



投資者及理財教育委員會
Investor and Financial
Education Council

Evaluation of Health & Wealth 2 Programme for Retirees

November 2019

About the programme

Highlighting the relationship between health and finance management in retirement, the Health and Wealth (H&W) Programme was first launched in 2016 to educate retirees the money management basics. The programme was well-received and many programme participants suggested IFEC to offer an extended programme with in-depth discussion on selected topics such as investment and insurance.

Generating income via investing wisely in retirement is understandably one of the top concerns of retirees. Meanwhile, since 2018 there have been a number of new developments in insurance products such as annuities and voluntary health insurance scheme (VHIS) which prompted retirees to review their insurance needs.

Consequently, the H&W2 Programme is developed to provide more advanced financial education focusing on investment and insurance. Each of the two modules consists of two seminars which is 1.5 to 2 hours per session. Partner organisations who have organised H&W before can offer H&W2. These organisations are expected to recruit participants who had already attended H&W. Partner organisations can opt to arrange either both modules (i.e. a total of four seminars) or any one of the modules based on the needs of their participants.

About the evaluation

Five partner organisations participated in the pilot run of the programme, four of which offered both the investment and insurance modules while one only offered the insurance module*. A pre and post evaluation approach was adopted. Since the two modules are independent of each other and participants were free to sign up for just one or both of the modules, evaluation was conducted for each module.

For each module, self-administered questionnaires covering knowledge check as well as attitudes towards investment/insurance were administered before the first seminar. After completing the second seminar which is one to two weeks from the first one, participants were invited to fill in the post-intervention survey covering the same questions. Behaviour or actions taken to manage investment/insurance was not covered in the evaluation considering the short programme duration.

The following table shows the number of participants* covered in this evaluation:

INVESTMENT module	52
INSURANCE module	64

*The following organisations (and respective POST seminar dates) are included:

Investment: Shue Yan Elder Academy (19 Jul), ELCHK Essence Hub (24 Jul), SJS HUBBA Lab (12 Aug).

Insurance: Shue Yan Elder Academy (5 Jul), ELCHK Essence Hub (21 Aug), SJS HUBBA Lab (26 Aug), YWCA Y Evergreen (18 Sept)

Highlights of evaluation findings

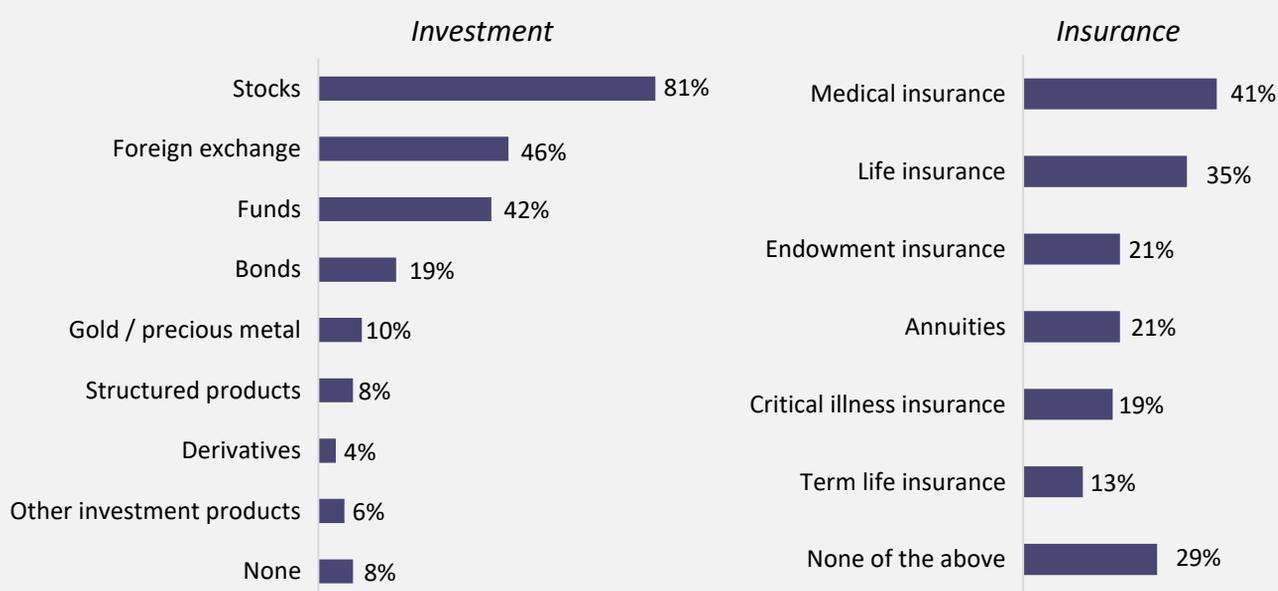
Overall both the investment and insurance modules were well-received with respectable knowledge gain and attitude shift.

