



ASISU



FOUNDATION

# WAGEWISE

FINANCIAL LITERACY FOR THE WORKFORCE



**For me it was an eye opener about how I must spend money,** budgeting, also saving and knowing how to distinguish between needs, wants and responsibilities.

**A 2023 WORKSHOP PARTICIPANT**



## A SHORT SUMMARY OF THE WAGEWISE PROGRAMME

Saver Waya Waya WageWise is a consumer financial education programme which aims to equip employees with the necessary knowledge, tools and skills to effectively manage their finances. The programme is offered free of charge to employers.

Since the ASISA Foundation launched the programme in 2015, WageWise has trained thousands of employees across South Africa and the programme has become a tried and tested one.

## WHAT IS THE ASISA FOUNDATION?

The ASISA Foundation is a Trust and a non-profit initiative of the savings and investment industry, delivering effective and objective financial literacy and micro-enterprise development programmes to South Africa's most vulnerable groups. It is a registered non-profit organisation (NPO) and a public benefit organisation (PBO). WageWise is one of the financial literacy programmes that the Foundation offers.

## WHO SHOULD ATTEND THE WAGEWISE PROGRAMME?

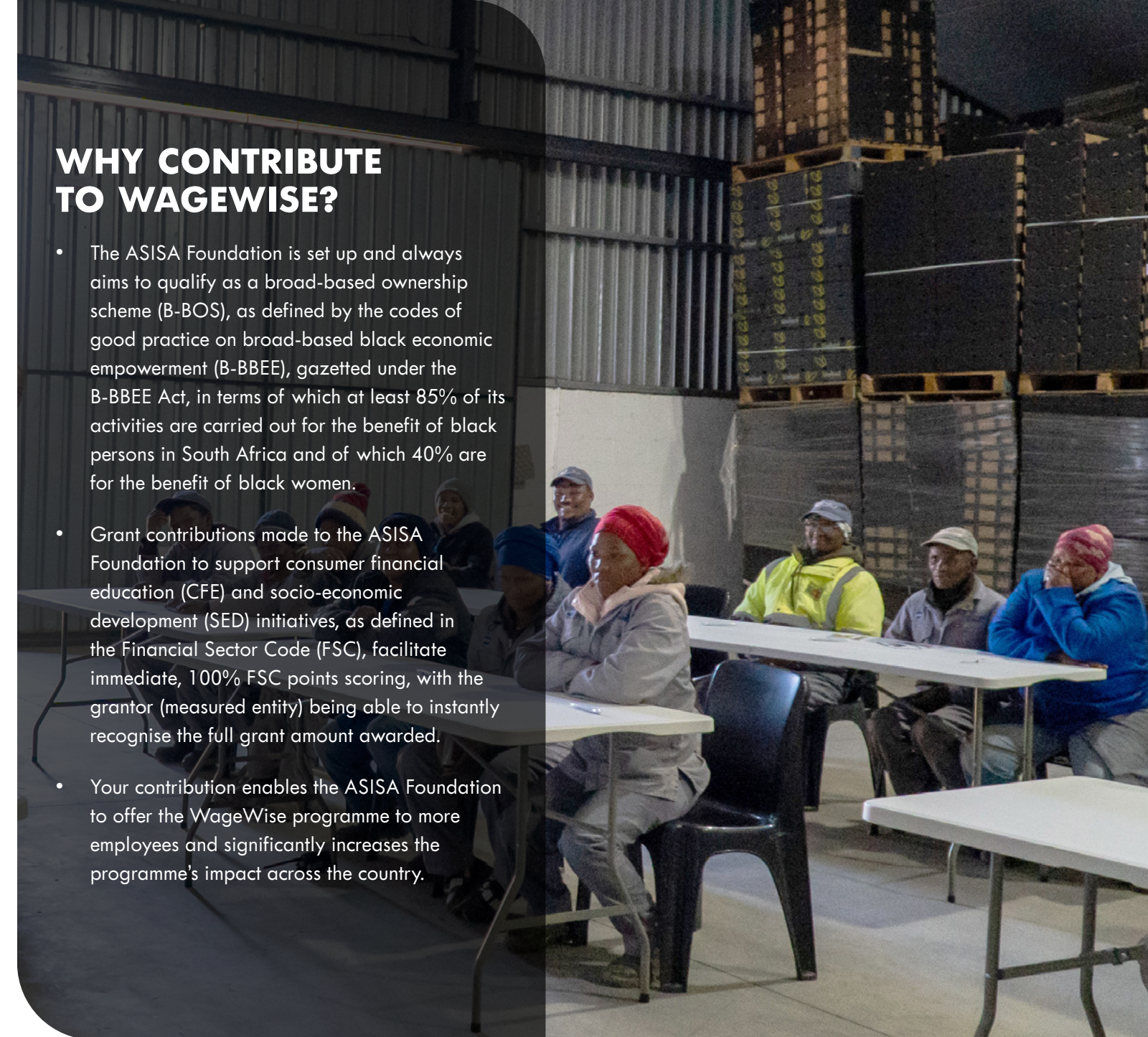
WageWise targets South African employees whose profile aligns with the Financial Sector Code (FSC).

