

GAO and Workplace Financial Literacy



Center for Retirement Initiatives
McCourt School of Public Policy – Georgetown University

**Webinar on
Retirement Security:
States, Financial Literacy and the Workplace**

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GAO and Workplace Financial Literacy



Presentation overview:

- 2015 forum on financial literacy and the role of the workplace ([GAO-15-639SP](#))
- GAO's workplace financial literacy program
- GAO's products as a financial literacy resource



Highlights of a **FORUM**

Convened by the
**Comptroller General of
the United States**

FINANCIAL LITERACY: The Role of the Workplace

July 2015
GAO-15-639SP

GAO convened a group of experts in March 2015 for a forum to discuss

- employers' role in promoting financial literacy,
- the effectiveness of employers' efforts,
- how best to serve underserved populations, and
- the federal government's role in supporting these efforts

Comptroller General's Forum



Participants highlighted the following:

- Employers are well-suited to provide financial education.
- Programs should go beyond retirement planning and benefits.
- Effective practices can include
 - automatic enrollment in retirement plans,
 - financial health checks, and
 - individualized coaching.

Comptroller General's Forum



- Employers should consider the needs of underserved populations.

- Strategies for these populations can include
 - tailoring the content to be relevant and understandable,
 - delivering information through online tools and mobile devices, and
 - leveraging partners (unions, churches, and community groups).

- Demonstrating “return on investment” is key to convincing employers to offer workplace financial wellness programs, such as
 - stronger recruitment and retention and
 - increased employee engagement and productivity.
 - Other benefits?

GAO's Workplace Financial Literacy Program

- In 2012, the Comptroller General established a program for GAO's employees.
- A Leadership Committee of senior executives provides direction and visibility.
- Outreach to external experts are used to identify best practices.
- An employee survey is periodically conducted to identify interests and needs.
- An evaluation component will be designed to assess effectiveness and determine areas for improvement.



GAO's Workplace Financial Literacy Program



Key elements of the program include:

- Classroom-based training on basic financial and retirement planning for individuals at different stages of their career (e.g. newly hired, mid-career, nearing retirement).
- Online training, seminars, and webinars offered by benefits experts, financial planners, and others.
- Outside speakers, targeting specific issues and populations, especially during Financial Literacy Month in April.
- Dedicated financial literacy page on GAO's intranet with links to resources.

GAO as a Financial Literacy Resource



GAO has incorporated financial literacy issues into its reports and audits on a wide variety of issues and federal programs—for example:

- Effective methods and strategies for improving financial literacy ([GAO-11-614](#));
- Financial literacy for people with limited English proficiency ([GAO-10-518](#));
- Retirement security ([GAO-16-242](#), [GAO-15-556](#), and [GAO-15-419](#));
- Elder financial exploitation ([GAO-13-110](#));
- Foreclosure rescue schemes ([GAO-14-17](#));

GAO as a Financial Literacy Resource



GAO leverages its work to reach a broader target audience using various channels, including

- Reports publicly available on website;
- Testimony before Congress;
- Twitter feeds, especially during Financial Literacy Month;
- Live webcasts on critical issues;
- [GAO WatchBlog](#) to target key audiences; and
- Planned webpage that will centralize reports of interest to consumers on financial topics.

WATCHBLOG

FOLLOWING THE FEDERAL DOLLAR

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Your Employer Might Help Improve Your Financial Fitness

Posted on July 14, 2015 by WatchBlog

Maybe there's money under the mattress, because there doesn't seem to be much in the bank. [About half of households age 55 and older have no retirement savings](#), and many of them don't have pensions, either.



Financial education can empower people to improve their monetary decision-making and boost their economic health. We recently [held a forum on the ways employers can help workers better plan for their financial future](#). Experts from government, the corporate and nonprofit sectors, and academia shared their insights.

Employers are well-suited to provide financial education to their employees.

- Employers already provide information about retirement and health benefits, and could offer additional information on other topics like budgeting, managing debt, improving credit, building an emergency savings fund, and understanding the financial impact of health care.
- Employers have key information about employees' lives—the timing of things like salary increases or the birth of a child—so they can target timely and appropriate financial education.
- Employees generally trust their employers when it comes to providing financial information.

Workplace financial education benefits both employers and employees.

- Money worries and financial stress can harm worker productivity, studies show.
- Financial education can be an attractive recruiting tool and can improve retention by improving engagement and loyalty.

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Tweet regarding this [WatchBlog](#) appeared in **52,000** twitter feeds

Takeaways for State Retirement Initiatives



- Understand your population (demographics, needs, interests)
- Define your objectives and desired outcomes
- Tailor your approach to respond to different populations and needs
- Designate/create team that will champion financial education in your agency

Comments or Questions?



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