID-19 pandemic, but the numbers are more striking for women, Black and Hispanic individuals, individuals without a Bachelor's degree, and individuals ages 30-44, indicating that these most financially vulnerable subgroups were hit the hardest during the pandemic.

Our full paper on this topic shows that financial resilience is highly correlated with four financial behaviors and characteristics: income and cash flow management, debt management, risk protection, and financial literacy, and subgroups identified as the most vulnerable exhibit significant disadvantages in each. In this brief, we discuss the relationships of these four contributing factors to financial resilience and suggest policy options that have the potential to improve individual and household financial resilience.

Improving earnings

A steady job with stable income is a key component of household budgets, and financial resilience is not achievable without it. However, according to data (adjusted for family size) from the 2019 Survey of Consumer Finances (SCF), 11 percent of families live below the federal poverty line (U.S. Department of Health and Human Services, 2020) and 31 percent are below 200 percent of that line. For a family of



Report

 **STANFORD CENTER ON LONGEVITY**

 **GFLEC**
GLOBAL FINANCIAL LITERACY EXCELLENCE CENTER



Financial Resilience in America

August 2021

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The George Washington University School of Business

 **FINRA**
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Research-based workplace financial education programs


Our workplace financial wellness webpage describes the financial wellness programs we have designed based on our research



GFLEC 10-year experience in workplace financial education

We built a toolkit for NYSE to promote financial wellness in the workplace

Workplace Financial Fitness Toolkit



The Employer Checklist

Ten key steps to financial fitness, divided into three stages and designed to help employees meet their financial goals.

[LEARN MORE](#)

The success of employee benefit programs depends on employee participation rates! Nearly four in five employees claim they would benefit from financial advice and answers to everyday questions. Improve employee participation rates, employee welfare and your company's bottom line by using our customizable employer and employee financial fitness toolkits.

THE BASICS

Automatic Enrollment
Participation soars when employees are automatically enrolled.
[MORE](#)

Automatic Escalation
Scheduled increases make the most of automatic enrollment.
[MORE](#)

Lifecycle Asset Allocation
Give employees the chance to grow their retirement savings.
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Did You Know?



Bells were introduced on the NYSE when continuous trading was instituted in the 1870s. Originally a Chinese Gong was used, but brass bells have been used since the Exchange moved to its current location in 1903. Visit our history page to learn more fascinating facts. [MORE](#)

[Ask Our Experts a Question](#)



Example of a low cost workplace education program

- Design of a low-cost, easily-replicable financial education program called «Five Steps to Planning Success»
- Covering five basic financial planning concepts that relate to retirement
- Kept the message free of economic/ finance jargon
- Targeted to young workers

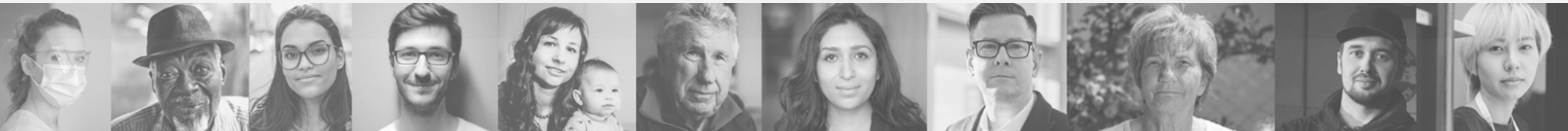
Field Experiment:

- After being exposed to videos, the performance on financial literacy questions improved
- 25-33% of the knowledge gain is still observable 8 months after program
- The program affected all participants, not only the young

Heinberg, Aileen, Angela Hung, Arie Kapteyn, Annamaria Lusardi, Anya Savikhin Samek, Joanne Yoong, 2014, [Five steps to planning success: experimental evidence from US households.](#)

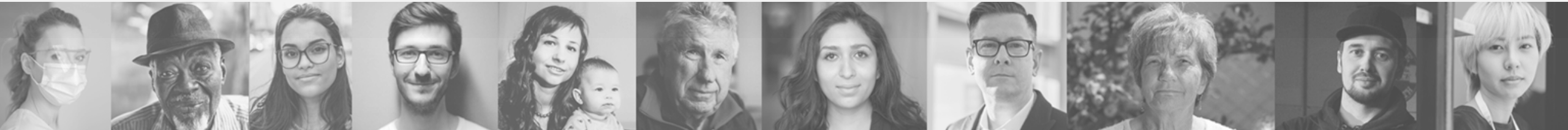


[Short video](#) about risk: don't put all your eggs in one basket



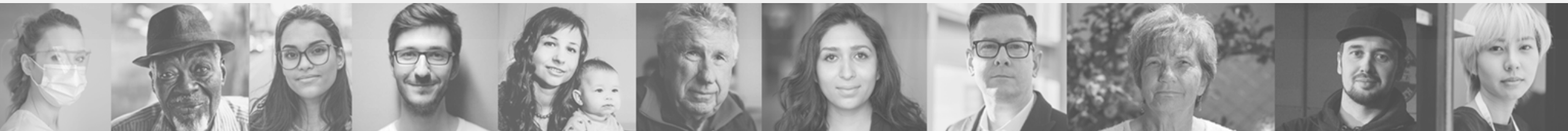
Ongoing Initiative with a Fortune 25 Company