Investment module

Participants of the investment module mostly had investment experience. As much as 81% of them had invested in stocks in the past year, followed by forex and funds at around 40% penetration. Yet, a pre-workshop survey showed that participants on average just managed to answer half of the five knowledge check questions about investment correctly. In particular, just 40% were aware that investors can sell their nil paid rights when listed companies they invested in conduct a rights issue, and only 27% knew the basics of the dividend policy of Real Estate Investment Funds (REITs). The proportion of correct answers increased significantly to well over 70% for four of the knowledge check questions in the post-workshop survey, indicating good knowledge gain (for the remaining question about bonds, majority were able to answer it correctly in the pre-workshop survey).

Attitude shift was less pronounced, mostly because in the pre-workshop survey majority of participants claimed they had adopted certain prudent measures when investing. Still, the post-workshop survey showed that significantly more participants realized the importance of checking multiple information sources before making an investment decision (86% to 98%). Also, much more participants realized minority shareholders could have the power to influence corporate actions such as privatisation (52% to 84%).

About the participants - investment/insurance products owned/purchased in the past year



Insurance module

71% of participants held at least one type of life or medical insurance in the past year, with medical insurance being the most common at 41%. It appears that many of them had a basic understanding of insurance products – all five knowledge check questions saw at least 50% of correct answers in the pre-workshop survey. Knowledge gain was less substantial compared with the investment module, but two areas (about annuities and bonus/dividends of life insurance) saw significant improvement.

There was noticeable attitude shift among the participants after attending the workshops, with significantly more participants recognising:

- The significance of checking insurance company's historical non-guaranteed dividend fulfilment ratio when purchasing annuities (58% to 78%).
- When selecting VHIS schemes, price shouldn't be the most important consideration factor (47% to 71%).
- The internal rate of return (IRR) of annuities shouldn't be used to compare against the return rate of other investment products (20% to 35%).

Yet, regarding IRR, apparently over half of the participants remained unconvinced. It may reflect many participants had a deep-rooted misconception of annuities and tend to see it as another investment product providing return, instead of a tool to counter longevity risk. Given annuities is a relatively new product in Hong Kong and are more targeted at the seniors, more effort could be placed in educating retirees about the product features of annuities.

Satisfaction level and the way forward

Both modules saw very high satisfaction ratings and heaps of appreciation. Many participants feedback that they learnt a lot about investment and insurance products from the programme. Meanwhile, some participants felt the programme was a bit too rushed and they suggested to extend the programme with more sessions so that there could be more in-depth coverage of different products.

Instead of increasing the number of sessions in the programme which involves considerations of resources as well as logistics on the part of programme partners, it maybe worth considering a blended-learning approach: provide the participants with access to learning resources which could include both printed and online materials. These resources can help participants review what they have learnt at the workshops as well as seek more details about the features of different types of products. In this way, participants can enjoy the benefits of face-to-face interaction at the workshops and at the same time be encouraged to conduct independent learning.

