

**A Research Study:  
Insights into Participation in  
Workplace Financial Education  
At Southeastern Chemical Producer,  
Incorporated**

**Prepared by**

**Virginia Tech  
Center for Organizational and Technological Advancement  
Personal Finance Employee Education**

**September 1998  
PFEE Report Number 1998-04**

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**September 1998  
PFEE Report Number 1998-04**

September 10, 1998

Mr. XXX, Manager  
Southeastern Chemical Producer, Incorporated  
Southeastern City, Southeast

Dear XXX:

Herein is the report you authorized in April 1998 that was designed to provide Southeastern Chemical Producer with insights into participation in workplace financial education. Virginia Tech's Personal Finance Employee Education outreach effort is very pleased to have been asked to conduct this research study.

Please feel free to call upon us should you have any questions.

Sincerely,

(signed)

Constance Y. Kratzer, Bruce Brunson, E. Thomas Garman, Jinhee Kim, and So-hyun Joo

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## I. Summary of the Report

### A Research Study: Insights into Participation in Workplace Financial Education At Southeastern Chemical Producer, Incorporated

One of the most rapidly growing areas within the employee benefits arena is workplace financial education. This is partly attributable to Department of Labor (DOL) guidelines, such as ERISA 404(c), and partly in response to employee needs in this area. Additionally, research findings have related stress about personal financial matters to job productivity (Darby, 1997, Garman, Leech & Grable, 1996) and calculations have been made that estimate a positive return on investment for employers who provide workplace financial education (Joo & Garman, 1998). Research also has indicated that participants in financial education gain confidence in making financial decisions and make changes related to savings and investments (DeVaney, Gorham, Beecham & Haldeman, 1995). These findings have garnered interest from employers to quantify the value of providing workplace financial education. There are many reasons employers offer financial education to employees, including:

- To increase 401(k) contributions
- To increase employee loyalty and morale
- To help workers improve their personal financial wellness
- To help workers remove obstacles to fully funding their retirement plans
- To increase participation in 401(k) plans
- To improve workers' chances to retire early or on time
- To reduce stress and increase job productivity
- To reduce the incidence of employee theft
- To help employers avoid lawsuits
- To satisfy ERISA 404(c) regulations
- To remove limits on tax-deferred savings for highly compensated employees, and
- To increase workplace productivity

Employers also are aware that narrowly focused retirement education by itself does not meet the needs of all employees. A broader approach is needed to fit the needs of the workers. Experts recommend that comprehensive workplace financial education programs include information on wisely selecting employer-provided fringe benefits, making personal assessments about credit and money management, and how to use consumer protection laws to one's benefit.

In addition, many communication methods of workplace financial education are available, such as print materials, computer software, interactive Internet web sites, vendor seminars, and workshops. Some employees will not take advantage of any of these communication methods, while others pursue several avenues to increase their knowledge.

The overall research objective of this study was to obtain insights into participation in workplace financial education at Southeastern Chemical Producer, Incorporated.

A mail survey questionnaire was developed to collect the data for Southeastern Chemical Producer. The survey instrument was mailed to the home addresses of 300 employees of Southeastern Chemical Producer in May 1998. There were 181 responses, thus, the response rate was 60%. This is an exceptionally high return for a survey of this type.

Of the 178 survey respondents, 100 (56%) attended one or more of the workplace financial education workshops. Seventy-eight (44%) did not participate in the financial education workshops.

This study looked for differences and similarities between those who attended the financial education workshops, called participants, and those who did not attend the workshops, called non-participants.

The EDSA Group<sup>®</sup> provided the workplace financial education workshops. The EDSA Group's<sup>®</sup> Money Basics<sup>®</sup> (also called The EDSA Group's<sup>®</sup> Money 101<sup>®</sup>) was the workshop attended by the most participants. Of the 100 that participated in workplace financial education, 57 attended one workshop, 32 attended two workshops, three persons attended three workshops, and five individuals attended all four of the workshops. Three individuals did not indicate which workshop was attended.

Almost all of the participants gave as their reason for attending the workshops, "to learn more about financial topics." The most frequent reason (51%) for not participating in any workshop or in *more* workshops was "The time conflicted with my schedule." The next two reasons given were "I already had enough information on personal finance" (10.3%) and "Not interested in the information" (10.3%).

Older workers were more interested than younger workers in participating in the workplace financial education workshops. Married workers were more interested than unmarried workers in participating in the workshops. Workers closer to retirement were more interested than younger workers in participating in the workshops. The household income, educational level, household size, and ethnicity of participants and non-participants were similar.

The longer a person had been employed at Southeastern Chemical Producer, the more likely that he or she participated in the financial education workshops. Over 91% of the workers who responded to the survey were contributing to the 401(k) plan. Only 17 workers were not contributing. Those with more years of service at Southeastern Chemical Producer had a higher rate of participation in the 401(k) plan. Financial education workshop participants reported greater contributions to the retirement plan than non-participants. More workshop participants were contributing the maximum amount allowed to the 401(k) plan than were non-participants. While only 17 workers were not participating in the 401(k) plan, the most popular reason for not contributing was "I do not have enough money." Most workshop participants expected to retire in 15 years or less, and those who were farther away from planned retirement were less likely to participate. Half of workshop participants reported that they planned to retire in 10 years or less. The participants and non-participants were similar in expected retirement age.

Compared to the non-participants, the workshop participants reported:

- Better than average financial wellness
- Greater satisfaction with the amount of money they are able to save
- Better health
- Less likely to have experienced financially stressful events during the past year
- More likely to set money aside for savings
- More likely to set money away for retirement

Compared to workshop participants, non-participants reported:

- Having difficulty living on one's income
- Worry about being able to pay monthly living expenses
- More likely to have had to cut living expenses
- Worry about the amount of money they owed
- More likely to have reached the maximum limit on a credit card
- More likely to have to use a credit card because of a lack of money in the bank or cash available
- Lack of confidence about saving for a comfortable retirement
- Belief that they will not have enough income to live comfortably throughout retirement

Overall, the responding workers had a higher level of financial wellness than found for workers in other PFEE research studies. Further, their financial wellness was higher than the national averages.

Moreover, it is clear from the findings that the financial education provider, The EDSA Group<sup>®</sup>, is highly appreciated by the workers at Southeastern Chemical Producer who participated in the workshops. The workshop participants gave The EDSA Group<sup>®</sup> outstanding evaluation scores in the two key areas of provision of appropriate information and satisfaction with the workshop.

Additional financial education workshops were requested by 80% of the workers, including both workshop participants and non-participants. The eight most frequently desired additional workshops were, in descending order, retirement planning, investing, understanding benefits, Roth IRAs, tax planning, estate planning, budgeting, and college planning.

The EDSA Group<sup>®</sup> also received high marks from workshop participants when asked about the impacts of the financial education workshops on their financial lives. The workshop participants reported making the following personal financial behavioral changes as a result of the education received:

- 75% report that they have made better financial decisions
- 75% reported they were more confident in making investment decisions
- 70% reported they changed their investment strategy by appropriately diversifying or being more aggressive in their investment choices
- 56% reported their financial situation had improved because of the financial education
- 45% increased the amount of contribution to the 401(k) plan
- 34% started contributing to the 401(k) plan

While the great majority of workers (both workshop participants and non-participants) had experienced a number of positive financial behaviors, a substantive number have some money problems. About one-quarter of the workers are dissatisfied with the amount of money they save, worry about how much money they owe, and have difficulty living on their income.