### The code requires that participants:

- are primarily black South African of which 40% needs to benefit Black South African women.
- have an income threshold of R340 000 p.a. (R28 500 per month).
- have a 25% representation from rural areas.

## WHY CONTRIBUTE TO WAGEWISE?

- The ASISA Foundation is set up and always aims to qualify as a broad-based ownership scheme (B-BOS), as defined by the codes of good practice on broad-based black economic empowerment (B-BBEE), gazetted under the B-BBEE Act, in terms of which at least 85% of its activities are carried out for the benefit of black persons in South Africa and of which 40% are for the benefit of black women.
- Grant contributions made to the ASISA Foundation to support consumer financial education (CFE) and socio-economic development (SED) initiatives, as defined in the Financial Sector Code (FSC), facilitate immediate, 100% FSC points scoring, with the grantor (measured entity) being able to instantly recognise the full grant amount awarded.
- Your contribution enables the ASISA Foundation to offer the WageWise programme to more employees and significantly increases the programme's impact across the country.





**I feel more equipped to prepare myself financially for future endeavours.**

## WAGEWISE COLLABORATES WITH PARTNERS

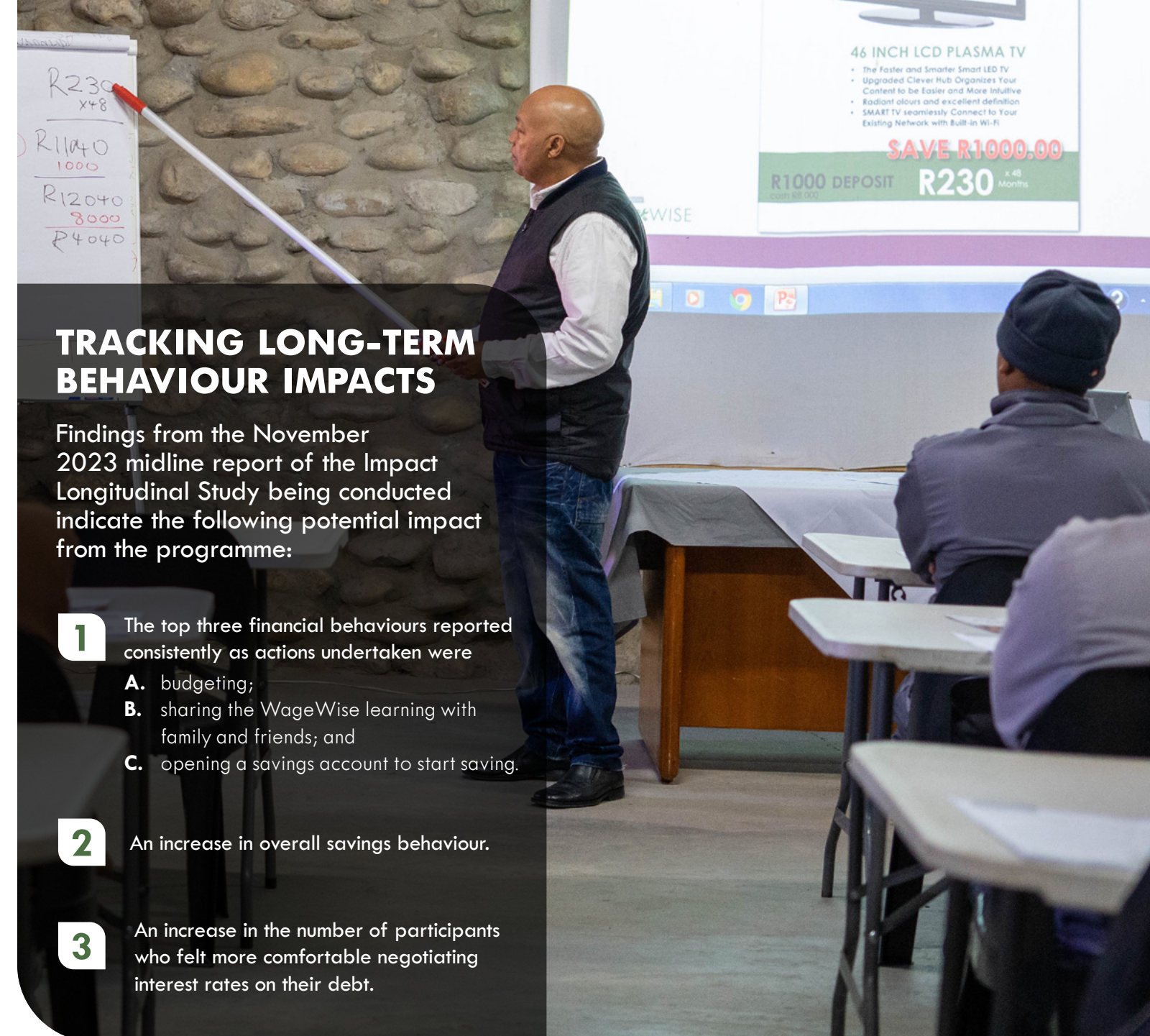
- WageWise is made possible through funding received by the ASISA Foundation, with the Sanlam Foundation being the primary funder.
- Our implementing partner is Grounded Media, which uses an interactive and story-based training methodology to ensure training is accessible to the audience. They also manage the day-to-day programme scheduling and logistics.
- Independent and objective monitoring and evaluation are executed by Genesis Analytics.