- **GFLEC and Edelman Financial Engines partnered to launch and study an innovative financial counseling and education program called Fast Track to Financial Wellbeing.**
- **Program is being deployed to nearly 30,000 employees at a Fortune 25 company.**
- **Goal: gain key insights into the financial wellbeing of employees and provide them with financial counseling and tailored resources to address critical needs.**
- **Was launched in April 2022 and is structured as a six-week program.**
- **Key findings of the research and program are expected to be released later this year.**



Fast Track to Financial Wellbeing Program consists of three essential steps that

- 1. take employees through an initial assessment to generate a baseline financial wellbeing score;**
- 2. provide personalized counseling and access to educational resources (a variety of resources) based on that score; participation is incentivized;**
- 3. assess the impact of this intervention with a focus on both short-term effects and future changes in financial decision-making.**



Connecting to Reimagine Webinar

Boosting Financial Wellness: The Role of Small and Medium-Sized Employers



<https://www.gflec.org/webinar-videos>

Meta-Analysis: “Financial education affects financial knowledge and downstream behaviors”

NEW WEBPAGE

The Meta-Analysis of Financial Education Programs

Financial education works.

Financial education works and is cost-effective. That's the key takeaway of "Financial education affects financial knowledge and downstream behaviors," the one-of-a-kind, worldwide, meta-analysis coauthored by Tim Kaiser, Annamaria Lusardi, Lukas Menkhoff, and Carly Urban.

The scholars considered more than a thousand published studies before concentrating on the most rigorous

33 countries	6 continents	76 randomized experiments analyzed	160,000 participants
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GFLEC GLOBAL FINANCIAL LITERACY EXCELLENCE CENTER **10 YEARS**

Financial Education Matters: Testing the

<https://www.gflec.org/metaanalysis>

“Guidelines for the Financial Education of Adults”

**Linee guida
per la realizzazione di
programmi di educazione
finanziaria per gli adulti**

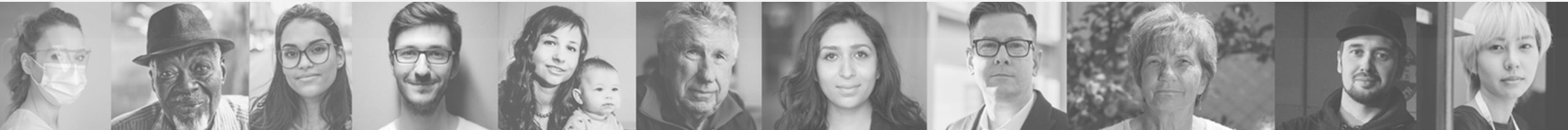
<http://www.quellocheconta.gov.it>



Comitato per la programmazione
e il coordinamento delle attività
di educazione finanziaria

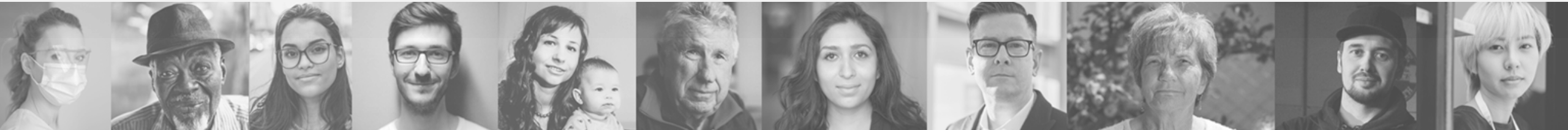
www.quellocheconta.gov.it

Financial literacy is like water in an eco-system. Just as we ensure access to clean water to protect quality of life, we must provide people with the resources and skills they need to become financially literate so they can be more financially resilient and less worried about their future.



Looking ahead

- Financial education in the workplace is important to reach the adult population
- Important to pay attention to vulnerable groups
- We need an holistic approach (it is not only about retirement savings)
- Everyone has a role to play (CEO/CFO, HR, communication, supervisors, etc.)
- Research is also critical (evidence-based programs and assessment)





Thank You!

More info at www.gflec.org