Workers were asked to self-report on the performance rating for the past year from their supervisors, over 90 percent of the workers reported that the performance rating was above average. When asked to self-report on job productivity for the past year, half reported an increase in job productivity, nearly half reported no change, and less than 5 percent reported a decline in job productivity.

For all workers, financial wellness was correlated with better health, and this correlation was statistically significant. Those with better financial wellness reported better health.

Based upon this research, it is our conclusion that Southeastern Chemical Producer has an exemplary financial education program that has made enormous contributions to the financial wellness of workers who have participated in The EDSA Group's<sup>®</sup> workshops. Most of the workers report that since their participation in the financial education workshops, they make better financial decisions, have increased confidence when making investment decisions, changed their investment strategy by appropriately diversifying or being more aggressive in their investment choices, and have an improved financial situation. Most workshop participants took positive actions to improve their financial wellbeing. Indications are that most workers at Southeastern Chemical Producer are experiencing good financial wellness and are making good progress toward a financially secure retirement.

Because some workers are experiencing money problems, we suggest that Southeastern Chemical Producer offer workplace financial education on the topics of credit management, budgeting and consumer protection laws. Since other research has demonstrated that lower job productivity is associated with worker's money problems (Joo & Garman, 1998), Southeastern Chemical Producer may find that as the financial wellness of these workers increases productivity might rise as well.

To increase participation at future workplace financial education workshops, Southeastern Chemical Producer might consider offering the programs on company time and/or making attendance mandatory.

Finally, it is our recommendation that Southeastern Chemical Producer continue the positive relationship with The EDSA Group<sup>®</sup> as its provider of workplace financial education.

## **II. Research Objective and Purposes**

The overall research objective of this study was to obtain insights into participation in workplace financial education at Southeastern Chemical Producer, Incorporated. The specific purposes were to:

- (1) determine reasons why some employees of Southeastern Chemical Producer took advantage of workplace financial education workshops while others did not;
- (2) measure the workers' financial wellness;
- (3) determine how workers evaluated the educational workshops presented to employees by the EDSA Group<sup>®</sup>;
- (4) measure the impacts of workplace financial education workers' personal financial behaviors;
- (5) ascertain information about worker participation in Southeastern Chemical Producer 401(k) retirement plan;
- (6) ascertain workers' financial wellness and personal financial behaviors;
- (7) determine what, if any, additional financial education workshops workers might desire in the future; and
- (8) examine self-reported measures of health, worker productivity, and job performance ratings.

## **III. Methodology and Statistical Analysis**

A mail survey questionnaire was developed to collect the data for Southeastern Chemical Producer. This questionnaire was created by the staff of Virginia Tech's Personal Finance Employee Education outreach effort and other Virginia Tech faculty with input from representatives from Southeastern Chemical Producer, the employer sponsoring the research, and The EDSA Group<sup>®</sup>, the employer's financial education provider. A cover letter that introduced the research and identified the confidential nature of the research and the need for participation was placed in a business letter envelope along with the survey instrument and a return envelope. The survey instrument and the cover letter were mailed to the home addresses of 300 employees of Southeastern Chemical Producer. Ten days after the initial instrument was mailed, a thank-you-and-reminder postcard was mailed to the 300 workers. Three weeks after the initial mailing, a letter and a replacement questionnaire were sent to all workers. The letter encouraged all employees who had not yet responded to complete and return the survey. To assure confidentiality, questionnaires were mailed back to the Virginia Tech researchers, not the employer.

As an incentive to participate, two drawings for a \$100 prize were provided; one for those who participated in the financial education workshops and one for those who had not participated. This technique was used to help increase the overall return rate as well as obtain a satisfactory return from those workers who had not participated in previously offered workshops.

The questionnaire asked workers the title of the financial education workshops in which they participated and their reasons for participation. They also were asked what changes were made as a

result of the education. Those who did not attend financial education programs were asked why they did not participate. Workers also were asked what additional financial education was desired, if any. The questionnaire further sought information on financial wellbeing, financial behavior and attitudes, financial stress, and self-reported measures of workplace productivity.

Statistical tests were utilized in examining the data, such as t-test, analysis of variance, and chi square. The standard for the statistical level of significance was established at or beyond the 0.05 level, a common threshold for social science research of this type. Statistically significant findings are reported in these findings only when they were found. Thus, when data are reported as similar, the reader can correctly assume that even though data in a table that may appear to differ, they are not statistically different.

Since a pre- and post-test research procedure was not utilized, this research cannot actually attribute any differences specifically to the financial education workshops. However, workers who participated in the financial education workshops did report positive changes in their financial behaviors. Additional research with those who have not participated in workshops at the time of this survey and after they received financial education would further assist in understanding the impact and value of financial education in the workplace. However, it is clear from this research that the workshop participants highly valued the financial education, and they personally attribute changes in their financial behaviors to their workshop attendance.

#### **IV. Worker Participation in the Survey**

There were 181 responses to the 300 surveys mailed in May 1998, thus, the response rate was 60%. This is an exceptionally high return for a survey of this type. A few questionnaires were returned well after the research cut-off deadline of June 15, 1998 (one was received 10 weeks late by a worker determined to complete the questionnaire); they were not included in these findings. Of the 181 returned questionnaires, 178 were usable for the purposes of the study. All of the analysis is based upon 178 respondents. Due to occasional missing responses to questions, the totals may not add up to 178 in some tables.

#### **V. Financial Education Workshops Attended**

This study looked for differences and similarities between those who attended the financial education workshops, called participants, and those who did not attend the workshops, called non-participants. Of the 178 survey respondents, 100 (56.2%) attended one or more of the workplace financial education workshops and 78 (43.8%) did not participate.

The EDSA Group<sup>®</sup> provided the workplace financial education workshops. The EDSA Group's<sup>®</sup> Money Basics<sup>®</sup> (also called The EDSA Group's Money 101<sup>®</sup>) was the workshop attended by the most participants.

The 100 education participants attended 1 to four workshops. Of the 100 that participated in workplace financial education, 57 attended one workshop, 32 attended two workshops, three

persons attended three workshops, and five individuals attended all four of the workshops. Three individuals did not indicate which workshop was attended. Money Basics<sup>®</sup> was the workshop most attended (75.3%). The second most popular workshop was Retiring Easy<sup>®</sup> (39.2%). (Note that the figures do not add to 100% because workers could have attended more than one workshop.)

Tables 1 – 3 provide the information about the workshops that workers attended and the reasons for attendance or non-attendance. Table 1, Workshops Attended, shows the number of participants who attended the various financial education workshops.

As shown in Table 2, Reasons for Participation in Financial Workshops, almost all of the participants attended the workshops to learn more about the financial topics. None of the participants reported that they attended due to financial troubles.

Table 3, Reasons for Workshop Non-Participation, shows the reasons why workers did not participate in Southeastern Chemical Producer financial education workshops delivered by The EDSA Group<sup>®</sup>. The responses were from all those who did not participate in any of the workshops (n = 74) as well as from those who gave reasons why they had not participated in *more* of the workshops (n = 33). The reason of “The time conflicted with my schedule” was given as the reason for non-participation by over half (51.4%) of the employees, both participants and non-participants. The next two reasons given were “I already had enough information on personal finance” and “Not interested in the information” (by only 10.3% of the workers in both instances).