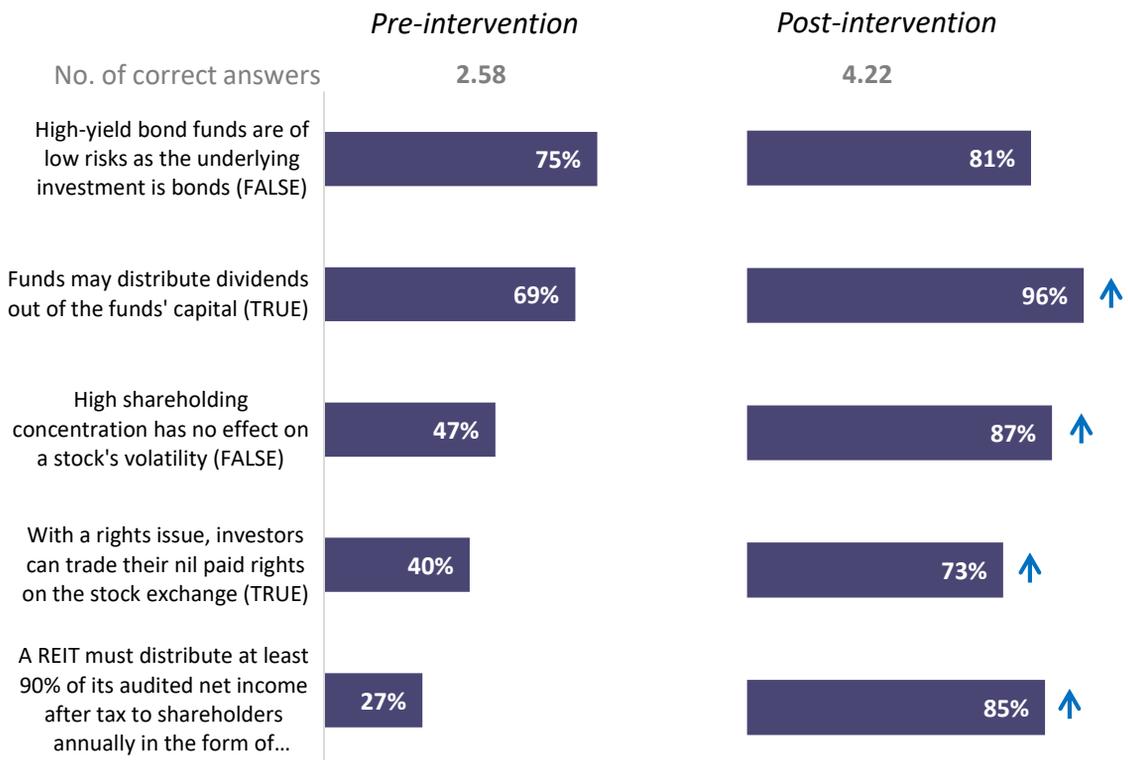
Further, despite the encouraging knowledge gain and attitude shift for both modules, more attention would be paid to the relatively weak areas as identified by the pre-post comparison (e.g. understanding of various insurance products) so as to strengthen the delivery.

INVESTMENT MODULE

Pre- & post-programme comparison

Knowledge gain

Five true or false statements, with “not sure” as one of the answer options, were used to check participants’ investment knowledge (covering stocks, funds, REITs). As shown in the following chart, there was significant increase in the proportion of correct answers in the post-workshop survey for four out of the five questions. Improvement is particularly significant in regards to high shareholding concentration, rights issue and dividend policy of REITs.



