

Q. 1 The Women’s Institute for a Secure Retirement (WISER) is an organization that had operated retirement education programs for 15 years.

Founded in 1996 with a start-up grant from the Heinz Family Philanthropies, the Women’s Institute for a Secure Retirement (WISER) is dedicated to the education and advocacy that will improve the long-term financial quality of life for women. WISER’s major objectives are to: 1) educate women age 18-80 to improve their financial decision-making; 2) provide clear up-to-date information that moderate and lower-income women can use to mitigate the risks they face with respect to retirement income security; and 3) raise awareness among policymakers and the public on these issues. As the only organization to focus exclusively on the unique financial challenges that women face, WISER supports women’s opportunities to secure adequate retirement income through research, workshops and partnerships. WISER creates a variety of consumer publications including fact sheets, booklets and a quarterly newsletter that explain in easy-to-understand language the complex issues surrounding Social Security, divorce, pay equity, pensions, savings and investments, banking, home-ownership, long-term care and disability insurance.

WISER Investor Education Programs: WISER currently has three projects devoted to investor education.

The National Education and Resource Center on Women and Retirement Planning: One of WISER’s key initiatives is the National Education and Resource Center. The Center is dedicated to helping women plan for the future and provides average women with a place to turn for basic financial education.

This initiative began as a cooperative project funded by the U.S. Administration on Aging in 1998. The program includes many partners—employers, women’s organizations and community based groups. Government agency partners have included the Department of Agriculture’s Cooperative Extension Service, the Department of Labor’s Women’s Bureau and Employee Benefits Security Administration, and the Social Security Administration. We have directly reached with our partners more than 25,000 women a year through conferences and workshops and millions through our publications published in *Good Housekeeping Magazine* and the *US Airways* in-flight magazine. Our organizational partners include the National Caucus & Center for Black Aged, Mothers’ Voices Georgia, MANA, A National Latina Organization, The National Association of Area Agencies on Aging (N4A), the General Federation of Women’s Clubs, and Business & Professional Women Foundation. Our partners have helped us to train trainers and reach tens of thousands more women. WISER also works with several insurance and financial companies who help spread our message and disseminate our material. WISER’s staff has published booklets with the Actuarial Foundation, including our most popular, *Seven Life-Defining Financial Decisions*.

The National Resource Center’s primary objectives are to:

- Streamline access to educational tools through an internet clearinghouse;
- Ensure that the material and program is flexible enough to reach women in their communities, their jobs and their places of worship;
- Encourage women to take an active role in planning for their future;
- Create and target relevant training to vulnerable groups;
- Reach the maximum number of average- and lower-income women with information; and
- Create an awareness of retirement basics, pensions and savings plans, personal savings and the Social Security program, to help motivate women to plan early by stretching and managing their resources and increasing their retirement income;

- Help older women protect their income by educating them about the types of insurance and related products that can help make their money last for a lifetime, as well as avoiding consumer fraud, financial schemes, and predatory scams; and
- Help women in crisis situations, such as caregiving for elderly parents and spouses, and with the financial issues resulting from death and divorce.

WISER's workshop, "Your Future Paycheck®," hits home with diverse audiences. It provides practical knowledge by interweaving substantive information with case histories of women who have worked and cared for their families their entire lives. Participants identify with the situational problems and remember the solutions and make retirement savings a priority. See www.wiserwomen.org/index.php?id=38&page=National_Education_and_Resource_Center_on_Women_and_Retirement_Planning for more information about this initiative.

Nurses' Investor Education Project: The Nurses' Investor Education Project is a joint three-year partnership between WISER and the Center for American Nurses, funded by a grant from the FINRA Investor Education Foundation, to identify nurses' specific financial information needs and provide them with tools to help them successfully manage and build their wealth into retirement. The Project works with 5 state nurse associations to conduct train-the-trainer and financial education workshops, and further provides no-strings-attached, straight-forward information and resources that can be easily accessed by nurses across the country. The financial education project identifies nurses' specific financial information needs and creates education modules and tools to address them. It reaches nurses where they work—in hospitals, clinics, physician's offices, or on private duty. See www.wiserwomen.org/index.php?id=37&page=Nurses%60_Investor_Education_Project for more information about this project.

West Virginia Rural Education Project: While the national financial implications of an aging population that is not prepared for retirement are staggering, in rural communities the problem is more pronounced. Since 2003, WISER has been experimenting with innovative grassroots efforts to address this issue through its Rural Retirement Project, staffed by Diane L. Browning.

In partnership with Appalachian By Design (ABD), a grassroots non-profit enterprise, we developed a retirement plan based on the Individual Development Account concept (encouraging savings via training and match programs). Eight self-employed women started self-managed retirement plans and attended financial education classes. In 2008, the project was renamed and expanded to reach self-employed childcare workers. Each quarter, if participants attend a financial planning workshop and save money by purchasing an I-Bond, their savings is matched by 50%—an effort to simulate a refundable Savers Tax Credit. The project also staffs a VITA (Volunteer Income Tax Assistance) site, since that is a time when refunds and tax credits, particularly the Earned Income Tax Credit, provide low and moderate income workers with discretionary cash that they can be encouraged to save. To bring the trial project to scale and to build ground-up support for the concept, WISER is in the planning stages of adding three additional test sites during the next year. More information about this project can be found at www.wiserwomen.org/index.php?id=39&page=West_Virginia_Rural_Retirement_Project.

Q. 2 Most Important Characteristics of Investor Education Programs:

All Americans are being asked to assume a larger share of responsibility for making complex saving and investing decisions. We are all well aware of the worrisome lack of financial literacy/capability that exists in this country. However, over the last decades, investing decisions have become more

complicated leaving many unprepared to take on the responsibilities needed to manage their assets. WISER sees confusion and uncertainty in all corners of the country where we conduct financial education workshops for women.