**Table 1: Workshops Attended**

<b>Workshop Titles:</b>	<b>Frequency N = 97*</b>	<b>Percent</b>
Money Basics or Money 101	73	75.3%
Retiring Easy	38	39.2%
Magic of 401(k)	29	29.9%
Planning Plus	10	10.3%

\* Three of the participants did not indicate which workshops they attended.

**Table 2: Reasons for Participation in Financial Workshops**

<b>Reasons:</b>	<b>Frequency N = 99</b>	<b>Percent</b>
Because I wanted to learn more about financial topics	99	97.0%
Because I got time off from work to attend	1	1.0%
Because a friend and/or spouse recommended it	1	1.0%
Other	1	1.0%
Because I had financial troubles	0	0.0%
Because participation was required	0	0.0%

**Table 3: Reasons for Workshop Non-Participation**

<b>Reasons:</b>	<b>Total Respondents N = 107</b>		<b>Participants N = 33</b>		<b>Non-participants N = 74</b>	
	<b>Freq.</b>	<b>Percent</b>	<b>Freq.</b>	<b>Percent</b>	<b>Freq.</b>	<b>Percent</b>
The time conflicted with my schedule	55	51.4%	18	54.5%	37	50.0%
I already had enough information on personal finance	11	10.3%	6	18.2%	5	6.8%
I did not think I needed financial education	6	5.6%	0	0.0%	6	8.1%
Education offered did not meet my current financial needs	5	4.7%	1	3.0%	4	5.4%
I was not aware of workshops offered	3	2.8%	1	3.0%	2	2.7%
Get financial education elsewhere	10	9.3%	4	12.1%	6	8.1%
Not interested in the information	11	10.3%	1	3.0%	10	13.5%
Other	6	5.6%	2	6.1%	4	5.4%

## **VI. Response Rate and General Demographics**

Tables 4 – 10 provide general demographic information about the workers who responded to the study, including gender, age, marital status, education, race, and household income. As shown in Table 4, Gender, of the 178 workers who responded to the survey, 163 (91.6%) were men and 15

**Table 4: Gender**

	<b>Total N = 178</b>		<b>Participants N = 100</b>		<b>Non-participants N = 78</b>	
	<b>Frequency</b>	<b>Percent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Frequency</b>	<b>Percent</b>
Male	163	91.6%	87	87.0%	76	97.4%
Female	15	8.4%	13	13.0%	2	2.6%

(8.4%) were women. The response rate for male non-participants was 97.4%, which was higher than for the entire group (91.6%). The response rate for females who participated in the workshops was higher (13.0%) than for those females who had not (2.6%).

Data provided by Southeastern Chemical Producer indicate that a total of 311 employees are located at the southeastern city site; 25 females and 286 males. As shown in Table 5, Age, workers who responded to the questionnaire ranged from 23 years to 67 years of age. The median age for the non-participants was lower, 37 years, than the median age of 45 for those who did participate in the financial education workshops. This suggests that older workers were more interested than younger workers in participating in the workplace financial education provided by The EDSA Group©.

Table 6, Marital Status, shows that most respondents were married (75.7%), while 7.9% were remarried and 2.8% had a significant other, such as a spouse or partner. These numbers total 153 (86.4%). The remaining workers (13.6%) were single. Responses by workshop participants and non-participants were statistically different. A higher percentage (79.8%) of the workshop participants was married than were the non-participants (70.5%). This suggests that the married workers were more interested than unmarried workers in participating in the workplace financial education provided by The EDSA Group©.

**Table 5: Age**

	<b>Total N = 173</b>	<b>Participants N = 95</b>	<b>Non-participants N = 78</b>
Age range	23-67	24-67	23-66
Median	43	45	37

**Table 6: Marital Status**

	<b>Total N = 177</b>		<b>Participants N = 99</b>		<b>Non-participants N = 78</b>	
	<b>Frequency</b>	<b>Percent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Frequency</b>	<b>Percent</b>
Never married	10	5.6%	8	8.1%	2	2.6%
Significant other	5	2.8%	1	1.0%	4	5.1%
Married	134	75.7%	79	79.8%	55	70.5%
Separated	2	1.1%	2	1.1%	2	2.6%
Divorced	11	6.2%	7	7.1%	4	5.1%
Remarried (after divorce)	14	7.9%	4	4.0%	10	12.8%
Widowed	1	.6%	1	.6%	1	1.3%

As shown in Table 7, Education, the levels of education of the workers ranged from attending some high school to receiving graduate degrees. About one quarter (26.4% [combining categories]) have a high school diploma or less, and three-quarters (74.6% [combining categories]) have education beyond the high school diploma. College graduates, the largest group of respondents, made up 29.8%, while another 28.7% had some college experience. The educational levels of participants and non-participants in workplace financial education were not different.

Table 8, Race, shows that the workers were primarily White (91.0%), with Blacks, Native Americans, and other minority groups comprising the remaining 9.0%. No ethnicity differences were apparent between those who participated and those who did not participate in workplace financial education.

Table 9, Household Income, shows that the income reported by the workers ranged from less than \$20,000 to more than \$70,000. Combining categories shows that 86.6% reported an income of \$50,000 or greater; 47.8% report an income over \$70,000. Those who participated in the workshops and those who did not had similar incomes.

**Table 7: Education**

	<b>Total N = 178</b>		<b>Participants N = 100</b>		<b>Non-participants N = 78</b>	
	<b>Frequency</b>	<b>Percent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Frequency</b>	<b>Percent</b>
Some High School	1	.6%	1	1.0%	0	0.0%
High School Degree	46	25.8%	23	23.0%	23	29.5%
Trade/Vocation	13	7.3%	6	6.0%	7	9.0%
Associate Degree	10	5.6%	6	6.0%	4	5.1%
Some College	51	28.7%	28	28.0%	23	29.5%
4-Yr. College Degree	53	29.8%	35	35.0%	18	23.1%
Graduate Degree	4	2.2%	1	1.0%	3	3.8%

**Table 8: Race**

	<b>Total N = 177</b>		<b>Participants N = 99</b>		<b>Non-participants N = 78</b>	
	<b>Frequency</b>	<b>Percent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Frequency</b>	<b>Percent</b>
Black	14	7.9%	4	4.0%	10	12.8%
Native American	1	.6%	1	1.0%	0	0.0%
White	161	91.0%	93	93.9%	68	87.2%
Other	1	.6%	1	1.0%	0	0.0%

Table 10, Household Size, shows that household size of the workers ranged from one to seven persons. About ten percent live alone and another 27.5% live in a two-person household. Combining categories, 48.9% lived in a three- or four-person household. The remaining 13.5% (combining categories) lived in a household with five or more members. The size of household was similar for both participant and non-participant groups.