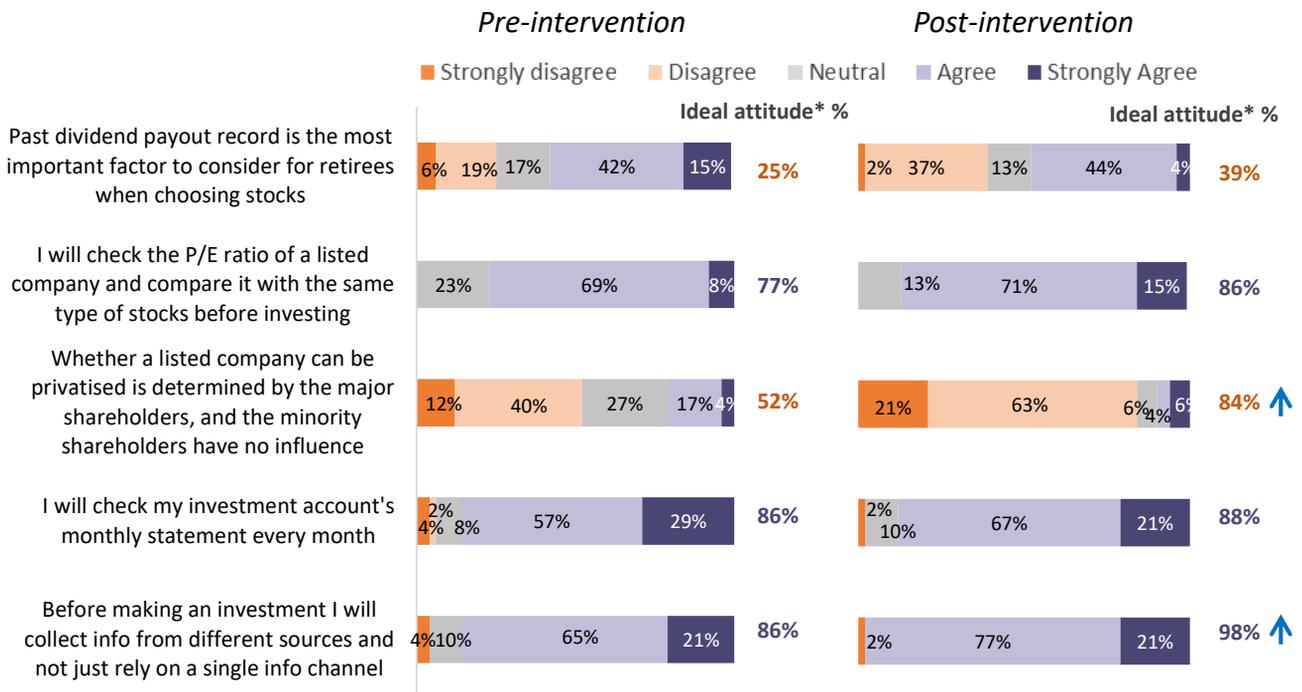
↑ denotes significant difference at 90% confidence interval

Attitude shift

Programme participants were asked to rate their agreement level on five attitude statements about investment on a five-point scale. Two of five statements are misconceptions and an increase in the bottom two boxes (strongly disagree plus disagree) indicates ideal attitude shift.

Pre-workshop survey showed that majority of the participants claimed they would check the price to earnings ratio (P/E) of listed companies when investing in stocks, and that they sought information from different sources and checked their investment

account statements every month. But only about half recognised that minority shareholders can influence corporate actions like privatisation via exercising their voting rights. After the workshop, this proportion rose to 84%. Meanwhile, over half continued to look at dividend payout as the most important factor to consider when retirees invest in stocks - only 39% (from 25% before the workshop) became convinced there are other key factors to consider.