## WE MONITOR AND EVALUATE IMPACT

To determine if WageWise has a positive impact on the financial wellbeing of its participants, the ASISA Foundation has partnered with Genesis Analytics to independently assess how WageWise made a difference in employees' lives.

### Important outcomes from 2023

PRIMARY LEARNING CHANNEL		3-HOUR WORKSHOP	6-HOUR WORKSHOP
Increase in awareness and intentions to change financial behaviours (behaviour change <b>PRIOR</b> to participating in the programme)	Percentage of participants who indicated that WageWise helped them to understand how to improve their finances.	<b>98%</b>	<b>99%</b>
	Percentage of participants who indicated that "WageWise information is relevant to me".	<b>98%</b>	<b>99%</b>
Participants practise healthier financial behaviours (behaviour change <b>AFTER</b> participating in the programme)	Percentage of participants who indicated that "I have been drawing up a budget and tracking my personal income and expenses in the last month".	<b>85%</b>	<b>87%</b>
	Percentage of participants who indicated that "I have been saving up a portion of my income in the last month".	<b>81%</b>	<b>84%</b>
	Percentage of participants who indicated that "I have been actively monitoring my credit report through reliable sites and credit bureaus".	<b>95%</b>	<b>92%</b>



## TRACKING LONG-TERM BEHAVIOUR IMPACTS

Findings from the November 2023 midline report of the Impact Longitudinal Study being conducted indicate the following potential impact from the programme:

- 1** The top three financial behaviours reported consistently as actions undertaken were
  - A. budgeting;
  - B. sharing the WageWise learning with family and friends; and
  - C. opening a savings account to start saving.
- 2** An increase in overall savings behaviour.
- 3** An increase in the number of participants who felt more comfortable negotiating interest rates on their debt.



## WHY IS WAGEWISE SO IMPORTANT FOR EMPLOYEES?

- Several studies have shown that financial education programmes for employees may lead to a more engaged and effective workforce by reducing financial stress and improving employee morale and productivity.
- Within worksites, strains on employees' finances mean they often cannot pay for their children's education, save for retirement or cope with unforeseen emergencies. Workers are often financially heavily indebted.
- This financial stress impacts employees' health, productivity levels and absenteeism, which directly affect employers.
- Financial education offered by the WageWise programme builds the financial knowledge, capability and resilience of employees to change their financial behaviour in the short and long term.

## HOW WILL THE WAGEWISE PROGRAMME BENEFIT EMPLOYEES?

### The WageWise programmes aims to:

- Equip employees with knowledge, skills and tools for good financial practice, such as the importance of financial planning, debt management, savings and investments.
- Enable employees to take control of their finances and change their financial behaviour and their attitude towards money.
- Improve employees' long-term financial resilience through better financial management and improved financial inclusion.
- Ensure that employees are financially equipped with accurate and relevant information so that they have more and better opportunities to create and maintain wealth.