**Table 9: Household Income**

	Total N = 177		Participants N = 99		Non-participants N = 78	
	Frequency	Percent	Frequency	Percent	Frequency	Percent
\$20,000 or less	1	.6%	1	1.0%	0	0.0%
\$20,001-\$30,000	2	1.1%	0	0.0%	2	2.6%
\$30,001-\$40,000	10	5.6%	5	5.1%	5	6.4%
\$40,001-\$50,000	10	5.6%	6	6.1%	4	5.1%
\$50,001-\$60,000	36	20.3%	15	15.2%	21	26.9%
\$60,001-\$70,000	33	18.5%	20	20.2%	13	16.7%
Over \$70,000	85	47.8%	52	52.5%	33	42.3%

**Table 10: Household Size**

Number of Persons:	Total N = 178		Participants N = 100		Non-participants N = 78	
	Frequency	Percent	Frequency	Percent	Frequency	Percent
1	18	10.1%	13	13.0%	5	6.4%
2	40	27.5%	28	28.0%	21	26.9%
3	42	23.6%	25	25.0%	17	21.8%
4	45	25.3%	21	21.0%	24	30.8%
5	19	10.7%	11	11.0%	8	10.3%
6	3	1.7%	1	1.0%	2	2.6%
7	2	1.1%	1	1.0%	1	1.3%

## VII. Demographics Associated with Retirement and 401(k) Plans

Tables 11–15 provide an overview of demographic information about the workers who responded to the study. These included number of years at Southeastern Chemical Producer, contributions to 401(k) retirement plan, income contributions to 401(k) plan, contributing or not contributing the maximum amount to 401(k) plan, reasons for not participating in 401(k) plan, and number of years to planned retirement.

Table 11, Number of Years Employed at Southeastern Chemical Producer, shows the number of years that workers had been employed at Southeastern Chemical Producer. Of all respondents, 49.7% had been employed at Southeastern Chemical Producer for 19 or more years. Responses by workshop participants and non-participants differed, and the differences were statistically significant. The average number of years employed for the workshop participants was “19 or more years,” while the average number of years employed for the non-participants was “9-10 years.” Workers who had been employed at the company for ten or fewer years were less likely to participate in the financial education workshops. The longer the person had been employed at the company, the more likely that he or she participated in the financial education workshops. This may be because older employees who have worked longer better see the need for financial education than younger workers.

**Table 11: Number of Years Employed at Southeastern Chemical Producer**

Number of Years:	Total N = 177		Participants N = 100		Non-participants N = 77	
	Frequency	Percent	Frequency	Percent	Frequency	Percent
Less than 1	7	4.0%	2	1.1%	5	2.8%
1-2	17	9.6%	7	4.0%	10	5.6%
3-4	12	6.8%	4	2.3%	8	4.5%
5-6	13	7.3%	8	4.5%	5	2.8%
7-8	8	4.5%	2	1.1%	6	3.4%
9-10	9	5.1%	1	.6%	8	4.5%
11-12	5	2.8%	4	2.3%	1	.6%
13-14	6	3.4%	4	2.3%	2	1.1%
15-16	4	2.3%	3	1.7%	1	.6%
17-18	8	4.5%	6	3.4%	2	1.1%
19 or more	88	49.7%	59	33.3%	29	16.4%

Workers were asked to indicate the number of years that they had been contributing to the 401(k) plan. Results are not shown in tabular form. Over 91% of the workers who responded to the survey were contributing to the 401(k) plan. Only 17 workers were not participating in the 401(k) plan. Responses by workshop participants and non-participants differed, and the differences were statistically significant. Five of the workers who were not contributing to the retirement plan also participated in the financial education workshops while 12 who were not contributing were non-participants. Furthermore, the number of years workers contributed to a 401(k) plan was correlated with the number of years worked at Southeastern Chemical Producer. This correlation was statistically significant. Those with more years of service had a higher rate of participation in the 401(k) plan.

As shown in Table 12, Income Contributions to 401(k), the level of income contributions to the 401(k) plan for participants and non-participants differed, and the differences were statistically

significant. Financial education workshop participants reported greater contributions to the retirement plan than non-participants.

Table 13, Contributing or Not Contributing the Maximum Amount to 401(k) Plan, shows that the two groups significantly differed. More workshop participants (57.9%) were contributing the maximum amount allowed than non-participants (39.4%). Overall, 46.0% of the workers at Southeastern Chemical Producer reported that they were contributing the maximum amount to the 401(k) plan, and 3.7% were not sure.

Table 14, Reasons for Not Participating in 401(k) Plan, is based upon only 17 respondents, since most were contributing to the plan. The most popular reason was “I do not have enough money to participate.”

**Table 12: Income Contributions to 401(k) Plan**

Income Contributed:	Total N = 178		Participants N = 100		Non-participants N = 78	
	Frequency	Percent	Frequency	Percent	Frequency	Percent
\$0	17	9.6%	5	5.0%	12	15.4%
\$1 to \$200	33	18.5%	15	15.0%	18	23.1%
\$201 to \$400	72	40.4%	35	35.0%	37	47.4%
\$401 to \$600	32	18.0%	27	27.0%	5	6.4%
\$600 or more	18	10.1%	15	15.0%	3	3.8%
Not Sure	6	3.4%	3	3.0%	3	3.8%

**Table 13: Contributing or Not Contributing Maximum Amount to 401(k) Plan**

	Total N = 161		Participants N = 95		Non-participants N = 66	
	Frequency	Percent	Frequency	Percent	Frequency	Percent
Contributing Maximum	81	46.0%	55	57.9%	26	39.4%
Not Contributing Maximum	74	50.3%	36	37.9%	38	57.6%
Not Sure	6	3.7%	4	4.2%	2	3.0%

**Table 14: Reasons for Not Participating in 401(k) Plan**

<b>Possible Responses:</b>	<b>Total N = 17</b>	<b>Participants N = 5</b>	<b>Non- Participants N = 12</b>
I do not have enough money to participate	7	4	3
I have other saving goals (e.g., child education, house, vehicle)	5	0	5
It is hard to withdraw funds that go into the 401(k) plan	2	1	1
Other	2	0	2
I do not know enough about the 401(k) retirement plan	1	0	1
I do not know how much money to save and invest for my retirement	0	0	0
I am not convinced that I need to save and invest	0	0	0

The results in Table 15, Number of Years to Expected Retirement, were calculated by subtracting the age of the worker from the age of anticipated retirement. One hundred and twenty-two of the 178 respondents (68.6%) responded to the question, “At what age do you plan to retire?” (The 56 (31.4%) workers who did not indicate the age at which they planned to retire are not included in the table.) The responses of the two groups differed, and the differences were statistically significant. Most of the workshop participants had relatively few years until retirement (15 years or less) compared to those who did not participate in the workshops. Most of the non-participants had 16 or more years until retirement. Those who were farther away from planned retirement were less likely to participate in the financial education workshops. Individuals who were closer to the age at which they planned to retire were more likely to participate in the workshops. Half of the workshop participants (50.0%) observed that they planned to retire in 10 years or less as compared to 19.7% of the non-participants. This shows that interest in workplace financial education increases as a worker approaches retirement age.