↑ denotes significant difference at 90% confidence interval

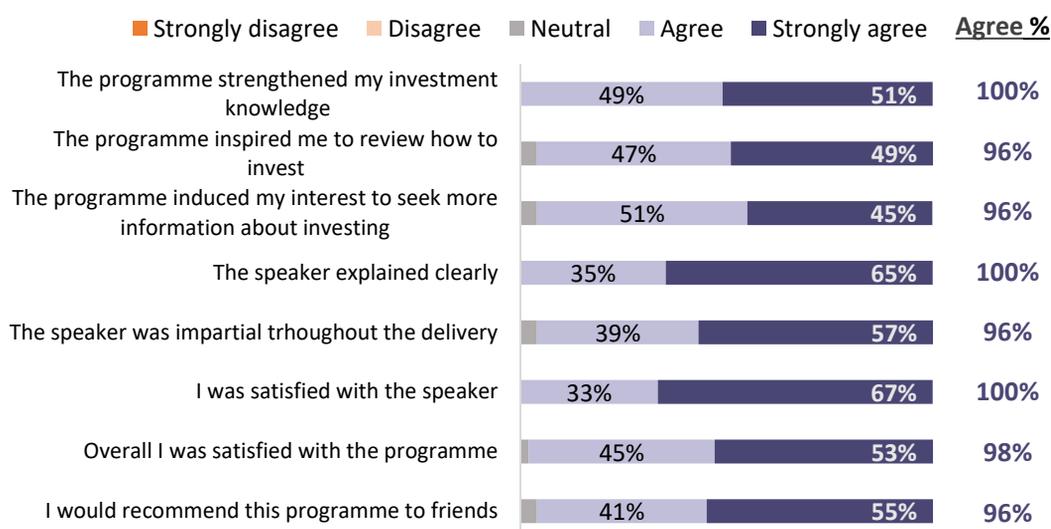
*The total of “strongly agree / agree” or “strongly disagree / disagree” which shows ideal attitude.

Satisfaction with the programme

With reference to the chart on P6, participants were highly satisfied with the programme and all agreed that the programme strengthened their investment knowledge. Participants were also encouraged to provide their comments and suggestions for improvement of the programme. Echoing the high satisfaction ratings, many appreciated the workshop for strengthening their investment knowledge, and they praised the speaker’s clear and impartial delivery.

Some participants thought two workshops were a bit too rushed and suggested to have more sessions in the programme to allow more in-depth coverage of different investment products. There is also a suggestion to use the latest data/happenings from the stock market as examples in the workshop.

Overall ratings



Qualitative feedback (verbatim)

Things appreciated

整體

- All-rounded
- 豐富資料
- 尊重長者

講師

- 講師講解清楚
- 講師很清晰
- Miss講得明白，合市道
- 簡淺易明，立場中立，夠專業

Suggestions

內容

- 關於股票投資，可選最新的股市現實版作現場講解
- 多深入研究

其他

- 部份QR Code 不清晰

內容與得著

- 增進退休投資知識
- 增進了我的投資及理財知識
- 獲得市場最新資訊的網站
- 開始認識安全投資
- 長者對投資知識認識不深，可以令長者增值
- 對買賣股票清楚很多
- 例子電影，容易明白!

