



Financial Capability in the Workplace “Make the Most of Your Money”

Reaching Adult Audiences

Presentation at OFT Alliance for Consumer Education
Event: 23rd November 2006

Paul Frost
Manager, FSA Financial Capability - Workplace
0207 066 3042

e-mail enquiries to paul.frost@fsa.gov.uk



The National Strategy for Financial Capability

- The National Strategy for Financial Capability was launched in 2003 by the Financial Services Authority (FSA) to improve the nation's knowledge and understanding of personal finance.
- The FSA is the UK's financial watchdog.
- The Strategy is led by the FSA and brings together interested parties from industry, consumer bodies, voluntary organisations and Government.
- Following pilot studies, a seven-point programme has been initiated to bring about change, this will reach 10 million people by 2011.
- This will see financial education, information and general advice reaching further into UK schools, universities, colleges, **work place** and organisations that help the young adults who are not in education or in work.

Full Delivering Change report www.fsa.gov.uk/pubs/other/fincap_delivering.pdf

Background - The Financial Capability Survey

A Financial Capability Survey was conducted throughout the UK to measure people's behaviours and attitudes to money, and their understanding of personal finance issues.

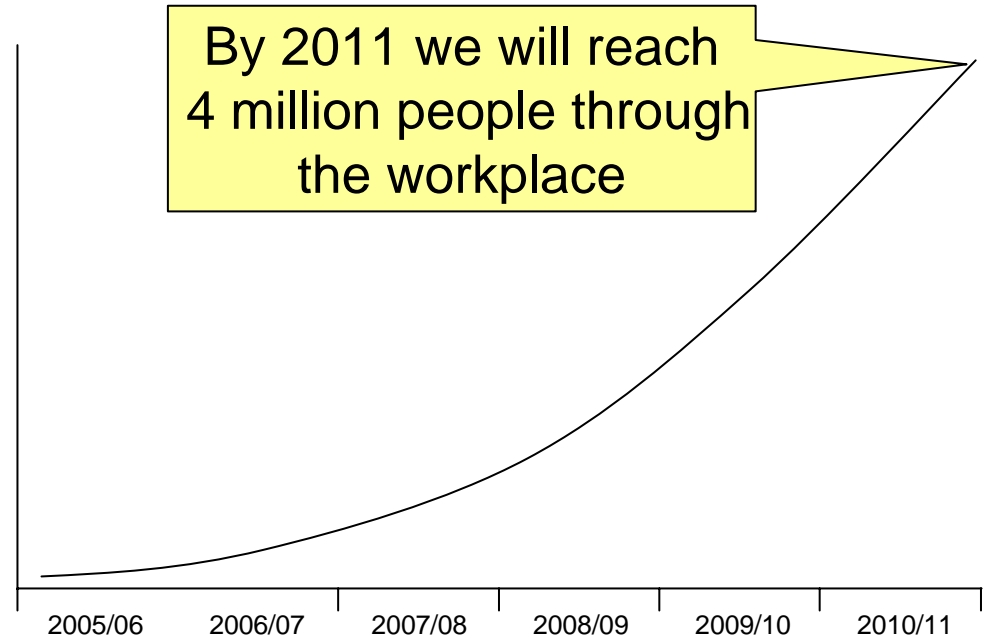
The main themes emerging from the survey:

- Many people are failing to plan ahead adequately for retirement or an unexpected drop in income
- A small proportion of people have debt problems, but they are often severely affected
- People do not take adequate steps to choose products that meet their needs
- The under-40s are less capable, on average, than their elders

www.fsa.gov.uk/pubs/other/fincap_baseline.pdf

What is the Workplace Project?

