

Why advisors are going into workplaces to educate employees on financial matters

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More employees want a better understanding of how Canada Pension Plan and Old Age Security work – how and when to set up those government programs, as well as information on what is clawed back and why.

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When Jennifer Walker first started offering financial literacy talks to employers and community groups, it was all about giving back. Today, the partner and certified

financial planner (CFP) with Carruthers Walker Financial at Investia Financial Services Inc. in Aurora, Ont., serves mainly business owners and uses the sessions as an introduction to her practice and the value she brings by communicating directly with employees about financial issues.

Mrs. Walker was already educating employees on various benefits plan offerings from pensions, dental, and medical but wanted to broaden the service to include more financial planning topics.

“It’s a great tool for those business owners who want to take care of their employees,” she explains. “When you put good out, you get good back.”

She describes her financial chats as similar to lunch-and-learns in which a professional comes by to discuss a specific lifestyle topic.

“Only I talk about healthy financial planning, what these different tools mean and how they can be used,” Mrs. Walker says. “It’s pure education and [employees] can ask questions of an accredited financial planner and get answers from a live person instead of asking Dr. Google.”

While the employer usually determines the educational topics, Mrs. Walker also provides a page with some suggestions. She has spoken to as many as 200 employees, and these days, often talking via a hybrid approach of in-person and videoconference.

She says more employees want a better understanding of how the Canada Pension Plan and Old Age Security work – how and when to set up those government programs, as well as information on what’s clawed back and why.

Comparing the registered retirement savings plan and tax-free savings account is also top of mind, she adds.

“I try to simplify language and reinforce that both are valuable tools but they’re very different,” she says.

Understanding ‘the issues’ on an average person’s mind

Morgan Ulmer, CFP at Caring for Clients in Calgary, suggests getting direct feedback from the employer on appropriate subjects. She used to conduct fee-for-service workshops regularly before having an established client base.

“Find out what the employer is looking for and if you can help,” she says. “You don’t want to go in there providing retirement content when the employees are only 30 years old.”

She recently conducted a budgeting seminar with a focus on cash flow management for a non-profit organization whose employees skew younger.

Ms. Ulmer notes sessions for employees who are about five years away from retirement have general appeal among employers.

She also finds the types of questions from employees in a group environment have helped her understand the important issues on the average person’s mind, including her own clients.

“It’s a good reminder for advisors to check in with clients on their understanding so we’re not assuming they understand the concept and we’re glossing over it,” she says. “It’s easy to take for granted what you think people may know and it’s a good reminder to slow down and explain concepts.”

Employers recognizing financial wellness

Liz Schieck, CFP at New School of Finance in Toronto, has been hired by companies to provide speaking engagements on various financial planning matters. She says the intent is to provide general education sessions and she doesn’t provide any advice to employees directly.

“More employers are recognizing that financial wellness is a part of overall wellness and mental health,” she says. “These employers hire [our firm] in the hopes of empowering their employees with education.”

Mrs. Walker concurs that for these sessions to have the most value, they need to focus solely on education, not on selling a particular product.

“Employees can spot a product sales pitch a mile away,” she says.

Meanwhile, giving these sessions to community organizations is still ongoing, making up around 30 per cent of her talks, she adds. She doesn’t typically charge a fee for providing this service as she views it as a way of “being out in the community.”

When Mrs. Walker spoke to a local women’s association recently, most of the audience were middle-aged or senior women starting to take control over their own finances after a divorce or death of a spouse.

“They’re trying to understand what [money] means for them as their kids are gone and looking toward the next stage in their life,” she explains. “Providing that sounding board can be very powerful.”

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