時間/堂數

- 時間太少，一些課程未能深入介紹
- 加長時間
- 需要時間長些，太急
- 增加小休時間
- 多些教學時段

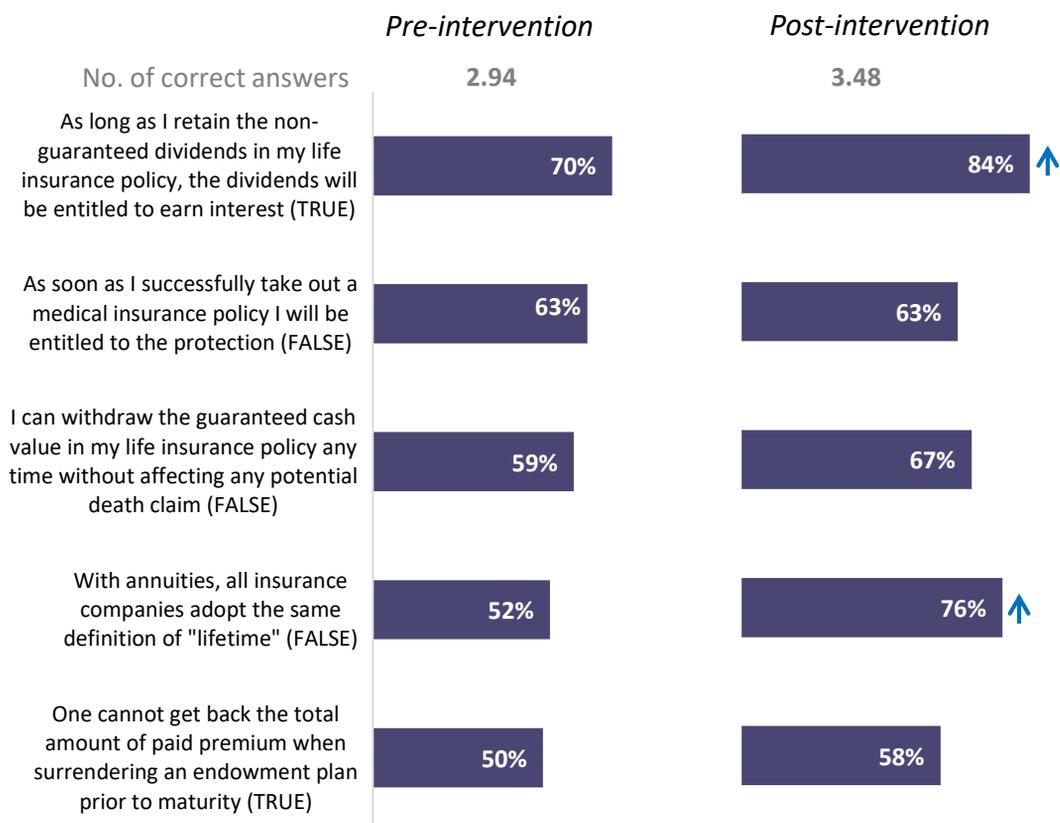
INSURANCE MODULE

Pre- & post-programme comparison

Knowledge gain

Again, five true or false statements were used to gauge participants' knowledge of insurance products such as life insurance, medical insurance and annuities (all questions included "not sure" as one of the answer options).

On average, out of five questions participants answered just short of three correctly before the workshop. After the workshop, there was significant improvement over awareness of different definitions of "lifetime" for annuities of different insurance companies, also about the bonus and dividends of life insurance policies. Yet, there was still room for improvement on some basic yet important understanding – for example, only 58% of participants (c.f. 50% before the workshop) were aware that surrendering an endowment plan prior to maturity may incur loss in the principal they could get back. Also, over one third still didn't realise medical protection doesn't come into effect immediately after purchasing a medical insurance policy.