WISER urges workshop participants to make sure they have a basic financial plan and teaches them how to take manageable steps to retain more of their earnings. We also acknowledge the fact that many of the participants are behind the eight ball when it comes to saving for the future. We emphasize taking small steps to avoid being overwhelmed or just developing knowledge that will help in the future – after debt is under control.

The thousands of pages available on the Internet, conflicting and often poor advice from families and colleagues, and the complexity of so many financial products and services seem to create more confusion and inertia than action. The avalanche of information and the complexities involved in retirement planning especially are significant barriers to workers trying to protect themselves from economic insecurity.

What works: Showing people how to plan for the future; allowing them to feel they have a chance for success and that they are receiving tools and information that they will carry with them after attending a program. Giving them specifics for their own lives and keeping it simple and real.

We find that many participants are heartened to learn how to take basic steps and to have the overwhelming information pared down so that they can have confidence that they know enough to take action. Lecturing consumers that they are uninformed does not make them want to take an interest in this complicated area of finance. Every month it seems that there is new financial research and various quizzes telling consumers they have failed again.

Our experience shows that we need to keep consumers from becoming discouraged and overwhelmed. They need to build confidence to feel that they can meet their financial responsibilities for the future. After one particularly lively workshop session, a nurse participant informed us that she now believed that she understood enough to attend the hospital's monthly 401(k) classes. Another told us that she would attend an upcoming meeting with her elderly mother's trust attorney – rather than leaving the financial decisions up to her brother.

Aside from the overwhelming quantity of information, financial literacy is impaired by language that many people just don't get. Just think about some of the terms that are part of the financial planning lingo: we have MMA's, CD's, DB's, DC's, IRA's, annuities, low loads, no loads, 12b1 fees, vesting. To reach people—to have them hear the message and turn it into action—we need to take a step back from all the jargon and give people basic, usable information. Otherwise, we will continue to see people tune out or throw their hands in the air and walk away from the responsibility.

WISER tries to eliminate much of the financial planning jargon – and if we do use it, it's just to reveal what the terms really mean. When we talk to people whose day jobs don't involve personal finance, why should we expect them to understand statements like, "Dollar cost averaging reduces the impact of market volatility"? Instead, we use plain language to explain that regular investing improves your chances of surviving the impact of market ups and downs. Also, most average people do not consider themselves **investors** and really do not understand what that term means.

Q. 3. Most Effective Programs:

Years of conducting workshops have taught us these best practices: length of time for sessions must be two hours or less; food or snacks must be served; people want a “walk-through” of specific strategies that help them to make a plan for the future – they want tools to help them that are easy and accessible. Effective Programs include those that are delivered by trusted messengers in their communities either by nonprofits or by organizations they trust and can follow-up with in the future. This is especially true since the start of the financial crisis. Also, the idea that life is a financial journey with various decision points along the way helps people to understand the implications of not paying attention to your finances throughout your life course.

Q. 4 Evaluation of WISER programs:

We use a pre-workshop assessment and a post-workshop assessment to gauge the effectiveness and to adapt the presentations and materials and booklets to reflect the lessons learned. We also ask open-ended questions to help understand what topics are of interest. WISER uses an “outcome” evaluation that focuses on assessments in respect to changes in knowledge, attitudes and behaviors of the targeted population. Our overarching goal is to engage people in the relevance of understanding these complicated issues of future planning and to teach them how to take action by using our tools and materials and to know where to find additional help.

Q. 5 Scope of programs:

The work of the National Women’s Resource Center is national in scope. It could and should be replicated more widely throughout the country. However, funding for this program is limited and expansion of the program would require significant increases in funding and personnel.

Q. 6 Investor Behaviors:

First of all many ordinary people do not know what it means to be an “investor.” We often see the ‘deer in the headlights’ look at the beginning of our workshops. But by the end of our sessions, women walk away having learned something they can take action on. Why? Because we keep it simple and provide a foundation so that participants have something to build on. What consumers do need is to understand how the systems work and know that even the experts don’t have all the answers. There are basic rules that people need to know about their Social Security and their retirement plans. The more help they receive about their individual issues the more successful they will become at planning.

We have found that workshop participants are most interested in:

- Learning how it all fits together—a basic lifetime financial journey;
- Practical suggestions for women with children who must prepare for gaps in employment, lower wages, and fewer benefits;
- Access to employer savings plans and techniques for saving on one’s own;
- Credit problems, credit repair, and debt reduction;
- First-time home ownership programs and Individual Development Accounts;
- Types of IRAs and how they fit in to a personal savings plan;
- Types of insurance and annuities;

- Social Security as a retirement program and as a program that provides survivor benefits to children and disability benefits; and
- Predatory lending scams and identity theft.

Q. 7. WISER is a 501©(3) non-profit organization

Q. 8 Other Comments Regarding the Effectiveness of Existing Efforts:

We know the problems. We've studied them to death. We know building financial literacy yields improved financial security outcomes. We know people need many bites of the apple to understand personal financial matters; that a one-time or one-size-fits-all approach doesn't work. We know the language of personal finance is intimidating and often impenetrable, and, to borrow a phrase, we need to "keep it simple stupid."

WISER's experiences and successful interventions indicate that financial capability comes from applicable education that provides the everyday answers for preparing for retirement. All women regardless of income or race need to understand the basics of saving and investing as well as the need to make a future plan. They need to understand their longevity risk, and learn ways to mitigate it. They need to understand that decisions they make through the course of their lives will have an effect on their retirement income security. WISER's experiences with financial education outreach have borne out—people who receive better guidance for decision-making make better decisions about when to retire, how much spendable income will be needed, where the money will come from, and how to make it last.