## IMPORTANT NEW CONTENT ADDED TO THE WAGEWISE PROGRAMME IN 2024

On 1 September 2024 the new **Two-Pot Retirement System** will be implemented in South Africa.

This marks a significant change for everyone with retirement savings. ASISA Foundation being a market leader in financial education initiatives such as the WageWise programme, and responsive to changes in legislation, is perfectly placed to empower employees with the relevant knowledge needed to navigate this new system and thus address the pressing needs of employees.

The Two-Pot Retirement System content included in the learning material of all WageWise workshops is a definite value-add for employers. It provides an opportunity to equip employees with a better understanding of the changes to retirement savings.

### The content includes:

- what the Two-Pot Retirement System is;
- why it is being implemented;
- who is exempt;
- what the implications of withdrawals are;
- what the tax implications are; and
- why it is important to preserve retirement savings despite the current high cost of living.



## THE WAGEWISE TRAINING MENU FOR 2024

### General information on workshops

In-person, interactive workshops are the primary learning channel. Feedback from participants on their learning experience from the workshops remains positive. The rapport with facilitators is a key component of the success of this channel, and the strong social aspect of the channel facilitates the flow of information to participants as it relates to questions and discussions on the content. Workshops are conducted by facilitators who are drawn from the communities, can communicate in local languages and understand the cultural dynamics of the communities where they conduct the workshops.

Critical to the success of the workshops is the ability to explain financial education concepts in an accessible manner, which requires code switching to appropriate languages. The face-to-face engagement provides human connection, which builds trust with participants on the programme. The workshops will be supplemented by auxiliary channels to reinforce content and encourage participants to apply the training. All participants receive a certificate of participation at the end of their workshop.

### SAQA unit standards

WageWise financial education content is aligned with applicable South African Qualifications Authority (SAQA) unit standards.

## WORKSHOP VERSIONS

WageWise gives employers the opportunity to select from the following versions of workshops that suit their employees best:

### 6-hour workshop

This enables getting through the full menu of content in the workshop and includes a retirement module with the new content on the Two-Pot Retirement System.

### 3-hour workshop

These workshops will continue at worksites where employers are not able to release their workers for a full day of training. The 3-hour workshops have proven success but with limited content that can be taught during the available time. This workshop excludes the retirement module.

**NEW!**

### 4-hour workshop

This is a new addition and intended for worksites who want their employees to be trained on the retirement module which will include content on the Two-Pot Retirement System, but where they cannot accommodate the full 6-hour training.

**NEW!**

### Refresher for previous 3-hour workshop participants

This is a new addition and intended for worksites that previously accommodated the 3-hour workshops, but they now want their workers to receive training on retirement and the Two-Pot Retirement System. The workshop content will include a refresher on the normal 3-hour content and the new retirement module.



## WAGEWISE TOPICS 2024

CONTENT	6-HOUR WORKSHOP	3-HOUR WORKSHOP	4-HOUR WORKSHOP	3-HOUR REFRESHER WORKSHOP
<b>BUDGETING</b> <ul style="list-style-type: none"> <li>Distinguishing needs &amp; wants</li> <li>Planning expenses against income including all sources of income</li> <li>Including savings in the budget</li> <li>Including family members in the budgeting process</li> <li>Tracking spending throughout the month</li> </ul>	✓	✓	✓	✓
<b>CREDIT &amp; DEBT</b> <ul style="list-style-type: none"> <li>Considerations before taking credit</li> <li>Understanding simple and compound interest plus monthly and annual interest</li> <li>How to handle credit repayments</li> <li>Credit profiles</li> <li>Over-indebtedness – DIY actions and debt counselling</li> </ul>	✓	✓	✓	<b>CREDIT &amp; DEBT</b> <ul style="list-style-type: none"> <li>Considerations before taking credit</li> <li>How to handle credit repayments</li> <li>Credit profiles, over-indebtedness - DIY actions and debt counselling</li> </ul>
<b>SAVINGS</b> <ul style="list-style-type: none"> <li>Importance of savings</li> <li>Saving for emergencies</li> <li>Saving for a goal</li> <li>Products for short-, medium-, and long-term savings</li> <li>Importance of consulting with a financial planner</li> </ul>	✓	✓	✓	<b>SAVINGS</b> <ul style="list-style-type: none"> <li>Importance of savings</li> <li>Saving for emergencies</li> <li>Saving for a goal</li> <li>Importance of consulting with a Financial Planner</li> </ul>
<b>THE ROLE OF A FINANCIAL PLANNER</b>	✓	✓	✓	✓
<b>RETIREMENT</b> <ul style="list-style-type: none"> <li>Various ways to save for retirement</li> <li>Preserving retirement savings when changing jobs</li> <li>Nominating beneficiaries</li> <li>The Two-Pot Retirement System - what it means, who is exempted, understand tax and other implications before withdrawing</li> <li>The importance of seeking financial advice before making withdrawals</li> </ul>	✓	✗	✓	✓
<b>INSURANCE</b> <ul style="list-style-type: none"> <li>Understanding long-term versus short-term insurance</li> <li>Understanding funeral policy versus life policy</li> </ul>	✓	✗	✗	✗
<b>WILLS</b> <ul style="list-style-type: none"> <li>The importance of a will and where to get help with drafting a will</li> </ul>	✓	✗	✗	✗
<b>RIGHTS AND RECOURSE AND THE COMPLAINT PROCESS</b>	✓	✓	✓	✗
<b>SUFFICIENT TIME WILL BE SPENT ON PROMOTING THE POST WORKSHOP CHANNELS INCLUDING:</b> <ul style="list-style-type: none"> <li>Taking time for participants to go to the Facebook page and liking it.</li> <li>Demonstrating the data-free links in the SMSes to the website.</li> <li>The WageWise website</li> </ul>				