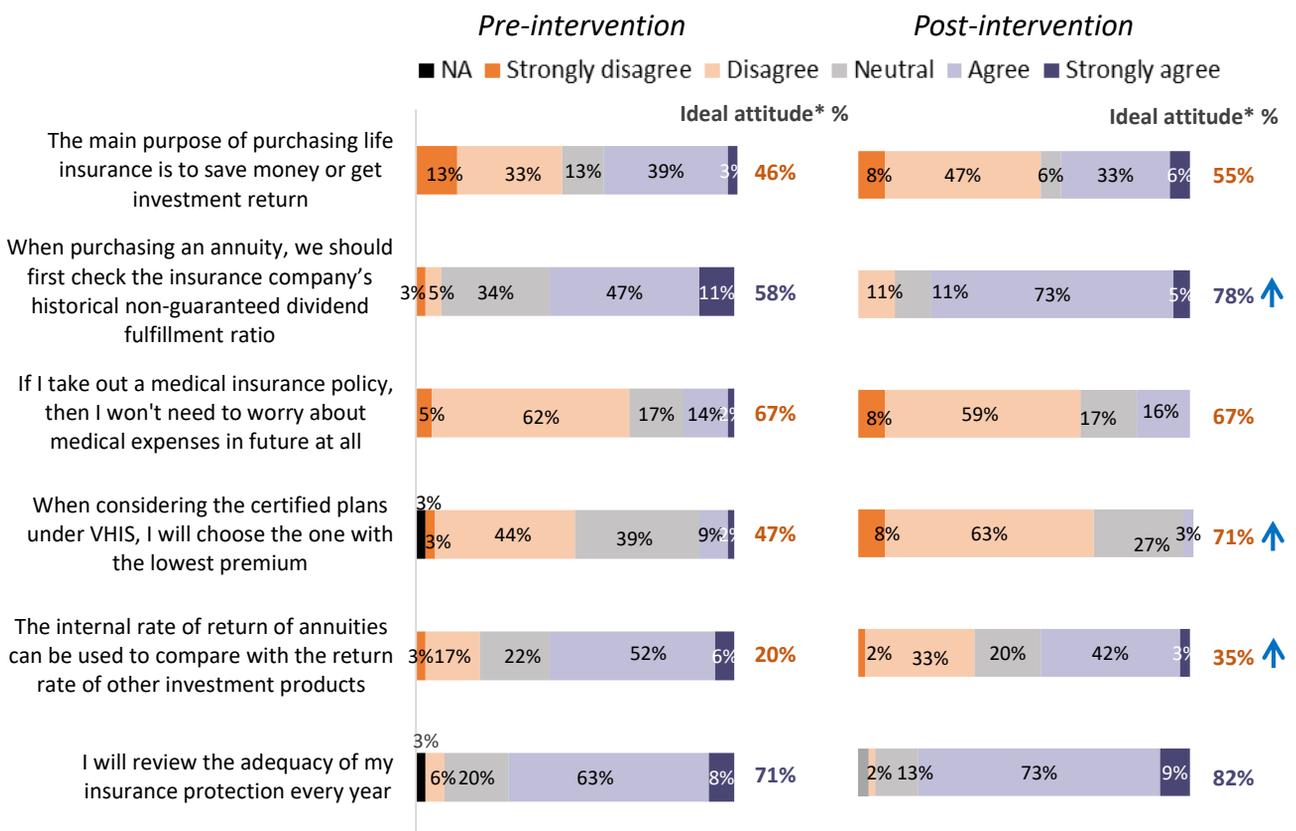


↑ denotes significant difference at 90% confidence interval

Attitude shift

Programme participants were asked to rate their agreement level on six attitude statements about insurance on a five-point scale. Four of the six statements are misconceptions and an increase in the bottom two boxes (strongly disagree plus disagree) indicates ideal attitude shift.

Before the workshop, just 20% disagreed that they could use internal rate of return (IRR) of annuities to compare with the return rate of other investment products. And less than half disagreed that price is the most important factor to consider when selecting VHIS plans. After the workshop there was significant improvement in both aspects, plus many more participants became convinced of the importance of checking insurance companies' historical fulfilment ratio when selecting annuities. Nevertheless, despite the improvement, about two thirds remained unconvinced about IRR, perhaps reflecting a lack of understanding of annuities' product features and functions considering that they are a relatively new product in the market. Considering the use of annuities of countering longevity use, more efforts should be placed on related education work.