**Table 15: Number of Years to Expected Retirement**

<b>Years to Retirement:</b>	<b>Total N = 122</b>		<b>Participants N = 66</b>		<b>Non-participants N = 56</b>	
	<b>Frequency</b>	<b>Percent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Frequency</b>	<b>Percent</b>
0 to 5	19	15.6%	17	25.8%	2	3.6%
6 to 10	25	20.5%	16	24.2%	9	16.1%
11 to 15	27	22.1%	16	24.2%	11	19.6%
16 to 20	20	16.4%	9	13.6%	11	19.6%
21 to 25	14	11.5%	4	6.1%	7	12.5%
26 to 30	11	9.0%	4	6.1%	7	12.5%
31 to 35	4	3.3%	0	0.0%	4	7.1%
35 to 40	2	1.6%	1	1.5%	1	1.8%

The participant and non-participant groups were similar in desired retirement age. Fifty-two workers (29.2%) answered “don’t know” to this question. Of the 126 that listed a retirement age, 58 (32.6%) indicated that they wanted to retire at the age of 55 years. Sixty years of age was the next most selected retirement age, with 18 workers (10.1%) giving this response. The remainder of the workers gave ages ranging from 39 to 70 years.

### VIII. Financial Wellness of Workers

Tables 16 – 18 show the financial wellness of workers at Southeastern Chemical Producer. The questions included the level of satisfaction with present financial situation, seven individual measures of how workers feel about their financial situation, and the number of financial stress events that occurred to them during the past year.

Table 16, Level of Financial Wellness, shows the responses of workshop participants and non-participants at each level of satisfaction with their present financial situation on a scale ranging from 1 to 10, where 1 was the least satisfied and 10 was the most satisfied. Overall, 118 (66.3%) workers indicated that they were in the higher range of financial wellness (6 – 10), while 59 (33.1%) indicated wellness in the lower range (1 - 5). These findings indicate a higher level of financial wellness than found for workers in other PFEE research studies.

**Table 16: Level of Financial Wellness**

Scale Value:	Total N = 177		Participants N = 100		Non-participants N = 77	
	Frequency	Percent	Frequency	Percent	Frequency	Percent
1 (Lowest)	6	3.4%	2	2.0%	4	5.2%
2	8	4.5%	3	3.0%	5	6.5%
3	12	6.8%	4	4.0%	8	10.4%
4	12	6.8%	7	7.0%	5	6.5%
5	21	11.9%	8	8.0%	13	16.9%
6	28	15.8%	15	15.0%	13	16.9%
7	39	22.0%	26	26.0%	13	16.9%
8	35	19.8%	24	24.0%	11	14.3%
9	7	4.0%	5	5.0%	2	2.6%
10 (Highest)	9	5.1%	6	6.0%	3	3.9%

The differences found between the financial wellness of the financial education workshop participants and non-participants, which were determined by dividing the scale for both groups into upper and lower halves, were statistically significant. More workshop participants (76.0% [combining categories]) had a higher level of financial wellness than did non-participants (54.6% [combining categories]). Proportionately, more non-participants reported less than average financial wellness than did financial education workshop participants. Also, more workshop participants than non-participants reported higher than average financial wellness.

Workers also were asked, “How do your finances usually work out at the end?” Results are not shown in tabular form. Nearly two-thirds (64.4%) of workers reported they usually have some money left over while only 9.0% reported they usually did not have enough to make ends meet. The remainder (26.6%) reported that they were between these two extremes. The responses for workshop participants and non-participants were similar. These findings indicate a higher level of financial wellness, as indicated by how finances usually work out at the end, than found for workers in other PFEE research studies.

Another question assessed how well workers were financially. Results are not shown in tabular form. Only 7.9% reported that they felt like they were always in financial trouble, while 59.6% reported they felt like they were doing well. The remainder (32.5%) reported that they were between these two extremes. The responses for workshop participants and non-participants were similar. These findings indicate a higher level of financial wellness than found for workers in other PFEE research studies, and these numbers are better than national figures.

Workers also were asked how many months they could live using their savings and investments excluding amounts in their 401(k) plan. Results are not shown in tabular form. More than one-quarter (20.9%) reported zero to two months and another 18.7% reported three to six months. The remaining 61.4% reported more than six months. The responses for workshop participants and non-participants were similar. These findings indicate a higher level of financial wellness, using how many months they could live using savings and investments, than found for workers in other PFEE research studies, and these findings are better than the national figures.

Table 17, Seven Individual Measures of How Workers Feel About Their Financial Situation, provides findings on seven financial wellness questions. While the majority of workers have positive perceptions on selected financial issues, a substantive number have money problems. For example, as shown in the first section of Table 17, while three-quarters (77.3%) of the workers agreed that they are “satisfied” with the amount of money they are able to save, nearly one-quarter (22.7%) disagree.

Statistically significant differences were found in satisfaction between those who participated in the financial education workshops (84.8%) and those who did not (67.5%). Participation in the workshops may have created an awareness of the need to be saving more, or individuals who were satisfied with their savings did not feel a need to participate in the workshops.

In the next section of Table 17, nearly one-quarter (23.7%) of the respondents reported they had “difficulty” living on their income. The perceptions of workshop participants and non-participants were about the same.

Table 17 also shows that 16.9% reported that they “worried about being able to pay monthly living expenses.” Differences were found between the satisfaction levels of the financial education workshop participants and non-participants, and the differences were statistically

**Table 17: Seven Measures of How Workers Feel About Their Financial Situation**

<b>Statement:</b>	<b>Total N = 178</b>		<b>Participants N = 100</b>		<b>Non-participants N = 78</b>	
	<b>Freq.</b>	<b>Percent</b>	<b>Freq.</b>	<b>Percent</b>	<b>Freq.</b>	<b>Percent</b>
I am satisfied with the amount of money that I am able to save:						
Agree	40	22.7%	15	15.2%	25	32.5%
Disagree	136	77.3%	84	84.8%	52	67.5%
I have difficulty living on my income:						
Agree	43	23.7%	21	21.0%	21	27.3%
Disagree	135	76.3%	79	79.0%	56	72.7%
I worry about being able to pay monthly living expenses:						
Agree	30	16.9%	12	12.0%	18	23.4%
Disagree	147	83.1%	88	88.0%	59	76.6%
I worry about how much money I owe:						
Agree	40	22.7%	15	15.2%	25	32.5%
Disagree	136	77.3%	84	84.8%	52	67.5%
I feel confident about saving for a comfortable retirement:						
Agree	121	68.4%	74	74.0%	47	61.0%
Disagree	56	31.6%	26	26.0%	30	39.0%
I think I will have enough income to live comfortably throughout retirement:						
Agree	122	68.9%	75	75.0%	47	61.0%
Disagree	55	31.1%	25	25.0%	30	39.0%
I am knowledgeable about consumer laws and regulations:						
Agree	49	27.7%	25	25.0%	24	31.2%
Disagree	128	72.3%	75	75.0%	53	68.8%

significant. Workers who had not participated in the financial education workshops were more likely (23.4%) than participants (12.0%) to have difficulty with living on their income.

Table 17 shows that almost one-quarter (22.7%) of the workers reported that they “worry about how much money they owed.” Differences were found between the satisfaction levels of the financial education workshop participants and non-participants, and the differences were statistically significant. Workers who had not participated in the financial education workshops were more likely (32.5%) than participants (15.2%) to agree with the statement of worrying about the amount of money they owed.