## POST-WORKSHOP SUPPLEMENTARY CHANNELS

Post-workshop training is required, as a once-off engagement during a workshop is not sufficient to achieve content 'stickiness' with participants, and it helps to reinforce the content that was shared.

Post-workshop channels also enable the introduction of additional content not covered during a workshop.



### SMSs

A series of SMSs will be sent to participants following their workshops to act as reminders and 'nudges' and reinforce the call to action on key workshop topics shared. SMSs will also include data-free links to the WageWise website so users can access additional and richer content.

Workshop participants will be given a comprehensive manual that includes information on all financial education content presented.



### Social media

The WageWise Facebook page and the website will again be used as supplementary channels.



### Financial Planning Institute

The ASISA Foundation partners with the Financial Planning Institute of Southern Africa (FPI) to facilitate access to a financial planner for those participants who voluntarily take up this offer. The initiative allows certified financial advisers who are members of the FPI and have volunteered their time to conduct free consultations with interested workers who have attended the financial education training.

Consultations encompass a free 45-minute assessment of a worker's financial needs, which may include debt management advice. No selling of products or services may be done during these consultations. The sessions are included to assist participants with their financial wellness by identifying and addressing any financial concerns they may have or which are identified during their consultation.



## HOW DO EMPLOYERS GET INVOLVED?

When an employer partners with WageWise to empower their employees with the necessary financial knowledge and skills to improve their financial wellbeing, the following needs to happen:

### EMPLOYERS NEED TO:

- Identify suitable employees who meet the required profile to participate in the WageWise workshops.
- Advertise the workshops using internal communications platforms.
- Release their employees from business to attend the workshop.
- Provide a suitable venue at the worksite that can accommodate the participants.
- Incorporate the WageWise programme into their human resources (HR) training or induction programmes.
- Sign verification forms after the workshops to confirm the details.

### WHAT IS EXPECTED OF EMPLOYEES?

- Attend the workshop, arrive on time and stay for the duration of the workshop.
- Complete a registration intake form with their particulars and demographic information.
- Complete programme surveys or participate in telephonic or SMS/email surveys for programme evaluation and monitoring purposes.
- Complete the workshop and post-workshop modules to benefit fully from this financial education training.

## WHO TAKES CARE OF THE ORGANISATIONAL DETAILS OF THE WORKSHOPS?

- Grounded Media as the implementation partner provides an experienced facilitator who can speak the local languages.
- They provide all workshop material and stationery for participants.
- Light, pre-packed refreshments will be provided for the 3-hour and 4-hour workshops, and morning tea and lunch will be served for the 6-hour workshops.
- Grounded Media uploads participants onto the electronic database after the workshops for more content to be shared via SMS and handles all participant data with confidentiality and in accordance with the Protection of Personal Information (POPI) Act.

## ALIGNMENT TO THE UN SDGS & THE NDP

WageWise aligns and contributes to the following four core United Nations Sustainable Development Goals (SDGs) and the National Development Plan (NDP):





# CONTACT US

## WageWise

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