



MONTRIDGE®
ADVISORY GROUP LTD.

Breakfast Series:

Financial First Aid Tackling Employees' Financial Stress

UBC Robson Square
Tuesday, April 30, 2019
8:15 AM PST



Looking for resources to help identify and alleviate employee financial distress? You're invited to our workshop for management professionals.




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Canadians and Money

- **46%** indicate financial stress is impacting their workplace performance
- **49%** live pay cheque to pay cheque
- **39%** spend all or more than their net pay
- **45%** is overwhelmed by debt
- **78%** have saved only **one-quarter or less** of what they feel they'll need to retire

Retrieved from: Canadian Payroll Association



Money problems have become the biggest contributor to **personal stress** and it has started to affect productivity in the **workplace**.

A financially stressed employee spends around **20** work hours per month dealing with financial issues.



What is Financial Stress?

A state of emotional or mental strain or tension resulting from personal finances.



Causes of Financial Stress

- No budget
- Excessive debt
- Unexpected expenses
 - Irregular or seasonal
- Emergencies
- Lack of savings





Signs of a Financially Stressed Employee

- Chronic tardiness and/or absenteeism
- Complaining about money
- Looking for overtime or a payroll advance
- Declining performance
- Negative attitude
- Garnishment order or collection calls at work

People with high debt stress

29%

suffered severe anxiety, compared with 4%

23%

had severe depression, compared with 4%

44%

had migraines or other headaches, compared with 15%

6%

reported heart attacks, double the rate for those with low debt stress

51%

had muscle tension, including lower back pain, compared with 31% of those with low levels of debt stress

27%

had ulcers or digestive tract problems, compared with 8% of those with low levels of debt stress

Retrieved from:
Employee Financial
Well-being Infographic

Impact of Financial Stress on Employers



- Statistics Canada estimates cost of lost productivity is \$50 billion every year
- Stressed employees cost \$413 more per year than those with no stress

Impact on Your Business

- Cost
- Lost time
- Medical coverage increases
- Reduced peer productivity
- Lower morale
- Higher turnover





**Why is financial wellness
important in the
workplace?**



Benefits for Employers

- ↑ Reputation for recruitment
- ↑ Retention
- ↑ Productivity
- ↑ Loyal and committed workforce
- ↓ Absenteeism
- ↓ Health benefit costs



Employees Want Financial Literacy

**87% of employees want employers
to offer a financial education
program in the workplace**

Benefits for Employees

- ↑ Job performance/career progress
- ↓ Anxiety and stress
- ↓ Associated health concerns
- ↑ Overall sense of well-being



Meet Jane

- 42 years old, married with 2 kids
- Renting a house in Burnaby for **\$2500/month**
- **\$94,000** gross family income
- **\$43,000** in unsecured debts
- **\$9,500** car loan
- Missing work
- Performance is declining





What is your current practise when an employee is experiencing financial distress?

Are you comfortable having a conversation with an employee around financial stress?

Let's Help Jane



What options do we have to help Jane?

- Start with “I’m noticing...”
- Is everything okay?
- Have you talked with someone about this? Would you like to?
- Would you like more information?

EAP Referral



Jane's EAP may refer her to a:

- Licensed Insolvency Trustee
- Financial Planner
- For-profit credit counselling agency



Referral to a Bank or Credit Union

Jane may:

- Consolidate some or all of her debt
- Refinance mortgage if a homeowner
- Be introduced to a financial planner
- Get a high level budget
- Apply for another credit product
- Get declined

Do Nothing



- You may not have an EAP to refer Jane to and no other resources to give her
- Her stress level will continue to rise
- Her work will continue to be impacted



Referral to a Non-Profit Credit Counselling Agency

Jane will:

- Meet with a financial credit counsellor to discuss her situation and create a detailed monthly budget
- Walk away with unbiased options, information and resources
- Discuss consolidating her debt into 1 payment (DMP)
- Have access to education through workshops and webinars
- Be referred to other services if needed



Some Things to Know About Credit Counselling

- Non-profit versus for profit
- Accreditation (CCC, COA, NFCC)
- Fees
- Certified staff
 - Financial Counsellors have received their Accredited Financial Credit Counsellors (AFCC) designation
 - Educators have received their Certified Educators in Personal Finance (CEPF) designation



5 Strategies for HR

1. Get more information about your EAP
2. Create an environment where financial well-being is encouraged
3. Gather data from your team about financial issues
4. Become familiar with your local non-profit credit counselling agency
5. Integrate findings and engage employees by offering a tailored and unbiased financial literacy program

MoneySmart Living



MoneySmart Living is a workplace wellness program offered by the Credit Counselling Society.

- Designed to help employees create the life they want by getting in control of their money
- Workshops offered as Lunch & Learns
- Topics range from **Budgeting 101** and **The Truth About Credit** to **Raising Financially Fit Kids** and **Retiring Without Debt**.

Resources

Credit Counselling Canada
www.creditcounsellingcanada.ca

Financial Consumer Agency of Canada (FCAC)
www.fcac-acfc.gc.ca

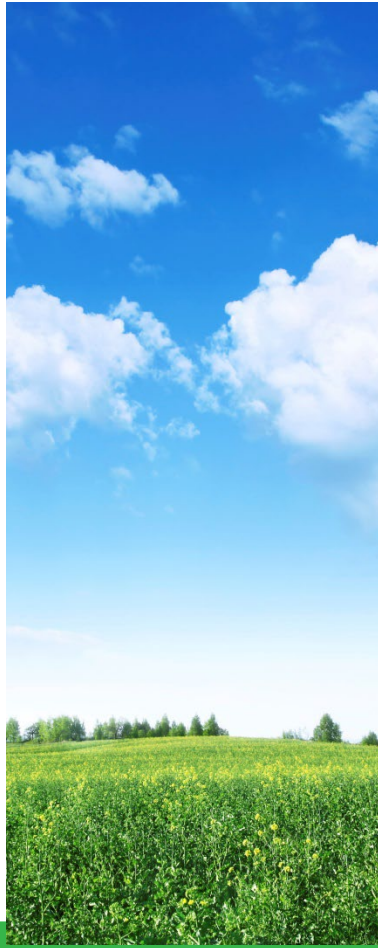
The Credit Counselling Society
www.nomoredebts.org

MoneySmart Living
www.moneysmartliving.ca

My Money Coach
www.mymoneycoach.ca



Contact Us



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