Table 17 shows that nearly one-third (31.6%) of the workers lack “confidence about saving for a comfortable retirement.” Differences were found between the satisfaction levels of the financial education workshop participants and non-participants, and the differences were statistically significant. Workers who had not participated in the financial education workshops (39.0%) were more likely than participants (26.0%) to lack confidence about saving for retirement. Seventy-four percent of those who participated in the workshops felt confident about saving for retirement in contrast to only 61.0% of those who were non-participants.

Table 17 shows that while 68.9% of workers report that they think that they will have enough income to live comfortably throughout retirement, 31.1% do not share that opinion. Differences were found between the satisfaction levels of the financial education workshop participants and non-participants, and the differences were statistically significant. Workers who had not participated in the financial education workshops (39.0%) were more likely than participants (25.0%) to believe they will not have enough money for retirement.

The lower portion of Table 17 shows that most workers (72.3%) feel they are not knowledgeable about consumer laws and regulations. Such knowledge can help people avoid consumer rip-offs and frauds and, if caught, get out of some situations that might negatively impact their personal finances. The responses of workshop participants and non-participants were about the same.

Table 18, Number of Stressful Events During the Past Year, shows the number of events that were reported by the workers that caused financial stress. Some of the 20 stressful events listed on the questionnaire were: I or someone in my family had an investment and/or business loss; got married; gave birth to a child; went to college, retired, or died; had a major unexpected financial expense; received an overdue notice from a creditor; and had a legal problem.

Of all responding workers, over one-third (36.4%) experienced no such stressful events. However, nearly two-thirds (63.6%) of the workers experienced between one and eight stressful events, and the great majority of those workers had one or two such events occur during the past year.

Differences were found between the stressful event experiences of the financial education workshop participants and non-participants, and the differences were statistically significant. Workers who had participated in the financial education workshops (41.2%) were more likely

than non-participants (30.3%) to have experienced zero financially stressful events during the past year.

Workers also were asked to rate their financial stress level. Results are not shown in tabular form. Thirty-two percent of workers reported that their stress was above average. The responses for workshop participants and non-participants were similar.

**Table 18: Number of Stress Events During the Past Year**

	<b>Total N = 173</b>		<b>Participants N = 97</b>		<b>Non-participants N = 76</b>	
	<b>Frequency</b>	<b>Percent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Frequency</b>	<b>Percent</b>
None	63	36.4%	40	41.2%	23	30.3%
1	48	27.7%	24	24.7%	24	31.6%
2	30	17.3%	15	15.5%	15	19.7%
3	14	8.1%	9	9.3%	5	6.6%
4	10	5.8%	5	5.2%	5	6.6%
5	3	1.7%	2	2.1%	1	1.3%
6	1	.6%	1	1.0%	0	0.0%
7	3	1.7%	1	1.0%	2	2.6%
8	1	.6%	0	0.0%	1	1.3%

Not surprisingly, financial wellness variable was correlated with numerous other key factors, and in the logical directions one could expect. These relationships also were statistically significant. Better financial wellness was related to: (1) contributing (versus not contributing) to the 401(k) plan, (2) greater number of years making contributions to the 401(k) plan, (3) greater amount of contribution to the 401(k) plan, (4) greater confidence about saving for a comfortable retirement, (5) belief that one will have enough income to live comfortably throughout retirement, (6) greater savings in addition to the 401(k) plan, (7) satisfaction with the amount saved, (8) greater number of months one could live using personal savings and investments (excluding pension plan), (9) not worrying about being able to pay monthly living expenses, (10) not worrying about how much money one owes, (11) not feeling stress about financial matters, (12) having low consumer debts, (13) paying credit cards debts in full each month, (14) never having to use a credit card because one did not have money in the bank or cash available, and (15) not worrying about being able to pay monthly living expenses.

## **IX. Evaluation of Workplace Financial Education Workshops**

Workshop participants were asked to evaluate the financial education workshops. Both workshop participants and non-participants were asked about their interest in attending, if offered, any additional financial education workshops in the future

It is clear from the findings in Tables 19 and 20 that the financial education provider, The EDSA Group<sup>®</sup>, is highly appreciated by the workers at Southeastern Chemical Producer who participated in the workshops. The workshop participants gave The EDSA Group<sup>®</sup> outstanding evaluation scores in the two key areas of provision of appropriate information and satisfaction with the workshop.

Table 19 shows that 91% (combining categories) of the workers either agree or strongly agreed that the “financial education workshops gave them the information that they wanted.” Thirty-three strongly agreed. As shown in Table 20, 92% (combining categories) of those who participated in the financial education workshops agreed that they were “very satisfied with the financial education provided.”

**Table 19: “The financial education workshops gave me the information I wanted.”**

	<b>Frequency N = 100</b>	<b>Percent</b>
Strongly Agree	33	33%
Tend to Agree	58	58%
Tend to disagree	5	5%
Strongly Disagree	3	3%
Not Applicable	1	1%

**Table 20: “I was very satisfied with the financial education.”**

	<b>Frequency N = 100</b>	<b>Percent</b>
Strongly Agree	33	33.0%
Tend to Agree	59	59.0%
Tend to disagree	4	4.0%
Strongly Disagree	4	4.0%
Not Applicable	0	0.0%

Table 21 shows the names of additional financial education workshops that, if available in the future, both previous workshop participants and non-participants would attend. The table also shows the numbers of workers who would be interested in each type of workshop. Additional financial education workshops were requested by 80.3% (143) of the workers. The eight most frequently desired additional workshops were, in descending order, retirement planning, investing, understanding benefits, Roth IRAs, tax planning, estate planning, budgeting, and college planning.

**Table 21: Financial Education Workshops Requested by Both Workshop Participants and Non-participants**

<b>Workshops:</b>	<b>Number of Requests N = 143</b>	<b>Participants N = 88</b>	<b>Non-Participants N = 55</b>
Retirement planning	87	40	29
Investing	80	51	29
Understanding benefits	70	44	26
Roth IRA's	69	47	22
Tax planning	57	44	13
Estate planning	53	44	9
Budgeting	38	18	20
College planning	33	13	20
Educational IRA's	29	15	14
Consumer protection laws	29	19	10
Buying insurance	28	17	11
Getting out of debt	18	6	12
Buying a home	17	8	9
Managing credit	12	7	5
Other	3	2	1

## **X. Impact of Workshops on Workers' Personal Financial Behaviors**

A number of questions were asked about the impact of the financial education workshops on the workers. It is useful to know if and how the workshops affected the financial lives and behaviors. Tables 22 - 28 show data on the 100 workers who participated in the workshops and attribute changes to that participation. Overall, The EDSA Group<sup>®</sup> received high marks from workshop participants.

Table 22 shows that three-quarters (74.8 [combining categories]) of the workshop participants report that “they have made better financial decisions since attending the workshops.”

**Table 22: “Since the financial education, I have made better financial decisions.”**

	<b>Frequency N = 99</b>	<b>Percent</b>
Strongly Agree	18	18.2%
Tend to Agree	56	56.6%
Tend to disagree	15	15.2%
Strongly Disagree	3	3.0%
Not Applicable	7	7.1%

Table 23 shows that one-quarter (24.0%) of the workers agreed that they started contributing to the 401(k) plan at Southeastern Chemical Producer as a result of the financial education workshops. Another one-quarter (25.0%) disagreed. Forty-one percent reported that the question was not applicable. It may be due to the fact that many of these two groups of workers began participating in the 401(k) plan before the commencement of The EDSA Group<sup>®</sup> financial education workshops.