'The aim of the Workplace project is to provide general financial education to employees in their place of work through accessible resources, & seminars delivered by trained professionals from the financial services industry & elsewhere'



- By delivering *Make the Most of Your Money (MMYM)* financial education material to a range of mainly large employers (500+ staff)
- Reaching 4,000,000 employees with our written material and delivering workplace seminars to 500,000 employees by 2011
- Providing a free service to Employers will also help reinforce key messages about total reward packages to their staff and enhance their reputation for looking after employees' welfare

Make the Most of Your Money – the employee's experience

Launch



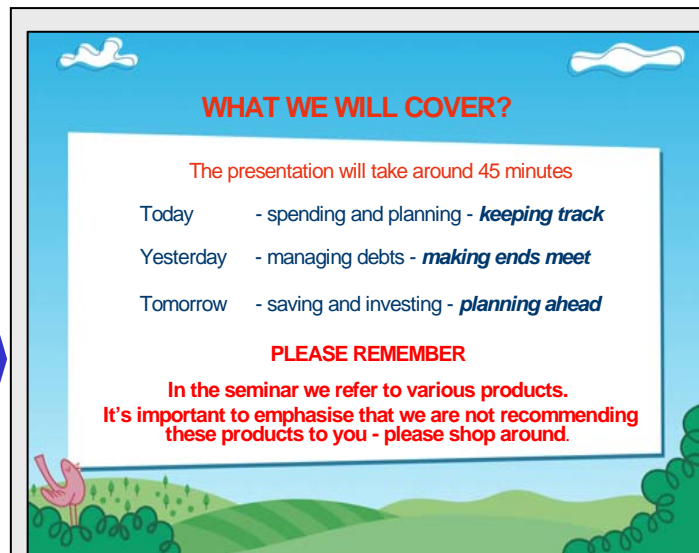
- *MMYM* is launched by management, with local publicity & HR messages
- Employee gets *MMYM* educational material
- **This is an educational programme, not a sales exercise**

Receipt of educational material



- After reading this material, the employee will receive an invitation to a one-hour workplace seminar. This brings the booklet to life.

Attendance at seminar



Employee:

- Attends seminar at work
may ask questions at seminar.
- Meets our objective by learning and changing behaviour

What are the results of the Independent evaluation to date? (up to 30th September)

- Quality and usefulness of our programme is regarded as high by all parties.
- 85% of attendees intend to take action as a result of attending a seminar.
- And when telephoned 3 months later 50% had turned intention into action.

Top actions were:

- Review money affairs plans and goals (77%)
- Shop around for financial products or services (64%)
- Seek money advice, using the resources and information provided (45%)
- Discuss money affairs, plans and goals with spouse/partner (35%)
- Seek face to face financial advice (17%)

Delivery – what does the Workplace Team provide?

- A dedicated Employer Relationship Manager (ERM)
- All materials delivered free to agreed locations
- Advice on the communications needed to encourage your employees to attend seminars
- The opportunity to include key messages about your firm's staff reward/benefits package within the *MMYM* presentation
- A specially-trained presenter to deliver the agreed seminar at your sites
- An independent evaluation process

Delivery – based on our experience to date, the following actions by the employer help us deliver a really successful programme.

- Commitment that employees will be allowed time during the working day to attend the seminar
- A single point of contact (with senior management sponsorship), responsible for and empowered to coordinate planning across the organisation
- An internal communications exercise to explain the MMYM initiative, distribute booklets to employees and maximise attendance at the seminars
- Administrative support and management advocacy to ensure that interested employees attend seminars
- A suitable venue equipped on the seminar day with agreed equipment, plus a copy of our feedback questionnaires (and pen) for each attendee

Some challenges faced when educating adult audiences through the work place



- Gaining/maintaining employer buy-in and support throughout
- Ensuring the message is properly conveyed by the employer
- Making the offering sufficiently appealing to engage employees
- Employers/Employees being prepared to give up their time
- Tailoring the offering for differing working patterns
- Pitching the offering at a level that will satisfy the needs of all

These challenges can be overcome, through teamwork, and as a result thousands of employees are benefiting