

Why GAO Convened This Forum

Americans today confront an array of challenges in their efforts to achieve and maintain financial security. Financial literacy—the ability to use knowledge and skills to manage financial resources effectively—has thus become increasingly important. Experts have identified the workplace as a potentially effective venue for providing financial education and helping individuals improve their financial decision making.

On March 17, 2015, GAO convened a select group of leaders and experts for a forum focusing on financial education in the workplace. The participants discussed

- the role of the employer in promoting financial literacy,
- the effectiveness of such efforts,
- how best to serve low-income and other underserved populations, and
- the federal government's role in supporting these efforts.

Participants, selected to represent a range of experience and viewpoints, included experts from the private sector, federal government agencies, nongovernmental organizations, and academic institutions. Participants reviewed a draft of this summary, and their comments were incorporated as appropriate. Comments expressed during the proceedings do not necessarily represent the views of all participants, the organizations with which they are affiliated, or GAO.

View [GAO-15-639SP](#). For more information, contact Daniel Garcia-Diaz at (202) 512-8678 or garciadiazd@gao.gov.

HIGHLIGHTS OF A FORUM

Financial Literacy: The Role of the Workplace

What Participants Said

Participants highlighted the following themes during the forum:

- **Employers are well-suited to play a role in promoting financial literacy.** Participants noted that employers already provide information on employee benefits, have key information about employees' lives, and are generally trusted to provide sound financial information and advice.
- **Workplace financial wellness programs should be comprehensive.** These programs should expand beyond the current emphasis on retirement planning and benefits, participants said, to include education on such areas as everyday budgeting and money management, building an emergency savings fund, and understanding the financial impacts of health care.
- **Effective practices can include automatic enrollment in retirement plans, financial health checks, and personalization.** Automatically enrolling new employees into defined contribution plans increases retirement savings, although it may not be appropriate for some workers who have other pressing resource needs. Some participants said that such behavioral approaches should complement, rather than replace, traditional financial education. Other strategies participants cited included providing unbiased information, individualizing education based on employees' unique circumstances, and offering personal financial coaching.
- **Employers should address the needs of traditionally underserved workplace populations.** Participants noted the importance of effectively reaching all employees, including shift workers, contingent workers, low-income employees, and those with different cultural backgrounds. Strategies included tailoring the content to be relevant and understandable, delivering information through online tools and mobile devices, and leveraging partners, such as unions, churches, and community groups.
- **Additional research and evaluation are needed.** There is limited research on the effectiveness of interventions not related to retirement savings. Some participants said more randomized experiments are needed to truly assess what works, and a standard set of benchmarks for measuring effectiveness would be useful.
- **Financial education benefits employers, but demonstrating return on investment is key.** Financial education can benefit employers through increased employee productivity and improved recruiting and retention, but employers expect solid, independent evidence of these benefits to justify their investment.
- **Federal agencies should build on efforts to support workplace financial education.** Some participants said federal agencies should clarify rules for private sector employers on the financial advice they can give employees, and others wanted increased federal support for research. Other participants encouraged federal agencies to continue their efforts to educate their own employees and build partnerships with the nonprofit and private sectors.