



**MONTRIDGE**<sup>®</sup>  
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.



**MONEYSMART**  
LIVING



# Canadians and Money

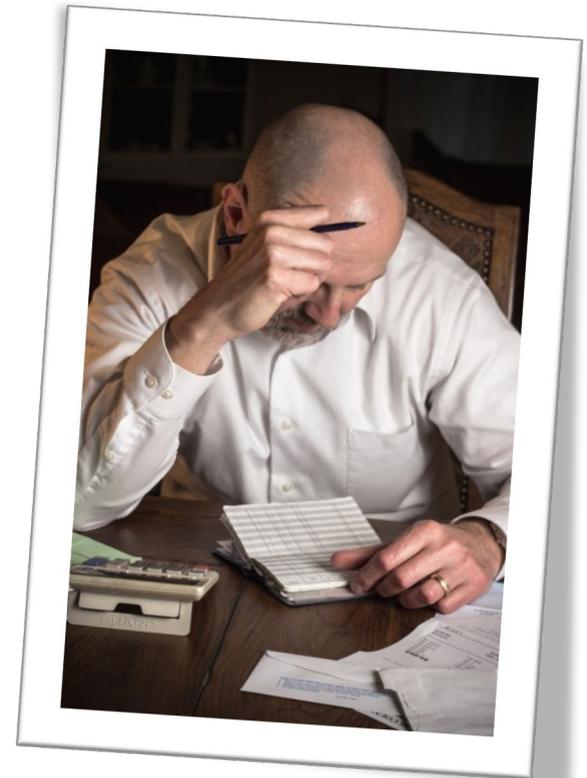
- **46%** indicate financial stress is impacting their workplace performance
- **49%** live pay cheque to pay cheque
- **39%** spend all or more than their net pay
- **45%** is overwhelmed by debt
- **78%** have saved only **one-quarter or less** of what they feel they'll need to retire

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



A stylized graphic of a human figure in purple and green, positioned on the left side of the slide. The figure is composed of smooth, curved lines, with a green dot for a head and a green swoosh for an arm or leg. The rest of the figure is purple.

# 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%**

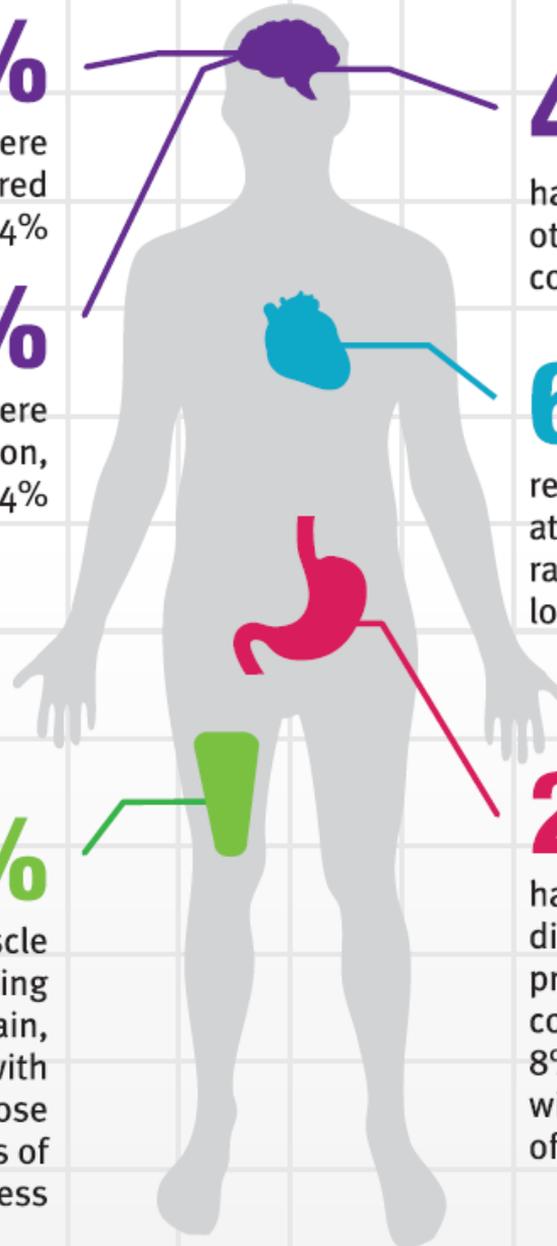
reported heart attacks, double the rate for those with low debt stress

**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



# 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



A stylized graphic of a human figure in purple and green, positioned on the left side of the slide. The figure is composed of smooth, flowing lines, with a green circle representing the head and a purple shape representing the torso and limbs. A green swoosh extends from the head area towards the right.

# 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

A stylized human figure in purple and green, with arms raised, positioned on the left side of the slide.

# 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

A stylized human figure in purple and green, with a green dot for a head and a green swoosh for an arm, positioned in the top left corner of the slide.

# 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](http://www.creditcounsellingcanada.ca)

Financial Consumer Agency of Canada (FCAC)  
[www.fcac-acfc.gc.ca](http://www.fcac-acfc.gc.ca)

The Credit Counselling Society  
[www.nomoredebts.org](http://www.nomoredebts.org)

MoneySmart Living  
[www.moneysmartliving.ca](http://www.moneysmartliving.ca)

My Money Coach  
[www.mymoneycoach.ca](http://www.mymoneycoach.ca)



# Contact Us



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