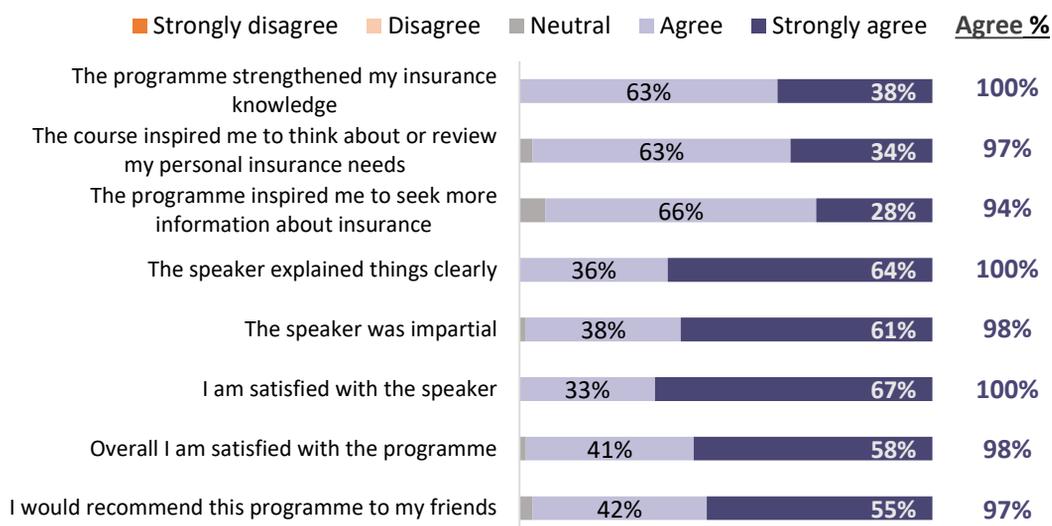
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*The total of "strongly agree / agree" or "strongly disagree / disagree" which shows ideal attitude.

Satisfaction with the programme

The insurance module is just as well-received as the investment module, with high ratings across different measures. Again, quite some participants suggested to extend the programme with more sessions for more in-depth coverage. Others suggested to have more real life cases and examples.

Overall ratings



Qualitative feedback (verbatim)

Suggestions

整體

- 希望有更多類似的中立理財講座
- 值得加大宣傳, 更多人認識切身財務利益
- 應向年青人推廣

內容

- 可增設理財退休課程
- 講多些個案
- 談及多點實際的例子
- 課程後提供諮詢方法

時間/節數

- 可以加長時間
- 時間加長, 更易去理解
- 某些項目可以再作詳細深入介紹
- 個別保險可增長時間, 更深入
- 增加多幾堂
- 可否將全部教授堂數延長多一至兩堂
- 多加數堂令學生吸收得好D和發問
- 在人壽保險, 可講一些退休人士的範圍多一點, 深一點

As to things appreciated about the programme, many participants praised the speaker's quality delivery – as one aptly described: making such a boring subject like insurance sounds interesting. They also appreciated the impartial stance of the programme which enabled them to have a more comprehensive understanding about different insurance products.

Things appreciated

整體

- Comprehensive coverage and unbiased
- 資料豐富
- 講義及講解清楚易明
- 簡單易明
- 設計恰當
- 由淺至深，容易明白
- 深入淺出，實用
- 課程好深入，學到好多野
- 令學員多一個渠道吸收知識

講師

- 講師講解清楚
- 講師講解清晰，聲音響亮
- 講師用語簡潔，非常讚賞
- 老師將保險數字咁悶的題目，可以令到我們產生興趣
- 導師表達能力高，講解清楚，對內容非常熟悉
- 講師很專業
- 講師細心回答學員問題

內容與得著

- 之前無想過，上了課程有了解
- 增廣見聞，多瞭解清楚
- 增進了我的理財知識
- 增加理財的知識，了解醫療保險及年金
- 對保險有一個更客觀的看法
- 能接收到中肯的，合乎自身需要保障，不受Sales影響
- 給參加者對過往買的保險產品更多認識
- 加深投保保險單的知識
- 理解自願醫保費用或其他
- 所有官方提供的資料都提供
- 認識投委會更多資訊
- 例子清楚
- 有多個例子個案作參考用

場地

- 地方舒適
- 課程地點、環境都很好

時間

- 時間很好
- 長短適中



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21/F, Cheung Kong Center, 2 Queen's Road Central, Hong Kong
T: +852 2700 6000 | F: +852 2297 3300