



## **[STAFF SMARTS] Dollar Doldrums**

### **HELP EMPLOYEES MEND THEIR MONEY WOES WITH FINANCIAL SERVICES**

*BY MARK HENRICKS*

When personal finance woes were affecting the performance of one of Jil Wyland's employees, she had the employee sit down with her head of operations to learn the basics of budgeting and saving. Afterward, the employee became more productive. Ever since, personal finance education has become a popular employee benefit among the nine workers at Litigation Presentation Inc., an Atlanta legal graphics company Wyland founded in 2001.

Although it's far from her main line of business, Wyland, 35, feels the practice is sensible and appropriate. "We train people to gain better work habits," she reasons. "Why not help them with life a little bit, too?"

Almost half of companies—49 percent—provide some kind of investment advice to employees, according to a 2004 survey by the Society for Human Resources Management and the Employee Benefit Research Institute. That should be some comfort to the more than one-third of workers who said money worries sometimes hampered their job performance, according to a 1998 Virginia Tech University study. The study also found that 56 percent of employees felt their financial situations improved after getting financial education at work.

Workplace financial training comes in a couple of flavors: It may be similar to coaching, giving targeted advice about an employee's individual financial goals; or it can be broader, introducing concepts and techniques such as investing for retirement.

Companies can deliver financial information through a number of channels. Some like Wyland, tap in-house experts to counsel employees as needed. More structured approaches employ third-party advice through a combination of websites, workshops, telephone hotlines and personal planning sessions.

Phone services usually allow an unlimited number of calls and connect employees with accountants and financial planners for detailed discussions. "As long as it's financial and not legal or psychological, we can answer any question or address any issue you have," says Liz Davidson, CEO of Financial Finesse Inc., a Manhattan Beach, California, workplace financial coaching provider. Advice also generally stops short of providing an actual service, such as preparing a tax return.

Financial information is often included in a benefits package by companies that sell legal service, health and fitness programs, and other cafeteria-type offerings. Richard Chaifetz, chair and CEO of ComPsych Corp., a Chicago employee assistance program supplier, says his company's workplace financial information service is usually sold as part of a bundle including legal advice, and it adds from \$1.50 to \$3 per employee per year to the cost of the bundle.

Confidentiality is an issue when employees tap employer-sponsored sources for financial advice. Davidson stresses that she doesn't give employers information about individual employees' use of the service. However, she does provide nonspecific data such as the most popular topics employees call about.

Liability may be the biggest factor keeping more firms from offering financial education. Employers fear being sued by employees who make bad decisions after receiving financial information at work, Davidson says. So don't make specific investment recommendations; create a framework for understanding investment options instead.

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