Table 24 shows that nearly half (45.0%) of the workers increased the amount of their contribution to their 401(k) account “because of the financial education.” Thirty-five percent found this question not applicable as it was phrased. The high proportion of inapplicability may be because many of those workers were already contributing the maximum amount to the 401(k) plan.

Table 25 shows that 75.0% (combining categories) of the workshop participants now “feel more confident when making investment decisions” as a result of the workplace financial education, and 5% thought the question was not applicable to their situation.

**Table 23: “Due to the financial education, I started contributing to the Southeastern Chemical Producer 401(k) retirement plan.”**

	<b>Frequency N = 100</b>	<b>Percent</b>
Strongly Agree	15	15.0%
Tend to Agree	19	19.0%
Tend to disagree	14	14.0%
Strongly Disagree	11	11.0%
Not Applicable	41	41.0%

**Table 24: “Due to the financial education, I increased the amount of my retirement contribution.”**

	<b>Frequency N = 100</b>	<b>Percent</b>
Strongly Agree	21	21.0%
Tend to Agree	24	24.0%
Tend to disagree	12	12.0%
Strongly Disagree	8	8.0%
Not Applicable	35	35.0%

Table 26 shows that 56.0% (combining categories) of the workshop participants agreed that their “financial situation has improved because of the financial education.” Thirty percent disagreed, perhaps either because their financial situations had not improved or that they did not apply what they had learned in the workshops.

Table 27 shows how participants changed their investment strategy since the workshops, and in particular by appropriately “diversifying or being more aggressive” in choices. Eighty percent of the workshop participants agreed that they had changed their investment strategy and 9.0% thought the question was not applicable.

**Table 25: “Because of the financial education, I am more confident when making investment decisions.”**

	<b>Frequency N = 100</b>	<b>Percent</b>
Strongly Agree	16	16.0%
Tend to Agree	59	59.0%
Tend to disagree	17	17.0%
Strongly Disagree	3	3.0%
Not Applicable	5	5.0%

**Table 26: “My financial situation has improved because of the financial education.”**

	<b>Frequency N = 100</b>	<b>Percent</b>
Strongly Agree	16	16.0%
Tend to Agree	40	40.0%
Tend to disagree	21	21.0%
Strongly Disagree	9	9.0%
Not Applicable	14	14.0%

**Table 27: “I changed my investment strategy by diversifying or being more aggressive in my choices.”**

	<b>Frequency N = 100</b>	<b>Percent</b>
Strongly Agree	27	27.0%
Tend to Agree	43	43.0%
Tend to disagree	16	16.0%
Strongly Disagree	5	9.0%
Not Applicable	9	9.0%

Table 28 shows information on changes in contribution areas following participation in the financial education workshops. Employees who had participated were asked if they had increased or decreased their contributions to four different types of investments. In essence, had they changed their investment mix of assets? Between 64 and 97 of the 100 workshop participants responded to these questions.

Participants increased their contributions in Balanced Funds and Equity Funds, which historically provide a greater return than Fixed Income Accounts and Money Market Accounts. Increases in Equity Funds were reported by 54.6% of participants. Increases in Balance Funds were reported by 25.0% of participants. These numbers suggest that financial behaviors changed as a result of the financial education workshops. This observation is further evidenced by the fact that 43.0% of the workshop participants decreased their contributions to Fixed Income Accounts, which historically provide a lower return than Balanced Funds and Equity Funds.

**Table 28: Changes in Contribution Areas After Financial Education Workshops.**

	Increased		No Change		Decreased		Not Applicable	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Money Market Acct. N = 64	1	1.6%	25	39.1%	2	3.1%	36	56.3%
Fixed Income Account N = 86	5	5.8%	32	37.2%	37	43.0%	12	14.0%
Balanced Fund N = 80	20	25.0%	34	42.5%	9	11.3%	17	21.3%
Equity Fund N = 97	53	54.6%	37	38.1%	4	4.1%	3	3.1%

## **XI. Workers’ Personal Financial Behaviors**

Eight questions were asked about the workers’ personal financial behaviors over the past year. These are summarized in Table 29, Personal Financial Behaviors. Overall, the majority of workers (both workshop participants and non-participants) have experienced a number of positive financial behaviors. However, a substantive number have money problems.

Furthermore, those workers who participated in the financial education workshops regularly had more positive financial behaviors than non-participants. Workshop participants excelled in setting money aside for savings, setting money away for retirement, never reaching the maximum limit on a credit card, never having to cut living expenses, and never having to use a credit card because of a lack of money in the bank or cash available.

**Table 29: Workers' Personal Financial Behaviors**

	Total N = 177		Participants N = 100		Non-participants N = 77	
	Frequency	Percent	Frequency	Percent	Frequency	Percent
Set money aside for savings:						
Never	9	5.1%	5	5.0%	4	5.2%
Sometimes	39	22.0%	16	16.0%	23	29.9%
Usually	35	19.8%	19	19.0%	16	20.8%
Always	94	53.1%	60	60.0%	34	44.2%
Set money aside for retirement:						
Never	12	6.8%	5	5.0%	7	9.1%
Sometimes	12	6.8%	4	4.0%	8	10.4%
Usually	24	13.6%	9	9.0%	15	19.5%
Always	129	72.9%	82	82.0%	47	61.0%
Had a plan to reach financial goals:						
Never	21	11.9%	10	10.1%	11	14.3%
Sometimes	43	21.4%	18	18.2%	25	32.5%
Usually	57	32.4%	38	38.4%	19	24.7%
Always	55	31.3%	33	33.3%	22	28.6%
Had a weekly or monthly budget that I followed:						
Never	61	34.3%	31	31.0%	30	38.5%
Sometimes	48	27.0%	26	26.0%	22	28.2%
Usually	42	23.6%	24	24.0%	18	23.1%
Always	27	15.2%	19	19.0%	8	10.3%
Kept spending records:						
Never	53	30.1%	27	27.3%	26	33.8%
Sometimes	44	25.0%	25	25.3%	19	24.7%
Usually	33	18.8%	20	20.2%	13	16.9%
Always	46	26.1%	27	27.3%	19	24.7%
Paid credit card bills in full:						
Never	21	11.9%	11	11.1%	10	12.8%
Sometimes	41	23.2%	22	22.2%	19	24.4%
Usually	35	19.8%	19	19.2%	16	20.5%
Always	80	45.2%	47	47.5%	33	42.3%
Reached the maximum limit on a credit card:						
Never	152	85.9%	91	91.9%	61	78.2%
Sometimes	22	12.4%	7	7.1%	15	19.2%
Usually	3	1.7%	1	1.0%	2	2.6%
Always	0	0.0%	0	0.0%	0	0.0%
Had to cut living expenses:						
Never	117	66.1%	72	72.7%	45	57.7%
Sometimes	57	32.2%	25	25.3%	32	41.0%
Usually	3	1.7%	2	2.0%	1	1.3%
Always	0	0.0%	0	0.0%	0	0.0%
Had to use credit card because I did not have money in the bank or cash available:						
Never	104	58.4%	67	67.0%	37	47.4%
Sometimes	66	37.1%	31	31.0%	35	44.9%
Usually	7	3.9%	1	1.0%	6	7.7%
Always	1	.6%	1	1.0%	0	0

As shown in the upper portion of Table 29, 72.9% (combining categories) always or usually “set money aside for savings.” Another 5.1% never save and 22.0% set money aside for savings sometimes. Differences were found between the financial education workshop participants and non-participants, and the differences were statistically significant. Workers who had participated in the financial education workshops were more likely (60.0%) than non-participants (44.2%) to set money aside for savings.

Table 29 also shows that 86.5% (combining categories) of the workers always or usually “set money aside for retirement.” Differences were found between the financial education workshop participants and non-participants, and the differences were statistically significant. Workers who had participated in the financial education workshops were more likely (82.0%) than non-participants (61.0%) to set money aside for retirement.

Table 29 shows that 63.7% (combining categories) of the workers always or usually “have a plan for financial goals.” The responses for workshop participants and non-participants were similar.

Table 29 shows that 38.8% (combining categories) of the workers always or usually “had a budget that I followed.” More than one-third (34.3%) reported that they never budget. The responses for workshop participants and non-participants were similar.

Table 29 shows that 44.9% (combining categories) of the workers always or usually “kept spending records.” Nearly one-third (30.1%) reported that they never keep spending records. The responses for workshop participants and non-participants were similar.

Table 29 shows that 65.0% (combining categories) of the workers always or usually “paid credit card bills in full and avoided finance charges.” Only 11.9% reported that they never paid credit card bills in full, while another 23.2% paid their bills in full sometimes. These findings are better than the national figures that show that between 40% and 50% of credit card users regularly pay finance charges. The responses for workshop participants and non-participants were similar.

Table 29 shows that 85.9% of the workers never “reached the maximum limit on a credit card.” This finding, also, is better than the national average. Differences were found between the financial education workshop participants and non-participants, and the differences were statistically significant. Workers who had participated in the financial education workshops were more likely (91.9%) than non-participants (78.2%) to never reach the maximum limit on a credit card.

Table 29 shows that about two thirds (66.1%) of the workers never “had to cut living expenses,” however, one-third (32.2%) have had to make such cuts. Differences were found between the financial education workshop participants and non-participants, and the differences were statistically significant. Workers who had participated in the financial education workshops were more likely (72.7%) than non-participants (57.7%) to never cut living expenses.

As shown in the lower portion of Table 29, over half (58.4%) of the workers have never “had to use a credit card because they did not have the money in the bank or cash available.” Over one-

third (37.1%) sometimes have had to use a credit card in such a situation. Differences were found between the financial education workshop participants and non-participants, and the differences were statistically significant. Workers who had participated in the financial education workshops were more likely (67.0%) than non-participants (47.4%) to never had to use a credit card in such circumstances.

## XII. Health of Workers

As shown in Table 30, Health, most workers, when asked to self-report on their health as compared to other people their age, reported their health to be average or higher. One-third (33.3%) reported their health as better than others. Only 7 of the workers reported that their health was worse than average. Differences were found between the financial education workshop participants and non-participants, and the differences were statistically significant. Workers who had participated in the financial education workshops were more likely (38.0%) than non-participants (27.3%) to report their health as better than others. Furthermore, workers who did not participate in the financial education workshops were more likely (40.3%) than workshop participants (29.0%) to report their health as average.

**Table 30: Health of Workers**

	Total N = 177		Participants N = 100		Non-participants N = 77	
	Frequency	Percent	Frequency	Percent	Frequency	Percent
1 Worse than others	3	1.7%	0	0	2	3.9%
2	4	2.3%	2	2.0%	2	2.6%
3 Average	60	33.9%	29	29.0%	31	40.3%
4	51	28.8%	31	31.0%	21	26.0%
5 Better than others	59	33.3%	38	38.0%	21	27.3%

The self-reported variable measuring worker health (my health compared to other people one’s age) was correlated with the number of days absent from work, and this correlation was statistically significant. Those who reported their health as “worse than average” missed more days of work. While results on the number of days absent from work (excluding vacation and holidays) by employees at Southeastern Chemical Producer are not shown in tabular form, 142 (79.8%) of the workers missed no days of work in the last year and 24 (13.5%) missed between 1 and 3 days. Only 6 workers missed more than 10 days of work.

The health variable also was statistically correlated with workshop participation, and this correlation was statistically significant. Those who participated in the financial education workshops reported better health than the non-participants.

### **XIII. Bosses’ Performance Rating and Worker Productivity**

Questions also were asked about bosses’ performance rating and worker productivity. On a scale ranging from 1 to 10, where 1 was the least satisfied and 10 was the most satisfied, most workers reported that their “performance rating this past year from their bosses” was above average. Results are not shown in tabular form. Four percent of workers reported their performance rating as less than average, 6.9% reported it as average, and 89.1% reported that the performance rating from their boss was above average for the past year. The mode, including 44.3% of the workers, was 8 on the 10-point scale. The responses for workshop participants and non-participants were similar.

The workers’ financial wellness was correlated with the bosses’ performance rating, and this relationship was statistically significant. Workers who reported that their performance rating was high also had better financial wellness.

Workers also were asked to self-report on job productivity with the question, “Compared to a year ago, how has your work productivity changed?” Overall, as shown in Table 31, half (50.3%) of the workers reported an increase in self-reported job productivity. Nearly half (45.1%) reported no change in productivity, while less than 5% (4.6%) reported a productivity decrease compared to a year ago. The responses for workshop participants and non-participants were similar. The reasons for decreases in productivity by the 7 workers who reported such decreases were personal health (n = 4) and workplace trouble (n = 3).

**Table 31: Worker Productivity Changes Compared to a Year Ago**

	<b>Total N = 173</b>		<b>Participants N = 100</b>		<b>Non-participants N = 73</b>	
	<b>Frequency</b>	<b>Percent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Frequency</b>	<b>Percent</b>
Increased productivity	87	50.3	47	47.0	40	54.8
No change	78	45.1	48	48.0	30	41.1
Decreased productivity	8	4.6	5	5.0	3	4.1

### **XIV. Conclusions and Recommendations**

Based upon this research, it is our conclusion that Southeastern Chemical Producer has an exemplary financial education program that has made enormous contributions to the financial wellness of workers who have participated in The EDSA Group’s<sup>®</sup> workshops. Most of the workers report that since their participation in the financial education workshops, they make better financial decisions, have increased confidence when making investment decisions, changed their investment strategy by appropriately diversifying or being more aggressive in their investment choices, and have an improved financial situation. Most workshop participants took positive actions to improve their financial wellbeing. Indications are that most workers at Southeastern Chemical Producer are experiencing good financial wellness and are making good progress toward a financially secure retirement.

Because some workers are experiencing money problems, we suggest that Southeastern Chemical Producer offer workplace financial education on the topics of credit management, budgeting and consumer protection laws. Since other research has demonstrated that lower job productivity is associated with worker's money problems (Joo & Garman, 1998), Southeastern Chemical Producer may find that as the financial wellness of these workers increases productivity might rise as well.

To increase participation at future workplace financial education workshops, Southeastern Chemical Producer might consider offering the programs on company time and/or making attendance mandatory.

Finally, it is our recommendation that Southeastern Chemical Producer continue the positive relationship with The EDSA Group<sup>®</sup> as its provider of workplace financial education.

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